

Trends in the Solicitors' Profession

Annual Statistical Report 2000

Prepared by Bill Cole, Strategic Research Unit



The Law Society

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THE LAW SOCIETY

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INTRODUCTION

This is the seventeenth Annual Statistical Report of the Law Society. It contains the most recent statistics available on the solicitors' branch of the legal profession.

The Research and Policy Planning Unit

This report was produced by Bill Cole of the Law Society's Research and Policy Planning Unit. The Unit helps the Council of the Law Society to assess the changing nature of the profession, and to respond to those changes in an informed way. In doing so the unit designs, conducts and commissions research studies on a number of issues of relevance to the profession. It has published reports on the public perceptions of solicitors, the work and organisation of the solicitors' profession, entry to the profession, how solicitors manage their practices, research into legal markets, and comparisons with legal professions based in other jurisdictions. A full list of these publications is shown in Appendix 4. Further information on the work of the unit can be obtained from Judith Sidaway of the Research and Policy Planning Unit (direct line 020 7320 5893).

Sources of data

The two main sources used for this report were:

- The Law Society's REGIS database, which is maintained by the Society at its offices in Redditch. This contains records of all solicitors at all stages in their career, from their initial enrolment as a student through to their admission to the Roll on qualification and thereafter.
- Statistics based on information that firms supply to the Solicitors Indemnity Fund (SIF). The Law Society has no direct access to information on individual firms, but obtains from SIF the tabular data which has been processed for inclusion in this report.

Legal aid statistics have been drawn from the Legal Aid Board Annual Reports, and from government papers placed before the House of Commons. The report has also drawn on the clearing house admissions systems used by universities to provide information on applications, acceptances and graduates in law. Detailed references to all of the sources used are given throughout the report.

SUMMARY

KEY FACTS ABOUT THE SOLICITORS' PROFESSION

This report describes the size, composition, turnover and profitability of the solicitors' profession and describes trends in the entry of solicitors to the profession. It provides information which can be used to assess whether future demand will be sufficient to sustain the growth of the profession.

The size of the profession

- As at 31 July 2000, there were 104,538 solicitors on the Roll, an increase of 3.5% on the year before.
- At the same date, 82,769 solicitors held practising certificates, an increase of 4.1% on the previous year.
- Since 1970, the total number of solicitors holding practising certificates has grown by 239.1% at an average annual rate of 4.2%.
- 66,445, or 80.3%, of solicitors holding practising certificates work in private practice; the remainder work mainly in commerce and industry and the public sector.
- Since 1990, the proportion of practising certificate holders not employed in private practice has increased from 14.8% to 19.7%.
- Just over one-half, 53.2%, of current practising solicitors have been qualified for 10 years or less.
- In the year to 31 July 2000, admissions to the Roll, i.e. newly qualified solicitors and transfers from other legal professions, were 6,056, a decrease of 2.9% on admissions in the year before.
- Of these new admissions 53.1% were women, and admissions from the ethnic minorities represented 19.0% of all admissions with known ethnicity.

A descriptive profile

- In 1999-2000, solicitors from ethnic minorities accounted for 7.6% of solicitors on the Roll, 6.1% of solicitors with practising certificates, and 5.8% of solicitors in private practice.
- Women now account for 36.3% of solicitors with practising certificates. Whereas since 1990 the total number of solicitors holding practising certificates has grown by 51.2%, the number of women holding practising certificates more than doubled, having increased by 136.7%.
- 83.0% of men holding practising certificates work within private practice, compared to 75.5% of women.

- Of those solicitors with 10-19 years' experience in private practice, 84.2% of men were partners or sole practitioners compared with only 58.2% of women.
- In 2000, the average age of a female solicitor in private practice was 35.8 years compared with 42.9 years for men. The average age of a sole practitioner was 49.7 years compared with 44.7 years for partners and 40.5 years for all solicitors in private practice.
- Around one-third of practising certificate holders in 2000 (35.9%) were employed by organisations based in London. These organisations were responsible for the employment of 53.4% of ethnic minority practising certificate holders.

Trends in private practice

- In 2000, there were 8,319 solicitors' firms in England and Wales earning at least £15,000 per annum, a decrease of 2.8% on 1999.
- In the past year the number of sole practices fell by 4.8%, the number of 2-4 partner firms by 1.6%, and the number of 5-10 partner firms by 2.3%. In contrast, the number of 11-25 partner firms increased by 1.3% and the number of 26-plus partner firms increased by 3.3%.
- Over the past five years, the number of sole practices fell by 1.1%, the number of 2-4 partner firms fell by 5.2% and the number of 5-10 partner firms fell by 9.8%. In contrast, the number of 11-25 partner firms increased by 2.6% and 26-or-more partner firms increased by 17.6%.
- In 2000 almost one-half, 47.4%, of those private practice firms with annual gross fees in excess of £15,000 were located in London and the south east. This is similar to the 47.2% recorded for 1999.
- Excluding those firms with annual gross fees below £15,000, just over one-quarter of private practice firms, 25.3%, were located in London in 2000. These firms employed 41.5% of all private practitioners.
- In 2000, the 1.5% of firms containing 26 or more partners employed 36.3% of solicitors and 33.6% of total staff. Sole practices accounted for 41.7% of all firms and employed 8.5% of solicitors and 8.2% of total staff.
- 100,984 administrative staff were employed in private practice in 2000 – sole practices and firms with 26 or more partners had fewer administrative staff per solicitor than firms in the intermediate size bands.
- On average, the largest firms, with 81 or more partners, had 2.2 assistant solicitors per partner compared with between 0.6 and 1.3 in the smaller and medium-sized firms.

Turnover/profitability

- In the financial year 1998-99, the total turnover of private practice firms with gross fees in excess of £15,000 per annum was £9,486 million. This represented an increase of 9.7% on the previous year. During this period the retail price index rose by 3.2%, and the number of solicitors in private practice increased by 3.6%. Growth was therefore sufficient to slightly increase last year's level of earnings and profitability.
- Legal aid payments to solicitors for the year 1998-99 were £1,410.3 million (including disbursements and VAT), or 14.9% of total gross fees earned.
- In 1999, the UK legal profession accounted for £748 million of overseas earnings measured net of expenses. This accounted for 4.4% of total overseas earnings from business services exports.
- For all private practice firms there was a 12.3% increase in gross fees per firm in 1998-99. The rate of growth in gross fees was not evenly distributed across the range of different sizes of private practice firms. Increases ranged from 2.7% for sole practices to 15.2% for firms with 26 or more partners. The increase in gross fees for 2-4 partner firms and 5-10 partner firms was 8.0% and 9.7% respectively, whilst it was 7.7% for firms with 11-25 partners.
- The average level of gross fees per fee-earner in 1998-99 ranged from £65,000 in sole practitioner firms through to £157,000 in the 127 firms with 26 or more partners. On average, 2-4 partner firms generated £76,000 per fee-earner as against £86,000 in 5-10 partner firms and £101,000 in firms with 11-25 partners.
- The average gross fees per sole practice in 1998-99 was £144,000. However, this figure masks a wide distribution across firms of this size. One-quarter of sole practices generated gross fees of less than £53,000 per annum and one-half generated fees of less than £101,000 per annum.
- Analysis of the change in gross fees per solicitor between 1993-94 and 1998-99 at 1998 prices showed a reduction in real income for firms in all size bands, with the exception of 11-25 partner firms where real fees per solicitor increased by 3.2%. Reductions in real fees per fee-earner were particularly marked in sole practices and 26-plus partner firms where the decreases were 4.4% and 2.5% respectively.
- The Law Society's autumn 1999 Panel Survey of Solicitors' Firms provided data on the distribution of profit per equity partner analysed by size of firm. The study showed that the median annual profit per partner increased with size of firm from £46,000 in sole practices through to £167,000 in the largest panel firms with 26-80 partners. In the 2-4 and 5-10 partner firms, profit per equity partner was £56,000 and £62,000 respectively, whilst the corresponding value for 11-25 partner firms was £98,000.
- The study also highlighted the variability of profit per equity partner found within each size band. For example, the 25% of sole practitioners at the lower end of the distribution made a profit of only £26,000 or less, whilst those in the top 25% earned profits per partner of £64,000 or more.

Trends in post-graduate education

- In 1999 there were 19,075 applicants to study first degree courses in law in England and Wales, of whom 11,154 were accepted.
- Of the 9,090 graduates in the summer of 1999, 51.0% achieved firsts or upper second classifications. More women graduated with firsts and upper seconds than men, 53.5% as opposed to 47.4%.
- In the year ending 31 July 2000, 7,793 students enrolled with the Law Society. Of these students 60.3% were women and 22.0% were drawn from the ethnic minorities.
- In July 2000, 6,830 LPC students were eligible to sit the examination. This represented an 8.7% increase on the 6,285 who were eligible in 1999. Of those who took the examination in 2000, 77.1% passed, only slightly up on the 1999 pass rate of 77.0%.
- There were 7,088 full time and 1,526 part time LPC places available in 1999-00. In 2000-01 there will be 7,376 full-time and 1,500 part-time places available.
- There were 5,285 new traineeships registered in the year 1 August 1999 to 31 July 2000. This is an increase of 9.5% on the level recorded last year.
- Of the new trainees registered, 56.9% were women and 15.8% of trainees with known ethnicity were drawn from the ethnic minorities.
- As at 31 July 2000, 1,075 solicitors in England and Wales had gained rights of audience in the Higher Courts.

QUALIFIED SOLICITORS

Chapters 1 and 2 of the report contain details of the numbers of solicitors on the Roll, and of those with practising certificates, analysed by gender, age, ethnicity, experience, employment sector and, where appropriate, position in private practice. Chapter 3 looks at the organisations that employ solicitors. Finally, chapters 4 and 5 examine the staffing and finances of firms in private practice.

1 SOLICITORS ON THE ROLL

- 1.1 Under the Solicitors Act 1974, the Law Society is required to maintain records of all qualified solicitors on the Roll. All practising solicitors are obliged to keep the Society informed of their whereabouts and any changes in the circumstances of their employment. The annual renewal of practising certificates produces up-to-date information about all practising solicitors. In addition, the Society now operates a scheme of annual enrolment for all solicitors on the Roll in order to be able to gain up-to-date information about those solicitors who do not hold practising certificates.
- 1.2 As at 31 July 2000, there were 104,538 solicitors on the Roll, an increase of 3.5% over the previous year. Of these, 65,355 (62.5%) were men and 39,183 (37.5%) were women. Last year 63.4% of solicitors on the Roll were men and 36.6% were women.
- 1.3 Table 1.3 shows that of those solicitors on the Roll at 31 July 2000, 82,769, or 79.2% of them, held a current practising certificate entitling them to act as a solicitor within the definition of the Solicitors Act 1974. The remaining 21,769 include solicitors working in jobs in which they are not required to hold a practising certificate, retired solicitors, and those no longer pursuing a career in the legal profession. Some of the employed solicitors without a practising certificate work in local government or commerce and industry and do not provide legal advice to those outside the organisation, or undertake litigation on behalf of their employer.

Table 1.3 Solicitors on the Roll with and without practising certificates by gender as at 31 July 2000

| | No. | % |
|--|---------|-------|
| With practising certificates | | |
| Men | 52,751 | 63.7 |
| Women | 30,018 | 36.3 |
| Sub-total | 82,769 | 100.0 |
| Without practising certificates | | |
| Men | 12,604 | 57.9 |
| Women | 9,165 | 42.1 |
| Sub-total | 21,769 | 100.0 |
| Total solicitors on the Roll | | |
| Men | 65,355 | 62.5 |
| Women | 39,183 | 37.5 |
| Total | 104,538 | 100.0 |

Source: Law Society's REGIS database

Ethnic origin

- 1.4 Ethnic minorities make up 7.6% of solicitors on the Roll, of whom 33.1% are resident abroad. In England and Wales the greatest concentration of ethnic minority solicitors on the Roll is found in the Central and South Middlesex constituency, where 24.7% of solicitors are drawn from the ethnic minorities.
- 1.5 Table 1.5 shows that 63.1% of the 7,944 ethnic minority solicitors on the Roll hold practising certificates. Chinese solicitors, the majority of whom work overseas, have the lowest ethnic minority participation rates. Only 23.7% of Chinese solicitors on the Roll hold practising certificates compared to 79.2% of solicitors overall.

Table 1.5 Ethnic minority solicitors on the Roll and with practising certificates as at 31 July 2000

| | Ethnic minority solicitors | | |
|---|----------------------------|-----------------------------|------------------------------------|
| | 1 | 2 | 3 |
| | On the Roll | With practising certificate | Participation rate (2 as a % of 1) |
| Ethnic origin | | | |
| Afro-Caribbean | 510 | 426 | 83.5% |
| Asian | 3,410 | 2,788 | 81.8% |
| Chinese | 2,468 | 586 | 23.7% |
| African | 464 | 387 | 83.4% |
| Other ethnic origin | 1,092 | 822 | 75.3% |
| All ethnic minority solicitors | 7,944 | 5,009 | 63.1% |
| White European | 82,435 | 66,604 | 80.8% |
| Unknown | 14,159 | 11,156 | 78.8% |
| All solicitors | 104,538 | 82,769 | 79.2% |
| Ethnic minority solicitors as a % of all solicitors | 7.6% | 6.1% | |
| Ethnic minority solicitors as a % of solicitors with known ethnicity | 8.8% | 7.0% | |

Source: Law Society's REGIS database

2 PRACTISING CERTIFICATE HOLDERS

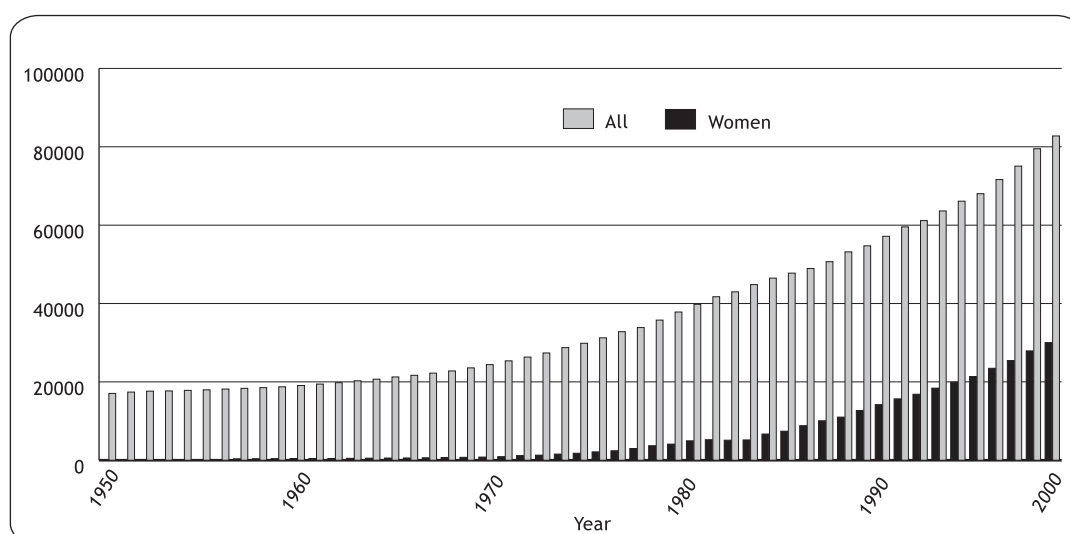
- 2.1 In order to act as a solicitor, the Solicitors Act 1974 requires that the solicitor's name appears on the Roll and that a current practising certificate is held. Practising certificates are issued by the Law Society and are valid from 1 November to 31 October each year.
- 2.2 At 31 July 2000, there were 82,769 solicitors holding current practising certificates. This was an increase of 4.1% on the number for the previous year and reflects an increase both in the number of solicitors on the Roll and the participation rate. The participation rate is the percentage of solicitors on the Roll holding practising certificates. Table 2.2 below shows how the total number of solicitors with practising certificates has grown over the past three decades, with the comparable figures for solicitors working within private practice. Since 1970, the total number of practising certificate holders has grown by 239.1% at an average annual rate of 4.2%. Comparable figures for those in private practice are a total growth over the period of 213.4% at an average rate of 3.9%. Chart 1 shows the growth in the number of solicitors with practising certificates since 1950, and compares the growth rate for women holders with that of the profession as a whole.

Table 2.2 Solicitors holding practising certificates 1970 to 2000

| Year | Practising solicitors | % change | Solicitors in private practice | % change |
|------|-----------------------|----------|--------------------------------|----------|
| 1970 | 24,407 | - | 21,201 | - |
| 1980 | 37,832 | 55.0 | 32,447 | 53.0 |
| 1990 | 54,734 | 44.7 | 46,652 | 43.8 |
| 2000 | 82,769 | 51.2 | 66,445 | 42.4 |

Source: Law Society's REGIS database

Chart 1 Growth in the number of solicitors with practising certificates 1950-2000



Source: Law Society's REGIS database

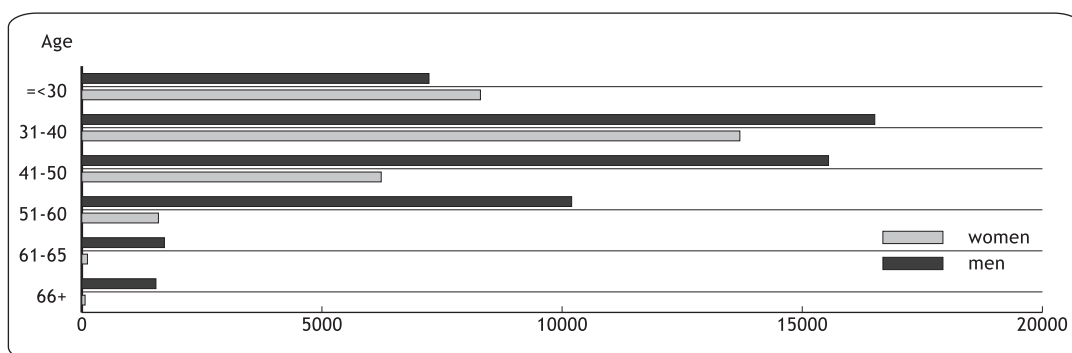
- 2.3 Since 1990, the total number of solicitors with practising certificates has grown by 51.2%; however, over this period the number of women solicitors with practising certificates has increased by 136.7%. The proportion of solicitors holding practising certificates who are women was 36.3% at 31 July 2000, compared with 23.2% in 1990. For the past eight years, women have accounted for over one-half of new entrants to the profession, so this proportion is set to increase for the foreseeable future.
- 2.4 Table 2.4 shows the age distribution of solicitors in five-year groups and also participation rates by age. The comparison between the participation rates for men and women shows that participation rates are lower among female than male solicitors for all age groups.
- 2.5 Table 2.4 and Chart 2 also show that there are more female than male practising certificate holders aged 30 or less, but that the majority of those in the older age groups are men. Just over one-half, 55.3%, of solicitors with a practising certificate are aged 40 or less. The average age of a female solicitor with a practising certificate is 36.2 years compared with 42.9 for men. One-half of women solicitors with practising certificates are aged 34 or less, whilst one half of men with practising certificates are aged 42 or less.

Table 2.4 The age distribution of solicitors and participation rates as at 31 July 2000

| Age | Number of men with PCs | Part. rate (% on Roll holding PCs) | Number of women with PCs | Part. rate (% on Roll holding PCs) |
|----------------|------------------------------|--|--------------------------------|--|
| 25 and under | 377 | 97.2 | 569 | 93.6 |
| 26-30 | 6,754 | 91.8 | 7,676 | 89.2 |
| 31-35 | 8,415 | 86.0 | 8,015 | 76.5 |
| 36-40 | 7,871 | 85.6 | 5,596 | 71.3 |
| 41-45 | 7,782 | 86.2 | 3,826 | 72.4 |
| 46-50 | 7,554 | 85.6 | 2,367 | 71.7 |
| 51-55 | 6,660 | 83.5 | 1,183 | 71.0 |
| 56-60 | 3,400 | 76.4 | 402 | 65.7 |
| 61-65 | 1,698 | 61.2 | 117 | 50.9 |
| 66-70 | 880 | 44.1 | 42 | 37.8 |
| 71 and over | 643 | 25.4 | 27 | 28.7 |
| Unknown | 717 | 68.2 | 198 | 58.8 |
| All ages known | 52,034 | 80.9 | 29,820 | 76.8 |
| % ages known | 99.0 | | 99.0 | |
| Total | 52,751 | 80.7 | 30,018 | 76.6 |
| Average age | 42.9 | | 36.2 | |
| Median age | 42 | | 34 | |

Source: Law Society's REGIS database

Chart 2 The age of solicitors with practising certificates – 31 July 2000



Source: Law Society's REGIS database

2.6 Table 2.6 shows the numbers of solicitors holding practising certificates as at 31 July 2000, analysed by the number of years they have been qualified as solicitors. Over one-third, 37.2%, of male solicitors with current practising certificates in private practice have been qualified for less than 10 years, and 62.6% have been qualified for less than 20 years. This compares with 91.1% of women solicitors in private practice who have been qualified for less than 20 years. A similar distribution pattern to that found in private practice was found amongst those solicitors working in the employed and other sectors.

Table 2.6 Experience of solicitors with practising certificates, measured by number of years qualified, as at 31 July 2000

| Years since admission | All solicitors | | Men | | Women | |
|---|----------------|-------|--------|-------|--------|-------|
| | No. | % | No. | % | No. | % |
| Solicitors in private practice | | | | | | |
| 0-9 years | 31,802 | 47.9 | 16,267 | 37.2 | 15,535 | 68.5 |
| 10-19 years | 16,234 | 24.4 | 11,120 | 25.4 | 5,114 | 22.6 |
| 20-29 years | 12,689 | 19.1 | 10,920 | 24.9 | 1,769 | 7.8 |
| 30-39 years | 4,352 | 6.5 | 4,144 | 9.5 | 208 | 0.9 |
| 40-49 years | 1,128 | 1.7 | 1,098 | 2.5 | 30 | * |
| 50+ years | 240 | 0.4 | 233 | 0.5 | 7 | * |
| All years | 66,445 | 100.0 | 43,782 | 100.0 | 22,663 | 100.0 |
| Solicitors in employed and other sectors | | | | | | |
| 0-9 years | 9,755 | 59.8 | 4,778 | 53.3 | 4,977 | 67.7 |
| 10-19 years | 3,695 | 22.6 | 1,905 | 21.2 | 1,789 | 24.3 |
| 20-29 years | 2,331 | 14.3 | 1,779 | 19.8 | 551 | 7.5 |
| 30-39 years | 469 | 2.9 | 431 | 4.8 | 38 | 0.5 |
| 40-49 years | 66 | 0.4 | 65 | 0.7 | 1 | * |
| 50+ years | 8 | * | 8 | 0.1 | 0 | 0.0 |
| All years | 16,324 | 100.0 | 8,967 | 100.0 | 7,357 | 100.0 |

* less than 0.05%

Source: Law Society's REGIS database

2.7

Table 2.7 provides a detailed breakdown of the employment of solicitors with practising certificates. It shows that the overwhelming majority of solicitors with practising certificates work in private practice: 80.3% as at 31 July 2000. The second largest category of employment is commerce and industry, 6.3%, followed by local government, which employs 3.7% of practising certificate holders. (It should also be pointed out that the number of solicitors working in the employed sector is likely to be greater than these figures suggest. This is because many, as a consequence of their employed status, will not be required to hold a practising certificate.) A further 5.5% are not attached to any organisation: the majority of these are in the youngest age group which suggests that they are predominantly the most recently qualified. The table also shows that women account for a higher proportion of employees in the employed and other sectors than in private practice. In private practice 34.1% of solicitors are women, compared with 45.1% in these other sectors.

Table 2.7 Practising certificate holders by category of employment as at 31 July 2000

| Category of employment | All | % of PC holders | Men | Women | Women as % of total |
|--|---------------|-----------------------|---------------|---------------|---------------------------|
| Private practice | 66,445 | 80.3 | 43,782 | 22,663 | 34.1 |
| Commerce/industry | 5,189 | 6.3 | 3,035 | 2,154 | 41.5 |
| Accountancy practice | 95 | 0.1 | 45 | 50 | 52.6 |
| Nationalised industry | 92 | 0.1 | 38 | 54 | 58.7 |
| Trade union | 44 | 0.1 | 26 | 18 | 40.9 |
| Government department | 74 | 0.1 | 37 | 37 | 50.0 |
| Local government | 3,055 | 3.7 | 1,463 | 1,592 | 52.1 |
| Court | 144 | 0.2 | 90 | 54 | 37.5 |
| Government funded services | 132 | 0.2 | 83 | 49 | 37.1 |
| Crown Prosecution Service | 1,529 | 1.8 | 794 | 735 | 48.1 |
| Advice service | 295 | 0.4 | 120 | 175 | 59.3 |
| Educational establishment | 150 | 0.2 | 56 | 94 | 62.7 |
| Health service | 32 | * | 10 | 22 | 68.8 |
| Others ¹ | 938 | 1.1 | 567 | 371 | 39.6 |
| Not attached to an organisation ² | 4,555 | 5.5 | 2,605 | 1,950 | 42.8 |
| All non-private practice | 16,324 | 19.7 | 8,969 | 7,355 | 45.1 |
| Total practising certificate holders | 82,769 | 100.0 | 52,751 | 30,018 | 36.3 |

* less than 0.05%

¹ All other categories, including practising certificate holders in the Armed Forces, churches and other religious bodies and institutes

² See paragraph 2.8

Source: Law Society's REGIS database

- 2.8 Overall, 83.0% of male solicitors are in private practice compared with only 75.5% of female solicitors. This is shown in Table 2.8, which also shows the growing importance of the employed sector. In 2000, almost one-fifth (19.7%) of practising certificate holders worked in the employed sector, compared to only 14.8% 10 years ago.

Table 2.8 Distribution of practising certificate holders by category of employment as at 31 July 2000 compared with 1990

| Category of employment | 1990 | Total | 2000 | |
|------------------------|------------|-------|----------|------------|
| | Total % | | Men % | Women % |
| Private practice | 85.2 | 80.3 | 83.0 | 75.5 |
| Other PC holders | 14.8 | 19.7 | 17.0 | 24.5 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 |

Source: Law Society's REGIS database

Solicitors in private practice

- 2.9 For the 66,445 solicitors working in private practice, the Law Society records the position or status of the solicitor within the firm. Table 2.9 shows the status of those solicitors holding practising certificates and working in private practice as at 31 July 2000. It shows the number who are partners, sole practitioners, assistant solicitors, associates, consultants, and 'other private practice'. The category of 'other private practice' refers to solicitors with practising certificates, in private practice, but with positions in the firm other than those stated. For example, this category includes solicitors employed in training and managerial capacities. This year there has been a further slight decrease in the proportion of male and female private practitioners who are partners. Table 2.9 shows that 52.8% of men, compared with only 23.9% of women, were partners as at 31 July 2000.

Table 2.9 Position of solicitors working in private practice and holding a practising certificate as at 31 July 2000

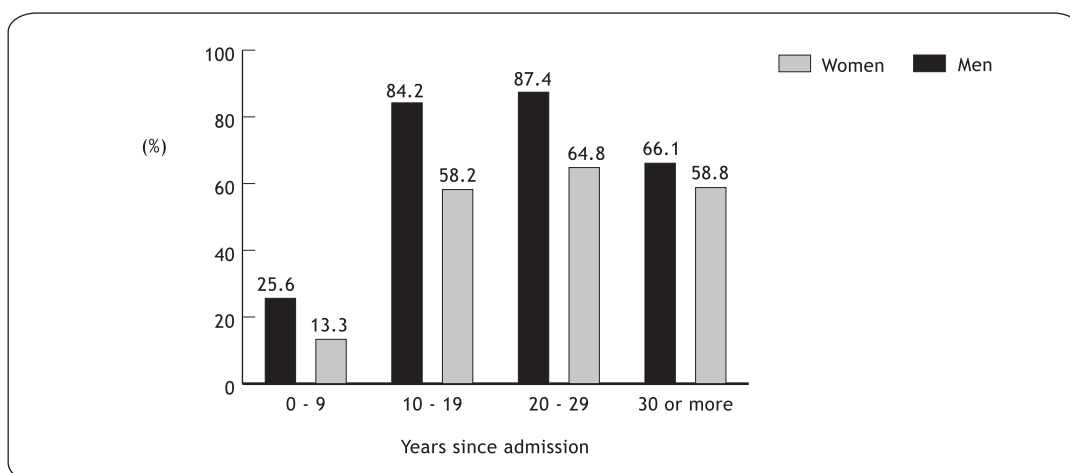
| Position in firm | Men | | Women | | Total | |
|------------------------|--------|-------|--------|-------|--------|-------|
| | No. | % | No. | % | No. | % |
| Partners | 23,108 | 52.8 | 5,418 | 23.9 | 28,526 | 42.9 |
| Sole practitioners | 3,582 | 8.2 | 912 | 4.0 | 4,494 | 6.8 |
| Associate solicitors | 1,993 | 4.6 | 1,816 | 8.0 | 3,809 | 5.7 |
| Assistant solicitors | 12,352 | 28.2 | 13,769 | 60.8 | 26,121 | 39.3 |
| Consultants | 2,487 | 5.7 | 375 | 1.7 | 2,862 | 4.3 |
| Other private practice | 260 | 0.6 | 373 | 1.6 | 633 | 1.0 |
| All positions | 43,782 | 100.0 | 22,663 | 100.0 | 66,445 | 100.0 |

Source: Law Society's REGIS database

2.10

Chart 3 below is an examination of status analysed by experience (as measured by the number of full years since qualifying as a solicitor) for both men and women. Chart 3 shows that, even after equalising the levels of experience, higher proportions of men achieve partnership status than women. In all of the experience bands a lower proportion of women than men are partners or sole practitioners. Of solicitors in private practice with 10-19 years' experience, the band within which most partners and sole practitioners fall, 84.2% of men are partners or sole practitioners compared with only 58.2% of women.

Chart 3 Percentages of men and women in private practice who were either partners or sole practitioners as at 31 July 2000 by years since admission



Source: Law Society's REGIS database

2.11

In addition to gender differences it is also interesting to compare the age distribution of partners and sole practitioners with those for all solicitors in private practice. Table 2.11 shows that the average age of a sole practitioner is 49.7 years, compared with 44.7 for partners and 40.5 for all solicitors in private practice. Reflecting their younger age profile, women solicitors, at all levels of private practice, are younger on average than their male counterparts.

Table 2.11 The age distribution of sole practitioners and partners as at 31 July 2000

| Age | All in private practice | | | Partners | | | Sole practitioners | | |
|-------------|-------------------------|--------|--------|----------|-------|--------|--------------------|-------|-------|
| | Men | Women | Total | Men | Women | Total | Men | Women | Total |
| Total | 43,782 | 22,663 | 66,445 | 23,108 | 5,418 | 28,526 | 3,582 | 912 | 4,494 |
| Average age | 42.9 | 35.8 | 40.5 | 45.6 | 40.8 | 44.7 | 50.8 | 45.5 | 49.7 |

Source: Law Society's REGIS database

Ethnic origin

2.12 Table 2.12 records the number of solicitors with practising certificates who are known to belong to ethnic minorities. The provision of information on ethnicity is entirely optional, though at present it is known for 86.5% of practising certificate holders. Using this we estimate that ethnic minority solicitors accounted for 6.1% of solicitors with practising certificates in 2000, an increase on the 5.5% recorded in 1999. People from ethnic minorities account for 5.7% of the economically active population of England and Wales, which implies a reasonable match overall. There are, though, some geographical variations, which are shown in Chart 4 below.

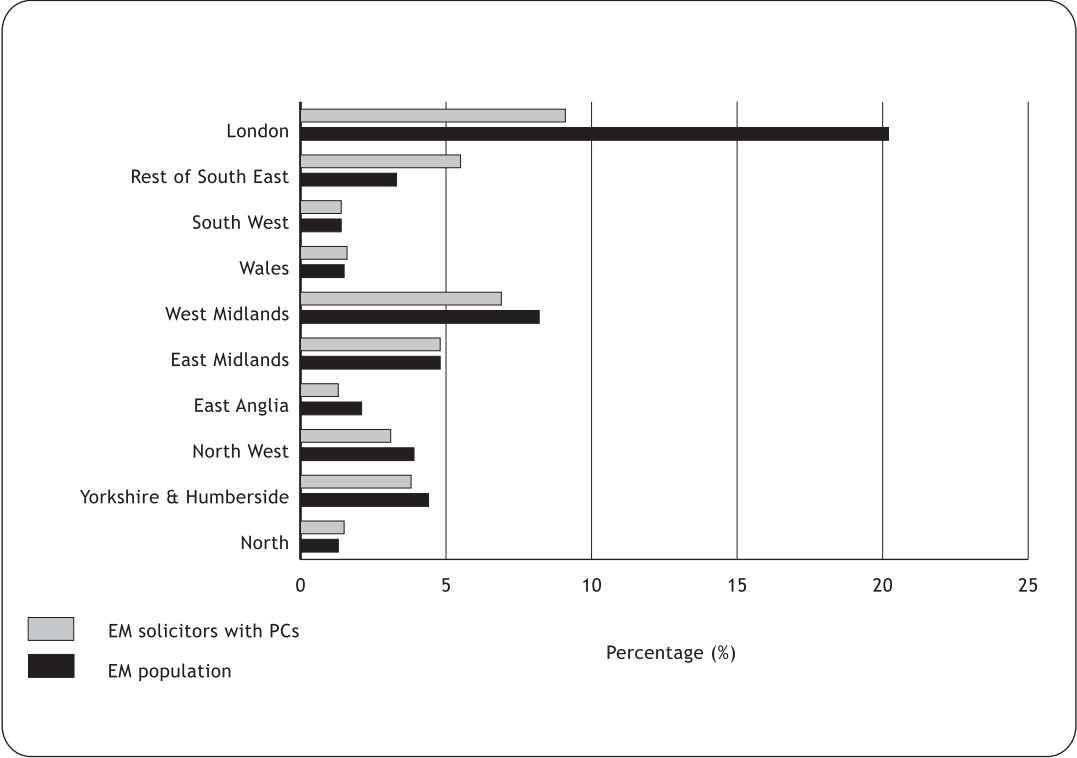
Table 2.12 Ethnic origin of practising certificate holders as at 31 July 2000

| Ethnic origin | Men | Women | Total | % |
|--|---------------|---------------|---------------|--------------|
| White/European | 42,655 | 23,949 | 66,604 | 80.5 |
| Afro-Caribbean | 144 | 282 | 426 | 0.5 |
| Asian | 1,458 | 1,330 | 2,788 | 3.4 |
| Chinese | 250 | 336 | 586 | 0.7 |
| African | 184 | 203 | 387 | 0.5 |
| Other ethnic origin | 430 | 392 | 822 | 1.0 |
| All solicitors for whom ethnic origin is known | 45,121 | 26,492 | 71,613 | 86.5 |
| All ethnic minority practising certificate holders known to the Law Society | 2,466 | 2,543 | 5,009 | |
| % of all solicitors with PCs | 4.7 | 8.5 | 6.1 | |
| Unanswered/refused | 3,498 | 757 | 4,255 | 5.1 |
| Unknown | 4,132 | 2,769 | 6,901 | 8.3 |
| All practising certificate holders | 52,751 | 30,018 | 82,769 | 100.0 |
| % of all solicitors with PCs for whom ethnic origin is known | 85.5 | 88.3 | 86.5 | |

Source: Law Society's REGIS database

2.13 Chart 4 shows, for each standard region (see Map 1, Appendix 1), ethnic minority solicitors as a proportion of total solicitors with practising certificates, compared with the proportion of the total working population who are drawn from ethnic minorities.

Chart 4 Ethnic minority solicitors as a proportion of total solicitors with practising certificates compared with people from ethnic minorities as a proportion of the total population



2.14 Table 2.14 shows the proportion of ethnic minority solicitors with practising certificates in each standard region and abroad. Greater London, the rest of the South East and the West Midlands have the highest proportion of ethnic minority solicitors, the majority of whom are Asian. Overall, 6.4% of ethnic minority solicitors with practising certificates are resident abroad.

Table 2.14 Proportion of ethnic minority solicitors with practising certificates in standard regions and abroad as at 31 July 2000

| Region | Total no. of PC holders | Ethnic Group (%) | | | | | | | |
|--------------------------------|----------------------------------|------------------|-----------------|---------|---------|-----------------------------|-----------------------------|------------------------|---------|
| | | Asian | Afro- Carib. | Chinese | African | Other ethnic minority | Total ethnic minority | White Euro- pean | Unknown |
| City of London ¹ | 13,783 | 2.7 | 0.3 | 0.8 | 0.4 | 1.3 | 5.5 | 78.4 | 16.1 |
| Rest of London | 15,913 | 6.7 | 1.3 | 0.8 | 1.5 | 1.9 | 12.2 | 72.4 | 15.4 |
| Rest of the South East | 12,369 | 3.4 | 0.5 | 0.4 | 0.4 | 0.8 | 5.5 | 81.9 | 12.6 |
| South West | 6,515 | 0.5 | 0.1 | 0.2 | 0.2 | 0.4 | 1.4 | 86.7 | 11.8 |
| Wales | 3,103 | 0.6 | 0.2 | 0.2 | 0.1 | 0.5 | 1.6 | 87.9 | 10.5 |
| West Midlands | 6,029 | 5.2 | 0.7 | 0.2 | 0.2 | 0.6 | 6.9 | 81.7 | 11.5 |
| North West | 8,061 | 1.8 | 0.3 | 0.2 | 0.2 | 0.6 | 3.1 | 85.2 | 11.7 |
| North | 2,356 | 0.9 | 0.0 | 0.2 | * | 0.4 | 1.5 | 87.4 | 11.1 |
| Yorkshire & Humberside | 5,314 | 2.9 | 0.2 | 0.2 | * | 0.6 | 3.8 | 86.1 | 10.1 |
| East Midlands | 5,198 | 3.5 | 0.4 | 0.2 | 0.1 | 0.6 | 4.8 | 82.6 | 12.6 |
| East Anglia | 1,635 | 0.7 | 0.1 | 0.0 | 0.1 | 0.5 | 1.3 | 86.5 | 12.1 |
| Scotland/ N. Ireland | 134 | 0.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.7 | 70.1 | 29.1 |
| Abroad | 2,283 | 2.3 | 0.1 | 9.9 | 0.2 | 1.5 | 14.1 | 64.1 | 21.9 |
| Unknown | 76 | 0.0 | 0.0 | 1.3 | 0.0 | 0.0 | 1.3 | 88.1 | 10.6 |
| Total | 82,769 | 3.4 | 0.5 | 0.7 | 0.5 | 1.0 | 6.1 | 80.5 | 13.5 |

¹ Solicitors have been allocated to one of the Registrar General's standard regions on the basis of the local Law Society constituency in which they work. The boundaries match reasonably well but some degree of approximation is required.

* Less than 0.05%.

Source: Law Society's REGIS database

2.15 Finally, Table 2.15 analyses the position held by solicitors in private practice by their ethnicity. The table shows that, whereas 43.8% of white Europeans in private practice are at partnership level, the corresponding proportion from ethnic minority groups is much lower at 24.2%. This is partly a reflection of the fact that solicitors from the ethnic minorities have only recently been entering the profession in numbers. It is interesting to note though that 9.6% of ethnic minority solicitors are sole practitioners, compared with only 6.3% for all white European solicitors in private practice.

Table 2.15 Status of private practice solicitors by ethnicity

| Ethnic group | Percentage who were: | | | | | | Total |
|---------------------|-------------------------|-------------|--------------|------------|-------------|------------------------|--------------|
| | All in private practice | Partners | Sole practs. | Associates | Assists. | Other private practice | |
| Afro-Caribbean | 295 | 21.3 | 10.8 | 4.7 | 61.7 | 1.4 | 100.0 |
| Asian | 2,228 | 24.6 | 11.0 | 5.0 | 56.3 | 3.1 | 100.0 |
| Chinese | 429 | 22.6 | 5.6 | 10.3 | 59.1 | 2.3 | 100.0 |
| African | 272 | 23.5 | 12.1 | 2.9 | 60.3 | 1.1 | 100.0 |
| Other ethnic origin | 650 | 25.6 | 6.0 | 7.2 | 58.3 | 2.9 | 100.0 |
| All ethnic minority | 3,874 | 24.2 | 9.6 | 5.8 | 57.6 | 2.7 | 100.0 |
| White European | 53,888 | 43.8 | 6.3 | 5.8 | 38.7 | 5.3 | 100.0 |
| Unknown | 8,683 | 45.9 | 8.2 | 5.1 | 34.8 | 6.1 | 100.0 |
| Total | 66,445 | 42.9 | 6.8 | 5.7 | 39.3 | 5.3 | 100.0 |

Source: Law Society's REGIS database

3 SOLICITORS' OFFICES AND FIRMS

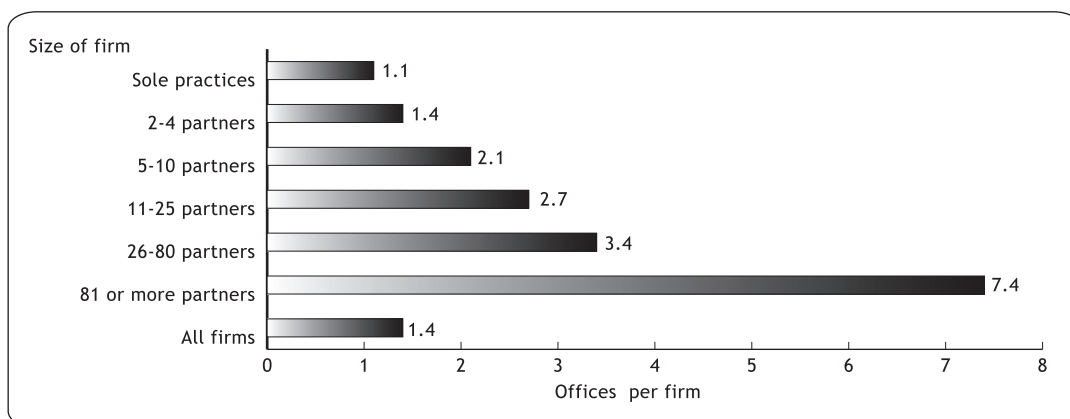
- 3.1 Information on private practice solicitors' firms is available from both the Law Society's records and from those held by the Solicitors Indemnity Fund (SIF). These are separate systems designed for different administrative purposes and, as a consequence, the statistics recorded are not fully comparable. The Law Society statistics include all private practice firms, while SIF only collects information about those firms which have gross fees of £15,000 per annum or over. The value of the Law Society figures is considerably weakened because of the inclusion of all firms registered with the Law Society regardless of the amount of business that they conduct.
- 3.2 The Law Society categorises solicitors according to the Law Society constituencies in which they work. There are currently 41 Law Society constituencies in England and Wales. As the boundaries of these constituencies match reasonably well with the boundaries of the standard regions of England and Wales as used historically by the Registrar General, the Law Society's records of firms have been reallocated to these regions. Map 1, Appendix 1, shows the boundaries of the Registrar General's standard regions. The SIF records show the location of firms according to the regional breakdown used by the Legal Aid Board (see Map 2, Appendix 1) and for standard regions. Table headings, where relevant, state the type of regional allocation used.
- 3.3 The Law Society records the type of business conducted by organisations employing solicitors. The main categories are shown in Table 3.3 together with the numbers of head offices and branch offices for each employer in England and Wales and in other jurisdictions.
- 3.4 As can be seen from Table 3.3 as at 31 July 2000, there were 15,519 separate organisations employing solicitors, of which 14,043 were based in England and Wales and 1,476 elsewhere (i.e. Scotland, Northern Ireland, the Isle of Man, Eire and overseas countries). Each firm, company, local authority or other employer may be located in one or several offices. There were 20,835 separate places of work recorded for solicitors, of which 18,795 were in England and Wales and 2,040 elsewhere. These figures represent a small reduction on the numbers recorded for 1999. It can also be seen from this table that there were 9,770 private practice partnerships located in 13,561 separate offices in England and Wales. Over the past year the number of firms has fallen by 2.1%, whilst the total number of offices has decreased commensurately by 1.9%.
- 3.5 Looking at the trend in the numbers of private practice firms and offices over the five years since 1994-95, the number of firms has decreased slightly by 0.9% and the number of offices has decreased by 1.5%. These figures are reflected in the observed 0.7% decrease in the ratio of offices to firms over the period.
- 3.6 The numbers of offices occupied by different sizes of firms are shown in Chart 5. This shows that the average number of offices per firm in 2000 was 1.4. As one would expect, the number of offices per firm increases with the size of firm: from 1.1 for sole practices through to 7.4 for the 81-or-more partner firms.

Table 3.3 Organisations employing solicitors by type of business as at 31 July 2000

| Type of business | Head offices | | Branch offices | | Total offices | |
|-----------------------------------|-----------------|--------------|-----------------|------------|-----------------|--------------|
| | England & Wales | Elsewhere | England & Wales | Elsewhere | England & Wales | Elsewhere |
| Private practice | | | | | | |
| Partnerships in England and Wales | 9,770 | 65 | 3,791 | 87 | 13,561 | 152 |
| Incorporated firms | 258 | 1 | 156 | 10 | 414 | 11 |
| Multi-national practices | 115 | 78 | 64 | 223 | 179 | 301 |
| Foreign law practices | 11 | 835 | 11 | 146 | 22 | 981 |
| Locums services | 419 | 3 | 3 | 0 | 422 | 3 |
| Other private practice | 14 | 37 | 5 | 8 | 19 | 45 |
| Commerce and industry | 2,115 | 340 | 321 | 65 | 2,436 | 405 |
| Government | | | | | | |
| Government department | 45 | 53 | 61 | 18 | 106 | 71 |
| Local government | 472 | 3 | 36 | 0 | 508 | 3 |
| Court | 151 | 4 | 131 | 0 | 282 | 4 |
| Government funded services | 86 | 17 | 51 | 4 | 137 | 21 |
| Crown Prosecution Service | 43 | 0 | 53 | 0 | 96 | 0 |
| Other | | | | | | |
| Advice service | 161 | 2 | 13 | 0 | 174 | 2 |
| Educational establishment | 177 | 21 | 2 | 0 | 179 | 21 |
| Other | 206 | 17 | 54 | 3 | 260 | 20 |
| Total | 14,043 | 1,476 | 4,752 | 564 | 18,795 | 2,040 |

Source: Law Society's REGIS database

Chart 5 Number of offices by size of firm in 2000



Source: Solicitors Indemnity Fund

3.7 The remaining statistics in this chapter are based on the SIF records of those firms earning over £15,000 in gross fees per annum. The SIF maintains records of solicitors' firms for the purpose of calculating indemnity premiums. Firms submit a return to SIF providing details of staffing and gross fees (turnover) each year. The gross fee figures relate to the firm's last full annual accounting period which has usually ended during the previous 18 months. 'Low fee-earners', that is, firms earning less than £15,000 per annum, are excluded. Because of this and the different period of account, figures differ from those produced from the Law Society's REGIS database. The staffing figures show the numbers of staff in post as at 31 March.

Table 3.8 Location (standard regions) of population, private practice firms, principals and solicitors in private practice in 2000

| Region | Total = | Firms earning £15,000 ² | | |
|--------------------------|---------|--|---------------------|--|
| | | Population ¹ 52,690 million % | Firms 8,319 % | Solicitors ³ 63,555 % |
| City of London | | * | 3.5 | 25.3 |
| Rest of London | | 13.8 | 21.8 | 16.2 |
| Total London | | 13.8 | 25.3 | 41.5 |
| Rest of South East | | 20.7 | 22.1 | 13.9 |
| South West | | 9.4 | 8.7 | 7.5 |
| Wales | | 5.6 | 5.8 | 3.8 |
| West Midlands | | 10.1 | 8.4 | 6.5 |
| East Midlands | | 8.0 | 5.0 | 4.2 |
| East Anglia | | 4.0 | 3.1 | 2.7 |
| North West | | 13.1 | 10.6 | 10.6 |
| Yorkshire and Humberside | | 9.6 | 6.7 | 6.2 |
| North | | 5.8 | 4.3 | 3.0 |
| Total | | 100.0 | 100.0 | 100.0 |

* Less than 0.05%

Sources: ¹ Office for National Statistics
² The Solicitors Indemnity Fund
³ Including principals

- 3.8 Table 3.8 shows the geographical distribution of the population, private practice firms, and all solicitors in private practice according to the Registrar General's standard regions. Just over one-quarter of solicitors' firms, 25.3%, were located in London. Both the percentage of firms (3.5%) and of solicitors (25.3%) located in the City have increased slightly over the past year. Just under one-half of all solicitors' firms (47.4%) are now based in the South East (including London). This value is a slight increase in concentration since 1994-95, when 46.2% of firms were so listed. Within this slight shift, the proportion of firms in London has risen from 23.4% to 25.3% of the total, whilst the proportion of firms in the rest of the South East has declined slightly from 22.8% to 22.1%. Outside of this there has been little change in the pattern of distribution of firms over the past five years. In comparison with the distribution of population, the figures on the distribution of solicitors for the whole of the South East are distorted by the concentration of solicitors in London. As things now stand, 41.5% of all solicitors in private practice are now located in London.
- 3.9 SIF statistics record the size of firms (measured by the number of principals) for each legal aid region (see Map 2, Appendix 1, for a map of legal aid regions). To summarise this data, it is convenient to use the three broad areas which have been used in earlier Annual Statistical Reports. These are: North/Wales (Legal Aid areas 5, 6, 7, 8, 9, 10, 12 and 15), South (areas 2, 3, 4 and 11) and London (areas 1, 13 and 14). Table 3.9 shows that the total number of firms in England and Wales has decreased by 2.8% over the past year. The number of private practice firms in London decreased slightly, by 0.5%, though in the North/Wales and South legal aid areas the reductions were more marked at 3.1% and 3.6% respectively. Some of those reductions may be due to the non-reporting of some successor practices and changed administrative procedures within SIF.

Table 3.9 Location of private practice firms in 1999 and 2000 with gross fees of £15,000 per annum or more

| All firms earning over £15,000 per year: | | | |
|--|-------|-------|--------------------------|
| Area | 1999 | 2000 | % change 2000 on 1999 |
| London | 2,415 | 2,402 | -0.5 |
| South | 2,661 | 2,566 | -3.6 |
| North/Wales | 3,498 | 3,388 | -3.1 |
| Total | 8,561 | 8,319 | -2.8 |

Source: Solicitors Indemnity Fund

- 3.10 As we have seen between August 1999 and 2000, the total number of firms fell by 2.8%. Within this total the number of sole practices fell fastest, by 4.8%, followed by 5-10 partner firms, down 2.3%, and 2-4 partner firms which were down by 1.6%. In contrast, the number of 11-25 partner firms increased by 1.3% whilst 26-or-more partner firms increased by 3.3%. Looking back over five years to 1994-95 there has been a 3.5% drop in the number of firms. Over this period the number of 5-10 partner firms fell markedly, by 9.8%, and 2-4 partner firms fell by 5.2%. There was little change in the number of sole practices, down 1.1%, or 11-25 partner firms, up 2.6%. Growth was most rapid amongst the larger firms, where the number of 26-or-more partner firms increased by 17.6%.

Table 3.10 Size of private practice firms earning at least £15,000 per annum 1995-2000

| Size of firm | Number of firms | | | | | | % change 2000 on 1999 | % change 2000 on 1995 |
|---------------------|-----------------|--------------|--------------|--------------|--------------|--------------|-----------------------------|-----------------------------|
| (No. of principals) | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 1999 | 1995 |
| 1 | 3,507 | 3,611 | 3,745 | 3,697 | 3,641 | 3,468 | -4.8 | -1.1 |
| 2-4 | 3,642 | 3,663 | 3,671 | 3,627 | 3,509 | 3,454 | -1.6 | -5.2 |
| 5-10 | 1,053 | 1,013 | 1,004 | 1,002 | 972 | 950 | -2.3 | -9.8 |
| 11-25 | 312 | 304 | 308 | 314 | 316 | 320 | 1.3 | 2.6 |
| 26 or more | 108 | 111 | 114 | 124 | 123 | 127 | 3.3 | 17.6 |
| Total | 8,622 | 8,702 | 8,842 | 8,764 | 8,561 | 8,319 | -2.8 | -3.5 |

Source: Solicitors Indemnity Fund

3.11 Examining the trend in the distribution of size of firms measured by the number of principals over a longer period shows a substantial change since 1990. Table 3.11 shows that, within an overall increase of 2.7%, it is the smallest and the largest firms which have accounted for most of the increase in the total number of firms. The number of sole practitioners has increased by 14.9% over the past 10 years, though this increase must be at least partly due to the fixed threshold of £15,000 per annum for 'low fee-earners', leading to a drift of firms out of that category through inflation. At the other end of the spectrum, the small number of firms with 26 or more partners has almost doubled (up 81.4%) since 1990, with most of this growth taking place between 1990 and 1994. In contrast, the number of firms with 2-4 and 11-25 partners have experienced slight falls of 1.7% and 3.0% respectively, whilst the 5-10 partner firms have decreased in number by 18.9%. Some of these 5-10 partner firms may have merged to form larger units.

Table 3.11 Size of private practice firms earning at least £15,000 per annum in 1990 and 2000

| Size of firm | 1990 | | 2000 | | % change |
|---------------------|--------------|--------------|--------------|--------------|--------------|
| (No. of principals) | No. | % | No. | % | 2000 on 1990 |
| 1 | 3,018 | 37.3 | 3,468 | 41.7 | 14.9 |
| 2-4 | 3,512 | 43.3 | 3,454 | 41.5 | -1.7 |
| 5-10 | 1,172 | 14.5 | 950 | 11.4 | -18.9 |
| 11-25 | 330 | 4.1 | 320 | 3.8 | -3.0 |
| 26 or more | 70 | 0.9 | 127 | 1.5 | 81.4 |
| Total | 8,102 | 100.0 | 8,319 | 100.0 | 2.7 |

Source: Solicitors Indemnity Fund

3.12 This section on solicitors' offices and firms concludes with a more detailed regional breakdown of the total number of firms. Table 3.12 shows the total number of firms analysed by the collapsed legal aid areas used earlier (see paragraph 3.9) and the number of principals in the firm. Table 3.13 shows the total number of firms analysed by standard region and size using the Law Society's conventional size-of-firm breakdown.

Table 3.12 Practices with gross fees of at least £15,000 per annum by legal aid region and size of practice in 2000

| Using conventional Law Society size-of-firm bands | | | | | | | | |
|---|-----------------------------|-------|------------------------------|-------|--|-------|--------------|-------|
| No. of principals | London (Areas 1, 13, 14) | | South (Areas 2, 3, 4, 11) | | North/Wales (Areas 5, 6, 7, 8, 9, 10, 12, 15) | | All firms | |
| | No. | % | No. | % | No. | % | No. | % |
| Sole practices | 1,081 | 45.7 | 1,157 | 45.1 | 1,230 | 36.3 | 3,468 | 41.7 |
| 2-4 | 912 | 38.6 | 977 | 38.1 | 1,565 | 46.2 | 3,454 | 41.5 |
| 5-10 | 193 | 8.2 | 314 | 12.2 | 443 | 13.1 | 950 | 11.4 |
| 11-25 | 105 | 4.4 | 94 | 3.7 | 121 | 3.6 | 320 | 3.8 |
| 26 or more | 74 | 3.1 | 24 | 0.9 | 29 | 0.9 | 127 | 1.6 |
| Total | 2,365 | 100.0 | 2,566 | 100.0 | 3,388 | 100.0 | 8,319 | 100.0 |

3.13 Table 3.13 shows the total number of firms analysed by standard region and size using the Law Society's conventional size-of-firm breakdown.

Table 3.13 The size of practices with gross fees of at least £15,000 per annum in each standard region in 1999-2000

| Standard region | Size of firm by number of principals | | | | | Total |
|--------------------------|--------------------------------------|----------|----------|----------|----------|----------|
| | 1 | 2-4 | 5-10 | 11-25 | 26+ | |
| City of London | 74 | 87 | 33 | 41 | 53 | 288 |
| Rest of London | 891 | 704 | 137 | 62 | 21 | 1,815 |
| Rest of South East | 838 | 734 | 207 | 52 | 10 | 1,841 |
| South West | 311 | 285 | 90 | 29 | 11 | 726 |
| Wales | 183 | 238 | 49 | 6 | 3 | 479 |
| West Midlands | 281 | 316 | 69 | 30 | 3 | 699 |
| East Midlands | 160 | 180 | 53 | 16 | 5 | 414 |
| East Anglia | 123 | 79 | 40 | 15 | 3 | 260 |
| North West | 298 | 404 | 137 | 34 | 10 | 883 |
| Yorkshire and Humberside | 183 | 254 | 89 | 26 | 6 | 558 |
| North | 126 | 173 | 46 | 9 | 2 | 356 |
| England and Wales | 3,468 | 3,454 | 950 | 320 | 127 | 8,319 |
| Standard region | % | % | % | % | % | % |
| City of London | 25.7 | 30.2 | 11.5 | 14.2 | 18.4 | 100.0 |
| Rest of London | 49.1 | 38.8 | 7.5 | 3.4 | 1.2 | 100.0 |
| Rest of South East | 45.5 | 39.9 | 11.2 | 2.8 | 0.5 | 100.0 |
| South West | 42.8 | 39.3 | 12.4 | 4.0 | 1.5 | 100.0 |
| Wales | 38.2 | 49.7 | 10.2 | 1.3 | 0.6 | 100.0 |
| West Midlands | 40.2 | 45.2 | 9.9 | 4.3 | 0.4 | 100.0 |
| East Midlands | 38.6 | 43.5 | 12.8 | 3.9 | 1.2 | 100.0 |
| East Anglia | 47.3 | 30.4 | 15.4 | 5.8 | 1.2 | 100.0 |
| North West | 33.7 | 45.8 | 15.5 | 3.9 | 1.1 | 100.0 |
| Yorkshire and Humberside | 32.8 | 45.5 | 15.9 | 4.7 | 1.1 | 100.0 |
| North | 35.4 | 48.6 | 12.9 | 2.5 | 0.6 | 100.0 |
| England and Wales | 41.7 | 41.5 | 11.4 | 3.8 | 1.6 | 100.0 |

Source: Solicitors Indemnity Fund

4 STAFFING

4.1 The Solicitors Indemnity Fund (SIF) maintains records of all staff in solicitors' firms. The latest figures available, as shown in Table 4.1, are those for the year ending 31 August 2000. Table 4.1 shows that at this date there were 32,273 principals, 31,282 assistant solicitors, 30,284 other fee-earners and 100,984 administrative/support staff working in 8,319 firms. In total, solicitors' firms in private practice provided employment for 194,823 individuals. Staffing levels now exceed by 4.5% the previous peak level of 186,463, as at 31 August 1999. The table also shows the high degree of staff concentration in the largest firms. Firms with 81 or more partners, 0.3% of all firms, provided employment for almost one-fifth of all solicitors, 18.9%, and just over one-sixth, 16.9%, of all staff. At the other end of the spectrum, sole practices accounted for 41.7% of all firms and provided employment for 8.5% of solicitors and 8.2% of all staff.

Table 4.1 Personnel in private practice firms in 2000

| | Sole practices | 2-4 ptnrs. | 5-10 ptnrs. | 11-25 ptnrs. | 26-80 ptnrs. | 81+ ptnrs. | All firms |
|-------------------------|-------------------|---------------|----------------|-----------------|-----------------|---------------|----------------|
| No. of firms | 3,468 | 3,454 | 950 | 320 | 104 | 23 | 8,319 |
| % of firms | 41.7 | 41.5 | 11.4 | 3.8 | 1.3 | 0.3 | 100.0 |
| No. of principals | 3,468 | 8,859 | 6,346 | 4,983 | 4,831 | 3,786 | 32,273 |
| % of principals | 10.7 | 27.5 | 19.7 | 15.4 | 15.0 | 11.7 | 100.0 |
| No. of assist. sol. | 1,949 | 5,573 | 4,803 | 4,474 | 6,255 | 8,228 | 31,282 |
| % of assist. solicitors | 6.2 | 17.8 | 15.4 | 14.3 | 20.0 | 26.3 | 100.0 |
| All solicitors | 5,417 | 14,432 | 11,149 | 9,457 | 11,086 | 12,014 | 63,555 |
| % all solicitors | 8.5 | 22.7 | 17.5 | 14.9 | 17.4 | 18.9 | 100.0 |
| Other fee-earners | 2,795 | 6,997 | 5,709 | 4,685 | 4,653 | 5,445 | 30,284 |
| % other fee-earners | 9.2 | 23.1 | 18.9 | 15.5 | 15.4 | 18.0 | 100.0 |
| All fee-earners | 8,212 | 21,429 | 16,858 | 14,142 | 15,739 | 17,459 | 93,839 |
| % all fee-earners | 8.8 | 22.8 | 18.0 | 15.1 | 16.8 | 18.6 | 100.0 |
| Admin. staff | 7,734 | 24,464 | 20,638 | 15,898 | 16,766 | 15,484 | 100,984 |
| % Admin. staff | 7.7 | 24.2 | 20.4 | 15.7 | 16.6 | 15.3 | 100.0 |
| Total staff | 15,946 | 45,893 | 37,496 | 30,040 | 32,505 | 32,943 | 194,823 |
| % Total staff | 8.2 | 23.6 | 19.2 | 15.4 | 16.7 | 16.9 | 100.0 |

Source: Solicitors Indemnity Fund

- 4.2 Table 4.2 below shows changes in the number of staff employed in private practice over the past year, and over the past decade. Over the past year, within the overall growth in numbers of 4.5%, the fastest growing staff categories were assistant solicitors and other fee-earners. Growths here were 10.3% and 8.8% respectively. These were also the fastest growing categories over the past decade where, within a total growth in staff numbers of 15.7%, assistant solicitor numbers almost doubled, having grown by 89.6%, and other fee-earner numbers grew by 28.3%. In contrast, the number of principals increased much more modestly, by 10.4%, over the period. Notwithstanding the increases in staff numbers overall, there are now almost the same number of administrative staff employed in private practice than there were 10 years ago. This probably reflects changes in office technology within law firms.

Table 4.2 Personnel in private practice firms with gross fees over £15,000 per annum 1990, 1999 and 2000

| Year | Firms | Principals | Assist. solicitors | Other fee- earners | Admin. staff | Total |
|-----------------------|-------|------------|-----------------------|-----------------------|-----------------|---------|
| 1990 | 8,102 | 29,223 | 16,496 | 23,607 | 99,097 | 168,423 |
| 1999 | 8,561 | 31,753 | 28,364 | 27,824 | 98,522 | 186,463 |
| 2000 | 8,319 | 32,273 | 31,282 | 30,284 | 100,984 | 194,823 |
| % change '00 over '99 | -2.8 | 1.6 | 10.3 | 8.8 | 2.5 | 4.5 |
| % change '00 over '90 | 2.7 | 10.4 | 89.6 | 28.3 | 1.9 | 15.7 |

Source: Solicitors Indemnity Fund (SIF)

- 4.3 Staffing ratios within solicitors' firms are examined in Table 4.3. The ratios shown are the average numbers of the different types of staff per firm, and per principal, and the average number of other fee-earners and support staff per solicitor. There are several interesting features in the table. Firstly, the ratio of fee-earning staff to principals increases with the size of firm. For example, the ratio of assistant solicitors to principals rose from 0.56 in sole practices through to 2.17 in the largest firms with 81 or more partners. In the intervening size bands this ratio was 0.63 in 2-4 partner firms, 0.76 in 5-10 partner firms, 0.9 in 11-25 partner firms, and 1.29 in 26-80 partner firms. The ratio of other fee-earners to principals showed a similar pattern in that the ratio was around 0.80 in firms with four or fewer partners, rising to 1.44 in the 80-plus partner firms. When this ratio was re-cast as other fee-earners per solicitor, it varied only in the range 0.42 to 0.52, with the lowest values associated with the largest firms. Finally, when we looked at the ratio of administrative staff to solicitors, we saw that there were fewer support staff per solicitor in the largest and smallest firms. This ratio was 1.43 in sole practices and 1.29 in the firms with 81 or more partners. It varied in the range 1.51 to 1.85 for firms in the intervening size bands.

Table 4.3 Average number of staff per firm, per principal and per solicitor in 2000

| | A | B | C | D | E |
|------------------------------------|---------------|-------------------------|-----------------------|-----------------|------------------|
| | Per firm | | | | |
| Size of firm: No. of principals | Principals | Assistant solicitors | Other fee- earners | Admin. staff | Total A+B+C+D |
| 1 | 1.00 | 0.56 | 0.81 | 2.23 | 4.60 |
| 2-4 | 2.56 | 1.61 | 2.03 | 7.08 | 13.29 |
| 5-10 | 6.68 | 5.06 | 6.01 | 21.72 | 39.47 |
| 11-25 | 15.57 | 13.98 | 14.64 | 49.68 | 93.88 |
| 26-80 | 46.45 | 60.14 | 44.74 | 161.21 | 312.55 |
| 81+ | 164.61 | 357.74 | 236.74 | 673.22 | 1432.30 |
| All firms | 3.88 | 3.76 | 3.64 | 12.14 | 23.42 |
| | Per principal | | | | |
| Size of firm: No. of principals | | Assistant solicitors | Other fee- earners | Admin. staff | Total B+C+D |
| 1 | | 0.56 | 0.81 | 2.23 | 3.60 |
| 2-4 | | 0.63 | 0.79 | 2.76 | 4.18 |
| 5-10 | | 0.76 | 0.90 | 3.25 | 4.91 |
| 11-25 | | 0.90 | 0.94 | 3.19 | 5.03 |
| 26-80 | | 1.29 | 0.96 | 3.47 | 5.73 |
| 81+ | | 2.17 | 1.44 | 4.09 | 7.70 |
| All firms | | 0.97 | 0.94 | 3.13 | 5.04 |
| | Per solicitor | | | | |
| Size of firm: No. of principals | | | Other fee- earners | Admin. staff | Total C+D |
| 1 | | | 0.52 | 1.43 | 1.94 |
| 2-4 | | | 0.48 | 1.70 | 2.18 |
| 5-10 | | | 0.51 | 1.85 | 2.36 |
| 11-25 | | | 0.50 | 1.68 | 2.18 |
| 26-80 | | | 0.42 | 1.51 | 1.93 |
| 81+ | | | 0.45 | 1.29 | 1.74 |
| All firms | | | 0.48 | 1.59 | 2.07 |

Source: Solicitors Indemnity Fund

Table 4.4 Personnel in firms in each major legal aid area in 2000

| | 1 | 2 | 3 | 4 | 5 |
|--|-------|------------|-------------------------|-----------------------|-----------------|
| Size of firm No. of principals | Firms | Principals | Assistant solicitors | Other fee- earners | Admin. staff |
| London (Areas 1, 13, 14) | | | | | |
| 1 | 1,081 | 1,081 | 722 | 923 | 1,711 |
| 2-4 | 912 | 2,287 | 1,553 | 1,569 | 4,641 |
| 5-10 | 193 | 1,288 | 1,100 | 1,025 | 3,112 |
| 11-25 | 105 | 1,744 | 1,507 | 996 | 3,755 |
| 26-80 | 57 | 2,765 | 3,737 | 2,202 | 8,904 |
| 81+ | 17 | 2,976 | 6,675 | 4,116 | 11,792 |
| Total | 2,365 | 12,141 | 15,294 | 10,831 | 33,915 |
| South (Areas 2, 3, 4, 11) | | | | | |
| 1 | 1,157 | 1,157 | 514 | 725 | 2,469 |
| 2-4 | 977 | 2,508 | 1,520 | 1,842 | 7,245 |
| 5-10 | 314 | 2,077 | 1,521 | 1,919 | 7,200 |
| 11-25 | 94 | 1,425 | 1,310 | 1,637 | 5,219 |
| 26-80 | 24 | 978 | 1,295 | 1,017 | 3,668 |
| 81+ | 0 | 0 | 0 | 0 | 0 |
| Total | 2,566 | 8,145 | 6,160 | 7,140 | 25,801 |
| North/Wales (Areas, 5, 6, 7, 8, 9, 10, 12, 15) | | | | | |
| 1 | 1,230 | 1,230 | 713 | 1,147 | 3,554 |
| 2-4 | 1,565 | 4,064 | 2,500 | 3,586 | 12,578 |
| 5-10 | 443 | 2,981 | 2,182 | 2,765 | 10,326 |
| 11-25 | 121 | 1,814 | 1,657 | 2,052 | 6,924 |
| 26-80 | 23 | 1,088 | 1,223 | 1,434 | 4,194 |
| 81+ | 6 | 810 | 1,553 | 1,329 | 3,692 |
| Total | 3,388 | 11,987 | 9,828 | 12,313 | 41,268 |
| England and Wales | | | | | |
| 1 | 3,468 | 3,468 | 1,949 | 2,795 | 7,734 |
| 2-4 | 3,454 | 8,859 | 5,573 | 6,997 | 24,464 |
| 5-10 | 950 | 6,346 | 4,803 | 5,709 | 20,638 |
| 11-25 | 320 | 4,983 | 4,474 | 4,685 | 15,898 |
| 26-80 | 104 | 4,831 | 6,255 | 4,653 | 16,766 |
| 81+ | 23 | 3,786 | 8,228 | 5,445 | 15,484 |
| Total | 8,319 | 32,273 | 31,282 | 30,284 | 100,984 |

Source: Solicitors Indemnity Fund

- 4.4 Table 4.4 provides a breakdown of staffing by the broad legal aid regions. These were formed by combining individual legal aid areas as used earlier in this report. Overall, 43.2% of solicitors were employed in firms which were located in the London legal aid area, compared to 34.3% in the North/Wales and 22.5% in the South. Overall, the data suggests a slight increase in the concentration of private practitioners in London over the past year.

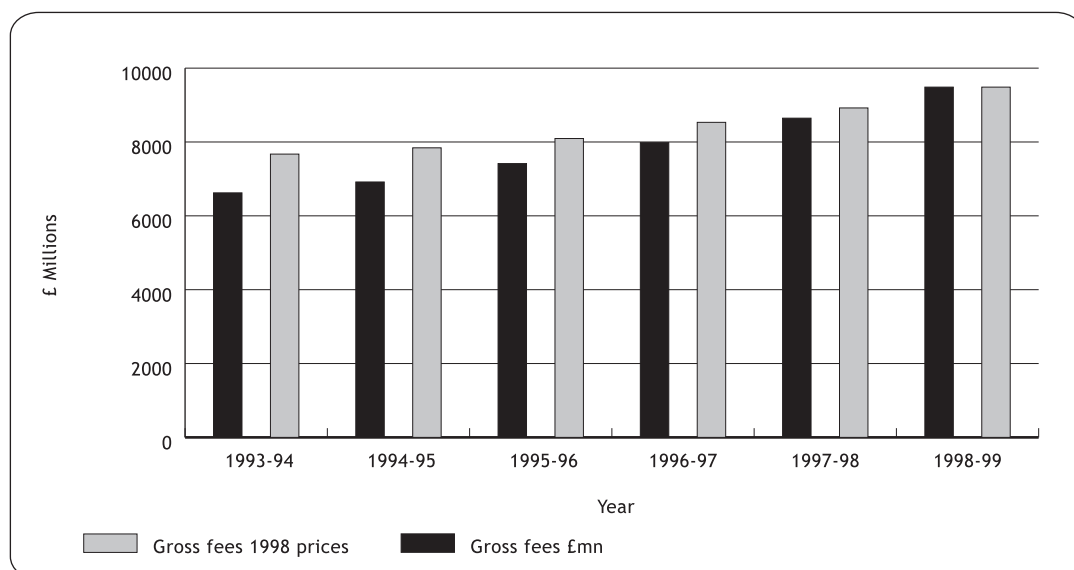
5 THE TURNOVER AND PROFITABILITY OF PRIVATE PRACTICE

- 5.1 This chapter contains statistics on the gross fees earned by private practice firms as well as estimates of the profits earned by firms of different sizes. The gross fees statistics, which are roughly equivalent to turnover, are collected by the Solicitors Indemnity Fund (SIF) as part of the exercise for calculating annual premiums for professional indemnity cover. The estimates of profitability are based on the Law Society's Panel Study of Solicitors' Firms which has been conducted twice yearly since the autumn of 1994. This study, commissioned by the Law Society's Research and Policy Planning Unit, measures profitability each autumn in order to record trends.

Turnover

- 5.2 Gross fees are a measure of the turnover of private practice firms. They include the total income from professional services out of which the firm has to meet the salaries of both fee-earners and non fee-earning staff (secretaries, administrative staff, etc.) as well as their office overheads. Users of these statistics must beware of presenting the figures in a way which suggests that gross fees can be used to represent the income of the individual or the firm.
- 5.3 Each year firms are required to submit to SIF information about their gross fees via gross fees certificates. These relate to a complete accounting year ending not more than 18 months previously. A study of the actual accounting periods showed that these returns could be treated as if they related to the financial year which ended one year before the return was made. This means that the 2000 returns can best be characterised as relating to the financial year 1998-99. Gross fees reported in 2000 (for the financial year 1998-99) were £9,486 million, an increase of 9.7% on the previous year and an increase of 43.2% over the five years since 1993-94. Chart 6 shows the trend in real and money gross fees for the past five years.

Chart 6 Trends in gross fees, 1993-94 to 1998-99



Source: Solicitors Indemnity Fund

Sources of income – foreign earnings

- 5.4 A proportion of the total gross fees earned in any year are earned overseas, and as such make a contribution to the UK's balance of payments. Table 5.4 shows overseas earnings for the period 1993-94 through to 1998-99. In 1998-99, overseas earnings by the UK legal profession yielded a net surplus of £748 million. This is a notable decrease, 5.4%, on the figure recorded for 1997-98 and brings to an end a period of steady growth in overseas earnings. The new level is equivalent to 7.9% of the total gross fees of solicitors in England and Wales. However, since this figure of £748 million includes payments made to counsel, as well as those to lawyers in Scotland and Northern Ireland, this proportion overestimates the importance of overseas earnings to solicitors. Whilst the 7.9% is not the actual proportion, it is interesting to see how this figure has changed over the recent past. It remained relatively stable between 1993-94 and 1995-96, when it varied only in the range 7.2% to 7.6%, before two years of substantial growth which saw it rise to 9.1% in 1997-98, before falling back this year. The final row of the table records that the overseas earnings of the UK's legal professions represented 4.4% of total earnings from 'other overseas business services' exports in 1998-99. This represents a decrease on the proportion recorded in 1997-98 when it stood at 4.8%.

Table 5.4 The contribution of the UK legal profession to overseas earnings 1993-94 to 1998-99

| | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 |
|--|---------|---------|---------|---------|---------|---------|
| | £ m | £ m | £ m | £ m | £ m | £ m |
| Total gross fees | 6,622 | 6,917 | 7,415 | 7,982 | 8,645 | 9,486 |
| Overseas earnings | 504 | 511 | 536 | 644 | 791 | 748 |
| Overseas earnings for the UK as % of gross fees for E & W | 7.6 | 7.4 | 7.2 | 8.1 | 9.1 | 7.9 |
| Total value of business services exports | 9,699 | 10,571 | 13,112 | 14,303 | 16,483 | 17,083 |
| Overseas earnings as % of business services exports | 5.2 | 4.8 | 4.1 | 4.5 | 4.8 | 4.4 |

Source: United Kingdom Balance of Payments: 2000 Office for National Statistics. *The Pink Book*. HMSO

Legal aid

- 5.5 Another important source of income is legal aid, which is provided to give legal assistance to people who might otherwise be unable to obtain advice, assistance or representation on account of their means. Those in receipt of income support, or with equivalent levels of income, qualify for free legal aid. Members of the public, who are not entitled to free legal aid on account of their income, make a contribution towards their legal costs. Both groups may be asked to repay legal aid if they are awarded damages or have their costs paid by other parties. Solicitors or barristers who provide legal services under the scheme receive payment from government funds and, with the exception of payments relating to criminal work in the Crown and higher courts, these are administered by the Legal Aid Board (LAB).

- 5.6 This section draws heavily on the 1999-2000 LAB Annual Report and information provided by the Lord Chancellor's Department (LCD) to show the level of expenditure on legal aid.
- 5.7 The net cost to the taxpayer of LAB-administered legal aid in 1999-2000 was £1,243 million. This represents a decrease of £56 million, or 4.2%, over 1998-99. These figures include the cost of administering the scheme, £62 million, but exclude the cost of legally aided cases in the higher criminal courts which are funded directly by the LCD. The comparable figure for the gross cost of LAB-administered legal aid in 1998-99 was £1,662 million, down 4.0% on the previous year. The £419 million difference in gross and net costs is accounted for by the sums recovered from assisted persons through contributions retained, costs recovered and damages retained. Recoveries have decreased by 3.2% over the past year.

Table 5.8 Trends in the pattern of legal aid expenditure

| | 1994-95 | 1998-99 | 1999-00 | 1999-00 over 1998-99 | 1999-00 over 1994-95 |
|---------------------------------------|---------|---------|---------|----------------------------|----------------------------|
| | £m | £m | £m | % | % |
| Gross payments | 1,383 | 1,731 | 1,662 | -4.0 | 20.2 |
| Recoveries | 298 | 433 | 419 | -3.2 | 40.6 |
| Net payments | 1,085 | 1,298 | 1,243 | -4.2 | 14.6 |
| Net payments in: | | | | | |
| Matrimonial and family proceedings | 351 | 424 | 388 | -8.6 | 10.5 |
| Other civil proceedings | 379 | 413 | 381 | -7.8 | 0.5 |
| Criminal proceedings | 307 | 402 | 412 | 2.4 | 34.1 |
| Administration | 49 | 60 | 62 | 4.0 | 27.3 |

Source: Legal Aid Board Annual Report 1999-2000 (HMSO)

- 5.8 Table 5.8 shows the movement in total LAB expenditure over the last five years. It shows that within an overall increase in net payments of 14.6%, the fastest growing category was criminal payments, which increased over twice as quickly by 34.1%.
- 5.9 Table 5.9 reproduces LAB and LCD figures regarding legal aid payments to solicitors (para 5.10 has figures on payments to counsel). The data now reported by the board uses a less extensive breakdown by work type than before. In 1999-2000, the total amount paid to solicitors, including disbursements and VAT, was £1,385.0 million, a decrease of 1.8% over the value for last year. Matrimonial and family proceedings was the largest discrete category of payments in 1999-2000 and the £484.1 million spent on this accounted for 35.0% of total payments to solicitors. Other civil cases accounted for 24.9%, and all criminal payments in both the magistrates' and Crown Courts accounted for the

residual 40.1%. Table 5.9 also shows that total payments in connection with criminal work in the magistrates' court increased by 4.0% over the past year, whilst matrimonial and family payments increased more modestly, by 2.6%. In contrast, payments for other civil proceedings fell by 8.9% and higher court criminal payments fell by 13.2%.

Table 5.9 Legal aid payments¹ to solicitors 1998-99 and 1999-2000

| | '98-99 | Annual change | '99-00 | Composition of payments in '99-00 |
|--|---------|------------------|----------------------|---|
| | £m | % | £m | % |
| Criminal legal aid in the magistrates' court, legal advice and assistance and duty solicitor schemes | 391.8 | 4.0 | 407.5 | 29.4 |
| Matrimonial and family proceedings, legal advice and assistance and ABWOR | 471.6 | 2.6 | 484.1 | 35.0 |
| Other civil proceedings, legal advice and assistance and ABWOR | 378.5 | -8.9 | 344.7 | 24.9 |
| Total Legal Aid Board administered | 1,238.9 | -0.2 | 1,236.3 ³ | 89.3 |
| Crown Court criminal legal aid (LCD administered) ² | 171.4 | -13.2 | 148.7 | 10.7 |
| Total legal aid payments to solicitors | 1,410.3 | -1.8 | 1,385.0 | 100.0 |

¹ All payments inclusive of disbursements and VAT

² Source: Lord Chancellor's Department

³ Excludes recoupments

Sources: Legal Aid Board Annual Reports

5.10 As previously noted, criminal legal aid payments for work done in the Crown and higher criminal courts are administered by the LCD. These figures are not published separately but payment figures can be derived from the government appropriation accounts, which are published as House of Commons papers by HMSO. The LCD has provided the Law Society with figures of total payments made in connection with criminal legal aid work in the higher courts. These show that, in 1999-2000, total payments amounted to £373.7 million, of which £148.7 million was paid to solicitors and £225.0 million was paid to counsel. In addition, in 1999-2000 the LAB paid a further £170.4 million to counsel. Counsel now account for 22.2% of total payments made out of the fund, almost identical to the proportion accounted for last year.

5.11 Information on the number of solicitors offices in receipt of legal aid payments in 1999-2000 and the concentration of payments is shown in Table 5.11. This shows that 10,518 offices were in receipt of an LAB payment of some sort during the year, a fall of 2.2% on the previous value.

Table 5.11 The concentration of LAB legal aid payments to solicitors in 1999-2000

| Size of payment | Number of offices | % number of offices | Total value (£m) | % total value |
|--------------------|-------------------|---------------------|------------------|---------------|
| £10-£20,000 | 3,477 | 33.1 | 22.4 | 1.8 |
| £20,001-£50,000 | 1,894 | 18.0 | 63.5 | 5.2 |
| £50,001-£100,000 | 1,715 | 16.3 | 123.6 | 10.0 |
| £100,001-£150,000 | 979 | 9.3 | 119.7 | 9.7 |
| £150,001-£250,000 | 1,086 | 10.3 | 210.5 | 17.1 |
| Over £250,001 | 1,367 | 13.0 | 692.0 | 56.2 |
| All payment ranges | 10,518 | 100.0 | 1,231.7 | 100.0 |

Source: Legal Aid Board Annual Reports 1998-99 and 1999-2000

Of these offices the 1,367 which received LAB legal aid payments in excess of £250,000 in 1999-2000 accounted for only 13.0% of the total offices receiving payments, but accounted for 56.2% of the total amount paid to solicitors. At the other end of the spectrum, 33.1% of offices received between £10 and £20,000 per annum in legal aid fees. These offices accounted for only 1.8% of payments by value.

Table 5.12 Proportion of gross fees derived from all legal aid payments to solicitors 1997-98 and 1998-99

| | Legal aid* payments to solicitors | Gross fees to the profession | Proportion of gross fees from legal aid |
|---------|-----------------------------------|------------------------------|---|
| Year | £m | £m | % |
| 1997-98 | 1,283.1 | 8,645 | 14.8 |
| 1998-99 | 1,410.3 | 9,486 | 14.9 |

* Net cost to tax payers including disbursements and VAT

Source: Legal Aid Board Annual Reports and Solicitors Indemnity Fund

5.12 Table 5.12 shows the proportion of total gross fees derived by solicitors from legal aid payments over the past two years. The figures for 1998-99 suggest that solicitors derived around 14.9% of their gross fees from legal aid. This represents almost no change in the value recorded for 1997-98, when legal aid accounted for 14.8% of total gross fees.

Financial ratios

5.13 The figures on trends in gross fees can be useful to address questions such as:

- Have gross fees kept pace with the growth in the number of people employed in private practice?
- Have gross fees kept pace with inflation?
- Have gross fees grown at a different pace in different sizes of firms?
- Are there regional variations in gross fees per fee-earner?

Gross fees per fee-earner

5.14 As noted in paragraph 5.3 and as shown below, the increase in gross fees in 1998-99 was 9.7%, whilst over the five years from 1993-94 the increase was 43.2%. These increases take no account of the increase in the number of solicitors or other fee-earners over the period. Table 5.14 takes these into consideration and shows, for example, that the total number of fee-earners increased by 3.7% in the past year, and 18.8% over the past five years. Overall, gross fees per fee-earner have increased by 20.6% since 1993-94, and by 5.8% in the past year. Equivalent figures per solicitor show increases of 19.6% since 1993-94 and 6.3% over the past year.

Table 5.14 Monetary value gross fees/staff ratios in private practice firms in England and Wales 1993-94, 1997-98 and 1998-99 (excluding low fee-earners)

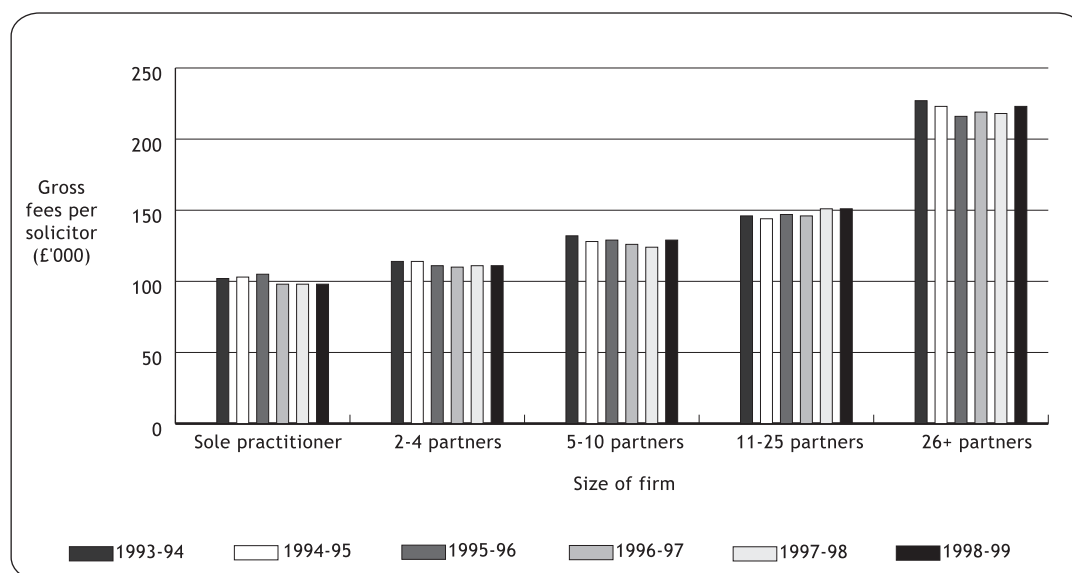
| | 1993-94 | 1997-98 | 1998-99 | 1998-99 over 1993-94 % | 1998-99 over 1997-98 % |
|------------------------|--------------|--------------|--------------|-------------------------------------|-------------------------------------|
| Total gross fees | £6,622m | £8,645m | 9,486 | 43.2 | 9.7 |
| Principals | 29,990 | 31,612 | 31,753 | 5.9 | 0.4 |
| Solicitors | 50,194 | 58,214 | 60,117 | 19.8 | 3.3 |
| Fee-earners | 74,010 | 84,784 | 87,941 | 18.8 | 3.7 |
| Total staff | 165,129 | 179,893 | 186,463 | 12.9 | 3.7 |
| Gross fees per: | £'000 | £'000 | £'000 | 1998-99 over 1993-94 | 1998-99 over 1997-98 |
| Principal | 221 | 273 | 299 | 35.3 | 9.2 |
| Solicitor | 132 | 149 | 158 | 19.6 | 6.3 |
| Fee-earner | 89 | 102 | 108 | 20.6 | 5.8 |

Source: Solicitors Indemnity Fund

Real gross fees per fee-earner

- 5.15 Further adjustments need to be made to these figures to allow for increases in the general price level. The darker bars in Chart 6 show how the real value of total gross fees has grown over the five years between 1993-94 and 1998-99. (The value of the Retail Price Index at September each year has been used to adjust the gross fees for 1993-94 to 1998-99 to show the money values at 1998-99 prices.) Since 1993-94, real gross fees have increased by 23.7% once the 15.9% increase in the general price level has been allowed for. If we compare since 1993-94 the 23.7% increase in real fees with the 19.8% increase in solicitors, and the 18.8% increase in fee-earners, we can see that the total real gross fee income of the profession has only just kept pace with the growth in the number of solicitors and other fee-earners employed in private practice. Overall, real gross fees per solicitor have increased only by 3.2% since 1993-94. (This is shown in more detail in Tables 5.17 and Chart 7.) Real gross fees per fee-earner have increased only marginally faster, by 4.1%, over the period.
- 5.16 Chart 7 below shows whether or not turnover has grown fast enough to preserve the standard of living of solicitors. This chart shows, for each size of firm, the change in real gross fees per solicitors between 1993-94 and 1998-99 at 1998 prices. This shows some reduction in real income since 1993-94 for all size bands except firms with 11-25 partners, where real fees per solicitor increased by 3.2%. Some reductions were particularly marked: 4.4% in the case of sole practices, and 2.5% for the 5-10 partner firms.

Chart 7 Gross fees per solicitor 1993-94 to 1998-99 at 1998 prices



Source: Solicitors Indemnity Fund

Gross fees and gross fees per fee-earner by size of firm

5.17

Table 5.17 examines the rate of change in gross fee income between 1993-94 and 1998-99 by size of firm. The table also shows the changes in gross fees per firm, per principal, per solicitor and per fee-earner. In total, the gross fees of solicitors' firms increased by 43.2% in the five years between 1993-94 and 1998-99; however, because of the 0.4% increase in the number of firms, gross fees per firm grew by 42.6%. This growth in gross fees was not evenly spread across the range of different sizes of private practice firms. The lowest growth rate per firm recorded over the period was that for sole practitioners, 17.9%, while the highest was that for firms with 26 or more partners at 52.6%. The average level of gross fees per fee-earner in 1998-99 ranged from £65,000 in sole practitioner firms to £157,000 in the 123 firms with 26 or more partners. On average, 2-4 partner firms generated £76,000 per fee-earner as against £86,000 in the 5-10 partner firms, and £101,000 in firms with 11-25 partners.

Table 5.17 Gross fees by size of firm 1993-94 to 1998-99

| | Size of firm by number of principals | | | | | Total |
|--------------------------|--------------------------------------|-------|-------|-------|--------|-------|
| | 1 | 2-4 | 5-10 | 11-25 | 26+ | |
| Total gross fees | £m | £m | £m | £m | £m | £m |
| A. 1993-94 | 421 | 1,293 | 1,220 | 967 | 2,721 | 6,622 |
| B. 1994-95 | 443 | 1,364 | 1,226 | 1,003 | 2,881 | 6,917 |
| C. 1995-96 | 493 | 1,420 | 1,263 | 1,071 | 3,168 | 7,415 |
| D. 1996-97 | 503 | 1,457 | 1,297 | 1,118 | 3,607 | 7,982 |
| E. 1997-98 | 520 | 1,507 | 1,319 | 1,236 | 4,064 | 8,646 |
| F. 1998-99 | 526 | 1,575 | 1,403 | 1,340 | 4,643 | 9,487 |
| % change F on E | 1.2 | 4.5 | 6.4 | 8.4 | 14.2 | 9.7 |
| % change F on A | 24.9 | 21.8 | 15.0 | 38.6 | 70.6 | 43.2 |
| Gross fees per firm | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| A. 1993-94 | 123 | 357 | 1,160 | 3,119 | 24,736 | 777 |
| B. 1994-95 | 126 | 375 | 1,164 | 3,215 | 26,676 | 802 |
| C. 1995-96 | 137 | 388 | 1,247 | 3,523 | 28,541 | 852 |
| D. 1996-97 | 134 | 397 | 1,292 | 3,630 | 31,640 | 903 |
| E. 1997-98 | 141 | 415 | 1,316 | 3,936 | 32,774 | 987 |
| F. 1998-99 | 144 | 449 | 1,443 | 4,241 | 37,748 | 1,108 |
| % change F on E | 2.7 | 8.0 | 9.7 | 7.7 | 15.2 | 12.3 |
| % change F on A | 17.9 | 25.6 | 24.5 | 35.9 | 52.6 | 42.6 |
| Gross fees per principal | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| A. 1993-94 | 123 | 138 | 175 | 210 | 485 | 221 |
| B. 1994-95 | 126 | 145 | 176 | 215 | 494 | 228 |
| C. 1995-96 | 137 | 151 | 189 | 234 | 509 | 243 |
| D. 1996-97 | 134 | 156 | 195 | 244 | 534 | 257 |
| E. 1997-98 | 141 | 164 | 200 | 266 | 543 | 274 |
| F. 1998-99 | 144 | 176 | 219 | 281 | 583 | 299 |
| % change F on E | 2.7 | 7.3 | 9.3 | 5.5 | 7.3 | 9.2 |
| % change F on A | 17.9 | 27.3 | 25.2 | 33.4 | 20.3 | 35.3 |

Gross fees by size of firm 1993-94 to 1998-99 (Table 5.17 Continued)

| Gross fees per solicitor | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
|---------------------------|-------|-------|-------|-------|-------|-------|
| A. 1993-94 | 88 | 98 | 114 | 126 | 196 | 132 |
| B. 1994-95 | 91 | 101 | 113 | 127 | 196 | 133 |
| C. 1995-96 | 96 | 102 | 118 | 135 | 198 | 138 |
| D. 1996-97 | 92 | 103 | 118 | 136 | 205 | 141 |
| E. 1997-98 | 95 | 107 | 120 | 146 | 211 | 149 |
| F. 1998-99 | 98 | 111 | 129 | 151 | 223 | 158 |
| % change F on E | 2.4 | 3.9 | 7.6 | 3.0 | 5.7 | 6.3 |
| % change F on A | 10.8 | 13.6 | 12.9 | 19.6 | 13.7 | 19.6 |
| Gross fees per fee-earner | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| A. 1993-94 | 60 | 67 | 76 | 84 | 136 | 89 |
| B. 1994-95 | 62 | 70 | 74 | 86 | 139 | 91 |
| C. 1995-96 | 65 | 70 | 79 | 92 | 140 | 95 |
| D. 1996-97 | 62 | 71 | 79 | 92 | 146 | 97 |
| E. 1997-98 | 64 | 74 | 81 | 99 | 149 | 102 |
| F. 1998-99 | 65 | 76 | 86 | 101 | 157 | 108 |
| % change F on E | 2.2 | 2.7 | 7.1 | 1.8 | 5.8 | 5.8 |
| % change F on A | 9.1 | 12.9 | 14.0 | 20.0 | 15.9 | 20.6 |

1 Figures for gross fees are rounded but percentages are calculated on actual values

Source: Solicitors Indemnity Fund

5.18

The arithmetic averages shown in Table 5.17 can, of course, be distorted by extreme values. For example, the average fees earned by sole practitioners could be pulled upwards by the exceptional case of a sole practitioner running a large specialist operation involving many employees. To help overcome this, Table 5.18 contains an indication of the distribution of the gross fees earned by different size firms by dividing firms into quartiles. Using sole practitioners as an example:

- the lower quartile value shows that 25% of sole practitioners generated gross fees of less than £53,000 per annum in 1998-99;
- the median shows that 50% of sole practitioners generated gross fees of less than £101,000 per annum (this is well below the arithmetic mean value of £144,000 per annum);
- the upper quartile shows that 25% of sole practitioners generated gross fees of £183,000 or more per annum.

Table 5.18 Distribution of gross fees in 1998-99

| Size of firm (No. of principals) | Gross fees of firm at: | | |
|-------------------------------------|------------------------|---------|----------------|
| | Lower quartile | Median | Upper quartile |
| | £'000 | £'000 | £'000 |
| Sole practitioners | 53 | 101 | 183 |
| 2-4 partners | 213 | 361 | 571 |
| 5-10 partners | 878 | 1,268 | 1,795 |
| 11-25 partners | 2,613 | 3,666 | 5,260 |
| 26-80 partners | 9,480 | 14,080 | 25,674 |
| 81+ partners | 55,405 | 106,328 | 140,527 |

Source: Solicitors Indemnity Fund

Gross fees per region

5.19 Table 5.19 shows how growth rates have varied across the regions which are formed by collapsing individual legal aid areas. These regions have been used extensively in this report.

Table 5.19 Gross fees by region 1993-1994 to 1998-99

| | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | '98-99 over '97-98 | '98-99 over '93-94 |
|----------------------------------|---------|---------|---------|---------|---------|---------|--------------------------|--------------------------|
| Legal aid regions | | | | | | | | |
| Gross fees | £m | £m | £m | £m | £m | £m | % | % |
| London | 3,314 | 3,460 | 3,756 | 4,140 | 4,560 | 5,125 | 12.4 | 54.6 |
| South | 1,358 | 1,410 | 1,471 | 1,519 | 1,588 | 1,682 | 5.9 | 23.9 |
| North/Wales | 1,950 | 2,047 | 2,188 | 2,323 | 2,497 | 2,679 | 7.3 | 37.4 |
| England & Wales | 6,622 | 6,917 | 7,415 | 7,982 | 8,645 | 9,486 | 9.7 | 43.2 |
| Gross fees per firm | | | | | | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | % | % |
| London | 1,478 | 1,497 | 1,593 | 1,703 | 1,888 | 2,134 | 13.0 | 44.3 |
| South | 498 | 520 | 535 | 546 | 579 | 632 | 9.2 | 26.9 |
| North/Wales | 549 | 569 | 609 | 640 | 693 | 766 | 10.6 | 39.6 |
| England & Wales | 777 | 802 | 852 | 903 | 986 | 1,108 | 12.3 | 42.6 |
| Gross fees per principal | | | | | | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | % | % |
| London | 335 | 336 | 359 | 376 | 399 | 437 | 9.6 | 30.5 |
| South | 161 | 167 | 175 | 181 | 191 | 205 | 7.7 | 27.8 |
| North/Wales | 167 | 176 | 188 | 199 | 211 | 226 | 7.4 | 35.1 |
| England & Wales | 221 | 228 | 243 | 257 | 273 | 299 | 9.2 | 35.3 |
| Gross fees per solicitor | | | | | | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | % | % |
| London | 173 | 170 | 177 | 182 | 190 | 202 | 6.5 | 17.0 |
| South | 106 | 109 | 110 | 110 | 115 | 122 | 6.2 | 14.8 |
| North/Wales | 107 | 110 | 114 | 117 | 122 | 127 | 4.2 | 19.4 |
| England & Wales | 132 | 133 | 138 | 141 | 149 | 158 | 6.3 | 19.6 |
| Gross fees per fee-earner | | | | | | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | % | % |
| London | 122 | 123 | 129 | 133 | 140 | 146 | 4.8 | 20.0 |
| South | 71 | 73 | 75 | 74 | 76 | 82 | 7.7 | 15.3 |
| North/Wales | 70 | 73 | 75 | 76 | 80 | 83 | 3.5 | 17.6 |
| England & Wales | 89 | 91 | 95 | 97 | 102 | 108 | 5.8 | 20.6 |

See Chapter 3 paragraph 3.9 for definition of regions

Source: Solicitors Indemnity Fund

5.20 Figures for each individual legal aid area are shown in Table 5.20. In Greater London East, the fees per firm, per principal and per fee-earner are pulled up by the high earnings of the firms located in the City of London. Elsewhere, gross fees per fee-earner vary from a low of £75,000 in the Greater London South, Northern and North Wales and Chester areas to £116,000 in Greater London West. The North Western area experienced the fastest annual growth in fees per fee-earner in 1998-99, at 11.5%. In four areas, gross fees per fee-earner fell. In three of these areas, Greater London South, South Wales and the West Midlands, the falls were modest. In the case of Merseyside, however, fees per fee-earner fell by a more substantial 4.6%.

Table 5.20 Gross fees per firm, per principal and per fee-earner by legal aid area in 1998-99

| Region | Gross fees 1998-99 £m | No. of firms | No. of principals | No. of fee- earners | Gross fees per firm £000's | Gross fees per principal £000's | Gross fees per fee- earner £000's |
|----------------------------|-----------------------------|-----------------|----------------------|---------------------------|-------------------------------------|--|---|
| Greater London South | 232 | 618 | 1,279 | 3,096 | 375 | 181 | 75 |
| Greater London East | 3,742 | 620 | 6,349 | 21,946 | 6,035 | 589 | 171 |
| Greater London West | 1,151 | 1,164 | 4,098 | 9,956 | 989 | 281 | 116 |
| Kent, Surrey, Sussex | 394 | 682 | 1,938 | 4,648 | 578 | 203 | 85 |
| Southern | 389 | 647 | 1,938 | 4,728 | 601 | 201 | 82 |
| South Western | 474 | 654 | 2,215 | 6,036 | 725 | 214 | 79 |
| South Wales | 193 | 378 | 1,065 | 2,552 | 511 | 181 | 76 |
| West Midlands | 421 | 571 | 1,866 | 5,198 | 737 | 226 | 81 |
| North Western | 495 | 530 | 1,906 | 5,481 | 934 | 260 | 90 |
| Northern | 204 | 386 | 1,146 | 2,725 | 528 | 178 | 75 |
| North Eastern | 590 | 506 | 2,167 | 6,374 | 1,166 | 272 | 93 |
| East Midlands | 345 | 457 | 1,586 | 4,515 | 755 | 218 | 76 |
| Eastern | 425 | 678 | 2,097 | 5,205 | 627 | 203 | 82 |
| North Wales & Chester | 176 | 385 | 1,081 | 2,335 | 457 | 163 | 75 |
| Merseyside | 255 | 285 | 1,022 | 3,146 | 895 | 250 | 81 |
| England & Wales | 9,486 | 8,561 | 31,753 | 87,941 | 1,108 | 299 | 108 |

Source: Solicitors Indemnity Fund

Profitability

- 5.21 The Law Society's database does not hold the information required to calculate the profitability of private practice firms. However, data are now available from the Law Society's 1999 Panel Survey of Solicitors' Firms, which is conducted by the Society's Research and Policy Planning Unit. This study has been set up as a panel of around 600 firms, including large firms with between 26 and 80 partners. The findings reported here were based on the responses of 299 firms in the autumn of 1999. The panel survey provides useful data on the staffing, structure and finances of private practice firms, and enables changes over time to be monitored.
- 5.22 From this source, Table 5.22 shows the medians, lower and upper quartiles for profits per equity partner for firms in different size bands. A firm's profit was defined simply as the excess of total revenue over total costs. Profits per equity partner were calculated by dividing a firm's profit by the number of equity partners in the firm. Total revenue was recorded as fee income plus all other income from investments and client accounts. Total costs included fee-earning and non-fee earning staff costs, accommodation and other costs.

Table 5.22 Profits per equity partner 1998-99

| Size of firm | Sole practice | 2-4 partners | 5-10 partners | 11-25 partners | 26-80 partners |
|---------------------------|---------------|--------------|---------------|----------------|----------------|
| Profit per equity partner | £000's | | | | |
| Lower quartile | 26 | 33 | 49 | 72 | 96 |
| Median | 46 | 56 | 62 | 98 | 167 |
| Upper quartile | 64 | 93 | 89 | 140 | 260 |
| Base number | N=63 | N=70 | N=62 | N=70 | N=34 |

Source: The Law Society's Panel Survey of Solicitor's Firms, autumn 1999.

- 5.23 The lower quartile level of profits shows that 25% of sole practitioners earned less than £26,000 from operating their practice, whereas the upper quartile shows that 25% earned over £64,000. Profits per equity partner are variable within each size band, and tend to increase with the size of firm. Median profits per partner were £46,000 in sole practices, rising to £167,000 in the largest firms with 26-80 partners.

**THE RECRUITMENT
AND TRAINING OF SOLICITORS**

This section of the report provides information on the recruitment and training of solicitors. Chapter 6 provides background information on the routes to admission. Chapter 7 presents statistics on the number of undergraduates and graduates in law from universities in England and Wales. Chapter 8 shows summary statistics related to enrolled students. Chapter 9 examines the numbers embarking on and passing the Legal Practice Course, before moving on to an examination of the personal characteristics and placement of trainees. Chapter 10 gives information on those admitted to the Roll in 1998-99. Chapter 11 concludes by looking at data related to post-admission specialisation and the membership of panels.

6 ROUTES TO ADMISSION TO THE ROLL

6.1 There are seven routes to qualification as a solicitor:

- law graduate;
- non-law graduate;
- overseas lawyer (transfer);
- barrister (transfer);
- Scots/Northern Irish lawyers (transfer);
- Fellow of the Institute of Legal Executives (FILEX);
- justices' clerk.

6.2 The most frequently used route to qualification as a solicitor is to take a first degree in law and then to spend a year taking the full-time Legal Practice Course (LPC), followed by a two-year traineeship. This route can be completed in six years. Non-law graduates have to undertake a one-year full-time conversion course, the Common Professional Exam (CPE), which is also the legal qualification needed by non-law graduates wishing to train for the Bar. They then proceed to qualification in the same way as a law graduate. This is the second most frequently used route. (Two-year part-time courses are also available for both the LPC and the CPE.) Non-graduates enter the profession via transfer after first obtaining a qualification as a Fellow of the Institute of Legal Executives (FILEX) and passing the LPC. Members of the Justices' Clerks Association may also enter the profession after passing the LPC, and demonstrating that they have had at least five years' continuous service in the 10 years prior to their application for admission. Other routes involve transfer after qualifying as a barrister, or as a lawyer in another jurisdiction, and meeting the necessary transfer conditions.

7 UNDERGRADUATES AND GRADUATES IN LAW

7.1 This chapter records the numbers of applicants, acceptances and graduations recorded for undergraduate law courses in England and Wales. The statistics for applicants and acceptances to universities have been supplied by the Universities and Colleges Admissions Service (UCAS), and statistics on the number and achieved grade of law degree graduates have been supplied by the Higher Educational Statistical Agency (HESA).

7.2 Table 7.2 shows the number of applicants and acceptances for undergraduate places at university full-time law degree courses for the academic years 1998 and 1999. The figures relate to individuals: applicants are counted only once irrespective of the number of applications made on the UCAS application form. The table shows that a total of 19,075 people applied to study law at undergraduate level in 1999, which is only 0.9% higher than in the previous year. This small increase in the number of applicants to law degree courses was accounted for almost entirely by the increase in female applicants. Overall, applications from females increased by 2.5% whereas the number of male applicants fell slightly by 1.5%. The total number of acceptances (an acceptance is defined as a formal acceptance of a university place offered through the UCAS scheme) made by universities increased slightly more rapidly than applications, by 1.9%, from 10,943 to 11,154. The pattern in acceptances mirrored that for applications in that whilst female acceptances increased marginally by 2.7%, male acceptances fell slightly by 0.7%.

Table 7.2 Home and overseas applicants and acceptances for university first degree law courses in England and Wales 1998 and 1999

| University applicants | | | | | | | | | |
|------------------------|-------|--------|--------|----------|--------|-------|-------|--------|--------|
| For entry in: | UK | | | Overseas | | | Total | | |
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| 1998 | 6,146 | 9,783 | 15,929 | 1,307 | 1,669 | 2,976 | 7,453 | 11,452 | 18,905 |
| 1999 | 6,102 | 10,140 | 16,242 | 1,238 | 1,595 | 2,883 | 7,340 | 11,735 | 19,075 |
| % change | -0.7 | 3.6 | 2.0 | -5.3 | -4.4 | -4.8 | -1.5 | 2.5 | 0.9 |
| University acceptances | | | | | | | | | |
| For entry in: | UK | | | Overseas | | | Total | | |
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| 1998 | 3,614 | 5,792 | 9,406 | 691 | 846 | 1,537 | 4,305 | 6,638 | 10,943 |
| 1999 | 3,668 | 5,996 | 9,664 | 669 | 821 | 1,490 | 4,337 | 6,817 | 11,154 |
| % change | 1.5 | 3.5 | 2.7 | -3.2 | -3.0 | -3.1 | -0.7 | 2.7 | 1.9 |

Source: UCAS

- 7.3 Table 7.3 shows the number of female and overseas students as a proportion of the total acceptances to university law degree courses. In 1999, 61.1% of acceptances were from women, up from the 60.7% recorded in 1998. The proportion of overseas acceptances, 13.4%, was slightly below the 14.0% recorded the previous year.

Table 7.3 Proportion of law students accepted in 1999 who were female or from overseas

| Year | Female students | | Overseas students | |
|------|-----------------|------|-------------------|------|
| | No. | % | No. | % |
| 1998 | 6,638 | 60.7 | 1,537 | 14.0 |
| 1999 | 6,817 | 61.1 | 1,490 | 13.4 |

Source: UCAS

- 7.4 Table 7.4 shows the number of ethnic minority students (excluding overseas students) who gained places on law degree courses for the academic year 1999. In total, ethnic minority law students accounted for 21.8% of students starting a first degree law course in 1999. This represents essentially no change on 1998, when the comparable proportion was 22.2%. Within this total, female acceptances were slightly more likely than males to be drawn from ethnic minorities: 22.7% as opposed to 20.4%.

Table 7.4 Ethnic minority students from the UK accepted to first degree law courses at universities and colleges in 1999

| Ethnic group | Acceptances of students from UK | | |
|---|---------------------------------|--------------|--------------|
| | Male | Female | Total |
| Black Caribbean | 30 | 127 | 157 |
| Black African | 130 | 156 | 286 |
| Black other | 32 | 62 | 94 |
| Indian | 210 | 460 | 670 |
| Pakistani | 196 | 275 | 471 |
| Bangladeshi | 58 | 70 | 128 |
| Chinese | 26 | 60 | 86 |
| Other Asian | 55 | 107 | 162 |
| All UK-based ethnic minority acceptances | 737 | 1,317 | 2,054 |
| All UK-based acceptances | 3,668 | 5,996 | 9,664 |
| % from ethnic minorities | 20.4 | 22.7 | 21.8 |

Source: UCAS

7.5 Table 7.5 shows recent trends in the number of students graduating in law. It contrasts the number of graduates in 1999 with the position one and five years previously. The table shows that, in 1999, the total number of graduates was 9,090, an increase of 1.6% on the previous year. However, in the five years since 1994 the total number of graduates has increased appreciably by 39.9%.

Table 7.5 Number of students graduating in law from universities in England and Wales 1994, 1998 and 1999¹

| Year of graduation | Graduates from: | | |
|--------------------|-----------------|---------------------|-----------------|
| | Universities | Former polytechnics | Total graduates |
| 1994 | 3,879 | 2,620 | 6,499 |
| 1998 | 8,943 | n/a | 8,943 |
| 1999 | 9,090 | n/a | 9,090 |
| % change 1999/1998 | | | 1.6 |
| % change 1999/1994 | | | 39.9 |

¹ Figures relate to single honours law degrees and do not include modular or joint honour degrees which may also allow graduates to proceed directly to study the Legal Practice Course (para. 7.6)

Sources of data: 1994 and before, Department for Education and Employment, and the University Statistical Record. 1995 and onwards, Higher Educational Statistical Agency

7.6 The HESA statistics do not represent the total numbers of graduates with a qualifying law degree. There are degrees which have covered the General Council of the Bar and the Law Society's seven foundations of legal knowledge which form the academic stage of legal education, and which allow graduates to proceed directly to study the Legal Practice Course. Many institutions now offer modular or joint honours degrees that have a substantial element of law study: depending on the choice of subjects, such degrees may or may not lead to a qualifying degree. The Law Society's Legal Education Department believes it is possible that a further 3,500-4,000 law students with qualifying law degrees from joint honours or modular degrees graduate each year. However, a firm estimate of this figure cannot be made without collecting, on an individual and yearly basis, statistics from every institution offering such degrees.

7.7 Table 7.7 shows that, in 1999, of the 9,090 law graduates 51.0% achieved a first class or upper second class degree. This proportion represents an increase on the figure of 49.4% recorded for 1998. Overall, a significantly higher proportion of women graduated with firsts or upper seconds than men: 53.5% and 47.4% of graduates respectively. There are no figures showing the class of degree of ethnic minority law students.

Table 7.7 Class of degrees in law awarded in England and Wales in summer 1999

| Class of degree | All law graduates | | | | | |
|--|-------------------|--------------|--------------|--------------|--------------|--------------|
| | Men | | Women | | Total | |
| | No. | % | No. | % | No. | % |
| First | 160 | 4.3 | 178 | 3.3 | 338 | 3.7 |
| Upper second | 1,623 | 43.2 | 2,672 | 50.1 | 4,295 | 47.2 |
| Lower second | 1,629 | 43.3 | 2,151 | 40.4 | 3,780 | 41.6 |
| Third/pass | 327 | 8.7 | 313 | 5.9 | 640 | 7.0 |
| Unclassified | 21 | 0.6 | 16 | 0.3 | 37 | 0.4 |
| Total | 3,760 | 100.0 | 5,330 | 100.0 | 9,090 | 100.0 |
| Total: first and upper second | 1,783 | | 2,850 | | 4,633 | |
| Percentage with first or upper second | | 47.4 | | 53.5 | | 51.0 |

Source: Higher Educational Statistical Agency

8 STUDENT ENROLMENTS WITH THE LAW SOCIETY

- 8.1 All students who wish to embark on the Law Society's Legal Practice Course (LPC), or enter into a training contract, must enrol with the Society as student members. The Society then maintains records of these students at each stage of their training. This includes performance on the LPC, the registration of traineeships, and the admission to the Roll of those who have successfully completed their training. Up until 1992, when an annual enrolment process was introduced, a certificate of enrolment was valid for five years. Annual enrolment allows better monitoring of students who maintain an interest in a career as a solicitor.
- 8.2 Primarily this monitoring consists of examining the proportions of women and ethnic minority students showing an interest in becoming a solicitor. Information on the proportion of enrolled students who were female, or from an ethnic minority, enables the Society to examine the scope for further recruitment to the profession of members of these groups. Neither the number of students enrolling with the Society each year, nor the total number enrolled, can be used to predict the numbers who will subsequently enter the profession. This is because no consistent relationship has ever been identified between enrolments and subsequent admissions.
- 8.3 Details on the ethnic origin of students, as well as other biographic data, are sought at the time of their enrolment. Students are not obliged to complete the question on their ethnicity, but historically a high proportion of students have been prepared to do so. The ethnicity of 93.4% of students enrolling with the Society in 1999-2000 was recorded. Table 8.4 shows the fuller breakdown of enrolments by gender and ethnicity. Table 8.5 shows the comparative data for one and five years ago, that is for 1994-95 and 1998-99.
- 8.4 In the year up to 31 July 2000, 7,793 students enrolled with the Law Society, an increase of 15.0% on the previous year. Of these 4,696, or 60.3%, of the total were women. This represents a slight increase in the proportion of women students recorded in 1998-99 (59.9%), and a more marked increase in the proportion for 1994-95, when it was 54.0%. The proportion of women amongst ethnic minority students was, at 62.1%, slightly higher than the proportion found amongst all who had enrolled. Afro-Caribbeans were the ethnic grouping with the highest proportion of women students. For this group of enrolled students, 74.4% were women.
- 8.5 Of those students enrolling with the Society last year, 1,715, or 22.0% of the total, were drawn from ethnic minority groups. This can be compared with the 17.2% of ethnic minority students recorded in 1994-95, and the 19.4% recorded in 1998-99. When one compares 1999-2000 with 1994-95, it can be seen that almost two-thirds of the increase in numbers is accounted for by an increase in the number of Asian students, whilst a further quarter of the increase is accounted for by the growth in the number of African students.

Table 8.4 The ethnic origin and gender of students enrolling with the Law Society in 1999-2000

| Ethnic origin | Male | | Female | | Total |
|---------------------|--------------|-------------|--------------|-------------|--------------|
| | No. | % | No. | % | No. |
| Afro-Caribbean | 31 | 25.6 | 90 | 74.4 | 121 |
| Asian | 362 | 39.3 | 559 | 60.7 | 921 |
| Chinese | 48 | 36.6 | 83 | 63.4 | 131 |
| African | 96 | 38.9 | 151 | 61.1 | 247 |
| Other ethnic origin | 102 | 34.6 | 193 | 65.4 | 295 |
| All ethnic minority | 639 | 37.3 | 1,076 | 62.7 | 1,715 |
| White European | 2,199 | 40.1 | 3,280 | 59.9 | 5,563 |
| Unknown | 217 | 42.1 | 298 | 57.9 | 515 |
| Total | 3,097 | 39.7 | 4,696 | 60.3 | 7,793 |

Source: Law Society's REGIS database

Table 8.5 Trends in the ethnic origin and gender of students enrolling with the Law Society 1994-95, 1998-99 and 1999-2000

| | 1994-95 | | 1998-99 | | 1999-2000 | |
|----------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | No. | % | No. | % | No. | % |
| Ethnic origin | | | | | | |
| Afro-Caribbean | 106 | 1.5 | 98 | 1.4 | 121 | 1.6 |
| Asian | 578 | 8.4 | 695 | 10.3 | 921 | 11.8 |
| Chinese | 145 | 2.1 | 108 | 1.6 | 131 | 1.7 |
| African | 124 | 1.8 | 221 | 3.3 | 247 | 3.2 |
| Other ethnic origin | 233 | 3.4 | 193 | 2.8 | 295 | 3.8 |
| All ethnic minority | 1,186 | 17.2 | 1,315 | 19.4 | 1,715 | 22.0 |
| White European | 5,079 | 73.7 | 4,602 | 67.9 | 5,563 | 71.4 |
| Unknown | 624 | 9.1 | 860 | 12.7 | 515 | 6.6 |
| Total | 6,889 | 100.0 | 6,777 | 100.0 | 7,793 | 100.0 |
| Gender | | | | | | |
| Male | 3,170 | 46.0 | 2,719 | 40.1 | 3,097 | 39.7 |
| Female | 3,719 | 54.0 | 4,058 | 59.9 | 4,696 | 60.3 |
| Total | 6,889 | 100.0 | 6,777 | 100.0 | 7,793 | 100.0 |

Source: Law Society's REGIS database

9 POST-GRADUATE EDUCATION AND TRAINING

The Legal Practice Course

- 9.1 The LPC is the next stage towards qualification as a solicitor for graduates with a first degree in law and for graduates in other disciplines who have completed the one-year full-time conversion course, the Common Professional Exam (CPE).
- 9.2 In July 2000, of the 6,830 students who enrolled on the LPC, 6,490, or 95.0%, sat the July examinations. This latter figure is the total number of enrolments less those who were deferred or absent from the examinations. Compared with 1999, total enrolments rose substantially by 8.7%; this was reflected in the increased number taking the examination, where numbers rose by 8.0%. Taken overall, the pass rate was 73.3%, a slight decrease on the 73.6% who passed last year. Of those actually taking the examination, the pass rate was 77.1%, which represents only a very slight increase on the 1999 figure of 77.0%. Table 9.2 shows the full set of results. Candidates who pass with distinction now account for almost one-quarter (23.6%) of total passes.

Table 9.2 Legal Practice Course results of summer examinations – July 2000

| Results | 2000 | | |
|---|-----------------|-------------------------|-------------------|
| | No. of students | % of those sitting exam | % of all students |
| Diploma with distinction | 1,182 | 18.2 | 17.3 |
| Diploma with commendation | 2,548 | 39.3 | 37.3 |
| Diploma | 1,277 | 19.7 | 18.7 |
| Total passes | 5,007 | 77.1 | 73.3 |
| Referred | 1,197 | 18.4 | 17.5 |
| Resit | 228 | 3.5 | 3.3 |
| Failed | 58 | 0.9 | 0.8 |
| Total failed | 1,483 | 22.9 | 21.7 |
| Total sitting the examination | 6,490 | 100.0 | 95.0 |
| Deferred | 275 | | 4.0 |
| Absent | 65 | | 1.0 |
| Total not sitting the examination | 340 | | 5.0 |
| Total students enrolled on the LPC | 6,830 | | 100.0 |

Source: Law Society database

Table 9.3 Places on the Legal Practice Course for 1998-99, 1999-2000 and 2000-2001

| College of Law/universities | Full-time | | | Part-time | | |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | '98-99 | '99-00 | 2000-1 | '98-99 | '99-00 | 2000-1 |
| The College of Law: | | | | | | |
| Store Street | 1,248 | 1,248 | 1,248 | 192 | 192 | 192 |
| Chester | 864 | 864 | 864 | 48 | 48 | 48 |
| Guildford | 744 | 744 | 744 | 48 | 48 | 40 |
| York | 696 | 696 | 696 | 48 | 48 | 48 |
| Inns of Court School of Law | - | - | 100 | - | - | - |
| University of Central England | 120 | 120 | 120 | 30 | 30 | 30 |
| Cardiff Law School | 144 | 144 | 144 | - | - | - |
| University of the West of England | 240 | 240 | 256 | 40 | 40 | 44 |
| University of Glamorgan | 108 | 108 | 108 | 32 | 32 | 32 |
| London Guildhall University | 110 | 110 | 110 | 54 | 54 | 54 |
| Huddersfield University | 80 | 80 | 80 | 36 | 36 | 36 |
| Leeds Metropolitan University | 150 | 150 | 150 | 45 | 45 | 45 |
| Manchester Metropolitan University | 168 | 168 | 168 | 48 | 48 | 48 |
| De Montfort University | | | | | | |
| at De Montfort | 130 | 130 | 130 | 100 | 100 | 100 |
| at Birmingham University | 120 | 120 | 120 | - | 100 | 100 |
| at Bristol University | 100 | 100 | 100 | - | 100 | 100 |
| Nottingham Trent University | | | | | | |
| at Nottingham Law School | 504 | 504 | 600 | 144 | 144 | 90 |
| at Bournemouth University | 96 | 96 | 96 | - | - | - |
| at Liverpool John Moores | - | - | - | 72 | 72 | 72 |
| at BPP Law School | 138 | 288 | 288 | 24 | 64 | 64 |
| University of Northumbria | | | | | | |
| at University of Northumbria | 160 | 160 | 160 | 50 | 50 | 50 |
| at University of Northumbria ELD | 110 | 110 | 110 | - | - | - |
| University of Hertfordshire | - | - | - | 50 | 50 | 50 |
| Staffordshire University | 100 | 100 | 100 | 25 | 25 | 25 |
| Thames Valley University | 80 | 80 | 80 | - | - | 32 |
| University of Central Lancashire | - | - | 48 | 60 | 60 | 60 |
| Wolverhampton University | 100 | 100 | 100 | 30 | 30 | 30 |
| University of Westminster | 120 | 120 | 120 | 50 | 50 | 50 |
| Anglia Polytechnic University | 100 | 100 | 100 | - | - | - |
| Exeter University | 120 | 120 | 120 | - | - | - |
| Oxford Institute of Legal Practice | 168 | 168 | 196 | - | - | - |
| Sheffield University | 120 | 120 | 120 | - | - | - |
| North London/South Bank University | - | - | - | 60 | 60 | 60 |
| Total | 6,938 | 7,088 | 7,376 | 1,286 | 1,526 | 1,500 |

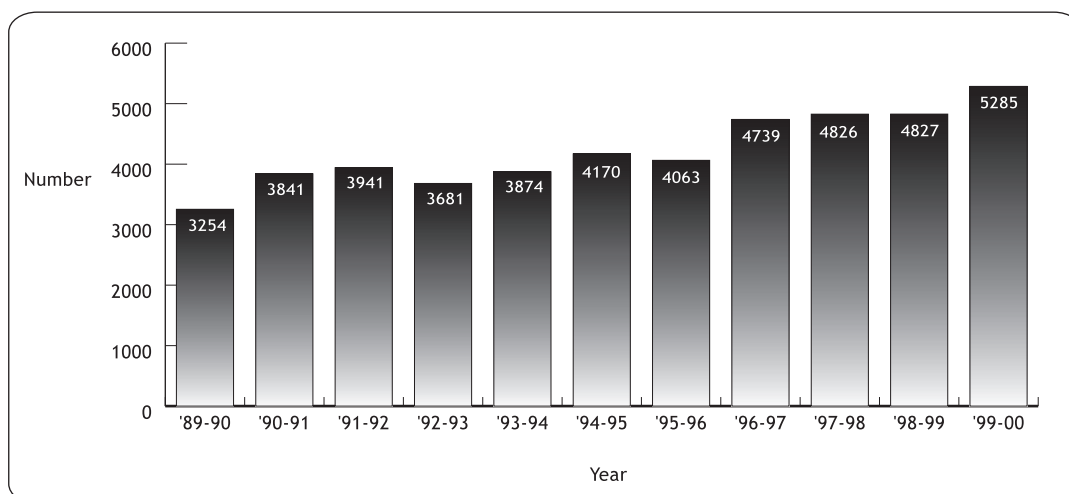
Source: Law Society database

- 9.3 Table 9.3 shows the number of places available at institutions which have been validated to run the LPC. The number of full-time places available in 2000-2001 will be 7,376. This is an increase of 4.1% on the number of places which were available in 1999-2000. In addition, there will also be 1,500 places available on part-time LPC courses in 1999-2000 – a slight decrease (1.7%) on the number of part-time places that were available in 1999-2000.
- 9.4 Included in the above are 110 places on law degree courses offered by the University of Northumbria, which carry an exemption from the LPC.

Traineeships

- 9.5 In addition to obtaining pre-vocational qualifications, those embarking on a career as a solicitor also have to undergo a period of training, in most cases for two years, before gaining admission to the Roll. The trainee is assigned to a training establishment, and a training contract is drawn up. Forms covering the registration of trainees are lodged with the Law Society.
- 9.6 Chart 8 below shows the registrations of traineeships from 1989-90 to the present. In the year 1 August 1999 to 31 July 2000 there were 5,285 new traineeships registered. This represents a substantial increase (9.5%) on the level recorded last year, when trainee registrations stood at 4,872. Traineeships registered over the past four years have been at unprecedented levels and this year's figure is another all-time high.

Chart 8 Annual registration of trainees 1989-90 to 1999-2000



Source: Law Society's REGIS database

- 9.7 Table 9.7 shows the data on the total number of trainees registered in 1989-90 and 1999-2000 with the total analysed by trainee gender. Overall, the number of traineeships has increased by 62.4% over the period. Within this total growth, that for women trainees was markedly higher than that for males (77.5% and 46.1% respectively). In fact, for each of the years since 1989-90 for which we have data, the majority of new trainees have been female. In this latest year, 56.9% of trainees registered were women, and although this is the highest proportion yet recorded it is only up marginally on the proportion recorded last year.

Table 9.7 Number of traineeships registered in 1989-1990 and 1999-2000 analysed by gender of trainee

| Year | Male | | Female | | Total |
|-----------------------------------|-------|------|--------|------|-------|
| | No. | % | No. | % | No. |
| 1989-1990 | 1,559 | 47.9 | 1,695 | 52.1 | 3,254 |
| 1999-2000 | 2,277 | 43.1 | 3,008 | 56.9 | 5,285 |
| % change 1999-2000 over 1989-1990 | | 46.1 | | 77.5 | 62.4 |

Source: Law Society's REGIS database

9.8 In 1997 we were able to examine, for the first time, the ethnic origin of new trainees. This year the ethnicity and gender of new trainees is shown in Table 9.8. The trainees' ethnic origin was validly recorded for 4,686 trainees, or 88.7% of the 5,285 new traineeships registered. This shows a slight improvement in the quality of this data from last year, when the ethnicity of 88.4% of new trainees was known. In 1999-2000, ethnic minority trainees represented 15.8% of trainees of known ethnicity, a slight increase on the 15.4% recorded last year. The ethnic grouping most highly represented was 'Asian', which accounted for 58.8% of ethnic minority trainees. Overall, the proportion of women was slightly higher amongst ethnic minority trainees than for the group of trainees as a whole. Whereas 56.9% of trainees overall were women, this proportion rose to 59.6% amongst those from ethnic minorities. The ethnic group with the highest proportion of women trainees was Afro-Caribbean, of whom 74.5% were female.

Table 9.8 Trainee registrations by ethnic origin and gender 1999-2000

| Ethnic origin | Male | | Female | | Total | % of trainees with known ethnicity |
|---|-------|--|--------|--|--------|------------------------------------|
| | No. | | No. | | | |
| Afro-Caribbean | 12 | | 35 | | 47 | 1.0 |
| Asian | 185 | | 251 | | 436 | 9.3 |
| Chinese | 25 | | 35 | | 60 | 1.3 |
| African | 28 | | 34 | | 62 | 1.3 |
| Other ethnic origin | 50 | | 87 | | 137 | 2.9 |
| Total known ethnic minority | 300 | | 442 | | 742 | 15.8 |
| Ethnic minority trainees as % of those with known ethnicity | 15.0% | | 16.5% | | 15.8% | - |
| White European | 1,704 | | 2,240 | | 3,944 | 84.2 |
| Total with known ethnicity | 2,004 | | 2,682 | | 4,686 | 100.0 |
| % of trainees with known ethnicity | 88.0% | | 89.2% | | 88.7% | |
| Trainees with unknown ethnicity | 273 | | 326 | | 599 | |
| % of trainees with unknown ethnicity | 12.0% | | 10.8% | | 11.3% | |
| All trainees | 2,277 | | 3,008 | | 5,285 | |
| All trainees % | 43.1% | | 56.9% | | 100.0% | |

Source: Law Society's REGIS database

9.9 Table 9.9 shows the numbers of new male and female traineeships registered in each region in 1999-2000. Of the 5,285 trainees registered, 1,543 (29.2%) were located in the City of London. A further 998, or 18.9%, were located in the rest of London. Taken overall, almost one-half (48.1%) of first-year trainees were located in London in 1999-2000. This compares with the 49.4% recorded last year. Male trainees were slightly more likely than female trainees to be located in London. Whereas just over one-half (50.5%) of male trainees were located in London, the corresponding proportion for female trainees was only 46.3%. The region with the highest proportion of female trainees was East Anglia with 61.3%, and the region with the lowest proportion was the City of London with 52.0%.

Table 9.9 Trainee placements in 1999-2000 analysed by region

| Region | Male | | | Female | | | Total | |
|--------------------------|-------|------|-------------|--------|------|-------------|-------|-------------|
| | No. | % | % by region | No. | % | % by region | Total | % by region |
| City of London | 741 | 48.0 | 32.5 | 802 | 52.0 | 26.7 | 1,543 | 29.2 |
| Rest of London | 409 | 40.9 | 17.9 | 589 | 59.1 | 19.6 | 998 | 18.9 |
| Rest of South East | 235 | 39.4 | 10.3 | 362 | 60.6 | 12.0 | 597 | 11.3 |
| South West | 129 | 40.6 | 5.7 | 188 | 59.4 | 6.3 | 317 | 6.0 |
| Wales | 66 | 42.3 | 2.9 | 90 | 57.7 | 3.0 | 156 | 2.9 |
| West Midlands | 134 | 41.2 | 5.9 | 191 | 58.8 | 6.4 | 325 | 6.1 |
| North West | 222 | 41.7 | 9.8 | 310 | 58.3 | 10.3 | 532 | 10.1 |
| North | 59 | 45.7 | 2.6 | 70 | 54.3 | 2.3 | 129 | 2.4 |
| Yorkshire and Humberside | 142 | 42.7 | 6.2 | 190 | 57.3 | 6.3 | 332 | 6.3 |
| East Midlands | 112 | 39.8 | 4.9 | 169 | 60.2 | 5.6 | 280 | 5.3 |
| East Anglia | 29 | 38.7 | 1.3 | 47 | 61.3 | 1.5 | 76 | 1.4 |
| Total | 2,277 | 43.1 | 100.0 | 3,008 | 56.9 | 100.0 | 5,285 | 100.0 |

Source: Law Society's REGIS database

9.10 In addition to looking at the regional distribution of traineeships, we are also able to look at the types of organisation in which these male and female trainees are placed. This data, which is shown in Table 9.10, shows overwhelmingly that trainees are placed in private practice firms. Of the traineeships registered in 1999-2000, 5,048 (95.5%), of the total were in private practice firms. Male trainees were marginally more likely to be placed in private practice firms, and female trainees were marginally more likely to be placed in local government, and commerce and industry.

Table 9.10 Trainee placements in 1999-2000 analysed by category of employment of training institution

| Category of employment | Male | | Female | | Total | |
|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | No. | % | No. | % | No. | % |
| Private practice | 2,193 | 96.3 | 2,855 | 94.9 | 5,048 | 95.5 |
| Commerce and industry | 31 | 1.4 | 58 | 1.9 | 89 | 1.7 |
| Government department | 3 | 0.1 | 6 | 0.2 | 9 | 0.2 |
| Local government | 34 | 1.5 | 54 | 1.8 | 88 | 1.7 |
| Court | 5 | 0.2 | 13 | 0.4 | 18 | 0.3 |
| Advice service | 7 | 0.3 | 14 | 0.5 | 21 | 0.4 |
| Other | 4 | 0.2 | 8 | 0.3 | 12 | 0.2 |
| Total | 2,277 | 100.0 | 3,008 | 100.0 | 5,285 | 100.0 |

Source: Law Society's REGIS database

9.11 Given the importance of private practice firms to the training process, it is interesting to look at the characteristics of those firms which provide training placements. Of particular importance is the distribution of trainees by the size of firm in which they were placed. Data on the number of male and female trainees analysed by size of firm (measured by the total number of partners) is shown in Table 9.11. Of the 5,048 trainees located in private practice in 1998-99, over one-quarter, 26.0%, were located in firms with 81 or more partners. At the other end of the spectrum only 6.9% of trainees were placed within sole practices. Male trainees were slightly more likely than female trainees to be placed in the very largest firms. The proportions here were 28.3% and 24.2% respectively, in the 81-plus partner firms, and 19.4% and 18.9% respectively in the 26-80 partner firms. In contrast, female trainees were slightly more likely than male trainees to be placed in the medium-sized firms with between five and 25 partners. There were no gender-based differences in the placement of trainees for firms with four or fewer partners.

Table 9.11 Trainee placements in 1999-2000 analysed by the size of private practice firm in which trainees were located

| Size of firm | Male | | Female | | Total | |
|----------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | No. | % | No. | % | No. | % |
| Sole practice | 153 | 7.0 | 197 | 6.9 | 350 | 6.9 |
| 2-4 partners | 401 | 18.3 | 523 | 18.3 | 924 | 18.3 |
| 5-10 partners | 315 | 14.4 | 469 | 16.4 | 784 | 15.5 |
| 11-25 partners | 278 | 12.7 | 435 | 15.2 | 713 | 14.1 |
| 26-80 partners | 426 | 19.4 | 539 | 18.9 | 965 | 19.1 |
| 81+ | 620 | 28.3 | 692 | 24.2 | 1,312 | 26.0 |
| Total | 2,193 | 100.0 | 2,855 | 100.0 | 5,048 | 100.0 |

Source: Law Society's REGIS database

9.12 Since August 1987, in an attempt to ensure that the solicitors' profession is open to all regardless of their background, the Council of the Law Society has recommended minimum starting salaries for trainee solicitors. The rates set by the Council are shown below in Table 9.12. In 1993, after considerable debate, the Council agreed to maintain the principle of minimum salaries. However, the salary rates were frozen at their 1992 levels, and the outer London rate was abolished. From then through to 1999, the recommended salary levels were frozen at their 1993 levels. In February 2000, the recommended minimum was raised to £13,600 in London and £12,000 elsewhere. Another change made at that time was that now only on special application may firms offer training contracts at salaries below the Council minimum recommendation.

Table 9.12 Council recommended minimum starting salaries for trainee solicitors

| Effective date | Central London | Outer London | Rest of England and Wales |
|----------------|----------------|--------------|---------------------------|
| From 1/9/87 | £6,600 | £6,100 | £5,200 |
| From 1/8/88 | £7,200 | £6,900 | £6,000 |
| From 1/8/89 | £8,500 | £8,200 | £7,300 |
| From 1/8/90 | £9,900 | £9,600 | £8,700 |
| From 1/8/91 | £11,300 | £11,000 | £10,100 |
| From 1/8/92 | £12,150 | £11,850 | £10,850 |
| From 1/8/93* | £12,150 | £10,850 | £10,850 |
| From 1/8/2000 | £13,600 | £12,000 | £12,000 |

* Outer London category abolished in 1993

9.13 Analyses of trainees' actual starting salaries by gender and region are shown below in Table 9.13. This shows that, in 1999-2000, average starting salaries were highest in Central London (the City, Holborn and Westminster) at £20,277, and lowest in Wales at £11,420. Taken over all trainees, the average starting salary was £15,597. This represents almost no change on the average salary paid last year, £15,575. In the past year, the North experienced the highest rate of salary growth, 6.5%, but, in the West Midlands and North West regions, average trainee salaries fell by 2.1% and 2.2% respectively.

Table 9.13 Trainees' starting salaries by region and gender

| Region | Male average (£) | Female average (£) | All trainees average (£) | % male average salary over female | Average salary as % of minimum | % trainees paid at or below the minimum |
|--------------------------|------------------|--------------------|--------------------------|-----------------------------------|--------------------------------|---|
| Central London | 20,534 | 20,050 | 20,277 | 2.4 | 163.6 | 5.1 |
| Rest of London | 14,841 | 14,074 | 14,384 | 5.5 | 133.9 | 19.7 |
| Rest of South East | 13,116 | 12,427 | 12,697 | 5.5 | 114.7 | 35.7 |
| South West | 12,914 | 12,808 | 12,851 | 0.8 | 118.3 | 23.5 |
| Wales | 11,309 | 11,502 | 11,420 | -1.7 | 105.6 | 54.1 |
| West Midlands | 13,009 | 12,508 | 12,713 | 4.0 | 119.6 | 37.5 |
| North West | 12,981 | 12,541 | 12,723 | 3.5 | 119.9 | 40.5 |
| North | 13,335 | 11,577 | 12,372 | 15.2 | 107.1 | 55.1 |
| Yorkshire and Humberside | 13,602 | 13,021 | 13,268 | 4.5 | 118.9 | 35.8 |
| East Midlands | 12,821 | 12,078 | 12,375 | 6.1 | 115.0 | 37.6 |
| East Anglia | 12,225 | 12,764 | 12,558 | -4.2 | 111.1 | 51.7 |
| Total | 16,131 | 15,194 | 15,597 | 6.2 | n/a | 23.4 |

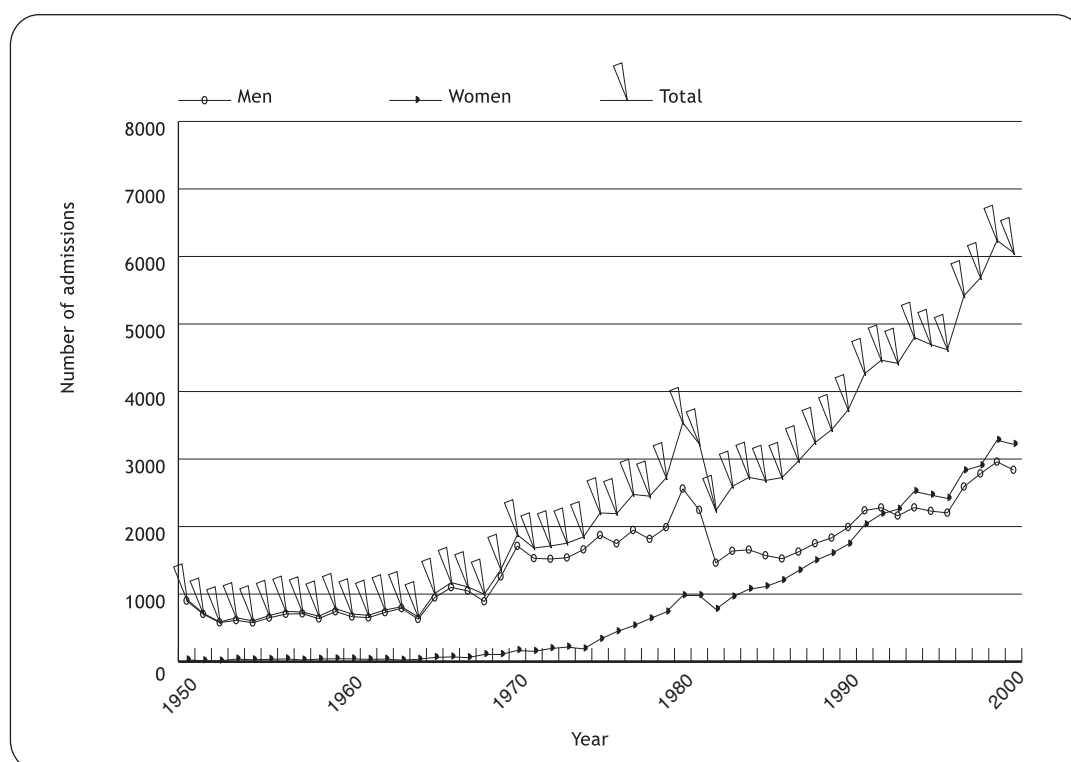
Source: Law Society's REGIS database

9.14 Table 9.13 also breaks the data down by trainee gender. On average, female trainees were offered starting salaries which were 6.2% below the average level for males. The average salary levels for male and female trainees being £16,131 and £15,194 respectively. Although, on average, male trainees had higher starting salaries than female trainees, in two of the 11 regions, female trainee starting salaries were higher than that for males. Female trainee salaries were 4.2% higher than male trainee salaries in East Anglia, and were higher by a much less substantial 1.7% in Wales.

10 ADMISSIONS TO THE ROLL

- 10.1 There are two distinct routes to admission to the Roll: a direct route, followed by completing the required educational and vocational training outlined in Chapter 6, and the transfer route, which includes transfers from other legal professions within England and Wales, such as barristers, legal executives and magistrates and justices' clerks, as well as lawyers who qualified in other jurisdictions. This latter group includes a small number of Scottish and Northern Irish lawyers.
- 10.2 The total number of individuals admitted to the Roll in the year 1 August 1999 to 31 July 2000 was 6,056. This represents a decrease of 2.9% on the 6,237 individuals who were admitted in 1998-99, though admissions are still running at historically very high levels. Chart 9 shows the growth in admissions of men and women for the period 1950 to 2000. Over this period, total annual admissions have risen by 554.0% at an average annual increase of 3.9% per year. Over the same period, female admissions have grown at an average annual rate of 10.3%, which equates to a doubling of the number of female admissions approximately every seven years. The average growth rate for male admissions, 2.4%, has been less than one-quarter than for women over the period.

Chart 9 Growth in solicitors' admissions to the Roll 1950-2000



Source: Law Society's REGIS database

10.3 Table 10.3 shows the trend over the past 10 years in the number of men and women admitted to the profession. Between 1990 and 2000, total admissions grew by 62.4% from a base of 3,729. Over this period, male admissions rose by 46.2%, whilst female admissions grew much more rapidly, by 85.0%. Women have accounted for the majority of new admissions in each year since 1992-93 and, in 1999-2000, 53.1% of those admitted were female. This proportion has changed little in each of the past seven years and contrasts with the position 10 years ago when, in 1990, 46.6% of new entrants to the profession were women.

Table 10.3 Men and women admitted to the Roll 1989-90 to 1999-2000

| | Men | | Women | | Total | Annual % change |
|--|-------|-------------|-------|-------------|-------|-----------------------|
| | No. | % | No. | % | | |
| 1989-90 | 1,990 | 53.4 | 1,739 | 46.6 | 3,729 | 8.6 |
| 1990-91 | 2,238 | 52.5 | 2,027 | 47.5 | 4,265 | 14.4 |
| 1991-92 | 2,280 | 51.1 | 2,184 | 48.9 | 4,464 | 4.7 |
| 1992-93 | 2,160 | 48.9 | 2,257 | 51.1 | 4,417 | -1.1 |
| 1993-94 | 2,281 | 47.5 | 2,520 | 52.5 | 4,801 | 8.7 |
| 1994-95 | 2,229 | 47.5 | 2,466 | 52.5 | 4,695 | -2.2 |
| 1995-96 | 2,203 | 47.7 | 2,417 | 52.3 | 4,620 | -1.6 |
| 1996-97 | 2,590 | 47.8 | 2,827 | 52.2 | 5,417 | 17.3 |
| 1997-98 | 2,784 | 49.0 | 2,901 | 51.0 | 5,685 | 4.9 |
| 1998-99 | 2,959 | 47.4 | 3,278 | 52.6 | 6,237 | 9.7 |
| 1999-2000 | 2,838 | 46.9 | 3,218 | 53.1 | 6,056 | -2.9 |
| % change 1999-2000 over 1989-90 | | 46.2 | | 85.0 | | 62.4 |

Source: Law Society's REGIS database

10.4 The age distribution of those admitted in 1999-2000 is shown in Table 10.4. Overall, there was little substantive difference in the age distribution of male and female admissions. Taken overall, the average age of those admitted was 29.6 years. The average age for males was marginally higher than that for females, the average ages being 29.8 and 29.4 years respectively. Almost one-half of new admissions were aged 27 years or less, and just under two-thirds were aged 29 or less.

Table 10.4 The age distribution of solicitors admitted to the Roll in 1999-2000

| Age | Male | | Female | | All admissions | | Cumulative |
|--------------------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|
| | No. | % | No. | % | No. | % | |
| 23 | 1 | 0.0 | 0 | 0.0 | 1 | 0.0 | 0.0 |
| 24 | 26 | 0.9 | 67 | 2.1 | 93 | 1.5 | 1.6 |
| 25 | 319 | 11.2 | 477 | 14.8 | 796 | 13.1 | 14.7 |
| 26 | 484 | 17.1 | 590 | 18.3 | 1,074 | 17.7 | 32.4 |
| 27 | 460 | 16.2 | 481 | 14.9 | 941 | 15.5 | 48.0 |
| 28 | 278 | 9.8 | 309 | 9.6 | 587 | 9.7 | 57.7 |
| 29 | 230 | 8.1 | 258 | 8.0 | 488 | 8.1 | 65.7 |
| 30-34 | 616 | 21.7 | 608 | 18.9 | 1,224 | 20.2 | 85.9 |
| 35-39 | 240 | 8.5 | 236 | 7.3 | 476 | 7.9 | 93.8 |
| 40-44 | 97 | 3.4 | 111 | 3.4 | 208 | 3.4 | 97.2 |
| 45-49 | 38 | 1.3 | 51 | 1.6 | 89 | 1.5 | 98.7 |
| 50-54 | 33 | 1.2 | 25 | 0.8 | 58 | 1.0 | 99.7 |
| 55 and over | 14 | 0.5 | 5 | 0.2 | 19 | 0.3 | 100.0 |
| Total known | 2,836 | 99.9 | 3,218 | 100.0 | 6,054 | 100.0 | |
| Unknown | 2 | 0.1 | 0 | 0.0 | 2 | 0.0 | |
| Grand total | 2,838 | 100.0 | 3,218 | 100.0 | 6,056 | 100.0 | 100.0 |
| Average age | | 29.8 | | 29.4 | | 29.6 | |

Source: Law Society's REGIS database

- 10.5 Table 10.5 shows the proportion of men and women who were admitted in the year 1999-2000 by each of the different routes. For 6.0% of admissions these data were not recorded. Almost three-quarters of admissions, 73.5%, were through the direct qualification route. Of these, just over two-thirds were law graduates and the remainder were non-law graduates who had passed the CPE. Women were more likely than men to qualify by this direct route, 76.0% of admissions as against 70.6%, and, within this total, were slightly more likely than men to have law degrees. In contrast, men were more likely than women to qualify via a transfer in; the relevant proportions here being 22.8% and 18.5% respectively. Men were more likely than women to have been barristers or to be transferring in from another jurisdiction, 21.5% as opposed to 15.1%, but women were slightly more likely than men to have qualified initially as either a legal executive or as a magistrates' or justices' clerk, 3.3% as opposed to 1.3%.

Table 10.5 The routes to admission to the Roll in 1999-2000

| Entry routes | Male | | Female | | All admissions | |
|---------------------------|-------|-------|--------|-------|----------------|-------|
| | No. | % | No. | % | No. | % |
| Direct entry: | | | | | | |
| Law degree | 1,377 | 48.5 | 1,752 | 54.4 | 3,129 | 51.7 |
| Non-law degree | 626 | 22.1 | 695 | 21.6 | 1,321 | 21.8 |
| Total direct entry | 2,003 | 70.6 | 2,447 | 76.0 | 4,450 | 73.5 |
| Entry by transfer: | | | | | | |
| Overseas lawyer | 492 | 17.3 | 410 | 12.7 | 902 | 14.9 |
| Barrister | 120 | 4.2 | 77 | 2.4 | 197 | 3.3 |
| FILEX | 27 | 1.0 | 81 | 2.5 | 108 | 31.8 |
| Justices' clerk | 9 | 0.3 | 26 | 0.8 | 35 | 0.6 |
| Total transfers | 648 | 22.8 | 594 | 18.5 | 1,242 | 20.5 |
| Route unknown | 187 | 6.6 | 177 | 5.5 | 364 | 6.0 |
| All admissions | 2,838 | 100.0 | 3,218 | 100.0 | 6,056 | 100.0 |
| % | | 46.9 | | 53.1 | | 100.0 |

Source: Law Society's REGIS database

10.6 Just over one-fifth of admissions (20.5%) in 1999-2000 were, as we have seen, transfers in from other professions and jurisdictions. Table 10.6 analyses transfers in by whether they were from other professions within England or Wales, or from other jurisdictions, and shows the country of origin of those transferring from other jurisdictions. Of the 1,242 transfers, just over one-quarter, 27.4%, were from other professions based within England and Wales, most of whom were individuals who had previously qualified as either barristers or legal executives. The remaining 72.6% were transfers in from other jurisdictions. Most notable here were Australian and New Zealander lawyers, who alone accounted for just over one-fifth (21.3%) of all transfers in. In addition to these, transfers from Hong Kong accounted for a further 7.4%, those from the USA and Canada 8.9%, and those from other parts of the UK a further 6.1% of all transfers.

Table 10.6 Analysis of transfers into the profession 1999-2000

| | Male | | Female | | All transfers | |
|----------------------------------|------|-------|--------|-------|---------------|-------|
| | No. | % | No. | % | No. | % |
| From other professions: | | | | | | |
| Legal executives | 27 | 4.2 | 81 | 13.6 | 108 | 8.7 |
| Barristers | 120 | 18.5 | 77 | 13.0 | 197 | 15.9 |
| Justices' clerks | 9 | 1.4 | 26 | 4.4 | 35 | 2.8 |
| Sub-total | 156 | 24.1 | 184 | 31.0 | 340 | 27.4 |
| From other jurisdictions: | | | | | | |
| Hong Kong | 41 | 6.3 | 51 | 8.6 | 92 | 7.4 |
| Australia/New Zealand | 167 | 25.8 | 98 | 16.5 | 265 | 21.3 |
| USA/Canada | 56 | 8.6 | 54 | 9.1 | 110 | 8.9 |
| Scotland/N. Ireland/Isle of Man | 35 | 5.4 | 41 | 6.9 | 76 | 6.1 |
| Eire | 15 | 2.3 | 11 | 1.9 | 26 | 2.1 |
| Other EU countries | 29 | 4.5 | 37 | 6.2 | 66 | 5.3 |
| Non-EU countries | 10 | 1.5 | 7 | 1.2 | 17 | 1.4 |
| Singapore | 32 | 4.9 | 20 | 3.4 | 52 | 4.2 |
| India/Sri Lanka | 23 | 3.5 | 10 | 1.7 | 33 | 2.7 |
| South Africa | 34 | 5.2 | 34 | 5.7 | 68 | 5.5 |
| Other African countries | 33 | 5.1 | 35 | 5.9 | 68 | 5.5 |
| All other countries | 17 | 2.6 | 12 | 2.0 | 29 | 2.3 |
| Sub-total | 492 | 75.9 | 410 | 69.0 | 902 | 72.6 |
| Grand total | 648 | 100.0 | 594 | 100.0 | 1,242 | 100.0 |

Source: Law Society database

- 10.7 The main factor affecting age on admission is the route taken to qualification. Table 10.7 shows the average age on qualification for men and women for each of the separate routes. These reflect the average times taken to qualify by each route and show that the group with the lowest average age, 28.1 years, were direct entrants with law degrees. Those admitted by the CPE route were aged 30.0 years on average. Taken over all direct admissions, the average age was 28.7 years. Those transferring in were, on average, four years older than direct admissions, at 32.7 years. There was little difference between the average ages of men and women qualifying by the same route, though male transfers in from other jurisdictions tended to be around two years older than their female counterparts, and legal executives around three years older.

Table 10.7 Average age on admission to the Roll by route to admission and gender 1999-2000

| Entry routes | Male | | Female | | All admission | |
|---------------------------|-------|-------------|--------|-------------|---------------|-------------|
| | No. | Average age | No. | Average age | No. | Average age |
| Direct entry: | | | | | | |
| Law degree | 1,377 | 28.3 | 1,752 | 28.0 | 3,129 | 28.1 |
| Non-law degree | 626 | 29.6 | 695 | 30.3 | 1,321 | 30.0 |
| Total direct entry | 2,003 | 28.7 | 2,447 | 28.7 | 4,450 | 28.7 |
| Entry by transfer: | | | | | | |
| Overseas lawyer | 492 | 32.9 | 410 | 31.3 | 902 | 32.2 |
| Barristers | 120 | 33.6 | 77 | 32.3 | 197 | 33.1 |
| FILEX | 27 | 38.7 | 81 | 35.4 | 108 | 36.3 |
| Justices' clerks | 9 | 34.2 | 26 | 34.3 | 35 | 34.3 |
| Total transfers | 648 | 33.3 | 594 | 32.1 | 1,242 | 32.7 |
| Route unknown | 187 | 30.0 | 177 | 30.0 | 364 | 30.0 |
| All admissions | 2,838 | 29.8 | 3,218 | 29.4 | 6,056 | 29.6 |

Source: Law Society's REGIS database

10.8 Table 10.8 shows the numbers and percentages qualifying via each route in 1999-2000 contrasted with the position one year and 10 years ago. In order to make the comparison, the 6.0% of admissions for whom the route was unknown in 1999-2000 have been allocated pro rata to the other known categories. The table shows that the proportion of direct admissions has been quite stable, falling only from 82.0% of all admissions in 1990 to 78.2% in 1999-2000. However, within this total, non-law graduates have assumed greater importance. Whereas only 14.8% of all admissions in 1990 were non-law graduates, this proportion had reached almost one-quarter, 23.2%, by 1999-2000. Another route which has been relatively stable is transfers in. These have only increased from 18.0% of all admissions in 1990 to 21.8% now.

Table 10.8 Trends in the main routes to admission to the Roll 1989-1990, 1998-99 and 1999-2000

| Routes to admission | 1989-90 | 1998-99 | 1999-2000 |
|---------------------|---------|---------|-----------|
| Law degree | 2,508 | 3,174 | 3,329 |
| Non-law degree | 551 | 1,555 | 1,405 |
| Transfers | 670 | 1,508 | 1,321 |
| Total | 3,729 | 6,237 | 6,056 |
| Routes to admission | % | % | % |
| Law degree | 67.3 | 50.9 | 55.0 |
| Non-law degree | 14.8 | 24.9 | 23.2 |
| Transfers | 18.0 | 24.2 | 21.8 |
| Total | 100.0 | 100.0 | 100.0 |

- 10.9 We are also able to examine trends in the number of admissions drawn from the ethnic minorities. Table 10.9 shows the comparison between 1994-95, 1998-99 and 1999-2000. The table shows that, as a proportion of those admissions for whom the ethnicity was known, ethnic minority admissions represented almost one-fifth, 19.0% of the total in 1999-2000 compared with 15.5% five years ago. Fluctuations in the intervening years mean that although there is no great consistency it appears that this proportion is increasing over time. Most of the observed increase over the past five years has been fuelled by increases in 'Asian' and 'African' admissions. Asian admissions have doubled over the period, and African admissions have more than trebled. It can also be seen that this data is degrading over time: ethnicity is now known for only 76.4% of admissions, compared with 96.7% in 1994-95.

Table 10.9 Trends in ethnic minority admissions to the Roll 1994-95, 1998-99 and 1999-2000

| Ethnicity | 1994-95 | 1998-99 | 1999-2000 | % change | |
|---|--------------|--------------|--------------|----------------------|----------------------|
| | | | | 2000 over 1999 | 2000 over 1995 |
| Afro-Caribbean | 34 | 56 | 55 | -2.4 | 62.1 |
| Asian | 183 | 397 | 449 | 13.0 | 145.3 |
| Chinese | 261 | 197 | 124 | -36.8 | -52.4 |
| African | 39 | 64 | 120 | 89.3 | 208.3 |
| Other | 187 | 127 | 131 | 3.3 | -29.8 |
| Total from ethnic minorities | 704 | 841 | 880 | 4.6 | 25.0 |
| Number of admissions where ethnicity is known | 4,540 | 5,064 | 4,624 | -8.7 | 1.9 |
| Ethnic minorities as a % of those with known ethnicity | 15.5 | 16.6 | 19.0 | 14.6 | 22.7 |
| Total admissions | 4,695 | 6,237 | 6,056 | -2.9 | 29.0 |
| % of admissions with known ethnicity | 96.7 | 81.2 | 76.4 | -6.0 | -21.0 |
| Male admissions | 2,229 | 2,959 | 2,838 | -4.1 | 27.3 |
| Males as % of total | 47.5 | 47.4 | 46.9 | - | - |
| Female admissions | 2,466 | 3,278 | 3,218 | -1.8 | 30.5 |
| Females as % of total | 52.5 | 52.6 | 53.1 | - | - |
| Total admissions | 4,695 | 6,237 | 6,056 | -2.9 | 29.0 |

Source: Law Society's REGIS database

- 10.10 In 1999-2000 there were 880 admissions from the ethnic minorities out of a total of 6,056. Comparable figures for last year were 841 admissions out of a total of 6,237. The increase in the representation of ethnic minorities over the past year is largely accounted for by an increase in the number of African admissions. These rose by 89.3% over the year to 120. These, and the increased numbers of Asian admissions, accounted for almost the entire observed net increase. In contrast, Chinese admissions fell for the third year running, in this instance by a substantial 36.8%.
- 10.11 A fuller breakdown of ethnic minority admissions in 1999-2000 is shown in Table 10.11. This table analyses admissions by both gender and ethnicity and shows that last year 56.2% of those admitted from the ethnic minorities were female. This is a slightly higher value than that for admissions as a whole. Within the ethnic minorities, the proportion of female admissions was highest amongst Afro-Caribbeans, 74.5%, and lowest amongst Asians, 53.5%.

Table 10.11 Ethnic minority admissions in 1999-2000 by gender

| Ethnic group | Male | | Female | | Total |
|--|--------------|-------------|--------------|-------------|--------------|
| | No. | % | No. | % | No. |
| Afro-Caribbean | 14 | 25.5 | 41 | 74.5 | 55 |
| Asian | 209 | 46.5 | 240 | 53.5 | 449 |
| Chinese | 52 | 42.0 | 72 | 58.0 | 124 |
| African | 54 | 45.0 | 66 | 55.0 | 120 |
| Other | 56 | 42.8 | 75 | 57.2 | 131 |
| Total admissions from ethnic minorities | 385 | 43.8 | 495 | 56.2 | 880 |
| Number of admissions where ethnicity is known | 2,102 | 45.5 | 2,522 | 54.5 | 4,624 |
| Ethnic minorities as a % of those with known ethnicity | 18.3 | | 19.6 | | 19.0 |
| Number of admissions where ethnicity is unknown | 735 | 51.4 | 696 | 48.6 | 1,431 |
| Total admissions | 2,838 | 46.9 | 3,218 | 53.1 | 6,056 |
| % of admissions with known ethnicity | 74.1 | | 78.4 | | 76.4 |

Source: Law Society's REGIS database

11 POST-ADMISSION TRAINING AND PROFESSIONAL ACCREDITATION

- 11.1 Changes in the social and economic environment in which solicitors operate, in the law and in the expectations of clients, has meant that solicitors, in common with many other professions, must continually update their knowledge, expertise and skills. To aid this process, the Law Society made it a compulsory requirement in 1985 that solicitors undergo some form of continuing professional development (CPD). It was always intended that these provisions should eventually apply to all practising solicitors, and so the scheme was extended over time. On 1 November 1998 the scheme finally covered all solicitors in legal employment.
- 11.2 In addition to keeping up to date with developments in law and practice, the scheme is intended to enable solicitors to gain management and business skills, improve efficiency and effectiveness, and develop new and existing areas of expertise and skill. The CPD scheme allows credits to be acquired using a number of approaches, including attendance at lecture-based courses as well as through distance-based learning. The scheme also allows credit to be obtained by those who write law books or articles in legal journals, or who are involved in the preparation and delivery of training course materials.
- 11.3 To assist in the provision of CPD services the Law Society authorises training organisations. This authorisation covers organisations which provide training 'in-house' as well as those which provide external courses. Table 11.3 shows the number of applications for authorisation as course providers by type in both 1998-99 and now. The table shows that the total number of providers has decreased by 8.2% to 484 over the past year. Within this total the number of organisations providing external training courses increased by 25.0% to 240, whilst the number of 'in-house' providers decreased slightly more by 27.2% to 244.

Table 11.3 Law Society applications for authorisation as course providers in 1998-99 and 1999-2000

| Applications | 1998-99 | 1999-00 | % change |
|--------------|------------|------------|-------------|
| External* | 192 | 240 | 25.0 |
| In-house** | 335 | 244 | -27.2 |
| Total | 527 | 484 | -8.2 |

* External includes Best Practice and training programmes

** In-house includes full in-house, restricted in-house and consortium in-house

Source: Law Society database

- 11.4 The increased complexity and accelerated rate of change in the law has led to greater numbers of solicitors acquiring various professional accreditations or becoming members of specialist panels. Specialist panels are administered by the Law Society, and membership of the panels is contingent on the individual concerned demonstrating particular expertise in the area. Table 11.4 shows the total membership of each of the Law Society panels for each year since their launch, as well as their membership as at 31 July 2000. Historically, growth in panel membership has been fastest in the early years and then begins to slow as the saturation point is approached. There was substantial growth last year for the established schemes, with membership of the Medical Negligence Panel rising by almost one-fifth (17.5%). In contrast, the numbers on the Planning Panel rose by a much more modest 4.8%.

Table 11.4 Total membership of Law Society panels

| | Children Panel | Mental Health Review Tribunal Panel | Planning Panel | Personal Injury Panel | Med.Neg. Panel | Family Law Panel | Immig. Law Panel |
|-----------------------------|-------------------|---|-------------------|-----------------------------|-------------------|------------------------|------------------------|
| Launch year | 1984 | 1983 | 1991 | 1993 | 1995 | 1998 | 1999 |
| Total membership at: | | | | | | | |
| 1990 | 1,699 | 227 | - | - | - | - | - |
| 1991 | 1,765 | 220 | 27 | - | - | - | - |
| 1992 | 1,734 | 248 | 52 | - | - | - | - |
| 1993 | 1,428 | 275 | 77 | 415 | - | - | - |
| 1994 | 1,546 | 319 | 117 | 1,712 | - | - | - |
| 1995 | 1,584 | 333 | 185 | 1,976 | 64 | - | - |
| 1996 | 1,627 | 374 | 197 | 2,333 | 113 | - | - |
| 1997 | 1,676 | 385 | 198 | 2,468 | 130 | - | - |
| 1998 | 1,780 | 415 | 184 | 2,669 | 151 | 214 | - |
| 1999 | 1,887 | 450 | 186 | 3,029 | 204 | 2,572 | 30 |
| Up to 31/7/2000 | 2,080 | 498 | 195 | 3,181 | 222 | 3,250 | 53 |

Source: Law Society database

11.5 In addition to panel membership, solicitors can obtain local government diplomas, be accredited as licensed insolvency practitioners, or obtain rights of audience in the higher courts. These are externally validated and Table 11.5 shows the number of newly accredited solicitors, by type, for each year since their inception. By summing over the number of new accreditations in each year we can calculate the total number of solicitors involved. For example, up to 31 July 2000, a total of 1,075 solicitors had obtained rights of audience in the higher courts. Of these solicitors, almost two-thirds obtained their rights from 1997 onwards. Those qualified to conduct discrete investment business increased by 20.3%, and those with rights of audience by 15.6%, in the year up to the end of July 2000.

Table 11.5 Annual number of solicitors achieving specified professional accreditation

| | Local government diploma | Licensed insolvency practitioner | Rights of audience in higher courts | Qualified to conduct discrete investment business |
|-----------------------------------|--------------------------------|--|---|---|
| | 1985 | 1986 | 1994 | 1994 |
| Numbers awarded status in: | | | | |
| 1985-86 to 1989 | 131 | 112 | - | - |
| 1990 | 27 | 86 | - | - |
| 1991 | 17 | 2 | - | - |
| 1992 | 32 | 3 | - | - |
| 1993 | 37 | 2 | - | - |
| 1994 | 18 | 2 | 231 | 8 |
| 1995 | 20 | 4 | 119 | 58 |
| 1996 | 23 | 4 | 77 | 25 |
| 1997 | 22 | 10 | 101 | 16 |
| 1998 | 23 | 14 | 202 | 12 |
| 1999 | 23 | 10 | 250 | 18 |
| Up to 31 July 2000 | 23 | 9 | 95 | 17 |
| Total awards | 396 | 258 | 1,075 | 154 |

Source: Law Society database

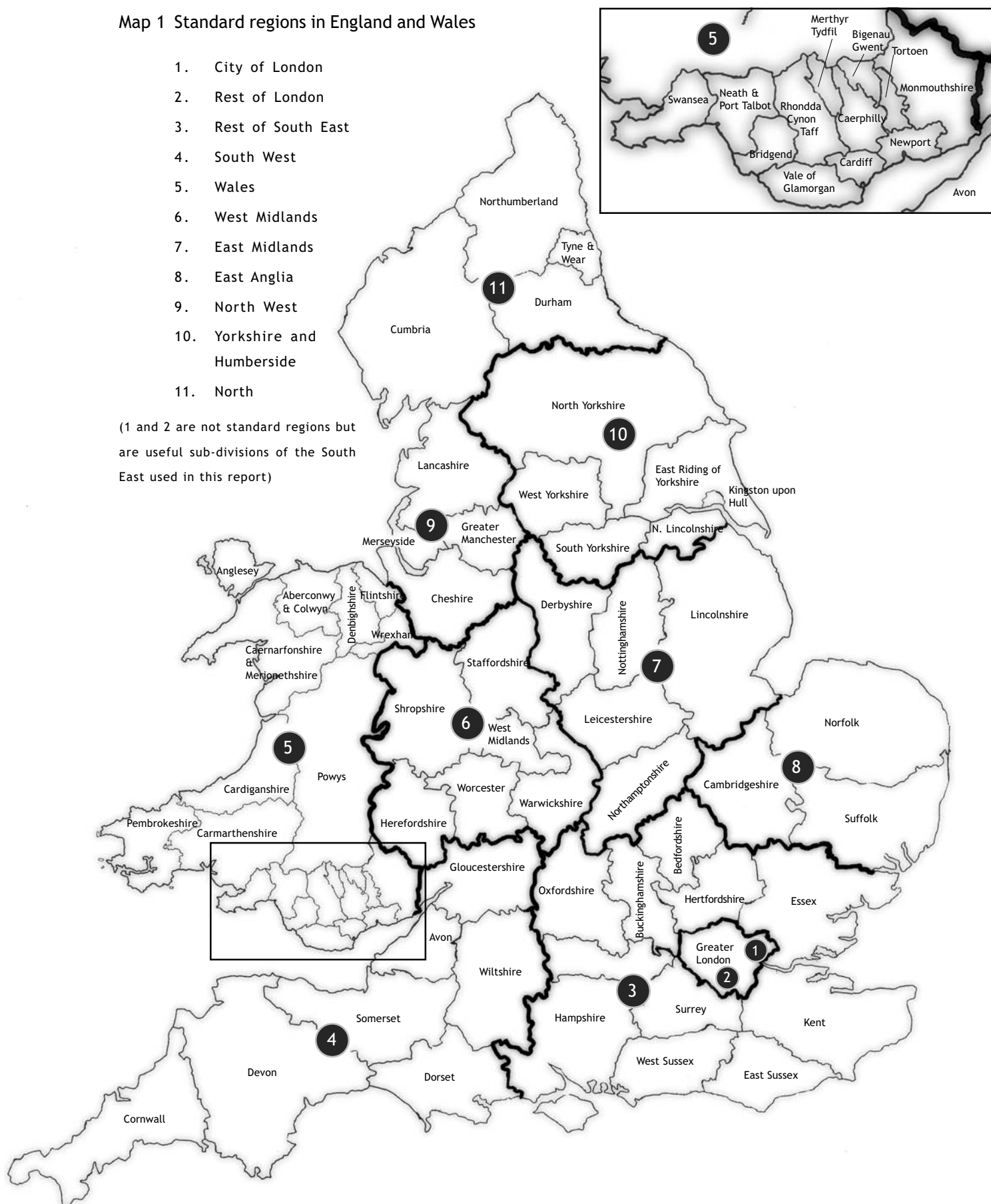
A P P E N D I C E S

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Map 1 Standard regions in England and Wales

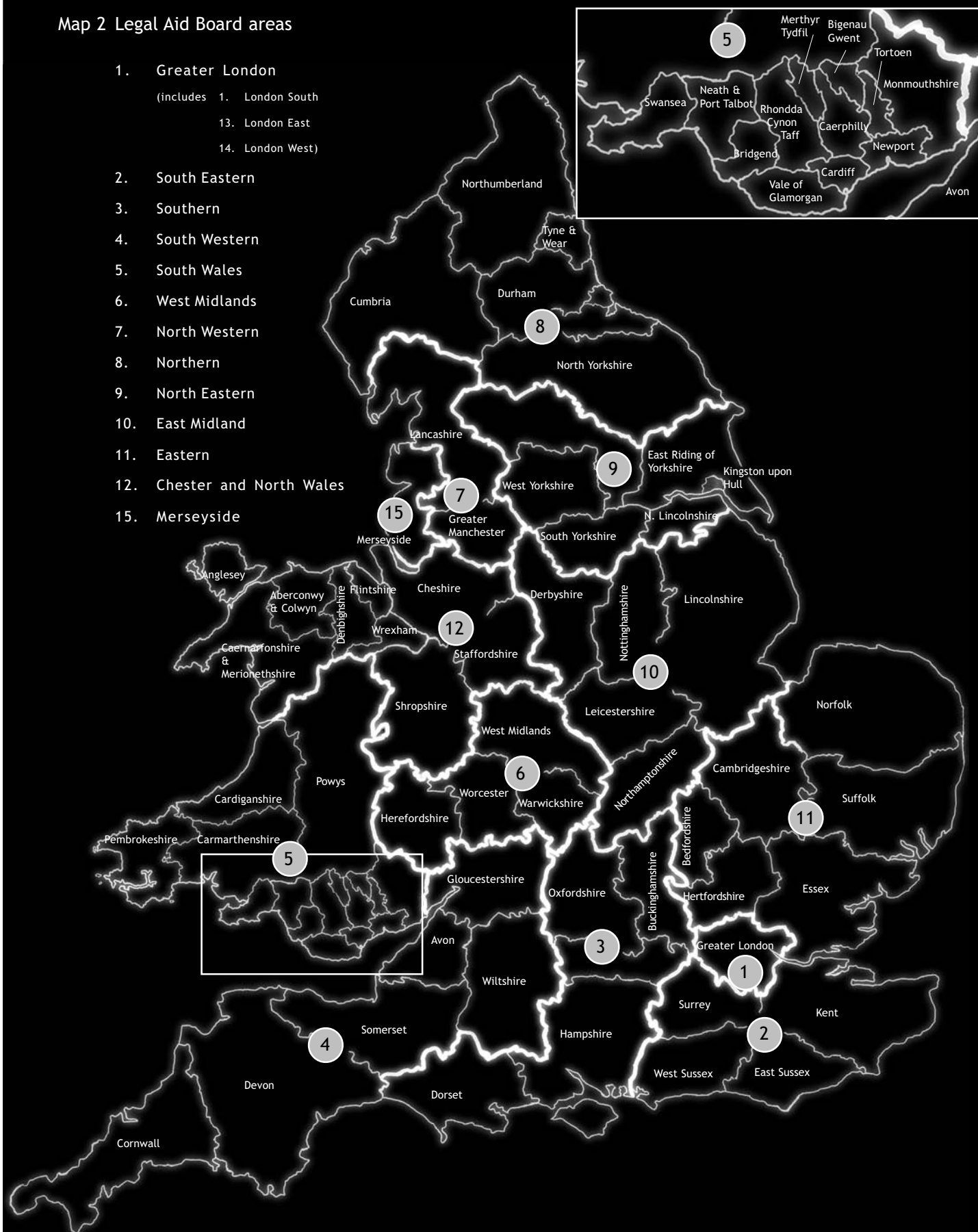
1. City of London
2. Rest of London
3. Rest of South East
4. South West
5. Wales
6. West Midlands
7. East Midlands
8. East Anglia
9. North West
10. Yorkshire and Humberside
11. North

(1 and 2 are not standard regions but are useful sub-divisions of the South East used in this report)



Map 2 Legal Aid Board areas

1. Greater London
(includes 1. London South
13. London East
14. London West)
2. South Eastern
3. Southern
4. South Western
5. South Wales
6. West Midlands
7. North Western
8. Northern
9. North Eastern
10. East Midland
11. Eastern
12. Chester and North Wales
15. Merseyside



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