NORTHAMPTONSHIRE Chamber

MILTON KEYNES Chamber

QES REPORT

Q2 2026

A WORD FROM OUR CEO

The latest economic picture for Q2 of 2026 shows continued resilience among businesses across Northamptonshire and Milton Keynes, though key concerns remain.

Our latest Quarterly Economic Survey for Q2 2026 highlights a renewed rise in business pressures, with inflation once again leading as the top concern. Now cited by 54% of respondents, cost pressures are intensifying across the region.

Taxation remains high on the list of concerns for business leaders with 51% highlighting it as a key issue and reflecting ongoing worries about fiscal policy and rising tax burdens. Business rates have been highlighted as the third biggest challenge for businesses especially where multiplier changes have been impacted particular sectors.

As the Chamber representing businesses across Northamptonshire and Milton Keynes, we remain committed to championing our members. We will continue to raise their concerns with policymakers and ensure the insights from our Quarterly Economic Survey are shared with key stakeholders, helping to shape the support and action our region's businesses need.

LOUISE WALL
CEO

EST 1917 NORTHAMPTONSHIRE Chamber

MILTON KEYNES Chamber

INTRODUCTION

The QES data for Q2 of 2026 indicates a renewed period of cost pressure and intensified competition for businesses across Northamptonshire and Milton Keynes. Inflation has emerged as the top concern, with 54% of respondents identifying it as their primary challenge—up sharply from 43% in Q1.

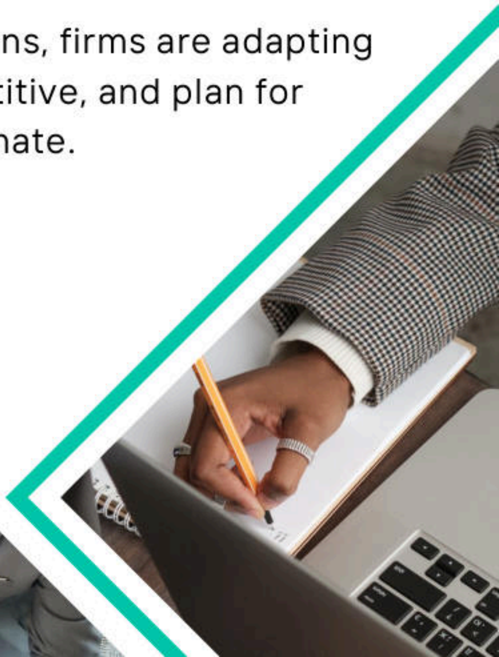
Taxation follows closely at 51%, reflecting the continued impact of fiscal measures introduced over the past year. Business Rates have also been reported as a growing worry with 30% of respondents reporting this. This is now the highest concern since Q1 of 2025.

Competition worries have dropped off with 24% of respondents reporting this as a concern and is at it’s lowest since Q1 of 2025.

Interest rate and exchange rate anxieties have increased further, now standing at 24% and 4% respectively. This points to a worry with inconsistencies within the monetary environment as domestic cost and policy pressures grow.

The overall picture suggests that businesses are facing a structural shift in focus—from external macroeconomic uncertainty toward managing internal cost burdens and policy-driven challenges.

As inflation and taxation dominate boardroom discussions, firms are adapting their strategies to preserve profitability, remain competitive, and plan for sustainable growth amid a more demanding trading climate.



DOMESTIC ORDERS

UK Sales and Bookings have increased by 2.08% in the Q2 of 2026 with 53.45% reporting UK sales have remained constant - the highest in the last three years. 32.76% of respondents saw an increase in UK Sales compared to 30.68% in the previous quarter suggesting that business confidence is on the increase in Northamptonshire and Milton Keynes.

53.45%

of respondents have reported UK sales have remained constant over the past three months

OVERSEAS ORDERS

Export sales and orders have shown an increase since the opening quarter of 2026, with just 22.58% of respondents reporting an increase in overseas business activity.

Additionally, 67.74% stated that their export sales and orders remained consistent—a increase of 18.90% from the previous quarter.

Just 9.68% of respondents have seen a decrease in Export Sales, down by 18.23% on the previous quarter.

BUSINESS CONFIDENCE

62.12% of businesses expect their turnover to improve over the next 12 months and marks an increase in confidence from Q1 of 2026 where 58.24% expected their turnover to improve.

Concerns about inflation was reported by 54% of firms identifying it as a key issue—compared to from 43% in the previous quarter.

Positively, 48.61% of respondents expect profitability to improve over the next year, a modest increase of 4.86% on the previous quarter. Additionally, 38.89% of firms reported investing in new ways of working to manage costs — an encouraging rise of 2.95%. This suggests that, despite ongoing challenges, some businesses are adapting operations to build resilience and support future growth.

> *The impact of inflation and tax on the business environment is our main concern, as this impacts our clients.*
>
> **Professional Services - Northamptonshire**

62.12%

of respondents believe their turnover will improve over the next 12 months.

34.85%

of firms report they are currently operating below full capacity.

INVESTMENT & CASHFLOW

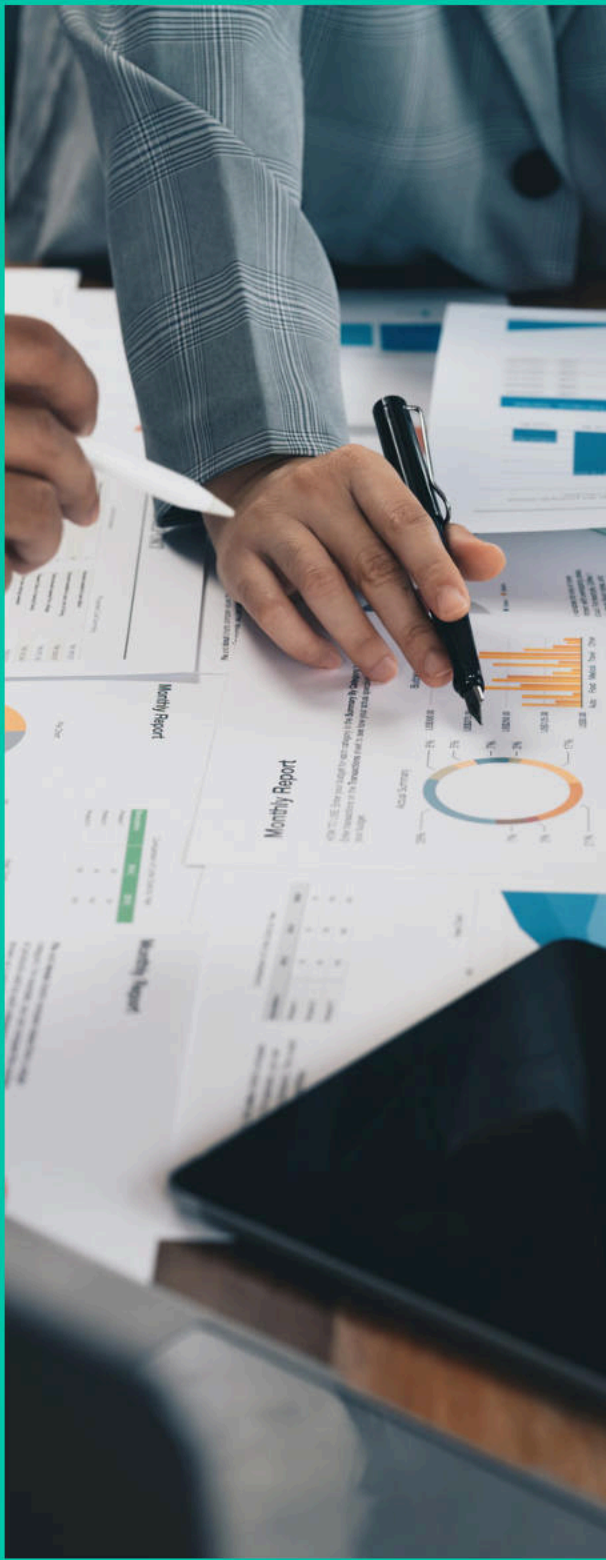
53.73%

of respondents have suggested they will not be increasing prices in the next 3 months.

Overall, 20.00% of respondents have reported that they are planning to invest more in plant and machinery, a decrease 1.92% from the last quarter, whilst just under 52.73% of respondents have stated that they are planning to work with their existing plant and machinery before considering further investment, increased from 46.58% in Q1.

A total of 30.51% of respondents have reported an increase in their cashflow in the second quarter of 2026 with 38.98% of respondents expecting their cashflow to remain constant, suggesting businesses have focused on external finance or reducing payment terms to see more cash into their business.

Investment in training has also increased from the opening quarter with 27.42% of respondents looking to invest in their existing workforce however 53.23% of respondents have said they aren’t looking to invest in training of their current workforce with 19.35% of respondents stating that they are likely to decrease their training plans for the forthcoming quarter.



RECRUITMENT

70.15%

of businesses have not attempted to recruit in the past 3 months.

Since the last quarter, fewer firms have been attempting to recruit. Among those actively recruiting, 45.95% are seeking full-time roles rather than part-time positions.

Of the respondents who successfully recruited in Q2 2022, 31.43% reported difficulties finding suitable candidates, with most challenges arising in skilled/manual roles and professional/managerial positions.

Looking ahead to the next quarter, 75.00% of firms expect their workforce to remain stable—an increase of 4.35% compared to the previous quarter. Only 6.25% anticipate a decrease in their workforce.

Considering the ongoing pressures of rising employment costs, taxation, and other financial challenges, this stability is a positive sign. It indicates that employers in Northamptonshire and Milton Keynes are focused on retaining and investing in their current workforce despite these challenges.