



Legal Aid
Agency

Providing access to justice through working with others
to achieve excellence in the delivery of legal aid

Contingency Payment - Providers Guide

Contingency Procedures - Civil Representation

May 2025



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Contingency Arrangements

This document contains details of how the average payment contingency arrangement works and how to claim these payments.

Contingency Payments

1. Under these arrangements providers and counsel may opt to receive a contingency payment.
2. You may not wish to receive a contingency payment. It is therefore necessary to opt in each week to receive a payment whilst the system is unavailable. LAA will review the need for providers to opt in weekly once 2 weeks of these contingency arrangements have passed.
3. LAA will recoup contingency payments made under these arrangements once system access is restored and payment balances made.

Important

Payment under these contingency arrangements are not final payments. These payments are not made under a specific case reference and do not replace the need to submit a bill on the system once available. Consideration should be given as to whether contingency is right for your circumstances.

If you opt in, you will be required to keep records of claims which were due to be submitted during the outage and must provide these if requested. You should not opt in if you do not have sufficient claims to justify the weekly contingency payment.

Opting In

4. The process to opt into contingency and accept a contingency payment on is entirely voluntary.
5. To opt in to receive a contingency payment for the week you must email CivilClaimBC@justice.gov.uk , attaching a signed declaration for each account, available on the link below.
6. During the first opt-in week you must submit your acceptance by 12 noon on Monday 2nd June 2025. All subsequent opt-ins should be submitted by 12 noon on Monday of each week the contingency process remains open.
7. You must include the name of the provider firm/counsel and provider/counsel account number. Please ensure the account number is typed correctly. If it cannot be verified, payment cannot be made.
8. Your email must be sent from an official office account so that it can be verified.

9. A declaration form must also be signed by your compliance officer or clerk for counsel and included with your request for average payments.
10. Chambers may include multiple accounts in a single declaration. However, it will help LAA administer the payment if you can advise in your email how many accounts you are requesting to opt-in for.
11. The declaration can be found here:

<https://www.gov.uk/guidance/legal-aid-agency-cyber-security-incident>

Copy of Declaration Wording from Opt-in Form:

I confirm that I understand any contingency payment made will be recouped after a set time has passed with system access restored and that form has bills in our work in progress which will cover the contingency payment and they are available for audit if requested.

By signing this declaration I confirm on behalf of XXX that:

1. We agree to participate in the “Contingency Payment” scheme as described in the “Contingency Payment Providers Guide” published on our website at [insert hyperlink];
2. We agree and acknowledge Contingency Payments are not a final payment of a Claim under any contract held between us and the LAA and represent an interim payment;
3. We confirm that, had the Online System as described in our contract with the LAA been operational, Claims submitted for this period would have equalled or exceeded the Contingency Payment applied for, and records are available to be reviewed by the LAA to substantiate this application;
4. We acknowledge and agree that, on notification that the Contingency Payment scheme will cease and the Online System becomes available, we shall submit Claims relating to this Contingency Payment in accordance with the requirements of the contract held between us and the LAA;
5. We acknowledge and agree that following closure of the Contingency Payment scheme, payments made under it will be recouped which shall be at a time when we have had the opportunity to submit a Claim for payment in accordance with the requirements of the contract between us and the LAA; and
6. We acknowledge and agree that operation of the Contingency Payment scheme does not extinguish or waive either parties contractual rights including but not limited to the LAA’s right to Assess claims or undertake Audit activity as defined by the contract between us and the LAA.

Calculating the Average Payment

12. LAA will calculate your contingency payment. This will be for an average week.
13. The average payment is based on a 3-month simple average and includes POA, bills and VAT.
14. If you have not received details of your average payment, providers can confirm this by contacting their Contract Manager.
15. Counsel may contact CivilClaimBC@justice.gov.uk to confirm the amount of the average payment. You must include counsel's name and the account number.
16. If you have opted in but decide you do not wish to receive a contingency payment, please contact CivilClaimBC@justice.gov.uk as soon as possible so that this may be cancelled.

Payment

17. Payment under these contingency arrangements will initially be received on Wednesday 4th June.
18. The first contingency payment will be for 2 average week payments.
19. Subsequent payments will be for 1 average week payment. These will initially be Wednesdays but will eventually revert to the normal Monday schedule.

Important

LAA may not pay a contingency payment where the account is on hold, in debt, or where a claim has not been claimed on the account over the last 3 months.

20. The contingency payment transaction will appear on the BACs statement as 'CR_CON_BILL'.

Recoupment

21. Generally, upon systems having been restored, the contingency payment may be recouped by LAA once 2 weeks have passed via a Debit Note transaction. After 2 weeks LAA will start to recoup a quarter of the contingency payments for each week until the full amount has been recouped.

Example

For instance, if you claim £40,000 in contingency payments over 4 weeks at £10,000 per week, the payments will start to be recouped 2 weeks after normal usage is restored. LAA would then stagger recoupments of the payments, recouping £2,500 per week until the total amount is recouped.

22. The Debit Note will appear on any PSOA as a negative balance titled 'Debit Note' for the original amount received.
23. If the Debit Note does put an account into a debt position, a PSOA will not be automatically generated. LAA will send a PSOA to any firm who received contingency payments and then subsequently found their account in debt immediately after the Debit Note is applied.
24. Alternatively, the PSOA may be requested via PaymentInformation@justice.gov.uk if not received.

FAQ

Question	Answer
Are contingency payments mandatory or can I opt out?	You can opt out of receiving a contingency payment. You do not need to take any further action should you wish to opt out.
Does this apply to counsel or is it just available for providers?	It applies to both counsel and solicitors.
Does this replace the normal billing process?	No, a contingency payment is not made against a specific case and will be recouped. You should bill as normal once the portal is available.
What if I haven't made any claims under the account recently?	The contingency payment is based on a 3-month average. An account will not be eligible if a claim has not been paid over the last 3 months.
What do I do if I don't receive an email confirming the amount payable?	<p>Please escalate to your contract manger to discuss options available.</p> <p>Counsel can contact CivilClaimBC@justice.gov.uk.</p>
Can I claim more than the proposed contingency payment?	<p>The contingency payment is based on an average week. Providers may raise any concerns regarding the calculation of this with their Contract Manager.</p> <p>Counsel can contact CivilClaimBC@justice.gov.uk.</p>

Can I claim less than the average payment if I did not intend to claim costs for the week equal to or above the average payment?	Yes, if you wish to claim less than the average payment, please confirm in your email opting in that you wish to claim less and include the amount you wish to claim instead.
Will LAA reduce my claim for contingency payment below the average payment?	No, but LAA may refuse payment where your account is on hold, in debt, or where an average cannot be calculated.
Will LAA reject any claim for contingency payment?	Yes, for instance where account details cannot be verified, the email has not been sent from an official office account, the signed declaration has not been provided, or a payment cannot be made.
Can I pay back the contingency payments more quickly?	If you wish to pay back your contingency payments sooner than the timescale above, please email CivilClaimBC@justice.gov.uk and we will discuss this with you.



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