



# 21st Century Justice Final Report

June 2025

# Foreword

**An effective civil justice system is a vital public service that benefits us all. Our vision for a 21st century civil justice system is one which is accessible to everyone who needs it, when they need it, and which constructively and safely makes use of technology to support the public's needs. It is one in which solicitors feel proud of their vital role in delivering justice for the common good and are supported to respond to changing consumer behaviours. The practical reforms outlined in this report will level the playing field for those of us seeking justice and enable more people to access legal advice.**

Currently, just one in five (21%) people believe justice is accessible.<sup>1</sup> Solicitors see civil justice from start to finish and they are deeply aware of the challenges and opportunities in the system. For these reasons, the Law Society launched its 21st Century Justice thought leadership project in November 2022 to examine potential reforms in civil justice that could increase access to justice for people facing the 'justice gap'.

Over the last few years and together with our members, expert advisory group and a wide variety of stakeholders, we have explored options to expand access to civil justice. We have advanced our thinking and research and considered a multitude of different ideas across policy and practice change to tackle barriers to justice.

Some of this work has looked at the impact of and potential for, technology to help more people to quickly and cheaply resolve their legal problems. Parts of the civil justice system remain heavily reliant on paper.

The master of the rolls recently expressed his disappointment that only 23% of cases have been fully digitised in the county courts.<sup>2</sup> The minister for courts and legal services Sarah Sackman KC acknowledged that there is room for improvement and that the goal is to deal

with the vast majority of claims in 'the digital space through a modern service fit for a modern economy and modern society.'<sup>3</sup> With the game-changing rise of large language models and AI, this brings new opportunities to revolutionise established processes and systems for legal services and the justice system to improve the efficiency and accessibility of services.

This year, the Law Society marks 200 years of championing solicitors and promoting justice and we want to continue to support our members to adapt to this constantly changing world, as people seek to engage with businesses and legal services in new ways.

Since we launched the project in 2022, pressures in the political and legal environment have continued to grow, requiring innovative solutions as well as targeted investment. We now have a government<sup>4</sup> seeking to solve a range of urgent problems across the justice system, simultaneously.

The primary concern for the lord chancellor has been on immediate crises in the criminal justice system, such as prison overcrowding and Crown Court backlogs. The economic outlook is challenging and non-protected government departments including the Ministry of Justice have been tasked with finding reductions in

running costs of 15% by 2030.<sup>5</sup> This is despite analysis by the Institute for Fiscal Studies showing that the Ministry of Justice's budget has still not returned to pre-2010 levels.<sup>6</sup>

A strong civil justice system will become only more important in the prevailing challenging economic conditions. The public and businesses of all sizes will need to rely on legal services with greater frequency to resolve economic disputes and there may be more unmet legal need in the 'squeezed middle' in a period of sluggish economic growth. Yet, through its industrial strategy, the government has recognised the link between a well-functioning justice system and thriving legal sector as important components of economic growth.

Solicitors are at the heart of the high street, often running small businesses that serve their local communities. For many, their first point of access to legal help is through these trusted local firms. Protecting and supporting small legal firms is vital to maintaining a justice system that is genuinely accessible to everyone.

Ensuring access to a modern, effective civil justice system is therefore of pressing urgency for us all. As we conclude our project, we are confident that there are real, practical opportunities to do so and warranted optimism for the future of our justice service.

The government has taken early, welcome steps in the form of proposed fee increases for civil legal aid in housing and immigration and establishing a new Strategy Delivery Group for Legal Support, which includes the Law Society and advice sector.

We look forward to discussing our proposals with the government and parliamentarians. I urge the government to consider these reforms to help safeguard the future of our civil justice system and ensure it is there for all of us when we need it.



A handwritten signature in blue ink, appearing to read 'Richard Atkinson'.

**Richard Atkinson**  
Law Society president and  
chair of the 21st Century  
Justice advisory group

<sup>1</sup> YouGov for the Law Society and Legal Services Board, [Legal Needs of Individuals in England and Wales](#), 2023.

<sup>2</sup> Justice Select Committee, [Oral evidence: Work of the County Court](#), 18 March 2025.

<sup>3</sup> [Ibid.](#)

<sup>4</sup> References to 'the government' throughout the paper refer to the UK government.

<sup>5</sup> [BBC News](#), 23 March 2025.

<sup>6</sup> Institute for Fiscal Studies, [Justice Spending in England and Wales](#), 2025.

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# Summary of our proposals for reform

A modern civil justice system delivers an important public service and will enable our communities to thrive. It will better support us to address and resolve common legal issues we may all face in our lives: from disputes with landlords, to fighting discrimination at work, to support setting up a new business.

As part of our proposals for improvements to civil justice, we have highlighted where there is benefit in central government policy change and where practice change in the legal sector might support increased access to justice.

## Recommendations for the government:

1. The government should commit to building a solutions explorer to provide a trusted, publicly funded resource and triage tool into the civil justice system, leveraging the rapidly developing technologies that can support it
2. The government should consider creating an online dispute resolution ombudsman using an application programming interface to create a ‘single front door’ to the civil legal system
3. The government and Online Procedure Rules Committee should prioritise strong data standards, analysis and transparency for the pre-action (pre-court) online dispute resolution sector
4. The government should prioritise improving levels of trust between the Legal Aid Agency (LAA) and legal aid practitioners. This is necessary before a ‘high trust’ model like the Netherlands model can be considered for England and Wales
  - Proposals for measures to increase trust, encourage a more collaborative

approach and streamline legal aid processes can be found in the [High Trust Legal Aid](#) report

5. The government should regularly uprate civil legal aid fees with inflation and establish an independent legal aid fees review body to periodically review fees to ensure they achieve and maintain sustainability
6. To enable access to justice that is fit for purpose in the 21st century, the government should prioritise addressing people’s needs through technology-enabled justice. This is to ensure that technologically enabled solutions serve individuals and their unmet legal needs through a dynamic and open lawtech and justice technology market, safeguarded by regulation
7. The government should play a key role in facilitating collaborative opportunities and fora for solicitors, individuals and technology vendors to help address different stakeholder expectations, identify knowledge and opportunity gaps and support access to justice
8. The government should rationalise the ombuds<sup>7</sup> landscape to reduce overlap and make it easier for users to navigate. This could take the form of a single ombudsman for every major area of public life, or where there is high risk of consumer detriment and a lack of alternative redress

<sup>7</sup> Please note ‘ombudsman’ is used in this report to refer to a single scheme and ‘ombuds’ is used as the plural.

9. The government should reform access to ombuds services and their delegated powers, including:
- removing the MP access filter for parliamentary and health service ombudsman referrals
  - empowering ombuds schemes to undertake 'own initiative' investigations
  - allowing SMEs access to ombuds in energy and telecoms sectors, as has already happened with the Financial Ombudsman Service, to enhance small businesses' access to effective redress
  - increasing join-up between ombuds, courts and tribunals
  - ensuring all ombuds recommendations are followed by companies and public agencies
  - giving the Ministry of Justice the lead for ombuds policy in government

## Recommendations for the legal sector:

- The legal sector, legal regulators, insurance industry, and consumers should build a greater understanding of what unbundled legal services involve, and the benefits and risk
- The Solicitors Regulation Authority (SRA) should take steps to collate data on which firms deliver unbundled services and provide clear guidance on the opportunities and risks for consumers and firms
- Solicitors should routinely ask their clients if they hold an existing legal expenses insurance policy, as a potential option for meeting legal costs
- The sector should contribute to wider efforts to increase awareness and understanding of before-the-event legal expenses insurance products among existing policyholders, alongside the insurance industry, consumer support organisations and others
- The sector should focus on unmet legal need, and solutions which can address unmet need

## Project methodology

The Law Society's 21st Century Justice project has followed a considered and thorough approach to exploring practical policy solutions and issues in the civil justice system. This began with a landscape analysis by Public First in 2022 to identify areas of focus and the development of working groups comprised of Law Society members and external stakeholders to scope workable policy solutions.

In October 2023, we launched a public green paper consultation to seek views on a range of proposals, receiving responses from organisations and individuals. We are very grateful to Law Society members and stakeholders who have engaged with the project and lent their considerable expertise and insights. In addition:

- in December 2023, a workshop was held with 38 local Law Societies across England and Wales to gather further feedback on the green paper from practitioners
- in January 2024, a short quantitative survey was conducted with members of the Law Society's Insights Community panel regarding the green paper proposals. Between mid-January and early February 2024, the survey received a total of 145 responses

The project has primarily focused on key areas with the potential to increase access to the civil justice system, including:

- assessing the potential of technology and modernisation to expand access to justice
- exploring greater use of non-court resolution, such as the ombuds sector
- alternative approaches to delivering and commissioning legal aid
- exploring ways to help people meet legal costs, such as via unbundled legal services and legal expenses insurance (LEI)

In May 2024 we published an interim report updating our thinking on proposals following analysis of responses to the green paper. Since then, we have further refined our ideas with our members and stakeholders, the conclusions of which can be found in this report.

We have robustly considered potential risks, pitfalls and benefits associated with each area. Throughout the project we conducted and commissioned extensive additional research, which has been published on the Law Society's [website](#).

### December 2022

landscape analysis of access to justice issues in the civil justice system

### January – August 2023

working groups and public engagement workshops held to scope workable policy solutions

### March 2023

expert advisory group formed

### October 2023

launched public green paper consultation to seek views on a range of proposals

### December 2023

workshop held to gather feedback from 38 local Law Societies

### January – February 2024

survey conducted with the Law Society's Insights Community panel

### May 2024

interim report published following analysis of responses to the green paper

### June 2025

final report published following further policy research



## Engagement and consultation

The strength of this project has lain in our collaboration with experts across the justice, technology and consumer sectors and in the generous time Law Society members have given to engage with the project. Engagement and consultation conducted in each workstream is outlined in the relevant sections in this report. A full list of organisations we have worked with during the project is outlined in the **acknowledgements section**.

We are particularly grateful to the advisory group who have supported the project. The advisory group played an essential role in providing critical feedback on the work of the project, convening experts from a variety of fields - academia, consumer groups, legal tech companies and the justice and ombuds sector - to bring their independent expertise to bear on the project's areas of focus.

## Key project achievements

As part of the project, the Law Society has expanded understanding of a diverse range of policy issues, collaborating closely with individuals and organisations across sectors. Some of the project's notable achievements have included:

- boosting the case for a holistic single-entry point to the civil justice system for those with a legal need, a 'solutions explorer'
- contributing to research with regulators on the growing landscape of online dispute providers in the pre-litigation space and on the potential of generative AI tools to support consumers navigating the legal system
- identifying areas of law which are suitable for online dispute resolution and those where safeguarding concerns persist
- contributing to research and understanding of the future of AI in the legal sector and developing recommendations to support consumer protections and joint tech-legal sector innovation to overcome access to justice barriers

- commissioning research exploring the Netherlands 'high trust' model of delivering legal aid and the steps required to improve relationships between legal aid practitioners and the Legal Aid Agency before such a model could be introduced in England and Wales
- convening an industry group with insurance and LEI providers to explore customer journeys and support for those with before-the-event legal expenses insurance
- developing consumer guidance LEI for existing policyholders and updated Law Society guidance for solicitors to ensure members are aware of their obligations in relation to discussion with clients around LEI
- progressing a mutually agreed definition of unbundled legal services for the insurance industry and legal profession

## Related work on access to justice

Alongside the 21st Century Justice project, the Law Society also concluded the [Reimagining Justice in Wales 2030](#) project. We analysed the unique challenges facing the legal sector in Wales over the next decade, including access to justice. For example, difficulties in accessing legal aid are further exacerbated for people in Wales by the rural and dispersed nature of much of the country, poor broadband provision and an inconsistent and expensive public transport infrastructure, which can make accessing legal aid practitioners even more challenging.

We developed a suite of recommendations to reform access to justice in Wales and ensure that any future change of the devolution of justice powers from the UK government to the Welsh government is implemented effectively.

The Law Society also continues work to support our small legal firms. These local firms serve as the first point of contact for many people seeking legal assistance on everyday issues such as housing, employment and family matters. Their accessibility and local presence make them an indispensable community service and ensures that justice is not just a theoretical concept but a practical reality and an essential public service for all.

Solicitors provide services to small businesses across all industries and often operate in a small

firm themselves, deeply embedded within our communities. Solicitors are therefore not only the cornerstone of the justice system but also integral to the sustainability of our high streets.

However, the future of these small legal firms is under threat. Rising operational costs coupled with stagnant legal aid fees place immense financial strain on these practices. Our research<sup>8</sup> shows that millions of people do not have access to a local legal aid provider for their legal issue, as charities and small law firms face an uphill struggle to keep legal aid afloat. This financial pressure is exacerbated by recruitment and retention challenges, changes in client expectations and the increasing complexity of regulations, which small firms must navigate without the more extensive resources available to larger practices.

The decline of small high street law firms has broader implications for access to justice. As these firms close or reduce services, legal aid deserts expand, leaving vast areas without adequate legal support.

To safeguard our justice system and make civil justice work for the 21st century needs, it is imperative our government supports and protects small legal practices. This includes boosting legal aid funding, reducing bureaucratic burdens, and providing resources to help these firms adapt to technological advancements. By doing so, we ensure that the justice system remains accessible and equitable, for the common good of all communities.



<sup>8</sup> For example, 53 million people do not have access to a local education legal aid provider. [Law Society](#), February 2024.

# 1 One trusted entry point for those with a legal need and safer online dispute resolution

Someone facing a legal problem may search for advice online. Hundreds of thousands of web search results will appear, with no way to determine what is reliable and relevant. There has also been a growth in online dispute resolution providers, offering to use technology to help resolve disagreements between individuals or businesses without going to court (pre-action) by using technology. Investment in the development of a single, trusted website to help people understand and navigate legal options underpins many of our proposed reforms.

Following our research with members of the public into their ability to use online resources to research options for resolving a legal dispute,<sup>9</sup> in our interim report we recommended that the government should build a 'solutions explorer.' This would act as a trusted, public and online one-stop shop for assessing legal issues and signposting people to different dispute resolution options.

Early in our project, we recommended that the process for assessing the nature of a legal issue could be achieved with 'decision tree' technology and that to begin with, the tool should only focus on one or two areas of law, with more to be added over time.

In the Law Society's submission to the 2025 comprehensive spending review, we highlighted the anticipated cost savings the solutions explorer could deliver. A cost-benefit analysis undertaken by Social Finance found that the explorer could save approximately £72 million in direct costs over a five-year period, delivering more than twice the savings of the estimated costs of development (£30m).<sup>10</sup>

In response to our green paper consultation, concerns were raised by solicitors and online dispute resolutions providers about the potential difficulties of developing decision trees across multiple and complex areas of law and the scale and upfront cost of such a project as well as the risk of being incorrectly triaged.

To further explore the digital justice landscape, the Law Society carried out [research](#) last year with solicitors on barriers to online dispute resolution (ODR). This was done in conjunction with the SRA and the Access to Justice Foundation, as part of the SRA-led Regulators' Pioneer Fund project.<sup>11</sup> This research with solicitors demonstrated there is significant potential to address unmet legal needs in certain areas, such as employment law and disputes between small and medium-sized businesses.

<sup>9</sup> August 2023 workshop with members of the public - [please see 21st Century Justice Green Paper](#) for further detail.

<sup>10</sup> Published in the Annex of the 21st Century Justice [Green Paper](#) (2023).

<sup>11</sup> Solicitors Regulation Authority, [Solving legal issues through technology](#), 2024.

## Small / Micro Business Solicitor

“ODR has benefits against litigation... there is more opportunity to preserve face-saving positions, commercial relationships in a way that solves things without it being finite and detrimental to a relationship.”

“I see the biggest benefits as time, cost and mental health, because litigation can be such an investment of time, health, emotion and personnel.”

However, the project also highlighted concerns around safeguarding and ensuring the best outcomes for people experiencing particularly stressful legal problems, those with limited financial resources or those who are digitally excluded:

*“A lot of the time my clients don't understand needs around internet security, so I have to be very careful about what document I send... How do I know they're able to keep that secure?” Social welfare and housing solicitor*

*“They [vulnerable clients] are going to lose because the online system is going to beat them, work against them. But if you've got someone whose life is so difficult that they struggle to manage and they've got someone like me and a landlord who's good at managing those sorts of things... then all of that is levelled up.” Social welfare and housing solicitor*

Evidence from those practising in private family law suggested this area of law is particularly ill-suited for encouraging people to settle their case via ODR. The intricate and emotional nature of family law, especially involving finances, children and domestic abuse, means human interaction is key to minimise stress and to ensure fair treatment and outcomes for all.

<sup>12</sup> [Online Procedure Rules \(Specified Proceedings\) Regulations 2025](#), laid 28 January 2025.

*“Most financial divorces from clients are probably not suited to ODR... They need advice. There is too much risk that information isn't fully understood and isn't dealt with.” Family solicitor*

*“Quite often people don't know it. You may have somebody comes to you and they're describing their home situation, and they cannot recognise that they are in a home or relationship that features domestic abuse. Financial and coercive control is very rarely seen by the person receiving that sort of behaviour.” Family solicitor*

*“They'd be at home, on their own. They haven't got you with them to help them deal with some really hard stuff and decisions... You're talking about removal of children or not getting to see children. Not having someone there to support them is a major issue.” Family solicitor*

Working with our research consortium partners, we shared these research findings with officials at the Ministry of Justice to highlight the serious risks of encouraging divorcing couples into online dispute resolution.

We have also shared the findings with the Online Procedure Rule Committee (OPRC) to inform the development of their inclusion framework. The OPRC, established by the Ministry of Justice in 2022, will make rules to govern the practice and procedure in the pre-action space, in the civil and family courts and in the tribunals. In April 2025, the OPRC was given the power to make these rules, and it will initially focus on developing online procedure rules for property proceedings, to support the development of a property portal for landlords and tenants through the Renters' Rights Bill.<sup>12</sup>

The creation of a body with holistic responsibility for digital justice reforms is a welcome development and we encourage the Ministry of Justice to provide sufficient funding to the OPRC.



Since our interim report, the Law Society, SRA, and Access to Justice Foundation have collaborated with Bangor University to develop an employment law tool which used generative AI to assess a person's legal needs and then signpost to online dispute resolution options ranked by suitability. To assess legal accuracy, we invited employment law experts to test the tool. The findings were encouraging, with a high degree of accuracy in assessing the potential legal issues at play in the scenarios provided by the employment law specialists.

It is important to note the time and resource limitations this tool was developed under. With some input from the Law Society, SRA, and Access to Justice Foundation, this tool was built in less than six months by a small team of academics at Bangor, with most of the work being carried out by a single PhD student. Despite these constraints, the user testing results indicate the significant potential that AI has for addressing unmet legal need at a low cost. And beyond developing such tools, they are inexpensive to operate as well.

The main issue the tool developers faced was signposting a user to a relevant online dispute resolution option due to a lack of data, for example on outcomes and demographic data from ODR platforms. This once again highlights the need for the Ministry of Justice and OPRC to prioritise the collection, analysis and, where appropriate, publication of key datasets to allow for monitoring and evaluation as well as ensuring users can be signposted to the most effective form of dispute resolution.

As part of the Regulators' Pioneer Fund project, a number of online dispute resolution platform providers took part in workshops organised by the Access to Justice Foundation to discuss barriers to greater uptake of online dispute resolution. A key finding from these workshops was that a signposting service, enabling and directing users to identify, assess, and navigate to the most appropriate non-court dispute resolution (NCDR) service was seen as "imperative," highlighting the public value of a solutions explorer.

The ODR developers also identified that partnership working was vital to create the cross-sector relationships needed to support effective signposting, with input from regulators, professional bodies, Tier 1 and Tier 2 providers<sup>13</sup> and frontline advice and support organisations.

There was strong support for a single, central point of access to Tier 2 ODR platforms, acting as a trusted source of information and a starting point for dispute resolution.

However, the ODR developers identified a number of barriers hindering the development of a Tier 1 signposting service. These included the lack of a register of NCDR providers, as well as there being no governing body or association for NCDR providers. There is also currently no way to link to existing lists or registers of service providers. For example, the Application Programming Interface (API) for the Law Society register of solicitors cannot legally be accessed by third parties. An API acts as an intermediary to allow different software applications to communicate with each other.

The ODR platform developers also noted that there can be large costs to building technological solutions and without guaranteed market access it can be difficult to attract private investment. The developers were concerned that a lack of centralised funding for aspects such as Tier 1 support meant that the effective coordination and navigation of services could be jeopardised. Separately, the Civil

Justice Council's Future Group recently recommended creating a central hub to develop a strategy for digital inclusion, as well as calling for greater focus on data collection, unmet legal need, and how they impact the development of digital tools.<sup>14</sup> The Prisoner Content Hub - a platform used by prisoners to access data, content and services to support their rehabilitation - was cited as an example of good practice in inclusive design. A similar approach could be replicated in the digital justice system with the creation of a 'one-stop shop' platform, informed by inclusive design principles, to assist people in finding the most appropriate way to resolve their disputes as well as collecting data to monitor legal need and evaluate services provided.

Given the positive feedback from online dispute resolution providers themselves and from other key stakeholders, as well as the potential demonstrated by the AI-powered employment law tool to increase access to justice at a low cost, we recommend that the Ministry of Justice commits to supporting a government-backed solutions explorer as a means to ensure consumer protection, enforce behaviour standards and collect, analyse and publish key data. In addition to identifying options for non-court dispute resolution, a solutions explorer could also provide information to people about litigation funding and legal aid, as well as signposting them to local solicitors or law centre and advice clinics.

One of the many benefits of using a solicitor to assist in a legal matter is that they are regulated and covered by professional indemnity insurance (PII) and therefore consumers have protection and right of redress if something goes wrong. In contrast, a key issue which has featured throughout our research into online dispute resolution is that the current pre-litigation online landscape is largely unregulated, leaving consumers with limited options for redress when something goes wrong.

The Competition and Markets Authority (CMA) published new guidance for some unregulated providers in 2024 designed to promote compliance with existing legal requirements, following their investigation the previous year into services providing will writing, online divorce and pre-paid probate plans.<sup>15</sup> The CMA then wrote a warning to seven unregulated providers of wills and online divorce services about their "aggressive upselling, the refusal of refunds and failing to respond to complaints".<sup>16</sup> However, the CMA's enforcement powers are very different from those of legal service regulators and as there is no register of unregulated providers there is no way of getting guidance into the hands of those it is aimed at. Moreover, the CMA cannot step in or advise on individual complaints.

It has previously been proposed that legal services regulation should be expanded to unregulated providers, including those providing online services, with consumers able to take a complaint to the Legal Ombudsman.<sup>17</sup> It is in the public interest to address consumer protection gaps in the legal services market and the Law Society is supportive of this work. However, we would be concerned about expanding the remit of the Legal Ombudsman to cover complaints relating to unregulated providers due to capacity issues and increased costs falling on for the regulated professions and their clients.

<sup>13</sup> Based on the 2016 Lord Justice Briggs review of the civil court structure, the Law Society defines three tiers of engagement with the legal system: Tier 1 - Legal Advice Services, Tier 2 - Non-Court Dispute Resolution, Tier 3 - Court.

<sup>14</sup> Civil Justice Council, [Futures Group Report on Digital Disadvantage](#), May 2025.

<sup>15</sup> Competition and Markets Authority, [Will Writing and Other Unregulated Legal Services](#), 2023.

<sup>16</sup> Legal Futures, [CMA Targets Seven Unregulated Wills and Divorce Provider](#), 2024.

<sup>17</sup> Stephen Mayson, [Reforming Legal Services](#), 2020.

Nevertheless, the ombudsman model provides a useful solution to the current lack of consumer protections. We propose the OPRC and Ministry of Justice consider the creation of such a scheme, funded by online dispute resolution providers. ODR providers would have to sign up to the ombudsman to gain access to the OPRC's Application Programming Interface (API). Such an API would act as a bridge for data to flow from ODR into the court system. This would allow effective redress for people without having to create a new regulatory regime or expand an existing one.

## Recommendations for the government:

1. The government should commit to building a solutions explorer to provide a trusted, publicly funded resource and triage tool into the civil justice system, leveraging the rapidly developing technologies that can support it.
2. The government should consider creating an online dispute resolution ombudsman using an API to create a 'single front door' to the civil legal system
3. The government and OPRC should prioritise strong data standards, analysis and transparency for the pre-action (pre-court) online dispute resolution sector

# 2 Protecting legal consumers in the age of AI

**The recent explosion in awareness and use of artificial intelligence (AI) creates both opportunities and challenges for the civil justice system. We have considered the potential impact of AI on access to justice, working with organisations across the lawtech and justice sectors to develop new policy solutions to better protect legal consumers when AI-powered justice tech goes wrong.**

Wider use of AI in the justice system could help improve speed, efficiency and access to justice, freeing up solicitors' time by performing some routine tasks. Our research on how lawtech is being adopted shows a growing willingness by legal professionals to embrace technology.<sup>18</sup> Through the Law Society's wider work on AI, we will continue to work with government to harness AI innovation for the benefit of both legal firms and clients.

As part of the 21st Century Justice project, we focused on two key uses of AI in civil justice and examined consumer protections in these areas: generative AI and case outcome predictive tools.

Firstly, we considered the use of generative AI (genAI) tools, such as ChatGPT and Microsoft Copilot, by members of the public to source legal advice. People often turn to online resources for help with legal issues - the Law Society's Legal Needs Survey found that 53% of people with a legal need looked online for information to help resolve their legal issue.<sup>19</sup> Increased public awareness of genAI during the 2024 'AI boom' led to an enormous rise in the number of people using these tools. ChatGPT has been deemed the fastest growing consumer application in history,<sup>20</sup> increasing from an estimated 1 million

weekly users in November 2022 to 400 million in February 2025.<sup>21</sup>

But this growth in take-up is not without risk. In our interim report, we examined cases where people had used genAI tools for answers to legal questions, but the information provided turned out to be inaccurate. Such cases illustrate a risk in the use of AI by legal consumers.

Secondly, we considered the use of case outcome predictive tools, which detect patterns in past litigation cases and use these to predict future outcomes. The high cost of these tools mean that they are mainly used by larger law firms and organisations, to help inform their litigation approach.

However, as with genAI tools used more commonly by the public, the effectiveness of these tools is reliant on the availability and quality of data used to train the models.

Predictions based on historic data and judgements risk reinforcing existing biases within the justice system, such as those associated with predictive policing tools targeting racialised communities, who have historically been over-

<sup>18</sup> The Law Society, [Lawtech Adoption by the Legal Profession](#), 14 February 2019.

<sup>19</sup> Includes both contentious and non-contentious legal issues. YouGov for the Law Society and Legal Services Board, [Legal Needs of Individuals in England and Wales](#), 2023.

<sup>20</sup> Reuters, 2024.

<sup>21</sup> [ChatGPT Users](#), 2025.





represented in police datasets<sup>22</sup>, as well as existing AI tools developing in favour of large law firms and repeat players who have access to their own large repositories of data, to the detriment of individual consumers.<sup>23</sup>

The use of AI in legal services could be transformative, but guardrails will clearly be required to ensure the technology is deployed safely and ethically.

There is no specific redress for consumers impacted negatively by either of these forms of AI in context of access to justice, and there is currently no specific AI regulation in the UK. The government published its *AI Opportunities Action Plan* in January, providing a general direction of travel regarding its AI regulatory approach, with a key focus on AI boosting economic growth and pro-innovation.<sup>24</sup> However, the detail of how AI products and services will be regulated including in the legal sector is not yet known, although an AI bill is expected in 2026.

Our analysis of the policy landscape has identified several challenges. There is a lack of clarity on where regulatory responsibility sits and who should regulate for what and when. For example, there is a preference from legal sector regulators to understand government's plans and responsibilities first, whereas the government is currently asking regulators to take a sector-specific approach to regulating the use of AI, whilst also promoting a pro-growth agenda. But a key concern is how consumers can be safeguarded across the legal landscape as they draw on advice from both regulated and non-regulated sources and providers.

In addition, many of the popular and free AI tools accessible to consumers were built outside the UK, making the policy context extraterritorial. The European Commission is currently progressing work on digitising justice following the “digital justice” regulations 2023, and we look forward to seeing the outcomes of this work.

While positive steps have been made towards modernising justice and courts in England and Wales, challenges around infrastructure and the responsible and ethical adoption of

technology are difficult to solve without a clear set of principles and guidelines that reflect user needs and protect their rights. Incentives that encourage the much-needed investment in the development and adoption of AI and other technology-driven solutions are also required.

In 2024, the Law Society worked with our members to develop an [AI strategy](#) to guide our work in supporting solicitors to navigate the changing landscape of AI. The strategy ultimately aims to ensure the responsible and ethical use of AI to support access to justice and the rule of law and that access to justice challenges are addressed through appropriate public and private sector solutions. To achieve this, we identified three long-term outcomes to work towards:

- 1. Innovation:** AI is used across the legal sector in ways that benefit both firms and clients in legal service delivery
- 2. Impact:** there is an effective AI regulatory landscape that has been informed and influenced by the legal sector
- 3. Integrity:** the responsible and ethical use of AI has been used to support the rule of law and access to justice. This should include:
  - regulators setting standards for data within the AI lifecycle based on research and evidence
  - courts establishing guidance of use of AI
  - firms establishing codes of conduct around use of AI

Given the current lack of clarity on the future of AI regulation and policy, we have engaged extensively with key stakeholders to understand issues and contribute to research on regulatory gaps and opportunities to expand access to justice through AI. This involved sitting on the board of observers for LawtechUK's AI Access to Justice Blueprint, supporting the development of a playbook for start-up companies innovating in the business-to-consumer lawtech space who want to address access to justice gaps through AI.<sup>25</sup> In addition, we contributed to LawtechUK's Access to Legal workshop in November 2024, to

help identify barriers that frontline practitioners face in closing the justice gap alongside those practitioners, technology companies, law firm innovation leads and corporate representatives, with the aim of making legal support more accessible.

We have also engaged with academics and civil society more broadly, such as the University of Surrey in hosting an AI and access to justice roundtable as well as supporting RAI UK projects across law, justice and legal training. This collaborative approach has been beneficial, given the emerging and quickly changing nature of AI and related policy frameworks.

Building on this engagement and research, we propose that the government should facilitate a dynamic and open lawtech and justice technology market, safeguarded by adaptable, principle-based regulation and firm legislation. New technologies need to be used ethically and responsibly in line with domestic regulation, assurance, and transparency standards to ensure that bias is reduced and mitigated and that judicial outcomes are fair and accountable. At present, generative AI tools still have the risk of providing inaccurate legal advice and false citations, with no regulatory structure in place to protect consumers directly impacted. This directly contrasts to protections available by a regulated solicitor profession, such as through transparent training regimes, professional indemnity insurance, and disciplinary sanctions. The value and benefit of seeking legal advice from solicitors, who use lawtech and AI tools in their practice, should not be understated, particularly given the profession's regulatory oversight and existing consumer protections.

Legal regulators should assess the supply and value chain<sup>26</sup> of AI technologies. They should facilitate sandboxes to encourage experimentation and development and conduct research to understand where the market gaps are and whether technology may be an appropriate solution.

In addition, the Law Society recommends the creation of an AI Knowledge Hub by government

to house legal best-practice guidance, use case results, case-studies and open-source solutions. These steps would allow all solicitors the clarity, accountability and confidence needed to adopt AI-powered legal technologies. We therefore welcome the work by JUSTICE who have developed the first rights-based framework to guide AI use across the UK justice system.<sup>27</sup> This framework calls for all those involved in the deployment of AI in the justice system to be under a duty to act responsibly in the design, development and use of AI. It also calls for AI to be ‘goal-led’ – focused clearly on improving core goals of access to justice, transparency and lawful decision-making.

Our 2023 Legal Needs survey demonstrated the public's concern with a lack of human oversight in use of AI for delivering legal services. 49% saw this as a barrier to AI use in legal services.<sup>28</sup> Tasks and decisions within the justice system that should be handled by humans should be clearly defined, along with those which can be handled by AI and other forms of technology. For example, the government and courts are considering the use of lawtech to address the heavy costs of court transcription services. In our submission to the House of Lords Public Services Committee's 2024 inquiry on court interpretation and translation services, we highlighted that despite improvements in and the potential for AI-powered interpretation and translation, in particular speed and cost-effectiveness, such tech may fail to capture the subtleties and cultural nuances as accurately as a human translator might.<sup>29</sup>

More widely in the courts, the government has been interrogating the use of computer evidence in the criminal justice system, to prevent future miscarriages of justice following the Post Office Horizon scandal. In our response to this call for evidence, we recommended the government should consider applying similar safeguards to computer evidence used in civil cases as well, to prevent different standards of computer evidence being brought to proceedings. AI and genAI outputs also need to be carefully considered within the scope of computer

<sup>22</sup> Amnesty International UK, [Automated Racism Report](#), 2025.

<sup>23</sup> Natalie Byrom, [Landscape analysis of the policy and regulatory context of consumer-facing AI](#), 2024.

<sup>24</sup> Department for Science, Innovation and Technology, [AI Opportunities Action Plan](#), 2025.

<sup>25</sup> Yet to be published at time of writing.

<sup>26</sup> The value chain ‘illustrates progression from the foundational elements required to build generative AI models, through to the hardware, platforms and infrastructure that support their deployment, and finally to the application and services that utilise these models to create real-world solutions.’ InclusionCloud.

<sup>27</sup> JUSTICE, [AI in Our Justice System](#), 2025.

<sup>28</sup> YouGov for the Law Society and Legal Services Board, [Legal Needs of Individuals in England and Wales](#), 2023.

<sup>29</sup> House of Lords Public Services Committee, [Oral evidence: Interpreting and Translation Services in the Courts](#), 23 October 2024.



evidence. Any changes to the law on computer evidence should align with existing regulation, industry best practice and automated decision-making transparency requirements.

The government should also act as a convenor for meaningful collaboration between the legal sector and the technology industry to address access to justice barriers. We are pleased the government has provided further funding of £1.5 million for LawtechUK to support digital transformation in the legal sector for another year.<sup>30</sup> Investment in this work will benefit the government's growth agenda as well as consumer choice and confidence, given that legal services support businesses to grow and thrive, securing more jobs and better livelihoods for our communities.

## Recommendations for the government:

1. To enable access to justice that is fit for purpose in the 21st century, the government should prioritise addressing people's needs through technology-enabled justice. This is to ensure that technologically enabled solutions serve individuals and their unmet legal needs through a dynamic and open lawtech and justice technology market, safeguarded by regulation
2. Legal regulators need to assess the supply and value chain of AI tools ensuring that at each stage, vendors and practitioners understand consumer needs and impacts on them and adhere to the regulatory frameworks in place including protecting and promoting consumer rights
3. The government should play a key role in facilitating collaborative opportunities and fora for solicitors, individuals, and technology vendors to help address different stakeholder expectations, identify knowledge and opportunity gaps and support access to justice

<sup>30</sup> Legal IT Insider, 2025.

# 3 A sustainable civil legal aid system

Civil legal aid is a pillar of our public services. It levels the playing field for people facing an uphill struggle to pay for legal advice and representation. Yet cuts over many years mean the legal aid system is creaking under pressure. Changes to and investment in legal aid will help create a more sustainable, accessible system for us all.

In 2023 the-then government began a long-overdue review into the sustainability of civil legal aid. The Law Society submitted substantial evidence to the Review of Civil Legal Aid, outlining the difficulties legal aid solicitors face in providing these vital services.<sup>31</sup> Due to reductions in legal aid funding, there are significant advice deserts across England and Wales where people cannot access legal aid. For example, nine in 10 people do not have access to a local legal aid provider for education matters and four in 10 do not have a housing legal aid provider in their local area.<sup>32</sup>

Legal aid fees for solicitors have not increased since 1996 and in 2011 were cut by 10%. Conversely, according to inflation data, typical costs have increased 95% since 1996 and by 40% since 2011.<sup>33</sup> It is incredibly challenging for firms to deliver legal aid work at such low costs and in the face of the often onerous and bureaucratic Legal Aid Agency systems. Government underinvestment has led to a crisis in the legal aid system, which our communities rely upon for support with legal disputes, such as with landlords and employers.

As part of our evidence submission to the government's Review of Civil Legal Aid, we commissioned an in-depth study by Frontier Economics to explore the financial pressures facing civil legal aid providers.<sup>34</sup> This research found that:

- 82% of legal aid providers sampled were making a loss on civil legal aid work
- all housing legal aid providers in the sample were loss-making from their civil legal aid work. In most cases (77%), housing legal aid provider fee earners were not even able to recover the cost of their own salaries
- the number of civil legal aid providers in England and Wales has reduced by 19% in the last five years

Our submission and engagement with the review was influential. The Ministry of Justice originally excluded consideration of legal aid fees from the review but the government announced in January 2025 that it was proposing to increase rates for legal aid work in housing and immigration by 24% and 30% respectively. This represents the first uplift in civil legal aid fees for nearly 30 years.

<sup>31</sup> The Law Society, [Civil legal aid](#), final submission in February 2024.

<sup>32</sup> The Law Society, [Legal Aid Deserts](#), 2024.

<sup>33</sup> The Law Society, [Civil Legal Aid: Sustainability Research](#), 2024. The Law Society analysis, 2025.

<sup>34</sup> Frontier Economics, [Research on the sustainability of civil legal aid](#), 2024. The Law Society analysis, 2025



This announcement is a welcome step, but there remains further work to do to ensure the long-term sustainability of the civil legal aid system. The government admits its proposed increase will still leave a quarter of housing legal aid providers making a loss if they continue to try to help people who desperately need advice.

A 95% increase in legal aid fees would be needed to restore fees to the 1996 levels in real terms.<sup>35</sup>

The underfunding of civil legal aid denies us a vital public service. The Law Society’s submission to the consultation on housing and immigration fee increases in March 2025 highlighted our long-standing recommendation to introduce a mechanism to regularly review legal aid fees, potentially via an independent review body, given any benefits of the current increase may soon be eroded by inflation.<sup>36</sup>

More broadly, we have supported and welcomed greater flexibility in tendering for legal aid contracts and the move from three to five-year contract cycles to an ‘always on’ approach. This enables firms to obtain civil legal aid contracts at any time and significantly reduces the time between tendering for and starting contracts. These changes should help improve the running of legal aid and better serve the public’s needs. However, a key challenge that must still be addressed is the need to improve trust between legal aid practitioners and commissioners at the Legal Aid Agency (LAA). Legal aid practitioners report that they feel they are not trusted by the LAA, that they are subjected to micromanagement and scrutiny even when they have a good record and that the LAA adopts a transactional approach to the relationship.

## Exploring the Netherlands ‘high trust’ model

To explore international comparisons of delivering and commissioning legal aid, we commissioned a scoping study of legal aid in the Netherlands. As part of the Review of Civil Legal Aid, the Ministry of Justice indicated interest in the ‘high trust’ model developed to deliver legal aid in the Netherlands. We are pleased to publish this study, *High Trust Legal Aid*, undertaken by Vicky Ling, an experienced legal aid consultant and former member of the Civil Justice Council, alongside this report.

The Dutch legal aid system consists of three tiers. There is a preliminary state operated first and second tier of services, with online, telephone and face-to-face services provided at Legal Services Counters. The counters offer information on legislation and legal procedures as well as giving advice. The third tier of representation and more complex advice is then delivered by private practice lawyers. There are 30 Legal Services Counter offices and 13 services points around the Netherlands, providing local support and advice. This initial service is provided free of charge and without a means test. The more complex cases that require representation from private practice lawyers are means tested. Over 36% of the Dutch population qualify for legal aid. There is also greater reliance on individual legal expenses insurance to fund cases in the Netherlands.

For the complex cases that private practice lawyers undertake, the Dutch Legal Aid Board uses a ‘high trust’ method for commissioning services. The intention behind this process was to create a more collaborative and less transactional approach to contracting for services. Solicitors operating under the high trust model are required to demonstrate greater compliance with Dutch Legal Aid Board procedures and in return, application requirements are streamlined for trusted providers and it takes less time for them to receive verification. First piloted in 2009, by 2021 82% of applications were made by firms in the high trust scheme.

Drawing on feedback from the Dutch Legal Aid Board and focus groups conducted with legal aid practitioners in England and Wales, the *High Trust Legal Aid* research has provided an assessment

of the Dutch model in comparison to contract management by the Legal Aid Agency (LAA) in England and Wales. The research identified the ‘fundamental need to improve the level of trust’ between practitioners and the LAA before ‘high trust’ features of the Netherlands model could be adopted in England and Wales.

The development of trust between legal aid commissioners and practitioners is essential. One issue raised by legal aid practitioners in focus groups is that they feel unable to rely on advice received from LAA staff, as they can receive conflicting advice from different staff, or later be told advice was incorrect and be required to make a repayment and/or be served with a contract notice. This damages trust. In the Netherlands, advice given by Dutch Legal Aid Board staff is binding on the Legal Aid Board, providing reassurance to providers.

Several further practical steps are proposed in the *High Trust Legal Aid* study to shift the dial on the relationship between the LAA and practitioners, including:

- recognition by the LAA that most providers want to and do, get processes right, so systems should be designed around the majority
- collectively assessing needs for legal aid services, designing services to meet those needs and working together on implementation
- ensuring practitioners are involved from an early stage in the design of all LAA systems from inception to delivery and business as usual
- ensuring that all LAA staff have the right level knowledge to deal with provider queries and will escalate to specialist colleagues where necessary
- investing to modernise LAA digital systems
- using an annual provider survey to measure progress towards a more trusting relationship

The study drew on comparisons to the NHS moving away from the usual commissioning cycle of planning, purchasing and monitoring services, to an enhanced collaborative and horizontal

approach to assessing population needs and designing services to meet those needs. Legal aid practitioners interviewed for the research would welcome greater points of contact between the LAA and practitioners to foster personal relationships and increase trust. The LAA could, for example, adopt an explicit commitment to improve perceived trust by providers through a key performance indicator, using an annual provider survey to measure progress.

In addition, under the Netherlands model, the means test is carried out by the Dutch Legal Aid Board. Legal aid practitioners in England and Wales responded positively to this element of the Dutch system, subject to the relevant safeguards being in place. Means test evidence requirements are complex in England and Wales and errors may result in financial penalties for firms. There have been some positive steps taken recently by the LAA to address this, such as a new scheme for more direct involvement in evidence gathering from self-employed clients. To build on this, it would be helpful if providers could easily obtain guidance and confirmation of accuracy from the LAA at the point of collecting evidence of eligibility, for work such as giving legal advice to clients and assistance not involving court proceedings (controlled work). The LAA should introduce a means test ‘check’ email service and dedicated telephone line to enable practitioners to check that decisions on the financial eligibility of cases are correct.

We also urge the government to make the necessary investments to modernise the LAA’s outdated IT systems. The system is antiquated and impedes many proposals for legal aid reform. Indeed, the Ministry of Justice, in its review of the legal aid means test, said its proposed changes to the means test ‘require a significant set of changes for the Legal Aid Agency’s (LAA) digital systems’.<sup>37</sup> Investing in and modernising these systems will help create efficiencies for both legal aid providers and LAA staff. The recent cyber-attack in April 2025 on the LAA’s online digital services, in which the group responsible is thought to have accessed and downloaded a significant amount of personal data, has demonstrated the need for investment to bring the LAA’s IT system up to date and ensure the public have continued trust in the justice system.<sup>38</sup>

35 The Law Society [analysis](#), 2025.

36 The Law Society, [Civil legal aid](#), 2025.

37 Ministry of Justice, [Government response to legal aid means test review](#), 2023.

38 Legal Aid Agency and Ministry of Justice, [Legal Aid Agency data breach](#), 19 May 2025.



## Co-located services and partnerships with the advice sector

Our green paper and interim report identified the potential of co-located legal and health services to enhance existing civil legal aid provision. Co-located services have the benefit of people only needing to explain their needs and story once at the ‘one stop shop.’ The Law Society’s Legal Needs Survey illustrates that people frequently turn to their doctors first with legal problems, meaning a health-justice agency partnership makes good practical sense. 10% of those surveyed reported that their main adviser for handling a contentious issue was a doctor, the second most common choice after a solicitor (19%).<sup>39</sup>

The Ministry of Justice has also recognised the opportunity of co-location and has provided funding for a pilot project, the Flourish Wellbeing Hub in the Wirral. The hub opened in 2022 as a collaboration between local charities, including Citizens Advice Wirral. A final government-led evaluation of the Wirral pilot was originally scheduled for autumn 2024 but remains to be published. Whilst co-located services have clear value in offering a more human-centred approach, such services must also be able to offer a seamless interface between legal support and specialist legal advice to ensure a smooth,

joined-up journey for users and allow co-located service staff to refer to specialist local legal advice provision. The partnerships between legal aid solicitors and advice sector professionals are crucial to the success of co-located services. Such services will only work where civil legal aid services are properly resourced to ensure users get the local specialist advice they require.

The Ministry of Justice’s new Legal Support Strategy Delivery Group – which convenes the advice sector, the Law Society and other stakeholders – aims to improve legal support through grant funding and partnership between relevant stakeholders. Whilst the terms of reference specifically exclude legal aid services, the Ministry of Justice has acknowledged the need for a holistic approach which includes the ability to make effective referrals from advice services to legal aid providers. Recognising the importance of specialist legal advice provided under legal aid is vital for delivering effective services to communities.

The philosophy of partnership working between health and justice agencies, and the role of specialist legal advice in such models, is demonstrated well by the health-justice partnership (HJP) between the Central England Law Centre and local Primary Care Network.

## Case study: Central England Law Centre Health-Justice Partnership

**Central England Law Centre at Coventry is the lead agency for a number of HJPs that operate in the Coventry and Nuneaton areas with funding assistance from the Coventry and Warwickshire Integrated Care Board.**

Whilst each project has its own specific arrangements, the basic model is that the Law Centre works with primary care providers who offer ‘social prescribing’. This involves prescribing non-medical solutions for problems that impact negatively on a patient’s health, which can include legal problems.

The Law Centre employs a triage officer who considers referrals from the social prescribers and is able to refer them either for general advice that can be offered by other providers or specialist legal advice provided by the Law Centre. The main areas covered are housing and welfare benefits, but the scheme also includes family, immigration, community care and employment law. This model allows the Law Centre to provide holistic solutions as it

can identify problem clusters which often lie behind the initial problem the client presents with.

Over 400 patients have been referred by Coventry GP practices since May 2023 and data collected so far indicates that around 50% of patients referred to the HJP have fewer subsequent GP appointments than those who have not, so reducing demand on the NHS. Overall, around 46% of clients have required specialist debt or legal advice and casework, which demonstrates the importance of being able to offer specialist legal advice alongside generalist advice and offers valuable insights into legal need within the project’s catchment area. Moreover 97% of patients surveyed reported a positive impact on their mental or physical health.

## Remote provision of civil legal aid advice

We have also explored how greater flexibility to deliver civil legal aid advice by phone and online may support more people to access justice. In our interim report we highlighted that some people may prefer the convenience of remote services, particularly if they live in remote areas where transport is expensive or limited, or if they have caring responsibilities, mobility issues, or difficulties travelling for other reasons.

As part of the consultation on legal aid fee increases, the Ministry of Justice is also considering removing the current contractual requirement on civil legal aid providers to limit remote advice to 50% of clients. The Law Society welcomes

this proposal. In our consultation response, we highlighted that the 50% limit is arbitrary and creates logistical problems for providers seeking to plan over a 12-month period as client demand can vary.<sup>40</sup> People will have different preferences for how they access legal aid advice. Some will prefer remote provision, while others will require face-to-face advice, either because they cannot access remote advice or would benefit more from face-to-face support due to the complexity or sensitivity of their case. Such decisions on how services are provided should be determined by genuine client choice and professional discretion.

Clients should not be forced into online only services due to lack of funding and resources.

<sup>39</sup> YouGov for the Law Society and Legal Services Board, [Legal Needs of Individuals in England and Wales](#), 2023.

<sup>40</sup> The Law Society, [Civil legal aid](#), 2025.

As highlighted earlier, the Netherlands legal aid model provides a holistic online and face-to-face service at the early advice stage. This service is provided universally and free of charge. It ensures that online and telephone provision is supported by easy access to face-to-face services. Law Society research has illustrated a statistical link between getting early legal advice and resolving problems sooner.

People who do not receive early advice are 20% less likely than average to have had their issue resolved.<sup>41</sup>

There is presently limited and fragmented access to legal aid for early advice in England and Wales, reducing the possibility of early problem resolution. The government should widen access to legal aid for early advice creating a seamless process of legal aid provision. Services should be designed in response to client needs, whether that be face-to-face, co-located or online.

## Recommendations for the government:

- 1. Development of trust between legal aid commissioners and practitioners** – the government should prioritise improving levels of trust between the LAA and legal aid practitioners. This is necessary before a ‘high trust’ model like the Netherlands model can be considered for England & Wales
  - proposals for measures to increase trust, encourage a more collaborative approach and streamline legal aid processes can be found in the [High Trust Legal Aid](#) report
- 2. Regular fee increases** – The government should regularly uprate civil legal aid fees with inflation and establish an independent legal aid fees review body to periodically review fees to ensure they achieve and maintain sustainability
- 3. Simpler legal aid processes** – The LAA should introduce a means test ‘check’ email service and dedicated telephone line to enable practitioners to check decisions on the financial eligibility of cases are correct
- 4. Simpler contracts** – the LAA should continue working with practitioners to remove unnecessary complexity from existing contracts

<sup>41</sup> Law Society and Ipsos-MORI, 2018.

# 4 Maximising the potential of ombudsman schemes to deliver access to justice

Ombuds services help people to resolve disputes with businesses or public bodies. The ombuds sector has the potential to act as a gold standard for out-of-court dispute resolution, adopting different dispute resolution techniques to fit the circumstances and seeking a fair outcome for all parties.

Ombuds can play a key role in ensuring greater access to justice, as they are free to access, they can use a range of techniques to resolve different issues, and they are designed to be simple to use for a layperson. However, currently there are a plethora of ombuds based on a sectoral structure, and it is not always clear which ombudsman someone should turn to for help.

There are currently around 30 ombuds in the UK covering private disputes and maladministration in public services or bodies.<sup>42</sup>

In some sectors, there can be considerable overlap. For instance, the Housing Ombudsman Service handled 26,000 complaints in 2021-22, but it also signposted 6,500 people to other services because the complaint was outside their remit. Of these, nearly half (48%) were signposted to either the Local Government and Social Care Ombudsman or the Property Ombudsman.<sup>43</sup>

This fragmented landscape makes it difficult for people already facing an uphill struggle for redress and justice. In 2013, the then-Legal Ombudsman Adam Sampson warned that the

UK’s ombuds landscape was a ‘mess’ where overlaps are common and gaps ubiquitous.<sup>44</sup> Dr Richard Kirkham of the University of Sheffield has previously warned that these overlaps can lead to ‘claimant fatigue’ whereby people ‘can get a bit lost and disillusioned’ and may ‘feel like [they] complain at one level, get rejected, so go up to the next level and eventually get to an ombuds.’<sup>45</sup> We welcome efforts by the Ombudsman Association to map the ombuds landscape and the creation of the resource ‘[A Guide to Ombudsman Offices in the UK.](#)’

The ombuds landscape in England and Wales needs to be reformed and rationalised by amalgamating services in the same sector, enhancing enforcement and investigation powers, and improving access for SMEs to ombuds services. This could reduce burdens on the courts by resolving issues effectively at an earlier stage, before disputes are brought to court, as well as improving people’s experiences of this public service and ensuring decision-makers are held to account when things go wrong.

In our interim report we recommended a new government should give the Ministry of Justice the lead for ombuds policy across government to provide one point of oversight and drive

<sup>42</sup> Joint Committee on Human Rights, [Human Rights Ombudsperson](#), 2023.

<sup>43</sup> Housing Ombudsman, [Annual Report and Accounts 2021-22](#), 2023.

<sup>44</sup> [The Guardian](#), 2013.

<sup>45</sup> Joint Committee on Human Rights, 2023.



forward reform of the sector from an access to justice perspective. The identification of a lead government department for ombuds policy is particularly important given the creation of new ombuds – such as the upcoming Private Rented Sector Ombudsman – and a drive from central government to review the number of public bodies to reduce public spending.<sup>46</sup> It is important that, as part of these efforts, consumer protections are not lost. As highlighted on page 13, we believe there is a gap in current protections for people using online dispute resolution providers and we recommend this be filled via the ombuds sector.

The Law Society supports the principles for more joined up ombudsman services as set out in the Parliamentary and Health Service Ombudsman's (PHSO) call for a single new Public Service Ombudsman (PSO).<sup>47</sup> Reform could also take the form of a single ombudsman for every major area of public life, or where there is high risk of consumer detriment and a lack of alternative redress. This will ensure that people have a single, simple route to raising a complaint. Even in advance of significant structural change, increased joined up working and own initiative investigatory powers are needed to achieve a step change in ombuds effectiveness, and improved outcomes for consumers. This would be in line with public sector ombuds in Scotland and Northern Ireland. Such ombuds have 'own initiative' powers of investigation, allowing them to start an investigation without having received a specific complaint. In our interim report we also explored the benefits of greater join-up between ombuds and the courts, such as by allowing tribunals to refer complaints to the relevant ombudsman service. Both these steps could help the ombuds sector to more efficiently investigate in addition to addressing systemic issues and enhancing accountability of service providers.

While it is hoped these reforms would create easier and quicker routes to resolve complaints and address systemic issues, as well as improving access to justice and outcomes for consumers, there is also the potential to save public money with these proposals. Merging various ombuds and enhancing their enforcement and investigatory powers would have minimal upfront costs but would achieve significant downstream savings over time. Economic modelling predicted a saving of £9m per year once a new Public Services Ombudsman was fully established, with savings of at least £40m per annum through improvements in frontline public services driven by the new ombudsman.<sup>48</sup>

The Law Society continues to support the ombuds sector as a route to expanding access to justice, but it is important that complainants are not discouraged by unnecessary barriers which delay effective redress. Reforms proposed by the sector should be carefully considered by government. This includes the proposal to remove the MP filter for Parliamentary and Health Service Ombudsman referrals. This requirement means that people in dispute with government departments must first persuade their MP to refer their complaint before the Ombudsman can investigate. Whilst people bringing complaints relating to the Victims Code no longer need an MP referral, the MP filter remains for other cases. This acts as a barrier to justice – 86% of people turned away from the Ombudsman for not having an MP referral will never return and give up on their complaint.<sup>49</sup>

## Recommendations for the government:

1. The government should rationalise the ombuds landscape to reduce overlap and make it easier for users to navigate. This could take the form of a single ombudsman for every major area of public life, or where there is high risk of consumer detriment and a lack of alternative redress
2. The government should reform access to ombuds services and their delegated powers, including:
  - removing the MP access filter for Parliamentary and Health Service Ombudsman referrals
  - empowering ombuds schemes to undertake 'own initiative' investigations
  - allowing SMEs access to ombuds in energy and telecoms sectors, as has already happened with the Financial Ombudsman Service, to enhance small businesses' access to effective redress
  - increasing join-up between ombuds, courts and tribunals
  - ensuring all ombuds services' recommendations are followed by companies and public agencies
  - giving the Ministry of Justice the lead for ombuds policy in government



<sup>46</sup> BBC News, 2025.

<sup>47</sup> Parliamentary and Health Service Ombudsman, [Ombudsman reform: Improving access to justice](#), 2023.

<sup>48</sup> Social Finance, [PHSO – Value of Reform](#), 2023.

<sup>49</sup> Ombudsman Association, 2025.



# 5 Addressing the risks and opportunities of unbundled legal services

Solicitors typically offer legal services on a full retainer, handling all aspects of a case from initial instruction to conclusion. ‘Unbundled’ legal services differ as consumers who are willing take on some work traditionally undertaken by a solicitor. Given the reduction in eligibility for legal aid and legal costs being seen as too high by some, unbundling may play a role in enabling access to justice as it offers the potential to provide a lower cost option. However, it is not without its risks for the client and solicitor.

Estimates suggest that the proportion of legal services consumers choosing to use an unbundled service has increased in recent years, reaching an estimated 19% in 2023.<sup>50</sup> To better understand the risks and opportunities of unbundled legal services, we consulted with Law Society members and stakeholders throughout the project, and conducted additional research with solicitors delivering unbundled legal services.<sup>51</sup> This engagement highlighted a range of views on unbundling.

## The advantages are that:

- it can help more people to access justice from a regulated service provider who may otherwise have been unable to pay for a full legal service, or who may have turned to an unregulated online dispute resolution provider, for which there is no protection or redress if the consumer is not happy with the service provided
- it improves cash flow for firms through faster payments and an increased client base

## The disadvantages are:

- it is difficult to develop a limited retainer precise and effective enough to delineate the work of the client and solicitor which gives rise to the potential for ‘scope creep’
- there are concerns that solicitors could be held liable for work outside retainer agreement, given recent court decisions that have found solicitors liable for work that was not on the face of it within the scope of the retainer agreement with the client<sup>52</sup>
- it can be unclear whether professional indemnity insurance covers unbundled work, and potential negligence claims brought by clients
- there are concerns that unbundled services may not deliver positive outcomes for clients who may lack the skills to fulfil their role within the process, potentially leading to further disputes

<sup>50</sup> Legal Services Consumer Panel Tracker Survey 2023, March 2023.

<sup>51</sup> Mustard Research, [Qualitative research with firms who practice unbundling](#), 2024.

<sup>52</sup> For example, *Padden v Bevan Ashford Solicitors* [2011], *Sequence Properties Limited v Kunal Balwantbhal Patel* [2016] EWHC 1434, and *Lewis v Cunningtons Solicitors* [2023] EWHC 822 (KB).

There has been appetite from regulators and the previous government to position unbundled legal services as an access to justice solution for consumers who cannot afford legal fees, but who are not eligible for legal aid. For example, a recent report on access to justice for the Legal Services Consumer Panel and Legal Services Board recommended frontline regulators work with the insurance sector to review professional indemnity insurance cover to identify and remove any regulatory barriers that impede access to justice.<sup>53</sup> Further work is required from government to assess the concerns and considerations highlighted in our research if such efforts are to continue.

Our research also highlighted some confusion about what unbundled legal services entail, and whether firms were delivering them or not. As part of our engagement with the insurance industry regarding professional indemnity insurance (PII), it became clear that some PII insurers also held similar concerns. Some insurers were uncertain about whether firms they provided insurance for delivered unbundled services, and if so, how any attendant risks should be priced. Our research, although based on a small sample, suggested that a third of firms that said they were providing unbundled services had informed their insurer. It is likely that due to this lack of clarity, insurance underwriters are unable to price risks accordingly as they lack the data to assess the specific risk. The costs of insuring unbundled work are therefore potentially being born by solicitors across the profession, rather than those firms that are offering unbundled services.

As a result of these insights, we identified a targeted approach to our work on unbundling to develop a mutually agreed definition of unbundled legal services with the insurance industry. This pragmatic approach recognises that some legal firms, such as those practising in family and employment law, are routinely providing unbundled services and that confusion and uncertainty are to the benefit of neither the legal profession nor consumers seeking legal help at a lower cost.

<sup>53</sup> Curran, Liz, Jane Ching, Jane Jarman for Legal Services Consumer Panel and Legal Services Board, [Regulatory Leadership on Access to Justice](#), December 2024.

Together with the SRA and the International Underwriting Association (IUA), which represents participating insurers, we have progressed towards a commonly agreed plain-language definition. This involved a review of existing definitions used across the legal sector to explain unbundled services, and a review of case law on the scope of a limited retainer, to identify the key elements for a workable, comprehensive definition. We assessed the principles applied to limited retainers by the courts in decisions such as *Minkin v Landsberg* [2015] EWCA (Civ) 1152 and *Denning v Greenhalgh Financial Services* [2021] EWHC 143 (QB). This review suggested that key components of unbundled services relate to agreement between solicitor and client on the division of work and on which tasks are to be performed by whom.

We expect the definition will be agreed in summer 2025, after careful review and consideration of the workability of the definition by different stakeholders. Once agreed, a definition could be used by participating PII insurers in their proposal forms, to identify firms that provide unbundled services, and price their policies accordingly. This may help make the costs, risks and responsibilities for both consumers and practitioners engaged in unbundling more transparent, to the benefit of all. In addition, more effective identification of firms delivering unbundled services can help to build a better picture of the scale of unbundling across England and Wales and help identify scope for improvements that could make unbundling a more feasible option.

As part of this work, the Law Society and SRA also considered alternative terminology to describe unbundled services, thinking particularly about building consumer understanding of what unbundling entails. Suggestions have included 'pay as you go' legal services, 'targeted legal services,' and 'professionally assisted legal services.' Further work would be required across the legal and consumer sectors to implement a meaningful change in terminology which leads to an increase in consumer understanding. The Law Society is also in discussions with the IUA and SRA about potentially producing guidance for practitioners on unbundling to help them understand the benefits and risks, including the clarity and transparency needed for consumers who choose unbundled services.

## Recommendations for the legal sector

1. The legal sector, legal regulators, insurance industry, and consumers should build a greater understanding of what unbundled legal services involve, and the benefits and risks
2. The SRA should take steps to collate data on which firms deliver unbundled services and provide clear guidance on the opportunities and risks for consumers and firms



# 6 Legal expenses insurance that works better for consumers

Around 14 million people have some form of legal expenses insurance – a type of insurance which could be used to help pay legal fees.<sup>54</sup> But very few people ever claim on their policies.<sup>55</sup> Our work on legal expenses insurance has focused on existing policyholders and empowering them to make informed choices about how their insurance could assist them in accessing legal support.

As part of our research, we identified that many consumers are unaware that they may hold a before-the-event Legal Expenses Insurance (LEI) policy. These policies can be part of other insurance policies, such as home or car insurance, or bought as a standalone insurance policy. An estimated 29% of adults in the UK hold an LEI policy, according to the Financial Conduct Authority (FCA).<sup>56</sup>

However, research for the Legal Services Board has highlighted that many people have little understanding of legal expenses insurance and how to use it. Research we conducted with solicitors in January 2024 found that 41% believed that client awareness and understanding was the main barrier to better use of legal expense insurance.<sup>57</sup>

As LEI can be a standard feature of home insurance, or other common types of insurance, many policyholders may not know they have a policy.<sup>58</sup>

An important first step is therefore to help raise awareness among those who already have LEI, to ensure people are informed of all the options available to them. The Law Society does not propose to advocate for or against the use of LEI more generally, partially due to the potential that significant increases or decreases in purchase of LEI products could lead to a change in the availability and cost of these policies.

The potential for LEI to support policy efforts to widen access to justice is currently under consideration by legal regulators and advisory bodies. The recent report for the Legal Services Consumer Panel and Legal Services Board, *'Regulatory Leadership of Access to Justice,'* recommended frontline regulators, facilitated by the Legal Services Board, work with the insurance industry to explore the feasibility of an expansion of the legal expenses insurance market and its potential to impact unmet legal need<sup>59</sup>. Similarly, the Civil Justice Council has conducted a review of litigation funding and has considered access to justice and elements on LEI as part of this<sup>60</sup>. The Council delivered its final report in June 2025. We look forward to seeing the government's

<sup>54</sup> Based on an estimation that 29% of UK adults hold an LEI policy (Financial Conduct Authority, [Financial Lives 2020 survey](#), 2021), and [ONS 2023 Population Estimates](#) for population aged 18 and over.

<sup>55</sup> Data on claims accepted by LEI providers: Financial Conduct Authority, [General insurance value measures data 2022](#), 2023.

<sup>56</sup> Financial Conduct Authority, [Financial Lives 2020 survey](#), 2021.

<sup>57</sup> Law Society Insights Community, 2024.

<sup>58</sup> Community Research for Legal Services Board, [Legal expenses insurance](#), 2021.

<sup>59</sup> Curran, Liz, [Regulatory Leadership on Access to Justice](#).

<sup>60</sup> Courts and Tribunals Judiciary, [Civil Justice Council review of litigation funding](#).



consideration of the recommendations as presented by the Council, as well as future activity by legal regulators.

Our focus on awareness for existing policyholders aligned well with new standards introduced by the FCA in July 2023. The new consumer duty sets a higher standard of consumer protection in financial services, requiring companies to put their customers' needs first. This includes ensuring that customers understand the products they have purchased.<sup>61</sup> In addition, research commissioned by the Legal Services Board concluded that it may be helpful to highlight to consumers that LEI products can also include access to resources such as legal document templates and legal helplines delivered by panel solicitors, and others with legal expertise, on behalf of LEI insurers.<sup>62</sup> We agree that information on these resources, and on how legal expenses insurances works, could be more readily available to existing policyholders.

To achieve this, the Law Society and the Association of Consumer Support Organisations convened leading stakeholders in the legal expenses insurance and broader insurance industry to form an Industry Information Sharing Group in 2025. The industry group aimed to deepen our understanding of the benefits and drawbacks of LEI, how such insurance products can assist individuals or small businesses who may need legal assistance and how LEI providers are complying with the new consumer duty. The industry group provided vital insight into the customer journey for individuals and businesses who are current holders of a before-the-event LEI policy.

Using these insights, the Law Society is developing **guidance for consumers**<sup>63</sup> on the background, workings and best practice of before-the-event legal expenses insurance. This aims to provide a trusted source of neutral, impartial information on how someone might go about becoming aware of any potential LEI policy they may have, and how that policy could potentially help them to access justice. The guidance signposts to other trusted sources and draws attention to the potential utility of LEI

61 Financial Conduct Authority, [Consumer Duty: Firms](#), 2023.

62 Community Research for Legal Services Board.

63 More details can be found at: [www.lawsociety.org.uk/21stcenturyjustice](http://www.lawsociety.org.uk/21stcenturyjustice).

64 Law Society Insights Community, 2024.

65 Solicitors Regulation Authority [Code of Conduct for Solicitors, RELs and RFLs](#) section 8.6-8.7 and [Code of Conduct for Firms](#) section 7.1(c)

legal helplines which can serve as an invaluable source of information to a consumer who may not be sure of which steps to take when they encounter an issue.

As well as the FCA's new consumer duty, we also explored with the industry group the potential for the FCA to add data on LEI helpline use and outcomes to its 'value measures'. This could help build evidence on how helplines included in LEI products are delivering for consumers and to better understand gaps in provision. However, it was deemed unlikely that such data would be frequently used or engaged with by most consumers.

In addition to the consumer guidance, we identified an opportunity to better support our members to hold conversations with prospective clients about whether they hold an existing LEI policy. Our past research with members explored how solicitors communicate the potential availability of LEI to clients:

- 57% communicate in writing
- 25% via verbal communication
- 15% said they do not raise it unless clients ask<sup>64</sup>

To support solicitors to have more proactive conversations with prospective clients about LEI policies they may hold, we are updating the Law Society practice note on [Client Information Requirements](#) to make explicit reference to LEI.

Whilst Legal Ombudsman guidance is clear that solicitors should discuss LEI with clients, and the SRA Codes of Conduct outlines expectations for solicitors to ensure clients are 'in a position to make informed decisions about... the options available to them' and understand likely overall costs,<sup>65</sup> that guidance does not provide detail on what such conversations should entail. Our newly updated practice note therefore will provide relevant information on solicitors' obligations to discuss LEI with clients. This should always be included in the initial conversation between the solicitor and their prospective client, to ensure the client is aware of all potential options available to them for funding their legal case if it has merit.

Our practice note also provides detail of case law and instances where solicitors have been found negligent for not making inquiries about LEI.

## Recommendations for the legal sector

1. Solicitors should routinely ask their clients if they hold an existing legal expenses insurance policy, as a potential option for meeting legal costs
2. The sector should contribute to wider efforts to increase awareness and understanding of before-the-event legal expenses insurance products among existing policyholders, alongside the insurance industry, consumer support organisations and others.

# Conclusion

**A modern, accessible civil justice system supports us all when we face an uphill struggle for justice. It can mean the difference between a home and homelessness; survival or collapse for small businesses; or it can help level the playing field between employers and people experiencing discrimination at work.**

Investing in and protecting our civil justice system will restore what our communities need to prosper and will mean no one is priced out of seeking justice.

Together with our members and partners, we have analysed and examined options to widen access to justice in ways that are practical and low cost to government. This set of proposals sit in parallel with the need for sustained government investment in justice, to rebuild and safeguard all parts of the civil justice system. This investment will help to unlock further prosperity, create new jobs and support businesses to grow.

We are confident the variety of reforms and practice changes outlined in this report present

an opportunity for the government to start to deliver a civil justice system fit for the 21st century. One which brings shared benefits to our communities and in which legal professionals feel proud of their contributions.

The Law Society will promote these proposals and share widely with decision-makers. We welcome feedback and discussion on our ideas to continue envisioning a modern justice system fit to serve us all.

If you would like to get in touch, please contact [campaigns@lawsociety.org.uk](mailto:campaigns@lawsociety.org.uk)





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## Advisory group

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- Edward Bird, chief executive of Solomonic
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- Fiona Rutherford, chief executive of JUSTICE
- Sir Ernest Ryder, master of Pembroke College, Oxford and former senior president of tribunals and Lord Justice of Appeal
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- Yasmin Waljee, lead of social impact practice and head of pro bono at Hogan Lovells
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- Association of Personal Injury Lawyers
- City of London Law Society
- Civil Court Users Association
- Costs Lawyer Standards Board
- Dispute Resolution Ombudsman
- Disputes E-filing.com
- Dr. Liz Curran, Nottingham Law School
- Forum of Insurance Lawyers
- Independent Betting Adjudication Service (Gambling Dispute Resolution)
- Jonathan Wheeler (member, Law Society Civil Justice Committee)
- Junior Lawyers Division
- Legal Services Consumer Panel
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- Property Ombudsman
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- Valla
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- Citizens Advice
- Family Mediation Council
- Civil Mediation Council
- Law Centres Network
- Housing Law Practitioners' Association

## Members of the before-the-event Legal Expenses Insurance Industry Information Sharing Group:

- Admiral Insurance
- Allianz Insurance
- Arag Plc
- Arc Legal
- Lyons Davidson Solicitors
- Association of Consumer Support Organisations



## About the Law Society

The Law Society is the professional body for solicitors in England and Wales.

For 200 years, we've championed solicitors working in the public interest and their role in protecting rights and promoting justice.

We're here to support solicitors at every stage of their career and to advocate on the issues they've told us matter most, including the rule of law and access to justice.

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