



A Growing Night-Time Economy, AI and Micro-shifts Are Reshaping UK's Frontline Workforce



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Introduction

The UK frontline economy is entering a new phase. Growth is returning, but unevenly. Workforces are expanding, but differently. And AI is no longer a future consideration; it is already shaping how work is structured, experienced and valued across every frontline industry.

First, shift work industries are becoming structurally more resilient, but only in the right places. For businesses, this is a signal to rebalance where and how you invest in your workforce. Resilience now comes from aligning your operating model with essential demand, not just consumer cycles. That means building capability in care, services, logistics and operational roles that will continue to grow regardless of short-term economic conditions.

Second, the workforce itself is being fundamentally reshaped. Gen Z is now the dominant cohort across frontline industries, and Gen Alpha is beginning to enter a workforce where AI is already embedded. At the same time, poly-employment is rising, micro-shifts are becoming more common, and worker expectations around flexibility and predictability are changing fast. This is not just a demographic shift. It is a redesign of how work works. Businesses that win here will be the ones that design for flexibility without sacrificing stability. That means predictable scheduling, shorter and more adaptable shifts, and clearer pathways for progression. The companies that treat flexibility as a system, not a perk, will attract and retain the workforce that now defines the economy.

Third, across the UK, 88% of workers say AI makes their job easier, but only 42% say it reduces stress. At the same time, 76% say they do not fully understand how AI is being used in their workplace. This gap between efficiency and experience is the defining challenge of the next phase of AI adoption. When AI introduces volatility, opacity or loss of control, it creates resistance, particularly among the most vulnerable workers. For businesses, this is where resilience is won or lost. The insight here is simple. AI does not create better workplaces on its own. Management and leadership culture remain critical to that equation.

When AI is used to support workers, improve coordination and reduce friction, it builds productivity and trust. The goal is not just to deploy AI, but to do so in a way that makes work more predictable, more transparent, and better for human stakeholders.



Ciaran Hale
CTO, Deputy

Data analysis

The Big Shift UK 2026 Report was produced by the leading scheduling software platform, Deputy, utilising aggregated Deputy customer data. The report features an industry-focused data analysis of UK shift workers across the hospitality, retail, healthcare and services industry sectors.

Chief Economist at Geografia, Dr Shashi Karunanethy, analysed 20,522,440 shifts and 159,936,175 hours of 304,821 shift workers to produce the insights in this report.



Dr. Shashi Karunanethy

Chief Economist, Geografia

Dr Karunanethy provides specialised advisory services in policy and market design; thought leadership in the city, workforce, and future technologies; and economic strategies. He works with a variety of federal and state government entities, international development organisations, tech start-ups, and ASX-listed companies. Prior to this, he held senior professional roles in several consulting firms. He obtained his Ph.D. from the University of Melbourne.

Industry sample sets will not add up to the overall number of shift workers due to data being analysed from other industries not referenced in the report, churn, and other events that have occurred between Jan 2022 and Dec 2025.

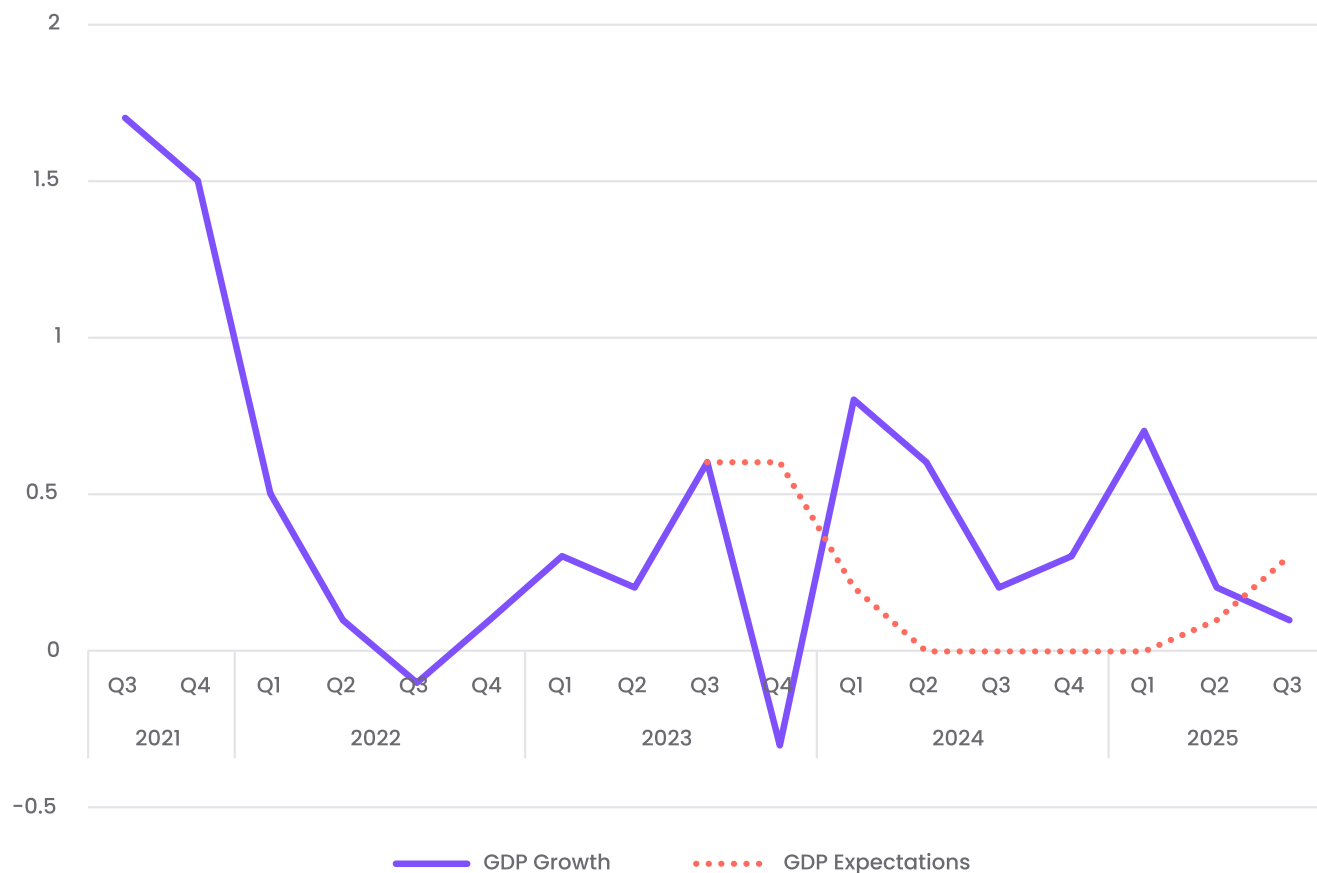
This data has been normalised to account for seasonality and demand of workforce fluctuations throughout the week (e.g. weekdays vs. weekends).

The UK economy

Since **2022**, the UK economy has been operating in a low-growth environment, marked by weak quarterly performance and several near-recession periods. Momentum has been difficult to sustain, as high inflation, elevated interest rates and ongoing post-Brexit trade frictions have weighed on both business investment and household spending.

UK GDP Growth (%), Actual vs. Expectations

Source: BoE, 2025



Despite these pressures, actual GDP outcomes have consistently outperformed expectations over the past two years. While growth remains modest by historical standards, the UK economy has shown resilience, avoiding a prolonged recession even as forecasts were repeatedly downgraded. This points to an economy that is stabilising, but not yet fully recovering.

Within this broader context, shift-based industries have followed very different paths.

Healthcare has been the standout performer, with employment growing by **9%** through to **2025**. This growth reflects sustained demand across the care economy, alongside ongoing NHS and social care backlogs that continue to drive hiring.

Services and Hospitality have experienced a post-pandemic recovery, but that momentum is now beginning to slow. Employment in Services has increased by **3%**, while Hospitality has grown by **4%** into **2025**. Both sectors are now facing softer consumer spending, which is starting to limit further expansion.

This shift highlights a broader trend. Growth in shift work is increasingly being driven by essential services and care demand, rather than discretionary consumer activity. London continues to lead this trend, driving new jobs and opportunities across these sectors.

Retail remains the weakest performer, with employment declining by **4%** through to **2025**. This reflects a combination of cost-of-living pressures, increased online competition and tightening margins for high-street operators. The sector is also particularly exposed to regulatory changes, including worker compliance requirements and rising living wages.

Within Retail, discretionary categories such as clothing and personal care continue to face the greatest pressure, as households reduce non-essential spending. Higher-ticket categories like electronics and appliances show ongoing volatility, closely tied to interest rates and shifts in consumer confidence.

Looking ahead, Bank of England forecasts suggest a gradual improvement in GDP growth through **2026**. Easing inflation and stabilising real incomes are expected to support a modest recovery. Lower interest rates and reduced energy costs should provide some relief to both households and businesses.

However, recent trends indicate that this recovery is likely to remain uneven in the near term. Growth is returning, but confidence is still rebuilding.



As a result, the UK labour market is entering a period defined by caution. Employers are slowing hiring activity while focusing on retaining existing workers, creating what can be described as a “low fire, low hire” environment. This reflects a market where stability is prioritised over expansion, and where businesses are carefully managing costs while waiting for stronger economic signals.

Gen Z continues to take over shift work

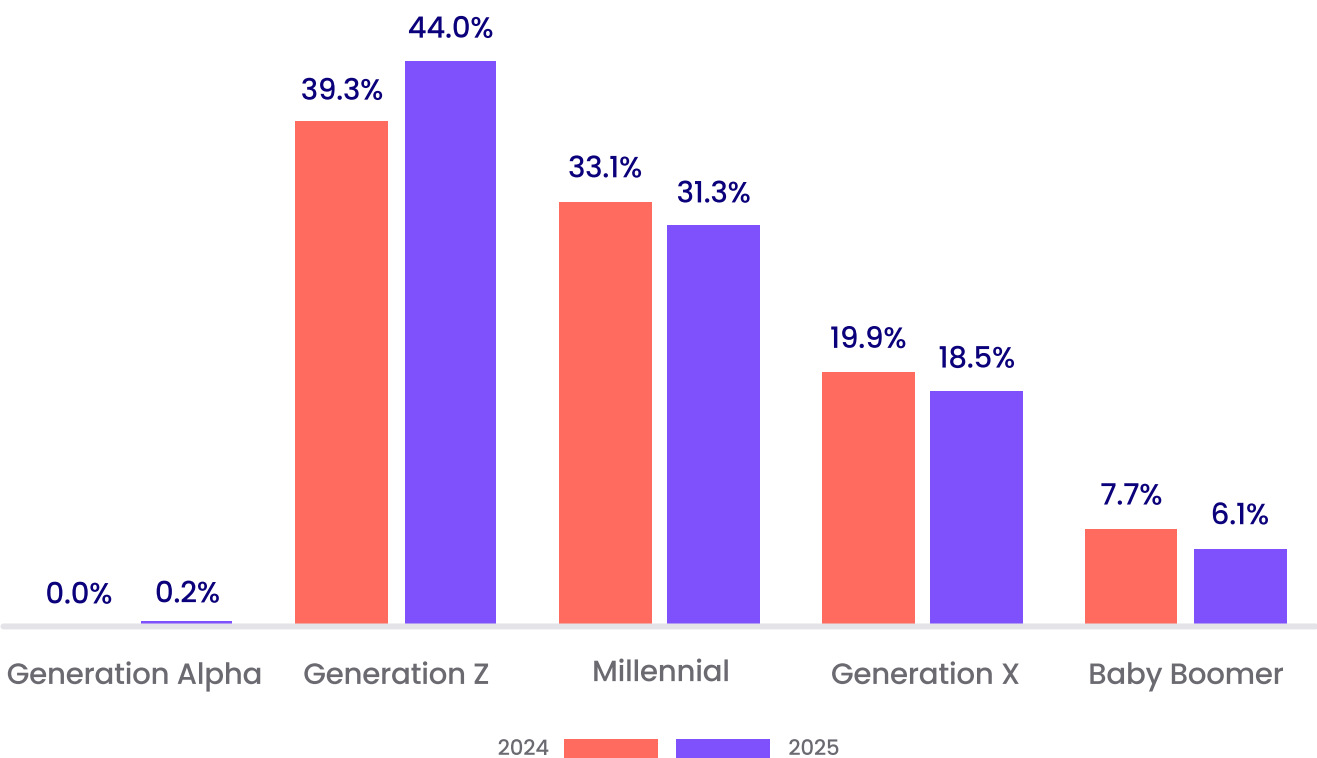
The UK shift workforce is undergoing a clear generational transition, with younger workers now shaping the structure and dynamics of frontline industries.

Gen Z has become the dominant cohort, now representing **44%** of UK shift workers, up from **39%** in **2025**. This marks a decisive shift toward a workforce led by under-30s, particularly across entry-level roles in retail, hospitality and services.

At the same time, Millennials now account for **31%** of the shift workforce, down slightly from **33%** in **2025**. This change does not reflect an exit from the workforce, but rather a transition. Many Millennials are moving into supervisory, coordination and care-focused roles, particularly across healthcare, hospitality and service environments. This progression is helping to maintain operational continuity, as experienced workers take on more responsibility while younger cohorts fill frontline positions.

Share of Shift Workers by Generation

Source: Deputy, 2025



Participation among older generations continues to decline. Gen X now represents **18.5%** of shift workers, while Baby Boomers account for 6.1%, together making up just over a quarter of the workforce in **2025**. This ongoing reduction reinforces a long-term structural shift, where experience is gradually being replaced by a younger, more flexible labour base.



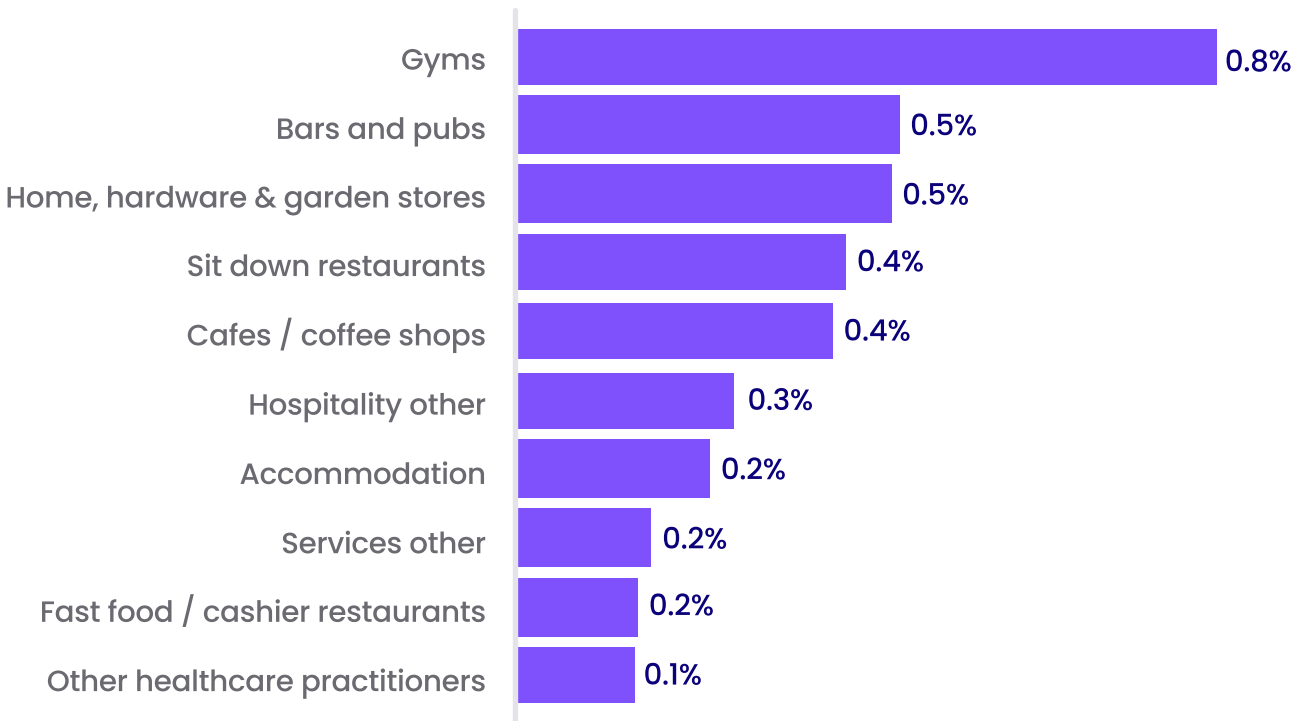
This is not simply a generational replacement. It is a reallocation of labour across responsibility levels. Gen Z is expanding rapidly in entry-level roles, while Millennials are increasingly concentrated in management and care-intensive positions. Together, this shift is reshaping how frontline industries operate and scale.

At the earliest end of the workforce, Gen Alpha is beginning to emerge. While still a small cohort, representing just **0.2%** of shift workers in **2025**, their presence signals the start of a new phase in workforce evolution.

Gen Alpha workers are primarily concentrated in entry-level roles within retail and hospitality, particularly in local, service-based environments. Employment is strongest in gyms, cafés, sit-down restaurants and pubs, where weekend and part-time work is common for under-18 workers. In pubs and bars, roles are typically focused on customer service and operational support rather than core alcohol service functions.

Top Ten Industry Sectors, by Share of Gen Alpha Workers

Source: Deputy, 2025



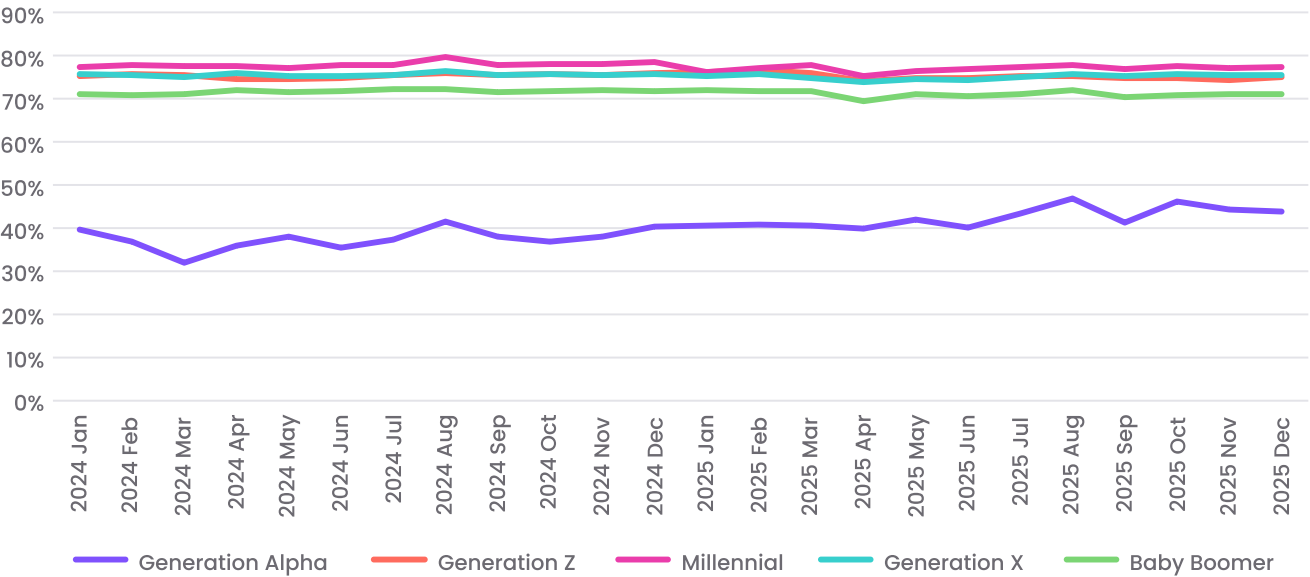
What distinguishes Gen Alpha is not just their age, but the environment they are entering. This is the first generation to join the workforce without any experience of a pre-AI workplace. Digital scheduling systems, point-of-sale technology and automation are not new tools to learn, but standard conditions of work. For this cohort, algorithmic scheduling and automation are baseline, not change.

This shift is already influencing how work is structured. Deputy data shows increasing levels of micro-shift employment across the workforce, and Gen Alpha is at the centre of this trend. Their average shift length is just **4.4 hours**, the lowest of any generation, reflecting a preference for shorter, more flexible work patterns. This aligns with their current life stage, as many balance work with education and other commitments.

Micro-shift patterns are not limited to Gen Alpha. Gen Z and Baby Boomers are also increasingly participating in shorter shifts, often driven by external responsibilities. For Gen Z, this includes study and early career transitions. For Baby Boomers, it is more commonly linked to caregiving responsibilities, such as supporting grandchildren or managing family needs.

Average Shift Length by Generation

Source: Deputy, 2025



At the same time, the rise of poly-employment is reinforcing this trend. Workers are increasingly taking on multiple roles across employers, combining shorter shifts to build income and flexibility. This behaviour is closely aligned with the growth of micro-shifts, suggesting a workforce that is moving away from traditional full-time structures toward more fragmented, adaptable models of work.

Looking ahead, Gen Alpha’s influence is expected to grow significantly. Over the next decade, they will reshape expectations around flexibility, digital-first systems and the structure of shift work itself. By **2046**, they are projected to surpass Gen Z as the largest generational cohort in the shift workforce.

What is emerging is a workforce that is younger, more flexible and more digitally native than ever before. For employers, this requires a shift in how work is designed, managed and supported. Flexibility, shorter shifts and technology-enabled coordination are no longer optional features. They are becoming the foundation of how the next generation works.

Gender balance for shift workers is evolving

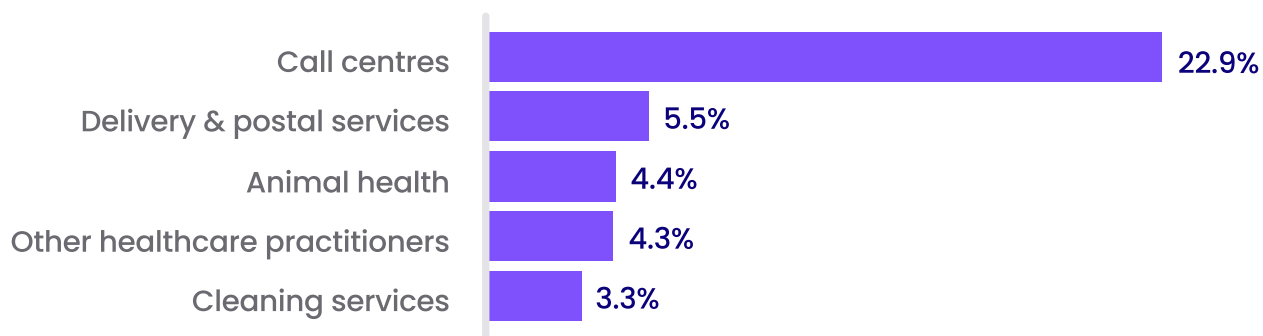
Gender balance across the UK shift workforce is evolving, but not in a uniform way. Instead of a broad, economy-wide shift, changes in participation are being shaped by the structure of individual industries, the nature of roles within them and how work itself is being redesigned.

Female participation has increased most noticeably in the broader Services sector, rising by **3.2%**, with smaller gains in Hospitality of 0.1%. These increases reflect growth in roles that offer more predictable scheduling and are supported by digital workflows, such as call centres and administrative services. These environments tend to provide greater stability and flexibility, making them more accessible for workers balancing care and other responsibilities.

At the same time, there has been diversification in where female workers are participating. Gains are also evident in delivery and postal services, driven by the continued expansion of e-commerce and a broader mix of roles within these sectors. Industries such as animal health, cleaning services and allied healthcare continue to attract female workers, supported by consistent local demand and more structured, geographically stable work patterns.

Change in Female Shift Work Share by Industry, 2025

Source: Deputy, 2025



In contrast, Retail has seen a decline in female participation of **-1.0%**, reflecting a sector under pressure. Margin compression, automation in transactional roles and shifts toward online retail have reduced opportunities in traditional in-store positions, many of which have historically been female-dominated. Healthcare has also seen a **1.6%** decline in female share, not due to reduced demand, but as part of a broader rebalancing of roles within the sector.

The most significant declines are seen in childcare and community centre roles, pointing to increasing strain within care-intensive occupations. These roles often involve higher scheduling intensity and emotional labour, which may be contributing to workforce shifts. Supermarket and broader retail categories show similar patterns, aligning with wider structural changes across the Retail sector.

Professional services and hospital-based roles show more moderate changes, suggesting adjustments in staffing models rather than a large-scale exit of female workers. Taken together, these trends indicate that gender differences in the UK shift workforce are being driven less by participation rates, and more by how jobs are structured, scheduled and distributed across industries.

Wage dynamics further highlight these structural differences.

In Hospitality, male hourly earnings continue to exceed female earnings, with little evidence of meaningful convergence over the past two years. Wage growth has been strongest in kitchen, specialist and supervisory roles, which remain more heavily male-dominated. In contrast, front-of-house, café and casual roles, where female participation is higher, have seen slower wage growth. As demand in the sector stabilises, the gender pay gap has narrowed only slightly.

Retail presents a different pattern. Backend logistics and fulfilment roles, which are more commonly undertaken by men, have experienced restructuring and slower wage growth as businesses optimise supply chains. Meanwhile, customer-facing roles, which have higher female participation, have seen more stable wage growth. As a result, the gender pay gap in Retail has narrowed, but this is largely due to moderation in male wages rather than a significant acceleration in female earnings. Importantly, pay gaps still persist at the role level, and recent convergence reflects changes in the mix of roles rather than true pay equality within occupations.

The Services sector is increasingly shaped by platform-based and delivery work. Roles such as delivery drivers, couriers and ghost kitchen operations, which are more commonly undertaken by men, have expanded significantly. Many of these roles operate under flexible or contractor arrangements, with variable hours and earnings. As participation in gig-based work increases, average male earnings in Services are becoming more volatile.

This creates a different wage dynamic, where changes are driven less by traditional occupational structures and more by evolving work arrangements. As with Retail, apparent improvements in pay balance are largely influenced by shifts in role composition, rather than consistent pay parity within comparable roles.

Overall, gender rebalancing in UK shift work is not a story of simple progress or decline. It reflects a more complex transition, where technology, scheduling practices and industry economics are reshaping both participation and pay. For employers, this highlights the need to look beyond headline figures and focus on how roles are designed, how work is distributed and where structural gaps still exist within specific occupations.

A labour market stabilising through restraint, not retrenchment

Hiring across the UK shift economy has continued to normalise, easing steadily from the elevated peaks seen in **2022**. That period of rapid post-pandemic recovery has now given way to a more measured approach, with businesses adjusting to a lower-growth, higher-cost environment.

The clearest moderation is visible in Retail and Healthcare, where monthly hiring spikes above **6%** to **8%** have become less frequent. Hospitality remains more volatile by comparison, reflecting the sector's sensitivity to seasonal demand and consumer behaviour, but even here, hiring levels are now consistently below the highs recorded in **2022**.

This shift does not point to contraction, but to caution. Employers are not pulling back sharply or entering a redundancy cycle. Instead, they are slowing the pace of recruitment while maintaining existing workforce levels. Termination rates remain within historical ranges across all major sectors, with no sustained spikes that would indicate widespread job shedding.

The result is a labour market adjustment driven by restraint rather than reduction. Businesses are holding onto workers and managing costs through slower hiring, creating a more stable, but less dynamic, employment environment.

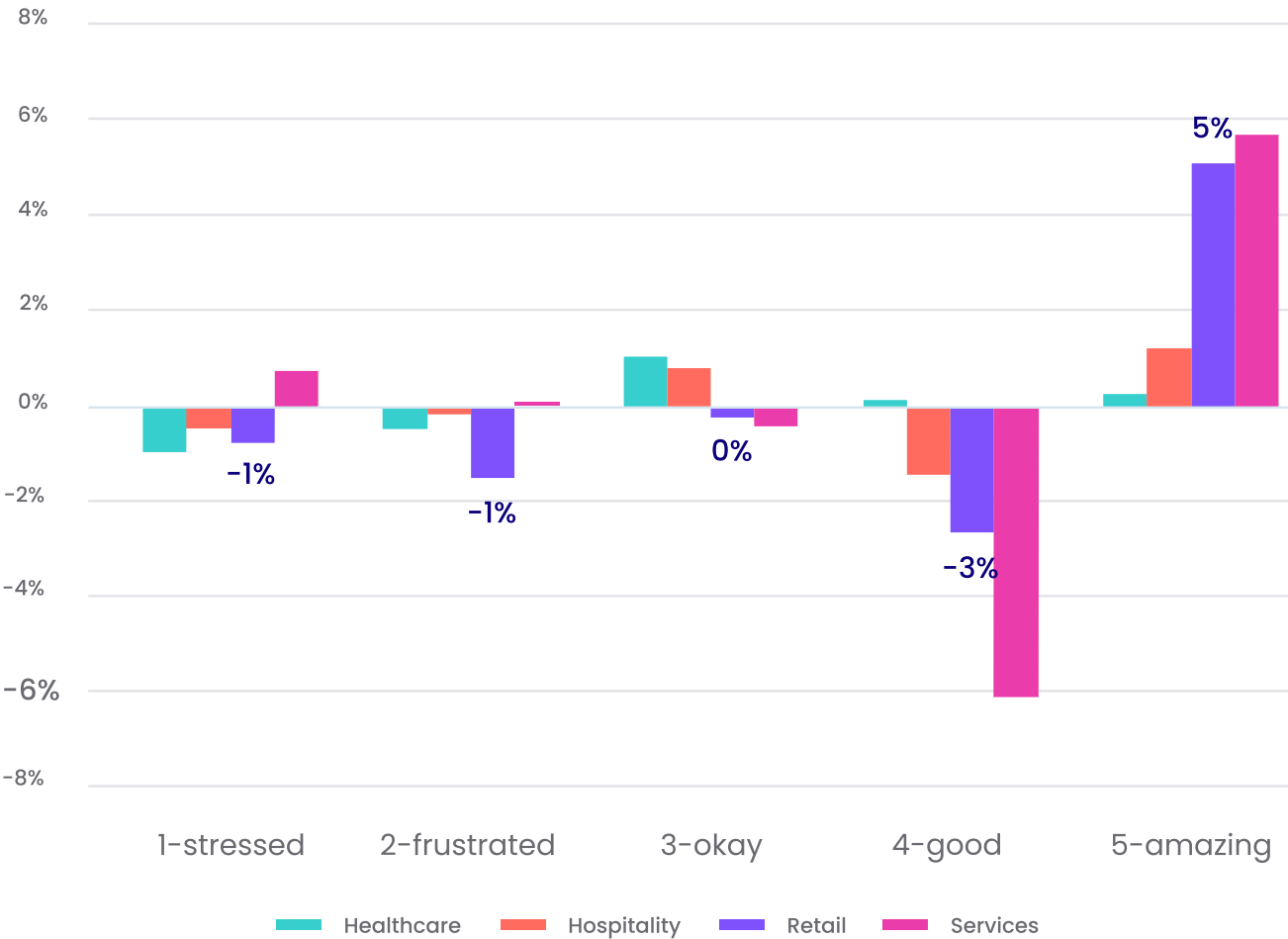


Alongside these labour market shifts, worker sentiment is showing signs of improvement, although not evenly across all sectors or generations.

Overall, sentiment has strengthened across Healthcare, Hospitality and Retail, with a growing share of workers reporting “amazing” experiences in **2025**. In Retail, this improvement is particularly notable given ongoing cost pressures, suggesting that workplace conditions or scheduling practices may be stabilising even as economic challenges persist.

Change in Deputy Shift Pulse Sentiment by Industry, 2024-25

Source: Deputy, 2025



The Services sector presents a more complex picture. A sharp decline in “good” sentiment is offset by a significant increase in “amazing” responses, indicating a growing divide in worker experience. This polarisation likely reflects the changing nature of service-based work, where roles are becoming more varied and, in many cases, more dependent on gig and platform-based models such as delivery driving and ghost kitchen operations. For some workers, these roles offer flexibility and higher earning potential, while for others, they introduce income volatility and less predictable working conditions.

Generational differences further highlight this divergence.

Older cohorts are reporting greater improvements in sentiment, with increases in “amazing” scores across **2025**. In contrast, Gen Alpha stands out as the only group moving in the opposite direction. This cohort has recorded a 9-point decline in top-end sentiment, alongside rising levels of stress and frustration.

This shift does not suggest a collapse in experience, but rather a recalibration. Early optimism among new entrants to the workforce appears to be fading as the realities of shift work take hold. Many Gen Alpha workers are entering roles defined by micro-shifts, variable hours and algorithm-driven scheduling, which can limit predictability and income stability.

What makes this cohort distinct is the context in which they are entering work. Unlike previous generations, Gen Alpha is encountering labour-replacing AI and automation from the outset, before having established job security or clear skills pathways. This creates a different kind of pressure, where uncertainty is built into the structure of work itself, rather than emerging later in a career.

Taken together, these trends point to a workforce that is stabilising at a macro level, but becoming more fragmented in experience. Hiring is slowing, jobs are being retained, and overall sentiment is improving. At the same time, differences between sectors, roles and generations are becoming more pronounced.

For employers, this highlights a critical shift. Stability alone is no longer enough. As workforce expectations evolve, particularly among younger cohorts, the focus must move toward creating more consistent, predictable and supportive work environments, even within increasingly flexible and technology-driven models of shift work.



Uneven AI adoption is reshaping work, but not at the same pace across sectors

AI adoption across the UK shift economy is now widespread, but how it is being used, and how it is experienced by workers, varies significantly by industry.

	Healthcare	Retail	Non-Food Hospitality	Restaurants
Voice-to-text / admin automation	46.8%	–	–	–
Automated scheduling / workforce optimisation	38.2%	34.6%	35.1%	36.4%
Customer / virtual assistant chatbots	29.4%	48.7%	39.2%	18.9%
Inventory & operations intelligence	–	43.5%	–	33.7%
POS & upselling optimisation	–	44.2%	–	–
Guest experience & sentiment analytics	–	–	49.3%	–
Self-service ordering / kiosks	–	29.1%	34.8%	41.2%

Source: Deputy 2025 Global Study

In Healthcare, adoption is largely focused on reducing administrative burden. Tools such as voice-to-text charting and automated scheduling are becoming more common, helping streamline documentation and improve workforce coordination. This reflects the sector’s ongoing need to manage high demand and complex staffing requirements more efficiently.

In Retail, the focus has shifted toward operational efficiency and customer interaction. There has been strong uptake of customer-facing chatbots, alongside broader efforts to digitise service and support functions. These tools are designed to improve responsiveness while reducing pressure on frontline staff.

Non-food Hospitality is applying AI in a different way, with a stronger emphasis on guest experience. Sentiment analysis tools and AI-powered concierge services are being used to personalise interactions and enhance service quality, particularly in higher-touch environments.

Restaurants, by contrast, are leaning more heavily into task automation. Self-service kiosks and predictive staffing systems are becoming increasingly common, helping businesses manage fluctuating demand while improving speed and efficiency in service delivery.

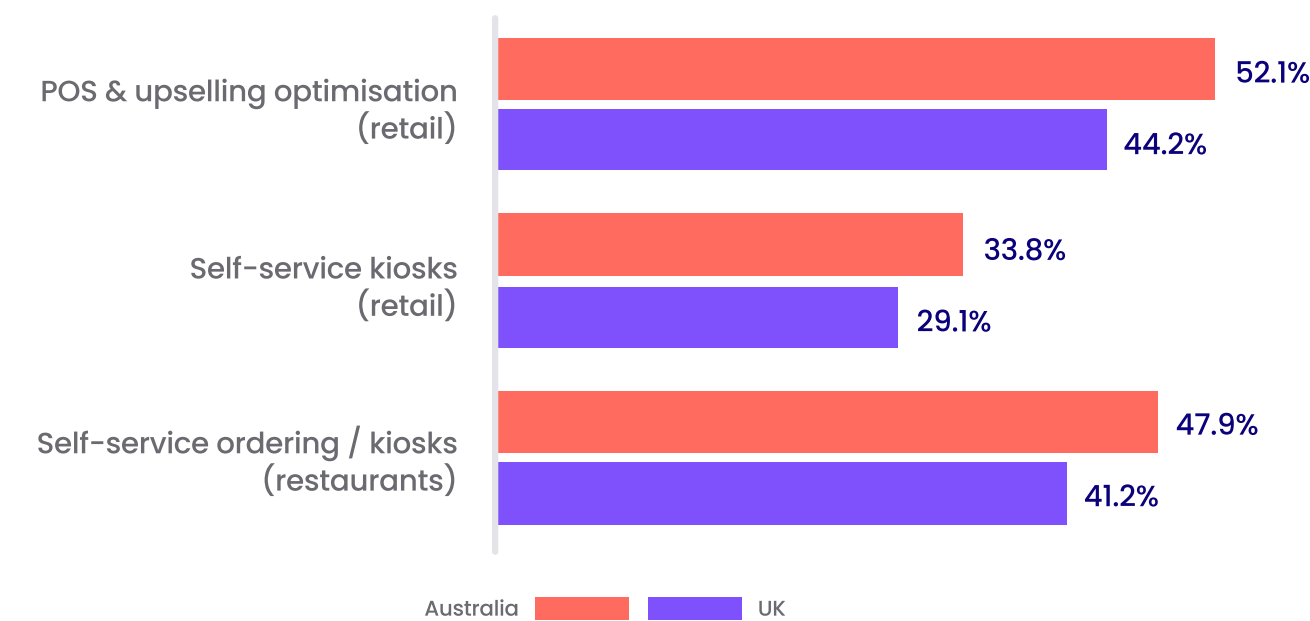
While adoption is broad, the UK continues to lag behind the United States across all major categories of productivity-enhancing AI.



The largest gaps are in Healthcare, particularly in automation and scheduling tools. These are precisely the areas that have the greatest potential to reduce administrative workload and improve workforce coordination. Slower adoption in these areas suggests that the UK is not yet fully capturing the productivity gains available in admin-heavy and coordination-intensive roles.

Labour-Replacing AI Adoption

Source: Deputy 2025 Global Study



Similar gaps are evident in Retail, where inventory intelligence and workforce optimisation tools are less widely adopted. These technologies play a critical role in improving efficiency, reducing waste and aligning staffing with demand. Lower uptake indicates a slower diffusion of tools that directly support output and operational performance.

The UK also trails Australia in customer-facing automation across Retail and Restaurants. Adoption of POS optimisation, checkout automation and kiosk ordering systems remains lower, despite similar labour cost pressures and workforce shortages.

These tools are particularly impactful, as they directly substitute front-of-house labour while increasing transaction speed and throughput. Lower adoption suggests that UK businesses may be slower to redesign customer journeys around automation, even where the economic case is strong.

Overall, the picture that emerges is not one of limited adoption, but of uneven implementation. AI is being integrated across sectors, but often in narrower or less transformative ways compared to global peers.

For employers, this highlights a critical gap. The opportunity is not just to adopt AI, but to deploy it in ways that materially improve productivity, reduce administrative load and enhance workforce coordination. As global benchmarks continue to rise, the pace and depth of adoption will increasingly determine competitiveness across the UK shift economy.

Productivity gains are clear, but trust and impact remain uneven

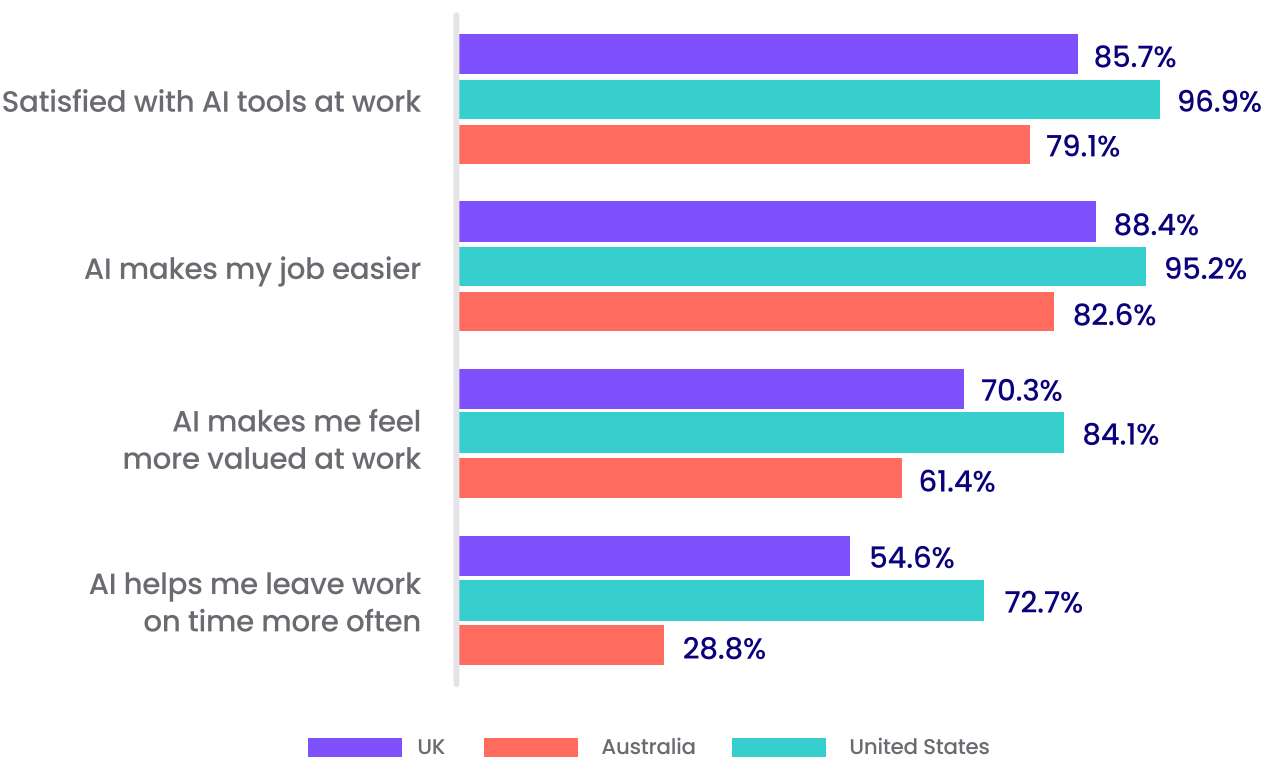
UK shift workers are broadly positive about AI, with sentiment stronger than in Australia, but still trailing the United States. This places the UK in a middle position, where adoption is delivering clear benefits, but not yet at the scale or impact seen in more advanced markets.

Overall satisfaction with AI stands at 86%, while 88% of workers report that AI is making their jobs easier. These are strong indicators that AI is already delivering tangible productivity gains across shift-based roles. However, both measures remain below US levels, suggesting that while adoption is effective, it is not yet fully optimised.

When it comes to work-life impact, the UK again sits between global benchmarks. Around **55%** of workers report improvements in work-life balance due to AI, which is materially higher than Australia, but significantly behind the US at **73%**.

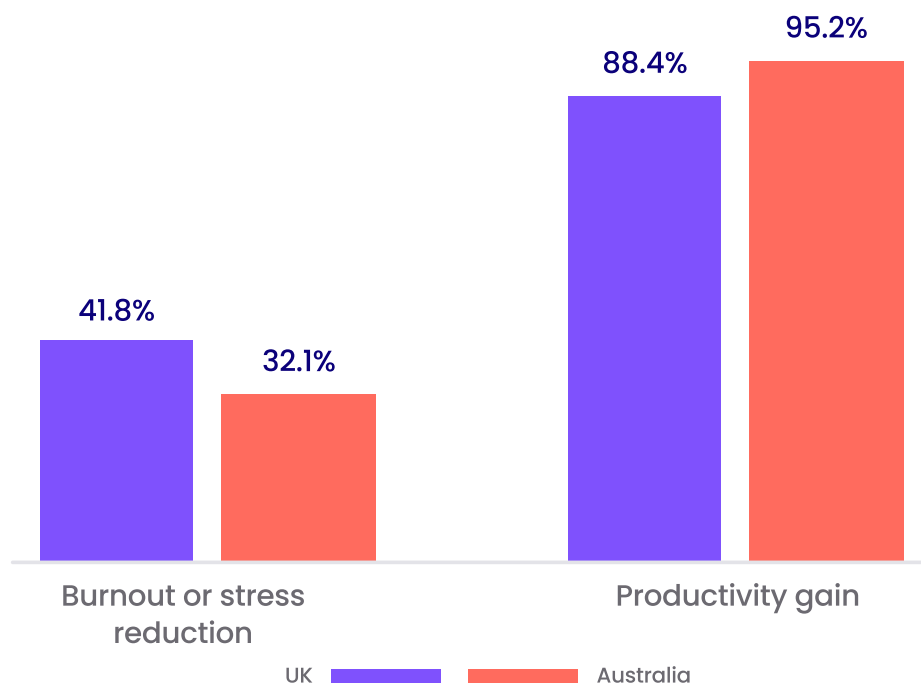
Sentiment of AI Tools

Source: Deputy 2025 Global Study



This points to a more measured AI transition in the UK. Adoption has been less disruptive than in Australia, where change has been more uneven, but also less transformative than in the US, where AI is more deeply embedded into workflows and outcomes. Slower rollout of labour-replacing tools may be reducing concerns around displacement, but at the same time, slower adoption of productivity-enhancing tools is limiting the full potential of AI-driven gains. A key gap is emerging between efficiency and experience.



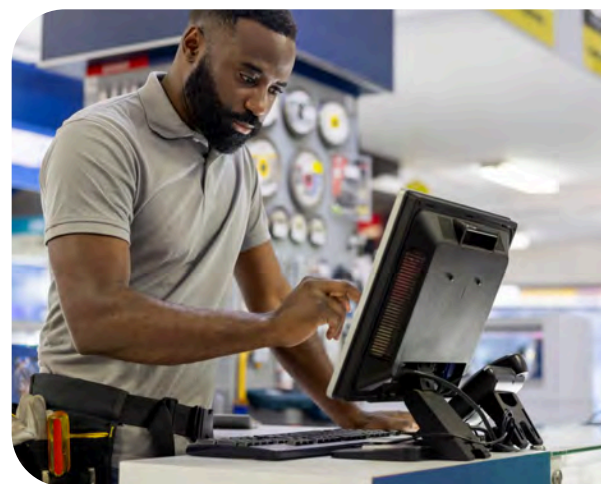


While **88%** of workers say AI makes their job easier, only **42%** report meaningful reductions in burnout or stress. This highlights a disconnect between how work is performed and how it is experienced. AI is improving task efficiency, but it is not fundamentally changing workload intensity or pressure.

This reinforces a broader point. Technology alone does not define work quality. Organisational culture, staffing levels and management practices remain the primary drivers of employee wellbeing. AI can optimise processes, but it does not replace the need for good management. In practical terms, how work feels is still shaped more by leadership and team dynamics than by the tools being used.

At the same time, concerns about job security and transparency remain significant.

More than half of UK shift workers, 55%, believe AI could replace part or all of their job. However, only 9% report having directly witnessed job losses linked to AI. This gap suggests that perceived risk is currently outpacing real-world impact.



Transparency is another major issue. Around **76%** of workers say AI tools are not fully transparent in how they are deployed. This lack of clarity is contributing to what can be described as a state of managed uncertainty. Workers recognise the benefits of AI and are willing to use it, but they do not yet fully trust how it is being implemented or what it means for their future.

This tension becomes even clearer when looking at how workers view different uses of AI.

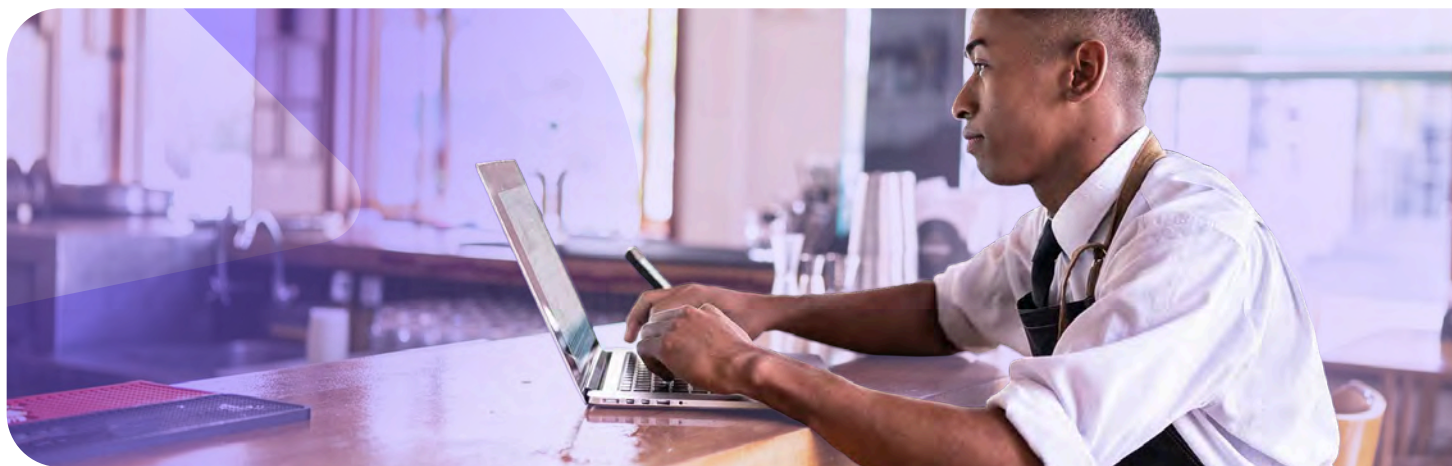
Around **40%** of workers support using AI to assist them in their roles, compared to **32%** who oppose it. Support drops sharply, however, when AI moves beyond assistance into decision-making. Only **25%** support the use of AI in areas such as hiring, progression or dismissal, while **55%** are opposed.

This highlights a clear boundary. Workers are comfortable with AI improving how work is done, but remain cautious when it comes to AI influencing decisions that affect their employment and career.

Acceptance of AI is therefore less about the technology itself, and more about control. The more AI supports workers and managers, the more it is accepted. The more it replaces human judgement, the more resistance increases.

This distinction is becoming a defining factor in how AI is integrated into shift-based workplaces. There is growing alignment around AI-assisted systems, such as smarter scheduling and task support, but far less appetite for fully automated, algorithm-driven decision-making.

For UK businesses, the implication is clear. The next phase of AI adoption will depend not just on capability, but on trust. Transparency, clear communication and maintaining human oversight will be critical to ensuring that AI is seen as an enabler of better work, rather than a replacement for it.

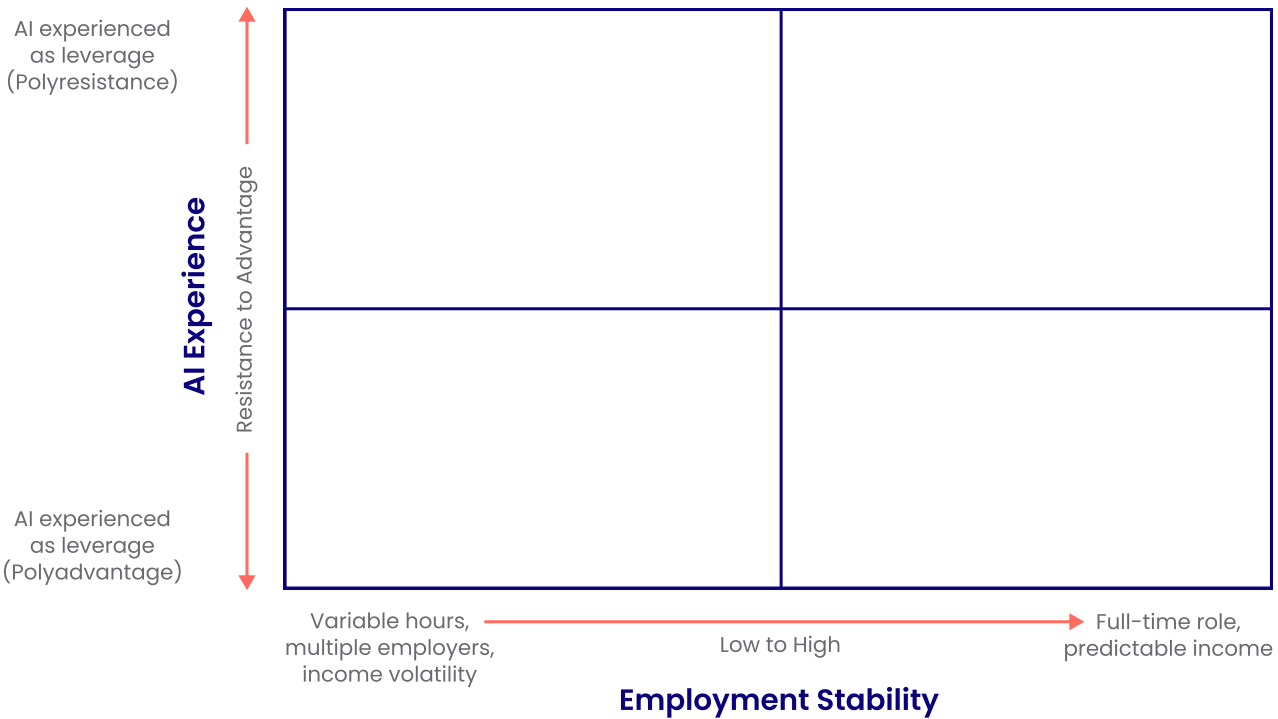


AI resistance reflects job security, not technology itself

Resistance to AI across the UK shift workforce is not evenly distributed. It is strongest among workers who are already operating in more fragile and unpredictable employment conditions, particularly those engaged in poly-employment.

Employment stability determines AI experience

To understand the divergence, we map worker experience across two critical dimensions



Poly-workers with multiple part-time roles, often the most economically vulnerable group, show the highest levels of scepticism toward AI. In contrast, poly-workers who hold a primary full-time role alongside additional work are the most receptive. This divide highlights a clear pattern. Where work feels unstable, AI is perceived as a risk. Where work feels secure, AI is more likely to be seen as an opportunity.

This dynamic is increasingly being defined by two distinct experiences: poly-resistance and poly-advantage.

Poly-resistant workers are typically those balancing multiple part-time roles across employers. Their exposure to algorithmic scheduling, shifting demand and fragmented hours often leads to increased volatility in income and reduced control over work patterns. For this group, AI is not an abstract concept. It is already influencing their schedules, availability and earning potential. As a result, further AI adoption is often viewed with caution, as it may intensify existing instability.

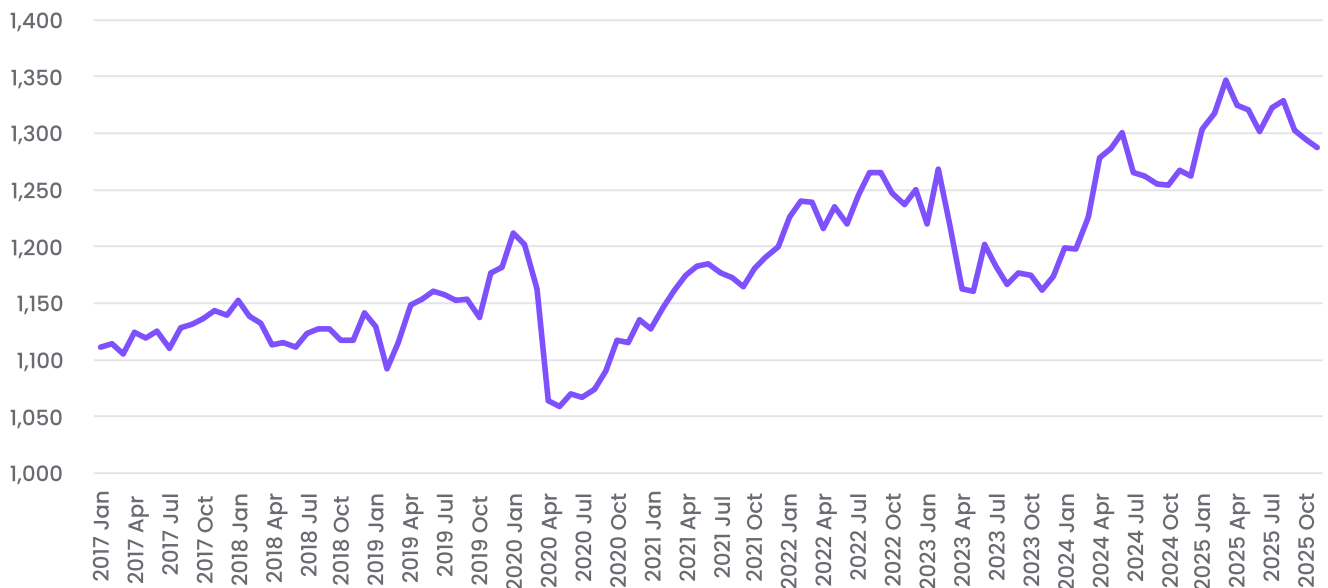
On the other end of the spectrum are poly-advantaged workers. These are individuals with multiple jobs generating ongoing, predictable, stable income who take on additional work to supplement income or pursue entrepreneurial opportunities. For this group, AI is a tool for optimisation. It helps improve productivity, identify efficiencies and better manage multiple income streams. As a result, attitudes toward AI are significantly more positive.

These two experiences now coexist within the same workforce, sitting at opposite ends of the job security spectrum. This divide is becoming more pronounced at a time when poly-employment in the UK has reached record levels, with 1,347,000 people engaged in multiple jobs as of March **2025**.

The rise in poly-employment is being driven by ongoing cost-of-living pressures, inflation and broader economic uncertainty. For many workers, taking on additional roles is not a choice, but a necessity to maintain financial stability.

Total Poly-Workers, UK ('000s)

Source: ONS, 2025



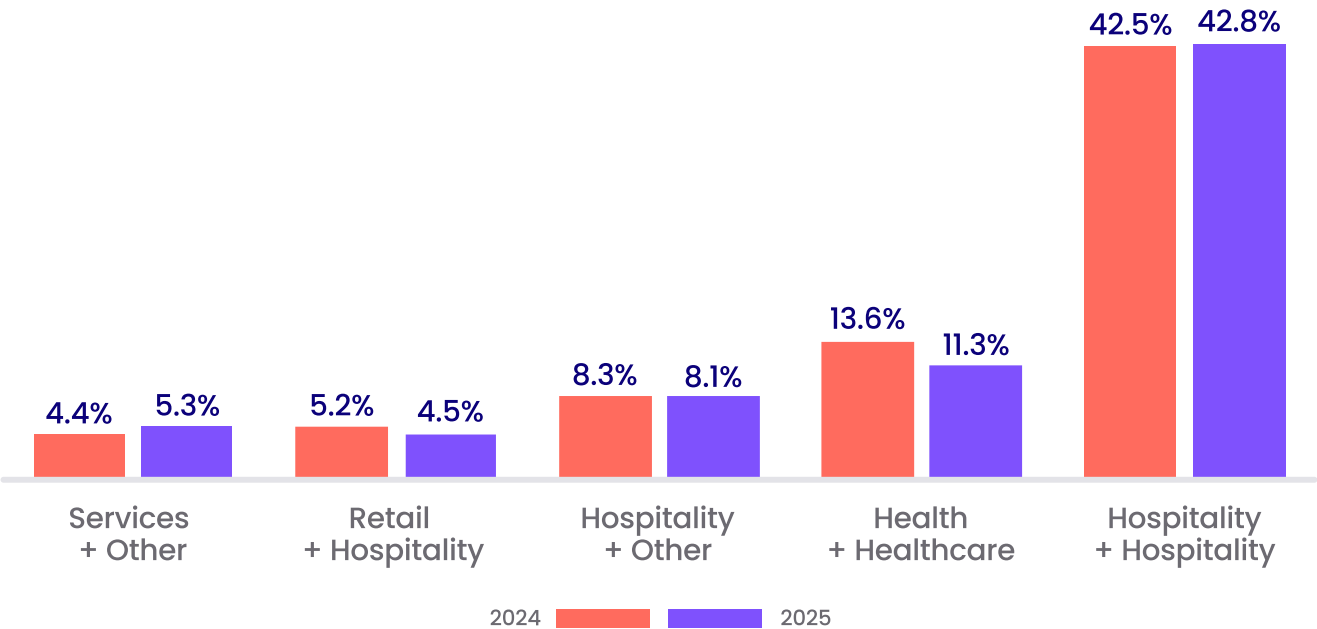
However, how workers experience poly-employment varies significantly depending on their starting point.

Those entering poly-work with an existing full-time role are more likely to benefit from what can be described as poly-advantage. They are able to use AI tools to improve efficiency, manage time more effectively and increase overall productivity, making multiple roles more sustainable.

In contrast, workers relying on multiple part-time roles are more exposed to poly-resistance. For them, AI can amplify the challenges of already unpredictable work. Automated scheduling and demand-driven rostering can lead to inconsistent hours across employers, making income less stable and coordination more difficult.

Share of Poly-employment by Industry, 2024 vs 2025

Source: Deputy, 2025



Demographically, poly-employment is also being shaped by younger workers. Gen Z accounts for **67%** of the poly-workforce, followed by Millennials at **26%**. This reflects both the life stage of these workers and their greater participation in flexible, shift-based industries.

There has also been a shift in gender participation, with male representation in poly-employment increasing from **50%** in **2024** to **52%** in **2025**. This suggests that financial pressures and the need for additional income are becoming more broadly distributed across the workforce.

In terms of industry patterns, the most common poly-work combinations are found within Hospitality, where workers often take on multiple roles across venues. Healthcare also features prominently, reflecting strong demand and the ability to combine shifts across different providers or settings.

Taken together, these trends highlight a critical insight. Attitudes toward AI are not being driven by the technology itself, but by the conditions in which people work.

For employers, this has important implications. Successfully adopting AI is not just about implementation, but about ensuring that workers feel secure, supported and able to benefit from it. Without this, the risk is that AI reinforces existing inequalities within the workforce, widening the gap between those who gain from it and those who feel most exposed to its impact.

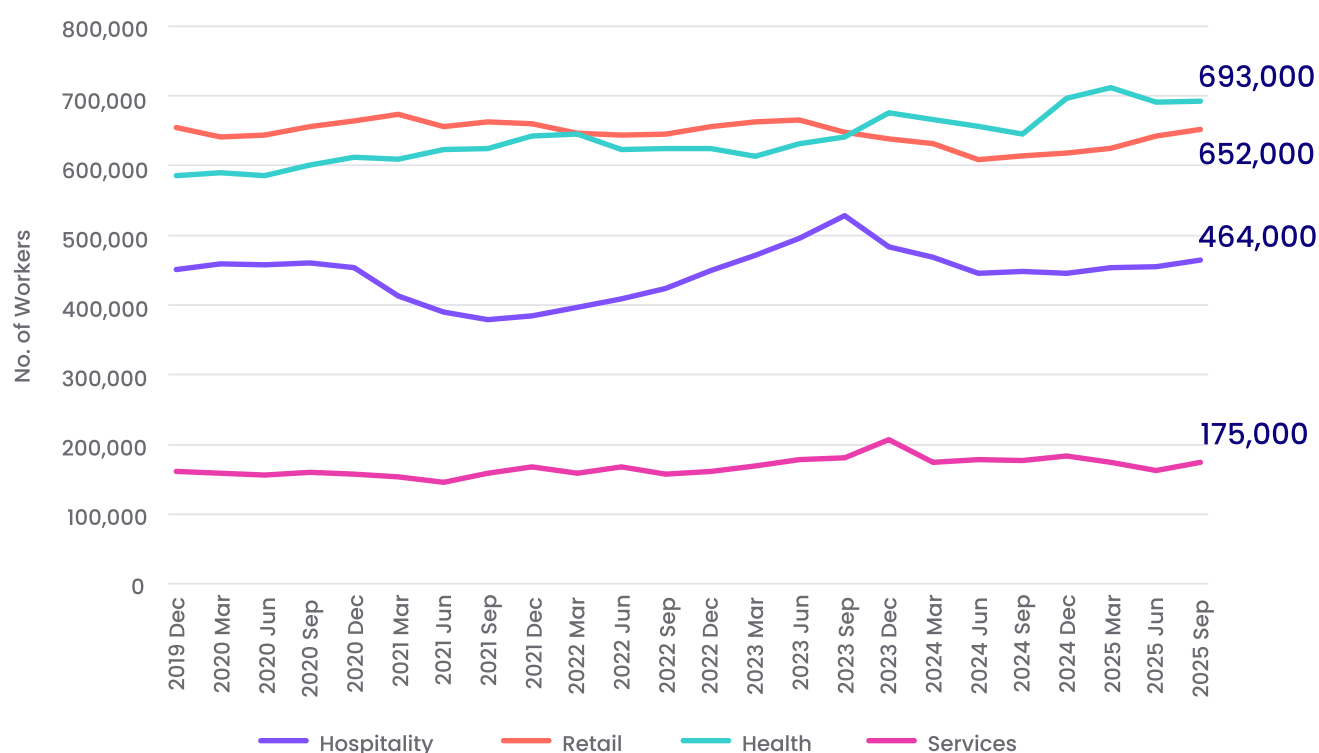


London leads a growing but uneven shift economy, anchored by its night-time workforce

The UK shift labour market is continuing to grow, but that growth is increasingly concentrated in London. Over the past year, London has added **22,000** new shift-based roles, the strongest increase across the country and a clear signal of its central role in shaping national workforce trends.

Total Workforce, London

Source: ONS, 2025

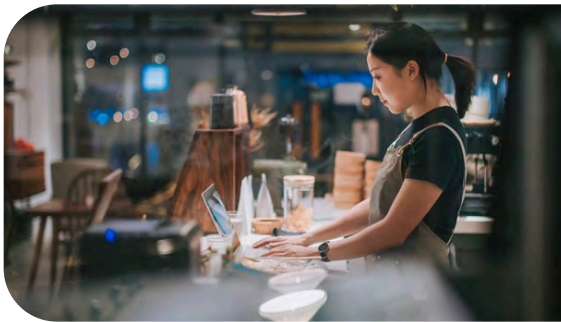


Outside of London, the picture is more mixed. Many regions, including the South East, East of England and Wales, are seeing declines in shift-heavy sectors. Yorkshire and the Humber stands out as a notable exception, supported by investment in logistics, port infrastructure and manufacturing hubs such as Leeds, Sheffield and Hull. These developments are helping sustain demand for essential shift roles, particularly in healthcare and industrial services.

London's dominance reflects both scale and structure. The city's concentration of hospitality, retail and services, combined with the strength of its night-time economy, continues to drive job creation. While overall growth has plateaued since **2023**, London's shift workforce remains large and resilient.

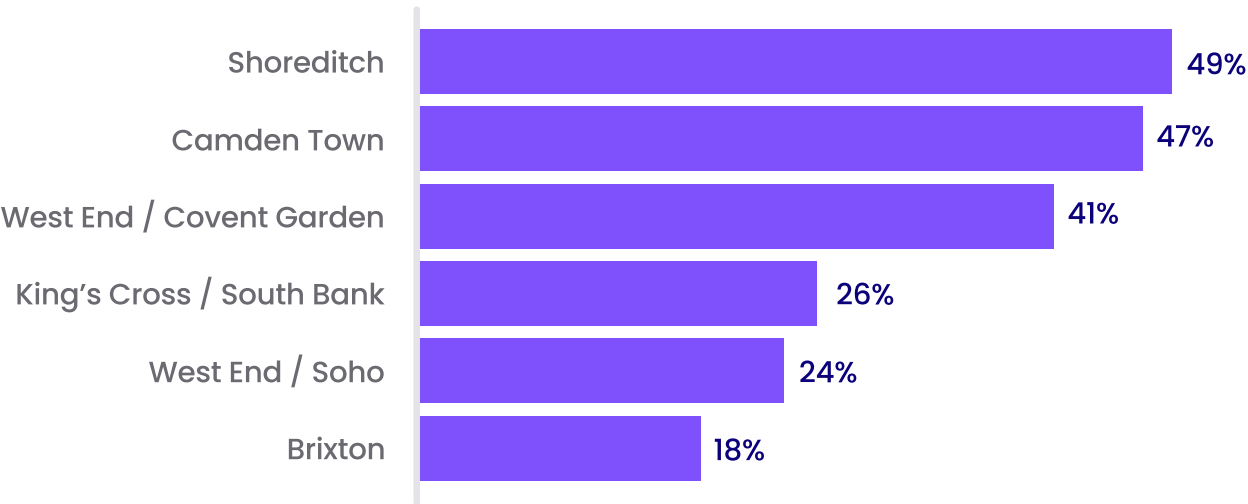
Healthcare is now the largest shift worker employer in London, with approximately **693,000** workers, and continues to expand steadily in response to sustained NHS and care demand. Retail follows with around **652,000** workers, stabilising after earlier volatility and tracking broader trends in consumer confidence and tourism. Hospitality employs approximately **464,000** workers and, while still significant, remains below its **2023** peak, indicating that demand has stabilised but expansion has slowed. Services, at around **175,000** workers, show modest growth but remain the smallest of the major shift sectors.

This balance highlights a broader trend. Essential sectors such as healthcare are driving resilience, while consumer-facing sectors are showing more cyclical softness.



Share of Night Time Female Shift Workers by Precincts

Source: Deputy, 2025



At the centre of London’s shift economy is its night-time workforce. Activity between 6pm and 6am supports over **1.3 million jobs**, accounting for roughly one-third of the UK’s total night-time workforce. Around **1 in 8** London jobs are directly linked to night-time activity across hospitality, healthcare, logistics, transport and services.

Despite some softening since the post-pandemic peak in **2023**, London still generates more than **40%** of the UK’s night-time economy output. The sector contributes an estimated **£26** billion to **£36** billion annually, reinforcing its importance not just locally, but nationally.



London Data After Dark Initiative

Source: UCL Social Data Institute, 2025



However, London's night-time economy is no longer expanding at the same pace as its global peers. Deputy data shows that since late **2024** into **mid-2025**, night-time employment has only recovered to levels seen two years ago, while cities such as New York and Los Angeles are experiencing continued growth.

This slower recovery reflects a number of structural factors. The UK's greater exposure to declines in discretionary spending, particularly in hospitality, has weighed on late-night activity. At the same time, regulatory constraints such as licensing limits, transport availability and zoning restrictions continue to shape how and when businesses can operate. Labour shortages and high workforce turnover remain ongoing challenges across hospitality, healthcare and late-night retail.

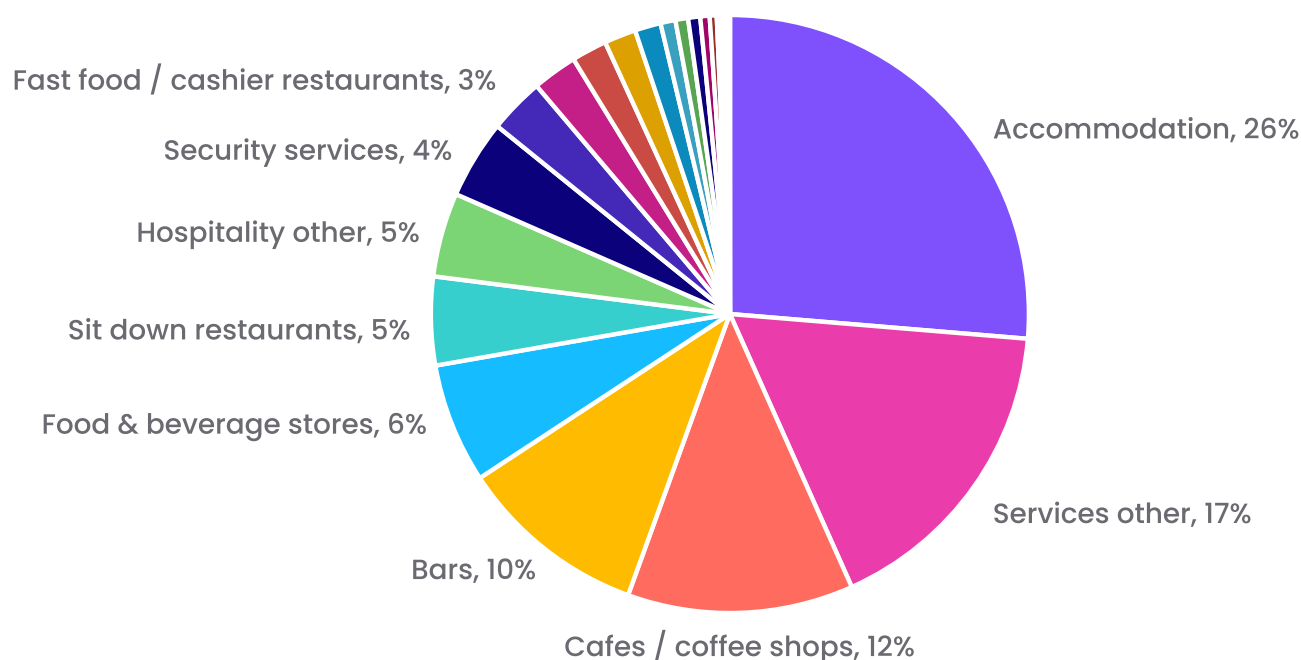
Consumer behaviour is also shifting. Evening spending is increasingly concentrated earlier, with activity moving toward the 6pm to 10pm window rather than late-night hours. This reflects broader post-pandemic lifestyle changes, as well as cost-of-living pressures and evolving social habits.

Younger demographics are playing a key role in this transition. There is a noticeable shift away from alcohol-led nightlife toward food, experience-based venues and more flexible social formats. This is reflected in employment patterns, where cafés and coffee shops now account for **12%** of night shift workers in London, compared to **10%** in bars.

Hybrid working has further reshaped activity. Traditional after-work, city-centre nightlife has softened, while neighbourhood-based evening spending has increased. Participation in late-night activity is now more influenced by transport access, safety considerations and affordability, all of which are shaping how often and how late people go out.

Share of Night Shift Workers by Sectors

Source: Deputy, 2025; UK Hospitality; CGA Strategy Night Time Economy Report, 2024; World Economic Forum – Unlocking the Potential of 24-Hour Economies, 2025

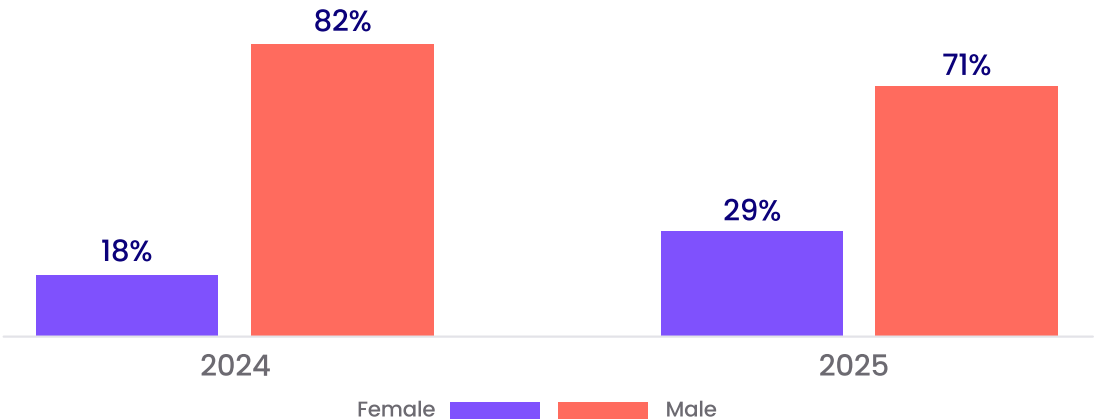


As a result, the structure of night-time employment is evolving. While hospitality remains central, there is growing diversification into logistics, healthcare, transport and delivery platforms that support a 24-hour economy.

London's night workforce remains heavily concentrated in accommodation at 26% and hospitality-linked services at 17%, reflecting the city's tourism and visitor economy. Bars at 10% and cafés at 12% remain key employers, alongside fast food and restaurant formats. The workforce itself is also changing.

Share of Night Shift Workers by Gender

Source: Deputy, 2025

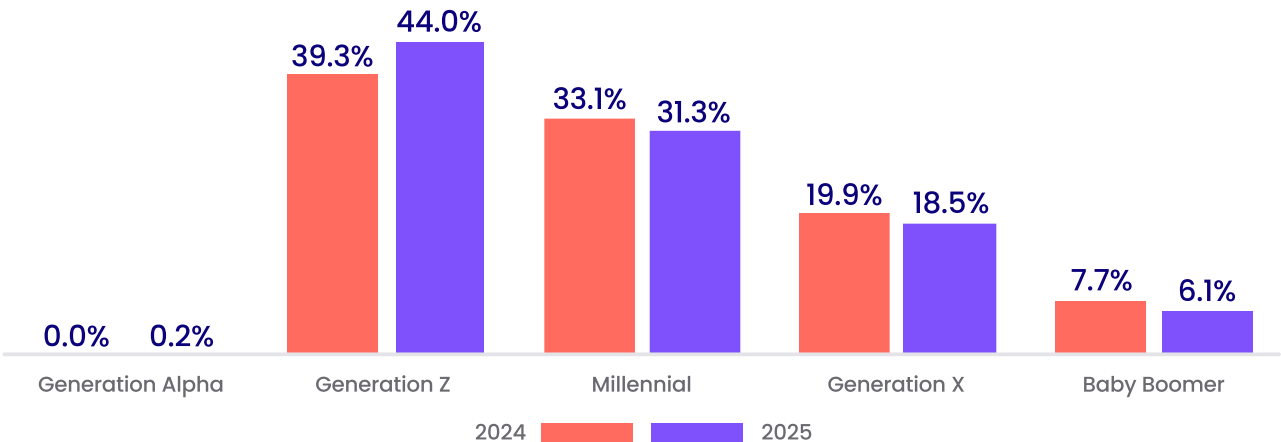


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Share of Shift Workers by Generation

Source: Deputy, 2025

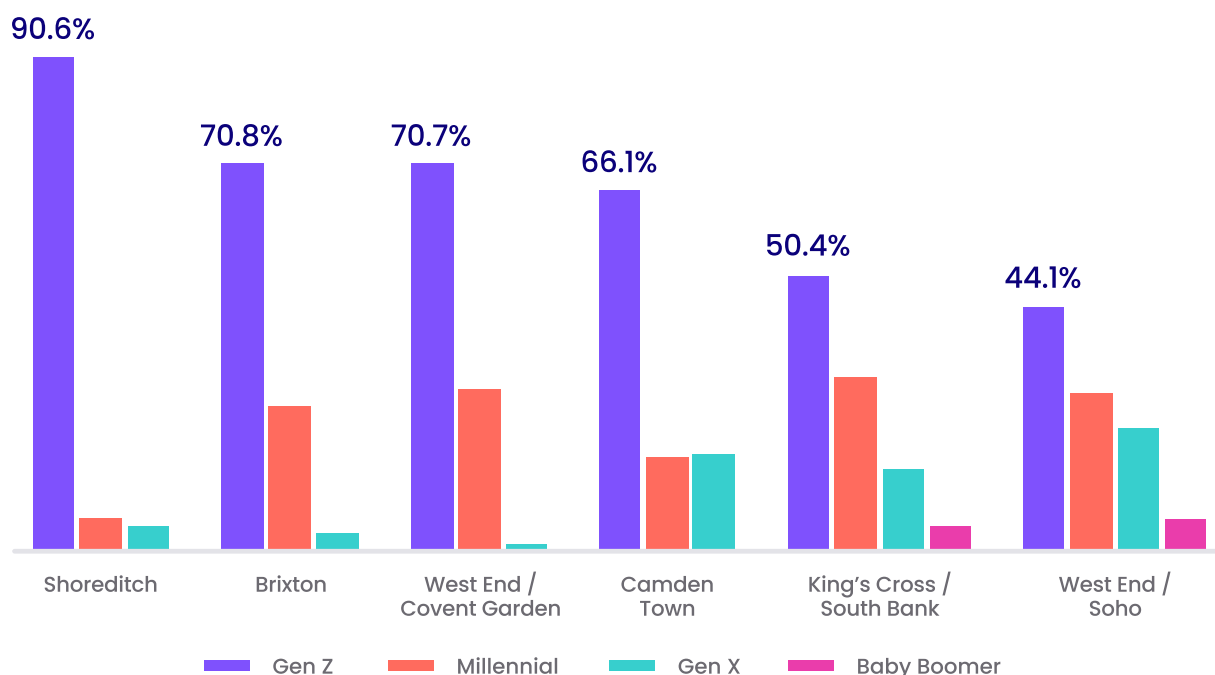


Generationally, London’s night-time workforce is overwhelmingly young. Gen Z accounts for around **50%** of workers, reinforcing the sector’s role as an entry point into the labour market. Millennial participation is increasing, rising from **26%** to **29%**, suggesting longer retention in night-based roles. Gen X representation is growing modestly, while Baby Boomers continue to decline. Gen Alpha currently has little presence, but this is expected to change as more enter working age.



Share of Night Time Shift Workers by Generation and Night Time Precinct

Source: Deputy, 2025



There are also clear differences across precincts. Areas such as Shoreditch at **90.6%** Gen Z and Brixton at **70.8%** are heavily youth-driven, while locations like the West End and Covent Garden at **70.7%** show a more balanced mix, reflecting tourism and entertainment roles. Commercial hubs such as King's Cross and South Bank at **50.4%**, and Soho at **44.1%**, demonstrate a broader generational spread.

Taken together, these patterns show that London's night-time economy is not a single system, but a collection of distinct local ecosystems shaped by tourism, culture, infrastructure and demographics.

As its importance grows, so too does policy attention. Across the UK, the night-time economy supports around **2 million** jobs and contributes more than **£100 billion** annually. Cities including London, Manchester, Bristol and Birmingham have introduced Night Time Commissioners or Night Czars to coordinate policy across transport, safety, licensing and business activity.

There is also increasing discussion at a national level. The Night Time Industries Association has called for a dedicated UK Night-Time Economy Minister, while in Scotland there have been proposals for a national office to oversee the sector. These developments reflect a broader recognition that the night-time economy is not just a cultural asset, but a critical part of the modern labour market.

For London, the challenge now is clear. The city remains the UK's engine of shift work growth, but maintaining that position will depend on how it adapts to changing consumer behaviour, workforce expectations and global competition in the years ahead.

Policy reform and economic caution are redefining the UK shift work model

The UK economy is expected to move toward a gradual recovery through **2026**, with Bank of England forecasts pointing to improving GDP growth. This recovery is being supported by easing inflation, stabilising real incomes and the expectation of rate cuts alongside lower energy costs. Together, these factors are likely to provide modest support to both household spending and business investment.

However, recent quarterly data suggests that this recovery remains uneven and, in the near term, below forecast. The UK continues to operate in a low-growth environment where momentum is beginning to return, but confidence has not yet fully recovered.

It is within this context that the UK is entering a significant phase of labour market reform, particularly focused on insecure work and the conditions experienced by shift workers.

The Employment Rights Act **2025** marks a structural shift in how flexibility is defined and regulated. A central provision is the introduction of a right for workers to request guaranteed hours contracts after a reference period of approximately **12 weeks**. This represents a move away from prolonged reliance on zero-hours arrangements and signals a broader push toward greater predictability in scheduling and income.

Alongside this, reforms to trade union laws are lowering barriers to union recognition and workplace access. Employers are now required to facilitate union recruitment and enable digital communication with workers. Changes to strike ballot requirements, including the introduction of digital voting and the removal of turnout thresholds, are expected to increase union leverage, particularly in private-sector, shift-based industries.



Taken together, these changes represent the most significant pro-union shift in recent years. For employers, this is likely to translate into higher compliance requirements, increased administrative complexity and upward pressure on wages. At the same time, more structured scheduling expectations may limit the degree of flexibility that businesses have traditionally relied on in shift-based models.

These reforms are being introduced at a time when the labour market remains relatively tight and cost-sensitive, creating a more complex operating environment for industries such as hospitality, retail, healthcare and services.

In parallel, there is growing regulatory scrutiny of AI and algorithmic scheduling.

AI-driven workforce management systems are increasingly being examined under the UK AI Regulation White Paper and existing ICO guidance linked to UK GDPR, particularly Article 22, which governs automated decision-making. This is especially relevant where scheduling systems directly affect worker hours, income and access to shifts.

Legal precedent is also shaping this landscape. The *Uber BV v Aslam* ruling in **2021** established a clearer framework around worker classification and platform control, reinforcing protections for gig and platform-adjacent workers. This has set the tone for ongoing scrutiny of how technology is used to manage labour.

While the Employment Rights Act 2025 does not directly regulate AI, it indirectly increases pressure on opaque scheduling systems. By strengthening worker rights and collective bargaining mechanisms, it creates more avenues for workers to challenge how schedules are determined and how decisions are made.

Looking ahead, further regulation is expected. The government has committed to strengthening oversight through a proposed AI Regulation Bill, which is likely to provide more explicit guidance on high-risk uses of AI in employment contexts, including scheduling, performance management and decision-making.

For employers, these developments signal a clear shift. The operating model for shift work is moving toward greater transparency, predictability and accountability.



Flexibility will remain important, but it will need to be balanced with compliance, worker protections and clearer governance around technology. As economic recovery remains gradual, the intersection of policy reform and cost pressure will play a defining role in how businesses adapt their workforce strategies in the years ahead.

The care economy is emerging as the UK's most resilient source of shift work

The UK care economy is set to become one of the largest and most important employment sectors in the country over the next decade. By **2035**, it is projected to support around **2 million** jobs, driven by sustained demand across health and social care systems.

This growth is concentrated in frontline roles. Care workers and home carers are expected to exceed **1 million** roles, while nursing assistants and auxiliaries are projected to approach **600,000**. These roles sit at the centre of a system that is expanding rapidly in response to long-term demographic change.

An ageing population is the primary driver. The number of people aged **65 and over** is expected to increase from around **11 million** today to more than **16 million** by **2043**. At the same time, the population aged **85 and over**, the group with the highest need for intensive care, is projected to nearly double by **2045**.

This shift is already reshaping demand. Older populations require more consistent and complex support, including home care, nursing services and residential care. As a result, demand for shift-based work across healthcare and social care is expanding steadily.



In England alone, the number of people aged 65 and over requiring care is projected to increase by around **60%** by **2040**. This is already reflected in the labour market, where health and social care has become the largest employment sector in the UK, employing more than **3 million** people. Despite this growth, the sector continues to face significant workforce challenges.

Vacancy rates remain persistently high. In England, there were approximately **152,000** vacancies in adult social care in **2022** to **2023**, one of the highest levels across the economy. At the same time, the sector is heavily reliant on migrant labour, with around **17%** of the adult social care workforce made up of non-UK nationals.

Alongside the formal workforce, unpaid care plays a critical role in sustaining the system. There are approximately **5.8 million** unpaid carers in the UK, equivalent to nearly **1 in 10** people providing regular care to family members or friends.

Of these, around **3 million** are also in paid employment, meaning a significant portion of the workforce is balancing job responsibilities with caregiving duties. More than **1.7 million** people provide over **50 hours** of unpaid care each week, effectively taking on a second full-time role outside formal employment.

These pressures are directly influencing how people work. Around **35%** of working carers reduce their hours, while **38%** are employed part-time, both significantly higher than national averages. This is driving a structural shift in employment patterns. Flexible work is no longer a preference for many workers in this group; it is now a requirement. Smaller, more adaptable shifts are becoming essential to allow individuals to balance paid work with unpredictable caregiving responsibilities.

As a result, micro-shifts are expected to play an increasingly important role in the labour market. They provide a way for unpaid carers to remain in employment while managing care commitments, and offer employers access to a broader and more flexible workforce.

Importantly, care work remains highly people-centred and difficult to automate. While technology is being adopted across the sector, its role is primarily supportive. Digital platforms, scheduling tools and workforce management systems are helping coordinate care delivery, manage complex rosters and reduce administrative burden.

However, these technologies are not replacing frontline roles. The nature of care requires human interaction, judgement and empathy, making it one of the least automatable areas of the shift economy.

This positions the care sector as one of the most resilient sources of employment in the UK. While other industries face disruption from automation and changing consumer behaviour, demand for care is structural, growing and long-term.

For employers and policymakers, the implications are clear. Meeting this demand will require not only more workers, but different ways of working. Flexibility, better workforce coordination and support for carers will be critical to sustaining the sector as it continues to expand. As the UK population ages, the care economy will move from being a large sector to a foundational one, shaping the future of shift-based employment across the country.





Retail



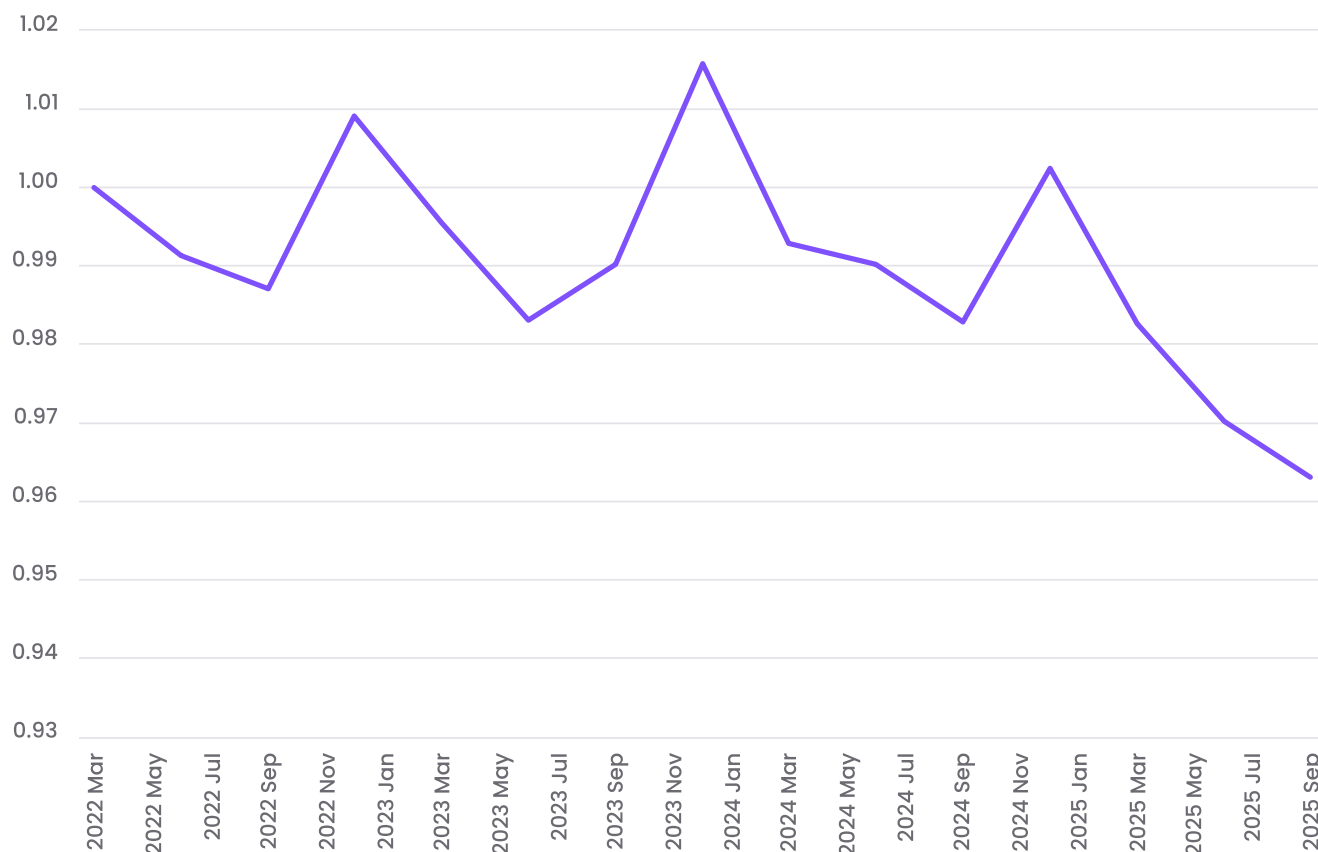
Industry Deep Dives

Retail employment is stabilising, but growth is shifting beyond london

Retail remains one of the UK's largest employers of shift workers, even as consumer spending continues to soften. In **2025**, the sector experienced further pressure, with the Deputy Shift Work Index declining to **0.96**, signalling a continued contraction in employment levels.

Deputy Shift Work Index, Retail

Source: Deputy and OSN, 2025



Despite this, Retail has not declined evenly. Where jobs have remained stable, they are increasingly concentrated in larger urban economies, particularly London. At the same time, structural changes across online retail, logistics and rising labour costs are reshaping how retailers manage their workforce, leading to more targeted and regionally varied hiring patterns.

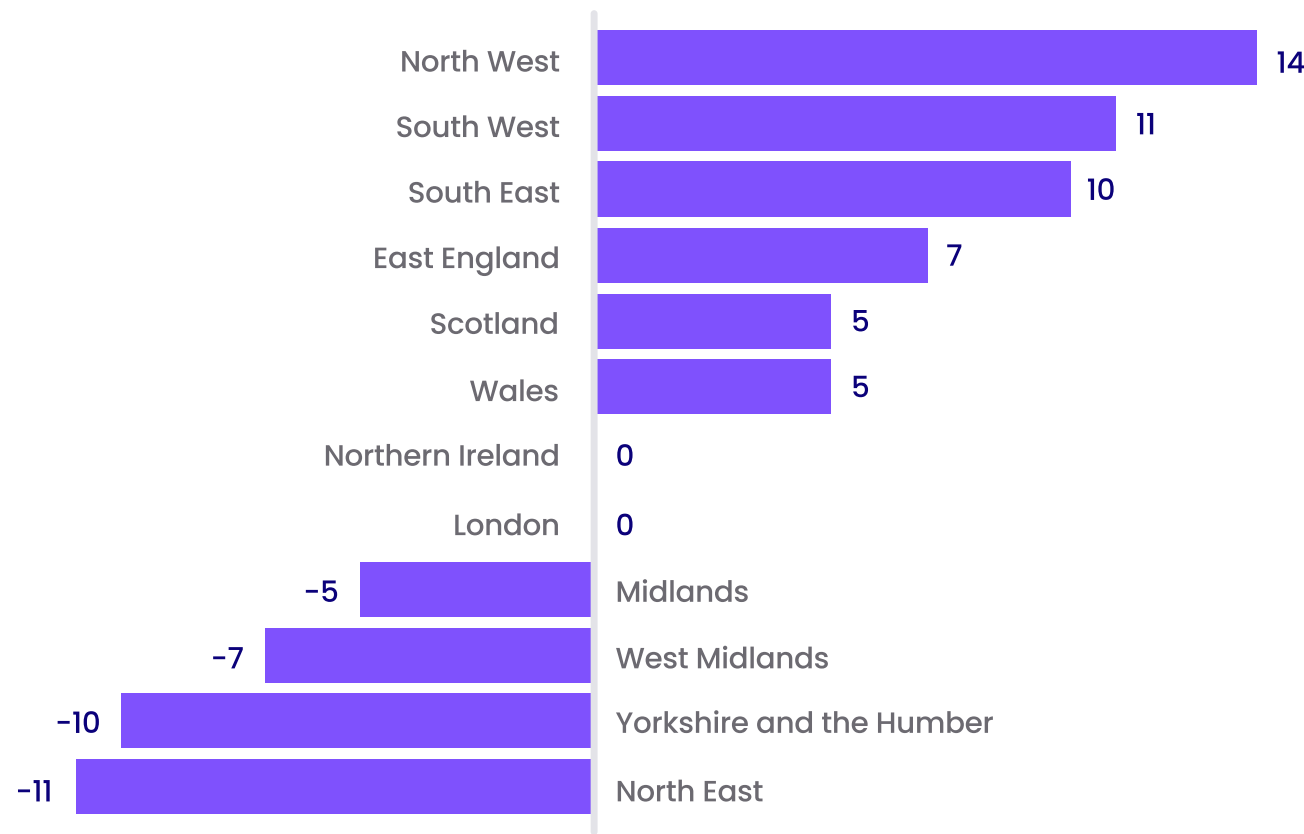
Over the past year, the strongest growth in retail shift work has occurred outside of London.

The North West recorded the largest increase, adding **14,000** roles, followed by the South West with **11,000** and the South East with **10,000**. East England also saw growth of **7,000** roles, while Scotland and Wales each added approximately **5,000**.

In contrast, several regions experienced declines. The Midlands saw a reduction of **5,000** roles, the West Midlands declined by **7,000**, Yorkshire and the Humber fell by **10,000** and the North East recorded the largest drop at **11,000**. London and Northern Ireland remained broadly flat over the same period.

Net Change in Total Shift Work Jobs, September 2024–2025 ('000s)

Source: ONS, 2025



This shift highlights a changing geography of retail employment. Growth is now being driven more by regional markets, particularly in southern England and the North West, rather than being concentrated in London.

Even so, London remains the UK’s largest retail shift-work market by a significant margin, employing approximately **652,000** workers. Over the past year, employment levels in the capital have remained stable, aligning with broader data showing no net change in shift work roles.

Looking at longer-term trends, London’s retail workforce has fluctuated between **610,000** and **670,000** workers. After a sharp decline in **mid-2024**, employment recovered through **2025**, returning to current levels of around **652,000**.

Retail employment in London continues to be concentrated in city centre stores, supermarkets and major retail precincts. These locations benefit from higher foot traffic, tourism and density, which help sustain demand even as broader consumer spending slows.

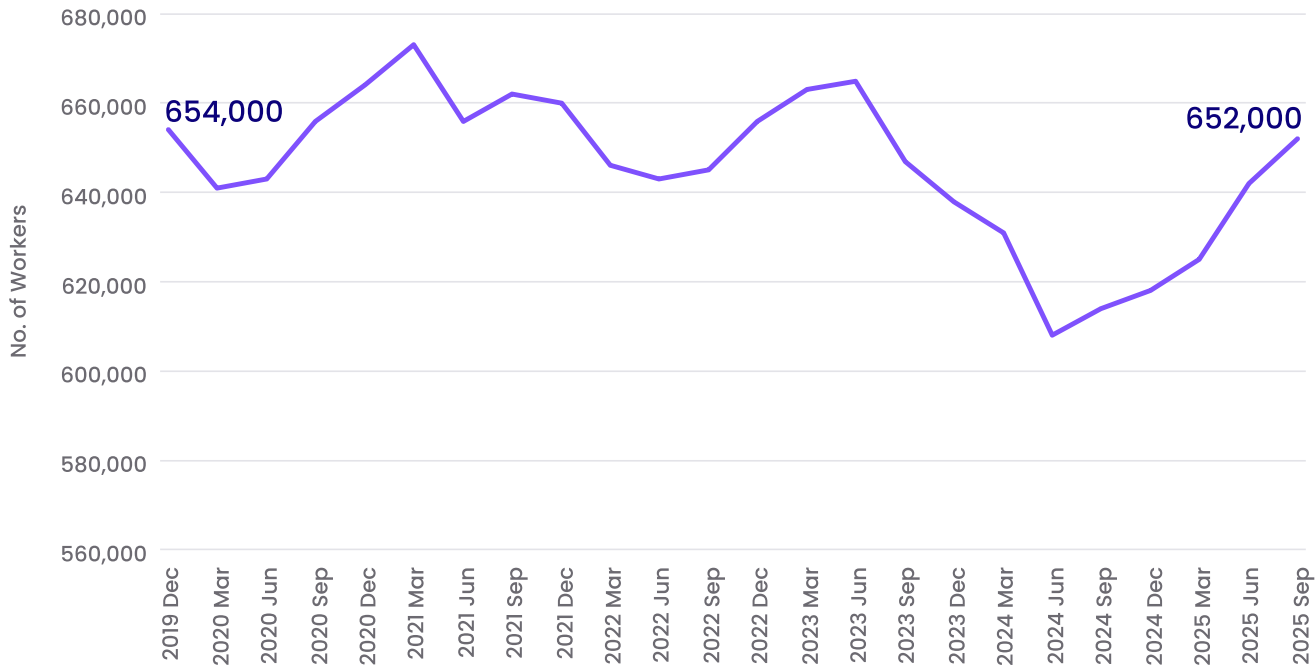


What is emerging is a sector that is stabilising, but not expanding in the same way as previous years. Retail is becoming more regionally distributed, more operationally focused and more sensitive to cost pressures and consumer behaviour.

For employers, this means adapting workforce strategies to a more fragmented landscape. Growth opportunities are increasingly location-specific, while maintaining efficiency in core urban markets like London remains critical to overall performance.

Total Retail Workforce, London

Source: OSN, 2025



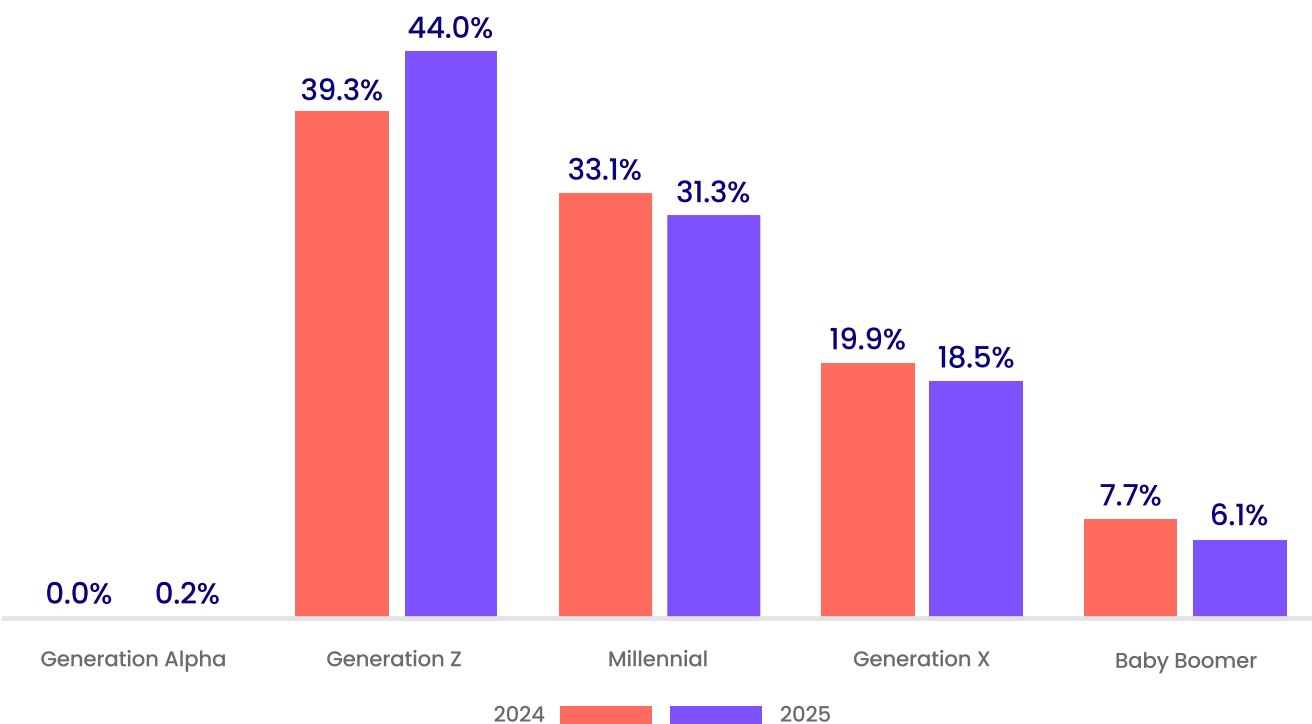
A younger, rebalancing workforce is reshaping UK retail

The UK retail workforce is undergoing a clear generational shift, with younger workers now firmly at the centre of frontline employment.

Gen Z represents **44%** of retail shift workers in **2025**, up from **39%** in **2024**, making it the dominant cohort across the sector. This reflects retail’s role as a key entry point into the workforce, particularly for younger employees seeking flexible and accessible roles.

Share of Shift Workers by Generation

Source: Deputy, 2025



At the same time, Millennials are seeing a modest decline in overall share. This shift is not driven by exit from the workforce, but by progression. Many Millennials are moving into supervisory and managerial roles, supporting operations and providing continuity as younger workers fill frontline positions.

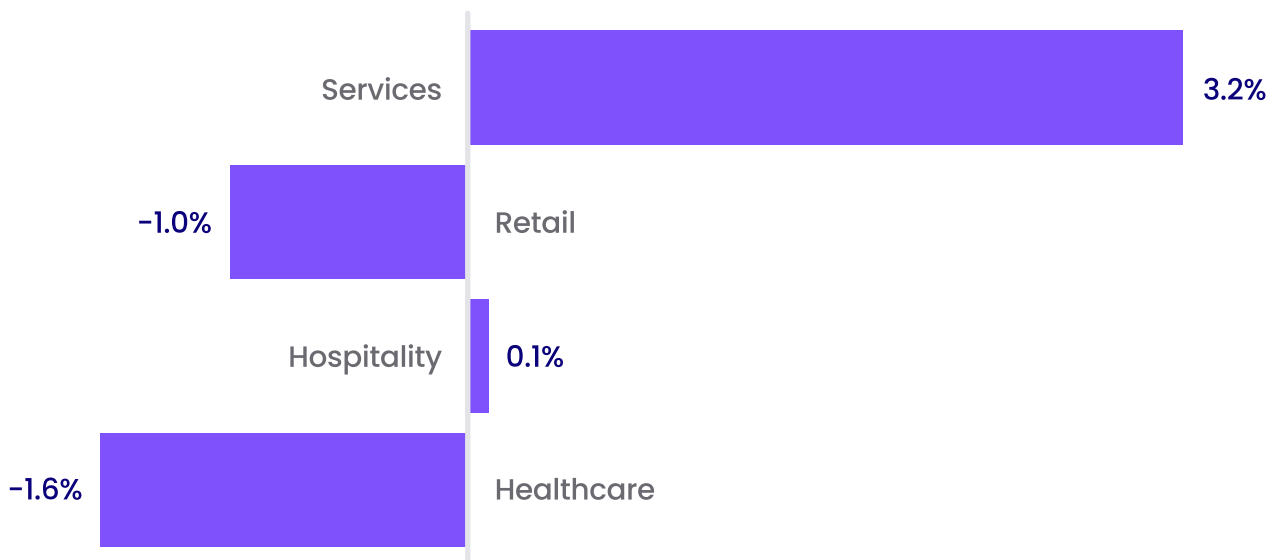
Older generations continue to make up a smaller share of the workforce. Participation among Gen X and Baby Boomers is trending downward, reinforcing a longer-term structural transition toward a younger, more flexible labour base.



As a result, the UK retail workforce is now decisively under-30 led, with implications for how work is structured, scheduled and managed. Alongside this generational shift, gender balance within retail is also evolving, although not uniformly.

Change in Female Shift Work Share by Industry, 2025

Source: Deputy, 2025



Retail recorded a modest decline in female participation of **-1.0%**, with changes varying across different segments of the industry. The largest decline was seen in Food and Beverage Stores at **-3.7%**, followed by Auto, Electronics and Appliance Stores at **-1.6%**. Smaller reductions were recorded in Clothing and Personal Care Stores at **-0.8%** and Fast Food or Cashier Restaurants at **-0.7%**.

These shifts suggest a gradual rebalancing of workforce composition across multiple retail categories, rather than a single, sector-wide change. Factors such as automation, changing store formats and operational restructuring are likely influencing how roles are distributed. Wage trends provide additional context.



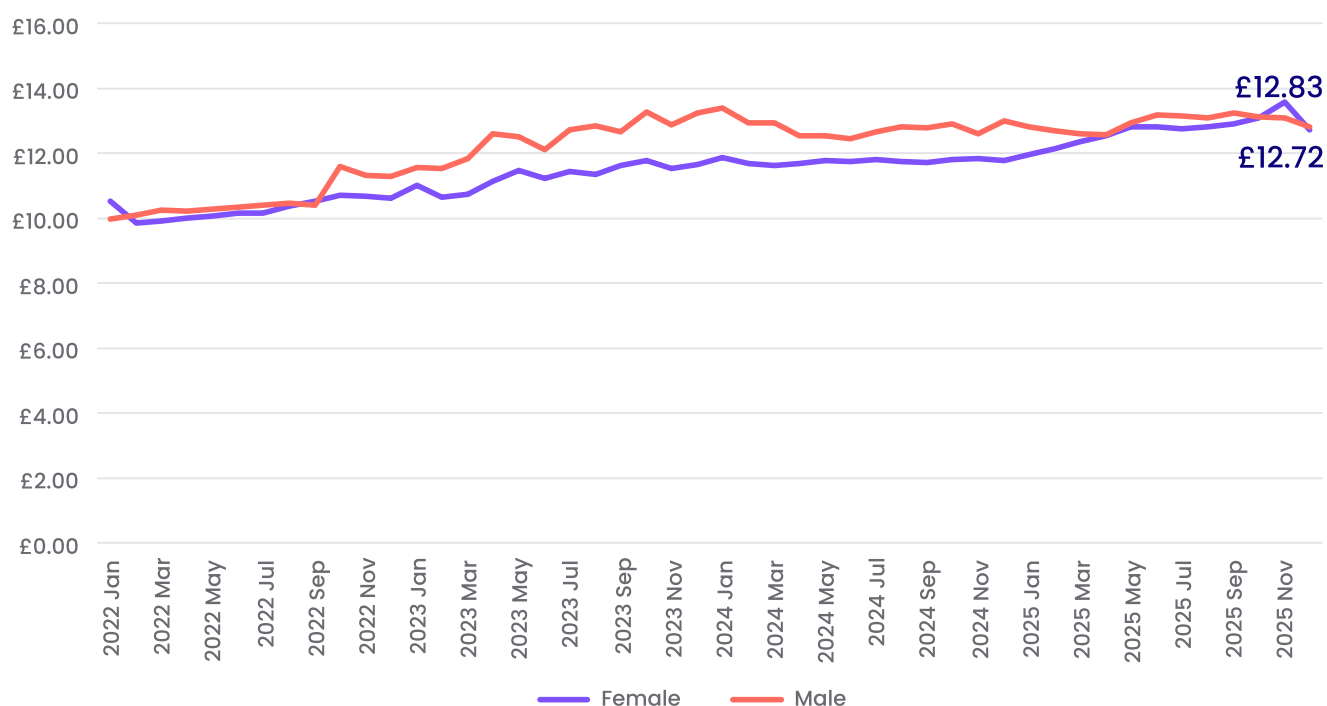
Retail is stabilising through wage growth and measured workforce adjustment

Retail wages across the UK have risen steadily over the past three years, but underlying differences in pay and workforce dynamics remain.

Male hourly wages have consistently remained slightly higher than female wages. However, both have followed a similar upward trajectory, increasing from around **£10** to **£11** in early **2022** to approximately **£12** to **£13** by **2025**. This reflects broader labour market trends, with wage growth in retail largely tracking increases in the national minimum wage.

Average Monthly Hourly Rate by Gender, Retail

Source: Deputy, 2025



Encouragingly, the gap between male and female hourly pay has narrowed slightly in recent periods. This has been driven by faster wage growth among female workers, although differences still persist at the role and occupation level. Overall, wage increases in retail are being shaped more by policy-driven wage floors than by structural changes within the sector itself.

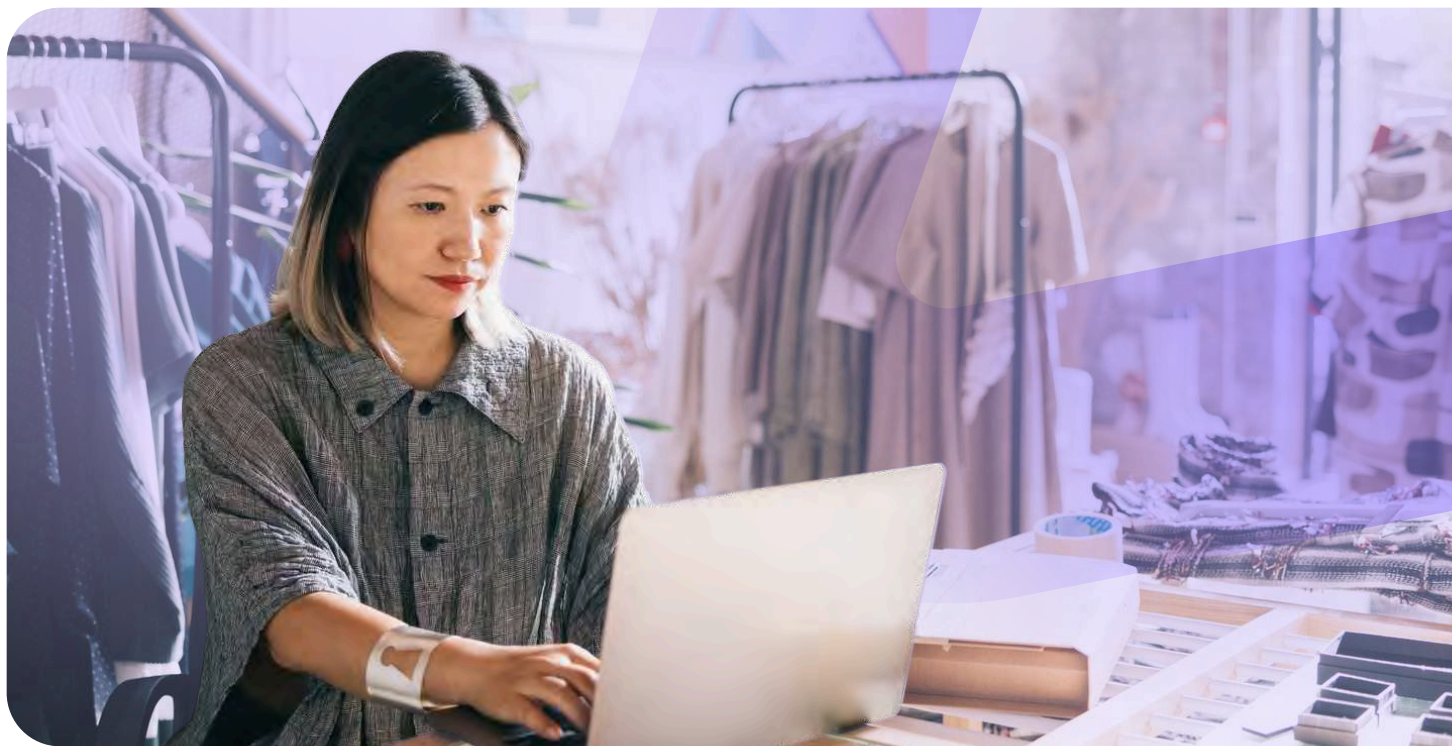
At the same time, hiring activity across retail and other shift-based industries has continued to ease from the elevated levels seen during the post-pandemic recovery in **2022**.

Retail hiring peaked at over **10%** in early **2022** but has since stabilised in the **4% to 7%** range across **2024** and **2025**. This places retail broadly in line with services and hospitality, suggesting a more consistent and sustainable pace of recruitment across the shift economy.

This trend reflects a shift in employer behaviour. Rather than rapidly expanding workforces, businesses are now growing more gradually, balancing demand with ongoing cost pressures and economic uncertainty. Termination rates further reinforce this picture of stability.

Across UK shift industries, termination rates remain within typical historical ranges. In retail, they generally sit between 4% and 7%, with occasional short-term spikes but no sustained increase. Compared to other sectors, retail sits in the middle. Healthcare continues to record the lowest termination rates, while hospitality shows the highest peaks, reflecting its more volatile operating environment.

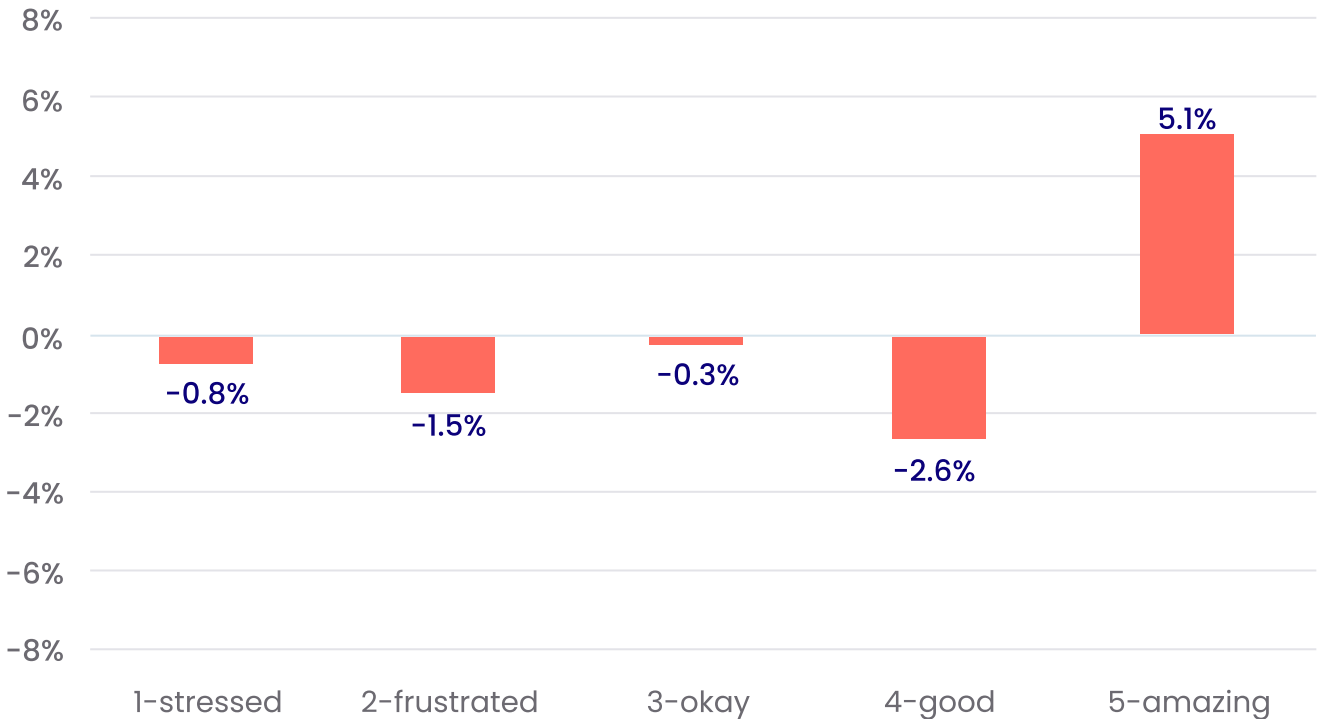
Taken together, these patterns indicate that labour market adjustment is being driven by slower hiring rather than rising job losses. Employers are holding onto existing staff while limiting new recruitment, creating a more stable but less dynamic workforce environment.



Worker sentiment adds another layer to this transition.

Change in Deputy Shift Pulse Sentiment, Retail

Source: Deputy, 2025



Retail worker sentiment has improved slightly between **2024** and **2025**, with the share of workers reporting “amazing” experiences increasing by around **5%**. However, this improvement is accompanied by a decline of around **3%** in those reporting “good” experiences.

This shift suggests a more polarised workforce experience. While a growing group of workers are reporting highly positive conditions, others are not experiencing the same level of improvement.

Overall, the retail sector is entering a period of stabilisation. Wages are rising, hiring is becoming more measured and job losses remain contained. At the same time, worker experience is becoming more uneven, reflecting the broader structural changes taking place across the industry.



Retail growth is shifting toward essentials, value and logistics

Consumer spending across the UK is expected to remain subdued through **2026**, as high living costs and elevated interest rates continue to limit discretionary purchases. This is particularly impacting retail categories that rely on non-essential spending, where recovery is likely to be slower and more uneven.

As a result, growth within retail is becoming more concentrated in essential goods and value-focused formats. Supermarkets, discount retailers and affordability-led brands are expected to capture a larger share of spending, while discretionary categories such as fashion and homewares continue to face ongoing pressure.

At the same time, the structural shift toward online retail is accelerating. E-commerce now accounts for more than 25% of total UK retail spending, reinforcing the move toward omnichannel business models. Retailers are increasingly balancing physical stores with digital platforms, reshaping how goods are sold, fulfilled and delivered.

This shift is having a direct impact on employment patterns.

Retail job growth is expected to remain modest overall, but where growth does occur, it is increasingly concentrated in logistics, warehousing and fulfilment roles. These areas support the operational backbone of online and hybrid retail models, where speed, convenience and distribution efficiency are critical.

In contrast, traditional high street retail is expected to see slower employment growth, reflecting reduced foot traffic, changing consumer behaviour and ongoing cost pressures.

What is emerging is a retail sector that is becoming more operationally focused and distribution-led. For employers, this means workforce demand is shifting away from purely customer-facing roles toward roles that support supply chains, inventory management and last-mile delivery.

As consumer priorities continue to centre on affordability and convenience, retail employment will increasingly follow the same pattern, with growth tied more closely to how products are moved and delivered than where they are sold.





Hospitality



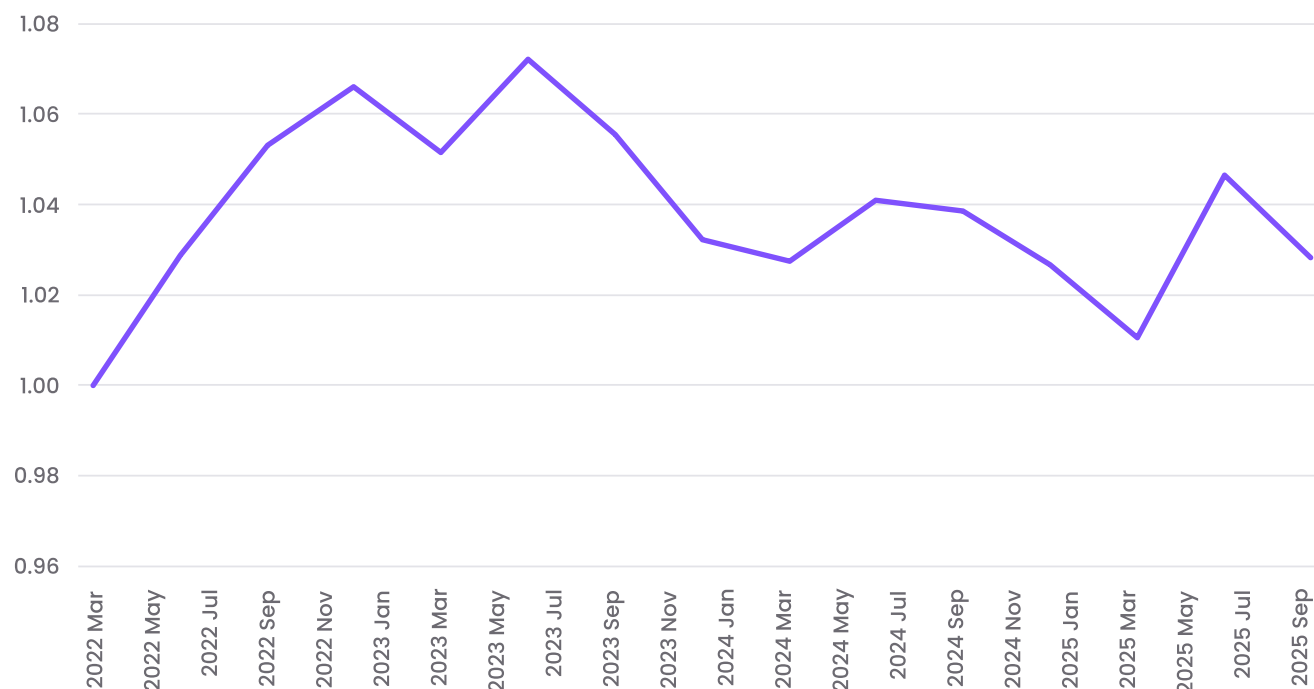
Industry Deep Dives

Hospitality activity remains elevated, but growth is becoming more uneven

Hospitality continues to be one of the UK's largest shift-work industries, even as consumer spending begins to soften. The sector experienced a strong rebound through **2022** and early **2023**, driven by the return of demand following pandemic restrictions.

Deputy Shift Work Index, Hospitality

Source: OSN and Deputy, 2025



This recovery saw the Deputy Shift Work Index rise to a peak above **1.07** in **mid-2023**. Since then, activity has moderated, with recent readings around **1.03**. While this indicates that hospitality remains above **pre-2022** levels, it also signals that the period of rapid expansion has passed and the sector is now stabilising.

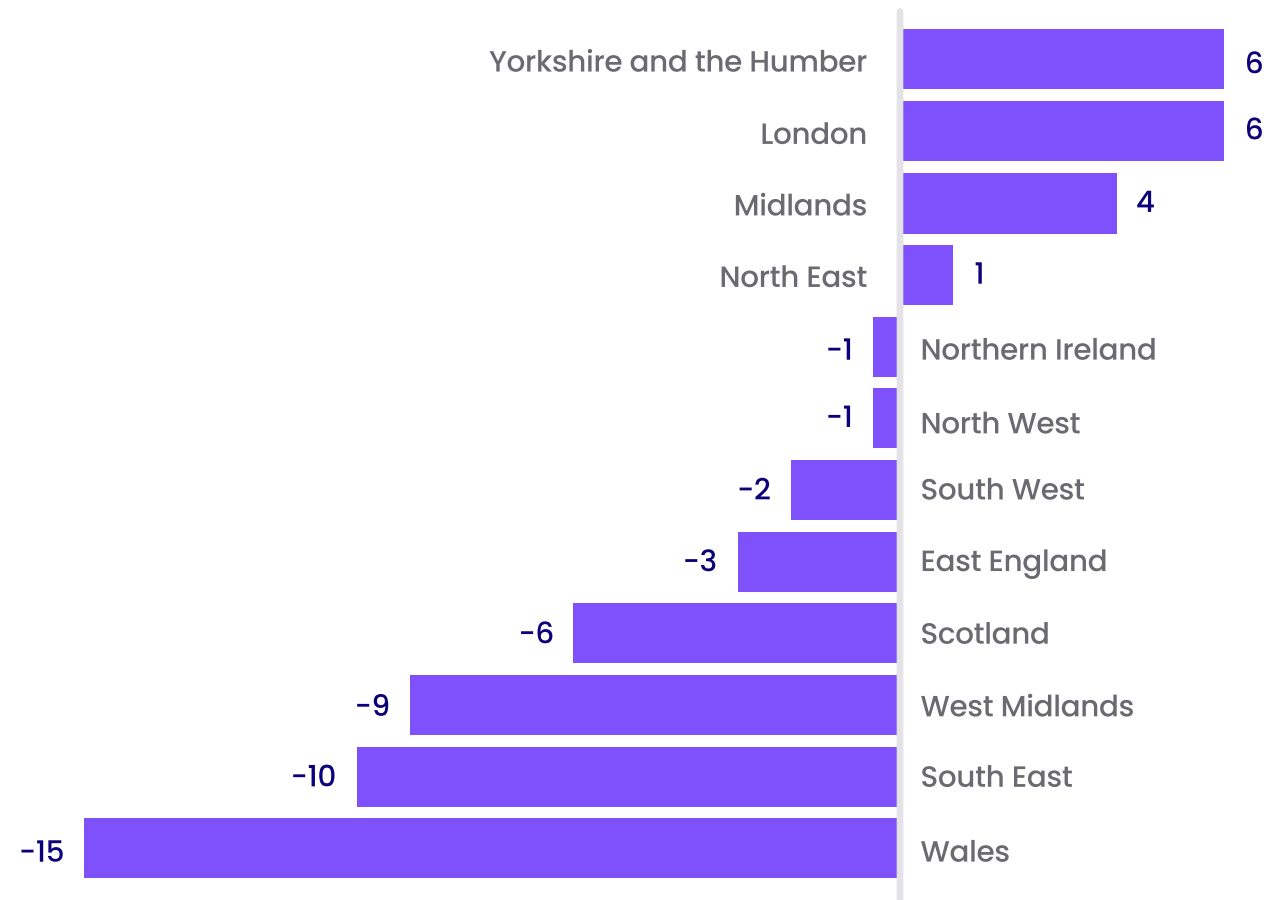
Beneath this national trend, regional performance is increasingly mixed.

Growth over the past year has been concentrated in a small number of regions. Yorkshire and the Humber, along with London, recorded the strongest increases, each adding around 6,000 shift-based roles. The Midlands also saw modest growth of **4,000** roles, while the North East recorded a smaller increase of **1,000**.

In contrast, several regions experienced notable declines. The South East saw the largest reduction at **-10,000** roles, followed by the West Midlands at **-9,000**, Wales at **-15,000** and Scotland at **-6,000**. This uneven distribution suggests that hospitality growth is becoming more localised. Gains are being driven by specific urban centres and parts of northern England, while conditions across parts of the South are softening, likely reflecting differences in consumer demand, tourism and cost pressures.

Net Change in Total Shift Work Jobs, September 2024–2025 ('000s)

Source: ONS, 2025



London remains central to the UK’s hospitality workforce, despite limited growth in recent years. The capital experienced a sharp decline in employment during **2021**, followed by a strong recovery through **2023**, when the workforce peaked at just over **520,000** workers. Since then, employment has gradually eased, settling at around **464,000** workers in **2025**.

This pattern reflects a sector that expanded rapidly during the recovery phase and has since moved into a period of consolidation. Demand remains stable, but the pace of hiring has slowed, and workforce levels are adjusting accordingly.

Overall, hospitality in the UK is no longer in a phase of rapid rebound, but one of stabilisation. Activity remains elevated, but growth is more uneven and increasingly shaped by regional dynamics and shifting consumer behaviour.



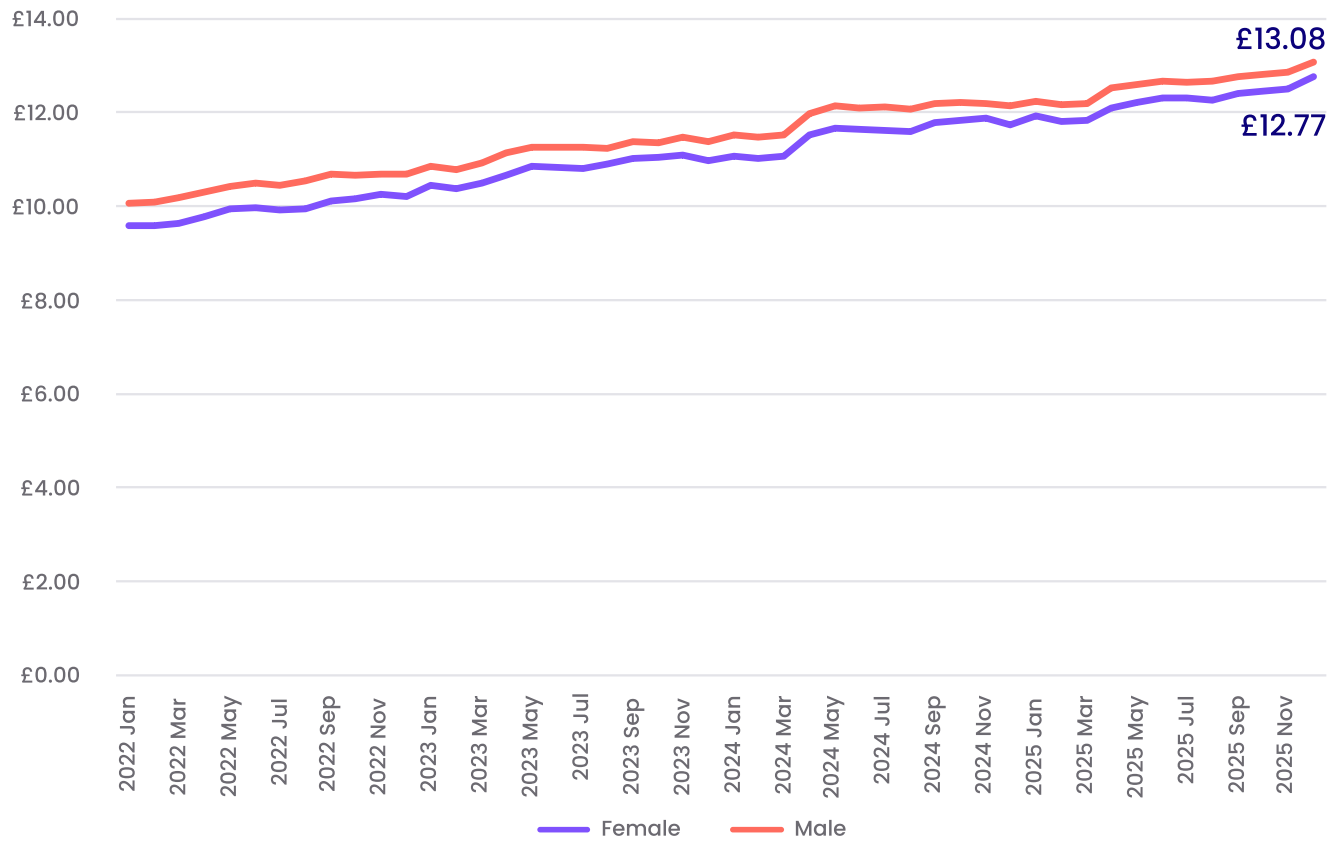
A younger workforce is reshaping hospitality, while pay and participation remain uneven

The UK hospitality workforce is becoming increasingly young, with Gen Z now firmly at its centre.

In **2025**, Gen Z represents **63%** of hospitality shift workers, up from **58%** in **2024**. This marks a significant shift, making it the dominant cohort across frontline roles and reinforcing hospitality's role as a primary entry point into the workforce.

Average Monthly Hourly Rate by Gender, Hospitality

Source: Deputy, 2025



Millennials now account for **23.2%** of the workforce, down from **26.2%** in **2024**. As seen across other sectors, this decline reflects progression rather than exit. Many Millennials are moving into supervisory and managerial roles, supporting operations while younger workers take on frontline positions.

Older generations continue to represent a shrinking share. Gen X now makes up **10.5%** of the workforce, while Baby Boomers account for just **3%**. This ongoing decline reinforces a long-term structural transition toward a workforce that is decisively **under 30**.

Alongside this generational shift, gender participation in hospitality has remained broadly stable.

Overall female participation has increased slightly by **0.1%**, but this headline masks variation across different parts of the sector. Cafés and coffee shops recorded a small increase of **0.1%**, while accommodation saw no meaningful change.

In contrast, several food service segments recorded declines. Catering fell by **-1.2%**, fast-food and cashier restaurants by **-0.7%**, sit-down restaurants by **-0.4%** and bars by **-0.1%**. These shifts suggest some rebalancing within traditional hospitality roles.

At the same time, adjacent service sectors are seeing stronger growth in female participation. Personal and beauty services increased by **2.9%**, while cleaning services rose by **3.3%**. These gains are offsetting declines in food service roles, resulting in an overall gender mix that remains relatively stable across the broader hospitality ecosystem. Wage trends highlight a more consistent pattern.

Male hourly wages in hospitality remain higher than female wages across the period. By late 2025, male pay averages around £13.08 per hour, compared to approximately £12.77 for female workers.



Both have increased steadily since **2022**, rising by roughly **£3** per hour over the period. This indicates that wage growth has been broadly shared across the sector, supported by rising minimum wage levels and ongoing labour demand.

However, the gap between male and female hourly rates has narrowed only slightly. This suggests that while overall pay is improving, underlying differences between roles and occupations continue to influence earnings.

Taken together, these trends point to a hospitality workforce that is becoming younger and more dynamic, while remaining relatively stable in terms of gender balance. At the same time, structural differences in roles continue to shape pay outcomes, highlighting the importance of job design and progression pathways in determining both participation and earnings across the sector.

Hospitality hiring slows, but workforce stability remains intact

Hiring across the UK hospitality sector has continued to ease from the elevated levels seen during the post-pandemic recovery in **2022**. During that period, monthly hiring rates frequently exceeded **8%** to **10%** as businesses rapidly rebuilt their workforces.

By contrast, hiring has now settled into a more stable range of **3%** to **6%** across most shift-based industries. Hospitality still shows occasional bursts of activity, sometimes exceeding **7%** to **8%**, but these spikes are less frequent and remain below earlier peaks.

This pattern reflects a shift in employer behaviour. Rather than expanding rapidly, businesses are now growing more cautiously, slowing recruitment while maintaining existing workforce levels. The focus has moved from recovery-driven hiring to more controlled, demand-led expansion. Termination trends reinforce this picture of stability.



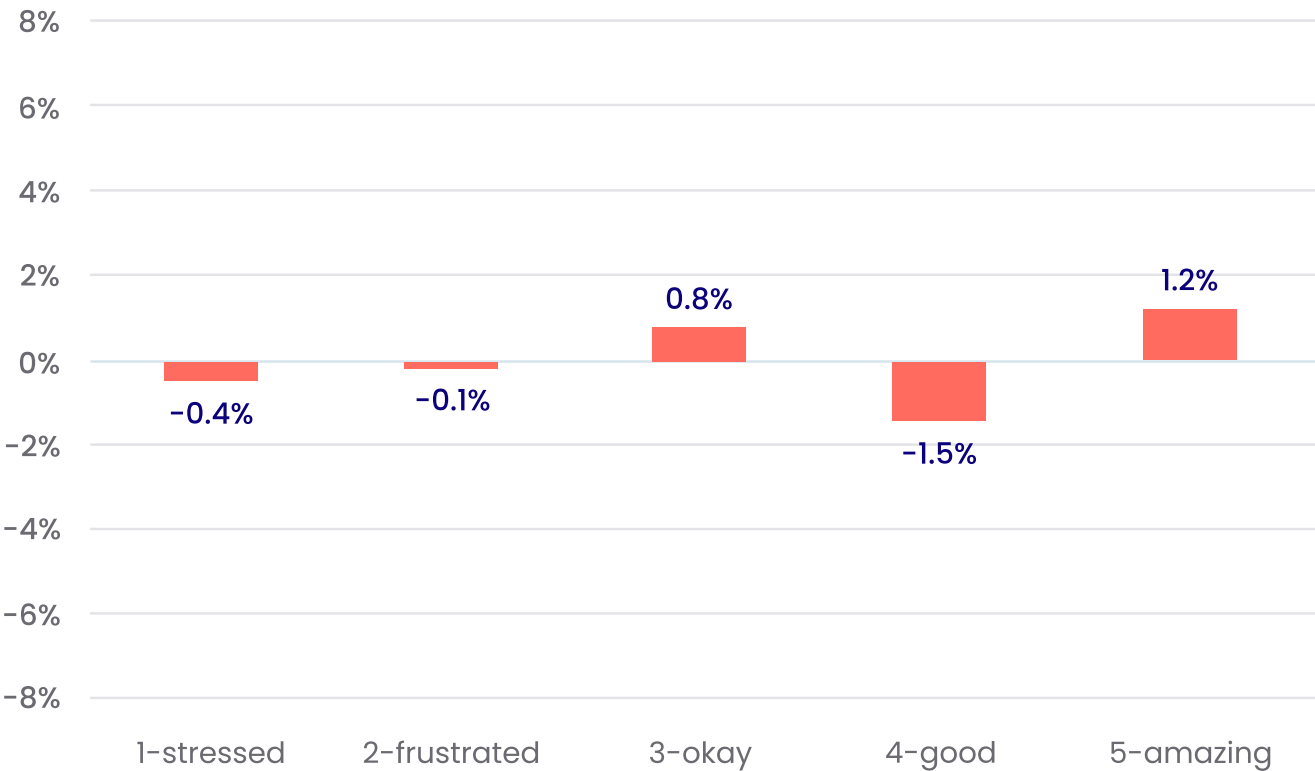
Across major shift-work sectors, monthly termination rates have remained within historical ranges, generally fluctuating between **3%** and **7%** since **2022**. Healthcare continues to show the most stability, with termination rates consistently between **2%** and **4%**, reflecting more predictable demand and structured employment models.

Hospitality, by comparison, remains more volatile. The sector has recorded several short-term spikes, including a peak above **13%** in early **2024**, before returning to more typical levels of around **6%** to **7%**. This volatility reflects the sector’s sensitivity to seasonal demand, cost pressures and changing consumer behaviour.

However, there is little evidence of a sustained increase in job losses. Instead, labour market adjustment is occurring primarily through slower hiring rather than widespread layoffs. Employers are retaining staff and managing workforce levels more gradually, contributing to overall employment stability. Worker sentiment adds a further layer to this transition.

Change in Deputy Shift Pulse Sentiment, Hospitality

Source: Deputy, 2025



Over the past year, hospitality workers have reported a modest improvement in experience. The share of workers reporting “amazing” experiences increased by around 1 percentage point between **2024** and **2025**. At the same time, the proportion reporting “good” experiences declined slightly, while lower sentiment categories showed minimal change.

This shift suggests a small but meaningful improvement at the top end of worker experience, even as broader conditions remain relatively unchanged. Overall, the hospitality sector is entering a more balanced phase. Hiring is slowing, workforce stability is being maintained and worker sentiment is improving at the margins. While the volatility that defines the sector remains, the broader trend points to a labour market that is stabilising after a period of rapid expansion.

Tourism growth supports demand, but cost pressures and policy changes reshape hospitality

The UK hospitality sector is expected to see continued demand through **2026**, supported by a strengthening tourism outlook. International arrivals are forecast to exceed **45 million** visitors, with total spending projected to surpass £35 billion. This will provide a significant boost to accommodation, dining and entertainment, particularly in major cities and established tourism hubs.

However, this recovery is not without risk. Ongoing geopolitical uncertainty, including potential travel disruptions linked to conflicts in the Middle East, could impact international travel flows. This is particularly relevant for cities like London, where hospitality demand is heavily reliant on inbound tourism.

Alongside international travel, domestic tourism and city-based visitation remain critical drivers of demand. Events, cultural activity and the night-time economy continue to support spending in London and other major regional centres, helping to offset some of the volatility in global travel patterns.

At the same time, consumer behaviour is evolving. There is a clear shift toward earlier evening activity, with spending increasingly concentrated in the 6pm to 10pm window. Food, social experiences and event-led occasions are becoming more important, while traditional late-night drinking venues are playing a smaller role in overall demand.



These changes are influencing how hospitality businesses operate and where employment growth is concentrated.

Following the strong rebound after the pandemic, employment growth is expected to stabilise. Hiring will increasingly focus on food service, accommodation and event-driven roles, rather than broad-based expansion across all segments of the industry. From a policy perspective, the sector faces a mix of supportive and challenging developments.

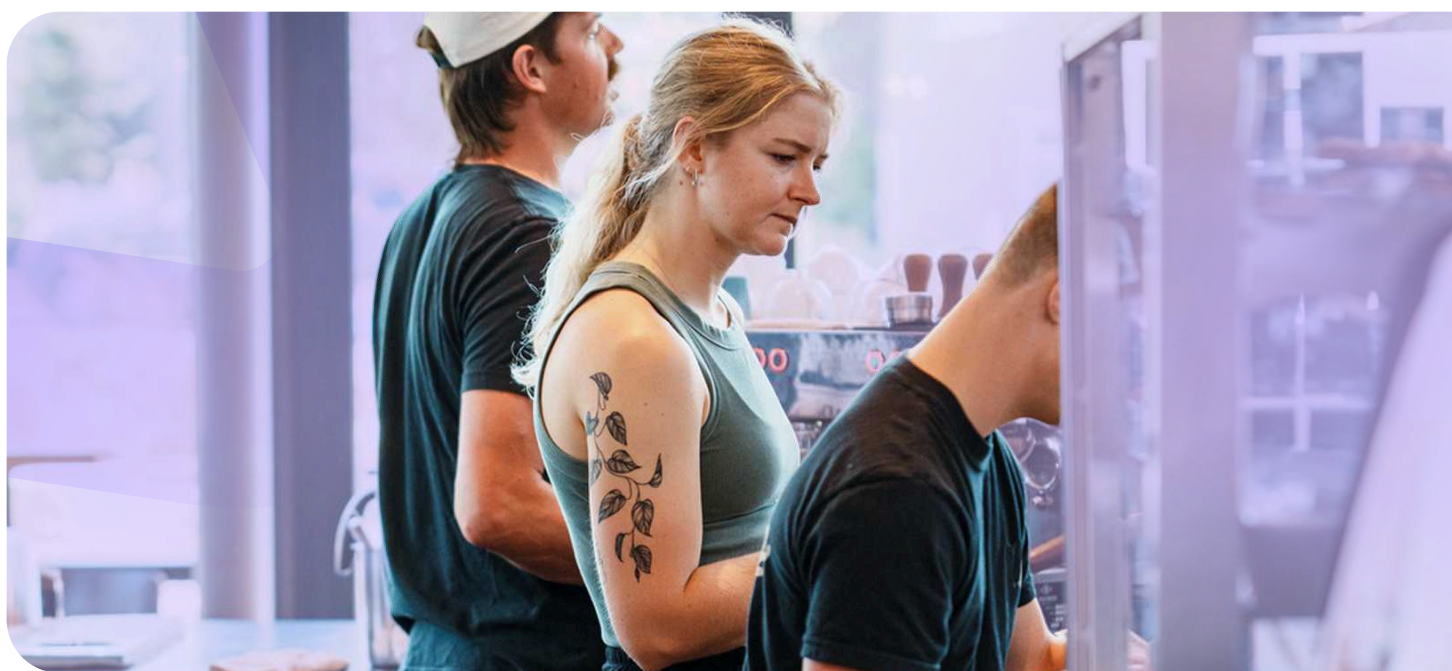
On the positive side, the UK Government is introducing lower business rates multipliers for qualifying retail, hospitality and leisure properties from April **2026**. This is expected to reduce property tax burdens for many small and medium-sized venues, providing some financial relief in a high-cost environment.

In addition, continued government support for tourism promotion, cultural activity and the night-time economy is likely to sustain visitor demand across both urban and regional destinations. However, these benefits are offset by rising operating costs.

Alcohol duties increased in February **2026**, adding further pressure on pubs, bars and late-night venues that are already facing shifting consumer demand. Labour costs are also set to rise, with the National Living Wage increasing to **£12.71** from April **2026**.

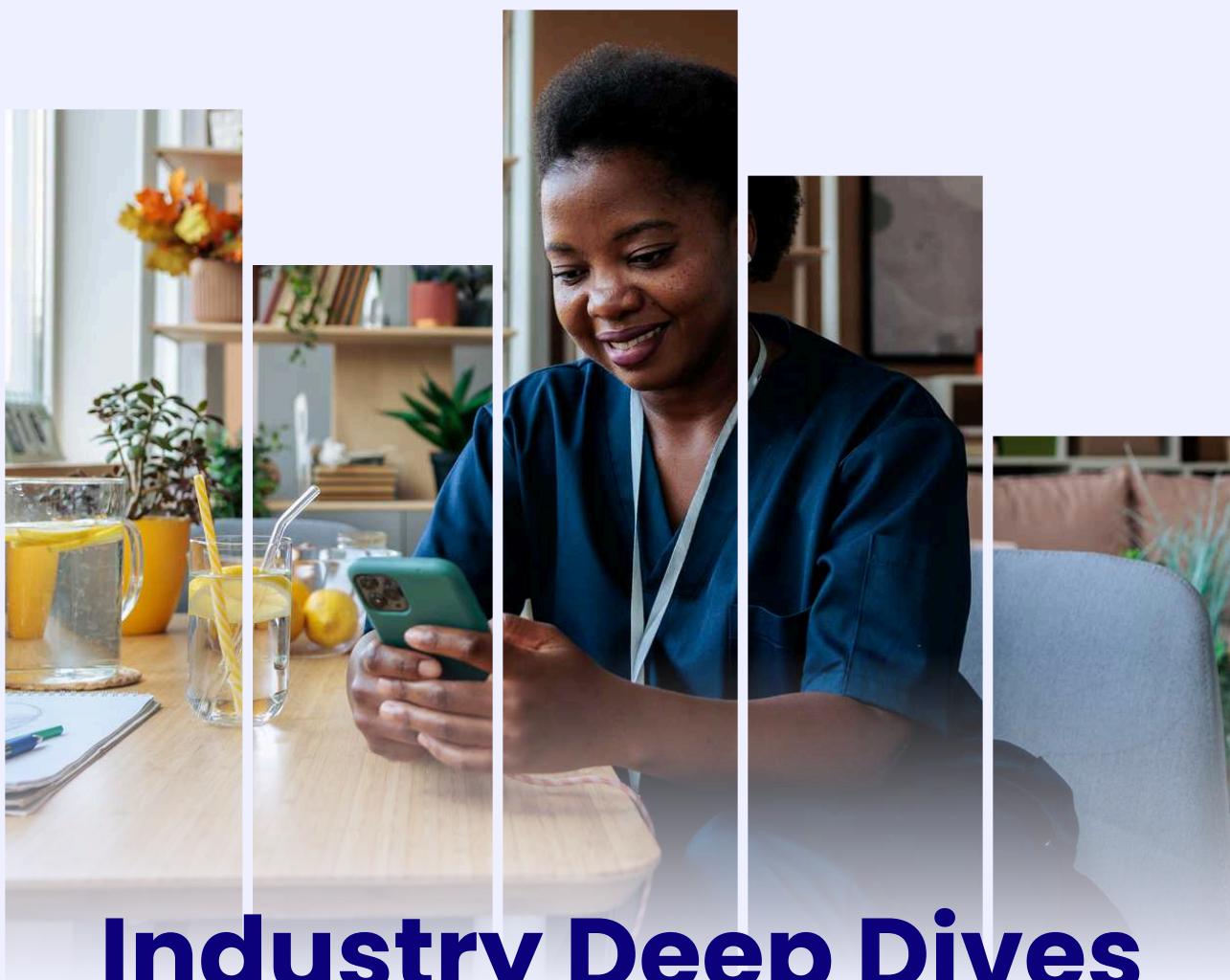
At the same time, the implementation of the Employment Rights Act is introducing new expectations around predictable working hours and stronger worker protections. This will directly impact how hospitality businesses manage scheduling and staffing, potentially reducing flexibility while increasing administrative and compliance requirements.

Overall, the UK hospitality sector is entering a more complex phase. Demand remains supported by tourism and changing consumer preferences, but growth is stabilising. At the same time, rising costs and evolving regulations are reshaping how businesses operate, requiring a more disciplined and adaptive approach to workforce management and planning.





Healthcare



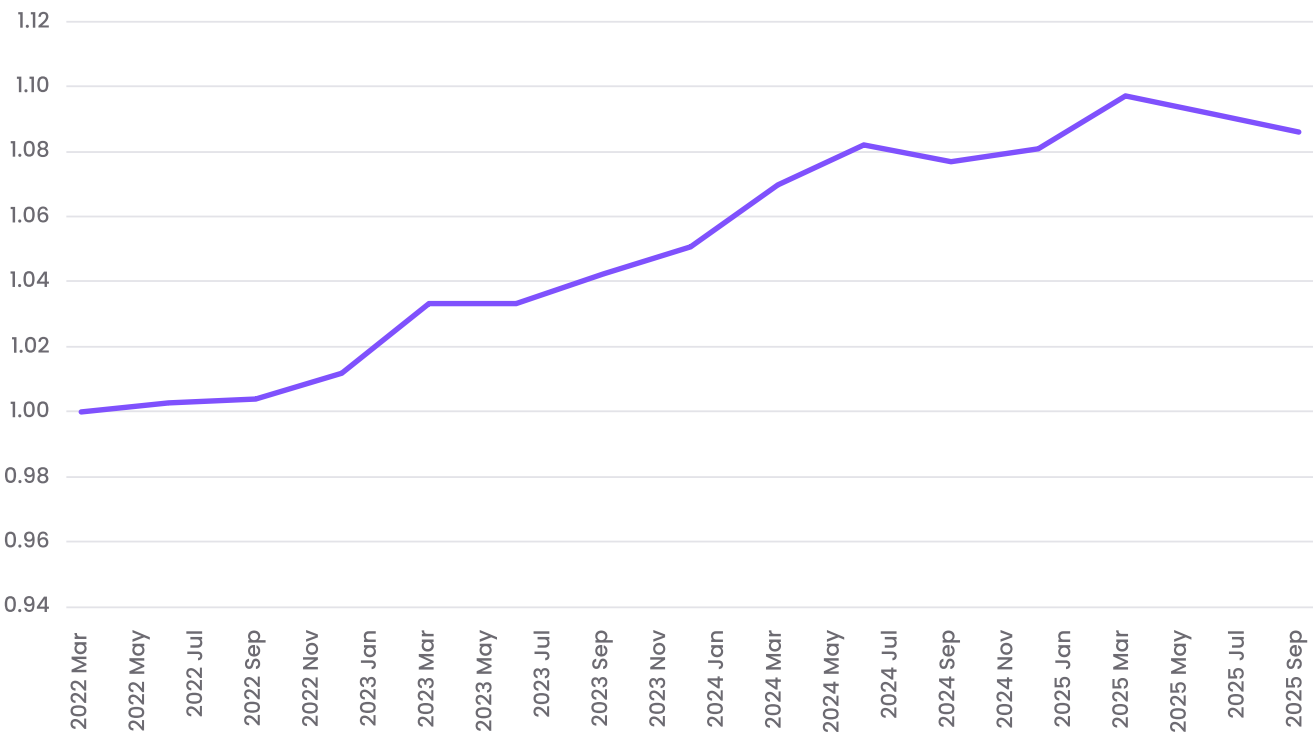
Industry Deep Dives

Healthcare leads UK shift work growth, driven by structural demand

Healthcare continues to be the strongest and most consistent source of growth across UK shift-work sectors. While other industries have moderated alongside broader economic conditions, healthcare has expanded steadily, supported by long-term structural demand.

Deputy Shift Work Index, Healthcare

Source: OSN and Deputy (2025)



The Deputy Healthcare Shift Work Index has increased consistently since **2022**, reaching approximately 1.09 by late **2025**. This reflects sustained pressure across hospitals, community care and social care services, where demand remains high regardless of wider economic cycles.

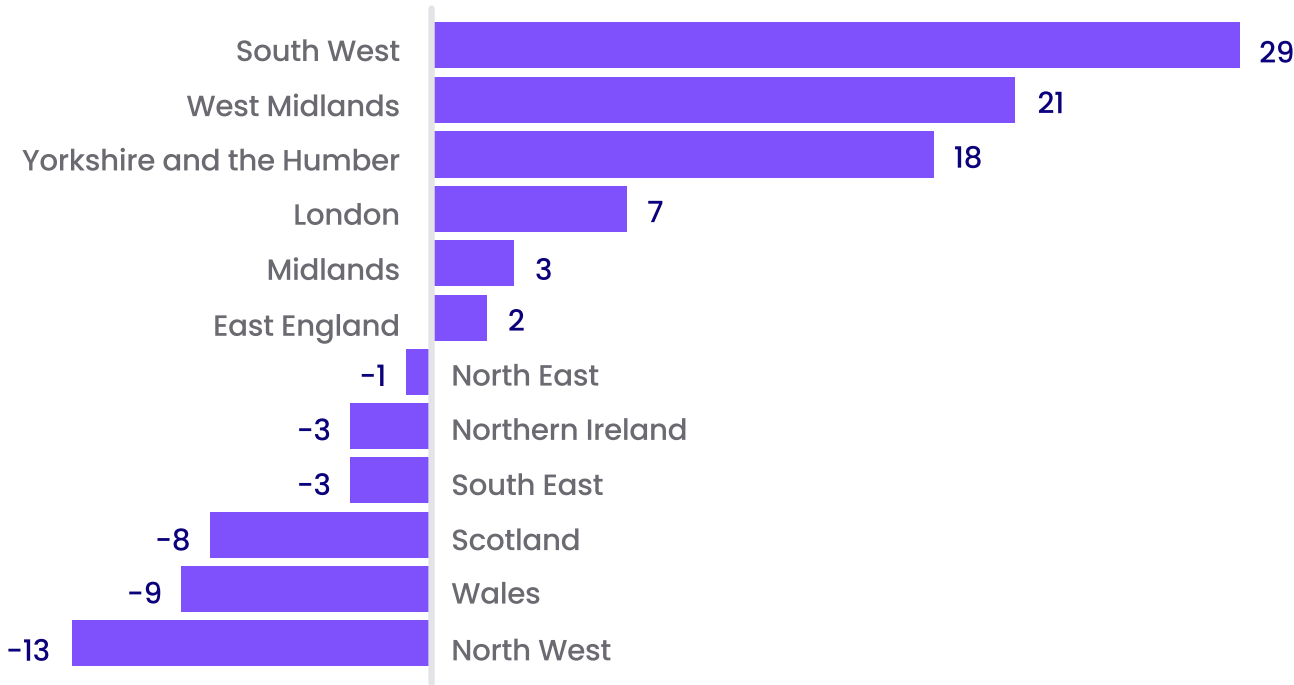
Unlike more consumer-driven sectors, healthcare growth is less sensitive to economic slowdowns. Instead, it is driven by demographic change, service backlogs and ongoing NHS demand, all of which continue to support workforce expansion. Across the UK, this growth is evident but uneven.

The South West recorded the largest increase over the past year, adding around **29,000** healthcare shift roles. This was followed by the West Midlands with **21,000** and Yorkshire and the Humber with **18,000**. London also saw continued growth, adding approximately **7,000** roles, while smaller increases were recorded in the Midlands at **3,000** and East England at **2,000**.



Net Change in Total Shift Work Jobs, September 2024–2025 ('000s)

Source: ONS, 2025



Not all regions have followed the same trajectory. Scotland recorded a decline of **8,000** roles, Wales fell by **9,000** and the North West saw the largest reduction at **13,000**. These differences reflect variations in local population growth, service demand and workforce capacity across regions. Despite this variation, the overall national trend remains one of expansion.

London continues to play a central role in this growth. The capital remains one of the largest healthcare employment centres in the UK, with its workforce increasing from around **588,000** in **2020** to approximately **693,000** in **2025**.

This steady rise reflects ongoing demand for hospital services, community care and social support across a growing and ageing population. Unlike sectors such as retail and hospitality, which have experienced fluctuations in recent years, healthcare employment in London has remained consistently upward.

Overall, healthcare is emerging as the most resilient and structurally supported area of the UK shift economy. Growth is being driven by long-term demand rather than short-term cycles, making it a critical foundation for future employment across the country.

For employers and policymakers, this highlights the importance of sustaining workforce supply, improving retention and ensuring that systems are in place to support continued expansion in a sector that is becoming increasingly central to the UK labour market.

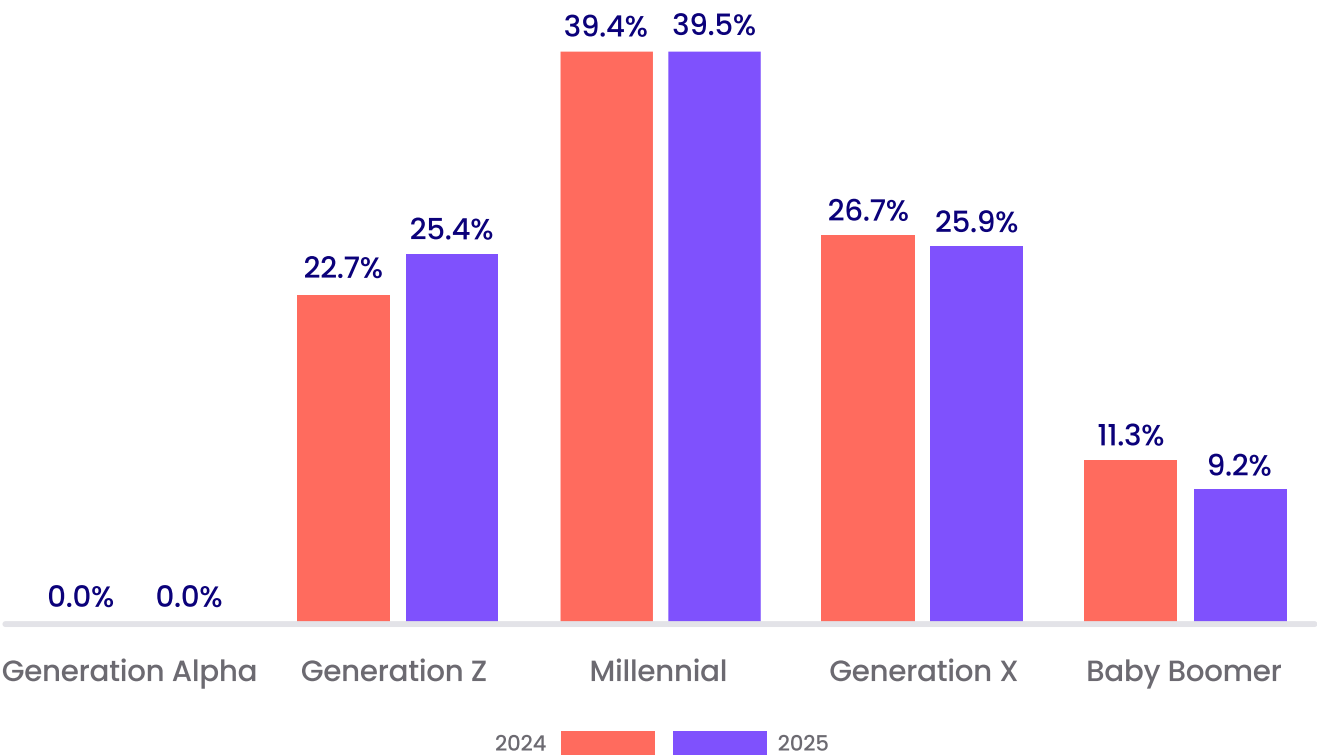


A stable Millennial core meets a changing healthcare workforce

The UK shift workforce remains anchored by Millennials, who continue to represent the largest generational cohort. In **2025**, Millennials account for **39.5%** of shift workers, largely unchanged from **39.4%** in **2024**. This stability reflects their ongoing presence across frontline industries, as well as their progression into more experienced and supervisory roles.

Share of Shift Workers by Generation

Source: Deputy, 2025



At the same time, Gen Z is steadily increasing its share of the workforce. Participation has risen from **22.7%** in **2024** to **25.4%** in **2025**, as more younger workers enter shift-based roles. This growth is gradually reshaping the frontline workforce, particularly in entry-level and flexible positions.

Older generations continue to decline. Gen X participation has edged down from **26.7%** to **25.9%**, while Baby Boomers have seen a more pronounced drop from **11.3%** to **9.2%**. This reflects the ongoing transition out of the workforce among older workers, reinforcing a long-term generational shift.

Overall, the UK shift workforce remains Millennial-led, but with Gen Z expanding rapidly and beginning to reshape workforce dynamics across sectors. Within healthcare, these broader workforce trends are accompanied by more nuanced changes in gender participation.



Female participation in healthcare shift work has declined slightly by **-1.6%**, indicating modest shifts in workforce composition rather than a structural change. Within the sector, outcomes vary across different roles.

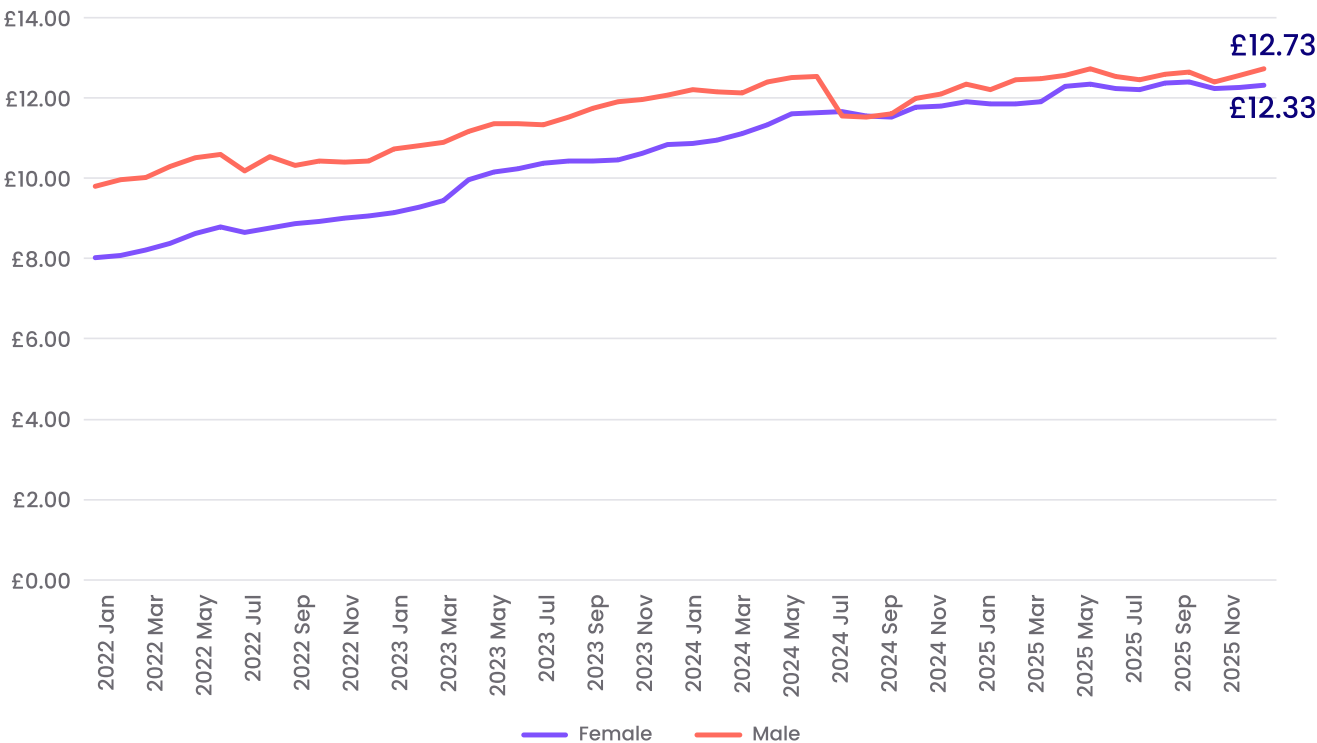
Several areas recorded small declines in female participation, including other healthcare roles at **-0.7%**, care facilities at **-0.4%** and dentists at **-0.3%**. In-home care saw a larger decline of **-1.9%**, suggesting some rebalancing in community-based care settings.

However, these declines are offset by gains in other parts of the sector. Female participation increased in hospitals by **2.5%**, outpatient care centres by **1.9%** and other healthcare practitioner roles by **4.3%**.

This mixed pattern highlights a shift in where female workers are concentrated, rather than a reduction in overall participation. Movement toward hospital and clinical environments suggests changing preferences, role availability or working conditions across different parts of the healthcare system. Wage trends show a similar pattern of gradual change.

Average Monthly Hourly Rate by Gender, Healthcare

Source: Deputy, 2025



Male hourly wages in healthcare remain higher than female wages, but the gap has narrowed over time. In early **2022**, male pay averaged around **£9.80** per hour, compared to approximately **£8.00** for female workers. By late **2025**, wages had increased to around **£12.73** for men and **£12.33** for women. Female wages have grown at a slightly faster rate over this period, helping to close part of the gap.

Despite this progress, a difference in average hourly pay still remains. This indicates that while overall wage growth has been strong across the sector, underlying disparities linked to role types and workforce distribution continue to influence earnings.

Taken together, these trends point to a healthcare workforce that is stable at its core but evolving in structure. Generational shifts are gradually changing the composition of the workforce, while gender participation and pay are being reshaped by movement between roles and settings.

For employers, this highlights the importance of understanding not just who is in the workforce, but where they are working and how roles are evolving across the healthcare system.



Healthcare workforce stability is sustained through steady hiring and strong retention

Hiring activity across the UK healthcare sector has moderated gradually following the rapid expansion seen during the post-pandemic recovery. In **2022** and early **2023**, monthly hiring rates frequently exceeded **5%** to **6%** as providers scaled up staffing to meet surging demand.

Since then, recruitment has eased to more stable levels, with recent monthly hiring rates typically sitting between **3%** and **4%**. This shift reflects a transition from rapid workforce expansion to a more balanced approach, where hiring continues steadily but at a controlled pace.

Importantly, this moderation does not indicate weakening demand. Healthcare providers are still actively recruiting to support ongoing service needs, but are now focused on maintaining and stabilising workforce levels rather than accelerating growth. Termination trends reinforce this picture of stability.

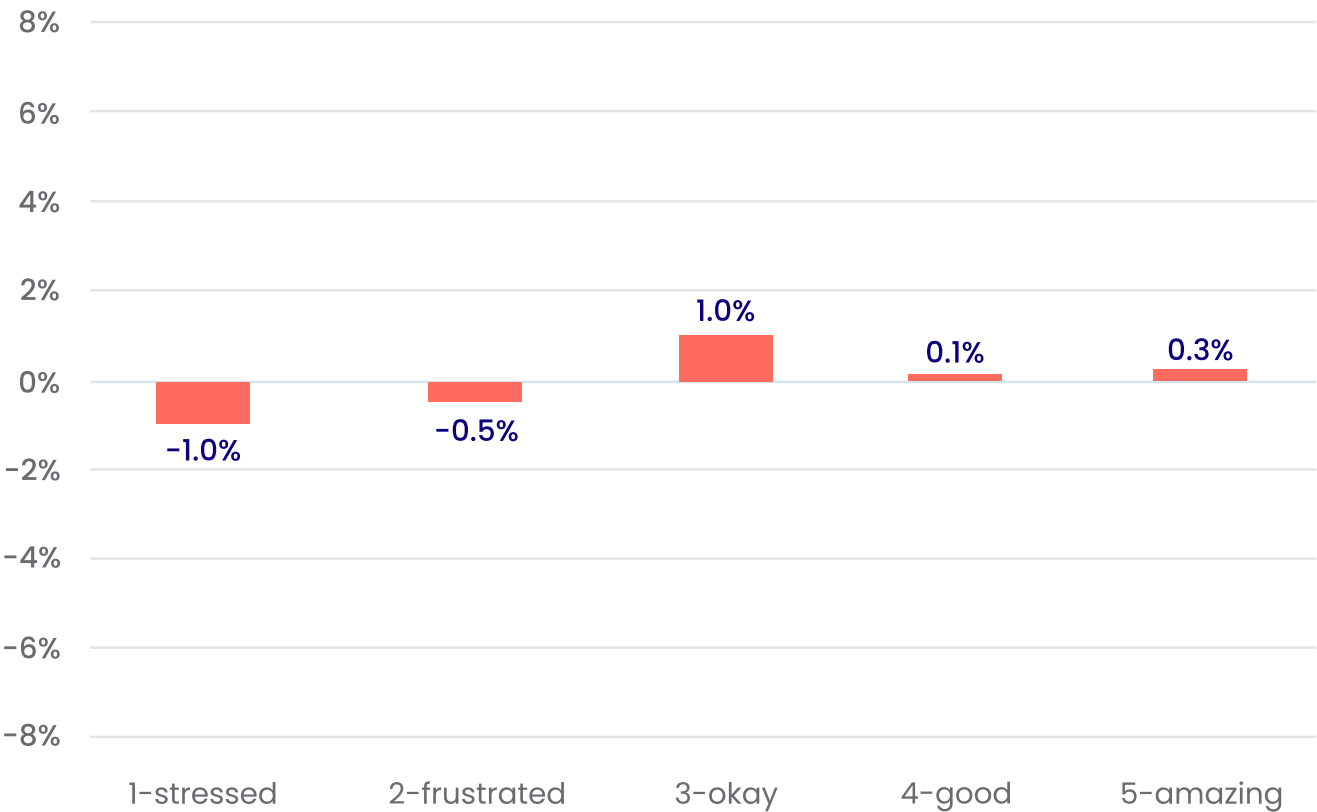
Healthcare continues to record the lowest termination rates among major shift-work industries. Since **2022**, monthly termination rates have generally remained between **2%** and **4%**, with minimal volatility compared to other sectors.

Unlike hospitality or retail, which often experience sharper fluctuations, healthcare shows consistently stable workforce retention. Recent termination levels remain close to long-term averages, with no evidence of increased job exits or workforce disruption.



Change in Deputy Shift Pulse Sentiment, Healthcare

Source: Deputy, 2025



This stability is a defining feature of healthcare employment. Strong retention, combined with steady hiring, is helping maintain continuity across a sector that relies heavily on experience, consistency and workforce reliability. Worker sentiment further supports this view.

Overall sentiment among healthcare workers has remained broadly stable over the past year. There has been a modest increase of around **1%** in the share of workers reporting “amazing” experiences, indicating a small improvement at the top end of worker experience. At the same time, responses across middle sentiment categories have shown little movement, while lower sentiment responses have remained relatively unchanged.

Taken together, these results suggest a workforce that is experiencing consistency rather than volatility. While there are incremental improvements in positive sentiment, the overall experience of healthcare workers remains steady.

For employers, this highlights a key strength of the sector. Healthcare is not only growing, but doing so in a way that maintains workforce stability. As demand continues to rise, sustaining this balance between hiring, retention and worker experience will be critical to supporting long-term service delivery.

Healthcare growth accelerates

Healthcare continues to be one of the strongest and most reliable sources of employment growth in the UK, driven by rising demand for health and care services. This demand is closely linked to long-term demographic change, particularly the rapid growth of the ageing population. The number of people aged **over 65** is expected to increase significantly over the coming decades, placing sustained pressure on healthcare systems. This is driving higher demand not only for hospital services, but also for residential care and home-based support.

As a result, the structure of healthcare employment is beginning to shift.

While hospitals remain central, a growing share of employment is now being created outside traditional clinical settings. Demand is increasing across community care, home care and preventative health services, reflecting a broader move toward more localised and proactive models of care.

This transition is expanding the role of the care economy and reshaping where and how shift-based work is delivered. Roles such as nurses, care workers and healthcare support staff remain in high demand, and continue to represent some of the most stable forms of employment in the UK labour market. At the same time, healthcare is becoming a key focus of government policy.

The NHS Long Term Workforce Plan sets out a clear ambition to expand the health and care workforce over the coming decade. This includes increasing training places, improving workforce planning and building a more sustainable pipeline of workers to meet future demand.

There is also a growing emphasis on preventative care, community health services and adult social care. This is expected to further accelerate growth in home care, residential care and other community-based services, reinforcing the shift away from hospital-centric models. However, this expansion comes with challenges.



Changes to immigration rules affecting care workers are likely to constrain labour supply, particularly in a sector that has historically relied on international recruitment. This is expected to increase pressure on domestic workforce pipelines and make recruitment and retention more competitive.

For healthcare employers, this creates a more complex operating environment. Meeting rising demand will require not only more workers, but more effective workforce strategies. Improving retention, offering greater scheduling flexibility and increasing productivity will be critical to sustaining service delivery.

Overall, healthcare is moving into a phase of continued expansion, but with a changing structure. Growth is no longer concentrated solely within hospitals, but increasingly distributed across community and care-based settings.

As demand continues to rise, the sector will play an even more central role in the UK labour market, both as a source of employment and as a foundation for supporting an ageing population.





Services



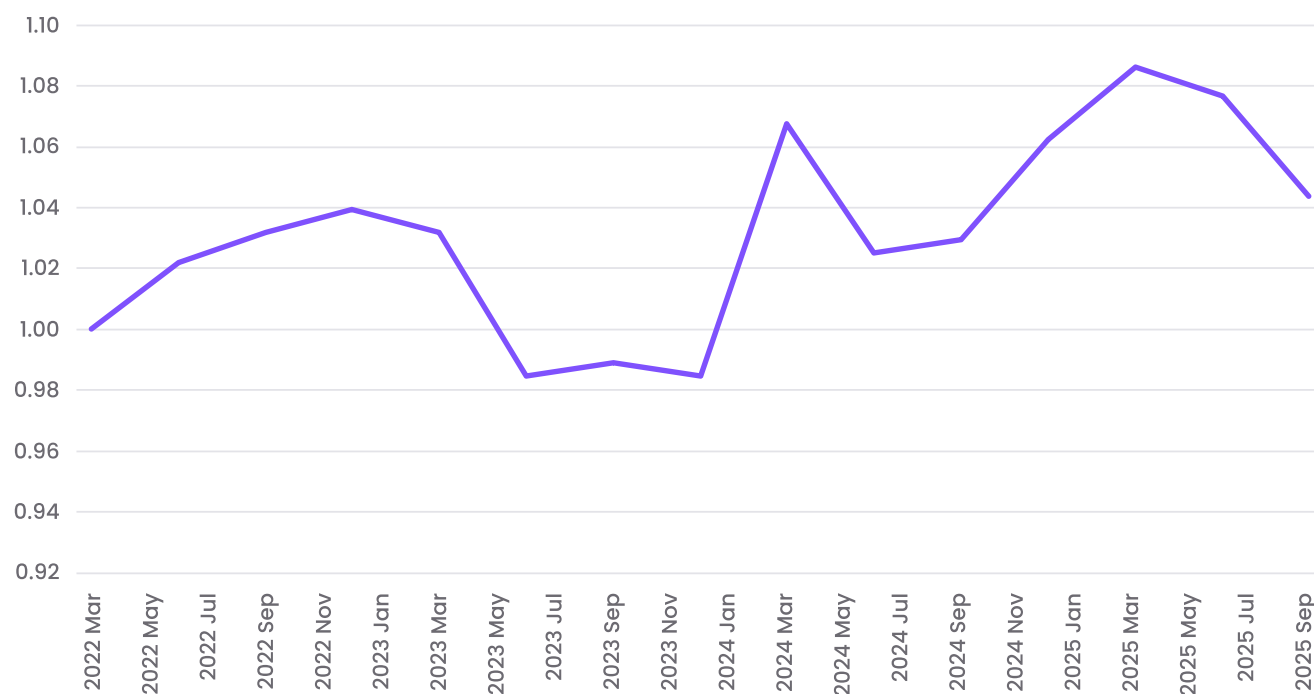
Industry Deep Dives

Services growth continues, driven by urban demand and business activity

The UK services sector has shown steady but uneven growth over recent years, with the Deputy Shift Work Index increasing from around **1.00** in **2022** to **1.04** by late **2025**. While this reflects overall expansion, the pace and consistency of growth have been more variable than in sectors such as healthcare.

Deputy Shift Work Index, Services

Source: OSN and Deputy (2025)



This volatility is largely due to the sector's sensitivity to business cycles and discretionary spending. As economic conditions fluctuate, so too does demand for many service-based roles.

Despite this, underlying demand remains strong across a range of essential services. Business services, facilities management, cleaning, logistics support and outsourced operations continue to drive employment, with many of these roles relying heavily on shift-based labour. Although smaller in scale than healthcare, the services sector is playing an increasingly important role in the shift economy, particularly within large metropolitan labour markets.

London remains central to this growth. Over the past year, the capital added around **13,000** services shift workers, supported by its concentration of offices, transport hubs and commercial activity. This reinforces London's position as the UK's primary hub for service-based employment. Across the rest of the UK, regional outcomes are more mixed.

Yorkshire and the Humber stands out as a key growth area, also adding around **13,000** workers. This increase is supported by logistics expansion and strong activity across major cities such as Leeds, Sheffield and Hull. In contrast, some regions have experienced declines, reflecting softer demand for contracted service roles and variations in local business activity.

Overall, services employment is becoming increasingly concentrated in major urban economies, where demand for commercial support functions is strongest. Within London, this trend is particularly clear.

The city's services shift workforce has grown from approximately **161,000** workers in **2019** to around **175,000** in **2025**. After a brief dip during the post-pandemic adjustment, employment recovered through **2023** and **2024**, driven by the return of office-based activity and renewed demand for business services.

Growth has been supported by sectors such as facilities management, cleaning, security, logistics support and building services, all of which depend on shift-based work to maintain operations.

While employment levels have fluctuated slightly over time, the overall trend remains stable, reflecting the scale and resilience of London's commercial economy.

Taken together, these patterns highlight a services sector that is expanding, but unevenly. Growth is closely tied to business activity and urban density, with major cities continuing to drive demand.

For employers, this reinforces the importance of location and sector mix. As services continue to evolve, workforce demand will increasingly be shaped by where commercial activity is concentrated and how businesses structure their operations around flexible, shift-based labour.



A diversifying workforce is driving growth and polarisation in services

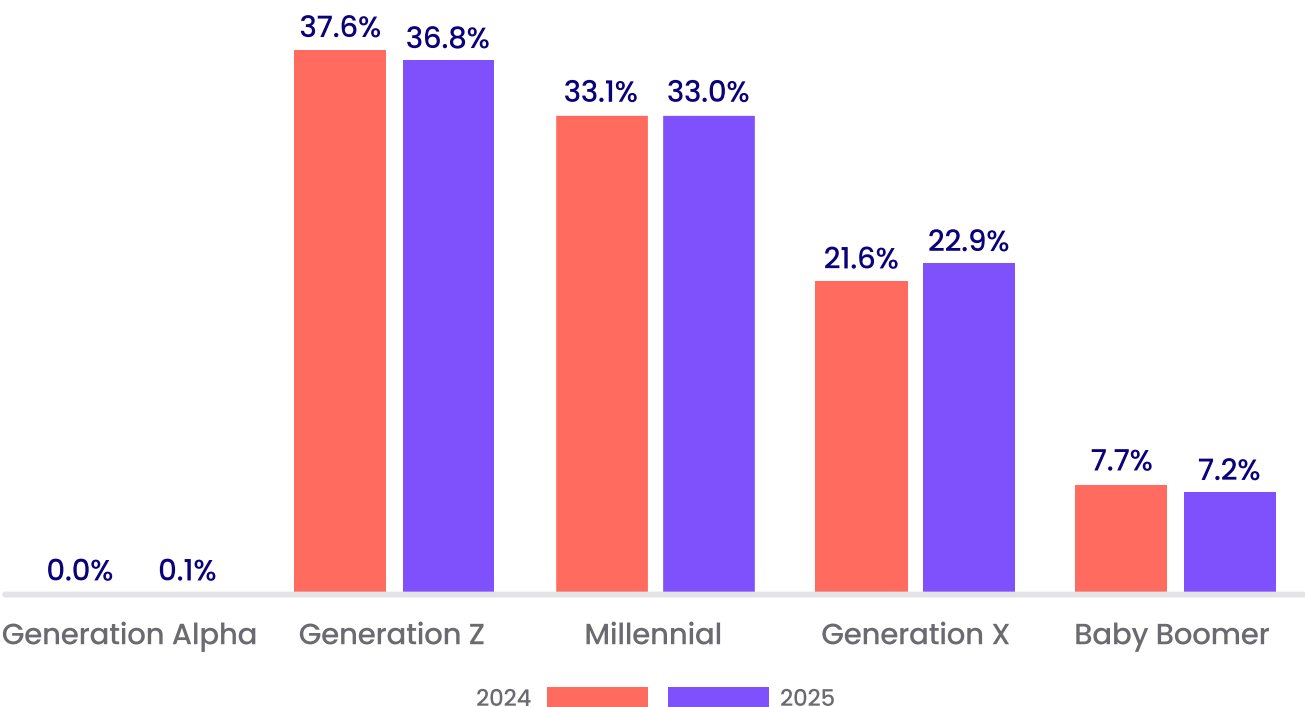
The UK services workforce continues to be shaped by younger and mid-career workers, with generational balance remaining relatively stable but gradually evolving.

Gen Z remains the largest cohort, accounting for **36.8%** of shift workers in **2025**, slightly down from **37.6%** in **2024**. Millennials continue to represent a significant share at **33.0%**, holding steady year on year and maintaining a strong presence across both frontline and supervisory roles.

Gen X participation has increased modestly, rising from **21.6%** to **22.9%**, suggesting greater retention or re-engagement among more experienced workers. In contrast, Baby Boomers continue to decline, falling from **7.7%** to **7.2%** as older workers gradually exit the workforce.

Share of Shift Workers by Generation

Source: Deputy, 2025



Overall, the services workforce remains predominantly made up of younger and mid-career workers, but with a gradual broadening across age groups as labour market conditions evolve. Alongside these generational dynamics, female participation in services has increased significantly.



The sector recorded the strongest growth in female shift work share among major industries, rising by **3.2%**. This increase is being driven by expansion across a wide range of service roles.

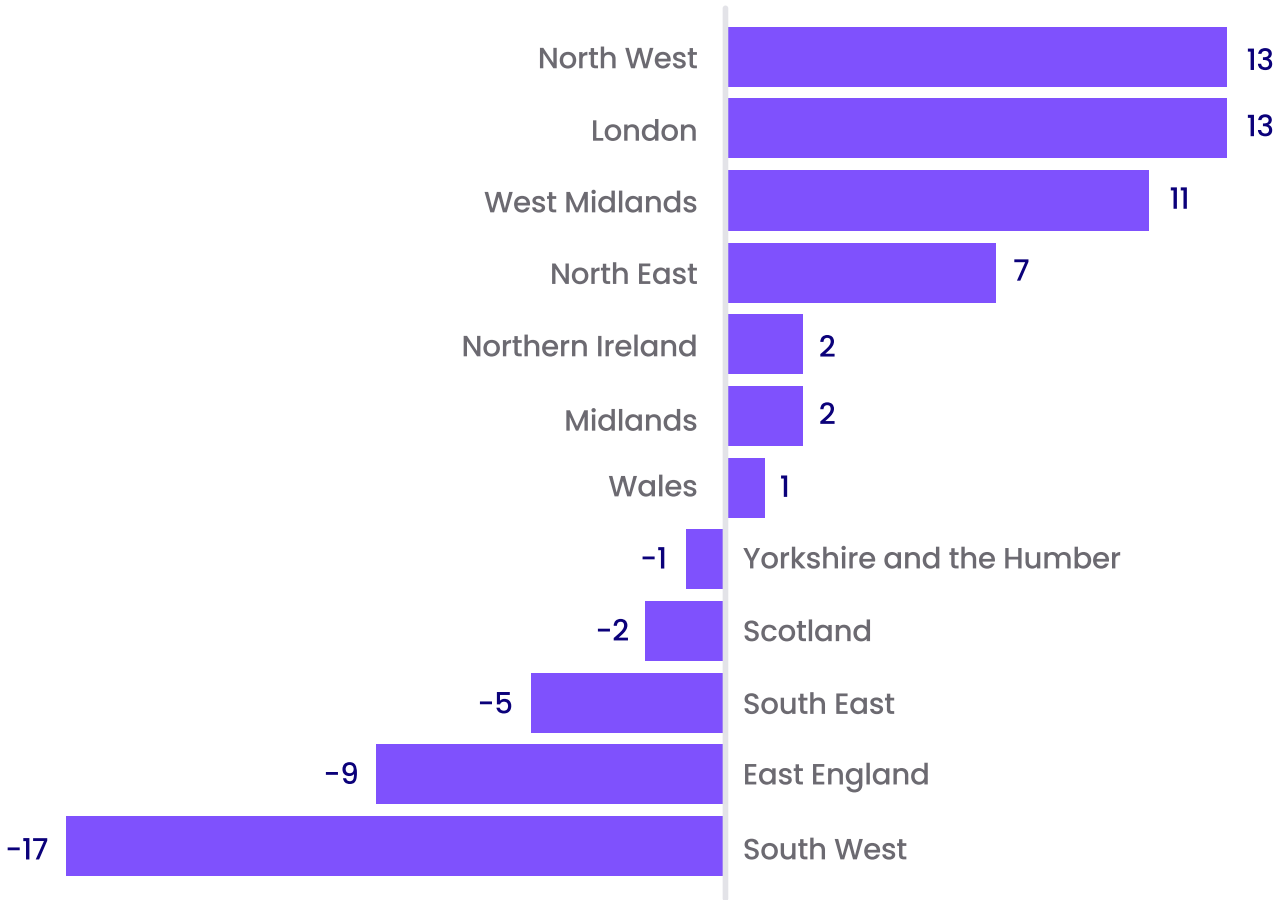
Cleaning services saw an increase of **3.3%**, personal and beauty services rose by **2.9%**, and employment services grew by **2.0%**. Smaller gains were also recorded in security services at **0.5%** and other service roles at **0.3%**.

In some areas, the increase has been more pronounced. Delivery and postal services recorded a rise of **5.5%** in female participation, while call centres saw a significant increase of **22.9%**.

These trends reflect a sector that is absorbing a growing share of female workers, particularly in roles that are customer-facing, service-oriented or supported by digital workflows.

Net Change in Total Shift Work Jobs, September 2024–2025 ('000s)

Source: Deputy, 2025

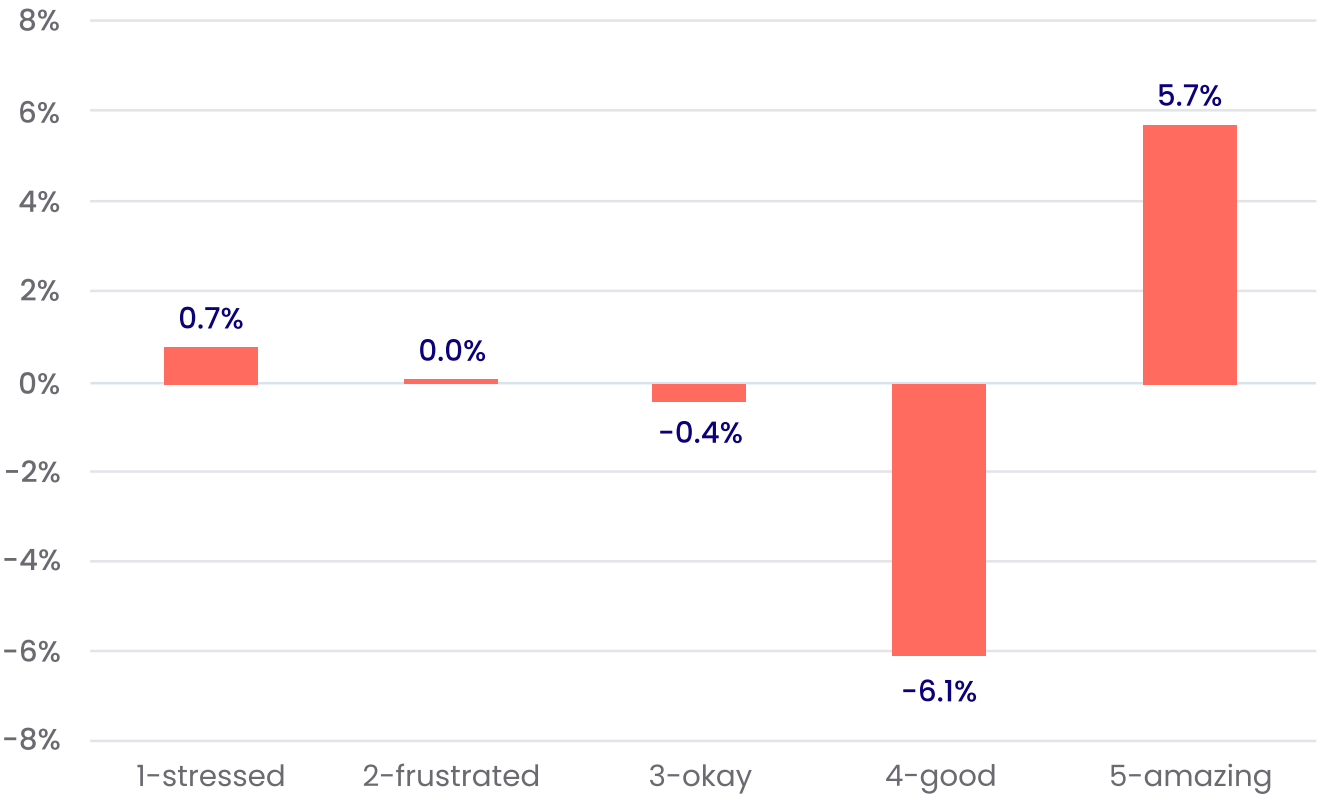


However, as the sector expands, worker experience is becoming more varied. Worker sentiment in services shows the clearest signs of divergence across industries. The share of workers reporting “amazing” experiences increased by around 6 percentage points between **2024** and **2025**, the largest improvement observed.



Change in Deputy Shift Pulse Sentiment, Services

Source: Deputy, 2025



At the same time, the proportion reporting “good” experiences declined by roughly 6 percentage points. This shift indicates a growing gap between highly positive and more moderate experiences within the workforce.

This pattern suggests increasing variation in working conditions across the sector. Some roles, particularly those offering flexibility or higher earning potential, are delivering strong worker experiences. Others, especially platform-based or gig-enabled roles such as delivery, cleaning and certain hospitality services, may involve greater pressure, income variability and less predictable schedules.

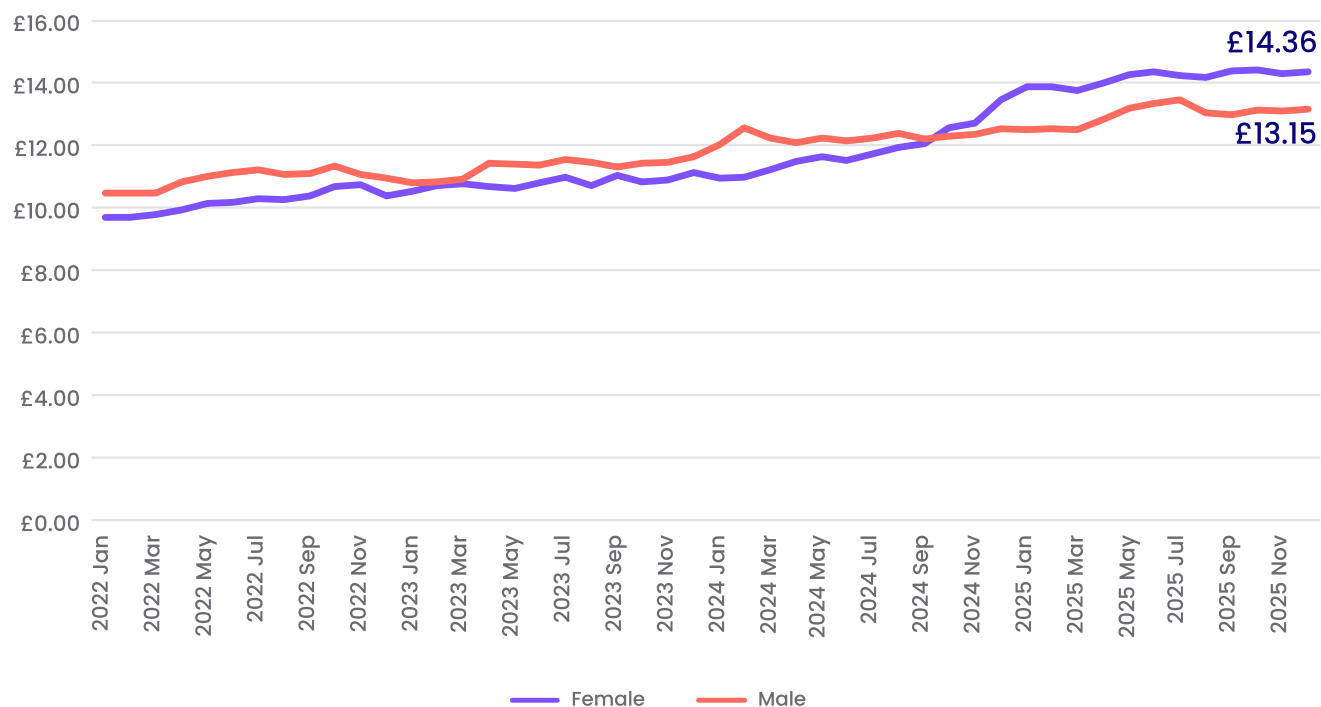
Taken together, these trends point to a services sector that is expanding and diversifying, but also becoming more polarised. For employers, this highlights the importance of understanding not just workforce growth, but the quality and consistency of work experiences across different roles and employment models.

A younger workforce, rising female participation and changing pay dynamics are redefining services

The UK services workforce continues to be shaped by a strong presence of younger and mid-career workers, with only gradual shifts across generations.

Average Monthly Hourly Rate by Gender, Services

Source: Deputy, 2025



Gen Z remains the largest cohort, accounting for **36.8%** of shift workers in **2025**, slightly down from **37.6%** in **2024**. Millennials continue to represent around one-third of the workforce at **33.0%**, remaining broadly stable and underpinning much of the sector's operational and supervisory capacity.

Gen X participation has increased modestly, rising from **21.6%** to **22.9%**, suggesting greater retention among experienced workers. Meanwhile, Baby Boomers continue to decline, falling from **7.7%** to **7.2%** as older workers transition out of shift-based roles.

Overall, the services workforce remains predominantly made up of younger and mid-career workers, but with a gradual broadening across age groups. Alongside this, female participation in services has increased more strongly than in any other major industry.

The sector recorded a **3.2%** rise in female shift share, driven by growth across a wide range of occupations. Cleaning services increased by **3.3%**, personal and beauty services by **2.9%**, and employment services by **2.0%**. Smaller gains were also recorded in security services at **0.5%** and other service roles at **0.3%**.

In some areas, growth has been more pronounced. Delivery and postal services saw a **5.5%** increase in female participation, while call centres recorded a significant rise of **22.9%**.

These trends reflect a sector that is increasingly absorbing female workers across both customer-facing and operational support roles, particularly where digital workflows and flexible scheduling are more prevalent. At the same time, wage dynamics in services are diverging from more traditional patterns.

Male hourly pay has increased steadily, rising from around **£10.40** in **2022** to approximately **£13.15** by late **2025**. However, female earnings have grown more rapidly, increasing from roughly **£9.60** to **£14.36** over the same period, surpassing male average hourly pay.

This shift reflects changes in the composition of roles within the sector, rather than a uniform improvement across all occupations.

Much of the expansion in services has been driven by platform-based and delivery roles, including courier services and ghost kitchen operations. These roles are more commonly undertaken by men and often operate under contractor or flexible arrangements with variable hours and earnings.

As participation in gig-based work increases, average male earnings in services appear more exposed to volatility. Income in these roles can fluctuate significantly depending on demand, hours worked and platform conditions.

By contrast, many roles with rising female participation, such as call centres, administrative services and certain customer-facing positions, tend to offer more structured hours and more predictable pay.

As a result, wage trends in the services sector are increasingly shaped by changing work arrangements rather than traditional occupational segmentation alone.

Taken together, these trends point to a sector that is expanding and diversifying, but also becoming more complex. Workforce composition, participation and pay are all being reshaped by the rise of flexible, platform-driven work alongside more structured service roles.

For employers, this highlights the need to manage a workforce that is not only growing, but also becoming more varied in how work is performed, experienced and rewarded.



Services growth is being driven by care demand and changing workforce needs

Employment across the UK services sector continues to expand gradually, supported by rising demand in care services, logistics, delivery and local personal services. While growth is steady rather than rapid, it reflects a structural shift in how work is being generated and where demand is strongest.

At the centre of this shift is the care economy, which is becoming an increasingly important driver of employment. As the UK population ages, demand for health and social care services continues to rise, creating a sustained need for workers across both formal and informal care systems. This is not only shaping job creation, but also how people participate in the workforce.

Unpaid caregiving is now a significant factor influencing labour market behaviour. Millions of workers are balancing paid employment with caring responsibilities, creating new pressures on time, availability and income stability.

As a result, demand for flexible work is increasing. Shorter and more adaptable shifts are becoming essential, allowing workers to manage both employment and caregiving commitments. This is accelerating the shift toward more flexible employment models across the services sector.

While London remains a major centre of services employment, growth is no longer limited to the capital. Regional cities and local economies are also seeing increased activity, particularly where care demand, logistics networks and population growth are strongest.

At the same time, the sector is coming under greater policy focus. Labour supply, workforce participation and care provision are becoming central economic issues, particularly as demand continues to rise. Recent immigration rule changes affecting care workers are expected to tighten labour supply, placing additional pressure on domestic recruitment and retention.

Government attention on adult social care reform and long-term workforce planning is likely to shape how employment grows across the care economy. This includes efforts to build a more sustainable workforce pipeline and improve service delivery capacity.

Further reforms, including the Employment Rights Act, are also set to influence how services operate. Increased expectations around predictable working hours and stronger worker protections will impact scheduling practices and workforce management across the sector.

Looking ahead, policies that support workforce participation and flexible employment will become increasingly important. As more workers balance paid roles with caregiving responsibilities, the ability to offer adaptable, predictable and supportive work arrangements will be critical.

Overall, the services sector is entering a phase where growth is being driven as much by social and demographic change as by economic activity. For employers and policymakers, responding to these shifts will be key to sustaining both workforce supply and service delivery in the years ahead.

Thank you to the contributors of The Big Shift UK 2026

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