

## **Costs and Debt Recovery Cases**

These costs apply where:-

A company or individual is seeking to recover costs from either another business or from an individual.

Your claim does not exceed £100,000.00.

Relates to an undisputed debt.

Enforcement action is not necessary.

If the claim becomes disputed at any point an assessment would be carried out on the merits of the claim and you would be provided with a costs estimate based upon that information. The hourly charging rate for Mr James is currently £200.00 per hour plus VAT (currently at the rate of 20%). Routine telephone calls and letters will be charged at £20.00 each plus VAT.

### **Stage 1 – Letter of Claim**

A twenty one day letter of claim seeking payment of the principle debt and any applicable interest £120.00 plus VAT.

This includes the taking of initial instructions, reviewing any relevant documentation, advising on the options available to you, formulating and submitting a letter of claim and notifying you of any response to that letter.

In addition to the above, there will be a charge of 5% of any amounts successfully recovered.

### **Stage 2 – Court Issue/Default Judgement**

If payment is not made under Stage 1 the next step would be to issue proceedings to obtain a default Judgement which is an Order requiring the debt to be paid.

Preparation and Issue of Court action            £200.00 plus VAT

Preparation and application for default

Judgement £75.00 plus VAT

This stage incorporates an application of the Court to enter Judgement in default in the absence of any acknowledgement of service or defence.

If proceedings were necessary, various court fees would be incurred at different stages of the case. These are fixed by the government and vary from time to time. A full list of the fees are contained in the Government Publication EX50AHMCT on [hmctsformfinder.justice.gov.uk](http://hmctsformfinder.justice.gov.uk) or by following this direct link: <https://www.gov.uk/government/publications/fees-in-the-civil-and-family-courts-main-fees-ex50>

Court fees do not attract VAT.

The Court fees can be added to the amount of the claim but they are payable by you in the first instance.

Furthermore, in a money claim, certain fixed costs can be added to the claim. They are fixed by the Court rules and are varied from time to time (currently the costs depending upon the amount of the claim on the issue of proceedings are between £50.00 and £100.00 on entering Judgment they vary between £22.00 and £70.00. This is inclusive of VAT). If fixed costs are recovered, we are entitled to retain these costs in addition to the charges set out below.

You should also consider using the money claim on-line service (formerly known as the Small Claims Court) for claims up to £10,000.00. It is designed to be user friendly for parties wishing to bring their claim without using a Solicitor. We can provide you with further information in this regard should you wish.

### **Timescale in Stage 1 and 2**

The timescale to issue a letter of claim and report to you on any response and/or payment would usually be four to six weeks from when we are instructed.

The issue of a Claim with the Court and applying to enter Judgement in default would be a further four to eight weeks but this may vary depending upon how long the Court took to process the proceedings.

If the default Judgement is not paid, we will advise you of the next stages to proceed with recovering the debt. This can vary from case to case. We will advise you according to your individual case and the options that are available to you. We do not provide a fixed fee charge for this additional work and you will be provided with a detailed costs estimate once we have agreed the further action that is necessary. Our charging rate is currently £200.00 per hour plus VAT (currently the rate of 20%). Routine telephone calls and letters will be charged at £20.00 each plus VAT.