

Undisputed Court Claims – Fixed Fee Debt recovery for businesses

These costs 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.

Stage One – Letter Before Action

A letter before action is required to be served upon the debtor to provide the debtor with an opportunity to pay before court proceedings are issued. Letters sent to companies usually require the debtor to pay within 14 days, whereas letters to individuals provide for a 30 day period.

Stage Two - Issuing Court Claim

If payment is not received within the required time period you can then proceed with a claim to court. Once the court has served the claim a debtor has 14 days in which to file a defence or enter an acknowledgement. After the 14 day period has expired a request can be made to the court for Judgment to be entered providing the debtor has not filed an acknowledgement or a defence.

Debt value	Court fee*	Our estimate of fees (incl. VAT)
Up to £5,000	£35-£205	£300 plus Vat
£5,001 - £10,000	£455	£350 plus Vat
£10,001 - £50,000	5% value of the claim	£500 plus Vat
£50,001 - £100,000	5% value of the claim	£750 plus Vat

*please note that the court fees are liable to change

Stage Three - Judgment

Once Judgment has been received we will write to the debtor requesting payment. The Judgment will be entered on to the register of Judgments unless the debtor pays the Judgment in full within 1 month. If the debtor is named in a Judgment held on registry trust, it can have implications on their ability to obtain credit as it will adversely affect their credit rating.

Anyone wishing to proceed with a claim should note that:

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. Should enforcement action be required we can provide you with further advice as to the options available and the likely costs.

Our fee includes:

- 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
- 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 30 days, providing you with advice on next steps and likely costs

Matters usually take between 8 - 12 weeks from receipt of instructions from you to receipt of payment from the other party, depending on whether or not it is necessary to issue a claim. This is on the basis that the other party pays promptly on receipt of Judgment in default. If enforcement action is needed, the matter will take longer to resolve.