



<b>NEW COST LIMITS: Q&amp;A</b>
<b>Q) Is there a change to the process for Associated Cases?</b>
No. Associated cases (cases where multiple clients are represented in the same proceedings) will continue as normal. The nominated Lead will have a limit of £25,000 and the Associated cases will have a limit of £0.00.
<b>Q) What if proceedings are amended to cover an Aspect not covered by the new cost limit?</b>
Where a proceeding is required to be added to a certificate by amendment, that is not covered by the new cost limit, you should report your costs incurred to date as part of the amendment. LAA will then apply an appropriate limit, which can be amended throughout the life of the certificate.
<b>Q) Does this apply to existing certificates?</b>
The new limits are the default from 19 April 2019. For certificates issues prior to this date, you should request the cost increase as normal, and, if the cost increase is justified, LAA will increase the costs to £25,000 regardless of what figure you have requested.
<b>Q) How will cases work if they pass the VHCC threshold of £25,000?</b>
Cases will be registered as High Cost and considered under the existing VHCC guidelines. These changes do not impact on VHCC matters.
<b>Q) Will there be any difference to POAs?</b>
No, the usual contractual rules will apply.
<b>Q) Are Prior Authority requests still being considered?</b>
Yes, as this is the only authority under which a codified rate for an expert may be exceeded.
<b>Q) What will happen in Domestic Violence cases where the client's capital exceeds £8,000?</b>
This will only be an issue where an undertaking is not provided. Regulations determine we must issue an offer for the full capital amount. The offer will be up to £30,000 (i.e. the £25,000 standard limit plus VAT). <b>Please note:</b> This is not an issue where an undertaking is provided.
<b>NEW COST LIMITS: CASE STUDIES</b>
<b>1) Amending to include Financial Proceedings</b>
<b>Scenario:</b> Our certificate has been issued for CAO Residence and limited to £25,000 as standard. During the proceedings financial issues arise and the certificate needs to be amended to cover Ancillary Relief.
<b>Solution:</b> When requesting the amendment, please record the costs to date in the merits report, together with the amount of increase required and details of the work to justify the increase. The LAA will apply an appropriate cost limit, based on this information, if the financial proceedings are granted. This cost limit can then be extended as required.

## 2) The client has capital of £15,000 in a Domestic Violence case

### Scenario:

My client qualifies for Legal Aid through the Domestic Violence waiver, but has capital of £15,000. What should I do?

### Solution:

When submitting your application, please include an undertaking that your costs will not exceed a set figure which must include VAT. This amount will be sent as an offer to your client. If you do not, the LAA will issue an offer based on the actual capital held (minus the £3,000 capital disregard) up to the full capital value of £30,000.

## 3) I initially submitted an undertaking for £5,000 but my costs are now likely to be higher than this

### Scenario:

I submitted an undertaking of £5,000, including VAT, my client paid the contribution and my costs are limited to £5,000. The case has cost more than expected, I have used up my £5,000 limit and have further work to carry out. The extra work should cost a further £2,000 including VAT.

### Solution:

Contact the LAA to inform us of this and submit a further formal undertaking to this amount. A re-assessment of means will be set up and the LAA will determine whether it is appropriate for the client to pay a further capital contribution to cover these increased costs.

## 4) The court orders an expert above the codified rate

### Scenario:

We have a Care case that is under the new limit of £25,000 and the court have instructed a specific psychologist. This psychologist will only undertake the work at a rate of £150 per hour. Are we covered for this?

### Solution:

You will need to seek prior authority to exceed the codified rate for any expert instructed. However, once prior authority is granted, if the expert needs to undertake further work, this can be justified on assessment as normal.