

This note sets out the likely costs involved when we deal with preparing Business Debt Recovery

Once we understand what you need from us, we will discuss with you what our likely charges will be based on our hourly rates. The fees in this section relate to debts not exceeding £100,000. If you wish to recover an amount over £100,000, we will be able to give you an accurate estimate of our fee when we meet with you.

Case Type	Our Fee
Simple Complexity	£500 - £2,000
Medium Complexity	£1,000 - £5,000
High Complexity	From £4,000
	All plus VAT

Factors to consider

It may not be possible to determine the complexity of your claim without meeting you and reviewing some initial documents. If this is required we will arrange to meet with you on a preliminary basis to discuss matters and advise you further. It is after this initial meeting where we will be able to advise on the extent of likely costs. The cost of this meeting will be in the region of £132.50 - £280.00 plus VAT depending on the fee earner instructed.

Be aware:

You should be aware that you may only be able to recover fixed costs from the other side if you are successful during court proceedings.

Recovery in Court

The fees in the table aside give an idea of the costs involved based on the complexity.

The fees charged in relation to debt recovery are based solely on the number of hours that we work on your matter. Therefore, the actual fee is subject to a certain amount of variation and subject to how complicated the claim is. They are based on the case going to Court and may be lower if the matter is settled quickly.

Disbursements

The likely fees we would pay on your behalf during a debt recovery matter would be in relation to hiring a private investigator to serve documents and court fees (subject to the amount being claimed and counsel fees if necessary).

If the matter is complex we may instruct a barrister to represent you in court and assist with the case.

Please note that the VAT charged on top of our fees cannot be reclaimed from the debtor.

The above fees also do not take into account any steps needed to enforce payment by the debtor.

Be aware:

Some costs may be recovered for higher amounts but for debts of £10,000 and below you will only be able to recover limited fixed costs.

Potentially your legal costs could be higher than the sums actually recovered.

Stages of Debt Recovery

- Obtain ID, take your first instructions and reviewing documentation.
- Carrying out appropriate searches and checks.
- Preparing and sending a letter before action, in accordance with the debt protocol.
- Receiving payment and sending it onto you, or if the debt remains unpaid, drafting and issuing a claim through the court. When the judgement is received, write to the other side to request payment.

Timescales

Initially we must comply with the timeframe laid down by the Debt Protocol which allows a debtor who is an individual a certain amount of time to respond.

If no Acknowledgement of Service or Defence is received, applying to the court to enter a judgment in default.

- If debt remains unpaid within a certain timeframe, providing you with advice on the next steps of enforcement and the likely cost.
- If acknowledgement of service is received, dealing with directions of the court and preparing documents as required. This could include witness statements, disclosure lists and costs budgets.
- If the matter continues to court, we may be required to prepare a trial bundle.

It will likely be in the region of 6 – 8 weeks from initial instructions before we can claim in court. Full court proceedings are likely to take between 3 – 6 months for more simple claims and will be significantly longer for complex cases.

THE TEAM

The team consists of a Partner and Solicitor who have a wealth of experience and have acted for numerous clients between them. They are assisted by an experienced team of legally qualified Paralegals.



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