

HARVEY HOWELL – OUR APPROACH TO PROBATE – Information on our service and price.

What is Probate?

Probate is the legal process for dealing with someone's property and debts (called the Estate) after someone has died.

Generally this means gathering all of their assets and paying all of their debts and distributing the Estate in accordance with the terms of their Will (if there is one) or according to a legal scheme (if there is not a Will).

We can help you with this and have considerable experience in dealing with Probate.

What will it cost?

We want to be as transparent as possible on price. It is best to explain this through a couple of examples, of course, these examples are only an indicative estimate to help you understand the cost and are not a binding quote for each and every matter.

In many cases, things change once the administration of the estate begins so the final cost will depend on how complicated it becomes.

Here are some examples to help you decide

1. A simpler "lower value Estate (where there is no Inheritance Tax to pay)"

If we help you in this example, where there is a valid Will and no Inheritance Tax to pay, we anticipate that our fees would be in the region of £500 to £1,000 plus VAT and disbursements (fees charged by others – not us).

This example is based on the non-taxable estate having one Executor (the person who proves the Will and administers the Estate), three beneficiaries and assets consisting of one property, two bank accounts and NS&I premium bonds, no significant work being required to claim transferable tax allowances from the deceased's spouse's estate, and there are no "complicating factors" (see below) to consider.

Anticipated disbursements not included in our fee:

- Probate application fee of £155
- Swearing of the oath (per executor) of £7
- Bankruptcy searches (per beneficiary) of £2
- Creditor notices under s.27 Trustee Act 1925 of £150-200 (approximately)
- Property and chattels valuation fees of £50-300 (approximately)
- Insurance of property of £200 - £600 (approximately depending on level of cover)

Disbursements are costs incurred relating to your matter that are payable to third parties such as court fees. The amount of these disbursement costs change from time to time which is outside our control. We can handle the payment of these disbursements on your behalf to ensure a smoother process.

The price would not include conveyancing charges for dealing with the sale or transfer of the property in the estate nor does it cover fees for dealing with outstanding income tax returns (pre-date of death). Nor would the price include the cost of registering or administering any trusts which arise under the terms of the Will.

What is included in our Service

We will handle the full process of administering the estate for you and our services would include:

- Providing you with a dedicated and experienced Probate solicitor to work on your matter
- Identify the legally appointed executors/administrators and beneficiaries
- Accurately identify the type of Probate application
- Obtain the relevant documents required to make the application
- Complete the Probate Application and relevant HMRC forms
- Draft Oath for you to swear
- Make the application to the Probate Registry on your behalf
- Obtain the Grant of Probate and send copies to you and the financial institutions
- Collect and distribute all assets in the estate and settle the debts and expenses
- Provide a financial statement detailing all the transactions in the estate
- Correspond with you and the beneficiaries at agreed intervals

As mentioned, the exact cost will depend on the individual circumstances of the matter. If any of the “complicating factors” mentioned below are applicable in the estate you are instructing us to administer, then this will inevitably create additional work and therefore increase the cost.

How long will this take?

The length of time it takes to administer an estate can vary and depends on its specific circumstances. On average, estates that are straightforward and fall within our example are dealt within 6 months of us being instructed. Typically, obtaining the Grant of Probate can take up to 3 – 4 months. Collecting in the assets can take between 1 – 2 months. Once this has been done, we can distribute the assets which normally takes up to 2 weeks.

2. A more complex “higher value” Estate (where there is Inheritance Tax to pay)

Price

If we help you to apply for the Grant of Probate in estate where there is a valid Will and the estate is subject to Inheritance tax, we anticipate that our fees would be in the region of £2,500 to £7,500 plus VAT and disbursements.

The above cost estimate is based on the estate having one Executor who proves the Will, three beneficiaries and assets consisting of two properties (main residence and holiday home), ten bank accounts, 3 investment portfolios with separate fund managers, claiming the available Inheritance Tax allowances, five beneficiaries and there are no “complicating factors” (see below).

Anticipated disbursements not included in our fee:

- Probate application fee of £155
- Swearing of the oath (per executor) of £7
- Bankruptcy searches (per beneficiary) of £2
- Creditor notices under s.27 Trustee Act 1925 of £150-200 (approximately)
- Property and chattels valuation fees of £50-300 (approximately)
- Insurance of property of £200 - £600 (approximately depending on level of cover)

Disbursements are costs incurred relating to your matter that are payable to third parties such as court fees. The amount of these disbursement costs change from time to time which is outside our control. We can handle the payment of these disbursements on your behalf to ensure a smoother process.

In addition, the estate would have an Inheritance Tax liability to settle with HMRC. The cost of this tax liability will be in addition to this firm's fees mentioned above. The attached link can help explain how Inheritance Tax is charged <https://www.gov.uk/inheritance-tax>

The price would not include any conveyancing charges for dealing with the sale or transfer of the property in the estate nor does it cover our fees for dealing with outstanding income tax returns (pre-date of death). Nor would the price include the cost of registering or administering any trusts which arise under the terms of the Will.

How will our Service differ?

We will handle the full process of administering the estate for you and our services would include:

- Providing you with a dedicated and experienced Probate solicitor to work on your matter
- Identify the legally appointed executors/administrators and beneficiaries
- Accurately identify the type of Probate application
- Obtain the relevant documents required to make the application
- Complete the Probate Application and relevant HMRC forms
- Advising on eligibility to claim the available Inheritance Tax allowances (Nil Rate band, Transferable Nil Rate Band, Residence Nil Rate Band and Transferable Residence Nil Rate band)
- Draft Oath for you to swear
- Calculating the estate's Inheritance Tax liability and advising you on amount required to obtain the Grant of Probate
- Make the application to the Probate Registry on your behalf
- Corresponding with bank and financial institutions to raise cash to fund the estate's Inheritance Tax liability
- Obtain the Grant of Probate and send copies to you and the financial institutions
- Collect and distribute all assets in the estate and settle the debts and expenses
- Provide a financial statement detailing all the transactions in the estate
- Correspond with you and the beneficiaries at agreed intervals

As mentioned, the exact cost will depend on the individual circumstances of the matter. If any of the "complicating factors" mentioned below are applicable in the estate you are instructing us to administer, then this will inevitably create additional work and therefore increase the level of this firm's costs.

How much longer will this take?

The length of time it takes to administer a taxable estate can vary and depends on its specific circumstances. On average, such estates can take many months to administer and are often subject to delay as we are reliant on HMRC agreeing the estate's tax liability.

On average a taxable estate within our simple example can be dealt within 12 – 18 months of us being instructed. Typically, obtaining the Grant of Probate can take up to 6 to 9 months. Collecting in the assets can take between 2 - 3 months. Once the estate has received tax clearance from HMRC, we can distribute the assets which normally takes up to 2 weeks.

Complicating factors that affect the level of our fees for all estates

If any of the following factors exist for any estate, there is likely to be additional fees that would affect the fees we would charge:

- There are disputes between beneficiaries on division of assets or between Executors on the administration of the estate
- Where the deceased is also a beneficiary of a trust and it is necessary to correspond with the trustees of that trust
- Considering and/or applying for Business and/or Agricultural Property Reliefs
- Numerous beneficiaries (more than 5)
- Complicated Intestacy provisions
- Operating or selling a business
- Attendance at any properties including supervising the clearance
- Dealing with shares in a privately owned company
- Dealing with complicated stocks/shares investments (in terms of their value, missing share certificates, require appropriating to beneficiaries)
- Assets abroad
- Assets of a specialised nature e.g. classic cars, heritage items etc.
- Complex tax issues and/or dealing with HMRC investigations / requisitions from their Compliance checks
- The Will is unclear or disputed in any way
- Property issues, e.g. missing title deeds
- Transferring (rather than encashing) existing investments to beneficiaries
- Deeds of Variation, disclaimer and renunciation of appointment as executor
- Engagement in litigation or dealing with threatened or anticipated litigation (including caveats) or disagreements between executors
- Any personal responsibility / liability of Harvey Howell if a partner within the firm is appointed as Executor
- All other duties of an unusual, unforeseen or complex nature

We can give you a more accurate quote once we have full details of the circumstances. We would discuss with you the effect these complicating factors would have on the price and charge on a "time spent" basis - based on the relevant fee earner's hourly rate which we will agree with you in advance.