LLOYDS

82% of UK businesses confident in regional economic growth

North East most confident in UK, with 90% expecting regional economic growth

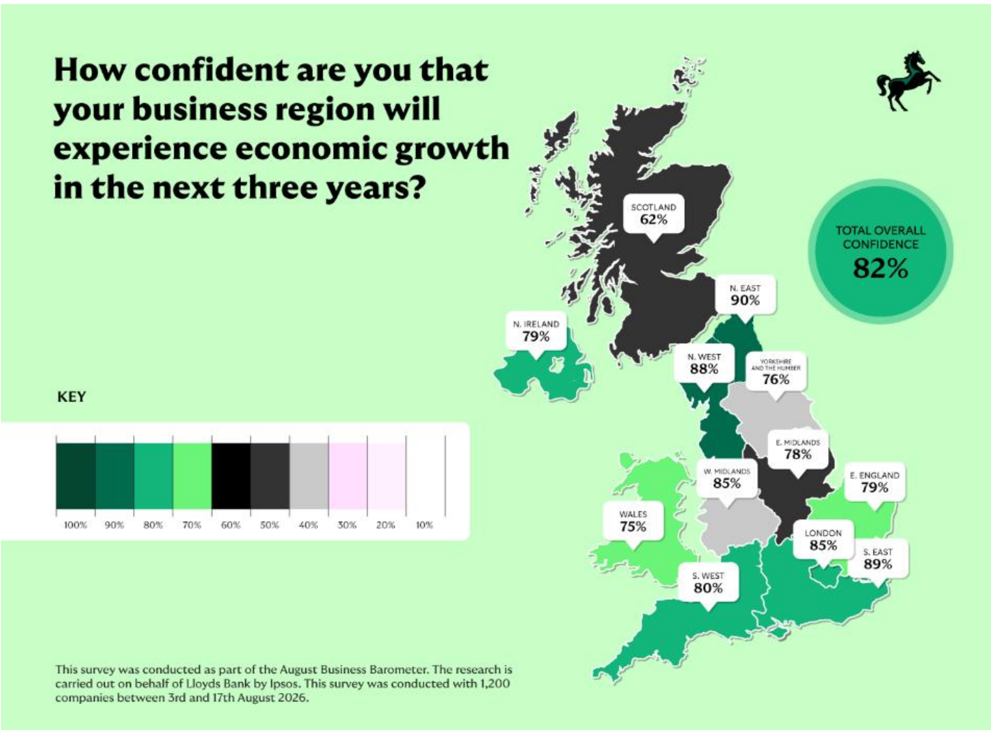
62% of London firms believe they will outperform UK economy over next 12 months

Businesses expect regional economic growth but see uneven investment across the UK

- **82% of UK businesses expect regional economic growth in the next three years, reaching 90%, 89% and 88% in the North East, South East and North West of England**
- **28% of East Midlands businesses believe they will outperform the UK economy compared to 62% of firms in London**
- **85% of London businesses believe they receive their fair share of public investment, compared to 37% in Yorkshire and the Humber**
- **Businesses see planning, community investment, transport and innovation as key to regional growth**

More than four in five UK businesses are confident in their regional economic growth in the next three years, with planning and investment in community and transport reported as the key drivers of future regional economic growth, but there is a divide in how businesses perceive public investment is distributed across the UK, according to new research from Lloyds.

Confidence was highest in the North East, where 90% of businesses expect regional economic growth, followed by the South East at 89% and the North West at 88%.

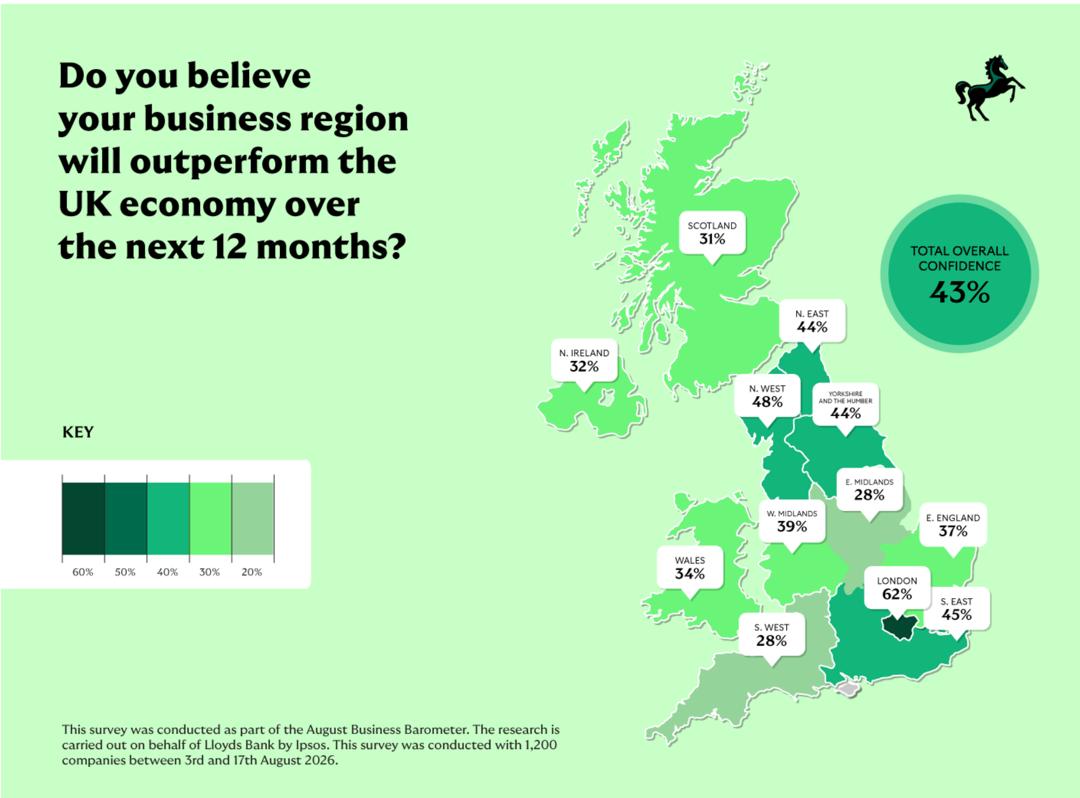


When businesses were asked about public investment in their region, 85% of London firms perceive their region receives its fair share. This falls to 37% of businesses surveyed in Yorkshire and the Humber and 38% for businesses in Wales. This compares to 64% of all businesses across the UK who perceive their region receives its fair share.

Region	Agree – receives fair share of public investment	Disagree – receives fair share of public investment
London	85%	6%
South East	81%	6%
Northern Ireland	71%	29%
Scotland	66%	13%
North West	64%	15%
East of England	62%	10%
East Midlands	54%	14%
West Midlands	50%	16%
North East	49%	27%
South West	49%	24%
Wales	38%	19%
Yorkshire & Humber	37%	31%

UK economic outperformance expectations highest in London, North West and South East

Meanwhile, 62% of businesses in London think it will outperform the UK economy in the next 12 months, the highest proportion surveyed. By comparison, only 28% of businesses in the East Midlands and South West believe their region will outperform the UK economy, followed by 31% in Scotland, 34% in Wales and 37% in the East of England.



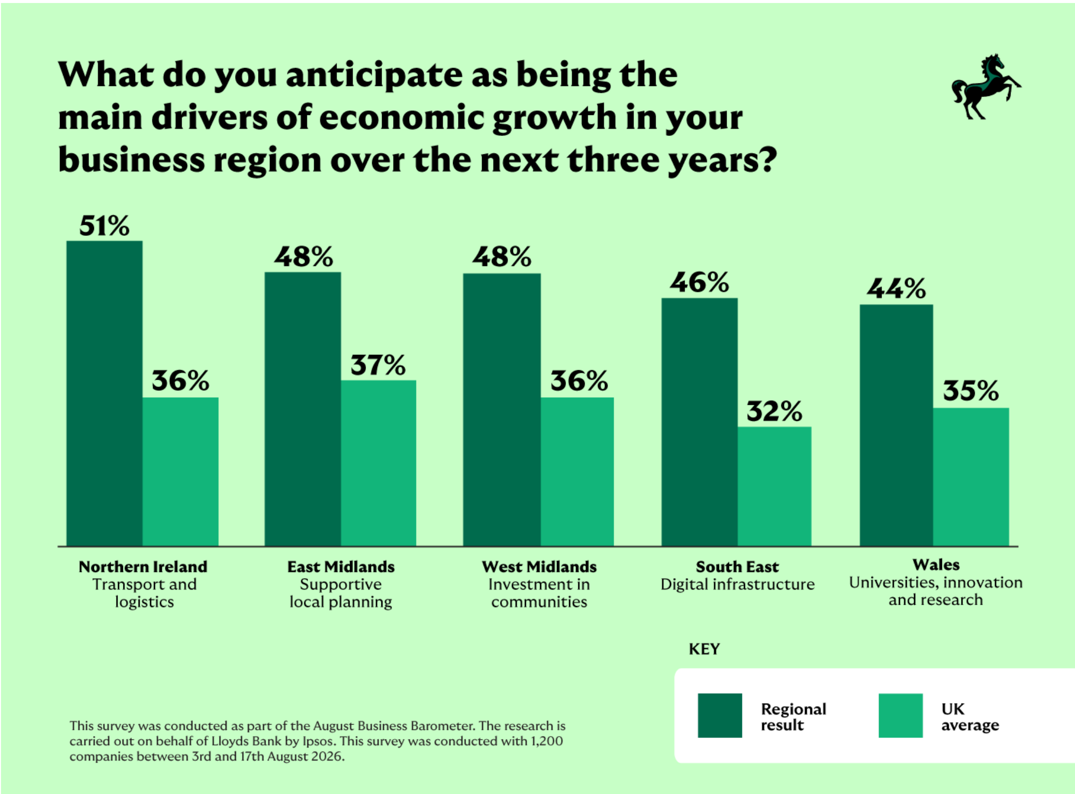
Unlocking the next phase of regional growth

Despite these differences, businesses across the UK pointed to a clear set of drivers that could help covert confidence into regional growth:

- Supportive local planning 37%
- Investment in communities 36%
- Transport and logistics 36%
- Universities, innovation and research 35%
- Digital infrastructure 32%

Regional variation was also seen by driver, with some regions placing greater significance on one driver than others:

- Supportive local planning - highest at 48% in East Midlands
- Investment in communities – highest at 48% in West Midlands
- Transport and logistics – highest at 51% in Northern Ireland
- Universities, innovation and research – highest at 44% in Wales
- Digital infrastructure – highest at 46% in South East



Amanda Murphy, CEO for Lloyds Business and Commercial Banking, said: "Businesses across the UK are telling us they see opportunities to grow. Turning this ambition into action requires public and private investment working together to create the right environment for growth. Whether its investment in infrastructure, skills, innovation or research, businesses have a clear view of what they need locally to drive growth. Every region and nation has its own unique strengths and, by building on these, businesses will have the confidence to invest, create jobs and unlock their full potential."

Ends

Notes to Editors

- This survey was conducted as part of the August Business Barometer. The research is carried out on behalf of Lloyds by Ipsos. This survey was conducted with 1,200 companies between 3 and 17 August 2026.
- The results are re-weighted to match proportions by sector, region and size of the total business population, as published by the Department for Business and Trade and the Office for National Statistics. Net balances are calculated by deducting the percentage of negative responses from the percentage of positive responses. Prior to January 2018, the fieldwork was based on telephone responses of 200-300 companies with annual turnover above £1 million.

About Lloyds Banking Group

- Lloyds Banking Group is a leading UK based financial services group providing a wide range of banking and financial services, focused on personal and commercial customers.
- As part of the Group, Lloyds provides expert financial support and guidance to the households, businesses and communities of Britain.
- We help businesses across the regions and nations of the UK, and across all different sectors and sizes, giving them the funding and support they need to grow both at home and abroad.

Our support for businesses

- We're proud to support one million UK businesses with leading digital and relationship banking services, as they start up, grow and thrive.
- Through a network of relationship teams based across the UK, as well as internationally, we deliver a mix of local understanding and global expertise necessary to provide long-term support to our clients to help them fulfil their growth aspirations.
- We offer a broad range of finance beyond term lending, spanning import and export trade finance, structured and asset finance, securitisation facilities and capital market funding.
- Our product specialists provide bespoke financial services and solutions, including tailored cash management, international trade, treasury and risk management services.
- To see the latest factsheet setting out how we support UK businesses please visit: Supporting British businesses - Lloyds Banking Group plc