

Firm publishes first client's 'charter'

A city of London law firm, Davies Arnold Cooper, has broken new ground with the publication of what is thought to be the first client's "charter", giving details on how it charges its fees.

The Commonwealth Law Bulletin (Volume 20, Number 1, January 1994) states that the charter gives a detailed breakdown based on the rank of lawyer doing the work. Costs, which are charged on an all-in hourly rate, range from between 200 pounds and 250 pounds for an hour with a London partner (140 pounds-180 pounds for a partner in Manchester), to 130 pounds-190 pounds for a senior assistant solicitor (110 pounds-175 pounds in Manchester) and with a paralegal 50 pounds and 60 pounds an hour (45 pounds in Manchester). The document also covers expenses, budgets, strategies and billing and offers clients a litigation plan, including a summary of the facts, a financial budget and a strategy for achieving their aims.

David McIntosh, senior partner, said the firm decided to publish the fees because it was "sick of being tarred with the same brush" as lawyers who over-charged.

As with other firms handling product liability claims for insurers, Davies Arnold Cooper has found that its clients are becoming increasingly cost-conscious. It is encouraging clients to ask law firms to explain exactly what they are getting for

their money. Mr McIntosh said law firms should be less secretive about their rates and more flexible in the way they billed clients.

He said clients now regularly shopped around and had put the big city firms on their toes. They want value for money and are looking for a "good deal", according to Mr McIntosh.

"The old world, in which lawyers believed they had a direct ownership of certain types of work, has gone," he said.

The document is explicit about what services clients will be billed for, such as search and investigation fees, facts usage, postage, document exchange and meals for partners while away from the office.

It also points out that other services -- such as secretarial and administration, internal computer and library usage -- are free.

Traditionally, lawyers have been reluctant to provide clients with such information about their services and, although the Law Society encourages firms (as a matter of good practice) to discuss their charging rates with clients at the first meeting, none is thought to have gone as far as publishing a detailed explanation of how the bills mount up.

"Lawyers do not need to cheat to make a good living," Mr McIntosh said.

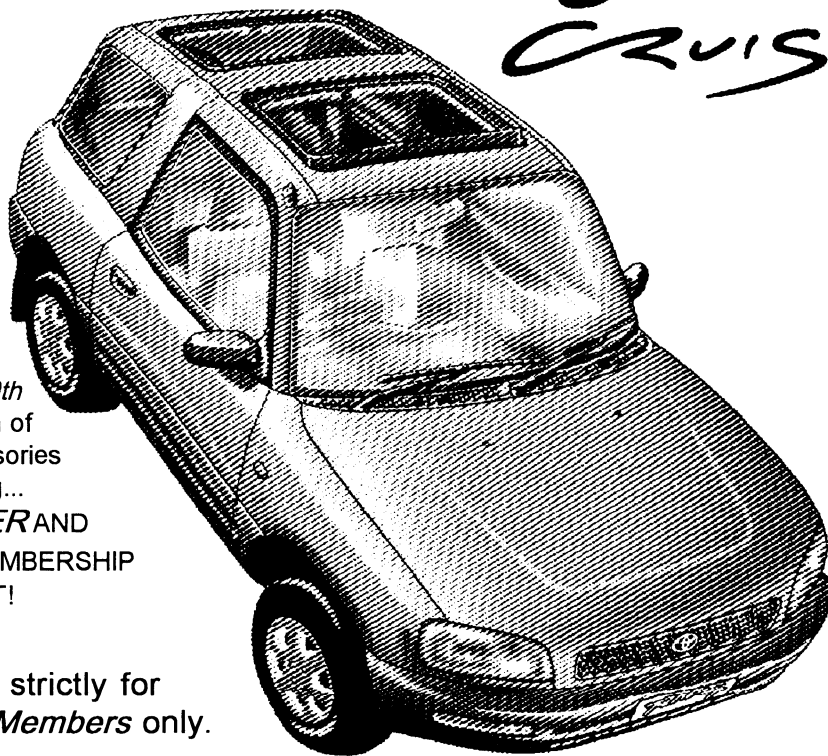
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