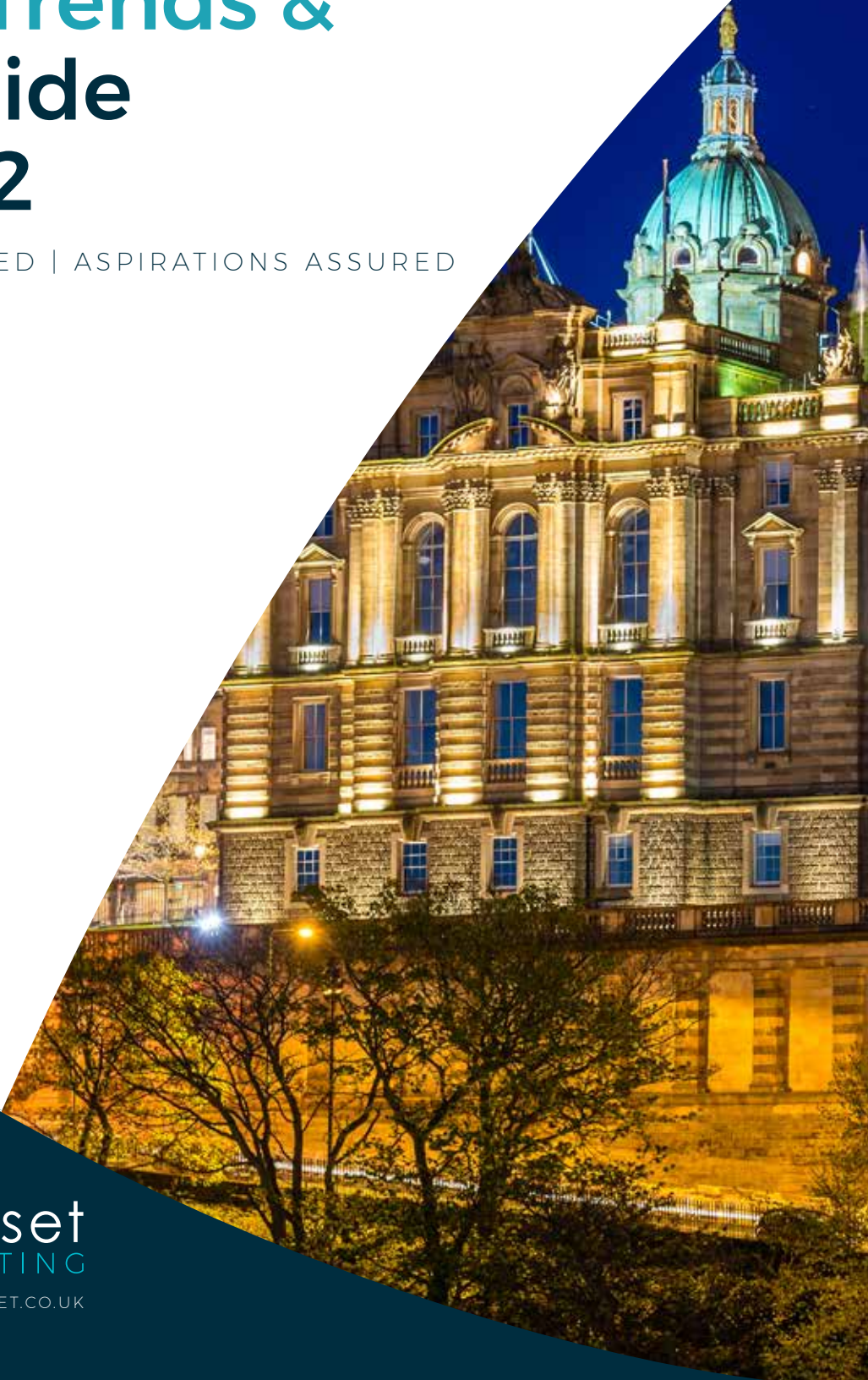


# Industry Trends & Salary Guide 2021-2022

EXPECTATIONS EXCEEDED | ASPIRATIONS ASSURED



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Kim specialises in recruiting experienced individuals within the asset management and legal sectors in Scotland.

She works hard to provide a professional and proactive approach to all client recruitment needs and ensures that candidates receive a high standard and supportive service. Kim has been recruiting at Core-Asset Consulting since 2008.

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#### MARKET COMMENTARY

## Legal

Like every part of society, the global spread of COVID-19 has had a significant impact on the Legal sector. The effect was sharp and sudden and caused an abrupt halt to the vast majority of transactions. Business was suspended, the property market all but ceased and substantial elements of commercial and private client work was cancelled or postponed. Many firms were forced to implement the Government's furlough scheme, traineeships were deferred, head count reduction plans were executed, and partnership drawings, working hours and salary cuts were widespread.

### “CREATING AN EFFECTIVE WORK LIFE BALANCE WILL BE INCREASINGLY IMPORTANT FOR LEGAL FIRMS AND THEIR EMPLOYEES”

Within just a few short months, Scotland and the rest of the UK went from small but steady rates of economic growth to the largest and deepest recession ever recorded. Current economic forecasts are encumbered by huge uncertainty and drastically impacted by strategies to curb the spread of the virus. As with all sectors of industry the restrictions around the movement of people aimed at preventing increased infection rates will have a significant effect on the speed of recovery in the Legal sector.

COVID-19 has accelerated changing attitudes to the importance of good mental health and home working. Creating an effective work life balance will be increasingly important for legal firms and their employees. Flexible and remote working is likely to become the norm rather than the exception, the way that advice is given, clients are advised and cases are managed will need to continue to adapt. Shifts in both working practice and the operation of the justice sector means legal firms need to be realistic about the scale of the challenges facing their sector and the speed of technological change required.

Generally speaking, pre-pandemic, the profitability of legal firms in Scotland was lower than the rest of the UK. Analysis of historic income and profit and loss accounts demonstrate that whilst legal firms in Scotland were generating increased volumes of work in the lead up to the pandemic, overall, this work was priced at a lower profit margin. In part, this was due to clients seeking more clarity on fee levels, the demand for fixed-fee models and tighter control on client budgets. This, together with economic disparities on salary levels and the cost-of-operation differences between Scotland and cities such as London, resulted in relatively significant commercial impacts to the firms based here.

As a direct result of this financial pressure on profitability, over recent years, a number of global law firms have merged with well-established Scottish practices. These mergers offered financial stability, growth and the maximisation of client propositions via a global and/or UK-wide service network.



Excluding the cultural and people elements of integration, one of the key platforms for success is technology. IT integration can dictate merger timetables. The smooth and functional importance of operating platforms, workflow management, document creation and billing systems are all critical components to be correctly managed. Partly driven by industry consolidation and propelled forward by COVID restrictions the speed of technological change and innovation in the legal services market needs to pick up pace. Scottish legal firms still have ground to make up before they can claim to have fully revolutionised case load management and workflow through the use of

Increased technological advancements will likely create new roles and opportunities in the Legal sector. For the clients of legal firms and in-house lawyers, the increased global connectivity and reliance on technology highlights the importance of lawyers in identifying and reporting on money laundering and other forms of fraud, together with issues such as cyber security, compliance and business ethics.

Indeed, Brexit, increased regulation, GDPR and corporate governance have continued to dictate the direction of the legal market. Legal firms have shown resilience in using these changes to their benefit. Clients have required additional

## “TECHNOLOGY OFFERS NEW OPPORTUNITIES AND GREATER EFFICIENCY TO BE EMBRACED.”

technology. At its best, once captured at source, information should never have to be retyped or reformatted. Technology and automation should encourage and enable everyone – secretaries, paralegals and partners – to work at the higher level of productivity, removing the need for the repetitive tasks that still permeate the profession. Technology offers new opportunities and greater efficiency to be embraced.

support and advice around the potential impact of impending regulations and the implementation of new frameworks and this has led to an increased demand for solicitors with regulatory and immigration experience, ensuring companies do not fall foul of regulatory changes, and that their workforces are fully protected.



MARKET COMMENTARY:  
LEGAL

# Looking Forward

The main challenge for private practice firms remains retaining the best talent in a limited candidate pool. Individuals will continue to move companies for good opportunities but only those that offer development and progression. Firms have to be aware of how to attract the best talent over and above their competitors, differentiating themselves by offering flexibility, access to cutting edge technology and clear outlines on progression.

For those organisations with in-house legal representation, the challenge will be how to retain and engage mid to senior level staff who may be seeking the next step on the career ladder. Observationally, in-house legal teams tend to be relatively small. Many operate as part of a micro team or are standalone. Individuals in these positions may potentially hit a career ceiling more quickly than in private practice. That said, the percentage of the profession made up of in-house lawyers, both public and private, is expected to grow. This reflects the changing requirements of companies and organisations on legal representation and reporting, and the increasing attractiveness of these roles for practising lawyers. However, the dual pressures of strained private and public sector resources and the drive towards corporate efficiency will result in these role holders being expected to do more, with less.

Whilst there is a strong female representation in the Legal sector, the progression of women to more senior roles remains a challenge. Female solicitors still only represent around 30% of partnership positions. Whilst research indicates that black, asian and minority ethnic (BAME) numbers are broadly in line with the Scottish population, there are still issues around career progression which need to be addressed. These points are magnified by the 20% gender pay gap in the Legal sector and the emerging evidence on the disproportionate impact of COVID on working women.

Despite the global and national impact of COVID-19, Brexit and the continued threat of an additional vote on Scottish Independence, the Legal sector should remain in a relatively positive stance. The sector has rebounded and stabilised quickly since the initial March 2020 lockdown and adapted positively since this point. It has showed overall resilience and tenacity. Industry turnover is yet to fully recover; indeed, it may take some time to do so, but the tide will turn.

From a corporate perspective the demand for legal support and representation is closely aligned to the Scottish economy. Unemployment levels, as a direct result of COVID, have been pronounced in Scotland given its reliance on the hospitality, retail, tourism and the services sectors. Companies

to navigate these difficult waters. The current commercial and personal turmoil will result in increased demand for skill sets in corporate restructuring, insolvency, litigation and family law. In addition, there will be a continuous flow of demand for lawyers to advise clients on Brexit as the current arrangements unfold and evolve. Advising clients on employment rights, imports, exports, expansion, registrations and the legal operating models of other countries. There will also be an increased demand on governance as more clarity is required on how businesses should be operating, and what should be reported on.

From an agenda perspective climate issues have been somewhat hampered by the immediate threat of COVID-19. However, this topic will soon regain its place on the centre stage. As such there will be reignited demand in legal support in the renewables sector.

## PERMANENT SALARY PER ANNUM (£'000s)

Role	Experience (Years)							
	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years +	
<b>Private Practice</b>								
Civil Litigation	26-35	28-35	32-37	34-38	36-40	38-42	40-45	44-50
Commercial Litigation	34-40	35-42	40-43	41-45	42-47	44-50	48-55	52-62
Commercial Property	35-46	36-44	39-44	41-46	43-48	47-53	50-56	54-65
Private Client	31-38	32-39	34-41	38-42	40-44	42-47	44-49	48-56
Corporate	38-46	37-43	41-45	42-48	46-50	48-56	53-63	61-72
<b>In-house</b>								
Financial Services	35-42	37-42	40-43	42-47	46-56	52-58	56-64	62-74
Public Sector	31-34	32-35	33-36	35-39	37-40	38-42	40-45	44-50
Industry & Commerce	34-40	36-41	37-42	40-46	44-53	50-56	55-63	64-70



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OUR SALARY GUIDE

## Methodology

The purpose of this guide is to provide insight into current salary and employment trends in the asset management, accounting & finance, asset servicing, legal and wider financial services sectors in Scotland.

The salary ranges quoted are indicative of salaries candidates with similar experience might expect to earn in 2020, and are exclusive of bonus and benefits. Contract and temporary day rates are based on a seven-hour day.

The information in this report is provided as a general guide only. Salary data is gathered from registering candidates, job offers and placements made through Core-Asset Consulting in 2020, including data gathered from our clients and our extensive database of candidates.

Additional market insight is provided by our consultants' knowledge and experience of market conditions.



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