

## Pricing Information for Debt Recovery Services in England & Wales

This pricing information relates to claims for payment of an invoice of up to £100,000, where the claim is not disputed. This pricing information does not apply to:

- Disputed debt recovery claims;
- Claims where the debt owed is more than £100,000;
- Enforcement action;
- Insolvency work.

Please contact us if you require pricing information relating to any of these areas.

In some cases – for example for clients who are able to provide us with repeat instructions - we may agree to carry out debt recovery work on the basis of fixed fees. These are set out in the section headed *Fixed Fees for Debt Recovery* which we are happy to discuss with you in more detail. All one-off debt recovery work is carried out on an hourly basis, as explained in the section headed *Standard Pricing for Debt Recovery*.

### **Standard Pricing for Debt Recovery**

As with most other civil litigation claims, we charge for debt recovery claims on a time-spent basis. Your claim will be handled by the lawyer who is best-placed to deal with your claim, bearing in mind the complexity and value of the claim. Our hourly rates are based on the seniority of the lawyer, and are as follows:

Paralegal	£120 - £140 + VAT
Trainee Legal Executive	£160 + VAT
Solicitor	£165 - £175 + VAT
Associate Solicitor	£200 - £225 + VAT
Senior Associate Solicitor	£270 - £285 + VAT
Partner	£225 - £375 + VAT

Although the value of a claim and the likely cost of pursuing it do not always go hand in hand, there is frequently a correlation, even for undisputed debt recovery claims. The table below sets out the stages through which an undisputed debt recovery claim is likely to pass, and the estimated costs and timeframes for each stage. (The information relating to timeframes is also applicable to any debt recovery claims which we agree to handle on a fixed fee basis.)

<b><u>Pre-Commencement of the Claim</u></b>		<b>Claims with a value of up to £10,000</b>	<b>Claims with a value of £10,001 - £25,000</b>	<b>Claims with a value of £25,000 - £100,000</b>
1.	<p>Taking instructions, evaluating evidence, considering important preliminary issues such as limitation and jurisdiction, and reporting to you by email.</p> <p>Timeframe: 1 – 2 weeks from receipt of all necessary documentary evidence / information.</p>	£500 - £2,500 + VAT	£800 - £2,800 + VAT	£1,000 - £3,500 + VAT
2.	<p>Instructing an enquiry agent to trace the defendant, if their whereabouts is unknown or in doubt.</p> <p>Timeframe: 1 – 4 weeks.</p>	<p>Our fees: £50 - £150 + VAT</p> <p>Enquiry agent's fee: £40 + VAT</p>	<p>£50 - £150 + VAT</p> <p>Enquiry agent's fee: £40 + VAT</p>	<p>£50 - £150 + VAT</p> <p>Enquiry agent's fee: £40 + VAT</p>
3.	<p>Preparing and sending the letter of claim.</p> <p>Timeframe: Commercial debtors will be given 14 days to respond to the letter of claim. Individual debtors will be given 30 days to respond.</p>	£150 - £1,500 + VAT	£300 - £2,000 + VAT	£1,000 - £3,000 + VAT
4.	<p>Considering the defendant's reply (if any) to the letter of claim, evaluating and advising on appropriate next steps.</p> <p>Timeframe: 1 – 2 weeks from date of the defendant's response / expiry of deadline given in the letter of claim.</p>	£150 - £800 + VAT	£300 - £1,000 + VAT	£500 - £1,500 + VAT
5.	<p>Negotiations with the defendant (for example regarding payment by instalments).</p> <p>Timeframe: Contact will be made with the defendant promptly upon receipt of your instructions, but the time taken to negotiate payment will vary.</p>	£150 - £1,500 + VAT	£300 - £1,800 + VAT	£500 - £3,000 + VAT

<b><u>County Court Proceedings</u></b>		<b>Claims with a value up to £10,000</b>	<b>Claims with a value of £10,001 - £25,000</b>	<b>Claims with a value of £25,000 - £100,000</b>
6.	<p>Instructing Counsel to advise on the claim and prepare proceedings.</p> <p>Timeframe: This will depend upon the facts of the claim, and the reasons why Counsel's involvement has been sought.</p>	N/A	N/A	<p>£500 - £3,000 + VAT</p> <p>Counsel's fee: this will depend on the facts of each case.</p>
7.	<p>Telephone conference with Counsel to discuss the claim and the draft proceedings, and advising the client accordingly.</p> <p>Timeframe: This will depend upon the facts of the claim, the reasons why Counsel's involvement has been sought, and Counsel's availability.</p>	N/A	N/A	<p>£400 - £3,000 + VAT</p> <p>Counsel's fee: this will depend on the facts of each case.</p>
8.	<p>Drafting claim form and particulars of claim (in conjunction with Counsel, if instructed), issuing proceedings at Court and (if necessary) effecting service of the claim upon the defendant.</p> <p>Timeframe: Time required to prepare the proceedings will depend on the facts of the claim. Once the proceedings have been sent to the court, it can take 1 – 3 weeks for the claim to be issued by the court, and a further 1 – 3 weeks for the court to serve the proceedings upon the defendant, or return the issued claim to us for service, as required.</p>	£300 - £2,000 + VAT	£300 - £1,800 + VAT	<p>£1,000 - £3,000 + VAT (if draft proceedings have been prepared by Counsel)</p> <p>or</p> <p>£2,000 - £6,000 + VAT (if we prepare the proceedings)</p>
9.	<p>Applying for judgment in default of a defence, or upon admission, serving the judgment upon the defendant, and reporting to you.</p> <p>Timeframe: Once proceedings have been served a defendant has 14 days</p>	£50 - £200 + VAT	£50 - £300 + VAT	£50 - £500 + VAT

<p>to file either (i) a defence, or (ii) an acknowledgment of service. If neither is received after 14 days, we can request judgment. If an acknowledgment of service is received, the defendant has 28 days from service of the proceedings to file a defence. If none is received within that period, we can request judgment.</p>			
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Please note that these are estimates only, and are intended to represent the average range of costs which are likely to be incurred at each stage. The actual time required to be spent, and the actual costs incurred, may differ from these estimates, depending upon the facts of the case.

The timeframes are also intended to represent the likely timeframes, assuming that there are no unexpected delays – including delays on the part of the court, or delays in us obtaining instructions from you.

If proceedings are issued, an issue fee will need to be paid to the court. We will always require the relevant issue fee to be provided to us on account, prior to issuing proceedings. The issue fees charged by the court are as follows:

<b>Value of the claim:</b>	<b>Court issue fee:</b>
Does not exceed £300	£35
Exceeds £300 but does not exceed £500	£50
Exceeds £500 but does not exceed £1,000	£70
Exceeds £1,000 but does not exceed £1,500	£80
Exceeds £1,500 but does not exceed £3,000	£115
Exceeds £3,000 but does not exceed £5,000	£205
Exceeds £5,000 but does not exceed £10,000	£455
Exceeds £10,000 but does not exceed £200,000	5% of the value of the claim
Exceeds £200,000 or is not limited	£10,000

Court fees are also payable in relation to insolvency proceedings and applications for enforcement. Details of these fees can be provided upon request.

In a disputed claim, additional court fees will be payable. The amount of these fees will depend upon various factors (such as whether the claim proceeds all the way to trial, and whether or not any interim applications are made). Disputed claims fall outside the scope of this pricing information, but details of the sorts of court fees which may apply to a disputed claim can be provided upon request.

Once a judgment debt has been obtained, we can advise you on the various available methods of enforcement, such as instruction of a High Court Enforcement Agent, or application for a third party debt order.

Alternatively, if the debt is not disputed, then service of a statutory demand may be the most appropriate route. Statutory demands are the first stage in the insolvency process, and failure to pay after a statutory demand is served (where it is not disputed) is evidence of insolvency. Upon service being effected, the debtor will have an initial 18 days to dispute the debt or 21 days to make payment. If no payment is received after the expiry of the demand a bankruptcy petition / winding up petition can be presented.

Pricing information on enforcement of a judgment debt, and on individual and corporate insolvency, can be provided upon request.

### **Fixed Fees for Debt Recovery**

We are able to offer fixed fees for debt recovery work in certain circumstances, for example, for clients who can provide us with a portfolio of repeat instructions.

Some of our fixed fees are set out below. Others will need to be negotiated directly with us, and will depend upon a number of factors, such as numbers of instructions, complexity and value of claims.

Please note that the fixed fees shown below only apply to undisputed claims for amounts of up to £100,000.

Tasks not covered by the fixed fees – such as negotiating settlements, responding to enquiries from third parties and providing detailed advice on enforcement options – will be charged at a discounted hourly rate of £100 + VAT regardless of the seniority of the lawyer carrying out the work. This can increase the costs of the claim by anything from £0 (e.g. where the debtor does not respond to the claim at all) to £1,000 + VAT (for example where the debtor wishes to negotiate repayment by instalments which prove difficult to agree upon, and which are then breached repeatedly over a period of time).

### **Pre-Commencement of the Claim**

Company search	£20 + VAT
HM Land Registry search	£25 + VAT  HM Land Registry fee: £3 per office copy entry required.
Instructing an enquiry agent	£40 + VAT  Enquiry agent's fee: £40 + VAT
Insolvency search (carried out as a matter of course on all new instructions, unless we are otherwise instructed)	£20 + VAT

Letter of claim	Our fixed fees for the letter of claim range from £50 to £250 + VAT, and are negotiated directly with our clients.
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Our agreement to charge these fixed fees for pre-action matters is dependent upon your provision of a completed instruction form, together with copies of the documents requested in that form (invoices etc.).

### **County Court Proceedings**

Preparation and issue of proceedings	Our fixed fees for issue of proceedings range from £80 to £750 + VAT, and are negotiated directly with our clients.
Requesting judgment in default of defence	£30 + VAT (for claims worth up to £5000) £40 + VAT (for claims worth over £5000)
Requesting judgment following admission	£50 + VAT (for claims worth up to £5000) £60 + VAT (for claims worth over £5000)

### **Generally**

For information on the applicable court fees for issue, and the likely timeframes for each stage, please see the tables in the *Standard Pricing for Debt Recovery* section.

These fixed fees do not include non-standard disbursements such as process servers' fees.

If the matter becomes contested at any time, or if the claim becomes non-standard for any other reason, the claim will automatically proceed "off scale" and will be dealt with on an hourly-rate basis, at a rate appropriate to the qualification of the lawyer concerned. The dispute resolution department's current rates can be provided on request and are reviewed on 1 May each year.

If court proceedings are defended there will also be additional disbursements, for example further court fees and barrister's fees.

Dated: 28/4/20 - DF