**COSTS BUDGET – UPDATE – 10/04/15**

* Where are we now
* Judicial concern
* QBD Masters – delays
* Unhappy solicitors
* Threat of fixed costs
* Jackson LJ reforms diluted

Observations on reasons that budgets are not agreed

* Hourly rates
* Market imbalance
* No micro management
* Calculation of figures for budget
* Likely approach by Defendants on Detailed Assessment

***CPR 3.18*** *In any case where a costs management order has been made, when assessing costs on the standard basis, the court will –*

*(a) have regard to the receiving party’s last approved or agreed budget for each phase of the proceedings; and*

*(b) not depart from such approved or agreed budget unless satisfied that there is good reason to do so.*

* Deconstruction of allowed phase sums
* Advantages of no examination of rates

Unreasonable budget figures from Defendant

* Deliberate tool
* Pre budget costs
* Analysis of Defendants’ hours claimed
* Need to challenge Defendant’s budgets?

Damage done by the preparation of unrealistic budgets

* SCIL precedent
* Contingencies

No one likes us – we don’t care

* Costs Lawyers not popular
* Who should attend?

Hints and tips for Budget preparation

* Assumptions – see handout

Assessing hours

* Realistic assessment of time required for each phase
* Never knowingly under sold

Controlling Counsel

* Take control of what you want from Counsel
* Be prepared to argue with the Clerk

Notes to assist

* Examples in pack
* Work done to date
* Documentation in support of Budget
* Comparator

Laptop

* Amendments to Budget on the hoof

Final warning

* Budgets don’t go away after the hearing