FLEXIBLE OFFICES

UK H2 market update 2025

KEY STATS

13%
ENQUIRIES DRIVEN BY NEW BUSINESS

11%
ENQUIRIES DRIVEN BY DISSATISFACTION WITH CURRENT SPACE

21%
ENQUIRIES DRIVEN BY RIGHTSIZING

2025 has been a stabilising year within the UK flexible office market, highlighting resilience in the face of a challenging wider property landscape.

Demand went through a market correction to 2023 levels following a peak in 2024, while occupancy remained strong, underscoring sustained confidence in flex space as a core component of corporate real estate strategy. The data in the following report has been sourced from the Occupier team within Workthere UK.

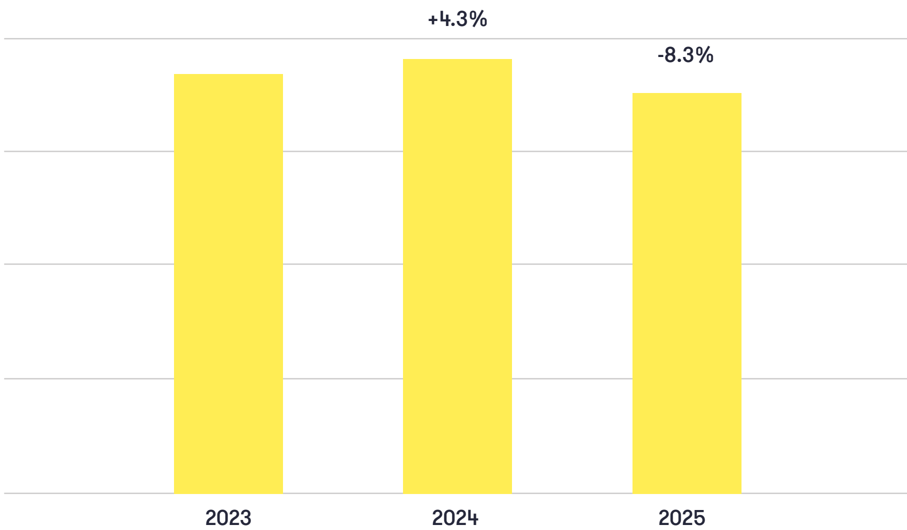
Demand

Enquiry volumes in 2025 softened slightly compared to 2024. Operators confirmed this trend in our Flexible Operator Survey, noting a dip in demand both in London and across the UK. This is consistent with market feedback signalling lower enquiry rates year-on-year, which may reflect greater tenant choice and more selective lead logging by operators, rather than a drop in underlying demand.

Direct feedback from major operators supports this as one national provider reported enquiries down over 10%, yet deals remained consistent, as they stopped accepting poor-quality leads and co-working enquiries in several locations. Healthy occupancy levels confirm business is still being done.

Enquiries

Workthere UK Flexible Office Enquiries 2023 to 2025



Reasons for moving

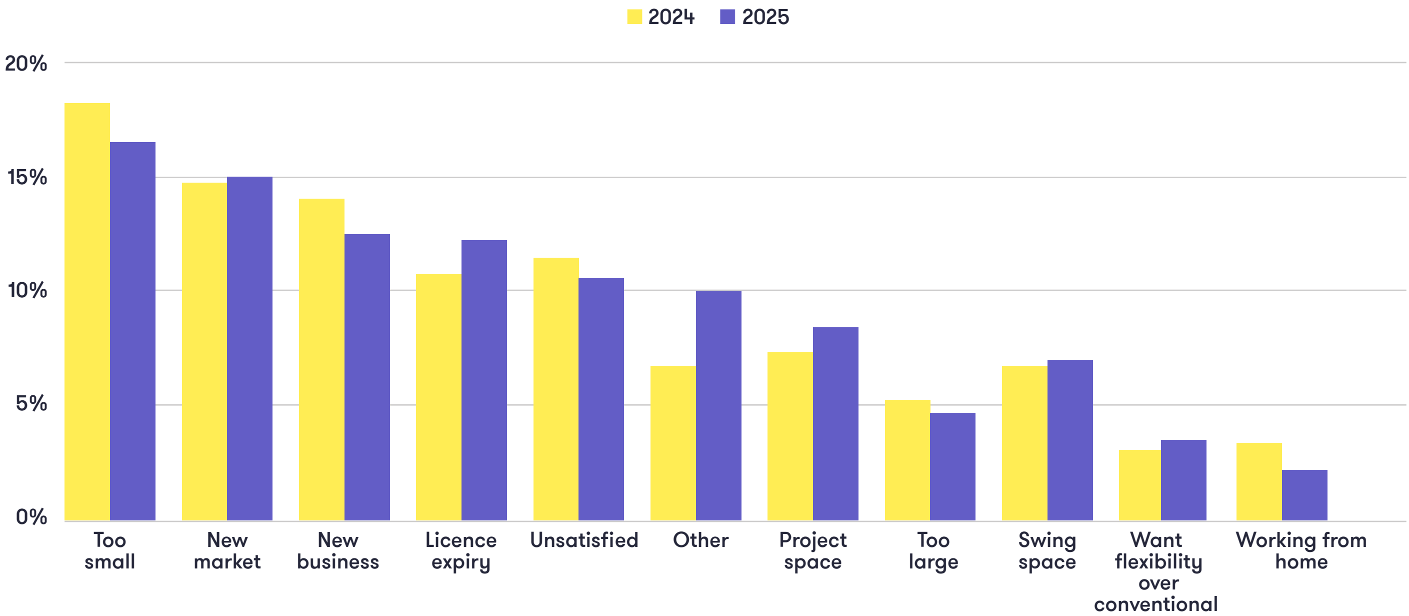
Overall, the reasons for moving showed consistency between 2024 and 2025, signalling a stable and maturing flex market.

License expiries, new business formation, and expansion into new markets continues to account for a significant share of demand, highlighting the flexible office's role as an agile solution for evolving business needs.

Employee experience also stayed central, with workplace satisfaction persisting as a key motivator.

Workplace right-sizing remained the dominant driver of enquiries in 2025, reinforcing the post-pandemic recalibration of space needs.

Primary Reason for Office Moves 2024 vs 2025



Average desk size

The average number of desks per deal continued its gradual upward trend in 2025, reflecting growing validation of the flex product and its increasing integration into long-term corporate real estate strategies.

2023	2024	2025
22.8	23.5	24.1
	3%	2.5%

KEY STATS

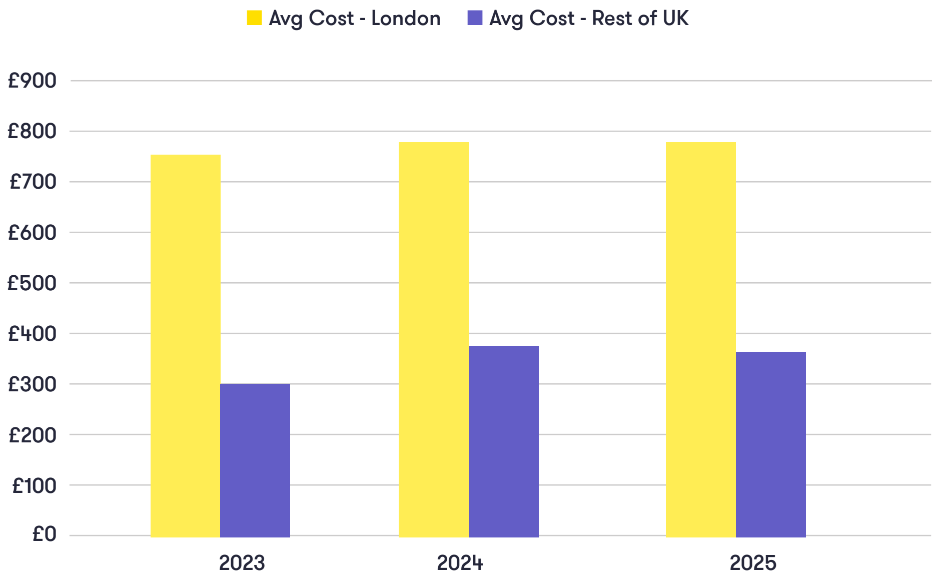
24.1

AVERAGE DESKS BEING TAKEN PER DEAL

£775

AVERAGE MONTHLY COST PER DESK IN LONDON

Average Desk Cost by Region 2023 to 2025

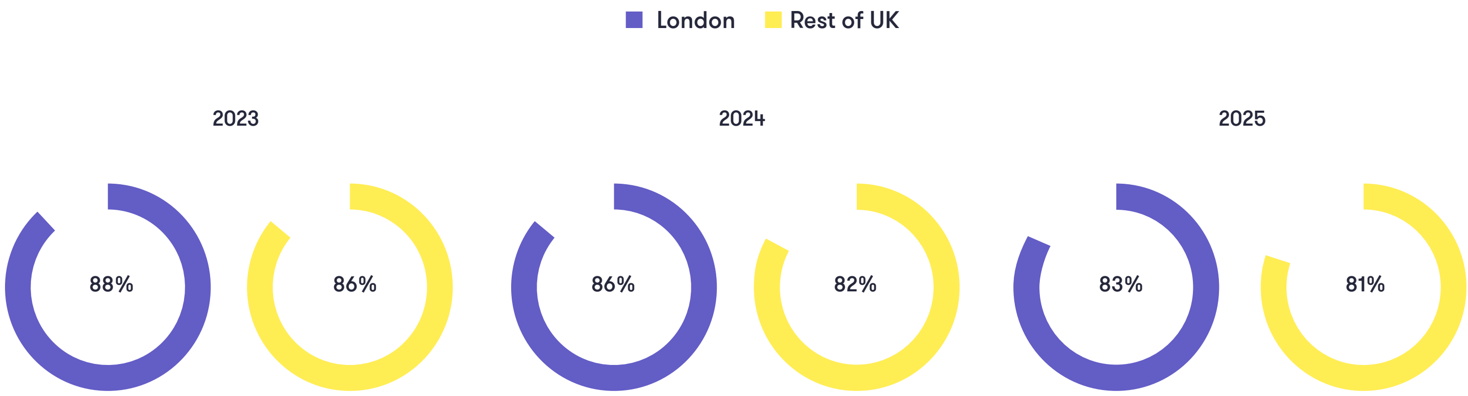


Region	2023	2024	2025
Avg Cost - London	£752	£774	£775
Avg Cost – Rest of UK	£296	£371	£364
UK Average	£524	£573	£570

Pricing

Average desk pricing stabilised across the UK in 2025, remaining at levels consistent with 2024. This reflects a market more focused on tenant retention and renewal amid rising operational costs, rather than operators pushing rates heavily on renewal or taking the gamble on refilling their space at a higher rate by going to the open market. In some cases operators have been taking a holistic view on renewal pricing and offering a discount, given the cost to the operator of any void period and the costs of new sales. With business rates increasing in April 2026, as well as upwards pressure on costs persisting, providers as a whole are likely to be looking to adjust pricing to maintain margins in the year ahead.

Occupancy (by contract)



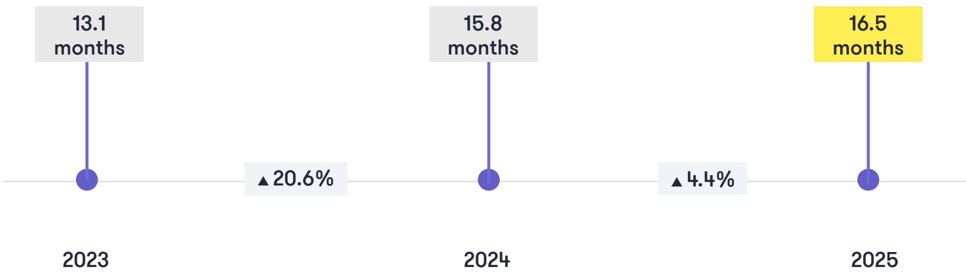
Occupancy

The modest declines in occupancy in both London and the regions likely reflect the influx of new supply rather than weakening demand, in 2025 Savills research estimates 1M sqft of flexible office space has opened in London and the UK respectively. The market continues to absorb space effectively, with occupancy remaining at healthy levels.

More specifically, in London, the average figure is influenced greatly by a small number of 2025 space openings who are still in the fill up stage before reaching stability through maturity. Excluding these specifically, the average occupancy rises to 85% in London.

Lease term length

The average lease term continued to lengthen in 2025, reaching 16.5 months and building on the notable increase seen in 2024. This steady, two-year upward trend reflects growing occupier confidence in the flexible office model and a maturing market where businesses are increasingly comfortable making longer-term commitments in a stabilising economic environment. Moreover this also shows the impact of the Managed office market, where tenants take their own self-contained floor on an all-inclusive basis, for which quoting lease term lengths are longer on average compared to the market as a whole, which includes the highly flexible service office solutions.



KEY STATS

16.5

AVERAGE NUMBER OF MONTHS FOR A TERM IN 2025

£364

AVERAGE MONTHLY COST PER DESK OUTSIDE OF LONDON

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Workthere is Savills flexible office advisory helping businesses to find, fill and manage flexible workspace. With dedicated local experts across the globe we're dedicated to securing you the best office space, whatever your needs and wherever you want to be.

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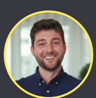
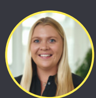
Get in touch for further information

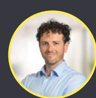


Tom Leahy
Co-Head of Workthere UK
+44 (0) 20 7409 9909
tom.leahy@workthere.com



Faith Robins
Head of Occupier Advisory, UK
+44 (0) 20 7016 3869
faith.robins@workthere.com

Liz Williams Bew
PR Director
+44 (0) 20 7409 8140
lwbew@savills.com



Rory Adamson
Data & Platform Manager
+ 44 (0) 20 7499 8644
rory.adamson@workthere.com