

Navigating the New Rules on Legal Costs: What You Need to Know

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INTRODUCTION

As of 8 March 2024, significant changes to the High Court rules governing legal costs have come into effect, reshaping the landscape for litigation in our courts. These changes are crucial for both legal practitioners and litigants alike, as they can have a profound impact on the outcome of legal proceedings.

Here are some key highlights of the new rules:

IMPORTANCE OF COST ARGUMENTS:

One of the noteworthy aspects of the new rules is the emphasis placed on the importance of cost arguments. When advocating for costs, it is essential to incorporate elements that could sway the court to grant a higher scale or allow for the costs of more than one counsel. This means carefully considering factors such as the complexity of the case, the amount in dispute, and the conduct of the parties involved. By effectively presenting these arguments, litigants can potentially secure a more favourable costs order.

SPECIFICATION OF COST SCALE:

Another critical aspect to be aware of is the requirement for court orders to specify the applicable cost scale. In the absence of such specification, costs are automatically assessed on scale A. This underscores the importance of clarity in court orders and the necessity for parties to ensure that the desired cost scale is expressly stated in any judgments or orders obtained.

COSTS IN HIGHER COURTS FOR LOWER QUANTUM CASES:

One of the most significant changes introduced by the new rules relates to costs in higher courts for cases involving quantum below the jurisdictional limit of the Magistrate's Court. In such instances, litigants must specifically pray for costs on the scale applicable to the higher court. Failure to do so will result in costs being awarded on the Magistrate's Court scale, even when litigating in a higher court.

This serves as a crucial reminder for practitioners to be vigilant in seeking the appropriate costs scale relevant to the court in which they are litigating.

These new rules signify a shift in the approach to legal costs, aiming to promote transparency, fairness, and efficiency in the legal process. However, they also underscore the importance of diligence and strategic advocacy when it comes to cost-related matters in litigation. As legal practitioners navigate these changes, understanding and effectively applying these rules will be paramount in achieving favourable outcomes for their clients.

CONCLUSION

In conclusion, the implementation of the new rules on legal costs represents a significant development in our legal system, with far-reaching implications for litigants and practitioners alike. By staying informed and adapting to these changes, legal professionals can better navigate the complexities of cost-related issues and ensure the efficient and equitable resolution of disputes in our courts.



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