



Part 9 – Repayment conditions on a grant: general processes

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Informing the applicant / aided person about conditions on the grant

When this procedure is used

The Grants Officer uses this procedure to determine what must be communicated to the applicant or aided person about the conditions on their grant.

Legislation

The key sections of the Act are:

- s 14 Decision on an application for legal aid
- s 23 Agency to keep aided person informed.

Policy

The initial grant letter must include the following information:

- the prescribed repayment amount
- the interim repayment amount
- the interim repayment plan, and the details for making the payments. This may include the frequency of these payments, the date when the first interim repayment is required, and the term of the plan
- how to ask to have the interim repayment deferred, stopped temporarily, reduced, or written-off
- the consequences of not paying
- the options for reconsiderations and reviews in relation to repayments.

This is in addition to the standard requirement that all letters with an Agency decision must provide information about how to seek:


- a reconsideration of the Agency's decision (Section 29),
- an examination of the cost of services (Section 38), and
- a review of the Agency's decision (Section 54).

Initial grant letter

Step 1. The Grants Officer includes conditions on the grant in the initial grant letter.

The initial grant letter...	
must advise the aided person	<ul style="list-style-type: none">• of conditions on the grant and• that the final repayment will be calculated at the end of the case/grant taking into account the:<ul style="list-style-type: none">– prescribed repayment amount,– the final cost of services,

The initial grant letter...	
	<ul style="list-style-type: none"> – any interim repayments made and – proceeds of proceeding (if any)
may advise the aided person, where appropriate:	<ul style="list-style-type: none"> • that repayment from proceeds of proceedings is required (where proceeds are likely) • that the grant is exempt from an interim and/or final repayment (or partly exempt if there are matters covered by the grant which are subject to repayment requirements) <ul style="list-style-type: none"> – the provision of the Act which confers the exemption; and – the matter to which the exemption applies (if several matters covered) • that there is no interim repayment requirement, and the reason an interim repayment is not required. <p>See <i>Nominal acceptance period</i> below and then go to step 2.</p>

Nominal acceptance period	
A nominal grant acceptance period is set at 23 working days (20 working days + 3 postal days) from the day the applicant receives the initial grant letter outlining the conditions on the grant.	
Grants responsibilities	DMG responsibilities
Any communication during this period about the conditions on the grant including any request to reconsider is managed by Grants.	After the 23 day acceptance period, the DMG will begin monitoring compliance with the conditions. DMG has responsibility for all further communication and decisions about conditions on the grant.
 The nominal acceptance period has no affect on approving further funding or paying provider claims.	


Step 2. The Grants Officer's actions after the nominal acceptance period.

If...	then...
the aided person has a PRA/repayment requirement,	any debt liability arising during this nominal acceptance period will still need to be paid even if the aided person chooses not to 'accept' the grant.

If...	then...
	Go to step 3 <i>Manage communications</i> .
the aided person chooses not to 'accept' the grant,	this is actioned as a withdrawal as the grant has already been approved. Go to Part 15 <i>Withdrawal of legal aid</i> in this manual.

Letters while the grant is still active

Step 3. The Grants Officer manages communications from the Agency with the aided person during the life of the grant.

When...	the Grants Officer will...
an amendment to a grant is approved	include in the letter to the applicant information about: <ul style="list-style-type: none"> the increase of approved funding (the maximum grant – see s 23(e)) the actual expenditure (cost of services) on their case to date
the applicant specifically requests information about repayment amount(s) currently owing,	refer the request to DMG to send an ad hoc debtor statement.
there is a material change to a condition on the grant, that is, when: <ul style="list-style-type: none"> (i) a non-exempted matter with an interim repayment is added to a grant that has previously been fully exempt from an interim or final repayment; (ii) a matter exempt from a repayment is added to a grant which already has an interim repayment; (iii) the cost of services has exceeded the interim repayment amount set when the aid was first granted; 	<ul style="list-style-type: none"> (i) notify the applicant by letter. (ii) notify the applicant by letter. (iii) take no further action - DMG will notify the applicant by letter.
 The DMG sends a debtor statement to the aided person every six months. This statement shows how much of the interim repayment debt has been paid and what is still to be paid.	

Letter when the case is finalised



Under s 23(d), when the grant is finalised the Agency is required to advise the legally aided person of their debt obligations.

Step 4. The Grants Officer manages communications from the Agency with the aided person when the case is finalised.

When...	then...
the grant is finalised (i.e. case finalised in LA Office)	the Grants Officer will send a letter to the aided person: <ul style="list-style-type: none"> • advising them of the final repayment amount, including the figures that were used to do the calculation, or • confirming that there is no final repayment to be paid.
the grant is exempt from a repayment	a final letter is not required.
the final repayment amount has been calculated and advised to the aided person	the DMG will send the aided person a letter about the payment plan for the final repayment amount.

Seeking updated information from the aided person

Policy

A Grants Officer or a Debt Officer may require an aided person to provide up-to-date information about their financial means if this information is required to make any decision under the Act.

The Grants Officer may seek updated information from an aided person at any time to:

- confirm ongoing eligibility for aid, and
- assist the Agency with its grant management requirements.

The DMG may request updated financial information:

- every year, from debtors who do not have a payment plan in place, in order to consider whether to establish a repayment plan.
- whenever DMG is considering:
 - a request to write off the interim repayment, the repayment or interest, or
 - whether to impose interest on a defaulted payment, or
 - another debt recovery action.

Procedures

Step 5. The Grants Officer manages updated financial information.

If...	then...
a change in circumstances arises from: <ul style="list-style-type: none"> • a change in employment resulting in significant increase in income • a change to marital/partnered status if the spouse or partner has income or assets what would make the aided person ineligible • an unexpected change to the value of assets – e.g.: inheritance, Lotto win. 	the Grants Officer must review the legally aided person's ongoing eligibility.
a review of the legally aided person's ongoing eligibility indicates that they are no longer eligible	the Grants Officer begins the process to withdraw aid – go to Part 15 <i>Withdrawal of legal aid</i> in this manual. End of process.
a change in circumstances arises from normal and expected life events such as: <ul style="list-style-type: none"> • gradual increases in wages, salaries or benefit payments, in line with increases to the cost of living • a change in the level of equity in a home as the person gradually pays off a mortgage • change in a family household if a young person leaves the family home. 	the Grants Officer does not need to review the legally aided person's ongoing eligibility.
the grant is still active	the Debt Officer will advise the Grants Officer of a material change in financial circumstances (copy of statement from the aided person)
the Grants Officer has information about a material change in financial circumstances that does not affect eligibility, but may have an impact on the repayment plan (e.g.: loss of income)	the Grants Officer will advise DMG.

Timelines for conditions on a grant

When this procedure is used

The Grants Officer uses this procedure to determine the standard timeline (in working days) for establishing conditions on a grant.

Step 6. The Grants Officer establishes the standard timeframe.



The standard timeline (in working days) for setting and monitoring conditions on a grant starts once a decision is made on the application.

Step	Timeline
Application received at the Agency	0
Grant of aid approved (day the initial grant letter sent)	is Day 1
Grants Officer sets the first payment-due date	First pay day after 15 working days from the date of receiving Agency letter (plus allow 3 days for the mail)
Grants Officer is responsible for responding to queries about conditions on the grant (eg: reconsideration of interim repayment plan)	Up to (and including) the first payment-due date
DMG is responsible for responding to queries about conditions on the grant (eg: change of payment plan, deferral)	Day after the first payment-due date
LAP is in default if he/she has not actioned conditions on the grant (eg: first payment, returned authorisation letter)	Day after the first payment-due date
DMG implements debt recovery strategies (eg: reminder letters)	Day after the first payment-due date
Aided person has defaulted and DMG issues a notice of intention to withdraw is issued if it is family/civil case, or other debt recovery measure applied if it is a criminal case	23 working days after the first payment-due date
Decision to withdraw aid in family/civil case issued by Grants	21 working days after the notice of intention to withdrawn aid - refer to Grants Manual part 15 for guidance on setting the date on which the withdrawal takes affect.

