

DEBT RECOVERY FOR SMALL BUSINESSES

Our litigation partner is Jonathan Warbey who has over 25 years' experience in dealing with the full range of debt recovery and/or commercial landlord and tenant and general civil litigation work. His full profile can be found under the "People" section of this website.

The cost of a business to business debt recovery 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.

A disputed debt will usually involve defended court proceedings at the hourly rate of £230 plus VAT.

For general undisputed claims our fees are as below :

- For debt value up to £5,000 the fee payable to the court is £35 - £205 (or if issued online £25 - £185) together with our own fees of £230 + VAT
- For debt value £5,001 - £10,000 the fee payable to the court is £465 (online £410) together with our own fees of £460 + VAT
- For debt value £10,001 - £50,000 the fee payable to the court is 5% value of the claim (4.5% online) together with our own fees of £690 + VAT

Anyone wishing to proceed with a claim should note that :

- In an undefended claim the debtor will only be order to pay the court fee and fixed costs which costs will usually be less than the fees quoted above.
- 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.

Our fee includes :

- Taking your instructions and reviewing documentation
- Undertaking appropriate searches
- Sending a letter before action
- Receiving payment and sending onto you, or if the debt is not paid, drafting and issuing claim
- Where no Acknowledgment of Service or Defence is received, applying to the court to enter Judgment in default
- When Judgment in default is received, write to the other side to request payment

- If payment is not received within 14 days, providing you with advice on next steps and likely costs.

Matters usually take 4 – 8 weeks (but sometimes longer depending on time taken by a court to deal with a claim) 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,