

## **Debt recovery Contractual Claims: Range of Fees**

When providing costs for debt recovery we offer a bespoke service based upon our hourly rates as indicated below although we may be able to provide a fixed fee based on the value of the debt to recover if requested to do so.

### **Costs:**

Our charges are based on the time we spend dealing with a case including any time spent considering, preparing and working on papers, correspondence and making and receiving telephone calls. For ease of reference these costs are itemised below.

Preparation and attendance	£210 per hour
Advocacy at Court	£250 per hour
Attendance at Court with Counsel	£125 per hour
Conference with Counsel	£125 per hour
Travelling and waiting time	£110 per hour
Routine letters written and telephone calls	£21 each
Routine letters received	£10.50
Lengthy letters and telephone calls	Time basis at our hourly rate
Mileage	45p per mile

VAT is charged in addition at whatever is the appropriate rate currently 20%.

The above charging rates are reviewed each year having regard to inflation and if they are increased we will write to you to inform you. Normally, we ask our clients to pay our charges as the case progresses so that a regular check can be made upon costs and so as to prevent excessive charges arising without warning.

In addition to the time spent, we may take into account a number of factors which include the complexity of the issues, the speed at which action must be taken, the expertise or specialist knowledge that the case requires and, if appropriate, the value of the property or subject matter involved. On the basis of the information currently available, we expect these factors to be adequately covered by the hourly rates set out above. The rates may be higher if, for example, the matter becomes more complex than expected. We will notify you of this, should it occur.

If you become involved in court proceedings against another party, then you must understand that if you lose then you may be ordered to pay your opponent's costs.

### **Disbursements:**

Disbursements are costs related to your matter that are payable to third parties. There are no longer any issue or hearing fees. We handle the payment of the disbursements on your behalf to ensure a smoother process.

Key stages:

The fees set out above cover all of the work in relation to the following key stages of a claim:

- Taking your initial instructions, reviewing the papers and advising you on merits and likely compensation (this is likely to be revisited throughout the matter and subject to change)
- Entering into pre-claim conciliation where this is mandatory to explore whether a settlement can be reached;
- Preparing claim or response
- Reviewing and advising on claim or response from other party
- Exploring settlement and negotiating settlement throughout the process
- Preparing or considering a schedule of loss
- Preparing for (and attending) a Preliminary Hearing
- Exchanging documents with the other party and agreeing a bundle of documents
- Taking witness statements, drafting statements and agreeing their content with witnesses
- Preparing bundle of documents
- Reviewing and advising on the other party's witness statements
- Agreeing a list of issues, a chronology and/or cast list
- Preparation and attendance at Final Hearing, including instructions to Counsel

If the stages set out above are not required, the fee will be reduced. You may wish to handle the claim yourself and only have our advice in relation to some of the stages. This can also be arranged on your individual needs either on an hourly or fixed fee basis.

How long will my matter take?

The time that it takes from taking your initial instructions to the final resolution of your matter depends largely on the stage at which your case is resolved. If a settlement is reached during pre-claim conciliation, your case is likely to take 4 weeks. If your claim proceeds to a Final Hearing, your case is likely to take 26 weeks. This is just an estimate and we will of course be able to give you a more accurate timescale once we have more information and as the matter progresses.

### **Straight Forward Debt Claims:**

The below consists of a range of costs 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 (excluding VAT)
Up to £5,000	£205	£150 – £200
£5,001 - £10,000	£455	£250 – £300
£10,001 - £50,000	5% value of the claim	£300 - £500

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 actions, such as the bailiff, is needed to collect your debt.

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 Acknowledgement 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 14 days, providing you with advice on next steps and likely costs

Matters usually take 4-6 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.