

Parfitt Cresswell Pricing & Transparency Policy

Pricing Information

Business to Business Undisputed Debt Recovery Not Exceeding £100,000.00

In matters relating to commercial (business to business) debt recovery on unpaid invoices of up to £100,000 we charge on an hourly rate basis calculated as to the time spent on the case, regardless of the level of the indebtedness. We do not offer a fixed fee structure for all or part of any such service.

Resolution of debt recovery matters may be achieved either on the basis of a straightforward letter before action or be the subject of court proceedings which may or may not settle early on. Accordingly, the range of costs and timescales is virtually inestimable: the answer to 'how long is a piece of string' is – twice as long as half its length. Should the debtor pay up immediately on demand it follows that the time, and thus costs, is significantly less than were the case argued out in court.

Our fees for issuing court proceedings, applying for judgment, and enforcing the same will depend on if the debt is disputed and, if so, to what extent. Typically, an average fee of around £5,000 - £25,000 plus disbursements* and (where applicable) VAT should be budgeted for in undisputed claims based on the following estimates:

- Taking your instructions and reviewing relevant documentation/correspondence: £1,500 - £4,500 + VAT £300 - £900
- Making and reviewing any appropriate searches, such as at Companies House: £350 - £750 + VAT £70 - £150
- Preparing and sending a pre-action letter: £500 - £750 + VAT £100 - £150
- Receiving payment and remitting same to you or in the absence of payment drafting and issuing court proceedings: £1,750 - £4,500 + £350 - £900
- If the debtor/defendant fails to respond, within the required period or at all, applying for default judgment: £350 - £500 +VAT £70 - £100
- Where appropriate providing you with advice on enforcement of the judgment: always remember – getting judgment is one thing, enforcing it another, depending on the debtor's financial circumstances: £350 - £750 + VAT £70 - £150

As stated, these estimated costs apply where your claim is in relation to an unpaid invoice which is not disputed and also where 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.

The timescale is variable, depending on the local court's workload, particularly having regard to court staff absences due to the current pandemic; and should enforcement of any unpaid judgment be necessary this will inevitably extend such timescale. Note that these projected fees do not apply to contractual disputes where liability is denied: separate estimates should be requested for such work.

*The court fee for starting proceedings depends on the amount claimed plus interest:

Claim amount	Fees
Up to £300	£35 + £7 VAT
£300.01 to £500	£50 + £10 VAT
£500.01 to £1,000	£70 + £14 VAT
£1,000.01 to £1,500	£80 + £16 VAT
£1,500.01 to £3,000	£115 + £23 VAT
£3,000.01 to £5,000	£205 + £41 VAT
£5,000.01 to £10,000	£455 + £91 VAT
£10,000.01 to £100,000	5% of the claim + 20% VAT on fees

Factors that will affect the amount of time, and thus level of costs, relating to debt recovery include (but are not always limited to):

- The sufficiency and clarity of information and documentation/correspondence provided by you
- The debtor's response (if any)
- The circumstances of the local court (see above)
- Any contractual process, such as arbitration, and/or pre-action protocol, that must be followed
- The chosen enforcement method

Our Dispute Resolution team includes experienced solicitors, lawyers and paralegals whose ex-VAT hourly charging rates are:

Solicitor	£200 - £325 + £40 - £65 VAT
Chartered Legal Executive	£210 - £285 + £42 - £57 VAT
Paralegal	£150 - £250 + £30 - £50 VAT
Legal Assistant	£100 - £150 + £20 - £30 VAT