



## Costs Lawyer Standards Board

### AGENDA

Thursday 29 January 2026 @ 10:30am  
Remotely via Teams

<b>Board:</b>	Rt Hon David Heath CBE Helen Moulinos Andrew Harvey Andrew McAulay Leigh White	Lay NED (Chair) Lay NED Lay NED Non-Lay NED Non-Lay NED
<b>In attendance:</b>	Paul Mosson Jacqui Connelly Lori Frecker	CEO Director of Operations Director of Policy

*Note: Agenda items in blue are standing items*

	Agenda item	Paper(s)	Publish <sup>1</sup>	Lead
1	<b>Opening matters</b> 1.1 <a href="#">Quorum and apologies</a> 1.2 Welcome to new Board members 1.3 <a href="#">Declarations of interest on agenda items</a>	- - -		DH DH DH
2	<b>Minutes</b> 2.1 <a href="#">Approval of minutes</a> (17 September 2025) 2.2 <a href="#">Matters arising</a> (17 September 2025) 2.3 <a href="#">Approval of minutes</a> (10 November 2025) 2.4 <a href="#">Matters arising</a> (10 November 2025)	2.1 - 2.3 -	Yes - Yes -	DH DH DH DH
3	<b>Strategy</b> 3.1 <a href="#">Progress against Business Plan: Q4 2025</a> 3.2 Communications strategy – update 3.3 Annual performance indicators – report	3.1 3.2 3.3	Yes Yes Yes	PM PM PM

<sup>1</sup> The letters used in this column indicate the reason for any non-publication of papers. They correspond to the reasons set out in our publication policy, which can be found on the [What we Publish](#) page of our website.

4	<b>Board matters</b> 4.1 Minutes and proposal from the Remuneration Committee 4.2 Remuneration Committee vacancy 4.3 Vice Chair vacancy 4.4 Board strategy session and annual dinner (April 2026) 4.5 Succession planning (confidential item)	4.1A, B - 4.3 - 4.5	No (D,G) - No (D,G) - No (D,G)	AH DH DH DH AH
5	<b>Finance</b> 5.1 <a href="#">Quarterly report: Q4 2025</a>	5.1	No (D, E)	JC
6	<b>Risk management</b> 6.1 <a href="#">Review of risk register</a>	6.1	Yes	PM
7	<b>Regulatory matters</b> 7.1 Review of reserved legal activity guidance post-Mazur 7.2 Updated Supervision Policy 7.3 Updated CPD guidance 7.4 Costs Lawyer Profession in 2025 7.5 Annual report on conduct complaints 7.6 Enhanced checks – rule change 7.7 PII survey	7.1 7.2 - - 7.5 - -	Yes Yes - - Yes - -	PM PM JC JC JC PM LF
8	<b>Legal Services Board (LSB)</b> 8.1 <a href="#">Work updates</a>	8.1A, B	No	PM
9	<b>Stakeholder updates<sup>2</sup></b> 9.1 <a href="#">ACL Council meeting minutes</a> 9.2 <a href="#">Work updates</a>	9.1 9.2	No Yes	PM PM
10	<b>Operations</b> 10.1 2026 practising certificate renewals report 10.2 End of year wrap up	10.1 -	Yes -	JC DH
11	<b>Publication</b> 11.1 <a href="#">Confirmation that papers can be published</a>	-		DH
12	<b>AOB</b>	-		DH
13	<b>Next full Board meeting (in person)</b> <a href="#">Date: 23 April 2026 at 09.30am</a> <a href="#">Venue: Woburn House Conference Centre, Woburn House 20-24 Tavistock Square, London, WC1H 9HQ</a>	-		DH

<sup>2</sup> This agenda item is used to update the board on significant developments relating to the work of the Legal Services Consumer Panel, Association of Costs Lawyers, ACL Training, Legal Ombudsman (including exception reporting on service complaints) and other relevant stakeholders.

**DRAFT APPROVED BY THE CHAIR FOR PUBLICATION**  
**Subject to approval by the full board at its next scheduled meeting**

**MINUTES**  
**Costs Lawyer Standards Board Ltd**  
**Wednesday 17 September 2025 at 10:30am**  
**Online via Microsoft Teams**

**Board:**

Rt Hon David Heath CBE	Lay NED (Chair)
Stephanie McIntosh	Lay NED (Vice-Chair)
Andrew Harvey	Lay NED
Andrew McAulay	Non-Lay NED
Stephanie McIntosh	Lay NED (Vice-Chair)
Paul McCarthy	Non-Lay NED

**In attendance:**

Paul Mosson	CEO
Jacqui Connelly	Director of Operations
Lori Frecker	Director of Policy

**Apologies:** None.

**1. OPENING MATTERS**

**1.1** The Chair declared the meeting quorate. There were no apologies.

**1.2** There were no declarations of interest on any agenda item.

**2. MINUTES**

**2.1 Minutes dated 18 July 2025**

The Board considered the minutes of its last scheduled quarterly meeting on 18 July 2025. The Board agreed the minutes as being a true record for signing.

**Actions: Publish approved minutes on CLSB website.**

**2.2 Matters arising**

a) Welsh language accessibility

Paul Mosson informed the Board that the Recite.me toolbar is now available on the CLSB website and the Executive team are pleased with the functionality for all of the public content.

Following a query raised at the July Board meeting, Paul Mosson confirmed the Executive team's understanding is that the CLSB is not required to take further specific action under the statutory Welsh Language Standards. The Board agreed

that the CLSB should nonetheless strive to meet more than the statutory minimum and keep further consideration on language accessibility in mind.

**Action: Executive team to consider whether we can make arrangements to facilitate incoming communications in Welsh.**

b) Companies House

The Board was reminded that all company directors and people with significant control ('PSC') need to verify their identity with Companies House, in line with new requirements under the Economic Crime and Corporate Transparency Act 2023.

### **3. STRATEGY**

#### **3.1 Progress against business plan: Q3 2025**

The Board was provided with an update against the Business Plan to Q3 2025. Paul Mosson noted that the Practising Certificate Fee consultation had been the major activity of this quarter. Progress has been made with the preferred agency to deliver the Career Pathways qualitative research, with a view to starting this work before the end of the operating year. The Board was informed that the other objectives in the Business Plan are expected to be achieved by the end of the year.

#### **3.2 Communications strategy update**

The Board was provided with an update on the implementation of the communications strategy. Consumer Voice have been engaged to produce the assets required for the Communications Toolkit, which are needed to complete phase one of the strategy. The basis of the new design from which the materials will be developed has now been approved, and follows the latest guidance for producing materials that are dyslexia-friendly. Recent communications with Costs Lawyers and stakeholder meetings have been used to invite members to road test the materials once available.

#### **3.3. EDI strategy update**

The Board was provided with an update on the implementation of the EDI strategy. A report of the Board's July strategy discussion on EDI has been produced, setting out goals for the immediate, medium and long term. Immediate goals already achieved include revising the CLSB's EDI statement, and implementing the ReciteMe toolbar on the CLSB website.

### **4. BOARD MATTERS**

#### **4.1 Revised Board Governance Policy**

The Board formally recorded that a proposed revised Board Governance Policy in relation to the appointment of Non-executive Directors was shared ahead of the meeting and unanimously approved via email. The Board formally ratified that decision.

#### **4.2 Non-executive Board recruitment process**

The Board formally recorded that the recruitment and selection panel for the two upcoming NED vacancies had been unanimously approved by the Board ahead of the

meeting. The Board received an update on the next stages of the Board recruitment process.

The advertisement window opened on 3 September and will remain open until 14 October 2025. Paul McCarthy has written a spotlight article for the September CLSB newsletter to help promote the non-lay opportunity by talking about his experiences.

A single agenda item Board meeting has been scheduled for 16.30 on Monday 10 November 2025. At that meeting, the Board will be asked to approve the panel's recommendations. This may include appointment of preferred candidates and/or readvertisement.

In response to a question, it was clarified that the non-lay NED position does not have to be a Costs Lawyer and is open to authorised persons from other branches of the legal professions, including professionals who are dual-qualified Costs Lawyers.

## **5. FINANCE**

### **5.1 Quarterly report: Q3 2025**

Jacqui Connelly introduced the quarterly finance report. The Board noted the financial position at the end of Q3, namely that the total forecast income and expenditure for the year are higher than anticipated. The latter is due to costs that were unforeseen at the time of the original budget, and the former due to a higher than expected number of practitioners reinstating their practising certificates in 2025.

### **5.2 Practising certificate fee update**

Jacqui Connelly informed the Board that there are currently 753 practising Costs Lawyers; the highest number ever registered by the CLSB in its history.

Paul Mosson informed the Board that the CLSB Practising Fee application has been submitted to the LSB. The CLSB is currently responding to some questions on the application that have been received from the LSB.

## **6. RISK MANAGEMENT**

### **6.1 Review of risk register**

The Board carried out its quarterly review of the risk register and agreed that no amendments were required this quarter. Paul Mosson informed the Board that a new mitigation measure has been added to Risk 1 relating to 2025 Business Plan priority 1. He added that risks 1 and 2 will be updated with progress against 2025 Business Plan priority 2 following release of the CLSB's AI guidance.

The Board noted the recent decision in *Mazur & Anor v Charles Russell Speechlys LLP* [2025] EWHC 2341 (KB) (16 September 2025) and its potential implications for the profession.

***Action: Executive team to review the judgment and report back to the January 2026 Board meeting.***

## **7. REGULATORY MATTERS**

### **7.1 Complaints process review and reasonable adjustments**

Paul Mosson provided an overview of the recent complaints process review, including how the new reasonable adjustments policy applies to disciplinary procedures.

The review found that documentation is complete, timeframes are consistently met, and the executive team and consultant(s) are following agreed procedures effectively. The volume of complaints received remains very low. The organisation continues to provide clear routes for submitting a complaint, with information available online, in written material, and through direct executive team engagement. Accessibility measures have been enhanced further by the introduction of the ReciteMe website toolbar. The CLSB's complaints handling system is operating effectively, is proportionate to the CLSB's size and levels of demand, and does not require intervention or redesign. No areas for improvement were identified.

Paul Mosson proposed using the Annual Complaints report to keep the Board updated on any recommendations for improvement that may subsequently arise, with anything requiring urgent attention being brought to the Board as a standalone item for consideration. The Board was content with this approach.

Paul Mosson reminded the Board that a new Reasonable Adjustments Policy applicable to all disciplinary proceedings has been introduced, as part of the CLSB's wider commitment to fairness, inclusivity, and compliance with the Equality Act. This is now publicly available on the CLSB website and will be kept under regular review.

### **7.2 Supervision framework for client care letters**

The Board considered and approved the proposed new supervision framework for client care letters.

The Board noted that the Supervision Framework follows on from the thematic review that was carried out last year. The framework is structured in the same way as the other CLSB supervision frameworks. The requirements in the checklist are based on the requirements of the CLSB Client Care Letters ('CCL') guidance note. The CLSB will look at 10 CCLs per year. It was noted that CCL audits may be more complex than existing audits as each organisation will approach CCLs in a different way using different documents, and because of the various types of material that may need to be reviewed to assess compliance.

**Action: Publish Supervision Framework for client care letters**

## **8. LEGAL SERVICES BOARD (LSB)**

### **8.1 Work updates**

The Board was provided with updates on meetings with LSB colleagues, and the LSB levy. The Board noted that the final LSB levy was issued in August and that the additional cost arising from this can be absorbed in the CLSB's proposed 2026 budget.

## **8.2 Regulatory performance assessment input request**

The Board noted that the regulatory performance assessment has been postponed by the LSB from late summer 2025 to early 2026.

## **9 STAKEHOLDER UPDATES**

### **9.1 ACL Council meeting minutes**

The Board noted the minutes of the ACL Council meetings held in May, June and July 2025. Paul Mosson informed the Board that the CLSB had been invited to comment on the ACL business plan ahead of publication, and that he had attended the June ACL Council meeting.

### **9.2 Work updates**

The Board noted the publication of the Law Society's report, *Proposals for a 21st Century Civil Justice System*, and the Office for Legal Complaints 2024/25 Annual Report and Accounts. The Board noted progress with the CLSB's work on technology and AI, judicial appointments, and that the CEO had recently had an introductory meeting with the Chair of the Legal Services Consumer Panel.

## **10 OPERATIONS**

### **10.1 Business Continuity and Disaster Recovery Plan update**

The Board was updated on the CLSB's current Business Continuity and Disaster Recovery Plan arrangements and recent updates to these.

### **10.2 Report of the complaints procedure audit 2025**

Jacqui Connelly provided an update on the complaints procedure audit 2025. Since 2021, 93 complaints procedures have moved from non-compliance to compliance with the requirements as a result of the CLSB annual audits. Given the new supervision arrangements for dealing with consumers and client care letters that will be introduced from 2026, the Board was content to approve a reduction in the number of complaints procedures audited in future to 10 per year.

## **11 PUBLICATION**

### **11.1 Confirmation that papers can be published**

The Board agreed that all Board papers for the meeting should be published, other than those noted on the agenda for the reasons stated.

**Action: Publish Board papers on website in accordance with agenda notations.**

## **12 AOB**

There was no other business.

### 13 NEXT SCHEDULED QUARTERLY MEETING

The next meeting was scheduled for 29 January 2026 and would be held remotely via videocall. There will be another Board meeting with a single item agenda to approve the NED recruitment proposals on 10 November 2025.

There being no further business, the Chair declared the meeting closed at 12:03pm.

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Chair

#### Related documents

Item	Document	Publication location (CLSB website)
2.1	Board minutes	About ⇒ Our board
3.1	2025 Business Plan	About ⇒ Strategy and governance
6.1	Risk register	About ⇒ Strategy and governance
11.1	Board papers	About ⇒ Our board

Company number: 04608905

**DRAFT APPROVED BY THE CHAIR FOR PUBLICATION**  
**Subject to approval by the full board at its next scheduled meeting**

**MINUTES**  
**Costs Lawyer Standards Board Ltd – Special Meeting**  
**Monday 10 November 2025 at 4:30pm**  
**Online via Microsoft Teams**

<b>Board:</b>	Rt Hon David Heath CBE Andrew Harvey Stephanie McIntosh Paul McCarthy	Lay NED (Chair) Lay NED Lay NED (Vice-Chair) Non-Lay NED
<b>In attendance:</b>	Paul Mosson Jacqui Connelly Lori Frecker	CEO Director of Operations Director of Policy
<b>Apologies:</b>	Andrew McAulay	Non-Lay NED

**1. OPENING MATTERS**

**1.1** The Chair declared the meeting quorate. There was only one apology.

**1.2** There were no declarations of interest on any agenda item.

**2. BOARD MATTERS**

**2.1 Approval of the NED recruitment selection and interview panel recommendations November 2025**

The Chair noted that the NED recruitment process had gone extremely smoothly, with an excellent range of candidates applying for both the lay and non-lay vacancies.

The selection panel put forward two candidates for consideration for the Board: one preferred candidate for the lay member vacancy and one preferred candidate for the non-lay member vacancy. The Board unanimously ratified the appointment of both candidates.

***Action: Paul Mosson to contact the successful candidates to begin the process for their appointment.***

**2.2 Deferred appointment for NED vacancies in 2026/27**

The Chair informed the Board that the selection panel had identified several candidates who, although they were not the preferred candidates for this round, were nevertheless strong and appointable applicants.

The Chair noted that the Board would need to recruit further new members in 2026/27 when some of the existing NEDs' terms come to end. The Board was asked to consider whether deferred appointments should be offered to appointable candidates from this selection round, or whether a fresh recruitment campaign should be carried out next year instead.

The Board considered the advantages and disadvantages of each approach. It was decided that no deferred appointments should be offered, and a fresh selection process carried out when future NED vacancies arise.

**2.3 Thank you and farewell to departing Board members**

On behalf of the Board and Executive, the Chair expressed gratitude to Stephanie McIntosh and Paul McCarthy for their contributions. Board members and members of the Executive team expressed their individual thanks for Stephanie McIntosh and Paul McCarthy's support, encouragement, expertise and insights.

**3. PUBLICATION**

**3.1 Confirmation that papers can be published**

The Board agreed that no Board papers for the meeting other than the agenda itself should be published, for the reasons stated.

**Action: Publish Board agenda on website.**

**8 AOB**

There was no other business.

**9 NEXT FULL BOARD MEETING**

The next meeting was scheduled for 29 January 2026 and would be held remotely via videocall.

There being no further business, the Chair declared the meeting closed at 17:01pm.

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Chair

**Related documents**

<b>Item</b>	<b>Document</b>	<b>Publication location (CLSB website)</b>
2.1	Board minutes	About ⇨ Our board
3.1	2025 Business Plan	About ⇨ Strategy and governance
6.1	Risk register	About ⇨ Strategy and governance
11.1	Board papers	About ⇨ Our board



# Annual priorities

## Improving our regulatory arrangements

	Initiative	Progress status / expected completion
1.	<p>Implement the communications strategy developed in 2024, aimed at supporting each of the five strategic goals in our mid-term organisational strategy in a cohesive and systematic way.</p>	<p><b>Achieved (Q4)</b></p> <p><i>Achieved: The CEO met with Consumer Voice in May to review the strategy and kick start the plan to develop the toolkit for Costs Lawyers to use. Cross-sector collaboration discussions were opened up with the LawtechUK group, Legal Neurodiversity Network (LNN) and Legal Futures to begin awareness raising of CLs and the CLSB across the wider legal sector. Consumer Voice developed the first designs for the communications toolkit for Costs Lawyers to use. These were approved by the CEO and Director of Operations.</i></p> <p><i>Consumer Voice finalised the assets, and there was a soft launch at the ACL November conference inviting volunteers to feedback views. We have since received positive feedback from Costs Lawyers which ensures we hit the mark, and the final toolkit was rolled out to the profession at the start of 2026 to coincide with the new practising year.</i></p>
2.	<p>Identify and deliver workstreams to comply with the Legal Services Board’s anticipated new policy tools in the following areas:</p> <ul style="list-style-type: none"> <li>• professional ethics and the rule of law</li> <li>• the economic crime regulatory objective</li> <li>• disciplinary and enforcement processes</li> <li>• technology and AI</li> </ul>	<p><b>Achieved (expected Q4)</b></p> <p><i>Achieved: We have published new resources about the rule of law in the Ethics Hub. The Board Chair sits on LSB working group on the rule of law. We have been liaising with the LSB in relation to disciplinary and enforcement processes through workshops and regulatory interviews. We responded to the LSB consultation on economic crime regulatory objective (February). We have developed an action plan in response to the Hook Tangaza report on Technology and AI, and implementation is on-going.</i></p> <p><i>We responded to the LSB consultation on Upholding Professional Ethical Duties in May. We have also added new scenarios to the Ethics hub.</i></p> <p><i>We attended the second meeting of the LSB Technology and Innovation Forum in May.</i></p>

		<p><i>We are waiting for the LSB to publish a final response to the economic crime regulatory objective before updating our guidance note, and will at that time add in some further information about sham litigation.</i></p> <p><i>The AI guidance has been published alongside three new scenarios on AI for the Ethics Hub. This was circulated to the Advisory Group and subject matter experts for review prior to publication</i></p> <p><i>We have arranged a roundtable for early 2026 with the ACL for Costs Lawyers and software providers to explore gaps and opportunities of the current market, and how existing tech products might be improved, following the Hook Tanganza Tech and AI report. Nearly 150 Costs Lawyers signed up to attend this.</i></p>
3.	<p>Work with the Ministry of Justice to pursue opportunities, following the general election, to table the relevant legislation to make Costs Lawyers eligible for judicial appointment.</p>	<p><b>Achieved (expected Q4)</b></p> <p><i>Achieved: We contacted the MoJ in February 2025. The updated Judicial Diversity Forum (JDF) Action Plan was published earlier in February 2025. Action 3.2 (Work to review the barriers faced by professional groups such as legal academics and those regulated legal professions who are not currently eligible for judicial office) mentions broader consultation following feedback from the JDF in November 2024, that was ongoing in 2025. We understand from the MoJ that the proposal to expand eligibility was well received in principle by the JDF, but that the MoJ has not yet been in a position to put anything in front of Ministers and determine how they want to proceed. The CEO and Director of Policy met with the MoJ to discuss next steps to move this forward. The civil servants leading on this remain positive and we were advised we are waiting for them to be allocated ministerial time. We also met with the Director of Policy at CILEx to understand their experience when seeking judicial eligibility for their members. During this meeting we explored whether the CILEx Judicial Academy could be promoted to Costs Lawyers. No further progress can be made until Ministerial time is secured by the civil servants handling this matter.</i></p>
4.	<p>Build out and promote the new Ethics Hub, creating additional materials in response to emerging risks and themes</p>	<p><b>Achieved (Q2)</b></p>

	identified through complaints and supervisory activities.	<i>Achieved: We have added material on whistleblowing, complaints handling, AI, and bullying and harassment, as well as further ethical scenarios to the Ethics Hub. Sham litigation will be addressed when the LSB next responds on the economic crime regulatory objective.</i>
5.	Develop new guidance to support the materials in the Ethics Hub on (i) whistleblowing and (ii) bullying and harassment.	<b>Achieved (Q1)</b> <i>We published these two pieces of guidance in the Other resources section of the Ethics Hub.</i>
6.	Work with ACL Training and the employer Trailblazer Group to secure approval for a new Costs Lawyer apprenticeship standard, and implement changes to our regulatory arrangements and other resources to facilitate integration with the existing entry route.	<b>Achieved (Q4)</b> <i>Achieved: We have been approved as the End Point Assessment Organisation (EPAO) for the Costs Lawyer Apprenticeship and continue to liaise with the ACLT and Trailblazer Group developing the apprenticeship. Ofqual will not oversee the apprenticeship as a result. ACLT has applied to deliver the new Costs Lawyer apprenticeship standard. The Trailblazer Group must now put a case to DWP (formerly DfE) for ACLT to apply as an apprenticeship provider as a gap in provision. Only once this is approved can ACLT register to deliver the training. Following the DfE reorganization and transfer of Skills England to DWP, Skills England are expecting to complete this process between March and August 2026. This was as far as this process could be taken in 2025 due to the time constraints imposed by Skills England.</i>
7.	Investigate opportunities to benefit from recent international trade agreements made in the wake of Brexit by exploring the mutual recognition of professional costs qualifications from other jurisdictions and the scope for Costs Lawyers to offer services abroad.	<b>Achieved (Q4)</b> <i>Achieved: We are monitoring the regulatory dialogue group established in conjunction with the MoJ in relation to the Australia-UK free trade agreement, and have made it clear that Costs Lawyers should be considered as part of any arrangements. We will continue to monitor any new trade agreements.</i>
8.	Extend our work on ongoing competency to explore whether competency checks are warranted for practitioners returning to authorised practice.	<b>Achieved (Q2)</b> <i>Achieved: The audit of 2024 CPD is complete and five Costs Lawyers self-identified as an experienced practitioner, a people manager, and/or a business manager. Of these, three demonstrated that they had</i>

		<p><i>engaged with the skills in the Ongoing Competency Framework. The fact that the CLSB’s template for planning and recording CPD is not mandatory, means that it has been of limited value in evaluating engagement with the framework this year. We are reviewing this for the upcoming PC renewal process.</i></p>
9.	<p>Deepen our understanding of services offered by Costs Lawyers into and out of the market in Wales.</p>	<p><b>Achieved (Q4)</b></p> <p><i>Achieved: We commissioned a Spotlight blog from Andrew Felton in the Welsh Government’s Justice Policy team, who wrote about Welsh devolution, future changes to the Senedd, and the challenges and opportunities this presents for Costs Lawyers in Wales. The Director of Policy participated in the Welsh Legal Regulators Forum in May 2025.</i></p> <p><i>The ReciteMe toolbar was added to the CLSB website in July which enables the public areas to be translated into Welsh at the click of a button. The information is available in audio as well.</i></p> <p><i>We have progressed discussions with the Welsh Government following their internal changes, but there are currently no resources to dedicate to working with the CLSB. To follow on from the roundtable, we attempted to convene roundtable on 27 November 2025 to discuss barriers to entering and progressing in the profession for Costs Lawyers living and/or practising in Wales. Unfortunately, this was cancelled due to low attendance.</i></p>
10.	<p>In collaboration with ACL Training, evaluate the second year of delivery of the new Costs Lawyer Qualification, including by:</p> <ul style="list-style-type: none"> <li>• carrying out the annual monitoring process under the Accredited Study Provider Scheme Handbook;</li> <li>• developing additional guidance and materials on the regulatory aspects of qualifying, based on student feedback; and</li> </ul>	<p><b>Achieved (Q4)</b></p> <p><i>Achieved: We continue to add to the FAQs on Qualifying Experience in response to student queries. We delivered our induction session on Qualifying Experience to new students and a new session on becoming a regulated Costs Lawyer to students awaiting results in February 2025. We revised our Guidance Note on Qualifying Experience in light of experience with students over the last two years. Already noted is a reduction in % of those with a LLB (14% in 2024 vs. 42% in 2021) and increase in % of female entrants (54% in 2024 compared with 48% in 2021).</i></p> <p><i>An external consultant was appointed to undertake the annual monitoring process for ACLT.</i></p>

	<ul style="list-style-type: none"> <li>communicating the responsibilities and benefits of regulation to new student cohorts.</li> </ul>	<p><i>The CLSB Accreditation Panel met in December 2025 to review the annual monitoring report for ACLT's delivery of the CLPQ. Overall the Panel was impressed with ACLT's performance, and collaborative approach towards the process. Recommendations from the Panel for further refinement and some data analysis have been welcomed by ACLT, and we look forward to assessing progress against those during the 2026 annual monitoring process.</i></p>
11.	Consider the resources required to develop a light-touch Annual Report for future years, to support our communications strategy.	<p><b>Achieved (Q2)</b></p> <p><i>Achieved: This has been incorporated into the Communications workplan to enable the CLSB to develop an Annual Report for 2025, which would be H1 2026 Business Plan action. This was approved as part of the Business Plan for 2026.</i></p>
12.	Conduct research into the lived career experience of under-represented groups of Costs Lawyers, providing evidence to inform the next phase of our diversity workplan.	<p><b>Achieved (Q4)</b></p> <p><i>Achieved: We are looking at the results of our career pathways survey, which will help us frame this research. We have identified a preferred approach and are moving forward with due diligence to deliver qualitative research.</i></p> <p><i>We had a constructive discussion with the Careers Research and Advisory Centre regarding how this research might be approached. This stage will involve qualitative research with 20 Costs Lawyers to understand more about their pathways into the profession. The key outputs will be a research report, including case studies, and a spotlight blog.</i></p> <p><i>The research commenced in late 2025 and the outcome will be considered and actioned upon in early 2026.</i></p>
13.	Review and update our processes for making reasonable adjustments.	<p><b>Achieved (Q3)</b></p> <p><i>Achieved: The CLSB's reasonable adjustments policy for the Disciplinary Process has been implemented and is live on the website. This is also linked into the Ethics Hub.</i></p>
14.	Engage an independent agency to undertake a full financial audit.	<p><b>Achieved (Q2)</b></p> <p><i>Achieved: A full and independent financial audit has been carried out, and was included in the 2024 accounts approved by the Board in June.</i></p>

<p>15.</p>	<p>Deliver the next phase of our digital workplan, including by:</p> <ul style="list-style-type: none"> <li>• reviewing whether the database and e-form upgrades implemented over the last three years are meeting functionality requirements and identifying areas for future improvement;</li> <li>• reviewing options for taking credit card payments.</li> </ul>	<p><b>Achieved (Q4)</b></p> <p><i>Achieved: We have completed our review of the upgrades to the online application forms. Users report they like the system and improvements made. We have completed the project to move all online application forms to a sub-domain of the website, and updated the underlying website code. This will ensure we can continue to meet future functionality requirements, and the website remains secure, robust and reliable.</i></p> <p><i>We completed the viability review for credit card payments at the end of the practising certificate renewal process. This is the key process where demand for credit card payments would be clear, if such demand exists. We have determined there is not a sufficient demand for credit card payments, we had no requests at all to pay by credit card during the 2026 renewal process. Introduction of credit card payments would be administratively onerous and expensive. We will not consider this further.</i></p>
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## **Subject: Launch of the Costs Lawyer Toolkit: Communicating the value of regulation**

Today the CLSB is launching a new toolkit to help you communicate the value of regulation. It has been developed in collaboration with Costs Lawyers, communication specialists and consumers, to enable the Costs Lawyer profession to stand out clearly within the wider legal sector.

The toolkit comprises 3 assets:

1. An updated Mark of Regulation, now including the year. We hope that all Costs Lawyers will use this to highlight their regulatory status. **The old Mark of Regulation should no longer be used.**
2. A strapline and narrative to describe your work as a Costs Lawyer for you to use, and adapt if you wish.
3. A banner for use on LinkedIn.

This is not about doing your marketing for you, it is about establishing a consistent, shared message across the profession that highlights the value of regulation and the protections it provides to clients.

Use of the assets in the Toolkit is exclusive to **only** those who are **currently** regulated by the CLSB, and they must be used in accordance with the relevant guidelines and terms of use. Misuse of the assets, may be a regulatory matter.

Click [here](#) to download the Toolkit from our website. As access to the Toolkit is restricted to Costs Lawyers you will be required to use a login to download them. Your user name is the email address to which this message has been sent. You will need to set a password using the Reset Password button.

We will keep the toolkit and assets under review and welcome your feedback at any time. We hope you will use them, as their full value will be realised only through widespread adoption.

# COSTS LAWYER TOOLKIT GUIDELINES

The purpose of these guidelines is to support clear, consistent, and professional communication of the regulatory status of Costs Lawyers – both in written content and in visual presentation.

By following these standards, all messaging will reflect a unified tone, style, and visual identity.

These guidelines must be used in conjunction with the Terms of Use of the Mark of Regulation.

23 January 2026





# 1. MARK OF REGULATION



## Mark usage: do's & dont's

The Mark must always be applied correctly. Altering, distorting or redrawing the Mark weakens the integrity of the brand.

### BACKGROUND COLOUR + 'EXTRAS'

01

Do not use the full colour Mark on a colour or gradient tint background.

02

Do not use drop shadow or glow effect.

03

Do not condense or extend the Mark artwork.



## Colour palette usage

When introducing the Mark to your communication materials, white text can be reversed from a maximum of 40% CLSB Blue.

Black text to be used when CLSB Blue is used at less than 40%.

### CLSB BLUE

CMYK	78/48/0/0
RGB	63/119/183
HEX	#2B707

### CLSB BLUE

Tint	30%
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## 2. STRAPLINE AND NARRATIVE

## **1. Strapline**

An expert in legal costs, with the protection of regulation.

## **2. Example narrative**

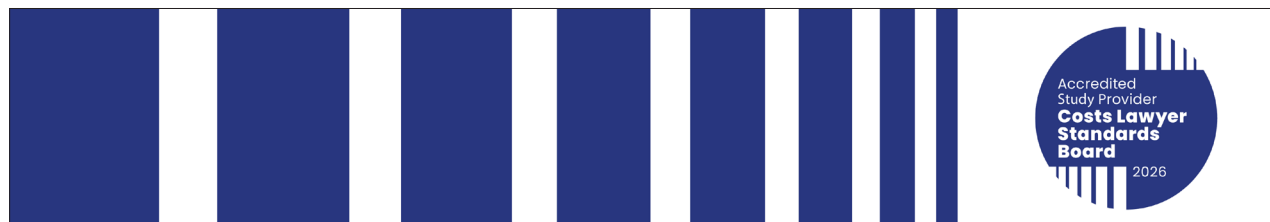
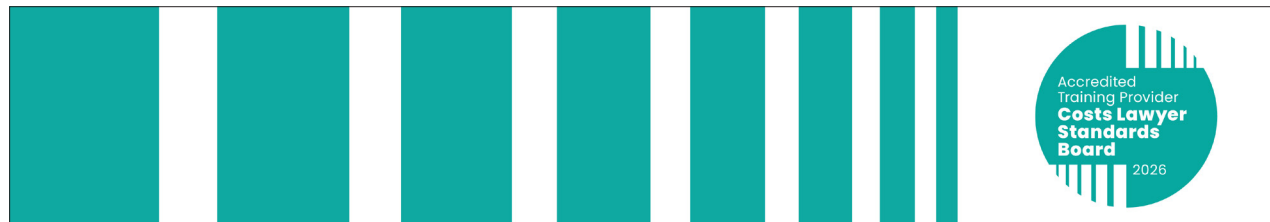
As a Costs Lawyer I am qualified, and regulated by the Costs Lawyer Standards Board (CLSB). With higher rights of audience in court and the ability to conduct litigation, I can represent I and act directly for clients in all matters of legal costs.

I provide expert advice with the protection that regulation brings, and recourse if things go wrong. I adhere to the professional standards set out in the CLSB Code of Conduct, I keep my knowledge and skills up to date and relevant through regular CPD. My advice is covered by professional indemnity insurance, and I have a procedure for handling any complaints that may arise.

A decorative element on the left side of the slide consisting of several vertical stripes of varying widths and colors, including blue and white.

# 3. LinkedIn Banner

LinkedIn banner



## LinkedIn profile

### How to add the Mark of Regulation to your LinkedIn profile:

01

Go to 'Add profile section'

02

Go to 'Recommended' section and click 'Add licences or certifications'

03

Add the information as per this example

### Add license or certification ×

\* Indicates required

Name\*

Issuing organization\*

Issue date

Expiration date

Credential ID

Credential URL

#### Skills

Associate at least 1 skill to this license or certification. It'll also appear in your Skills section.

#### Media

Add media like images, documents, sites or presentations. [Learn more about media file types supported](#)

[+ Add media](#)

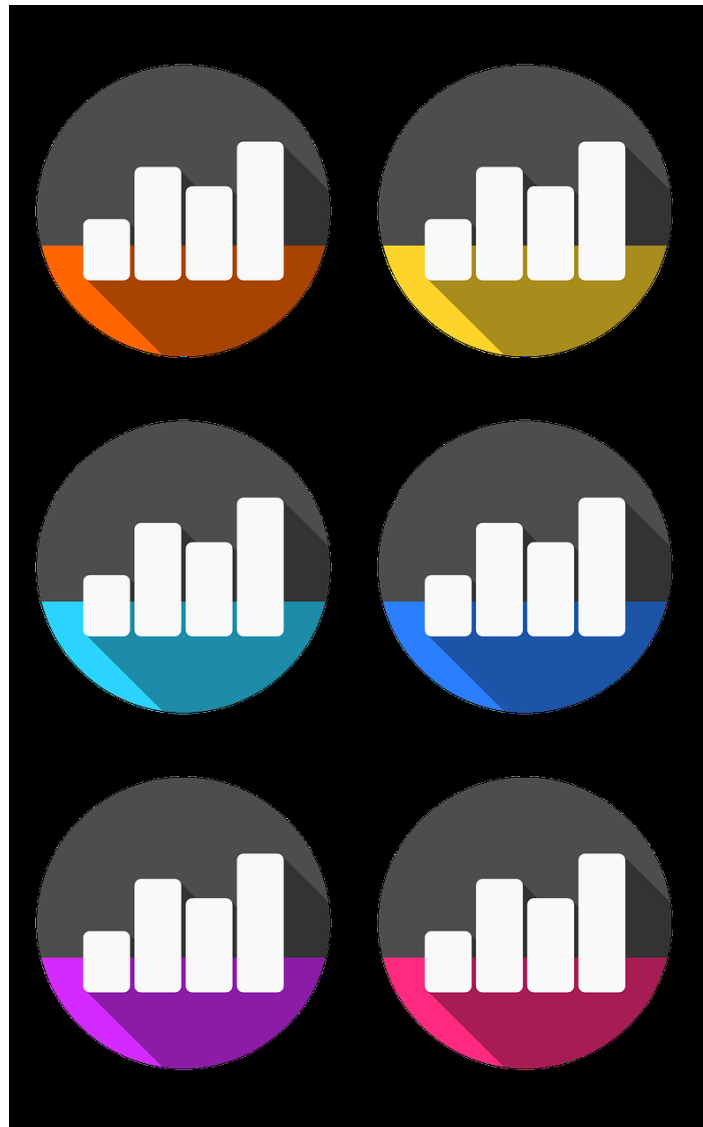
[Save](#)

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# Performance indicators

## 2025 stock take

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January 2026

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Costs Lawyer Standards Board

CLSB  
|||

# Operational metrics

Operational data is collated in the Annual Performance Dataset. The dataset for 2025 has now been published on the website and will be provided to the board at this meeting.

# Governance metrics

The purpose of the metrics below is to help us identify and address any emerging risks or potential weaknesses in our governance processes. The first three columns (in blue) are taken from the PID. The fourth column provides an overview of our status in 2025 against each metric.

Oversight area	Metric	Outcome	Status in 2025
Sound financial management	Level of reserves (as governed by the Reserves Policy)	Retain uncommitted reserves at target level, and reach target level of committed reserves by the end of the strategy cycle	We made a further contribution to our committed reserves in 2025 of £5,000. In 2025 we revised and increased the level of reserves required under the Reserves Policy to ensure the target levels remain suitable for our needs.
Appropriate resourcing	Stakeholder comfort that our operating structure is sustainable and appropriate for our size	Meet the <a href="#">LSB's regulatory performance expectations</a> under Standard 1 (well led), characteristic 6 (resourcing)	In the 2024 regulatory assessment the LSB said: <i>"The CLSB has provided us with sufficient assurance against all three standards: Well-led, Effective approach to regulation and Operational delivery.</i> <i>The CLSB has provided good overall assurance about its performance across the characteristics and has continued to demonstrate the good practice highlighted in last year's report. Its approach continues to exemplify a model of good practice for other smaller regulators within the sector."</i>
Business continuity	Degree of business interruption at points of change	No material business interruption incidents arise through absence or turnover of staff or contractors	In October 2024 the former CLSB CEO announced that she would be stepping down in early 2025. Following a recruitment campaign, the new CLSB CEO took up the role in May 2025.

			Our business continuity and disaster recovery processes were put into practice and proved resilient for the interregnum.
Risk management and mitigation	Level of impact on the organisation when risks, of which the board was or should have been aware, materialise	None of the operational, governance or strategy metrics in this document is detrimentally impacted by materialisation of one or more risks of the kind described	Once again, an increase in the volume and complexity of conduct complaints in 2025 had the potential to put governance metrics ( <i>business continuity</i> ) and strategy metrics ( <i>raising standards</i> ) in jeopardy, but these risks were successfully managed through our flexible resourcing arrangements and triage system.  None of the metrics in the PID were detrimentally impacted by materialisation of the risks described to the left during the year.
Continuous improvement	Degree of NED engagement and reflection on organisational and own performance	Personal and organisational areas for improvement identified through annual NED survey and appraisals	The open and inclusive culture mentioned in the 2024 report continued through 2025, proving effective at managing the interregnum and inducting the new CEO.
Transparency	Stakeholder ability to scrutinise decision-making, performance and processes on an ongoing basis	Meet the <a href="#">LSB's regulatory performance expectations</a> under Standard 1 (well led), characteristic 5 (transparency)	See comments above under 'Appropriate resourcing'.

## Strategy metrics

The purpose of the metrics below is to help us track progress against the goals in our mid-term strategy. If outcomes are not being achieved, this will prompt us to consider the reasons why, how we can improve, and what the consequences might be for achievement of our strategy. The fourth column in the table provides a status update for 2025.

Strategy area	Metric	Outcome	Status in 2025
Nurturing our relationships	Collaboration or market leadership in new areas and with new contacts	At least two new examples of this activity in each year of the strategy, from 2024 to 2027	Examples of developments this year include: <ol style="list-style-type: none"> <li>1. Collaborating with ACL to bring clarity around the implications for Costs Lawyers following the judgement in Mazur.</li> </ol>

			2. Securing progress with the Trailblazer Group and ACL Training for the new apprenticeship route into the profession.
Proactively adding value and communicating that value	Increased recognition of the CLSB and understanding of its role and purpose	Improved brand awareness / message recognition across key audiences in 2025, 2026 and 2027	During 2025 we developed and consulted on the new Costs Lawyers mark of regulation toolkit. The final version addresses feedback from consumers, the profession and communication experts.
Raising standards in the unregulated part of the market	Improved attractiveness of opting in to regulation amongst individuals working in costs	The number and diversity of new entrants to the profession increases year on year	Authorised numbers as at 31 December 2025 were once again at record levels, with rising numbers of new students enrolling on the CLPQ we are expecting this trend to continue. Following the judgment in Mazur, there was an increase in the number of reinstatements from lapsed Costs Lawyers.
Uniquely suited regulatory model	We meet the expectations of our oversight regulator in a way that does not disproportionately burden those who choose to be regulated	Meet or exceed the <a href="#">LSB's regulatory performance expectations</a> under Standard 2 (effective approach to regulation), while maintaining high satisfaction scores amongst the regulated community	See LSB comments above under 'Appropriate resourcing'. Satisfaction scores amongst the profession in 2025 also remain high, as follows: <ul style="list-style-type: none"> <li>• CLSB is effective: 88.34% (89.24% last year)</li> <li>• CLSB is not effective: 0.94% or 2 CLs (0.28%, or 7 CLs, last year)</li> <li>• Prefer not to say: 10.72% (10.48% last year)</li> </ul> Feedback from the free text box in the regulatory return was very encouraging and a verbatim read-out has been provided separately.
Organisational robustness and resilience, for us and the profession	Costs Lawyers recognise, assess and mitigate risks to their business and clients	There are no market events or failures that would have been prevented by better risk management within the profession	There were no such events or failures in 2025. The CLSB paid attention to the fallout across the legal sector following the Mazur judgement, but its historical guidance and current position remained consistent with the interpretation of the law.



# CLSB Risk Register

Last reviewed: 20 January 2026

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This risk register was developed in March 2023 following a review of the CLSB’s risk framework. It maps the potential risks that could impact the CLSB’s effectiveness, either directly or indirectly, through their influence on the market that we regulate. Previous versions of our operational and regulatory risk registers are available by [contacting us](#).

This risk register is divided into four sections:

A. Sources of risk for horizon scanning (market risks).....	2
B. Risk areas for ongoing monitoring .....	3
C. Key risk areas for mitigation .....	6
D. Risk areas for longer-term structural reform .....	8

## A. Sources of risk for horizon scanning (market risks)

These sources have the potential to generate new risks or exacerbate existing ones, and are therefore key targets for horizon scanning. They relate to what is happening in the costs law market, in areas such as:

- client demand and need;
- the supply of services by Costs Lawyers and other market participants;
- the overall legislative and regulatory environment affecting the market; and
- the impact of activity in other parts of the legal sector, including actions of other regulators.

Category of risk	Main sources of risk
Political/legal/regulatory	Changes in public sector spending, court rules or legislation driving costs control/capping.
Political/legal/regulatory	New regulation of ancillary industries, such as third party litigation funding.
Political/legal/regulatory	Changes in the Civil Procedure Rules or common law more broadly.
Economic	Trends in the litigation market and commercial developments in litigation funding options.
Economic	New entrants to the market and new service offerings, as well as consolidation of firms.
Social	Consumer use of online legal services, including the emergence of costs risk.
Social	Demand for different pathways to legal professional qualification.
Technological	Progress in court digitisation and e-billing.
Technological	Law firm take up of technology, including case management and billing systems, as well as the use of AI.
Technological	Adoption of blockchain technology and smart contracts.

## B. Risk areas for ongoing monitoring

These are specific risks, identified from horizon scanning across the risk sources described in section A above, that could foreseeably impact the regulatory objectives in section 1 of the Legal Services Act 2007. These risks are subject to ongoing monitoring to determine whether their impact can and should be actively managed by the CLSB (see section C below).

Even though many of these risks are outside of our control, their impact can be mitigated generally by fostering:

- Robustness – building strength and depth in the profession by increasing numbers, improving the quality of both initial and ongoing training and widening the range of expertise and skills the profession is able to offer.
- Resilience – improving the ability of Costs Lawyers to redeploy their skills within a changing market.

Regulatory objective	Costs law market related risk outcome	Relationship to risk sources
Protecting and promoting the public interest	<ul style="list-style-type: none"> <li>– Capping of recoverable costs</li> <li>– Reduction in the size of the NHS litigation budget</li> <li>– Wasting of court time by unqualified costs draftsmen, authorised practitioners lacking in costs competency, or poor practices of Costs Lawyers</li> </ul>	<ul style="list-style-type: none"> <li>– Risks from unqualified suppliers</li> <li>– Risks from ineffective regulation</li> <li>– Risks from public sector budget cuts targeting litigation, or other forms of intervention in the costs market, in ways that prioritise short term budgetary savings over longer term public interest</li> </ul>
Supporting the constitutional principle of the rule of law	<ul style="list-style-type: none"> <li>– Shrinking legal aid budget and falling solicitor numbers providing legal aid services</li> <li>– Court promotion of technology and mediation to overcome backlog</li> <li>– Civil procedure review designed to improve the functioning of the courts and introduction of e-billing as standard</li> </ul>	<ul style="list-style-type: none"> <li>– Risks from policy, legislative or rule changes that impact on demand for Costs Lawyer services or viability of providing services to those with legal need</li> </ul>
Improving access to justice	<ul style="list-style-type: none"> <li>– Individuals or groups excluded from access to justice by excessive costs or costs uncertainty</li> <li>– Expansion of fixed costs regime, reforms to PI regime, reforms to judicial review</li> </ul>	<ul style="list-style-type: none"> <li>– Risks from inadequate supply of costs information services</li> <li>– Risks from policy reforms designed to reduce availability of contested litigation</li> </ul>

Regulatory objective	Costs law market related risk outcome	Relationship to risk sources
	<ul style="list-style-type: none"> <li>– Solicitors unable to claim full legitimate costs from legal aid budget without Costs Lawyers</li> <li>– Third party funders discouraged by inadequate budgeting and uncertainty of rules around contingency arrangements</li> </ul>	<ul style="list-style-type: none"> <li>– Risks from insufficient numbers of legal aid trained Costs Lawyers</li> <li>– Risks from inadequate service from Costs Lawyers or unqualified costs draftsmen</li> </ul>
Protecting and promoting the interests of consumers	<ul style="list-style-type: none"> <li>– Consumers unable to access independent advice on costs</li> <li>– Consumers are excluded from civil litigation or are inadequately served due to limitations on funding options (including fixed fees on specialist legal services)</li> <li>– Self-represented litigants incur significant adverse costs risk/liability due to lack of individualised advice</li> <li>– Consumer risk from unregulated no win no fee advisors</li> </ul>	<ul style="list-style-type: none"> <li>– Risks from insufficient supply of Costs Lawyers focused on consumer market</li> <li>– Risks from “capture” of Costs Lawyer services by professional (mainly solicitor) clients</li> <li>– Risks from public sector budget cuts targeting litigation or policy interventions designed to stem legal costs</li> <li>– Risks from gaps in regulation</li> </ul>
Promoting competition in the provision of legal services by authorised persons	<ul style="list-style-type: none"> <li>– Law firm mergers hampered by lack of accurate information about WIP; investors discouraged by lack of clarity around value of law firms</li> <li>– New entrants to the legal sector cannot access independent information about value of certain areas of litigation activity</li> <li>– Increased use of technology in law firms substituting for Costs Lawyers</li> <li>– Concerns about market risks disincentivise new qualifiers or encourage qualified Costs Lawyers out of the profession</li> </ul>	<ul style="list-style-type: none"> <li>– Risks from insufficient supply of properly trained Costs Lawyers to provide essential services</li> <li>– Risks from new service areas with potential risks to clients and firms</li> <li>– Risks from the activities of other regulators</li> <li>– Risks from lack of awareness/ability of Costs Lawyers to embrace and adapt to technology</li> </ul>

Regulatory objective	Costs law market related risk outcome	Relationship to risk sources
	<ul style="list-style-type: none"> <li>– Costs firms offering new unregulated services alongside reserved legal activities, such as litigation funding options for clients</li> <li>– SRA regulation fails to prevent employer collapse creating problems in the Costs Lawyer market</li> </ul>	
Encouraging an independent, strong, diverse and effective legal profession	<ul style="list-style-type: none"> <li>– Insufficient numbers of Costs Lawyers are available to the market generally</li> <li>– Insufficient supply of independent costs law firms and practitioners in the market</li> <li>– Costs Lawyers’ independence is undermined by an actual or perceived conflict between the interests of their immediate (professional) client and their underlying client</li> <li>– Costs Lawyers are not appropriately trained and up-to-date</li> <li>– Costs Lawyer demographics do not reflect society</li> </ul>	<ul style="list-style-type: none"> <li>– Risks from insufficient supply of properly trained Costs Lawyers</li> <li>– Risks from Costs Lawyers being absorbed into solicitors firms/SRA regulation</li> <li>– Risks from “capture” of Costs Lawyer services by professional clients</li> <li>– Risks from ineffective CLSB regulatory arrangements</li> <li>– Risks from limited diversity of new entrants to the profession</li> <li>– Risks from amalgamation of costs law firms affecting culture and standards</li> </ul>
Promoting and maintaining adherence to the professional principles	<ul style="list-style-type: none"> <li>– Disciplinary issues/complaints about Costs Lawyers leading to poor consumer outcomes</li> <li>– Failure of Costs Lawyers to maintain proper standards of work</li> <li>– Costs law firms unwilling or unable to implement sufficient systems and controls</li> </ul>	<ul style="list-style-type: none"> <li>– Risks from ineffective CLSB regulatory arrangements</li> <li>– Risks from lack of entity-level regulation in the costs market</li> </ul>

## C. Key risk areas for mitigation

These consolidate the key risks identified in section B over which we have some degree of influence or control through our regulatory levers, and which we can therefore work to mitigate over time. The need to proactively manage these risks influences our regulatory activities, including our approach to supervision and the priorities in our annual Business Plans. The table below sets out the priority workstreams that are aimed at mitigating or managing these risks in the current year.

	Regulatory risks	Current priority initiatives for mitigating risks
1.	Poor client outcomes arise from substandard conduct, inadequate service or lack of competence amongst Costs Lawyers.	<ul style="list-style-type: none"> <li>• 2026 Business Plan priority 1: <i>The new communication toolkit will seek to educate professional and lay clients about the importance of choosing a regulated Costs Lawyer over an unregulated costs advisor. Poor client outcomes are not limited to those we regulate, but the regulated profession can suffer reputational damage by the unregulated advisors, impacting client confidence in the entire costs law profession.</i></li> <li>• 2026 Business Plan priority 3: <i>Expand the guidance and resources to support Costs Lawyers in upholding their professional ethical duties, in collaboration with strategically aligned expert partners and groups, where appropriate.</i></li> <li>• 2026 Business Plan priority 7: <i>In collaboration with ACL Training, evaluate the third year of delivery of the new Costs Lawyer Qualification by carrying out the annual monitoring process under the Accredited Study Provider Scheme Handbook. Provide new guidance to Qualified Persons built out from feedback and assessment in 2025.</i></li> <li>• 2026 Business Plan priority 10: <i>Monitor compliance with new guidance on: Dealing with consumers; and Client Care Letters.</i></li> <li>• 2026 Business Plan priority 14: <i>Implement the next stage of our action plan to respond to the recommendations from the Costs Lawyers, Technology and Regulation report 2024, including guidance for Costs Lawyers on the professional and ethical considerations of using AI.</i></li> </ul>
2.	Costs Lawyers offer new areas of service without adequate consumer	<ul style="list-style-type: none"> <li>• 2026 Business Plan priority 6: <i>Identify opportunities to support the current and future profession in Wales.</i></li> <li>• 2026 Business Plan priority 10: <i>See above.</i></li> </ul>

	protections or assessment of risk to consumers.	
3.	Regulatory deterrents or barriers to innovation limit the Costs Lawyer profession.	<ul style="list-style-type: none"> <li>• 2026 Business Plan priority 2: <i>Continue to collaborate with the Ministry of Justice, Judicial Appointments Commission and other key partners to expand current statutory eligibility requirements for judicial appointment to include Costs Lawyers.</i></li> <li>• 2026 Business Plan priority 4: <i>Work with ACL Training and the employer Trailblazer Group to progress the Costs Lawyer apprenticeship standard.</i> 2025 Business Plan priority 9: See above.</li> <li>• 2026 Business Plan priority 9: Act upon the quantitative and qualitative career pathways research to: Inform how the apprenticeship is promoted; Guide the engagement strategy with prospective entrants to the profession; and Review any unintended barriers to becoming a Costs Lawyer.</li> </ul>
4.	Independence of the profession is compromised through capture by certain types of clients or practising arrangements.	<ul style="list-style-type: none"> <li>• 2026 Business Plan priority 1: See above.</li> <li>• 2026 Business Plan priority 4: See above.</li> <li>• 2026 Business Plan priority 6: See above.</li> </ul>
5.	New Costs Lawyer Qualification fails to attract sufficient student numbers or sufficiently diverse cohorts.	<ul style="list-style-type: none"> <li>• 2026 Business Plan priority 1: See above.</li> <li>• 2026 Business Plan priority 7: See above.</li> <li>• 2026 Business Plan priority 9: See above.</li> </ul>
6.	The Costs Lawyer Competency Statement or Costs Lawyer Qualification fails to ensure that newly qualified Costs Lawyers are equipped for modern practice.	<ul style="list-style-type: none"> <li>• 2026 Business Plan priority 7: See above.</li> </ul>

## D. Risk areas for longer-term structural reform

Our recent research and project work has identified structural risks in relation to the regulation of the costs law market. Mitigating these risks is fundamental to our regulatory approach and informs our longer-term strategic planning.

Risk statement	Source of risk	Strategic question to answer
There is a gap in how the public interest is defined/considered in the context of legal costs.	Costs Lawyers rarely serve consumers directly. There is a significant public interest issue at the heart of the costs market, but this may lie less in the protection of consumers and more in dealing with the market failure in legal costs management generally. Such a market failure appears to exist as there is no actor, outside the courts, that is currently tasked with ensuring the efficient use of resources to achieve appropriate and proportionate resolution of legal problems.	What does promoting the public interest mean in the context of the costs law market?
The authorisation of Costs Lawyers is not aligned with the public interest.	If the CLSB regulates primarily to protect consumers, it risks becoming increasingly less relevant to Costs Lawyers, who can work outside the scope of authorisation. Yet the regulatory agenda driven by the Legal Services Board, in fulfilment of its remit under the Legal Services Act, is focused on consumer-facing work and addressing unmet legal need. This model is misaligned with the public interest problem that needs to be addressed in the costs law market, and thus with impactful regulation of the Costs Lawyer profession.	What should the role of Costs Lawyers be in the legal market (i.e. what are Costs Lawyers for?) and how can that best be differentiated, through the CLSB's regulatory framework, from the role played by unregulated advisers to promote the public interest?

### **High Court's decision in Mazur v Charles Russell Speechlys [2025] EWHC 2341 (Mazur).**

#### **Background**

The decision in Mazur itself was not about a Costs Lawyer but it has prompted questions about:

- Who can do what
- Where accountability lies
- How clients can be assured of professional standards from a regulated individual, and
- Who is regulated and who is authorised, and the difference.

This has created an atmosphere of uncertainty for some, although not in the large for the CLSB and Association of Costs Lawyers (ACL).

The ACL has been firm and clear in its response to Mazur, highlighting that the case reinforces the importance of instructing a regulated Costs Lawyer. The CLSB is aligned with that view and put out the following statement on 17 October 2025 after taking time to reflect on existing guidance, and feedback from the profession and other stakeholders.

#### ***“Mazur: regulatory guidance for Costs Lawyers***

*“The decision in Mazur last month clarified who may conduct litigation, and importantly who may not. Mazur has not impacted the CLSB’s existing guidance on Reserved Legal Activity Rights, and the CLSB has not identified any concerns regarding the conduct of regulated Costs Lawyers. The CLSB will continue to work collaboratively with the other approved regulators, [Legal Services Board] LSB, ACL and the profession to ensure clarity across legal services in England and Wales.*

*“We encourage all Costs Lawyers to revisit the guidance to satisfy yourselves that you are acting appropriately. If you have unregulated costs advisors working in your team, you may wish to share this statement with them. If you hold a position of leadership or management and have unregulated costs advisors working in your team and/or organisation, you should also remind yourself of our guidance note for costs law firms. Costs Lawyers working in firms regulated by another approved regulator may wish to share the CLSB guidance with their employer.”*

Of particular relevance is paragraph 11 of the CLSB Guidance Note for Costs Law Firms, which states:

*“11. Costs Lawyers cannot delegate their right to carry on reserved legal activities to non-authorised members of staff, such as costs draftsmen. It is an offence under the LSA for anyone who is not authorised or not an exempt person (under Schedule 3 of the LSA) to carry on a reserved legal activity.”*

These pieces of guidance were in place before the decision in Mazur and remain consistent with the CLSB's position on reserved legal activities.

We have also checked older guidance as part of our response to a section 55 information request from the LSB and can confirm that the CLSB's guidance has been consistent, and aligned with the decision in Mazur.

### **What this means for Costs Lawyers**

- For Costs Lawyers, the message is simple: Mazur changes nothing as far as the CLSB is concerned, except to once again highlight why choosing a regulated Costs Lawyer over an unregulated costs advisor is so important. The decision in Mazur is consistent with the CLSB's long held interpretation of the Legal Services Act 2007.
- The CLSB has reviewed existing guidance in the light of the decision and concluded that no changes are required.
- However, the CLSB emailed the profession and posted the same online (including LinkedIn) on 17 October 2025 to remind all Costs Lawyers of two key pieces of guidance on reserved activities (see above). There's guidance for the individual practitioner and wider guidance for those leading and managing teams which may include unregulated individuals.
- The CLSB has not discovered, and has no reason to suspect, any regulatory challenges exist within the Costs Lawyer profession.
- There are likely to be implications for the unregulated costs advice sector who may have strayed into reserved legal activity. We have no proof of this (yet) but will collect evidence should it emerge.
- There has been an increase in the number of lapsed Costs Lawyers seeking to reinstate their Practising Certificates (there is a prescribed process for those who have not had a practising certificate in two years or more that was reviewed and strengthened in June 2025). Similarly ACLT report that there has been a spike in new sign-ups/enquiries to the CLPQ course starting in January 2026. Collectively, this suggests that the unregulated sector is responding positively to regulation.
- The CLSB is not complacent about implications arising from Mazur. It has and will continue to work collaboratively with the LSB and frontline regulators, as well as remain in close contact with the ACL and the profession.
- Should anything of concern arise or an unintended/unobvious dimension come to the CLSB's attention, it will respond with agility and decisiveness.
- The CLSB already has a strategic objective to improve communications to lay and non-lay clients about why choosing regulated Costs Lawyers over unregulated costs advisors is important:
  1. Costs Lawyers are independently regulated, with clear oversight.
  2. They have rights of audience and the ability to conduct litigation in costs matters.
  3. They are held to high professional standards and maintain mandatory CPD.
  4. They carry professional indemnity insurance.
  5. They are subject to a complaints and redress process.

## **Meeting with Sarah Sackman KC MP, Minister for Courts and Legal Services**

The CLSB Chair joined a meeting with other legal regulators' Chairs and the LSB at the request of Sarah Sackman KC MP, Minister for Courts and Legal Services on Monday 27 October at the Ministry of Justice (MoJ) office in London.

The meeting was attended by the Chair and CEO of the LSB and representatives of Chartered Institute of Legal Executives Regulation (CILEx), Bar Standards Board (BSB), Intellectual Property Regulation Board (IPReg), and Solicitors Regulation Authority (SRA). The Minister asked for update on actions on Mazur. CILEx Regulation reported a lot of worry among registrants and was at the time seeking the fast-tracking of applications for some 2-3,000 applicants. The Minister expressed concern that some regulators (not the CLSB) were slow to react to the judgement and issue new or reinforced advice. The LSB was asked to accelerate its review and provide info to the MoJ soonest.

The consensus view, CILEx Regulation dissenting, was that the Legal Services Act (LSA) 2007 does not need urgent amendment which was a relief for the MoJ.

The CLSB chair advised the Minister on the actions the CLSB had taken, and observed the likely effect of re-registering lapsed members and attracting more from the non-regulated sector. The CLSB also suggested that given many Costs Lawyers work in SRA regulated firms, the SRA may consider giving specific advice to firms not to assume that costs advisors were able to represent or litigate for them on costs matters without appropriate supervision, as many solicitors appear unclear about the role and regulation of Costs Lawyers.

The Minister was reassured by progress to date, but still concerned about how misunderstandings of interpretation and been allowed to develop and continue for so long.

### **Section 55 information request from the LSB**

On 28 October 2025 the LSB wrote to David Bailey-Vella as Chair of the Association of Costs Lawyers (ACL) with a section 55 Information Request. Apart from one question, this was largely passed to the CLSB to respond to, pursuant to section 28 of the Legal Services Act and the Internal Governance Rules 2019 made under section 30. The CLSB responded on 24 November 2025. The ACL responded on its point to answer on 28 November 2025. We have had no response to date from the LSB, other than an acknowledgment of receipt, but the response uncovered no challenges or inconsistencies. While a copy of the full response has not been included in this Board Update, it is available upon request.

### **Summary to date**

Both the CLSB Chair and CEO took the opportunity to reinforce the CLSB's position on Mazur at the ACL's London Conference on 7 November 2025. Since then, CILEx Regulation has been granted leave to appeal the decision which is [currently expected to be heard on 24 February 2026](#). Both the SRA and Law Society of England and Wales (LSEW) will intervene. The Board will be updated when a decision has been reached following the appeal hearing.

Prepared by:

**Paul Mosson**

Chief Executive

Mobile: 07730 616078 | Email: [ceo@clsb.info](mailto:ceo@clsb.info)

20 January 2026

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# Supervision Policy

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**10 December 2025 (version 3)**

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**Costs Lawyer Standards Board**



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## Approach to supervision

### Scope

1. This policy sets out how the CLSB supervises compliance by Costs Lawyers with the CLSB’s regulatory rules, as contained in the [Costs Lawyer Handbook](#). Those rules include the Costs Lawyer Code of Conduct, Practising Rules and CPD Rules. All Costs Lawyers who hold a current practising certificate issued by the CLSB must comply with those rules.
2. This policy does not cover how we handle complaints about individual Costs Lawyers. More information can be found on the [complaints page](#) or the [disciplinary outcomes page](#) of our website.

### Aims of supervision

3. Supervising compliance with our rules helps us to promote the regulatory objectives that are set out in the Legal Services Act 2007, especially:
  - protecting and promoting the public interest;

- 
- protecting and promoting the interests of consumers;
  - encouraging an independent, strong, diverse and effective legal profession;
  - promoting and maintaining adherence to the professional principles.
4. The purpose of our supervision activities is to:
- identify and respond to risks to the regulatory objectives posed by the Costs Lawyer profession as a whole, in line with our regulatory risk framework;
  - identify and respond to risks to the regulatory objectives posed by the conduct of individual Costs Lawyers;
  - promote good consumer outcomes, in line with our [commitment to focusing on good consumer outcomes](#) in all our regulatory work;
  - identify good practice and compliant ways of working, and share this knowledge amongst our regulated community;
  - disincentivise noncompliance with our regulatory rules;
  - understand the impact and effectiveness of our regulatory rules in achieving their intended purpose.
5. We aim to carry out supervision activities that are proportionate to, and directly targeted at, the above purposes. We do this in three main ways:
- through random checks and sampling to identify areas of risk;
  - through monitoring and audit activities that are designed to mitigate the risks we know about, as documented in our risk registers;
  - by collecting general compliance data to allow for targeted supervision where an increased risk of noncompliance by a particular individual is identified.
- The specific supervision activities we carry out are described further below.

## If our supervision activities indicate noncompliance

6. Our primary aim is to identify and mitigate risks before they materialise, to avoid or minimise poor outcomes for consumers. In pursuit of this objective, we will support practitioners to make changes to their conduct or ways of working rather than pursuing enforcement action insofar as appropriate. We also collate and publish learnings from our supervision activities – for example, on our website, in

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newsletters and via social media – to help all practitioners improve compliance and to promote the regulatory objectives.

7. In some cases, we might identify noncompliance that warrants investigation under our [Disciplinary Rules and Procedures](#). Action is most likely to be taken under the Disciplinary Rules and Procedures where:
  - a serious failure to comply with our rules is identified (for example, a failure that involves conduct which is dishonest or discriminatory, or which renders a Costs Lawyer ineligible to hold a practising certificate);
  - a Costs Lawyer fails to remedy substandard practice within a reasonable time;
  - a Costs Lawyer otherwise fails to cooperate with us, in breach of the Code of Conduct.
8. Further information about our approach to enforcement can be found in our [policy statement on enforcement and sanctions](#).
9. As we do not regulate entities within which Costs Lawyers work, we do not specifically supervise organisation-wide controls (such as policies or procedures put in place to minimise the risk of regulatory noncompliance). However, where a failure of organisation-wide controls has an impact on an individual’s compliance with our rules, we may offer advice and guidance to the organisation as a whole.

## Supervision activities

### Monitoring and data collection

10. We collect data from individual Costs Lawyers, which we use for the supervision purposes described in the table below. The majority of this data is collected annually when a Costs Lawyer applies for a practising certificate for the coming year. Some data will not be collected from practitioners where compliance is monitored at firm-level by another regulator. The “supervision frameworks” referred to in the table are explained further at paragraph 12 below.

	Information collected from all Costs Lawyers	Supervision purpose
1.	A CPD record demonstrating compliance with the minimum requirements in the CPD Rules	<ul style="list-style-type: none"> <li>Identify risks to the ongoing competency of individual practitioners and potential failure to meet the practising criteria under the Practising Rules</li> <li>Identify individuals whose CPD record should be included in a full audit under the CPD supervision framework</li> </ul>
2.	Evidence of professional indemnity insurance cover, a statement of the value of that cover, and a declaration that an appropriate policy has been in place throughout the practising year	<ul style="list-style-type: none"> <li>Ensure that every Costs Lawyer has professional indemnity insurance in place at or above the prescribed minimum value</li> <li>Monitor trends in the nature of cover as an indicator of practitioners' perceived risk profile of their practice</li> <li>Identify any indicators of weakening competition between insurers which could impact practitioners' ability to comply with insurance requirements</li> </ul>
3.	A copy of the complaints procedure that applies to the practitioner	<ul style="list-style-type: none"> <li>Ensure that every Costs Lawyer has a procedure in place for handling complaints</li> <li>Provide samples for the annual audit of the content of complaints procedures under the complaints procedure supervision framework</li> </ul>
4.	Disclosures of events that could impact fitness to practice (see Practising Rule 4)	<ul style="list-style-type: none"> <li>Identify and mitigate risks to the public or consumers indicated by an individual's past professional conduct (see our <a href="#">policy statement on enforcement and sanctions</a> for further details)</li> </ul>
5.	The number, nature and outcomes of first tier complaints about the practitioner	<ul style="list-style-type: none"> <li>Identify and mitigate risks to the public or consumers indicated by volume or theme of first tier complaints</li> <li>Provide data for implementing the point of complaint supervision framework</li> </ul>
6.	Practising data, covering various aspects of a practitioner's work and clients	<ul style="list-style-type: none"> <li>Monitor trends in the risk profile of the profession (for example, direct engagement with lay clients and vulnerable clients)</li> <li>Provide data for implementing the point of complaint supervision framework</li> </ul>
7.	(For Accredited Costs Lawyers only, collected every three years) Evidence, including examples and sample training	<ul style="list-style-type: none"> <li>Identify and mitigate risks to prospective recipients of a practitioner's training</li> </ul>

materials, of compliance with the Accredited Costs Lawyer Rules	<ul style="list-style-type: none"> <li>• Provide evidence to support the proactive supervision activities set out in the Accredited Costs Lawyer supervision framework</li> </ul>
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11. Failure of a Costs Lawyer to cooperate with us in collecting the information described above is likely to constitute a breach of Principle 5 of the Code of Conduct and/or specific provisions of the Practising Rules, CPD Rules or Accredited Costs Lawyer Rules.

### Supervision frameworks

12. Alongside our monitoring and data collection activities, we follow detailed [supervision frameworks](#) that target key risk areas. All our supervision frameworks are published on our [supervision webpage](#). Each supervision framework sets out the potential outcome(s) of our supervision activities in the relevant area.

13. The activities that we carry out under the supervision frameworks make up our core programme of targeted, proactive supervision.

### Working with others

14. The CLSB works with others to inform its supervision activities and collect data. We have Memoranda of Understanding (MOUs) in place with the following organisations which cover the proactive exchange of supervision information:

- the Association of Costs Lawyers, particularly in relation to the reporting of disclosures and information about students undertaking the Costs Lawyer Qualification;
- the Legal Ombudsman, particularly in relation to regular reporting on complaints about Costs Lawyers;
- the other legal services regulators, under a joint MOU.

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## Personal data

15. Information used for supervision purposes is collated under the relevant practitioner's record in our internal database. This allows us to analyse information relating to an individual practitioner across all metrics, and also to generate data about the whole profession in relation to one metric. In this way, we can observe both vertical trends (per individual practitioner) and horizontal trends (profession-wide) to help us identify areas of risk.
  
16. We hold personal data in our database in accordance with our [privacy policy](#).



19 December 2025

Paul Mosson  
Chief Executive Officer  
Costs Lawyer Standards Board  
via email

## House of Lords Committee on Industry and Regulators – inquiry into regulators and growth

Dear Paul,

The House of Lords Industry and Regulators Committee, which I chair, has recently launched an inquiry into the role of regulators in relation to economic growth. The Committee is keen to make sure we hear the views of a wide range of regulators, so I am taking this opportunity to write to you to ask for your input and to open a channel for future engagement between the Committee and regulators.

As part of its Action Plan, the Government is aiming to tackle complexity in the regulatory system, reduce uncertainty, and challenge and shift “excessive risk aversion”. As well as a list of actions proposed by regulators, the Government has proposed closing and merging some regulators, simplifying the duties of key regulators, and strengthening the transparency and accountability of regulators to Ministers.

The current Government has indicated its view that regulation can be “an essential tool to promote growth and investment”. However, it has argued that the regulatory landscape is “not functioning as effectively as it should”. The Action Plan, and its October 2025 update, proposes a series of measures to meet a target of reducing the administrative costs of regulation by 25%, or £5.6 billion, by the end of this Parliament.

The Government has said that it will work with regulators to ensure they have clarity from government regarding what growth means for them. It has also said that achieving its vision requires “making sure that the purpose and duties of all our regulators are clear, so they are empowered to focus on what matters.” We are interested in hearing your experiences with this new focus on growth from the Government. We have opened a [Call for Evidence](#) for the inquiry as a whole, which we would encourage you to respond to before the deadline of 16 January 2026.

As we have been gathering evidence, we have also developed a few additional questions which we would like you to consider, and we would be grateful for your thoughts, either formally or informally, before the end of January.

- How do you feel you are able to support growth, particularly if you do not have a formal growth duty already?
- What does growth mean for you and your sector?



# HOUSE OF LORDS

Industry and Regulators Committee

House of Lords

London

SW1A 0PW

Tel: 020 7219 2785

[hindustryregulators@parliament.uk](mailto:hindustryregulators@parliament.uk)

- What changes are you making or planning to your strategic direction to meet the Government's ambitions for regulators to tackle complexity, reduce uncertainty and shift risk aversion?

We would also like to hear about any specific actions you are taking to support growth, or to reduce the administrative burden of your regulation.

I look forward to hearing from you. If you would be interested in a wider conversation, we would be delighted to arrange one – please do contact the Clerk, Rhiannon Williams, on [WILLIAMS@parliament.uk](mailto:WILLIAMS@parliament.uk).

Yours sincerely,

**Baroness Taylor of Bolton**

Chair of the Industry and Regulators Committee



## Submission

# House of Lords Committee on Industry and Regulators – inquiry into regulators and growth

12 January 2026

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### Introduction and summary

1. The Costs Lawyer Standards Board (“CLSB”) is the regulator of Costs Lawyers in England and Wales. We exist to serve the public interest by setting and maintaining the standards of professional conduct by which Costs Lawyers must abide. Our mission is to “provide effective, proportionate regulation of Costs Lawyers in a way that promotes consumer choice and understanding, and engenders justified public trust.”
2. We are a small regulator, funded by the practitioners that we regulate. It is therefore essential that we put our funds to work in an efficient and impactful way, identifying key areas of risk within the profession and targeting these to achieve the best possible outcomes for consumers of Costs Lawyers’ services and the wider public.
3. The CLSB is pleased to respond to this Call for Evidence.
4. This submission sets out information about:
  - The Costs Lawyer profession;
  - The CLSB’s approach to regulation;
  - Actions that the CLSB is taking to support growth, and
  - Statutory changes that we would like to see to enable further growth.

### About Costs Lawyers

5. Costs Lawyers are expert qualified legal professionals specialising in the law and practice of legal costs providing an essential niche legal service on what can be a contentious, high profile matter between parties, for example, *Vardy v Rooney* [2022] EWHC 2017 (QB) (commonly known as the ‘Wagatha Christie’ case). Costs Lawyers are authorised to carry out three reserved legal activities (assuming those activities relate to legal costs): they have the right to:
  - i. conduct litigation,
  - ii. represent their clients in court with higher rights of audience,
  - iii. and administer oaths.

6. Examples of services that Costs Lawyers provide include:
  - Advocacy in costs matters, including representing clients in costs hearings and detailed assessment hearings;
  - Advising on the charging and recovery of legal costs and disbursements (such as fees paid to an expert, for example);
  - Advising on litigation funding;
  - Preparing costs budgets;
  - Preparing discussion documents to inform the court on budget issues;
  - Preparing schedules of costs;
  - Preparing bills of costs for provisional/detailed assessment by the court;
  - Preparing points of dispute on a bill of costs and replies;
  - Representing individuals in negotiations aimed at settling disputes about costs without the need for a court hearing, including mediation and arbitration;
  - Acting as an expert witness on legal costs matters;
  - Advising on legal aid costs;
  - Project management of legal spend;
  - Advising on retainers and fee arrangements between clients and their legal advisors.
  
7. Costs Lawyers are regulated by the CLSB and must comply with our regulatory rules and professional standards at all times. They must also follow our Code of Conduct for ethical behaviour, be covered by appropriate insurance and have a complaints procedure in place. Clients of Costs Lawyers have the right to escalate a complaint to the Legal Ombudsman. The CLSB also has the power to take disciplinary action, through a fitness to practise regime, against Costs Lawyers who do not meet their professional obligations.
  
8. Costs Lawyers work for all types of clients, including individuals, small businesses, large businesses and other professionals. Individuals don't need to go through a solicitor or barrister to instruct a Costs Lawyer, however, Costs Lawyers often work closely with solicitors and barristers. An individual might have already instructed a solicitor or barrister to conduct litigation, but a Costs Lawyer can assist where specialist costs advice is needed.
  
9. Some Costs Lawyers work as sole practitioners. Others work for costs law firms (i.e. firms specialising in costs law and practice) or in firms of solicitors. A small number of Costs Lawyers work in companies or government departments and advise their employer (rather than external clients) on costs matters.

## How do you feel you are able to support growth, particularly if you do not have a formal growth duty already?

10. There remains significant untapped potential for the Costs Lawyer profession, including opportunities to attract more unregulated costs advisors into regulation. Expanding recognition of Costs Lawyers across the legal landscape is a priority for the CLSB, alongside expanding career pathways and ensuring the profession is equipped to meet the future needs of clients and the justice system in England and Wales.
  
11. In 2021 the CLSB secured funding from the Regulators' Pioneer Fund for an innovative new project: [How could Costs Lawyers reduce the costs of legal services?](#) The CLSB, guided by its framework for good consumer outcomes and the CMA's findings in its market study on legal

services, looked at how regulation or legislation might help or hinder the emergence of innovative services provided by lawyers specialising in legal costs.

12. We carried out research based on the types of services that advisers (regulated or unregulated) specialising in costs are, or might be, involved in. We then went on to consider whether any regulatory or legislative change might remove barriers to innovation or encourage innovation.
13. Our research revealed a great deal of evidence to support the proposition that the Costs Lawyer profession has the potential to have a much bigger impact than it does today. One key reason is that awareness of Costs Lawyers and the benefits of using their services currently appears to be low. If Costs Lawyers were better known beyond the niche costs law market, their contribution to the development of innovation in the sector could be increased. While it is not within the CLSB's remit to undertake promotion activities for the sector it regulates, it is within our remit to encourage competition in the market for legal services and promote the interests of service users. We have therefore taken proactive steps regarding how the CLSB's branding is used by the sector; how our competency frameworks can ensure the profession provides the best value to end users; and how our overall framework of regulation could best support the positive role that Costs Lawyers can play.
14. We are strengthening our focus on consumer protection by clearly communicating the benefits and safeguards that come with using a regulated Costs Lawyer over an unregulated provider. These remain essential as demand grows for a diverse range of regulated costs services that meet the needs of increasingly informed clients. The CLSB Annual Risk Outlook for 2025 also highlights opportunities for Costs Lawyers to provide advice around the eight poles in the Government's growth strategy.
15. There is also considerable scope for Costs Lawyers to expand the services they provide directly to individual consumers. Only about 20% of Costs Lawyers currently accept instructions direct from lay clients (consumers) with such work accounting for around 1% of the sector's income. There has also been an increased focus on the value of Costs Lawyers to litigants in person (LiPs) who will likely be unfamiliar with legal costs. This issue was highlighted by the Costs Lawyers' professional body, the Association of Costs Lawyers, at its November 2025 conference, and the CLSB also shared the message in its December newsletter.
16. These developments come at a time when the role of Costs Lawyers is expanding and diversifying. With the new Costs Lawyer Professional Qualification now in place, plans for the opening of the apprenticeship route, and a growing emphasis on pathways for costs advisors to become regulated, the profession is becoming more accessible, visible, and accountable. The CLSB's regulatory approach is evolving in parallel; agile, risk-based, and focused on enabling high standards through clarity and support. Building on the CLSB's ongoing work to uphold the standing and reputation of Costs Lawyers, we continue to support the profession in upholding robust standards and, where necessary, effective enforcement.

## What does growth mean for you and your sector?

17. The number of Costs Lawyers has increased year on year, with the profession currently standing at 746 Costs Lawyers. Our diversity data shows that 44% of Costs Lawyers were the first in their family to go to university, 32% did not attend university at all, and over 86% attended a state school. Of the Costs Lawyer profession as at 2024, 53% is female, 10.3% is from a Black, Asian or Ethnic Minority background, 8.7% is disabled and 7.9% identifies as non-heterosexual (it should be noted that this data is based on Costs Lawyers who voluntarily responded to our survey and does not reflect 100%

of the profession). Growth in the Costs Lawyer profession therefore means increasing the diversity and social mobility of the wider legal sector, ensuring that it reflects the diversity of the consumers and communities it serves.

18. The CLSB Risk Outlook for 2025 highlighted that the UK legal sector remains a popular option for external investment. Investor interest in the UK legal market increased significantly in 2024 with private equity investment amounting to an estimated £534 million. Our Risk Outlook suggests that this increased attention from private equity may lead to more work for Costs Lawyers, both from private equity companies themselves and from existing legal service providers who are interested in selling their businesses or preparing for acquisition. Our Risk Outlook also highlighted the rise in large-scale, multi-claimant cases, and in collective actions, in the English courts and tribunals, particularly in areas such as product liability and data privacy. As set out above, Costs Lawyers' specialist expertise is vital in these complex, high value matters.

## What changes are you making or planning to your strategic direction to meet the Government's ambitions for regulators to tackle complexity, reduce uncertainty and shift risk aversion?

### *Protection of the title 'Costs Lawyer'*

19. The title of 'Costs Lawyer' is not protected by legislation as those of 'solicitor' and 'barrister' are. This means that Costs Lawyers provide a wide range of services relating to legal costs matters, but without any exclusive rights in relation to the services they provide. Once qualified, a Costs Lawyer is subject to ongoing regulation by the CLSB, which means they must comply with the requirements of the Cost Lawyer Code of Conduct and other regulatory obligations. These qualification and regulatory requirements distinguish Costs Lawyers from unregulated costs advisors. This lack of protected title has implications for both consumer protection and economic growth in the sector.
20. Regulated Costs Lawyers must adhere to the CLSB Code of Conduct and other regulatory requirements. They must complete the Costs Lawyer Qualification, have a formal complaints procedure and professional indemnity insurance in place, and comply with CPD requirements. If a regulated Costs Lawyer does not meet their obligations, clients have a right to complain to the Legal Ombudsman and the CLSB. These requirements do not apply to unregulated costs advisors. Using a regulated Costs Lawyer therefore provides additional protection for consumers and reduces risk. The CLSB receives complaints from consumers that relate to unregulated costs advisors, which we are unable to handle because those individuals are not regulated by us. This demonstrates the consumer detriment that arises from the fact that not all costs advisors are currently regulated.
21. The CLSB's 2024 Career Pathways Survey provided helpful insights into the factors that influenced Costs Lawyers' decisions to join the profession, and what they thought was most needed to support the current and future profession. Being part of a regulated profession was a major influence in the choice to become a regulated Costs Lawyer for many respondents, with 71% saying that 'personal pride in my regulatory status' was a very important factor in their decision. Over 70% of respondents thought that more clarity about the distinction between Costs Lawyers and unregulated costs advisors was essential for supporting the career progression of current Costs Lawyers and new entrants to the profession.
22. We would therefore highlight protection of title for Costs Lawyers as a potential impetus to economic growth in the sector, and an important way to tackle complexity and reduce risk, by ensuring that all

individuals who provide legal services are appropriately regulated. We are working with our colleagues at the Association of Costs Lawyers to explore how protection of title for Costs Lawyers might be achieved.

#### *Eligibility for judicial appointment*

23. The CLSB is keen to see the current statutory eligibility requirements for judicial appointment expanded to include regulated Costs Lawyers. Costs Lawyers have deep expertise that would be valuable to the judiciary, not just in specialist roles such as Costs Judges, but across a range of judicial appointments. As well as making a positive contribution to the administration of justice, such a change is likely to have a similar impact on the Costs Lawyer profession, deepening its experience and increasing its attractiveness as a career.
24. Although the Costs Lawyer profession represents a small proportion of the legal profession in England and Wales, Costs Lawyers have a range of specialist and transferable skills that make them strong candidates for judicial appointment. Not only would expanding judicial eligibility to Costs Lawyer help improve the diversity of the judiciary, it would also help to increase the cadre of judges available to manage the high number of cases in the court and tribunal system. We will therefore continue to advocate for legislative change to enable Costs Lawyers to apply for judicial appointments, including both costs-specific and generalist roles.

**We would also like to hear about any specific actions you are taking to support growth, or to reduce the administrative burden of your regulation.**

#### *Legal Services Board (LSB) assessment of CLSB performance*

25. The CLSB was assessed by the Legal Services Board as providing sufficient assurance against all standards in the [2024 Regulatory Performance Assessment](#). In their report, published on 31 March 2025, the LSB said the CLSB “has continued to demonstrate the good practice we highlighted in last year’s report. Its approach continues to exemplify a model of good practice for other smaller regulators within the sector.”
26. The CLSB was the only legal regulator to be assessed as providing sufficient assurance against the three standards in the LSB’s framework: Well-led, Effective Approach to Regulation and Operational Delivery. This is the third year running that the CLSB has been assessed as providing sufficient assurance against all the applicable standards.

#### *Stakeholder engagement*

27. The CLSB proactively engages with stakeholders to inform decisions and identify whether our regulatory activities are working effectively. This includes:
  - a) the use of our Advisory Panel (comprised of Costs Lawyers) to consult on topical issues, including to develop and launch the CLSB Ethics Hub;
  - b) an annual survey of Costs Lawyers about whether they perceive the CLSB to be an effective regulator;
  - c) engaging with students to support them through the new regulatory framework for qualifying as a Costs Lawyer
  - d) developing a communications strategy for a more systematic approach to the CLSB’s communications and external branding;
  - e) implementing a new Code of Conduct, and the delivery of the CLSB’s new Costs Lawyer Professional Qualification.

28. Our performance indicators show that the Costs Lawyer profession’s satisfaction with the CLSB remains high. In 2025, 88.3% of the profession regarded the CLSB as an effective regulator. Comments from individual Costs Lawyers on the CLSB’s performance include, “very professional and diligent,” “excellent support available when needed” and “very much on the ball and forward thinking.”

### *Apprenticeships*

29. The CLSB is actively collaborating with the profession’s representative body, the Association of Costs Lawyers, and its training subsidiary, ACL Training, on the development of a new Costs Lawyer apprenticeship standard. This will open up a new route of entry into the profession that promotes social mobility and new funding pathways for qualification.

### *Technology and AI*

30. Technology and AI are key strands of our wider work looking at how regulation of Costs Lawyers should evolve into the future. We want to ensure that Costs Lawyers have a robust and clear framework for using technology in their work that does not create inadvertent barriers, whilst also raise awareness of the regulatory risks of using technology. We also want to ensure that Costs Lawyers understand how they can ensure they are complying with their professional duties under the Code of Conduct, and their ethical duties, when it comes to using AI.
31. Technology is an area of increasing importance to the regulated costs profession and the wider legal sector. Our [Annual Risk Outlook](#) identified several trends relating to the use of technology that are likely to have an impact on Costs Lawyers. The CLSB [policy statement on good consumer outcomes](#) identified innovation as one of seven key categories of consumer outcomes that are important to us.
32. In October 2024, we published a [report](#) looking at Costs Lawyers, Technology and Regulation. The report examined emerging risks from technology and AI facing Costs Lawyers, barriers to Costs Lawyers making greater use of technology and AI, and what the CLSB could do to support the profession in this fast-changing area. That research found that there is potential for AI to play a bigger role in automating routine tasks, eliminating manual data entry, speeding up legal research and providing predictive insights. That research also found that concerns over regulatory compliance is a barrier to greater adoption of technology and AI.
33. The report made 15 recommendations and identified 8 priority actions that the CLSB could take to help Costs Lawyers increase their take-up of AI and other new technologies. These priority actions include using competency and CPD requirements to encourage Costs Lawyers to stay up to date with developments in technology, providing guidance on the ethical issues of using AI, and emphasising cyber security as an area of risk.
34. Following the report, we have:
- a) Developed guidance for Costs Lawyers on the ethical and professional issues associated with the use of technology and AI. This includes new resources in the CLSB Ethics Hub, and considering whether the Competency Framework should be updated to explicitly refer to technology and AI skills;
  - b) Continued to collaborate with other regulators, the Legal Services Consumer Panel, representative bodies and others in this area, through participation in the LSB Technology and Innovation Forum; and

- c) We are planning to obtain further evidence to inform our work on technology and AI, by holding a January 2026 roundtable with Costs Lawyers who provide consumer-facing services to understand their technology needs.

## Conclusion

- 35. Costs Lawyers play a unique and important role in the legal sector by providing expert advice on a niche area of law to both lay and professional clients. As well as providing independent, expert advice to other legal professionals, they are vital to ensuring access to justice for litigants in person and consumers.
- 36. The CLSB is, at time of writing, the only legal front line regulator to have been assessed as providing sufficient assurance against the standards of Well-led, Effective Approach to Regulation and Operational Delivery by the Legal Services Board. Our regulated community is broadly content with our approach to regulation.
- 37. We will continue to regulate in a proportionate, cost-effective, transparent and accessible manner, and are keen to support growth in the profession. We believe that we could support further growth and greater consumer benefit if the necessary statutory changes (which are not within the CLSB's gift) were made to enable the title of 'Costs Lawyer' to be protected and to enable Costs Lawyers to become eligible for judicial appointment.

## Contact details

Paul Mosson  
Chief Executive – Costs Lawyer Standards Board  
[ceo@clsb.info](mailto:ceo@clsb.info)

Lori Frecker  
Director of Policy - Costs Lawyer Standards Board  
[policy@clsb.info](mailto:policy@clsb.info)

## Board report

### Review of the 2026 practising certificates renewal process

14 January 2026

#### Overview

- The 2026 Register of Costs Lawyers went live on the morning of 5 January 2026, with 746 Costs Lawyers authorised and regulated.
- Statistics for the current year and 2 previous years only are now shown in this paper. Historic data is available on request.

#### Statistics

Unless otherwise stated all statistics in this report are at 12 January 2026.

#### Renewals, and total regulated numbers on 1 January

	Total	Renewal	Reinstatement from 1 Jan	New qualifier from 1 Jan
2026	746	744 (out of 762 on 31 Dec)	0	2
2025	704	701 (out of 730 on 31 Dec)	2	1
2024	690	688 (out of 706 on 31 Dec)	2	

#### Renewals – further information

	Parental Fee Remission	CPD Point Remission	CPD Dispensation – excep circs	Hard copy PC request	Late application (after 30 Nov)
2026 PC App	10	47	0	13	17
2025 PC App	9	33	3	19	45
2024 PC App	17	28	1	12	N/A

#### CPD point remission – reasons

	Long term leave	Newly qualified	Reinstatement	Parental leave	Sick leave
2026 PC App	2	33	0	10	2
2025 PC App	1	9	2	17	4
2024 PC App	3	2	4	16	3

## Terminations

Terminations	2025	2024	2023
Total	20	28	18

## Terminations – reasons

	Retirement	Left profession	Parental leave	Other*	Not known	No response
31.12.2025	7	1		5		5
31.12.2024	5	6		8		9
31.12.2023	4	2	5	5	1	1
31.12.2022	4	6	6	12	1	9
31.12.2021	4	3	6	11		8
31.12.2000	2	4	5	7	2	5

\* “Other” reasons at the end of 2025: only doing Legal Aid (2);only doing Practise management (1); career break (1); disciplinary investigation (1).

The annual exit survey, to help us better understand Costs Lawyers’ experience of the profession and why they leave, will be sent to Costs Lawyers who did not renew their practising certificate.

## Changes this year

There were no changes to the application system this year. The changes made last year (notably advance submission of organisation documents for costs law firms, and changes to the late application fee arrangements) seem to be well established now.

## IT issues

We had a minor IT issue: some submitted applications were not received. These came to light when chaser emails were sent or payments received. Fortunately we could retrieve the applications from the system, but one development for next year will be to have an app to report on undelivered emails.

## Other data from the renewals process

Most of the data about the profession collected from the practising certificate applications is reported in the *Costs Lawyer Profession in 2025* report. The data below is not included in that report.

## Effectiveness of CLSB

88.34% of applicants said they thought CLSB was an effective regulator. 0.94% said they thought it was not and 10.72% said they’d prefer not to say. Historic statistics are included in the Performance Indicators report.

Appendix 1 sets out the feedback provided in the free text box that we incorporated into the PC renewal form, inviting Costs Lawyers to say why they do or do not consider the CLSB to be an effective regulator.

### On-going competency

To facilitate the monitoring of on-going competency required by the LSB we introduced a new question to the application forms this year. The percentage of CLs who consider themselves to be, or aspire to be, was

- An experienced practitioner – 86%
- A people manager – 35%
- A business manager – 21%

### Total CPD points

In 2022 we began to record the total number of CPD points reported by CLs. This should be viewed with some caution as there is no requirement to report CPD in excess of the minimum 12 points required – although many clearly do.

Excluding CLs who had CPD remission due to not working for a full year, the following CPD was reported:

CPD points	12	12.01-19.9	20-30.9	31-50.9	51-100	Over 100
2025	14.7%	70.1%	13.3%	1.2%	0.3%	0.4%
2024	17.1%	65.9%	14%	1.8%	0.6%	0.6%
2023	13.5%	69.5%	14.2%	1.8%	0.6%	

**Table 7: Total CPD points**

In 2025 over 85% of CLs completed more than the prescribed minimum amount of CPD.

### Diversity survey

As in previous years we asked CLs to complete a diversity survey on submission of their application for a practising certificate. This year's survey was on caring responsibilities.

We had 169 responses, a 23% response rate (same as last year, down from 35% in 2024). Results of the survey will be reported in a separate paper.

## Appendix 1 – Feedback from PC applications about the CLSB’s effectiveness

Below is a verbatim read-out of comments made in the free text box that we have incorporated into the PC renewal form, inviting Costs Lawyers to give feedback about why they consider the CLSB to be an effective regulator or not.

### *Comments from Costs Lawyers who consider CLSB effective:*

- We avoided the Mazur clusterfuck - no need to say anymore!
- We are kept up to date with developments with newsletters.  
Very pleased (and relieved) that the Mazur case has had no consequences on our work as Costs Lawyers and that CLSB got it right when setting the standards in that qualified Costs Lawyers are able to enter into litigation/perform advocacy in costs law.
- Very professional and diligent
- They provide regulatory clarity, with updated guidance, give professional confidence and affords public credibility.
- The CLSB's response to Mazur was reassuring and gave much confidence in their purpose and support as a Board. Paul Mossen delivered a fantastic speech at the recent ACL conference and the Rt Hon David Heath CBE spoke up for the profession.
- The CLSB and ACL have always helped me and answered any queries i had even when training
- Rules and guidance is always clear, the updates are helpful and the Mazur issue was handled very well.
- Queries are always responded to promptly and I am always supported when needed.
- I think that the flexible way of gaining CPD is very effective.
- I have always found the CLSB to be an effective regulator, but this effectiveness has been highlighted given the recent Mazur judgment and the CLSB's efficient and clear guidance issued.
- I appreciate the regular Newsletters that are well-presented, relevant and informative and that keep me up-to-date with regulatory requirements and developments.
- Far superior to the vast majority of regulatory bodies in the legal profession. Very helpful and a willingness to work with you. Also are very much on the ball and forward thinking.
- Excellent support available when needed
- Doing a good effective job.
- CLSB is an effective regulator, maintaining high standards among it's members. Through CPD requirements and other regulatory measures, it ensures that members uphold professional integrity and consistently meet the highest standards.
- CLSB always provides excellent support and communication throughout the year. They have been particularly helpful particularly in light of the Mazur decision.

### *Comments from Costs Lawyers who do not consider CLSB effective:*

- Inability to regulate companies remains an issue

*Comments from Costs Lawyers who said they prefer not to say:*

- There are some costs lawyers who are practising who seem to lack basic law knowledge - either due to scraping through their exams, or a failure by others with whom they work and who should supervise them. The net result is increased costs for all concerned and frequent delays resolving matters. Arguably these issues fall short of a formal report to the CLSB though. [This comment was followed up directly with the CL.]