

Business Debt Recovery

The fees in this section relate to debts not exceeding £100,000. If you wish to recover an amount over £100,000, we will be able to give you an accurate estimate of our fee when we meet with you.

Recovery in Court

Case Type	Our Fee
Simple Complexity	£500 - £2,000
Medium Complexity	£1,000 - £5,000
High Complexity	From £4,000

+VAT

The fees charged in relation to debt recovery are based solely on the number of hours that we work on your matter. Therefore, the actual fee is subject to a certain amount of variation and subject to how complicated the claim is. They are based on the case going to Court and may be lower if the matter is settled quickly.

If the matter is complex we may instruct a barrister to represent you in court and assist with the case.

Please note that the VAT charged on top of our fees cannot be reclaimed from the debtor.

The above fees also do not take into account any enforcement that may need to take place, such as the services of a bailiff.

It may not be possible to determine the complexity of your claim without meeting you and reviewing some initial documents. If this is required we will arrange to meet with you on a preliminary basis to discuss matters and advise you further. It is after this initial meeting where we will be able to advise on the extent of likely costs. The cost of this meeting will be in the region of £180 - £235 +VAT depending on the fee earner instructed.

Disbursements

The likely fees we would pay on your behalf during a debt recovery matter would be in relation to hiring a private investigator to serve documents and court fees (subject to the amount being claimed and counsel fees if necessary).

Stages of Debt Recovery

- Obtain ID, take your first instructions and reviewing documentation.
- Carrying out appropriate searches and checks.
- Preparing and sending a letter before action, in accordance with the debt protocol.
- Receiving payment and sending it onto you, or if the debt remains unpaid, drafting and issuing a claim through the court.
- If no Acknowledgement of Service or Defence is received, applying to the court to enter a judgment in default.
- If acknowledgement of service is received, dealing with directions of the court and preparing documents as required. This could include witness statements, disclosure lists and costs budgets.
- If the matter continues to court, we may be required to prepare a trial bundle.
- When the judgement is received, write to the other side to request payment.
- If debt remains unpaid within a certain timeframe, providing you with advice on the next steps of enforcement and the likely cost.

Clients should be aware that they may not be able to recover their costs from the other side if they are successful during court proceedings. Some costs may be recovered for higher amounts but for debts of £10,000 and below you will not be able to recover any of your costs, and there is potential for your legal costs to be higher than the sums actually recovered.

Initially we must comply with the timeframe laid down by the Debt Protocol which allows a debtor who is an individual a certain amount of time to respond. It will likely be in the region of 6 – 8 weeks from initial instructions before we can claim in court. Full court proceedings are likely to take between 3 – 6 months for more simple claims and will be significantly longer for complex cases.