

## DEBT RECOVERY PRICING GUIDE

### 1. BRINGING OR DEFENDING CLAIMS FOR UNPAID DEBT

- 1.1 We work with organisations to recover debts owed to them and in defending claims for unpaid debts against them. We actively seek to resolve any disputes and use court proceedings as a last resort. If proceedings are issued, we deal with the whole court process and for those organisations who obtain judgment for the debt and it remains unpaid we undertake enforcement action.

### 2. OUR FEES FOR PRE-ACTION WORK FOR A DEBT THAT IS BEING PURSUED

- 2.1 The fee ranges shown here (based on our hourly rates) are to give you an idea of our charges for providing legal services to you. You may also be required to pay for additional services and these are described later in this guide. Our range of fees are:

### 3. PRE-ACTION PROTOCOL LETTER FOR DEBT CLAIMS

Simple letter:	£150 to £250 (plus VAT currently charged at 20%)
Medium complexity letter:	£300 to £400 (plus VAT currently charged at 20%)
High complexity letter:	£500 to £550 (plus VAT currently charged at 20%)

### 4. 14 DAYS' NOTICE LETTER BEFORE ACTION

Simple letter:	£150 to £250 (plus VAT currently charged at 20%)
Medium complexity letter:	£300 to £400 (plus VAT currently charged at 20%)
High complexity letter:	£500 to £550 (plus VAT currently charged at 20%)

### 5. OUR FEES FOR TAKING COURT ACTIONS

- 5.1 These costs apply where your claim is in relation to an unpaid sum which is not disputed and enforcement action is not needed to include issuing a claim for the unpaid debt and seeking judgment in default. This does not include any pre- action work such as a letter before claim (those fees are set out above).

Simple case	£250 to £450 (plus VAT currently charged at 20%)
Medium complexity case	£500 to £550 (plus VAT currently charged at 20%)
High complexity case	£800 to £1,000 (plus VAT currently charged at 20%)

Examples of factors which may increase the complexity of your case include:

- Volume of documentation
- Number of parties connected to the debt
- Investigation into the debtor and their financial position

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. We are able to use the money claims online system, please speak to us if you would like us to use this.

## 6. COURT FEES AND DISBURSEMENTS

- 6.1 In addition to our fees you may be liable to pay disbursements, which are costs related to your matter that are payable by you to third parties.
- 6.2 Court fees (no VAT is chargeable) are published in the document EX50A, which you can access [here](#). You will find the table of potential court fees relating to debt recovery on page three. For example, the Court issue fee for claims of £10,000 - £200,000 is 5% of the value of the claim. There may be other Court fees including hearing fees.
- 6.3 Barristers fees are typically based on hourly rates between £200 and £500 (plus VAT currently charged at 20%). The need to involve a barrister will be dependent on the circumstances of each case.
- 6.4 Tracing agents to locate a debtor and any investigation into the debtor's financial position will depend on the circumstances of each case but if applicable would usually cost between £1,000 and £2,000 (plus VAT currently charged at 20%).
- 6.5 Office copy entries at the Land Registry to determine ownership of land/property are charged at £3 (no VAT is chargeable).
- 6.6 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 not for matters where enforcement action, such as the bailiff, is needed to collect your debt. This would be a separate service with associated legal costs.
- As referred to above, where the matter is complex, non-standard (e.g. involves many years' worth of correspondence about disputed charges), part admitted or defended we would move onto charging on a time basis in accordance with agreed hourly rates.

## **7. THE STAGES OF A CASE**

7.1 The fees set out above in relation to pursuing court action covers all of our work in relation to the following key steps of a debt recovery: -

1. Taking your instructions and reviewing documentation
2. Drafting and issuing the claim
3. Where no acknowledgment of service or defence is received, applying to the court to enter judgment in default
4. When judgment in default is received, write to the other side to request payment

## **8. PAYMENT OF OTHER PARTIES' COSTS**

8.1 The basic rule with respect to costs in litigation is that, if your claim succeeds, you will be entitled to recover your costs from the other side. This does depend on the value of your claim and for lower value claims costs are fixed. If your claim fails, it is likely you will have to pay the other side's costs in addition to your own. It is unlikely that a party would recover all of the costs they have incurred in the litigation and the amount is usually subject to an assessment process unless the parties agree the sum. You would still be liable for all of your costs despite how much you are able to recover if you were Successful.

## **9. HOW LONG WILL MY MATTER TAKE?**

9.1 Matters usually take 8-16 weeks from receipt of instructions from you to receipt of payment from the other side, depending on whether it is necessary to issue a claim. This is on the basis that the other side pays promptly on receipt of judgment in default. If enforcement action is needed, the matter will take longer to resolve and we offer the following services to assist:

Charging order application (to cover getting an interim charging order):	£550 (plus VAT currently charged at 20%)
Statutory demand (which leads to debtor being made bankrupt):	£450 (plus VAT currently charged at 20%)
Application for debtor to attend court for questioning:	£300 (plus VAT currently charged at 20%)
Attachment of earnings application (need money judgment first)	£400 (plus VAT currently charged at 20%)

## OUR CONTACTS FOR THIS WORK

[Helen Tucker](#) - Helen is a Partner in our Corporate Litigation Team and qualified as a solicitor in 1994.

[Ramjeet Kandola](#) – Ramjeet is a Partner in our Corporate Litigation Team and qualified as a solicitor in 2007.

[Ravinderjit Dosanjh](#) – Ravinderjit is a solicitor in our Corporate Litigation Team and qualified as a solicitor in 2023.

[Shannon Rixon](#) - Shannon is a solicitor in our Corporate Litigation Team and qualified as a solicitor in 2020.

Both Ramjeet and Helen specialise in this area of practice and you can view a summary of their experience by clicking the link on their name above.

