

Probate & Estate Administration Fees

At Bird & Lovibond we have a reputation for our down to earth and pragmatic approach. We have always been transparent about our fees and always ensure that you know, from your first meeting with a lawyer, what our advice will cost. As your matter progresses with us we also keep you updated should our original estimate of the cost change.

Across the whole profession there has been a push towards greater price transparency for clients and this has led our regulator, the SRA to issue 'Transparency Rules' which require all firm's that they regulate to publish information about their prices.

The following information is provided to you to comply with this regulation. It does not replace the personal quote that you will receive before you instruct us to act for you.

Our charges for the administration of Estates and Probate work, generally will vary according to the complexity of the work, the amount of work done, the length of time spent and the respective value of and nature of the assets comprised in the Estate.

The exact costs will depend upon the individual circumstances of the case. For example, if there is one Beneficiary and no residential Property the cost will be at the lower end of the range. If there are multiple Beneficiaries, one or more freehold or leasehold properties and multiple bank accounts, Shares and Investment assets the costs will be at the higher end of the range. Any dispute will also greatly increase costs and the length of time it takes to deal with the administration of the Estate.

We will handle the whole matter from beginning to end ensuring that your loved ones receive the benefits that you will have wished them to receive after the payment of all debts and liabilities and any Inheritance Tax which may be chargeable on your Estate. In addition to our fees disbursements may be payable. We handle the payment of the disbursements on your behalf to ensure a smoother process and then collect the costs from The Estate. The following is a list of disbursements (though not exhaustive) which may be chargeable:

- 1) Probate Application fee currently £155;
- 2) Official office copy of the Grant – 50p per copy;
- 3) Fees for the Statutory Adverts to protect the estate against unexpected Claims from unknown creditors or Claimants ranging from £175 to £275; and;
- 4) Land Registry fees to deal with or transfer any Freehold or Leasehold property to a Beneficiary which will depend on the value of the Property concerned.

In addition to disbursements the Estate may be subject to Inheritance Tax. Inheritance tax is currently paid at a rate 40% for Estates worth over £325,000 as everyone is entitled to a single "Nil Rate Band" of £325,000. However, there are many other major reliefs that may, in addition be available. For example, the deceased may be able to take advantage of the unused Nil Rate Band of a Husband or Wife who died before him or her and did not have any Estate or did not use his or her Nil Rate Band because he or she left everything to her

surviving Spouse or to Charity. In addition there is now the new “Residential Nil Rate Band” which is a very complex new Relief but which will in due course allow families with a qualifying main Residence included within their respective Estates to have an ultimate Estate of £1,000,000 without having to pay any Inheritance Tax. This, together with the possible issue of lifetime gifts requires careful consideration with us in the course of taking your instructions. Inheritance tax can be a very complex tax and that is what we are here to advise you on.

During the course of the matter we will:

- a) Provide you with a dedicated and experienced Probate Solicitor
- b) Identify the legally appointed Executors or Administrators and Beneficiaries
- c) Accurately Identify the type of Probate Applications you will require
- d) Investigate and collate the necessary information to value the gross and net Estate
- e) Obtain the relevant documents required to make the Application for the “Grant”
- f) Draft the legal Oath for you to swear or sign and prepare all necessary HMRC Forms
- g) Make the Application to the Probate Court on your behalf
- h) Obtain the Grant of Probate or Letters of Administration (if there is no valid Will)
- i) Send a copy to you and take your further instructions concerning the Estate, and
- j) Collect in, the assets and pay all liabilities of the Estate, pay any Legacies, and distribute all the Residuary Estate to the Beneficiaries.

Typically, it takes between two to six months to obtain a Grant of Probate or Letters of Administration to the Estate. The time is always at the longer end of this estimate if the Estate is chargeable to Inheritance Tax as tax on the cash (free) assets comprised in the Estate must be paid before the Probate Registry will issue the Grant. Generally, the law provides for what is called the “Executor’s Year” for the administration of the Estate although many Estates can be finished well within this period but some very complex Estates can take years to resolve.

Fees

For Estate work, we charge you a lower than normal charge-out rate for the Solicitor involved plus a charge for “care and attention” in accordance with the Law Society’s recommendations/guidelines. Our hourly charging rates are as follows:

Partner	£175 per hour
Consultant	£175 per hour
Assistant Solicitor	£145 per hour
Assistant/Legal Executive	£100 per hour
Clerk	£75 per hour

In addition the following charges are applicable for correspondence and are based on average units of six minutes per item of work (One tenth of the fee earner’s hourly rate):

Letters sent £17.50 per hour - Partner/Consultant

Letters sent £14.50 per hour – Assistant Solicitor

We also charge for miscellaneous telephone calls received:

Calls made/received £16

7.50 – Partner/Consultant

Calls made/received £14.50 – Assistant Solicitor

Calls made/received £10 – Assistant/Legal Executive

Generally, letters/items of correspondence of substance received are charged on a time basis of one twentieth of the Fee Earner's above mentioned rates.

The charge for what we call "care and attention" is analogous to a commission element and reflects the responsibility and value of our Firm's work to the Estate and the Beneficiaries and is based upon one **only** of the following two formulas:

- a) Value percentage of the property (including relevant lifetime gifts) involved in the Estate;
- OR**
- b) A percentage mark up (minimum 50%) of the above time and correspondence costs.

If we are not acting as Executors, the normal charge will be 1% of the value of the gross Estate excluding any Residential Property and 0.5% of the value of the Residence. The following is an example:

If the Residence was valued at £400,000 and was owned by the Deceased alone this would calculate as follows:

$$£400,000 \times 0.5\% = £2,000$$

Then, consider the value of the rest of the Estate which is, say, £100,000. The remaining calculation is therefore:

$$£100,000 \times 1\% = £1,000$$

$$\text{Therefore, total value element} = £1,000 + £500 = £1,500$$

(If the Partners in this firm are acting as Executors, or jointly with another person, then the value element is £1.5% of the gross estate less the Residence, and 0.75% of the value of the Residence.)

Finally, if the Fee earner was an Assistant Solicitor and spent 15 hours in total on the case, the time and correspondence costs would be £2,175 which, when added to the above percentages would make a total fee (less Disbursements) of £5,175.

Generally, we consider that the legal costs for a full Estate Administration with multiple Assets, Beneficiaries and Inheritance Tax will equate to a total fee of between 1 -2% of the Gross Estate plus value added tax and disbursements.