



Debt Recovery – England and Wales

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 English Debt Recovery team is led by Partner, [Laura McMillan](#). Laura is supported by a team of solicitors and paralegals, all experienced in commercial litigation and debt recovery. Trainee solicitors may also undertake certain elements of the work under appropriate supervision.

Undefended Claims

When instructing our Debt Recovery team, the charges specified below will apply in all standard undefended debt recovery claims (e.g. recovery of unpaid invoices but excluding landlord/ tenant related claims) up to £100,000 brought before the courts in England and Wales seeking an order for payment only against a UK based debtor.

The table below sets out details of our standard charges and approximate recoverable costs. In addition, you may be able to recover compensation payable under the Late Payment of Commercial Debts (Interest) Act 1998, court dues 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 Judgment is obtained.

Fixed Fee Schedule (England) – Standard Undefended Proceedings

These costs apply where your claim is in relation to a standard debt which is not disputed and 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 £500	£175	£350	£50	£85
£501 – £1,000	£175	£400	£70	£105
£1,001 – £5,000	£175	£450	Up to £205	£115
£5,001 – £100,000	£175	£500	From £455	£145

Anyone wishing to proceed with a claim should note that:

- VAT is charged at the applicable rate (currently 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, or there are matters which require to be clarified with you before the letter before action can be finalised and issued we reserve the right to levy an additional charge in addition to the letter before action fee set out above.
- 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 no acknowledgment of service or defence is received, applying to the court for default Judgment.
- When default Judgment 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 ten weeks from receipt of instructions from you to obtaining default Judgment 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 for proceedings brought in England and Wales with effect from 1 May 2026. The charges are reviewed regularly and any changes will be notified to our clients (as required) and have immediate effect. Value Added Tax (currently 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 in compliance with the Pre-Action Protocol for Debt Claims (the "PAPDC") contained in the Civil Procedure Rules (the "CPR"), allowing the debtor either 14 days or 30 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. This correspondence is a pre-requisite in English court proceedings before the issue of a money claim against an individual or sole trader (but not a company or other entity).

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 recoverable from the debtor when Judgment is enforced. We may ask you to make payment of court dues prior to issuing a claim if these would represent a significant outlay.

Process Servers Fees

Service of court papers is initially by first class post. If unsuccessful then Process Servers will be instructed. The Process Servers' fees will be payable as an additional outlay and are generally incorporated in any award of costs made against the debtor.

Enforcement Charges (England)

Once a Judgment 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 Judgment on the basis that neither the Judgment nor the enforcement action is challenged, there is no court hearing, and there is no correspondence we are required to consider or respond to.

Description	Fixed Charges (excluding VAT)
Obtaining a Property Personal Search	£75
Individual Insolvency Register Search	£75
Company Search	£75
Application for Charging Order	£650
Third Party Debt Order	£650
Statutory Demand	£250

Description	Fixed Charges (excluding VAT)
Attachment of Earnings	£350
Instructing a Bailiff or HCEO	£125
Monitoring of instalment payments	£75
Lodging Claim in Insolvency	£125

*the response period of 30 days only applies to individuals and sole traders. If the debt is due by a company or other entity then the standard 14 day notice period applies.

All charges listed exclude attendance at any court hearing and relevant court fees, Counsel's costs, and other outlays. If attendance at a court hearing is required (for example, in relation to the application for a charging order, an attachment of earnings, or instructing a bailiff or HCEO), or if there is correspondence we are required to consider or respond to, 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 (currently 20%) will be due in addition where applicable.

Non Standard Un defended Rate/Defended Actions

If the matter relates to landlord/ tenant related claims, the enforcement of any finance or lending agreements, 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 £220 per hour up to £740 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 (currently 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.