

# Debt Recovery

## A guide to services and fees

### 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.

Debt value	Court fee	Our fee (incl. VAT)
Up to £10,000	Up to £455	Work done will be charged at an hourly rate of £260 plus VAT, but limited to £1,250 plus VAT – up to and including judgement in a straightforward undefended claim
£10,000 - £200,000	5% of the value of the claim	Work done will be charged at an hourly rate of £260 plus VAT, but limited to £1,250 plus VAT - up to and including judgement in a straightforward undefended claim
In excess of £200,000	£10,000	Work done will be charged at an hourly rate of £260 plus VAT, but limited to £1,250 plus VAT - up to and including judgement in a straightforward undefended claim

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



- For defended and/or complex claims the costs will be charged on a time-spent basis at the rate of £260 plus VAT per hour, which are timed in units of six minutes, being £26.00 plus VAT per six minutes

Our fee includes:

- Taking your instructions and reviewing documentation
- Undertaking appropriate searches
- 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 28 days, providing you with advice on next steps and likely costs

Matters usually take about 8 weeks from receipt of instructions from you to receipt of payment from the other side, depending on whether or not it is necessary to issue a claim. This is on the basis that the other side pays promptly on receipt of Judgement in default. If enforcement action is needed, the matter will take longer to resolve and additional costs and fees will be incurred.

*N.B. Figures and fees quoted are correct as at March 2022, but are liable to revision.*

## Contact Us

If you require our assistance, please contact us at one of our offices:-

### **Hereford Office**

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