



Supporting Solicitors



June 2015 Strategic Review

Following the election of a new government and the official opening of parliament, this edition highlights some of the key political issues that will have an impact on the profession such as membership of the EU and the increase in court fees. In addition, we seek your views on the future strategy of your membership body.

Law Society Relationship Management Team

The Law Society 2020 strategy

The legal landscape is evolving, with the introduction of new legal services, technological innovation, and the growth in overseas markets and competition, etc. You can share your views on the direction of travel and how your interests should be best represented.

In particular we are very interested to hear your thoughts on:

- what the future looks like for the legal sector
- what regulation should look like
- the title of solicitor and its value to the profession, business and the public
- what the Law Society's role should be in legal education and professional standards
- how we should manage our relationships and influencing to achieve the changes our members want
- how we tailor what we do to support, promote and represent different parts of our diverse membership.

Please contact me if you would welcome the opportunity to share your views directly with me as I would be delighted to arrange a meeting – matthew.still@lawsociety.org.uk. For the more information on Law Society 2020 please click [here](#).

EU update

The official state opening of parliament took place on Wednesday 27th May. Amongst others things the Queen's speech included proposed legislation on an EU referendum bill, which will help the government to bring forward plans for a referendum on Britain's membership of the EU. A Scotland bill will give further powers to the Scottish parliament, particularly over tax and spend policies, and a cities devolution bill will pave the way for Osborne to realise his plans for the 'Northern Powerhouse'. The Law Society's response to the Queen's speech can be accessed [here](#).

With these ongoing discussions surrounding the UK's place in the EU making the front pages, it is worth again highlighting the Law Society's commitment to promoting and protecting the UK international reputation as the choice of legal destination. The Law Society will continue to work towards a legal environment for businesses and consumers that provides legal certainty, clearly outlining rights and duties, and offering effective means of redress. Further information is available [here](#).

Elsewhere CBI boss John Cridland highlights 'Five reasons for staying in a reformed EU' and has called on business leaders to speak out early in favour of remaining within a reformed European Union. Read the full article [here](#).

England and Wales – jurisdiction of choice

Writing in The Times, Law Society CEO Catherine Dixon highlights higher court fees as one factor that potentially could lead to this country losing its place as the jurisdiction of choice. In particular, she highlights that 'it is 40 times more expensive to issue proceedings here than in New York'. The full article can be accessed [here](#) (you may need to subscribe to access the full article).

Accountants' legal services

Demonstrating the growth of the larger accountancy firms into the legal services market, EY has acquired senior corporate lawyers Paul Devitt and Richard Thomas from Addleshaw Goddard. The hires follow a number of recent appointments to EY's UK legal services business. Since acquiring an ABS licence, the team has grown to over 25 people and is set to expand further over the next two years.

<http://economia.icaew.com/news/may-2015/ey-further-expands-legal-team#sthash.CaCmr29k.dpuf>

International

Firms are rethinking their international expansion plans because of volatility in the global economy, according to new research. Nearly a quarter (24 per cent) of finance directors of the UK's top 100 law firms (by revenue) surveyed by Thomson Reuters Legal said it was likely they would look to expand abroad as a means of improving profitability – down from a third (33 per cent) last year.

Expansion interest in SubSaharan Africa experienced the sharpest decline. The region has been hit by weaknesses in oil and metal prices; this year not one respondent marked it as a target for expansion, compared with 64 per cent last year. Stephen Denyer, the Law Society's head of city and international, said most international firms had substantial and growing Africa practices covering areas such as finance, infrastructure, mergers and acquisitions, and disputes. Read the full article [here](#).

For those firms considering entering or expanding their overseas markets, the Law Society's annual International Marketplace conference, being held in London on 1 July, will be of interest. This year's conference will help firms to look at opportunities in key emerging markets and provide practical guidance for

SME and regional law firms on developing an effective international business development strategy. The event coincides with inward trade missions of lawyers from Central Asia, Latin America, India, Africa and China. Further information available [here](#).

Economic conditions

Broadly business conditions performed strongly in April and May. According to the CBI's Industrial Trends Survey, the manufacturing sector expanded again in May, as export orders improved. The survey of 501 manufacturers found that total order books were weaker than last month, but that they remain well above average. The full article can be accessed [here](#).

In line with the CBI's report, the Bank of England's May Summary of Business Conditions indicates:

- consumer services and retail sales turnover had risen moderately
- housing market activity remained below that of a year earlier, with some contacts reporting a slowing in the run-up to the General Election
- investment intentions for the next 12 months were consistent with moderate growth overall
- business services turnover growth had remained robust and broadly based
- manufacturing output growth, both for the domestic market and for export, had edged lower
- construction output growth had continued to ease on a year earlier, but remained fairly robust overall.

The full summary can be accessed [here](#).

Equality, diversity and inclusion

Several initiatives are highlighted to show the increasing commitment from the sector towards promoting equality, diversity and inclusion; Fieldfisher has announced the appointment of its first diversity manager who has been tasked with improving the firms' female leadership (click [here](#)).

In the banking world, JP Morgan has announced that it aims to attract women lawyers with families back into the profession, with its back-to-work scheme. The scheme is a 10-14 week paid internship aimed at re-acclimating participants to the workforce and acquainting them with JPMorgan (click [here](#)).

Baker & McKenzie and Hogan Lovells are the first firms to sign up to a contextual recruitment tool that monitors and analyses social mobility. The system is believed to be the first graduate recruitment tool that helps firms to calibrate and quantitatively measure the social mobility characteristics of individuals. Last year the Social Mobility and Child Poverty Commission reported a dramatic over-representation of those educated at independent schools and Oxbridge across the legal and political institutions who have a profound influence on what happens in the UK (click [here](#)).

Cyber security risk

Global insurance broker Willis recently highlighted six core risk fears for law firms, including a greater emphasis on cyber fraud and technology infrastructure risks. The issues and solutions surrounding these areas were recently discussed at roundtable with a group of law firm risk managers. The full briefing can be accessed [here](#) (please note pre-registration is required to access the briefing).

City trainee salaries

The Gazette reports that Linklaters has raised trainee pay to £42,000, a rise of 5% on last year, placing the firm ahead of Slaughter and May and Hogan Lovells at the top of the table for trainee wages among City firms.

Meanwhile the article points out that pay packets for the magic circle firm's newly qualified solicitors have grown by £3,500 to reach £68,000, as it joins other City firms offering large pay hikes to attract top talent. Read the full article [here](#).

Excellence Awards

There is still time to submit your nominations for this year's Excellence Awards taking place on 22 October 2015. This year sees two new award categories:

- Excellence in Private Client Practice - celebrating excellence and outstanding achievement in private client work
- Excellence in Technology – celebrating the development or implementation of an appropriate cyber security system and culture.

For full details please click [here](#).

SRA regulatory reform programme

The SRA has outlined a range of regulatory reform proposals. Closing date: 11 June 2015. For further information click [here](#).

Events

Some of the forthcoming headline events include:

- **International Marketplace 2015: Going Global – 1 July, Chancery Lane (London)**
Industry experts and leading lawyers will share their insights on the global legal market, with panels on developing an international strategy and workshops on emerging markets. For more information, click [here](#).
- **Private Client Section annual conference 2015 – 3 July, Victoria Park Plaza (London)**
The conference will equip individuals with the very latest thinking on private client work, with parallel workshops covering topics such as elderly client, court of protection, tax planning, pensions and implications of Brussels IV regulations. For more information, click [here](#).

For full details on the above and full programme of events please visit the [events](#) page.