



# Salary Survey

In-house Legal

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## 2020: The Year When Everything - and Almost Nothing - Changed

Overshadowing everything since around March 2020 has, of course, been COVID-19. This has resulted in the most significant global recession since the Great Depression in the 1930s. The disruption and upheaval the pandemic wrought ultimately means the economic challenges will continue to evolve and dominate in the years to come. The crisis has placed the legal department as well as the role of General Counsel squarely in the eye of the storm. Arguably, the function's potential contribution to their business has never been broader or more significant. The arrival of Brexit at the beginning of the year, coupled with regulatory pressures still being felt from years past, means the in-house counsel role is still as vital as ever. Few would have envisaged in 2019 that they would be weighing up everything from vaccine clauses in employment contracts through to the Italian employment law liabilities raised by a PM or trader working from their loggia in Perugia.

The past year has also seen Brexit finally happen for most of the country, with the exception of the City, where the optimism for securing any equivalence is low - but did the Europeans miss a trick by not nailing UK Finance's tail down here with the wider agreement? Regardless of the result, the implications of this divorce will play out for years to come for lawyers. Remote working and the imperative need to hastily assimilate to altered working practices, has forced businesses to ingest unforeseen risks at a rate of knots, and increased GDPR and corporate governance regulations have also had a major impact in this period. The sheer workload has increased considerably. What has all this meant for in-house legal salaries? So far, surprisingly little.

It is particularly striking in the context of the ostensibly volatile times we find ourselves in, that legal salaries remain relatively stagnant. Banks have traditionally taken the recession as an opportunity to realign their legal teams with rationalisations in some areas and hiring in others, meaning some redundancies, but overall the pay for incumbents has largely held up in total compensation terms. Consolidation on the buy-side with the mergers of some key players has led to limited opportunities in the sector, reducing pressure on salary inflation. There has been less movement within the senior level of the in-house legal market, with fewer General Counsel, Heads of Legal or Senior Legal opportunities.

Possibly as a result of a reluctance to make such a business-critical senior hire without meeting the candidate face-to-face. Results across alternative investors have been mixed and consequently, packages have been highly variable. Our data indicates that basic salaries overall have increased barely and not in real terms at 1%, while bonuses have taken a more significant hit with an average 16% decrease. Some industries have returned to growth mode; parts of M&A, broker-dealers, financial technology, private investors, venture capitalists, and we have seen modest increases for lawyers at those firms.



Legal professionals have responded by working longer hours than ever, often the removal of the commute from their working week has simply been offset by logging on earlier and finishing later. Most lawyers have indicated a preference for some form of WFH arrangement with any new potential employer and at time of writing most firms are still working out their position on this. Expectations among both existing staff and the candidate pool for compensation uplifts are heavily managed, indeed many saved a great deal last year, but the extreme prudence of job seekers in 2020 has been replaced by a buoyant, albeit cautious, recruitment market in Q1 2021. What is fascinating is the potential for significantly greater levels of activity as this year plays out and what impact that will have on salary inflation. The UK's impressive rollout of the vaccine, coupled with the expectation that some return to normality could arrive this year, could add to that upward pressure.

The pandemic, as they say, has acted as a catalyst for macro changes that were already happening. The new technology that has shaped our communication throughout the pandemic is also changing the legal recruitment market in two very distinct ways. Firstly, the candidate market has become much more liquid – it is no longer necessary for candidates to schedule interviews days and weeks in advance or book a half-day off – they can interview at lunch over zoom. Recruitment processes are compressing, and firms will need to respond to this new process reality by identifying preferred candidates and securing them earlier. Finally, the number of candidate registrations we have received so far this year is the highest we have ever recorded. The Harvard Business Review cited small office “watercooler” interactions as being crucial to establishing trust and staff retention. Or what Australia's most successful NRL coach, Wayne Bennett, simply called “mateship”. Those social-corporate bonds are eroding and there is something about a quiet home-working environment that lends itself to deep career and self-reflection. Moreover, it is easier than ever to talk to your trusted headhunter.

The number of organisations planning to take on new in-house lawyers is currently low, but so too is the number expecting to make redundancies – not surprising given the expected workload to come. Around a third are expecting to recruit extra personnel, but the current uncertainty has led to hiring freezes. This could change quite quickly. Good lawyers remain in demand but that will be subject to their specialisation and the appetite to move in-house among mid-level practice lawyers remains very high which makes it a quite competitive market for candidates.

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### Disclaimer

*This salary survey is designed to represent an indication of the most up to date compensation information available relating to In-house lawyers across the UK financial services market. It is important to note that these are not definitive and exceptions do exist at either end of the salary spectrum. The firm size/headcount and jurisdictional coverage, risk profile, product complexity, profitability, experience, strategies and other elements will all feed into a more accurate market rate. This survey is intended to provide guidelines. For a more definitive assessment, [please contact one of our consultants.](#)*



## About Tevia Kretzmer

Tevia Kretzmer is a Legal and Compliance Manager at Rutherford. After obtaining his BA (LLB) from the University of Johannesburg, Tevia began his legal career at Johannesburg law firm specialising in commercial litigation with a focus on the oil, energy and property sectors.

Upon being admitted as a qualified attorney, he pursued his LLM in International Commercial law at the University of Kent, where he obtained a first. Tevia specialises in recruiting in the In-house Legal sector within the financial services space. His clients include leading banks, asset managers, alternative investors and fintechs.

### Contact Tevia

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# financial services

<i>GBP per annum: base</i>	Hedge Funds	Asset Management	Private Equity	General Banking/ Finance/ Corporate	Retail (Retail/ Consumer Lending)	Brokers/ Exchange/ Market Infra	Fintech	Payments	Insurance
<b>NQ - 2 years</b>	70-100K	65-95K	70-95K	70-95K	60-75K	65-75K	65-75K	60-75K	60-70K
<b>2-4 years</b>	90-110K	85-110K	85-110K	95-105K	65-80K	75-85K	65-90K	65-80K	70-85K
<b>4-6 years</b>	95-125K	95-120K	95-120K	105-120K	75-95K	80-100K	75-100K	70-95K	75-100K
<b>6-8 years</b>	100-130K	100-130K	115-130K	115-135K	90-110K	90-120K	85-105K	90-110K	85-105K
<b>8-10+ years</b>	140-160K	130-150K	140-160K	125-145K	95-115K	120-145K	90-125K	90-115K	95-120K
<b>Head of Legal</b>	160-250K	150-200K	160-250K	150-200K	110-140K	130-170K	115-175K	110-160K	115-160K
<b>Managing Director / General Counsel</b>	220-350K	220-300K	220-350K	220-350K	150-220K	150-250K	170-250K	150-240K	150-240K

