"There are a number of companies based in the North East of England which are looking to expand either in, or into, oil and gas."

He said there is a huge pipeline of work to come from the North Sea and North East England is ideally placed to pick up a large slice of that – which could lead to the creation of thousands of jobs.

There are a number of companies based in the North East of England which are looking to expand either in, or into, oil and gas.

Some have been involved in more mainstream engineering, construction or the marine sector who are looking at the oil and gas sector, seeing it is still booming, and thinking they would like a slice of that pie.

While there might be fluctuations in the level of investment in oil and gas generally the level of activity in Aberdeen and the North East of Scotland remains high.

That means there can be a bottleneck in the supply chain in Aberdeen which creates opportunities for contractors from the North East of England to come in and offer additional supply.

"There are also opportunities for that supply chain in areas outside Aberdeen which are involved in oil and gas work," said Cockburn.

"In particular they could look at areas like the Cromarty Firth, Nigg and Ardersier where facilities are developing rapidly, creating a growing need for contractors - and it might be difficult to obtain the choice of contractor they need in the Aberdeen area.

"There will undoubtedly be rivalry at times but if the North East of England can stand side-by-side with the North and North East of Scotland to offer jointly a complete, dependable and cost effective supply chain then the rewards will continue to flow from the North Sea oil and gas industry.

"The reality of the matter is that some of the supply chain companies in Aberdeen are out of the door with work and if firms in the North East of England can take the pressure off them then working together might create many more opportunities."

He said there was undoubtedly growing interest from businesses in the North East of England in plugging gaps in the oil and gas supply chain caused by the skills shortage and high property costs in the North East of Scotland which is the UK's most buoyant area outside London with one of the lowest unemployment rates in the country.

Bond Dickinson recently hosted the Teesside launch of the 20th AGCC Oil & Gas Survey which revealed that the North East of England contributes almost as much to the industry as all of Scotland combined, outwith the Aberdeen area.

The survey was compiled after consultation with more than 100 UK oil and gas contractors and operators. The research by the Fraser of Allander Institute, University of Strathclyde, found that for major contracts outside Aberdeen 13% of potential suppliers were based in North East England with 15% for the rest of Scotland.

The level of interest is clear from the number of serious inquiries which the Teesside survey launch led to.

"There is variable geometry of knowledge in the North East of England about the offshore sector," said Cockburn.

"There are those who are up to speed, know the Aberdeen market inside out,and are playing the game very well. Then there are others who have been involved in more mainstream engineering, construction or the marine sector who are looking at the oil and gas sector seeing it is booming and thinking they need to make sure they have a slice of that pie.

"There was record investment in the North Sea last year (£14.4bn) and the decommissioning 'boom' is about to kick off. For years, studies by the likes of Aberdeen University have forecast continuing postponement of the bulk of North Sea decommissioning spend but its studies are showing that such postponement is now tailing off.

"Decom North Sea predicts that this industry could be worth £1bn or more per year and the North East of England is positioned perfectly to pick up a large slice of this work – witness Shell's recent decision to award the Brent decommissioning to the Able yard. 70% of the oil and gas platforms operating in the North Sea were built in the North East of England and many of them could be heading back to the region for dismantling. With the offshore wind industry continuing to grow, and the proximity of the North East of England to giant offshore developments such as Dogger Bank, the future for the region is bright."

Richard Cockburn

2014 UK Oil and Gas Salary Survey

In August we published our 2014 UK Oil and Gas Salary Survey. The report was compiled from over 1,000 respondents, across the oil and gas sector, who completed our online survey during the first quarter of 2014. The survey is timely, as the beginning of the year is when pay reviews are announced.

"There continues to be real optimism in the oil and gas industry, with most businesses expecting to increase permanent and contractor staffing levels in the next 12 months."

Respondents worked across different levels and disciplines within their companies. Analysis is based on C-Level, Director/Senior Management, Management and Non-Management and includes those working in Technical, Operations, Commercial and Support functions.

Our large data-set allows us to understand the average salary and benefits packages people receive within oil and gas industry. Other factors covered include the benefits regarded as important in a remuneration package, the reasons why people move jobs, as well as the methods utilised to search for a new job. Some of the highlights of the survey are detailed below.

Salary, benefits and bonuses

The average salary, excluding benefits and bonuses, received by respondents was £80,000, with salaries ranging from between £30,000 at non-management level up to £250,000 at C-Level. 89% of respondents receive some form of company benefit or bonus as part of their remuneration package. 40% of respondents receive both a company and personal bonus. Bonuses, on average, could be as high as 30% at C-Level.

Changing jobs

The intention to move jobs was also fairly consistent across the different respondent levels and disciplines. 55% of respondents were in fact planning to change jobs within the next 18 months.

Job search methods

Traditional methods of finding a job such as approaching recruiters (66%) or approaching employers directly (56%) still remain important to candidates working within the oil and gas industry. Social networking (38%) is also an increasingly important method for job seekers.

Country Manager of our Energy Division, Anthony Broadhead, commented on the findings;

"There continues to be real optimism in the oil and gas industry, with most businesses expecting to increase permanent and contractor staffing levels in the next 12 months. Consequently, average salaries and overall benefits packages have continued to rise. We believe, however, that these inflated labour market conditions are not sustainable.

"Many companies within the sector are becoming wise to the fact that these inflated conditions, in some respects, have been made possible by industry stakeholders, such as recruiters, encouraging prospective candidates to demand more. Companies are beginning to combat this by being creative around the benefits packages they offer, in the knowledge that money perhaps isn't always the best way to attract talent.

"Certainly, the results of our survey highlight that although financial rewards remain important, there are in fact a range of other benefits that are attractive to candidates in today's market. We fully support creative approaches to incentivising prospective candidates and always make a point of advising clients on what the options are in this area."

The full report can be read and downloaded from www.nigelwright.com/energydownloads