

State of the Market South & South-West Finance & Accounting Moving in to Q1 2026



1. Big picture – where the market is right now

The UK labour market is cooling but not collapsing. There are recent green shoots.

Permanent hiring has been declining, though at a slower pace than earlier forecasts suggested. At the same time, starting salaries continue to rise, driven by ongoing competition for skilled hires and the need to retain high performers.

KPMG

Recent labour market reports show sharp falls in vacancies and permanent placements across late 2024 and into 2025. Hiring pauses and slower approval cycles are being driven by:

- Cost pressures
- Tax changes
- Cautious investment and reduced expansion plans

Reuters

Yet amid this slowdown, Finance remains one of the most resilient hiring sectors. 52% of finance hiring managers plan to grow permanent headcount, signalling continued demand for core finance capability, FP&A, transformation roles, and commercial insight.

Accountancy Age

Q4 has seen the tide beginning to show signs of turning with an upturn in vacancies and hiring confidence.

What this means for Q1 hiring

- Q1 always sees a spike in job-mover activity.
- This is the best quarter to attract candidates before budgets tighten.
- Businesses that open roles early secure better talent at better cost.



2. Regional labour market – South & South West

The South & South-West continues to be one of the strongest labour markets in the UK, with consistently high participation and employment levels.

South West Labour Market Strength

The region holds the highest employment rate in the UK at 78.8%, and the lowest economic inactivity rate at just 17.9% (Aug-Oct 2025).

Office for National Statistics

These figures reflect a labour market where most people who want to work are already working, leaving a limited pool of available talent, particularly for skilled roles.

High-Skilled Workforce Concentration

In the “Heart of the South West” area (Devon & Somerset), 45.9% of workers are in higher-skilled occupations, including managers, professionals and associate professionals.

Nomis / ONS Labour Force Data

This confirms that the region has a highly skilled but tightly held workforce, with strong demand for professional expertise across industries such as engineering, tech, financial services, manufacturing and public sector.

Pay Trends & Competitiveness

Rising earnings, particularly in skilled professions put upward pressure on salary expectations across the South & South West.



3. Finance & accounting pay – current levels & movement

Across many accountancy & finance surveys, pay remains roughly 10–15% above pre-pandemic levels, even though salary growth has slowed from the 2021–2022 spike.

Senior finance roles (FM/FC/HoF): typically mid-£60ks to low-£90ks outside London, with the upper end more common in PE-backed or high-growth environments (aligned with major salary guides).

Qualified analysts / commercial finance: often £55k–£70k+ total comp in growth sectors.

gaapweb.com

Trend message:

Salaries are not exploding anymore, but they are sticky at a higher level.

Anyone trying to hire on 2019–2020 numbers will struggle to attract or retain talent.



4. Hiring demand & skills shortages

Latest UK data shows 93% of employers have faced skills shortages in the last year.

Surveys focused on finance and accounting show over half of finance hiring managers (42%) expect to grow permanent headcount in the coming year.

Accountancy Age

Specialist finance skills (FP&A, data/BI-heavy roles, systems accountants) remain the hardest to fill, and are highlighted repeatedly as “most in demand” in salary guides and recruiter surveys.

Accountancy Age

Summary

“Demand for core finance skills has normalised, but demand for commercial, data-driven and systems-literate finance professionals remains structurally higher than supply in the South & South West.”



5. What skills are sought after?

Senior leaders do not need every team member to become a data scientist. What they do need are finance professionals who can use technology to create value.

Data and analytics

- Building and maintaining clean, reliable data models
- Using SQL, Python or R alongside advanced Excel
- Creating insightful visual dashboards using Power BI, Tableau or Qlik

Automation and process optimisation

- Implementing Robotic Process Automation tools such as UiPath and Blue Prism
- Streamlining manual workflows to improve speed and accuracy
- Integrating finance systems to remove silos

AI and machine learning awareness

- Applying predictive analytics, natural language tools, and forecasting models
- Interpreting AI outputs and embedding them in business decisions

Digital mindset and change leadership

- Curiosity and willingness to experiment with new technology
- Ability to influence stakeholders, lead adoption, and build digital confidence across the team



6. Candidate behaviour & mobility

Recent research shows 42% of professionals plan to change jobs in the next 12 months.

GAAPweb's 2025 survey reports over 65% of finance professionals received a pay rise in the last year.

Many finance salary surveys note that junior transactional roles have seen weaker or even falling pay, while senior roles (FD/CFO, senior FP&A) have had outsized increases.

What this looks like on the ground:

Mid-senior finance candidates are confident but not reckless; they'll often move for:

- 10–20% uplift,
- increased responsibility & opportunity to shape & deliver strategy
- clearer progression,
- better hybrid/flexibility.

For more junior roles, there's less wage inflation, but also more competition from remote roles and other sectors.



7. Hiring processes & bargaining power

Market-wide conditions:

REC/KPMG's "Report on Jobs" has shown falling permanent placements, but rising candidate availability and continued growth in starting salaries through 2025.

Recently, hiring has slowed with surveys describing a "freeze" in parts of the jobs market, though high-skill roles (including finance) remain more resilient than low-wage sectors.

Reuters

Indeed data reported by the FT shows only 55% of UK job ads now include salary details, down from 65% a year earlier, and fewer ads are highlighting perks – a sign that bargaining power has shifted slightly back toward employers.

Financial Times

What it means for you

Even with more candidates on the market, good finance people still juggle multiple processes.

Employers who:

- advertise clear salary ranges,
- move from CV to offer in 2–3 stages, and
- sell their flexibility and development story

will continue to win the best talent.



8. Skills trends in finance

Recent surveys and industry commentary highlight that finance roles are evolving toward:

Data & analytics: strong demand for Excel power users, Power BI, and people comfortable building dashboards / self-service reporting.

Scribd

Commercial partnering: business-facing finance, FP&A, and roles that influence pricing, margin and strategy are flagged as “most in demand” in multiple salary guides.

Accountancy Age

Systems & transformation: ERPs and consolidation tools (SAP, Oracle, NetSuite, Tagetik etc.) plus transformation/project experience.

Scribd

AI & automation awareness: not coding, but knowing how to use tools, question outputs and redesign processes – increasingly mentioned in leadership-focused salary and skills reports.



9. A practical roadmap for finance leaders

The pace of change is accelerating. Within a few years, finance teams that lack digital capability will struggle to match competitors on cost, speed, and insight.

The solution is to start building these skills now.

A five step approach:

1. Assess your current team's digital and analytical capabilities
2. Identify gaps against future business needs
3. Define the critical roles and skills you must acquire
4. Build new assessment methods to evaluate these skills
5. Position your organisation as a leader in digital finance when engaging the market

This is not about replacing your team. It is about layering in new skills and creating a culture that embraces change.

Three questions finance leaders should ask before hiring in Q1:

- Do we have clarity on the role's purpose for 2026?
- Are we competitive on flexibility and salary?
- Is our hiring process fast enough to secure high-skill talent?



Final Thoughts

“Finance and accounting hiring in the South and South West is sitting in a weird middle ground: the wider UK job market has cooled, but high-skill finance roles are still short of talent.

The South West has the highest employment rate in the UK, and pay across finance remains 10–20% above pre-pandemic levels. Average mid to senior finance salaries are now around £74k with senior leaders well into six figures, and more than half of finance hiring managers plan to grow headcount despite tighter budgets.

At the same time, 42% of professionals are considering a move, but they expect competitive pay, hybrid working and a clear progression story. Employers who adapt their salary positioning and streamline hiring will continue to secure the strongest people.”

Ready to design a hiring process that delivers?

At Gravitate, we help CFOs and Finance leaders hire with clarity, pace, and confidence.

Whether you’re building a team from scratch or refining your leadership layer, we’re your partner in getting it right.

