

## **ANNUAL GENERAL MEETING OF THE LAW SOCIETY OF SCOTLAND 2017**

Minute (draft) of the Annual General Meeting of the Law Society of Scotland held on 25 May 2017 at 5:30pm at the Society's Offices at Atria One, 144 Morrison Street, Edinburgh.

Present: Eilidh Wiseman (President), Graham Matthews (Vice President) Christine McLintock (Past President), Alison Atack, Colin Anderson, Simon Brown, Iain Burke, Susan Carter, Andrew Cowan, Ken Dalling, Lauren Fowler, Christopher Fraser, Gwen Haggerty, Alison Hempsey, Emma Horne, Austin Lafferty, Philip Lafferty, Anne Macdonald, Jane MacEachran, David Mair, Liam McCabe, David McClements, Alan McCreadie, Niall McLean, Graeme McWilliams, Amanda Millar, Lorna Millar, John Mulholland, Stuart Naismith, James Ness, Peter Nicholson, Naomi Pryde, John Reid, Sheekha Saha, Brenda Scott, Michael Sheridan, Jim Stephenson, John Sterling, David Storrie, Patricia Thom, Lynda Towers, Lynsey Walker, Adrian Ward MBE, Brian Wood and Philip Yelland.

In attendance: Lorna Jack (Chief Executive), David Cullen (Registrar), Jamie Davidson (Henderson Loggie Auditors) and from time to time other members of the Society's Executive.

Apologies for absence were intimated from: Michael Clancy and Frank Gill.

1.	<p><b><u>WELCOME BY THE PRESIDENT OF THE LAW SOCIETY OF SCOTLAND</u></b></p> <p>Eilidh Wiseman, as the President of the Law Society of Scotland, welcomed all members and guests to the 68<sup>th</sup> Annual General Meeting of the Society.</p>
2.	<p><b><u>HONORARY MEMBERSHIP OF THE SOCIETY – PRESENTATION TO ADRIAN D WARD MBE</u></b></p> <p>The President said that it was a great pleasure for her to commence the meeting with the presentation of Honorary Membership of the Law Society of Scotland to Adrian Douglas Ward MBE.</p> <p>Honorary membership of the Society is not lightly given. Past recipients have included the late Donald Dewar, Winifred Ewing, Lord Mackay of Clashfern (former Lord Chancellor) and Ethel Houston OBE.</p> <p>The President said that she was delighted that so many of Adrian's colleagues and friends were able to attend today's presentation.</p> <p>The President said that Adrian was first enrolled as a Scottish solicitor on 5 October 1967. He was assumed as a partner in the then firm of Turnbull Ward on 1 September 1968 and latterly was a partner in TC Young LLP for three years from 1 September 2012. Adrian may have</p>

“retired” from frontline practice but he continues to act as a consultant and adviser to many clients and organisations both home and abroad.

It is in the field of Mental Health and Incapacity that Adrian is recognised as a “pioneer”. He has rightly received international recognition for his work. Indeed only last month he was advising lawyers from Norway on various aspects of the modern law on incapacity, mental health and disability.

Adrian was one of the masterminds behind the Adults with Incapacity (Scotland) Act 2000. This Act safeguards the welfare of adults who lack the capacity for making their own healthcare decisions. His pre-eminence in this field was recognised in a recent Court Judgement where it was written:-

“Mr Adrian Ward is the acknowledged master of this subject, and has done more than any other practitioner in Scotland to advance this area of law”.

Adrian has also undertaken a significant amount of work on human rights in Eastern European Countries following the breakup of the Soviet Union. He has played a prominent role in promoting Powers of Attorney, or their equivalence, at home and abroad. Somehow, he also finds time to be a prolific legal author whose many books and articles span more than three decades. His books include the current standard of Scottish text on Adult Incapacity Law.

His work in the field of Law Reform probably commenced with his appointment as the Convener of the Society’s Mental Health & Disability Committee. A post he has held since 1988. His awards include an MBE for his work with people with learning disabilities in Scotland. He has also received national awards for legal journalism, legal and charitable work and legal scholarship. He was awarded the Scotsman lifetime achievement award at Scottish Legal Awards in 2014.

The President said that Adrian epitomises all the very best characteristics of a Scottish solicitor. These include, amongst others, integrity, humanity, a dedication to the welfare of his clients and above all else an unstinting belief in the value and worth of public services.

The President concluded her address by stating that she could think of no more worthy recipient from the Society’s Council of Honorary membership.

The President presented Mr Ward with the scroll of Honorary membership of the Society on behalf of the Council and the profession.

Mr Ward in his reply thanked the President and the Council for their great honour in awarding him Honorary membership of the Law Society of Scotland. Mr Ward said that when he received the President’s letter

	<p>advising him of this award he was absolutely astonished and overcome with emotion.</p> <p>Mr Ward said that he had had a somewhat “dull career” as he started work as an apprentice solicitor in the practice which was closest to his parents’ home. When he had first commenced his career in law there was no LLB Degree and solicitors were not allowed to advertise in any form. All conveyancing transactions had to be settled at formal settlement meetings. Mr Ward said he had the benefit of working in a small practice where there was a very wide range of work. All solicitors in the practice were expected to work on “the business” which came in through the door.</p> <p>At an early stage in his career he developed an interest in Mental Health and Incapacity Law. This was at a time when there was no modern position of Guardianship in Scotland. He said that he had been privileged to develop Scots Law in the field of Mental Health and Incapacity Law.</p> <p>He said that all lawyers have an interest in the means by which human rights are provided to all in society. All societies must protect the Rule of Law and guard against lawlessness. He said that lawyers must occupy and guard the boundary where law ends as that is where lawlessness will begin.</p> <p>Mr Ward said that where there is lawlessness the very first sector of society who are affected are those with learning difficulties. It was for that reason that he became determined to improve the law for this sector of society where the most vulnerable are found. He said that there are still inequalities in the law and all solicitors should use their best endeavours to remove such inequalities.</p> <p>Mr Ward concluded his reply by thanking again the President, the Council, his family, his colleagues at TC Young, his remarkable clients and the members of the Mental Health and Disability Committee. Mr Ward said that the Honorary membership was as much for all of these individuals as it was for him.</p> <p>The meeting gave a sustained round of applause to Mr Ward.</p>
3.	<p><b><u>PROCEDURAL ARRANGEMENTS FOR THE MEETING</u></b></p> <p>The Registrar outlined the procedural arrangements for the meeting.</p> <p>The meeting agreed that the Society’s Auditor – Jamie Davidson of Henderson Loggie – could attend the meeting. The meeting also agreed that all of the Society’s employees present at the meeting and who were not members of the Society, could attend the meeting.</p> <p>The meeting approved the appointment of James Ness and Philip</p>

	Yelland as the tellers in any boat as required.																					
4.	<p><b><u>PROXIES FOR THE MEETING</u></b></p> <p>The meeting noted that the following proxies had been lodged timeously for the meeting:-</p> <p><u>AGM of May 2017 – Proxy List</u></p> <table border="1"> <thead> <tr> <th><u>Proxy Holder/votes</u></th> <th><u>Status</u></th> <th><u>Resolution</u></th> </tr> </thead> <tbody> <tr> <td><u>2 proxies</u></td> <td><u>For</u></td> <td><u>Resolution 1</u></td> </tr> <tr> <td><u>19 advance votes</u></td> <td><u>For</u></td> <td><u>Resolution 2</u></td> </tr> <tr> <td><u>1 advance vote</u></td> <td><u>Abstain</u></td> <td><u>Resolution 2</u></td> </tr> <tr> <td><u>14 advance votes</u></td> <td><u>For</u></td> <td><u>Resolution 3</u></td> </tr> <tr> <td><u>3 advance votes</u></td> <td><u>Against</u></td> <td><u>Resolution 3</u></td> </tr> <tr> <td><u>3 advance votes</u></td> <td><u>Abstain</u></td> <td><u>Resolution 3</u></td> </tr> </tbody> </table> <p>The meeting noted that there were a total of 2 proxies and 40 advance votes for this Annual General Meeting.</p>	<u>Proxy Holder/votes</u>	<u>Status</u>	<u>Resolution</u>	<u>2 proxies</u>	<u>For</u>	<u>Resolution 1</u>	<u>19 advance votes</u>	<u>For</u>	<u>Resolution 2</u>	<u>1 advance vote</u>	<u>Abstain</u>	<u>Resolution 2</u>	<u>14 advance votes</u>	<u>For</u>	<u>Resolution 3</u>	<u>3 advance votes</u>	<u>Against</u>	<u>Resolution 3</u>	<u>3 advance votes</u>	<u>Abstain</u>	<u>Resolution 3</u>
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5.	<p><b><u>APPROVAL OF MINUTE OF THE ANNUAL GENERAL MEETING HELD ON 26 MAY 2016</u></b></p> <p>The President sought any corrections to the Minute of last year’s Annual General Meeting held on 26 May 2016. There were no corrections and the Minute was approved for approval by the Past President, Christine McLintock, and seconded by the Vice-President Elect, Alison Attack. The Minute of the Annual General Meeting of the Society held on 26 May 2016 was approved.</p>																					
6.	<p><b><u>PRESIDENT’S ADDRESS</u></b></p> <p>The President began her address by again welcoming all members to the Second General Meeting to be hosted in the Society’s new Atria One premises. The President said that Atria One now feels very much like “home” to everyone involved with the Society. The President said that as her terms of office drew to a close, it was with disbelief and a little sadness that she was making this evening’s address to the meeting.</p> <p>The President said that it had been a great privilege for her to represent the Society as its President. She said that without a shadow of a doubt, that she would look back at the last 12 months as some of the most challenging and fulfilling of her professional career.</p> <p>The President said that she did not use the word “challenging” lightly as the Society has not had its troubles to seek. She said that she could not claim to have relished the dispute with the Scottish Legal Complaints Commission or enjoyed frustration at the unjustified annual levy increase. However, she said that she did take unqualified pride in the commitment, innovative and dignified approach the Society took to fighting its</p>																					

members' corner.

Turning to Legal Aid, the President said that she continued to be shocked and disappointed by the lack of respect shown for dedicated Legal Aid practitioners and the ever decreasing investment in the essential services which they provide. The Society's research earlier this year – the financial health of Legal Aid firms in Scotland – was a clear indictment of what Legal Aid practitioners are up against. Despite these difficulties, the profession continues to put clients' needs first. The Society has collectively engaged in the debate and rallied the support of its stakeholders and vigorously, determinedly, and always politely supported the case for greater investment in the Legal Aid system. This too was a great source of pride to the President.

The President said that she had described the past year as very fulfilling and she hoped that she would convey in this speech just how fulfilling it had been. For every challenge the Society has met head on, there has been an event or opportunity which has been a privilege as President to grab with both hands.

Whether you were in their "league" or "remain" camp, no-one would dispute that the European question has generated an air of uncertainty, and yet just last week the Society was delighted to host the Council of Bars and Law Societies of Europe, welcoming 180 solicitors to Edinburgh, with Edinburgh Castle and the Signet Library as auspicious backdrops for proceedings, and one of our very own Past Presidents, Ruthven Gemmell, as the current CCBE President. The President said that she could not help but feel incredibly proud.

The President said that she with Lorna Jack, Graham Matthews and Alison Attack were just back from Belfast where as guests, rather than hosts, they joined delegates from across the globe for the International Bar Association Conference.

The President said that one of the highlights of her year as President has been travel. The American and Canadian Bar Associations took the President to San Francisco at Ottawa late last year. At the end of last year in November, the Great Britain China Centre invited the President to speak at one conference and chair another. These speaking engagements allowed the President to visit Beijing and represent the British Legal Sector.

The President said that travelling provides a great opportunity to meet people that she would not otherwise meet and understand points of view to which she might not otherwise be privy. The President said that her overseas travel had given her a unique insight in to what other countries have tried, and it is always gratifying how highly the Scottish Legal Profession and Education regime is regarded across the globe.

The President said that she had travelled across Scotland from Ayr to

Wick in her presidential year. In rural communities and city centres, high street practices, big firms and in-house legal departments she had learned a great deal about the issues facing the profession, the areas of greatest concern for different types of practitioners, what the Society is doing well and where the Society could invest more effort and resource. The President said that this was a true privilege of her travel.

The President said that she was immensely proud to be a Scottish solicitor. With that pride comes a passionate belief that the Society must pave a clear path for the future generation of Scottish solicitors. The Society has a duty and an obligation to support and invest in legal education to shape the future of the profession.

The Society's research in 2014 revealed alarming truths about equality and diversity around access to the profession. Fewer than one in twelve entrants to the law degree comes from less advantaged backgrounds. Propelled by this deeply concerning figure, the Society has undertaken some truly great work on equality and diversity with programmes such as Street Law, promoting and understanding of how law is relevant to all of us and refuting the assumption that legal careers are only realistic for particular social strata. The President said that the real highlight for her has been the incredible progress around the Lawscot Foundation.

The President said that the Lawscot Foundation is a charity which the Society set up to engage with young people before they even start their law degree. It supports the next generation of solicitors in Scotland, providing financial help through an annual bursary available to talented students from less advantaged backgrounds in Scotland while they are studying a law degree and planning to complete their diploma in professional legal practice at an accredited university in Scotland.

The Foundation also offers mentoring throughout to enhance the student's confidence, skills and knowledge. Many within the profession are backing this fabulous initiative, including 65 experienced Scottish solicitors, trainee solicitors and law students who have applied to mentor these young people.

The Society will be accepting student applications to the Lawscot Foundation until this coming Monday and so far we have received 65 applications. Thanks to the generous support of the Society's members, firms and in no small part to the courage of the Society's Council, who voted to donate all proceeds of the sale of the Society's share in Legal Post – approximately £250,000 – the Society will support eight students this year and throughout the duration of their legal education and more in future years.

The Society celebrated Lawscot Foundation's first birthday just a couple of weeks ago and like an early birthday present, the Society also signed up our first corporate partner. The President said that just one year into this project the Society has hit so many milestones. The President said

	<p>that she could not be more excited about the future of this bold initiative.</p> <p>The President said that there have been so many highlights for her throughout her presidential year. From the Annual Conference at the Edinburgh International Conference Centre, the Annual Dinner at the National Museum, Admissions Ceremonies – there are too many events to mention.</p> <p>The President said that there was a common theme waving through all of these events, which is the opportunity to meet as many people as possible.</p> <p>The President said in concluding her address that it was of course a team effort at the Society. The President said that there are too many people to mention who have provided assistance to her throughout the year. The President particularly thanked the Society’s Chief Executive, Lorna Jack, who had provided her with invaluable guidance over the course of the year.</p> <p>The President also thanked the Past President, Christine McLintock, for her support and encouragement throughout this year. The President said that the incredible contribution that Ms McLintock had made as Past President was a source of inspiration to her as she moved in to that role.</p> <p>The President concluded her address by stating how pleased she was to be handing over the presidential reigns to Graham Matthew. The President wished Mr Matthews every success in his year as President and she looked forward to working with him over the coming year. The President said that it had been an enormous privilege to serve and represent all of the Society’s members over the course of the last 12 months.</p> <p>The President concluded her address by thanking all members present for their attendance and listening to her speech.</p>
7.	<p><b><u>ADOPTION OF THE REPORT FROM THE SOCIETY’S TREASURER FOR 2015/2016</u></b></p> <p>The meeting formally adopted the written report from Mr Mulholland as the Society’s Treasurer for the financial year to 31 October 2016. The Treasurer’s report had been available on the Society’s website for a number of weeks.</p> <p>The report recorded that the Society and its subsidiary company had posted a surplus on ordinary activities of £33,000 in 2015/2016, compared to a deficit of £163,000 in the previous year. The closing reserves at 31 October 2016 stood at £6,400,000.</p>

	<p>The historic final salary pension scheme deficit is recognised in the accounts this year for the first time under Financial Reporting Statement 102. This has reduced reserves by £1,267,000 compared to what the position would have been with no adjustment, and is incorporated as a recognised loss outwith ordinary activities on page 10 of the Accounts. The deficit has been managed for a number of years and always taken in to account when considering the level of reserves held by the Society.</p> <p>There is greater and more detailed commentary on the accounts within the Financial Review Section of the Annual Report on the Society's website.</p> <p>The Society's auditors have completed their work and have concluded that these accounts "give a true and fair view of the state of the Society's affairs as at 31 October 2016 and of its surplus for the year then ended". The Society's accounts were approved by the Council at its meeting on 3 March 2017.</p> <p>In the current financial year, 2017/2018, the Society is once again proposing to maintain the Practising Certificate subscription at its current level of £550 by producing a break-even budget through increases in non-core income and continuing efficiencies. Consequentially, no changes are proposed to any of the Society's principal fees at the meeting.</p> <p>The report concluded with an appreciation by the Treasurer for all the hard work by the Finance Committee and the Finance Team over the course of the year.</p>
8.	<p><b><u>ADOPTION OF THE REPORT FROM THE CONVENER OF THE GUARANTEE FUND</u></b></p> <p>The meeting formally adopted the report of the Convener of the Guarantee Fund (which trades as the Client Protection Fund) for the financial year to 31 October 2016.</p> <p>The Guarantee Fund reported a deficit for the year 2015/2016 of £1,010,000 in comparison to a restated surplus of £153,000 during the previous year.</p> <p>Fund income has been similar to the previous year. There has been an increase in non-claim expenditure due to corporation tax changes and an increase in overheads, due largely to investment charges.</p> <p>The key factor in the large deficit for the year is the level of claims expenditure which has risen from £289,000 to £1,681,000.</p> <p>Claims expenditure during 2015/2016 consisted of:-</p> <ul style="list-style-type: none"> <li>• Two claims award totalling £806,000 relating to a historic matter.</li> </ul>

	<p>The Fund has other open claims relating to this matter, but these are not currently expected to be so significant.</p> <ul style="list-style-type: none"> <li>• Awards of £492,000 relating to a more recent Judicial Factory. The Fund has other intimations of potentially very significant claims arising from this matter, although the significance of the claims will not be clear until other claimant actions are completed.</li> <li>• £383,000 relating to grant awards made under seven different firms. Claims against this group of firms (Judicial Factory appointments over the past six years) appear to be coming to an end. Reserves have fallen from £6,600,000 to £5,600,000 as a result of the deficit. However, there continues to be a strong financial position for the funds. The total of all claims intimated but not resolved at the year-end totalled £5,000,000 compared to £4,100,000 at the previous year end. However, by March 2017 this figure has fallen to £3,600,000. Given that historic claim awards were generally less than the values intimated, reserves are considered to be at a sufficient level.</li> </ul> <p>The principal points highlighted in the current year 2016/2017 in relation to the Fund are:-</p> <ul style="list-style-type: none"> <li>• New claim volume and values received 2016/2017 to date at a more modest level. Claim expenditure for the year to date at April, 2017 was £190,000.</li> <li>• Claim expenditure during the remainder of 2016/2017 could increase significantly if any of the small number of large existing claims/intimations can be dealt within the year, or if any significant new issues are identified.</li> </ul> <p>The report concluded with an appreciation by the Convener of all the hard work by the Guarantee Fund Committee and the Financial Compliance Team over the course of the year.</p>
9.	<p><b><u>ADOPTION OF REPORT FROM THE CONVENER OF THE AUDIT COMMITTEE</u></b></p> <p>The meeting formally approved the report from Mr McCabe, Convener of the Society's Audit Committee.</p> <p>The Committee's membership benefited from the appointment of one new member – Abigail Clark – who joined at the beginning of the year. Abigail is a very experienced chartered accountant and currently works in a senior role for a global investment manager.</p> <p>The Committee's responsibilities remain unchanged and can be read in detail on the Society's website.</p>

	<p>The Committee met on five occasions this year. The work of the Committee should be seen within the context of the Society's overall approach to good governance as the Committee plays a key role in holding the Society's Office Bearers, Council and Senior Leadership Team to account for the management of risk and the effective operation of all risk management systems. To this end, the Committee can report that the internal audit system (by an external firm of accountants) completed its first full year of operation. A total of five internal audits were carried out in the year. The internal auditor's reviews covered the following areas of the Society's operations –</p> <ul style="list-style-type: none"> <li>• Data Protection</li> <li>• Income collection and credit control</li> <li>• Personnel and payroll</li> <li>• Purchase, payments and procurement</li> <li>• Travel expense</li> </ul> <p>The Committee was satisfied with the overall conclusion of the internal auditors, which was that the Society does have adequate and effective risk management controls and governance processes in place to achieve its long term objectives.</p> <p>The Committee concluded its work in relation to the internal review of the regulatory systems in the case of the former solicitor, Christopher Hales. The Committee's involvement in its risk assessment work for this review has resulted in a number of planned improvements to the Society's regulatory processes, all of which are now in place.</p> <p>The Committee reviews the principal Risk Register of the Society at each meeting to again ensure appropriate and timeous risk management actions are taken to mitigate such risks. The Committee also reviews the performance of the Society's auditors both in terms of their performance, cost and independence. An overhaul of the principal Risk Register was carried out to ensure that the principal risks identified are better married to the Society's five year strategy.</p> <p>The report concluded with an appreciation by the Convener of all the hard work by the Audit Committee over the course of the year.</p>
10.	<p><b><u>ADOPTION OF THE REPORT OF THE IN-HOUSE LAWYERS COMMITTEE</u></b></p> <p>The meeting adopted the report from Mr McWilliams as Convener of the In-house Lawyers Committee.</p> <p>The In-house Lawyers Committee (ILC) was set up in 2015 to represent, support and promote the interests of Society members working in-house in Scotland and beyond. It continues the work of the In-house Lawyers Group Committee, which was established in 1973 as an independent Committee of the Society.</p>

	<p>In recent years, the in-house sector of the profession has increased significantly. Around 3,000 Scottish solicitors, almost 30% of the profession, currently work in-house.</p> <p>The ILC is made up of 13 members who represent the broad in-house community, from financial services to local authorities, the NHS to the Church of Scotland. Last year the ILC advertised for new members and was very pleased with the number of applicants. Five new enthusiastic members were appointed to the ILC in December 2016.</p> <p>Following a highly successful event last year, the Annual In-house Conference is again taking place in Edinburgh on 11 May 2017. “In-house Legal – Create, Sustain and Evolve” has a varied and engaging programme, including sessions on cybercrime, litigation risk analysis, contracts and Brexit. The conference is supported by law firms sponsors – DLA, CMS and Maclay Murray &amp; Spens LLP.</p> <p>This year, ILC has confirmed its commitment to supporting new in-house lawyers and celebrating the success of members by running the In-house Rising Star Award for the fourth time. This award highlights the achievements and contributions of in-house lawyers with up to five years post qualifying education. Given the high calibre of the nominees, selecting a shortlist was a very difficult decision for the judging panel. The very deserving winner will be announced at the In-house Conference.</p> <p>The ILC consider the creation and sharing of relevant in-house best practice and knowledge through increased use of articles, blogs and social media as critical to engaging with all in-house colleagues. The regular Journal interviews with in-house solicitors continued to prove very popular.</p> <p>The free seminar programme continues to offer seminars in Edinburgh and by video conference to various locations across Scotland or an individual’s computer. Externally, the ILC is building on existing relationship with other organisations in Scotland and beyond.</p> <p>In conclusion, ILC is very busy. It is guided by the Society’s priorities, consultation with members on what they wish and takes cognisance of the Society’s annual survey of members.</p> <p>The report concluded with thanks and appreciation from the Convener to all members of the ILC.</p>
11.	<p><b><u>ADOPTION OF THE REPORT FROM THE CONVENER OF THE SCOTTISH SOLICITORS’ BENEVOLENT FUND</u></b></p> <p>The meeting formally adopted the Annual Report of the Scottish Solicitors’ Benevolent Fund for the year to 31 October 2016.</p>

	<p>The Fund is intended to assist Scottish solicitors qualified in Scotland, or their dependents who are in need of financial assistance and whose circumstances meet the criteria set by the Trustees for the payment of grants. During the year 20 grants were made to 11 individuals from general funds, and seven grants were made to seven individuals from the Tod Endowment Restricted Funds.</p> <p>The Trust's total incoming resources in the year were £18,872 (2015 - £28,907). Two years' contributions totalling £20,000 from the TOD Endowment Fund had been received in 2015.</p> <p>There was a net increase in funds of £15,970 in the year, due mainly to increases in the value of investments. Total funds at 31 October 2016 stood at £306,871, of which unrestricted funds were £235,477.</p> <p>The Trustees encourage members not only to donate to the valuable work done by the Benevolent Fund, but also to refer members and dependents should they be in financial need.</p> <p>The report concluded with the thanks and appreciation from the Convener to all members of the principal Committee of the Fund.</p>
12.	<p><b><u>APPROVAL OF THE ANNUAL REPORT &amp; ACCOUNTS OF THE SOCIETY, GUARANTEE FUND AND SCOTTISH SOLICITORS' BENEVOLENT FUND FOR 2015/2016</u></b></p> <p>The Annual Report &amp; Accounts of the Society for the year to 31 October 2016 were proposed for approval by Mr Mulholland. The seconder was Ms Atack. There was no direct negative and the Annual Report &amp; Accounts were approved unopposed.</p> <p>The Annual Report &amp; Accounts of the Guarantee Fund for the year to 31 October 2016 were proposed for approval by Ms Atack. The seconder was Mr Mulholland. There was no direct negative and the Annual Report &amp; Accounts were approved unopposed.</p> <p>The Annual Report &amp; Accounts of the Scottish Solicitors' Benevolent Fund for the year to 31 October 2016 were proposed for approval by Mr Mulholland. The seconder was Mr Brown. There was no direct negative and the Annual Report &amp; Accounts were approved unopposed.</p>
13.	<p><b><u>APPOINTMENT OF THE AUDITORS TO THE LAW SOCIETY OF SCOTLAND, GUARANTEE FUND AND SCOTTISH SOLICITORS' BENEVOLENT FUND FOR 2016/2017</u></b></p> <p>The re-appointment of Henderson Loggie as Auditors to the Law Society of Scotland for 2016/2017 was proposed by Mr Mulholland and seconded by Mr Brown. The meeting approved this re-appointment.</p> <p>The re-appointment of Henderson Loggie as Auditors to the Guarantee</p>

	<p>Fund for 2016/2017 was proposed by Ms Atack and seconded by Mr Mulholland. The meeting approved this re-appointment.</p> <p>The re-appointment of Henderson Loggie as Auditors to the Scottish Solicitors' Benevolent Fund for 2016/2017 was proposed by Mr Mulholland and seconded by Mr Brown. The meeting approved this re-appointment.</p>
14.	<p><b><u>CHIEF EXECUTIVE'S REPORT</u></b></p> <p>The Chief Executive introduced her Annual Report by advising the meeting that the Society was already six months in to its Annual Plan for 2016/2017 – the second operational year of the five year strategy “leading legal excellence”. This strategy aims to meet the needs of members and the public in a rapidly changing legal environment. The strategy promotes a growing membership. Last year the Society hoped to reach 11,800 members between practising and non practising solicitors. The actual figure reached was just over 12,000, representing healthy growth in the profession.</p> <p>The strategy also plans for new affiliate categories of membership and at the end of 2016 the first of these was launched with the introduction of student associates. The Society has now well over 1,000 student associates. These student associates clearly recognise the benefit of getting involved with what they hope will be their future professional body at an early stage of their career.</p> <p>The President has already mentioned the success of the Lawscot Foundation, as well as the award winning Street Law project. The Society has delivered 30 programmes in 20 schools, involving around 960 pupils in this project. Street Law provides highly-interactive lessons which are focussed on the law, while also contributing to the professional development of Scots Law students. The law students design and deliver classes about the law and the legal process, covering the knowledge and skills that school pupils can use to recognise, prevent and in some cases resolve legal problems. Street Law is grounded in the experience of young people – it is a lesson in practical law. The Chief Executive thanked the generous sponsors of Street Law, who are Pinsent Masons, Ashurst and CMS, Cameron McKenna, Nadarro Olswang.</p> <p>The Society, as well as increasing membership numbers, wishes to grow alternative sources of income. The aim is to achieve the very ambitious target of £3,000,000 of alternative sources of income by 2020. Every pound the Society makes through these alternative income streams is a pound the Society does not have to charge via the Practising Certificate fees. Street Law sponsorship is a good example of such new income.</p> <p>The Chief Executive said that as well as pursuing new income streams, the Society is committed to saving money. All staff, Council members</p>

and Committee members have taken up the challenge of being more efficient and the Society is constantly looking for ways to better utilise its resources. A very good example of that has been a use of technology to cut down on administration costs. These efficiencies have allowed the Society to allow a freezing of the Practising Certificate fee for the eighth consecutive year.

The Society's Regulatory Team has also made great strides this year. The amount of time the Society takes to complete conduct complaint investigations has considerably reduced.

The Team responsible for processing Guarantee Fund claims have brought administration time down, reaching the quickest ever time level and the Intervention Team (which steps in if things go wrong at law firms) continues to receive excellent feedback.

At last year's Annual General Meeting there were some concerns expressed by the decision to change the brokers of the Master Policy Professional Indemnity Insurance Scheme. I can advise that so far this change has gone very well.

Lockton, the world's largest privately owned insurance broker, took over the role of Master Policy broker from 1 January this year and will have full responsibility for brokering the policy for the insurance year from 1 November 2017. Lockton have this week added an Aberdeen office to their portfolio, continuing to show their commitment to Scotland.

The Society has also been spending time representing the legal profession's interests to the Scottish Government and much progress has been made.

A good example is work which the Society undertook with the Scottish Government and other key stakeholders on the new regulations for letting agents. Suggestions submitted by the Society on the regulations made sure that our members who act as letting agents will not be subject to an extra layer of regulatory requirements.

The Society is looking after all our members' longer term interests, as shown last month, with the Scottish Government announcement of a comprehensive review of the regulation of legal services in Scotland. The Society has been pushing for a review of this kind for several years, with a desire for legislative change as a key goal expressed in the five year strategy.

The Society welcomed the announcement as we have argued strongly for reforms to the patchwork of legislation governing the legal sector, some of which is over 35 years old and no longer fit for modern day practice.

The Society will provide input in to this review and will emphasise to the

Review Group that the processes for complaints are too slow, cumbersome, expensive and failing to deliver for solicitors and their clients. The Society shows how seriously it takes its public interest role as in part of our evidence to the Review, we have raised concerns about unregulated legal services.

The solicitor profession is very well represented on this Review Group by two former Society Presidents who have a deep understanding of Legal Services regulation and a role as a professional body. These representatives are Christine McLintock and Alistair Morris. I thanked them both very much for being prepared to step in to these roles.

As the President highlighted, our commitment to seeking a sustainable future for Legal Aid is as strong as ever and we continue to put time and resource in to engaging with our members and stakeholders on Legal Aid. During regular meetings with the Minister for Community Safety and Legal Affairs, Annabelle Ewing, MSP, we have been consistently voicing our concerns about the future sustainability of Legal Aid firms in Scotland. This has led the Scottish Government to announce a review of Legal Aid. The Society will play a key role in that review. The Society proposed Legal Aid solicitors Lindsey MacPhie and Jackie Macrae, to sit on the Review Panel. We will support them to represent the views of the profession. The Society is currently finalising its response to this Review's call for evidence. The Society has already completed its own research on the profitability of Legal Aid work and there are plans to carry out further research in to this area.

The Society passionately believe that access to justice is essential for a democratic society and should not depend on a person's ability to pay. It is vital that the legal professionals who provide the assistance people need, can afford to do so.

The Society is also in current discussions with the Minister regarding Legal Aid rates for police station advice. The Society also responded to the Scottish Legal Aid Board's consultation on a revised statutory Code of Practice in relation to criminal legal assistance.

Despite the Board's insistence that there were no major changes in terms of the day to day requirements for solicitors undertaking Criminal Legal Aid work, the proposed changes in the draft Code were to fundamentally alter the way solicitors provide assistance and how they interact with the Board. The Society pressurised the Board and the Minister to delay the introduction of the proposed Code to allow for further discussions. The Code has now been delayed to allow these further discussions to take place.

This time last year was the lead up to the vote on whether the United Kingdom should leave the European Union. Following the vote, the Society has been even busier than we thought.

	<p>The Society has engaged extensively with all our members and key decision makers at all levels. We have published our priorities for the exit negotiations and have taken part in four UK and Scottish Parliamentary evidence sessions, we have hosted round table events bring out members in to contact with UK and Scottish Government Ministers. We have hosted an EU Seminar series with our members and leaving thinkers. We have also been in direct contact with the Prime Minister and First Minister, as well as Ministers with direct responsibility for the exit negotiations in the legal profession.</p> <p>The Chief Executive said that in the area of member services, the Society had refreshed and restructured its CPD offering, meaning that members will now have an even greater choice of what they learn, how they learn and when they learn, all of that based on feedback on consultation with the members.</p> <p>The Chief Executive concluded her address by highlighting the many achievements of the Society including delivering on its regulatory role, pursuing further efficiencies, launching new memberships and new services, representing the interests of members and the public. The Chief Executive said that she was immensely proud of her colleagues, the Committee members and Council members. The Chief Executive thanked all of them for their hard work over the course of the last year.</p>
15.	<p><b><u>RESOLUTION FROM THE COUNCIL TO AMEND THE SOCIETY'S CONSTITUTION – RESOLUTION NO. 1</u></b></p> <p>Ms McLintock, as Past President, presented the Resolution to amend the Society's Constitution at Article 3 on the composition of the Council. This Resolution will allow the Council to increase the number of co-opted Solicitor Council members from six to eight.</p> <p>The Resolution reads as follows:-</p> <p>“In Article 3(3) for the number 6, substitute the number 8”.</p> <p>This resolution is made in order to allow the Council to provide a co-opted seat to represent solicitors outside Scotland, England &amp; Wales – of whom there are current 245. Such a co-opted position is in line with the five year strategy to broaden the Society's international reach.</p> <p>The additional co-opted position will allow a co-opted position specifically for Solicitor Advocates, for whom there are 295. The six current co-opted places for co-opted solicitor members are for the Crown Office &amp; Procurator Fiscal Service, the Financial Services sector, Academia, in-house solicitors, Scottish Government solicitors and recently qualified solicitors.</p> <p>There were no questions on this Resolution. Ms McLintock proposed the Resolution, which was seconded by Ms Pryde. Resolution No. 1 on the</p>

	<p>amendment to the Constitution was approved unopposed as there was no direct negative.</p>
<p>16.</p>	<p><b><u>RESOLUTION FROM THE COUNCIL ON THE PRACTISING CERTIFICATE FEE FOR 2017/2018 – RESOLUTION NO. 2</u></b></p> <p>Mr Mulholland, as Treasurer, moved the Resolution on the Practising Certificate fee for 2017/2018, which was –</p> <p>“that, as from 1 November 2017, the annual subscription held by each member of the Society holding a Practising Certificate will be £550.”</p> <p>There were no questions on this Motion, which was seconded by Mr Lafferty. Resolution No. 2 on the Practising Certificate fee for 2017/2018 was approved unopposed as there was no direct negative.</p>
<p>17.</p>	<p><b><u>RESOLUTION FROM THE REGULATORY COMMITTEE ON AMENDMENTS TO THE SOCIETY’S PRACTICE RULES – RESOLUTION NO. 3</u></b></p> <p>Council member, Mr Brown, spoke to the proposed changes to the Rights of Audience Practice Rules. The meeting noted that in early 2017, in response to concerns raised by the Judiciary and the Lord President about standards of advocacy in the High Court, the Society established a Working Party of current Solicitor Advocates to review both the application process for qualification as a Solicitor Advocate and to consider the issue of continuing professional development and quality assurance of qualified Solicitor Advocates.</p> <p>The Working Party comprised of a number of Solicitor Advocates, including the current Chair of the Rights of Audience Committee, the current President of the Society of Solicitor Advocates, members of the Society’s Council and Board and a number of leading Solicitor Advocates currently involved in private practice. The Working Party concluded that the application process for qualification as a Solicitor Advocate was largely satisfactory, but a change in emphasis was required. It was agreed that the current introductory course run by the Society of Solicitor Advocates should be run by the Society and that attendance at this course should be compulsory for anyone wishing to qualify as a Solicitor Advocate. Thereafter, it was the Working Party’s view that the guidance and application form should be altered to make clear the standards required to qualify as a Solicitor Advocate and that applications should be subject to consideration by the Rights of Audience subcommittee on receipt to determine whether a candidate has supplied sufficient evidence that they had the requisite experience to undertake the course. This subcommittee should have the power to refuse permission to proceed where a candidate has insufficient experience. To bolster this decision it was decided that an applicant’s references would be taken up at this stage in the proceedings to allow and inform the decision to be made.</p>

	<p>The Working Party agreed that the current written exam was satisfactory and that no issues were raised in relation to the practical assessment, which is overseen by a current High Court Judge.</p> <p>On the issue of quality assurance and continuing professional development, the Working Party agreed that a response in terms similar to that recently introduced by the Faculty of Advocates would be appropriate. On that basis it was agreed that the introduction of a mandatory 10 hours of targeted advocacy related training should be required of Solicitor Advocates as part of their overall 20 hours of required CPD. This advocacy training will include an element of quality assurance to allow standards to be monitored on an annual basis. The Working Party also agreed that this 10 hour requirement should be subject to an annual return to the Society to ensure compliance.</p> <p>The Lord President has been advised of the proposed new rules and his office has made a number of suggested changes to the rules. These are agreed by the Working Party and are incorporated in the draft rules which were circulated to all members. It was noted that the rules should come in to force some time later this year.</p> <p>There were no questions on the draft Practice Rules. There was no direct negative to this Resolution. The Resolution was formally proposed by Mr Brown and seconded by Ms Walker. The Resolution to amend the Society's Practice Rules in relation to Rights of Audience was approved unopposed.</p>
18.	<p><b><u>CONCLUSION</u></b></p> <p>The meeting concluded with the President thanking all members who had attended today's Annual General Meeting, as well as all of the Society's staff who had been responsible for its preparation and orderly running.</p> <p>There being no other business, the meeting closed at 6.28 pm.</p>