



SALARY SURVEY & MARKET INSIGHT 2022



CLAYTON
LEGAL

WHERE LAW FIRMS COME
TO RECRUIT LEGAL TALENT

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I am delighted to announce the launch of the **Clayton Legal 2022 Salary Survey** and Market Insight Report.

Whether you are looking to hire for your firm, or are a jobseeker yourself, the research is designed to give you objective and impartial guidance that I am sure you will find informative.

Lynn Sedgwick
Managing Director
Clayton Legal



As a business built around the successful movement of talent within the legal market, we understand implicitly that ‘people’ truly are a Law Firm’s biggest asset.

Attracting, hiring, and retaining talent is paramount to your Firm’s success - and finding a recruitment partner that can focus solely on helping you achieve this is, we believe, essential.

WHO WE ARE

Clayton Legal are leading recruitment specialists with over two decades of sector experience - matching legal professionals at all levels to the very best opportunities in the market.

With long-established, and trusted relationships across a client base that includes Legal 500, Top 200, Regional and Boutique Law Firms, our team are passionate about driving service excellence across the business and impacting the careers, and lives, of legal professionals across the country.

We pride ourselves on providing an unrivalled service in uniting hirers with job-seekers across all legal practice areas – and have built up a reputation

for professionalism, honesty and integrity that we are incredibly proud of and work hard to maintain.

We understand the importance of relationships, and listening to the exacting requirements of the many clients we service; working in their best interest at all times, and providing ideal candidates for each assignment, matched exactly to the requirements of each role, as well as providing on-going, relevant, and value-adding market insights to help inform their hiring strategies as true recruitment partners.

So, whether you’re a law firm seeking to build your talent pipeline, or an ambitious candidate looking to make your next move, we’re here to help.

LEGAL MARKET OVERVIEW

The problematic and uncertain times created by the COVID-19 pandemic are slowly starting to feel like a thing of the past. Like the majority of sectors, the legal sector was hit hard during 2020 with some aftershocks through 2021. However, it is clear that the Legal market is making strides toward becoming 'normal' again. But what does normal look like in 2022 and heading towards 2023?

The pandemic didn't put a complete halt to the performance of legal businesses but consequently, did slow it down. Companies are still arguably adopting a 'catch-up' approach where not only have recruitment processes changed, but so have attitudes towards how, when and most significantly, where legal professionals work.

It's well documented that we currently find ourselves in a candidate-led or skills-short market, which looks to continue well into 2023.

Warning shots around the predicted 'great resignation' haven't, to date at least, materialised; however general observations at the UK labour market have revealed a different challenge, the 'phenomenon of missing workers' - over 400k working-age people who are not working or looking for work. Whilst this strays into microeconomics, this economically-inactive group (including carers, students, early retirees and those with long-term illness) is wielding some influence on general labour supply statistics and exacerbating the challenges around hiring. Interestingly, this **inactivity in older workers in the UK stands** out when compared to other European countries.

What's more, with delays in The Solicitors Qualifying Examination (SQE), newly qualified legal professionals will also be in limited supply this year.

Alongside the reduction in active job-seekers on the market, hiring appetite has soared. According to the **ONS**, the number of job vacancies in March to May 2022 rose to a new record of 1.3m; an increase of 20k from the previous quarter, and an increase of 500k from COVID levels in Jan-Mar 2020. (However, recent trends show that whilst these numbers continue to rise, the rate of growth is slowing down somewhat).

It is perhaps no surprise that more than fifty per cent of companies reporting staff shortages said they were struggling to fill vacancies.

The legal market, in hiring terms at least, remains buoyant, but the socio-economic backdrop of rising inflation, the cost-of-living-crisis, and ongoing supply chain issues mean that it's not plain sailing for those in the hiring seat.

For job-seekers, and those that have the confidence to make a move, the market is presenting some real golden opportunities across all practice areas. Firms who are seeing success with their hiring strategies are putting their best foot forward with regards to their **Employer Value Proposition** - and what they can offer their next hire over and above remuneration and a basic benefits package.

In summary, if you are a skilled candidate looking to move, this is your time.

In our latest salary survey and market insights report, we look even further at trends in the legal sector including a deep dive on benefits, bonuses, and challenges faced by Law Firms as they look to navigate this competitive landscape.

SURVEY DEMOGRAPHICS

The insight for the research is drawn from responses taken at the beginning of 2022, reaching out to legal professionals across the UK at all levels, and across all practice areas.

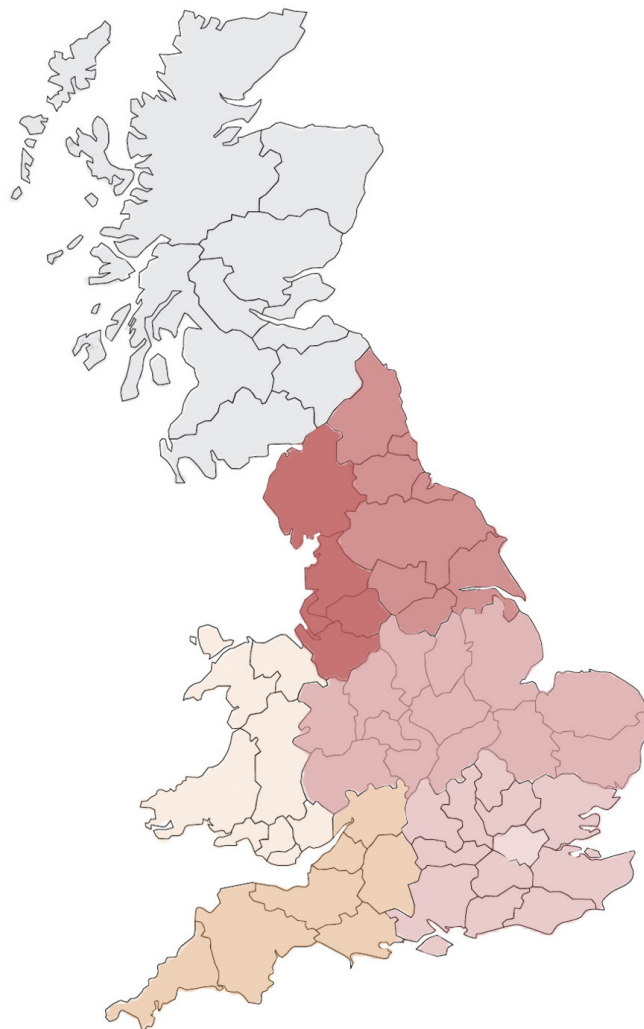
Over 70% of our responses came from females working in the legal sector. And, whilst this isn't wholly representative of the sector in general, in recent years, the gender gap has decreased within the legal sector, with females actually becoming the **majority within the workforce**.

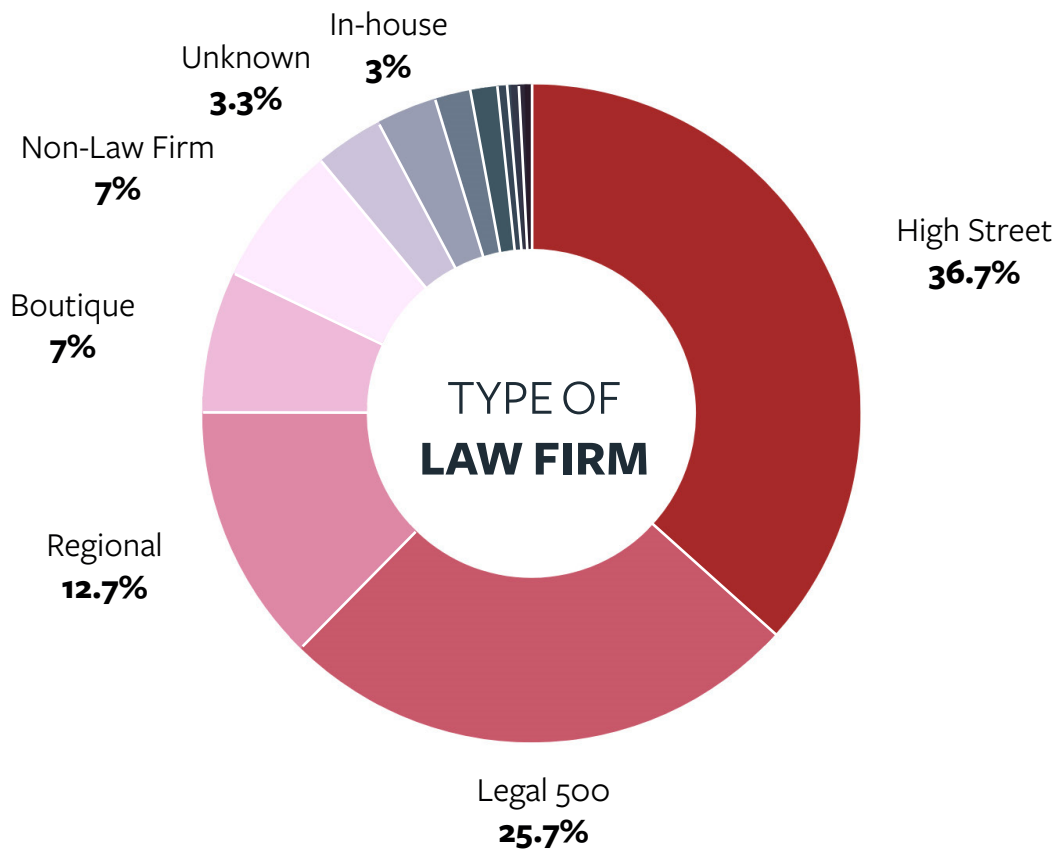
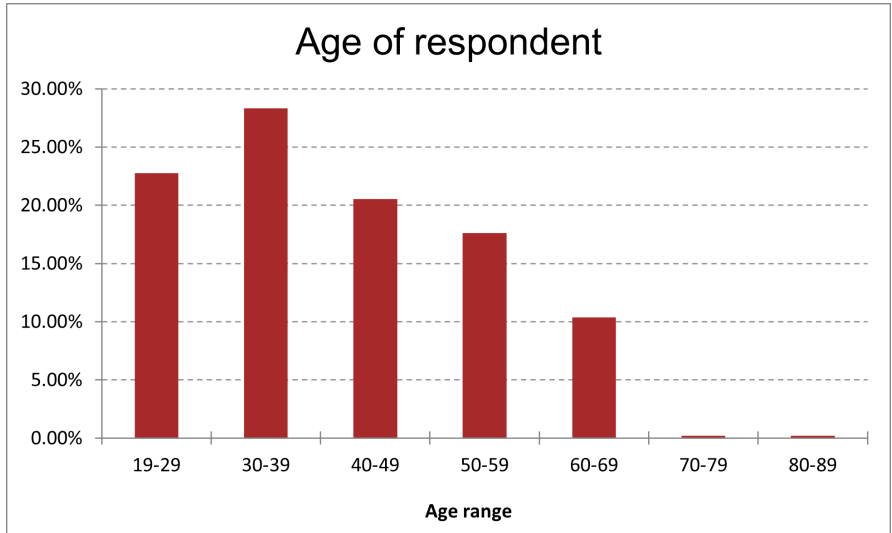
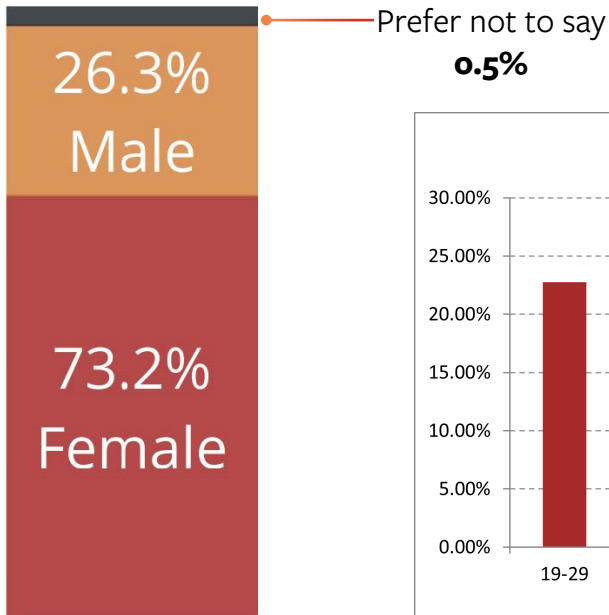
Legal professionals from across the UK contributed to the survey findings, with majorities in the North Midlands, and London/South East (not surprisingly where our regional teams are focused.) Only 0.33% of respondents said they were 'home-based' although we know from data elsewhere in the research that over 60% said that home-working arrangements were part of their general benefits package. This may be an aftershock of post-COVID working initiatives perhaps, or that respondents still view their 'place' of work as HQ, regardless of where they physically carry out their duties.

The average age of our respondents was 30+, with over two thirds having, or working towards a legal qualification.

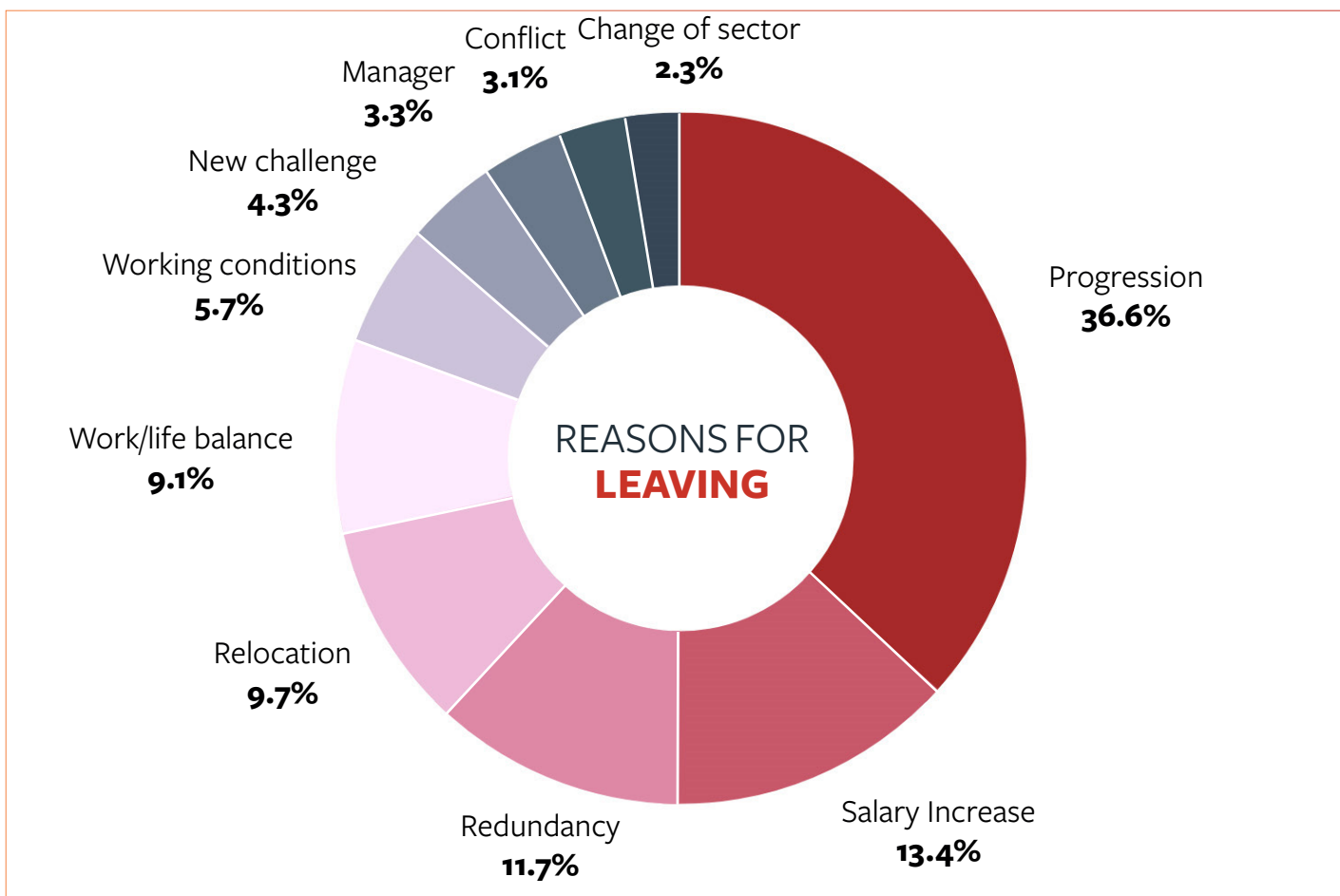
The average age at qualification has risen in recent years to 29 although generally speaking, legal careers in the UK notoriously start to peter out post 50. A **recent article in the Financial Times** looks at the firms bucking this trend as the battle for talent continues.

Those responding to the survey represent a broad range of roles within the sector including Partners and Senior Executives, Practice Managers, HR and Hiring Managers, Paralegals, Legal Cashiers and Law Costs professionals.





MOVEMENT OF TALENT



There are many factors that contribute to why legal professionals decide to move on, with a lack of career progression opportunities being the most prevalent (36.6%) with the desire for an increase of Salary and/or benefits coming in second (13.5%).

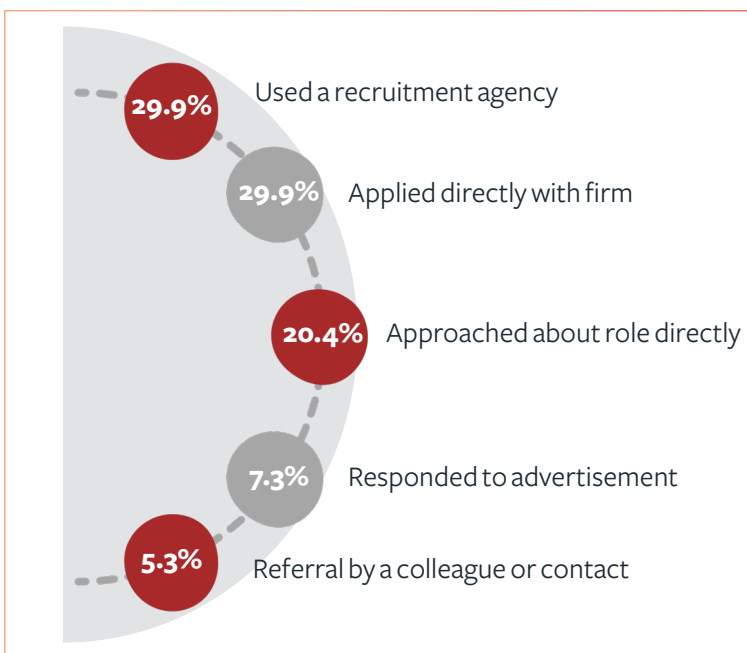
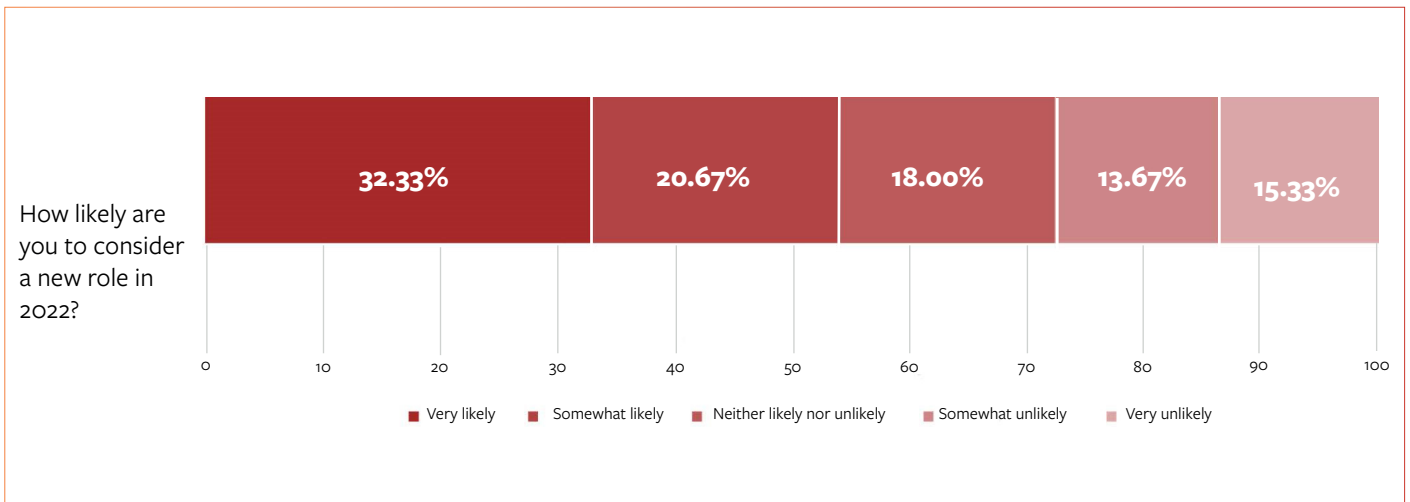
Data in our annual survey tells us though that the most valued benefits offered by firms are more around home-hybrid- and flexible working arrangements rather than remuneration - however some 16% of employees either relocated or chose a role that allowed a better work life balance as the top reason for looking elsewhere. Some aftershocks from the pandemic are present as 11.7% of employees moved due to redundancy or company restructure. Although the legal sector fared well as a whole, sadly **over 500 law firms closed during this time**.

The **latest report from the ONS** however, highlights that redundancies in general fell to a record low in the latest 3-month period (to April 2022) - although we are still seeing headlines around cuts in tech and retail sectors.

Despite the much documented skills-shortage and discrepancy between the number of vacancies and active job-seekers, 52.9% of respondents said that they are likely to change roles in 2022. Although our data also highlighted that more experienced legal professionals with (1+ Years of PQE) are more cautious about looking elsewhere. 48% of respondents who said they are likely to put the feelers out have no qualifications - although includes those on training contracts, perhaps likely to move post-qualification, as well as legal support employees, paralegals, and legal secretaries.

MOVEMENT OF TALENT

While there is certainly a continued appetite for hiring and recruitment of new talent across the sector, it goes without saying that Firms should also keep a keen eye on staff retention and attrition particularly those operating in practice areas or regions that have a short supply of qualified professionals. We highlighted only last year **how firms can retain their talent during a skills shortage**, and whilst generally speaking we're not seeing illimitable job-hopping (at the moment at least), the commercial cost of losing A-grade employees can be significant as well as impacting team productivity, and the loss of knowledge and skill from the business. To rely solely on recruitment would be unwise; instead, concomitantly focusing on employee engagement, remuneration and rewards, clear progression, and staff development as part of a wider retention strategy is essential in the current climate.

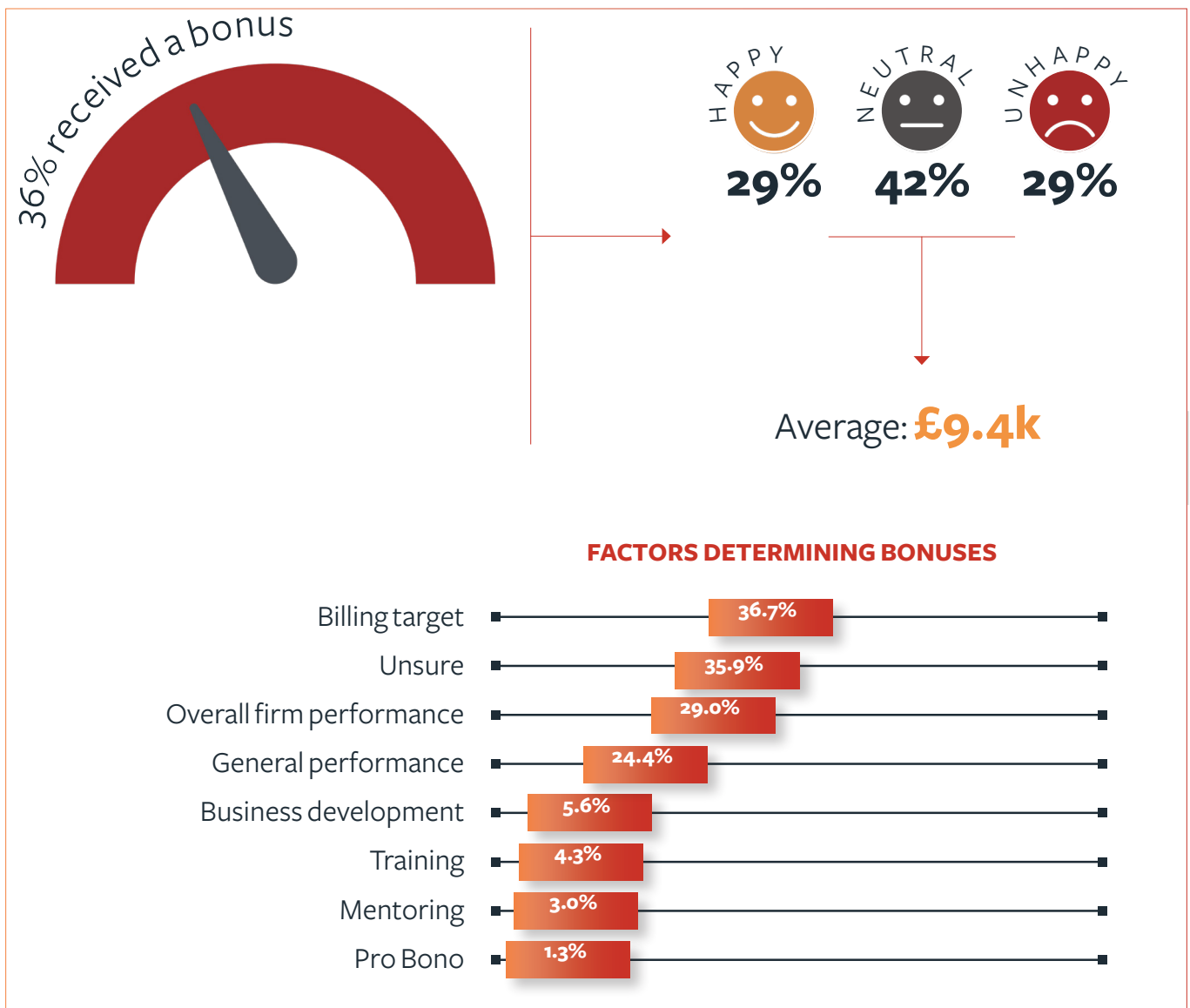


Experienced, qualified legal professionals are often time-short and as such are increasingly approaching agencies to represent them in the market rather than go-it-alone. For those hiring, agencies are skilled in ‘selling’ your Firm and elevating your roles through strategic marketing – and it makes absolute commercial sense to bring in the experts when the hiring landscape remains complex, and the candidate, at least for now, is King.

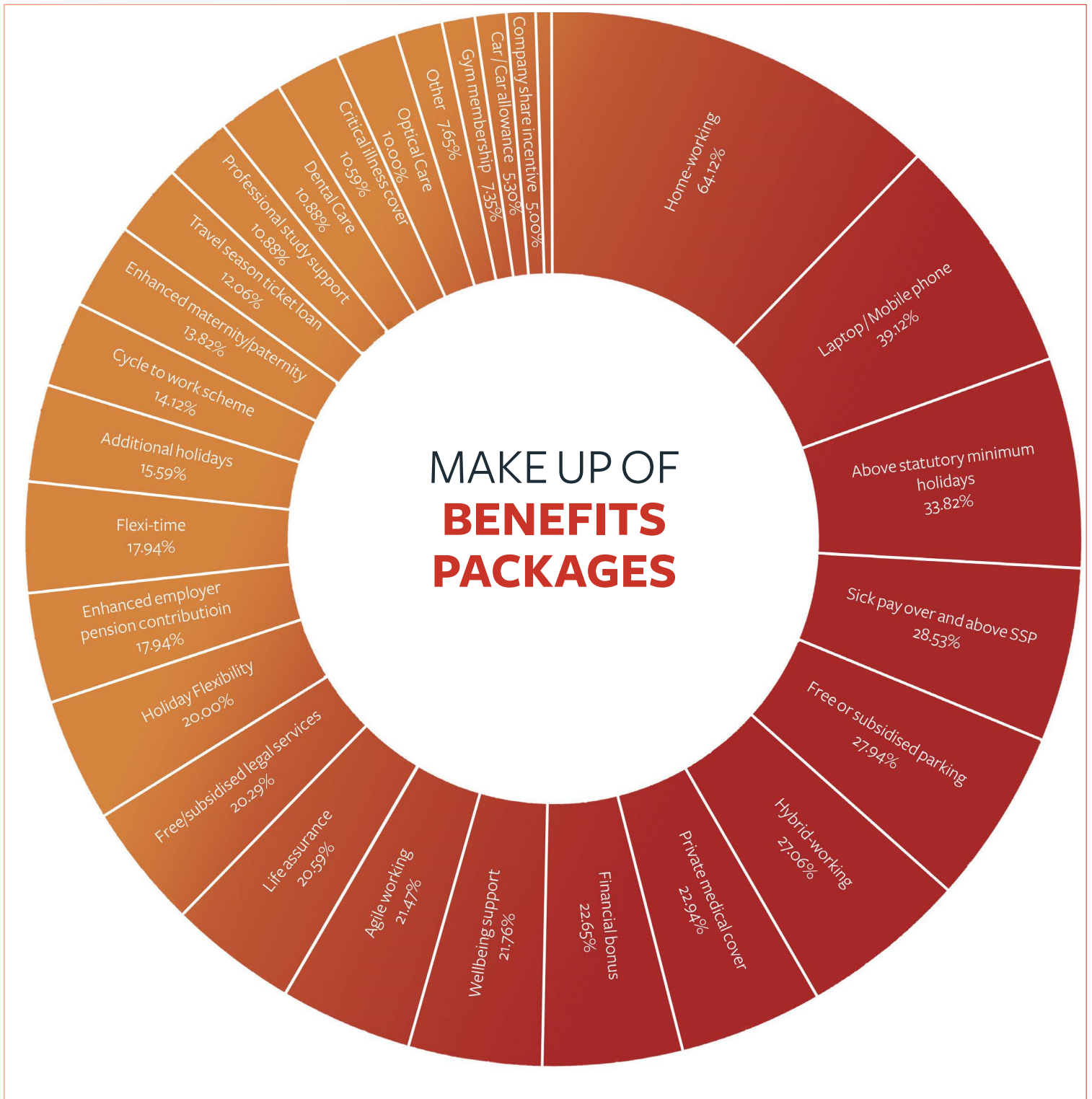
For job-seekers, it is encouraging to see nearly a third of respondents realising **the benefits of tapping into the expertise of recruitment agencies** to give them tangible competitive advantage as they look to further their careers.

BONUS AND **BENEFITS**

Despite the somewhat disruptive last 18-24 months, over a third of our respondents said that they were awarded a bonus in the last year. In fact, it was well documented that a number of **high profile Law Firms did award financial bonuses** post-pandemic in recognition of ‘hard work and contributions in very challenging circumstances’, including ‘one-off’ bonuses in addition to performance-related bonus schemes - and of those who were recipients of the cash reward (on average just over £9k) over 40% were rather nonplussed at what they received, with a further 29% stating they were unhappy. No doubt the much-documented cost-of-living crisis and rising inflation will have an impact on sentiment here, although looking also at benefits rewarded, top of the wish list remains flexibility in working arrangements, be that hybrid, home or agile-working, rather than a financial payout.



That isn't to say that remuneration and financial rewards aren't important as part of the general make up of benefits packages, but the ever-present focus on work/life balance remains steadfast with no signs of abating. What is interesting however is that nearly 36% of our respondents weren't sure how bonuses were actually awarded at their Firm. This ultimately needs addressing, particularly if financial rewards are designed to motivate a high performing team and increase general productivity and performance.



Benefits packages remain generally comprehensive, with a whole host of elements designed to attract, retain, and ultimately, support employees with work-life balance, health and well-being, and opportunities for training and advancement. It does however present a challenge in creating a package that truly stands out in the current competitive landscape. A report by corporate benefits provider, [PeopleKeep](#),

highlights that whilst Firms are willing to review their packages and add increasingly more elements, there is a disconnect between what is on offer, and what the workforce actually wants. Our respondents told us that the benefits they values the most were home-working, flexibility and additional holidays. Of the benefits they didn't currently receive however, a financial bonus was top of the list for most.

LEGAL LANDSCAPE: THE NORTH

As with most of the UK - as a result of the pandemic, candidates are experiencing a change of preference when it comes to their physical working environment. We are finding that the majority of our candidates are insisting on hybrid roles to achieve a better work-life balance. However, by the same token, they are more willing to travel further afield once or twice a week as opposed to a shorter daily commute, opening up further potential job opportunities for all parties.

A general trend we are witnessing is a decrease in direct applications to advertisements, highlighting perhaps a continued reluctance to search for roles independently. Candidates need more persuading to change roles and as such, there is more of a focus in head-hunting.

From a hiring perspective, Firms in the North are looking to hire more experienced candidates with an average 2 – 8 years PQE. Sectors where demand is particularly high include:

- Property
- Family
- Private Client
- Clinical Negligence
- Personal Injury (low value RTAs)
- Legal IT at all levels
- Corporate and Commercial

Pandemic-related issues aside, the documented teething problems with the SQE this year, will result in a delay to newly qualified candidates on the market. The SRA have told students taking SQE1 in July that they will not have their results in time to register and sit SQE2 in October 2022, they will have to wait until April 2023.

Across Firms we work with in the North there is a further skills-shortage in the Criminal sector. Due to general low salaries and a lack of bonuses, there are a small amount of newly qualified candidates emerging. This has had a direct impact on the scarcity of Duty Solicitors, creating a candidate led market in this area, and a struggle to hire.

Personal Injury in general has declined, albeit in the qualified market; there is still hiring appetite (and movement) for Paralegals, so things are balancing out.

In Family and Private Client, the demand is extremely high for roles all levels including secretarial and support roles in this area.

There is a clear divide between the sheer amount of roles and lack of candidates actively looking for a new role. Candidates are proving less likely to move unless the role is absolutely stand out and ticks all the boxes, however companies are finding it difficult to differentiate themselves from others.

LEGAL LANDSCAPE: **THE MIDLANDS**

Unlike the workforce in the northern part of the UK, there has been generally more movement across the Midlands in 2021, and continuing into this year. There has been a return to the office for most firms, however the large corporates are welcoming hybrid working on a permanent basis. Contentious Probate and Litigation in general have been the biggest growth sectors towards the end of last year. Although Contentious Probate is a relatively niche area, there has been a noticeable spike in demand over the past 12 months. In fact, many Litigation Lawyers are now choosing to specialise in this area, whereas previously it was part of a general litigators caseload, if at all.

Across the Midlands more generally, we are seeing the most growth in Real Estate and Corporate overall, although most areas have increased demand with few exceptions.

LONDON, THE SOUTH & COSTS

In 2021 there was an increased net spend within the Costs market (National) from 2020, with most firms looking to hire across the board.

In terms of the London/South market the qualified market remains very competitive, with candidates firmly in the driving seat with a clear idea on what kind of roles, benefits packages, and indeed types of Firm they are willing to have their heads turned by.

From a candidates perspective, the first thing on their mind seems to be remote working or hybrid working. Most candidates are looking for opportunities that would allow them to work from home from home with the odd visit into the office each week. Such working arrangements are undoubtedly taking preference over salaries at the moment, even as these continue to rise across most practice areas. Growth areas across London and The South include: Real Estate, Private Client, Family, Conveyancing and Corporate/Commercial - with Litigation really being in demand at the moment.

LEGAL LANDSCAPE: PROPERTY

The reduction in stamp duty had an incredible effect on the housing market in 2021 before initially ending on March 31st 2021. HMRC recorded 190,980 sales during March, almost double that recorded a year earlier and 32% more than the previous month. Even though stamp duty was extended until October 2021, the market has still remained busy.

Similarly to other legal sectors, the demand for Conveyancing candidates far outweighs the number of opportunities.

Counter offers are now the norm with over 80% of candidates in conveyancing being counter offered by current firm. However, by the same token, there is more choice for Conveyancers and support staff in this sector with many Firms open to negotiation around overall package and flexibility.

Salaries across the market have increased by around 10% on average over the last 12 months as demand increases

Generally speaking, the Conveyancing sector has continued to grow - especially across the North West, with a number of new firms opening. Considering that conveyancing was the hardest hit practice as a result of the pandemic, it has recovered well.

We are also seeing some firms based in London and The South looking to recruit fully remote talent - perhaps in part due to the general difference in annual salary on offer. The move to fully home-working model has been embraced by a number of Conveyancing firms, which presents an opportunity both for job-seekers looking for such a working arrangement, as well as hirers looking to cast the net wider than the direct, commutable vicinity.

Market conditions as they are means that any qualified property candidate remains in high demand across the UK - and conversations that we have with legal professionals in the sector highlight that firms offering clear career progression, a fair salary, and a good quality of work are the most likely to get their attention.

The only thing to consider on the horizon which may impact the sector is the predicted slowdown of the UK housing market as the cost of living squeeze and rising interest hits borrowers. That isn't to say house prices are falling - as of June 2022 they are up 11.2% YOY - but the slowdown in loss of momentum is predicted as consumer confidence is hit.

REMUNERATION OVERVIEW

JOB ROLES	YORKSHIRE & NORTH EAST		THE MIDLANDS		NORTH WEST	
	AVERAGE SALARY (£LOW)	AVERAGE SALARY (£HIGH)	AVERAGE SALARY (£LOW)	AVERAGE SALARY (£HIGH)	AVERAGE SALARY (£LOW)	AVERAGE SALARY (£HIGH)
LEGAL SECRETARY	21,000	26,500	20,000	26,000	18,200	23,875
LEGAL CASHIER	23,750	30,000	22,000	30,000	19,250	29,000
TRAINEE/1ST YEAR	19,979	20,000	21,000	25,000	18,750	23,333
TRAINEE/2ND YEAR	18,638	20,500	22,500	26,000	19,300	25,250
NEWLY QUALIFIED	17,000	32,333	30,000	45,000	28,000	32,000
1 YEAR PQE	28,000	36,000	35,000	45,000	30,000	33,500
2 YEARS' PQE	30,000	40,000	35,000	50,000	32,000	36,000
3 YEARS' PQE	32,000	42,000	40,000	55,000	34,000	42,000
4 YEARS' PQE	35,000	44,000	42,000	58,000	36,000	46,500
5 YEARS' PQE	37,000	46,000	45,000	62,000	40,000	56,000
6 YEARS' PQE	38,500	50,000	42,000	60,000	43,000	60,000
7 YEARS' PQE	39,000	57,000	45,000	68,000	45,000	65,000
ASSOCIATE	33,000	44,000	43,620	62,875	35,500	80,000
SALARIED PARTNER	50,000	65,000	51,893	82,666	50,000	90,000
EQUITY PARTNER	80,000	180,000	120,000	189,000	60,000	220,000
COSTS LAWYER	24,000	46,000	45,000	65,000	28,000	55,000
IT MANAGER	53,500	75,000	35,000	80,000	50,000	63,000
IT SUPPORT	22,000	28,000	20,000	30,000	20,000	35,000

Over 55% of our respondents said that they had received a pay increase within the last 12 months, although this varied by region, as did the % of the increase itself. Those based in the South West were the least likely to receive a pay rise, whilst those in the North East were 14% more likely than the UK average. That being said, the amount that they received was on average 24% lower than the rest of the UK in real terms. Salaries for newly qualified legal professionals has also risen over the past 12 months and are likely to rise further in 2023 in the [fight to hire new talent](#).

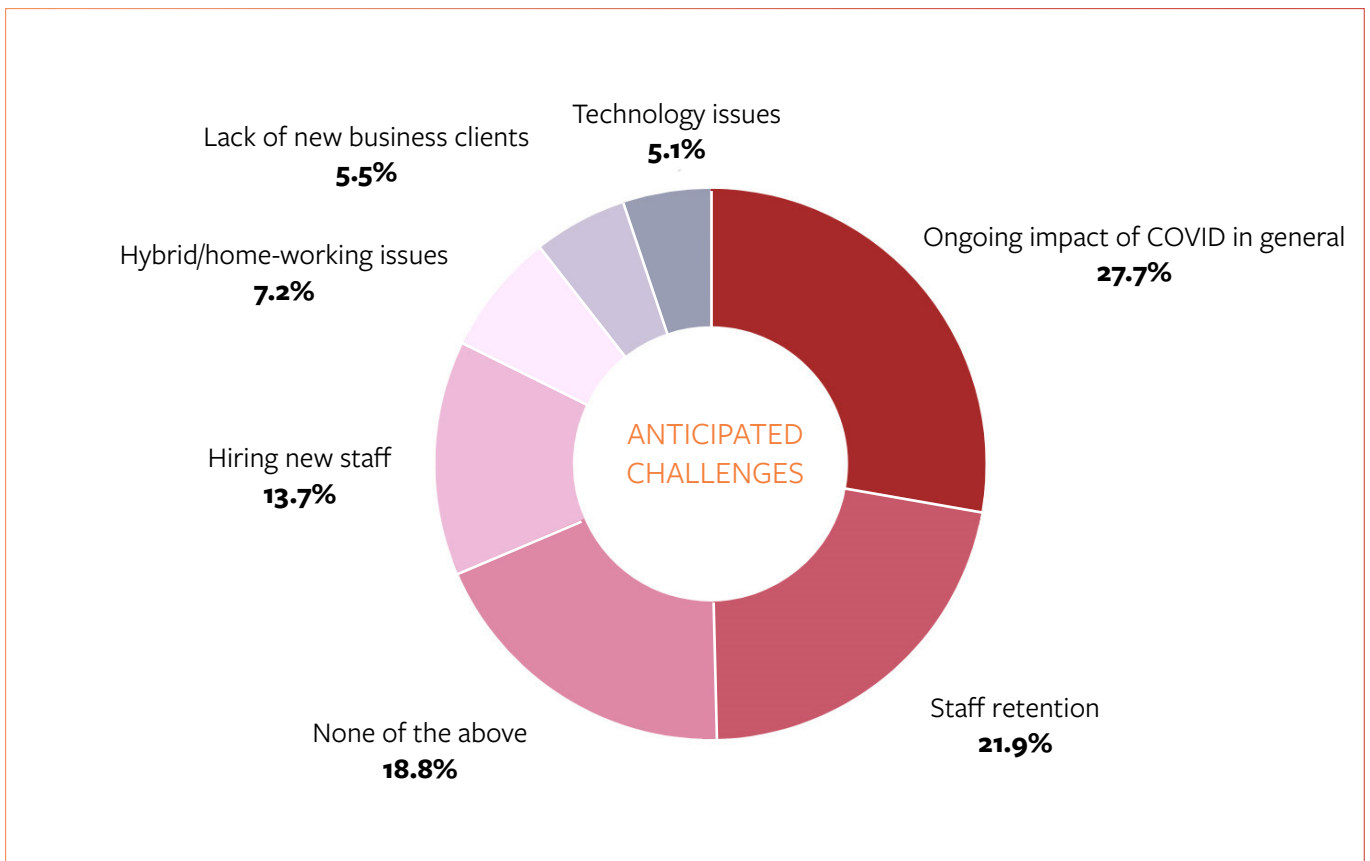
In fact, headlines are still awash with announcements of regional pay rises for NQs, following the trend of the major players in The City. Our data showed that more females have received salary increases than males (60.9% and 44.3% respectively) although interestingly, were less likely to receive a financial bonus (35.5% compared to 40.2%)

JOB ROLES	SOUTH WEST		SOUTH EAST		LONDON	
	AVERAGE SALARY (£LOW)	AVERAGE SALARY (£HIGH)	AVERAGE SALARY (£LOW)	AVERAGE SALARY (£HIGH)	AVERAGE SALARY (£LOW)	AVERAGE SALARY (£HIGH)
LEGAL SECRETARY	17,800	23,437	20,272	29,100	23,000	38,250
LEGAL CASHIER	21,000	29,000	23,666	28,600	25,000	39,000
TRAINEE/1ST YEAR	17,750	29,000	21,400	25,500	27,000	30,000
TRAINEE/2ND YEAR	20,900	31,000	19,500	27,000	28,000	40,000
NEWLY QUALIFIED	27,400	45,000	29,500	45,833	52,000	80,000
1 YEAR PQE	29,250	50,875	33,500	50,745	60,400	82,666
2 YEARS' PQE	30,250	55,750	35,000	55,000	61,800	90,000
3 YEARS' PQE	31,000	60,000	34,250	60,500	65,750	95,166
4 YEARS' PQE	32,000	65,750	40,750	65,750	72,500	100,000
5 YEARS' PQE	37,200	70,000	43,666	70,000	74,500	100,000
6 YEARS' PQE	39,250	80,000	47,000	80,000	76,500	100,000
7 YEARS' PQE	39,500	80,250	51,750	80,000	85,000	120,000
ASSOCIATE	44,166	75,666	52,375	75,500	75,500	140,000
SALARIED PARTNER	55,750	110,500	61,750	110,500	125,000	213,000
EQUITY PARTNER	75,000	250,000	75,000	250,200	225,000	275,000
COSTS LAWYER	30,000	47,000	24,000	72,000	40,000	80,000
IT MANAGER	30,000	95,000	50,000	66,750	55,000	75,000
IT SUPPORT	20,333	36,000	22,500	30,750	20,500	35,000

Whilst salaries are generally on an upward trajectory, there is a lot of variance when looking more specifically at different practice areas and niche roles. Rises are also being driven by market conditions, namely increased demand coupled with specific candidate and skills shortages as employers look to create stand-out in an unquestionably competitive market. Although, as we see from the data around benefits packages more generally, the decision to move is not necessarily driven by remuneration alone - rather, genuine progression opportunities, and flexible working arrangements that offer true work/life balance.

ONGOING CHALLENGES

A continual conversation that we have with our clients are around the business and hiring challenges that they are facing. Staff attrition and retention (and subsequent need for hiring) is part of that, but given the tumultuous past 24 months, it is interesting to see that there is still some concern about the ongoing, and perhaps long tail impact of COVID on the sector. Nearly 19% of respondents didn't foresee challenges around hiring, retention, or the continued debate around hybrid and home-working - although did verbalise other themes around staff engagement, increasing market share, supply chain issues and rising business operating costs.



The fight for companies to retain top performers and attract new talent remains a constant, driven by multi-faceted, socio-economic factors and a changing competitive environment. But ultimately, with fewer active candidates on the market, the recruitment process has had to adapt. We have seen the number of stages in the process decrease in a bid to quickly secure Legal Professionals from the grasp of competitors. Head-hunting has become a prominent method of recruiting and candidates are receiving multiple job offers, drawing attention to the need for unique employment offerings from employers and a need to

really 'sell' the opportunity and Firm to individuals who have an abundance of choice.

But what are candidates looking for from their current or new employer? As we have seen, career progression is once again at the top of the list with candidates wanting flexible, hybrid, or remote working as a non-negotiable in some cases. Firms who are generally inflexible, or are asking staff to return to the office full time, are on the back foot when trying to attract new candidates, or in the very least, compete with similar roles that are out there in the market.

FUTURE GAZING

Counteroffers have increased dramatically over the last year and companies are having to reconsider their employment offering, highlighting the importance of providing competitive salaries. In addition to high basic salaries and flexible working options, comprehensive benefits packages continue to be offered to employees, including; above statutory minimum holidays, sick pay over and above SSP, financial bonus, private medical cover, and well-being support.



In their [Work Trend Index](#) published in May 2022, Microsoft states that the top trend looking forwards is centred around what they call the ‘worth it’ equation—what people want from work and what they’re willing to give in return. The pandemic has undoubtedly shifted the power dynamic with employees putting personal life, mental health and well-being before work than they were before 2020.

The question is therefore, which Firms are willing to adapt and address both these challenges and opportunities in a way that attracts, keeps, and motivates their people, is good for business, and agile enough to adapt as the world continues to evolve.

PARTNER WITH **CLAYTON LEGAL**

Partnering with Law Firms for over two decades, we appreciate that having the right people and skill-set is key to business success. We also know that the general recruitment process is often complex and labour intensive, and with time being a precious commodity for Partners, HR and Hiring Managers, it makes sense to use the services of a legal recruitment specialist who has an expert handle on market conditions, hiring trends, and the availability of talent in your region and practice area.

OUR **SERVICES**

The services we offer very much start with you – your requirements, your own hiring strategy, your business and your budget. From our standard contingency service to our retained service offering and RPO services, we work at all times with those in mind – to deliver you the people you need, swiftly, that are the right fit, first time.

WE PROVIDE ACCESS TO EXCLUSIVE TALENT

With an extensive database of legal professionals, built up over two decades. We utilise cutting edge technology to engage and communicate with both active job-seekers, as well as passive candidates who are not yet ‘on the market’ and are exclusive, and have been pre-screened and qualified.

WE ARE COST-EFFECTIVE

The commercial impact of not being able to fill roles and/or high attrition rates can impact your bottom line, which can lead to a revolving door of recruitment. That’s why we invest in next-generation hiring technology to drive efficiencies internally - meaning time to hire is greatly reduced.

WE ADD VALUE (WHERE IT MATTERS)

We provide research and information on latest market trends from our own surveys and white papers to inform you at every stage of the recruitment process. Helping to guide everything from remuneration packages to retention and attraction strategies for your Firm.

AND FINALLY

We know how frustrating it is to be at the receiving end of poor customer service. As well as being members of APSCo, which recognises, supports and promotes excellence within the professional recruitment market, our many decades of working in the legal sector, means we have built up a reputation of honesty, trust, and integrity that forms the foundation of all of our relationships.

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