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STATUTORY INSTRUMENTS

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**2000 No. 1317**

**The Civil Procedure (Amendment No. 3) Rules 2000**

**Amendments to Civil Procedure Rules 1998**

14. After rule 44.3, insert—

**“Costs orders relating to funding arrangements**

**44.3A.**—(1) The court will not assess any additional liability until the conclusion of the proceedings, or the part of the proceedings, to which the funding arrangement relates.

(“Funding arrangement” and “additional liability” are defined in rule 43.2)

(2) At the conclusion of the proceedings, or the part of the proceedings, to which the funding arrangement relates the court may—

- (a) make a summary assessment of all the costs, including any additional liability;
- (b) make an order for detailed assessment of the additional liability but make a summary assessment of the other costs; or
- (c) make an order for detailed assessment of all the costs.

(Part 47 sets out the procedure for the detailed assessment of costs)

**Limits on recovery under funding arrangements**

**44.3B.**—(1) A party may not recover as an additional liability—

- (a) any proportion of the percentage increase relating to the cost to the legal representative of the postponement of the payment of his fees and expenses;
- (b) any provision made by a membership organisation which exceeds the likely cost to that party of the premium of an insurance policy against the risk of incurring a liability to pay the costs of other parties to the proceedings;
- (c) any additional liability for any period in the proceedings during which he failed to provide information about a funding arrangement in accordance with a rule, practice direction or court order;
- (d) any percentage increase where a party has failed to comply with—
  - (i) a requirement in the costs practice direction; or
  - (ii) a court order,

to disclose in any assessment proceedings the reasons for setting the percentage increase at the level stated in the conditional fee agreement.

(2) This rule does not apply in an assessment under rule 48.9 (assessment of a solicitor’s bill to his client).

(Rule 3.9 sets out the circumstances the court will consider on an application for relief from a sanction for failure to comply with any rule, practice direction or court order)”.