



BEACON LEGAL
SPECIALIST LEGAL RECRUITMENT.

**LONDON SALARY &
MARKET REPORT -
PRIVATE PRACTICE**

MID 2022

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MARKET UPDATE

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2022 AND BEYOND

In the first half of 2022, the legal market in London offered a significant number of vacancies for Australian and New Zealand based transactional lawyers who wanted to relocate. The summer holiday months in the UK, along with geopolitical and economic uncertainty, has caused the market to stabilise in mid-2022 and we have seen a shift in hiring patterns from the large law firms.

In this Report we will discuss the main areas of demand from the London law firms, what we expect during 2022 and into 2023 and the impact of these trends on salaries.

Market conditions, the gap between supply and demand and intense competition for talent have contributed to average salaries for lawyers increasing significantly over the past 12 months in London.

We hope you find the Report useful. As always, if you have any questions about the content of this Report, or would like advice to assist your relocation to London, please don't hesitate to contact us.

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MARKET UPDATE

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LONDON SUMMARY

The first half of 2022 began where 2021 left off - with record levels of hiring across all transactional practice areas, which included numerous opportunities for Australian and NZ lawyers who wanted to relocate to London.

What were the main contributory factors?

- Demand from London In-House Legal teams: during 2021 and 2022 we have seen more lawyers than ever leave the top law firms in London and move In-House, usually when lawyers are between 3-6 UK PQE. In-House salaries increased 10-20% compared to 2020, which along with the lure of a more commercial role and favourable work-life-balance, contributed to the high volumes of new vacancies posted by the leading law firms as they back-filled positions.
- Strong M&A market: deal flow in the London and US markets reached a record high in 2021 and 2022, which helped create numerous new vacancies for M&A, Private Equity and transactional lawyers. Areas such as Competition and TMT were also hiring increased volumes of roles, as the top firms remain busy across all non-contentious practice areas due to a strong deals market.



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LAWYER RETENTION

The large London law firms are implementing initiatives and enhancing benefits in an attempt to retain staff in a competitive recruitment environment. Here are some key trends:

- Resignation rates in law firms have increased, with lawyer attrition levels increasing by 10% compared to previous years, as many lawyers take advantage of market conditions.
- Most firms have enhanced their benefits package, including revamping upwards bonus structures, wellbeing programmes and support, increased flexibility and WFH options and training and development opportunities.
- A number of firms have reported that Partners are being encouraged to spend more time engaging with and mentoring their lawyers, which historically, has been an area where lawyers have reported shortcomings from a career development perspective.
- Firms have reviewed their lockstep salaries upwards, which we discuss later in this Report.
- Law firms are now promoting staff at an earlier stage in their career to retain them. To be promoted to Senior Associate, generally the benchmark was 6 PQE, whereas a number of firms revised this to 5 PQE in 2022.



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REMUNERATION

Two Magic Circle firms raised their NQ salaries to £125,000, whereas the other three held their salaries just below £110,000.

Junior to mid-level lawyers received strong remuneration increases of circa 20% during 2022.

Remuneration reviews for Senior Associates have been typically in the range of 8-10%.

Bonuses were typically 15-25% at UK firms and 25-35% at premier US firms.

WHAT DO WE EXPECT IN H2 2022 AND 2023?

We expect the recruitment market in the second half of 2022, and 2023, to stabilise, as law firms look to consolidate their teams after an unprecedented hiring spree over the last 12-18 months. We expect opportunities for transactional lawyers to remain plentiful, especially within the Magic Circle and top US firms.

We have begun to see more disputes roles materialise since mid-2022 and we expect this trend to continue for the rest of the year.

We advise that if you are an Australian or NZ lawyer looking to relocate to London, beginning the process as soon as possible in 2022 will give you the most options, whilst the market remains positive.

If you would like advice regarding opportunities specific to your experience, timing for applications, visas, salaries and logistics, get in touch today and we will be happy to assist.

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SALARY TABLES

All figures are shown in GBP

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MAGIC CIRCLE FIRMS

PQE LEVEL	£ Range
NQ	107,500 - 125,000
1	115,000 - 130,000
2	130,000 - 135,000
3	140,000 - 150,000
4	145,000 - 160,000
5	160,000-165,000
SA 1	165,000 - 170,000
SA 2	175,000 - 180,000
SA 3	185,000 - 190,000

SILVER CIRCLE AND TOP CITY FIRMS

PQE LEVEL	£ Range
NQ	90,000 - 105,000
1	95,000 - 110,000
2	100,000 - 115,000
3	105,000 - 125,000
4	115,000 - 135,000
5	120,000 - 140,000
SA 1	130,000 - 150,000
SA 2	135,000 - 155,000
SA 3	140,000 - 160,000

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ELITE US FIRMS (CRAVATH SCALE EQUIVALENT)

PQE LEVEL	£
NQ	160,000 - 170,000
1	170,000 - 180,000
2	180,000 - 190,000
3	190,000 - 205,000
4	215,000 - 240,000
5	230,000 - 250,000
SA 1	250,000+

OTHER US FIRMS

PQE LEVEL	£
NQ	140,000 - 150,000
1	150,000 - 160,000
2	160,000 - 170,000
3	170,000 - 190,000
4	190,000 - 205,000
5	205,000 - 225,000
SA 1	220,000+



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CONTACT US

Alex is a former UK Silver Circle lawyer and has over 9 years' experience placing Australian and NZ lawyers into the Silver Circle, Magic Circle and US law firms in London. Alex is the 'go to' Australian based recruiter for the top London law firms when they are looking to hire antipodean lawyers.

Get in touch today and Alex will be happy to brief you on the market, hiring processes, timings for applications, live vacancies and everything else you want to know.



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