



The
Growth
Company

GC SITUATION REPORT AND QUARTERLY BUSINESS SURVEY RESULTS

APRIL 2026

REPORT NUMBER 93: WITH QUARTERLY DATA FOR 2ND FEBRUARY 2026 TO 2ND MAY 2026

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1. ECONOMIC CONTEXT AND SURVEY HEADLINES

The 94th 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 **724** survey responses completed between **the 2nd of February 2026 and the 2nd of May 2026** by GC clients from the **Business Growth Hub and Invest in Manchester**. Comparisons have been made with last quarter's **754** responses from **January 2026 & March 2026**. 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 under-representation of Retail & Hospitality businesses – reflecting the **Business Growth Hub and Invest in Manchester** client profiles.

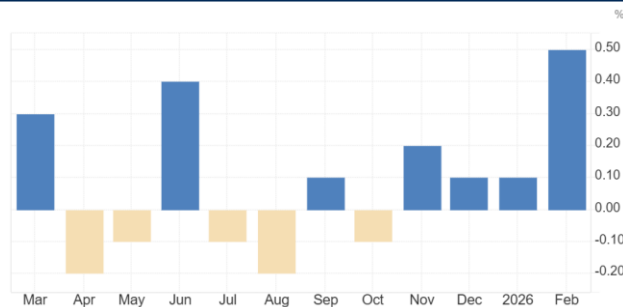
Economic context

- **Ongoing Middle East conflict** continues to keep oil and gas markets highly volatile, with supply disruptions and shipping constraints pushing up fuel and transport costs. Recent national data (and local anecdotal insights) shows these energy pressures are feeding directly into higher inflation and input costs, despite some stabilisation from early-2026 peaks.
- **The UK economy gathered momentum through Q1**, with GDP rising by 0.3% in March – defying expectations for a modest contraction – and leaving output up 0.6% over the quarter. That represents a clear step-up from the subdued performance at the end of last year. However, the timing of the data is important. Much of the strength predates the escalation in the Iran conflict, meaning the latest figures likely overstate the current pace of activity, just as the outlook is more uncertain.
- **The UK economy is expected to grow modestly**. Forecasts suggest between 0.5% and 1% in 2026, avoiding a technical recession. Economic activity is supported by services and public spending. However, higher input costs, weak productivity, subdued private investment, cautious hiring activity and falling confidence could constrain stronger economic growth.
- **Inflation moderating, but downward risks remains**. Inflation remains above the Government's 2% target, and progress towards achieving the target has been hampered by the recent Middle East conflict. Persistent services inflation, wage pressures, and renewed energy and commodity price volatility means the target will be difficult to achieve in 2026.
- **Bank of England policy likely to ease gradually**. BoE has held rates at 3.75% and is taking a cautious, data-driven approach. While gradual rate cuts were previously expected, persistent inflation and energy risks mean policy could either ease slowly or remain tighter for longer.

Organisation Growth Survey headlines

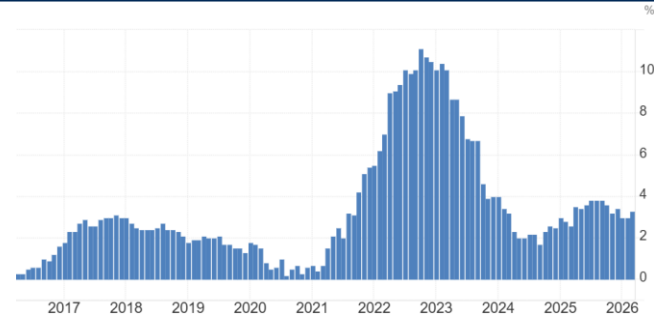
- **Business Confidence and economic impacts**. The GC Business Confidence Index remains stable at 7.2 in March 2026, with above-average confidence in for Utilities / LCEGs, Manufacturing, Construction, and BFPS, and weaker confidence reported in DCT, Healthcare, Life Sciences, Hospitality, Education and Creative Industries. Rising costs remain the main impact, while cashflow pressures have been eased - supported by stable cash reserves in most firms surveyed.
- **Business challenges and support need**. Accessing new domestic sales continues to be the primary challenge for businesses, alongside growing pressures around developing new products, business model change and financial management. This is driving increased demand for support in business planning, sales and marketing, innovation, and financial advice and guidance - across firms of all sizes.
- **Recruitment, employment, and skills**. Recruitment activity has fallen slightly, while many firms report only partial alignment between workforce skills and business objectives. Key skill gaps persist in terms of sales & marketing skills, leadership & management, teamwork, specialist technical skills and in particular advanced IT capability, with challenges varying by firm size - larger firms are more likely to report Management & Leadership and teamwork skills challenges.
- **Research & Development, and Innovation**. Innovation activity has increased slightly, with continued investment in services, R&D and general business practices, and growing intentions to increase future R&D, digital transformation. Nearly half of firms have adopted AI (49% up from 43%), mainly in data analytics, sales & marketing, and process automation.

UK GDP expanded in February 2026 (latest)



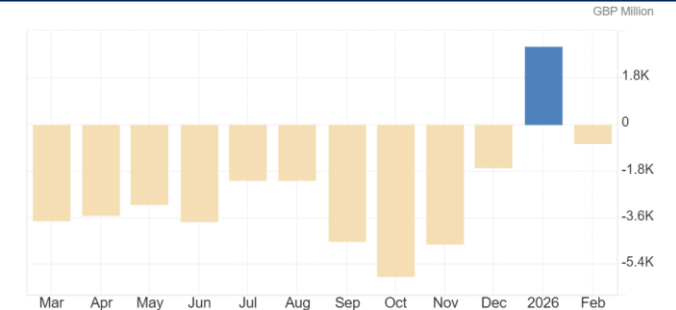
- The UK's monthly real GDP expanded in February 2026, following a 0.5% rise in January 2026. ONS monthly data preceded the beginning of the Middle East conflict and US response.
- Services rose 0.5%. The largest positive contribution came from business, administrative and support service activities. Production rose 0.5%, reversing prior monthly declines. Construction grew 1.0% led by private housing.

UK CPI inflation rises to 3.3% in March 2026



- UK CPI inflation rose to 3.3% in March 2026, from 3% in February, in-line with market expectations, making the highest reading in three months.
- Transport costs rose by 4.7%, the fastest pace since December 2022. Motor fuels climbed by 4.9%, marking the largest upward contribution.
- Housing and household services costs rose 4.3% (vs 4.2%). Prices rose for food and non-alcoholic beverages (3.7% vs 3.3%), and services (4.5% vs 4.3%).

UK trade deficit falls in February 2026



- The UK trade deficit fell to £0.72bn in February 2026, shifting from a downward surplus of £3.0bn in January 2026.
- Exports dropped 1.5% to £80.2bn. Imports grew 3.2% to a three-month high of £80.9bn.
- Goods exports declined 3.9% to £33.4bn, weighed down by lower shipments to both the EU (-0.7%) and non-EU countries (-2.3%).
- Goods imports grew 4.7% to £52.1bn. Services imports rose 0.6% to £28.9bn.

2. SECTOR INSIGHT AND PURCHASING MANAGER INDICES (PMIs)

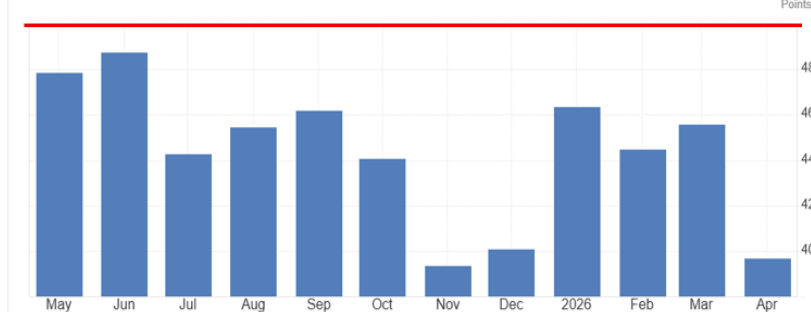
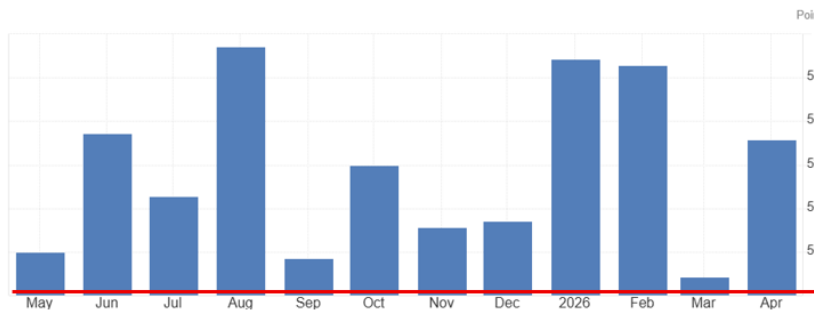
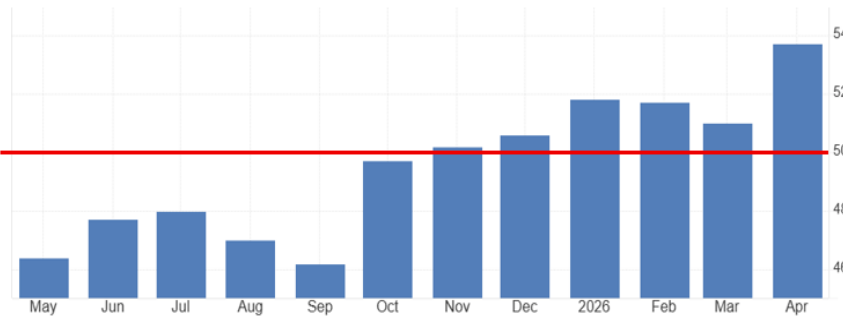
- **The S&P Global UK Composite Purchasing Manager's Index (PMI)** increased to 52.6 in April compared to 50.3 in March, showing a reflecting higher levels of manufacturing production and service sector activity.
- **Confederation of British Industry (CBI) Growth Indicator** shows that UK private sector firms expect activity to fall un the next 3 months (weighted balance -25%), with expectations at their weakest since December. Business volumes in the services sector are anticipated to fall (balance -22%), as are volumes in the manufacturing sector (balance -20%).
- **Lloyds Bank Regional Business Barometer (a monthly snapshot of how businesses with >£250k turnover, are feeling about their own prospects)**. Business confidence fell by 11 points to 44% in April 2026, though still above the long-term average of 30%.
- Business confidence was particularly affected for North West firms, with confidence falling 15 points to 38%. North West firms reported a focus on diversifying products/services (43%) and investing in teams (41%).

- **BDO High Street Sales Tracker**. Total like-for-like sales fell -1.6% in April 2026 compared to the same month last year. In-store sales fell by -1.8% compared to +2.3% in April 2025. Online sales rose by +3.6% compared to a +5.6% increase in April 2025.
- **The GfK Consumer Confidence Index for the UK** fell to -25 in April 2026 from -21 in March 2026. This marks the lowest level in October 2023 as consumers grapple with rapid price rises, particularly in fuel. The largest decline came in perceptions of the UK economy.
- Four of the five measures of consumer confidence were down (personal financial situation over the last 12 months, personal financial situation over the next 12 months, general economic situation over the last 12 months, general economic situation over the next 12 months). Only one measure (major purchases) remained constant.
- **Company Insolvencies**. There were 2,022 company insolvencies in England and Wales in March 2026, 7% higher than February 2026, and similar to levels in March 2025. Company insolvencies in March 2026 consisted of 299 compulsory liquidations, 1,468 creditor voluntary liquidations, 235 administrations and 20 company voluntary arrangement.
- **Insolvency Rates**. One in 194 UK firms (51.6 per 10,000 companies) entered insolvency from April 2025 to March 2026. This represents a decrease from the 53.0 per 10,000 that entered insolvency in the 12 months ending 31 March 2025.

The S&P Global UK Manufacturing PMI 53.7 (>50 = expansion)

The S&P Global UK Services PMI 52.7 (>50 = expansion)

The S&P Global UK Construction PMI 39.7 (<50 = contraction)



- **The S&P Global UK Manufacturing PMI** was 53.7 in April 2026, up from 51 in the month prior. (Numbers above 50 indicate expansion).
- This marked the highest reading since May 2022, with output expanding for the sixth time in seven months.
- New orders grew at one of the fastest rates in four years, driven by domestic and export demand.
- However, input prices rose at the fastest rate since June 2022 as manufactures grow increasingly concerned about the impact of the Middle East conflict.

- **The S&P Global UK Services PMI** was 52.7 in April 2026, up from 50.5 a month prior. (Numbers above 50 indicate expansion).
- This signalled a moderate expansion of the service sector, though new business intakes remained subdued.
- Service providers saw the fastest rise in cost burdens since November 2022, driven mainly by higher transport and cost wages.
- Firms continued to expect an upturn in business activity over the year ahead. Optimism increased from March's nine month low, but remained below the long-run average.

- **The S&P Global UK Construction PMI** was 39.7 in April 2026, a sharp reduction from 45.6 the previous month. (Numbers below 50 indicate contraction).
- Firms noted subdued demand, with geopolitical uncertainty driving clients to delay committing to projects.
- The deterioration in activity was the sharpest for civil engineering activity, followed by residential construction and commercial construction.
- The majority of firms surveyed reported higher input prices, which rose at the sharpest rate since June 2022, driven by fuel surcharges.

3. ORGANISATION GROWTH SURVEY RESULTS

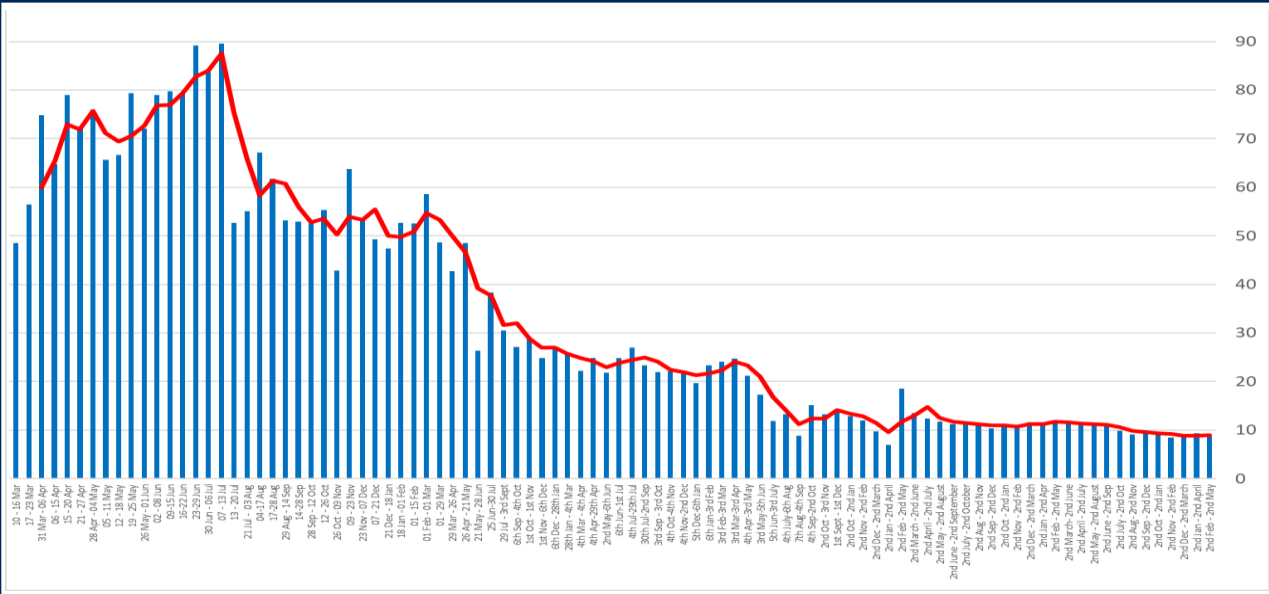
Previous survey results shown in brackets - note rounding on all values

GROWTH, CONFIDENCE AND INVESTMENT	MAIN ECONOMIC IMPACTS AND FINANCIAL RESILIENCE	BUSINESS CHALLENGES AND FUTURE 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> <ul style="list-style-type: none"> ➤ GC Business Confidence Index (GC-BCI) for April 2026 stood at 7.2 out of 10, similar to the previous quarter, however increased by month on average in last two months. Confidence levels are above average for Utilities / LCEGs, Agriculture, Manufacturing, Construction, and BFPS, and lower in DCT, Health Care, Life Sciences, Hospitality, Education and Creative Industries. ➤ Current sales & future profits. 17% (unchanged) of firms reported an increase in sales, and 9% (unchanged) reported decreased sales in the last 12 weeks. 59% (vs 63%) expect profits to increase in the year ahead. 3% (vs 1%) expect profits to decrease. The sectors most optimistic about future profitability are Utilities / LCEGs, Manufacturing, Life Sciences, Retail, Hospitality, BFPS, DCTs. Lower levels of optimism were seen in Construction, Education, Health Care. ➤ Investment. 36% (unchanged) of firms expect to increase capital expenditure in the year ahead. Sectors most optimistic about increasing investment are Utilities / LCEGs, Manufacturing & Engineering, Retail, Logistics, Hospitality, and Health care; and lowest in Education, BFPS, DCTs, Construction, Life Sciences. ➤ Workforce development. 25% (vs 26%) of firms plan to increase investment – a significant decrease on previous months. Sectors more likely to report a potential increase are Utilities / LCEGs, Construction, Retail, Logistics, Hospitality, Education; and less likely in DCTs, BFPS, Health, and Manufacturing. 	<ul style="list-style-type: none"> ➤ Main impacts. 27% (vs 25%) reported rising costs as the main impact, followed by cashflow issues 14% (vs 15%), staff shortages due to recruitment difficulties 7% (vs 8%), and minor supply chain challenges 6% (vs 5%). ➤ Cash reserves. 52% of firms (vs 51%) report having cash reserves to last over 6 months. Reserves were highest in Utilities LCEGs, Manufacturing, Life Sciences, Retail, Healthcare, BFPS; and lowest in DCTs, Education, Logistics, Hospitality, Construction, and Other Services. ➤ Cashflow. 14% (vs 15%) 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 Engineering, Retail, Hospitality, DCTs, BFPS and Education. Just 4% reported late payments by suppliers / customers. ➤ Analysis of insolvency risk shows an decrease in the total number of firms (10+ employees) reporting heightened levels of risk compared to last month: <ul style="list-style-type: none"> ○ 736 (down from 940 last month) firms have 1 flag - some risk; ○ 69 (up from 67) have 2 red flags - medium insolvency risk; ○ 59 (up from 50) have 3 red flags - insolvency imminent. ➤ Change in risk: The proportion of firms in GM with a red flag rating decreased by 3% points in April (m-o-m) for GM, similar to the 2% increase across the UK. Over the past 12 months, GM has seen a 3.7% increase in firms with a red flag rating, while the UK has recorded a 3.0% increase. 	<ul style="list-style-type: none"> ➤ The main current challenges for businesses. 49% (unchanged) of firms cited accessing new domestic sales. This issue is particularly acute in Utilities / LCEGs, Manufacturing, Construction, Logistics, Retail, DCTs, BFPS, and Healthcare. ➤ Other key challenges include developing new products or services 32% (unchanged), business model change 33% (vs 31%), managing overall finances 26% (vs 24%), and workforce development / skills challenges 22% (unchanged). ➤ International trade. 19% of firms (vs 17%) export goods/services, with 16% (unchanged) expanding into new markets, a trend particularly notable in the Utilities / LCEGs, Engineering, Life Sciences, and Retail sectors. 10% (vs 9%) 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 business planning 37% (vs 38%), innovation 35% (vs 34%), sales & marketing 32% (unchanged), workforce development 26% (vs 28%), and financial advice / guidance 28% (vs 26%). 9% (vs 8%) require assistance with managing their environmental impact. This figure has remained stable over the last 12 months. ➤ Micro-size firms (0–9 FTEs) are more likely to seek support in business planning, innovation, sales & marketing, and workforce development. Whereas firms with 50+ employees are more likely to request support in workforce development, recruitment, environmental impact management, digital transformation, and innovation.

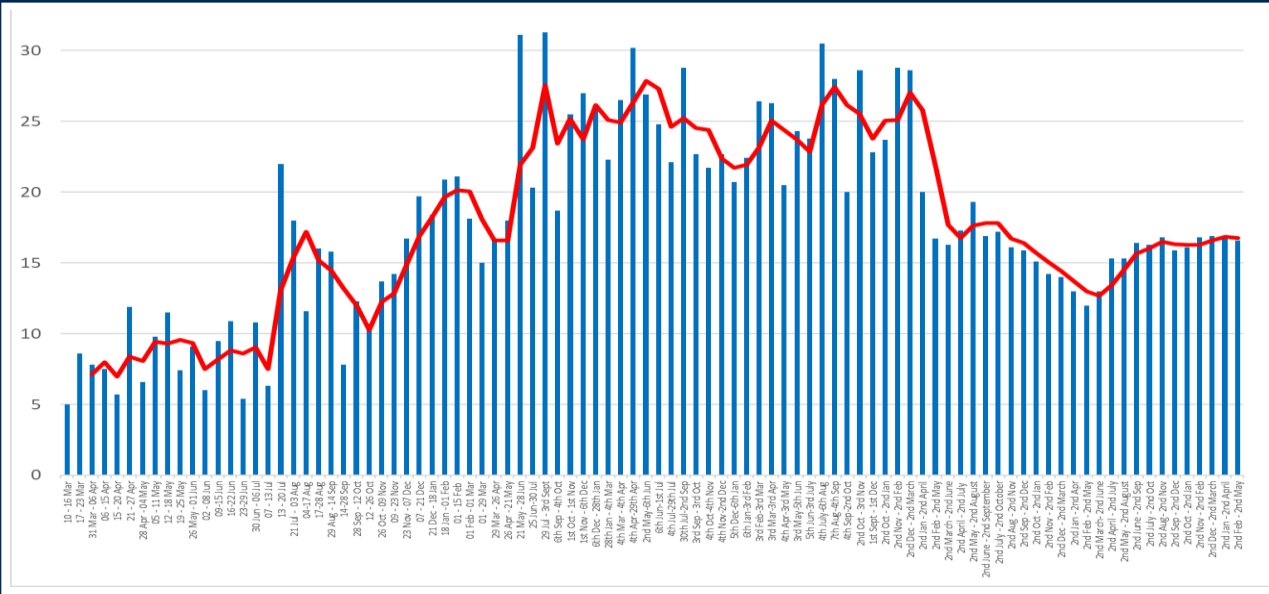
RECRUITMENT, EMPLOYMENT AND SKILLS	RESEARCH, DEVELOPMENT AND INNOVATION	SOCIAL VALUE AND GOOD EMPLOYMENT PRACTICES
<ul style="list-style-type: none"> ➤ Recruitment: 20% (vs 23%) of firms are currently recruiting new staff. The proportion of firms recruiting are highest amongst larger SMEs (50+FTEs). By sector, firms were more likely to be recruiting in Utilities / LCEGs, Construction, Manufacturing, Education, BFPS, and Other Services. Sectors least likely to be recruiting are DCTs, Retail, Hospitality, and Healthcare. ➤ Workforce skill gaps. 43% (vs 38%) report that their existing workforce skills are fully aligned with their business plan objectives. 43% (vs 48%) indicate that skills are only partially at the required level, and 9% (vs 3%) stated that their workforce skills are <u>not</u> at the right level. (6% said 'don't know'). ➤ Smaller SMEs were more likely to report gaps in sales & marketing skills, whilst firms with 50+ FTEs were more likely to report gaps in motivating staff, management and leadership, and developing teamwork. ➤ Technical skill gaps: Specialist technical skills and knowledge 25% (vs 26%), advanced IT skills 12% (unchanged), and knowledge of products / services 14%. ➤ Practical & personal skill gaps: Sales and selling 23% (unchanged), motivating staff 14% (unchanged), and customer handling 12% (vs 11%). 	<ul style="list-style-type: none"> ➤ Innovation activities. 32% (vs 31%) have invested in new or significantly improved services, 27% (vs 26%) in R&D, 19% (vs 18%) new business practices, 18% (vs 15%) introduced new or significantly improved goods, and 13% (vs 11%) have invested in improved production methods. ➤ Digital innovation. 11% (vs 12%) have invested in the acquisition of digital products, and 7% (vs 6%) made investments in the acquisition of new machinery - especially in Utilities / LCEGs, Manufacturing, and Retail. ➤ Future Innovation. 31% (vs 29%) of firms are looking to increase investment and R&D, highest in Utilities / LCEGs, Engineering, Education, Life Sciences and DCTs. 25% (vs 26%) of respondents said they were likely to invest in workforce development to specifically support innovation. ➤ Digital Transformation. 15% (unchanged) of firms are looking to invest in digital transformation, highest Utilities / LCEGs, Retail, Hospitality, and DCTs. ➤ AI Adoption: 49% (vs 43%) have adopted AI into business. Firms were most likely to have implemented AI in data processing and analytics & automation. 	<p>Organisations were asked if they had/or intended to have the following:</p> <ul style="list-style-type: none"> ➤ Guaranteed at least 16 hours of work per week. 54% (unchanged) said this currently applies, and 21% (vs 23%) said they are likely to consider. ➤ Paying employees the Real Living Wage. 48% of firms (vs 50%) paid the RLW, while 29% (vs 28%) indicated they are likely to implement it in the future. ➤ Promoting healthy work practices. 42% (vs 45%) said this currently applies, while 31% (vs 29%) indicated they are likely to do so in future. ➤ Investing in leadership. 42% (vs 44%) said that they are investing in leadership, while 37% (unchanged) indicated they are likely to do so in future. ➤ Offering flexible working options to employees. 41% (vs 43%) said this currently applies, and 31% (unchanged) said likely to implement in the future. ➤ Looking to increase the diversity of the workforce. 39% (vs 41%) of firms said this currently applies, 35% (vs 33%) said likely to include this in the future. ➤ Involving employees in the overall direction of the business. 37% (unchanged) said this currently applies. 33% (unchanged) said likely to do so in future.

3. TIME SERIES OF THE MAIN IMPACTS OF THE ECONOMY ON BUSINESS

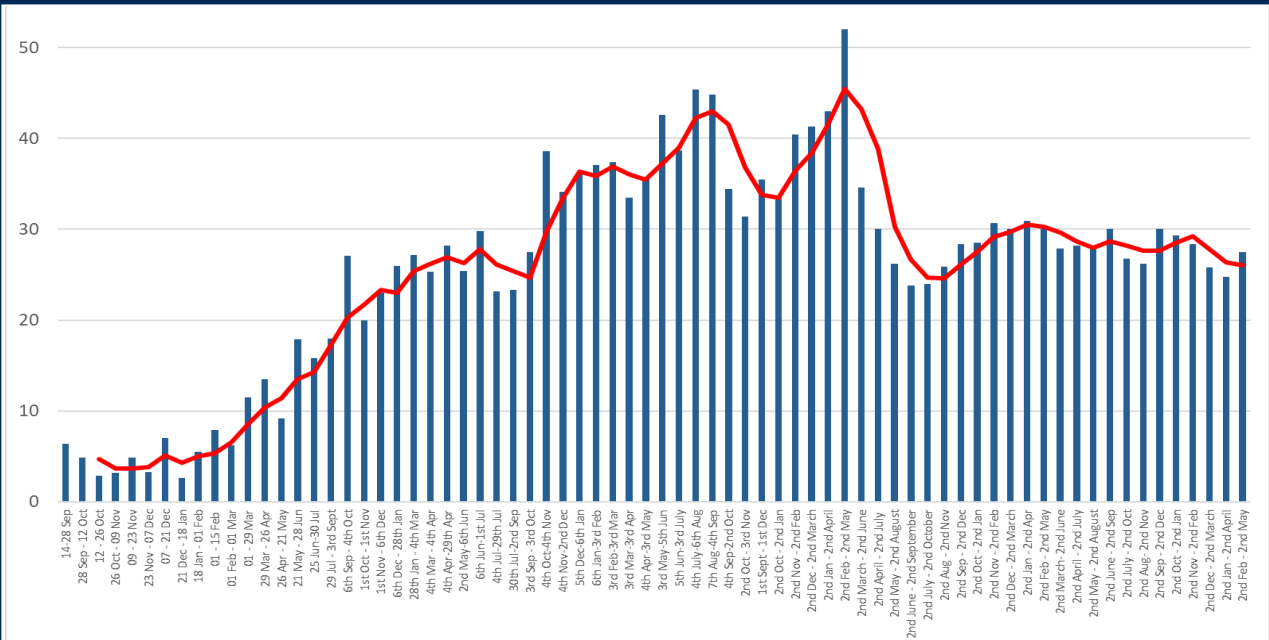
Percentage reporting decreased sales (Red line = moving average)



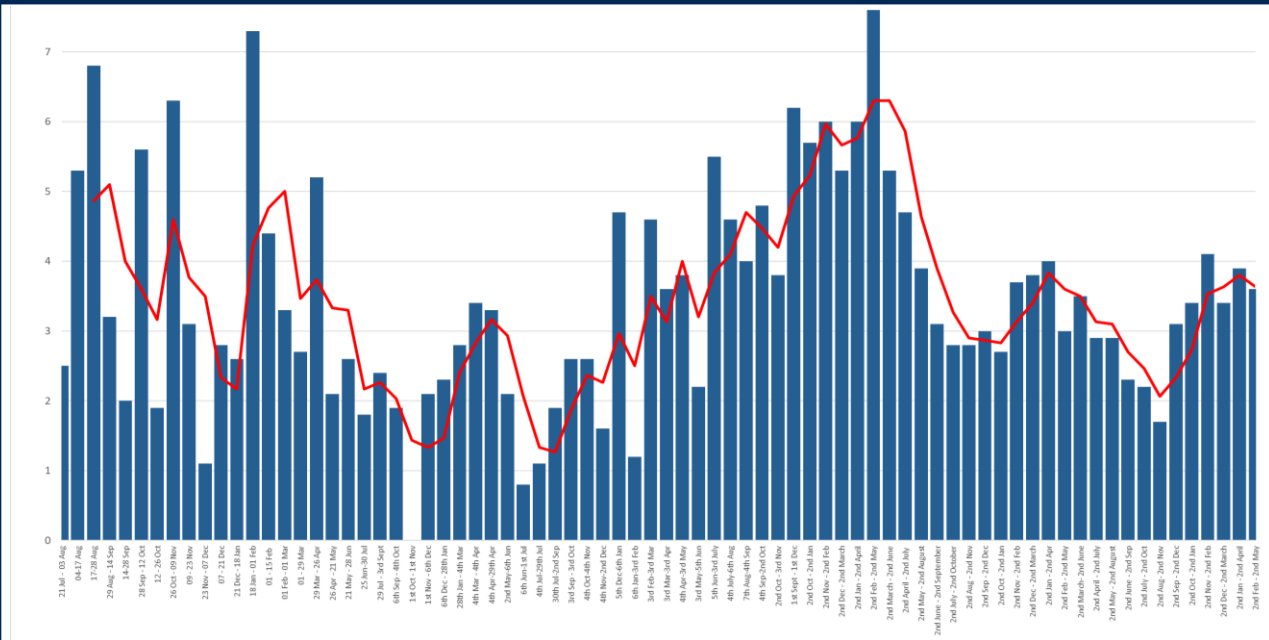
Percentage reporting increased sales



Percentage reporting rising costs

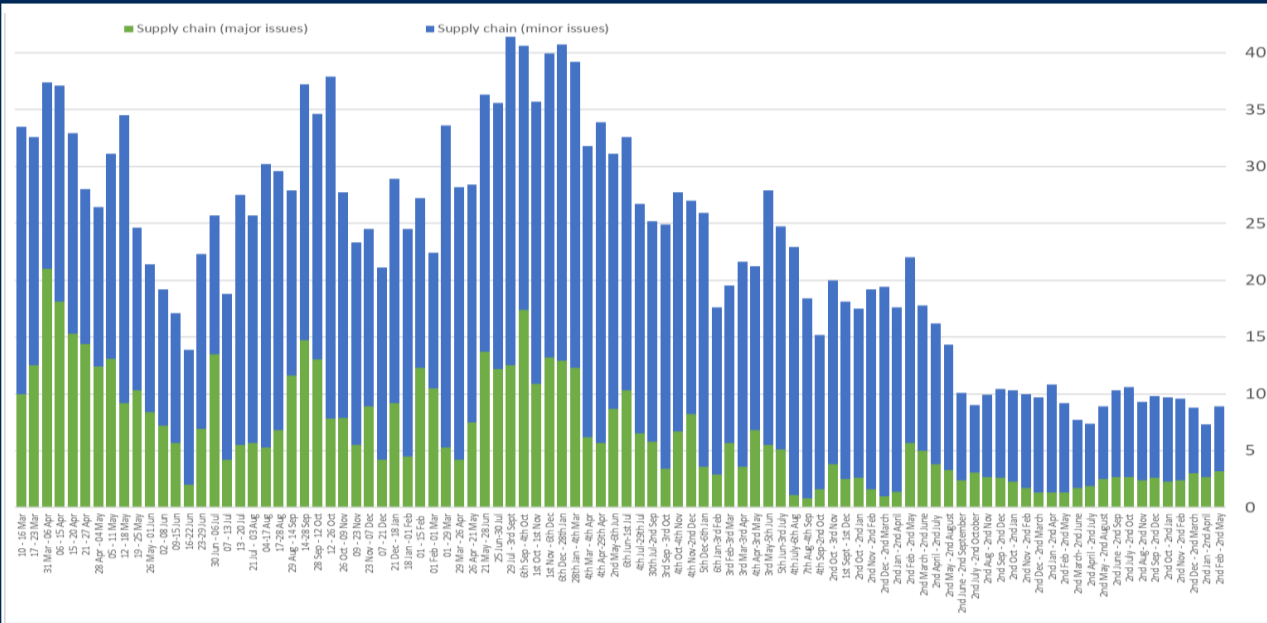


Percentage reporting late payments

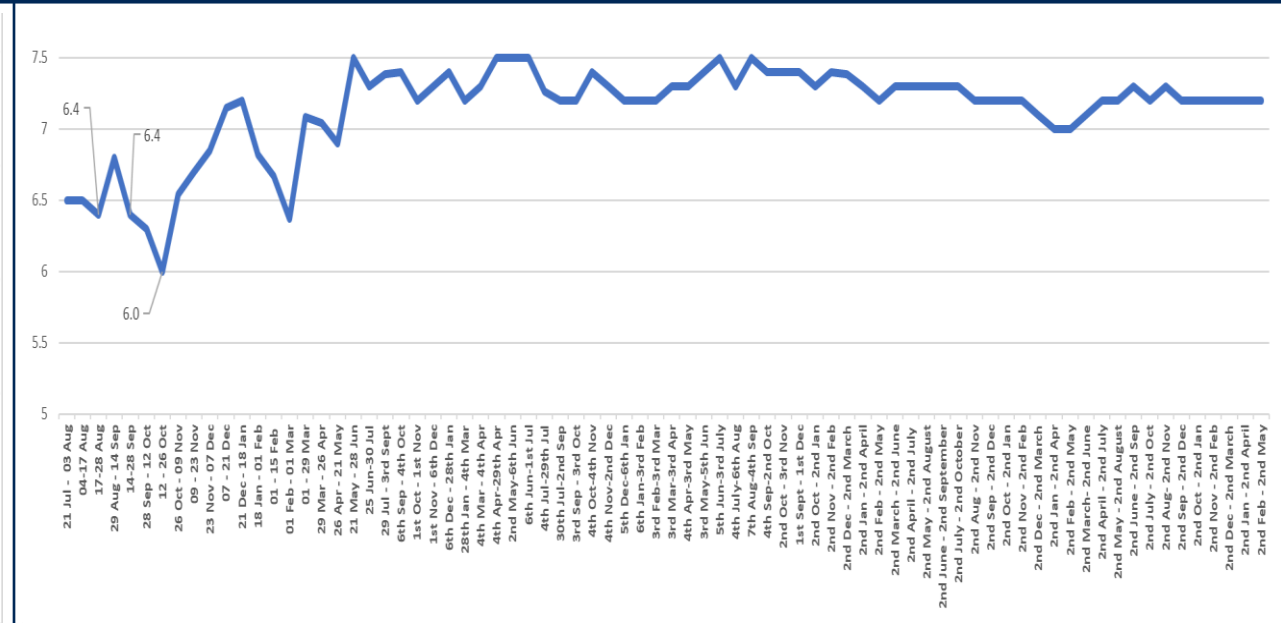


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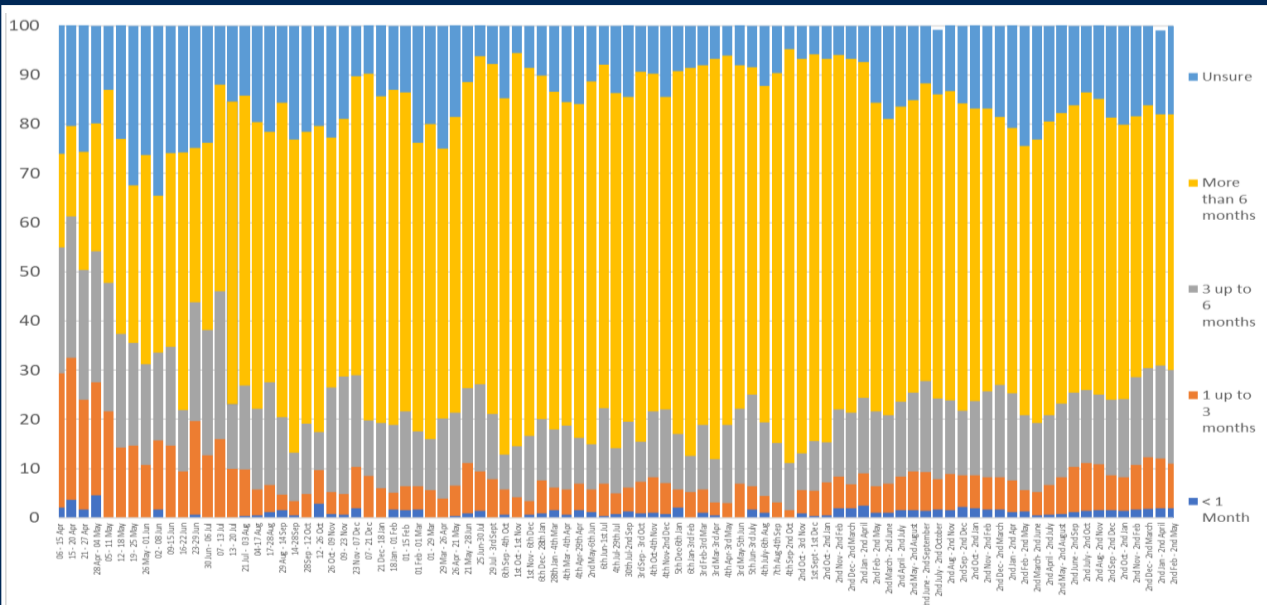
Percentage reporting minor supply chain issues (blue), major issues (green)



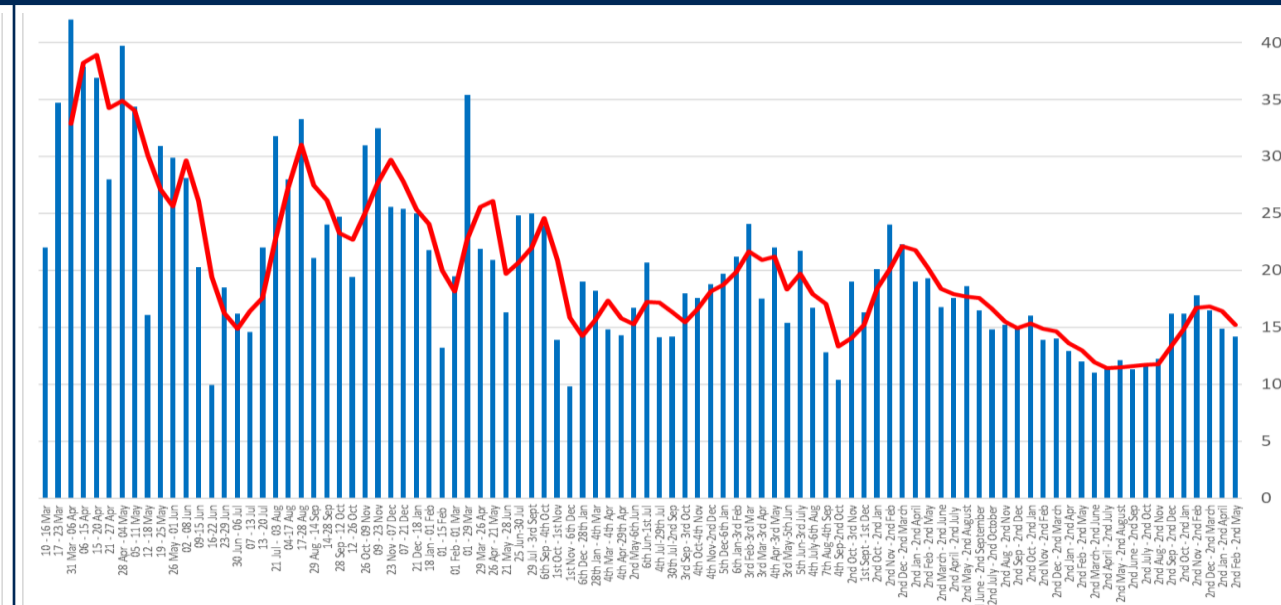
Aggregate confidence index – 1 low confidence, 10 high confidence



Percentage stating cash reserves can sustain certain periods of time

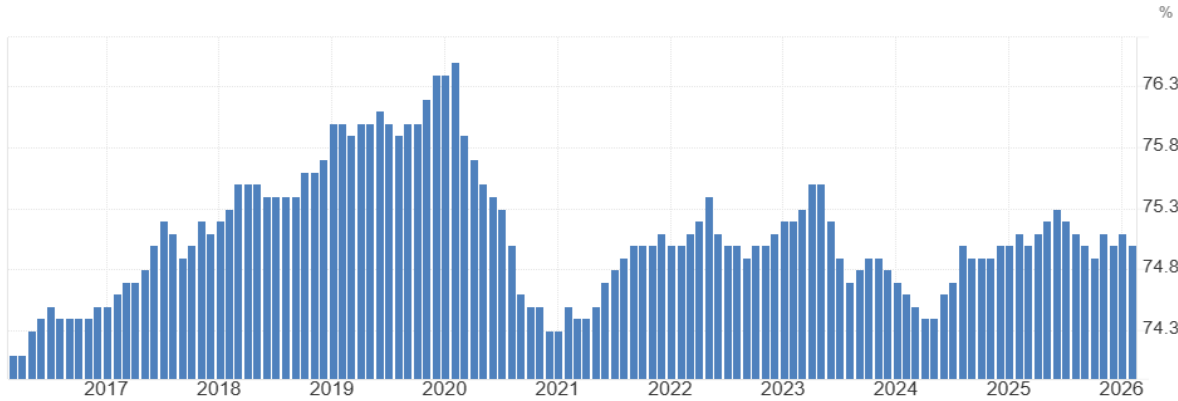


Percentage reporting cashflow problems



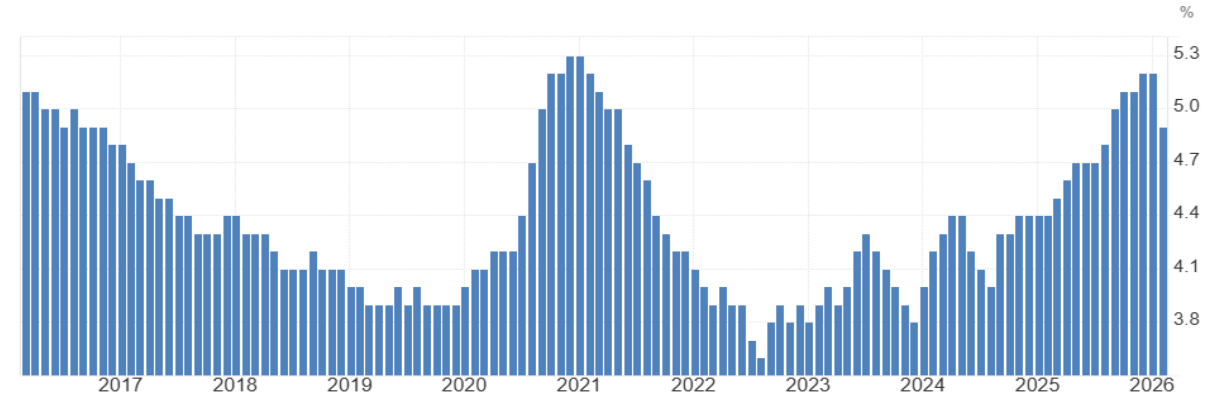
4. LABOUR MARKET HEADLINES – ONS QUARTERLY LABOUR FORCE SURVEY

United Kingdom - Employment Rate 75%



➤ **The Employment Rate in the United Kingdom decreased to 75% in February** from 75.1% in January of 2026. This averaged 71.7% from 1971 until 2026, reaching an all time high of 76.5% in February of 2020 and a record low of 65.6% in April of 1983.

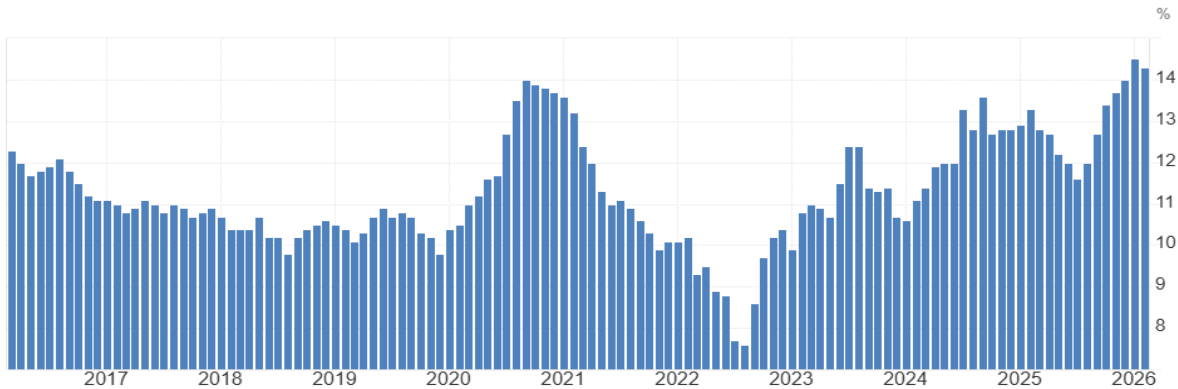
United Kingdom - Unemployment Rate 4.9%



➤ **The UK Unemployment Rate fell to 4.9% in the three months** to February 2026, defying expectations of it remaining at the previous period's 5.2%. The decline in unemployment (but actively seeking work) coincided with a rise in economic inactivity, indicating that some Britons are leaving the workforce rather than finding new jobs.

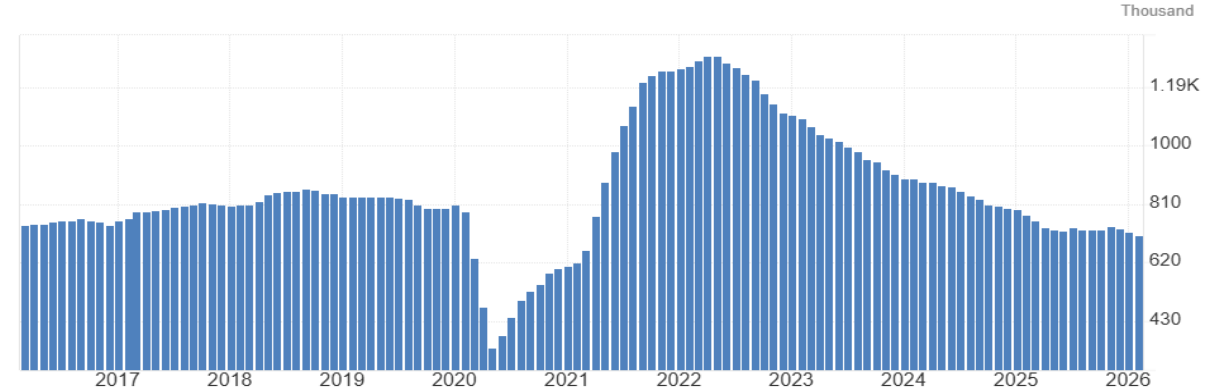
➤ Unemployment fell by 60k to 1.78m, while inactivity rose to 9.12m (21%). Employment increased by 24k to 34.33m (75%), driven by full-time roles, while second jobs declined to 1.27m (3.7% of workers).

United Kingdom - Youth Unemployment Rate 14.3%



➤ **The Youth Unemployment Rate in the United Kingdom decreased to 14.3% in February** from 14.5% in January of 2026. This averaged 13.2% from 1992 until 2026, 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 711k



➤ **Job Vacancies in the United Kingdom decreased to 711k in February** from 721k in January of 2026. Vacancies averaged 697k from 2001 until 2026, reaching an all time high of 1.3m in May of 2022 and a record low of 343k in May of 2020.

5. HOSPITALITY, LEISURE, TOURISM - IMPACTS AND SUPPORT

VisitBritain - Domestic Consumer Sentiment Tracker Fieldwork 1st to 7th April 2026

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 62%, up 9%pt on March 2026.
- Proportion intending to take a UK overnight trip in the next 12 months is 78%, up 3%pt on last month.
- Proportion intending to take an overseas trip in the next 12 months is 60%, up 2%pt on last month.
- The main barriers, in April, to taking an overnight stay in the UK within the next six months are:
 - UK weather & rising cost of living – joint first (UK weather up from 2nd in March 2026);
 - Cost of fuel (up from 6th in March 2026).
- Top 3 areas for overnight stays Apr-Jun 2026: South-West (1st), North-West and Wales (joint second).
- Top 3 areas for overnight stays Jul-Sep 2026: South-West (1st), London (2nd) and North-West (3rd).
- Top 3 destinations Apr-Jun 2026 are city/large town (1st) and traditional coastal/seaside town and countryside or village (joint 2nd).
- Top 3 destinations Jul-Sep 2026 are city/large town (1st), traditional coastal/seaside town (2nd), countryside or village (3rd).
- Hotels remain the top accommodation choice for breaks in April to June 2026, and July to September, consistent with last month.

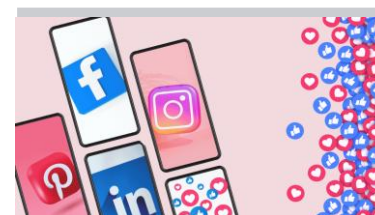
Source: <https://www.visitbritain.org/research-insights/domestic-sentiment-tracker>

Hotel Performance Monitor – March 2026 (Source MM)

- The occupancy rate in March for Greater Manchester (76%) and Manchester city centre (76%) were both above March 2025 levels (74% and 73% respectively).
- The average daily rate for Greater Manchester (£83) and Manchester city centre (£92) were also both above 2025 levels (£82 and £89 respectively).
- The revenue per available room for Greater Manchester (£63) and Manchester city centre (£69) were both above 2025 levels (£61 and £65 respectively).

	Greater Manchester			Manchester city centre		
	Room occupancy	Average rate	Revenue per room	Room occupancy	Average rate	Revenue per room
2026	76%	£83	£63	76%	£92	£69
2025	74%	£82	£61	73%	£89	£65

Marketing Manchester Campaigns Impact Reach across all channels



170.2 million

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

INDUSTRIAL AND WAREHOUSING

212M ↓	1.2M ↑	(527K) ↑	5.5% ↑	£8.62 ↑	£89 ↑	7.5% ↓
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

- **Market scale and location.** Manchester is the largest industrial market in the North, with 212 million SF of space, with strong motorway connectivity (M60, M62, M6, M56), proximity to Manchester Airport and the Port of Liverpool, and major concentrations of stock along Trafford Park, South Manchester and the M62 corridor (Bolton, Rochdale).
- **Vacancy and absorption trends.** Industrial vacancy rates have stabilised at 5.5%, up from the 1.6% low 3 years ago, but still well below the market peak of 9%+ in 2012 and remain in line with the national average.
- **Leasing activity.** Lettings remain steady, with over 100,000 SF of new space absorbed recently, led by major occupiers such as Amazon, Whistl and multiple deals across Rochdale and Trafford.
- **Mid-box and last-mile demand.** Demand in the mid-box segment continues to be resilient, supported by occupiers' ESG requirements, with new lettings at Lowry Park and multiple deals at Stakehill Industrial Estate.
- **Development pipeline.** Construction activity remains robust with around 1.2 million SF underway, focused on 100,000-200,000 SF units at Waterfold Park in Bury and PLP's Astley Business Park, along with smaller schemes at Chancergate's Eastside near the Manchester City stadium, and at Sandbrook Business Park in Rochdale.
- **Rental performance.** Annual rent growth has moderated to 6.3% (from an 8.6% peak), with average rents at £8.60/sq ft—below London and Cheshire, but above Liverpool and Leeds.
- **Sub-market dynamics.** Southern GM submarkets (Trafford, Stockport, Manchester Airport) command the highest rents, while M62 corridor markets such as Rochdale and Oldham offer the most cost-competitive space.

OFFICE

67.6M ↑	1.4M ↑	751K ↑	10.5% ↓	£23.13 ↑	£217 ↑	9.3% ↓
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

- **Vacancy and market momentum.** Office vacancy has stabilised at 10.5%, close to an 11-year high, following a steady rise from the 5.3% post-pandemic low in 2020.
- **Grade A and refurbishment-led demand.** Large corporate occupiers continue to drive major lettings, focused on new and comprehensively refurbished space, including No. 3 Circle Square, M&G's Aviary, and Pall Mall.
- **Secondary market recovery.** Improved market sentiment and stronger return-to-office policies have supported a recovery in secondary space, with post-pandemic highs in net absorption of 1–3 Star buildings.
- **Out-of-town and sector-led growth.** Trafford and Salford Quays recorded their strongest post-pandemic activity, alongside deals at Stockport Exchange, and expansion of the Life Sciences cluster at CityLabs 4.0.
- **Development pipeline.** Annual completions averaged 700,000 SF, though new starts have slowed due to viability challenges; 1.4 million SF remains under construction, including Plus Ultra, Greenheys, and Landsec's Mayfield Republic scheme. Large-scale refurbishments are also increasing, including recently completed Sunlight House and the Aviary and the 357,000-SF Metropolitan in Spinningfields is underway.
- **Rental performance.** Average rents are £23/SF, second among the Big Six cities. Prime rents are stable at £45/SF with growth expected from 2026, while refurbished space (£37–£41/SF) and stronger secondary demand are narrowing the gap with Grade A stock.
- **Occupier mix and demand drivers.** Demand is led by large corporate occupiers alongside strong DCT and Creative Industries activity, with Life Sciences continue to emerge as a growing contributor to take-up.

7. GOVERNMENT MEASURES. OTHER DATA AND ANNOUNCEMENTS

THEME	Web	ANNOUNCEMENT / ISSUE - HOLD CTRL AND CLICK ON EACH <LINK> TO ACCESS THE FULL ITEM
British businesses celebrated as The King's Awards for Enterprise mark their 60th anniversary	<Link>	<p>The recipients of The King's Awards for Enterprise have been announced, celebrating the achievements of outstanding businesses from across the UK and Channel Islands and recognising their vital contribution to economic growth. This year marks a significant milestone for the Awards, as they celebrate 60 years since the first honours were conferred in 1966. The programme has since recognised more than 8,000 exceptional UK businesses, highlighting the strength, innovation, and ambition of British enterprise. To mark this anniversary year - and to ensure the Awards continue to reflect the evolving landscape of UK business - a new category has been introduced: The King's Award for Enterprise - Young Founder. Created as part of the Department for Business and Trade's Small Business Plan, the Award will recognise founders aged 18–30 who are actively leading their businesses and driving growth and opportunity. A total of 186 awards have been issued with one company, Bristol-based Tailfin Ltd, being recognised for two Awards. The Awards span a diverse range of sectors and celebrate the ambition, ingenuity, and success of the UK's business community. Overall, 76 businesses have been recognised for International Trade, 52 for Innovation, 36 for Sustainability and 22 for Promoting Opportunity (through social mobility).</p>
UK-Germany joint statement on economic security	<Link>	<p>Secretary of State Peter Kyle and German Federal Minister for Economic Affairs and Energy, Katherina Reiche, signed a joint statement detailing measures for closer UK-Germany collaboration on economic security. Their teams will meet at least annually to monitor progress in various policy areas and consider new initiatives including possibilities for further co-operation. This deepened economic security relationship between the governments will help:</p> <ul style="list-style-type: none"> • Protect businesses, workers and consumers from supply chain disruptions; • strengthen industrial bases and international partnerships; • shield against the weaponisation of critical dependencies; and • ensure that trade and investment activities, critical infrastructure and technological capabilities are better protected from external threats.
UK backs company building breakthrough AI that can discover new knowledge	<Link>	<p>The UK is backing Ineffable Intelligence, a new British AI company building algorithms that can learn for themselves and uncover new knowledge - rather than simply copying what humans already know. Ineffable Intelligence is the latest frontier. Sovereign AI and the British Business Bank will co-invest in the AI firm, supporting the company as it builds its technology, grows its team and scales its operations from the UK. The company is led by David Silver, Professor at University College London and formerly Head of Reinforcement Learning at Google DeepMind,. His work has helped power some of the biggest AI breakthroughs of the last decade, including AlphaGo - the system that famously beat the world champion at the game of Go.</p>
Britain must secure greater control and leverage over AI to protect our national security in fractured world	<Link>	<p>Britain must act now to cement its place in the new technological era, Technology Secretary Liz Kendall said in a landmark speech, there must be a “decisive move” towards backing more British tech companies as AI reshapes global power, security and prosperity. Speaking at the Royal United Services Institute (RUSI), she warned that nations which fail to master the defining technology of their age risk ceding control over their security and economic future. She said history shows that the countries which pull ahead are those that master the defining currency of their age - from navies and railways to power grids. Today, that currency is technology: chips, computing power and artificial intelligence, which are increasingly becoming engines of both economic power and hard power. The Tech Secretary noted that 70 per cent of global AI compute is now controlled by just 5 companies.</p>
UK Compute Roadmap	<Link>	<p>The UK Compute Roadmap will build a world-class compute ecosystem that provides a platform for innovation, growth and opportunity across the economy. The compute ecosystem will support a broad range of users, at the frontier of AI research as well as those adopting AI into their daily workflows. It will have a diverse and resilient mix of compute infrastructure services – spanning public and private systems, AI training as well as inference, national platforms and regional innovation hubs. Crucially, it will be dynamic and adaptable, evolving to support the technologies of tomorrow. The government are delivering a 10-point plan that sets out the ambition and provides clarity and certainty to researchers, industry and investors alike.</p>
Decisive action to break influence of gas on electricity prices	<Link>	<p>The Government is setting out new measures to ‘break the link’, reducing the impact that volatile gas prices have on the price of electricity. This will be done by:</p> <ul style="list-style-type: none"> • Voluntary long term fixed contracts: offered to existing low-carbon generators not on fixed-price contracts – covering around a third of Britain's power supply. This will help protect families and businesses from higher bills when gas prices spike, with contracts offered only where they deliver clear value for money for consumers • An updated Electricity Generators Levy: immediate action to tax excess profits through the Electricity Generator Levy by raising the rate from 45% to 55%, ensuring an increased proportion of the extraordinary revenues generated when the gas price spikes is available to government to support businesses and households with the impacts of the conflict in the Middle East on the cost of living <p>Britain has already moved from gas setting the price of electricity around 90% of the time in the early 2020s, to around 60% today. Through the government's clean energy mission, it is estimated gas will set the wholesale price around half of the time by 2030.</p>

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	MAR 2026	FEB 2026	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%	67%	40%	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%	18%	20%	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%	11%	11%	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	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	-	-	24%	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	C	C
BUSINESS FINANCIAL, PROF. SERVICES	27%	8%	12%	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%	8%	6%	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%	20%	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%	C	C	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	C	C
UTILITIES AND GREEN TECH	C	C	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	7%	8%	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%	C	C	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	C	C
MANUFACTURING (excluding Engineering)	3%	21%	17%	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	C	C
RETAIL & WHOLESALE	18%	C	C	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%	9%	6%	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%	67%	66%	84%	69%	54%	58%	61%	63%	67%	77%	71%
10 to 49 (SMALL)	9%	18%	22%	6%	14%	27%	24%	23%	22%	25%	11%	16%
50 to 249 (MEDIUM)	2%	11%	10%	6%	10%	14%	11%	11%	11%	7%	9%	10%
250+ (LARGE)	<1%	C	C	C	7%	C	C	C	C	C	C	C
UNKNOWN	-	-	-	-	-	-	-	-	-	-	-	-