



Pricing Report – Planning & Environment Melbourne Legal Market, 2016

Melbourne continues to be the country's most varied and efficient market for planning and environment lawyers. The quality of practitioners available across a range of firm types and pricing points is unrivalled in any other major Australian city. Nonetheless, Melbourne's planning and environment lawyers tend to remain beholden to traditional hourly rate pricing. A comparatively low 56% of practitioners reported having moved away from hourly rate pricing in the past 12 months. In most other practice areas and jurisdictions any percentage below 70% is considered low.

Hourly Rates

Melbourne's mid-tier firms dominate the planning and environment pricing dynamic. Some 58% of the market set their hourly rate between \$400-\$600 per hour with a relatively even spread of individuals pricing themselves across this range. While this pattern and level of pricing is relatively similar to that displayed by planning and environment lawyers in other Australian markets Melbourne does differ somewhat in that the larger and international firms don't necessarily set their charge-out rates \$100-\$200 above their mid-tier counterparts. Instead Melbourne's planning and environment lawyers tend to set their price according to seniority and a perception of market tolerance with hourly rates often differing substantially between individuals at the same firm.

Hourly Rate	Market Share
\$300 - \$350	6%
\$350 - \$400	3%
\$400 - \$450	22%
\$450 - \$500	7%
\$500 - \$550	10%
\$550 - \$600	19%
\$600 - \$650	7%
\$650 - \$700	5%
\$700 - \$750	8%
\$750 - \$800	5%
\$800 - \$850	4%
\$850 - \$900	2%
\$900+	2%

Alternative Pricing

Among those individuals who did use alternative pricing the use of Fixed Fees (95%) and Capped Fees (82%) were the most common. Stage based costing was used by just under half of the market and 17% of firms used Performance-Based or Outcome Driven fees. The use of Retainer agreements was also lower than in other Australian cities with only 5% of individuals noting their use.

Pricing Method	Market Share
Fixed Price	100%
Capped Fees	78%
Performance/Outcome Based Fees	26%
Retainer	11%