



## For Employers

We will provide you with as much information as we can on the potential likely cost of using our services.

Your initial consultation is free.

If you would like to instruct us to advise you, we can work on the basis of a fixed fee, capped costs, or an agreed hourly rate.

I am a specialist employment law solicitor and my charge out rate is for Employers is £225 per hour. No VAT is payable as we are not VAT registered. Concessions and discounts may be available to start-up businesses.

### **Preparing and updating contracts of employment, Workers Agreements, Consultancy Agreements.**

The amount of time it will take to draft an agreement or contract will depend on the complexity of the role and any additional clauses or protections your business requires.

**Simple:** £350 – £500 (no VAT is payable)

**Medium:** £500 – £750 (no VAT is payable)

**Complex:** £750 – £1,500 (no VAT is payable)(excluding VAT)

### **Advising on post-termination Restrictions or Restrictive Covenants.**

The amount of time it will take to advise on contractual post-employment restrictions will depend on a number of factors including the complexity of the role, the nature extent and duration of the restrictions, and potential breaches by an employee.

**Simple:** £500 – £750 (no VAT payable)

**Medium:** £750 – £1,000 (no VAT payable)

**Complex:** £1,000 – £1,750 (no VAT payable)

## **Preparing and updating staff handbooks and policies.**

Depending on the number of policies required, the general charges for these are as follows:

**Basic:** £350 – £750 (no VAT payable)

**Medium:** £750 – £1,000 (no VAT payable)

**Complex:** £1,000 – £2,000 (no VAT payable)

## **Settlement Agreements**

Settlement agreements vary in complexity. The amount of time it will take to draft an agreement to meet your requirements will depend on the circumstances under which the employee is leaving and their contractual entitlements. Complex agreements for executives or senior employees can include post-employment restrictions, resignation from offices, share options and bonus payments.

**Simple:** £350 – £500 (no VAT payable)

**Medium:** £500 – £750 (no VAT payable)

**Complex:** £750 – £1,500 (no VAT payable)

## **Dealing with Tribunal claims**

### **Reducing and avoiding legal costs**

We will advise you on your options to avoid or minimise and save legal costs. These options may include settling a claim on the most cost advantageous terms, advising or supporting you with self-representation, restricting or limiting evidence to reduce the time at a Tribunal Hearing, considering whether you have any litigation insurance, making an application to strike out a claim, particularly where it is weak, or settling a claim on the most cost advantageous terms.



Initial consultations are free, and we might be able advise on:

- to avoid the need to instruct a solicitor
- to support with an application to a legal expenses insurer who may be able to assist with the case and/or the costs of a case.
- urgent action may need to be taken because delay could be prejudicial to your case
- we can explain the basic steps and the costs likely to be involved and a rough cost benefit analysis can be carried out. This will enable an assessment to be made as to whether or not the case is likely to be of sufficient value to justify legal costs being incurred.

If the estimated legal costs of defending the claim to a final Hearing are likely to be more than a potential award against you, we will always discuss the merits of a commercial settlement.

## **Funding your instructions**

### **Legal Expense Insurance**

Many clients will have legal expenses insurance cover for a dispute as part of their commercial insurance. It is generally the best option to claim on this insurance if you have it.

We will help you apply to the insurer to cover legal costs at the start. As soon as we sign the insurance agreement with your insurers, funding will be in place.

You may have the right to use any solicitor you choose. If your insurer tries to compel you to use a solicitor from their panel, please refer them to us and we will insist that you instruct a solicitor of your choosing.

## **Charging on a time basis**

This is our usual method of charging. We will always discuss with you the cost of the work you want us to do in advance. Each client will have a different budget, resources and requirements.

Routine letters and telephone calls will be charged as units of 1/10th of the hourly rate. Lengthy letters and phone calls will be charged in accordance with the time taken.

## **Fixed fees**

If fixed fees are required, we can provide these once we understand the case and are able to define and agree the specific work to be carried out under the fixed fee arrangement.

## **Money on account and interim bills**

If paying privately, we usually ask you to pay us money on account of costs before work is undertaken and we may produce an interim bill as the case progresses to avoid unforeseen large bills and to ease cash flow. This enables clients to manage the work that is carried out and therefore the fees that are incurred.

## **How much will my case cost?**

Every case is different. Some cases may require a one-day Hearing and others may require Hearings that may run into several days or weeks. It is therefore impossible to give a clear indication of the likely costs in a general advice statement such as this.

Further, many cases may not simply involve unfair dismissal or wrongful dismissal but often have other claims linked to them such as discrimination, victimisation, unpaid wages and contributory conduct.

Unfair dismissal is where an Employee alleges that the Employer has not behaved in a fair and reasonable manner in the way in the manner which the Employer has carried out the dismissal.

## Unfair and Wrongful Dismissal

Wrongful dismissal is where the Employer acts in breach of contract. Our pricing for bringing and defending claims for unfair dismissal or wrongful dismissal in dismissing the employee – usually by failing to give or pay the correct notice pay.

As a basic guide:

**Simple case:** £2,000 – £7,500 (no VAT payable)

**Medium complexity case:** £7,500 – £15,000 (no VAT payable)

**High complexity case:** £15,000 – £50,000 (no VAT payable)

The factors which could make a case more complex are:

- If it is necessary to make or defend applications to amend claims or to provide further information about an existing claim
- Defending claims that are brought by litigants in person
- Making or defending a costs application
- Complex preliminary issues such as whether the claimant is disabled (if this is not agreed by the parties)
- The number of witnesses and documents
- The duration of the hearing
- If it is an automatic unfair dismissal claim e.g. if the employee is dismissed after blowing the whistle on the employer
- Allegations of discrimination which are linked to the dismissal

## Defending a simple claim

### Negotiations

If appropriate we can attempt to negotiate via the ACAS Conciliation Service to reach settlement of the case on agreed terms. To negotiate and settle the case by way of a COT3 or other settlement documentation the costs could be in the region of £500 to £1,000. No VAT is payable.



## **Reviewing and responding to a claim**

We will review the Tribunal claim you have received, take your instructions, and obtain the relevant documents and evidence and then draft and file your Response with the Tribunal (called an ET3). The likely fees for this part of your claim can range from £500 to £1,000. No VAT is payable.

## **Advising on employment tribunal process**

We may need to ask the claimant to clarify their claim or make applications to the Tribunal if it seems particularly weak. We can apply to the Tribunal to strike out the Claimant's claim or seek an Order compelling them to pay a deposit into court as a condition of the Claimant proceeding.

The deposit is a warning from the Tribunal and can deter a Claimant from proceeding by putting them at risk of having forfeit the deposit if they proceed to trial and eventually lose.

The fees may vary from £500 to £1,500 (without VAT being payable) depending upon whether it is by telephone, how complicated it is, or whether attendance at the Tribunal is required.

## **Preliminary hearings**

Sometimes the Tribunal may decide to hold a Preliminary Hearing to agree how the case will progress.

The parties may also be required to complete a Case Management Agenda prior to the Preliminary Hearing. This information will enable the Tribunal to understand the claim and finalise the issues in dispute, help it manage the case, decide how many witnesses can be called, how long the trial is allowed to last, how much evidence there is and when witness statements are exchanged. Such hearings usually take place by telephone but are sometimes heard in person at the Tribunal.

The cost may vary between £600 and £2,200, depending upon the complexities and the location of the hearing and whether it is dealt with by telephone or in person. No VAT is payable.

## **Disclosure of evidence**

Tribunals will usually require the parties to disclose evidence relevant to the case to the other side. We will deal with disclosure of documentation and we will inspect or review the documents received from the Claimant and then advising. For a simple case, this will be in the region of £650 to £1,500 plus VAT.

## **Witness statements**

Preparing relevant witness statements and exchange and serving them on the Claimant before the Tribunal Hearing will cost between £1,000 and £3,000 depending upon the number of witnesses and how complicated the case is. No VAT is payable.

## **Hearing bundle**

The Tribunal usually orders the Respondent employer to prepare the Hearing bundle for the Tribunal. The cost will vary between £800 and £1,600 depending on the size of the bundle of evidence. No VAT is payable.

## **The final Hearing**

Preparation for representation at the Hearing will range £750 to £1,250 dependent upon the complexity of the case. No VAT is payable.

If we are to represent you or attend with you at the Hearing, costs will range from £1,000 to £1,500 per day depending on the location of the Hearing. No VAT is payable.

## **Disbursements**

These are fees or expenses payable to third parties. There are currently no fees payable to issue an Employment Tribunal claim.

However, there may be expenses or fees payable during your case and these may include travel expenses, payment to another party for photocopying and courier services, witness expenses, expert medical reports or GP records, and barrister's fees, if a barrister is instructed to represent you.

Sometimes it is more effective to instruct a barrister to represent you at a hearing rather than instruct a Solicitor. Barrister's fees range widely, between £800 and £1,500 plus VAT (at 20%) per day for attending a Tribunal Hearing or Preliminary Hearing, depending on the barrister's seniority and experience and specialism.

It is very important to ensure that the right barrister at the right level of expertise is instructed.

The barrister's fees are always agreed in advance and we always require you to pay them to us in advance of the Hearing.

If a case is particularly complicated, we may recommend obtaining a barrister's advice or opinion. Fees for this will vary depending on the Barrister's experience and specialism and what advice is required.

### **The awarding of costs in Tribunal cases**

Unlike most civil litigation, the winner in an Employment Tribunal case is not usually awarded their costs to be paid by the other side. The general rule is that each party bears their own costs, even though Tribunals have the power to make awards of costs.

If a party has behaved extremely badly during the conduct of the case, then costs may be awarded against them but this is extremely rare and cannot be relied upon. If the amount of those costs cannot be agreed between the parties, then the costs will be determined by the Tribunal.

### **How long will the case take?**

The time that it takes from taking your initial instructions to the final resolution of your case depends largely on the time at which your case is resolved. If a settlement is reached during pre-claim conciliation, your case is likely to take 3 - 6 weeks. If your claim proceeds to a Final Hearing, your case is likely to take between 26 and 52 weeks or longer. This is just an estimate and we will of course be able to give you a more accurate timescale once we have more information and as the matter progresses.





**Andrew Egan**  
Associates

## **Andrew Egan - Owner**

The Employment Team is headed up by Andrew Egan, who has been a qualified solicitor for over 40 years and working in employment law for over 18 years. Andrew has considerable experience bringing and defending claims in the Employment Tribunal. He acts for both Employers and Employees carrying out non-contentious and contentious employment law work.