



PROBATE FACTSHEET & PRICE INFORMATION

Riley Langdon Solicitors is equipped with experienced solicitors to assist you in planning for the future of your family and loved ones. We will provide appropriate legal advice to ensure that your Will reflects your wishes and desires and with adequate estate planning to reflect your personal situation and circumstances, within the available statutory provisions.

As a firm we provide a complete personal legal service from first instructions in drafting your Will, to Estate Planning and Estate Administration. We handle everything for you to ensure that your family is prevented from dealing with additional turmoil while going through bereavement. We are aware of the sensitive nature of estate administration and we provide a personal service in guiding you through the important decisions to be made in the course of administering the estate.

Probate matters are accessed on a case by case basis, as no two matters are the same. The administration of the estate can vary, from collecting funds from bank accounts, to dealing with foreign assets, and handling inheritance tax in different countries. Nevertheless, we can manage the probate of a deceased on your behalf no matter the value of the estate, whether there is a valid Will or whether the deceased left no valid Will (intestate). We can also assist you in locating the Beneficiaries, wherever they may be located, within or outside this jurisdiction.

However, for clarity on the procedures involved with probate and estate administration, we have set out below further information on the process, timescale and an indication of costs.

a) Application for Grant of Probate

In order to make the application for a Grant of Probate to the Estate, we shall need to take the following actions on behalf of the Executors: -

- Meeting and obtaining your instructions in person and advising as to the position. Confirming our advice in writing and requesting further information, as applicable.

- Making contact with banks, building societies, pension companies, investment companies, HMRC, DWP, council, utility companies etc. in order to obtain the details of the information required to prepare the probate papers.
- Obtaining professional valuations where applicable e.g. for property, chattels, share portfolios etc.
- Receiving information in from the various letters sent as to the situation of the assets in the estate.
- Establishing the gross and net values of the Estate, taking into account all liabilities outstanding at the date of death.
- Obtaining Inheritance Tax Reference Number where applicable.
- Preparation of Inheritance Tax form as applicable to your case.
- Advising on variation of Will, where applicable, by identifying possible variations of the distribution of the estate to either minimise the impact of any taxes or reflect the wishes of the deceased or to compromise any possible claim against the estate under The Inheritance (Provision for Family and Dependents) Act 1975.
- Approve and validate the legal statement in support of your application for Grant of Probate.
- Draft, approve and engross any Statements of Truth that is applicable to your application to be administered by the Executors or Personal Representatives, if any.
- Taking you through the probate papers and advising in connection with Inheritance Tax (“IHT”) and applicable reliefs, if relevant to your matter.
- Arranging for the IHT to be raised and subsequently writing to HMRC and agreeing payment arrangements.
- Provide each personal representative and the Residuary Beneficiaries (where there is a validly executed Will) and the Statutory Beneficiaries (where there is no Will) a copy of the Schedule of Assets and Liabilities, which confirms full details of the value of the Estate.
- Submission of the probate application and liaising with the Probate Registry to secure the issue of the Grant of Representation, submitting further documents that the Probate Registry may require and dealing with all requisitions.
- Identify any problems there may be before the Beneficiaries can be given their entitlements.
- Notify all Beneficiaries of their entitlements indicating, where possible, when we expect to be able to make payment;

- On receipt of the Grant of Representation, register the same with all financial institutions. Where necessary, and with the approval of the Personal Representatives sell, realise and/or transfer any assets.
- Collect and pay into the firm's client account all estate funds. This will enable us to start to prepare Estate Accounts, which will show all assets of the Estate and the payment of all invoices and legacies;
- If requested, provide information as requested to the Department of Work and Pensions with regards to any potential overpayment of means tested benefits and agree and discharge any overpayment that may have occurred;
- Instructing agents to place Statutory Notices in The London Gazette and a local paper.
- Carrying out bankruptcy searches regarding beneficiaries upon your instructions.
- Liaising with HMRC in connection with Income Tax matters and liaising with accountants as necessary.
- Dealing with any loss relief claims with HMRC regarding IHT, as necessary.
- Subject to paying off the liabilities, Statutory Notices expiring and receiving clearance regarding IHT and on Income Tax and Capital Gains Tax matters.
- Discharge all estate liabilities.
- Writing to any legatees to settle their legacies upon your instructions.
- Preparing final Estate Accounts and arranging for the Executors and Beneficiaries to approve these prior to distributing the estate
- Following the payment of all legacies, and the expiry of any period for the issue and possible service of claims under The Inheritance (Provision for Family and Dependents) Act 1975, we shall finalise the Estate Accounts and settle any outstanding entitlements of beneficiaries, obtaining their receipts and setting up any trusts created within the administration.
- Please also be advised that we will only provide a full copy of the Deceased's Will to the Executors and Residuary Beneficiaries. Where a person has been bequeathed a monetary legacy or a specific item then they will be advised of the nature of the legacy in their favour, however a full copy of the Will will not be disclosed to such Beneficiaries unless we are instructed specifically to do so by the Executors.
- The Will becomes a public document once the Grant of Probate has been issued.

b) Tax

- We shall also deal with any Income Tax and Capital Gains Tax issues that arise, which are incidental to the administration of the estate, to include, the filing of returns up to the date of death and during the course of administration.
- Where Inheritance Tax is payable we will correspond with the Capital Taxes Office and where required with the District Valuer and the Share Valuation Office to agree the extent of the Inheritance Tax liability, arrange the discharge of such liability to obtain a Clearance Certificate.
- However, please note that should such matters proceed to inquiry or a hearing before the Commissioners then a separate file will be opened which will be subject to a separate charging structure.

c) Inheritance (Provision for Family and Dependents) Act 1975

- The Inheritance (Provision for Family and Dependents) Act 1975 may enable certain persons to seek additional provision out of the estate of the deceased following their death.
- If an application is made under this Act, it is likely to involve the estate in additional expense and may result in a variation of the distribution of the estate. If such an application is made, then a separate file will be opened which will be subject to a separate charging structure.

d) Council Tax

- If the deceased person owned a property of which they were the sole occupier, Council Tax will cease immediately on death, Council Tax will once again be applied to the property at the full rate six months after the date of death.

e) Water & Sewerage

- Water and sewerage Charges will continue to be payable until such time as the property ceases to be furnished but will not be recharged whilst the property remains unfurnished. It is usually the case that the property will only become furnished once it has been sold.

f) Insurance

- It is essential that household insurance is maintained as it is extremely difficult to arrange household insurance on unoccupied property. It is worth seeking assistance from the Executors and/or the Residuary Beneficiaries to ensure that household insurance is maintained as quite often renewal notices in respect of the same are forwarded to the deceased's property and not to either ourselves or the Executors.
- With the corporation of the Executors or the Residuary Beneficiaries, we can provide guidance on insuring unoccupied property.

g) Other utilities

- If the Executors/Residuary Beneficiaries decide to continue the supply of gas, electricity and telephone services to the property then they will be responsible for arranging customer readings and when required final readings and payment of the same which will be reimbursed in due course through the administration of the estate once sufficient funds are available. Receipted accounts will be required.

h) Means-tested benefits

- If the deceased was in receipt of Income Support, Minimum Income Guarantee or any other means tested benefit and an application for Grant of Representation is made then we will receive from the Department of Works and Pensions a request to confirm the extent of assets held by the late Client at the date of their death. We are obliged to provide this information to the Department of Work and Pensions.
- On supplying the requested information, we will then be advised as to whether or not there is a potential overpayment of means tested benefits. If we are advised that a potential overpayment may have been made, then a recalculation will be undertaken by the Department of Work and Pensions.
- At this stage we will have been advised by the Department of Work and Pensions that we are not in a position to distribute any assets within the estate until such time as the recalculation of means tested benefit has been completed and any overpayment agreed with the Department of Work and Pensions and payment made to themselves in respect of the same.

i) Charges

- It is impractical to give an accurate estimate of our overall charges, without any knowledge of the estate. To provide an accurate estimate of our charges we need to have established the full extent of the estate and any issues relating to realisation and/or encashment of the assets within the estate. An accurate estimate of charges will be provided no later than the stage at which the application for the Grant of Representation is prepared.
- Our fees for dealing with this matter on your behalf are calculated by reference to the amount of time spent, together with a value element based on current Law Society recommendations. Further explanations on these methods of charging are given below:

i) Time spent on the matter

- Our current hourly rate is £250 plus VAT, in accordance with the terms and conditions of our instructions and the same is subject to annual review, you will be advised if our charging rate changes during the progression of your matter. Time spent on your affairs will include meetings with you and perhaps others;

any time spent travelling; considering, preparing and working on papers; receiving and replying to correspondence; and making and receiving telephone calls.

- We operate a time recording system which records time spent on each matter. Charges are made in six minute units with a minimum of one unit per charging event e.g. a letter or telephone call. This is a general charging system utilised by most law firms across the country and the charging method is admitted by court.

ii) Law Society “Value Element” Recommendations

- Our charges in respect of estate administration will be based upon the following elements, which are in accordance with the Law Society’s guidelines to reflect the type and value of the assets comprising the estate and the complexity of administering the same.
- A decision on the value element will be made in the course of your matter.
- The Law Society guidelines suggest the following percentage value formula: -

Solicitor not an Executor:

Value of Gross estate less residence	1%
Value of Residence	0.5%

Solicitor sole Executor or joint Executor with any other person:

Gross estate less residence	1.5%
Residence	0.75%

j) Estimate of Costs

- i) Simple Estate: £2,400 to £7,200 (excluding VAT, disbursements and conveyancing costs, if applicable).
- ii) Medium Estate: £7,200 to £24,400 (excluding VAT, disbursements and conveyancing costs, if applicable).
- iii) Complex Estate: £24,400 upwards (excluding VAT, disbursements and conveyancing costs, if applicable).
- iv) Application for Grant only- £750 -£1,250 (excluding VAT, disbursements and conveyancing costs, if applicable).
- v) Resealing of Foreign Grant in the UK-£750-£1,250 (excluding VAT, disbursements and conveyancing costs, if applicable).

k) Types of Estates

i) **A Simple Estate matter** is where: - - There is a valid will

- There are less than 10 beneficiaries - There is no more than one property
- There is no Inheritance Tax payable - All assets are in deceased's sole name
- Full Inheritance Tax account is not required to be submitted to the HMRC - Gross value of the estate is within the IHT threshold of £325,000.
- There are no more than 10 bank or building society accounts
- There are no other intangible assets
- There are no disputes between beneficiaries on division of assets. If disputes arise this is likely to lead to an increase in costs
- There are no claims made against the estate
- No claim for unused nil rate band transfer
- No variation is required to the Will
- No foreign assets

ii) **Medium and Complex Estates** will have varieties of the following elements: -

- Inheritance Tax will be payable and a full Inheritance Tax account to HMRC will be required
- There is valid Will /no valid Will
- There is more than one property
- The deceased made lifetime gifts
- There are farm assets
- There are more than 10 bank or building society accounts
- There are company assets
- There are other intangible assets
- There is a share portfolio or other stocks and shares
- Business Property Relief or Agricultural Property Relief or Heritage Exemption or Woodlands Relief may be claimable
- There are foreign assets
- There are business assets
- Variation of the Will is required
- The deceased was the beneficiary of a trust
- Assets are owned jointly with others
- There is a dispute between beneficiaries on division of asset - There are claims made against the estate

l) VAT

- We will add VAT to our charges at the rate that applies when the work is done. At present VAT is at the rate of 20%.

m) Expenses

- Details of other expenses which you are likely to have to pay (sometimes referred to as disbursements). These are costs related to your matter that are payable to third parties, such as court fees. VAT is payable on certain expenses. We anticipate that the following expenses will be incurred in addition to our charges:

- **Probate Registry Fee:** The fee is £273 and there is also a charge of £1.50 for each additional Office Copy of Grant of Probate.
- **Share Valuation Fee:** this tends to be £50 plus VAT.
- **Property Valuation Fee:** this can be in the region of £150 plus VAT or more depending on the valuer instructed.
- **Statutory Notices:** if required, these may be in the region of £200-£300.
- **Bankruptcy Searches:** this search will need to be effected against all beneficiaries of a legacy or share in the residuary estate to ensure that the recipient is not an undischarged bankrupt. There is a charge of £2 per search.
- **Unclaimed Assets Register Search** –this search is to discover any unknown assets owned by the deceased, the fee is in the region of £25.
- **HMLR Search Fees:** from £3 per Land Registry title.
- **Foreign Lawyers' Fees:** may be incurred and you will be advised if this is the case in your matter.
- **Conveyancing costs and disbursements:** may be incurred and you will be advised if this is the case in your matter.

n) **Time Scale**

- Probate and estate administration matter is based on the circumstances of each estate and it is difficult to give a precise time frame for the conclusion of your instructions.
- Obtaining grant of probate for different types of estates and their administration are estimated as follows:
 - i) Simple Estates about 4-8 months, with administration, the total timeframe is about 10-12 months or less.
 - ii) Medium Estates about 7-9 months, with administration, the total timeframe is about 12-18 months or less.
 - iii) Complex Estates about 9-12 months, with administration, the total timeframe is about 12-36 months or less.
- Following the receipt of the grant, collation of the assets follows and this can take between 5-20 weeks depending on the nature of the assets in question, e.g. sale & transfer of property, shares, portfolios etc.
- Depending on the responses of third parties which are usually beyond our control, the completion of administration of different types of estates are:
 - i) Simple Estates about 8-10 months or less.
 - ii) Medium Estates about 10-18 months or less.
 - iii) Complex Estates about 12-36 months or less.

- The fee earner dealing with your case will advise of the time scale and provide updates during the course of the administration as often as possible.

o) Key Dates

- The following are the key dates in your matter:
 - For Council Tax and potential claims against the estate under The Inheritance (Provision for Family and Dependents) Act 1975 – six months after the date upon which the Grant of representation issued
 - For Deeds of Variation – two years from the date of death of the deceased
 - The Executors Year – one Year from the date of death of the deceased. Payment of pecuniary legacies should be made before the expiry of the Executors Year. If not, the pecuniary legatees receive interest at the statutory rate, calculated on a daily basis, in addition to the value of the pecuniary legacy bequeathed to them. The payment of interest at the statutory rate is a charge on the residuary estate. Depending on the nature of the estate under administration and the complexity of the same, payments to the legatees may occur well after the Executor's year without any delay on our part, e.g. where the estate is subject to property disposition or there are foreign assets.

p) Other Factors to Note

- Depending on the circumstances of the estate, we can charge lower than what is estimated above.
- We can agree a fixed fee based on the circumstances of the estate but subject to review, where applicable. E.g. where there is a Will with one beneficiary, no property, not more than four bank or building society accounts, then a fixed fee may be agreed.
- Conveyancing charges apply to the sale or transfer of any property in the estate and such costs are not included in the above estimates.
- Our Conveyancing department will handle the sale or transfer of property for you.
- We will keep you updated throughout the course of the matter.
- We are obliged to give you an estimate of our overall costs, and we can only do this based on past experience. You may wish to undertake some of the work to reduce the costs elements of the same, e.g. arrange for the clearing of the deceased's property, showing the estate agents around etc.
- We will inform you if unforeseen additional work becomes necessary. For example, due to unexpected difficulties or if your requirements or the

circumstances significantly change during the course of your matter. We will also inform you of the estimate additional cost in writing before extra charges and expenses are incurred. If, for any reason, the matter does not proceed to completion, we will charge you for the work done and the expenses incurred to date. You may set a limit on the charges and expenses to be incurred.

- We may request further payments on account of charges and expenses to be incurred as the matter progresses. When we put these payments towards your bill, we will send you a receipted account. We will offset any such payments against your final bill, but it is important that you understand that your total charges and expenses may be greater than any payments on account. It would be helpful if you can meet any requests for payments on account promptly, this will prevent delay in your matter. If there is any difficulty, please let us know as soon as possible, we could possibly arrange an instalment scheme for you.

q) Proof of Identity

- The law now requires solicitors as well as banks, building societies and other organisations to obtain satisfactory evidence of the identity of their clients. This is because solicitors who deal with money and property on behalf of their clients can be used by criminals wishing to launder money. In order to comply with the law on money laundering, we need to obtain evidence of your identity as soon as practicable.
- We would require either one of the documents from list A or two of the documents from list B below: -
 - a) A valid full passport or a valid HM Forces Identity Card with the signatory's photograph or a valid UK Photo Card Driving Licence.
 - b) A Cheque Guarantee card, a Credit Card (bearing the Master Card or Visa logo), American Express or Diners Club Card, Debit or Multi Function Card (bearing Switch or Delta logo) issued in the UK with an original Account Statement less than 3 months old, a Fire Arm and Shot Gun Certificate, a receipted Utility Bill less than 3 months old, a Council Tax Bill less than 3 months old, a Council Rent Book showing the rent paid for the last 3 months, a Mortgage Statement from another Lender for the Mortgage Account in the year just ended.
- We reserve the right to refuse to act for you unless we receive these documents.

r) People Responsible for your Work

- Kemi Ajayi will carry out most of the work involved in this matter. She is a Partner in the firm specialising in private client matters. The Partner who has ultimate responsibility for the private client department is Marie Riley. If you need to telephone, please ask to speak to Kemi Ajayi.

- If she is unavailable please speak to her secretary who will be happy to assist you and take any message for you, which will be brought to their attention as soon as possible.
- We try hard to avoid changing the people who are handling your work, but if this cannot be avoided, we will notify you promptly of the change, who will be handling your work and the reason why the change was necessary.
- Kemi Ajayi will explain to you the issues raised in your matter and will keep you informed of progress.