

Legal Recruitment News September 2025

Welcome to the September 2025 edition of Legal Recruitment News. It includes our legal job market report, locum hourly rates, a solicitor salary guide, articles on PII and law firm sales, MOJ seizing client interest, writing references and a spotlight on one of our charity donations. You can read the entire content below in an email, or read the newsletter in PDF format at www.legal-recruitment.co.uk.

Legal Job Market Report - September 2025

Here is our summary of the current state of the UK legal job market.

Locum Recruitment - Steady

Our locum department feels like it has emptied out in the last week or so; although there remains a significant amount of activity, we are much quieter than we were last month. One trend that is yet to show signs of slowing is the ever increasing hourly rate for certain types of locum. Conveyancing locums seem to have been able to attract rates not seen before this summer and there are no signs yet of any significant drop. Locum assignment updates here.

Permanent Recruitment - Quiet

Permanent roles are generally a bit muted, although there is still activity from both candidates and firms. There remains a huge gap between actual interest in roles from candidates and vacancies being posted. August was surprisingly busy for new permanent roles being posted with us, with the majority of these being for property linked positions. We think some of this was the eye-watering cost of using conveyancing locums this year, which has focused the minds of some law firm partners on permanent recruitment. Permanent vacancies can be viewed here:

https://www.ten-percent.co.uk/vacancies/

Law Firms for Sale - Quiet

The law firm market is getting busy and it remains a good time to list. Enquiry levels will remain high until the start of December, so any new listings will attract interest. As we rapidly approach the traditional renewal period for PII insurance at the end of September we have started to see an increase in the number of buyers looking for small law firms for a quick sale. A number of deals have gone through recently.

<u>Full details of firms currently for sale on our website</u> - list updated daily. For valuations, exit planning or a confidential discussion about a potential sale or acquisition generally please call 0800 246 5016 or email jf@jonathanfagan.co.uk. You can also download our free detailed guides on <u>Buying a Law Firm</u> and <u>Selling a Law Firm</u>.

Ten Percent Group statistics for August 2025 (2024 figures in brackets)

- New locum roles added 19 (28)
- New permanent roles added 24 (11)
- New candidates added 43 (66)
- New firms listed for sale: 3
- Firms for sale: 43
- Deals going through (heads of terms signed): 17

Commentary:

Locum roles have declined, but permanent jobs have increased by over 100%. Although the numbers are small, they do point to firms wanting to try to recruit permanently this year. With the cost of locums increased this year, particularly for residential & commercial conveyancing, it may be that firms are simply trying to get round the increased cost of locums by attempting to recruit on a permanent basis. Candidate numbers are down significantly, but we have no clear indication at this stage as to why this is.

KPMG & REC Report on Jobs UK

This is a monthly report prepared by KPMG following a questionnaire sent to over 400 UK recruitment consultancies, including ourselves.

- Permanent and temporary labour availability rises rapidly
- · Recruitment activity falls at softer, but still marked rate
- Starting salaries increase at softest pace for four-and-a-half years

Commentary from Jon Holt, CEO of KPMG UK

"The business trading environment remains complex and it is still a mixed picture when it comes to reported business confidence. This complexity, coupled with a subdued economic outlook, means chief execs continue to pause their future spending plans, including hiring. Given the speculation around upcoming Budget measures, it's unlikely we'll see a significant shift in recruitment patterns in the near term as businesses evaluate

their investment strategies in response to policy commitments and the rapid pace of change brought by AI and new technologies."

Commentary from Neil Carberry REC CEO

"Employers need a shot of confidence along with their seasonal flu jabs this autumn. August saw recent declines in the market moderating, and a few positive signs. Overall, permanent placements are declining at their slowest rate since May, and the reduction in temporary billings also eased. There is certainly potential out there - but with fewer vacancies and more candidates looking for work, the overall picture is still subdued. While we have seen a summer slowdown, we will hopefully see more positive signs when the September data come through next month. All eyes are now on the Autumn Budget, in hope now that the Chancellor won't do any further damage to the labour market with costs on hiring."

Interim Lawyers - Hourly Rates of Pay for Locum Solicitors and Legal Executives September 2025

NB: Remote Working Role rates are about 10% lower.

- Civil Litigation £45-£65 per hour
- COLP/COFA roles (temporary) £50-£150 per hour/monthly retainer of £2-3k
- Commercial Contract £35-£75 per hour
- Commercial Litigation £50-£125 per hour
- Company Commercial £60-£120 per hour
- Construction (non-contentious) £80-£110, (contentious) £60-90 per hour
- Conveyancing £45-£55 per hour
- Commercial Property £45-£65 per hour
- Employment Solicitors £50-60 per hour
- Family Solicitors (Legal Aid) £40 per hour
- Family Solicitors (Private) £45-£55 per hour
- Family (Child Care LA) £40-£45 per hour
- Immigration Lawyers £30-£55 per hour
- In House Counsel: 0-3 years PQE £35-£50 per hour
- In House Counsel: 3+ years PQE £50-£110 per hour
- In House Interim Lawyers (SMEs) £60-£85 per hour
- Insolvency £50-£55 per hour IP £55-80 per hour
- Personal Injury and Clinical Negligence 3+ years PQE £40-£50 per hour
- Professional Negligence £45-£55 per hour
- Property Litigation £45-£65 per hour
- Wills & Probate £40-£60 per hour
- Locum Legal Cashiers £25-£35 per hour
- Locum Paralegals all areas £20-£30 per hour

We have an online calculator to convert hourly rates to salary equivalents - **click here**

. NB all rates exclude agency fees. The rates are for self-employed locums billing firms directly on a weekly basis. These are the ranges we have seen over the last 30 days from assignments.

Ten Percent Legal Salary Guide - September 2025

Each month we publish a list of any salary levels we become aware of from employers in relation to jobs offered and salaries indicated. These are the salaries we have had indicated by law firms to us for 3 years PQE and upwards. London figures in brackets where relevant.

- Commercial In House Solicitor (General) £80k £120k (£85k-140k)
- Commercial Litigation £45-£70k (£50k-£95k)
- Corporate Commercial £50k-£150k (£65k-£175k)
- Construction £65k-£95k
- Commercial Property £55k-£100k
- Insolvency £60k-£75k
- IP £55k-£90k
- Professional Negligence £55k-£75k
- Crime £40-50k
- Civil Litigation £45k-£60k
- Conveyancing £45k-£75k (£70k)
- Employment Solicitors £45k-£55k
- Family Solicitors £37k-£50k
- Immigration Lawyers £37k-£75k
- Personal Injury and Clinical Negligence £40k-£60k
- Property Litigation £50k-£70k
- Wills & Probate £45k-£65k

Support Staff

- Office Manager £40-60k
- Legal Cashier £30-40k
- Senior legal accounts professional £40k-50k
- Secretary £23-28k
- Paralegal £22-27k

Candidate Salary Expectations

Candidate salary expectations are very often higher than salaries being paid to existing staff within a law firm with less than a £2 million turnover. We regularly view staff lists when

valuing law firms via our business broker service, and the salaries being paid by law firms to existing staff are invariably lower than candidate salary expectations for similar roles. There is also a huge disparity at the moment between expectations for remote working from candidates compared with firms' requirements - hybrid working is becoming the minimum requirement for a significant proportion of candidates.

Salary Level Assistance

If you would like assistance with salary levels, please contact our specialist permanent recruiter, Peter Gresty FIRP. Email pete.gresty@ten-percent.co.uk.

PII and Law Firm Sales - Top Tips

Its that time of year again when professional indemnity insurance becomes a driving factor for law firm buyers. Renewal premiums are sent out and certain firms & individuals are in urgent need of acquiring a law firm of some sort and doing it quickly. These types of deal tend to be time driven, and are usually unsuitable for most sellers looking for an exit. However, it does bring up a number of points relating to PII and selling law firms. Here are our top bits of advice (and those we spend time on the phone each week talking about!).

If your law firm has an outstanding PII claim against it, it will be hard (if not impossible) to sell

Possibly goes without saying, but we get a lot of calls on this. If you have an outstanding claim against your firm, it is highly unlikely anyone will want to a) buy it or b) take it off your hands. In these cases continuing to trade tends to be the best option as even though your insurance may go up, it will also come down in future. Buyers look at PII premiums as a guide for whether to make an acquisition and a high premium will put most off. Work through the crisis period and look for a disposal in the future when the premiums have gone down.

PII brokers are not your friend

When it comes to law firm sales, PII brokers seem to spend a lot of their time trying to scupper deals going through by demanding lots of information about prospective buyers and/or increasing premiums wherever they can. This may be an unfair generalisation, but are there insurance proposal forms for other professions that have similar questions on them to these (all taken from broker proposal forms this year)?

- I/We [..] intend to undergo any change in structure (e.g. Conversion to LLP or Limited Company), succession, merger, change of member(s) or partner(s) Yes/No
- Does the Policyholder plan to succeed, purchase or merge with any Practice in the next 18 months?

Is the Policyholder intending to become an ABS or MDP in the next 12 months?

Does your broker really have the right to know about your business thinking - what does it have to do with them before any actual event? The only reason they would ever want to know this (we think) is to work out how much extra to charge you. We have also heard horror stories of PII insurers only offering short periods of renewal cover because they have been informed of intentions to sell or close a business. Be very careful indeed.

Converting to a Limited Company Improves Saleability

Although your PII cover will need to increase, it is much easier to sell a limited company law firm than it is a sole practitioner. Even if the firm is effectively a sole practitioner operating via a limited company it is easier to sell. Your PII premiums will probably increase; £3 million of cover is required for a limited company as opposed to £2 million for a sole practitioner. It tends to be the PII that causes any holdups in what should be a fairly simple conversion.

Insurers want you to pay run off cover

When an SRA regulated law firm closes down, PII insurers require run off cover to be paid. If an SRA regulated law firm carries on trading, or is acquired by a successor practice, no run off cover is paid. Run off cover usually costs c2.5-3.5 x most recent premium, and can be ruinous for anyone having to pay it, particularly when PII premiums are high, for example in conveyancing practices. From the PII side, it is potentially very profitable business.

As a result of this, it is very beneficial to find a successor of some sort when you want to make a disposal of a practice. Unless you practice in a very low risk area of law (eg family, immigration or crime), closing down your business is going to cost a substantial amount of money. Finding a successor prepared to take over will remove the liability. Insurers are very much aware of this.

Selling prior to renewing PII is rarely a good idea

We often take calls from sellers wanting to sell up before they have to renew their PII insurance. Makes sense, I guess. Sell the practice, walk away without having to stump up the insurance premiums or go through the renewal process.

However it is rarely a benefit to anyone. As a buyer, if I plan to purchase an SRA regulated law firm which is coming up to renewal, I will be very aware that an insurer could decide that I am high risk and decline to renew the insurance. If I purchase a firm that has 12 months worth of PII cover already in place, and the correct notifications to insurers have been made (eg new partners, new structure, new owners, new areas of law) and I know that I have insurance for the next 12 months confirmed, this business has a lot more value to me than the former. As a seller, it is very possible a buyer will want you to hang around

until the PII has been renewed, which may mean you are tied into a business for much longer than expected.

PII drives the sale/merger process

Often, it is not the SRA authorisation side of the sale process that causes hold ups or issues for sellers and buyers; it is the PII. Buyers tend not to be too put out by the SRA process - after all if a solicitor acquires another solicitors firm, the process is usually to fill out a form to notify the SRA. The only sticking points and delays tend to be caused by disciplinary issues and conditions on practising certificates, as well as any planned conversions to ABS or non-lawyer owners being involved.

PII is a completely different ball game. New partners, new owners, new types of law all seem to cause jittery insurers, who then start to fire off forms, demands for business plans, CVs, details of previous law firm work and much more besides. Delays almost always arise around the PII and this is the area to concentrate on if you are considering an acquisition or sale.

MOJ Looking at Client Interest - Likely Impact on SME Law Firms?

The Law Society Gazette has been reporting recently on the MOJ looking at client interest in law firms and whether this can be removed from businesses and used instead to cover some of their legal aid costs.

We can see what effect this will have on some SME law firms. Our law firm valuation work means that we view accounts for a wide range of law firms, whether they are specialist property or litigation firms, and we can see what effect removing client interest will have on profitability.

What's Happening (a brief overview)?

The MoJ) is considering an 'Interest on Lawyers' Client Account (ILCA)' scheme that would divert interest earned on solicitors' client accounts to support 'access to justice'. There have been consultations and apparently the MoJ are considering the possibility of taking the 'full benefit' of client-account interest from all firms, with funds potentially fed back into legal aid. There is no intel available on who would run the scheme and how it would be governed, whether the MoJ would operate a central client account, whether all interest would be taken, or if clients would still receive a "fair sum", nor how the money would be used and which services would benefit. The MoJ says 'no decisions have been made' on the scope of the scheme. Their position is simply that "this government is committed to improving access to justice for those that need it. We are exploring the possibility of an Interest on Lawyers' Client Account scheme and will provide an update in due course."

If MoJ Seizes Client-Account Interest, What Changes for SME Solicitors' Firms?

If the MOJ goes ahead with this, the main issue as far as we see it for a number of law firms will be their level of profits and turnover. Time and time again we come across law firms with a heavy concentration on conveyancing, who currently receive 5%-25% of their net profits from client interest. This is a very recent phenomenon - in previous years interest payments have been virtually zero at most firms. Examples include one firm with a good sized conveyancing department (£500k turnover) generating less than 0.5% of gross profit from interest. Another is a firm with a c£1 million turnover generating about 25% of gross profit from interest received. There is a really marked difference from one firm to another; I suspect in part simply because firms have differing approaches to accounting for interest and also because others have not changed accounts to benefit from increases in interest rates in recent times.

Some law firms will not be able to continue to trade if this change goes through due to the severe reduction in profit levels, others will be able to soak it up. It may result in a forced increase in fee levels for conveyancing in particular. Firms will presumably need to start either collecting money on behalf of the MOJ and sending it to them in the same way as accounting for VAT, or the MOJ will set themselves up as a centralised client account. Either way, a large sum of money will be immediately removed for some if this proposal goes through.

Valuations

In terms of law firm valuations, the change will be very minimal. We have always discounted interest from our valuations mainly because most professional buyers discount interest paid & received from their calculations (especially if they are using EBITDA formula models) but also because we were aware this change has been proposed for some time. Profit generated from interest will never be a factor in valuing a firm, although it can be considered in the round when considering cashflow and overall saleability.

Based on the variety of accounts we have seen for firms in recent years I doubt that it will force many firms to close down, but it will be a significant reduction in profitability for certain practices focussing on conveyancing. Some firms are going to be hit very hard indeed by this proposal, others will not care at all.

References - Are They Obsolete?

Talk to any employer and you'll hear the same refrain: references are increasingly bland, often limited to dates and job titles. It has become a bit of a competition amongst certain HR departments to give as little information as possible. Interim Lawyers (our locum platform) requests references from a wide range of firms on a daily basis and we see the

full range. The vast majority of references simply confirm that a person worked for a firm between two dates with a job title, and thats the lot.

There is an assumption, long established, that a referee owes a duty of care to the reference subject to take reasonable care in preparing a reference. The general guidance on writing them is that the reference must be 'true, accurate and fair overall' and not give a misleading impression even if individual statements are correct. We understand that employers are not under a legal obligation to provide a reference at all unless there is a contractual provision.

Are they obsolete yet?

Not at all. They can be incredibly useful for verifying the accuracy of a CV. A minimal reference (very common) will always confirm the dates that someone worked at a firm, their name and their job title. As an absolute minimum it can serve as a check on recent employment history.

What they don't tend to do is give any idea of how someone is going to perform in a new role. It is important to remember that a reference is not a warranty of future performance; it's a snapshot of past facts.

How Are References Used?

Most employers use them as a tick box exercise. Professional indemnity insurance policies sometimes include contractual provisions to say that firms have to hold 2 references on files for all consultants and employees. Quite a lot of the time they sit alongside right-towork, DBS checks, social media & internet sweeps, skills testing and a probation period (3 months is the norm but we are increasingly seeing 6 months in contracts).

Locums can struggle to get them. Firms are very often reluctant to provide references for locum assignments, simply because they are a) worried they are going to be bombarded forever by potential future hirers and b) the locums are contracting on a business to business basis, so references are more like testimonials. The relationship is outside the usual employment arrangement, so there are differing expectations.

Contents of a Good Reference

We see the following in a good factual reference.

1. Identity and chronology

Full name, role(s), employment status (employee/contractor/partner), start and end dates. A bonus extra would be a brief description of responsibilities or practice area (eg claimant PI litigator; conveyancing fee-earner handling c. 60 files).

2. Performance and conduct

Useful to see, but fairly rare. If you comment, you must ensure the opinion is genuinely held, based on substantiated facts, and presented fairly.

3. Attendance record

This is the bit we are always interested in as employers, but also the section that quite often is missing from references!

4. Disclaimer

Usually added to all corporate references - reference given in good faith, no liability, provision of information does not imply negative or positive comment, etc etc.

If you want to write a negative reference, how do you do it lawfully?

Not recommended at all. We occasionally see them - comments such as "George is a nice chap, but we felt unable to allow him to see clients." "Margaret was very good at her file work, provided she had sufficient secretarial, paralegal and assistant solicitor support." It is much more rare to see "we have had a horrendous experience with Fred - we think he may have a drink problem." We think employers are on safer ground simply by adopting the approach all the large corporates do - name, job title, dates and thats the lot.

Are references obsolete?

No, but they have become a lot less important. They should really only be used to confirm dates and job titles, rather than to assess how good someone has been in a role. Work tests, probation periods, social media and internet checks are all very good ways of assessing candidates and can all be effectively used alongside references. Personal references tend to be really valued; if you have a reference from someone writing in a personal capacity, they can be so much more relevant and interesting. Line managers are particularly good at writing references from the heart and can really assist with the process.

The Ten Percent Group donates £500 to the PACE Charitable Trust

Nominated by Lekh Birdy, a solicitor based in Essex, the Ten Percent Foundation have recently donated £500 to the PACE Charitable Trust. Krishna Birdy, who is one of the trustees, said: "Thank you for your very kind and generous donation. This will certainly provide more opportunities to support those marginalised to experience and actively participate in physical activity programmes, particularly boccia, have opportunities to socialise and make new friends, whilst developing their communication skills and physical function."

Further Information about PACE

PACE is a registered charity, founded in June 2004 by a mother of a severely disabled daughter with cerebral palsy. Consultations were held with families of disabled children which highlighted a need for a fun environment where their children, friends and siblings could all meet and participate in accessible activities together. This led to the

development of PACE which offers opportunities for people of all ability levels to actively participate in sport and physical activity programmes at a level of their choice. PACE quickly mushroomed into a club offering a wide range of sports (cricket, table-top games such a polybat, sitting volleyball, basketball, slalom, boccia to name but a few) adapted to ensure active participation. Its main beneficiaries are people with severe and complex health conditions, communication difficulties, physical and learning impairments. It also offers bespoke physical activity programmes in the community to schools and colleges, day centres for adults with complex health conditions and other disability organisations. PACE was awarded The Queen's Award for Voluntary Service in 2021. The key sport PACE delivers is Boccia, a paralympic sport and the only one for people with a neurological condition from grassroots to international level.

The club has grown organically, our members (participants and volunteers) all have opportunities to progress within the club and become Team Leaders and community coaches. For example, one member, who has cerebral palsy, began at the club when he was 14 years old (in about 2006). At age 19, he began volunteering with PACE, then after taking some accredited qualifications, through PACE, he gained his Level 1 in Coaching Boccia. He began assisting our Head Coach (another volunteer who has been with the club since it began in 2004), and after gaining experience he gained his Level 2 and became a fully qualified coach. He now coaches in the community, at day centre and even at his old school. He is a great role model for the pupils and an inspiration. One of our athletes, who has been under his guidance has just received a World Ranking, Number 15! and he is on the journey to the Paralympics.

PACE has also supported the parents/carers of disabled loved ones, giving them an opportunity for some 'me' time, providing an environment for them to meet socially, exchange information and find out about services in the community they may not know about. PACE has about 20 volunteers and employs two part-timers to oversee the delivery and coaching programmes of our sessions, coordinate and train volunteers in delivery of adapted sports and provide intense coaching programmes for those boccia athletes who wish to compete at national level. The PACE volunteers have also benefitted from the experiences and training they have received through the organisation and many of our volunteers have progressed to become doctors, therapists, teachers and sports coaches. PACE has three trustees. It became a registered charity in 2008 and is in the process of becoming a Charitable Incorporated Organisation (CIO).

PACE hopes to continue its work in the community and to provide opportunities for disabled people to improve their quality of life, and continue to find exit routes to enhance their mental and physical health and develop their communication and social skills.

For further information about PACE, please visit https://pacezone.org.uk/

What is this all about?

Ten-Percent Legal, Interim Lawyers, and Jonathan Fagan Business Brokers donate 10% of annual net profits to charity via the Ten Percent Foundation, a charitable trust set up by our group of companies to distribute monies to charities in the UK and Africa. We have been doing this for over 25 years. The Foundation never incurs any administration costs (other than Triodos bank charges, which are minimal). All monies donated are distributed to charities and community organisations. www.tenpercentfoundation.org

Why do we donate?

We set up our companies over 25 years ago with the intention of being ethical in everything we do. As part of this, we decided that a percentage of our profits should always be earmarked for charitable work and set the rate at ten percent. A sudden burst of inspiration meant we called ourselves the Ten Percent Group.

Peaceful Autumn Getaways in Shropshire



Ludlow Holiday Cottage - Sleeps 4

St Milburga Chapel in the Shropshire Hills is a cosy 4 person, Grade 2 listed holiday home in open countryside overlooking the Clee Hills. Renovated in 2022, it is approximately 10 minutes' drive from Ludlow with its highly regarded restaurants, cafes and independent shops. The chapel is perfectly located for family holidays, weekend breaks and walking holidays. 10% of profits are donated to the Ten Percent Foundation. 10% discount code for newsletter readers: NEWS10

https://www.stmilburgachapel.co.uk

About Ten-Percent Legal Recruitment

We are a specialist legal recruiter, covering both permanent and locum roles across the whole of the UK. Over 12,500 lawyers are registered with us on our own database and we have access to a range of external & internal job boards and websites where we do not have candidates available ourselves. We also assist with recruitment advice and assistance, regularly advising partners and practice managers on suitable salary and package levels. Our company is unique for a number of reasons, including the fact that we are not shy to publish our fee structure and also donate a chunk of our profits to charity each year. We also buy, merge and sell law firms.

The Ten-Percent Group of Legal Recruitment websites gives 10% of annual profits to charity. We have maintained this tradition since we formed the company 20 years ago. So far over £225k has been donated to charities in the UK and Africa including LawCare, Unlock and Reprieve.

We hope you have enjoyed reading our newsletter and look forward to hearing from you if we can assist further.

Warm regards
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