

KPMG and REC, UK Report on Jobs: Midlands

Stronger rise in permanent placements across the Midlands in September

52.1

PERMANENT
PLACEMENTS INDEX
SEP '26

53.8

TEMPORARY BILLINGS
INDEX
SEP '26

Quickest upturn in permanent staff appointments since November 2022

Fresh and strong rise in temp billings

Pay growth remains historically subdued

Kate Holt, People Consulting Partner at KPMG in the Midlands, said:

"September's figures suggest confidence is returning to the Midlands jobs market. Permanent placements have now risen for three consecutive months, with growth at its strongest since November 2022, while the return to growth in temp billings suggests businesses are becoming more willing to add capacity across both longer-term and flexible roles."

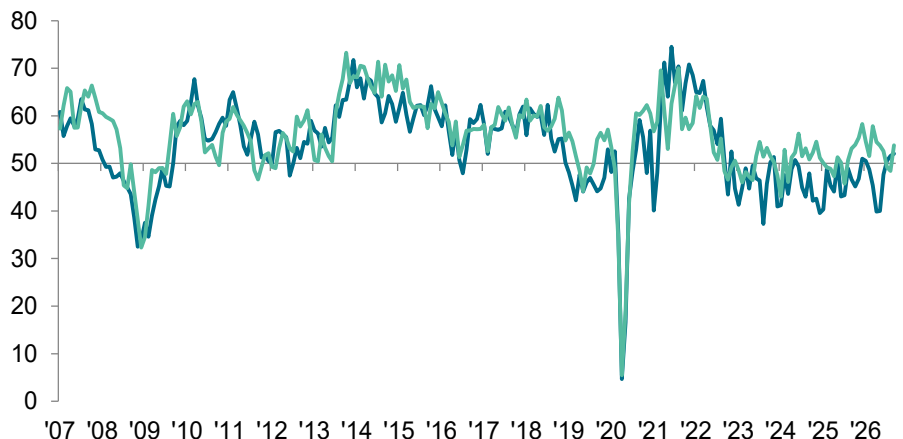
"That said, jobseekers are unlikely to feel the full benefit of that improving confidence just yet. Vacancies are still falling and candidate availability continues to rise, meaning competition for roles remains high. With the Autumn Budget approaching, businesses will be looking for measures that give them the certainty to turn improving confidence into investment and sustained hiring. If that happens, September's progress could start to translate into a broader recovery in opportunities across the region."

Maxine Bligh, Recruitment and Employment Confederation's Chief Membership & Innovation Officer, said:

"The permanent jobs market is revving its engine nationally, with a third straight monthly rise in permanent placements in the Midlands. The pickup in permanent placements in the region was the fastest since November 2022 and points to renewed confidence among employers. If this trend continues, we could see genuine momentum building across the labour market, with both permanent and temporary hiring moving in the same direction, which is encouraging for jobseekers and the region's economy. A Budget that gets business confidence moving again is key to keeping that momentum going. The geopolitical backdrop remains challenging for government and business alike. But the Chancellor cannot seize this moment with talk of stability alone. Employers want to hear not just how we deliver stability, but how we go for growth."

■ Permanent Placements Index
■ Temporary Billings Index

sa, >50 = growth since previous month



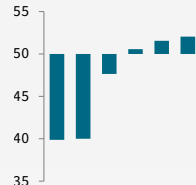
The KPMG and REC, UK Report on Jobs: Midlands is compiled by S&P Global from responses to questionnaires sent to around 100 recruitment and employment consultancies in the Midlands.

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

Apr - Sep '26
sa, >50 = growth



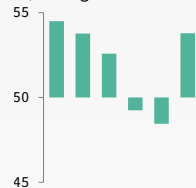
Fastest rise in permanent placements since November 2022

A third straight monthly rise in permanent placements was recorded across the Midlands in September. Though modest, the pace of increase quickened from August to the fastest since November 2022. According to anecdotal evidence, a general improvement in hiring activity amid improved market confidence underpinned the latest uptick.

Of the four tracked English regions, only the North saw permanent placements rise at a stronger pace than in the Midlands.

Temporary Billings Index

Apr - Sep '26
sa, >50 = growth



Temp billings rebound strongly

Following two consecutive months of decline, temp billings rose across the Midlands during September. Moreover, the upturn was the most pronounced since May and quicker than the UK average. Some recruiters noted a relative improvement in demand for contract workers in the latest survey period.

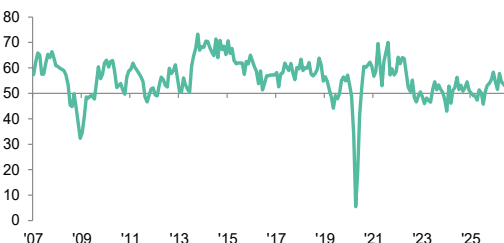
Permanent Placements Index

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
Apr-26	47.5	39.9	50.4	54.5
May-26	44.1	40.0	52.2	53.8
Jun-26	49.1	47.7	52.7	52.6
Jul-26	50.0	50.6	51.9	49.2
Aug-26	50.5	51.6	52.4	48.4
Sep-26	50.9	52.1	50.9	53.8

Job vacancies

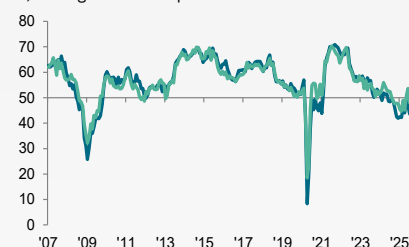
Demand for permanent staff in the Midlands decreased in September, extending the current run of reduction to 28 months. While the pace of contraction was solid, it was the weakest in the year to date.

Meanwhile, temp vacancies fell marginally in September, with the pace of decline broadly unchanged from August and slightly softer than the UK trend.

Vacancies Index

■ Permanent
■ Temporary

sa, >50 = growth since previous month



sa, >50 = growth since previous month

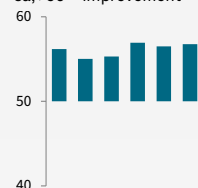
	Permanent		Temporary	
	UK	Midlands	UK	Midlands
Apr-26	46.1	42.4	47.9	45.6
May-26	45.6	42.8	49.6	48.3
Jun-26	44.8	42.2	49.5	49.4
Jul-26	46.8	44.6	52.2	50.9
Aug-26	46.8	44.8	49.1	49.0
Sep-26	48.4	45.8	48.9	49.1

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

Apr - Sep '26
sa, >50 = improvement

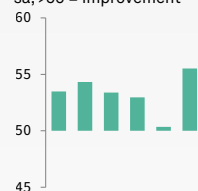


Upturn in permanent labour supply remains marked

The availability of permanent staff in the Midlands continued to rise at the end of the third quarter. Redundancies were often attributed to the expansion in supply of available candidates. The pace of increase accelerated on the month and was rapid, albeit slightly weaker than that seen across the UK as a whole.

Temporary Staff Availability Index

Apr - Sep '26
sa, >50 = improvement



Temp staff supply expands at notably quicker rate

September marked a seventh consecutive monthly rise in temp staff availability across the Midlands. Moreover, the pace of growth picked up from August's marginal rate and was the most pronounced since last December. A number of recruiters commented that company layoffs had pushed up the number of temporary candidates.

That said, the upturn across the Midlands remained slower than the UK-wide trend.

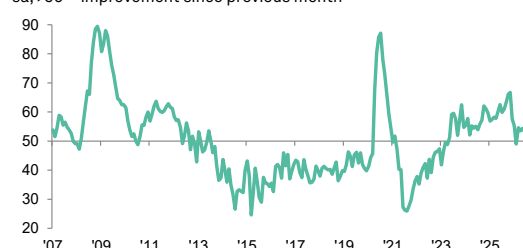
Permanent Staff Availability Index

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
Apr-26	61.1	56.2	59.8	53.5
May-26	62.4	55.0	61.8	54.3
Jun-26	60.2	55.3	59.3	53.4
Jul-26	60.0	56.9	56.0	53.0
Aug-26	60.9	56.5	56.1	50.4
Sep-26	57.2	56.8	57.4	55.5

3 Demand for skills

Skills in short supply: Permanent staff

Accounting/Financial
Accountants
Finance Business Partner
Finance Managers
Management Accountants
Part Qualified Accountants
Qualified Accountancy
Technical Finance Professionals
Blue Collar
Blue Collar
Production
Warehouse Operatives
Welders

Construction
Architectural Tech
Construction
Fitters
Engineering
Engineers
Executive/Professional
Quality Assurance
IT & Computing
Automation Testers
Data Engineers
Software Developers

Skills in short supply: Temporary staff

Accounting/Financial
Finance
Blue Collar
Blue Collar
Production
Warehouse Operatives
Engineering
Engineers
Executive/Professional
Directors
IT & Computing
AI/ML Developers
Software Developers

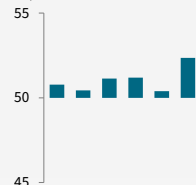
Other
Commercial
Office Roles

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

Apr - Sep '26
sa, >50 = inflation



Starting salary inflation improves in September

Starting pay awarded to permanent workers in the Midlands rose during September. Though modest and below both the historical and UK averages, the rate of pay growth was the strongest since February. Some recruiters suggested that salaries increased as employers sought to attract suitably-skilled candidates and recruit for more senior roles.

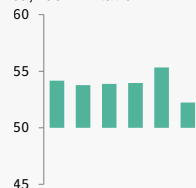
Permanent Salaries Index

sa, >50 = inflation since previous month



Temporary Wages Index

Apr - Sep '26
sa, >50 = inflation



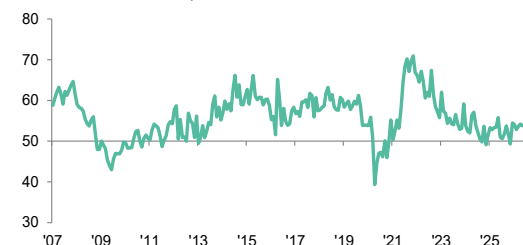
Temp pay inflation slips to 10-month low

Remuneration for temporary staff in the Midlands increased for the tenth straight month in September. Anecdotal evidence highlighted that greater demand for particular skillsets had pushed up hourly pay rates. That said, the pace of inflation eased notably from August's 15-month high to the weakest in the aforementioned sequence of growth.

Moreover, the latest uptick in temp pay across the Midlands was the least pronounced among the four tracked English regions.

Temporary Wages Index

sa, >50 = inflation since previous month



sa, >50 = inflation since previous month

	Permanent		Temporary	
	UK	Midlands	UK	Midlands
Apr-26	52.3	50.8	51.7	54.2
May-26	52.2	50.4	51.4	53.8
Jun-26	53.1	51.1	52.9	53.9
Jul-26	53.3	51.2	54.8	54.0
Aug-26	54.1	50.4	53.5	55.3
Sep-26	53.4	52.4	52.6	52.2

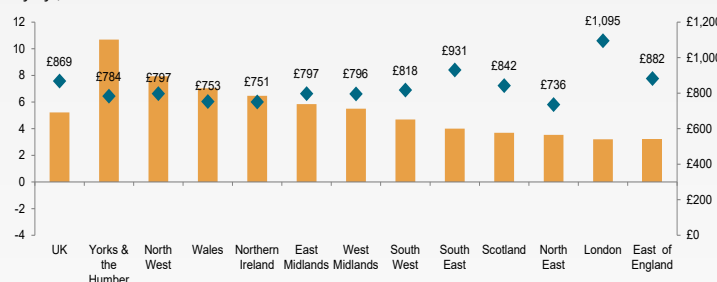
Official data: UK average weekly earnings

Data from the Office for National Statistics indicated that average weekly earnings across the UK increased by 5.2% year-on-year to £869 over the second quarter of 2026.

Average pay increased across all 12 UK regions and nations, with Yorkshire & the Humber (up 10.7% to £784), the North West (up 7.9% to £797) and Wales (up 7.0% to £753) recording the steepest rates of growth. The East of England and London saw the joint-slowest upturn in pay, with both registering a 3.2% increase in earnings.

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

Following August's first rise in nearly four years, permanent placements continued to increase across the UK in September. Although marginal, the rate of growth was the fastest since September 2022. Permanent placements rose in three of the four monitored English regions, with the North of England joining London and the Midlands in reporting growth. The steepest rate of expansion was seen in the North of England. Meanwhile, the South of England posted a further mild decline.

Temporary billings also increased across the UK in September. The rate of growth was also marginal, however, and the weakest since the current run of expansion began in April. Except for London, where billings fell for the first time in five months, all monitored English regions recorded increases. The North saw the strongest rise overall, though the pace of growth eased since August.

Candidate availability

Permanent candidate availability rose rapidly across the UK in September, although the rate of increase eased to a three-year low. Three of the four monitored English areas reported slower rates of growth, with the Midlands the sole exception. The North of England recorded the sharpest rise in permanent candidate numbers, while London saw the weakest.

Temporary staff availability also increased rapidly across the UK, with the latest upturn the fastest in three months. The pace of expansion quickened in three of the four tracked English regions, led by the North of England. London was the only region to record slower growth and also posted the weakest increase.

Pay Pressures

Permanent starting salaries rose across the UK in September. The rate of increase was solid but softer than that seen in August and remained subdued by historical standards. Starting salary inflation strengthened in both the North of England and the Midlands, which ranked first and second respectively among the four monitored English regions. The pace of inflation eased in the other two regions, with the South of England registering the slowest increase overall.

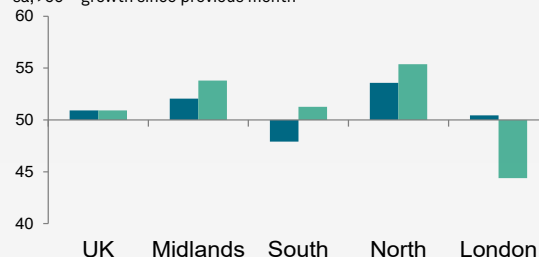
Average hourly pay for short-term staff remained on an upward trend across the UK in September. However, the pace of temp wage inflation eased to a four-month low as growth rates moderated across all monitored English regions. The most pronounced increase was recorded in the North, while the softest uptick was in the Midlands.

September 2026

■ Permanent
■ Temporary

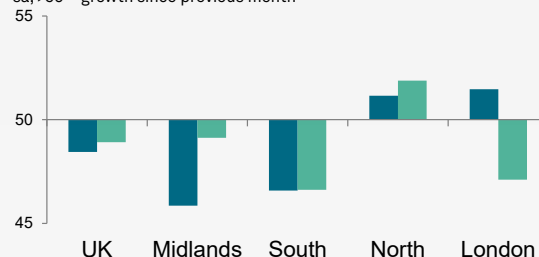
Staff Appointments

sa, >50 = growth since previous month



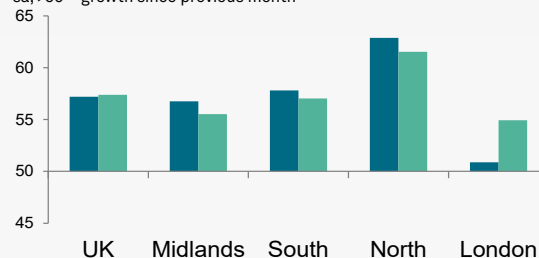
Vacancies

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.

Survey Dates

Data were collected 10-24 September 2026.

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