

## **Probate Costs**

Obtaining a grant of representation and dealing with the administration of an estate can be complicated; it can take several months to make sure everything is done properly. At SP Law (incorporating Martin Adams & McColl) we offer a complete estate administration service to deal with everything for you. Alternatively you can take advantage of a fixed fee service to obtain a Grant of Probate or Letters of Administration.

Every estate is different, which is why we encourage you to contact us so we can provide you with an estimate outlining a range of potential fees to make sure that you get the right amount of support to meet your individual circumstances. We will update you regularly with regard to the costs throughout the matter so you can stay in control.

## **Fixed Fee**

We offer a fixed fee service to obtain a Grant of Probate (where there is a Will) or a Grant of Letters of Administration (on Intestacy without a Will).

In most straightforward matters the fee for extracting a Grant and completing Form IHT205 with no further complications is £850 plus VAT, total £1,020, plus disbursements such as Probate Court fees.

For Extracting a Grant where Form IHT400 is required but where no Inheritance Tax is payable, the fees will be £1,200 plus VAT, total £1,440, plus disbursements such as Probate Court fees.

Any additional work is charged at an hourly rate. The current hourly rates for fees earners in the Private Client Department are as follows:-

<b>Ann Frost</b> - Solicitor, Director and Registered Trust and Estate Practitioner and Head of Private Client Department (over 40 years' experience) Wellingborough & Northampton offices	£250.00 plus VAT an hour
<b>Lynsey Ward</b> - Associate Solicitor, Head of Matrimonial Department (over 3 years' experience in Private Client) Northampton office	£225.00 plus VAT an hour
<b>Joanne Axisa</b> - Paralegal (over 5 years' experience) Northampton office	£185.00 plus VAT an hour
<b>Susan Everton</b> - Paralegal (over 27 years' experience) Wellingborough office	£185.00 plus VAT an hour

**Eleanor Roberts** - Paralegal

(over 2 years' experience) Wellingborough office

£150.00 plus VAT an hour

**Bethany Albon** – Paralegal

(over 2 years' experience) Northampton Office

£150.00 plus VAT an hour

Our fixed fee charges include an initial meeting, general advice, preparation of relevant documentation, a second meeting to deal with the signing of the Probate papers (if required) and submission of the application for a Grant.

As part of our fixed fee service we will provide you with a dedicated and experienced Probate Practitioner to work on your matter.

### **Full Administration**

We can provide a full administration service which will include all work required to obtain a Grant of Probate or Grant of Letters of Administration, completing any necessary HMRC Inheritance Tax forms, arranging for payment of Inheritance Tax if required and on receipt of the Grant, registering this with various asset holders, collecting in monies due, settling liabilities and making distribution of monies to beneficiaries. We will also provide estate Accounts and income tax information for the administration period.

**We base our charges on an hourly charge rate (see above) in accordance with the time taken. We do not charge a fee based on a percentage of the value of the Estate.**

Any property sale or transfer, first registration of unregistered deeds or Deed of Variation of the provisions of a Will or Intestacy would be dealt with as a separate matter.

The exact cost will depend on the individual circumstances of the matter. For example, if there was one beneficiary and no property, costs would be at the lower end of the range but if there are multiple beneficiaries, a property and multiple bank accounts, shares and other investments, costs will be at the higher end as more work will be required.

Depending on how much work is involved and whether matters are straightforward or complex, we will provide an estimate of costs at the outset of the matter and review the estimate as the matter proceeds. At the lower end of the scale, fees for administering a very simple estate without a property may start from £1,000 and for a complex estate involving payment of Inheritance tax with numerous assets and several

beneficiaries, costs could range from anything between £2,000 and £15,000 plus VAT and disbursements according to the number of hours of work required.

Where possible, straightforward work will be delegated to a fee earner with a lower charge rate in order to keep fees to a minimum. Our fees are competitive and we aim to provide excellent service at a reasonable price.

If any disputes arise between executors or beneficiaries in connection with the Will or relating to the administration of the estate this will lead to an increase in costs.

Similarly, if any claims are made against the estate (for example by dependants under the Inheritance Provision for Family and Dependents) Act 1975 or if the validity of a Will is challenged) then costs will escalate.

If the estate is more complex (for example involving claims for Inheritance Tax reliefs such as Business Property relief or Agricultural Property relief) then inevitably more work will be required than in a straightforward case. If complications arise, we will discuss these with you and advise you of any additional fees involved.

We can arrange (through trusted contacts) to provide valuations of land and property and other assets for IHT purposes, house clearance services, buildings insurance quotes for unoccupied properties, asset searches and searches for missing beneficiaries.

We can tailor our service to suit your requirements.

If necessary, we can arrange for you to receive advice with regard to Inheritance tax, Capital Gains tax or Income tax issues which may affect the administration of the estate.

### **Disbursements**

Disbursements are costs related to your matter that are payable to third parties such as Probate Court fees. We handle payment of the disbursements on your behalf to ensure a smoother process. Potential disbursements include:-

- Probate Court fees including fees for Office Copy Entries £155 + £1.50 for each additional office copy.
- Land Registry fees.
- Statutory Advertisements (inviting claimants or creditors to contact the executors before the estate is distributed).

We will only request payments on account from you to cover payments of disbursements.

## **Other Fees**

We charge a one-off digital file storage fee of £10 plus VAT, total £12.

We charge the following fees for CHAPS or same day BACS bank transfers:- e.g. when making payments to beneficiaries or redeeming a mortgage.

- CHAPS £40 plus VAT, total £48
- Same day BACS £12.50 plus VAT, total £15

There is no charge for a next day BACS payment.

## **Timescales**

If we obtain the Grant of Probate or Letters of Administration only then once we have all information to hand, the Grant should be obtained within 4 – 8 weeks. If an IHT400 is required to be submitted to HMRC then we have to wait 20 working days before the probate application can be made and so this will delay the issue of a Grant of Probate for a further four weeks on the above timescales.

On average, if we deal with an administration of a simple estate (no land or property in the estate), this could be finalised within six months from the Grant of Probate having been obtained. Having obtained the Grant of Probate or Letters of Administration as above then collecting in assets follows which can take between four and twelve weeks. Once this has been done, we can distribute the assets, which normally takes two to three weeks. Sometimes the administration will be delayed, e.g. if we have to deal with a tax liability or claim for overpaid benefits made by the DWP. Sometimes delays occur because we are waiting for information or documents from you, or if third parties do not respond to our communications promptly.

The Executors or Administrators of the estate may need to delay distribution of the estate until 6 months have passed since the Grant was issued (to ensure that the time limit has passed for claims to be made against the estate under the Inheritance (Provision for Family and Dependants) Act 1975 or until the notice period for any statutory advertisement has passed.

A more complicated estate can take many months or sometimes years to be completed. If inheritance tax is payable then it can take several months before the liability is finally agreed with HMRC. In a complex estate, arrangements may need to be made for registration of the estate with HMRC and submission of income tax returns covering the administration period.

The administration of an “average” estate with one property, several bank accounts, some other investments, e.g. premium bonds, a few stocks and shares and an insurance policy could cost around £2,000 - £3,000 plus VAT and disbursements (with the property sale being dealt with as a separate matter). The administration of the estate could take between six to twelve months depending on how quickly the property is sold although the administration of the personal Estate, e.g. the cash investments, could be completed earlier and interim distributions made to the beneficiaries.

**If you require any further information about costs or time scales or if you would like a no obligation estimate of costs and disbursements based on your individual circumstances, please do not hesitate to contact us.**

**We will be pleased to assist you at what can be a difficult and stressful time in any way we can.**