

Personal Debt Recovery Cost Guidance

Our fees for debt recovery of sums between £1,000 - £100,000

The services we provide:

- › Personal and commercial debt recovery
- › Alternative Dispute Resolution (negotiation and mediation)
- › Compliance with pre-action protocols
- › Issue of court proceedings
- › Drafting of documents
- › Representation at court
- › Obtaining judgment
- › Defending debt claims (please contact us for a bespoke quote info@charlesfrenchlaw.co.uk)
- › Enforcement of a debt through methods appropriate to the circumstances (please contact us for a bespoke quote info@charlesfrenchlaw.co.uk)
- › Preparation and service of Statutory Demands and/or Insolvency and Bankruptcy proceedings (please contact us for a bespoke quote info@charlesfrenchlaw.co.uk)

Timescales:

At our initial meeting, once we have further details of your matter we can provide you with a more detailed time estimate.

Our general timescales for a simple debt recovery matter are:

- › Without Court Proceedings – we estimate the matter will take 3 – 6 weeks to complete
- › With Court Proceedings – we estimate the matter will take 2 – 5 months to complete

Factors to consider:

In any debt matter, estimated costs and timescales may be affected by whether it is necessary to trace a debtor, if or how the debtor responds to any Letter Before Action or court proceedings. Another important factor to consider is the lengthy court process for dealing with such claims, whether a fully contested hearing is required in a defended claim, and whether enforcement action is ultimately required.

Stages of a Simple Debt Recovery Process:

STEP 1 - first steps:

Taking your instructions and reviewing information and documentation relevant to the matter, providing initial advice as to costs and disbursements, our terms and the documentation and information required from you so that we may proceed on your behalf ...

STEP 2 - without court proceedings:

Preparing and sending initial Letter Before Action to the debtor in accordance with the protocol - if it is necessary to locate the debtor, we may need to instruct a Tracing Agent on your behalf. The Letter Before Action may trigger settlement without the need for further legal intervention, or may trigger alternative dispute resolution such as negotiation or mediation and we will discuss this further with you if appropriate ...

STEP 3:

If the Letter Before Action prompts settlement of the debt, we will forward such payment to you. If the debt remains unpaid, the following steps will apply ...

STEP 4 - with court proceedings:

We will draft the court papers, calculating the appropriate Statutory Interest and issuing a court claim on your behalf to seek recovery of the debt ...

STEP 5:

Where there is no response from the debtor to the claim, we will request Judgment in Default on your behalf. We will then write to the debtor to advise them and make a further request for payment which will now include the debt, interest, court costs and our fixed fees as applicable ...

STEP 6 - Enforcement:

If there remains no response from the debtor to our correspondence or the Judgment we will advise you accordingly on the appropriate steps you may take to enforce the Order, having regard to the circumstances.

What it costs:

Below is an indication of our fees based on a straightforward personal debt recovery matter without complicating factors

Initial Steps and Letter of Claim :

Value of Debt	Our Fees (excluding VAT)
£1,000- £3,000	£150
£3,000 - £5,000	£300
£5,000 - 10,000	£400
£10,000 - £25,000	£600
£25,000 - £50,000	£800
£50,000 +	£1,000

Liaising with a Tracing Agent and/or arranging Personal service by Process Server (if required) £200 plus the Agent's / Process server's fees

Issuing Court Proceedings :

Value of Debt	Our Fees (excluding VAT)	Court Issue Fee
£1,000 - £1,500	£200	£80
£1,500 - £ 3,000	£300	£115
£3,000 - £5,000	£400	£205
£5,000 - £10,000	£500	£455
£10,000 - £20,000	£800	5% of claim value
£50,000 +	£1,000	£10,000

Finalising undefended claims :

	Our Fees (excluding VAT)
Requesting Judgment in Default for failing to acknowledge the claim :	£55
Requesting Judgment in default of filing a Defence:	£55
Requesting Judgment on debtor's admission of your claim and your acceptance of debtor's offer to pay:	£110
Requesting Judgment on debtor's admission where the Court decides the date and time for payment:	£110

Notes:

- The above charges for our fees are exclusive of VAT
- The above charges are on the basis that this is a standard matter and no unforeseen matters arise
- All parties to the matter are co-operative and there are no unreasonable delays
- Before carrying out any work, or incurring any disbursements, we will provide you with a comprehensive estimate of the costs involved
- The above fees are an estimate and should only be taken as a guide
- Certain disbursements may attract VAT

Alternative Funding:

If you have legal expenses insurance cover, you may be able to claim your legal costs against your insurance. If this is the case, we will liaise with your home insurers if you are pursuing a claim under your legal expenses insurance.

Defended Claims:

If your claim becomes contested by the debtor, then due to the complexity of the matter, our fees would be charged at an hourly rate. Our current hourly rates are as follows*:

Head of Dispute Resolution (> 8 years' experience)	£200 plus VAT
Solicitor or Legal Executive (> 4 years' experience)	£175 plus VAT
Solicitor or Legal Executive (< 4 years' experience)	£145 plus VAT
Paralegal	£110 plus VAT

In such circumstances we will provide you with an estimate of our fees for your agreement before undertaking any further work.

Notes:

*Our hourly rates are reviewed from time to time and reviewed annually in January.