

Court proceedings can be cost effective. We aim to be flexible in our charges, so together we can plan, control and budget for the costs of an action, and then recover these from the other side.

HOW WE NORMALLY CHARGE

Solicitors normally charge for time spent at their hourly charging rate. Our rates are set to reflect our experience and expertise, and also what the Court may allow us to recover from the other side when successful on your behalf. The Court issues guidelines of the hourly rates it normally allows, and we review our rates annually to take these into account.

You remain in control at all times. We provide estimates of the likely costs at the outset and during the case, and bill you every month or 3 months as appropriate. If you want a different arrangement we would be happy to discuss it with you. If you want to set costs limits for us to report when we approach them, we will do it.

In addition to our fees, at the outset, and during the case, we outline what other out of pocket expenses you will be likely to incur: court fees, barrister's charges, expert reports, and so on. That way you remain in control, and know at the outset your likely exposure.

WINNER TAKES ALL, LOSER DOES NOT ALWAYS PAY

In litigation it is the winning, not the taking part that is important! Normally, loser pays winner. The winner is liable for their costs, but the loser will normally be ordered to pay something (it can be all) towards your reasonable costs. There can be a shortfall between what the winner pays, and what the court orders the loser to contribute, as the loser will always say the winner could have spent less. The Court will look at (and so we at the outset focus on):

- What issues were successful? There should be no exaggerating and no speculative claims. We focus on what we will win for you.
- Conduct during the action. If you are going to win, put your cards on the table early.
- Keep talking! The vast majority of cases settle before trial. If we can get you what you want by negotiation, we will: it removes any risk, is quicker, and cheaper for you. We will advise on what offers are fair and reasonable, but ultimately the decision is yours.
- Steps taken before proceedings are issued. In particular, in personal injury, medical negligence, construction and engineering or defamation actions, guidelines list pre-action steps that need to be taken to notify claims and exchange evidence in advance. Why spend money on an action if you can get the same result through negotiation without going to Court?

You cannot get blood from a stone. Judgment does not guarantee payment as you may have to take steps to force the loser to pay. Does the other side have the money to pay any judgment, let alone costs? There is no point in throwing good money after bad. We outline the options, likely costs, and prospects of success. The vital question is: can they pay?

TALK QUIETLY, BRING A BIG STICK

Making an offer at the right time can greatly assist when recovering your costs if a trial is needed. Special rules give you added protection when making formal offers (a "Part 36" offer). If the other side do not accept in 21 days, and we beat the offer at Court, we can seek:

- “Indemnity” costs (minimises any shortfall between your costs and what the loser pays: the loser has to prove your costs are unreasonable).
- Special interest will be awarded to us on costs.
- Special interest to be paid to you on all of your damages. Unless your contract sets interest, the court awards up to 8%. If we beat an offer, we can seek 10% above base rate (practically double). This is a windfall for you for having made the offer to settle.

If you are defending an action, then the same rules apply but you have to accompany an offer with a payment into court to be sure of maximising the protection your offer will give you.

TAKE THE RISK OUT OF TAKING PROCEEDINGS

Litigation always involves an element of risk. If you lose, you will have to pay your own costs, and also the other side’s. In suitable cases you can protect yourself against that risk by taking out insurance.

We can liaise with insurance companies to provide quotes to insure against paying costs (your opponent’s, and/or your own) if you lose. At the outset you know your outlay (the premium) and can budget accordingly. If you win, you should recover your costs from the other side and the premium. If you lose, the insurance policy will pay some or all costs. Insurance will not be appropriate in all cases, and there are many different cost elements that it is possible to insure. We can advise you and the choice is then yours.

WE CAN SHARE THE RISK WITH YOU

Where appropriate we can act on a no win, reduced fee or no fee agreement. This can run with or without an insurance policy to cover the other side’s costs. If you lose: you pay out of pocket expenses and a reduced fee. In some cases we do not charge any fee. Your insurance policy pays what costs you have insured. If you win, you are liable for our fee and also a “success fee” (a percentage increase on our costs), based first and principally on how risky the case was (a risk we shared with you) and secondly on the cost to our cashflow of not being paid anything until the end. The other side can then be ordered to pay your costs plus the risk element of the success fee as well.

ALWAYS CHECK: YOU MAY ALREADY BE COVERED

You may already have an insurance policy in place that covers the cost of proceedings. For example, car insurance that covers costs of pursuing an accident claim, building insurance that covers costs of a building or neighbour dispute. If you have paid the premium for it, why not use it! Check first, then let us know and we can liaise with your insurers. Most after the event insurers will not pay under their policy if you already have costs insurance.

IT IS ALL ABOUT THE BOTTOM LINE

There is no point in winning a case but losing the costs.

There are risks in litigation but we can share them with you. There are many options for budgeting, frequency of billing, no win, reduced fee or no fee arrangements, and insurance. Sometimes it is better to pay a set amount up front and then bear a low risk. In many circumstances funding under our normal time basis is more appropriate. Ultimately though, the first and last question is: are the other side worth the money? If they are then there are various options - and we will take you through them.

At **stevensdrake** we are geared to giving you the options, to take you through not only the chances of success, and the main disputes, but also for funding to make sure that we maximise your bottom line, and add value. So if you have a dispute, or are owed money, or if you are contemplating proceedings, contact us and we will advise you on your options to help you take the right decision at the right time.

LITIGATION



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