

THURSFIELDS

Debt Recovery for Businesses

Thursfields has an experienced team of expert litigation solicitors to guide you through any debt recovery action. Bringing (or defending) litigation can be time consuming and stressful. Our Team acts for both individuals and companies. We will give you straightforward advice on the process and, should the matter become a dispute, the likely costs of going to court. Many disputed cases settle before they get to a final Court Hearing.

Our Team

Our Commercial Litigation Team is made up of qualified CILEX (Chartered Legal Executives) and solicitors with a range of expertise and experience. Our Debt Recovery work is led by Daniel Tetsell, a qualified CILEX Associate. The Team is supervised by Stephen Rome who qualified as a solicitor in 2009. For more details of our Commercial Litigation Team and their experience, please see our individual website profiles.

Fixed Fee Services for Undisputed Debts

It is usual to start the process by sending what is known as a letter of claim. Sending a letter of claim will usually cost between £50.00 plus VAT of £10.00, gross £60.00 and £250.00 plus VAT of £50.00, gross £300.00 depending upon its detail. If it is likely to cost more than that, we will discuss the fee with you before we carry out any work.

The costs below apply where your claim is for an unpaid invoice which is not disputed by the paying party and where enforcement action is not needed.

Debt Amount (including interest and compensation if recoverable)	Court Fee (payable to HM Court Service)	Our Fee (including vat currently at 20%)	Total amount payable by you to issue the claim
Up to £5,000.00	£205.00	£200.00 plus VAT of £40.00	£445.00
£5000.01 to £10,000.00	£455.00	£500.00 plus VAT of £100.00	£1055.00
£10,000.01 to £100,000.00	5% of the value of the claim	£1000.00 plus VAT of £200.00	£1200.00 plus the Court Fee

Our fee above includes:-

- Taking your instructions and reviewing your documentation.
- Undertaking appropriate searches.
- Drafting and issuing the Court claim.
- Where no Acknowledgment of Service or Defence is received from the debtor, applying to the court to enter Judgment in default.
- When Judgment in default is received, writing to the other side to request payment.
- If payment is not received within 7 days, providing you with advice on next steps and the likely costs of

those steps.

Please also note that:

- Our charges for contested work (which apply if the other side disputes the claim) are based upon hourly rates which are reviewed annually. Our current hourly rates range between £200 plus VAT of £40, gross £240 and £300 plus VAT of £60, gross £360, depending upon the level of experience of the person who handles the dispute. If you instruct us, we will set out the relevant hourly rate in our Client Care Letter.
- The VAT element of our fee cannot be reclaimed from your debtor.
- Interest and compensation (to which you might be entitled if you are trying to recover a commercial debt) may take the debt into a higher banding than the debt alone might be within, with a higher cost.
- The costs quoted above do not include any enforcement action that might be needed to collect your debt once a Court Judgment has been obtained.

Timescales

Matters usually take 8-16 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 any Court Judgment (an order made by the Court requiring the debtor to make a payment).

If the debtor does not pay voluntarily despite the Court Order, you may need to take enforcement action for which we will discuss our fees with you at that stage. In that event, the matter will take longer to resolve and additional costs will be incurred.

If you would like to speak with one of our Team to please call Daniel Tetsell on 0121 726 8783 or email dtetsell@thursfields.co.uk

This information was correct as at February 2022