

# Debt Collection

Our fees

**All of our fees are subject to VAT at the rate of 20%. In the case of disbursements, where we have indicated that VAT is chargeable on them, the rate of VAT will be 20%.**

Sandersons Solicitors offer a fixed fee for all stages of the debt collection service, including any Pre-Action Correspondence, Court Proceedings (both at the point of issue and entry of judgment), Enforcement Action and in some cases Insolvency Proceedings.

In straight-forward debt claims, matters usually take 4-10 weeks from receipt of instructions to receipt of payment. However, if court proceedings are necessary the matter will take longer to resolve.

## Pre-Action Correspondence

We will issue a formal Letter of Claim for a fixed fee of £100.00, plus VAT. The Letter of Claim shall set out the basis of the Debt claim, a summary of the facts, disclosure of key documents and calculation of claim value. Where there are multiple debtors, an additional fixed fee of £100.00 plus VAT will be charged for each additional Letter of Claim issued.

In the event the debtor replies to the Letter of Claim, we will charge a further fixed fee of £50.00 plus VAT for each letter we send in response.

## Court Proceedings

If no satisfactory response to the Letter of Claim is forthcoming, we will pursue the Debt by way of court proceedings. Where the claim is undefended, we will charge fixed fees and disbursements in respect of each claim depending on its value as set out in the table below. The value of the claim shall include any interest and compensation. Our fees are exclusive of VAT, which will be applied to our charges at the standard rate. Any fees and disbursements are recoverable from the debtor as part of the Judgment, however the VAT element of our fee cannot be reclaimed from the debtor in any circumstances.

Claim Value	Court Issue Fee	Our Fee	Default Judgment Cost
Up to £300.00	£35.00	£50.00	£22.00
£300.01 to £500.00	£50.00	£50.00	£22.00
£500.01 to £1,000.00	£70.00	£70.00	£22.00
£1,000.01 to £1,500.00	£80.00	£80.00	£22.00
£1,500.01 to £3,000.00	£115.00	£80.00	£22.00

£3,000.01 to £5,000.00	£205.00	£80.00	£22.00
£5,000.01 to £10,000.00	£455.00	£100.00	£30.00
£10,000.01 to £200,000.00	5% of Claim Value	£100.00	£30.00
More than £200,000.00	£10,000.00	£300.00	£30.00

## Enforcement Action

Once Judgment has been entered, we will pursue enforcement action against the debtor. Where the application is uncontested, we will charge fixed fees and disbursements as set out in the table below. Our fees are exclusive of VAT, which will be applied to our charges at the standard rate.

Enforcement Action	Court Fee	Our Fee
Warrant of Control	£83.00	£180.00
Writ of Control	£71.00	£360.00
Attachment of Earnings Order	£119.00	£360.00
Charging Order	£142.00	£360.00
Third-Party Debt Order	£221.00	£450.00

## Insolvency Proceedings

In the event the debtor does not make payment on demand and the debt is undisputed, insolvency proceedings may be required in order to recover the debt. Where the application is uncontested, we will charge fixed fees and disbursements as set out in the table below. Our fees are exclusive of VAT, which will be applied to our charges at the standard rate.

Insolvency Action	Court Fee and Deposit	Our Fee
Statutory Demand	-	£360.00
Winding-Up Petition	£2,902.00	£630.00
Bankruptcy Petition	£1,802.00	£630.00