



The
Growth
Company

GC SITUATION REPORT AND QUARTERLY BUSINESS SURVEY RESULTS

JULY 2025

WITH QUARTERLY DATA FOR 2ND MAY 2025 TO 2ND AUGUST 2025

www.growthco.uk

1. ECONOMIC CONTEXT AND SURVEY HEADLINES

The 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 **825** survey responses completed between 2nd May 2025 and 2nd August 2025 by GC clients from the Business Growth Hub and MIDAS. Comparisons have been made with last quarter's **708** responses completed between April and June 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.

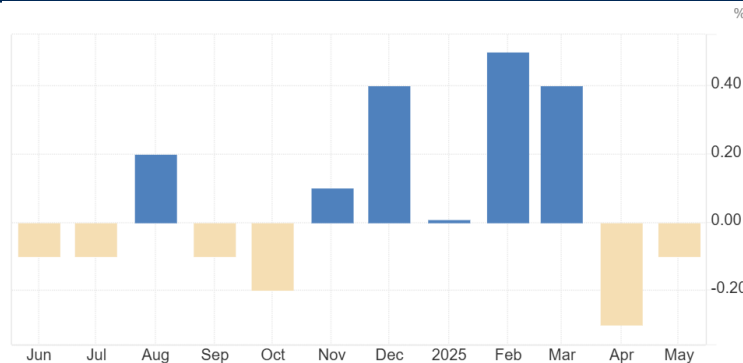
Economic context

- **UK economy.** UK GDP fell 0.1% in May after April's drop, marking two straight monthly declines. Weaker growth is linked to tariff impacts and consumer-facing service weakness. Manufacturing GDP fell 1%, hit by pharma and transport costs as tariff-related issues unwind. Construction dropped 0.6% due to fewer repairs, though infrastructure work remains strong. Services grew 0.1%, helped by IT % Professional Services; whereas car sales weakened (and production lowest since 1953).
- **Leading indicators.** The latest S&P Global UK manufacturing PMI survey, showed a reading of 48.0 in July, compared with 47.7 in June, suggesting firms are seeing the recent downturn in activity ease back slowly (PMI 50+ = growth). Whereas the Services PMI stood at 51.8 (still indicating expansion) compared to a previous index of 52.8 in June. The main concern though from latest PMIs is UK construction activity which fell in July at the sharpest rate since 2020 44.3, down from 48.8.
- **Inflation and MPC.** Inflation rose to 3.6% in June, driven by fuel and unexpectedly high food prices that may trigger higher future wage demands. Electricity prices dropped 29.3% over the last 12 months, easing inflationary pressure. On August 7th The Bank of England cuts interest rates from 4.25% to 4%, the Bank's fifth cut since last August, and takes the cost of borrowing to its lowest level for more than two years. The nine-member committee voted 5-4 for the cut.
- **UK Labour market.** Unemployment rose to 4.6%, payroll jobs declined, but redundancies stayed stable. This indicates a slowdown, not a sharp downturn. Job losses mostly in hospitality and retail, which make up half of recent layoffs in the UK.

Organisation Growth Survey - business headlines, more detail in main report

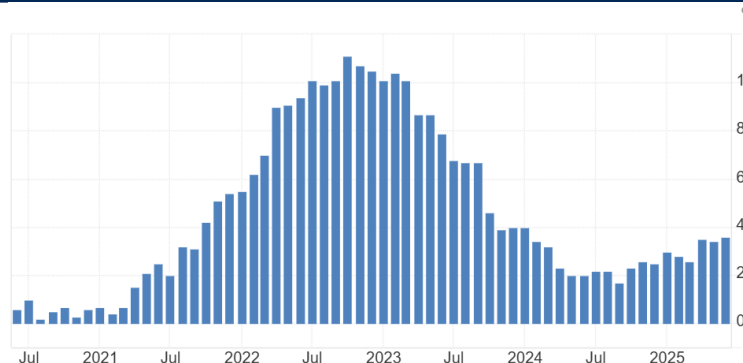
- **The GC Confidence Index** is 7.2 - the same as last quarter (10 high : 1 = low). Confidence levels are above average for Business Financial & Professional Services, Construction, Manufacturing & Engineering, DCTs, Hospitality, and Retail; and the lowest confidence scores were reported by firms in Green-Tech, Health & Social Care, Life-Sciences and Logistics.
- **Future profits.** 57% (vs 58%) of firms expect profits to increase in the year ahead. Sectors more likely to indicate an increase in future profits are BFPS, DCTs, Hospitality, Retail and Other Service activities.
- **Economic Impacts.** The main economic impacts reported by firms are rising costs (28%, unchanged), followed by cashflow risks 12% (vs 11%), decreased sales 11% (unchanged), and minor supply chain issues 6% (unchanged).
- **Current pressing challenges** facing businesses include improving access to domestic markets 50% (vs 49%), developing new products/services 30% (unchanged), business model change 32% (vs 31%), finance 25% (unchanged), WfD 26% (vs 23%).
- **The main areas of future support**, include business planning 35% (vs 34%), sales and marketing 33% (vs 31%), innovation 31% (vs 30%), workforce development & skills 30% (vs 28%), and financial advice 22% (vs 21%).
- **Recruitment.** 27% (vs 23%) of firms are currently recruiting new staff. Recruitment rates (% of firms recruiting) are higher amongst SMEs (50 to 250+ employees), and within the BFPS, Green-Tech, and Retail sectors.

UK GDP decreases by 0.1% in May 2025 (Latest)



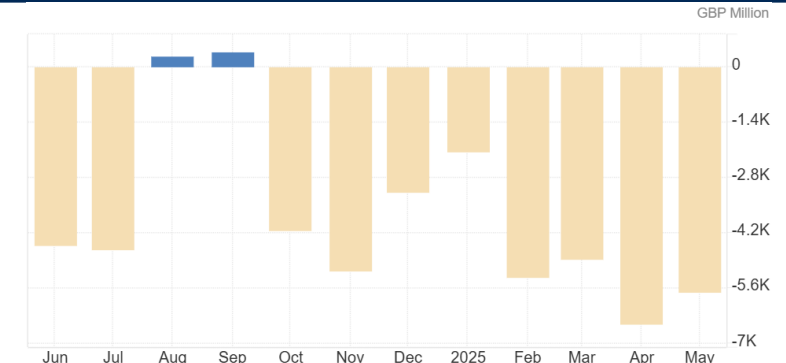
- UK GDP 0.1% month-over-month in May 2025, following a 0.3% fall in April. The back-to-back drops put the economy at risk of an overall contraction in Q2-25.
- Production output shrank 0.9%, extending a 0.6% decline in April, led by a 1% fall in manufacturing, mostly basic pharmaceutical products and preparations (-4.2%) and manufacture of transport equipment (-1.3%); and Construction output fell by 0.6%, following growth of 0.8% previously.
- Services expanded 0.1%, rebounding from a fall of 0.3% in April, with the information and communication subsector increasing by 2% mostly linked to growth in computer programming, consultancy and related activities.

UK CPI - Inflation increased to 3.6% in June 2025



- The annual UK CPI inflation rate rose to 3.6% in June 2025, the highest level since January 2024, up from May (3.4%) and above market expectations.
- The upward pressure came from transport prices, largely by motor fuel costs. Further upward contributions came from air and rail fares, and maintenance of transport equipment. Clothing and footwear prices also rose. Food inflation rose to 4.5%, the highest since February 2024. Services inflation remained steady while inflation eased in housing & utilities and household services.
- Core CPI (CPI excluding energy, food, alcohol, and tobacco) rose by 3.7% in the 12 months to June 2025, up from 3.5% in the 12 months to May.

UK trade deficit narrows in May 2025 (Latest)

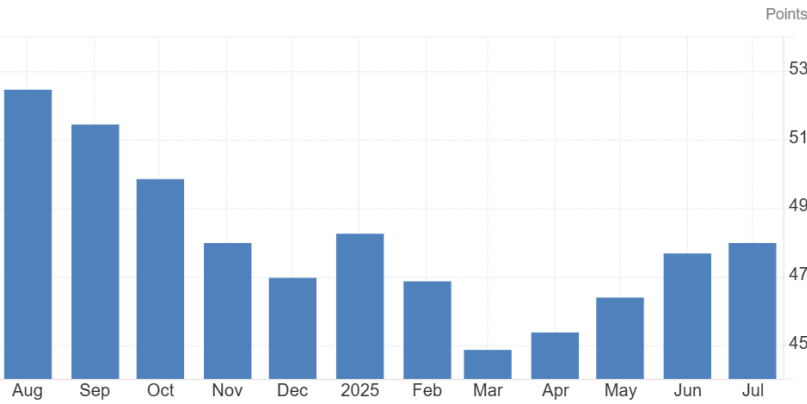


- The UK's trade deficit decreased to £5.7bn in May 2025, as export grew faster than imports. Exports rose 1.2% MoM while imports edged up by 0.1%.
- Goods exports increased by 2.2%, driven by higher fuel exports to Poland. Exports to non-EU countries advanced 1.5%, due to stronger inorganic chemical exports to the US. Exports of goods to the US, rose by £0.3bn in May.
- Goods imports fell to a 4-month low, mainly due to reduced imports of refined oil from the Netherlands, and from lower imports of aircraft from the US.
- Total goods imports from the US declined by £0.9bn in May. Meanwhile, service imports increased by 0.5% to £29.4bn.

2. SECTOR INSIGHT AND PURCHASING MANAGER INDICES (PMIs)

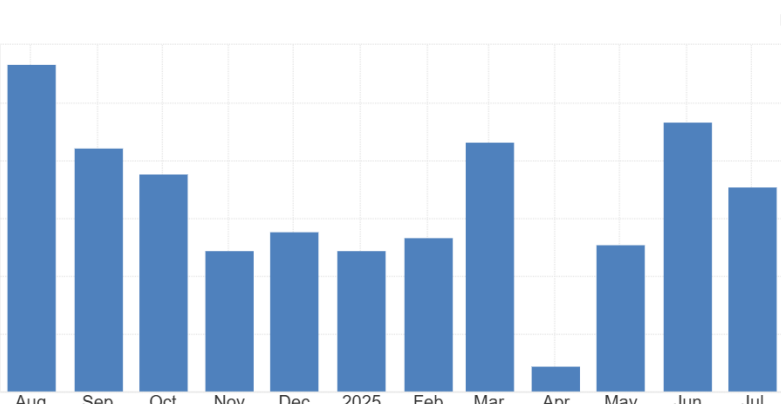
- **The S&P Global UK Composite Purchasing Manager’s Index (PMI)** fell to 51.5 in July 2025 from 52 in June 2025 indicating an expansion (i.e. values above 50). This marks expansionary territory for a third month. The expansion was supported by the services sector (51.8 vs 52.8 in June), offsetting a softer decline in the manufacturing sector (48.0 vs 47.7). Output at the aggregate level rose from the previous month amid depleting backlogs, as new orders fell the most since April, pressured by softer export sales on tariff pressure from the US. Private sector employment fell for the 10th consecutive month, the sharpest rate of job losses since February, with firms continuing to cite the rise payroll and labour costs since the last Budget.
- **Company Insolvencies.** There were 2,043 company insolvencies in England and Wales in June, 8% lower than in May 2025 (2,230) and 16% lower than in June 2024 (2,430). Company insolvencies in June 2025 consisted of 332 compulsory liquidations, 1,585 creditors’ voluntary liquidations (CVLs), 111 administrations and 15 company voluntary arrangements (CVAs). There were no receivership appointments in June.
- **Compulsory liquidations.** The number of CVLs in June 2025 was 6% lower than May 2025 but remained higher than both June 2024 and the 2024 monthly average. Administrations were lower than in May 2025, while CVAs were slightly higher. One in 191 companies (52.4 per 10,000 companies) entered insolvency between 1 July 2024 and 30 June 2025. This was a decrease from the 55.8 per 10,000 companies in the 12 months ending on the 30th June 2024.
- **Retail sales** are estimated to have risen by 0.9% in June 2025 following a fall of 2.8% in May 2025. Sales volume rose by 1.7% over the year to June 2025. Food store sales rose by 0.7% in June 2025, following a 5.4% fall in May. This rise was mainly because of improved sales volumes in supermarkets, with some retailer comments mentioning increased sales of drinks because of the warm weather. Non-food stores rose marginally by 0.2% over the month. Department stores and clothing retailers rose with mention of promotions and good weather.
- **GfK Consumer Confidence Index.** The Index decreased to -19 in July 2025, slipping from a six-month high as households grew increasingly cautious amid rising concerns over taxes and inflation. Amid the uncertainty, households boosted their savings, with the GfK Savings Index jumping 7 points to +34, the highest level since November 2007, reflecting a shift toward financial caution.
- **Lloyds Bank Regional Business Barometer.** Business confidence in the North-West fell during July by 3 points to 52% MoM, according to the latest Business Barometer from Lloyds. While firms in the North West’s optimism in their own trading prospects remained unchanged at 52%, their optimism in the wider economy fell by five points month-on-month to 52%. Taken together, this gives a headline confidence reading of 52%, versus 55% in June. Looking ahead to the next six months, North-West businesses identified their top target areas for growth as evolving their offering, for example by introducing new products or services (55%), securing new markets (39%), and introducing new technology such as AI or automation (36%).

The S&P Global UK Manufacturing PMI 48 (<50 = contraction)



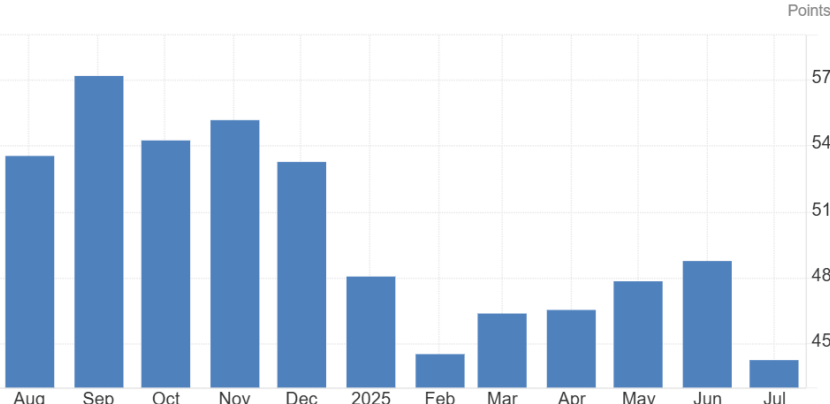
- **S&P Global UK Manufacturing PMI rose to 48.0 in July 2025 from 47.7 in June. The sector contracted (Index <50), the mildest decline since January.**
- This was supported by a return to growth in both consumer and intermediate goods. Despite the improvement, manufacturers reported continued challenges, mainly in key export markets, with US tariffs prompting delayed spending decisions, driving new orders to decline for the tenth month running.
- Backlogs continued to fall, increased labour costs from the National Insurance policy drove firms to continue shedding staff. Most firms pointed to weak domestic conditions, geopolitical instability, and global trade uncertainty.

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



- **The S&P Global UK Services PMI decreased to 51.8 in July 2025 from 52.8 in June 2025, still indicating an expansion in business (Index >50).**
- Business activity expanded for a third straight month. Firms continued to face subdued client confidence and sales headwinds amid ongoing global uncertainty. Total new work declined at the fastest rate since November 2022, while export sales fell marginally and at a slower pace than in June.
- Input cost inflation reached its lowest level of 2025, though still above the long-run average. Output charge inflation picked up from June, still softer than the half year average. Business confidence improved slightly for the second month.

The S&P Global UK Construction PMI 44.3 (<50 = contraction)



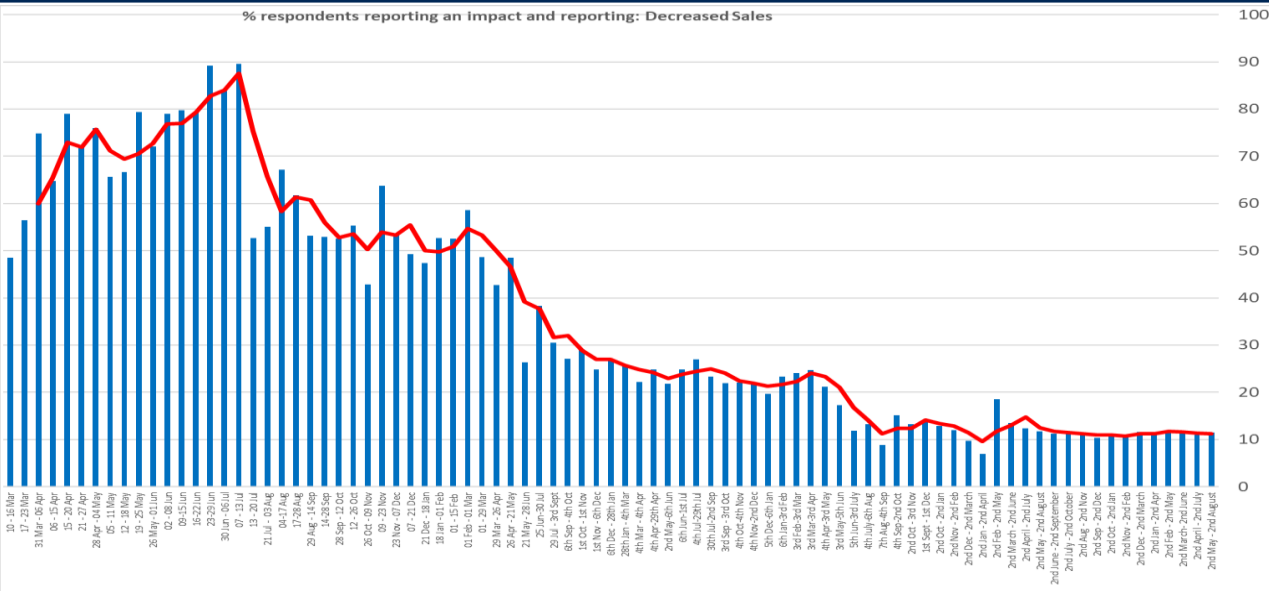
- **The S&P Global UK Construction PMI fell to 44.3 in July 2025, down from 48.8 in June. This reading indicates a contraction (Index<50).**
- This is driven by sharp drops across all key sectors, mainly in civil engineering and residential building – falling at the fastest pace since the pandemic. Survey respondents reported nearly 29% lower activity. Linked to weaker demand, site delays, and reduced new business.
- Commercial construction fell, at a softer pace. New orders declined for the 7th straight month, with firms noting fewer tender opportunities and weaker client confidence. Input purchases dropped, supply delays resurfaced, costs rose, and employment continued to shrink. Subcontractor rates also remained elevated.

3. ORGANISATION GROWTH SURVEY RESULTS

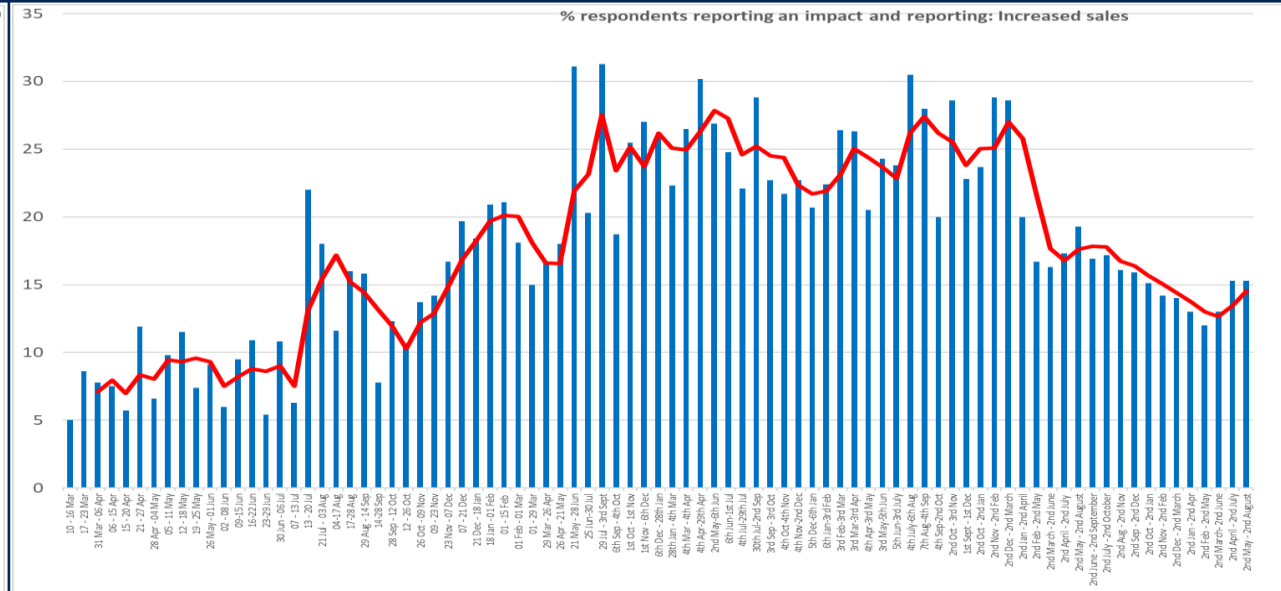
GROWTH, BUSINESS CONFIDENCE AND INVESTMENT	MAIN IMPACTS AND FINANCIAL RESILIENCE	FUTURE BUSINESS CHALLENGES AND SUPPORT NEEDS
<p>The GC Business Confidence Index (GC-BCI) is a ranking (1 low to 10 high) of how confident businesses are on their growth prospects for the year ahead.</p> <p>➤ GC Business Confidence Index (GC-BCI) for July 2025 stood at 7.2 out of 10, the same as last quarter. Confidence levels are above average for Business Financial & Professional Services, Construction, Manufacturing, Engineering, DCTs, Hospitality, and Retail; and lower-than-average confidence was reported in Green-Tech, Health & Social Care, Life Sciences, Education, and Logistics. The latest confidence figures show increasing levels of uncertainty (a rising proportion of lower score ratings) in Green-Tech and Health & Social Care.</p> <p>➤ Current sales. 15% (unchanged) of firms reported an increase in sales over the survey period.</p> <p>➤ Future profits. 57% (vs 58%) expect profits to increase in the year ahead. 2% (unchanged) expect profits to decrease. The sectors most optimistic about future profitability are BFPS, DCTs, Hospitality, Retail, Green- Tech and Other Services; and future profit sentiment was lower in Manufacturing & Engineering, Education, Health & Social Care, and Construction.</p> <p>➤ Investment. 30% (unchanged) of firms expect to increase capital expenditure in the year ahead. DCTs, Engineering, Green tech, Health Care, and Hospitality are most optimistic, and expectations are lowest in Retail, and Manufacturing.</p> <p>➤ Workforce Development. 31% (vs 29%) of firms plan to increase investment in Workforce Development. Sectors more likely to increase investment are BFPS, Construction, Education, Hospitality, Retail, Manufacturing, and Other Services.</p>	<p>➤ Sales. 15% (unchanged) reported increased sales, and 11% (unchanged) reported decreased sales in the last 12 weeks.</p> <p>➤ Main impacts. 28% (unchanged) reported rising costs as the main impact, followed by cashflow issues 12% (vs 11%), decreased sales 11% (unchanged), and minor supply chain issues 6% (unchanged).</p> <p>➤ Cash reserves. 59% of firms (vs 60%) report having cash reserves to last over 6 months. Reserves were highest in the BFPS, Construction, Hospitality, Retail, and Engineering, while Health Care, Manufacturing, Green-Tech, DCTs had the lowest reserves to last over 6 months.</p> <p>➤ Cashflow. 12% (vs 11%) of firms reported cashflow problems. Micro-sized firms (<10 employees) were more likely to face cashflow challenges than larger SMEs (50–249+ FTEs), with higher risk reported in DCTs, Green-Tech, Hospitality, Manufacturing, and Logistics. 3% (unchanged) of firms reported late payments.</p> <p>➤ Analysis of insolvency risk for July 2025 shows increase in the total number of firms (with 10 or more employees) in GM reporting a heightened level of risk:</p> <ul style="list-style-type: none">○ 665 (up from 652 last month) firms in have 1 flag - some risk;○ 42 (up from 35) have 2 red flags - medium insolvency risk; and○ 29 (up from 27) have 3 red flags - insolvency imminent. <p>➤ Change in risk. The proportion of firms with a red flag rating increased +0.1 percentage point on levels in June (UK +0.2ppt). Over the last 12 months, the proportion of firms with a red flag rating fell by 1 percentage point (UK-0.1%pt).</p>	<p>➤ The main challenges for businesses in the near term are accessing new domestic sales opportunities, 50% (vs 49%). This challenge is more acute in Construction, Education, Healthcare, BFPS, DCTs, and Retail.</p> <p>➤ The next most common challenges include developing new products and services 30% (unchanged), developing business models 32% (vs 31%), managing business finances 25% (unchanged), and workforce development 26% (vs 23%).</p> <p>➤ International trade. 22% of firms (vs 24%) export goods or services, with 15% (unchanged) expanding into new markets, a trend particularly notable in the DCTs, Engineering, Green-Tech, Manufacturing. Additionally, 10% (vs 11%) of firms engaged in overseas trade are looking to expand in their current markets.</p> <p>➤ Future support. The main areas where firms seek future support are business planning 35% (vs 34%), sales & marketing 33% (vs 31%), innovation 31% (vs 30%), workforce development 30% (vs 28%) and financial advice 22% (vs 21%).</p> <p>➤ Micro-size and small firms (0-49 FTEs) were more likely to indicate future support needs in business planning, sales and marketing, and innovation. Whereas firms with 50+ employees were more likely to request requested support in workforce development & skills, recruitment, managing environmental impacts, and digital transformation.</p> <p>➤ Environmental Impact Management. 11% (vs 9%) require assistance with managing their environmental impact. Larger SMEs and large firms were more likely than micro-size firms to specify this support need, and firms in Manufacturing & Engineering, Construction, Hospitality, and Logistics.</p>
RECRUITMENT, EMPLOYMENT AND SKILLS	RESEARCH, DEVELOPMENT AND INNOVATION	SOCIAL VALUE AND GOOD EMPLOYMENT PRACTICES
<p>➤ Recruitment: 27% (vs 23%) of firms are currently recruiting new staff. Recruitment rates (% recruiting) are higher amongst SMEs (50 – 249 employees). By sector, recruitment is more active in BFPS, Green-Tech, and Retail, whereas DCTs, Life sciences, Hospitality, and Engineering sectors were the least likely to be currently recruiting between May and July.</p> <p>➤ Workforce skill gaps. 44% (vs 46%) reported that their existing workforce skills are fully aligned with their business plan objectives. 41% (vs 37%) indicated that skills are only partially at the required level, and 2% (unchanged) stated that their workforce skills are not at the right level (13% said ‘don’t know’). Smaller SMEs, were more likely to report gaps in sales & customer skills, whilst firms with 50+ FTEs were more likely to report team working & management skills.</p> <p>➤ The main technical skill gaps. Specialist technical skills 27% (vs 23%), advanced IT skills 13% (vs 11%), solving complex problems 10% (vs 9%), and knowledge of specific products and services 10% (vs 7%).</p> <p>➤ The main people and practical / personal skill gaps. Sales and selling 21% (vs 19%), motivating staff 13% (unchanged), customer handling skills 11% (vs 10%), and time management 9% (unchanged).</p>	<p>➤ Innovation activities in last year: 34% (unchanged) have invested in new / significantly improved services, 27% (vs 28%) in R&D, 22% (vs 21%) new business practices, 19% (vs 20%) introduced new / significantly improved goods, and 12% (unchanged) have invested in improved production methods.</p> <p>➤ Digital innovation. 11% (unchanged) have invested in acquisition of digital products, and 5% (unchanged) made investments in the acquisition of new machinery especially in Manufacturing and Engineering sectors.</p> <p>➤ Future innovation. 28% (vs 30%) of firms are looking to increase investment and R&D in future, highest in Life-Sciences, DCTs, and Engineering. 31% (vs 29%) said they were likely to invest in workforce development, highest within the Retail, BFPS, Construction, Manufacturing, and Hospitality.</p> <p>➤ Digital Transformation. 19% (vs 18%) firms are looking to invest in digital transformation, highest within the Construction, DCT, Engineering, and Retail sectors; and less likely in Life Sciences, Health Care, Hospitality, and Education.</p> <p>➤ AI Adoption: 43% (vs 41%) have adopted AI into business. Firms were most likely to have implemented AI in data analytics, sales and marketing systems, replacing administrative tasks, and automating routine production processes.</p>	<p>Organisations were asked if they had/or intended to have the following:</p> <p>➤ Paying employees the Real Living Wage. 55% of firms (vs 53%) paid the RLW, while 28% (vs 21%) indicated they are likely to implement it in the future.</p> <p>➤ Guaranteed at least 16 hours of work per week. 54% (vs 68%) said this currently applies, and 43% (vs 29%) said they are likely to consider in future.</p> <p>➤ Offering flexible working options to employees. 45% (vs 47%) said this currently applies, and 28% (vs 25%) said likely to implement in the future.</p> <p>➤ Promoting healthy work practices. 44% (unchanged) said this currently applies, while 28% (vs 25%) indicated they are likely to do so in future.</p> <p>➤ Investing in leadership. 43% (vs 42%) said that they are investing in leadership, while 37% (vs 35%) indicated they are likely to do so in future.</p> <p>➤ Looking to increase the diversity of the workforce. 39% (vs 37%) of firms said this currently applies, and 32% (vs 29%) said likely to include this in the future.</p> <p>➤ Involving employees in the overall direction of the business. 36% (vs 35%) said this currently applies. 33% (vs 31%) said likely to do so in future.</p>

TIME SERIES OF THE MAIN IMPACTS OF ECONOMY ON BUSINESS

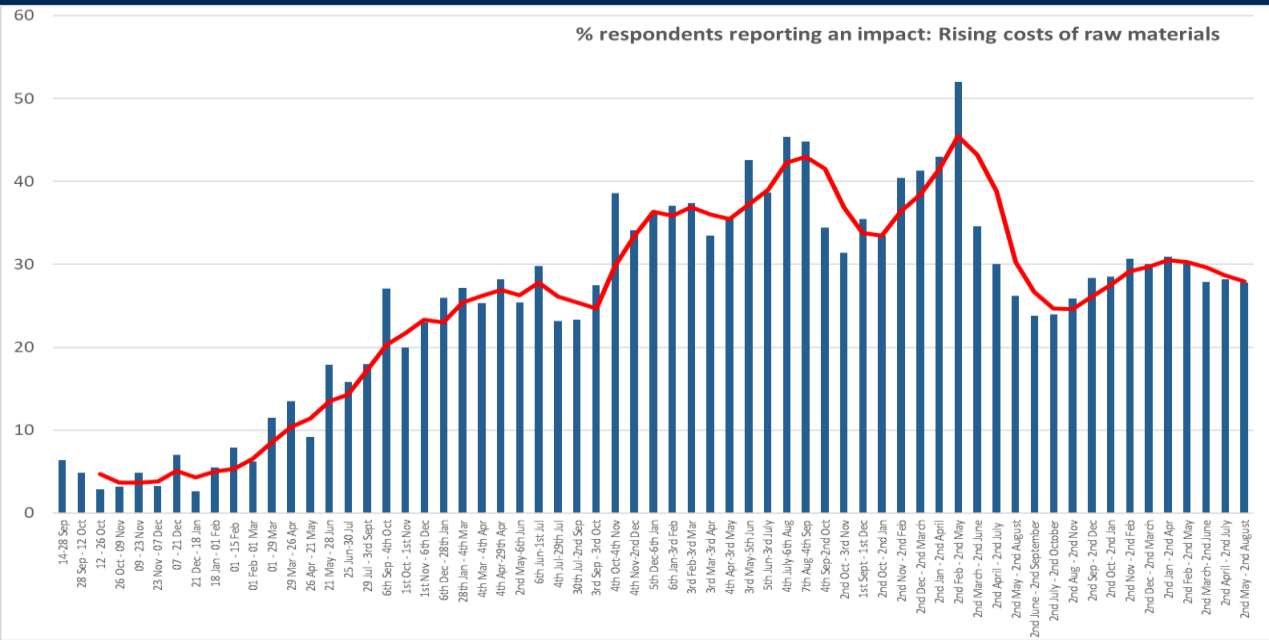
Percentage stating decreased sales (Red line = moving average)



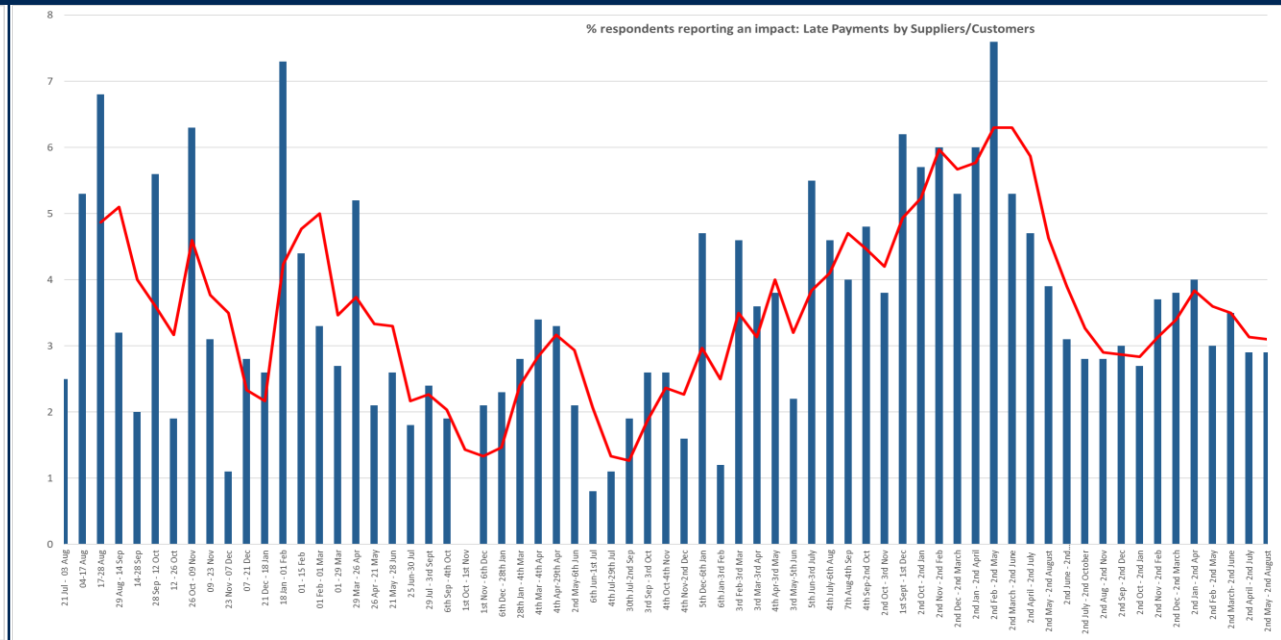
Percentage stating increased sales



Percentage stating rising costs

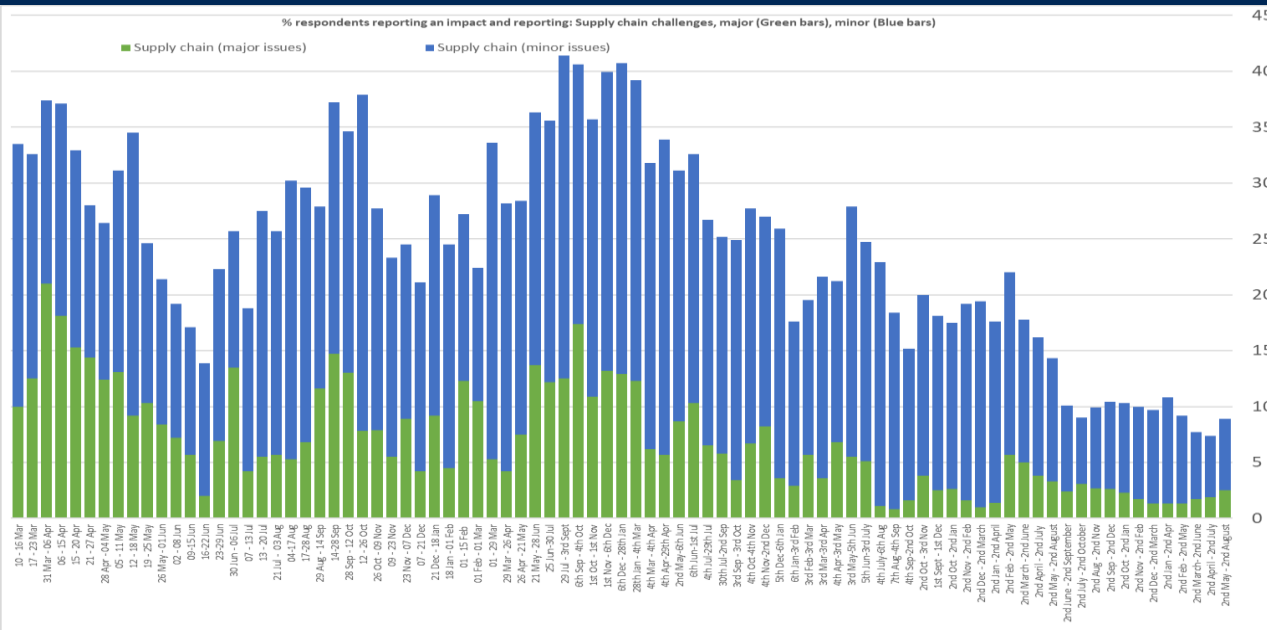


Percentage stating late payments

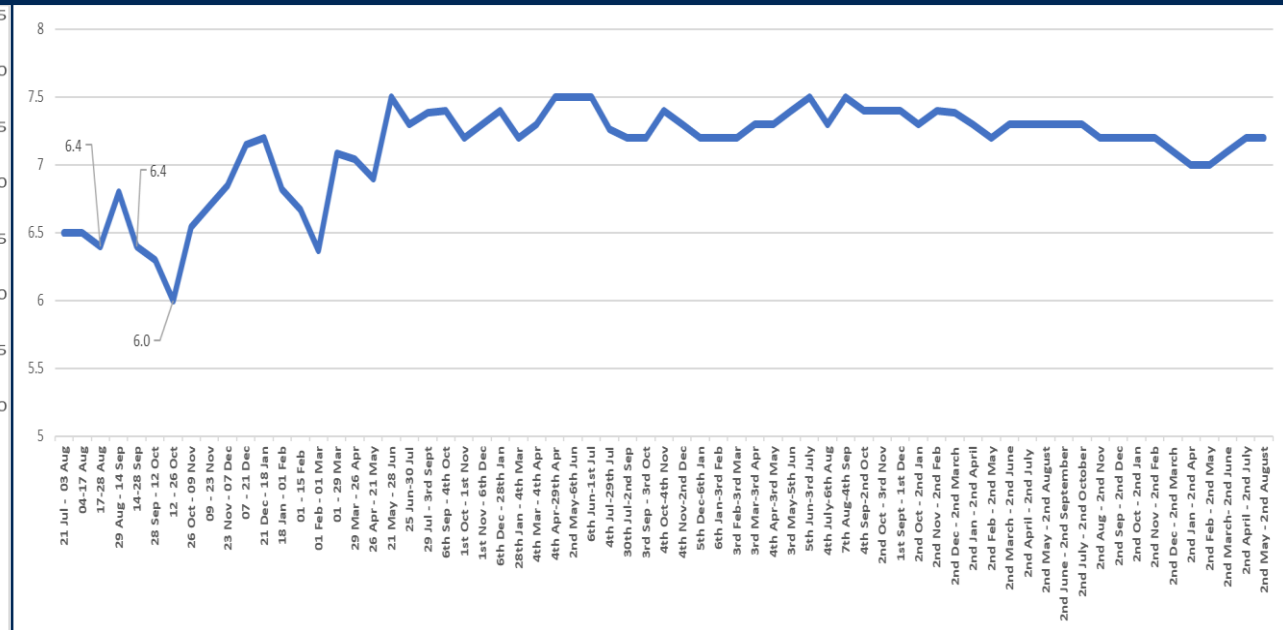


TIME SERIES OF THE MAIN IMPACTS OF ECONOMY ON BUSINESS

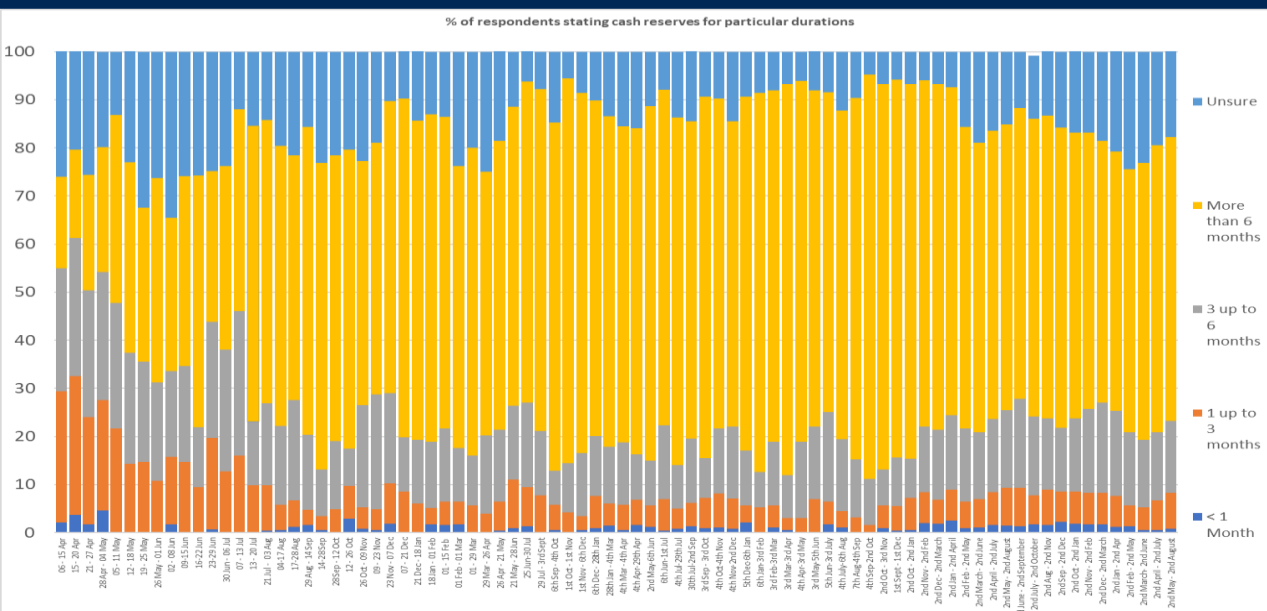
Percentage reporting minor supply chain issues (blue), major issues (green)



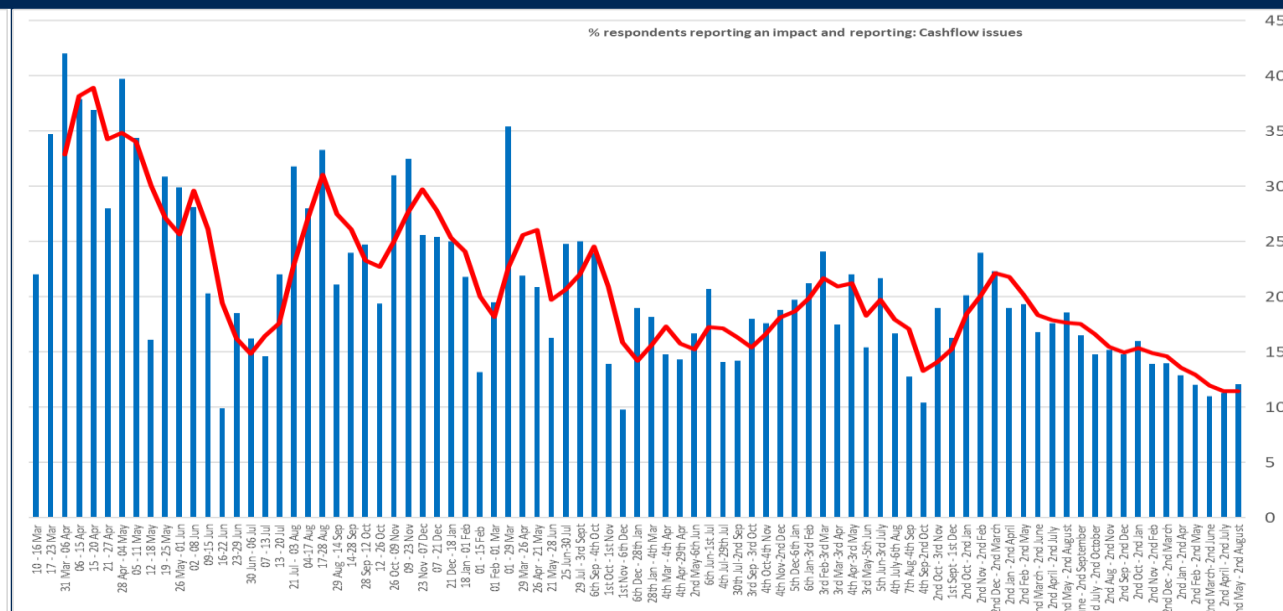
Aggregate confidence index – 1 low confidence, 10 high confidence



Percentage stating cash reserves can sustain certain periods of time

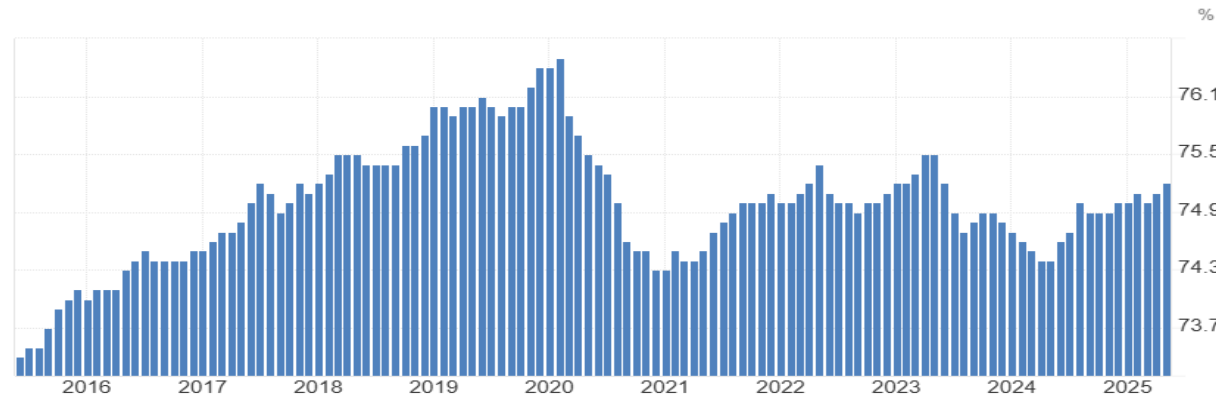


Percentage reporting cashflow problems



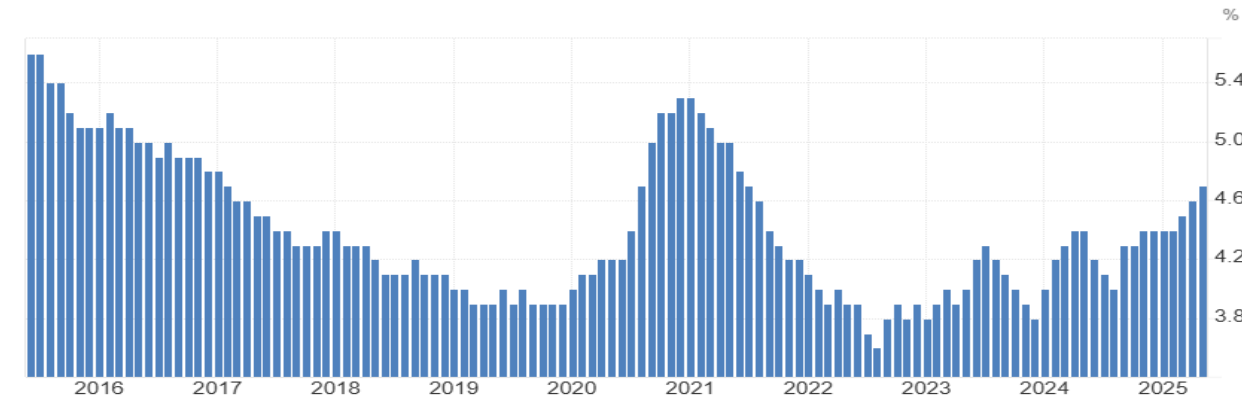
4. LABOUR MAKRET HEADLINES – ONS QUARTERLY LABOUR FORCE SURVEY

United Kingdom - Employment Rate 75.2%



➤ **The UK Employment Rate** increased to 75.2% in May from 75.1% in April of 2025. It averaged 71.6% 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 4.7%

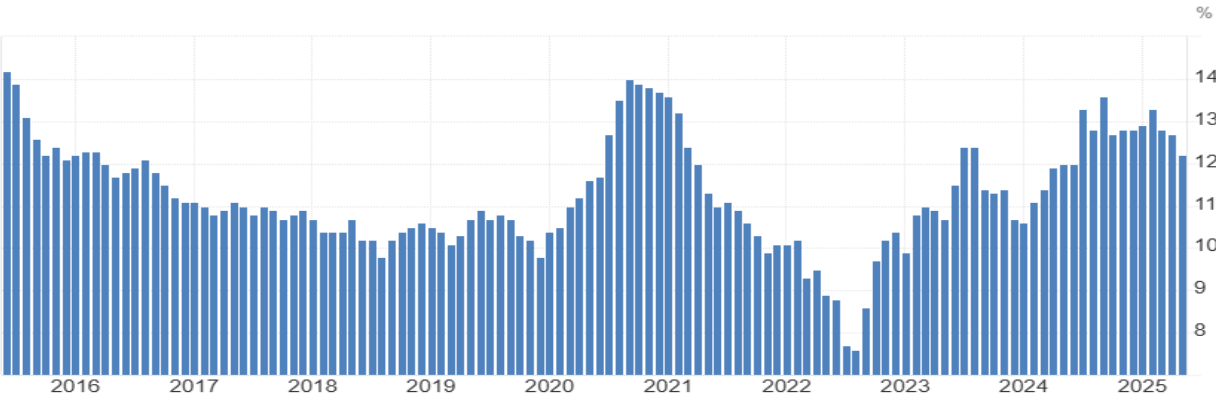


➤ **The United Kingdom's unemployment** rate edged up to 4.7% in the three months to May 2025. This marks the highest level since the three months ending July 2021. Compared to the prior period, unemployment increased for those unemployed for up to 6 months, as well as those unemployed between 6 and 12 months, and for over 12 months.

➤ **The number of employed individuals** rose by 134k to 34 million, the highest since February—driven by gains in both part-time and full-time employment.

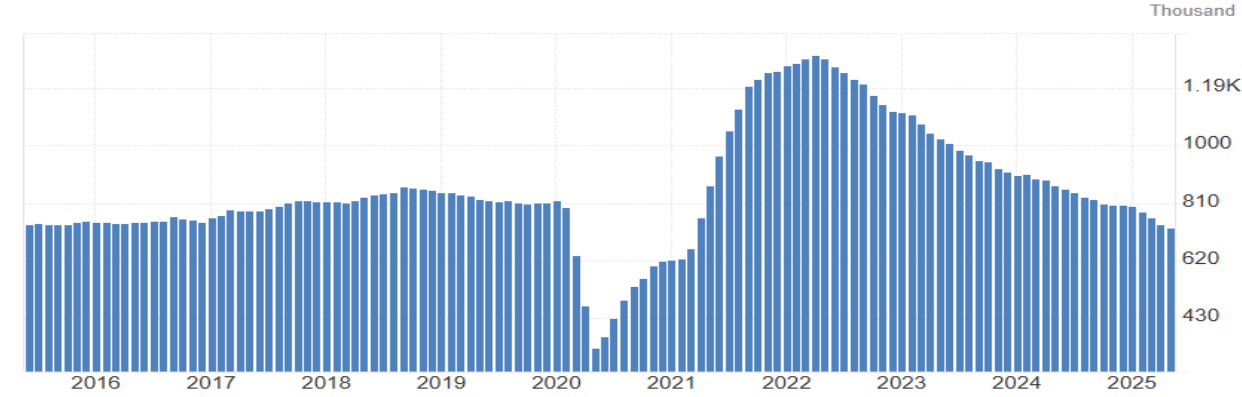
➤ **The number of people holding second jobs increased**, now accounting for 4% of all employed individuals. Lastly, the economic inactivity rate decreased by 0.3 percentage points to 21.3%.

United Kingdom - Youth Unemployment Rate 12.2%



➤ **The Youth Unemployment Rate** in the United Kingdom decreased to 12.2% in May from 12.7% in April of 2025. It 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 727k



➤ **Job Vacancies** in the United Kingdom decreased to 727k in May from 738k in April of 2025.

➤ Vacancies averaged 695.8k from 2001 until 2025, reaching an all time high of 1.3 million 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 1st to 8th July 2025

➤ This 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 they plan to book and take the trip, destination and accommodation chosen.

The key headlines are:

- Perception of the ‘worst still to come’ regarding cost-of-living crisis is at 45% which is down 1% from June 2025.
- Proportion intending a UK overnight trip in the next 12 months is 77%, up by 1% since June 2025.
- Proportion intending on taking an overseas overnight trip in the next 12 months is 60%, down by 1% on June 2025.
- The top 3 barriers to taking an overnight stay in the UK within the next six months, in July are:
 - Rising cost of living (moves up from 2nd in June);
 - UK weather (drops from 1st in June);
 - rising costs of holidays/leisure (remaining in 3rd).
- The top 3 areas for an overnight stay Jul–Sep 2025 is South-West, London & Scotland (North-West in 4th and down from 3rd spot in June).
- The top 3 areas for overnight stays Oct–Dec 2025 is London, Scotland and North-West (up from 4th in June).
- The top 3 destinations Jul–Sep 2025 are city or large town, coastal/seaside town and countryside or village - all consistent with June 2025.
- The top 3 destinations Oct–Dec 2025 are city or large town, countryside or village, coastal/seaside town, consistent with June 2025.
- Hotels remain top accommodation choice for Jul–Sep 2025 and Oct–Dec 2025, consistent with June 2025.
- **Source:** <https://www.visitbritain.org/research-insights/domestic-sentiment-tracker>

Hotel Performance Monitor – June 2025 (Source MM)

- The occupancy rate in June for Greater Manchester (78%) and Manchester city centre (77%) were below the same period in 2024 (82% and 81% respectively).
- The average daily rates for Greater Manchester (£92) and Manchester city centre (£101), were both above 2024 rates (£101 and £115 respectively).
- The revenue per available room for Greater Manchester (£72) and Manchester city centre (£78) were also both below levels recorded the same time last year (£84 and £93 respectively).

Greater Manchester				Manchester		
	Room occupancy	Average rate	Revenue per room	Room occupancy	Average rate	Revenue per room
Value	%	£	£	%	£	£
2025	78%	£92	£72	77%	£101	£78
2024	82%	£101	£84	81%	£115	£93

Marketing Manchester Campaigns Impact Reach across all channels



137.5 million

6. GOVERNMENT MEASURES, OTHER DATA AND ANNOUNCEMENTS

THEME	Weblink	ANNOUNCEMENT / ISSUE - (HOLD CTRL AND CLICK ON <LINKS> TO ACCESS THE FULL ITEM)
UK Small and Medium Sized Businesses Strategy	<Link>	Backing your business: the government’s plan for small and medium-sized businesses sets out a long-term direction of support for smaller firms. It places their growth and productivity potential at its core, while improving the operating environment to start and run a business. The aim of the strategy is to make the UK the best place to start and grow a business, with a culture that supports businesses in every community and high street.
Digital and Technology Adoption	<Link> <Link>	The final report of the SME Digital Adoption Taskforce has been published. It sets out an ambition for growth and prosperity for SMEs through the adoption of digital technology and offers a 10-step action plan for government to consider. Alongside this report, the government has published research into understanding technology adoption among UK SMEs. The government’s response to the Taskforce’s recommendations is contained within their SME Strategy.
UK-India Trade Deal	<Link>	The UK and India have signed a Free Trade Agreement, currently not yet in force but is going through respective domestic procedures for ratification. The ambitious and comprehensive deal is expected to increase UK GDP by £4.8 billion and UK wages by £2.2 billion each year. Bilateral trade is also expected to increase by £25.5 billion each year in the long run.
£400m funding for British Business Bank and Underrepresented Entrepreneurs	<Link>	Targeted at women, ethnic minorities, people with disabilities and those from deprived backgrounds, there will be a new £400m package from the British Business Bank starting in 2026, which will operate across three pillars: <ul style="list-style-type: none">• Back more diverse fund managers directly through the Bank’s Enterprise Capital Funds programme, the Bank’s scheme to support early-stage businesses with high growth potential.• Invest more in supporting micro-funds, funds with around £10-15m and the first step on the venture capital ladder for new investors• Back partners, such as venture capital funds, to invest smaller amounts in talented individuals to build a track record and to provide training, giving those without personal wealth or connections the opportunity to become investors.
Industrial Strategy Zones Action Plan	<Link>	The Industrial Strategy Zones Action Plan brings the Freeports and Investment Zones programmes together as Industrial Strategy Zones (ISZs), a key element of the UK’s Industrial Strategy. The Action Plan announces reforms to ensure ISZs are ready to take on this role and sets out a wide range of additional government support to help ISZs to deliver transformative growth in their areas.
Cyber Security Growth Action Plan	<Link>	The Terms of Reference for the government’s Cyber Security Growth Action Plan has been published. The plan will be led independently by experts at Bristol University and Imperial College London and will examine the strengths of the UK’s cyber sector and provide a roadmap for its future growth. This will culminate with a set of recommendations to government later this summer. It will feed into the forthcoming National Cyber Strategy.



APPENDIX 1: SURVEY RESPONSE RATES

JULY 2025

WITH QUARTERLY DATA FOR 2ND MAY 2025 TO 2ND AUGUST 2025

www.growthco.uk

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

Size / Sector (as identified by the business) C = Confidential, 5 or less responses Percentages rounded to nearest figure	GM ONS IDBR 2022	JULY 2025	JUNE 2025	MAY 2025	APRIL 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	SEP 2023	AUG 2023
Size-band (employees)	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
'0' employment to 9 (MICRO)	89%	53%	54%	55%	58%	55%	58%	56%	59%	54%	55%	56%	62%	60%	58%	59%	57%	46%	49%	53%	51%	59%	41%	58%
10 to 49 (SMALL)	9%	24%	24%	24%	24%	25%	24%	23%	20%	24%	25%	26%	24%	23%	24%	24%	26%	27%	22%	13%	20%	16%	24%	16%
50 to 249 (MEDIUM)	2%	15%	15%	15%	13%	13%	12%	14%	15%	15%	13%	12%	9%	11%	6%	7%	9%	9%	7%	14%	16%	13%	19%	13%
250+ (LARGE)	<1%	7%	7%	6%	6%	6%	7%	7%	7%	7%	7%	6%	C	7%	12%	10%	8%	10%	10%	11%	8%	7%	10%	6%
UNKNOWN	-	-	-	-	-	-	C	C	C	C	C	C	C	C	C	C	C	8%	12%	8%	C	C	6%	8%
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
BUSINESS FINANCIAL, PROFESSIONAL SERVICES	27%	11%	12%	13%	13%	14%	13%	13%	12%	12%	12%	12%	10%	8%	10%	10%	10%	13%	14%	14%	18%	11%	22%	15%
CONSTRUCTION	12%	6%	C	C	C	C	C	C	6%	6%	C	C	C	C	C	C	6%	C	C	C	C	C	C	C
DIGITAL, CREATIVE, TECHNOLOGY	6%	19%	18%	18%	19%	21%	23%	23%	24%	25%	24%	21%	21%	22%	18%	16%	13%	18%	19%	22%	23%	23%	24%	23%
EDUCATION	2%	C	6%	6%	C	C	6%	C	8%	9%	8%	6%	C	C	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
UTILITIES, ENERGY, WATER, WASTE, GREEN TECH	C	C	C	C	C	C	C	C	C	C	C	6%	6%	6%	7%	8%	10%	6%	7%	C	C	C	C	8%
HEALTH & SOCIAL CARE	C	8%	7%	C	7%	7%	6%	C	C	6%	7%	9%	9%	8%	8%	7%	8%	C	C	C	6%	C	6%	C
HOSPITALITY, TOURISM, & SPORT	7%	C	C	C	C	C	C	C	C	C	C	C	6%	7%	6%	7%	C	C	5%	7%	6%	10%	C	8%
LOGISTICS	5%	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	6%	C
MANUFACTURING (excluding Engineering)	3%	19%	19%	18%	18%	18%	17%	15%	13%	12%	13%	13%	15%	17%	16%	16%	21%	26%	20%	19%	18%	19%	17%	22%
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
RETAIL & WHOLESALE	18%	6%	6%	C	C	C	C	C	C	C	C	C	6%	7%	9%	9%	9%	9%	11%	8%	7%	9%	C	6%
OTHER SERVICES (excluding SIC unknown)	4%	12%	12%	7%	7%	11%	7%	6%	6%	C	6%	6%	8%	6%	C	C	C	C	C	C	C	C	C	C

LOCAL AUTHORITY SURVEY RESPONSE (EXCLUDING RESPONSES OUTSIDE AREA): PROFILE BY SIZE, SECTOR, AND LOCATION

Size / Sector (as identified by the business) <u>C = Confidential, 5 or less responses</u> <i>Percentages rounded to nearest figure</i>	GM ONS IDBR Enterprise Count 2022	GM	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan
Size-band (employees)	%	%	%	%	%	%	%	%	%	%	%	%
‘0’ employment to 9 (MICRO)	89%	53%	52%	69%	55%	30%	54%	54%	51%	43%	57%	57%
10 to 49 (SMALL)	9%	24%	17%	16%	24%	44%	20%	23%	29%	30%	22%	21%
50 to 249 (MEDIUM)	2%	15%	24%	8%	13%	12%	22%	17%	13%	15%	13%	20%
250+ (LARGE)	<1%	7%	7%	6%	8%	14%	4%	6%	7%	13%	8%	3%
UNKNOWN	-	C	C	C	C	C	C	C	C	C	C	C



**APPENDIX 2:
GROWTH SURVEY DETAILED RESULTS, AND
LOCAL AUTHORITY, EQUALITY, DIVERSITY, INCLUSION DATA**

JULY 2025

WITH QUARTERLY DATA FOR 2ND MAY 2025 TO 2ND AUGUST 2025

www.growthco.uk

OGS: BUSINESS CONFIDENCE INDEX (GC-BCI)

Local Authority

Sector

Size Band

Submitted Date

HOME

All

All

All

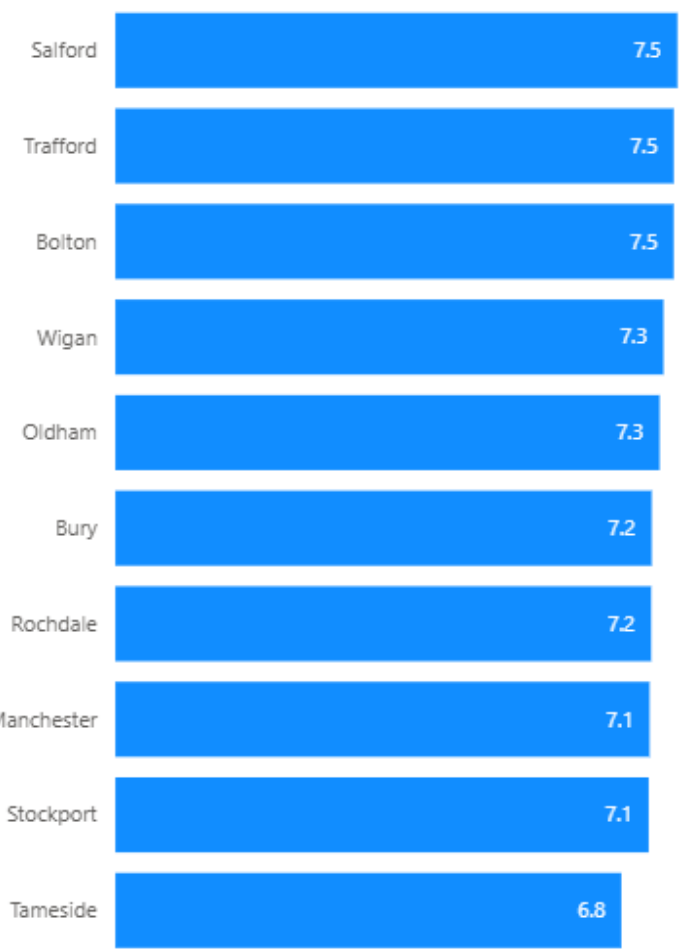
02/05/2025

02/08/2025

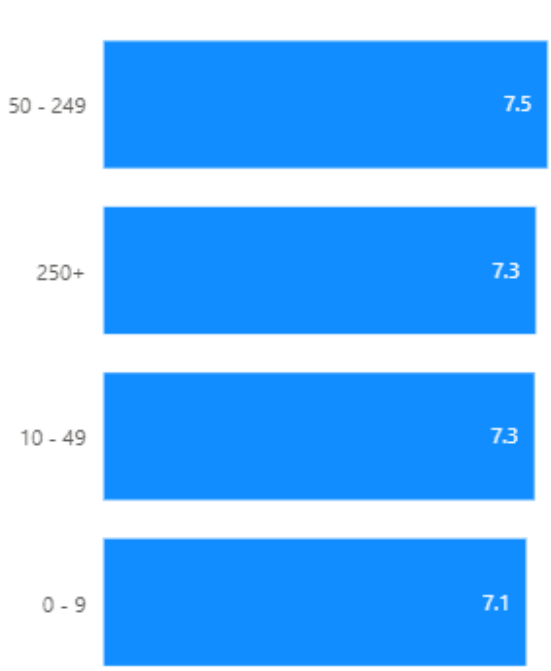
Responses

825

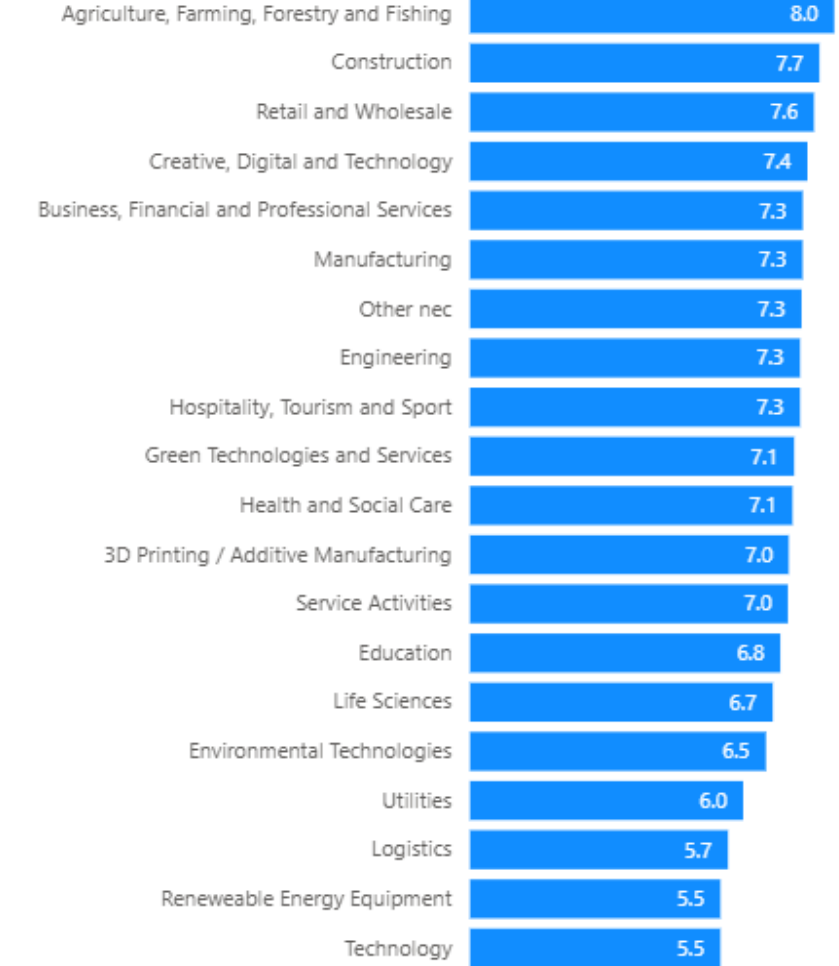
GC-BCI by LA# (1 low - 10 high)



GC-BCI by size - employees (1 low - 10 high)



GC-BCI by sector (1 low - 10 high)



GC-BCI average score (1 low - 10 high)

7.2

OGS: OPTIMISIM - PROFITABILITY / TURNOVER / CAP-EX SPENDING

Responses

825

Respondents

641

HOME

Local Authority

All

Sector

All

Size Band

All

Submitted Date

02/05/2025

02/08/2025



Expectations for profitability increase (%)

Expectations for turnover increase (%)

Expectations for cap-ex spending increase (%)

Increase

57%

Increase

65%

Don't know / no response / refused (no...

38%

Don't know / no response / refused (no...

28%

Don't know / no response / refused (no...

26%

Stay the same

31%

Stay the same

13%

Stay the same

...

Increase

30%

Decrease

Decrease

Decrease

OGS: CHALLENGES AND FUTURE SUPPORT NEEDS

Responses	Respondents
825	641

Local Authority

Sector

Size Band

Submitted Date

All

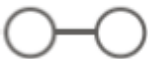
All

All

02/05/2025

02/08/2025

HOME



Main economic impacts faced in last 3 months (%)



Main current challenges facing the organisation (%)



Future support needs in year ahead (%)



OGS: INNOVATION AND INVESTMENT

Responses825

Respondents641

Local Authority

Sector

Size Band

Submitted Date

All

All

All

02/05/2025

02/08/2025

HOME



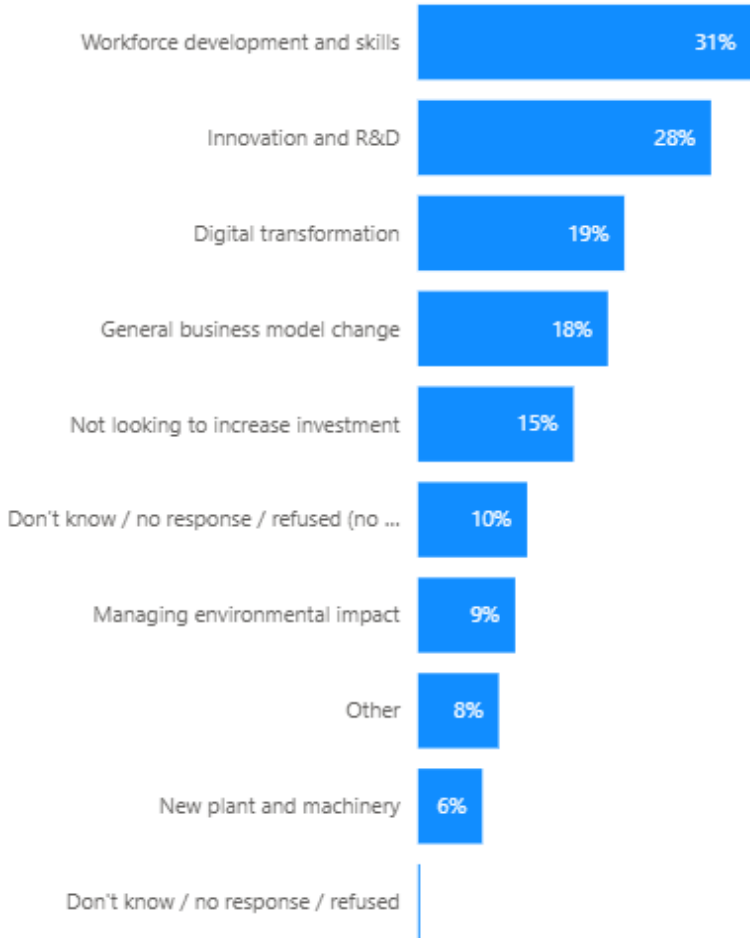
Innovation activities in last year (%)



Main barriers to Innovation (%)



Looking to increase investment in ... (%)



OGS: ARTIFICIAL INTELLIGENCE - BY TYPE AND BARRIERS TO ADOPTION

Responses

825

Respondents

641

Local Authority

All

Sector

All

Size Band

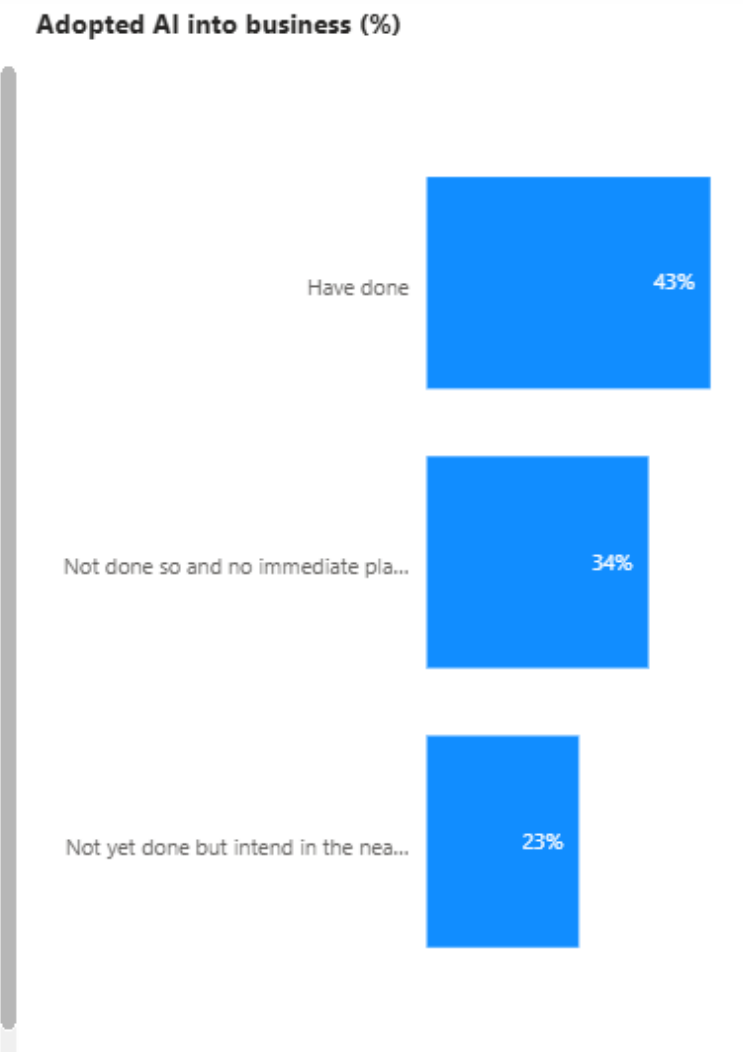
All

Submitted Date

02/05/2025

02/08/2025

HOME



OGS: SKILLS GAPS

Responses
825

Respondents
641

Local Authority

Sector

Size Band

Submitted Date

All

All

All

02/05/2025

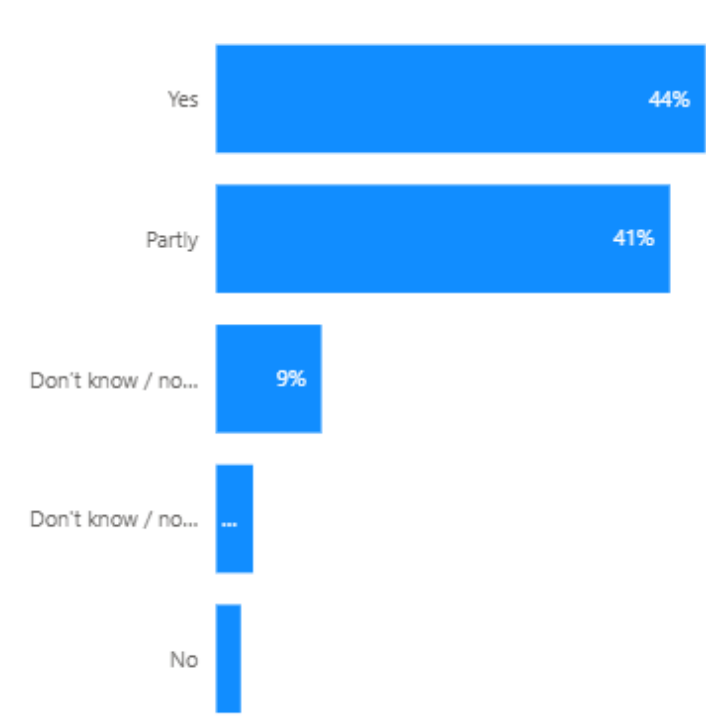
02/08/2025

HOME

Technical and practical skills gaps (%)



Current workforce skills at right level by size (%)



Current workforce skills at right level - average (%)

43.4

People and personal skills gaps (%)



OGS: SOCIAL VALUE

Responses825

Respondents641

Local Authority

Sector

Size Band

Submitted Date

All

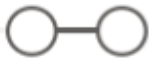
All

All

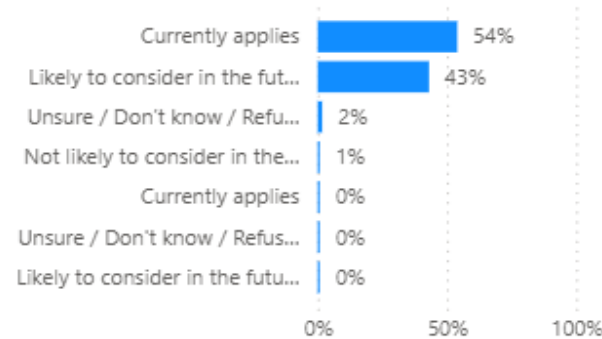
02/05/2025

02/08/2025

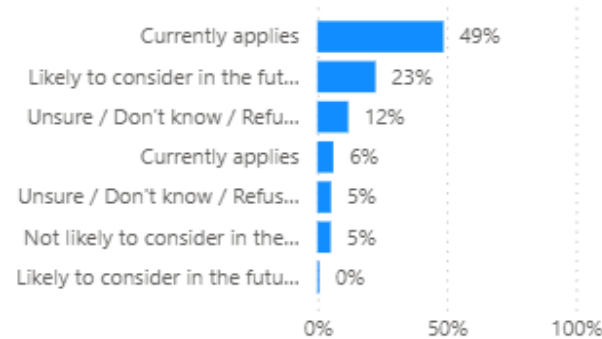
HOME



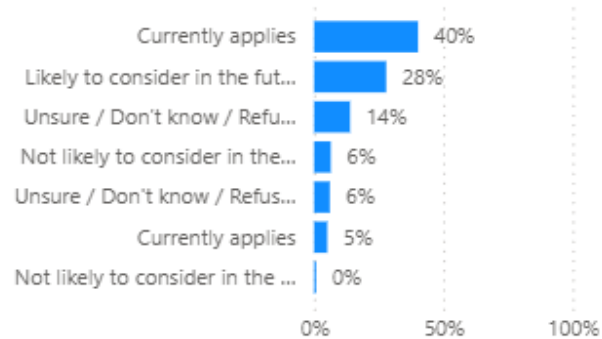
Guarantee at least 16 hours (%)



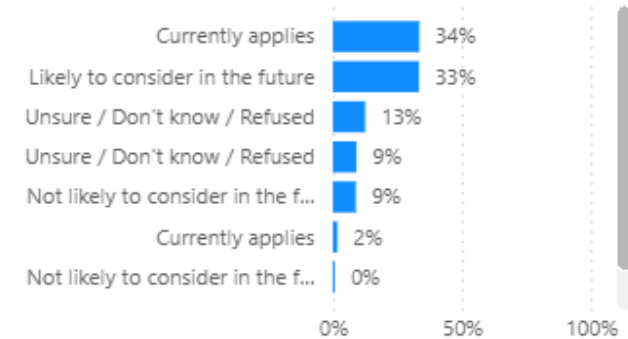
Pay real living wage (%)



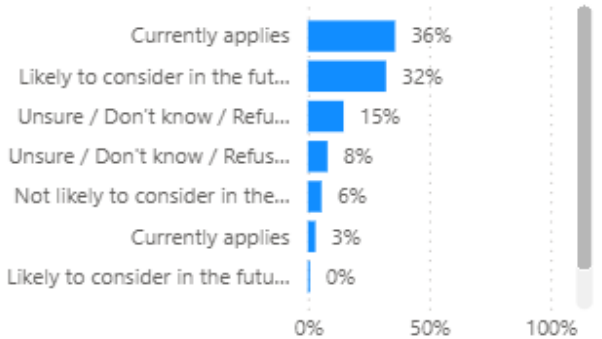
Flexible working options (%)



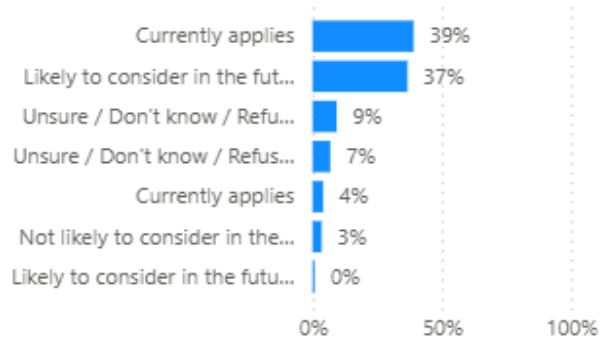
Involve employees in the direction of business (%)



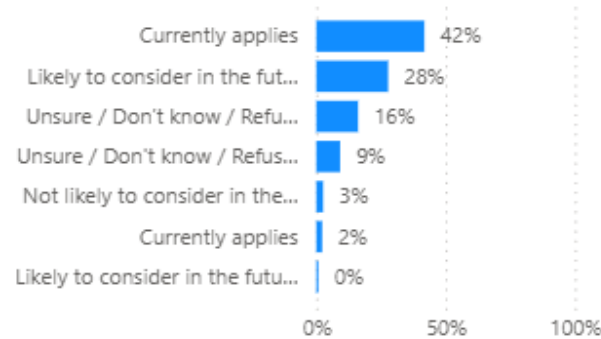
Looking to increase diversity of workforce (%)



Invest in leadership (%)



Promote healthy work practices (%)



Firms with Social Value

477

Local Authority

All

▼

Sector

All

▼

Size Band

All

▼

Submitted Date

02/05/2025

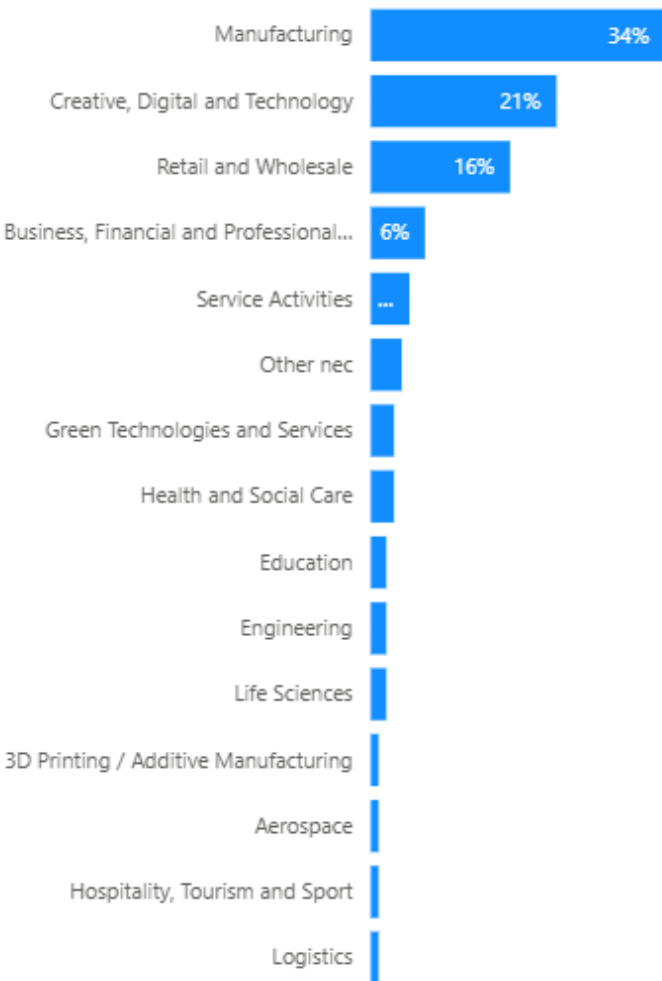
02/08/2025

HOME

Currently export goods or services (%)



Currently export goods or services by sector (%)



Planning to increase levels of exports next year (%)



Local Authority

Sector

Size Band

Submitted Date

All

All

All

02/05/2025

02/08/2025

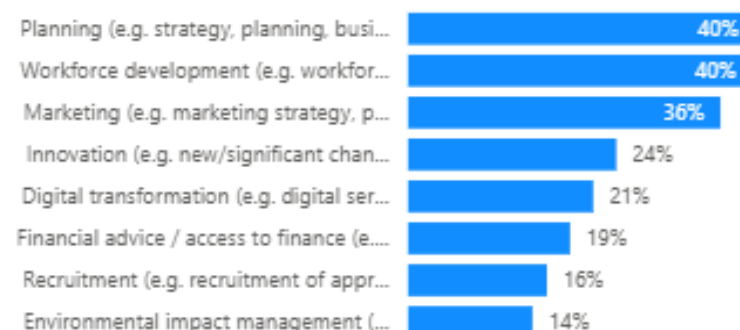
HOME

Note: BGH clients only for Female Led

Economic Impact



Current challenges facing firms (%)



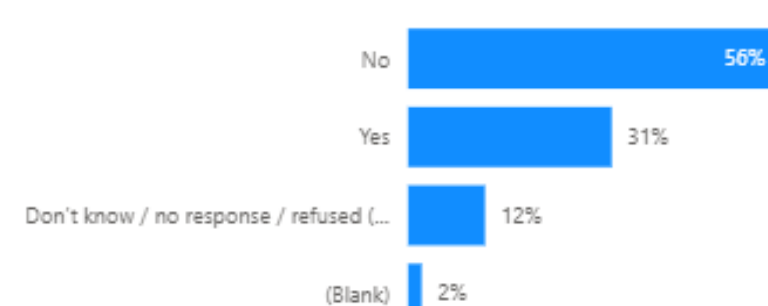
Future support needs (%)



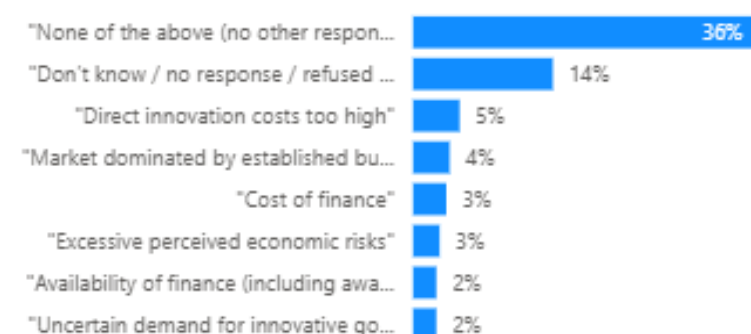
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - ETHNIC MINORITY GROUP

Responses

118

Respondents

104

Local Authority

Sector

Size Band

Submitted Date

All

All

All

02/05/2025

02/08/2025

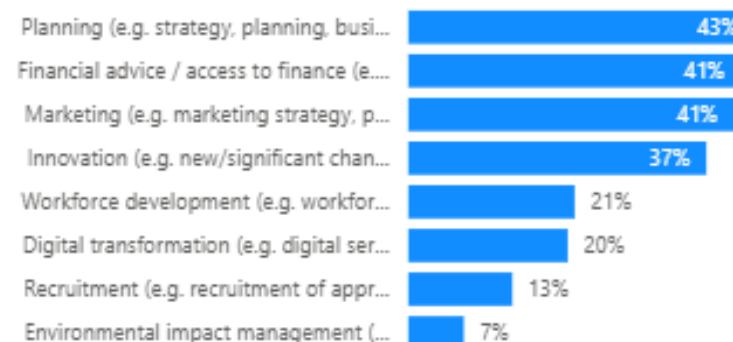
HOME

Note: BGH clients only for Ethnic Minority Group

Economic Impact



Current challenges facing firms (%)



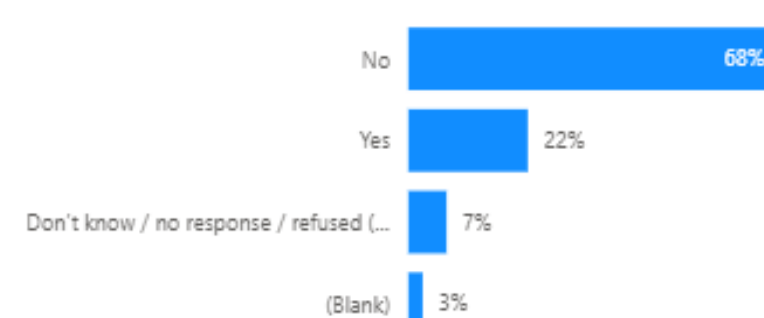
Future support needs (%)



Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - OVER 50s LED INSIGHTS

Responses

201

Respondents

167

Local Authority

Sector

Size Band

Submitted Date

All



All



All



02/05/2025



02/08/2025



HOME

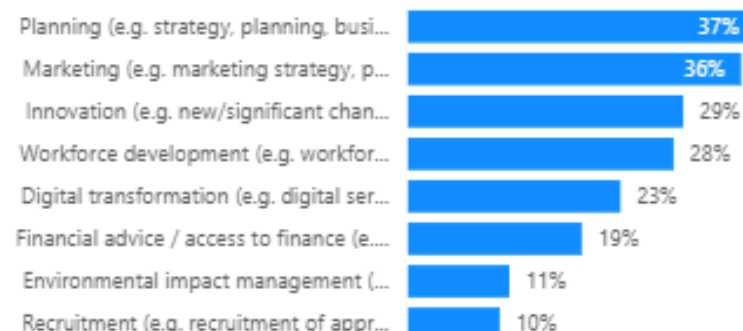
Note: BGH clients only for Over 50s



Economic Impact



Current challenges facing firms (%)



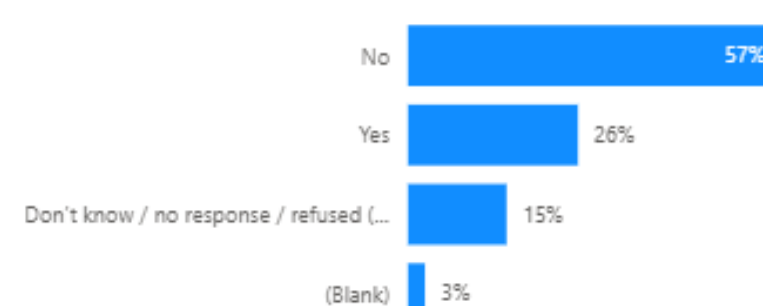
Future support needs (%)



Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - DISABILITY LED INSIGHTS

Responses

38

Respondents

32

Local Authority

Sector

Size Band

Submitted Date

All

All

All

02/05/2025

02/08/2025

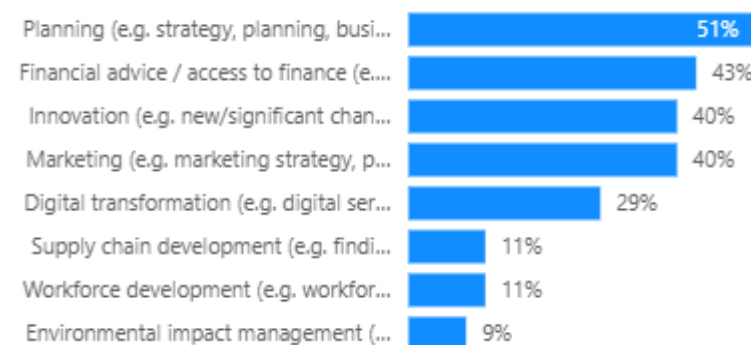
HOME

Note: BGH clients only for Disability Led

Economic Impact



Current challenges facing firms (%)



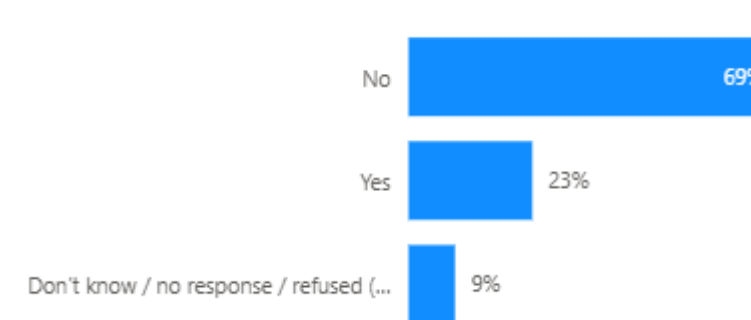
Future support needs (%)



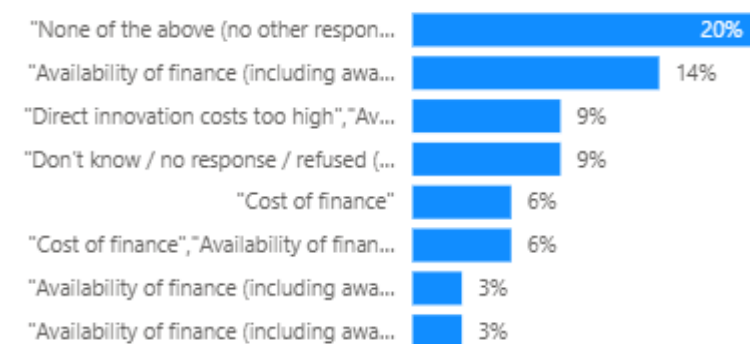
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - GREATER MANCHESTER SUMMARY

Responses
825

Respondents
641

Local Authority

Sector

Size Band

Submitted Date

All

All

All

02/05/2025

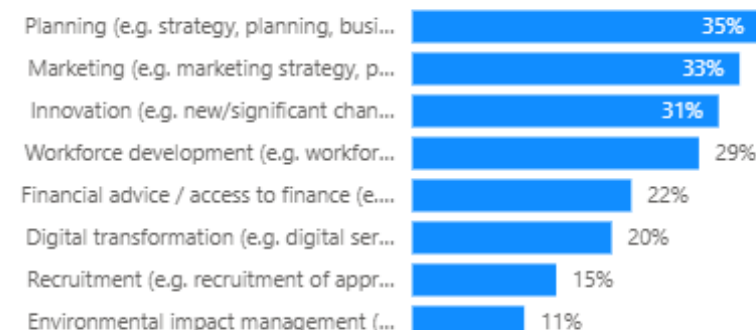
02/08/2025

HOME

Economic Impact



Current challenges facing firms (%)



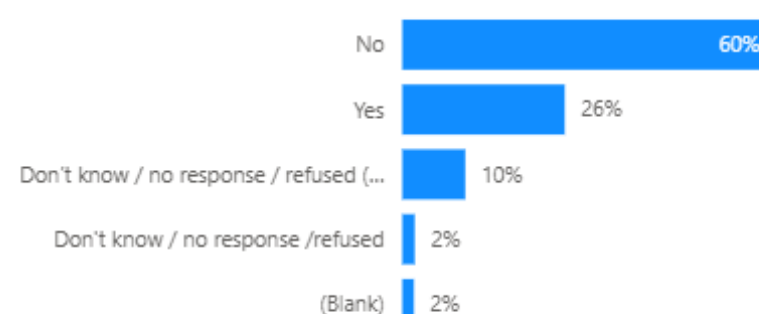
Future support needs (%)



Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - BOLTON

Responses

58

Respondents

50

Local Authority

Bolton

Sector

All

Size Band

All

Submitted Date

02/05/2025

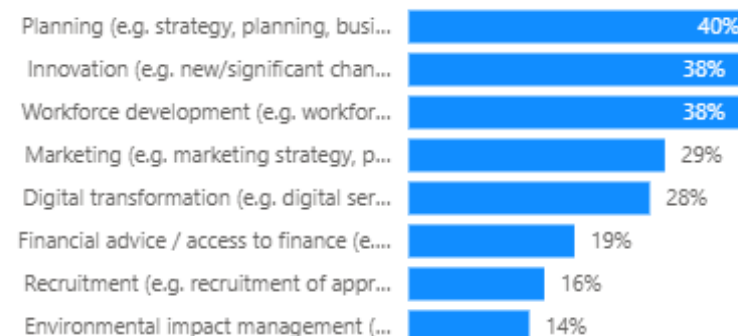
01/08/2025

HOME

Economic Impact



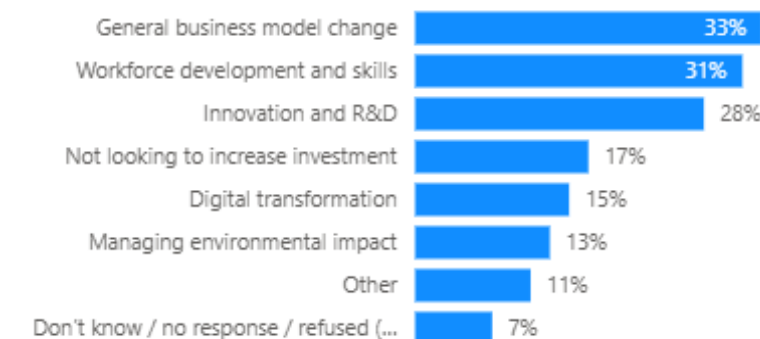
Current challenges facing firms (%)



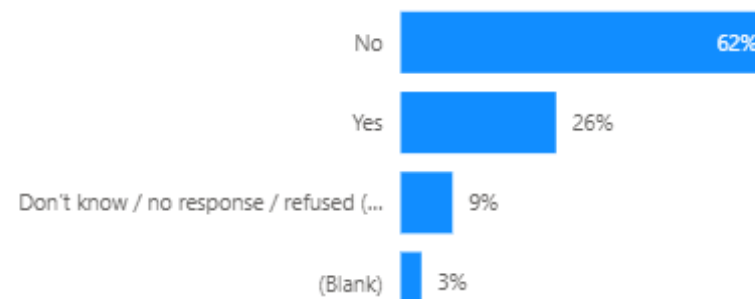
Future support needs (%)



Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



Local Authority

Sector

Size Band

Submitted Date

Bury

All

All

02/05/2025

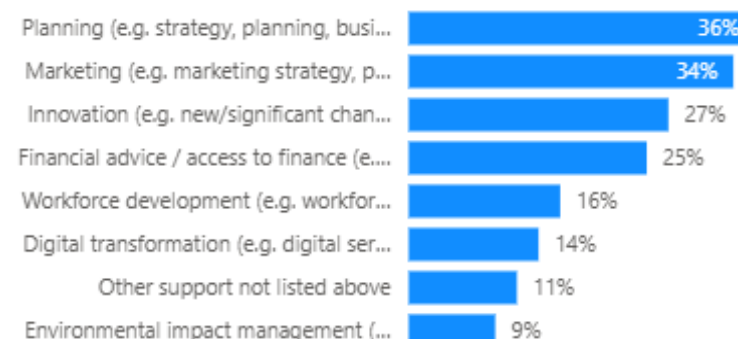
30/07/2025



Economic Impact



Current challenges facing firms (%)



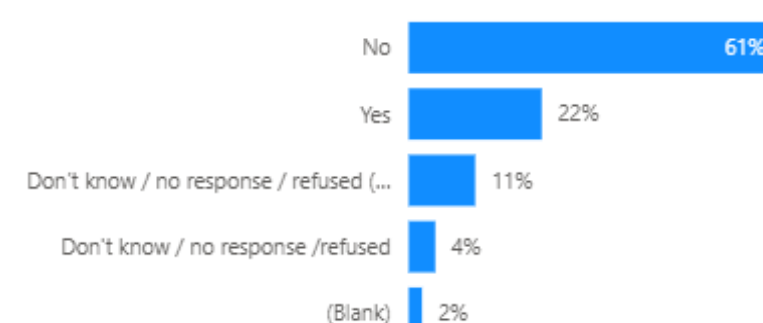
Future support needs (%)



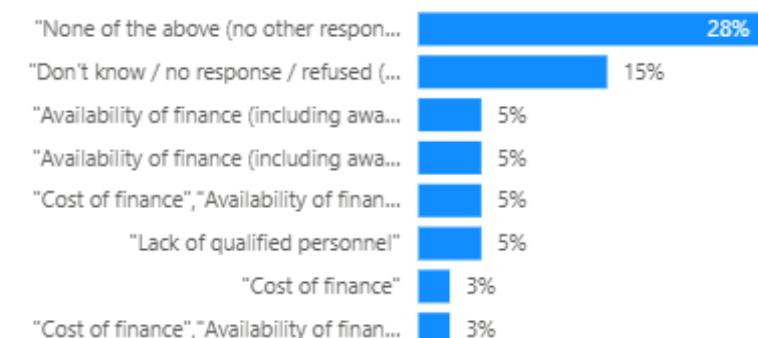
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



Local Authority

Sector

Size Band

Submitted Date

Manchester

All

All

02/05/2025

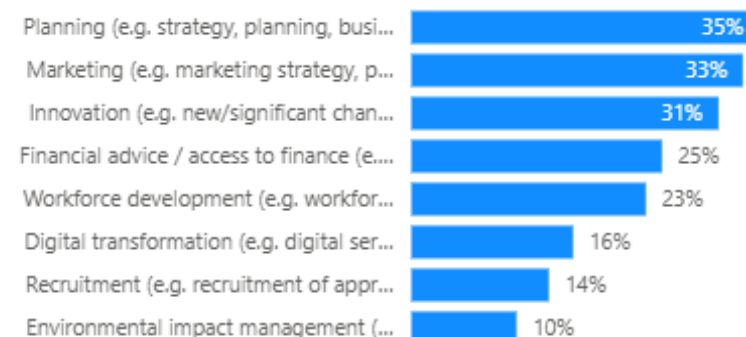
02/08/2025



Economic Impact



Current challenges facing firms (%)



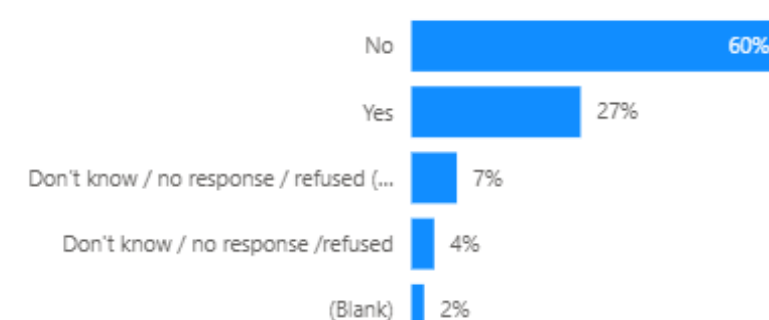
Future support needs (%)



Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



Local Authority

Sector

Size Band

Submitted Date

Oldham

All

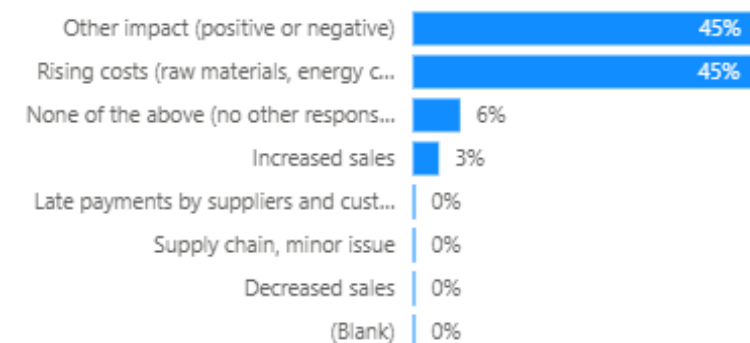
All

02/05/2025

30/07/2025

HOME

Economic Impact



Current challenges facing firms (%)



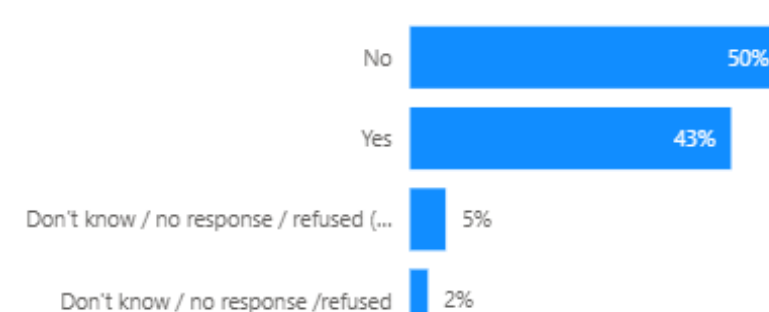
Future support needs (%)



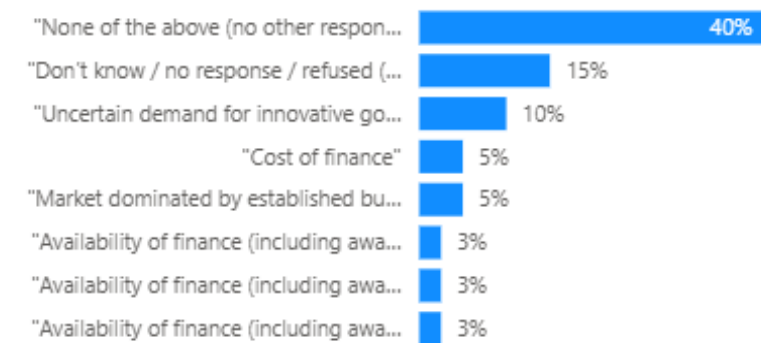
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - ROCHDALE

Responses

46

Respondents

35

Local Authority

Rochdale

Sector

All

Size Band

All

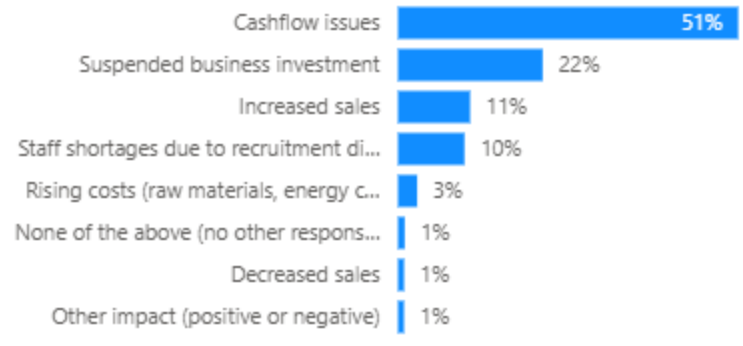
Submitted Date

02/05/2025

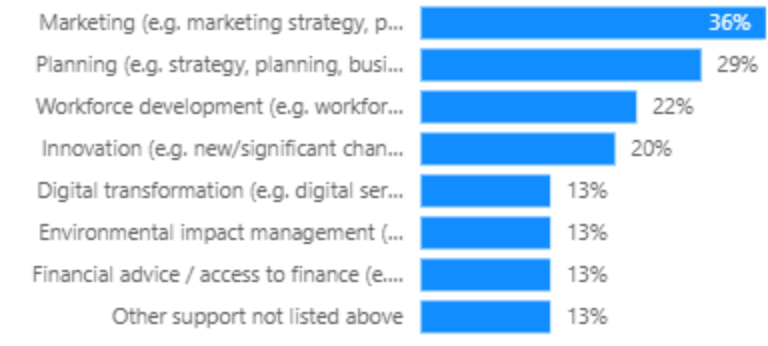
01/08/2025

HOME

Economic Impact



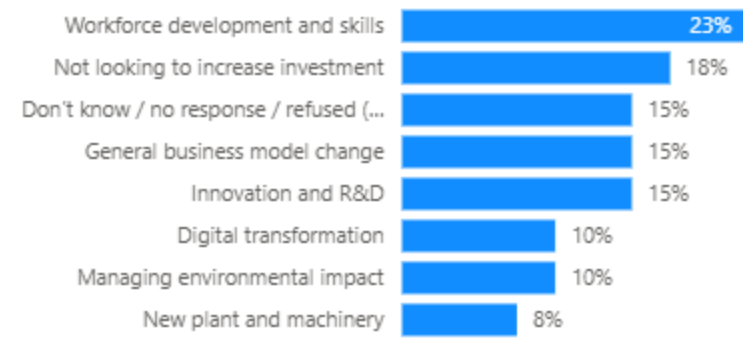
Current challenges facing firms (%)



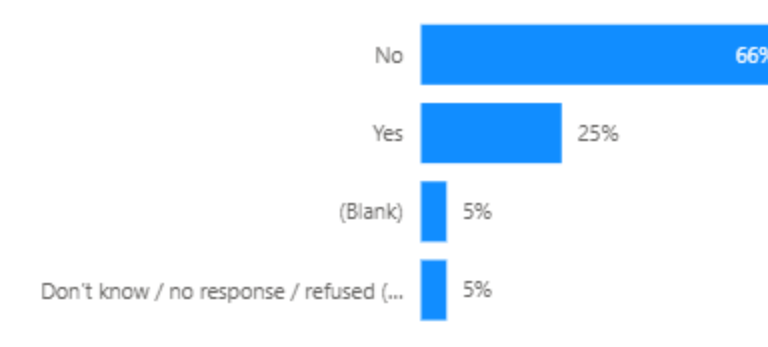
Future support needs (%)



Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - SALFORD

Responses

78

Respondents

60

Local Authority

Salford

Sector

All

Size Band

All

Submitted Date

02/05/2025

01/08/2025

HOME

Economic Impact



Current challenges facing firms (%)



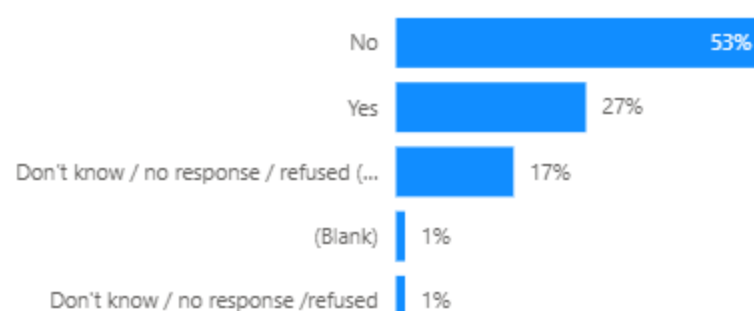
Future support needs (%)



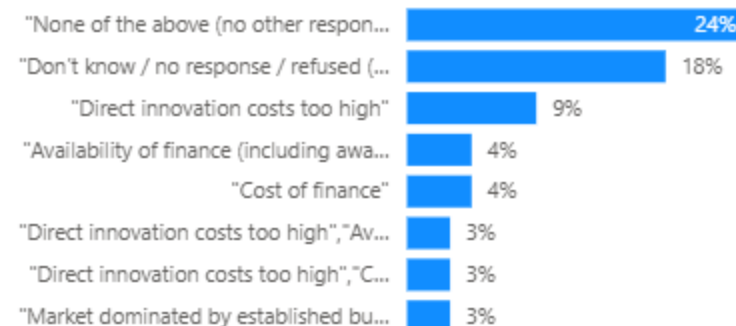
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - STOCKPORT

Responses

102

Respondents

84

Local Authority

Stockport

Sector

All

Size Band

All

Submitted Date

02/05/2025

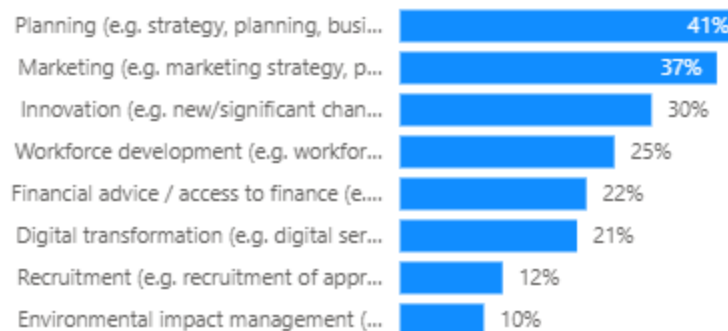
02/08/2025

HOME

Economic Impact



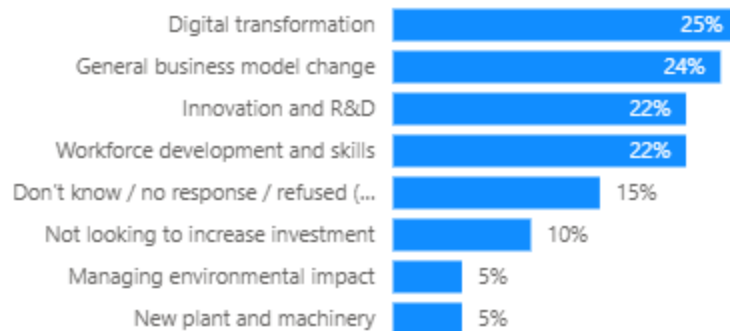
Current challenges facing firms (%)



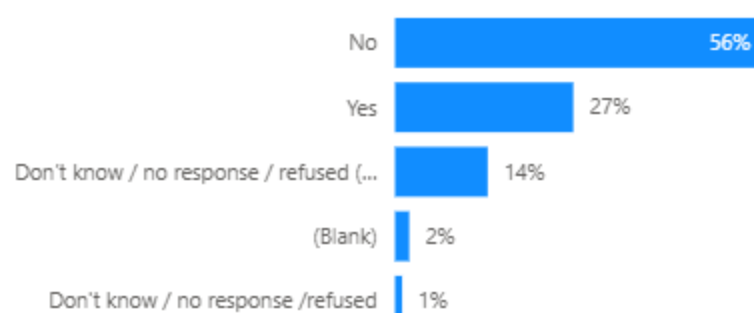
Future support needs (%)



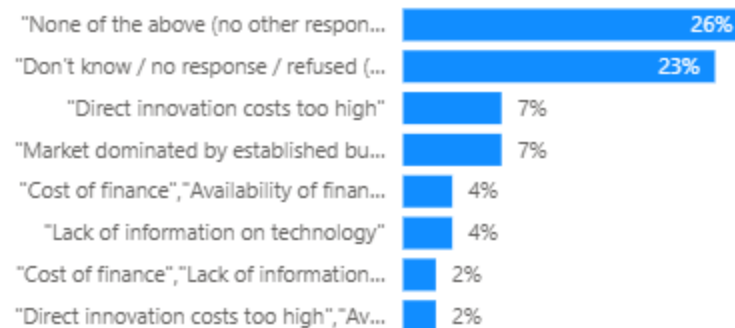
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - TAMESIDE

Responses**40****Respondents****34****HOME****Local Authority**

Tameside

**Sector**

All

**Size Band**

All

**Submitted Date**

02/05/2025



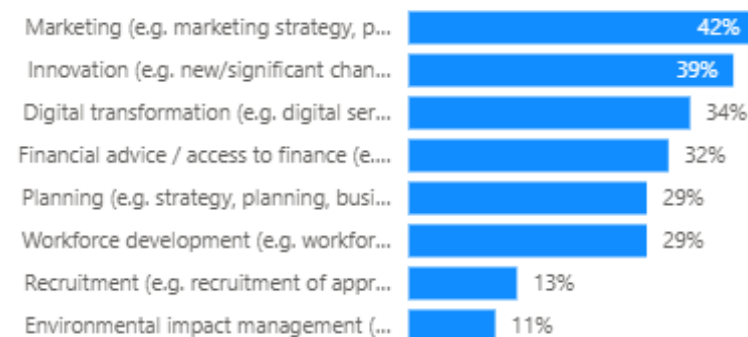
31/07/2025



Economic Impact



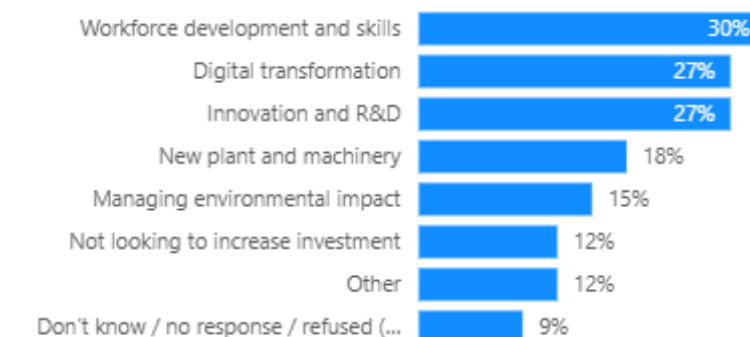
Current challenges facing firms (%)



Future support needs (%)



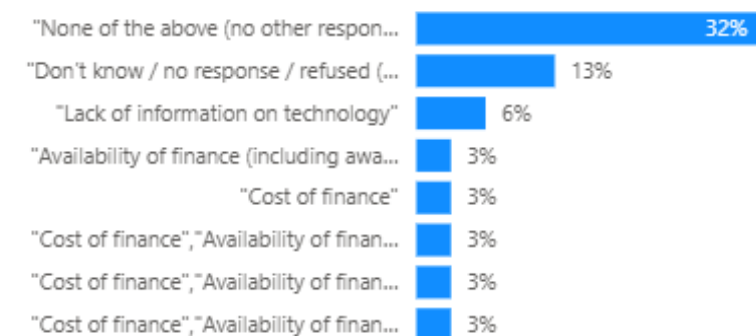
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - TRAFFORD

Responses

83

Respondents

61

HOME

Local Authority

Trafford

Sector

All

Size Band

All

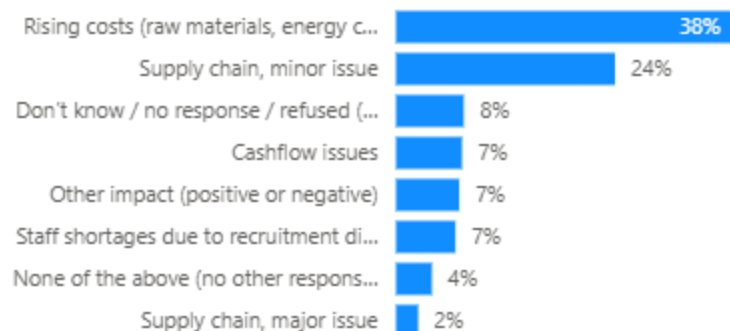
Submitted Date

02/05/2025

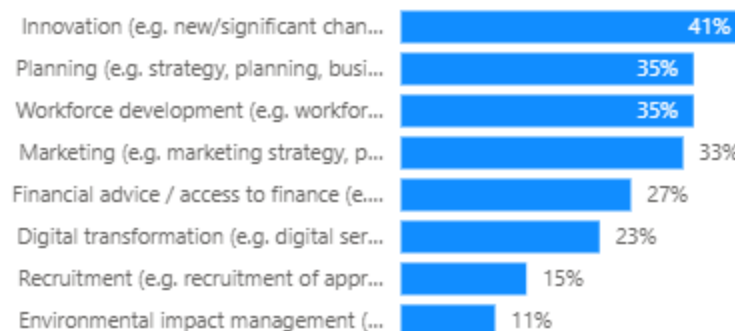
01/08/2025



Economic Impact



Current challenges facing firms (%)



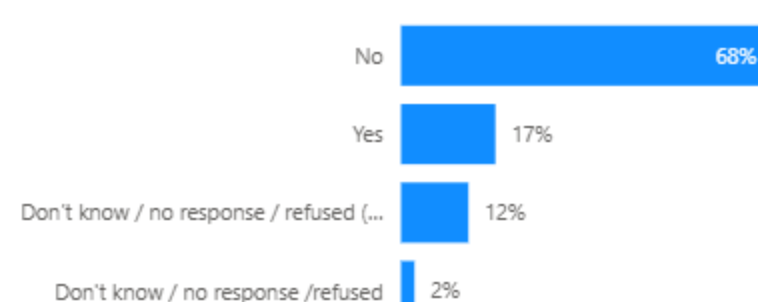
Future support needs (%)



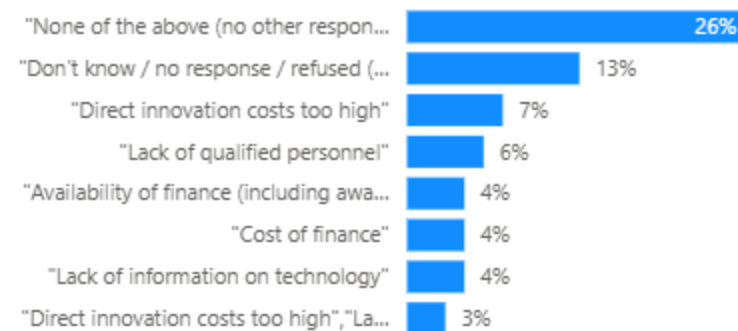
Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)



OGS LOCAL AUTHORITY DATA - WIGAN

Responses
76

Respondents
62

HOME

Local Authority

Wigan

Sector

All

Size Band

All

Submitted Date

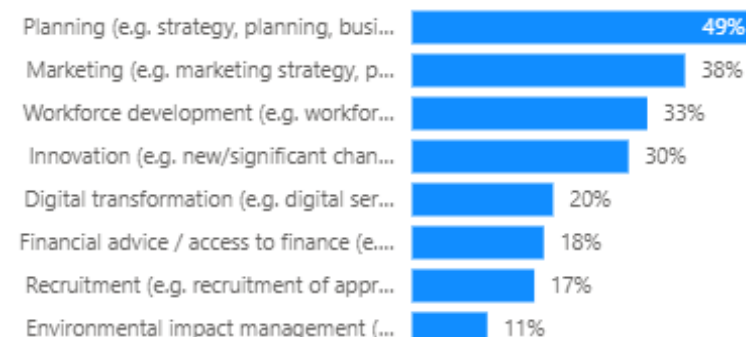
02/05/2025

02/08/2025

Economic Impact



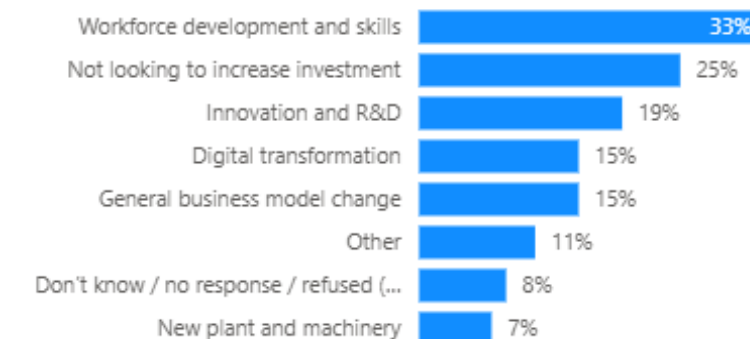
Current challenges facing firms (%)



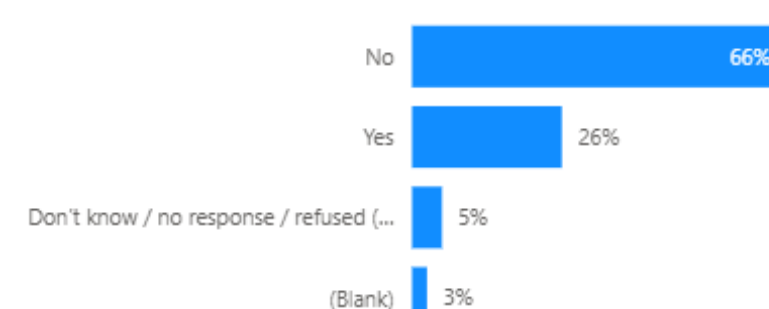
Future support needs (%)



Main area for investment (%)



Innovation activity (%)



Barriers to innovation (%)

