

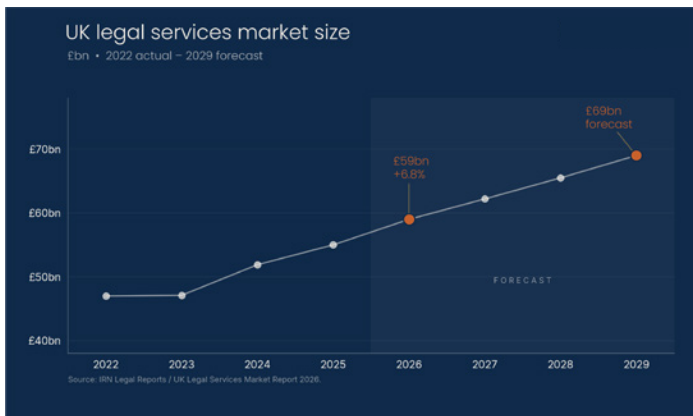
The UK Private Practice Market in 2026.

Growth, Pressure and the New Rules of
Strategic Hiring

H&P Executive Search – 2026

A MARKET IN EXPANSION, BUT NOT IN EQUILIBRIUM

For the first time since the pandemic, growth is forecast across every core practice area in the UK legal services market. [IRN Legal Reports](#) estimates the market will reach £59bn in 2026, representing 6.8% growth, with average annual expansion of 5.5% projected through to 2029.



At the top end of the market, financial performance has been even stronger. Latham & Watkins surpassed [\\$1bn in London revenue in FY25](#), while firmwide PEP rose 21.3% to \$8.7m. White & Case reported global revenue growth of [8.5% to \\$3.6bn](#), with London revenue increasing 5% to approximately \$584m.

The temptation is to interpret these numbers as a simple return to form. In our view, they point to something more structural: a market expanding in value while consolidating in shape, with growth increasingly concentrated around a smaller group of firms, practices, and partners.

For private practice leaders and senior candidates, the question is no longer whether the market is moving. It is where it is moving, how quickly, and which platforms are best positioned to convert that movement into long-term advantage.

PRIVATE EQUITY IS NOW THE CENTRE OF GRAVITY

Three data points capture the scale of the shift. First, around 31% of all UK law firm M&A in the past year involved either new private equity investment or PE-backed firms, up from 25% in 2024 and 20% in 2023. Second, London recorded 50 lateral private equity partner hires in 2025, almost double the 28 recorded the year before, and the highest figure in the tracking period. Third, London recorded 48 lateral PE M&A partner moves in 2025 against 37 in New York – a reversal of the position four years ago.



This is not a marginal trend. It is a redrawing of the City's profit map.

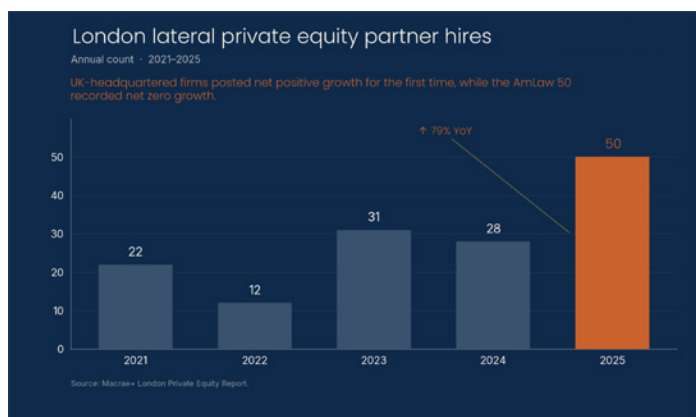
As Siobhán Lewington, Co-Managing Partner at Macrae London, [puts it](#):

"Firms are focusing on the risk associated with not building private equity capability. There is this real fear of being left behind and nobody wants to miss the party."

Two implications follow. The first is that real estate PE, infrastructure, and credit are now standalone hiring priorities rather than adjacencies to mainstream M&A. The second is that the senior PE talent pool in London remains genuinely thin, which is why firms are increasingly pursuing group-level hires and team builds instead of isolated laterals.

UK-HEADQUARTERED FIRMS GAIN GROUND

One of the more notable shifts of the past twelve months has received relatively little attention. In 2025, UK-headquartered firms achieved net positive growth in London PE partner numbers for the first time, while the AmLaw 50 recorded zero net growth across the year.



For much of the last decade, the narrative has been relatively straightforward: US firms entered the London market aggressively, hired aggressively, and outpaced domestic competitors at the top of the deal table. That dynamic still exists at the elite end of the market, but the talent flow now looks more balanced.

UK firms have used compensation realignment to compete on more even terms, with several Magic Circle and elite international firms now paying around [£150,000 at NQ level](#), alongside sustained PEP growth at the top end of the market. High-profile salary increases have narrowed the gap between UK and US platforms, while partner-level compensation packages continue to escalate across strategic practice areas.

The more interesting question now is whether UK firms can convert this into a longer-term structural advantage, or whether it represents a temporary correction before US firms reassert themselves. The firms making the strongest progress are typically those treating compensation as the entry point rather than the differentiator, competing instead on platform strength, autonomy, strategic direction, and route to equity.

CONSOLIDATION AND THE EMERGENCE OF A BARBELL MARKET

The structural shape of the market is changing in parallel. The number of law firms in England and Wales has fallen below 9,000, with more than 1,100 firms exiting between December 2020 and December 2025.

At the other end of the market, transatlantic integration continues to accelerate. Hogan

Lovells and Cadwalader [announced a \\$3.6bn combination](#), HSF Kramer launched in mid-2025, and Winston & Strawn's combination with Taylor Wessing's UK arm received approval ahead of an expected May 2026 launch.

The result is a market increasingly resembling a barbell structure: global firms with extensive infrastructure and international reach at one end, specialist boutiques at the other, and a squeezed middle caught between the two.

For senior candidates evaluating a move, this matters materially. The platform a partner joins today increasingly shapes the client base, cross-border capability, and growth opportunities available over the next decade.



REGULATION IS ADDING OPERATIONAL PRESSURE

Less visible than compensation wars or partner movement headlines, but equally important, are the regulatory and operational pressures building beneath the surface.

[The SRA's draft 2026/27 Business Plan](#) proposes a 29% funding increase to £111.5m, with individual practising certificate fees rising from £190 to £240 and firm compensation fund contributions increasing from £1,950 to £3,600.

Separately, the SRA's continuing competence consultation proposes mandatory recording of learning and development needs, annual peer-led ethics discussions, and new powers to mandate firm-wide training where competence concerns are identified.

These changes raise the operational cost of running a regulated law firm and place greater demands on leadership infrastructure, particularly within the mid-market where dedicated learning, risk, and compliance functions are often less mature. In practice, they reinforce the same direction of travel as consolidation: scale and specialism are becoming easier models to support than broad generalist platforms.

AI MOVES FROM PILOT TO PLATFORM

AI is now moving into a more operational phase across the legal market. [Chambers](#) introduced a dedicated AI ranking table this year, recognising seven solicitors working within the space, while firms continue to build internal governance frameworks around AI usage, data security, audit trails, and information

management.

The strategic question is no longer whether firms should adopt AI. It is how they implement it responsibly and at scale.

The hiring implications are becoming increasingly clear. Firms with credible AI infrastructure, coherent data policies, and operational maturity are becoming more attractive to senior laterals, particularly in practices reliant on high-volume or process-heavy work product. Technology capability is increasingly viewed as part of the platform itself rather than a peripheral operational issue.

WHAT THIS MEANS FOR HIRING STRATEGY

Three themes consistently emerge in our conversations with managing partners and practice heads across the first half of 2026.

Hiring is becoming more selective and more execution-focused. Firms want partners capable of delivering immediate impact, with portable practices, clear client overlap, and strong commercial alignment. Speculative hiring has become less common.

Team builds are increasingly outpacing individual laterals in priority areas. Private equity, funds, infrastructure, and real estate PE are all seeing groups move together because the senior talent pool is too constrained to rebuild practices one hire at a time.

Platform fit is now deciding deals. Compensation has converged sufficiently that factors such as equity route, cross-border capability, AI infrastructure, governance, and conflict profile are increasingly determining where senior candidates choose to move.

For candidates, the strongest moves are typically being made by partners who interrogate the platform behind the offer: PEP trajectory, leadership stability, integration model, strategic direction, and hiring intentions over the next 24 months.

THE VIEW FROM H&P

The UK legal market in 2026 is more dynamic than it has been since 2021, but it is not uniformly buoyant. Growth is concentrated, consolidation is accelerating, and the gap between firms with credible strategic platforms and those without is widening.

For private practice leaders, this remains a window to hire decisively into the practices likely to define the next cycle rather than waiting for the market to settle.

We expect demand for private equity, funds, infrastructure, and disputes partners to remain strong through the second half of 2026, with team-led hiring continuing to accelerate across priority areas. Firms able to move early, articulate a credible platform story, and offer more than compensation alone are likely to define the market conditions everyone else has to compete within.

ABOUT H&P EXECUTIVE SEARCH

H&P Executive Search is a specialist executive search firm advising law firms, in-house teams, and partners on high-stakes leadership decisions across the global legal market. We operate at moments of inflection – platform growth, strategic lateral moves, practice build-outs, and leadership transitions – where judgment, timing, and discretion are critical.

Our legal practice is built on evidence-based insight rather than headline noise. We analyse partner movement and hiring dynamics beneath the surface, helping law

firm leadership teams assess lateral risk and shape sustainable growth strategies, while also acting as a trusted sounding board for partners navigating opportunity, positioning, and long-term trajectory in an increasingly selective market.

With an established presence across the UK, US and Continental Europe, we combine local market intelligence with a global perspective to support confident, informed decision-making as the market evolves.

For senior partner search, team building, succession planning, market intelligence, or confidential discussions about senior moves into or out of the UK market, please contact our team.

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