

# **Procedural Fact Sheets (Civil) – Supreme and District Courts**

#### **Costs orders**

**NB:** There may be serious costs consequences for you if you are unsuccessful in bringing or defending a claim. Important information about <u>costs</u> is available from LawRight, an independent, community legal centre that coordinates pro bono legal services for individuals and community groups involved in current or potential proceedings in Queensland courts. Depending on your circumstances, LawRight may be able to provide you with legal advice and assistance. You can find more information on LawRight's website.

## Costs Orders

The court has the power to order that one party pay the legal costs of another party.

- A costs order can be made at any stage of a proceeding.
- The purpose of a costs order is to compensate the person in whose favour the order is made. It is not intended to be a punishment.
- Generally, a self-represented litigant will not be compensated for the time they spend in making or defending a claim. They are not lawyers, so the value of their time cannot be said to be a legal cost.
- A self-represented litigant is entitled to recover their disbursements. A "disbursement" (literally meaning to take money out of a purse) is expenditure properly incurred during a claim that is necessary to progress the matter. Disbursements may include barrister's fees, cost of expert reports, filing fees, and witness expenses.

## Costs usually follow the event

Ordinarily, costs "follow the event". <u>rule 681</u> In other words, it can reasonably be expected that the court will order the unsuccessful party to pay the successful party's costs.

## Costs don't always follow the event

Sometimes, the court may decide not to make a costs order in favour of a successful party, for some or all their costs, because of the way the successful party has conducted their claim or defence.

The court may order one party to pay some or all of another's costs where that party has:

- Failed or refused to comply with procedural directions, therefore increasing the costs incurred by the opposing party.
- Unnecessarily delayed the proceeding.

- Refused to take advantage of available assistance.
- Made a lot of unsupported allegations about the opposing party's conduct.
- Abandoned applications without adequate notice to the opposing party.
- Made amendments to pleadings at the last minute.
- Brought a proceeding in a higher court where this was not justified by the amount of the claim.

- Attempted to rely on a large amount of irrelevant or inadmissible evidence.
- Engaged in unnecessarily lengthy or time-consuming communications with the opposing party.

Regardless of the outcome of an application or trial, the opposing party may make submissions to the court about costs and produce evidence in support of those submissions.

#### How are costs calculated?

The court may make an order awarding costs to be paid by one party to another:

• in a specified amount.

- in an amount to be agreed by the parties or, failing agreement, to be "assessed".
- in an amount to be assessed.

The creditor may provide the debtor with information about the amount of costs required to be paid by the debtor and how that amount has been calculated and may also provide copies of any documents supporting the amount claimed. In response, the debtor may elect to pay the creditor the amount of costs claimed or may negotiate with the creditor about that amount.

See the Queensland Courts website for more information about the assessment of costs.