

### 18.12.5 FLL debt collection costs

#### Debt Recovery up to the value of £100,000

We do not handle large-scale debt collection, but only offer a bespoke service, where the merits of debt recovery proceedings are considered. This will include whether it would be preferable to use insolvency procedures, such as statutory demands, and/or petitions for bankruptcy (against individuals) or for winding-up (of companies etc).

Typically, our work includes the following:

- (i) Letter before action (to include reading and considering papers): £60 to £250 plus VAT (cost will depend on the complexity of claim)
- (ii) Claim Form and Particulars of Claim: £250 to £750 plus VAT (again, cost will depend on the complexity of the claim) plus Court fee approximately 5% of the value of the claim
- (iii) Entering Judgment in default: £60 plus VAT plus Court fee approximately £30 (no VAT). We will advise you separately on costs of enforcement
- (iv) If the claim is defended, our fees for pursuing the claim through to trial will be charged in accordance with the following hourly rates (which will be agreed in advance, in particular in the light of the sums in dispute and the nature of the dispute). All lawyers have in excess of 25 years' experience

Senior Paralegal: £95 – 125 plus VAT

Director (Solicitor): £225 - 300 plus VAT

Estimated additional fees for pursuing a defended claim through to trial are below (typical interim stages being directions, exchange of documents and witness statements and, in some cases, experts' reports):

Claims under £10,000 (Small Claims): £1,000 - £2,250 plus VAT and disbursements

Claims between £10,000 and £25,000 (Fast Track): £2,500 to £5,000 plus VAT and disbursements

Claims over £25,000 (Multi Track): £2,500 to £15,000 plus VAT and disbursements

Disbursements will include Court fees and Counsel's fees. Court fees for the trial hearing range from £25 - £1,090 (no VAT), depending on the amount of the claim. Counsel's fees will depend on the complexity of the claim and length of the trial (but are typically from £500 - £1,500 plus VAT per day). Costs of interim applications and settlement procedures are not included in the above estimates but we will advise you of the likely costs of these matters.

We will also advise you on the amount of these costs that can be recovered.

Where possible, we will also seek to recover under the Late Payment of Commercial Debts (Interest) Act 1998:

- Interest at 8% above the Bank of England base rate.
- Fixed sums between £40 - £100; and/or
- Reasonable costs of collection (minimum £50).