



Transparency of pricing and service provision report

MAY 2021



Transparency of pricing and service provision report – May 2021

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BACKGROUND

ICAEW is committed to improving transparency of pricing and service provision among its probate accredited practices. After our last report in January 2021 on *Transparency of pricing and service provision* we set up a dedicated page on our [website](#) to support firms with this.

The dedicated page has resources and access to previous reports that ICAEW has produced to encourage firms to take up the *ICAEW Best Practice Guide to Cost and Service Transparency (the Guide)* that was sent to all ICAEW accredited probate firms in June 2019.

The research undertaken in October 2020 was reported to the ICAEW Regulatory Board (IRB) in December 2020. The results were disappointing, and the IRB asked for further work to be undertaken in early 2021. This included:

- The publication of the *Transparency of pricing and service provision* report – January 2021 summarising the transparency improvements noted between 2019 and 2020;
- A letter from the legal services chair of the IRB on 14 January 2021 to every ICAEW probate accredited firm, drawing attention to the published Competition and Markets Authority (CMA) report and the need for improvements in this area;
- The production and communication of a training webinar from ICAEW's Quality Assurance Department (QAD) in February 2021; *Transparency – what you need to know*, setting out the requirements and benefits associated with pricing and service transparency; and
- Further research and reassessment in April 2021, to be reported to the IRB in June 2021, the contents of which are covered by this report.

At its meeting in December 2020, the IRB noted that should the results of the 2021 research show that insufficient progress has been made by our probate accredited population in displaying pricing and service information it would, at its board meeting in June 2021, introduce regulation and enforcement in this area.

OVERVIEW

ICAEW's population of probate accredited firms is heavily skewed towards sole practitioners (2021: 33% [2020: 31%]) and small practices with between two and five principals (2021: 49% [2020: 49%]). Of these smaller firms, 39 (11%) (2020: 36 (11%)) do not have a website, so are not actively marketing their probate services.

Many ICAEW accredited firms, regardless of size, see the ability to offer probate services as an extension to other accountancy services, particularly the provision of tax services. These practices will often offer probate services to existing clients with whom the firm has had a long-standing professional relationship.

METHODOLOGY

- As at 30 March 2021 the number of ICAEW probate accredited firms was 343 of which 304 (89%) had a website. We carried out a review of all firms with a website, covering the same criteria as previous research in October 2020. The questions asked in the research are listed in [Appendix A](#).
- For smaller firms, we can't always easily obtain information about their approach to price and service transparency. These firms have previously provided information by way of a completed questionnaire about how they communicate transparency information to their clients, [Appendix B](#).

There were 304 firms with a website, 10 firms responded to the questionnaire, leaving 29 firms that we have no data for in this report. The information provided by the firms who responded to the questionnaire has been incorporated into the results.

SUMMARY

In line with the IRB's proactive plan, we communicated the publication of the 2020 research via the *Transparency of pricing and service provision report – January 2021* and the QAD webinar *Transparency – what you need to know* via [Probate News 15](#) on 25 February 2021. We are pleased that the uptake of the voluntary approach has shown improvement in transparency disclosures across the range of indicators.

70% (2020: 67%) of firms made it clear they were accredited for probate with ICAEW. Many firms use the ICAEW probate logo and/or legend. 56% (2020: 48%) of firms stated who would be dealing with the matter, with a consistently high percentage (2021: 75% [2020: 75%]) detailing staff profiles including information on experience/qualifications of the staff involved in the work.

Information on price and related services has seen a significant improvement with 27% (2020: 9%) giving details of their charges and 23% (2020: 6%) of firms giving an explanation of what services will be provided for such costs.

We found a consistent proportion (2021: 70% [2020: 70%]) of our firms are providing a clear description of the probate services they offer.

Price information is usually provided in more detail, tailored to the consumer's need upon first contact, often by way of initial meetings and/or in written terms. It is a regulatory requirement for all ICAEW accredited probate firms to detail the basis of fees in writing prior to any probate engagement. This is monitored by cyclical inspections to all probate accredited firms by QAD.

RESULTS

RESEARCH 2020 AND 2021				
	2020		2021	
Research questions:	334 probate accredited firms reviewed		343 probate accredited firms reviewed	
	Yes	No	Yes	No
	308* (92%)	26 (8%)	314* (92%)	29 (8%)
		17 (65%) sole practitioners		19 (66%) sole practitioners
	308* probate accredited firms that have websites reviewed		314* probate accredited firms that have websites reviewed	
	Yes	No	Yes	No
Does the firm make it clear they were accredited for probate with ICAEW?	207 (67%)	101 (33%)	220 (70%)	94 (30%)
Does the firm offer a free consultation, fixed fee or a free quote?	118 (38%)	190 (62%)	114 (36%)	200 (64%)
Does the firm publicise charges and how they calculate/charge them?	27 (9%)	281 (91%)	85 (27%)	229 (73%)
Do fees advertised include VAT?	6 (2%)	302 (98%)	19 (6%)	295 (94%)
Does the firm give an explanation of what services will be provided for such costs?	20 (6%)	288 (94%)	72 (23%)	242 (77%)
Does the website state who in the firm will be dealing with the matter and what level they were?	148 (48%)	160 (52%)	176 (56%)	138 (44%)

*includes 10 firms that provided information about their pricing and service via completed questionnaire

RESEARCH 2020 AND 2021 BEST PRACTICE REQUIREMENTS

	308 probate accredited firms that have websites reviewed**		314 probate accredited firms that have websites reviewed**	
	Yes	No	Yes	No
Does the firm's website have staff profiles including information on experience/qualifications?	232 (75%)	76 (25%)	237 (75%)	77 (25%)
Does the firm provide will-writing, powers of attorney, HR/employment or payroll services?	255 (83%)	53 (17%)	265 (84%)	49 (16%)
Payroll only	152 (49%)	156 (51%)	159 (51%)	155 (49%)
Do they state if there were any disbursements, extra costs or referrals expected?	20 (6%)	288 (94%)	66 (21%)	248 (79%)
Does the firm make use of a price calculator or case studies to help communicate costs?	3 (1%)	305 (99%)	20 (6%)	294 (94%)
Does the firm provide a clear description of services it offers?	216 (70%)	92 (30%)	219 (70%)	95 (30%)
Does the firm provide a description of the key stages and likely timescales of a service?				
Key stages	70 (23%)	238 (77%)	79 (25%)	235 (75%)
Time scales	22 (7%)	286 (93%)	62 (20%)	252 (80%)
Does the firm publish details of their internal complaints' procedure?	80 (26%)	228 (74%)	105 (33%)	209 (67%)
Does the firm publish details of its compensation arrangements, namely a consumer's ability to claim from the compensation fund?	39 (13%)	269 (87%)	65 (21%)	249 (79%)
Does the firm publish that it has PII?	79 (26%)	229 (74%)	105 (33%)	209 (67%)

***or provided completed information via a questionnaire.*

WHAT NEXT

The IRB considered this report at its meeting on 10 June 2021 and decided to introduce regulation in relation to price and service transparency with effect from 1 September 2021.

Appendix A – Website research questions

General information

- Does the firm make it clear they were accredited for probate with ICAEW?
- For probate: Does the firm offer: Free consultation, a fixed fee or a free quote?
- Does the firm provide will-writing, powers of attorney, HR/employment or payroll services?

Price information

- For probate: Does the firm publish the total cost and how they calculate/charge them?
- Do fees advertised include VAT?
- Do they give an explanation of what services will be provided for such costs?
- Do they state if there were any disbursements, extra costs or referrals expected?
- Does the firm make use of a price calculator or case studies to help communicate the costs?

Service information

- Does the firm provide a clear description of the services it offers?
- Does the firm provide a description of the key stages of a service?
- Does the firm provide a description of the likely timescales of a service?
- Does the website state who in the firm will be dealing with the matter and what level they were?
- Does the firm's website have staff profiles including information on experiences/qualifications?

Complaints & redress information

- Does the firm publish details of their internal complaints' procedure?
- Does the firm provide details of how and when their clients can make a complaint to the LeO?
- Does the firm publish a link to ICAEW's complaints section of the webpage?

Regulatory information

- Does the firm publish details of its compensation arrangements, namely a consumer's ability to claim from the compensation fund?
- Does the firm publish that it has PII?

Appendix B – Questionnaire for firms without a website

General information

- Do you communicate to your clients that you are accredited for probate and estate management by ICAEW?
- For probate do you offer: free consultation, a fixed fee or a free quote?
- As you do not have a website, how do you provide clients and potential clients with information about your probate services?
- Does your firm provide will-writing, powers of attorney, HR/employment or payroll services?

Price information

- Please advise how you communicate your pricing (hard copy marketing material, direct mailings / letter, email newsletters, social media, verbally in client meetings).
- Do you include VAT in your pricing?
- Do you provide an explanation of what service will be provided for such cost?
- Do you state whether disbursements, extra costs or referrals expected?
- Do you use a price calculator or case studies to help communicate the costs?

Service information

- What initial information do you provide to clients about the probate process? (e.g., expected stages, timelines, steps they can carry out themselves, etc.)
- How do you communicate this? (By letter, email, verbally, hard copy marketing material).
- What stages of the process would trigger a client update, if any?
- Do you communicate any information about your staff's qualifications / experience / expertise to your clients? If so, how?
- Do you have a formal process for collecting client feedback?

Complaints & redress information

- How and when do you tell your clients about your complaints' procedure?
- How and when do you tell clients about their right to complain to ICAEW and/or LeO?

Regulatory information

- How and when do you tell clients about the probate compensation scheme?
- How and when do you tell clients about your PII cover?

Our role as a world-leading improvement regulator

We protect the public interest by making sure ICAEW's firms, members, students and affiliates maintain the highest standards of professional competency and conduct.

ICAEW's regulatory and disciplinary roles are separated from ICAEW's other activities so that we can monitor, support or take steps to ensure change if standards are not met. These roles are carried out by the Professional Standards Department and overseen by the independent ICAEW Regulatory Board (IRB).

Our role is to:

- **authorise** ICAEW firms, members and affiliates to undertake work regulated by law: audit, local audit, investment business, insolvency and probate;
- **support** the highest professional standards in general accountancy practice through our Practice Assurance scheme;
- **provide** robust anti-money laundering supervision and monitoring;
- **monitor** ICAEW firms and insolvency practitioners to ensure they operate correctly and to the highest standards;
- **investigate** complaints and hold ICAEW firms and members to account where they fall short of standards;
- **respond** and comment on proposed changes to the law and regulation; and
- **educate** through guidance and advice to help stakeholders comply with laws, regulations and professional standards.

Chartered accountants are talented, ethical and committed professionals. There are more than 1.8m chartered accountants and students in the world, and more than 187,800 of them are members and students of ICAEW. All of the top 100 global brands employ chartered accountants.*

Founded in 1880, ICAEW has a long history of serving the public interest and we continue to work with governments, regulators and business leaders globally. And, as a world-leading improvement regulator, we supervise and monitor over 12,000 firms, holding them, and all ICAEW members and students, to the highest standards of professional competency and conduct.

We promote inclusivity, diversity and fairness and we give talented professionals the skills and values they need to build resilient businesses, economies and societies, while ensuring our planet's resources are managed sustainably.

ICAEW is the first major professional body to be carbon neutral, demonstrating our commitment to tackle climate change and supporting UN Sustainable Development Goal 13.

We are proud to be a founding member of Chartered Accountants Worldwide, a network of 750,000 members across 190 countries which promotes the expertise and skills of chartered accountants around the world.

We believe that chartered accountancy can be a force for positive change. By sharing our insight, expertise and understanding we can help to create sustainable economies and a better future for all.

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