

## Press release

### Business community has low confidence in the UK government's growth agenda, finds new techUK research

- *Risk of investment moving abroad unless there is a stronger focus on growth*
  - *Technology adoption seen as key driver for growth by tech and non-tech businesses alike*
- *Businesses leaders believe delivering on pro-growth agenda would unlock investment and increase jobs across both tech and non-tech-businesses*

**[London, UK] 16 March 2026** – 84% of tech businesses are unconvinced economic growth is a top priority for the UK government, rising to 95% among non-tech businesses, according to new research published today by techUK.

The findings, based on a survey conducted by Public First of 500 tech and non-tech businesses, highlight growing concern within the business community about the UK's operating environment. 71% of non-tech businesses and 56% of tech businesses say the current environment makes growing their business challenging. This stands in bold contrast to the priorities of businesses themselves, as growth remains the most common ambition for both tech (37%) and non-tech (40%) businesses.

Despite challenging economic conditions, companies remain overwhelmingly convinced about the central role of technology in enabling and driving that growth. Over three quarters of businesses (85% of non-tech, 91% tech) say the technology and digital sector plays a significant role in UK growth, while 62% of non-tech businesses say adopting technologies such as AI is a key priority for the coming years.

Businesses are more optimistic about the UK tech sector than the wider UK economy as a whole: 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. However, growing frustration with the UK's operating environment is leading many businesses to look overseas for opportunities.

Companies are making hard choices about where they invest: 65% of non-tech and 83% of UK tech businesses are actively pursuing or exploring international expansion, in pursuit of growth markets. However, a worrying 38% of non-tech businesses and 45% of tech businesses say they have considered relocating investment or operations outside the UK, raising concerns that investment and growth that could support the UK economy may instead take place abroad.

Businesses have identified similar priorities for government action to strengthen the UK's business environment and support growth. The most frequently cited policies were:

- 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)

The report also highlights the potential economic prize if the UK improves its operating environment.

Businesses say clearer pro-growth policies which address current barriers would enable them to expand their operations in the UK, leading to increased investment and higher employment across both tech (65%) and non-tech sectors (48%).

**Antony Walker, Deputy CEO of techUK said:**

“Tech and non-tech companies alike are optimistic about the potential for technology to drive growth. But they need to believe that government will play its part in creating the conditions for that to happen. The analysis has all been done – it's in the industrial strategy. What we need to see now is Government delivering on that plan. In a turbulent geopolitical world, it is more important than ever to stay focused on building an economy that's fit for the future.”

**-ENDS-**

**Notes to Editors**

The full report can be downloaded [here](#).

The research will be officially presented at the techUK Tech Policy Conference on 16 March. Speakers will include representatives from political parties, including:

- Rt Hon Liz Kendall MP, Secretary of State for Science, Innovation and Technology, **Labour Party**
- Ben Spencer MP, Shadow Minister for Science, Innovation and Technology, **Conservative Party**
- Zia Yusuf, Spokesperson for Home Affairs, **Reform UK**
- Kate Forbes, Deputy First Minister of Scotland, **Scottish National Party**
- Victoria Collins MP, Member of Parliament for Harpenden & Berkhamsted, Spokesperson for Science, Innovation & Technology, **Liberal Democrats**.

The agenda is available [here](#). Media registrations are still open, please contact our press office for details: **Margherita Certo, Head of Strategic Communications** | M: 07462107214 | E: margherita.certo@techuk.org

**Methodology:**

256 UK Business decision-makers from non-tech businesses, 275 from tech businesses. 24th February- 6th March 2026. All results are weighted using Iterative Proportional Fitting, or 'Raking'.

**Data overview:**

Argument	Polling results
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.
Structural barriers to doing business remain.	Across both tech and non-tech sectors the most frequently cited structural barriers are: <ul style="list-style-type: none"> <li>• Business taxes (42% of non-tech businesses, 36% of tech businesses)</li> <li>• Energy costs (40% non-tech, 37% tech)</li> <li>• Regulatory burden (28% non-tech, 22% tech)</li> </ul>
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
There are some causes for optimism.	Around 39% of businesses 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	72% of tech businesses and 52% of non-tech businesses believe the UK tech sector will outperform international competitors over the next decade.

it could outperform its international competitors.	
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.
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"><li>• 80% of tech businesses say profits would increase</li><li>• 74% of tech businesses say their business would grow in size</li><li>• 65% of tech businesses say they would increase headcount</li></ul> <p>Among non-tech businesses:</p> <ul style="list-style-type: none"><li>• 60% say profits would increase</li><li>• 52% say their business would grow</li><li>• 48% say they would hire more staff</li></ul>

## About techUK

techUK is the technology trade association that brings together people, companies and organisations to realise the positive outcomes of what digital technology can achieve.

With over 1,100 members (the majority of which are SMEs) across the UK, techUK creates a network for innovation and collaboration across business, government and stakeholders to provide a better future for people, society, the economy and the planet.

By providing expertise and insight, we support members, partners and stakeholders as they prepare the UK for what comes next in a constantly changing world.