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By e-mail only: consultation@sra.org.uk

Dear Mr Pearce

**CLLS TRAINING COMMITTEE RESPONSE TO THE SRA CONSULTATION:
LOOKING TO THE FUTURE: PHASE TWO OF OUR HANDBOOK REFORMS**

The City of London Law Society (“CLLS”) represents approximately 17,000 City lawyers through individual and corporate membership including some of the largest international law firms in the world. These law firms advise a variety of clients from multinational companies and financial institutions to Government departments, often in relation to complex, multi-jurisdictional legal issues.

The CLLS responds to a variety of consultations on issues of importance to its members through its 19 specialist committees. This response to the consultation has been prepared by the CLLS Training Committee.

Consultation Question 7

Do you agree with our proposed transitional arrangements for anyone who has started along the path to qualification under the existing routes when the SQE comes into force?

Our understanding of the transitional arrangements is as follows:

- Students who start a QLD, GDL or LPC before the SQE start date (currently the target date is September 2020) can complete their training under their existing route to qualification;
- Apprentices will be required to pass all stages of the SQE, whenever they started their apprenticeship;
- Those seeking to qualify through the QLTS will need to pass all parts of the QLTS before the SQE is introduced;
- There will be no ‘mix and match’ of the old and new qualification. It will not be possible to switch from the current route to the SQE midstream and, therefore, secure exemptions for any part of the SQE. It should, however, be possible to undertake Qualifying Work Experience and Stage 2 of the SQE instead of the Period of Recognised Training as the equivalent means mechanism for qualification will be available; and
- Assuming the target introduction date for the SQE of September 2020, there will be a cut-off date of 31st December 2031 for qualifying under an existing route.

In setting out the transitional arrangements we recognise the need to balance maintenance of standards and consistency, against fairness to those who have invested significant time and money in the expectation of qualifying under an existing route. On that basis, we do not object to the overall approach taken in the arrangements.

However, we think there are two noteworthy consequences of the proposed transitional arrangements. First, the consequences of insufficient time between finalisation of the detail of the SQE and the introduction of the SQE. Secondly, the likelihood that law graduates who join our member firms from 2022 will be required to take the SQE and will not have the choice of qualifying under the existing system.

As to the first, there will be significant practical difficulties for our members in relation to the proposed implementation dates and lead periods suggested. Firms will need a reasonable period between (i) the SQE curriculum (and other details in relation to the implementation of the SQE) being finalised; and (ii) the SQE start date (or reference date, as set out below). We believe that, to allow sufficient time for suitable SQE preparation courses and other courses to be designed and for firms to make arrangements for the QWE, the period between (i) and (ii) needs to be at least 12 months. We have explained our thinking in further detail below.

The second consequence stems from the fact that the proposed transitional arrangements for the SQE differentiate between law students and non-law students, as follows:

- Any non-law student who began his/her degree in 2017 (and who graduates in 2020) will only be able to qualify under the new system;

- Any non-law student who graduates in 2019 and who does not immediately enrol on a GDL will also only be able to qualify under the new system;
- However, both law students who begin their law degrees in 2018 or 2019, as well as non-law students who graduate in 2019 and immediately enrol on a GDL, will be able to qualify under either the existing system or the new system.

Our member firms currently recruit prospective trainees approximately 2-3 years before the start of their training, and engage with prospective trainees earlier than that as part of the recruitment process.

The combination of the differential treatment of law students and non-law students, and the long lead time for trainee recruitment, has a significant practical impact on our member firms, in particular in relation to trainee intakes for 2022 and 2023.

Trainee intakes in those years will include both those who can only qualify under the new system (i.e. those with non-law degrees who graduated in 2020 or later) and those who can qualify under either the existing system or the new system (i.e. those with law degrees, as well as those with non-law degrees who graduated in 2019 or earlier and enrolled on a GDL before 2020).

For a variety of reasons, including the not inconsiderable additional time and cost of running two different systems in parallel and the desire to treat a single intake consistently, we have concluded that it will not be feasible or practical for our member firms to follow both the existing regime and the SQE in parallel for trainees joining in the same intake. Therefore, firms are likely to require all their trainees from 2022 onwards to qualify under the new system.

On that basis, firms will require certainty on all aspects of the SQE and the timing for its introduction in order to:

- begin engaging with non-law students now, and law students from 2018 onwards, about qualification under the SQE; and
- take the decisions required for the implementation of the SQE, which will need to have been taken by the beginning of the 2019-20 academic year at the very latest (allowing 12 months for the design of the SQE preparation course for non-law graduates to start in 2020).

However, the current timetable for implementation of the SQE (under which development and testing continues until shortly before the proposed introduction of the SQE in 2020) does not appear to allow for this.

If clarity is not available in sufficient time before the introduction of the SQE, then we would urge the SRA not to set the reference date for the transitional arrangements as the date of the introduction of the SQE, but instead extend it to a later date, being at least 12 months after the date of the introduction of the SQE.

We would also suggest that any rules that are made by the SRA now to implement the transitional arrangements specifically allow for the reference date to be:

- automatically put back if certain milestones (in particular, the completion of the development and testing phase) have not been achieved by certain dates; and
- otherwise to be put back at the discretion of the SRA after appropriate consultation.

Yours faithfully

THE CITY OF LONDON LAW SOCIETY TRAINING COMMITTEE

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Training Committee Members

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