



# A new route to qualification: the Solicitors Qualifying Examination

## About the SRA

**The SRA is the regulator of solicitors and law firms in England and Wales, protecting consumers and supporting the rule of law and the administration of justice.**

Our aim is to develop policy and regulation that:

- protects the public and helps them to understand the protections they have
- makes sure individuals have the right knowledge and skills when they enter the profession
- makes sure individuals apply clear ethical standards and deliver a proper standard of work
- encourages the provision of flexible, accessible and affordable legal services to the public and business consumers
- gives solicitors more flexibility and makes it easy for them to provide legal services.

We have a number of projects that will deliver these objectives. Training for Tomorrow, of which this consultation is a part, is reviewing the education and training of solicitors to better assure their competence. As part of Training for Tomorrow, we have already published a Statement of Solicitor Competence, which sets out what solicitors need to be able to do to perform their role effectively, and which provides consumers of legal services with a clear indication of what they can expect from their solicitor. We have also introduced a new approach to ensuring that the skills and knowledge of qualified solicitors remain up to date.

This is the second consultation on how to assure consistent and comparable high quality standards at the point of admission.

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## Foreword



**Enid Rowlands, Chair of the SRA Board**

**The professions are changing and changing fast as they respond to new pressures, new business models, new markets and new technology, both at home and in a vast international marketplace offering a wide range of choice to business and individual consumers.**

We know that the solicitors of the future will need outstanding skills and high professional standards in order to compete in these rapidly changing domestic and global marketplaces.

Our proposals are all about setting and assuring high, consistent, professional standards for the future. This is what will support the brand of solicitor and protect the interests of the public, consumers and the profession itself.

Introducing a modern, up to date assessment – the Solicitors Qualifying Examination (SQE) – will make sure solicitors have these high standards from when they first qualify. It will address the current problem of inconsistent and variable provider-dependent pass rates across the Legal Practice Course and Common Professional Examination, as well as providing a single assessment for all regardless of which route into the profession they take.

And, of course, an entrance examination is common practice in other major jurisdictions, from New York to New Zealand. At home, the public appetite for a central assessment is also strong. Four in five adults in England and Wales told us they believed everyone should pass the same final exam to become a solicitor, while three quarters said they would have more confidence in solicitors if they all passed the same final exam<sup>1</sup>.

We have considered, analysed and absorbed feedback – both positive and negative – from our initial consultation on the principles of the SQE. We have listened to voices from every quarter and the model on which we are now consulting has evolved considerably. We are proposing a substantial, rigorous assessment, covering knowledge of the law, legal process, legal thinking, drafting, writing, presenting, negotiating, arguing a case and analysing claims and transactions.

I believe that the new SQE, and the package of measures that sit alongside it, will serve individuals, employers and the profession well.

I encourage you to engage with the new proposals and to take this opportunity to influence the future qualification requirements for solicitors.

A handwritten signature in black ink, appearing to read 'Enid Rowlands', written in a cursive style.

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<sup>1</sup> [www.comresglobal.com/polls/solicitors-regulation-authority-solicitors-education-research](http://www.comresglobal.com/polls/solicitors-regulation-authority-solicitors-education-research)

## Why introduce the SQE?

**Our Training for Tomorrow programme is reviewing the education and training of solicitors to better assure their competence. As part of Training for Tomorrow, we have already published a Statement of Solicitor Competence, which sets out what solicitors need to be able to do to perform their role effectively and which provides consumers of legal services with a clear indication of what they can expect from their solicitor.**

We have consulted in general terms on a new approach to qualification, through a standardised assessment for all intending solicitors. This is the second consultation on how to assure consistent and comparable high quality standards at the point of admission, and sets out more detail on our proposals for how solicitors might qualify in the future.

We propose that in order to be admitted as a solicitor, individuals would need to pass a new centralised exam, called the SQE. This would be divided into two parts. The first stage would test a candidate's ability to use and apply legal knowledge and the second stage would test legal skills. In addition to passing the SQE, new solicitors would need to:

- hold a degree, apprenticeship (or equivalent)
- have undertaken a substantial period of workplace training (probably 24 months, certainly no less than 18 months)
- meet our character and suitability requirements.

### SQE benefits

Our proposals would provide a more reliable and rigorous test of competence than is possible at present. At present, the numbers of organisations involved in assessing prospective solicitors make it difficult to ensure all new solicitors are assessed to the same standard.

- Around 110 universities assess students on the Qualifying Law Degree, Common Professional Examination (CPE) and Legal Practice Course (LPC).
- Pass rates vary on the LPC from below 50 percent to 100 percent, for reasons which we do not fully understand.
- More than 5,000 law firms are authorised to take trainees. At any one time about 2,500 firms employ trainees.
- There is no clear performance standard to help guide firms to make decisions about whether their trainees are competent to qualify.

The new model would introduce transparency and competitive pressures to drive up standards and reduce cost. In the current system, prices for the LPC have risen inexorably since it was introduced, in part (at least) because price is used as a proxy for quality. The proposals would also remove the LPC gamble in which some students pay up to £15,000 for an LPC in the hope of securing a training contract.

## What does the proposed SQE look like?

Our proposed examination model is split into two stages: **SQE stage 1** and **SQE stage 2**. The SQE is based on the **Statement of Solicitor Competence**, published in April 2015.

Overview of the SQE	
Stage 1	Stage 2
<p><b>6 x Functioning Legal Knowledge Assessments:</b></p> <ul style="list-style-type: none"> <li>• Principles of Professional Conduct, Public and Administrative law, and the Legal Systems of England and Wales</li> <li>• Dispute Resolution in Contract or Tort</li> <li>• Property Law and Practice</li> <li>• Commercial and Corporate Law and Practice</li> <li>• Wills and the Administration of Estates and Trusts</li> <li>• Criminal Law and Practice.</li> </ul>	<p><b>2 x 5 Practical Legal Skills Assessments:</b></p> <ul style="list-style-type: none"> <li>• Client Interviewing</li> <li>• Advocacy/Persuasive Oral Communication</li> <li>• Case and Matter Analysis</li> <li>• Legal Research and Written Advice</li> <li>• Legal Drafting.</li> </ul> <p>All five assessments must be taken and passed in the same two practice contexts of the candidate's choice, making a total of ten assessments.</p> <p>The practice contexts are: Criminal Practice; Dispute Resolution; Property; Wills and the Administration of Estates and Trusts; Commercial and Corporate Practice.</p>
<p><b>1 x Practical Legal Skills Assessment:</b></p> <ul style="list-style-type: none"> <li>• Legal Research and Writing.</li> </ul>	

- We expect many candidates will take SQE stage 1 before their work-based experience, and SQE stage 2 at the end of their work experience.
- Candidates must pass all SQE stage 1 and SQE stage 2 assessments. We would provide candidates with their scores for each of the modules, but we would not provide grades for the examinations beyond "pass" or "fail".
- We have developed a detailed Assessment Specification which sets out what outcomes we expect to be tested within the examination.
- The six functioning knowledge assessments in the SQE stage 1 would use computer-based, objective testing, using the following question formats: single best answer questions, extended matching questions, and multiple choice questions.
- All of the assessments would include unflagged ethical questions.

## When and where would the examinations happen?

At least in the first years of the SQE, we propose assessments would be available in two sessions per calendar year. We will work with stakeholders to identify the most appropriate times for these sessions to take place.

## Period of validity

We propose that candidates should have six years from assessment for the first stage 1 assessment to the date they receive their final result for the stage 2 assessment. This would apply to full and part-time candidates.

## Will SQE results be published?

Yes, on an anonymised basis. We would exclude small datasets where individuals might be identifiable, in order to comply with our obligations under the Data Protection Act 1998. In addition, we would publish or report on:

- the pass mark
- the number of candidates who sat the assessment
- the pass rate
- the distribution of candidate scores (for example, by decile, top and bottom marks)
- the proportion of candidates passing and failing the SQE in terms of their protected characteristics (for example, the number of females entered, the percentage of females that passed the SQE stage 1 and stage 2), socio-economic background, prior education and SQE training.

Candidates would receive their raw score and standardised score for each assessment. The individual scores of named candidates would not be made publicly available. Recruiters and employers would be free to ask candidates for their SQE scores. Candidates could use their scores as they wish.

## Work-based learning

**Many respondents to the first consultation stressed the importance of time spent in the legal workplace prior to qualification and wanted it to be retained in the new model. However, other respondents flagged the difficulty in obtaining a training contract as a barrier to becoming a solicitor, and welcomed our proposals for a more liberal approach to workplace learning, recognising experience obtained outside a formal training contract.**

We would continue to require intending solicitors to complete a period of pre-qualification legal work experience. The experience a candidate obtains through the period of work-based learning should enable them to develop the competences in the Statement of Solicitor Competence. Periods of experience acquired in a variety of ways could contribute to this requirement, for example:

- Under a formal training contract.
- Through working in a student law clinic.
- As an apprentice or a paralegal.
- Through a placement as part of a sandwich degree.

Candidates would typically complete the SQE stage 1 before undertaking their period of work experience and we would expect candidates to take the SQE stage 2 at the end of their period of work-based learning.

## Would work experience be formally assessed?

No: it is clear from our own work-based learning pilot, and from experience in other sectors, that it is difficult to assess work experience on a consistent basis. Instead, we would test candidates' competence via the SQE stage 2.

### **How long should qualifying legal work experience last?**

We are unconvinced that 12 months is long enough to develop the appropriate experience and skills and see significant merit in maintaining the current requirement for 24 months. However, some have made the case for either 18 months or a more flexible approach. While we are minded to require 24 months, we would value more feedback in the light of this consultation.

### **Where could qualifying legal work experience be gained?**

Legal experience would need to be obtained either in an SRA-regulated entity or under the supervision of a solicitor in a non-SRA regulated entity. We would expect employers or the supervising solicitor (where work experience was not gained in a regulated entity) to sign a declaration that a candidate had had the opportunity to develop the competences in the Statement of Solicitor Competence through the required period of workplace experience.

Periods of experience acquired under a formal training contract, through working in a student law clinic, as an apprentice or a paralegal, or through a placement as part of a sandwich degree could all contribute to this requirement.

### **When should work-based learning take place?**

Candidates would need substantial work experience in order to pass SQE stage 2. The workplace experience could be undertaken at any point ahead of admission. But we expect and would issue guidance stating that the bulk of it should be completed before sitting SQE stage 2 to give candidates the best possible chance of passing. Thus completion of work-based learning would be required by the point of admission, not as a condition of eligibility to sit SQE stage 2.

### **How is this more flexible than the current system?**

Obtaining a training contract is currently one of the main barriers to qualification as a solicitor. We would recognise a greater variety of experience, obtained across a number of different workplaces. We expect many law firms will wish to continue to offer formal training contracts. But including a wider range of experience would allow candidates to seek innovative ways of gaining workplace experience. It might also give more flexibility to firms who might wish to offer a training experience, but feel unable to do so under the current system.

## **Procurement, cost, and preparatory training**

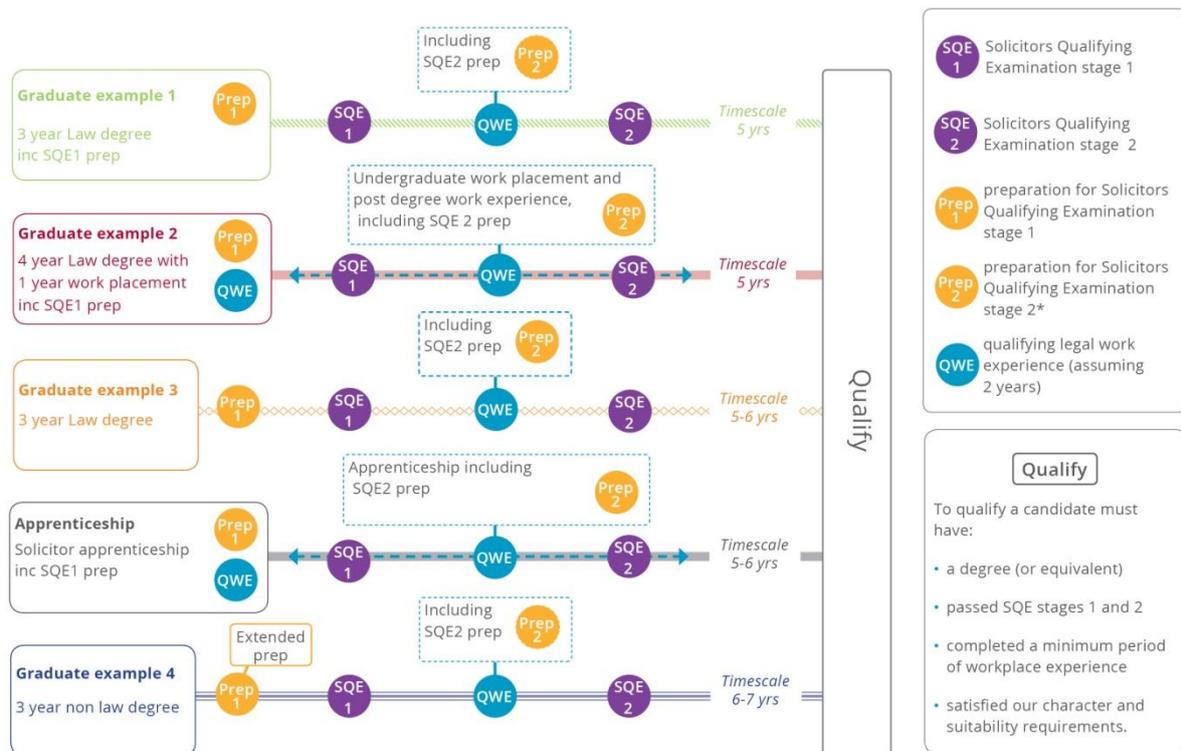
**We would procure an independent assessment organisation to run and deliver the assessment. Standards would be set through the use of expert panels, made up of academics and practitioners.**

We have modelled costs, but the exact level of fees will be set as a result of the procurement exercise. However, our modelling suggests that the SQE (and training) would cost students less than the LPC. The SQE stage 1 assessment would be fairly inexpensive as a result of

the assessment methods used. Students would have a chance to secure a training contract or qualifying work experience ahead of sitting the more expensive SQE stage 2 assessment.

We do not propose to specify how candidates prepare for the SQE, but we would instead support students in making informed choices through publishing data about the performance on the SQE of candidates from particular education and training providers. We believe this new approach would create a more open market which would allow candidates to choose the training which best suits their circumstances, and where competitive pressures could raise standards and reduce cost. At the same time, the SQE would ensure high standards were maintained. Initially, we will publish 'exemplar pathways' demonstrating some, but by no means all, of the ways in which candidates could choose to qualify. This might look like the diagram below. We would also publish a toolkit to make students aware of their options and help guide their choices about what the best training options might be for their circumstances.

A possible new approach to solicitor qualification



\* SQE prep 2 may not always be required as work experience alone may be sufficient preparation for the SQE 2 assessments

## Exemptions

**Our proposal in the first consultation was that anyone wishing to become a solicitor would need to pass the SQE (including overseas lawyers and apprentices) and that we would offer no exemptions except for those required by EU legislation.**

The landscape has changed since our first consultation and, in light of Britain's anticipated exit from the EU, it is unclear what the regulatory requirements will be for EU nationals working in the British legal professions. The exemptions offered to EU nationals will depend

on the agreements reached on access to the single market but we will ensure that our qualification structure complies with the legal requirements eventually implemented.

Our central position remains that the overwhelming majority of those becoming solicitors in the future should have passed both stages 1 and 2 of the SQE.

We will hold separate discussions with other relevant legal regulators about what (if any) arrangements for the automatic recognition of title and qualifications might be appropriate where equivalence with the SQE, or aspects of it, can be demonstrated.

## Timescales and transitional arrangements

**Our proposal is that the new regulations should come into effect in August 2019. We recognise that whenever and however we change our qualification regulations, some candidates will be part way through the existing routes to qualification when the new regulations come into effect.**

We have looked carefully at transitional arrangements for the new framework. We have come to the view that we should introduce the SQE on the following basis:

- We would require all overseas candidates and apprentices to take the SQE from September 2019.
- Domestic candidates who have started a Qualifying Law Degree, CPE, LPC or Period of Recognised Training before September 2019 would be able to choose whether or not to qualify under the old route (subject to availability) or to take the SQE. If they take the SQE, they must meet all our requirements (including holding a degree or equivalent, and undertaking the requisite workplace experience). The long stop date for qualification under the old route to qualification would be 2024.
- Individuals who start a law degree or post-graduate conversion course in September 2019 or after may no longer qualify through the existing route and must take the SQE.
- Qualified Lawyers Transfer Scheme (QLTS) candidates who had successfully completed QLTS 1 could choose to do either QLTS 2 (subject to availability) or the SQE stage 2.

We believe that this approach is fair to candidates who are part way through qualification when the SQE is introduced. It creates a market-led approach to implementation in which these candidates can choose the best route for their particular circumstances. It will also allow the education and training market time to adapt to the new landscape.

We would undertake a post-implementation evaluation of the SQE. This could take the form of a cohort study to look at consistency, effectiveness and equivalence of particular routes to qualification, attainment by protected characteristic and socio-economic background. We would welcome views and suggestions about the focus of the evaluation.

**We welcome feedback on the proposals, either on the package as a whole or any particular areas with which you agree or disagree.**