

PRESS CUTTINGS

Publication: The Times
Date: 06 March 2015

Law Central



Third-Party funder slams court fee increase

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March 06 2015 12:03PM

The row about the Government's hike in Court fees goes on and on with interventions by some surprising institutions. Even third-party litigation funders are now taking pot shots at the damaging impact that the increase will have. For example, leading third-party funder Vannin points out that the increase in the maximum fees represents a 420% increase in the court fee from £1,920 to £10,000. Moreover, it will be the SME market which will be hit particularly hard.

"Whilst wealthy companies, individuals and third party funders are unlikely to be deterred from pursuing claims as a result of these fee increases, individual claimants or SMEs may find them prohibitive," says Vannin. "This will deter them from lodging claims altogether, thereby denying them access to Justice."

By way of example, Vannin points to a small business which might be chasing a debt of £200,000. The fees hike means that it will now need to pay an upfront fee of £10,000. "Late payment is already a serious problem for small businesses and this will further impact on the cash flows which keep businesses alive," says Vannin. "At the very least, the increase in fees is a further restriction on access to justice."

Lawyer Jonathan Haydn-Williams agrees, "The burden of the fee increase will affect the ordinary people of this country and discourage them from bringing claims against the banks, whom the government appears to think should be protected." Mr Haydn-Williams then added – no doubt with tongue in cheek – "I mean, what could the banks have possibly done over recent years that should entitle an ordinary person to bring a claim against them?" You may well ask.