

# Personal Injury Legal Bill Audit

YOUR KEY TO CONTROLLING LEGAL FEES



## LAW FIRM:

## Service fees.

Professional fees are sometimes more easily referred to as 'service fees' because they refer to the direct costs of the service provided by a lawyer. This is for things like reading a document, writing a report, negotiating with an insurer, etc.

Ask the Firm	Ideal Answer	Firm's Answer	Passed?
Do you charge on a predominantly hourly or item basis?	Predominantly on an item-basis so that you're only paying for the actual work completed, and not relying on the competence and honesty of a lawyer.		
Do you charge in accordance with the court's scale of costs?	Yes, or at least within the range outlined in our Cost Schedule Audit to be as close as possible to the scale of costs.		

Service fees generally make up the largest part of your legal bill. For that reason, we provide a longer, <u>more thorough audit here</u> for the service fee cost schedule portion alone.

If you have any doubts that the firm charging a fair price or not, you are encouraged to go through the <u>this audit</u> with them.

## Disbursements.

Disbursements are the 'outlays' or 'out-of-pocket expenses' a law firm incurs from pursuing your claim. This is generally for things such as court fees, report fees, barrister's fees, etc.

Ask the Firm	Ideal Answer	Firm's Answer	Passed?
Where do you get your disbursement loans from?	The firm's own accounts, not a litigation lender or external provider.		
What percentage of interest is charged?	Under 3% - the lower, the better.		
Are their any additional fees on top of the interest?	No.		



## Intangible Fees.

There are two types of intangible fees that could be attached to your personal injury legal bill. These are 'uplift' fees and 'care and consideration' fees.

Not all firms will charge either of these, and absolutely no firm should charge both of these.

Ask the Firm	Ideal Answer	Firm's Answer	Passed?
Do you charge a care and consideration or uplift fee?	No, however charging one or the other is common practice and also accepted. Charging both is not.		

#### UPLIFT

An uplift fee is a percentage applied to each speculative matter that counteracts the risk of losing.

In other words, a firm will charge a blanket 'buffer' on every speculative (no-win no-fee) agreement to protect them in the instance where they do lose and can't charge for their services.

Ask the Firm	Ideal Answer	Firm's Answer	Passed?
What maximum percentage do you charge for uplift?	Under 20%.		

### CARE AND CONSIDERATION

Care and consideration is a circumstantial percentage applied to no-win no-fee matters to compensate for the work done that isn't adequately outlined in the court scales. This can be for things such as multiple drafts, re-reading documents, inter-office conferences etc.

Ask the Firm	Ideal Answer	Firm's Answer	Passed?
What maximum percentage do you charge for care and consideration?	Under 30%.		

#### OVERALL PASS?



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### **NEED HELP?**

Don't be left feeling uncertain. Get in touch with us and we'll review your cost audit for free.

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