



2017

MARKET INSIGHT

SALARY & MARKET TREND REPORT

**MARKS
SATTIN**



EIGHTH EDITION

INTRODUCTION

Welcome to the Marks Sattin 2017 Market Report.

Our aim, as always, is to provide you with not only detailed salary information across our specialist markets, but insightful analysis and trends focusing on economic prospects, lifestyle, bonuses and changes in the workplace. I hope that you enjoy reading the various sections and find it useful when evaluating your team or personal situation.

The year that was

2016 was certainly a year full of surprises, with Brexit and American political affairs keeping us on the edge of our seats. In terms of the recruitment landscape, Q1 2016 began on a positive note, with hiring levels as high as they had been before the financial crisis. Following the vote however, we felt the aftershock across all of our core markets as businesses in the UK and Ireland waited to see what Brexit meant for them. This resulted in a complete slowdown in hiring processes from April to August 2016. Some regions were less affected though, with our Leeds office reaching new heights in terms of headcount and fees last year. Towards the end of the summer, hiring activity sprung back into life as business confidence returned.

Thankfully this busy trend has continued into this year. As you will see throughout our report, market confidence is reflected in the large proportion of businesses across Ireland and the UK who are growing their headcount in line with expansion plans. However, financial services, particularly the larger financial institutions, are showing the lowest levels of hiring expectations.

From the CFOs we surveyed, it's clear that they are shifting away from defence and cost control to pro-growth strategies. Brexit and the Eurozone are still topping their list of uncertainties with a feeling that Brexit will have a somewhat adverse effect on businesses in the long term.

What candidates want

Interestingly, whilst we see a lot of emphasis on the importance of flexible working in the modern workplace, it is 25 days holiday, a good pension and annual bonus scheme which still rank highest in terms of benefits considered most important when moving roles.

Although financial services remains the place to be for top end bonuses (albeit for a small percentage of people), we are seeing our commerce and industry clients paying a higher percentage (10-30%) in bonuses.

Looking ahead

Based on our trading for Q1 of this year, 2017 will be a prosperous one with plenty of opportunities. This will, of course, mean increased competition for the best talent and employers must be prepared to streamline and improve their hiring processes.

Lastly, I would like to thank the 1,700+ respondents who took part in the survey this year. I'm sure you agree you have enabled us to provide an insightful look into key areas for the year ahead. We have made a contribution to our charity partner Solving Kids' Cancer for each response we received. Further details on how you can support this great charity are provided at the end of this report.

Best wishes,



Matt Wilcox
Managing Director

KEY FINDINGS

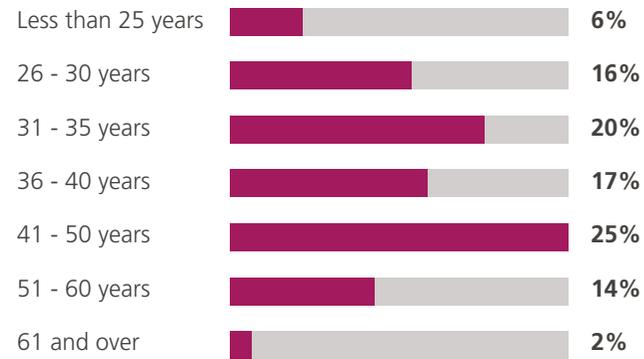
KEY FINDINGS

DEMOGRAPHIC / RESPONDENTS PROFILE

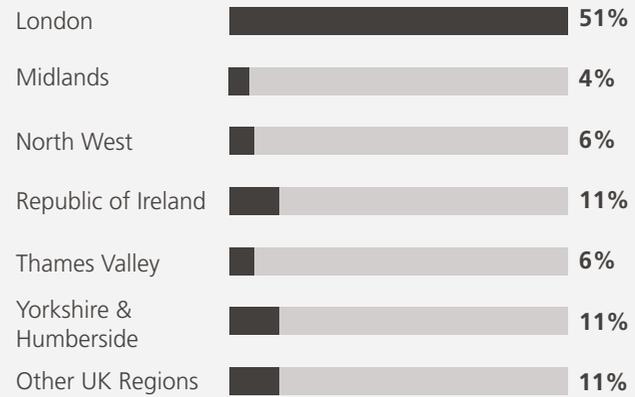
Gender



Age

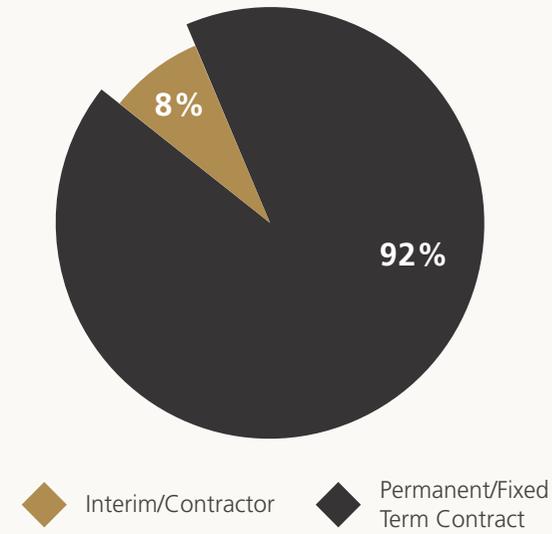


Work location

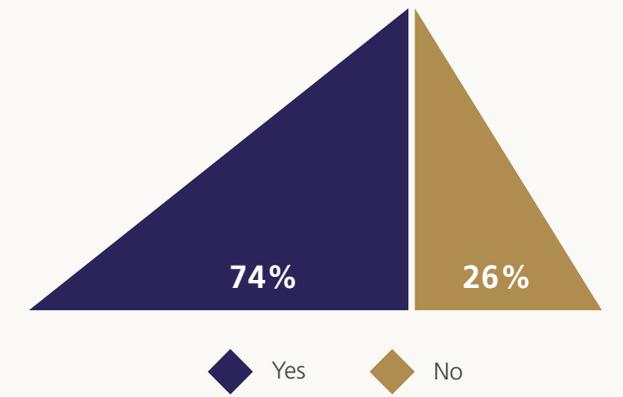


CURRENT EMPLOYMENT

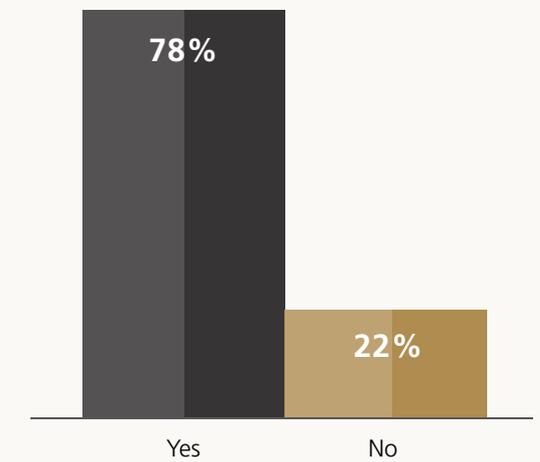
How are you currently employed?



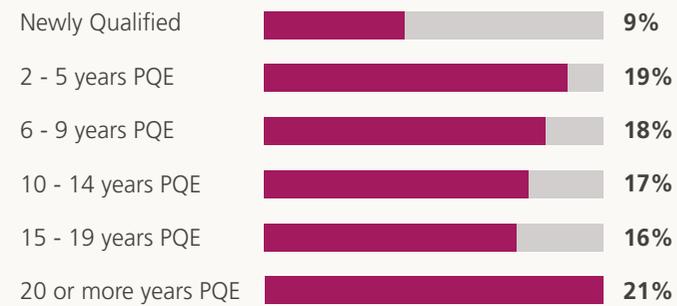
Would you recommend your current employer to a friend?



Satisfaction with current role



Current level of experience

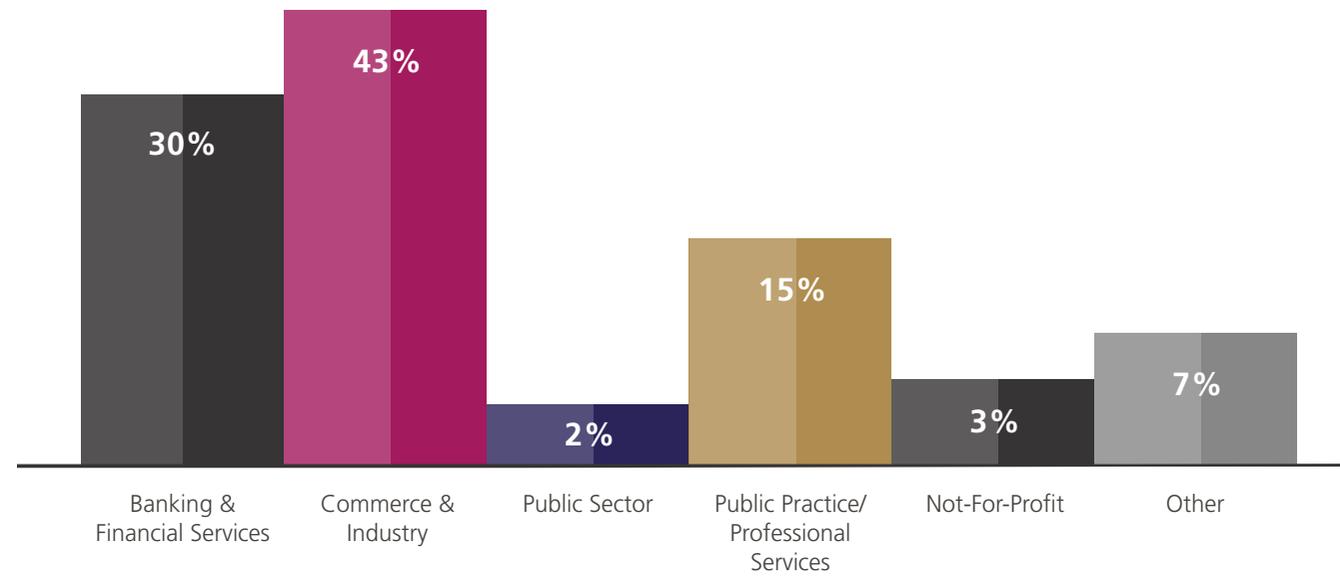


Qualification Status

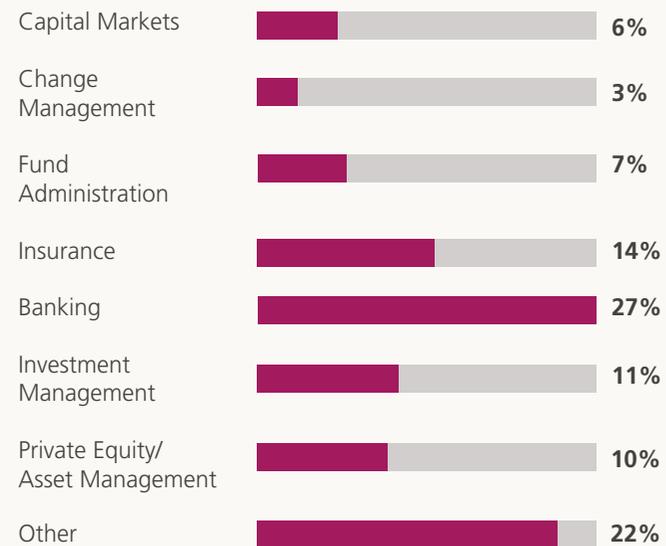


SECTOR REPRESENTATION

Which of the following best describes the area/sector you currently work in?



Banking & Financial Services



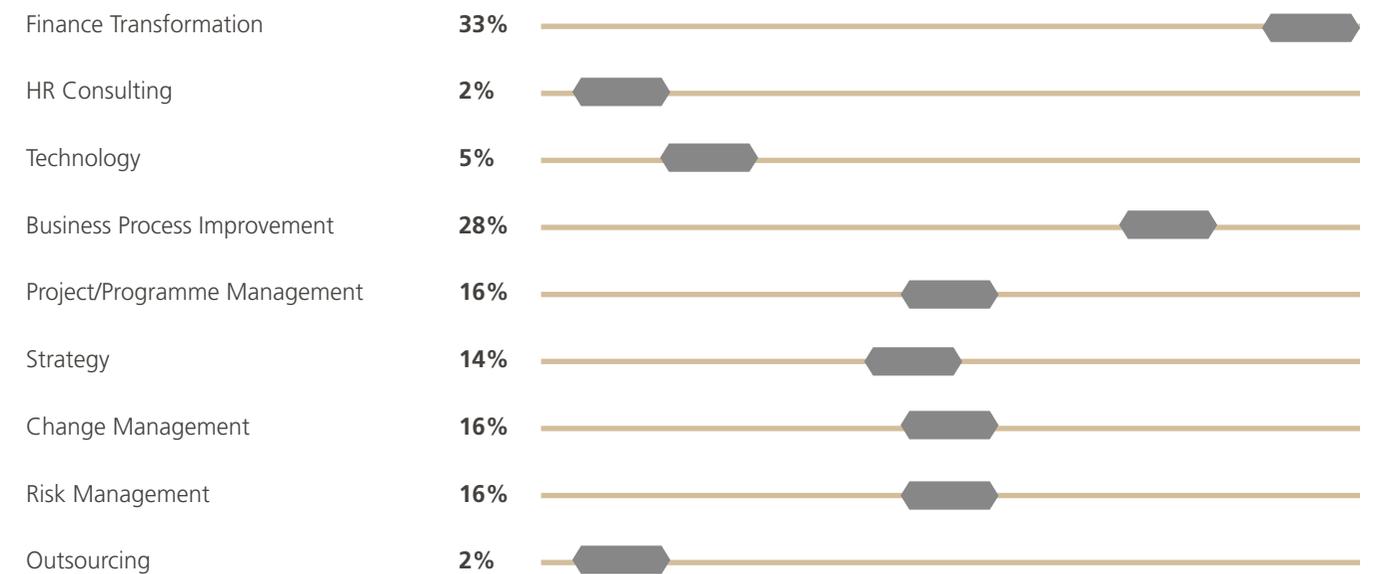
Commerce & Industry



Professional Services



Change Management*

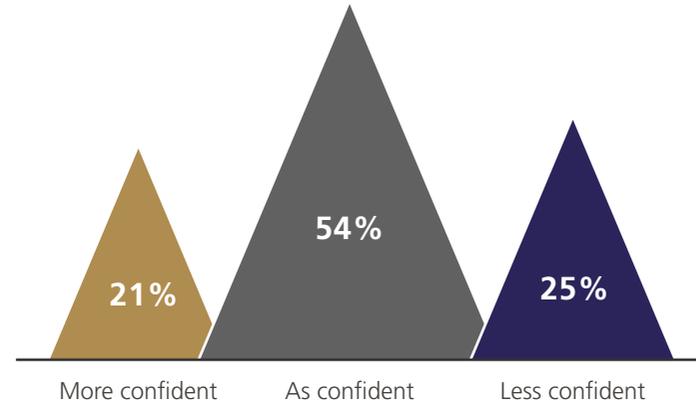


* Respondents could choose more than one answer

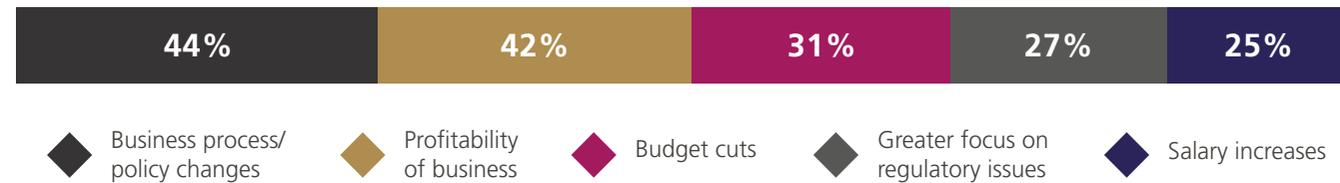
MARKET PERSPECTIVE

ECONOMIC PROSPECTS

Compared to the last 12 months, how confident do you feel about the economic prospects facing your company?



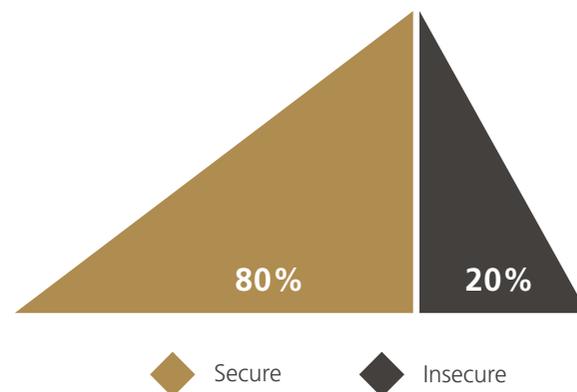
Top 5 expectations for your business in the next 12 months*



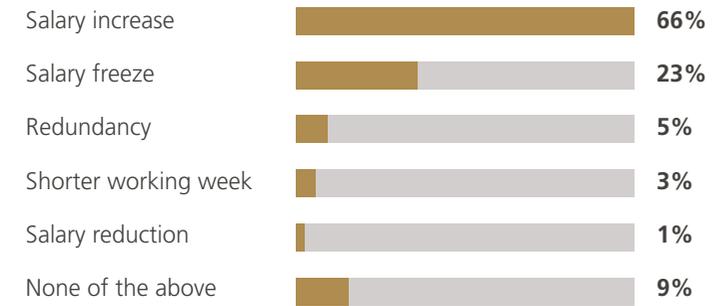
*Respondents could choose more than one answer

JOB SECURITY

How would you rate your current job security?



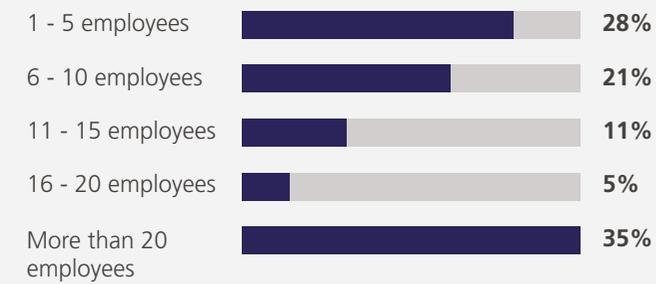
Expectations for personal salary and job security in the next 12 months*



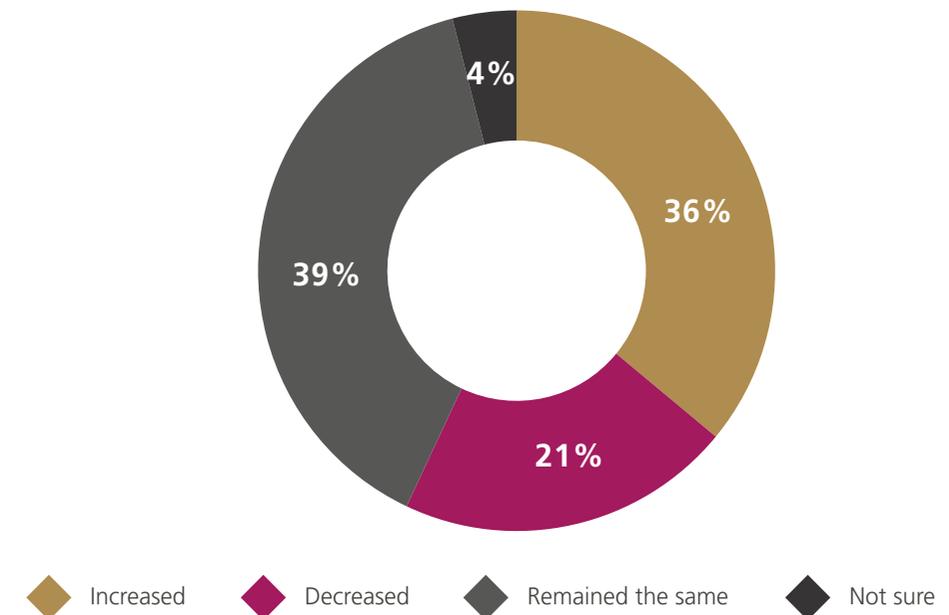
*Respondents could choose more than one answer

HEADCOUNT

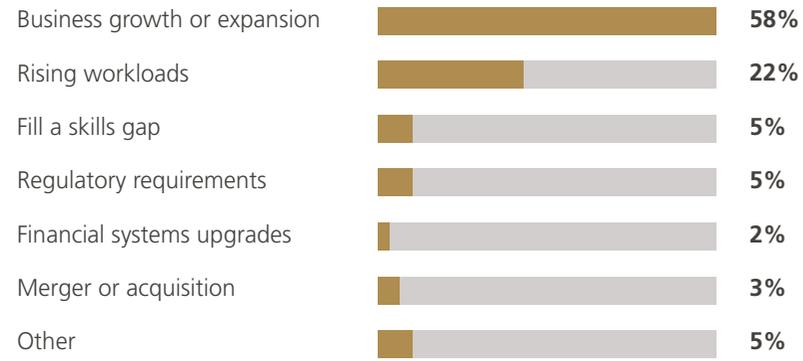
Size of department



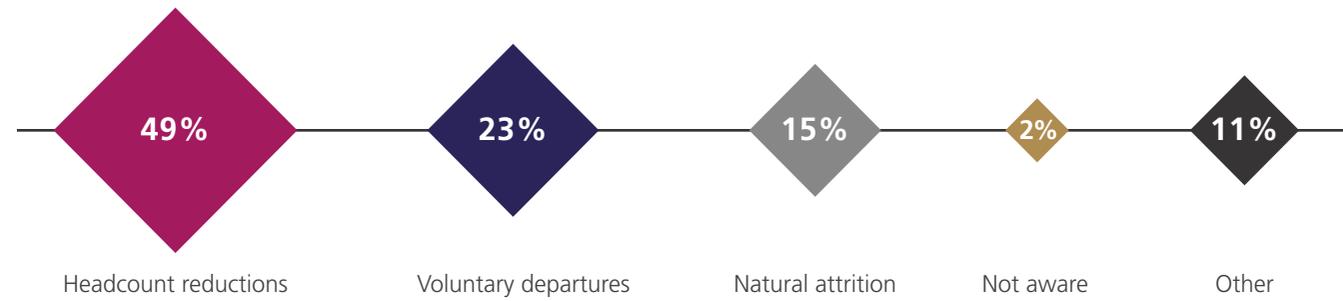
How has the number of staff in your team changed in the past 12 months?



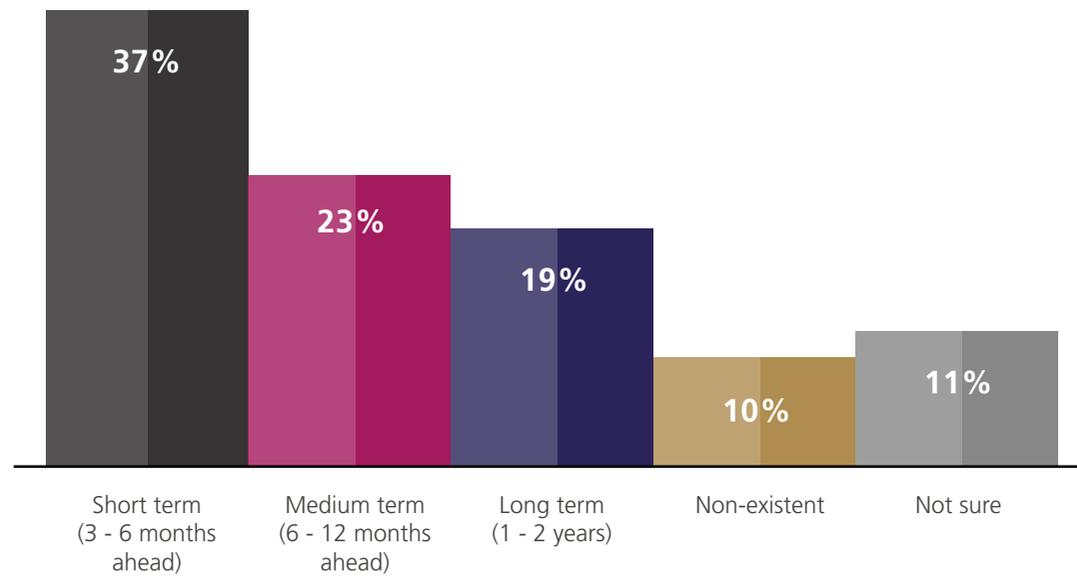
What was the main reason for an increase in staff?



What was the main reason for a decrease in staff?



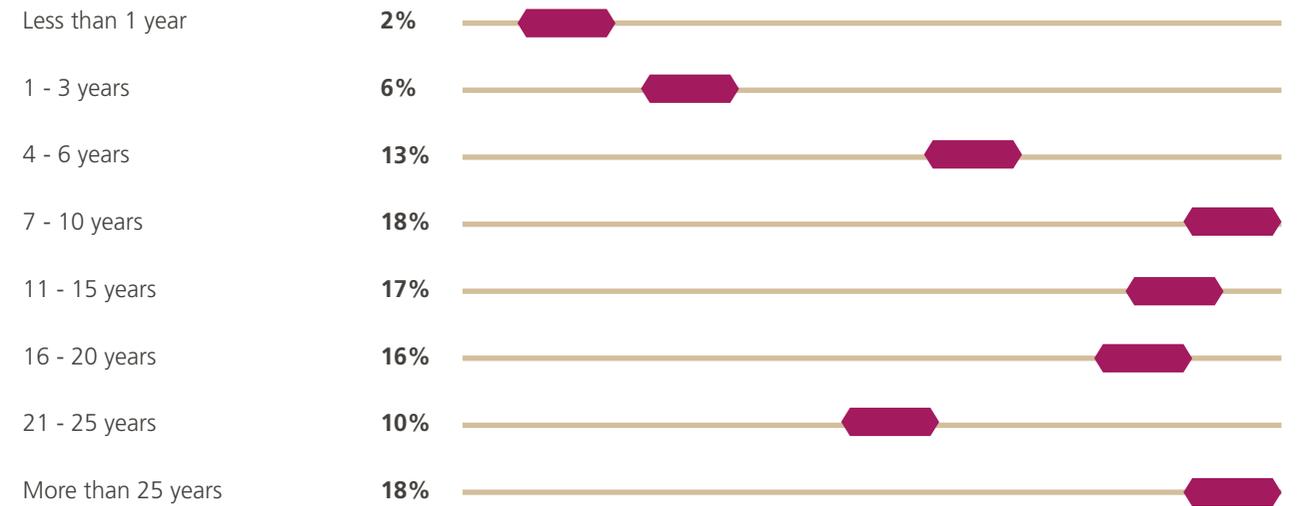
What is your employer's recruitment strategy?



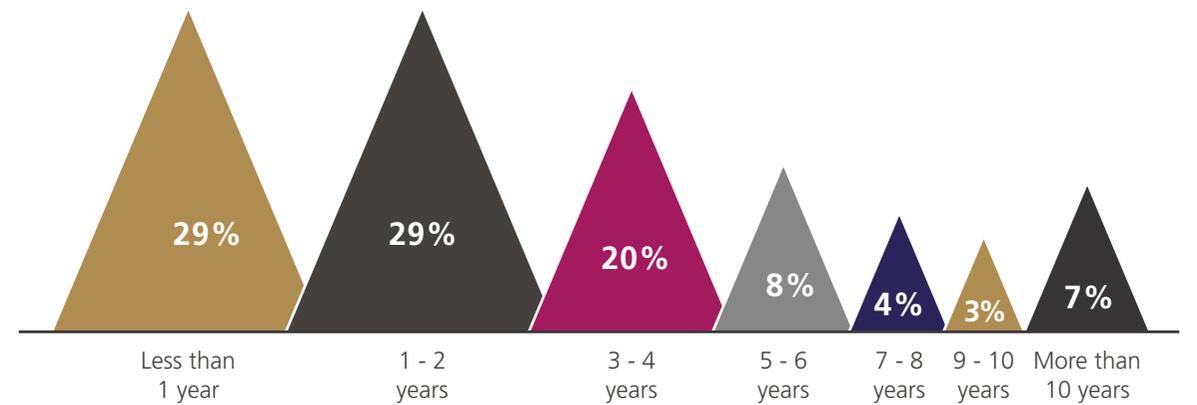
CAREER INSIGHT

EXPERIENCE

Length of time in the accountancy, finance or advisory profession

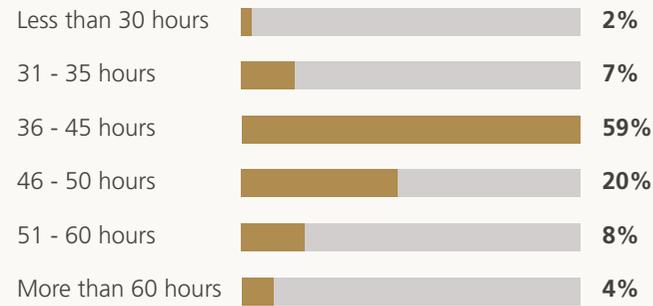


Length in current role

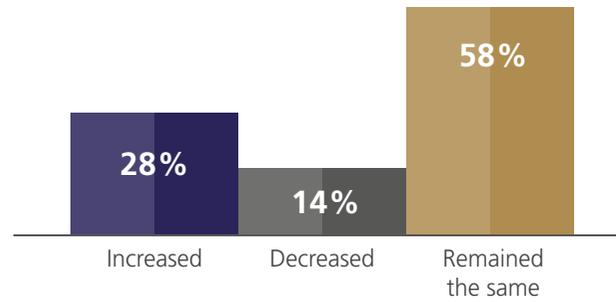


HOURS WORKED

On average, how many hours a week do you work?



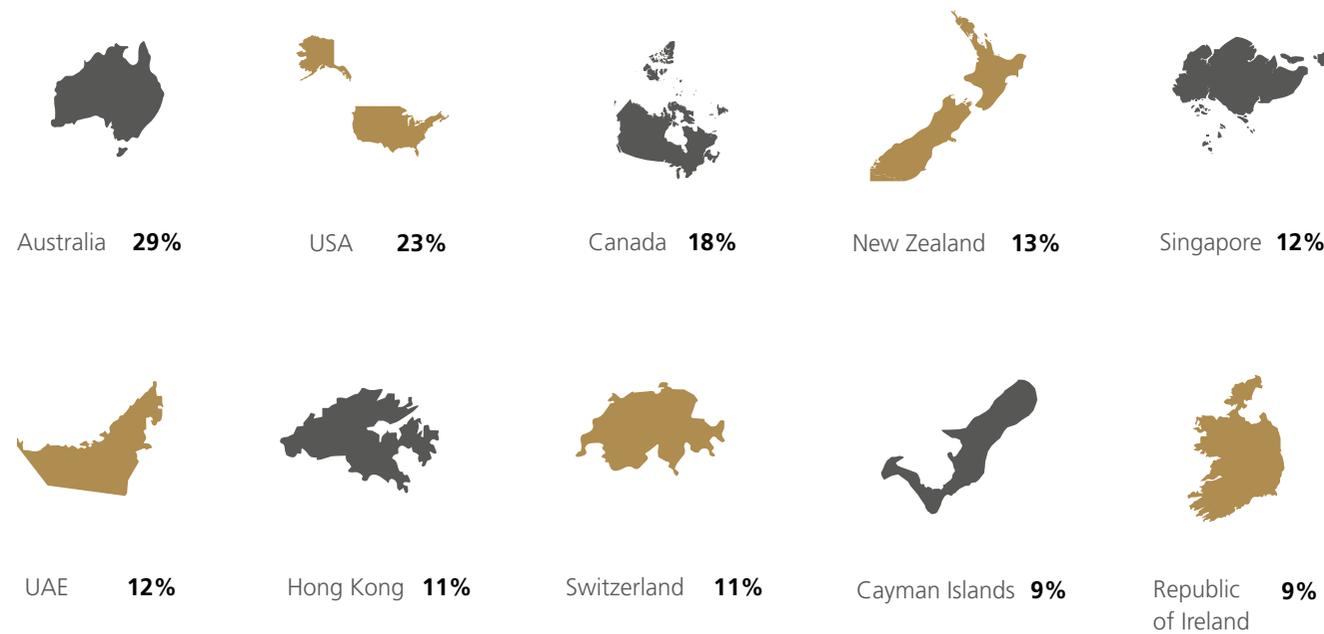
How has the number of hours changed in the last 12 months?



47% of respondents chose taking on more responsibility/more pressure as the main reason for the increase in working hours

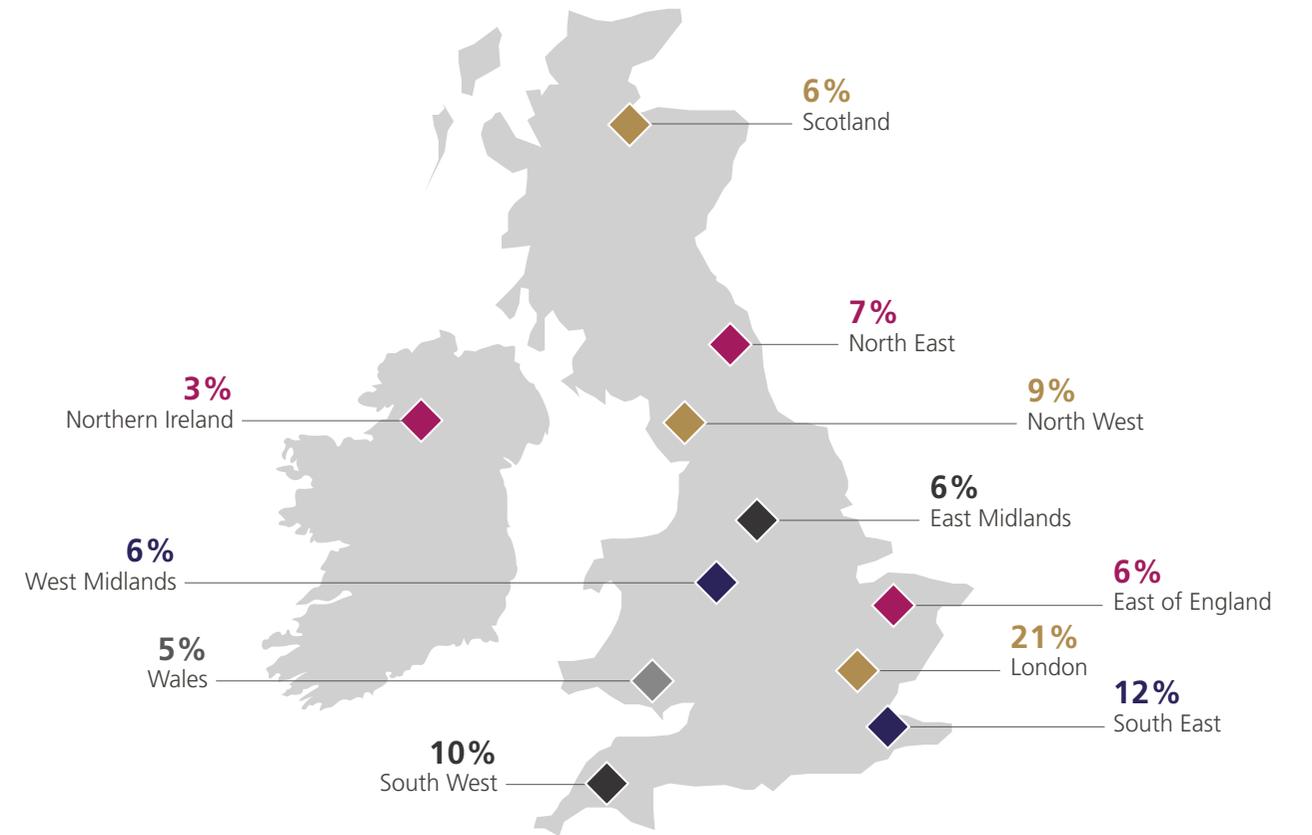
RELOCATION

Top 10 places respondents would consider relocating to in the next two years (outside the UK)*



*Respondents could choose more than one answer

Places respondents would consider relocating to within the UK*



*Respondents could choose more than one answer

Over a third of respondents would not consider relocating.

Top 5 reasons for respondents wanting to relocate*



*Respondents could choose more than one answer

MOVING ON

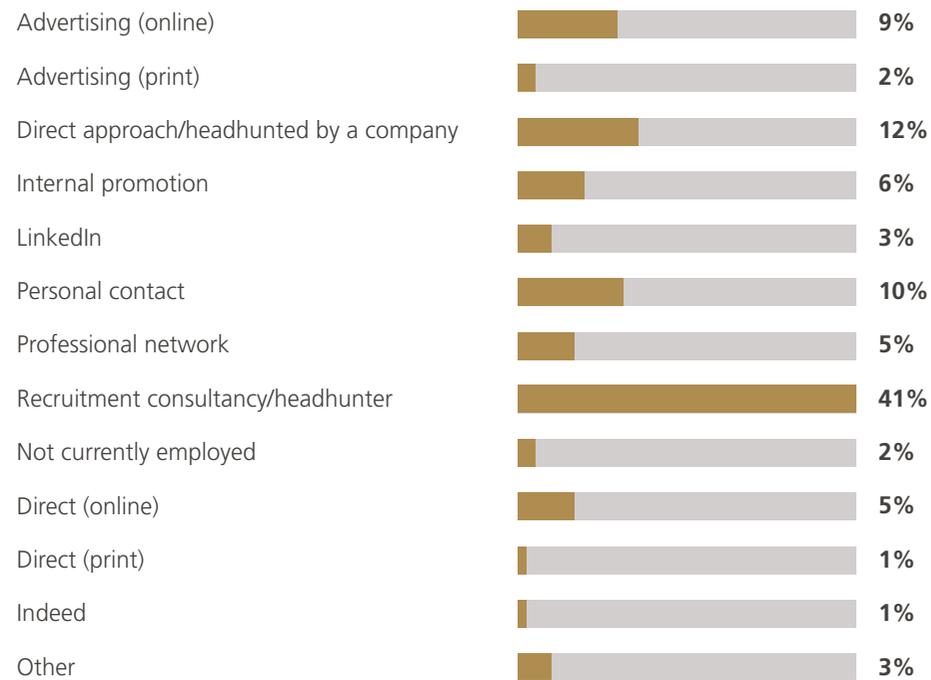
Top 5 reasons for leaving last role*



*Respondents could choose more than one answer

Over one third of respondents anticipate changing roles in the next 12 months

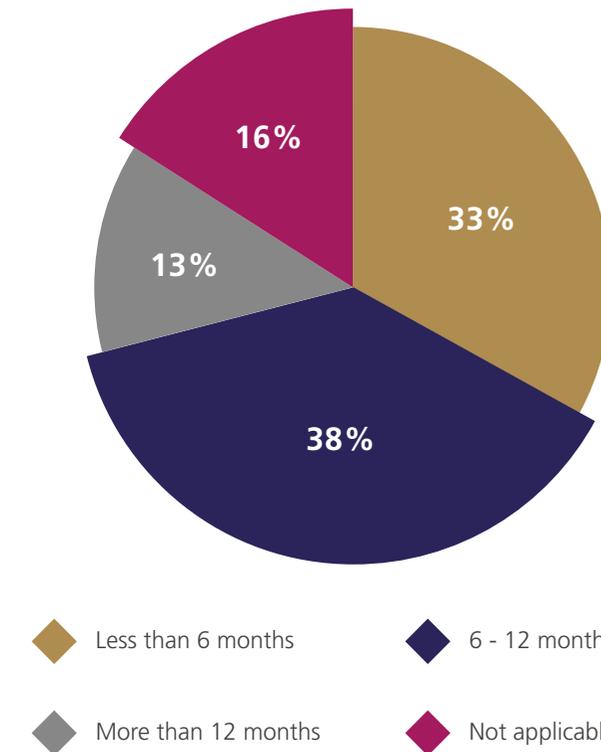
How did you find your current position?



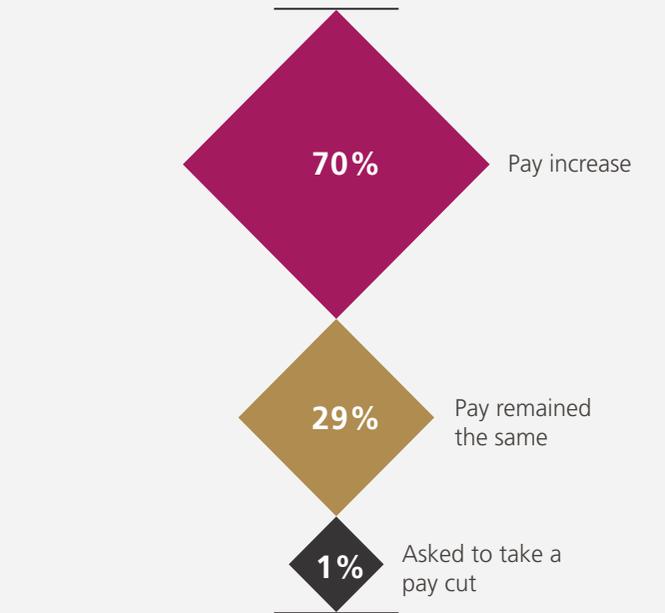
SALARIES & BENEFITS

REMUNERATION

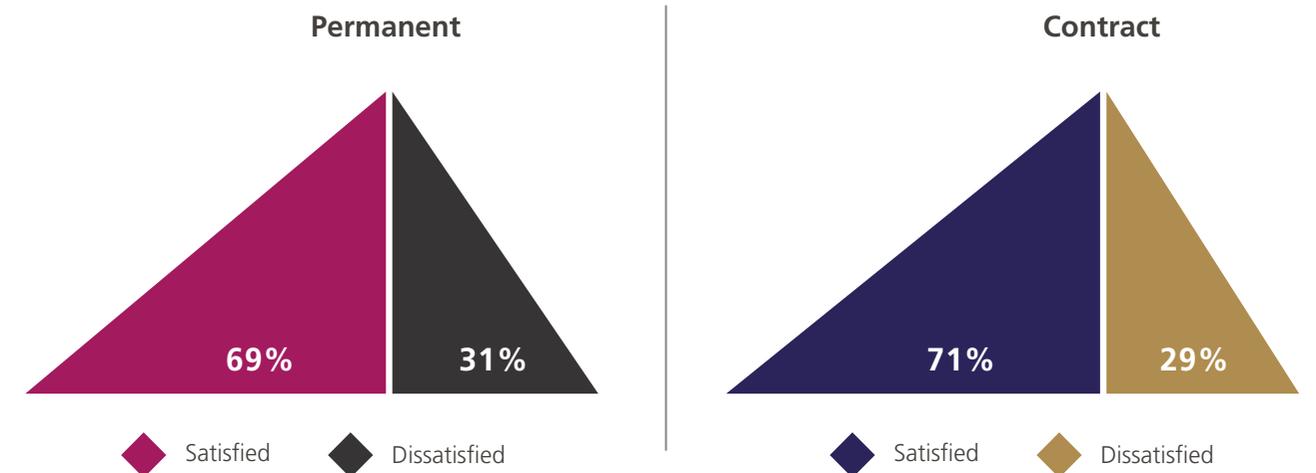
When was your last pay review?



What was the outcome of your last pay review?



Satisfaction with current remuneration



BENEFITS

Top 5 benefits currently received*

- ✈️ **78%** 25 days holiday or more
- 🪑 **71%** Company pension scheme
- 💰 **66%** Annual bonus scheme
- 🏥 **52%** Private healthcare/dental care
- ☔ **46%** Insurance (PMI/death in service/life insurance)

*Respondents could choose more than one answer

Benefits considered most and least important when considering a new role

MOST IMPORTANT

- ▲ 25 days holiday or more
- ▲ Good company pension scheme
- ▲ Annual bonus scheme
- ▲ Flexible working (homeworking/flexitime)
- ▲ Insurance (PMI/death in service/life insurance)

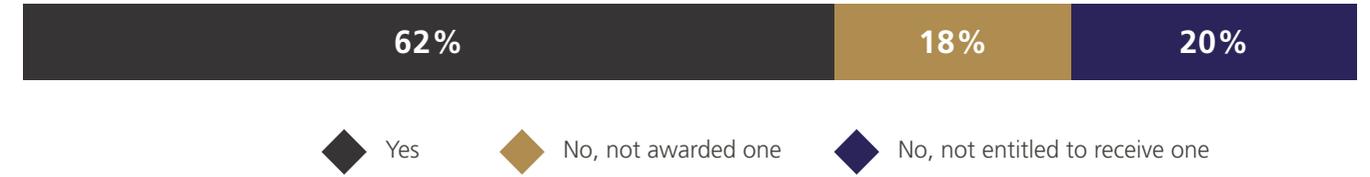
LEAST IMPORTANT

- ▼ Daily subsidised/free meals
- ▼ Mortgage relief
- ▼ Sabbatical
- ▼ Leisure facilities
- ▼ Season ticket loan

3% of eligible respondents opted to take shared parental leave in the last 12 months

BONUS

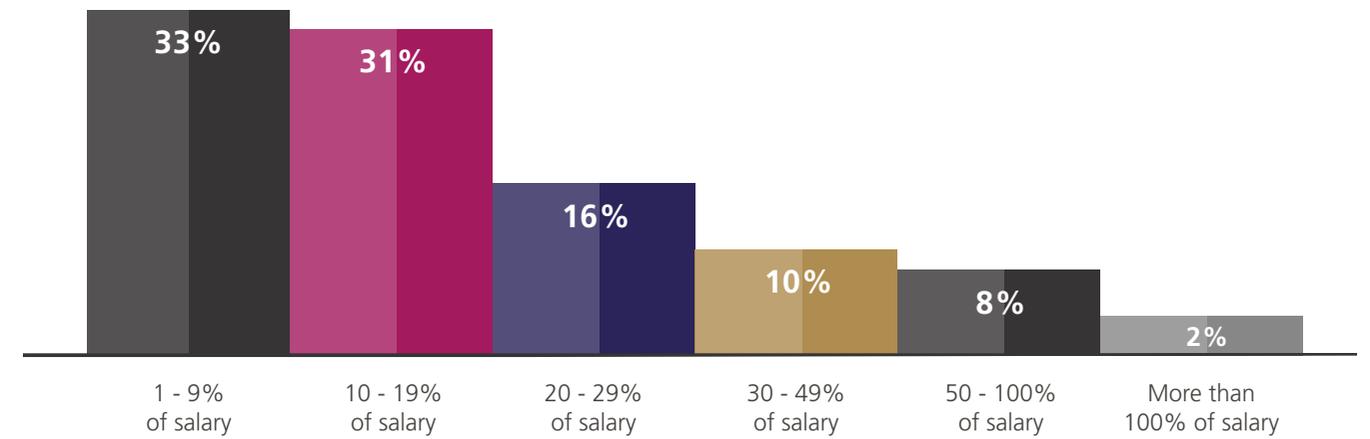
Did you receive a bonus in 2016?



68% of respondents were satisfied with their bonus

43% of respondents received a higher bonus in 2016 than in 2015

As a percentage of your basic salary, what was your bonus in 2016?



A comparison of bonuses received across sectors

	Banking & Finance	Commerce & Industry	Public Practice/ Professional Services
1 - 9%	20%	34%	64%
10 - 19%	31%	34%	21%
20 - 29%	16%	19%	7%
30 - 39%	10%	6%	1%
40 - 49%	6%	3%	2%
50 - 79%	11%	3%	4%
80% or more	6%	1%	1%



THAMES VALLEY

Key Findings

Overview

Commerce & Industry

Professional Services

Taxation

KEY FINDINGS

MARKET PERSPECTIVE

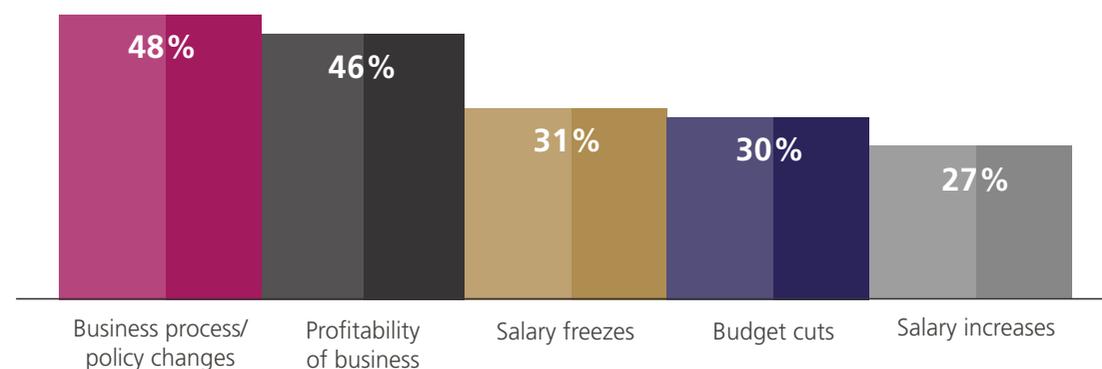
ECONOMIC PROSPECTS

Compared to the last 12 months, how confident do you feel about the economic prospects facing your company?



◆ More confident ◆ As confident ◆ Less confident

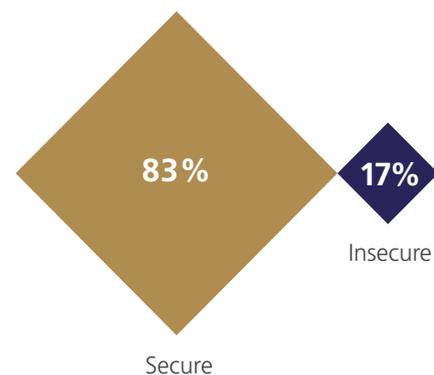
Top 5 expectations for your business in the next 12 months*



*Respondents could choose more than one answer

JOB SECURITY

How would you rate your current job security?

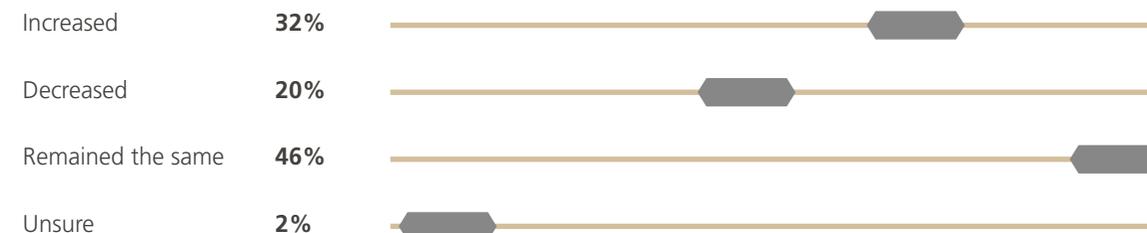


79% of respondents were satisfied in their current role

63% of respondents expect a salary increase in the next 12 months

HEADCOUNT

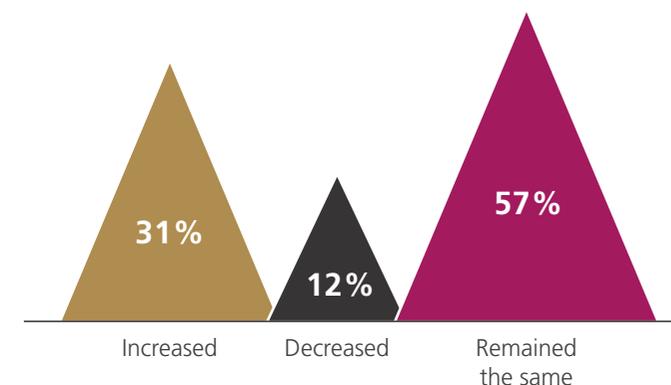
How has the number of staff in your team changed in the past 12 months?



CAREER INSIGHT

HOURS WORKED

How has the number of hours changed in the last 12 months?



Average hours worked per week is 36-45

RELOCATION

Top 3 places respondents would consider relocating to in the next two years (outside the UK)*



*Respondents could choose more than one answer

48% of respondents would not relocate

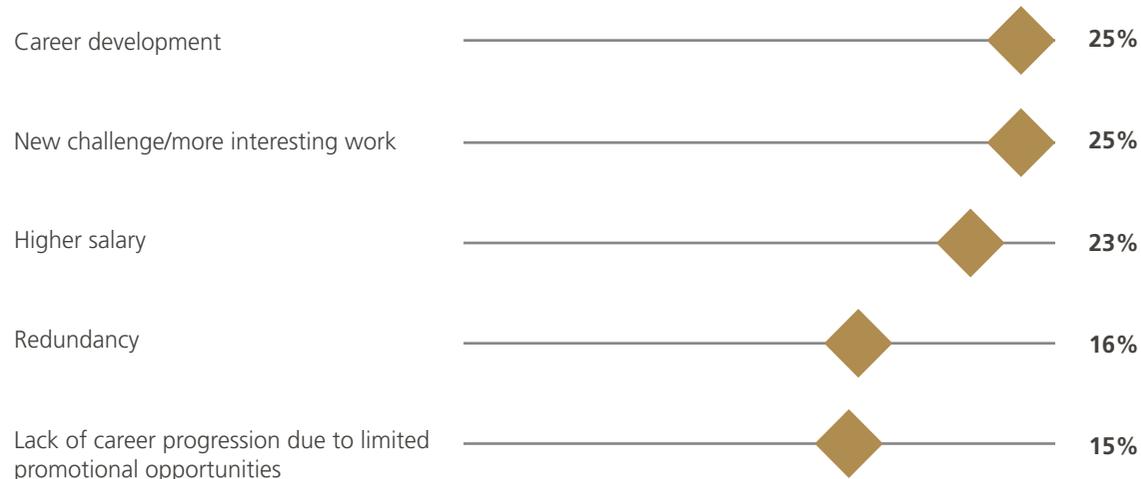
Top 3 reasons for respondents wanting to relocate*

- 1 58% Improved quality of life/better work-life balance/standard of living
- 2 42% Experience a different culture
- 3 40% New career opportunity

*Respondents could choose more than one answer

MOVING ON

Top 5 reasons for leaving last role*



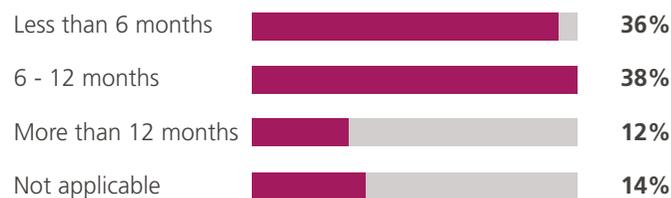
*Respondents could choose more than one answer

33% of respondents anticipate change in the next 12 months

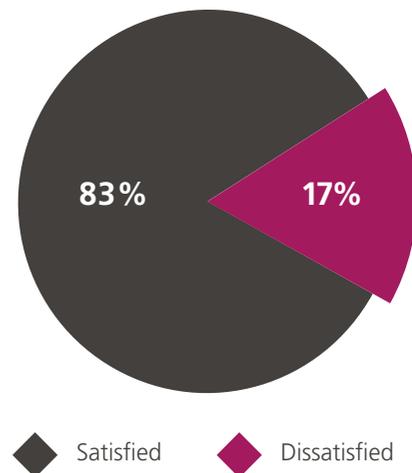
SALARIES & BENEFITS

REMUNERATION

When was your last pay review?



Satisfaction with current remuneration



78% of respondents received a salary increase in their last pay review

66% of respondents perceive a 5 - 15% salary increase as acceptable if they were to move roles

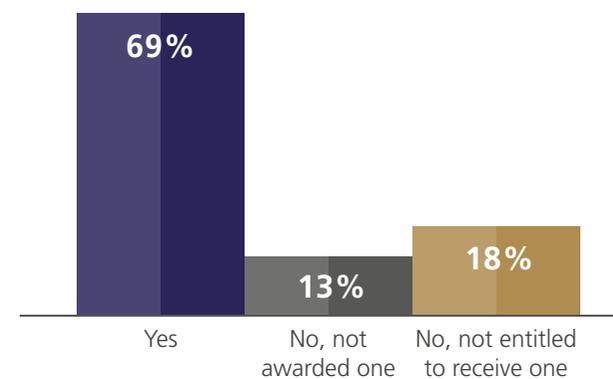
BENEFITS

Benefits considered most and least important when considering a new role



BONUS

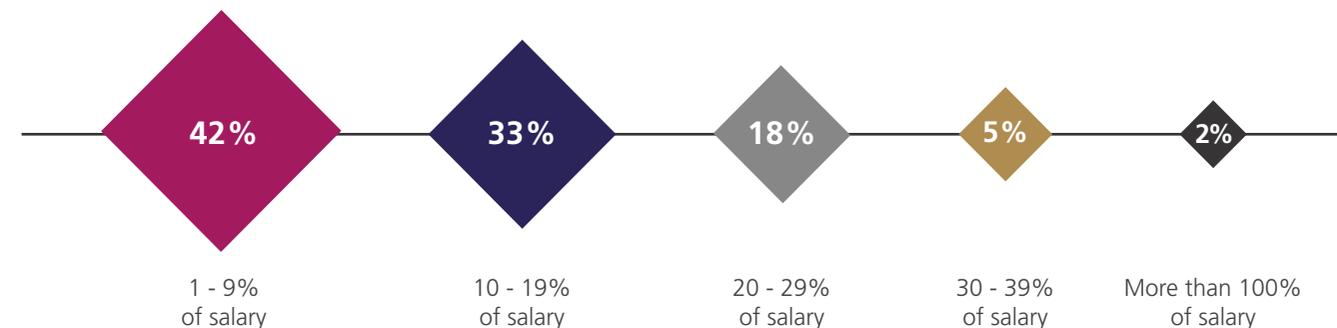
Did you receive a bonus in 2016?



75% of respondents were satisfied with their bonus

31% of respondents received a higher bonus in 2016 than in 2015

As a percentage of your basic salary, what level was your bonus in 2016?



THAMES VALLEY

OVERVIEW

There were clear winners in terms of industry alignment, which was well documented in the British media. The falling pound had a profound effect on many, however British focused businesses who had little or no impact on this demise found themselves in a stronger position than those reliant on international markets.

Financial services continued to grow in the Thames Valley, with retail banking, asset finance and mortgage lenders setting up shop outside of the city. Candidates often felt that banking was synonymous with the city and whilst this is true for investment related activities, there are now more than 20 separate businesses within the aforementioned areas that offer more vanilla products in the Thames Valley.

Natural resources, utilities and infrastructure battled hard with the low oil prices and despite OPEC intervention in the back end of 2016, it was clearly a tough year for companies within these sectors.

Volumes of roles were low within the pharmaceutical industry. Pharmaceutical companies usually have a very long term, strategic focus and therefore would rarely need a high volume of accountancy professionals; most of the demand would fall under R&D or scientific, product marketing and sales. There is a global concern regarding drug pricing and this has affected share prices for a number of firms. With plenty of life changing and life saving products under development, we anticipate more M&A activity this year which often leads to job losses rather than mass hiring.

The Thames Valley manufacturing and consumer businesses were still producing at a high rate and the CBI stated that price rises in 2017 are inevitable and will help to ease the rising costs of raw materials and production. Seeing as this sector has always been at the forefront of revenue for the region, we anticipate that the government will also need to help by subsidising business rates as well to ensure continued growth. Retailers have been surprised by consumer reaction, with many CFOs stating that growth is overshadowing cost cutting in the current environment.

Revenues generated from the services industry remained bullish in the last year. Long term contracts negated many short term concerns and demand for skills didn't suffer. Without doubt, recruiting into the accountancy practices (to replace industry leavers) was at an all time high again in 2016. Whilst not extraordinary, it was interesting to see that corporate finance and advisory hiring was back on the cards after a quiet 2015 – will 2017 be a big year for transactions and disposals?

THAMES VALLEY

COMMERCE & INDUSTRY

The bizarre case of 2016

The recruitment market in 2016 was bizarre, not too dissimilar to the wider political landscape.

- Q1** Q1 was strong, with businesses throughout the region recruiting at an above average rate (27% increase in vacancies registered vs Q1 2015)
- Q2** Q2 was less so, with Brexit gathering momentum and plans being put on hold (32% drop in vacancies registered vs Q2 2015)
- Q3** Q3 was like a wedding and a funeral on the same day, with jubilation and despair in equal amounts (18% drop in vacancies registered vs Q3 2015)
- Q4** Q4 was busy, with clients accepting the public's decision and moving forward (38% increase in vacancies registered vs Q3 2015)

Larger companies found that their heavy cost base of full time staff meant that they were forced to look at redeploying internal resources rather than seeking external help. Processes were arduous and decision making was protracted, causing frustrations for both clients and candidates. Headcount approval processes mirrored the scrutiny shown in 2011 amidst fears of a 'double dip recession'; clearly larger businesses were taking a cautious view. Year on year revenue from our larger clients (£100m+ turnover) was down 32% and the average salary was £42,000 per annum.

Agile SMEs were on the front foot, knowing full well that extended deliberation and procrastination were traits that can be easily overcome by reducing decision makers and red tape. As larger companies slowed output and cut sales projections, the message from SMEs was loud and clear – it is business as usual! We

assisted 62 SMEs in 2016; this figure was up from 43% in 2015. It was clear that SMEs had a more confident view on Brexit in the main and they required agency help to sell their opportunities to candidates who may not know their brand or business.

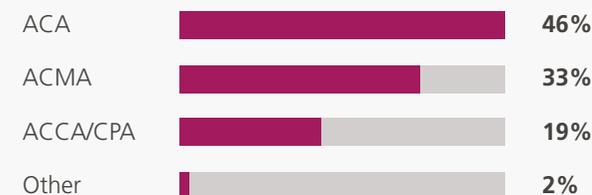
Due to the shift in hiring for the future and backfill hiring across many firms, there wasn't a key focus for the office. In terms of skill sets, there was a large emphasis in Q1 on commercial finance and business partnering which was replaced by financial controlling in Q2 and Q3. Clients took a more holistic view in Q4 and focused on mid-level hires (£40,000 salary maximum).

Interestingly, the following four terms were mentioned most in job specs in 2016:

- 1** Process improvement
- 2** Cost reduction
- 3** Strong communication
- 4** Project experience

Clients did not wish to see qualified by experience (QBE) candidates in 2016 and instead sought fully qualified candidates in 94% of roles above £45,000 per annum.

Out of the successfully placed candidates in 2016, the following qualifications were held:



Salaries have remained stagnant within the accountancy market across 2016. This is not uncommon in an uncertain market, where candidates are in less demand. Clients had a huge selection of candidates and were in the driving seat from a negotiation stand point.

The average salary increase we obtained for successful candidates was 9.8%, down from the 11.2% seen in the previous year. The biggest increase in salary (as always) was at the recently or soon to be qualified level where candidates leave the accountancy practices to transfer into industry. This rise averaged at 22%, with one happy candidate getting a 73% pay rise!

It is impossible to predict the uncertainty which still shrouds the economic environment. What does Brexit mean for business? Will the pound gain traction? Will the government cut business rates? Will OPEC continue to cut output? And don't forget interest rates. Clearly there is plenty to keep the economists busy.

One thing for certain is that life goes on and businesses need to tackle the challenges of their markets head on. Innovation is key for growth, however sometimes it doesn't need to be ground breaking. Many firms realise that their business is only as good as their workforce.

Candidates want different things; flexible working, a better work life balance and remote access are key drivers in the decision making process and clients need to have a clear policy on the above to attract the best talent. Trust needs to be earned, however with the advances of technology, an engaged workforce is worth its weight in gold.

COMMERCE & INDUSTRY

LARGE BUSINESSES

Job title	Salary range	Day rate
Graduate	£22,000 - £27,000	N/A
Assistant Accountant	£23,000 - £27,000	£120 - £140
Accountant Part Qualified	£27,000 - £35,000	£150 - £200
Newly Qualified	£45,000 - £50,000	£225 - £275
Finance Manager	£50,000 - £60,000	£300 - £350
Finance Business Partner	£50,000 - £60,000	£300 - £350
Senior Finance Manager	£60,000 - £70,000	£350 - £400
Senior Finance Business Partner	£60,000 - £70,000	£350 - £400
Financial/Business Controller	£70,000 - £90,000	£400 - £500
Head of Finance	£80,000 - £100,000	£500 - £600
Head of FP&A	£80,000 - £100,000	£500 - £600
Divisional Finance Director	£90,000 - £110,000	£600+

SMEs

Job title	Salary range	Day rate
Graduate	£20,000 - £25,000	N/A
Assistant Accountant	£22,000 - £27,000	£120 - £140
Accountant Part Qualified	£27,000 - £32,000	£140 - £180
Newly Qualified	£40,000 - £45,000	£200 - £250
Finance Manager	£45,000 - £55,000	£300 - £350
Finance Business Partner	£45,000 - £55,000	£300 - £350
Senior Finance Manager	£55,000 - £70,000	£325 - £375
Senior Finance Business Partner	£55,000 - £70,000	£325 - £375
Financial/Business Controller	£60,000 - £80,000	£375 - £450
Head of Finance	£70,000 - £80,000	£400 - £500
Finance Director/Chief Financial Officer	£90,000 - £110,000	£600+

THAMES VALLEY

PROFESSIONAL SERVICES

The outlook is promising

Last year got off to a healthy start with the usual busy tax and audit seasons, however the Brexit decision slowed the pace of the jobs market considerably for the second half of the year, especially when compared with previous years.

Demand stalled across the board with the exception of qualified auditors being in very short supply and equally the need for newly qualified candidates remained consistent. There has been an increase in managerial positions; a plausible reason for this is that companies are hiring at a graduate, part qualified and newly qualified level, thus creating a need for more supervisory level employees. Insolvency administrator roles have also increased in the Thames Valley. As insolvency teams are limited in the area, there is a small pool to source from making these tough roles to fill quickly.

Roles for accountants with general practice experience or with no audit exposure are scarce, and personal tax professionals are less sought after. In contrast, qualified auditors at the senior and manager level are in short supply. There is also demand for candidates with FRS 102 exposure due to the changes in reporting standards that were introduced last year. Candidates with international accounting experience are desirable to the medium and large practices while corporate tax seniors and managers are desirable across the region, regardless of what size firm they are coming from.

There has been little change in salaries over the past 12 months, possibly because the salary brackets remain quite wide at each level so change is less noticeable.

The outlook for 2017 and 2018 is promising. Firms that were not hiring in H2 2016 are interviewing and creating roles again. Industry and commerce is active meaning candidates looking for their first move out of practice will have lots of choice. The counter offer has become a regular occurrence when candidates resign, with the current employer matching or increasing the salary offering. This, combined with companies in industry looking for the same talent, could mean we see increases in basic salaries for practice throughout this year.

PROFESSIONAL SERVICES

AUDIT

Job title	Salary range
Junior Part Qualified	£22,000 - £36,000
Senior Qualified	£34,000 - £46,000
Assistant Manager	£40,000 - £50,000
Manager	£45,000 - £60,000
Senior Manager Associate Director	£60,000 - £75,000
Director	£72,000 - £115,000

TRANSACTIONAL

Job title	Salary range
Junior Part Qualified	£25,000 - £35,000
Senior Qualified	£34,000 - £42,000
Assistant Manager	£40,000 - £46,000
Manager	£45,000 - £60,000
Senior Manager Associate Director	£60,000 - £75,000
Director	£75,000 - £100,000

CORPORATE FINANCE

Job title	Salary range
Analyst	£28,000 - £35,000
Executive	£33,000 - £44,000
Manager	£45,000 - £55,000
Senior Manager Associate Director	£55,000 - £80,000
Director	£70,000 - £110,000

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TAXATION

Digital profiles

The most prominent candidate trend in 2016 was the upsurge in the use of LinkedIn and the role of the internal talent acquisition (TA) team. Many new tax professionals created LinkedIn profiles and the vast majority of tax roles were advertised on the platform by internal TA teams. While these roles gave the impression of increased activity in the jobs market, it became evident that many jobseekers failed to gain traction and even strong candidates found themselves not progressing past the CV submission stage. Blame could be placed on inexperienced eyes sifting through applications, outdated recruitment systems or poor processes as to why these roles couldn't be filled or even why candidates weren't securing an interview. However the use of LinkedIn is here to stay, at least for the foreseeable future, understanding how to manage your job search in conjunction with an external recruitment consultant remains imperative for the most active candidates.

Striking the balance or legislation

With the revolution of new tax laws coming in and so much still in the public eye, having an experienced in-house tax team is essential. Trying to navigate the traps, understanding the tax and VAT implications of Brexit and what it means for your business is extremely difficult.

Senior management will forever need to strike the balance between what should be handled internally and what can be outsourced. Outsourcing some routine compliance processes can be beneficial and makes sense so as not to bog down the team with automation, but every medium/large corporate should have an in-house tax resource - SAO and risk need to be managed effectively and the implementation of tax advice simply wouldn't happen properly without it.

Complete outsourcing can be dangerous; rarely is it cost effective and the CFO can miss the tax impact of transactions. We have seen the optimum structure (an in-house team with strong advisors on tap) work extremely well and we anticipate 2017 being a year of growth within the in-house tax market, with more teams growing to facilitate these legislative changes and increase in complexity.

Clients are realising that staying relevant and keeping up with trends is imperative to ensure compliance and cost savings and this can only be done when your advisor is as close as possible to the business.

TAXATION

Job title	Salary range	Day rate
Indirect Tax Analyst/Senior Analyst	£28,000 - £40,000	£150 - £200
Tax Accountant	£45,000 - £55,000	£200 - £275
Transfer Pricing Manager	£52,000 - £70,000	£300 - £350
Tax Manager	£55,000 - £70,000	£300 - £350
Indirect Tax Manager	£58,000 - £75,000	£300 - £350
International Tax Accountant	£60,000 - £75,000	£300 - £350
Employment Expat Tax Manager	£60,000 - £80,000	£300 - £350
Standalone Tax Manager	£60,000 - £80,000	£350 - £400
Senior Tax Reporting Manager	£70,000 - £90,000	£350 - £400
Group Tax Manager	£80,000 - £100,000	£400 - £600
Head of Indirect Tax	£80,000 - £120,000	£400 - £600
UK Head of Tax	£85,000 - £115,000	£400 - £600
International/Regional Tax Manager	£80,000 - £120,000	£400 - £600
Group Head of Tax & Treasury	£95,000 - £120,000	£500 - £700
Head of Tax PE Backed/Private	£100,000 - £150,000	£500 - £800
Head of Tax FTSE 250/100	£125,000 - £200,000	£700 - £1,000

METHODOLOGY

In Q1 of 2017 Marks Sattin conducted a survey with clients and candidates focusing on remuneration, bonuses, benefits and recruitment trends.

We surveyed accountancy, finance and advisory professionals from numerous industry sectors across the UK and Ireland. This report is based on the data received from our online survey, our extensive database and the expertise of our experienced consultants. It is important to note that this report provides a useful guide, please contact us directly if you need any tailored or specific advice.

ABOUT US

Marks Sattin is the UK's largest dedicated accountancy recruiter. Founded in 1988, today we have offices in Birmingham, London, Leeds, Manchester, Reading and Dublin.

We have almost 30 years' experience placing permanent, temporary, contract and interim professionals across commerce and industry, banking and finance and public practice. Our extensive network of top accountancy and finance professionals covers the entire spectrum from part qualified through to CFO level.

ACKNOWLEDGEMENTS

We would like to extend our appreciation to all those who completed this survey and made our market report possible. If you did not participate, please do so next year so we can continue to develop the depth and quality of this report and provide you with a fair and balanced picture. Congratulations to the lucky winner of £250 of restaurant vouchers.

This report is only ever intended to give a general overview on the changing nature and complexity of the employment market for accountancy, finance and advisory professionals and serve as a useful guide. Please get in touch if you require a more tailored and confidential discussion on how this will affect your business, finance department or indeed your own career.

SOLVING KIDS' CANCER

Marks Sattin has donated 25p for every response to this year's survey as part of our continuing support for Solving Kids' Cancer (SKC). The charity supports families affected by high risk childhood cancers including neuroblastoma, sarcomas and brain tumours. SKC fund the next generation of innovative research focused on significantly improving survival in children and support children and families battling cancer to access pioneering research. If you would like to support this great cause, please visit solvingkidscancer.org.uk.

DISCLAIMER

This research was carried out by means of an electronic questionnaire and supplemented with data and market information that Marks Sattin has access to. The results are provided as generic market information only. Marks Sattin does not make any warranties regarding the use, validity, accuracy or reliability of the results and information obtained. Marks Sattin will not be liable for any damages of any kind arising out of or relating to use of this information.

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