Payment of interest on client account

This policy sets out how Wilkin Chapman LLP trading as Wilkin Chapman Rollits applies interest in relation to monies held in our client bank account. Wilkin Chapman LLP trading as Wilkin Chapman Rollits is authorised and regulated by the Solicitors Regulation Authority and are committed to compliance with our obligations under the SRA Codes of Conduct 2019 and the SRA Accounts Rules 2019.

As part of carrying out your instructions to us, we may need to hold your money in our client account. In holding client money, we have an obligation to pay interest on that money at a fair and reasonable rate. This policy sets out the guidelines for when we will pay interest.

Client money is held in an account which is specifically identified as a 'Client Account'. This is to ensure that the money is kept separate from that belonging to the firm and is available for the purpose for which it is provided. Interest is calculated from the time the money is cleared which is as follows:

- Cheques: five days after the cheque has been deposited with our bank.
- Debit or credit card payments: three days after the transaction has been authorised.
- Electronic transfers or same day payments: funds are clear on the day of receipt.

We aim to account to you for interest at a reasonable rate, but as the holding of your funds is incidental to the carrying out of your legal instructions, the level of interest is likely to be lower than you may receive should you have invested the money yourself.
We must ensure that money held in the client account is immediately available and therefore require an instant access account (general client account) that allows us to make an immediate withdrawal at the sacrifice of interest. All of this is taken into consideration when we set our interest rate.

Interest rate

We align our interest rates paid on both monies held on the general client account and separate designated deposit accounts to the rates available to Wilkin Chapman from our bank/building society when calculating a fair and reasonable interest rate.

Where amounts are held outside of a general client account or separate designated deposit account, the rate of interest and date that interest is credited will depend on the relevant institution where the funds are held, and as such fall outside the requirements of this policy. The relevant interest information can be obtained at your request.

Interest is calculated from the time that funds are cleared and is calculated on a daily basis.

Exceptions

Due to regulatory requirements and the administrative costs involved, we will not pay interest if for the entire period we hold your money in the client account the interest due is less than outlined below:

- £40 for an individual client
- £100 for a commercial client
- £40 where we are instructed in the administration of a deceased's estate.

This is known as the de minimis level.

We reserve the right to transfer any interest credited in relation to funds held on your behalf against any outstanding bill balances.

We also reserve the right to charge negative interest if the Bank of England base rate were to fall below 0.01%. In such circumstances, our policy would be in line with any Bank of England announcements.

We will not pay interest on money held:
a) For the payment of a disbursement
b) For the Legal Aid Agency.
c) If there is an agreement to contract out of the provisions of this policy.

Calculation of interest payable

Interest will normally be calculated when the entire matter or transaction is concluded (which includes post completion work where applicable) and will be calculated in accordance with the applicable policy that is in place at that time. However, there may be instances where it might be more appropriate to account for interest at intervals throughout the matter. Where this is applicable, interest will only be credited where the de minimis level has been exceeded and on the conclusion of the matter where the remaining interest payable is less than £10.00 that interest will not be credited. Similarly, where interest is paid at intervals during the lifetime of the matter, it will be calculated in accordance with the applicable policy that is in place at that time.

Interest will be calculated and paid by reference to the applicable interest rates over the period for which we hold cleared funds.

Unless otherwise agreed, where we are conducting more than one matter for you, balances will not be aggregated for calculation purposes.

Tax

Where your money is held on our general client account, or in a separate designated deposit account, any interest paid to you is paid without the deduction for income tax. As such it is your responsibility to inform HM Revenue & Customs of amounts of interest received from us, and the implications of this will depend on your financial circumstances. The same rate of interest will be paid on money held in the general client account as will be paid on money held in a separate designated deposit account.

Client Agreement

Acceptance of our standard Terms of Business will indicate an agreement by you to the terms of this policy.

Policy review

This policy will be reviewed from time to time to ensure that it continues to deliver a fair outcome for our clients.