

The Chairman
Independent Regulatory and Pricing Tribunal
email: ipart@ipart.nsw.gov.au

Dear Sir or Madam

I wish comment on Item three of the 14 you identified on page 5 of the Issues Paper May 2014. My comment relates to the NSW Trustee and Guardian's fees, commissions and charges for administering deceased estates for market customers.

I consider that the NSW TG's system of charging for administering deceased estates above \$100,000 value is unfair and not transparent. The 'commission' is the key problem.

Currently, deceased estates of \$100,000 are charged \$4400 as a 'commission' in addition to fees for service. This commission is \$7700 for a \$200,000 estate and \$9900 for a \$300,000 estate. The commission then rises at the rate of \$1100 for each additional \$100,000 over \$300,000. [It is acknowledged that a \$250 fee can be imposed in lieu of the commission. NSW TG might be asked to identify in what circumstances it charges a market customer the minimum charge of \$250, rather than charging the commission as set out above.]

The commission does not cover the cost of the work. The actual work of administering the deceased estate is paid for by *additional* fees and charges.

A fairer and more transparent system would be to delete the 'commission' component of the charges and only charge for the services. [Clearly, if NSW TG's charging rates are currently too low, then the rates ought to be raised.]

In its place I recommend the system of charging which is used by the Public Trustee of Western Australia.

The WA system is fair. It calculates fees "by determining the number and types of tasks that need to be completed to administer the deceased estate".

The WA system is also transparent. The Public Trustee of WA provides information on its website so that members of the public can see what tasks and effort are involved in administering a deceased estate and what the costs would be to undertake those tasks.

I believe that the system of fees for NSW TG's market customers in relation to deceased estates should be set out in the Regulations, and that the clauses relating to 'commission' for administering deceased estates be removed from the Regulations.

[Sources viewed 22 June 2014:

<http://www.publictrustee.wa.gov.au/F/fees.aspx?uid=9137-9696-3218-5913>

Deceased Estate Administration and Executor Assist from

http://www.publictrustee.wa.gov.au/_files/deceased_estate.pdf]

Yours sincerely

Liz Hurst
22 June 2014

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