

## Paying for legal advice & representation – what are the funding options?

Many people are worried about the cost of contacting lawyers. Please be reassured that Leigh Day do not charge people for contacting us to ask for assistance and will not charge you **anything** without having fully discussed it with you and having your agreement in advance.

How legal advice and representation may be funded will often depend on the type of matter you are seeking assistance with. Your Solicitor will discuss all the options with you in detail if we can help you with your matter. This will include discussing how to pay for your legal costs **and** if it applies, discussing how to pay for the other side's legal costs if your case is unsuccessful. We will also discuss with you how expenses, such as Court or experts' fees, can be funded.

Below is a brief overview of the different types of funding that might be available:

### Legal Aid

We have the authority to provide legal services funded by legal aid in the following types of cases:

1. Public law (Human Rights Act and judicial review claims)
2. Community care services
3. Actions against the police and public authorities
4. Abuse of children and vulnerable adults
5. Court of Protection cases
6. Clinical negligence for birth injured children
7. Inquests

Legal Aid is usually only available if you are within the financial eligibility limits **and** if your case meets the 'merits criteria' set out in law. The merits criteria that apply differ depending on the type of case and we will discuss this fully with you.

The decision whether or not to grant legal aid is not a decision we can make – we make the application and the decision is then made by the **Legal Aid Agency**. In order to apply you will need to provide financial information to the Legal Aid Agency, including evidence such as bank statements. Please be aware that you may be asked to pay a contribution to your legal fees even if you receive Legal Aid. [Please refer to our information sheet on Legal Aid for more information]

If you are granted Legal Aid this will cover all your costs and protect you from having to pay the other side's costs if you lose your case.

### Conditional Fee Agreements (“CFAs”)

CFAs are available for some cases and your Solicitor will discuss with you whether this is an option. There are many different types of CFA, including agreements that you pay no fees unless you win your case (a no win no fee agreement) to agreements that you pay discounted fees if your case is unsuccessful. Remember that if you win your case often the losing party will have to pay your legal fees.

Some CFAs include a success fee which you must pay out of your damages and your Solicitor will discuss this with you before you enter the agreement if it applies.

Please remember that CFAs only cover your legal fees and your Solicitor will discuss whether you also need insurance (known as After the Event Insurance, ATE) to cover the risk of losing your case and having to pay the other side's fees. In claims for personal injury **qualified one way costs shifting** may apply, which prevents you from having to pay the other's side costs if you lose as long as you have acted honestly and reasonably.

CFAs are often not straight forward and it is important you understand the terms and conditions fully.

## Legal Expenses Insurance (LEI)

You may have LEI which covers the costs of legal action. LEI might be part of your home insurance, car insurance or provided as a benefit of a bank account, credit card or memberships, such as AA membership. You will probably have paid a small annual fee for the insurance.

You should show your Solicitor the LEI policy document so we can check whether your case is covered. Sometimes LEI will not cover all the costs and your Solicitor will discuss which other funding options can cover any shortfall.

## Trade Union Funding

Some trade unions have a legal advice and assistance scheme which allows you to obtain advice from an approved solicitor funded by the union.

Your union may fund the whole of the case for you (usually only if your Solicitor advises the case is likely to succeed) and there will be no risk that you will have to pay the costs. Sometimes the union will act as insurance if your case is not successful.

Some unions even have schemes to pay for cases brought by your children or spouse. You should check your union membership documents for full details of what is covered.

## Private

Paying privately can range from paying for all the work done at an hourly rate to agreeing a fixed fee for agreed work.

Only a few clients pay for an entire case privately as taking a case to Court can be very expensive, however it is more common for clients to pay privately for initial advice or in matters such as Inquests where there is no risk of having to put another party's legal costs.

## Other options

The above are the main funding options but there are others, which your Solicitor will discuss with you if they might apply. These include:

- Acting free of charge (known as acting pro bono).
- Damages based agreements where you pay a proportion of your compensation to your lawyers for their work.
- Third party funding, for example funding is sometimes available from the Equality & Human Rights Commission or you might raise money for a legal case through fundraising/crowd funding.