

Palmerslaw

Debt recovery

Moving forward **together** >



The late payment of invoices is becoming an increasing problem for all types and sizes of businesses within the UK.

It is a real problem that businesses need to get to grips with and tackle because it can cause cash flow misery. Indeed it will be unsurprising for many to hear that cash flow problems continue to be one of the biggest causes for business failure within the UK.

At Palmers Solicitors we recognise that instructing a solicitor to chase book debts and overdue invoices is something that is often avoided by businesses that do not want to get dragged into a costly legal dispute. Therefore, Palmers Solicitors offers a Debt Recovery Scheme that ensures your business retains cost effective control of its debt recovery process whilst benefiting from the involvement of legal experts.



Debt Recovery Scheme

The Debt Recovery Scheme is designed to take away the valuable time and effort that a business expends in chasing undisputed invoices.

Palmers Solicitors is able to assist in a cost proportionate way at all stages of the debt recovery process. Often all that is needed is for a debtor to receive a letter from a solicitor to demonstrate to them that a business is serious about debt recovery. Palmers Solicitors can therefore escalate the debt recovery process by drafting a formal letter before claim to ensure compliance with the Practice Direction on Pre-Action Conduct and, if required, draft a Claim Form and Particulars of claim to prepare proceedings for issue, **all for a fixed and proportionate sum.**

It is the choice of the business involved whether to progress from option a to b and you retain control of that decision. *(In the event that the invoice is disputed ordinary hourly rate charges will apply and that information will be provided at the relevant time – see the Debt Recovery Scheme for more information.)*



Legal proceedings (undisputed debts) price list

There are four stages to legal proceedings:

1. Letter Before Action 2. Issuing Legal Proceedings 3. Judgment 4. Enforcement

We charge a fixed-fee for Sending a Letter Before Action and Issuing Legal Proceedings based on the size of your debt:

Claim Size (£)	Court Fee (£)	Palmers Solicitors' Charges (£) (Plus VAT)	
		Letter Before Action	Issuing Legal Proceedings
Up to 300	35	100	200
301-500	50	100	200
501-1,000	70	200	300
1,001-1,500	80	200	300
1,501-3,000	115	200	400
3,001-5,000	205	200	400
5,001-10,000	455	200	400
10,001-50,000	5% of the claim	300	600
50,001-100,000	5% of the claim	600	800
100,000+	Please contact us for pricing information		

Continued on the following page...

Upon entering Judgment, we charge **£65.00 plus VAT** for debts under **£5,000** and **£80.00 plus VAT** on debts over **£5,000.00**. The cost of enforcement will be agreed with you in advance, should it be necessary.

Whilst this is still covered under our “Pricing – Commercial Debt Recovery”, if the debtor is a sole trader or an individual, the Pre-Action Protocol for Debt Claims will apply which means we are unable to send out a standard Letter Before Action and must give the sole trader or individual 30 days to respond to the Letter of Claim.

If an invoice becomes defended or disputed either (i) after sending a Letter Before Claim or (ii) after Issuing Proceedings, such defended or disputed claims will be charged by Palmers Solicitors on a time spent basis and additional court fees may be payable. We will discuss such costs with you at the relevant time and before proceeding further. A case will become defended and/or disputed when the debtor challenges payment of your invoice(s) for any reason.



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Palmers Solicitors is the trading name of Palmers Law Limited (company registration England & Wales: 09464224) registered office 19 Town Square, Basildon, Essex SS14 1BD and is authorised & regulated by the Solicitors Regulation Authority, SRA No. 813805

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