

Scenario 2: Wealthy claimant and local independent newspaper

Aim: To prevent the defendant having to pay disproportionate costs the court operates costs budgeting.

In addition, the court makes a costs capping order against the Claimant only, thus limiting the costs the Claimant could recover from the Defendant to a reasonable and proportionate sum.

Claim: £50,000

Outcome 1: Claimant wins at trial

Claimant's costs - £200,000

Defendant's costs - £75,000

Costs capped at £60,000 at first case management conference

Damages award: £50,000

1. **Claimant** gets award of **damages** of £50,000
2. **Claimant** recovers **costs** of £60,000, bearing shortfall of £140,000
2. **Defendant** receives nothing

Outcome 2: Claimant loses at trial

Defendant's costs - £75,000

Claimant's costs - £200,000

1. **Claimant** gets no **damages** and no **costs**
2. **Defendant** recovers all reasonable and proportionate **costs**, which were not subject to a costs cap – likely to be the full £75,000

Scenario 3: Wealthy claimant and major media organisation

Aim: To ensure that the costs recoverable by either side are reasonable and proportionate.

Outcome

No QOCS - usual costs principles apply. However, the court operates costs budgeting. No need for any costs capping.

Scenario 4: Parties with equal resources

Aim: To ensure that the costs recoverable by either side are reasonable and proportionate.

Outcome

No QOCS - usual costs principles apply. However, the court operates costs budgeting. No need for any costs capping.