

THE BAR Top 30

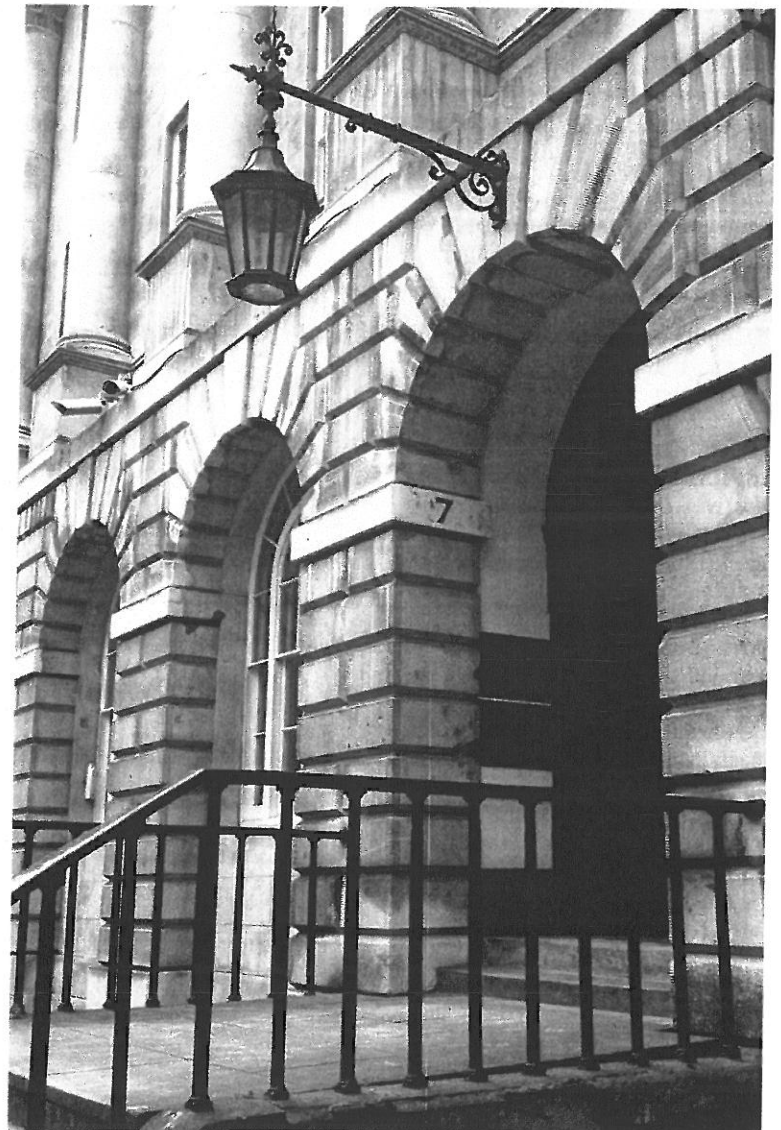
It's not only law firms being organised on more businesslike lines. Leading sets are seeing the rise of 'superclerk' top executives

Katy Dowell and Matt Byrne

The impact of the seismic changes shaking up the legal market across the UK and filling the pages of *The Lawyer UK 200 Annual Report 2013* is not limited to solicitors or law firms.

The bar is far from being immune, although the structure of sets means that in most cases they are having to deal with a different group of challenges as well as opportunities. For one thing, overheads tend to be significantly lower in chambers when compared with firms, a fact that can make the provision of legal services provision considerably stronger.

Barristers now have to be visible to solicitors and be willing to work as a team



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Strategy: the bar



“Chambers are extremely lean, but this means many do not have the same resources as firms to improve client service”
David Stead

“You can get access to top experts at much cheaper rates at the bar because it doesn’t have the same infrastructure as firms,” says 11KBW CEO David Stead. “Chambers are extremely lean. We don’t have a single secretary. But it also means that typically chambers do not have the same resources as firms to improve client service, for example IT for process efficiency or big teams behind marketing and knowledge-sharing.”

It is a mantra often trotted out by barristers, that one of the key advantages of being at the bar is that overheads are deliberately kept low. As with all other parts of the UK legal market, though, the bar is changing. One of the most obvious signals that chambers are waking up to modern business life is the growing number of CEOs heading a variety of sets. However, none of the top 10 sets have installed a chief executive to run the administrative side of chambers. Instead, senior clerks such as One Essex Court’s Darren Burrows, Fountain Court’s Alex Taylor and Wilberforce Chambers’ Declan Redmond, have expanded their remits to include the role.

But outside the top 10 there has been a move to recruit management from outside the Inns. That said, it is rare that anything is completely new at the bar. Hardwicke, for example, which markets itself as “a modern, progressive provider of legal services” has had a CEO for 20 years.

“Chambers are complex organisations and historically have been slow to adapt, modernise and think of themselves as legal services providers and businesses,” says Hardwicke senior clerk Amanda Illing,

which once again completes *The Lawyer’s* list of the UK’s leading barristers’ chambers in 30th place with revenue of £17.1m, a 5 per cent rise on 2011/12. “Lots of chambers and barristers are coming late to that party.”

Illing moved to Hardwicke in 2009 from Matrix with a mission to propel the chambers into *The Lawyer* Bar Top 20 by 2014. The set had ambitions to change course and inject some of that commercial nous that Matrix had become known for.

Matrix launched in 2000 with practice directors instead of clerks. The founding members, wanting to present themselves as an alternative to the traditional sets, pledged to go against the wider trend of specialisation at the bar and handle a mix of civil and criminal law.

Many traditionalists turned the noses up at such a move. Even in 2000, senior barristers were clinging to old-boy traditions, but Matrix persevered and many sets have since followed suit with their own practice directors.

The set has just had its most successful year to date, posting an 18 per cent revenue hike from £20.3m to £24m. The upward trajectory is expected to continue.

Catching up

They may be late to the party but many sets are busy making up for lost time. Significant change is taking place, much of it driven by external factors and the current market’s new and demanding pressures.

Some of the biggest challenges facing the sets in this year’s top 30 include: the Government’s cuts to legal aid in the Legal Aid, Sentencing and Punishment of Offenders Act 2012 (Laspo); the proposed ex

Senior clerks such as One Essex Court’s Darren Burrows (pictured) have expanded their remits to include the CEO role



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Ben Hubble QC

tension to civil law in the Quality Assurance Scheme for Advocates (QASA), which was approved in July 2013; Lord Justice Jackson’s civil litigation reforms; adapting to the new funding methods increasingly being introduced via alternative business structures (ABS); the increased need for sets to market themselves overseas; new costs management procedures for multi-track cases since 1 April 2013; the rampaging consolidation of law firms; and firms increasingly handling their own advocacy and hanging on to the fees in the process.

It is a heady mix. So far one of the most visible responses to the increasing pressure on the top sets has been for them to bring in qualified senior support staff to head key service roles, a trend that has noticeably grown in recent years and which was highlighted in September by the entry of Devereux Chambers to the inaugural *The Lawyer* Management Awards in the Best Marketing and Communications Team category.

“I can’t speak about other sets but there has been an influx of CEOs and marketing/business development (BD) staff from outside the bar,” says 11KBW’s Stead. “This is happening on an increasing basis but the models vary, as they do in law firms. Specialists in marketing, BD and finance have been recruited but other functions such as IT tend to be outsourced to specialists due to the smaller size of most sets.”

Stead’s background is in strategy,

One of the most visible responses to the pressure on top sets has been for them to bring in qualified senior support staff

BAR TOP 30 BY REVENUE PER BARRISTER

Rank	Chambers	Average revenue per barrister (£k)	Number of tenants (silks)
1	*Wilberforce Chambers	849	53 (22)
2	*7 King’s Bench Walk	775	52 (25)
3	*Fountain Court	754	65 (31)
4	*Brick Court Chambers	746	77 (37)
5	*One Essex Court	718	80 (42)
6	*South Square	700	40 (21)
7	*3 Verulam Buildings	656	66 (22)
8	*Essex Court Chambers	653	80 (42)
9	*Keating Chambers	625	56 (26)
10	*Maitland Chambers	569	65 (25)
11	Quadrant Chambers	560	55 (16)
12	*4 New Square	555	54 (20)
13	*20 Essex Street	551	58 (21)
14	*Serle Court	547	53 (20)
15	*Blackstone Chambers	523	87 (37)
16	Monckton Chambers	510	47* (14)
17	*4 Pump Court	482	58 (19)
18	XXIV Old Buildings	430	40 (11)
19	*39 Essex Street	416	116 (39)
20	11KBW	348	56 (18)
21	Landmark Chambers	337	78 (28)
22	*One Crown Office Row	335	67 (23)
23	Matrix Chambers	320	75 (25)
24	Outer Temple	301	75 (16)
25	Kings Chambers	280	89 (12)
26	Hardwicke	216	79 (7)
27	*7 Bedford Row	207	83 (17)
28	No 5 Chambers	189	244 (25)
29	Exchange Chambers	160	146 (13)
30	3 Paper Buildings	127	152 (8)

Source: *The Lawyer* UK 200 Annual Report 2013, in association with KPMG. *Estimated

BD and marketing but he works extremely closely with the clerks and marketing/operations team.

While many clerks would refrain from actively marketing, it is fair to say that many at the bar are much more aware of modern media and how it can help to shape practices. Discussions about personal development for barristers often means clerks encouraging members to get out and meet solicitor clients. It is no longer acceptable for barristers, be they silk or junior, to expect the work to walk through the door, they have to be visible to solicitors and they must be willing to work as a team.

While barristers are encouraged to be more commercial, chambers culture is in the midst of a radical

overhaul, encouraged by the dismantling of red-tape committees and the introduction of streamlined structures.

Stead explains: “At 11KBW, the [management] structure was quite cumbersome when I arrived – because the culture is very inclusive – with a large management committee and lots of sub-committees. It is common with most chambers this made decision-making slow.

“We now have a streamlined management committee, far fewer sub-committees and devolution of management to functional areas under myself as CEO, supported by staff and barristers as required. Our overall structure is now more similar to that of a forward-looking law firm.”

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Rank 2013	Rank 2012	Chambers	2012/13 turnover (£m)	2011/12 turnover (£m)	Change on 2011/12 (%)	Average revenue per barrister (£k)	Chambers contributions	Number of tenants (silks)	Number of female tenants (silks)	Number of clerks	Number of staff
=1	1	*Brick Court Chambers	575	526	9.3	746	10.0-11.0	77 (37)	14 (5)	8	10
=1	2	*One Essex Court	575	525	-0.4	718	11.0	80 (42)	10 (3)	12	5
3	3	*Essex Court Chambers	52.3	47.5	3.2	653	8.0	80 (42)	12 (3)	15	22
4	5	*Fountain Court	49.0	43.5	11.0	754	11.5	65 (31)	11 (1)	14	9
5	8	*39 Essex Street	48.3	40.5	12.3	416	5-20	116 (39)	35 (5)	22	17
6	4	*Blackstone Chambers	45.5	45.0	-2.2	523	16.0-17.0	87 (37)	22 (3)	10	2
7	6	*Wilberforce Chambers	44.0	43.0	0.7	849	13.5	53 (22)	9 (2)	9	11
8	9	*3 Verulam Buildings	43.3	39.4	7.1	656	11 plus rent	66 (22)	13 (1)	14	9
9	6	No 5 Chambers	42.2	43.0	-6.3	189	Up to 15	244 (25)	75 (1)	34	44
10	10	*7 King's Bench Walk	40.3	38.0	-2.6	775	10.0-12.0	52 (25)	12 (3)	8	5
11	11	*Maitland Chambers	37.0	35.8	-2.2	569	13.0	65 (25)	13 (4)	10	23
12	16	*Keating Chambers	35.0	27.3	17.2	625	11.0-12.0	56 (26)	15 (6)	9	8
13	12	*20 Essex Street	32.0	30.0	2.7	551	11.0-12.0	58 (21)	14 (1)	10	12
14	18	Quadrant Chambers	30.8	27.0	11.3	560	13.0	55 (16)	9 (1)	14	8
15	12	¼ New Square	30.0	30.0	-3.3	555	13.0	54 (20)	12 (3)	6	28
16	17	*Serle Court	29.0	27.0	3.7	547	15.0	53 (20)	6 (1)	7	11.6
=17	12	*South Square	28.0	30.0	-6.7	700	11.0-12.0	40 (21)	7 (2)	8	4
=17	15	*¼ Pump Court	28.0	27.5	-4.4	482	14.0	58 (19)	9 (0)	10	12
19	21	Landmark Chambers	26.3	21.7	15.2	337	17.0	78 (28)	15 (2)	12	11
20	19	Kings Chambers	25.0	24.3	-1.0	280	10.0	89 (12)	23 (1)	15	14
=21	23	Monckton Chambers	24.0	21.0	14.3	510	16.0	47* (14)	15 (2)	8	12
=21	25	Matrix Chambers	24.0	20.0	16.8	320	17.5	75 (25)	29 (5)	13	34
23	22	Exchange Chambers	23.4	21.3	6.1	160	12.0	146 (13)	40 (2)	12	37
24	24	Outer Temple	22.6	20.1	11.9	301	Up to 19.5	75 (16)	16 (0)	16	7
25	20	*One Crown Office Row	22.5	22.5	-13.3	335	15.0	67 (23)	21 (6)	12	8
26	28	11KBW	19.5	17.2	12.8	348	20.0	56 (18)	16 (1)	13	6
27	26	3 Paper Buildings	19.4	18.57	-7.4	127	21.5	152 (8)	53 (0)	24	10
=28	27	*7 Bedford Row	17.2	18.2	-5.5	207	16.0	83 (17)	26 (4)	9	9
=28	NA	XXIV Old Buildings	17.2	NA	NA	430	NA	40 (11)	10 (1)	6	4
30	30	Hardwicke	17.1	16.29	5.0	216	19.8 (tapered)	79 (7)	27 (2)	16	8

Source: The Lawyer UK 200 Annual Report 2013, in association with KPMG. *Estimated

The second thing Stead did on joining 11KBW after streamlining the structure, was to interview 30 of the set's biggest clients to understand their view of 11KBW and any service issues. This yielded useful feedback, from high-level strategy to precise operational improvements which have now been made. Changes included rolling out key account management, more market interest groups, knowledge-sharing events, a social media programme and external speakers focused on the client perspective.

It is an exercise that many sets have been through in the past two years, aimed at helping barristers target the right people when it comes to winning instructions. One senior clerk at a top set says it is

essential for his barristers to know who the relationship partners are, but also to be familiar with the associates who support that partner. Building relationships with the right people is key to winning that top-level instruction.

Steady results

On a purely financial level there has been relatively little movement among the positions of the top sets in the top 30 this year and certainly nothing as dramatic as that of 39 Essex Street, which was one of the biggest risers in revenue last year, with an estimated 19 per cent increase in fee income to £48.3m.

At the bottom end, new entrant XXIV Old Buildings makes an appearance with a revenue of £17.2m,

thanks partly to the disappearance of 4-5 Gray's Inn Square from the table after its loss of about 30 barristers to 39 Essex Street during the 2012/13 financial year.

This year there is a tie for the top two places, with both Brick Court and One Essex Court sharing the number-one spot with estimated total revenue of £57.5m apiece.

Construction set Keating Chambers posted the biggest rise in turnover with an estimated 27 per cent hike in fee income from £27.3m to £35m. According to Nick Child, former senior clerk at Keating Chambers and now head of global market development for Navigant Consulting's global construction practice, one of the biggest challenges for chambers is making themselves stand

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“Chambers have been slow to modernise and think of themselves as legal services providers and businesses”
Amanda Illing



out in the eyes of the global market. “This is not achieved on results alone, but also through professionalising support services and thinking carefully about their chambers’ structure and client care approach,” adds Child.

At 4 New Square, where revenue is thought to have been flat last year, head of chambers Ben Hubble QC confirms there is “massive” pressure on fees. “We have to be realistic about it and realise that we need to be team-players,” Hubble says. “There is no room for thinking you are better than the solicitor. If we are a 76-barrister set we are also a business with a turnover of £30m-plus. We have to behave as such.”

Head of chambers at 4 New Square is a chairmanship role, with the seven-person executive committee made up of representatives from each five-year band of call along with chief executive Lizzie Wiseman, who is also a clerk. There are also committees for finance, recruitment, equality and diversity.

“I am keen on the modernising of the profession,” says Hubble. “This idea that you have to provide the solicitor with what they want is important.”

Having the appropriate infrastructure and senior business support professionals in place is increasingly part of that equation. It is a trend that is unlikely to go away any time soon.

Training

At 39 Essex Street, there are separate HR, marketing and clerking functions, although senior clerk David Barnes also claims the CEO title.

“We have the infrastructure to support the people,” says Barnes. “We have to keep pace with our law firm clients. Our strategy is to plug into a number of areas that cover everything.”

Barnes confirms that 39 Essex Street’s plan is to be a full-service set, similar to a mid-tier firm. Blackstone Chambers has a similar approach, targeting certain practice areas and building up teams that can service it from every angle. It is all about getting more out of clients.

Barnes says he has complete autonomy over the running of the set, which allows the chambers to be flexible on billing and the use of fixed fees, capped fees or the standard hourly rate because this becomes a clerking decision rather than a barrister decision.

“We’ve taken a year out to reevaluate where we’re going,” he adds. “I think that while there are some serious challenges at the bar there are also some huge opportunities. Six or seven years ago we were at number 17 or 18 in the top 30 list and now we’re probably going into the top five. It’ll be very interesting to see how it plays out.”

Fountain Court has also ramped up its approach to marketing and the set’s members have proved their willingness to dip their hands in their pockets to fund it. In particular the team led by director of clerking Alex Taylor has increased its focus on management development training.

Deputy senior clerk Paul Martenstyn became the first clerk to gain the Chartered Institute of Marketing’s professional qualification back in 2007 (Martenstyn’s clerking

colleague Reiss Nott also passed August this year). He believes that for those working in an area such as clerking, which often includes numerous individuals who have taken a non-traditional route to the top, additional education and invaluable experience can be the key to success for themselves and their chambers. And, he adds, the more forward-thinking sets are willing to pay for that investment.

Martenstyn is now halfway through a two-year course at the Institute of Leadership and Management (ILM), focused on management, budgeting and client service. This leads to a Level 5 diploma and includes an option to complete further 12 months to achieve a BSc. The course was developed by the Institute of Barristers Clerks (IBCL) in conjunction with ILM, and aimed at current or aspiring senior clerks. The cost of almost £6,000 is being covered by Fountain Court. “It’s not a small investment,” admits Martenstyn. “But training is a big thing for Fountain Court.”

For the sets that want to go ahead, they could do worse than to follow Fountain Court’s lead.

“We have to keep pace with our law firm clients”
David Barnes

