

Proposals for Housing and Immigration fee increases and exploring contract reform



Proposals for Housing and Immigration fee increases and exploring contract reform

Presented to Parliament by the Lord Chancellor and Secretary of State for Justice by Command of His Majesty

Originally laid in January 2025, Withdrawn and re-laid in February 2025



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## About this consultation

**To:** Open to all members of the public, but aimed particularly

at legal professionals, the judiciary, and other organisations with an interest in civil legal aid.

**Duration:** From 24/01/25 to 21/03/25

**Enquiries (including** Civil Legal Aid Reform Policy Team

requests for the paper in an Ministry of Justice alternative format) to: 102 Petty France London SW1H 9AJ

Email: civillegalaidreform@justice.gov.uk

**How to respond:** You can respond online at:

https://www.gov.uk/government/consultations/civil-legal-

aid-towards-a-sustainable-future

Alternatively, please send your response by 21/03/25 to:

Civil Legal Aid Reform Policy Team

Ministry of Justice 102 Petty France London SW1H 9AJ

Email: civillegalaidreform@justice.gov.uk

**Response paper:** A response to this consultation exercise is due to be

published during Spring 2025 at: https://consult.justice.gov.uk/

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## **Foreword**

Legal aid is the cornerstone of our justice system. It underpins the rule of law in this country, helping to ensure that everyone, including the poorest and most vulnerable, can access justice and enforce their legal rights.

But when this Government took office, we inherited a legal aid system creaking under pressure after years of neglect.

The challenges facing the justice system – and our legal aid sector in particular – are significant. In recent months and alongside this consultation, we have published a number of reports from the Review of Civil Legal Aid. These reports considered the civil legal aid system in its entirety, exploring how well it is working for those who rely on it, and those who work within it. The reports are clear about the problems we need to address.

We are determined to nurse this critical sector back to health, rebuilding a legal aid system that is sustainable, effective and efficient, and that helps people to address their legal problems as quickly and as early as possible. A system that enables our excellent legal aid profession to do what it does best - providing high quality support and advice for the people who need it most.

To that end, we are proposing a significant increase to the rates paid for Housing & Debt (Housing) and Immigration & Asylum (Immigration) legal aid work. All forms of Housing or Immigration proceedings will receive an increase to fees and overall spend in these categories will increase by 24% and 30% respectively. This is an increase of £20 million a year once fully implemented, and will lead to a more sustainable legal aid sector in these areas, enabling access to high quality advice in a timely manner for those who need it.

Our proposals will increase the hourly rate paid for legal aid work to a minimum of £65.35/£69.30 per hour (non-London/London) and will increase fixed fees proportionately. This will mean that high quality legal services will be available for housing and immigration work, so that more vulnerable people at risk of losing their home, asylum seekers, and those with immigration issues including victims of modern slavery and trafficking, and domestic abuse, will have access to legal advice when they need it.

And, crucially, it will support a more sustainable legal aid market in the long term, by remunerating at a rate which allows providers to attract and retain the best and brightest legal aid professionals.

Alongside this, we want to better understand the impact of possible changes to the civil legal aid contractual requirements on remote working and for permanent offices. We want

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to explore how providers can be better empowered to develop more innovative and flexible provision based around their clients' needs and what the potential changes will mean for the legal aid market and for providers.

Together, these measures will make a difference to those in need, from someone facing eviction from their home to an unaccompanied asylum-seeking child.

I would like to thank all of those who work in the legal aid sector, and who contributed to the Review of Civil Legal Aid. You play a vital role in the justice system, and in wider society. Your contributions to the Review were invaluable - without them, it would not have been able to happen.

This is just the first step in what will be a much broader agenda to transform the justice system, and we will say more about the direction of this work in the months ahead.

Sarah Sackman KC MP

Minister for Courts and Legal Services

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# **Executive summary**

This consultation considers increases to civil legal aid fees for Housing & Debt (referred to hereafter as 'Housing') work, and Immigration & Asylum (referred to hereafter as 'Immigration') work. We are also seeking further evidence on potential changes to some aspects of contractual requirements. This consultation is the first step in our response to the evidence gathered during the Review of Civil Legal Aid (RoCLA).

The evidence from RoCLA indicated that the Housing and Immigration sectors face acute challenges with service provision and high demand because of the current fee levels. We will continue to consider the fees paid in other categories of civil legal aid, including during the next Spending Review in Spring 2025.

The fee increase proposals in this consultation are based upon evidence from RoCLA with particular consideration and analysis of the sustainability research conducted by Frontier Economics on behalf of The Law Society. This research focused on Housing and Family providers. When using this research to develop our proposals, we have compared the costs of delivering legal aid against different rates, including those currently paid. The assumptions we have made which underpin these options are tested in this consultation, and the policies may be refined as a result. We have compared our proposed minimum hourly rate to evidence provided by Immigration providers on profitability to help ensure our proposals would make that work more attractive to legal aid providers.

All forms of proceedings, if they are Housing or Immigration related, will receive an increase to fees. This consultation proposes increasing all legal aid rates for Housing and Immigration work up to a minimum hourly rate of £65.35/£69.30 (non-London/London). Where this new minimum rate would not represent at least a 10% uplift to a given rate, the rate will be uplifted by 10%. Fixed fees and escape fee thresholds will be uplifted by the same percentage increase as the underlying hourly rate for that work. Controlled Work, which is currently furthest from this minimum rate, will receive higher effective uplifts on average than Licensed Work. This is partly to recognise that, like Licensed work, Controlled Work can involve complicated issues which require high levels of input from providers. We hope these proposals will remove disincentives to providers from doing Controlled Work, enabling members of the public to resolve their legal issues at an earlier stage.

Controlled Work is initial advice and assistance and representation in the first-tier mental health and immigration tribunals where decisions on legal aid eligibility are delegated to providers

In Licensed work, legal representation before a court is likely to be needed and responsibility for determining eligibility is usually undertaken by the Legal Aid Agency (LAA).

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This consultation also asks for views to help inform areas we are considering for improving the experience of legal aid processes, and for giving more empowerment and autonomy to providers in delivering legal aid services. Our specific areas of focus in this consultation are on standard civil legal aid contractual requirements in relation to remote advice and offices, based on the principles that we need to ensure that clients have access to effective and high-quality legal advice; but also recognise the vital role providers play in bringing their expertise, professional standards and experience of working with clients to determine the best way to meet clients' needs. We also recognise that the development of digital tools and processes over the years may also provide efficiencies and opportunities that can be used for the benefit of both clients and providers.

We recognise that evidence from RoCLA on the challenges facing civil legal aid extends beyond these specific areas. There are a range of other issues to consider, including recruitment and retention, and concerns that there is often low awareness of how to access legal aid support and advice. We will continue to consider RoCLA evidence and opportunities for further improvements and support, even where not the subject of further evidence gathering in this consultation.

This consultation runs for eight weeks and closes on 21 March 2025. We look forward to hearing the views of those with an interest in these changes. Subject to the outcome of this consultation, our intention is to implement fee increases by the end of Autumn 2025.

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## Introduction

### Overview of the legal aid system in England and Wales

The civil legal aid market in England and Wales is 'one of the proudest legacies of the progressive post-war Government'. It provides publicly funded legal advice, assistance, representation, and mediation for eligible individuals across a range of civil legal issues. For the purposes of its contracts, the Legal Aid Agency classifies these services into 11 different categories of law.4 The market is comprised of both for profit and non-profit providers who deliver these legal services.

To access civil legal aid, an applicant's legal matter must either be in scope for legal aid or qualify for exceptional case funding. The application must also pass the applicable merits and means tests. Matters in scope of legal aid are set out in Part 1 of Schedule 1 of the Legal Aid, Sentencing and Punishment of Offenders Act 2012 (LASPO). The merits test sets out criteria that an application must meet to justify the provision of legal aid. The specific criteria applicable depends on the type of case and form of legal aid being sought. As an example, one of the criteria commonly applied to applications for legal representation is that the prospects of success of the case must meet a certain threshold. The means test assesses an applicant's financial eligibility against various thresholds as indicators of a person's ability to pay their own legal fees. Some cases are exempt from the means test (known as "non-means tested"). If a case in not in scope of legal aid, applicants can get legal aid if they satisfy the exceptional case funding (ECF) criteria and (in most cases) meet the means and merits criteria to qualify.

Legal aid work in relation to Housing and Immigration can be summarised as:

Controlled Work	Licensed Work
	Mainly includes legal representation (other than Controlled Legal Representation).

<sup>&</sup>lt;sup>3</sup> Department for Constitutional Affairs, 'A fairer deal for legal aid' (2005), https://webarchive.nationalarchives.gov.uk/ukgwa/20081106091222/http://www.dca.gov.uk/laid/laidfullpap er.pdf

<sup>&</sup>lt;sup>4</sup> These are: family; housing & debt; immigration & asylum; mental health; community care; welfare benefits; public law; discrimination; claims against public authorities; education; and clinical negligence. There is also miscellaneous work not falling into these categories.

Controlled Work	Licensed Work
Responsibility for the determination is delegated by the Director of Legal Aid Casework to providers	Legal Aid Agency (on behalf of the Director of Legal Aid Casework) generally makes the determination, but this is sometimes delegated to providers. A Licensed Work determination is evidenced by the issue of a legal aid certificate
High volumes of lower-cost work	Lower volumes of higher-cost work
Usually paid using fixed fees	Most categories paid using hourly rates

ECF can be funded as either Controlled Work or Licensed Work depending on the nature of the application.

The introduction of LASPO significantly reformed the legal aid system. Its aims included targeting legal aid to those who need it most and making significant savings to the cost of the scheme. The Post-Implementation Review in 2019 found that while LASPO met some of its objectives, there were a number of challenges for the MoJ to overcome. Since LASPO was introduced, case volumes and provider numbers have declined, including in recent years. In response to these concerns, the Review of Civil Legal Aid (RoCLA) was launched in January 2023, aiming to collect evidence to identify ways to improve the sustainability of civil legal aid provision. RoCLA examined the civil legal aid system in its entirety, including how services are procured, how well the current system works for users and providers, and how civil legal aid impacts the wider justice system.

## Improving the civil legal aid system

The evidence from RoCLA demonstrates the challenges with service provision, high demand and poor profitability facing the Housing and Immigration sector, and that the market requires intervention. This consultation outlines the steps we are taking to address the highest priority issues and make meaningful improvements to the system while remaining committed to continuing to further improvements in the years to come.

This consultation sets out proposals for increases to civil legal aid fees for Housing and Immigration work (Chapter 1). We also ask questions on how providers' and users' experiences of legal aid processes can be improved (Chapter 2).

In the longer term, we plan to consider whether wider changes to the system are needed – to make legal aid more effective, efficient and sustainable.

# Chapter One: Increases to civil legal aid fees for Housing and Immigration work

## **Background**

Civil legal aid work is paid using a mix of hourly rates and fixed fees. Most Controlled Work is paid under fixed fees, whereas most categories of law remunerate Licensed Work using hourly rates. Most fixed fees have an escape mechanism whereby providers can be remunerated by hourly rates when the claim for work done (calculated in hourly rates) exceeds the escape threshold, which is two or three times the fixed fee. These are known as 'escape fee cases' as per the standard civil contract.

The current hourly rates for civil non-family work were last uprated in 1996. Most fixed fee levels were set in 2006, using the hourly rates established in 1996, with the goal of providing better value for money and rewarding innovative and efficient providers.<sup>6</sup> At this time, the then Government set out that its aim was to pay rates that support making high-quality provision of legal aid available to those who need it, whilst also ensuring the legal system remains financially sustainable.<sup>7</sup>

The principle behind the introduction of fixed fees in 2007 was that providers should not lose out compared to hourly rates: while providers might make less than they would have under hourly rates on some (more complex) cases, they would make more for simpler cases than they would have under hourly rates.<sup>8</sup> As an example, the Housing legal help rate is currently a fixed fee of £157 (excluding the Housing Loss Prevention Advice Service, HLPAS, and the Housing Possession Court Duty Scheme, HPCDS). This is

uk/gf2.ti/f/58306/1349861.1/pdf/-/Carterconsultation270706.pdf

Family in terms of spend and claim volume is the largest category of law under civil legal aid contract. Fixed fees are used under legal representation as well as the Family Advocacy Scheme and Care Proceedings Graduated Fee Scheme.

Department for Constitutional Affairs, (2006) 'Legal Aid: a sustainable future' Chapter 6 pp.27-31. Available: 8163 Diversity Pt 1 5th, https://webarchive.nationalarchives.gov.uk/ukgwa/20101014001356mp\_/https:/consult.legalservices.gov.uk/gf2.ti/f/58306/1349861.1/pdf/-/Carterconsultation270706.pdf

Department for Constitutional Affairs, (2006) 'Legal Aid Reform: the way ahead' p.24. Available: https://www.gov.uk/government/publications/legal-aid-reform-the-way-ahead

Begin Department for Constitutional Affairs (2006), 'Legal Aid: a sustainable future' p.25 Available: 8163 Diversity Pt 1 5th, https://webarchive.nationalarchives.gov.uk/ukgwa/20101014001356mp\_/https:/consult.legalservices.gov.

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broadly equivalent to 3.5 hours at the current non-London hourly rate of £45.95 and it was intended that providers, on average, work this many hours for this type of legal help work.

Between 2011 and 2012, most civil fees were reduced by 10%,<sup>9</sup> and LASPO reduced the scope of civil legal aid. Providers reported through RoCLA that only complex cases remain in scope and that as a result, the "swings and roundabouts" principle described above which underlies fixed fees (whereby any losses providers make under fixed fees are cancelled out by the gains) has been undermined.

## **Housing fees**

#### LASPO scope changes

LASPO reduced the scope of legal aid available for housing matters. Areas that are currently in scope include cases concerning eviction and possession (including rent arrears), court orders to get housing disrepairs fixed where these pose a serious risk of harm to health or safety, injunctions to protect individuals from harassment arising out of housing related issues and rehousing assistance for homeless individuals. Through LASPO, mortgage possession cases were reclassified as debt work.<sup>10</sup>

LASPO removed most debt cases from scope. Debt work is now only available where there is an immediate risk of the client losing their home, mortgage possession cases and involuntary bankruptcy.

However, in 2023, means-free early legal advice for housing matters, welfare benefits, council tax arrears and debt (where an individual faces possession of or eviction from their home) was introduced through the Housing Loss Prevention Advice Service (HLPAS) alongside the existing in-court duty scheme for free, on the day advice and representation for possessions.

#### History of hourly rates

Under The Legal Aid Act 1988, advice and assistance (often known as the Green Form Scheme) were paid using hourly rates. Certificated representation for non-Family cases was paid at general judicial guideline hourly rates. From 1994, all solicitors' work for civil

Ministry of Justice (2010), 'Proposals for reform in legal aid', p.116, https://assets.publishing.service.gov.uk/media/5a7c811ae5274a559005a531/7967.pdf

Category Definitions to the Standard Civil Contract, where services under paragraph 33 of Part 1 of Schedule 1 to LASPO are divided between Debt (paragraph 27 of the Category Definitions) and Housing (subparagraphs (a) and (b) of paragraph 37 of that document): https://assets.publishing.service.gov.uk/media/6745d74bbdeffdc82cffe160/Category\_Definitions\_2024\_\_\_November 2024 .pdf

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cases was paid by hourly rates. 11 These rates were revised in 1996 and are still used for some work today.

#### **History of fixed fees**

In 2004, Tailored Fixed Fees (TFF) were introduced for a number of civil legal aid categories, including Housing. 12 These were introduced in response to findings that the previous remuneration scheme (hourly rates) did not do enough to secure value for money for the taxpayer and was too inflexible to reflect the local market conditions facing suppliers. It was hoped that moving to some form of managed competition on quality and price would enable the Legal Services Commission (a forerunner to the Legal Aid Agency (LAA)) to set payment rates that more accurately reflected national and local market conditions. As an interim step, TFF were introduced to prepare for a future in which the approach to remuneration would be focused on paying for outputs. TFF paid a fixed fee for each case, based on suppliers' average claims in 2003/04, plus 2.5%. The additional 2.5% was intended to reward solicitors who joined the voluntary scheme. There were a number of benefits to this scheme including no costs compliance audits (subject to satisfactory performance against a range of indicators), certainty of payment and increasing profitability via efficiency savings.

In 2007, the voluntary TFF scheme was replaced by a mandatory Standard Fee Scheme. 13 The new scheme consisted of a standard fee per case in each category of work within the scheme. The fees were based on full claims and TFF payments in 2005/06 but excluded claims that we considered "exceptional". The scheme also introduced an escape fee at roughly three times the standard (often known as fixed) fee to ensure that cases that took substantially longer than average due to their complexity could be remunerated proportionally. Disbursements are funded separately with the rates for specific experts codified in regulation.

## Immigration fees

#### LASPO scope changes

LASPO removed most non-asylum immigration matters from scope. Legal aid remains in scope for asylum applications, immigration cases where someone is challenging a

<sup>&</sup>lt;sup>11</sup> Lord Chancellor's Department, 'Legal Aid – Targeting Need' (1995) p.106

<sup>&</sup>lt;sup>12</sup> Department for Constitutional Affairs (2004), Tailored Fixed Fee Scheme Consultation Paper: Civil (nonimmigration) Controlled Work', https://webarchive.nationalarchives.gov.uk/ukgwa/20090607192449/http://www.legalservices.gov.uk/docs/

civil\_consultations/tailored\_fixed\_fee\_consultation.pdf

<sup>&</sup>lt;sup>13</sup> Department for Constitutional Affairs (2006) 'Legal Aid: a sustainable future', Section 8. https://webarchive.nationalarchives.gov.uk/ukgwa/20101014001356mp /https:/consult.legalservices.gov. uk/gf2.ti/f/58306/1349861.1/pdf/-/Carterconsultation270706.pdf

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detention decision, accommodation claims for asylum support, Special Immigration Appeal Commission proceedings (e.g. national security), for separated migrant children, victims of domestic violence, modern slavery victims and judicial reviews.

Immigration work comes in three forms: legal help; legal representation that is Controlled Work (Controlled Legal Representation); and legal representation that is Licensed Work. These legal services are available for work including the below:

- Legal help: initial advice for a variety of matters including asylum applications, advice
  including applications for bail for those in immigration detention, applications for leave
  to enter or remain on Article 3 European Convention Human Rights, and for some
  immigration matters relating to separated migrant children and victims of trafficking and
  domestic abuse.
- **Controlled Legal Representation:** appeals at the First-tier Tribunal for asylum and some immigration cases.
- Licensed Work legal representation: appeals to the Upper Tribunal and higher courts following an Immigration appeal in the First-tier Tribunal and other proceedings in the higher courts (such as judicial review).

Providers can also hold specific schedules to carry out contract work under the Detained Asylum Casework Scheme (DAC) or the Detained Duty Advice Scheme (DDAS).<sup>14</sup>

All Immigration Controlled and Licensed Work is remunerated according to either standard fees or hourly rates, which are set out in the Civil Legal Aid (Remuneration) Regulations 2013.

#### **History of Hourly Rates**

As with Housing fees discussed above, hourly rates for Immigration work were last increased in 1996.

#### **History of Fixed Fees**

The Immigration and Asylum Act 1999 led to providers needing to be accredited in order to provide immigration advice. In 2004, enhanced fees were introduced for suppliers who offered clients a consistently high service and who obtained advanced levels within the accreditation scheme. In 2007, a standard fee scheme was introduced. This covers most immigration cases and the majority of asylum cases. The scheme pays providers on

DAC refers to the UKVI scheme used for the processing and determination of asylum claims for individuals who are detained, and DDAS refers to the arrangements in place to deliver surgeries in Immigration Removal Centres providing up to 30 minutes advice without reference to the individual's financial eligibility.

Lord Chancellor's Department, 'Public Consultation on Proposed Changed to Publicly Funded Immigration and Asylum Work' (2003) p.14

Department for Constitutional Affairs (2006) 'Legal Aid: a sustainable future', Section 8, https://webarchive.nationalarchives.gov.uk/ukgwa/20101014001356mp\_/https:/consult.legalservices.gov.uk/gf2.ti/f/58306/1349861.1/pdf/-/Carterconsultation270706.pdf

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completion of a case or a stage of a case that an immigration or asylum application would routinely follow and the corresponding services that we would expect to be provided in relation to those applications. The fees were generated based on the average number of hours of casework needed to complete the work. Under the fee scheme, fees and additional payments apply irrespective of geographical location. London providers do not attract an uplifted payment rate unless the work escapes standard fees to hourly rates. Following litigation, agreement was reached in 2008 with The Law Society to increase escape fee rates.<sup>17</sup>

In 2023, a number of changes were made. This included:

- Introduction of new fixed fees for online system appeals at the First-tier Tribunal which
  do and do not go to a hearing.
- Introduction of a new escape threshold for online system appeals, set at twice the value of the relevant fixed fee, and reduction of the escape threshold for legal help cases to twice the value of the fixed fee.
- Decoupling of the escape mechanism so that Stage 1 (legal help) and Stage 2 (controlled legal representation) claims no longer need to be added together to determine whether they meet the escape threshold. Each stage can now escape on their own.

These changes were intended to provide a fairer remuneration model for providers which balanced the under-remunerated with the over-remunerated cases and would result in a higher proportion of cases being paid their reported case costs. It was estimated at the time of implementation that these changes would increase provider income by 6%.

Following a public consultation in 2023, legal aid contracts were changed so that advice provided at DDAS Surgeries in Immigration Removal Centres could, at the discretion of providers, be delivered remotely if appropriate. The Government also started paying reasonable travel time for providers to recognise the issues faced by providers when travelling to remote detention centres.

## **Proposals**

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Principles that inform decision making on civil legal aid fees In taking decisions about legal aid fees, the following principles have been applied. Legal

aid fee proposals should:

<sup>&</sup>lt;sup>17</sup> [ARCHIVED CONTENT] LSC Website: Agreement with The Law Society, https://webarchive.nationalarchives.gov.uk/ukgwa/20090216002613/http://www.legalservices.gov.uk/civil/agreement law society.asp

- 1. Ensure a sustainable housing and immigration legal aid market by remunerating at a rate which allows providers to attract and retain legal aid professionals and enables providers to innovate and try different delivery models.
- 2. Ensure high quality provision is available to those who are eligible and encourage early resolution where appropriate.
- 3. Reduce the number of different rates being paid, paving the way for future simplification of the fee schemes which will make it easier for the LAA to maintain their digital systems and reduce the complexity of submitting claims for providers. This is intended to streamline and accelerate the processing and payment of bills.
- 4. Pay a fair price to incentivise efficient delivery models whilst delivering value for money for the taxpayer.

**Question 1)** Do you agree with our principles for setting fee levels within civil legal aid? Please state yes/no/maybe/do not know and provide reasons.

#### Evidence suggests increases are needed to Housing and Immigration fees

We are proposing an increase to Immigration and Housing fees because the evidence suggests that current fee levels are creating acute pressures around the sustainability of the sector and that a fee increase is needed in order to improve eligible users' ability to access Housing and Immigration legal aid. Other civil legal aid sectors remain under consideration for fee uplifts as part of the second phase of the Government's Spending Review, due in Spring 2025.

Evidence that fee levels need increasing in order to secure availability of housing and immigration legal aid is as follows:

- **Service levels** Following the LAA's recent tender round, as of December 2024, there are now 8 housing and debt areas with no direct provision and 5 HLPAS gaps, which we are working on filling at present. <sup>18</sup> The LAA is pursuing outreach arrangements for Housing and working with providers to fill the remaining gaps in both schemes. The number of areas without face-to-face provision for housing legal aid has increased since the previous tender and there have been increasingly unsuccessful retenders of provider contracts. Following the latest tender there has been a 10% reduction in the number of Immigration providers. There have also been particular shortages of Immigration providers in the South West of England, which have required contingency arrangements.
- **High demand** In RoCLA's Provider Survey Report, 50% of providers indicated that demand was very high, with this significantly more likely to be reported for Housing

Although there are areas with no direct provision, access to Civil Legal Advice is available anywhere in England and Wales which offers telephone or postal advice.

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(65%) and Immigration services (83%). <sup>19</sup> For Housing, while some gaps in provision exist because the volume of possession cases at local courts is too low to facilitate a commercially viable practice, we are also aware of other courts, particularly in urban areas, where demand is very high. In the longer term, we expect the Tenancy Reform measures in the Renters Rights Bill, which will apply to tenancies in England, to reduce the volume of court possession hearings, as only those cases where there is a clear, well-evidenced ground for possession will be able to proceed. However, we expect demand for Housing legal aid and HLPAS to rise as all claims will require a hearing after the section 21 possession process is abolished. In addition, given falling provider numbers, there may be insufficient contingency within the sector to fulfil increases in demand for Immigration legal aid that result from the Government commitment to reduce the asylum backlog, end hotel use and increase returns.

- Sector retention concerns If no changes occur within the civil legal aid sector, 40% of providers surveyed in RoCLA's provider survey indicated they intend to exit the sector within the next five years.<sup>20</sup> Given the demand and service levels described above, we are concerned that the eligible users will struggle to access Housing and Immigration legal aid if such attrition occurs.
- **Profitability** RoCLA's provider survey found that financial viability was the top reason given by both private practices (65%) and non-profits (37%) who had stopped holding a civil legal aid contract. The sustainability research carried out for The Law Society by Frontier Economics showed particularly acute issues in the Housing category, with this work found to be loss-making for all providers surveyed (to note that Frontier Economics excluded cases which achieve inter-partes costs in order to understand whether the stated civil legal aid rates are sufficient to recover costs<sup>21</sup>). Their research found that the average fee-earner for Housing recovered only 48% of the cost of delivering legal aid work. Other evidence presented to the MoJ outside of RoCLA and considered alongside that by Frontier Economics on Housing and Family, indicates that Controlled Immigration Work is also liable to be loss-making. Taken together, this evidence suggests fee increases are needed for Housing and Immigration work to ensure eligible users remain able to access to legal aid.

PA Consulting (2024), 'Review of Civil Legal Aid: Provider Survey Report' - GOV.UK. Due to sample size, comparison to average across categories of law could only be made in four categories (Immigration, Housing, Public law and Family). Available: civil-legal-aid-providers-survey.pdf

PA Consulting (2024), 'Review of Civil Legal Aid: Provider Survey Report', p.9, https://assets.publishing.service.gov.uk/media/65aa4068ed27ca000d27b28a/civil-legal-aid-providers-survey.pdf

Inter-partes costs refers to the ability of one party to legal proceedings to recover their costs of bringing the proceedings from the other party. Such orders are not available in all legal proceedings. The court will order that one side should bear the costs of proceedings, usually because they were unsuccessful, but can also do so where a party has or behaved unreasonably during the litigation. These costs can be recovered at reasonable private rates.

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**Question 2)** Do you agree that we should increase the fees paid for Housing and Immigration work? Please state yes/no/maybe/do not know and provide reasons.

#### **Specific increases to Housing and Immigration fees**

Fees are the main lever we have to incentivise providers to take up legal aid contracts and increase the volume of legal aid work they undertake. We propose to retain the aim set out above to pay rates that support making high-quality provision of legal aid available to those who need it, whilst also ensuring the legal aid system remains financially sustainable.

#### Fees benchmarking analysis

The Law Society commissioned Frontier Economics to conduct research into the sustainability of Housing and Family civil legal aid providers.<sup>22</sup> We have used data from this research to benchmark how profitable different hourly rates would be, and to help set fee levels, in response to evidence from RoCLA that fee levels being loss-making was a key reason for providers not wanting to do legal aid work.

MoJ officials were given the opportunity to input into the design of the survey by Frontier Economics and have been given access to data which shows the distribution of providers' costs, revenue and profitability without disclosing the firms involved. We reiterate our thanks to The Law Society for their openness in sharing this data and findings from this research. This is the best available direct evidence we have for setting the level of fees. See **Annex A** for details of the limitations of this research.

Using this data, we have compared the costs firms incur from doing legal aid work to the amount of legal aid revenue they can generate at different fee levels to see what level of hourly rate would be required for a given proportion of firms to be notionally profitable. Costs include salaries and apportioned overhead costs. We have used this data to calculate that for most Housing providers surveyed, £60 is the hourly rate at which just above half of providers surveyed would make a profit. The actual profitability of a whole sector of legal aid providers is not something which can be calculated precisely, because profitability levels will depend on a number of factors beyond the rates payable; factors which will vary between providers in many ways, such as operating costs, staff and business models, case mix and volumes of work undertaken. This analysis assumes a particular utilisation rate which compares the amount of billable work an employee undertakes with the total amount of hours worked, to identify what percentage of hours worked is 'utilised' by billable work. To corroborate this approach, we note that The Law Society Financial Benchmarking Survey 2024 suggests that non-partners should "be

<sup>&</sup>lt;sup>22</sup> https://www.lawsociety.org.uk/topics/research/civil-legal-aid-sustainability%20

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looking at upwards of 1,200 or 1,300 hours, depending on work type and experience". <sup>23</sup> This would be between 71% to 77% on our utilisation rate methodology. Our analysis of the sustainability data showed that the current utilisation rate for Housing providers is lower (between 50% and 60%) and at current utilisation rates, an hourly rate of £60 results in 75% of Housing providers surveyed making a loss.

There are several limitations to this benchmarking analysis:

- This approach focusses only on existing providers and aims to have the effect of reducing the financial incentive to leave legal aid. However, it does not tell us how much extra capacity new providers may bring.
- The sample size of providers in the sustainability research was small and not fully representative of all Housing legal aid providers.
- Overhead costs are a shared cost across all work that a provider carries out. These
  were apportioned between legal aid and private work where a provider did both types
  of work. The survey had to make various assumptions about how this is done.
- As mentioned above, the actual profitability of individual legal aid providers will vary depending on firms' operating costs, business models, case mix and case volumes.

We have supplemented this data with evidence on costs for Immigration providers given directly to the MoJ, which showed that Controlled Immigration Work was loss-making at current fees. The evidence we received covered two providers and also suggested that rates of around £60ph would enable them to break even.

#### **Proposals**

The difficulty in tendering for civil legal aid provision in Housing and Immigration, combined with the high levels of demand and the evidence on profitability suggests that, for some providers, Housing and Immigration fees are no longer at the right level to incentivise them to do legal aid work. We are therefore proposing to increase fees for Housing and Immigration work to help ensure that eligible users are able to access legal services and resolve their legal issues appropriately in a timely manner.

We are proposing to increase preparation, attendance and advocacy rates for work carried out under a Housing or Immigration contract up to an hourly rate of £65.35/£69.30 (non-London/London) and uplift fixed fees by a matching proportional uplift. This is based on increasing rates to the £60ph rate at which just above half of providers surveyed would make a profit, and then adding an additional uplift of 10%. Please see **Annex A** for a detailed description of how we arrived at this figure. Where this new minimum rate would not represent at least a 10% uplift, the rate will be uplifted by 10%.

The Law Society Financial Benchmarking Survey 2024, p22, https://www.lawsociety.org.uk/topics/research/financial-benchmarking-survey-2024

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There are other rates (travel and waiting, attendance at court, conference or tribunal with counsel, routine letters and telephone calls) which will be affected by the proposed increase to hourly rates. The percentage uplift for the relevant preparation, attendance and advocacy rate was applied to these rates as well, but we are also proposing to simplify these fees – see section below on fee simplification. We are proposing to introduce a standardised approach to rates for travel and waiting, and attendance at court, conference or tribunal with counsel. For activities carried out under either the Housing or Immigration contract, these will be remunerated at 50% of the preparation and attendance rate. For the smaller rates (such as telephone calls and routine letters), these will be harmonised at the highest rate to create a London and non-London Controlled rate and Higher and Lower court, and tribunal, licensed rate for each activity.

This proposal is intended to improve the financial viability of Housing and Immigration civil legal aid work. It will take fees above the £60 hourly rate with a further increase to actively incentivise providers to take up and expand their legal aid offer, making it possible for a majority of providers to make a profit on legal aid work.

These fee increases will not apply to work carried out under other categories of law. For example, the rates in Table 10a<sup>24</sup> of the remuneration regulations are increased for work that is conducted as part of the Housing or Immigration civil contract, but not to other types of work. Providers who work in multiple categories of law will only receive increased rates for Housing and Immigration work.

#### Comparison of proposed fee increase to fee setting principles

We intend that the proposed fee increase will encourage early advice and early resolution where appropriate, by harmonising the minimum rates for Controlled Work with that for Licensed Work. We hope that harmonising at this rate will enable providers to increase the amount of early advice they are able to offer clients. Work that is currently paid at the lowest rates, which is mainly legal help work, will see the largest effective uplift. This means providers can maximise the impact of the proposed fee increases on their businesses if they increase the volume of this type of work undertaken.

The proposed fee increase aims to support a more sustainable Housing and Immigration legal aid market as our analysis suggests these rates should render it possible for the majority of providers who operate efficiently to make a profit on legal aid work. We hope this will enable providers to invest and innovate in their businesses. While we have sought to identify a rate that allows profitability, an individual provider's profitability will be a result of a combination of the rates we set and decisions made by the provider, and providers will need to manage various factors within their control to achieve profitability. Examples of

Table 10a is used for remuneration of non-Family licensed work and includes rates for: preparation and attendance; attendance at court or conference with counsel; advocacy, travel and waiting time; routine letters out and routine telephone calls.

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these factors include the case mix and volumes providers take on, whether inter partes costs can be claimed for cases, operating costs, and whether to take on private clients in addition to legal aid clients. The analytical model we used to determine a minimum hourly rate cannot therefore guarantee financial viability for individual firms as it makes various assumptions and not all providers will make the same decisions the model assumes. However, we think the model shows that under the current fees, offering legal aid services was unprofitable for the firms sampled.

The proposed introduction of a minimum hourly rate has the potential to reduce the number of different rates being paid within the currently complex civil legal aid system. This will enable us to simplify the fee schemes in future as many of the rates will be the same, meaning multiple rates tables could be combined. Moreover, we propose to harmonise some of the subsidiary fees such as 'Travelling and waiting time', 'Attendance at court or conference with Counsel', and 'Routine letters out' and 'telephone calls'. We have provided more detail on the proposals below. Future simplification will reduce the complexity of submitting claims for providers and make it easier for the LAA to maintain their digital systems. The result of this should be to reduce time spent on administration and speed up the processing time for billing, benefitting providers and the LAA.

Finally, the proposals deliver value for money by prioritising increases in the categories of law where the challenges are most acute and identifying a level of increase that will achieve our aims in an efficient way.

#### Effective overall uplift

All forms of proceedings, if they are Housing or Immigration related, will receive an increase to fees. The proposals result in an effective overall uplift to total spend of 30% to Immigration fees, 21% for Housing fees, 16% for Debt fees, and 42% for HLPAS fees. This invests an additional £20m into the legal aid system once fully implemented. The exact increase individual providers receive will depend on the case mix undertaken. Fees and rates have been rounded to the nearest pound for fixed fees, and to the nearest five pence for hourly fees. For increases to specific fees please see **Annex B**.

#### Worked example: Example fee increase for Housing

The current fee for Housing legal help work is £157 (Table 1 in the remuneration regulations). This is based on an underlying hourly rate of £45.95/£48.74 (per Table 7(b)).

Both of these underlying hourly rates need to be increased by 42% to reach the new minimum hourly rates (£65.35/£69.30). Applying this increase to the fixed fee results in a fee of £223.29 for Housing legal help work, which is then rounded to £223.

The escape threshold remains at three times the fixed fee, meaning the escape threshold is increased to £669.

#### Worked example: Hourly rate increase for Housing and Immigration

The current Licensed Work rate for preparation and attendance work before Higher Courts in London (Table 10(a)) is £71.55. This is above the new proposed hourly rate of £69.30, therefore the rate will increase by 10%. This results in a new hourly rate of £78.71, which will be rounded to £78.70 (the nearest five pence). This rate will only apply to Housing and Immigration work.

#### Worked example: Fixed fee increase for Immigration

The current fee for Asylum legal help work is £413 (Table 4(a)). This fee is based on an underlying hourly rate of £48.24/£52.65, non-London/London, (per Table 7(a)).

We are proposing increasing the underlying hourly rate to £65.35/£69.30. This means the underlying hourly rate needs to be increased by 35% or 32%. As the legal help fee is a national fee, we have increased the fixed fee by the higher of the two uplifts. Applying this increase to the fixed fee results in a fee of £559.48 for Asylum legal help work. We will then round this to the nearest pound, making it £559.

The escape threshold remains at two times the fixed fee, meaning the escape threshold is increased to £1,118.

**Question 3)** Do you agree that fees for Housing and Immigration work should be increased to a minimum hourly rate of £65.35/£69.30 (outside London/inside London)? Please state yes/no/maybe /do not know and provide reasons.

**Question 3a)** If the fee is already above this rate, do you agree that rates should be increased by 10%? Please state yes/no/maybe /do not know and provide reasons.

**Question 4)** Do you agree that the minimum hourly rates for Controlled and Licensed Work should be the same? Please state yes/no/maybe /do not know and provide reasons.

**Question 5)** Do you agree that our proposed rates will enable legal aid providers to undertake increased volumes of legal aid work? Please state yes/no/maybe /do not know and provide reasons.

#### **Implementation**

Given the nature of LAA digital systems, these increases will often have to be implemented sequentially. We have considered the scale of pressures being felt within each category of law and the extent of uplift needed and concluded that Immigration fees should be uplifted first. Once Immigration fees have been uprated, Housing fees will be uplifted. We anticipate that implementation of both categories could take up to six months from the time the consultation response is published.

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**Question 6)** Do you agree that increases to Immigration should be implemented first? Please state yes/no/maybe /do not know and provide reasons.

#### Transition arrangements

Fee increases will come into effect after a Statutory Instrument amending The Civil Legal Aid (Remuneration) Regulations 2013 has been laid and come into force, and digital changes have been implemented. Fee increases will be applied to all new certificates or determinations after this time.

#### Fee simplification

We have also decided to use this opportunity to make proposals for simplifying the Housing and Immigration fee system. A significant theme within the responses to the Call for Evidence and reports from RoCLA was the complexity of the fee system and the difficulties this causes for legal aid providers. A key driver of this is the number of different fees that providers can bill for. Because of this, providers are reporting spending a disproportionate amount of time on the billing process, a task that is not renumerated and results in higher administrative costs.

As such, we have decided to consult on two ways to start to achieve fee simplification while ensuring every fee within Housing and Immigration receives at least a 10% uplift. Following the fee uplifts calculated under the proposals set out above, the secondary fees differed by very small percentages. In this consultation we set out a defined approach to unify these.

The first proposal is to harmonise, meaning to make the same, the method of calculating fees for 'travelling and waiting time' and 'attendance at court or conference with Counsel'. These fees will be calculated at 50% of the increased hourly rate for 'preparation and attendance', which is broadly where the rates fall now. Under this proposal, we will retain the difference between the fee applicable to Controlled and Licensed Work to 'travelling and waiting time'. Setting out this defined approach for these rates means that, in future, these rates would move in step with any changes to the preparation rates.

#### Worked example

The current travelling and waiting time for non-Family Licensed Work before Higher Courts under Table 10a is £29.93. This applies to both Housing and Immigration licensed work.

The new preparation and attendance rate for this work will be £69.30. We are proposing to set the travel and waiting time at 50% of this rate. This means that the travel and waiting fee will be increased to £34.65, which is an increase of 16% from the current fee.

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Second, we propose creating one fee for 'routine letters out and telephone calls' within Controlled Work (retaining the London/non-London distinction) and one fee for 'writing routine letters' and 'routine telephone calls' for Licensed Work (retaining the distinction between Higher and Lower courts). We will do this by taking the highest fee applicable for both London and non-London 'routine letters out and telephone calls' in Controlled Work and the highest Higher court and Lower court 'writing routine letters' and 'telephone calls' fees for Licensed Work and aligning all other relevant fees to that. We also propose to retain the difference in the Higher and Lower courts as established in the regulations.

#### Worked example

The current rates for London "routine letters out and telephone calls" for Controlled Work are between £3.78-£4.14.

Under the proposed fee increase, "routine letters out and telephone calls" for Controlled Work would increase to rates of £4.95-£5.35 (as each fee would be uplifted by the same percentage as the relevant preparation and attendance rate).

We are proposing harmonising all London "routine letters out and telephone calls" at the highest rate of £5.35.

For example, this would mean that the current London rate for routine letters out and telephone calls under table 7(a) in the remuneration regulations would be increased by 32% from £4.05 to £5.35.

This approach will reduce the number of different rates payable for Housing and Immigration work from 77 to 45. We have provided a comprehensive table in **Annex B** to further illustrate this change in practice.

**Question 7)** Do you agree with simplifying the fee system by harmonising the fees identified? Please state yes/no/maybe/ do not know.

If you would like to give specific feedback on each proposal, please structure your answer as follows:

- **7a)** Feedback on harmonising 'travelling and waiting time' and 'attendance at court, conference or tribunal with Counsel' at 50% of the hourly rate for 'preparation and attendance' in Immigration and Housing and/or;
- **7b)** Feedback on uplifting all 'routine letters out and telephone calls' in Immigration and Housing to the highest value present after the uplift occurs.

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**Question 8)** Do you agree that we have correctly identified the range and extent of the equalities impacts for the increases in fees for providers set out above? Please state yes/no/maybe/don't know and give reasons. If possible, please supply evidence of further equalities impacts as appropriate.

# Chapter Two: Improving the experience of legal aid processes

As set out in the introduction to this consultation, the evidence gathered from RoCLA indicates concerns and a range of challenges which extend beyond issues of financial viability of providers. These include challenges to recruitment and retention, market supply and capacity, accessibility of services and the effectiveness of the civil legal aid system.

Providers have said that the current frequency of tendering does not give sufficient flexibility for potential new providers to enter civil legal aid contracts or existing ones to expand their services, and potentially disincentivises new providers.

The Legal Aid Agency reopened the Standard Civil 2024 Contract procurement in December 2024. The procurement will remain open during the lifecycle of the contract, so that new entrants can apply for a Standard Civil Contract 2024 contract at any time and current providers can bid to increase their services. This approach also gives greater opportunity for bidders to fix errors in their bids rather than have a contract declined as this was not achieved by a set date.

This Chapter sets out first steps in exploring potential areas for improvement in the experience of civil legal aid processes, both for providers and users. The objective is to explore and develop our approach to removing some barriers, restrictions and overheads for providers, and shape the system more directly around the needs and choices of users. These steps are intended to help address issues which have been identified by RoCLA as areas of concern and include areas where we want to gather further evidence to inform potential changes and improvements.

#### Remote work

#### **Background**

Regulation 22 of the Civil Legal Aid (Procedure) Regulations 2012 (the Procedure Regulations) requires that someone applying for Controlled Work must attend the provider's office in person, unless the provider decides that attendance is unnecessary in accordance with the provider's arrangement with the Lord Chancellor under Section 2(1) of LASPO.

Currently, in accordance with the Procedure Regulations, civil legal aid contracts require that the number of Controlled Work Matters where the client does not attend the provider's office in person to make an application for controlled work must not exceed 50%,

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excluding cases where the provision for remote application was required as a reasonable adjustment under the Equality Act 2010. The provider can also apply to the LAA for authority to exceed that limit. Since August 2024, for Immigration legal aid, the restriction has been increased to allow 75% of Controlled Work Matters where the client does not attend the provider's office in person to make an application for Controlled Work.

Feedback from the RoCLA Call for Evidence suggested that limits should be adjusted to allow for more remote work. Providers suggested that potential benefits included increased client choice, more reliable access to legal aid, reduced travel time and greater cost effectiveness. Evidence gathered by RoCLA also suggested that in certain geographic areas securing face-to-face (i.e., in-person) advice could be challenging, meaning the impact of any changes to the requirement need to be carefully considered.

#### Steps we are considering

There will always be circumstances in which face-to-face (in-person) advice to legal aid clients is required, especially for some vulnerable clients. RoCLA evidence itself found that many vulnerable groups benefit from face-to-face provision, and that digital access and digital literacy remains an issue for a proportion of the population. However, we recognise that the 50% limit is not defined by a focus on individual need, and that it remains for providers to determine on an individual basis which clients require face-to-face advice. Civil legal aid contracts also specifically require that providers ensure that face-to-face advice is provided whenever required as a reasonable adjustment under the Equality Act 2010. It is important, however, that we retain assurance over the capacity of providers to deliver effective legal aid advice and support, and that this assurance includes capacity for the professional conduct of in-confidence and often sensitive face-to-face advice to clients, as well as remote legal aid advice and support.

We are therefore considering whether to remove or reduce the current civil legal aid requirement limiting the number of applications for Controlled Work Matters that can be conducted remotely. We note from the RoCLA Call for Evidence the potential for benefits to providers and clients. The intention of any changes would be to increase the flexibility of providers to shape the way they provide services to their clients based on their professional judgement and experience of user need, and in so doing potentially benefit providers' ability to make effective business decisions and manage business costs. This needs to be balanced with the need for providers to be able to provide face-to-face support where clients require it. Providers recognised that that clients will often need face-to-face advice and support, and that more complex cases could be better handled face-to-face, especially for building rapport, but also that this is often not required.

There are a range of considerations and further work needed to better understand the potential impacts - both benefits and risks - of any changes to these requirements, which could lead to substantial changes in the way civil legal aid is delivered. For example, one potential impact we would want to consider is whether they change the geographic

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landscape of availability of face-to-face advice. Any proposals will need to take account of the way they might alter the overall provider landscape, including the coverage of face-to-face advice in geographic areas. To ensure that any changes we might make to the current contractual requirements on remote advice are properly considered and evidenced, we first want to improve our understanding of:

- the potential benefits and impacts of changes to the requirements on remote working on clients;
- the potential impacts and benefits in ensuring that clients who need in-person, face-toface advice receive it;
- how to ensure Public Sector Equality Duty considerations are reflected, and
- the potential impacts on the legal aid market and what changes might mean to providers.

**Question 9)** Should we remove or reduce limits to the number of Controlled Work Matters where the client does not attend the provider's office to make an application for Controlled Work? Please state yes/no/maybe/do not know and give reasons.

**Question 9a)** Thinking about the limit on Controlled Work applications that can be delivered remotely, in what ways does this affect your ability to deliver face-to-face and remote advice, based on client need? You may choose more than one:

- i) it is sufficient (explain why)
- ii) it creates problems (explain why)
- iii) other (please specify)

**Question 9b)** If there were a removal or reduction in these limits, do you anticipate that in the areas in which you provide legal aid help and advice, your firm or organisation would:

- i) Provide more advice remotely? By what approximate percentage?
- ii) Provide less advice remotely? By what approximate percentage?
- iii) Not change the overall percentages for your provision of remote advice?
- iv) Unsure/do not know.

Please also provide any data or evidence you may have in relation to your answer.

Question 10) RoCLA evidence included feedback that providers are best placed to determine when clients need face-to-face advice, and where remote advice is appropriate. However, there is a risk that providers may move towards remote advice provision in a way that leaves clients who need face-to-face with difficulty finding a provider. When ensuring greater flexibility to provide remote advice, what measures or safeguards would help ensure that clients are not turned down or de-prioritised, because they require face-to-face?

Question 11) Which categories or areas of law do you practice in (or have experience in), that you have drawn from when answering questions 9 and 10?

### Office requirements

#### **Background**

There are a range of contractual office requirements across different categories of civil legal aid. With exceptions in a number of specific categories, civil legal aid contracts require that providers have a permanent office in a procurement area that it is open and physically accessible to clients and the public seven hours a day, from Monday to Friday. The exceptions to this are where providers only hold contracts in one or more of the following categories: Claims Against Public Authorities, Clinical Negligence, Community Care, Discrimination, Education and Public Law. In these categories the contractual requirement is for a part-time presence: meaning that the office must be open and physically accessible to clients on a regular weekly basis for at least one full day or two half days per week. The different arrangements have developed over time based on the historic need to balance appropriate access to local face-to-face advice against the level of administrative burden for the provider.

Feedback from the Call for Evidence included some suggestions for removing office requirements subject to a provider's ability to continue to provide in-person advice at suitable premises.

It is important, however, that we retain assurance over the quality of work and capacity of providers to deliver effective legal aid advice and support, and that this assurance includes capacity for (and the delivery of) face-to-face as well as remote legal aid advice and support. Evidence gathered by RoCLA also suggested that in certain geographic areas securing face-to-face advice could be challenging, meaning the impact of any changes to the requirement on client access to legal aid need to be carefully considered.

We do not anticipate that we would remove the requirement that providers deliver services in specific geographical locations (procurement areas). However there is a potential for

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changes to office requirements to change aspects of the way the legal aid market operates. Extending providers' freedom to expand the use of modern technology could open new ways for providers to structure their businesses and provide legal aid advice locally, regionally and nationally and potentially benefit providers ability to make effective business decisions and manage business costs. Such potential must be balanced with meeting the continued need for accessible face-to-face advice. There are a range of considerations and further work is needed to better understand the potential impacts — both benefits and risks - of potential changes to these requirements, which could lead to substantial changes in the way civil legal aid is delivered.

We are seeking further evidence to help inform consideration of benefits and risks and ensure that the development of any proposed changes is as evidenced as possible.

#### Steps we are considering

We are considering whether to amend the Standard Civil Contract to either remove or reduce the contractual requirements for the number of hours and days a provider's office has to be open. The intention would be to amend permanent office requirements where current requirements are unnecessary and inhibit flexibility, and to free up capacity to support firms in increasing office hours across locations based on need and the delivery of quality advice. We do not intend to remove the requirement that providers deliver services in specific geographical locations (procurement areas). All providers offering such areabased services would continue to be obliged to provide face-to-face advice in surroundings that are suitable for the professional conduct of in-confidence and often sensitive discussions with and legal advice to clients, where their professional judgement indicates that it is required.

To ensure that any changes we might make to the current contractual requirements on permanent offices in a procurement area are properly considered and evidenced, we first want to improve our understanding of:

- the potential benefits and impacts of changes to the availability of face-to-face legal advice for clients:
- the potential impacts of changes to the environment in which in-person, face-to-face legal advice is provided;
- how to ensure Public Sector Equality Duty considerations are reflected, and
- the potential impact of changes to the legal aid market including to larger and smaller provider firms; and
- the potential impact of changes on our ability to monitor the geographic availability of legal aid across England and Wales.

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**Question 12)** Would you want the contractual requirement for permanent office locations to be reduced or removed? Please state yes/no/maybe /do not know and provide reasons.

**Question 13)** Does the requirement for a permanent office provide sufficient flexibility for the availability of civil legal aid advice based on your experience of client need in any category of law?

**Question 13a)** Where the requirement **doesn't** provide sufficient flexibility, in your experience, what is the impact on delivery of legal advice to clients?

**Question 14)** If there were a change to the requirement for a permanent office, what measures or safeguards would help ensure we meet the need for clients to have access to face-to-face civil legal advice in a safe, private and accessible environment be ensured?

## Other steps we are taking

Evidence from RoCLA indicated that providers would welcome fewer administrative burdens. We are considering the feedback in relation to the processes for opening more legal aid cases ("New Matter Starts") and will engage further with providers as any options are developed. Any changes to contractual requirements in this area are not anticipated to be a matter requiring public consultation.

We are also looking at options to address challenges around legal aid awareness and signposting, which were identified as issues during RoCLA. Where those potentially eligible for legal aid have low awareness of how to access legal aid support and advice, they may delay seeking help. This risks escalation of their legal problems, which become more onerous to resolve. We will engage with providers and other stakeholders including the advice sector as appropriate as we take this work forward.

# Chapter Three: Conclusion and next steps

The proposals in this consultation mark an important step in the Government's response to the evidence gathered as part of the RoCLA which showed that both the Housing and Immigration sectors are under particularly acute pressure.

This is particularly important for those who cannot afford to pay for legal services. Legal aid helps to enforce health, safety, and accessibility standards in rental units, protect tenants at risk of losing housing, and advocate for access to affordable housing. The proposals outlined here will help ensure legal services continue to be available for Housing and Immigration work, so that more vulnerable people can access legal advice when they need it. The fee increases will result in increased help for those facing a serious housing issue, such as eviction or homelessness.

This government is committed to improving the experience of those eligible for legal aid and the hardworking providers across the sector. Alongside the fee increases for Housing and Immigration, we have sought to gather further evidence on specific changes to the Standard Civil Contract which will support providers to make business and professional decisions in the best interests of their clients. This has included seeking evidence on increased remote provision of civil legal aid and reducing office requirements. This is to enable us to understand the potential benefits and impacts of these changes. We also outlined some of the steps we are taking with regards to New Matter Starts, improving awareness and signposting for users, and recruitment and retention.

Stakeholder feedback is essential in shaping future policy decisions. We hope this consultation, and the publication of the RoCLA reports, provides both hope that the sector will be improved, and that you can see the first steps we are taking to rebuild the civil justice system.

This consultation will remain open until 21 March 2025. A consultation response will be published during Spring 2025 containing a final decision on whether to increase civil legal aid fees, and to what extent.

## Proposals for Housing and Immigration fee increases and exploring contract reform

## Questionnaire

We would welcome responses to the following questions set out in this consultation paper.

Question 1) Do you agree with our principles for setting fee levels within civil legal aid? Please state yes/no/maybe/do not know and provide reasons.

Question 2) Do you agree that we should increase the fees paid for Housing and Immigration work? Please state yes/no/maybe/do not know and provide reasons.

Question 3) Do you agree that fees for Housing and Immigration work should be increased to a minimum hourly rate of £65.35/£69.30 (outside London/inside London)? Please state yes/no/maybe /do not know and provide reasons.

Question 3a) If the fee is already above this rate, do you agree that rates should be increased by 10%? Please state yes/no/maybe /do not know and provide reasons.

Question 4) Do you agree that the minimum hourly rates for Controlled and Licensed Work should be the same? Please state yes/no/maybe /do not know and provide reasons.

Question 5) Do you agree that our proposed rates will enable legal aid providers to undertake increased volumes of legal aid work? Please state yes/no/maybe /do not know and provide reasons.

Question 6) Do you agree that increases to Immigration should be implemented first? Please state yes/no/maybe /do not know and provide reasons.

Question 7) Do you agree with simplifying the fee system by harmonising the fees identified? Please state yes/no/maybe/ do not know.

If you would like to give specific feedback on each proposal, please structure your answer as follows:

- 7a) Feedback on harmonising 'travelling and waiting time' and 'attendance at court, conference or tribunal with Counsel' at 50% of the hourly rate for 'preparation and attendance' in Immigration and Housing and/or;
- 7b) Feedback on uplifting all 'routine letters out and telephone calls' in Immigration and Housing to the highest value present after the uplift occurs.

**Question 8)** Do you agree that we have correctly identified the range and extent of the equalities impacts for the increases in fees for providers set out above? Please state yes/no/maybe/don't know and give reasons. If possible, please supply evidence of further equalities impacts as appropriate.

**Question 9)** Should we remove or reduce limits to the number of Controlled Work Matters where the client does not attend the provider's office to make an application for Controlled Work? Please state yes/no/maybe/do not know and give reasons.

**Question 9a)** Thinking about the limit on Controlled Work applications that can be delivered remotely, in what ways does this affect your ability to deliver face-to-face and remote advice, based on client need? You may choose more than one:

- i) it is sufficient (explain why)
- ii) it creates problems (explain why)
- iii) other (please specify)

**Question 9b)** If there were a removal or reduction in these limits, do you anticipate that in the areas in which you provide legal aid help and advice, your firm or organisation would:

- i) Provide more advice remotely? By what approximate percentage?
- ii) Provide less advice remotely? By what approximate percentage?
- iii) Not change the overall percentages for your provision of remote advice?
- iv) Unsure/do not know.

Please also provide any data or evidence you may have in relation to your answer.

**Question 10)** RoCLA evidence included feedback that providers are best placed to determine when clients need face-to-face advice, and where remote advice is appropriate. However, there is a risk that providers may move towards remote advice provision in a way that leaves clients who need face-to-face with difficulty finding a provider. When ensuring greater flexibility to provide remote advice, what measures or safeguards would help ensure that clients are not turned down or de-prioritised, because they require face-to-face?

**Question 11)** Which categories or areas of law do you practice in (or have experience in), that you have drawn from when answering questions 9 and 10?

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**Question 12)** Would you want the contractual requirement for permanent office locations to be reduced or removed? Please state yes/no/maybe /do not know and provide reasons.

**Question 13)** Does the requirement for a permanent office provide sufficient flexibility for the availability of civil legal aid advice based on your experience of client need in any category of law?

**Question 13a)** Where the requirement **doesn't** provide sufficient flexibility, in your experience, what is the impact on delivery of legal advice to clients?

**Question 14)** If there were a change to the requirement for a permanent office, what measures or safeguards would help ensure we meet the need for clients to have access to face-to-face civil legal advice in a safe, private and accessible environment be ensured?

Thank you for participating in this consultation exercise.

### Proposals for Housing and Immigration fee increases and exploring contract reform

# Annex A – Methodology for arriving at the proposed fee levels and the 10% uplift

## **Summary of proposal**

We are proposing increasing preparation, attendance and advocacy rates up to an hourly rate of £65.35/£69.30 (non-London/London) and uplifting fixed fees by a matching proportional uplift. Where this new minimum rate would not represent at least a 10% uplift, the rate will be uplifted by 10%.

# **Context and benchmarking**

To derive this rate, the Ministry of Justice undertook a fee benchmarking exercise. This involved comparing firms' legal aid costs (including staff costs and apportioned overheads) to the amount of legal aid revenue they could generate to see how hourly rates affected estimations of profitability. Estimating a firm's level of profitability is complex and uncertain.

The benchmarking was underpinned by a model that provides an estimate of profitability. This used data from the Law Society's sustainability research<sup>25</sup> undertaken by Frontier Economics in the following way:

#### 1. Assessing costs and revenue

This data has been used to provide an indicative estimate of providers' legal aid costs, revenue and profitability. From this, we have derived an estimate of cost per full-time equivalent (FTE) fee earner and legal aid revenue per fee earner FTE. The difference between these two variables indicates whether a firm is currently able to make a profit. To benchmark new fee levels, we then calculated the revenue per fee earner FTE that could be generated at a given utilisation rate.

#### 2. Using a utilisation rate assumption

To be able to estimate total revenue per fee earner FTE at a new rate then the key assumption required is the total number of billable hours worked per fee earner FTE. We have considered this in terms of the "utilisation rate" of a fee earner – that is, what amount of billable hours an employee undertakes as a proportion of the total amount of hours worked. Utilisation rates are shown instead of billable hours because it gives a

Civil legal aid: sustainability research | The Law Society, https://www.lawsociety.org.uk/topics/research/civil-legal-aid-sustainability

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more intuitive sense of the difference between the number of billable hours that would be required to be worked, compared to the number that might be expected.

A utilisation rate of 100% would be an employee working all their contracted time on billable legal aid work – this is unrealistic because it does not account for administrative tasks, training or activities related to providing legal aid which are not remunerated (such as an initial meeting with a client who is then deemed ineligible for legal aid). We have assumed that 100% utilisation would correspond to the number of hours worked under a civil servant contract with 33 non-working days a year (to account for annual leave and sickness) and that a reasonable target for actual utilisation is between 70% and 80%. To corroborate this approach, we note that The Law Society Financial Benchmarking Survey 2024 suggests that non-partners should "be looking at upwards of 1,200 or 1,300 hours, depending on work type and experience". This would be between 71% to 77% on our utilisation rate methodology.

#### Key points from the benchmarking exercise:

- Our analysis of the sustainability data showed that the current utilisation rate for Housing averaged around 50–60%. At a utilisation rate of around 60%, around 50% of firms surveyed would be profitable at our proposed hourly rate of £65–69. However, at £47 per hour, which is where Housing legal help work is currently, 60–75% of those sampled in the sustainability research would be making a loss assuming each fee earner worked a minimum of 1,200 billable hours a year (equivalent to 70–80% utilisation rate).
- At a 70–80% utilisation rate, if rates were instead £60 per hour, just over half of housing firms surveyed would at least breakeven. If this increased further to £67 per hour, this increases to around 60% to 75% of firms surveyed making a profit.

# Proposed fee levels

Our analysis demonstrated that rates below £60 are loss-making for most firms surveyed; this accounts for all Controlled Work and some Licensed Work. The closest existing rate to £60ph is the current County Court rate for representation which is £59.40/£63 per hour (non-London/London). Taking this County Court rate, we have added an additional 10% to this rate to improve the financial viability of civil legal aid work, taking fees above the £60 hourly rate), but with a further increase to actively attract providers to take up and expand their legal aid offer. This results in our proposed new hourly rate of £65.35/£69.30 (non-London/London). This new rate is closer to the £67 benchmark at which our analysis showed around 75% of firms would make a profit. Where this would achieve an uplift of

The Law Society Financial Benchmarking Survey 2024 (page 22), https://communities.lawsociety.org.uk/law-management-news/the-results-are-in-financial-benchmarking-survey-2024/6002905.article

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less than 10%, or the rate is already above the proposed hourly rate, an uplift of 10% is applied to ensure all providers receive an uplift of at least this amount.

To calculate the new fees, all hourly rates are uprated to £65.35/£69.30. All fixed fees are based on the relevant underlying hourly rate from Tables 7 and 8 in the regulations (which are generally between £45 and £60 per hour). We calculated the percentage increase from the current underlying hourly rate to the proposed hourly rate and then applied this percentage increase to the relevant fixed fees. Where the fixed fee is national, we uprated to both the London and non-London hourly rate and applied the higher uplift.

Fees have been rounded to the nearest pound for fixed fees, and to the nearest five pence for hourly rates.

For increases to all housing and immigration fees see Annex B.

### Limitations

#### The Law Society's sustainability research

- **Sample size and scope:** The study relies on a small sample size (with responses from 30 Housing providers, which represents 13–14% of the Housing legal aid market at the time of the research, and 17 Family providers, which represents 1–2% of the Family legal aid market), focusing exclusively on housing and family legal aid providers.
- Non-representativeness: The housing sample primarily consists of not-for-profit
  organisations, whereas the broader population is predominantly for-profit. As such, the
  data does not accurately reflect the composition of the overall provider population. The
  data does suggest that for-profit providers have a higher utilisation rate than not-forprofit providers so by benchmarking the fees at a range of utilisation rates then this is
  partly controlled for.
- Given these constraints, the findings cannot be reliably generalised to the entire population of legal aid providers without additional assumptions or adjustments which have been incorporated into our analysis.

#### The benchmarking exercise

Actual profitability levels are influenced by a range of factors, including:

- Operating costs: These can vary significantly between firms depending on location, scale, and overhead expenses.
- Business models: Different firms adopt varying strategies that affect cost structures and revenue streams.
- Case mix and volumes: The proportion of high or low-value cases, as well as the overall volume of work significantly impacts profitability.

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The benchmarking exercise uses standardised assumptions to estimate utilisation rates, costs, and revenues, which may not fully capture the complexities of individual firms' operations.

# **Annex B – Fee increases to specific fees**

Civil legal aid fees for Immigration and Housing are in The Civil Legal Aid (Remuneration) Regulations 2013. These are the tables referred to in this annex.

# **Immigration and Asylum Controlled Work Fees**

### **Hourly rates**

		Current	0/ 11 116	New
Table	Activity	rate	% Uplift	Fee
7(a)	London – Preparation, Attendance and Advocacy	£52.65	32%	£69.30
7(a)	Non London – Preparation, Attendance and Advocacy	£48.24	35%	£65.35
7(a)	London – Travel and Waiting Time	£27.81	25%	£34.65*
7(a)	Non London – Travel and Waiting Time	£27.00	21%	£32.70*
7(a)	London – Routine Letters Out and Telephone Calls	£4.05	32%	£5.35#
7(a)	Non London – Routine Letters Out and Telephone Calls	£3.78	38%	£5.20#
7(d)	London – Preparation, Attendance and Advocacy	£51.62	34%	£69.30
7(d)	Non London – Preparation, Attendance and Advocacy	£47.30	38%	£65.35
7(d)	London – Travel and Waiting Time	£27.27	27%	£34.65*
7(d)	Non London – Travel and Waiting Time	£26.51	23%	£32.70*
7(d)	London – Routine Letters Out and Telephone Calls	£3.96	35%	£5.35#
7(d)	Non London – Routine Letters Out and Telephone Calls	£3.69	41%	£5.20#
8(a)	London – Preparation and Attendance	£57.83	20%	£69.30
8(a)	Non London – Preparation and Attendance	£54.09	21%	£65.35
8(a)	London – Travel and Waiting Time	£28.62	21%	£34.65*
8(a)	Non London – Travel and Waiting Time	£27.81	18%	£32.70*
8(a)	London – Routine Letters Out and Telephone Calls	£4.14	29%	£5.35#

Table	Activity	Current rate	% Uplift	New Fee
8(a)	Non London – Routine Letters Out and Telephone Calls	£3.87	34%	£5.20#
8(a)	London – Advocacy	£65.79	10%	£72.35
8(a)	Non-London – Advocacy	£65.79	10%	£72.35
8(c)	London – Preparation and Attendance	£55.08	26%	£69.30
8(c)	Non London – Preparation and Attendance	£51.53	27%	£65.35
8(c)	London – Travel and Waiting Time	£27.27	27%	£34.65*
8(c)	Non London – Travel and Waiting Time	£26.51	23%	£32.70*
8(c)	London – Routine Letters Out and Telephone Calls	£3.96	35%	£5.35#
8(c)	Non London – Routine Letters Out and Telephone Calls	£3.69	41%	£5.20#
8(c)	London – Advocacy	£62.64	11%	£69.30
8(c)	Non-London – Advocacy	£62.64	10%	£68.90
8(ca)	London – Preparation and Attendance	£55.08	26%	£69.30
8(ca)	Non London – Preparation and Attendance	£51.53	27%	£65.35
8(ca)	London – Routine Letters Out and Telephone Calls	£3.96	35%	£5.35#
8(ca)	Non London – Routine Letters Out and Telephone Calls	£3.69	41%	£5.20#

## Fixed fees

Table	Activity	Current Fee £	Underlying Hourly rate London	Underlying Hourly rate Non-London	% Uplift	New Fee
Table	Activity	1 66 %	London	NOII-LOIIGOII	Opini	1 66
4(a)	Asylum - Stage 1 (Legal help)	£413	£52.65	£48.24	35%	£559
4(a)	Immigration – non-Asylum – Stage 1 (Legal Help)	£234	£52.65	£48.24	35%	£317
4(a)	Asylum – Stage 2a	£227	£57.83	£54.09	21%	£274
4(a)	Immigration – non-Asylum – Stage 2a	£227	£57.83	£54.09	21%	£274

Table	Activity	Current Fee £	Underlying Hourly rate London	Underlying Hourly rate Non-London	% Uplift	New Fee
4(a)	Asylum – Stage 2b	£567	£57.83	£54.09	21%	£685
4(a)	Immigration – non-Asylum – Stage 2b	£454	£57.83	£54.09	21%	£549
4(aa)	Asylum – Stage 2d	£669	£57.83	£54.09	21%	£808
4(aa)	Immigration – non-Asylum – Stage 2d	£628	£57.83	£54.09	21%	£759
4(aa)	Asylum – Stage 2e	£1,009	£57.83	£54.09	21%	£1,219
4(aa)	Immigration – non-Asylum – Stage 2e	£855	£57.83	£54.09	21%	£1,033
4(b)	Representation at UKVI interview	£266	£52.65	£48.24	35%	£360
4(ba)	National Referral Mechanism Advice	£150	£52.65	£48.24	35%	£203
4(c)	Oral Case Management Review Hearing	£166	£65.79	£65.79	10%	£183
4(c)	Telephone Case Management Review Hearing	£90	£65.79	£65.79	10%	£99
4(c)	Substantive Hearing in the Asylum Chamber of the First-tier Tribunal	£302	£65.79	£65.79	10%	£332
4(c)	Substantive Hearing in the Immigration Chamber of the First-tier Tribunal	£237	£65.79	£65.79	10%	£261
4(c)	Additional Day Substantive Hearing – Asylum/Immigration	£161	£65.79	£65.79	10%	£177
4(ca)	Oral Case Management Review Hearing	£166	£65.79	£65.79	10%	£183
4(ca)	Telephone Case Management Review Hearing	£90	£65.79	£65.79	10%	£99

Table	Activity	Current Fee £	Underlying Hourly rate London	Underlying Hourly rate Non-London	% Uplift	New Fee
4(ca)	Substantive Hearing in the Asylum Chamber of the First-tier Tribunal	£302	£65.79	£65.79	10%	£332
4(ca)	Substantive Hearing in the Immigration Chamber of the First-tier Tribunal	£237	£65.79	£65.79	10%	£261
4(ca)	Additional Day Substantive Hearing – Asylum/Immigration	£161	£65.79	£65.79	10%	£177
4(d)	Immigration Removal Centre (IRC) advising 5 or more clients	£360	£51.62	£47.30	38%	£497
4(d)	IRC advising 4 clients or less	£180	£51.62	£47.30	38%	£249
4(d)	IRC Standby payment (Detained Asylum Casework)	£34.02	£51.62	£47.30	38%	£47

# **Housing and Debt Controlled Work Fees**

### **Hourly rates**

<b>T</b> . I. I .		Current	%	New
Table	Activity	rate	Uplift	fee
7(b)	London – Preparation, Attendance and Advocacy	£48.74	42%	£69.30
7(b)	Non London – Preparation, Attendance and Advocacy	£45.95	42%	£65.35
7(b)	London – Travel and Waiting Time	£25.74	35%	£34.65*
7(b)	Non London – Travel and Waiting Time	£25.74	27%	£32.70*
7(b)	London – Routine Letters Out and Telephone Calls	£3.78	42%	£5.35#
7(b)	Non London – Routine Letters Out and Telephone Calls	£3.65	42%	£5.20#

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7(c)	London – Preparation, Attendance and Advocacy	£56.16	23%	£69.30
7(c)	Non London – Preparation, Attendance and Advocacy	£52.56	24%	£65.35
7(c)	London – Travel and Waiting Time	£27.81	25%	£34.65*
7(c)	Non London – Travel and Waiting Time	£27.05	21%	£32.70*
7(c)	London – Routine Letters Out and Telephone Calls	£4.05	32%	£5.35#
7(c)	Non London – Routine Letters Out and Telephone Calls	£3.78	38%	£5.20#

# **Fixed Fees**

Table	Activity	Current Fee £	Underlying Hourly rate London	Underlying Hourly rate Non-London	% Uplift	New fee
1	Debt – Standard Fee	£180.00	£48.74	£45.95	42%	£256.00
1	Housing – Standard Fee	£157.00	£48.74	£45.95	42%	£223.00
6	Housing Possession Court Duty Scheme – London	£75.60	£48.74	£45.95	43%	£108.00
6	Housing Possession Court Duty Scheme – Non London	£71.55	£48.74	£45.95	43%	£102.00
6(a)	Housing Loss Prevention Advice Service (HLPAS) – Stage One: early legal advice	£157.00	£48.74	£45.95	42%	£223.00
6(a)	Housing Loss Prevention Advice Service (HLPAS) – Stage Two: in-court duty scheme – London	£75.60	£48.74	£45.95	43%	£108.00
6(a)	Housing Loss Prevention Advice Service (HLPAS) – Stage Two: in-court duty scheme – Non London	£71.55	£48.74	£45.95	43%	£102.00

# **Immigration and Housing & Debt Licensed Work Fees**

Table	Activity	Current rate	% Uplift	New fee
10(a)	Higher Courts – Routine letters out	£6.75	10%	£7.45#
10(a)	Higher Courts – Routine telephone calls	£3.74	10%	£4.10#
10(a)	Higher Courts – London – prep and attendance	£71.55	10%	£78.70
10(a)	Higher Courts – Non London – prep and attendance	£67.50	10%	£74.25
10(a)	Higher Courts – Attendance at court or conference with Counsel	£33.30	18%	£39.35*
10(a)	Higher Courts – Advocacy	£67.50	10%	£74.25
10(a)	Higher Courts – Travel and waiting time	£29.93	31%	£39.35*
10(a)	Lower Courts – Routine letters out	£5.94	10%	£6.55#
10(a)	Lower Courts – Routine telephone calls	£3.29	11%	£3.65#
10(a)	Lower Courts – London – prep and attendance	£63.00	10%	£69.30
10(a)	Lower Courts – Non London – prep and attendance	£59.40	10%	£65.35
10(a)	Lower Courts – Attendance at court or conference with Counsel	£29.25	18%	£34.65*
10(a)	Lower Courts – Advocacy	£59.40	10%	£65.35
10(a)	Lower Courts – Travel and waiting time	£26.28	32%	£34.65*
10(b)	Higher Courts – Routine letters out	£6.66	12%	£7.45#
10(b)	Higher Courts – Routine telephone calls	£3.69	11%	£4.10#
10(b)	Higher Courts – London – prep and attendance	£70.65	10%	£77.70
10(b)	Higher Courts – Non London – prep and attendance	£66.60	10%	£73.25
10(b)	Higher Courts – Attendance at court or conference with Counsel	£32.76	20%	£39.35*
10(b)	Higher Courts – Advocacy	£66.60	10%	£73.25
10(b)	Higher Courts – Travel and waiting time	£29.43	34%	£39.35*
10(b)	Lower Courts – Routine letters out	£5.85	12%	£6.55#
10(b)	Lower Courts – Routine telephone calls	£3.24	13%	£3.65#
10(b)	Lower Courts – London – prep and attendance	£62.10	12%	£69.30

Table	Activity	Current rate	% Uplift	New fee
10(b)	Lower Courts – Non London – prep and attendance	£58.50	12%	£65.35
10(b)	Lower Courts – Attendance at court or conference with Counsel	£28.80	20%	£34.65*
10(b)	Lower Courts – Advocacy	£58.50	12%	£65.35
10(b)	Lower Courts – Travel and waiting time	£25.88	34%	£34.65*
10(c)	London – Preparation and Attendance	£55.08	26%	£69.30
10(c)	Non London – Preparation and Attendance	£51.53	27%	£65.35
10(c)	London – Routine Letters Out and Telephone Calls	£3.96	35%	£5.35#
10(c)	Non London – Routine Letters Out and Telephone Calls	£3.69	41%	£5.20#
10(c)	London – Attending tribunal or conference with counsel	£29.30	18%	£34.65*
10(c)	Non London – Attending tribunal or conference with Counsel	£29.30	12%	£32.70*
10(c)	London – Advocacy	£62.64	11%	£69.30
10(c)	Non-London – Advocacy	£62.64	10%	£68.90
10(c)	London – Travel and Waiting Time	£27.27	27%	£34.65*
10(c)	Non London – Travel and Waiting Time	£26.51	23%	£32.70*

# **Schedule 2 Rates**

Table	Activity	Current rate	Uplift	New Rate
1	London – Preparation and attendance in the High Court or Upper Tribunal	£71.55	10%	£78.70
1	Non-London – Preparation and attendance in the High Court or Upper Tribunal	£67.50	10%	£74.25
1	London – Preparation and attendance in the County Court	£63.00	10%	£69.30
1	Non-London – Preparation and attendance in the County Court	£59.40	10%	£65.35

Table	Activity	Current rate	Uplift	New Rate
1	Attendance at court or conference in the High Court or Upper Tribunal	£33.30	18%	£39.35*
1	Attendance at court or conference in the County Court	£29.25	18%	£34.65*
1	Advocacy in the High Court or Upper Tribunal	£67.50	10%	£74.25
1	Advocacy in the County Court	£59.40	10%	£65.35
1	Travel and waiting in the High Court or Upper Tribunal	£29.93	31%	£39.35*
1	Travel and waiting in the County Court	£26.28	32%	£34.65*
2	Led junior counsel in the Court of Appeal or the Supreme Court	£112.50	10%	£123.75
2	Leading senior counsel in the Court of Appeal	£157.50	10%	£173.25
2	Queen's Counsel (where approved for briefing or instruction by the Lord Chancellor) in the High Court or Court of Appeal	£180.00	10%	£198.00
2	Leading senior counsel in the Supreme Court	£180.00	10%	£198.00
2	Queen's Counsel (where approved for briefing or instruction by the Lord Chancellor) in the Supreme Court	£225.00	10%	£247.50
2	Noter/Pupil/2nd led junior counsel in the Court of Appeal or Supreme Court	£36.00	10%	£39.60

<sup>\*-</sup> Meaning all rates that have been harmonised to 50% of the preparation and attendance rate

<sup># -</sup> Meaning all rates that have been harmonised at the highest rate

# **About you**

Please use this section to tell us about yourself

Full name	
Job title or capacity in which you are responding to this consultation exercise (e.g. member of the public etc.)	
Date	
Company name/organisation (if applicable):	
Address	
Postcode	
If you would like us to acknowledge receipt of your response, please tick this box	(please tick box)
Address to which the acknowledgement should be sent, if different from above	
If you are a representative of a group, pure summary of the people or organisations the	olease tell us the name of the group and give a nat you represent.

# Proposals for Housing and Immigration fee increases and exploring contract reform

# How to respond

Respond online at

https://www.gov.uk/government/consultations/civil-legal-aid-towards-a-sustainable-future

Otherwise, please send your response by 21 March 2025 to:

#### **Civil Legal Aid Reform Policy Team**

Ministry of Justice Eligibility, Civil and Family Legal Aid Policy 102 Petty France London SW1H 9AJ

**Email**: civillegalaidreform@justice.gov.uk

# **Complaints or comments**

If you have any complaints or comments about the consultation process you should contact the Ministry of Justice at the above address.

# Extra copies

Further paper copies of this consultation can be obtained from this address and it is also available on-line at https://consult.justice.gov.uk/.

Alternative format versions of this publication can be requested from civillegalaidreform@justice.gov.uk

# **Publication of response**

A paper summarising the responses to this consultation will be published in Spring 2025. The response paper will be available on-line at https://consult.justice.gov.uk/.

# Representative groups

Representative groups are asked to give a summary of the people and organisations they represent when they respond.

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# Confidentiality

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 2018 (DPA), the General Data Protection Regulation (UK GDPR) and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Ministry.

The Ministry will process your personal data in accordance with the DPA and in the majority of circumstances, this will mean that your personal data will not be disclosed to third parties.

# **Consultation principles**

The principles that Government departments and other public bodies should adopt for engaging stakeholders when developing policy and legislation are set out in the Cabinet Office Consultation Principles 2018 that can be found here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/691383/Consultation\_Principles\_\_1\_.pdf