



**Classification:** Public  
**Purpose:** For noting

#### REPORT OF THE CHIEF EXECUTIVE OF THE LAW SOCIETY – PART 1

##### **The issues**

This edition covers the period 15 September 2016 – 6 October 2016 and provides:

- A summary of current key part 1 issues;
- Appendix 1 Key activities being undertaken by the communication and public affairs teams;
- Appendix 2 Key activities being undertaken by Membership services ;
- Appendix 3 Key activities being undertaken by business development;
- Appendix 4 Consultation responses ;
- Appendix 5 Litigation update; and
- Appendix 6 Media coverage and recent press articles.

##### **Remit**

The Chief Executive is responsible for the delivery of the Law Society's strategy.

##### **Statement of territorial application**

This paper applies to England and Wales.

##### **Our vision**

We want to be valued and trusted as a vital partner to represent, promote and support solicitors while upholding the rule of the law, legal independence, ethical values, and the principle of justice for all.

##### **Financial, section 51 and resourcing implications**

There are no financial implications.

##### **Consultation with Finance**

This report has not been sent to Finance to review.

##### **Equality and Diversity implications**

Equality and diversity issues, where appropriate, have been highlighted in the relevant Directorate reports.

This report has been prepared for Council.

**CEO:** Catherine Dixon  
**Author:** Catherine Dixon  
**Date of report:** 6 October 2016

## **Executive Summary**

I set out below an executive summary of key issues facing the Law Society at the time of writing.

This report includes the following Appendices:

- A summary of current key part 1 issues;
- Appendix 1 Key activities being undertaken by the communication and public affairs teams;
- Appendix 2 Key activities being undertaken by Membership services ;
- Appendix 3 Key activities being undertaken by business development;
- Appendix 4 Consultation responses ;
- Appendix 5 Litigation update; and
- Appendix 6 Media coverage and recent press articles.

## **CEO Key activities**

### **1. Brexit**

Our engagement with policy committees on Brexit is continuing. In addition, we have also concluded a series of roundtables across the country with different sections of the membership including in-house, European firms based in London, and American firms. Initial feedback suggests that the key issues and messages identified in our report on Europe, published in October last year, still broadly apply. A policy update based on the views we have received from the membership is being produced.

We have started to work with Government to help them identify the legal and justice issues that should be addressed as a matter of urgency, and the longer term planning that will need to take place to ensure that the interests of the profession, and our legal system, are safeguarded in any negotiations.

The President and I met with the Home Secretary, Ben Wallace MP and Lord Keen of Elie and had a positive discussion about the importance of maintaining a safe and cooperative cross-border justice system once we withdraw from the EU. We also talked about the opportunities to promote English and Welsh law, and England and Wales as a jurisdiction of choice.

We have further meetings scheduled with the Lord Chancellor and the Secretary of State for Exiting the EU. We also met with the Chief Legal Advisor at the Foreign and Commonwealth Office (FCO) Iain MacLeod, to discuss the planning and priorities of the FCO, and offer the expertise in our Boards and committees, and the wider membership.

We are also continuing to engage with and explore opportunities for joint working with The CityUK, ICAEW, the Professional and Business Services Council (PBSC), the British Chambers of Commerce, the CBI, the Institute of Directors, the City of London Law Society (CLLS), City of London Corporation and the Federation of Small Businesses (FSB).

We held the first meeting of the Brexit members' taskforce, chaired by David Greene and Stephen Kon, on 16 September. A number of government officials attended to provide an update on planning within the Ministry of Justice, the Department for Business, Energy and Industrial Strategy, the Department for Exiting the EU, and the Department for International Trade. They also used the opportunity to gather feedback from the taskforce about the potential impact of Brexit on legal services and the profession. We are continuing to realign our events programme with developments around Brexit where relevant. The Bar Leader's discussion at the Opening of the Legal Year focused on Brexit from an international perspective. In addition, the Competition Section held the second of their seminars on Brexit and the potential impact on competition law on 11 October. Speakers included Professor Richard Whish QC

from Kings College London, Tim Ward QC from Monckton Chambers and Kate Vernon, a partner at Quinn Emanuel.

The first of our legal breakfasts on Brexit will take place on 24 October. Hosted by the President, it will explore the potential impact on business migration with guest speaker Jeremy Browne, special representative to the European Union for the City of London Corporation.

My latest articles in the Gazette on Brexit have been published:

- Cross-border practising rights: <http://www.lawgazette.co.uk/analysis/comment-and-opinion/brexit-maintaining-cross-border-rights/5057894.article>
- England and Wales as the global legal centre: <http://www.lawgazette.co.uk/analysis/comment-and-opinion/brexit-we-must-remain-the-global-legal-leader/5058026.article>

We are currently developing a campaign focused on promoting England and Wales as the governing law of international contracts. The campaign's aims are:

- Ensuring that the law of England and Wales continues to be the governing law of international contracts leading up to and following Brexit
- Ensuring English and Welsh courts continue to be seen as the international forum of choice leading up to and following Brexit
- Ensuring London continues to be seen as the internationally preferred seat of arbitration leading up to and following Brexit

The audiences will include business (in the UK and overseas), decision makers (including the Government), members and the public. A range of tactical work to support the campaign aims is currently being developed, including key messages, adverts and events. We hope this will also tie in with the wider work on promoting UK exports through the 'GREAT' campaign that is being led by the Department for International Trade. Further detail will be provided as this area of work develops.

## **2. SRA Consultation on a new Handbook and Accounts Rules**

This consultation closed on 21 September. The Law Society's response to these consultations was published on 8 September, and our communications campaign, encouraging members of the profession and other key stakeholders to send their own consultation responses to the SRA, continued to 21 September. We continue to engage stakeholders where possible.

On 21 September the Society submitted three further pieces of evidence to the SRA. The first was an economic critique, which highlighted why the proposal to split the profession into two tiers was unlikely to improve competition or reduce unmet legal need. Instead it is likely to make the system more confusing for consumers.

The second was the outcome of a survey of Law Society members, which received 1659 responses, demonstrating the risks from the profession's perspective. 82% of those surveyed thought that the SRA's changes to the regulatory system were unnecessary.

The third was the result of an Ipsos Mori survey of consumers, which received 1647 responses, and which showed that consumers do not support the SRA proposals. 77% of consumers thought solicitors should be regulated. 97% want their legal advice to remain confidential, and 86% believe their solicitor should have Professional Indemnity Insurance.

Taken together, this evidence shows that the SRA proposals are highly unlikely to benefit consumers or the profession, and that there are significant risks if these proposals are implemented. The Law Society continues to urge the SRA to reconsider its proposals.

### 3. Legal aid campaign

Since we launched our legal aid deserts campaign, we have achieved:

- A wide range of broadcast and press coverage. I appeared on the Today Programme on Radio Four and Richard Miller our Head of Justice, appeared on BBC Radio 5Live. We also had coverage on BBC Wales, in the legal trade press, and in over 40 local newspapers.
- High social media engagement, including triple the amount of Twitter coverage we would get on a normal day, and supportive tweets from key stakeholders including Citizens Advice and MPs.
- A supportive media statement from the Shadow Lord Chancellor Richard Burgeon MP.
- Kate Hollern MP asked a question in Justice Oral Questions on legal aid deserts, which was answered by the Justice Minister, Oliver Heald.
- A supportive blog from the homelessness charity Shelter.

We also launched a campaigner pack for local law societies, and a social media "thunderclap" (which allows for a single message to be spread in unison on over 100 social media accounts). A total of 254 people signed up the "Thunderclap", exceeding our initial target of 100.

We have had an indication from the LAA that we will be provided with further data by the end of October that is likely to enhance our key messages in this campaign. We will be promoting our campaign to parliamentarians in the autumn, and we will be continuing to raise awareness of the campaign through until Spring 2017.

### 4. MOJ joint statement - Transforming our justice system

On 15 September the Ministry of Justice released *Transforming our justice system* - a Joint Statement from the Lord Chancellor, the Lord Chief Justice and the Senior President of Tribunals. A full copy of the statement can be accessed [here](#).

The reforms outlined aim to combine the well respected traditions of the Court with the enabling power of technology in order to achieve a justice system which is:

- a) **Just** - decisions are fair, transparent and consistent.
- b) **Proportionate** - the cost, speed and degree of adversarial protection is appropriate to the nature, value and complexity of the dispute at issue. Simplifying the procedure and language is key.
- c) **Accessible** - a system which is affordable, intelligible and available for use by all. Those who are not comfortable with new technology must always be supported.

Among the issues the statement raises at a high level are that there should be a new online process for resolving many civil cases. More case management should be handled automatically or by telephone or digitally. Proposals are to be developed and consulted on for an extension of fixed recoverable costs, although no detail has been given yet. In the criminal courts, pre-trial cross-examination is to be extended. Virtual courts are to become more common. Some minor non-imprisonable offences will be dealt with online if the defendant pleads guilty. There is also to be the creation of fixed statutory fixed fines for routine, low-level summary offences which are non-imprisonable offences where there is no

identifiable victim. The Law Society published two press releases in response to these proposals, focusing on fixed recoverable costs and the substantive criminal court proposals.

The statement is accompanied by a short consultation on a number of small matters; the questions focus on the reforms proposed for criminal case management, the composition of the tribunals, and an assisted digital system to sit alongside any online system. A full copy of the consultation can be found here.

The Law Society will be consulting with the profession and responding robustly to the proposals set out in the consultation including but not limited to the 11 questions posed by Government. The closing date is 27th October 2016.

## 5. LSB Paper

The LSB published its 'vision for legislative reform of the regulatory framework for legal services in England and Wales' on 12 September 2016.

The LSB's main proposals include:

- **A single consolidated regulator**
- Revision of the **regulatory objectives** - there should be an overarching objective to safeguard the public interest with the possibility of further secondary or subordinate objectives.
- An independent and risk-based **review of the regulated activities** - this would include services such as immigration advice which are not reserved but viewed as legal services.
- **Regulation should be based on activity** and not professional title. Award of title should not return to professional bodies as the LSB has concerns it may lead to 'gold-plating' of entry standards, less competition, less consumer choice and a rolling back of liberalising reforms.
- Independence – regulation should be structurally, legally and culturally **independent of the professions and government**. The LSB suggests that it may be appropriate for regulators to be accountable to Parliament and that the National Audit Office could play a role in scrutinising regulation.
- Consumer representation – there should be a general duty on the regulator(s) to **consult and engage with consumers** to help promote a consumer-focused regulatory culture. In addition, there should be an independent sector-specific consumer voice to ensure consumer representation.

The Law Society published a press release in response to these changes which states that the proposals to overhaul regulation of the legal sector are mis-timed given the uncertainty that exists already due to Brexit, and the fact that the CMA market study is still ongoing.

## 6. Investigatory Powers Bill

The Investigatory Powers Bill will reach Report Stage in the House of Lords on 11 October and I will update Council at our next meeting on any significant developments. At Committee Stage,

Lord Pannick tabled our probing amendments, which were supported by Lord McKay (Conservative), Lord Lester (Liberal Democrat), and Baroness Hayter (Labour).

Our position remains that legal professional privilege (LPP) is of such fundamental importance to justice and the rule of law that it must be fully protected. We are working closely with the Bar Council and the Law Society of Scotland to ensure that LPP is protected in the Bill.

We believe we have made significant progress and continue to work on this. Council members will recall that when the Bill was first drafted it contained no protection for legal professional privilege and now LPP is recognised and there is statutory protection.

## **7. Court Closures**

The Government has launched a consultation proposing the closure of Hammersmith and Fulham and Camberwell Green Magistrates Courts, this does not only impact on criminal but also housing cases as Camberwell Green was the contingency court to take over the housing matters for Lambeth Court which is due to close by December 2016. There is also an issue on how these closures will impact on the recent criminal legal aid tender. We will be speaking to local practitioners dealing with crime and housing cases and considering how to respond to the consultation including on whether there are better, more practical considerations about reallocating work that go beyond simply the travel times between each of the courts. The closing date is 27th October 2016.

## **8. Judicial Appointments**

The MoJ has launched a consultation on judicial terms and conditions, aimed at improving the flexibility and diversity of the judiciary and includes recommendations on the following five areas:

- introducing a new single fixed term for new fee-paid judges;
- introducing the ability to recruit to leadership positions for a fixed term, with accompanying temporary remuneration;
- introducing an expectation – rather than guarantee – of number of days existing fee-paid court judges are required to sit;
- removing the entitlement of existing fee-paid judges to claim travel expenses for journeys to their primary courts; and
- introducing a requirement for existing salaried and fee-paid judges to provide notice of intention to resign or retire

This presents us with a welcome opportunity to improve the recruitment of solicitors to the judiciary. The closing date is 10th November 2016.

## **9. HMCTS proposals**

The Lord Chancellor and Lord Chief Justice published a joint statement setting out their vision for reform of the courts over a six year programme. The programme envisages transforming criminal, civil and family courts and tribunals.

It has three fundamental concepts: removing matters from court that do not need to be there; reserving physical hearings for difficult issues; and removing as much paper as possible from the system. Among the issues the statement raises at a high level are that there should be a new online process for resolving many civil cases. More case management should be handled automatically or by telephone or digitally. Proposals are to be developed and consulted on for an extension of fixed recoverable costs. The processes for probate applications and undefended divorces are to be put online. In the criminal

courts, pre-trial cross-examination is to be extended. Virtual courts are to become more common. Some minor non-imprisonable offences will be dealt with online if the defendant pleads guilty.

The statement is accompanied by a short consultation on a small number of matters, including how support should be developed to assist those who are unable to use digital channels, and what minor cases might be suitable for a system of online conviction and statutory fines. The closing date is 27th October 2016.

The Law Society has been invited to be part of a Professional Engagement Group to provide views on all aspects of the reform programme as it develops.

#### **10. HMRC consultation on tax avoidance sanctions**

The most contentious proposal in this consultation [Strengthening Tax Avoidance Sanctions and Deterrents: A discussion document](#) is to introduce sanctions for advisers who design, market or facilitate the use of tax avoidance arrangements which are subsequently 'defeated' by HMRC. Arrangements are defeated either by a decision of the court or otherwise by agreement with HMRC. The aim is to influence the behaviour of promoters and other advisers in what HMRC calls 'the supply chain'. Fines could be imposed on advisers who 'promote' schemes which are subsequently viewed as aggressive tax avoidance schemes beyond what is deemed acceptable tax planning.

Advisers are described as 'enablers' of tax avoidance, without whom the scheme could not be implemented. This embraces a wide range of advice, including legal advice. For the first time, advisers would be subject to penalties, in addition to the end-user of the arrangements, which it is proposed could amount to 100% of the financial benefit received by an enabler, or could be based on 100% of the total tax that the end-user has saved through the scheme. These amounts could be very significant, so there might be a cap says HMRC.

The legislation would place the burden on the taxpayer and the enabler to show that they have taken reasonable care, rather than HMRC having to demonstrate that they have failed to take reasonable care. There will be obvious difficulties for legal advisers who could be prevented from demonstrating that they were not enablers if they are not permitted to waive legal professional privilege over their advice concerning a defeated scheme.

The definitions in the consultation are so wide-ranging that there are implications for a citizen's or business's right to get advice on their tax liability. For their part, lawyers must be free to give advice on the law as it stands at the time, without having to fear that advice subsequently being called into question - and attracting penalties - by a court decision that could arise several years later. There are reports that insurers are looking at this risk very closely.

Members of the Society's Tax Law Committee have met HMRC officials to discuss these and other implications. The closing date for responses is 12 October.

#### **11. Immigration Tribunal Fees**

The MoJ has announced that it intends to proceed with increases in immigration tribunal fees in excess of 600%, despite the overwhelming opposition to the proposal in consultation responses and an unusually strong recommendation from the Justice Select Committee in June that the increases should not go ahead. We will be briefing Parliament when the regulations implementing the fees are laid and we are exploring whether there are any other potential routes to challenge the increases.

#### **12. LASPO three years on**

We are working on a review of the impact of LASPO, 3 years on. It will be based on existing reports and data and will focus on the impact of LASPO on clients in terms of those excluded by the civil scope cuts,

those who are still technically eligible but struggle to access services and the knock on costs to society arising from the cuts. The report will also contain recommendations for addressing these issues and is intended to influence the MoJ's own review of LASPO which is scheduled to take place within three to five years on implementation, but has not started yet. Our review is scheduled for launch in the autumn.

### **13. Contingency legal aid fund (CLAF) working group**

At the request of Lords Briggs and Jackson, and Lady Justice Hallett, The Society, together with the Bar Council and CiLEX set up a joint working group to investigate the feasibility of a CLAF. The Law Society is interested in exploring whether a CLAF might fund areas of litigation that are not currently funded by other litigation funding schemes such as Conditional Fee Agreements. We are expecting an interim report within the next few weeks.

### **14. National Crime Agency National Strategic Assessment of Serious and Organised Crime**

A report published by the National Crime Agency was published on 9 September and includes a number of criticisms about lawyers, in which lawyers and other professional advisers are portrayed as a source of risk rather than as important gatekeepers in tackling money-laundering, tax evasion and corruption.

### **15. Pro-bono**

The Pro Bono working group met on 12 September and work was progressed on the draft Pro Bono charter.

The draft pro bono manual has been sent to selected members of the Access to Justice Committee as well as the legal department for further comments. The Pro Bono manual will be launched during National Pro Bono Week 2016 (7-11 November).

### **16. Legal Education and Training**

The qualitative and quantitative stages of the research project to find out more about members' training needs have now been completed. The emerging results are being used to inform the development work for the Professional Development Centre and other training proposals.

Advocacy and the Vulnerable training will take place on 2 December in Bristol. The webpage is now [live](#) and events are available for booking.

Lead Facilitator training is scheduled to take place at Chancery Lane on 8 and 26 November. Facilitator training is also expected to take place on 26 November pending confirmation. We will need a minimum of three lead facilitators to lead the session. Further training session for lead facilitators and facilitators will be held in 2017.

We are currently reaching out to the big five legal aid firms to highlight the benefits of training their staff as facilitators. This would enable them to train their staff in-house free of charge.

We have also engaged with the Youth Justice Centre on how we could collaborate with them.

On 27 September the Law Society hosted a Trailblazer apprenticeship event which provided employers in the legal sector with all the information they need to recruit and manage apprenticeships in the law. The event covered:

- Update on reforms
- Overview of new standards and assessment plans for paralegal, legal executive and solicitors apprenticeships

- Q&A with current apprentices
- Practicalities of an apprenticeship scheme.

### **17. Solicitor Brand campaign**

The campaign launched on 3 October - bus and rail advertising begins on 10 October and runs until the end of November. Posters were designed to promote the solicitor brand to four key audiences:

- consumers
- small and medium enterprises
- large firms
- colleagues of in-house teams

Members will be able to download the artwork for the posters from our website after signing up to My Law Society. In early November we will also launch an ecomms website which will enable members to customise the posters with pictures of their colleagues and add their logo and contact details. Examples of the posters are attached.

The posters feature the faces of our members - selected from over 100 volunteers - and clearly demonstrate the diversity of the profession.

In addition we have produced 14 brand embodiment videos featuring members talking about how their day to day work embodies the brand values identified by members, the public and businesses owners from our research last autumn. The brand values are:

- experts in their field;
- client focused;
- value for money;
- honest and honourable;
- approachable and accessible; and
- making a positive contribution to society.

#### How members can get involved?

A key part of the campaign will be that members will be able to upload an image of themselves into our design templates and order a small number of copies of the campaign materials at no cost. They will then be able to use these for their own advertising purposes, mirroring the bus and train station advertising format but with their own image and logo.

We will be sending out promotional messages to members in mid October to encourage them to do this. We will also be contacting all of the volunteers who offered to be a face of the campaign to encourage them to take up the offer. Registering with My Law Society will enable members to access the materials.

One of the issues which we received feedback on from the previous campaign was the level of members' engagement with it. We have worked to ensure that it is much more engaging with members this time round by enabling them to personalise the materials.

### **18. People Strategy - Leading, managing & developing people**

A full programme of learning and development (L&D) activities continues to be developed and delivered using our approach to "continuous development", with an emphasis on supporting the transfer of learning into the workplace. The L&D Programme for 16/17 will be launched at the Staff Event on 29 November with the opportunity to experience a variety of development activities.

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### **19. Working in partnership**

We rolled out the first of a series of enhanced induction and networking events for new Council members and new and existing Committee chairs on 14 September. The event covered a number of matters including the Law Society strategy, values, governance and management structures. A further event will be held on 17 October, with an abbreviated version being offered to Council members as the pre-Council event on 18 October. Further events, including specific training in chairing skills, will be taking place in due course. All invited Council and committee members are urged to attend the meetings which have received extremely positive feedback from participants. Participant feedback included: 'Worthwhile investment of time for all; essential to set them up for success', and 'Excellent introduction to our responsibilities'.

### **20. Governance Review**

Following Council in July, the Governance Review Working Group has put forward a further paper which is at item 18.

### **21. Political Party Conferences**

The Office Holders and I represented the Law Society at the political party conferences this year. The Deputy Vice President Christina Blacklaws attended the Liberal Democrat Conference in Brighton. The Law Society was involved in panel sessions with the Liberal Democrat Lawyers Association, and a Q&A session with the Liberal Democrat justice, home affairs and equalities spokesperson.

We also attended Labour Party Conference to engage with key stakeholders on issues such as access to justice and the impact of Brexit on the legal services sector. Vice President Joe Egan spoke at a fringe event hosted by the Society of Labour Lawyers. The Vice President spoke on the legal sector's priorities for Brexit alongside Shadow Lord Chancellor Richard Burgon MP, Shadow Justice Spokesperson Lord Bach and Chairman of the Bar Council Chantal-Aimee Doerries.

During the event, the Law Society was praised by Lord Bach for our contribution to his ongoing Access to Justice Commission. During the event Lord Bach noted that the publication of the Commission's report has now been delayed until summer 2017, with an interim report in the coming weeks, due to the wealth of information they received and the breadth of the topics that need to be considered.

Following the event the Law Society hosted a dinner for members of the Society of Labour Lawyers which was attended by former Justice Minister Andy Slaughter MP and Shadow Justice Spokesperson Lord Beecham.

Vice President Joe Egan also spoke at a Young Labour Lawyers reception on access and diversity in the profession. He also chaired a dinner with a number of local members on the impact of Brexit on their firms.

The President and I attended the Conservative Party Conference. We hosted a joint reception with the Society of Conservative Lawyers and the Bar Council. Attorney General Jeremy Wright QC MP spoke at the reception, as well as former Attorney General Dominic Grieve QC MP. MoJ spokesperson in the Lords Lord Keen, Solicitor General Robert Buckland MP, Chair of the Justice Select Committee Bob Neill MP and Alex Chalk MP. This was followed by a dinner with local practitioners to discuss Brexit and other issues affecting their businesses.

On 4 October we hosted a business reception for conference delegates and stakeholders. Our guest speaker was Greg Clark MP, Secretary of State for Business, Energy and Industrial Strategy. This was an invaluable opportunity to continue our engagement with the wider business community, and highlight the substantial contribution of the legal sector to the UK economy.

On 5 October we hosted a breakfast roundtable with members and stakeholders. This was to highlight the international opportunities for law firms post-Brexit, and consider ways in which the Law Society and government can support solicitors who want to expand into new markets or areas of business.

During the conference the Prime Minister and Cabinet ministers announced measures to curb 'vexatious claims' against the armed forces. Defence Secretary Michael Fallon said that the Government will:

- Put a time limit on making claims
- Tackle 'no-win, no-fee deals'
- Derogate from the ECHR in future conflicts.

He noted that this will not be putting armed forces above the law as they will still have to comply with criminal law and Geneva conventions.

We responded to the announcement in the press statement:

*"The Law Society condemns vexatious claims and will work with government and the legal profession to eradicate the small number of inappropriate claims*

*"Britain's recognition of human rights and the rule of law is respected across the world. We must not forego these guiding principles in order to tackle a small number of vexatious claims.*

*"The government's proposal to derogate from the ECHR risks preventing genuine claims, which might include those brought by UK armed forces against the Ministry of Defence.*

*"It is the role of the justice system to determine the validity of claims, a function that is and must remain separate from Government."*

*"If the UK is seen to reinterpret international conventions, we risk undermining our standing internationally, our ability to hold other states to account and disrupting a far wider culture of international cooperation that has been built over many years."*

The Lord Chancellor's speech focused on prison reforms and she noted that new policies were to be announced in the coming months. She also acknowledged the contribution of the legal services to the UK's economy.

The main points were:

- The Government will invest £1bn in a more modern justice system – for example, all vulnerable victims and witnesses will have their cross-examination pre-recorded before trial.
- The Government will release a white paper in a few weeks and will legislate for reforms early next year. Further reforms will deliver a justice system that is 'efficient, just and straightforward, with far less paperwork.'
- The Lord Chancellor stressed the importance of diversity in the legal profession and the need to open up the legal system to draw 'on the whole country'. She noted that only one in seven QCs, one in three partners in law firms are women and fewer than 1 in 10 judges are from ethnic minorities. She will work to break down barriers and make sure people from all backgrounds can rise up through the profession.
- She noted that the UK has inherited the finest legal tradition in the world, with the judiciary, barristers and solicitors being the best in the world.
- She also announced measures to tackle gangs and extremism, and attacks on prison staff. A £14m investment in extra prison staff was announced.

## **22. Opening of the Legal Year**

International bar leaders and key domestic stakeholders attended a three day programme of events around the Opening of the Legal Year which we hosted jointly with the Bar Council.

On 3 October the Opening of the Legal Year took place in Westminster Abbey conducted by the Lord Chief Justice and the Lord Chancellor. This was followed by a reception hosted by the Lord Chancellor in Westminster Hall, with a lunch in the House of Commons for the bar leaders' guests.

On 4 October we hosted a roundtable discussion for bar leaders only, chaired by the President and Bar Council Chairman on the topic of the future of legal services and globalisation. The Vice President also hosted a seminar on "Technology and innovation in legal services". Panellists included the leader of the German Bar and senior representatives from Freshfields, Riverview Law and the University of London.

On 6 October, as part of the International Marketplace, the public affairs team organised a seminar titled 'Robots v Lawyers: on which side is technology?'. Speakers included representatives from Microsoft, the University of Alberta and overseas law firms.

## **23. The IBA Conference**

I was a member of a Law Society delegation that travelled to and participated in the IBA conference in Washington DC from 18 - 23 September. The President had two speaking slots at the conference, on lateral hires and support for junior lawyers. Former Law Society presidents, Lucy Scott-Moncrieff and Bob Heslett also spoke on business and human rights issues.

I had three speaking slots on:

- AI, technology and the law
- Women and innovation in the legal profession
- Alternative business structures

I also chaired a session jointly with the former general counsel of Shell, Peter Rees QC, discussing what in-house counsel are seeking from external counsel, beyond a favourable fees structure.

A number of our speeches can be found on the website.

We also had a successful reception at the conference, and shared an exhibition stand with Lord Keen, Advocate General in Scotland and Justice Spokesperson in the House of Lords. This was a fantastic opportunity for us to work with government and represent the opportunities for the profession post-Brexit.

A number of bi-lateral meetings also took place with stakeholders including the American Bar Association (ABA), the World Bank, the German Bar and many others.

## Appendix 1

### Key activities being undertaken by the communications and public affairs teams

#### 1. Thought leadership activities

On 10 October we hosted The Roger Casement Centenary Lecture: 'Hung by a comma', delivered by Mr Justice McCloskey.

We also held a memorial lecture for Council member Robin ap Cynan who sadly passed away last year. Sir Alan Ward, former Lord Justice of Appeal and Chairman of the Civil Mediation Council spoke about how far mediation has come and how far it has to go. The panel included Stephen Anderson, family mediator; James Carroll, partner at Russell-Cooke and family mediator and collaborative lawyer and Angela Lake-Carroll, consultant and chief assessor for the Law Society's family mediation accreditation scheme.

In mid-October the Law Society is co-sponsoring (along with Thompson Reuters and Freshfields) a Legal Geek conference which will feature speakers from five countries together with representatives from over 40 Law-tech start-ups. A Law Society representative will speak at the conference and judge an access to justice 'hackathon'.

#### 2. Wales

The Legal Wales conference was held at Bangor University on 7 October. This year's theme was "Convergence or Divergence?". The President chaired a plenary session. The high profile event attracted a number of delegates from the judiciary, the profession and academia.

The Wales Bill will have its second reading in the House of Lords on 11 October.

The Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Bill is being scrutinised by the National Assembly for Wales Finance Committee. The new Act will provide an alternative to stamp duty land tax which will cease in Wales from April 2018. The Wales Office hosted a seminar jointly with the Chartered Institute of Taxation on the tax Bill and the implementation of the new tax. The Welsh Government Cabinet Secretary for Finance and Local Government and the Welsh Revenue Authority Implementation Director spoke together with two Law Society members.

#### 3. International

There has been further engagement with our international stakeholders:

- We participated in the Lord Mayor's visit to Japan and South Korea, where we strengthened collaboration and discussed topics such as Brexit and the impact on the commercial relationships between the UK and these two countries, as well as ongoing barriers in legal markets for English and Welsh solicitors.
- We have been working in collaboration with Lawyers for Lawyers and Lawyers Rights Watch Canada to draft an Amicus Curiae to the Turkish Constitutional Court on the case of detention of two Turkish lawyers who have been detained and not released by the date of submission of the Amicus.
- We recently participated to the Colombia Caravana, to identify challenges for lawyers in their work and assess the situation in Colombia for future engagement. The group is chaired by Council member, Professor Sara Chandler.

#### **4. Brussels**

We are continuing to pursue our engagement with the World Trade Forum (WTO). We organised a successful event at the WTO public forum on 28 September with the European Services Forum. The theme was 'The impact of technology on the cross-border provision of legal services'. The speakers included the Director of Services Negotiation at the WTO, a representative from Deloitte, an international trade lawyer based in Geneva, and the CEO of the European Services Forum.

We also held meetings with the trade team within the UK and Australian permanent representation to the WTO on trade and services, and the impact of Brexit on international trade.

We held three meetings with staff in the UK permanent representation to the EU. These focused on legal issues, internal market and justice in the context of Brexit. We covered topics such as the impact of Brexit on the legal profession, private international law, enforcement of judgments, jurisdiction, free movement of legal services, and the best way to engage the Government on Brexit.

We attended the CCBE meeting in Barcelona on 16 September. The CCBE has set up its own taskforce on Brexit and we represent the UK delegation on this.

On 11 October we met with the Hague Conference on private international law to continue our discussions on the impact of Brexit and mechanisms for choice of law, choice of court, recognition and enforcement of court decisions at global level.

On 12 October we held a seminar on the economic status of the Chinese market in international trade with a Brussels-based think tank. We also met with the Director General - Trade at the EU to discuss access to the Chinese market.

On 18 October we will be holding a follow up meeting with our Brussels-based members. We will be joined by representatives from ICAEW and the Law Society of Scotland. A member of the UK permanent representation to the EU will also attend.

## **Appendix 2**

### **Membership services operations - Key activities**

#### **1. Membership Services and Support Centre**

Quarter on quarter call volumes continue to decrease across the Practice Advice Service (PAS) when compared to the available data for the same time period last year, for the period the team responded to 3,854 calls, a decrease of 5% when compared to the same period in 2015. The support centre continues to show an increase in call volumes, for this period the team responded to 9359 calls an increase of 28% when compared to 2015. The FAS service resumed its upwards trend in call volumes this period, showing an increase in call volumes of 24% when compared to the same period last year.

The service levels and abandonment rate targets were met by all teams. The teams are continuing to survey callers to the services and have achieved satisfaction rates above the target of 85%. PAS achieved a satisfaction rate of 98%, FAS 97% and the Support Centre 96%.

AML enquiries continue to be one of the most discussed topics for the PAS team and the team continue to receive a regular flow of calls from firms seeking advice on how to avoid falling victim to scams as well as from firms who have been victims of cyber crime and who require urgent advice on what immediate practical steps have to be taken next by way of damage limitation.

During the period, 467 calls were received by the Support Centre from Members seeking assistance with either their FAS profile or My Law Society account. Main lines of enquiry are unsuppressing the members FAS record, activating/ logging into their MLS account and how to update the Areas of Law.

## Appendix 3

### Business Development - Key activities

#### 1. Events and Publications

##### Events

From 1 September to 12 September 2016, the events team delivered three face-to face events; two corporate/low cost/free of charge events and one admission ceremony. This compares to five events over the same time period in 2015. Approximately 246 people attended the three. The events did not offer any CPD hours.

The Excellence Awards ceremony is currently taking bookings, so far we have sold 368 seats to those who have been shortlisted for an award. The ceremony takes place on Thursday 20 October, with Baroness Shami Chakrabarti CBE giving the keynote address.

##### CPD Centre

Between 1 and 12 September 2016 the CPD Centre team delivered five webinars, with 359 participants. These included:

- 'A practical guide to trust administration' launched on 7 September and which has had 171 participants.
- The 'Commercial property update 2016' launched on 8 September with 136 participants to date.
- 'Cyber security encryption' continues to do well with an additional 86 participants viewing the webinar in early September, bringing the overall participants to 492.
- The webinar on 'The SRA Handbook Review Consultation – Understand the impact of potential changes and how to get involved in the consultation' continues to be popular in September and has now had 239 participants

The number of registered members of the CPD centre reached 60,084. This continues the increase from 55,290 in 25 April 2016, 52,483 in 16 December 2015, and 42,065 in December 2014.

##### Publications and forms

The second edition of the *COLPs Toolkit* was published in the first two weeks of September, along with a new book called the *Cyber Security Toolkit*. The *Unbundling Family Legal Services Toolkit* was also sent to the printers for publication. Work is currently underway on a further eight titles that are due to be published before the end of the financial year. These titles include the 23rd edition of the *Conveyancing Handbook* and the 3rd edition of the *Precedent Library for the General Practitioner*; which are two of our most popular titles.

Four new Execution of a Document forms are being prepared for publication in October.

### Sales and marketing

##### Marketing communications

We are continuing to fulfil agreed marketing plans the main ones being as outlined below.

Ongoing promotion via social media, cross-sell adverts on the main Law Society website, online adverts on Gazette, leaflet insertion in outbound direct mail, leaflets in event delegate packs, holding slide at events and on webinars, cross-promotion on other marketing where space is available.

Marketing for autumn events is in progress. Campaigns include those for the National property law conference, the Private Client Section Elderly client care conference, Commercial litigation conference and the Anti-money laundering and financial crime conference.

We are currently contacting existing Section members to remind them of how to access their benefits to ensure they make full use of the services available to them. Planning is underway for the December renewals run.

Online and offline promotion for the nine titles due to be published in October is underway. Promotion is also underway or, is in preparation, for a number of other services and products. In particular, the Professional Development Centre (PDC) and the Advocacy and Vulnerable training.

### Communities

The Communities team has been engaged in informing their members on Brexit and the SRA Handbook consultation and potential ramifications. Initiatives included an article in PIP magazine (property section) on Brexit and what this means for property lawyers and a very well attended (140 registered) Brexit seminar delivered by the Competition section. The Communities team have been instrumental in promoting participation in the SRA Handbook consultation with targeted email communications and promotion on the Communities websites.

Marketing initiatives including external legal press advertisements and selected discount promotions are in full swing to pick up as many new acquisitions before the main renewal campaign for sections starts in October. New pricing for 2016/17 has been agreed.

### **Innovation**

#### Library

Member enquiry volumes to YTD to August were 8,094; down 1.5% on same period last year. This may be a result of the scaffolding works restricting access to the library and reducing member footfall. Year to date library expenditure is still down on budget, mainly due to phasing of payment for digitising TLS corporate archive which has now been approved and will commence in late September.

Year to date income is £57,959, a rise of 15% against forecast. This is largely attributable to additional Mendham sales.

The library has recorded two webinars on legal research as part of the new Professional Development Centre member offering. Two more webinars, one on free legal online resources and the other on law firm and solicitors' genealogy research, will be recorded at the end of September.

## **Appendix 4**

### **Consultation responses**

During the period, the Law Society has made the following responses to consultations or calls for evidence. Responses are published online <http://www.lawsociety.org.uk/policy-campaigns/consultation-responses/>

- CMA request for information on reserved activities
- Welsh assembly housing legislation consultation
- SRA Looking to the Future consultations
- Finance Bill clauses 75-78: taxation of profits from trading and investing in UK Land
- CMA interim report on the legal services market study

## Appendix 5

### Litigation Update

#### **1. SRA v Solicitors Disciplinary Tribunal (Arslan Interested Party; Law Society intervening)**

The SRA has brought a statutory appeal and applied for judicial review in the High Court against the Solicitors Disciplinary Tribunal decision upholding an appeal by Mr Arslan, a non-solicitor legal consultant, in respect of two SRA decisions imposing sanctions under sections 43 and 44 of the Solicitors Act.

The Society has been granted permission to intervene by way of both written and oral representations, limited to the issue of appropriate standard of proof. The case is listed to be heard in November.

#### **2. Davis MP & Watson MPs (CJEU)**

The Society intervened in the Court of Appeal challenge by Labour's Tom Watson and Conservative David Davis (who has now withdrawn following his appointment to the cabinet), asserting that UK Government data retention legislation is incompatible with EU law. The matter was referred to the CJEU and the Society was granted permission to make submissions on the issue of legal professional privilege.

Following written and oral submissions at the hearing in Luxembourg on 12 April 2016, the Advocate General's Opinion was received in July 2016. The Opinion is favourable and supports the position the Society has advocated. It suggests that, while government retention of data may be compatible with EU law, it must be subject to strict measures that safeguard professional privilege. It is hoped that the Court will follow the Advocate General's Opinion. It is anticipated that the Court's decision will be delivered by no later than the end of January 2017.

## Appendix 6

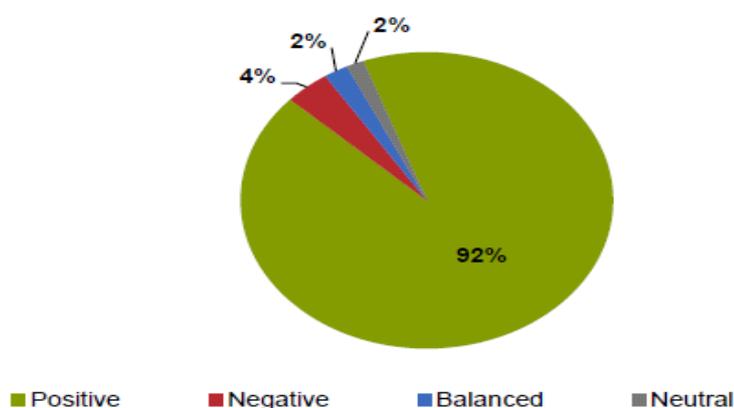
### Media Coverage

This report examines 492 articles (588 including duplicates) from the mainstream media coverage The Law Society received in July.

#### Key Findings

- **Positive content amounted to 307 articles**, a decrease of a third on July. In percentage terms, however, positive coverage remained high and in line with July.
- **Positive coverage was driven by the announcement of the shortlist for this year's Excellence Awards** (48 items), Lexcel (15 items), the Children Law Accreditation scheme (14 items) and The Law Society's e-signatures practice note (11 items).
- **The foremost press release was 'Shortlist unveiled for Law Society's 10th Excellence Awards'**, with 48 items. 'Backdoor tweaks to Finance Bill a bad precedent for law making' (8 items) and 'Solicitor's firms and ABS must be treated equally' (7 items) were also influential.
- **A Law Society spokesperson was quoted in 29% of all coverage** (95 articles), a 9 pp decrease on July.
- **Law Society CEO Catherine Dixon was the most prominent spokesperson**, taking a 36% share of overall spokespeople mentions.
- **'The Law Society Excellence Awards 2016' was the leading campaign**, generating 48 positive articles.
- **Around three-quarters of content featured a positive reputation attribute.**
- **The principal positive reputation attribute was 'Promote'**, appearing in 108 articles (just under a third of all coverage).
- **'Accreditation' was the primary theme**, featuring in 61 articles.
- **Negative coverage increased by 63% month-on-month** (from 8 articles to 13). The Society's Sharia will note and an investigation into lawyer Phil Shiner's activities drove this figure (3 items each).

Share of Coverage by Sentiment\*



\*Duplicate articles were removed from the data set for qualitative analysis.