

REPORT ON SGM HELD ON 21 APRIL 2010

The outcome of the debate and indeed the motion submitted by the Scottish Law Agents for the first SGM was never in doubt given the number of proxies held by the Law Agents (of which I also am one). The motion which is effectively against the concept of ABS was carried. An amendment by Richard Masters of McGrigors to restrict the provision of legal services to businesses where the majority ownership (with certain exceptions) was held by Solicitors was rejected. Interestingly no-one either for or against the amendment queried what majority ownership actually meant and I may say that it became clear to me in discussions with various parties after the meeting that majority ownership did not necessarily mean that the majority of the partners/members/shareholders be Solicitors (which I think was the assumption being made by many).

Anyway, the purpose of this note is not to go over what happened or did not happen at the SGM but rather where [the Council of the Law Society goes](#) now. Immediately after the SGM there was a Council meeting at which Council had the option to adopt the motion as passed or to [defer](#) that decision to the next Council meeting. If Council elects not to adopt the motion as passed then it requires the motion to be re-passed at the AGM on 27 May before it has to become Society policy.

On the face of it the Council has something of a dilemma wherein they have a referendum (advisory only) wherein it is likely more than half of those who voted seemed to have voted in favour, slightly less than one-half voted against and roughly one-half of the profession never voted at all. In terms of the votes at the SGM of those who granted proxies (but proxies granted several months ago) there was a substantial majority against ABS but again something like 70% of the profession did not bother recording any sort of proxy whatsoever.

In the meantime the Bill carries on and has its first [debate](#), I understand, on 28 April. Michael Clancy, who leads the Law Society Law Reform Team, speaks on a regular basis to all political parties at the Scottish Parliament and reported that there is a cross party support in favour of the Bill as drafted !. The indications are that the Bill is likely to pass its first [debate](#) almost on the nod on 28 April on the basis that most of our MSPs seem otherwise engaged [in canvassing](#) for their Westminster colleagues and are therefore unlikely to actually be at the [debate](#). Accordingly, as I understand this, the hard fact of the matter is that whatever the members of the Society vote or do not vote in referenda or special general meetings is by and large at this stage possibly irrelevant. The Reform Team have identified 150 amendments which they wish to suggest should be made to the Bill before it proceeds to its second reading and there is clearly a feeling that these issues need to be raised with the Scottish Government whether or not the Society is in favour of ABS or not. At the moment it looks as though ABS is coming whether we, in the Society, wish it or not and therefore the argument has to be that the Society needs to be

involved in ensuring that whatever legislation does ultimately get passed affecting our future careers that at least it is something which we can actually work with and indeed hopefully profit from. Another issue which arose at Council would appear to be that in discussions with the Scottish Law Agents and the Society it has become apparent that the Society is getting different feedback from Government [ministers](#) compared to the feedback being given to the Scottish Law Agents. Perhaps little wonder that the issue has become more [devisive](#) than it needs to have been. It seems to be therefore that given the current cross party position regarding ABS that if you wish to influence the debate at Parliament then you need to speak to your MSP.

Regards

Graham [Matthews](#)