

KPMG and REC, UK Report on Jobs: London

Downturn in permanent new joiners deepens in November

45.2

PERMANENT
PLACEMENTS INDEX
NOV '25

50.8

TEMPORARY BILLINGS
INDEX
NOV '25

The KPMG and REC, UK Report on Jobs: London is compiled by S&P Global from responses to questionnaires sent to around 100 recruitment and employment consultancies in London.

Sharp and stronger reduction in permanent placements

Fresh rise in temp billings

Redundancies continue to fuel marked expansions in staff supply

Anna Purchas, London Office Senior Partner at KPMG UK, said:

"November's figures show employers are still being careful about permanent hiring, but it's encouraging to see temporary demand picking up as employers looked to short-term contracts to help them to meet staffing needs. That suggests there is now some positive movement in the London jobs market, welcome news in the run up to Christmas."

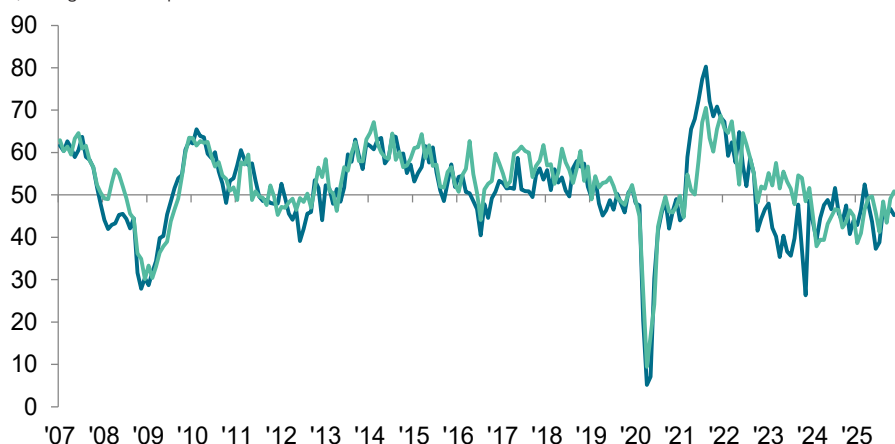
Neil Carberry, REC Chief Executive, said:

"Pre-Budget nerves knocked temporary recruitment back just a little in November in the UK after a growing October, but the overall picture was still relatively benign by comparison to the last year. The market grew in London, with temp billings up for the first time in nearly two years. With such a late Budget and the Christmas period just around the corner, the key now will be the decisions that employers make for their businesses this coming January."

"We can see signs of the market stabilising in London and the UK, with improvements in pay rates for new jobs. But to really get businesses firing, they need confidence. While the Budget was not the horror show of last year, there was little in it to fire the heart of firms. More recently, moves to change the Employment Rights Bill will have landed well, but there is much more to do to get the economy firing. If government's priority is growth, their report card at the end of 2025 reads 'Must try harder'."

■ Permanent Placements Index
■ Temporary Billings Index

sa, >50 = growth since previous month

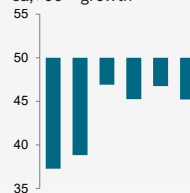


1 Staff appointments

Recruitment consultancies report on the number of people placed in permanent jobs each month, and their revenues (billings) received from placing people in temporary or contract positions at employers.

Permanent Placements Index

Jun - Nov '25
sa, >50 = growth



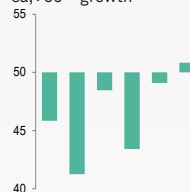
Permanent placements fall at sharper pace

A reduction in permanent placements was recorded across London for an eighth straight month in November. The rate of decrease quickened on the month and was sharp overall. Recruiters noted that economic uncertainty and fewer vacancies drove the latest decline.

Of the four monitored English regions, only the North of England recorded a steeper reduction in new permanent joiners than that observed in London.

Temporary Billings Index

Jun - Nov '25
sa, >50 = growth



Temp billings rise for the first time in nearly two years

Billings received from the employment of temporary staff returned to growth territory across the capital in November. The expansion was slight but the first in nearly two years.

Alongside London, the Midlands was the other English area of the four tracked where temp billings rose.

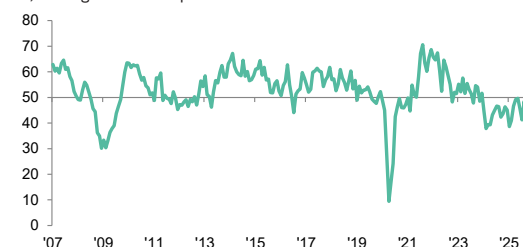
Permanent Placements Index

sa, >50 = growth since previous month



Temporary Billings Index

sa, >50 = growth since previous month



sa, >50 = growth since previous month

	Permanent		Temporary	
	UK	London	UK	London
Jun-25	39.1	37.3	45.5	45.8
Jul-25	40.0	38.8	44.6	41.3
Aug-25	44.2	46.9	46.8	48.5
Sep-25	44.8	45.2	46.0	43.4
Oct-25	45.2	46.7	50.2	49.1
Nov-25	45.5	45.2	48.8	50.8

Job vacancies

The penultimate month of 2025 highlighted a sustained and marked reduction in permanent vacancies across London. The rate of contraction eased, but was still one of the most marked since the COVID-19 pandemic.

Demand for short-term workers deteriorated in November. Temporary job openings have now fallen in 15 consecutive months. Moreover, the rate of reduction was the fastest since February.

Additionally, London recorded the strongest worsening in demand for staff of all four monitored English regions.

Vacancies Index

■ Permanent
■ Temporary

sa, >50 = growth since previous month



sa, >50 = growth since previous month

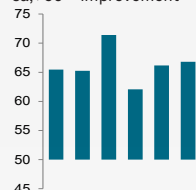
	Permanent		Temporary	
	UK	London	UK	London
Jun-25	44.8	43.2	48.6	47.4
Jul-25	43.0	42.4	45.7	45.0
Aug-25	42.7	41.7	46.0	47.4
Sep-25	42.8	40.4	45.9	44.0
Oct-25	43.1	41.7	44.8	41.6
Nov-25	43.9	42.1	44.9	41.1

2 Staff availability

Recruitment consultants are asked to report whether availability of permanent and temporary staff has changed on the previous month.

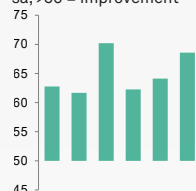
Permanent Staff Availability Index

Jun - Nov '25
sa, >50 = improvement



Temporary Staff Availability Index

Jun - Nov '25
sa, >50 = improvement



Marked and stronger rise in permanent staff availability

Recruiters based in London recorded a marked rise in permanent staff supply during November, thereby stretching the current run of increase to three years. The pace of growth was marked and the fastest in three months. Fewer contracts, redundancies, and more workers open to new opportunities were reasons said to have pushed up the supply of candidates.

The rate at which permanent candidate availability rose across London was broadly in line with that seen at the UK-wide level.

Temp staff supply expands at faster rate

Adjusted for seasonal influences, the Temporary Staff Availability Index signalled a marked rise in the supply of temporary workers across London in November. Expansions have now been noted in each month since the start of 2023. The latest uptick was the most pronounced since August. According to respondents, the upturn was driven by redundancies and fewer job opportunities.

Moreover, London recorded the steepest expansion in temp staff supply of the four monitored English regions.

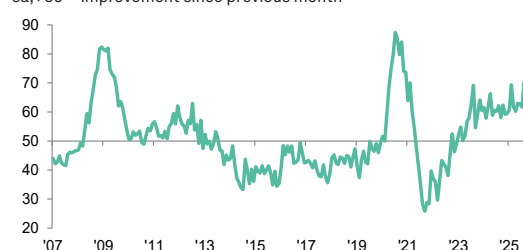
Permanent Staff Availability Index

sa, >50 = improvement since previous month



Temporary Staff Availability Index

sa, >50 = improvement since previous month



sa, >50 = improvement since previous month

	Permanent		Temporary	
	UK	London	UK	London
Jun-25	66.3	65.5	63.2	62.8
Jul-25	64.9	65.3	61.3	61.7
Aug-25	70.2	71.4	67.9	70.2
Sep-25	65.5	62.1	65.2	62.3
Oct-25	65.1	66.2	64.1	64.1
Nov-25	66.6	66.8	65.2	68.6

3 Demand for skills

Skills in short supply: Permanent staff

Accounting/Financial	Hotel & Catering
Accountants	Hospitality
Paraplanners	IT & Computing
Blue Collar	Digital
Drivers	Technical Roles
Site Managers	Nursing/Medical/Care
Construction	Carers
Construction Professionals	Medical
Construction Project Managers	Nurses
Quantity Surveyors	Occupational Therapist
Engineers	Paramedics
Clean Technology	Physiotherapist
Engineers	Social Workers
Executive/Professional	Other
Legal Secretarial	Operations
Management	Sales
Professional Roles	

Skills in short supply: Temporary staff

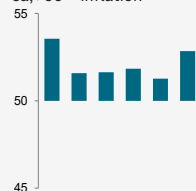
Construction
Bricklayers
Labourers
Quantity Surveyors
Nursing/Medical/Care
Social Workers

4 Pay pressures

The recruitment industry survey tracks both the average salaries awarded to people placed in permanent jobs each month, as well as average hourly rates of pay for temp/contract staff.

Permanent Salaries Index

Jun - Nov '25
sa, >50 = inflation



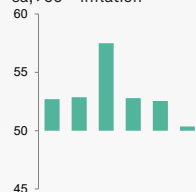
Starting salary inflation gathers momentum

Average starting salaries awarded to successful candidates placed in permanent positions increased across London in the penultimate month of the year. The pace of inflation was the strongest in five months and broadly matched that seen across the UK as a whole, albeit remaining well below the long-run average.

In fact, the respective seasonally adjusted rose across all four monitored English regions in November.

Temporary Wages Index

Jun - Nov '25
sa, >50 = inflation



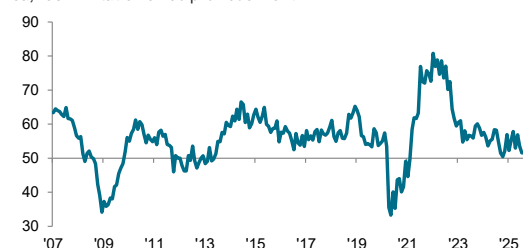
Temp wage inflation weakest in 14 months

Latest data highlighted a further increase in average pay rates for temporary workers across London. Where hourly pay rates increased, recruiters noted that higher wages were awarded to candidates with suitable skill sets. That said, the rate of temp wage inflation was only fractional, easing further since August to the weakest in the current 14-month run of increase.

London and the South of England were the only two of the four monitored English areas that registered a rise in temp wages.

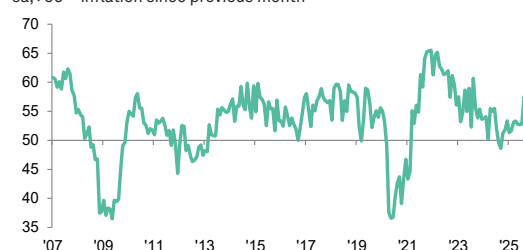
Permanent Salaries Index

sa, >50 = inflation since previous month



Temporary Wages Index

sa, >50 = inflation since previous month



sa, >50 = inflation since previous month

	Permanent		Temporary	
	UK	London	UK	London
Jun-25	52.7	53.6	52.3	52.7
Jul-25	52.0	51.6	51.1	52.9
Aug-25	50.6	51.6	51.5	57.5
Sep-25	50.2	51.8	50.8	52.8
Oct-25	50.8	51.3	49.9	52.5
Nov-25	52.7	52.8	50.0	50.4

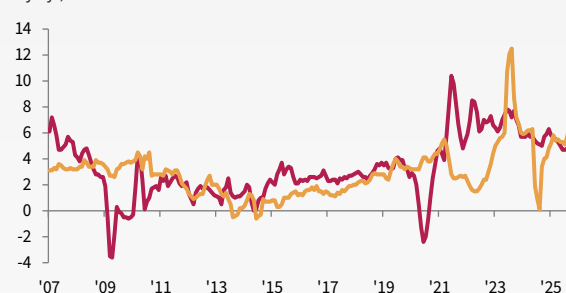
Official data: UK average weekly earnings

Latest figures from the ONS signalled a slightly slower annual increase in average weekly earnings in the three months to September although growth remained well above its historical trend pace. Overall, wages increased by 4.8%, compared to 5.0% in August.

There was however a noticeable divergence between public and private sector pay trends. For public sector workers, pay increased by 6.8% - a near two-year high. In contrast, pay rose by 4.4% in the private sector - the lowest growth in four-and-a-half years.

UK average weekly earnings

%yr/yr, 3mma



Source: Office for National Statistics via S&P Global Market Intelligence.

5 Regional comparison

The KPMG and REC, UK Report on Jobs: London is one of four regional reports tracking labour market trends across England. Reports are also available for the South of England, the Midlands and the North of England.

Staff appointments

Permanent placements across the UK decreased at a softer, yet still sharp rate in the penultimate month of 2025. Declines were recorded across all four monitored English regions, with the softest reduction seen in the Midlands. The remaining three regions covered saw their respective rates of reduction quicken on the month.

Recruiters also signalled a renewed, yet only modest, fall in temporary billings across the UK during November, reversing the slight uplift seen a month prior. The South of England saw an accelerated reduction in temp billings, while there was a fall recorded in North of England for the first time in three months. In contrast, London recorded its first increase in temp billings since December 2023. Meanwhile, growth was sustained in the Midlands, with the rate of increase at a 17-month high.

Candidate availability

Recruiters across the UK indicated a robust increase in permanent candidate availability in November. Notably, the rate of expansion strengthened from that in October to reach a three-month high. Marked upturns in permanent labour supply were seen in each of the four monitored English regions, with the sharpest rise in the South of England.

Widespread increases in candidates seeking temporary positions were also signalled during November, with the sharpest upturn seen in London. The UK as a whole posted a substantial rise in temporary candidate availability, with the pace of expansion quickening slightly on the month. The softest uptick in temp staff supply was seen in the North of England, meanwhile.

Pay Pressures

As has been the case since March 2021, permanent starting salaries increased again midway through the fourth quarter. The rate of inflation gathered momentum from October and was the most pronounced in five months. The Midlands posted the strongest rise in starting salaries, while the North of England continued to buck the national trend and record a fall in starting pay.

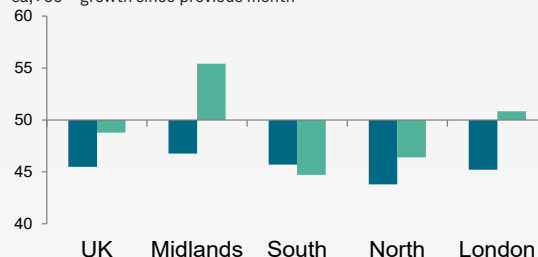
Temp wages meanwhile were unchanged across the UK on the month during November, marking the second successive month of broadly stable pay trends. The North of England recorded the steepest fall in November, followed by the Midlands. By contrast, there was a renewed uptick in the South of England, while wage inflation in London continued at a softer and fractional rate.

November 2025

■ Permanent
■ Temporary

Staff Appointments

sa, >50 = growth since previous month



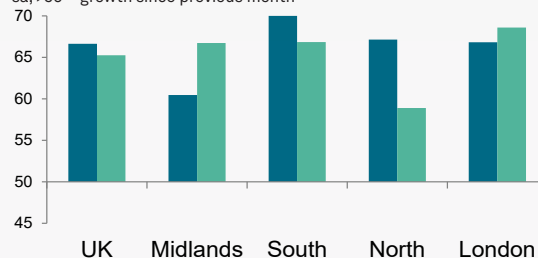
Vacancies

sa, >50 = growth since previous month



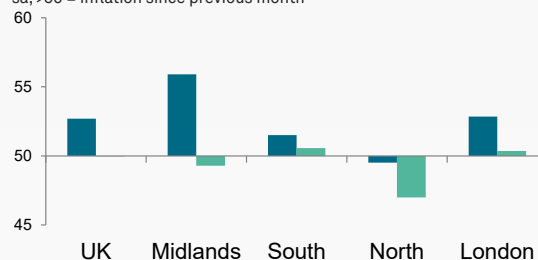
Staff Availability

sa, >50 = growth since previous month



Pay Pressures

sa, >50 = inflation since previous month



Contact

KPMG

Claire Barratt
Deputy Head of Media Relations
T: +44 (0)7923 439264
claire.barratt@kpmg.co.uk

REC

Hamant Verma
Communications Manager
T: +44 (0)20 7009 2129
hamant.verma@rec.uk.com

S&P Global

Maryam Baluch
Economist
S&P Global Market Intelligence
T: +44 134 432 7213
maryam.baluch@spglobal.com

Corporate Communications
S&P Global Market Intelligence
press.mi@spglobal.com

Methodology

The KPMG and REC, UK Report on Jobs: London is compiled by S&P Global from responses to questionnaires sent to around 100 recruitment and employment consultancies in London.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the survey methodology, please contact economics@spglobal.com.

Survey Dates

Data were collected 12-24 November 2025.

About S&P Global

S&P Global (NYSE: SPGI) S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today.

About KPMG UK

KPMG LLP, a UK limited liability partnership, operates across the UK with approximately 17,000 partners and staff. The UK firm recorded a revenue of £2.99 billion in the year ended 30 September 2024.

KPMG is a global organisation of independent professional services firms providing Audit, Legal, Tax and Advisory services. It operates in 143 countries and territories with more than 275,000 partners and employees working in member firms around the world. Each KPMG firm is a legally distinct and separate entity and describes itself as such. KPMG International Limited is a private English company limited by guarantee. KPMG International Limited and its related entities do not provide services to clients.

About REC

The REC is the voice of the recruitment industry, speaking up for great recruiters. We drive standards and empower recruitment businesses to build better futures for their candidates and themselves. We are champions of an industry which is fundamental to the strength of the UK economy. Find out more about the Recruitment & Employment Confederation at www.rec.uk.com.

Disclaimer

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without S&P Global's prior consent. S&P Global shall not have any liability, duty or obligation for or relating to the content or information ("data") contained herein, any errors, inaccuracies, omissions or delays in the data, or for any actions taken in reliance thereon. In no event shall S&P Global be liable for any special, incidental, or consequential damages, arising out of the use of the data.

This Content was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content.