

OVERVIEW AND COSTS INFORMATION
PROBATE AND ADMINISTRATOR OF ESTATES

Overview

The estate of a deceased person is administered either by an executor or by an administrator. Where the deceased has left a valid Will, the appointed executor will take out a Grant of Probate. If the deceased did not leave a valid Will, or there is a valid Will and the executor has died or does not wish to act, it becomes necessary to establish who is entitled to take out a grant of representation. This is known as the Grant of Letters of Administration, and the personal representative will be an administrator, and not an executor.

In order to assist you to obtain a grant of representation, whether as an executor or an administrator, we will need to:

- Obtain probate values of all assets of the deceased, including those held in joint names. Assets would include bank and building society accounts, National Savings & Investment products such as Premium Bonds, shareholdings and investments, the deceased home (or their share), any other land and buildings they owned, any business and farming assets, and household and personal goods (these include cars, boats, caravans as well as clothing, jewellery and the contents of the deceased's home);
- Obtain details of any gifts the deceased made in the seven years before their death;
- Obtain details of all liabilities, including any payments which those close to the deceased may have paid after the death.

From this information we will:

- Calculate and complete the Inheritance Tax Account (if Inheritance Tax is payable) or the Inheritance Tax Return (if the estate is not taxable);
- Prepare the Oath for the personal representative;
- Submit the signed Inheritance Tax Account to HM Revenue & Customs and arrange for its receipt which in turn will be submitted to the Probate Registry.

When the Grant of Representation has been issued:

- Collect in or transfer the assets as required;
- Settle outstanding debts;
- Advise about placing statutory advertisements;
- Settle income tax and capital gains tax and close tax records;
- Prepare Estate Accounts showing how the capital value has changed since the date of death, and showing all income received, outgoings and administration expenses, and how the residue of the estate has been distributed;
- Arranging final distribution.

Costs

The costs for administering an estate are paid by the estate and as every administration and estate is different our costs reflect these circumstances. In our experience costs for the full administration of an estate usually range between £4,000.00 and £20,000.00 plus VAT however in particularly complex estates the costs could be outside of this range.

We usually charge for this type work on an hourly basis however we are able to offer certain fixed fees for specific parts of the process if requested. The work will be carried out by a partner, or an experienced solicitor.

Our hourly rates are £200 plus VAT.

The time it will take to obtain a grant of probate and administer an estate will depend upon:

1. the assets in the estate:
 - a. how many assets there are – the more there are, the more time will be spent on dealing with the administration;
 - b. the type of asset – it is more straightforward to close a bank account than to sell shareholdings and investments;
 - c. how the asset is to be dealt with – if a beneficiary wishes to receive a specific asset that is not gifted to them under the Will, there will be additional work to be carried out.

2. the beneficiaries:
 - a. how many beneficiaries there are;
 - b. whether any beneficiaries are bankrupt;
 - c. whether any beneficiaries are outside the UK;
 - d. whether any beneficiaries are minors;
 - e. whether any beneficiaries disagree with the terms of the Will or intestacy provisions.

3. Inheritance Tax:
 - a. If a full Inheritance Tax Account is required and Inheritance Tax is to be paid, there will be significantly more work to be carried out than if a straightforward Inheritance Tax Return is to be completed.

4. Potentially complicating factors:
 - a. If anybody makes a claim against the estate;
 - b. If the deceased had a business or was a farmer;
 - c. If the deceased had property outside the UK.

Estimating the Costs

It is always difficult to provide an estimate which covers all possible cases. Even where one estate is comparable in value with another, there will be factors which mean that more work is needed to complete the administration of one of the estates than is needed in the other.

However, as a basic guideline:

- A straightforward estate: £4,000.00 to £8,000.00;
- An estate with more assets or of higher value and a number of legacies and beneficiaries: £8,000.00 to £12,000.00;
- An estate with a large number of assets and beneficiaries and any of the complicating factors in 4 above: £12,000.00 and above.

In addition to the fees estimates there are a number of expenses which will be payable:

- Probate Registry Fee currently £155.00;
- Commissioners fee for swearing of the Oath being £5.00 plus £2.00 per attachment;
- Trustee Act Notices placed in the London gazette approximately £170.00;
- Bankruptcy search fees £2.00 per beneficiary.