
The Costs Lawyer profession in 2023



Data to December 2023

Costs Lawyer Standards Board

CLSB
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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 of core metrics.

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

The stabilisation in 2021 of the gradual increase in the average age of Costs Lawyers (due to the route of entry into the profession being closed in 2017 to 2019) has not continued, and the upward trend in the average age has resumed. The changes to the Costs Lawyer Qualification introduced in 2023 should help address this trend in time.

Year	20-29	30-39	40-49	50-59	60+	Age not given/prefer not to say
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
2021	4.1	35.6	28.2	18.5	7.6	5
2022	1.7	34.8	31.5	19.8	10.4	1.8
2023	2.2	32.7	33	20	10.5	1.6

Diversity

Data relating to the diversity of the Costs Lawyer profession across a wide range of metrics is [available on our website](#). An analysis of the data from our 2023 Diversity Survey will be published later this year.

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.

Year	Unregulated costs law firm	Sole practitioner	SRA regulated firm	In-house	Not currently practising
2011	53.8	16.1	26.5		
2012	48.2	17.4	31.0		
2013	42.0	19.4	29.2		
2014	44.0	17.8	34.3		
2015	41.0	15.8	33.7		
2016	38.0	17.7	37.2		
2017	43.1	14.5	37.8		
2018	39.6	14.1	41.0		
2019	39.7	11.8	41.2		
2020	35.4	13.6	47.0	3.0	
2021	39.3	12.2	44.8	3.7	
2022	40.2	11.3	44.5	3.9	
2023	40	10.4	45.4	3.9	0.3

Notes:

1. 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.
2. Costs Lawyers were able to renew their practising certificate without currently practising for the first time in 2024.

Practice areas

We started collecting information about the types of costs services that Costs Lawyers provide in applications for a 2023 practising certificate, and current practice areas are shown on the [Register of Costs Lawyers](#). From next year we will begin publishing comparative data for this area to track trends over time.

Practice areas of regulated Costs Lawyers on 1 January 2023	Number of Costs Lawyers	Percentage of Costs Lawyers
Costs management and budgeting	595	90%
Litigation funding	267	40%
Personal injury or clinical negligence disputes	488	74%
Insolvency disputes	100	15%
International disputes	146	22%
Solicitor/client disputes	387	58%
Other civil litigation or ADR	376	57%
Court of protection	225	34%
Family	101	15%
Crime	30	5%
Probate	71	11%
Legal aid	169	25%
Public sector	95	14%
Tribunals	121	18%
Higher courts	215	32%
Litigants in person	150	23%
Practice management	142	21%
Other	387	58%

Number of Organisations

With applications for a 2023 practising certificate we also began asking Costs Lawyers to provide us with details of all the organisations in which they work, rather than just their primary place of practice. Current additional organisations are shown on the [Register of Costs Lawyers](#).

On 1 January 2023 there were 663 regulated Costs Lawyers. Of these 13 were working in an additional organisation, and two of the 13 were working in two additional organisations.

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 cover of £2m or higher more than doubled between 2014 and 2022, with a significant rise in 2022. Almost half of all Costs Lawyers now have cover of £2m or more.

Cover level	2014	2015	2016	2017	2018	2020	2021	2022	2023
£100,000	22.1	17.5	18.6	16.0	10.6	10.1	9.8	9.4	8.6
£100,001-£999,999	32.0	28.9	26.6	23.7	23.3	24.6	23.6	22.9	23.3
£1,000,000-£1,999,999	24.9	25.8	25.1	26.5	29.4	26.5	27.0	21.1	21.2
£2,000,000 or over	20.4	28.0	29.5	33.9	37.1	38.8	39.7	46.6	46.8

Note: This data was not collected in 2019.

Other legal regulation

Since 2021 the CLSB has asked Costs Lawyers whether they hold a current practising certificate from any other legal regulator.

Number regulated as	2021	2022	2023
Chartered legal executive	13	16	22
Solicitor	13	15	16
Other	1	1	2
Total	27	32	40

Note: The two practitioners in the “other” category are also regulated as a foreign lawyer by the Law Society of Scotland, and by the LSRA (Gibraltar).

Complaints

The number of complaints made at first tier has been increasing over the last few years but the total number 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. To mitigate against the possibility that a lack of understanding is a barrier to complaints, in 2021 we introduced a [supervision framework](#) for auditing Costs Lawyers' complaints procedures.

Year	Number of first tier complaints made
2015	6
2016	1
2017	3
2018	3
2019	5
2020	3
2021	4
2022	5
2023	8

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 and hybrid complaints relating to both service quality and conduct).

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
2021	0	0
2022	1	0
2023	0	0

About Costs Lawyers' clients

Sources of instructions

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 lay clients			
	2020	2021	2022	2023
0%	80.77	80.79	79.73	81.46
1-10%	15.68	15.10	16.34	14.74
1-25%	1.78	1.76	1.82	1.61
26-50%	1.18	1.17	0.61	0.73
51-75%	0.00	0.00	0.30	0.44
76-90%	0.15	0.15	0.15	0.00
91-99%	0.30	0.29	0.00	0.29
100%	0.74	0.73	1.06	0.73

	Proportion of instructions from other legal service providers			
	2020	2021	2022	2023
0%	22.34	26.54	18.91	20.88
1-10%	2.22	1.91	2.87	3.07
11-25%	1.48	1.47	1.21	0.88
26-50%	3.40	3.23	3.18	3.07
51-75%	2.66	2.64	2.72	3.21
76-90%	6.66	6.30	10.14	8.76
91-99%	10.50	10.26	9.83	8.32
100%	50.74	47.65	51.13	51.82

	Proportion of instructions from corporate clients			
	2020	2021	2022	2023
0%	71.75	72.87	65.51	69.34
1-10%	8.14	7.77	10.44	9.20
11-25%	2.66	2.64	4.24	3.65

26-50%	3.40	3.37	4.08	4.23
51-75%	1.18	1.03	1.06	1.17
76-90%	1.48	1.32	1.82	1.61
91-99%	1.92	1.76	1.06	1.17
100%	9.47	9.24	11.8	9.64

Over half of all Costs Lawyers were instructed exclusively by other legal services providers, such as solicitors or barristers, and this proportion is increasing. The proportion doing no work at all for other legal services providers appears to be falling over time, although there was a slight increase in 2023.

Only around 20% of Costs Lawyers received some instructions from lay (individual) clients in the last three years, and only about 15% do more than 10% of their total workload for lay clients. However, a small number of Costs Lawyers receive instructions only from lay clients.

The small uplift in the percentage of Costs Lawyers receiving some instructions from corporate clients in 2022 has not been sustained, and over two thirds of Costs Lawyers still received no corporate instructions at all in 2023.

In 2023 the CLSB began asking Costs Lawyers about the number and nature of instructions they expected to receive from lay clients during the year. Capturing this data on a prospective basis – that is, asking Costs Lawyers about the instructions they expected to receive during the year rather than asking them about the instructions they actually received during the previous year – allowed us to identify those Costs Lawyers who would be captured by our regulatory framework for providing or marketing services directly to consumers.

Of the 661 Costs Lawyers renewing their practising certificate for 2023, 66 (10%) expected to provide or market services to consumers. The percentage of their workload they expected to come from direct consumer instructions in 2023 is shown in the following table. This suggests that of the expected total workload of all regulated Costs Lawyers in 2023 just 0.7% was anticipated to come from direct consumer instructions.

Percentage of workload expected from consumers in 2023	Number of Costs Lawyers
50%	2
30%	1
25%	1
20%	2
10%	15
5%	18
2.5%	1
2%	8
1%	11
0%	6

Legal aid

Between 2012 and 2020 the proportion of the profession undertaking exclusively legal aid work doubled from 2.5% to 5%. The number of Costs Lawyers who do not undertake any legal aid work has increased in the period and is now relatively stable at around 70%, almost doubling since 2012. This is likely to be driven by reforms and other pressures on legal aid more broadly.

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	24.0	2.8	3.2	5.1	2.8
2019	51.3	22.3	3.0	3.1	4.3	3.7
2020	70.2	17.3	2.4	2.8	1.9	5.0
2021	71.4	16.7	2.3	2.2	0.7	4.7
2022	70.2	17.9	2.9	2.3	2.9	3.9
2023	71.7	15.3	3.5	1.8	3.2	4.5

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. The figures are very similar for the three years, although there was a small increase in the percentage of Costs Lawyers undertaking some pro bono work in 2023.

Proportion of workload comprising pro bono cases	% of the profession			
	2020	2021	2022	2023
0%	97.2	97.2	97.1	96.6
1-25%	2.7	2.6	2.7	3.2
26-50%	0	0	0	0
51-75%	0	0	0	0
76-100%	0.2	0.2	0.2	0.1

We encourage all Costs Lawyers to engage with pro bono work and to consult our [guidance for Costs Lawyers](#) which was published in 2021.

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 individual consumer clients.

From 2020 the data has been collected as a percentage of total instructions rather than an absolute number of instructions to improve comparability. In all three years, 95% of one Costs Lawyer’s clients were vulnerable, but no other Costs Lawyer reported more than 50% of their clients having vulnerabilities. The nature of vulnerabilities in 2023 included protected parties, lay clients, language difficulties, the elderly and children.

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

Proportion of vulnerable clients	% of the profession			
	2020	2021	2022	2023
0%	98.5	98.5	97.7	97.5
1 – 25%	1.0	1.0	1.7	1.9
26 – 50%	0.3	0.3	0.5	0.4
51 – 75%	0.0	0.0	0.0	0.0
76 -100%	0.2	0.2	0.2	0.1