



**Minutes of the Bar Council Annual General Meeting
held on Saturday 7 September in the Old Hall, Lincoln's Inn**

Present:	Richard Atkins QC	Chair
	Amanda Pinto QC	Chair Elect
	Grant Warnsby	Treasurer
	The Rt Hon Geoffrey Cox QC MP	Attorney General

The Chair of the Bar said that he was delighted to welcome the Attorney General, The Rt Hon Geoffrey Cox QC MP, the Leader of the Bar to Chair the Bar Council 2019 Annual General Meeting (AGM).

The Chair of the AGM said that it was a great pleasure to chair his second Bar Council AGM. Expressing gratitude to the Bar Council and its leadership, he acknowledged that the Bar Council has been extremely fortunate. He explained that he has had the pleasure to work with two Chairs of the Bar, both formidable advocates for the Bar, who have made his job far easier as they have presented mature, carefully thought-through representations from the Bar, furnished with arguments that are difficult to dismiss. He informed those present that their arguments are achieving widespread acceptance within Government and the Civil Service and admitted that this is due to strong representation. He paid tribute to the Chair of the Bar, Richard Atkins QC, and to his successor, Amanda Pinto QC, noting the need for a robust defence of the independent Bar.

The Chair of the AGM spoke of his profound conviction of the need to reinvest in the justice system. He quoted Napoleon Bonaparte, "an absurdity is no handicap" saying that those words are of comfort to him and his colleagues.

1. Chair' Address

The Chair of the Bar said that he was delighted to see so many people in attendance. It was established that the meeting was quorate.

The Chair thanked the Attorney General for attending the AGM and said that Bar Council is grateful to the Attorney General and Solicitor General for attending Bar Council meetings

Reminding members of the profession, that one of his objectives for 2019 had been to make the Bar a 'happier place', the Chair of the Bar admitted that, with the possibility of a Criminal Bar strike earlier in the year, things had not initially gone to plan, the situation, however, has improved. The Crown Prosecution Service (CPS) increased many of their fees from 1 September 2019 and the review is ongoing. The Bar Council continues to keep the pressure on the Ministry of Justice (MoJ) review. Relationships with the CPS and MoJ are healthier than the Chair can recall they have ever been. The future is looking more positive and this has no doubt been assisted by support in the highest echelons.

Explaining that his work is not just focussed on the criminal Bar, the Chair of the Bar reported that he had been to Jarrow to visit the Legal Aid Agency (LAA) regarding family legal aid issues. As a result, the VHCC cap has risen and the LAA are looking to make other improvements.

This year has also seen the implementation of a series of open meetings for members of the Bar to either drop-in or call in and speak to the Chair or other senior members of staff. The take up has been low but another one will be held before the end of the year. Explaining that he does not want people saying that they did not have the opportunity to air their views, the Chair of the Bar reported that he has also been 'out and about' on Circuit and said that he is happy to visit any chambers. Recently he visited Mexico and Colombia as part of an international business development mission. Both countries take a huge interest in the English and Welsh legal system and several of the delegation picked up work.

On the subject of Crown Court sittings, the Chair of the Bar reported that he had written to the Senior Presiding Judge. The letter and, her reply to it, have been published in BarTalk.

The Chair of the Bar thanked Amanda Pinto QC, Chair Elect, for her huge support and noted that Derek Sweeting QC has been elected as Vice Chair for 2020. He also thanked the Circuit Leaders, Treasurer and the Chair of the Young Bar and SBA chairs for their input over the last few months.

The Bar Council has enjoyed positive media attention recently, including mentions, for the right reasons, in the Daily Star and the Daily Mail.

International work continues to go well. The EU Law Committee and Brexit Working Group have done phenomenal work on Brexit, including producing the Brexit Papers which have been read at the highest levels.

The Chair of the Bar paid tribute to Guy Fetherstonhaugh QC who has Chaired the Education and Training Committee for a number of years. The Chair of the Bar said

that he was extremely grateful to Guy who agreed to stay on for 2019. He will leave the Bar Council at the end of the year to become Treasurer of Inner Temple in 2020. The Bar Council wished him well and thanked him and the members of the committee for all of their hard work.

The Chair of the Bar reported that Nicholas Bacon QC and Neil Hawes QC have done a fabulous job in co-chairing the Remuneration Committee. Similarly, the Circuit Leaders do a fantastic job, though they get unfairly criticised at times. The Chair of the Bar said that he is grateful for all the Committee Chairs, Vice-Chairs, Committee Members and Bar Council members for attending Bar Council meetings and encouraged them speak to others about the work they do.

The Chair of the Bar reported that the equality and diversity Bullying advice was published earlier in the year and the 'Talk to Spot' tool, designed to help people make a record of incidents of bullying, harassment or discrimination, is due to launch soon.

Earlier this year, the Bar Council responded to the Legal Services Board's (LSB) proposed new Internal Governance Rules. The LSB had been considering amending Rule 1 (The Overarching Duty) of the IGRs to replace the term 'influence' with 'prejudice' but had now reconsidered this point and were no longer pressing with that amendment.). There are however still aspects of the IGRs with which the Bar Council disagrees and members of the Bar Council will be kept informed of developments.

Turning to the Bar Council finances, the Chair of the Bar said that an increase in training and events has brought more funds into the Bar Council coffers. Only 52% of the Bar however pay the BRF, which is not good enough.

The refurbishment project, which will see the Bar Council offices reduce by one floor, will save money but the Bar Council needs to ensure that it has enough income to fund its work.

The Chair of the Bar finished by reporting that the court ID card scheme roll out continues.

Paul Hopkins QC, Leader of the Wales and Chester Circuit, said that he thought the Chair of the Bar of England and Wales had done a disservice to himself, when he described the number of Circuit visits he had made. He explained that the Wales and Chester Circuit are very grateful that he has visited three times in one year and are of the opinion that he has fully acknowledged Wales as one of the two countries he serves.

2. Treasurer's Report, including Annual Report and Accounts

Grant Warnsby said that he did not plan to go through the accounts in detail but that he would provide some key highlights of the 2018/19 financial year.

He began by outlining the accounting processes. The General Council of the Bar's Accounts are prepared by the Finance Team, audited, reviewed by the Finance Committee and the Audit Committee. Once approved by Bar Council they are published on the Bar Council website.

Grant Warnsby introduced Steve Carter, Chair of the Audit Committee and John Beckerleg, lay member of the Finance and Emolument Committees, who were present at the meeting. He thanked them for all their support and wise counsel. He also thanked Brian Yates who is also a lay member of the Finance and Emolument Committees but was not able to attend the AGM

Grant Warnsby explained that the accounts are for the General Council of the Bar. The General Council of the Bar includes the Bar Council, the Bar Standards Board, and the Resources Group. On a consolidated basis it includes the Bar subsidiaries which include the Bar Direct Access Portal Limited and Bar Council Property Limited. The latter holds the lease on the Holborn offices.

- **Surplus**

Reporting a surplus of £578k, Grant Warnsby explained that this combines the operating results from all of the various parts of the General Council of the Bar. The surplus also includes investment gains and the actuarial & accounting adjustments. By comparison the surplus in 2017/18 was £875k.

Grant Warnsby drew to the attention of those present two matters which have impacted upon the 2018/19 results:

1. The termination of the printer contract. An operational decision was taken to terminate an uneconomic contract. The decision led to a termination payment and therefore a one-off charge to the accounts of £378k.
2. During the financial improvement plan work an issue was discovered with the historic accounting treatment of the Legal Standard Board (LSB) levy. The levy is charged by the LSB to all regulatory bodies within the legal profession. In order to correct the accounting treatment an 'accounting adjustment' had to be made. The adjustment is £396k in 2018/19. A similar adjustment will be made in 2019/20. At that point the accounting treatment will be have been fully corrected.

- **Operating Income**

Grant Warnsby explained that the operating result strips out the various non-operating elements. It is in effect the 'business result' of the General Council of the Bar. In the financial year to 31 March, 2019 this was a deficit of £133k.

In 2018/19, the operating income was up £772k – a 5.3% increase on 2017/18. However, there has also been a 5.8% increase in operating expenditures. In absolute terms this is an increase of some £841k. The financial improvement plan is allowing the Finance Team to monitor this more accurately.

- **Balance Sheet**

Turning to the balance sheet, Grant Warnsby talked those present at the AGM through the key points.

1. **Deferred Income & Cash:** the General Council of the Bar's income predominantly comes from the Practice Certificate Fees (the "PCF"). The Authorisation to Practice process is in April each year. This means that the majority of income is raised at the beginning of the financial year and leads to a large deferred income figure. Furthermore, in 2018/19 the cash level increased by £1.6M to just under £14M.
2. **Reserves:** the total reserves remain positive at £3.1M. The permitted purposes reserves, however, are overdrawn for the third year in a row. This is not a concern currently but the situation is being monitored carefully. Legal challenge reserves are now being shown following the move from an uneconomic third party insurance to the BSB directly funding the defence of legal challenges.
3. **Risk:** the key risks include those risks with which people are familiar in their daily lives, for example cyber security. However, other risks are more specific to the General Council of the Bar:
 - a. Reliance upon our PCF income is clear. The General Council of the Bar needs to continue to consider how it can seek other sources of income in addition to the PCF and the BRF. Finding new and diverse sources of income will reduce the risk of reliance upon this income.
 - b. The Defined Benefit Pension Scheme is closed to new members. However the General Council of the Bar continues to retain funding requirements. In 2016 a Pension Recovery Plan was put in place with a ringfences increase in the PCF and £1m per annum payment into the Pension Fund. The accounts show a surplus of £1.6M but this must be compared to the triennial actuarial valuation. The latter shows a deficit and consequently the Pension Scheme remains a risk. The difference is due to the valuation mechanism. The accounts' valuation is under Financial Reporting Standard 102 requirements. Whereas the triennial

valuation is an actuarial valuation prepared on different assumptions. The Pension valuations remain vulnerable to external influences and the General Council of the Bar has little ability to mitigate this in the short term. However, the Bar Council is in the process of discussing issues with the Trustees.

- **Conclusion**

Grant Warnsby concluded that overall, the General Council of the Bar is in a sound position.

The issues which are on the horizon are not those which should be underestimated in their significance. All of the risks have mitigating actions in place.

The financial improvement plan continues into 2020 and has led to more accurate and timely access to data. The ability of the General Council of the Bar to forecast and manage budgets has improved over the last year.

3. Chief Executive's Report

Malcolm Cree, Chief Executive Officer of the Bar Council, said that he particularly wanted to thank Grant Warnsby who has been very helpful to both him and the Finance Team.

Malcolm Cree reported that the Annual Report 2019 will be published next week. The report covers the vast amount of other policy, services and training and events work that the Bar Council achieves. It is presented in an online format that is easy to read.

Referring to the strategic aim of 'strengthening the Bar Council', Malcolm Cree explained that the staff have been striving to achieve this for the last 18 months. BRF subscriptions are up a little, reversing a fairly long term downwards trend.

Thanking all those who have taken up the Chambers Package, Malcolm Cree reported that the initiative is 'progressing nicely'. The year has been productive with a number of successes including awards for the 'I am the Bar' campaign. He finished by thanking the Officers, Committee Chairs, Bar Council members and the staff team.

The Chair of the Bar made the point that the team at the Bar Council is fairly small and is carrying a number of vacancies at the moment. He said that he is hugely grateful for the work that Malcolm Cree and the staff do.

The Chair of the Bar said that it is a major source of sadness that Mark Hatcher, former Director of the Bar Council, current Special Advisor to the Chair, and, Reader at the Temple Church, is retiring from the Bar Council at the end of October. In paying

tribute to Mark, he described him as a 'fabulous resource that I can turn to'.. Members of the Bar Council gave Mark Hatcher a round of applause.

The Chair of the AGM brought the AGM to a close. Francesca O'Neill, however, said that she had a question to ask. She explained that there was some consternation amongst those at the Bar who believe in the Rule of Law, who, having read the front page of The Telegraph that morning were concerned that the Prime Minister does not appear to share their resolve. She invited the Chair of the AGM to confirm whether he supports the Rule of Law and will advise the Government accordingly.

The Chair of the AGM, speaking as the Attorney General, replied that the Law Officers role prevents him from discussing any advice he gives. He sought to reassure Francesca O'Neill however that any advice he gives to the Prime Minister would be supportive of upholding uphold the Rule of Law.

James Keeley informed those present that he is forming a group of barristers to look at promoting diversity at the Bar. The first meeting will be on Thursday 12 September and Gray's Inn and any assistance would be appreciated.

The Chair of the Bar finished by reminding those at the meeting of the Annual Bar Conference and Young Bar Conference on Saturday 23 November 2019.