

**Guideline Hourly Rate for solicitors
Civil Justice Council – Costs Committee**

CALL FOR EVIDENCE

As part of its role in making evidence-based recommendations to the Master of the Rolls by 31 March 2014 on new guideline hourly rates ('GHR') for solicitors' firms in England and Wales, the Committee is calling for evidence on the costs of running a litigation practice.

In particular, the Committee seeks views on:

- The extent to which the [current \(2010\) guideline hourly rates](#) continue to represent a reasonable hourly rate for the work of different level fee earners in different parts of England and Wales – and if not, why not.
- What is to be regarded as a fair profit margin for a firm of solicitors in relation to work on various types of civil litigation on top of expenditure on salaries and overheads and the extent to which this profit margin might be compared with other similar professions.
- The effect that the 'Jackson' reforms that came into effect earlier this year, including the abolition of the recoverability of success fees, 'After the event' (ATE) premiums and referral fees, and the introduction of alternative business structures and damages-based agreements, are likely to have, or ought to have, on the way in which the GHR are calculated.

In parallel with this call for evidence, the Committee is conducting [a survey](#) which is seeking information from individual firms on the salaries, fee income, hours claimed and overheads for each grade of fee earner in each geographical band, and information about the spread of income between different areas of work.

Having analysed this data, along with the results of the Committee's survey, the Committee may invite a number of individuals and organisations to oral submission sessions early in 2014.

The Committee will use the responses to the survey, this call for evidence and those oral sessions to help build an evidence base, together with existing sources of data.

An analysis of all of that material, including an assessment of the 'cost of time' and a reasonable profit margin for solicitors' firms, will enable the Committee to reach a conclusion on the recommendation it is to make to the Master of the Rolls.

This call for evidence is aimed at:

- Any solicitor or firms of solicitors wishing to make further written submissions on the new GHR.
- Any individual or organisation other than a solicitor or firm of solicitors who wish to make a submission on guideline hourly rates for solicitors in England and Wales.

The Committee would particularly welcome views from organisations and companies who commission legal services and are frequent parties in civil litigation.

The Committee invites written submissions on these issues by 5pm on **Friday 6th December 2013**.

Each submission should:

- a) be no more than 3,000 words in length
- b) be in Word format with as little use of colour or logos as possible
- c) have numbered paragraphs

Submissions should be emailed to FoskettJCC@judiciary.gsi.gov.uk . If you need to send a paper copy please send it to -

Assistant Secretary to the CJC
Civil Justice Council
Room E205
Royal Courts of Justice
Strand
London WC2A 2LL

Please note that:

Material already published elsewhere should not form the basis of a submission, but may be referred to within a proposed memorandum, in which case a hard copy of the published work should be included.

Memoranda submitted must be kept confidential until published by the Committee, unless publication by the person or organisation submitting it is specifically authorised.

Any queries should be sent to FoskettJCC@judiciary.gsi.gov.uk, providing your full name, address, and if relevant your organisation.