

Fixed Fees for Business to Business Debt that is undisputed

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Is there an outstanding debt owed to you from another business? If so, JNP Legal are your local legal experts who can assist you with your unpaid business debt. If you instruct JNP Legal for this service, we do the chasing for you and make the issue hassle free. You can be confident that you are in safe hands.

We offer affordable fixed fee price packages. The price includes meeting with you in person to take your initial instructions if required. However, we are also able to deal with matters over the telephone or by e-mail. We have 3 offices – Merthyr Tydfil, Nelson and Llanishen – and our solicitors are fully flexible and able to travel to the office which is the easiest for you. Our Merthyr Tydfil office also opens on a Saturday.

Our team of solicitors within the Civil Department are friendly, approachable and avoid legal jargon wherever possible.

These costs apply where your claim is in relation to an unpaid invoice which is not disputed and enforcement action is not needed. It only applies in respect of business to business debt, and it does not apply to individuals. If the other party disputes your claim at any point, we will discuss any further work required and provide you with a revised estimate about costs if necessary. This could be on a fixed fee basis or if more significant work is involved, an hourly rate would then become applicable. The hourly rate depends upon how experienced the solicitor is, and the complexity of the matter.

Our service is split into 2 stages:

1. Before the issue of Court Proceedings; and
2. The Issue of Court proceedings.

If the Letter of Claim does not result in payment from the Defendant, we are then able to issue proceedings at your Local County Court and secure Judgment in your favour. However, as above, these fees do not include the fees for enforcing that Judgment.

Stage One - Pre-Litigation Process:

We will start matters by taking your instructions to establish your objectives. We will then draft a Letter of Claim on your behalf, giving the other party 14 days to respond.

Under the Late Payment of Commercial Debts (Interest) Act 1998, you are also entitled to claim back your reasonable legal costs, interest on the unpaid invoice and a fixed sum of compensation (dependent upon the level of debt).

Our fee includes taking your instructions and reviewing any relevant documentation, undertaking any necessary searches, sending a Letter of Claim to the Defendant and then receiving payment from the Defendant and sending that on to you.

In the event that no response is received, we will then agree with you the next steps. However, in the event that no response / payment is received from the Defendant, the next step is to then issue proceedings at your local County Court.

For stage one of the process, our fixed fee is £200 plus VAT.

Stage Two – Issuing County Court Proceedings:

In the event that the Defendant does not respond to our Letter of Claim, we can then assist you with issuing your claim at Court. Included within our fixed fee is the following: drafting the relevant Court documents and sending those documents to Court; serving those documents on the Defendant; where no Acknowledgment of Service or Defence is received, applying to the Court to enter Judgment in default; when Judgment in default is received from the Court, writing to the Defendant to request payment.

In the event that there is no response received from the Defendant in response to the Judgment in default, we will then advise you of the appropriate costs to proceed with the matter further to enforcement action.

In the event that the Defendant responds to our Claim Form with the intention of defending the matter, we will discuss our fees with you at this stage. Depending upon the complexity of the matter, this is likely to be charged on an hourly rate, in accordance with the hourly rates set out above. It may also be the case that you require an Advice from a Barrister or the services of a Barrister for the advocacy in Court. We have good relationships with reputable and local Barristers.

In the event that Court proceedings need to be issued, you will need to pay the applicable Court fee. This is dependent upon the value of the debt, and in the event of a successful claim, this should be recoverable from the Defendant. We will require the Court fee on account of costs from you before we are able to issue the claim at Court. The current Court fees are as follows:

Value of your claim	Fee payable
Up to £300.00	£35.00
Greater than £300.00 but no more than £500.00	£50.00
Greater than £500.00 but no more than £1,000.00	£70.00
Greater than £1,000.00 but no more than £1,500.00	£80.00
Greater than £1,500.00 but no more than £3,000.00	£115.00
Greater than £3,000.00 but no more than £5,000.00	£205.00
Greater than £5,000.00 but no more than £10,000.00	£455.00
Greater than £10,000.00 but no more than £15,000.00	5% of the value of the claim
Greater than £15,000.00 but no more than £50,000.00	5% of the value of the claim
Greater than £50,000.00 but no more than £100,000.00	5% of the value of the claim

For stage two of the process, our fixed fee are as follows:

Claim Value	Costs (+VAT)	Court Fees	Total (+ VAT on costs)
£25.00 to £200.00	£100.00	£35.00	£135.00
£200.00 to £300.00	£110.00	£35.00	£145.00
£300.00 to £500.00	£120.00	£50.00	£170.00
£500.00 to £600.00	£140.00	£70.00	£210.00
£600.00 to £1,000.00	£170.00	£70.00	£240.00
£1,000.00 to £1,500.00	£200.00	£80.00	£280.00
£1,500.00 to £3,000.00	£200.00	£115.00	£315.00
£3,000.00 to £5,000.00	£200.00	£205.00	£405.00
£5,000.00 to £10,000.00	£250.00	5% of the value of the claim	5% + £250.00
£10,000.00 to £15,000.00	£250.00	5% of the value of the claim	5% + £250.00
£15,000.00 to £50,000.00	£300.00	5% of the value of the claim	5% + £300.00
£50,000.00 to £100,000.00	£400.00	5% of the value of the claim	5% + £400.00

Our hourly rates are as follows based on the grade of solicitor you instruct:

1. Grade A: £201 + VAT
2. Grade B: £177 + VAT
3. Grade C: £146 + VAT
4. Grade D: £111 + VAT

Anyone wishing to proceed with a claim should note:

- The VAT element of our fee cannot be reclaimed from your debtor, unless you are VAT registered.
- Our fees are exclusive of VAT.
- The costs quoted above are not for matters where enforcement action i.e. the services of a High Court Enforcement Officer, is required to collect your debt.

Timescales:

It is extremely difficult to predict with any certainty the timescales involved in the recovery of your debt from the Defendant. Matters usually take 28 days from the Letter of Claim being sent to the other party to receipt of payment. We would expect a timescale of around 90 days from the issue of a claim to Judgment. The timescales involved are dependent upon how quickly the Defendant responds to us and whether we need to issue Court proceedings. If enforcement action is required after securing Judgment on your behalf, the matter will take longer to resolve.