

COMMERCIAL DEBT RECOVERY

RDP Law's Dispute Resolution team is different to others. The team are experts at not just battling conflicts for clients but also at settling them, across a wide spectrum covering all aspects of commercial litigation, commercial debt recovery (not personal debt recovery), professional negligence, property litigation and contentious probate matters.

The team are best known for their clever, pragmatic approach to problem-solving and using alternative dispute resolution methods or where necessary, Court action to achieve the desired outcome. Regardless of who works on your matter they will be supervised by James Davies, a Director of over 17 years post qualification experience.

Fees

Price transparency is at the heart of the services we offer within the dispute resolution department. For all uncontested debt recovery claims up to a value of £100,000.00, we will provide you at the outset a detailed summary of potential costs per stage of the process.

Our prices vary depending on the claim value, complexity of issues and prospects of recoverability and are based on the hourly rates of the fee earner working on your matter. All the work we undertake on your behalf will be charged in accordance with our hourly rates.

Our current hourly rates are:

Robert Davies (Director/Solicitor)	£320 per hour plus VAT
James Davies (Director/Solicitor)	£300 per hour plus VAT
Sarah Porter (Partner/Solicitor)	£280 per hour plus VAT
Liz O'Connor (Partner/Solicitor)	£280 per hour plus VAT
Lewis White (Newly Qualified Solicitor)	£175 per hour plus VAT
Paralegal/Trainee Solicitor	£120 per hour plus VAT

VAT is currently charged at 20%.

The firm's hourly rates are reviewed in May and November of each year.

Regardless of who works on your claim, a typical non-contested debt recovery matter will comprise of three separate and distinct stages. We provide an estimate of cost per stage, set out below.

Stage 1 – The Pre-Action Stage

During this stage, a claimant will be required to evidence their claim by corresponding with the defendant. We would also advise you on the contractual position of any undisputed debt and calculate any interest payable.

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Typically, for a non-contested claim, we would recommend sending three letters. The first will be a letter before action. This is a detailed and robust letter, setting out the contractual matrix, the sums owed, and confirming how payment should be made. The second will be a follow-up chaser letter.

The third and final letter will give a final warning, confirming our intention to issue proceedings unless payment is made within 14 days.

It is difficult to estimate a definite timescale to debt recovery matters, but due to the protocol requirements, such action will be taken in compliance with said rules. This means no action can be taken by a creditor for at least 30 days from the date of the letter before action to the debtor, and a reasonable time is provided thereafter for the debtor to seek legal advice on its position.

We will endeavour to assess and review documents fully and in detail upon receipt of all contractual documents relevant to the claim and to do so within 14 working days of receipt of such documents and acceptance of the firm's terms and conditions of engagement.

For a non-complex matter with no unforeseen circumstances, it is likely that Stage 1 will be concluded within three months.

For a typical non-defended claim, our fees are estimated to be in the region of:

Stage 1		
Claim Value		Estimated Fee
Between £0 £10,000		£1,375 plus VAT
Between £10,001 £25,000		£1,925 plus VAT
Between £25,001 £50,000		£2,750 plus VAT
Between £50,001 £100,000		£3,850 plus VAT

VAT is currently charged at 20%.

The above-mentioned fee estimate is provided based on the following assumption:

1. That we are only instructed to send three letters, i.e. a letter before action, a chaser letter, and a further letter warning of our intention to issue proceedings at court.
2. That it is a straightforward contractual claim, with no complex issues to resolve.
3. That the defendant has no defence to the claim.
4. That the defendant does not enter into complicated or lengthy correspondence.

Stage 2 – Court Proceedings – obtaining judgment in default on your behalf.

If the correspondence mentioned in Stage 1 does not produce the desired result, the next stage is for us to advise a claimant on whether it is cost-effective to issue proceedings at court. This could involve instructing a private investigator to prepare a pre-sue means assessment report* and for us to advise on the prospects of success in proceeding with the claim.

If we consider that a claim is cost-effective to pursue, we may advise a claimant to issue proceedings at court. This involves drafting a claim form and particulars of claim and paying a court fee at court.

We estimate the time to complete this stage will be around 10 weeks.

* On average a typical pre-sue means assessment report will cost in the region of £350 plus VAT.

For a typical non-defended claim, our fees are estimated to be in the region of:

Stage 2		
Claim Value		Estimated Fee
Between £0 £10,000		£2,750 plus VAT
Between £10,001 £25,000		£3,300 plus VAT
Between £25,001 £50,000		£3,850 plus VAT
Between £50,001 £100,000		£4,400 plus VAT

VAT is currently charged at 20%.

The above-mentioned fee estimate is provided based on the following assumption:

1. That we consider that the claim has prospects of success in excess of 51%.
2. That the defendant has not defended the claim during the Stage 1 correspondence stage.
3. That it is a straightforward contractual claim, with no complex issues to resolve.
4. That the defendant does not defend the claim.
5. That we obtain judgment in default.
6. That we are not required to attend any court hearing.
7. That no applications to court are required other than for default judgment.

Stage 3 – Enforcement

Once we obtain judgment in default, the next stage is to enforce that judgment through the court process. As each case is different and with enforcement options being variable, we cannot give an exact timeframe or fee estimate for this aspect of the work, which will be case-specific.

We aim to begin Stage 3 as soon as possible and as soon as we receive instructions from you that we can proceed with entering judgment and pursuing enforcement action.

However, to give you an indication of potential costs, please refer to the following:

Potential Option	Estimated Fee
Order for Questioning	£825 to £1,100 plus VAT
Attachment of Earnings	£550 to £880 plus VAT
Third Party Debt Order	£550 to £880 plus VAT
Uncontested Charging Order	£1,320 to £2,200 plus VAT
Warrant / Writ of Control	£385 to £825 plus VAT
Statutory Demand	£385 to £825 plus VAT
Bankruptcy Petition	£825 to £1,650 plus VAT
Winding Up Petition	£1,375 to £1,650 plus VAT

VAT is currently charged at 20%.

Contested Disputes

The vast majority of claims are defended by a defendant. For debt recovery claims, this could be on the basis of a contractual dispute. The defendant may also bring a counterclaim against a claimant. If this happens, and on the assumption that our fees may exceed those stated above, we can advise on the potential cost implications and estimate of costs, tailored to your specific requirements.

Please note that if your claim is defended you will continue to be charged on the basis of our current hourly rates (exclusive of VAT, disbursements and expenses*). A fee estimate will be provided before any of these costs are incurred.

**See below Disbursements section for more information.*

We do not provide a fixed fee for each stage of the process. Any fee estimates provided above are an indication of our potential fees only. Similarly, we do not typically provide conditional fee agreements

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or damages-based agreements, but we can discuss potential funding options with you on a case-by-case basis.

With claims issued at court, if the proceedings become protracted, for a typical claim you may be required to budget more than £80,000.00 plus VAT and counsel fees for progressing a case through to a final trial. Enforcement costs could be in addition to that amount.

There may be some disbursements and fees to third parties (for example, search fees, court fees, process server fees, expert and agent's fees to attend court) that will need to be taken into account, not quoted below. Again, we will provide you with an estimate of the disbursements that you are likely to incur.

There is a principle in litigation where the losing party pays the winning parties' costs. If successful in the litigation, you would expect a court to award you costs in addition to any judgment sum. Typically, you would expect to recover between 60% and 70% of the costs you incur. However, although you may obtain a costs order against the defendant, you could still be left with the difficult task of recovering your costs from them.

For this reason, we will always seek to provide you with the best possible cost estimates at an early stage of a dispute, so that you can make an assessment on whether the claim is genuinely cost-effective to progress, or whether it may be more cost-effective to settle.

Disbursements

Disbursements are costs payable to other organisations which are incurred by us in acting for our clients in these matters.

A court fee is payable to the court on issuing a claim.

An example of additional expenses that may be applied is:

- Electronic identification verification - up to £13.50 (plus VAT) per individual, partner, sole trader, director, shareholder, beneficiary, trustee etc.
- up to £41.50 (plus VAT) per LTD, LLP, PLC and each parent company
- Electronic Signing Service fee - £7.50 (plus VAT) per e-sign transaction
- Electronic Bundle Fee - £35.00 (plus VAT) per bundle
- Electronic signing service fee: £7.50 (plus VAT) per e-sign transaction.
- CHAPS fee for same day Bank Transfers £40 & VAT
- Guaranteed Delivery/Special Delivery additional postage costs:
- "Signed for" delivery:
 - Letter – up to 100g – £2.96 (plus VAT)
 - Large letter
 - up to 250g – £4.27 (plus VAT)
 - 500g– £5.00(plus VAT)
 - 750g – £5.00 (plus VAT)
 - Small parcel – up to 2 kg – £5.69 (plus VAT)

- Medium parcel
 - up to 2kg – £5.69 (plus VAT)
 - 2kg - 10 kg – up to £13.29 (plus VAT)
- Special delivery, guaranteed delivery by 1pm next working day:
 - Up to 100g – £7.75 (plus VAT)
 - 500g – £8.75 (plus VAT)
 - 1kg – £9.75 (plus VAT)
 - 2kg – £12.75 (plus VAT)
 - 10kg – £17.75 (plus VAT).

To issue a claim for money, the court fee is based on the amount claimed, including interest, as set out in the following table. There is no VAT payable on the below court fees:

Value of your claim				Fee payable	
				Court issued claim	Filed via SDT/MCOL*
Up to	£300			£35	£25
Greater than	£300	but no more than	£500	£50	£35
Greater than	£500	but no more than	£1,000	£70	£60
Greater than	£1,000	but no more than	£1,500	£80	£70
Greater than	£1,500	but no more than	£3,000	£115	£105
Greater than	£3,000	but no more than	£5,000	£205	£185
Greater than	£5,000	but no more than	£10,000	£455	£410
Greater than	£10,000	but no more than	£200,000	5% of the value of the claim	4.5% of the value of the claim
Greater than	£200,000			£10,000	N/a

* Maximum amount for Secure Data Transfer (SDT) or Money Claim OnLine (MCOL) £99,999.99

Secure Data Transfer is a secure system to enable customers issuing in bulk to upload and transfer data files directly from their systems to HM Courts & Tribunals Service systems.

We have set out some of the potential costs which may be payable to third parties in relation to your claim below. The disbursements which are applicable to you will depend upon the individual circumstances of your case.

Disbursement	Cost
Tracing Agent Fees	From £75 plus VAT
Process Server Fees	From £90 plus VAT
High Court Enforcement Officer Abortive Fee	£90 plus VAT
Official Receiver's fee	Please refer to HMCTS website (there will be VAT payable on fees)
Barrister Fees for initial advice	From £800 to £3,000 plus VAT (dependent on nature and complexity of instruction)
Land Registry Office Copy Search Fee	£3 plus VAT per document
Affidavit Fee	£5 plus VAT plus £2 plus VAT per exhibit

VAT is currently charged at 20%.

Details of work and experience:

Robert Davies – Director

Chairman, Robert Davies MBE, with over 44 years of experience, is highly regarded within the South Wales property and legal sector. He has a particular expertise in advising with regards to the more contentious commercial and residential property developments and is regularly instructed in relation to some of South Wales' larger and more exciting development proposals. His reputation and astute, pragmatic approach to dispute resolution often achieves outcomes on matters which are commercial and practical in nature. A true rainmaker, Robert's influence in the South Wales market knows no bounds.

James Davies – Director

James is head of RDP's Real Estate team and qualified as a Solicitor in 2004. He may provide assistance to the Litigation team where appropriate.

Sarah Porter – Partner and Head of Dispute Resolution

Sarah has 15 years' experience working in dispute resolution and is a qualified mediator. She has been involved in a variety of types of litigation matter, both for private individuals and commercial clients, including:

- Consumer disputes, breach of contracts etc.
- Contentious probate
- Negligence claims.

Sarah specialises in property litigation, with a focus on boundary disputes, trespass claims, rights of way, restrictive covenants, and adverse possession. She also has significant experience in dealing with both private and commercial, landlord and tenant disputes.

Liz O'Connor – Partner

Liz is a solicitor with over 12 years' experience in dispute resolution matters and has a wide experience including:

- Commercial disputes including breach of contract and supplier disputes
- Partnership and shareholder disputes
- Construction disputes
- Property disputes including landlord and tenant, boundary disputes, adverse possession and commercial lease disputes
- Judicial reviews of planning decisions
- Contentious probate disputes.

Lewis White – Solicitor

Lewis qualified as a solicitor in October 2023 and sits in the Litigation team. He joined RDP in April 2021 as a paralegal and started his period of recognised training in April 2022. Lewis now works on both commercial litigation and property litigation matters.

Robyn Bramham-Exley – ACILEx – Paralegal Member of the Chartered Institute of Legal Executives

Robyn is a Paralegal Member of the Chartered Institute of Legal Executives, within the Dispute Resolution team. Robyn supports the team on all matters when required.