

# KPMG and REC, UK Report on Jobs: Midlands

## Sharp drop in permanent staff appointments in April

# 39.9

PERMANENT PLACEMENTS INDEX  
APR '26

# 54.5

TEMPORARY BILLINGS INDEX  
APR '26

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

Permanent placements fall at steepest pace in 16 months

Temp billings increase at slower, but solid rate

Further expansions in staff supply

Commenting on the latest survey results, Andy Bostock, Birmingham Office Senior Partner at KPMG UK, said:

*“April’s data suggests that employers in the Midlands are becoming increasingly cautious about making long-term hiring commitments. The sharpest fall in permanent placements for 16 months points to a market where higher staffing costs and changes to employment legislation are pushing businesses to delay decisions until conditions stabilise.”*

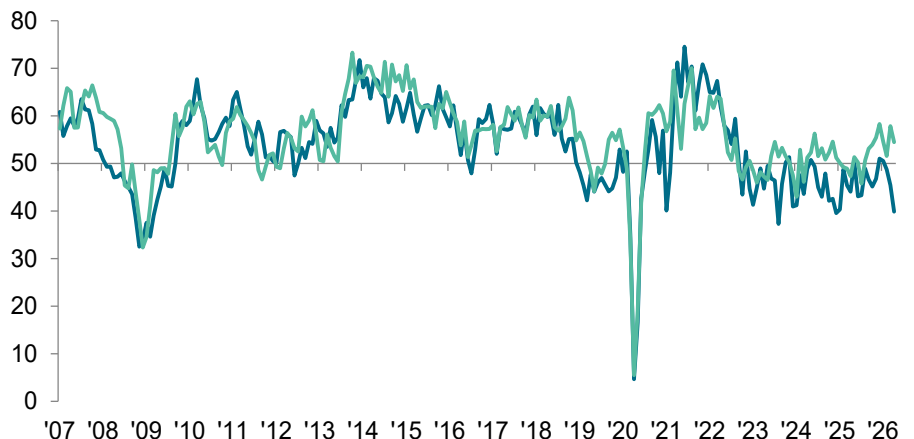
*“Strikingly, though, demand has not disappeared altogether. The Midlands again recorded the strongest rise in temp billings of any English region, showing that many employers still need access to skills and capacity, but want to retain flexibility while the outlook remains unsettled. The labour market is still active, but caution is currently the dominating force shaping it, rather than confidence.”*

Neil Carberry, REC Chief Executive, said:

*“So far this year we’ve seen signs of improving momentum across the UK, but that is now being tempered by the economic effects of the Gulf conflict. Businesses will be particularly concerned about the impact on inflation, their borrowing costs and any disruption to wider supply chains. The good news is that employers in the UK are leaning more on temporary work to move ahead with their plans in this more uncertain time, demonstrating again why temporary and contract work matters so much to growth and jobs. For example, we can report the ninth successive monthly rise in temp billings in the Midlands. Government can do more to help firms feel able to commit to permanent hiring too, by addressing the cost of doing business – the key domestic contributor to hiring activity. Taking the threat of badly designed guaranteed hours rules off the table would make a huge difference.”*

■ Permanent Placements Index  
■ Temporary Billings Index

sa, >50 = growth since previous month

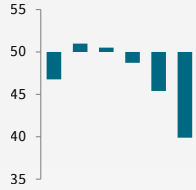


# 1 Staff appointments

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

Nov '25 - Apr '26  
sa, >50 = growth

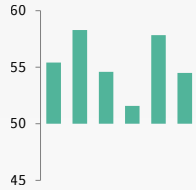


## Steeper decline in permanent placements

The number of people placed into permanent job roles in the Midlands fell for a third straight month in April. Furthermore, the pace of reduction was the fastest seen since December 2024 and sharp. Surveyed recruiters noted that greater global uncertainty, often linked to the Iran war, had led clients to cancel or postpone their hiring plans. Higher staffing costs and recent changes to employment legislation were also cited as having suppressed recruitment.

## Temporary Billings Index

Nov '25 - Apr '26  
sa, >50 = growth



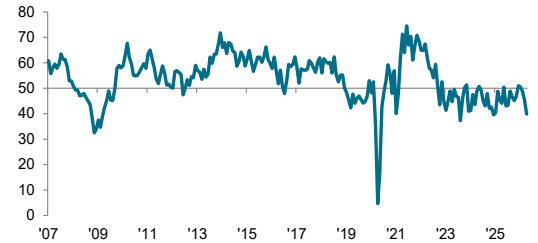
## Growth in temp billings eases

April data pointed to a rise in temp billings across the Midlands, thereby stretching the current sequence of increase to nine months. While the pace of growth moderated since March, it was strong overall. Some recruiters noted that a preference for flexible workers had supported the latest upturn.

Notably, the Midlands recorded the strongest rise in billings across the four tracked English areas. The South of England was the only other region to report an increase in April.

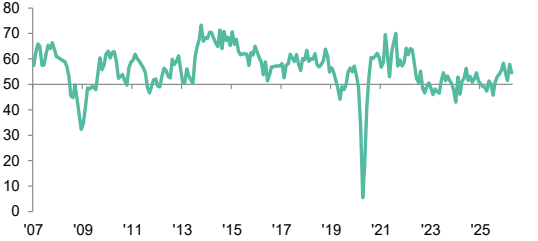
## Permanent Placements Index

sa, >50 = growth since previous month



## Temporary Billings Index

sa, >50 = growth since previous month



sa, >50 = growth since previous month

	Permanent		Temporary	
	UK	Midlands	UK	Midlands
Nov-25	45.5	46.8	48.8	55.4
Dec-25	44.3	51.0	47.6	58.3
Jan-26	46.9	50.5	50.3	54.6
Feb-26	49.2	48.7	48.0	51.6
Mar-26	49.2	45.4	48.4	57.8
Apr-26	47.5	39.9	50.4	54.5

# Job vacancies

Latest data pointed to further falls in both permanent and temp staff vacancies across the Midlands.

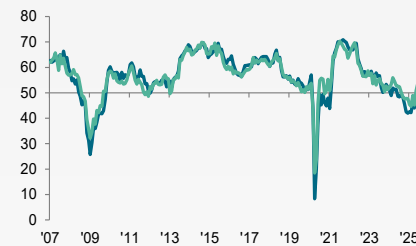
Demand for permanent workers deteriorated markedly, with the pace of reduction unchanged from March and the joint-quickest in 14 months. Temp vacancies meanwhile decreased for the fourth month running. The respective seasonally adjusted index rose from March's recent low, but nevertheless signalled a solid drop.

Vacancies across the Midlands fell at stronger rates than those seen across the three other monitored English areas.

## Vacancies Index

■ Permanent  
■ Temporary

sa, >50 = growth since previous month

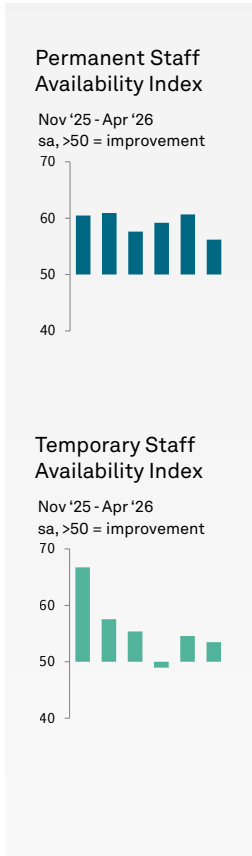


sa, >50 = growth since previous month

	Permanent		Temporary	
	UK	Midlands	UK	Midlands
Nov-25	43.9	46.9	44.9	51.2
Dec-25	43.3	46.2	46.4	52.2
Jan-26	43.7	44.2	45.7	47.0
Feb-26	45.8	43.6	45.5	44.8
Mar-26	46.0	42.4	45.6	43.6
Apr-26	46.1	42.4	47.9	45.6

## 2 Staff availability

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



### Softest rise in permanent staff supply for 20 months

The availability of permanent staff in the Midlands rose in April, thereby stretching the current run of increase to just over three years. Though sharp, the pace of expansion was the weakest since August 2024 and the slowest seen across the four monitored England regions. Redundancies were frequently linked to the rise in candidate numbers. Reduced hiring activity amid greater economic uncertainty was also said to have pushed up the supply of workers.

### Temp candidate numbers expand solidly in April

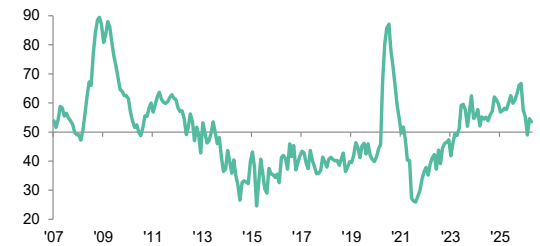
Temp staff supply rose for a second month running across the Midlands during April. Where an increase was recorded, recruiters often noted that company layoffs had pushed up candidate numbers, but also that more people were looking for flexible roles.

The pace of increase was solid, albeit not as pronounced as that seen in March. In fact, the upturn across the Midlands was notably slower than those seen across the three other 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	Midlands	UK	Midlands
Nov-25	66.6	60.5	65.2	66.7
Dec-25	66.7	60.9	60.0	57.6
Jan-26	58.1	57.6	59.0	55.4
Feb-26	59.2	59.2	58.2	49.0
Mar-26	62.5	60.7	59.9	54.6
Apr-26	61.1	56.2	59.8	53.5

## 3 Demand for skills

### Skills in short supply: Permanent staff

- Accounting/Financial**
  - Accountants
  - Auditors
  - Finance Business Partner
  - Finance Managers
  - Management Accountants
  - Practice Accountant
  - Tax Accountant
- Blue Collar**
  - Blue Collar
  - Drivers
  - Security Guards
  - Welders

- Engineering**
  - Engineers
- IT & Computing**
  - Software Developers
- Secretarial/Clerical**
  - Administration
- Other**
  - Teachers
  - Teaching Assistant

- Accounting/Financial**
- Blue Collar**
- Engineering**
- IT & Computing**
- Secretarial/Clerical**
- Other**

### Skills in short supply: Temporary staff

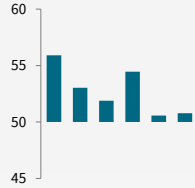
- Accounting/Financial**
  - Auditors
  - Finance
  - Risk
  - Tax Accountant
- Blue Collar**
  - Drivers
  - Production
  - Warehouse Operatives
- Engineering**
  - Engineers
- IT & Computing**
  - Software Architects
  - Software Developers

## 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

Nov '25 - Apr '26  
sa, >50 = inflation



### Starting salary inflation remains close to March's recent low

April survey data pointed to only a slight rise in starting salaries awarded to new permanent joiners across the Midlands. Notably, the respective seasonally adjusted index lifted only slightly above March's more than five-year low. While some recruiters noted that rising living costs had placed upward pressure on pay, others noted that tighter client budgets had weighed on salary growth.

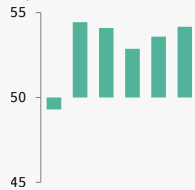
### Permanent Salaries Index

sa, >50 = inflation since previous month



### Temporary Wages Index

Nov '25 - Apr '26  
sa, >50 = inflation

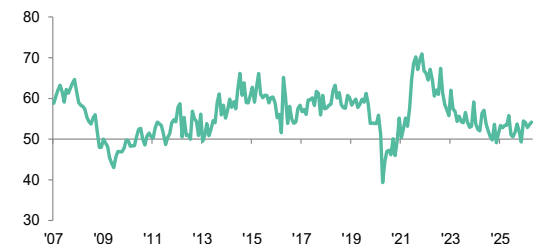


### Temp wages rise at fastest pace in four months

Latest survey data highlighted an increase in temp wages across the Midlands. Although weaker than the long-run average, the pace of inflation picked up to a four-month high and outpaced the UK-wide trend.

### Temporary Wages Index

sa, >50 = inflation since previous month



The South of England was the only monitored region where the pace of temp wage growth surpassed that seen in the Midlands.

sa, >50 = inflation since previous month

	Permanent		Temporary	
	UK	Midlands	UK	Midlands
Nov-25	52.7	55.9	50.0	49.3
Dec-25	53.1	53.0	51.0	54.4
Jan-26	54.2	51.9	54.4	54.1
Feb-26	52.6	54.5	52.3	52.9
Mar-26	51.1	50.6	50.7	53.6
Apr-26	52.3	50.8	51.7	54.2

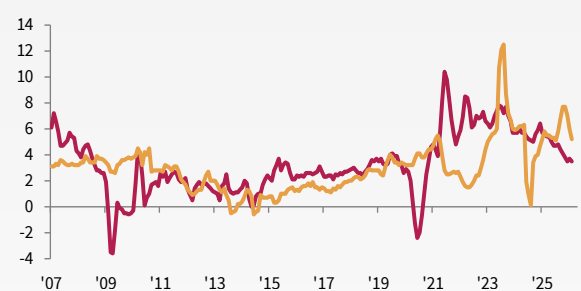
## Official data: UK average weekly earnings

The latest official data published by the ONS pointed to a further easing in the rate of growth of total employee earnings (including bonuses) in the three months to February 2026. On an annual basis, pay rose 3.8%, which was the slowest rate of increase since the three months to November 2020.

Softer upturns in pay were recorded across both the private and public sectors. In the private sector, earnings growth slowed to 3.5%, which was the joint-weakest rise since late-2020. Public sector pay meanwhile expanded by 5.2%, marking the softest increase since the three months to July 2025.

### 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: Midlands is one of four regional reports tracking labour market trends across England. Reports are also available for London, the South of England and the North of England.

### Staff appointments

Permanent placements across the UK decreased at a stronger, but modest pace in April. As was the case in March, the Midlands and the South of England were the only two monitored areas to register declines, with rates of contraction accelerating in both regions since the previous month. Meanwhile, London and the North of England saw permanent placements rise at stronger rates. The capital saw the steepest overall upturn, with growth hitting a 43-month high.

April data pointed to a slight rise in temp billings across the UK, following modest falls in February and March. The overall increase was driven by expansions in the Midlands and the South of England, as billings fell across the North of England and London (albeit at slower rates).

### Candidate availability

Recruiters across the UK signalled a marked rise in permanent candidate availability during April. However, the rate of growth eased since March, with three of the four tracked English regions recording softer expansions. The only exception was the North of England, which registered the sharpest rate of growth overall.

The supply of temporary staff at the UK level increased rapidly in April, with the pace of growth broadly in line with that seen in the previous survey period. All four tracked English regions recorded a rise for a second straight month. London once again led the upturn, whilst the Midlands continued to record the slowest pace of growth.

### Pay Pressures

April data signalled a moderate rise in average salaries awarded to permanent new joiners across the UK. Following a broad-based softening of pay growth in March, rates of salary inflation accelerated across all four monitored English areas, led by London. That said, rates of increase remained historically weak across all regions.

Hourly rates of pay for short-term staff rose for a fifth consecutive month across the UK at the start of the second quarter. The pace of increase accelerated on the month but remained historically subdued. The South of England recorded the strongest rate of temp wage inflation, followed closely by the Midlands. In the capital, temp pay rose for the third time in the past four months, albeit fractionally. Lastly, wages in the North of England continued to fall.

April 2026

■ Permanent  
■ Temporary

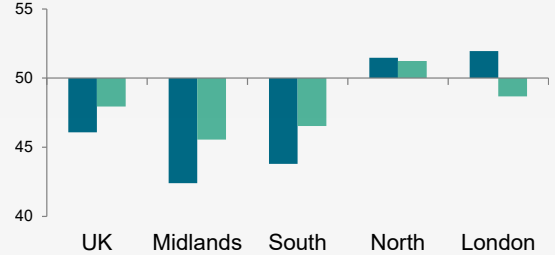
Staff Appointments

sa, >50 = growth since previous month



Vacancies

sa, >50 = growth since previous month



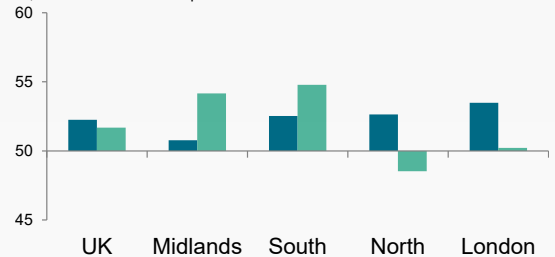
Staff Availability

sa, >50 = growth since previous month



Pay Pressures

sa, >50 = inflation since previous month



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### Methodology

The KPMG and REC, UK Report on Jobs: Midlands is compiled by S&P Global from responses to questionnaires sent to around 100 recruitment and employment consultancies in the Midlands (defined as NUTS1 regions West Midlands and East Midlands).

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](mailto:economics@spglobal.com).

### Survey Dates

Data were collected 09-24 April 2026.

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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.

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**KPMG is trusted to make the difference** for our clients, people and the communities we work in. With our people's deep sector expertise and cutting-edge technology, we help organisations overcome their biggest challenges and unlock new opportunities to transform and grow.

On 1 October 2024, KPMG UK and KPMG Switzerland merged to form KPMG UK/Swiss Group, scaling our strengths and amplifying the difference we make.

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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](http://www.rec.uk.com).

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