



The Law Society

Trends in the solicitors' profession Annual Statistics Report 2017

June 2018

Representing, promoting and supporting solicitors

© 2018 The Law Society. All rights reserved.

Contents

Key statistics	2
Executive summary	3
Introduction	5
Part 1: Qualified solicitors and firms	
1. Solicitors on the Roll	6
2. Practising certificate holders: profile	9
3. Organisations employing practising certificate holders.....	19
4. Practising certificate holders in private practice.....	29
Part 2: Development and entry of new solicitors to the market	
5. Undergraduates and graduates in law	38
6. Traineeships	43
7. Admission to the Roll	48
Appendices	
A. Data sources and representativeness.....	55
B. Glossary of key terms	56
The Law Society Research Unit and acknowledgements	62

Please contact Joanne Cox with any queries or comments on the report: Joanne.Cox@lawsociety.org.uk

Key statistics on the solicitors' profession for 2016 and 2017

	31 July 2016	31 July 2017	Annual % change
Solicitors on the Roll *	175,160	181,968	+3.9%
Solicitors with Practising Certificates (PCs)	136,176	139,624	+2.5%
Private practice firms registered in E&W	9,430	9,488	+0.6%
Women solicitors with PCs	67,393	69,995	+3.9%
Women partners	8,105	8,241	+1.7%
Solicitors from minority ethnic groups with PCs **	19,145	19,674	+2.8%
Solicitors working in private practice ***	91,166	93,155	+2.2%
Solicitors employed outside private practice	26,894	27,767	+3.2%
New solicitors admitted to the Roll (in year to 31 July)	6,346	6,478	+2.1%
Trainee solicitor registrations (in year to 31 July)	5,728	5,719	-0.2%

* The number of solicitors on the Roll from 2015 is not directly comparable with total Roll numbers from previous years, following cessation by the SRA of an annual exercise of updating Roll records.

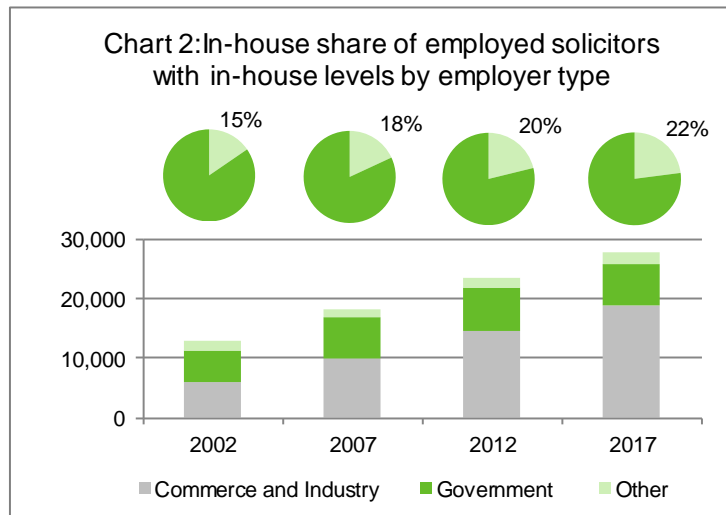
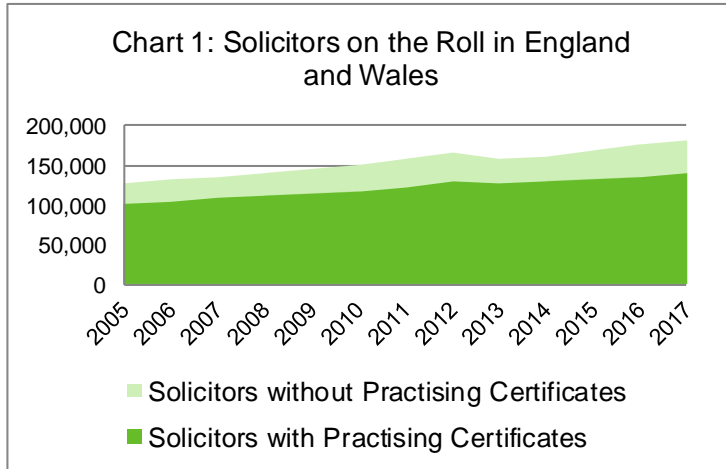
** Following a change to online provision of ethnicity information by solicitors in 2014 there is a greater incidence of non-reporting than before that date.

*** Private practitioners in English and Welsh law firms.

Executive summary

Qualified solicitors and firms

- As at 31 July 2017 there were 139,624 solicitors with practising certificates (PC holders), and 181,968 individuals in total on the Roll of solicitors. The number of PC holders was 2.5% higher than 12 months earlier, with the total number on the Roll up 3.9% on 2016. In the absence of a keeping of the Roll exercise during the year, non-practising solicitors remained on the Roll by default.
- For the first time in 2017 the number of female PC holders exceeded male colleagues, although this did not yet apply to all solicitors on the Roll. Meanwhile, representation of Black Asian and Minority Ethnic (BAME) groups amongst PC holders rose to 16.5%, continuing the steady increase from 7% in the year 2000.
- In 2017 the number of PC holders working in-house was 3.2% higher than a year earlier. Although the proportion in private practice also grew, the in-house sector is now home to 22.2% of working solicitors (those attached to organisations) across 4,500 commercial and 1,000 not-for-profit organisations.



Executive summary

Development and entry of new solicitors

- The number of students graduating with first degrees in law from universities in England and Wales rose marginally to a new high of 15,896 in 2017. Of these a record number graduated with first-class honours. A record 23,605 new students were accepted onto first degree law courses for the academic year 2017-18.
- In the year to July 2017, the number of trainee registrations was broadly stable on the previous 12 month period (at 5,719 only 9 fewer than 2015-16). The share of new female trainees reached a record 63.6% over the year, eclipsing the previous mark set in 2007-08 when trainee registrations peaked.
- The number of admissions to the Roll edged 2.1% higher thanks to an increase in the number of overseas transfers into the profession. Women also represented a record 61.6% share of those admitted to the Roll in the 12 months to July 2017, helping female PC holders outnumber men overall.

Chart 3: Number of students accepted onto and graduating from first law degrees in E&W

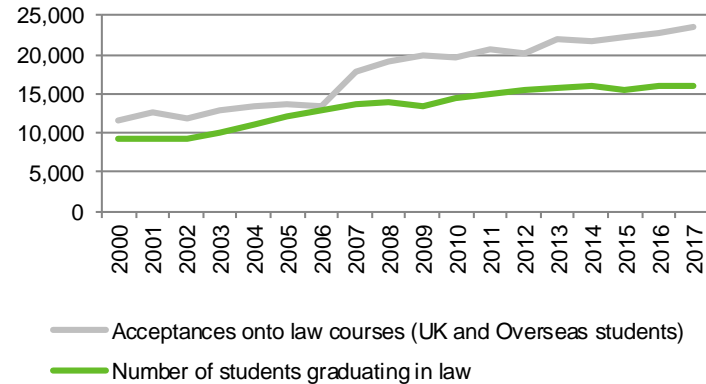
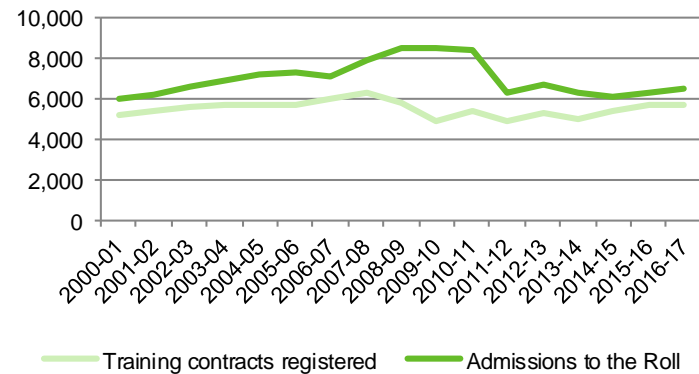


Chart 4: Training contracts registered and admissions to the Roll



Introduction

The Law Society's Annual Statistics Report (ASR) has been compiled for over thirty years and therefore provides a comprehensive picture of how the solicitors' profession has evolved over the long-run in terms of size and structure. The Report provides an authoritative record of the numbers of solicitors and the types of organisations in which they work.

The emphasis of the ASR has tended to be on private practice which continues to employ the majority of practising solicitors. However, the numbers now employed in-house by organisations ranging from FTSE and private companies to local authorities now make up almost one-quarter of the profession. This year's report demonstrates the expanded influence of the in-house sector, but also signs of stabilisation in private practice firms' share of the market.

The report maintains the approach to compiling data that was initiated in 2014. The new approach reflects changes to the Management Information systems used by the Law Society Group, requiring different arrangements for extracting and manipulating raw data to generate the tables for the ASR. Historically, production of ASR figures from source databases was undertaken by a third party. The 2014-2016 reports use data sourced with the help of the Business Intelligence

(BI) team at the Solicitors Regulation Authority (SRA), with tables generated by the Law Society's Research Unit. Care has been taken to ensure consistency with the historical data presented.

Information on the solicitors' profession contained in the ASR is unique in terms of the depth of analysis of individuals and firms. Consistent timing of data capture during the year permits reliable time-series analysis (see Appendix A for details on the timing of data collection).

Part 1 of the Report focuses on qualified solicitors, sectors and the entities in which they work, and provides some analysis of the diversity within the profession. Here, the focus is on solicitors holding practising certificates. As Part 1 explains, the approach to the keeping of the Roll of solicitors (including those not currently practising) changed in 2015 from previous years. The focus of Part 2 of the report is the route to qualification as a solicitor and entry into the profession.

The ASR is part of a suite of in-depth research and economic analyses undertaken by the Law Society's Research Unit. Please contact Joanne Cox with any queries or comments on the report:

joanne.cox@lawsociety.org.uk

Part 1: Qualified solicitors and firms

1. Solicitors on the Roll
2. Practising certificate holders: profile
3. Organisations employing PC holders
4. PC holders in private practice
5. Undergraduates and graduates in law
6. Traineeships
7. Admission to the Roll

Representing, promoting and supporting solicitors

There were almost 140,000 practising certificate holders in 2017; female practising solicitors now outnumber men

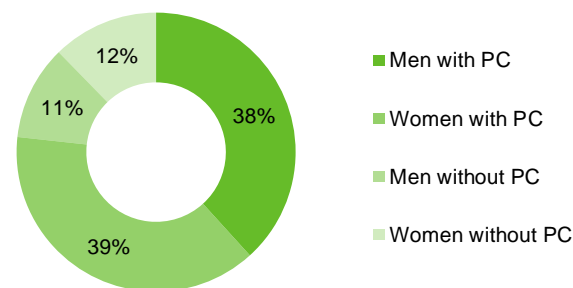
- A total of 139,624 solicitors held a practising certificate (PC) at 31 July 2017, enabling them to act in the capacity described by the Solicitors Act 1974. The 2017 count represents a 2.5% increase on a year earlier – broadly in line with average annual growth over the previous 10-year period.
- In 2017, for the first time ever the number of female PC holders exceeded male colleagues, although this did not yet apply to all solicitors on the Roll (practising and non-practising).
- The total number of solicitors on the Roll continued to expand more strongly than the PC holder count, as individuals remained on the Roll by default where PCs were not renewed.
- Solicitors on the Roll without a PC include solicitors that have not applied for their name to be removed, working in jobs for which a PC is not required, retired solicitors, and women on maternity or child care leave.

* Solicitors on the Roll referred to in this report do not include Registered European Lawyers, Registered Foreign Lawyers and Exempt European Lawyers.

Table 1.1 (formerly Table 1.3): Solicitors on the Roll* with and without practising certificates, by gender, as at 31 July 2017

		Number	%
With practising certificates	Male	69,629	49.9
	Female	69,995	50.1
	Sub-total	139,624	100.0
Without practising certificates	Male	19,955	47.1
	Female	22,389	52.9
	Sub-total	42,344	100.0
Total solicitors on the Roll	Male	89,584	49.2
	Female	92,384	50.8
	Total	181,968	100.0

Chart 5: Composition of solicitors on the Roll by gender and practising certificate status



BAME representation in the profession continued to improve, based on available ethnicity data

- Of PC holders whose ethnicity could be identified, the share from BAME groups continued to grow. The share stood at 16.5% in 2017 and has grown steadily from 7% at the start of the millennium.
- However, the ethnicity data is increasingly incomplete, due to the majority of newly admitted solicitors not providing their ethnic origin on the mySRA website.*
- The ability to monitor the ethnic composition of the profession will continue to decline unless the data is collected through other means.

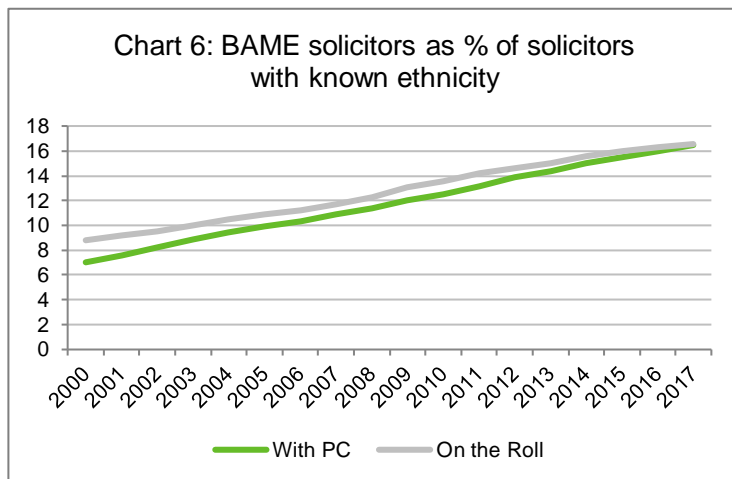


Table 1.2 (formerly Table 1.5): Ethnicity of solicitors on the Roll and with practising certificates as at 31 July 2017

	On the Roll	With PC	% of Roll that hold a PC
African-Caribbean	1,191	930	78.1
Asian	13,857	11,413	82.4
Chinese	3,614	1,738	48.1
African	2,709	2,063	76.2
Other ethnic origin	4,448	3,530	79.4
All ethnic minority	25,819	19,674	76.2
White European	129,608	99,369	76.7
Unknown	26,541	20,581	77.5
Total	181,968	139,624	76.7
BAME solicitors as a % of all solicitors	14.2	14.1	
BAME solicitors as % of solicitors with known ethnicity	16.6	16.5	

* Ethnicity was not recorded for 69% of those admitted to the Roll in the 12 months to 31 July 2017. The proportion of solicitors on the Roll with unknown ethnicity increased from 10% in 2014 to 15% in 2017.

Part 1: Qualified solicitors and firms

1. Solicitors on the Roll
2. Practising certificate holders: profile
3. Organisations employing PC holders
4. PC holders in private practice
5. Undergraduates and graduates in law
6. Traineeships
7. Admission to the Roll

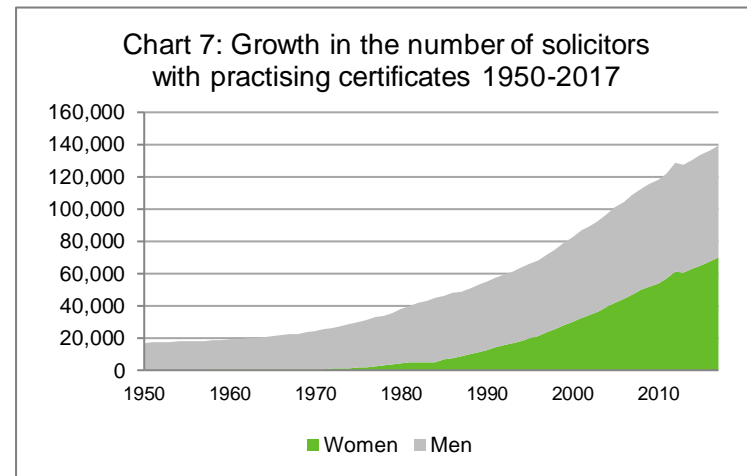
Representing, promoting and supporting solicitors

Practising solicitor numbers were 29% higher than 10 years ago, but the rate of growth is moderating

- There were over 31,000 more PC holders in 2017 compared with 10 years earlier – a significant expansion of almost 30%.
- The strong absolute increase follows almost 37,000 practising solicitors added over the previous 10 year period 1997 to 2007.
- Although the overall growth rates are down on those witnessed from the 1980s to early 2000s, numbers of female PC holders stood 49% above their 2007 level by 2017. This compares to a 14% increase in male practising solicitors over the same period.
- Law Society Research calculations show that if current rates of growth are maintained, by 2022 there will be approximately 10,000 more female practising solicitors than men (reversing a 10,000 deficit recorded in only 2010).

Table 2.1 (formerly Table 2.2): Solicitors holding practising certificates 1987 to 2017

	Practising solicitors	% change on 10 years earlier
1987	48,937	
1997	71,637	46.4
2007	108,407	51.3
2017	139,624	28.8



The City of London again outstripped other areas with the sharpest increase in practising solicitors

- In absolute terms the majority of the growth in practising solicitor numbers over the past 10 years has been in roles located in London, and particularly the City of London – where there are now over 11,000 more solicitors working compared with 2007.
- The absolute number of practising solicitors was higher in 2017 than ten years earlier in all areas apart from the East and North East of England.**
- The South West posted the strongest increase in PC holder numbers of the English regions since 2007, while PC holders outside of England and Wales have doubled.

** Since 2014, solicitors have been allocated to Government Office Regions based on the postcode of their working office or, for those solicitors not attached to an office, their primary personal contact address. Previously solicitors were allocated to one of the Government Office Regions based on the local Law Society constituency in which they worked.

Table 2.2 (formerly Table 2.14): Regional distribution of PC holders*

	Total no. of PC holders 2007	Total no. of PC holders 2017	10-year % change
Greater London	39,510	56,829	+44%
City of London	18,004	29,092	+62%
Rest of London	21,506	27,737	+29%
South East	11,677	13,347	+14%
Eastern	7,026	6,906	-2%
South West	5,463	8,542	+56%
West Midlands	7,596	8,303	+9%
East Midlands	4,393	4,892	+11%
Yorkshire and Humberside	7,144	8,239	+15%
North West	11,357	14,127	+24%
North East	2,949	2,929	-1%
Wales	3,485	3,743	+7%
Outside of England and Wales	4,791	9,735	+103%
Unknown	3,016	2,032	-33%
Total	108,407	139,624	+29%

* The City of London is defined as postcodes EC1-EC4 and a handful of firms undertaking financial, commercial and corporate practice who previously undertook such practice inside the City.

The In-house population continued to grow by adding former private practice and newly admitted solicitors

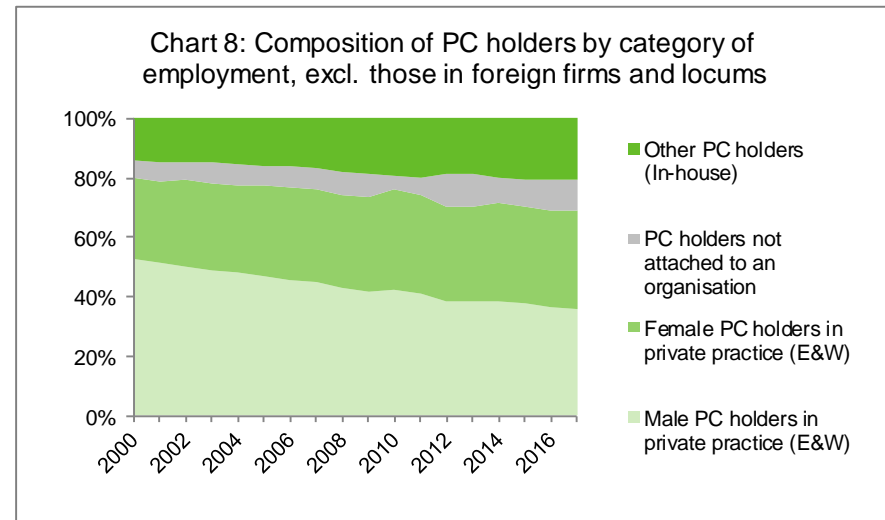
- Of those PC holders attached to an organisation, the share working 'in-house' expanded further to 22.2%.
- A significantly larger share of women PC holders work in-house (25.9%) compared with men (18.5%), although both male and female proportions have grown steadily over time.
- Whilst women outnumber men overall in-house, the reverse is true in private practice, where there are around 3,800 more male PC holders.
- At 10%, the proportion of PC holders not attached to an organisation (and not featured in the table and chart) is higher than the historical average of 6%. Based on anecdotal information, the increased percentage may reflect larger numbers in freelance roles working across a range of firms.

Table 2.3 (formerly Table 2.8): Distribution of practising certificate holders by category of employment*

	2017		
	Total	Men	Women
Private practice (E&W firms)	74.4	77.1	71.7
Other private practice**	3.4	4.4	2.4
Other PC holders (in-house)	22.2	18.5	25.9
Total	100.0	100.0	100.0

*PC holders not attached to an organisation are excluded for the purposes of the table. These solicitors represent approximately 10% of all PC holders.

** 'Other private practice' covers solicitors working in foreign firms and as locums, and this category has only been reported separately since 2011.



Women PC holders are still 5 years younger than men on average...

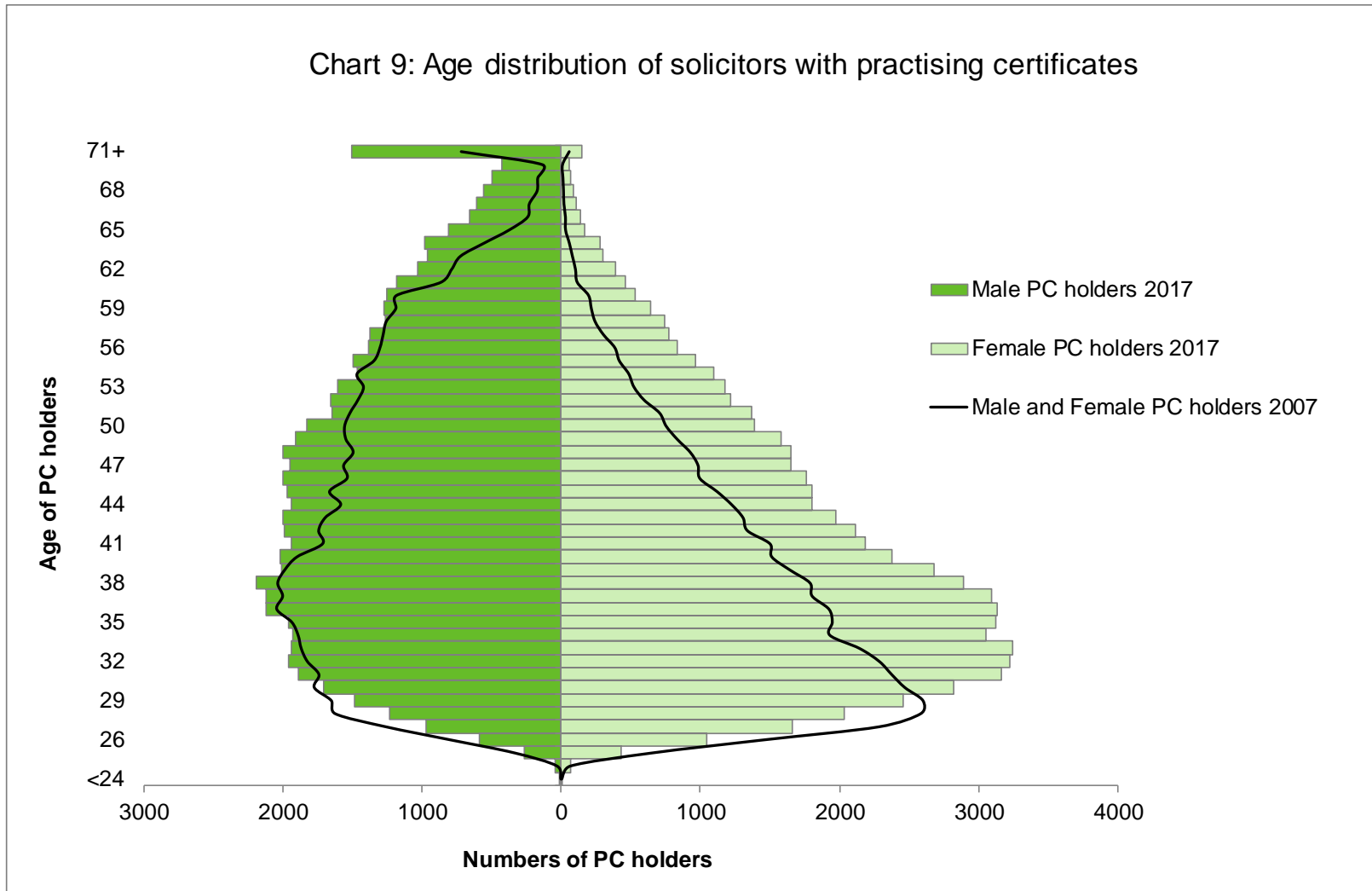
- Female practising solicitors have historically been younger on average than male colleagues. The mean ages of both male and female practising solicitors edged higher in 2017 – maintaining an average age gap between men and women of over 5 years.
- The difference in median ages of male and female PC holders is even greater at seven years, as the distribution of female solicitors remains skewed towards those under 40.
- The median differential would be even greater if not for a significant group of male PC holders aged 71 and over. At more than 1,500 this cohort continues to increase in size (up by 200 on 2016).

* Comparisons of participations rates with those prior to 2015 are not strictly comparing like with like. To that point the keeping of the Roll exercise was an annual process, but since 2015 individuals can remove themselves from the Roll at any time, or may wait until the next Roll keeping exercise.

Table 2.4: The age distribution of solicitors and participation rates* as at 31 July 2017

Age	No.of men with PCs	Participation rate (% on Roll holding PCs)	No.of women with PCs	Participation rate (% on Roll holding PCs)
25 and under	316	97.5	505	96.0
26-30	5,983	94.5	10,017	93.7
31-35	9,672	88.1	15,822	84.7
36-40	10,474	84.6	14,173	76.9
41-45	9,848	83.4	9,880	73.9
46-50	9,695	82.4	8,035	70.9
51-55	7,870	80.7	5,820	67.3
56-60	6,552	77.5	3,529	62.6
61-65	4,969	67.2	1,602	50.8
66-70	2,746	48.9	465	35.1
71 and older	1,504	31.4	145	24.0
All known	69,629	77.7	69,993	75.8
Total	69,629	77.7	69,995	75.8
Mean age	45.8		40.3	
Median age	45.0		38.0	

...although the difference in age profile is less stark than 2007



Asian solicitors remain the best represented amongst BAME groups

- Asian solicitors continued to be most strongly represented amongst BAME groups, and made up over 8% of the profession overall.
- The ethnicity of around 1 in 7 PC holders was unknown for the purposes of statistical reporting.

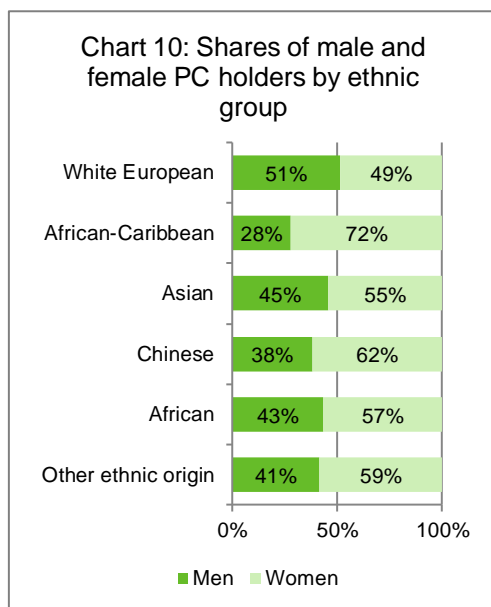


Table 2.5 (formerly Table 2.12): Ethnic origin, by gender, of practising certificate holders as at 31 July 2017*

	Men	Women	Total	% of all PC holders
White European	50,915	48,454	99,369	71.2
African-Caribbean	259	671	930	0.7
Asian	5,191	6,222	11,413	8.2
Chinese	660	1,078	1,738	1.2
African	892	1,171	2,063	1.5
Other ethnic origin	1,460	2,070	3,530	2.5
All solicitors for whom ethnic origin is known	59,377	59,666	119,043	85.3
<i>% of all solicitors with PCs for whom ethnic origin is known</i>	85.3	85.2	85.3	
Ethnicity unknown	10,252	10,329	20,581	14.7
All practising certificate holders	69,629	69,995	139,624	100.0
All practising certificate holders from minority ethnic groups known to the Law Society	8,462	11,212	19,674	
<i>% of all solicitors with PCs</i>	12.2	16.0	14.1	

* The White European category includes all PC holders who classified themselves as British (including Welsh and Scottish), Irish, White, or White / European (consistent with previous ASRs).

Outer London and the West Midlands continued as areas with the strongest representation of BAME amongst solicitors

Table 2.6 (formerly Table 2.14): Proportions of BAME solicitors with practising certificates in Government Office Regions and abroad, as at 31 July 2017*

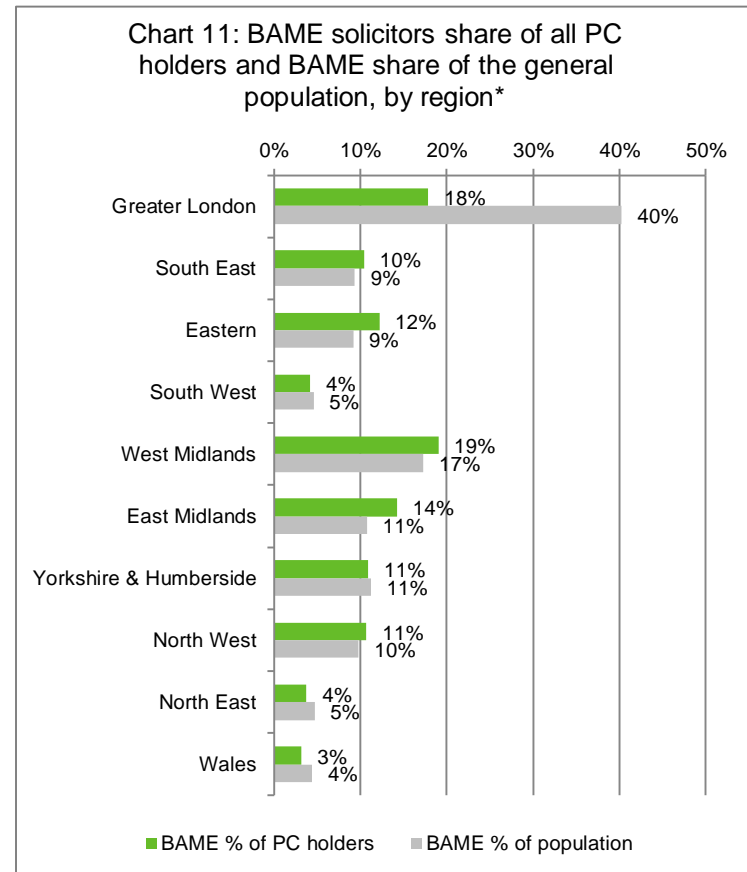
	Total number of PC holders	Asian	African- Caribbean	Chinese	African	Other BAME group	All BAME groups	White European	Unknown
Greater London	56,829	9.6	1.0	1.3	2.5	3.4	17.9	64.3	17.9
City of London	29,092	5.5	0.3	1.3	0.8	2.9	10.8	68.4	20.8
Rest of London**	27,737	14.0	1.7	1.3	4.3	4.0	25.3	59.9	14.8
South East	13,347	6.2	0.6	0.5	1.0	2.1	10.4	77.9	11.7
Eastern	6,905	7.2	0.7	0.7	1.5	2.1	12.2	74.6	13.2
South West	8,542	1.8	0.3	0.5	0.4	1.2	4.2	85.0	10.8
West Midlands	8,303	15.2	1.0	0.6	0.7	1.5	19.0	70.0	11.0
East Midlands	4,892	11.3	0.5	0.4	0.5	1.5	14.2	74.8	11.0
Yorkshire & Humberside	8,239	8.4	0.4	0.2	0.5	1.3	10.9	79.1	10.0
North West	14,127	8.0	0.2	0.5	0.5	1.4	10.7	78.4	10.9
North East	2,929	2.5	0.1	0.2	0.2	0.7	3.8	87.1	9.2
Wales	3,743	1.8	0.1	0.3	0.1	0.9	3.2	86.6	10.2
Outside of England and Wales	9,736	5.8	0.2	6.7	2.7	4.6	20.0	59.6	20.3
Unknown	2,032	6.4	0.7	1.1	1.3	3.1	12.5	60.7	26.8
Total	139,624	8.2	0.7	1.2	1.6	2.5	14.2	71.1	14.7

* Solicitors have been allocated to one of the Government Office Regions on the basis of the postcode of the office in which they work or, in the case of unattached PC holders, their primary personal contact address.

** Rest of London includes all areas of Greater London outside of the City of London area defined above (by Table 2.2).

London is the only region with a markedly lower share of solicitors of BAME origin compared with the BAME share in the general population

- The share of BAME practising solicitors exceeded the BAME population share in five out of the ten English and Welsh regions. Of those five, the largest differential was in the East Midlands.
- Taken as a whole, London posted the second largest proportion of PC holders of BAME origin (18%) – being overtaken in 2017 by the West Midlands (19%).
- However, the BAME share of practising solicitors is less than half the BAME share in London's population.
- The disparity for London is less marked when comparing the proportion of BAME PC holders with the BAME share in the workforce; 2011 Census data show that BAME groups made up 34% of the workforce in London.



* Population data are sourced from the 2011 Census

60% of early-career solicitors (0-9 years since admission) are women, with similar shares across private practice and in-house

- Over 40% of PC holders were admitted less than 10 years ago, and more than 100,000 solicitors (over two-thirds of the profession) less than twenty years ago.
- Of the practising solicitors in the earlier stages of their careers (around 57,000 individuals with 0-9 years since admission) women outnumber men working both in private practice and in-house.
- Mid-career solicitors admitted between 10 and 29 years are split fairly evenly between men and women, with greater numbers of men in private practice and vice-versa for in-house.

Table 2.7: Experience of solicitors with practising certificates, by number of years since of admission, as at 31 July 2017*

Solicitors in private practice in England and Wales

Years since admission	All	%	Male	%	Female	%
0-9	38,648	41.5	15,718	32.4	22,930	51.3
10-19	26,588	28.5	13,144	27.1	13,444	30.1
20-29	15,531	16.7	9,594	19.8	5,937	13.3
30-39	9,154	9.8	7,045	14.5	2,109	4.7
40-49	2,880	3.1	2,632	5.4	248	0.6
50 plus	354	0.4	337	0.7	17	0.0
Total	93,155	100.0	48,470	100.0	44,685	100.0

Solicitors in employed and other sectors, or not attached to organisations**

Years since admission	All	%	Male	%	Female	%
0-9	18,609	40.0	7,392	34.9	11,217	44.3
10-19	16,720	36.0	7,471	35.3	9,249	36.5
20-29	7,512	16.2	3,771	17.8	3,741	14.8
30-39	2,818	6.1	1,794	8.5	1,024	4.0
40-49	711	1.5	634	3.0	77	0.3
50 plus	97	0.2	95	0.4	2	0.0
Total	46,467	100.0	21,157	100.0	25,310	100.0

* Years since admission is not equivalent to years of Post Qualification Experience (PQE) where solicitors have spent years away from the profession (for example to raise a family).

** Other sectors include PC holders working in foreign firms not registered in England and Wales. PC holders not attached to organisations includes those taking time out of work or between jobs.

Part 1: Qualified solicitors and firms

1. Solicitors on the Roll
2. Practising certificate holders: profile
3. Organisations employing PC holders
4. PC holders in private practice
5. Undergraduates and graduates in law
6. Traineeships
7. Admission to the Roll

Representing, promoting and supporting solicitors

Two-thirds of PC holders are working in private practice firms located in England and Wales...

Table 3.1 (formerly Table 4.1): Practising certificate holders by category of employment as at 31 July 2017

Category of employment	All	% of PC holders	Men	Women	Women as % of total
Private practice (E&W firms)	93,155	66.7	48,470	44,685	48.0
Private practice (in foreign practices or as locums)	4,254	3.0	2,771	1,483	34.9
Commerce and industry	18,766	13.4	8,611	10,155	54.1
Accountancy practice	154	0.1	68	86	55.8
Government department	270	0.2	129	141	52.2
Local government	4,488	3.2	1,351	3,137	69.9
Court	23	0.0	6	17	73.9
Government funded services	229	0.2	81	148	64.6
Crown Prosecution Service	1,831	1.3	715	1,116	61.0
Advice service	364	0.3	94	270	74.2
Educational establishment	550	0.4	172	378	68.7
Health services	80	0.1	24	56	70.0
Others*	1,012	0.7	369	643	63.5
Not attached to an organisation**	14,448	10.3	6,768	7,680	53.2
All non-private practice	42,215	30.2	18,388	23,827	56.4
Total practising certificate holders	139,624	100.0	69,629	69,995	50.1

* All other categories including practising certificate holders in the Armed Forces, Churches and other religious bodies and institutes.

** The unattached figure includes individuals not currently working as well as those who may not yet have been removed from the register.

...but a growing share of in-house solicitors work across more than 4,500 commercial and 1,000 not-for-profit organisations.

Table 3.2 (formerly Table 3.3): Non-private practice organisations employing PC holders, by type of business, as at 31 July 2017*

	Head offices		Branch offices		Total offices	
	E&W	Elsewhere	E&W	Elsewhere	E&W	Elsewhere
Commerce and industry	4,531	874	281	111	4,812	985
Accountancy practice	19	3	3	0	22	3
	Head offices		Branch offices		Total offices	
Government**						
Government Department	43		9		52	
Local Government	385		22		407	
Court	8		9		17	
Government funded services	27		15		42	
Crown Prosecution Services	43		38		81	
Others						
Advice service	92		23		115	
Educational establishment	201		15		216	
Miscellaneous***	159		12		171	

* Numbers of non-private practice head offices and branch offices reported here are the main practising locations reported by individual PC holders not in private practice. For some larger organisations more than one head office may be reported.

**Government organisations are only counted if they employ solicitors holding a PC (Government Legal Service solicitors are not obliged to hold a PC).

***The miscellaneous group includes: advocacy services; churches; nationalised industries; trade unions; health services; non-SRA registered firms and charities.

Amongst private practice firms the limited company structure continued to grow in popularity. Partnerships, including sole practices, accounted for 45% of firms (down from 60% five years earlier)

Table 3.3 (formerly Table 3.1): Private practice organisations employing PC holders, by type of business, as at 31 July 2017

	Head offices		Branch offices		Total offices	
	E&W	Elsewhere	E&W	Elsewhere	E&W	Elsewhere
Private practice (domestic firms)*						
Limited Company	3,725	3	1,028	3	4,753	6
Limited Liability Partnership	1,477	4	1,122	218	2,599	222
Partnership	4,269	3	758	24	5,027	27
Unlimited Company	17	1	3	0	20	1
Total	9,488	11	2,911	245	12,399	256
Private practice (other)**						
Foreign law practices	941		269		1,210	
Locum services	132		0		132	

* Head offices and branches are counted within firms open on 31 July 2016 and where an office location is the main practising address of at least one PC holder. This definition is different from that used by SRA in counting a firm in published statistics as any open entity subject to regulation.

** Of the 941 foreign law practices, only 5 firms had head offices registered in England & Wales. Head offices of locum services are all located within England & Wales.

The number of private practice firms overall increased modestly for the second year in a row

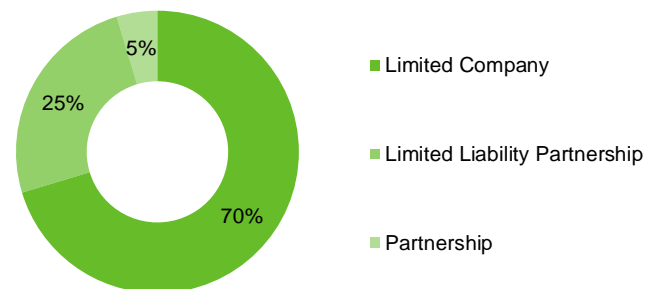
- Overall in 2017 there were 9,488 private practice firms registered in England and Wales* – a modest increase of 58 firms on the 2016 level.
- The total number of offices operated by private practice firms (including branch offices) also rose to its highest level since 2014. Almost three-quarters of branch offices were operated by firms with either a limited or limited liability partnership company structure.
- As at 31 July 2017, 600 Alternative Business Structures (ABS) were in operation. The total marked an increase of 125 ABS firms on the previous year and the largest absolute increase since licenses were first introduced in 2012.
- The majority of ABSs (70%) operated as limited company structures.

* Counted by head office locations that are the main practising addresses of at least one PC holder, to indicate firms undertaking significant activity.

Table 3.4 (formerly Table 3.2): Trends in the number of private practice firms and offices registered in England and Wales (excluding overseas offices and locum services)

	Firms	Offices	Ratio
2011	10,202	13,207	1.29
2012	10,102	13,026	1.29
2013	9,807	12,729	1.30
2014	9,542	12,469	1.31
2015	9,403	12,263	1.30
2016	9,430	12,283	1.30
2017	9,488	12,399	1.31
% change since 2011	-7.0	-6.1	0.9

Chart 12: Composition of Alternative Business Structures by firm type (E&W Head offices)



London, followed by the North West, are regions with large and growing shares of private practice firms

- Reflecting London's economic size and role as a centre for business and financial services, the Capital was home to just under one-third of all private practice firm head offices (more than twice the share of the population in London).
- Outside of the South East, the largest concentration of solicitor firms is in the North West – with this region expanding its share of England and Wales firm head-quarters over recent years.

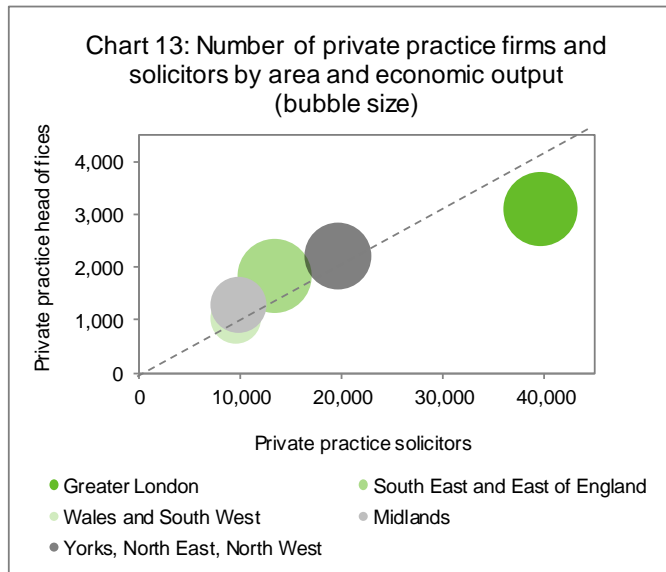


Table 3.5: Location of population and private practice firms in 2016

Region	% of resident population*	% of private practice firms
Central London**	0.9	12.2
Rest of Greater London	14.2	20.5
South East	15.5	12.3
Eastern	10.5	7.2
South West	9.4	6.6
West Midlands	10.0	8.1
East Midlands	8.1	5.4
Yorkshire and Humberside	9.3	7.1
North West	12.4	13.6
North East	4.5	2.7
Wales	5.3	4.4
Total resident population and number of private practice firms	58.4 million	9,488

* Population data are taken from ONS MYE2: Population Estimates by single year of age and sex for local authorities in the UK, mid-2016.

** In counting private practice firms and for population estimates Central London includes City of London, Camden and City of Westminster.

The modest overall increase in private practice firms was entirely due to growth in numbers of firms with a sole owner

Table 3.6 (formerly Table 3.4): Number of firms in England and Wales employing solicitors, analysed by size and regional location of head office*, as at 31 July 2017

	Sole owner**	2-4 Partners	5-10 Partners	11-25 Partners	26-80 Partners	81+ Partners	All firms
City of London	166	208	89	53	40	44	600
Rest of Central London***	219	231	61	31	17	1	560
Rest of Greater London	1,060	776	75	21	10	2	1,944
South East	569	455	91	39	8	2	1,164
Eastern	319	271	63	25	3	0	681
South West	268	245	78	24	10	2	627
West Midlands	345	346	61	12	5	1	770
East Midlands	272	179	46	11	3	1	512
Yorkshire and Humberside	283	302	65	16	6	1	673
North West	547	600	113	18	9	3	1,290
North East	87	126	34	4	2	1	254
Wales	132	225	49	6	1	0	413
Total	4,267	3,964	825	260	114	58	9,488
% of all firms	45.0%	41.8%	8.7%	2.7%	1.2%	0.6%	100.0%
% change in numbers of firms on 2016	+3.0%	-0.6%	-3.6%	-2.3%	0.0%	-6.5%	+0.6%

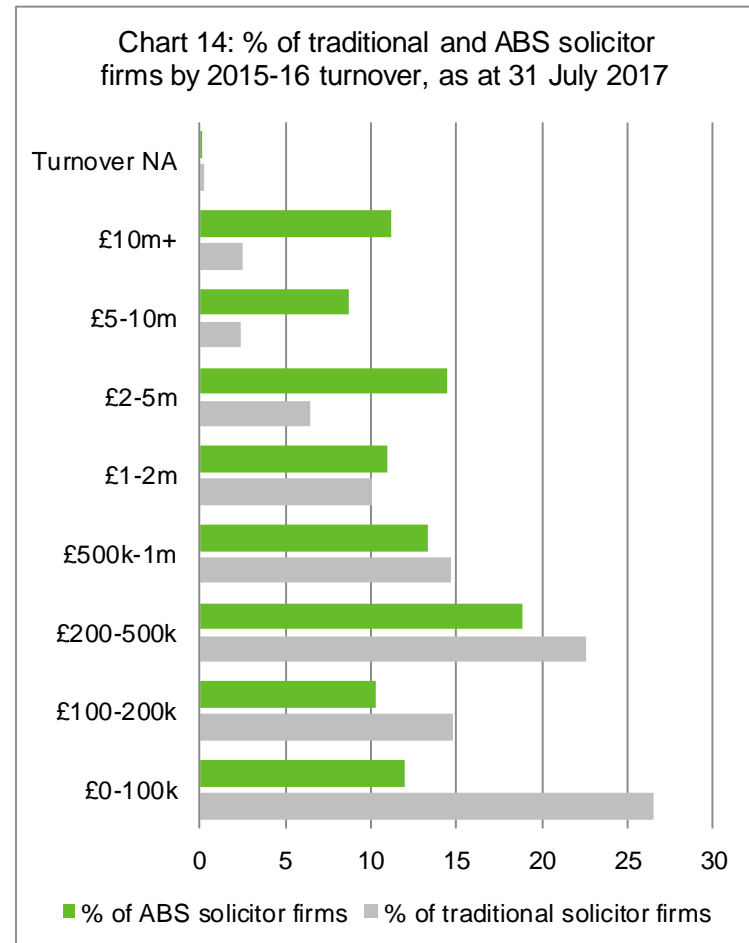
* A number of firms for which either size or location data were missing were allocated to a known group on a pro rata basis to enable comparison with the overall total. The data in this table are not entirely consistent with that in previous reports prior to 2014 due to changes in the way that information is categorised.

** The definition employed since 2011 to count sole owners means that figures (for sole practices and other firm sizes) are not directly comparable with those from prior years.

*** 'Rest of Central London' encompasses all areas of Westminster and Camden not included in the City of London area within post codes EC1 to EC4. This definition represents a change from those used in reports prior to 2014 (when 'Rest of Central London' encompassed Holborn and City of Westminster).

Numbers of ABSs increased across all size-bands, although these firms remain larger on average than traditional solicitors

- In 2017 the 600 ABSs made up 6.3% of the total 9,488 private practice firms that are counted as being 'active' (the work place of at least one PC holder).
- Given that ABSs can be structured and operated differently to the partner model, proportions of ABS and traditional firms are analysed in the chart (right) by annual turnover size bands.
- The share of ABSs amongst all firms was up slightly on 5% for 2016 and there were increases in numbers of ABSs across all turnover size bands.
- The number of small ABSs with turnover of up to £100,000 rose most sharply on a year earlier to 72 in 2017. Still, ABSs tend on average to be larger entities with 45% earning over £1 million compared with 21% of traditional private practice firms.

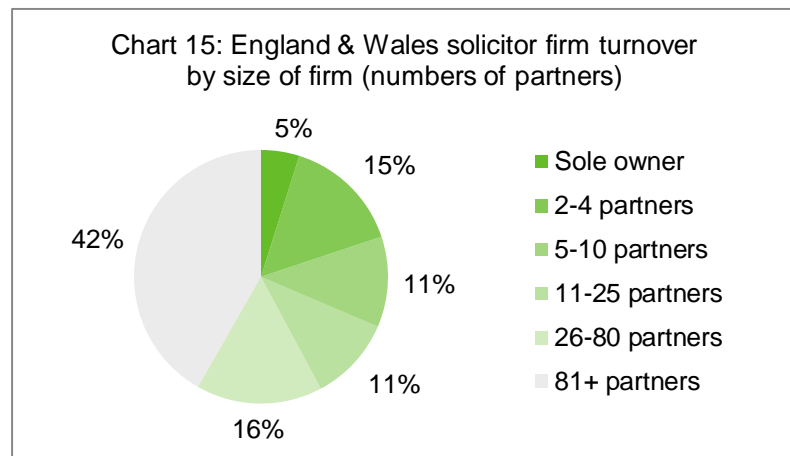


A reduced number of very large (81+ partner) firms continued to produce over 40% of revenue in the solicitor market

Table 3.7 (formerly Table 3.3) Total and average turnover, by size of firm (partner count)

Size of firm	Total turnover (2015/16)		Firms		Average turnover	Head count	
	£ billions	%	Number	%	£ millions	PC holders	%
Sole owner	1.13	4.9	4,267	45.0	0.26	8,012	8.6
2-4 partners	3.46	15.0	3,964	41.8	0.87	21,961	23.6
5-10 partners	2.67	11.5	825	8.7	3.23	13,637	14.6
11-25 partners	2.49	10.8	260	2.7	9.56	10,106	10.8
26-80 partners	3.71	16.1	114	1.2	32.57	12,858	13.8
81+ partners	9.64	41.7	58	0.6	166.27	26,581	28.5
Total	23.1	100.0	9,488	100.0		93,155	100.0

- England and Wales solicitor firm turnover for 2015/16 totalled £23.1 billion. Over two-fifths of this total was produced by 58 very large firms (81+ partners), whose turnover per practising solicitor exceeded that of other firms.
- Average turnover per firm and per partner increased steadily through size bands from sole partner to the 26-80 partner group – with higher averages for 81+ partner firms reflecting the global scale of many of these firms.



Work for consumers and retail clients generated less than one-quarter of turnover, with business-to-business work dominating

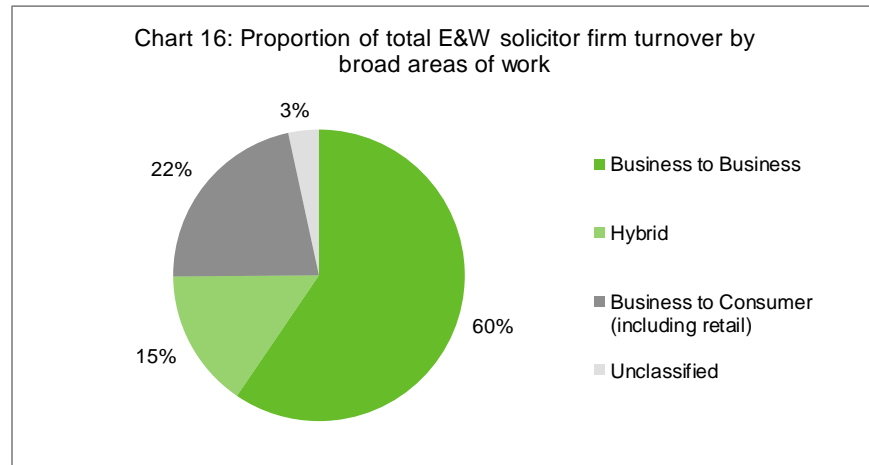
- Turnover from private practice firms can be grouped by client type into three broad categories:

- Business-to-business (B2B)
- Hybrid
- Business-to-Consumer (B2C) (including retail work)

- Solicitor firm work areas that feature in these categories are shown to the right, below.

- Business-to-business work generated turnover of £13.5 billion, or three-fifths of total solicitor turnover in England and Wales. Half of the business-to-business turnover was general corporate or commercial work for public and private companies.

- Personal Injury and employment work account for most of the 'Hybrid' category that took 15% of solicitor turnover (work that can be sourced from either business or consumer clients).



Solicitor firm work areas contained within broad categories

Business-to-Business	Arbitration and alternative dispute resolution, Commercial/corporate work for listed companies, Commercial/corporate work for non-listed companies and others, Financial advice and services, Intellectual property, Litigation - other, Planning, Property - commercial
Hybrid	Employment, Landlord and tenant (commercial and domestic), Personal injury
Business-to-Consumer (including retail work)	Children, Consumer, Criminal, Discrimination/civil liberties/human rights, Family/matrimonial, Immigration, Mental Health, Probate and estate administration, Property - residential, Social welfare, Wills, trusts and tax planning
Unclassified	Non-litigation (other)

Part 1: Qualified solicitors and firms

1. Solicitors on the Roll
2. Practising certificate holders: profile
3. Organisations employing PC holders
4. PC holders in private practice
5. Undergraduates and graduates in law
6. Traineeships
7. Admission to the Roll

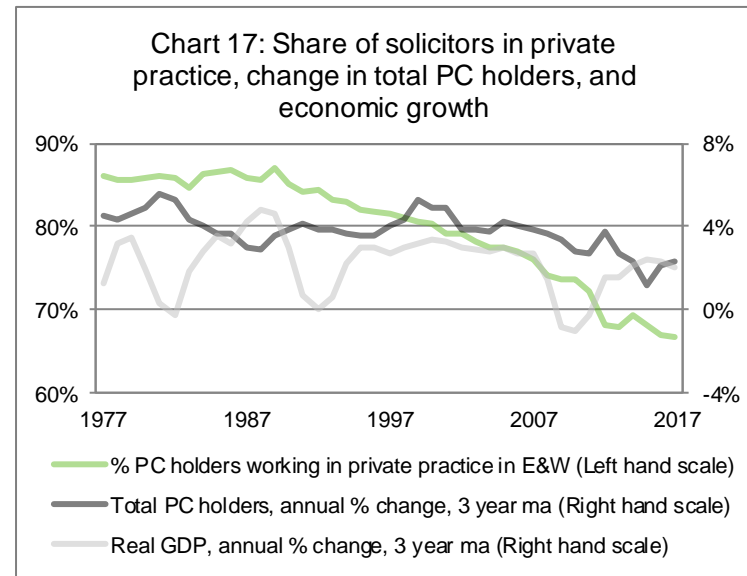
Representing, promoting and supporting solicitors

The share of private practice solicitors in the market further stabilised in 2017

- While the in-house segment continues to expand at a sharper rate than private practice, more stability in the respective shares of the two areas has become evident.
- The rate of decline in the share of private practice solicitors – evident since the early 1990s – continued to slow in 2017. The absolute number in private practice rose by almost two thousand, accounting for more than half of the total growth in PC holders over the year.
- On a three-year moving average basis – used to smooth out volatility over time – the rate of growth in total practising solicitors picked up further and was above the rate of UK economic (GDP) growth on the year (see chart right).
- Over the past forty years, growth in the solicitor market as measured by numbers of PC holders has moderated, but remained resilient against peaks and troughs in UK economic growth.

Table 4.1 (formerly Table 4.2): Solicitors holding practising certificates 1987 to 2017

	Practising solicitors	10-year % change	Solicitors in private practice	10-year % change
1987	48,937		42,036	
1997	71,637	46.4	58,378	38.9
2007	108,407	51.3	82,557	41.4
2017	139,624	28.8	93,155	12.8



Growth in private practice staff was strongest in 2-4 partner and 26-80 partner firms

Table 4.2 (formerly Table 4.3): Admitted staff in private practice firms in 2017 by firm size (number of partners)*

	Sole owners	2-4 partners	5-10 partners	11-25 partners	26-80 partners	81+ partners	All firms
Partners	-	8,914	4,421	3,431	4,087	7,272	28,125
Sole practitioners	4,267	-	-	-	-	-	4,267
Associate solicitors	645	2,297	2,235	2,387	3,887	11,558	23,009
Assistant solicitors	1,358	4,967	4,011	2,542	2,995	3,682	19,555
Consultants	757	2,618	916	555	529	706	6,081
Other private practice	985	3,165	2,054	1,191	1,360	3,363	12,118
All positions	8,012	21,961	13,637	10,106	12,858	26,581	93,155
% of PP solicitors	8.6%	23.6%	14.6%	10.8%	13.8%	28.5%	100.0%

- A slight reduction in the numbers of PC holders in the largest private practice firms (81+ partners) kept the share of solicitors in this segment in check at 28.5% (a decline of 0.8% on 2016). The reduction correlated with a slimming in the number of firms in this segment overall. The 2-4 partner and 26-80 partner segments both added just over 800 solicitors – boosting their shares of the private practice market based on headcount without an increase in numbers of firms.
- Across all firms, the number of staff in ‘other private practice’ positions continued to increase and made up 13% of all private practice staff in 2017. The increase in part reflects jobs in private practice being less well defined, or alternatively named, compared with Associate and Assistant solicitor roles ubiquitous until a few years ago.

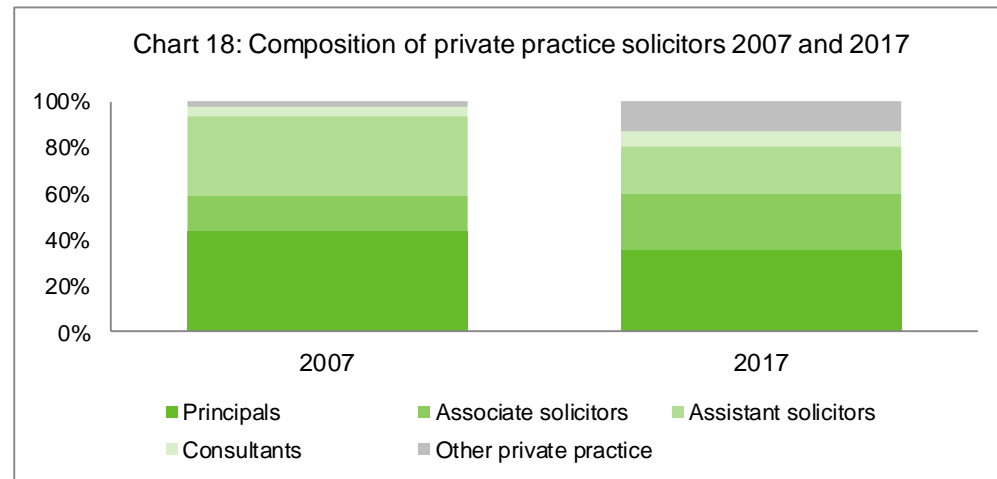
* In this table and the rest of Chapter 4 the terms ‘Sole practitioner’ and ‘Sole owner’ are used interchangeably to indicate a practising solicitor that is the only principal at their firm. This could mean an individual personally providing services to a small number of clients with little or no support, or a solicitor that operates a more sizeable practice supervising fee-earners and other staff. For context, around 2,700 practising solicitors were sole owners that reported they were the only PC holders within their firms in 2017.

The ratio of staff to partners at solicitor firms has increased by 50% over the past 10 years

- To illustrate the composition and hierarchy of firms, Table 4.3 shows ratios of total numbers of Associate, Assistant, Consultant and 'Other' private practitioners per principal (i.e. partners and sole practitioners) in firm size-bands.
- For example there are more than one-and-a-half Associates per principal in 81+ partner firms, declining by firm size to sole owned firms that employ many fewer solicitors in Associate positions than there are (sole) principals.
- Compared to 2007, there are more solicitors per principal overall across firms of all sizes. The increase in head count per principal has been particularly stark in firms with between 2 and 10 partners.

Table 4.3: Number of admitted staff per principal in private practice firms in 2017 by size of firm

	Sole owner	2-4 partners	5-10 partners	11-25 partners	26-80 partners	81+ partners	All firms
Principals	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Associate solicitors	0.151	0.258	0.506	0.696	0.951	1.589	0.710
Assistant solicitors	0.318	0.557	0.907	0.741	0.733	0.506	0.604
Consultants	0.177	0.294	0.207	0.162	0.129	0.097	0.188
Other private practice	0.231	0.355	0.465	0.347	0.333	0.462	0.374
<u>All per principal (2017)</u>	<u>0.878</u>	<u>1.464</u>	<u>2.085</u>	<u>1.945</u>	<u>2.146</u>	<u>2.655</u>	<u>1.876</u>
<u>All per principal (2007)</u>	<u>0.495</u>	<u>0.865</u>	<u>1.144</u>	<u>1.305</u>	<u>1.757</u>	<u>2.363</u>	<u>1.261</u>



The gender imbalance at partner level continued to narrow but male partners still outnumber female colleagues more than 2 to 1

- The 2017 data show a further decline in the proportion of private practice staff who are partners or equivalents (including members, directors and shareholders) outside of sole-owned firms. At 30.2% the proportion of partners is 8% lower than ten years earlier.
- The proportion of sole owners amongst all private practice staff was little changed and has been relatively stable since 2014.
- The gap between proportions of men and women represented at partner level underwent a further slight reduction. However, there are still more than twice the number of male partners compared with women (despite an increasingly even gender split overall).

Table 4.4: Position of solicitors working in private practice in England and Wales and holding a practising certificate, by gender, as at 31 July 2017

	Men		Women		Total	
	Number	%	Number	%	Number	%
Partners*	19,884	41.0	8,241	18.4	28,125	30.2
Sole practitioners**	2,792	5.8	1,475	3.3	4,267	4.6
Associate solicitors	9,742	20.1	13,267	29.7	23,009	24.7
Assistant solicitors	6,678	13.8	12,877	28.8	19,555	21.0
Consultant solicitors	4,044	8.3	2,037	4.6	6,081	6.5
Other private practice	5,330	11.0	6,788	15.2	12,118	13.0
All positions	48,470	100.0	44,685	100.0	93,155	100.0

* Partner or partner equivalents (members, directors, shareholders), including salaried partners

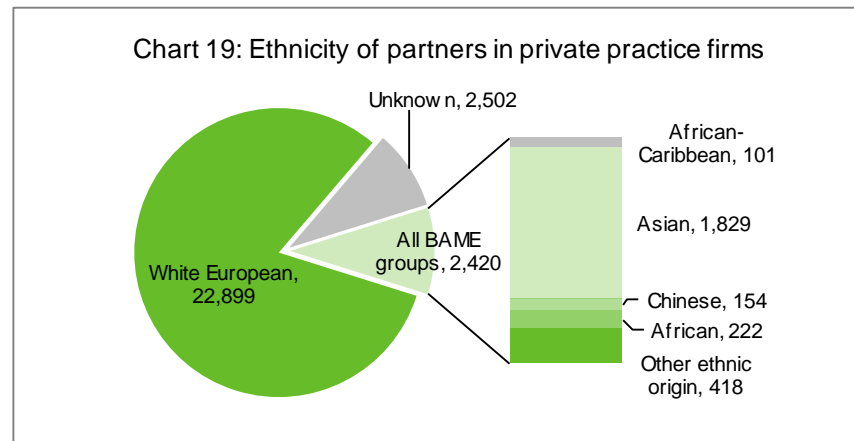
** Partner equivalent where the total number of partners in an entity is 1. Prior to 2011 the sole practitioner figure counted only businesses with a sole partner (rather than partner equivalents)

Sole ownership amongst private practice BAME solicitors continued to expand, while a deficit in partner representation remained

Table 4.5: Status of private practice solicitors in firms registered in England and Wales, by ethnicity, as at 31 July 2017

	All in pp	Partners	% of solicitors				Total
			SPs	Associates	Assistants	Other pp	
African-Caribbean	461	21.9	10.6	17.6	26.7	23.2	100.0
Asian	7,552	24.2	11.3	19.0	25.0	20.5	100.0
Chinese	741	20.8	5.1	35.2	20.2	18.6	100.0
African	1,202	18.5	18.1	18.9	21.4	23.1	100.0
Other ethnic origin	1,981	21.1	6.0	31.1	22.3	19.6	100.0
All BAME groups	11,937	22.8	10.7	22.0	23.9	20.6	100.0
White European	67,510	33.9	3.9	23.3	19.8	19.1	100.0
Unknown	13,708	18.3	2.6	34.2	24.4	20.6	100.0
Total	93,155	30.2	4.6	24.7	21.0	19.5	100.0

- The proportions of solicitors at partner level, in multi-partner firms, was lower across all BAME groups (between 18.5% and 24.2%) compared with White Europeans (33.9%).
- Sole owners (sole practitioners) were far more common amongst private practitioners of BAME origin than White Europeans, with more than 1 in 10 BAME solicitors a sole owner in 2017.

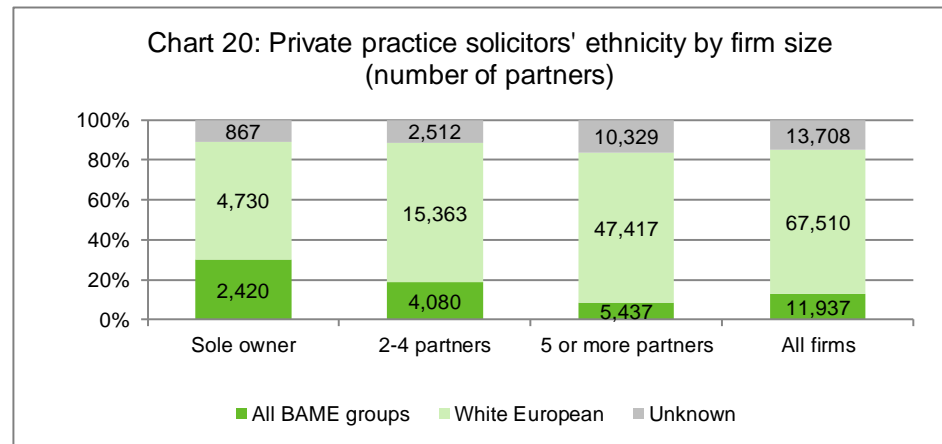


African and African-Caribbean groups remained least well represented in the largest firms

Table 4.6: Ethnicity of private practice solicitors by firm size as at 31 July 2017

	All in pp	% of solicitors						Total
		Sole owner	2-4 partners	5-10 partners	11-25 partners	26-80 partners	81+ partners	
African-Caribbean	461	18.0	35.9	15.2	7.6	12.2	11.1	100.0
Asian	7,552	21.6	37.2	11.4	5.7	8.7	15.4	100.0
Chinese	741	8.4	24.9	11.6	7.2	11.5	36.5	100.0
African	1,202	34.3	36.6	6.4	4.6	6.5	11.7	100.0
Other ethnic origin	1,981	11.6	24.3	12.2	10.2	13.2	28.5	100.0
All BAME groups	11,937	20.3	34.2	11.2	6.5	9.5	18.3	100.0
White European	67,510	7.0	22.8	15.8	11.8	14.4	28.3	100.0
Unknown	13,708	6.3	18.3	11.9	10.1	14.7	38.6	100.0
Total	93,155	8.6	23.6	14.6	10.8	13.8	28.5	100.0

- In stark contrast to White European private practitioners – the majority of whom work in firms with 11 or more partners – 55% of those from BAME groups practice at small firms with 4 or fewer partners.
- Within BAME groups, Chinese solicitors and those of other ethnic origin are the exception in having greater representation in large firms.

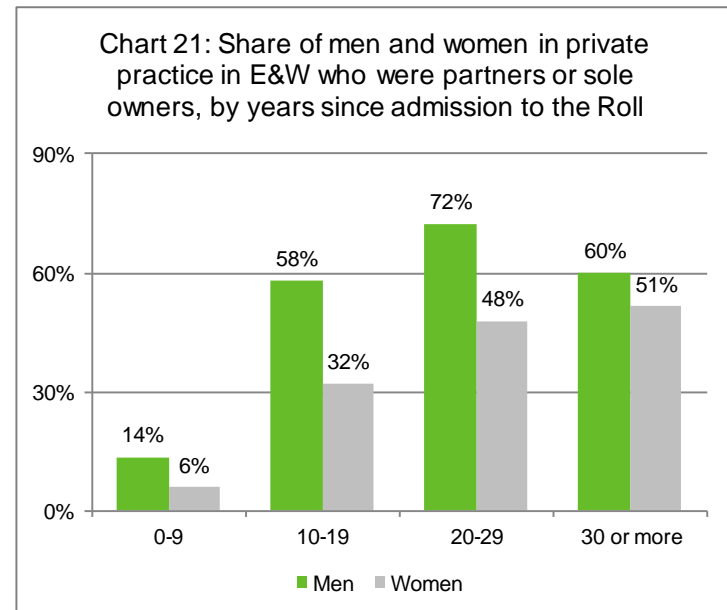


The average age gap between men and women in private practice has narrowed only slightly over a ten-year period

Table 4.7 (formerly Table 2.11): The age distribution of sole owners and partners as at 31 July 2017

	All private practice			Partners			Sole practitioners		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total 2017	48,470	44,685	93,155	19,884	8,241	28,125	2,792	1,475	4,267
Average age 2017	46.1	39.6	43.0	50.2	46.8	49.2	53.7	49.4	52.2
Total 2007	48,467	34,090	82,557	24,204	7,420	31,624	3,318	1,128	4,446
Average age 2007	44.1	36.9	41.1	47.6	43.4	46.6	52.3	47.1	51.0

- From 2007 to 2017 the average age of private practitioners overall has risen less sharply than that of partners (excluding sole practitioners).
- The average age of women in private practice as a whole remains six-and-a-half years younger than men. The average age gap has reduced somewhat since 2007 across partner and non-partner groups – reflecting fewer women leaving the profession at younger ages.
- The differences between shares of men and women at partnership level are smallest for early and late career groups respectively (those with less than 10 or more than 30 years since admission).



Shares of private practice staff in partner roles were greatest in Wales and the North East

Table 4.8 (formerly Table 4.3): Proportion of admitted staff in private practice firms at each grade, by Government Office Region, as at 31 July 2017*

	% at each grade within region							
	All PP in region	Partners	Sole practitioners	Associate solicitors	Assistant solicitors	Consultants	Other	All solicitors
Greater London	39,581	30.0	3.6	33.0	14.3	7.4	11.7	100.0
South East	8,651	31.9	6.7	17.8	22.8	8.0	12.8	100.0
Eastern	4,670	33.7	6.8	15.8	27.2	6.4	10.0	100.0
South West	6,794	29.7	4.0	20.4	24.6	5.7	15.5	100.0
West Midlands	6,254	29.7	5.4	20.5	26.3	6.2	11.9	100.0
East Midlands	3,518	29.7	7.5	13.4	29.0	5.0	15.3	100.0
Yorkshire and Humberside	6,286	29.6	4.5	19.0	26.7	4.4	15.8	100.0
North West	11,153	28.0	4.9	17.4	29.0	5.4	15.3	100.0
North East	2,085	34.3	4.1	15.2	29.6	5.3	11.4	100.0
Wales	2,755	35.4	4.7	15.2	26.2	6.6	11.9	100.0
Outside of England and Wales	1,409	21.6	0.1	47.6	5.5	2.9	22.3	100.0
All regions	93,155	30.2	4.6	24.7	21.0	6.5	13.0	100.0

* Figures in the table above are not comparable with corresponding data from 2011 following improvements in the identification of those working in private practice abroad. In 2011 figures for those abroad are likely to have been inflated by adjustment for missing data.

Part 2: Development and entry of new solicitors to the market

1. Solicitors on the Roll
2. Practising certificate holders: profile
3. Organisations employing PC holders
4. PC holders in private practice
5. Undergraduates and graduates in law
6. Traineeships
7. Admission to the Roll

Representing, promoting and supporting solicitors

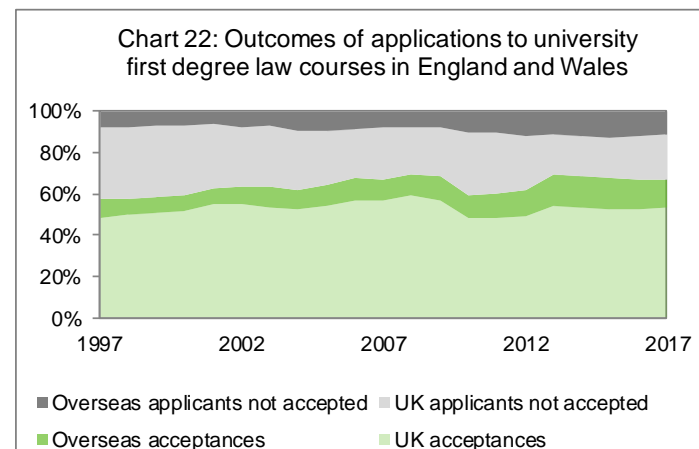
Further growth in female students accepted onto law degrees extended the record numbers of law students overall

Table 5.1 (formerly Table 6.2): Home (UK students) and overseas applicants and acceptances for university first degree law courses in England and Wales for the academic years 2016/17 and 2017/18

University applicants									
For entry in:	UK			Overseas			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
2016	8,220	16,935	25,155	3,445	5,675	9,120	11,665	22,610	34,275
2017	8,385	18,270	26,655	3,300	5,545	8,845	11,685	23,815	35,500
% change	2.0	7.9	6.0	-4.2	-2.3	-3.0	0.2	5.3	3.6

University acceptances									
For entry in:	UK			Overseas			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
2016	5,795	12,060	17,855	1,885	3,025	4,910	7,680	15,085	22,765
2017	5,880	12,970	18,850	1,810	2,945	4,755	7,690	15,915	23,605
% change	1.5	7.5	5.6	-4.0	-2.6	-3.2	0.1	5.5	3.7

- UK acceptances for university first degree law courses were 3.7% higher than a year earlier. A further rise in numbers of female students accepted onto courses accounted for almost all of the growth.
- Both applications and acceptances for overseas students decreased on 2016 figures. The acceptance rate remained lower for overseas students than those from the UK, and overall the rate was unchanged at 66%.



The share of BAME students accepted onto law courses was little changed on the year but up 5% on 2007

- At 59.2%, the proportion of students accepted onto first degree law courses from White ethnic groups was little changed on shares recorded from 2014 to 2016.
- Of 36.5% of acceptances from BAME groups, more than half were students of Asian origin – with the Pakistani group providing the largest number of individuals.
- Compared with 10 years earlier, there are just over 5% more students from BAME groups entering onto first degree law courses.

Table 5.2 (formerly Table 6.4): Ethnicity of students from the UK accepted onto first degree law courses at universities and colleges in 2017 (for academic year 2017/18)

Ethnic group		Male	Female	Total	%
White		3,420	7,745	11,165	59.2
Black	Black African	550	1,065	1,615	8.6
	Black Caribbean	85	340	425	2.3
	Black Other	35	80	115	0.6
Asian	Indian	235	615	850	4.5
	Pakistani	615	1,045	1,660	8.8
	Bangladeshi	195	395	590	3.1
	Chinese	40	65	105	0.6
	Other Asian	155	335	490	2.6
	Mixed	White and Black Caribbean	75	235	310
	White and Black African	30	105	135	0.7
	White and Asian	100	195	295	1.6
	Other mixed background	80	215	295	1.6
Other		160	385	545	2.9
Unknown		105	150	255	1.4
All BAME acceptances		2,195	4,690	6,885	
All acceptances		5,880	12,970	18,850	
% from BAME groups		37.3	36.2	36.5	

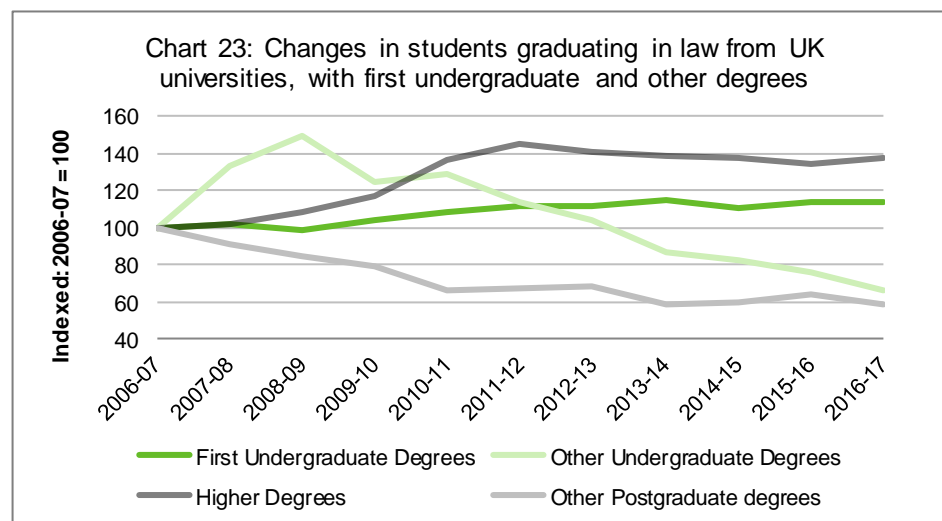
Source: UCAS

The number of first degree law graduates increased marginally year-on-year and was 17% higher than 2007

- In total, 15,986 students graduated with degrees in law from universities in England and Wales in 2017 – a marginal increase on 2016 but 17% higher than the number of graduates in 2007. The number of first degree law graduates from universities in the UK as a whole in 2017 was 17,805 (also up slightly on 2016).
- The figures do not provide the total number of graduates with qualifying law degrees including joint honours degrees. Therefore the total number of graduates able to proceed straight to the Legal Practice Course is likely to be substantially higher.
- In the UK the numbers achieving higher degrees in law (for example masters degrees) increased by 2.1% on 2016, while the number achieving other postgraduate degrees fell by 7.4%.

Table 5.3 (formerly Table 6.5): Number of students graduating in first degree law from universities in England and Wales 2007, 2012, 2017

Year of graduation	Men	Women	Total
2007	5,036	8,626	13,662
2012	5,702	9,645	15,348
2017	5,740	10,246	15,986
% change 2017 on 2007	14.0	18.8	17.0
% change 2017 on 2012	0.7	6.2	4.2



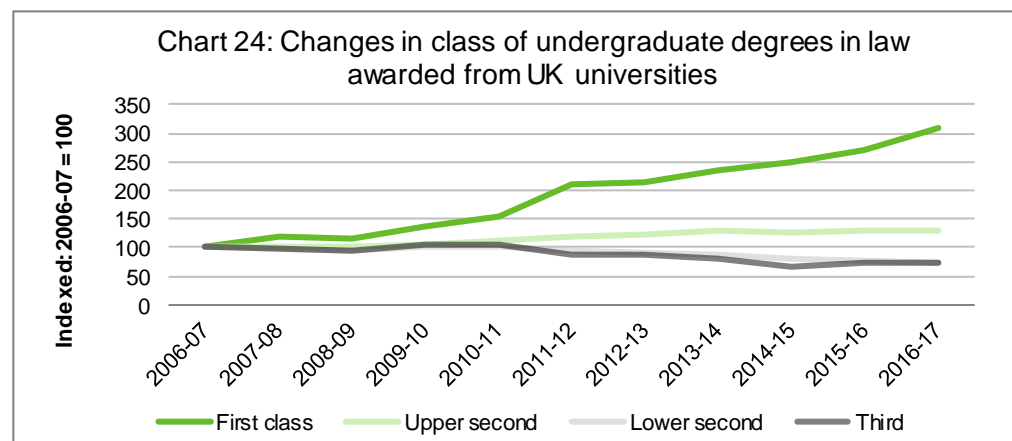
Source: HESA. For full definition of courses qualifying as 'Higher degrees', 'Other Undergraduate Degrees' and 'Other Postgraduate degrees', please see [HESA website](#)

A record 14.8% share of law graduates earned a first-class degree in 2017

- The numbers of law graduates in England and Wales awarded a first-class degree jumped by more than 300 in 2017 from a year earlier. As a result, a record 71.5% of students graduated with either a first or upper second class degree (up from 55.8% in 2007).
- Overall, women made up 64.1% of graduates and, again, outperformed men with 15.5% achieving a first and 57.8% an upper second degree (compared to 13.6% and 54.8% of men respectively).
- In the UK as a whole the number of first-class law degrees awarded maintained the consistent growth of the past decade.

Table 5.4 (formerly Table 6.7): Class of degrees in law awarded in England and Wales in Summer 2017

Class of degree	Men		Women		Total	
	No.	%	No.	%	No.	%
First	778	13.6	1,585	15.5	2,363	14.8
Upper second	3,145	54.8	5,924	57.8	9,069	56.7
Lower second	1,451	25.3	2,218	21.6	3,669	22.9
Third/Pass	320	5.6	439	4.3	758	4.7
Unclassified	47	0.8	81	0.8	128	0.8
<i>First and upper second</i>	<i>3,923</i>	<i>68.3</i>	<i>7,509</i>	<i>73.3</i>	<i>11,431</i>	<i>71.5</i>
Total	5,740	100.0	10,246	100.0	15,986	100.0



Source: HESA

Part 2: Development and entry of new solicitors to the market

1. Solicitors on the Roll
2. Practising certificate holders: profile
3. Organisations employing PC holders
4. PC holders in private practice
5. Undergraduates and graduates in law
6. Traineeships
7. Admission to the Roll

Representing, promoting and supporting solicitors

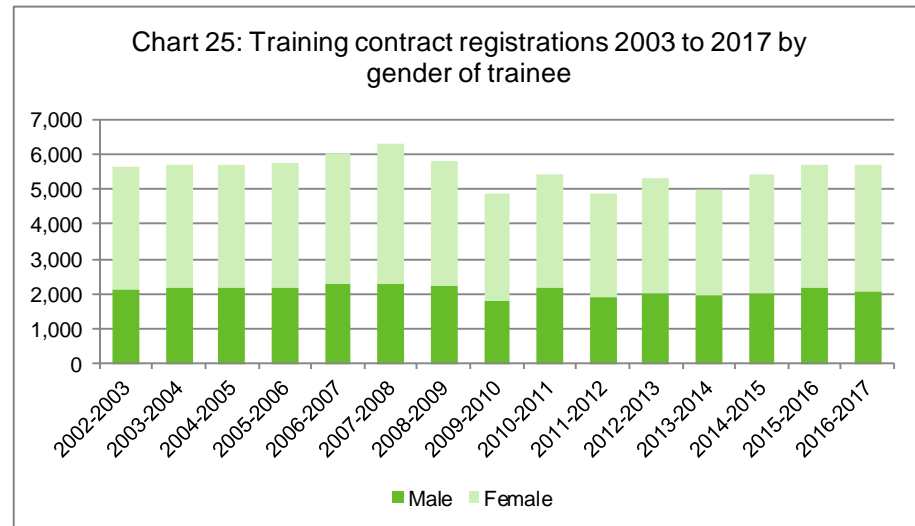
Trainee registrations remained static following two years of growth

- The number of trainee registrations in the year to 31 July 2017 was 0.2% lower than in the previous 12-month period, and down 4.9% on the level recorded in 2006-07.
- Trainee registration peaked at 6,300 in 2007-08, before dipping as low as 4,869 in 2011-12, and recovered slowly since.
- The growth over recent years has been due to increased numbers of female trainees. The share of male trainees fell to 37.7% in 2017 as male numbers edged lower while female registrations showed a slight increase.
- The total number of trainees at any one time will be approximately double the number of annual registrations, given that traineeships generally take two years to complete.

Table 6.1 (formerly Table 8.7): Number of traineeships registered in 2006-07 and 2016-17, by gender of trainee*

Year	Male	%	Female	%	Total
2006-2007	2,314	38.2	3,698	61.8	6,012
2016-2017	2,081	37.7	3,638	62.3	5,719
% change					
2016-17 over					
2006-07	-10.1		-1.6		-4.9

* Historical numbers of traineeships for 2002-03 and later years published in the 2012 Annual Statistics Report contained reporting errors which have been remedied from the 2013 report onwards.



Over half of all new trainees located were in London, although 2016-17 numbers for the region were down 3% on the year

Table 6.2 (formerly Table 8.9): Trainee placements in 2016-17 analysed by Government Office Region

	Male			Female			Total	
	No.	% of total	% by region	No.	% of total	% by region	No.	% by region
City of London*	850	44.2	40.9	1,073	55.8	29.5	1,923	33.6
Rest of London	346	34.5	16.6	657	65.5	18.1	1,002	17.5
South East	114	27.1	5.5	305	72.9	8.4	418	7.3
Eastern	68	29.4	3.3	164	70.6	4.5	232	4.1
South West	101	32.2	4.9	213	67.8	5.9	315	5.5
West Midlands	118	36.3	5.6	206	63.7	5.7	324	5.7
East Midlands	53	30.4	2.6	122	69.6	3.3	175	3.1
Yorkshire and Humberside	120	34.2	5.7	230	65.8	6.3	350	6.1
North West	197	31.7	9.5	424	68.3	11.7	621	10.9
North East	45	35.1	2.2	83	64.9	2.3	129	2.3
Wales	42	26.6	2.0	117	73.4	3.2	159	2.8
Abroad (incl NI and Scotland)	27	38.6	1.3	43	61.4	1.2	70	1.2
Total	2,081	36.4	100.0	3,638	63.6	100.0	5,719	100.0

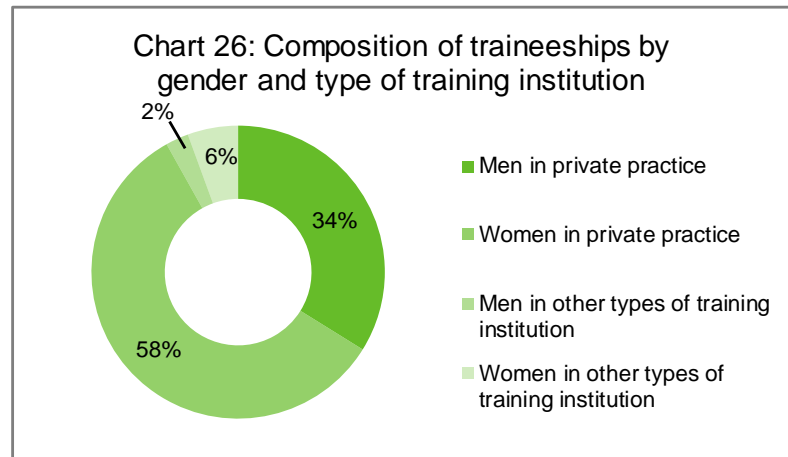
* The City of London is defined as postcodes EC1-EC4 and a handful of firms undertaking financial, commercial and corporate practice who previously undertook such practice inside the City.

Private practice continued as home to the vast majority of new trainees, with 4% entering other commercial organisations

Table 6.3 (formerly Table 8.10): Trainee placements in 2016-17 analysed by category of employment of training institution

	Male		Female		Total	
	No.	%	No.	%	No.	%
Private practice	1,936	93.0	3,319	91.2	5,255	91.9
Commerce and industry	83	4.0	149	4.1	232	4.1
Government department	12	0.6	28	0.8	40	0.7
Local Government	17	0.8	77	2.1	94	1.6
Court	1	0.1	6	0.2	7	0.1
Crown Prosecution Service	4	0.2	5	0.1	9	0.2
Advice service	5	0.3	9	0.2	14	0.2
Other	23	1.1	44	1.2	68	1.2
Total	2,081	100.0	3,638	100.0	5,719	100.0

- Private practice institutions were still far and away home to the largest proportion of trainees registered in 2016-17.
- At 91.9%, the proportion entering private practice was a shade down on 2015-16 as other types of organisations took a handful more individuals. Local Government posted the single largest increase with 20 more trainees than a year earlier.

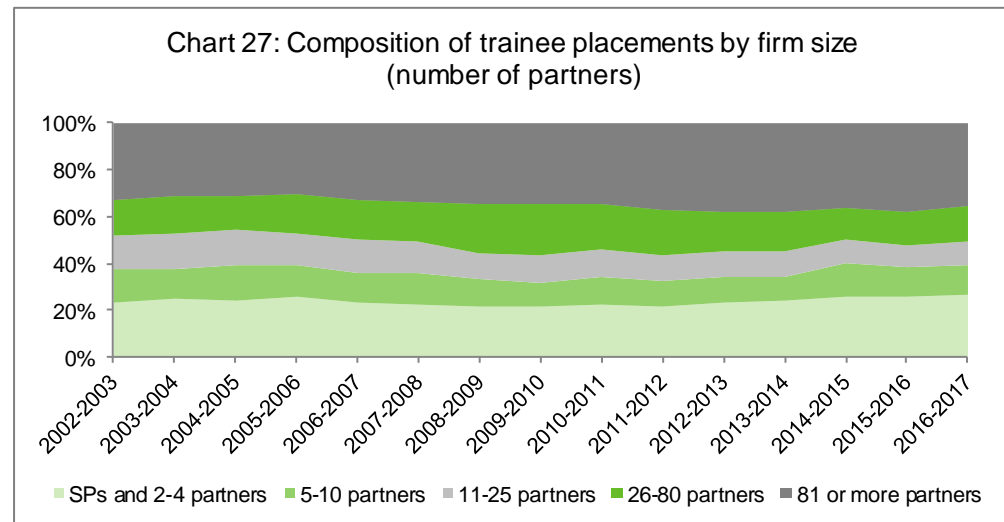


The largest firms (81+ partners) continued to take the greatest share of trainees (36%) but provided 127 fewer places than 2015-16

- There was a modest reduction in the proportion of new trainees taken by the largest (81+ partner) firms in 2017. Firms in all other size-bands took on slightly greater shares of trainees than a year earlier.
- Firms with 26-80 partners saw the largest increase in trainee registrations – offering 38 more training places compared to 2016.
- Since 2002-03 there has been relatively little movement in the shares of trainees taken by firms of different sizes. Mid-sized (11-25 partner) firms have reduced their share by 4%, while proportions in the smallest and largest firms both rose 3% over the period.

Table 6.4 (formerly Table 8.11): Trainee placements in 2016-17 analysed by size of private practice firm in which the trainee is registered

Size of firm	Male		Female		Total	
	No.	%	No.	%	No.	%
Sole	147	7.6	248	7.5	394	7.5
2-4 partners	309	16.0	681	20.5	990	18.8
5-10 partners	193	10.0	481	14.5	673	12.8
11-25 partners	171	8.8	354	10.7	525	10.0
26-80 partners	301	15.6	495	14.9	796	15.1
81+ partners	815	42.1	1,061	32.0	1,877	35.7
Total	1,936	100.0	3,319	100.0	5,255	100.0



Part 2: Development and entry of new solicitors to the market

1. Solicitors on the Roll
2. Practising certificate holders: profile
3. Organisations employing PC holders
4. PC holders in private practice
5. Undergraduates and graduates in law
6. Traineeships
7. Admission to the Roll

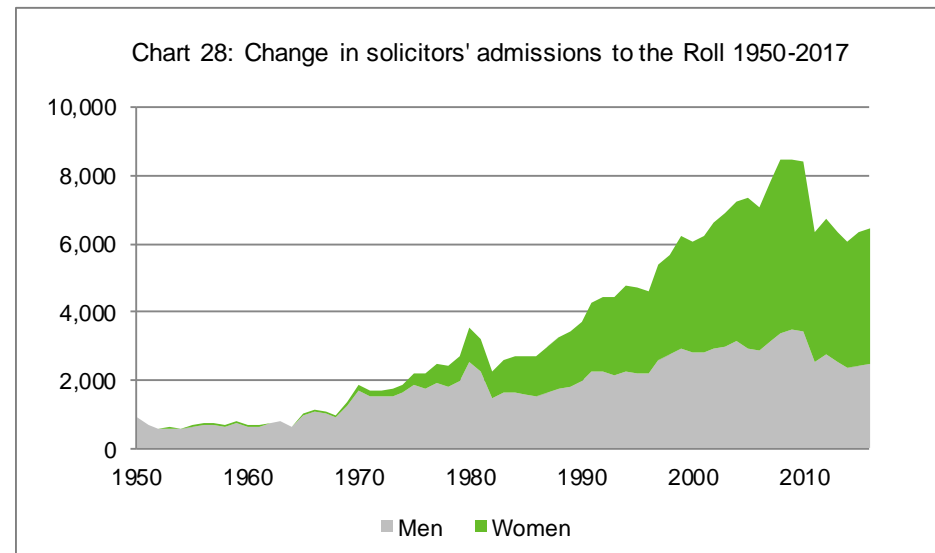
Representing, promoting and supporting solicitors

New admissions to the Roll increased by 2% on 2015-16, with record numbers of women admitted

- The number of Roll admissions increased for the second consecutive year in the 12 months to 31 July 2017 – to 6,478 from 6,346 in 2015-16.
- The 2016-17 total was the second highest since 2010-11, following which a substantial drop in admissions resulted from lower uptake of a new scheme for overseas lawyers to qualify as solicitors in England and Wales (the Qualified Lawyers Transfer Scheme).
- In 2016-17 the share of women amongst newly admitted solicitors rose for the fourth year in a row to a new record of 61.6%. This led to female practising solicitors outnumbering men overall for the first time.
- It is no longer viable to report ethnicity information for those admitted to the Roll since this was available for only 31% of individuals admitted in 2016-17.

Table 7.1 (formerly Table 9.3): Men and women admitted to the Roll 2006-07 to 2016-17

Year	Male	%	Female	%	Total
2006-2007	2,900	40.1	4,323	59.9	7,223
2016-2017	2,487	38.4	3,991	61.6	6,478
% change					
2016-17 over					
2006-07	-14.2		-7.7		-10.3



The average age of admission crept slightly higher due to more men over the age of 30 qualifying as solicitors

Table 7.2 (formerly Table 9.4): The age distribution of solicitors admitted to the Roll 2016-17

Age	Male		Female		All admissions		Cumul. %
	No.	%	No.	%	No.	%	
23	2	0.1	5	0.1	7	0.1	0.1
24	45	1.8	63	1.6	108	1.7	1.8
25	244	9.8	392	9.8	636	9.8	11.6
26	349	14.0	612	15.3	961	14.8	26.4
27	369	14.8	695	17.4	1,064	16.4	42.9
28	311	12.5	574	14.4	885	13.7	56.5
29	269	10.8	375	9.4	644	9.9	66.5
30-34	549	22.1	889	22.3	1,438	22.2	88.7
35-39	183	7.4	229	5.7	412	6.4	95.0
40-44	71	2.9	83	2.1	154	2.4	97.4
45-49	49	2.0	46	1.2	95	1.5	98.9
50-54	29	1.2	22	0.6	51	0.8	99.6
55 and over	17	0.7	5	0.1	22	0.3	100.0
Total known	2,487	100.0	3,990	100.0	6,477	100.0	
Unknown	0	0.0	1	0.0	1	0.0	
Grand total	2,487	100.0	3,991	100.0	6,478	100.0	100.0
Average age	30.0		29.2		29.5		

The 2017 growth in Roll admissions was underpinned by a modest increase in overseas transfers...

- The proportion of new entrants to the profession who graduated from home universities and colleges dipped slightly for the second year in a row to 85.5%, from 86.5% in 2015-16
- Previously, data allowed the separation of all direct entrants between law and non-law graduates. A change to the way data are recorded by the SRA means this is no longer possible.
- There were 129 more transfers into the profession by overseas lawyers in 2017 than a year earlier – accounting for the vast majority of the overall increase in admissions.

Table 7.3 (formerly Table 9.5): The routes to admission to the Roll in 2016-17*

	Male		Female		All admissions	
	No.	%	No.	%	No.	%
Direct entry:						
Law degree	298	12.0	621	15.6	919	14.2
Non-law degree	131	5.3	209	5.2	340	5.2
LPC (law / non-law degree not specified)	1,655	66.5	2,630	65.9	4,285	66.1
Total direct entry	2,084	83.8	3,460	86.7	5,544	85.6
Entry by transfer:						
Overseas lawyer	323	13.0	338	8.5	661	10.2
Barristers	5	0.2	7	0.2	12	0.2
ILEX routes	54	2.2	164	4.1	218	3.4
Total transfers	382	15.4	509	12.8	891	13.8
Route unknown	21	0.8	22	0.6	43	0.7
All admissions	2,487	100.0	3,991	100.0	6,478	100.0
%	38.4		61.6		100.0	

* Of direct entries, those taking non-law degrees undertake a one-year conversion course prior to enrolling on the Legal Practice Course, before registering as trainees. Overseas lawyers are required to undertake the Qualified Lawyers Transfer Scheme (which in 2011 fully replaced the Qualified Lawyers Transfer Test) in order to be admitted to the Roll in England and Wales. The same is true for Barristers in England and Wales included in the above table.

...who were almost a year older on average compared with 2016

- The average ages of male and female direct entrants (with law or non-law degrees from the UK) were identical to those recorded in 2016. On average, these direct entrants are almost five years younger than those transferring into the profession via other routes.
- The relatively small number of barristers transferring into the profession again were the oldest group to be admitted, on average.
- Barrister transferees are now required to undertake the Qualified Lawyers Transfer Scheme to gain admission, and only after completing their pupillage to be authorised to practise as a barrister.

Table 7.4 (formerly Table 9.7): Average age on admission to the Roll, by route to admission and gender, in 2016-17

	Male		Female		Total	
	No.	Average age	No.	Average age	No.	Average age
Direct entry:						
Law degree	298	31.6	621	30.8	919	31.1
Non-law degree	131	33.9	209	32.9	340	33.3
LPC (law / non-law degree not specified)	1,655	28.1	2,630	27.7	4,285	27.8
Total direct entry	2,084	29.0	3,460	28.6	5,544	28.7
Entry by transfer:						
Overseas lawyer	323	35.5	338	33.5	661	34.5
Barristers	5	41.0	7	34.4	12	37.3
ILEX routes	54	33.1	164	32.0	218	32.3
Total transfers	382	34.7	509	32.9	891	33.7
Route unknown	21	34.4	22	32.6	43	33.5
All admissions	2,487	30.0	3,991	29.2	6,478	29.5
%	38.4		61.6		100.0	

Appendices

- Appendix A: Data sources and representativeness
- Appendix B: Glossary of key terms
- The Law Society Research Unit and acknowledgements

Appendix A: Data sources and representativeness

The main source used for this report was the Law Society Group's Management Information databases maintained by the Solicitors Regulation Authority at its offices in Birmingham. Historically these databases have contained records of all solicitors at all stages in their careers, from initial enrolment as a student through to admission to the Roll on qualification and thereafter.

The REGIS database is being decommissioned and new management information systems have been established to act as a hub for data sourced from solicitors and firms. However, as processes for registering information about solicitors and routes for entry into the profession have changed, new systems for recording and managing their data have been introduced.

The changes to systems for recording and managing data have necessitated collaboration between the Law Society Research Unit and Business Intelligence (BI) team at the SRA in order to ensure that information is reported appropriately. Historically, production of ASR figures from source databases was undertaken by a third party, whereas from 2014 the report uses data sourced with the help of the SRA BI team with tables

generated directly by the Law Society's Research Unit. Systematic checks have been undertaken to ensure consistency in the data presented between the 2014 and 2015 reports, and previous reports that contained figures produced from databases by a third party.

The ASR reports provide snapshots of the profession as at 31 July each year for post entry details provided through the annual renewal and registration processes, or for the twelve months up to 31 July for pre-entry information (historically processed on an ongoing basis and with some lags). Pre-entry data on student enrolments prior to individuals taking the Legal Practice Course have been presented in previous reports but are absent from 2014 since these data are no longer collected by the SRA.

This report also draws on the Universities and Colleges Admissions Service (UCAS) used by universities to provide information on applications, acceptances and graduates in law; and data from the Higher Education Statistics Agency (HESA) for information on the number of law graduates and their achieved grades. References to all of the non-Law Society Group database sources used are given throughout the report.

Appendix B: Glossary of key terms

Admitted staff Staff who are solicitors on the Roll but may or may not currently hold a practising certificate.

Alternative Business Structure An Alternative Business Structure (ABS) is a Licensed body, a firm where a non-lawyer is a manager of the firm, or has an ownership-type interest in the firm (a non-lawyer is a person who is not authorised under the Legal Services Act 2007 to carry out reserved legal activities). A firm may also be an ABS where another body is a manager of the firm, or has an ownership-type interest in the firm and at least 10 per cent of that body is controlled by non-lawyers. For further information on ABSs refer to www.lawsociety.org.uk/advice/practice-notes/alternative-business-structures/

Associate See 'Position in firm'.

Barrister A barrister is a member of the Bar: the branch of the legal profession which has rights of audience before all Courts. Barristers are trained for, and specialise in, courtroom advocacy. Since 1994 solicitors have been allowed to apply for rights of audience (see below). For information on Barristers refer to www.barcouncil.org.uk

Equity partner See 'Position in firm'.

Ethnicity Where used in the Annual Statistics Report this refers to cultural groups of various kinds. The classification used in the ASR is determined by the nature of the data available on the Law Society Group databases, which, in turn, reflects changing approaches to collecting this data over time. The classifications do not refer to the international or national citizenship status of individuals. For further information on anti-racist language refer to the British Sociological Association online guidelines at www.britsoc.co.uk.

Fee-earner A member of staff who earns fees (e.g. a solicitor, legal executive, paralegal, licensed conveyancer). 'Non-fee earning' refers to a member of staff who does not earn fees (e.g. secretaries, administrative staff and other support staff etc).

Fellow of the Institute of Legal Executives (FILEX) is a title given to those members of ILEX who have fulfilled the requirement of 5 years' qualifying employment, with the final 2 years gained after achieving ILEX or Legal Practice Course/Bar Professional Training Course (LPC/BPTC) qualification. Fellows can be employed in law firms or in-house as legal executives.

Incorporated practice See 'Practice type'.

Appendix B: Glossary of key terms

Justices' clerk See 'Professional legal roles'.

Lawyer A lawyer is often used loosely as a term for a member of the legal profession who will have obtained legal qualifications relating to one or more jurisdiction. A person describing themselves as a lawyer may or may not also be a solicitor and likewise may or may not be a registered European lawyer (see Registered European lawyers below). (Also see the term 'Non-registered European Lawyer' below).

The 'SRA Handbook' (2014) includes the following in its definition of 'lawyer':

Overseas Lawyer: This term refers to a lawyer who works overseas from the jurisdiction to which their legal qualifications relate. For instance, the term refers to a lawyer who has qualified overseas from England and Wales and may or may not have the requirements to become registered as a 'Registered Foreign Lawyer' (RFL) or 'Registered European Lawyer' (REL). The term 'Non-registered European Lawyer' in some cases may describe an overseas lawyer.

Registered European lawyers (RELS): An EU lawyer who is an EU national and is not a solicitor, barrister or advocate of any part of the UK, and who wishes to practise on a permanent basis in the UK,

must register with one of the UK Bars or SRA. This is required by the Establishment of Lawyers Directive 98/5/EC. A REL is an EU lawyer who is registered with the SRA under the Directive. Once registered, the REL becomes subject to the same rules as solicitors.

Registered foreign lawyers (RFLs): A RFL is a foreign lawyer registered with the SRA under section 89 of the Courts and Legal Solicitors Act 1990 in order to be permitted to enter into partnership (or an incorporated practice) with solicitors or RELs.

Non-registered European lawyer: A lawyer of a legal profession covered by the Establishment Directive who is based in the EU but outside England and Wales, and is not: a solicitor, a REL or an RFL, or an advocate or barrister of the UK or the Irish Republic.

Legal executive is a fellow of ILEX who is a fee-earner in a law firm or in-house but not a solicitor, who has the option of becoming one and is usually exempt from the training contract element if they chose to qualify as a solicitor.

Licensed body Licensable bodies defined by section 72 of the Legal Services Act 2007.

Appendix B: Glossary of key terms

Limited liability partnership (LLP) See 'Practice type'.

Locum services These are businesses that act as agencies supplying admitted staff or paralegals on a contract or temporary basis.

Magistrate See 'Professional legal roles'.

Paralegal A paralegal is not a lawyer and is a legal assistant who: is qualified through education in legal studies, training and/or work experience in a law environment; is employed or retained by a solicitor in private practice, law office, corporate or in-house solicitor, government agency or other entity; works under the ultimate direction and supervision of a solicitor; and performs substantive legal work (this is work requiring sufficient legal knowledge that, without the assistance of a paralegal, it would be performed by a solicitor).

Participation rate The participation rate is the percentage of solicitors on the Roll holding practising certificates.

Partner See 'Position in firm'.

Permitted partnerships See 'Practice type'.

Position in firm:

Principal: A Principal may either be a partner, sole practitioner or a partner equivalent (such as a director or shareholder of limited company or a limited liability partnership).

Sole practitioner: A sole practitioner is the owner or sole principal of an entity with one owner.

Partner: A partner is a member in a partnership recognised in law. Partnership is controlled by the Partnership Act 1890, an essential condition of which is that a partnership is assumed to exist whenever the members of a business share profit whether or not the sharing of profit is on an equal basis. A partnership is regulated by an agreement which sets out the duties and responsibilities of the partners during the subsistence of the partnership and also upon its dissolution.

Equity partner: An equity partner receives their contractually agreed share of the profits but also has a residual claim on profits from the firm's interests such as property (in this report members of LLPs, directors and shareholders of limited companies are referred to as 'partner equivalents').

Appendix B: Glossary of key terms

Salaried partner: A salaried partner receives a salary and through a contractual agreement a share of profits.

Associate: A term used in some firms to denote solicitors who are not at partnership level but are more senior than an assistant solicitor. However, the distinction between associates and assistants is not always straightforward, and use of the 'Associate' and 'Assistant' titles can depend on the types of firms that solicitors with similar levels of experience work at (use of Associate is generally more common at larger, City, firms for example).

Practice type:

Private practice: This term distinguishes the private sector law practice organisations from other sectors which employ in-house solicitors. There are various categories of the private practice business type and these are separate legal entities; for instance partnerships, limited companies, limited liability partnerships, foreign law practices.

Other types of business categories for organisations employing in-house solicitors include: commerce and industry; government (government department, local

government, court, government-funded services and crown prosecution service); and other (advice service, educational establishment and advocacy services, churches trade unions, health service, charities and non SRA-regulated firms). For further information on companies visit www.companieshouse.gov.uk

Permitted partnerships: In an ordinary partnership there is no separation between the business and the partners. Partners are jointly and severally liable for any debts of a partnership. As there is no separation between the business and the partners, creditors can claim a partner's personal assets to pay off any debts – even those debts caused by other partners. Therefore, when a partnership fails, partners have no protection from creditors.

Incorporated practice: A practice or part of a practice incorporated as a company (generally a limited company). By law and under professional rules, a company can only provide the service of solicitors to the public if it is a 'recognised body' under the Administration of Justice Act 1985 (AJA). Under professional rules, a company can only provide the services of registered European lawyers (REs) to the public if it is a 'recognised body'. Solicitors and REs

Appendix B: Glossary of key terms

can also practise through a limited liability partnership (LLP), which is another type of body corporate, and which must also be a 'recognised body'. The 'SRA Handbook' (2014) contains the requirements for recognition, and the application procedure.

Limited Liability Partnership: Despite the name 'limited liability partnership' an LLP is not a partnership. An LLP has members, not partners; partnership law does not apply to an LLP because it is a corporate body. It is incorporated by registration with the Registrar of Companies in England and Wales under the Limited Liability Partnerships Act 2000. Although it is a body corporate, an LLP is not a company.

Practising certificate holders 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. For further information on requirements to have a practising certificate consult with the 'SRA Handbook' (2014).

Principal See 'Position in firm'.

Private practice See 'Practice type'.

Professional legal roles:

Justices' clerk: A qualified principal legal adviser to a magistrate. For more information visit <http://www.jc-society.co.uk/>

Magistrate: There are two forms of recognised magistrates: Justices of the Peace (JPs) and District Judges (Stipendiary magistrates). Stipendiary magistrates are legally qualified and salaried. A JP is a lay magistrate — person appointed to administer judicial business in a Magistrates Court. A JP may also sit in the Crown Court with a judge or recorder to hear appeals and committals for sentence.

Qualified Lawyer Transfer Scheme (QLTS) Refer to chapter 6 for admissions to the Roll by transfer. Overseas lawyers are required to pass the QLTS to be admitted to the Roll.

Recognised body A body corporate recognised by the Solicitors Regulation Authority under section 9 of the Administration of Justice Act 1985 as suitable to undertake the provision of professional services such as are provided by individuals practising as solicitors or lawyers of other jurisdictions.

Appendix B: Glossary of key terms

Recognised Sole Practice A solicitor or REL authorised by the SRA.

Salaried partner See 'Position in firm'.

Sole practitioner See 'Position in firm'.

Solicitors on the Roll To become a solicitor one must have obtained the required legal qualifications to be admitted to the Roll. There are two distinct routes to admission to the Roll: a direct route, followed by completing the required educational and vocational training, and the transfer route, which includes transfers from other legal professions (see Chapter 7).

Under the Solicitors Act 1974, the SRA is required to maintain records of all qualified solicitors on the Roll.

There is a number of reasons why figures for solicitors on the Roll are higher than the numbers of solicitors with practising certificates. Non PC holders on the Roll include: solicitors who are 'non-practising' and who choose not to renew their practising certificate; retired solicitors who have chosen not to remove their name from the Roll; and solicitors who are employed by organisations where they are not practising as a solicitor do not require a PC to perform their legal or other functions (e.g. in an academic context such as a

lecturer), or where solicitors are exempt from the PC requirement such as in government.

Traineeship 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 two years before gaining admission to the Roll. The trainee is assigned to a training establishment, a firm or organisation registered with the SRA as fulfilling the requirements to provide recognised training and a training contract is drawn up.

The Law Society Research Unit and acknowledgements

This report has been prepared by Steve King and Joanne Cox of the Law Society's Research Unit. Thanks are also due to Edward Self of the SRA BI team for assistance in supplying and providing support on the data, and to UCAS and HESA for supplying data used in Chapter 5.

The Research Unit designs, conducts and commissions research and analysis in order to provide information about the legal services market to solicitors and evidence to underpin the Law Society's strategy and policy development. As such, the Unit helps the Council of the Law Society to assess the changing nature of the profession, and respond to those changes in an informed way.

The Research Unit has published reports on the shape, nature and size of the profession, as well as particular issues within legal service provision, public perceptions of solicitors, the work and organisation of the solicitors' profession, entry to the profession, how solicitors manage their practices, and comparisons with legal professions based in other jurisdictions.

For general enquiries, research information or other publications, please contact:

EnquiriesSRU@lawsociety.org.uk

Research outputs can be found at:

<http://www.lawsociety.org.uk/support-services/research-trends/>

All rights reserved. No part of this publication may be reproduced in any material form, whether by photocopying, scanning, downloading onto computer or otherwise without the written permission of the Law Society except in accordance with the provisions of the Copyright, Designs and Patents Act 1988. Applications should be addressed in the first instance, in writing, to the Publications Department of the Law Society. Any unauthorised or restricted act in relation to this publication may result in civil proceedings and/or criminal prosecution.

Representing, promoting and supporting solicitors