

ANNUAL GENERAL MEETING

Minute (draft) of the Annual General Meeting of the Law Society of Scotland held at the Society's Offices at Atria One, 144 Morrison Street, Edinburgh on Thursday 31 May 2018 at 5.30pm.

Present: Graham Matthews (President), Alison Atack (Vice President), George Allen, Colin Anderson, Simon Brown, Susan Carter, Kenneth Dalling, Jane Dickers, Murray Etherington, Christopher Fraser (Lay Council Member), Steven Gibb, Paul Gostelow, Anne Macdonald, David Maclellan, Liam McCabe (Lay Council Member), Elizabeth McGillivray, Christine McLintock, Graeme McWilliams, David Mair, Paul Matthews, Amanda Millar, John Mulholland, Peter Nicholson, Sheekha Saha, Michael Sheridan, Murray Sinclair, Lyndsey Walker, Sheila Webster and Deborah Wilson.

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

Apologies for absence were intimated from: Waqqas Ashraf, Amanda Davy, Struan Ferguson, Lauren Fowler, John Forsyth, Gwen Haggerty, Siobhan Kahmann, Austin Lafferty, Philip Lafferty, Fiona Larg, Catriona Maclean, Stephen McGowan, Derek McIntyre, Tom Marshall, Susan Murray, Stuart Naismith, Paul Nicholson, Naomi Pryde, Susan Oswald, Campbell Read, John Reid, Ayla Skene, Jim Stephenson, Patricia Thom, Christine Walsh, Graham Watson, Susan Williams, Eilidh Wiseman and Ross Yuill.

1.	<p><u>WELCOME</u></p> <p>The President welcomed everyone to the 69th Annual General Meeting of the Law Society of Scotland.</p>
2.	<p><u>PROCEDURAL ARRANGEMENTS</u></p> <p>The Registrar ran through the procedural arrangements for the Special General Meeting. The Notice for the meeting had been sent out earlier this month.</p> <p>The Registrar reported that the following advance votes had been received with respect to resolution number one on the proposed practising fee for 2018/2019 of £565 –</p> <ul style="list-style-type: none">• Seven advance votes in favour of resolution one.• Fourteen advance votes against resolution one.• Two abstentions in relation to resolution one.
3.	<p><u>APPROVAL OF THE MINUTE OF THE ANNUAL GENERAL MEETING HELD ON 27 MAY 2017</u></p> <p>There were no changes proposed to the draft Minute of the Annual General Meeting held on 27 May 2017. Mr Brown moved the approval of this</p>

	Minute which was seconded by Ms Macdonald. The meeting duly approved the Minute of the Annual General Meeting held on 27 May 2017.
4.	<p><u>MINUTE OF THE SPECIAL GENERAL MEETING OF 25 JANUARY 2018</u></p> <p>There were no proposed changes to the draft Minute of the Special General Meeting held on 25 January 2018. Mr Brown moved the approval of this Minute which was seconded by Ms Macdonald. The meeting approved the Minute of the Special General Meeting held on 25 January 2018.</p>
5.	<p><u>THE PRESIDENTS ADDRESS</u></p> <p>The President said that it had been a good year- and that he was not just saying that! It had seen a number of firsts including the first admission ceremony outside Edinburgh. The President said that this had been one of the highlights of his year in Office, particularly since Aberdeen was his home town. The President said that other “firsts” included – Lawscot Foundation – sponsored students; the first representative on Council for international members; and the launches of Scottish Legal International, and the Lawscot Wellbeing Mental Health Awareness Programme.</p> <p>The President said that “negatives” included the ongoing budget issues with the Scottish Legal Complaints Commission. The President noted a mood for “system change” on complaints if legislation could be passed. The President said that progress had still not been made on Legal Aid; and speaking from a personal perspective the issues as ever faced by rural practitioners particularly in terms of recruiting new solicitors continued to be problematic.</p> <p>The President said that he had enjoyed his travel as President both within and outwith Scotland. He had travelled to Northern Ireland, Oslo, London and Sydney. The President said that the travel can be hard work but is always a privilege. The President said that he valued his travel across Scotland very highly. The President said that in rural communities, city centres, high street practices, big firms and In-House legal departments that he had learnt a lot about the issues facing the profession as well as the areas of greatest concern for different types of practitioners.</p> <p>The President concluded his address by saying how much he had enjoyed being President of the Society. He said that his work as President was the result of a great Team effort by so many people who were too numerous to mention individually. He did thank Lorna Jack as Chief Executive for her guidance and good humour. He also thanked Past President Eilidh Wiseman for all her help and advice throughout the course of the last twelve months. The President said that he was delighted to handover the Chain of Office to Alison Attack as the next President. The President said that he was sure that Ms Attack would enjoy her term of Office and be a very successful President.</p>

6.	<p><u>ADOPTION OF THE REPORT FROM THE TREASURER</u></p> <p>The meeting adopted the Report from Mr Mulholland, Treasurer with respect to the Society's Annual Accounts from 1 November 2016 to 31 October 2017.</p> <p>The Report showed a deficit of income over expenditure (prior to the actuarial adjustment to the Society's closed Financial Salary Pension Scheme) of £119,000 for the financial year ended 31 October 2017.</p> <p>The actuarial surplus in respect of the scheme was £805,000, giving a total recognised surplus for the year of £686,000.</p> <p>The Auditors have completed their work and have concluded that the Society's Accounts "give a true and fair view of the state of the Society's affairs as at 31 October 2017 and of its surplus for the year then ended." These Accounts have been approved by Council.</p> <p>The Report records that the Society is proposing an increase in the Practising Certificate subscription of £15 to £565 for the 2018/2019 operating year, representing the first increase in eight years. The Report disclosed that all other principal fees remain unchanged and have been approved by Council.</p> <p>The Report also records that following an Audit Tender exercise, the Council wishes members to approve the appointment of the firm BDO as the Society's Auditors, replacing Henderson Loggie who have been in that role for 10 years. The Report records on behalf of the Council and the Society's members sincere thanks to Henderson Loggie for their professionalism and diligence during that time.</p>
7.	<p><u>THE CLIENT PROTECTION FUND REPORT</u></p> <p>The meeting noted the Report records that the Guarantee Fund (which trades as the Client Protection Fund) reported a surplus for the year 2016/2017 of £114,000 in comparison to a deficit of £1,010,000 during the previous year.</p> <p>Fund income has been similar to the previous year. There has been an increase in non-claim expenditure largely due to repayment to the Judicial Factor of claim expenditure on one previous Judicial Factory appointment which had initially been paid by the Judicial Factor.</p> <p>Reserves have risen from £5.6m to £5.7m as a result of the surplus. This continues to be a strong financial position for the fund. A total of all claims intimated but not resolved at the year-end total £3.98m compared to £5m at the previous year-end. However, by April 2018 this had fallen to £2.2m. The reserves are therefore considered to be at a sufficient level.</p>

	<p>New claim volumes and values are currently at a modest level. Claims have arisen from one of two recent Judicial Factories and in this case, the claim volume and value is not high.</p>
8.	<p><u>REPORT FROM THE AUDIT COMMITTEE</u></p> <p>The meeting noted the Report from the Audit Committee.</p> <p>The Report records that the work of the Audit Committee is to review and report on the effectiveness of the Society's arrangements for Audit, Internal Control and Risk Management. The Committee oversees the appointment of and monitors the work carried out by the Society's Internal and External Auditors. Informed by its consideration of the work of the Auditors, the Committee comments and makes recommendations on the appropriateness, practical application and effectiveness of the Society's financial policies and procedures, the management controls and its arrangements to identify and manage risks.</p> <p>The Committee reviews the following at each of its four meetings held throughout the year –</p> <ul style="list-style-type: none"> • Progress made by the Society against its corporate plan objectives especially in relation to their financial impact on the Society; • The Society's risk register with emphasis on changes in the risk profile and actions taken to mitigate key strategic risks. <p>Through that regular review, the Committee will question the actions and judgements of the Society's Senior Leadership Team, Board and Office Bearers in relation to the Society's Financial Stewardship, safeguarding of the Society's assets and the extent to which the Society achieves best value in the acquisition and use of resources.</p> <p>The Committee oversees the Society's relations with the External Auditors. To this end it receives and comments on the Society's Annual Financial Statements prior to their approval by Council and receives the Report from the Society's External Auditors on their work informing their opinion on the financial statements.</p> <p>The Committee also commissions and oversees the delivery of an agreed programme of work from its appointed Internal Auditors. The Committee also follows up on this programme to ensure that recommendations contained in Internal Audit Reports are implemented appropriately and within a reasonable timeframe.</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</p>

	<p>management systems. To this end the Committee can report that the Internal Audit system (conducted by Wylie & Bissets, an external firm of Accountants) completed its third full year of operation. A total of five Internal Audits were carried out in the year. The Internal Auditors' reviews covered the following areas of the Society's operations –</p> <ul style="list-style-type: none"> • Business Development and Commercial Activity; • Confidentiality compliance; • Financial compliance; • Follow-up review of all Internal Audit recommendations; • Review of Regulatory Sub committee decision processes. <p>The Committee was satisfied with the overall conclusion of the Internal Auditors which was that the Society does have adequate and effective risk controls and governance processes in place to help achieve and support the Society's long-term objectives.</p> <p>The Committee reviews the performance of the Society's Auditors in terms of their performance, cost and independence. A Tender exercise was completed just after the financial year end for the position of the External Auditors to the Society. The Council has approved the Committee's recommendation that BDO be appointed as the new Auditors to the Society with effect from 1 November 2018. This recommendation will be considered at the today's meeting.</p>
9.	<p><u>IN-HOUSE LAWYER'S COMMITTEE</u></p> <p>The meeting noted the Report from the In-House Lawyer's Committee (ILC). This Committee was set up in 2015 to represent, support and promote the interests of the Society's 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>The ILC's main aims are –</p> <ul style="list-style-type: none"> • To engage with In-House solicitors and trainees, ensuring the Society understands and serves their professional needs. • To promote the interests and status of In-House solicitors and trainees. • To encourage and assist in the development of better training of solicitors and trainees working In-House. • To promote the values of employing In-House solicitors and trainees to organisations which do not currently employ solicitors or trainees. <p>The ILC have continued to identify and recruit further new members representing the public and private In-House sectors. ILC wish to ensure</p>

that it is as representative of the diverse In-House legal community as it can be, which continues to grow and around 30% of the profession now work In-House.

Serving the various facets of In-House membership by providing accessible and relevant CPD remains a high priority. In October, the Society's CPD and Training Team ran a very well received full day course entitled In-House Best Practice, which was designed as an equivalent to the Practice Management course delivered to private practice solicitors. This course ran again in April 2018 with good attendance and feedback. The aim is to continue to deliver this event on a bi-annual basis.

The ILC free seminar programme continues to offer seminars in Edinburgh and by video conference to various locations across Scotland or an individual's computer. In doing this the ILC is ensuring that high quality CPD is accessible and available to all members. The regular evening CPD Seminars included sessions on time management, GDPR, the Financial Conduct Authority and mediation. The ILC have also welcomed the return of the Faculties 21st Century Bar Conference in December, which is always popular with the In-House Sector.

The Annual In-House Conference is scheduled for 18 June, running for the first time in Glasgow. This conference is supported by DLA Piper, CNS and Pinsent Masons as sponsors with additional sponsorship pending. Once again, the rising star award will be presented at the close of the conference – this annual award (now in its fifth year), celebrates emerging talent among the In-House Community. Last year, Leanne Hammel of ESC IT Consultancy was awarded the accolade from a competitive shortlist. All members of the profession are invited to nominate In-House trainees or lawyers with up to five years post qualifying education whose contributions and achievements deserve to be recognised.

In-House traineeships and promoting their value amongst the In-House community remains a hot topic, as while almost a third of the profession works across a range of organisations, only 11% of traineeships are In-House. The ILC aims to commission a piece of research into this area this year.

The ILC continues to encourage the creation and sharing of relevant In-House best practice a knowledge through increased use of articles, blogs and social media. The regular general interviews with In-House solicitors continues to be very popular. The ILC have profiled a varied range of In-House colleagues from across private and public sector organisations.

In August, the Society became members of the In-House Counsel Worldwide, a relationship which will provide a rich resource for Scottish Solicitors working at home and abroad.

The meeting of the ILC is dedicated to ensuring that the Society's In-House members are represented and received tailored support.

10.	<p><u>SCOTTISH SOLICITORS BENEVOLENT FUND</u></p> <p>The meeting noted the Report from Scottish Solicitors' Benevolent Fund. The Fund is intended to assist 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 to 31 October 2017, 19 grants were made to 11 individuals from general funds, and five grants were made to five individuals from the Tod Endowment restricted funds.</p> <p>The Trusts total incoming resources in the year were £19,117.</p> <p>There was a net increase in funds of £17,022 in the year due mainly to increases in the value of investments. Total funds at 31 October 2017 stood at £323,893 of which unrestrictive funds were £251,032.</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 their dependents should they be in financial need.</p> <p>Following an audit tender exercise, members will be asked to approve the appointment of the firm BDO as the fund's Auditors, replacing Henderson Loggie who have been in that role for 10 years. The Trustees of the Fund and all members sincerely thank Henderson Loggie for their professionalism and diligence during this 10-year period.</p>
11.	<p><u>THE APPROVAL OF THE ANNUAL REPORT AND ACCOUNTS OF THE SOCIETY, THE CLIENT PROTECTION FUND AND THE SCOTTISH SOLICITORS' BENEVOLENT FUND FOR 2016/2017</u></p> <p>The Society's Accounts to 31 October 2017 were proposed for approval by Mr Mulholland and seconded by Mr Brown. There were no questions on the accounts. The meeting approved the accounts of the Law Society of Scotland to 31 October 2017.</p> <p>The Accounts of the Client Protection Fund to 31 October 2017 were moved for approval by Ms Attack and seconded by Mr Dalling. There were no questions on these Accounts. The meeting approved the Accounts of the Client Protection Fund to 31 October 2017.</p> <p>The Accounts of the Scottish Solicitors' Benevolent Fund to 31 October 2017 were proposed for approval by Mr Mulholland and seconded by Mr Sheridan. There were no questions on these Accounts. The meeting approved the Accounts of the Scottish Solicitors' Benevolent Fund to 31 October 2017.</p>
12.	<p><u>APPOINTMENT OF THE AUDITORS TO THE SOCIETY, THE CLIENT PROTECTION FUND AND THE SCOTTISH SOLICITORS' BENEVOLENT FUND FOR THE YEAR 2017/2018</u></p>

	<p>The President advised that following a full tender the recommendation to this meeting from both the Audit Committee and the Council was that BDO be appointed as the Auditors to the Society from 1 November 2018. The President thanked on behalf of the Council and all members the excellent work conducted by the retiring Auditors Henderson Loggie who had carried out this role for the last 10 years.</p> <p>The appointment of BDO as the Society’s Auditors from 1 November 2018 was proposed by Mr Mulholland and seconded by Ms Wilson. The meeting approved this appointment.</p> <p>The appointment of BDO as Auditors to the Client Protection Fund from 1 November 2018 was proposed by Ms Attack and seconded by Mr Mair. The meeting approved this appointment.</p> <p>The appointment of BDO as the Auditors to the Scottish Solicitors’ Benevolent Fund from 1 November 2018 was proposed by Mr Mulholland and seconded by Mr Sheridan. The meeting approved this appointment.</p>
13.	<p><u>CHIEF EXECUTIVES REPORT</u></p> <p>Lorna Jack as the Society’s Chief Executive presented to the meeting her Annual Report.</p> <p>Ms Jack said that the Society is now well into the third year of its five-year strategy – leading legal excellence. The Society can be proud of what it has achieved so far to assure, influence, excel, serve and grow. The meeting noted that under the strategy heading of “assure” that regulation continues to be a fundamental part in the Society’s role. In the year just passed the Society carried out 339 inspections of Scottish firms. The Society’s members continue to give the Society’s regulatory activities their full support. Recent member research shows that two thirds of members in the survey said that inspecting firms should be a high priority.</p> <p>In terms of the projects aimed at assuring members, stakeholders and the public, the Society is continued its work to achieve legislative change and secure a modern, flexible and enabling legislative framework. An independent review of the regulation of Legal Services was announced in the early part of last year. The Society submitted responses to this review group in January and March of this year.</p> <p>At the heart of the Society’s recommendations is the ultimate goal of offering more appropriate consumer protections within our framework that is flexible to accommodate modern legal practice.</p> <p>The meeting noted that under the heading of “influence” in five-year strategy that the Society seeks to influence the creation of a fairer and more just Society. The Society has embraced its responsibilities in this</p>

area by inter alia responding to 109 consultations, commenting on 19 bills and proposing 52 amendments.

As the United Kingdom marches towards exiting the European Union the Society is sought to be a leading voice in showing interests of our members are represented in the discussions on the country's new relationship with Europe. The Society has been influential in a number of Committees and Working Parties at both UK and Scottish Government level. The Society has made amendments to the Withdrawal Bill over the course of the last 12 months.

The Society has continued its efforts to defend Legal Aid. Our work in this area has been extensive, challenging, sometimes met with disappointing responses from those in a position to influence. However, the Society is always being driven by belief that a properly run and funded Legal Aid system is a cornerstone of equal access to justice.

The Society commissioned independent research looking at the social return on the investment of Legal Aid and found that for every £1 spent on Legal Aid the overall benefit both the person receiving Legal Aid and wider society was substantially more – at approximately £5 in criminal and family cases and £11 in housing cases.

The Society is always aware of the pressures on the public purse, but our research supports the view that public expenditure on Legal Aid is a sound long term investment.

The Chief Executive said that the Society (in February of this year) was disappointed to discover that Martyn Evans' Report did not call for an immediate increase to the overall Legal Aid budget. The Report did acknowledge that there is an urgent need to conduct regular and independent fee reviews as well as giving a priority to criminal legal aid work.

The meeting noted that under the head of excel in the five-year strategy that technology continues to transform the delivery of legal services. The Society as an organisation seeks to lead by example – and in so doing – offers an improved service package. The Society's on-line renewal services have now expanded into all other membership categories. The Society's move to offer paperless Committee work, improves security and efficiency. The Society's launched a brand new and world class website, halving the number of pages while still providing the information sought by members, the public and other stakeholders.

The meeting noted that under the heading serve in the five-year strategy that the Society seeks to understand and meet all our members' needs by providing tools and services which they can use every day.

The Society has developed a bookable appointment system for our Professional Practice Team and a cyber security guide tailored to the profession's needs.

The Society expanded and improved its CPD offering and demand for our CPD products increased by over 11%. The Society welcomed 3,500 members to a total of 94 events and general sales of over £1½m. Amongst the new products the Society delivered last year included our first ever massive open online course (MOOC) on shipping law. This course attracted a global attendance of 2,000 online participants.

The meeting noted that the heading "growth" is the fifth strand of the five-year strategy. Non-core income achieved a record level of £2.22m last year.

In terms of new membership categories – the Society's relaunched the registered paralegal status and grew membership of the newly branded "accredited paralegal" scheme by 10%. Student associate numbers have grown over the year and now sit well above the target at 1,636, while retention of our non-practising members has improved by 9%.

The Society has endeavoured to grow the number of law and diploma students from low income backgrounds and this year has been incredibly significant. The Lawscot Foundation, which was established last year, received 51 applications from inspiring candidates, and awarded the first Bursaries to eight of the most deserving were now in University studying the LLB and receiving much needed financial support.

The Chief Executive said that to describe "equality and diversity" as a hot topic would be to understate its importance. It is imperative that the Society continues to give this subject the attention it deserves ensuring that the profession supports any framework which welcomes the best and brightest talent and works to support the progress of all those who joined the legal profession.

Many members – in fact up to over 3,000 – have taken part in this year's profile of the profession survey. The results from that survey will be published later this year. The Chief Executive concluded her Report by stating that there is a huge amount of work which she had not covered in her speech. These areas include Civil Justice Reforms; Enhancing Anti-Money Laundering processes; Public Policy Committee and its Specialist Subcommittees work; Alternative Routes to Qualification to name but a few.

The Chief Executive thanked everyone who had given their support to the work of the Society over the course of the last year. The Chief Executive warmly thanked her colleagues, Council and Committee members for all their input. The Chief Executive said that she was very proud of the Society's aspirations and achievements over the course of the last year.

14.	<p><u>PRACTISING CERTIFICATE FEE FOR 2018/2019 – RESOLUTION NUMBER ONE</u></p> <p>The meeting noted that there was one resolution on the Agenda Papers which was –</p> <p>“that, as from 1 November 2018, the annual subscription held by each member of the Society holding a Practising Certificate will be £565”.</p> <p>Mr Mulholland as the Society’s Treasurer spoke to this resolution. Mr Mulholland said that it had been an honour to have worked over the course of the last three years as the Society’s Treasurer. He thanked everyone in the Society’s Finance Team for their hard work over the course of last twelve months.</p> <p>Mr Mulholland said that the resolution on the Practising Certificate for 2018/2019 at £565 represented a 15% increase from last year’s Practising Certificate subscription. Indeed, up until this resolution the Practising Certificate subscription has been held constant at £550 for the last eight years. However, the Society over the course of last year had an operating deficit of £119,000. The principal purpose of the proposed increase in the Practising Certificate fee is to remove that deficit over the next twelve months and to operate on a breakeven basis. Mr Mulholland said that the proposed increase was in line with inflation and the Society continues to be very careful of how it spends the members’ subscriptions.</p> <p>There were no questions on the resolution to increase the Practising Certificate by £15 to £565 for the next financial year commencing 1 November 2018.</p> <p>Ms McGillivray moved the direct negative to the resolution to ensure that those who had voted with respect to this motion in advance had their votes counted at the meeting.</p> <p>The meeting noted that the advance voting on this resolution was as follows –</p> <ul style="list-style-type: none"> • Seven advance notes in favour of the resolution. • Fourteen votes against the resolution. • Two abstentions. <p>The meeting then held a vote by a show of hands on this resolution. The vote by a show of hands in the meeting on the resolution was as follows</p> <ul style="list-style-type: none"> • Twenty-three members in favour of the resolution. • One member against the resolution. • Four abstentions.
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	<p>The meeting noted that total vote for this resolution (inclusive of the advance votes was as follows:-</p> <ul style="list-style-type: none"> • Thirty votes in favour of the resolution. • Fifteen votes against the resolution. • Abstentions six. <p>The President declared the resolution number one - that, as from 1 November 2018, the annual subscription held by each member of the Society holding a Practising Certificate will be £565 – to be carried.</p>
15.	<p><u>TOPICS FOR DISCUSSION – ALTERNATIVE BUSINESS STRUCTURES AND PROXY VOTING</u></p> <p>The meeting noted that the Council had agreed that Michael Sheridan, solicitor Glasgow could raise at the meeting the topics for discussion of Alternative Business Structures (ABS) and proxy voting.</p> <p>The meeting heard both a personal plea from Mr Sheridan but also one on behalf of the Scottish Law Agents Society, for re-consideration by the Council of the Law Society of Scotland’s support for Alternative Business Structures. Mr Sheridan asked whether opening the market to ABS would accelerate the trend of takeovers by firms South of the Border, whether the Society had a duty to “foster the Scottish Legal Profession and Traditions” and therefore to the “wind back” ABS. Furthermore, Mr Sheridan asked that if in his view the ABS “nightmare” came to pass, and a big company offered money to acquire his practice, should he jump at it or stand up for his principles? Mr Sheridan argued that he “should not be exposed to that temptation”. Mr Sheridan also restated his arguments and that of the Scottish Law Agent Society that a solicitor’s public duty towards client and the Court were inconsistent with ownership by a company which had to be run in the interests of its shareholders.</p> <p>Ms McLintock reminded the meeting that the Legal Services (Scotland) 2010 Act is an Act of the Scottish Parliament which was promoted by the Scottish Government to allow for the creation of ABS. The arguments for ABS were first raised by a Justice Secretary at an Annual General Meeting of the Society over a decade ago. That Justice Secretary said to members at that meeting that the status quo in terms of how solicitors are both regulated and how they may form different business structures was no longer an option.</p> <p>The meeting also noted that ABS had been allowed in England and Wales for over a decade. The great majority of ABS in England and Wales have allowed non-solicitors to become partners/directors within a multi-disciplinary practice. ABS should be seen as an opportunity for solicitors in Scotland to widen their business base and allow other professional persons to be partner/directors in their businesses. Mr Gibb, Chief Executive of Shepherd & Wedderburn, said ABS was not connected with recent takeovers, and that there was no connected motive. Not all large</p>

firms were seeking such a merger – his own included – but many saw market pressures to do so. Mr Gibb said that he was passionate about the brand of Scottish solicitor and what could be done to preserve its quality; this was about finding the right way to regulate. The reviews of Legal Aid and Legal Services Regulation both presented serious issues to which the profession had to be ready to respond in a united manner.

Mr Brown asked Mr Sheridan not to portray himself as “a little guy fighting against a strong man”. Many High Street firms were going to the wall every day and if someone made him an offer for his own firm, he would sell. He also asked the rhetorical question as to why he could not let an accountant use part of his empty business premises.

Mr Sheridan then raised the issue of proxy voting. Mr Sheridan advised the meeting that he had received indications of support from others in the profession to re-introduce proxy voting as opposed to the advance electronic voting for members, who are unable to be present at meeting. He said that he did not understand the arguments which had been presented at a General Meeting several years ago as to why all proxy voting (apart from in relation to constitutional amendments as required under the Solicitors (Scotland) Act 1980) had been introduced. Mr Sheridan said that all public limited companies still allow proxy voting in advance of their Annual General Meetings despite their introduction of advanced electronic voting. He also said that a proxy holder attending a meeting was exposed to the arguments at the meeting whereas advance electronic votes, as their name implied had to be cast in advance. Mr Sheridan said that proxy voting was the minimum standard of governance. Mr Sheridan called for the reintroduction of proxy voting by way of amendment to the constitution for future General Meetings.

Ms McLintock said that in practice there was little difference between a proxy vote and advance electronic voting as the person who is granted a proxy will not participate in the meeting nor will hear the arguments at a meeting.

Mr Gibb said that it is not clear from the discussions on this topic as to why all proxy voting (bar in relation to constitutional methods) had been removed from the constitution in favour of advanced electronic voting.

The meeting concluded with no vote on the issues of Alternative Business Structures or proxy voting.

The President thanked everyone for attending the meeting which concluded at 6.44pm.