

## Case studies

July 2021

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### *Quality Indicators*

#### *Background*

We are working with law firms and comparison websites to increase the information about the quality of legal service providers that is readily accessible to the public.

#### *How we helped*

In collaboration with other legal regulators, we are running quality indicator pilots to explore ways to increase the comparable information about the quality of legal services providers easily accessible to consumers. Having access to such information will make it easier for consumers to compare different providers and make informed choices about which one is right for them. Beginning with conveyancing and employment law, we are focusing on increasing provider and consumer engagement with online customer reviews and increasing the availability of objective data about quality. We are working with more than 70 SRA regulated firms and 9 digital comparison tool providers and intend for the pilot to run until February 2022.

#### *Result*

As a result of our pilots, we have already seen a significant increase in the engagement of our regulated firms with review platforms and early indications are that consumer engagement is also increasing.

### *Glow – now Find Others (via Legal Access Challenge)*

#### *Background*

The Legal Access Challenge (LAC), delivered in partnership by the SRA and Nesta Challenges, and funded by the BEIS Regulators Pioneer Fund, was a £500,000 challenge prize for early-stage digital technology solutions that could provide help for individuals and SMEs to understand and resolve their legal problems. An important benefit to innovators was access to support from a range of partners including from the SRA on how to design their solutions with our regulations in mind.

#### *The Challenge*

The LAC provided us with insights into how we could overcome some of the other softer barriers which lawtech innovators face which may not be in the gift of a single regulator to solve and where guidance and support could help them.

- navigate more easily across regulatory regimes where overlapping requirements may apply
- understand what online solutions could fall within our regulation and therefore how our Standards and Regulations would apply
- design products and platforms that enable regulated firms and individuals that may wish to use them or interact with them to do so.

### *How we helped*

Our work with one of the finalists, Find Others [<https://findothers.com/>] (originally called Glow), highlighted how effectively this could work. Their platform allows individuals and SMEs experiencing similar problems to unite and take group legal action. Find Others also allows solicitors to use the platform to interact with claimants, represent them and manage complex group cases through to resolution.

Given that the regulatory rules surrounding how solicitors engage with claimants are complex, we were able to guide Find Others through designing the platform in a way that is both user-friendly and compliant.

### *Results*

During the Challenge, the solution progressed from proof of concept to a functional minimum viable product (MVP), allowing claimants to register and log their cases with a view to finding others.

### *Conclusion*

Since then, Find Others have built an impressive team and secured funding from a leading law firm. In addition, they have broadened the platform by developing additional campaigning tools to operate alongside the legal functionality to offer victims of injustices' alternative routes to redress. Their innovative case management tools are also shortly due for release.

We were thrilled to be a part of the legal access challenge and welcomed the opportunity to work directly with the SRA to develop our offering. The support we received accelerated our business and allowed us to hit the ground running in regards to understanding the intricacies of SRA regulation.

### *Legal Utopia*

### *Background*

The Lawtech Sandbox Pilot was designed to fast-track transformative ideas, products and services that address the legal needs of businesses and society. It provides pioneers with access to a number of tools, services and people, to help accelerate the development of game-changing lawtech.

We were part of the Regulatory Response Unit, that brought together relevant regulators into a single, fast response forum, to make it easy for pioneers to access and navigate the rules and move forward with confidence. It proved particularly useful for pioneers like Legal Utopia, pushing the boundaries of where a product touches more than one regulatory regime.

### *The Challenge*

The Lawtech Sandbox Pilot gave us a further opportunity to work directly with innovators to guide them through the process for working in a regulated environment. We worked directly with them to identify and address practical issues they had in terms of addressing regulatory issues. Legal Utopia was slightly different from the other pilots for us as we had previously worked with them on a number of questions, including when they applied for the Legal Access Challenge. They had also participated in our pilot on customer reviews to test how they can best work together to improve the information available to consumers.

Legal Utopia makes law and lawyers more accessible by providing a single mobile app comprising of free and subscription-based legal services to both small businesses and consumers. It is particularly focused on the SME market, and provides recommendations and information on legal services via an intelligent legal diagnostic service coined the 'Legal Checker' that can identify and assess a wide range of legal problems. Legal Utopia aims to make it easier for small businesses to find legal resources, access legal guidance without legalese, and connect with lawyers remotely.

### *How we helped*

Legal Utopia wanted to find out if they should be regulated by the SRA and become either a Multi-Disciplinary Partnership (MDP) or Alternative Business Structure (ABS) voluntarily for the provision of a booking system for legal advice. They also wanted to work with the Legal Aid Agency on the referral of legal aid claims and a range of other legal services regulators on API data access to ensure their app had the highest degree of interoperability with existing legal register databases. They also wanted to use the data on solicitors we supply through our API to create a comparison map matching users legal needs to available solicitors.

### *Results*



We helped them decide that an MDP application should FCA regulation become applicable. We then also facilitated conversations with the FCA where it looked like a niche exemption would apply to remove a need to be dual regulated. As such, we recommended that a voluntary application as an ABS would be applicable.

We collaborated with Legal Utopia on a review of its legal aid checker/eligibility tool and initiated contact with the Legal Aid Agency to discuss any regulatory considerations under LASPO, as well as a discussion on the advancement of financial eligibility assessment using digital means.

We worked with our legal and information compliance teams to ensure our API data could be used appropriately within the Legal Utopia platform.

## *Conclusion*

Following launching its initial SME version in early 2020, Legal Utopia introduced its consumer version in May 2021 along with a significant range of new services and a platform re-design.

It has worked with artificial intelligence researchers from the University of Aberdeen and The Data Lab from the University of Edinburgh to develop its existing Find-A-Lawyer service, launched in May 2021, to enable its mobile application users to access quality indicator scores and user firm comparison recommendations generated using machine learning techniques on SRA-regulated firms across the UK.

Working with the SRA on our ambitious plans at Legal Utopia was essential. It was a great comfort to have the reliable input of the Innovation and Technology team to help us navigate how traditional regulations are interpreted and applied to new ways of doing things in delivering legal services. We had a great many questions and they all got answered by the team, with some challenging timeframes, as product development ran alongside the SRA's input. The quality and confidence of and in our services as a business would not have been so strong without the SRA's support via the Regulatory Response Unit at LawTechUK.

## *Alternative business structure (British Medical Association)*

### *Background*

The British Medical Association (BMA), the trade union and professional association for doctors, were considering ways to attract and retain members through providing proactive legal support.

One solution was to set up a new alternative business structure (ABS). If licensed, BMA Law would be able to provide a greater breadth of legal service to existing and potential members and their families.

### *The challenge*

The BMA represents 170,000 doctors and its governing body is elected by its members. However the Legal Services Act 2007 does not allow for different treatment of special bodies. For the BMA to either be licensed in its own right, or directly own a licensed body, it would have required the governing body and potentially the members to be approved as managers under our rules.

The collective nature of a union makes identification of the Schedule 13 persons more difficult. There was a risk that some might be missed, or that it would apply to hundreds or thousands of individuals. This would be neither practical or financially viable, and would have deterred the BMA from proceeding with the application.

### *How we helped*

We met with the BMA to get more information about the potential structure of BMA Law. As part of these meetings, we gave examples of permissible structures for BMA staff to take away and look into in more detail.

### *Results*

This early engagement led to a more straightforward application being submitted and meant BMA Law Limited would have just one corporate owner, a limited company.

Under the structure put forward, the BMA would be beneficially entitled to all profits from BMA Law Limited and would receive those through a trust over which it has no control. The BMA would not own or have shareholding in BMA Law Limited, or any influence or control over management or voting rights.

### *Conclusion*

Licensing this body has enabled BMA Law Limited to offer the wide range of expert legal advice it wanted to. The BMA now offers a service which proactively supports its members and mitigates the possibility of costly legal disputes and/or issues.

This not for profit organisation invests any surpluses back into services for doctors. By doing this we have helped improve access to legal services and a positive wider impact.

"Given the nature of the BMA, the support of the SRA proved invaluable when it came to establishing BMA Law Limited as a licensed body. Throughout the entirety of what could have been a daunting process, they showed a real commitment towards proactively helping us establish a structure that was both practical and permissible. "It is without question that this level of support



enabled us to realise what was an embryonic idea in under 10 months. Having now been licensed for almost a year, BMA Law Limited is proving an enormously positive part of the wider functions and support offered by the BMA.”

*Robert Day, Senior Lawyer, British Medical Association*

### *Local authority providing legal services (Essex Legal Services Limited)*

#### *Background/Challenge*

Essex County Council's in house legal team wanted to attract new business and offer services to third parties. However they were limited as to what services they could provide and certain areas of work were prohibited.

Unless the local authority was able to evolve it would mean that they could no longer do certain work and they would have the additional expense of outsourcing this.

#### *How we helped*

Before applying to authorise Essex Legal Services Limited as a licensed body, we met with them to discuss how the new organisation would be owned. By asking for information ahead of time, we were able to prepare questions that would usually be asked after they had applied. This helped us find out who would be the interest holders in Essex Legal Services Limited and who would need approval.

From this meeting and follow up engagement, we established that as the council had 75 members, none would be seen as individuals to have a material interest. Essex Legal Services Limited only had two directors so the structure was straightforward. We also asked that there would be a clear distinction between in house services that the local authority would continue to provide, and those from Essex Legal Services Limited

#### *Results*

Our advance engagement with the local authority helped reduce the time it took to reach a decision. We found that when the application was made, a lot of queries had already been raised and answered.

#### *Conclusion*

Licensing Essex Legal Services Limited means that the local authority can continue to provide cost effective services and expand its areas of work.

### *Multi-disciplinary partnership (Proelium Law)*

Proelium Law wanted to provide legal and security advice to businesses and other organisations wanting to operate in hostile environments.

### *Background/Challenge*

When they applied to the SRA, the solicitor behind Proelium Law was not sure which business model would be most suitable. For instance, whether a multi-disciplinary partnership (MDP) or non-MDP model would be most appropriate.

As it was intended to be run as a virtual business, we also sought assurances about client confidentiality. In addition, as the majority of its work would be conducted with clients overseas, we needed to know there would be no issues with foreign payments into their bank accounts.

### *How we helped*

We gave Proelium Law guidance on how the regulation would differ between MDP and non-MDP status. We detailed how we regulate legal activities in each scenario, as well as how we expect client monies to be held.

Proelium Law chose to follow the MDP route and we worked with them to define work that would not be regulated by us so this could be reflected in the firm's license.

### *Conclusion*

Working with the applicant to provide different options to suit their individual business needs resulted in us being able to authorise a firm which provides specialist services in a niche area.

"The process can at first glance appear daunting. However, after reading all relevant guidance, I linked the process in my mind to that of an audit system. With further help and support from the SRA, I was confident that being authorised as an MDP means we are well structured and have all bases covered.

"I can see why the process might appear excessive, but if you compare it to other industries, for instance the international development world, it is up to date and in line with their requirements. So, this is not a case of the SRA being out of touch, they are absolutely dead on with the process and its requirements, which is really good to know."

*Adrian Powell of Proelium Law*