

News

Work continues around high-volume claims

06 March 2025

Following a number of high-profile cases of firms specialising in high-volume claims work failing, we are continuing our work to consider whether this area of the market is working as well as it should be. In particular we have concerns about whether firms have appropriate protections in place to safeguard the public, whether consumers are being kept informed and being given the full and correct information about their cases, and more generally how no-win no-fee arrangements work.

We are progressing work looking at all these issues, including targeted visits to firms working in these areas. Based on this work, and wider reports made to us, the number of firms we are now actively looking at for issues relating to mass claims or no-win no-fee work has risen to 60 over the past six months.

The issues we are seeing across the claims market are complex and cut across multiple sectors and regulatory regimes. This includes claims management, finance and insurance. We are committed to working with a range of stakeholders in progressing this work and exploring potential solutions to make sure consumers are appropriately protected.

Our ongoing investigations, involving the handling of more than 150,000 cases, reveal issues like unexpected costs and unresolved claims. As well as the risk of consumer detriment, this could damage consumer trust in legal services and undermine the benefits of high-volume claims in improving access to justice.

Our investigation into SSB Law Ltd has now completed, and we have already started taking action against solicitors involved. This case involved clients having large and unexpected adverse costs bills for housing repair claims taken out on a no-win no-fee basis. Find out more in our updated SSB statement [https://rules.sra.org.uk/news/news/cavity-ssb-group/]

We have produced guidance for those working in claims management activity which should help you avoid some of the issues we are seeing.

<u>Go to the claims management activity guidance</u> [https://rules.sra.org.uk/solicitors/guidance/claims-management-activity/]