

How To Get Paid?

As self-employed professionals and small business owners, we all experience late payment issues from our clients, and this can make running our businesses extremely difficult as it affects the cash flow of the business, and we lose a lot of valuable time recovering these debts

Understandably, when we do the work, we need to be paid for it. After all, you wouldn't dream of doing your weekly shopping and telling the cashier you'll pay for it later!

I will share some information and tips regarding implementing the 30 calendar days statutory payment rule. The 30 days (unless you mutually agree on a different payment term) commences from the date on which an invoice is "regarded as valid and undisputed". The law clearly states that payments MUST be made within the first 30 days of sending the invoice or delivery of services, whichever one is latter. This is a statutory payment term.

The invoices must include the following:

- Your name and any business name being used.
- Your address and contact information (phone and email)
- The company name and address of the customer you are invoicing.
- A clear description of what you are charging for.
- The date the service was provided (supply date)
- The date of the invoice
- Clear breakdowns of the amount(s) being charged. (F2F interpreting fee, travel time fee, travel expense (mileage) fee, parking cost, toll crossing fee or public transport fee)
- VAT amount if applicable
- The total amount owed.
- A payment due date (Date of the invoice)
- A final date for the payment (30 calendar days after the invoice date)

I also add the below at the bottom of all my invoices;

"Payment is strictly 30 calendar days and no later than the dd/mm/yyyy. From the first day when the invoice becomes overdue, I reserve the right to claim statutory compensation of £40 and statutory interest at 8% above the Bank of England reference rate where the reference changes and the debt remains unpaid in accordance with the Late Payment of Commercial Debts (Interest) Act

1998 as amended and supplemented by the Late Payment of Commercial Debts Regulations 2002". (Add this to the body of your email under "Polite Reminder")

Some useful information and links;

<https://onlineinvoice.com/payment-due/30-day/>

<https://www.gov.uk/invoicing-and-taking-payment-from-customers/payment-obligations#Your%20Right%20to%20Be%20Paid>

<https://www.smallbusinesscommissioner.gov.uk/deal-with-an-unpaid-invoice/how-to-chase-an-unpaid-invoice/interest-calculator/>

<https://www.gov.uk/make-court-claim-for-money/make-claim>

If the invoice is unpaid then on the 31st day you need to start preparing yourself for "Small Claims" regardless of who the client is. Although it is not technically a court procedure, it is known as Small Claims Court. You must act immediately with a written reminder (ideally an email) no later than a few days after the invoice's last payment date. Remember that interest for each day is payable by your client/customer. Being reasonable and fair is very important here. Please see "The Civil Procedure Rules" at

<https://www.citizensadvice.org.uk/law-and-courts/legal-system/small-claims/the-rules-about-making-a-court-claim/>

Send your second reminder after 7 days of your first reminder and this time, remind them of your statutory rights of charging the late payment charges and daily interest and disclosure at the bottom of your invoice. Warn them that you will apply the late payment charges and daily interest should they fail to make the payment by the new deadline. I always add this link to the body of my email as part of my warning.

<https://www.gov.uk/invoicing-and-taking-payment-from-customers/payment-obligations#Your%20Right%20to%20Be%20Paid>

7 days after your second reminder amend your invoice and calculate the late payment charges and daily interest using the interest calculator link above. You MUST amend your invoice (clearly state the breakdowns of the extra charges and total it again) and send this amended invoice if you are implementing the late payment charges and daily interest together with "The Letter Before Action" as your "Final Reminder". Your client/customer must pay the amended invoice when they receive it. Your amended invoice will make your previous invoice void.

7 days after your final reminder make an online small claims if you still haven't received the payment (the link is above). You will pay a small fee depending on the amount owed to you. This fee will be added to the amount owed to you and requested from your client/customer. (You do not need to include it. It is automatically added by the Small Claims Court.) It means it will not cost you to make a small claim to recover the monies owed to you. This will set in motion a chain of events that will result in you getting paid.

You will need to send all the evidence (your reminders) that you sent to your client to the small claims court if your client decides to make representations and dispute your claim instead of paying the amount on the notice that they receive from Small Claims. That is why you must show all your written evidence of being reasonable and fair throughout your reminders. You must show that you got in touch with them, provided them with every opportunity to pay and have tried to solve the late payment outside of the court before you make a claim. (The reminders are crucial for this reason)

Automatically, apply statutory payment terms to all your clients if there isn't a mutually agreed different term among you.

Demand debt collection and follow the procedure above when your payment is overdue.

Currently, the majority of professional interpreters are experiencing late payments with "Off Contract Court Jobs". (Almost every interpreter who provides services to courts receives payments months later) Which is exceeding the statutory payment period of 30 calendar days. This is the jargon used to describe when courts source an interpreter outside the current contract with The Big Word Ltd. Interpreting and Translating agency.

Additional information must be provided within invoices and sent to a specific email address after providing services to a court. (This has changed from the 2nd of October 2023. See below)

SSCL is a separate department that handles the payments for services provided to a court.

There are several reasons given by HMCTS and SSCL for late payments that fall outside of the statutory payment term. These are:

- Sending too large a PDF file. When this happens, the sender will receive the automated email response of safe receipt of an email, but the receiver will not receive the email.
- Not including all the necessary information on the invoice.
- Not including clear breakdowns of the charges on the invoice.
- Not including Purchase Order No (PO No) on the invoice (Although it is known that the courts do not provide PO No to the interpreters)
- Not sending all the documents as compiled in one PDF file.
- Sending the same claim multiple times.
- Being set up as a temporary supplier on the SSCL system. This results in having slightly different supplier records created in the SSCL system. These records are created manually with the information provided in each individual invoice and they are not always the same information that is being used to create the record which is why they have some differences and as a result cause delays.
- The record created by SSCL via the non-purchase order route is only left open for a 6-month period. This means that every six months, the invoice goes on an additional hold for SSCL to reactivate the supplier account.

Follow the same procedure which is explained above for the late payments for “Off Contract Court Jobs”.

You may choose to complain to HMCTS at <https://complain-about-a-court-or-tribunal.form.service.justice.gov.uk> and/or Cabinet Office at publicprocurementreview@cabinetoffice.gov.uk and/or for inquiries at hmctsp2pteam@justice.gov.uk

Please bear in mind that the internal matters of your clients/customers are not your concern as well as your personal financial difficulties are not their concern. Therefore, you do not have to excuse any party for any reason if you follow the correct procedure on sending your invoice. Whatever their issues are, they must make the payment within 30 calendar days of the invoice according to the law.

I also add this explanation to the body of my email; *“If you have any inquiries about the invoice then please kindly contact me in a timely manner before*

xx.xx.xxxx (last payment date) in order for you not to exceed the legal time limit of 30 calendar days payment period”

You can apply this principle to all your customers/clients.

Please make a note the invoicing procedure has changed with HMCTS from 2nd of October 2023. These are:

- Please **do not** quote the cost centre reference on your invoice.
- The Courts email address you need to send your invoice will be provided in your booking confirmation letter/email.
- After 2nd of October 2023, please **ONLY** send your invoice directly to the Court and do not copy in any other email addresses you may have for SSCL.

Please continue to share with me your difficulties and I will try my best to assist.

All the best

Miss Banu Gokberk

NRPSI Non-Executive Practitioner Board Director