

Information in relation to Legal Charges



Law Society of Ireland

This leaflet is for solicitors to give to their clients.

By law, your solicitor must give you information about your legal charges – the money you must pay them for their services. Solicitors' charges include their fees and any money they pay to another person or an organisation for you.

Your solicitor must give you the information in this leaflet and must also write down and give you details of how they will charge you in your particular case.

You should read this leaflet carefully. If you have any questions about your charges, ask your solicitor.

Your solicitor's charges

When you agree that a solicitor can act for you, for example in a court case or to sell your home, the solicitor must give you the details of your charges in writing as soon as possible.

The information should include:

- **exactly how much your solicitor is charging you, or, if they cannot do this;**
- **an estimate of how much your solicitor will charge you, or, if they cannot do this;**
- **how your charges will be worked out.**

How does my solicitor work out my charges?

Your solicitor bases your charges on a number of factors such as:

- how complicated, urgent and important your matter or case is;
- how difficult or new the questions about your matter or case are;
- the skill, specialised knowledge and responsibility of your solicitor and staff involved;
- the number of hours your solicitor and staff spend on your matter or case;
- the number and importance of documents they prepare or examine;
- the value of any transaction that might be involved;
- whether your solicitor has to travel to deal with the matter; and
- the circumstances in which your solicitor deals with the matter or case.

These factors will be considered by the Law Society or a court official called a Taxing Master (see below) if they later review a bill.

When you get your bill, it will include:

- your solicitor's professional fee for their work;
- charges for general expenses, such as stationery or postage;
- other charges for people or organisations such as the Property Registration Authority, other Government agencies or experts; and
- VAT.

What can I do if I am not happy with my solicitor's charges?

A solicitor's professional fee must be reasonable for the work they have done.

If you are unhappy with your solicitor's bill, contact your solicitor with your questions about your charges and try to agree on them.

If you cannot agree with your solicitor about your charges, you can:

- complain to the Complaints and Client Relations Section of the Law Society, telephone (01) 672 4800; or
- have your bill taxed by a court official called a Taxing Master. This means they will look at your bill to assess and decide what charges you should pay. You can get an information leaflet from the Taxing Master's office, telephone (01) 888 6321.

What are payments on account?

As your case goes on, your charges will build up in an account. Your solicitor may ask you to pay some of these charges regularly, known as payments on account. You should pay these on time. Your solicitor might also ask you to pay for expenses, such as payments made for you to other organisations or people, during your case. Your solicitor may decide not to continue working for you if you do not make these payments.

LITIGATION CASES ONLY

Your solicitor's professional fee and other charges

Litigation means taking a case through the courts. In litigation your solicitor's professional fee should be based on the work they have done for your case as well as the other factors listed earlier.

Your solicitor's professional fee should not be based on a percentage or proportion (share) of any award or settlement money that you get from the other side in your court case.

If your solicitor is dealing with a court case or other dispute for you, they must give you the following information.

Bills

The law says that bills in litigation cases must include the following:

- a summary of the legal work done for you;
- the total amount of money recovered from the other side; and
- details of any charges recovered from the other side.

Who has to pay for my solicitor's charges?

When your solicitor sends you a bill of your charges, you are responsible for paying that bill, unless you agree with your solicitor that it will be fully or partly paid by someone else, for example an insurance company. You have the right to have your bill reviewed if you are not happy with it (see above).

What happens if I reach a settlement and the other side has to pay my costs?

You are still responsible for paying your bill even if you settle with the other side and they offer or are ordered to pay your costs.

In court cases and settlements, if your case is successful, your solicitor will try to get as much as possible of your costs from the other side. Sometimes, however, this may not be enough to cover your solicitor's bill.

If the other side has been ordered by the court, or has agreed to pay, some or all of your costs, but there is a problem in getting the costs, you might have to pay your solicitor to do more work to get them. Your solicitor should tell you about any extra costs.

What happens if the costs I get are not enough to pay my solicitor's bill?

Your solicitor should tell you how much money the other side is prepared to pay. You can then choose to accept it and pay the difference, or to have your bill taxed, that is, assessed by a taxing master, who will decide what you should pay (see above).

If the costs from the other side are not enough to pay your solicitor's bill, you are responsible for paying the rest of the money you owe your solicitor.

Can I use my settlement or court award to pay my costs?

If the costs you get from the other side are not enough to pay all your solicitor's bill, you might want your solicitor to use some money from your settlement or court award to make up the difference. Your solicitor must send you the bill before this is done.

You will need to write and sign a letter for your solicitor allowing them to take any money from your settlement or to put your settlement cheque in their bank account.

What happens if I get a loan to pay money to other people or organisations to progress my case?

If you want to borrow money to pay for your case, the lender may need a written solicitor's promise, called an undertaking, to repay the money you borrow. You must give your solicitor a signed letter to let your solicitor give the lender this undertaking for you.

If you are successful, and if your solicitor has given the undertaking, your solicitor must repay the loan from your award or settlement. You cannot change your mind at that point.

Injuries Board claims

If you make a claim to the Injuries Board through a solicitor instead of dealing with it directly yourself, there is usually no right to recover your solicitor's fees. However, when assessing your claim, the Board may choose to contribute towards your solicitor's fees if:

- it advised you to use a solicitor, or
- it believes that you needed to get advice from a solicitor.

For example, the Board might decide that the solicitor's fees are necessary if a claim relates to the injury of a child.

See the Board's website, www.injuriesboard.ie, or phone 1890 829 121 for the most up-to-date information about this.

When do I have to pay the costs of the other side?

The law says that your solicitor must explain to you that you might have to pay the costs of the other side as well as your own costs. This must be explained even if your solicitor believes that you have a good case. You may have to pay all or part of the costs of the other side when:

- you lose the case; or
- you refuse the money paid into court by the other side and the court later awards you less money; or
- the court tells you that you must pay the other side's costs; or
- it is part of a settlement agreement.

At the end of your case, your solicitor will account for any money they have received and paid out, including any money you get from the other side towards your legal costs. If your solicitor gets the money to pay for your costs your solicitor will give you a refund of any money you have already paid them.

The law that deals with this matter is Section 68, Solicitors (Amendment) Act 1994.

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