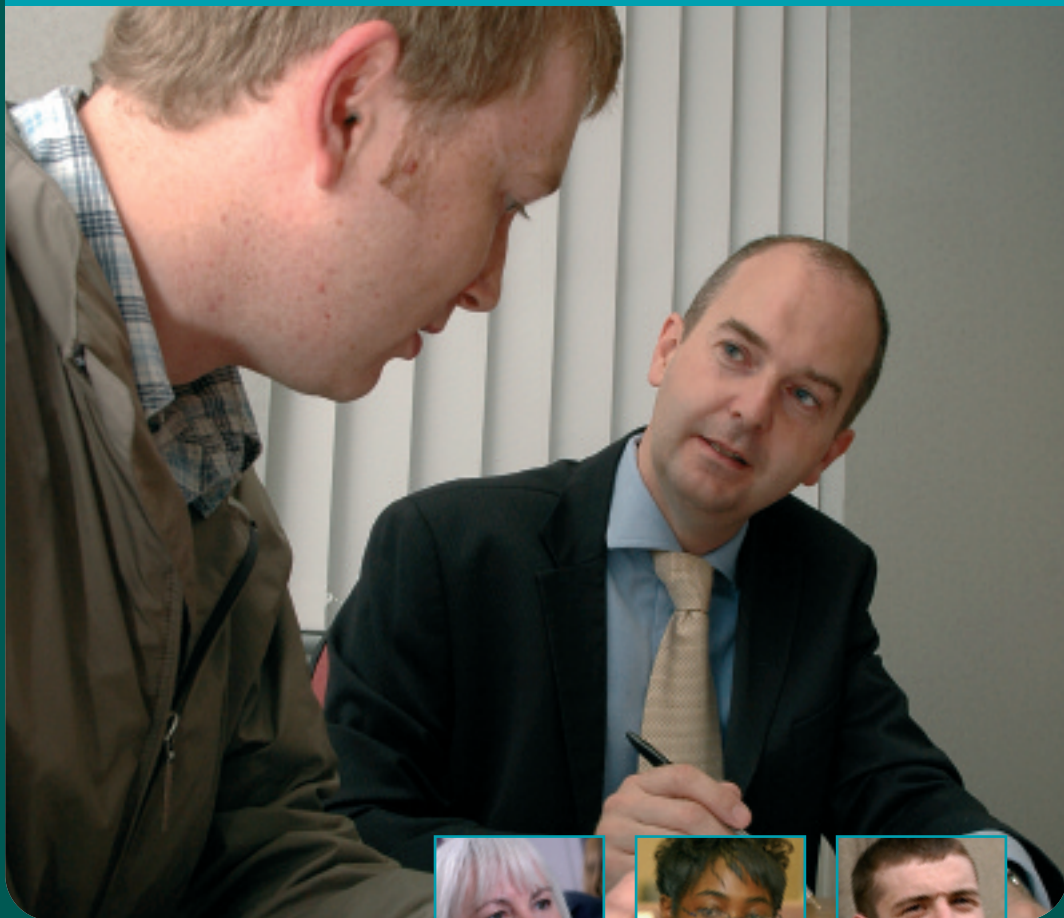


Paying For Your Legal Aid



legal services

COMMISSION

May 2007

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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 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

Our website:

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*

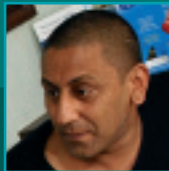
Paying For Your Legal Aid

Complaints

Representations

Special Investigations Unit

Access to Information



legal services

COMMISSION