

# **JLD Policy Priorities 2015**

The Junior Lawyers Division February 2015





# Introduction

The Junior Lawyers Division (the "**JLD**") is a division of the Law Society of England and Wales with an independent voice. With a membership of approximately 75,000, we represent LPC students, LPC graduates, trainee solicitors, and solicitors up to five years qualified.

This document outlines the following policy issues that the JLD Executive Committee is currently addressing in 2015. Broadly, our policies come under three headings:

#### ACCESS TO THE PROFESSION

- > The Legal Practice Course
- Legal Education and Training Review (LETR)
- Work Experience and Internships
- Minimum salary for trainees
- Paralegals

#### ACCESS TO JUSTICE

- ➤ Legal Aid Cuts
- Court Fee Rises

#### MEMBERSHIP ADVICE, ENGAGEMENT AND REPRESENTATION

- Mental Health & Wellbeing
- > NQ 5 years PQE
- ➤ Events
- SRA Consultations

The JLD changes its focus as necessary throughout the year to react to prevailing issues and market forces (and, when we do so, we endeavor to keep our members up to date through our newsletters and on our website).

# ACCESS TO THE PROFESSION

Access to the profession should be based on merit, and not on any other factor. The JLD campaigns for equality of access to ensure that those capable of qualification are able to compete.

However, money can be a large factor in qualifying as a solicitor. Nowadays, the cost of going to university (and the additional LPC expenditure) may deter many suitable and capable candidates from entering the profession simply because they are unable to incur the financial risk.

The JLDs commitment to this end is pervasive in many of our policies.

### > Work Experience and Internships

Unfortunately, the age-old criticism of 'it is not what you know, but who you know' still remains a live one, even in 2015. Vacation schemes and internships are, in many firms, offered only to children of clients, friends or partners. Statistically, those candidates from minority backgrounds also tend to fall into this bracket. It is the JLD's vision that the profession remain diverse in all areas to include all minority sectors and those from varying socio-economic backgrounds. There are other factors which also prevent such diversity such as the minimum salary debate, which will be considered in further detail, below.

In 2015, we are seeking to address the results of the <u>2014 Early Work Experience</u> <u>Survey</u>. Of 650+ respondents, 23% had undertaken at least six months unpaid work experience in the hope it would advance their career in law (with 3% in excess of two years). We have already begun discussions with our committee of regional representatives on this issue, and will be seeking a Law Society Practice Note on work experience recruitment.

#### Legal Practice Course - Fees

With rises in tuition fees and fewer firms funding (or reimbursing) LPC fees, the cost of completing the academic stages to qualification has never been greater. The rise in course fees have not been matched by increases in trainee salaries. In fact, the opposite could be said as August 2014 saw the abolition of the trainee minimum salary (discussed in more detail below). It is imperative that the profession remains an open and viable option to those from all backgrounds and not affordable only to those lucky enough to receive financial assistance from their family.



New university courses are slowly emerging whereby students can gain their LLB and LPC all in one. This allows students to utilise their undergraduate student finance to fund their LPC, meaning that repayment is salary contingent unlike the standard commercial loans that burden so many LPC graduates. The JLD would like to see these 'all in one' style courses become more widespread and better acknowledged by the profession.

In addition, the 2014 Autumn Statement introduced income-contingent student loans for Postgraduate Taught Masters Programmes. These loans will be repayable in a similar manner to the undergraduate student loans. See this article from Charlotte Parkinson, JLD Executive Committee member, who assesses whether these loans may be available for LPC students from 2016.

### Legal Practice Course - Numbers

The JLD is concerned that, with the increasing number of institutions providing the course and entry levels being lowered, people are unable obtain training contracts after incurring this expense. Statistics often do not accurately reflect the difficulty of securing a training contract. There should be proper guidance provided to students about the likelihood of successfully obtaining a training contract before they commence the LPC. We are pushing LPC providers in this regard.

In the period between 1 July 2013 an 30 June 2014, 5,097 training contracts were registered. The year before that, 5,299 training contracts were registered. This was a 4% decrease. The number of individuals graduating from the LPC slightly increased in this period from 6,036 individuals to 6,171 individuals. However, the reality is that there is a backlog of LPC graduates looking for a training contract, and therefore the numbers are more uneven than they appear.

The JLD is seeking to educate students of these difficulties during their law degree. We are also exploring working with schools and careers advisory services in order to ensure that students are making an informed decision when pursuing a career in law.

#### Legal Practice Course - Fit For Purpose?

There have been suggestions that the LPC does not adequately prepare graduates for a training contract. The JLD has responded to various consultations to the SRA in relation to this (*see Legal Education and Training Review*).

Since July 2014, LPC students have been able to start a full time training contract at the same time as undertaking their LPC (which we presume would be taken during evenings and weekends). It will be interesting to see if firms respond to this. On the one hand, this would assist with students who would otherwise be in great debt. On

the other hand, this appears to make the LPC surplus to requirements, and we would expect it would ultimately be heavily reformed, if not abolished altogether.

It is expected that in 2015 or 2016, the SRA will look at making fundamental reforms to the LPC as part of the Legal Education and Training Review (*please see below*), and the JLD will ensure that it is part of this discussion.

### > Legal Education and Training Review

The Legal Education and Training Review (LETR) is a joint project of the Solicitors Regulation Authority, the Bar Standards Board and ILEX Professional Standards. It constitutes a fundamental, evidence-based review of education and training requirements across regulated and non-regulated legal services in England and Wales.

In June 2013, the Final Report of the LETR independent research team was published. You can find the full report <u>here</u>. This has been, and will continue to be, followed by several consultation papers from the SRA to address the issues addressed in the report.

The early consultations of the LETR have lead to the introduction of "equivalent means qualification". Full guidance is yet to be released, but, in short, this route to qualification will enable LPC students who have paralegalled for a certain period of time to qualify as a solicitor if they can prove they have done the "equivalent" to a training contract.

With the assistance of our national committee, the JLD Executive Committee has continued to respond to consultation papers relevant to our members. We therefore encourage all of our members to get involved - either directly or through their local JLD group.

In early 2015, we drafted a response to the SRA's "Competence Statement" consultation, which - if implemented - will significantly alter the criteria solicitors are assessed upon at the point of qualification, and throughout our professional lives. You can read the JLD's response to that consultation here.

#### > Minimum salary for trainee solicitors

In August 2014, the SRA abolished the minimum salary for trainee solicitors.

The JLD believes the removal of the minimum salary of trainees is contrary to the pervasive policy of improving diversity within the profession.

The removal of the minimum salary could lead to those from a lower socio economic background being discouraged from pursuing a career in law. Students who take a loan to fund the LPC will most likely be required to make repayments throughout their



training contract. Without a minimum salary being guaranteed to trainees, these repayments could make a career in law unaffordable. As a result, diversity within the profession will be limited by the background of the individual and not on their abilities.

In response to the SRA's original proposals in 2012, the JLD fought a long and high profile media campaign. However, after consultation, the SRA proposed that the number of training contracts would actually increase. Further, the SRA did not believe that regulation of a minimum salary for trainee solicitors came under its renewed regulatory focus.

The JLD continually seeks case studies which can be provided on an anonymous basis from individuals who have been affected by the SRA's removal of the trainee minimum salary.

The JLD conducted a poll in January 2013, asking: "is the SRA's decision to abolish the minimum salary for trainees as of 2014 already affecting your career and job prospects?" 68 per cent voted yes and this percentage is highly likely to have increased since this poll was taken especially given that the abolition has now taken effect. Importantly, the JLD needs to know how and why this is affecting you - so please get in touch.

In the meantime the JLD is seeking a **Law Society** *recommended* minimum salary (it would not be enforceable, but would constitute good practice within the legal profession, taking the living wage and LPC fees into account). We have anecdotal evidence from abroad that this does make a difference in practice. This has been widely reported in the media, including in the Law Society Gazette <u>here</u>.

The JLD has put forward a recommended salary figure and the Law Society are currently consulting with its membership by way of survey.

#### > Paralegals

As the numbers of LPC graduates without training contracts annually increase, graduates need to stay in the legal profession to gain experience whilst trying to secure a training contact. This is usually achieved by taking up a paralegal position. Given the available pool of talent, law firms can also be demanding of paralegals.

In an open, competitive market over-supplied with graduates desperate for any legal work, a situation rife for exploitation is created. This is an unfortunate reality and the JLD has anecdotally heard paralegals having to work for free despite being burdened with debt, under the guise of 'work experience'. At the end of this period they are replaced on the conveyor belt by another two month work experience LPC graduate.

Along with the uncertainty of employment or salary, many paralegals are taken on the proviso that they will be first in line when an opportunity for a training contract arises. Again, we have heard of paralegals who have been waiting years on a promise that never materialises.



As well as the problems that paralegals face in terms of exploitation, the JLD is also concerned about the protection for clients. There is a clear disparity over the use of paralegals and exactly what work they should be undertaking. The JLD is aware of instances where paralegals are being given tasks that may be beyond their knowledge and/or experience. As paralegals remain unregulated there is little recourse for clients who perhaps receive a less than satisfactory service due to an overburdened paralegal "getting it wrong".

For those paralegals that make it to the Training Contract stage there then lies the problem of "time to count". Many paralegals are unaware of how this scheme operates and what they need to do in order to take advantage of it.

With an increase in the number of LPC graduates, no regulation, minimum salary or maximum term before an offer of a training contract has to be made, the exploited paralegal is unfortunately becoming more and more common within our profession.

A new route to qualification ("equivalent means") was introduced in mid-2014. As described above, this route to qualification will enable LPC students who have paralegalled for a certain period of time to qualify as a solicitor if they can prove they have done the "equivalent" to a training contract.

The JLD is using opportunities to raise awareness and to consider the difficulties facing paralegals within the profession, and is continually seeking for guidance on "equivalent means" qualification to be produced.

# ACCESS TO JUSTICE

Access to justice is essential to our society. Indeed, the country celebrates the 800th anniversary of the Magna Carta this year, which is the one of the greatest historical commitments to equal access to justice. Recent government actions are severely threatening this basic right. The Law Society, the JLD and so many other organisations are fighting hard to ensure that access to justice is maintained for all, and opposes both the recent legal aid cuts and the proposals to increase court fees. The JLD works closely with and supports the Young Legal Aid Lawyers group on these matters.

### > Legal Aid Cuts

The JLD firmly opposes the government's cuts to criminal and civil legal aid and its on-going proposals in this regard. The Executive Committee of the JLD has previously responded to the government consultations on behalf of JLD members confirming our opposition to previous cuts to legal aid. The JLD also has supported, and continues to support, the Save Legal Aid campaign of the Young Legal Aid Lawyers.

The Government recently announced its intention to press ahead with plans to dramatically reduce the number of legal aid contracts allowing criminal defence firms to represent suspects in the police station, while also cutting fees by a further 8.75%. These changes are likely to lead to the closure of many criminal defence firms, while making it ever more difficult for new and aspiring lawyers, particularly those from less well-off backgrounds, to sustain a career in this sector.

The cuts will take choice away from people in police stations who need a lawyer. It has been voiced across the profession that quality of advice and access to justice will be eroded. There are further concerns that, in future, junior lawyers will avoid criminal law and therefore the ongoing quality of criminal law will reduce.

The Law Society were successful in applying for judicial review of the tender process and a hearing took place in January 2015. There was also a successful application for interim relief meaning that the tender process has been suspended until the judgment for the judicial review is received.

The JLD conitunes to support the efforts made to opposed the various legal aid cuts and will respond to all relevant consultations.

The JLD also encourages members to get involved and sign up to the Justice Alliance petition (<u>link</u>). For more information on the campaigns supported by the JLD, please see the YLAL Website for their latest news.



#### > Court Fee Increases

The JLD is deeply concerned by the governments recent proposal to increase court fees by as much as 600%. Fees for issuing money claims worth more than £10,000 may be increased to "5% of the sum claimed", subject to a maximum fee of £10,000. For claims of £200,000, this amounts to an increase of £8,725.

The JLD is again concerned that these proposals will negatively impact access to justice, and is likely to disproportionately affect small and medium enterprises and litigants in person. The JLD endorses the criticism of the Lord Chief Justice, and the civil justice council, against these court fee increases.



## MEMBERSHIP ADVICE, ENGAGEMENT AND REPRESENTATION

#### > Mental Health & Wellbeing

The JLD is aware of the high levels of stress being put on some of our membership - including, but by no means limited to, city firms - and in particular the incredibly long hours junior lawyers are sometimes (or, in other cases, often) required to work.

Having been in contact with LawCare, we understand that 41% of their callers in 2013 were either trainee solicitors or solicitors up to five years qualified. 86% of all callers identified they were stressed.

There are some firms who we see are taking positive steps towards promoting a healthy work/life balance. These firms are taking an active approach in organising social events, setting up sports teams, and organising weekly work reports to ensure staff are not being over-worked. However, in other firms, there is still a lot to be done and stress management can often be viewed as a 'box ticking' exercise.

The JLD are currently working on a programme to provide guidance and assistance to junior lawyers, trainees, and paralegals who are suffering from stress. The JLD recognises that there may be different causes of stress depending on whether somebody is working in the city or the regions and depending on the size of the firm in question. As such the JLD are currently looking at programmes that can help to identify the various different triggers for people and provide management solutions to all.

The JLD recognises the importance of looking at how other professions deal with stress management to see if we can learn from them and, if appropriate, work in conjunction with them.

Unfortuantely, there remains a stigma attached to stress and as such many people feel that they cannot be open about how they are feeling. The JLD seeks, through various planned initiatives, to help reduce this stigma and give people avenues to pursue if they are struggling.

#### > NQ - 5 Years PQE

Moving into the job market as a newly qualified solicitor is extremely stressful, particularly when you do not know how your standard of training measures up with other candidates. What makes the process even more difficult for the newly qualified is missing valuable employment opportunities due to finding out too late that the firm does not have a role for them. In order to minimise this pressure, the JLD is campaigning for the introduction of a "best practice" recommendation that firms



should give trainees no less than 3 months' notice (prior to the conclusion of their training contract) as to whether or not they are being retained.

The JLD provides two "Junior Lawyer Forums" each year (one in London and one outside of London - this was in Manchester in 2015), which aims to equip our members who are approaching qualification with relevant skills (and indeed members who are already qualified).

We also provide ad hoc assistance to our members, including those who are qualified. There has been a growing focus on specialisation, which has led to problems for solicitors aiming to change their own area of practice, and we are often advising our members on this. In 2015, the JLD will be looking to increase the scope of FAQs on the JLD website to provide a wider range of information to our qualified solicitor members.

#### > Events

We hold regular events throughout England and Wales (as do our local JLD groups). Please visit the events page on our website for an up to date calendar of upcoming events.

#### > SRA Consultations

We regularly reply to SRA Consultations on behalf of our members. Please visit the Consultations page on our website.