

Debt Recovery

We offer the following as a guide to the likely costs that we would charge in recovery of a debt on your behalf. We would follow the same general overall process regardless of the amount claimed, so long as it is a basic amount owed through non-payment of an invoice or closely similar.

We have set out below the assumptions that we have made for the example shown – but please be aware that the Court charges different fees depending on the value of the amount claimed. In the notes at the end of this article, we have provided links to the Court Service website so that you can see for yourself the amounts charged as Court fees, and costs allowed.

On a successful claim you will be entitled to recover from the debtor the Court Issue fee in full, plus fixed amounts towards your costs. In the below example the fixed costs would be £80.00 on issue and £22.00 on judgment entry. These figures include VAT.

What we charge as our costs:		
Initial Instruction Charge (incl. initial letter to debtor)	£125.00	
Drafting & issuing the Claim at Court (online)	£125.00	
Entering Judgment by default of Response (online)	<u>£25.00</u>	£275.00
What we collect from you & pay to others:		
VAT on our costs (at 20%)	£55.00	
Electronic Identity Check fees	14.40	
Court Issue fee	<u>£105.00</u>	<u>£174.40</u>
Total:		<u>£449.40</u>

The assumptions that we have made in working out the above costings are:

- That the value of the debt falls between £1,500 and £3,000
- That it is a money debt for an unpaid and undisputed invoice
- That we will issue an initial warning letter to the debtor in approved form
- That the invoicing and debtor name and address details are provided accurately
- That the claim will be lodged online (and any subsequent judgment entered likewise)
- That the debtor does not respond allowing judgement to be obtained by default

Description of Work

We would expect to carry out the following steps on your behalf:

- Receipt and review of the initial invoicing material
- Send to your debtor a letter before action requesting payment of the monies owing
- If your debtor fails to pay the amount requested by the set date, we will issue a Court Claim Form on your behalf via the online court system
- If no defence or response is received within 14 days of service of the Claim on the debtor then we will apply for Judgment.
- On confirmation of Judgment, we will then contact you to discuss enforcement options
- If we receive payment, an offer of payment on terms, or (after proceedings are issued) a Defence then we will contact you for further instructions
- We will then write to you further with amended terms of engagement to reflect the anticipated work if the matter is to become contested; or in relation to enforcement options. These will be based on the hourly rates appropriate to the work as set out at the end of this note.

Useful Other Information Sources

Court Fees: [Civil & Family Court Fees 2018](#)

Fixed Costs: [Fixed Costs 2018](#)

Applicable Hourly Rates

Partner/Solicitor with a minimum of 4 years' experience: £250.00

Paralegal: £165.00

Solicitor Apprentice: £ 95.00