

# Debt Recovery

## Up To £100,000 Pricing Guide

We are required by the Solicitors Regulation Authority to publish the below pricing information. Please note, the below is applicable only to the stated circumstances, and unless a fixed fee is stated it is purely an indicative guide. Please contact us for an accurate fee proposal based on your particular facts and circumstances. This type of work is supervised by the Head of Department, Stephen Baker.

### A) Undefended Debt recovery

#### Hourly rates:

	£ incl VAT @20%	£ excl VAT@20%
Debt Recovery Paralegal	126.00	105.00

For details of qualifications and experience of persons carrying out the work, please [click here](#) and [here](#).

### Sending to the Debtor a Letter before Action demanding Payment

Fixed fee of £42 incl VAT@ 20% (£35.00 excl VAT @ 20%) for a letter before action (LBA) relating to undisputed unpaid invoices only. All other LBAs are charged on a time spent basis – please see Section B below.

Our fee includes:

- Taking your instructions and reviewing documentation
- Undertaking appropriate searches
- Sending a LBA

For the fixed fee to apply, we will need to be supplied with the following information/documents:

1. Full name and current address of the Debtor.
2. Copies of the outstanding invoice[s] issued to the Debtor by you or some other document that shows the Debtor owes you money, e.g. Loan Agreement.
3. If there has been partial payment of the debt, an up to date Statement showing the balance that is still due.
4. If you want to add interest for late payment under your contract terms, a copy of the terms.
5. Any emails or other correspondence where the Debtor has admitted the debt and/or given some explanation as to why it has not been paid.

The fixed fee assumes you are able to provide the above information in one package. If we have to carry out investigations because e.g. information is missing, or the identity/location of the Debtor is unclear etc that work will be charged on a time spent basis at a charge out rate of £126 per hour incl VAT@20% (£105 per hour excl VAT@20%).

If the Debtor is an individual or an unincorporated business (i.e. not a Company), we are required to give them 30 days to respond to the LBA.

**NOTE: If the Debtor is disputing the sum, we cannot deal with it under the fixed fee. We will be able to review the papers, advise and act for you in a disputed claim but all of that work will be charged on a time spent basis and we will provide you with a likely fees estimate based specifically on the individual needs of your case. – please see section B below.**



## Court claims

These costs apply where your claim is in relation to an unpaid invoice which is not disputed and enforcement action is not needed. If the other party disputes your claim at any point, we will discuss any further work required and provide you with revised advice about costs if necessary, which could be on a fixed fee (e.g. if a one off letter is required), or an hourly rate if more extensive work is needed – please see Section B below.

Debt Value	Court fee	Our fee (incl VAT@20%)	Our fee (excl VAT @20%)
Up to £300.00	£35.00	time spent basis at the hourly rate of £126 (approx. 1 -2 hours)	time spent basis at the hourly rate of £105 (approx. 1 -2 hours)
£300 - £500	£50.00	time spent basis at the hourly rate of £126 (approx. 1 -2 hours)	time spent basis at the hourly rate of £105 (approx. 1 -2 hours)
£500 - £1,000	£70.00	time spent basis at the hourly rate of £126 (approx. 1 -2 hours)	time spent basis at the hourly rate of £105 (approx. 1 -2 hours)
£1,000 - £1,500	£80.00	time spent basis at the hourly rate of £126 (approx. 1 -2 hours)	time spent basis at the hourly rate of £105 (approx. 1 -2 hours)
£1,500 - £3,000	£115.00	time spent basis at the hourly rate of £126 (approx. 1 -2 hours)	time spent basis at the hourly rate of £105 (approx. 1 -2 hours)
£3,000 - £5,000	£205.00	time spent basis at the hourly rate of £126 (approx. 1 -2 hours)	time spent basis at the hourly rate of £105 (approx. 1 -2 hours)
£5,000 - £10,000	£455.00	time spent basis at the hourly rate of £126 (approx. 1 -2 hours)	time spent basis at the hourly rate of £105 (approx. 1 -2 hours)
£10,000 and above	5% value of the claim	time spent basis at the hourly rate of £126 (approx. 1 -2 hours)	time spent basis at the hourly rate of £105 (approx. 1 -2 hours)

Anyone wishing to proceed with a claim should note that:

- The VAT element of our fee cannot be reclaimed from your debtor.
- Interest and compensation may take the debt into a higher banding, with a higher cost.
- The costs quoted above are for the drafting and serving of claim papers, within England and Wales Jurisdiction only.

Our fee includes:

- Taking your instructions and reviewing documentation (included in LBA fixed fee where LBA fixed fee is used).
- Undertaking appropriate searches (included in LBA fixed fee where LBA fixed fee is used).
- Sending a LBA (included in LBA fixed fee where LBA fixed fee is used).
- Receiving payment and sending onto you, or if the debt is not paid, drafting and issuing claim
- Where no Acknowledgment of Service or Defence is received, applying to the court to enter Judgment in default
- When Judgment in default is received, write to the other side to request payment
- If payment is not received within 1 month from the date of the Judgment, providing you with advice on next steps and likely costs.

## Timing

If we are provided with all of the required information and documentation when requested, we would typically be able to produce the Letter Before Action within 3 business days of the date you instruct us.

We are unable to provide an accurate indication of how long it can take to receive payment from the other side, and it is dependent on whether or not it is necessary to issue a claim and whether the other side pays promptly on receipt of Judgment in default. If the other party pays in accordance with requested timescales, the matter could take less than 8 weeks. If enforcement action is needed, the matter will take longer, and indicative timescales will be provided at that point.

## Starting the Court Claim

If the LBA is ignored or no payment is made we can issue the Court Claim. Our additional fees for preparing the Court papers (which you will have to sign) and lodging them with the Court will be charged on a time basis of £126 per hour incl VAT@ 20% (£105 per hour excl VAT@20%) – preparing the Court claim generally takes in the region of 2 hours for simple matters, so in the region of £252 including VAT @ 20% (£210 + VAT @ 20%) plus the court fee.

In addition, you will have to pay a Court fee at the point the papers are lodged with the Court. This is set by the Court and starts from as little as £35.00, but the fee increases on a sliding scale, depending on the amount you are claiming.

Our total fees for issuing a Court Claim in respect of an undisputed invoice through to Judgment are approximately £378 inc VAT @ 20% (£315 + VAT @ 20%), Court fees in addition.

Once we know the sum you are claiming and have calculated any applicable interest, we can confirm exactly what the Court fee will be and you will have to pay that sum to us so we can in turn pay it to the Court on your behalf.

The Courts can experience abnormal delays, making it difficult to provide timing information for their processes. Ordinarily, however, they can take up to 4 weeks to deal with the papers and send them to the Debtor. The Debtor has a further 2 weeks to respond to the Claim, from the date of issue of the claim. If they ignore the papers, we will obtain the Judgment from the Court – it can take typically up to 3-4 weeks to receive the Judgment. This will be for the sum claimed plus the Court fee and a fixed proportion of your legal costs. The Court allows you to add either £22 or £30 depending on the value of the Claim for the additional costs of applying for Judgment and we will charge you on a time spent basis for the time spent completing the request and filing it with the Court.

If the Debtor responds to the Claim by disputing part of the sum claimed and you ask us to deal with the defended part on your behalf, the work carried out will be charged on a time spent basis from £210 per hour incl VAT@20% (From £175 per hour excl VAT@20%). We will again give you a range of estimated costs at this point.

If the Defendant responds by admitting the debt but asks to pay by instalments and you ask us to deal with that on your behalf, the work carried out will be charged on a time spent basis at £126 per hour incl VAT@20% (£105 per hour excl VAT @ 20%).

## Enforcing a Judgment

If the Debtor still does not pay having received the Judgment from the Court, you will have to take steps to enforce the Judgment. The Court will not automatically do this for you. If you ask us to do this work, it will not be on a Fixed Fee basis.

We will advise you on what steps to take but any work we do in the enforcement process will be charged to you on a time spent basis at £126 - £210 per hour incl VAT@ 20% (£105 - £175 per hour excl VAT @ 20%), depending on the type of enforcement request. We will give you a range of likely estimated costs (including details of further Court fees) at this point – please see Section B below for further details.

The fixed fee work, any additional work to obtain the undefended Judgment and dealing with most of the enforcement options on your behalf will be carried out by a Debt Recovery Paralegal.

## B) Defended debts and further debt recovery costs

If once a Letter Before Action has been issued in respect of an undisputed invoice the Claim is defended and you wish us to continue to act for you, the case will be passed to a Solicitor in our [Dispute Resolution team](#) who will provide you with charging rates and a range of estimated fees at that point.

Fees and timings for defended debts, insolvency, statutory demands and winding up are all dependent on the facts and circumstances of the case.

Such cases will be passed to a Solicitor in our [Dispute Resolution team](#) and we will provide you with a range of estimated fees at that point.



Charging rates for our Dispute Resolution team are as follows:

	<b>£ incl VAT @20%</b>	<b>£ excl VAT@20%</b>
Debt Recovery Paralegal	126.00	105.00
Trainee Solicitor	210.00	175.00
Solicitor	300.00	250.00
Partner	450.00	375.00

Timescales for defended debt recovery work are highly fact dependent – we are therefore unable to provide a typical timescale as timescales will depend on many factors including the complexity of the case and current Court timescales. Defended debt claims could potentially take more than a year.

Please contact us for a fee proposal tailored to your particular facts and circumstances.