



UK ECONOMY & LABOUR MARKET REPORT APRIL 2026

Monthly Edition



**The latest news, statistics, and emerging trends shaping
the UK labour market**



The Practice Director's Desk

As we move further into 2026, the labour market continues to present a complex but navigable landscape. While we've seen a welcome uplift in job postings and a stabilisation in employment levels, it's clear that underlying pressures haven't disappeared. The recent increase in inflation, driven in part by geopolitical tensions in the Middle East, has added a new layer of uncertainty that organisations must factor into their planning.

What we're seeing across our client base is a shift in mindset. Businesses are becoming more deliberate in their hiring decisions, focusing less on volume and more on securing the right capabilities to deliver critical change and transformation initiatives. This is particularly evident across digital, data, and change functions, where demand remains resilient.

At the same time, the cost of a wrong hire, or delayed programme delivery, has never been higher. This makes access to accurate market insight and a flexible resourcing strategy essential.

If you're currently reviewing your hiring plans, navigating budget constraints, or simply want to sense-check your approach against market trends, I'd welcome a conversation. Let's explore how you can position your organisation to respond confidently to what comes next.

Julian Brown

Practice Director

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Contact me to discuss your IT, Change or Digital Transformation programme, resourcing obstacles, or your own career in Change Management

[Link to my calendar](#) to book a brief conversation to share insights and practical considerations.

Headline Findings



Hiring Activity

Hiring activity showed modest improvement, with job postings rising month-on-month despite an overall decline in vacancies compared to late 2025.



Signals for the Future

Encouraging signs are emerging as stable employment levels and increased demand in key sectors suggest cautious optimism for the months ahead.



Challenges Persist

Rising inflation, fuel cost pressures linked to the Middle East conflict, and a still-constrained vacancy market continue to create uncertainty for employers.



Implications

Organisations must remain agile, balancing cost control with strategic hiring to secure critical skills in an increasingly competitive and evolving market.

UK ECONOMY & LABOUR MARKET UPDATE AT A GLANCE

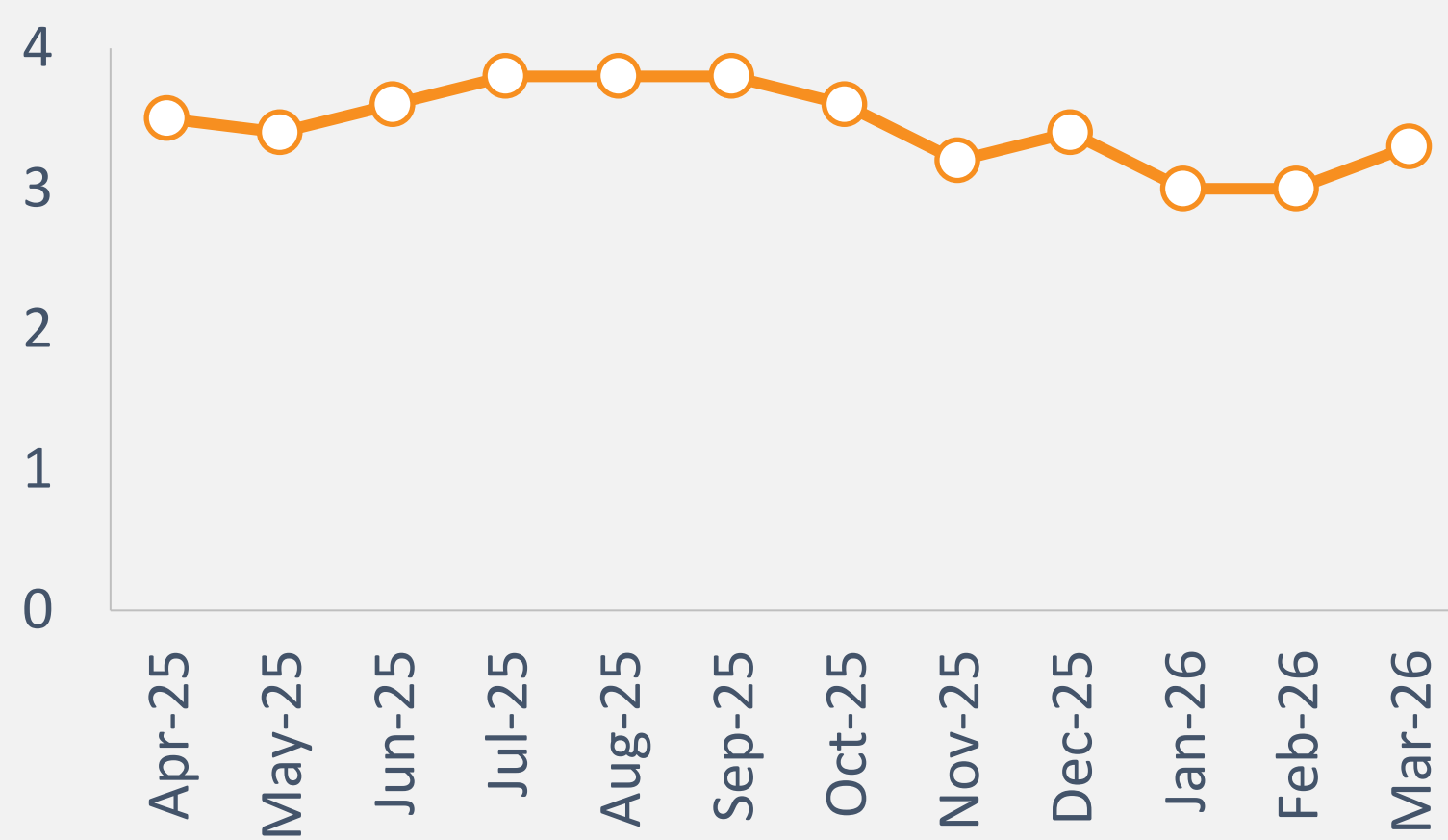
Our round-up of key statistics, covering inflation, employment and earnings

Inflation

3.3%

Mar 2026

Inflation (CPI) %



UK inflation accelerated to 3.3% in March after the Iran war triggered the biggest jump in fuel prices for more than 3 years.

3.6%

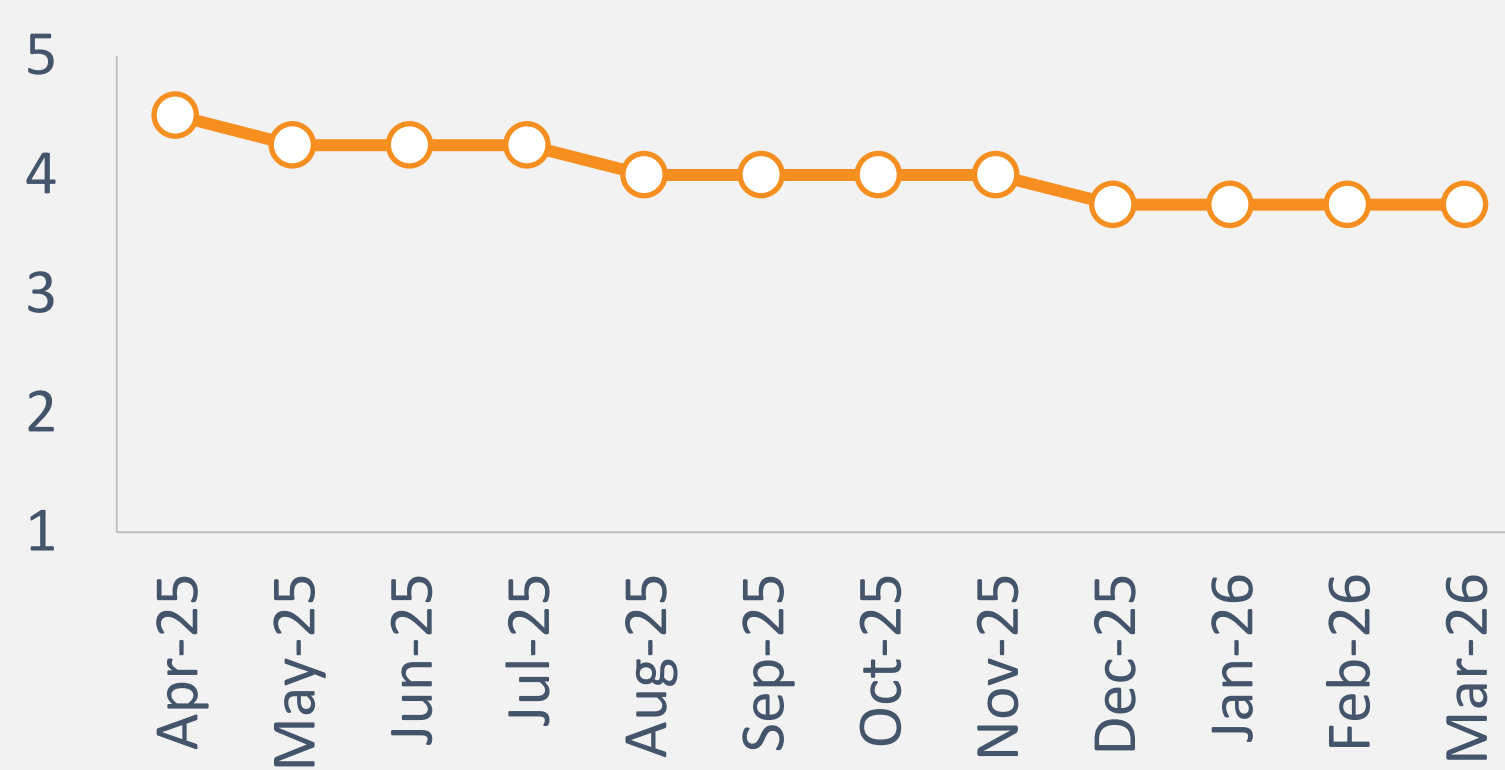
Growth in employees' average regular earnings (excl. bonuses) Dec 25 – Feb 26.

UK Bank of England Base Rate

3.75%

Mar 2026

UK Bank of England Base Rate



Maintained at 3.75%, tone more cautious. Next review 30 April

30.3 million

Payrolled Employees Mar 26
Down by 65k (0.2%) on the year and by 11k on the month

75%

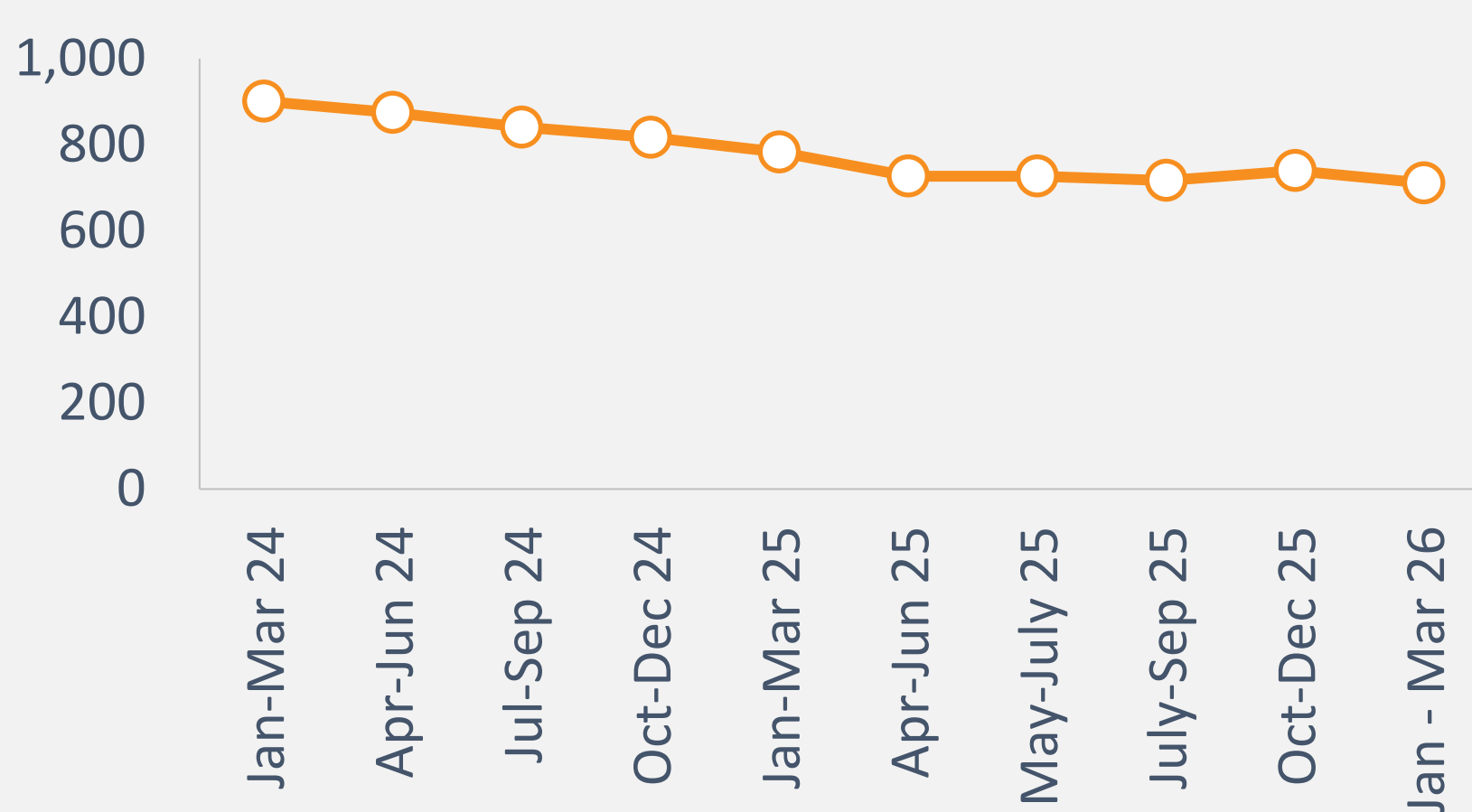
UK employment rate Dec 25 – Feb 26

Est. Job Vacancies

711k

Jan - Mar 2026

Vacancies 100K



Estimated vacancies down by 29,000 (3.9%) compared with Oct-Dec 25.

+5%

Active job postings 1,530,172 in Feb 26. An increase of 5% from Jan 26.

The employment rate is 75%. Full time worker numbers increased, whilst part time worker numbers decreased in the Dec to Feb period.

The unemployment rate fell to 4.9% in the 3 months to Feb 26, down from 5.2%.

The economic inactivity rate was 21% in the Dec to Feb period, up from 20.7 %.

Data source: Office for National Statistics, Recruitment & Employment Confederation, Change Specialists Ltd.

TURNING DATA INTO ACTION

As organisations face increasing complexity, the ability to harness data from legacy systems has become a critical advantage.

Modernising data infrastructure and applying practical analytics can turn raw information into timely, confident decisions - helping businesses identify opportunities, manage risks, and respond effectively in a fast changing environment.

If your team is navigating these challenges, get in touch to see how we're supporting organisations turning their data into real business impact.



WHAT WE SUPPLY

- Project & Programme Management
- Business Analysis
- QA & Test
- Data Specialists
- Governance & Control (PMO)
- Change Management
- Communications Specialists
- Business & Process Architects
- Learning & Training Delivery
- Cloud & DevOps Specialists
- Developers
- Artificial Intelligence
- Machine Learning
- IT Infrastructure & Operations
- Cyber Security
- UX / UI Design & Digital
- Technical, Solutions & Enterprise Architects



Security isn't just a priority,
it's a promise.
We are proud to announce
that Change Specialists is
officially
Cyber Essentials Certified

Framework Ready Trusted Partner

Change Specialists is proud to be an approved supplier on the Digital Outcomes and Specialists (DOS) and G-Cloud frameworks, positioning us to support a broad spectrum of organisations across the public and third sectors. This includes central and local government, charities, education providers, health services, and blue light services such as Police, Fire, Ambulance, and Search & Rescue, as well as devolved administrations. Our framework status enables clients to engage with us quickly and compliantly, ensuring access to high quality support when and where it's needed.

Email us to express your interest in the first instance info@changespecialists.co.uk

To explore how Change Specialists can support current or future business change or digital transformation across all sectors, contact us today on **01379 871144** or via

info@ChangeSpecialists.co.uk