

Paying for your Legal Aid



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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 repay us the money we spend on your solicitor's bills. There are three main ways to do this, and you may have to use all of them.

They are:

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

We explain each of these payments below.

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 – paying from savings or income towards the cost of your case

We will work out if you have to pay a lump sum from capital or make monthly payments from your income towards your legal aid, based on your financial circumstances. If you need to pay income or capital contributions, we will tell you how much they will be 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 financial circumstances change, as this may affect whether you need to pay a contribution and the amount you are asked to pay. A change in your income or outgoings could mean that you must start making 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 (revoke) your legal aid. If we revoke your legal aid, this will mean you 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 phone number is on the back.

2. Repaying the solicitor's costs at the end of your case

The sections below explain:

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

The statutory charge

If you have 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. We will view the money we spent on your legal costs as a loan, and you will have to repay it.

The law requires us to get back the money we have spent if a case results in someone keeping or gaining property or money. We recover it by a 'statutory charge'. This is a charge, or claim, made by law on your money or property.

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 the whole 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 owe?

We or the court assess your solicitor's bill at the end of the case. This is to ensure the bill is fair, given the nature of the case and the amount of work needed.

If you may be liable to pay some or all of your bill, then you have a right to comment on it, and your solicitor must show you the bill before sending it to us for assessment. If your solicitor doesn't show you the bill at the end of your case, ask to see it.

The bill may go down on assessment. We have to pay the assessed sum to your solicitor. You will then owe us this amount 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 count towards paying off your debt to us.

We will also subtract from the amount you owe any costs we incur in assessing your solicitor's bill, so you do not pay for these.

Cost orders

The court may order your opponent to pay some or all of your solicitor's fees. If so, and you gain or keep property or money, then you will have to pay less statutory charge. If you have any questions about this, please speak to 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 out of the award, and give you what's left. We use any contributions that you have already made and pay them towards your solicitor's bill. The example below explains this:

Money awarded to you by the court:	£10,000
Solicitor's costs:	£5,000
Contributions already paid by you:	£2,000
Total amount you still have to pay towards your solicitor's bill:	£3,000
You receive:	£7,000

If you are awarded money, and wish to buy a home with this money, we may let you repay our charge later. We will 'register a charge' on your new property to make sure you repay the money eventually. But if you are able to repay at once without risking losing your home, you must do so. In these circumstances, we can't let you delay the repayment. 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 we have a claim over the property equal to the amount of money you owe. Registering a charge means securing our loan of legal aid to you against the value of your home, as if the loan were a mortgage.

The charge will be 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 won't need to have a charge registered on your home.

If you ask to delay repaying the money you owe, we will ask you some questions about your finances to see if this is reasonable. If we think that you are able to repay the money straight away, we will ask you to do so. Depending on your financial circumstances, we may allow you to repay your debt over a longer period as long as you make regular payments towards it. We will register a charge on your property until you have repaid all your debt.

If you can't repay the whole amount you owe straight away, and ask to delay payment by having a charge on your property, simple interest will build up on your debt. Simple interest means that the same sum of money is added to your debt each day. The current rate of interest is 8%.

Once a charge is registered, you will have to pay us the charge before you can complete the sale of your home. And you can only use your home as security for a loan (borrowing money against your home – known as refinancing) if you will be using that loan to pay off the charge.

We explain on page 7 how to pay off the charge.

How to pay off a charge on your home

You can pay off the charge in regular instalments, or in one lump sum.

The charge will remain on your house, normally accruing interest, until you have repaid it all to us.

Regular instalments means paying £25 or more every month to reduce your debt. Our Land Charge Department can advise you how to make regular payments.

If you are able to, you can repay the money in one lump sum instead of in instalments. You may be able to do this out of your savings or income. Alternatively, you can pay us back out of the money you get from selling your home or borrowing money against it (known as refinancing). 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 the Land Charge Department.

For general information and queries whilst your case is ongoing: Please contact your regional office and quote your certificate reference number.

For questions about repayment of money you owe after the end of your case:

Land Charge Department

Exchange Tower, 13th Floor, 2 Harbour Exchange Square

London E14 9GE

Tel: 020 7718 8451

Email queries: landcharge@legalservices.gov.uk

5. Contact details of the LSC regional offices

Central Customer Services Unit

11th Floor
Legal Services Commission
Exchange Tower
2 Harbour Exchange Square
London E14 9GE

Tel: 020 7718 8025
Fax: 020 7718 8021

North Region

Liverpool Office

2nd Floor Cavern Court
8 Mathew Street
Liverpool L2 6RE

Tel: 0151 242 5200
Fax: 0151 242 5394

Manchester Office

2nd Floor, Lee House
90 Great Bridgewater Street
Manchester M1 5JW

Tel: 0161 244 5000
Fax: 0161 244 5196

Chester Processing Centre

2nd Floor, Pepper House
Pepper Row
Chester CH1 1DW

Tel: 01244 404500
Fax: 01244 404691

South Tyneside

Berkley Way, Viking Business Park
Jarrow NE31 1SF

Tel: 0300 2002020
Fax: 0191 428 3794

Leeds Office

Harcourt House, Chancellor Court
21 The Calls
Leeds LS2 7EH

Tel: 0113 390 7300
Fax: 0113 390 7484

Midlands Region

Nottingham Office

1st Floor, Fothergill House
16 King Street
Nottingham NG1 2AS

Tel: 01159 084 200
Fax: 01159 084 397

Birmingham Office

1st Floor, Cannon House
The Priory, Queensgate
Birmingham B4 6BS
Tel: 0121 232 5500
Fax: 0121 232 5695

Cambridge Office

62-68 Hills Road
Cambridge CB2 1LA
Tel: 01223 417 800
Fax: 01223 417 982

Wales

Cardiff Office

Marland House
Central Square
Cardiff CF10 1PF
Tel: 0300 2002020
Fax: 02920 647 173
Welsh language service line:
0845 609 9989

South Region

Bristol Office

33-35 Queen Square
Bristol BS1 4LU
Tel: 0117 302 3000
Fax: 0117 302 3198

Brighton Office

3rd/4th Floor, Invicta House
Trafalgar Place, Cheapside
Brighton BN1 4FR
Tel: 01273 878800
Fax: 01273 878991

Reading Office

Dukesbridge House
23 Duke Street
Reading RG1 4SA
Tel: 01189 558600
Fax: 01189 558608

London Region

London Office

12th Floor
Legal Services Commission
Exchange Tower
2 Harbour Exchange Square
London E14 9GE
Tel: 0300 2002020

Other useful contacts:

Community Legal Advice provides free information, help and advice direct to the public on a range of common legal issues:
Call 0845 345 4 345
Click www.communitylegaladvice.org.uk

Legal Services Commission
4 Abbey Orchard Street
London SW1P 2BS
www.legalservices.gov.uk
Tel: 0207 783 7000

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To order copies of LSC leaflets contact the LSC Leafletline:

orderleaflets@communitylegaladvice.org.uk

Tel: 0845 3000 343

Fax: 0845 5438 258

Our leaflets are also available in Welsh, Braille and audio.

The Legal Services Commission produces the following leaflets:

A step-by-step guide to legal aid

A step-by-step guide to choosing a legal adviser

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