

A client's guide to probate charges

Those dealing with the loss of a loved one will not have been comforted by headlines regarding extortionate probate fees.

According to research by consumer group *Which?*, the high street banks charge an average of 4% for the administration of straightforward estates under the inheritance tax threshold. Specialist probate companies have also come under criticism for charging similar fees and a lack of regulation of non-solicitors means there is no protection for customers. Solicitors come out comparatively well in a *Daily Mail* report charging an average of 1.92% for an estate with a value of £270,000.

The fundamental problem is that some service providers are unclear about how they charge for probate work, leaving families with inflated bills that they were not expecting. At Russell-Cooke we give clients the option of a fixed fee for probate work. How the fixed fee works is set out clearly in the Charging Information available to clients before they instruct us. It is likely to be a fraction of the charges which according to *Which?* are charged by banks.

How much do banks and others charge?

The *Which?* Survey can be found at www.which.co.uk but in summary, the charges for a £350,000 estate from nearly all the banks surveyed were substantially higher than the solicitors average including:

- Lloyds TSB: 4% of the value of the estate
- Barclays: 4.5% of the value of the estate
- NatWest/RBS: 4% of the value of the estate

Other providers of probate services such as retailers tend to be less forthcoming about what their charges will actually be.

What do clients want?

According to a recent report called "Shopping Around" by legal research company *Jures*, two of the most important things for clients were quality and fixed prices. Quality can be hard to judge in advance but in probate high technical expertise and the experience to give realistic estimates of timing are important (see our [Probate Guide](#) for general guidance on this). For clients who want certainty we offer a low fixed price option. For those who want the prospect of the most economical service possible we offer time based charging backed by our best estimates of likely costs. It will usually work out to be even less expensive than the fixed price but sometimes (if there are problems) it will add up to more.

What are the risks?

The choice of adviser is important. A wrong choice can lead to inconvenience and potentially loss. Too cheap an option can prove too expensive in the end. Conversely the assurance that comes with a big bank's brand is not what it once was. The *Which?* Survey also shows that it is an unnecessarily expensive option. The best advice is to know what you want and if Russell-Cooke is it we'd be happy to hear from you.

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