



SHEPHERD+ WEDDERBURN

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Debt Recovery - Scotland

Information about costs

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Our Team

Shepherd and Wedderburn LLP offers a cross-jurisdictional capability, able to handle claims for you in both the Scottish and English courts.

Our senior Debt Recovery team biographies can be found [here](#). Our Partner-led team includes solicitors with extensive experience in commercial litigation and debt recovery, Trainee Solicitors and Paralegals under appropriate supervision.

Undefended Claims

When instructing our Debt Recovery team, the charges specified below will apply in all undefended claims brought before the courts in Scotland.

The charges below are based on recoverable expenses set by the court, where applicable, the compensation payable under the Late Payment of Commercial Debts (Interest) Act 1998, and court costs and associated outlays.

With the exception of the fee for pre-action correspondence all costs are recoverable from the debtor in the event that an undefended court Decision or Decree is obtained.

Fixed Fee Schedule (Scotland) – Standard Undefended Proceedings

These costs apply where your claim is in relation to a standard debt which is not disputed and where enforcement action is not needed.

Amount of Debt	Letter Before Action (excluding VAT)	Court Action (excluding VAT)	Court Dues	Recoverable Costs (approximate) (plus court dues)
Up to £999	£150	£250	£110	£110.70
£1,000 - £2,500	£150	£300	£110	£166.06
£2,501 - £5,000	£150	£350	£110	£221.40
More than £5,000	£150	£400	£138	£287.00

Anyone wishing to proceed with a claim should note that:

- VAT is charged at 20%. The VAT element of our fee cannot be reclaimed from your debtor.
- Interest and compensation may take the debt into a higher band, with a higher cost incurred to collect your debt.

Our fee includes:

- Taking your instructions and reviewing documentation.
- Sending a Letter Before Action. Please note that our fee for a Letter Before Action assumes all relevant documents are provided to us at the point of instruction, including an accurate calculation of the sum due. If further work is required to review papers and establish the position, we reserve the right to levy an additional charge of £50 per Letter Before Action issued.
- Receiving payment and sending this on to you, or if the debt is not paid, drafting and issuing a claim (see the column: Court Action above).
- Where the claim is undefended, applying to the court for Decision/Decree.
- When Decision/Decree is received, writing to the debtor to request payment.
- If payment is not received within seven days, providing you with advice on next steps and costs.

Matters usually take between eight and 10 weeks from receipt of instructions from you to obtaining a Decision/Decree where proceedings are not defended. If proceedings are defended or if enforcement action is needed, the matter will take longer to resolve.

In all cases where we are successful in recovering compensation under the Late Payment of Commercial Debts Interest Act 1998 (as amended) we will retain this in addition to our fixed fee.

These fixed charges apply to all instructions received in Scotland with effect from 1 May 2023. The charges are reviewed regularly and any changes will be notified to our clients (as required) and have immediate effect. Value Added Tax (charged at 20%) will be due in addition where applicable.

Please note that “Recoverable Costs” are approximate and may vary on a case to case basis.

We have set out a short summary (below) in relation to what our fixed fee charges mean.

Letter Before Claim

On receipt of your instruction, we will issue a Letter Before Claim allowing the debtor either seven days or 14 days to make payment of the debt.

If payment is received without further action then our fee will be restricted to the Letter Before Action fee above. There is no requirement to issue pre-action correspondence in Scotland before taking court proceedings, however we would recommend this as the first stage in all instances.

Court Dues

On commencing proceedings court dues require to be paid. These are fixed and subject to regular review. If the court dues are varied the new rate will be charged with immediate effect. The court dues will be recovered from the debtor when Decision/Decree is enforced.

Sheriff Officers Fees

Service of court papers is initially by First Class Recorded Delivery post. If unsuccessful then a Sheriff Officer will be instructed. The Sheriff Officers' fees are incorporated in any award of costs made against the debtor but are billed to you as an outlay as part of our fee.

Enforcement Charges (Scotland)

Once a Decision/Decree has been issued by the court, if the debtor has not already made arrangements for payment, it will be necessary to take enforcement action.

We will discuss any further work required and provide you with revised advice about costs. However, the following fixed charges will be applied when enforcing a Decision/Decree.

Description	Fixed Charges (excluding VAT)	Description	Fixed Charges (excluding VAT)
Charge for Payment	£120	Bank Arrestment	£120
Inhibition	£150	Earnings Arrestment	£120
Attachment (incl. Money Attachment)	£120	Consolidated Earnings Arrestment	£120
Statutory Demand	£175	Exceptional Attachment	£175
Personal Insolvency Search	£30	Petition for Sequestration	£500
Company Search	£30	Petition for Liquidation	£750
Property Search	£30	Registering English Judgment for Enforcement (incl. Charge for Payment)	£200
Lodging Claim in Insolvency	£75		

All charges listed exclude attendance at any court hearing and relevant court fees and Counsel's costs. If attendance at a court hearing is required (for example, in relation to a petition for sequestration or liquidation), the level of our fee will vary depending on the nature and location of the court hearing and we will discuss any further work required and provide you with revised advice about costs and outlays.

All charges listed are reviewed regularly and any changes will be notified to our clients (as required) and have immediate effect.

Value Added Tax (charged at 20%) will be due in addition where applicable.

Non Standard Un defended Rate/Defended Actions

If the circumstances giving rise to the debt are unusual or complex or if the other party disputes your claim at any point, we will discuss any further work required and provide you with revised advice about costs if necessary, which could be on a fixed fee (for example, if a one-off letter is required), or an hourly rate if more extensive work is needed.

While our hourly rates will vary depending on various pricing factors, these typically range from £190 per hour up to £645 per hour (depending on the experience and location of the relevant fee earner, the complexity of the matter in question and other pricing factors). All hourly rates are stated exclusive of VAT (charged at 20%) and disbursements. In each case, we will select the team with the right skills and experience to ensure that our work for you is carried out cost effectively. Our hourly rates will reflect the skills and experience of the team involved as well as the complexity and value of the matters in dispute.

In certain cases, including where matters are particularly complex or high value, we may adjust rates to take account of the work involved. In each case you will be notified of the team members who will undertake the work for you and the rates for each team member in writing.

Commercial Clients – Volume Discounts

We act for a variety of commercial clients operating across a range of sectors. We would be happy to discuss discounted feeing arrangements with commercial clients who instruct us on a volume basis. Please contact [Gillian Carty](#) for further information.