

# THURSFIELDS

## Solicitors

### Probate Services

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Thursfields' Wills & Estates Department has extensive experience in dealing with the administration of estates. The process can be complex and time consuming. During what is an emotionally stressful time, our specialists will listen sympathetically, whilst also expertly leading you through this difficult area.

Like other areas of law, some of the language can be confusing. Hopefully, this explanation will make things a bit clearer.

Most people understand that 'Probate' is something to do with sorting out a deceased person's property and this is correct to a certain extent. In a lot of cases, before anyone can deal with a deceased's property, especially a house, they have to have the authority to do so. This authority comes in the form of a notice from the Court known as a Grant of Representation. If there is a will that appoints executors, this Grant is called a Grant of Probate; if there is no will, or the executors cannot act, it is called a Grant of Letters of Administration. The terms 'Grant of Representation' or 'Grant' and 'Personal Representatives' or 'PR's' cover both.

#### Our Team

Our Estate Administration Team is made up of CILEX (Chartered Legal Executives) and qualified solicitors with a range of experience. The Team is supervised by Ian Bond who has nearly 20 years' experience and who qualified as a solicitor in 2003. For more details of our Estate Administration Team and their experience, please see our individual website profiles.

#### Charges

Our charges are based upon hourly rates which are reviewed annually from 1 May. Our current hourly rates are below:

Seniority	Hourly rate (plus VAT)
Directors/Associate Directors	£280 - £350
Senior Associates	£260
Associates	£240
Solicitors/Legal Executives	£200
Trainees	£150
Paralegals	£115

If you instruct us, we will set out the relevant hourly rates in our Client Care Letter.

#### Service Options

Full Estate Administration
We charge on a time costed basis based upon our hourly rates.

Grant Only Services	Fee	Estimates (excluding disbursements and expenses)
Obtain Grant - (IHT 205) with no Inheritance Tax to pay	£950 - £1,500 plus VAT	

Obtain Grant - (IHT 400) with no Inheritance Tax to pay	£1,500 - £3,000 plus VAT
Obtain Grant - (IHT 400) with Inheritance Tax to pay	£2,500 - £5,000 plus VAT

### Grant Only Services

We will obtain a Grant of Representation if the client wishes to administer the estate themselves but needs help with the first part of the process.

Fees - The fee payable (see above for estimates) will depend on the work required to obtain the Grant and this will vary depending upon what legal documents need to be completed, for example, whether Inheritance Tax is payable or not. In addition, standard disbursements will be payable, such as the Probate Court fee (see below for additional costs section).

Timescales - It can take between 4 weeks to 6 months to obtain a Grant from the Probate Registry. The timeframe is affected by matters outside our control, such as waiting for required information, or the time taken by the Probate Registry to issue the Grant following submission of our application.

Additional complications – where there are complexities such as domicile issues, or the completion of additional supplementary documents, such as for claims for certain Inheritance Tax reliefs, then we will undertake this extra work on an hourly-rate basis and these additional fees will be in addition to the fees quoted above. Estimates will be provided in advance of the work being undertaken.

### Full Estate Administration Service

We can provide a full end-to-end estates administration service, which includes obtaining the Grant of Probate (or Letters of Administration if there is no Will) on behalf of the Executor. We charge for this on our hourly rates (see above). For a simple, straightforward estate our fees will be less than for a more complex estate, which takes more time to administer. Below is an estimate of our price ranges:

Full Estate Administration Service	Costs (excluding any third party or additional expenses)
Straightforward Case	£3,000 - £7,000 plus VAT
Medium Complexity Case	£7,000 - £15,000 plus VAT
Complex Case	From £15,000 plus VAT

### Additional Costs

Law firms often talk about “Disbursements” and these are costs related to your matter that are payable to third parties, such as Court fees. There may also be additional expenses which we will make in addition to our fees, such as an Electronic ID fee. We will always be upfront with you as to how much these charges are and what they relate to. If you instruct us, we set out any known additional expenses in our Client Care Letter.

Examples of additional costs that relate to estate administration:

- Probate court fees – £155 plus £1.50 per sealed copy (correct as at March 2020);
- Bankruptcy searches – £2 plus VAT per search;

- Copy of registered title to a property (each one) - £3 plus VAT;
- Asset searches – £162 (including VAT); and
- Statutory advertisements (to protect PR's) – from £300 but actual cost depends upon the cost of placing a Legal Notice in the local paper. This can vary greatly.

VAT will also be added to our fees at 20%.

There may be other expenses payable dependent upon the needs of the estate. These may include instructing asset valuations, estate agents, stockbrokers, accountants, genealogists or financial advisor fees, the fees to obtain a legal opinion from a barrister or external lawyer's fees to deal with assets overseas.

### **Key Stages of an Estate Administration**

The key stages show a guideline of the work involved. If some of those stages are not required, then the time spent will be reduced and the cost will reflect this.

- Making full enquiries as to the extent of the assets and any liabilities in the estate,
- Identifying beneficiaries or those named in the Will,
- Collecting in assets and determining their value,
- Correspondence with our clients through the process,
- Drafting and submitting the Probate application (including forms IHT205 or IHT400),
- Dealing with Capital Gains Tax/Income Tax matters (where relevant this may involve instructing an accountant, whose fees will be in addition to our own),
- Distribution of the estate assets and the preparation of final estate accounts.

### **What will make a case more complex (or towards the higher end of the range provided)?**

- If there are a larger number of beneficiaries and/or beneficiaries who cannot easily be identified,
- If there are a large number of assets – a straightforward estate would have a single property and a couple of bank accounts,
- If there are overseas properties, agricultural or business assets or private company or publicly traded shares where valuation is not straightforward or dealings with Registrars become drawn out,
- If there are delays in receiving responses to our correspondence to clients, beneficiaries or other third parties.
- Arranging for house clearances,
- Managing and insuring unoccupied property,
- Involvement in family trusts or complex pensions arrangements,
- Assets where the historic ownership is unclear,
- The frequency of communication required by our clients and the beneficiaries of the estate will have an impact on our fees; an estate with many beneficiaries requiring regular contact will lead to higher fees than an estate with one beneficiary requiring infrequent contact.
- Inheritance Tax issues may increase the overall complexity of administering an estate.
- Dealing with third party issues or disputes (HM Revenue & Customs (HMRC) may question the value of the estate assets submitted/the Department for Work & Pensions (DWP) may query the payments of means-tested benefits received by the deceased during their lifetime)
- A dispute between the beneficiaries which needs to be resolved before the administration can be completed.

## Services not covered

These price ranges are provided on the basis that we are not required to provide the following services which would be charged additionally and for which we would provide a separate estimate:

- Registering the deceased's death and/or arranging the funeral,
- Administering any trusts resulting from the terms of the Will,
- Preparing Deeds of Variation,
- Conveyancing on the sale or transfer of the deceased's property,
- Tracing a missing will or missing executors,
- Dealing with any tax returns relating to before/after the deceased's death
- Dealing with tax planning issues related to the estate of any predeceased spouse,
- Disputes over who is entitled under the Will or dealing with any claims against the estate,
- Reviewing retrospective Care Funding matters concerning the deceased,
- Insolvency issues,
- Providing advice on any business or overseas assets.

Every estate is different and we will only charge for the work that is relevant to properly administer the estate. However, to give an idea of what our charges will be, please see below for some typical examples of what we have charged our clients in the past.

## Timescales

The length of time that it takes to administer an estate depends upon factors such as the complexity of the estate, whether inheritance tax is payable and external agencies, such as HMRC. The case study examples took between 6 – 12 months. We can provide regular updates on timeframes as your matter progresses.

## Case Studies

### ***A simple estate with no Inheritance Tax to pay – Fees: under £3,000 + VAT and expenses/disbursements***

The estate of the late Mrs W was administered by a Director in the Department. It took approximately 6 months to administer the estate. The estate consisted of the deceased's property and a few personal possessions.

No Inheritance Tax was payable as the estate was less than the Nil Rate Band.

There were no debts to pay and the property was sold immediately after the Grant of Probate was obtained.

### ***A medium-complexity estate with no Inheritance Tax to pay – Fees: £7,000 + VAT and expenses/disbursements***

The estate of the late Mrs F was administered by an experienced Associate in the Department. It took approximately 12 months to administer the estate. The estate was valued at £375,000 which consisted of an interest in a property as well as multiple bank accounts, National Savings Products and a car. The deceased left a Will with a specific bequest of their personal possessions, a Nil-Rate Band Discretionary trust and the residue of the estate was left to the spouse. We advised our client in relation to the Discretionary Trust and upon the instruction of the trustees prepared the legal paperwork to wind up the trust and transfer the assets to the surviving spouse. No Inheritance Tax was payable. There were delays in the overall time it took to administer the estate because of the time it took HM Revenue & Customs to correctly process the final Income Tax return.

### ***A medium-complexity estate with Inheritance Tax to pay – Fees: £11,000 + VAT and expenses/disbursements***

The estate of the late Miss O was administered by an experienced Associate in the Department. It took approximately 9 months to administer the estate. The estate was valued at £550,000 which consisted of a property

as well as multiple bank accounts, a National Savings product, a life insurance policy and a shareholding. The deceased left a Will with three cash legacies and the residue of the estate payable to three beneficiaries. The administration of the estate proceeded swiftly without any delays, despite the property needing to be sold on the open market and the estate being liable for Inheritance Tax.

***A complex estate with Inheritance Tax to pay – Fees: £28,000 + VAT and expenses/disbursements***

The estate of the late Mr L was administered by a Director in the Department. It took approximately 18 months to administer the estate. The estate was valued at well over the Inheritance Tax Nil Rate Band which included a business (which could not continue without the deceased), multiple bank accounts, stocks, bonds and a life policy, as well as some more unusual assets. Due to the complex nature of the assets, and the fact that Inheritance Tax and a number of debts needed to be settled, the estate took well over a year to administer.

If you would like to speak with one of our Team, please email [wills@thursfields.co.uk](mailto:wills@thursfields.co.uk).

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*This information was correct as at 1 June 2021*