



## Law Society Council summary: 9 and 10 July 2014

The Council met on 9 July and the morning of 10 July, with the Annual General Meeting (AGM) of the Law Society held in the afternoon on 10 July. The AGM saw the succession of Andrew Caplen as President, and confirmation of Robert Bourns as the recently elected Deputy Vice President. It also saw the election and re-election of several Council members, including the members successfully returned in the five geographical Council seats where elections were held this year.

### Council approved a 17% reduction in the PC fee for 2014-15

Council approved a 17 per cent reduction in the individual practising certificate (PC) fee for 2014-15. Voting on the Law Society Group's budget – which covers the Solicitors Regulation Authority, the Law Society professional body and Corporate Solutions, the group's shared services arm – overwhelmingly endorsed the plans to reduce the group's net funding by almost £12m. The proposal will now be passed to the Legal Services Board (LSB) for final approval. Council's decision followed wider consultation than ever before with the profession on its views of the level of the PC fee, and many of those who responded asked the Society to do all it could to minimise the Group's call of the PC fee. Council therefore welcomed the papers presented on the net funding requirement for the Group which have permitted this significant reduction in the PC fee and in the firm levy and the compensation fund levy.

### Law Society pledges further support to criminal law solicitors

Council considered a request for financial support for a judicial review challenging aspects of the consultation process on the *Transforming Legal Aid: Next Steps* proposals. In particular, the focus of the claim is the preparation of the KPMG report on the appropriate number of duty contracts to award, which the claimant bodies suggest was not released to appropriate consultees, rendering the process unfair. Council recognised the deep concern of many criminal law practitioners at the Lord Chancellor's decisions and agreed that the Society should assist the parties by offering to fund mediation to resolve the issues. Should mediation not succeed, Council agreed that the Law Society would provide financial support to enable the practitioner groups to proceed with the litigation, if permission is granted by the Court

The text of the Council motion was:

That the Society, in the exercise of its representative function, should –

1. (a) By letter invite the claimants to propose mediation, with a stay of proceedings for that mediation, with the option that the Society be involved in that mediation; and  
(b) Offer to pay the claimants' costs of that mediation up to a maximum of £30,000.
2. Provided that the Society's mediation invitation is accepted by the claimants, and if the offer of the mediation is not agreed to by the government, or if the mediation takes place but is not successful, offer the claimants the sum of £45,000 in respect of their costs of the judicial review.

### Shaping the environment

Council noted that the SRA had launched consultations on a wide-ranging programme of reform, involving significant changes to professional indemnity insurance, the Compensation Fund, accountants' reports, and multi-disciplinary practices. The SRA wanted to implement the majority of these from October this year. The Law Society welcomed steps to reduce the regulatory burden, but represented members' concerns by stressing that reforms on this scale should not be done piecemeal: the Society has formally responded and continues to engage with SRA and the LSB. In international terms, as part of reducing barriers for members firms wishing to establish in key markets, the President was part of a delegation to Brazil; the Society held meetings with the Law Society of Kenya; and a round table was held on UK insolvency practices for policy makers from the Reserve Bank of India.

### Member engagement

The Chief Executive updated Council on the Society's move towards being a truly member-centric organisation. As part of this, the focus of the Society's key communication campaign, launching in the autumn, will be promoting the services of solicitors to the public, using the voices of members and their clients to lend authenticity to the message. The campaign will also use social and digital media to maximise the value it delivers. Council also noted the strong presence of the Society at the LegalEx conference on 15-16 May 2014, taking advantage of an excellent opportunity to show how the Society can help represent, promote and support our members.

### Events and services

Supporting members through the changes to criminal and civil legal aid remains a priority for the Law Society. We have engaged with members in the nine areas where the KPMG report identifies a challenge of principle to the Ministry of Justice's (MOJ) proposed model, and we are representing the views of those members to the MOJ. We have also provided support to individual members throughout the tender process for the crime 'own client' contracts. The annual In-House Division conference took place as a joint event between the Junior Lawyers' Division and the Women Lawyers' Division on career progression. Council noted that the Practice Advice Service had answered over 3,500 calls between 14 April and 6 June 2014, and the Find a Solicitor service had answered almost 12,000 calls.