



Association  
of Costs  
Lawyers

Candidate Number \_\_\_\_\_

## Unit 1 Examination Paper

20 June 2016

**Time allowed: 3 hours**

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To pass this examination candidates must obtain a mark of 50% or above. **You must answer ALL of the questions.**

Write in full sentences – a yes or no answer will not earn any marks. The mark allocation for each question and part question is given and you are advised to take this into account in planning your work. Write in blue or black ink or ballpoint pen.

Please put your candidate identification number at the top right corner of each sheet of paper (NOT your name) and number the pages. At the end of the examination, attach your answers to the examination papers and put your paper in proper order in the envelope. Please hand the envelope to the invigilator and sign the registration form to confirm that you have handed in the paper.

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Please write legibly, on one side of the paper only: **Marks may be lost if the examiners cannot read your answers.**

**Do not turn over this page until instructed by the Invigilator.**

## Section A

1. In what circumstances would a precedent H not need to be completed?

**(5 marks)**

2. Explain what is meant by proportionality.

**(5 marks)**

3. Explain when, and in what circumstances, an application for an interim payment may be made in detailed assessment proceedings. Outline the procedure.

**(10 marks)**

4. Explain the application that may be made to conclude a matter without trial where a defendant's defence is fabricated and the claimant does not believe there is any real prospect of success.

**(10 marks)**

5. Outline a costs lawyer's duty to the court.

**(10 marks)**

## Section B

6. You work for Horsefield Costs, a firm dealing in legal costs. You have been instructed on a regular basis by Miss Hannah Field who is a solicitor. She has recently taken on a new job with a local firm and has been asked by them to set up and run a personal injury department. She has contacted you as she needs to prepare some promotional material for prospective clients. One of these will be on funding methods in relation to claims for personal injury.

Prepare a **summary** for Miss Field of the methods of funding that should be considered by a solicitor advising her client in relation to a claim for damages for personal injury.

**(10 marks)**

7. You work for Costs Assessors Ltd and have received instructions from a paying party on a clinical negligence matter. The opponent has applied for and obtained a default costs certificate. The paying party is unsure why the default costs certificate has been obtained and what the implications are. He would like to apply to have the default costs certificate set aside as he has fully complied with everything that he was asked of by his solicitors.

Prepare a **summary** as to what a default costs certificate is, in what circumstances it may be obtained, in what circumstances it may be set aside and what steps will need to be taken in order to have the default costs certificate set aside.

**(10 marks)**

8. You work for X & Y Solicitors, a large, reputable firm of solicitors in Liverpool. You have just qualified as a costs lawyer. The senior partner knows that the area of ethics and professional standards is one which you have studied as part of the costs lawyer training course and considers that you are the best placed person to prepare a memo to all fee earning staff (including costs lawyers and trainee costs lawyers) covering the areas of professional standards and ethics so that everyone is able to maintain the firm's high expectations in this area.

You have been asked to have particular regard to the principles of ethics and professional standards which apply when preparing bills of costs and during negotiations. She would like you to explain why it may be that staff within the costs

department may not be able to act in accordance with instructions provided to them and why it is not in the instructing fee earner's best interests for these instructions to be followed.

Prepare the **body** of the memo requested by the senior partner.

**(20 marks)**

9. You are a costs lawyer working in-house for a firm of solicitors, Smarties LLP. The head of the personal injury department wants her department to become more knowledgeable about legal costs and has asked you to carry out some training. The first session you have been asked to do is to help the department understand the difference between a summary and detailed assessment, the time when each may be carried out and the procedure for each. You have been specifically asked to detail any forms and paperwork required in both forms of assessment.

You are tasked with preparing a **handout**, which will accompany your training session.

**(20 marks)**