

## Debt Recovery Costs Information

This guide explains how our debt-recovery service works, the fees involved and what you can expect from us. Our aim is to provide complete transparency so you can make informed decisions with confidence.

### **Our Approach to Fees**

We have structured our fees on a fixed-fee basis, using legal fee bands, so that when money is recovered from the debtor, the overall cost to our clients is proportionate and reasonable.

These fees apply where your claim is in relation to an unpaid invoice which is not disputed and enforcement action is not needed. If the other party disputes your claim at any point, we will discuss any further work required and provide revised advice about costs, which may be on a fixed fee for limited additional work or charged at an hourly rate if the matter becomes contested.

### **Fixed Fee Debt Recovery (Undefended)**

Court fees are fixed by HM Courts & Tribunals Service and are payable in addition to our fees. Court fees are not subject to any uplift or variation by us.

#### Court Fees

Debt value	Court fee
£25-£300	£35.00
£300.01 - £500	£50.00
£500.01 - £1,000	£70.00
£1,000.01 - £1,500	£80.00
£1,500.01 - £3,000	£115.00
£3,000.01 - £5,000	£205.00
£5,000.01 - £10,000	£455.00
£10,000.01-£200,000	5% value of the claim
More than £200,000	£10,000

**Our Legal Fee Bands**

Debt value	Our Legal Fees (plus VAT) *
Up to £3,000	£300 - £500
£3,001 - £5,000	£550 - £800
£5,001 - £10,000	£850 - £1,000
£10,001 - £20,000	£1,050 - £2,000
£20,001 - £50,000	£2,050 - £3,000
£50,001 - £200,000	£3,050 – £6,000

\* Important notes:

- The legal fee bands are based on the value of the debt, which include a minimum to maximum figure (for example, for debts up to £3,000 the fee range will be between £300 to £500 plus VAT depending on the amount of work required. The minimum fee will be £300; however, if extensive negotiations will be required to secure payment the fee will be fixed at £500 plus VAT).
- All legal fees are subject to VAT which is currently 20%. For example, for a debt of up to £3,000 the minimum charge payable will be £300 plus VAT totalling £360. Should court proceedings be required, then the additional court fee as set out above will be payable.
- The VAT element of our fee cannot be reclaimed from your debtor.
- Interest and compensation may take the debt into a higher banding, with a higher cost.
- The costs quoted above are not for matters where enforcement action, such as the bailiff, is needed to collect your debt.

**The legal fee bands above include:**

- Taking your instructions and reviewing documentation.
- Sending a letter before action.
- Receiving payment and sending onto you, or if the debt is not paid, drafting and issuing claim.
- Receiving payment and sending onto you if the debt is paid after the issue of proceedings.

If payment is received after sending a letter before action but before the issuing of proceedings, we will charge a fixed sum of £325 plus VAT or the fixed costs set out above, whichever is lower.

If the debtor pays the amount claimed after the issue of proceedings, but before we have to apply for default judgment, they will also have to pay the following amount towards your costs:

Debt amount	Amount debtor pays towards your costs
£25 - £300	£80.00
£300.01 - £500	£90.00
£500.01 - £1,000	£140.00
£1,000.01 - £1,500	£160.00
£1,500.01 - £3,000	£195.00
£3,000.01 - £5,000	£275.00

£5,000.01 - £10,000	£525.00
£10,000.01 - £100,000	£110 plus the court fee

If the debtor does not pay the amount claimed and does not respond to the claim by filing an Acknowledgement of Service or a Defence, we charge the following costs for applying to the Court to enter judgment in default.

Debt amount	Cost for applying for default judgment if Acknowledgement of Service not filed	Costs for applying for default judgment if Acknowledgement of Service filed but no defence filed
£25 - £5,000	*£25.00	*£28.00
£5,000.01 - £100,000	*£32.00	*£38.00

\*These fees will be added to the judgment amount and include:

- Applying for default judgment.
- When judgment in default is received, writing to the other side to request payment; and
- If payment is not received within 14 days, providing you with advice on next steps and likely costs.

### **Timescales**

Matters usually take 4-16 weeks from receipt of instructions from you to receipt of payment from the other side, depending on whether or not it is necessary to issue a claim. This is on the basis that the other side pays promptly on receipt of judgment in default. If enforcement action is needed, the matter will take longer to resolve.

### **Our Team**

Our team has many years of experience in delivering high quality work in all Commercial & Dispute Resolution matters.

We have four members of the team who may work on your matter. The team is supervised by Partner and Head of Dispute Resolution, Darren Forrester.

<u>Team Member</u>	<u>Position</u>	<u>Hourly Rate</u>
Paul Reader	Managing Partner	£395 + VAT
Darren Forrester	Partner & Head of Dispute Resolution	£395 + VAT
Simeon Blewett	Associate Solicitor	£345 + VAT
Louise Mackay	Solicitor	£315 + VAT
Trainee Solicitor	Trainee Solicitor	£210 + VAT

*Correct at April 2026*