

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 £6,000 - £13,200 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 + any VAT £70 - £150 [where charged to us]
- Preparing and sending a pre-action letter: £650 - £1750 + VAT £130 - £350
- Receiving payment and remitting same to you or in the absence of payment drafting and issuing court proceedings: £1,750 - £4,500 + VAT £350 - £900
- If the debtor/defendant fails to respond, within the required period or at all, applying for default judgment: £350 - £700 +VAT £70 - £140
- 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 - £1000 + VAT £70 - £200

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; and should enforcement of any unpaid judgment be necessary this will inevitably extend such timescales. 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: (NB: no VAT is payable on Court fees).

Claim amount	Fees
Up to £300	£35
£300.01 to £500	£50
£500.01 to £1,000	£70
£1,000.01 to £1,500	£80
£1,500.01 to £3,000	£115
£3,000.01 to £5,000	£205
£5,000.01 to £10,000	£455

£10,000.01 to £200,000 5% of the claim

£200,000.01 and more £10,000.00

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), e.g. co-operative or uncooperative.
- 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 [we charge on an hourly rate basis] includes experienced solicitors, lawyers and paralegals whose charging rates are:

Partner £350 - £395 per hour + £70 - £79 VAT per hour

Senior Lawyer £325 - £350 per hour + £65 - £70 VAT per hour

Trainee Solicitor £275 per hour, only available for certain duties + £55 VAT per hour

VAT is charged at the prevailing rate

Other court disbursements

They may include further court fees at certain stages of the case, for example when a final hearing is fixed , and for making applications during the case. We will address those fees with you in advance, where they will apply. VAT is not payable on those Court fees.

Other case disbursements may include the fees of experts, barristers and process servers . VAT is payable on those fees.

Again, we will discuss with you whether they are recommended, and at what cost, before they are incurred.

Other funding options

There may be other funding options available to you such as cover under an insurance policy, and we will explore any alternatives during our initial appointment with you. We do not offer Legal Aid or No Win No Fee / Damages-Based Agreement options.

How long will my matter take?

The time 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 mediation, your case might to take 4-15 weeks. If your claim proceeds to a final hearing, your case is likely to take over a year. This is just an estimate, and is dependent on many factors which may be outside of our control, including the future scheduling of hearing dates by the court. We will of course be able to give you a more accurate timescale once we have more information and as the matter progresses.

Our Dispute Resolution team

Simon Steele-Williams is a Partner at Parfitt Cresswell. He qualified as a solicitor in 1991 and supervises our Dispute Resolution team which our employment work forms part of. Please find a link to Simon's full bio on our website here at <https://www.parfittcresswell.com/lawyer/simon-steele-williams>

Lydia Wawiye is a Senior Associate Solicitor at Parfitt Cresswell. She qualified as a solicitor in 2008. Please find a link to Lydia's full bio on our website here at <https://www.parfittcresswell.com/lawyer/lydia-wawiye>