



Building a Brighter Future
for Injured People

APIL Industry Report

March 2026



This report

Welcome to APIL's 2026 Industry Report, analysing key trends and developments in the personal injury market.

The report has been prepared by APIL in association with research agency IRN Legal Reports, with input from our panel of PI industry experts (see right). Our experts are drawn from APIL's Corporate Supporter law firms, alongside Jeff Zindani, managing partner of legal M&A broker Acqira Professional Services.

The report also draws on: selected content from IRN's three annual industry reports on the sector¹; selected content from IRN's 2025 consumer survey of PI claimants²; data from Freedom of Information (FOI) requests by APIL; and new opinion polling commissioned by APIL, exclusive to this report.

This report was written by John McGlade, senior research manager at APIL, and Rachel Rothwell, editor of APIL's PI Focus.

Many thanks to David Mort, of IRN Legal Reports, for his invaluable input and assistance with the development of this report.



John McGlade
Research manager
APIL



Rachel Rothwell
Editor
PI Focus

key trends and developments in the personal injury market

Our panel of industry experts



Richard Clark
Group chief executive officer
CFG Law



Jack Foran
Paralegal
Hodge Jones & Allen



Peter Haden
Chief executive officer
Fletchers



Stuart Hanley
Director of legal practice
Minster Law



Finley Levell
Trainee solicitor
Hodge Jones & Allen



Claire Leslie
Partner
Enable Law



John McQuater
Director of personal injury
Switalskis



Iona Meeres-Young
Head of PI & clinical negligence
Fieldfisher



Kim Milan
Head of personal injury
Boyes Turner



Fraser Oliver
Chief executive
Digby Brown



Henrietta Phillips
Head of legal services
Thompsons



Tracy Norris-Evans
Head of injury
RWK Goodman



Nils Stoesser
Chief executive officer
Slater and Gordon



Tracey Storey
Managing partner - personal injury
Irwin Mitchell



Quentin Underhill
Head of serious and catastrophic injury
Alderstone Solicitors



Stephen Webber
Head of individual clients
Hugh James



Jeff Zindani
Managing director
Acqira Professional Services

¹ UK Personal Injury Market Report 2025, UK Clinical Negligence Market Report 2025, UK Medico-Legal & Insurance Services Market Report 2025

² UK Personal Injury Consumer Research Report 2025

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A hostile environment



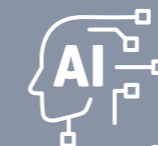
Mike Benner
Chief executive
APIL

The environment in which personal injury law firms operate is not an easy one.

Over the past 13 years, successive governments have targeted the sector with relentless reform, stripping away the recoverability of success fees, reducing compensation for soft tissue injuries, and extending the use of fixed recoverable costs (FRCs). There is no sign of such reform letting up, with the profession permanently in brace position, waiting for the next change.

Yet while government changes keep revenues suppressed, overheads are doing the opposite. The cost of insurance, employment, property and IT are all rising, leaving law firm margins squeezed, and threatening access to justice as a result.

How can law firms maintain profitability in such harsh conditions? Technology already plays a huge role, and this is set to get much bigger: automating routine tasks; speeding up document review; modelling predicted outcomes and settlement sums. Shrewd deployment of advanced technology, and artificial intelligence in particular, holds the key to sustainable revenue in this tough



artificial intelligence holds the key to sustainable revenue in this tough environment



firms are growing in size, often through external investment

environment. The difficulty is that such technology doesn't come cheap; and that explains the key finding in this report, that the PI market is experiencing continued consolidation. The number of firms is falling, while the combined share of the top-20 practices is rising. Firms are getting bigger, often through external investment; and they are using their size and strength to maximise the potential of digital solutions.

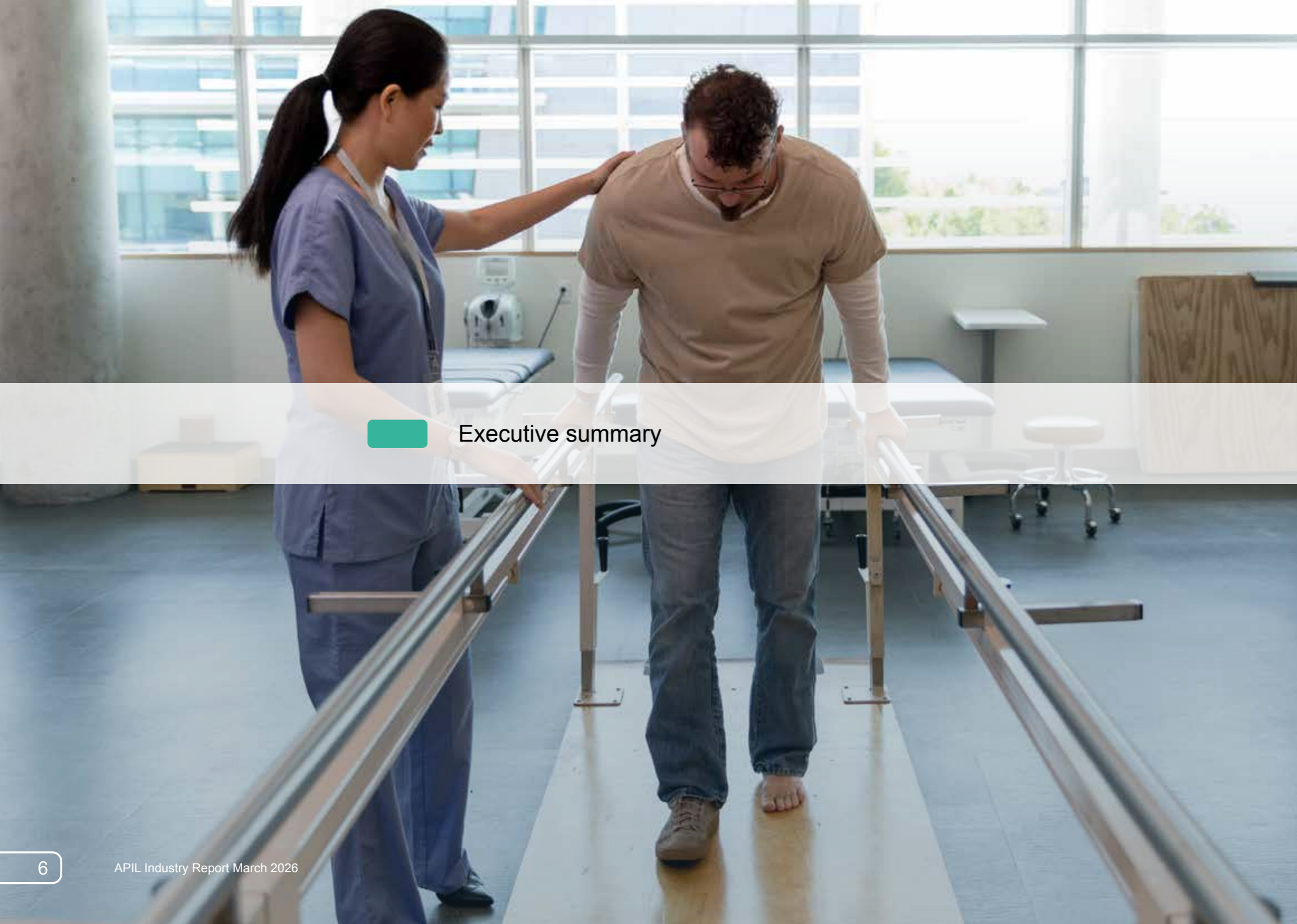
Despite the challenging environment, personal injury lawyers remain as committed as ever to the service of clients whose lives have been affected by negligence. At APIL, we continue to fight on their behalf to overturn an unfairly negative perception of PI lawyers in the eyes of policymakers: a misguided and damaging image problem that lies at the heart of continual government reforms aimed at reducing the sector, putting access to justice at risk for injured people.

Mike Benner

APIL chief executive



the combined share of the top-20 firms is rising



Executive summary

Executive summary

PI claims volumes fell to a record low in 2025

Market size

The personal injury market is growing, but slowly. In 2025 it was worth an estimated £5.42 billion; representing 5% growth compared to 2024. As in previous years, the strongest growth came from clinical negligence, and was mainly due to more high-value cases reaching settlement³.

A shadow looms behind this modest growth, however, as claims volumes are falling. The latest figures from the Compensation Recovery Unit (CRU) show that total PI claims volumes fell to a record low in 2025, and are dramatically below pre-pandemic levels. Since 2019, the total number of PI claims has more than halved, with motor injury and employer liability claims hardest hit. Clinical negligence claims have held up best, with their numbers fluctuating since the pandemic but showing no clear upward or downward trend.

This fall in claims is also evidenced in APIL research which reveals a widening justice gap, with more people suffering injury, but fewer going on to claim. Further research conducted on behalf of APIL towards the end of last year revealed a sizeable untapped market for personal injury claims; with nearly a third of UK adults having been injured or made ill by someone else's negligence, and yet 44% took no action towards making a claim. According to the research, negligence victims are most likely to be persuaded to approach a lawyer if it helps their recovery, for example by providing access to rehabilitation.

Market trends

Consolidation continues apace in the PI market, with the number of law firms in the sector now falling to 442; a 37% decline in numbers since 2019/20. Meanwhile the bigger players are rapidly gaining strength, with the top-20 firms now enjoying a combined market share of more than 50%.

Sustained consolidation activity throughout 2025 has been driven by a combination of scale economics, marketing efficiency, private equity capital and strategic regional expansion. M&A transactions during the year point to a clear and accelerating trend towards platformed consolidation by a small number of well-capitalised national claimant groups; increasing private equity involvement, particularly in firms with strong marketing engines and scalable case management infrastructure; and vertical integration strategies aimed at controlling lead generation and client acquisition costs.

More consolidation is expected throughout 2026, particularly in clinical negligence, serious injury and high-value personal injury, where scale, capital and specialist expertise are becoming decisive competitive advantages.

Alongside the rise of private equity-backed national platforms, another market success story is the performance of high-value boutique specialists. These firms focus on complex, high-margin work, often driven by referral networks, deep expertise and strong personal reputations. Despite their smaller size, they remain highly attractive acquisition targets thanks to their margins and specialist capability. They predominantly operate at the complex end of the market.

"This is not a story of terminal decline, but of a market being reorganised around different strengths and different routes to success."

Jeff Zindani
Acqira Professional Services

Annual growth

While the personal injury market is growing, it is doing so slowly, increasing by just 5% in 2025.

The strongest growth in the market came from clinical negligence.

442
Law firms

50%+
Top 20 firms combined share

44%
took no action to claim

³ Market value estimates provided by IRN Legal Reports

Impact of technology

Much of the consolidation trend is driven by the desire to invest heavily in digital infrastructure that can then confer considerable competitive advantage. Investment in workflow automation, digital onboarding and client-facing technology is widening the performance gap between scaled platforms and traditional firms.

Challenges include the safe management of data, the high pace of technology advances, the risk of errors such as AI-related hallucinations, and the challenge of integrating software with existing and future systems.

While generative AI tools and advanced workflow platforms are still relatively expensive, these costs are reducing, with new med-legal platforms specifically built for PI and clinical negligence now emerging that have pricing, integration and implementation models designed to sit within the reach of well-run boutique firms.

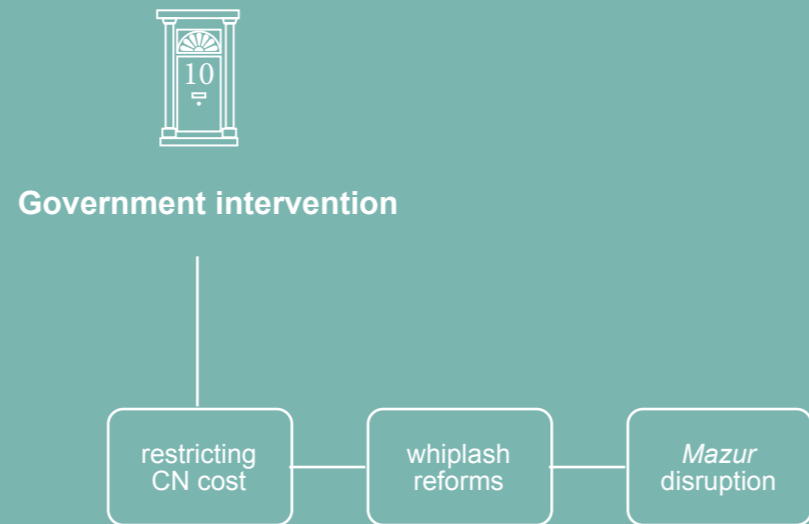
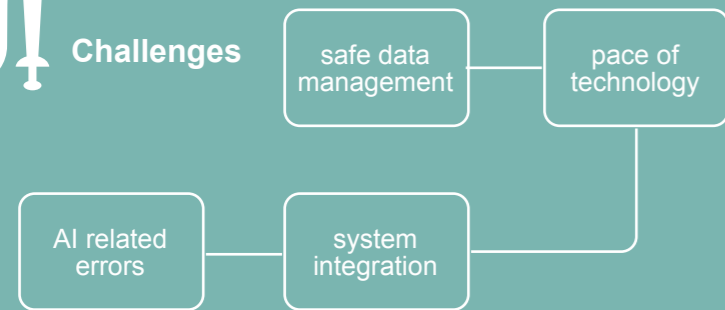
“The biggest shift we could make is to improve the terrible reputation the industry suffers from, entirely unfairly.”



Peter Haden Fletchers



Challenges



External influences

Looming large above the PI market is the prospect of further government intervention. Reforms aimed at restricting clinical negligence legal costs are widely expected in future, while a review of the ‘whiplash reforms’ may lead to broader changes for the ‘low-value’ RTA sector.

In the face of such reforms, PI experts see the need to improve the image of the industry in the eyes of policymakers and the public as a key priority, highlighting the benefits that PI lawyers can bring in improving the lives of injury victims and helping them return to work.

The industry will also be closely watching an important Court of Appeal decision in the case of *Mazur v Charles Russell Speechlys* [2025] EWHC 2341, in the hope that it will bring clarity over the extent to which non-authorized fee-earners can be involved in litigation. The High Court ruling caused significant disruption to the business models of many PI firms.



How will the PI market look in the next ten years?

A view from Nils Stoesser, chief executive officer of Slater and Gordon

How the market will look in the next ten years will be driven by what the regulators, judiciary and different stakeholders who are constantly interfering in the way the personal injury market works, want it to function. There’s been a lot of change over the past 15 years or so, a lot not good from the claimant’s point of view. So that’s a big caveat to anything, if you’re looking forward.

I’m hoping that the claimant legal industry will be allowed to operate more commercially, in a viable way that makes it a proper counterweight to defendants; who ultimately are largely the government, in the form of the NHS, or the insurance industry. Both are very well capitalised compared to a claimant law firm so at the moment given all the changes, it doesn’t seem to be very balanced in favour of

ultimately an individual who has had harm done to them. You have the undertone that claimants are bringing claims unjustifiably, and this is why these changes need to be made, but my view is that this was very much at the edges, if at all, and in the meantime individuals who need the support of the law are suffering and having their recompense eroded.

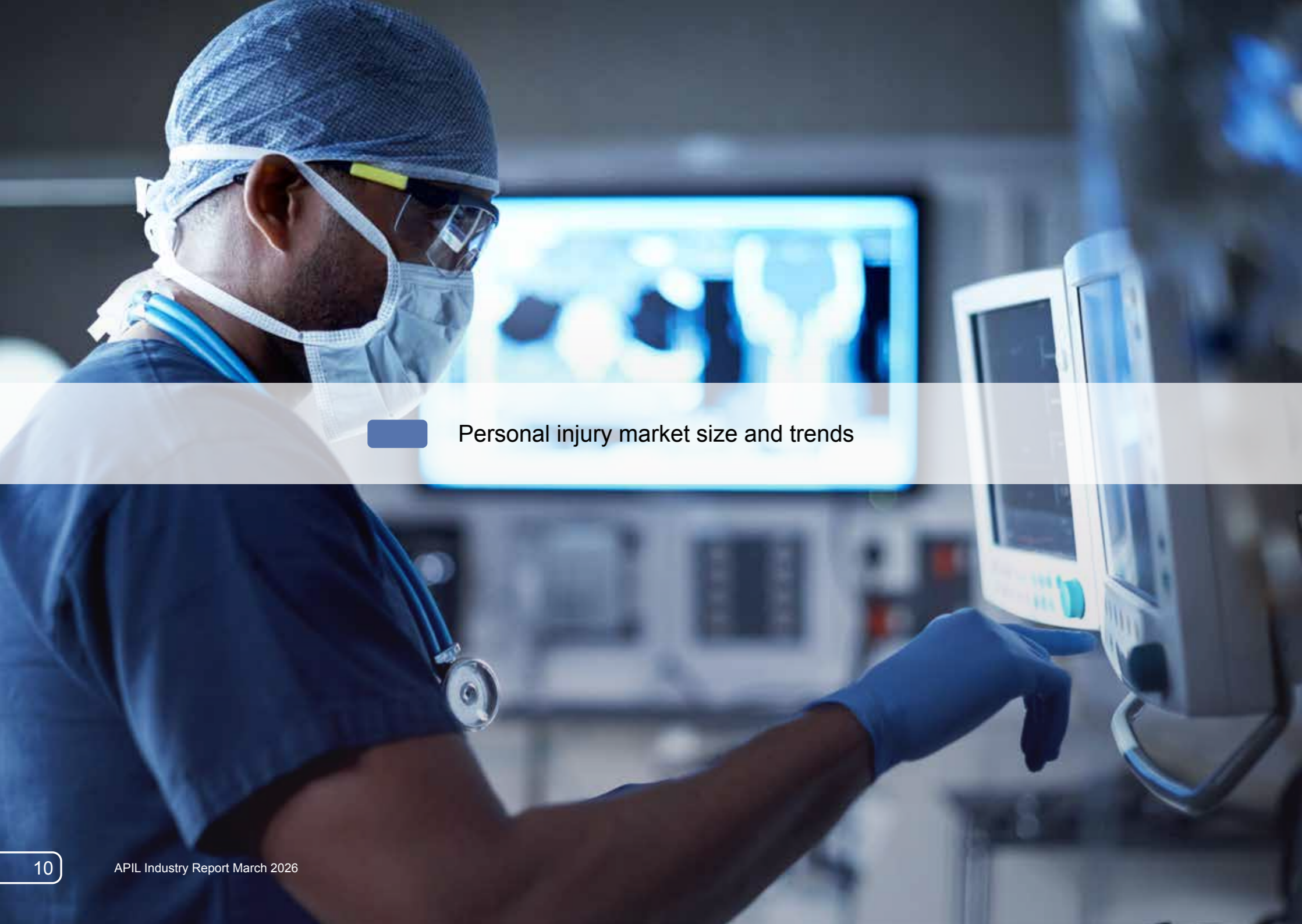
What does this mean for law firms and the marketplace? I do think inevitably that this will drive further consolidation, also by the fact that you are getting private equity and institutional money with increased interest; but I don’t see this as being a mass consolidated industry, with only a few major providers in a 10-year time horizon. The market is still too fragmented and localised for this. There will still be boutiques or smaller outfits operating.

I’m also interested to see how the interplay between claims management companies and law firms evolves. I’m not a lawyer, but I find it interesting that people are willing to effectively pay non-lawyers to manage their claims, even though lawyers will do so for basically the same charges. There seems to be a lack of understanding by the client base as to what they are really paying for. I’m hoping we can improve that understanding, as I think that will help all stakeholders, and address the perception issue referenced previously, which remains a major barrier to ensuring proper access to justice.

So for me, the structure of the industry, and the understanding of it and what we really represent, will be very important. Hopefully we can make good progress on this front, so that as an industry, we’re able to represent and support our clients appropriately, and ensure that the law firms are making the right levels of profit. In terms of the underlying profitability of claimant law firms, they haven’t really made a lot of money over the past ten to fifteen years; and that for me is not a good sign that things are working appropriately, particularly when the insurers, on the other hand, are the inverse.

I’m hoping the claimant legal industry will be allowed to operate more commercially

2036



Personal injury market size and trends

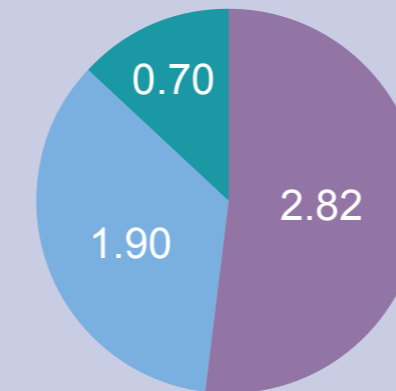
Market value



£5.42bn
Total market value

The personal injury market was worth an estimated total of £5.42 billion in 2025; growing by 5% compared to 2024. The market comprises three segments (see figure 1), with personal injury (PI) excluding clinical negligence making up 52% of the market; clinical negligence comprising 35%, and medico-legal and insurance services (MLIS) forming 13%⁴.

Figure 1: Total market value 2025, (£billion)
Source: IRN Legal Reports



Personal injury
Clinical negligence
MLIS

Future annual growth for the PI market looks set to be at a similar level to 2025

The strongest annual growth came in clinical negligence, where market value increased by 10% in 2025 compared to 2024. This continued the trend seen in the previous report and was mainly due to more high-value cases reaching settlement, and some increase in legal fees.

The PI market segment saw modest growth at 2.5%, while the MLIS sector grew by 3.0%.

IRN's provisional market value forecast suggests that, for the overall PI market, future annual growth will be at a similar level to 2025, with the clinical negligence sector continuing to show the strongest growth.

PI + 2.5%
MLIS + 3.0%



The PI market segment saw modest growth at 2.5%, while the MLIS sector grew by 3.0%.

+10%
strongest annual growth came in the CN market



Expert panel view: Mazur

In September 2025 a High Court ruling in *Mazur v Charles Russell Speechlys* [2025] EWHC 2341 sparked uncertainty within the PI sector and beyond, over the extent to which non-authorised fee-earners can be involved in litigation. Our expert panel observed that the confusion caused by *Mazur* had presented a significant challenge for many PI law firms. RWK Goodman's Tracy Norris-Evans commented that many firms were forced to 'hit the breaks' overnight and 'take stock of what work was being conducted, and by whom'. The outcome of a leapfrogged appeal heard in February 2026 will be crucial to the sector in clarifying how the reserved legal activity of 'conducting litigation' should be interpreted and applied, and what role can be played by unauthorised staff.

the confusion caused by *Mazur* has presented a significant challenge for many PI law firms

⁴Market value estimates provided by IRN Legal Reports

The scale of negligence and the untapped market

Our previous opinion polling highlighted that there is a significant untapped market of injured individuals that PI firms have yet to reach.

For this year's report we commissioned Opinium to undertake updated opinion polling to understand more about what these victims of negligence do after their injury, including who they approach for support, and what influences their decision-making.



7.5 million

estimated number of potential negligence victims in the UK who have never claimed



Only one in five approached a PI lawyer to make a compensation claim



22% say their insurer helped them submit a compensation claim

A significant untapped market

The scale of negligent illness and injury is significant. In the opinion polling, conducted towards the end of 2025, close to a third of UK adults said they had been injured or become ill because of someone else's negligence⁵.

However, only a fraction of these individuals go on to claim compensation, and even fewer approach a PI lawyer. Of those who said they were victims of negligence:

- Only one in five approached a PI lawyer to make a compensation claim
- 22% say their insurer helped them submit a compensation claim
- 15% say they tried to make a compensation claim on their own, without any support.
- 44% did *not* claim

As a result, there are an estimated 7.5 million potential victims of negligence in the UK who have never claimed compensation. An even greater number of these victims – 13.7 million – have never approached a PI lawyer. Among those victims injured in the past year alone, an estimated 1.9 million have not approached a PI lawyer⁶.

This indicates the potential scale of the untapped market and the size of the 'justice gap' facing victims of negligence.

"We have to think about how best to showcase the impact we have on those we support."



Richard Clark
CFG

Why does this untapped market not approach a PI lawyer?

Opinium asked this 'untapped market' about the reasons why they did not approach a PI lawyer. The responses showed that a lack of understanding about what a PI lawyer can do to aid their recovery, and concerns about the cost of a lawyer, are key barriers. Addressing these perceptions will be key if firms are to address the justice gap in PI.



15% say they tried to make a compensation claim on their own, without any support



44% did not claim

Reasons why victims of negligence did not approach a PI lawyer⁷



What would persuade the untapped market to approach a PI lawyer?

To help understand how firms can reach out to the untapped market of victims who do not approach a PI lawyer, Opinium asked these people what PI lawyers could do to make them more likely to claim. Similar to last year's research, this revealed that an overwhelming majority of these individuals (83%) could have been persuaded to approach a PI lawyer.

The results also show that, if firms are to successfully reach out to this group, they must show how they can meet injured people's wider needs and priorities – a focus on monetary compensation is not sufficient. Firms will also need to address concerns about the stress and costs involved with the claims process. The full results can be found on the right.

"We need to promote, confidently and with pride, the valuable work we do... and continue to attract and inspire talent to our sector."



Stuart Hanley
Minster Law

Victims of negligence who do not approach a PI lawyer – what could a PI lawyer do to make them more likely to make a claim with a PI lawyer ⁸	% of victims selecting more likely
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 that show how they had helped similar people rebuild their life after an injury / illness	67%
If the PI lawyer supported me to make the process as stress-free as possible	63%
If the PI lawyer could assure me my claim would be resolved quickly	62%
If the PI lawyer dealt with me in a caring and compassionate way	61%
If the PI lawyer demonstrated their experience as a legal professional	60%
If the PI lawyer explained the amount of money I could receive in compensation	59%
If the PI lawyer clearly explained how much their services would cost me	57%
If the PI lawyer explained that claiming could help me get 'justice' for the harm caused to me (i.e. hold those responsible to account / get answers about who was responsible)	54%

⁵ Opinium research commissioned by APIL. Total sample size was 5,000 adults. Fieldwork was undertaken between 27 Nov – 9th Dec 2025. Respondents were provided with a brief description of negligence to assist them with answering the question

⁶ APIL analysis of Opinium research and UK mid-year population estimates published by Office for National Statistics

⁷ Results based on 1,244 victims of negligence who did NOT approach a PI lawyer

⁸ Ibid

Impacts of negligence

Overcoming the justice gap is of vital importance given the significant and wide-ranging impacts that victims of negligence face as a result of their injury / illness:

- 52% were more anxious, could not enjoy their hobbies or went out less to see friends and family
- 43% had to take sick leave from their job or had to reduce hours at work
- 36% were in constant pain
- Just 7% said they were able to carry out their day-to-day activities as normal
- 62% were unable to carry out day-to-day activities without help

These findings demonstrate the pressing need for more of these victims to seek and find legal support to help deal with these impacts.

"I do not see technology and AI being able to replace the trust and relationships we build with our clients any time soon."



Claire Leslie
Enable Law

Insights into claimants' views and experiences of PI lawyers

For this year's report, we also looked at the views and experiences of people who had approached a PI lawyer for support. Our questions looked at how these people viewed PI lawyers, what factors influenced their choice of PI lawyer, and how important compensation was in helping them address the impacts of negligence.



52%
were more anxious, could not enjoy their hobbies or went out less to see friends and family



62%
were unable to carry out day-to-day activities without help

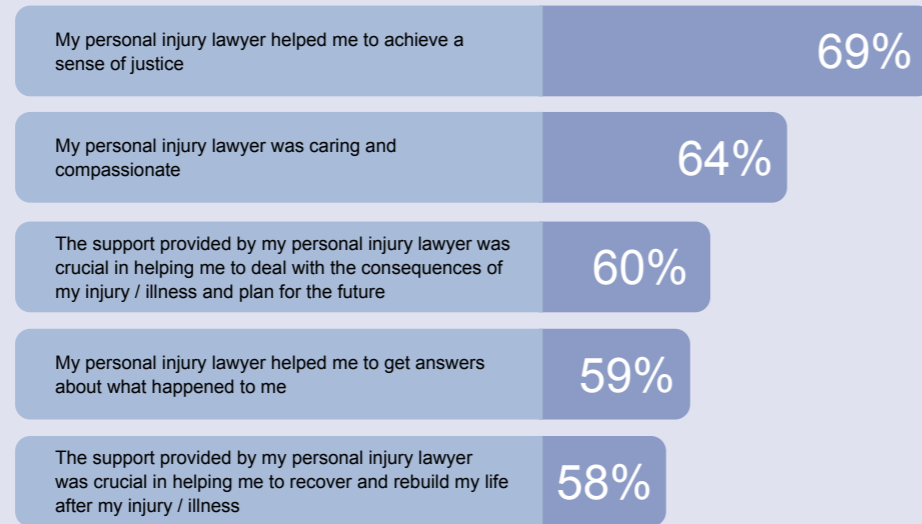
Views of PI lawyers

Negative perceptions of PI lawyers among the public remains a significant issue for the sector. However, we wanted to understand how these perceptions compare to the views of people who have actually come into contact with PI lawyers.

Opinium's polling of those who approached a PI lawyer found their perceptions stood in polar contrast to the wider public - contact with a PI lawyer transforms people's perceptions. The results also demonstrate the value and vital importance of the support that PI lawyers provide.

Would they recommend a PI lawyer?
Opinium asked these people if, based on their own experience, they would recommend that other victims approach a PI lawyer. The results were overwhelmingly positive. Among those victims who approached a PI lawyer:

People who approached a PI lawyer: how did they view their lawyer?⁹



⁹ Results based on 314 victims of negligence who approached a PI lawyer

- 86% would recommend that other people injured due to negligence should approach a PI lawyer for help
- This rose to 90% among those whose compensation claim had been successful

How did they perceive their PI lawyer?

Those who approached a PI lawyer were also asked about how they viewed the PI lawyer they chose, and the support their PI lawyer provided:

- 64% said their PI lawyer was caring and compassionate. This rose to 67% among those whose compensation claims were successful.
- 69% said that their PI lawyer helped them to achieve a sense of justice. This rose to 79% among those whose compensation claims were successful.
- 60% said the support provided by their personal injury lawyer was crucial in helping them deal with the consequences of their injury / illness. This rose to 66% among those whose compensation claim was successful.



86%
would recommend that other people injured due to negligence should approach a PI lawyer for help



64%
said their PI lawyer was caring and compassionate



The importance of compensation

Opinium's polling found that compensation is of fundamental importance to the people who receive it.

Of those who received compensation for their injuries, 82% said this was important in helping them to purchase equipment such as wheelchairs or other mobility aids, deal with reduced or no income, or fund care and treatment. Breaking this down:

67% said compensation was important in allowing them to deal with reduced or no income

63% said compensation was important in helping them fund the care and treatment of their injuries

48% said compensation was important in allowing them to purchase equipment they needed due to their injuries, for example mobility aids

Attacks on access to compensation risk putting this vital financial lifeline in jeopardy.

¹⁰ Results based on 314 victims of negligence who approached a PI lawyer

"Lawyers will need to offer flexible, tech-enabled communication while maintaining empathy and trust."



Kim Milan
Boyes Turner

What prompted these victims to approach a PI lawyer and what influenced their choice of lawyer?

Victims who approached a PI lawyer were asked if there was anything that prompted them to do this. The results show that friends and family, as well as trusted organisations such as charities or trade unions, play a key role in determining whether or not a victim approaches a PI lawyer. For example, 44% of people who approached a PI lawyer said they were prompted to do so by a friend's experience with a PI lawyer, or by a conversation with a friend or family member.

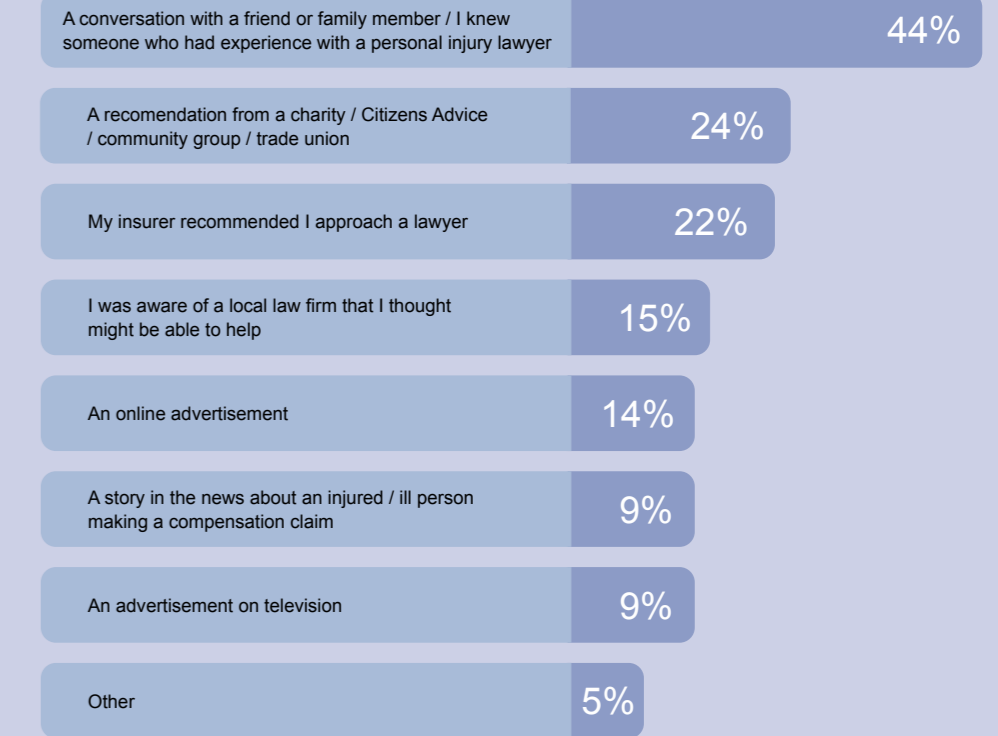


44%
who approached a PI lawyer were prompted to do so by a friend's experience

82%

who received compensation said this was important in helping them to purchase equipment, deal with reduced income, or fund care

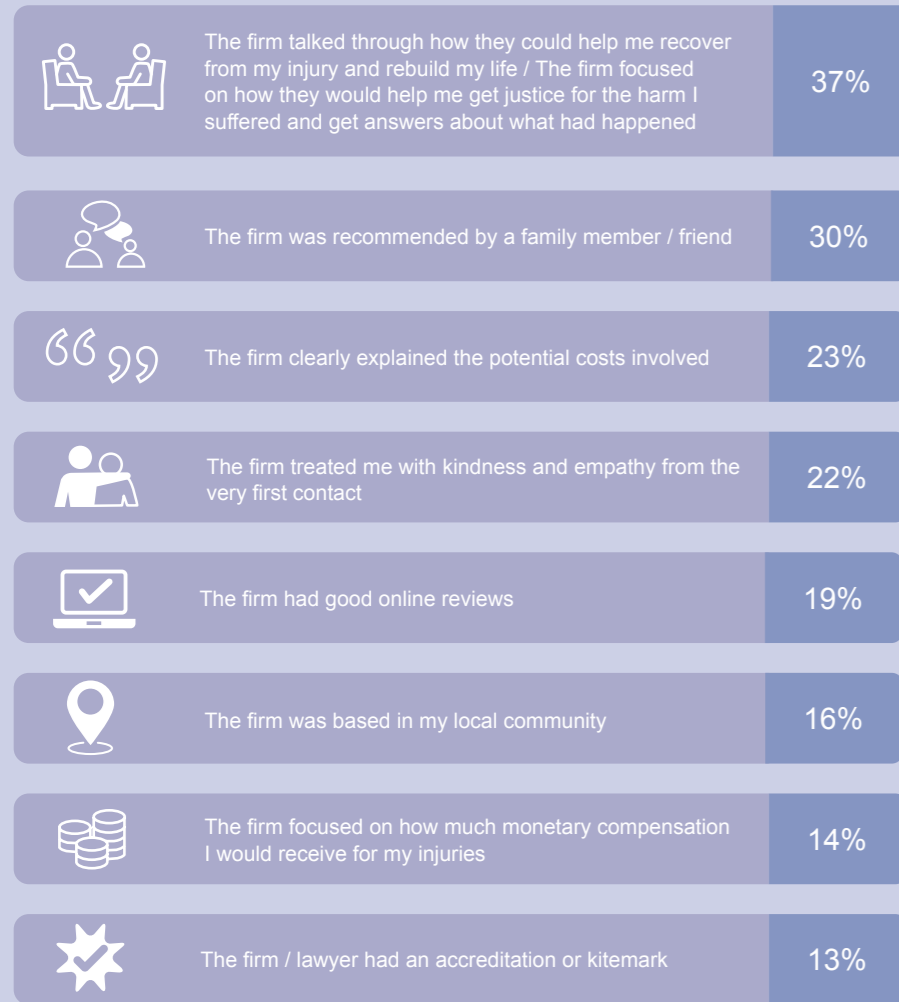
What prompts victims of negligence to contact a PI lawyer¹⁰



Those who approached a PI lawyer were also asked about what convinced them to choose the particular law firm they ultimately selected. Their responses show that a firm's focus on non-financial outcomes, such as getting 'justice', and personal recommendations, are key in influencing people's choice of PI lawyer.

Factors influencing people's choice of PI firm/ lawyer¹¹

%
who said this
influenced their
choice of PI
lawyer/ firm



Expert panel view: *“ ”*
new sources of claim

Our expert panel identified a number of developments that may give rise to individuals needing the support of PI firms in the medium term. Technology advances such as autonomous vehicles will inevitably result in claims, as could the use of robotics in surgery. Fieldfisher's Iona Meeres-Young said: 'Robotics and AI will introduce novel liability issues, while increasing reliance on health technology and AI in care provision raises risks of negligence claims linked to data misuse.'

RWK's Tracy Norris-Evans highlighted a potential new area of specialism relating to the effect of cyber-attacks: 'Disruption of large-scale systems such as Cloudflare or Amazon Web Services last year saw some industries grind completely to a halt while things were fixed. On a more localised scale, specific attacks to systems could give way to injuries and incidents due to operational downtime of critical infrastructure: for example, a cyber-attack leading to rail signals being unusable, and any resulting incidents from that.'

Enable Law's Claire Leslie pointed to psychiatric or financial losses from data breaches as a claims area likely to grow in future. She said: 'As data becomes increasingly sensitive and digital systems more widely used, the impact of a data breach can be profound from a psychiatric harm perspective. In our practice we are already seeing increasing numbers of cases where confidential information was disclosed during child adoption proceedings, resulting in psychiatric injury to the proposed adoptive parents, and the costs associated with

needing to relocate. Given the heightened awareness of data protection rights and growing reliance on case management systems, I anticipate this will be a growing specialist area.'

Psychiatric injury resulting from data breach will be a growing area of claim

Kim Milan of Boyes Turner suggested further growth areas for claims could include 'musculoskeletal or mental health claims' arising from remote working or hybrid work arrangements not being properly risk assessed. Other areas identified by expert panel members include new disease claims, for example relating to historic use of food additives, and injuries stemming from regulatory failures in the gig economy. The panel also noted that demand for expert evidence and rehabilitation services is rising, creating opportunities for partnerships and vertical integration.

Although not a new area of claim, Acquia's Jeff Zindani pointed out that complex PI and clinical negligence are one of the sector's few consistently resilient bright spots, against a general backdrop of declining claims volumes: 'Higher-value claims, deeper technical expertise and more defensible margins make these areas particularly attractive to acquisitive firms and investor-backed platforms,' he said.

¹¹ Ibid

Claims volumes

Latest data from the Compensation Recovery Unit (CRU) shows that total PI claims volumes fell to a record low in 2025. As a result, volumes remain dramatically below pre-pandemic levels.

Since 2019, the total number of personal injury claims has more than halved, falling by 51%. When compared to a decade ago, these claims volumes have dropped by 60%. Motor injury and employer liability claims have been hardest hit by this collapse in claims, with motor injury claims falling to a record low in 2025. Between 2019 and 2025, motor claims fell by 57%, while employer liability claims fell by almost half (49%).

Despite public liability claim volumes showing signs of recovery in 2024, these dropped back again in 2025. As a result, they have fallen by almost a quarter (23%) since 2019 (ie. pre-pandemic).

Annual clinical negligence claims volumes have fluctuated following the pandemic, with no clear upward or downward trend. For example, 2021 and 2024 saw these claims rise above pre-pandemic levels, while 2022 and 2023 saw clinical negligence claims fall back to below pre-pandemic volumes.

2025 saw a continuation of this fluctuation, with clinical negligence claims volumes reducing when compared to the previous year. Nevertheless, clinical negligence remains the only area of the market where claims volumes are roughly similar to pre-pandemic levels. In 2025, 15,528 clinical negligence claims were registered – just 3% below the number of claims seen in 2019.

total PI claims volumes fell to a record low in 2025

¹² Data obtained via an APIL freedom of information request made to the CRU (excludes Northern Ireland)



60% fall
in total number of personal injury claims compared to a decade ago



57%
fall in motor claims between 2019 and 2025



employer liability claims fell by almost half



15,528
clinical negligence claims registered – just 3% below the number of claims seen in 2019

Clinical negligence volumes have fluctuated with no clear upward or downward trend

Number of personal injury claims registered with CRU¹²

	Clinical negligence	Employer	Motor	Other	Public	Not known	Total
2013	18,273	100,832	795,100	15,609	103,654	2,226	1,035,694
2014	17,360	107,166	759,673	13,481	101,144	1,880	1,000,704
2015	19,512	96,414	803,782	12,813	99,048	1,953	1,033,522
2016	16,769	71,317	758,139	16,164	81,839	1,731	945,959
2017	17,664	67,395	683,218	21,990	91,142	1,427	882,836
2018	17,405	88,043	667,377	8,688	92,487	2,562	876,562
2019	15,933	86,996	653,983	7,400	77,255	1,859	843,426
2020	12,666	48,071	495,373	5,167	55,362	1,440	618,079
2021	17,425	44,484	398,051	4,469	52,526	865	517,820
2022	14,696	43,346	370,645	4,267	51,610	405	484,969
2023	14,918	44,296	352,230	7,152	57,372	734	476,702
2024	16,540	45,497	328,637	10,214	65,950	945	467,783
2025	15,528	44,129	282,427	11,006	59,509	724	413,323

Government intervention in clinical negligence and beyond

Increasing scrutiny of clinical negligence costs could pave the way for government intervention in this area.

Last October, a National Audit Office (NAO) report found that these costs had increased significantly over the past two decades, and that 'no government has succeeded' in controlling these costs. This was followed by a House of Commons Public Accounts Committee (PAC) inquiry, whose conclusions were published in January. The committee said the Department of Health and Social Care (DHSC) had 'failed to take any meaningful steps to tackling... rising costs'. The committee also called on the government to clarify its position on a fixed recoverable costs scheme for lower-value clinical negligence cases, and recommended that it develop 'alternative dispute mechanisms'.

Further, both the NAO and PAC reports attacked the right to claim compensation for private treatment and care. In response to these developments, the government stated that rising clinical negligence costs 'are of great concern'.

Meanwhile David Lock KC, on behalf of the DHSC, is currently leading a review into 'all aspects' of clinical negligence. This includes legal costs, options for alternative dispute resolution, other international models, and how compensation is currently calculated to take into account the costs of *private* treatment and care. The government has said the results of this review will inform future policy-making. As a result, potential government proposals could affect both legal costs and compensation, and may not be limited to fixed recoverable costs for 'lower-value' clinical negligence claims.



A parliamentary committee has criticised clinical negligence costs



A review will consider 'all aspects' of clinical negligence

Further reform

The government is also currently reviewing the 'whiplash reforms'; which insurers will use as an opportunity to call for more damaging changes to low-value RTA claims. This includes calls for a further increase to the small claims limit for these claims, and an extension of tariff-based compensation to more types of injuries. As a result, the risk of future reform to this part of the market cannot be entirely precluded.

"Coming up with a cost-effective solution for funding catastrophic PI and clinical negligence claims will be essential."



Stephen Webber
Hugh James

Justice gaps

The 'justice gap' facing injured people has continued to widen, with more victims not going on to seek compensation. These justice gaps continue to be at their widest in the motor injury and EL claims sectors.

In the motor injury claims area, the number of road injury victims claiming compensation has collapsed since the whiplash reforms came in. In 2024, the number of motor injury claims was down by 34% when compared to 2020, the year before the reforms were introduced. During the same period, the number of reported road injuries was up by 11%. More people are being injured on the roads, yet far fewer are going on to claim. In the fourth quarter of 2025, this justice gap widened further, with motor injury claims falling to a new record low.

The justice gap facing workplace injury and illness victims is also widening. In 2024/25, 854,000 workers suffered a work-related injury which led to more than seven days' absence, or became ill because of their work. This is up 34% since 2018/19. Over the same period the number of EL claims fell by 51%.

During the past year, this picture worsened. While these injuries and illnesses increased by 14% between 2023/24 and 2024/25, the number of claims fell by 1%. More workers are becoming ill or being injured because of their work, yet there are fewer claims.

APIL's research into the causes of this justice gap found that law firms are seeing fewer people approach them with a potential EL claim. Where victims do approach a lawyer, these potential claims are less likely to be taken forward for a range of reasons:

- EL lawyers who responded to APIL's survey highlighted that victims who approached them feared claiming compensation would put their job at risk or make their work life more difficult. These fears have grown in recent years due to greater economic insecurity and cost of living pressures. APIL's research found these fears deterred victims from taking their claim forward or prevented them from approaching a PI lawyer in the first place. Some employers are also pressuring people not to claim. In one case highlighted to APIL, an employer even offered money to the victim to dissuade them from making a claim.



the number of motor injury claims was down by 34% when compared to 2020



854,000 workers suffered a work-related injury/illness in 2024/25

justice gaps continue to be at their widest in the motor injury and EL claims sectors



Asking claimants to cover the shortfall in these costs deters injured workers from taking their claim further



EL lawyers highlighted that defendant behaviour has become more aggressive

- More potential EL cases are becoming unviable to run because of a failure to increase fixed costs in line with inflation. This means the cost of running a case is increasing, but the amount that can be recovered is not. For example, to take into account inflation, fixed costs for portal cases now need to be uprated by 42%. Asking claimants to cover the shortfall in these costs deters injured workers from taking their claim further, especially when balanced with the fear of losing their jobs. As inflation continues to increase, this situation will only worsen.
- EL lawyers highlighted that defendant behaviour has become more aggressive. In particular, increased use of fundamental dishonesty allegations has made clients fearful and intimidated them into not taking their claims forward. When combined with anxiety about how claiming will affect their employment, these fears are likely to act as a powerful disincentive to pursuing a claim.

This demonstrates that, similar to the picture in the motor claims sector, policy and legislative changes are key to explaining the justice gap for EL claims.

Expert panel view: *🗣️* fundamental dishonesty

Our expert panel identified defendant behaviour in relation to allegations of fundamental dishonesty as an important issue for the PI sector.

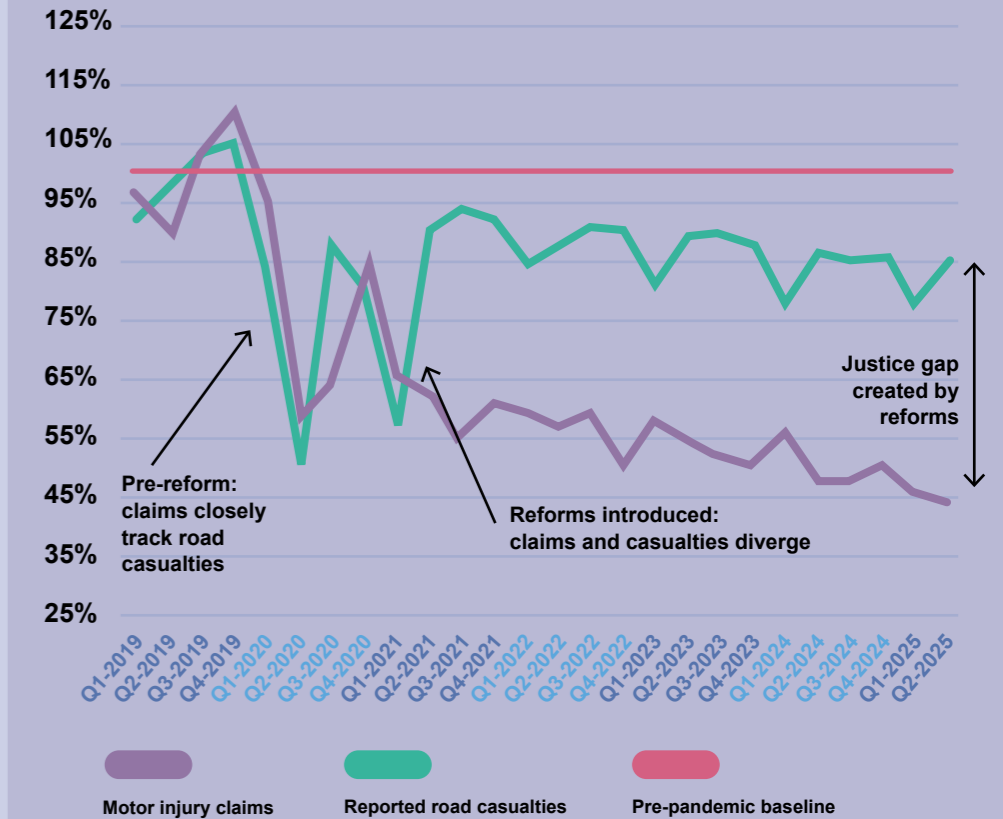
Thompsons' Henrietta Phillips observed that government reforms have imposed harsh penalties on claimants for fundamental dishonesty, 'where defendants face no consequences for unsubstantiated allegations which can have the effect of deterring honest claimants from pursuing claims'.

Stephen Webber of Hugh James added: 'I see the way defendants allege fundamental dishonesty as being a significant issue. It is often being alleged when it is inappropriate, and this seems to be tactical to put more pressure on the claimant - often when they are vulnerable, and in the most serious cases. This needs to be monitored carefully to ensure it is only being alleged in appropriate cases, and there should be consequences in costs when alleged inappropriately.'

Switalskis' John McQuater added that the 'pernicious and corrosive' impact of the current law on fundamental dishonesty is a key challenge for the sector, particularly 'the extent to which that inappropriately dissuades honest people from pursuing meritorious claims and criminalises, without due process, users of the civil justice system'.

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





How will the PI market look in the next ten years?

A view from Henrietta Phillips, head of legal services at Thompsons

The outlook for injured people is of concern; access to justice is being denied with the pressure on recoverability of costs and disbursements making many cases financially unviable for firms. As a result we expect to see continuing closure and consolidation of personal injury firms. Leaving aside the firms which limit themselves to the highest value claims, the firms that are able to undertake a wider range of personal injury claims and provide access to justice for more clients will be those that are able to attract and develop talented lawyers and maximise efficiencies through the use of technology.

The majority of Thompsons' work continues to be on behalf of trade union members. Trade union legal services will have to adapt to meet the challenges, but we are confident that unions and their panel law firms will continue to provide vital legal assistance to injured trade union members and their families.

Most claimants without trade union backing who are able to secure representation will continue to face significant deductions from their compensation to cover success fees, ATE premiums, and unrecovered costs.

It seems unlikely that other forms of funding or representation will fill the gaps:

- The changes recommended by the Civil Justice Council's Review of Third Party Funding are welcomed, but it is likely that even where this funding is available for personal injury claims, it will continue to come at a cost to claimants.
- While the government promotes greater use of before-the-event (BTE) insurance for claims, it seems unlikely that insurers will address the current shortcomings of BTE, including restrictive terms for panel firms, low indemnity limits, and persistently poor uptake of the insurance.

The absence of unrepresented claimants on the Official Injury Claim (OIC) portal signals a bleak future for those unable to secure representation. 'Unbundled' legal services could offer partial solutions, but regulatory risks deter most firms so it seems unlikely these services will feature heavily in the market.

In relation to the pace of digital and technological change, it is inevitable that firms will automate parts of the personal injury claims process and increase their use of AI. We also hope to see improvements in the court process as the MoJ develops its digital solutions for issuing proceedings, case management and perhaps managing hearing lists.

2036

Personal injury market size and trends

key insights



- A The personal injury market is growing, but slowly - with the strongest growth in clinical negligence
- B A considerable untapped market exists, with potential claimants not coming forward to make claims
- C Negligence victims are more likely to claim when they understand how this can help their recovery
- D Technology developments will bring new areas of claim, for example due to data breaches, cyber attacks or robotics



Market structure

Market structure

Firm and practitioner numbers

Analysis of data from the Solicitors Regulation Authority (SRA), Bar Standards Board (BSB), and the Chartered Institute of Legal Executives (CILEX) shows that the number of PI firms and practitioners continues to fall.

In 2024/25, the number of SRA-regulated law firms that said more than half of their turnover was related to PI advice was 442. In the last five years, 260 firms have left the PI sector, representing a 37% decline in numbers since 2019/20.

“All lawyers must be able to thrive in an environment where they can quickly adapt and take the best advantage of rapidly emerging new tools.”



Tracey Storey
Irwin Mitchell

At the start of December 2024, 1,181 barristers were working in PI as their main area of practice. Numbers have declined by 22% since 2019, when there were over 1,500 barristers active in PI.

In 2025, the number of CILEX members working in PI was 2,271; a decrease of 43% since 2019.

The number of PI law firms in Scotland and Northern Ireland has also fallen in recent years, though to a lesser extent.

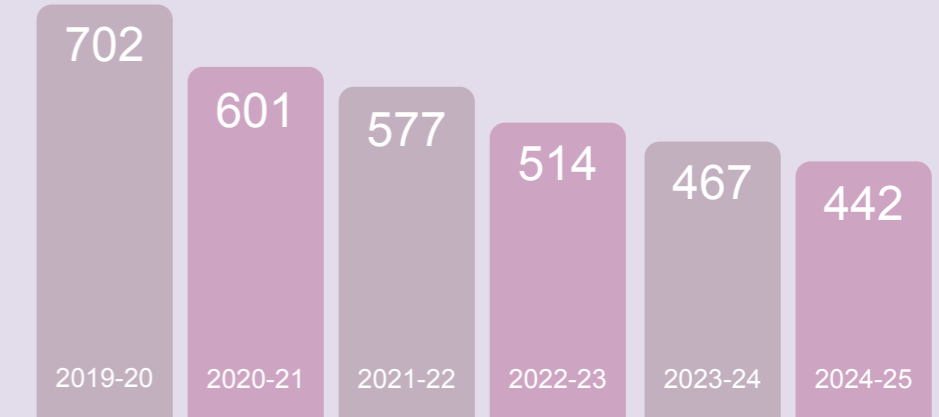
Data from the law societies in Scotland and Northern Ireland shows that in Scotland in 2025, there were 763 firms working in PI; down from 815 in 2023, and 860 in 2021. In Northern Ireland in early 2026, there were 381 firms offering PI legal advice, down from 399 in 2023 and 419 in 2021.



442 law firms

said more than half of their work was related to PI advice

Number of SRA-regulated PI firms, 2019/20 to 2024/25



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

Source: SRA

Barristers/CILEX members working in PI, 2019 - 2025



Source: Bar Standards Board/CILEx Regulation

Market shares

Claims volumes

Alongside a drop in the number of law firms operating in the sector, the combined market share of the top-20 law firms is increasing, based on PI claims registered. The latest analysis exclusive to this report shows that the top-20 PI law firms (by claim volumes) have increased their combined share to almost 55%, from 53% in 2023/24, 52% in 2022/23 and just 45% in 2021/22.

The top-20 firms are listed in figure 2. Carpenters continues to dominate, with a 14.1% share of all claims where a legal representative was used. The next largest is Minster Law, with a 4.7% share, and Admiral Law with a 4.5% share.

“The shakeup of the status quo gives practices an opportunity to reshape themselves to become a truly modern firm.”



Tracy Norris-Evans
RWK
Goodman



a drop in the number of law firms operating in the sector



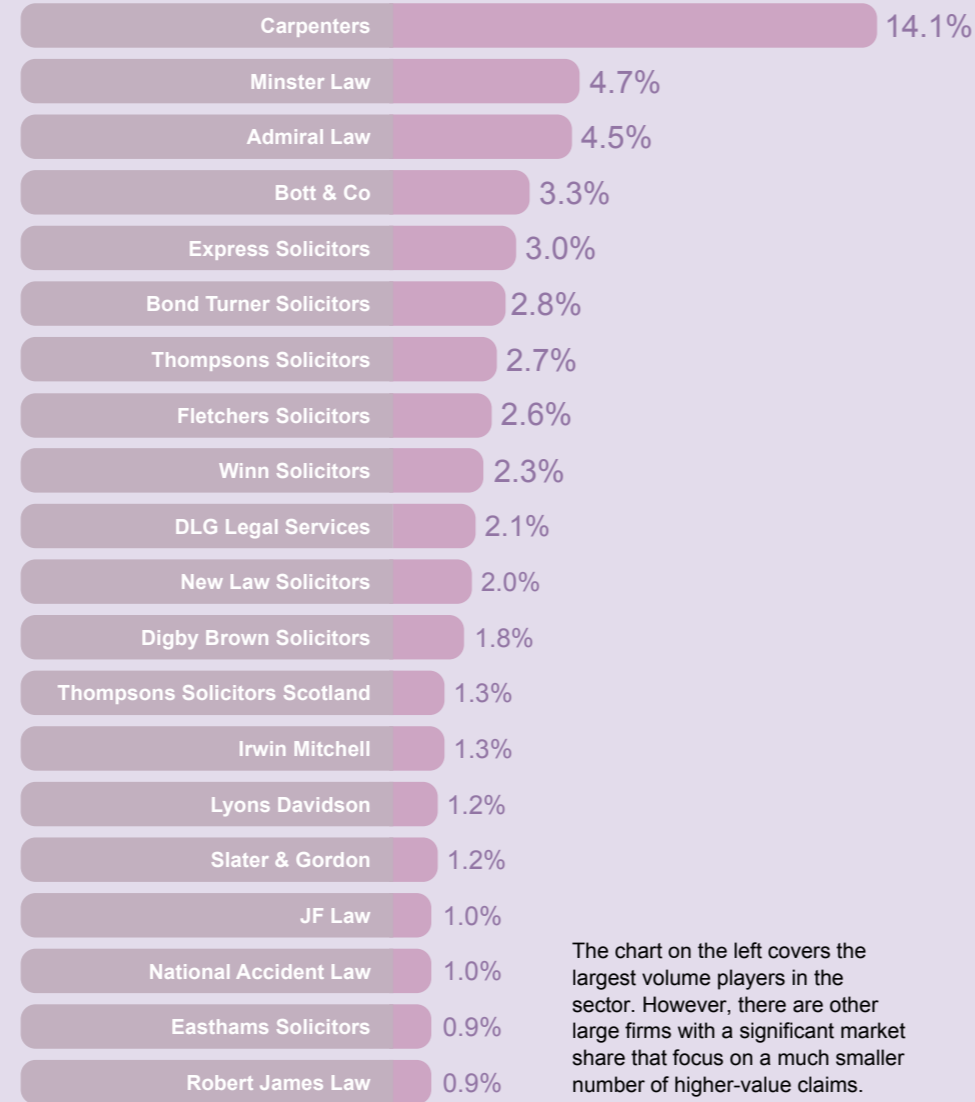
the top-20 PI law firms (by claim volumes) have increased their combined share to almost **55%**



Irwin Mitchell has the largest share of the clinical negligence market

Figure 2: PI claims registered by top 20 firms (% share of claims where a representative was used), 1st April 2024-31st March 2025

Source: CRU, from FOI request by APIL. Excludes Northern Ireland.



The chart on the left covers the largest volume players in the sector. However, there are other large firms with a significant market share that focus on a much smaller number of higher-value claims.

Clinical negligence

In October 2025, APIL submitted a Freedom of Information (FOI) request to NHS Resolution (NHSR) which generated data on the top-20 clinical negligence claimant law firms, based on the amount of claimant legal costs paid:

- Irwin Mitchell continues to have the largest market share when measured by the value of claimant costs paid, with £88.9 million paid in 2024/25. This represents 14.3% of all clinical negligence claimant costs paid. The next largest firm, Fletchers, had a 6.4% market share. Taken together, these two firms now represent a fifth of the market, and both increased their market share when compared to the previous year.
- In 2024/25, the above two firms had a combined total of 2,557 cases where legal costs were paid (Irwin Mitchell: 1,248, Fletchers: 1,309). While Irwin Mitchell ran fewer cases than Fletchers, it generated more legal costs from these claims.
- When compared to 2020/21, firms that have significantly increased their market share include Fletchers (market share up from 3.8% to 6.4%) and Switalskis (market share up from 1.1% to 2.8%).
- Claimant costs paid to the top-20 firms reached £332.1 million in 2024/25, up from £280.2 million in 2023/24 and £201.6 million in 2020/21.
- In 2024/25, the top-20 firms generated these costs from 5,628 claims. As a result, for these top-20 firms, costs per case stood at an average of just over £59,000. This is up from just over £55,000 in 2023/24 and around £45,000 in 2020/21.
- When measured by claimant costs paid, the top-10 firms had a 41.4% market share in 2024/25, up from 40.4% in 2023/24 and 35.2% in 2020/21. The top-20 firms had a market share of 53.5% in 2024/25. Following 2023/24, this is only the second year that the top-20 firms have secured over half of this market. These findings confirm the trend towards further consolidation in the clinical negligence sector.

£88.9m
largest share
representing 14.3% of all clinical negligence claimant costs paid

£39.5m
2nd largest share
representing 6.4% of all clinical negligence claimant costs paid

2,557
Cases run by the top-two firms

£59,000
average costs per case

41.4%
market share for the top 10 firms

NHSR claimant costs paid to top-20 CN claimant firms, 2024-25

Source: NHS Resolution from FOI request by APIL. Covers England only.

Firm	Claimant costs paid	Number of cases with a claimant legal costs payment	Estimated market share (by claimant costs)
Irwin Mitchell	£88,921,372	1,248	14.3%
Fletchers	£39,515,398	1,309	6.4%
Fieldfisher	£23,988,361	187	3.9%
Slater & Gordon	£18,118,496	380	2.9%
Switalskis	£17,288,533	261	2.8%
Thompsons	£16,630,362	269	2.7%
Leigh Day	£15,189,844	207	2.4%
Stewarts Law	£12,939,225	73	2.1%
JMW	£12,451,027	244	2.0%
Enable Law	£11,985,694	159	1.9%
Shoosmiths ¹³	£11,267,503	193	1.8%
Penningtons Manches Cooper	£9,455,682	126	1.5%
Hugh James	£8,323,782	86	1.3%
Bolt Burdon Kemp	£8,060,366	80	1.3%
Hudgell	£7,721,675	233	1.2%
Simpson Millar	£7,711,196	215	1.2%
Price Slater Gawne	£7,038,735	98	1.1%
Gadsby Wicks	£5,438,853	68	0.9%
Tees Law	£5,019,850	109	0.8%
Thomson Snell & Passmore	£4,997,866	83	0.8%
SUB-TOTAL TOP 20 FIRMS	£332,063,820	5,628	53.5%

¹³ Fletchers acquired the serious injury practice of Shoosmiths in July 2025 (this follows the period covered by this data)

M&A activity

By M&A consultant Jeff Zindani of Acquire Professional Services



Publicly recorded M&A and market activity

1 January 2025 to present (March 2026)

The claimant personal injury and clinical negligence market has continued to experience sustained consolidation activity throughout 2025, driven by a combination of scale economics, marketing efficiency, private equity capital and strategic regional expansion. What follows is a summary of notable transactions and trends.

Fletchers Group

Fletchers Group has remained one of the most acquisitive platforms in the sector, continuing to build a vertically integrated claimant services group.

In January 2025, Fletchers announced the acquisition of Scott Rees & Co Solicitors, a well-established claimant firm employing approximately 97 staff. The deal materially strengthened Fletchers' presence in the North West and added scale across both personal injury and clinical negligence disciplines.

In March 2025, specialist legal marketing group Blume acquired Claims.co.uk to enhance its lead-generation capabilities for law firms operating in the personal injury and clinical negligence market. Blume is a legal marketing and lead services provider that Fletchers Group had previously acquired or partnered with as part of its broader growth strategy. This transaction forms part of Fletchers' wider vertical acquisition strategy, aimed at controlling more of the client acquisition and marketing value chain rather than relying solely on external introducers.

In June 2025, Fletchers acquired the clinical negligence business of Sheldon Davidson Solicitors. This bolt-on acquisition added experienced fee-earners and a mature caseload, reinforcing Fletchers' position as a leading national clinical negligence provider.

In July 2025, Fletchers completed the acquisition of Shoosmiths' serious injury practice, involving around 80 staff including eight partners. This was a strategically significant team-lift from a top-50 commercial firm, accelerating Fletchers' move further up the value chain into complex, high-value catastrophic injury litigation, and materially enhancing its senior legal bench strength.

In February 2026, Fletchers announced it had secured 'long-term' backing from an affiliate of its private equity investor owner, Sun Capital. Through the further funding, Fletchers and Sun Capital will work together for another 4-5 years. At the same time, the firm said its core personal injury and clinical negligence practice would be subject to organic growth and further mergers in order to cope with increasing caseloads.

Express Solicitors

Express Solicitors has pursued a dual strategy of regional consolidation and private equity-backed scale-up.

In April 2025, it acquired HNK Solicitors in Liverpool, a regional claimant firm employing around 25 staff. In the same month, it also acquired Graham Coffey & Co in Manchester, adding around 20 more staff. Both acquisitions strengthened Express's footprint across the North West and added incremental caseload, supervision capacity and local brand presence.

In November 2025, Ufenau Capital Partners acquired a majority stake in Express, which at the time employed approximately 830 staff. The transaction marked one of the largest private equity investments into a UK claimant firm to date (financial terms undisclosed). The investment is widely viewed as a platform deal, intended to support continued national consolidation, systems investment and further bolt-on acquisitions. Express has since signalled an ongoing appetite for regional expansion and team-lift opportunities.

Minster Law

Earlier this year Minster Law reported turnover of £43 million and a return to profitability, driven by growth in serious injury work. It aims to more than double revenue to £100 million in the next five years through organic growth, a new London office and selective acquisitions. This could set up a real clash of the titans in the sector, with insurance-backed Minster competing directly with increasingly well-funded, PE-backed law firms.

Other market activity

Beyond the two most active consolidators, a steady flow of mergers, team lifts and boutique acquisitions has continued across the country, reflecting both succession planning pressures and the increasing compliance and cost burden on smaller firms.

In April 2025, employee-owned firm Ison Harrison acquired Armstrong Luty's personal injury practice, establishing a new presence in Skipton and extending its Yorkshire footprint.

In July 2025, Neil Hudgell & Co acquired the clinical negligence team and work of Newcastle firm Freemans Solicitors, strengthening its regional reach in the North East and consolidating its position as a specialist national claimant brand.

Also in July 2025, Bridge McFarland merged with Hetts Johnson Whiting, creating a larger regional player with enhanced litigation capability and broader practice depth.

In October 2025, Augustines Injury Law joined the VVW brand, representing a further example of smaller specialist claimant firms seeking shelter within larger, diversified legal services groups.

Despite the overall positivity in the sector, issues such as debt and funding pressures continue to surface.

In early February 2026, the SRA intervened in 11 firms within the PM Law group after its sudden closure. The firms handled a substantial volume of PI cases and the collapse affected hundreds of staff.

At the end of February 2026, North-West PI firm AWH Solicitors announced it was winding down after its litigation funder withdrew support. The firm filed a notice of intention to appoint administrators and began transferring live cases to other firms. Ironically, AWH had previously taken on many cases from collapsed industrial disease firm Roberts Jackson, underlining the ongoing financial pressures in the sector.



Market Observations

Taken together, these transactions illustrate a clear and accelerating trend towards:

- Platform-led consolidation by a small number of well-capitalised national claimant groups
- Increasing private equity involvement, particularly in firms with strong marketing engines and scalable case management infrastructure
- Vertical integration strategies aimed at controlling lead generation and client acquisition costs
- Continued pressure on smaller and mid-sized claimant firms to seek strategic partners or exit routes

The volume and profile of these deals suggest that further consolidation is highly likely through 2026, particularly in clinical negligence, serious injury and high-value personal injury, where scale, capital and specialist expertise are becoming decisive competitive advantages.

2025-26

Expert panel view: More consolidation ahead

There is the possibility of even larger private equity funds buying up the PI firms owned by private equity

Focusing in on a specialism will be the key

Our expert panel predicted the consolidation trend to continue in the medium term, with the market shrinking in volume, but consolidating around large firms and niche specialists.

Enable Law's Claire Leslie said rising operational costs and the need for sustained investment in technology is already leading to smaller practices being bought out by bigger firms; a trend that will continue as pressure on costs recovery increases, alongside the cost of running claims. Alderstone's Quentin Underhill agreed that further legislative reform and fixed costs will 'continue to drive consolidation'. He added: 'We'll see less claimant and defendant firms and the sector will be dominated by specialist practitioners. A few large firms, relying on technology and AI, will take on the lower-value work. The best opportunities will go to well organised, specialist firms with highly experienced teams of expert lawyers ready to take a share of the serious and catastrophic injury work.'

Fletchers' Peter Haden added: 'We will continue to see consolidation among lawyers and law firms, as the benefits of being able to invest at scale in improving the quality of support firms can offer clients play through. This has started in the last 5 years, but still has a long way to go.'

Hugh James's Stephen Webber also predicted fewer, but larger, firms. He said: 'It is likely there will be further investment by private equity depending on the success of the initial investment in PI firms that has

occurred recently. There is the possibility of even larger private equity funds buying up the PI firms owned by private equity; and this is likely to lead to further consolidation. The success or otherwise of this investment will have a large effect on the market.'

CFG's Richard Clark commented that the number of firms that currently say they do PI work is 'huge'. He said: 'Especially when you're dealing with the most serious, life-changing injuries, clients and their families need to know their legal team has the experience, knowledge and skills to get them the best possible outcome. Consolidation is essential to ensure those affected by injury have access to the very best legal support as quickly as possible.'

RWK Goodman's Tracy Norris-Evans predicted that the market is facing a decade which is likely to be 'defined by consolidation and a move away from a generalist approach'. She added: 'Focusing in on a specialism is going to become the key.'

Acquia's Jeff Zindani added: 'Larger firms with capital and digital infrastructure are significantly outperforming smaller practices. Investment in workflow automation, digital onboarding and client-facing technology is widening the performance gap between scaled platforms and traditional firms. Smaller PI firms face mounting pressure from limited funding for technology, marketing and operational change. This is accelerating consolidation, alongside a growing number of quiet department closures, off-market caseload disposals

and confidential succession-led exits... Consolidation is no longer a background trend. It is now the defining structural force in PI and clinical negligence. The rise of well-resourced, private equity-backed PI platforms has changed both the scale and tempo of market activity.'

The next decade will be defined by consolidation and a move away from a generalist approach

Market structure

key insights



A

The number of firms doing substantial amounts of PI work has fallen significantly

B

The strong trend towards consolidation means the top-20 firms now enjoy a market share of over 50%

C

Aside from growing in scale, another successful strategy for firms is to become more specialist

D

The rise of well-resourced firms backed by private equity has considerably accelerated the pace of M&A activity



Claimants have their say

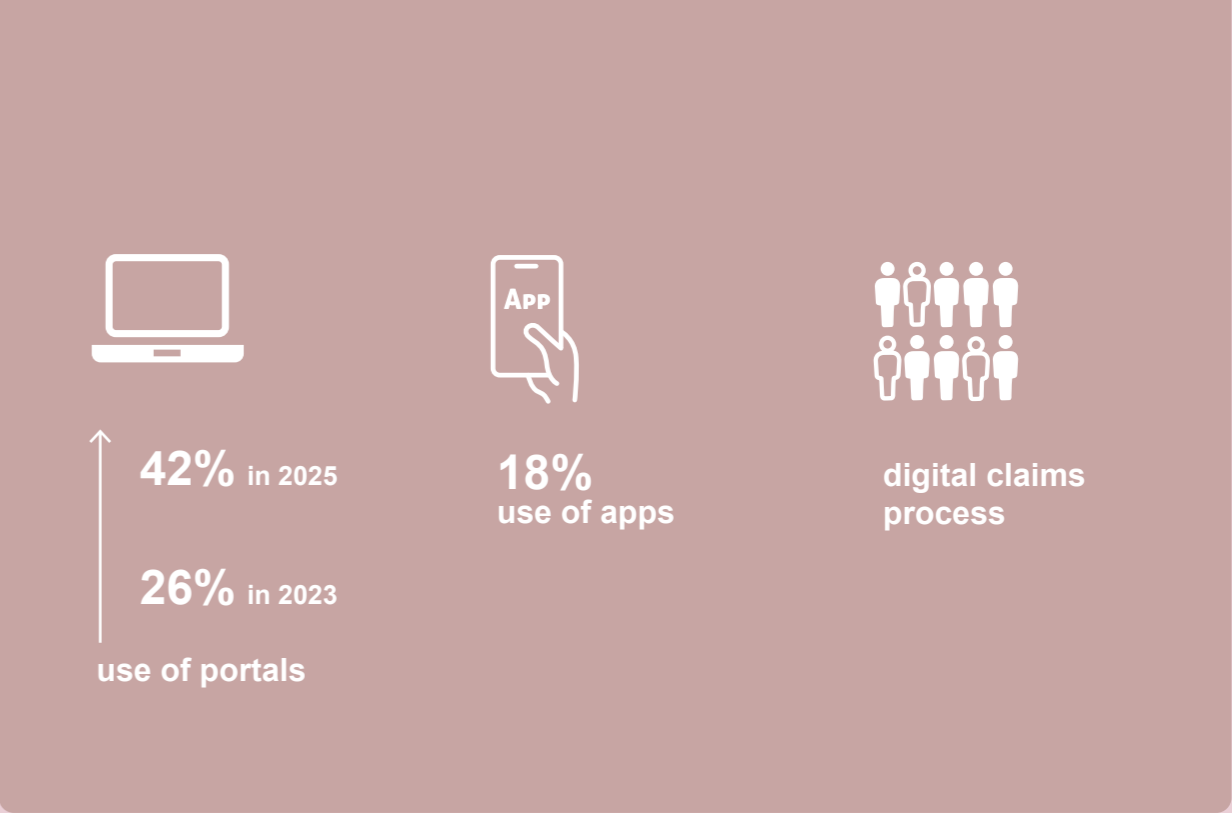
Claimants have their say

This section of our report presents a selection of results from IRN's surveys of claimants in 2023, 2024 and 2025 (600 PI claimants in 2023, 520 claimants in 2024, 580 in 2025). The surveys were undertaken in spring each year.

Last year's market briefing highlighted the growing importance of digital routes when consumers were looking for and choosing a legal representative. This year, the survey results consider how far PI clients are using client portals as they work through their claim, plus interest in using a digital journey to complete a claim.

Many leading PI firms have invested in customer portals and apps to enable claimants to add their own content, upload and check documents, track progress, ask questions, and contact the PI firm if needed. So far, 42% of claimants in the survey used such a portal but the majority – 53% - did not. Use of these portals is on the increase, however; the last time the question was asked, in 2023, just 26% were using one.

PI claimants
 580 in 2025
 520 in 2024
 600 in 2023



The use of apps by claimants is still low at 18%. Not all PI firms have an app yet, so this will be a factor in the limited use of apps so far. Another question asked if claimants would be happy with a totally digital service, whether they used one already or not.

- Over four-out-of-ten said they would be happy if their claims adviser asked them to complete large parts or all of the claim digitally: an increase from 37% in 2024. Another 22% gave the answer as 'maybe'; also an increase from 19% in 2024. This means a majority would consider a largely or completely digital claims process. There are still around a third (32% in 2025, from 34% in 2024) who would not be happy with this approach, and would expect personal contact with a legal adviser.

After an initial call, I would be happy to have the claims process completed digitally	Yes	No	Maybe	Don't know
<i>Base: 520 claimants (2024) 580 (2025)</i>				
2024	37%	34%	19%	10%
2025	41%	32%	22%	5%

Expert panel view: 
Client interaction

Law firms will have to catch up or will fall away

Video calls mean appointments can be arranged with clients anywhere in the country

“There is still a place for interacting on a personal, one-to-one level with clients.”



Fraser Oliver
Digby Brown

The expert panel considered how clients will want to interact with lawyers in future, noting that consumers have become used to using tracking apps and portals in other areas of purchase, and may expect the same in legal services. However, in more serious personal injury claims, the panel highlighted that personal contact will always be important.

Alderstone’s Quentin Underhill said clients will expect more flexibility and convenience in a world of increasingly sophisticated technology: ‘They want a bespoke legal service and journey to suit them. They want to choose the communication channels, how they view and process legal documents, and the relationship they have with their solicitor. For example, a client may be happy with video conferencing and texts, or they may feel more comfortable with face-to-face meetings and hard copies of documents.’

CFG’s Richard Clark predicted that in a decade’s time, the market will be very different. He added: ‘It’s inconceivable that people want to buy from apps and online every day, and be kept abreast of exactly when their delivery will arrive – but then completely change that approach when they come to a law firm, and work within the confines of a 9-5 day, and a response when their legal team can be bothered. We’re kidding ourselves if we think the legal sector is a special case. It’s been a 24-7 world for some time now. Law firms will either have to catch up or fall away.’

Hodge Jones & Allen’s Finley Levell noted that ‘clients are increasingly less inclined to talk with their lawyer over the telephone, or to want to take time reading a long piece of work they may struggle to understand.... lawyers should ensure they are [offering] contact methods such as using instant messaging or remote conferences.’ Enable Law’s Claire Leslie added that video calls are now being used more often instead of in-person meetings, meaning appointments can be arranged more quickly, with clients from any part of the country. However, Digby Brown’s Fraser Oliver noted that while there is more use of technology, ‘there is still a place for interacting on a personal, one-to-one level with clients; which helps to address issues surrounding the public perception [of PI lawyers].’

Boyes Turner’s Kim Milan said: ‘Clients will increasingly want to interact digitally and via portals where they can track their case progress in real time - certainly for the less complex, lower value cases. Catastrophic injury cases, though, will still require more human interaction and support. So lawyers will need to offer flexible, tech-enabled communication while maintaining empathy, trust and a client focussed, dedicated service. We will need to offer hybrid client service models, combining technological advances with human support.’

Fletchers’ Peter Haden added: ‘In line with all aspects of consumer life, it’s likely that there will be more folks who want to use technology designed to make interactions easier, such as client apps. But we strongly believe that for the cases we are involved with, the personal relationship between the client and the lawyers that represent them is a privilege to be part of, and will continue to be critical to their confidence in our teams.’

Thompsons’ Henrietta Phillips noted that more clients now prefer web forms and written messages over phone calls, and prefer messaging apps to email; while they also want portals for document uploads and case tracking in lower-value cases. Few clients want city-centre meetings, preferring to meet locally, she said, with flexibility key. She added that law firm risk management and oversight must adapt to these less formal methods of communication, with lawyers recognising when formal methods of interaction are needed to be sure that instructions and advice have been fully understood by both parties.

Lawyers must realise when more formal communication methods are needed

More than half of all PI claimants received compensation of £5,000 or less

- The percentage of claims with compensation awards of less than £1,000 is the highest it has been since IRN’s survey began: it reached 14% in 2025, up from 9% in 2024.
- Just over half of all compensation awards in the 2025 survey - 51% - were £5,000 or less (54% in 2024).
- Compensation awards in the £5,000 - £10,000 band have grown to 17% in the latest year, from 14% in 2024 (12% in 2023). Another 10% (11% in 2024) were valued at £10,000 - £25,000.
- The percentage of awards worth more than £25,000 is 16% in 2025, compared to 21% in 2024. Compensation sums worth over £100,000 accounted for 4% of the total in 2025 (5% in 2024).
- For claimants who participated in the survey, the median payment was £3,400. This is a fall from £4,270 in the previous survey.



the highest yet

the percentage of compensation awards which are valued at less than £1,000 is the highest it has been since IRN’s survey began



51%
of compensation awards in the 2025 survey were £5,000 or less



£3,400
the median payment, based on those giving a figure in the survey



grown to 17%
compensation awards valued at £5,000 to £10,000

Breakdown of compensation received by PI claimants, 2023 - 2025

Source: IRN Legal Reports

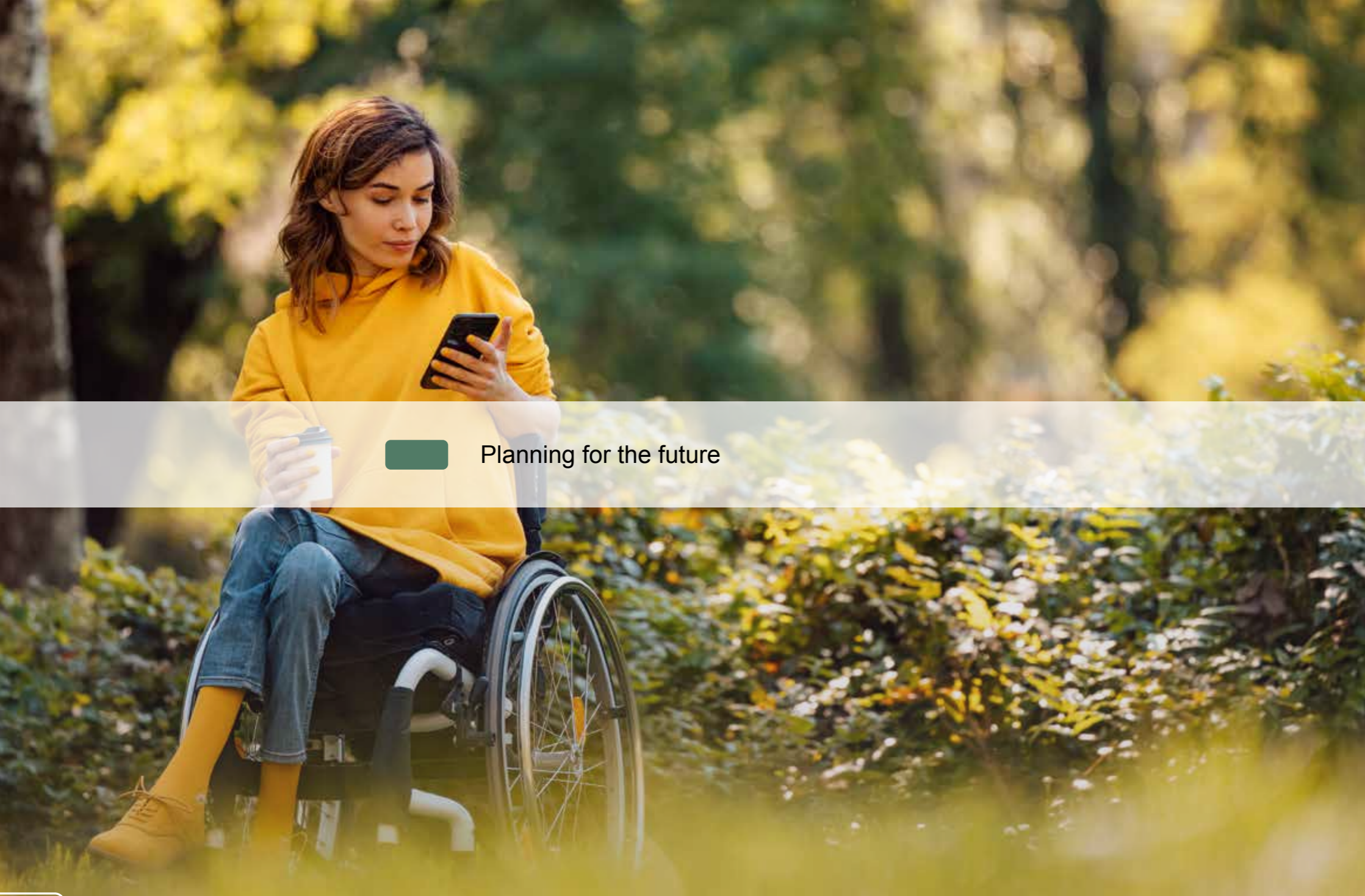
	2023	2024	2025
Base:	310	268	290
Less than £1,000	12%	9%	14%
£1,000 to £2,500	24%	22%	18%
£2,501 to £5,000	22%	23%	19%
£5,001 to £10,000	12%	14%	17%
£10,001 to £15,000	8%	6%	7%
£15,001 to £25,000	4%	5%	3%
£25,001 to £50,000	7%	6%	4%
£50,001 to £100,000	7%	9%	8%
£100,001 to £250,000	2%	3%	3%
More than £250,000	1%	2%	1%
Don't know/would rather not say	1%	1%	6%
Median compensation	£3,900	£4,270	£3,400

Claimants have their say

key insights



- A Clients expect the same accessibility from lawyers as in other areas of life, for example through case tracking
- B Face-to-face interaction remains essential for building trust, especially in serious cases
- C Firms must be able to offer hybrid models, combining technological advances with human support
- D It is crucial for lawyers to recognise when more formal communication is needed to ensure advice and instructions are fully understood



Planning for the future

Planning for the future

In this final section of our report we hand over to our expert panel to consider firstly, how should firms go about capturing the potential benefits of technology; and secondly, how should they address the wider challenges that lie ahead for the PI sector?

“Advanced technology will enable automated document review and medical chronology, and predictive outcome modelling.”



Iona Meeres-Young
Fieldfisher

Expert panel view: Harnessing technology

Our expert panel identified a number of areas where technology will bring benefits to the sector and considered how law firms should go about capturing these benefits. Slater and Gordon’s Nils Stoesser said there were technology opportunities in all the different component parts of a claim. ‘For example, how you ensure your expertise is married up to the right claim, how to sign up the client, how you make sure you’ve got the right financial support for the client, how you then work on the case, extracting information, and packaging that information. Also being able to interact with your counterparty in settling things on a more automated basis rather than it being manual, including then into the court system itself. I see a lot of opportunity on the process side, from start to finish, where the industry can still get a lot better, where we can get a lot better,’ he said.

In relation to AI, Stoesser added: ‘Most individuals like to take the easiest route from A to B to C. Obviously technology aids that quest, but if you’re overly reliant on it and don’t do the right checking, there’s an inherently increased risk of error on a systemic basis. So it’s clearly important to have the right controls and balances, and legal know-how alongside

adopting technology from an improvement / efficiency standpoint. There’s a lot more data around so how you manage that going forward, the rules and regulations of managing that, will be equally important alongside the growth of AI-assisted technology. Because at the end of the day, it’s all reliant on data. Without the data, it can’t function. And it’s incredibly data-hungry, so it’s going to want more and more data, and you’re going to have to find good ways of controlling and regulating that.’

Hugh James’s Stephen Webber said that as a starting point, firms must have the market leading case management and practice management systems, which will need to interact with as much supporting technology as possible to ensure the most efficient overall system. He added that all lawyers will need to learn how to work with AI so they can provide the best service to their clients. ‘For example, obtaining and reviewing disclosure could be speeded up and improved significantly. This will need to be done carefully to avoid the obvious risk issues, and a very robust system will need to be in place to ensure careful checks and reviews by lawyers...I believe we are somewhat off AI replacing work done by

lawyers, but it will be more focused on helping and supporting lawyers.’

Thompsons’ Henrietta Phillips said lawyers should be trained on a regular basis on how best to use the tools available, such as AI software; and they must also understand when this should not be used, or where extra caution is needed – particularly given the growing number of AI-hallucinated cases being cited in court. She said routine tasks should be automated and AI should be used for summarising and drafting. Lawyers should be involved in identifying where technology can help, and in designing and testing the solution, without this becoming a project solely for the IT team. Strategy and planning is key, she added, and any software purchased must be able to integrate with existing and future systems. Firms should consider getting advice from external experts, and requesting trials or pilots of any IT products, as well as references from organisations already using them. ‘These insights can confirm reliability and often provide practical tips for integration and customisation, helping firms avoid costly missteps,’ she said.

Continued on P38

Expert panel view: **Harnessing technology (continued)**

A fine balance must be struck with technology, as what is available today will be rapidly replaced tomorrow

Cyber attacks can happen to firms and teams of any size

Fieldfisher's Iona Meeres-Young pointed to the benefits of advanced technology for automating document review and medical chronology, and enabling predictive outcome modelling; as well as enhancing cybersecurity to protect sensitive health and claim data. RWK Goodman's Tracy Norris-Evans said there was a 'fine balance' to be struck when seeking to capitalise on the latest advances, as 'what is available today will be rapidly replaced tomorrow'. Norris-Evans also stressed the need for robust security 'to circumvent the possibility of cyber attacks and outside parties such as external large language models gaining access to highly confidential information.' She added: 'Attacks can happen to firms and teams of any size, so knowledge of how to spot entry attempts and how to handle attacks will become a crucial element to ensuring technology is used sensibly.'

Acquia's Jeff Zindani noted that technology is having a big effect on the economics of running a PI or clinical negligence practice: 'Large firms and investor-backed platforms are investing heavily in automation, digital screening, workflow technologies and AI-assisted evidence handling. These tools are already transforming operational efficiency, reducing cost per case and enabling much more aggressive scaling strategies.'

'However, this technology gap is not fixed. Gen AI tools and advanced workflow platforms are still relatively expensive in both time and cost for most firms in the sector, but those barriers are coming down quickly. We are already seeing a new generation of med-legal technology platforms emerging that are purpose-built for PI and clinical negligence practices, with pricing, integration and implementation models designed to sit within the reach of well-run boutique firms.'

Irwin Mitchell's Tracey Storey outlined a number of ways in which her firm is seeking to get the most benefit from technology: building tech competence across all colleagues and being 'curious' with AI within appropriate guardrails; using data at scale to understand claim progression, map and predict outcomes where possible and spot opportunities; using technology to enhance client experience by improving accessibility, transparency and ease of use; embedding compliance into the firm's platforms and systems by design; and strengthening cyber security at every stage.

Hodge Jones & Allen's Jack Foran highlighted that the use of AI by clients might pose difficulties for law firms, particularly if some clients were to use AI to draft instructions in a bid to enhance the value of their claim, which

might be hard for lawyers to detect. CFG's Richard Clark predicted AI will change the PI sector 'beyond anything anyone can imagine,' as 'generative artificial intelligence' becomes widely available. 'This could threaten careers and firms, but will also provide opportunities for those who understand and embrace it. Avoiding change within the sector is no longer an option for any lawyer or business,' he said.

"Firms that invest in their people with quality training and hands-on experience will be in an excellent position."



Quentin Underhill Alderstone

Gen AI tools and advanced workflow platforms are expensive, but those barriers are coming down quickly

Expert panel view: **addressing the challenges ahead**

Our expert panel also considered what can be done to address some of the key challenges on the horizon for the PI sector in the next decade.

The sector's reputation

Fletchers' Peter Haden said the 'biggest shift' the industry could make would be to improve the 'terrible reputation' that it unfairly suffers from. He said: 'I strongly believe that Fletchers and firms like ours are an unambiguous force for good, and we need to convince the average voter in the UK and their representatives of that fact.'

CFG's Richard Clark noted that the profession could do much to promote the great work that personal injury lawyers do: 'We have to think about how best to showcase the impact we have on those we support... The care it provides, the rehabilitation, helping people back into work.'

Quality and efficiency

Enable Law's Claire Leslie said that with profitability under sustained pressure, firms will need to focus heavily on efficiency and leaner team structures, automation of routine tasks, and greater use of AI and process technology. She said senior fee-earners will still play a critical role in complex and high-value matters and tasks, but the traditional pathway for junior lawyers could become disrupted as AI increases support and replaces some more routine legal tasks

that would have previously been delegated. 'However, PI work is client focused, and I do not see technology and AI being able to replace the trust and relationships we build with our clients any time soon,' she added.

Switalskis' John McQuater said a key challenge will be 'providing a quality service in the context of downward pressure on costs recovery, with the introduction of fixed costs without a fixed process to accompany these; yet an increased costs base when, generally, the legal sector in England and Wales is flourishing generating higher wage costs.' He added: 'This is a broader issue about the risk of disparity between provision of legal services for individuals, many of whom pay for the system through taxes; and corporations, which may be based abroad and not contribute to the system they use other than court fees (which have been paid by UK tax payers using the court system anyway).'

Recruiting good lawyers

RWK Goodman's Tracy Norris-Evans said firms will face a squeeze on their margins if fixed costs are extended; while the combined impact of the *Mazur* ruling and the expansion of AI may force firms to restructure their pricing models and staffing. 'This might not be feasible for all firms, and we could witness a reduced sector as firms exit the market due to commercial pressures. Naturally, that would have a knock-on effect for lawyers in the industry, as the talent coming back into the pool pushes up competition for a shrinking number of opportunities,' she said. 'However, there are some big opportunities here. For firms, the shakeup of the status quo allows them to reshape themselves in a way to become a truly modern firm which is best equipped to support clients in a more

specialist and personable manner, while for lawyers, a shrinking market means there will be more demand from both firms and clients for those who are truly specialist experts in their area of knowledge.'

Alderstone's Quentin Underhill said the next decade will see an 'increasingly tough' recruitment market for firms looking for 'specialist, high quality, and accredited legal practitioners'; and holding on to these quality members of staff will also be difficult. 'The opportunities lie with those PI lawyers who specialise and obtain APIL and Law Society accreditations,' he added. 'Firms that invest in their people with quality training, personal development, hands-on experience, flexible working, and a robust work-life balance, will be in an excellent position to build impressive legal teams to secure serious and catastrophic injury work.'

Stuart Hanley, director of legal practice at Minster Law, added: 'We need to continue to attract and inspire talent to our sector, while also developing and strengthening the expertise we already have. To achieve this, we need to promote, confidently and with pride, the valuable work we do and the meaningful difference we can make. Without new talent, no amount of operational adaption to AI or fixed costs will sustain us.'

Irwin Mitchell's Tracey Storey adds that talent retention pressures will mean firms need to adapt to recruiting 'a new generation with different expectations and experiences of life (they will of course have advantages, such as greater comfort with AI tools and connectivity to younger generations of clients)'. She adds: 'The skills and values that will be of key importance will be empathy for clients, which has always been critical' and adaptability and resilience, with the latter

two becoming increasingly essential for the modern lawyer in a rapidly changing world.

'We expect a successful lawyer will need a broad basket of skills, but what that looks like has certainly changed in recent years: commercial acumen, regulatory awareness, data and AI literacy, an innovation mindset, emotional intelligence and change leadership will all be key requirements to succeed. With technology being central to the way that any professional works now and in the future, all lawyers will need to be able to thrive in an environment where they can quickly adapt and take the best advantage of new tools as they (rapidly) emerge, leaving them to concentrate on activities where they really add (human) value.'

Finding funding

Hugh James's Stephen Webber pointed to the cost of funding as a key challenge going forwards, and the recovery of those costs. 'The funding of a catastrophic PI and clinical negligence practice is very significant,' he noted. 'Coming up with a cost-effective solution will be essential for all firms in this market. The role of ATE insurers will become increasingly important, as well as having a very well-run costs team to ensure interim payments are obtained at the earliest opportunity.'

'Private equity will no doubt see this as an opportunity to use their financial strength to pick up more market share. It will be interesting to see if the medical agencies can reach an agreement or a protocol with the major defendant insurers in relation to recovery of agency fees. Any firms that can solve this funding issue are likely to be able to grow much quicker than their competitors.'

Continued on P40

Expert panel view:
addressing the challenges ahead
(continued)

Redressing the imbalance

Slater and Gordon's Nils Stoesser pointed to the need to address a damaging imbalance in the system. He said: 'As a claimant you are ultimately beholden on your counterparty being willing to settle on a sensible basis, or you'll have to avail yourself of the courts. And we know there's a massive challenge in terms of the availability of court time...

'If you look at the entire set up, the defendants are very well capitalised, because it's either the government in the form of NHSR, or it's insurers, who get the premiums paid up front, and they can just sit there and do nothing to a certain extent. Whereas the claimant, who's suffered the wrongdoing, needs to find the money – or the claimant law firm needs to find the money – to finance the working capital.

'And then the claimant needs the actual recompense to actually address their injury. This can take a long time, which if you have been injured, and someone else was liable in relation to this, is a massive burden psychologically as well as physically. So anything that stands in the way of getting resolution quickly we need to challenge; courts, resolution mechanisms, the ways evidence needs to be gathered, the overall settlement process.

'I think all the different stakeholders recognise this, but unfortunately from the individual's point of view, a lot of the focus on addressing this by the government / judiciary over the last 10 years has been to try to cap recompense through fixed fees, pass more costs onto the claimant, or actually limit access to justice. This is on the basis that there is a perception that a lot of the money is leaking out to the lawyers as part of bringing claims, and that individuals bring spurious claims. If you look at it statistically, that's just not the case; and as a result, you have penalised those who really need the recompense.

'Ultimately NHSR or the insurers have the money, so they could eliminate a lot of the inefficiency by working with us to find ways of settling faster. But if you are an insurer in particular, they're earning interest on your premiums, so we have to find ways of creating incentives that mean insurers want to settle faster, so we can get money to those individuals who we represent who really need it.

'This, for me, remains the underlying biggest challenge, alongside continuing to find ways of improving our service offering for the clients, and generating an appropriate margin so we can invest in our people and franchise.'

Two routes to success

Acqira's Jeff Zindani observes that the PI market is increasingly divided into two distinct camps. The first consist of private equity-backed national platforms, which are capital-rich, operationally sophisticated and highly acquisitive - and are rapidly building scale and reshaping client expectations around speed, transparency and digital access.

The second camp consists of high-value boutique specialists. These firms focus on complex, high-margin work, often driven by referral networks, deep expertise and strong personal reputations. Despite their smaller size, they remain highly attractive acquisition targets precisely because of their margins and specialist capability, Zindani says. He adds: 'The PI and clinical negligence sector is not merely evolving. Its foundations are being fundamentally reshaped.

"A key challenge will be providing a quality service in the context of downward pressure on costs recovery."



John McQuater Switalskis

'Scale, capital and technology are now powerful competitive advantages, but they are not the only ones. Specialist expertise, strong referral relationships and reputational capital remain formidable assets, particularly for high-quality boutique firms operating at the complex end of the market.

'This is therefore not a story of terminal decline, but of a market being reorganised around different strengths and different routes to success. For many firms, the challenge is no longer tactical. It is strategic. Firms must make conscious decisions about their future position: whether to invest, specialise, partner, merge or exit.

'For well-run boutiques with a clear niche, this period of disruption also presents opportunity. Demand for specialist capability is rising, and both clients and acquirers continue to value depth of expertise over sheer size.

'Hesitation still carries risk, but so does unnecessary scale. Those who act early, with clarity of purpose, will retain choice and leverage. Those who define their position clearly, whether as a scaled platform or a focused specialist, can shape their own future rather than having it shaped for them.'

Scale, capital and technology are now powerful competitive advantages, but they are not the only ones

Collaboration is key

CFG's Clark highlights the best approach for dealing with the sector-wide challenges posed by government-led reform. 'We continue to face threats from public policy which will impact our businesses, the people we employ and the services we offer,' he says. 'But until we engage more constructively and strategically with policymakers and officials, that won't change.... And the PI sector will only survive and thrive if firms become more collaborative. The most successful sectors have healthy competition, of course they do, but they also work together when they need to. And at the moment, facing the challenges we do, we need to come together to protect our sector and those we help.'

Planning for the future

key insights



- A

New technology offers potential for huge savings, but lawyers must be heavily involved in design and implementation
- B

While size will be important in the future market, there is much opportunity for high-quality boutique firms running complex claims
- C

Lawyers of the future will need broad skills, be able to adapt quickly to new tools, and have strong emotional intelligence
- D

Healthy competition is alive and well in the PI market, but firms can also work together in support of the sector and its clients

Spinnaker research

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 almost 30 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, Admiral Law, 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 contact Jemma Macfadyen at jemma@spinnakerbusiness.co.uk.

30 years experience in the legal sector, specialising in bespoke market research for legal services providers



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APIL's research team are dedicated to advancing the interests of our members and the people they represent. Through evidence-based research, we aim to challenge misinformation and support a fairer system for victims seeking justice.



3 Alder Court, Rennie Hogg Road, Nottingham NG2 1RX

Senior Research Manager
john.mcglade@apil.org.uk

(0115) 943 5400