



Jennifer Margrave Solicitors LLP

The Old Post Office, 130 Epsom Road,
Guildford, Surrey GU1 2PX

www.jennifermargrave.co.uk

enquiries@jennifermargrave.co.uk

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Welcome

Happy New Year to all our clients, past and present.

2019 is going to be a year of change in the world of probate due to new rules afoot at the Probate Registry. This unfortunately will result in an increase in probate fees. Last year an unsuccessful bid was made to increase the fees but the topic has once again reared its ugly head. Despite recent strong objections to local MPs about the unfairness of the increase it seems set to get the go ahead later this year.

We will keep you updated.

Also a new requirement of all firms, such as ours, which are regulated by the Solicitors Regulation Authority (SRA), is to have greater transparency when it comes to fees charged to clients. We have always taken pride in being open with our fees which are displayed on our website. One area where it is difficult to accurately predict fees is that of probate/estate administration.

Keep reading for a couple of articles tackling these areas later in the newsletter.

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'Do I?'

I read with interest that there has been an increase in newlyweds in their 50s. What leads to these marriages? One hopes love comes first but it would seem that what the future may hold and the potential Inheritance Tax bill play a major part in that decision for those entering middle age.

Couples who have been very happily unmarried in secure and long lasting relationships with or without children are hitting their 50s and thinking what would happen if one of them should die. The main cause for concern is that if one of you dies, the other person could lose the house or find themselves in financial difficulty due to Inheritance Tax.

Most couples in the south east will have a valuable property and hopefully a small mortgage by the time they are in their 50's. The house might be in joint names but when one of the partnership dies the deceased's half share of the property needs to be reported to HMRC together with details of any other assets e.g. bank accounts and investments and if those assets exceed the nil rate band (£325,000) there will be Inheritance Tax to pay at 40% of what is held above that sum.

Where will that tax come from? The money you thought would be left behind for your loved one to survive on at this difficult time? How to solve this? Spouses inherit their partner's assets tax free so marriage or a civil-partnership may now seem an attractive option.

Whatever your reasons for not marrying years before - it not being fashionable, you not wanting to be the centre of attention, just generally not getting around to it or not wanting to spend a fortune on one day perhaps now it is time to reconsider. There's nothing quite like a good wedding however big or small you want to have it and you can really make it suit your wishes rather than having to go to your local church or registry office.

Whether you grab a couple of friends to be witnesses and have a lovely meal afterwards or get married in a lovely exotic location please do bear in mind that getting wed is not the only thing you should consider when it comes to tax planning. You should

seek proper professional advice and put wills in place whether you intend to marry or not to look after your loved ones.

Joanne Mason



Secret army of OAPs going undercover!

The Scambusters: a secret army of OAPs are taking matters into their own hands by going undercover to catch mail fraud gangs who are tricking the elderly out of their life savings

The band of enforcers, with an average age of 75, have all been victims of postal fraud and are turning the tables on scammers who have cheated them out of their savings. They were recruited by Trading Standards and police forces to go undercover.

For the full story have look at:

<https://www.thisismoney.co.uk/money/beatthescammers/article-5914943>



Listed fees explained: a new service

The reason I always liked dealing with probate was that every matter was different – as different as the people themselves. By dealing with their estates, a lifetime picture of that person would emerge.

We might discover that a mild, grey haired widow was once a spy, or flew planes in the Second World War and had the medals to prove it, or that a shrunken doddering gentleman had been a pillar of his local community, having been a councillor and mayor of the local town.

I once dealt with a person who was living rent free in a kind nephew's flat, because she had very little money, but I noticed she had some lovely paintings – one of them was sold for thousands of pounds at one of the large auction houses in London.

So when it comes to dealing with an estate, all sorts of work needs to be done.

As clients know, we have set out our fees for other work we carry out for years but have always baulked at doing so for probates, as the work covers so many different aspects.

However, our governing body, the Solicitors Regulation Authority, has decreed that we should publish our fees for dealing with probates. But how to start, when each estate is so different? Yes, the process can be the same, in that, in the first instance, we have to gather in details of the assets and liabilities in order to complete the papers for the Revenue and the court that issues probate, and then collect those assets, pay liabilities and make a distribution to beneficiaries. Sometimes this can be a matter of being given the information by the family and sometimes it involves going through a mountain of papers from the house of a hoarder that can take days.

And there is the further issue of handholding and being gentle with those left behind who are often shocked by grief and can't attend to practical issues. We wouldn't want to give a lesser service because we are constrained by the actions listed in fixed fees, so we have tried to set out what is involved and how we will charge for such actions, but even then, it cannot be comprehensive.

How does anyone know what is involved until we delve into the paperwork?

So, we have published our fees but we will also be flexible and discuss the charges and the way we'll deal with the estate with you when we receive our initial instructions. Sometimes our published fees will be too much and we will give you a lower estimate. If we foresee problems, at the beginning, at being able to deal with the estate within our listed fees, due to the fact that there may be other matters which we have not envisaged in our listings, we will explain that to you.

For instance, we rarely deal with estates where there are assets abroad, but this could cause complications and involve us in instructing agents; we will then give you an idea of the cost of doing that.

We hope that our probate fees are not only comprehensive but acceptable to you, now you know the reason why the list is extensive and complicated.

Jennifer

Beware cheap wills

Recently the Mail issued a warning to its readers who consider using cheap will-writing services that claim to save people time and money by cutting out solicitors.

Ahhh... a ploy by us, as solicitors to use our services you may be thinking, but not so. Just a warning to clients that unlike our sector which is regulated by the SRA, will writers are not under a duty to publish their fees.

Just be aware that if you approach these service providers you ensure they provide you with a full quotation of the costs. The Mail confirmed that sometimes what can seem a budget will can then include enormous hidden fees and extra charges.

Julie

Britons left £2.85bn to charity in wills last year

What an amazing statistic into the generosity of the 'Great British Public'.

According to the Sun and Daily Mirror, this sum was left via gifts in wills last year, the top 5 beneficiaries including Cancer Research UK, Macmillan Cancer Support and the British Heart Foundation.

There were 36,445 charitable estates last year and figures have revealed that if just 1% of non-charitable estates gifted money in their wills an additional £97m could be raised each year.

Julie



The retiring age

As you know we act for mainly elderly clients and, of course, their families. But I want us to think about the elderly, most of whom will be retired. (Although I know quite a few who are still working –seventy is now the new fifty!)

What happens when a person retires, when they have quite likely worked for forty or more years? I started a paper round at fourteen, had a Saturday job at fifteen as well, and then, apart from college, had worked full time until retirement.

It is well known than some suffer a loss of identity on retiring, especially men, who often rely on their wives to organise their social events. Many use the workplace as their 'community' and, suddenly, they no longer have regular contact with their work colleagues.

So retirement might lead to loneliness and a total 'blank' in peoples' lives. This is something that I've been told about by some clients who have only recently retired.

Many of them visit our offices at this time to review their wills, prepare lasting powers of attorney and generally review their situation, and some even joke about visiting their three least favourite professionals; apart from lawyers, it's the dentist and optician.

But after they've put their 'house in order' what next? The cruise around the world? Buying the dream car they've always wanted?

It's obvious that they have to fill the eight hours a day or more that was spent at work but it's important to create a new social circle to prevent loneliness, and it is important to share the new experiences that will inevitably occur.

One important activity is to maintain physical fitness. Loneliness can of course mean a person sits in front of the television or computer and chomps away at biscuits, not noticing the weight piling on. But now there is time, it is good to consider what physical activity is enjoyed; whether it be rock'n'roll dancing or hill running; or as simple as going to the shops, walking briskly.

There are resources 'out there' for the elderly to kick start their new life, so maybe a visit to the local library shortly after retiring would be the first step to a long and happy retirement.

Please note the content of this newsletter is for information only and should not be seen as formal legal advice that readers should rely on.