

Legal  
Access  
Challenge

# The Legal Access Challenge

Closing the legal gap through  
technology innovation

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## About this report

This report has been produced to summarise the Legal Access Challenge, which was run by the Solicitors Regulation Authority (SRA) in partnership with Nesta Challenges. The SRA has also provided a report

focusing on how the lessons learnt from the Challenge are influencing how it regulates to support collaboration and further innovation in the adoption of legal technology.

## About Nesta Challenges

Nesta is an innovation foundation. For us, innovation means turning bold ideas into reality and changing lives for the better.

Within Nesta, Nesta Challenges uses challenge prizes to stimulate innovative solutions to some of the biggest challenges we face. Challenge prizes are a simple but powerful idea. A problem or opportunity is identified, the challenge is publicised and rewards are offered to those who can deliver the best solutions.

Nesta Challenges' Better Markets team works with regulators, policymakers and innovative enterprises to make markets work better for people. We advise regulators and policymakers how regulatory reforms and targeted public investment programmes can work together to achieve greater impact.

## About the Solicitors Regulation Authority

The SRA is the largest regulator of legal services in England and Wales, regulating 196,000 solicitors and 10,300 firms. It covers around 80 per cent of the regulated market.

Building upon the foundation of its core work - public protection and maintaining high professional standards – the SRA wants to help people access the right legal help when they need it. It is committed to supporting the adoption of legal technology and other innovation that helps to meet the needs of the public, business

community, regulated entities and the economy.

It has also set up SRA Innovate to help businesses with new ideas to offer legal services in different, and potentially more affordable ways. This has included creating an Innovation Space where businesses can work collaboratively with the SRA to test out ideas in a safe space, making sure the right consumer protections are in place. The Legal Access Challenge was an opportunity for the SRA to build on this work.

# The Legal Access Challenge



Closing the legal gap through technology innovation

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# Executive summary

## Background

The Legal Access Challenge has shown that innovation and technology can have a positive impact on the economy and in helping hard to reach consumers, especially if supported by progressive regulators. The potential benefits are particularly high in sectors where many people don't have access to the services they need. In the legal sector only 55 per cent of individuals and 10 per cent<sup>1</sup> of small businesses get professional help with their legal problems. In other sectors such as banking, digital innovation has transformed how services are delivered, widening access and giving customers much greater choice and control. In legal services however, technological innovation has made far fewer inroads to date. These issues in access to services and lower innovation seem likely to be related to one another.<sup>2</sup> This raises the question of how innovation can be enabled to take root and thrive in legal services, through removing barriers and perhaps more proactive efforts. With the COVID-19 crisis impacting all parts of our daily lives, such innovation has been shown to be not just desirable, but also essential – and possible.

The Legal Access Challenge, delivered in partnership by the SRA and Nesta Challenges, was a £500,000 challenge prize which sought out early stage digital technology solutions that could directly help individuals and small medium enterprises (SMEs) better understand and resolve their legal problems. The Challenge was made possible by a grant made to the SRA from the £10m Regulators' Pioneer Fund launched by the Department for Business, Energy and Industrial Strategy (BEIS) and administered by Innovate UK. The fund enabled UK regulators to develop innovation-enabling approaches to emerging technologies and unlock the long-term economic opportunities identified in the government's modern Industrial Strategy.

This report provides an overview of the Challenge, the innovations it supported, and insights gained regarding the innovation landscape and barriers to progress. It summarises the key outcomes of the Challenge and the lessons learned as a direct result of the Challenge for the SRA's regulatory approach. The SRA then sets out in its [report](#) next steps for supporting innovation in the development and responsible adoption of legal technology.

1. [www.legalservicesboard.org.uk/online-survey-of-individuals-handling-of-legal-issues-in-england-and-wales-2019](http://www.legalservicesboard.org.uk/online-survey-of-individuals-handling-of-legal-issues-in-england-and-wales-2019)
2. The Lord Chief Justice, Head of the Judiciary of England and Wales, has highlighted the link between technological innovation and access to justice: *"We cannot ignore the complexity of too much of what we do or the trouble and expense associated with it for litigants. That is a complaint that has echoed down the ages. Yet the sensible use of technology may provide enduring solutions to these problems."* (speech by Lord Burnett of Maldon, 3 December 2018)



## Aims of the Legal Access Challenge

Challenge prizes offer a reward to whoever can first or most effectively solve a problem. They are a tried and tested method of attracting new innovators to change the status quo. At the same time, they also challenge incumbents to redirect their efforts or think about a problem in a new way. The Legal Access Challenge sought out new ideas from across the legal sector, attracting ideas from lawtech startups, established law firms, not-for-profits, law schools and entrepreneurs.

The Legal Access Challenge aimed to:

- Accelerate the development of products and services that will help individuals and SMEs better understand and resolve their legal problems;
- Develop a community of people and organisations with a shared interest in the use of technology to improve access to legal support; and
- Learn whether there are regulatory barriers to the development and adoption of mass market legal technology solutions and, if so, whether adaptations to the SRA's approach might reduce these barriers.

## The winners of the Challenge

In April 2020, two winners were announced from a group of eight finalist teams, who themselves had been selected from the original 117 applications to the Challenge. The winning teams were **RCJ Advice** for its collection of digital tools that enable survivors of domestic abuse to get legal support, and **Mencap and Access Social Care** for their virtual assistant which helps people to understand and exercise their social care rights.

## The innovation landscape

Both the finalists and the wider set of applicants represented a broad range of solutions, from online dispute resolution and tailored guidance, to assistance completing documents and platforms for collective action. The report provides an overview of the innovation landscape based on the applications we received. Around half were from commercial organisations, with the rest comprising a mix of individuals, charities, social enterprises and academic institutions. Over half of applications could apply to multiple areas of legal support. Other ideas focused on particular areas including compliance, social welfare and housing, employment and family.



## Barriers to innovation

The report gives an update on potential barriers to innovation that were first identified during the research stage of the Challenge. Engagement with the finalists and applicants during the Challenge showed that these barriers remain valid, and gave further insight into how innovators are tackling some of these. One such barrier facing innovators is how to develop financially sustainable business models whilst maximising affordability of new services for the public. We saw that various revenue models are emerging including those that either charge the end user a modest fee, charge a secondary user such as solicitors, or licence a white-labelled version of the product. Additional barriers identified throughout the programme include challenges innovators experience bringing together the right combination of expertise, a lack of standardisation of legal documents and processes, and a need to continue the development of opportunities for collaborative working across the legal services market.

We also explored what types of support would most help innovators bring their solutions to market. Shared support needs included assistance in forming partnerships, help to navigate regulatory requirements and with data protection issues. We also found that the teams did not always have access to the organisations and people needed to research and test the design of their solutions.

## Outcomes of the Challenge and what we have learned

As well as the financial grant, we directly supported the eight finalists in a variety of ways to accelerate development of their solutions. Seven of the eight finalists said that participation in the Challenge had accelerated development of their solutions and nearly two-thirds said they had developed a completely new solution or functionality as a result of the Challenge. Hundreds of people engaged with the Challenge through attending events, joining the mailing list and through the Challenge Slack channel, with feedback that these opportunities for connection have led to valuable new contacts and working relationships.

We found no evidence through the Challenge that regulation constitutes a hard barrier to innovation, since regulation by the SRA is principles based and not prescriptive. However, we found that there are softer barriers such as a lack of knowledge and understanding from innovators about the Legal Services Act 2007's regime and requirements. Innovators may need some targeted support when developing solutions for adoption in a highly regulated market, especially if it needs coordination across overlapping regimes.

The SRA has set out how it will communicate a wider audience guidance that it thinks will help innovators develop online services that meet regulatory requirements. The Challenge has also directly informed the SRA's corporate strategy for 2020-2023.<sup>3</sup> One of its objectives is to support the adoption of legal technology and other innovation that helps to meet the needs of the public, business community, regulated entities and the economy.

The problems of access to justice and barriers to innovation in the legal sector are deep-rooted and complex.

3. [www.sra.org.uk/sra/corporate-strategy](http://www.sra.org.uk/sra/corporate-strategy)



Some of the areas still to be addressed include:

- Building partnerships that allow solutions to emerge and form a bridge between the unregulated and the regulated sector that consumers trust, providing continuous support between the two.
- How to take a more strategic and collaborative approach to ensure that individual solutions integrate to create seamless end-to-end support for users. Examples of integration include linking across different stages of the customer journey and across different providers of services, whether those are commercial, not-for-profit or court providers, or regulated or unregulated providers.
- How to make sure that, as much as possible, new tech solutions work with the justice system and existing valued delivery channels within it including legal aid solicitors and advice organisations. The winners of the Legal Access Challenge offer an example of what can be achieved.

Some of the outstanding challenges to be addressed include how to take a more strategic and collaborative approach to ensure that individual point solutions integrate to create seamless end-to-end support for users, and how to ensure that organisations typically serving the most vulnerable – and who often may also be organisations with the least resources and capacity to invest in innovation – benefit from new approaches.

## Conclusions and next steps

We see the Legal Access Challenge as an important early step to demonstrate what kinds of innovations are possible and to inform future regulatory development. The Legal Access Challenge has demonstrated the potential of innovation in digital technology to help more people access legal help through the quality and progression of the winners and finalists. We are optimistic that each of the finalists will find success and make a difference to the lives of vulnerable people, individuals and small businesses. The Challenge has also helped to build new connections amongst a community of people passionate about developing new approaches to improve access to legal support. Finally, it has generated insights to inform the SRA's approach on what it can do as a regulator to encourage innovation while making sure the public is appropriately protected.

Innovation in legal services delivery and the adoption of digital technology is needed now more than ever as providers across the legal services sector are having to adapt their services in response to the ongoing COVID-19 crisis. The sector as a whole has responded quickly, rapidly implementing remote hearings, transitioning to remote service delivery and developing new initiatives to share information about approaches that are working well.

The experience of the last few weeks and months shows us that change at pace is possible. It is our sincere hope that this momentum continues beyond the current crisis to deliver transformative change within the legal services sector, deploying the full benefits technological innovation can bring to increase access to legal services for people and small businesses across the UK.

# Introduction



## 2.1. Overview

The Legal Access Challenge was a £500,000 challenge prize delivered through a partnership between the Solicitors Regulation Authority (SRA) and Nesta Challenges. The Challenge supported innovative digital technology solutions that directly help individuals and SMEs to better understand and resolve their legal problems.

At present, too many people and small businesses struggle to access or afford legal help when they need it. Consumer research carried out for the Legal Access Challenge in England and Wales showed that 58 per cent of respondents believe the legal system is not set up for ordinary people with the vast majority wanting it to be easier to access legal support. The latest research from the Legal Services Board<sup>4</sup> found that 55 per cent of people with a legal issue got professional help, and only 22 per cent received advice from a solicitor with other support sought from a whole range of professionals such as doctors and police who may not be legal experts. This means that, at present, many individuals are not able to defend or enforce their rights, and small businesses struggle to manage risk, exercise their rights and ultimately grow.

The legal services market has been slower to adopt the kinds of innovation that have transformed and enhanced other parts of the economy. While there are increasing resources being funnelled into legal technology, much of this is focused on 'legaltech'<sup>5</sup> used in commercial law and large corporate use cases. At the launch of the Legal Access Challenge in May 2019 there had been little focus on the use of digital technology to directly support individuals and small businesses in solving their legal issues. Direct to consumer lawtech solutions promise to make legal services accessible and affordable to a far greater number of people.

The Legal Access Challenge has sought to promote these types of solutions and has aimed to:

- Accelerate the development of products, services and platforms that will help individuals and SMEs understand and resolve their legal problems with greater ease.
- Develop a community of people and organisations with a shared interest in implementing the use of technology to improve access to legal support who will share knowledge and ideas to improve customer outcomes in the legal services market.
- Learn whether there are regulatory barriers to the development and adoption of mass market legal technology solutions and, if so, what adaptations to the SRA's approach might reduce these barriers.

4. [www.legalservicesboard.org.uk/online-survey-of-individuals-handling-of-legal-issues-in-england-and-wales-2019](http://www.legalservicesboard.org.uk/online-survey-of-individuals-handling-of-legal-issues-in-england-and-wales-2019)

5. In our previous report we drew a distinction between consumer-facing and corporate uses of legal technology: <https://legalaccesschallenge.org/insights/the-use-of-technology-to-widen-access-to-justice>





## Challenge statement

The £500,000 Legal Access Challenge sought solutions which demonstrate how digital technology can directly help individuals and SMEs to understand and resolve their legal problems in more affordable and accessible ways.

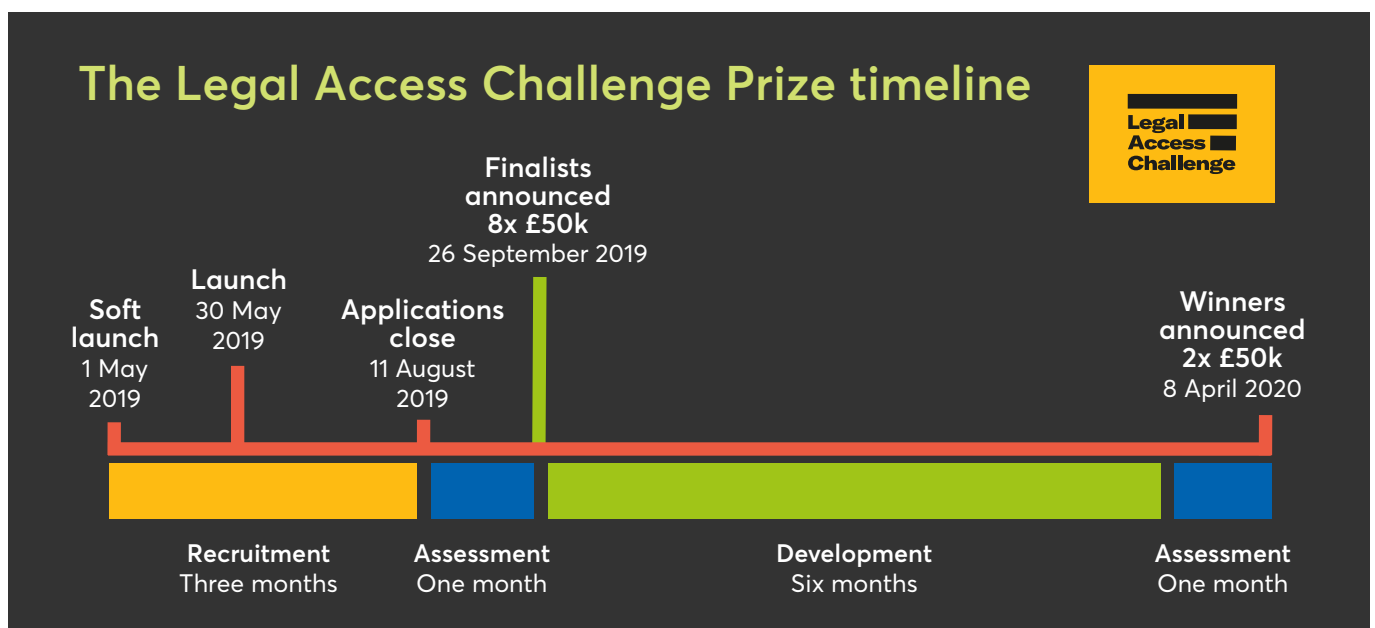
The Challenge rewarded innovative solutions which safely support people through the stages of:

- Diagnosing their issue and whether it is a legal problem, understanding their rights, and understanding the options to resolve a problem.
- Resolving the problem, for example resolving a dispute or generating legal documents, including where appropriate accessing the services of a legal professional.

## 2.2. Challenge structure and criteria

The Legal Access Challenge was a challenge prize. Challenge prizes offer a reward to whoever can first or most effectively solve a problem. They are a tried and tested method of attracting new innovators to change the status quo. At the same time, they also challenge incumbents to redirect their efforts or think about a problem in a new way.

The Challenge received 117 applications in response to the challenge statement, from which the judging panel then selected eight finalists. The finalists each received a £50,000 development grant and access to a range of expert support to develop their solution over a six-month period. At the end of the development period, two winners were selected and received an additional £50,000 prize to further develop their solution.





The finalists and winners were selected by a judging panel who assessed applications against pre-agreed assessment criteria.

The judging panel consisted of: **Anna Bradley** (Chair of the SRA Board), **Julie Bishop** (Director of UK Law Centres Network), **Matthew Briggs** (various NED and Chair positions, including former CEO of The Law Superstore, Minster Law Solicitors and Brilliant Law Solicitors), **Sidonie Kingsmill** (Customer Director at HMCTS), **Juliet Oliver** (General Counsel at the SRA), **Roger Smith** (author of law-tech-a2j.org).

The assessment criteria were:

- **Innovation and impact:** We sought entries which could, if available at scale, have a clear impact on addressing the current unmet legal need of individuals and/or small businesses.
- **Adoption:** We sought solutions which have the greatest potential to reach and support many individuals and/or small businesses in resolving their legal problems.
- **Capability:** We sought capable teams with the skills, commitment and capacity to successfully deliver on their submitted plans.

## 2.3. Partners and funding

The Challenge was made possible by a grant made to the SRA from the £10m Regulators' Pioneer Fund launched by the Department for Business, Energy and Industrial Strategy (BEIS) and administered by Innovate UK. The fund enabled UK regulators to develop innovation-enabling approaches to emerging technologies and unlock the long-term economic opportunities identified in the government's modern Industrial Strategy.

The Legal Access Challenge was delivered in partnership by the Solicitors Regulation Authority and Nesta Challenges. The SRA is the regulator of solicitors and law firms in England and Wales, protecting consumers and supporting the rule of law and the administration of justice. The SRA has already made good progress on making changes to encourage innovation and make the legal market more competitive. It has reformed its rules to allow new types of businesses to come into the market – enabling multi-disciplinary practices and firms owned by those who are not lawyers.

Nesta Challenges is a centre of expertise on the use of challenge prizes to stimulate innovative solutions to pressing problems. It sits within the innovation foundation Nesta.

During the project, the prize funding available was doubled from £250,000 to £500,000 with additional support from the Regulators Pioneer Fund. This reflected the high number and quality of applications received to the Challenge.

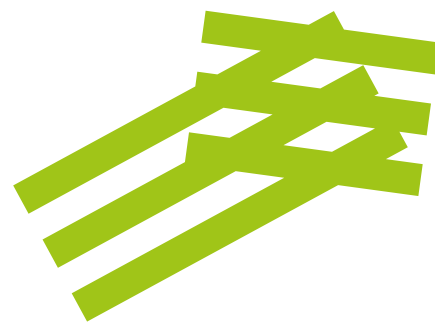


Finalists also received support from the SRA to work through regulatory issues, support from Nesta on impact measurement and investment readiness, and pitch readiness support.

We are also grateful to a range of partners who collaborated with the SRA and Nesta Challenges during the Challenge, and who provided expert support to the finalists during the Challenge:

- The Regulators' Business Innovation Privacy Hub within the Information Commissioner's Office (ICO) offered finalists one-to-one support on privacy and data protection issues.
- Her Majesty's Courts and Tribunals Service (HMCTS) delivered a workshop for finalists to provide insights from HMCTS research into user needs and guidance on integration principles.
- Hogan Lovells offered finalists one-to-one pro bono legal advice to address a specific legal (or business) issue.
- The Law Society offered support to finalists through access to its policy committees and podcast interviews with finalists on its website.
- The Engine Room offered light touch data and technology support.

As the Challenge progressed, we also received valuable assistance from others beyond our core partners. The help from the Financial Conduct Authority was a notable example of this.



# Challenge winners and finalists

The eight finalists represented a range of varied proposals aimed at helping both individuals and small businesses. This group highlighted the different ways that technology can deliver better outcomes for people experiencing a legal issue. The finalists included a mixture of for-profit, not-for-profit and social enterprise organisations, including one partnership team and one internationally based organisation.

## 3.1. Winners

The two winners of the Legal Access Challenge are:

### Mencap with Access Social Care

**Mencap and Access Social Care's winning solution is a legal information virtual assistant developed by Mencap during a pro bono project with IBM using IBM Watson Assistant. It provides free, accessible legal information 24/7, helping people, including vulnerable customers and people with a learning disability, to know their social care rights and challenge unlawful decisions.**

Research shows 25 per cent less people receive social care than five years ago<sup>6</sup> and 95 per cent of local authority social care leaders admit they are unlikely to meet all their legal duties to provide care in 2020.<sup>7</sup> According to Access Social Care, community care law 'advice deserts' and cuts to charitable advice provision mean that hundreds of thousands of people with social care needs are experiencing challenges with finding out about their rights and accessing justice.



The virtual assistant is already being used by customer advisers on Mencap's Freephone Learning Disability Helpline. This means that the charity's helpline staff have started to use the virtual assistant to answer questions that they could not previously have answered because they did not have legal expertise.

The legal virtual assistant has been incubated within the Royal Mencap Society. In order to maximise its impact and ensure that it reaches more people across a broader spectrum of social care needs, it will now be owned and developed by Access Social Care. Access Social Care also plans for the virtual assistant to be hosted on the websites of other advice providing organisations (including helpline charities and law centres) so that it becomes the 'go to' advice portal to help the social justice sector to triage cases in a cost effective way so that lawyers and advisers can spend their time on the most complex cases.



6. [www.kingsfund.org.uk/projects/verdict/how-serious-are-the-pressures-social-care](http://www.kingsfund.org.uk/projects/verdict/how-serious-are-the-pressures-social-care)

7. [www.caremanagementmatters.co.uk/wp-content/uploads/2019/06/ADASS-Budget-Survey-Report-2019.pdf](http://www.caremanagementmatters.co.uk/wp-content/uploads/2019/06/ADASS-Budget-Survey-Report-2019.pdf)



## RCJ Advice



RCJ Advice’s winning solutions are **CourtNav** and **FLAWS**. This is a collection of tools which enables survivors of domestic abuse to get legal help to protect themselves from abuse, gain court-orders, access legal aid and navigate court-processes, as well as allowing the frontline workers who assist them to be confident using legal remedies.

Refuge, the charity providing specialist support for women and children experiencing domestic violence, states that 1.6m women experienced domestic abuse in the year ending March 2019<sup>8</sup> and, sadly, the need for CourtNav and the FLOWS tools is particularly urgent in the context of the COVID-19 crisis. Refuge has reported a 700 per cent increase in calls to its helpline in a single day, while a separate helpline for perpetrators of domestic abuse seeking help to change their behaviour received 25 per cent more calls after the start of the Covid-19 lockdown.<sup>9</sup>



Legal aid is available for domestic abuse survivors but they report considerable barriers in making legal aid applications, including difficulties accessing gateway information, and front line organisations not being able to help or not finding a solicitor that can advise.

RCJ Advice’s suite of tools consist of:

- **CourtNav** which collects evidence for a non-molestation order application and links female and male survivors in England and Wales with an accredited domestic abuse legal aid solicitor.
- **FLAWS** (Finding Legal Options for Women Survivors) specifically empowers women survivors to easily find clear information and local legal support via a daily phone and email legal consultancy service as well as offering a secure webchat app that women can use quickly and discreetly in order to access legal advice . The FLOWS Discussion Forum also enables practitioners to share advice with peers via a secure platform.
- **FLAWS referral app** allows staff working in frontline roles (such as police officers, witness service staff and refuge staff) to refer survivors to the platform to connect with legal help they might not realise is available to them or may not know how to access.



8. [www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/articles/domesticabusevictimcharacteristicsenglandandwales/yearendingmarch2019](http://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/articles/domesticabusevictimcharacteristicsenglandandwales/yearendingmarch2019)

9. [www.theguardian.com/society/2020/apr/12/domestic-violence-surges-seven-hundred-per-cent-uk-coronavirus](http://www.theguardian.com/society/2020/apr/12/domestic-violence-surges-seven-hundred-per-cent-uk-coronavirus)



## 3.2. Other finalists

The other six finalists of the Legal Access Challenge were:

### Doteveryone



The Online Resolution Service is a partnership between the UK's leading responsible tech think tank Doteveryone and online complaints platform Resolver. The aim of the service is to provide a one-stop-shop for the public to exercise their digital rights and access redress for issues they've experienced online. The platform asks users eight questions that help them better articulate the issue(s) they've experienced, understand their rights, complain to the relevant authorities and access streamlined support.

The team's internal research and user testing found that the majority of the public want a more straightforward method for reporting technology companies when they have failed to respect their rights online. But, equally, even if they were able to do so, they're currently unsure of what a good outcome would be. This want for action but

uncertainty over the process identifies a market need for a solution like the Online Resolution Service and anticipates a more mainstream interest in digital rights and seeking redress from technology-driven harms.

Over the course of the Challenge, the solution has developed from proof of concept to prototype stage and has expanded its remit to help SMEs comply with the forthcoming Online Harms legislation<sup>10</sup> and to support civil society groups in giving guidance to their communities. The plan for the next stage is to develop a minimum viable product (MVP) that will integrate into Resolver's existing platform.

**doteveryone**

### Formily



Formily is a web application that helps litigants in person, solicitors and their clients automate the lengthy and mandatory completion of Form E<sup>11</sup> during a divorce proceeding. In 2018 51 per cent of all financial remedy disposals involved at least one unrepresented party and in Feb/March 2020 there were on average 1,000 searches per week on assistance in completing Form E. During the length of the Challenge, Formily has moved from MVP stage to a publicly available product and through the support of the Challenge has been able to initially offer the service free of charge in exchange for user feedback.

Over the next few months, Formily will upgrade to a cloud-based version, allowing users and their solicitors to track changes and collaborate on an

in-progress Form E, a functionality not currently available.

Eventually, by licensing Formily as a software as a service (SaaS) to law firms, this will keep costs down for litigants in person to access the service, meaning those who need it most can be helped through the process. Formily hope to eventually offer their service pro bono to legal clinics and have joined up with another Legal Access Challenge finalist, RCJ Advice, who are signposting to relevant users of their service, helping to join up different parts of the journey for those in the system.

 **FORMILY**  
BE INFORMED

10. [www.gov.uk/government/consultations/online-harms-white-paper/online-harms-white-paper](https://www.gov.uk/government/consultations/online-harms-white-paper/online-harms-white-paper)

11. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/866784/form-e-eng.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/866784/form-e-eng.pdf)



**Glow**



Glow provides a central hub for victims to unite, take collective action and shine a light on civil rights injustices. The Glow platform can be used to run a campaign, lobby the Government or take legal action. It aims to provide a route for those with unheard civil rights injustices to hold those responsible to account.

Individual claimants, action groups, SMEs and lobbying organisations are some of the key potential users of the platform the team have identified. It can be difficult for individuals with a similar problem to find each other so by creating one central hub for all claims, Glow has the potential to be the first port of call for anyone who has suffered an injustice affecting multiple people. Solicitors and funders will also be able to start their own cases or put existing cases onto the site to make use of the advanced case management tools and find more claimants. Currently, solicitors rely on basic tools such as Excel and Outlook to manage these large cases.

During the Challenge, the solution progressed from proof of concept to a functional MVP, allowing claimants to register and log their claims to attract others. The case management features which will facilitate the end-to-end service, from case inception through to courts, mediation or resolution, will be rolled out in stages from Summer 2020 onwards. A solicitor-led pilot will also start at the same time. In the longer term, the solution will be sustained by subscription fee income that solicitors, funders and insurers will pay to use the management tools on the platform. This will allow it to continue to be 100 per cent free for claimants.



**Organise**



Take Note is a mobile app that documents evidence of discrimination, harassment and wrongdoing in the workplace. The app allows users to log time-stamped emails, diary entries, videos and photos to build up a secure bank of evidence and readymade case file that can then be shared with a union representative or anyone else supporting the person alleging harassment.

75 per cent of workplace harassment goes unreported,<sup>12</sup> with many people not understanding their rights or what kind of behaviour is categorised as harassment or bullying. Take Note provides prompts and guidance for users to continue to document. Initial user feedback suggests it has given them the confidence to speak up and helped them diagnose their issue.

Organise completed their initial pilot throughout the duration of the Challenge and the beta version of the app is currently available to the public. The team is currently in advanced discussions with a large union and the aim is to white label the product to as many unions as possible, which would potentially reach millions of users and significantly scale the impact.



12. [www.linkedin.com/pulse/75-workplace-harassment-goes-unreported-ai-may-fix-quharrison-terry](https://www.linkedin.com/pulse/75-workplace-harassment-goes-unreported-ai-may-fix-quharrison-terry)



## Resolve Disputes Online



Resolve Disputes Online (RDO) has created a dispute resolution service for SMEs in the UK called the Legal Access Challenge (LAC) Platform. The LAC Platform comprises a customisation and enhancement of RDO's existing technology components and the creation of the world's first AI Mediator Bot, 'Molly the Mediator'. The purpose of the LAC Platform is to enable individuals and SMEs to resolve their disputes using Molly and if not successful, escalate the dispute to a Human Mediator. The current unmet legal need of individuals and SMEs is the cost, delay and stress of court and litigation, as well as the court and tribunal systems being overburdened by significant volumes of claims that could be resolved by other means. By solving a case online, through either AI or human mediation, this significantly reduces the time, money and energy spent on a case for both parties.

Molly works by requesting 'blind offers' from the disputing parties. Upon receiving those offers, the bot keeps them confidential, calculating the

variance between the respective offers. Applying algorithms, Molly considers the difference between the offers and responds to each of the parties about the prospects of settlement and provides options for next steps. During the course of the Challenge the team has designed, developed and tested the case registration process, the AI mediator bot, as well as the escalation process and workflow for human mediation.

RDO is seeking to licence and white-label the LAC Platform to UK Government Agencies to assist in a number of dispute areas including small claims, business disputes, landlord and tenant disputes and unfair dismissal disputes, which would significantly scale their adoption and impact.



## Solomonic



Litigation Friend is a web based diagnostic tool that helps unrepresented employees bring a claim against their employer. The backlog of claims within the employment tribunal system increased by 39 per cent to 26,664 in the year to 31 March 2019.<sup>13</sup> Many claimants also do not understand the full range of options available to them and it is this combination of an overwhelmed system and lack of knowledge that Solomonic is aiming to address.

Litigation Friend presents the user with a range of options, as well as offering a neutral claims calculator (that does not encourage the litigant to sue) and where appropriate, will guide the claimant towards mediation rather than pursuing a lengthy tribunal. The platform analyses available court data to push both employers and employees towards dispute resolution. The aim is that

informing employees and employer of the average time it takes to get to tribunal, the average payout for similar cases and the probability of success, will help alleviate the already substantial waiting times that tribunals are faced with.

Solomonic partnered with Silicon Rhino during the Challenge to develop a prototype, which they are planning to progress to a fully functioning MVP by the end of May 2020. The team intends to create revenue through mediator and lawyer referrals, keeping the tool free for employees.



13. [www.gqllittler.com/resources/news-and-views/tribunal-backlog-worsens-as-judges-fail-to-dismiss-claims.htm](http://www.gqllittler.com/resources/news-and-views/tribunal-backlog-worsens-as-judges-fail-to-dismiss-claims.htm)





4

# Insights from the Challenge

## 4.1. What insights were we looking for?

A regulator's approach can contribute to shaping the future direction of a market by creating an environment which supports responsible innovation. It can also directly stimulate innovation, as in the case of the Legal Access Challenge. One of the aims of the Legal Access Challenge was therefore to seek insights that would inform the SRA's regulatory approach. Designing an effective challenge prize also involved building an understanding of the wider barriers to innovation in lawtech and access to justice. We share our findings here to support all stakeholders aiming to improve access to justice.

This section covers:

- An overview of the innovator ecosystem – where the ideas are coming from, what the ideas are and what support is needed to help them thrive.
- The barriers to innovation.
- Regulatory insights.

## 4.2. The challenge innovation landscape

### Who are the innovators in legal services?

As perhaps the first publicised open innovation competition focused on lawtech solutions to improve access to justice in the UK, the Legal Access Challenge offers unique insights into the current innovation landscape in this area, based on data from the 117 applications to the Challenge.

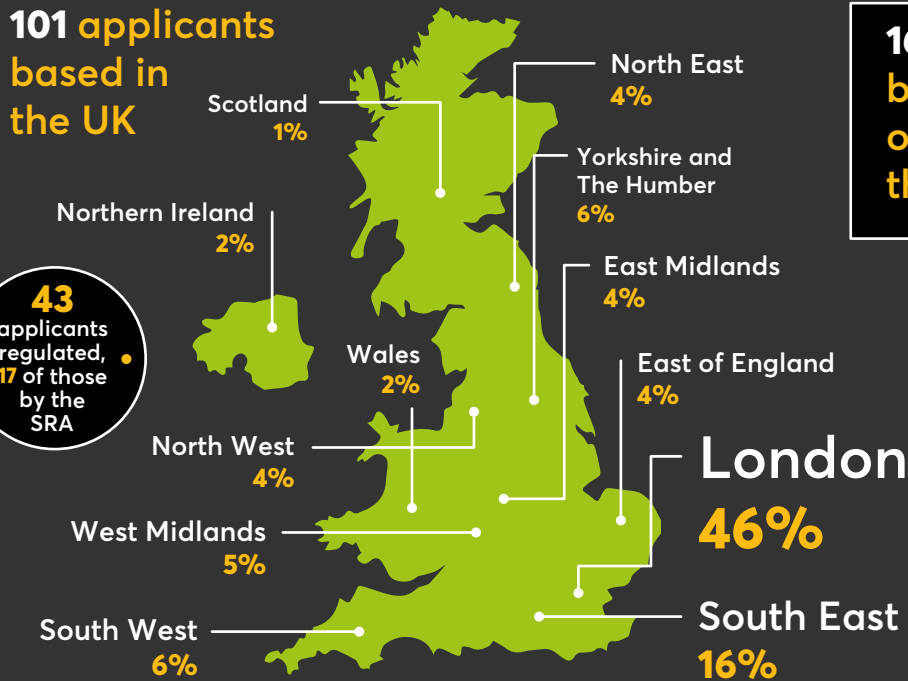
Challenge prizes are a proven method for drawing in a range of innovators, both the usual suspects and others. Applications to the Legal Access Challenge were received from a range of different types of organisations across the UK, as well as 16 applicants based outside the UK. These included for-profit organisations, social enterprises, not-for-profits, academic institutions and individuals.

37 per cent of lead applicants were regulated and 15 per cent were law firms regulated by the SRA. Other applications came from the advice sector, from academic institutions or from startups and teams that form part of an increasing number of non-regulated organisations working in the legal sector.



# Applicants

**101 applicants based in the UK**



**16 applicants based outside the UK**



**43 applicants regulated, 17 of those by the SRA**

**117 applicants**

**69 organisations**

**21 teams**

**14 partnerships**

**13 individuals**

## Lead applicants

**66 commercial companies**

**24 individuals**

**13 charitable organisations**

**7 social enterprises**

**6 high education institutions**

## Intended users



**SMEs 18%**

**Individuals and SMEs 38%**

**Individuals 44%**

All data is drawn from the applications submitted to the Challenge.



## What are the innovations?

Applications included a range of different types of technologies. These included guided pathways, automated document assembly, platforms for dispute resolution, prediction analytics and tools using natural language processing and machine learning to power chatbots and problem categorisation tools.

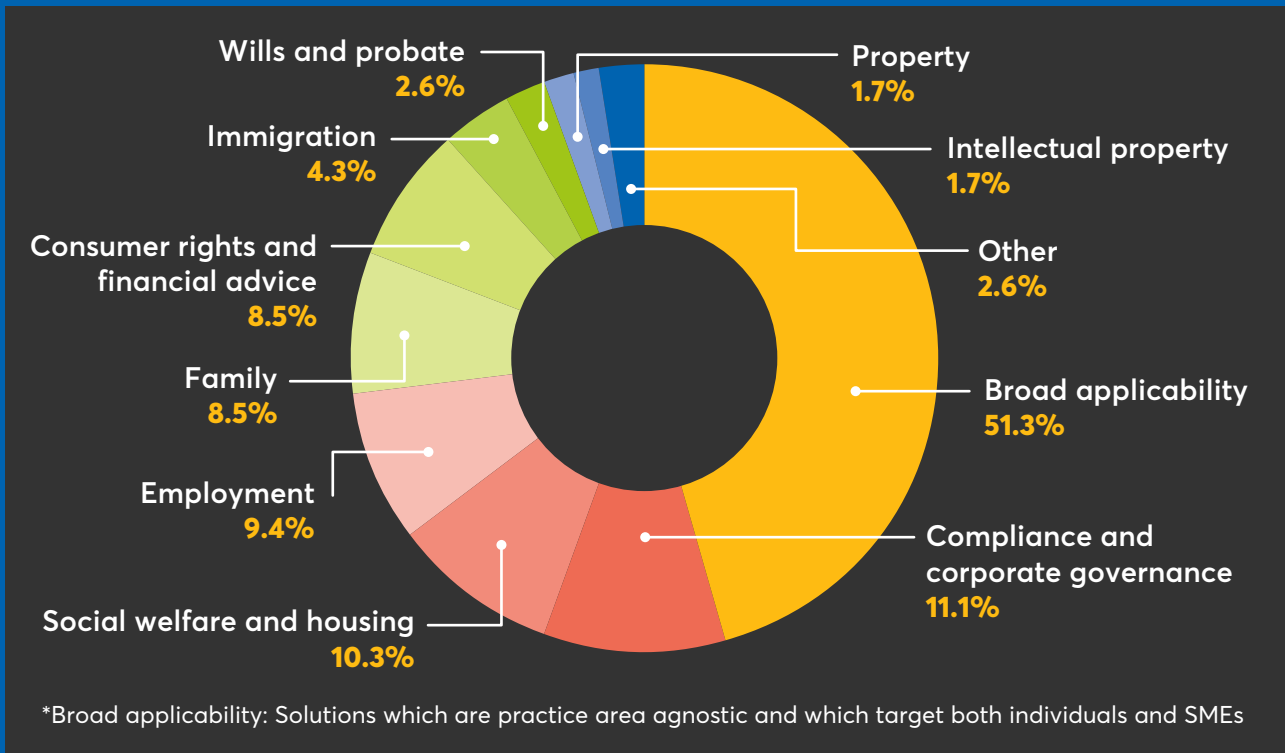
Technology-based innovation has the potential to create better outcomes for people across a wide range of legal needs, and this was reflected in the spread of applications across different areas of law. Many proposed solutions covered multiple types of legal problems; these included tailored guidance spanning more than one area, legal marketplaces and search tools to better direct people to the right support.

The applications received also aimed to help users of their services in a range of different ways:

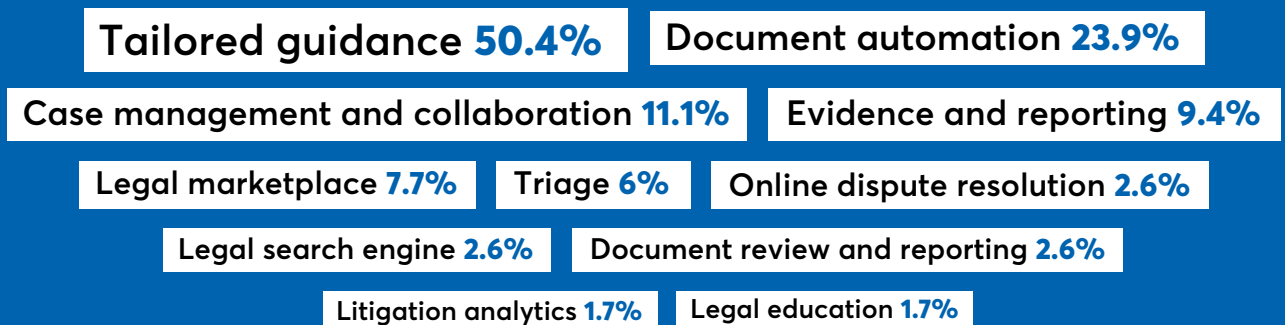
- Many of the proposals (50 per cent) involved an element of tailored guidance, for example supporting users to understand their rights and the options available to them.
- Document automation featured in nearly a quarter of applications (24 per cent).
- Better collaboration and case management was supported by 11 per cent, often featuring online platforms to facilitate co-operation between multiple stakeholders.
- Just over 9 per cent of applications supported users to collect and present evidence for their issue.
- Proposals aiming to create better links and signposting in the fragmented legal sector represented a portion of applications, with just under 8 per cent of applications featuring forms of legal marketplaces to connect customers and legal providers, and 6 per cent featuring triage proposals to signpost those needing support.



## Area of law targeted by proposed solutions



## Type of solution



All data is drawn from the applications submitted to the Challenge.

There was also variation in the way in which applications interfaced with legal professionals. Some were designed to provide support without any involvement of an individual lawyer, whilst other applications were an enhancement of practitioners' existing services. There were also applications in between these two ends of the spectrum of legal practitioner involvement. Examples included platforms that benefit both customers and lawyers and document assembly tools that litigants in person or lawyers alike could use or collaborate on directly. Technology cannot replace lawyers, but the examples from the Legal Access Challenge demonstrate how technology can be used to address unmet legal need. It can provide more affordable services, enhance legal practitioners' services, and allow practitioners to focus where they can add most value through using technology to complete more straightforward or mechanical tasks.



## What kinds of support and collaborations do innovators need?

Research for the Challenge highlighted that impactful proposals would need to combine deep understanding of the targeted issue and legal needs with tech expertise and other skills such as user experience (UX) and design. This was recognised by applicants, with 30 per cent of applications coming from partnerships between organisations or teams of individuals, and 64 per cent of applicants stating that they would value support in forming partnerships.

## Support requested by applicants

- 

Access to user groups **66%**
- 

Forming partnerships **64%**
- 

Overcoming regulatory barriers **62%**
- 

Strengthening investment readiness **52%**

### Regulatory issues

Navigating the boundary between regulated legal advice and the provision of legal information, powered by machine learning, AI and NLP

Data protection and management

Interoperability with the national judicial system, including HMCTS



## When asked about their motivations for applying to the challenge

**Social impact 86%**

**Financial support 62%**

**This area of innovation is underestimated and under-resourced 27%**

**Support forming partnerships 21%**

**Work with other innovators in legal access and law-tech 15%**

**Elevated profile through participation 20%**

All data is drawn from the applications submitted to the Challenge. All applicants identified two or more motivations and two or more areas for support.



Beyond formal partnerships, there is clear appetite for connection and collaboration to improve access to justice amongst those involved in lawtech. As this is an early and emerging area, the community working in this space is still developing. The Legal Access Challenge created various opportunities for people to connect at a launch event, networking evening, the SRA strategy roundtable and innovator showcase. An online group for collaboration, using the Slack communications platform, was also created so that members of the community outside of London could easily engage.

We also asked potential applicants what support would be useful to accelerate development of their product, with access to user focus groups and support with regulatory questions coming out on top. Regulatory questions focused primarily on seeking clarity on the regulatory position for tech-based solutions and questions about data protection for solutions handling sensitive data.

The Legal Access Challenge therefore provided a range of support to the eight finalists, including:

- One-to-one support from experienced SRA technical and guidance teams to help work through any potential regulatory issues and support user research.
- One-to-one guidance on privacy and data protection issues from the Innovation Hub<sup>14</sup> within the Information Commissioners Office.
- One-to-one pro bono legal advice from Hogan Lovells.
- Workshop and opportunities to engage with HMCTS.
- Investment readiness workshop delivered by Nesta Investments.
- Impact measurement workshop delivered by Nesta Challenges.
- Pitch support provided by an experienced entrepreneur and angel investor.
- Connections, introductions and opportunities to seek feedback from various stakeholders such as Law Society Committee members and the Legal Services Consumer Panel.

## Common support needs

Some of most common support needs and most valued areas of support from finalists are summarised below. Some of these are typical amongst startups and organisations working on new projects in various industries. Others are more specific to those working on tech-based projects aiming to widen access to justice.

### Connections

Partnerships, networks and connections are vital for any new venture. Legal Access Challenge finalists primarily sought connections with organisations who can help them reach end-users e.g. frontline agencies and membership bodies, or organisations who can refer on users. Other connections sought included secondary users of their service or partners who would be involved further along the journey towards resolution of the customer's issue.

14. The ICO Innovation Hub also received funding from the Regulators Pioneer Fund.



## User research

Involving users throughout the design and development of a new product or service is key to the success of all new ideas, and was directly encouraged through the Legal Access Challenge assessment criteria. There are however some additional considerations specific to those developing new services to widen access to justice.

These relate particularly to engaging with vulnerable users, or with demographics who may be hard to reach, and include the following:

- Reaching 'hard-to-reach' demographics, for example those who have limited knowledge of their rights and do not engage with services which could help them.
- Ensuring that the needs of vulnerable users are met during user focus groups and testing.
- Balancing the need to test new services in live situations against the need to ensure the accuracy of the output of a new service.

## Data protection

Potentially all new tech-based initiatives and those using machine learning and artificial intelligence where personal data is involved will have to consider data protection and privacy requirements from the very start. This falls in line with the General Data Protection Regulation (GDPR) requirement of 'data protection-by-design'.

It has been clear from the Legal Access Challenge that those developing lawtech solutions will likely need to consider the following:

- Whether they are processing sensitive personal data which would be classed as Special Category Data under GDPR.
- The need to be clear on what the most appropriate lawful basis is for processing personal data.
- The need to be clear that any direct marketing they undertake to promote their product falls in line with the Privacy and Electronic Communications (EC Directive) Regulations 2003 (PECR).
- Whether any of the data processing they complete is likely to result in a high risk for individuals, in which case a Data Protection Impact Assessment (DPIA) is required. Most of the finalists are required to complete a DPIA.
- Whether they will be completing any automated decision-making or profiling, in which case there are additional rules which apply under Article 22 of GDPR.



This is a non-exhaustive list and other data protection requirements may need to be considered depending on the project.

The ICO Innovation Hub's work with the finalists identified several areas where lawtech innovators required particular support. These included helping innovators to articulate potential public risk as well as risk to the organisation, and supporting new innovators (who may not have in-house experienced data protection officers) with developing a strong understanding of the lawful basis for processing data. The ICO also identified that there is low awareness amongst innovators of the Privacy and Electronic Communications Regulations, which set our rules on electronic communications including marketing.

### 4.3. Barriers to innovation

The initial research feeding into the design of the Legal Access Challenge highlighted a number of barriers to lawtech innovation, which are further detailed in our earlier report:<sup>15</sup>

- **Cautious and risk-averse attitudes** amongst current legal practitioners which present a barrier to the adoption of innovation and a reluctance to try new approaches to delivering legal services.
- **The fragmented nature of the legal sector** currently serving individuals and small businesses, which individually have lower capacity to invest in innovation and new forms of services.
- **Challenges in developing attractive business models** for new services whilst maintaining affordability for end-users.
- **Lack of access to data** for use in developing new solutions, including court data or standardised data from previous customer conversations and cases.
- **Resource and capacity constraints within the not-for-profit** and advice sector which currently supports many of the most vulnerable.
- **Differing levels of vulnerability and capability amongst users**, meaning that multiple channels of support need to be available.
- **Low awareness of digital legal services** amongst customers and potential low trust.

Our engagement with applicants and the eight finalists since the launch of the Challenge has confirmed that each of these barriers remain valid. We have also gained further insight into some of these barriers, such as the challenges in developing attractive business models whilst ensuring affordability for end users, and heard from innovators about additional obstacles they encounter.

15. The use of technology to widen access to justice: Opportunity overview for the Legal Access Challenge, published by Nesta Challenges April 2019. <https://legalaccesschallenge.org/insights/the-use-of-technology-to-widen-access-to-justice>





The additional barriers identified are:

- **Collaborative working on strategic objectives:** There is a need to continue the development of opportunities for collaborative working across the legal services market on strategic objectives to improve access to justice.
- **Challenges in obtaining the right mixture of expertise and collaboration** between providers who are closest to users, technology experts and legal experts.
- **A lack of standardisation** of legal documents and processes, which can make it difficult or impossible to develop automated solutions that can work in more than one specific instance.

### **Collaborative working on strategic objectives**

There are various sector-wide initiatives focusing on access to justice and some directly on how innovation can widen access to justice. We have also seen an increasing number of partnerships between individual organisations during the Challenge. However, in our view, there is still a need for greater collaboration on strategic objectives to improve access to legal support across the sector, drawing together both organisations with experience in delivering traditional support as well as organisations with resources and influence.

This would provide an opportunity to move beyond collaboration on specific projects and initiatives towards strategic collaboration on systemic issues, leading to faster progress at greater scale to increase access to legal support. It might also address comments from some applicants to the Legal Access Challenge, who sought higher levels of support for innovation aimed at improving access to legal support. Examples of the types of support sought included funding, but also referrals and working relationships with key agencies or organisations, access to data and feedback loops.

Strategic collaboration of this nature would need to bring together a range of key organisations to tackle access to legal support, although in other sectors this has been driven by a small number of organisations. For example, the FCA is widely seen as having played a significant role in driving the emergence and development of the UK fintech sector following the 2008 financial crisis.

### **Funding and financial sustainability**

Obtaining sufficient levels of funding or investment is a common difficulty that innovators cite, and this is closely linked with challenges in building financial sustainability. To meet the aim of having the greatest possible impact on unmet legal need, innovators in this area usually try to make their services affordable for the widest range of individuals or SMEs. However, this has to be balanced with achieving financial sustainability for the organisation.



Both for-profit and not-for-profit organisations are therefore considering various business models and revenue streams which balance these needs:

- **Charging all direct users a modest fee** to use the service that is lower than the cost of an alternative, such as advice from a solicitor. This is often a fixed fee, giving greater certainty about the costs than alternative options.
- **Subscription fees for direct users**, instead of a one-off fee. This is more common with services aimed at small businesses who may have more regular legal needs than individuals, but there are also examples of this approach for consumer services, including the well-known DoNotPay which charges \$3/month.
- **Freemium models**, where certain aspects of a service are provided free of charge, but more complex or bespoke aspects are paid-for.
- **Charging secondary users of the service** e.g. legal professionals, funders or insurers. Whilst the primary users are individuals or small businesses, many of the solutions will also be beneficial to a variety of secondary users who could be charged a licence fee for using the service.
- **Tiered pricing for different types of users**. In some cases, the same service might be available to different types of user, with more affluent users being charged more for the service to subsidise the cost for other users.
- **Charging for licences for a white labelled product**. This model supports both free access for end-users with costs paid for by the membership body, and also supports wider reach and adoption of the service.
- **Charging for insights generated by the service**. Considerations with this model include balancing monetisation of the data assets held by the organisation with responsible use of that data. An example would be charging organisations that are the subject of complaints for insight on where they need to improve, as per the Resolver model.

When considering what an appropriate revenue model might be, the profile of the end user and the problem the organisation is trying to solve for them is important. For very vulnerable or disadvantaged groups there is often a strong imperative to provide services free to the end-user and seek revenue through other strategies, since even a low fee can be a significant barrier. In other cases however, it is accepted that the application of a modest fee will exclude access to the service for some. The trade-off is that having a user fee allows the organisation to build and maintain that product that will provide many people (if not all) with a better solution than the current alternatives.

Where grant funding is available, the particular challenge is not merely a question of its availability. It may be in the actual amount of funding that can be obtained. Digital technology services can be costly to develop and maintain, especially those making use of advanced technology. Overall funding needs will often be greater than the size of grant typically available. Not-for-profits developing this type of service will likely therefore need to find some way of generating revenue. Owing to the undesirability of charging end-users, the most common revenue models will involve licencing the service to secondary users or selling a white-labelled product. Both of these options will only generate income once the product is sufficiently developed to roll out. There is therefore a need for a type of bridge funding available to charities developing complex technology-based solutions who have progressed beyond an initial proof-of-concept but need further funding to iterate and develop the end product.



## 4.4. Regulatory insights

### Current regulatory context and unregulated legal services

In England and Wales, there are defined 'reserved legal activities' which may only be carried out by authorised individuals and firms. Other legal advice or activities – unreserved activities – can be delivered by people who are not subject to regulation, or particular qualifications or training.

Although legal services are still mostly provided by the regulated sector, the number of unregulated legal service providers is growing in the UK and other countries, and many lawtech solutions are being developed by non-regulated organisations. Increasingly solicitors and law firms serving the public are likely to interact more with the unregulated sector.

The emerging trends in lawtech development, along with the changes in the way in which legal services are delivered and who delivers them, offer real opportunities to increase the number of people able to access affordable high-quality legal services when they need them. These changes also raise questions about who and what should be regulated and how best to protect consumers. In the UK, these trends are part of a wider ongoing discussion, with an independent review<sup>16</sup> of legal services regulation currently underway.

### Learnings from the Challenge

The Challenge methodology provided a tool to explore issues that extend over the unregulated and regulated legal services market. We found no evidence through the Challenge that regulation constitutes a hard barrier to innovation, since regulation by the SRA is principles based and not prescriptive. However, we found that there are softer barriers such as a lack of knowledge and understanding from innovators about the Legal Services Act 2007's regime and requirements. Innovators need targeted support when entering a highly regulated market, especially if it needs coordination across overlapping regulated markets.

Even where an online platform or service helping people get legal support is unregulated we found that we could help innovators design these in a way that means regulated solicitors could use them, for example finalist Formily's service. Or that the platforms could be expanded to include access to regulated advice at some future point without solicitors being in conflict with their regulatory requirements, for example finalist Glow's platform.

The Challenge has enabled the SRA to enhance its knowledge base of the role played by technology in the legal services market, and to build relationships with innovators, including those not regulated by the SRA who bring fresh insights from other sectors. These relationships and insights have informed the development of the SRA's corporate strategy, a key objective of which is to support the adoption of legal technology and other innovation that helps to meet the needs of the public, business community, regulated entities and the economy.

The detailed learnings are set out in the [SRA's separate response](#).

16. [www.ucl.ac.uk/ethics-law/publications/2018/sep/independent-review-legal-services-regulation](http://www.ucl.ac.uk/ethics-law/publications/2018/sep/independent-review-legal-services-regulation)



5

# Conclusions and next steps

## 5.1. Outcomes of the Legal Access Challenge

In this section we comment on how the Legal Access Challenge delivered against its aims, which were to:

- Accelerate the development of products, services and platforms that will help individuals and SMEs understand and resolve their legal problems with greater ease.
- Develop a community of people and organisations with a shared interest in implementing the use of technology to improve access to legal support who will share knowledge and ideas to improve customer outcomes in the legal services market.
- Learn whether there are regulatory barriers to the development and adoption of mass market legal technology solutions and, if so, what adaptations to the SRA's approach might reduce these barriers.

### Accelerating the development of innovations to improve access to justice

#### Accelerating development

**7 out of 8** finalists agreed that the Challenge accelerated development of their solution, with 5 of 8 strongly agreeing



**5 out of 8** finalists agreed that the Challenge allowed them to experiment with new functionality that they would not have otherwise pursued



**6 out of 8** finalists agreed that the Challenge provided them with support that they would have not been able to access otherwise



**6 out of 8** finalists agreed that the Challenge helped them to clarify the objectives of their solution



*“ Being involved in the Challenge encouraged us to accelerate getting our tools to market - we held the launch earlier than we planned. ”*

*“ The Challenge gave us invaluable PR which helped to raise our profile in the industry. ”*

*“ We have moved from idea to fully functional prototype, which would not have been possible without the Challenge. ”*

All data is drawn from the applications submitted to the Challenge.



## Results

- 117 applications to the Challenge, indicating that there is an untapped resource of innovators with high quality, new ideas.
- Seven out of eight finalists said that the Challenge accelerated development of their solution.
- Five out of eight finalists said that the Challenge allowed them to experiment with new functionality that they would not have otherwise pursued, with three of the eight stating that the Challenge allowed them to create an entirely new solution.

The Legal Access Challenge directly supported the eight finalists to accelerate development of their solutions, with a combination of grants and non-financial support designed to help the finalist teams thrive. Three-quarters of finalists agreed that the Challenge provided them with support that they would have not been able to access otherwise, with a similar number also agreeing that the Challenge helped them to clarify the objectives of their solution. It is encouraging to see that several of the finalist teams have had success during the Challenge period in other competitions and in raising investment and grant funding.

The application and recruitment stage also aimed to draw out new ideas. The number of applications surpassed our expectations, and the quantity and quality of these led to us successfully applying to double the prize funding. This indicates that there are plenty of ideas, enthusiasm and many dedicated and passionate organisations seeking to use technology to widen access to justice.

More broadly, the Legal Access Challenge aimed to indirectly accelerate the development of new innovations through raising awareness of the benefits of innovation and technology, and bringing focus to the potential of technology innovations to widen legal access. It secured 80 pieces of media coverage throughout the Challenge, reaching a print circulation of 899,000 and online readership of 26.8m, including in national broadsheets The Times and The Sunday Times. We hope that the coverage will help to fuel the imagination and ambition of future innovators in the legal system.

There is a continued need to develop and strengthen the eco-system for those developing new services, highlighted by the issues raised during the COVID-19 lockdown. The measures needed include funding, support with regulatory and business needs such as those discussed in 5.2.3 and further opportunities to develop working relationships with peers, partners and supporters. The Legal Access Challenge is an example of one initiative offering this support to innovators, but more is needed to boost the acceleration of new technology.

Beyond the end of the Challenge, changes to the SRA's regulatory approach informed by the Legal Access Challenge will contribute to an environment that encourages innovation and seeks to improve access to justice.



## Developing the access to justice lawtech community

### Developing community

**362** people engaged with the Challenge through the:

- Launch evening
- Networking evening
- SRA strategy roundtable
- Innovator showcase
- Slack group
- Mailing list



**7 out of 8** finalists agreed that they were introduced to new and useful contacts throughout the Challenge



**5 out of 8** finalists have built new partnerships as a result of the Challenge



**28%** of surveyed applicants to the Challenge met new contacts during the application stage

*“I’ve been in touch with three people today who I didn’t know yesterday but we’re connected thanks to you.”*

*“Really valuable connections with competitors, but also great links to other Challenge finalists who we may well integrate with in the future on certain products.”*

*“I made some amazing connections through Slack, including two people that are now working with us in an official capacity.”*

All data is drawn from the applications submitted to the Challenge.

### Results

- 362 people engaged with the Challenge through attending events, joining the mailing list and the challenge Slack channel.
- Nearly a third of applicants who were not selected as a finalist managed to meet new contacts through their engagement with the Challenge.
- Seven out of eight finalists met new and useful contacts throughout the Challenge, with five finalists building new partnerships as a result of the Challenge.

*“I thoroughly enjoyed the evening and the format. It was very efficient and I received a lot of valuable feedback and insights, which was amazing.”*

Presenter at Innovator Showcase



While there are various events and community initiatives for lawtech more broadly, at the start of the Challenge there were very few focused on applying lawtech to improve access to justice. For those developing new ideas, community events and networks can be an important factor for success and ongoing motivation, helping to provide connections to potential partners and to peers to share ideas, tips and mutual support. We also received feedback that it was beneficial to bring people with different experiences together, including tech entrepreneurs, the established access to justice community and legal sector institutions.

Throughout the Legal Access Challenge, a number of opportunities for those working in lawtech and access to justice to connect were offered:

- Launch event in May 2019 attended by 103 people.
- Networking evening in June 2019 attended by 25 people.
- Roundtable on SRA strategy consultation in January 2020 attended by 21 people.
- Innovator showcase and networking evening in February 2020 attended by 53 people.
- Slack group open to all interested with over 150 members and over 1,500 messages sent.
- Email updates to those who subscribed to share updates on the Challenge as well as other relevant opportunities.
- Direct introductions made by the Nesta Challenges and SRA teams.

We do not have data on all the connections made as a result of these initiatives, however survey results and anecdotal evidence show that those who engaged most with the Legal Access Challenge have benefitted from these initiatives. Of those responding to a survey after applications closed, 28 per cent had made new contacts as a result of their involvement, with the majority making two to five new contacts, across a range of the available events and communication channels. The types of new contacts ranged from sharing knowledge and information, to introducing to others, to forming new working relationships and partnerships.

*“The feedback was helpful and a good three to four companies have asked to collaborate after the event.”*

Presenter at Innovator Showcase



*“ We've made really valuable connections with other competitors in a similar field to ours, but also great links to other Challenge finalists who we may work with in the future. ”*

Challenge finalist

In addition to creating opportunities for innovators, the Legal Access Challenge created and strengthened links between the SRA and other organisations within the legal sector.

These include:

- Regulators such as the ICO and FCA.
- Consumer and ethical bodies such as the Legal Services Consumer Panel.
- Governmental departments such as teams within the Ministry of Justice (MOJ) and Business, Energy and Industrial Strategy (BEIS).
- Representative bodies and member networks such as the Access to Justice Innovation Working Group, Barclays Eagle Labs and the Law Society.
- Individual organisations, particularly lawtech innovators.

The SRA intends to maintain an online lawtech community beyond the end of the Challenge, and will share information on the SRA's emerging work, new sources of funding and highlighting other opportunities to collaborate or learn more about how innovation is developing.

## Informing the regulatory approach

### Results

- The Legal Access Challenge has directly informed the SRA's 2020 – 2023 corporate strategy, with technology and innovation making up one of the three core strands of the strategy.
- The Challenge has enabled the SRA to build new connections with innovators and other organisations.
- The Challenge has enabled the SRA to enhance its knowledge and understanding of the role played by technology in the legal services market and the impact of regulation on its development.

Further details on these points are set out in the [SRA's response](#).





## 5.2. Ongoing questions and challenges

We see the Legal Access Challenge as an important early step to demonstrate what kinds of innovations are possible and to inform future regulatory development. There is, however, much more to be done, and there are outstanding questions and challenges. In addition to the barriers already discussed, some of the outstanding challenges include the following.

### Responses to COVID-19

Covid-19 has imposed considerable change on the legal services market. Based on what we have learned, the Challenge shows how to build positively on this, while recognising that some people remain digitally excluded and that face to face advice remains important.

The finalists and winners offer some examples of effectively integrating digital service provision with personal support that is appropriate for different levels of digital competence and vulnerability. RCJ Advice's CourtNav tool supports joint interactive input into a non-molestation order from both a domestic abuse survivor, potentially with support from a frontline adviser, and their solicitor. Other solutions highlight how accessibility and user needs have been built into the design from the start, such as accessibility features within Mencap's virtual assistant.

Innovative digital approaches may also help to mitigate some of the future challenges that may emerge in the legal sector in the coming months as a result of Covid-19. Such challenges might include increasing numbers of cases in areas such as employment, debt and consumer rights at a time when parts of the legal sector may be financially squeezed and delays within the court system are building. Innovative use of digital technology could help more people to resolve their issues quicker.

The sector as a whole has responded quickly, rapidly implementing remote hearings, transitioning to remote service delivery and developing new initiatives to share information about approaches that are working well. The experience of the last few weeks and months has shown that the legal sector is able to implement change quickly. We hope that progress on technological innovation will continue beyond the immediate challenges of Covid-19 and contribute to increased access to legal services for people and small businesses across the UK.

### How to ensure that existing valued delivery channels can benefit from new approaches

Technology offers potential benefits to existing valued delivery channels such as the advice sector and legal aid solicitors. These benefits can be realised both through new services and products such as those demonstrated by the Legal Access Challenge, and through the use of technology to support more effective working for practitioners. An ongoing challenge is how to support charities and other third sector organisations that support the most vulnerable, often with few resources, to adopt innovative technology based on a sustainable funding model.



The winners of the Legal Access Challenge show what can be achieved, yet many advice organisations still face challenges of stretched capacity and limited funds and resources. This can make implementing new and better approaches particularly difficult, whilst at the same time the need for innovation is greater than ever.

### **How to ensure that individual solutions integrate to create seamless support for users**

The full benefits of technological innovation will only be realised if individual solutions integrate to create seamless support for users. Examples of integration include linking across different stages of the customer journey and across different providers of services, whether those are commercial, not-for-profit or court providers, or regulated or unregulated providers. Further development of collaboration and trusted partnerships within the sector to ensure interoperability between individual services and, where relevant, integrations to the court system, could support this.

This is a broad challenge which applies across the legal system. There are some examples of approaches which are being considered or applied in the legal system, and other examples from different sectors such as financial services.

Tackling this challenge could involve:

- Development of common data standards.
- Development of trusted methods for responsible sharing of data – this has multiple potential uses, from better hand-off and referral between organisations through to development of new and innovative services as seen with open banking in the finance sector.
- Approaches to better knowledge sharing on existing or tried approaches to encourage sharing and reuse.
- Encouragement of open source and open standards, for example as per the Government Digital Service's Technology Code of Practice, which is adopted by HMCTS for the ongoing court reform programmes.
- At an individual organisation level, adopting strong design-based principles to bring new services to locations that users already visit, rather than expecting users to go somewhere new.

Strong collaboration on these areas could lead to both better end-to-end support and resolution for individuals and SMEs as they navigate through understanding and resolving their legal issues, and the ability to more easily replicate and adapt successful approaches across different types of legal problems.



## 5.3. Next steps

### SRA future plans and corporate strategy

The Challenge has directly informed development of the SRA's corporate strategy for 2020-23,<sup>17</sup> a key objective of which is to support the adoption of legal technology and other innovation that helps to meet the needs of the public, business community, regulated entities and the economy. Planning on how to meet this objective is progressing, informed by the SRA's learning from the Legal Access Challenge. One area of particular focus will be driving development by bringing people together, including through a dedicated online community, to help build new networks and grow opportunities for collaboration. The aim is to build a sustainable platform for wider technological innovation across the legal sector, helping to widen access to legal services.

## Conclusions

The problems of access to justice and barriers to innovation in the legal sector are deep-rooted and complex. We don't expect change overnight, although the recent Covid-19 lockdown has put a sharp focus on the importance of digital solutions. For instance, the need to move suddenly to digital court hearings could accelerate change in this area, as well as altering some of the cultural issues and perceptions that can be barriers to digital transformation.

We realise that investment in digital technology solutions to tackle the problem of unmet legal need will take time, may require policy and regulatory changes and a greater flow of entrepreneurial talent into the market. It will also take more private investment, more partnerships and enterprise deals between traditional firms and technology startups – as we see in other sectors such as the financial sector following Open Banking regulations.

The role of the Legal Access Challenge has been to accelerate innovation in digital technology solutions which help more people get the legal help they need. It has demonstrated the potential of such solutions through the quality and progression of all of the finalists; we are optimistic that each of the finalists will find success and make a difference to the lives of vulnerable people, individuals and small businesses. The overall high quality of all applicants to the Challenge and their ideas that are making a difference should also be noted. The Challenge has also helped to build new connections amongst a community of people passionate about developing new approaches to improve access to justice. Finally, it has generated better insights to inform the SRA what it can do as a regulator to encourage innovation while making sure the public is appropriately protected.

Nesta Challenges sees the Legal Access Challenge as an important early step to demonstrate what kinds of innovations are possible and to inform future regulatory and policy development. We are keen to work with policymakers and the legal sector on future opportunities to widen access to legal support. We are delighted to have partnered with the SRA to deliver the Legal Access Challenge, demonstrating the impact policymakers and regulators can have with proactive approaches to innovation to develop a supportive environment for credible new products and services to flourish.

17. [www.sra.org.uk/sra/corporate-strategy](http://www.sra.org.uk/sra/corporate-strategy)

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