



THE CASE OF

Uitelkaar

ONE-STOP SHOP DISPUTE RESOLUTION

March 2022

Key facts and figures



Year of establishment

2017



Scope of service

Family (Divorce)



Geographical scope

The Netherlands



Legal entity

For profit company



Regulatory embeddedness

Under the Dutch Legal Aid Act, there is a special regulation for clients with lower income using the procedure offered by Uitelkaar. When eligible, Uitelkaar receives state-financed legal aid to support these clients, and clients only pay a small own contribution

(of €37 or €74 per person). Furthermore, Uitelkaar is offered on the website Rechtwijzer, a preliminary provision operated by the Legal Aid Board that helps people find solutions for their legal problems in an interactive manner.



Number of affiliated staff members

16



Number of cases resolved

3835 clients
Potentially 24% of the market.

Clients without financial aid: 52% Clients with financial aid: 48% (by way of a government regulation designed specially to OSSDR in the Netherlands.)



Citizen satisfaction

8.1 (out of 10)



Costs of services for citizens

€37 - €450



Average processing time

25 weeks



Annual Budget

€1 million

Introduction

Online dispute resolution platforms that started off with resolving e-commerce disputes have slowly evolved into One Stop Shop Dispute Resolution platforms that resolve family disputes. Uitelkaar. nl is one such One Stop Shop Dispute Resolution platform that uses technology to assist couples in obtaining a divorce or separation at an affordable price in The Netherlands. The platform is mainly suitable for couples who have low levels of conflict and are reasonably self-reliant. It provides end to end legal services for divorcing couples — from assembling required documents required to finalising the divorce to facilitating agreements on childcare and alimony. Mediators, case-managers and lawyers guide the separating couple through each step-by-step, thus combining technology with human assistance.

Uitelkaar.nl was founded in 2017 by Laura Kistemaker, Kaspar Scheltema and Michel Scheltema with the objective of a) utilising online environment to support people in staying in the drivers' seat when undertaking problem solving, b) utilising online environments to strengthen the self-efficacy of people by providing a clear and transparent structure, actionable legal information and support tools, all backed by a team of online and offline available professionals, and c) merging the information gathering, intake and inventorisation, dialogue and negotiation, mediation and adjudication to encourages a problem-solving attitude and help people in staying away from polarisation and escalation.

The platform offers three types of plans to users the cost of which ranges from 250 Euros to 500 Euros. Users can also purchase 'add ons' such as partner alimony calculation, organising child support, aftercare (legal services provided in the aftermath of the divorce), online advice regarding the housing situation and others. Users having low levels of income are eligible for subsidies.

Process of product development

The first version of Uitelkaar.nl was championed by the then Legal Aid Board in the Netherlands. The Dutch Legal Aid Board and Ministry of Justice were seeking a new solution for divorce that a) would reduce costs of conflict, b) facilitate ownership of the solution, and c) reduce system costs. Hence, they provided initial funding and support to develop a platform called Rechtwijzer *uitelkaar*. To that end, they mobilised a broad range of stakeholders such as The Hague Institute for Innovation of Law (HiiL), Modria — a software developer along with several lawyers, mediators, legal services counter representatives, financial experts, communication experts, user experience/interaction designers, end-users among others. This platform dealt with divorce in The Netherlands, British Columbia and England & Wales, as well as landlordtenant issues in The Netherlands.

Rechtwijzer *uitelkaar* was operational from 2013 to 2016. It was integrated with the Dutch government's website 'Rechtwijzer' that provided users general information and pathways to support services on issues related to consumers, tenancy and debt. When the business model of Rechtwijzer *uitelkaar* did not prove to be financially viable, Laura Kistemaker, one of the

founding members of the platform with the support of HiiL, transformed it into a private company titled 'Justice42'. Justice42 was backed by social impact funding. The company Justice42 then launched Uitelkaar. nl. It was also supported by the Dutch Legal Aid Board but this time by subsidising the costs borne by couples who want to separate but cannot afford to pay for services provided by Uitelkaar by themselves.

Uitelkaar.nl went live in 2017. Since then, the platform has been continuously expanded and improved. Examples are: addition of parenting plan and mediation (2018), diagnosis tool (2020), redesign of the platform (2021), aftercare (2021), technical integration of add ons (2021), children's module (2021), modular texts (planned for 2022), connection to electronic court filing (planned for 2022).

User-centred Design

A constant feedback loop with the clients has been built into the system with end-users having been involved in the entire process of the product design cycle. The platform automatically sends out surveys in different phases of the process and produces real time data visualisation in dashboards through PowerBI. This enables the team to analyse how people experience and interact with the platform. Extensive questionnaires are also integrated in the process and feed into data dashboards that are used to identify areas of improvement.

The team of Uitelkaar also interviews endusers to understand their experience of using the platform. The platform has its own online community which serves as a sounding board for various services that the platform provides.

Process of dispute resolution

Uitelkaar aims to facilitate discussions and agreements between the separating couple, deescalate disputes and help the separating couple in transitioning into a new kind of relationship. While the platform is automated and offers a digitally structured process, it also provides human assistance through case managers, lawyers and mediators. The process of using online dispute resolution services at Uitelkaar to initiate a divorce is as follows:

- Once the parties (or one of the parties)
 decide to use Uitelkaar, they are
 introduced to the different services
 offered by it and are provided an
 orientation of the platform and the range
 of services that are provided.
- When they decide the services that they would like to use, the two parties to the disputes (two accounts (partner A + B), one case) are registered on the platform.
- Then both parties complete an online questionnaire in which they provide information about themselves that is relevant to the dispute at hand. This step is known as intake.

- The next step is a dialogue between the parties to facilitate agreements, based on personalised suggestions offered by a case manager appointed by Uitelkaar. The disputing parties can reach out to the case manager via the platform, phone call and video conferencing. If further help is needed, then the parties can seek assistance of a mediator or take advantage of other add ons such as legal advice, alimony calculations, pension advice, mortgage advice, notary services, and mental coaching. They can interact with the mediator via online messaging, phone calls and in-person meetings.
- The case manager documents agreements on various aspects of the divorce such as division of assets, alimony, mortgage, parenting plan and so on. These agreements are then reviewed by a lawyer who interacts with the disputing parties via the platform, phone calls or in person meetings. The disputing parties are then provided feedback in several live/online negotiation meetings held before the divorce is filed in the court.
- Post issuance of a court order, Uitelkaar also allows the disputing parties to modify agreements if they wish to.



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Submission problem

One of the challenges that Uitelkaar encounters is getting both parties to the dispute to agree on using the platform. In the Netherlands context, however, is that 80% of divorcing couples follow a less or more cooperative process. The ODR process hence facilitates a majority of divorcing couples unless the submission problem is such that one partner may want to use the platform, whereas the other might want to go offline.

Impact

Uitelkaar has invested a lot in building and implementing an impact measurement matrix. New benchmarks are created even for the new additions or changes to evaluate whether they increase or decrease the impact. Reports that calculated the social return on investment indicated that for every Euro investment, social returns of 5.8 Euros were generated.

To monitor the satisfaction level of users, the platform sends automatic surveys at various stages of dispute resolution and aggregates the data on a real time basis on a Dashboard. After users complete the separation process, Uitelkar conducts another survey to understand whether the platform helped the users or disputing parties in moving on with their lives, in coping with negative emotions and in caring for their children.

Integration with the formal justice system

The organisation is periodically vetted by the Legal Aid Board. For this, it has to satisfy a long list of quality criteria. The vetting process allows the public authorities to refer to the platform, either digitally or through the legal aid service centres.

The dispute resolution process is strictly speaking a fully private process: it is not formally embedded in the court system. The scope of the process is to support people to reach an agreement, which is formalised in the divorce plan. This plan can be submitted to the court (in The Netherlands, there is an option that one lawyer does this on behalf of both spouses). The court then approves and formalises the plan, i.e. the output follows the regular process. Uitelkaar is mentioned in the policies of the Dutch Legal Aid board, enabling lower income people to get part of the fees covered by a state subsidy.

In general, integration into processes of partners in the 'supply chain' (organisations in the justice system) has been one of the biggest challenges. It takes a lot of lobbying and even when there is agreement, it takes long decision-making processes. As a one-stop-shop dispute resolution platform, Uiteklaar wants to create as many integrations that benefit the clients as possible. An example of an integration that recently took root is one with Legal Services Counters. Another one is with the governmental organisation responsible for maintenance allowance. Officers of this organisation now join a case on Uitelkaar to perform alimony calculations. They share the outcomes and communicate with clients through the platform.

In theory, the courts could easily adopt a process like this, and integrate the different kinds of services in their process. The concerns that they might have mostly relate to the leading interpretation of the independence of the judiciary: rather than a conception of a neutral judge, the interpretation dictates that courts do not cooperate with other organisations in their primary processes.

Scaling

Acquisition costs are high due to the one-off character of divorce. Running costs of the platform are also high. Therefore, there is a need for volume. Currently, it is the online divorce platform that meets the criteria set by the Legal Aid Board. However, this is not communicated widely (for example on the government website pages about divorce). Competing with search engine rankings of government services, puts a strain on marketing budgets, while leaving citizens in the dark about governmental approval and quality of service. Other online divorce providers that demonstrably deliver less quality, but are not restrained by the Legal Aid Board criteria, are allowed to have a competitive advantage this way. In addition, these providers receive higher legal aid fees due to being allowed to follow a different financial legal aid scheme than the one UitElkaar is bound to. In order to be able to continue and scale the platform, it is needed that the government sets up a uniform regulatory system for all online divorce platforms and communicates widely which platform does meet the criteria.

Enabling Environment

As mentioned before, Uitelkaar.nl was preceded by Rechtwijzer uitlelkaar. Rechtwijzer uitelkaar received positive reviews from its users and also received international recognition, but the Dutch bar association raised several concerns and asked the lawyers who collaborated with the platform on how they maintained duty of care. It was resistant to this new tool where the role of lawyers was being redefined from being a director of divorce procedures to that of facilitators and reviewers of divorce procedures. Eventually, the platform had to be shelved as it faced financial difficulties since the platform did not generate sufficient revenue via users and funding from the Dutch Legal Aid Board had also come to a stop. However the Dutch Legal Aid Board maintained its stance that it was open to innovations such as this one, but cannot itself be an innovator.

Uitelkaar.nl was launched again by Laura Kistemaker and her associates in 2017 with the help of social impact funds. To show its support for the platform, the Dutch Legal Aid Board advertises the platform on its website Rechtwijzer. To be able to take advantage of this kind of advertisement, Uitelkaar.nl has to meet several criteria set out by the government. Another way the Dutch government supports Uitelkaar. nl is by subsidising the cost borne by lowincome couples when using Uitelkaar.nl. However, Uitelkaar.nl wishes to receive more visibility via referrals made on several other government websites such as a Rechtwijzer (Kistemaker 2021). As for the response of lawyers to this new platform, they continue to have reservations about it.

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Other competitors in the market

Uitelkaar.nl is a preferred supplier for the digital divorce procedure. There are no competing ODR processes in the Netherlands for divorce that provide end-to-end legal services, with access to legal professionals, to couples who are undergoing separation. Another factor that sets Uitelkaar apart from other service providers is that it is vetted by the Dutch Legal Aid Board. Even so, non-ODR routes for divorce are currently available and are likely to exist for the foreseeable future in the Dutch context. They include:

- Either one divorce lawyer, often certified as a mediator, acts for both spouses seeking a divorce, or
- One separate divorce lawyer, often certified mediator, works for each spouse, or
- The spouses seeking a divorce reach out to mediators without formal legal qualifications, or
- There are a few one stop shop dispute resolution platforms (which can be companies with in-house legal, mediation and financial capabilities), or
- Websites offering templates for divorce plans.
- In addition to these, there is a larger group of lawyers who use an online proposition in the online marketing communication. The more common process of these is that people can fill out a questionnaire, where a word or pdf document is generated upon submission.

Lessons learnt

Lessons learnt from the experience of setting up Uitelkaar are:

- "Submission Problem" is still an important missing gap. One first needs to convince two people who are not always agreeing with each other to use the same platform to agree on a divorce plan. A strategy that works is to have one of the divorcing partners on board and then help him/ her to convince the other. Seducing rather than submitting works.
- Focusing on one strategic geographical area with a specific justice issue is a great starting point. However, over time, it is important to expand and modify the platform to other geographic areas as well as justice problems.
- How can we ensure a mindset sync between the public and private sector? In the end, bringing about a change is about people and their mindsets. Things take a long time when working with the government and decision-making is not always transparent. There is a constant tension because one has to survive as an independent organisation. For example, to work with the public sector, the private players need to develop patience and the ability to wear many hats, including those of a civil servant and an entrepreneur. The influence of the public sector is also significant in deciding the direction of work for the private providers. Key question is to create a shared mindset between the public and the private sector. It starts from working together - creating joint platforms and projects to get to know one another. This relationship building requires a lot of investment in time and resources.

- The potential for private service providers to integrate services in the process is huge. This is because many divorces typically are a bundle of issues with a different nature (financial, social, pedagogical, legal, communicative, administrative). For the private sector providers, it becomes a mix of software development and consulting. Significant amount of work is also about changing the narrative about the use and need of the one stop shop dispute resolution platforms. Being a privately owned business also allows for bringing more innovative and dynamic thinking into the system, while focusing on making sure the people-centred approach is not ignored.
- The lobby of the lawyers and mediators continues to be too big to go for all digitally backed dispute resolution processes such as one stop shop dispute resolution platforms. There is also a strong lobby of the Bar Association which is not much in favour either. There is an existential fear on the side of the lawyers. This is the root of their opposition. They start telling the world that the platform cannot have the same quality that they bring and that OSSDR is a sub-optimal way to get to a solution and may create other kinds of issues for the users. OSSDR platforms can try to prove themselves on providing a great quality product. Getting vetted by the government and being transparent is a huge validation. Funnily, however, this does not convince the lawyers - even satisfied users do not convince them! Resistance is also a sign of it being a truly disruptive innovation. There is no 'association' of private ODR suppliers yet which can help against these lobbies for now.
- A good strategy is to align with stakeholders who can be your ally in the process. For example, there are innovative lawyers, who can see a value in OSSDR platforms, who can help in convincing the Bar Association. It is important to realise that all lawyers may not be disrupted. There will be those who can also gain other sources of income from OSSDR platforms, such as becoming a mediator/arbitrator in changing times. Even other prominent voices that can help create a stronger collective voice for integration of OSSDR in the formal systems help.
- default service, it would be a huge leap forward. Being an open platform focused solely on the end-user, one needs a lot of marketing power. One has to become known, especially in the field of disputes. This is not very easy to do. People do not think about the disputes until they experience it. It is difficult to create a brand name in dispute resolution. Thus, a more suitable approach for marketing could be taking the slower route, that is to become embedded in the public system and become the preferred supplier.

Critical Success Factors

Factors that played a critical role in the success of Uitelkaar are:

- Support from the Dutch Legal Aid Board, in terms of funding as well as willingness to implement innovation procedures, were instrumental in conceptualising and operationalising the online divorce tool.
- Uitelkaar monitors satisfaction levels of users via surveys and has also demonstrated good social returns on investment to impact investors.

Source

Kistemaker, L. (2021). Rechtwijzer and Uitelkaar. nl. Dutch Experiences with ODR for Divorce. *Family Court Review*, *59*(2), 232-243.

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To learn more, read the <u>policy brief</u> on One-stop Shop Dispute Resolution or visit www.hiil.org and dashboard.hiil.org.

