

Debt recovery: Process and Fees

Key Stages

There are 2 stages for your claim, and the following associated fees:

Stage 1 - Pre-action & Issuing Proceedings - £400 - £600 plus VAT depending on complexity, the level the claim reaches and whether the debtor engages in the process. A clearer cost estimate will be given at the outset.

This stage involves:

- Taking your instructions and reviewing documentation
- Sending a letter before action
- 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 Judgement in default
- When Judgement in default is received, write to the other side to request payment
- If payment is not received within 7 days, providing you with advice on next steps and likely costs

Stage 2 - Enforcement - £150 - £300 + VAT

- Reviewing the file to ascertain best enforcement option
- Instructing High Court Enforcement Officer, if applicable
- Disbursements include a £66 transfer up fee required for the Writ/Warrant. The High Court Enforcement Officer's fees will be added to the debt and recovered as part of the enforcement process. However, an abortive fee of £75 plus VAT will be payable to the High Court Enforcement Group where a debtor does not engage or settles directly.

Fees

Please see the commercial disputes section of our website to see who will likely be handling your matter.

We work on the basis of an hourly rate as follows:

Partner - £250 - £300 + VAT per hour

Associate - £175 + VAT per hour

Solicitor - £150 + VAT per hour

We will review all potential fees with you at the outset and will also depend on how complex and how urgent the case is. We will consider a fixed fee which can be discussed at the initial meeting.

There is an Electronic ID fee of £5.00 plus VAT per person if needed.

Disbursements

Your claim will fall into one of three tracks:

- Small claims – up to £10,000
- Fast track - £10,001 - £25,000
- Multi-track - £25,001 +

The current court fees for civil court are:

Value of your claim				Court Issued Claim
Up to	£300			£35
Greater than	£300	But no more than	£500	£50
Greater than	£500	But no more than	£1,000	£70
Greater than	£1,000	But no more than	£1,500	£80
Greater than	£1,500	But no more than	£3,000	£115

Greater than	£3,000	But no more than	£5,000	£205
Greater than	£5,000	But no more than	£10,000	£455
Greater than	£10,000	But no more than	£15,000	5% of the value of claim
Greater than	£15,000	But no more than	£50,000	5% of the value of claim
Greater than	£50,000	But no more than	£100,000	5 % of the value of claim

How long will my matter take?

Matters usually take a minimum of 3 months from receipt of instructions to receipt of payment from the other side where Court proceedings are needed. The timescale will be shorter where it is not necessary to issue proceedings. If enforcement action is required, the matter will take longer to resolve. The above timescales are only an estimate and will be discussed at an initial meeting. This also assumes that the claim is uncontested.