

# SALARY SURVEY & LEGAL MARKET REPORT

2023-2024



WHERE LAW FIRMS COME
TO RECRUIT LEGAL TALENT

### WE ARE CLAYTON LEGAL

Clayton Legal are leading recruitment specialists with 25 year's of sector experience - matching legal professionals 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 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.



I am delighted to present to you our latest Salary Survey and Market Insight Report following the latest round of research directly with the legal community across the UK.

Our team have gathered and analysed the data to provide you with insights that go far beyond the numbers - offering a real glimpse into the heartbeat of the legal sector.

It's fair to say that the last 12 months have presented challenges to all businesses, especially when it came to strategies around hiring, engaging with, and retaining their best people. With economic uncertainty looming large over the last 12 months, the aftershocks from the pandemic were arguably still present, although as we embark on a new year, the headlines are already focused on more stability and economic confidence which should impact hiring strategies and a renewed focus on growth for those who have their sights set on expansion.

A huge thanks again to the many hundreds of legal professionals and firms within our network for their time, insight, and contribution to our report.

**Lynn Sedgwick**Managing Director



## LEGAL MARKET **OVERVIEW**

The workforce globally has experienced a seismic shift over the last few years - largely triggered by the pandemic, as well as other factors impacting the ebb and flow of economic tides. And, whilst some sectors have been able to weather the tricky market conditions, it's fair to say that 2023 has been a year of challenges for the labour market in the UK - especially when it has come to the recruitment (and retention) of top talent.

Whilst headlines towards the latter end of the year were more positive, with statistical growth in sectors like digital, finance, and e-commerce, there have been a number of other challenges still present and likely to segue into 2024 and beyond including inflationary pressures, supply chain disruptions, and labour shortages affecting various industries - law included.

The difficulties in recruitment are expected to persist for a while due to a higher number of economically inactive individuals or those nearing retirement in the next decade, compared to those entering the job market. This evolving demographic of the labour market is also driving change. Millennials are the largest group working in the UK today, although Gen Z will account for 27% of the (global) workforce by 2025, with a very different set of priorities and expectations from their employers than previous generations.

Work-life balance is top of the agenda, and whilst fair remuneration is still important, this demographic prioritises employers who offer a flexible and inclusive work environment, and promote diversity in the workplace. They greatly value opportunities for skill development, continuous learning, and technological innovation and value such things as

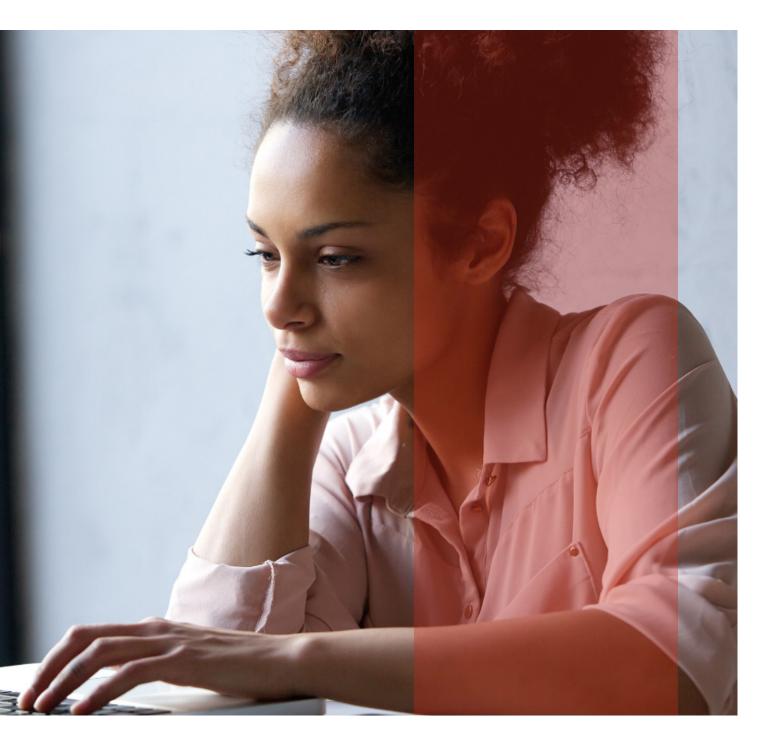
transparent communication, social responsibility, and a commitment to sustainability. Quite the list of demands - especially when younger lawyers for example will make more lateral moves in their career, and the single-employer-career begins to wane.

That being said, wages more generally speaking were centre stage in labour-market reports throughout the year as businesses balanced cost pressures (brought on by increases to the minimum wage and rising operational costs), salary demands from staff (driven by the cost-of-living crisis), and a desire to remain competitive. It was only towards the end of 2023 that pay-outs outstripped inflation (for the first time in two years) easing some of the pressure on workers, although the macro-economic background and political landscape will likely continue to impact the market as we traverse into a new year.

Whilst there were reports last year that growth across legal services had fallen, research from City lobby group, TheCityUK maintained that revenues generated by the sector actually rose by nearly 6% (in 2022 compared to 2021), contributing £34bn to the UK economy. Looking ahead however, the recent Lexis Nexis Gross Legal Product (GLP) Index 2024 predicts a +2% growth in the demand for legal services for 2024 compared to 2023 - indicating a slowdown when compared to previous periods (6%). The geopolitical and macroeconomic backdrop will no doubt have impacted this, and firms will have to buckle up for another year of fighting these challenges head on.

According to research conducted by accountancy specialists, Moore and Smalley, 63% of law firms interviewed cited 'recruitment of staff' as THE biggest challenge they would likely face in 2023, with a





further 18% focused on staff retention. On the face of it, these predictions were sound as, despite the general presence of hiring appetite, firms struggled to find the right 'fit' or skill set amongst the active cohort of jobseekers on the market.

With inertia and some nervousness to move also present in the market when it came to legal professionals seeking out new opportunities pro actively, firms had to shift their strategies to more of a head-hunter position which more widely impacted staff retention across the board as existing, and 'settled' employees became bombarded with offers.

With challenges persisting, it's clear that law firms and legal leaders need to review their workplace philosophies and adopt proactive strategies to succeed in what is still arguably a candidate-driven market. Getting value propositions front and centre will be crucial to articulate the reasons that the firm is an employer of choice, and that means a holistic review of everything from remuneration and bonus structures, to the office environment, development opportunities, and benefits that genuinely appeal to an increasingly demanding workforce.



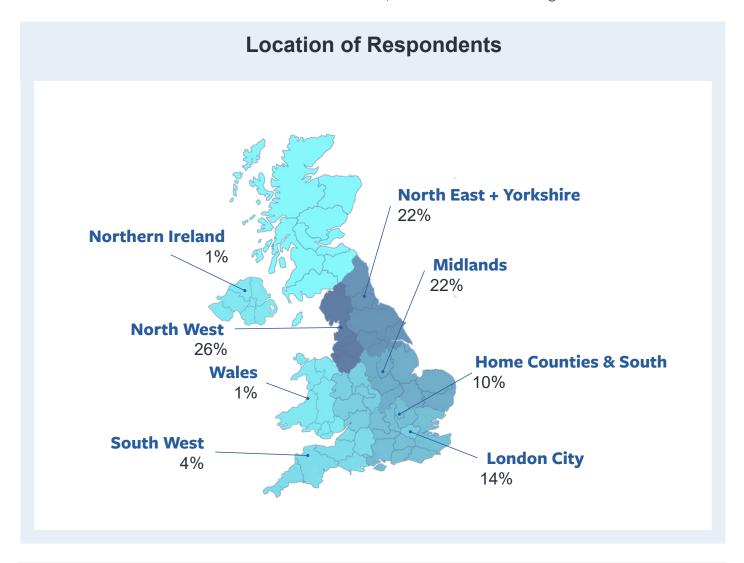
### SURVEY **DEMOGRAPHICS**

The research insights presented here are taken from responses collected at the end of 2023, as we engaged with legal professionals throughout our network. This comprehensive survey encompassed diverse regions across the UK, excluding Scotland, and included professionals at various levels and across all practice areas.

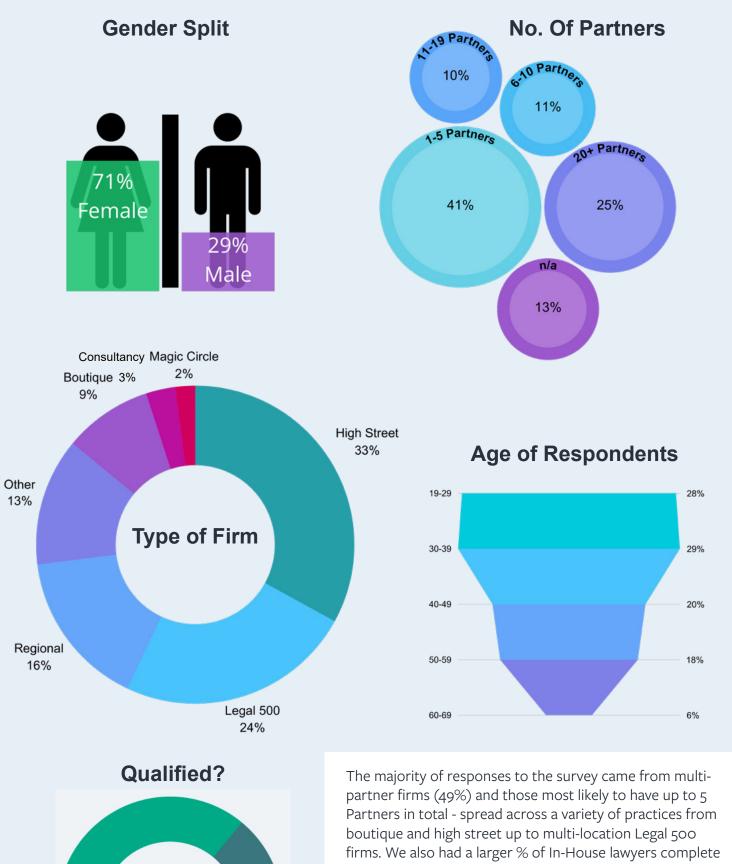
Once again, there was a significant representation of the female demographic in our research, constituting over 70% of all responses. While it's important to note that this does not fully mirror the overall demographic distribution in the sector, it does underscore a notable trend: a gradual reduction in the gender gap within the legal profession.

According to the latest statistics from the SRA, the latest numbers unveil a positive trajectory in gender diversity within law firms, with the proportion of women rising from 48% in 2015 to 53% in 2023. While progress is evident, the seniority gap persists, revealing that 32% of full-equity partners, and 47% of salaried partners are women.

Once again, legal professionals from across the UK contributed to the survey findings, with majorities in the North West, North East and Yorkshire, the Midlands, and London/ South East where our regional teams are focused.







NO

YES

partner firms (49%) and those most likely to have up to 5 Partners in total - spread across a variety of practices from boutique and high street up to multi-location Legal 500 firms. We also had a larger % of In-House lawyers complete the survey this time, albeit representing about 7% of all responses. According to the latest Statistics Report from The Law Society, the number of solicitors working in-house has been steadily increasing over the last few years, with these legal professionals now making up over a quarter of the profession (26%).

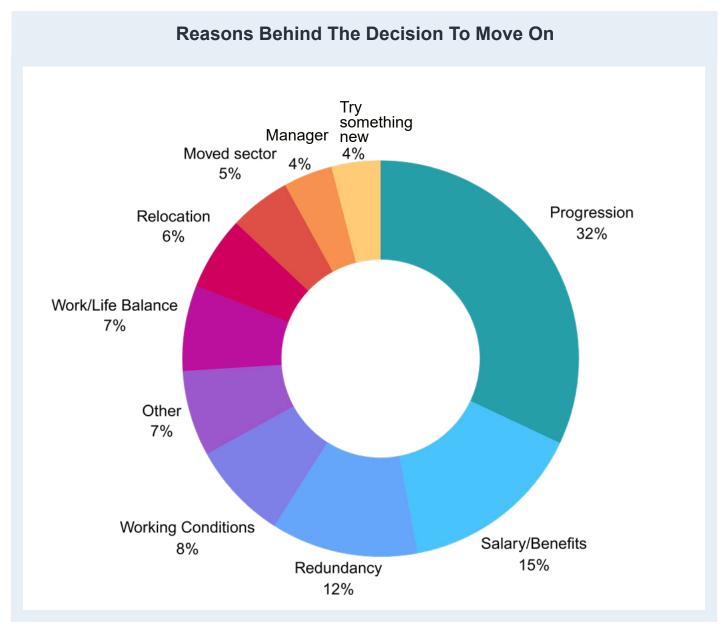


### MOVEMENT OF TALENT

Individuals in the legal profession often transition to whole body of research - whether that's the reason new roles for a variety of reasons, although in all of our years of conducting research directly within the sector, career advancement and general progression is cited as the primary driver as legal professionals seek opportunities to climb the ladder, take on more responsibilities, and enhance their skill sets. That said, this was down by nearly 6% YOY, whilst those moving for a better salary increased by a few percentage points - perhaps driven by the economic and inflationary pressures of the last 12-18months.

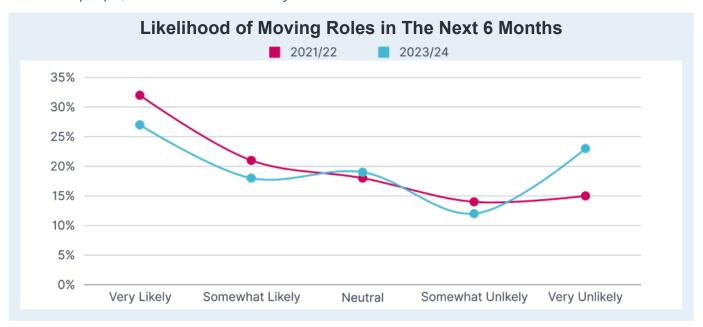
The beat of the drum around the utopia of a better work-life balance remains a constant noise across the

behind moving on (albeit only in 7% of cases) or where this is already in place, a huge factor on why employees stick around. Redundancy as a springboard to a new role was declared by 12% of respondents (staying level YOY) indicating there is still a lasting effect of the pandemic on the sector. Headlines in Q4 of 2023 also highlighted a number of international firms affected amid 'continued slowdown' in market conditions in some practice areas. More positive sentiment is shared however by Lexis Nexis who predict a +2% growth in demand for legal services for 2024 compared to 2023. A smaller % growth it has to be said, but growth nevertheless.

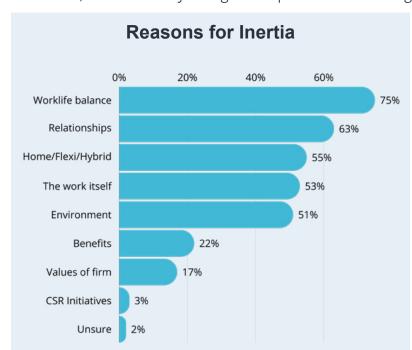




The Great Resignation, a labour market trend that gained prominence in the wake of the COVID-19 pandemic in the latter half of 2021, extended well into 2022 and at the time, our research indicated almost 50% of legal professionals we spoke to were either 'very' or 'somewhat' likely to move roles imminently. A number of factors contributed to the mass exodus, which was reported to impact the legal sector in Oct 2022, including a reevaluation of priorities (work/life balance, career goals), burnout (as the boundaries between work and personal life blurred in the remote work environment) and a mind-set change as individuals sought more fulfilling or purpose-driven employment. Our research from Q4: 2023 indicates a slight dip in those who are ready to move on, and whilst there are quite a lot more contented employees, there still remains a generally unsure collective representing about 1/5th of respondents who employers hiring may wish to target, and those looking at retention of their own people, need to monitor carefully.



As you would imagine, the underlying reasons behind employees deciding to put their head above the parapet for new opportunities, are similar to those that keep them content and less of a flight risk. Of all respondents who indicated they were not likely to consider a new role in the next 6 months, work/life balance was cited as the main reason why by just over 75%. 63% of the same data set said that the relationships with colleagues hugely impacted that decision, whilst just over half focused more on working arrangements (home/hybrid/flexi) that led to their satisfaction and likelihood to stay with their current employer. Interestingly the 'tangible' elements of work such as benefits packages are always deemed as a crucial part of the wider employer value proposition to get right, but on it's own, isn't necessarily enough to stop heads from turning to other opportunities in the market - with only



22% of respondents stating that this kept them engaged and less likely to move on.

When you look at the reasons why legal professionals leave for pastures new, and the fundamentals around why they choose to stay, it's fair to say they are multi-faceted and complex - and likely impacted by external factors such as the economy and changing demographics of the workplace. Ensuring that all bases are covered will likely continue to be a challenge for firms who have a laser-sharp focus on retention in the coming twelve months and beyond - as well as how they position their firm as an employer of choice in a competitive market.



# LEGAL LANDSCAPE: SPOTLIGHT ON: PROPERTY

Looking specifically at Conveyancing, 2023 started off at a markedly sluggish pace primarily influenced by the sudden surge in the Bank of England base rate. This had a profound impact on the strategic plans of law firms for the coming year when it came to growth plans, and where hiring specifically fed into that. There was also a flood of redundancies which inflated the candidate market alongside a number of high profile law firms collapsing suddenly, and consequently, seasoned professionals found themselves navigating towards alternative areas of law or even venturing into entirely different industries altogether due to the challenges in securing suitable employment.

In the available job market, there was a preference for qualified candidates although more proactive hiring of support staff increased in H2 of the year - albeit not at the levels we have seen in 2021 or 2022.

Looking specifically at Residential Conveyancing Fee Earner roles across the North West, there was a notable decline in 2023 compared to the preceding two years; no doubt impacted by the boom and bust that the extended stamp duty had on the property market, and knock-on effect on demand.

Nevertheless, there continues to be a robust demand for Commercial Property Solicitors in the region.

As the year progressed and the base rate stabilised, there was a noticeable increase in movement and recruitment activities in the sector although this was largely driven by departures and general movement rather than organic growth.

Some firms in the North West seized the opportunity presented by market uncertainty and adopted aggressive expansion plans to outpace their competitors which will surely stand them in good stead as we start 2024 on a (hopefully) more even keel.





In contrast, the North East and Yorkshire regions maintained a cautious and steady approach, with more opportunities emerging in smaller towns and cities within the region, as opposed to the major cities like Leeds and Newcastle.

A shift from remote to office work was observed, and whilst many continue to offer hybrid working arrangements, this is more likely to be weighted towards the office than the home. As with a lot of other practice areas, some firms are insisting on a full return-to-HQ, whilst at the other end of the scale, there are still some that will offer fully remote opportunities, although these are waning in most Conveyancing firms.

According to Fine & Country's MD, Nicky Stevenson, the property market's momentum is expected to gather pace as this year progresses in line with anticipated falling interest rates and inflation tracking to reach its target of 2% in the first half of 2025. According to the latest sector report by APSCo, residential property in London in particular remains buoyant and property prices are already starting to pick up again. The usual springtime up-tick in buyer interest will also have an impact although clients in the property sector do remain a little cautious about recruitment plans at the start of the year, keeping them flexible as the market evolves.





## LEGAL LANDSCAPE: THE NORTH

As with most of the legal market the preferences of job candidates in the North of the UK continue to evolve, shaping the landscape of the work environment. across the region.

The last few years in particular have ushered in a transformative period that will come to define the future of the law firms across the North (and beyond) including a sustained shift towards greater flexibility offered to legal professionals, the incorporation of AI technology into everyday working life, and an evolution in hiring practices away from established traditional norms.

The driver? A much-documented and very real skills shortage experienced by law firms across the market.

The aftershocks of the pandemic as the epicentre of these significant waves of change can still be felt as we head into 2024 as firms of all sizes and structures face continued challenges when it comes and the legalities of working conditions and nonto attracting talent that not only 'fit' with their culture, values, and vision - but fundamentally also have the right skills that they need now, AND those anticipated in the future as the digital revolution of firms continues to accelerate at a rapid pace.

According to business management software specialist, The Access Group, new industry data has revealed that firms could also be missing out on top talent due to complicated application processes compounding the difficulties in recruiting.

As businesses in many sectors, law included, battle skills shortages and a shrinking workforce, vacancies remain unfilled and incumbent teams are smaller - putting pressure on service levels, productivity, and ultimately profitability.

When market conditions are challenging, it is easy for Hiring Managers and/or Partners to make rash decisions or have a temporary lack of judgment. Recruiting under pressure can mean that processes aren't followed in the same manner, including 'ethical recruitment' practices and standards, albeit temporarily.

But what is 'ethical recruitment' exactly? And why could it help to guide the recruitment strategies of firms across the region when times are tough?

Ethical recruitment as a searchable term has a number of definitions that focus on everything from inclusion in a DEI policy to unconscious bias discrimination. Whilst the above undoubtedly should be a considered part of a general hiring approach, ethical recruitment in general terms can be defined as 'practices designed to ensure the highest standards of professionalism, fairness, and transparency'.

In even simpler terms, it is about doing the right thing – and in hiring, that relates to the jobseekers and candidates you are hoping to attract to your firm.





When it comes to the value proposition of firms in the North, on the whole they seem structured and generally comprehensive in what they can offer to candidates - as you would expect for the biggest legal region outside of The City. It would be a blanket statement to say that they are less reluctant to offer bigger salaries to attract top talent, although we have seen a marked increase in remuneration across a number of practice areas, and in particular for Corporate Solicitors, Employment Solicitors and Commercial Litigation lawyers - especially within Property Litigation and Business Litigation which are both scarce, and in demand.

On the flip side, there seems to be an abundance of Civil Litigation Qualified candidates who are looking to move over to 'other' areas and seem to be accepting a pay reduction to move.



The over-supply of Corporate qualified solicitors in The City (driven by a surge in salaries and hybrid working practices meaning a commute for a few days is achievable) appears to have had a knock-on effect in the regions. We are seeing this across the Northern legal hubs yet the inflated salaries in most cases can not be justified. This is a real challenge for firms trying to attract Corporate experience into their businesses, whilst also being mindful of operational costs.

That being said, salaries (and packages) within Corporate and Commercial are rising to attract new candidates, but the desire for hybrid working is off-putting to some hirers who stand by the point that individuals (and new starters) are better off on-site in order to get more exposure to the department. We are also seeing more junior solicitors making a transition into the Corporate sector - it remains to be seen whether firms can afford to spend time training and developing such a cohort, and offer a package and salary that is competitive. Investment in this sector will be key as it becomes more specialist by nature, with sub-divisions focused on technology, cyber-security, and data protection - all areas that are likely to continue to accelerate at a rapid pace in the next decade.



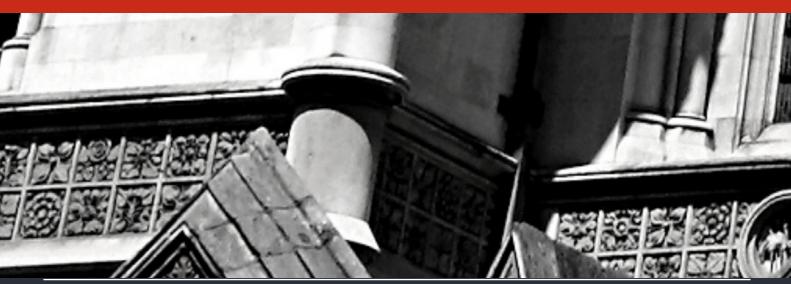
# LEGAL LANDSCAPE: THE MIDLANDS

The labour market across the Midlands pretty much fared the same as other regions, with a general dip in vacancies across most practice areas. Across all sectors, the East Midlands witnessed a decline in active roles of 26.1%, while the West Midlands had a decrease of 23.5% - although there was continued demand in Family and Private Client throughout the last 12 months. Private Client candidates however are increasingly harder to come by, particularly as firms seek out those with 5-10 years PQE. As more experienced Private Client solicitors head towards retirement, and seemingly fewer coming up through the trenches, the likelihood of satisfying demand is somewhat of an unknown.

Top of the wish list for active jobseekers in the region is hybrid working although firms are increasingly pulling back on what this looks like. For support staff and non-qualified individuals including Legal Secretaries and Paralegals, remote working is now almost non-existent as the 'Great Return' to the office continues to be rolled out and firms increase their calls for employees to return to the office.

There is still much debate about the merits (and drawbacks) of remote working, with some business leaders advising caution that firms should not assume that everything will be the same as it was before the pandemic - it won't. Not least because employees have 'experienced' working from home, and now have a different mindset about ways of working, as well as the impact on work/life balance, personal relationships, and the likely cost savings relating to commuting and public transport and/or fuel. In the Midlands, and in particular the larger cities, parking continues to be somewhat of a headache to the flux of legal professionals who have returned to HQ - and is usually also on the wish list of candidates looking for roles in the region.

According to our research, legal professionals based in the Midlands were more likely to consider a new role in the next 6 months (38%) than their counterparts in the North (22%) or London/South (35%). For those hiring, this presents a good opportunity to start engaging with those just entering the jobs market (or indeed a regionally-focused legal recruiter who is already having those conversations).





# LEGAL LANDSCAPE: LONDON & COSTS

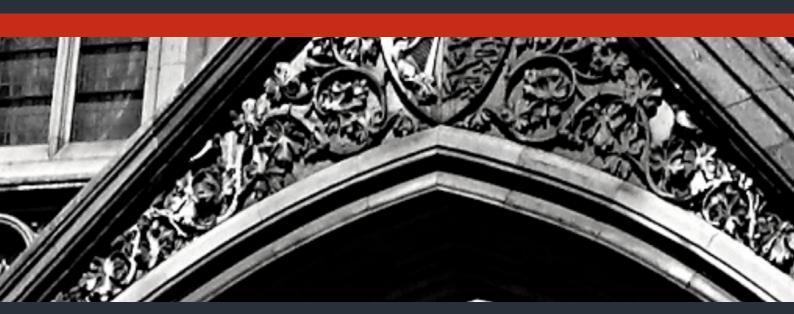
The Costs market has been relatively busy over the last twelve months with a number of agencies recruiting consistently through the year offering full remote working which appealed to a lot of the candidate market. In-house roles are still very much the first choice over consultancies when considering the holistic package on offer to those candidates looking for a new opportunity, and generally speaking the costs market in the North was more active from a hiring perspective that it's southern counterpart.

With the extension of fixed recoverable costs coming into force in October 2023, more consultancies are taking a cautious view on recruitment and opting for more experienced candidates in the market that can deal with high-value cases whilst the likely ripples of change are likely to be felt amongst any legal professional (and firm) involved in Civil Litigation.

Across many of the London firms, we have also seen more national players recruit outside of The City. This is largely driven by cost considerations (and the given that firms can get the same level of experience for less) and hybrid working arrangements which means Firms can still enjoy the physical presence of employees for certain days in the week/month, before they commute out to the regions for the remainder.

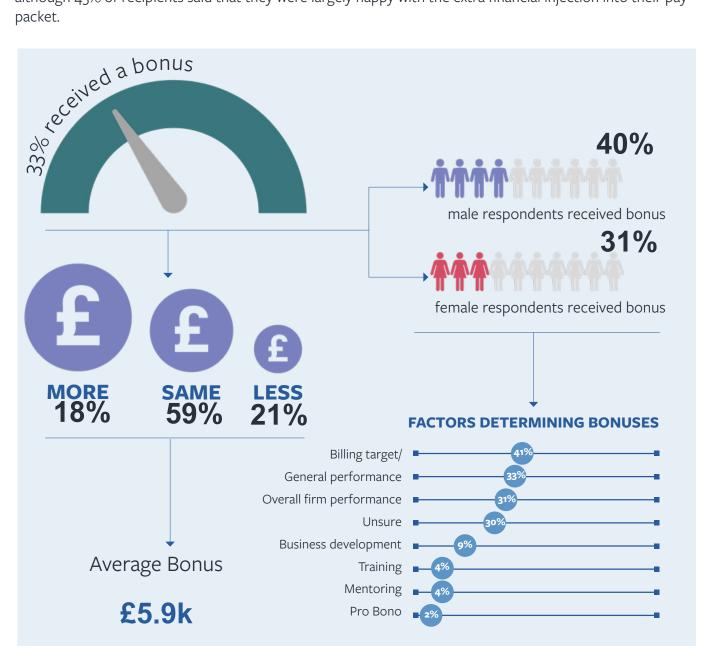
The most buoyant markets in London (including the Home Counties) have been Litigation, Private Client and Family. This has also been the case across most of the South and even within the legal markets in the South West - positive news when you consider that the labour market in London had almost a 40% dip (across all sectors) last year compared to 2022.

According to the latest UK National Labour Market Trends Report by APSCo and market data analysts Vacancysoft, the City will still offer the lion share of all professional opportunities to those seeking a new challenge, and is expected to contribute to 34% of the UK's vacancies this coming year.



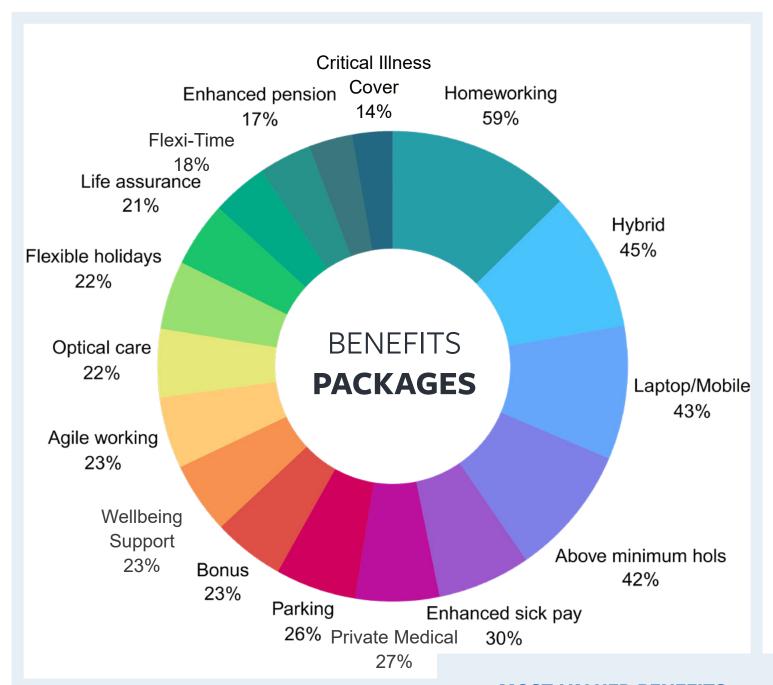
## PERKS OF THE JOB

In a bid to remain competitive, and with one eye on staff engagement and retention, 33% of law firms awarded their people with a bonus last year - still a relatively high number considering the financial pressures on business operations. This however was down by 3% compared to last year, with 21% of recipients stating that it was a lot less than they had been awarded previously. Male legal professionals were more likely to get a bonus than females- the latter dropping back to 31% from 35% in the previous year. The average value of bonuses dropped by quite some margin compared to the previous reporting period, although 45% of recipients said that they were largely happy with the extra financial injection into their pay packet.



The general topic of financial bonuses in legal made the headlines in the summer when one firm announced that they would only be awarded if staff came in to the office at least three times a week (amongst other considerations). It remains to be seen if other firms follow suit, although others do offer various 'incentives' for staff to come in - despite the fact that 'homeworking' was the most valued benefit out of all respondents (20%), followed closely by hybrid (14%) and above statutory holidays (10%). Bonuses however were only cited as the number one benefit by just 4% of respondents in comparison.





Benefits packages were, by and large, constructed of the same key elements that we have seen in previous years - although interestingly, homeworking dropped by 5% YOY. And, whilst financial bonuses remained static (albeit only seen as a benefit by a relatively small percentage) there were notable rises in staff being offered hybrid working (up 13%) and additional holidays (up 8%). Of some concern perhaps was the 8% of respondents who stated that they did not attribute value to the benefits they receive, or worse, even class them as benefits in the first place. Private medical cover, wellbeing support, and other health-related benefits also increased by a few percentage points compared to last year. Good thing too as almost 10% of respondents said that this was the kind of benefit they valued the most. A recent report

#### MOST-VALUED BENEFITS



Home working 19%



Hybrid working 14%



Extra holidays 11%

in the FT said that 1 in 5 businesses were looking into offering private medical insurance in the coming year - not to bolster their wider benefits package per se, but to tackle the very real issue around long NHS waiting times, and impact on sickness absence as a direct result.



### WEATHERING THE STORM

We are in constant dialogue with firms across all practice areas about the current challenges they are facing as a business; including those around hiring, retention, and general engagement of their people, as well as a more holistic look at operational concerns. Back in 2021/22, the overwhelming majority of firms (28%) told us that the impact of COVID was generally the biggest challenge they faced as a business, and whilst the 'C' word was not mentioned in this round of research, arguably those aftershocks are still being felt as the labour market fluctuations more widely impact staff retention and talent attraction, as well as the hybrid/homeworking/ flexiworking topic that continues to be a topic of much debate at boardroom (and media) level.

Staff retention is seen as a challenge by nearly a third of respondents - a rise of 6% YOY; corroborated by other research in the market that predicts a 5th of workers are at high risk of leaving their jobs in 2024. This in turn will likely impact hiring challenges by proxy, not least as this will be further compounded by a general skills shortage and the sentiment that there is a lack of 'right fit' candidates in the marketplace.

And, whilst only 4% of respondents cited 'staff engagement' as a concern heading in to the new year, perhaps **BIGGEST CHALLENGES FACING LAW FIRMS IN 2024** it does need to be higher on the agenda to tackle the predicted exodus head on? Hiring recruitment challenges 10% 11% 61% lack of suitable candidates 15% general skills shortage 15% unsure 6% lack of investment 28% 12% cost of recruitment Burnous It is clear there is still a disconnect between what employees most 12% desire (a hybrid and/or homeworking setup) and firms who are demanding 8% that staff up their office hours - so it is not surprising that the challenges around this are felt by more firms this year than last.



## THE CHANGING **LEGAL LANDSCAPE**

Whilst the economic backdrop, amongst other challenges, certainly tested most industries in the last 12 months, headlines are awash with a more positive sentiment as we start a new calendar year. That being said, the legal landscape is still evolving as other external factors start to impact the sector.

The journey of digital transformation was well underway for most law firms prior to the pandemic, but Covid undoubtedly served as a catalyst, compelling firms to rapidly facilitate remote work and accelerate the integration of digital tools such as automated services, and cloud technology.

There has also been the widespread adoption of virtual meetings and a move towards paperless operations, although cybersecurity concerns have escalated as remote working became more prominent, as well as more sophisticated attacks on IT systems.

And, whilst some legal professionals noted the advantages of being able to organise meetings almost 'instantly' through the use of Teams/Zoom/ Google Meet and the like, the 'Friday culture' has been somewhat lost as a consequence - perhaps not a huge loss for some, but to others, a part of their work life that they really rather enjoyed.

Artificial intelligence is making significant inroads into the legal sphere, with entry-level AI tools like

chatbots already assuming basic, repetitive tasks in some firms. A recent body of research by Thomson Reuters across professional services more generally spotlights the imminent 'revolution of work' through generative AI, with professionals acknowledging the need for adaptation in the face of industry disruption. Collaboration among industries is crucial to striking a balance between technological benefits and addressing concerns such as data security and ethics. While respondents in the study expressed concerns around job loss due to AI, the narrative emphasises that embracing generative AI will create new opportunities, requiring proactive human training for these advancements.

Similarly, automation emerges as a strategic focal point for progressive law firms as they look to improve operational efficiency and utilise tech for things like reducing instances of human error.

In short, the legal profession continues to navigate a complex landscape marked by technological advancements, economic uncertainties, legislative changes, and shifting client expectations. These macro-trends will no doubt still present challenges in the coming year, although there are boundless opportunities for firms to succeed with AI, tech, and automation cited as having the most significant impact on businesses over the next five years.





### 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	22,000	28,000	20,000	27,000	20,000	27,000
LEGAL CASHIER	22,000	32,000	20,000	35,000	20,000	34,000
TRAINEE/1ST YEAR	20,000	21,000	22,000	24,000	22,000	24,000
TRAINEE/2ND YEAR	20,000	21,000	24,000	27,000	24,000	27,000
NEWLY QUALIFIED	28,000	36,000	28,000	35,000	28,000	38,000
1 YEAR PQE	30,000	37,000	32,000	38,000	32,000	33,000
2 YEARS' PQE	35,000	40,000	33,000	40,000	33,000	36,000
3 YEARS' PQE	34,000	43,000	34,000	40,000	34,000	40,000
4 YEARS' PQE	36,000	45,000	36,000	42,000	36,000	42,000
5 YEARS' PQE	38,000	47,000	40,000	46,000	40,000	46,000
6 YEARS' PQE	40,000	52,000	44,000	60,000	44,000	60,000
7 YEARS' PQE	43,000	65,000	47,000	65,000	47,000	65,000
ASSOCIATE	45,000	70,000	45,000	55,000	45,000	55,000
SALARIED PARTNER	60,000	80,000	60,000	90,000	60,000	90,000
EQUITY PARTNER	80,000	180,000	120,000	400,000	100,000	300,000
COSTS LAWYER	25,000	70,000	25,000	70,000	25,000	70,000
IT MANAGER	54,250	75,000	55,000	80,000	55,000	80,000
IT SUPPORT	23,500	29,000	26,000	32,000	26,000	32,000

62% of respondents told us they had been given a pay rise in the last 12 months, however, despite a surge in demand for higher wages driven by employees, actual growth in salaries often failed to manifest in real terms due to the pervasive impact of inflation. Whilst nominal wages increased across most regions and practice areas, the rising cost of goods and services diminishes the purchasing power of these earnings. Pay growth finally caught up with inflation in September 2023 helping to ease pressure on living costs, although The Bank of England predict that inflation will only be back to 'normal levels' by the end of 2025.



Salaries also rose in some areas of business to assist with counteroffers in a bid to hold on to staff. According to research by the CIPD, 40% of employers (across all industries) had gone down the counteroffer route in 2023, with 38% of those matching the salary of the new job offer, and 40% exceeding it. One third however did concede that counteroffers were generally ineffective at holding on to staff, at least in the long term.

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	21,000	26,000	22,000	28,000	25,000	50,000
LEGAL CASHIER	25,000	30,000	25,000	35,000	25,000	45,000
TRAINEE/1ST YEAR	22,000	28,000	22,000	28,000	21,000	30,000
TRAINEE/2ND YEAR	22,000	28,000	22,000	28,000	21,000	40,000
NEWLY QUALIFIED	35,000	45,000	40,000	50,000	45,000	100,000
1 YEAR PQE	40,000	50,000	45,000	60,000	50,000	105,000
2 YEARS' PQE	40,000	50,000	50,000	65,000	54,000	109,000
3 YEARS' PQE	40,000	55,000	50,000	65,000	60,000	113,000
4 YEARS' PQE	40,000	60,000	50,000	65,000	64,000	117,000
5 YEARS' PQE	45,000	60,000	50,000	70,000	68,000	125,000
6 YEARS' PQE	55,000	70,000	50,000	70,000	72,000	125,000
7 YEARS' PQE	55,000	75,000	50,000	70,000	76,000	129,000
ASSOCIATE	55,000	80,000	60,000	75,000	63,000	110,000
SALARIED PARTNER	55,000	80,000	80,000	100,000	80,000	125,000
EQUITY PARTNER	65,000	85,000	70,000	90,000	70,000	110,000
COSTS LAWYER	25,000	50,000	25,000	50,000	30,000	95,000
IT MANAGER	55,000	75,000	60,000	90,000	60,000	90,000
IT SUPPORT	25,000	30,000	28.000	35,000	28,000	35,000



### **IN SUMMARY**

It has been so interesting to delve once again into the trends impacting the legal sector over the past 12 months, and to further our own understanding of the challenges and indeed opportunities that have presented themselves to law firms across the country.

It is a conversation that we have continually with clients in supporting them with growth, as well as individuals who are considering the next move in their careers - and taking the time to consider market fluctuations, the wider labour market trends, and the evolving preferences of employees is as vital as it ever was if we are to provide a service that adds value to the sector.

We know from the research, and wider knowledge on market trends that the legal sector certainly had its challenges over the last 12-18 months. Perhaps we can arguably point some of the blame at the long-lasting effects of the pandemic, but there are many other variables at play that directly affect the hiring appetite of businesses, and it feels remiss to not consider these as we move into a new year.

2023, by and large, was still a strong year for recruitment appetite and subsequent activity at Clayton Legal as firms, in our network at least, motored on with some hiring - either to grow (albeit not at the stratospheric heights we have seen a few years back) or more so to tackle the very real topic of staff retention, where 'back-filling' roles was more prevalent as talent shifted around the market.

Other trends we have seen over the last 12 months include 'boomerang hires' - either as a strategic approach to filling active roles by law firms, or a 180-degree route to a 'new' role for legal professionals looking to move on.

There are pros and cons of these (for both parties) but for law firms it can, and is, seen as a solution (of sorts) to the very real challenge of finding right-fit candidates that have future-proof skills in an evolving sector.

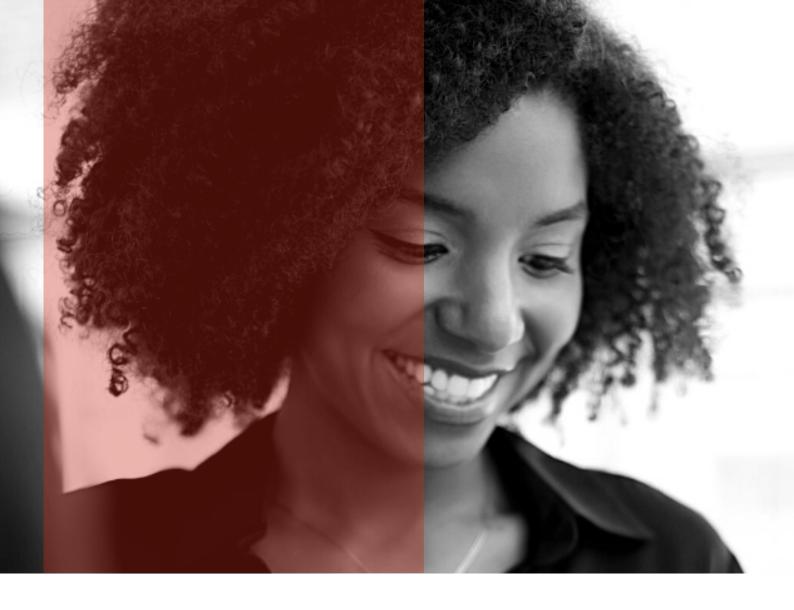
I, for one, am excited to see the inevitable changes that tech and AI will bring to the legal world knowing how transformational it has been for the recruitment side of things as we look to enhance our services and processes wherever possible so that our own biggest asset, our people, can focus on what's important. Personal, meaningful, and valuable relationships - something that I don't see falling out of trend any time soon.

**Lynn Sedgwick**Managing Director



Navigating the evolving landscape of the legal sector over the last 12-18 months revealed challenges, opportunities, and a resilient recruitment appetite.

Amidst market fluctuations, 'boomerang hires,' and the transformative impact of tech and AI, our focus remained, as always, on fostering personal, meaningful, and valuable relationships— as we see it, unchanged trends in an ever-changing world.



# CLAYTON LEGAL OUR SERVICES

We understand that no two law firms are the same, nor are their recruitment needs or the specific hiring strategy at that moment in time. That being said, all legal clients we speak to are looking for four things - speed, a reduced workload, personalised relationships and ultimately, results.

The services we offer very much start with the individual law firm in question at any given time – their requirements, their hiring objectives and deliverables, their business and budget.

From our standard contingency service to our retained and RPO services, we work at all times with those in mind – to deliver talent and the right skill set, swiftly, that are the right fit, first time.



### **CONTINGENCY SEARCH**

Contingency search is our entry level and standard service which allows Law Firms access to our extensive database of pre-screened legal candidates, as well as the active talent pool via advertising across market leading platforms and social networks.

This service is most suitable for all areas of recruitment where there is general availability of the required skills and experience, and where time is of the essence.

Our contingency service allows you to have full control of the end-to-end recruitment process, whilst allowing our team of recruitment specialists to take thorough instructions, and work on a consultative basis to deliver a shortlist of suitable candidates, quickly.

### RETAINED SEARCH

Our retained 'gold star' service is Clayton Legal's fully-tailored recruitment service, typically suitable for more senior hires, where candidates aren't necessarily on the active market, and potentially more scarce.

Typically, you will be assigned a dedicated account manager as well as have access to a team of experienced consultants who will all work on your brief. With a plethora of tools and techniques at our fingertips including market-leading video platforms that supports candidate profiling and preliminary 'interviews', you will be guided through the process with objective and informed advice, as well as regular check-ins and reporting so you can monitor progress.

Your roles are boosted, searches prioritised, and communications targeted at a much wider pool of talent using platforms that allow us to reach passive candidates and ultimately give you more choice, more brand reach, and a greater chance of success.

### RPO SOLUTION

If you are considering outsourcing your recruitment entirely, we can help with that too - and can offer a bespoke, tailored solution designed with your business needs and requirements in mind. Our key account managers will work with you to design and execute your recruitment strategy, deploying the latest technology and designated resources to scale up recruiting capacity to hit your objectives. Time-efficient and cost-effective, our RPO solution seeks to streamline the hiring process, with 100% transparency on project status, and results - guaranteed.

Fully scalable, our solution ultimately seeks to minimise your overall recruitment costs by reducing reliance on other 3rd party agencies, working with you in every sense as a trusted recruitment partner and extension to your own hiring and/or HR team internally.

Contact us today for more information on our recruitment services: enquiries@clayton-legal.co.uk



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