



The  
Growth  
Company

# Growth Company Business Survey

Results for the 2<sup>nd</sup> March 2026 to 2<sup>nd</sup> June 2026

[www.growthco.uk](http://www.growthco.uk)

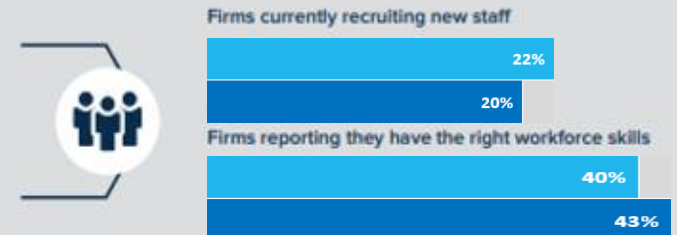
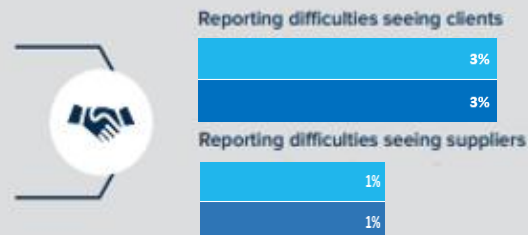
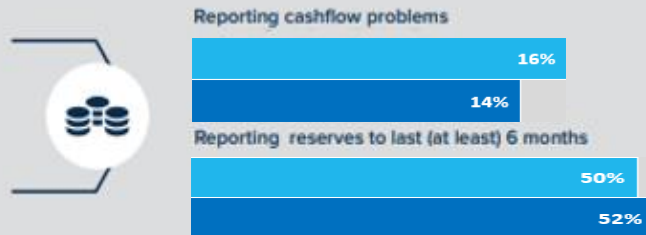
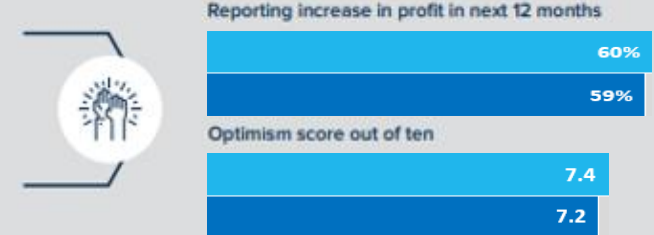
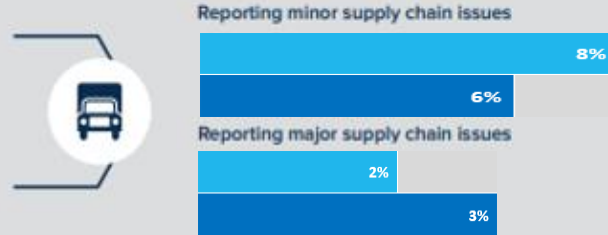
# GC Business Survey

The main survey findings reported by businesses on 2<sup>nd</sup> March 2026 – 2<sup>nd</sup> June 2026

The Growth Company exists to enable growth, create jobs, and improve lives. To inform how we support businesses and the economy, we continually monitor a range of data and intelligence to understand the impact of Covid-19, and other economic risks and opportunities.

The largest regular monthly business survey of its kind, the following findings are based upon a total of **808 businesses** that participated in our GC Business Survey from **2<sup>nd</sup> March 2026 and 2<sup>nd</sup> June 2026**.

## The main impacts of the current economic climate on businesses



▶▶ Previous month

▶▶ Current Month

## UK Economic Performance

Ongoing geopolitical tensions in the Middle East are continuing to disrupt global energy markets, leading to volatility and keeping interest rates elevated. As a result, UK economic growth is expected to remain modest in 2026, forecast between 0.8% and 1.1%, with persistent inflation limiting both consumer spending and business investment. Although inflation briefly eased to 2.8% in April due to lower energy costs, it is projected to rise again to around 3–4%, meaning the Bank of England is likely to maintain a cautious, restrictive stance with interest rates staying higher for longer. Meanwhile, UK GDP fell slightly by 0.1% in April following strong growth in Q1, indicating a weak start to Q2. This decline was largely driven by a drop in the services sector, particularly in consumer-facing areas like retail and recreation, suggesting softer discretionary spending. However, this dip is likely a temporary correction after earlier strong months rather than a sign of deeper economic weakness, with some sectors like construction still showing modest growth.

## Survey Summary

Business confidence across Greater Manchester has improved slightly, with the GC Business Confidence Index rising to 7.4, reflecting resilience despite sector variation. Confidence is stronger across DCT, Hospitality, Construction, Logistics, Manufacturing, Health Care and Utilities/LCEGs, while weaker in BFPS, Engineering, Retail, Education and Life Sciences. Sales performance remains stable (16% growth, 9% decline) and profit expectations are positive, with 60% anticipating increases. Investment intentions have strengthened to 40%, although workforce development investment remains subdued at 25%, indicating continued reprioritisation.

Cost pressures remain the main challenge, rising to 29%, alongside growing cashflow concerns (16%) and recruitment issues. Financial resilience has eased slightly, with 50% holding over six months of reserves, while demand constraints persist, with 50% struggling to access domestic sales. Recruitment has increased modestly to 22%, mainly among larger SMEs, but skills gaps remain, particularly in technical, sales, leadership and IT areas. Innovation activity is steady, with rising AI adoption (56%) supporting analytics and automation, though digital transformation investment remains limited at 15%, signalling cautious but progressing adoption.

## Key Findings

**GC Business Confidence Index (GC-BCI):** Business confidence for May 2026 stood at 7.4 out of 10, increased compared to previous quarter. Confidence levels are above average for DCT, Hospitality, Construction, Logistics, Health Care, Manufacturing, and Utilities LCEGs and lower in BFPS, Engineering, Retail, Education and Life Sciences.

**Investment:** 40% (vs 36%) of firms expect to increase capital expenditure in the year ahead. Sectors most optimistic about increasing investment are Utilities / LCEGs, Engineering, Retail, Logistics, Hospitality, DCTs, BFPS and Health Care; and lowest in Other Manufacturing, Education, Construction and Life Sciences.

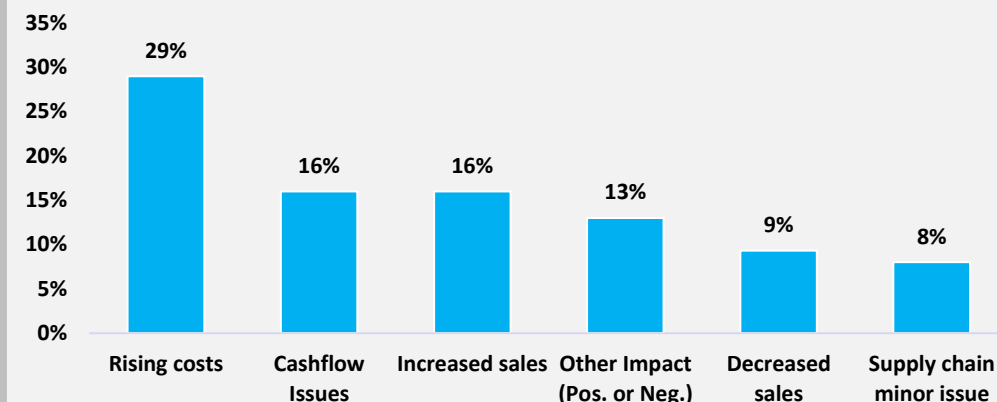
**Cashflow Issues:** 16% (vs 14%) of firms reported cashflow problems and higher risk reported in Engineering, Retail, Logistics, DCTs, BFPS, Education and Other Services.

**Trade:** 21% of firms (vs 19%) export goods/services, with 17% (vs 16%) expanding into new markets, a trend particularly notable in the Manufacturing & Engineering, Life Sciences, and DCTs sectors.

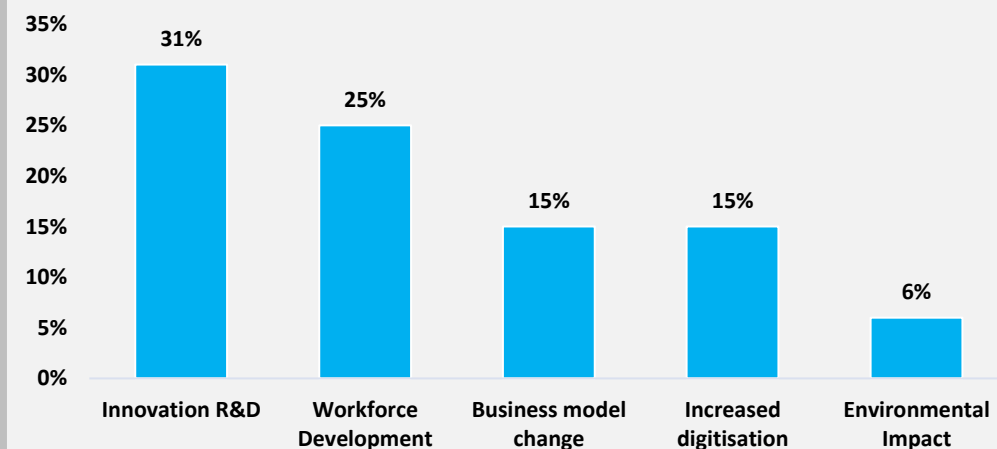
**Future Support Needs:** Sales & marketing 35% (vs 32%), business planning 34% (vs 37%), innovation 33% (vs 35%), workforce development 28% (vs 26%), and financial advice / guidance 31% (vs 28%).

**Recruitment and Skills:** 22% of firms recruiting; higher among SMEs; most active in Utilities / LCEGs, Construction, Life Sciences, Education, BFPS, and Other Services. Sectors least likely to be recruiting are DCTs, Retail, Hospitality, and Healthcare.

## Main Impacts

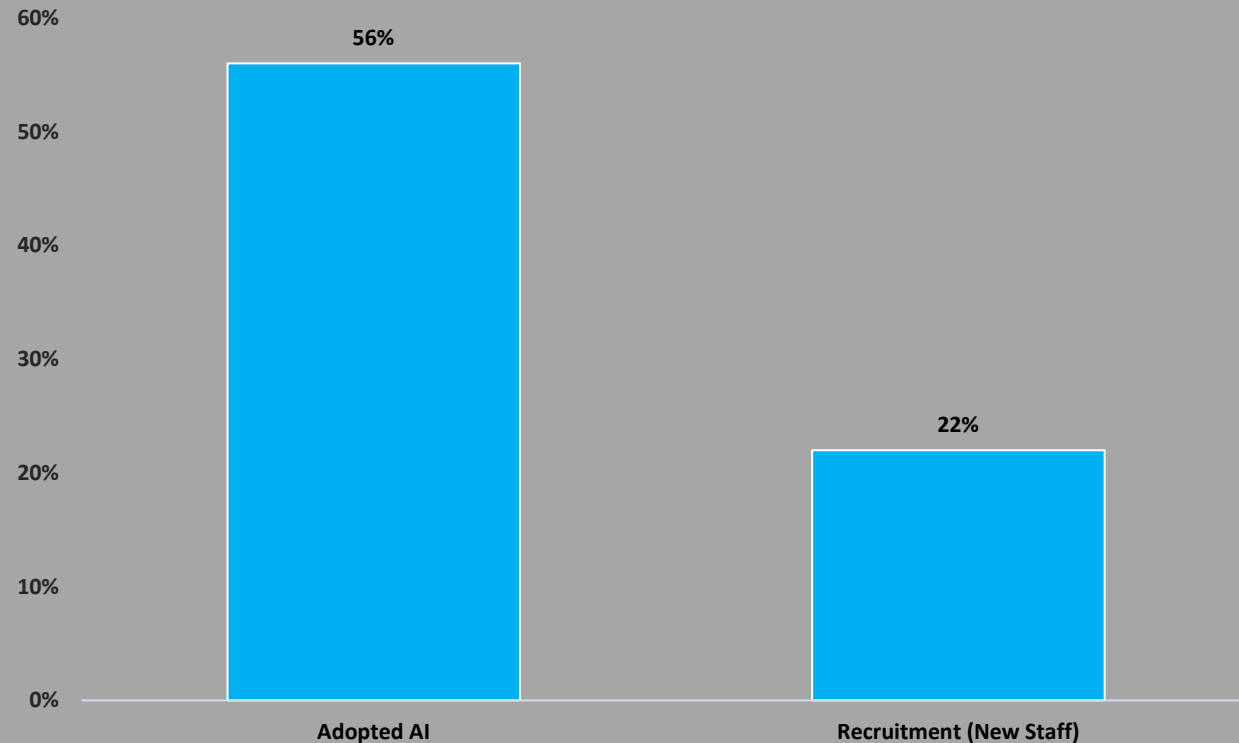


## Areas to increase investment

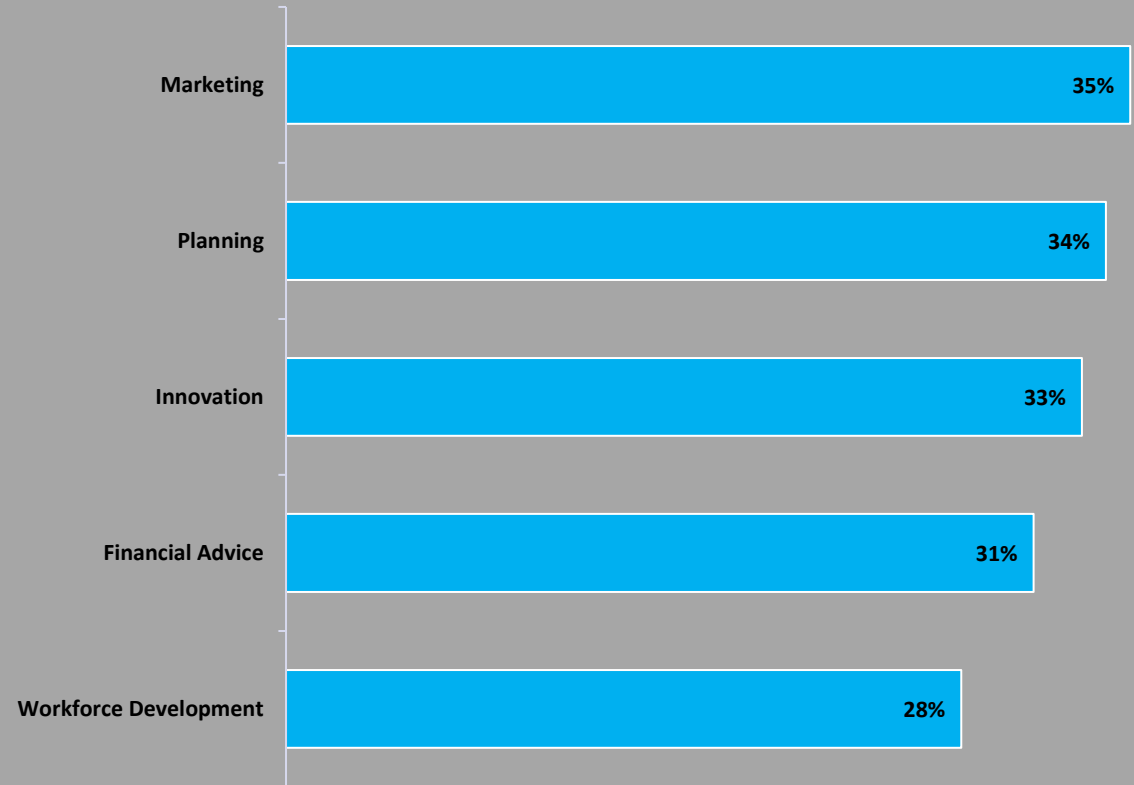


## Interest in business support and AI adoption

### Percentage of respondents interested in the following initiatives



### Top 5 areas for business support in the future



### Access support from the Growth Company

As a market leader in business and economy surveys, the Growth Company has engaged with firms throughout the pandemic and remains uniquely placed to provide invaluable intelligence on the challenges faced by business.

Our survey intelligence reports provide regular weekly input to central Government, as well as supporting a variety of local stakeholders in planning their response.

For more information on the results presented here, or to take part in future surveys, please contact: [Rupert.Greenhalgh@growthco.uk](mailto:Rupert.Greenhalgh@growthco.uk) or [Atharva.Joshi@growthco.uk](mailto:Atharva.Joshi@growthco.uk)

### Here are some of the ways we can support you:

- Guidance and practical business support  
<https://www.businessgrowthhub.com/support/services>
- Help for training staff and finding new talent:  
<https://www.businessgrowthhub.com/support/services/people>
- Advice to reduce carbon, boost your competitiveness, and save money  
<https://www.businessgrowthhub.com/support/services/sustainability>