

PROBATE AND ADMINISTRATION OF ESTATES

PRICING POLICY

Generally, to obtain a Grant of Probate or a Grant of Letters of Administration (collectively called a "Grant of Representation") where the estate is under the threshold for Inheritance Tax, currently £325,000 and there are no lifetime gifts having been made in the seven years prior to death, the likely costs would be approximately £500 plus VAT plus the relevant Probate Fees which are currently £273. This is where the assets are limited in extent.

Where the estate is more extensive or complicated, for example, where there is Inheritance Tax to pay then it is likely that the costs of obtaining a Grant will be higher because there is more time involved in preparing the paperwork leading to the Grant of Representation. When I take instructions I will assess what work is required to be done taking account of the nature of the assets, the extent of the estate and generally an estimate can be given. Valuers' expertise may be necessary and their fees will be extra.

The general hourly chargeout rate for my Probate work in my office is £150 per hour plus VAT.

You may want me to advise on the necessary decisions whilst Probate is awaited which will be charged at my hourly rate.

After the Grant of Representation has been obtained the next step is to deal with the winding up of the assets of the estate and paying all liabilities. You may wish me to take charge of this work. The extent and nature of the work will depend upon many factors including: if there is a Will; how many bequests there are; or if there is no Will, the number of next of kin. There may well be Income Tax Returns outstanding, claims against the estate to be considered as well as dealing with the taxation of capital gains and income during the administration period until the amount of the residue of the estate is ascertained.

If I consider an estimate of cost of the work is needed to be done it will be given (both before and after the grant is applied for) and what it will cost. This could include:- instructing valuers to get market value of assets to satisfy the Revenue assessment; collecting in assets sale of land and property; mitigation of Inheritance Tax through a Deed of Variation; dealing with the Revenue; discussing ongoing trusts the deceased may have set up under the Will.

If I am acting as an Executor of the estate or appointed Administrator of the estate besides the above-mentioned costs there may be a value factor which is usually of 1 ½ % of the estate (reduced to ¾ of 1% for any property or buildings) to cover my time spent in assessing the risk and dealing with it. Generally, where I am not an Executor or an Administrator the value factor is lower typically 1% of the estate assets with ½ of 1% for land and property. In certain

circumstances value factors might not be charged at all; it depends on the nature of the work to be done. Please discuss this with me. Value factors will not apply in relation to the work of obtaining the Grant of Representation in the first place.

If I feel the extent of the work needed to be done differs from the original cost estimate given I will write to inform the client, usually the executor and sometimes the residuary or a specific beneficiary, what has made the work more prolonged and what to expect in the way of charges.

The terms of business that I would agree with the Executors and Administrators will be set out in writing before any work is done.

All fees are subject to VAT at 20% under current legislation but not all fees carry VAT.

Disbursements

During the course of acting on your behalf in the administration of an estate I am likely to incur “out of pocket” expenses. These are payable in addition to my fees. Typical examples include:-

1. HMCTS Probate Registry Application Fee: £273 (plus £1.50 for each sealed copy of the Grant);
2. Land Registry Office Copy Entries: £6 each to check a registered title;
3. Bankruptcy Searches: £2 each to check a person is not bankrupt;
4. Statutory Advertisements: from £90 to £300 plus VAT (in the London Gazette and possibly a paper distributed in the locality where the deceased lived) which protects the executors from claims prior to distribution.

All prices correct as at March 2022.

Timescales

The time a matter will take will be subject to the complexity of the estate, the co-operation of the personal representatives, number of beneficiaries and other third parties involved in the estate administration.

Where the assets can be readily obtained and valued I will be able to apply for the Grant of Representation within four weeks of you providing the information required to complete the relevant paperwork. I will advise on the likely time that the Probate Registry will take to issue the Grant based on my experience of the service at that time. For example, in 2021 the time varied during the year from 16 weeks at best to 20 weeks at worst.

To wind up the estate it is usual for the administration to be completed within six months from the issue of the Grant. Where a property is being sold the sale will dictate timescales. If

Inheritance Tax is a liability of the estate a lot will depend on how long HMRC takes to agree clearance for tax purposes.

I will endeavour to provide an indication of likely timescales at the outset of the matter and will keep you updated as the matter progresses.

I will either be dealing with or will oversee the work on the file. As a sole practitioner, I have over 44 years experience as a practising Solicitor; and over 35 years acting on my own account during which I have acted on probate work on a regular basis.

Peter D Greenhalgh

May 2022