

COSTS DISCLOSURE FORM

The costs disclosure form gives an overall picture of the costs a client can expect pay for lower priced work. This information sheet explains what you should know.

Why have I been given a costs disclosure form?

When you hire a law practice you must be told in writing if the cost of the legal service will be more than \$750, before disbursements and GST are added.

A law practice can use a simple costs disclosure form if the cost of the legal service is not likely to be more than \$3000, before GST or disbursements are added. If you have briefed a barrister directly, the barrister can use the form.

Is the form a costs agreement?

The costs disclosure form is an estimate only - it is not a costs agreement. This means it is not by itself a contract between you and your legal practitioner.

What information does the form give me?

The costs disclosure form outlines the work to be done and gives you an estimate of the overall cost. It includes an estimate of the law practice's fee, and any additional costs for disbursements and GST. If the law practice hires a barrister or another law practice on your behalf, the overall cost of these services will also appear on the costs disclosure form.

What is a disbursement?

A disbursement is an expense that a law practice has to pay for on behalf of the client. Some examples are the costs of a medical report, court filing fees or stamp duty.

What is GST?

The GST is a 10% tax on goods and services. Example: solicitor \$2000 + barrister \$1500 = a total of \$3500 incurs an additional \$350 GST.

How will I know the cost of the barrister or other law practice retained on my behalf?

The law practice must tell you the total estimated cost of the services of a barrister or another law practice. This information must be on the form, with the details attached.

How can I make an informed choice?

So you can make an informed choice about your legal options, the law practice must explain the work proposed and the estimated costs. Costs must be fair and reasonable. You may need to consider other factors, like the risks involved.

What happens if the costs increase?

You must be informed in writing if there is a significant change in circumstances, including the legal costs you will need to pay. If the law practice's fee is likely to be more than \$3000, you must be given full written costs disclosure.

What are my rights as a consumer?

The Uniform Law gives you certain rights in relation to legal costs, billing for legal services and complaints.

You can:

- **Ask for the form to be explained:** You are entitled to have the information on the form explained to you.
- **Negotiate a costs agreement:** Let the law practice know if you would prefer a costs agreement. A costs agreement is more detailed and can be enforced like a contract.
- **Negotiate how you want to be billed:** This might be every month, when specific tasks have been completed, or in some other way.
- **Request a written progress report of costs incurred:** You are entitled to progress reports within a reasonable time and at no extra charge.
- **Receive a written bill for work done:** You must receive a written bill for the work done. You can be given the bill in person, by post or by email.
- **Request an itemised bill:** You can ask for a lump sum bill to be itemised. You must ask for this within 30 days of the bill being payable. It must be provided within 21 days of your request. You must not be charged for preparing an itemised bill.
- **Ask for help from the local regulatory authority:** Talk to your legal practitioner first if you are not happy about the costs you have been charged. If you are still not satisfied you can contact the Legal Services Commissioner in your State.

Legal Services Commissioners:

Victoria	1300 796 344 (toll free) www.lsbcc.vic.gov.au
NSW	1800 242 958 (toll free) www.olsc.nsw.gov.au

The costs disclosure form is available on the Legal Services Council website:
www.legalservicescouncil.org.au