

**One of Claire Collinson Legal's central values is "reasonable and certain costs".** I provide full transparency on costs. At the outset of each claim, and at regular points during the claim, **assessments** are carried out to identify the most appropriate costs option.

Factors taken into account to determine appropriate funding options include:

- **The amount in dispute** – we aim to structure our funding options to ensure that costs are not disproportionate to the amount claimed;
- **The complexity of a case** – if a case involves complex facts or law it may well be more expensive to **resolve**;
- **Each client's financial circumstances** – we look at **affordability** of different options and where that is a problem, consider alternative dispute resolution options or alternative means of funding a dispute;
- **The time required to carry out the work** – we have long experience of producing detailed cost estimates for various dispute resolution options.

There are basically four types of funding method for these disputes: fixed fees , hourly rates based on cost estimates , Conditional Fee Agreements , Contingency Fee Agreements

I will offer one or more of the first three options on each dispute, all of which are sensible and appropriate for these cases. For the reasons explained below, I do not offer Contingency Fee Agreements and strongly recommend that they be avoided. Dealing with each method:

1. **Fixed /Flat fee.** A cost quotation will provide a certain and fixed fee for the work to be done on either part of or the whole of a **claim**. A fixed fee **is payable** whatever the outcome of the claim and will not be **discounted** or increased. This provides absolute certainty of costs before the work is carried out. **Payment by instalments** is possible.

2. **Hourly rates** based on **cost estimates**. An estimate of costs to be **incurred** for either part or all of the case is provided before the work is carried out. The estimate is regularly checked and updated. If less time is spent than estimated, a lower fee is charged, but the estimate may be increased upwards as the case progresses if more time is spent than initially **anticipated**. This option provides clarity of costs and **flexibility**.

3. **Conditional Fee Agreements (CFAs).** A CFA is an agreement whereby a client pays his / her solicitor a different level of costs depending on whether the case is won or lost. Often this will be a "No Win, No Fee" type agreement where no costs are paid if the case is lost, but if the case is won the solicitor charges a "success fee" in addition to the normal hourly rate. The success fee is usually based on the time spent on the case and cannot exceed 100% of the costs incurred on a normal basis (ie if the total costs were

£2000, on a full CFA, the client would pay £0 if the case was lost and a maximum of £4000 if the case was won).

I have **considerable experience** of CFAs. They work particularly well in **litigated claims** (ie fought in the courts) where a successful party can recover most of his costs from the opponent.

**4. Contingency Fee Agreements.** These agreements are similar to CFAs in that different **charges** are made depending on whether the claim is successful or not. The major difference is that if the claim is successful the amount due to the adviser is not based on time spent (and therefore related to the value of the work done), but is expressed as a percentage of the compensation recovered.

For example, an agreement offering “No result, no fee, but payment of 25% of the winnings if successful” will have the following effect. Assume a critical illness claim of £80,000. If successful, the adviser will be entitled to £20,000, reducing the recovered insurance to £60,000. Unless the claim was unusually complex, such complaints could be completed by an adviser within a maximum of 20 to 30 hours work (£1500 to £2250 on the above rates).

**Charging rate** Claire Collinson Legal bases its **quotations and cost estimates** on the likely time required to do the work on the **complaint** multiplied by an hourly rate, currently set at £85 per hour. This rate is considerably lower than that charged by comparably experienced solicitors offering a similar service. Claire Collinson Legal is able to offer high quality, **individually tailored advice** at this rate due to:

- my commitment to offer reasonable and proportionate cost options
- comparatively low **business overheads**
- an innovative use of e-commerce resources to **streamline the business**

**Paying Online** My clients can login to their Track Your Case facility and pay **outstanding invoices online using their credit/debit card and Paypal.**

Clients can also download documentation from the secure client area as necessary during their claim.

A **contingent fee** (in the United States) or **conditional fee** (in England and Wales) is any fee for services provided where the fee is only payable if there is a **favourable result**. In the law is defined as “[a] fee charged for a lawyer's services only if the lawsuit is successful or is favorably **settled out of court**...Contingent fees are usually calculated as a percentage of the client's net recovery.”

In the English legal system is generally referred as **No win no fee**. The usual form of this agreement is that the solicitor will take a law case on the understanding that if lost, no payment is done. However if the case is won the lawyer will be entitled to his normal fee based on hourly billing, plus a **success fee**. The success fee in England must be as a percentage no greater than 100% of the normal fee, provided this contrasts with the contingency fee in the USA which gives the successful attorney a percentage of the **damages awarded** in favor of his client.

This makes it easier for the poor to **pursue their civil rights**, since otherwise, **to sue someone for a tort**, one would first have to be wealthy enough to **pursue such litigation** in the first place. However, because of the high risk, few attorneys will take cases on a contingency basis unless they feel **the case has good merit**.

**Visions and Values** : the values underpinning Claire Collinson Legal are: high quality advice, access to justice, reasonableness and certainty of costs

Claire Collinson Legal distinguishes itself from many other advisors on insurance, **professional negligence** and **financial claims** in that we are committed to providing an individual service at a cost which is reasonable, certain and proportionate to the amount in dispute. Each client and each case is treated individually; claims are not 'processed' and advice is tailored specifically in every case. Claire Collinson Legal is committed to an innovative use of IT / e-commerce to achieve its aims by streamlining the provision of advice and reducing business overheads to ensure reasonable costs.

### **Consensual dispute resolution**

An effective form of dispute resolution is where both parties agree to take a sensible approach, preserve their commercial relationship and reach an agreed settlement without the need for litigation. There are various methods by which such dispute resolution can be achieved, but the common requirement is a willingness on both parts to compromise and **achieve a settlement**. These methods cannot be used, therefore, when faced with an aggressive opponent, which is unfortunately all too often the case for individuals and small businesses facing a dispute against a financial institution. The options include:

**Mediation:** This usually takes the form of a full day meeting, attended by both parties and also an independent mediator who's role is to move between the two sides, exploring the strengths and weaknesses of the respective cases, and establishing whether common ground can be found to achieve a settlement.

**Appointment of an independent expert:** Particularly appropriate where a case turns on a specific point the parties can agree to instruct an **independent expert** jointly and either be guided by or even **be bound by** his or her decision.

There are various other methods of **resolving disputes**, the appropriateness of which will depend on the particular circumstances of each case. For example, in some professional negligence cases alternative options can be deployed including references to the Legal **Ombudsman** or other professional bodies' complaints schemes. We take a fresh and innovative approach to dispute resolution and seek to explore such options, where they are appropriate, prior to escalating a matter to litigation.

## **Litigation**

We recognise that litigation may be the best option in certain situations, or may be required where other options have been tried and failed. Our team comprises solicitors with many years of experience of claimant litigation with leading North East practices. Our emphasis throughout the process is to provide:

Realistic and easily understandable advice about the process and **potential outcomes**;

Clear and understandable advice about the financial implications of litigation;

**Bespoke funding assistance** to minimise the financial risks of litigation, and deal with **cash flow** concerns;

A carefully selected team appropriate to each case: we have good relationships with specialist banking and insurance barristers and appropriate experts in these areas.

Source: Wikipedia, <https://www.clairecollinsonlegal.co.uk>