

Trends in the Solicitors' Profession

Annual Statistical Report 2001

Prepared by Bill Cole, Strategic Research Unit



The Law Society

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Introduction

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

The Strategic Research Unit

This report was produced by Bill Cole of the Law Society's Strategic Research 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 and along with the summaries from those recently published can be viewed at www.research.lawsociety.org.uk. Further information on the work of the unit can be obtained from members of the Strategic Research Unit (e-mail: enquiriesSRU@lawsociety.org.uk).

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. With SIF winding down we are unable this year to compile full staffing grids for private practice firms (as used in Chapter 4) and next year we will not have access to the financial data compiled in Chapter 5.

Legal aid statistics have been drawn from the Legal Services Commission 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 2001, there were 109,553 solicitors on the Roll, an increase of 4.8% on the year before.
- At the same date, 86,603 solicitors held practising certificates, an increase of 4.6% on the previous year.
- Since 1971, the total number of solicitors holding practising certificates has grown by 241.4% at an average annual rate of 4.2%.
- 68,466, or 79.1%, of solicitors holding practising certificates work in private practice; the remainder work mainly in commerce and industry and the public sector.
- Since 1991, the proportion of practising certificate holders not employed in private practice has increased from 15.8% to 20.9%.
- Just over one-half, 54.1%, of current practising solicitors have been qualified for 10 years or less.
- In the year to 31 July 2001, admissions to the Roll, i.e. newly qualified solicitors and transfers from other legal professions, were 6,218, an increase of 2.7% on admissions in the year before.
- Of these new admissions 54.7% were women, and admissions from the ethnic minorities represented 17.0% of all admissions with known ethnicity.

A descriptive profile

- In 2000-2001, solicitors from ethnic minorities accounted for 7.9% of solicitors on the Roll, 6.6% of solicitors with practising certificates, and 6.3% of solicitors in private practice.
- Women now account for 37.4% of solicitors with practising certificates. Whereas since 1991 the total number of solicitors holding practising certificates has grown by 51.5%, the number of women holding practising certificates more than doubled, having increased by 128.5%.

- 81.9% of men holding practising certificates work within private practice, compared to 74.4% of women.
- Of those solicitors with 10-19 years' experience in private practice, 82.9% of men were partners or sole practitioners compared with only 56.6% of women.
- In 2001, the average age of a female solicitor in private practice was 36.0 years compared with 43.0 years for men. The average age of a sole practitioner was 49.8 years compared with 44.9 years for partners and 40.5 years for all solicitors in private practice.
- Around one-third of practising certificate holders in 2001 (35.9%) were employed by organisations based in London. These organisations were responsible for the employment of 53.1% of ethnic minority practising certificate holders.

Trends in private practice

- In 2001, there were 8,306 solicitors' firms in England and Wales earning at least £15,000 per annum, a small decrease of 0.2% on 2000.
- In the past year the number of 2-4 partner firms fell by 1.7%, and the number of 5-10 partner firms by 0.8%. In contrast the number of sole practices rose by 0.8%, whilst the number of 11-25 partner and 26 or more partner firms increased by 6.9% and 2.4% respectively.
- Over the past five years, and within and overall drop of 4.6% the number of sole practices fell by 3.2%, the number of 2-4 partner firms fell by 7.3% and the number of 5-10 partner firms fell by 7.0%. In contrast, the number of 11-25 partner firms increased by 12.5% and 26-or-more partner firms increased by 17.1%.
- In 2001 almost one-half, 47.7%, 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 47.4% recorded for 2000.
- Excluding those firms with annual gross fees below £15,000, just over one-quarter of private practice firms, 25.4%, were located in London in 2001. These firms employed 41.8% of all private practitioners.
- In 2001, the 0.4% of firms with 81 or more partners employed 13.8% of all principals and just over one fifth (20.9%) of all solicitors in private practices. Sole practices accounted for 42.1% of firms, and employed 12.3% of all principals and 8.7% of all solicitors.
- On average, the largest firms, with 81 or more partners, had 1.6 assistant solicitors per partner compared with between 0.3 and 1.1 in the smaller and medium-sized firms.

Turnover/profitability

- In the financial year 1999-2000, the total turnover of private practice firms with gross fees in excess of £15,000 per annum was £10,522 million. This represented an increase of 10.9% in money terms, and an increase in 9.7% in real terms, over the year before.
- Legal aid payments to solicitors for the year 1999-2000 were £1,385.0 million (including disbursements and VAT), or 13.2% of total gross fees earned.
- In 2000, the UK legal profession accounted for £975 million of overseas earnings measured net of expenses. This accounted for 4.9% of total overseas earnings from business services exports.
- For all private practice firms there was a 14.1% increase in gross fees per firm in 1999-2000. The rate of growth in gross fees was not evenly distributed across the range of different sizes of private practice firms. Increases ranged from 7.4% for 5-10 partner firms to 13.3% for firms with 11-25 partners. The increases in gross fees for sole practices and 2-4 partner firms were 11.4% and 8.0% respectively, whilst it was 10.1% for firms with 26 or more partners.
- The average level of gross fees per fee-earner in 1999-2000 ranged from £68,000 in sole practitioner firms through to £159,000 in the 130 firms with 26 or more partners. On average, 2-4 partner firms generated £78,000 per fee-earner as against £87,000 in 5-10 partner firms and £109,000 in firms with 11-25 partners.
- The average gross fees per sole practice in 1999-2000 was £161,000. However, this figure masks a wide distribution across firms of this size. One-quarter of sole practices generated gross fees of less than £57,000 per annum and one-half generated fees of less than £108,000 per annum.
- Analysis of the change in gross fees per solicitor between 1994-95 and 1999-2000 at 1999 prices showed an increase in real income for firms in all size bands, except sole practices where the decrease was a marginal 0.9%. Real gross fees per solicitor rose fastest in 11-25 partner firms at 11.7%.
- The Law Society's 2001 Business 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 £40,000 in sole practices through to £154,000 in the largest firms in the study, those with 26-80 partners. In the 2-4 and 5-10 partner firms, profit per equity partner was £50,000 and £57,000 respectively, whilst the corresponding value for 11-25 partner firms was £83,000.

- 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 £19,000 or less, whilst those in the top 25% earned profits per partner of £75,000 or more.

Trends in post-graduate education

- In 2000 there were 19,366 applicants to study first degree courses in law in England and Wales, of whom 11,467 were accepted.
- Of the 9,324 graduates in the summer of 2000, 49.7% achieved firsts or upper second classifications. More women graduated with firsts and upper seconds than men, 52.0% as opposed to 46.5%.
- In the year ending 31 July 2001, 7,595 students enrolled with the Law Society. Of these students 62.3% were women and 21.2% were drawn from the ethnic minorities.
- In July 2001, 6,805 LPC students were eligible to sit the examination. This represented a marginal (0.4%) decrease on the 6,830 who were eligible in 2000. Of those who took the examination in 2001, 75.7% passed, only slightly down on the 2000 pass rate of 77.1%.
- There were 7,376 full time and 1,500 part time LPC places available in 2000-01. In 2000-02 there will be 7,486 full-time and 1,632 part-time places available.
- There were 5,162 new traineeships registered in the year 1 August 2000 to 31 July 2001. This is a decrease of 2.3% on the level recorded last year.
- Of the new trainees registered, 58.8% were women and 16.8% of trainees with known ethnicity were drawn from the ethnic minorities.



Part I

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 2001, there were 109,553 solicitors on the Roll, an increase of 4.8% over the previous year. Of these, 67,320 (61.4%) were men and 42,233 (38.6%) were women. Last year 62.5% of solicitors on the Roll were men and 37.5% were women.
- 1.3 Table 1.3 shows that of those solicitors on the Roll at 31 July 2001, 86,603, or 79.1% of them, held a current practising certificate entitling them to act as a solicitor within the definition of the Solicitors Act 1974. The remaining 22,950 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 2001

	No.	%
With practising certificates		
Men	54,208	62.6
Women	32,395	37.4
Sub-total	86,603	100.0
Without practising certificates		
Men	13,112	57.1
Women	9,838	42.9
Sub-total	22,950	100.0
Total solicitors on the Roll		
Men	67,320	61.4
Women	42,233	38.6
Total	109,553	100.0

Source: Law Society's REGIS database

Ethnic origin

- 1.4 Ethnic minorities make up 7.9% of solicitors on the Roll, of whom 30.4% 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 26.3% of solicitors are drawn from the ethnic minorities.
- 1.5 Table 1.5 shows that 65.8% of the 8,625 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 26.4% of Chinese solicitors on the Roll hold practising certificates compared to 79.1% of solicitors overall.

Table 1.5 Ethnic minority solicitors on the Roll and with practising certificates as at 31 July 2001

Ethnic origin	Ethnic minority solicitors		
	1	2	3
	On the Roll	With practising certificate	Participation rate (2 as a % of 1)
Afro-Caribbean	556	468	84.2%
Asian	3,827	3,164	82.7%
Chinese	2,472	652	26.4%
African	557	467	83.9%
Other ethnic origin	1,212	922	76.1%
All ethnic minority solicitors	8,625	5,673	65.8%
White European	85,440	68,868	80.6%
Unknown	15,488	12,062	77.9%
All solicitors	109,553	86,603	79.1%
Ethnic minority solicitors as a % of all solicitors	7.9%	6.6%	
Ethnic minority solicitors as a % of solicitors with known ethnicity	9.2%	7.6%	

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.

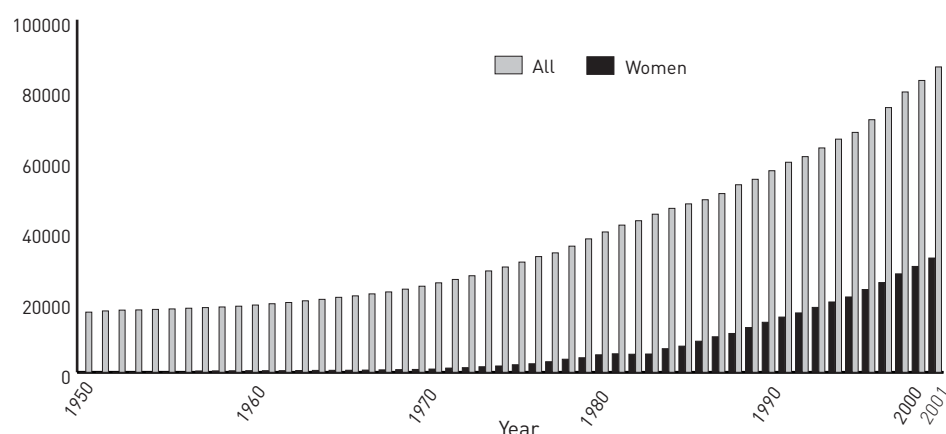
2.2 At 31 July 2001, there were 86,603 solicitors holding current practising certificates. This was an increase of 4.6% on the number for the previous year and reflects mainly the increase in the number of solicitors on the Roll. The participation rate, which is the percentage of solicitors on the Roll holding practising certificates, remained virtually unchanged. 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 1971, the total number of practising certificate holders has grown by 241.4% at an average annual rate of 4.2%. Comparable figures for those in private practice are a total growth over the period of 209.1% at an average rate of 3.8%. It can be seen that the fastest growth in practising certificate and private practitioner numbers over this period occurred between 1971 and 1981 (56.9% and 54.8% respectively). 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 1971 to 2001

Year	Practising solicitors	% change	Solicitors in private practice	% change
1971	25,366	-	22,151	-
1981	39,795	56.9	34,279	54.8
1991	57,167	43.7	48,152	40.5
2001	86,603	51.5	68,466	42.2

Source: Law Society's REGIS database

Chart 1 Growth in the number of solicitors with practising certificates 1950-2001



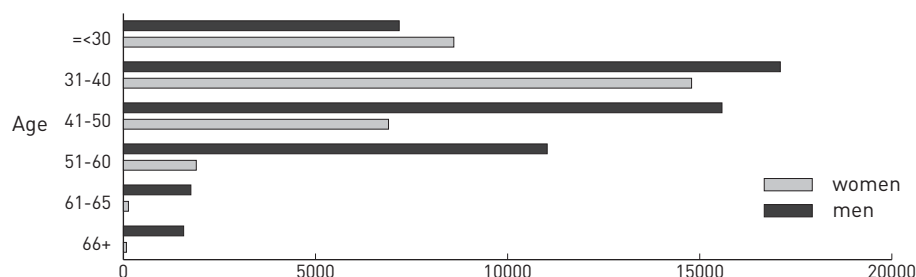
Source: Law Society's REGIS database

- 2.3 Since 1991, the total number of solicitors with practising certificates has grown by 51.5%; however, over this period the number of women solicitors with practising certificates has increased by 128.5% whilst the number of men increased by only 26.1%. The proportion of solicitors holding practising certificates who are women was 37.4% at 31 July 2001, compared with 24.8% in 1991. For the past nine 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 except for the very youngest aged 25 and under, where the rates are almost identical.
- 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, 55.0%, of solicitors with a practising certificate are aged 40 or less. The average age of a female solicitor with a practising certificate is 36.5 years compared with 43.1 for men. The median values show that 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 2001

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	384	95.0	581	95.2
26-30	6,703	92.0	7,966	89.6
31-35	8,845	86.6	8,611	78.0
36-40	8,035	85.2	6,086	70.9
41-45	7,789	85.8	4,217	72.5
46-50	7,593	85.7	2,641	71.1
51-55	6,987	83.3	1,380	69.6
56-60	3,903	76.9	505	65.7
61-65	1,734	60.9	130	51.2
66-70	892	43.5	55	40.7
71 and over	656	24.8	24	23.3
Unknown	687	66.0	199	60.1
All ages known	53,521	80.8	32,196	76.8
% ages known	99.0		99.0	
Total	54,208	80.5	32,395	76.7
Average age	43.1		36.5	
Median age	42		34	

Source: Law Society's REGIS database

Chart 2 The age of solicitors with practising certificates – 31 July 2001

Source: Law Society's REGIS database

2.6 Table 2.6 shows the numbers of solicitors holding practising certificates as at 31 July 2001, analysed by the number of years they have been qualified as solicitors. Over one-third, 37.5%, of male solicitors with current practising certificates in private practice have been qualified for less than 10 years, and 61.5% have been qualified for less than 20 years. This compares with 90.3% 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 2001

Years since admission	All solicitors		Men		Women	
	No.	%	No.	%	No.	%
Solicitors in private practice						
0-9 years	33,036	48.3	16,632	37.5	16,404	68.1
10-19 years	16,014	23.4	10,654	24.0	5,360	22.2
20-29 years	13,337	19.5	11,281	25.4	2,056	8.5
30-39 years	4,761	7.0	4,524	10.2	237	1.0
40-49 years	1,097	1.6	1,065	2.4	32	0.1
50+ years	221	0.3	215	0.5	6	0.0
All years	68,466	100.0	44,371	100.0	24,095	100.0
Solicitors in employed and other sectors						
0-9 years	11,045	60.9	5,443	55.3	5,603	67.5
10-19 years	3,056	21.8	1,967	20.0	1,989	24.0
20-29 years	2,517	13.9	1,856	18.9	661	8.0
30-39 years	549	3.0	505	5.1	44	0.5
40-49 years	60	0.3	58	0.6	2	0.0
50+ years	9	0.0	9	0.1	0	0.0
All years	18,137	100.0	9,838	100.0	8,299	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: 79.1% as at 31 July 2001. The second largest category of employment is commerce and industry, 6.7%, followed by local government, which employs 3.6% 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 6.1% 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 solicitors in the employed and other sectors than in private practice. In private practice 35.2% of solicitors are women, compared with 45.8% in these other sectors.

Table 2.7 Practising certificate holders by category of employment as at 31 July 2001

Category of employment	All	% of PC holders	Men	Women	Women as % of total
Private practice	68,466	79.1	44,371	24,095	35.2
Commerce/industry	5,831	6.7	3,359	2,472	42.4
Accountancy practice	110	0.1	51	59	53.6
Nationalised industry	97	0.1	42	55	56.7
Trade union	42	0.0	25	17	40.5
Government department	80	0.1	52	28	35.0
Local government	3,094	3.6	1,448	1,646	53.2
Court	131	0.2	72	59	45.0
Government funded services	137	0.2	73	64	46.7
Crown Prosecution Service	1,546	1.8	803	743	48.1
Advice service	344	0.4	143	201	58.4
Educational establishment	169	0.2	56	113	66.9
Health service	47	0.1	9	38	80.9
Others ¹	1,254	1.4	753	501	40.0
Not attached to an organisation	5,255	6.1	2,951	2,304	43.8
All non-private practice	18,137	20.9	9,837	8,300	45.8
Total practising certificate holders	86,603	100.0	54,208	32,395	37.4

* less than 0.05%

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

Source: Law Society's REGIS database

- 2.8 Overall, 81.9% of male solicitors with practising certificates are in private practice compared with only 74.4% of their female counterparts. This is shown in Table 2.8, which also shows the growing importance of the employed sector. In 2001, just over one-fifth (20.9%) of practising certificate holders worked in the employed sector, compared to only 15.8% 10 years ago.

Table 2.8 Distribution of practising certificate holders by category of employment as at 31 July 2001 compared with 1991

Category of employment	1991	Total %	2001	
	Total %		Men %	Women %
Private practice	84.2	79.1	81.9	74.4
Other PC holders	15.8	20.9	18.1	25.6
Total	100.0	100.0	100.0	100.0

Source: Law Society's REGIS database

Solicitors in private practice

- 2.9 For the 68,466 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 2001. 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 52.4% of men, compared with only 23.9% of women, were partners as at 31 July 2001.

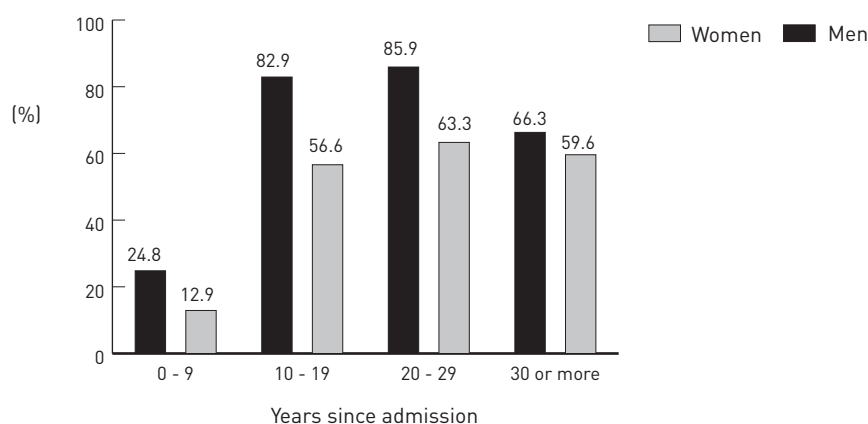
Table 2.9 Position of solicitors working in private practice and holding a practising certificate as at 31 July 2001

Position in firm	Men		Women		Total	
	No.	%	No.	%	No.	%
Partners	23,238	52.4	5,757	23.9	28,995	42.3
Sole practitioners	3,246	7.3	852	3.5	4,098	6.0
Associate solicitors	2,614	5.9	2,368	9.8	4,982	7.3
Assistant solicitors	12,344	27.8	14,193	58.9	26,537	38.8
Consultants	2,576	5.8	415	1.7	2,991	4.4
Other private practice	353	0.8	510	2.1	863	1.3
All positions	44,371	100.0	24,095	100.0	68,466	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, 82.9% of men are partners or sole practitioners compared with only 56.6% of women.

Chart 3 Percentages of men and women in private practice who were either partners or sole practitioners as at 31 July 2001 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 49.8 years, compared with 44.9 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 2001

Age	All in private practice			Partners			Sole practitioners		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total	44,371	24,095	68,466	23,238	5,757	28,995	3,246	852	4,098
Average age	43.0	36.0	40.5	45.9	41.2	44.9	50.9	45.9	49.8

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 an ethnic minority. The provision of information on ethnicity is entirely optional, though at present it is known for 86.1% of practising certificate holders. Using this we estimate that ethnic minority solicitors accounted for 6.6% of solicitors with practising certificates in 2001, an increase on the 6.1% recorded in 2000.

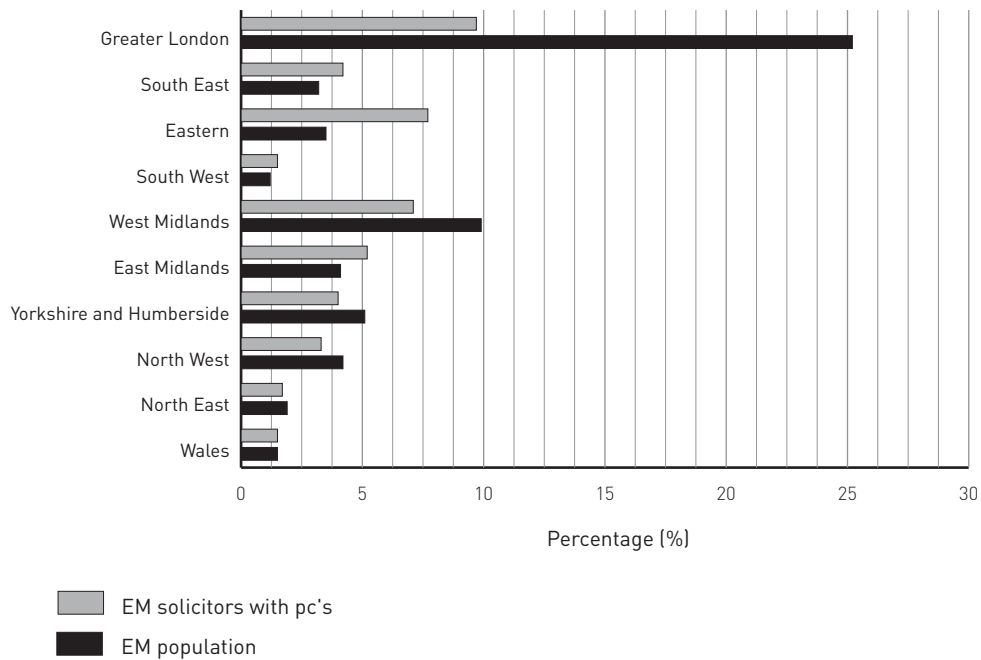
Table 2.12 Ethnic origin of practising certificate holders as at 31 July 2001

Ethnic origin	Men	Women	Total	%
White/European	43,433	25,435	68,868	79.5
Afro-Caribbean	158	310	468	0.5
Asian	1,601	1,563	3,164	3.7
Chinese	281	371	652	0.8
African	213	254	467	0.5
Other ethnic origin	475	447	922	1.1
All solicitors for whom ethnic origin is known	46,161	28,380	74,541	86.1
All ethnic minority practising certificate holders known to the Law Society	2,728	2,945	5,673	
% of all solicitors with PCs	5.0	9.1	6.6	
Unanswered/refused	3,395	739	4,134	4.8
Unknown	4,652	3,275	7,927	9.2
All practising certificate holders	54,208	32,395	86,603	100.0
% of all solicitors with PCs for whom ethnic origin is known	85.2	87.6	86.1	

Source: Law Society's REGIS database

2.13 Chart 4 shows, for each Government Office 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 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 Government Office Region and abroad. Greater London, Eastern and the West Midlands Government Office Regions have the highest proportion of ethnic minority solicitors, the majority of whom are Asian. Overall, 7.6% of ethnic minority solicitors with practising certificates are resident abroad. It can also be seen from Table 2.14 that over a third of solicitors with practising certificates, 35.9%, are located in London, with this proportion rising to 53.1% for ethnic minority solicitors.

Table 2.14 Proportion of ethnic minority solicitors with practising certificates in standard regions and abroad as at 31 July 2001

Region	Total no. of PC holders	Ethnic Group (%)							
		Asian	Afro- Carib.	Chinese	African	Other ethnic minority	Total ethnic minority	White Euro- pean	Unknown
City London ¹	15,169	2.9	0.3	0.9	0.4	1.5	6.1	77.1	16.8
Rest of London	15,883	7.3	1.4	0.7	1.7	2.0	13.1	70.9	15.9
Greater London	31,052	5.2	0.9	0.8	1.1	1.7	9.7	73.9	16.4
South East	9,683	2.5	0.4	0.4	0.3	0.6	4.2	83.3	12.5
Eastern	5,874	5.1	0.7	0.4	0.7	0.9	7.7	79.1	13.2
South West	6,272	0.6	0.1	0.2	0.1	0.5	1.5	86.5	12.0
West Midlands	6,235	5.4	0.6	0.2	0.2	0.7	7.1	81.2	11.7
East Midlands	3,671	4.1	0.3	0.1	0.1	0.5	5.2	82.6	12.2
Yorkshire & Humberside	5,702	3.1	0.2	0.2	0.0	0.4	4.0	85.7	10.3
Merseyside	2,250	0.8	0.2	0.2	0.1	0.8	2.2	86.4	11.4
North West	6,647	2.4	0.3	0.2	0.2	0.6	3.7	84.5	11.9
North East	2,350	1.1	0.0	0.2	0.0	0.4	1.7	87.6	10.7
Wales	3,029	0.6	0.2	0.2	0.1	0.4	1.5	87.7	10.8
Scotland/N. Ireland	232	0.4	0.0	0.0	0.0	0.9	1.3	65.6	33.1
Abroad	2,866	3.0	0.3	9.4	0.1	2.2	15.1	62.0	23.0
Unknown	739	1.4	0.3	0.4	0.4	0.8	3.3	80.7	16.1
Total	86,603	3.7	0.5	0.8	0.5	1.1	6.6	79.5	13.9

¹ Solicitors have been allocated to one of the Government Office 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 43.6% of white Europeans in private practice are at partnership level, the corresponding proportion from ethnic minority groups is much lower at 23.4%. 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 8.5% of ethnic minority solicitors are sole practitioners, compared with only 5.6% for all white European solicitors in private practice.

Table 2.15 Status of private practice solicitors by ethnicity

Ethnic group	All in private practice	Percentage who were:					Total
		Partners	Sole practs.	Associates	Assists.	Other private practice	
Afro-Caribbean	319	24.1	10.3	6.3	58.0	1.3	100.0
Asian	2,477	23.1	9.9	6.7	57.1	3.2	100.0
Chinese	473	22.2	4.0	16.3	54.1	3.4	100.0
African	320	21.9	11.2	5.9	59.1	1.9	100.0
Other ethnic origin	706	25.7	4.4	10.4	56.8	2.8	100.0
All ethnic minority	4,295	23.4	8.5	8.3	56.9	2.9	100.0
White European	54,958	43.6	5.6	7.2	37.8	5.7	100.0
Unknown	9,213	43.5	7.1	7.0	35.9	6.5	100.0
Total	68,466	42.3	6.0	7.3	38.8	5.6	100.0

Source: Law Society's REGIS database

3. Solicitors' offices and firms

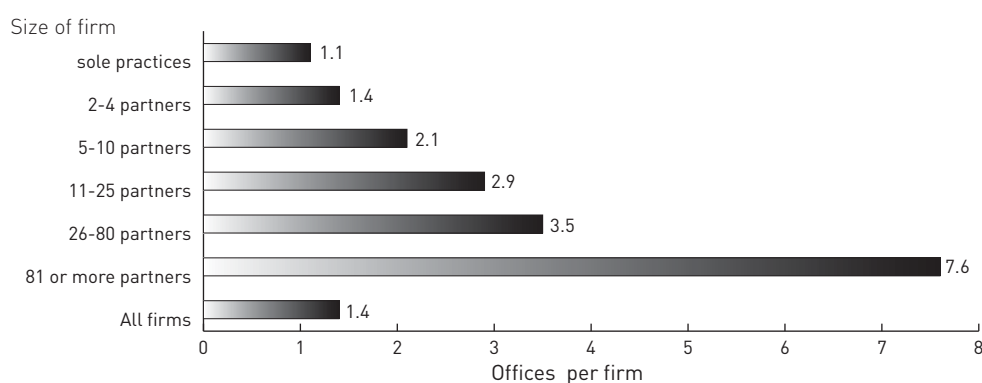
- 3.1 Information on private practice solicitors' firms is available from both the Law Society's records and, for the last time in this final year of its operation, from those held by the Solicitors Indemnity Fund (SIF). These are separate systems designed for different administrative purposes and, as 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. Using these constituencies we have mapped the Law Society's records of firms and solicitors into Government Office Regions. Map 1, Appendix 1, shows the boundaries of the Government Office Regions. The SIF records show the location of firms according to the now superseded Registrar General's standard regions and also by the breakdown used by the Legal Aid Board (see Map 2 and 3, Appendix 1 respectively). 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 2001, there were 15,498 separate organisations employing solicitors, of which 13,931 were based in England and Wales and 1,567 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 20,761 separate places of work recorded for solicitors, of which 18,627 were in England and Wales and 2,134 elsewhere. These figures represent a small reduction on the numbers recorded for 2000. It can also be seen from this table that in 2001 there were 9,251 private practice partnerships, located in 12,966 separate offices in England and Wales, registered with the Society. Over the past year the number of these firms has fallen by 5.3%, whilst the total number of offices has decreased commensurately by 4.4%. These changes are largely the result of the data cleaning exercises which have recently taken place on the Society's systems.
- 3.5 Looking at the trend in the numbers of private practice firms and offices over the five years since 1995-96, the number of firms has decreased by 8.6% and the number of offices has decreased by 7.4%. These figures are reflected in the observed 1.3% increase in the ratio of offices to firms over the period. These changes should, though, be treated with caution (see paragraph 3.4 above).
- 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 2001 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 7.6 for the 81-or-more partner firms.

Table 3.3 Organisations employing solicitors by type of business as at 31 July 2001

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	9,251	107	3,715	85	12,966	192
Incorporated firms	284	0	146	12	430	12
Multi-national practices	124	96	69	205	193	301
Locums services	395	1	3	0	398	1
Foreign law practices	9	861	12	168	21	1,029
Other private practice	20	33	5	7	25	40
Commerce and industry	2,454	361	341	65	2,795	426
Government						
Government department	50	52	55	17	105	69
Local government	482	2	39	0	521	2
Court	142	4	134	0	276	4
Government funded services	84	16	53	4	137	20
Crown Prosecution Service	45	0	55	0	100	0
Other						
Advice service	170	2	9	0	179	2
Educational establishment	173	17	2	0	175	17
Other	248	15	58	4	306	19
Total	13,931	1,567	4,696	567	18,627	2,134
	15,498				20,761	

Source: Law Society's REGIS database

Chart 5 Number of offices by size of firm in 2001



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 maintained records of solicitors' firms for the purpose of calculating indemnity premiums. Firms submit a return to SIF providing details of their 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.

Table 3.8 Location (standard regions) of population and private practice firms in 2001

Region	Firms earning £15,000+ ²	
	Population ¹ 52,690 million	Firms 8,306
Total =	%	%
City of London	*	3.6
Rest of London	13.8	21.8
Total London	13.8	25.4
Rest of South East	20.7	22.3
South West	9.4	8.8
Wales	5.6	5.6
West Midlands	10.1	8.3
East Midlands	8.0	4.9
East Anglia	4.0	3.1
North West	13.1	10.7
Yorkshire and Humberside	9.6	6.7
North	5.8	4.2
Total	100.0	100.0

* Less than 0.05%

Sources: ¹ Estimated using Office for National Statistics data; ² The Solicitors Indemnity Fund.

3.8 Table 3.8 shows the geographical distribution of the population of England and Wales contrasted with that for private practice firms broken down into the Registrar General's standard regions. Just over one-quarter of solicitors' firms, 25.4%, were located in London in 2001. The percentage of firms (3.6%) located in the City has increased very slightly over the past year. Just under one-half of all solicitors' firms (47.7%) are now based in the South East (including London). This value is a slight increase in concentration since 1995-96, when 46.6% of firms were so listed. Within this slight shift, the proportion of firms in London has risen from 23.7% to 25.4% of the total, whilst the proportion of firms in the rest of the South East has declined slightly from 22.8% to 22.3%. Outside of this there has been little change in the pattern of distribution of firms over the past five years.

3.9 SIF statistics record the size of firms (measured by the number of principals) for each legal aid region (see Map 3, 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 remained virtually unchanged over the past year. The number of private practice firms in London increased slightly, by 0.1%, and those in the South legal aid area increased by 0.7%. In contrast, the number of firms in the North/Wales legal aid areas decreased by 1.0%. 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 2000 and 2001 with gross fees of £15,000 per annum or more

Area	All firms earning over £15,000 per year:		
	2000	2001	% change 2000 on 2001
North/Wales	3,388	3,354	-1.0
South	2,566	2,584	0.7
London	2,365	2,368	0.1
Total	8,319	8,306	-0.2

Source: Solicitors Indemnity Fund

3.10 As we have seen between 2000 and 2001, the total number of firms fell by only 0.2%. Within this total the number of 2-4 partner firms fell fastest, by 1.7%, followed by 5-10 partner firms, down 0.8%. In contrast, the number of sole practice firms increased by 0.8% whilst 11-25 partner and 26-or-more partner firms increased by 6.9% and 2.4% respectively. Looking back over five years to 1995-96 there has been a 4.6% drop in the total number of firms. Over this period the number of 2-4 partner firms fell markedly, by 7.3%, and the number of 5-10 partner firms fell by 7.0%. There was little change in the number of sole practices which were down 3.2%. Growth was most rapid amongst the larger firms, where the number of 26-or-more partner firms increased by 17.1% though the number of 11-25 partner firms also grew markedly, by 12.5% over the period.

Table 3.10 Size of private practice firms earning at least £15,000 per annum 1996-2001

Size of firm (No. of principals)	Number of firms						% change 2001 on 2000	% change 2001 on 1996
	1996	1997	1998	1999	2000	2001		
1	3,611	3,745	3,697	3,641	3,468	3,496	0.8	-3.2
2-4	3,663	3,671	3,627	3,509	3,454	3,396	-1.7	-7.3
5-10	1,013	1,004	1,002	972	950	942	-0.8	-7.0
11-25	304	308	314	316	320	342	6.9	12.5
26 or more	111	114	124	123	127	130	2.4	17.1
Total	8,702	8,842	8,764	8,561	8,319	8,306	-0.2	-4.6

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 some substantial changes since 1991. Table 3.11 shows that, within an overall increase of 2.4%, it was 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 14.1% 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, 11-25 partner firms increased by 15.5% and the small number of firms with 26 or more partners increased by 18.2% between 1991 and 2001, with most of this growth taking place between 1996 and now. In contrast, the number of firms with 2-4 partners has experienced a slight fall of 3.1% , whilst the 5-10 partner firms have decreased in number by 17.4%.

Table 3.11 Size of private practice firms earning at least £15,000 per annum in 1991 and 2001

Size of firm (No. of principals)	1991		2001		% change 2001 on 1991
	No.	%	No.	%	
1	3,064	37.8	3,496	42.1	14.1
2-4	3,503	43.2	3,396	40.9	-3.1
5-10	1,140	14.1	942	11.3	-17.4
11-25	296	3.6	342	4.1	15.5
26 or more	110	1.4	130	1.6	18.2
Total	8,113	100.0	8,306	100.0	2.4

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 3.12 Practices with gross fees of at least £15,000 per annum by legal aid region and size of practice in 2001

No. of principals	Using conventional Law Society size-of-firm bands							
	London		South		North/Wales		All firms	
	(Areas 1, 13, 14)		(Areas 2,3,4,11)		(Areas 5,6,7,8,9,10,12,15)			
	No.	%	No.	%	No.	%	No.	%
Sole practices	1,099	46.4	1,175	45.5	1,222	36.4	3,496	42.1
2-4	901	38.0	971	37.6	1,524	45.4	3,396	40.9
5-10	181	7.6	313	12.1	448	13.4	942	11.3
11-25	112	4.7	101	3.9	129	3.8	342	4.1
26-80	55	2.3	23	0.9	24	0.7	102	1.2
81 or more	20	0.8	1	0.0	7	0.2	28	0.3
Total	2,368	100.0	2,584	100.0	3,354	100.0	8,306	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 2000-2001

Size of firm by number of principals							
Standard region	1	2-4	5-10	11-25	26-80	81+	Total
City of London	88	86	33	44	33	18	302
Rest of London	901	693	130	62	22	2	1,810
Rest of South East	848	726	206	63	10	0	1,853
South West	321	285	85	28	10	1	730
Wales	178	231	49	7	2	1	468
West Midlands	274	306	72	32	1	2	687
East Midlands	152	173	58	17	4	0	404
East Anglia	115	82	40	16	3	0	256
North West	305	397	138	35	8	3	886
Yorkshire and Humberside	187	248	85	29	7	1	557
North	127	169	46	9	2	0	353
England and Wales	3,496	3,396	942	342	102	28	8,306

Standard region	%	%	%	%	%	%	%
City of London	29.1	28.5	10.9	14.6	10.9	6.0	100.0
Rest of London	49.8	38.3	7.2	3.4	1.2	0.1	100.0
Rest of South East	45.8	39.2	11.1	3.4	0.5	0.0	100.0
South West	44.0	39.0	11.6	3.8	1.4	0.1	100.0
Wales	38.0	49.4	10.5	1.5	0.4	0.2	100.0
West Midlands	39.9	44.5	10.5	4.7	0.1	0.3	100.0
East Midlands	37.6	42.8	14.4	4.2	1.0	0.0	100.0
East Anglia	44.9	32.0	15.6	6.3	1.2	0.0	100.0
North West	34.4	44.8	15.6	4.0	0.9	0.3	100.0
Yorkshire and Humberside	33.6	44.5	15.3	5.2	1.3	0.2	100.0
North	36.0	47.9	13.0	2.5	0.6	0.0	100.0
England and Wales	42.1	40.9	11.3	4.1	1.2	0.3	100.0

Source: Solicitors Indemnity Fund

4. Staffing

4.1 In 2000 the Solicitors Indemnity Fund were able to supply, for the last time, the comprehensive private practice firms staffing data that has been used historically in these reports. In future, Annual Statistical Reports will rely entirely on data from the Society's REGIS system for private practice staffing information. The data held by the Society excludes information on non-admitted fee earners, as well as information on the number of administrative and support staff employed in private practice. This is a serious deterioration in the quality of the data given that in 2000 there were almost as many non-admitted fee earners as assistant solicitors in private practice, and slightly more administrative and support staff than fee earners. Table 4.1 breaks down the 68,466 solicitors at 31 July 2001 employed in private practice by their grade and the size of their firm measured by the partner count. It shows that within an overall growth in numbers over the past year of 3.0%, the proportion of partners including sole practitioners has fallen from 49.7% to 48.3%. The table also shows the high degree of solicitor concentration in the largest firms. Firms with 81 or more partners, around 0.4% of the total, employed 13.8% of principals and just over one fifth (20.9%) of all solicitors. At the other end of the spectrum sole practices, 42.1% of firms, employed 12.3% of all principals and 8.7% of all solicitors.

Table 4.1 Admitted staff in private practice firms in 2001 by size of firm

	Sole practices	2-4 ptnrs.	5-10 ptnrs.	11-25 ptnrs.	26-80 ptnrs.	81+ ptnrs.	All firms
Partners	0	8,725	6,314	5,173	4,230	4,553	28,995
Sole Practitioners	4,098	0	0	0	0	0	4,098
Associate solicitors	158	510	566	841	1,010	1,898	4,982
Assistant solicitors	1,389	4,701	4,227	4,232	4,716	7,271	26,537
Consultants	299	950	701	459	307	274	2,991
Other private practice	27	186	90	73	131	355	863
All positions	5,972	15,072	11,899	10,778	10,394	14,351	68,466

Source: Solicitors Indemnity Fund

4.2 Staffing ratios for admitted staff within solicitors' firms are examined in Table 4.2. The ratios shown are the average numbers of associate, assistant, consultant and 'other' private practitioners per principal. There are a number of features to this table. It shows, for example, that associate solicitors and the 'other private practice solicitors' who mainly perform specialist roles within firms are most likely to be found in the larger firms with 11 or more partners, whilst consultants are found mainly in firms smaller than this. In terms of the staffing ratios these show that the ratio of assistant solicitors to principals increases from 0.34:1 in sole practices through to 1.60:1 in the 81 or more partner firms. In the intervening size

bands the ratios are 0.54 assistants per principal in 2-4 partner firms, 0.67 per principal in 5 to 10 partner firms, 0.82 per principal in 11 to 25 partner firms and 1.11 in 26 to 80 partner firms.

Table 4.2 Number of admitted staff per principal in private practice firms in 2001 by size of firm

	Sole practices	2-4 ptnrs.	5-10 ptnrs.	11-25 ptnrs.	26-80 ptnrs.	81+ ptnrs.	All firms
Principals	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Associates/principals	0.0386	0.0584	0.0896	0.1626	0.2387	0.4168	0.1505
Assistant/principal	0.3391	0.5388	0.6695	0.8180	1.1148	1.5970	0.8019
Consultants/principal	0.0731	0.1089	0.1110	0.0888	0.0725	0.0601	0.0904
Other private practice/principal	0.0067	0.0213	0.0143	0.0142	0.0310	0.0779	0.0261
All per principal	1.4574	1.7275	1.8845	2.0836	2.4571	3.1519	2.0689

Source: Solicitors Indemnity Fund (SIF)

4.3 Table 4.3 provides a breakdown of the number of solicitors employed in private practice analysed by grade, and the Government Office Region (GOR) in which the firms' head office is located. This table shows that in 2001 41.8% of private practitioners were employed in firms located in London. Using the population data from Table 3.8 this can be recast as a ratio of one private practitioner in London per 254 head of population, compared to an average density in England and Wales of one practitioner per 770 head of population. Excluding the London GOR this figure increases to one practitioner per 1140 head of population. Overall, this density is lowest in the North East GOR where there is one practitioner per 1,576 head of population.

Table 4.3 Admitted staff in private practice firms in 2001 by Government region

	Partners	Sole Practitioner	Associate solicitors	Assist. solicitors	Consultants	Other pr. practice	All solicitors
Greater Ldn.	10,551	1,165	2,530	12,682	1,145	572	28,647
South East	3,129	718	330	2,127	358	70	6,733
Eastern	2,100	430	119	1,547	211	35	4,442
South West	2,314	370	450	1,893	261	35	5,324
West. Midlands	2,059	296	503	1,410	214	17	4,498
East. Midlands	1,356	171	186	1,024	112	22	2,871
Yorks & Humberside	2,220	209	262	1,861	179	50	4,781
Merseyside	968	90	123	792	81	15	2,069
North West	2,252	320	226	1,764	214	18	4,793
North East	843	123	120	581	73	14	1,754
Wales	1,204	205	131	857	143	14	2,553
All regions	28,995	4,098	4,982	26,537	2,991	863	68,466

Source: Solicitors Indemnity Fund

5. The turnover and profitability of private practice

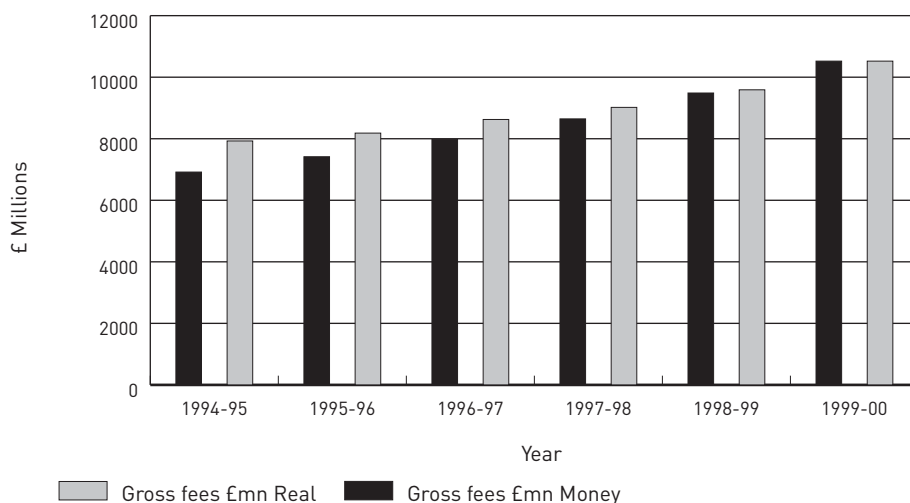
5.1 This chapter contains statistics on the gross fees earned by private practice firms as well as estimates of the profits earned by firms of different sizes. The gross fees statistics, which are roughly equivalent to turnover, are collected by the Solicitors Indemnity Fund (SIF) as part of the exercise for calculating annual premiums for professional indemnity cover. This will be the last time this data will be available to us. The estimates of profitability are based on the Law Society's Panel Study of Solicitors' Firms which has been running since the autumn of 1994. This study, commissioned by the Law Society's Strategic Research 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 2001 returns can best be characterised as relating to the financial year 1999-2000. Gross fees reported in 2001 (for the financial year 1999-2000) were £10,522 million, an increase of 10.9% on the previous year and an increase of 52.1% over the five years since 1994-95. Real gross fees, which take account of movements in price levels, increased by 9.7% in the past year and 32.7% in the past five years. Chart 6 shows the trend in real and money gross fees for the past five years.

Chart 6 Trends in gross fees, 1994-95 to 1999-2000



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 1994-95 through to 1999-2000. In 1999-2000, overseas earnings by the UK legal profession yielded a net surplus of £975 million. This is a notable increase, 28.3%, on the figure recorded for 1998-99. The new level is equivalent to 9.3% of the total gross fees of solicitors in England and Wales. However, since this figure of £975 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 9.3% is not the actual proportion, it is interesting to see how this figure has changed over the recent past. It remained relatively stable at just over 7.0% up to 1995-96, before two years of substantial growth saw it rise to 9.5% in 1997-98. It fell back to 8.0% in 1998-99 before rising strongly again this year. The final row of the table records that the overseas earnings of the UK's legal professions represented 4.9% of total earnings from 'other overseas business services' exports in 1999-2000. This represents an increase on the proportion recorded in 1998-99 when it stood at 4.4%.

Table 5.4 The contribution of the UK legal profession to overseas earnings 1994-95 to 1999-00

	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00
	£m	£m	£m	£m	£m	£m
Total gross fees	6,917	7,415	7,982	8,645	9,486	10,522
Overseas earnings	537	565	675	824	760	975
Overseas earnings for the UK as % of gross fees for E & W	7.4	7.2	8.5	9.5	8.0	9.3
Total value of business services exports	9,730	12,342	13,443	16,516	17,161	19,922
Overseas earnings as % of business services exports	5.5	4.6	5.0	5.0	4.4	4.9

Source: United Kingdom Balance of Payments: 2001 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 Services Commission (LSC).

5.6 This section draws on the 2000-2001 Legal Services Commission (LSC) Annual Report and information provided by the Lord Chancellor's Department (LCD) to show the level of expenditure on legal aid.

5.7 Table 5.7 below shows that the net cost of legal aid to the taxpayer in 2000-2001 was £1,664.4 million. This represents an increase of £49.9 million, or 3.1%, over 1999-2000. These figures include the costs borne by the LSC as well as the costs of cases in criminal courts which are funded directly by the LCD. Over the past five years the net cost of legal aid has increased by £220.5 million or 15.3%. Within this total the crown and higher criminal courts expenditure has risen fastest, by 13.4% in the past year and 47.4% over the past five years. Payments in criminal cases now represent more than one half (52.5%) of total net expenditure.

Table 5.7 Trends in the pattern of legal aid expenditure

	1995-96 £m	1999-98 £m	2000-01 £m	2000-01 over 1999-00 %	2000-01 over 1995-96 %
LSC:					
Gross payments	1,506.6	1,661.5	1,642.6	-1.1	9.0
Recoveries	349.7	419.0	400.2	-4.5	14.4
Net payments	1,156.9	1,242.5	1,242.4	-0.0	7.4
Crown and higher criminal courts:					
Gross payments	287.6	373.7	423.8	13.4	47.4
Recoveries	0.6	1.7	1.8	5.9	200.0
Net payments	287.0	372.0	422.0	13.4	47.0
Total:					
Gross payments	1,794.2	2,035.2	2,066.4	1.5	15.2
Recoveries	350.3	420.7	402.0	-4.4	14.8
Net payments	1,443.9	1,614.5	1,664.4	3.1	15.3
Composition of net legal aid Expenditure 2000-01:				%	
Civil representation	-	-	560.2	33.7	
Legal assistance	-	-	231.7	13.9	
Criminal Defence Service	-	-	450.4	27.1	
Crown and higher courts rep.	-	-	422.0	25.4	
Total	-	-	1,664.4	100.0	

Source: Legal Aid Board Annual Report 2000-2001 (HMSO)

- 5.8 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 recorded for the year before. Table 5.8 shows the proportion of total gross fees derived from legal aid payments over the past 10 years. This shows that solicitors derived 9.5% of their gross fees from legal aid in 1989-90, a figure which had risen to a peak of 15.1% in 1995-1996. Since then the proportion has fallen back to 13.2% partly as a result of the rapid growth in fees generally, and partly because many civil cases have been moved outside the scope of the scheme.

Table 5.8 Proportion of gross fees derived from all legal aid payments to solicitors '98-99 and '99-00

Year	Legal aid* payments to solicitors £m	Gross fees to the profession £m	Proportion of gross fees from legal aid %
1989-90	486.4	5,143	9.5
1990-91	571.5	5,763	9.9
1991-92	732.2	6,218	11.8
1992-93	854.2	6,426	13.3
1993-94	963.3	6,622	14.5
1994-95	1,029.7	6,917	14.9
1995-96	1,116.6	7,415	15.1
1996-97	1,198.5	7,982	15.0
1997-98	1,283.1	8,645	14.8
1998-99	1,410.3	9,486	14.9
1999-00	1,385.0	10,522	13.2

* Net cost to tax payers including disbursements and VAT

Source: Legal Aid Board Annual Reports, Legal Services Commission Annual Reports and Solicitors Indemnity Fund

Financial ratios

- 5.9 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

- 5.10 As noted in paragraph 5.3 and as shown below, the annual increase in money gross fees in 1999-2000 was 10.9%, whilst over the five years from 1993-94 the increase was 52.1%. These increases take no account of the increase in the number of solicitors or other fee-earners over the period. Table 5.10 takes these into consideration and shows, for example, that the total number of fee-earners increased by 6.7% between 1998-99 and 1999-00, and 24.0% between 1994-95 and 1999-00. Allowing for these increases, money gross fees per

fee-earner increased by 22.7% between 1994-95 and 1999-00, and by 3.9% between 1998-99 and 1999-00. Equivalent figures per solicitor show increases of 24.2% over the five years to 1999-00, and 4.9% between 1998-99 and 1999-00.

Table 5.10 Monetary value gross fees/staff ratios in private practice firms in England and Wales

1994-95, 1998-99 and 1999-00 (excluding low fee-earners)

	1994-95	1998-99	1999-00	1999-00 over 1994-95 %	1999-00 over 1998-99 %
Total gross fees	£6,917m	£9,487m	£10,522m	52.1	10.9
Principals	30,349	31,753	32,273	6.3	1.6
Solicitors	51,889	60,117	63,555	22.5	5.7
Fee-earners	75,686	87,941	93,839	24.0	6.7
Total staff	167,252	186,463	194,823	16.5	4.5
Gross fees per:	£'000	£'000	£'000	1999-00 over 1994-95	1999-00 over 1998-99
Principal	228	299	326	43.0	9.1
Solicitor	133	158	166	24.2	4.9
Fee-earner	91	108	112	22.7	3.9

Source: Solicitors Indemnity Fund

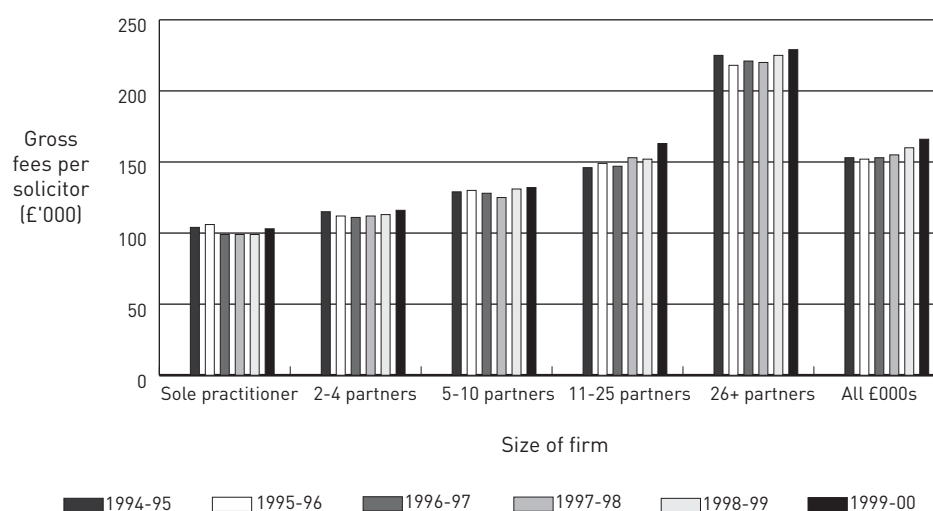
Real gross fees per fee-earner

5.11

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 1994-95 and 1999-00. (The value of the Retail Price Index at September each year has been used to adjust the gross fees for 1994-95 to 1999-00 to show the money values at 1999-00 prices.) Between 1994-95 and 1999-00, real gross fees increased by 32.7% once the 14.6% increase in the general price level has been allowed for. If we compare this increase in real gross fees with the 22.5% increase in solicitors, and the 24.0% increase in fee-earners over the period, we can see that the total real gross fee income of the profession has only just exceeded the growth in the number of solicitors and other fee-earners employed in private practice. Overall, real gross fees per solicitor increased by 8.3% between 1994-95 and 1999-2000. (This is shown in more detail in Tables 5.14 and Chart 7.) Real gross fees per fee-earner have increased only marginally slower, by 7.0%, over the period.

5.12 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 solicitor between 1994-95 and 1990-00 at 1999-00 prices. This shows some increase in real income since 1994-95 for all size bands except sole practices, where real fees per solicitor fell by 0.9%. Some increases were particularly marked, for example, the 11.7% increase over the period experienced by solicitors in 11-25 partner firms.

Chart 7 Gross fees per solicitor 1994-95 to 1999-00 at 1999-00 prices



Source: Solicitors Indemnity Fund

Money gross fees and money gross fees per firm, principal, solicitor and fee-earner by size of firm

5.13 Table 5.13 examines the rate of change in money gross fee income between 1994-95 and 1999-00 by size of firm. The table also shows the changes in gross fees per firm, per principal, per solicitor and per fee-earner. As we have seen, the gross fees of solicitors' firms increased by 52.1% in the five years between 1994-95 and 1999-00; however, because of the 3.5% decrease in the number of firms, gross fees per firm grew by 57.7%. 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, 27.4%, while the highest was that for firms with 26 or more partners at 55.8%. The average level of gross fees per fee-earner in 1999-00 ranged from £68,000 in sole practitioner firms to £159,000 in the 127 firms with 26 or more partners. On average, 2-4 partner firms generated £78,000 per fee-earner as against £87,000 in the 5-10 partner firms, and £109,000 in firms with 11-25 partners.

Table 5.13 Gross fees by size of firm 1994-95 to 1999-00

Total gross fees	Size of firm by number of principals					Total £m
	1 £m	2-4 £m	5-10 £m	11-25 £m	26+ £m	
A. 1994-95	443	1,364	1,226	1,003	2,881	6,917
B. 1995-96	493	1,420	1,263	1,071	3,168	7,415
C. 1996-97	503	1,457	1,297	1,118	3,607	7,982
D. 1997-98	520	1,507	1,319	1,236	4,064	8,646
E. 1998-99	526	1,575	1,403	1,340	4,643	9,487
F. 1999-00	558	1,674	1,473	1,537	5,279	10,522
% change F on E	6.1	6.3	5.0	14.7	13.7	10.9
% change F on A	26.0	22.7	20.1	53.2	83.2	52.1
Gross fees per firm	£'000	£'000	£'000	£'000	£'000	£'000
A. 1994-95	126	375	1,164	3,215	26,676	802
B. 1995-96	137	388	1,247	3,523	28,541	852
C. 1996-97	134	397	1,292	3,630	31,640	903
D. 1997-98	141	415	1,316	3,936	32,774	987
E. 1998-99	144	449	1,443	4,241	37,748	1,108
F. 1999-00	161	485	1,551	4,803	41,567	1,265
% change F on E	11.4	8.0	7.4	13.3	10.1	14.1
% change F on A	27.4	29.4	33.2	49.4	55.8	57.7
Gross fees per principal	£'000	£'000	£'000	£'000	£'000	£'000
A. 1994-95	126	145	176	215	494	228
B. 1995-96	137	151	189	234	509	243
C. 1996-97	134	156	195	244	534	257
D. 1997-98	141	164	200	266	543	274
E. 1998-99	144	176	219	281	583	299
F. 1999-00	161	189	232	308	613	326
% change F on E	11.4	7.6	6.0	9.8	5.1	9.1
% change F on A	27.4	29.9	31.7	43.7	24.1	43.0
Gross fees per solicitor	£'000	£'000	£'000	£'000	£'000	£'000
A. 1994-95	91	101	113	127	196	133
B. 1995-96	96	102	118	135	198	138
C. 1996-97	92	103	118	136	205	141
D. 1997-98	95	107	120	146	211	149
E. 1998-99	98	111	129	151	223	158
F. 1999-00	103	116	132	163	229	166
% change F on E	5.5	4.1	2.3	7.8	2.6	4.9
% change F on A	13.6	15.1	17.4	28.0	16.4	24.2

Table 5.13 Contd.

Table 5.13 Continued:

Gross fees per fee-earner	£'000	£'000	£'000	£'000	£'000	£'000
A. 1994-95	62	70	74	86	139	91
B. 1995-96	65	70	79	92	140	95
C. 1996-97	62	71	79	92	146	97
D. 1997-98	64	74	81	99	149	102
E. 1998-99	65	76	86	101	157	108
F. 1999-00	68	78	87	109	159	112
% change F on E	4.2	3.2	1.1	7.7	1.2	3.9
% change F on A	9.9	12.1	18.1	26.7	14.2	22.7

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

Source: Solicitors Indemnity Fund

5.14 The arithmetic averages shown in Table 5.13 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 5.14 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 £57,000 per annum in 1999-00;
- the median shows that 50% of sole practitioners generated gross fees of less than £108,000 per annum (this is well below the arithmetic mean value of £161,000 per annum);
- the upper quartile shows that 25% of sole practitioners generated gross fees of £195,000 or more per annum.

Table 5.14 Distribution of gross fees in 1999-00

Size of firm (No. of principals)	Gross fees of firm at:		
	Lower quartile £'000	Median £'000	Upper quartile £'000
Sole practitioners	57	108	195
2-4 partners	231	394	620
5-10 partners	942	1,346	1,911
11-25 partners	2,716	3,831	5,560
26-80 partners	9,611	14,901	25,832
81+ partners	58,154	107,185	160,387

Source: Solicitors Indemnity Fund

Gross fees per region

5.15

Table 5.15 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. Firms in the London legal aid area accounted for over one half of gross fees earned in 1999-00, 54.2%, and it is these firms that have experienced the fastest growth in revenue, 61.2% in the five years up to 1999-00, and 13.0% in the year up to 1999-00.

Table 5.15 Gross fees by region 1994-1995 to 1999-00

	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	'99-00 over '98-99	'99-00 over '94-95
Legal aid regions								
Gross fees	£m	£m	£m	£m	£m	£m	%	%
London	3,460	3,756	4,140	4,560	5,125	5,704	11.3	64.9
South	1,410	1,471	1,519	1,588	1,682	1,823	8.4	29.3
North/Wales	2,047	2,188	2,323	2,497	2,679	2,995	11.8	46.3
England & Wales	6,917	7,415	7,982	8,645	9,486	10,522	10.9	52.1
Gross fees per firm	£'000	£'000	£'000	£'000	£'000	£'000	%	%
London	1,497	1,593	1,703	1,888	2,134	2,412	13.0	61.2
South	520	535	546	579	632	710	12.4	36.6
North/Wales	569	609	640	693	766	884	15.4	55.4
England & Wales	802	852	903	986	1,108	1,265	14.1	57.7
Gross fees per principal	£'000	£'000	£'000	£'000	£'000	£'000	%	%
London	336	359	376	399	437	470	7.5	39.6
South	167	175	181	191	205	224	9.0	33.7
North/Wales	176	188	199	211	226	250	10.4	42.1
England & Wales	228	243	257	273	299	326	9.1	43.0
Gross fees per solicitor	£'000	£'000	£'000	£'000	£'000	£'000	%	%
London	170	177	182	190	202	208	2.7	21.9
South	109	110	110	115	122	127	4.5	17.4
North/Wales	110	114	117	122	127	137	7.7	24.8
England & Wales	133	138	141	149	158	166	4.9	24.2
Gross fees per fee-earner	£'000	£'000	£'000	£'000	£'000	£'000	%	%
London	123	129	133	140	146	149	1.8	21.4
South	73	75	74	76	82	85	4.2	16.7
North/Wales	73	75	76	80	83	88	5.9	20.7
England & Wales	91	95	97	102	108	112	3.9	22.7

See Chapter 3 paragraph 3.9 for definition of regions

Source: Solicitors Indemnity Fund

Profitability

- 5.16 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 2001 Business Survey, which is conducted by the Society's Strategic Research Unit. This study, which is based on a stratified sample of around 600 firms, includes large firms with between 26 and 80 partners but excludes the small number of firms larger than this. The findings reported here were based on the responses of 585 firms in the autumn of 2001. The Business Survey provides useful data on the staffing, structure and finances of private practice firms, and enables changes over time to be monitored.
- 5.17 From this source, Table 5.17 shows the medians, and 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 5.17 Profits per equity partner 1999-00

Size of firm	Sole practice	2-4 partners	5-10 partners	11-25 partners	26-80 partners	All firms
Profit per equity partner	£000's	£000's	£000's	£000's	£000's	£000's
Lower quartile	19	27	40	55	92	27
Median	40	50	57	83	154	47
Upper quartile	75	66	86	162	-	75
Base number	N=149	N=149	N=122	N=72	N=33	N=525

Source: The Law Society's Business Survey, autumn 2001.

- 5.18 The lower quartile level of profits shows that 25% of sole practitioners earned less than £19,000 from operating their practice, whereas the upper quartile shows that 25% earned over £75,000. Profits per equity partner are variable within each size band, and tend to increase with the size of firm. Median profits per partner were £40,000 in sole practices, rising to £154,000 in the largest firms with 26-80 partners.

Part II

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 2000-2001.

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 1999 and 2000. 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 19,366 people applied to study law at undergraduate level in 2000, which is only 1.5% 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 4.0% whereas the number of male applicants fell slightly by 2.5%. 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 2.8%, from 11,154 to 11,467. The pattern in acceptances mirrored that for applications in that whilst female acceptances increased by 6.0%, male acceptances fell slightly by 2.3%.

Table 7.2 Home and overseas applicants and acceptances for university first degree law courses in England and Wales 1999 and 2000

For entry in:	University applicants								
	UK			Overseas			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
1999	6,102	10,140	16,242	1,238	1,595	2,833	7,340	11,735	19,075
2000	5,933	10,595	16,528	1,223	1,615	2,838	7,156	12,210	19,366
% change	-2.8	4.5	1.8	-1.2	1.3	0.2	-2.5	4.0	1.5

For entry in:	University acceptances								
	UK			Overseas			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
1999	3,668	5,996	9,664	669	821	1,490	4,337	6,817	11,154
2000	3,586	6,416	10,002	653	812	1,465	4,239	7,228	11,467
% change	-2.2	7.0	3.5	-2.4	-1.1	-1.7	-2.3	6.0	2.8

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 2000, 63.0% of acceptances were from women, up from the 61.1% recorded in 1999. The proportion of overseas acceptances, 12.8%, was slightly below the 13.4% recorded the previous year.

Table 7.3 Proportion of law students accepted in 2000 who were female or from overseas

Year	Female students		Overseas students	
	No.	%	No.	%
1999	6,817	61.1	1,490	13.4
2000	7,228	63.0	1,465	12.8

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 2000. In total, ethnic minority law students accounted for 21.9% of students starting a first degree law course in 2000. This represents essentially no change on 1999, when the comparable proportion was 21.8%. Within this total, female acceptances were slightly more likely than males to be drawn from ethnic minorities: 23.6% of acceptances as opposed to 19.0%.

Table 7.4 Ethnic minority students from the UK accepted to first degree law courses at universities and colleges in 2000

Ethnic group	Acceptances of students from UK		
	Male	Female	Total
Black Caribbean	41	111	152
Black African	113	203	316
Black other	22	69	91
Indian	214	477	691
Pakistani	180	298	478
Bangladeshi	41	87	128
Chinese	36	49	85
Other Asian	51	122	173
All UK-based ethnic minority acceptances	698	1,416	2,114
All UK-based acceptances	3,586	6,416	10,002
% from ethnic minorities	19.0	23.6	21.9

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 2000 with the position one and five years previously. The table shows that, in 2000, the total number of graduates was 9,324, an increase of 2.6% on the previous year. In the five years since 1995 the total number of graduates has increased by 8.7% from a base of 8,576.

Table 7.5 Number of students graduating in law from universities in England and Wales 1995, 1999 and 2000¹

University Graduates in Law			
Year of graduation	Male	Female	Total
1995	4,082	4,494	8,576
1999	3,760	5,330	9,090
2000	3,807	5,517	9,324
% change 2000/1999	1.3	3.5	2.6
% change 2000/1995	-6.7	22.8	8.7

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. These 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 2000, of the 9,324 law graduates 49.7% achieved a first class or upper second class degree. This proportion represents a decrease on the figure of 51.0% recorded for 1999. Overall, a significantly higher proportion of women graduated with firsts or upper seconds than men: 52.0% and 46.5% of graduates respectively. There are no figures showing the classes of degree awarded to ethnic minority law students.

Table 7.7 Class of degrees in law awarded in England and Wales in summer 2000

Class of degree	All law graduates					
	Men		Women		Total	
	No.	%	No.	%	No.	%
First	161	4.2	195	3.5	356	3.8
Upper second	1,610	42.3	2,672	48.4	4,282	45.9
Lower second	1,689	44.4	2,308	41.8	3,997	42.9
Third/pass	318	8.4	320	5.8	638	6.8
Unclassified	29	0.8	22	0.4	51	0.5
Total	3,807	100.0	5,517	100.0	9,324	100.0
Total: first and upper second	1,771		2,861		4,638	
Percentage with first or upper second		46.5		52.0		49.7

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 95.0% of students enrolling with the Society in 2000-01 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 ten years ago, that is for 1990-91 and 1999-00.
- 8.4 In the year up to 31 July 2001, 7,595 students enrolled with the Law Society, a decrease of 2.5% on the previous year. Of these 4,731, or 62.3%, of the total were women. This represents a slight increase in the proportion of women students recorded in 1999-00 (60.3%), and a more marked increase in the proportion for 1990-91, when it was 54.1%. The proportion of women amongst ethnic minority students was, at 64.8%, 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, 77.5% were women.
- 8.5 Of those students enrolling with the Society last year, 1,612, or 21.2% of the total, were drawn from ethnic minority groups. This can be compared with the 14.2% from ethnic minority students recorded in 1990-91, and the 22.0% recorded in 1999-00. When one compares 2000-01 with 1990-91, it can be seen that almost the whole of the increase in ethnic minority numbers is accounted for by increases in the number of Asian students and students of 'other' ethnic origin.

Table 8.4 The ethnic origin and gender of students enrolling with the Law Society in 2000-01

Ethnic origin	Male		Female		Total
	No.	%	No.	%	No.
Afro-Caribbean	20	22.5	69	77.5	89
Asian	284	35.4	519	64.6	803
Chinese	40	28.4	101	71.6	141
African	103	41.7	144	58.3	247
Other ethnic origin	120	36.1	212	63.9	332
All ethnic minority	567	35.2	1,045	64.8	1,612
White European	2,140	38.2	3,462	61.8	5,602
Unknown	157	41.2	224	58.8	381
Total	2,864	37.7	4,731	62.3	7,595

Source: Law Society's REGIS database

Table 8.5 Trends in the ethnic origin of students enrolling with the Law Society

	1990-91		1999-00		2000-01	
	No.	%	No.	%	No.	%
Ethnic origin						
Afro-Caribbean	141	1.9	121	1.6	89	1.2
Asian	508	6.7	921	11.8	803	10.6
Chinese	233	3.1	131	1.7	141	1.9
African	157	2.1	247	3.2	247	3.3
Other ethnic origin	27	0.4	295	3.8	332	4.4
All ethnic minority	1,066	14.2	1,715	22.0	1,612	21.2
White European	5,994	79.6	5,563	71.4	5,602	73.8
Unknown	466	6.2	515	6.6	381	5.0
Total	7,526	100.0	7,793	100.0	7,595	100.0
Gender						
Male	3,452	45.9	3,097	39.7	2,864	37.7
Female	4,074	54.1	4,696	60.3	4,731	62.3
Total	7,526	100.0	7,793	100.0	7,595	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 2001, of the 6,805 students who enrolled on the LPC, 6,596, or 96.9%, 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 2000, total enrolments fell slightly by 0.4%; this was not, however, reflected in the number taking the examination, where numbers rose by 1.6%. Taken overall, the pass rate was 73.3%, unchanged from the proportion who passed last year. Of those actually taking the examination, the pass rate was 75.7%, which represents only a slight decrease on the 2000 figure of 77.1%. Table 9.2 below shows the full set of results. Candidates who pass with distinction now account for almost one-quarter (23.9%) of total passes.

Table 9.2 Legal Practice Course results of summer examinations — July 2001

Results	No. of students	2001 % of those sitting exam	% of all students
Diploma with distinction	1,193	18.1	17.5
Diploma with commendation	2,553	38.7	37.5
Diploma	1,244	18.9	18.3
Total passes	4,990	75.7	73.3
Referred	1,399	21.2	20.6
Resit	179	2.7	2.6
Failed	28	0.4	0.4
Total failed	1,606	24.3	23.6
Total sitting the examination	6,596	100.0	96.9
Deferred	164		2.4
Absent	45		0.7
Total not sitting the examination	209		3.1
Total students enrolled on the LPC	6,805		100.0

Source: Law Society database

Table 9.3 Places on the Legal Practice Course for 1999-00, 2000-01 and 2001-02

College of Law/universities	Full-time			Part-time		
	'99-00	'00-01	01-02	'99-00	'00-01	'01-02
The College of Law:						
Store Street	1,248	1,248	1,248	192	192	192
Chester	864	864	600	48	48	56
Guildford	744	744	720	48	40	80
York	696	696	532	48	48	40
Birmingham	-	-	336	-	-	40
Inns of Court School of Law	-	100	100	-	-	-
University of Central England	120	120	120	30	30	30
Cardiff Law School	144	144	160	-	-	-
University of the West of England	240	256	256	40	44	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	105	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	100
at Bristol University	100	100	100	100	100	100
Nottingham Trent University						
at Nottingham Law School	504	600	648	144	90	90
at Bournemouth University	96	96	96	-	-	-
at Liverpool John Moores	-	-	-	72	72	72
at BPP Law School	288	288	432	64	64	72
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	125	25	25	25
Thames Valley University	80	80	50	-	32	32
University of Central Lancashire	-	48	48	60	60	60
Wolverhampton University	100	100	100	30	30	30
University of Westminster	120	120	120	50	50	64
Anglia Polytechnic University	100	100	70	-	-	30
Exeter University	120	120	120	-	-	-
Oxford Institute of Legal Practice	168	196	294	-	-	-
Sheffield University	120	120	120	-	-	-
North London/South Bank University	-	-	-	60	60	60
Total	7,088	7,376	7,486	1,526	1,500	1,632

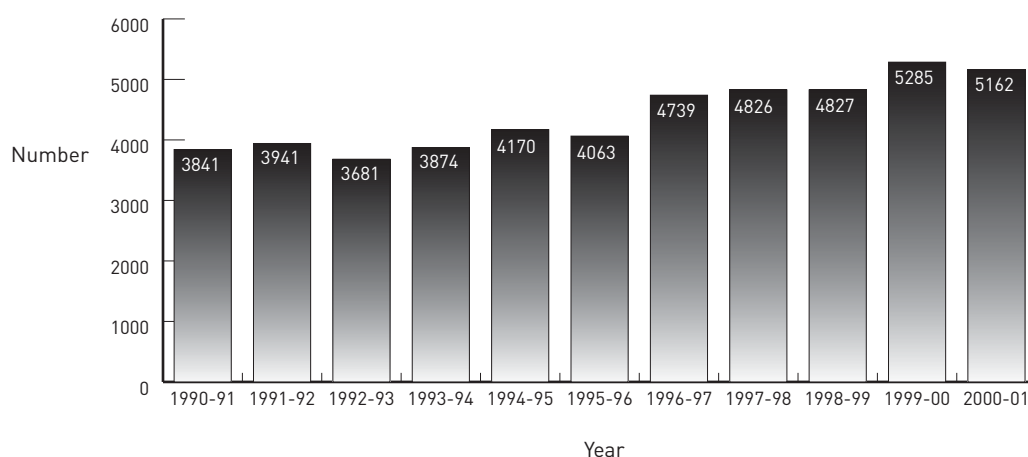
Source: Law Society database

- 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 2001-2002 will be 7,486. This is a slight increase of 1.5% on the number of places which were available in 2000-2001. In addition, there will also be 1,632 places available on part-time LPC courses in 2001-2002 – a significant increase (8.8%) on the number of part-time places that were available in 2000-2001.
- 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 1990-91 to the present. In the year that ended 31 July 2001 there were 5,162 new traineeships registered with the Society. This represents a slight decrease (2.3%) on the level recorded last year, when trainee registrations stood at 5,285. Trainee registrations increased consistently up to last year and this year's negative growth is the first recorded since 1995-96.

Chart 8 Annual registration of trainees 1990-91 to 2000-2001



Source: Law Society's REGIS database

- 9.7 Table 9.7 shows the data on the total number of trainees registered in 1990-91 and 2000-2001 with the total analysed by trainee gender. Overall, the number of traineeships has increased by just over a third (34.4%) over the period. Within this total growth, that for women trainees was markedly higher than that for males (46.7% and 20.0% respectively). In fact, for each of the years since 1990-91 for which we have data, the majority of new trainees

have been female. In this latest year, 58.8% of trainees registered were women, and although this is the highest proportion yet recorded, it is only up slightly on the proportion recorded last year (56.9%).

Table 9.7 Number of traineeships registered in 1990-1991 and 2000-2001 analysed by gender of trainee

Year	Male		Female		Total
	No.	%	No.	%	No.
1990-1991	1,771	46.1	2,070	53.9	3,841
2000-2001	2,126	41.2	3,036	58.8	5,162
% change 2000-2001 over 1990-1991		20.0		46.7	34.4

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 4,594 trainees, or 89.0% of the 5,162 new traineeships registered. This shows almost no improvement in the quality of this data from last year, when the ethnicity of 88.7% of new trainees was known. In 2000-2001, ethnic minority trainees represented 16.8% of trainees of known ethnicity, up from the 15.8% recorded last year. The ethnic grouping most highly represented was 'Asian', which accounted for 54.4% 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, as we have seen, 58.8% of trainees overall were women, this proportion rose to 60.2% amongst those from ethnic minorities. The Chinese ethnic group had the highest proportion of women trainees at 69.8%.

Table 9.8 Trainee registrations by ethnic origin and gender 2000-2001

Ethnic origin	Male	Female	Total	trainees with known ethnicity
	No.	No.	No.	%
Afro-Caribbean	19	40	59	1.3
Asian	172	248	420	9.1
Chinese	19	44	63	1.4
African	38	54	92	2.0
Other ethnic origin	59	79	138	3.0
Total known ethnic minority	307	465	772	16.8
Ethnic minority trainees as % of those with known ethnicity	16.3%	17.2%	16.8%	-
White European	1,576	2,246	3,822	83.2

Contd.

Table 9.8 Continued:

Ethnic origin	Male	Female	Total	trainees with known ethnicity
	No.	No.	No.	%
Total with known ethnicity	1,883	2,711	4,594	100.0
% of trainees with known ethnicity	88.6%	89.3%	89.0%	
Trainees with unknown ethnicity	243	325	568	
% of trainees with unknown ethnicity	11.4%	10.7%	11.0%	
All trainees	2,126	3,036	5,162	
All trainees %	41.2%	58.8%	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 Government Office Region (modified to maintain the important division between Central London and the Rest of London) in 2000-2001. Of the 5,162 trainees registered, 1,664 (32.2%) were located in the City of London. A further 960, or 18.6%, were located in the rest of London. Taken overall, just over one-half (50.8%) of first-year trainees were located in London in 2000-2001. This compares with the 48.1% of London registrations recorded last year. Male trainees were slightly more likely than female trainees to be located in London. Whereas just over one-half (54.2%) of male trainees were located in London, the corresponding proportion for female trainees was only 48.4%. The region with the highest proportion of female trainees was Wales with 70.0%, and the region with the lowest proportion was the City of London with 54.2%.

Table 9.9 Trainee placements in 2000-2001 analysed by Government Office Region

Region	Male			Female			Total	
	No.	%	% by region	No.	%	% by region	Total	% by region
City of London	761	45.8	35.8	902	54.2	29.7	1,664	32.2
Rest of London	392	40.9	18.5	568	59.1	18.7	960	18.6
South East	135	34.3	6.4	259	65.7	8.5	395	7.6
Eastern	100	37.6	4.7	166	62.4	5.5	267	5.2
South West	102	38.8	4.8	161	61.2	5.3	264	5.1
West Midlands	115	36.7	5.4	199	63.3	6.6	315	6.1
East Midlands	52	32.7	2.5	107	67.3	3.5	159	3.1
Yorkshire and Humberside	161	44.1	7.6	203	55.9	6.7	364	7.0
Merseyside	69	48.6	3.3	73	51.4	2.4	142	2.8
North West	151	38.8	7.1	239	61.2	7.9	391	7.6
North East	49	40.5	2.3	72	59.5	2.4	121	2.3
Wales	36	30.0	1.7	84	70.0	2.8	120	2.3
Total	2,126	41.2	100.0	3,036	58.8	100.0	5,162	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 2000-2001, 4,911 (95.1%) 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, commerce and industry, and other sectors.

Table 9.10 Trainee placements in 2000-2001 analysed by category of employment of training institution

Category of employment	Male		Female		Total	
	No.	%	No.	%	No.	%
Private practice	2,054	96.6	2,857	94.1	4,911	95.1
Commerce and industry	31	1.5	60	2.0	91	1.8
Government department	6	0.3	14	0.5	20	0.4
Local government	23	1.1	52	1.7	75	1.5
Court	2	0.1	18	0.6	20	0.4
Crown prosecution service	3	0.1	17	0.6	20	0.4
Advice service	2	0.1	11	0.4	13	0.3
Other	5	0.2	7	0.2	12	0.2
Total	2,126	100.0	3,036	100.0	5,162	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 4,911 traineeships registered with private practice in 2000-2001, just under one-third, 30.5%, were located in the small number of very large firms with 81 or more partners. At the other end of the spectrum only 5.7% of trainees were placed for training within sole practices. Male trainees were slightly more likely than female trainees to be placed in the very largest and smallest firms. The proportions here were 33.0% and 28.7% respectively, in the 81-plus partner firms and 7.1% and 4.6% in sole practices. In contrast, female trainees were slightly more likely than male trainees to be placed in the medium-sized firms with between five and 80 partners although some of the differences here were not substantial.

Table 9.11 Trainee placements in 2000-2001 analysed by the size of private practice firm in which trainees were located

Size of firm	Male		Female		Total	
	No.	%	No.	%	No.	%
Sole practice	146	7.1	132	4.6	278	5.7
2-4 partners	336	16.4	484	16.9	820	16.7
5-10 partners	223	10.9	414	14.5	637	13.0
11-25 partners	288	14.0	471	16.5	759	15.5
26-80 partners	383	18.6	537	18.8	920	18.7
81+	677	33.0	820	28.7	1,497	30.5
Total	2,054	100.0	2,857	100.0	4,911	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 2000-2001, average starting salaries were highest in Central London (the City, Holborn and Westminster) at £24,016, and lowest in Wales at £12,726. Taken over all trainees, the average starting salary was £18,300. This represents a substantial increase of 17.3% on the average salary paid last year, which was £15,597.

Table 9.13 Trainees' starting salaries by Government Office 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 Ldn	24,317	23,769	24,016	2.3	176.6	1.8
Rest of Greater Ldn	16,382	15,770	16,018	3.9	133.5	18.3
South East	14,935	14,485	14,639	3.1	122.0	23.6
Eastern	13,326	13,754	13,596	-3.1	113.3	33.3
South West	14,521	14,320	14,401	1.4	120.0	21.0
West Midlands	13,880	14,172	14,065	-2.1	117.2	43.7
East Midlands	13,721	14,043	13,936	-2.3	116.1	35.3
Yorks and Humberside	14,513	14,778	14,661	-1.8	122.2	31.7
North West	14,270	14,627	14,480	-2.4	120.7	42.1
North East	13,711	13,422	13,540	2.2	112.8	43.0
Wales	12,816	12,688	12,726	1.0	106.0	53.7
Total	18,807	17,944	18,300	4.8	n/a	20.1

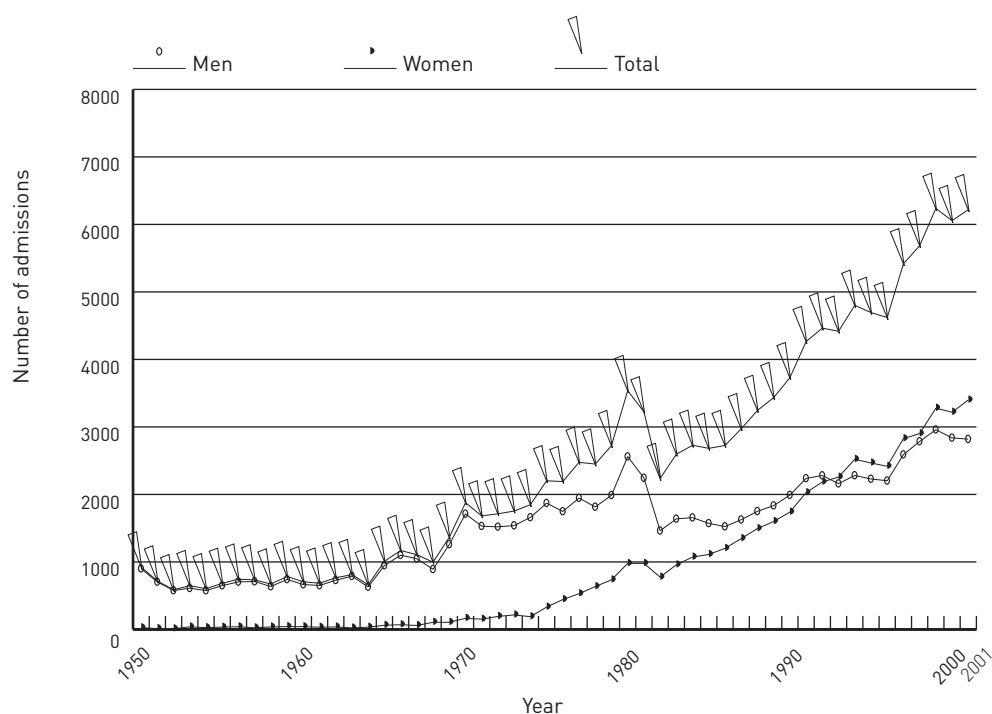
Source: Law Society's REGIS database

9.14 Table 9.13 also breaks the data down by trainee gender. On average, male trainees were offered starting salaries which were 4.8% above the average level for females. The average salary levels for male and female trainees being £18,807 and £17,944 respectively. Although, on average, male trainees had higher starting salaries than female trainees, in five of the regions, female trainee starting salaries were higher than that for males. Female trainee salaries were 3.1% higher than male trainee salaries in the Eastern Region, 2.4% higher in the North West, 2.3% higher in the East Midlands, 2.1% in the West Midlands and 1.8% in Yorkshire and Humberside.

10. Admission 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 that ended 31 July 2001 was 6,218. This represents an increase of 2.7% on the 6,056 individuals who were admitted in 1999-2000. Chart 9 shows the growth in admissions of men and women separately for the period 1950 to 2001. Over this period, total annual admissions rose by 571.5% at an average annual increase of 4.0% per year. Over the same period, female admissions have grown at an average annual rate of 10.5%, 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 that for women over the period.

Chart 9 Growth in solicitors' admissions to the Roll 1950-2001



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 1991 and 2001, total admissions grew by 45.8% from a base of 4,265. Over this period, male admissions rose by 26.0%, whilst female admissions grew

much more rapidly, by 67.7%. Women have accounted for the majority of new admissions in each year since 1992-93 and, in 2000-2001, 54.7% of those admitted were female. This proportion, which is showing some increase over time and is the highest recorded to date, contrasts with the position 10 years ago when, in 1991, 47.5% of new entrants to the profession were women.

Table 10.3 Men and women admitted to the Roll 1989-90 to 2000-2001

	Men		Women		Total	Annual change
	No.	%	No.	%	No.	%
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
2000-2001	2,819	45.3	3,399	54.7	6,218	2.7
% change						
2001-1991		26.0		67.7		45.8

Source: Law Society's REGIS database

10.4 The age distribution of those admitted in 2000-2001 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 29.9 and 29.3 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 2000-2001

Age	Male		Female		All admissions.		Cumulative
	No.	%	No.	%	No.	%	
23	0	0.0	1	0.0	1	0.0	0.0
24	28	1.0	56	1.6	84	1.4	1.4
25	337	12.0	500	14.7	837	13.5	14.8
26	483	17.1	637	18.7	1,120	18.0	32.8
27	437	15.5	539	15.9	976	15.7	48.5
28	279	9.9	344	10.1	623	10.0	58.6
29	225	8.0	241	7.1	466	7.5	66.1
30-34	599	21.1	636	18.7	1,235	19.9	85.9
35-39	236	8.4	236	6.9	472	7.6	93.5
40-44	98	3.5	120	3.5	218	3.5	97.0
45-49	47	1.7	53	1.6	100	1.6	98.6
50-54	32	1.1	26	0.8	58	0.9	99.5
55 and over	17	0.6	8	0.2	25	0.4	100.0
Total known	2,818	100.0	3,397	99.9	6,215	100.0	
Unknown	1	0.0	2	0.1	3	0.0	
Grand total	2,819	100.0	3,399	100.0	6,218	100.0	
Average age		29.9		29.3		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 2000-2001 by each of the different routes. For 5.7% of admissions these data were not recorded. Almost three-quarters of admissions, 74.4%, were through the direct qualification route and, of these, just under three-quarters were law graduates and the remainder were non-law graduates who had passed the CPE. Women were slightly more likely than men to qualify by this direct route, 76.1% of admissions as against 72.3%, and, within this total, were slightly more likely than men to have qualifying law degrees. In contrast, men were slightly more likely than women to qualify via a transfer in; the relevant proportions here being 21.3% and 18.9% respectively. Men were more likely than women to have been barristers or to be transferring in from another jurisdiction, 19.6% as opposed to 15.8%, but women were slightly more likely than men to have qualified initially as either a legal executive or as a magistrates' or justices' clerk, 3.0% as opposed to 1.7%.

Table 10.5 The routes to admission to the Roll in 2000-2001

Entry routes	Male		Female		All admissions	
	No.	%	No.	%	No.	%
Direct entry:						
Law degree	1,461	51.8	1,934	56.9	3,395	54.6
Non-law degree	578	20.5	651	19.2	1,229	19.8
Total direct entry	2,039	72.3	2,585	76.1	4,624	74.4
Entry by transfer:						
Overseas lawyer	459	16.3	472	13.9	931	15.0
Barrister	93	3.3	66	1.9	159	2.6
FILEX	40	1.4	79	2.3	119	1.9
Justices' clerk	9	0.3	24	0.7	33	0.5
Total transfers	601	21.3	641	18.9	1,242	20.0
Route unknown	179	6.3	173	5.1	352	5.7
All admissions	2,819	100.0	3,999	100.0	6,218	100.0
%	46.3		54.7		100.0	

Source: Law Society's REGIS database

10.6 One-fifth of admissions (20.0%) in 2000-2001 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, the same number as last year, one-quarter, 25.0%, 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 75.0% were transfers in from other jurisdictions. Most notable here were Australian and New Zealand lawyers, who alone accounted for just over one-fifth (20.6%) of all transfers in. In addition to these, transfers from Hong Kong accounted for a further 10.1%, those from the USA and Canada 8.6%, and those from other parts of the UK a further 4.9% of all transfers.

Table 10.6 Analysis of transfers into the profession 2000-2001

	Male		Female		All transfers	
	No.	%	No.	%	No.	%
From other professions:						
Legal executives	40	6.7	79	12.3	119	9.6
Barristers	93	15.5	66	10.3	159	12.8
Justices' clerks	9	1.5	24	3.7	33	2.7
Sub-total	142	23.6	169	26.4	311	25.0
From other jurisdictions:						
Hong Kong	40	6.7	86	13.4	126	10.1
Australia/New Zealand	124	20.6	132	20.6	256	20.6
USA/Canada	65	10.8	42	6.6	107	8.6
Scotland/N. Ireland/Isle of Man	29	4.8	32	5.0	61	4.9
Eire	11	1.8	8	1.2	19	1.5
Other EU countries	28	4.7	39	6.1	67	5.4
Non-EU countries	6	1.0	6	0.9	12	1.0
Singapore	39	6.5	42	6.6	81	6.5
India/Pakistan/Sri Lanka	27	4.5	10	1.6	37	3.0
All other jurisdictions	57	9.5	33	5.1	90	7.2
Sub-total	459	76.4	472	73.6	931	75.0
Grand total	601	100.0	641	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, 28.0 years, were direct entrants with qualifying law degrees. Those admitted by the CPE route were aged 30.6 years on average. Taken over all direct admissions, the average age was 28.7 years. Those transferring in were, on average, just under four years older than direct admissions, at 32.6 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 justices clerks around four years older.

Table 10.7 Average age on admission to the Roll by route to admission and gender 2000-2001

Entry routes	Male		Female		All admissions	
	No.	Average age	No.	Average age	No.	Average age
Direct entry:						
Law degree	1,461	28.1	1,934	28.0	3,395	28.0
Non-law degree	578	30.8	651	30.4	1,229	30.6
Total direct entry	2,039	28.8	2,585	28.6	4,624	28.7
Entry by transfer:						
Overseas lawyer	459	33.1	472	31.2	931	32.1
Barristers	93	32.2	66	31.8	159	32.0
FILEX	40	36.0	79	36.4	119	36.3
Justices' clerks	9	37.2	24	33.4	33	34.5
Total transfers	601	33.2	641	32.0	1,242	32.6
Route unknown	179	31.1	173	30.2	352	30.7
All admissions	45.3	29.9	54.7	29.3	100.0	29.6

Source: Law Society's REGIS database

10.8 Table 10.8 shows the numbers and percentages qualifying via each route in 2000-2001 contrasted with the position one year and 10 years ago. In order to make the comparison, the 5.7% of admissions for whom the route was unknown in 2000-2001 have been allocated pro rata to the other known categories. The table shows that the proportion of direct admissions has been quite stable, increasing only from 74.6% of all admissions in 1990-91 to 78.9% in 2000-2001. However, within this total, non-law graduates have assumed greater importance. Whereas only 9.7% of all admissions in 1990-91 were non-law graduates, this proportion had exceeded a fifth, 21.0%, by 2000-2001. Another route which has been relatively stable is transfers in. These have only decreased from 25.4% of all admissions in 1990-91 to 21.2% now.

Table 10.8 Trends in the main routes to admission to the Roll 1990-1991, to 2000-2001

Routes to admission	1990-1991	1999-2000	2000-2001
Law degree	2,766	3,329	3,599
Non-law degree	415	1,405	1,303
Transfers	1,084	1,321	1,317
Total	4,265	6,056	6,218
Routes to admission	%	%	%
Law degree	64.9	55.0	57.9
Non-law degree	9.7	23.2	21.0
Transfers	25.4	21.8	21.2
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 1995-96, 1999-2000 and 2000-2001. The table shows that, as a proportion of those admissions for whom the ethnicity was known, ethnic minority admissions represented just under one-fifth, 17.0% of the total in 2000-2001 compared with 11.4% 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 nearly doubled over the past five years, and African admissions have nearly 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 89.7% in 1995-96.

Table 10.9 Trends in ethnic minority admissions to the Roll 1995-96, 1999-2000 and 2000-2001

Ethnicity	% change				
	1995-96	1999-2000	2000-2001	2001 over 2000	2001 over 1996
Afro-Caribbean	26	55	51	-7.2	96.4
Asian	231	449	437	-2.8	89.0
Chinese	110	124	105	-15.2	-4.4
African	33	120	85	-29.1	157.9
Other	71	131	131	0.0	84.8
Total from ethnic minorities	471	880	809	-8.1	71.8
Number of admissions where ethnicity is known	4,144	4,624	4,753	2.8	14.7
Ethnic minorities as a % of those with known ethnicity	11.4	19.0	17.0	-10.5	49.8
Total admissions	4,620	6,056	6,218	2.7	34.6
% of admissions with known ethnicity	89.7	76.4	76.4	0.1	-14.8
Male admissions	2,203	2,838	2,819	-0.7	28.0
Males as % of total	47.7	46.9	45.3	-	-
Female admissions	2,417	3,218	3,399	5.6	40.6
Females as % of total	52.3	53.1	54.7	-	-
Total admissions	4,620	6,056	6,218	2.7	34.6

Source: Law Society's REGIS database

- 10.10 In 2000-2001 there were 809 admissions from the ethnic minorities out of a total of 6,218. Comparable figures for last year were 880 admissions out of a total of 6,056. The decrease in the representation of ethnic minorities over the past year is largely accounted for by the decrease in the number of African admissions. These fell by 29.1% over the year to 85. These, and the decreased numbers of Chinese admissions, accounted for almost the entire observed net decrease. In contrast, Afro-Caribbean admissions fell more slowly by 7.2%, whilst Asian and other ethnic admissions were largely unchanged.
- 10.11 A fuller breakdown of ethnic minority admissions in 2000-2001 is shown in Table 10.11. This table analyses admissions by both gender and ethnicity and shows that last year 59.9% of those admitted from the ethnic minorities were female. This is a higher value than that for admissions as a whole (54.7%). Within the ethnic minorities, the proportion of female admissions was highest amongst Afro-Caribbeans, 68.6%, and lowest amongst Asians, 57.8%.

Table 10.11 Ethnic minority admissions in 2000-2001 by gender

Ethnic group	Male		Female		Total
	No.	%	No.	%	No.
Afro-Caribbean	16	31.4	35	68.6	51
Asian	184	42.2	252	57.8	437
Chinese	39	37.2	66	62.8	105
African	32	37.7	53	62.3	85
Other	53	40.5	78	59.5	131
Total admissions from ethnic minorities	325	40.1	484	59.9	809
Number of admissions where ethnicity is known	2,077	43.7	2,675	56.3	4,753
Ethnic minorities as a % of those with known ethnicity	15.6		18.1		17.0
Number of admissions where ethnicity is unknown	742	50.6	724	49.4	1,466
Total admissions	2,819	45.3	3,399	54.7	6,218
% of admissions with known ethnicity	73.7		78.7		76.4

Source: Law Society's REGIS database

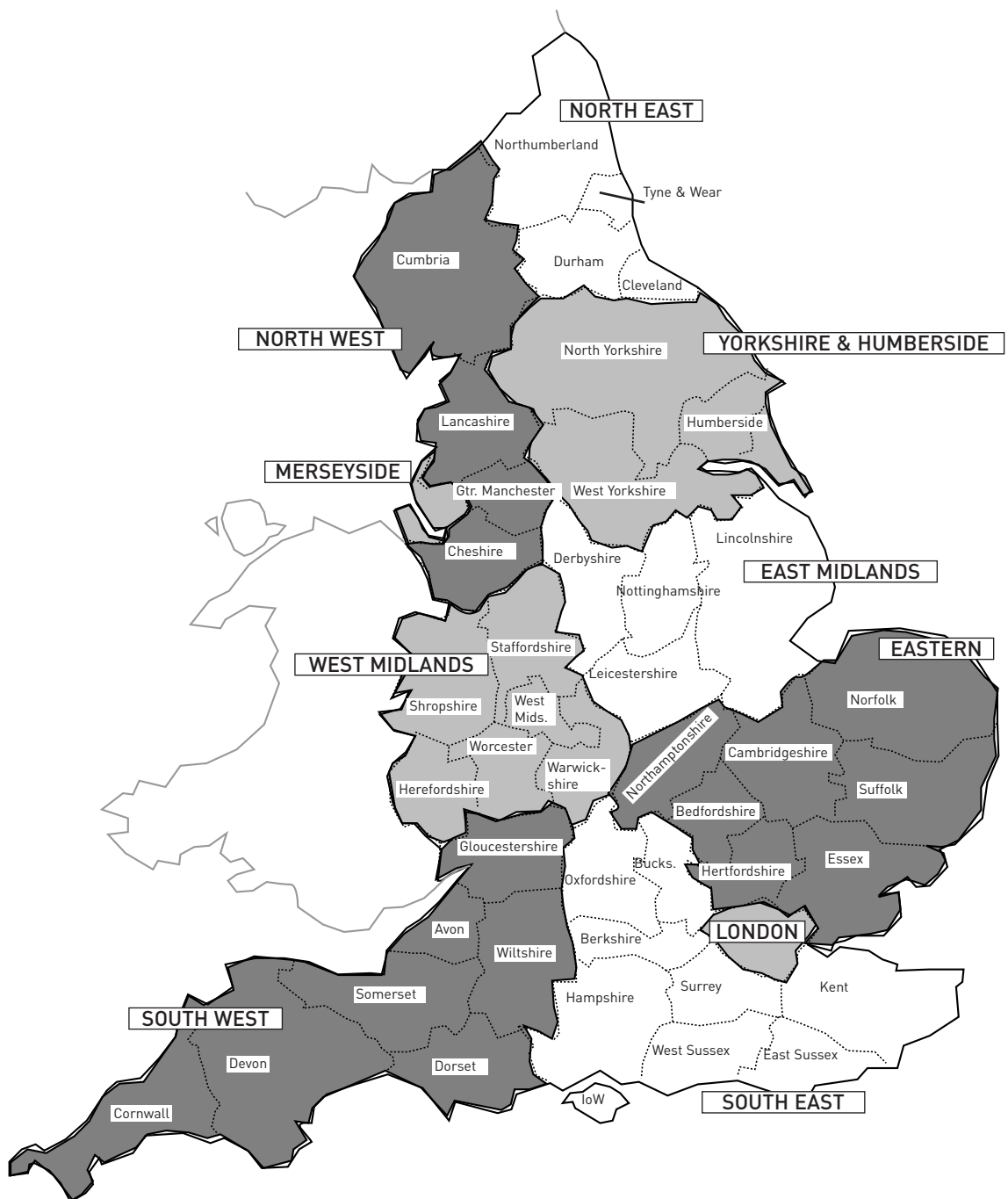
Appendices

Map 1 Government Office Regions

Standard Statistical Region	County*	Government Office Region
North	Cleveland* Durham Northumberland Tyne and Wear	North East
	Cumbria	
North West	Cheshire Greater Manchester Lancashire Merseyside**	North West
Yorkshire and Humberside	Humberside* North Yorkshire South Yorkshire West Yorkshire	Yorkshire and the Humber
East Midlands	Derbyshire Leicestershire Lincolnshire Northamptonshire Nottinghamshire	East Midlands
West Midlands	Hereford and Worcester* Shropshire Staffordshire Warwickshire West Midlands	West Midlands
South West	Avon* Cornwall Devon Dorset Gloucestershire	South West
East Anglia	Cambridgeshire Norfolk Suffolk	East of England
South East	Bedfordshire Essex Hertfordshire	
	Greater London	London
	Berkshire* Buckinghamshire East Sussex Hampshire Isle of Wight* Kent Oxfordshire Surrey West Sussex	South East

* Counties prior to local government reorganisation

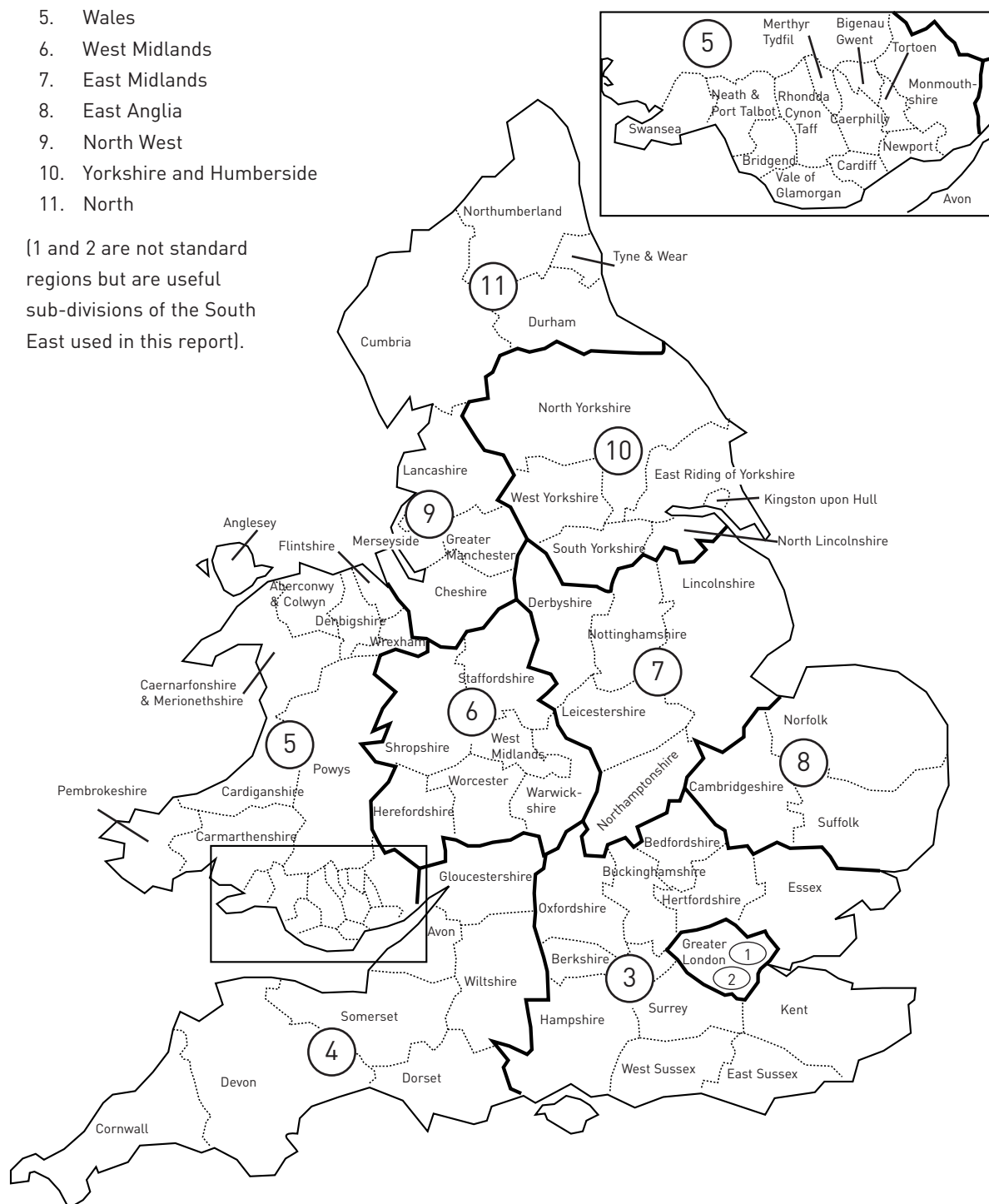
** North West region includes Merseyside from 1 August 1998



Map 2 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

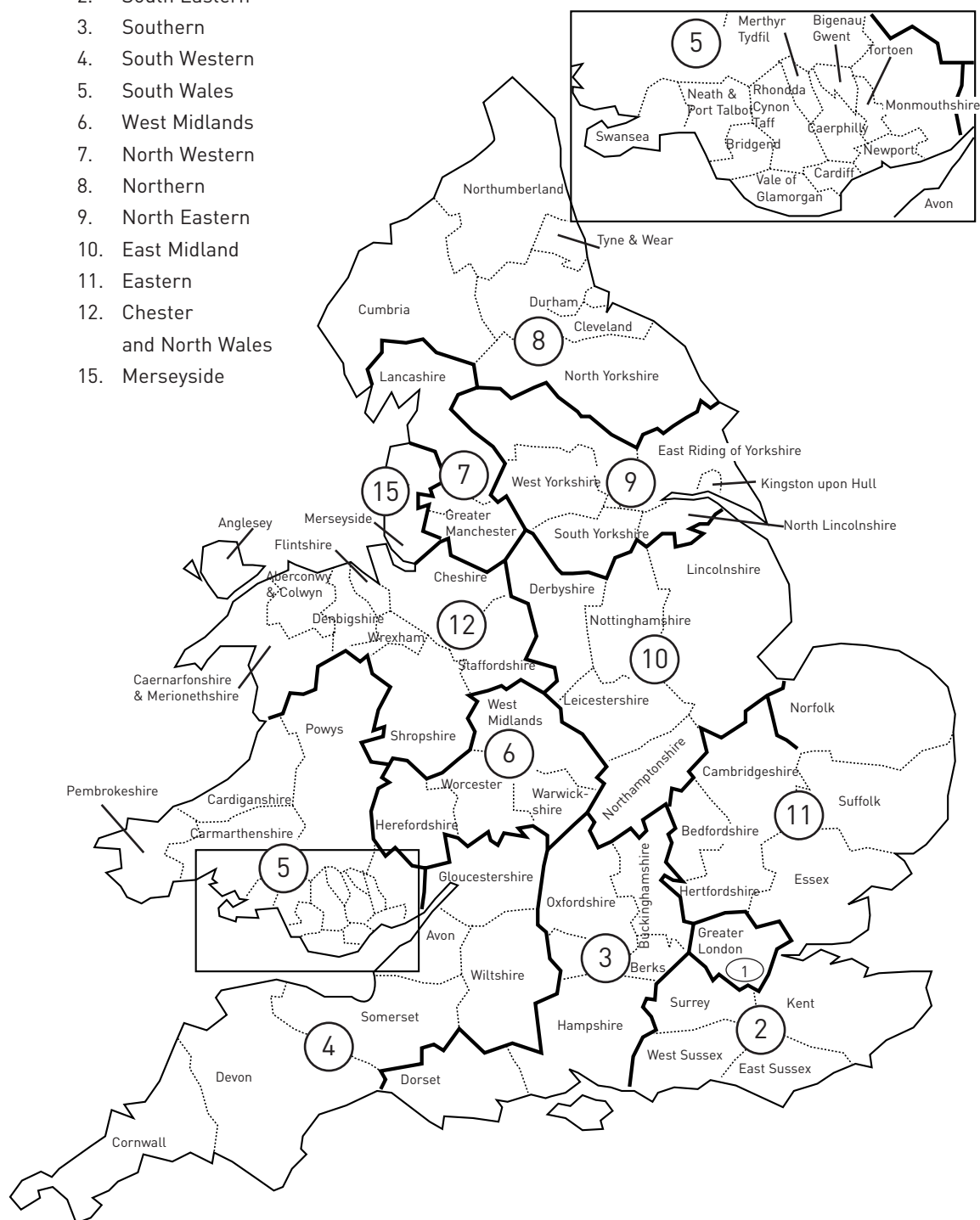
(1 and 2 are not standard regions but are useful sub-divisions of the South East used in this report).



Map 3 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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