

PROBATE

A Guide to CWC's fees for Probate

Here at CWC we offer two types of service to assist in the administration of an estate:

- 1) A Grant only application – we would simply assist you in applying for the Grant only and on receipt, we would provide this to you to finalise the administration.
- 2) A full administration service – we would assist you with all parts of the administration from beginning to end.

We have set out a guide to our fees below, but should you have any queries, please do not hesitate to contact us.

This fee guide does not cover probate matters where there is a foreign element (such as a foreign Will or assets abroad) or any litigation including a claim against the estate.

Grant Only Applications

We offer a simple Grant application only service, whereby we will prepare the IHT form and Statement of Truth (formerly the Oath) using the information that you supply to us, as well as overseeing execution of the documents and then applying to the Probate Registry. On receipt of the Grant, this would be provided to you in order that you could collect in the assets.

Our fees are dependant on whether an IHT 205 or IHT 400 is required.

- 1) **In cases where an IHT 205 is required then we charge a fixed fee of £625.00 + VAT (total £750.00) + disbursements.**

This fixed fee service is available in circumstances where all the asset information including valuations of the assets will be obtained by the Executors and PR's.

As part of our Grant only service, we will:

- Provide you with a dedicated and experienced probate practitioner to work on your matter
- Identify the legally appointed executors or administrators
- Accurately identify the type of Probate application you will require
- Obtain the relevant documents and information from you, required to make the application
- Complete the Probate Application and the relevant HMRC forms
- Draft a legal Statement of Truth (formerly an Oath) for you to sign
- Make the application to the Probate Court on your behalf
- Obtain the Probate and provide the Grant and sealed copies to you

Depending on the circumstances, we may have to make an additional charge should we be required to undertake additional work, which would not be part of the standard Grant only application such as:

- Should an IHT 217 Transferable Nil rate band form be required (where a full transferable nil rate band is available) (extra £150.00 + VAT)
- If an additional affidavit or statement is required should the condition of the Will not be satisfactory or original Will is not available and permission is sought to prove a copy Will (£200.00 - £500.00 + VAT depending on the complexity of the statement required).
- If circumstances should arise where the executor appointed is unavailable and a third party is required as administrator (preparation of a General Power of Attorney £200.00 – £300.00 + VAT or a s116 application £300.00 – £600.00 + VAT depending on complexity).
- Should you require us to write to any institution to obtain date of death valuations or to obtain valuations of the property, then we would charge this additional time based on our hourly rate, details of which are set out further below plus any disbursement charges.

This list is not exhaustive as each situation can be unique but covers a wide range of issues which may be encountered.

In addition to our fees, the following Disbursements (costs relating to your matter that are payable to third parties such as court fees) may be payable depending on the circumstances:

- Probate court fee of £155.00 + £0.50 per sealed copy (NO VAT)
- Probate Registry fee for consideration £12.00 – should an application on complex cases be required to be verified (NO VAT)

Timescales

On average, Grant only applications involving an IHT 400, can take anywhere between 8 – 20 weeks to complete, once we have received all the information required.

If the application is a straightforward IHT 400, with no IHT payable, then we need a few weeks to prepare the paperwork (1 – 3 weeks) and arrange for you to execute it, then the IHT 400 is submitted to HMRC and can take around 2 – 3 weeks to process (entirely dependant on their timescales and level of work), then once HMRC return to confirm there is no tax payable, the Grant application is submitted to the Probate Registry taking around 1 – 2 weeks to process (again this is entirely dependant on the level of work undertaken by the Probate Registry).

For estates where Inheritance Tax is payable, it will take HMRC far longer to assess the forms submitted and check the tax has been paid, before releasing the documents to allow you to apply for the Grant, hence the longer time frame of 20 weeks.

Full Administration

In circumstances where we are instructed to assist with the full administration of an estate, we have outlined below how we calculate our fees for assisting but please be aware that for estates involving foreign elements, assets outside of the UK, or contested estates, where claims may arise, you will need to contact us direct for an estimate.

The costs you are likely to pay from the estate for its administration are based upon the following:

- Our professional fees (based on an hourly rate – see below) + VAT at 20%
- Any relevant disbursements
- Costs of any additional services required – these are subjective to the estate

Please note that any conveyancing costs relating to the sale or disposal of a property from the estate, are not included in our costs estimate, and we refer you to our conveyancing costs information sheets on our website.

Hourly Rates based on Fee Earner:

Lucy Atwill (Partner & Member) £250.00 + VAT

Annemarie Richardson (Salaried Partner) £220.00 + VAT

Sue Jones (Chartered Legal Executive) £200.00 + VAT

Jennifer Lentell (Solicitor (5 years + PQE)) £200.00 + VAT

Kearney Coffin (Solicitor) £180.00 + VAT

Victoria Fordham (Private Client Executive) £180.00 + VAT

This rate is designed to cover the cost of the time expended. Letters and telephone calls involving a time of six minutes or less are charged at 1/10th of the hourly rate, and letters and telephone calls involving periods of time in excess of six minutes are charged on a time basis.

Biographies for all the Fee Earners outlined above, can be seen by clicking on this link: [CWC Team Page](#)

Factors taken into consideration when providing an estimate of our fees:

At the outset of any instruction, we would provide you with an estimate of our fees, based on the time we expect the administration to take at our hourly rate. This estimate would be influenced by several factors (although this list is not exhaustive):

- The number of assets
- The number of liabilities
- The complexity of some assets
- The number of executors/ PR's
- The number of beneficiaries
- The anticipated and requested level of support and engagement with the PR's and beneficiaries throughout the administration period
- Types of legacies
- Trusts being set up under the Will
- Anticipated Deeds of Variation
- Whether an IHT 205 or IHT 400 would be required
- Claims for complex allowances and exemptions such as; gifts made out of income, the Residence Nil Rate Band, and transferable allowances (the transferable nil rate band and transferable residence nil rate band), and assisting the PR's in obtaining any relevant documents relating to the first death
- Payment of IHT and possible corrective accounts
- Complexity of the income tax affairs of the deceased
- Issues surrounding the disposal of a Property (whether by sale or transfer) such as finalising utilities, insurances etc
- If a Business asset or Farming asset is involved

- Whether our assistance is required in registering the death, arranging the funeral, collecting paperwork or assets from the deceased's residence
- Liaising with HMRC regarding the income tax affairs and any disposals resulting in a gain and Capital Gains Tax

On average our professional fees to administer an estate will range from between £1,500.00 + VAT (in cases where there is no property, a few bank accounts and 1 or 2 beneficiaries) and £20,000.00 + VAT (cases with Inheritance Tax payable, completion of an IHT 400, multiple beneficiaries, complex assets including property and shares and businesses). The exact cost will depend on the individual circumstances of the matter.

Examples of varying charges:

Small / Non complex estates - £1,500.00 - £3,000.00 + VAT approx. Grant application with Will available, no property, couple of bank accounts to close, no more than 3 pensions, finalising utilities on rental property etc

Medium/ more complex estates - £3,000.00 - £7,000.00 + VAT. Grant required including on Intestacy, IHT 205 or IHT 400, property to dispose of, couple of bank accounts, no more than 5 separate shareholdings/investments, a few legacies, no more than 5 residuary beneficiaries, and no trust interests.

Large/ Complex estates - £8,000.00 - £20,000.00 + VAT. Grant required, IHT 400, IHT payable, cases where businesses or agricultural assets involved, multiple properties, 5 or more shareholdings/ investments, multiple legacies, more than 5 residuary beneficiaries and trust implications.

Our professional fees do not include any Tax payable by the estate, which is a separate liability. Any costs for dealing with the sale or transfer of any property in the estate is not included in our estimate and a separate quotation would be obtained from our Conveyancing department.

Services included as standard (where applicable):

As part of our Full Administration service, we would normally undertake the following (if applicable):

- Provide you with a dedicated and experienced probate practitioner to work on your matter
- Identify the legally appointed executors or administrators
- Accurately identify the type of Probate application you will require
- Meet with the executors/ PR's
- Obtain the paperwork for the deceased
- Write to all the financial institutions and obtain probate valuations for all the assets
- Identify all of the liabilities
- Meeting with you to obtain information and paperwork
- Preparing HMRC Return of Estate information form and preparing Statement of Truth
- Submitting to executors/ personal representatives for approval and providing instructions for executing
- IHT 400 - Submitting Return of Estate information forms and arranging for any Inheritance Tax to be paid
- Making application to the Probate Registry for a Grant
- Upon receiving the Grant, liaising with the asset providers to arrange for all assets to be realised and thereupon disposed by encashment or transfer

- Settling all expenses and liabilities
- Liaising with HMRC (and where applicable Accountants) in respect of winding up the Income Tax affairs
- Liaising with any beneficiary to provide them with progress reports, requesting ID, and payment details
- Obtaining bankruptcy searches
- Paying legacies {if applicable}
- Preparing estate accounts for approval
- Forwarding copy accounts to all beneficiaries
- Arranging final payments

Services not included as standard:

We have listed below, although this is not an exhaustive list, work which is not typical of a standard estate administration and would therefore likely result in our fees being at the higher end of our professional fee estimate:

- If disputes arise during the administration whether between the PR's and beneficiaries, the PR's or the beneficiaries
- Any claims against the estate including advising executors on Potential Claims and how to proceed inc waiting 10 months from date of Grant
- DWP claim on the estate for overpaid benefits during the lifetime of the deceased
- Any foreign element (whether the Will or an asset abroad or domicile is involved)
- If completion of self-assessment tax returns is required.
- If Staff within the firm are required to register the death, arrange the funeral, attend at the property to collect paperwork, arranging personal chattels valuation, arrange for the clearance of the property including locating valuation personal items (no family or no local family)
- Advising on and Preparing Deed of Renunciation
- Deeds of Variation
- Advice on Missing Beneficiaries
- The PR's or one or more of the beneficiaries require a level of involvement/ contact over and above what we normally would provide leading to an increase in correspondence
- As mentioned previously, the costs of disposing of a property including sale or transfer will incur a separate conveyancing charge

Disbursements:

In addition to our fees, the following disbursements would be payable:

- Probate Court fee (for issuing the Grant) - £155.00 + £0.50 per copy (NO VAT)
- Payments out to any beneficiary from monies held on account, the following charges will apply to payments being made to you:-
 - Cheques – no charge. A cheque for sums due to you will be sent within 2 working days of clearance of funds
 - Direct Banking Transfer (BACS) – 3 - 5 days clearance - £20.00 plus VAT.
 - Same Day Transfer (Telegraphic Transfer) - £45.00 plus VAT. Applies to monies requested before 3.00 p.m.

Where the Partners in the firm are appointed as the executors, then we will always undertake Bankruptcy searches against beneficiaries at a cost of £2.00 + VAT per beneficiary (for searches in England) and for foreign bankruptcy searches, a price will be obtained on request.

Additional Services and Expenses that may be incurred (dependant entirely upon the circumstances of the estate):

1) Certainty National Will Register Search - ranging between £45.00 +VAT to £114.00 + VAT

A search of the National Will Register is good practice and proves that the personal representatives have taken reasonable steps to ensure they are acting under and distributing in accordance with the deceased's most recent Will. There are two tiers of service available; a Will Register search (£45.00 plus VAT) will check the online registered Wills only, and the Combined Will search (£114.00 plus VAT) checks the online registered Wills as well as performing a national search for unregistered Wills.

2) Bankruptcy Searches

We recommend that before any money is paid to a beneficiary (whether a legatee or a residuary beneficiary), a bankruptcy search is conducted against them. If a beneficiary is a bankrupt, they may not be allowed to receive funds from an estate. Instead, the funds may need to be declared (and possibly paid) to the Trustee in Bankruptcy. The executor would be held legally responsible if they paid money to the bankrupt beneficiary rather than paying it to the trustee in bankruptcy. In such cases, if the bankrupt puts the assets beyond the reach of the Trustee in Bankruptcy, there is a real risk that the Trustee in Bankruptcy, on behalf of the bankrupt's creditors, will claim compensation against the personal representatives.

Cost:-

1. In England - £2.00 + VAT per person

Searches can be carried out at the Land Charges Department to establish whether, within the previous five years, the beneficiary was subject to a bankruptcy order, unless a Court order cancelling the registration has been made. This fee is properly payable from the residue of the Estate and is in addition to the legal costs of carrying out the searches.

2. In a foreign jurisdiction – to be confirmed, if you decide that you would like bankruptcy searches carried out.

3) Section 27 Trustee Act Notices

It is recommended that executors advertise the death of the deceased in a local newspaper and the London Gazette to ensure that if there are any creditors or claimants, they are aware who is dealing with the estate and who to contact about the debt/claim.

If a S27 notice is placed in the paper, the creditor/claimant has 2 months and 1 day from the date of the advert to contact the executor. If the creditor/claimant fails to contact the executor in that time and the executor subsequently distributes the estate, the creditor/claimant would not be able to hold the executor legally responsible but would instead have to take the beneficiaries to Court. In the majority of cases like this, the cost of taking beneficiaries to the Court to claim the repayment of the debt or to make a claim would outweigh the debt/value of the claim itself and therefore the creditor/claimant may waive the debt/claim. If you fail to place s27 Notices and a creditor/claimant comes to light after you have distributed the estate, you may be held legally responsible and the creditor/claimant may come after you as the executor/s to obtain payment of their debt/claim as you failed to advertise the death.

The cost of this will vary but is usually in the region of £150.00 to £300.00 + VAT, dependant on the cost of the paper. The cost may be higher if the deceased lived in different parts of the country/world in the years before death.

4) Financial Asset Search £162.00 - £180.00 + VAT approx.

Ascertaining all of the deceased's assets is important, not only to ensure that beneficiaries under the terms of the Will or the rules of intestacy receive their full entitlement, but a legal requirement as HMRC becomes ever more stringent in ensuring full tax is taken from each estate. It is therefore important the personal representatives investigate fully and a financial asset search identifies any unclaimed shares, dormant accounts, pensions, trusts, life policies, bonds and national savings in the name of the deceased. Cost of financial asset search is approx. £162.00 - £180.00 plus VAT depending on the asset search provider used.

5) Genealogy Company Services

In certain circumstances it may be appropriate to seek assistance from a genealogy company for example, where we need to establish a family tree under an Intestacy, or where there is a missing beneficiary.

The costs associated with this type of search would have to be requested at the time, depending on the assistance required.

6) Insurance (Missing Beneficiary/Missing Will/Comfort Policy)

In some estates (usually intestacies) the personal representatives may feel that insurance covering certain circumstances may be appropriate to avoid them becoming personally liable should circumstances in the estate change in the future, for example if a missing beneficiary later appears or a later Will emerges. Insurance policies are based on each estate's circumstances but quotes can be obtained before proceeding. We would advise you during the course of administration whether a policy would be recommended and obtain quotes for approval before proceeding.

Timescales

It is difficult to provide an accurate estimate of how long it will take to conclude the administration of an estate as much will depend on the size and nature of the assets. As a broad estimate, however, I would normally expect a small estate where there is no property to sell and which is exempt from the payment of Inheritance tax to be concluded within 4 to 9 months of receiving instructions, assuming that there are no complicating factors. Larger estates or, for example, those involving a greater number of assets or liabilities, property to sell, or which are liable for the payment of Inheritance tax, or subject to a DWP investigation, may take much longer than this.

We will provide you with an estimate of how long the estate administration would take, at the outset, including highlighting any matters which we believe may cause a delay in the administration.

For example, as at April 2018, HMRC informed us that they are taking up to 20 weeks (although it may be longer depending on the estate and complexity) to consider and review the information provided in IHT 400 applications, and this is having an impact on the timescales for receipt of the IHT 421 which is required in order to apply for the Grant.

For an IHT 205 administration, it usually takes 2 - 4 months to obtain the Grant, after which we

would collect in any assets, and if appropriate, after discharging any expenses, we may make an interim distribution, which could take an additional 1 – 3 months (or longer depending on the sale of a house). After that, we would need to finalise any tax affairs, and prepare accounts, which can again take a month or two, possibly longer depending on HMRC finalising the income tax affairs.

For larger estates, particularly where an IHT 400 is required, it usually takes 3 – 6 months to obtain the Grant, then a further 1 – 3 months to collect in the assets (or longer depending on the sale of a house). After that it would take, much like the simpler estate, it is a case of finalising the tax affairs and preparing accounts which can take a few months. On average an estate requiring a Grant, and the sale of the house, is likely to take around 12 months or so to completely administer.

Value Element

Finally, for estates where Partners within the firm are appointed as the executors solely or jointly appointed with Lay executors (non-professionals), we will charge a 'Value Element' in addition to our hourly rate. This is a percentage of the gross value of the estate, as declared for inheritance tax purposes, as the monetary value involved is one measure of the extent of responsibility falling on the firm.

The value element is calculated as follows:

- The gross estate (excluding the value of the deceased's home if this was owned) will be charged at 1.5% + VAT
- The deceased's residence (if owned) will be charged at 0.75% + VAT.