

Client Care Information and Terms of Engagement
Litigation Department Annex
(excluding Family Law and Divorce)

1. Personnel

The personnel in the department and their hourly charging rates are:

Individual	Status	Grade	Rate
Paul Johnson	Solicitor and Managing Partner	1	£255.00
Geoffrey Ellis	Solicitor	1	£250.00
Chrys Wall	Associate/Legal Executive	1	£250.00
Holly Winkley	Secretary	4	£100.00
Wendy Haskins	Assistant and Legal Secretary	4	£100.00

The charging rates for Solicitors and their staff are calculated by reference to the grade of the person doing the work. Secretarial time is only charged if it involves work that a lawyer might otherwise carry out and not for "secretarial duties", for example, for typing or arranging appointments.

Grade	Qualifications and Experience
1	Solicitors with over eight years post qualification experience including at least eight years litigation experience.
2	Solicitors and Fellows of the Institute of Legal Executives with over four years post qualification experience including at least four years litigation experience
3	Other Solicitors and Fellows of the Institute of Legal Executives and fee earners of equivalent experience.
4	Trainee Solicitors, paralegals, legal administrators and all other fee earners.

2. Other sources of funding

Some clients enjoy the benefit of insurance cover, or are members of a Union or Association that will give help with legal costs. These organisations always insist that they are notified at the earliest opportunity. We cannot know in advance what private arrangements a client may be able to take advantage of. Please draw it to our attention if you wish to rely on some alternative source of funding for your case.

3. Orders for Costs in Court Proceedings

The advice in this detailed section 3, does not apply to cases in the Employment Tribunal. It applies to most other proceedings. It **does** apply to you if your case might be now, or in the future, in the County Court or the High Court.

Please bear in mind that this guidance can be inspected by the Court or by an opponent to see what was agreed between us for legal costs. These notes have been written to show the arrangement made with you and to ensure that you have a well informed appreciation of the subject of legal costs. We have to first show an obligation on your part to pay Thomson & Bancks LLP for the work we do, before we are allowed to claim back those legal costs from an opponent on your behalf. If you have no obligation to pay our rates of charging, we are not able to put your opponent under any legal obligation to pay anything in respect of your legal costs.

It is important that you understand that you will be responsible for paying Thomson & Bancks LLP whatever the outcome of your case. You will also be responsible for paying the costs of trying to recover any costs ordered against the other party.

As a consequence of the rules for small claims, if your claim is for £10,000.00 or less, (and element of the claim for injuries is £1,000.00 or less) you must expect to have to pay all your own legal costs, win or lose, because it is extremely rare for costs to be awarded in small claims.

As a consequence of the rules for **fast track claims** (usually claims between £10,000.00 and £25,000.00) **intermediate track claims** (usually claims between £25,000 and £100,000) and **multi-track claims** (usually claims for over £100,000.00), the Court can set limits on what you should spend and what costs you can recover from an opponent, whether you win or not.

Whenever appropriate, we shall try to recover as much of your legal costs and disbursements as the Court rules permit from the other party in your case. An Order for your opponent to pay your costs will be for a contribution towards them, **not** the full amount.

Fast track and Intermediate track cases are subject to Fixed Recoverable Costs (FRC). These are prescribed amounts which a losing party will usually be ordered to pay towards the winners' costs. How they are calculated is set out in Tables in the Civil Procedure Rules (CPR) which govern the conduct of Court cases. It is based on the amount awarded, the stage reached in the case, and the complexity band to which the Court allocates the case.

Multi-track cases are subject to costs budgeting whereby the Court determines at an early stage the costs it would be reasonable for the parties to incur. At the end of the case if a costs order is made, the Court can assess the contribution which the loser should pay towards the winners costs.

In Multi-track cases what is judged to be reasonable by the Court depends upon the basis on which the costs are assessed. Depending upon the circumstances of the case the Court has power to order costs to be paid on the **Standard Basis** or the **Indemnity Basis**. The **Standard Basis** requires all costs incurred to be proportionate to the value of the case and reasonable. By contrast, the **Indemnity Basis** does not require costs to be proportionate and assumes that the costs are reasonable unless proved otherwise. The different emphasis can make a big difference. For example, if the **Standard Basis** is used the hourly rates will not normally exceed the **Guideline Rate set by the Court**. By contrast the **Indemnity Basis** is expected to reflect higher costs and possibly higher hourly charging rates. It follows that if legal costs are ordered in your favour against an opponent you will want the order to be on the **Indemnity Basis** so that we can claim as much as possible for the work done, and leave you with as little as possible to pay from your own resources. By contrast, anyone who is ordered to pay an opponents costs would no doubt prefer to pay a bill assessed on the **Standard Basis**, because it is likely to limit the amount of the costs.

What a Court considers reasonable also depends on the circumstances of the case. In some instances the Court will feel it reasonable to take in to account the conduct of everyone involved, the efforts made to settle a dispute, the amount or value of any property involved, the importance of the matter to all the parties, the complexity or difficulty of the matter, any skill, effort or specialised knowledge and responsibility required, along with the time spent on the case and where and how the work was done.

4. What is the Guideline Rate?

The **Guideline Rate** is the typical hourly rate that a losing party would be ordered to pay to an opponent if a case was lost. There can be variations of the **Guideline Rate** set by the Courts in different parts of the Country and Courts can allow costs in excess of the Guideline Rates if they are justified. These hourly rates are published. They are only relevant to Multi-track cases. Those on the Fast and Intermediate tracks are subject to Fixed Recoverable Costs as explained above.

5. What is the Solicitor and own Client Rate?

The **Solicitor and Client Rate** is not a published rate. It is the limit of what a firm of Solicitors can charge their own client. For example, the hourly rate charged by a Solicitor to his own client might be 50% above the Guideline Rate, or even more if London Solicitors are charging a client. There can be a gap between the **Solicitor and Client Rate** that a firm of Solicitors charges to its own client, and the rate (more often than not the **Guideline Rate**) that a losing party is ordered to pay by the Court. This can mean that the costs recovered from an opponent are not enough to completely reimburse all the legal costs that a client has incurred with their own Solicitor.

Any interim bills that you receive will be as a way of asking you to pay money on account. To try and eliminate uncertainty, the rate that we charge you in interim bills is shown in the table at paragraph 1.

6. Interest on costs

If you are successful and the Court orders the other party to pay some, or all, of your costs and disbursements, interest can be claimed on them from the other party, from the date of the Court Order. Thomson & Bancks LLP will account to you for such interest, to the extent that you have paid costs and disbursements on account, but will otherwise keep the rest of the interest.

7. Orders against legally aided opponents

Although persons with the benefit of Public Funding can have legal costs awarded against them, they may not have to pay if the Court considers that they have insufficient means to pay. Consequently, if your opponent acquires Public Funding you may be unable to enforce your claims for your own costs.

8. Insurance against losing

IF YOU ARE **UNSUCCESSFUL**, OR ONLY PARTLY SUCCESSFUL IN PROCEEDINGS, YOU COULD BE ORDERED TO PAY YOUR OPPONENT'S LEGAL COSTS. In some cases you can take out insurance against the risk and cost of paying your opponent. Please raise this with me if you would like to protect yourself in this way.

9. Can I stop Court Proceedings after I start them?

If you begin or defend Court proceedings, you have the right to ask for those proceedings to be stopped if you decide not to continue. There will almost always be consequences. Unless an agreement is made with your opponent or the Court directs otherwise, you must expect to be ordered to pay for your opponent's legal fees, if you choose to drop your case after Court proceedings have started. Your fees incurred with Thomson & Bancks LLP will remain payable.