

CHARGE-OUT RATES

Hourly rate survey 2002

The Legal 500 in conjunction with Legalbudgets (www.legalbudgets.com) has prepared this 2002 survey of solicitor's hourly rates. Undoubtedly, the major finding is the ever-increasing gap between hourly rates for commercial litigation and all other legal work. The growth this year and the anticipated growth of CFAs (no-win, no-fee agreements) next year, will undoubtedly see this gap grow.

Hourly rates for 2002 are fairly stagnant in comparison to last year's figure. The major difference is the increasing power of clients to negotiate either reduced hourly rates or 'bulk buying'. Our survey asked law firms of under 50 partners what sort of discount they would be prepared to negotiate on hourly rates if a client's work represented up to 10% of their turnover. The average figure reduction was 12%, although some law firms went as high as 30%. Not surprisingly, the large law firms were reluctant to respond to this question. However, niche, City-based firms with average partner rates of £300 to £350 per hour, would discount hourly rates by between 10%-15% for bulk work.

Individual work, in the areas of tax and corporate finance are still top of the hourly rate chart, with the top partners touching the £600 per hour mark.

Firms willing to approach fees in the confident and flexible way that they approach commercial matters, are gaining and keeping important clients.

LONDON	Newly-qualified	5 years' PQE	Partner
Commercial property			
20-50 partners	£100-£150	£175-£225	£225-£300
50-80 partners	£125-£175	£195-£250	£350-£500
80+ partners	£150-£175	£225-£285	£400-£500
Corporate/Finance			
20-50 partners	£125-£150	£175-£225	£225-£300
50-80 partners	£125-£175	£225-£300	£350-£500
80+ partners	£150-£200	£250-£375	£400-£595
Litigation			
20-50 partners	£100-£150	£175-£225	£225-£300
50-80 partners	£125-£175	£225-£300	£300-£375
80+ partners	£150-£200	£250-£375	£400-£450
EAST ANGLIA			
Commercial property			
	£95-£130	£150-£175	£175-£225
Corporate/Finance			
	£120-£130	£150-£175	£195-£275
Litigation			
	£95-£130	£150-£175	£175-£250
EAST MIDLANDS			
Commercial property			
	£95-£130	£150-£175	£175-£225
Corporate/Finance			
	£120-£130	£150-£175	£195-£275
Litigation			
	£95-£130	£150-£175	£175-£250
THE NORTH			
Commercial property			
	£95-£130	£150-£175	£175-£225
Corporate/Finance			
	£120-£130	£150-£175	£195-£275
Litigation			
	£95-£130	£150-£175	£175-£250
NORTH WEST			
Commercial property			
	£95-£130	£150-£170	£175-£225
Corporate/Finance			
	£120-£130	£150-£170	£195-£275
Litigation			
	£95-£140	£150-£170	£175-£250
SOUTH EAST			
Commercial property			
	£95-£130	£150-£175	£175-£225
Corporate/Finance			
	£120-£130	£150-£175	£195-£275
Litigation			
	£95-£130	£150-£175	£175-£250
SOUTH WEST			
Commercial property			
	£100-£125	£150-£165	£175-£200
Corporate/Finance			
	£125-£135	£150-£185	£195-£275
Litigation			
	£100-£125	£150-£165	£175-£200
WEST MIDLANDS			
Commercial property			
	£100-£120	£150-£200	£200-£250
Corporate/Finance			
	£125-£150	£150-£225	£225-£270
Litigation			
	£100-£130	£150-£200	£200-£250
YORKSHIRE & THE HUMBER			
Commercial property			
	£95-£130	£150-£175	£175-£225
Corporate/Finance			
	£120-£130	£150-£175	£195-£275
Litigation			
	£95-£130	£150-£175	£175-£250
WALES			
Commercial property			
	£75-£100	£100-£150	£150-£175
Corporate/Finance			
	£75-£100	£100-£150	£150-£200
Litigation			
	£75-£85	£100-£150	£150-£175
SCOTLAND			
Commercial property			
	£95-£130	£150-£175	£175-£225
Corporate/Finance			
	£120-£130	£150-£175	£195-£275
Litigation			
	£95-£130	£150-£175	£175-£250