

Have you a query about YOUR solicitor's bill?



HAVE YOU A QUERY About **Your** Solicitor's bill?

This leaflet sets out your rights should you be dissatisfied with the level of professional fees charged by **your** solicitor for work done on your behalf and on your instructions.



1. APPLICATION FOR A REMUNERATION CERTIFICATE

CHECKING THE BILL IS FAIR

Under government legislation you have a right to ask your solicitor to apply to the Law Society for a certificate which certifies whether the professional fees charged by your solicitor are fair and reasonable for the work done and if not, what lower amount of professional fees would be fair and reasonable. The certificate is known as a "remuneration certificate" or a "certificate of reasonableness". **It applies to "non-contentious" business only.**

Non-contentious business is work which does not involve proceedings in a court or before an arbitrator or the Lands Tribunal. Examples of non-contentious business include buying and selling property, administration of estates, making a will and most tribunal work such as an application to an industrial or social security tribunal.

There are time limits within which these rights must be exercised, which are explained below.

If the bill relates to contentious work ie work begun **before a court, an arbitrator or the Lands Tribunal**, you cannot apply for a remuneration certificate but you will have to apply for taxation (see section 2 below).

HOW THE PROCESS WORKS

When your solicitor first sends you out the final bill of costs for noncontentious work he/she should either inform you of your rights to a remuneration certificate and your right to seek taxation (see section 2 below) in the letter, <u>or put a notice to that effect on the actual bill of</u> <u>costs.</u> The notice may be at the foot of the bill or on the back of the bill.

TIME LIMITS

You have **one month** from receipt of that information/notice to ask your solicitor to apply to the Law Society for a remuneration certificate. If your solicitor does not give you the written notice at the time he/she delivers the bill, but does so at a later date, you still have the right to ask him/her to apply to the Society for a remuneration certificate provided you do so **within one month of receipt of the information about your rights.** If you obtain notice of your right to ask for a remuneration certificate from the Law Society you still have the right to ask your solicitor to apply to the Society for a remuneration certificate provided you do so **within one month of receipt of the information about your rights.** If you obtain notice of your right to ask your solicitor to apply to the Society for a remuneration certificate provided you do so **within one month of receipt of the information about your rights.** The solicitor cannot take proceedings against you for the unpaid bill until he serves the notice and you have an opportunity decide whether you want to challenge the bill at that stage.

STEP ONE

Write to your solicitor **WITHIN ONE MONTH** of receiving the bill and the information about your rights to ask them to apply to the Society for a Remuneration Certificate. (If the information was not on the bill

but given in writing at a later date either by the solicitor or by the Law Society then you must write to your solicitor **WITHIN ONE MONTH** of that notice asking for a remuneration certificate). Send a copy of this letter, asking for a remuneration certificate, to the Society and we will contact your solicitor about your request. Your solicitor must then complete an application form, which asks questions about the nature of the work, how the work was handled and by whom. The completed form is sent with all the relevant papers to the Society.

STEP TWO

The Society will send a copy of the application form to you for your comments and ask you to respond **within 21 days**. If you have any documents which you think may be relevant to whether the fees charged are fair, such as an estimate given by the solicitor, copies of those documents should accompany your response. A copy of your comments may be sent to the solicitor for consideration.

STEP THREE

The application form, relevant papers and submitted comments are then considered by three solicitors from a panel which has been approved by the President of the Society. Their job is to certify either that the sum charged is fair and reasonable or that you should be charged less. They will also decide how much that lower fee should be; whichever sum they certify will be the sum payable by you. **They cannot increase the bill.** The Remuneration Certificate will be sent to the solicitor and a copy will be sent to you.

WHEN A CERTIFICATE IS NOT AVAILABLE

- If it is more than one month since you were told of your right to obtain a certificate.
- If you have already received the bill and paid it. However, if the solicitor has paid the bill by deduction from money held on your behalf without your prior consent you may still be entitled to a remuneration certificate.
- If you have already agreed the fees with the solicitor and allowed them to deduct their costs from money held on your behalf.
- If the High Court or the Taxing Master has ordered the bill to be taxed (see below).
- For any matter in which Court proceedings were instituted, were commenced in the Lands Tribunal or begun before an arbitrator.

This procedure covers only solicitors professional fees and cannot deal with any payments, VAT or expenses such as counsel's fees which are included on the bill of costs.

INTEREST ON THE BILL OF COSTS

Interest is due on the total bill from one month after the solicitor sent it to you, at the rate allowable for judgments from the courts, provided that you have been given the notice in relation to your rights to a remuneration certificate. Where the bill is reduced, interest is payable on the reduced total amount of the bill. If you are dissatisfied with the Remuneration Certificate you can still seek an order for taxation **provided that the bill is still less than six months old.** Your solicitor also has this right to seek an order for taxation at any time.

2. AN ORDER FOR TAXATION

'Taxation' is the legal term used to describe the assessment of a solicitor's bills of costs by a Court Official called the Taxing Master. It is the duty of the Taxing Master to determine whether the costs charged by the solicitor are fair and reasonable and if they are not, what costs you should pay. You can apply to the Court or the Taxing Master for an Order to have a bill taxed. Taxation is a judicial process and unlike an application for a remuneration certificate which your solicitor must make at your request, if you wish to have your solicitor's bill taxed you must commence the process by issuing the appropriate summons. Once an order for taxation is made, your solicitors will have to submit the bill to the Taxing Master and justify their charges. Taxation is a much more formal process than an application for a remuneration for a remuneration certificate and will involve hearings before the Master. You have the right to attend or be represented at any hearing by a solicitor or a costs drawer.

You may contact the Taxing Masters Office at:-

Court of Judicature of Northern Ireland Taxing Office Northern Ireland Courts and Tribunals Service 3rd Floor Mays Chambers 73 May Street Belfast BT1 3JL The office can be contacted by telephone on 030 0200 7812. or by fax number on 028 9044 6837 The office e-mail address is *taxingoffice@courtsni.gov.uk*

PLEASE NOTE:

- An application for taxation by you must be made within **three months** after you first received the bill, unless there are exceptional circumstances in which case the courts may extend the period to **six months**.
- Yourself or another solicitor on your behalf can make an application for taxation. Taxation is a judicial process and costs are payable for the process.
- A payment of a fee to the Court is required and a further payment to the solicitor for the taxation costs may also be required if it turns out that the amount of the bill is justified.
- A solicitor who is asked for a remuneration certificate may go instead to taxation as an application for taxation can be made in respect of both contentious and non-contentious costs.
- There are no time limits on the solicitor's right to have his bill of costs taxed, and a solicitor may therefore apply for taxation of his costs after a remuneration certificate has been issued by the Law Society.

Frequently Asked Questions -'how to check my solicitor's bill'

Unlike England there has been no repeal of the Remuneration legislation within Northern Ireland.

1. Does the Law Society publish recommended guidelines for solicitor fees?

The Office of Fair Trading (OFT) does not permit the Law Society to set scale fees for legal transactions within Northern Ireland. This is to ensure that a free market exists whereby solicitor firms are allowed to compete freely.

2. What can I do if I am dissatisfied with the fees my solicitor has charged?

If your case was a non contentious matter (ie did not involve the issuing of court proceedings, or not before an arbitrator or the Lands Tribunal) then you have a statutory right to ask your solicitor to apply to the Law Society for a Remuneration Certificate (provided your request is within one month from the issue of the bill of costs and provided the bill has not been paid). This Certificate will declare either, that what you are being charged is fair and reasonable or, that you should be charged a lesser amount by your solicitor. This service is offered free of charge.

If you are dissatisfied with the Remuneration Certificate you can seek an Order for Taxation provided that the bill is still less than three months old, or if it is more than three months old, but less than six months old, the Taxing Master may extend the period in exceptional circumstances. If court proceedings were issued in your case, then you can apply for an Order for Taxation by contacting the Taxing Master Office at Bedford House, Bedford Street, Belfast, BT2 7DS. Please note that a payment of a fee to the Court is required and a further payment to the solicitor for the taxation costs may be required if it turns out that the amount of the solicitor's bill is justified.

3. Does an application for a remuneration certificate exclude my ability to apply for taxation of solicitor's fee?

If you have already made an application for an Order for Taxation then the Society will not commence an application for a Remuneration Certificate as the Order for Taxation supersedes the Remuneration Certificate.

However, if you obtained a Remuneration Certificate and are dissatisfied with the outcome, you are entitled to apply for an Order for Taxation, provided your application for Taxation is within three months of the date of the original bill of costs. Please note that the Taxing Master's Office have the discretion to extend this three month time limit to six months, if there is proven to be exceptional circumstances to warrant the extension. The application can be made by either yourself or your solicitor. Solicitor applications for taxation are not restricted by any time limit.

4. When would I not be able to get my solicitor's bill checked?

An application for remuneration certificate or taxation cannot be processed if the bill has actually been delivered and paid, if you have agreed the fees with the Solicitor and allowed him to deduct them from monies that are owing to you or if the fee is for the amount estimated in any estimate or quotation given to you at the outset or during the course of the contract with your solicitor.

5. What happens if I think that the solicitor did not do the work properly or treat me properly as a client? Do I still have to pay the fee just because it was agreed in advance?

If you think you got poor service and therefore the fee is too high then you can make a complaint about that service. Follow the link on our website, *www.lawsoc-ni.org*, to our complaints section to learn more about how and when to make a complaint to the solicitor and the Society.

6. Can the Law Society decide if Counsel's fees or other items of Outlay were reasonable?

No, the remuneration certificate procedure can only assess the solicitor's professional fees, it cannot deal with a dispute about outlay. If you think the fees charged by a barrister or other expert are too high you would have to dispute those separately through the courts or, if they have a professional body, raise your concerns with them.

7. The solicitor's letter says he will charge interest at judgement rate after a month from when he sent the bill, can he do this? Yes, the solicitor is entitled to charge interest on the unpaid bill at judgement rate (currently 8%) after a month from the date of delivery of the bill.

8. How do I avoid having to pay the interest?

You can avoid payment of interest by paying the solicitor a sum equivalent to the amount he is claiming for his bill on his undertaking to hold the money in an interest bearing account until the remuneration certificate is issued. If the bill is reduced you will be entitled to receive the difference between the amount charged and the amount certified and the interest earned on that amount. If the fee is approved then the solicitor may retain all of the money and interest earned on it.

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