

# High-Volume Consumer Claims: Firm declaration data

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# Background

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The [high-volume consumer claims \(HVCC\) thematic review](#) identified significant concerns about the standard of HVCC work being undertaken by some firms. In response, we contacted firms that were potentially undertaking HVCC work and required them to complete a mandatory declaration covering key aspects of their HVCC services. This declaration required firms that confirmed they provide high-volume consumer claims services to submit further information to us .

As well as being used to inform further work with individual firms, the insights gathered formed part of the broader analysis of potential harms arising to consumers in this area. This document sets out relevant information from the declaration data that has been used to inform our next steps in this area.

## The declaration exercise

At present, we do not routinely gather information to identify firms providing high-volume consumer claims services. We therefore undertook a standalone exercise to identify candidate firms who provide, or appear to provide, such services. Once identified, we contacted the compliance officers for legal practice (COLPs) at identified firms, requiring the firm's managing partner, CEO or equivalent to provide a declaration confirming that they are compliant with relevant SRA Standards and Regulations. The declaration was mandatory under paragraph 3.3 of the SRA Code of Conduct for Firms and paragraph 7.4 of the SRA Code of Conduct for Solicitors, RELs, RFLs and RSLs. We are keeping the information we gather in this area under routine review.

We contacted 554 law firms in August 2025 requiring a complete response and a further 206 firms on in September 2025. These 760 firms represented 8 per cent of the 9,033 law firms operating in August 2025.

A total of 363 of the 760 law firms contacted returned a declaration confirming that they provide high-volume consumer claims services. These firms had to answer a series of questions about the scope and extent of their high-volume consumer claims work. 396 of the firms contacted provided a declaration that they did not do this type of work. These firms were not required to provide further information.

## Data collected

Law firms that declared that they provide high-volume consumer claims services were required to complete a series of [questionnaires](#), determined by the scope and extent of their working arrangements. Guidance on answering the questions was provided throughout the questionnaire, including links to relevant professional obligations as set out in the [SRA Code of Conduct for Solicitors, RELs, RFLs and RSLs](#) , the [SRA Code of Conduct for Firms](#), and relevant [warning notices](#). In addition,

we provided an email address for queries and contact details for our Professional Ethics Team.

## Main declaration form

This form collected:

- information confirming the firm contact details
- the type of consumer claims work undertaken; options to select up to 15 categories plus 'Other consumer claims'
- the percentage of the firm's annual turnover derived from the claim work type
- the number of open claims, and the number of closed claims in the last 12 months, by claim type
- questions on the firm's referral arrangements with third parties. If the firm reported having such arrangements, it was required to additionally complete a Referrer Information Form for each referrer (see below)
- questions on the firm's marketing and publicity arrangements with third parties. If the firm reported having such arrangements, it was required to additionally complete a Marketer Information Form for each marketer (see below)
- questions on how firms acquire clients while meeting professional obligations. These questions included an opportunity for firms to identify any shortfalls and to describe how these would be addressed and by when
- questions on litigation funding arrangements with third parties. If the firm reported having such arrangements, it was required to additionally complete a Litigation Funder Form for each funder (see below)
- questions on After-the-Event (ATE) insurance arrangements with third parties. If the firm reported having such arrangements, it was required to additionally complete an ATE insurance provider form for each insurer (see below)
- questions on how the firm advises clients, client care, and how the firm provides costs information to clients.

## Referrer information form

Required for each third-party referrer used by the firm, this form collected data on:

- whether the referrer was an individual or a company
- the total amount paid to the referrer in the last 12 months

- the claim type referrals made and the number of referrals in the last 12 months
- how payments to referrers are calculated
- the role of referrers in client onboarding activities
- checks on referrer authorisation with the FCA.

## Marketer information form

Required for each third-party marketer used by the firm, this form collected data on:

- the name of the marketer
- whether the marketer was an individual or a company
- the total amount paid to the marketer in the last 12 months
- the claim type publicised by the marketer
- the type of publicity and marketing undertaken.

## Litigation funder information form

Required for each litigation funder used by the firm, this form collected data on:

- the name of the litigation funder
- whether the firm has an arrangement with the litigation funder or whether it arranges litigation funding on behalf of the client
- whether the funder was an individual or a company, and the company registration number, if appropriate
- the type of consumer claims funded
- the type and number of funding agreements
- the total amount of funding
- the outstanding debt owed to the funder
- security provided for the funding
- what input the litigation funder has into the firm's consumer claims work and general operations.

## After-the event insurance information form

Required for each ATE insurer used by the firm, this form collected data on:

- whether the ATE insurance provider is an insurer, broker or underwriter
- the name of the ATE insurer and the company registration number
- the type of consumer claims the insurance policies relate to
- the amount of commission or remuneration received by the firm or individual(s) in the firm
- how many policies were incepted on behalf of clients in the last 12 months
- how many claims for indemnity were made in the last 12 months
- how many claims were declined in whole or in part in the last 12 months.

## Limitations of the data

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The following limitations should be borne in mind when reviewing the data provided in this document.

### **Is the data representative of high-volume claims work in the legal sector?**

We are aware that this dataset does not represent all firms working in the high-volume consumer claims sector. Therefore, we recognise that the declaration data provides valuable insights into the activity of firms in this sector but does not necessarily provide a complete, sector-wide analysis. As well as there being some firms that will not have been identified in our initial work, it is possible that additional firms have commenced high-volume consumer claims work since the declaration data collection in August to September 2025. It is also possible that firms that reported undertaking HVCC work during the declaration exercise may no longer do so. Work to identify and contact additional firms is planned.

### **Verification**

All of the data on high-volume consumer claims was reported by firms via the questionnaires, and in most cases, has not been independently verified.

### **Focus of this document**

The data published here does not include information that identifies individual firms. The SRA is currently focusing on onboarding and third-party litigation funding, where we see the clearest opportunities to improve outcomes for consumers, and this report draws out supporting data in these areas. We are also prioritising the particular challenges seen in car finance claims, because of the particularly high volumes of claims in this area and the complexity of the landscape, and in housing disrepair, due to the vulnerability of some of the consumers involved.

# Key facts and figures

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## The firms

Three hundred sixty-three (363) firms confirmed they provide high-volume consumer claims services. This represents 4 per cent of the 9,033 law firms in operation in August 2025.

### Firm size

The SRA defines firm size as:

- very large firm: the top 100 firms by turnover
- large firm: the next 101 to 1,000 firms by turnover
- medium firm: all firms between the large and small definitions
- small firm: firms with up to four managers and a turnover of under £400,000.

Of the 363 firms in the HVCC dataset:

- less than 1 per cent are very large
- 21 per cent are large
- 50 per cent are medium
- 25 per cent are classed as small.

### Firm constitution

As can be seen in the table below, the constitution of firms providing high-volume consumer claims services differs from the overall composition of firm types seen in the legal sector. There is a statistically significant higher percentage of companies limited by shares undertaking high-volume claims work, and a significantly lower percentage of sole practitioners or partnership firms in HVCC.

Constitution type	HVCC firms	All firms
Company Limited by Shares / Limited by Guarantee	70 per cent	58 per cent
Limited Liability Partnership	16 per cent	16 per cent
Partnership	5 per cent	10 per cent
Sole Practice	5 per cent	15 per cent
Type not available (eg firm closed since data collected)	4 per cent	n/a

## Firm turnover

Total firm turnover reported by these firms is £2.058bn from all work. The top ten highest turnover firms account for 51 per cent of this total. Average reported turnover across all of the firms is £5.69m. Turnover attributable to HVCC is set out in the section below.

## Firm age

Forty-one per cent (41 per cent) of the firms are between five and 10 years old, 23 per cent are 11-15 years old, 14 per cent are 16-20 years old, 12 per cent are 2-4 years old, 7 per cent are over 20 years old and 3 per cent are less than one year old.

## Region

The 363 firms are primarily concentrated in the North West (45 per cent) and Greater London (27 per cent) regions, with smaller (<10 per cent) percentages across other UK regions.

## Firm closures

Since the declaration data was collected in August and September 2025, 8 (2 per cent) of the 363 firms have closed or been closed by the SRA.

This closure figure should be [viewed in the wider context](#) of 527 firm closures in total in the 12 months to end January 2026 and 318 firm openings.

# Consumer Claims

## Type of claims

Firms were asked what consumer claims work they had undertaken in the past 12 months. They were advised that 'consumer claims work' includes, but is not limited to, claims and the preparation of potential claims for individual consumers regarding financial services, non-financial services and products; and that 'consumer claims work' does not include:

- personal injury or clinical negligence work
- claims on behalf of commercial organisations of any type (including small businesses)
- defending consumer claims on behalf of an organisation or business.

Firms reported undertaking high-volume consumer claims of the following types:

What consumer claims work does the firm undertake	Firms
Housing disrepair	220
Other consumer claims *	82
Car finance	75

Other financial services claims	46
Data breach / data protection / cyber security	45
Mis-sold pensions	37
Japanese knotweed	22
Holiday sickness	21
Diesel emissions	20
Flight delay	14
Solar panel / green energy / other energy	14
Payment Protection Insurance	9
Timeshare	9
Mis-sold tax avoidance schemes	4
Tax refunds	4

Note: The total number of firms exceeds 363 because some firms reported working on more than one type of claim.

Cavity wall insulation was the only claim type not selected by any firms.

\* Other consumer claims is a catch-all category of various types of claim described by firms. There were 67 unique descriptions of different types of claim.

### Closed and open claims

Firms were required to report on the number of closed consumer claims and the number of open consumer claims.

Closed claims were defined as claims where the firm has 'formally concluded or terminated its retainer with the client.' Firms were asked to report on the number of claims closed in the last 12 months only.

Open claims were defined as 'where there is an ongoing client retainer.' No time limit was placed on this question.

Across all claim types, firms reported closing 1,424,081 consumer claims in the last 12 months.

Firms reported a total of 12,181,716 open consumer claims, a ratio of 8.6 open claims to every closed consumer claim.

Where open consumer claims exceed closed consumer claims:

Claim type	Open claims	Closed claims
Car finance	9,804,802	562,955
Diesel emissions	1,888,515	350,679
Data breach / data protection / cyber security	306,480	36,957
Housing disrepair	53,279	42,767
Holiday sickness	4,053	1,878
Japanese knotweed	356	260

## Sensitivity: General

Mis-sold tax avoidance schemes	16	1
Timeshare	1,309	879

The most substantial volume of open consumer claims is car finance claims, accounting for 80 per cent of all open claims. This is followed by diesel emissions claims, although these have a lower ratio of open to closed claims. The relative numbers of open to closed claims reflect differences in the average time to conclude different claim types. For example, housing disrepair claims are typically brought on an individual basis and tend to be resolved more quickly than car finance claims. In contrast, car finance claims have experienced significant pauses while matters were considered by appeal courts and while an industry resolution scheme was developed.

Where the number of closed consumer claims exceeds the number of open consumer claims:

Claim type	Closed claims	Open claims
Flight delay	64,602	20,753
Mis-sold pensions	11,512	6,642
Other financial service claims	73,898	44,740
Payment Protection Insurance	276,258	50,690
Solar panel / green energy / other energy	265	70
Tax refund	1,170	11

### Turnover attributable to high-volume consumer claims work

Firms were asked to provide their annual turnover for all legal work and then to indicate what percentage of this is derived from consumer claim work areas.

Firms were asked to provide an estimated turnover if they had not yet completed 12-month accounting period.

It should be noted that the [turnover reported by law firms](#) includes work in progress at the end of the accounting period, not just realised turnover.

Claim type	Reported turnover
Housing disrepair	£105,801,125
Other financial service claims	£23,725,270
Car finance	£21,841,644
Other consumer claims	£21,270,241
Mis-sold pensions	£18,636,723
Diesel emissions	£11,462,695
Data breach, data protection and cyber security	£7,384,435
Payment protection insurance	£6,044,461
Holiday sickness	£2,557,233

Sensitivity: General

Flight delay	£1,997,786
Japanese knotweed	£1,071,939
Timeshare	£834,925
Solar panels, green energy and other energy	£205,954
Tax refunds	£170,927
Mis-sold tax avoidance schemes	£4,173
Cavity wall	-
<b>Total</b>	<b>£223,009,531</b>

This reflects the shorter timescales for the resolution of claims in housing disrepair compared to other types, such as car finance, where claims await the resolution of cohort decisions. Housing disrepair data will be reviewed in more detail below.

<b>HVCC work as a per cent of total turnover</b>	<b>No. of firms</b>	<b>Estimated HVCC turnover</b>
100	30	£61,565,026
90	25	£53,548,530
80	8	£8,271,310
70	5	£4,390,941
60	7	£9,617,667
50	11	£6,655,602
40	10	£6,106,011
30	16	£5,102,381
20	20	£18,290,935
10	28	£22,464,121
0.01	143	£26,997,002
0	60	-
	<b>363</b>	<b>£223,009,531</b>

Thirty (30) of the 363 firms (8 per cent) report that all of their turnover is derived from HVCC work. These firms account for £62m of reported turnover attributable to HVCC, approximately 17 per cent of the reported HVCC turnover total.

Eighty-six (86) firms (24 per cent) report that 50 per cent or more of their turnover is derived from HVCC work (this includes the 30 firms reporting 100 per cent above). These firms account for £144m of reported turnover attributable to HVCC, approximately 65 per cent of the total reported HVCC turnover .

Sixty (60) of the 363 firms (18 per cent) report no turnover from HVCC in the previous 12 months.

### **Use of third parties**

Forty-six (46) firms (12.6 per cent) reported using the services of one or more litigation funders. One hundred and eighteen (118) firms (32.5 per cent) reported using the services of one or more referrers.

Seventy-three (73) firms (20.1 per cent) reported using the services of one or more marketers. The use of litigation funding and referrer third parties is explored further below.

# Litigation funding

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## What is litigation funding?

Third-party litigation funding is funding provided by an individual or business that is not a party to the relevant dispute and is not the legal representative of any of the parties to the dispute. This includes, but is not limited to:

- funding for individual client claims
- funding for portfolios of claims
- the provision of working capital
- the provision of a general credit facility.

## Types of litigation funding

Two broad types of litigation funding used within the HVCC sector are:

- non-recourse funding models, where the funder receives an agreed return if the claims are successful, and nothing if the claims are unsuccessful
- a recourse working capital model, where the funder provides funds to the firm, typically calculated by reference to the expected volume of claims and prospects of success, and the funds are repaid with interest irrespective of the outcome of claims.

## Firms with litigation funding

Forty-six out of 363 firms (12.6 per cent) report having one or more third-party litigation funders.

<b>Firms</b>	<b>No. of funders</b>
24	1
9	2
6	3
2	4
2	5
1	7
1	8
1	9
<b>46</b>	<b>Total</b>

## Total funding received

In total, firms reported receiving £516m in funding in the last 12 months from approximately 70 litigation funding entities:

<b>Funding</b>	<b>Law firms</b>
Over £100m	1
£50m - £100m	1
£20m - £50m	3
£10m - £20m	5
£5m - £10m	3
£1m - £5m	18
£500K - £1M	3
£0 - £500K	9
Unspecified	3
<b>Total</b>	<b>46</b>

Note that three firms reported litigation funding arrangements but did not specify a funding amount.

### **Outstanding debt**

Firms were also asked to report total outstanding debt owed. The 46 firms reported a total of £1.6bn in outstanding debt. Eighteen firms declared debt to funders exceeding the firm's latest annual turnover figure, and nine firms declared debt to funders at or greater than ten times annual turnover.

### **Security**

Thirty per cent of the 102 litigation funders required security to be given. We typically see firms providing security where they have a recourse agreement for working capital.

## Use of referrers

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### What are referral arrangements?

Firms were advised that the terms 'referral,' 'referral arrangement,' and 'referrer' relate to any arrangements firms have with third-party organisations to source prospective clients. Referrer activity should be distinguished from marketing and advertising arrangements with third parties, which were queried in a different part of the questionnaire. Referrers include:

- claims management businesses which identify individuals who may have an eligible claim and refer them to law firms
- lead generators which provide contact details of prospective clients to law firms
- panel firm / fee sharing arrangements that involve the introduction of individuals to firms.

### Law firm and referrer relationships

One hundred and eighteen (118) of 363 (33 per cent) firms providing HVCC services declared an arrangement with at least one referrer.

<b>Firms</b>	<b>Using no. of referrers</b>
47	1
22	2
20	3
11	4
3	5
1	6
2	7
4	8
2	9
2	10
1	11
2	16
1	25
<b>118</b>	<b>Total</b>

Two hundred and forty-five (245) firms (67 per cent) reported not using referral arrangements.

**Payments to referrers**

<b>Claim type</b>	<b>Firm to referrer relationships</b>	<b>Payments made to referrer(s) in 12-month period</b>	<b>Referrals received by firms in 12-month period</b>
Car finance	40	£21,178,595	3,119,114
Housing disrepair	217	£18,717,176	140,739
<b>Multiple claim types*</b> (See note below; primarily Diesel emission and Housing disrepair referrals)	32	£9,864,390	45,442
Diesel emissions	5	£8,015,256	159,513
Data breach, data protection and cyber security	3	£4,416,066	95,342
Other consumer claims	26	£1,166,683	23,683
Flight delay	8	£807,183	68,181
Mis-sold pensions	21	£206,357	22
Payment Protection Insurance	7	£61,138	15,049
Other financial services claims	3	£42,500	1,522
Japanese knotweed	6	£24,088	31
Timeshare	1	£10,000	38
Holiday sickness	4	£0	15
Cavity wall insulation	0	£0	0
Mis-sold tax avoidance schemes	0	£0	0
Solar panels, green energy and other energy	0	£0	0
Tax refund	0	£0	0
		<b>£64,509,432</b>	<b>3,668,691</b>

Car finance referrals compose 85 per cent of referrals received by firms, exceeding referrals of all other types.

'Other consumer claims' contains 17 unique free-text entries by the firms, for example:

- tenancy deposit claims
- Criminal Injuries Compensation Scheme claims
- affordable lending claims
- military deafness claims.

\* Multiple claim types are where the referrer makes multiple types of referrals to the firm. As noted above, there are 32 such relationships with firms making a total of 45,442 referrals. These are:

- 'Other types of consumer claims' (various): 35,615 referrals

## Sensitivity: General

- housing disrepair: 8,099 referrals
- 'Other types of financial services': 838 referrals
- diesel emissions: 406 referrals.

Remaining referrals in this category are smaller numbers spread across other types of claim.

Note that it is not possible to accurately allocate the £9,864,390 payments made for these multi-category referrals. It is worth noting, however, that diesel emissions and housing disrepair feature prominently, and therefore a significant proportion of the payments will be for those referral types.

## Use of marketers

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### What are marketers?

Firms were advised that the term 'marketer' refers to any individual, business or organisation which provides publicity or marketing in relation to the firm's consumer claims work. Marketing and publicity is any activity aimed at advertising the firm and its services, including websites, social media content, and print or online communication. A 'marketing arrangement' is any agreement the firm has with a web platform or other network operator not operated by the firm, to provide information about the firm and its services.

### Law firm and marketer relationships

Seventy-three (73) of 363 (20 per cent) firms providing HVCC services declared an arrangement with at least one marketer.

Firms	Using no. of marketers
50	1
13	2
3	3
3	4
1	5
1	7
1	8
1	9
<b>73</b>	<b>Total</b>

Two hundred and ninety (290) firms (80 per cent) reported that they did not use marketers.

### Payments to marketers

Seventy-three (73) firms reported making a total of £264.6m in payments to approximately 123 marketers over 12 months. Approximately 97 per cent of this expenditure was to promote car finance claims.

### Types of marketing activity

Marketing activity	Provided by marketers
Social media adverts/content	89
Website content	64
Search engine optimisation	38
Other	28
Leaflets or other print materials	17
E-mail communications	13
Telephone calls (inbound)	13

Sensitivity: General

Text/WhatsApp communications	8
Telephone calls (outbound)	7
In person meetings	4
Online meetings	0

Note: The total number of marketers exceeds 123 because many marketers provide more than one type of marketing activity.

# Car finance claims

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Seventy-five (75) of 363 firms (21 per cent) report representing clients bringing car finance claims.

## Regions

Most of these firms are in the North West (63 per cent) and Greater London (13 per cent).

## Age profile

Forty-four per cent (44 per cent) of the 75 firms are 5-10 years old, with 17 per cent 2-4 years old or 11-15 years old or 16-20 years old, respectively. Three per cent (3 per cent) of the firms are over 20 years old. One per cent (1 per cent) of the firms are less than one year old.

## Turnover

- these firms report approximately £22m in turnover from car finance claims in the 12 months. As noted above, law firms' reported turnover includes work in progress at the end of the accounting period
- ten firms account for most (£21m) of the reported car finance turnover, so it is highly concentrated in those firms
- three firms reported that 100 per cent of their turnover was derived from car finance claims, including two of the top 10 above
- at the time of reporting, only 18 of the 75 firms (24 per cent) reported achieving a positive turnover from car finance claims, which is understood to be due to car finance claims awaiting resolution of case cohort decisions.

## Claims

- the number of open car finance claims reported by these firms is 9,804,802
- the number of closed car finance claims reported by these firms is 562,955
- the same 10 firms account for most (96 per cent) of the open claims.

## Third-party relationships

- Twenty-six (26) of the 75 firms doing car finance claims firms (35 per cent) report having one or more relationships with a litigation funder.
- twenty-nine (29) firms (39 per cent) report having arrangements with marketers
- thirty-nine (39) firms (52 per cent) report using one or more referrers.

# Housing disrepair claims

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Two hundred and twenty (220) of 363 firms (60.6 per cent) report doing housing disrepair claims.

## Regions

Most of these firms are in the North West (46 per cent) and Greater London (35 per cent).

## Age profile

Forty-six (46 per cent) of the 220 firms are 5-10 years old and 23 per cent 11-15 years old. 10 per cent are 2-4 years old or 16-20 years old, respectively. Eight per cent (8 per cent) of the firms are over 20 years old. Three per cent (3 per cent) of the firms are less than one year old.

## Turnover

- these firms report approximately £106m in turnover from housing disrepair claims in the 12 months
- ten top housing disrepair claim firms by turnover report greater than £2m turnover attributable to housing disrepair claims work, totalling approximately £64m
- the next 10 firms report greater than £1m turnover attributable to housing disrepair claims work, totalling approximately £16m
- six firms reported that 100 per cent of their turnover was derived from housing disrepair claims
- at the time of reporting, only 191 of the 220 firms (87 per cent) reported achieving a positive turnover from housing disrepair claims in 12 months, which illustrates the faster time to resolution of these claims in comparison with other types.

## Claims

- the number of open housing disrepair claims reported by these firms is 53,279
- the number of closed housing disrepair claims reported by these firms is 42,767
- the top 10 firms by open claims account for 54 per cent of all open housing disrepair claims. This contrasts with car finance, where the top 10 hold 96 per cent.

### **Third-party relationships**

- nineteen of the 220 firms doing housing disrepair claims (9 per cent) report having one or more relationships with a litigation funder
- forty-one firms (19 per cent) report having relationship(s) with marketers
- sixty-five firms (30 per cent) report using one or more referrers.