



Technology and Innovation at the Bar Research
Report Annexes

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6 Annexes

Annex A: Literature review

This literature review provides an understanding of the current state of technology and innovation in the legal services market by analysing recent research, policy documents, news and guidance.

Primarily the purpose of this report is to further our understanding of the current situation by evaluating existing research and highlighting potential further areas that may need exploration (alongside current knowledge gaps already identified). We also aim with this report to be able to guide regulatory thinking and policy by providing thought and observation gained from the evaluation of literature, alongside analysis of other market sectors and international jurisdictions.

The main sources used for the data in England and Wales are the SRA's 2021 report into Technology and Innovation, Alison Hook's report in 2019 for the Legal Services Board and the LSB's Technology and Innovation Survey of 2022. All other sources referred to are set out in Appendix 2. Anecdotal feedback has been shared by a contact who is Chambers Director at a leading corporate and commercial set:

"Technology and innovation for me means playing catch up – with law firms, with clients, with their expectations. It means learning from lock down and harnessing the sprint of jumping to hybrid working. I don't see huge innovators in the way of creating disruption, with technology. Innovation is us professionalising and catching up with the rest of the world."

1 Research context

Whilst it is understood by some members of the profession that the implementation of new technology can improve responsiveness to client needs¹, it is also clear that there is untapped potential for a broader application of technology across the sector and for greater benefits to be realised by barristers and their clients. Having long been seen as one of the more 'traditional' areas of work, relatively unchanged by new technology, we are now beginning to see some change in how practitioners work, (for example, adoption of cloud storage, case management, impact of Digital by Default on court processes), and how clients interact with their legal services suppliers (increased shopping around, scope for Digital Comparison Tools). New technologies are gathering pace. With this, comes the need for the regulatory framework to be open to technology and innovation that benefits the profession and consumers, with regulation being a positive, enabling driver for change. It is also important the regulators develop their understanding of how future innovations could affect businesses and consumers in the market they regulate to develop regulations that counteract any potential adverse effects that could be caused by new practices.

This begs the question what are the drivers of change in the use of technology and innovation in this market? The LSB research says that covid-19 has been a major driver of change, as well as the UK's exit from the EU and the rising cost of living has increase the usage as well. But why is the legal sector different to other areas where we have seen greater speed in the adoption and development of new ways of working (FinTech, for example)?

For working definitions of key terms used in the research, see section **2.3 Definitions** in Methodology.

¹ [Technology and Innovation in Legal Services \(2023\): An analysis of a 2022 survey of legal service providers](#)

2 Current state of technology and innovation in legal services

Over the past few years, there has been an increase in the use of technology and innovation across legal services². In particular, the Covid-19 pandemic resulted in many firms, both big and small, adopting new and more innovative practices such as video conferencing, e-signatures and live chat to interact with clients but also to manage their internal business practices³. However, evidence shows that there is still potential for greater adoption and use of technology and innovation in the legal services market⁴. It is also worth bearing in mind that when thinking about the barristers' profession technology doesn't need to be disruptive or hugely innovative to be impactful.

To better understand the use of technology and innovation in the legal services market, the Legal Services Board (LSB) conducted the third round of their innovation survey⁵ in June 2023. This consisted of telephone surveys with 1,310 firms in England & Wales providing legal services across a number of areas and included 109 barristers' chambers of between 0 and 50 barristers. This is the third survey conducted by the LSB, with the previous rounds being conducted in 2015 and 2018, and therefore provides a useful longitudinal picture of innovation across the legal sector.

The report shows that since 2018, the use of technology has increased in the legal services sector, with 92% of firms reporting that Covid-19 has increased their trust in and use of technology. Furthermore, barriers to use have decreased dramatically, with the vast majority of firms saying that legal services regulation does not impact uptake (18%, compared with 28% in 2018).

Similarly, evidence from the Solicitors Regulation Authority's research into technology and innovation in legal services⁶ in 2021 indicated that:

- Over half (55%) of survey participants improved or increased use of existing technology, just under half (48%) made changes in ways to deliver services, and a third (35%) introduced new technology in the previous 12 months.
- The impact of the Covid-19 pandemic on technology use has been extensive, with 51% of total participants increasing the use of technology 'to manage or process work', 48% 'to interact with clients', and 26% 'to attract new clients'.

A further area signalling growth and change is in the unreserved and alternative legal services provider sector. The SRA recently commissioned research looking to better understand the unreserved sector⁷, and estimate that these providers account for 6-8% of the overall legal market. The fourth biennial survey of ALSPs conducted by the Thomson Reuters Institute suggests that the boundaries between firms providing legal services outside of the 'traditional' law firm and technology and software firms is blurring, as legal service providers focus 'aggressively' on providing the right technology to match client needs⁸.

Research also shows us that the growth of technology and innovation is emerging faster present in certain areas of the legal market. The SRA's research showed variety in levels of adoption of technology across area of law, for example in conveyancing 71.4% of firms had adopted new technologies, compared with 58.4% in wills and probate, 57.5% in litigation and dispute resolution, 57.8% in company and commercial and 53.5% in family law. It also showed that

² Legal Services Board, [Technology and Innovation in Legal Services](#) (2023)

³ Sako, M & Parnham, R (2021) [Technology and Innovation in Legal Services](#): Final Report for the Solicitors Regulation Authority

⁴ LSB, [Draft guidance on promoting technology and innovation to improve access to legal services – consultation paper](#), July 2023

⁵ Legal Services Board, [Technology and Innovation in Legal Services](#) (2023)

⁶ Sako, M & Parnham, R (2021) [Technology and Innovation in Legal Services](#): Final Report for the Solicitors Regulation Authority

⁷ SRA, [Understanding the unreserved market](#), 2003

⁸ Thomson Reuters Institute: [Alternative Legal Services Providers 2023](#)

innovation is more prevalent in the 'BigLaw' firms, and less so in smaller 'PeopleLaw' firms⁹. BigLaw firms were more likely than PeopleLaw firms to have introduced new services, introduced new technology, and improved or increased use of existing technology in the period of their research. The researchers highlight the fact that factors such as lack of capital, lack of technical expertise, and regulatory uncertainty or barriers were more significant barriers to technology adoption for PeopleLaw firms which may go some way to explain this divide.

Whilst change may appear to be happening slowly, there has clearly been a shift amongst firms around the use of innovative practices, and their appetite and trust towards adopting new technologies. Firms and chambers are open and looking for new ways to interact with clients and see some benefit in doing so. Equally, whilst it is a small minority now, 12% to 15% of firms looking to adopt 'advanced' technology in the next three years is a signal to the market and to regulators that change is on the horizon¹⁰. There is clearly a need for regulators to be able to respond to change when it happens.

2.1 Types of technology and innovation

Whilst we can see there has clearly been an increase in the use of technology and innovation in the legal services market, it is important to understand what type of new practices are being developed.

Firms from the LSB's research largely say that their use of technology and innovation is focused on increasing access to consumers, and whilst the use of more advanced technology (AI, for example) remains low (2%-5% of firms), 12-15% of firms expect to be using advanced technologies in the next three years. Research from the SRA found that the majority of the new developments are focused on internal firm management, and not especially advanced when compared with technology being used in other sectors. For example, using video conferencing to interact with clients, or adopting new legal/management software¹¹. Whilst this is a step forward for the sector, it is arguably not as advanced as the types of innovation and disruption we are seeing elsewhere. This is also supported by recent research from The Law Society working with the University of Manchester and UCL shows that the adoption of more advanced lawtech across the solicitors' profession remains relatively limited with some legal professionals remaining unconvinced as to the benefits¹².

Outlined below is data extracted from the LSB's most recent technology and innovation survey, which covers the types of technologies that are being used or are being planned to use by chambers.

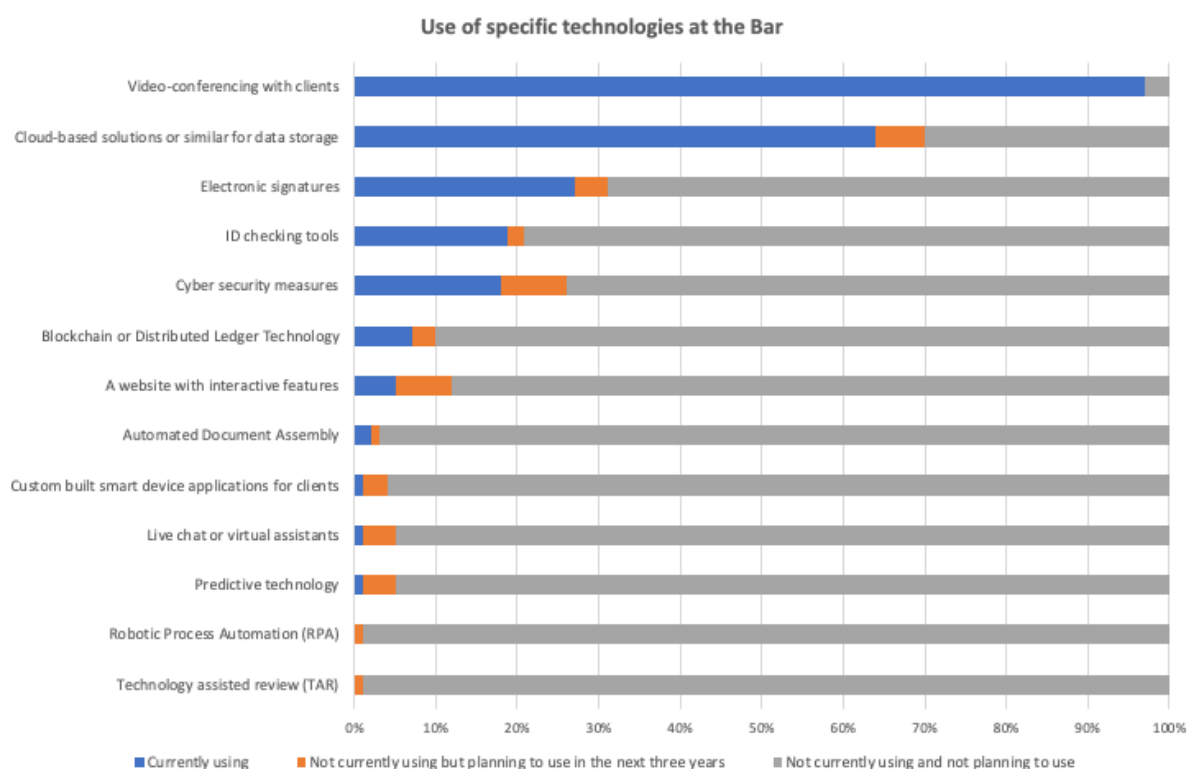
⁹ As in Oxford University's research for the SRA we use the definitions of 'PeopleLaw' as the individual and small client sector and 'BigLaw' as the corporate client-facing sector: Sako, M & Parnham, R (2021) [Technology and Innovation in Legal Services](#): Final Report for the Solicitors Regulation Authority

¹⁰ Legal Services Board, [Technology and Innovation in Legal Services](#) (2023)

¹¹ Sako, M & Parnham, R (2021) [Technology and Innovation in Legal Services](#): Final Report for the Solicitors Regulation Authority

¹² The Law Society, Hodgkinson, G P, Gulati, S, Nokes, K, James, A D, & Kununka, S (2023). [Attitudes toward lawtech adoption](#): Findings from a survey of solicitors in England and Wales.

Levels of use of specific types of technology – Technology and Innovation in Legal Services by the Legal Services Board (data specific to barrister’s chambers)¹³



There is a greater take up of simpler technologies. As can be seen, the adoption of video conferencing is almost universal, and unsurprising in view of the impact of the covid-19 pandemic plus how mobile many barristers are, with 97% of chambers who responded to the survey using this technology, ahead of the legal profession in which 80% of participants indicated they use video-conferencing. Usage of the cloud for file storage (64% of barristers surveyed are using cloud-based solutions) is the next largest tech adoption, and this is higher than law firms where 54% are currently using the cloud, although solicitors’ firms were the most likely to use cloud storage.

E-signatures are also gaining ground at the bar with 27% of chambers using this technology, compared with 49% of law firms currently using. Cyber-security and interactive websites are the biggest next priority of chambers surveyed although only 8% and 7% of chambers respectively indicating that they are planning to use in the next three years. It appears from this snapshot of data that barristers are behind the curve with cyber-security - this is a priority for 71% of law firms currently using these measures with another 13% planning to adopt cyber-security technology in the next three years.

2.2 Technology and innovation in the barristers’ profession

Adoption of new services

From the LSB research, barristers’ chambers are the most likely out of all legal service providers to have invested in new or improved services in the last three years (35% of chambers compared with 18% of solicitor’s firms). In particular, they have a higher uptake of certain technologies, including video conferencing, cloud-based storage, and blockchain and distributed ledger

¹³ Legal Services Board, [Technology and Innovation in Legal Services](#) (2023) – barrister specific data supplied by kind permission of the LSB.

technology relative to other organisation types. They are actually the most likely of any legal service provider to be using video conferencing (97%) compared with 86% of solicitors' firms, perhaps as barristers tend to be more mobile in between different courts, home and chambers. However, they show lower uptake of other technologies, such as electronic signatures, cyber security, and firm websites with interactive features. These are categories of technology worth exploring in the BSB's subsequent research, in order to understand what the bar are adopting, and what these technologies deliver to chambers and to their clients.

In terms of the reasons for implementing changes, in terms of the chambers who had developed new or improved services:

- 73% found that their new service improved the speed of delivery
- 45% implemented changes that helped them to attract new clients
- 64% have services that are now more responsive to client's needs
- 45% found their changes reduced their environmental impact
- 27% found that they increased the quality or reliability of the services they deliver
- 27% saw increased profitability through new service innovation.

Related to that last point, interestingly, only 9% of barristers' chambers highlighted increasing profitability as an important reason for implementing changes.

Interestingly, research from LexisNexis suggests that Barristers are aware of the value of more advanced technologies and that this could therefore be an area we see growing over the coming years¹⁴. Of the Barristers who responded to the survey, 25% were using an AI-powered product in their practice, with a further 42% expecting to do so in the future. The most cited reasons for doing so were being able to complete work faster (53%), providing a better service to clients (37%), and to achieve a competitive advantage (30%). There is also a suggestion that AI may prompt barristers to move away from the hourly model, with 45% of barristers surveyed expecting to adjust their billing practices due to AI.

Perceptions of technology

Barristers' chambers seem more positive about the benefits of technology in relation to other legal service providers. For example, only 13% of chambers who took part in the survey agree that the benefits of technology are overstated, and only 9% agree that technology gives rise to greater ethical problems for lawyers. Perhaps most encouragingly for regulators is that only 3% of the barristers' chambers who took part in the survey believe that legal services regulation stops them from using technologies more widely.

Methods of change

How change happens across the legal services market is an important factor to understand in order to understand what the regulator can do to support further development or identify areas of opportunity.

For both solicitors and unregulated firms, one method for this is through partnerships (or investment into) lawtech companies (46% and 23% respectively). However, in this research no chambers had explored this avenue of growth.

Barristers' chambers were however more likely to utilise the staff within their organisation to develop new services (64%), and none hired innovation specialists. In line with this, of all providers, barristers' chambers were most likely to report a culture that supported new ideas (93%). Conversely however, they seemed to place less importance on hiring people with a 'non-legal' background (33%) or on training their staff on how to develop new service ideas (7%).

¹⁴ <https://www.lexisnexis.co.uk/insights/barristers-are-taking-to-generative-ai/index.html>

3 Barriers to innovation and technology

It is evident from the research already conducted that change is happening, though the effects are perhaps not being experienced ubiquitously across the legal, and barristers' profession. Based on this research and information it is possible to identify some of the barriers, or the perception of barriers, that inhibit innovation in different areas.

Lack of funding - research from the SRA showed that over 50% of firms reported available capital to invest as being the main obstacle to the use of innovation or technology¹⁵. Firms also said that the lack of resource to develop new innovation is a large obstacle, with many firms lacking dedicated resource or knowledge to innovate, and instead looking to outside consultants or other businesses for support. Increased costs in terms of rent to chambers from individual barristers combined with the pressure from clients to remain competitive on fees means there is limited spare funding available to invest in technology.

Lack of capability – this can be both in terms of having dedicated lawtech personnel in-house to develop new ideas for innovation and technology, but also in having the technical ability to implement changes. As highlighted above, some barristers seem confident that they do have the appropriate resource to implement changes. However, this does pose the question of what types of innovations are barristers and chambers considering when they consider technology and innovation and does this require further clarity in research?

Lack of consumer demand - it is less likely that clients engaging barristers in some practice areas demand 'high-tech' solutions so the perceived benefit of investing in advanced solutions is lower than in other areas. Considering that available capital is a key issue, the perceived lack of demand could result in slower growth of new practices. There are also different ways in which clients can access a barrister, for example many will be referred from a solicitor which will result in barristers and chambers innovating in response to law firm demands as well as from clients directly, depending on the practice area.

Regulatory barriers - it is also likely that there are regulatory factors that if changed, could help foster innovation within the sector. For example, the SRA found that further clarity regarding regulations would support some firms looking to innovate. Furthermore, in an earlier LSB survey, regulations by your legal service provider was the fourth most cited constraint to adopting new technology (34%)¹⁶. Barristers are regulated as individuals for the purposes of data protection, AML etc and this is potentially a constraint to developing – Perception as well as concrete?

Business model - the chambers model is a potential inhibitor to the development and adoption of technology. With barristers being self-employed, there is limited central resource and focus on the adoption of technology: operationally, financially and organisationally. Chambers are also in competition with each other, limiting collaboration across the sector.

Ethical issues – much of the research already mentioned in this report has highlight the fact that potential ethical issues can also be a barrier particularly for firms looking to adopt or incorporate new technologies into their services. Whilst the LSB research states that barristers are less likely to be concerned about ethical issues from new technology, again this perhaps highlights the need for further clarity on the different types of technology that could enter the barrister profession and whether there are specific ethical issues that require regulatory guidance.

¹⁵ Sako, M & Parnham, R (2021) [Technology and Innovation in Legal Services](#): Final Report for the Solicitors Regulation Authority

¹⁶ Technology and Innovation in Legal Services – Main Report: [An analysis of a survey of legal service providers \(2018\)](#)

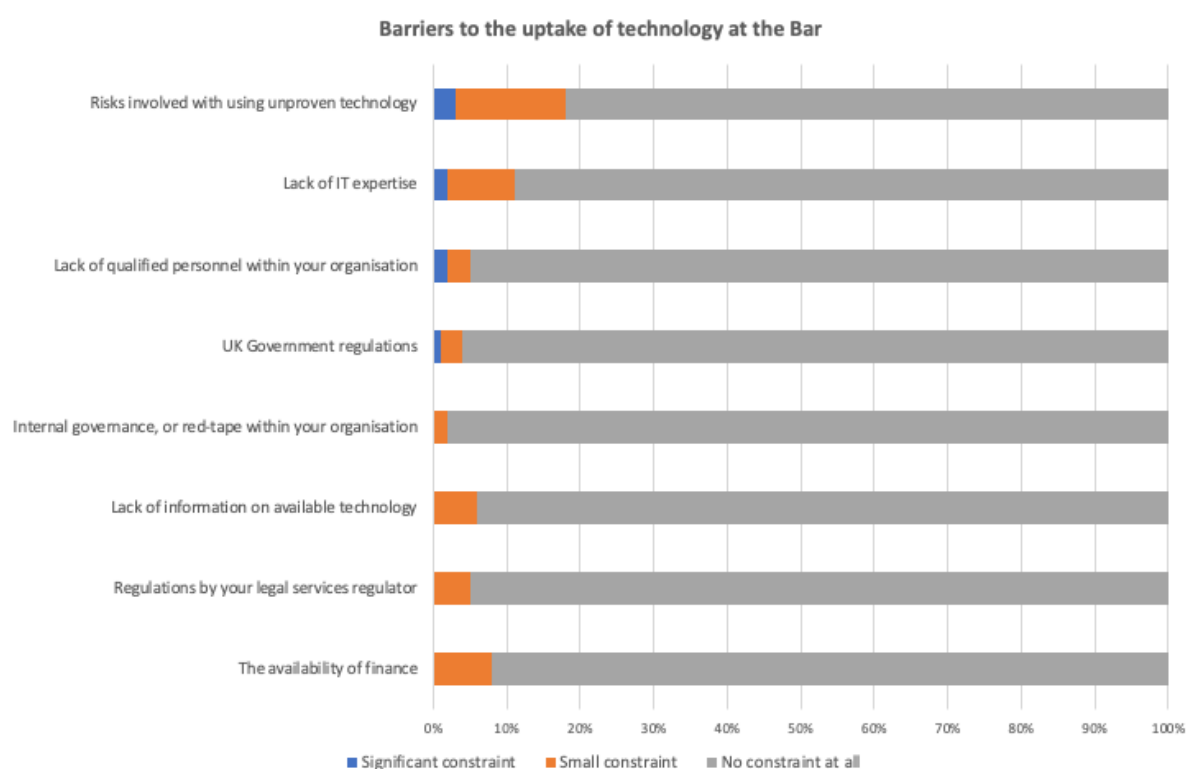
Client confidentiality and data protection – this was cited in the SRA’s research as being one of the top three barriers to implementation of technology, and the LSB findings agree with this.

Compliance requirements – LSB research suggests that barristers point to the burden of compliance with general regulation (GDPR, AML, KYC) rather than legal services regulation specifically. It is unclear from the research whether this is an actual barrier or more about a perception of a barrier.

From the LSB’s research, we do have some data points around the impact of these factors on both the barristers’ and solicitors’ profession.

Table 1: Relative constraints to adopting new or improved services

Constraint	Barristers’ chambers (n = 109)	Solicitors’ firms (n = 736)
Risks involved with using unproven technology	24%	21%
Lack of IT expertise	10%	23%
Availability of finance	9%	19%
Lack of information on available technology	7%	16%
Lack of qualified personnel	3%	21%
Legal services regulation	3%	14%



This data is potentially reassuring for regulators and policy makers as a relatively low numbers of chambers included in the research report felt these constraints were significant. However, it is important to consider the types of new services that are being considered by participants when answering questions as to the relative barriers. For example, video conferencing has been heavily adopted across the profession, and is a change that is unlikely to require much finance, IT expertise or encounter regulatory pushback. A potential area to explore further is whether barristers’ chambers would be equally less constrained when looking at more advanced

technologies and services such as those more likely to use artificial intelligence (TAR, predictive technology, robotic process automation, blockchain etc).

4 Motivations for implementation of technology

The LSB research indicates that the following (in order) are the main motivating factors for legal services providers implementing technology, it would be interesting to test with chambers the extent to which these motivations are important and whether the benefits have been delivered:

- More responsive to client needs
- Reduce environmental impact
- Reduce time taken to deliver services
- Increase quality/reliability of services
- Reduce costs of service delivery
- As part of a strategic decision (eg in response to changes in strategy or leadership of the organisation/chambers)
- Increase profit
- Increase diversity or range of services offer to clients

5 Market analysis – similarities and differences to other market sectors

It is common across regulated sectors to compare performance and growth in order to better understand both the current state of a particular market and also to forecast potential changes proliferating across sectors. With this in mind, it is useful to discuss and compare progress in the legal services sector compared with other adjacent sectors such as finance, energy, insurance, and to a lesser extent, medicine. This not only provides a benchmark for comparison, but also allows us to analyse the structural differences in sectors that may potentially support, or hamper, innovation.

With this in mind, we have outlined below some of the key factors of the UK's financial services sector, how they have impacted growth and innovation and thus what we might learn and apply to the legal services market.

5.1 Financial services

• Market value

- Client base and value of the UK financial market is one of the largest contributors to the UK economy. With 2.5 million people employed across the UK the industry produced £278bn of economic output, 12% of the entire UK's economic output in 2022¹⁷. In contrast, the UK legal services market was worth £43.9bn¹⁸, three-twentieths of the size.
- Size of the UK financial market, both in terms of how much money it generates, and in the number of consumers it serves, makes it incredibly attractive for new investment.
- Growth rates in financial services have been steady (7% in 2021) and relatively stable. Productivity is high compared with the UK's other sectors¹⁹
- Significant commercial incentives for incumbent providers to maintain market share through innovation.

• Type of consumer

¹⁷ HM Treasury: State of the sector: [annual review of the UK financial services 2023](#)

¹⁸ UK Legal Services Market Trends Report, IRN Research

¹⁹ The City UK: [Key facts about UK-based financial and related professional services 2022](#)

- Consumers in financial markets are generally ‘repeat’ customers and particularly in consumer banking are using products and services daily.
 - Incentive for firms to retain clients as they will continue to use financial institutions for other products and services over their lifetime.
 - As consumers interact with these services consistently, there is more opportunity for them to learn over time and have greater capacity to manage new products and services, as well as push for change and development.
- **Market data**
 - Because of the two factors above, market size and the number of repeat transactions, there is a large amount of data and information held about consumers with which to build new products and services.
 - Enables third parties to develop new products to help consumers (auto-switching accounts with higher interest rates, for example).
- **Business structures**
 - Generally, and especially in retail banking, the market is led by a small number of incredibly large institutions who compete over market share²⁰.
 - Because of their size they are able to use large capital reserves to invest in new technologies and innovations with the aim of maintaining or growing their market share. As noted above, they also have access to huge volumes of consumer information to develop new services.
- **Regulation**
 - Progress in these markets has been aided by regulatory and legislative change – particularly following the financial crisis in 2008. The Open Banking movement allowed sharing of data, and the rise in technology focused providers added competition to the market and forced the incumbent banks to improve their offerings, especially in a consumer-focused way.

In contrast, these supporting factors are less present in the wider legal market, and at the Bar specifically.

- **Market value**
 - As noted, the size of the legal services sector is relatively small in comparison to the financial sector. We know that the commercial and financial value of the barristers’ profession is smaller still, with even the largest chambers being dwarfed by the commercial position of law firms.
 - Whilst it is still a key contributor to the UK economy, and an attractive one, with investment in legal technology in the UK having grown to almost £300 million²¹, there is arguably less to be gained financially by new investment or market entrants than in other sectors.
- **Type of consumer**
 - Previous research suggests that consumers who engage a barrister do so rarely and those who do instruct a barrister typically go through a solicitor who handles the day-to-day interaction²².
 - There is potentially therefore less incentive for chambers to develop services or products aimed at retaining clients (unless we think about instructing solicitors as clients who can be more demanding as ‘clients’).

²⁰ Thomson Reuters Graphics: [Britain’s banks by market share](#)

²¹ Lawtech UK: [our vision](#)

²² IRN Research: [Barristers’ Clients Research, Expectations and Understanding](#), 2021

- As reputation and recommendation is one of the key factors that drive consumer choice in the legal market²³, however there is an incentive for barristers to ensure they deliver a good service to clients.
- It is also important to note that consumers are also likely to be engaging with legal services providers at a time of stress and vulnerability²⁴ – this means they may not typically be in a position to be demanding change and innovation from legal services providers.

- **Market data**

- Due to its smaller size and type of consumer, there is much less data available about consumers as there may be in other professional sectors. This makes it harder to develop new products or services. Some of this is also confidential and legally privileged information and subject to LPP so cannot be disclosed or mined for innovative solutions.
- There is some information available about cases that may allow for innovation or new technologies as we have already seen. There are, for example, services available that are designed to support barristers in identifying how likely certain outcomes are for different cases based on previous findings²⁵.

- **Business structure**

- This is perhaps one of the key differences and important factors to discuss when considering the potential for growth in technology and innovation at the Bar.
- In contrast to the large institutions of the financial sector, 80% of barristers are self-employed²⁶, operating through chambers allowing them to share some costs while remaining sole practitioners.
- Because of this, it is potentially harder for barristers to generate the capital required to develop innovative practices. As discussed in the previous section, chambers are potentially less likely than law firms to have the technical ability, organisational structure and resources to invest in technological innovations.

6 International comparisons

Alongside comparing different market sectors, it is useful also to analyse other jurisdictions to see whether particular market structures and incentives have led to increased innovation and could be learnt from or mirrored in future policy decisions. This section therefore sets out some of the international jurisdictions that have been at the forefront of developing legal technology and innovation, including the US, Australia, Canada and Singapore.

6.1 Singapore

Singapore benefits from “a transparent legal framework, skilled workforce, developed infrastructure and a reliable tax system”²⁷ so has attracted many international firms over recent years as well as being a key exporter of legal services. In 2017, Singapore’s legal industry was estimated at a value of \$2.1 billion (approximately 0.5% of Gross Domestic Product, with over 40% of this (\$0.9 billion) coming from legal services exported from Singapore²⁸.

Singapore is a republic with a parliamentary system of Government based on the Westminster model and operates a common-law legal system²⁹. The legal system is overseen by the Ministry

²³ LSCP: [Legal Services Consumer Panel Tracker Survey 2023](#)

²⁴ LSCP: [Recognising and responding to consumer vulnerability: A guide for legal services regulators](#) 2014

²⁵ <https://www.solomonic.co.uk/>

²⁶ Bar Standards Board: [Statistics on practising barristers](#)

²⁷ The Legal 500, [Singapore legal market overview](#)

²⁸ Tan Xue Lin and Adrian Tay, [Profile of Singapore’s Legal Industry](#) 2018

²⁹ Ministry of Law, Singapore, [Our Legal System](#)

of Law who describe their mission as working to advance access to justice, the rule of law, the economy and society through policy, law and services³⁰. The Ministry of Law oversees all areas of legal services and lawyers, and practitioners can practice both inside and out of court.

Regulatory/Government Initiatives

In analysing Singapore's approach towards technology and innovation it is clear to see the impact of the Government's focus on developing an innovative legal and professional services sector.

Singapore's Smart Nation Initiative is "the vision for a digital-first Singapore where a digital government, digital economy and digital society harness technology to effect transformation in health, transport, urban living, government services and businesses"³¹. In fact, 99% of their government services are already digital end-to-end. They follow an open data approach, with public data sets available to allow people to develop digital solutions that benefit society. They also run a 'Living laboratory' which generates research and innovation initiatives and allows companies to test and develop new solutions. The government also supports accelerators that partner new business with investors. Finally, through this government initiative they provide coaching and upskilling to help individuals, business and reduce the impact of digital exclusion. Following this focus and investment from the government and creating a nation of the future, they were ranked as the top smart city in Asia in 2023³².

This focus has also filtered down to the legal profession, with many initiatives and institutions focused on promoting Singapore as the legal hub of Asia.

The Singapore Academy of Law (SAL) was developed as "the promotion and development agency for Singapore's legal industry". Their mandate is to:

- build up the intellectual capital of the legal profession by enhancing legal knowledge,
- raise the international profile of Singapore law,
- promote Singapore as a centre for dispute resolution,
- and improve the standards and efficiency of legal practice through continuing professional development and the use of technology.

Through their Future Law Innovation Programme (FLIP), the Academy encourages Singapore's legal profession to adopt and test new technologies by providing support across technology, businesses models, knowledge and regulation. Through a related 'Innovation and Ideas Scheme' they will also provide funding and guidance to help foster 'good ideas' and bring them to market. They also provide training to encourage law firms to adopt new technology and to be innovative by working with stakeholders to develop personalised training programmes. More broadly, the academy also acts as a thought leader and disseminator of legal information and research by providing the profession with updates, and dedicated platforms that can be used to stay ahead of legal market developments.

The government also has initiatives such as the Committee on the Future Economy, a committee designed to prepare the economy for the future. In a 2017, they set out their vision for the future of the legal and accounting industries of Singapore. The recommendations included a call to higher education institutes to 'future-ready' professionals and prepare them to enter an advancing legal sector. It also set out a \$2.8 million programme to support first with the cost of adopting new

³⁰ Ministry of Law, Singapore [What We Do](#)

³¹ Smart Nation Singapore, [Transforming Through Tech](#)

³² Smart Nation Singapore, [Our Achievements](#)

technology products – including the legal research tool Intellex³³ and the practice management tool CoreMatter³⁴ and LexisAffinity³⁵³⁶.

The Ministry of Law has set out a roadmap that will take the legal industry to 2030. The Legal Industry Technology and Innovation Roadmap report³⁷ provides a list of the initiatives that the Ministry will undertake to support firms to manage the challenges and thrive in a changing technological market. These initiatives along with their aims include:

Entry funding

- Initial investment of \$2.8 million in 2017 as mentioned above, along with a further \$3.68 million to encourage more firms to incorporate new technology solutions

Operational support

- To develop a list of lawtech solutions available to Singapore Law firms
- To provide a checklist for firms to assess their digital readiness and identify applicable technology solutions for their firm

Support in dispute resolution

- To implement end-to-end digitalisation of dispute resolution services
- To co-create legaltech solutions to improve resolution services

Cybersecurity framework

- To provide up to date advice on cybersecurity measures and the latest software alongside training for employees

AI adoption framework

- To produce guides to assist firms using AI and guide them on how to do so responsibly

Legaltech adoption support

- Tools to help firms structure their workflows and identify Legaltech solutions that work for them to improve their business

Skills identification and building

- The continuation and promotion of SAL's learning programmes along with the further identification of accreditations and future training platforms

Legal education reforms

- An initiative to encourage higher education providers to infuse more technology elements into their curriculum alongside developing industry partnerships and law and technology research centres

Regulatory reforms

- To regularly review the regulatory regime and existing legislative framework to ensure that it is sufficiently flexible to permit technology adoption, while adequately safeguarding the interests of users (consumers)

Legaltech development

- The continuation of FLIP as mentioned previously, alongside exploring developing innovation hubs and research

³³ <https://intelllex.com/>

³⁴ <https://corematter.biz/>

³⁵ <http://www.lexisnexis.com.ph/en-ph/products/lexis-affinity.page>

³⁶ Ministry of Finance, Singapore, [Committee on the Future Economy](#)

³⁷ Ministry of Law, Singapore, The Road to 2030: [Legal Industry Technology & Innovation Roadmap Report](#)

The success of Singapore in developing both a ‘future ready’ government and legal market is in developing long term strategies focused on how the market will grow and putting in place initiatives that support and foster growth. It is clear that they are willing to devote significant time and resource into its initiatives, but in fact, alongside this they inhabit a mantra of embracing technology and change and are bold in exploring and supporting firms and public bodies in testing and adopting innovation.

6.2 Canada

Canada’s legal foundations lie in English common law, French civil law, and Indigenous law systems. As in Singapore, lawyers are able to represent clients both inside and out of court.

Legal education

The Canadian education system seems to play a key role in developing innovative thinking and research with a number of institutions across the country either have dedicated legal technology and innovation centres or offer teaching programs that focus on the intersection between technology and law. For example, the University of Waterloo and Osgoode Law school have expanded teaching programmes to offer a number of different courses of law and technology (16 courses in 2022/23)³⁸. These cover a range of topics from derivatives law and crypto contacts to artificial intelligence and will help students to understand both the practical application of the law along with how to conceptualise the impacts of technology, what ethical issues may be raised, and how these solutions can be regulated. Interestingly, some of these courses are benefiting from expert external knowledge. Their course “Engineering the Law: Technology and Innovation in Legal Service Delivery”, for example, will be taught by a Senior Innovation lawyer from Norton Rose Fulbright LLP. Not only are these centres and courses giving students the practical skills to practise law in a changing world, but they are also creating lawyers who enter the market already thinking about how to innovate and improve services. Finally, many of these centres are themselves generating knowledge and contributing to the question of how to promote positive innovation, but also how can governments and regulators manage the risks involved. The University of Ottawa for Law and Technology for example has over 20 full time faculty members and more than 100 researchers and students³⁹. They research and publish across a wide range of areas, for example recently on Regulating AI in Canada⁴⁰.

These are just a few of the centres across Universities in Canada and highlights the importance placed by these institutions on understanding future changes to law and the legal market and also preparing future laws for an advancing society. These centres and their researchers are a key tool that can be used for governments and policy makers when developing innovation laws and policies to ensure the country and its legal market is prepared for new technologies and innovations.

Regulatory/Government Initiatives

After four years of testing, British Columbia went live with its Civil Resolution Tribunal (CRT) in 2016. The CRT is Canada’s first online tribunal and is part of British Columbia’s public justice system. First developed to help users with condominium disputes, the service now supports people with motor accident claims, small claims and housing/community matters. Prior to the CRT, issues such as condominium disputes had to be heard in British Columbia’s Supreme Court, an incredibly expensive process that discouraged many from pursuing complaints. The platform, which has the guiding principle of being timely, flexible, accessible, affordable and efficient has proved widely successful, allowing people to settle disputes outside of court and pursue valid

³⁸ [Osgoode Hall Law School](#)

³⁹ University of Ottawa, [Centre for Law, Technology and Society](#)

⁴⁰ Teresa Scassa, The Canadian Bar Review, [Regulating AI in Canada](#), 2023

claims. The service also provides a wide array of support for its users, coaching them through issues and providing self-help tools. It is also designed for its key stakeholder, the public, and allows them to feed into on-going developments of the tool, highlight the need to have a user centric design.

Originally, the tool was designed to be available to all, but not mandatory. This however, posed issues where one party could decline to use the CRT. A bold decision was made to mandate the tool for disputes without which, it may not have been successful⁴¹. British Columbia's decision to go 'all-in' here from a regulatory perspective shows that globally policy makers can benefit from being bold and forward thinking in their decision making.

The Canadian Bar Association (CBA) also formed the Legal Futures Initiative which was set up to understand and respond to changes facing the Canadian legal profession⁴². Specially, the initiative operates:

- to provide leadership and a strategic and systematic Canadian response in the face of unrelenting, dynamic and transformative change,
- to canvass and reflect a wide range of views both from within and outside the profession,
- to study the reasons for change and assess their likely impacts on the market for legal services in Canada; and
- to provide a framework for ideas, approaches, and tools to help the legal profession adapt to change, so that it remains confident, viable, relevant, and competitive.

Over the years the Futures Initiative has generated a number of thought leadership reports, tool-kits for students and lawyers, and established events to promote an embracing approach to legal technology and innovation⁴³ and is run by a mixture of public and private law experts. The Futures Initiative is a key example of a body coming together, in this case the CBA, to push forwards a profession, embrace change, and also provide thought leadership and support for members.

Canada's focus, not just in innovating its public services, but also in developing centres of research and preparing the 'future' lawyer provide key learnings for regulators across the world. This seems especially true in their support of higher education institutions and initiatives like Legal Futures that bring together expertise from all aspects of the legal profession and research to develop strategies to prepare their legal profession for the future.

6.3 United States

One of the key players in the development of lawtech, the USA has been the birthplace of many technology solutions aimed at changing the way the legal profession operates. Despite, in parts, having a more restrictive regulatory regime the countries like the UK, for example in not allowing ownership in law firms by non-lawyers, the US has perhaps more than anywhere else seen the rise of many legal technology companies⁴⁴; bearing in mind of course that the US operates as 50 separate jurisdictions for regulatory purposes. So, what are the reasons for this growth in providers?

Legal Technology Companies

Perhaps one of the reasons for the growth and legal technology companies in the United States is due to a culture of entrepreneurship, the funding availability and having the necessary communities to develop successful standalone companies. For example, some of the largest

⁴¹ JTC Resource Bulletin: [Case Studies in ODR for Courts](#): A view from the front lines 2017

⁴² CBA Legal Futures Initiative: [Transforming the Delivery of Legal Services in Canada](#), The Canadian Bar Association 2014

⁴³ [Building New Law](#), Counter Tax Lawyers – podcast

⁴⁴ [Tech.law.stanford.edu](#) hosted by CodeX

legal technology companies that are recognised globally are based in the United States. California for example, is home to RocketLawyer, LegalZoom, and Everlaw.

Regulatory/Government initiatives

The United States is testing more flexible legal regulation, notably through the **Office of Legal Services Innovation** in Utah (ie a state rather than federal initiative)⁴⁵. In August 2020, the Utah Supreme Court launched a regulatory sandbox which allows them to test new models and services to assess their marketability and impact on consumers before making widespread regulatory change. In this case, Standing Order No. 15 allowed “the Legal Services Innovation Committee of the Utah Supreme Court to assist with overseeing and regulating the practice of law by non-traditional legal service providers or by traditional providers offering non-traditional legal services”⁴⁶. Shortly after, Arizona also launched similar policy proposals including allowing non-lawyers to provide limited legal services and remove rules prohibiting fee sharing arrangements and non-lawyer ownership/investment in law firms⁴⁷. Importantly, these policy changes have so far proved successful. A review from the Stanford Law School found that reforms are generating substantial innovation, allowing firms to access new capital and develop new services, improving access to justice issues with many firms focusing on clients from low-income communities, and not posing significant risk of consumer harm (as many critics of these policy proposal had forecasted)⁴⁸.

As in Canada, the US has also been the birthplace of several providers offering online dispute resolution platforms (for example, Modria and Matterhorn).

The **Conference of Chief Justices** (CCJ), which brings together the highest judicial officers of the states has also played a key role in setting the standards across the US and encouraging a forward-looking approach to technology and innovation. They are an example of an expert body coming together to consider and discuss issues of importance to the legal profession and set out standards and recommendations for nationwide policies.

A good example of this is their response to the pandemic in which many users of courts were unable to attend and therefore force a swift change to remote and virtual hearings. Rather than return to the status-quo after the pandemic, the CCJ set out a number of policies and urged courts across the US to:

- Assess what technology platforms are best suited to the needs of the court and users.
- Ensure that all court users are able to participate in remote and virtual hearings regardless of access to equipment, broadband or comfort with technology.
- Determine whether there are categories of hearings that are better suited to remote and virtual formats, while continuing to think creatively about how to expand the use of remote and virtual hearings to other case types.
- Ensure that language access resources and accommodations under the Americans with Disabilities Act are provided to litigants in remote and virtual proceedings.
- Draft these remote hearing policies in plain language and share them widely so that court users, the public, and court employees understand what is permissible.
- Collect data and user feedback about remote and virtual hearings; and
- Assess remote hearing policies regularly and adjust these policies as needed.⁴⁹

⁴⁵ The Office of Legal Services Innovation, An Office of the Utah Supreme Court, [May 2023 Activity Report](#) /

⁴⁶ [Utah Supreme Court Standing Order No. 15](#) (Amended September 21, 2022) f

⁴⁷ Arizona Supreme Court, [News Release 27 August 2020](#)

⁴⁸ Stanford Law School, [Legal Innovation After Reform: Evidence from Regulatory Change](#), 2022

⁴⁹ Conference of Chief Justices, Conference of State Court Administrators, [Resolution 3](#) 2022

Initiatives like this laid out at a national level, that set out clear guidelines and expectations for institutions can be incredibly helpful in developing policies and approaches and ensure separate bodies are providing consistent services.

The **American Bar Association** (ABA) has also been a key driver of change in the US, especially in developing knowledge and guidance for law firms about how to adapt and develop to changing markets. They have, for example, established a task force on the law and artificial intelligence which sets out to “address the impact of AI on the legal profession and the practice of law, (2) provide insights on developing and using AI in a trustworthy and responsible manner, and (3) identify ways to address AI risks”⁵⁰. The association has played a key role in providing thought leadership to the profession and support their members in adapting to changes in the profession. Another example comes from adapting their guidance in the face of new technologies and altering their guidance on competence to require that lawyers “keep abreast of changes in the law and its practices, including the benefits and risks associated with relevant technology”⁵¹.

In terms of learnings, the United States has clear rules around providing services in different ways and, despite the fact they more have stricter regulations than in other jurisdictions, is willing to test out new ways of working. They also have strong and forward-thinking leadership from experts at the highest levels of the profession that support the market both in providing guidance about also using their expertise to feed into the knowledge that will shape the public policy. Finally, their culture of innovation supported by networks of funding and collaboration has developed some of the most successful legal tech companies in the world.

6.4 Australia

Australia is also regarded as one of the key regions responsible for the growth of legal innovation and technology⁵². Australia has an interesting regulatory framework – with independent statutory bodies across the different states and territories that oversee and regulate legal professionals in different areas.

Whilst providing insight and support for their regulated communities, many of the regulators also support individual companies with grant funding to support innovation. In 2023 for example, the Victorian Legal Services Board and Commissioner awarded a record \$8 million to support 27 projects in their jurisdiction⁵³. Looking at the 2023 grant winners, they highlight how widely institutions in Australia place a focus on innovative practices that interact with different areas and issues in society. For example, they are not solely innovative for their use of technology, but also in work aimed at combatting key social issues such as climate change, domestic violence, and immigration. They also provide funding to a range of organisations including legal services providers, Lawtech start-ups, Universities and law and community centres.

It is also clear that Australia takes advantage of the power of communities and networks in developing new products and services and has a number of thriving groups focused on developing the legal services market.

The Australian Legal Technology Association (‘ALTA’) for example, “provides a community to Australian legal technology companies for information sharing, collaboration and building the presence of Australian legal technology on the global stage”⁵⁴. The group has 97 legal technology companies as members and aims to bring them together to push forwards the use of innovation and technology in Australian legal services. The association runs a number of events for its

⁵⁰ American Bar Association, [Task for on the Law and Artificial Intelligence](#)

⁵¹ American Bar Association, [Model Rules of Professional Conduct](#)

⁵² <https://legalservicesboard.org.uk/wp-content/uploads/2019/07/International-AH-Report-VfP-4-Jul-2019.pdf>

⁵³ <https://lsbc.vic.gov.au/grants-and-funding/grants/2023-grant-recipients>

⁵⁴ <https://alta.law/about-us/>

members, showcasing the latest in technology companies and developments, and also creates its own reports on legal technology in both Australia and globally. Under the ALTA umbrella, they have also created WALTA – Women of Australian Legal Technology which aims to ‘empower and inspire women in legal technology’⁵⁵. Part of this includes monitoring diversity in legal technology where a recent report showed that 50% of Australian legal tech companies are female founded⁵⁶.

Similar to the other nations mentioned in this review, there are also a number of innovation centres based at universities and colleges across Australia. The Centre for Legal Innovation (CLI), for example, is an innovation focused think tank at the College of Law⁵⁷. The centre’s mission is to prepare, connect and develop users of legal innovation and it currently focuses its work on three main areas; Emerging Legal Practice, Innovation and ‘Legalpreneurship’ and, Legaltech and AI. Where we have seen more of a focus on use and adoption of technology in other jurisdictions, the CLI takes a holistic approach, considering innovation in a wider perspective with things like technology and AI as just one factor. Interestingly, the centre also has a global focus built into its organisation, with members of its advisory board from Australia, New Zealand, Singapore, the UK, and the USA.

One of the key lessons that we believe can be taken from Australia when looking at innovation in legal services is the wide scope of work programmes, initiatives, and communities that operate in the area. Innovation in legal services for example, can sometimes become synonymous with the use of technology. This, however, is not the only solution, nor is it the only issue that needs solving. There are many issues that could be improved with ‘simple’ innovations, whether that be further research, education, or collaboration. These simple initiatives that solve social issues can often be missed by regulatory programmes, like sandboxes, as they don’t fit in with their remit. They can also be less expensive and could be more inclusive than advanced solutions which potentially create digital access and proficiency gaps. Australia clearly has a thriving network of Legaltech companies, and whilst they will of course benefit from the support of regulators, we would argue that they are likely to be relatively self-sufficient with the support of members who are ‘devoted to the cause’. Where the regulator may be more likely to make a difference therefore is by identifying innovations that are outside of a ‘technology equals innovation’ mindset where there are people trying to tackle social issues that might not be especially profitable but can be incredibly impactful on people’s lives. Here, Australian legal regulators seem to be proficient in identifying and supporting initiatives developed by a wide range of stakeholders and targeting a variety of issues that interact with the legal services sector.

6.5 France

Context

French lawyers, *avocats* or *avocates*, are the equivalent of a barrister and a solicitor, the profession is not split as in England & Wales. The French legal system also accords importance to the role of the notary, a legal professional the use of whom is required in conveyancing, property tax, marriage settlements, wills and probate⁵⁸.

Whilst *avocats* are always a member of a local bar, in practice they can represent clients and conduct court cases anywhere in France. If, however, cases are brought before a court outside the *avocat*’s relevant bar, the client needs to appoint a local counsel in addition. The local counsel (*avocat postulant*) handles the procedural aspects of the case and the initial *avocat* appointed by the client remains responsible for drafting submissions and presenting the case before the court. *Avocats* can only present matters before first instance and appellate courts. Only lawyers specifically admitted to the French Supreme Courts Bar (*avocats aux conseils*) can

⁵⁵ <https://alta.law/walta/>

⁵⁶ <https://www.infotrack.com.au/news-and-insights/australian-legal-technology-is-thriving-and-now-is-the-time-to-invest/>

⁵⁷ <https://www.cli.collaw.com/about-cli/overview>

⁵⁸ Thomson Reuters, Practical Law, [Regulation of the Legal Profession in France: Overview](#) by Thomas Rouhette and Mathilde G  rot, Signature Litigation.

represent clients before these courts, currently numbering around 119 lawyers⁵⁹. According to the CCBE lawyers' statistics 2020, France has c. 70,073 practising licenced lawyers⁶⁰. There is no national training school for *avocats* although there is a National School for the Judiciary⁶¹ (judges are trained civil servants).

Regulation

The CNB is the regulatory authority for French lawyers⁶². It represents the entire profession in France and abroad and unifies the rules and practices of the profession through published standards in the *Legal Official Journal*. Each local bar association represents, defends and regulates its members. Local bar associations have the power to draw up internal regulations to be followed by their members, but this normative value is secondary to that of the CNB. There are 164 Bar associations in France. The Paris Bar Association is the largest in terms of members (about 32,000 lawyers among the 70,000 registered in France)⁶³. The Paris Bar Association has set up the Paris Bar Incubator (IBP)⁶⁴ for issues related to digital technology and innovation. The IBP is an incubation programme for legal tech, providing a three-month programme of technical and financial support to help lawyers move from an idea to a functional solution. Recent incubations include Mesacquisitions.com, a platform that allows the sale of insolvent firms and assets, Avocalix, a cloud-based legal marketing platform, and Juridifeel, a digital solution for legal monitoring of companies. The IBP is supported by Hercule, a legal tech agency.

Following the Paris bar incubator, the Marseilles bar in 2017 became the second major French bar organisation to launch a legal tech incubator, although the intention is perhaps more defensive than transformative, to protect lawyers from commercial companies by encouraging lawyers to create their own start-ups.

Legaltech

The French legal market recognise what lawtech is conceptually, and new technologies have been brought to legal services in France including Doctrine, Legalstart, YouSign, LegalPlace and Captain Contrat. However there has not yet been a significant adoption of lawtech across the sector. There is no government backed sector specific funding, and there have only been five legal startups in 2022, compared with 32 in 2021 and 19 in 2020. There are no legal entrepreneurs or disruptors and the market is not yet well developed.

There is evidence for some changes in law firms' digital activity and these are along fairly 'standard' lines so far⁶⁵:

- Increase in videoconferencing and teleconsultation
- Digital invoicing by lawyers and digital payment options (secure online payment)
- Secure email addresses and legal consultation via email
- Live lawyer chat online
- E-signature adoption

As of 2022, French legal tech start-ups have been almost exclusively B2B in the following areas⁶⁶:

⁵⁹ <https://www.connexionfrance.com/article/Comment/Opinion/Why-are-there-so-few-lawyers-in-France-compared-to-US>

⁶⁰ https://www.ccbe.eu/fileadmin/speciality_distribution/public/documents/Statistics/EN_STAT_2020_Number-of-lawyers-in-European-countries.pdf

⁶¹ <https://www.enm.justice.fr/en/homepage>

⁶² <https://www.cnb.avocat.fr/en>

⁶³ <https://www.avocatparis.org/>

⁶⁴ <https://incubateur-ibp.com/programme-dincubation/>

⁶⁵ <https://hyperlex.ai/en/actus-hyperlex/quel-est-le-top-20-des-startup-legaltech-francaises/>

⁶⁶ Legaltech Review by Maddyness, La Banque des Territoires, French LegalTech Trends 2022 (6th edition) https://www.maddyness.com/app/uploads/2023/02/BAROMETRE_LEGALTECH_2023_EN.pdf

- Administrative assistance
- Document creation
- Business creation and management
- Data protection and management
- Analytical search engines
- Mediation and arbitration platforms
- Related services
- Protection of IP
- Customer-professional referral networks
- Business process digitalisation

In conclusion, the French market for legaltech is still emergent and although there are pockets of legaltech innovation in the B2B space, there is limited evidence for either significant technological innovation at the bar or unique regulatory approaches to drive adoption of technology. Having said that the approach of the Paris and Marseilles bar associations as to the incubation of legal technology solutions may be worth further exploration.

7 Opportunities and reasons for caution

To this point, we have set out some of the reasons as to why change may be slower to happen in the legal market than in other areas. However, we can also see from international comparisons, and by looking at the success of areas in the UK market – with the right oversight, leadership, incentives, and collaboration encouraging innovation can be a true driver of change for the betterment of society.

Now we turn to some of the key opportunities that can be achieved by encouraging technology and innovation in the barrister's profession, along with some reasons for caution that policy makers need to consider when developing initiatives to stimulate growth in this market.

Opportunities

First and foremost, the use of technology and innovation in this sector has the ability to address unmet legal need in an area that deals with some of the most important issues affecting people's lives. The review from Stanford Law for example, showed that firms using more innovative approaches were able to serve lower-income communities⁶⁷. Equally, the CCJ's guidance on remote hearings is designed to ensure everyone in society has a flexible and accessible means of accessing the justice system⁶⁸. For the most vulnerable users of legal services, where legal matters can be a patchwork of financial, medical and social needs, technology can help link the relevant supporting agencies. The duty of care on regulators is significant.

Technology and innovation can help people find legal advice, either through direct engagement or through third parties⁶⁹. It can also improve the likelihood of them finding the service that is right for them in terms of quality and cost.

It could also help create efficiencies for barristers and their chambers, which in turn would hopefully be passed on to consumers making them more accessible or affordable.

It could also lead to better quality advice, where data and more advanced software could be used in the preparation of cases – or as above in matching clients to the best legal services provider for their matter.

⁶⁷ Stanford Law School, [Legal Innovation After Reform: Evidence from Regulatory Change](#), 2022

⁶⁸ Conference of Chief Justices, Conference of State Court Administrators, [Resolution 3](#) 2022

⁶⁹ Solicitors Regulation Authority, [Consumer understanding and use of Digital Comparison Tools](#), 2022

There is also the opportunity for regulators, government bodies, and third parties to use data more effectively to support consumers and spot quickly where further help may be required. For example, there are a multitude of bodies that users going through the justice system interact with and therefore share data with. Solutions that enable the courts system to connect and share information internally and across the rest of the government may help to provide a better picture of a user's situation to identify issues and also help to streamline services and provide a better user experience.

Cautions

One thing that regulators must be mindful of is that innovation and the adoption of new technologies is done in an effective way. Whilst there are many benefits to developing new and innovative services, they can also pose reasons for concern if regulatory and legislative regimes are not designed or amended to cover new practices. In the legal market for example, the Competition and Markets Authority (CMA) has announced a new investigation into legal services, specifically on unregulated will-writing, online divorce, and pre-paid probate services⁷⁰. This investigation follows complaints from consumers about the quality and transparency of new services offered. These new services are often offered in areas where a solicitor is not required for all, or part of the transaction and alternative providers have emerged providing competitive services. This will be an interesting test case for new legal providers and regulators as the sector grows to offer commoditised and often tech-enabled services. The investigation could be viewed negatively, in that the CMA may look to restrict services offered by new providers. However, it is equally likely that the guidance developed from the investigation will help new providers and existing businesses who are looking to be innovative, by providing clarity and guidance on how they are able to offer services in new way without impacting negatively on consumer outcomes.

Furthermore, as new technologies are used to support the process of providing legal advice, it is also important to ensure that the technology is providing correct and accurate information. This is especially true for the Bar and does have precedent. Earlier this year, a lawyer in New York used ChatGPT to support an injury claim. However, the output generated included several false cases and citations that led to the lawyers themselves being fined⁷¹.

There is also of course the potential for digital exclusion, that could see some users of legal services 'left behind' as products and services develop. It is incredibly important therefore that regulators both understand the consumers in the market they are regulating but are also conducting research to prepare in advance for any users that could find themselves disadvantaged from the increased use of technology. A good example of this comes from Singapore where alongside their programs that are helping to promote technology and innovation, they also have dedicated programmes to upskill the users of key services (REF).

8 Conclusions and recommendations for future areas of focus

There is a lack of significant and specific data from the barristers' profession as to the adoption and utilisation of technology, which makes this research more relevant and valuable. On the one hand, there is much to be encouraged about in terms of barristers' not feeling constrained by the adoption of technology, yet there are areas of concern such as how to overcome the potential limitations of the chambers model when driving innovation and joined-up change.

Having conducted this report, we recommend proceeding as planned with the stakeholder, practitioner and legal tech provider interviews to explore further, both to provide a better understanding of the current use of technology and innovation, but also to understand how the market may develop, overcome any constraints and how the regulator can support future growth.

⁷⁰ [CMA investigates will writing and other legal services](#), July 2023

⁷¹ [The Guardian](#), Dan Milmo, 23 June 2023

One area where there is potentially a gap in knowledge in how the use of technology and innovation differs across self-employed and employed barristers. For example, around a fifth of the whole bar are 'employed' barristers⁷² who work across a wide range of and in some cases large organisations. Given many of the topics raised in this paper around difficulties in innovating due to the self-employed nature of the barristers' profession, and the small amount of information about differences in technological uptake, more evidence here could help better understand specific barriers to innovation, indeed the Bar Council have made a commitment to gather further data from the employed bar. A key requirement of the research will be to cover chambers of a mixture of sizes, types and levels of innovation. It may also be of interest to categorise chambers as in The Law Society's research: stable or static, growing or dynamic, in decline, emerging or boutique. We are keen to delve into any insights whether by size or age of chambers, practice area of law (B2B vs B2C?) and to uncover pockets of innovation where they exist.

Coming back to the LSB guidance, proposed outcomes should be that 1) technology and innovation is used to support consumers to better access legal services and address unmet need; 2) regulation balances the risks and benefits, and the opportunities and costs of technology and innovation for the greater benefit of consumers, and that 3) the legal services sector is open to technology providers and innovators and barriers to entry are lowered. It is the expectation that this research, building on the data and knowledge already in place across the legal sector, will provide an evidence base and a starting point for these outcomes in the barristers' profession.

⁷² The Bar Council, [Life at the Employed Bar](#) February 2023

Appendix 1: note on the impact of the current economic climate

It is important also for us to understand the economic environment we are operating in, and how this might affect change across the barristers' profession. Post Covid-19 (and before the pandemic) many of the big global economies were experiencing unprecedented growth. Even with Brexit casting uncertainty on the UK economy we still saw rapid growth, especially in the technology sector. This led to rapid, and large scale, investment in new technologies and new firms. We did see this in the legal market too and there were a number of new companies receiving funding to enter the market.

Now there is uncertainty across economies as they look to manage inflation, growing debt, political upheaval, and conflict. From what we know, firms across the legal services sectors, barristers included, are generally capable of weathering economic headwinds. However, what is less certain is what practitioners are doing to be able to manage so well. One theory is that they 'hunker down and weather the storm', which allows them to survive, but do so by pulling money away from new research and development or trialling new ways of growing their business. If true, this may slow the pace of innovation, or at least the investment in innovation for some time. It also makes it much harder for new firms to obtain funding for new technologies as investors themselves become uncertain. Whilst we can see that law firms and barristers are unlikely to close their doors, we unfortunately do yet know what happens to the new innovators in the legal market during times of economic uncertainty.

However, whilst there might be more uncertainty across markets, the availability of new technology has never been greater. With the introduction of ChatGPT, and other AI software, individuals and firms are now able to use and develop advanced software, at low cost and without the requirement for 'sophisticated' computing experience. The CMA have recently published a report into the potential impact of AI⁷³, as to whether this could lead to positive or concerning market outcomes. This does of course pose a number of potential issues, as discussed earlier in this report however, the ability for existing firms and potential third parties to test and develop new practices that interact with the barristers' profession provides a huge opportunity for the development of innovative practices that could impact the sector.

⁷³ Competition & Markets Authority: [AI Foundation Models: Initial Report](#), September 2023

Appendix 2: Source List

Bar Standards Board

[Statistics on practising barristers](#)

The Bar Council

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[Understanding the unreserved market](#), 2003

Thomson Reuters

Thomson Reuters Institute [Alternative Legal Services Providers 2023](#)

[Innovation at the Bar – Who is leading the way?](#) Roxanne Selby, 2017

Annex B: Stakeholder discussion guide

Current state of play

- What do you understand by technology in legal services? Do you see a difference between lawtech and legal tech and what would you include/exclude from those definitions?
- What are your perceptions the adoption of lawtech and legaltech at the Bar?
- What do you see as the most innovative uses of technology being used/introduced by the Bar? Which of these innovations do you see as the most valuable/useful?
- Thinking about the adoption of technology, are there particular sectors and/or practice areas where you think there has been faster adoption or more innovative than others?
- Have you observed any areas in which technology has improved efficiency, effectiveness and outcomes for clients/consumers?

Drivers and barriers

- What are the drivers to the successful implementation of technology?
- In your experience, the adoption of tech – is it reactive/proactive? Do chambers adopt technology because it is used by other organisations?
- What do you see as the barriers to adoption of new technology (Lack of expertise? Regulatory uncertainty? Price/cost? Satisfaction with status quo? Culture? Concerns around data? Compliance with ethical standards and professional conduct?)
- Are you aware of any areas in which technology could have had a stronger impact than it did, and what limited that impact?
- How do chambers (structure, colleagues/roles, business model, processes) impact barristers' technology adoption and use?

Working with clients and others

- How do barristers use technology to work with clients, colleagues and other intermediaries (courts, solicitors...) Are there communication tools or platforms that are essential? Are there any other tools that are essential for client working do you think? Eg document management, case management?
- What part does (or should) technology play in the interaction between solicitors and barristers? (Document sharing, case management?)
- What are client/consumer expectations do you think regarding technology in legal services? Are clients demanding specific capabilities around technology for example online case tracking?
- How does adoption or use of technology affect equality, diversity, and inclusion for consumers with vulnerabilities and unmet legal needs?
- How does adoption or use of technology affect client outcomes? Examples?

Training and education

- Do you know of any training and education that's available to barristers for learning about new technology?
- Do you think barristers feel prepared to use technology in their practices, or is there a knowledge/skills gap?

Regulatory environment

- Do barristers perceive regulatory challenges when adopting technology? (If so – which specific regulators or specific rules/requirements?)
- What regulatory challenges have law tech start-ups seen when developing new products from the Bar do you think?
- What role can the BSB play in fostering an environment that encourages innovation, and facilitates the entry of innovative new businesses into the market?
- Are the emergent risks and unintended consequences resulting from the use of technology, that may need regulatory attention?

International examples

- Are you aware of any international examples of successful technology at the Bar?

Future

- Do you know of any emerging technologies (AI, blockchain, document automation) gaining traction at the Bar? Any disruptors?
- How do you think technology will transform the delivery of legal services at the bar in the future?
- How might technology and innovation impact on the roles, responsibilities and conduct of barristers?

Close

- Are there particular areas of focus that you think this research needs to include? (If not already discussed)
- Do you know of any other stakeholders, chambers or legal tech providers who may be interested in taking part in the research?
- Any other thoughts or comments bearing in mind what we've talked about?

Annex C: Practitioner discussion guide

Own organisation tech use

- To start us off, and I appreciate this is a broad question, but can you tell me a little bit about the technology generally that you're currently using in chambers or in your organisation? By that we mean how you deliver legal services to clients and what technology you use as part of that
- What specific technology have you put in place in chambers/organisation in the last few years that has changed the way you deliver legal services e.g. manage or process work, interact with clients, attract new clients, improve efficiency?

Implementation

- So, thinking about X or Y solution, can you tell me a bit more about what were your motivations for implementing that technology?
- What source of advice and information did you use to help you when implementing tech
- How do you decide to procure technology, whether to buy off-the-shelf or design in-house? How does/did this process work?
- How do you find out about what is available in terms of potential tech solutions/apps that could be useful for you in your profession?
- What training did you receive in legal technology use over the course of your career?
- Would you like to see more provision and availability in terms of legal technology training? What would this need to look like to be useful to you/your chambers/organisation?

Benefits/risks

- What do you see as the key benefits and risks to chambers/the Bar in using innovative technology?
- What do you see as the key benefits and risks to clients in using innovative technology?
- What do you see as the key benefits and risks to the legal sector as a whole in using innovative technology?
- More broadly, are you aware of any situations where the use of technology driven solutions has been successful at delivering efficiency and cost benefits for both consumers and the profession? Or equally, any situations where technology use has 'gone wrong'?
- Thinking about equality, diversity and inclusion have you encountered any situations where technology has been used to improve EDI outcomes? Or equally do you see any risks posed by increasing technology?
-

Drivers/barriers

- What do you see as the key driver for implementing new technologies or ways of working? For example, client demand, regulatory change, or to keep up with other providers? What would push you to make a change?).
- If you haven't implemented any new type of tech, why not? Do you feel there are specific constraints on your chambers/organisation that prevent innovation with technology?
- Do you see any other barriers to the successful implementation of technology, either in chambers, across the Bar, or in the wider legal sector?
- Are there regulatory factors that inhibit technology and/or innovation? Is this legal services regulation or regulation more broadly?
- How have the BSB's policies and approach to regulation impacted the use of technology in and by the profession?

Uk legal sector & international

- What would you say the best of the profession are doing when it comes to technology and/or innovation? Do you think there are specific areas of the Bar eg practice areas more likely to innovate and adopt legal tech?

- Are you aware of any other ‘good’ examples of technology implementation in the legal services sector here or elsewhere? Which jurisdictions, regulators, or technology providers do you think are particularly impactful in driving change?

Future

- Do you see potential areas where technology could drive improvements in the legal sector more broadly?
- What do you see as being the next important innovation for you/chambers? In the near future? What are the reasons for that? Next 5 years?
- Thinking of your day-to-day work, is there one specific thing you could point to that consistently stops you operating efficiently? Do you think technology or innovation could have a role in solving this issue?
- Are there any ways in which you could be helped to improve the adoption of technology? Similarly, are there ways that new innovations could be developed for the profession as a whole?
- What role can the BSB play in fostering an environment that encourages the profession to innovate, mitigates the risks of innovation, and facilitates the entry of innovative products into the market?
- Any other comments for the BSB? Indeed, any other thoughts or comments bearing in mind what we’ve talked about?