

Inflated Hours Case Exposes Cracks In Firms' Billing Practices

By **Marialuisa Taddia**

Law360, London (September 12, 2025, 7:00 PM BST) -- The disbarment of a former Irwin Mitchell LLP lawyer for inflating billable hours exposes deep flaws in the model, lawyers say, including "unsustainable" targets set by firms and the widespread practice of overstating chargeable time — as artificial intelligence is already undermining its relevance.



The Irwin Mitchell case shows how the billable hour model creates "unsustainable incentives," according to Hannah Bradshaw of BlueSky, a platform for women in law. (iStock.com/magann)

The Solicitors Regulation Authority said in August that a **former senior associate** at the firm had recorded almost 23 chargeable hours for one work day — almost four times more than the firm would typically expect a fee-earner to record. The former associate admitted that she created records that were "inaccurate, misleading and in excess of the time."

It is not an isolated case. The SRA said in September that it had referred a former solicitor at a criminal defense law firm to a **disciplinary tribunal** to face allegations of false time recording.

"It is ironic that this associate is being vilified for doing what every single law firm does daily: inflating chargeable hours," Adil Taha, co-founder of an advisory firm, Taha & Watmough, and former chief executive of Rosenblatt Law Ltd., said. "It feels like she has been made an example of, in a world where this is happening every day across hundreds of firms."

Hannah Bradshaw, a former lawyer and co-founder of BlueSky, a parental coaching platform for women in law, said the Irwin Mitchell case shows how the billable hour model creates "unsustainable incentives" including high targets, uneven workloads and a narrow focus on time over value.

Bradshaw called it "a dual failure." The model rewards volume over value and reflects a culture of "hyper-aggressive targets," she said. And the associate had faced intense time pressure without support, despite facing challenges including homeschooling and bereavement.

"It's not just that the model is flawed — it's that firms enforce it without sufficient checks for empathy, or alternative metrics that reward efficiency and real client value," Bradshaw added.

Taha also said that the case "feels unfair" when the lawyer's circumstances were considered.

"This associate had a parent die recently, she has two young children and was drowning in work and pressure to hit her targets ... why did the firm not spot this?" he asked. "If you are going to demand associates do over 2,000 hours a year, be prepared for them to find ways to hit that, right or wrong."

Lucas Hobbs, a solicitor at Knights PLC, cautioned that the case underlines the risks for law firms of setting performance targets.

"The pressure to hit hourly targets can distort behavior, sometimes with serious ethical consequences," Hobbs said. "When success is measured by how much time is recorded, rather than the quality or value of the advice delivered, cracks begin to show."

The problem is not the billable hours themselves but the targets attached to them. Hobbs said his firm takes a different approach: it uses an hours-based system to track time for transparency and efficiency.

"But, crucially, we have no billable-hour or time-recording targets," he said.

Lawyers at most firms, however, are given spreadsheets that are circulated among practice teams, showing whether they are below target — and by how many percentage points. Falling short can affect bonuses, career progress or even job security. Worse still, being off sick, on holiday or attending networking events means that lawyer miss targets, which creates pressure to "make up" the lost hours.

"This culture often creates stress, inefficiency, and at times unhealthy behavior," Hobbs said.

Sam Crich, a partner at Eaton Smith LLP, in West Yorkshire, said the case also suggests that working excessively long hours might be seen as a route to promotion, which could be problematic. Crich pointed out that the Irwin Mitchell associate worked at the firm for almost 10 years without being promoted. She logged excessively long working hours around the time that she was pushing for promotion, and was eventually made senior associate, raising questions about the kinds of behavior that is being rewarded.

Crich stressed that firms must carefully monitor how hours are tracked and reviewed, adding that they are ultimately responsible for ensuring lawyers are not "padding their hours."

At his own firm — which is much smaller than national powerhouse Irwin Mitchell in headcount, revenue and reach — Crich gets reports three times a day showing how many hours each person has worked.

"If I had seen that someone had worked 20 hours in a day I would go and ask them if they're okay, right? It's not just about billing and remuneration, it's about well-being at the same time," he said.

Taha, of Taha & Watmough, added, "As a former COO, I would receive weekly hour sheets for the entire firm, and this should have been spotted quickly and dealt with properly."

The inflated hours were logged on closed files after billing, which meant that clients weren't charged — the firm wrote them off. Taha believes that Irwin Mitchell should have handled the matter "quietly" rather than reporting her to the SRA and acknowledged its own role.

Lawyers also say that the rapid adoption of AI is exposing the limitations of the billable hour model more clearly. "As AI begins to automate time-intensive tasks, the logic of the billable hour model is beginning to crumble," Bradshaw said.

And Crich argued that although talk of the demise of the billable hour has been around for decades the debate has reached "a tipping point. We now have technology that's not only useful — lawyers and clients alike understand how it works and what it can do," he said.

The ability of Generative AI to draft documents such as nondisclosure agreements or deeds of variation in 10 minutes is a game-changer, Crich said. And it's fine if a client prefers a human review and is willing to pay for it, he added.

"But we need to rethink how we price legal work," Crich said.

Lawyers also have to balance these decisions with their ethical duty to explain to clients about when it is appropriate to use AI — and when it's not.

Zohaib Hashim, chief executive and principal solicitor at Blackmont Legal, a law firm in Manchester, described the billable hour model "outdated."

Many forward-thinking firms are moving away from it to offer clients more predictable costs, he said. "There is really no way to reconcile assistance tools like AI with the billable hour model unless you

accept a reduction in fees, or you normalize inflated billing," Hashim said.

The real question is whether law firms can remain profitable without relying on the billable hour model. "The billable hours model is not broken, but it is also not perfect, it has flaws and there are ways of exploiting it," Taha said.

He cautioned against doing away with the long-standing system entirely. "If you take the billable hour model away, lawyers will end up either massively under-charging on a fixed fee basis, destroying their own margin, or they will overcharge clients."

But he thinks that the sector should look again at targets. "If you demand these young lawyers give their souls and every waking hour to hitting their targets, they will find a way — right or wrong," Taha said.

But Hashim of Blackmont Legal believes that it is not just basic consumer work that could be moved away from the billable hour model.

"Law firms can absolutely be profitable without relying on hourly billing," he said. "There are a lot of operational bloats and overheads firms take on that are unnecessary and leak value. Reviewing those cost centres is often the first step in improving profitability."

Bradshaw said that, as AI cuts the time needed for lawyers to carry out routine tasks, "the traditional associate pyramid with lots of junior lawyers billing lots of time will almost certainly shrink. Firms won't need the same armies of associates to generate revenue."

She also questioned the justification for high pay for partners, which often relies on the output of junior lawyers. "Profitability will still exist, but the distribution of profits may come under pressure as clients push back on old pricing structures."

Bradshaw sees potential in value-based models such as flat fees, outcome-based pricing and subscriptions, which reward efficiency. She described the shift away from traditional models as "a huge silver lining for women in law," pointing out that the change opens up opportunities for returning mothers and lawyers seeking better work-life balance.

"With AI taking the grunt work, firms can capitalize on senior expertise delivered in fewer hours," she said.

She added that BlueSky works with hundreds of women in the legal profession whose careers could be significantly improved by such a shift.

And Hobbs said that "the real lesson" from the Irwin Mitchell case is about more than dishonesty. "It is about the limitations of a system built on hours and targets," he added.

--Editing by Ed Harris.