

SHELTER CONSULTATION RESPONSE

Shelter's Response to the Justice Committee's Call for Evidence

September 2025

Introduction

Shelter advises and represents hundreds of thousands of people in housing need each year, both through free advice services and legal representation in proceedings across England and Wales. Our national footprint and the breadth of our work, including areas both in and out of scope for legal aid, give us a unique vantage point on access to justice in housing law.

Shelter plays a crucial role in enforcing housing rights and providing expert legal support to thousands of households every year. We operate a free housing advice telephone line. Housing rights workers in our hubs across England advise on the full range of housing law issues and negotiate with landlords and local authorities on behalf of our clients. In the past year, Shelter's legal teams, working across 11 hub locations in England, have supported over 5,100 people through a wide range of housing and related legal issues. The largest area of demand was through the Housing Loss Prevention Advice Service (HLPAS), where our advisers helped more than 3,400 people facing the immediate risk of losing their home. Alongside this urgent duty work, our teams also took on over 1,600 legal aid cases: 1,300 under the controlled work scheme and nearly 340 licensed housing cases.

Summary of Shelter's response to the Call for Evidence

Market failures

The current state of the legal services market in England and Wales does not ensure access to justice for the majority of the population. In the housing sphere there are insufficient solicitors with expertise and few organisations with legal aid housing contracts. Clients who are financially eligible for legal aid and whose housing problems are in scope are often unable to obtain advice and representation. Clients who are not eligible for legal aid are usually unable to afford legal services and may also have difficulty finding a suitably skilled solicitor in their local area.

People in housing need are unable to resolve their legal issues because they cannot obtain advice and representation. Injustice results, as people become homeless, are turned away by local authorities and are forced to live with poor conditions, when these outcomes could have been avoided.

Alternative provision

Supplementary advice services support the provision of legal services in housing. However, these services are scarce and often impossible to access.

Pro bono work and free legal advice are not significant providers of legal services for housing disputes. As these disputes are often complex and urgent it is unlikely that these services can play a major role in improving access to justice.

Dispute resolution mechanisms outside court can ensure access to justice, but only if equality of arms is achieved by ensuring that all parties have the same level of legal advice and representation.

Regulatory and structural issues

The legal services regulators are having little or no effect on access to justice.

Digital innovation without proper support for individuals is likely to result in a reduction in access to justice.

A levy on solicitors' firms with the greatest profits would be difficult to implement but could have a role to play in increasing access to justice.

The Legal Aid Agency cyber-attack has caused, and continues to cause, real financial problems for providers.

Solutions

If limited funds were available housing would be a priority area. Providing legal services for housing disputes can improve quality of life and reduces the burden on public services.

The only meaningful improvement to legal aid would be the implementation of substantial increases in the rates paid. Legal aid is currently not viable for solicitors' firms. LASPO should be reviewed to bring back into scope areas of fundamental importance to clients which cost the taxpayer little.

1. How does the current state of the legal services and representation market in England and Wales, and associated operating pressures, affect access to justice for clients?

The shortage of housing solicitors

Access to justice in the housing sphere is limited as a result of the current state of the legal services market in England and Wales. The extreme shortage of solicitors with expertise in housing law results in widespread avoidable homelessness. The numbers of solicitors' firms with housing legal aid contracts has decreased every year since the Legal Aid, Sentencing and Punishment of Offenders Act 2012 (LASPO) came into force in April 2013. Not only has this resulted in a non-existent legal aid service in many parts of the country but also an equivalent shortage of those solicitors with the skills to represent in housing cases not covered by legal aid. The solicitors with the expertise are those working in firms with housing legal aid contracts. As there are now far fewer such firms, there are fewer suitably skilled solicitors.

The impact of the cost of legal services on housing clients

The cost of legal representation is prohibitive and out of reach of all but the wealthiest in society. Shelter's clients frequently need legal advice and representation for possession, disrepair, and other claims in the county court and for challenges to local authority homelessness decisions, which can be in the county court or the High Court. None of the people who contact Shelter for advice could afford to pay a solicitor privately. The options are therefore representation under conditional fee arrangements or under the legal aid scheme.

The availability of conditional fee arrangements

Of the full range of housing cases only very few can be taken under conditional fee arrangements. These will be straightforward disrepair claims against institutions such as housing associations and local authorities who can be guaranteed to pay the claimant's legal costs. Other housing cases invariably have less than a 70% chance of success and are therefore too risky for solicitors and their clients to take. If the claim is

unsuccessful the solicitor will receive no remuneration for months of work and the client will be liable for the opponent's costs. The solicitor also runs a significant risk of not being paid if the defendant is a private landlord, as enforcement is difficult and recovery is not guaranteed.

The collapse of legal aid services

For these reasons most clients with housing problems are advised and represented under the legal aid scheme. Access to justice is routinely denied due to the shortage of solicitors with housing legal aid contracts.

Legal aid is very poorly remunerated and the fees have not increased since 1996. They were reduced by 10% in 2013. The hourly rates paid are a fraction of what a solicitor would charge privately and are insufficient to keep solicitors' practices afloat. The recent announcement of an increase to fees in housing work will not be enough to make legal aid viable. The only significant increase is to the amount paid for advice work. The increase in fees for representation in court proceedings is small.

Since LASPO housing legal aid capacity has collapsed – down 25% in the last five years, with over 100 providers lost and 43.6% of local authority areas now without any provision. The evidence suggests a 40–60% loss of real capacity, leaving much of the country locked out of housing justice.

LASPO removed many types of case from the scope of the legal aid scheme. Clients have found it more difficult to access advice and representation for all types of housing problems, even those still in scope for legal aid, as LASPO has contributed to the dramatic fall in the number of housing providers since 2013.

The scope restrictions, for example removing damages claims in disrepair cases, have made housing a less attractive field for providers, leading many to give up their contracts. There are few housing legal aid contract holders outside the large cities. Even if an individual is financially eligible and their case is in scope, in many parts of the country there is no housing provider able to assist. Even in large cities, where there are more providers, the demand far outstrips the supply. The cumulative effect is a hollowed-out housing legal aid market, where in many parts of England and Wales,

clients face homelessness and unsafe housing without any realistic route to legal advice or representation.

References:

Inside Housing (2023) – *Legal aid in crisis*

Reports a 25% drop in housing legal aid providers in the past five years, and over 100 firms/law centres lost between 2019–2023. Also notes that 29.5% of providers delivered no cases, and 44.9% fewer than 50.

<https://www.insidehousing.co.uk/insight/legal-aid-in-crisis-84596>

Law Society (2023) – *Drop in civil legal aid providers after new contracts have been awarded*

States that 43.6% of local authority areas in England & Wales now have no housing legal aid provider, an increase of 6.6% since 2019.

<https://www.lawsociety.org.uk/en/contact-or-visit-us/press-office/press-releases/drop-in-civil-legal-aid-providers-after-new-contracts-have-been-awarded>

Law Society / Frontier Economics (2023) – *Is civil legal aid sustainable for family and housing legal providers?*

Finds that 100% of housing legal aid providers surveyed were loss-making, and highlights a 25% reduction in providers in the last five years. <https://www.frontier-economics.com/uk/en/news-and-insights/news/news-article-i20732-is-civil-legal-aid-sustainable-for-family-and-housing-legal-providers>

The Justice Gap (2023) – *Serious decline in legal aid provision reveals extent of post-LASPO crisis*

Notes 80 housing legal aid offices closed between Sept 2021–March 2023, and 129 providers were inactive in the housing category.

<https://www.thejusticegap.com/serious-decline-in-legal-aid-provision-reveals-extent-of-post-laspo-crisis>

The Ministry of Justice (2019) – *Post-implementation review of Part 1 of the Legal Aid, Sentencing and Punishment of Offenders Act 2012 (LASPO)*

Acknowledges that the volumes of legal aid had declined more than anticipated in the original impact assessment in all areas of social welfare law.

<https://www.gov.uk/government/publications/post-implementation-review-of-part-1-of-laspo>

2. What is the role of supplementary advice services in supporting access to justice?

Function and value

Supplementary advice services are often the first line of defence against homelessness. They provide advice and assistance short of litigation and are often able to prevent cases from escalating to court action. They are often the means by which someone with a housing legal problem finds a solicitor who is able to take the case. They can perform the work which is essential to a successful outcome in the case but which the solicitor is unable to do, due to lack of funding. For example, work to resolve issues with Universal Credit housing costs and with Housing Benefit is out of scope for legal aid and yet is often the key to a successful outcome in possession proceedings. Rent arrears are often the result of the client not having received all the benefits to which they were entitled. If a poor Universal Credit decision is successfully appealed, resulting in a large back payment of housing costs, that will often ensure that no possession order is made.

Decline in provision

The availability of supplementary advice services has reduced over the last few years as they rely heavily on local authority funding. Local authorities' funding of advice services has become less generous as their budgets have been squeezed. Many excellent advice services have been forced to close due to lack of funding. Many agencies have found that their capacity for in depth casework has been reduced (**Policy Bristol (2015)** [PolicyBristol – The Value of Advice](#)).

Demand for Shelter's advice services far exceeds capacity, despite funding from local authorities, contracts and donations funded under local authority and other contracts and by donations, have been unable to meet the demand.

Without sustainable funding, supplementary advice services cannot play their vital preventative role – leaving more people to face crisis situations that could have been resolved earlier.

3. What is the impact of those acting without legal advice and / or representation having on access to justice?

The impact on individuals

Justice is often denied when people act without legal advice or representation. We can give a few examples.

a) Risks to litigants in person

Litigants in person often contact Shelter having started or defended court claims without any legal advice. In some of these cases there are no merits at all to the client's case and they are likely to lose and to be ordered to pay their opponent's costs. Had they been able to access legal advice at an early stage this would have been avoided.

Even where there are merits to the client's case, it is very difficult for a solicitor to take the case over and rectify the mistakes which have been made, particularly where the matter is urgent. Having started the case without legal representation the client is likely to have to continue as a litigant in person. The client's lack of understanding of the law and court processes will often result in a poorer outcome than would have been the case had they had been represented.

b) The impact on local authority behaviour

Local authorities frequently make unlawful decisions in homelessness cases. Decisions are sometimes so inadequate that it raises real concern as to whether authorities are knowingly failing in their duties. It is possible that some authorities are fully aware of the deficiencies in their decisions but make them anyway, knowing that only a small proportion of those affected will be able to obtain legal advice to challenge them effectively. The cost of the few successful challenges is worth the savings they make from turning people away.

c) *Housing enforcement*

Landlords have very clear obligations to remedy disrepair and unfitness for habitation, arising under the Landlord and Tenant Act 1985. Enforcement is relatively straightforward with a solicitor, who can follow the pre-action protocol, obtain expert evidence and issue the claim if the landlord fails to carry out the works. It is extremely difficult for a tenant to take action without legal representation. As a result tenants are often forced to live for years with serious disrepair which damages their health.

Private landlords sometimes harass or evict their tenants, in breach of the provisions of the Protection from Eviction Act 1977. Without legal advice and representation tenants are unable to challenge this behaviour and are made homeless. Local authorities' tenancy relations services, which would once have assisted tenants facing harassment and illegal eviction, have now largely disappeared. In evidence submitted by Shelter, the number of homelessness cases formally recorded as resulting from illegal eviction in one quarter was 240, showing a direct, documented link (**Shelter (2020)** [UK Parliament Committees](#)).

The impact on the justice system

The costs of running the county courts may have increased due to the need to cater for an increased number of litigants in person, whose cases take up more court time and judicial resources than those prepared by legal professionals. The courts work less efficiently than they would if more litigants were represented and this reduces access to justice for all court users. The National Audit Office commented that increases in litigants in person are "negatively impacting courts" as legal aid is withdrawn (**National Audit Office (2024)** [National Audit Office \(NAO\)](#)).

Hearings and remedies are routinely delayed for months or years. The average county court case now takes almost a year (**Law Society (2023)** *County court users face growing delays and crumbling buildings* <https://www.lawsociety.org.uk/en/contact-or-visit-us/press-office/press-releases/county-court-users-face-growing-delays-and-crumbling-buildings>). In housing possession cases, the time from claim to repossession has stretched to 32 weeks (**National Residential Landlords Association (NRLA) (2025)** *Courts unprepared for Renters' Rights Bill as possession delays worsen* <https://www.nrla.org.uk/news/courts-unprepared-for-renters-rights-bill-as-possession-delays-worsen>). These long waits leave tenants and landlords alike in limbo, while urgent issues of homelessness and disrepair remain unresolved.

The hollowing out of advice and representation not only denies justice to individuals, it clogs the courts, increases costs to the public purse, and undermines confidence in the legal system as a whole.

4. Without impacting the public purse, what potential funding options would increase access to justice? e.g. an access to justice fund levy, conditional fee arrangements, third party funding.

Conditional fee arrangements

We have discussed conditional fee arrangements (CFAs) in the housing context in our answer to question 1. They are of limited use in housing cases, and in any event the pool of solicitors with the required skills has been reduced by the abandonment of housing work caused by the poor remuneration rates for legal aid work and the impact of LASPO.

An example of a typical housing case where a CFA cannot be used is a defence to a possession claim where the tenant succeeds in keeping their home, by persuading the judge to adjourn on terms as to payment of rent arrears. No damages are payable and the landlord will not be ordered to pay the tenant's costs, as they were justified in bringing the proceedings. Nevertheless it is a successful outcome for the tenant.

Another example of a case which is unsuitable for a CFA is an appeal to the county court against a homelessness decision. An appeal of this type relying on breaches of public law principles is high risk. Even if the appeal is successful costs may not be awarded. There are no damages.

In most housing cases the risk to solicitors of receiving no remuneration and the risk to clients of being ordered to pay their opponents' costs make CFAs impossible.

Third party funding

Third party funding is rarely available in housing cases, for the same reasons which apply to CFAs. Many cases would be too risky for funders and often there are no damages which could be used to pay their fees. Although 83% of county court claims are for money, many housing cases such as possession claims of rented property or challenges to local authority homelessness decisions do not involve a monetary remedy

(Civil Justice Statistics Quarterly: January to March 2025

<https://www.gov.uk/government/statistics/civil-justice-statistics-quarterly-january-to-march-2025/civil-justice-statistics-quarterly-january-to-march-2025>).

An access to justice fund levy

An access to justice fund levy could work, although it would need to be designed very carefully. The legal services sector in the UK is extremely profitable (**Law Society's Gazette (2025)** [Jonathan Goldsmith: Legal sunshine in the gloom | Law Gazette](#)).

However, services are only available to wealthy individuals and corporate bodies. Access to justice is effectively out of reach for the majority of citizens, including those on moderate incomes.

While CFAs and third-party funding are not viable models in housing, an access to justice levy on the most profitable firms could create a sustainable funding stream for advice and representation, at minimal cost to the profession. This option should be seriously explored.

5. If limited funds were available, what would be the priority areas for spending?

The importance of funding housing legal advice

Improved funding of housing legal services should be a priority. Adequate housing is the foundation of a decent quality of life. Poor or no housing contributes to ill health, lack of educational attainment, unemployment and drug and alcohol dependence.

Often effective legal action can resolve housing issues. With proper legal advice and representation homes can be preserved, living conditions can be improved and street homelessness can be prevented.

The effect of denial of access to justice in housing cases on public services

Where advice and representation for possession proceedings, or to resolve disrepair and harassment issues, is unavailable there will be increased homelessness and costs for local authorities' housing and social services departments. An increase in the number of homeless people leads to additional temporary accommodation costs, and additional public spending in the form of housing benefit, as temporary accommodation is generally more expensive than other rented accommodation.

Health service spending increases. Poor housing conditions such as damp and mould are known to cause and exacerbate serious illness, as was found by the coroner in the case of Awaab Ishak. The case led to Awaab's Law, which will require landlords to remedy housing conditions which are a serious risk to health within set timescales. The BRE has calculated that poor housing could be costing the NHS £1.4 billion each year (**BRE (2021)** - *The cost of poor housing in England* <https://bregroup.com/news/bre-report-finds-poor-housing-is-costing-nhs-1.4bn-a-year>).

The World Bank Report, A Tool for Justice, The Cost Benefit Analysis of Legal Aid provides further information on the savings from a well-functioning legal aid system (**World Bank (2019)** [World Bank Document](#)).

Facing possession proceedings, becoming homeless, living in overcrowded conditions, sofa surfing and living with disrepair are stressful and many people suffer from mental health conditions as a result.

Other impacts

The quality of both the private and social housing stock decreases as landlords realise that they can ignore their repairing obligations with little fear of redress. The demand on local authorities' environmental health teams, who are responsible for enforcing housing standards, increases.

For these reasons, if funds are limited, housing legal advice must be the first priority: it delivers human dignity, prevents avoidable homelessness, and saves the public purse.

6. How are the legal services regulators responding to their obligation to improve access to justice under the Legal Services Act 2007?

Regulators have various powers which could be used to support access to justice. They can influence entry to the legal services market, reward innovation and publish data. The Legal Services Board has said that it considers access to justice part of its strategic objectives.

In practice while the regulators acknowledge an access to justice duty under the 2007 Act, Shelter has seen little evidence of meaningful impact in housing. This is because the barriers lie primarily in the scope and funding of legal aid – issues beyond the regulators' powers.

Regulators could commission research on unmet need for housing legal services, they could work with the legal profession in highlighting gaps in provision to government and they could support measures to assist solicitors wishing to practice in housing law.

7. How is pro bono work and free legal advice being used to support access to justice and what reliance is placed on it?

Pro bono plays a useful supporting role but cannot provide meaningful access to justice in housing, where cases are complex, urgent and resource-intensive. There are some services provided by law centres and other charities which use volunteer lawyers to give advice. The benefit of this service is limited in terms of addressing access to justice. Most of the lawyers who volunteer work in other areas of law and have little or no knowledge of housing law or practice. They can only assist with non-urgent work under the supervision of an experienced housing solicitor. The supervision time involved is often not justified by the value of the volunteer's work. If a client needs to defend possession proceedings, make a claim for disrepair or challenge a homelessness decision they will need a solicitor to be properly funded and to go on the court record.

The other main source of pro bono work is university student law clinics. These are usually supervised by an experienced solicitor, often with a housing law background. However, students who have not undertaken any professional training cannot run cases on their own and rely heavily on their supervisors. These clinics are an excellent

means of training students in casework skills, and inspiring them to become the next generation of legal aid lawyers, but they do little or nothing to improve access to justice for clients. The amount of work which can be done by student law clinics due to the level of supervision needed is very limited and makes no significant difference to the availability of legal services for clients.

Solicitors and barristers who are expert in housing law do not provide much of the pro bono work being carried out. There are few of them and they need to devote their time to fee earning work to ensure that their practices remain commercially viable.

Pro bono work and free legal advice are valuable in raising the awareness and understanding of rights, promoting early signposting to the right level of adviser and teaching advice skills. Pro bono advice can be useful when there is a discrete piece of work to be done, such as helping a client complete a benefits or housing form. Pro bono can complement but never replace a properly funded system of housing legal aid. Clients facing eviction, disrepair, or homelessness require expert representation that only a sustainable legal aid system can provide

8. How can advice, legal support or non-court dispute resolution, such as mediation and restorative justice, help the early resolution of disputes?

Advice, legal support and mediation can prevent disputes escalating and it should be the aim of any justice system to resolve disputes outside the court process, where that can be done fairly. The benefits to the parties and the public purse are clear. Resolution is quicker, cheaper and less stressful

Any non-court dispute resolution mechanism must ensure that all those using it are equally able to participate. Services must be provided by suitably skilled and qualified staff. The hourly rate for publicly funded services needs to be significantly higher than the current legal aid rates to ensure that services are viable and assistance is available to those who need it. Access to justice is denied if individuals are required to navigate these schemes without suitable advice, support and representation. It must be remembered that often the dispute is between an unrepresented individual who is vulnerable and without resources, and a large institution or wealthy individual with full

legal representation. This is particularly the case in housing disputes, which are usually between a tenant or homeless person and a landlord or local authority.

In 2021, the Ministry of Justice piloted a Housing Possession Mediation Service. The results showed very limited uptake. Many tenants did not engage and often they lacked the necessary advice or support to prepare for the process. Where mediation did take place, agreements were sometimes reached, but the overall impact on preventing evictions was modest (**Ministry of Justice (2022)**

<https://www.gov.uk/government/publications/tenancy-mediation-pilot-post-implementation-review-report>).

Studies across civil and family mediation consistently show that unrepresented parties drop out earlier and the cases are less likely to result in enforceable agreements. The Civil Justice Council has noted that mediation can entrench inequality when one side has professional representation and the other does not (**Civil Justice Council (2018)** <https://www.judiciary.uk/guidance-and-resources/final-report-on-alternative-dispute-resolution/>).

Early resolution only works if parties have access to skilled, funded advice. Otherwise, mediation and similar schemes risk becoming another barrier, rather than a path, to justice.

9. What role is there for digital innovation and data collection in supporting access to justice?

Digital innovation

Digital tools can widen access for some, but risk excluding those most in need unless matched with strong support. For those who can benefit they are quick, cheap and easy to use. They enable the easy sharing of evidence including photographs. Users can check the status of a case at any time and can take action immediately. Laborious printing and sending of documents and correspondence is avoided.

Unfortunately many people find them difficult or impossible to use. In the housing sphere clients often lack means, are unable to speak English, are in insecure, inadequate housing or are homeless, are otherwise vulnerable and lack internet access. In general it is likely that digital innovation will have a negative effect on access to justice for most people in housing need. The ONS found that 10% of the population

were internet non users (**ONS (2018)**)

<https://www.ons.gov.uk/peoplepopulationandcommunity/householdcharacteristics/homeinternetandsocialmediausage/articles/exploringtheuksdigitaldivide/2019-03-04>).

In the legal sphere JUSTICE has warned about digital exclusion from online courts

(**JUSTICE (2018)** [https://files.justice.org.uk/wp-](https://files.justice.org.uk/wp-content/uploads/2018/06/06170424/Preventing-Digital-Exclusion-from-Online-Justice.pdf)

[content/uploads/2018/06/06170424/Preventing-Digital-Exclusion-from-Online-Justice.pdf](https://files.justice.org.uk/wp-content/uploads/2018/06/06170424/Preventing-Digital-Exclusion-from-Online-Justice.pdf)).

Role of data collection

Data collection could support shows the inequalities in legal representation which are may indicate that access to justice is being denied. For example, the Civil Justice Quarterly Statistics for he period from January to March 2025

(<https://www.gov.uk/government/statistics/civil-justice-statistics-quarterly-january-to-march-2025/civil-justice-statistics-quarterly-january-to-march-2025>) show that in mortgage and landlord possession claims far more claimants than defendants were represented and that the proportion of cases where both parties were represented was accordingly low. Additional data could show the extent of any correlation between representation and outcome. Data collection from advice services and courts could help track unmet legal need, identify “advice deserts,” and monitor who is being excluded. Data collection will be even more important as justice systems move online, as they will be needed to show the extent of non-engagement. It is important that the data is as nuanced as possible so that it can be used to target resources, to improve systems and facilitate access to justice.

For digital innovation to support access to justice there would need to be put in place first a comprehensive network of support services to assist litigants. The supply of these services would need to meet the demand. As legal aid services do not currently meet the demand, even of those who are financially eligible, it seems very unlikely that the public funding needed to ensure that digital innovation supports access to justice will be available.

Without investment in both digital support and robust data collection, innovation risks widening inequality rather than narrowing it.

10. How could the current system of legal aid be improved to provide a cost-efficient and cost-controlled service, with suitably remunerated legal practice across civil, criminal and family law?

Why current rates make legal aid unsustainable

Shelter accepts that public funding will always be limited, but rates that make practices unsustainable risk hollowing out the system entirely no legal aid system at all. The Law Society has commissioned research from Frontier Economics which showed that all housing legal aid providers were loss making from their legal aid work (**The Law Society (2024)** <https://www.lawsociety.org.uk/topics/research/civil-legal-aid-sustainability>). Legal aid hourly rates could be set by reference to the solicitors' guideline hourly rates set by HMCTS (**HMCTS (2025)**, [Solicitors' guideline hourly rates - GOV.UK](https://www.gov.uk/government/publications/solicitors-guideline-hourly-rates)). For example they could be set at 50% of the rates. For a solicitor in outer London with over 4 years' experience that would be £128 per hour, more than double the current legal aid rate for county court work in London of £63. This measure would restore viability while still ensuring value by keeping rates below private charging levels.

Why civil legal aid is already cost controlled

Solicitors are subject to the assessment of the reasonableness of their costs by the Legal Aid Agency and the courts. Legal costs in any individual case are substantial. The work is labour intensive and the level of skill and qualification needed is high. It is not easy to see how legal costs could be reduced whilst still providing a justice system which is fair to all parties. To reduce the cost of legal aid the legal costs of all parties to litigation would need to be reduced. This could only be done by changing the court process itself. Processes could be simplified, digital case management with safeguards could be used and procedures could be changed to encourage earlier resolution. Litigants of means will always employ expert lawyers who put many hours work into the case. In order to ensure a level playing field legal aid lawyers must be able to do the same.

Shelter would submit that the civil legal aid system is already cost-controlled. The cost of civil legal aid as a proportion of overall public spending is low.

Why LASPO reforms reduced access to justice without saving money

Certain reforms to legal aid achieved little in cost savings but had significant negative impacts on access. For example, claims for damages for disrepair were taken out of scope by LASPO. A disrepair claim is always one claim, for works and damages. The costs of including a damages claim are low as all the arguments are the same as for the works claim. The costs are usually recovered in full from the landlord so that no claim is made on the legal aid fund. Removing disrepair claims for damages from the legal aid scheme is likely to have saved very little money. Instead, the reform has deterred many solicitors, often in law centres and other charities, from doing disrepair work at all. More people are unable to obtain help for disrepair problems and access to justice has been reduced.

To be cost-efficient, legal aid must fund work at rates that allow practices to survive, while targeting scope at areas where early legal help prevents costlier problems for public services. Without this, the system will continue to shrink, with higher costs borne elsewhere in government.

11. What has been the impact of the Legal Aid Agency cyber-attack, revealed in April 2025, on recipients and providers of legal aid work, and how have the Legal Aid Agency and Ministry of Justice responded?

Immediate financial impacts

The impact of the Legal Aid Agency (LAA) cyber-attack has been significant and wide ranging. Steps have been taken to mitigate the effects of the suspension of all online systems, such as the introduction of weekly contingency payments, and these are very welcome. However, there are measures which could be put in place to improve cash flow for providers. Providers have been unable to claim payments on account for either disbursements or profit costs. Expert reports are expensive, typically around £1,000 for a surveyor's report and around £2,500 for a medical report. While the weekly contingency payment scheme has offered some short-term relief for cashflow, providers need to be able to claim disbursements as soon as they are incurred. The absence of contingency measures in this area, combined with the prolonged system outage, has been highly detrimental to all providers across civil and criminal legal aid.

Administrative impacts

There has also been a lack of clarity regarding escape fee billing for cases concluded during the CCMS outage. Although we were informed by our contract manager that such cases could be billed without submitting the fixed fee first, the LAA billing team has repeatedly rejected claims on that basis. This inconsistency highlights a breakdown in communication within the LAA, leaving providers with additional administrative burdens.

Future uncertainty

No reassurance has been provided on how the LAA intends to manage the backlog of certificate billing and processing once online systems are restored. With five months' worth of claims due to be submitted simultaneously, there is widespread concern about delays and no clear indication of what additional resources, if any, will be made available to address the issue.

The situation with the CWA portal (controlled fixed fee work reporting system) compounds these challenges. We have been informed that it is being rebuilt and will not be available until early 2026. However, there has been no meaningful update on what changes the new system will introduce, nor any indication of how much time providers will have to adapt their own systems and processes in response. This ongoing uncertainty further undermines confidence in the LAA's response.

The Ministry of Justice has acknowledged the cyber-attack but has not provided a clear recovery plan or reassurance to providers on how the backlog will be cleared or what resources will be made available.

Unless urgent steps are taken to restore systems, clear the backlog, and provide transparency, the cyber-attack risks accelerating provider exit from legal aid and further undermining access to justice.

September 2025