

## Administration of an estate

When dealing with the administration of an estate (often referred to as Probate) our highly experienced Private Client team will explain the administration process to you clearly so that you are aware of the steps that need to be taken throughout. We support our clients in what can be a long and difficult process and aim to ensure that the legal aspects run as smoothly as possible.

We offer a bespoke service to our clients and understand that no two estates are the same. We understand that as well as a high level of service, clients are also mindful of legal costs and we will always be transparent about these from the outset.

### Our Private Client team

Our Private team includes a Partner and two Associate Solicitors and their work is charged on a time spent basis. All fee earners in the firm accurately record the time spent on an individual matter. Hourly rates depend on the experience of the person handling the work but range from £275 plus VAT to £250 plus VAT per hour.

At the beginning of each new matter we aim to provide you with a clear estimate of the firm's fees taking into account the different variables that arise in each estate. Probate work often breaks down into two parts and clients can have differing requirements for our services for each part.

Often clients will utilise the firm's services for the work required up to the point at which the Grant of Representation is obtained from the Court before assuming the administration themselves. Alternatively we can be instructed to deal with the entire administration process from start to finish.

The two parts are as follows:

#### Part 1:

We would need to undertake the following steps:

- Identifying our client and complying with stringent guidelines as set out by the SRA and the Law Society in terms of identification procedures.
- Locating a valid Will with / without Codicils, or identifying where an application on behalf of an estate has to be made under the intestacy rules.
- Considering the terms of a Will and the position in relation to potential beneficiaries
- Ascertaining details of the size of an estate and in terms of assets and liabilities.
- Submitting Statutory Notices.
- Preparing Inheritance Tax papers (IHT 205 or IHT 400).

- Considering the tax position, arranging tax payment and submitting Tax Return to HMRC, this will also include considering the position re availability of tax allowances and lifetime gifting.
- Preparing Statement of Truth and thereafter submission of the same to the Probate Registry and obtaining the Grant of Representation.

The size of the estate will dictate the paperwork that needs to be completed and filed. If the estate is able to utilise tax reliefs and is an excepted estate for taxable purposes then average fees in order to obtain the Grant of Representation will be between £2,000 - £4,000 plus VAT and disbursements.

If a complete Inheritance Return is required and then the firm's fees will be between £2,000 - £6,000 plus VAT.

Where the firm is instructed to deal with the administration of an estate up until a Grant of Representation has been received then we would ordinarily expect matters to take between 2 – 6 months.

## **Part 2:**

This stage involves the following steps:

- Lodging the Grant of Representation with the financial institutions and third parties.
- Collecting in or transferring assets of the estate.
- Settling liabilities of the estate.
- Liaising with beneficiaries of the estate and paying any legacies made under the terms of the Will.
- Liaising with HMRC to pay any ongoing Inheritance Tax instalments and to obtain Inheritance Tax clearance in the estate.
- Advising in relation to Income Tax returns to the date of death and during the administration period and paying any income tax due.
- The preparation of estate accounts and making interim and final distributions to beneficiaries.
- Dealing with insurance and utility providers regarding any property that falls within the estate

Ordinarily we would expect Part 2 to take a further 6 months but this could change depending upon a number of factors such as the complexity of the estate, the amount and type of assets, the impact of lifetime gifting, the number of beneficiaries, any disputes or claims against the estate, the extent and availability of Inheritance Tax exemptions and reliefs and if there are any trusts established under the Will.

Our fees for dealing with the full administration of an estate are subject to the many variables found within each estate to include its value, legal complexity and possible points of contention. We will always provide you with an estimate of costs for dealing with Parts 1 and 2 once we have obtained information from you in relation to the deceased's estate.

We would usually expect our fees for completion of Part 2 to be in the region of £2,000 - £6,000 plus VAT.

## **In addition to our fees there would be the following additional costs which may need to be paid:**

- Court fee £155 plus additional copies of the Grant of Representation 50p each
- Any professional valuations for property and shares
- Bankruptcy Searches £2 per name
- Conveyancing costs in relation to sale or transfer of a property
- Fees regarding preparation of income tax returns for the period to the date of death and for the period of administration

If you would like to discuss further please do not hesitate to [click here](#) to contact a member of the Private Client team.

All fees are correct at the time of publication, August 2021.