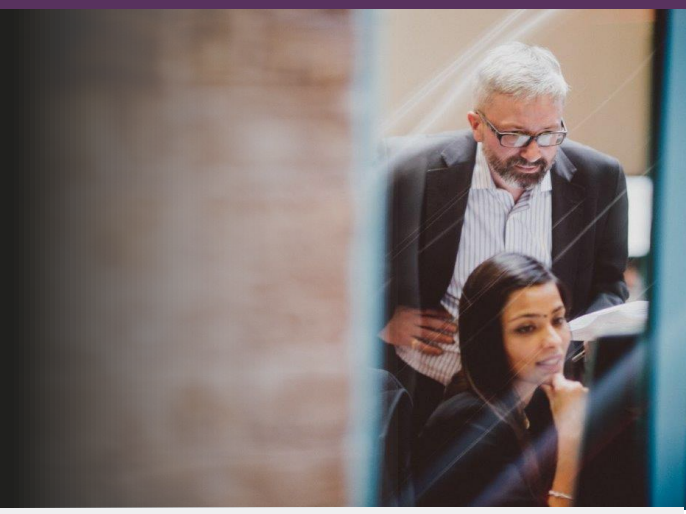
RIAA Barker Gillette

Costs in debt recovery cases



November 2026

We will always liaise closely with you at the outset of any instruction to agree on costs before undertaking any item of work.

It is important that you understand the costs associated with our instruction upfront. Debt recovery cases will ordinarily be dealt with in the County Court, and dependent on value, they will be dealt with as follows.

Pre-Action Processes

All dispute resolution matters invariably commence with the service of a Letter Before Claim (also known as a Pre-Action Protocol Letter). The cost of drafting such a letter will vary from case to case, depending on complexity and value.

As a guide in respect of straightforward matters our charges for producing such a letter would be in the region of £750 to £950 plus VAT. For more complex matters, our charges are likely to exceed £1,000 plus VAT (which will be the subject of a discussion and agreement with you).

Small Claims Track

It is often not cost-effective for you to instruct us to act in a case which will be allocated to the Small Claims Track. These cases are always dealt with in the County Court and have a financial value of not more than £10,000. Only limited costs are recoverable on such claims. The rules and procedures are designed to be less formal and more accessible to litigants in person. It is generally quicker and cheaper to bring a claim using the Small Claims Track as there is no need for substantial pre-hearing preparation and the formalities of a traditional trial. Recovery of costs is limited to:

1. fixed solicitors' costs which are the subject of a modest scale governed by the Civil Procedure Rules;
2. court fees: the issue of a claim attracts a fee based on the claim's value on a sliding scale ranging from £35 to £455. Any applications made during the case attract a fee of £321 if contested or £126 if by consent;
3. certain travel and accommodation expenses incurred attending hearings;
4. fixed sums for loss of earnings or holiday entitlement due to attending hearings (limited to a maximum of £95 per person per day); and
5. fixed sums for experts' fees (a sum not exceeding £750 for each expert).

2, 4 and 5 are known as disbursements which are costs that will be incurred in addition to our firm's own costs.

As only limited costs are recoverable, parties to small claims are often not represented and the court considers this at all stages of the action. If we agree to act on your behalf, we will undertake this work at a charge out rate of £260 per hour plus VAT. We may also agree to cap our fees to keep the process proportionate in the context of the claim's value.

Fast Track

The Fast Track is the usual Track for modest claims of between £10,000 to £25,000 which are unsuitable for the Small Claims Track but do not justify the greater complexity of the **Multi Track** procedure (see below). It is designed to provide a quick and simple procedure to enable disputes to proceed quickly to trial within a short timescale. Fast Track cases should be compromised or tried within a period of 30 weeks from the allocation and the giving of directions. These types of claims will usually be heard in a County Court.

RIAA Barker Gillette (UK) LLP is a limited liability partnership registered in England and Wales under number OC307915.
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The LLP is authorised and regulated by the Solicitors Regulation Authority under number 422305.
Ref: SRA Transparency Rules DR - 09 11 2026 docx (1)

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A party to a claim on the Fast Track may represent themselves or instruct a solicitor or counsel.

The recovery of costs on the Fast Track are likely to be limited once the court has applied a proportionality test. The recoverable trial costs are very limited and when they increase, they do so only in small increments. The idea is that limiting recovery in this way should act as an incentive for parties to settle lower value disputes. A summary of trial costs on the Fast Track are as follows:

Value of claim	Fast Track trial costs the court may award
Up to £3,000	£619
Between £3,000 and £10,000	£877
Between £10,000 and £15,000	£1,342
More than £15,000	£2,168

The costs for issuing a claim are 5% of the claim's value.

We will charge £285 plus VAT per hour in conducting a Fast Track case. Where we engage counsel, we will liaise with counsel's clerk to provide you with a quote for the work to be undertaken. Instructing counsel to prepare the documentation and attend the trial is often more cost-effective. This can be dealt with on a fixed fee basis and will be a disbursement in addition to the firm's legal costs.

Multi Track

The Multi Track will commonly deal with cases of a value of more than £25,000. Our costs for dealing with this matter will be dependent on the fee-earner's hourly rates which are as follows (excluding VAT):

Position and year of qualification	From	To
Partners: Laura St-Gallay (2006) Stuart Jacobs (1981) M. Qaiser Khanzada (1984) Jamie Lester (2001)	£500	£650
Senior Associate Solicitors: Vinay Verma (1996) Daniela Mensano (2013)	£395	£425
Associate Solicitors: Daniel Downes (2005) Carly Aitchison (2020) Malena Lonardo (2024)	£395 £325 £260	£425 £350 £275
Paralegals*: Finn Skinner Jack Young	£200	£210

**Not qualified solicitors.*

Our charges are subject to VAT, currently 20% in the UK.

Laura St-Gallay is the Head of Department. Partners supervise all work carried out by junior fee earners.

In addition, counsel may be instructed in this matter. Counsel's work will be charged for the specific tasks they are instructed upon and a fee in respect of that will be agreed upon with the counsel's clerk and with you in advance of instructions being provided. The level of counsel's fees will depend upon their seniority and the case duration. Counsel's fee will be a disbursement payable by this firm and will commonly in cases of this nature be in the region of £2,500 to £10,000 plus VAT for a one-day hearing (depending on complexity). The fee paid to counsel (known as the brief fee) will cover the preparation for the hearing and attendance on the first day of the case. Additional days for which counsel is engaged are charged as a "refresher fee" and range from £1,500 to £5,000 plus VAT per day.

The work undertaken in each of the above-mentioned Tracks will include the following:

- taking your full instructions;
- advising you on the merits;
- assisting you in preparing pre-action protocol letters;
- the preparation, drafting and filing of proceedings in the County Court or High Court as necessary;
- preparing for and attending case management hearings, preparing costs schedules and briefing counsel for a hearing if appropriate;
- dealing with your disclosure obligations and reviewing the respondent's disclosure;

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- preparing witness statements;
- instructing counsel for the hearing;
- preparing the case for the final hearing to include agreeing trial bundles and liaising with counsel and witnesses;
- attending the hearing.

Statutory demands

A statutory demand is a useful tool in recovering funds from a debtor. It is a written demand for payment capable of being served on an individual or a company under the various provisions of the Insolvency Act 1986. The demand does not commence court proceedings. It is a precursor to a winding-up petition or a bankruptcy petition being presented (depending on whether the debtor is a corporate entity or an individual).

Statutory demands - individuals

This can be served where a debtor appears unable to pay a debt or has no reasonable prospect of being able to pay. The debt must be for a liquidated sum of more than £5,000 payable immediately or at some time in the future and is unsecured. Once presented, if an application is not made to set it aside within 18 days, a bankruptcy petition can be presented three weeks after the statutory demand has been served. If a petition is not presented within four months after the demand was served, a fresh statutory demand will need to be served.

Statutory demand - companies

As with a statutory demand against an individual, this can be served to support the presentation of a petition on the basis that the debtor company is not able to pay its debts as and when they fall due. Technically, a winding-up petition can be presented without the service of a demand. A company will be deemed unable to pay its debts if it has failed to pay a sum exceeding £750. A company can apply to court to prevent the presentation of a petition but will need to do so within 21 days of service of the statutory demand.

Fee quote

To prepare and serve a statutory demand, we will undertake that task as follows:

1. in respect of straightforward matters for a fee between £750 to £1,750 plus VAT;
2. regarding more complex cases our charges will be the hourly rates of the fee earners dealing with this matter in the context of the documentation and instructions provided. We will in such circumstances look to agree a fixed fee with you for this purpose; and
3. in addition, there will be a fee for a process server to effect service of the demand at £125 plus VAT or £150 plus VAT for urgent service.

If the matter leads to the presentation of a bankruptcy petition, then the following costs will apply subject to how complicated the claim is:

- costs of this firm in reviewing, preparing and drafting a bankruptcy petition - £1,000 to £1,750 plus VAT (subject to the same observations on complexity as we make in relation to statutory demands above);
- deposit payable on the presentation of a petition to the Court Service for managing the bankruptcy - £1,500; and
- court costs on issue - £352.

So far as a winding-up petition is concerned, both the costs of this firm remain the same as in the presentation of an individual bankruptcy petition. The fees, however, payable by way of court deposit, rise to £2,600, and the filing fee remains the same at £352. There will also be a fee for the Gazette Notice, which is £158.04.

For full details of our charges please see the "Charges" section of our general terms of business, a hard copy of which is available on request.

We are happy to discuss the costs in relation to any item of work undertaken by us. Contact Laura St-Gallay today to discuss your enquiry.

Laura St-Gallay
Partner
020 7299 6911
Laura.StGallay@riaabg.com
www.riaabarkergillette.com