

UKDC Service Guidelines (2023)

The following sets out the Club's expectations when it comes to handling claims on behalf of the Club and its Members.

1. Upon first instruction, the Club is to be advised as to the identity of the fee earner(s) who will be handling the matter. The general expectation is that not more than two fee earners will be involved in any case, though it is recognised that at some stage other fee earners may be required to be added to the team. The Club should be advised when it is proposed that other fee earners are to be added.
2. An assessment of the merits should be made as soon as realistically possible. If no assessment can be made at the start of a case, then the Club should be advised as to what would be required (eg further evidence) in order to do so.
3. The expectation is that any preliminary advice should be subject to an agreed fixed fee. The law firm should propose one, even if not prompted to do so by the Club.
4. In addition to advice on the merits the Club also requires views on the quantum of the claim, whether the claim is being made by or against the Club's Member. The Club needs to have a clear understanding as soon as possible as to the true value of the sums at stake. If it is not possible on the available material, the Club should be promptly advised as to what evidence/documents would be required to carry out a quantum analysis.
5. The Club adopts a "no surprises" policy and to that end:
  - (i) On an annual basis the Club's Legal Director is to be notified of charge-out rates for the different bands of lawyers who might be involved on cases for the Club.
  - (ii) The Club is to be copied into all correspondence between the law firm and the Club's Member;
  - (iii) The Club is to be advised of all developments of significance in the case. To the extent that such developments arise out of calls between the law firm and the Member or other third parties (such as counsel, witnesses and experts) the Club should be promptly advised;
  - (iv) No counsel or expert is to be appointed without the prior written approval of the Club. Experts and Counsel (and other third party suppliers) are to be asked to offer fixed or capped fees. The Club may also have input into the counsel and experts to be appointed.
  - (v) In the event that the recommendation is that proceedings be commenced, approval should be sought from the Club, who also must be advised of the identity of the proposed arbitrator in the case of arbitration.
  - (vi) No overseas lawyers are to be appointed without the Club's approval. If the law firm has an affiliated office in the place where foreign law advice is required, the Club should be advised of the fee earners who will be involved in such affiliated office, and a fee agreed for the work to be undertaken;
  - (vii) Possible costs liabilities for which the Member may become responsible need to be outlined to the Club at regular occasions throughout the life of a case.
6. At regular intervals an assessment of the merits of the case should be undertaken and recommendations made as to future strategy, including, where appropriate, settlement strategy. Stages at which such assessment is to be conducted are, without limitation, upon first instruction, at the close of submissions/pleadings, at the time of the Case

Management Conference (or exchange of LMAA Questionnaires), after exchange of witness statements, after exchange of experts report and prior to commencement of trial/hearing preparations.

7. In the event that the Club or its Members are not satisfied with the service provided by the appointed law firm, the Club expects there to be a constructive discussion about the nature of the dissatisfaction, along with a range of options to address that dissatisfaction.
8. The Club is intent on moving away from paying fees invoices simply by reference to hourly rates. It therefore expects appointed law firms to be proactive in proposing alternative billing arrangements (ABAs) from the outset of the case. The Club is not prescriptive about what might be appropriate for any case (and recognises that there will likely have to be discussions between the Club and the appointed law firm as to the terms and scope of any ABA) but focuses on;
  - (i) Fixed fees for distinct parts of cases (e.g. submissions, factual and expert evidence)
  - (ii) ABAs with a success fee element.
  - (iii) Sharing of upside and down side where an agreed target figure or target range is not achieved.

As with the assessment of merits, the Club expects law firms to consider at every significant stage of a case proposing an ABA.