

1 O TIPS TO REDUCE LEGAL COSTS

This short article has been put together giving strategies to reduce your legal costs, because let's face it, no one wants to spend any more money on lawyers than they absolutely need to.

Millwater Tyrrell Law offer a free 30 minute consultation with one of our partners to provide you with advice specific to your needs.

10 TIPS TO REDUCE LEGAL COSTS

It's stressful enough being in Court or needing a lawyer, so keeping your legal costs to a manageable minimum is a pretty helpful to be honest.

As lawyers, we are in a pretty good position to give some tips to keeping lawyer's fees to a reasonable level, so here is our top ten:-

- 1. Get an upfront estimate on costs for the whole job or for stages. Sometimes it can be hard for lawyers to give a definite amount, as the work may become more complicated, there may be more correspondence than expected, there may be unavoidable delays, etc etc. However, in most cases once your lawyer knows about your circumstances they should be able to (and are required to) give you a reasonably accurate estimate of total legal costs. We give our clients a fee estimate at the first consultation where possible, or as soon as we are able to understand the likely scope of the necessary legal work. Make sure you know how your fees will be charged, whether on fixed fee, hourly rate, or otherwise. Find out what expenses or outlays will be payable (eg. filing fees, service fees, Barrister fees etc) as these costs will be part of your total legal costs.
- 2. Sign a cost agreement and cost disclosure. For legal work over \$1,500 lawyers are required to enter into a cost agreement and provide a written cost disclosure to their clients. The cost agreement will detail how the costs are to be calculated (eg. hourly rate or fixed fees etc), at what point fees will become payable, whether interest will be charged on unpaid fees, what outlays (expenses) may be payable and many other details. Read the cost agreement and cost disclosure and if you do not understand it, contact your lawyer and ask them to clarify it. You are entitled to get independent legal advice on the cost agreement, as this could then mean you are given a cost estimate by the second lawyer to review the first lawyer's cost agreement, however the option is available to get legal advice on a cost agreement and may be worthwhile particularly if the matter is likely to incur very significant legal fees.
- 3. Check for percentage increases. Some cost agreements include percentage increases for things called care and consideration or uplift fees. These types of fees are common in speculative (no win, no fee) or deferred fee (basically pay at the end) type cost agreements. These percentage increases are legal in many circumstances and you should be aware as to whether your lawyer will charge them. These types of fee increases can be justified in some circumstances perhaps where the law firm is taking a risk on a case, or where there will be a long period of time before the case will be resolved. The main point is to be aware of what fee increase will apply in your situation and then decide whether you are comfortable with the arrangement. We do not charge percentage increases, uplift fees, or care and consideration fees to our clients.

- 4. Shop around? If you were buying a car you would likely shop around, so perhaps the same applies to lawyers. In both cars and lawyers, you want them to be reliable, be good value for money, and look good, well maybe not so much the last one, but engaging a lawyer is a significant decision, so choose one that you are comfortable with. Choosing a lawyer usually involves a number of considerations, including their experience & expertise, customer service, communication skills, reputation, and of course, price. Price is often not the most important factor for choosing a lawyer depending on the type of legal matter you have. For example for a basic conveyance most people will expect a standard cost rather than wanting the most experienced property lawyer in the country. That being said, when you speak with your prospective lawyer ask for some cost estimates upfront so you can then have the cost/price factor as part of your lawyer choosing decision making process.
- 5. Get regular updates. Lawyers are required to give you cost estimates and if those estimates change, they are required to inform you with reasonable notice. Life as we all know is unpredictable sometimes, things do change, so as your legal cost estimates change you should be informed by your lawyer. Sometimes only short notice is possible, where for example Court was expected to take 2 days and it ends up being 3 days instead. In that circumstance there would be little notice that could have been given. In other situations where the work is being done in stages it is easier for lawyers to give ongoing and updated costs estimates as the matter progresses. If you have not had an update on legal costs for a while, or even if you are just curious, you are entitled to ask for an update on the current amount of your legal fees. Lawyers cannot charge for communications that are strictly in respect of legal fees, so ask away.
- 6. Get itemised invoices. Lawyers are not required to initially give their clients itemised invoices, but they must give an itemised invoice on request. If you are given an invoice that is not itemised and you are not sure what work has been done for the total amount invoiced, ask for the itemised account. My personal view is that if I got an invoice from a lawyer for say \$5,000, that just simply said, total fees = \$5,000, I would find that fairly rude (unless of course a fixed fee was agreed beforehand). Most lawyers charge per hour in 6 minute intervals, their legal software records the time spent on files, by each staff member, per day, per hour, per minute...so there is a wealth of legal cost information available for legal firms to provide to their clients if they so desire. Our firm always gives itemised accounts except for fixed fee matters.
- 7. Help your lawyer out. As most legal work is billed by the hour, the more leg work you do obtaining information and giving your lawyer detailed instructions, the less they will need to charge you to obtain that information. For example, a large part of family law property settlement work is obtaining the various pieces of information to work out the overall amount of property to be divided by the parties. If a client provides copies of documents (eg bank statements, tax documents, superannuation statements etc) then the lawyer doesn't need to write letters to get those things, and therefore legal costs have been saved! In many cases lawyers will prepare formal

statements or affidavits by their clients. If you write a draft version of the events for your lawyer, they dont expect it to be a perfect or legal document, but it will save them time, save you costs, and even better they will know exactly what you think and want in your case.

- 8. Don't jump down every legal rabbit hole. One of the skills of experienced lawyers is to work out what is relevant and what is not. Pursuing arguments that do not lead to any meaningful result is a sure way to unnecessarily increase your legal costs. Seek the advice of your lawyer as to what information or argument is necessary and what will be a waste of time and money. Consider whether it is economical to pursue every argument. Yes, of course you may be able to prove that your grandmother gave you the china teapot set, but would investing perhaps \$2,000 or more into the legal argument be worth the investment? Obviously which arguments you fight and which ones you let go is a personal decision, however be conscious in your decision making and factor in the legal cost of the fight.
- 9. Sometimes less is more. Lawyers need detailed instructions from their clients, as without details they are not able to properly argue their case. That being said, you should provide your instructions to your lawyer in a detailed, but concise and non-repetitive way. Usually lawyers charge by the hour, so this means obviously that if they receive multiple emails, phone calls or letters from you on basically the same issue then your legal costs will proportionally increase. Some lawyers will charge one unit (a 6 minute block) for each communication whether it took 1 minute, 2 minutes or 6 minutes. So, basically one email that takes 5 minutes to read, will be better for reducing your legal costs than five short emails that take 1 minute to read. If you can provide your lawyers with instructions and information in a non-repetitive type of a way (eg. one email instead of five) then their fee sheet will likely be thinner, and you will be the grinner from a legal cost point of view.

10. Be organised. This point could actually be a few different ones but we are only doing a top ten so here goes. When a client turns up with a box full of papers that have been thrown in randomly and says, "Here is all the proof you need", usually that means the lawyer (or their assistant) is going to spend a long time sorting out all of the paperwork, categorising it and then putting it into a list of documents, which means \$\$\$\$ - \$\$\$\$\$. If a client turns up with a neat pile of documents, that are categorised, and may even have a handwritten index on the front, then the lawyer (or his assistant) spends far less time looking through them to put them in order, and doing up the list of documents will be much guicker, so maybe \$\$\$. This is rare, but when a client turns up with a USB or email (maybe zip file) that has documents prescanned, categorised, and an index in a Word document that has the name of each document, the date of each document and a brief description of each document, then the lawyer will only need to read the documents, and mostly copy and paste information, therefore costs are \$\$ and maybe even only \$! Being that organised is not always possible and many times people see a lawyer for the lawyer to assist, organise and take care of those type of things. However, if

conserving legal costs is a priority then organising your documents is worth considering.

10.1. Don't ignore your lawyer. Try to get back to your lawyer as soon as you can if they ask you for documents or information. In many cases it is understandable that clients do not want to be dealing with a lawyer, do not want to be dealing with the dispute they are in, and so they sometimes they leave their responses for a while and avoid dealing with the matter. This is completely understandable in many cases – the too hard basket is a fair option sometimes. However, the problem from a legal costs point of view is that lawyers will in most cases charge to follow up and send reminders to their clients. It is in many cases reasonable for lawyers to charge fees for following up their clients, as usually they are providing advice as to what will happen if their client doesn't take action. Lawyers also have a responsibility to progress their client's case once they are retained. It is somewhat of a catch 22 that in many cases the lawyer does not want to be unnecessarily annoying or reminding their client, but they have a duty to do so. Therefore, try to respond to your lawyer in a reasonable period of time to avoid them giving you a follow up and charging you for the pleasure.

We hope this has been of some assistance to you in giving strategies to reduce your legal costs, because let's face it, no one wants to spend any more money on lawyers than they absolutely need to.

This short article of some suggestions on how to keep your legal costs to a manageable minimum is obviously in no way intended to be legal advice or be comprehensive, and is not intended to be relied upon in the absence of legal advice.

If you would like legal advice on these or other matters feel free to contact our office for a free initial discussion to see whether we can assist you (and we will be sure to give you a cost estimate upfront).







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CLICK HERE TO GET STARTED WITH DAVID

David is a Partner of Millwater Tyrrell Law and holds Bachelor Degrees in both Law and Science from the Queensland University of Technology (QUT).

David was admitted as a lawyer in 2003 and has been working in the Ipswich area for a large regional local firm since that time.

For the last 10 years David has primarily practiced in family law, being the leader of the family law department at his previous firm.

David is an accredited family dispute resolution practitioner (Mediator).

He has assisted countless clients to achieve favourable results in their matters by both agreement and Court proceedings.

His experience includes:

- Complicated and high value property settlement negotiations and agreements
- Relocation parenting cases
- Agreements for parenting arrangements for children
- Child support agreements
- Spousal maintenance agreements
- Mediation and conferencing
- Family violence protection applications (DVOs)
- Criminal and traffic matters
- Litigation

David has an empathetic approach and understands how important it is for people to understand their future when developing a plan of action for each client.





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Matthew is a Partner of Millwater Tyrrell Law and holds Bachelor Degrees in both Law and Business from the Queensland University of Technology (QUT).

Matthew commenced his legal career in 2007 working with the Queensland Government within the Department of Justice & Attorney General whilst completing his studies. He has worked under the guidance of nationally recognized and leading Commercial & Structuring Lawyers when working for a large National Law Firm. More recently Matthew has assisted the Ipswich and Greater Springfield community through his employment with a large regional local firm.

Given the broad range of work Matthew was exposed to in the formative years of his career, his experience includes:

- Commercial Transactional Law
- Commercial Structuring Law & Insolvency
- Family Law
- Criminal Law

Matthew comes from a family with a strong involvement within the Military and as such has a history of assisting men and women from within the armed services. This has given Matthew an in depth understanding of Military Superannuation and the unique challenges it brings to Family Law disputes.



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