

techUK Policy Conference

Public First Polling

March 2026

Executive Summary

Ahead of techUK's policy leadership conference on 16 March, Public First ran a poll of 531 UK businesses – 275 tech and 256 non-tech.

The findings show strong alignment between tech and non-tech businesses around the importance of growth and technology adoption. Businesses are optimistic about the UK's potential but believe the current operating environment is making expansion harder than necessary.

Technology and AI are widely seen as central drivers of growth across the economy, with businesses increasingly adopting new tools to improve productivity and competitiveness. However, practical barriers – including energy costs, taxes, regulatory complexity and implementation costs – continue to constrain adoption and growth. Our polling shows that:

- **Growth remains the top priority for UK businesses.** 2 in 5 of both tech (40%) and non-tech (37%) businesses say that growing their business is the top ambition over the next five years.
- **Businesses overwhelmingly see the tech sector as a central driver of this growth.** Over three quarters of businesses (85% of non-tech, 91% tech) say the technology & digital sector plays a significant or vital role in UK growth.
- **The outlook for growth has deteriorated over the past year.** Compared to 12 months ago, 45% of non-tech businesses said it was significantly or somewhat harder to operate in the UK. Tech businesses were slightly more positive about the last year, with only 27% saying it is harder to operate their business in the UK now.
- **80% of tech businesses support the Government prioritising economic growth.** But only 16% believe growth has actually been the Government's top priority in practice.
- **UK businesses want to invest in the UK, but need better conditions.** When asked how their businesses would change if the UK improved its operating environment, 86% of tech companies believed profits would increase, and 58% said they would increase headcount.

Key Findings

Growth is the right focus for the Government.

80% of tech businesses support the Government prioritising economic growth. However, far fewer (16%) agree that this focus has been realised in practice since Labour came to power in July 2024. Among tech SMEs, this gap between rhetoric and reality is perceived as even greater: only 7% say growth has actually been Government's top priority.

However, growth remains the top priority for UK businesses. Among both tech and non-tech businesses, the most common ambitions over the next five years included **growing the business (40% for non-tech businesses, 37% for tech businesses)** and **adopting new technologies such as AI (37% for tech, 27% for non-tech businesses)**. Where the two diverge centres around emphasis on innovation, with tech businesses prioritising expanding capabilities (30%) and R&D (24%) while 26% of non-tech businesses cited upskilling their workforces as a central ambition.

Businesses are more optimistic about the UK tech sector than the wider UK economy. **72% of tech businesses and 52% of non-tech businesses believe the UK tech sector will outperform international competitors** in Europe or North America over the next decade.

The outlook for growth has deteriorated.

There is optimism about the UK tech sector, but increasing frustration with the operating environment.

Among non-tech businesses, **45% say it has become harder to operate in the UK over the past year**. Tech businesses are having a slightly more positive experience, with only a quarter (27%) saying it has become harder, and 47% saying easier.

In techUK's previous polling the UK's business environment was one of the country's great strengths. In past surveys, tech businesses said they thought it was easier to operate in the UK (54%) (2024, 34%), when compared with other countries. At the time just one-in-five (17%) said they thought it was more difficult. The slide in sentiment we see in 2026 puts at risk a historic strength when it comes to how companies see the ease of doing business in the UK.

This disparity in perception between tech and non-tech businesses is also echoed when comparing the UK with other jurisdictions. **32% of non-tech businesses say the UK is harder to operate in than Europe or North America, versus 18% of tech businesses.**

However, there are benefits to operating within the UK for tech and non-tech businesses alike. Among non-tech businesses, the most commonly cited benefits are **access to the workforce (37%), a reliable customer base (37%) and access to skilled workers (36%)**. Tech businesses place greater emphasis on digital capabilities, with 48% highlighting access to digital infrastructure as a key advantage, alongside access to skilled workers (43%) and the ability to collaborate with other tech companies (41%).

Businesses strongly believe technology will drive growth.

Both tech and non-tech companies see tech as core to economic expansion. When asked to rank how central different sectors are to the economic growth of the UK, approximately **57% of all businesses surveyed placed 'Technology and Digital' as vital**, compared to 43% for Advanced Manufacturing and 50% for Financial Services.

Businesses see tech as central to their own growth. 47% non-tech and 67% of tech businesses rated new technology and its suppliers as key components of their growth plans, and this is reflected in increasing adoption rates.

Interest in adopting new technologies has increased significantly over the past year. **62% of non-tech businesses report growing interest in technology adoption**, and 84% of tech businesses say demand from their customers has increased.

Tech and non-tech businesses face similar barriers and are driven by similar adoption drives.

Businesses clearly want to adopt new technologies. But practical barriers continue to slow uptake, for both tech and non-tech businesses.

Concerns around data security and privacy were cited as a key barrier to adoption of new technologies for both tech (37%) and non-tech businesses (31%). For non-tech businesses the other top barriers to adopting new technology were high upfront investment costs (33%) and unclear returns



on investments (25%). Tech businesses report similarly operational barriers: compatibility with existing systems (34%) and the time required for implementation (32%) are both cited by tech firms as major challenges.

Market pressures – not government policy– are the main drivers of tech adoption. The top ways tech businesses are engaging with technology predominantly centre on internal business needs, such as using web services and cybersecurity tools (56% and 54% respectively), and developing or producing tech hardware or software (50%).

There is a political risk to not doubling down on growth or addressing these barriers.

Business sentiment remains fluid, particularly outside the tech sector, and our data shows that **failure to address the cost and regulatory barriers facing UK businesses** could lead to a further erosion of confidence in the Government’s growth agenda.

When it comes to what businesses want from Government over the next five years, tech and non-tech firms are far more aligned. **Businesses across sectors identify similar priorities for government action**, the most frequently cited policies being:

- Reducing business taxes (52% non-tech, 40% tech)
- Reducing energy costs (46% non-tech, 37% tech)
- Expanding AI training programmes (27% non-tech, 35% tech)
- Simplifying regulation around new technologies (27% non-tech, 30% tech)

But **none of these priorities are new**. They were the central policy asks from businesses before the General Election. In our May 2024 poll, 30% of tech leaders said the level of tax on business was one of the greatest weaknesses of operating in the UK, with cutting business taxes the most frequently cited policy ask. Energy costs were also a major concern: **41% of businesses identified energy costs as a drawback to operating in the UK in 2024, rising to 52% in 2025**. While this has fallen slightly in the latest poll, with 46% of non-tech and 37% of tech businesses citing energy costs as a key problem area in 2026, the problem has still worsened since Labour came into Government. **Businesses are still overwhelmingly focused on policies that reduce operating costs and provide greater regulatory clarity**, and need the Government to act.

Business confidence could deteriorate further if these barriers are not addressed. Companies are already increasingly looking abroad for growth opportunities. **A majority say they are likely to expand into new markets in the next five years**. 65% of non-tech and 83% of UK tech businesses are actively pursuing or exploring international expansion, and 38% of non-tech businesses and 45% of tech businesses say they have considered relocating investment or operations outside the UK.

Argument/narrative	Polling claim
Growth remains the top priority for UK businesses, tech and non tech	
Growth is the right focus for the Government.	Businesses support the Government’s narrative on growth. However, only 16% of tech businesses and 5% of non tech businesses believe growth has actually been the Government’s top priority since Labour came to power.
Government and Business are aligned on the importance of growth.	40% of non-tech and 37% of tech businesses say growing their business is their top ambition over the next five years.



UK businesses want to invest in the UK, but are not supported to do so.	71% of non-tech businesses and 56% of tech businesses say the current UK operating environment makes expanding their business challenging.
The rewards of getting this right are high (for both tech and non-tech businesses)	<p>If the UK improved its operating environment:</p> <ul style="list-style-type: none"> • 80% of tech businesses say profits would increase • 74% of tech businesses say their business would grow in size • 65% of tech businesses say they would increase headcount <p>Among non-tech businesses:</p> <ul style="list-style-type: none"> • 60% say profits would increase • 52% say their business would grow • 48% say they would hire more staff
The outlook for growth has deteriorated since the election, with businesses wanting the government to do more	
Business conditions have deteriorated in the UK over the last year.	45% of non-tech businesses say it is now harder to operate in the UK than 12 months ago.
This deterioration is hitting SMEs the hardest (tech and non-tech)	SMEs are more likely to say growth has not been prioritised in practice, with 38% of tech SMEs saying growth has been a low or non-priority for the Government.
Structural barriers to doing business remain.	<p>Across both sectors the most frequently cited structural barriers are:</p> <ul style="list-style-type: none"> • Business taxes (42% of non-tech businesses, 36% of tech businesses) • Energy costs (40% non-tech, 37% tech) • Regulatory burden (28% non-tech, 22% tech)
Sufficient progress has not been made on the key barriers to growth identified in techUK's previous polls (energy, inflation, regulation and cost of living)	
Despite the drive to 'Unlock innovation', regulatory barriers remain.	27% of non-tech businesses and 30% of tech businesses say simplifying regulation around new technologies would be one of the most important steps the Government could take to support growth.
The costs of doing business continue to rise (energy costs, tax etc).	42% of non-tech businesses and 36% of tech businesses say the current level of tax on business is one of the biggest weaknesses of operating in the UK.
Lowering the cost of doing business (including energy costs, tax etc) in the UK should be a top priority for Government.	Energy costs are identified as a key drawback of operating in the UK by 40% of non-tech businesses and 37% of tech businesses.
Approaches to procurement are still problematic.	30% of non-tech and 36% of tech firms say increasing SME access to contracts and 38% of tech businesses say improving digital procurement tools would help most to improve procurement.



Core barriers for both tech and non-tech businesses to broader tech adoption.	<p>Both tech and non-tech businesses say high upfront implementation costs, security/privacy concerns and implementation time are the top barriers to tech adoption.</p> <ul style="list-style-type: none"> • High upfront implementation costs (33% non-tech, 29% tech) • Security and privacy concerns (31% non-tech, 37% tech) • Implementation time or integration challenges (23% non-tech, 32% tech)
The barriers which stop non-tech businesses from adopting new technology are not in the control of tech businesses.	High upfront investment costs are cited by 33% of non-tech businesses as key barriers to adoption, while 31% cite data security and privacy concerns and 25% say uncertainty about return on investment is a major barrier. 23% also point to the time required for implementation and transition. These are largely related to cost and risk rather than the availability of technology itself.
Tech businesses and non-tech businesses want similar outcomes and non-tech businesses view AI and digital technology as central to their growth ambitions	
Tech is accepted as an engine of growth, even by non-tech businesses.	48% of non-tech businesses agree that tech is a key enabler of growth in the UK
The conditions needed for tech businesses to sell and for non-tech businesses to buy more technology are aligned.	The most frequently cited policy interventions for both tech and non-tech businesses included: reducing business taxes (52% of non-tech businesses and 40% of tech businesses), reducing energy costs (46% and 35%) and simplifying regulation around new technologies (27% and 30%).
Some policy interventions serve to benefit both tech and non-tech businesses.	<p>Non-tech businesses</p> <ul style="list-style-type: none"> • Infrastructure investment - 42% • AI training programmes - 40% • International trade agreements - 33% <p>Tech businesses</p> <ul style="list-style-type: none"> • AI training programmes - 56% • Infrastructure investment - 53% • Increased SME access to procurement - 42%
There are some causes for optimism.	Around 39% of businesses surveyed cite access to a skilled workforce as one of the top benefits of operating in the UK, including 36% of non-tech businesses and 43% of tech businesses.
There is a lot to work with in the UK, and with the right conditions it could outperform its international competitors.	72% of tech businesses and 52% of non-tech businesses believe the UK tech sector will outperform international competitors over the next decade.
There is a political risk to not doubling down on growth	
The UK will start to lose out if things do not change.	45% of tech businesses and 38% of non-tech businesses have considered moving investment or operations outside the UK.
Tech businesses are disappointed in	Only 16% of tech businesses say growth has actually been the



Labour.	Government's top priority in practice.
The one thing the Government could do to improve conditions for both tech and non-tech companies.	Businesses say the core thing the Government could do would be to reduce business taxes (52% non-tech, 40% tech businesses), reduce energy costs and simplify regulation around new tech.

Methodology

Online survey of 256 UK Business decision-makers from non-tech businesses, 275 from tech businesses between 24th February and 6th March 2026. Non-tech results are weighted using Iterative Proportional Fitting, or 'Raking'. Tech businesses are weighted to match proportions of previous TechUK/Public First polling. 'Total' results are reflective of the 'total businesses surveyed' rather than as a reflection of 'businesses in the UK' as a whole.

