



Building a Brighter Future
for Injured People



APIL UK Personal Injury Market Briefing

January 2025



Message from Mike Benner, APIL CEO

Welcome to our third annual report on the personal injury and clinical negligence market, which we have produced in association with IRN Legal Reports (IRN), the leading researchers on the legal services sector.

Given the continued challenges and rapid changes affecting our sector, the need for members to understand market trends has never been more important. We have therefore produced this report, which is exclusively available to APIL members, to help you make sense of what is really going on and provide an overview of market developments.

In addition to this market report, all APIL members have access to the following research-related benefits:

- Our quarterly Insight update containing APIL’s latest research findings
- Discounts on bespoke market research which will allow you to understand in-depth what market developments mean for your firm
- A 15% discount on all legal sector reports produced by IRN Legal Reports. This includes their comprehensive reports on the personal injury, clinical negligence, and medico-legal markets, as well as reports on the wider legal services sector. Find out more [here](#).

For more information about any of these benefits, please get in contact with our [research team](#).

I hope you find the report an interesting and useful read. If you have any feedback, please do let us know.

All the best,
Mike

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Note: The analysis in this report is an independent one from IRN. It is not intended to be a comprehensive report on the sector but an assessment of some key trends and issues.

Executive summary

Key takeaways

Welcome to the third report from APIL and IRN Legal Reports (IRN) on the personal injury (PI) market. This year's report highlights key market trends and also includes findings from a survey of over 500 PI claimants.

findings from over
500
claimants

Mergers and acquisition (M&A) activity in the market continues at a pace. In other cases, many PI books are being purchased from law firms leaving the sector. Consolidation in the sector is increasing, as evidenced by brand share data obtained by APIL.

majority of claimants receive
£5,000
or less

IRN's latest consumer research shows that the majority of claimants receive compensation payments of £5,000 or less. It is the large volume players that now dominate this market segment. There is still space for smaller firms but, for many, their focus is on specialist PI practice areas.

increase
PI market value

fall
in total PI claims registered

Despite a fall in total PI claims registered, PI market value increased in 2023. This was mainly driven by growth in the clinical negligence segment of the market.

Total market

• This report covers three separate but interrelated sectors – personal injury (PI), clinical negligence (CN), and medico-legal & insurance services (MLIS). The total market value for these three segments was £4.95 billion in 2023, up 5.1% on the previous year.

2023 total market value
£4.95bn

• The largest market sector is PI, accounting for 55% of the market, with clinical negligence taking 32%, and medico-legal & insurance services contributing 13%.

55%
PI largest market sector

Claims trends

- Since 2018/19, the total number of PI claims registered with the Compensation Recovery Unit (CRU) has fallen year-on-year.
- Motor-related cases dominate, representing 73% of all PI claims, but cases registered in this category declined by 5.1% in 2023/24. In contrast, all other claims categories - including clinical negligence, public liability, and employer liability – saw an increase in claims in 2023/24.

Motor related cases
73%
of all PI claims

• Latest data covering the third quarter of 2024 shows that motor and employer liability claims continue to remain considerably below pre-pandemic levels. In this quarter, motor claims were 53% below pre-pandemic levels while employer liability claims were 48% below pre-pandemic levels.

• The market continues to be defined by several 'justice gaps', where injuries have increased but claims have fallen. This indicates that the number of injured victims going onto seek compensation is in decline.

• Updated opinion polling confirms that a significant percentage of those who are injured as a result of negligence do not go onto approach PI firms or claim compensation. There are clear opportunities for firms which successfully reach out to this sizeable group of potential claimants.

Market structure

- The impact of falling claims volumes, government reform and consolidation continues to be felt. In 2023/24, there were 467 law firms in England and Wales where PI accounted for 50% or more of their turnover. This is down by 9.1% since 2022/23 and down by 33.5% since 2019/20.

down
9.1%

law firms with PI accounting for 50%+ of turnover

• Data also shows that the number of people working in the market continues to decline.

• In 2024, the number of CILEX members working in PI fell to just over 2,300. This number is down by 40.2% since 2019.

CILEX members working in PI
down
40.2%
since 2019

barristers with PI as their main area of practice
down
17.3%
2019 -2023

• Between 2019 and 2023 there was a 17.3% decline in the number of barristers who say that PI is their main area of practice.

Market share and consolidation

- The market is seeing continued consolidation. This is being driven by some firms leaving the sector and other firms expanding, including through mergers and acquisition.
- APIL's updated analysis shows that last year the top twenty claimant firms increased their share of all PI claims. In the year to 31st March 2024, over half (53%) of all legally-represented PI claims were made by just twenty firms. This is an increase from 52% in the previous year and just 45% in 2021/22.

53%
of all legally-represented PI claims were made by just twenty firms.

Feedback from claimants on the claims process

• IRN's consumer survey looking at how claimants choose their legal advisor shows that the role of digital channels continues to grow in importance. Similar to last year, the largest group of claimants find their legal adviser from online advertising content.

• Over half of claimants – 54% - received compensation of £5,000 or less. This is down from 58% in 2023.

54%
of claimants received compensation of £5,000 or less

The future

• With claims volumes remaining at depressed levels and fixed fees weakening margins, any significant recovery in the overall PI market still seems some way off. However, for those firms which can adapt to changing market conditions, further consolidation and some market growth continues to provide opportunities to increase market share and revenue.

• Firms which successfully exploit increased consolidation are likely to be those which adopt a more innovative approach. To some extent, successful strategies are likely to depend on what part of the market firms operate in. In the 'low-value, high-volume' market, increased use of technology and artificial intelligence to process claims is likely to be central. For firms in the 'high-value, low-volume' market, increased specialisation and focus on higher-value claims is likely to be key, as will the development of an integrated service covering the whole claims journey, either directly or in partnership with other providers. Across the PI market as a whole, more effective marketing which successfully addresses potential claimants wants and needs will be crucial.

more effective marketing
which successfully addresses potential claimants wants and needs will be crucial.

• It is uncertain whether the 'justice gaps' emerging in the sector, which have led to a sustained drop in claims volumes, are ever likely to be bridged. Whether they are or not is likely to depend on if and how the government intervenes in the market over the coming years, and how effectively PI firms reach out to the significant pool of victims who do not currently claim. Page 7 of this report looks at how firms might be able to do this.

Background

This is the third annual market briefing on the PI market prepared exclusively for APIL members by research agency IRN.

The report is based on: selected content from IRN's three annual market reports on the sector¹; selected content from IRN's 2024 consumer survey of PI claimants²; data from Freedom of Information (FOI) requests submitted by APIL, and results from opinion polling commissioned by APIL. IRN has selected key content from these sources to provide a snapshot of trends in the market. More detailed content and analysis can be found in the three reports noted above.

¹UK Personal Injury Market Report 2024, UK Clinical Negligence Market Report 2024, UK Medico-Legal & Insurance Services Market Report 2024.

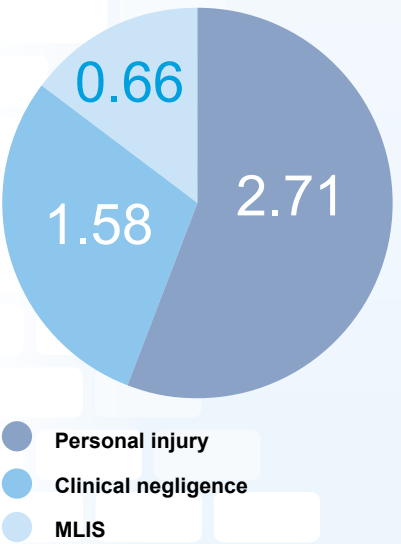
²UK Personal Injury Consumer Research Report 2024.

Personal injury market size and trends

Market value

- The total value of all three segments which make up the 'PI market' was £4.95 billion in 2023, and the market breakdown is given in Figure 1.
- In 2023, market value increased by 5.1% when compared to 2022. The market segments are:
 - Personal Injury (PI)**, excluding clinical negligence, accounted for a 55% share
 - Clinical negligence (CN)** had a 32% share
 - Medico-legal and insurance services (MLIS)** had a 13% share
- The strongest annual growth came in the CN market, where market value increased by 7.8% in 2023 when compared to the previous year. This was mainly due to more high value cases reaching settlement and some increase in legal fees. During the same period, the PI market segment grew by just 3.8% and the MLIS sector by 3.1%.

Figure 1: Total Market Value 2023, (£bn)
Source: IRN Legal Reports



An untapped market and how to reach it

Last year's report highlighted that there is a significant untapped market of injured individuals which PI firms have yet to reach. Updated research commissioned by APIL, and made exclusively available in this report, shows how firms might be able to appeal to this group.

In the opinion polling, conducted by Opinium in August 2024, one in five UK adults said they had been injured or become ill because of someone else's negligence. However, 41% of these individuals had not claimed compensation for their injury or illness³. As a result, there are currently around 4.3 million potential victims of negligence who have not gone onto claim or approach a law firm⁴. For firms which can successfully reach out to these individuals, there is an opportunity to increase access to justice, market share and income.

As part of their research, Opinium looked at if these individuals could have been persuaded to make a claim. They found that almost four fifths of victims (79%) who did not claim could have been persuaded to do so. In contrast, just 21% said nothing would have made them more likely to claim.

This 'untapped' market of non-claimants was also asked what three things would have made them more likely to claim. The results, which highlight what PI lawyers should focus on in order to reach this untapped market, can be found below.

Figure 2: We would like you to imagine that a Personal Injury (PI) lawyer has approached you to help you make a claim for an illness or injury caused by negligence. What three things, if any, would make you more likely to proceed with making a claim for your illness or injury with the PI lawyer? Please select up to three.

	% of non-claimants choosing this option
If the PI lawyer clearly explained how much their services would cost me	42%
If the PI lawyer supported me to make the process as stress-free as possible	41%
If the PI lawyer explained the amount of money that I could receive in compensation	31%
If the PI lawyer could assure me that my claim would be resolved quickly	31%
If the PI lawyer explained how they would help me recover from my illness / injury (e.g. through providing access to rehabilitation) or provided stories which shows how they had helped similar people rebuild their life after an injury/ illness	29%
If the PI lawyer explained that claiming could help me get 'justice' for the harm which has been caused to me (i.e. hold those responsible to account/ get answers about who was responsible)	26%
If the PI lawyer demonstrated their experience as a legal professional	22%
If the PI lawyer dealt with me in a caring and compassionate way	21%

These findings suggest that if firms are to effectively reach out to injured victims who do not currently claim, they need to show how they can meet their wider needs and priorities. There is also a need to address their concerns about the claims process. A focus on monetary compensation is not enough.

For example, a focus on the amount of compensation which could be received is likely to persuade fewer than a third of the 'untapped' market to go onto claim. Addressing concerns about the stress involved in the claims process, and providing an understanding of how a PI lawyer could support the injured person to recover and rebuild their life, were found to be equally if not more important.

The potential cost of making a claim is also a key concern. 42% of non-claimants said that a better understanding of these costs would have been key to making them more likely to claim. This clearly shows that PI firms need to proactively address concerns around costs if they are to effectively reach out to and attract more potential claimants.

³Opinium research commissioned by APIL. Total sample size was 4,000 adults. Fieldwork was undertaken between 20th – 23rd August 2024.

⁴APIL analysis of Opinium research and UK mid-year population estimates published by Office for National Statistics.

Claims volumes

• The total number of PI claims registered with the Compensation Recovery Unit (CRU) fell again in 2023/24, with total registrations decreasing by 1.5%, to 477,220. Total claims volumes have now been falling year-on-year since 2018/19.

down
1.5%
PI claims registered with the Compensation Recovery Unit

• Motor-related cases dominate, representing 73% of all PI claims. In 2023/24, cases registered in this category declined by 5.1% when compared with the previous year. In contrast, all other claims categories - including clinical negligence, public liability, and employer liability – saw an increase in claims in 2023/24.

73%
of all 2023/24 PI claims were motor-related cases

2023/24 clinical negligence claims
up
9.7%

• In 2023/24, employer liability, public liability and motor claims volumes continued to remain well below pre-pandemic levels. Only clinical negligence claims were back to their pre-pandemic volumes. In 2023/24, these claims increased by 9.7% when compared to the previous year⁵.

employer liability claims
48%
below pre-pandemic levels

• Latest data covering the third quarter of 2024 shows that motor and employer liability claims continue to remain considerably below pre-pandemic levels⁶. In this quarter, motor claims were 53% below pre-pandemic levels while employer liability claims were 48% below pre-pandemic levels. In contrast, public liability and clinical negligence claims made stronger recoveries. Public liability claims were 6% below pre-pandemic levels, while clinical negligence claims were just 2% below pre-pandemic levels.

traffic volumes
4%
above pre-pandemic levels

• The continued depression in motor claims is at odds with trends in traffic volumes and casualties. In the third quarter, these claims fell to their lowest ever level. In contrast traffic volumes, a key indicator for the level of road casualties, increased to a post-pandemic high and were 4% above pre-pandemic levels⁷.

Figure 3: Number of Claims Registered with the CRU, 2019/20 – 2023/24

Source: CRU

Year	Clinical negligence	Employer	Motor	Other	Public	Liability not known	Total claims
2019/20	15,845	79,027	653,052	7,086	72,587	1,655	829,252
2020/21	14,485	45,687	446,976	4,577	51,286	1,348	564,359
2021/22	15,549	43,769	387,687	4,598	52,724	679	505,006
2022/23	14,443	43,728	367,535	4,743	53,403	478	484,330
2023/24	15,839	44,547	348,806	8,299	58,933	796	477,220

⁵CRU performance data: [see here](#)

⁶CRU data provided to APIL under the Freedom of Information (FOI) Act.

⁷APIL analysis of CRU data and Department for Transport data on reported road casualties and traffic volumes.

Justice gaps

The market continues to be defined by several 'justice gaps', where injures have increased in recent years but claims have fallen. This indicates that the number of injured victims going onto seek compensation is in decline.

For example, APIL analysis shows that road injury claims have fallen significantly since the introduction of the 'whiplash reforms', despite a rise in road casualties. In 2023, the number of motor injury claims was down by 29% when compared to 2020. During the same period, however, the number of reported road injuries was up by 15%⁸. More people are being injured, yet there are fewer claims. This means that fewer road injury victims are going onto to access justice.

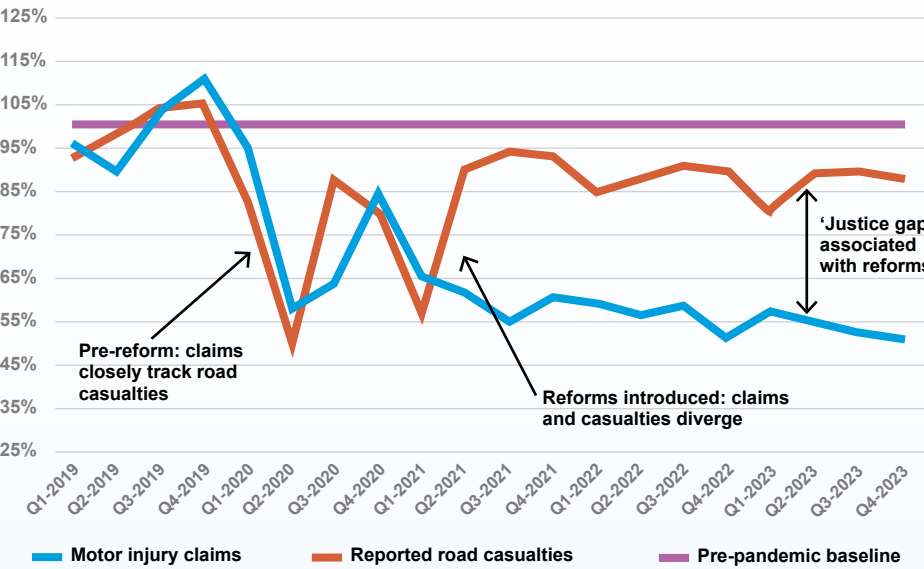
more injuries
fewer claims

This divergence between casualties and claims clearly coincided with the introduction of the 'whiplash reforms' in the second quarter of 2021. Prior to Q2 2021, casualties and claims closely tracked each other. However, from Q2 2021, claims and casualties began to diverge, with casualties increasing significantly, but claims continuing to fall. This suggests that the 'reforms' have created this significant justice gap.

'reforms'
creating a significant justice gap

Figure 4: Reported road injuries vs motor injury claims, pre and post 'whiplash reforms'

Source: APIL analysis of CRU claims data and Department for Transport data on reported road casualties



A similar justice gap has emerged in the employer liability (EL) sector, with new data showing that workplace injury and illness victims are now far less likely to claim compensation when compared to before the pandemic.

In 2023/24, 736,000 workers suffered a work-related injury which resulted in over seven days of absence or became ill because of their work. This is up 16% since 2018/19. Over the same period the number of employer liability claims fell by 50%⁹. More workers are becoming ill or being injured because of their work, yet there are far fewer claims.

APIL's analysis also found that women who suffer a work-related injury or illness are three times less likely than their male counterparts to go on and claim compensation¹⁰. This shows that women face a further 'gender justice gap'.

736,000
workers suffered a work-related injury resulting in over 7 days of absence or became ill because of their work
up
16%

women
are three times less likely than their male counterparts to go on and claim compensation

⁸Ibid.

⁹APIL analysis of CRU performance data and Health and Safety Executive data on self-reported work-related ill health and workplace injuries: [see here](#)

¹⁰Ibid.

Market structure

Firm and practitioner numbers

Several factors, including market consolidation, government intervention and increased use of technology to process claims, have contributed to a significant decline in the number of firms and practitioners in the PI sector. Analysis of data obtained from the Solicitors Regulation Authority (SRA), Bar Standards Board (BSB), and CILEX Regulation confirms the speed and scale of these trends¹¹:

- The number of SRA-regulated law firms which generated 50% or more of their turnover from PI fell to 467 in 2023-24. This is down from 723 firms in 2018-19. As a result, the number of PI firms has declined by 35.4% in the last five years.
- In 2023-24, PI law firms accounted for 5% of all SRA-regulated law firms, down from 7% in 2019-20¹².
- Most SRA-regulated PI law firms are still relatively small in size. Over half (57%) of these firms have five or fewer fee earners. In contrast, just 7% have over 50 fee earners. This small group of firms with 50+ fee earners is likely to make up a significant percentage of the total PI market when measured by both turnover and claims volumes.
- Between 2019 and 2023, there was a 17.3% decline in the number of barristers who say that PI is their main area of practice. In 2023, PI was the main area of practice for over 1,200 barristers. This was down from just over 1,500 in 2019.
- The number of CILEX members working in PI fell by 40.2% between 2019 and 2024. In 2024, just over 2,300 CILEX members were working in the PI sector. This was down from almost 4,000 in 2019.

Figure 5: Number of SRA-regulated PI firms, 2018/19 to 2023/24

Note: SRA data relates to law firms in England and Wales where PI accounts for 50% or more of annual turnover.

Source: Data supplied to APIL by SRA

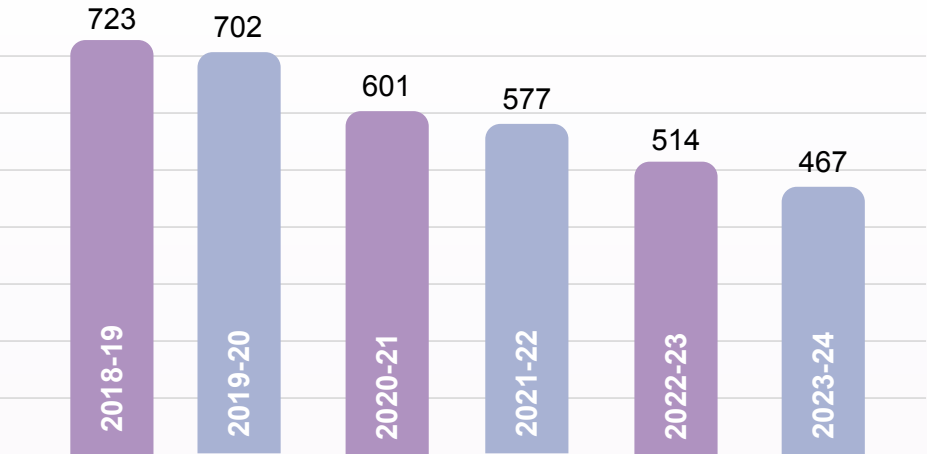
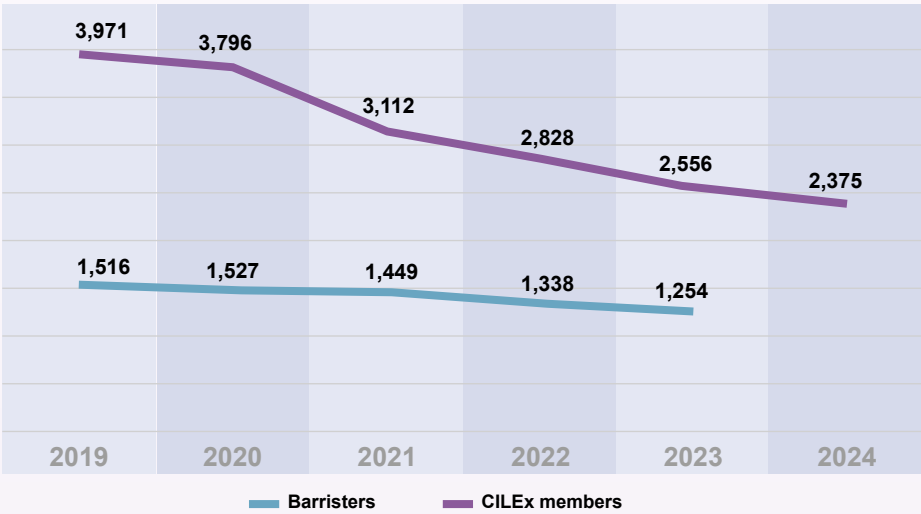


Figure 6: Barristers/CILEX Members Working in PI, 2019 - 2024

Source: Data supplied to APIL by Bar Standards Board/CILEX Regulation



The number of personal injury law firms in Scotland and Northern Ireland has also fallen in recent years. However, these reductions are not as great as those seen in England and Wales. Data from the law societies in Scotland and Northern Ireland shows that:

- In Scotland in December 2024, there were 740 firms working in PI. This is down from 815 in 2023, and 860 in 2021.
- In Northern Ireland in November 2024, there were 384 law firms and solicitors offering PI legal advice. This is down from 399 in 2023 and 419 in 2021.

Despite these reductions in the number of PI firms and practitioners, the value of the market and the total turnover generated by PI firms continues to grow, albeit at a modest rate. In 2025, for example, the total value of the market is expected to increase by 4.3%. This growth, alongside market consolidation, continues to present an opportunity for firms which are able to adapt and remain in the market.

¹¹Figures provided by SRA, BSB and CILEX Regulation cover England and Wales.

¹²PI law firms' are defined as firms where PI accounts for 50% or more of annual turnover.

Market shares

PI claim volumes

- Although the sector is still relatively fragmented, consolidation is continuing to change this. Updated analysis exclusive to this report reveals that the top 20 PI law firms, by claim volumes, have a significant share of all claims and have increased their share in the past year.

Top 20

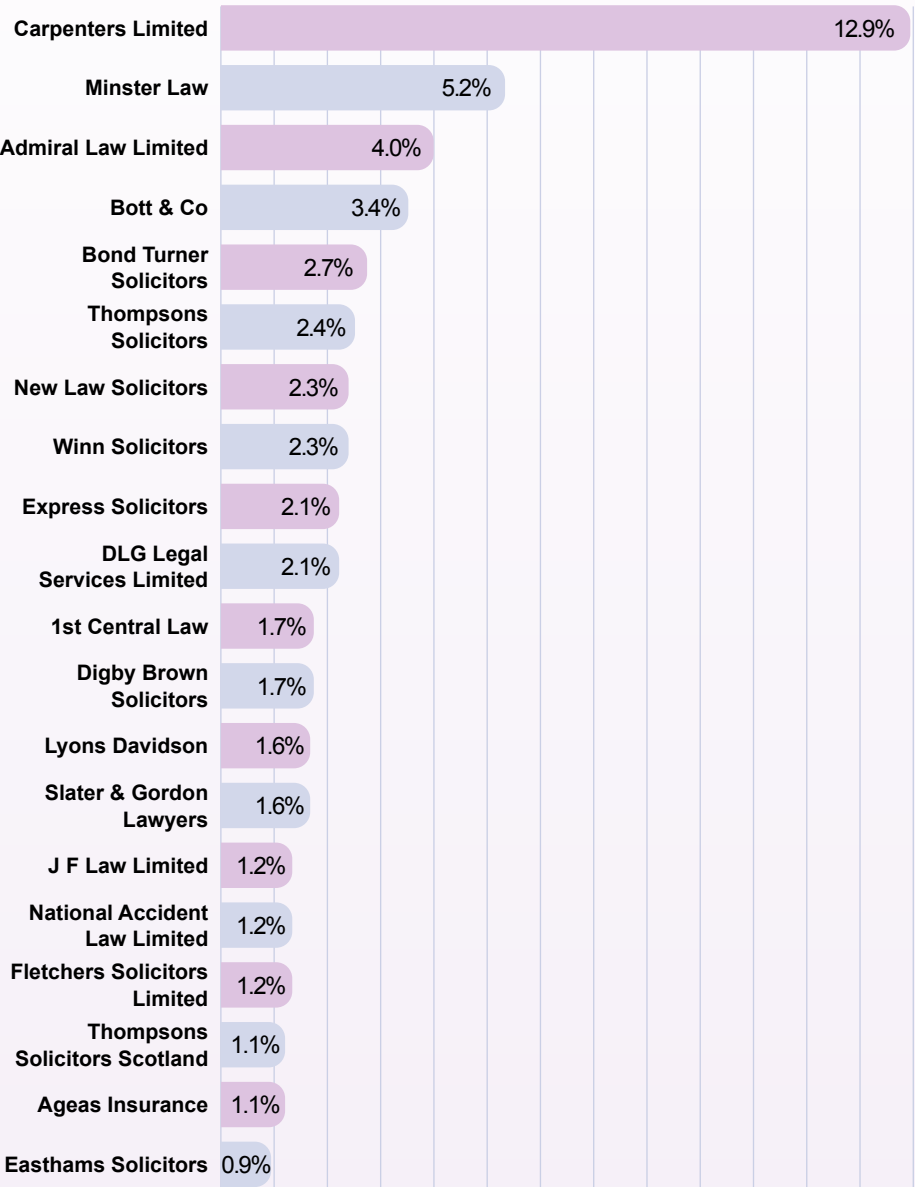
firms run 53% of claims

- There were 322,922 PI claims registered between 1st April 2023 and 31st March 2024 where the injured person was legally represented, according to the Compensation Recovery Unit (CRU). The top 20 PI law firms took a 53% share of these claims, an increase from 52% in the previous year and just 45% in 2021/22. The top 20 firms by claims volumes are shown in Figure 7.
- When measured by claims volumes, Carpenters is the leading player. In 2023/24, the firm ran 12.9% of PI claims. Minster Law is the second-largest firm by claims volumes, running 5.2% of PI claims.
- In 2023/24, Fletchers and Blackpool-based Easthams Solicitors were new entrants into the top twenty PI firms by claims volumes.

It is important to note that Figure 7 only covers the largest volume players in the sector. There are many other large firms with a significant market share which focus on a smaller number of high-value claims. Examples include Stewarts, Leigh Day and Irwin Mitchell.

Figure 7: Top 20 PI Firms by number of claims registered, 1st April 2023 – 31st March 2024

Source: APIL analysis of FOI response provided by CRU. Data and percentage figures only relate to claims where a legal representative was recorded.



Clinical negligence claims

In July 2024, APIL submitted a Freedom of Information (FOI) request to NHS Resolution (NHSR) which generated data on the top 20 CN claimant law firms based on the amount of claimant legal costs paid¹⁴:

- Irwin Mitchell continues to have the largest market share when measured by the value of claimant costs paid, with £73.6 million paid in 2023/24. This represents 13.5% of all CN claimant costs paid. The next largest firm, Fletchers, had a 6.2% market share.
- In 2023/24, the above two firms had a combined total of 2,408 cases where legal costs were paid (Irwin Mitchell: 1,184, Fletchers: 1,224). While Irwin Mitchell ran fewer cases than Fletchers, it generated more legal costs from these claims.
- Firms which have significantly increased their market share when compared to the previous year include Fletchers (market share up from 4.9% to 6.2%) and Switalskis (market share up from 1.4% to 3%).
- Claimant costs paid to the top 20 firms reached £280.2 million in 2023/24, up from £233.9 million in 2022/23 and £201.6 million in 2020/21.
- In 2023-24, the top 20 firms generated these costs from 5,070 claims. As a result, for these top 20 firms, costs per case stood at an average of just over £55,000. This is up from just under £50,000 in 2022-23 and around £45,000 in 2020-21.
- When measured by claimant costs paid, the top 10 firms had a 40.4% market share in 2023-24, up from 36.1% in 2022-23 and 35.2% in 2020-21. The top 20 firms had a market share of 51.4% in 2023-24. This is the first time that the top 20 firms have secured over half of this market. These findings confirm the trend towards further consolidation in the CN sector.

Figure 8: NHSR claimant costs paid to top 20 CN claimant firms, 2023-24

Source: NHS Resolution from FOI request by APIL

Law firm	Claimant costs paid (£)	No of cases with a claimant legal costs payment	Estimated market share (by claimant costs)
Irwin Mitchell	73,590,101	1,184	13.5%
Fletchers	33,800,241	1,224	6.2%
Slater & Gordon	21,185,768	402	3.9%
Fieldfisher	17,255,842	154	3.2%
Switalskis	16,547,664	251	3.0%
Thompsons	13,323,428	249	2.4%
Leigh Day	12,281,481	140	2.3%
Enable Law	11,744,068	159	2.2%
Stewarts Law	11,325,616	78	2.1%
JMW	9,035,980	213	1.7%
Shoosmiths	8,726,968	150	1.6%
Bolt Burden Kemp	8,438,113	77	1.5%
Pennington Manches	7,328,600	101	1.3%
Price Slater Gawne	6,408,360	88	1.2%
Hudgell	6,009,760	208	1.1%
Simpson Millar	5,267,670	101	1.0%
Clear Law	4,773,205	72	0.9%
Wolferstans	4,475,200	68	0.8%
Thomson, Snell & Passmore	4,360,986	81	0.8%
Stephensons	4,353,843	70	0.8%
SUB-TOTAL TOP 20 FIRMS	280,232,893	5,070	51.4%

¹⁴NHSR data covers England only.

M&A activity

Many thanks to Jeff Zindani, of Acqaira Professional Services, for helping inform this section of the report. Acqaira are leading merger and acquisition brokers for the legal sector.

With many law firms looking to leave the market, some of the remaining larger firms are buying work-in-progress (WIP) files from these firms.

In addition, consolidation continues with mergers and acquisition (M&A) activity, which has significantly increased in the past six months. This activity is likely to increase further this year, with a number of larger firms wanting to acquire smaller boutique firms specialising in high-value PI and clinical negligence claims.

Recent acquisitions include the following¹⁵:

- Lysander Law, a PI law firm based in Bristol, was sold out of administration to another Bristol firm, RHL Solicitors, securing the future of 46 jobs. Incorporated in 2016, Lysander Law had traded profitably until the 2021 ‘whiplash reforms’.

- Since its acquisition in 2021 by private equity company Sun European Partners, Fletchers has made a series of acquisitions. This includes law firms Cycle SOS, Minton Morrill, Serious Injury Law and, most recently, Scott Rees & Co Solicitors. Fletchers also owns Blume, a claims lead business, and Medical Law Services, which provides medical records pagination services and expert reporting for clinical negligence and serious personal injury cases. Further acquisition activity by the firm is expected, with the firm announcing a refinancing package in June 2024. This package includes an ‘acquisition fund’.

- Ison Harrison expanded its Leeds presence in July by acquiring Cohen Cramer, a firm specialising in personal injury, criminal, and regulatory law. This acquisition brings niche capabilities such as animal-related cases and dispute resolution, enhancing Ison Harrison’s ability to serve a diverse client base.

- In February 2024, Hugh James completed the acquisition of The Roland Partnership, a serious injury and CN practice based in Chester.

- In March 2024, Simpson Millar rescued PI practice Novum Law out of administration. Simpson Millar’s owner, Doorway Capital, was a creditor of Novum Law.

- Davies & Partners grew its presence in Gloucester by taking over Iacopi Palmer, boosting its CN and Court of Protection practices in particular.

- Law firm RWK Goodman acquired the current clients and files of Swindon-based SJ Edney & Co, which was a specialist PI and CN boutique firm. The acquisition follows the retirement of the company’s founder Seamus Edney.

- Frenkel Topping, a specialist financial and professional services firm, purchased North West Law Services Limited (NWL) in April 2024. Chester-based NWL is a firm of cost consultants which has 13 fee-earners and represents clients nationwide. The purchase forms part of Frenkel Topping’s plans to expand its activities in the PI and CN marketplace. The firm already owns several costs firms, including Partners in Costs Limited, Bidwell Henderson Costs Consultants Limited and A&M Bacon Limited.

Moves to employee ownership are also becoming more popular. Examples in the PI sector include Graystons, a law firm specialising in CN, opting for this model in July 2024. Earlier in the year, Neil Hudgell Ltd announced that the majority of shares in the company would be transferred to an Employee Ownership Trust (EOT).

As for closures and insolvencies, the highest profile name has been SSB Group Limited, which traded as SSB Law, and was placed into administration on 4th January 2024. Although it was dealing with PI and CN claims, the main reason behind its financial difficulties were the monies it borrowed to fund cavity wall claims.

Other firms closing include:

- Liverpool-based Accident Claims Lawyers Ltd
- Woodward Law Ltd following creditors calling in debts
- Hampshire-based Youngs Law. The firm specialised in PI, but also offered advice in other areas.
- Liverpool-based McDermott Smith Law, which handled a range of volume consumer claims, including claims for personal injury.

¹⁵Research by IRN Legal Reports. Acqaira Professional Services also helped inform this part of the report.

Claimants have their say

This section presents a selection of results from IRN’s latest 2024 survey of over 500 PI claimants. As with IRN’s previous surveys, these results highlight that digital platforms play an increasingly important role in reaching potential claimants.

Digital routes used the most to find an adviser and increasing in importance

PI claimants use various channels to find a legal adviser, with digital platforms continuing to grow in importance:

- When looking for an adviser, the largest group of PI claimants find an option from online advertising content. This includes, for example, Google adverts and advertisements on social media. In 2024, 22% of claimants used this content to find an adviser, up from 21% in 2023 and 18% in 2020.
- Search engines have become the second most important channel used by claimants, overtaking referrals from insurers. 19% of PI claimants now use search engines to find an adviser. This is up from 15% in 2023 and just 9% in 2019.
- 18% of PI claimants find their adviser via a referral from an insurer. This is unchanged from 2023.



- Use of digital comparison tools, such as consumer review and price comparison websites, continues to increase. In 2024, consumer review sites were used by 12% of PI claimants, up from 8% in 2023 and just 5% in 2020. Comparison websites were used by 7% of claimants, up from 5% in 2023.
- 14% of claimants found their adviser from TV/ radio advertising. This is up from 9% in 2023. This comes after a year when radio promotions for PI have increased.



- When the various channels used to find a legal adviser are divided into categories, the importance of online routes is clear. Furthermore, nearly all of these online channels have seen an increase in use over the last five years. In contrast, reliance on some traditional channels, for example advertisements in printed media and personal recommendations, has fallen.

The channels which claimants use to find a PI legal adviser are categorised below. This includes latest figures on the percentage of claimants who use these channels.

Channels which PI claimants use to find their adviser, broken down by category

Source: IRN Legal Reports Personal Injury Consumer Research Reports 2023 and 2024

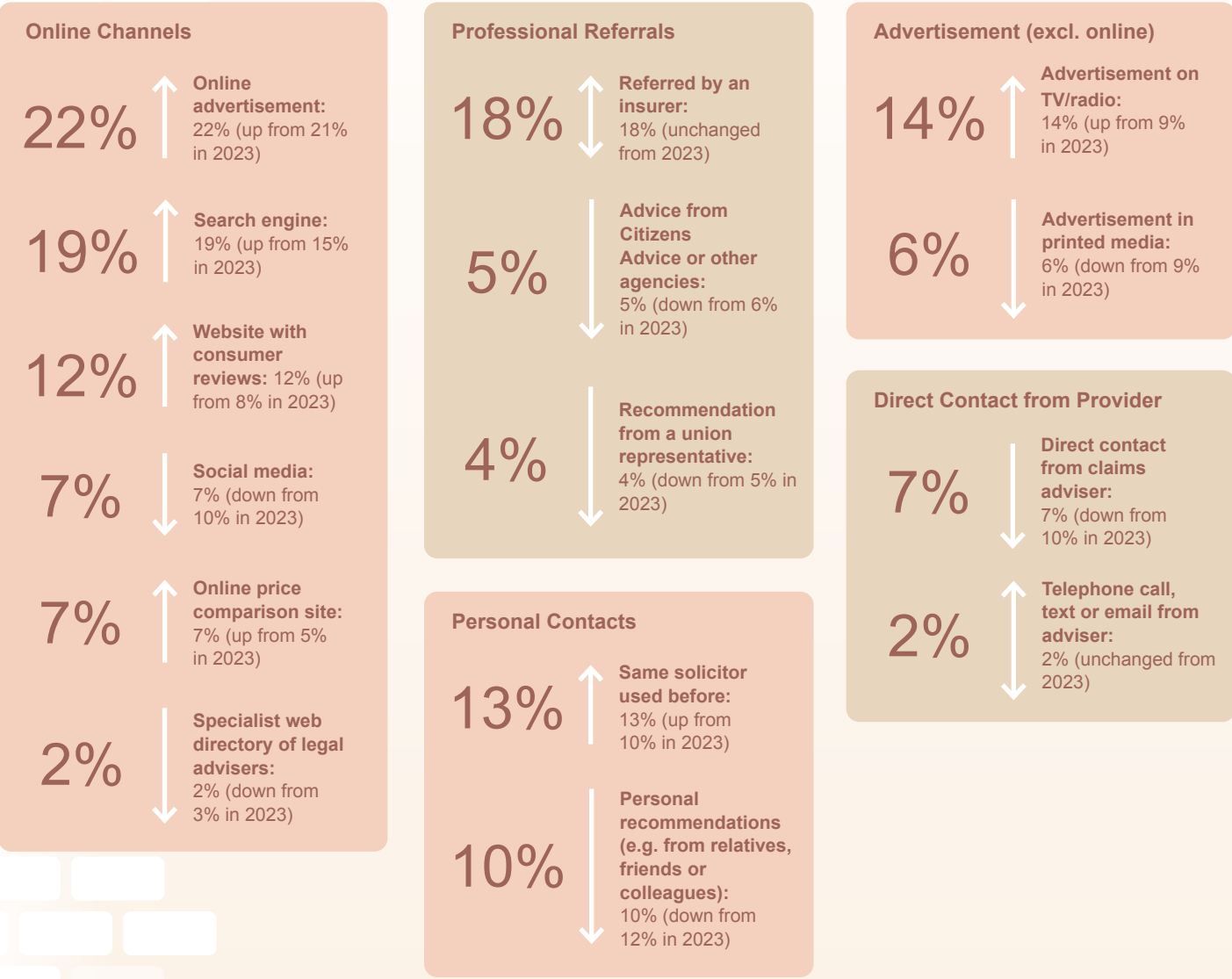
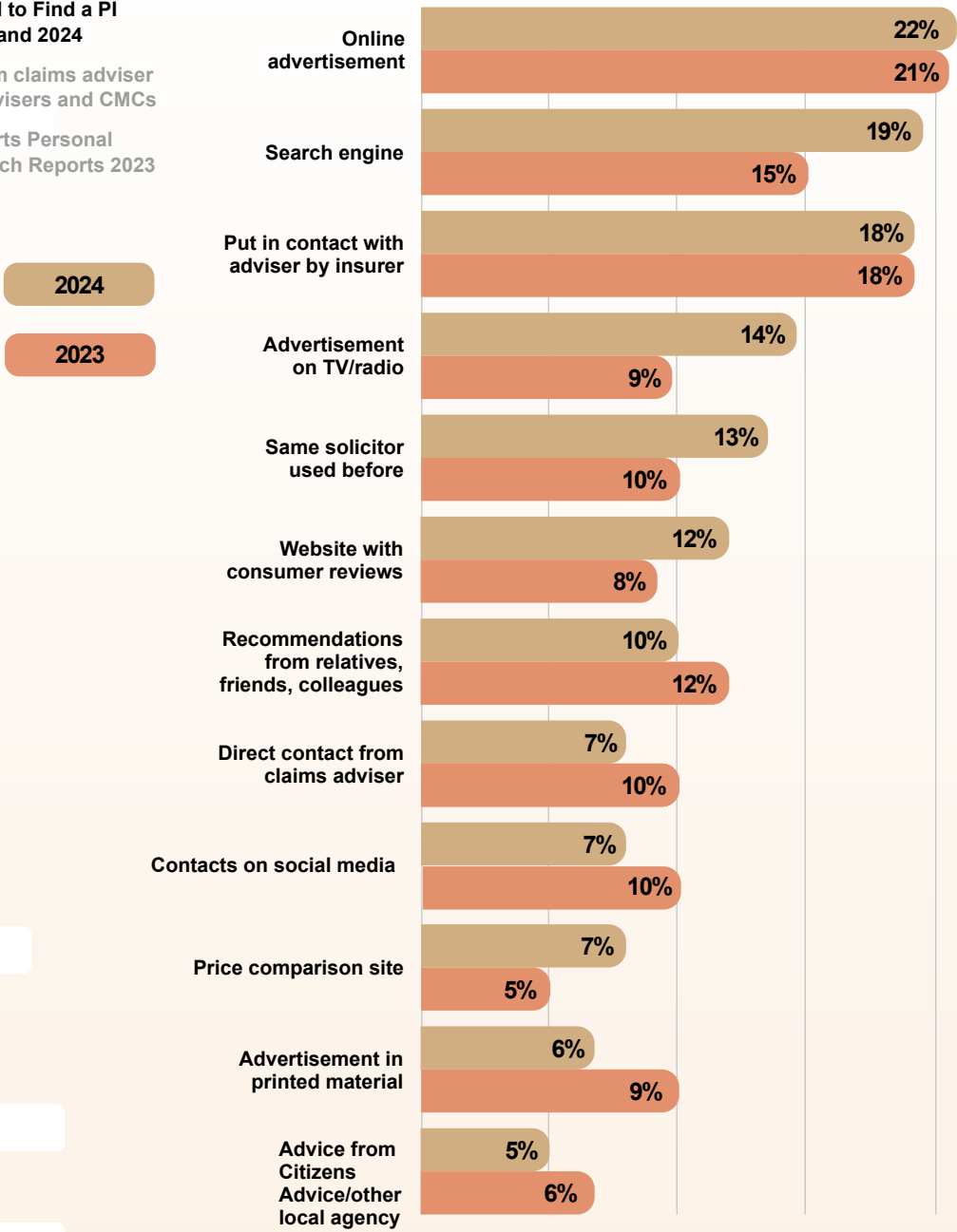


Figure 9: Channels Used to Find a PI Legal Adviser (%), 2023 and 2024

Note: Direct contact from claims adviser – includes individual advisers and CMCs

Source: IRN Legal Reports Personal Injury Consumer Research Reports 2023 and 2024



Over half of all compensation payments £5,000 or less

- In 2024, just over half (54%) of PI claimants received £5,000 or less in compensation. This is down from 58% in 2023. These claims would fall into the small claims limit for RTAs, while the small claims limit for other PI claims is £1,500.

54%
of PI claimants received £5,000 or less in compensation

- 25% of claimants received £5,001-£25,000 in compensation. A further 15% received between £25,001 and £100,000.
- 5% of claimants received more than £100,000 in compensation. This is up from 3% in 2023.

5%
of claimants received more than £100,000 in compensation.
up from 3% in 2023

- The median amount of compensation provided to claimants rose to £4,270 in 2024. This was up from £3,900 in 2023 – an increase of 9.5%.

£4,270
the median amount of compensation

Figure 10: Compensation Payments Value, 2023 and 2024

Source: IRN Legal Reports Personal Injury Consumer Research Reports 2023 and 2024

	2023	2024
Base:	310	268
Less than £1,000	12%	9%
£1,001 to £2,500	24%	22%
£2,501 to £5,000	22%	23%
£5,001 to £10,000	12%	14%
£10,001 to £15,000	8%	6%
£15,001 to £25,000	4%	5%
£25,001 to £50,000	7%	6%
£50,001 to £100,000	7%	9%
£100,001 to £250,000	2%	3%
More than £250,000	1%	2%
Don't know/would rather not say	1%	1%
Median compensation	£3,900	£4,270

The future

Further consolidation to provide opportunities for firms which can adapt

- With claims volumes remaining at depressed levels and fixed fees weakening margins, overall market growth is expected to be limited over the coming years. IRN forecasts market value growth of just 4% in 2025, with this increasing to 5% in 2026. However, for firms which can adapt to changing market conditions, further consolidation and some market growth provides opportunities to increase market share and revenue.
- Linked to the above, while some firms are looking to exit the market, firms with financial firepower will continue to grow, including through more mergers and acquisitions activity. This will drive further consolidation and lead to an increasing market presence for existing market leaders. An increasingly consolidated market may attract further external investment into the market, including from private equity, which will in turn drive further consolidation.

- Some smaller specialist firms which are able to focus on the limited number of high-value claims will also continue to be successful. However, only those firms with the necessary reputation, partnerships and expertise are likely to succeed in doing so. Consolidation will provide an opportunity for these firms to grow their share of the serious injury market.
- A number of larger firms are seeking to acquire smaller boutique firms specialising in high-value PI and clinical negligence claims. This could see some smaller specialist firms becoming part of larger groups, and increase consolidation in this part of the market.
- There are some debt issues in the sector. Ultimately, there is a risk that this results in a debt bubble which bursts. This could pose a risk to firms with high levels of borrowing.
- Firms are likely to make increased use of artificial intelligence (AI), particularly in the 'high-volume, low-value' part of the market. Applications include assistance with decision-making regarding case selection, reviewing records to quickly identify key information, and support with client interaction. Firms which have the financial resources and data required to make effective use of AI will be able to reduce costs and be provided with a competitive advantage. This could drive further consolidation.

- It is uncertain whether the 'justice gaps' emerging in the sector are ever likely to be bridged. Whether they are or not is likely to depend on if and how the government intervenes in the market over the coming years, and how effectively PI firms reach out to the significant pool of victims who do not currently claim. Key to this will be effective marketing which clearly shows how PI lawyers can address injured peoples' wants, needs, and concerns. These are highlighted at page 7 of this report.
- Continued delays in the courts system are likely to result in the increased promotion and use of arbitration and mediation. Delays in claims processing times also means more cash flow pressures for some firms waiting for final fees. These pressures, which are most acute in the serious injury and CN market, are likely to push further firms into leaving the sector.
- The recent increase to the personal injury discount rate has reduced lump sum compensation payments. This could make periodical payment orders (PPOs) more attractive to claimants.

- Further consolidation means that those working with law firms, including barristers, will increasingly need to focus on building stronger relationships with a smaller number of law firms.
- 'Integrated' services, where firms deal with the PI journey from start to finish, either directly or in partnership with other firms, are likely to become more common. As well as legal advice, these 'integrated' services include accident management, rehabilitation and treatment, medical reporting and financial planning services. This integrated model is likely to appeal to more providers as it can reduce costs, increase revenue and provide a better, more seamless service for clients. Other law firms, while not directly providing these services, are forming partnerships with other organisations, for example financial planning firms, to provide a similarly integrated service for clients.
- Following the 'whiplash reforms', insurers will continue to lobby for further changes to lower-value motor injury claims. They may use the new cross-government Motor Insurance Taskforce to promote their agenda. Changes proposed by insurers include a further increase to the small claims limit for motor injury claims and the extension of the 'whiplash reforms' to a greater range of injuries.

- Diversification into new claims areas will continue. These areas include, for example, claims relating to data breaches, financial mis-selling, abuse, housing repair, and rent compensation. The financial mis-selling claims market, in particular, is likely to be a target for growth.
- The previous government planned to introduce fixed recoverable costs (FRCs) for CN claims valued under £25,000. So far, however, the new Labour government has not announced its plans for FRCs and its intentions remain unclear. If FRCs come into play, some law firms are likely to decide that it is not financially worthwhile to take on these lower value claims. This will lead to further consolidation in this part of the market.

- The current government is looking at the drivers of clinical negligence costs and is reviewing a range of options around clinical negligence reform¹⁶. This could include legal reforms which may impact firms in the CN sector, including renewed proposals for fixed recoverable costs. Options proposed by defendant organisations include the introduction of fixed recoverable costs for CN claims up to £250,000¹⁷.
- APIL analysis shows that patient safety has significantly deteriorated in recent years. For example, NHS England data shows that patient safety incidents resulting in severe harm or death increased by 30% between 2012/13 and 2022/23. This could ultimately lead to an increase in enquiries about potential clinical negligence claims.

'Integrated' services, where firms deal with the PI journey from start to finish

Diversification into new claims areas will continue

Potential clinical negligence reform

building stronger relationships with a smaller number of law firms

insurers lobbying for further changes to lower-value motor injury claims

patient safety has significantly deteriorated in recent years

claims volumes remaining at depressed levels

fixed fees weakening margins

firms with financial firepower will continue to grow

more mergers and acquisitions activity

consolidation will provide an opportunity to grow

increased use of artificial intelligence

effective marketing which clearly shows how PI lawyers can address injured peoples' wants, needs, and concerns

cash flow pressures are likely to push further firms into leaving the sector

¹⁶see here see here

¹⁷see here

Many thanks

Many thanks to IRN for their insight into the market and these interesting conclusions. Whilst there is some modest growth in the overall market there remains some challenging issues for PI firms, including lower claims volumes and ongoing uncertainty about reforms. Despite these headwinds, it is possible that there will be opportunities to grow and increase market share for those firms able to adapt to the new market conditions.

For firms interested in conducting bespoke research with consumers (qualitative and/or quantitative), mystery shopping, or a strategic review of competitors and markets, Spinnaker Research & Consulting can help. A small, specialist and well-connected research consultancy, Spinnaker has over 20 years experience in the legal sector, specialising in bespoke market research for legal services providers. Clients include the SRA, The Law Society, the Bar Standards Board, APIL, Fletchers law firm and online information providers LexisNexis and Thomson Reuters. Whether you have a definite project in mind or are looking for a sounding board or informal discussion, please email info@spinnakerbusiness.co.uk.

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