



# How much will advice cost @?

When considering the cost of advice, you need to think about its value too. The definition of good financial advice is that it should cost you less in the long term than no advice at all.

The potential benefits of advice can depend on your investable assets. If you have £30,000 or more to invest then advice is strongly recommended – however, nearly one in four advisers say they can deliver benefits for clients at any wealth level.

## How will I be paying?

Be sure to discuss this in your first meeting. Typical ways that advisers may charge include:

- **Fixed fee** – The adviser will perform a specific service (such as setting up an annuity) for a set price agreed in advance. You should ask for written confirmation of what is included in the fee.
- **Percentage of assets** – An adviser who is managing your investment portfolio over a period of time may charge a percentage of the portfolio's total value, rather than a fixed fee.
- **Hourly rate** – Some advisers may charge an hourly rate for certain services (£150 per hour is the UK average). Make sure the adviser gives you an estimate of how long the work is likely to take.

When advisers charge a fixed fee, it will often be between one and two per cent of the total asset size, with the fees towards the lower end of this scale for larger assets, and vice versa.

## Average financial adviser fees

Here's how much you can expect to pay for some popular adviser services. The figures here are industry averages – individual adviser's fees may be higher or lower.

### Investment advice

### Typical cost

Advice and set up of £10,000 investment ISA	<b>£400</b>
Medium-term investment strategy for £50,000 lump sum	<b>£1,000</b>

### Retirement planning advice

Advice on an £100 a month pension contribution	<b>£450</b>
Consolidating 3-5 pension pots totalling £100,000	<b>£2,000</b>
Advice on maximising pension savings 10-15 years before retirement (£250,000 pot)	<b>£3,000</b>
Advice on transferring a defined benefit pension with transfer value of £250,000	<b>£3,800</b>

### At-retirement advice

Converting a £250,000 pension fund into a lump sum and annuity	<b>£2,500</b>
Full at-retirement advice on a £100,000 pension pot	<b>£2,000</b>
Full at-retirement advice on a £250,000 pension pot	<b>£3,000</b>
Setting up a drawdown scheme for a £250,000 pension pot	<b>£3,000</b>
Advice on equity release (lifetime mortgage)	<b>£1,000</b>

The above is only a brief summary of a few common advice scenarios, based on average adviser fees across the UK. For a wider range of estimates, you can use the [Cost of Advice tool](#) on the Unbiased website. You should also discuss fees with your adviser at your first meeting together (which should be free of charge) so that you know in advance exactly what you'll be paying, and for what services.



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