



### **Debt Recovery – business to business debt. Fixed fees for undisputed debts**

These costs apply where your claim is in relation to an unpaid invoice which is not disputed and enforcement action is not needed.

If on our initial review it appears that the debt is disputed the fixed fees will not apply and we will provide you with revised information about costs

If the other party disputes your claim at any point after work has commenced on a fixed fee basis, 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.

<b>Statutory Demand</b>	<b>Process servers fee</b>	<b>Our fee</b>	<b>Total</b>
Debt of £750 upwards	£120 & VAT (estimate)	£200 & VAT	£384

<b>Court proceedings</b>	<b>Court fee</b>	<b>Our fee</b>	<b>Total</b>
Debt up to £3,000	£105	£700 & VAT	£945

Debt £3,001 - £5,000	£185	£700 & VAT	£1,025
Debt £5,001 - £10,000	£410	£700 & VAT	£1,250
Debt £10,001 - £50,000	4.5% of value of the claim	£1,200 & VAT	£1,440 & court fee

Anyone wishing to proceed with a claim should note that:

- A claim with a value of under £10,000 is likely to be allocated to the small claims court and you will not recover your legal fees (save very limited fixed fees and the Court issue fee) from the debtor
- The VAT element of our fee may not be recoverable 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 the debt is, or becomes disputed
- The costs quoted above are not for matters where enforcement action, such as the bailiff, is needed to collect your debt
- Work done in addition to what is included in the fixed fee (set out below) is calculated in line with hourly rates, which we shall advise you of upon instruction

Our fee includes:

- Taking your instructions and reviewing documentation
- Undertaking appropriate searches
- Sending a letter before action
- Sending second letter before action
- Receiving payment and sending onto you
- 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 Judgment in default
- When Judgment in default is received, writing to the other side to request payment
- If payment is not received within 14 days, providing you with advice on next steps and likely costs

Time scales :

- A letter before action can take between 24 hours to 3 days depending on the volume of material requiring review;

- Matters usually take 2-3 weeks from receipt of instructions from you to receipt of payment from the other side, if the debt of undisputed and payment is made promptly;
- If court proceedings are required these can take a further week or so to prepare;
- An application for default judgment can be made 14 days from service of the court proceedings on the debtor, if no steps to defend are taken by the debtor.
- If enforcement action is needed, or if a defence is filed, the matter will take longer to resolve and fixed fees will not then apply.