



15 December 2022

Kia ora koutou,

Updated Legal Aid Outcomes of Budget 2022

I wrote to you on [26 May 2022](#), regarding the government's Budget 22 investment to strengthen the legal aid scheme.

As part of Budget 2022, in addition to the increase in hourly rates, the investment has also allowed the Ministry to implement changes to key policy settings. These changes will take effect on Sunday 1 January 2023.

Eligibility Thresholds

Eligibility thresholds will increase by 15 percent on 1 January 2023. To keep pace with wage inflation we will also be increasing them by a further 1.9 percent, per year (for three years), ensuring that a greater proportion of people will qualify for legal aid.

Repayment Thresholds

Repayment thresholds will increase by 16.5 percent on 1 January 2023, and likewise increasing them by a further 1.9 percent per year for three years thereafter.

Interest

Interest will no longer be charged on legal aid debt. This will mean that more legal aid recipients will have a lesser repayment obligation. Please note, interest will not be removed from debts where it has already accrued.

User Charge

The \$50 user charge for civil and family legal aid will be removed. This means that the user charge will not apply to grants approved from 1 January 2023. This will be based off the date the grant was assessed, including interim grants.

I am also pleased to advise that the Word template package will be updated to reflect these changes, and Legal Aid Services' policies, including the grants handbook for providers will be updated prior to these changes coming into effect.

Any further updates on these changes will be shared via [What's new for legal aid lawyers](#).

Thank you for your ongoing commitment to the legal aid service, I would like to convey my appreciation for all the work you have done advocating for change to the legal aid scheme, and for your patience as we have worked to make these changes.

I look forward to continuing to work together to make further improvements in the future.

Nāku iti noa, nā

A handwritten signature in black ink, reading "Tracey Baguley". The signature is written in a cursive, flowing style.

Tracey Baguley
Legal Services Commissioner