

## **Range of Fees Strain and Co Debt Recovery**

The costs for recovering a debt owed to you will vary depending on the type of debt and the amount owed. Some matters can be quite straight forward where we write letters requesting that the amount owed is paid, the amount is not disputed and that amount is received. Other matters involve issuing a claim with the Court and, depending on the amount claimed, may involve payment of Court fees, increased legal costs and, in more complex matters, Expert Reports and Counsel involvement.

## **Claims not involving Court**

The costs set out below 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 you with revised advice about costs if necessary, which could be on a fixed fee, e.g. if a one-off letter is required, or an hourly rate if more extensive work is needed.

<b>Debt Value</b>	<b>Our Fee (inc VAT)</b>
Up to £5,000	£240.00
£5,001 - £10,000	£300.00
£10,001 - £50,000	£480.00
£50,000£100,000	£1200

## **Our fee includes:**

- Taking your instructions and reviewing documentation
- Undertaking appropriate searches
- Sending a letter before action
- Receiving payment and sending on to you

Matters usually take six to ten weeks from receipt of instructions from you to receipt of payment from the other side. This is on the basis that the other side pays promptly. If Court and/or enforcement action is needed, the matter will take longer to resolve.

**If the debt is not paid then we suggest an appointment to “Take Stock”.** This involves discussing with you the merits of your case and the potential costs if the other side defends the claim (and potentially makes a Counter-Claim) and the matter proceeds to Trial. The cost of this appointment is £100 plus VAT of 20%

## Claims that proceed to Court

The fees that are charged by the Court for dealing with your claim are set out below:

<b>Debt Value</b>	<b>Court Issue fee</b>	<b>Court Hearing Fee</b>
Up to £5,000	£205.00	Between £25 - £355
£5,001 - £10,000	£455.00	£545 - £1090
£10,001 - £50,000	5% value of the claim	£545 -£1090

If the matter proceeds through the Court then this will involve more extensive work and the legal costs will be charged at an hourly rate. The hourly rate charged will depend on the experience of the solicitor. The total cost will depend on how long the matter takes to resolve and whether or not the matter proceeds to a final defended hearing.

Hourly Rates

£150 - £200 per hour plus VAT at 20% or the prevailing rate at the time of the invoice

CASES NORMALLY TAKE SOME 2 HOURS ,BUT TRAVELLING OF 1 HOUR 30 IS ALSO BILLED AT THE SAME RATE AS IS WAITING TIME AT COURT

Anyone wishing to proceed with a claim should note that:

- In the Small Claims Court (which mainly deals with claims up to £10,000) you cannot reclaim your legal costs from the Debtor apart from a small fixed amount
- Interest is added to the initial debt pursuant to Section 69 of the County Court Act 1984 at the rate of 8% per annum or alternatively the interest rate set out in your Terms of Business.
- The costs quoted above are not for matters where enforcement action, such as the bailiff, is needed to collect your debt
- 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

Typically, where the matter proceeds through the Court the following steps would need to be taken:

- Taking your instructions and reviewing documentation
- Undertaking appropriate searches

- Sending a final letter before action
- Drafting and issuing claim
- Where no Acknowledgement of Service or Defence is received, applying to the court to enter Judgement in default
- When Judgement in default is received, write to the other side to request payment
- If the claim is defended, dealing with the Court and the debtor's solicitor as the claim progresses through the Court system

Matters can take up to a year to resolve from receipt of instructions from you to resolution of the matter, depending on the size of the claim and whether the matter proceeds to a final contested Court hearing. If enforcement action is needed, the matter will take longer to resolve.

**Staff members in this field**

Michael Strain	Partner
Elan Parry	Assistant Solicitor
Sian Hicks	Paralegal

We will confirm the identity of the individuals who will carry out the work in your client care letter