
The Costs Lawyer profession in 2020



Data to December 2020

Costs Lawyer Standards Board



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Introduction

The CLSB holds various types of data about the Costs Lawyer profession. We collect and analyse this data for a variety of purposes, such as:

- understanding the nature of our regulated community, including the service that Costs Lawyers provide, the challenges they face and how they interact with consumers and the public
- identifying areas of risk so that we can tailor our regulatory interventions accordingly
- monitoring the diversity of the profession and barriers to entry, promotion or inclusion
- supervising compliance with our regulatory rules
- sharing intelligence with other organisations, such as the Association of Costs Lawyers, to help with initiatives for the benefit of Costs Lawyers and the public.

Data we collect includes:

- information about the nature of Costs Lawyers' practice as part of their annual application for a practising certificate (the regulatory return)
- diversity statistics
- supervision and disciplinary information
- ad hoc information to help us fulfil our statutory obligations, such as opinions, feedback and predictions about market impacts.

The data we hold is [available on our website](#) or by [contacting us](#). This report provides an annual summary.

Throughout this report, data is presented in a series of tables. Unless otherwise indicated, the figures in the tables show the percentage of Costs Lawyers that fall into each relevant category. By way of example, in the table on the next page that provides statistics on the age profile of the profession, the figures indicate that 8.5% of Costs Lawyers were aged between 20 and 29 in 2017. If you have any questions about interpreting the data, please [contact us](#).

About Costs Lawyers

Age

Over the last few years we have seen a gradual increase in the average age of Costs Lawyers. The route of entry into the profession was closed from 2017 to 2019, but reopened in 2020, when there were 18 new qualifiers. This will have an impact on the trend in due course.

Year	20-29	30-39	40-49	50-59	60+	Age not given
2017	8.5	37	26	18	8	2.5
2018	9.5	36.8	27.1	16.6	8.5	1.5
2019	7.4	37.3	27.2	18.2	9.2	1.5
2020	4.3	37.7	29	18.9	9	1

Number of years in the profession

This data has been collected since 2017. The fall in the percentage of Costs Lawyers who have been in the profession for up to 5 years over the period reflects that the route of entry into the profession was closed from 2017 to 2019. We expect this to rise as new Costs Lawyers qualify in future.

Year	Up to 5 years	6-15 years	16-25 years	26-40 years	40+ years
2017	8	36	32	21	2
2018	7	39	33	19	2
2019	3	39	33	20	2
2020	2	40	32	23	3

For information about the diversity of the Costs Lawyer profession please see page 10 of this document.

About Costs Lawyers' practice

Organisation type

Since 2011, the number of Costs Lawyers in each type of practice has fluctuated year on year. Overall, the proportions of Costs Lawyers working for costs law firms and as sole practitioners have fallen, while the number working in firms regulated by the Solicitors Regulation Authority (SRA) has increased. Since 2018, more Costs Lawyers have been working in SRA regulated firms than any other type of organisation. In 2020, just under half of all Costs Lawyers worked in SRA regulated firms.

Year	Unregulated costs law firm	Sole practitioner	SRA regulated firm	In-house
2011	53.8	16.1	26.5	
2012	48.2	17.4	31	
2013	42	19.4	29.2	
2014	44	17.8	34.3	
2015	41	15.8	33.7	
2016	38	17.7	37.2	
2017	43.1	14.5	37.8	
2018	39.6	14.1	41	
2019	39.7	11.8	41.2	
2020	35.4	13.6	47	3

Note: In-house data is not available prior to 2020. Figures do not always total 100% because prior to 2020 data was not recorded for Costs Lawyers not working exclusively in one of the first three categories, and it was not obligatory for practitioners to provide this information.

Insurance

The CLSB collects data relating to the professional indemnity insurance policies held by Costs Lawyers working as sole practitioners or for costs law firms not regulated by the SRA. The minimum level of cover prescribed in the Practising Rules is £100,000.

Since 2014, the percentage of Costs Lawyers with higher levels of cover has been increasing. The percentage with the highest level of cover (£2m or more) has almost doubled between 2014 and 2020. Since 2016, more Costs Lawyers have the highest level of cover than any other range.

Cover level	2014	2015	2016	2017	2018	2020
£100,000	22.1	17.5	18.6	16	10.64	10.06
£100,001-£999,999	32	28.9	26.6	23.7	23.3	24.58
£1,000,000-£1,999,999	24.9	25.8	25.1	26.5	29.4	26.54
£2,000,000 or over	20.4	28	29.5	33.9	37.1	38.83

Note: This data was not collected in 2019.

Complaints

The number of complaints made at first tier remains low, which could be explained by a variety of factors such as strong client satisfaction, high levels of informal resolution or a lack of awareness about how to complain.

Year	Number of first tier complaints made
2011	7
2012	Not collected
2013	Not collected
2014	Not collected
2015	6
2016	1
2017	3
2018	3
2019	5
2020	3

Similarly low levels of complaints are formally escalated to the second tier (namely the CLSB in relation to conduct complaints and the Legal Ombudsman in relation to service quality complaints).

Year	Number of second tier complaints upheld	
	CLSB (Conduct)	Legal Ombudsman (Service)
2011	0	0
2012	2	1
2013	0	1
2014	1	0
2015	0	1
2016	0	0
2017	0	0
2018	2	0
2019	1	0
2020	0	0

About Costs Lawyers' clients

Sources of instructions in 2020

From 2020, we began to ask Costs Lawyers about the sources of their instructions as a proportion of total work. (Although we had asked questions about number of cases from different sources in the past this data is not directly comparable.)

Proportion of instructions from each client type	Lay clients	Legal services providers	Corporate
0%	80.77	22.34	71.75
1-10%	15.68	2.22	8.14
11-25%	1.78	1.48	2.66
26-50%	1.18	3.4	3.4
51-75%	0	2.66	1.18
76-90%	0.15	6.66	1.48
91-99%	0.3	10.5	1.92
100%	0.74	50.74	9.47

In 2020 over half of all Costs Lawyers were instructed exclusively by other legal services providers, such as solicitors or barristers. That is, they received instructions from a fellow

practitioner on behalf of, or for the benefit of, an underlying client. Less than 20% of Costs Lawyers received any instructions at all from lay (individual) clients, and less than 5% received more than 10% of their instructions from lay clients. Less than 30% of the profession received instructions directly from corporate clients.

Legal aid

Between 2012 and 2020 the proportion of the profession undertaking exclusively legal aid work has doubled from 2.5% to 5%. In the same period, the proportion of Costs Lawyers who do not undertake any legal aid work at all has almost doubled, from 38.8% to 70.2%. This might suggest that legal aid work is becoming increasingly specialist.

Year	Proportion of workload comprising legal aid work					
	0%	1-25%	26-50%	51-75%	76-99%	100%
2012	38.8	28.7	5.2	8.9	9.9	2.5
2013	46.7	23.4	4.7	7.9	8.3	2.9
2014	49.1	27.4	3.4	6.6	6.7	3.2
2015	49.8	23.7	5	1.6	6.3	4.1
2016	50.3	15.6	1.4	3.5	2.6	3.8
2017	56.1	20.8	3.4	2.4	5.9	2.1
2018	55.2	24	2.8	3.2	5.1	2.8
2019	51.3	22.3	2.97	3.12	4.3	3.7
2020	70.2	17.3	2.4	2.8	1.93	5

Note: Where years do not total 100%, some Costs Lawyers did not provide this information.

Pro bono work

The number of pro bono cases undertaken by Costs Lawyers rose between 2015 and 2019. In 2019 there were 97 pro bono cases in total, and 45 of these were dealt with by one Costs Lawyer; the next largest number of cases was just 6. The overall trend is likely to be explained by the changing nature of traditional work areas and the rise in litigants in person using the justice system generally.

Year	Number of cases
2015	0
2016	4
2017	77
2018	61
2019	97

To better capture how the trend may be changing over time, from 2020 we asked Costs Lawyers to report on the percentage of their instructions that were pro bono.

Proportion of workload comprising pro bono cases in 2020	% of the profession
0%	97.19
1-25%	2.66
26-50%	0
51-75%	0
76-100%	0.15

Vulnerable clients

This data has been collected since 2016. Generally Costs Lawyers deal with very few vulnerable clients, which reflects the low number of instructions received directly from lay (individual) clients. In 2020, 95% of one Costs Lawyer's clients were vulnerable, but no other Costs Lawyer reported more than 30% of their clients having vulnerabilities. From 2020 the data has been collected as a percentage of total instructions rather than an absolute number of instructions to improve comparability. The nature of vulnerabilities in 2020 included clients who were protected parties, patients, elderly or who had been unrepresented during the substantive stages of a dispute.

Year	Number of vulnerable clients
2016	2
2017	4
2018	16
2019	13

Proportion of vulnerable clients in 2020	% of the profession
0%	98.52
1 – 25%	1.04
26 – 50%	0.3
51 – 75%	0
76 -100%	0.15

About the diversity of Costs Lawyers

Diversity data is collected from practitioners on a voluntary basis. Surveys were undertaken every three years up to 2019. The data below was collected in a survey carried out in November and December 2020 as part of the annual practicing certificate renewal process. 43.5% of Costs Lawyers completed the survey. The data collected is not directly comparable to that collected in previous surveys, but provides a benchmark for comparative analysis going forward.

What is your gender identity?		
Answer Choices	Responses	
Woman (including trans woman)	45.92%	135
Man (including trans man)	51.70%	152
Non-binary	0.00%	0
I prefer not to say	2.04%	6
I identify as (self specified)	0.34%	1
	Answered	294
	Skipped	0

Is your gender identity the same as that which you were assigned at birth?		
Answer Choices	Responses	
Yes	97.96%	288
No	0.00%	0
I prefer not to say	2.04%	6
	Answered	294
	Skipped	0

What is your sexual orientation?		
Answer Choices	Responses	
Bisexual	1.02%	3
Gay man	3.06%	9
Gay woman or lesbian	1.70%	5
Heterosexual or straight	89.12%	262
I prefer not to say	5.10%	15
I identify as (self specified)	0.00%	0
	Answered	294
	Skipped	0

Which of the following best describes your ethnic group or background?		
Answer Choices	Responses	
Asian / Asian British (Bangladeshi, Chinese, Indian, Pakistani, other Asian ethnic group)	3.40%	10
Black / Black British (African, Caribbean, other Black ethnic group)	1.36%	4
Mixed / multiple ethnic group (any mix of Asian, Black and/or White ethnic groups)	3.06%	9
White / White British (English, Welsh, Northern Irish, Scottish, Gypsy or Irish Traveller, European, other White ethnic group)	89.80%	264
I prefer not to say	2.04%	6
Other (please describe)	0.34%	1
	Answered	294
	Skipped	0

Do you consider yourself to have a disability?		
Answer Choices	Responses	
Yes - a mental disability	1.70%	5
Yes - a physical disability	5.10%	15
Yes - a social disability	0.00%	0
No	90.14%	265
I prefer not to say	4.08%	12
	Answered	294
	Skipped	0

If you have a disability, is your ability to practise as a Costs Lawyer limited by that disability?		
Answer Choices	Responses	
Not applicable (no disability)	70.98%	159
Yes - limited a lot	0.00%	0
Yes - limited a little	3.13%	7
No	22.77%	51
I prefer not to say	3.13%	7
	Answered	224
	Skipped	70

Do you identify with any of the following religions?		
Answer Choices	Responses	
Atheism	10.54%	31
Buddhism	0.34%	1
Christianity	42.52%	125
Hinduism	0.00%	0
Islam	1.02%	3
Judaism	1.02%	3
No religion / agnosticism	33.67%	99
I prefer not to say	9.18%	27
Other (please describe)	2.72%	8
	Answered	294
	Skipped	0

Are you a primary carer for a child or children under 18?		
Answer Choices	Responses	
No	56.12%	165
Yes	41.50%	122
I prefer not to say	2.38%	7
	Answered	294
	Skipped	0

Do you care for someone with long-term physical or mental ill-health or disability (on an unpaid basis)?		
Answer Choices	Responses	
No	87.41%	257
Yes - less than 20 hours per week	6.80%	20
Yes - between 20 and 50 hours per week	1.36%	4
Yes - more than 50 hours per week	1.02%	3
I prefer not to say	3.40%	10
	Answered	294
	Skipped	0

What type of school did you mainly attend between ages 11 and 16?		
Answer Choices	Responses	
State-run or state-funded: selective on academic, faith or other grounds	22.45%	66
State-run or state-funded: non-selective	60.20%	177
Independent / fee-paying: bursary	6.12%	18
Independent / fee-paying: no bursary	5.10%	15
Attended school outside the UK	2.72%	8
Other	0.00%	0
I prefer not to say	3.40%	10
	Answered	294

What is the highest level of qualifications achieved by any of your parents or guardians by the time you were 18?		
Answer Choices	Responses	
At least one had a degree qualification	20.75%	61
Qualifications below degree level	43.88%	129
No formal qualifications	22.45%	66
Other	0.00%	0
Not sure / Not applicable	6.12%	18
I prefer not to say	6.80%	20
	Answered	294
	Skipped	0

For how many years have you been practising as an authorised Costs Lawyer?		
Answer Choices	Responses	
Up to 5 years	29.59%	87
6 to 15 years	41.84%	123
16 to 25 years	14.97%	44
26 to 40 years	11.56%	34
More than 40 years	0.68%	2
I prefer not to say	1.36%	4
	Answered	294
	Skipped	0

Which of the following best describes your current job level?		
Answer Choices	Responses	
Practitioner	50.34%	148
Manager	20.75%	61
Business owner	17.69%	52
I prefer not to say	5.10%	15
Other (please specify)	6.12%	18
	Answered	294
	Skipped	0