

Association of Accounting Technicians (AAT) response to the Ministry of Justice proposal, “Aligning the Fees for Grants of Probate to Cost Recovery”

AAT (Association of Accounting Technicians) supports the proposed increase in fees for professionals from £215 to £273 and for the alignment of fees amongst professionals and non-professionals.

Despite assertions that the cost of processing claims differs, there has never been a strong case for charging professionals and non-professionals different fee rates for probate so AAT strongly welcomes the proposal to end this discriminatory practice.

In addition, as a matter of sound public policy, there is very little justification for any public subsidy for the probate application process and the fact it currently costs HMCTS more to process applications than the fees it receives is an anomaly that should be ended. As doing so will also eliminate what are effectively £20m+ in annual losses the proposal has even greater merit.

AAT has considered the affordability of fees, as it would not want anyone, least of all those dealing with a recent death, to suffer any form of financial hardship, but notes the smallest estates (those below £5,000) are exempt from probate fees. Furthermore, those applicants with large estates but financial difficulties can apply for help via the Help with Fees scheme¹. Ultimately, the cost is covered by the estate, and as the consultation document notes, even those who may initially face a short-term cash-flow problem with regards to paying the fee, are likely to benefit from the flexibility most banks and building societies offer in allowing the executor to access funds in the accounts of the deceased for such matters.

Finally, AAT notes that the last increase took place in 2016 and that at the time this was supposed to cover the actual costs of administration too. In order to future proof the fees and avoid the need for periodic reviews and larger overall increases, AAT suggests that the fee should not only increase to £273 but that it should increase in line with inflation (CPI) on an annual basis.

Further information

If you have any queries, require any further information, or would like to discuss any of the above points in more detail, please contact Phil Hall, AAT Head of Public Affairs & Public Policy:

E-mail: phil.hall@aat.org.uk Telephone: 07392 310264 Twitter: @PhilHallAAT

Association of Accounting Technicians, 140 Aldersgate Street, London, EC1A 4HY

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¹ EX160A:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/958038/ex160a-eng.pdf