# Annual GENERAL MEETING - 2020

Minute (draft) of the Annual General Meeting of the Law Society of Scotland held via video conference on 28 May 2020 at 1730

Present: John Mulholland (President), Amanda Millar (Vice President), Michelle Adam, Alison Atack, Jane Barrie, Heather Barton, Mike Blair, Gary Booth, Joseph Boyd, Karen Brodie, Sue Carter, Craig Cathcart, Johnston Clark, Ken Dalling, Laura Donald, Louisa Doole, Ian Ferguson, Chris Fraser, Stephen Gibb, Colin Graham, Gwen Haggerty, Fraser Hardie, Alistair Hill, Helen Hutcheson, Lorna Jack, Austin Lafferty, Kevin Lang, Fiona Larg, Scott Lindsay, Anne Macdonald, Robin MacPherson, David Mair, Tom Marshall, Graham Matthews, Fiona McKinnon, Christine McLintock, Raphael Meier, Amanda Millar, Christopher Morgan, David Morton, Paul Mosson, Darren Murdoch, Rhona Murray, Peter Nicholson, Valarie Paterson, Donald Reid, John Reid, Sheekha Saha, Brian Simpson, Andrew Stevenson, Serena Sutherland, Adrian Ward, Graham Watson, Sheila Webster, Debbie Wilson, Rachel Wood

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: Farah Adams, Colin Anderson, Laura Baxendale, Colin Bell, Emma Boffey, Daniel Boyle, Sara Brazendale, Elaine, Campbell, Liz Campbell, Sonia Cheng, Alison Chisholm, Susan Christie, Lorne Crerar, Emma Crilly, Joyce Cullen, Megan Cullen, Helen Davidson, Michael Dean, Liz Dougan, Roddy Forgie, Shaun George, Archibald Graham, Connor Guinea, George Hann, Gordon Hollerin, James Hotchkis, Emma Hughes, Stuart Hunter, Jean Law, Eric Leggat, Roderick MacLean, Clare MacPherson, Alex MacRitchie, Jacqui McCusker, Chris, McLaughlan, Morag McLintock, Jackie McRae, Peter Murray, Beatrice Nicholas, Adele Nicol, Rosanne Ogden, Ameeta Panesar, Alasdair Peacock, Oana Petre, Jackie Polson, Naomi Pryde, Alastair Rae, Tom Richard, James Keith Robertson, Saoirse Stankard, Jim Stephenson, Alan Stewart, Euan Stirrat, Gillian Treasurer, Marian Tytler, Lynsey Walker, Alan Watt, Derick Williamson, Philip Yellland

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|  | **Welcome**  The President welcomed everyone to the 71st Annual General Meeting (AGM) of the Law Society of Scotland (the “Society”). The President said that he was delighted that so many members were able to attend this first ever AGM by remote access due to the current covid-19 restrictions. | |
|  | **Procedural arrangements**  The Registrar summarised the procedural arrangements for the AGM. The formal notice for the AGM had been issued on 6 May 2020. Advance voting for the meeting had run from 19 to 26 May 2020. The following advance votes had been received –   * Resolution number 1 – 97 in favour ; 12 abstain ; 9 void * Resolution number 2 – 99 in favour ; 3 against ; 7 abstain ; 9 void * Resolution number 3 – 113 in favour ; 4 against 1 against   The Meeting agreed that if votes were proposed on any of the three resolutions, that these votes would be taken at the same time given the time involved in seeking the voting intentions of members on a remote access basis. | |
|  | **Approval of the Minutes from the General Meetings held in 2019**  The Meeting considered the minutes of the three General Meetings held last year. The Meeting had no changes to any of these three minutes. The Meeting approved the minutes of the three General Meetings held last year as follows –   * Minute of the AGM held on 30 May 2019 – the approval of this minute was proposed by the President and seconded by Ms McLintock. The AGM approved this minute. * Minute of the Special General Meeting (SGM) of 6 September 2019 – the approval of this minute was proposed by the President and seconded by Donald Reid. The AGM approved this minute. * Minute of the SGM of 24 October 2019 – the approval of this minute was proposed by the President and seconded by Sheekha Saha. | |
|  | **The President’s Address**  The President said that he was disappointed that it was not possible to hold an actual physical AGM. However, the President said that he was delighted that with the new ways of remote working that more members were able to attend this AGM. The President said that the start of his Presidential year was in the 70th anniversary year of the Society. His year as President had also been marked by the 100th anniversary since women had been allowed to qualify as practising solicitors.  The President highlighted to the Meeting a number of the important matters which has taken place over his year in office which included a number of personal highlights as follows –   * The Society has hosted a major international conference of legal regulators. At this conference the Lord President had given a robust defence of the present legal services regulatory regime. * Meetings with members across the profession had been a source of inspiration to the President. The President recognised the huge personal and professional challenges facing members in the current covid-19 climate. * The threat to jury trials due to the impact of covid-19 is of great concern to the Society. It was a credit to the Society that practical solutions had been proposed to the Scottish Government which will be incorporated into the new jury trial system to be operational in July. * There has been a huge amount of work conducted by the Society’s committees to provide practical help to members faced with the impact of covid-19 on the structure of legal institutions since the beginning of lockdown restrictions. The Society had helped put in place interim measures to address the sudden closure of the Registers of Scotland. The Society had also worked with major lenders in response to the closure of the Registers. * The Scottish Government continues to look at the Society for measured and appropriate advice in the area of law reform. The high regard in which the Society is held in this area is shared by all political parties. * Admission Ceremonies – these ceremonies were one of the highlights for the President in welcoming new members of the Profession. * The financial package of support to the profession is also a great tribute to the work of the Council. This package of support will conclude at this Meeting with the passing of Resolution 3 on the practising certificate fee for 2020/21. An agreement has also been reached with the Scottish Legal Complaints Commission (SLCC) to defer payment of the half of their annual levy until later this year rather than the full levy payment being made in July.   The President concluded his remarks by saying that the Society’s success was built on team work from the Council, committees and all employees. The President thanked the Chief Executive and all the Senior Leadership Team for their assistance over the last year. The President especially thanked Graham Matthews as a former President and Alison Atack as the Past President for all their advice and support. The President also wished good luck to the new office bearers – Amanda Millar and Ken Dalling – when they take office as President and Vice President respectively at the end of this month.  The President gave his final thanks to the profession for their support to him as their President. The President said it had been an honour to lead the profession. | |
|  | **Adoption of Reports**  The Meeting considered the reports from The Treasurer; the Client Protection Fund Convener; the Audit Committee Convener; the Lawscot Foundation Board of Trustees; and the convener of the Scottish Solicitors’ Benevolent Fund. All these reports were for the period 1 November 2018 to 31 October 2019.  All of these reports had been placed on the Society’s AGM website page. There were no questions on any of these reports which were all duly adopted by the Meeting. | |
|  | **Chief Executive’s Report**  The Chief Executive said that this was a historic AGM being the first one to be held entirely remotely by video link. The Chief Executive in her address to the Meeting highlighted the following principal matters –   * The Society is now in the fifth year of its five year strategy. A new shorter strategy is planned due to the impact of covid-19 given the uncertainty of the long term impacts of the virus on the profession and the economy. This crisis has placed an even greater importance on the use of technology by the profession. * The impact of covid-19 has placed an even greater emphasis on the support and assistance the Society provided to members especially at a time of crisis. * Some of the highlights in the previous operational year included in the area of regulation 219 financial compliance inspections which now include an enhanced anti-money laundering role. In the representational areas the Society launched a new accreditation in technology. The CPD team ran 160 new CPD modules online. There were in addition 112 events for High Street members. There were 7500 calls to the professional practice team and over 4000 written enquiries to this team. In addition there were 15,000 visits a month to the “find a solicitor” function on the Society’s website. * In the area of “influencing” the Society responded to 159 Consultation papers; there were responses to 25 Parliamentary Bills; and the Society hosted a debate on 20 years of Devolution. * In the membership area there are now 12,240 Scottish solicitors with 545 new solicitors admitted in 2018/19. There are 550 Society accredited paralegals and over 2400 student associates.   The Chief Executive warmly thanked Philip Yelland, Executive Director of Regulation who was retiring today after 30 years of outstanding service. The Chief Executive also thanked the President for his incredible leadership in a most challenging year. The President had at all times over the course of the last year adopted a very calm and collegiate approach. The Chief Executive also thanked all employees for their hard work and dedication in a very demanding and difficult year.  Questions were invited from the Meeting on the Chief Executive’s presentation. Adrian Ward asked what impact was covid-19 having on the Society, its employees and their workload and resources? The Chief Executive said that 20% of all employees had been placed on furlough. Covid-19 had increased the workload in many areas of operation and this increase was being monitored.  Donald Reid asked if the planned Legal Services Reform Conference for September was going ahead as planned and what would be the nature of this conference? The Chief Executive said that no decision had yet been taken on whether this conference would now take place. A decision will be made later in the summer. The conference will give the Society an opportunity to explain to a wide audience its views on any proposed reforms to legal services. The Meeting noted that the Scottish Government has recently announced that any new consultation on legal services reform will be delayed until the end of the year due to the continuing impact of covid-19. | |
|  | **Practising Certificate fee for 2020/21**  The Vice President said that the profession was facing unprecedented times due to the impact of covid-19. There were significant restrictions on all solicitors as to how they can practise. The most recent survey of the profession showed that covid-19 was having an impact on all areas of work for all of the Society’s members. It is estimated that 60% of all practices and employers have introduced a recruitment freeze. For all of these reasons the Council last month had approved a financial package of support to the profession of £2.2 million.  This financial package of support included a 20% reduction in the Accounts fee, no Guarantee Fund contribution for 2020/21 and the delayed payment of the SLCC levy to the end of October 2020. The final part of the financial package of support is the proposed reduction of 20% in the practising fee to £460 which is set out in the third resolution to this Meeting.  The Vice President said that many members had been in touch to the Society to express their whole hearted support for this financial package of support.  There were no questions on the proposed practising certificate fee of £460 for 2020/21.  The Meeting then agreed to move to a vote on all three resolutions on the agenda papers for this AGM. Members in attendance were reminded that if they had already voted in advance on any of the resolutions, that they could not vote again in the poll vote at the Meeting.  The Meeting agreed to a roll call of all attendees, with each member giving their voting intentions of for, against or abstain to the Registrar. Members were invited to give their votes on all three resolutions at the same time. |
|  | **Voting on Resolution Numbers 1, 2 and 3**  The Meeting noted that the Resolution Number 1 was on “The approval of the Annual Report and Financial Statements of the Society and the Client Protection Fund for 2018/19.”  This resolution was proposed by Amanda Millar and seconded by Tom Marshall.  The poll vote at the Meeting for this resolution was 22 For, 0 Against and 0 Abstentions. The total vote for Resolution 1 including the advanced voting was 119 For, 0 Against, 12 Abstentions and 9 void.  Resolution 1 was therefore approved.  The Meeting noted that the Resolution Number 2 was on “The appointment of the Auditors to the Society and the Client Protection Fund for 2019/20.” The Meeting note that it was proposed by Sheila Webster that BDO be reappointed as the auditors under this resolution. This reappointment of BDO as auditors under this resolution was seconded by Debbie Wilson-McCuish.  The poll vote at the Meeting for this resolution was 21 For, 1 Against and 0 Abstentions. The total vote for Resolution 2 including the advanced voting was 120 For, 4 Against, 7 Abstentions and 9 void.  Resolution 2 was approved.  The Meeting noted that the Resolution Number 3 was on “That, as from 1 November 2020, the Annual Subscription payable by each member of the Society holding a Practising Certificate will be £460.” This resolution was proposed by Donald Reid and seconded by Ken Dalling.  The poll vote at the Meeting for this resolution was 22 For, 0 Against and 0 Abstentions. The total vote for Resolution 3 including the advanced voting was 135 For, 4 Against and 1 Abstention.  Resolution 3 was approved.  The Meeting noted that all three resolutions had been carried. |
| 9. | **Lawscot Foundation**  Christine McLintock gave a brief update to the Meeting on the Lawscot Foundation. The Foundation tries to raise annual income of £100,000 per annum in order to maintain its support for those who have been granted funding and to new successful applicants.  Due to the impact of covid-19, the Foundation’s principal source of income from running fund raising events has “fallen off a cliff” in this year to date. At the same time more applicants have applied for funding from the Foundation this year.  The Foundation has recently launched an emergency appeal to which all members are invited to make contributions. |
| 10. | **Scottish Solicitors’ Benevolent Fund (SSBF)**  Andrew Stevenson spoke on behalf of the Trustees of the SSBF. The SSBF has total funds of £330,000 at 31 October 2019. The fund’s income had declined this year due to the impact of covid-19. Investments held by the fund had also fallen due to the impact of covid-19 and stand at £290,000 at 31 October 2019.  The fund had paid out £14,000 to a dozen applicants to 31 October 2019.  Mr Stevenson said that the fund does need to better identify those individuals who could benefit from one of its grants, The fund does tend to receive applications for grants from the same individuals each year.  The fund has two purposes to provide grants to those in financial distress and under the Tod Endowment Fund to provide rest bite care in Scotland for solicitors or their dependents.  Fund raising has also been hit by the impact of covid-19. All members are encouraged to donate to the fund. |
| 11. | **Draft Practice Rules for discussion**  The Meeting noted that the final matter on the agenda was draft practice rule in the form of an Instrument of Change to Rule D.5 on incorporated practices.  Craig Cathcart as the convener of the Regulatory Committee spoke briefly to the proposed changes to Rule D.5. The main points raised by Mr Cathcart in his presentation were –   * This proposed rule change is all about risk management in order to protect the public and promote the profession. * This rule change will only affect incorporated practices. The rule change seeks to have a consistent approach so that all incorporated practices will be asked what arrangements are in place to continue the incorporated practice if there are no qualified person(s) in place. * This risk will be addressed by requiring the incorporated practice in its founding documents to name a nominee who will take over the business if the incorporated practice ceases. * This risk of having no qualified person in place in an incorporated practice is likely to be greater the smaller the incorporated practice and the fewer the number of Directors are in place. * The Society has also no statutory right to step-in with respect to a failing incorporated practice. This is not the case for a traditional sole practice which fails where the Society has a Society right to intervene under s45 of the Solicitors (Scotland) Act 1980.   There were no questions for Mr Cathcart on the draft practice rule changes to Rule D.5. |
| 12. | **Conclusion of the Meeting**  The President thanked all members who had attended by remote video access this radically different Meeting. The President also thanked everyone at the Society who had made the holding of this Meeting possible.  There being no other business, the Meeting ended at 19.20. |