

## **PROBATE AND ESTATE ADMINISTRATION COSTS AND EXPENSES**

### **Grant of Probate**

Probate is the term given to the legal right granted to a person (or more than one person) to deal with someone else's property, money and possessions after they die. This is also sometimes referred to as dealing with someone's estate.

The persons dealing with this will be the executors named in the Will (if there is one) or those entitled to become administrators in the estate (if there is no Will). The collective term for both executors and administrators is 'personal representatives'.

It can be a particularly difficult time following someone's death. However our legal experts are on hand to represent you in obtaining the grant of probate. Our experts can also collect and distribute assets that form part of someone's estate on your behalf. At the end of this note we have set out the scope of work that is taken in a typical estate, for illustration purposes.

In the paragraphs below when we refer to an estate being 'taxable' this refers to the estate having to submit an Inheritance Tax Account to HM Revenue & Customs.

In some circumstances a close estimate is not always possible to provide, and particularly where there are complex stages or considerations. This might include where an original copy of a will has been lost. In those circumstances we will be happy to talk to you about the specific work we will need to undertake if we represent you, and the charges for that work.

We can advise you if an estate will be subject to tax. There is also information on the [UK Government guide to inheritance tax](#).

### **What does it cost for you to help me obtain a Grant of Probate?**

We can represent you in obtaining a Grant of Probate. Our charges for doing so will be dependent on specific circumstances but we have set out some costings below.

#### **Probate Grant for a simple estate that is not taxable**

We would anticipate that this would take between 2 and 4 hours of work at £300.00 per hour (plus VAT at 20%). Our charges would therefore lie between £600.00 and £1,200.00 (plus VAT at 20%).

We would expect that an estate falling into this category would take around 2 to 4 months in order to obtain the Grant of Probate.

#### **Probate Grant for a complex estate that is not taxable**

We would see a complex estate as one that incorporates a number of properties and/or investment assets each requiring valuation. Also where there may be a number of allowable reliefs to be assessed and claimed so as to permit the estate to be classed as an 'excepted estate' upon which no tax is payable.

Alternatively, an estate where there is no Will so that the application is being made by a person or persons entitled to apply as administrators.

We would anticipate that this would take between 4 and 8 hours of work at £300.00 per hour (plus VAT at 20%). Our charges would therefore lie between £1,200.00 and £2,400.00 (plus VAT at 20%).

We would expect that an estate falling into this category would take around 2 to 5 months in order to obtain the Grant of Probate.

### **Probate Grant for an estate that is taxable**

A taxable estate will require considerable additional time and effort as this will additionally involve the completion of the detailed HMRC Inheritance Tax Account prior to being able to make the application for the Grant of Probate.

We would anticipate that this would take between 8 and 15 hours of work at £300.00 per hour (plus VAT at 20%). Our charges would therefore lie between £2,400.00 and £4,500.00 (plus VAT at 20%).

We would expect that an estate falling into this category would take around 4 to 6 months in order to obtain the Grant of Probate.

### **Expenses to obtain the Grant of Probate**

In order to obtain the Grant you must pay a fee to the Probate Registry. We will also have our initial client due diligence fees. We set these out as follows:

Grant of Probate Fee:	£300.00 (if the estate is valued at less than £5,000 the fee is Nil)
Additional Copies:	£1.50 each
Electronic ID Fee:	£14.40 per person
Bankruptcy Search Fee:	£6.00 (relevant to the deceased)

### **Grant of Probate and Administration of the Estate**

As a general guide our fees for obtaining the Grant of Probate and then administering an estate are likely to fall within the following ranges:

#### ***A Simple case £3,000 - £6,000 + VAT at 20%***

##### Assumptions for this category:

An Inheritance Tax Account is not required – usually where the estate is what is known as an ‘excepted estate’. This is where the value of the estate is less than £325,000 or less than £1,000,000 and all of the estate passes to a surviving spouse – and there are no or minimal Complicating Factors – see ‘Complicating Factors’ below.

On average, estates that fall within this range are dealt with within 4 to 6 months. Typically, obtaining the grant of probate takes 12 weeks. Collecting assets then follows, which can take between 3 and 6 weeks. If property has to be sold then this will extend the time of course. Once this has been done, we can distribute the assets, which normally takes 2 to 4 weeks.

#### ***B Medium complexity case £7,500 - £15,000 + VAT at 20%***

##### Assumptions for this category:

An Inheritance Tax Account is required and/or there are several Complicating Factors but there are no foreign assets and no claim for e.g. Business Property Relief or Agricultural Property Relief – see ‘Complicating Factors’ below.

On average, estates that fall within this range are dealt with within 8 to 12 months. Typically, obtaining the grant of probate takes around 20 weeks. Collecting assets then follows, which can take between 4 and 8 weeks (longer where there is property to be sold). Once this has been done, we can distribute the assets, which normally takes 2 to 4 weeks.

**C      *Higher complexity case      £20,000 - £45,000 + VAT at 20%***

An Inheritance Tax Account is required and/or there are many Complicating Factors and/or there are foreign assets and/or a claims for e.g. Business Property Relief or Agricultural Property Relief are required – see ‘Complicating Factors’ below.

On average, estates that fall within this range are dealt with within 12 to 24 months. Typically, obtaining the grant of probate takes around 26 weeks. Collecting assets then follows, which can take between 4 and 16 weeks (especially where there is property to be sold). Once this has been done, we can distribute the assets, which normally takes 4 to 8 weeks.

Please note, the above fees are only guidance and precise fees may vary from case to case (please see ‘Complicating Factors’ below). A bespoke cost estimate will be given to you at the outset of your case and will be reviewed regularly throughout your case.

### **Complicating Factors**

Every estate is different and costs will vary depending upon the complexity of the individual case. Complicating factors which might increase costs include:

- The provision of a large amount of initial financial paperwork for us to analyse so as to identify assets and liabilities
- Significant gifts having been made in the 7 years before death
- The existence of any trusts which may impact on the value of the estate for tax purposes
- Where there is more than one property to be dealt with
- Where there are more than 4 bank or building society accounts
- Where there are Foreign Assets
- Where there estate includes one or more interests in a business
- Where the estate includes agricultural land and property
- Where the number of beneficiaries exceeds 10 in number or includes a mix of charity and non-charity beneficiaries
- Where there is no Will and the deceased had a large family or no immediate family (and so triggering a need to establish heirs)
- Where the estate is such that complex issues arise including, but not limited to, applying for inheritance tax exemptions and reliefs (e.g. Business Property Relief, Agricultural Property Relief, Residence Nil Rate Band)

- Where there disputes between beneficiaries or family regarding the Will, claims for Financial Provision or regarding the administration of the estate generally.

### **Sales of Property**

The above fees do not include our charges for the conveyancing work involved in the sale of any properties out of the estate. This work is dealt with by our specialist Residential Team who will provide a detailed costs and expenses estimate at the appropriate point..

### **Expected Expenses in Obtaining the Grant and Administering the Estate**

In addition to our charges noted above (and VAT at 20%) we would anticipate the following expenses ('disbursements') to apply. We will usually ask you to pay these to us before we incur the expense with the relevant 3<sup>rd</sup> party.

Grant of Probate Fee:	£300.00
Additional Copies:	£1.50 each
HM Land Registry Fee:	£7.00 per official copy document
Electronic ID Fee:	£16.80 per person
Bankruptcy Search Fee:	£6.00 (relevant to the deceased)
Bankruptcy Search Fee:	£6.00 (for each beneficiary)
Overseas Bankruptcy Fee:	£102.00 (for overseas beneficiary – cost varies according to country in question)
London Gazette Entry:	£124.80 (Protects executors against unexpected claims from unknown creditors)
Local Newspaper Entry:	£300.00 (Protects executors against unexpected claims from unknown creditors)
Asset Search Fee:	£198.00 (Helps to identify assets where there is doubt)
Bank Transfer Fee:	£14.40 per bank transfer

### **Scope of Work – An example**

What follows is an example of a costing for a relatively straightforward estate administration. This can also be a guide for where we are only working to obtain the Grant – with the steps stopping at the point where this is obtained.

We have had to assume some things in making this calculation, and the assumptions are shown below the example. Clearly, this will not apply in each case but we hope that this is a useful illustration.

The typical steps taken by us in the administration of an estate may consist of:

- An initial meeting with an experienced solicitor or partner to discuss the situation
- Our initial review and assessment of the estate

- Preparation and issue of our terms of engagement – tailored to the individual estate
- Lodging a Trustee Act Notice with the London Gazette
- Obtaining Office Copies of the title from HM Land Registry for the property
- Checking transfer of ownership in the car and insurance/road tax arrangements
- Arranging payment of the funeral account directly with the bank
- Applying to HM Land Registry to remove the name of the deceased from the register for the property (and give updated Office Copies to the executor)
- Making a bankruptcy search against the deceased
- Making an electronic ID check for the executor
- Notifying the cash legacy beneficiaries as to the bequests in their favour
- Writing to the banks, building societies and company registrars to advise of the death, to request valuations of the asset at date of death and any closure/transfer forms
- Having the personal chattels (including the car) valued as appropriate
- Having any property valued by a suitably qualified surveyor
- On receipt of the information listed above to then:
  - Prepare the Inheritance Tax calculation; and
  - Prepare the Probate application (usually online) and Legal Statement; and
  - Complete the closure forms and transfer/sale forms for the investments
- Reviewing the IHT details and Legal Statement with the executor, and then arrange for them to be signed along with the closure/transfer forms
- Lodging the application for a Grant with the Probate Registry
- On receipt of the Grant write with claims to each bank/building society and company registrar
- Providing a copy of the Grant and Will to the executor
- As payments are received into the firm's client account these are carefully noted
- Once all assets are received, with the executor's approval, we pay the cash legacies
- Reviewing the position concerning income tax and any refunds due to the estate
- Preparing a detailed estate account for the approval of the executor and residuary beneficiary
- On approval, making a final bankruptcy search (if required) prior to distribution of the assets to the surviving spouse in accordance with the Will
- Storage of the Grant and copy Will for later use on the death of the surviving spouse
- Closing meeting with the executor, if requested
- Closure of the file – followed by its archiving for a period of years to be agreed.

**The assumptions** that we have made in working out the above costings are that:

- The deceased left a surviving spouse
- The property was owned jointly with the surviving spouse – and consisted of the family home
- The deceased had not made any lifetime gifts, nor made any special arrangements for a pension or life insurance policies
- There is no non-UK property or asset involved

- The deceased had the following assets (other than the home):
  - One bank account owned jointly with the surviving spouse
  - Two other deposit bank accounts in different banks and a cash ISA in the sole name of the deceased (each holding £85,000 credit balance)
  - A small PLC shares portfolio of 4 different companies
  - A car
- The deceased had no mortgage (and no debts) other than the funeral account and the funeral tea
- The deceased left a Will (which is not disputed) – which provided as follows:
  - For three cash gifts to charities
  - Everything else to the surviving spouse
- A Grant of Probate is required because of the value of the bank accounts, but also due to the presence of the shareholding
- There are no Agricultural or Business Property Reliefs to claim, and no Inheritance Tax to pay
- The overall time taken would be between 10 and 12 hours split between the relevant fee earners in the firm

### **Our Probate Team**

Our team has over 50 years of collective experience in delivering high quality work in all matters relating to Wills and Estate Administration. They have long experience in dealing with high value estates and inheritance tax matters.

We have two solicitors, an apprentice solicitor and a paralegal who may work on your matter. Regardless of who works on your matter, they will be supervised by either Mark Butson or Frances Cowan – both Partners in the firm with a huge amount of experience in this area of work.

#### **Mark Butson - Partner**

Mark has more than 30 years' experience in conveyancing work and has been able to successfully assist in many estates over that time.

Mark qualified as a solicitor in 1985 having completed his training contract with the firm. He maintains knowledge of current developments in Wills and Probate through ongoing relevant professional development courses.

#### **Frances Cowan – Partner**

Frances is also highly experienced in conveyancing and has some 25 years practical experience.

Frances qualified as a solicitor in 2002 having completed her training contract with the firm. Since qualifying Frances has been involved in many estates and has a good knowledge of the many factors relating to successfully administering an estate..

#### **Isobel Miller – Apprentice Solicitor**

Isobel is currently enrolled as an apprentice solicitor starting work with the firm in this capacity in 2024. As a part of her training Isobel works in several departments within the firm but has gained considerable experience in the drafting of Wills and in the administration of estates.

**Susan Dunbar - Paralegal**

Susan has many years practical experience in dealing with the day to day work involved in extracting a Grant of Probate and correctly administering an estate. She has over 30 years' experience in the field. She also benefits from extensive training provided both externally and within the firm and works under the direct supervision of either Mark or Frances.