

## **SRA Price Transparency Illustration – Debt Collection for A Business Debt that is undisputed**

**Introductory note:** The following information is an illustrative guide only and is not a quote or an estimate. Individual costs will depend on individual cases.

**VAT:** Where vat is chargeable the rate will be in accordance with current tax rules (<https://www.gov.uk/vat-rates>)

### Court claims

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.

Debt value	Court fee	Our fee (exc. vat)
Up to £5,000	Please see <a href="https://www.gov.uk/make-court-claim-for-money/court-fees">https://www.gov.uk/make-court-claim-for-money/court-fees</a>	Between £400 - £3000 (Plus vat)
£5,001-£10,000	Please see <a href="https://www.gov.uk/make-court-claim-for-money/court-fees">https://www.gov.uk/make-court-claim-for-money/court-fees</a>	Between £400 - £3000 (Plus vat)
£10,001-£50,000	Please see <a href="https://www.gov.uk/make-court-claim-for-money/court-fees">https://www.gov.uk/make-court-claim-for-money/court-fees</a>	Between £400 - £3000 (Plus vat)

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.

Our fee includes:

Taking your instructions and reviewing documentation

Undertaking appropriate searches

Sending a letter before action

Receiving a payment and sending onto you, or if the debt is not paid, drafting and issuing claim

Where no Acknowledgement 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 14 days, providing you with advice on next steps and likely costs

Matters usually take 2-20 weeks from receipt of instruction 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 Judgment in default. If enforcement action is needed, the matter will take longer to resolve.