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## New Law Journal

— Leading on debate, litigation and dispute resolution —

# Litigators voice concerns

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## NLJ/LSLA litigation trends survey highlights anger within legal profession

Anger is mounting in the profession about the current state of civil litigation, court fees and costs budgeting, according to the results of the latest *NLJ/LSLA* litigation trends survey.

Court fees, which have risen by more than 600% in some cases, are a major irritation for litigation lawyers, with 90% of respondents stating that they believe the hike will affect clients' decisions to commence proceedings. David Greene, *NLJ* consultant editor and senior partner at Edwin Coe, says: "The Ritz is probably cheaper now than the Central London County Court but at least the Ritz does not run a monopoly."

Seamus Smyth, partner at Carter Lemon Camerons, says one of his clients who was ready to sue has not been able to afford to proceed because of the £10,000 fee. "I suspect many individuals and SMEs who are suing for £50,000 to £500,000 will be deterred by the new fees—particularly if the proposed defendant has just caused a £50,000 to £500,000 hole in the claimant's finances and the claimant is at the limit of its overdraft."

Lawyers also express concerns that clients will choose to sue in Singapore, New York or Dubai where the fees are lower than in London.

Alarmingly, however, a similar proportion (91%) believe that costs budgeting has increased the overall cost of disputes. This runs contrary to the ethos of the Jackson reforms, which introduced costs budgeting and whose main aim was to enable justice to be secured at a proportionate cost.

Lawyers crave greater certainty, simplicity and judicial consistency over costs, and point out that "teething problems" remain, two years on.

Smyth says: "In order not to be penalised for underestimating in any compartment (in the absence of set-offs between compartments), claimants are likely to pitch their budget at the generous end in each compartment. The cumulative effect of all those generously-pitched estimates is likely to make the overall total higher than anyone would have estimated for the total cost if asked to budget an overall total only."

However, the recent Pt 36 amendment received praise from the respondents.