

# *Paying For Your Legal Aid*



legal services

COMMISSION

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## About this leaflet

This leaflet tells you:

- When you might have to repay your legal aid, and
- How to do it

If you have legal aid for a civil case you may have to pay us back the money we spend on your solicitor's bills. There are three main ways in which you may have to pay for your legal aid, and it is possible that you may have to pay all of them.

They are:

- A contribution from your savings (a contribution from capital).
- A monthly contribution from your income during your case.
- Repayment of your solicitor's costs at the end of your case.

You need to understand each of these payments.

Because you may have to repay the money we pay your solicitor, it is in your interests not to run up unnecessary costs.

## 1. Contributions – Payments towards the cost of your case

We will work out if you have to make monthly payments towards your legal aid based on the financial information you gave us when you applied. Not everyone will have to make monthly payments. We will tell you if you have to make payments, how much they are and how you can pay them.

Even if we tell you that you don't have to make a contribution, **you must tell us if your finances change**. A change in your finances could mean that you will have to make monthly payments, or that your monthly payments go up or down.

**If you don't tell us about a change to your financial situation, or don't cooperate with any enquiries we make, we may take away your legal aid. This is called 'revoking' your certificate. This would mean that you will have to repay ALL the money we pay your solicitor.**

If you have any questions about your contributions you should contact your Regional Office. Their telephone number is on the back of this leaflet.

## 2. What happens at the end of your case?

The sections below explain:

- when you will have to pay your legal aid back,
- how you can pay your legal aid back,

and provide some examples.

### *The Statutory Charge*

If you had legal aid, and the result of your case is that you **kept** or **gained** property or money, you will probably have to pay back some or all of the costs of your case. The money we spent on your legal costs will therefore act as a loan, and you will have to repay it.

The Commission is under a legal obligation to recover what it has spent on a case where someone has kept or gained property or money. The statutory charge is the name given to how we recover the money we have spent. It is a charge, or claim, on your money or property made by law.

**Example**

Mr A had legal aid for his divorce. Mr A and his wife each owned half of their house. Although Mr A wanted the house put in his name, his wife did not agree. At the end of the case, the judge decided that Mr A should have ownership of all of the house.

Mr A has therefore **gained** half a house, and according to the rules explained above, he will have to repay the cost of his legal representation.

**3. How do we calculate how much you will owe?**

All solicitors' bills are assessed by the commission or the court at the end of the case. This is done to ensure the bill is fair given the nature of the case and the amount of work needed.

If you have a financial interest in your bill, then you have a right to comment on it, and your solicitor is obliged to show you their bill before they submit it for assessment. You should contact your solicitor if you have not seen the bill at the end of your case.

The bill may go down on assessment. We have to pay the assessed sum to your solicitor. This will then become the basis of your debt to us if you have gained or kept money or property.

If you paid contributions towards the cost of your legal aid during the case,

these will be subtracted from the total of your debt to us. We will also subtract any costs incurred in assessing your solicitor's bill.

**Cost Orders**

The court may order that your opponent has to pay some or all of your solicitor's fees. If this is the case, and you gain or keep property or money, then this will affect the amount of the statutory charge you have to pay. If you have any questions about this, please speak to either your solicitor or your Regional Office.

**4. How you can repay your legal aid**

*If you have gained or kept **money***

Any money you are awarded at the end of the case is normally paid to your solicitor. When your bill has been assessed, we take what we have spent on your solicitor, and give you what's left. We use any contributions you made to pay towards your solicitor's bill. The example below explains this:

<i>Damages awarded by the Court:</i>		<i>£10,000</i>
<i>Solicitor's Costs:</i>	<i>£5,000</i>	
<i>Minus contributions paid by you:</i>	<i>£2,000</i>	
<i>Total Amount you have to pay towards your solicitor's bill:</i>		<i>£3,000</i>
<i>You receive:</i>		<i>£7,000</i>

If you recover money, and wish to buy a home with this money, we may be able to let you pay back our charge later. We will register a charge on your new property to make sure you repay the money eventually. But we cannot do this if you are able to repay at once without risking losing your home. Please contact your Regional Office for more information.

*If you have gained or kept **property***

If you have gained or kept property, you can delay repayment by having a charge registered on your property. A charge is a record with the Land Registry which officially recognises that the Commission has a claim over the property equal to the amount of the money you owe. We register a charge to secure our debt, like a mortgage.

The charge will be equal to the amount of your solicitor's bill, minus the total of any contributions you made and any costs paid by the other side. If you gain or keep a property, and can repay the cost of your legal aid straight away, you will not need to have a charge registered on your home.

If you ask to delay repayment of the money you owe, the Commission will ask you some questions about your finances to see if this is reasonable. If we think that you are in a position to repay the money, we will ask you to do so. Depending on the answers to the questions we ask, we might allow you to delay repayment on condition that you make regular payments towards your debt. A charge will be registered on your property until your debt is repaid.

If you cannot repay the whole amount you owe, and ask to delay payment by having a charge on your property, simple interest will accrue on your debt. Simple interest means that the same sum of money is added to your debt each day. The rate of interest is:

5% to 30 September 2005, then  
8% from 1 October 2005.

Once a charge is registered, you will not be able to sell your home or borrow more money against it without first paying us the charge. If you would like to know how to pay off the charge, please read the Methods of Repayment section.

**Methods of repayment**

If we have a charge on your home, you do not necessarily have to make payments towards it. Though in some cases we might ask that you do.

The charge will remain on your house, normally accruing interest, until such time as you sell your house, or you borrow money against your house and pay the outstanding sum owing to the Commission from the money you received through refinancing.

You can make regular monthly contributions of £25 or more to reduce your debt. The Land Charge Department will be able to provide you with the necessary information on how to make regular payments.

If you are able to, you can also repay the money in one lump sum. Again, the Land Charge Department will be able to help you with this.

Once you have paid the total sum owing, we will remove the charge from your home.

If you need to know more please contact our Land Charge Department (see opposite).

## 5. Useful contacts

Please refer to the back page of this leaflet for the addresses and telephone numbers of all the Regional Offices of the Legal Services Commission.

### **For general enquiries concerning eligibility for legal aid:**

0800 085 6643 or [www.clsdirect.org.uk](http://www.clsdirect.org.uk) for the eligibility calculator and details of all legal aid solicitors.

### **For general information and queries whilst your case is ongoing:**

Please contact your Regional Office and be ready to quote your certificate reference number.

### **For questions regarding repayment of money owing after the end of your case:**

Land Charge Department  
Legal Services Commission  
85 Gray's Inn Road  
London WC1X 8TX  
Tel: 020 77591002

### **Email queries:**

[landcharge@legalservices.gov.uk](mailto:landcharge@legalservices.gov.uk)

### **Our website:**

[www.legalservices.gov.uk](http://www.legalservices.gov.uk)

## 6. Legal Services Commission Offices

### Head Office

85 Gray's Inn Road  
London WC1X 8TX  
Tel: 020 7759 0000

### NORTH WEST REGIONAL OFFICE

#### Liverpool Office

2nd Floor, Cavern Court  
8 Mathew Street  
Liverpool L2 6RE  
Tel: 0151 242 5200

#### Manchester Office

2nd Floor, Lee House  
90 Great Bridgewater Street  
Manchester M1 5JW  
Tel: 0161 244 5000

#### Chester Office

2nd Floor, Pepper House  
Pepper Row  
Chester CH1 1DW  
Tel: 01244 404500

### NORTH EAST REGIONAL OFFICE

#### Newcastle Office

Eagle Star House  
Fenkle Street  
Newcastle-upon-Tyne  
NE1 5RU  
Tel: 0191 244 5800

#### Leeds Office

Harcourt House  
Chancellor Court  
21 The Calls  
Leeds LS2 7EH  
Tel: 0113 390 7300

### MIDLANDS REGIONAL OFFICE

#### Nottingham Office

1st Floor, Fothergill House  
16 King Street  
Nottingham NG1 2AS  
Tel: 0115 908 4200

#### Birmingham Office

Centre City Podium  
5 Hill Street  
Birmingham B5 4UD  
Tel: 0121 665 4700

#### Cambridge Office

62-68 Hills Road  
Cambridge CB2 1LA  
Tel: 01223 417800

### WALES

#### Cardiff Office

Marland House  
Central Square  
Cardiff CF10 1PF  
Tel: 0845 608 7070  
Fax: 02920 647 173  
Welsh language service line:  
0845 609 9989

### SOUTH & WEST REGIONAL OFFICE

#### Bristol Office

33-35 Queen Square  
Bristol BS1 4LU  
Tel: 0117 302 3000

#### Reading Office

80 King's Road  
Reading RG1 4LT  
Tel: 01189 558600

### LONDON & SOUTH EAST REGIONAL OFFICE

#### London Office

12th Floor  
Legal Services Commission  
Exchange Tower  
2 Harbour Exchange Square  
London E14 9GE  
Tel: 0845 602 1400

#### Brighton Office

3rd/4th floor, Invicta House  
Trafalgar Place, Cheapside  
Brighton BN1 4FR  
Tel: 01273 878800

Legal Services Commission  
85 Gray's Inn Road  
London WC1X 8TX

www.legalservices.gov.uk  
tel: 020 7759 0000

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To order copies of LSC leaflets  
contact the LSC Leafletline:  
LSCLeaflets@ecgroup.co.uk  
tel: 0845 3000 343  
fax: 020 8867 3225

The Legal Services Commission  
produces the following leaflets:

*A Step-By-Step Guide to Legal Aid*

*A Practical Guide to Criminal Defence Services*

*Criminal Defence Services at the Police Station  
and in Court*

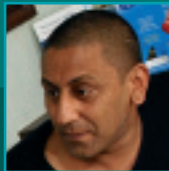
***Paying For Your Legal Aid***

*Complaints*

*Representations*

*Special Investigations Unit*

*Access to Information*



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