



**DEBT RECOVERY PRICES AND SERVICES**

**1. Estimated Fees**

- 1.1. It is very difficult to provide an estimate of fees in respect of the recovery of a debt as we cannot anticipate the course the matter will take or predict how many hours of work will be spent on an individual case to bring it to a satisfactory conclusion and this can depend on the particular circumstances of the case.
- 1.2. Our charges will be calculated by reference to the time spent by the relevant fee earner in dealing with the matter and will be based on this firm's hourly charge out rates, which range from £150 per hour for a paralegal to £400 per hour for a partner. A list of hourly rates is contained in our Terms of Business which will be provided to you once we have received your instructions.
- 1.3. The number of hours it will take will depend on the circumstances of your case. In particular, the size and complexity of the debt, whether the debtor is based in England and Wales, whether the debt is disputed and whether it becomes necessary to commence enforcement proceedings following judgment.
- 1.4. The best guide we can give you is that our fees for a modest, undisputed debt that is recovered without the need for legal proceedings could be anywhere between £250-750 whereas our fees for a larger, disputed debt which proceeds to trial could be anywhere between £10,000-15,000.
- 1.5. We will provide you with regular costs updates at each stage of your case and endeavour to let you have an estimate of the total cost of your case when possible.
- 1.6. Please note that all fees are exclusive of VAT and any out-of-pocket disbursements incurred with third parties (see paragraph 2 below).

**2. Disbursements**

- 2.1. We would usually expect to incur certain disbursements on your behalf which we will add to your bill and some of these expenses will depend on the size of the debt.
- 2.2. Initially, we may incur the costs of carrying out a trace against the debtor, the cost of which will be around £45-100 plus VAT, in order to determine the debtor's circumstances. We may also incur the costs of obtaining a copy of the title register for each property owned by the debtor (£3 per register) to ascertain whether it is possible to enforce any judgment by way of a charging order over the property.
- 2.3. If we are required to issue proceedings, we will incur a Court fee which will depend on the value of the claim. You can ascertain what this fee will be by checking the Civil and Family Court Fees Guide (EX50) which can be accessed from:

<https://www.gov.uk/court-fees-what-they-are>



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- 2.4. If proceedings become disputed and the matter goes to trial, we will need to instruct a barrister (also known as Counsel) on your behalf. Counsel's brief fee for a trial can range from £1,500 for the smallest claim to tens of thousands of pounds for the largest claim and will vary according to the experience of the barrister needed and the complexity of the case. The brief fee includes Counsel's time for case preparation and time engagement on the first day of any hearing. Thereafter, a 'refresher' fee is charged by Counsel for each additional day of any hearing which could be anywhere between £1,000 and £5,000 per day. These charges are exclusive of any applicable VAT.
- 2.5. If you require your solicitor to be in attendance along with Counsel at any hearing, then his or her time (including travelling and waiting time) will be charged on an hourly basis as set out in paragraph 1.2 above.
- 2.6. If judgment is obtained against the debtor, additional disbursements will be incurred in respect of the enforcement of the judgment and we will inform you of these disbursements when advising you on possible enforcement options.
- 2.7. Please note that this is simply a guide and disbursements can vary from case to case. If there are any other disbursements, we will advise you of these before incurring the cost of them.

### **3. Services Included**

- 3.1. In debt recovery matters, our fees include the following services:
  - (a) Taking your initial instructions and reviewing papers.
  - (b) Carrying out a trace against the debtor to determine his or her circumstances.
  - (c) Obtaining a copy of the title register for each property owned by the debtor.
  - (d) Sending an initial letter to the debtor requesting payment of the debt.
  - (e) Negotiating settlement terms with the debtor.
  - (f) Preparing a Letter Before Action and sending it to the debtor.
  - (g) Preparing the Claim Form and Particulars of Claim.
  - (h) Issuing Court proceedings against the debtor.
  - (i) Serving the Claim Form on the debtor (if necessary).
  - (j) Obtaining judgment in default if the debtor does not defend the claim.
  - (k) Proceeding through the Court process if the claim is defended.
  - (l) Advising you on possible enforcement options.



- (m) Dealing with the enforcement of the judgment.

#### **4. Services Not Included**

4.1. Our fees do not include any of the following:

- (a) Investigating the debtor's financial circumstances.
- (b) Advising on jurisdiction issues if the debtor is not based in England or Wales.
- (c) Dealing with issues regarding service where the debtor has more than one address or cannot be located or there are other problems in effecting personal service.
- (d) Making or defending applications to set aside judgment or to provide further information about an existing claim.
- (e) Making applications to amend claims, for service by means other than by post, or to freeze assets or deliver up goods.
- (f) Dealing with any breach of the settlement terms or failure to pay by the debtor.
- (g) Making or defending a costs application or dealing with any appeals.

#### **5. Fee Increases**

- 5.1. The guide as to fees is based on the assumption that the debt is no more than £100,000. If the debt is more than £100,000, our fees are likely to be higher and we can provide you with a revised fee estimate once we have full details of the claim.
- 5.2. Our fees are also likely to be higher if we are instructed to provide any of the services listed in paragraph 4 above.

#### **6. Timescales**

- 6.1. The time that it takes from taking your initial instructions to the final resolution of your matter depends largely on the stage at which your case is resolved. If settlement is reached following an initial letter or a Letter Before Action, it is likely to take 2-4 weeks to resolve. On the other hand, if the claim is disputed, proceedings become necessary and it proceeds to a trial, it is likely to take anywhere between 9 months and 18 months to obtain judgment as this will very much depend on the timetable of the Court. If enforcement action is necessary, it may take a further 6 months.
- 6.2. Please note that this is just an estimate and we will be able to give you a more accurate timescale once we have more information about the claim and as the matter progresses.

#### **7. General**



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- 7.1. All debt recovery matters will be handled on a day-to-day basis either by one of the partners, a solicitor, or a trainee solicitor/paralegal under the supervision of one of the firm's litigation partners.
- 7.2. Clients will be notified at the outset of the matter of the name and details of the particular fee-earner handling their matter.
- 7.3. If you want further information about the qualifications and experience of the fee earner dealing with your matter or the supervising solicitors, please visit our website.
- 7.4. It is this firm's policy to request monies on account from time to time to cover disbursements before incurring the cost of them or fees.