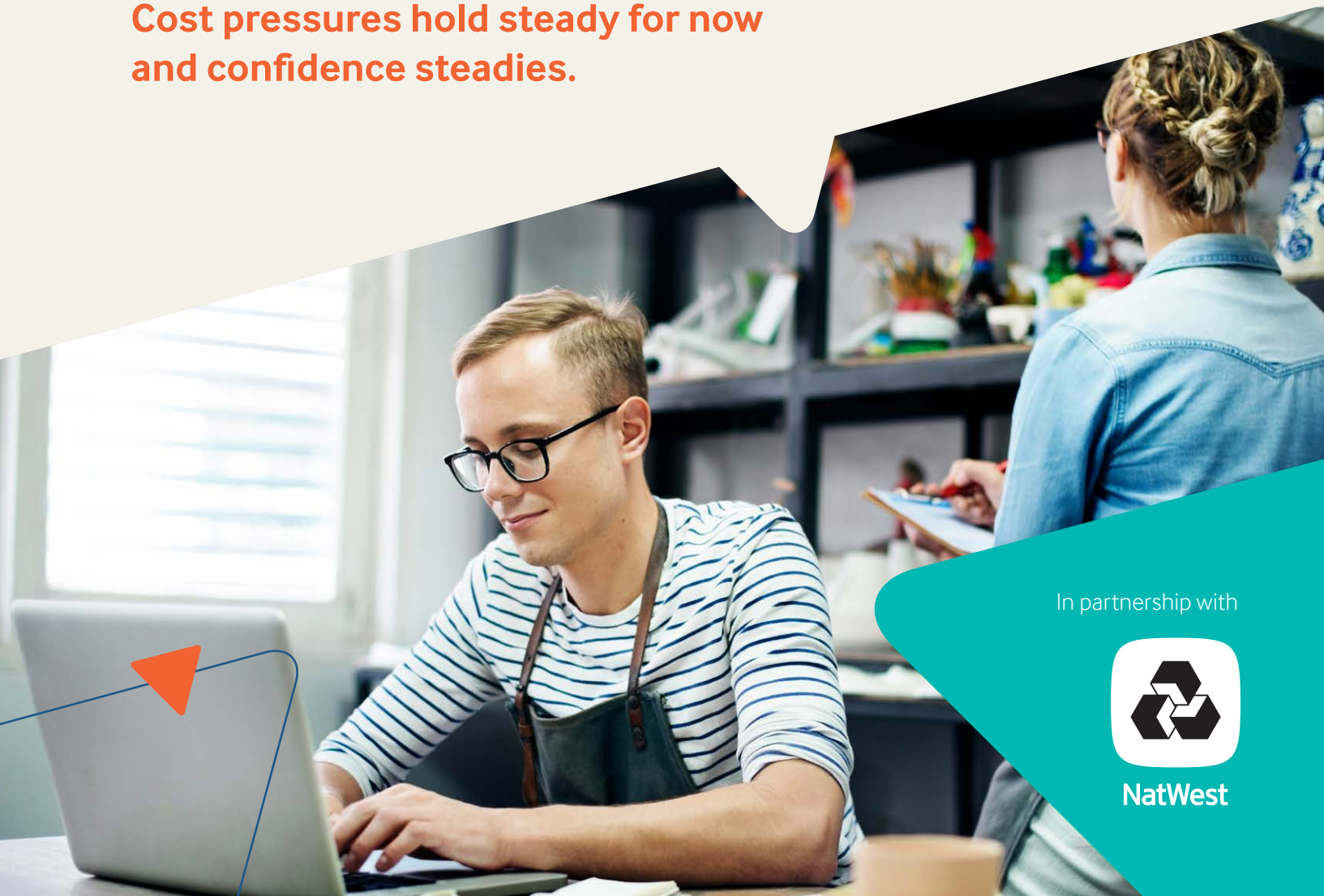
Enterprise Nation

Small Business Barometer

Autumn 2026

Cost pressures hold steady for now and confidence steadies.



In partnership with

NatWest

Introduction

This snapshot report takes the pulse of the small business community in autumn 2026. It draws on 218 responses collected between 9 September and 22 October 2026, and compares them with the previous wave (summer 2026) and with the same point last year (autumn 2025). Trends come from every wave of the Barometer since spring 2023.

This edition looks at five themes – the cost of living and rising costs, growth plans and expectations, taking on staff, exporting and owner pay – and at how answers differ by sector, region, business size and business age.

Steady, not shifting

Set against a year ago, the picture is one of stability. Of the 23 measures we can compare, none has moved by more than sampling variation could explain. Summer 2026 now looks like a low point: on several measures, including expansion confidence and pay, autumn has returned to roughly where it stood a year earlier.

The real differences are between groups. Newer businesses are far more ambitious than established ones, owners with staff are better paid than solo operators, and London respondents stand apart from the rest of the country on confidence.



7 in 10

say rising costs have affected their business (69% a year ago)

40%

expect energy costs to rise 10%+ – down from 68% in spring 2023

Half

are likely to expand in the next 12 months, unchanged on a year ago

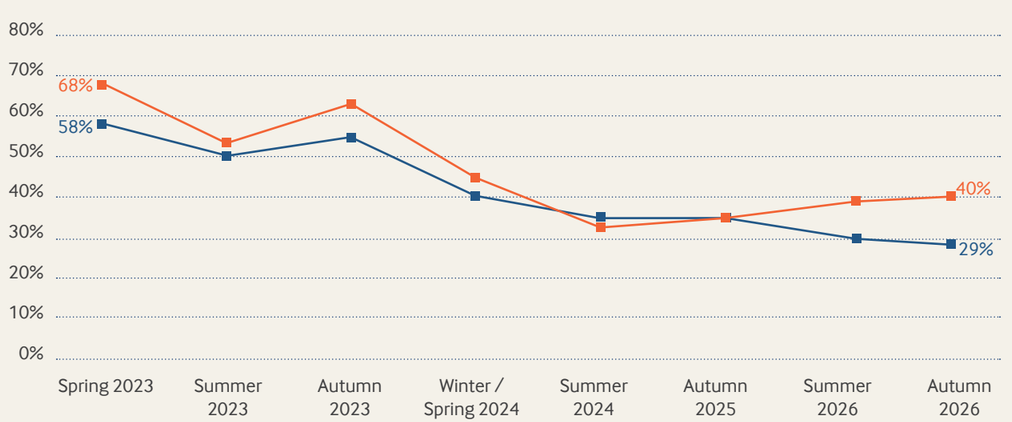
Research findings

Cost expectations have settled

Fewer owners now expect steep rises in energy and operating costs than in 2023. Four in ten (40%) expect energy costs to rise by 10% or more over the next 12 months, against 68% in spring 2023. For operating costs such as broadband, phones and insurance, the figure is 29%, down from 58%.

Expectations have been broadly flat since summer 2024 (energy 33%–40%; operating costs 29%–35%), and autumn 2026 is not significantly different from a year ago on either measure.

Share expecting costs to rise by 10% or more in the next 12 months, all waves



40%

expect energy costs to rise 10%+

29%

expect operating costs to rise 10%+

Flat

Change on a year ago on both measures

Pressure remains widespread

Seven in ten (71%) owners say rising costs have affected their business in the past 12 months, in line with autumn 2025 (69%). Summer 2026 was higher at 79%; the drop since then is of borderline significance only. Two-thirds (68%) expect higher costs to reduce their profits over the next three months, including 17% who expect a loss or that the business will become unviable.

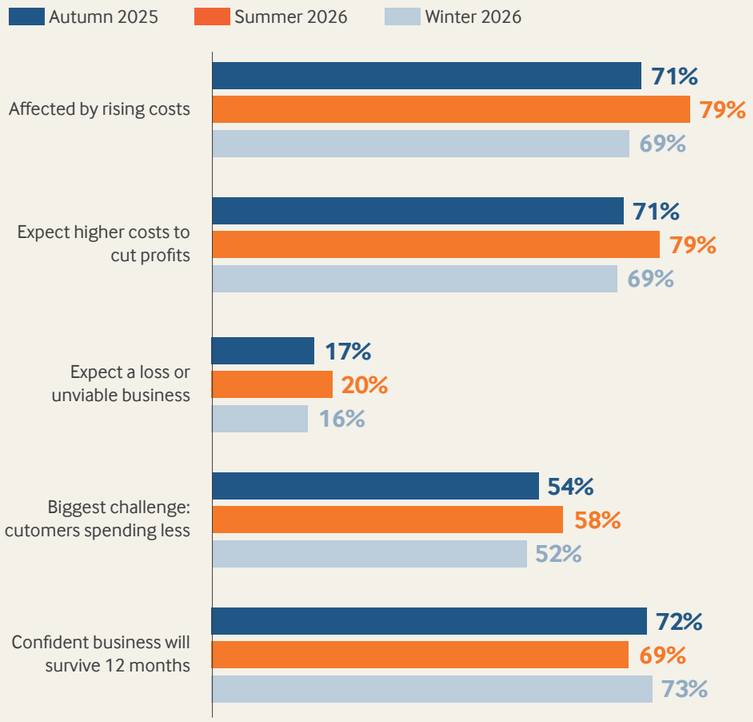
Customers spending less is the biggest financial challenge, named by 54% of owners (taxes and business rates: 9%), and is unchanged on a year ago (52%). Even so, 72% are confident their business will survive the next 12 months (73% a year ago).

68%

Two-thirds expect higher costs to reduce their profits over the next three months



Cost pressure and confidence, autumn 2025 to autumn 2026



Passing the costs on

Who is feeling it?

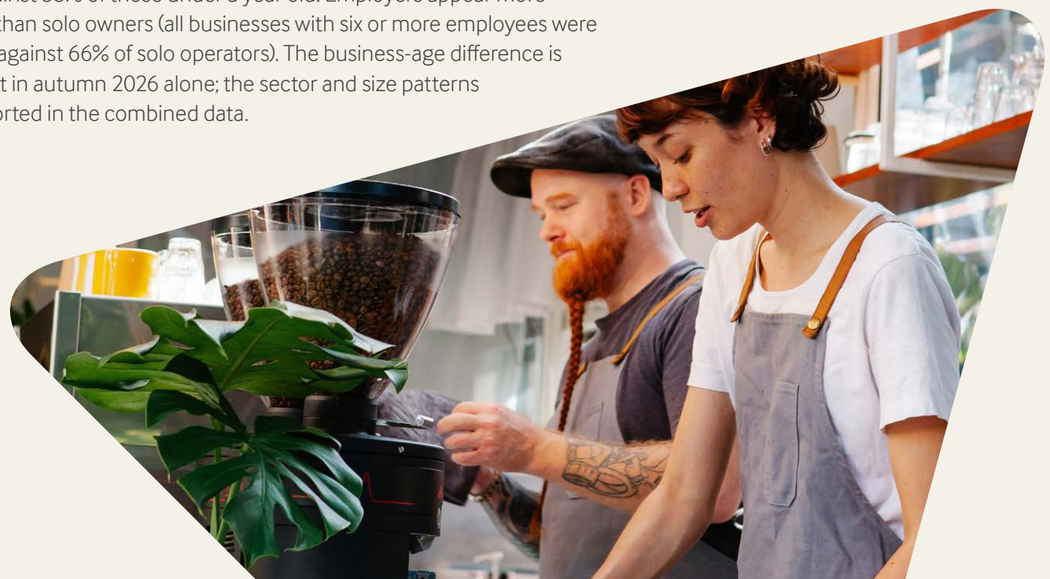
Of owners affected by rising costs, 47% have raised prices (55% a year ago, 43% in summer) and 21% say they have absorbed the extra cost (21% a year ago). 39% say sales have fallen in the past 12 months, the same as a year ago (40%).

Exposure varies by sector. The table combines the three most recent waves (autumn 2025 to autumn 2026). Food and drink and retail are the most exposed; technology and business services the least.

Sector	Share of sample	Affected by rising costs	Expect profits to fall	Raised prices*	Customers spending less
Food & drink	8%	94%	91%	66%	45%
Retail & consumer	17%	82%	76%	58%	58%
Other sectors	33%	73%	68%	49%	58%
Education	8%	69%	62%	43%	45%
Business services	26%	64%	63%	41%	60%
Technology	9%	61%	68%	37%	34%

**Of those affected by rising costs. Combined autumn 2025 – autumn 2026 waves.*

Business age is the clearest dividing line in autumn 2026: 85% of businesses trading for seven years or more have been affected by rising costs, against 53% of those under a year old. Employers appear more exposed than solo owners (all businesses with six or more employees were affected, against 66% of solo operators). The business-age difference is significant in autumn 2026 alone; the sector and size patterns are supported in the combined data.



Research findings

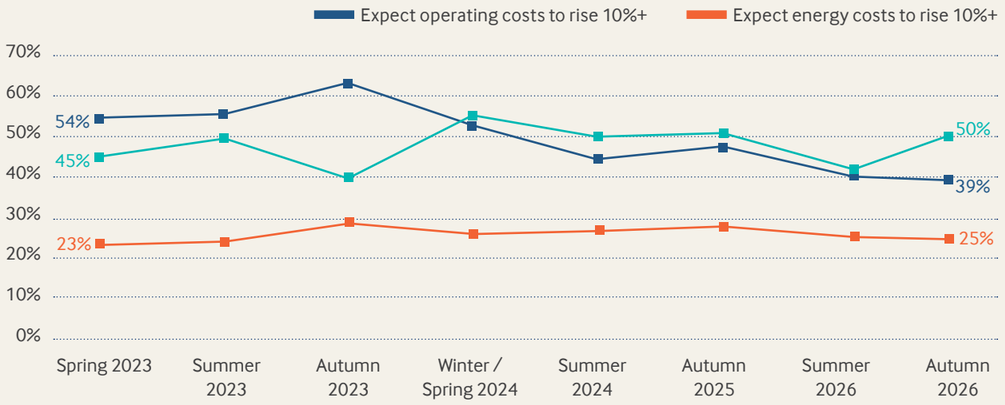
Expansion confidence recovers

Half (50%) of owners think their business is likely to expand in the next 12 months, level with a year ago (50%) and up from 41% in summer 2026.

Over the next three months 38% expect to grow and 17% to shrink (a year ago: 37% and 20%).

Appetite for outside investment is subdued. 39% plan to seek external funding in the next 12 months, unchanged on summer 2026 (40%) and eight points below a year ago (47%) –a fall just short of statistical significance. Together with summer 2026 it is the lowest reading since the Barometer began.

Funding, expansion and exporting, all waves since spring 2023



50%
likely to expand in the next 12 months

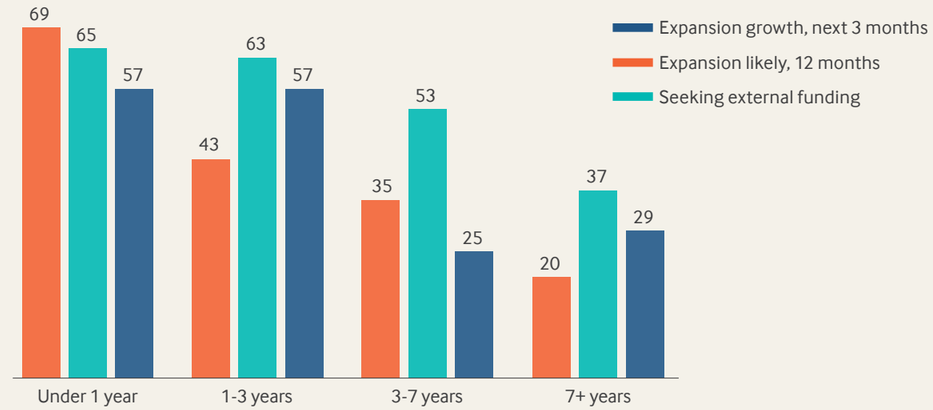
39%
plan to seek external funding

38%
expect growth in the next 3 months

Pressure remains widespread

Ambition sits with newer businesses

Business age is the strongest dividing line in the data. Two-thirds (69%) of businesses under a year old expect to grow in the next three months, against one in five (20%) of those trading for seven years or more. Younger firms are also about twice as likely to seek external funding: 57% of those under three years old, against 25%–29% of older firms.



Autumn 2026. All three differences by business age statistically significant.

Expansion confidence by sector, autumn 2025 vs autumn 2026

Sector	2025	2026	Change
Technology	66%	82%	+16pts
Education	64%	47%	–17pts
Food & drink	59%	58%	–1pts
Retail & consumer	49%	51%	+2pts
Business services	42%	44%	+2pts
Other sectors	47%	47%	Flat

+38%
Technology confidence

Taking on staff

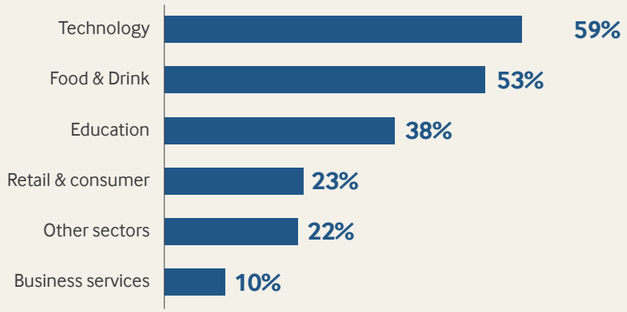
Hiring intent is steady

A quarter (25%) of owners say their staff numbers are likely to grow in the next 12 months, compared with 21% in summer 2026 and 31% a year ago. Neither difference is statistically significant. Four in ten (39%) have hired or expect to hire this year (42% a year ago).

Owners who already employ people are more likely to expect growth: 37%, against 20% of solo operators.

Hiring ambition varies sharply by sector: more than half of technology (59%) and food and drink (53%) businesses expect staff numbers to grow, against one in ten (10%) in business services, the largest sector in the sample. The pattern is also clear across the last three waves combined.

Staff numbers likely to grow in the next 12 months, by sector, autumn 2026



One in four

owners say their staff numbers are likely to grow in the next 12 months,

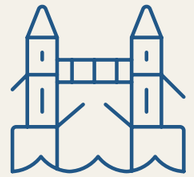


Region

London stands apart

London owners are markedly more upbeat. 73% expect to expand (against 43% elsewhere in the UK), 47% expect staff numbers to grow (18%) and 90% are confident of survival (67%).

London has also improved on a year ago: expansion confidence is up from 54% to 73%and survival confidence from 64% to 90%. These year-on-year London comparisons were not among our core planned comparisons, so treat them as exploratory.



Sector	Share of sample	Expansion likely	Staff growth likely	Confident of survival
London	22%	73%	47%	90%
Scotland, Waldes & NI*	6%	64%	43%	71%
South West	9%	58%	28%	68%
Midlands	14%	43%	22%	63%
East of England	16%	38%	12%	74%
South East	21%	35%	12%	54%

*Autumn 2026. *Scotland, Wales and Northern Ireland combined. Respondents in Ireland are excluded. Regional differences in expansion, staffing and survival confidence are statistically significant; the North of England and South East are least likely to expect staff growth (12%).*

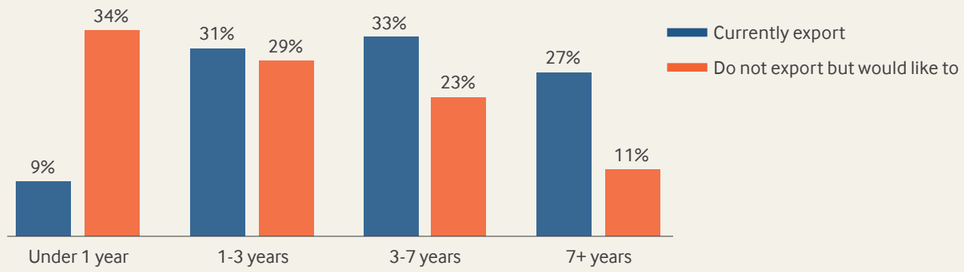
Exporting

Exporting: stable, with ambition among newer businesses

A quarter (25%) of owners currently export (including those who want to export more), compared with 28% a year ago, and a further 21% do not export but would like to (23%). Neither change is significant. Exporting is one of only two measures with no statistically significant variation across all eight waves (the other is price rises among affected owners).

Ambition to export runs in the opposite direction to current activity. A third (34%) of businesses under a year old would like to export, against 11% of those trading for seven years or more. The newest businesses are also least likely to export today (9%, against 27%–33% of older businesses), although the difference in current exporting is less clear-cut statistically.

Exporting and export ambition, by business age, autumn 2026



25% currently export

21% would like to export

34% of under-1-year-old businesses want to export

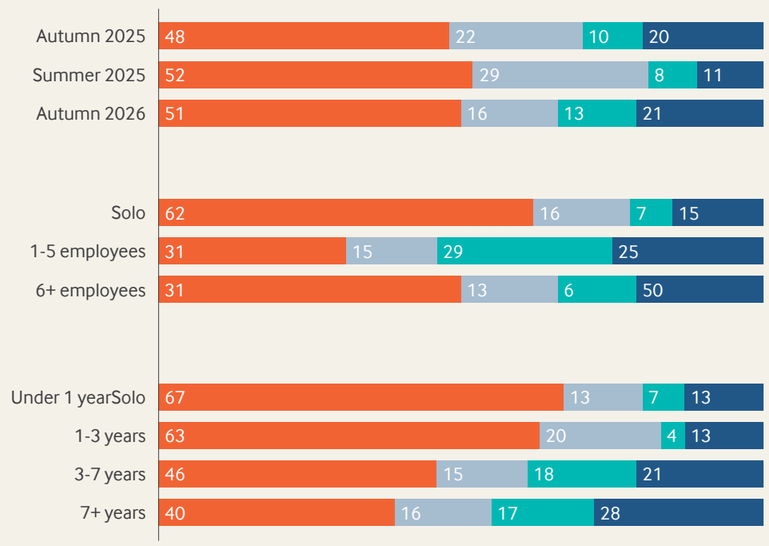


Owner pay

Owner pay: flat on last year, but unequal

Two-thirds (67%) of owners who pay themselves a salary draw less than £20,000 a year, in line with autumn 2025 (70%). Summer 2026 was the low point (81% under £20k), and the share paid £30,000 or more has since recovered from 11% to 21%. A further 9%take no pay and reinvest everything.

Pay differs far more between groups than over time. Six in ten solo owners (62%) who pay themselves earn under £10,000, against 31% of those with employees; half (50%) of owners of businesses with six or more staff take £30,000 or more. Pay also rises with business age: 67% of those trading for under a year earn under £10,000, against 40% of those trading for seven years or more.



Share of owners who pay themselves a salary (excludes those who reinvest everything). Labels are % of group.

Summary

Summary of the findings

- **Costs:** pressure remains widespread but has stopped rising. 71% say rising costs have affected them and 68% expect profits to fall, both in line with a year ago; expectations of steep energy and operating-cost rises are well below 2023 and flat since 2024.
- **Stability:** none of the 23 measures compared has changed significantly since autumn 2025. Summer 2026 was a low point on several measures, from which autumn has recovered.
- **Growth:** half expect to expand; 39% plan to seek outside funding, among the lowest readings recorded.
- **Business age:** ambition is concentrated in newer firms – 69% of those under a year old expect to grow in three months, against 20% of those trading seven years or more.
- **Staffing:** a quarter expect to grow their workforce, broadly steady, with technology and food and drink well ahead of business services.
- **Region:** London owners are far more optimistic on expansion, hiring and survival than the rest of the UK, particularly the North of England.
- **Exporting:** stable at around a quarter currently exporting; the appetite to start is strongest among newer businesses.
- **Owner pay:** about two-thirds of paid owners earn under £20,000, unchanged on a year ago; solo and younger business owners earn least.



Industry view



Aaron Asadi
CEO, Enterprise Nation

"After a turbulent summer, it is encouraging to see small business confidence steady. But steady is not the same as strong. Most owners are still feeling the squeeze from rising costs, and more of them name customers spending less as their biggest financial challenge than name tax. What small businesses want is a climate in which they can win and keep customers, and support for the newer businesses that are showing the most ambition."

About this report

Report data were collected from small businesses in autumn 2026 (218 responses; 9 September – 22 October 2026), with comparisons to summer 2026 (258 responses; 17 June – 10 July 2026) and autumn 2025 (396 responses; 19 August – 21 October 2025), and trends from every wave since spring 2023 (4,658 responses in total).

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