

2022 Barclay Simpson Salary & Recruitment Trends Guide

Compliance & Financial Crime



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Key factors affecting compliance recruitment

The UK jobs market in 2022 has been described as “**super-heated**”, with continuing reports of strong hiring activity, widespread candidate shortages and upward pressure on salaries.

Our research suggests these national trends correlate closely with what is occurring within the compliance and financial crime recruitment market. In addition, we are seeing various political, economic and social factors specifically affect hiring for these roles.

Sanctions activity

The war in Ukraine has shone a global spotlight on the issue of economic sanctions. At the time of writing,

the UK government had sanctioned over **1,000 Russian businesses** and individuals in response to the country’s invasion of its neighbour.

However, sanctions activity has been escalating for some time. The Trump administration’s protectionist agenda resulted in approximately three sanctions being imposed **every day during the president’s term** – a record at the time.

The consequences of falling foul of economic sanctions can be huge. BNP Paribas was famously fined nearly \$9 billion in 2015 for violating US financial crime laws.

And while the market has a great number of sanctions screening

candidates, there are very few advisory specialists. Often, these individuals have to be borrowed from legal departments due to the legally complex material they handle. This is likely to remain the case while the requisite numbers of specialists are trained up to manage rising demand.

Regulatory burdens reshaping departments

Preventing financial crime now costs UK financial institutions **£374,000 a year** on average. Globally, firms spent a total of **\$214 billion** (£167 billion) on tackling the problem in 2021.

Traditionally, only banks faced enough scrutiny to separate their regulatory and financial crime departments.

However, the complexity of navigating financial crime rules and the ensuing pressure from regulators is now great enough for nearly all industries to recruit specialists on each side. Our consultants have increasingly seen this trend in buy-side firms over the last year, with numerous examples of businesses hiring their first standalone MLRO.

The pace of regulatory change doesn’t appear to be slowing down either. Changes to regulations on operational resilience, ESG reporting, consumer duty of care, third-party risks and the Investment Firms Prudential Regime have all either been implemented in 2022 or are in the pipeline.

Diversity and inclusion

The PRA, the FCA and the Bank of England published a discussion paper into diversity and inclusion across financial services in July 2021. Their aim is to build more resilient firms and services that can better cater to the diverse needs of consumers.

While the effect on recruitment is currently limited within compliance and financial crime functions, we expect regulators to place more emphasis on diversity, equality and inclusion (DEI) throughout 2022 and beyond.

Many of our clients are already eager to receive diverse candidate shortlists, with an increasing number requesting recruitment data to track DEI metrics.

In fact, our research shows 66% of organisations that employ compliance and financial crime professionals 'agree' or 'strongly agree' that their current HR processes are effective at ensuring equality of progression for all employees, regardless of gender, ethnicity or other protected characteristics.

Compliance and FinCrime leaders believe the following would best support their organisation's DE&I efforts



Build an inclusive company culture: **60%**



Increase representation in managerial leadership: **42%**



Act on employee feedback: **42%**



Involve the entire employee team: **30%**



Increase representation on the Board: **30%**

Source: Barclay Simpson Salary Survey Data



Permanent recruitment trends

The permanent recruitment market for compliance and financial crime professionals continues to be extremely active. Starting salaries are on the rise, as employers seek to attract high-quality candidates in the midst of ongoing talent shortages.

Finding the right people remains difficult, however. Our latest client survey revealed that 93% of employers are struggling to recruit in the current climate. Of these, a third described hiring as 'very challenging'.

Across most of the disciplines that we recruit for, compensation has often been the biggest hurdle for organisations in their search for talent at the moment. And while 53% of employers of compliance and financial crime professionals did cite salary expectations in their top three concerns,

far more highlighted insufficient technical or regulatory knowledge among candidates (70%).

Strong demand for technical skills is resulting in some candidates receiving offers and counter-offers that are considerably higher than their current salary.

"The compliance and financial crime recruitment market is incredibly busy, and there is a dearth of talent compared with the number of roles available. We've seen some extreme examples where candidates get offered 40% to 50% above their existing base," says Jamal Henry, Principal Consultant, Regulatory Compliance at Barclay Simpson.

Candidates are therefore optimistic about the current state of the recruitment market, with an

overwhelming 96% saying they are confident about their prospects.

Better remuneration remains the prime motivator for compliance and financial crime professionals looking to switch jobs, with 46% choosing this as their top reason for seeking a new role.

But a healthy work-life balance is becoming increasingly important, with over one in five (22%) candidates prioritising this. Interestingly, this figure was higher – albeit nominally – than the proportion of people moving jobs for career development opportunities (21%).

With so many candidates seeking a better work-life balance, flexible working and work-from-home benefits could become a key battleground for employers in the war for talent.

93% of employers find it challenging to find skilled talent today

94% of candidates are confident in the current job market

Source: Barclay Simpson Salary Survey Data

Top 5 reasons for seeking a new role



1. Remuneration



2. Work/life balance



3. Career development



4. Job security



5. Better benefits

Source: Barclay Simpson Salary Survey Data



Contract recruitment trends

Interim staff remain a vital on-demand resource for many organisations. Our data shows more than six in ten employers use contract or temporary employees within their compliance and financial crime departments.

Nearly half (46%) of these do so for specific project work. However, absence cover (24%), support for BAU activities (10%) and the need to leverage subject matter expertise (10%) are also common requirements.

Regulatory technology, or RegTech, is becoming a key driver of interim demand and activity. As financial institutions begin to better integrate new systems into their existing set-ups, specialists who have experience with popular RegTech platforms, such as SteelEye, are needed to optimise the implementation process.

“Moving forward, we’re likely to see rising demand for both interim and permanent compliance professionals who have RegTech skills and are familiar with the latest technologies,”

says Tom Boulderstone, Head of Legal and Compliance at Barclay Simpson.

IR35 changes

New IR35 regulations, which came into force in April 2021, continue to have an impact on the interim compliance and financial crime recruitment market.

While businesses chose different approaches to dealing with the changes, most employers (49%) sought to deem all their contractors as ‘inside IR35’ regulation. Only a quarter made determinations on a case-by-case basis.

Overall, the effect on businesses has been less than expected so far, with only one in seven organisations reporting they have missed out on a desired contractor as a result of their approach to IR35.

However, our consultants are reporting that the changes have led some high-quality contractors to exit the market and seek permanent roles due to being offered lower rates. Others have chosen to set up consulting firms either individually or with other contractors to secure projects via Statements of Work that stay on the right side of IR35.

Talented individuals leaving the interim market will likely have long-term consequences, particularly for BAU activities and absence cover, as these requirements cannot be met by consulting firms under the remit of project work.

How have the new IR35 Regulations impacted you?

38% Will only consider ‘outside’ roles

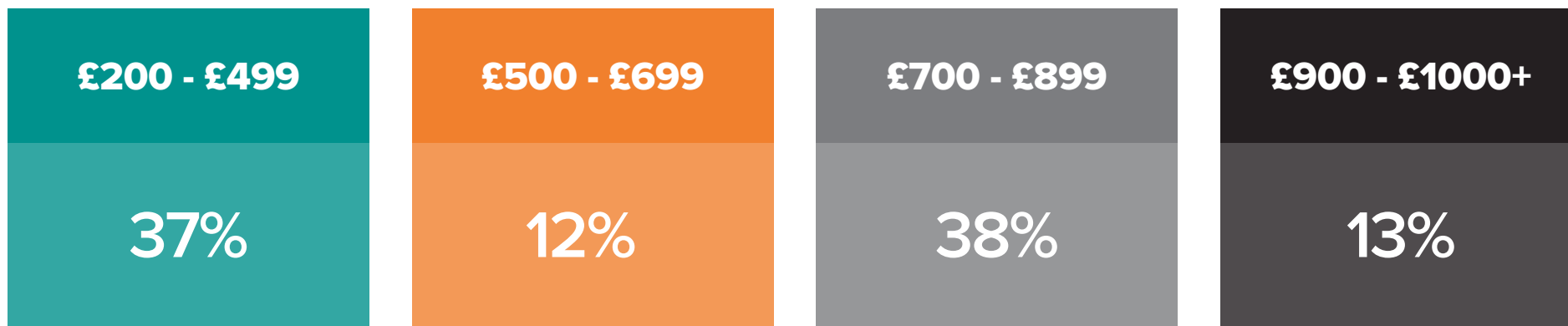
37% Have looked/opted for permanent jobs

13% Have turned down an ‘inside’ role

12% Have looked/opted for FTC roles

Source: Barclay Simpson Salary Survey Data

What is your current daily rate?



Source: Barclay Simpson Salary Survey Data



Salary and bonus trends

In a fiercely competitive recruitment market, employers may need to be flexible to attract suitable candidates.

According to our data, organisations intend to offer their existing compliance and financial crime employees reasonably modest salary increases of approximately 6% this year. But for candidates who make it known they are looking for other opportunities, the reality can be quite different.

“It’s so hard to find good people when everyone is looking at the same time, so we’re seeing counter-offers from firms that are between 30% and 40% of an employee’s current salary,” says Jack Smith, Head of Financial Crime at Barclay Simpson.

Most organisations (78%) also confirmed they are paying bonuses this year, and it is in the wider remuneration package where employers can differentiate themselves from the competition. For example, 94% of candidates say the chance to work remotely is key when considering whether to accept a new role or not.

However, only one in three professionals currently have the option to work fully remote – a figure that is likely to fall as employers encourage more staff back into the office following the easing of pandemic restrictions.

“Some firms are continuing to offer fully remote or very flexible working moving forward. They’ve told us they’re finding recruiting much easier now

because they can handpick the best people from around the country,” says Nick Evans, Senior Consultant at Barclay Simpson.

However, there are concerns among organisations that fully remote working may prevent some compliance professionals, especially at the more junior level, from fulfilling their potential.

“There are many compliance roles where interaction with the business is needed day to day to keep your finger on the pulse of what’s happening. That’s difficult if you’re fully remote,” says Tom Boulderstone, Head of Legal and Compliance at Barclay Simpson.



Private
healthcare: **80%**



Bonuses:
80%



Flexible
working: **78%**



Cycle-to-work
scheme: **42%**



Company stock
options: **37%**

Salaries

Our salary guide tables provide indicative base salary ranges for positions in our specialist areas across locations which provide enough data to give meaningful figures. They are not comprehensive. If you cannot find a salary for your role, or a role you wish to benchmark, please email bs@barclaysimpson.com or call 020 7936 2601 for specific guidance.

Consultancy

Area	Compliance or Financial Crime Assistant/Associate	Compliance or Financial Crime AVP/ Manager	Compliance or Financial Crime VP/ Senior Manager	Compliance or Financial Crime Director	MD	Partner
London	£30,000 - £45,000	£45,000 - £65,000	£65,000 - £110,000	£110,000 - £165,000	£165,000 - £300,000	£300,000 - £500,000
Regional	£25,000 - £40,000	£40,000 - £55,000	£55,000 - £85,000	£85,000 - £130,000	£130,000 - £200,000	£200,000 - £300,000

Private equity and hedge funds

Area	Compliance or Financial Crime Assistant/ Associate	Compliance or Financial Crime AVP/ Manager	Compliance or Financial Crime VP/Senior Manager	Compliance or Financial Crime Director	Head of Compliance or MLRO	MD/ Global Head of Compliance/ Financial Crime
London	£60,000 - £80,000	£80,000 - £110,000	£100,000 - £140,000	£130,000 - £180,000	£180,000 - £300,000	£250,000 - £600,000

Corporate and investment banking

Area	Compliance or Financial Crime Assistant/ Associate	Compliance or Financial Crime AVP/ Manager	Compliance or Financial Crime VP/Senior Manager	Compliance or Financial Crime Director	Head of Compliance or MLRO	MD/ Global Head of Compliance/ Financial Crime
London	£30,000 - £50,000	£50,000 - £70,000	£70,000 - £120,000	£110,000 - £200,000	£200,000+	£250,000 - £400,000
Regional	£25,000 - £45,000	£45,000 - £60,000	£60,000 - £110,000	£110,000 - £170,000	£170,000+	£200,000 - £300,000

Retail banking

Area	Compliance or Financial Crime Assistant/ Associate	Compliance or Financial Crime AVP/ Manager	Compliance or Financial Crime VP/Senior Manager	Compliance or Financial Crime Director	Head of Compliance or MLRO	MD/ Global Head of Compliance/ Financial Crime
London	£25,000 - £45,000	£45,000 - £60,000	£60,000 - £100,000	£100,000 - £170,000	£170,000+	£200,000+
Regional	£20,000 - £35,000	£35,000 - £50,000	£50,000 - £85,000	£85,000 - £130,000	£130,000+	£150,000+

Asset and wealth management

Area	Compliance or Financial Crime Assistant/ Associate	Compliance or Financial Crime AVP/ Manager	Compliance or Financial Crime VP/Senior Manager	Compliance or Financial Crime Director	Head of Compliance or MLRO	MD/ Global Head of Compliance/ Financial Crime
London	£40,000 - £55,000	£60,000 - £70,000	£75,000 - £130,000	£120,000 - £180,000	£150,000 - £250,000	£250,000 - £400,000
Regional	£20,000-£30,000	£35,000 - £45,000	£50,000 - £70,000	£80,000 - £100,000	£1400,000 -£180,000	£180,000 - £250,000

Insurance

Area	Compliance or Financial Crime Assistant/ Associate	Compliance or Financial Crime AVP/ Manager	Compliance or Financial Crime VP/Senior Manager	Compliance or Financial Crime Director	Head of Compliance or MLRO	MD/ Global Head of Compliance/ Financial Crime
London	£25,000 - £45,000	£45,000 - £60,000	£60,00 - £100,000	£90,000 - £160,000	£160,000 - £250,000	£200,000 - £350,000
Regional	£20,000 - £40,000	£40,000 - £55,000	£55,000 - £80,000	£80,000 - £140,000	£140,000 - £200,000	£180,000 - £250,000

Fintech

Area	Compliance or Financial Crime Assistant/ Associate	Compliance or Financial Crime AVP/ Manager	Compliance or Financial Crime VP/Senior Manager	Compliance or Financial Crime Director	Head of Compliance or MLRO	MD/ Global Head of Compliance/ Financial Crime
London	£25,000 - £35,000	£35,000 - £55,000	£55,000 - £80,000	£80,000 - £110,000	£100,000 - £170,000	£150,000 +
Regional	£20,000 - £35,000	£35,000 - £50,000	£50,000 - £75,000	£75,000 - £90,000	£90,000 - £130,000	£140,000 +

Temporary/Interim rates (per day)

Area	Compliance or Financial Crime Assistant/ Associate	Compliance or Financial Crime AVP/ Manager	Compliance or Financial Crime VP/Senior Manager	Compliance or Financial Crime Director	Head of Compliance or MLRO	MD/ Global Head of Compliance/ Financial Crime
London	£250 - £350	£350 - £550	£550 - £750	£700 - £1000	£900 - £1300	£1200 - £2000
Regional	£250 - £350	£300 - £500	£500 - £700	£700 - £900	£800 - £1100	£1000 - £1500

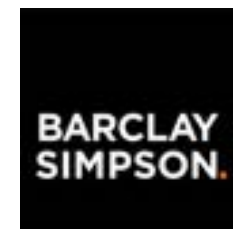


Attract and retain the compliance and FinCrime professionals you need with Barclay Simpson

Barclay Simpson has specialised in the recruitment of compliance professionals since 2002. Our practice differentiates regulatory from financial crime compliance and is further divided into industry sectors.

When looking to build a team that can support and negate any potential challenges posed by changing regulatory pressures, engaging a specialist recruiter will save you time and money. We can help you create a talent attraction strategy with competitive salary offerings or help you find a role that aligns with your skills and long-term career goals, and support you from interview through to salary negotiations.

Arrange a consultation today to see how Barclay Simpson can support you as you build a compliance function that's future proof.



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