



BREXIT: A POSITIVE IMPACT ON LEGAL RECRUITMENT?

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With the huge question mark looming over the economic and legal future of our country, Career Legal explores what this might mean for recruitment in law firms.

Back in June of 2016 the nation witnessed a surprise outcome to the referendum on the UK's independence from the European Union. A narrow majority voted for the UK to leave the EU, making 'Brexit' a reality and leaving a large question mark looming over the economic and legal future of our country.

The year that followed has done little to alleviate the uncertainty, with many of the key terms of the nation's departure still to be negotiated and settled upon but with the wheels firmly in motion and businesses in London and across Europe bracing themselves for whatever Brexit may bring, many are turning their attention to how

the UK's eventual withdrawal from the EU will affect them as a new era draws nearer.

City law firms are of course no exception with the leading full-service law firms in London counting many international corporates among their clients. It is a time-honoured cliché in our world as legal recruiters that 'change is always good for lawyers'. In the wake of the

global financial crisis a decade ago we saw a notable increase in business for several practice areas – litigation, insolvency and financial regulation to name a few – and the fallout from Brexit promises to have similar implications.

Global companies and high net-worth individuals alike are turning ever-more to their trusted law firms to guide them through the impending uncertainty and so law firms are finding themselves having to prepare to deal with the increasing demand.

Whilst we can only speculate as to what Brexit will mean and the true impact will depend largely on what the withdrawal terms will be, here we offer our thoughts on what this all means broadly for law firms and how some are starting to respond.

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Change is good for lawyers

As mentioned before, law firms always tend to prosper in times of economic uncertainty. The general consensus is that Brexit itself will likely lead, one way or another, to more work for lawyers in the short to medium term as a new legal regime is created. Most areas of law will be affected to some extent, due in no small part to the expected changes regarding the ECJ's ongoing jurisdiction over UK cases and access to EU legal services for UK lawyers. Lawyers and paralegals are now required by many firms to undertake scenario-planning exercises in order to properly advise clients on what may happen in the future.

If we ultimately see a 'hard' Brexit, there will be a thorough analysis and rewriting of huge

amounts of legislation. Law firms will have to be more flexible and responsive than ever to respond to everything Brexit throws their way, so it is almost certain that Brexit will create more work for UK lawyers and it is easy to see how most practice areas, both contentious and non-contentious, will feel some effect from the changes.

What goes up must come down

As is often the case, when some areas suffer, others may well prosper. Many expect there will likely be a general slowdown in the more transaction-heavy sectors of law such as banking and corporate and the trade of many financial instruments is at the mercy of passporting issues that could cause headaches for financial institutions and those who advise

them. Many banks are already making contingency plans to uproot their London-based European headquarters in favour of new locations in the EU. That being said, the corporate M&A market saw a marked increase in foreign acquisitions from companies capitalising on the weakened currency in the immediate aftermath of the referendum and private equity-backed takeovers seem to be booming which is reflected in a growing demand from our corporate clients. Despite transactional teams anticipating a slight hit, it is believed that there will be an overall increase in most contentious fields as well as advisory work across several areas.

Competition

Post-Brexit, EU law would eventually cease to apply in the UK, so UK regulators will have to take on more cases. A great deal of UK competition law may also diverge from EU

law over time.

Intellectual Property

Extensive and complex changes will occur to copyright law, trademark law, design law and the Unified Patent Court. This will lead to an increase in work as clients plan for these changes following Brexit.

Tax

Tax practices have grown significantly in the City over the last few years already, despite the economic climate, and Brexit potentially brings more exciting opportunities from a tax lawyer's perspective.

Employment

There may be significant changes in relation to UK workforces, with some clients wanting to transfer staff to the EU and possible changes to terms of employment.

Immigration

It almost goes without saying that Brexit could have huge

ramifications for teams focussing on immigration law, both from an individual and corporate standpoint with the free movement of workers facing a substantial overhaul. Whilst law firms, like all business, will have to consider the implications of their own hiring plans, so will their clients. We expect this could well place a premium on candidates with language skills once it becomes more difficult to source foreign EU nationals.

The government is reportedly optimistic that it should be possible to sort out a mutual recognition deal for lawyers between the UK and EU however it is unclear as to how forgiving the new system will be on unqualified candidates such as paralegals.

Brexit Teams

With the impact of Brexit finding itself more and more at the forefront of law firms' concerns, many have taken to creating purpose-built teams, effectively making

Brexit its own practice area for many top firms. We have already seen demand for paralegals with the sole purpose of carrying out research on these very concerns with the Financial Conduct Authority building out a Brexit-focussed team and many law firms taking a similar approach.

What does this mean for recruitment?

In short, more hiring and possibly a change in strategy. As mentioned above, it is clear that demands across various teams are going to fluctuate, all that remains to be seen is to what extent. Some of these changes will be relatively permanent whereas some will need to be tackled on a more interim, project-led basis. We anticipate certain firms finding a need to explore contract options where they perhaps wouldn't have before to accommodate increased workloads. Litigation teams may

see an increased need for short term document reviewers to assist with particularly demanding cases. Many of the practice areas mentioned above are likely to require further support and this could mean an increased appetite for hiring paralegals to carry out legal research to help their lawyers properly advise clients. Of course the firms opting to create Brexit-specific teams are likely to need to staff these externally too.

While we can only really speculate through educated predictions and the lessons of the past, nobody has a crystal ball and our clients will have to respond dynamically to the upcoming changes to make sure they stay on top of their clients' concerns and in touch with the candidate market.

We at Career Legal have established ourselves as market-leaders in the supply of high quality paralegal and

document review candidates across all practice areas and across all levels for both permanent and interim hires. Whatever hiring needs you find yourselves with, we consider ourselves especially well-placed to assist.

We are always keen to hear our clients' perspectives on the market and, as such, we would welcome your views on how you foresee Brexit impacting upon your business specifically. Please do not hesitate to get in touch as by staying in contact we can ensure that we are well-prepared to help you going forward.

For any hiring needs now or in future, please also feel free to reach out to us.

Paralegal Team

The paralegal team at Career Legal carries a combined 12 years of recruitment experience between them and has established itself as one of the leading specialist legal recruitment teams in the City and as the preferred supplier to several of London's leading international law firms and financial institutions.



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