

Personal Debt Recovery Cost Guidance

Our fees for debt recovery of sums between £1,000 - £200,000

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 DRT@charlesfrench.co.uk)
- › Enforcement of a debt through methods appropriate to the circumstances (please contact us for a bespoke quote DRT@charlesfrench.co.uk)
- › Preparation and service of Statutory Demands and/or Insolvency and Bankruptcy proceedings (please contact us for a bespoke quote DRT@charlesfrench.co.uk)

Timescales:

At our initial meeting, once we have obtained additional information about your case, we will be able to furnish you with a more precise 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, the estimated costs and timescales may be impacted by the need to trace a debtor, as well as the debtor's response to the Letter Before Action or court proceedings. Another crucial factor to consider is the lengthy court process for handling such claims, including the possibility of a fully contested hearing in a defended claim, and the potential need for enforcement action.

Stages of a Simple Debt Recovery Process:

STEP 1 - first steps:

Based on your instructions and a thorough review of the relevant information and documentation, we will promptly offer initial advice regarding costs and disbursements, as well as inform you of our terms and the specific documentation and information needed in order to proceed with your case.

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 prompt settlement without the need for further legal intervention or may initiate alternative dispute resolution such as negotiation or mediation, which we will discuss with you further 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:

Please find below our fee schedule for handling a straightforward personal debt recovery matter, without complicating factors or any dispute regarding the debt:

Initial Steps and Letter of Claim :

Value of Debt	Our Fees (excluding VAT)
£1,000- £3,000	£232.50
£3,000 - £5,000	£465
£5,000 - 10,000	£620
£10,000 - £25,000	£930
£25,000 - £50,000	£1,240
£50,000 +	£1,550

Liaising with a Tracing Agent and/or arranging Personal service by Process Server (if required)	£310 plus the Agent's / Process server's fees
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Issuing Court Proceedings :

Value of Debt	Our Fees (excluding VAT)	Court Issue Fee
£1,000 - £1,500	£232.50	£80
£1,500 - £ 3,000	£465	£115
£3,000 - £5,000	£620	£205
£5,000 - £10,000	£930	£455
£10,000 - £200,000	£1,240	5% of claim value
£200,000 +	£1,550	£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 fees stated above are exclusive of VAT.
- The charges outlined above are based on the assumption that this matter is standard and that no unforeseen circumstances arise.
- All parties involved in the matter are expected to cooperate, and there should be no unreasonable delays.
- We will provide you with a detailed estimate of the costs before undertaking any work or incurring any disbursements.
- The fees provided above are an estimate and should be used as a guide only.
- VAT may be applicable to certain disbursements.

Alternative Funding:

If you have coverage for legal expenses insurance, it may be possible for you to seek reimbursement for your legal costs from your insurer. In such instances, we will coordinate with your home insurers if you are pursuing a claim under your legal expenses insurance.

Defended Claims:

If the debtor contests your claim, our fees will be charged at an hourly rate to account for the complexity of the matter. Our current hourly rates are as follows*:

Head of Dispute Resolution (> 20 years' experience)	£310 plus VAT
Solicitor or Legal Executive (> 4 years' experience)	£250 plus VAT
Solicitor or Legal Executive (< 4 years' experience)	£200 plus VAT
Paralegal	£150 plus VAT

In such circumstances, we will provide you with a fee estimate for your approval prior to proceeding with any additional work.

Notes:

- Our hourly rates undergo periodic review and are subject to an annual evaluation each January.