



Solution Brief

LCM for Legal Costs and Budgets Management

Legal Cost Manager (LCM) solves the challenge of extracting and merging legal data from matter management, time recording and legal financial systems for the purpose of managing, analyzing and reporting on legal budgets and costs.

LCM has been specifically designed for law firms and enterprise legal departments to deliver a comprehensive, easy-to-use financial creation management and reporting tool.

LCM enables law firms of all sizes to:

- Build and track legal budgets in line with current UK reforms and guidelines;
- Enable fast and accurate collaborative budget creation;
- Automate the creation of Precedent H reports;
- Extract, merge and deliver clear concise financial information in near-real time;
- Swiftly and accurately create, manage, report and analyse legal matter financials;
- Distribute legal budgets and costs to all stakeholders using the power of intranet or internet;
- Identify and alert on budget overruns or potential overruns.

LCM is delivered as a flexible Software as a Service (SaaS), with a focus on affordability, scalability, ease-of-use and integration with common tools such as Microsoft® Excel®.

LCM uses software dashboards which are accessed through your web browser without the need to install any other software. LCM's dashboards provide a complete legal business information environment for building legal budgets and tracking incurred costs.


LEGALCOST MANAGER

[Home](#) > [My Watch List Report](#)

[Search](#) [Matter](#) [Import](#) [Help](#)

My Watch List

- ▶ 149706 [Mattos Jr v ORS](#)
- 207371 [Prentice v Sandeman](#)
- 235774 [Berry v Barnet](#)
- 247233 [Omega Proteins v Aspen Insurance](#)
- 321589 [Teviotdal v Norwich Union](#)
- 375880 [Ali v Esure Services](#)
- 638913 [Guntrip v Cheney Coaches](#)

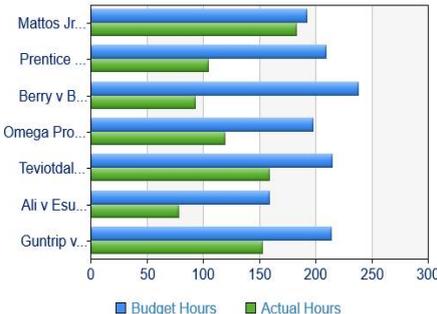
User: Fraser Harper
 Group: Fee Earner
 Company: Morecombe, Slant and Honeyplace

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Budgets v Actuals by Matter

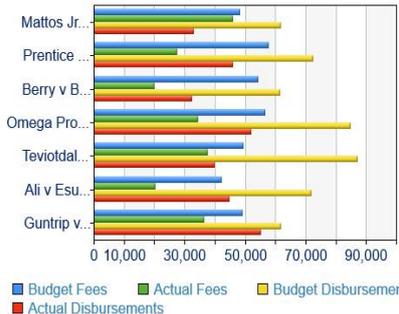
| Code | Matter | Latest Budget Version | Budget v Actuals | | | | | | | |
|--------|--|-----------------------|------------------|--------|-----------|-----------|---------------|-----------|------------|-----------|
| | | | Hours | | Fees | | Disbursements | | Totals | |
| | | | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Actual |
| 149706 | Mattos Jr v ORS | 1 | 192.00 | 182.80 | 48,270.00 | 45,858.00 | 61,800.00 | 32,930.00 | 110,070.00 | 78,788.00 |
| 207371 | Prentice v Sandeman | 1 | 209.00 | 104.40 | 57,585.00 | 27,274.00 | 72,200.00 | 45,700.00 | 129,785.00 | 72,974.00 |
| 235774 | Berry v Barnet | 1 | 238.00 | 93.20 | 54,160.00 | 19,750.00 | 61,300.00 | 32,190.00 | 115,460.00 | 51,940.00 |
| 247233 | Omega Proteins v Aspen Insurance | 1 | 198.00 | 119.20 | 56,495.00 | 34,172.00 | 84,800.00 | 51,920.00 | 141,295.00 | 86,092.00 |
| 321589 | Teviotdal v Norwich Union | 1 | 215.00 | 159.20 | 49,370.00 | 37,392.00 | 86,900.00 | 39,640.00 | 136,270.00 | 77,032.00 |
| 375880 | Ali v Esure Services | 1 | 159.00 | 78.00 | 42,015.00 | 20,286.00 | 71,900.00 | 44,810.00 | 113,915.00 | 65,096.00 |
| 638913 | Guntrip v Cheney Coaches | 2 | 213.75 | 152.40 | 49,001.20 | 36,274.00 | 61,600.00 | 55,140.00 | 110,601.00 | 91,414.00 |

Hours



Legend: Budget Hours (blue), Actual Hours (green)

Fees and Disbursements



Legend: Budget Fees (blue), Actual Fees (green), Budget Disbursements (yellow), Actual Disbursements (red)

Budget-Ready Matters in Seconds

LCM uses a wizard-like approach that allows you to initiate matters with ready-to-go budgets already in place. Budgets can be cloned from previous matters using a 'same-as-except' approach, or assembled from the ground up.

For phased matters, the phases can be built one at a time, or created all in one go by selecting from a preset list during matter initiation. This is particularly useful for matters that require the preset list of phases like those used for Precedent H reporting.

Only the basic information for each matter needs to be held in LCM, so no duplication with the data in your existing systems takes place. However, if you want to use LCM for more comprehensive information reporting – such as reporting by market sector or client – then this can be easily done using LCM's folder management tools.

For batch initiation of multiple matters in LCM, a spreadsheet interface is provided to Microsoft® Excel®.

Key Information

Matter Ref.: 638913
 Name: Guntrip v Cheney Coaches
 Description: CECIL GUNTRIP V CHENEY COACHES LTD [2012] EWCA CIV 392, 14/03/12
No error in judge's decision to refuse to admit new expert evidence where there had already been a join DJ had been correct in refusing the C permission to rely on a new expert report on the eve of trial and w/

Client Ref.: 506749
 Client Name: Cecil Guntrip
 Type: Contentious
 Status: Open
 Matter Opened Date: 13-07-2015
 Matter Closed Date: 21-11-2015
 Parent Matter:
 Value: 10,000,000.00
 Estimated Fees: 300,000.00

Budgets

| Version | Name | Primary |
|---------|---------------------|---------|
| 1 | Original | |
| 2 | All phases approved | Y |

Key Personnel - Matter

Matter Manager: Hall, Joseph
 Managing Partner: Lewis, Sophia
 Task Supervisor: Harris, Jack

Key Personnel - Client

Client Manager:
 Managing Partner:

Intuitive Budgeting

Once matters are initiated or uploaded, LCM provides an intuitive budget-building environment using its Budget Dashboard.

LCM allows separate budgets to be built for each phase and the budgets for each phase to be assembled into the overall budget for the matter. If a phase budget changes – for example, after Precedent H review and approval – then new versions are created for the individual phases and the matter itself.

Each budget has three budget 'cards':

- A rate card, which lists the hourly rates for each level or level/grade;
- A time card, which holds the estimated hours for each level;
- An expenses card, which lists the estimated disbursements in each expense category.

If required, the assumptions used in building each budget can be described. For more detailed budgeting, each assumption can even be assigned its own budget.

Legal Cost Manager > Budget Dashboard > 638913 Guntrip v Cheney Coaches > Version 2: All phases approved

Budget Summary

Matter: 638913: Guntrip v Cheney Coaches
 Budget: All phases approved
 Version: 2
 Total Hours: 230.75
 Total Fees: 51,916.25
 Total Expenses: 61,600.00
 Budget Total: 113,516.25

Rate Card

| Level | Grade | Hourly Rate | Start Date | End Date |
|--------------------|-------|-------------|------------|----------|
| Partner | | 395.00 | 01-01-16 | 31-12-16 |
| Legal Director | | 350.00 | 01-01-16 | 31-12-16 |
| Associate Director | | 325.00 | 01-01-16 | 31-12-16 |
| Senior Associate | | 300.00 | 01-01-16 | 31-12-16 |
| Associate | | 220.00 | 01-01-16 | 31-12-16 |
| Paralegal | | 120.00 | 01-01-16 | 31-12-16 |
| Legal Exec | | 120.00 | 01-01-16 | 31-12-16 |
| Trainee | | 120.00 | 01-01-16 | 31-12-16 |

Totals by Phase

| Phase | Total Hours | Total Fees | Total Margin | Total Margin (%) | Total Disbursements | Phase Totals |
|------------------------------|-------------|------------|--------------|------------------|---------------------|--------------|
| Pre-action costs | 18.00 | 2,920.00 | 1,054.00 | 36.10 | 6,500.00 | 9,420.00 |
| Issue / Statements of Case | 23.00 | 5,540.00 | 1,398.00 | 25.23 | 6,300.00 | 11,840.00 |
| CMC | 8.00 | 1,780.00 | 424.00 | 23.82 | 800.00 | 2,580.00 |
| Disclosure | 3.25 | 646.25 | 256.25 | 39.65 | 8,000.00 | 8,646.25 |
| Witness Statements | 13.00 | 1,560.00 | 373.00 | 23.91 | 4,600.00 | 6,160.00 |
| Expert reports | 17.00 | 2,915.00 | 963.00 | 33.04 | 3,300.00 | |
| PTR | 24.00 | 6,240.00 | 1,688.00 | 27.05 | 8,600.00 | |
| Trial preparation | 17.00 | 4,225.00 | 1,327.00 | 31.41 | 8,000.00 | |
| Trial | 22.00 | 5,090.00 | 1,776.00 | 34.89 | 2,700.00 | 7,790.00 |
| ADR / Settlement discussions | 12.00 | 3,460.00 | 855.00 | 24.71 | 4,300.00 | 7,760.00 |
| Contingency A | 7.00 | 1,390.00 | 288.00 | 20.72 | 5,000.00 | 6,390.00 |
| Contingency B | 35.50 | 10,200.00 | 2,302.50 | 22.57 | 1,700.00 | 11,900.00 |
| Contingency C | 31.00 | 5,950.00 | 2,024.00 | 34.02 | 1,800.00 | 7,750.00 |
| | 230.75 | 51,916.25 | 14,728.75 | 28.37 | 61,600.00 | 113,516.25 |

Budgets by Phase

2

Budget Dashboard – Key Features

- Single spreadsheet-like view of each budget version with drilldowns to details;
- Budget cards for rates, hours and disbursements;
- On-the-fly creation of assumptions linked to each budget;
- Dynamic updates of table and chart views.

Budget Versioning

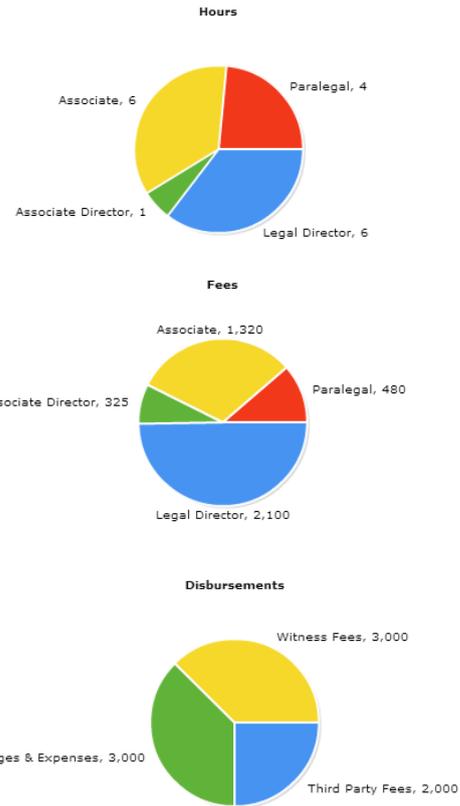
When a budget is changed to a new version, it can be copied and edited, or cloned using selectable rules. For example, if a target budget is mandated, then LCM can recalculate any combination of rates, hours and disbursements to suggest a new budget in line with the mandated total.

Margin Analysis and Reporting

LCM incorporates margin analysis for real time assessment and tracking of margins during the budget building and approval process. Margin analysis is extended to the costs tracking dashboard to enable a running tally of the ongoing profitability of each matter and phase to be maintained.

► Totals by Phase

| Phase | Total Hours | Total Fees | Total Margin | Total Margin (%) | Total Disbursements | Phase Totals |
|------------------------------|---------------|------------------|------------------|------------------|---------------------|-----------------|
| Pre-action costs | 18.00 | 2,920.00 | 1,054.00 | 36.10 | 6,500.00 | 9,420.00 |
| Issue / Statements of Case | 23.00 | 5,540.00 | 1,398.00 | 25.23 | 6,300.00 | 11,840.00 |
| CMC | 8.00 | 1,780.00 | 424.00 | 23.82 | 800.00 | 2,580.00 |
| Disclosure | 3.25 | 646.25 | 256.25 | 39.65 | 8,000.00 | 8,646.25 |
| Witness Statements | 13.00 | 1,560.00 | 373.00 | 23.91 | 4,600.00 | 6,160.00 |
| Expert reports | 17.00 | 2,915.00 | 963.00 | 33.04 | 3,300.00 | 6,215.00 |
| PTR | 24.00 | 6,240.00 | 1,688.00 | 27.05 | | |
| Trial preparation | 17.00 | 4,225.00 | 1,327.00 | 31.41 | | |
| Trial | 22.00 | 5,090.00 | 1,776.00 | 34.89 | | |
| ADR / Settlement discussions | 12.00 | 3,460.00 | 855.00 | 24.71 | | |
| Contingency A | 7.00 | 1,390.00 | 288.00 | 20.72 | | |
| Contingency B | 35.50 | 10,200.00 | 2,302.50 | 22.57 | | |
| Contingency C | 31.00 | 5,950.00 | 2,024.00 | 34.02 | | |
| | 230.75 | 51,916.25 | 14,728.75 | 28.37 | | |



Adjust Budget for Expert Reports

Adjust Fees?: Rate Card Hours Neither

Adjust Disbursements?: Yes No

Target Total:

Target Margin %:

Tracking Costs and Watching Matters

Once a budget is built and approved, it needs to be tracked. LCM reports actuals against budget using its Costs Dashboard, which incorporates an easy-to-read set of linked reports and charts.

A special feature is the Watch List report, which is configured as the default user view. The Watch List is individual to each user, who selects matters in and out by simple search, point and click. Once in the Watch List, the selected matters appear in the Watch List Report, which shows current budget tracking status for hours, fees and disbursements separately and combined into the total for each matter.

Costs Dashboard – Key Features

- Single spreadsheet-like view of costs incurred against budget for each matter and phase;
- Drilldown to detailed budget v incurred reports for each cost category;
- Integrated importers for fast uploading of new actuals data;
- Link to Watch List Report for default user view of current matters;
- Proactive alerting (optional module).

Home > Precedent H Dashboard > Prentice v Sandeman

In the: County Court of Guildford
 Parties: HAMISH MCLEOD PRENTICE V. RICHARD ALLAN SANDEMAN
 Claim number: CC-2015-005766

Navigation: Precedent H Summary | Precedent H Detail | Precedent H Assumptions | Precedent R | Precedent Q | Budget Comparison

| Work done / to be done | Assumptions | Incurred | | | Estimated | | | Total |
|------------------------|----------------------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| | | Disbursements | Time costs | Total | Disbursements | Time costs | Total | |
| Pre-action costs | None | £2,950.00 | £588.00 | £3,538.00 | £1,050.00 | £1,332.00 | £2,382.00 | £5,920.00 |
| Issue / Pleadings | None | £1,230.00 | £24.00 | £1,254.00 | £870.00 | £4,046.00 | £4,916.00 | £6,170.00 |
| CMC | None | £2,440.00 | £588.00 | £3,028.00 | £660.00 | £4,952.00 | £5,612.00 | £8,640.00 |
| Disclosure | Please see accompanying schedule | £4,880.00 | £0.00 | £4,880.00 | £2,620.00 | £6,140.00 | £8,760.00 | £13,640.00 |
| Witness Statements | None | £5,140.00 | £650.00 | £5,790.00 | £2,960.00 | £4,830.00 | £7,790.00 | £13,580.00 |
| Expert reports | None | £4,960.00 | £1,168.00 | £6,128.00 | £1,040.00 | £1,752.00 | £2,792.00 | £8,920.00 |
| PTR | None | £1,990.00 | £1,393.00 | £3,383.00 | £510.00 | £3,452.00 | £3,962.00 | £7,345.00 |
| Trial preparation | None | £1,830.00 | £274.00 | £2,104.00 | £1,770.00 | £5,986.00 | £7,756.00 | £9,860.00 |
| Trial | None | £1,040.00 | £0.00 | £1,040.00 | £1,460.00 | £1,040.00 | £2,500.00 | £3,540.00 |
| ADR / Settlement | None | £6,200.00 | £1,024.00 | £7,224.00 | £3,900.00 | £2,246.00 | £6,146.00 | £13,370.00 |
| Contingency A | None | £6,370.00 | £120.00 | £6,490.00 | £2,130.00 | £1,725.00 | £3,855.00 | £10,345.00 |
| Contingency B | None | £5,200.00 | £238.00 | £5,438.00 | £7,300.00 | £5,562.00 | £12,862.00 | £18,300.00 |
| Contingency C | None | £1,470.00 | £0.00 | £1,470.00 | £230.00 | £8,610.00 | £8,840.00 | £10,310.00 |
| | | £45,700.00 | £6,067.00 | £51,767.00 | £26,500.00 | £51,673.00 | £78,173.00 | £129,940.00 |

This estimate excludes VAT (if applicable), success fees and ATE insurance premiums (if applicable), costs of detailed assessment, costs of any appeal, costs of enforcing any judgments

The costs stated to have been incurred do not exceed the costs which my client is liable to pay in respect of such work. The future costs stated in this budget are a proper estimate of the reasonable and proportionate costs which my client will incur in this litigation.

Position: Partner
 Date: _____

Alerts and Analysis

LCM incorporates intelligent alerting using configurable thresholds, meaning that alerts are generated using easy-to-follow exception reports.

For firms requiring more proactive alerting, alerts can be linked to email, SMS or even a firm's own business information environment. LCM active alerting is available as an optional module.

Interactive Precedent H

A special budgeting case is the requirement to conform with Precedent H reporting in England and Wales. Currently, Precedent H reporting is heavily spreadsheet-driven, with a spreadsheet being the standard format for court reporting.

LCM complements this requirement with its Precedent H Dashboard. The dashboard provides a formatted view of the budget in the way that it will eventually be seen on the spreadsheet.

The Precedent H Dashboard provides an interactive environment for creating and amending budgets. The latest versions of the Precedent Q and Precedent R are also included, to ensure that all court-ready reports are maintained and stored in one place.

'Light-touch' Integration

LCM integrates with your existing legal systems, case management and time recording for example, without the need to modify them in any way. A set of easy-to-use importers allow data like timesheets and incurred disbursements to be imported into LCM in common

formats. Data integrity routines ensure that only undamaged data is imported, while suspect data is highlighted for intervention.

For smaller firms, or those without extensive systems, LCM provides easy-to-use templates for importing matters, timesheet and disbursements data via Microsoft® Excel®.

Collaboration and Security

LCM is designed for secure collaborative use. It is deployed in a web portal and uses a preconfigured set of user role to define who can carry out each type of task (for example, matter initiation, budget building and report viewing).

As such, LCM's system security and access control makes it the ideal portal for information exchange with internal lawyers or external qualified parties such as counsel, costs draughtsman and funders.

LCM is accessed securely from any current browser version. Data jurisdiction is unambiguous as the system is hosted in secure English data centres.

Alternative hosting is available. Remote replication amongst geographically separate data centres protects data and provides disaster recovery. All data transmission is encrypted.



About Digital Process Limited

We are a specialist British software solutions and services provider and developer, delivering state of the art, highly intuitive and competitively priced digital solutions that automate a wide range of business processes, improving existing business processes, deliver greater management reporting and real time insight to key areas of the business. The solutions we

source and integrate deliver very precise functionality that considerably reduces operational costs for UK and international businesses.

Our solutions deliver substantial operational efficiencies, increasing the competitive edge, profitability and the customer service experience for a wide range of business sectors.

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