

Written evidence submitted by the Legal Services Board (ATJ0109)

Introduction

1. The LSB is the oversight regulator for legal services in England and Wales. We are independent from both the legal profession and government and operate within a statutory framework set out in the *Legal Services Act 2007* (the Act), which describes our functions, including our duties and powers.
2. The Act sets out the following nine regulatory objectives that the LSB, along with the regulators we oversee, must promote:
 - a. protecting and promoting the public interest
 - b. supporting the constitutional principle of the rule of law
 - c. improving access to justice
 - d. protecting and promoting the interests of consumers
 - e. promoting competition in the provision of services provided by authorised persons
 - f. encouraging an independent, strong, diverse and effective legal profession
 - g. increasing public understanding of the citizen's legal rights and duties
 - h. promoting and maintaining adherence to the professional principles, and
 - i. promoting the prevention and detection of economic crime
3. The regulatory objectives also underpin our 10-year, [reshaping legal services strategy](#), which was launched in 2021, and identifies nine key-challenges facing the legal services sector. These include lowering unmet legal need across large parts of society and achieving fairer outcomes for people experiencing greater disadvantage.
4. We are pleased to give evidence to the Justice Select Committee's Inquiry into Access to Justice. The areas being investigated by the Inquiry on Access to Justice speak to the regulatory objectives, in particular: improving access to justice; the constitutional principle of the rule of law; and, protecting and promoting the public interest, as well as several key challenges we seek to address as part of our sector-wide strategy. It is in this context that we are submitting evidence.
5. Our response draws on the evidence we have collected through our access to justice, consumer protection, and technology and innovation related regulatory policy work, and qualitative feedback we received from legal sector stakeholders, in particular those providing free and low-cost legal advice and support. It is also informed by evidence collected through our research, including the 2024 Individual Legal Need Survey¹, which explores the prevalence of legal need in England and Wales and the Regulatory Leadership on Access to Justice report², which considers how regulators may reduce unmet legal need.

Summary of Our Response

6. As a result of the *Legal Aid, Sentencing and Punishment of Offenders Act, 2012* (LASPO) and wider societal trends, there is evidence of increased unmet legal need,

¹ <https://legalservicesboard.org.uk/wp-content/uploads/2024/04/LN2023-Summary-report-18.04.24-updated.pdf>

² <https://www.legalservicesconsumerpanel.org.uk/wp-content/uploads/2025/04/25.04.01-Regulatory-Leadership-on-Access-to-Justice-Report.pdf>

which appears to be growing and disproportionately affecting particular cohorts, such as people with low-incomes and people experiencing disability. The market has adapted in several ways to help fill gaps in services where they exist (e.g. specialist non-legal advice provision and legal tech solutions) but has not been able to match the level of need.

7. There is evidence of several challenges within the legal services sector impacting access to justice, including: a declining number of legal aid professionals; increasing incidence of Litigants in Persons resulting in longer court proceedings and contributing to court back logs; and legal aid 'deserts' in which there is no, or very little, provision for those eligible for legal aid.
8. Improving access to justice is one of the regulatory objectives under the Act, and the LSB and legal regulators must act in a way that is compatible with the objective in all their activities. Front line regulators have the discretion to determine how they promote the regulatory objectives. The LSB as oversight regulator is exploring options to improve access to justice.
9. We consider that innovation, both in advice provision and how advice is funded, is one of the many actions required to meaningfully improve access to justice.
10. However, the increase in unregulated legal tech providers offering services to consumers has the potential to increase consumer harm. It is not clear that consumers have the information they need to assess the risks and benefits of using these unregulated services and whether they are the right option for their needs. This is an area for regulators and policy makers to explore to ensure an appropriate balance is struck between consumer protection and improved access to justice.

How does the current state of the legal services and representation market in England and Wales, and associated operating pressures, affect access to justice for clients?

11. As a result of restrictions on civil legal aid funding and scope arising from LASPO, changes in the legal services market, and wider societal trends (including but not limited to, the cost-of-living crisis, strain on public services and COVID-19), unmet legal need has been increasing in England and Wales.
12. Evidence also demonstrates that unmet need has not been equal and is disproportionately affecting particular cohorts.
13. For example, data from the 2024 Individual Legal Needs Survey³ shows that:
 - In the period between 2019 and 2023, 32% had an unmet legal need.
 - Levels of unmet legal need were found to vary by demographics, notably:

³ The Individual Legal Needs Survey is a joint project between the Legal Services Board and the Law Society for England and Wales. The 2024 survey wave has 17,668 online responses from adults living in England and Wales, collected between 19th October and 15th December 2023. The response sampling and weighting has been designed to be representative of the adult population of England and Wales by gender, age, region, social grade, education level and ethnicity.

- Females were more likely to have unmet legal need compared to males (35% compared to 30% respectively).
- People whose day-to-day activities are limited a lot by disability or a health condition were more likely to have an unmet legal need (38%) compared to those not facing similar limitations (30%).
- While there is no overall association between unmet need and country or region, levels of unmet need varied across the country, with the West Midlands having the highest level of unmet legal need (36%) and the North West, East of England and Yorks and the Humber having the lowest levels (30%).
- Lower household incomes and living in areas where there is greater deprivation⁴ are both generally associated with higher levels of unmet legal need.
 - 35% of people with a household income of less than £32,000 have an unmet legal need, which is significantly higher than the 28% of those with unmet legal need from households with incomes of more than £80,000.
 - Levels of unmet legal need are significantly higher for the two most deprived deciles (1 and 2) at 39% and 37% respectively. Comparatively, levels of unmet legal need for the two least deprived deciles (9 and 10) were 28% and 30% respectively.
- People who were unemployed were significantly more likely to have unmet legal needs (41%) compared to those who were working (32%) or retired (29%).
- People with low levels of legal confidence⁵ were more likely to have an unmet legal need (38%) compared to people with high levels of legal confidence (25%).
- Levels of unmet legal need were also found to vary based on the type of legal issue being experienced. Family law related legal needs, were more likely to be unmet (40%) compared to the overall percentage of unmet legal needs of 32%.

14. The growing level of unmet legal need is occurring within the context of an increasingly strained legal aid and free legal advice sector. Despite a general trend of growth for the legal sector as a whole, the free legal advice sector is shrinking. The availability of free legal advice does not match the existing level of demand for services and will be unlikely

⁴ The index of multiple deprivation shows relative deprivation between local areas of England and Wales. It includes indicators of income, employment, health and disability, education, crime, barriers to housing and services and living environment. It ranks areas by deciles (tenths) from the 1st (most deprived decile) to the tenth (least deprived) decile. Available at: <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>

⁵ Legal confidence: A score measuring a person's confidence that they could personally achieve a fair and positive outcome in legal scenarios. Two-fifths (37%) of adults in England and Wales have a low level of legal confidence, 50% have a medium level, and 12% have a high level of legal confidence.

to keep up with growing levels of demand in future.

15. The direct impact of this oversubscription of the free legal advice sector is that it limits access to justice by denying individuals the fair advice and representation they are entitled to in order to resolve their legal issue(s) justly. Further, in the context of the lack of legal aid for early advice specifically, when legal issues are not identified and addressed at their onset, challenges are more likely to compound. This increases the likelihood that the individual's legal issue becomes more complex, difficult and costly to address, and may cause or exacerbate issues in other areas of their life (e.g., finance, health, housing), negatively impacting their well-being. It also means that on the ground, legal advice providers are required to make the difficult choice between using their limited resources to find creative ways to support people to navigate non-legal issues (e.g., completing benefits applications) or turn away people in need to serve the most severe cases.

What is the role of supplementary advice services in supporting access to justice?

16. While the challenge of reducing unmet legal need is a persistent issue, the legal services market has adapted in several ways to fill gaps in services (e.g. specialist non-legal advice provision and legal tech solutions).
17. One development is the increased provision of unregulated legal advice, delivered by a wide variety of different providers. In England and Wales there are no restrictions around who is able to provide legal advice. The Act sets out protected titles (e.g., solicitor) and establishes that only authorised persons can undertake reserved legal activities. However, because providing legal advice is not a listed reserved legal activity, there is no restriction on who can provide legal advice⁶. Stakeholders have told us that, as the reserved legal activities are broadly defined in statute, the distinction between what qualifies as a reserved legal activity or not can be difficult to distinguish, even for advice providers.
18. As a result, there is a wide spectrum in the type and quality of legal support and advice available to individuals to help them with their legal issues but a lack of information about the difference in quality or the appropriateness of different services for different people and different types of legal issues.
19. Some providers commit to meeting particular, voluntary standards, assume a duty of care for their clients and have a mechanism for service quality assurance through reputable frameworks outside of the regulatory frameworks which operate under the Act (such as the Advice Quality Standard⁷). These providers (such as Citizen's Advice centres) often help individuals understand that there is a legal element to the issue that they are experiencing, provide advice on how to respond to the issue, and act as trusted intermediaries and system navigators to provide the client with the type of support they need.
20. Research on early advice provision and engagement with the sector has evidenced that high-quality advice providers play an invaluable role in helping to triage peoples' legal

⁶ Note this is the case for areas of law covered under the Legal Services Act, 2007. There are certain areas of law, such as immigration, that have separate statutory frameworks and bodies (e.g., the Immigration Advice Authority) governing advice provision.

⁷ The Advice Quality Standard (AQS) is awarded to organisations that give advice to members of the public on legal issues and demonstrate that they are accessible, effectively managed, and employ staff with the skills and knowledge to meet the needs of their clients. See more here: <https://asauk.org.uk/advice-quality-standard/>.

need, and where appropriate, help people resolve their legal issue at the earliest point possible subject to volumes of demand and prioritisation (see para 15 above).

21. However, advice providers are not limited to those who have an established presence and / or make commitments to high consumer protection standards. Services could be of variable quality and the lack of regulation around their service provision propagates potential consumer protection risks (e.g., quality of advice, opportunities for complaints and recourse)⁸ that should be balanced against the potential improved access to justice offered.
22. The LSB is working in collaboration with the wider legal services sector including regulators to monitor consumer protection risks and consider an appropriate and proportionate response that protects consumers whilst facilitating economic growth, legal services innovation and opportunities for improving access to justice. As part of this work, the LSB is commissioning research into user experience of unregulated services to understand more about expectations around quality and redress.
23. Another market development responding to the gaps in legal advice provision is the proliferation of legal technology (commonly referred to as Lawtech). Increasingly, there are AI-powered legal tools aimed at consumers (e.g., Contend AI, Unwilderred and AskEllie), that currently operate in a largely unregulated space. However, similar to some human advice providers, without meaningful indicators of quality or accountability structures, there is an increased risk of poor advice and consequent harm to consumers that needs to be considered alongside the potential access to justice benefits.
24. Whether provided by people or technology, while unregulated legal services play a role in alleviating some of the burden experienced by the free legal advice sector, it is not clear that consumers always have the information they need to assess the risks and benefits of using these alternative solutions and whether they are the right option for their specific needs.

What is the impact of those acting without legal advice and / or representation having on access to justice?

25. When people do not receive the legal advice and representation they need to have a just resolution to their legal issue(s), then they do not have access to justice. This is because they may not have the knowledge or capability required to adequately understand their case, navigate the law and develop the most favourable legal action or representation pertaining to their legal issue.
26. In addition to this, acting without legal advice and/ representation leads to people experiencing delays in the resolution of their legal issue and increasing pressure on the justice system, both of which are potentially contributing to eroding trust in the justice system.
27. Due to their likely lack of training or expertise in the law, people who represent themselves are more likely to make procedural errors, misunderstand the law and require assistance from the judge on their case. This can cause longer hearing lengths

⁸ <https://cilexregulation.org.uk/wp-content/uploads/2023/04/IRN-Legal-Reports-Unregulated-Legal-Providers-CILEX-Literature-Review-V1-Sept-2024-.pdf>
<https://legalservicesboard.org.uk/wp-content/uploads/2022/06/20220616-Mapping-unregulated-legal-services-FINAL-1.pdf>

and delays, both for the impacted individual and others who are awaiting their own time in court, which is both frustrating for those directly involved while adding to the public perception that the justice system does not enable access to justice for everyone.

28. Evidence also demonstrates that people can achieve better outcomes for their legal issue when they receive legal representation compared to when they are acting alone. For example, research published by JUSTICE reviewing the role of legal representation in the Windrush Compensation Scheme found that amongst cases studied for the report, the average compensation received per case was £11,400 for claimants acting without the help of a lawyer compared to £83,200 for claimants acting with the help of a lawyer.⁹

Without impacting the public purse, what potential funding options would increase access to justice? e.g. an access to justice fund levy, conditional fee arrangements, third party funding.

29. Decisions regarding the funding of services that provide access to justice are a matter for the Government.
30. However, we note here for context, that the 2024 Regulatory Leadership on Access to Justice report¹⁰ that was commissioned by the LSB in collaboration with the Legal Services Consumer Panel, identified that Interest on Lawyers Trust Accounts (IOLTA), also known as Interest on Client Accounts (ILCA) within the UK context, is a tool that has been successfully implemented across several international jurisdictions (including Australia, Canada and the United States) to generate funding that supports access to justice initiatives.
31. While this may be a proven international model for improving access to justice, it is important to note the uniqueness of the legislative and regulatory framework for legal services in England and Wales. If such a scheme were to be considered for England and Wales, careful consideration should be provided for the multitude of professions that make up the legal services sector and the legal and regulatory changes that would be required to implement such a solution.
32. The LSB welcomes the opportunity to provide regulatory expertise to policy makers developing such solutions to ensure that any funding options that are implemented are feasible under the legal and regulatory framework for legal services.

How are the legal services regulators responding to their obligation to improve access to justice under the Legal Services Act 2007?

33. 'Improving access to justice' is a regulatory objective that the LSB and the frontline legal regulators that we oversee must act compatibly with in all their activities, and as such the LSB seeks opportunities to improve access to justice through all its activities.
34. Frontline regulators have discretion as to how they promote the regulatory objectives, including to 'improve access to justice'. The LSB provides oversight of the regulators'

⁹ <https://files.justice.org.uk/wp-content/uploads/2025/06/15134343/People-need-legal-help-The-value-of-legal-representation-in-the-Windrush-Compensation-Scheme-June-2025-FINAL-DIGITAL.pdf>

¹⁰ <https://www.legalservicesconsumerpanel.org.uk/wp-content/uploads/2025/04/25.04.01-Regulatory-Leadership-on-Access-to-Justice-Report.pdf>

performance through its Regulatory Performance Assessment (RPA) process. In practice this means that regulators have to provide evidence to the LSB that they are meeting the regulatory objectives in order to show us that their approach to regulation is effective. Their performance in meeting the objectives, alongside other factors, is the subject of a sectoral report that is published after the RPA completes and contributes to an overall red, amber or green rating on the effectiveness of each regulator's approach to regulation.

35. The LSB is currently exploring options to address access to justice and rising unmet legal need, including through a voluntary standards regulatory sandbox that would potentially create a safe environment to test implementing tools to support the provision of high quality unregulated services for those with legal need, and ensure users have the information they need to make informed choices about the risk and suitability of these services. In addition, we continue to provide regulatory policy advice and expertise to sector partners progressing initiatives to improve access to justice and use our research programme to collect evidence and data to inform work of the wider sector (see paras 5 and 22 above).

What role is there for digital innovation and data collection in supporting access to justice?

36. Digital innovation, such as AI powered legal tech, has the ability to democratise legal information and empower people to better understand and respond to their legal issue. It also has the ability to support legal professionals and service providers to do their jobs more quickly and efficiently.
37. We consider that innovation within legal services is one of the many actions required to meaningfully improve access to justice. In April last year, we published Statutory Guidance on promoting technology and innovation¹¹, encouraging regulators to actively foster a regulatory environment that supports the development of technological and innovative solutions tailored to consumer needs. Alongside this, we published our pro-innovation approach to AI regulation¹², stating our commitment to unlocking the benefits of emerging technologies like AI for both consumers and providers.
38. We recognise that AI and other digital tools are playing an increasingly important role in society and have the potential to enhance the diversity, reach, and affordability of legal services. AI-based solutions, in particular, offer opportunities to improve efficiency, reduce costs, and support a more competitive legal sector. Beyond guidance and policy, we continue to convene stakeholders through our Innovation and Technology Forum, which brings together legal services regulators to share insights and collaborate on emerging challenges and opportunities as well as engage directly with lawtech innovators shaping the sector.
39. However, digital innovation must be adopted responsibly, with the consumer and public interest in mind. Without the appropriate safeguards around quality of information, redress mechanisms, bias, and privacy, digital innovation may not support improved access to justice. Consumer protection principles must be adequately balanced against access to justice aims. As part of our consumer protection work, we are exploring options

¹¹[Technology-and-innovation-guidance-for-publication.pdf](#)

¹²[Delivering a pro-innovation approach to AI regulation – an outline of the LSB's approach.](#)

to both encourage innovation in legal services provision and high quality solutions which increase access to justice while ensuring consumers are aware of the risks and can make informed choices for their needs.

40. To be most effective, digital innovation in support of access to justice should also take into account the user behaviours and capability of those experiencing access to justice challenges. While a digital first approach may be the best option for certain cohorts of people and in certain instances, evidence notes that a digital-only approach to services, including legal services, can leave some people behind and may have the unintended consequence of increasing the divide between those who do and do not have access to legal services.
41. We appreciate the opportunity to provide evidence and trust that this information will be of use to the Committee as it takes forward its inquiry. Please do not hesitate to contact us if we can be of further assistance.

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