The Growth Company

Growth Company Business Survey

Results for the 2nd April 2026 to 2nd July 2026

www.growthco.uk

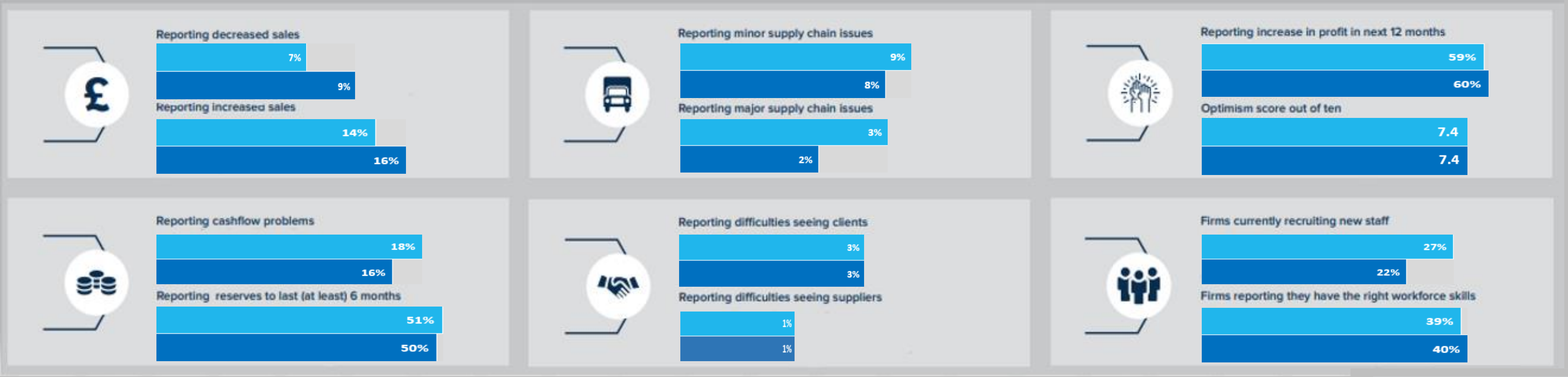
GC Business Survey

The main survey findings reported by businesses on 2nd April 2026 – 2nd July 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 **713 businesses** that participated in our GC Business Survey from **2nd April 2026 and 2nd July 2026.**

The main impacts of the current economic climate on businesses



Previous month   Current Month

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UK Economic Performance

Ongoing geopolitical tensions continue to shape the UK economic outlook, although recent progress in US-Iran negotiations and the reopening of the Strait of Hormuz have reduced immediate energy market pressures. Oil prices have fallen significantly from their earlier peaks, helping to ease inflation expectations and calm financial markets. However, businesses remain cautious, with investment and hiring decisions still affected by global uncertainty, while most forecasts expect UK GDP growth to remain modest at around 0.9%–1.1% in 2026. Recent PMI surveys show manufacturing continuing to expand, but services and construction remain under pressure, reflecting a mixed economic backdrop. At the same time, inflation remains above the Bank of England's 2% target and is expected to rise towards 3.7%–3.8% later in 2026 before gradually easing. Consumer confidence remains weak, with the GfK index holding at -23 in June, as households continue to face cost-of-living pressures and uncertainty over future spending. Business confidence has also softened, with firms citing higher costs, geopolitical risks and weaker demand as key concerns. While easing energy prices and improving supply conditions have helped stabilise markets, growth prospects remain constrained by inflation, fragile confidence and ongoing global uncertainty.

Survey Summary

Business confidence across Greater Manchester remained stable, with the GC Business Confidence Index holding at 7.4, reflecting continued resilience despite variations across sectors. Confidence remains strongest in Hospitality, Construction, Education, DCT, Retail, Healthcare, Manufacturing & Engineering, and Utilities/LCEGs, while BFPS, Logistics and Life Sciences report weaker sentiment. Sales performance softened slightly, although profit expectations remain positive, with 59% of businesses anticipating growth. Investment intentions have remained unchanged at 40%, indicating cautious optimism, while workforce development investment remains relatively low at 25%.

Businesses continue to face significant pressures, particularly around rising costs, cashflow concerns and recruitment challenges. Demand-side issues remain the largest barrier to growth, with over half of firms reporting difficulties in securing domestic sales, driving ongoing demand for support in sales, marketing, business planning and financial management. Recruitment activity has increased modestly, although skills shortages persist across technical, leadership, sales and digital roles. Innovation activity remains steady, supported by growing AI adoption, which has risen to 58%, while investment in wider digital transformation remains comparatively modest, highlighting a gradual approach to business modernisation.

Key Findings

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

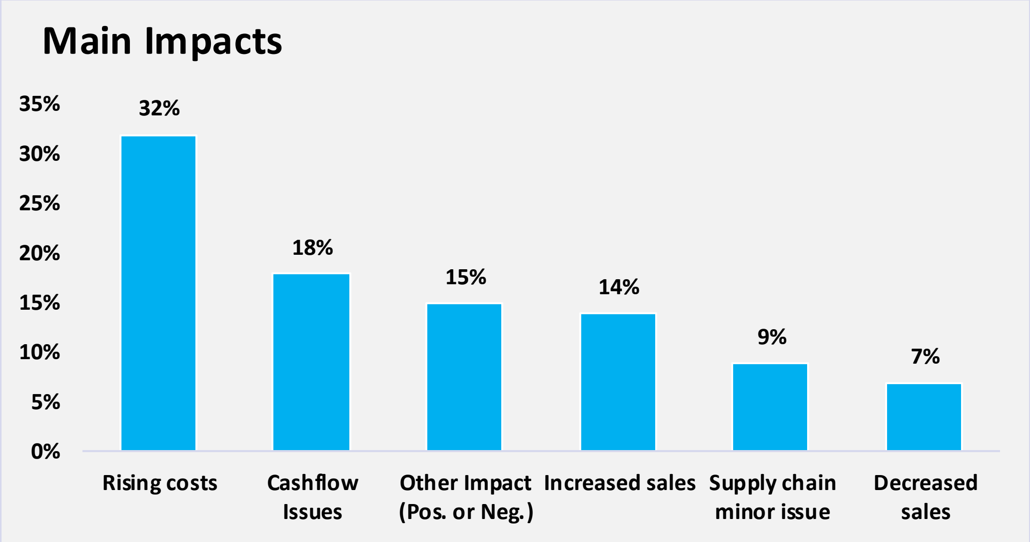
Investment: 40% (unchanged) of firms expect to increase capital expenditure in the year ahead. Sectors most optimistic about increasing investment are Utilities / LCEGs, Engineering, Retail, Hospitality, DCTs and Health Care; and lowest in BFPS, Manufacturing, Education, Construction, and Life Sciences.

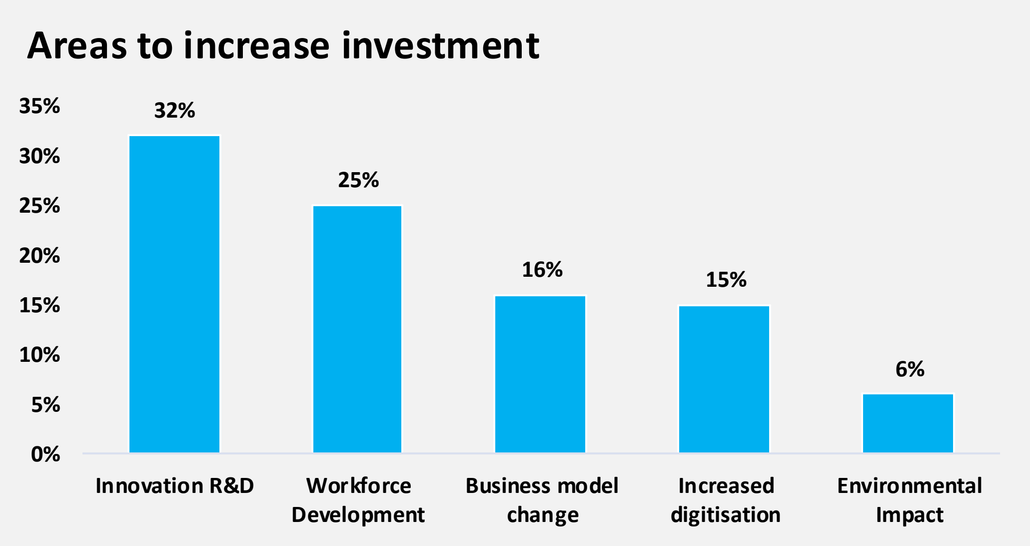
Cashflow Issues: 18% (vs 16%) of firms reported cashflow problems and higher risk reported in Engineering, Retail, Logistics, Tourism, DCTs, BFPS and Other Services.

Trade: 25% of firms (vs 21%) export goods/services, with 18% (vs 17%) expanding into new markets, a trend particularly notable in the Manufacturing & Engineering, Life Sciences, Retail and DCTs sectors.

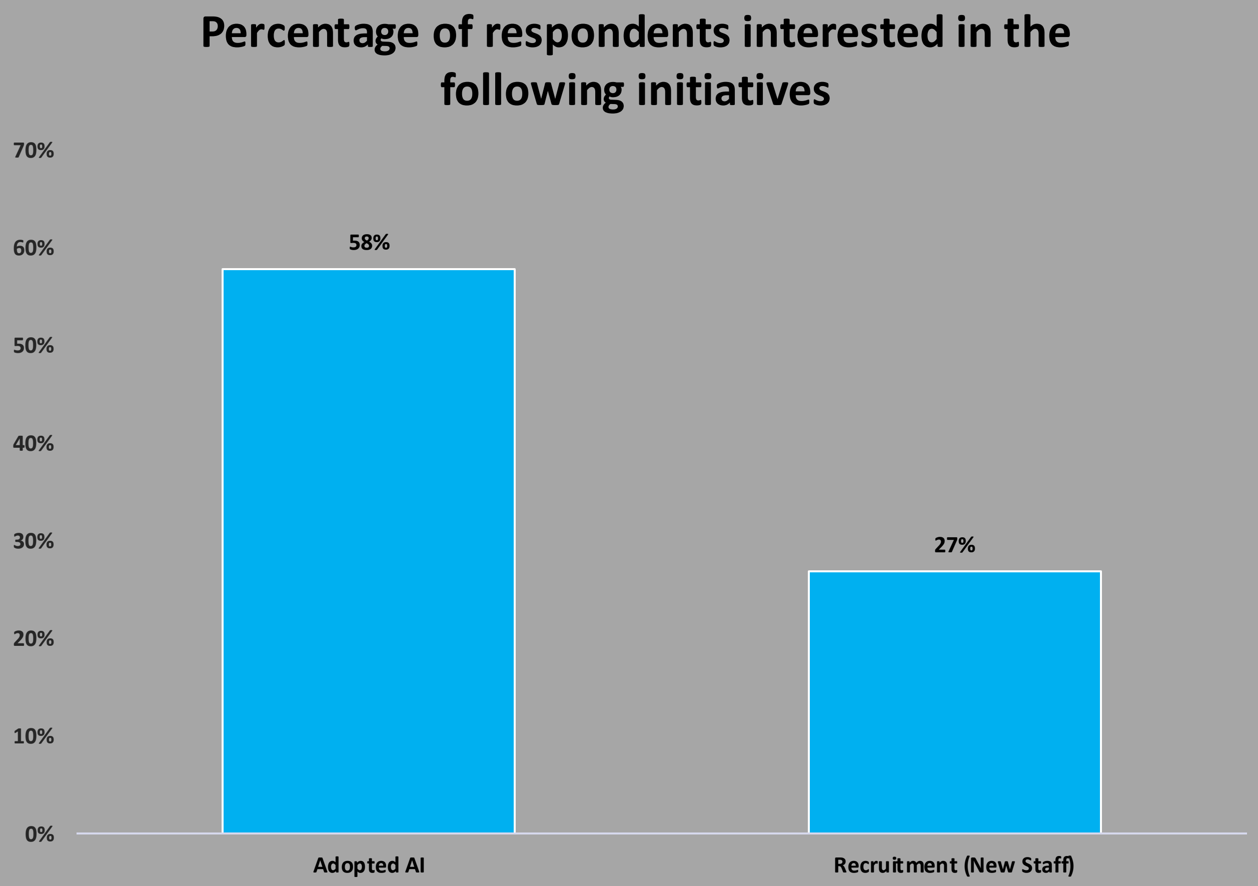
Future Support Needs: Sales & marketing 36% (vs 35%), business planning 35% (vs 34%), innovation 34% (vs 33%), workforce development 31% (vs 28%), and financial advice / guidance 33% (vs 31%).

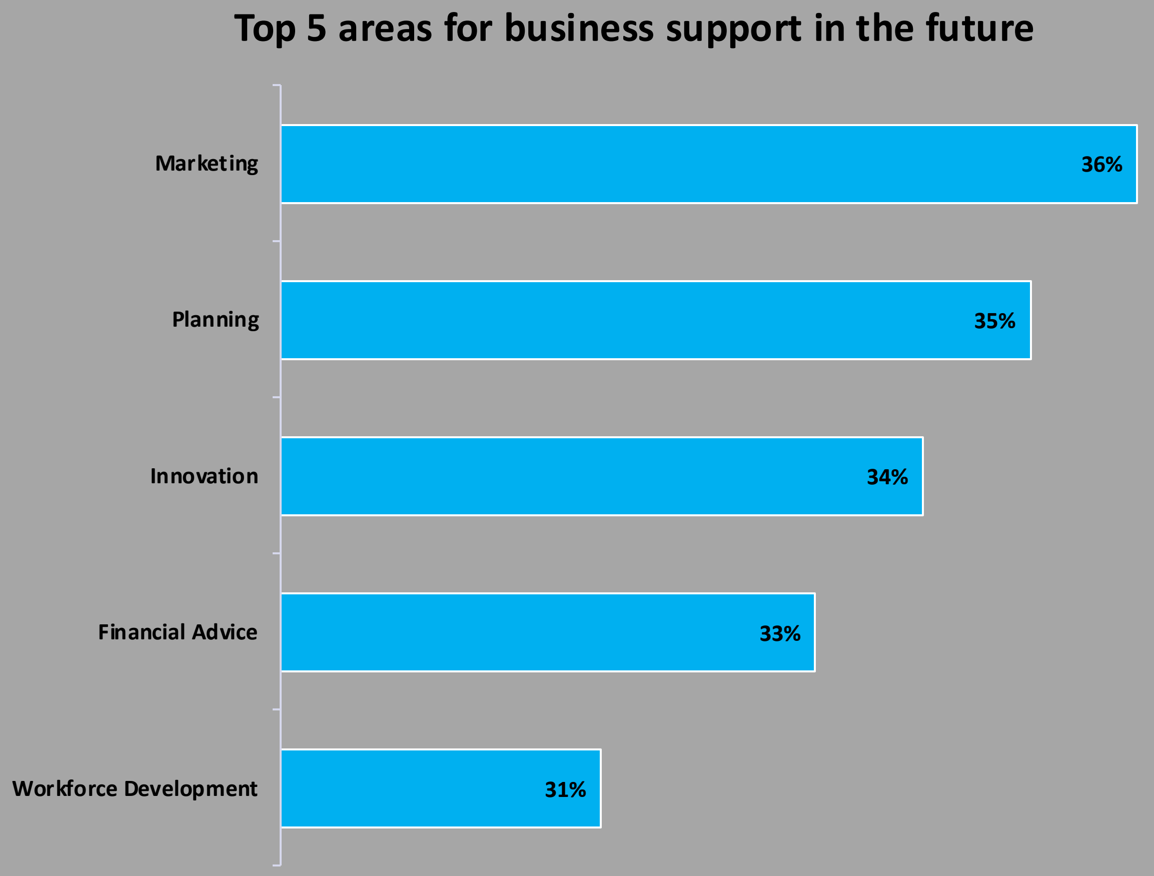
Recruitment and Skills: 27% of firms recruiting; higher among SMEs; most active in Utilities / LCEGs, Construction, Life Sciences, Education, BFPS, and Other Service and least likely to be recruiting in DCTs, Retail, Hospitality, and Healthcare.





Interest in business support and AI adoption





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 or 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

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