



Debt-Claims Pricing Guide - Small Claims Defended

(fixed fee and hourly rates)



debt-claims
solicitors

Defended Pricing Guide – Small Claims Matters

What is a Small Claims Matter?

Where the total claimed is up to £10,000 (excluding Court issue fee and fixed solicitor costs on issuing the claim) and if the matter is defended then it will usually be allocated to the Small Claims track. This is a fairly quick and straightforward process. If a counterclaim is filed, and the amount counterclaimed takes the total of the claim and counterclaim value over £10,000 then it might not be allocated to the Small Claims track.

Are Costs Recoverable in Small Claims Matters?

Recoverability of costs in Small Claims matters are limited; if you are successful at the hearing, you can usually recover the Court fee incurred to issue your claim, along with the solicitors' costs on issuing the claim (these two amounts are detailed on the claim form).

If a claim is defended and proceeds to trial, there is also a hearing fee of between £27 and £346 that needs paid to the Court (the actual cost depends on the value of the claim). The cost for an advocate to attend the hearing is between £264 - £612 depending on the length of the hearing. Most small claims are listed for two hours, and an advocate's fee would therefore be £294. The Court hearing fee and advocate's fee are usually recoverable, if you are successful at the hearing.

Other solicitor costs are not generally recoverable; these are the costs that we incur in dealing with the defence (and can either be hourly rates or fixed fees as set out below). On occasion, the Court may award you these solicitor's costs, if for example, the conduct of the other side has been particularly bad. But this is not the norm, and you shouldn't expect to recover them.

As the costs situation in Small Claims can quite easily outweigh the value of you, you should consider these before deciding how you want to proceed. To help combat this, and to offer different avenues, where you have issued proceedings via our Portal and these have been defended, we offer both an hourly-rate (traditional) approach, or a fixed-fee approach. The latter is designed to give you better foresight and management, and is broken down into different sections, so you can decide how much you want to spend.

Can I Discontinue my Claim if it is Defended?

With Small Claims matters, once they are defended, you have the option to instruct us to carry on with the matter (or an alternate law firm) or you can take conduct of the matter yourself.

You also have the option to discontinue your claim without any financial penalty and before any costs have been incurred, this will bring an end to your claim. There are restrictions if you want to later re-issue the claim, however.

If the Defendant has filed a counterclaim, and if you discontinue your claim, then their counterclaim will survive and will continue, so this will need to be dealt with separately. Depending on the nature of the Defendant's counterclaim, it may be possible to agree some sort of settlement or drop hands agreement.

What if the Defence is Baseless or Isn't Really a Defence?

Occasionally, Defendants' file defences that have no merit (for example, their defence might simply state something like they want a payment plan, or they want to avoid a County Court Judgment (CCJ) or they could claim to have already paid).

In these circumstances, there are alternative routes that circumvent the Small Claims defended track. Some examples are listed below, but other routes could apply depending on what the defence (and counterclaim) states. It is never guaranteed that these routes/applications will succeed, but we can advise on the likely prospects of them being approved.

Settlement – if the Defendant has filed a defence to delay proceedings or avoid the risk of getting a CCJ and simply wants a payment plan. This could either be agreed informally as a one-off payment and then the claim marked as settled, or if a longer payment plan is needed, then once proposals have been agreed, we can formalise this by Consent with the Defendant (sometimes known as a Tomlin order). We then file a signed Consent Form and application, that if approved by the Court, stays (pauses) the claim provided that the agreed settlement and instalments are paid. The cost of this would incur a Court application fee of £123 and around 2-3 hours of chargeable time – these costs may be recoverable from the Defendant, if we agree it as part of the settlement.

If the Defendant does not pay in line with the settlement, you can apply for a CCJ against them. This would attract further fees, however.

Strike-out Defence and Summary Judgment – if the defence has no merit, or you can disprove it very easily (for example by evidencing it easily on paper) then it may be appropriate to make an application to strike-out the defence and ask for summary judgment. If agreed by the judge, the matter can be resolved quickly. Generally, this would incur an application fee of £313 and around 4 hours of chargeable time, together with an advocate's fee to attend the hearing of £252. These costs might be recoverable if you are successful.

Similarly, if a counterclaim is baseless, there may be grounds to strike that out.

Rather than consider the matter a dead-end or too costly, we are experienced in Small Claims matters and finding intuitive and cost-effective ways to get the desired outcome.

Are there any Other Ways to end a Defended Claim?

It all really depends on what the defence says and what your position is to the defence, along with how much you want to spend. As noted above, you can quite easily discontinue the claim, but if the Defendant clearly wants a payment plan or settlement, then we can enter negotiations on your behalf and resolve the matter informally or formalise these with a Consent order.

If you are unsure on your options, then once a defence has been filed, you can book an Online Consultation via our Portal for a short 10 or 20 minutes meeting to discuss options. These cost £30 or £60 respectively.

Hourly Rates and Disbursements

Our traditional approach is to charge for our time on an hourly-rate basis.

From receipt of defence up until conclusion of the matter (i.e. a hearing where a judge decides the outcome) you can generally expect around 10-12 hours of time to be recorded. This is based on the matter following the normal process of filing and serving a Directions Questionnaire, attending Small Claims Mediation, drafting one witness's evidence, preparing for one hearing, instructing an advocate and attending one hearing and reporting the outcome to you.

These time estimates can vary, and extra time would be needed in certain circumstances; for example if a counterclaim is also filed, you can expect an additional 2-4 hours, and if additional witnesses are required, around an extra 2 hours' time per witness. Other things, such as increased correspondence, adjourned or vacated hearings, interim applications, or settlement attempts can all increase the time required.

Most small claims matters will be dealt with by a paralegal or trainee solicitor, whose hourly rates are £150 - £200. A straightforward matter could cost around £1,500 but a more complex or drawn out one could be around £3,000 in solicitors' fees, which are not generally recoverable.

As noted above and in addition to our fees, there is also a hearing fee to pay, and the cost of an advocate to attend the hearing. The hearing fee will be between £27 and £346 and an advocate's fee varies depending on the length of the hearing, but most would be for two hours and cost £294.

Fixed Fee

As an alternative to our hourly rate charging structure, we offer a fixed-fee service where the claim was issued by Money Claims Online (MCOL) via our Portal, out of the Civil National Business Centre (CNBC).

The same disbursements mentioned above would still apply (hearing fee and an advocate to attend the hearing). The hearing fee will be between £27 and £346 and an advocate's fee varies depending on the length of the hearing, but most would be for two hours and cost £294.

Stage and Work Conducted	Our Fee Based on Claim Value (not Including Court Issue fee or Solicitor Costs)		
	£25.00 - £3,000.00	£3,000.01 - £5,000.00	£5,000.01 - £10,000.00
<p>Stage 1 - Initial Review and Requirements</p> <p>This stage begins once the defence has been received from the defendant.</p> <p>We will review the contents of the defence and advise you on the merits and next steps. We shall also consider any alternate options. At this stage, we will also handle the administrative process of having your case transferred to your local County Court. We will complete the Directions Questionnaire on your behalf and ensure that it is properly filed with the Court and served on the defendant.</p> <p>If it becomes apparent that another route is a better option (for example, settlement) then we will discuss this with you under Stage 1 and provide an estimate of costs, but the costs of an alternative route are not included in our fixed fee under Stage 1.</p> <p>If the defendant files a counterclaim, or if it becomes necessary to submit a formal Reply to Defence, this extra work falls outside the scope of Stage 1 and further costs will apply (provided below).</p>	£250.00	£300.00	£350.00
<p>Stage 2 - Small Claims Mediation</p> <p>If the matter is referred for mediation (which most Small Claims matters are) we will carry out all necessary preparation and represent you during the mediation appointment. We will require you to give us your scope for settlement including any limits on what offers you are prepared to make or accept, and any relevant details. We will prepare a short summary of your position for use in the</p>	£350.00	£400.00	£450.00

<p>mediation and attend the telephone call on your behalf. If the matter is settled at this stage, the Court will draw up that the settlement must be adhered to.</p> <p>If the defendant fails to adhere to the settlement agreement, you can either apply for a Court order that they have to pay the settlement amount, or you can apply for the claim to continue as a defended claim for the original claimed balance.</p> <p>Our fees for making these further applications are not included under Stage 2 but we are happy to give you an indication of likely costs.</p>			
<p>Stage 3 - Prepare for Trial</p> <p>We will prepare the case for trial by drafting one witness statement and compiling the hearing bundle for the Court, and file and serve these. We will also advise you of the hearing fee that needs to be paid to the Court and arrange payment on your behalf, once you have sent the required amount to us. This fee is set by the Court and varies depending on the value of your claim.</p> <p>If any additional witness statements are needed, we charge extra for this. Similarly, if you ask us to make changes to your documents after they have been finalised, further fees may apply.</p>	£350.00	£400.00	£450.00
<p>Stage 4 - Attending Trial</p> <p>Under Stage 4, we will arrange representation at the hearing, draft instructions to the advocate or counsel, advise you and your witnesses on what to do and file and serve a costs schedule, and reporting the outcome of hearing and suggest any further action that could be needed.</p> <p>If the hearing is adjourned or vacated, or a subsequent hearing is listed, or further work required after the hearing such as enforcement or an appeal, then this is not included in the fixed fee under Stage 4.</p>	£250.00	£300.00	£350.00
Total	£1,200.00	£1,400.00	£1,600.00

Additional Actions – most claims will follow the above route, however, if additional or different processes are needed, there are extra costs to pay. The most common types are listed below, and anything not listed will be charged at hourly rates (or we may agree a fixed-fee for a one off matter). There may also be disbursements to pay.

Anything that does not appear in the fixed-fee schedule would be chargeable at our normal hourly rates. Our fixed-fee schedule is based on our experience of the most common applications or instances that can occur.

Action	Our Fee Based on Claim Value (not Including Court Issue fee or Solicitor Costs)		
Second Defendant If there is a second Defendant, an extra fee is charged by us to account for the extra time and work needed.	£450.00	£450.00	£450.00
Counterclaim If a Counterclaim is filed and proceeds, we will charge you an extra fee in order to defend (or admit) this, along with a reply to defence.	£500.00	£500.00	£500.00
Reply to Defence If this is recommended, and you instruct us to proceed with it, we will charge you an extra fee.	£250.00	£250.00	£250.00
Additional Witness Statements If additional witness statements are needed, we will charge you an additional fee for each additional witness statement.	£300.00	£300.00	£300.00
Application for Strike Out and Summary Judgment If you instruct us to make this application, we will charge a fixed fee to prepare an application, file, and prepare for the hearing and send instructions to an advocate. Disbursements will apply. Our fee is limited to the above work, and does not include (for example) dealing with any Order that the Court make following the application.	£600.00	£600.00	£600.00
Tomlin / Consent Order If you have agreed terms of settlement with the Defendant, we can apply formalise this under a Tomlin (or Consent) Order. This will attract a disbursement.	£350.00	£350.00	£350.00
Discontinuance / Settled / Paid in Full	£40.00	£40.00	£40.00

If any of the above outcomes are required to be notified to the Court and you cannot do this via our Portal, then we will charge a fee for completing it manually.			
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All references to disbursements are made at the current rates charged by the third parties and are subject to change. You will be charged the rate that we are charged at the time the disbursement is incurred.

All of our fees are plus VAT at the current applicable rate.