

Judges drastically cut claimants' budgets, citing inefficiencies and over-lawyering.

Landmark **Ruling** in Dieselgate **Costs** Battle

Another significant judgment in the NOx Emissions Group Litigation (Dieselgate).



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Huge **Reductions** in Claimant Budgets

Tranche 3: Claimed £55.7m, Allowed £21.0m.

Second General Budgets: Claimed £19.8m, Allowed £1.4m.

*A reduction of **over 60%** in key areas.*





2

Over-Lawyering **Called Out** – Again!

Despite previous warnings, claimants proposed 32 fee earners for hearings and a £3.3m budget for two CMCs.

Judges said this was '**frankly remarkable**' and *far beyond* reasonable expectations.



3

Tranche 2 vs **Tranche 3**: **Proportionality** Check

Judges agreed with defendants that Tranche 3 should cost less than Tranche 2.

Fewer issues, shorter trial, and better cooperation meant smaller budgets should apply.

Claimants' Legal Structure Under Fire

The involvement of multiple non-lead firms in **duplicating** efforts already performed by lead firms was heavily criticised.

Only lead firm costs were - **mostly** - accepted.





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Process Gone Wild: **Fortnightly** Meetings

Claimants billed **84+ hours** for each **45-minute** meeting, broken down into 8 separate stages.

The court capped each meeting at £17,000 warning of **'overanalysis of process.'**

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Key **Takeaways** for Litigators

- > **Proportionality** above all
- > Avoid team **duplication**
- > Don't benchmark costs on **unrealistic** assumptions
- > **Efficient** case management matters
- > Common costs must truly be **common**

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