



MARKET REPORT

A WEALTH OF KNOWLEDGE

Innovative & Effective Recruitment Partner in
Insurance, Wealth Management & Financial Technology

EXECUTIVE SUMMARY

Just as it seemed the UK finally had some clarity over its relationship with the EU, and that business leaders could look forward to slightly more certainty in uncertain times, the global coronavirus pandemic hit, and all bets were off. As I write this 800,000 companies have temporarily suspended 6.3 million jobs in response to the crisis as part of the government's voluntary furlough scheme.



Technology and compliance across financial services are, however, historically resilient industries. The combined factors of 2020 may be the toughest test of that resilience to date. Here's what we expect to see from our core markets in the technology and compliance jobs market this year – including salary trends, the skills to have on your teams, and how to weather the biggest storm many of us have seen in our lifetimes.

MARK NELSON
MANAGING DIRECTOR

Streamline is a Tech and Compliance talent partner across insurance, wealth and investment management. Our products offer the most advanced recruitment network tools, headhunting & talent mapping technology including market leading bespoke recruitment video technology.

We fill the gap of non-direct hires through our specialisms, deep knowledge and established candidate networks.

WHAT IS HAPPENING ACROSS THE INDUSTRY...

COVID 19 BITES THE HIRING LANDSCAPE

After years of sustained job demand and salary growth across the technology and financial sectors in the UK, the severe impact of the global COVID-19 pandemic started to show in the spring of 2020.

Job openings in the UK's IT sector plummeted by 56.5% month-on-month in April according to figures from the job board CV-Library. Year-on-year the volume of IT job listings was down by 59.4%. This has pushed the application to job ratio up by 134.6% over the previous month, as competition for vacancies heats up.

"Thousands of companies have put a pause on their hiring plans until there's more certainty in the market and the pandemic is having an impact on all sorts of industries; including IT." Lee Biggins, CEO and founder of CV-Library said.

"Unfortunately, there's no light at the end of the tunnel at this stage, especially as we move into the thick of the spring/summer period, which tends to be quieter for hiring anyway."

Further research by CV-Library also found that 64.7% of IT professionals are worried about losing their job during the coronavirus pandemic, a figure which rises to 85.7% for IT professionals who are already on the government's furlough scheme.

Data from jobs site Glassdoor similarly showed job openings in technology and compliance in the UK have dropped precipitously, by 43% between 1 March and 27 April 2020.

At Streamline we conducted a survey to find out what percentage of professionals would return to the office if it was safe to do so. A staggering 46% stated they would prefer to never go back to the office post-covid-19 restrictions.

*The Streamline survey was conducted with 65 respondents at the end of May 2020

THE WORST COULD BE BEHIND US

That being said, that same Glassdoor data showed the rate of change starting to slow for the first time since the pandemic hit these shores.

Daniel Zhao, Senior Economist at Glassdoor, commented: *“The big drops in job openings witnessed from when the UK first went into lockdown have seemingly passed. We’re now seeing much smaller week-on-week drops.”*

IT and Compliance Professionals might not be in a hurry to return to the office however, research by identity management specialist vendor Okta also found that just one in four of the 2,000 UK workers it surveyed want to go back to the office full-time after the pandemic subsides.

“We all work differently and the results of our study speaks to that. Some people perform better if they avoid their twice daily commute and head to work in their distraction-free home office.” said Jesper Frederiksen, VP and GM of EMEA at Okta.

HIRING MOVES ONLINE

Many technology firms will continue to hire during the pandemic as demand for remote systems rises in response to government-mandated lockdown, but a looming recession could stop that trend in its tracks.

“Institutions continue to recruit business critical vacancies, whilst at the same time, ramping up their remote team systems and practice. Software engineers, IT auditors, cyber security experts and data and analytics professionals will continue to be in demand, clients being prepared to conduct telephone or video conferences and online tests to determine if they are to be future colleagues.” he added.

Streamline has moved quickly to adapt to the new remote hiring phase, recently launching our bespoke Lighthouse product - enabling business to hire easily and quickly. The video technology allows secure recorded interviews and candidate video clips alongside shortlisted CVs. With our recent survey suggesting only 28% of professionals would return to the office post-covid-19, ensuring you have an agile workforce and approach to hiring is vital.

Indeed, technology in particular appears to be proving resilient to broader employment impacts. As Ann Swain, chief executive of the Association of Professional Staffing Companies said: *“While it’s clear from this data and our conversations with members that COVID-19 has meant hiring freezes in some sectors, this has by no means resulted in a complete standstill. Technology is obviously proving resilient but we have also seen hiring activity in finance, HR and digital marketing during the pandemic.”*

IR35 DELAY

Employers and IT contractors should be aware that the UK's IR35 tax rules change has been delayed by the Treasury by one year amidst the coronavirus outbreak.

Since 2017, IR35 rules stated that public sector organisations would have to determine the tax status of contract workers, and whether they fell inside or outside the IR35 remit. In July 2019, HMRC stated in the draft finance bill that those rules were to be extended to medium- and large-sized private sector businesses, starting in April 2020, with that deadline now April 2021.

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This is a deferral, not a cancellation. *Chief Secretary to the Treasury Stephen Barclay said at the time.* The government remain committed to reintroducing this policy to ensure that people who are working like employees, but through their own limited company, pay broadly the same tax as those employed directly.”

This gives leaders some much needed breathing room, but in the coming months, it will be crucial to draw up clear organisational maps to take stock of their workforce, off-payroll or not, as the new deadline looms. Assessing reporting lines will be crucial, as will weighing up the future pros and cons of reliance on contract workers, particularly for operational support.

SALARIES CONTINUE TO, RISE FOR NOW

Published before the pandemic took hold, Robert Half's 2020 Salary Guide claimed that the number of new job roles was set to rise from 16% to 27% in 2020, as companies continue to push forward digital transformation agendas. Research published in January by jobs board CV-Library showed that UK IT salaries continue to buck the national trend by growing 2.8% in the final few months of 2019. The report looked at jobs data for Q4 2019 and found that the number of job applications in the IT sector rose by 38%.

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It's clear that companies in the IT sector are refusing to be held back by the recent political turbulence. But this only means that competition for top talent will intensify. With salaries on the rise across the industry, you might want to consider providing more than just a good wage to new employees. By offering flexible working, company benefits and career development opportunities, you'll ensure that your company will attract the best candidates around. With such fantastic growth in the market, now is the perfect time to think about establishing the best packages and pushing forward with your recruitment efforts.”

CV-Library CEO Lee Biggins

IN-DEMAND TECHNICAL SKILLS

- **Project management methodologies;** ITIL, Agile, Scrum, PRINCE2
- **Public cloud expertise;** Azure/AWS certified, Office 365, Dynamics
- **Programming Languages;** .NET (C#/.ASP), Java, PHP
- **Automation Scripting**
- **CISSP certified**

SALARY SURVEY 2020 SOFTWARE DEVELOPMENT, TESTING & DEVOPS

| TITLE | SALARY |
|----------------------|--------------------|
| Development Manager | £53,000 - £100,000 |
| Developer Lead | £51,000 - £105,250 |
| Back-end Developer | £35,500 - £80,250 |
| Front-end Developer | £28,000 - £55,000 |
| DevOps Manager | £51,000 - £81,500 |
| DevOps Engineer | £38,000 - £82,000 |
| App Support Engineer | £29,000 - £49,000 |
| Testing Manager | £38,500 - £67,750 |
| Testing Analyst | £27,000 - £57,500 |

IN DEMAND COMPLIANCE SKILLS

- Monitoring
- AML / KYC
- Excel
- 2:1 degree
- VBA (Visual Basic) and / or overall strong Excel expertise
- First time ACA / ACCA passes

SALARY SURVEY 2020 COMPLIANCE

| TITLE | SALARY |
|---|---------------------|
| Head of / Compliance Director | £100,000 - £183,000 |
| Compliance Manager | £78,000 - £121,000 |
| Compliance Analyst | £36,000 - £65,000 |
| Junior Compliance | £26,000 - £35,000 |
| AML / Financial Crime MLRO | £100,000 - £182,000 |
| Head of Client Onboarding | £72,000 - £102,000 |
| Senior AML / Senior Onboarding Analyst | £50,000 - £67,000 |
| Client Onboarding Analyst / AML Analyst | £36,000 - £61,000 |

COMPLIANCE & RISK

Post-covid-19 pandemic we anticipate that the financial services market will still be gripped by the skills shortage – an issue compounded by tightening visa controls. According to a recent survey, almost half of CFOs (49%) said they couldn't find candidates with the right expertise, and over three-quarters (80%) felt that the skills shortage posed a direct threat to business growth. Candidates will see strong demand in FinTech, asset management, real estate funds and the debt market and could even enjoy overseas opportunities as some UK financial services firms open offices in the EU.

GOVERNANCE, RISK & COMPLIANCE HIRING CLIMATE

Compliance teams are growing as businesses seek to protect themselves from regulatory risks. Compliance onboarding (49%) and risk management (35%) are two popular areas for temporary hiring, according to CFOs. To create a culture of compliance, candidates with strong people skills and gravitas are desirable. Risk and governance have seen an influx of new roles alongside usual seasonal, temporary hires. Top senior talent can look forward to competitive remuneration packages to mitigate the risks and responsibilities of the Senior Managers and Certification Regime.

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REACH OUT TO US
WE WANT TO HEAR
FROM YOU

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