

Debt recovery up to the value of £100,000

Our Disputes team have a wide range of experience of dealing with many debt recovery claims.

The likely cost of debt recovery work depends largely on how the debt is to be recovered (whether the debtor is a business or an individual). In addition, it depends on whether the debt is disputed or not. The fee estimates provided are for undisputed debt claims only.

For all work done on hourly rates, we provide a full scope cost estimate of our fees and disbursements at the start of our engagement. Our clients are kept fully up to date on costs as the matter progresses, meaning that if there are any changes to the scope of the work required, you will be informed and provided with a revised estimate.

We have a minimum charge of **£450** plus VAT.

We generally do not accept claims for debts which fall below the small claims limit (£10,000).

Illustrative Examples

In relation to other debts, we would estimate the following as typical fees for an unsecured and undisputed debt collection action.

Pre-issue

- Solicitors letter only- **£350** + VAT
- Letter of claim- **£700** + VAT
- Full pre-action protocol- **£1,400** + VAT

Issuing a claim and obtaining a default judgement

- Sum claimed is between £10,000 and £25,000 - **£3,000** plus VAT and disbursements.
- Sum claimed exceed £25,000 but not £50,000 - **£6,000** plus VAT and disbursements.
- Sum claimed exceeds £50,000 but not £100,000 - **£10,000** plus VAT and disbursements.

The illustrative fees examples above include:-

- Taking instructions and reviewing documentation.
- Obtaining judgement in default and requesting payment from the other side.
- Receiving payments and remitting the same to you.

Please note that in addition to the fees set out above, there are disbursements, including court fees. Information relating to court fees is available from HMRC, Form EX50.

We will always discuss the costs with you on receipt of your instruction and provide a full fee estimate.

Time Scales

Undisputed debt collection can normally be concluded within 12-16 weeks. However, this depends on whether it is necessary to issue a claim, the response of the other side, including whether they pay promptly, and whether any enforcement action is needed. Time scales are always dependent on the time scales provided by the relevant court.

Experience and Qualifications of our Litigation Team

Our litigation team currently consists of five partners, and two associate solicitors. We also have a specialist Debt Recovery Manager. They may be assisted from time to time by paralegals, and/or trainee solicitors. Our supervision policy ensures that all work is appropriately supervised in accordance with the SRA code conduct.

Costs recovery

For claims under £100,000 these are likely to be 'fixed costs' where even if you are successful, you only achieve a fixed sum of recovery. As the fixed costs regime only affects the costs which are recoverable from the other side, and not your liability for your own costs, there is likely to be a shortfall between the costs that you pay, and the amount recovered from your opponent. Conversely, if you lose your claim, you would normally only be liable to pay a fixed amount of your opponent's costs.