Case no. 12775-2025

BEFORE THE SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974

B E T W E E N

SOLICITORS REGULATION AUTHORITY LIMITED

Applicant

-and-

CLAIRE FRANCES GILL

Respondent

RESPONDENT'S SUPPLEMENTAL SUBMISSIONS ON COSTS

For the hearing on 13 January 2026

Page references in this skeleton argument are to the Master Bundle.

A. INTRODUCTION

1. These submissions supplement Ms Gill's skeleton argument on costs served on 24 December 2025 (**"Ms Gill's First Skeleton**"). They are intended to assist the Tribunal with narrowing the issues for determination at the hearing in light of the parties' submissions.

2. Summary assessment is standard practice in the Tribunal.[1] However, subject to the Tribunal's view, Ms Gill would be content for an order for detailed assessment on the indemnity basis, with an interim payment of £752,755.05 (including VAT), being 75% of the costs claimed. In that event, issues to be determined at the costs hearing would be as follows.

   2.1 **(1) Whether a costs order should be in made in favour of Ms Gill.** As to this, see paragraphs 28 to 45 of Ms Gill's First Skeleton **[I81-86]**. Rule 43(4) of the SDPRs provides in material part: "*The Tribunal must first decide whether to make an order for costs and must identify the paying party in any order made*."

[1] *Disciplinary and Regulatory Proceedings* (10th ed., 2019) at paragraph 10.91 **[J3298]** and *The Solicitors Disciplinary Tribunal* (2nd ed., 2022), paragraph 16.4.5 **[J3332]**.

Accordingly, the Tribunal will be invited to decide this issue before going on to decide the further issues that will arose (as follows) in the event that it decides to make a costs order in Ms Gill's favour.

2.2 **(2) The basis of assessment of any costs order**. Ms Gill will seek her costs on the indemnity basis.

2.3 **(3) The relevant period for which Ms Gill's costs are recoverable under any costs order.** Ms Gill's primary position is that her costs should be recoverable from 12 July 2023, when she was made aware of Dr Sam Jones' (the senior investigation officer) recommendation to close the investigation. In any event, her costs should be recoverable from 8 February 2024, the date of Dr Jones' misconceived notice recommending referral to the Tribunal.

2.4 **(4) What order, if any, should be made in relation to: (i) the client anonymisation / third-party disclosure issue in August/September 2025 and (ii) Ms Gill's disclosure application heard in October 2025.** Ms Gill proposes that costs of the anonymisation / third-party disclosure issue be included within the costs of the proceedings and that no order be made as to the costs of her disclosure application.

2.5 **(5) Whether an interim payment on account of costs be ordered, and if so in what amount.** Ms Gill will seek a payment on account of costs of £752,755.05 inclusive of VAT (representing 75% of her claimed costs).

3. On 9 January 2026, the SRA raised additional issues in its "Note on the Indemnity Principle" ("**IP Note**"). Issues concerning the indemnity principle only arise on the assessment of costs, and are not relevant to whether a costs order should be made against the SRA. Ms Gill briefly responds to the IP Note in section F below.

4. An updated Statement of Costs has been filed with these submissions **[H14]**. This includes Ms Gill's costs of the costs application and excludes a small amount of costs that had featured in the original Statement of Costs served on 11 December 2025 relating to the various issues which Ms Gill accepts should not be the subject of any costs order, including (i) Ms Gill's disclosure application; and (ii) dealings with enquiries from the

media and Dan Neidle[2] . VAT has been included because Ms Gill is not VAT-registered and therefore would not be able to recover VAT from HMRC.

5. Ms Gill makes the following further submissions on the issues that will arise in the event that the Tribunal decides to make a costs order in Ms Gill's favour.

B. THE BASIS OF ASSESSMENT

6. As to the Tribunal's jurisdiction to order that costs be assessed on the indemnity basis:

6.1 To date there has been no conclusive determination by the Courts or the Tribunal as to whether the Tribunal has a jurisdiction to direct a detailed assessment on the indemnity basis, in accordance with the approach under CPR r. 44.3(3) **[J2863]**.[3] Under that approach, the court will resolve any doubt which it may have as to whether costs were reasonably incurred or were reasonable in amount in favour of the receiving party. By contrast, where costs are awarded on the standard basis, the court will (a) only allow costs which are proportionate to the matters in issue (such costs which are disproportionate in amount may be disallowed or reduced even if they were reasonably or necessarily incurred) and (b) resolve any doubt which it may have as to whether costs were reasonably and proportionately incurred or were reasonable and proportionate in amount in favour of the paying party: see CPR 44.3(2).

6.2 However, the Tribunal has a statutory jurisdiction to make "*such order as may think fit*", which includes an unqualified discretion to order "*the payment by any party of costs or a contribution towards costs of such amount as the Tribunal may consider reasonable*".[4] Reflecting this, r. 43(1) SDPR 2019 provides that the Tribunal may "*may make such order as to costs as it thinks fit*" **[J591]**. This broad jurisdiction necessarily encompasses an order determining the basis of

[2] This includes the POCA advice issue to which the SRA objected in paragraph 51.3 **[I68]** of its skeleton argument dated 24 December 2025 ("**SRA Skeleton**").
[3] In *Ahmud* (Case No. 11955-2019) the Tribunal stated that it "*was not satisfied that it had the jurisdiction to direct the costs judge to apply a particular basis, but in any event it declined to do so*" ([83]). The views expressed on jurisdiction were necessarily obiter (as the Tribunal declined to exercise any discretion which may exist in any event) and it is respectfully submitted that any doubts expressed in that case as to jurisdiction should not be followed.
[4] Solicitors Act 1974, section 47(2)(i) **[J2735-2736]**.

assessment, including where the Tribunal directs a detailed assessment by a taxing Master of the Senior Courts under r. 43(2) **[J592]**.

7. It is submitted that the Tribunal should apply the test applicable in civil proceedings for whether to assess costs on the indemnity basis (as Mostyn J did on a statutory appeal of a decision of the medical Fitness to Practice Panel in *Khan v GMC* [2015] EWHC 301 (Admin): see [39] – [40] **[J3097]**). A succinct and recent summary of the principles governing the discretion as to indemnity costs in civil proceedings can be found in *Hosking v Apax Partners* [2018] EWHC 2732 (Ch); [2019] 1 WLR 3347 at [37] – [43] **[J3066-3068]**. The essential principle is that the conduct of the paying party takes the case outside the norm. This can include unreasonableness in the conduct of the proceedings. Ms Gill will rely on the matters relied upon in support of her submission that there is good reason to make an award of costs in her favour as matters additionally justifying an award of indemnity costs (see paragraphs 28 to 45 of Ms Gill's First Skeleton **[I81-86]**).

C. THE RELEVANT PERIOD

8. For the Tribunal's benefit, Ms Gill's updated Statement of Costs **[H14]** contains an Annex which breaks down her costs incurred into five periods (summarised as follows):

Period	**Description**	**Total costs (inc. VAT)**
12.07.2023 to 07.02.2024	The period beginning with receipt of Dr Jones' email regarding her recommendation until Dr Jones' notice recommending referral **[X1037-1038]**.	£14,268.00
08.02.2024 to 21.03.2025	The period beginning with Dr Jones' notice recommending referral to the ADM's referral decision **[X4-32]**.	£247,158.00
22.03.2025 to 01.04.2025	The period beginning with ADM's referral decision **[X1152-1161]**.	£20,838.00
02.04.2025 to 22.05.2025	The period beginning the day after Ms Gill became an equity partner.	£40,896.00
23.05.2025 onwards	The period after the Rule 12 Statement **[A4-49]**.	£680,513.40
Total		***£1,003,673.40***

9. Ms Gill's primary submission is that she should be awarded her costs since 12 July 2023. This was the date on which Dr Jones informed her that she had made an initial recommendation (which it is now known to have been to close the investigation; see Ms Gill's First Skeleton paragraph 8 **[I74-75]**). As is now clear, this initial recommendation should have been followed, had the SRA acted reasonably, and it therefore marks the beginning of the period of the SRA's unreasonable conduct (see Ms Gill's First Skeleton, paragraphs 31 to 32 **[I82-83]**).

10. Alternatively, Ms Gill should be awarded her costs from no later than 8 February 2024. This is the period after the service of Dr Jones' initial notice recommending referral. This notice was infected with several gross errors of law which should never have been made – mostly notably, the allegation that Ms Gill had failed to discharge a supposed duty of due diligence on the merits of her client's case and the subject matter of her instructions (see Allegation 1 **[X12]**). Notwithstanding the formal abandonment of the due diligence allegation in the ADM's decision of 21 March 2025 (see paragraphs 20 to 21 **[X1155]**), it was in substance reintroduced in the Rule 12 Statement and in the case advanced before the Tribunal, as the allegation that Ms Gill was knowingly lending her hand to an abuse of process was dependent (on the SRA's case) on the contention that she had not received sufficient evidence to satisfy herself that her client was able to prove its case at trial (see Rule 12, paragraphs 132 to 138 **[A43-45]**). This fundamental misconception of law is relied upon by Ms Gill as good reason for the SRA to be ordered to pay her costs (see Ms Gill's First Skeleton paragraphs 28 to 30 **[I81]**). Should the Tribunal accept that submission, it ought to award Ms Gill her costs from no later than the date on which that error crystallised, i.e. Dr Jones' notice recommending referral.

11. The SRA's submission at SRA Skeleton paragraph 22 **[I61-62]** that the costs should be confined to the actual allegation pursued fails to recognise the justice of the matter. The SRA should not be immune from the very costs-heavy consequences of its misconceived and scattergun approach embodied in the notice recommending referral of 8 February 2024.

12. For the avoidance of doubt and for the reasons given in in paragraph 19 of Ms Gill's First Skeleton **[I78]**, the Tribunal's costs jurisdiction encompasses orders for costs which predate the commencement of Tribunal proceedings.

D. COSTS OF THE SO-CALLED 'FAILED APPLICATIONS'

13. In its skeleton argument dated 24 December 2025 ("**SRA Costs Skeleton**"), the SRA submits that its costs of what it terms the 'failed applications' should be set off against any costs order made in favour of Ms Gill (see paragraph 17 **[I60]**). These are: (i) Ms Gill's application that the Tribunal rule on whether her client should be anonymised, and the third-party disclosure application which followed (the "**Anonymity / Third Party Issue**"); and (ii) Ms Gill's application for disclosure of Dr Jones' recommendation (the "**Disclosure Application**"), heard on 6 October 2025.

14. Unhelpfully, although the SRA's Statement of Costs dated 24 December 2025 **[H10-13]** distinguishes between disbursements incurred in respect of the Anonymity / Third Party Issue and those incurred in respect of the Disclosure Application, it does not do so for profit costs. In any case and as set out below, Ms Gill will oppose any order for costs in respect of either issue (such that a further Statement of Costs distinguishing between those costs should be unnecessary).

15. Ms Gill will seek her costs of all work related to the Anonymity / Third Party Issue, as part of the costs of the proceedings, and oppose any order for the SRA's costs. Ms Gill's claimed costs are £25,830 (inc. VAT), per her updated Statement of Costs.

    15.1 This issue originated in the standard request, made by Ms Gill in her directions checklist dated 21 August 2025 for the CMH on 28 August 2025, for "*Directions/orders for the anonymity of the client and its representatives*" **[ZZ4]**.

    15.2 At the time, there had been no determination of the Tribunal as to whether iniquity affected Ms Gill's client's retainer (nor had this issue been raised by the SRA). The statements of case contained prima facie privileged information which, absent any direction to contrary, would in due course become disclosable to the public under the SDT's Automatic Disclosure Policy[5] and/or referred to in open court. As the High Court held in *SRA v Williams* [2023] EWHC 2151 (Admin), the Tribunal must take steps to preserve privilege in proceedings which involve privileged information, which is ordinarily by means of an anonymisation order: [41], [47], [60], [63], and [68] **[J3244-3252]**. Further, Ms Gill's professional duty

[5] See Ms Gill's submissions dated 12 September 2025 at **[ZZ98-99]**.

as a solicitor was to assert privilege on behalf of a former client, where it was at least arguable that the privilege exists.[6] Accordingly, Ms Gill was bound to raise the client anonymisation issue before the Tribunal so that the issue could be determined by the Tribunal on the evidence before it. Having done so, she adopted an essentially neutral position (see paragraph 7 of her later submissions dated 12 September 2025 **[ZZ95]**).

15.3 Once this issue had been raised at the CMH, two third-party disclosure applications were received by the SDT on 4 September 2025 from a consortium of media bodies **[ZZ10-15]** and an individual, Mr Tim Bullimore **[ZZ16-23]**, seeking the disclosure of (inter alia) the statements of case with exhibits and a finding that any claim to privilege by Ms Gill's former clients was subject to the iniquity exception. Ms Gill is, obviously, on no view responsible for the decision of these third parties to make their applications and cannot be held responsible (as the SRA apparently seek) for any costs incurred by the SRA in responding to them.

15.4 On the contrary, the costs incurred by Ms Gill relating to the Anonymity / Third Party Issue (both in making her initial request and responding to the third-party applications) should be included in any costs order against the SRA, being necessary costs incurred in participating in proceedings wrongly initiated by the SRA.

16. As to the Disclosure Application, Ms Gill will not seek her costs of the application as it did not result in the Tribunal making the order sought. However, it would be inappropriate to make any order for the SRA's costs of the application (including by set-off against any order in favour of Ms Gill) as: (i) it was entirely reasonable for Ms Gill to bring her application, given the demonstrable lack of transparency surrounding Dr Jones' decision to change her recommendation (which Ms Gill continues to rely on in her costs application); and (ii) the application led to the SRA's hitherto-withheld admission, on 26 September 2025, that Dr Jones' original recommendation was to close the investigation.[7] Further, the Tribunal ordered at the conclusion of the disclosure hearing that the costs of the application be reserved. In other words, the Tribunal considered that the appropriate costs order would depend on the outcome of the substantive hearing. In circumstances

[6] *Nationwide BS v Various Solicitors* [1999] PNLR 52, 69 **[J3122]**.
[7] See paragraph 28.2 of the SRA's Response dated 26 September 2025 **[E89]**.

where the application was reasonably brought, and would never been brought but for the SRA's decision to commence these misconceived proceedings, but taking account of the fact that the disclosure application was dismissed, the fair order would be to make no order as to costs.

E. INTERIM PAYMENT

17. Should the Tribunal be minded to order that costs be subject to a detailed assessment, Ms Gill will seek an order for an interim payment on accounts of costs. Such orders are an established practice of the Tribunal.[8] They reflect the position in civil litigation, which it is submitted should guide the Tribunal's approach.

18. Pursuant to CPR r. 44.2(8), a Court making an order for a party to pay costs subject to detailed assessment will order that party to pay a reasonable sum on account of costs, unless there is good reason not to do so **[J2828]**. The presumption in favour of an interim costs order for a reasonable sum was introduced to the CPR in April 2013 **[J2838]**. The "*salutary object*" of an interim costs order is "*to enable a party to recover at least a substantial part of his expenditure on costs before (and to an extent in the hope of avoiding) what can be a protracted and expensive process in carrying out a detailed assessment. It also is intended to provide a useful sanction and discipline generally in the context of the costs of litigation.*"[9]

19. Good reason for not making an interim costs award will generally exist only where there is no credible material on which to make a reasonable estimate of the likely award of costs after detailed assessment.[10] It is not sufficient that the Court or Tribunal might be sceptical of the recoverability of some of the claimed costs; that can be remedied by a downward revision of the interim payment. It will be submitted that the detailed Statement of Costs filed by Ms Gill, which has been prepared by a professional costs lawyer, is sufficient for the purposes of assessing an interim payment.

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[8] See, for example, *Ahmud* (Case No. 11955-2019) at [87] (interim payment of respondent's costs) **[J355-356]**, *Poole* (Case No. 10129-2008) at [227] and [229] **[J2677-2678]**, and *Maitland-Hudson* (Case No. 11581-2016) at [113.7] – [113.11] (interim payments of SRA costs) **[J2637-2638]**. All as cited in Ms Gill's First Skeleton, footnote 12 **[I79]**.

[9] *Days Healthcare UK v Pihsiang Machinery Manufacturing* [2006] EWHC 1444 (QB) **[J2981]** at [4]. Cited with approval post-April 2013 in *De Sena v Notaro* [2020] EWHC 1366 (Ch); [2020] Costs LR 737 at [50] **[J3012]**.

[10] *FCA v Papdimitrakopoulos* [2022] EWHC 3048 (Ch) at [28] – [31] **[J3043]**; *South Tees Development Corpn v PD Teesport* [2023] EWHC 2270 (Ch); [2023] Costs LR 1573 at [26] – [29] **[J3261-3262]**.

20. As to the correct approach to quantum of an interim payment, the leading case[11] is *Excalibur Ventures v Texas Keystone* [2015] EWHC 566 (Comm). See [23] – [24] per Christopher Clarke LJ **[J3027-3028]**:

> "*23. What is a reasonable amount will depend on the circumstances, the chief of which is that there will, by definition, have been no detailed assessment and thus an element of uncertainty, the extent of which may differ widely from case to case as to what will be allowed on detailed assessment. Any sum will have to be an estimate. A reasonable sum would often be one that was an estimate of the likely level of recovery subject, as the costs claimants accept, to an appropriate margin to allow for error in the estimation. This can be done by taking the lowest figure in a likely range or making a deduction from a single estimated figure or perhaps from the lowest figure in the range if the range itself is not very broad.*
>
> *24. In determining whether to order any payment and its amount, account needs to be taken of all relevant factors including the likelihood (if it can be assessed) of the claimants being awarded the costs that they seek or a lesser and if so what proportion of them; the difficulty, if any, that may be faced in recovering those costs; the likelihood of a successful appeal; the means of the parties; the imminence of any assessment; any relevant delay and whether the paying party will have any difficulty in recovery in the case of any overpayment.*"

21. Ms Gill submits that an interim costs award should be made of 75% of the total costs claimed in the period for which the Tribunal thinks an order for costs should be made. If Ms Gill is awarded her costs since 12 July 2023, this would result in an interim payment of £752,755.05 including VAT (alternatively, £742,054.05 from 8 February 2024). This is having regard to the following:

    21.1 If the Tribunal accepts Ms Gill's submission that a detailed assessment on the indemnity basis is appropriate, then (as stated above) the costs judge will resolve any doubt as to whether her costs were reasonably incurred or reasonable in amount in Ms Gill's favour.[12] Accordingly, she would be likely to recover a high proportion of her claimed costs on detailed assessment.

    21.2 There is no reason to think that the costs judge on detailed assessment is likely to impose substantial reductions referable to guideline hourly rates (as is sought in SRA Costs Skeleton, paragraph 41 **[I65]**), as these are guidelines for summary

[11] *Excalibur* has been followed numerous times by judges at first instance. Reliance on *Excalibur* was approved by the Court of Appeal in *Mousavi-Khalkali v Abrishamchi* [2020] EWCA Civ 1493; [2020] Costs LR 2065 at [71] – [74] **[J3102]**.
[12] CPR r. 44.3(3) **[J2863]**.

assessment (though they *may* provide a helpful *starting point* on detailed assessment).[13]

21.3 Were the Tribunal to assess Ms Gill's costs summarily, it would likely follow the approach in the recent decision of *Shiebert* (Case No. 12623-2024), in which, after a prosecution dismissed after the close of the SRA's case, the Tribunal (at [48] **[J3275]**) "*accepted that the Respondent was entitled to recover costs in full for work reasonably undertaken in defending proceedings which were found to have been misconceived*" (which applies with greater force where proceedings have been dismissed on a summary basis before the substantive hearing). This included granting the respondent the costs of a £102,600 brief fee (subject to a £6,000 reduction relating to an arithmetic error): [49]. A detailed assessment can be assumed to proceed on a similar basis and the interim payment should reflect that.

21.4 Ms Gill does not propose to address each of the remaining points taken in the SRA Costs Skeleton (being matters for resolution at the detailed assessment hearing). The possibility that some or all may be successful before the costs judge is reflected in the proposed percentage reduction of 25%.

21.5 Although the issue raised by the SRA in the IP Note regarding the indemnity principle would fall to be determined as part of detailed assessment, the SRA's indemnity principle arguments are extremely weak and are likely to be dismissed by the costs judge. It does not preclude an interim costs award.

F. THE INDEMNITY PRINCIPLE

22. In the IP Note, the SRA contends that there may be issues concerning compliance with the indemnity principle, and that this is a further ground for objecting to a costs order. The essence of the indemnity principle is that costs awards are compensatory, so the sum ultimately recovered cannot exceed the amount the beneficiary is liable to pay to their lawyers: *Brawley v Marczynski (No 2)* [2002] EWCA Civ 1453; [2003] 3 Costs LR 325, [12] **[J2975-2976]**. However, for over a century the courts have recognised that many, if not most, litigants are in fact funded by third parties (including their own lawyers), without any personal expectation of paying costs. But this occasions no difficulty with

[13] The HMCTS publication of guideline hourly rates refers to them as "*Guideline figures for carrying out a summary assessment of court costs*" **[J3317]**. The Guide to the Summary Assessment of Costs says that the guideline hourly rates "***may** also be a helpful **starting point** on detailed assessment*" (paragraph 28 **[J3304]**).

the indemnity principle. As Lord Phillips MR observes in the *Thornley* case cited by the SRA in the IP Note at paragraph 16 **[I90]**, the courts have had "*no truck*" with arguments that the principle is offended because a litigant's liability to pay their lawyers would never be enforced and is "*little more than notional*": *Thornley*, [6] – [9] **[J3291-3293]**. So long as the costs recovered will actually be paid to the lawyers, the indemnity principle is satisfied.

23. In the IP Note, the SRA contends that the indemnity principle cannot be satisfied in the present case. Although it does not use the term, it first says that there is a circularity objection to Ms Gill's CFA: she is only liable to pay costs thereunder if a costs award is made, but a costs award can only be made if she is liable to pay costs thereunder: IP Note, paragraph 13.[14] It secondly says that there can be no costs award under the alternative basis in *Chorley*, as that basis for awarding costs is ousted by the CFA: IP Note, paragraph 21 **[I91]**. Thirdly, it says it is a matter for "*debate*" whether an award of costs under *Chorley* could be substantial, and this would require some inquisition into Ms Gill's partnership share: IP Note, paragraph 23 **[I91]**.

24. If the Tribunal is content to direct a detailed assessment of Ms Gill's costs, the short answer to all these points is that they are premature. Courts and Tribunals are not required to be satisfied as to compliance with the indemnity principle at the point a costs order is made. An award of costs in principle simply entitles the beneficiary to recover the costs they have reasonably incurred. The question of whether, and if so what, costs have in fact been incurred is a matter for the assessment. It is for this reason that it is only where costs are assessed that a party is required to certify that the indemnity principle has been complied with. It is also only when costs are assessed that a party may be required to produce its retainer documents to the court. None of this is required at the point a costs order is made in principle (the first question the Tribunal has to decide, pursuant to Rule 43(4)). There is, for example, no requirement for a party claiming costs at the end of a trial to certify compliance with the indemnity principle. That requirement comes later.[15]

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[14] The SRA also says, twice, that the CFA is a "*device*" to secure costs recovery (IP Note, paragraphs 6 and 18 **[I88, 90]**). But this point, which is not developed, merits a crude "*so what*?" That is true of any CFA, and as has been seen the *Thornley* case the SRA itself cites recognises the indemnity principle is satisfied by purely paper liabilities to pay costs.

[15] Under the CPR, when the bill of costs is served (PD 47, §§5.7(6) & 5.21). This is also the stage when the litigant must give relevant details of its retainer (*id*, §5.11(3)). The requirement to produce the retainer to the court only arises when the detailed assessment is set down for hearing (*id*, §13.2(i)).

25. To the extent they arise at this stage, however, the three specific points made by the SRA are misconceived.

26. Under the CFA, Ms Gill is liable to pay Carter Ruck if she wins. That has no relevance to whether a costs order is made in her favour: see paragraph 23 above. But it follows that once such an order is made, she will be liable to pay Carter Ruck and (to the extent reasonable) she will be able to recover the resulting costs from the SRA. For the same reason, once a costs order is made, it becomes irrelevant that liability would not of arisen if it had not been made: "*Even if there was an express agreement that [the solicitor] would be paid his profit costs only if [the client] won her case, [the client] would still be entitled to be indemnified against any legal liability which had been incurred in the events which had happened. The fact that she would have incurred no liability in a different event which had not happened would not affect this.*" (per Millett LJ in *Thai Trading v Taylor* [1998] QB 781, 785 **[J3281]**).[16]

27. The fact that, under the CFA, Carter-Ruck thereafter agrees to waive unrecovered costs is equally irrelevant. It is well established that a liability remains a real liability, satisfying the indemnity principle,[17] notwithstanding that the solicitor agrees not to enforce it against its client personally: see *Harrington* at [9] – [12] **[J3049-3050]**.

28. The *Vaz* case cited in the IP Note at paragraph 13 **[I89]** is no impediment to this analysis. It was the product of limited argument; pre-dates *Thai Trading*; has never subsequently been followed (see e.g. *Harrington* at [13] – [14] [**J3050-3051]**); and its approach has been expressly held not to apply to CFAs: *Sharratt v London Central Bus Co* [2003] EWHC 9020 (Costs), [383] – [386] **[J3234-3235]**. Equally, the CPR provision relied upon at paragraph 14 of the IP Note as "*abrogating the indemnity principle*" (in the courts only and not the SDT) has been held to do nothing of the kind, and simply to be declaratory of how the indemnity principle has always operated in the context of CFAs (*Sharratt* at [385]).

29. As such, the CFA is indeed effective to secure recovery of Ms Gill's reasonable costs, and recourse to the *Chorley* principle is unnecessary. But even if it were, the existence of the CFA would create no difficulty. It is clear from the *Malkinson* case cited in Ms

[16] Although the outcome in *Thai Trading* was later disapproved for other reasons, this passage continues to be cited as authoritative, e.g. by Mann J in *Harrington v Wakeling* [2007] EWHC 1184 (Ch); [2007] 5 Costs LR 710, [11] **[J3050]**.
[17] Which as has been seen is in any event satisfied by liabilities which are "*little more than notional*".

Gill's First Skeleton (fn. 15 **[I80]**, **[J2722-2733]**) that the *Chorley* principle can be relied in the alternative to a contractual provision; and the logic of the *Chorley* principle (that the indemnity principle is deemed satisfied in the case of a partner represented by their firm by the loss to the partner of the firm going unpaid) would be directly applicable here were the SRA correct in its argument that payment cannot in fact be secured under the CFA because of an abstruse 'circularity' objection.

30. As to the SRA's third point, the supposed "debate" about the permissible extent of recovery under *Chorley* having regard to the actual extent of Ms Gill's partnership share, there is no debate to be had. It is clear from the authorities that *Chorley* does not require any enquiry into the actual losses suffered by the partner: see *Robinson v EMW Law* [2018] EWHC 1757 (Ch), [33] – [39] **[J2490-2493]**. *Chorley* is a pragmatic and non-technical principle for costs recovery intended to ensure that the indemnity principle does not lead to precisely the kind of unjust windfall that the SRA is here attempting to engineer.

31. For these reasons, none of the issues raised in the IP Note prevents either the making of a costs order in Ms Gill's favour, or (if these is no summary assessment) the interim payment she seeks.

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12 January 2026