

**SRA BOARD**

11 March 2015

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**Qualified Lawyers Transfer Scheme (QLTS) - Changes to regulatory arrangements**

**Purpose**

- 1 To seek approval for the proposed regulatory approach to applicants for the QLTS assessment, pending amendment to the Qualified Lawyers Transfer Scheme Regulations 2011.

**Recommendations**

- 2 The Board is asked to:
  - a) approve the proposal not to assess the eligibility of applicants wishing to sit the QLTS assessment, issue certificates of eligibility or require applicants to hold these, for the period of 9 February 2015 to 31 October 2015, pending amendment to the Qualified Lawyers Transfer Scheme Regulations 2011 to remove these requirements from November 2015; and
  - b) approve the non collection of fees amounting to £80k which has been forecast to be collected during this period.

**If you have any questions about this paper please contact: Richard Collins, Executive Director, [Richard.Collins@sra.org.uk](mailto:Richard.Collins@sra.org.uk), 0121 329 6344 or Robert Loughlin, Executive Director of Operations and Quality, [robert.loughlin@sra.org.uk](mailto:robert.loughlin@sra.org.uk), 0121 329 6576**

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### Qualified Lawyers Transfer Scheme (QLTS) - Changes to regulatory arrangements

#### Background

- 3 QLTS is an assessment against the Day One Outcomes for solicitors for lawyers qualified in other jurisdictions and barristers of England and Wales which does not require them to undertake any training prior to seeking admission. Successful completion of the QLTS assessment will entitle the candidate to seek admission subject to meeting character and suitability requirements.
- 4 The Board approved amendments to QLTS at its meeting on 3 December 2014 which were subsequently approved by the Legal Services Board on 9 February. The key change is that we will no longer require lawyers qualified overseas to have a certificate of eligibility to sit the QLTS assessment. The effective date of this change is 1 November 2015.
- 5 The changes were requested to come into force with effect from 1 November due to the operational requirement to implement an IT solution for the regulatory changes and the financial implications linked to the 2014/5 net funding requirement. An operational impact assessment has highlighted that it would be beneficial to implement the changes ahead of the scheduled 1 November timeframe.

#### Operational Impacts

- 6 The key impacts caused by introducing the regulatory changes from 1 November are:
  - Kaplan (which is the sole authorised QLTS assessment provider for the SRA) has set its 2015 dates for the QLTS assessments. The next assessment date is 9 July 2015 with all following dates being after 1 November 2015;
  - the Kaplan assessment is in two parts. Those paying a fee for the first part on 9 July 2015 (Multiple Choice) will not require a certificate of eligibility to sit the second part (Objective Structured Clinical Examination) as the first available date is after 1 November 2015;
  - a certificate of eligibility is not therefore required for new candidates from 10 July 2015;
  - the OneView programme is building an online system for all Authorisation regulatory applications, which includes the QLTS application. The programme has challenging timeframes to enable the online solution to be delivered for 26 May 2015. There is a detrimental impact to the OneView programme as this would mean that the QLTS

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application being built would only be utilised for the period from 26 May to 9 July 2015 (42 days). The view is that this is not an effective use of IT resources that will bring significant business benefits;

- a significant amount of business readiness resource from a range of SRA teams is required to prepare for the OneView go live date in May. This includes Authorisation, which is responsible for the application process; the Business Change Team leading the website and stakeholder engagement communications and process documentation, the OneView project Team currently engaged in testing and Regulations and Education with Policy support. The view is that it would be more effective to focus the business readiness resources on the other regulatory applications that will become an online service; and
- we wish to avoid a situation where applicants may seek a refund of the fee on the basis that the certificate of eligibility will only have a short period of validity.

#### **Financial Implications**

- 7 The forecast net income for the QLTS applications is £80k from March to October 2015.
- 8 Due to the Kaplan preset dates for assessment a refund will be required for all applications received from 10 July 2015 as there are no further assessments available until after 1 November 2015.
- 9 Finance has been consulted and has confirmed that there are no concerns that this financial liability will not be met. They have also reviewed the content of this paper.

#### **Summary**

- 10 We have considered an alternative approach of returning to the Board with a request to make the Handbook changes on 1 April 2015 rather than 1 November 2015. However we still need a period of time to design and implement internal procedures for dealing with applications for exemption and early checks on character and suitability and the period between now and November will provide an opportunity to ensure effective delivery of this change for the SRA.
- 11 Not enforcing the regulation, allows us to implement a temporary manual solution which is both compatible with OneView and reflects the approach adopted when we made changes to the Training Regulations 2014 in July 2014.

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**Recommendation: the Board is asked to:**

- a) approve the proposal not to assess the eligibility of applicants wishing to sit the QLTS assessment, issue certificates of eligibility or require applicants to hold these, for the period of 9 February 2015 to 31 October 2015, pending amendment to the Qualified Lawyers Transfer Scheme Regulations 2011 to remove these requirements from November 2015; and
- b) approve the non collection of fees amounting to £80k which has been forecast to be collected during this period.

**Legal Risks**

- 12 There are no identified legal risks.

**Business / Operational Impact and Risks**

- 13 These are dealt with in paragraph 5 of the paper.

**Consumer Impact**

- 14 This is dealt with in paragraph 5 of the paper.

**Equality and Diversity Considerations**

- 15 There are no adverse equality & diversity impacts. We identified potential positive impacts of this change in that anyone taking career breaks for reasons of maternity or absences from work for reasons related to disability will no longer be adversely affected by the five year restriction currently operating. This positive impact is not affected by this request to implement a change earlier than initially proposed.

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**Supporting information**

**Links to the Strategic Plan and / or Business Plan**

16 Implementing these proposals will supports two of our strategic objectives

- We will improve our operational performance and make fair and justifiable decisions promptly, effectively and efficiently;
- We will work with our stakeholders to improve the quality of services and stakeholder experience when using them.

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