

PRIVATE BANKING

ESTATE ADMINISTRATION SERVICE

Expertise with understanding



**BANK OF
SCOTLAND**

By your side

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ADMINISTERING AN ESTATE

Taking the weight off your shoulders.

Administering an Estate when someone dies can be daunting. We understand the stress you may find yourself under and we take care of more than just financial matters. We can provide help with every detail – from securing property and having heirlooms valued, to re-homing pets.

Our Estate Administration Service is delivered either through Bank of Scotland or Lloyds Bank. We will explain the options depending on your circumstances and the details of the Estate.

As experts with over 100 years of experience in Estate administration, we are able to handle all the processes and paperwork involved. We manage complex issues sensitively, impartially and professionally.

Our Estate Administration Service is available to everyone, not just existing customers. We will always be here for anyone associated with the Estate to contact us, both now and in the future. We explain our fees clearly, from the outset of the process. You will not pay anything upfront as any fees will be paid from the Estate.

Full details of Fees and Terms and Conditions are available on request or to download from the Lloyds Bank website www.lloydsbank.com/estates-administration

Taking care of it all

We will work with you and any Co-executors to administer the Estate and will try to anticipate your needs at every stage of the process.

We can take care of:

- ▶ Paying funeral costs
- ▶ Valuing and safeguarding all Estate assets
- ▶ Securing and insuring any Estate property and arranging the sale of that property if required
- ▶ Organising and completing all associated paperwork
- ▶ Re-homing pets
- ▶ Applying for the Grant of Representation (Confirmation in Scotland)
- ▶ Collecting, selling and transferring assets
- ▶ Calculating and paying the correct amount of tax, working with HM Revenue & Customs (HMRC)
- ▶ Finalising any Income Tax liability and obtaining any repayment due
- ▶ Managing and settling any Estate debts including loans, mortgages and utility bills
- ▶ Distributing funds and preparing a clear and detailed Estate Administration Report.

UNDERSTANDING WHAT MATTERS AT A DIFFICULT TIME

We deal with Estates
of all complexities.

Our service is the same whether we are the appointed Executor under the terms of a Will, are acting in place of an Executor who does not feel able to act, or where someone has died without leaving a Will (the latter is not applicable if the deceased was domiciled in Scotland).

Once appointed, we are legally responsible for the administration because we obtain the Confirmation or Grant of Representation (in England and Wales), the proof of legal authority to deal with the Estate.

Getting started

Our first step is to talk to you by telephone to discuss your options and to guide you as to your possible next steps. You do not need to visit a branch.

We will then arrange a meeting with a Bereavement Manager for you, either in person, by telephone or via a simple video link. There is no charge for this meeting, which is without obligation.

Your Bereavement Manager will explain our service in depth and ask you for any relevant paperwork. At the end of this brochure, you will find a checklist of the type of documents we will need.

Working with you

It may take several days for us to gather all the Estate paperwork (including the Will, details of any assets and relevant property deeds, banking information, statements and insurance policies) and to identify and contact all potential Beneficiaries.

We will update you regularly throughout the Estate administration process. You will also be given the direct contact details of the two named specialists looking after your case.

Our customer focused service is provided by post with telephone support. You will also have access to our online customer hub which features case tracking and secure messaging. Just ask us for more details.





THE STAGES OF THE ESTATE ADMINISTRATION SERVICE

We cannot predict exactly how long it will take to administer the Estate. A straightforward Estate administration can typically take up to a year. For a more complex Estate with intricate tax issues or involving the sale of a property, the process may take longer.

On the following pages you will find a guide to the various stages of the Estate administration process, with approximate timescales. Not all will apply to every Estate and some may overlap with each other.

The timescales shown are a step-by-step guide, but however long the process takes, you can rely on us to handle everything. Your dedicated Estate Officer will contact you regularly and we will keep you updated every step of the way.

There are some differences between the laws of Scotland and England & Wales. Our experts can discuss how this affects the administration of the Estate with you.

The timescales quoted on the following pages are indicative

ADMINISTERING THE ESTATE

STEP BY STEP

1 First steps Day 1

Following our initial call or visit, and once we have received all the Estate paperwork, you will receive a letter of introduction from your Estates Team. This will contain the names and direct telephone number of the Estate Manager and Estate Officer administering the Estate.

We will also write to all the companies, organisations and government agencies involved in the administration process to determine the full extent and value of the Estate assets and liabilities. Additionally, we will write to all beneficiaries to outline their position within 10 to 15 working days.

2 Initial activities 1–2 months (from day 1)

Dealing with property

If there is a property to be sold or transferred, we will arrange any necessary valuations and where appropriate appoint an Estate Agent. We will also instruct appropriate conveyancing professionals and will notify you, any Co-executors and other Beneficiaries of offers received on the property where relevant.

Where a property is to be transferred, we will arrange this and ensure that it is valued and registered with the Land Registry if necessary.

In Scotland, we will not be able to place a property on the market until Confirmation (the equivalent of the Grant of Representation) has been issued (stage 4).

Other activities:

At this stage, we may need to identify further Beneficiaries. We will discuss some of the bequests and the distribution of other Estate assets such as cars and other personal effects with you. If you want us to consider transferring assets to you, you should let us know at this point.

In England and Wales only:

We will place Statutory Notices to identify creditors unless we are acting as Administrator. If this is the case these notices cannot be advertised until the Grant of Representation has been issued, which can delay distributions (stage 6).

3 Inheritance Tax calculation 2–6 months (from day 1)

We will submit an account of all assets (including joint and nominated assets) and any relevant gifts and liabilities to HMRC. At this point, the initial amount of Inheritance Tax (IHT) is paid (excluding IHT on any assets, which can be paid in instalments).

By law, we need to obtain a receipt from HMRC before we can apply for the Confirmation (or Grant of Representation), regardless of whether tax is payable on the Estate. We are reliant on HMRC to provide us with the certificate and delays may occur at this stage.

4 Obtaining Confirmation (Grant of Representation in England & Wales) 2–6 months (from day 1)

For Estates in Scotland we can now apply for Confirmation and present the necessary paperwork to the Sheriff Court.

In England and Wales we will apply for the Grant of Representation and submit the Will and other relevant documents to the Probate Court.

You will receive details of the Estate assets and liabilities, together with an estimate of your likely inheritance.

STEPS*

1

You should receive the introduction letter within 10 to 15 days from day one.

2

One to two months from day one.

3

Two to six months from day one.

4

Two to six months from day one.

5

Five to six months from day one.

6

Five to six months from day one.

*Timescales given, with the exception of step one, are for guidance only.

5 Collecting assets and settling liabilities 5–6 months (from day 1)

Once we have obtained Confirmation (or Grant of Representation in England & Wales) we will send copies to the companies involved in the Estate administration to collect monies due to the Estate and settle all liabilities.

In Scotland, we will be able to instruct the appropriate professionals to deal with the sale of any property.

6 Distributions 5–6 months (from day 1)

Provided we are satisfied that all potential claims have been settled, we will pay any legacies and make interim distributions to the Beneficiaries, keeping an appropriate reserve.

Where a property is to be transferred, we will arrange this and ensure that it is valued and registered with the Land Registry if necessary. In Scotland, this will be no sooner than six months from the date of death.

If any claims are made against the Estate, this can delay the administration. We will discuss this with you.

7 Income Tax clearance 6–7 months (from day 1)

We will have collated all the information needed for the final income tax return, which is finalised at the date of death. Unless appropriate professionals have been separately appointed, we will handle everything involved in submitting the tax return.

8 Inheritance Tax clearance 6–9 months (from day 1)

Once we have established all Estate assets and liabilities and finalised the income tax position to the date of death, we will submit a final account schedule to HMRC. This specifies any amendments to the Estate assets and liabilities previously declared, enabling HMRC to calculate the final IHT bill. We will settle the bill and receive any refunds due.

9 Dealing with overseas assets At least 12 months (from day 1)

If the Estate contains overseas assets, where possible we will deal with the legal formalities in the country in question and instruct the appropriate professionals. This can be a complex process and delay completion of the Estate.

We can only deal with overseas assets once we have obtained Confirmation or the Grant of Representation (stage 4).

10 Completion 9–12 months (from day 1)

Administration Tax

The Estate will be liable for Administration Tax (income and capital gains tax) for the administration period. This can only be calculated and submitted to HMRC once we have finalised all stages of the Estate administration. We will need to calculate the tax and submit the appropriate tax returns.

Estate Administration Statement

We will send a full statement of the Estate assets and liabilities to all relevant parties, together with all final distribution payments. We will also send appropriate tax vouchers if required.

7

Six to seven months from day one.

8

Six to nine months from day one.

9

At least twelve months from day one.

10

Nine to twelve months from day one.

WHEN YOU ARE CO-EXECUTOR

If you have been made a Co-executor of an Estate (along with us), you have three options.

1. Let us take the lead

You can appoint us to take the lead and be responsible for the administration of the Estate.

Alternatively, if you decide to actively take up your appointment as Co-executor (which may extend the administration time), you will be fully consulted and be part of the decision making process throughout.

This means being involved in:

- ▶ the completion of the Grant Application papers;
- ▶ approving HMRC forms for Inheritance Tax purposes;
- ▶ making decisions on raising funds, paying legacies and distributions to beneficiaries;
- ▶ sale of a property;
- ▶ signing Building Society, insurance claims and possibly stock transfer forms; and
- ▶ approving the Estate accounts at the end of the administration process.

2. Declining (Renouncing in England and Wales)

By declining (renouncing in England and Wales) an Executor gives up all legal rights and responsibilities. This involves signing a Deed of Declinature (Deed of Renunciation in England and Wales) before the Confirmation (Grant of Representation in England and Wales) is applied for.

Once you have done this, you won't need to sign any more documentation and we will manage the rest of the Estate.

3. Power reserved (England and Wales only)

Co-executors can agree between themselves that only one Executor (in this case, us) applies for the Grant of Representation. This will be issued to us with 'power reserved' to the other named Co-executors. These Co-executors will not need to sign any documents, but can still be consulted on any issues that may arise. In Scotland this does not apply and the term 'power reserved' is not recognised, but the Co-executors may decline (see declining above).

If the Will contains a Trust and we are appointed Trustee, then we need to establish whether a Co-executor wishes to act as an ongoing Trustee with us. The role of Trustee is separate from that of a Co-executor, so whether or not you act as a Co-executor this will not have any effect on the arrangements made for ongoing Trusteeship. If applicable, you will receive our full terms and conditions for the Trust Management Service, including the fees for this service, which are available separately. Please contact us if you have not received them together with this brochure.

As an Executor if you have been left a legacy as part of the Will, we will discuss with you what impact this may have.

DEFINITIONS

Administrator

A person who is appointed to administer an Estate who is not named as an Executor in a Will (not applicable in Scotland).

Beneficiary

A person who is entitled to benefit from the assets of an Estate.

Executor

The person named in a Will to carry out the instructions of the Will.

Confirmation (Grant of Representation in England and Wales)

The proof of legal authority required by the person who is responsible for dealing with the Estate.

Confirmation Application papers

Legal documents, such as original Wills, sworn oaths (not applicable in Scotland) or Inland Revenue Accounts that have been completed by the Executors. HMRC and the Sheriff Court need these documents to issue the Confirmation (Grant of Representation in England & Wales).

Inheritance Tax (IHT)

A tax on an Estate which generally applies when someone dies.

Trust

A legal entity that holds your assets, before they are released to those designated to receive them.

FOR COMPASSIONATE EXPERT ADVICE

Your Estate Manager and their dedicated team are on hand if you have a question, you need more information, or you have a complaint.

To talk to us, please contact our Estate Administration Service team on **0800 056 0171**. (Lines are open Monday to Friday 9am–5pm).

You can also visit us in branch or bankofscotland.co.uk/contactus/complain/

ESTATE ADMINISTRATION CHECKLIST

To establish the value of the Estate, we need to make an accurate list of all Estate assets and liabilities.

To do so, we may ask you to provide any of the documents shown in this checklist. We understand you may not be able to find them all and that some may not be relevant to the Estate we will administer for you.

- ☐ Original death certificates (or interim Coroner's certificate if death certificate is not yet available)
- ☐ Department of Work and Pensions notification form

Personal

- ☐ State pension details and National Insurance number
- ☐ Passport, driving licence, Blue Badge, AA/RAC card, store-cards
- ☐ Copy of any Power of Attorney, if registered
- ☐ Marriage/civil partnership certificate for the deceased and their spouse/civil partner
- ☐ Spouse/civil partner's National Insurance number
- ☐ The Grant of Representation (Confirmation in Scotland) and any other relevant information available for any predeceased spouse/civil partner (death certificate, copy of the Will, deed of variation, or relevant dates if not available)
- ☐ Full names and up-to-date addresses of any Co-executors named in the Will
- ☐ Full name, relationship to the deceased, telephone number and up-to-date address for all Beneficiaries and legatees under the Will
- ☐ Birth certificates for all Beneficiaries under the age of 18
- ☐ Details of any gifts in excess of £250 made in the past seven years (money or chattels)

Assets – Sole and Joint

- ☐ Details of all bank and building society accounts. Please also provide any statements, passbooks, cheque books, cheque book stubs/ statements and cash machine and debit cards for the last seven years
- ☐ National Savings Account passbooks
- ☐ National Savings Certificates, Income Bonds and Premium Bonds
- ☐ Life or other insurance policies and bonds
- ☐ Details of any non-Lloyds Bank ISAs, etc.

- ☐ Details of any investments including stock and share certificates or statements, dividend counterfoils and any recent correspondence from Registrars
- ☐ Private and/or employer pension documents
- ☐ Details of overseas or business assets, including relevant correspondence
- ☐ Any un-cashed cheques received by the deceased or details of any outstanding claims

Income Tax

- ☐ An income tax statement or other correspondence relating to HMRC or details of the tax district and the name and address of any tax adviser/accountant

Home

- ☐ Buildings and contents insurance policies
- ☐ Current meter readings – gas, water, electricity
- ☐ Recent household bills, for example: gas, electricity, telephone and mobile phone, council tax, water rates, service charge, rent and ground rent (with any rental agreements)
- ☐ Details of any outstanding loans, mortgages and property deeds, or details of where these are held
- ☐ TV licence
- ☐ Last nursing home invoice

Motor Vehicles

- ☐ Insurance policy and current certificate of insurance
- ☐ Vehicle registration document
- ☐ Current MOT certificate
- ☐ Current mileage

Liabilities

- ☐ The funeral estimate, or the name and address of the undertaker and details of any other funeral expenses
- ☐ Credit cards and statements
- ☐ Details of any other liabilities or unpaid invoices

To talk to us, please contact our
Estate Administration Service
team on **0800 056 0171**.

Lines are open Monday to Friday 9am-5pm

If you need this
communication in
another format, such as
large print, Braille or audio
CD, please contact us.

If you have a hearing or speech impairment,
you can use Relay UK. 9am-5:30pm. SignVideo
services are also available if you're Deaf and use
British Sign Language: [bankofscotland.co.uk/
accessibility/signvideo](https://www.bankofscotland.co.uk/accessibility/signvideo)

Important Information

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EH1 1YZ. Registered in Scotland no. SC327000. Authorised by the
Prudential Regulation Authority and regulated by the Financial Conduct
Authority and Prudential Regulation Authority under number 169628.

Eligible deposits with us are protected by the Financial Services
Compensation Scheme. We are covered by the Financial
Ombudsman Service.

Calls may be monitored or recorded. Call costs may vary
depending on your service provider.

Information correct as of August 2020.

