GC SITUATION REPORT AND QUARTERLY BUSINESS SURVEY RESULTS

JANUARY 2026

REPORT NUMBER 92: WITH QUARTERLY DATA FOR 2ND NOVEMBER 2025 TO 2ND FEBRUARY 2026

Contact: atharva.joshi@growthco.uk / gautham.maniyan@growthco.uk On the web at: *https://www.growthco.uk/what-we-do/gc-business-survey*

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1. ECONOMIC CONTEXT AND SURVEY HEADLINES

The 92nd GC Situation Report contains leading economic data from both national (mostly ONS) and local business survey sources. This month's survey report findings are based on **680** survey responses completed between **the 2nd of November 2025 and the 2nd of December 2026** by GC clients from the Business Growth Hub and MIDAS. Comparisons have been made with last quarter's **673** responses completed between **October and December 2025**. The survey response profile is broadly representative of the Greater Manchester business base, but for an over-representation of SMEs, Manufacturing, and DCT firms, and an under-representation of Retail and Hospitality businesses – reflecting the Business Growth Hub and MIDAS client profiles.

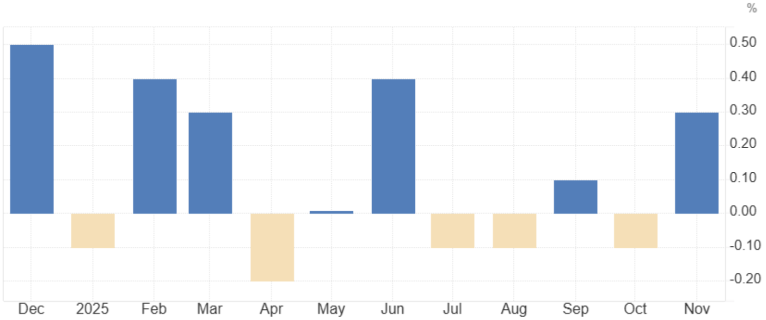
Economic context

- **Global growth** remains resilient, supported by strong AI-related investment, US consumer strength and easing trade tensions, but is vulnerable to narrow growth drivers, high debt, and potential AI-asset corrections. World GDP is forecast to edge up to 2.7% in 2026, with stronger US and Japan performance, moderating inflation, but risks from labour-market cooling, geopolitical tensions, and fragmented global trade.
- **Eurozone growth** stays modest but resilient, supported by expansionary fiscal policy in 2026, while weak competitiveness, sluggish Germany, and rising cheap imports pose mounting downside risks .Inflation is expected to dip below 2% in early 2026 before drifting higher again, with wage stickiness and slow structural reform limiting medium-term productivity and competitiveness.
- **UK growth** is expected to remain fragile in 2026 (circa 1%pa), with a limited post-2025 rebound amid weak confidence and fading momentum. Inflation is expected to fall to around 2% from April 2026, but food inflation and expectations risk persistence. Labour-market slack is increasing, with rising unemployment and gradually moderating wage growth. Bank Rate faces likely cuts gradually through 2026 toward 3%, though fiscal risks and inflation could complicate easing.
- **UK business activity surveys** show private sector growth, especially in services, but consumer spend remains constrained by squeezed disposable incomes and cautious confidence. Furthermore, the latest Construction PMIs still suggest the sector is seeing continued contraction, though at a slower rate, and some firms are reporting signs of stabilisation/growth.

Organisation Growth Survey headlines

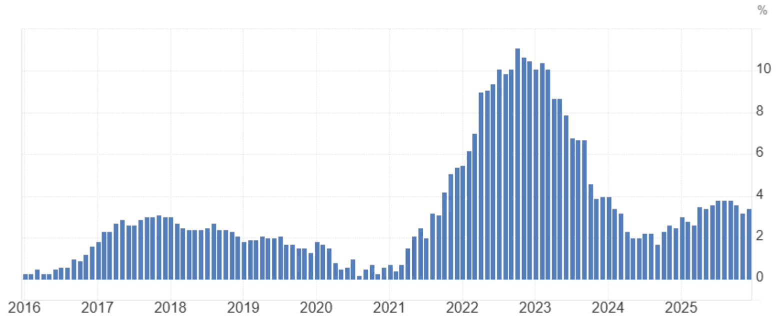
- **Business Confidence and economic impacts.** The GC Business Confidence Index remains stable at 7.2, with stronger sentiment in Construction, Manufacturing and Hospitality, while BFPS, DCTs, Education, Engineering, Life Sciences and Healthcare report below-average optimism. Rising costs dominate impacts, cashflow pressures persist, and insolvency risk has eased slightly, with GM's red-flag levels improving faster month-on-month than the national trend.
- **Business challenges and support need.** Securing new domestic sales is the biggest challenge, driving stronger demand for support in sales, marketing, planning, innovation, workforce skills and financial guidance across smaller and larger firms.
- **Recruitment, employment, and skills.** Recruitment is strongest among larger SMEs, while many firms report only partial skill alignment and notable gaps across sales, leadership, teamwork, technical skills and advanced IT capability.
- **Research & Development, and Innovation.** Innovation activity remains steady, with growing intentions to increase R&D, digital transformation and widespread AI adoption, particularly in analytics, marketing, customer support automation and routine process optimisation.
- **Social Value and Good Employment.** Most firms already offer or plan to offer better work practices, including minimum hours, Real Living Wage, leadership investment, healthy work practices, flexible working, workforce diversity, and employee involvement - with future intentions generally strengthening across all areas. Just over one-in-ten firms were interested in future support to manage their environmental impact.

UK GDP increased 0.3% in November 2025



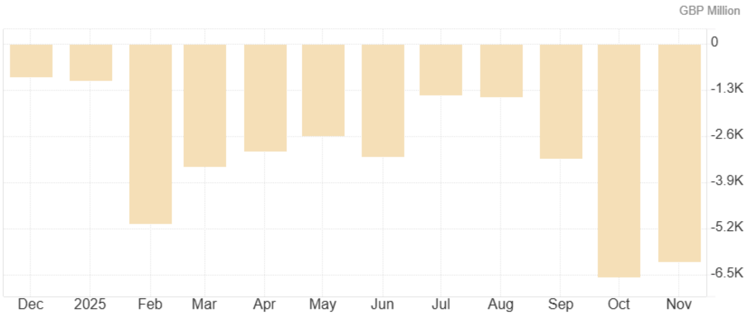
- The UK's monthly real GDP increased by 0.3% in November, rebounding from a 0.1% decline in October and outperforming market expectations of 0.1%.
- Professional, scientific and technical activities saw strong growth (1.7%), as did the digital / information / communication sector (1.5%).
- Construction output decreased further by 1.3%, following a 1.2% fall in October 2025. The production sector saw an increase of 1.1%, largely due to growth in transport equipment manufacturing.

UK CPI inflation rose to 3.4% in December 2025



- The annual UK CPI inflation rate rose to 3.4% in December 2025, up from the November low of 3.2% and the first monthly increase since July.
- The increase was driven by increased prices for alcohol and tobacco (up from 4.0% to 5.2%)., as well as transportation costs (which rose from 3.7% to 4.0%).
- Services inflation increased to 4.5% from 4.4%, while core inflation remained steady at 3.2% (it's lowest level since December 2024).

UK trade deficit narrowed in November 2025

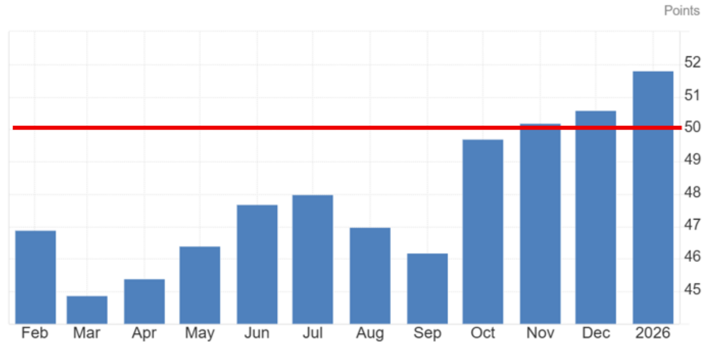


- The UK trade deficit narrowed to £6.1 billion in November 2025, down from the £6.5 billion in October. Exports grew 0.6% to a 3-month high of £77.2 bn, while imports remained flat.
- Good exports increased by 1.9%, reaching a three-month high of £31.4 bn. This has been driven by an increase in the exports of medicinal and pharmaceutical products to EU countries. Non-EU exports also increased by 1.1%, driven by increase in machinery and transport equipment sales.
- Goods imports rose 0.2% to £55.1bn and services imports fell 0.3% to £28.2bn.

2. SECTOR INSIGHT AND PURCHASING MANAGER INDICES (PMIs)

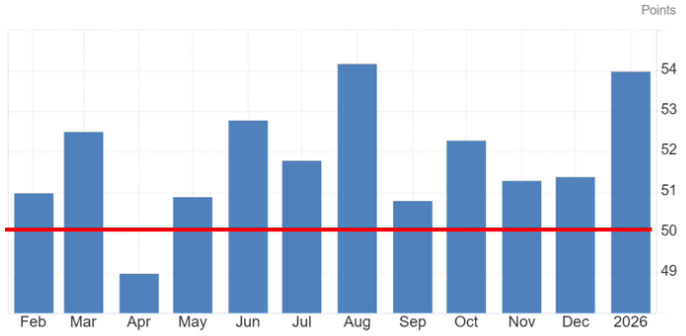
- **The S&P Global UK Composite Purchasing Manager's Index (PMI)** increased slightly to 53.9 in January 2026 from 51.4 in December 2025, the strongest upturn in business activity since April 2024. Service providers recorded a particularly strong upturn in business activity, as post-budget clarity helped boost investment spending. Meanwhile, manufacturing production continued to show growth, but at a more modest rate than services, and construction, overall, contracted.
- **Confederation of British Industry (CBI) Growth Indicator** shows that UK private sector firms expect a fall in activity over the next three months (-22%). This is largely unchanged since December, with expectations at their lowest in over 2 years. Declines in business volumes were anticipated in services (-20%), distribution (-30%) and manufacturing (-31%).
- **Lloyds Bank Regional Business Barometer (a monthly snapshot of how businesses with >£250k turnover, are feeling about their own prospects)**. Business confidence dipped 3 points to 44% in January 2026, though confidence remained 7 points higher than at the start of 2025. Staffing expectations improved alongside trading prospects, with fewer planned job cuts, and an increase in firms reporting pay growth above 4% in the next 12 months.
- **BDO High Street Sales Tracker.** Total like-for-like sales grew by 1.7% in January 2026. In-store sales rose by 4.7% compared to +3.2% in January 2025. Online sales fell by -0.7% compared to a +15.5% increase in January 2025.
- **The GfK Consumer Confidence Index for the UK** rose to -16 in January 2026 up from -17 in December. Despite the increase, the index has remains in negative territory for 10 years, as consumers maintain a more subdued outlook. The major purchase index, which highlights willingness to buy big-ticket items improved by one point to -10.
- **Company Insolvencies.** There were 1,671 company insolvencies in England and Wales in December 2025, 10% lower from November 2025, and 13% lower than December 2024. Company insolvencies in December 2025 consisted of 245 compulsory liquidations, 1,305 voluntary liquidations, 106 administrations, and 15 company voluntary arrangements.
- **Insolvency Rates.** One in 190 UK firms (52.5 per 10,000 companies) entered insolvency from January 2025 to December 2025, the same rate as in 2024.

The S&P Global UK Manufacturing PMI 51.8 (>50 = expansion)



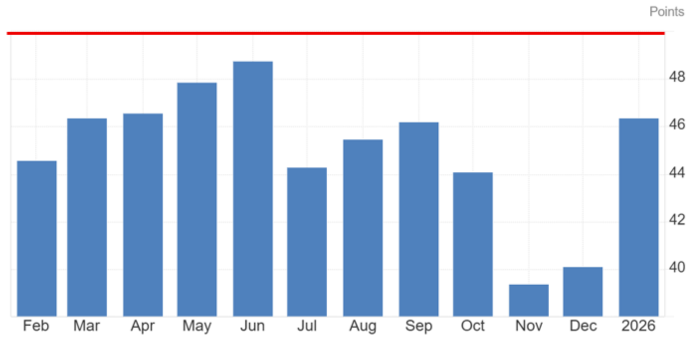
- **The S&P Global UK Manufacturing PMI rose** to 51.8 in January 2026, up from 50.6 in December. This is the fastest pace of expansion since August 2024.
- Manufacturing output increased for a fourth consecutive month supported by stronger export demand, stable domestic conditions, and a n uplift from customer restocking.
- New orders rose at the fastest pace in nearly four years, and employment continued to decline, though at a slower rate. Business confidence strengthened, reaching its highest level since before the 2024 Autumn Budget.

The S&P Global UK Services PMI 54 (>50 = expansion)



- **The S&P Global UK Services PMI** rose to 54 in January 2026 from 51.4 in December 2025, the highest level since August 2025.
- New business reached a 3-month high, supported by higher client spending, improving digital marketing budgets, and spending in new technologies.
- Staffing levels continued to fall for the fourth consecutive month, marking the longest period of job losses in 16 years. Whilst the exact reasons remain unclear, studies have suggested that development of existing staff / talent retention and increasing use of AI have contributed to this trend.
- Business optimism improved to the highest since October 2024, though concerns about costs and long-term growth persisted.

The S&P Global UK Construction PMI 46.4 (<50 = contraction)



- **The S&P Global UK Construction PMI** rose to 46.4 in January 2026 from December's five and a half year low of 40.1.
- Although this was the strongest reading since June 2025, the index signalled continued contraction in overall construction activity.
- Civil engineering activity contracted sharply, while commercial construction showed it's smallest decline since May 2025.
- Total new orders fell at the slowest rate in three months, suggesting early signs of stabilisation, though employment continued to decline at a significant rate.

3. ORGANISATION GROWTH SURVEY RESULTS

Previous survey results shown in brackets - note rounding on all values

GROWTH, CONFIDENCE AND INVESTMENT

The GC Business Confidence Index (GC-BCI) is a ranking (1 = low to 10 = high) of how confident businesses are on their growth prospects for the year ahead.

- **GC Business Confidence Index (GC-BCI)** for January 2025 stood at 7.2 out of 10, similar to previous quarter. Confidence levels are above average for Construction, Manufacturing, Hospitality Green Tech; and lower than average in BFPS, DCTs Education, Engineering, Life Sciences, and Health Care.
- **Current Sales.** 17% (vs 16%) of firms reported an increase in sales, and 9% (unchanged) reported decreased sales in the last 12 weeks.
- **Future Profits.** 61% (vs 57%) expect profits to increase in the year ahead. 1% (unchanged) expect profits to decrease. The sectors most optimistic about future profitability are BFPS, DCTs, Manufacturing, Engineering, Retail, and Hospitality. Lower levels of optimism are reported in Education, Green-tech, Construction and Healthcare.
- **Investment.** 35% (vs 31%) of firms expect to increase capital expenditure in the year ahead. Sectors most optimistic about increasing investment are DCTs, Hospitality, Manufacturing & Engineering, and Retail. In contrast, expectations are lowest in BFPS, Construction, and Healthcare.
- **Workforce Development.** 34% (vs 35%) of firms plan to increase investment in workforce development. Sectors more likely to report an increase in future investment are BFPS, Construction, Education, Retail, Manufacturing, Retail and Hospitality; and lowest within the 'Other' personal service activities sector.

MAIN ECONOMIC IMPACTS AND FINANCIAL RESILIENCE

- **Main impacts.** 28% (vs 29%) reported rising costs as the main impact, followed by cashflow issues 18% (vs 16%), staff shortages due to recruitment difficulties 7% (vs 9%), and minor supply chain challenges 7% (unchanged).
- **Cash reserves.** 53% of firms (vs 56%) report having cash reserves to last over 6 months. Reserves were highest in Life Sciences, BFPS, Education, Green Tech, Healthcare, Hospitality, Manufacturing, and Healthcare; and lowest in Engineering, DCTs, Retail, and 'Other' mostly personal service activities.
- **Cashflow.** 18% (VS 16%) of firms reported cashflow problems. Micro-sized firms (<49 employees) were more likely to face this challenge than larger SMEs (50–249+ FTEs). Higher cashflow risk was reported in DCTs, Green Tech, Hospitality, Retail and Other services. Just 4% (vs 3%) of firms reported late payments.
- **Analysis of insolvency risk** for January 2026 shows a fall in the total number of firms (10+ employees) reporting heightened levels of risk compared to last month, currently at 937 (vs 1,009 in December 2025):
    - **814** (down from 918 last month) firms have 1 flag - some risk;
    - **59** (up from 49) have 2 red flags - medium insolvency risk;
    - **37** (down from 41) have 3 red flags - insolvency imminent.
- **Change in risk:** The proportion of firms in GM with a red flag rating declined by 0.4% points in January (m-o-m) for GM, compared with a 0.7% decrease across the UK. Over the past 12 months, GM has seen a 0.2% reduction in red flag ratings, while the UK has recorded a modest 1.0% increase nationally.

BUSINESS CHALLENGES AND FUTURE SUPPORT NEEDS

- **The main current challenges for businesses.** 50% (vs 48%) of firms cited accessing new domestic sales. This issue is particularly acute in the BFPS, DCTs, Education, Manufacturing, Retail, and 'Other' mostly personal service activities.
- **Other key challenges include** developing new products or services 32% (vs 30%), business model change 28% (vs 25%), managing overall finances 26% (vs 25%), and addressing workforce development / skills challenges 24% (vs 26%).
- **International trade.** 20% of firms (vs 25%) export goods/services, with 17% (unchanged) expanding into new markets, a trend particularly notable in the Manufacturing & Engineering, and Retail sectors. 12% (vs 14%) of firms engaged in overseas trade are looking to expand in their current markets.
- **Future support.** The main areas where firms seek future support are sales and marketing 35% (vs 33%), workforce skills 31% (vs 32%), business planning 37% (vs 31%), innovation 34% (vs 31%), and financial advice/guidance 28% (vs 24%).
- Micro and small firms (0–9 FTEs) are more likely to seek support in business planning, sales and marketing, and innovation. Whereas firms with 50+ employees are more likely to request support in workforce development, recruitment, environmental impact management, and innovation.
- **Environmental Impact Management.** 11% (vs 10%) require assistance with managing their environmental impact – with this figure remaining broadly stable over the last 12 months.

RECRUITMENT, EMPLOYMENT AND SKILLS

- **Recruitment:** 25% (vs 24%) of firms are currently recruiting new staff. The proportion of firms recruiting are highest amongst larger SMEs (50+FTEs).
- By sector, firms were more likely to be recruiting in BFPS, Construction, Education, Manufacturing and Retail, and least likely in Green Tech, Hospitality, Healthcare, Life Sciences and DCT sectors.
- **Workforce Skill Gaps.** 33% (vs 36%) report that their existing workforce skills are fully aligned with their business plan objectives. 51% (vs 46%) indicate that skills are only partially at the required level, and 2% (unchanged) stated that their workforce skills are not at the right level. (14% said 'don't know').
- Smaller SMEs were more likely to report gaps in sales and marketing skills, whilst firms with 50+ FTEs were more likely to report gaps in motivating staff, management & leadership, and developing teamwork skills.
- **Technical Skill Gaps:** Specialist technical skills and knowledge 29% (vs 31%), advanced IT skills 17% (vs 19%), and knowledge of products or services 12%.
- **People and Practical / Personal Skill Gaps:** Sales and selling 24% (unchanged), motivating staff 18% (vs 16%), customer handling skills 13% (vs 14%).

RESEARCH, DEVELOPMENT AND INNOVATION

- **Innovation Activities in Last Year.** 34% (vs 36%) have invested in new or significantly improved services, 30% (vs 27%) in R&D, 23% (vs 22%) new business practices, 17% (unchanged) introduced new or significantly improved goods, and 16% (unchanged) have invested in improved production methods.
- **Digital Innovation.** 15% (vs 14%) have invested in the acquisition of digital products, and 7% (unchanged) made investments in the acquisition of new machinery - especially in the Manufacturing, and Retail sectors.
- **Future Innovation.** 36% (vs 35%) of firms are looking to increase investment and R&D, highest in Green Tech, Life Sciences, DCTs, Education, Manufacturing & Engineering sectors. 34% (vs 35%) of respondents said they were also likely to invest in workforce development to support the growth of innovation.
- **Digital Transformation**. 19% (vs 21%) of firms are looking to invest in digital transformation, highest within BFPS, Construction, DCTs, Green Tech, Retail and 'Other' service activities; and less likely in Healthcare, Hospitality, Education.
- **AI Adoption:** 47% (vs 44%) have adopted AI into business. Firms were most likely to have implemented AI in data processing and analytics, sales and marketing, replacing customer support, and automating routine processes.

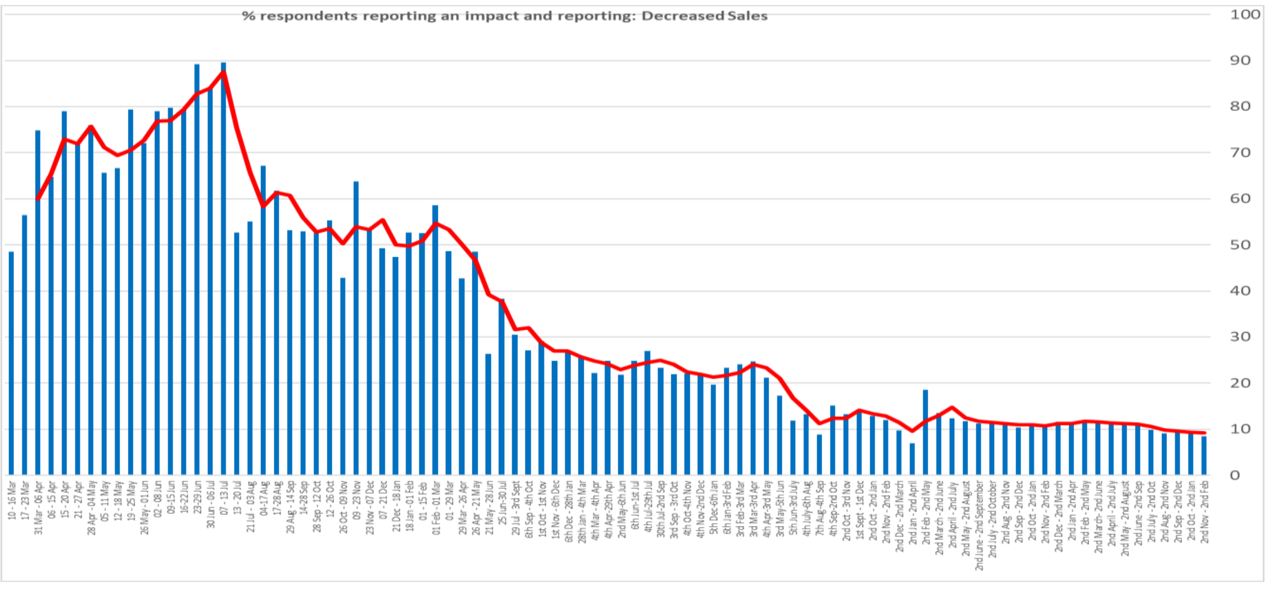
SOCIAL VALUE AND GOOD EMPLOYMENT PRACTICES

Organisations were asked if they had/or intended to have the following:

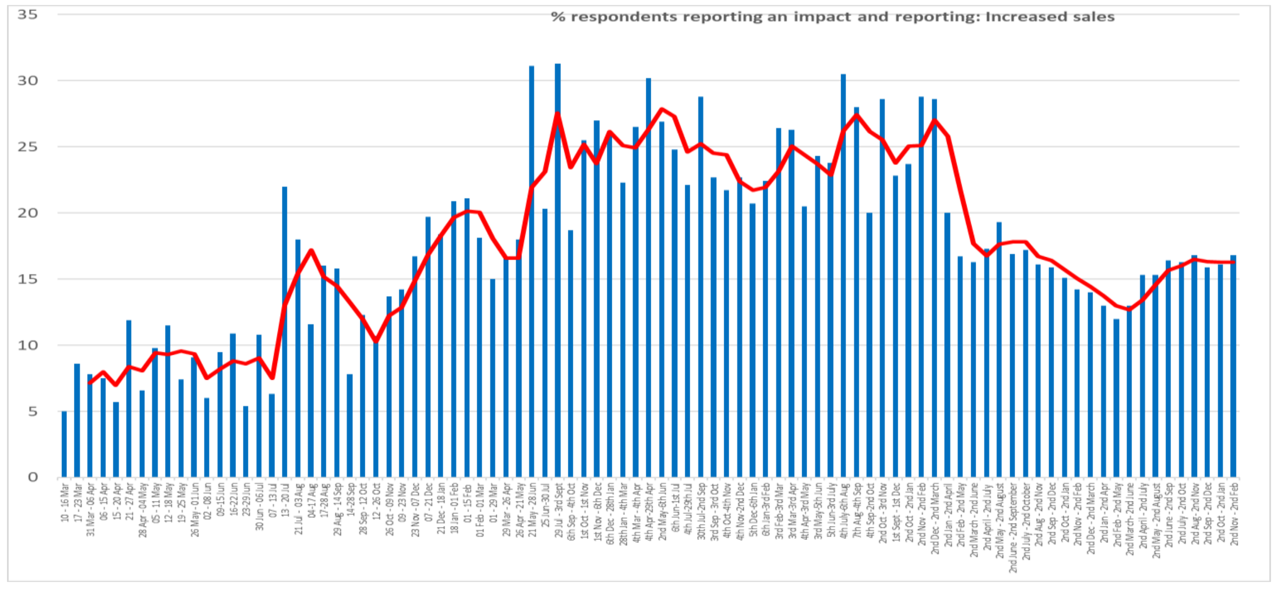
- **Guaranteed at least 16 hours of work per week.** 56% (vs 58%) said this currently applies, and 24% (vs 26%) said they are likely to consider in future.
- **Paying employees the Real Living Wage.** 52% of firms (unchanged) paid the RLW, while 27% (vs 30%) indicated they are likely to implement it in the future.
- **Investing in leadership.** 44% (unchanged) said that they are investing in leadership, while 37% (vs 35%) indicated they are likely to do so in future.
- **Promoting healthy work practices.** 42% (vs 40%) said this currently applies, while 33% (vs 31%) indicated they are likely to do so in future.
- **Offering flexible working options to employees.** 46% (vs 45%) said this currently applies, and 29% (vs 26%) said likely to implement in the future.
- **Looking to increase the diversity of the workforce.** 40% (unchanged) of firms said this currently applies, 33% (vs 31%) said likely to include this in the future.
- **Involving employees in the overall direction of the business**. 35% (vs 34%) said this currently applies. 35% (vs 33%) said likely to do so in future.

TIME SERIES OF THE MAIN IMPACTS OF ECONOMY ON BUSINESS

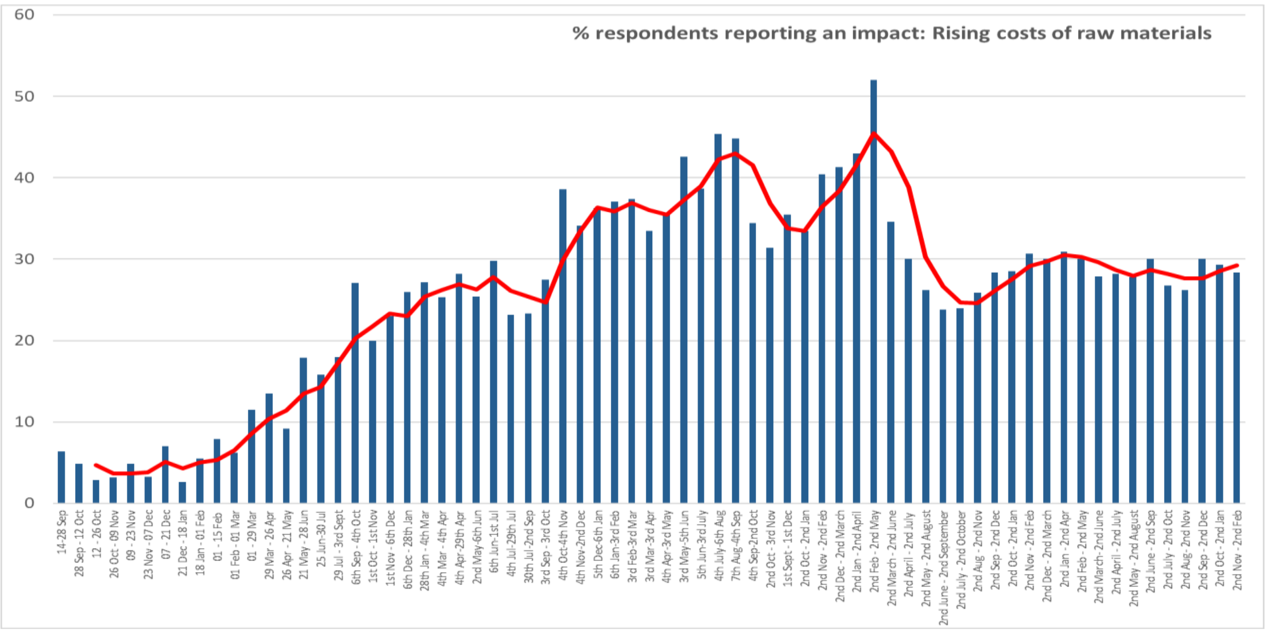
Percentage reporting decreased sales (Red line = moving average)



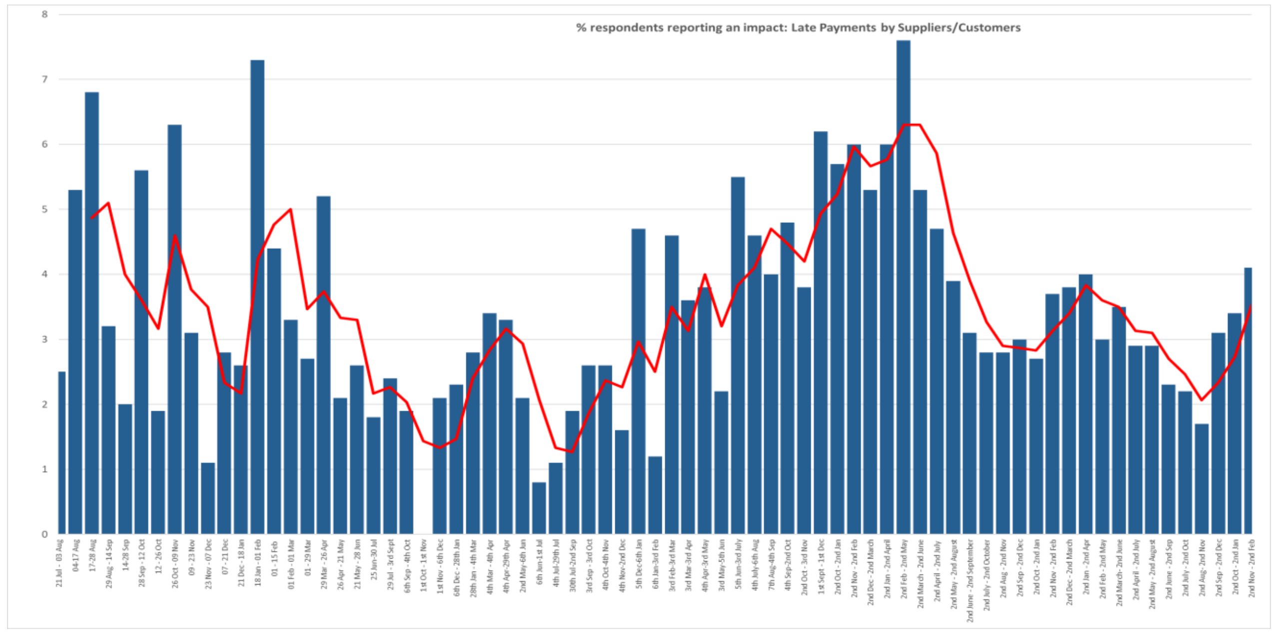
Percentage reporting increased sales



Percentage reporting rising costs

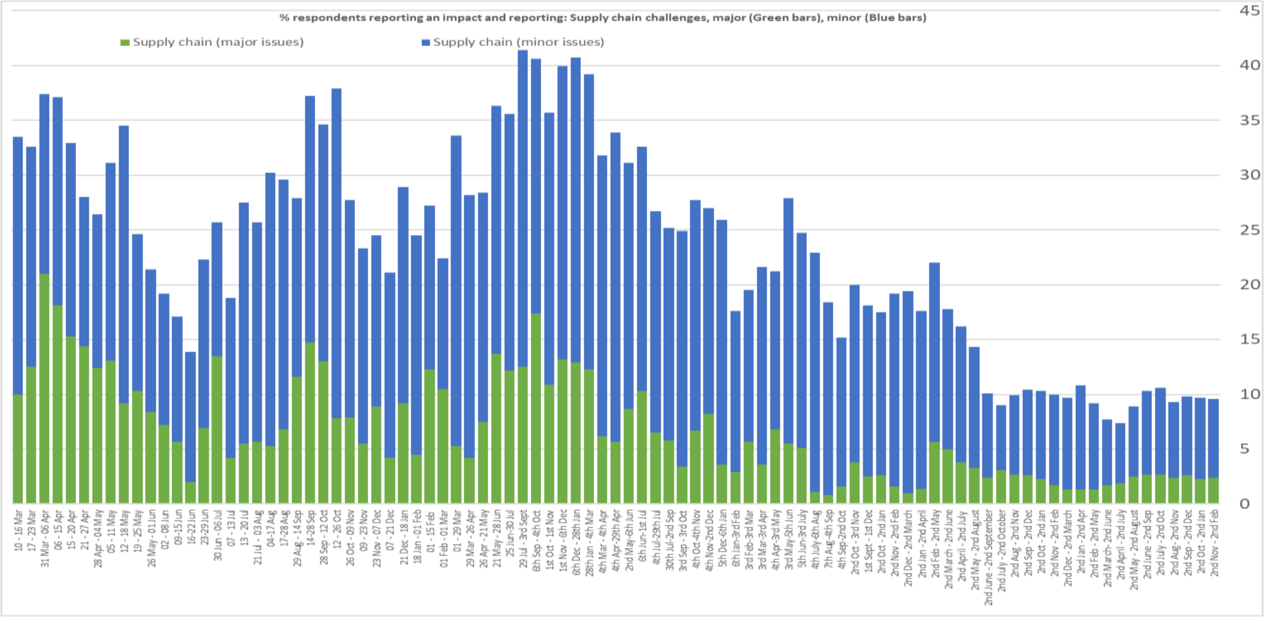


Percentage reporting late payments

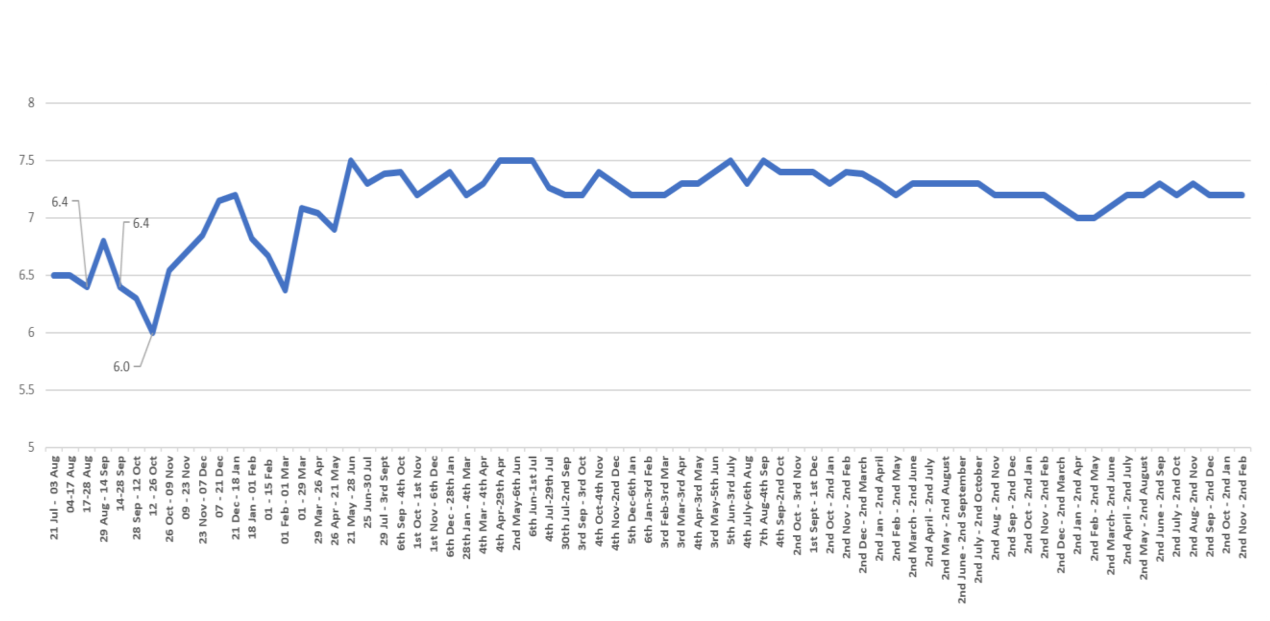


TIME SERIES OF THE MAIN IMPACTS OF ECONOMY ON BUSINESS

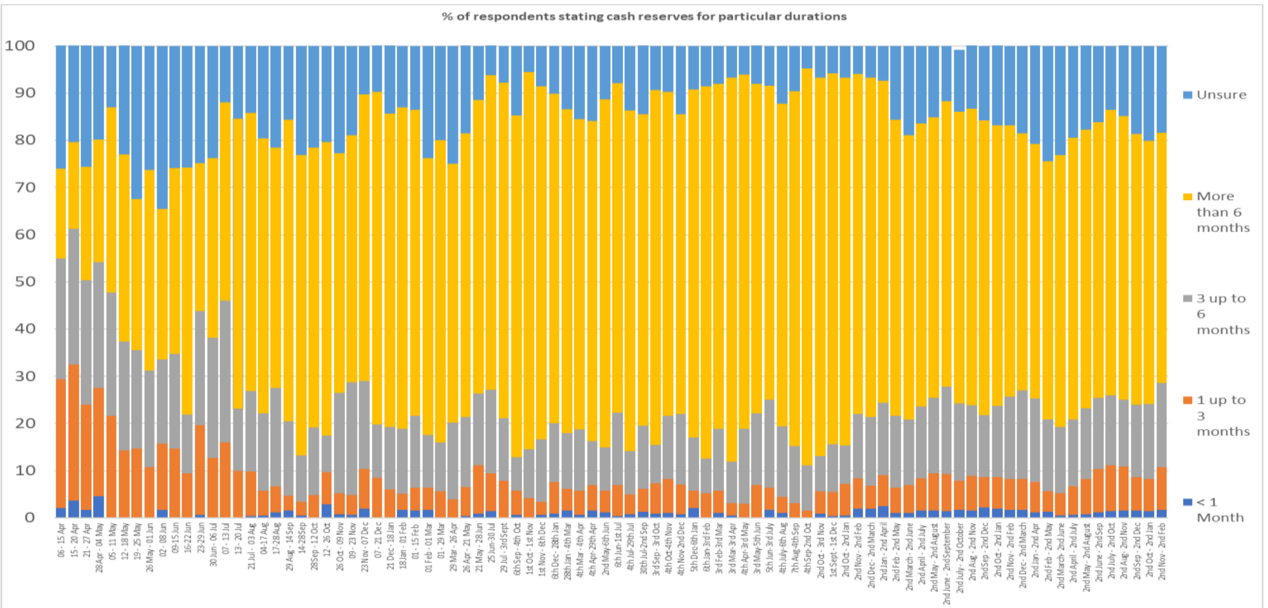
Percentage reporting minor supply chain issues (blue), major issues (green)



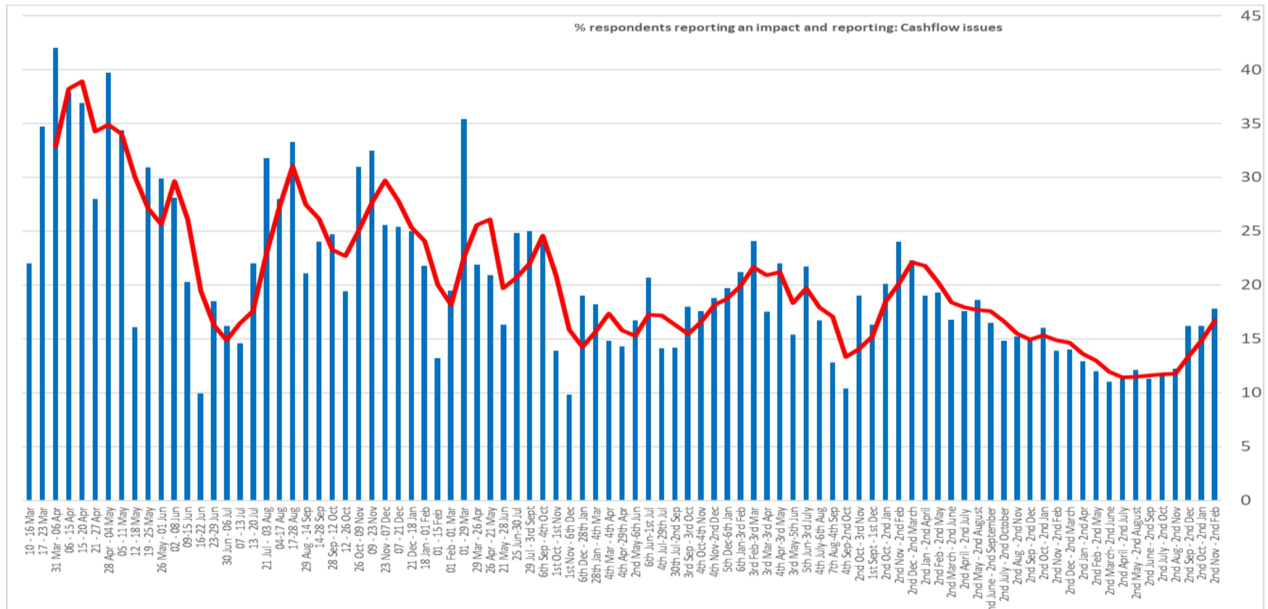
Aggregate confidence index – 1 low confidence, 10 high confidence



Percentage stating cash reserves can sustain certain periods of time

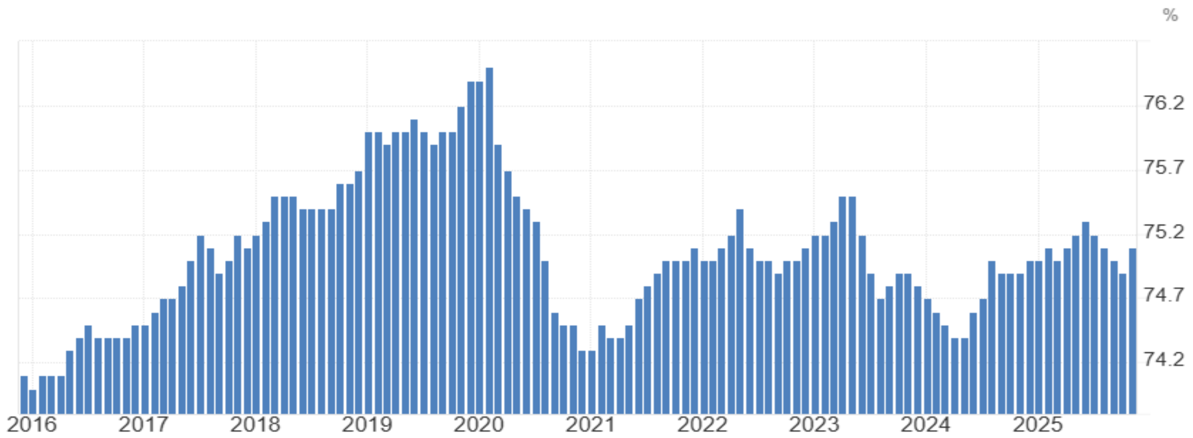


Percentage reporting cashflow problems



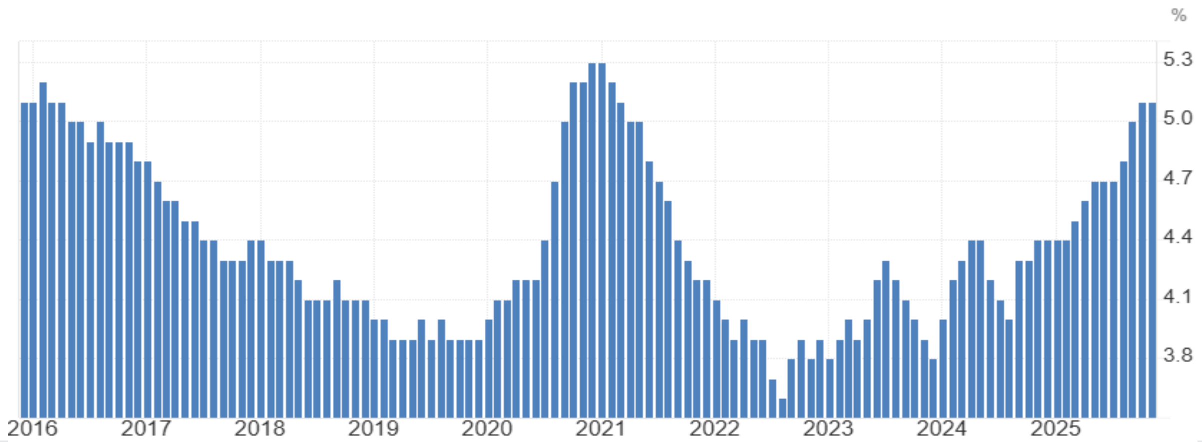
4. LABOUR MAKRET HEADLINES – ONS QUARTERLY LABOUR FORCE SURVEY

United Kingdom - Employment Rate 75.1%



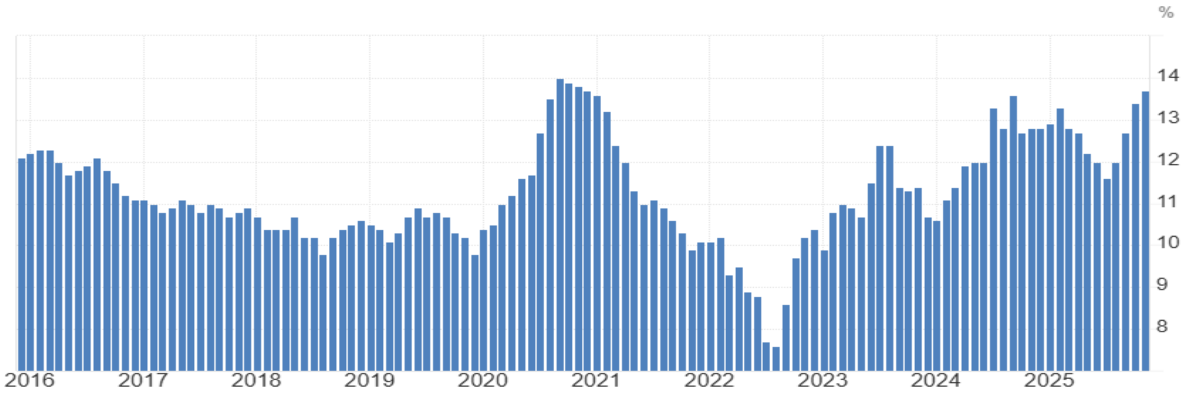
- **Employment Rate in the United Kingdom increased to 75.1%** in **November** from 74.9% in October of 2025.
- Employment Rate in the United Kingdom averaged 71.7% from 1971 until 2025, reaching an all time high of 76.5% in February of 2020, and a record low of 65.6% in April of 1983.

United Kingdom - Unemployment Rate 5.1%



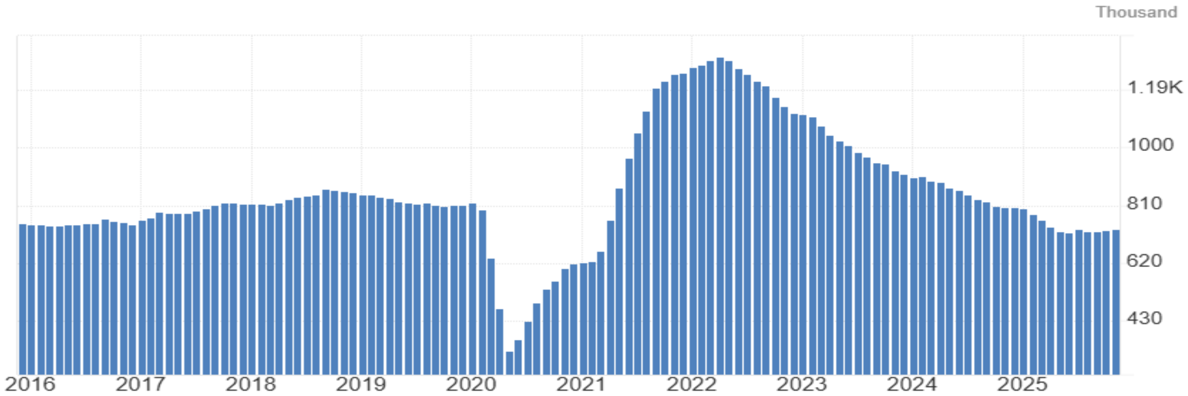
- **Unemployment rate in the United Kingdom increased to 5.1% in the three months to November 2025**, slightly above market expectations, up from 5.0% in the previous period. This was the highest level since the three months to March 2021, as total unemployment rose by 103k from the previous quarter to 1.84 million. Meanwhile, total employment decreased by 82k to 34.3 million, marking the 2nd consecutive quarterly decline, largely due to a drop in full-time positions.
- The number of people with second jobs rose slightly to 1.29 million, accounting for 3.8% of those in work. The employment remain unchanged at 75.1%, while the inactivity rate fell by 0.2%% to 20.8%.

United Kingdom - Youth Unemployment Rate 13.4%



- **Youth Unemployment Rate in the United Kingdom increased to 13.7% in October** from 13.4 % in November of 2025.
- Youth Unemployment Rate in the United Kingdom averaged 13.2% from 1992 until 2025, reaching an all time high of 20.3% in November of 2011, and a record low of 7.6% in August of 2022.

United Kingdom - Vacancy Notifications 729k



- **Job vacancies in the United Kingdom increased to 734k in November** from 728k in October of 2025.
- Job Vacancies in the United Kingdom averaged 696k from 2001 until 2025, reaching an all time high of 1.3m in April of 2022, and a record low of 328k in May of 2020.

5. HOSPITALITY, LEISURE, TOURISM - IMPACTS AND SUPPORT

VisitBritain - Domestic Consumer Sentiment Tracker Fieldwork 2nd to 8th January 2025

The tracker looks to understand the impact of major events such as the cost-of-living crisis on the UK public's intent to take overnight trips within the UK and abroad. It addresses areas such as current attitude to travel, intention to travel for day trips, short breaks and holidays, when people plan to book and take the trip, their planned destination and accommodation choices.

The key headlines are:

- Perception of the 'worst still to come' regarding cost-of-living crisis is at 43%, down 9%pt on December 2025.
- Proportion intending to take a UK overnight trip in the next 12 months is 77%, consistent with last month.
- Proportion intending to take an overseas trip in the next 12 months is 65%, up 2%pt on last month.
- The top 3 barriers, in January, to taking an overnight stay in the UK within the next six months are:
  - UK weather and rising cost of living (joint 1st with UK weather up from 2nd in December 2025); and
  - Personal finances (up from joint third in December 2025).
- Top 3 areas for overnight stays Jan–Mar 2026:London, North-West and Scotland (joint 1st).
- Top 3 areas for overnight stays Apr–Jun 2026: South-West (1st), Scotland & London (joint 2nd), followed by the North-West, Wales and Yorkshire & The Humber (joint 4th).
- Top 3 destinations Jan–Mar 2026 are city/large town (1st), countryside/village (2nd), coastal/seaside town (3rd).
- Top 3 destinations Apr–Jun 2026 are a city/large town (1st), coastal/seaside town (2nd), city/large town (2nd), countryside/village (3rd).
- Hotels remain the top accommodation choice from January to June 2026, consistent with last month.

Source: https://www.visitbritain.org/research-insights/domestic-sentiment-tracker

Hotel Performance Monitor – December 2025 (Source MM)

- The occupancy rate in December for Greater Manchester (76%) and Manchester city centre (77%) were above the same period in 2024 (75% for both).
- The average daily rate for Greater Manchester (£92) was on a par with 2024, whilst Manchester city centre (£105) was just below the same period in 2024 (£106).
- The revenue per available room for Greater Manchester (£70) and Manchester city centre (£81) were above the same period in 2024 (£69 and £79 respectively).

	Greater Manchester				Manchester city centre		
	Room occupancy	Average rate	Revenue per room		Room occupancy	Average rate	Revenue per room
2025	76%	£92	£70		77%	£105	£81
2024	75%	£92	£69		75%	£106	£79

Marketing Manchester Campaigns Impact
Reach across all channels

163.0 million

6. GREATER MANCHESTER PROPERTY MARKET (SOURCE: COSTAR FEBRUARY 2026)

INDUSTRIAL AND WAREHOUSING

213M ↓	1M ↑	150K ↑	4.7% ↓	£8.43 ↑	£87 ↑	7.6% ↑
Inventory Sq ft	Under Constr Sq ft	12 Mo Net Absorp Sq ft	Vacancy Rate	Market Asking Rent/Sq ft	Market Sale Price/Sq ft	Market Yield

- Greater Manchester is the North's largest industrial hub with 212 million SF of space, two-thirds logistics, and strong transport links to major UK cities and ports.
- Vacancy rate has fallen to 4.7% in February 2026 from 4.8% in December 2025 but has risen from a 1.6% historic low due to new deliveries and two years of negative absorption, but remains below national levels and far below the 2012 peak of 9%.
- Annual net absorption averages ~120,000 SF, with improving trends indicating market resilience.
- Several >100,000 SF deals have completed recently, including Whistl (140,000 SF) at PLP Astley, Wigan and Dealicious Mealz (108,000 SF) at Heywood Distribution Park, highlighting demand from large scale occupiers.
- Renewed and ESG-aligned mid-box units are performing well, and last-mile demand remains robust due to population growth and delivery-speed pressures.
- Construction activity slowed from 2021 highs to ~1.0 million SF, mainly because of mid-box schemes. Active schemes include PLP Astley Business Park and Indurent's Hollinwood Junction near Oldham. Data centres investments include Kao Data's £350 million facility in Stockport, and Peel Waters' £250 million Halo West project in Eccles.
- Rental growth has cooled to 6.3%, and average asking rents are £8.40/SF and new developments achieving up to £18.60/SF, showing occupiers' willingness to pay premiums for modern space.

OFFICE

67.1M ↑	1.2M ↑	826K ↑	10.2% ↓	£22.88 ↑	£201 ↓	9.7% ↑
Inventory Sq ft	Under Constr Sq ft	12 Mo Net Absorp Sq ft	Vacancy Rate	Market Asking Rent/Sq ft	Market Sale Price/Sq ft	Market Yield

- Greater Manchester's office vacancy rate sits at 10.2%, stabilising as net absorption rates have turned positive, and new development completions slowed down.
- Corporate occupiers favour Grade A offices, with major lettings at No. 3 Circle Square, Auto Trader's 136,000 SF deal, Havas, ICO and Puma. Other deals include 25 Deansgate, Manchester Goods Yard and CityLabs 4.0.
- Improved office sentiment and return-to-office policies have boosted secondary leasing. Trafford and Salford Quays saw their strongest activity since the pandemic; and good refurbished stock is in high demand.
- Deals include: Gunnercooke at Pall Mall Court, CPS at Sunlight House, and DF Capital at the Express Building, reflecting stronger demand for value-led, ready-to-occupy offices.
- Annual completions averaged 700,000 SF, but viability issues have slowed starts. Major projects underway include Plus Ultra Manchester (217,000 SF) and Landsec's 233,000 SF Mayfield scheme.
- Prime headline rents are £45/SF, up from £35 in 2020. The gap between Grade A and secondary rents has narrowed to under £13/SF. Refurbished assets like Quoin and Sunlight House achieved £37/SF and £35/SF.
- Investment remained subdued at £232m over the past year (vs. £593m five-year average), with recent deals including Corum's £29m purchase of 201 Deansgate. Melford Capital's £75m acquisition of 101 Embankment.

7. GOVERNMENT MEASURES. OTHER DATA AND ANNOUNCEMENTS

THEME	Web	ANNOUNCEMENT / ISSUE - HOLD CTRL AND CLICK ON EACH <LINK> TO ACCESS THE FULL ITEM
New Appointments to Industrial Strategy Council	<Link>	Business Secretary Peter Kyle has appointed three new business leaders to the Industrial Strategy Council. Amelia Gould CEng FIET joins the Council with over 20 years' experience in the global defence sector. A former Royal Navy Engineering Officer with 11 years' service, she later moved into enterprise architecture and senior roles at BAE Systems. Amelia became Managing Director of Helsing UK in 2023 and is now General Manager, Maritime. Keith Anderson has been CEO of ScottishPower since 2018. He previously led ScottishPower Renewables and Iberdrola's international offshore business and earlier worked in financial services with RBS and Standard Life, as well as consulting with EY. Dana Strong is Group CEO of Sky, one of Europe's leading media and entertainment companies within Comcast. Previously, she held senior leadership roles driving growth and transformation at Comcast, Virgin Media, and Liberty Global. The Government has also published the mandate letter setting out the Council's work programme for 2026. The letter, commissions the Council to provide impactful advice and analysis on key delivery priorities over the year. These include driving dynamism in markets alongside boosting skills and access to high quality jobs. <Link to Letter>
Trade Envoy Appointments	<Link>	The Secretary of State for Business and Trade has announced the appointment of five new UK Trade Envoys. In addition, three serving Trade Envoys have been given broader roles. Daniel Zeichner MP as the United Kingdom's Trade Envoy to Türkiye, Catherine West MP as the United Kingdom's Trade Envoy to Pakistan, Chris Murray MP as the United Kingdom's Trade Envoy to France, Feryal Clark MP as the United Kingdom's Trade Envoy to Germany and Catherine McKinnell MP as the United Kingdom's Trade Envoy to Italy. Alongside their existing roles, Trade Secretary Peter Kyle is also pleased to appoint Calvin Bailey MP as the United Kingdom's Trade Envoy to the Republic of South Africa and Mauritius, Florence Eshalomi MP as the United Kingdom's Trade Envoy to Ghana and Yasmin Qureshi MP as the United Kingdom's Trade Envoy to Algeria. They are tasked with identifying trade and investment opportunities for businesses and championing the UK as a destination of choice for investment in their respective markets, working closely with the Department for Business and Trade. The unpaid roles help deepen bilateral trade relationships, lead trade missions, welcome inward delegations, and address market access challenges to ensure British firms can thrive.
Regulatory Environment	<Link>	The measures announced form a significant drive to simplify regulation across key growth sectors. It comes as part of the Government's commitment to reduce the administrative costs of regulation by 25% and deliver a simpler, more predictable environment for business. Regulatory reviews will simplify Health and Safety rules and streamline Farming and Agri-tech rules. The Government is also scrapping the Audit Reform Bill to avoid significant new costs for large firms, pressing ahead with plans to allow virtual AGMs and streamline corporate reporting, and launching a consultation to speed up and simplify competition investigations.
Lending Package for SMEs	<Link>	UK businesses to benefit from a landmark £11 billion lending package to help them invest and expand abroad, to grow their businesses and the economy. The lending commitment, from the UK's five leading banks, is one of the largest collective moves by the banking sector in over a decade, representing an historic show of confidence in the UK economy. Senior executives from NatWest, HSBC UK, Barclays, Lloyds and Santander finalised an agreement with the Government at a roundtable in Westminster convened by the Business Secretary and the CEO of UKEF Tim Reid. Together, the banks serve half of all British businesses across all corners of the country. The lending will be drawn entirely from the banks' own balance sheets and will give small and mid-sized enterprises a powerful route to access the finance and expert advice they need to compete on the world stage. UK Export Finance (UKEF), the government's export credit agency, will guarantee up to 80% of eligible loans issued by each bank. Banks can apply UKEF's guarantee automatically for working capital loans of up to £10 million. Alongside funding, businesses will also benefit from advisory support through banks' relationship managers and UKEF's regional Export Finance Managers, helping them navigate global markets and seize new opportunities.
Industrial Strategy quarterly update: October to December 2025	<Link>	The quarterly update on progress made in delivering the UK's Industrial Strategy for October to December 2025 has been published.
UK Critical Minerals Strategy	<Link>	The Government's new strategy sets the UK's long-term ambition to ensure the UK has the critical minerals needed to drive economic growth and the clean energy transition. The strategy sets the 10-year vision for securing critical minerals for the UK. The government will harness competitive advantage in midstream processing and recycling by optimising domestic production and diversify sources by working with international partners.

SURVEY RESPONSE RATES FOR GM OVER TIME VS ONS ENTERPRISE UNIT PROFILE FOR GM (EXCLUDES OUT OF AREA DATA)

Size / Sector (as identified by the business) C = Confidential, 5 or less responses *Percentages rounded to nearest figure*	GM ONS IDBR	JAN 2026	DEC 2025	NOV 2025	OCT 2025	SEP 2025	AUG 2025	JUL 2025	JUN 2025	MAY 2025	APR 2025	MAR 2025	FEB 2025	JAN 2025	DEC 2024	NOV 2024	OCT 2024	SEP 2024	AUG 2024	JUL 2024	JUN 2024	MAY 2024	MAR 2024	FEB 2024	JAN 2024	DEC 2023	NOV 2023	OCT 2023
Size-band (employees)	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
‘0’ employment to 9 (MICRO)	89%	41%	38%	44%	50%	54%	54%	53%	54%	55%	58%	55%	58%	56%	59%	54%	55%	56%	62%	60%	58%	59%	57%	46%	49%	53%	51%	59%
10 to 49 (SMALL)	9%	20%	20%	18%	20%	22%	25%	24%	24%	24%	24%	25%	24%	23%	20%	24%	25%	26%	24%	23%	24%	24%	26%	27%	22%	13%	20%	16%
50 to 249 (MEDIUM)	2%	12%	14%	12%	14%	14%	15%	15%	15%	15%	13%	13%	12%	14%	15%	15%	13%	12%	9%	11%	6%	7%	9%	9%	7%	14%	16%	13%
250+ (LARGE)	<1%	C	C	6%	6%	C	7%	7%	7%	6%	6%	6%	7%	7%	7%	7%	7%	6%	C	7%	12%	10%	8%	10%	10%	11%	8%	7%
UNKNOWN	-	23%	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	8%	12%	8%	C	C

AGRICULTURE, FORESTRY, FISHING	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C
BUSINESS FINANCIAL, PROF. SERVICES	27%	13%	12%	13%	10%	9%	9%	11%	12%	13%	13%	14%	13%	13%	12%	12%	12%	12%	10%	8%	10%	10%	10%	13%	14%	14%	18%	11%
CONSTRUCTION	12%	C	C	C	C	6%	C	6%	C	C	C	C	C	C	6%	6%	C	C	C	C	C	C	6%	C	C	C	C	C
DIGITAL, CREATIVE, TECHNOLOGY	6%	20%	17%	19%	20%	19%	19%	19%	18%	18%	19%	21%	23%	23%	24%	25%	24%	21%	21%	22%	18%	16%	13%	18%	19%	22%	23%	23%
EDUCATION	2%	6%	6%	6%	C	C	C	C	6%	6%	C	C	6%	C	8%	9%	8%	6%	C	C	C	C	C	C	C	C	C	C
ENGINEERING	2%	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C
UTILITIES AND GREEN TECH	C	C	C	6%	C	C	C	C	C	C	C	C	C	C	C	C	C	6%	6%	6%	7%	8%	10%	6%	7%	C	C	C
HEALTH & SOCIAL CARE	C	6%	7%	8%	8%	8%	9%	8%	7%	C	7%	7%	6%	C	C	6%	7%	9%	9%	8%	8%	7%	8%	C	C	C	6%	C
HOSPITALITY, TOURISM, & SPORT	7%	6%	C	7%	C	C	C	C	C	C	C	C	C	C	C	C	C	C	6%	7%	6%	7%	C	C	5%	7%	6%	10%
LOGISTICS	5%	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C
MANUFACTURING (excluding Engineering)	3%	17%	19%	16%	17%	16%	18%	19%	19%	18%	18%	18%	17%	15%	13%	12%	13%	13%	15%	17%	16%	16%	21%	26%	20%	19%	18%	19%
LIFE SCIENCES	N/A	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C
RETAIL & WHOLESALE	18%	C	C	C	C	6%	6%	6%	6%	C	C	C	C	C	C	C	C	C	6%	7%	9%	9%	9%	9%	11%	8%	7%	9%
OTHER SERVICES (excluding SIC unknown)	4%	7%	10%	11%	10%	12%	12%	12%	12%	7%	7%	11%	7%	6%	6%	C	6%	6%	8%	6%	C	C	C	C	C	C	C	C

Size / Sector (as identified by the business) C = Confidential, 5 or less responses *Percentages rounded to nearest figure*	GM ONS IDBR	GM	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan
Size-band (employees)	%	%	%	%	%	%	%	%	%	%	%	%
‘0’ employment to 9 (MICRO)	89%	42%	40%	44%	42%	34%	29%	38%	38%	41%	58%	43%
10 to 49 (SMALL)	9%	20%	20%	7%	19%	28%	26%	22%	24%	32%	12%	17%
50 to 249 (MEDIUM)	2%	12%	12%	15%	13%	10%	19%	10%	8%	9%	15%	10%
250+ (LARGE)	<1%	C	C	C	6%	C	C	6%	8%	C	C	C
UNKNOWN	-	22%	24%	33%	19%	24%	23%	24%	22%	18%	15%	30%