



The Law Society

**COUNCIL**  
**28-29 September 2010**

**ITEM 21**

**Classification – Public**

**Purpose – For noting**

## **REPORT OF THE CHIEF EXECUTIVE OF THE LAW SOCIETY**

### **The Issues**

The report by the Chief Executive. This edition covers the period between Monday 28 June and Wednesday 22 September 2010.

### **Policy Position**

N/A

### **Financial and Resourcing implications**

N/A

### **Equality and Diversity implications**

This report contains information collated by Directorates covering the strategic remit of the Law Society. Equality and diversity issues, where appropriate, have been highlighted in the relevant Directorate reports.

### **Consultation**

This report has been prepared for Council.

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**Date of report:** 22 September 2010

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This report is sent to all Council Members and published on the Law Society website following the Council Meeting. The report is sent to the email address 'Council Members Law Society' which will be received by then goes to all Council Members, the Senior Management Team, and the Private Office.

# Chapter One

## 1. Corporate Issues

### **1.1 Away day**

On the 1st November I have invited the representative and shared services staff on a half day away day to discuss the strategic vision and priorities for the Society in the next 12- 18 months. This will mainly focus on the Blueprint programme.

In order to minimise disruption the away day will not begin until lunchtime and I have asked for contract staff to cover some of the key areas of the business. This will include the practice advice line and some areas of finance (due to the Practising Certificate fee collection). I will also ensure to cover the press office and private office so if there is any urgent business during the afternoon I and my senior team can be contacted. The costs of the day have been kept to an absolute minimum and we are very grateful to Clifford Chance for hosting the event. I will be happy to update Council more detail during meeting in September.

### **1.2 Council member communications**

In May, the Membership Board made a number of comments about the comfort of the Council chamber, and in response I and the Director of Finance attended the Board's June meeting. Shortly afterwards, a mid-year survey of Council members showed that the Board's views were shared by many other members.

The facilities team have modified a bench in the chamber, and will be inviting Council members' comments on the modifications. No Council members will be allocated to those three seats and I hope that during the meeting as many Council members as possible will try out these altered arrangements and provide feedback.

It is intended to give a full report on the options and approximate costs to the Membership Board on 16 September.

### **1.3 Equality impact assessments (EIA) pilot review**

The Executive Management Board agreed to recommendations that arose from the evaluation of the six month EIA pilot review which has been undertaken by an external expert. The pilot consisted of 16 EIA's being undertaken with each business directorate participating. Additional resources will be made available to underpin the development and all business plans will be subject to an EIA helping to identify where to focus additional training, development and expertise to best support the business objective. EIA's will be published and will again be reviewed by EMB in January 2011. The pilot of EIA has been assessed and they will now roll out across the Society's work. They are an important and useful way to ensure that we are taking account of the needs of all of our members and making more informed decisions on policy, products, services and engagement.

# Chapter Two

## 2. Promoting the profession to the public and business

### 2.1 Promoting the solicitor brand

The 2010 solicitor brand promotion campaign began on 14 June and ran until 15 August. The £500,000 advertising budget secured £1.2 million worth of media space. This generated over 396 million opportunities to view and the PR campaign delivered £1,044,518 worth of additional PR value. This means that the total value of advertising and PR secured was £2,244,518 for a cash outlay of £0.5 million.

### 2.2 Pay per click element

A particular innovation this year has been online advertising through a pay per click campaign built on searches through Google. Results exceed the objectives set for the campaign.

- **85,229** click-throughs from our adverts to the relevant page of our website
- **5435** have downloaded the relevant guide to legal problems
- **10,092** have searched for a solicitor in their area
- **16,638,245** million digital impressions (online equivalent of opportunities to see)
- **809,478** piece of promotional material were ordered by the profession

For the period of the campaign download rates on the customer guides website page increased by 24,500%.

The top 10 pages read by visitors from the campaign are:

1. Using a solicitor – 16,995
2. Probate – 15,204
3. Divorce – 8,057
4. Renting a home – 8,055
5. Problems at Work – 6,971
6. Making a Will – 5,299
7. Setting up a Business – 3,199
8. Probate PDF download – 1,915
9. Personal Injury – 1,102
10. Making a will PDF download – 649

The pay per click strand delivers very good value for money for the profession. The 100,000 leads generated by the online advertising cost £7 each. This compares very favourably with other lead generation routes that solicitors might use (claims management companies, membership of a marketing scheme etc).

### 2.3 Firm engagement

5,379 unique users visited the 'promote your practice' webpage when the campaign was launched. 1315 firms, CABs, libraries and Law Centres ordered campaign materials, and/or used the campaign logo and press releases. We despatched 809,478 promotional items in response to orders.

### 2.4 Post campaign results

We have sent the campaign results to firms that had ordered campaign materials and 126 responses were received. The results were overwhelmingly positive, with 88 respondents reporting that the campaign was of practical value to their practice, 103 stating they thought the message was right and 114 saying the Law Society should run more campaigns like this. We will also be

providing this summary to every local Law Society and publishing it in the Gazette. Council members are asked to support this communication plan.

### 2.5 Media measurement report for Q2 2010

The rolling averages in the table below are calculated from the data available from January to March 2009 until the present quarter.

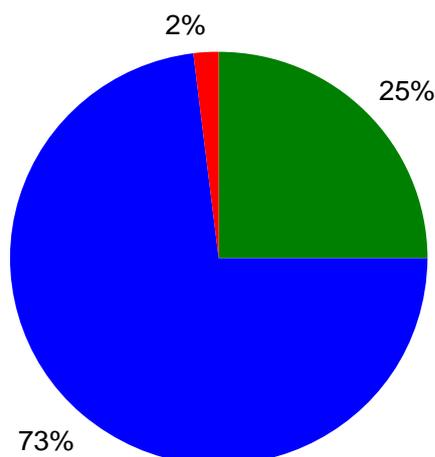
Metric	Current Quarter	Apr-Jun 2009	Apr-Jun 2008	Apr-Jun 2007	Rolling Average
Number of Items	983	868	782	278	984
Number of Media Outlets	401	326	288	99	376
Total Attributed ccm	6,603	5,990	5,081	1,585	6,669
Beneficial ccm	1,643	538	209	99	924
Factual ccm	4,827	5,391	4,776	1,421	5,642
Adverse ccm	133	61	96	65	104
Total Circulation (000s)	77,357	55,379	29,414	18,283	52,216
Opportunities to See (000s)	313,389	113,146	75,570	55,165	148,059
PR Value	£11,143,735	£13,000,916	£14,506,032	£8,594,609	£14,323,962

N.B. The figures above for the current quarter's Total Circulation and OTS include additional data on broadcast audience reach but do not include Gazette coverage.

### 2.6 Tone of coverage

This chart shows the volume and percentage of coverage for the Society for the reporting period.

■ Beneficial 1,643 ■ Factual 4,827 ■ Adverse 133



- The total volume of coverage in this quarter was **44%** greater than in the first quarter of this year. The proportion of **beneficial** coverage increased by **7pp** and **adverse** coverage by **1pp**. **23%** of all **beneficial** coverage related to the Society's work in the criminal sector.

## **2.7 Summer reception 6 July**

A reception for external stakeholders including leading figures in the legal profession, members of the judiciary, parliamentarians and public officials, journalists and representatives of other professional bodies was held at Tate Modern on 6 July. Both the Lord Chancellor Kenneth Clarke, who gave a speech, and Jonathan Djanogly MP attended. This event offered the Society the opportunity to present messages about its work, its members and the issues of importance to the legal profession.

## **2.8 Migrant lawyers**

The Public Affairs team is working with a network of leading international law firms to respond to the government's announcement that it will introduce an annual cap on non-EU economic migration to the UK from 2011 onwards. The sector is very concerned about the proposals as skilled migration is essential to business development and the international nature of City legal work.

A consultation meeting with representatives of the UK Border Agency and the Migration Advisory Committee was organised on 5 August 2010 with 70 representatives of both UK and US law firms attending to discuss the cap proposals. We have also engaged with City groups outside the legal sector, including City of London Immigration Working Group, the Greater London Authority, the London Chamber of Commerce and Industry, the British Chamber of Commerce and Industry, London First and the Institute of Public Policy Research to gauge the potential impact on the City as a whole.

The Law Society is coordinating submissions on behalf of the legal sector to the Home Office, Migration Advisory Committee and parliamentary Home Affairs Select Committee in response to the issue.

## **2.9 Stonewall lecture 24 June**

The 9<sup>th</sup> Stonewall lecture organised and hosted by the Law Society in association with the Bar Council, InterLaw, the Bar Lesbian and Gay Group, the Lesbian and Gay Lawyers Association and Stonewall took place on 24 June. The lecture titled *Sexual diversity and gender identity in the judiciary: judicial experiences, institutionalised prejudice and recommendations for change*, was delivered by Professor Leslie J. Moran, Birkbeck College, University of London and chaired by The Rt. Hon. Lord Justice Etherton. The event was attended by leading figures from the judiciary, public officials, journalists and representatives of other professional bodies.

## **2.10 Diversity charter and protocol**

The first annual report on the Diversity Charter will be published in September. All eligible firms took part and the report will therefore provide an excellent baseline against which to measure progress across the profession and the impact of the Society's work on equality and diversity. The publication of the report is being sponsored by some leading Charter signatories. Over 150 firms are now Charter signatories.

## **2.11 Diversity access scheme**

Reed Smith and Eversheds have also each agreed to sponsor a place on the scheme (£5,000). Mayer Brown has signed up to be a named supporter for £2,000. Denton Wilde Sapte Charitable Trust has agreed a donation of £500. For the first time one and two week summer work placements have been set up for current students.

We are currently awaiting a final update on the results, but three students have secured positions as paralegals whilst others are still applying for places for paralegal positions and training contracts. As well as mentors from sponsoring firms, organisations such as National Grid, BT, the British Olympic Association and the Rugby Football Union are also demonstrating their support for the scheme by recruiting mentors for the 2010/11 students. Twenty awards are to be made to DAS students as well as five bursaries for the 2010/11 academic year.

The DAS will be highlighted at this year's Excellence Awards to promote the scheme and encourage further financial support and involvement from firms. There will be three tables with guests including sponsors, supporters and students.

The Law Society has taken a table at the Race for Opportunity awards dinner, with a theme of diversity and social mobility. The table will be hosted by Sandie Okoro, Group Head of Legal, Baring Asset Management and DAS Ambassador. Guests include representatives from Baker & McKenzie, MacFarlanes, Withers and Wragge & Co. The event will be used to secure further financial support for DAS.

### **2.12 Legal sector alliance (LSA)**

The LSA now has 183 members. Forthcoming expert guidance for law firms includes resources focused on employee engagement, reducing carbon emissions from business travel and an appraisal of leading practices in waste management. The LSA will be hosting regional Forums in York (September), Birmingham and Bristol (October). The 2010 LSA Symposium will be held in central London on 2 December. The Symposium will see experts from the private and public sector and showcase key climate risks and opportunities for law firms including a video message from LSA Patron His Royal Highness The Prince of Wales.

### **2.13 Black history month**

Events will launch with the exhibition in the Reading Room on the 1 October. This will be a meaningful event with a keynote address from Lady Justice Dobbs followed by inspiring talks from high profile black lawyers. A mock trial will also take place at the Society for children from local schools and the month long celebrations will culminate in quiz night which will run on the 29 October.

# Chapter Three

## 3. Government Relations

### **3.1 Ministerial and parliamentary liaison**

The programme of the President's courtesy meetings with Ministers and MPs has continued apace. In late July, the President held meetings with the following: Jonathan Djanogly MP (Justice Minister), Lord Bach (Shadow Justice Minister), Sir Alan Beith MP (Chair of the Commons Justice Select Committee), Keith Vaz MP (Chair of the Home Affairs Select Committee), Michael Ellis MP (newly elected Conservative MP for Northampton North and a former Criminal Barrister), Baroness Scotland (Shadow Attorney General), Dominic Grieve MP (Attorney General) and Edward Garnier MP (Solicitor General).

Just before Parliament rose for the Summer Recess, the Law Society briefed Peers on the Second Reading of the Terrorist Asset Freezing Bill.

During August, we planned our presence and programme of events and meetings at the Autumn Political Party Conferences. Since this is the first major political events following the recent General Election, the Society will host in partnership with a law firm in each conference, a reception and private dinner for Ministers, shadow Ministers, MPs and their advisers to meet leading practitioners in each city. In addition, an Office Holder will hold a series of informal meetings with MPs to discuss their political priorities for the coming year.

### **3.2 Joint Board with SRA**

The first meeting of the new Joint Board took place on 29 July. Although I was not able to be present myself, I am assured by those who were that it was a constructive meeting conducted in a spirit of partnership. The minutes of that meeting have already been sent separately to Council members.

# Chapter Four

## 4. Policy and Lobbying

### **4.1 Conveyancing**

#### *4.1.1 Protocol and Standard Conditions of Sale*

Work has been taking place to revise the Law Society's National Conveyancing Protocol and the Standard Conditions of Sale that form the standard contractual provisions for sales and purchases of residential land. This work supports the Membership Scheme proposals.

#### *4.1.2 Land Registry Identity requirements*

Members of the Conveyancing and Land Law Committee met with the Head of Legal and representatives of the Practice team at Land Registry and the CML and representatives of two lenders to discuss the operation of the Land Registry's ID requirements. Land Registry agreed to revisit the proposals.

#### *4.1.3 Land Registry ID and fraud*

Discussions continue between the Land Registry and the Law Society regarding the proposals of producing joint practice material in relation to property and registration fraud.

## **4.2 Technology**

The final seminar in the former President's surveillance and the rule of law programme was attended by distinguished academics, technologists and civil rights campaigners. We are now drawing on the relationships we have established to develop our public interest policy work in the growing field of technology and privacy. We are also seeking to assist the Privacy Rights Centre which emerged out of the programme to take forward its plan to co-ordinate pro bono work to promote individual privacy rights.

Work is ongoing on a number of Practice Notes relating to the provision of on-line services. We are currently preparing our response to the Ministry of Justice's call for evidence on the Data Protection Legislative Framework.

## **4.3 Courts**

The Law Society has been providing relevant support to local law societies and individual solicitors to lobby upon local issues arising from the proposed closure of 103 Magistrates' and 54 County Courts. In line with the decision of the Council on 15 July, the Law Society will be submitting a general response to the closure programme consultation highlighting the difficulties which may be caused by the proposals without contradicting the right of HM Courts Service to manage its estate economically.

## **4.4 Judicial Appointments**

The Law Society has produced briefing material for the Justice Select Committee ahead of the appearance of Baroness Prashar chairman of Judicial Appointments Committee (JAC) on 7 September. As part of the Ministry of Justice's 'end to end review' of the JAC the Law Society has been asked to organise a focus group to consider the current application process.

## **4.5 Solicitor Advocates**

The Law Society has commissioned Nick Smedley to carry out a study into the support that solicitor advocates may need. Over 5000 solicitors now have the right to appear in the Higher Courts, representing approximately a quarter of those able to appear in those courts. The Society considers that it is important to see whether they are being properly supported and have the tools they need to maintain and enhance their quality.

## **4.6 Regulatory Affairs**

### 4.6.1 General Regulation

The SRA's consultation on the OFR strategy and enforcement policy was submitted in July further to consideration by the Presidential Reference group and the Regulatory Affairs Board.

On 20 August the Law Society submitted its response to the SRA's consultation on its new Handbook. A further consultation on the Handbook is due to be released in October 2010.

The Regulatory Affairs Team has submitted the following practice notes for publication on the Law Society website; advice for solicitors on managing unclaimed client funds; advertising costs; retention of client funds; and presentation of information on letterheads.

The Regulatory Affairs Team has been working with a consultant, Nick Smedley, who has been commissioned to undertake a preliminary scoping study to look at whether the Law Society should be introducing or validating qualifications for paralegals. This is a preliminary study, but many solicitors are increasingly using paralegals and it is important that the Law Society takes a view on this going forward.

#### 4.6.2 Education and Training

The Education and Training Committee is holding an event on 4 November on the importance of including ethics in the Qualifying Law Degree. The event will target members of the profession, in particular training or compliance partners, who view ethics as an essential element of legal education and training, and those who would like to learn more about the Committee's campaign. As part of this work, the Committee has appointed Professor Andrew Boon to undertake a project to develop a model ethics syllabus for inclusion in the undergraduate curriculum. A draft report is due at the end of September 2010, with the final report due in December 2010.

As part of its work on managing numbers entering the profession, the Committee has been providing input into a Careers Event and Careers Toolkit. The event is scheduled for 21 October 2010 and the Toolkit is due for publication on the web around this time. The Toolkit is intended as a 'warts and all' guide to qualification as a solicitor in England and Wales.

The Committee is currently leading on the Law Society responses to two consultations: the SRA's consultation on the accreditation of prior learning on the LPC, and ILEX Professional Standards' consultation on work-based learning for ILEX members.

The Committee continues to monitor the progress of the SRA's Work Based Learning project. Sue Nelson and Regulatory Affairs Unit staff attended the Legal Education and Training Group's Work Based Learning update event on 22 July 2010. The programme included updates from one of the external assessment organisations, a representative of Jones Day, who assessed their trainees internally, and Tim Pearce from the SRA. The first stage of the pilot is due to end in September 2010. The final report from the independent evaluator is due in December. The Committee is planning a further survey of participants in the pilot, both trainees and employers, when the pilot finishes in September.

#### 4.6.3 Professional Indemnity Insurance

##### *Market conditions*

##### *Qualifying Insurers for 2010–11*

On 23 July 2010 Vision Underwriting Limited (Vision) announced its intention to enter the solicitors' PII market in 2010–11 and to underwrite sole practitioners and 2–5 partner firms. Vision will also take over responsibility for the Solicitors' Indemnity Fund run-off claims handling function.

Three Qualifying Insurers, Quinn, Hiscox and Catlin, have announced that they will exit the market after 30 September 2010. Another Qualifying Insurer, A.G. Dore, is yet to decide whether it will apply to become a Qualifying Insurer for 2010–11, but if it does so, will only renew existing policies. Liberty and Royal & Sun Alliance have both indicated that they will only renew existing policies.

Approximately seven Qualifying Insurers have indicated that they are prepared to underwrite policies for sole practitioners and 2–3 partner firms. Some of these insurers, however, will only underwrite a very limited number or only certain types of small firms.

On 16 July 2010 the SRA Board approved a new Assigned Risk Pool (ARP) strategy, involving a tougher approach to enforcement of the applicable rules. It has accepted additional funding from the Law Society to implement this strategy. The SRA's announcement of the strategy is at: <http://www.sra.org.uk/sra/strategy/sub-strategies/arp-enforcement-strategy.page>

The Society's release is at:

[http://www.lawsocietymedia.org.uk/site.php?s=1&content=35&press\\_release\\_id=1329&mt=34](http://www.lawsocietymedia.org.uk/site.php?s=1&content=35&press_release_id=1329&mt=34) but has obtained far less coverage than the SRA's press release.

#### *Update on the Law Society's PII initiatives*

##### *Workshop on the SRA's financial protection review*

On 18 August 2010 I chaired a workshop of the Indemnity Insurance Sub-Group and staff to discuss the Society's approach to the SRA's upcoming financial protection review. It was agreed that the Society will seek to be significantly involved in shaping the SRA's consultation. Russell Wallman and Elliott Vigar recently met with the SRA's consultants, Charles River Associates, to discuss various aspects of the financial protection arrangements. We will request a further meeting with the Sub-Group. We will also seek to work with the SRA to engage the other market participants, including insurers and lenders.

I have written to the SRA expressing two concerns with their terms of reference for the review. First, we do think the proposed consultation period, from mid-December until February 2011, is insufficient, given that it incorporates the Christmas period. Second, we think the inclusion of the Legal Services Board as a stakeholder to the review demonstrates a misunderstanding of its proper role.

The Society has engaged consultants, Towers Watson, to advise on potential reforms to the financial protection arrangements. We will use this advice to help inform our proposed policy position on the arrangements, which the Regulatory Affairs Board and Council will be asked to approve. This position will form the basis of our consultation response.

##### *PII helpline*

On 16 August 2010 the Society reactivated its free dedicated PII helpline to assist solicitors throughout the renewal period. As of 31 August 2010, the helpline had received 300 calls and 50 emails, mostly from small firms.

##### *Finance for payment of PII premiums*

On 19 August 2010 the Society announced a membership benefit offer with finance company, E B Commercial Finance, to give solicitors the ability to pay their PII premiums over a 12-month period.

#### 4.6.4 The Regulation of Will Writers

The Law Society has been calling for the regulation of Will writers for a number of years. The Legal Services Board and Office of Fair Trading have announced that they will be investigating whether Will writers should be regulated. The BBC television programme Panorama recently aired an episode on Will writers. This highlighted the significant detriment that may be caused if people use an unregulated Will writer to prepare their Will. Following this programme there has been significant media coverage surrounding the Law Society's call for regulation in this area.

#### **4.7 Research Unit**

The pilot phase of the Firms' Finances study has been completed. The following reports of findings from the 2009 Firms' Omnibus Survey and the 2010 Individuals' Omnibus Survey have been completed and are available from the Unit: attitudes towards and likely impacts of ABS; conveyancing; impacts of the recession; PC holders' attitudes to diversity data collection; and the work of solicitors. Reports in progress include the pro bono work of solicitors, and attitudes of firms to judicial applications. Data collection for the 2010 Firms Omnibus is underway.

In addition to scheduled projects the Research Unit is supporting major policy initiatives on: solicitors' involvement in mortgage fraud; government proposals around using interest on client accounts to supplement legal aid funding; the IT strategy; the impact of the changing proportion of women in the legal profession.

#### **4.8 Anti-Money Laundering (AML)**

AML training continues to be provided as this remains an area of concern for the profession. The AML online training has proved to be popular, with 69 bookings being taken for the Introduction to

the Money Laundering Regulations 2007. The Introduction to the Proceeds of Crime Act course will be launched in September.

The Summer Money Laundering Reporting Officer (MLRO) networking groups attracted 584 bookings and 100% of attendees providing feedback indicating that the course was satisfactory to excellent. We had strong bookings in first time venues of Llandudno, Leamington Spa, and Wolverhampton while our inaugural City / International MLRO group was very well received. The next series will run in January / February 2011.

The Autumn AML training will commence on 7 October and run until 16 November. We have 16 In Practice Courses and 5 Advanced Courses running regionally. The Master Class will run in Manchester for this programme.

In terms of lobbying for amendments, to make the AML regime more workable and proportionate:

- We are actively encouraging HM Treasury and other governments through the Council of Bars and Law Societies of Europe (CCBE) to seek changes to the Financial Action Taskforce 40 recommendations on AML;
- We await the report to the European Commission on the implementation of the Third Money Laundering Directive which is expected in the late Autumn;
- We anticipate that HM Treasury will be releasing a consultation in September on the Money Laundering Regulations, taking forward some of the recommendations we made to their recent call for evidence; and
- We continue in discussions with the Home Office and through the Money Laundering Advisory Committee regarding the proportionality and workability of Part 7 of the Proceeds of Crime Act.

## Chapter Five

### 5. Law Reform

#### **5.1 The Freedom (Great Repeal) Bill**

The Bill proposes to roll back state intrusion into public life and repeal unnecessary laws. While it will supposedly incorporate suggestions from the public on all areas of law, the political character of the Bill is centred on civil liberties. The key elements of the Bill were set out in the Queen's Speech (although some have since been moved into subsequently announced Bills) and include: the repeal of unnecessary criminal offences; adopting the protections of the Scottish model for the DNA database; the restoration of rights to non-violent protest; safeguards against the misuse of anti-terrorism legislation; further regulation of CCTV; ending of storage on internet and email records without good reasons, and; the extension of the scope of the Freedom of Information Act to provide greater transparency. The Home Office Draft Structural Report Plan lists work on the Bill as having started in June 2010, with the objective of having it passed in November 2011.

The Law Reform Unit is preparing a manifesto for publication in the coming months, setting out the changes to government policy on criminal justice, civil liberties and better law-making that the Society would like to see made in relation to the Bill. The Criminal Law Committee and others are contributing substantially to its content.

## **5.2 Housing Law**

New upper limits on housing benefit rates will be introduced from April 2011, set at £340 per week for a three bed house and £400 per week for a four bed house. From April 2013, the housing benefit of those on Jobseekers Allowance for more than 12 months will be reduced by 10%. The Government has also confirmed a review of the role and purpose of the Tenants Services Authority and the best framework for regulating social housing. It will consider the full range of options in line with the Government's commitment to reduce the number of quangos. The Homes and Communities Agency will supposedly be 'smaller and more strategic', with its functions delivered under 'local leadership'. The Rugg Review of the Private Rented Sector has been judged by the new coalition to 'introduce too much additional red tape', including proposals to create a National Register of Landlords, regulate letting and managing agents, and introduce compulsory written tenancy agreements. The Government is also considering proposals to change the security of tenure for future social housing tenants, and the creation of new trusts to make it simpler for communities to provide homes for local people.

It is expected that some of the above proposals will be taken forward in the Decentralisation and Localism Bill. The Housing Law Committee will be monitoring these matters closely, in accordance with their 2010/2011 business plan.

## **5.3 Crime**

### *5.3.1 Discount for guilty plea*

The Law Society has issued a press statement on the issue of reported Government proposals to award an increased sentence discount to people who confess to crimes at the police station, as opposed to pleading guilty at their first opportunity in court. This announcement is in advance of an anticipated Sentencing Guidelines Council consultation on the proposals in the autumn. It seems the consultation will suggest refining the existing sentencing guideline to make an explicit discount for an indicated guilty plea at the investigation stage. The Society outlines its concerns and stressed that if these proposals are to be introduced then it is essential, in the interests of fairness to the suspect and to avoid the risk of false confessions, that they have access to face-to-face legal advice at the police station, and full disclosure of the police case against them.

The Criminal Law Committee will consider the consultation on its publication, and will discuss the work of the Council generally with Lord Justice Leveson when he visits its 13th October meeting.

In its response to the Sentencing Guidelines Panel consultation in August 2006 the Committee opposed giving the maximum discount for an indication of plea at the police station, fearing that it could act as an unfair inducement, and suggesting instead that the level of co-operation with the police be a separate mitigating factor.

### *5.3.2 Criminal Events*

With the assistance of the Criminal Law Committee, the Law Reform and Events Teams, a series of criminal law events have been taking place throughout the year. Seminars on human trafficking and crime, the practicing in the Youth Court and the European Arrest Warrant have taken place. A further seminar on witness anonymity will take place in October, followed by the inaugural annual Criminal Law Conference on 20 October, a full day event discussing topical aspects of criminal law and concluding with a panel session on the challenges of operating a legal aid criminal practice in an age of austerity.

In addition, the Committee and Law Reform Team has proposed a series of criminal law Road Shows throughout England and Wales, with a view to engaging members of the profession in the development of ideas to improve the efficiency of the criminal justice process. The ideas generated will then be communicated to the Ministry of Justice. It has been suggested that this series of informal seminars, chaired by the Committee's chair, take place in regional centres throughout November. The Law Reform Team is working with Regional Managers and the Events Team to bring this idea to fruition.

#### **5.4 Immigration**

The Society gave a witness statement in support of a successful challenge brought by Medical Justice, against the Home Office policy of fast-track deportations from the UK. The Society's main concern with a change in policy to waive the 72 hour notice period for deportation was that it would seriously inhibit a person's access to justice by removing their ability to contact their legal representative, and would inhibit their right to appropriate judicial remedies. The Society initially expressed its concern following a letter from the UKBA (UK Border Agency) in December 2009, informing stakeholders there would be changes made to the removals policy, to take immediate effect on 11 January 2010. The Society was concerned that prior to sending the letter, the UKBA made no attempt to consult on the existing policy. Further, there was little detail in the original correspondence from the UKBA regarding how the UKBA would ensure that legal representatives were informed of a person's removal action commencing. The Home Office has indicated that it plans to appeal.

#### **5.5 Employment**

The Society published a practice note on judicial mediation in the Employment Tribunal which considers the potential benefits for claimants and respondents. Employment Tribunals offer a Judicial Mediation scheme which started as a pilot in 2006, and is now available throughout England and Wales. Judicial mediation is entirely voluntary and provides parties to an Employment Tribunal claim with a confidential, alternative settlement option that tries to avoid the need for a full merits hearing. The judicial mediation takes place in the Employment Tribunal but is held in private. Advisers dealing with mediation have a different role to play than when they are conducting adversarial advocacy before the Employment Tribunal.

#### **5.6 Health and social care**

The Society responded to the Law Commission review of Adult Social Care, the proposed legislative framework and options for reform. With emerging policy changes including a greater duty to co-operate between health and social care (likely to be in the next Health Bill), the proposed local commissioning of health services by GP Consortia and a more integrated health and social care model with joint Local Authority, health commissioners, integrated providers under the Transforming Community Services Agenda, and the Personal Care at Home Act 2010 are already on the statute books. The Society welcomed the proposals and the proposed legal framework, which is simple and sets National Minimum Standards with local flexibility.

#### **5.7 Family Justice Review**

A fundamental review of the family justice system is being undertaken by the Ministry of Justice, Department of Education and Welsh Assembly Government. The review will examine both public and private law cases. A call for evidence on the family justice system has been sent out and the Family Law Committee and Children Law Sub-Committee will be responding to this in September 2010. The review panel will produce a report and final recommendations for Ministers based on the evidence received in 2011.

#### **5.8 Are tribunals contentious for purposes of contingency fees?**

In a case before Senior Costs Master Hurst, the Society succeeded in persuading him that contingency fee agreements could be used in relation to matters before a tribunal. He found that section 57 of the Solicitors Act 1974 specifically permits contingency fee agreements in non contentious business and there is no evidence that Parliament ever intended, within the context of the Solicitors Act, to enlarge the meaning of court "to include tribunals". Since the last report, HMRC have confirmed that they will not appeal the decision. This was a vital judgement for access to justice as well as the solicitor's profession. Confirmation that contingency fee agreements are lawful in tribunal proceedings is significant for members of the profession who have been acting for their clients under contingency fee agreements.

### **5.9 Legal Professional Privilege and Accountants: *Prudential -v- HMRC***

The *Prudential* case raises the issue as to whether Legal Professional Privilege applies to advice on tax law given by accountants. The Law Society was granted permission by the Court of Appeal to intervene in an appeal by *Prudential PLC and Prudential (Gibraltar) Limited v Special Commissioner of Income Tax and Philip Pandolfo (HM Inspector of Taxes)*. The Policy team worked closely with the legal advisers and the Society's solicitors, Herbert Smith and other staff in the Society to prepare the background research for Counsel, Sir Sydney Kentridge QC and Tom Adam QC of Brick Court Chambers, to assist in the preparation of the Society's submissions to the Court of Appeal.

A successful campaign was undertaken with the press office and public affairs team to make the profession aware of the issues arising in the case and to seek their support. News of the intervention was picked up in the FT, Solicitors Journal, various online news pages as well as the Gazette, with a more detailed article appearing in the practice points section of the Gazette on 13 May 2010. Letters were sent to the local law societies, senior partners of the top 100 and to members of the Divisions, Sections and Groups. We received some helpful and detailed contributions from the profession which assisted in the preparation of our submissions.

The appeal was heard before Mummery, Lloyd, and Burnton LJJ on 14 and 15 July 2010. Sir Sidney Kentridge QC made oral submissions on behalf of the Society. The Court indicated that judgment would not be handed down before October 2010.

### **5.10 Pre Action Protocols**

At the request of the Civil Justice Council (CJC) the Society has continued to assist with facilitating a review of the pre action protocols. Final draft protocols from each of the individual working parties which the Society organised have now been forwarded for review by the CJC who will then make recommendations for any changes. In addition, the Ministry of Justice has commenced work on a Mesothelioma protocol and has organised a stakeholder working group on which the Society is represented.

### **5.11 Civil Litigation Costs and Funding**

The Law Society's response to Lord Justice Jackson's review of civil litigation costs has now been finalised and Council will be considering this at the meeting. It is expected that the Government will shortly be publishing one or more consultations on implementing Jackson LJ's recommendations on the reform of funding arrangements in respect of conditional fee agreements, success fees and recoverability. It is understood that the consultation(s) will also include proposals in respect of damages based agreements (contingency fees).

At the request of the Prime Minister, Lord Young of Graffham has undertaken a cross-government review of health and safety and the compensation culture. The Society has written to Lord Young setting out its views. The Government is expected to publish the report shortly. The Society recently responded to the Civil Justice Council consultation on third party funding of claims. The consultation was in respect of a self regulatory code for funders.

### **5.12 Legal Expense Insurance**

For several years the Law Society has been concerned about insurer's interpretation of the Insurance Companies (Legal Expenses Insurance) Regulations 1990. These Regulations were implemented as a result of the Council Directive 87/344/EEC of 22 June 1987 (freedom to choose a lawyer). The Society has been actively lobbying the EU Commission and the FSA regarding the failure of some legal expense insurers to comply with the regulations which provide for clients to choose their own solicitor when making a claim with the benefit of legal expense insurance cover. The FSA has recently written to all insurers reminding them any provisions of a contract that detract from, or qualify in any way, the freedom to choose a lawyer, will not be compliant with the Directive.

# Chapter Six

## 6. Legal Aid

### **6.1 Contract Tender Round**

The Legal Services Commission (LSC) has now notified firms of the outcome of the tender round for contracts for all fields of civil and family law.

In immigration, there has been a slight increase in the number of organisations, although some existing firms failed to secure a contract, and many firms were issued only a proportion of the contract capacity for which they bid. This has raised doubts about the economic viability of some offers.

In mental health, all firms that met the minimum criteria were entitled to a contract. All firms have been offered less than they bid for. Similar issues of economic viability arise. In the low volume categories (eg education, actions against the police) the position is similar.

In social welfare law, around 30% of firms that bid for contracts were unsuccessful. One firm has already brought a judicial review. The case has been adjourned, but not before the judge indicated strongly that he was minded to grant the review, and described part of the LSC's process as "utterly absurd and totally irrational". We understand that a number of other firms are considering legal challenges.

In family, the number of firms has been cut from 2,400 to 1,300. There was never any expectation of such significant reduction in the number of suppliers. This result has left significant gaps geographically, and has excluded many specialist care lawyers, with no assurance that the care work they are currently doing will be taken up by the successful firms. Many towns and rural areas around the country have been left with only one or two firms, which is grossly inadequate for care cases, which have an average of four parties per case. The reduction is likely to lead to tens of thousands of existing clients having to find a new lawyer when the current contracts expire, as many firms will be unable to continue acting due to loss of staff or force of economic circumstances.

Because of these significant public interest/access to justice issues, the Law Society issued Judicial Review proceedings against the LSC on Friday 27 August. As with the social welfare law tender, we are also aware of a number of other firms and groups of firms who are considering their own legal challenges, including some based on the rationality of the criteria and the specific circumstances of particular bids.

### **6.2 Legal Aid Policy Assessment**

The Ministry of Justice is undertaking a legal aid policy assessment, ahead of a planned consultation paper in September or October. As the timeline for our Access to Justice Review is too late for this assessment, the President has written to the Minister outlining some of the emerging thinking in the Review to feed into the Ministry's work.

### **6.3 CLACs and CLANs**

We have now heard that a single consortium, consisting of two not for profit bodies and two private practice firms, have been awarded all three contracts for the Manchester Community Legal Advice Service. Unsuccessful bidders have a short period in which to challenge the outcome. We do not currently know if any of them propose to do so.

# Chapter Seven

## 7. International and National Initiatives

### International

#### **7.1 Bilateral Relations**

##### **7.1.1 USA**

The President attended the American Bar Association (ABA) annual meeting in San Francisco and participated in a market visit to Los Angeles. At the ABA annual meeting, the President participated in the distinguished guests programme with other international bar leaders. She used the opportunity to hold bilateral meetings with the bar leaders of key jurisdictions. She was also a speaker at one of the international showcase programmes. In LA, the programme aimed to raise the profile of the Law Society and our international work as well as to provide opportunities for an accompanying group of solicitors to develop their contacts. We had a number of meetings, a seminar with the LA County Bar Association and a networking reception. The visit was supported by (UK Trade & Investment) UKTI London.

##### **7.1.2 Canada**

The President attended the Canadian Bar Association meeting in Niagara. Her programme included a number of continuous legal education (equivalent to Continuing Professional Development (CPD) in UK) sessions as well as seminars and networking events for international guests.

##### **7.1.3 Latin America**

In July, the International department welcomed a group of 22 Latin American lawyers to London for a two day programme to develop links with UK firms. The group represented the top law firms from Argentina, Bolivia, Brazil, Chile and Mexico. On the UK side, we had 15 law firms as full participants with an additional 24 firms attending the networking reception. Other participants in the programme included law firms and organisations from Canada, Spain, Jersey and the US. Feedback from the event was overwhelmingly positive and we will run it again in 2011.

##### **7.1.4 Mexico**

The Law Society was a co-organiser of a UKTI/City of London 'Mexico Matters' event to promote commercial links between the UK and Mexico. A good number of UK law firms participated in the event and the Law Society President co-chaired a legal panel with the President of the Mexican Bar Association. There is growing interest in Mexico from UK firms and we aim to organise a market visit there in 2011.

##### **7.1.5 China**

Thirteen Chinese lawyers arrived in London in mid June as the final cohort of the Lord Chancellor's Training Scheme. They had their induction week with the Law Society, Bar Council, British Council and SOAS. A welcome reception was also held with around thirty representatives from law firms and chambers involved in hosting their placement later this year. The Chinese lawyers are now studying their English law courses at SOAS.

##### **7.1.6 India**

There have been no major developments in the Madras court case which was launched against foreign firms in February, although there is significant interest in the case on the part of the profession both here and in India. The case has seen several adjournments, most recently on 16 August which was intended to give the Bar Council of India time to formulate some rules on the regulation of foreign firms. We have provided a note to UK firms on the (Qualifies Lawyers Transfer

Test) QLTT and the Points Based System of the immigration rules (which the petitioner advanced to support his argument that there is no reciprocity between India and the UK), for the firms to use in their submissions to the court.

The Indian Minister of Law and Justice visited the UK in early July at the invitation of the Lord Chancellor, as part of the new UK government's "enhanced partnership" with India. We organised a lunch with law firms and an education round table for the Minister. The Minister was particularly interested in the education round table in which senior academics discussed different aspects of legal education including the importance of clinical practice.

#### **7.1.7 Israel**

A planned Presidential visit to Israel in late June, unfortunately, had to be postponed due to the pressures of the President's schedule but will now take place at the end of October.

#### **7.1.8 Estonia**

The Law Society is hosting a morning with a delegation of Estonian Lawyers who are participating in a Trade Mission to London organised by the British Estonian Chamber of Commerce in September. International Division members will be given the chance to meet the delegation and there will also be speaking opportunities on the Companies Act 2006 and the Bribery Act 2010 as part of the visit.

#### **7.1.9 Kazakhstan**

The International department has been instrumental in facilitating the establishment of the British Kazakh Law Association to promote links between the UK and Kazakhstan. Leading city firms including Norton Rose, Eversheds and Denton Wilde Sapte are involved in this initiative. The Association will be formally launched with a reception in November 2010 and we have secured funding from UKTI to support a legal services event in Kazakhstan in 2011.

#### **7.1.10 Italy**

The International department is working with UKTI to organise a matchmaking event for Italian and English Lawyers and Accountants in November 2010. 16 Italian lawyers and accountants will travel to the UK for a day of matchmaking meetings with their English counterparts, facilitated by UKTI, the Law Society International Department and the British Italian Chamber of Commerce. This event is supported by UKTI funding.

#### **7.1.11 Spain**

The Law Society is working with UKTI and the Spanish Family Lawyers Association to organise a comparative law conference on Anglo-Spanish Family Law in October 2010. Up to 50 Spanish Family Lawyers from all over Spain are expected to attend a 2 day conference, to meet their UK based counterparts. This event is supported by UKTI funding and UK based law firms qualifying as SMEs will benefit from a substantial discount on delegate fees for this event.

#### **7.1.12 UAE**

In June two further training courses were held in Dubai under the Gulf Lawyer's Professional Training programme, the Society's initiative in association with the College of Law. We will be running further two courses in November on negotiations and international commercial arbitration.

#### **7.1.13 IBA**

The International department is preparing for the IBA annual meeting in Vancouver in October. A group of 23 solicitors will join a joint Law Society/UKTI delegation to the meeting for a number of 'value added' events designed to help them get the most out of the event. The Law Society will host a networking reception which will be an exhibitor at the event to promote our international work and there are speaking slots for the President and Chief Executive.

## **7.2 Legal Process Outsourcing (LPO)**

On the 16th July an ad-hoc committee convened its final evidence gathering session on legal process outsourcing. The outcome of these meetings will be finalised into a report. On the 7 September a consultative forum with firms and local Law Societies was held with LPO providers which the President chaired.

## **7.3 World Bank**

We have been commissioned, by the World Bank, to submit a report on the explicit trade and regulatory barriers to legal services integration in the East African Community. The project will be done in consultation and with assistance from the former CEO of the East Africa Law Society and the CEO of the Rwanda Bar Association. A final report is due for submission to the World Bank by the end of 2010.

## **International Human Rights**

### **7.4 International Human Rights Events**

The Society is holding its second annual Human Rights Symposium on 17 and 18 September 2010. It is organised jointly with the renowned Human Rights Centre at the University of Essex. This year's theme is business and human rights.

This symposium aims to bring together people from a wide range of activities and disciplines to explore the concrete ways in which human rights norms have an impact on diverse areas of law dealing with business activity. It aims to move away from the generalities that often characterise meetings on this topic, and to allow specialists to compare their existing approaches as well as an understanding of what future developments promise. Lawyers in private practice are more and more frequently being asked to advise on the impact of human rights principles on the conduct of business activities. The themes which will be examined throughout the symposium are relevant to all commercial lawyers, and other lawyers who act for, or against, commercial undertakings.

The American Bar Association's Moratorium Project has invited the Society to be a joint organiser of a conference on the Death Penalty and Human Rights. This conference aims to bring together lawyers, bar association representatives, and acclaimed scholars in capital punishment and human rights issues from countries with and without the death penalty, for a series of lectures, programs, and discussions. The conference seeks to assist lawyers who represent clients in retentionist nations, and to narrow the circumstances in which governments may impose capital punishment. The centrepiece of this conference will be adoption of a draft document entitled "International Principles Guiding the Application of the Death Penalty (in the countries that still retain it)." The Society is currently reviewing the proposals.

### **7.5 Lawyers at risk programme**

The Society has been approached by the Council of Bars and Law Societies of Europe (CCBE) to provide its expertise on new guidelines and suggestions for an improved system of cooperation between European bars to protect lawyers at risk around the world.

So far in July and August 2010, the Society has sent 13 letters of intervention on behalf of lawyers and human rights defenders at risk of harassment and intimidation around the world. The countries include: Uganda, Vietnam, Egypt, Democratic of Congo, China, Iran, Saudi Arabia, Tunisia, Sri Lanka, and Zimbabwe.

The Society is currently monitoring and investigating approximately 20 more cases which may merit future intervention.

In addition, the President was quoted in an article in the Gazette in July about the precarious situation for judges and lawyers in the Maldives. The article received good coverage in the Maldives. Since then, we understand that the opposition and Government have found mutual

agreement for the Judicature Act and Supreme Court appointments, avoiding a major constitutional crisis.

A delegation of English and Welsh lawyers (including two Council Members) is currently travelling to Colombia to carry out a fact-finding mission on the situation of lawyers. Since 1991 over 400 lawyers have been killed in Colombia but no one has been prosecuted. The Society has assisted in facilitating the mission and has sent a letter of support to the organisers.

## **International Human Rights Representational work**

### **7.6 Judicial colloquium of Supreme Court and High Court judges in India**

Following a meeting with the Indian organisation, Human Rights Law Network, the Society has been invited to assist with and participate in a proposed judicial colloquium of Supreme Court and High Court judges in India on the recent developments in human rights law in the UK and European Union.

### **7.7 Delegation of Swedish lawyers**

The Law Society has also received a request from a firm of Swedish lawyers who will be visiting London in September 2010. They wish to learn more about the legal system in this country and have asked to meet solicitor practitioners to share best practice and further their international networks. The Society is assisting with their request.

### **7.8 Equality and Human Rights Commission (EHRC)**

The Society and the EHRC are discussing the possibility of joint initiatives to improve the reporting of human rights cases and the image of solicitors undertaking those cases. Proposals are at an early stage.

### **7.9 Lawyer in Mexico**

Following up on a fact-finding mission to Mexico in November 2009 which included some solicitors and one council member, the Society took part in a round table on Mexican Human Rights Defenders in the House of Commons on 13 July. Mexican lawyers who take on human rights cases are increasingly finding themselves in danger of harassment, intimidation and assassination. The Society is currently working with other legal organisations and NGOs to brief the Minister of State for Foreign and Commonwealth Affairs, the British Foreign & Commonwealth Office (FCO) and the UK Ambassador to Mexico.

## **National Initiatives**

### **7.10 Money Laundering Reporting Officers Groups**

During the period, we have worked in partnership with Legal Policy to deliver 16 individual MLRO group meetings across England and Wales laws firms willing to host the meetings

### **7.11 Blueprint Workshops**

In partnership with Communications, regional managers have arranged a programme of focus groups throughout July which a cross section of members were invited to participate. The purpose of these was to obtain valuable feedback about the future design of the Law Society which will assist the Blueprint project.

### **7.12 Lexcel lead generation**

To date, regional managers have generated 60 Lexcel leads as part of their programme of firm visits and general membership engagement.

### **7.13 Equality and Diversity**

The regional manager of North East collaborated with Dickinson Dees which hosted a Diversity and Inclusion event in Newcastle. The event was attended by over sixty solicitors and human resources professionals. At least one large firm decided to sign up the Charter and others are to become involved in offering placements to students from BME backgrounds.

### **7.14 CPD Online**

The regional managers have worked closely with Commercial Services and identified 40 leading firms to participate in the CPD centre project.

## **UK Operations**

### **7.15 Memorandum of Understanding (MOU)**

The Chair of the Membership Board wrote to all Presidents of local law societies with the revised version of the protocol (as agreed at their June meeting). In line with this, and building on previous collaborative working, a number of Law Society/Local Law Society initiatives have been/are being established. They are:

#### **7.16 South East region**

A joint seminar on Alternative Business Structure (ABS) in association with Sussex Law Society and another one with Kent Law Society

#### **7.17 North East region**

A seminar in association with Teesside Law Society to review key issues emerging on the regulatory landscape.

#### **7.18 North West region**

We will be delivering a joint mini Conference for Association of North West Law Societies in the autumn and a joint networking event for students/trainees on 16 September in Manchester with Junior Lawyers Division (JLD)/Manchester Law Society. Planning is in hand for joint seminar on ABS with Liverpool Law Society in quarter one of 2011.

#### **7.19 South West region**

The Law Society has agreed to sponsor the Bristol Law Society at its Annual Dinner and Legal Awards Ceremony in the autumn. This prestigious event feeds into the Bristol Legal Weekend.

#### **7.20 West Midlands region**

A proposal has been put forward to Warwickshire Law Society for a joint seminar to discuss the ramifications of ABS. Our regional manager delivered a joint seminar on Anti Money Laundering and Regulatory Update with Herefordshire Breconshire & Radnorshire Incorporated Law Society.

#### **7.21 SRA Relationship Managers**

The recently appointed relationship managers for the SRA have been in discussions with a number of regional managers and the senior relationship manager in order to facilitate contacts with firms. In particular, they are keen to identify a number of firms for a pilot which will spearhead Outcomes Focussed Regulation (OFR). In a similar vein, regional managers and the senior relationship manager have been able to introduce SRA Consultants to a number of firms to discuss the future planned online registration of Practising Certificates.

#### **7.22 Wales**

Key activities during the period include:

- The launch of the Welsh Assembly Government survey into the business needs of legal practices in Wales.
- The Professions Group Wales reception with the Chair of the Welsh Language Board.

- Delivery of two seminars – E-crime and Property Wales.
- The Report of the Legislative Scrutiny Committee on the Welsh Language Measure was published in July. The Society's written and oral evidence were quoted widely.
- Liaison meeting with Counsel General.
- The Society's Wales Annual Lecture was given by Mr Justice Lloyd Jones at the National Eisteddfod at Ebbw Vale. The Vice President attended the Annual Lecture and tea. He met with Lord Justice Thomas, Mr Justice Lloyd Jones, members of the profession and academia.

### **7.23 Top 100**

During this period, the Senior Relationship Manager (SRM) has set up and delivered the second focus group, on Legal Professional Privilege with senior tax lawyers of City firms, to update them on the progress of our intervention. The SRM delivered the City Money Laundering Reporting Officers Group meeting to keep them abreast of recent developments and to get feedback in order to inform our policy work. She also undertook four Top 100 firm visits and secured the Chief Executive as key note speaker at the Ark Group Risk Conference in December, as well as securing the Chief Executive as key note speaker at the Grand Masters of Law Conference in September. She is now facilitating the participation of a number of Top 100 firms in the Paralegal Qualifications Research Project.

## **Chapter Eight**

### **8. Practical Support for Solicitors**

#### **Membership Services**

##### **8.1 Lexcel**

The intensified marketing plan for Lexcel and Lexcel International has started with a large direct mailing to all non-accredited sole practitioners. Mailings targeted at in-house practices as well as other sizes of law firms are planned for distribution within September. Several Lexcel-focused marketing events are being planned for September and October giving members insights into accreditation from professionals in accredited practices, the Law Society and assessment bodies.

A new version of the standard, Lexcel v4.1, has been released. The majority of alterations are aimed at maximising the consistency and flow of requirements. As only minor changes to the standard have been made, communications of requirements, guidance, advice and relevant forms will be focused on accredited practices, as well as those applying for accreditation and interest in adopting the scheme. The website will be updated for all remaining contacts for reference. Lexcel toolkits to incorporate each area of the standard are being planned to provide members with an all-encompassing tool that will help develop best practice throughout their organisation. This is also intended to ease the Lexcel adoption process to speed up applications and assessments within both domestic and international markets. In addition, passporting schemes are in development to help interested practices move to Lexcel accreditation from other standards/schemes, for example the Specialist Quality Mark (SQM).

July saw the largest number of new applications received within at least the last 5 years. Thirty one were received and processed which should convert into accreditations, depending on outcomes of assessments, by the end of the year. To the end of July, the Lexcel office has received 115 new

applications this year. This means an additional 51 new applications have been processed compared to end of July 2009, and the number is only 10 applications fewer than the total received for all of 2009. This increase is partly due to the adoption to support practices when applying for their PII.

### **8.1.1 Lexcel International**

There are now two non-UK based law firms with Lexcel accreditation. TGC Corporate in Poland and McClure Naismith who have offices in London, Edinburgh and Glasgow, both regulated by the SRA. Marketing opportunities, including press releases, are being developed with both firms for promotional use. Additional application and assessment materials are being focused on with the aim of publication within August. An international marketing brochure is being developed for release in October. This will be circulated within the Law Society channels to support promotion. International promotion will also be enhanced in October with the Law Society's attendance of the IBA Conference in Vancouver and specific marketing campaigns. Due to growing interest for Lexcel franchises, an international franchise/business model is being developed for launch in September.

## **8.2 Careers**

### **8.2.1 Careers Crossroads workshop**

This took place on 30 June 2010 in London. Twenty five attended this interactive evening workshop which was designed to help members through career transitions. It is aimed at solicitors who:

- Are approaching retirement
- May have taken redundancy with 8+ years experience
- Have had a career break
- Are contemplating a major career move

### **8.2.2 Mentoring Scheme, training for mentors – 22 September, London**

A recent recruitment drive has resulted in 30 individuals volunteering to participate in the scheme for the period October 2010 - September 2011. The Mentoring Scheme supports those at the early stages of their career (students, trainees, newly qualified solicitors and solicitors qualified up to 5 years). Recruitment has also been underway for volunteers to mentor successful (Diversity Access Scheme) DAS students.

### **8.2.3 Soft Skills**

A programme of six soft skills evening training seminars has been developed from July-December. Each module is accredited with 2 CPD hours. This will be aimed at junior lawyers and in-house solicitors.

### **8.2.4 Careers event – Preparing students for the solicitors' profession – 21 October, London**

The event is aimed at first and second undergraduates. It aims to cover all aspects of preparation for a career in the solicitors' profession including tips on increasing chances of success, completing applications and interview techniques. Delegates will also be given an insight into the alternative career options offered by different types of employers within the legal profession. The event will be supported by a comprehensive tool kit of tips and resources that will later be available on the Law Society website. The event is free to all students.

### **8.2.5 Careers in Law – 10 December, London**

This is a careers event introducing law as a career to sixth form students. The event is open to 80 students and will be hosted by the College of Law, London. The event will be led by Inspiring Futures, other participating organisations are Bar Council, ILEX, CPS and the Institute of Paralegals.

### **8.3 Association of Women Solicitors (AWS)**

The Association of Women Solicitors (AWS) and the Society held the AWS Returner Course, at the Law Society on 25 & 26 June 2010. The course was very successful with some 20 delegates.

The third Fiona Woolf Lecture was held at the Law Society on 20 July 2010 where over 120 people attended. The Speaker was Cherie Booth QC.

Nominations for the AWS Awards 2010 are now closed. There were seven categories and the response has been far in excess of last year. The Awards Ceremony will be held at the Law Society on 9 September 2010. The AWS will then nominate a winner for the Legal Business Woman of the Year Award. Their new Council member, has been elected for the City of London, Sarah Austin, a sole practitioner based in Chiswick.

### **8.4 Lawyers with Disabilities Division (LDD)**

They continue their mentoring scheme and their membership continues to rise and now stands at 490. A membership drive was recently undertaken.

A series of joint outreach events with the Law Society, JAC and the Bar Council are being planned, to encourage practitioners to apply for judicial appointment.

LDD held an 'Away-day' National Committee meeting on 7 July in Cambridge, to meet local students and representatives from firms in the area. This proved to be very worthwhile and LDD would like to repeat the exercise.

Plans are underway for their next Conference to be held on Wednesday 27 October which will be held at the Law Society.

### **8.5 Sole Practitioners and Small Firms (SPG)**

The SPG has been busy canvassing its members on their views on ABSs and is continuing its dialogue with Mr Djanogly. It has also requested information from its members on the recent civil legal aid tender exercise to gauge the direct effect on sole practitioners.

The SPG Indemnity Committee has been working hard with Prime Professions to get in place viable PI insurance products for members. A large number of sole practitioners will be looking for alternate insurance on renewal as a remit of the Quinn situation. Guidance and information on PI Insurance is available on the Society's and SPG's websites.

The SPG have answered a number of recent consultations including the SRA's consultation on the architecture of the new handbook and outcomes focused regulation.

The SPG has launched a revamped database of sole practitioner members in their service "Find a Sole Practitioner" available on their website [www.spq.uk.com](http://www.spq.uk.com).

SPG is supporting the Law Society's "Securing a Competitive Future" series of seminars, the next one takes place on 22nd September in London.

Lloyds Banking Group has reviewed its policy on membership of their conveyancing panel. Sole practices and small firms are being affected. The first round of membership terminations is based on the volume of work over the proceeding twelve month period.

### **8.6 Employed Solicitors**

Solicitors in Local Government (SLG) and the Citizenship Foundation have joined forces to provide a volunteering opportunity for local government lawyers by providing workshops on legal topics to 15 year secondary school pupils in deprived area as part of the Citizenship Curriculum.

SLG have joined with the Society in response to EU Commission's initiative on public concession contracts. SLG has also answered a number of consultations including the SRA's consultation on the architecture of the new handbook.

SLG is pleased with the announcement that PC fees are halving for local government solicitors. SLG is organising a study trip for its member to Dublin. This follows a successful international study trip to Brussels.

Plans for a repeat Special Interest Group conference are underway for the autumn. Commerce and Industry Group(C&I) is pleased to announce the launch of online training webinars for members. Also, their annual dinner takes place on September in London.

Both C&I and SLG Chairmen are judging the Law Society's Excellence Award for In-house Lawyer.

The first edition of the new Law Society in-house e-newsletter was sent to over 3,000 in-house members of the profession on 22 June. A comprehensive e-alert covers important issues, tailored features, management tips, events and products and services. In-house members are asked to subscribe to this quarterly email via a notice in Presidential Update. It will be a very effective means of enabling the Society to draw together all the work that is going on across the Society and to speak directly to this important sector of our membership. The next edition will go to members in September. The Law Society thanks GLS Network, GC100, JLD, ACSeS, SLG and C&I for their support of this newsletter.

The first in-house Law Society conference will be on 2 November and is open to all in-house members.

The Law Society was happy to support and sponsor ACSeS's (Association of Council Secretaries and Solicitors) first Leadership Summit on 12 July. This will consist of a day of talks and interactive sessions on how local government and solicitors can successfully progress to the CEOs within local authorities.

### **8.7 Policy Issues and Campaigns for Junior Lawyers Division (JLD):**

- Exploitation of junior lawyers such as being asked to work for free - <http://juniorlawyers.lawsociety.org.uk/node/1914>
- Minimum salary for trainees - levels frozen - <http://juniorlawyers.lawsociety.org.uk/node/2054>
- Legal Services Commission scrap training contract grant scheme - <http://juniorlawyers.lawsociety.org.uk/node/2163>
- SRA consultation on exemptions to the LPC - <http://juniorlawyers.lawsociety.org.uk/node/2198>
- Is the cost of a legal education still worth it? - <http://juniorlawyers.lawsociety.org.uk/node/2195>
- Fee based interview and CV services - <http://juniorlawyers.lawsociety.org.uk/node/2062>

Kat Gibson has won the recent JLD council seat election and Grace Brass accepted the JLD nomination to fill the vacancy on council following Anna Sutcliffe's resignation.

### **8.8 Law Society Helplines**

#### **8.8.1 Practice Advice Service (PAS)**

The PAS continues to receive a high number of calls on lenders and panels and it has been decided to provide a dedicated resource who will be responsible for coordinating all the issues surrounding this.

### **8.8.2 Professional Indemnity Helpline**

The Helpline was launched on the 16 August. This is three weeks earlier than last year to ensure that we are able to respond to our members concerns in the potentially hardening market. In the first three days it received 32 calls.

### **8.8.3 Lawyerline**

Members have started to ask questions on the changing landscape with the closure of the Legal Complaints Service (LCS) and impending the Legal Ombudsman (LeO). Lawyerline continues to gear up the profession to the commencement of LeO and the changes this is likely to bring.

## **8.9 Accreditation**

### **8.9.1 Chief Assessors**

Three Chief Assessors have been appointed for the Children Panel (Christina Blacklaws), Mental Health (Robert Robinson) and Family (Stuart Barlow) and are addressing their first tasks of updating application forms, reviewing the schemes and managing day to day policy issues. A chief Assessor is being sought for the Criminal and Immigration panels.

### **8.9.2 Immigration (IAAS)**

A re-accreditation process has now been implemented and the examination assessments have commenced. To date results are favourable with around 80% (before moderation takes place) of members passing.

### **8.9.3 Family Mediation**

There are a number of matters under review and discussion within the Family and Family Mediation sector. This includes the Family Mediation Council's review of its criteria and whether the Law Society Family mediation scheme is compliant with these and the Department of Children Schools and Families' green paper 'Support for All'.

### **8.9 4 Planning Panel**

The Planning Law Committee is in discussions with the Accreditation unit about a review of its panel.

### **8.10 Risk & Compliance Service**

The service has focused on building up membership which now stands at 380 members. The monthly newsletter has been established and this has received positive feedback from members on the content. Key external stakeholders, such as the Legal Ombudsman, have been engaged to write for the newsletter but internal experts are being utilised and promoted whenever possible. The service is now focusing on scoping out the detail for bespoke risk consultancy services, which will be intensively marketed from September onwards. Progress has also been made in scoping out additional elements of the risk and compliance customer offer, such as the detailed business case for a proposed solicitors complaints handling service.

## **Sections**

### **8.11 Law Management**

The autumn events programme will cover Finance, HR, and IT. A toolkit is being developed on law firm strategy.

### **8.12 Private Client**

The section has been renamed to the private client section to reflect the market's understanding of this area of legal practice and the range of legal work it encompasses. The webinar programme is very successful with 200 members logging on to the broadcasts and large numbers also watching the archived seminars.

A guide for trainees and young solicitors to encourage more of them to move into Private client work is being prepared in time for the autumn careers events programme.

### **8.13 Competition**

Greg Olsen of Clifford Chance has taken over as Chair.

### **8.14 Civil Justice**

A programme of events is being planned for the autumn.

## **Commercial Services**

### **8.15 Magazines editorial**

A new commissioning/features editor Eduardo Reyes, former editor of In-House Lawyer and long-time legal journalist has joined the Law Society. Part of his remit will be to source more quality content for the website, as pressure on pagination remains acute. Further actions are pending to mitigate the impact of this and boost our combined offering to readers across both print and web platforms:

- 1) Project assessment has been completed for the launch of Gazette online forums;
- 2) Agreement has been reached with Sweet & Maxwell to run 12 law reports online only – the equivalent of 4-5 print pages per week. This will launch in September.
- 3) The forward features/supplement list for the remainder of 2010 has been amended. In such a difficult market it is important that where possible feature material has a commercial ‘hook’ that will interest potential advertisers. This can be achieved without adversely affecting editorial quality.
- 4) Plans to launch Gazette CPD are close to fruition. Sample questions have been completed and images are sourced; we aim to launch this as a commercial offering within the next few weeks.
- 5) We have purchased a piece of web software that will enable us to conduct online surveys – both sponsored/joint surveys and our own. The first of these surveys is now online.
- 6) Comprehensive market research is presently being conducted into Gazette content – both on and offline. For the first time, this biennial survey will be used not only to plan future Gazette content, but also to determine the balance of that content, i.e. what readers want from each platform (print and/or web, both, or indeed neither).

### **8.16 Online/social media**

July was another record month for [www.lawgazette.co.uk](http://www.lawgazette.co.uk) and the best since March. We had over 130,000 visits, up to 20% in June (110,000) and almost 15% in March. We received 104% more visits compared to visits in July 2009. Visitors were also increased by 15% in June to 81,000 (5,000 more than March) and up to 92% in July 2009. Page views grew by 23% to 345,000, almost 50,000 increase to our previous record in March. Average pages per visit also increased by 4% to 2.63 pages.

Weekly traffic for 15-21 July was also a record, hitting 30,000 visits in a week from 23,400 visitors. Page views hit a new record in 22-28 July with 82,000 views in one week. The rise in traffic was realised partly through our coverage of two major stories: legal aid cuts and the demise of Halliwells. There has also been a big increase in newsletter subscribers since the sign-up was put on the main Law Society site. Encouragingly, new visitors seem to be staying longer - most visitors (55%) visit the site more than twice a month.

The top news stories in July related to Halliwells, legal aid and professional indemnity insurance. The most popular blogs were about the minimum salary for trainees and social networking for lawyers.

In social media, our very popular LinkedIn group now has 1866 members, ahead of our full-year target of 1800. Twitter remains the second highest referral site, pulling in 988 readers, well above our 500-readership target. We received more than 80 retweets from our followers. We have 2082 followers, thus exceeded our target of 2000 for the year.

### **8.17 Newsletter**

The newsletter continues to grow and now has 7,500 opt-in subscribers, with 600 added in July. Open rates hover around the 30% mark, which is very satisfactory. Click-throughs are generally good, and the number of clicks active users make is going up, to a record of 1.83 clicks for 26 July.

### **8.18 Advertising and Production**

The Magazine unit published 7 products in July, the Gazette published 5 issues, the unit published PS for the Probate Section and Solutions for the Civil Justice Section.

[www.lawgazettejobs.co.uk](http://www.lawgazettejobs.co.uk) continues to perform well; the unique user figures (28,750) went down by 6% against 2009 but page view figures (321,038) were up against July 2009 by 6% showing that the overall performance for the site continues to grow. The volume of vacancies on the site is also growing.

Overall the advertising market remains very difficult with recruitment being seriously affected due to the contraction in the legal job market. Display advertising has performed well given the economic climate. At the half year the Gazette was 4.5% off its budgeted income but exceeded its net contribution by a considerable margin due to costs savings and efficiencies.

### **8.19 Publishing, Retail and Online Training – June / July**

We have published four new titles since the start of June as follows:

- *Company Law Handbook* (2<sup>nd</sup> Ed) (22 June)
- *Domestic Abuse* (30 June)
- *Resolution Family Disputes Handbook* (23 July)
- *Tax and Family Breakdown* (11 August)

We have put manuscripts for 8 titles, including a number of key works, into production since the start of June as follows:

- *Conveyancing Handbook* (17<sup>th</sup> Ed) (3 June)
- *Drafting Commercial Agreements* (23 June)
- *Elderly Client Handbook* (4<sup>th</sup> Ed) (2 July)
- *Equality Act 2010* (6 July)
- *Managing People in a Legal Business* (13 July)
- *Privacy Law Handbook* (19 July)
- *Probate Practitioner's Handbook* (6<sup>th</sup> Ed) (21 July)
- *Understanding Stamp Duty Land Tax* (11 August)

The previous editions of *Elderly Client Handbook* and *Probate Practitioner's Handbook* have sold well and anecdotal evidence suggests that a number of practitioners moved into private client work during the recession. We have increased our pool of freelance editors to cater for this volume of publications.

Dues against our bestselling annual title, *Conveyancing Handbook* (17<sup>th</sup> Ed) currently stand at 1,219 copies.

## **8.20 Online CPD**

The CPD Centre went live on Wednesday 21 April. The number of registered users currently stands at 1,052.

The headline traffic figures for the site from launch to date stand as follows:

- Total unique visitors to site since launch: 11,480
- Total page views since launch: 166,387

We launched three new e-learning courses on 10 August dealing with equality and diversity which are designed to help solicitors understand with their obligations under Rule 6 of the Code of Conduct. This brings the total of e-learning courses that the Society is currently offering to 7 (with the other 4 covering the Solicitors' Code of Conduct, Lexcel risk management, Money Laundering Regulations 2007 and Solicitors Accounts Rules 1998).

A further 6 e-learning courses are currently in production and are scheduled to launch in August/September as follows:

- Immigration accreditation training (3 modules covering asylum and human rights, the immigration rules and European immigration law).
- Private company law.
- Proceeds of Crime Act 2002.
- Gazette CPD – a monthly CPD accredited assessment based around the published content of the *Gazette*.

The CPD Directory feature of the site currently lists 960 courses from 31 training providers. We have entered the CPD Centre for an e-learning award run by *E-learning Age* magazine and will be advised whether our entry has been shortlisted in September.

## **8.21 Affinity and sponsorship**

Having successfully tendered our unoccupied property business we have selected Jardine Lloyd Thompson (JLT) as the endorsed provider for a three year term. This is currently at contract stage and will go live within the next month.

Mercedes Benz has sold 74 vehicles to our membership so far this year and although this is a good result for us, a restructure has caused them to look at the professionals sector in its entirety.

## **8.22 PII Financing**

We have been given the green light to offer our members a financing solution for this years PII renewal. This could net us in excess of £50,000 however there are a number of variables at play which may impact on our revenues. This will dovetail with the PC financing exercise and work has begun with the SRA to ensure a solid service for the members.

Sponsorship sales remain on track at the half year with the forecast for the second half remaining healthy.