

# ADAMS DELMAR SOLICITORS

## PROBATE CHARGING STRUCTURE

There is a wide range of probate fees, even in our small firm. They range from as little as £130 plus £26 VAT (£156 incl. VAT) for a 30-minute consultation, upwards. Essentially, the firm's costs are a combination of the time taken to do the work, the grade of the fee earner concerned, the degree of complexity and an appreciation of the risks that may be involved. However, most matters will be charged on a time-only basis. The exceptions to this may be some complex estates (where we are not the executors) which may have some small percentage uplift to reflect the value of the estate and matters where we are the appointed executors under the will. Estates where we are the nominated executors will normally be charged as a small percentage of the gross estate plus VAT, usually between 2% and 2.5%.

Due to the number of issues that need to be taken into consideration, it is very difficult to provide an accurate quote for our services on the telephone or even by an exchange of emails. It is by far preferable to have an initial consultation where, between us and the client, we have an in-depth discussion during which we ascertain, as far as we can, the various assets comprising the estate, the beneficiaries and their location, whether there are any matters which may complicate things, the potential tax position, and whether there would appear to be sufficient funds to make the initial IHT payment that may be required (if any). We also try to ascertain at this stage the extent to which the client and his or her family wish to be involved. Not every case is the same in this respect; sometimes the clients only wish us to obtain the grant of probate for them and they wish to deal from there, and sometimes, the executors come to us already with a detailed list of the assets including date-of-death values of many of the assets (often if, for example, they had been a financial attorney for the deceased during the deceased's lifetime, and so already had a full knowledge of the financial circumstances). At the end of any case in which we have acted in the administration of the estate (as opposed to simply applying for the grant of probate), a detailed set of accounts will be delivered and subject to agreement the final payment will be made to the beneficiaries accordingly.

Our principal solicitor, Mr. John Adams' hourly charging rate is £260 plus £52 VAT (£312 incl. VAT), whereas our paralegal, Miss Agatha Gawlowska's hourly charging rate is £180 plus £36 VAT (£216 incl. VAT). All probate matters are supervised by Mr. Adams, although the majority of the work will most often be conducted by Miss Gawlowska.

Below are a few examples:

1. To establish whether a grant of probate is required, and if so, to take initial instructions, an initial half-hour consultation will be chargeable at £130 plus £26 VAT (£156 incl. VAT), which would be incorporated in our total costs if the matter does proceed.
2. To obtain a grant of probate only in a relatively simple estate is likely to take between 6-10 hours of chargeable work, i.e., between approx. £1,250 plus £250 VAT (£1,500 incl. VAT) and £2,000 plus £400 VAT (£2,400 incl. VAT).
3. To obtain a grant of probate and administer a simple estate, say where the assets are less than the IHT limits, probably no freehold or leasehold property, and there are no more than two residuary beneficiaries, and no outstanding HMRC issues, we would estimate 12 to 18 hours, i.e., between approx. £2,500 plus £500 VAT (£3,000 incl. VAT) and £3,750 plus £750 VAT (£4,500 incl. VAT).
4. To obtain a grant of probate and act for the executors in the administration of the estate, where the estate is worth less than £1,000,000 but there are one or more properties, the amount of chargeable work involved will typically fall within the range of 25-40 hours, i.e., between approx. £5,250 plus £1,050 VAT (£6,300 incl. VAT) and £8,250 plus £1,650 VAT (£9,900 incl. VAT).

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5. If we are instructed to act in a substantially larger estate, say £3,000,000, the matter will undoubtedly be complicated by income tax returns and the registration of the estate under HMRC rules, and our general guidance in this kind of case would be to allow about between 1.5% and 2.5% of the gross estate to cover the total of this firm's costs and also the various disbursements payable to others including accountants' fees and probate court fees, but not including any taxes due or estate agents' costs of sale.
6. If we are appointed as executors in relation to any estate, such appointment brings additional responsibilities and duties, in which cases our costs are chargeable on a fixed percentage basis, usually 2-2.5% excl. VAT of the gross estate, so that in an estate with a value of £800,000 this would be between approx. £16,000 plus £3,200 VAT (£19,200 incl. VAT) and £20,000 plus £4,000 VAT (£24,000 incl. VAT). This excludes conveyancing fees on the sale of any property in the estate in the jurisdiction of England and Wales, which are charged separately in accordance with our conveyancing charging structure.
7. The typical disbursements payable to third parties in most probate cases are as follows:
  - a. AML (Anti Money Laundering) searches (electronic ID checks) of £7.80 per individual, which includes the VAT chargeable by the service provider but does not attract VAT from us.
  - b. HM Land Registry document fees of £4.80 per document, inclusive of £0.60 VAT on the £3.00 HM Land Registry charge and the service fee of £1.20 (including VAT chargeable by the service provider).
  - c. Probate court fees of approx. £300 per application including official copies of the grant. These fees do not attract VAT.
  - d. Property valuation fees by preferred agent £75. This does not attract VAT from us.
  - e. Will search fees of £136.80. This does not attract VAT from us.
  - f. Statutory notices of approx. £300. This does not attract VAT from us.
  - g. Accountants' fees if their assistance is required in connection with any income tax returns that need to be filed for either the period before the death or during the course of the administration. Depending on the size and complexity of the estate, these are very variable ranging from £100 or so to several thousand pounds for complex estates.

For more information, please contact [john.adams@adamsdelmar.co.uk](mailto:john.adams@adamsdelmar.co.uk) or [agatha@adamsdelmar.co.uk](mailto:agatha@adamsdelmar.co.uk).