



Solicitors
Regulation
Authority

Application by the Solicitors Regulation Authority to the Legal Services Board under Part 3 of schedule 4 to the Legal Services Act 2007 for the approval of:

- **regulations 1.1-4.1 of the SRA Authorisation of Individuals Regulations [20XX]**
- **the SRA Handbook Glossary 2012 (Amendment) Rules [20XX]**
- **the Solicitors Qualifying Examination (SQE): approach to qualified lawyers seeking admission as a solicitor of England and Wales – the principles**

12 January 2018

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Section A – What are we proposing?

What is this application for?

1. This application asks the Legal Services Board (“LSB”) to approve:
 - regulations 1.1 – 4.1 of the SRA Authorisation of Individual Regulations [20XX] (see annex one)
 - the SRA Handbook Glossary 2012 (Amendment) Rules [20XX] (see annex one)
 - the Solicitors Qualifying Examination (SQE): approach to qualified lawyers seeking admission as a solicitor of England and Wales – the principles (see annex six).

This application refers to regulations 1.1-4.1 of the SRA Authorisation of Individual Regulations as “the SQE Provisions”. The SQE Provisions will give us the power to introduce new admission requirements for anyone wishing to qualify as a solicitor, including a requirement to pass the Solicitors Qualifying Examination (SQE).

Why are we applying now?

1. Now is the right time to apply for approval of the regulatory arrangements that will give us the power to introduce the new admission requirements. There is a clear public interest in having certainty around the key principles of the SQE, and this would flow from the LSB decision. The decision will enable us to move to the next phase of work to test and develop the detail of the assessment. It would also provide the market certainty which will enable stakeholders to respond to the SQE.
2. We have consulted extensively both on the SQE Provisions and on the underlying policy. We have decided on our new requirements for admission as a solicitor. This will include the requirement to pass a centralised assessment, undertake a period of qualifying work experience, have a degree or equivalent and meet our character and suitability requirements. We have also agreed our approach to qualified lawyers who want to qualify as a solicitor in England and Wales. We are now ready to do the necessary work to prepare for the introduction of the new requirements and need the certainty of a clear framework in place in order to do so.
3. The SQE provisions provide a clear and certain framework against which the detailed structure and content of the assessment will be developed. The assessment content and structure are likely to change over time both during the development and testing phase as well as after implementation

as we carry out our ongoing evaluation. Just as, the content and structure of the Legal Practice Course has changed over time under the current system.

4. We recognise that you will want assurance that we have proper processes in place to ensure the effective implementation of the new admission requirements. Our Board will make the final decision about whether we are ready to go-live. They will only do this if they are satisfied that the SQE assessments are:
 - manageable
 - value for money
 - reliable
 - valid.
5. We have already done substantial work – including developing a detailed [Assessment Specification](#) – to satisfy ourselves that the SQE is in principle able to meet these criteria. We need to test the assessment design described in the draft Assessment Specification. Our Board will make the go-live decision after they have fully considered the evidence from the testing and development phase of work. Because of this, we want to move to testing and development as soon as we can. To do this we need to appoint an expert assessment organisation to begin this work.
6. In addition, we know that the market is already reacting to the potential introduction of the SQE and we want to ensure to the market has the certainty it needs to respond. A decision now will give:
 - education providers and firms as long a lead in time as possible to prepare for the new system¹
 - potential candidates certainty about future arrangements as early as possible
 - the assessment provider certainty that the regulatory arrangements have been approved before we finalise the contract².
7. Universities need significant lead-in time to introduce a new course. Law firms recruit trainees up to two years ahead and will need to consider how they might change their recruitment practices when the SQE is introduced. Although the SQE is not yet fully developed and providers cannot design

¹ This is particularly relevant considering the CMA guidance to higher education providers on consumer law which includes advice on communicating course changes to students https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/428549/HE_providers_-_advice_on_consumer_protection_law.pdf

² The target date for this is April 2018

new training yet, they can start to plan for these changes by referring to the draft assessment specification. We want to give them the maximum time possible to do this so that they are ready when the changes come into effect.

8. The new assessment organisation will have to invest significant funds in the development of the SQE before it is able to recoup any costs from candidates. The financial risk to the appointed assessment organisation will be greater if the regulatory arrangements have not been approved before we agree the final contract. This increased financial risk might mean that the interested organisations decide not to proceed or alternatively that the increased risk is reflected in a higher contract price, which would mean in this case an increase in the SQE assessment fees charged to candidates.
9. We intend to put in place additional arrangements to give effect to regulations 1.1(a) of the SQE Provisions. These arrangements will include mandatory awarding requirements for candidates sitting the SQE assessments relating to, for example, the number of retakes, the total time a candidate can take to pass the SQE assessments, complaints and appeals regulations. These arrangements will not take the form of SRA regulations but will be set out in supporting documentation and will be administered by the assessment organisation. We will finalise them through discussion with the assessment organisation once appointed. We will apply to you separately for approval of these as appropriate in due course.
10. We propose the SQE Provisions and the principles for qualified lawyers should come into force on a date yet to be determined by the SRA Board, but no earlier than September 2020. The SQE Provisions will form part of the proposed SRA Authorisation of Individuals Regulations, which were consulted on in Autumn 2017 as part of our Handbook Review. The SRA Authorisation of Individuals Regulations will, if approved, replace the SRA Training Regulations 2014 – Qualification and Provider Regulations and the Qualified Lawyers Transfer Scheme Regulations 2011.
11. That current consultation includes the remainder of the new Authorisation of Individual Regulations and outlines proposals for:
 - simplification of the regulations governing the current qualification system.
 - arrangements to end the existing qualification system
 - transitional arrangements for anyone who has started the current qualification system when the SQE is introduced, including qualified lawyers.
12. The target date to apply to the LSB for approval of these changes is June 2018. If approved, the remainder of the Authorisation of Individual Regulations will come into force before the SQE Provisions.
13. This application does not seek approval of the remainder of the Authorisation of Individual Regulations. Nor does it seek approval for the repeal of the SRA Training Regulations 2014 – Qualification and Provider

Regulations. We will apply to the LSB for approval of those changes in June 2018 as part of our application for approval of the Handbook reforms.

How did we get to this point?

14. We set out our intention to consult on changes to the way we regulate education and training in our 2013 [Training for Tomorrow Policy Statement](#). That statement outlined our desire to move from:

...a system where we prescribe the pathways to qualification... to one in which we set out the day-one skills, knowledge and attributes that a new solicitor must possess and permit much greater flexibility as to how those competences are acquired.
15. We published a new [Statement of Solicitor Competence](#) in April 2015. This was accompanied by:
 - [Statement of Legal Knowledge](#): the legal knowledge that solicitors are required to demonstrate by point of admission
 - [Threshold Standard](#): the minimum standard the competences in the Competence Statement must be demonstrated to.
16. These documents define the standards for practice as a solicitor and the competences that aspiring solicitors need to demonstrate in order to qualify. They were developed through extensive engagement with focus groups, a Delphi group of experts, large scale public research and a formal consultation. In all, we engaged with around 2,000 consumers, solicitors and other stakeholders when developing the Competence Statement.
17. We have consulted three times on our proposals to introduce the SQE in addition to our consultation on the Statement of Solicitor Competence. Over the past two years, we have spoken to more than 10,000 people, and received more than 540 responses to our three consultations. In our [first SQE consultation](#), published in December 2015, we explained the two core objectives of our reform programme as:
 - Focusing more rigorously on assuring consistent and comparable high-quality standards at the point of admission across all pathways to qualification.
 - Ensuring the most talented candidates can qualify as a solicitor by encouraging the development of new and diverse pathways to qualification, which are responsive to the changing legal services market and remove artificial and unjustifiable barriers.
18. We proposed that the best way to meet both objectives was through the introduction of a common professional assessment for all aspiring solicitors. This would replace the current requirement to pass a qualifying law degree (“QLD”), Legal Practice Course (“LPC”), Professional Skills Course (“PSC”)

and complete a Period of Recognised Training (“PRT”). Through the development of the Statement of Solicitor Competence and its associated documents, we could confidently determine the subjects and scope of what would be assessed in the SQE.

19. In our [second SQE consultation](#) we proposed that to qualify as a solicitor candidates would have to pass a new centralised examination: the SQE. Candidates would also need to hold a degree, apprenticeship or equivalent, have undertaken a substantial period of workplace training and meet our character and suitability requirements. We said that we would procure an independent assessment organisation to run and deliver the assessment and we would not specify how candidates prepared for the SQE. Instead, we would support students in making informed choices through publishing data about SQE pass rates of education and training providers.
20. There has been some positive feedback on our proposals, especially from those less invested in the current system. But other stakeholders have been opposed. We have carefully considered all the feedback received and adjusted our proposals along the way. Full details of the feedback on the consultations and how we responded is set out in section G.
21. Our Board decided to go ahead with the SQE in April 2017. We published our [third SQE consultation](#) in May 2017. This consultation sought views on the regulations that would implement the SQE. It also sought views on our proposals for recognising the previous qualifications and experience of qualified lawyers and the principles for qualified lawyers.

What changes are we proposing?

22. The SQE Provisions will set out the requirements for anyone wishing to qualify as a solicitor in England and Wales. These are:
 - A degree or equivalent qualification or experience
 - Passing the SQE. This will enable candidates to demonstrate:
 - the competences set out in the Statement of Solicitor Competence and
 - the knowledge set out in the Statement of Legal Knowledgeboth to the standard prescribed in the Threshold Standard
 - Completing qualifying work experience. This must be:
 - at least two years duration (or part time equivalent)
 - certified by either a solicitor or a compliance officer for legal practice (COLP)

- Satisfactory character and suitability, assessed at the point of admission.
23. The SQE Provisions also set out the requirements for the period of qualifying work experience and admission requirements for qualified and part-qualified lawyers³.

Why are we proposing these changes?

24. It is our role to make sure that both the public and employers can trust that newly qualified solicitors are fit to practise. It is also our role to encourage a diverse profession. How solicitors are currently trained means we cannot say with confidence that qualifying solicitors all meet consistent, high standards when they begin their career. In addition, the cost of training and access to training contracts makes it harder for candidates from disadvantaged backgrounds to qualify.
25. The current system is:
- Inconsistent – there are different routes into the profession that assess competence in different ways (see annex two)
 - Opaque – LPC and GDL pass rates between different providers range from 50 percent to 100 percent and it is unclear why there is such a discrepancy
 - Costly – qualifying can be expensive. Most trainees need to take an ‘LPC gamble’ paying up to £15,000 up front, with no guarantee of a training contract. Some talented candidates are left stranded whilst others are put off from attempting to qualify.
26. The introduction of the SQE should address these problems. Most importantly, it will mean we can assure users of legal services, the profession and employers that all qualifying solicitors, regardless of pathway or background, have met consistent standards.
27. It could also create new opportunities. We welcome different routes to qualification, such as apprenticeships, because they help attract the best candidates from a wider range of backgrounds. But different routes can only work if there is a rigorous, independent check to make sure everyone meets the same high standard. An independent assessment will enhance confidence in the various routes into the profession and help challenge perceptions that some routes are better than others.

1. ³ These rules are designed to give effect to the Morgenbesser³ decision which we are required to do under EU law.

28. The SQE should benefit:

- The public
 - [In a Comres poll](#) four out of five people thought all new solicitors should pass the same final examination.
 - SQE will mean people can trust solicitors have met the same high standards.
- Law firms
 - They will have a better guarantee of standards.
 - The talent pool they can choose from may widen.
 - There will be more flexibility to tailor their training to best work for their trainees and business needs.
- Education providers
 - They will be able to clearly demonstrate, through a transparent comparable assessment, how effectively they are training their students.
 - There will be more flexibility to use their expertise to teach in the way they think best.
- Would-be solicitors
 - They will be able to make choices, based on clear evidence, about how to train and which providers to choose.
 - The best candidates, from all backgrounds, will have a fair opportunity to qualify as a solicitor.
 - There will be a wider choice of routes into the profession.
 - It could help alleviate the training contract bottle-neck (see annex eight.)
 - There will be more information about the value for money of different routes and particular courses.

Section B – What do our current rules say?

29. They are based on our statutory powers in [section 2\(3\) of the Solicitors Act 1974](#). Our requirements for the education and training for persons seeking to practise as a solicitor are set out in the [SRA Training Regulations, 2014 - Qualification and Providers Regulations](#). These Training Regulations set out requirements for:
- anyone wishing to qualify as a solicitor
 - authorised education providers
 - authorised training providers
 - the period of recognised training.
30. Our Training Regulations also set out the current routes to qualification as a solicitor. These are through:
- the completion of specified academic and vocational stages of training
 - exemption from all or part of the academic or vocational stages or
 - the Solicitor Apprenticeship route.
31. The [Qualified Lawyers Transfer Scheme \(QLTS\) Regulations 2011](#) set out our requirements for lawyers from other jurisdictions and barristers of England and Wales who may want to qualify as a solicitor.

For anyone wishing to qualify as a solicitor

32. The requirements in our Training Regulations are based on a series of inputs or process requirements for each stage or route to qualification. They have been developed over time, in a piecemeal fashion. They are inconsistent.
33. Further, we have no guarantee that this assesses minimum competence on a consistent basis. For example, we do not have any competence standards for the academic stage of training. Instead we prescribe, through our [Joint Statement](#) with the Bar Standards Board (BSB), the areas of law a student must cover and the minimum number of credit hours for the course. We do not specify the topics which must be taught in those areas of law.
34. We have established a [set of outcomes that LPCs must deliver](#). These are set out in the [Legal Practice Course Handbook](#). But the LPC outcomes do

not describe 'day one' competence because the LPC is typically taken around two years before applying for admission as a solicitor. We also have the [Practice Skills Standards](#), which set out the skills which must be developed during the PRT.

35. We have a set of 'Day One Outcomes', which we use as the basis for the QLTS. But there is no alignment between the Day One Outcomes and the requirements of the domestic route to qualification. In contrast to candidates coming through the domestic route, qualified lawyers who seek to qualify here through the QLTS are required to pass an independent assessment of their knowledge and skills.
36. Candidates who wish to rely on [equivalent means](#) have their knowledge and skills assessed on paper by SRA staff and/or external assessors employed by the SRA.

For authorised education and training providers

37. Under the current arrangements, we specify the training for candidates qualifying as a solicitor through the domestic route. We approve and quality assure providers of that training. We authorise them to assess candidates on our behalf. But we use different mechanisms for authorising and quality assuring providers depending on the stage of training. For example:
 - Providers of the academic stage of training are approved through a system of self-certification.
 - For ongoing quality assurance of the QLD we rely on the institutions' internal quality assurance systems rather than undertaking any assurance activity ourselves.
 - For ongoing quality assurance of the CPE, providers must submit an Annual Course Monitoring Report.
 - For the LPC, providers seeking approval must submit a portfolio of information outlining how they meet the criteria set out within the LPC information pack. The course is validated through a panel event and quality assured through the Annual Course Monitoring Report.
38. In effect, our authorisation processes delegate our power to assess intending solicitors to training providers. Once delegated, we have no residual power to refuse admission if we consider that a candidate should not have passed a particular assessment. Once the university has made an academic award, we do not have power to remove it. We may sanction the university, but the student is free to qualify even if we consider minimum standards have not been met.

For the period of recognised training

39. We set out in some detail the requirements for the PRT. We prescribe a series of input requirements. For example, a trainee must work in both contentious and non-contentious areas, and must keep a training record. As stated, our Practice Skills Standards specify the skills that must be gained through a PRT. But these standards specify only the content to be covered during the PRT not the standard to which these skills must be performed.
40. There is currently no standardised assessment of a trainee's competence before they are admitted as a solicitor. Instead, we delegate responsibility for the sign-off of trainees' competence to the 5000+ firms that we authorise to employ trainees. We approve firms to take trainees through an application process and we reserve the right to monitor the quality of training. But we are not able to review the basis for sign-off decisions made by firms.

What is the effect of the current regulatory arrangements?

41. The effect of the current regulatory arrangements, therefore, is that:
- they prescribe a series of input measures that cannot guarantee candidates have met the required standard of competence before admission
 - they require education and training providers to be authorised by us but, given the large number of organisations assessing trainees, we can not be sure assessment judgments are all being made on a consistent basis
 - there is inconsistency between the different routes to qualification
 - the sign-off at the point of admission is delegated to 5000+ firms and is based on judgment rather than objective assessment against a clear performance standard.

But why not just improve the existing system?

42. In our 2014 Competence Statement consultation, we set out three options for reforming the qualification system (each aligned to the Statement of Solicitor Competence, the Statement of Legal Knowledge and the Threshold Standard):
- continuing to prescribe a limited number of pathways to qualification

- authorising any training pathway developed by a training provider that enabled a candidate to demonstrate meeting our standards
- developing a centralised assessment of competence that all candidates were required to undertake.

43. In the consultation paper we analysed each of these options against our objectives of consistency of standards and flexibility of training.

Option one: continue to prescribe a limited number of pathways

44. We considered carefully whether we could achieve consistent and robust standards through adjustments to the existing system. We identified how we could expand our existing quality assurance framework to set more requirements for the QLD, CPE and LPC. We could articulate clearer performance standards for each element of the qualification and require providers to ensure that what they taught corresponded to the Statement of Solicitor Competence. But we concluded that this alone would not provide an assurance of consistent standards. This option could also result in more rigid pathways than we currently have.

45. We also identified that we could require all providers to adopt modern standard setting processes as a condition of their approval and we could monitor assessment standards. However, this would be expensive and onerous. To be sure that we were happy with what and how universities were assessing students, we would need to review and check all examinations set by all providers on an annual basis. This would be likely to be resource intensive across 110 universities. And, even if we did it, we would still not know how the assessments aligned with teaching. In a distributed assessment model with a wide number of providers assessing candidates using different assessments, it would be an inefficient, and not necessarily effective, way of seeking to assure consistent standards.

46. We also concluded that this option would not address the problems with the high cost of the current training route, particularly if we added more cost to the running costs of the LPC because of additional requirements. Nor would it address the concerns about inconsistent sign-off by firms at the point of admission nor the difficulties some students have with securing a PRT.

Option two: authorise any pathway that met our standards

47. We also considered whether we could authorise any training pathway that enabled a candidate to demonstrate they could perform the activities set out in our [Statement of Solicitor Competence](#) to our [Threshold Standard](#). This would encourage more innovation and a more diverse training market, meeting our core objective of flexibility. But it would not address concerns about consistency of standards. We would still have a distributed assessment model with a wide number of providers assessing candidates using different assessment methods. Indeed, increasingly diverse courses would make it harder for us to assure that all candidates had been assessed against a consistent standard.

48. In practice, absolute consistency and fairness can only effectively be assured by candidates sitting the same examination. This has been recognised internationally. We looked at [18 other jurisdictions](#) and found 14 require candidates to take a centrally set examination. In the UK, centrally set examinations are widely used in other professions⁴.
49. Overall, we concluded that our twin objectives of consistency of standards and flexibility of training courses could only be achieved through the mechanism of a centralised assessment, and removing the requirement for candidates to follow pathways we specify. This option provides both a rigorous assessment against consistent standards and also enables us to permit greater flexibility in how candidates train for admission as a solicitor.

⁴ For example, they are used for admission to the pharmacy and accountancy professions and are soon to be introduced in the medical profession. The BSB also has an element of centralised assessment for the Bar Professional Training Examination

Section C What is the effect of our proposed changes?

50. The SQE Provisions will enable us to introduce a new qualification system for all would-be solicitors. After a transitional period, the SQE Provisions will replace parts of the SRA Authorisation of Individual Regulations.

51. After the transitional period, we will withdraw the:

- Academic Stage Handbook
- Legal Practice Course Information Pack
- Authorised Training Provider Information Pack
- Professional Skills Course Information Pack
- Trainee Information Pack
- Student Information Pack
- Equivalent Means Information Pack.

52. As we will no longer specify requirements for training, we will no longer be party to the Joint Statement once students completing degrees and CPEs which fall within the transitional arrangements have completed their courses. We are currently discussing the practicalities of this with the BSB, who have told us they also intend to withdraw from the Joint Statement as part of their own reform of the education and training of barristers. This will form part of the change to our regulatory arrangements arising from application relating to our Handbook changes which we will make in June 2018.

53. The SQE Provisions will set out four key requirements for admission as a solicitor. Candidates must have:

- a degree or equivalent
- passed the SQE
- completed qualifying work experience
- satisfactory character and suitability.

54. These can be achieved in any order before the point of admission.
55. In drafting the SQE Provisions we have aimed for clarity, simplicity and a focus on the core requirements for admission as a solicitor. We have avoided unnecessary prescriptive requirements. This aligns with the approach we have taken in reviewing the rest of our Handbook. It is also in line with the 2014 Training Regulations, which set out broad requirements and are supported by the information packs mentioned in paragraph 51.
56. We intend to put in place additional arrangements to give effect to regulations 1.1(a). These arrangements will include mandatory awarding requirements for candidates sitting the SQE assessments relating to, for example, the number of retakes, the total time a candidate can take to pass the SQE assessments, complaints and appeals regulations. These arrangements will not take the form of SRA regulations but will be set out in supporting documentation and will be administered by the assessment organisation. We will apply to you separately for approval of these as appropriate in due course. These requirements will be set by us. But they will be included in the Assessment Regulations which will be drafted and administered by the assessment organisation. They will form part of our contractual arrangements with them.
57. We will offer an online toolkit alongside the new regulations to help candidates and employers understand the requirements for qualification. For example, we will provide case studies and guidance on the range of different ways to meet the requirements of the period of qualifying work experience and on our policy for recognising lawyers qualified outside England and Wales.
58. We set out below the details of and rationale for the key requirements of the new qualification system. We have also analysed the new regulatory arrangements against the LSB's statutory guidance for legal education and training (see annex three).

Degree or equivalent

Why will we require this?

59. The skills which students develop by studying for a degree (analysis, the ability to manage your own learning, conceptual understanding, critical thinking) underpin the competences needed for safe practice as a solicitor. We have looked at the requirements for legal professions globally, and found that most countries require a law degree to qualify as a lawyer.
60. However, graduate attributes can also be acquired in other ways and we will recognise this. Solicitors have never been exclusively graduates. For many years, solicitors qualified through five-year articles. They can also still qualify through the legal executive route without a degree. We have no evidence to suggest that this has created any regulatory risk.

What will we require?

61. The SQE Provisions envisage that anyone wishing to qualify as a solicitor will be required to have: a degree; or a qualification equivalent to a bachelor's degree; or equivalent prior attainment. This will, for example, enable legal executives or apprentices who are non-graduates to continue to qualify as a solicitor.
62. We recognise that the skills developed by studying for a degree can also be built up through workplace experience. We do not want to stop candidates who can demonstrate they have achieved these skills in the workplace from qualifying as a solicitor. We will therefore also recognise these skills where they have been developed through prior experience.
63. We believe that the requirement for a degree or equivalent:
 - recognises the benefits this level of experience confers
 - will help establish the credibility of the new SQE qualification
 - will underpin the reputation of all solicitors of England and Wales and global law firms in the international market
 - is sufficiently flexible to prevent creating an unjustifiable barrier to admission.
64. Annex four provides clarification on what we will accept as equivalent to a degree. Candidates who wish to rely on work experience will need to show us that their experience meets the level descriptors in the frameworks in annex four. We will publish all of this as guidance.

The SQE

Why will we require this?

65. At present there is no consistent examination at the point of qualification for solicitors, and no mechanism to compare the different pathways. We cannot know from the current system that all aspiring solicitors are assessed against a consistent threshold standard and achieve the same outcomes. We cannot be sure, therefore, that all new solicitors are meeting the threshold levels of knowledge and skills that consumers expect of the profession for safe practice.
66. We know that pass rates vary across LPC and CPE providers from below 50 percent to 100 percent, but we do not know why. During 2015/16, we appointed Chief External Assessors to look at the assessments taken across the range of LPC providers. They identified variations in the ways in which students were assessed. For example, some providers permitted students to take any materials they wished into the assessment; others permitted some materials; others permitted none. The breadth of the

curriculum assessed varied. The length of the assessments varied. Some questions were more straightforward than others.

67. We cannot be sure, therefore, that there is a consistent or comparable standard of assessment across providers who adopt different assessment practices. We do not know how varied students' preparation for exams is – for example, whether they are told specific areas to revise.
68. Legal education is currently divided into academic, professional and work-based stages. This means students often learn substantive and procedural law separately. They may not be adequately assessed on the core professional competence of applying the legal principles they have learned in the academic stage of training to practical transactions or to solving clients' problems.
69. The LPC came into being before fees were introduced for degrees. It now costs £27,750 (plus living expenses) to graduate from a three-year undergraduate degree course. It is not proportionate for us to force all CPE graduates, and QLD graduates who do not qualify through Exempting Law Degrees, to take the LPC at an additional cost of up to £15,000 (with living expenses on top). There are other ways students can acquire the professional skills and knowledge currently taught on the LPC.
70. In a market where there is little or no independent information about the quality of courses, price is seen by students as a proxy for quality. The price of the LPC has risen inexorably since it was introduced. We see no evidence of downward competitive pressures on price.
71. We have set out above why we do not think it is possible to meet our objectives of greater consistency of standards and flexibility of pathways through improvements to the current system.
72. We believe, therefore, that the best way to assure standards is through a centrally set examination. The SQE will:
 - provide an independent assessment of those entering the profession, and clear, consistent and robust standards against which they can be assessed
 - use best practice in standard setting processes and ensuring valid and reliable assessments
 - be aligned to our [Statement of Solicitor Competence, Knowledge Statement and Threshold Standard](#) and so be a better assessment of the skills and competences that solicitors need
 - provide a more rigorous assessment of entry standards, which will better ensure solicitors are competent
 - address concerns about different standards arising from different routes to the profession

- allow us to permit greater flexibility in training pathways
- allow us to be more flexible in our requirements for the period of work-based experience, which might help address the training contract bottleneck
- mean candidates would not take the more expensive SQE stage two assessment before their workplace experience, so they would not have to commit to expense without knowing whether it could lead to qualification, if they passed
- provide data we could publish to inform candidate choice and create competitive pressures to drive down price and improve and assure quality.

The design of the SQE

73. The SQE has been designed to verify the competence of candidates by the time they qualify as a solicitor. It is based on the Statement of Solicitor Competence, and the underpinning documents referred to in paragraph 15 above. All candidates who have passed the SQE will have demonstrated the competences specified in the Statement of Solicitor Competence and the knowledge specified in the Statement of Legal Knowledge to the standard expected of a newly qualified solicitor as set out in the Threshold Standard. This content has been tested through our consultations. We will keep it under review to ensure it reflects the changing demands of practice. But we do not expect it to change materially before the SQE is introduced.
74. SQE stage one will assess functioning legal knowledge through a series of examinations. It will also assess basic legal research and written communication skills. SQE stage two will assess core legal skills (client interviewing, advocacy, case and matter analysis, legal research, written advice and drafting) through a series of assessments. Candidates will be tested on ethical principles throughout. We will test this assessment design to ensure it provides an accurate, reliable and valid measure of competence in the testing phase prior to the introduction of the SQE and may make changes to it in the light of testing results.
75. Candidates must pass all elements of SQE stage one before they are permitted to attempt the SQE stage two assessments. We believe that by requiring this, candidates will have secured a solid foundation of knowledge needed for the assessment of skills in SQE stage two. Candidates will be allowed three attempts at each element of the SQE and must achieve all elements within six years from attempting their first assessment. Our rationale for these rules is set out in annex two of our [second consultation](#). These rules will be embodied by the assessment organisation in Assessment Regulations which we will approve.
76. We have developed a detailed draft [Assessment Specification](#) that sets out what outcomes we expect to be tested within the examination. It will be used by the assessment organisation to design a suite of consistent and robust assessments, and by education and training providers to guide curriculum design.

77. We intend to appoint a single assessment organisation to deliver the SQE on our behalf. There are several advantages to choosing a single organisation. The main benefit is that a single provider means a single set of consistent standards. All candidates will sit the same examination and there will be no opportunities for them to game the system by selecting what might be, or be perceived to be, the easier assessment provider. There are also operational efficiencies in dealing with one provider, both for us and for candidates.
78. The assessment organisation will set and run all the assessments. However, we will be responsible for setting and maintaining standards over time. We will do this through quality assurance of the assessment organisation and convening assessment award boards to set the cut score for each assessment, using expert panels of academics and professionals. We will also retain control over what is assessed.

Publishing data

79. We continue to view robust and effective training as an essential part of becoming a solicitor. We do not believe, however, that specifying courses or qualifications and quality-assuring teaching through an Ofsted-style regime of inspections and visits is the best way to assure the outcomes of that teaching or encourage high quality teaching. This is because judgments can lack objectivity and course specification can stifle training providers' ability to innovate. There are other, better ways to improve quality, for example through using market information and open data to create competitive pressures from students and recruiters for high quality legal education and training.
80. We therefore intend to compile and publish data about training providers' performance on the SQE. An open approach to data will create a more transparent and accountable market in which candidates can make judgments about value for money, pass rates and whether to purchase providers' services. A more open market, which allows candidates to choose the training that best suits their circumstances, should increase competition and raise standards. It should offer choice about ways to train and a range of price points.
81. For each assessment, we will make all candidate results available on an anonymised basis. We will exclude small datasets where individuals might be identifiable, to comply with our obligations under the Data Protection Act 1998 and in due course under the General Data Protection Regulation. We will 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, this might be by decile, top and bottom marks. This will be decided during testing)
- 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 one and stage two)
- socio-economic background
- prior education and SQE training.

82. Candidates will receive their standardised score for each assessment. The individual scores of named candidates will not be made publicly available. Recruiters and employers will be free to ask candidates for their SQE scores. Candidates will be able to use their scores as they wish. We will also allow education and training providers to publish and analyse the data themselves and provide information to contextualise their performance.

83. We recognise that some students will have trained at multiple providers which will make it harder to attribute success rates to individual providers. But trends will emerge, which might, for example, show the combinations of training which work well, or which link pass marks to the provider where the bulk of the training was undertaken.

84. We recognise that publishing data of this kind is likely to be unpopular with some providers, particularly those with poor pass marks. But we do not think this is a reason to withhold this data. Publishing data in this way is an improvement on the current position where we have information on CPE and LPC pass rates by provider, but we are reluctant to publish them because doing so may create the wrong structural incentives in a system where providers teach and assess their own students. Because the SQE is a centralised assessment, publication of performance data by provider creates the right structural incentives on trainers to encourage high quality training. We will keep the publication of data under close review to ensure that it encourages better standards of training over time and does not lead to unintended consequences.

85. Inevitably, there will be a transitional period following the introduction of the SQE where limited data will be available. Data will begin to be available as soon as the first sitting of the SQE takes place. In any event, a lack of data will not prevent candidates from seeking to qualify as a solicitor during that period. Data will not be the only basis on which candidates will decide on a particular training course or route to qualification. They will no doubt rely on other markers of quality, such as reputation of the provider, both during and after this transitional period. We can help by contextualising the data. For example, we will make it clear in the early years that the data is based on a limited number of candidates. This is similar to the position in other professions, for example accountancy, where providers quote their pass rates but also rely on other markers of quality.

86. We also recognise that candidates will require information about how to qualify and the range of options which may become available. We believe several common routes to qualification are likely to emerge that we can provide information about. Initially, we will publish 'exemplar pathways' demonstrating some, but by no means all, of the ways in which candidates could choose to qualify. An example of these is in annex five.
87. As we have said, we do not intend to have any involvement in approving or quality assuring providers of SQE preparatory training. But we intend to explore whether it would be possible, and desirable, to publish a list of providers offering this training. SQE is a registered trademark. Any provider wishing to use the term SQE in its marketing will need to apply to us for a licence to use it. This means that we will have on record the details of providers of preparatory training which we can make available to candidates.
88. We will make clear to candidates that we will not have quality assured any of the providers on the list. It will simply be a list of providers with the licence to use the term SQE in their marketing. If we become aware of any concerns about poor quality training by an SQE provider we will not investigate them ourselves. We will rely on existing mechanisms within the education and training market and the wider business environment for dealing with any concerns. For example, if a provider is publishing misleading information about pass rates this could be of interest to a number of agencies including the Quality Assurance Agency for Higher Education, the Office of the Independent Adjudicator, the Office for Students, the Advertising Standards Authority and the Competition and Markets Authority. For universities, this would also be picked up through internal quality assurance mechanisms.
89. We recognise that there is a risk that some providers might try to manipulate the data where their pass marks have been poor. For example, a provider with poor pass rates might decide to close down and re-open under another name. We accept that we may not be able to prevent this type of gaming behaviour. But overall we believe that a data-led approach is a more effective way to encourage quality in the training market than our current approach.

Qualifying work experience

Why will we require this?

90. In our first consultation we noted that in the current system, where there is an oversupply of QLD and LPC places, who gets a traineeship determines who qualifies as a solicitor. We also pointed out evidence that the requirement for a training contract or PRT may constrain the diversity of the profession⁵. Our [research](#) also showed that many trainees and aspiring

⁵ 36% of undergraduate law students are from BAME backgrounds ((The Law Society Annual Statistics Report (ASR), 2016) and 32% of LPC students, but only 24% of entrants to the profession (ASR, 2014). 62% of entrants to the profession are women, but only about 50% of

solicitors expressed their frustration at how difficult it was to obtain a training contract. This training contract bottleneck is a major constraint on new entrants to the profession.

91. We commissioned research into the value of workplace training in the qualification of legal professionals and asked stakeholders about it in our first two consultations. The findings from our research and feedback from stakeholders is that workplace experience has an important role to play in developing the competence of intending solicitors. Our research found that most legal professions around the world require some form of workplace learning, and that most UK professions require some element of it in their qualification regimes.
92. It is also clear that some form of workplace experience has a significant role to play in assuring both the credibility of the new approach to qualification and the solicitor brand. Some respondents suggested that we will simply be moving the bottleneck so that those qualifying in the future will find it more difficult to find a job as a solicitor. However, our role is to ensure that those who enter the profession are competent to deliver legal services, not to artificially restrict the supply of solicitors. Research shows that four out of five small businesses and two out of three individuals cannot access affordable legal services⁶. Expanding the potential pool of solicitors could help to drive costs down and improve access to competent advisers.
93. It was therefore clear that some form of work experience should form part of the requirements for qualification. But given that we know it is a significant barrier to qualification for some, we have carefully considered the role of workplace experience in the new system.

What will we require?

94. We have set out the requirements for the period of qualifying work experience in the SQE Provisions. It must:
 - provide experience of delivering legal services that enables the candidate to develop the prescribed competences for solicitors
 - be of a total duration of at least two years' full time or equivalent
 - be carried out with no more than four separate firms, educational institutions or other organisations.

trainees in elite city firms are women, even though they obtain disproportionately more distinctions on the LPC than men (ASR, 2015).")

⁶ Online survey of individuals' handling of legal issues in England and Wales 2015, Ipsos Mori Social Research Institute for The Legal Services Board and the Law Society, 2016

The legal needs of small businesses, Kingston University for the Legal Services Board, 2015

95. In respect of each organisation, the candidate must arrange for confirmation of the above by:

- the organisation's COLP
- a solicitor working within the organisation
- or, if neither of the above two are applicable, a solicitor.

96. The matters that will need confirming are:

- length of work experience
- that the experience provided the opportunity for the candidate to develop some or all of the prescribed competences for solicitors
- that no issues arose that raise questions about the candidate's character and suitability to be admitted as a solicitor.

97. If confirmation is to be given by a solicitor working outside the candidate's organisation, they must have direct experience of the candidate's work. The solicitor must also have undertaken a review of the candidate's work (which may include a review of a training diary or portfolio) and they must have received feedback from the person supervising the candidate's work.

What should qualifying work experience achieve?

98. We will not place any restrictions on the timing of the qualifying work experience. But we expect that candidates will need to have completed a substantial period of qualifying work experience to be prepared for SQE stage two. We will issue guidance to this effect.

99. The SQE, not the qualifying work experience, will allow us to assess whether a candidate has developed the competences in our Statement of Solicitor Competence. The SQE provides a consistent basis for assessment, which is not possible where individual law firms are each making separate judgments about candidates' competence. This is what allows us to be more flexible in our approach to qualifying work experience than our current system. Any work-based experience that allows a candidate to develop the competences in the Statement of Solicitor Competence will be able to count. Periods of experience acquired under a formal training contract, or 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.

100. The purpose of qualifying work experience is therefore to expose candidates to clients, to ethical problems and to how solicitors work in practice. It is also intended to allow candidates to develop the competences set out in our Statement of Solicitor Competence and so prepare for SQE stage two.

101. The emphasis will be on developing the broad range of skills needed for safe practice as a solicitor. We will no longer specify that work experience should include experience of at least three areas of practice, including contentious and non-contentious. Instead we will test candidates' core competences through the SQE.
102. The demands of the SQE stage two assessments, and the publication of pass rates by training providers, should drive learning and high quality training in a way that makes detailed and prescriptive requirements for the period of qualifying work experience unnecessary. Publication of pass rates by training providers, including law firms, means that candidates will know where they can get good training. The greater flexibility provided by the new system will also allow firms more opportunity to tailor training to the needs of their own business.

How should work experience be signed off?

103. It will not be necessary for the COLP or solicitor signing off the qualifying work experience to confirm that it has provided an opportunity for all the competences to be developed. Instead, we will check this through SQE stage two. In practice, candidates may obtain qualifying work experience in more than one organisation, so they could be developing different competences at different times and in different places.
104. We have limited the sign-off of the qualifying work experience to COLPs and solicitors, rather than permitting sign-off by any authorised person. This is because our regulatory relationship with COLPs and solicitors means they are required to meet the standards set out in our Principles and Codes of Conduct and we can take regulatory action against them in the event of any wrong doing (for example, if they gave a false declaration).
105. We thought hard about whether a solicitor outside the organisation should be able to sign off a candidate. We recognise that a core purpose of qualifying work experience is to expose candidates to the way a solicitor works, to clients and to ethical problems. However, arrangements could be made by a candidate with an external solicitor where s/he was able to work sufficiently regularly and closely with a candidate. For example, a candidate could make arrangements for the solicitor to act in a mentoring capacity during the period of qualifying work experience. They might meet regularly with the candidate to review their work discuss how they are getting the experience they need to develop the competences.
106. In response to feedback in the third consultation, we have added additional controls to make sure a solicitor in this position has sufficient experience of the candidate's work to sign them off.
107. This third party solicitor, like the internal solicitor or COLP, would also be required to meet the standards set out in our Principles and Codes of Conduct. This means, for example, that they must act with integrity and comply with their regulatory obligations. They must satisfy themselves that the placement meets the objectives of qualifying work experience before making a declaration.

108. We will issue guidance about how COLPs and solicitors can satisfy themselves that candidates have had the opportunity to develop the competences set out in the Statement of Solicitor Competence.
109. We have also included a requirement for the COLP or solicitor to confirm that no issues arose during the period of work experience that raise questions about the candidate's character and suitability to be admitted as a solicitor. If such confirmation cannot be given, we will require details to inform the character and suitability test. This will ensure that any ethical issues observed during the period of qualifying work experience are flagged before the candidate is admitted as a solicitor.
110. We do not intend to place any restrictions, such as number of years' practice, on solicitors or COLPs signing off the period of qualifying work experience. This is because, as suggested above, all solicitors and COLPs will be subject to our Principles and Codes of Conduct and should not sign off a candidate's work experience unless they are satisfied that it meets our requirements. The definition of a solicitor for this purpose will be the definition set out in the [glossary to the SRA Handbook](#).

What about candidates with irregular or unusual working patterns?

111. We expect candidates and firms to take a common sense approach to deciding how long the period of qualifying work experience should be if the candidate does not work full time or has to take any extended time off, for example, through illness. Whether or not, and how long, the period of work experience should be extended in these circumstances will depend on individual circumstances.

Character and suitability to be a solicitor

Why will we require this?

112. We must ensure that any individual admitted as a solicitor has, and maintains, the level of honesty, integrity and professionalism expected by the public and other stakeholders and professionals. They must not pose a risk to the public or the profession. Meeting standards of character and suitability will therefore continue to be a feature of our new system.

What will we require?

113. Aspiring solicitors will need to demonstrate fitness to enter the profession and uphold the moral and ethical standards consumers expect of them. Changes to our Suitability Test have been [consulted on](#) as part of our review of the SRA Handbook.

How have we approached this issue?

114. We have taken the decision to apply a consistent approach to all qualified lawyers, regardless of whether they come from the UK, the EU or from elsewhere in the world. This should create a level playing field and coherent framework for the recognition of legal qualifications obtained abroad. Qualified lawyers, unlike those seeking to qualify for the first time, have already had their legal competence recognised by their home regulator and are already qualified and entitled to practise law.
115. We have considered the implications of the UK's departure from the EU and the desirability of reinforcing our jurisdiction as one that is an attractive place to do business. We do not think it is justifiable to ask lawyers who have already had knowledge and skills assessed in their home jurisdiction to be tested again where their knowledge and skills are not substantially different to those tested through the SQE. Instead, we think it is an appropriate and proportionate approach to consumer protection to evaluate the equivalence in content and standard between the other legal qualifications and the SQE, and offer exemptions from relevant parts of the SQE for qualified lawyers.
116. This approach will also apply to other recognised lawyers in the UK. It should make it easier for lawyers to cross qualify within the UK, in line with your statutory guidance on education and training⁷.

What will we require?

117. Qualified candidates who wish to be admitted as a solicitor in England and Wales must:
- hold a legal professional qualification that confers rights to practise in England or Wales or in an overseas jurisdiction we [recognise](#)
 - demonstrate they have the competences set out in our [Statement of Solicitor Competence](#), and the knowledge of English and Welsh law set out in the [Statement of Legal Knowledge](#), either on the basis of the principles set out below and/or through successful completion of the SQE
 - have a degree or equivalent qualifications or experience
 - satisfy our character and suitability requirements.
118. We will require all qualified lawyers to take the SQE unless they can establish that there is no substantial difference between their qualification

⁷ Regulators act to facilitate easier movement between the professions, during training, at the point of qualification and beyond.

and experience and the SQE or parts of the SQE. We will recognise the knowledge and competences that qualified lawyers have gained through professional legal qualifications and professional experience based on the principles set out in annex six. Some lawyers may apply to us from jurisdictions that are not recognised. It is the relevant regulatory/professional body that must make the application to us for recognition of a professional title and/or to become a recognised jurisdiction.

Section D – How do our changes relate to the Regulatory Objectives?

120. This section assesses whether our changes will promote, be neutral or detrimental to each of the Regulatory Objectives in [section one](#) of the Legal Services Act (“LSA”).

Protecting and promoting the public interest

121. Legal services are often needed at critical points in a person’s life, when buying a house, getting divorced, when someone has died. Or they may be needed for commercial transactions on which financial interests, employment and economic growth might rest. We need to make sure that all legal services, including those delivered at critical points, are delivered competently. The SQE will provide better assurance of this competence than under the current system. The SQE will assess all intending solicitors on a consistent basis. It will give assurance that all intending solicitors are competent to deliver the legal services that consumers need.
122. Solicitors also serve wider functions in society. For example, they can become judges or advocates. They support the economy through contract negotiation. They help people to participate in society and enforce their legal rights. It is important, therefore, that the public can have confidence that anyone given the title of solicitor has met an appropriate standard.

Supporting the constitutional principle of the rule of law

123. Solicitors play a critical role in the justice system. Lawyers involved in the administration of justice must be competent to play their part. The SQE will assure this competence through rigorous, consistent assessment.

Improving access to justice

124. Our regulation of prescribed pathways to qualification is a significant intervention in the market. How training is regulated can create inadvertent barriers.
125. We propose targeting our intervention in the market on assuring competence at the point of qualification. There will be no artificial restrictions on the supply of qualified solicitors, in line with your statutory

guidance on education and training⁸. Therefore, the SQE will encourage the supply of qualified solicitors to meet the needs of the consumer market, provided they meet minimum competence standards.

126. We hope that more choice about how to qualify as a solicitor will encourage a more diverse profession. This might improve access to justice amongst consumers from diverse backgrounds who want to use solicitors more like themselves.

Protecting and promoting the interests of consumers

127. Consumers need to be confident that the legal services they use are provided to a competent standard.
128. The SQE will both ensure competent standards, and give consumers greater confidence. As stated above, four out of five consumers who were polled in a [Comres survey](#) believed that all solicitors should have to pass the same final examination. In removing artificial barriers, the SQE may also enable more individuals to qualify and therefore help address problems of access to legal services. It is in the consumer interest for people to be able to access affordable legal services if they want to.
129. The SQE will be supported by other SRA initiatives that will empower consumers, drive competition and therefore improve quality of legal services. These include our plans to [improve consumer information and choice through better information](#).

Promoting competition in the provision of legal services

130. As stated above, the SQE will help remove artificial restrictions on the supply of qualified solicitors. It will remove hurdles such as the financial burden of the LPC and the 'gamble' of obtaining a training contract after paying for the LPC. By removing these barriers, we may enable more people to qualify as solicitors. This could give consumers more diversity in their choice of legal provider. Giving consumers more choice will promote competition and encourage other providers to look at ways to compete.

Encouraging an independent, strong, diverse and effective legal profession

131. This objective lies at the heart of our proposals for change. It underpins the twin aims of our proposals: to encourage more flexible routes to qualification and the better assurance of standards.

⁸ Outcome 5: Regulators place no inappropriate direct or indirect restrictions on the numbers entering the profession.

132. The SQE provides a standardised assessment which will ensure consistent, high standards of competence. These high standards will underpin the strength and effectiveness of the solicitors' profession.
133. The SQE is intended to be a robust assessment. It will promote high standards. This should assure solicitors' standing both at home and abroad. This in turn should maintain the strong standing of the profession.
134. The SQE will require anyone qualifying as a solicitor to properly understand their professional obligations, including the requirement to be independent.
135. Qualification will depend on a consistent standard of competence rather than on who secures a training contract. Making qualification independent of the providers of workplace training who currently sign off trainees could foster a more diverse profession because everyone will have the opportunity to show that they have met the same consistent standard, regardless of how or where they trained.
136. Unjustified barriers to qualification, such as high cost and overly rigid pathways, will be reduced or removed. The market will be as open as it can, while at the same time still securing high and consistent standards. This will allow more varied pathways which encourage a greater diversity of candidates to qualify as solicitors. The SQE also provides market credibility for new routes to qualification as a solicitor, such as through an apprenticeship.
137. The other options for change we considered would not be in line with this regulatory objective. Continuing to prescribe a limited number of pathways might encourage an effective profession but it would not encourage diversity by addressing cost barriers and the training contract bottleneck or enabling a wider range of routes to admission. Authorising any pathway which met our standards might encourage more diversity but it would not provide any consistent basis for assuring standards and could make it more difficult to encourage an effective profession. The SQE is the best way to ensure we can meet all elements of this regulatory objective.
138. Further points relating to a more diverse and inclusive profession, and to the impact on costs to candidates, are set out in Section G where we discuss the views and concerns of the stakeholders we have engaged with.

Increasing public understanding of the citizen's legal rights and duties

139. The SQE is not directed at this objective but it should not damage it. The most we can say is that the SQE could help encourage a more diverse profession, encourage competition and increase access to justice. If more consumers have access to justice, this will increase citizen's understanding of their legal rights.

Promoting and maintaining adherence to the professional principles

140. The SQE will include mandatory assessment of professional ethics. Professional conduct is assessed in the first of the SQE stage one functioning knowledge assessments. But ethical issues will pervade all parts of the SQE, so candidates will have to demonstrate the ability to spot an ethical issue and to address it appropriately. We believe that this will encourage more universities to include teaching of legal ethics in law degrees.
141. The SQE complements the approach to ethics which underpins the new Handbook. This emphasises the personal ethical responsibility of all solicitors through the proposed new [Code of Conduct for individual solicitors](#).

Section E – How do our changes relate to the Better Regulation Principles?

142. This section assesses how we consider our proposed changes fulfil our [obligation](#) to have regard to the Better Regulation Principles.

Proportionality

143. The introduction of a compulsory assessment for all aspiring solicitors is a proportionate response to the consumer detriment that can occur if a solicitor is incompetent. The assessment will focus only on the core knowledge and skills that solicitors need to practise effectively and the reserved activities that solicitors are entitled to practise on admission. This will ensure that all solicitors have achieved the minimum standard of competence required to practise safely.
144. Our approach to the recognition of qualified lawyers is also a proportionate way to assure standards whilst avoiding unnecessary regulatory requirements. We will not require qualified lawyers to take the SQE if the knowledge and skills they have already had assessed in their own jurisdiction is not substantially different to those tested in the SQE.

Accountability

145. In the future, we will be directly accountable for the SQE and it will be the SQE which will assure the competence of those entering the profession. We will also be in a strong position to take direct action if problems are identified with the SQE. We will collect and publish data showing how

different training providers perform in the SQE. This will enable those providers to be held to account for the quality of the education they offer.

146. In the current system, responsibility for entry to the profession is delegated to education and training providers with no guarantee of consistent standards. We have no right to intervene to prevent a university passing a student who we believe has not met minimum standards. In any event, accountability for the qualification of an individual as a solicitor is hard to pin down. If an incompetent individual were admitted, this could be the fault of:
- the workplace training provider or
 - the individual's education and training providers or
 - the SRA or
 - a combination of them all.

Consistency

147. The SQE will provide more consistent assurance of competence. We will require all candidates, regardless of how or where they have trained, to take the same assessments. They will be assessed against a consistent threshold standard. This consistency will ensure that stakeholders can have confidence in those who qualify as a solicitor. At present there is no consistent examination at the point of qualification for solicitors and no mechanism to compare the different pathways.

Transparency

148. The Statement of Solicitor Competence will ensure that the standards of competence that solicitors should have are transparent.
149. The assessment specification will make it clear how candidates are assessed.
150. National qualification data on the SQE will make the qualification system more transparent. Pass rates by providers and law firms will help students choose good quality training. Our toolkit will also help students navigate wider choice.
151. In contrast, the current system is opaque because no one really knows how good each newly qualified solicitor is because they are all assessed in different ways.
152. The [Bridge Report](#) recommended that we have in place a robust data strategy to realise the benefits of greater transparency afforded by a standardised examination. This will ensure that the examination is

accessible to all aspiring solicitors. We will provide a toolkit and supporting information. We will also publish pass rates for providers of preparatory training to improve transparency and inform candidates' choices about whether they wish to undertake training and, if so, who with.

Targeted

153. The current system is focused on education and training pathways – that is, inputs to the qualification process. But our concern as a regulator should be on the delivery of competent legal services; namely, the outputs that the process should produce. By assessing competence against consistent standards and permitting flexible pathways, we will direct our regulatory intervention to the correct point – the competence of qualifying solicitors.
154. The current system is based on disproportionate regulatory interventions in the training market. We will no longer focus resources on 'policing' these disproportionate input measures which do not ensure standards and which constrain flexibility. Instead we will focus our resources on setting and assuring standards through the SQE

Section F – How will we evaluate our desired outcomes?

155. We intend to evaluate the impact of the SQE against the following desired outcomes:

- Greater assurance of consistent and comparable high quality standards at the point of admission
- The development of new and diverse pathways to qualification, which are responsive to the changing legal services market and remove artificial and unjustifiable barriers.

156. In addition to providing data on each assessment as reported in paragraph 81, we will carry out the following, five to seven years after the introduction of the SQE:

- A perception study – repeated bi-annually thereafter. This will measure a range of stakeholders' views and perceptions of the SQE. It will include, candidates, students, newly qualified solicitors, employers (those involved in recruitment and training), education and training providers, the general public. It will measure:
 - the level of confidence people have in the SQE to ensure candidates are competent to practise as a solicitor
 - how much people trust the SQE to be fair; ranging from trust in the accuracy of marking to the fairness of reasonable adjustments for candidates with disabilities.
 - different stakeholder groups' understanding of the SQE and identify if particular groups need more information on specific aspects of the SQE and its administration.
- An investigation into the type and cost of preparatory training for the SQE
- An investigation into the impact of training routes on career progression
- An investigation into the overall cost of qualification (the cost of preparatory training and the cost of the assessment)
- An investigation into the impact of the SQE on the ethnic profile and socio-economic background of the profession.

157. Seven to ten years after the introduction of the SQE we will undertake a study into its predictive validity. Predictive Validity refers to whether the scores on the SQE can predict the future performance of a solicitor. For example, do candidates with a score in the lowest decile above the cut score have a higher probability of being censured for misconduct in the future than candidates with scores in the highest decile?
158. In addition to the evaluation exercise, we will specify the quality assurance systems that we would expect the assessment supplier to put in place. To promote confidence in the SQE, we will also appoint an external Chief Scrutineer. The Chief Scrutineer will provide an annual report on the assessment organisations' delivery of the assessments as well as our standard setting processes. This report will be published.

Section G – Who have we spoken to about our proposed changes?

159. We consulted three times on our proposals to introduce the SQE, in addition to our 2014 consultation on the Statement of Solicitor Competence. Our policy development and consultations have been supported by a comprehensive programme of stakeholder engagement. We have engaged with many different groups in a variety of formal and informal ways – from large scale conferences to video streaming sessions and face-to-face meetings to Twitter polls. Over the past two years, we have spoken to more than 10,000 people, and received more than 540 responses to our three consultations. For example, highlights in consultation two included:

- 14 week-campaign where we engaged with more than 6,800 people through 45 events, meetings and digital activities.
- Almost 4,650 visits to related website pages and more than 237,000 impressions on social media
- An extensive media campaign also helped secure almost 40 articles, with 68 percent on average being positive
- Seven Twitter polls, which received 856 votes in total. One question was viewed by close to 3,000 people and had more than 500 engagements.

160. We have had direct conversations with about 80 universities during the development of the SQE - two thirds of all law course providers.

161. Our SQE LinkedIn group, which offers the opportunity for people to discuss and help develop our proposals, now has well over 100 members.

Our 2014 consultation on our Competence Statement

What did we propose?

162. In [the 2014 consultation](#), we set out three options for assessing the Statement of Solicitor Competence as part of the qualification system. (See paragraph 42.)

What did people say?

163. [In response to these options](#), respondents often expressed the desire to retain the status quo. They stressed the need for any new approach to be

rigorous and to maintain high standards. Some respondents also expressed a strong desire that any new assessment framework should preserve the requirement for a period of recognised work-based training.

How did we respond?

164. In response to that consultation, we reiterated that our approach would be to ensure that any assessment framework:

- would validly assess the competences required for safe practice
- was consistent and reliable
- was fair
- was feasible
- would encourage innovation and flexibility in legal education and training.

Our first SQE consultation

What did we propose?

165. In the [December 2015 consultation](#) we set out our proposal to introduce a common professional assessment for all intending solicitors. The consultation focused on the end-point assessment. It did not set out in any detail our approach to regulating training and experience leading up to the SQE. We explained that our objectives for assessing competence would be to:

- focus our regulatory effort more rigorously than at present on assuring consistent and comparable high quality standards at the point of admission across all pathways to qualification
- ensure that the most talented candidates could qualify as a solicitor, by encouraging the development of new and diverse pathways to qualification which were responsive to the changing legal services market and which removed artificial and unjustifiable barriers.

166. We explained that we had evaluated the three options set out in the 2014 consultation against our objectives. We had concluded that the third option, the introduction of a centralised assessment of competence, was most likely to meet our twin objectives of better assuring competence and permitting more flexibility in routes to admission.

167. We told stakeholders that between April 2015 and October 2015, we had developed a draft assessment model. We had carried out a rigorous

programme to test whether the concept of a common assessment and our particular assessment model were robust. The testing had included:

- extensive engagement with stakeholders
- commissioning independent expert advice on the possible economic impact of introducing a common professional assessment and on the technical validity and reliability of the assessment model.

168. The technical expert advice confirmed that our model could be developed into a reliable and valid assessment that would deliver the high standards that we expect, on a consistent basis. The indicative economic assessment showed that the introduction of a new approach to qualification had the potential to encourage innovative, flexible and cost effective routes to training. It also showed that, whilst an effective SQE would deliver our objective of better assurance of standards, the ultimate impact of the reforms on the make-up of the profession is dependent on employers, universities and training providers taking advantage of any new flexibilities.

169. We set out our proposed model for the SQE. It would have two components: functioning legal knowledge assessments and practical legal skills assessments. We asked whether:

- the stage two assessments should be focused on the reserved legal activities
- the SQE should be at least graduate level or equivalent
- we should retain a period of pre-qualification workplace experience.

170. We also discussed a range of equality, diversity and inclusion issues. These included:

- the need to ensure that the assessment design, methods and arrangements for the SQE would not discriminate against groups of candidates and
- the likely cost of the SQE, compared with the current system.

What did people say?

171. We received over 240 responses. A majority of respondents, over 50%, did not agree that the introduction of a common professional assessment for all intending solicitors best meets our objectives. These respondents included 27 universities, 19 academics, 24 law firms, 11 local law societies and a range of other stakeholders. Others felt that they could not support it at that stage. They did not think they had enough information about it to form a view. Only 15% of respondents said that they agreed with our proposal.

172. Reasons why respondents did not support the proposals included:

- The case for such significant change to the system of legal education and training had not been made.
- Any quality concerns could be addressed within existing structures (by provider and course monitoring visits) and therefore our proposals were not proportionate.
- The introduction of the SQE would damage the solicitor brand within England and Wales and internationally, especially if
 - a degree was not an entry/eligibility requirement for the SQE
 - and/or the SQE was not set at graduate level
 - and/or there was a reduction in the length of time it takes to train
 - and/or the SRA no longer specified training pathways so that we cannot ensure all candidates have trained in an appropriate way.
- The SQE would not address existing equality, diversity and inclusion issues, especially if a requirement for workplace experience remained. It would introduce an additional barrier, increasing cost, and making it difficult to understand how to qualify as a solicitor.
- The SQE, as described in the consultation document, was not a credible assessment because it relied on multiple choice questions to assess academic knowledge.
- By focusing on the reserved activities, the SQE reflected an out of date view of the general practitioner solicitor.
- It was not possible to judge the design of the SQE on the basis of the information provided in the consultation document and in isolation from decisions about the training contract and the regulation of training.
- The SRA's consultation approach was too fragmented. It was deliberately intended to prevent stakeholders having a proper opportunity to comment on proposals.
- Through the SQE, the SRA would be regulating the HE law curriculum, and to do so would be disproportionate.
- Any move away from how we currently specify and monitor training pathways would lower the quality of legal education and training. Only by specifying training as well as assessment could the SRA be sure of candidates' quality, because otherwise a candidate could pass the assessment by a fluke.

- An introduction date of 2018/19 for the SQE was unrealistic. Universities and firms need time to introduce new processes. Universities need to go through internal validation processes for new programmes, and these are slow.
173. While most respondents supported an SQE set at least at graduate level, many did not think that there should be a requirement for all solicitors to have a degree. A majority of respondents thought we should continue to require some form of pre-qualification legal work experience. They thought that we should specify both the time period required and the competences to be developed. Most respondents were also in favour of us recognising a wider range of work experience beyond that obtained in a training contract. Most respondents thought that we should continue to regulate the pathways leading to qualification as a solicitor.

How did we respond?

174. In view of the feedback from the consultation, we decided to pause our decision making. We asked ourselves some fundamental questions about the principle of a centralised assessment; its design; what our training requirements should be. We altered the SQE design to take into account feedback from the first consultation. We also used the time to develop a [detailed assessment specification](#) to help address stakeholders' call for more details. We decided we needed to undertake a further consultation to ask for stakeholders' views on the detail not covered in our first consultation. We postponed the final decision on whether the SQE should be introduced until Spring 2017, so that we could take into account the additional responses to the further consultation.
175. The further consultation was designed to give stakeholders the opportunity to see the SQE in the broader context of other aspects of the new approach to qualification. It would also give stakeholders an opportunity to see and comment on the detailed structure of the SQE, including revisions made in response to their feedback.
176. In response to the first consultation, therefore, we:
- deferred a decision on the SQE until after a further consultation
 - looked again at the design of the SQE to make sure it was clearly focused on testing professional competence and was aligned with our own objectives, the principles of better regulation and the LSB Statutory Guidance
 - developed a draft Assessment Specification that set out in detail the design and content of the SQE
 - revised our timetable and said we would not introduce the SQE before the academic year 2019/20
 - sought further views in a second consultation on:
 - the design and content of the SQE

- proposals about how we might regulate pathways to qualification
- information we should give to students to guide their choice of training provider and route to qualification
- proposals about what requirements we should specify for pre-qualification legal work experience
- proposals about the need for any exemptions from the SQE, in particular for intra-UK and EU qualified lawyers.

177. Our formal response to the first consultation was published as part of the [second consultation](#) in October 2016. We also published a summary of the responses to the first consultation.

Our second consultation

What did we propose?

178. We published our second consultation in October 2016. In this consultation, we:

- provided more detail about the case for change
- provided more detail about the SQE
- set out our proposals for the period of qualifying work experience
- explained how we had revised and developed our proposals in the light of feedback from the first consultation
- explained how the SQE would fit with preparatory training, including work based learning
- set out our proposed requirements for qualification as a solicitor
- raised a range of equality, diversity and inclusivity issues and committed to publishing a full equality impact assessment.

179. We asked for views on the draft assessment specification which we published alongside the consultation. We explained that the assessment specification would be further developed both in light of feedback from the consultation and during the development and testing phase for the SQE.

What did people say?

180. We [received 253 responses to the consultation](#), plus 14 that did not answer specific consultation questions but provided general comments on our proposals. We also:

- engaged with more than 6,800 people through 45 events, meetings and digital activities
- had almost 4,650 visits to related website pages and 237,000 impressions on social media.
- met or engaged with about 80 universities (two thirds of all law course providers) to discuss our emerging thinking.

181. We achieved almost 40 pieces of media coverage with an overall 68% positive sentiment. Examples of positive coverage include:

- an article from Joanne Kane from the US National Conference of Bar Examiners⁹ who talked about testing in the USA and how multiple choice questions are a highly economical and unbiased way to assess knowledge
- an article from Law Society President, Robert Bourns, which broadly supported the SQE proposals.

182. Consultation feedback on the proposals was very mixed. Respondents were predominantly opposed to the proposals. Some stakeholders agreed with the principle of centralised assessment, but not with all of the detail. Those who were wholly supportive were in the minority. There was broad support from most respondents for two years' qualifying work experience.

183. The group which was most opposed was the academic providers of the law degree, CPE and LPC. Most continued to question the need for change and wished to preserve the requirement for a QLD. Firms were also opposed. They expressed concern that the SQE would:

- reduce standards
- damage the reputation of the profession
- require them to change their existing business models for recruiting and training solicitors.

184. We had support in principle from a number of key stakeholders including:

⁹ The US National Conference of Bar Examiners run the US Multi-State Bar Examination which is used for admission to the New York and Californian Bar.

- the Law Society
- the Law Society of Scotland
- CILEX
- the Junior Lawyers Division
- the Legal Services Consumer Panel.

185. But there was a lack of support from other key stakeholder groups including academic representative groups and the City of London Law Society.

186. There was a wide range of often conflicting views on specific points of detail. But a number of high level themes emerged:

- Many people continued to question the case for change. They did not understand why we can't simply make changes to the existing system.
- Many stakeholders couldn't understand how we can both raise standards and widen access. This led them to believe that we would either lower standards or we were not serious about widening access.
- People raised concerns about the design of the SQE and its ability to test professional competence. For example, there was widespread concern about the use of multiple choice questions as an assessment method.
- As with consultation one, people said that there was not enough detail on which to make a decision about the proposals. In particular, they said they could not make a judgment without seeing sample SQE assessments.
- Respondents were worried about the timetable for implementation with many saying implementation in 2019 was too soon.

187. Informally at face to face meetings, responses were more nuanced. Some universities and individuals, including those who said in their consultation responses that they did not support the introduction of the SQE, told us privately that, if the SQE is introduced, they will review their curriculum to help students prepare for it. Similarly, law firms' views were often more nuanced than would appear from their consultation responses. Conversations with city law firms' senior management were more supportive than discussions with their learning and development colleagues.

188. A number of themes relating to specific aspects of our proposals also emerged through the consultation:

- Most stakeholders wanted us to retain the requirement for a degree or equivalent.
- There was strong support for a two year period of qualifying work experience from most stakeholders
- Some respondents expressed concerns that the requirements for the qualifying work experience were too flexible and that the work experience could be too informal.
- Some respondents suggested that we require candidates to have completed their work experience before they are permitted to attempt SQE two.
- Some respondents were concerned about our proposal not to specify training routes or qualifications.
- Some respondents were concerned about our proposals to use multiple choice based testing in the SQE.

189. The concerns which were raised most often during the consultation period and in the formal responses to the consultation were:

- whether it would really be cheaper for candidates to qualify in the future.
- that the SQE could create a two-tier profession with traditional routes favoured and in which the privileged have an advantage
- that the changes would have a negative impact on diversity in the profession.

The cost of the SQE

190. The cost of qualifying in the future will be split between the cost of the SQE assessments and the cost of the preparatory training.

191. In the same way that we do not regulate the cost of training in the current system, the cost of the preparatory training for the SQE will be a matter for the training market, not the SRA. We will not make a judgment about whether or not preparatory training represents value for money before we introduce the SQE. Again, this is a matter for the market. But we will investigate the type and cost of preparatory training and the overall cost of qualification (the cost of preparatory training and the cost of assessment) when we conduct our evaluation exercise (see paragraph 156). We anticipate that our decision not to specify preparatory training and to publish data about candidates' performance by training provider will create competitive pressures which improve quality, reduce costs and encourage innovation.

192. We expect that a range of training provision will emerge, offered at different price points. Candidates will be able to decide for themselves how to prepare for the SQE. They can choose the most cost-effective option if they wish to. We expect that many candidates will be able to develop the necessary competences needed to pass SQE stage two through their workplace experience. They might not need to go on lengthy training courses.
193. We cannot know the exact cost of the SQE assessments until we have appointed the assessment organisation and worked with them to finalise the detail of the assessments. But we will require that the fees charged to candidates for taking the SQE represent value for money before we go ahead. This is for reasons of public policy and to ensure cost is not a prohibitive barrier to entry into the profession.
194. The contractual arrangements with the assessment organisation will set out a number of mechanisms aimed at monitoring and controlling candidate fees. These will be subject to negotiation with the assessment organisation. Proposed provisions include:
- Candidate fees to be agreed with the SRA. The initial level of candidate fees will be agreed between the assessment organisation and the SRA. Any future changes to the fees will be subject to our consent. We will also require fees to be broadly stable over time, as otherwise there may be a perception of unfairness among past or future candidates.
 - Open book accounts. To ensure that we have visibility over how the fees are calculated, we will require open book access to the assessment organisation's accounts. This information will be used to determine whether the fees are fair and reasonable. We will also assess any increase in the candidate fees requested by the assessment organisation.
 - Profit margin. We are proposing that, once the assessment organisation's profits in a year exceed a specified margin, a proportion of profits will be paid into an 'access and re-investment fund'. The SQE is not an income generating exercise for the SRA. We do not wish to retain excess profits for ourselves. We will decide how this money is spent either by reinvesting in the SQE, or to provide financial assistance to candidates.
195. The large numbers of candidates and the use of computer-based, objective testing should minimise the cost of SQE one. The legal practical skills assessments in SQE one and two will be more expensive to run because they are not computer-marked. The role play assessments also require actors and additional resources and multiple versions of the assessments must be developed to reflect the different practice contexts. But candidates need not pay for SQE two until they have secured a period of workplace experience. Back-end loading these costs and candidates' ability to develop legal skills "on the job", is an important aspect of our proposals. Greater

flexibility in where, when and how candidates can secure work experience should also provide more opportunities for them to earn while they learn.

196. We have modelled the cost of setting up and running the SQE. We have also asked our potential suppliers to propose indicative candidate fees. This is a more accurate indication of the cost of the assessment than our own modelling as it comes directly from the market. Our expectation from initial discussions with potential suppliers is that the candidate fee will be significantly less than the cost of the LPC and will compare favourably with other professional assessments such as accountancy.
197. As part of our evaluation of the SQE, we will investigate the impact of the cost of qualification, both the cost of the SQE and the cost of preparatory training, on access to the profession.

A two-tier profession

198. The SQE will help level the playing field rather than creating a two-tier profession. Regardless of the route followed, all candidates will be:
- assessed by the same centrally set assessment
 - able to demonstrate that they have met or exceeded the same threshold standard.
199. It is possible that some pathways will prove more effective than others. But because we will publish SQE pass rates, quality will be transparent and there will be incentives for training providers to improve quality. Where courses are less effective, they may close. But all candidates who have passed SQE will be able to demonstrate their competence against their peers through a consistent measure.
200. In the current system, there is no way for candidates who have followed different pathways to do this. The fees charged by LPC providers are often used by candidates as a proxy for quality. There is already a belief amongst employers and candidates that some routes, and some university qualifications, are better than others. This already fosters the idea of a two-tier profession.
201. As their understanding and confidence in the SQE grows, some employers may feel able to widen the pool of universities they recruit from because they no longer have to rely on university reputation as part of their shortlisting process. Making data available will also help students to demonstrate their abilities to potential employers.
202. The larger firms recruit trainees two years before they start their training contract. If they continue to do so, they may be making recruitment decisions before they know candidates' SQE results. But even here, they can specify success in the SQE as a condition of employment. And, as stated, a university's SQE track record can help firms target recruitment

activities at those universities who are producing good candidates not just universities with a strong research reputation.

Equality diversity and inclusion

203. Many respondents to the consultation were sceptical that the SQE could improve access to the profession. We have published a [full EDI risk assessment](#). This has been informed by feedback from the consultations and by our report from the [Bridge Group](#).

204. Issues of social mobility, diversity and inclusion are complex and society-wide. The introduction of a standardised assessment for intending solicitors will not solve all those ills. The Bridge Group report recognises that there is no magic bullet to address diversity in the legal profession – but, like us, is hopeful the SQE can play a part.

205. The Bridge Group report echoes many of our aspirations for the SQE. It comments that the SQE:

- can help the sector to have an improved understanding of the causes of, and potential solutions to, the lack of diversity, due to the greater transparency it affords
- has the potential to increase the range and choice of legal training, without compromising on the need for high standards
- may drive down costs for trainees through competitive pressures in the market.

206. The report:

- identifies the risk that greater choice of training, whilst of itself a good thing, could make the training market more difficult for students to navigate
- emphasises the need for effective information, advice and guidance
- argues that data from the SQE will allow us to monitor far more closely the performance and progression of particular groups
- recognises the role for employers and education and training providers to take advantage of better information and new freedoms to promote greater diversity in recruitment. A market-led approach is very likely to encourage new organisations to offer training, and a common assessment will give credibility to new courses. It may help candidates from less prestigious universities to demonstrate they are the equal of their peers.

- expects that different models and ways in which to study will emerge – for example, online or work-based – and better information may enable students to make choices about which course would suit them best in terms of cost and lifestyle. Information about courses and providers will also be available to recruiters to help them make informed decisions.
207. Greater choice requires more information, so we have published, and will continue to develop, a toolkit of resources to help candidates make informed decisions. This will include details of exemplar pathways and training options.
208. Whilst recognising the risks, we believe that the removal of prescribed pathways and the new approach to qualifying legal work experience, should give real flexibility to individual candidates to construct their own careers pre- and post- qualification. It means they will have greater choice in where to train, over what period, and how to fund their training. This flexibility could particularly help those with caring responsibilities, older candidates and those who fund their studies through working.

How did we respond?

209. We carefully considered all of the feedback from stakeholders. We also evaluated our proposals against our regulatory obligations, the principles of better regulation and our strategic objectives. We decided that the case for change remained sound and that the proposals are the best way to meet our objectives. The SRA Board agreed to proceed with plans to introduce the SQE.
210. In response to the feedback we:
- agreed to retain the requirement for a degree or equivalent
 - agreed that a two-year period of qualifying work experience is the right approach
 - recognised concerns that work experience could be too informal and proposed to limit the number of placements in which candidates can gain work experience to four
 - recognised the concerns about our initial timetable and pushed back the target launch date to September 2020 at the earliest
 - agreed that more work was needed to get the detail of the assessment right. We said that we would introduce the SQE in a gradual and consultative way calling on the expertise of academics and law firms
 - published a slightly revised version of the assessment specification for the purposes of choosing an assessment organisation. We said that we would do further work on the

assessment specification once the assessment organisation is appointed

- confirmed that computer based testing will form the starting point for the development of SQE stage one but that we would adopt an evidence-led approach to make sure the SQE uses the best ways to test the full range of cognitive skills solicitors need
- recognised the challenge of making sure that all candidates could attempt SQE stage two, regardless of the practice area in which they had gained their work experience and agreed to test the range of options in relation to the context for the assessment of SQE stage two
- recognised concerns about our proposal not to specify particular training routes or qualifications. Whilst we did not receive compelling evidence that it would be necessary to regulate training, we said that there may be a place for signposting training providers to candidates. We said we would consider whether it would be possible to create a list of those providing preparatory training or materials for the SQE.

Our third SQE consultation

What did we propose?

211. We published our [third consultation](#) in May 2017. The purpose of this consultation was to seek views on the regulations needed to give us the power to introduce new admission requirements. We also asked for views on our proposed arrangements for recognising other qualified lawyers once the SQE is introduced. The purpose of the consultation was not to re-open the debate about whether or not to introduce the SQE.

212. We published the consultation on our website and sent it directly to 58 stakeholders including:

- other legal regulators
- representative and public interest bodies in England and Wales
- overseas Bars and Law Societies throughout Europe and in key jurisdictions in the rest of the world.

What did people say?

213. We received [47 responses to the consultation](#). We also spoke to a range of key organisations, including:

- CILEX Regulation
- the Bar Standards Board
- the CCBE (Council of Bars and Law Societies of Europe)
- the Law Societies of Scotland, Northern Ireland and of the Republic of Ireland.

214. Views were divided on the regulations. There were a range of comments in four main areas:

- Whether they implemented the agreed policy framework for the SQE.
- The drafting of the regulations.
- The underlying proposal to introduce the SQE.
- The proposals for recognition of qualified lawyers.

215. On our proposals for recognition of qualified lawyers, some respondents disagreed with the proposed approach; some were supportive; and others supported the principle of recognition but disagreed with the proposed approach.

216. Key themes emerging from the responses were:

- A call for more detail - many respondents thought the regulations were too brief and wanted to see more detail and prescription.
- Respondents also wanted more detail about the SQE, for example, how much it would cost, when it would take place and sample questions.
- Continued concern about the underlying decision to introduce the SQE.
- Concern that the regulations were too flexible in the requirements for qualifying work experience.
- Respondents questioned why we took different approaches for qualified lawyers and non-qualified lawyers.

How did we respond?

217. We made some drafting changes to the regulations in response to feedback in the consultation. In particular, we amended the requirements for sign off of the qualifying work experience.

- We added a regulation to require the COLP or solicitor signing off the qualifying work experience to take sufficient steps to satisfy themselves that the candidate has met our requirements.
 - We added regulations to require a solicitor who works outside of the candidate's organisation to:
 - have direct experience of the candidate's work
 - have undertaken a review of their work, which may include a review of a training diary or portfolio
 - have received feedback from the person supervising their work.
 - We added a regulation to require the COLP or solicitor to confirm that no issues came to their attention during the period of work experience that raise a question as to the candidate's character and suitability to be admitted as a solicitor. Or if such confirmation could not be given, then details of any such issues so that we can assess them as part of the character and suitability test.
218. Having reviewed stakeholder feedback carefully and checked it against our agreed position, we did not make other major changes to the drafting of the regulation, or the accompanying principles. This is because we believe they accurately reflect the approach agreed by our Board in April 2017.
219. Many of the suggestions we received were fundamentally at odds with the core objective of the SQE. For example, some respondents suggested that we should make law firms carry out their own assessment of a candidate's competence. If we did this, it would mean we were not addressing the risk of inconsistent sign-off standards.
220. Other proposals were out of step with our approach to drafting regulations. We are committed to regulations that set out the high level principles that matter instead of prescriptive rules that specify input or process requirements. But we will provide information to support the regulations. As already mentioned, this will include a toolkit (the first phase of which was published in December) and a detailed assessment specification (a draft of which has already been published).
221. We recognise stakeholders' need for more information about how the SQE and underlying processes will operate. We have said we will publish more information about the SQE including:
- the detail of the SQE assessments
 - proposed costs
 - the assessment timetable

- sample assessments
- the process for recognition of qualified lawyers.

222. We will do this as it is developed and well in advance of the implementation of the SQE.
223. We also recognise peoples' concerns that they will need to understand what supporting material will be available to help them understand how the SQE will work. In particular, what it means for them – whether they are an aspiring solicitor, an academic institution, a training provider or a law firm. While there will no longer be resources such as the Legal Practice Course Information Pack or the Authorised Training Provider Information Pack, the regulations relating to the SQE will be supported by the toolkit which will include supporting guidance.
224. Some people questioned why we took different approaches for qualified lawyers and non-qualified lawyers. Others were concerned that not asking all qualified lawyers to take the full SQE could damage standards and the reputation of the profession. Some suggested that we were going beyond our obligations and should only apply the recognition principles to EU lawyers. We have explained our approach to the recognition of qualified lawyers in paragraphs 114-118.
225. Our evaluation of the equivalence in content and standard between other legal qualifications and the SQE is intended to ensure an appropriate and proportionate approach to consumer protection in this area. Where a qualified lawyer comes from a country which has a substantially different legal system compared with English and Welsh law, we will assess their knowledge of English and Welsh law through SQE stage one.
226. Some respondents asked why we may seek to impose an English language requirement for some qualified lawyers when they apply for their first practising certificate, rather than when they apply for admission. EU law (in the form of the Professional Qualifications Directive 2005/36/EC) requires professionals benefiting from mutual recognition of qualifications to have a knowledge of languages necessary for practising the profession in the host Member State. But checks on language ability may only be carried out after the recognition of the qualification (ie may not be a precondition of such recognition). Checks on language ability for EU candidates must be considered on an individual, case by case, basis.
227. A test of language ability may only be imposed in cases of 'serious and concrete doubt' about the sufficiency of the professional's language knowledge in respect of the activities they intend to pursue. We believe it is in the public interest for anyone who wants to practise as a solicitor in England and Wales to have good command of the English language. As already set out, our policy seeks to ensure a level playing field for non-EU and EU lawyers wherever possible. For these reasons, we will apply the language requirement at the stage when a solicitor seeks a practising certificate rather than at an earlier stage. We will do so in accordance with any applicable requirements of EU law.

Section H –How will the changes affect other Approved Regulators

228. There are three areas where our proposals impact on other approved regulators and their regulated communities. These are in relation to:
- candidates who have part qualified with another regulator but decide to switch to train as a solicitor
 - lawyers who are already qualified through other regulators
 - our joint management of the academic stage of training with the Bar Standards Board (BSB).
229. We have met regularly with the BSB in particular and also with CILEX Regulation throughout the development of our proposals.
230. Whilst recognising that we are separate bodies with different stakeholders, we have talked extensively with the BSB about how our approaches align. We both started our educational reform programmes by developing statements of professional competence. The BSB has mapped our Statement of Solicitor Competence against their Professional Statement. With their permission, we attach a copy of their mapping document at annex seven. This shows how closely the BSB Professional Statement and the SRA Competence Statement match. Both our educational reform programmes also have the same aims:
- greater flexibility in pathways
 - less reliance on specification of inputs
 - a greater focus on end-point standards.
231. Pre-qualification, our respective approaches will make it easier for universities to design courses which work for both career paths. Both SRA and BSB proposals involve greater flexibility in pathways and an element of centralised assessment. Post qualification, our approach to recognition of qualified lawyers will make it easier for barristers to qualify as a solicitor.
232. We have also worked closely with CILEX Regulation. For example, we were both involved in the development of the new higher level legal apprenticeships. The principles we have developed for recognition of other legal qualifications mean that CILEX Fellows will continue to be able to qualify as solicitors through taking the additional elements of the SQE which are over and above their existing qualification. We will take the same approach with the other approved regulators.

Part qualified candidates

233. In its response to the third consultation, the BSB called on us to recognise the qualifications of part-qualified barristers. If someone had taken the BPTC but not got pupillage, the BSB suggested that this should qualify for recognition by the SRA, so candidates in this position did not have to take equivalent components of the SQE. We considered this suggestion carefully but found it difficult to reconcile with our position that we should apply a consistent approach to SQE for all non-qualified lawyers. We could not justify an exception for part-qualified barristers, and not others. So we decided we should not accept the suggestion. But the learning undertaken by any part qualified barrister as part of a law degree, CPE or BPTC recognised by the BSB will help a candidate prepare for the SQE. Greater flexibility in the BSB's own requirements will also help. For example, a provider could include SQE preparation courses as electives in the BPTC.

Recognition of qualified lawyers

234. Our arrangements for recognition of qualified lawyers are explained in paragraphs 114-118. They allow qualified lawyers, including barristers and CILEX, to apply to us for recognition of their prior qualifications and experience. We sent the consultation directly to all of the approved regulators. We also discussed the proposals with the BSB and CILEX Regulation. We received responses to the consultation from the BSB and CILEX Regulation.
235. Our proposals will make it easier for barristers to cross qualify in the future. Under the current system, barristers have to take the whole of the QLTS. Under the new system, they will only need to take the parts of the SQE which are not covered in the BPTC.
236. The BSB noted our requirement for qualified lawyers typically to have a minimum of two years' professional experience in order to demonstrate the equivalence of the competences assessed by the part(s) of the SQE for which they are seeking recognition. As barristers only have one year of pupillage before qualification, they will typically need one year of post-qualification experience before they can apply for any recognition for SQE stage two. We have taken the position that we will apply a consistent approach to all qualified lawyers so we do not think it is fair or justifiable to apply a different position for barristers. We plan to meet again with the BSB to discuss the specific points of detail raised in their consultation.
237. CILEX Regulation would like any authorised person as defined under section 18 of the Legal Services Act 2007 to be able to sign off qualifying work experience. We have addressed this point in our response to the consultation. We remain of the view that the sign off of the qualifying work experience should be limited to COLPs and solicitors, rather than extending to any authorised person. This is because our regulatory relationship with COLPs and solicitors means that they are required to meet the standards set out in our Principles and Codes of Conduct. We can take regulatory

action against them in the event of any wrong doing, for example, if they gave a false declaration.

238. They also requested more detail about how the standard for the SQE will be objectively assessed against qualification arrangements for other qualified lawyers, especially in respect of continuing the current exemptions for CILEX members. We intend to meet again with CILEX Regulation to discuss this and their response to the consultation.

The academic stage of training

239. The academic stage of training is currently regulated through the Joint Statement (1999) issued by the SRA and the BSB. The requirements for the academic stage of training are set out in the Joint Academic Stage Handbook. We are jointly responsible for the approval and monitoring of academic stage courses with the BSB. We undertake this activity on behalf of both the SRA and the BSB.
240. We are currently considering the results of our consultation on transitional arrangements which, if implemented, would see some of the provisions in the current Training Regulations effectively remain in force for 11 years after the introduction of the SQE. This would give anyone who has started to train before the SQE comes in the opportunity to complete their qualification under the existing system if they choose to.
241. We recently consulted on new Authorisation of Individuals Regulations and Education, Training and Assessment Provider Regulations which will replace the current Training Regulations. They will provide for the current system to continue until the SQE is implemented. Once the SQE has been implemented, the provisions relating to the current route and the requirements for the academic stage of training will continue alongside the SQE and remain in force until the end of the transitional period. This means that we will continue to approve, and quality assure, providers of the academic stage of training until the last year that a candidate completes a qualifying law degree in order to qualify as a solicitor - this is likely to be five years after the introduction of the SQE.
242. We have met with the BSB to discuss the ongoing approval and monitoring of qualifying law degrees during the transitional period. We have discussed how long the Joint Statement needs to remain in force. We understand from the BSB that, if their proposals are implemented, they will no longer recognise qualifying law degrees from the date that their changes take effect - currently planned for the start of the academic year 2019/2020. This means that the BSB and the SRA will continue to jointly approve and quality assure any QLDs and CPEs which start in or before academic year 2018/2019 until those courses are completed by the students. Only the SRA will require students starting a QLD or CPE in academic year 2019/2020 to meet the requirements of the Joint Statement. Any law degree or conversion course starting in or after academic year 2020/2021 will not need to meet the requirements of the Joint Statement.

243. The requirements of the Joint Statement will need to remain in force for a transitional period until all students who are still subject to them have completed their courses. This could be up to six years after the start of the course. We will liaise with the BSB to agree arrangements for withdrawal of the Joint Statement. The date for the withdrawal to become effective will be on a date to be agreed between the SRA and the BSB.
244. We are aware that many individuals choose to take a law degree knowing that they want to pursue a professional legal qualification but before deciding whether they want to qualify as a barrister or a solicitor. When the SQE is implemented, we will no longer require candidates to take a law degree and we will have no regulatory interest in the content or framework for law degrees. We expect, however, that some law degree providers will amend their degree courses to incorporate preparation for SQE one.
245. The BSB has told us that it intends to reduce its involvement in academic legal education to a minimum. They will require individuals to demonstrate the competences in the Professional Statement. This includes a requirement that candidates have studied the seven foundations of legal knowledge (the current content requirement for a qualifying law degree). Likewise, the SRA Statement of Legal Knowledge, and the SQE stage one assessments, include the subjects which are currently included in the seven foundations of legal knowledge.
246. Some stakeholders have argued this difference between future BSB and SRA requirements will force candidates to choose whether to become a solicitor or a barrister at too early a stage. We do not agree with this argument. A law degree or CPE which meets the BSB's requirements will help a candidate prepare for SQE stage one. Candidates wishing to switch to a career as a solicitor will not need to repeat any learning they have already undertaken which will help them prepare for the SQE. The BSB have confirmed that a law degree designed to prepare a candidate for SQE stage one will also count as a law degree for the purposes of qualifying as a barrister so long as all of the seven foundation subjects are covered.
247. We intend to agree a joint position statement with the BSB as early as possible and write to providers of the academic stage. It will explain that both the SRA and the BSB are currently consulting on transitional arrangements but that, subject to the outcome of that consultation, we intend to apply to the LSB for withdrawal from the Joint Statement. Withdrawal will take effect when all students who have started on courses to which the Joint Statement applies have finished their course.

Section I – What are our key milestones?

248. The key milestones for implementation are set out in the table below. They are based on a target implementation date of September 2020 but may change if the implementation date is amended. Some of the activities and milestones relating to the development and testing of the SQE cannot be confirmed until we have appointed the assessment organisation.

Activity	Target date
Second stage of sourcing (Invitation to Submit a Detailed Solution) issued	December 2017
Phase one of SQE toolkit published	December 2017
Application to LSB for approval of Authorisation of Individuals Regulations	January 2018
Contract awarded to assessment organisation	May 2018
Announcement of decision on transitional arrangements	June 2018
Application to LSB for approval of transitional arrangements	June 2018
Phase two of SQE toolkit published	June 2018
Approval of transitional arrangements by LSB	September 2018
Phase three of SQE toolkit published	April 2019
New regulations come into force	September 2020
Phase four of SQE toolkit published	September 2020

Section J – SRA contact for matters relating to the application

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Section K – Annexes

- Annex one: Regulations 1.1-3.3 of the SRA Authorisation of Individuals Regulations 20XX
- Annex two: Current pathways to admission as a solicitor
- Annex three: Analysis of new regulatory arrangements against the LSB's statutory guidance for education and training
- Annex four: Proposed criteria for degree or equivalent
- Annex five: Exemplar pathways
- Annex six: Principles for Recognition of Qualified Lawyers
- Annex seven: Mapping of BSB Professional Statement against Statement of Solicitor Competence
- Annex eight: Evidence of the training contract bottleneck