

Call to regulate 'heir hunters'

NICKY BURRIDGE
Special Correspondent

Britons are being forced to hand over millions of pounds of money they inherit to so-called heir hunter firms each year, according to new research.

Heir hunters, also known as probate genealogists, trace beneficiaries of estates when the holder has died without making a will or people who have been left money but are at an unknown address.

In many cases they are instructed by solicitors or executors to track down all beneficiaries to an estate before it can be lawfully distributed.

But some firms also research unclaimed estates or ones that are intestate, meaning no will was made, which are advertised by the Treasury Solicitor, racing each other to piece together a family tree and find relatives who are in line for an inheritance, according to probate genealogists **Title Research**.

While probate genealogists instructed by an executor generally charge fixed fees which are paid out of the estate, heir hunting firms typically charge a fee of between ten per cent and 30 per cent of the amount the people they trace stand to inherit, while in some cases the fee can be as high as 40 per cent.

People who have been contacted by the firms say they frequently employed aggressive tactics, often refusing to reveal the name and details of the deceased person, or even the value of the inheritance until they agreed to pay their fee.

Four out of ten people who were found by heir hunters and had to pay a fee said they felt under pressure to do so, while 59 per cent said they thought the way the firms worked was unfair.

But the industry is not regulated and there is no independent body that people can complain to if they feel they have been overcharged or treated unfairly.

The research estimates that people could be handing over as much as £10 million a year to heir hunter firms.

Two-thirds of people die without making a will, meaning their estate goes intestate and is distributed along set guidelines.

The estate only passes to the Government if it remains unclaimed for up to 30 years.

Around 60,000 people a year discover they stand to inherit money either from a relative they did not know they had, or from one they had lost touch with, with these people receiving an average of £67,500 each.

The research found that 64 per cent of the general public think it is unfair that people should have to pay a fee of 25 per cent to heir locators for finding them and 76 per cent think there should be a cap on the percentage that can be charged.

A further 58 per cent of those questioned thought having a fixed fee was the fairest way for firms to charge missing beneficiaries.

Title Research, which only traces

beneficiaries when instructed by solicitors and does not charge percentage fees, is calling for the industry to be regulated and for consumers to be protected from the unfair percentage fees. It also wants an independent body to be set up to handle consumer complaints.

Tom Curran, chief executive of Title Research, said: "We believe it is grossly unfair for heir locators to sign-up beneficiaries to contracts that often result in the beneficiary needlessly signing away ten per cent to 30 per cent of their inheritance to the heir locator for being found.

"Fees at this level are excessive and disproportionate to the amount of work involved in locating heirs.

"In many instances people are not told the amount they stand to inherit, so they are effectively being asked to sign away a large percentage of an unknown amount. It's hardly a fair and transparent, let alone sensitive, process."

■ Opinium Research questioned 2,161 people, as well as 104 missing beneficiaries and 315 people who were unknown beneficiaries during January and February.