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AYRSHIRE CHAMBER OF COMMERCE REPORT

QUARTERLY ECONOMIC SURVEY

Q3
2026

Outlook

Confidence rebounds, but barriers continue to hold back growth

Ayrshire businesses continue to demonstrate resilience, with improving domestic activity and positive expectations for future turnover. Almost six in ten businesses expect turnover to increase over the next 12 months, while workforce expectations remain broadly stable and positive on balance.

However, the conditions for growth remain challenging. Cost pressures continue to weigh heavily on businesses, recruitment remains difficult for those looking to hire, and two-thirds of respondents report operating below full capacity. Investment indicators have improved from Q2, particularly in training, although capital investment remains subdued.

Overall, the Q3 results point to an Ayrshire business community with confidence and ambition for future growth, but one where cost, skills and wider operating pressures continue to influence decisions on recruitment and investment.

Key findings at a Glance

Business Confidence

- **59% of businesses expect turnover to increase over the next 12 months, compared with 47% across the UK.**
- **42% expect profitability to improve, up from 33% in Q2.**
- Confidence in future performance remains positive despite continued cost and trading pressures.

Sales and Orders

- **UK sales growth strengthened, with 30% reporting an increase compared with 23% in Q2.**
- **UK orders also improved, with 27% reporting growth compared with 17% in Q2.**
- Export performance remains mixed, although overseas orders improved compared with Q2.

Cost Pressures

- **Inflation remains the leading business concern, cited by 54% of respondents, down from 68% in Q2.**
- **Labour costs are the most significant pressure on prices, identified by 75% of businesses.**
- Taxation remains a significant concern, cited by 48% of respondents.

Investment

- **18% of businesses increased investment in plant and machinery, up from 12% in Q2, although overall capital investment remains cautious.**
- **25% increased investment in training, compared with 21% in Q2.**

Workforce and Skills

- **49% of businesses attempted to recruit during Q3, down from 64% in Q2.**
- **81% of recruiting businesses experienced difficulties finding suitable staff.**
- Skilled manual and technical roles remain particularly difficult to fill.

Capacity and Growth

- **66% of businesses are operating below full capacity.**
- This provides headroom for stronger activity should demand and wider trading conditions improve**.**

Regional Priorities

- **70% identify reducing employment costs as one of the interventions that would make the biggest practical difference to their ability to invest, recruit or grow.**
- **53% say action on their selected priorities would make them more likely to recruit additional staff.**
- **40% want more consistent business support across Ayrshire, while 39% identify stronger promotion of Ayrshire as a place to invest, visit and trade.**



Methodology

Economic & Political Context

The Ayrshire Quarterly Economic Survey (QES) was conducted between August and September 2026, gathering responses from **128 businesses** across Ayrshire to provide a snapshot of current trading conditions, business confidence and future expectations.

The survey was managed and undertaken by Ayrshire Chamber of Commerce as part of the British Chambers of Commerce Quarterly Economic Survey. The QES is the UK's largest and longest-running independent business sentiment survey and is closely monitored by organisations including HM Treasury, the Bank of England and the Office for Budget Responsibility.

Businesses were asked about a range of indicators including sales, orders, cashflow, investment, recruitment, pricing expectations and business confidence. Results contribute to the wider UK Quarterly Economic Survey, enabling Ayrshire's business experience to be considered alongside national trends.

Response bases vary by question, as some questions were conditional or optional. Percentages are therefore calculated using the number of respondents answering the relevant question rather than the total survey sample, and the relevant response base should be considered when interpreting individual results.

The findings provide an important insight into the opportunities and challenges facing businesses across Ayrshire, helping to inform regional economic development, policy discussions and business support priorities.

Important note on tracking data

Where this report includes trend data from 2024 and 2025, these figures are drawn from Ayrshire Chamber's previous Quarterly Economic Indicator (QEI) survey rather than the British Chambers of Commerce Quarterly Economic Survey (QES) methodology now in use. While both surveys cover similar areas of business performance and sentiment, differences in methodology and sample composition mean that historical comparisons should be treated as indicative rather than as a direct like-for-like tracking series.

As 2026 represents the first full year of reporting under the British Chambers of Commerce QES framework, the analysis within this report focuses primarily on movements between Q2 and Q3 2026. This provides the most consistent basis for assessing recent changes in business conditions, confidence and economic performance across Ayrshire.



The headlines

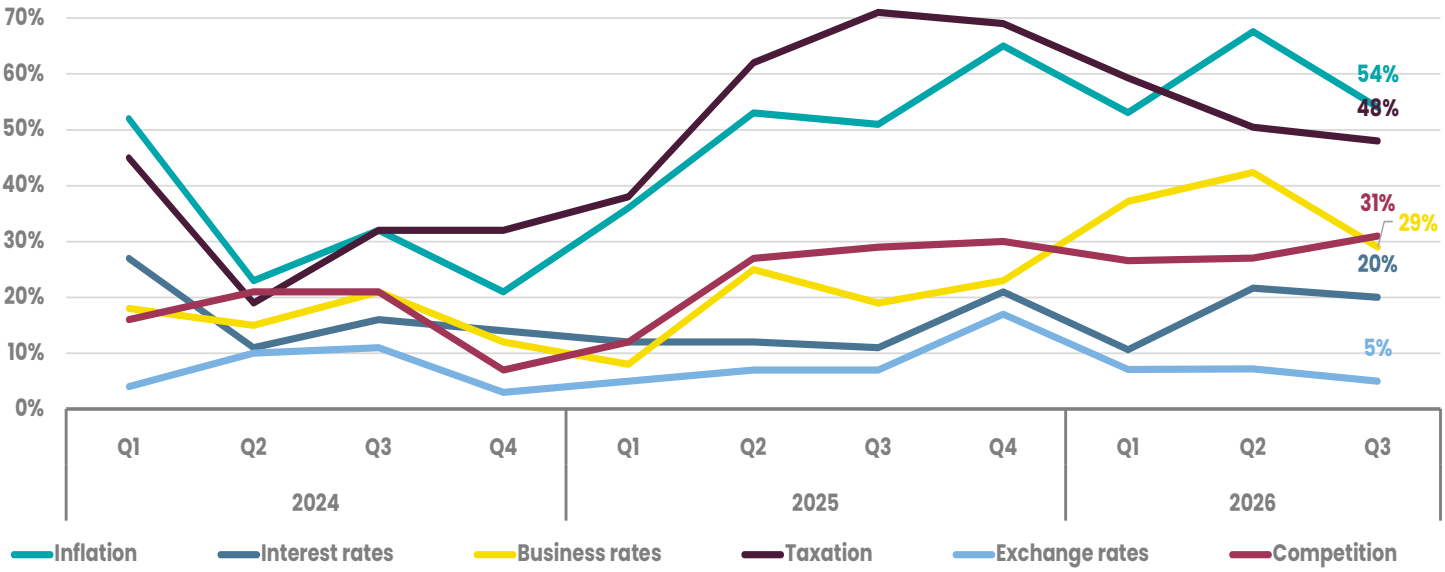
Inflation remains the leading concern despite easing pressures

Inflation remains the leading concern for Ayrshire businesses, although the proportion identifying it as a greater concern than three months ago fell from 68% in Q2 to 54% in Q3. Taxation also remains a significant concern, cited by 48% of businesses.

The reduction in concern around inflation is encouraging, but it remains the most prominent issue facing businesses. The reduction is encouraging, but inflation remains the most prominent concern facing businesses.

This suggests that, while concern has eased from Q2, the cumulative impact of higher operating costs continues to influence business confidence and decision-making.

Q: Please indicate which of these following factors are more of a concern to your business than 3 months ago?



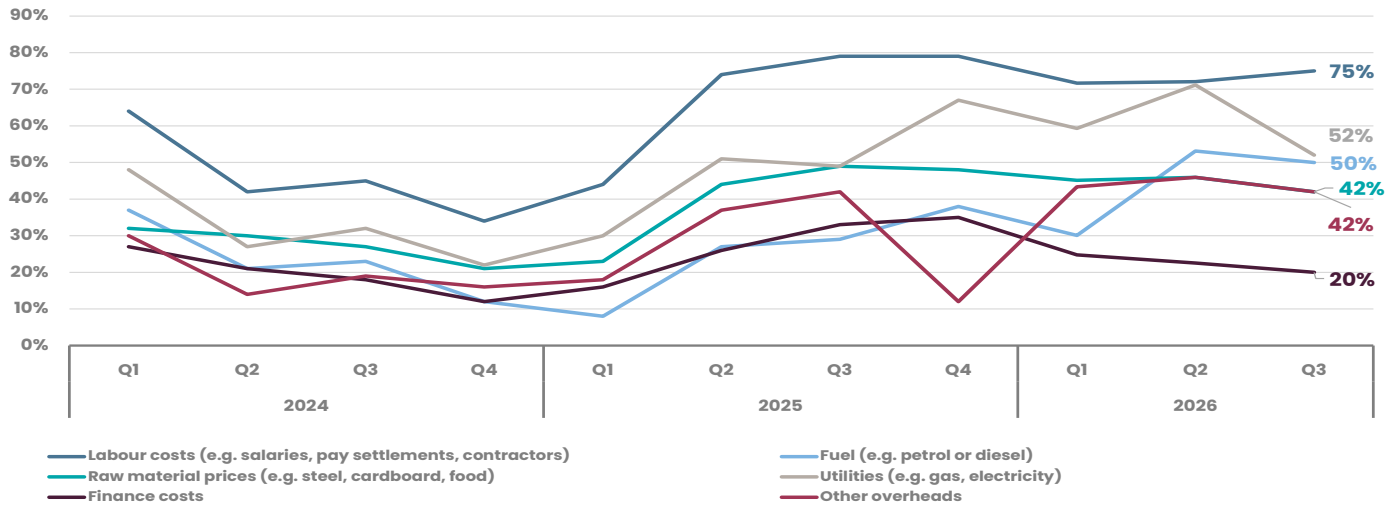
	Inflation	Taxation	Business rates	Competition	Interest rates	Exchange rates
Ayrshire	54%	48%	29%	31%	20%	5%
UK	60%	52%	34%	35%	25%	12%

Labour costs remain the dominant pressure on prices

Labour costs remain the most significant pressure on prices for Ayrshire businesses, identified by 75% of respondents. This is 6 percentage points higher than the UK figure of 69%, indicating that employment costs are exerting particularly strong pressure on Ayrshire businesses.

The findings reinforce the extent to which the cost of employing people continues to influence business pricing decisions. This is particularly significant when considered alongside the regional findings, where 70% of businesses identify reducing employment costs as one of the interventions that would make the greatest practical difference to their ability to invest, recruit or grow.

Q: Is your business currently suffering pressures to raise its prices from any of the following?



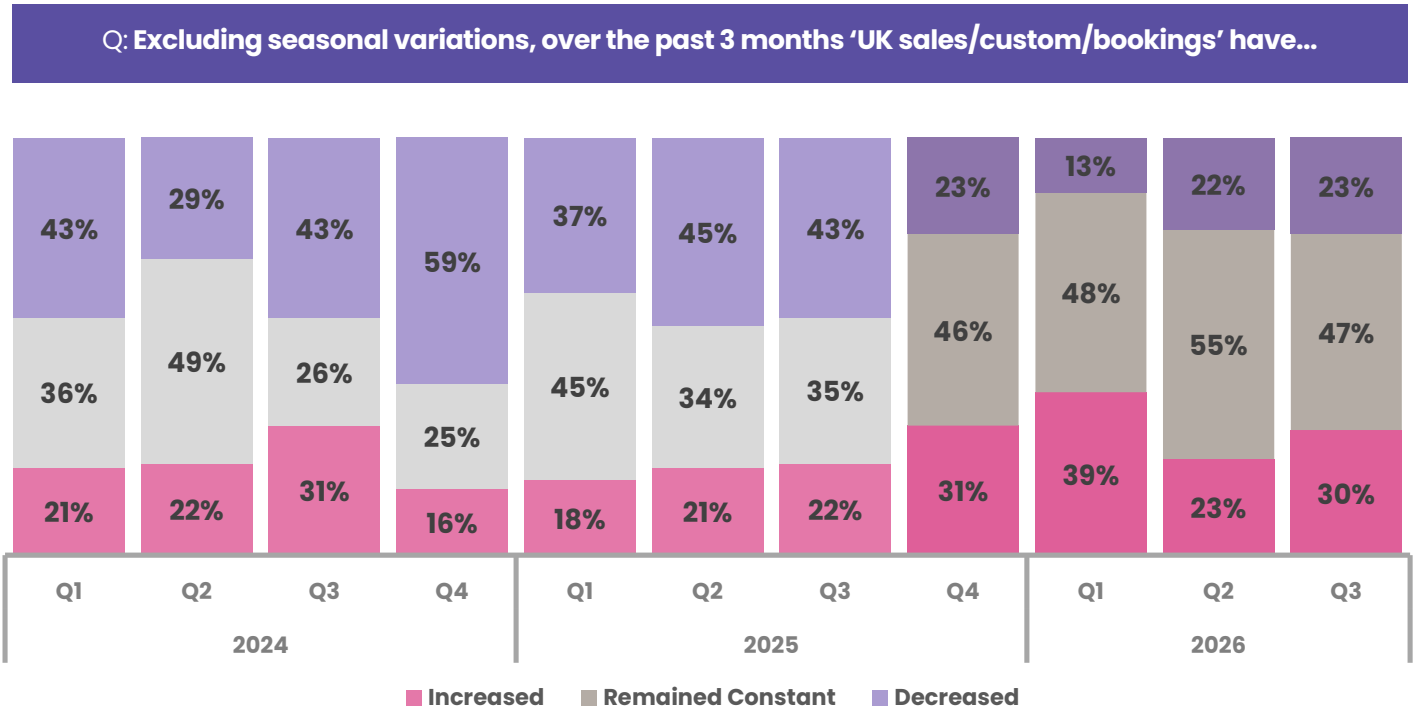
	Ayrshire	UK	% point difference, region v UK
Labour costs	75%	69%	6%
Utilities	52%	53%	-1%
Raw materials	42%	42%	-
Fuel	50%	43%	7%
Finance	20%	24%	-4%
Other	42%	35%	7%

Domestic outlook

Domestic sales strengthen in Q3

Domestic sales improved in Q3, with 30% of Ayrshire businesses reporting an increase in UK sales over the past three months, compared with 23% in Q2.

The improvement provides an encouraging indication of strengthening domestic activity, although the wider results continue to show a mixed trading environment for businesses.



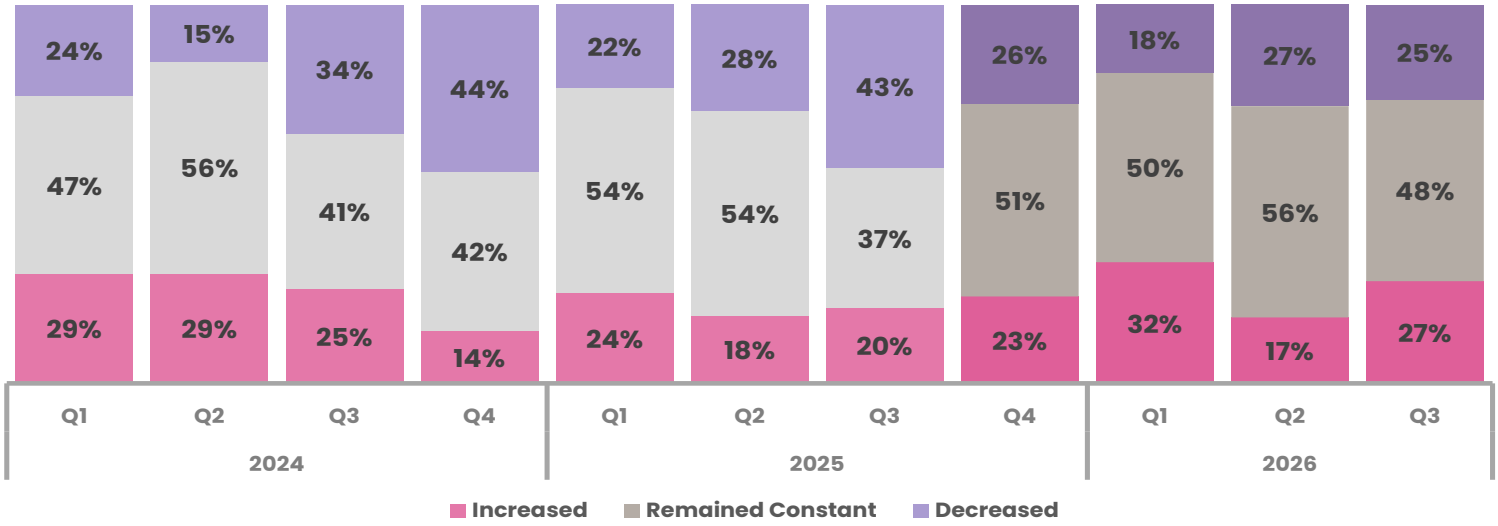
	Ayrshire	UK	% point difference, region v UK
Increased	30%	29%	1%
Remained Constant	47%	46%	1%
Decreased	23%	25%	-2%

UK orders show further improvement

UK orders also strengthened during Q3, with 27% of Ayrshire businesses reporting an increase, compared with 17% in Q2.

The 10 percentage point improvement in businesses reporting increased orders provides a further positive signal for domestic activity and supports the improvement seen in UK sales

Q: **Excluding seasonal variations, over the past 3 months 'UK orders/advance custom/bookings' have...**



	Ayrshire	UK	% point difference, region v UK
Increased	27%	26%	1%
Remained Constant	48%	48%	-
Decreased	25%	27%	-2%

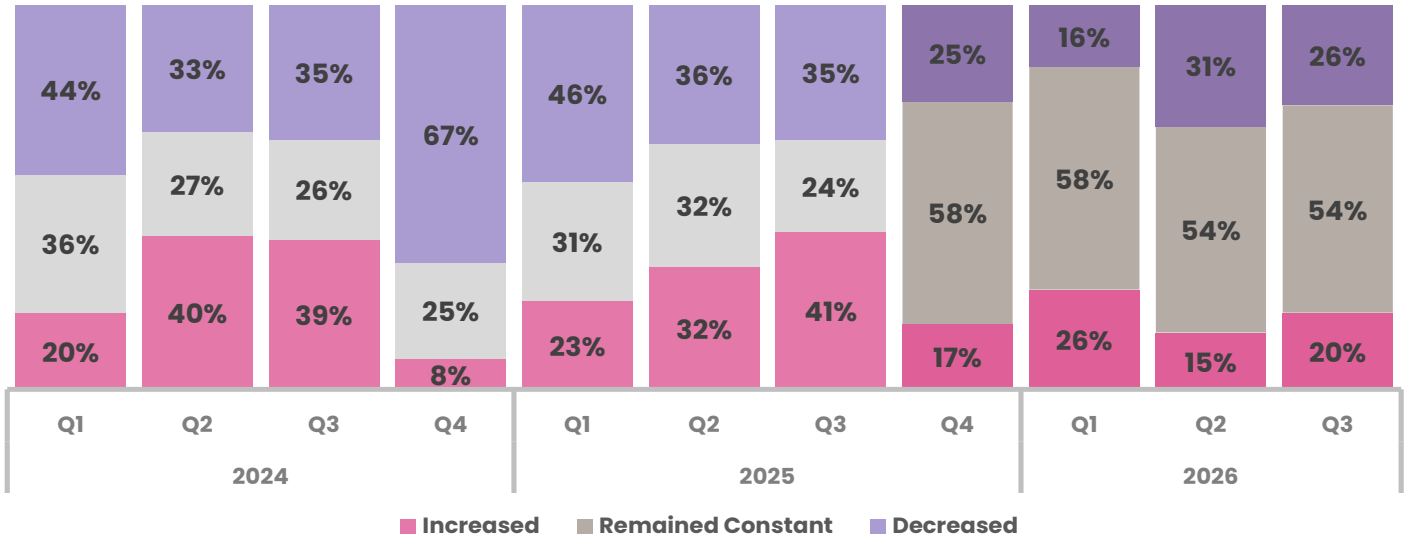
Overseas sales

Overseas sales remain steady

Overseas sales remained relatively steady in Q3, with the majority of exporting businesses reporting no change in sales over the past three months. Overall, the findings point to a stable rather than significantly expanding export market for Ayrshire businesses.

While opportunities for international growth remain, the results indicate that export conditions remain mixed, with businesses continuing to navigate a competitive international trading environment.

Q: **Excluding seasonal variations, over the past 3 months 'Overseas sales/custom/bookings' have...**



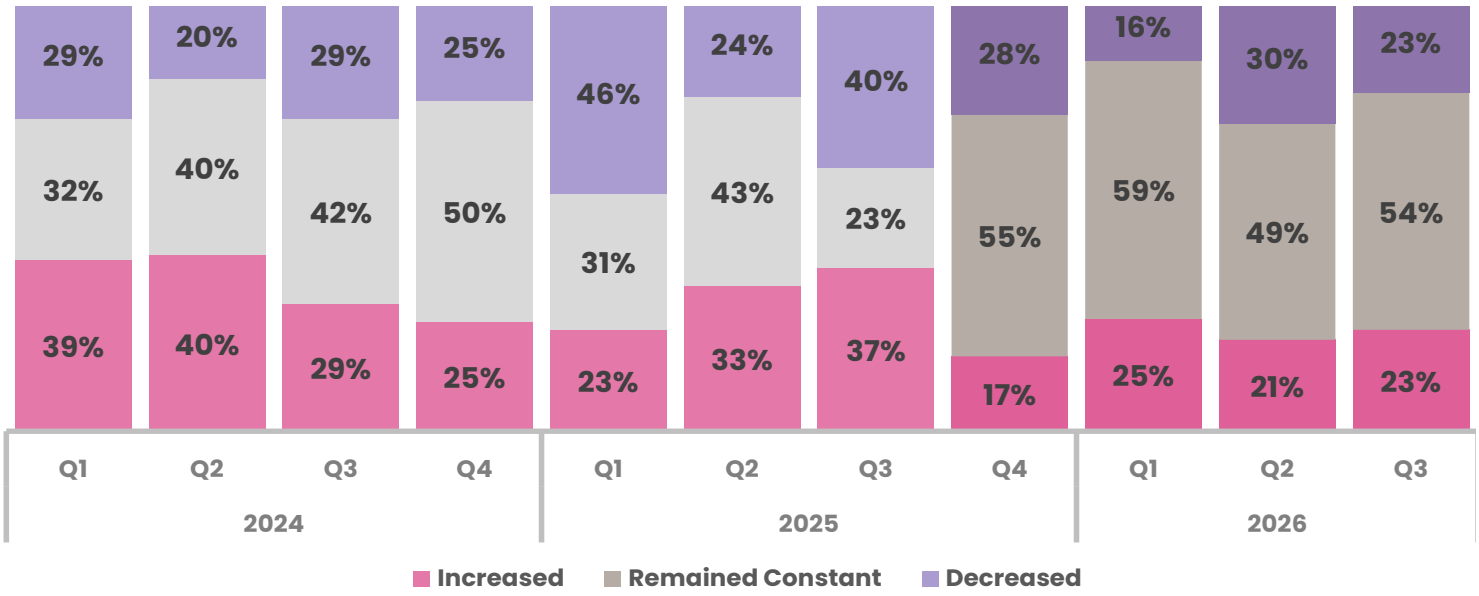
	Ayrshire	UK	% point difference, region v UK
Increased	20%	23%	-3%
Remained Constant	54%	55%	-1%
Decreased	26%	23%	3%

Overseas orders show signs of improvement

Overseas orders showed some improvement in Q3, with 23% of exporting businesses reporting increased orders, compared with 21% in Q2. Encouragingly, the proportion reporting a decrease in overseas orders fell from 30% to 23%.

While the majority reported no change, the reduction in businesses experiencing falling orders provides a more positive signal for future export activity following a weaker second quarter.

Q: Excluding seasonal variations, over the past 3 months 'Overseas orders/advance custom/bookings' have:



	Ayrshire	UK	% point difference, region v UK
Increased	23%	21%	2%
Remained Constant	54%	56%	-2%
Decreased	23%	24%	-1%



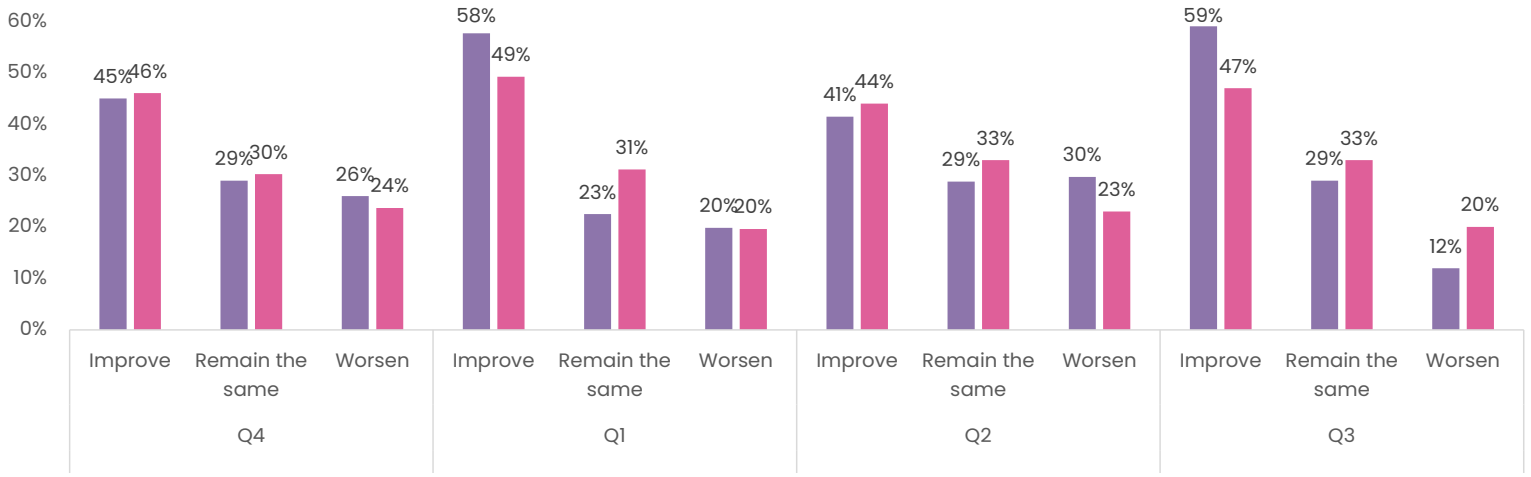
Turnover outlook

Businesses remain optimistic about future turnover

Confidence in future turnover remains strong, with 59% of Ayrshire businesses expecting turnover to increase over the next 12 months, while only 12% expect it to decrease. Ayrshire's outlook is notably stronger than the UK position, where 47% of businesses expect turnover to improve.

The findings demonstrate continued confidence in future business prospects despite the cost and trading pressures evident elsewhere in the survey.

Q: Over the next 12 months, do you believe your business's turnover will...



	Ayrshire	UK	% point difference, region v UK
Improve	**59%**	**47%**	**12%**
Remain the same	**29%**	**33%**	**-4%**
Worsen	**12%**	**20%**	**-8%**

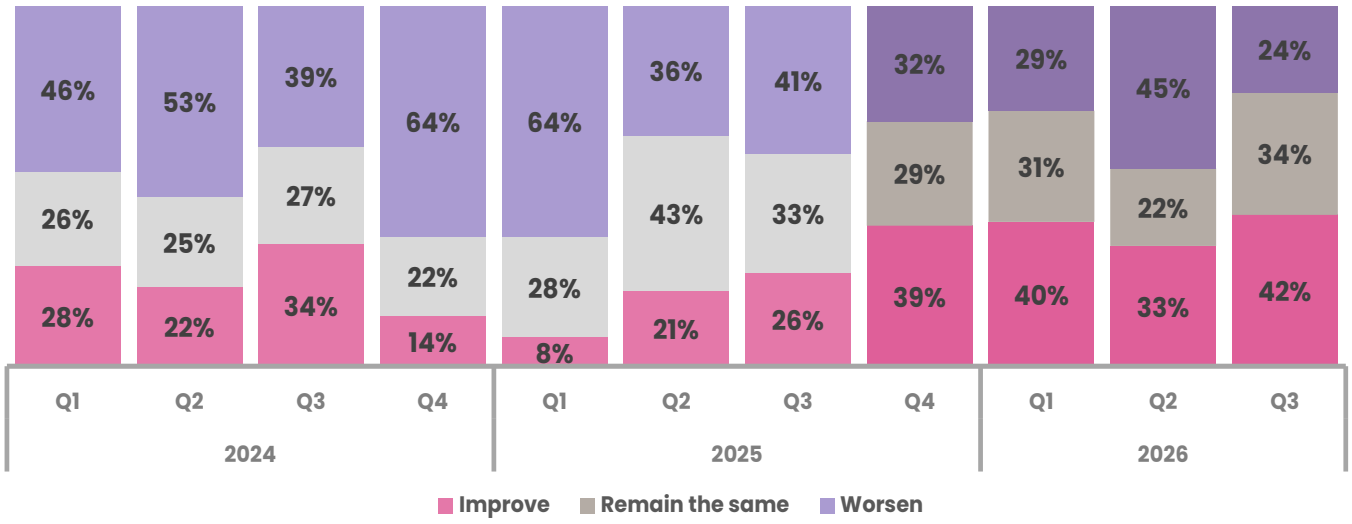
Profitability outlook

Profitability outlook improves in Q3

Profitability expectations improved in Q3, with 42% of Ayrshire businesses expecting profitability to increase over the next 12 months, compared with 33% in Q2. At the same time, the proportion expecting profitability to worsen fell markedly, from 45% to 24%.

This represents a notable improvement in the profitability outlook and provides a further indication of strengthening business confidence. However, expectations for profitability remain more cautious than for turnover, where 59% of businesses anticipate growth over the next 12 months.

Q: **Over the next 12 months, do you believe your business's profitability will...**



	Ayrshire	UK	% point difference, region v UK
Improve	**42%**	**38%**	**4%**
Remain the same	**34%**	**35%**	**-1%**
Worsen	**24%**	**27%**	**-3%**

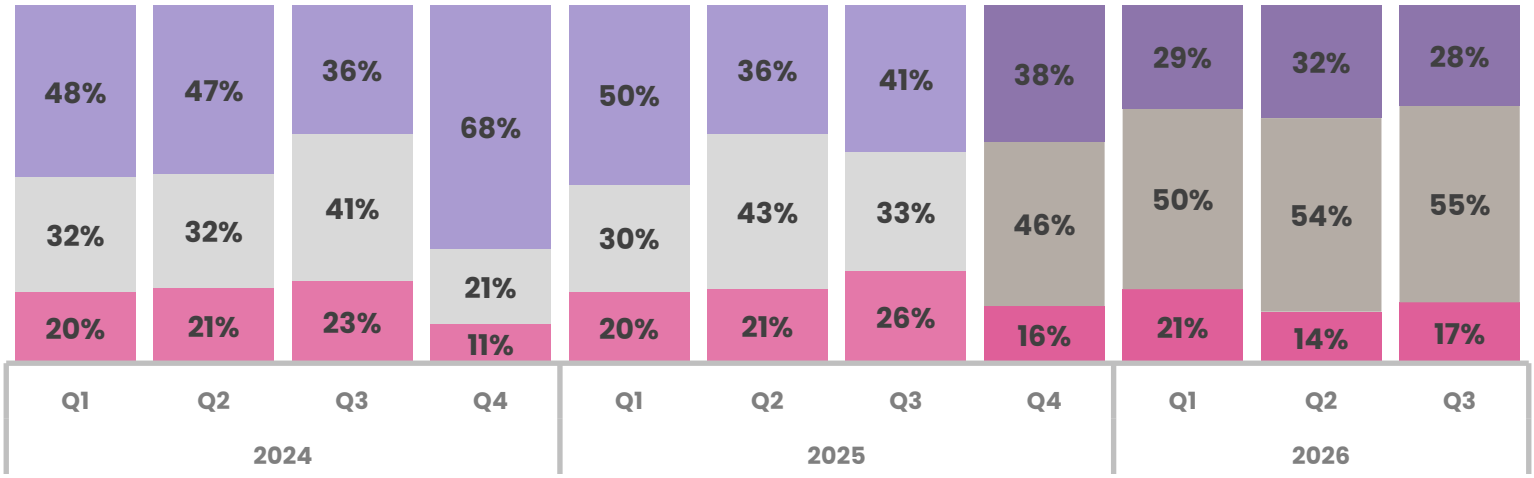
Cash flow pressure

Cash flow remains broadly stable

Cash flow remained broadly stable for many Ayrshire businesses during Q3. However, the results continue to show variation across the business base, with some firms reporting improved cash flow while others experienced a deterioration.

Overall, the findings present a mixed cash-flow picture, reflecting the varied trading conditions experienced across the Ayrshire business base.

Q: **Over the past 3 months, cash flow has..**



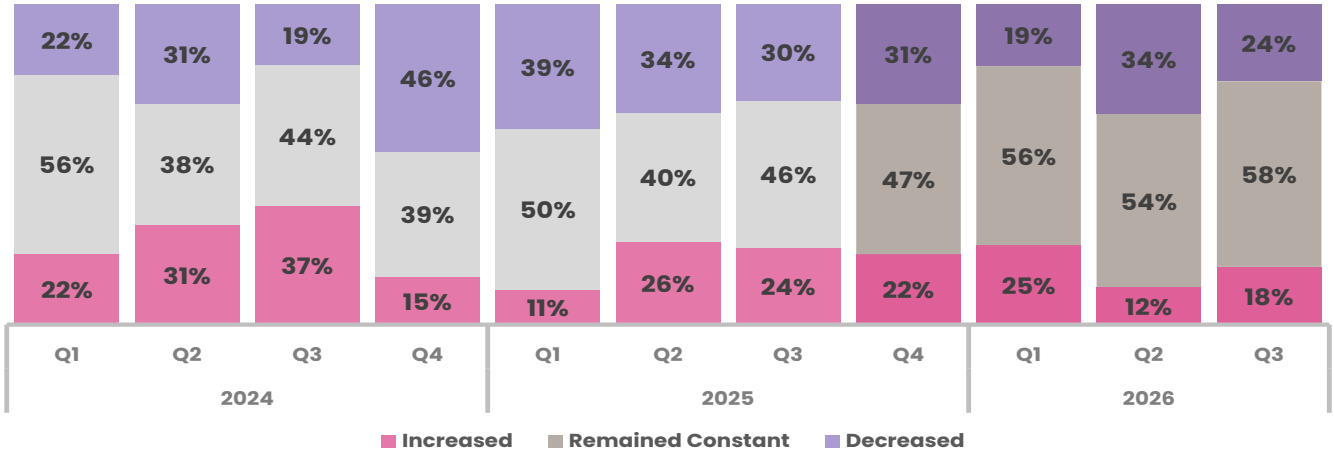
	Ayrshire	UK	% point difference, region v UK
Increased	17%	22%	-5%
Remained constant	55%	49%	6%
Decreased	28%	29%	-1%

Capital investment improves but remains cautious

Investment in plant, machinery, technology and equipment showed some improvement in Q3, with 18% of Ayrshire businesses increasing investment, compared with 12% in Q2. However, 24% reported a decrease in investment, while 58% said their investment plans remained unchanged.

While the quarter-on-quarter improvement is encouraging, the overall picture remains cautious, with most businesses maintaining existing investment levels rather than increasing their commitment to capital investment.

Q: Over the past 3 months, investment plans for plant/machinery/equipment have?



	Ayrshire	UK	% point difference, region v UK
Increased	18%	17%	1%
Remained constant	58%	62%	-4%
Decreased	24%	22%	2%



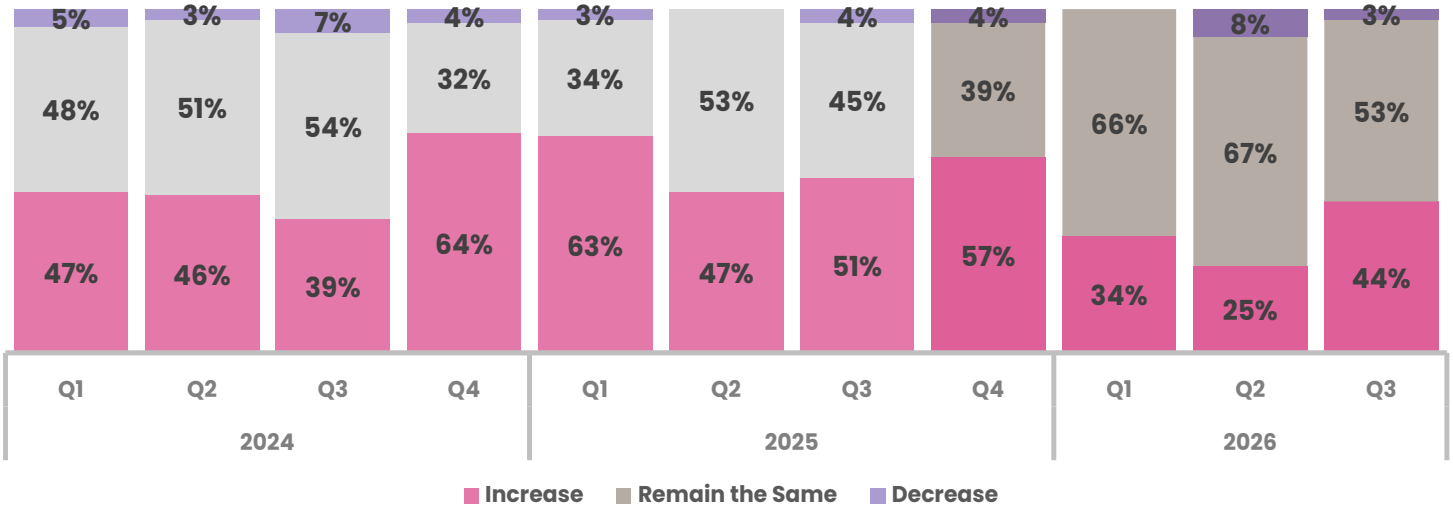
Pricing

Price expectations rise sharply in Q3

Price expectations increased sharply in Q3, with 44% of Ayrshire businesses expecting the price of their goods or services to increase over the next three months, compared with 25% in Q2. Only 3% expect prices to decrease, with the majority anticipating no change.

At 44%, Ayrshire is broadly in line with the UK figure of 43%, sitting just 1 percentage point higher. While the national comparison suggests Ayrshire is not an outlier, the significant quarter-on-quarter increase indicates that pricing pressures remain an important consideration for businesses.

Q: **Over the next 3 months, do you expect the price of your goods/services to..**



	Ayrshire	UK	% point difference, region v UK
Increase	44%	43%	1%
Remain the same	53%	54%	-1%
Decrease	3%	3%	-

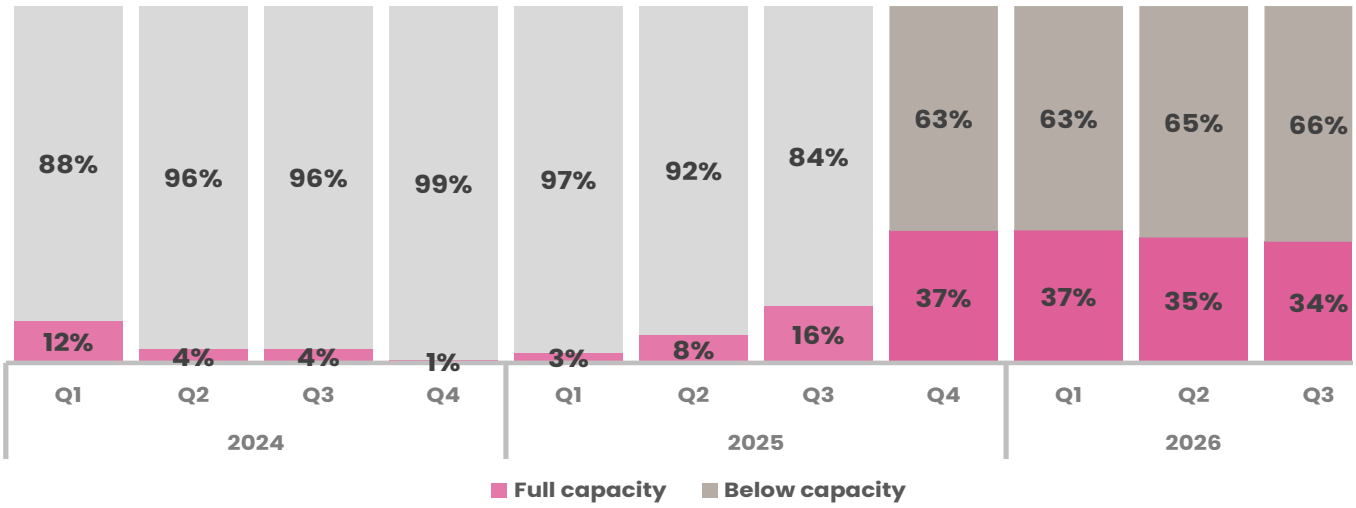
Capacity

Most businesses continue to operate below capacity

Two-thirds (66%) of Ayrshire businesses reported operating below full capacity in Q3, compared with 63% nationally. This places Ayrshire 3 percentage points above the UK figure, with 34% of local businesses operating at full capacity.

The findings indicate that spare capacity remains across much of the Ayrshire business base, indicating that there is headroom for increased activity if trading conditions and demand strengthen.

Q: **Are you currently operating at..**



	Ayrshire	UK	% point difference, region v UK
Full capacity	34%	37%	-3%
Below capacity	66%	63%	3%

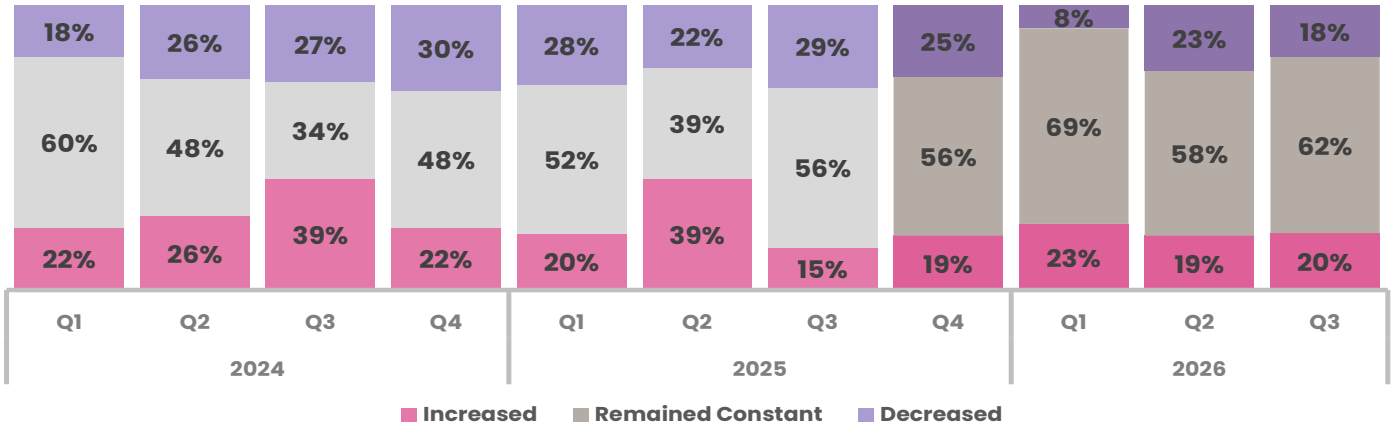
Workforce trends

Workforce levels remain broadly stable

Workforce levels remained broadly stable during Q3, with 20% of Ayrshire businesses reporting an increase in employment and 18% reporting a decrease. The majority of businesses reported no change in workforce levels.

Compared with Q2, the employment balance has improved, driven primarily by a reduction in the proportion of businesses decreasing their workforce, from 23% to 18%, while the proportion increasing employment remained broadly unchanged at 20% compared with 19% in Q2. Overall, the findings point to a relatively stable employment picture rather than significant workforce growth.

Q: **Over the past 3 months, has your workforce...**

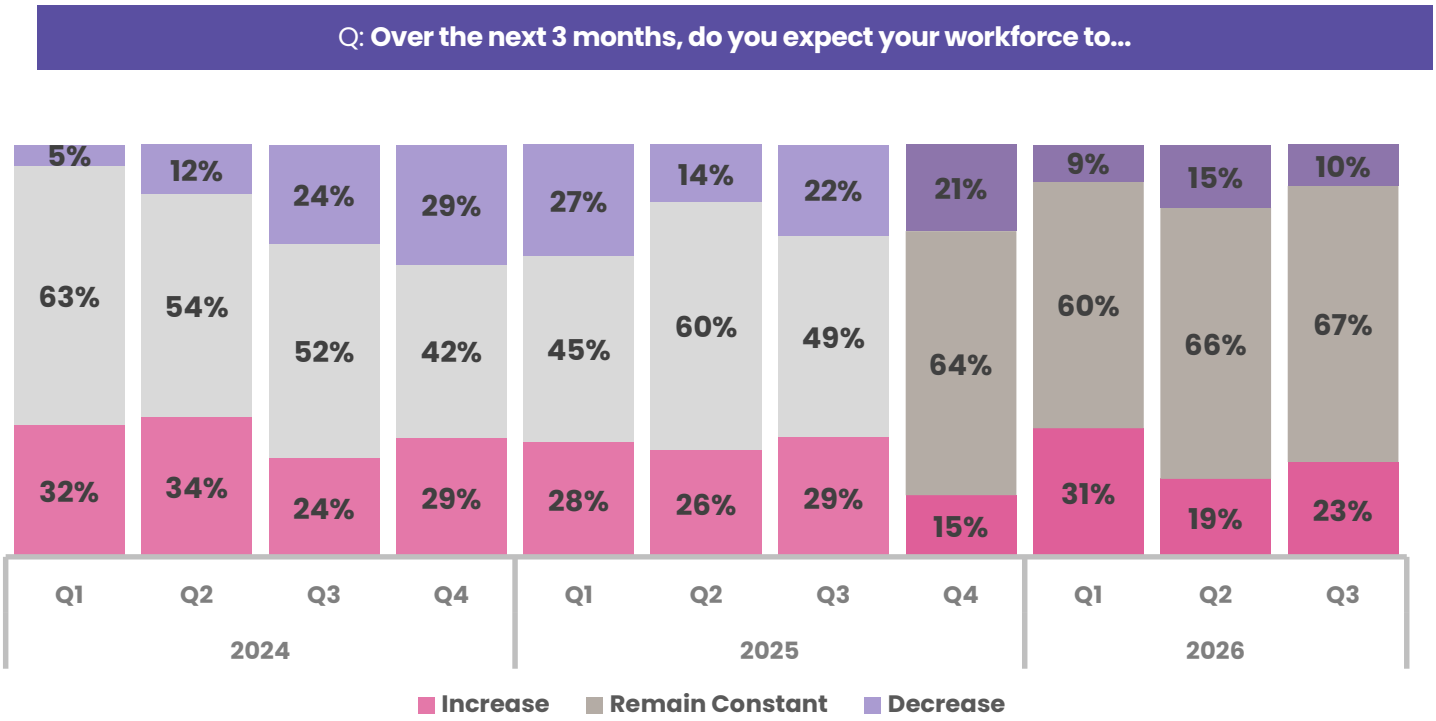


	Ayrshire	UK	% point difference, region v UK
Increased	20%	21%	-1%
Remained Constant	62%	64%	-2%
Decreased	18%	15%	3%

Workforce expectations remain positive but cautious

Looking ahead, 23% of Ayrshire businesses expect their workforce to increase over the next three months, while 10% anticipate a decrease. The majority, 67%, expect workforce levels to remain unchanged.

Overall, workforce expectations remain positive on balance, but the predominance of businesses expecting no change points to a cautious approach to recruitment and workforce expansion rather than significant employment growth.



	Ayrshire	UK	% point difference, region v UK
Increased	23%	23%	-
Remained Constant	67%	66%	1%
Decreased	10%	11%	-1%

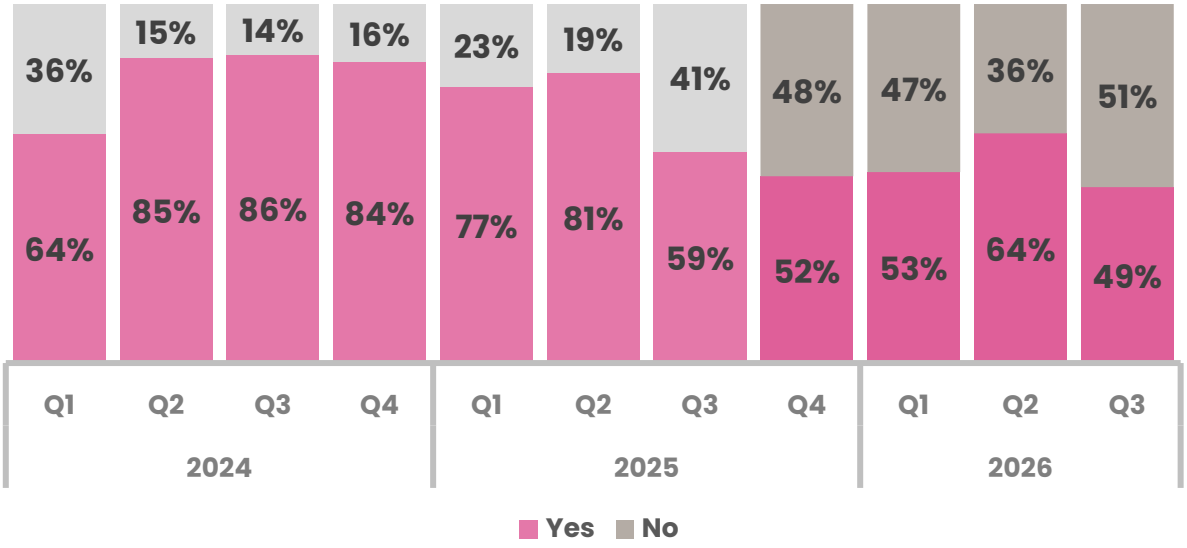
Recruitment activity

Businesses continue hiring despite economic uncertainty

Recruitment activity reduced during Q3, with 49% of Ayrshire businesses reporting that they had attempted to recruit staff during the previous three months, compared with 64% in Q2.

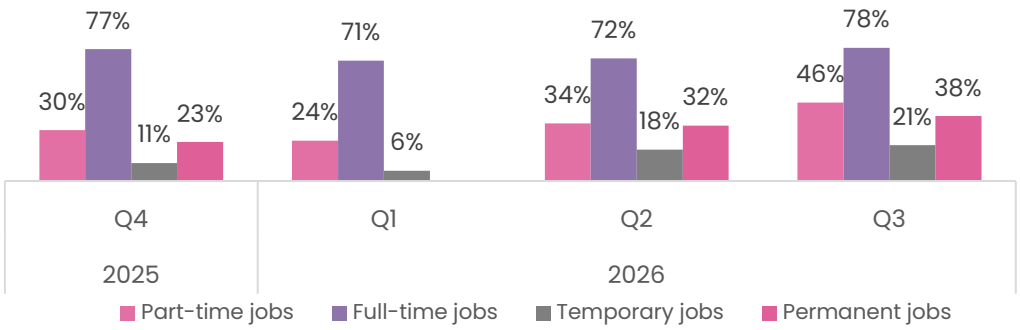
The 15 percentage point fall indicates a more cautious approach to recruitment during the quarter and is consistent with the wider workforce picture, where most businesses reported maintaining rather than expanding their workforce.

Q: Have you attempted to recruit staff over the past 3 months?



	Ayrshire	UK	% point difference, region v UK
Yes	49%	53%	-4%
No	51%	47%	4%

Q: If yes, what were they for?

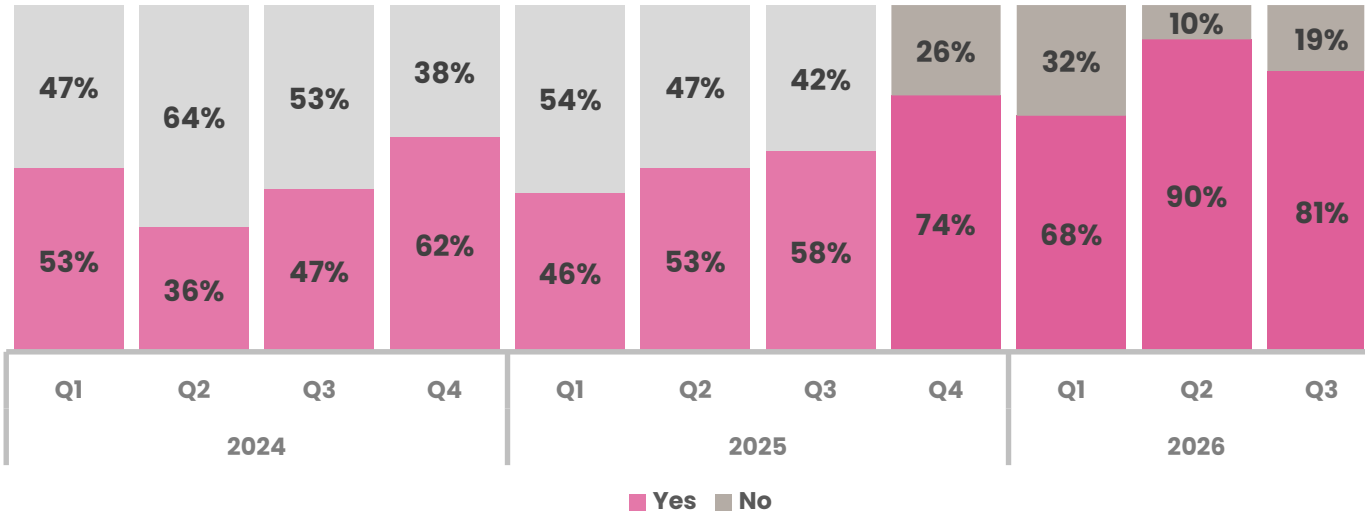


Recruitment difficulties remain significant

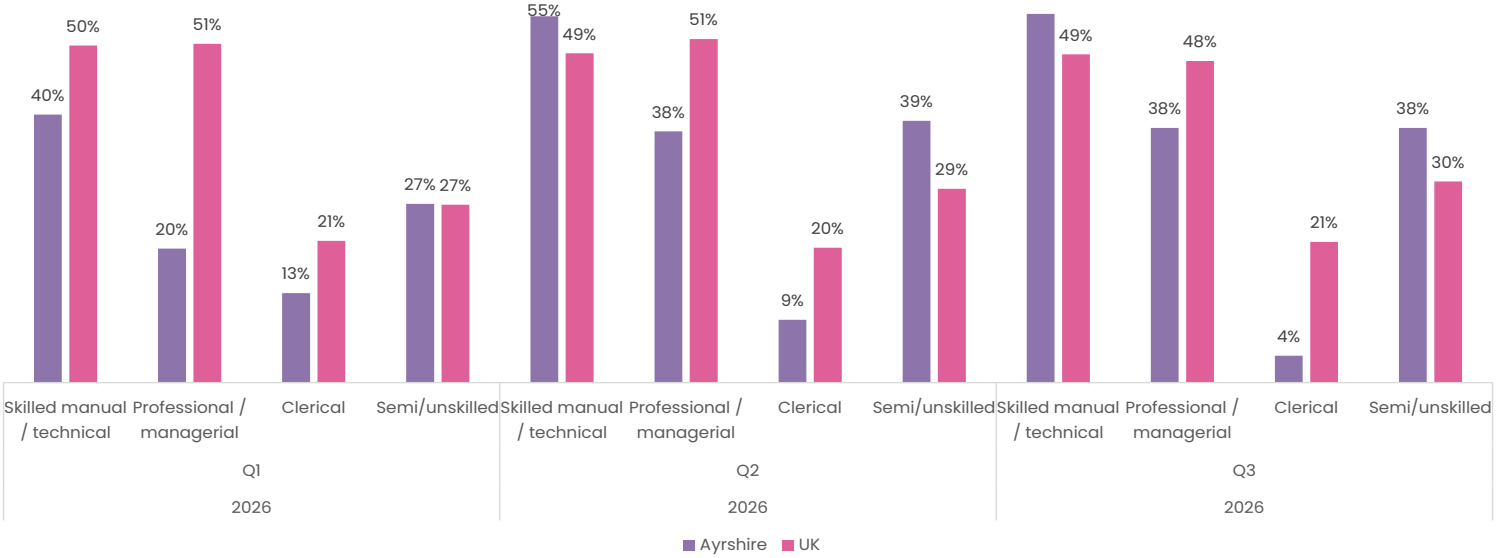
Despite lower recruitment activity in Q3, businesses attempting to recruit continued to experience significant difficulties finding suitable staff. Among those recruiting, 81% reported difficulties, compared with 71% nationally.

Recruitment challenges were particularly evident in skilled manual and technical roles, identified by 58% of Ayrshire businesses that experienced recruitment difficulties, compared with 49% nationally.

Q: If you attempted to recruit, did you experience any difficulties finding suitable staff?



	Ayrshire	UK	% point difference, region v UK
Yes	81%	71%	10%
No	19%	29%	-10%



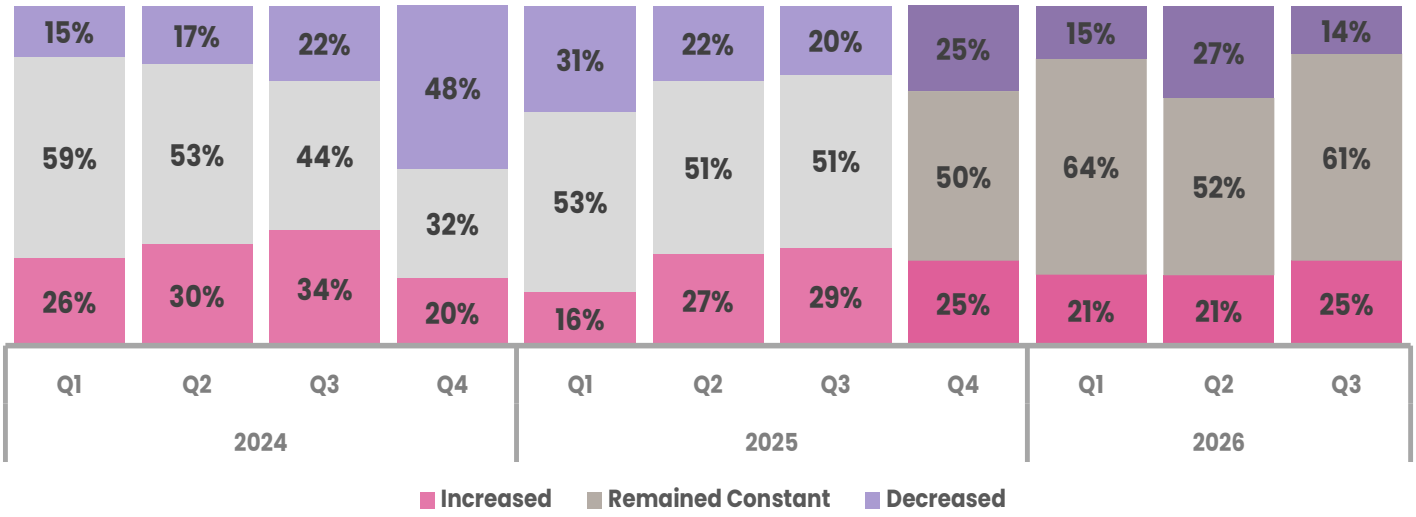
Training investment

Training investment shows further improvement

Investment in training strengthened in Q3, with 25% of Ayrshire businesses reporting an increase, compared with 21% in Q2.

The improvement provides a positive indication that, despite wider cost pressures, a proportion of businesses continue to prioritise investment in workforce skills and development.

Q: **Over the past 3 months, investment plans for training have..**



	Ayrshire	UK	% point difference, region v UK
Increased	25%	20%	5%
Remained Constant	61%	63%	-2%
Decreased	14%	17%	-3%

Regional Focus: Regional Focus: What Ayrshire Businesses Say Would Unlock Growth

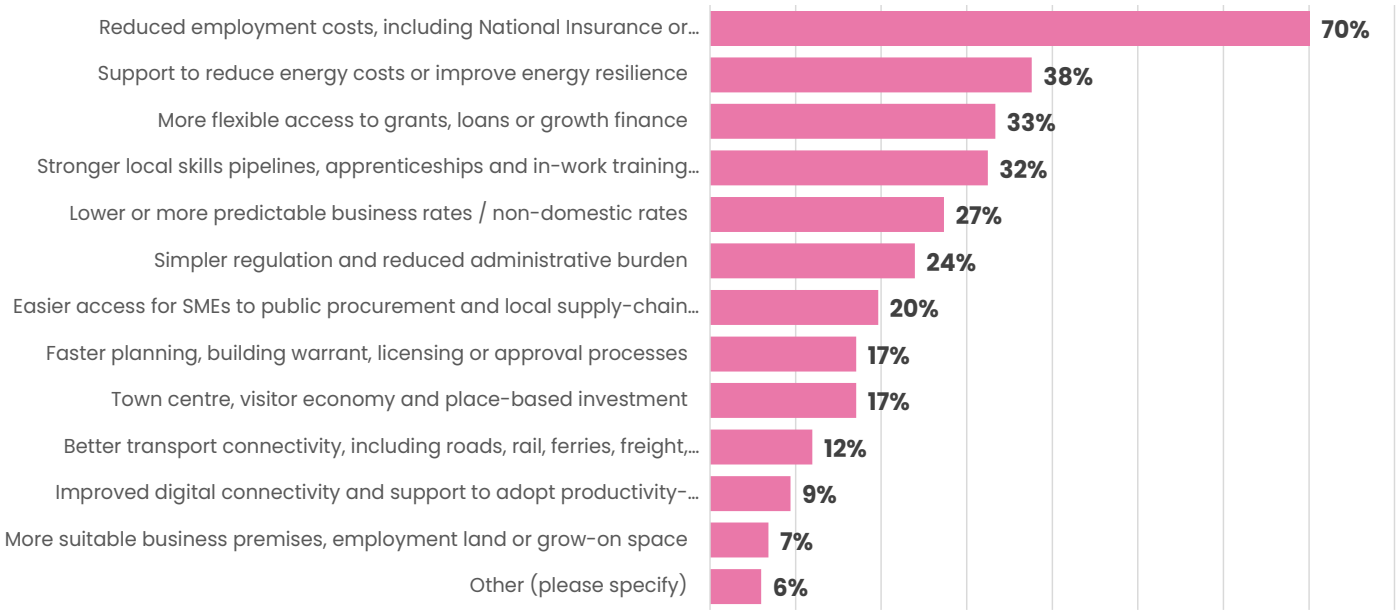
This quarter's regional focus explores the practical changes businesses believe would make the greatest difference to their ability to invest, recruit and grow in Ayrshire over the next 12 months. It also examines how businesses would respond if those barriers were addressed, where responsibility for action should sit, and the local improvements that could strengthen Ayrshire's business environment.

Taken together, the findings provide a clear business-led view of the action required to turn confidence and ambition into employment, investment and sustainable growth.

What businesses need

Employment costs are the clearest barrier to growth

Reducing employment costs, including National Insurance and employment taxation, emerged as the leading priority for Ayrshire businesses, selected by 70% of respondents. This was significantly ahead of support to reduce energy costs or improve energy resilience at 38%, more flexible access to grants, loans or growth finance at 33%, and stronger local skills pipelines, apprenticeships and in-work training support at 32%.



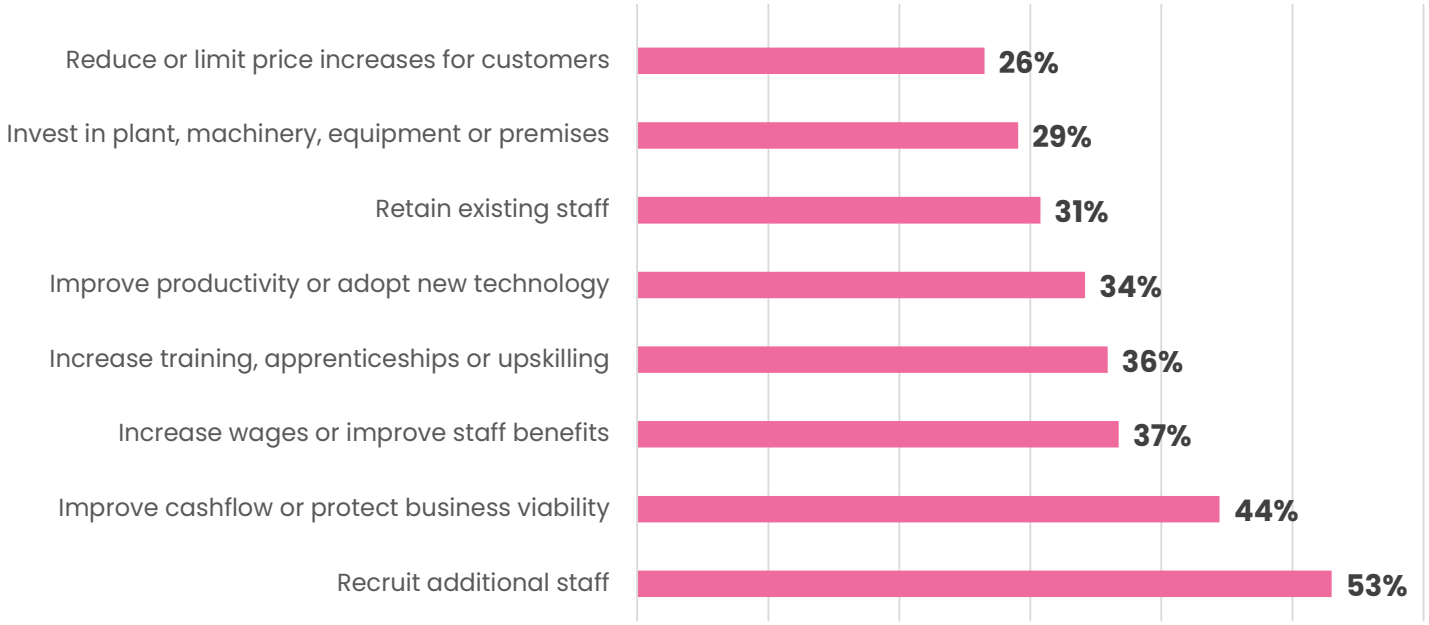
The results demonstrate that businesses see employment costs as the most immediate constraint on their ability to recruit, invest and grow. However, they also identify a broader set of barriers involving energy, finance, skills, regulation, business rates and access to growth opportunities.

What businesses would do

Removing barriers could unlock jobs, investment and workforce development

Businesses were also asked what they would be more likely to do if action was taken on one of their selected priorities. More than half, 53%, said they would be more likely to recruit additional staff, making this the most frequently identified outcome.

A further 44% said they would be more likely to improve cash flow or protect business viability, while 37% identified increased wages or staff benefits and 36% increased training, apprenticeships or upskilling. Improved productivity or adoption of new technology was selected by 34%, with 31% identifying staff retention and 29% increased investment in plant, machinery, equipment or premises.



The findings indicate that addressing business barriers could support a range of outcomes.

Businesses indicate that action could support recruitment, financial resilience, workforce development, productivity and investment across Ayrshire.

"Support would translate directly into jobs, investment and workforce development."

Business Voice

The comments provided by businesses reinforce the quantitative findings.

Respondents highlighted the effect of energy and fuel costs on competitiveness, continued difficulty recruiting people with the right skills, and the challenge of balancing rising costs with increasingly competitive markets

Rising energy costs

The cost of energy is increasing and is the biggest concern at the moment.

Difficult to remain globally competitive with the current energy prices.

Business in the Life Sciences / Healthcare Sector

Labour shortages and fuel costs

The price of aviation fuel has been a real challenge for over the last 6 months.

The labour market has been difficult to recruit the right people that matches our business needs.

Business in the Transport & Logistics Sector

Competitive pricing pressures and rising costs

Over the last 3 months we have seen a tighten up of the market and as a result our competition have become very aggressive on prices, therefore we see a significant decline in the selling price despite the pressure of rising costs.

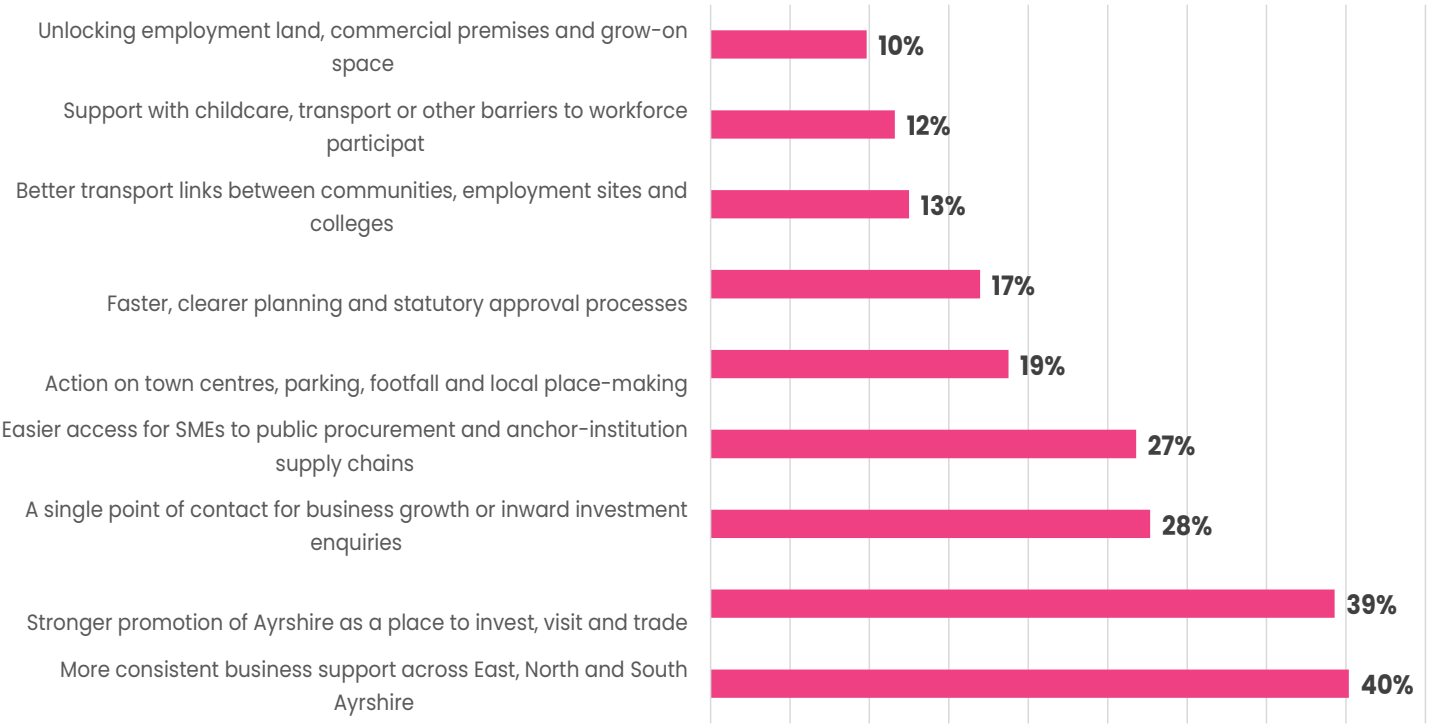
Business in the Construction & Manufacturing Sector

What needs to happen locally

Businesses want a more joined-up Ayrshire offer

When asked which local actions would most improve the business environment, 40% identified more consistent business support across East, North and South Ayrshire. A further 39% selected stronger promotion of Ayrshire as a place to invest, visit and trade.

More than a quarter identified a single point of contact for business growth or inward-investment enquiries (28%), while 27% prioritised easier access for SMEs to public procurement and anchor-institution supply chains.



The findings point to demand for a clearer and more coordinated regional offer.

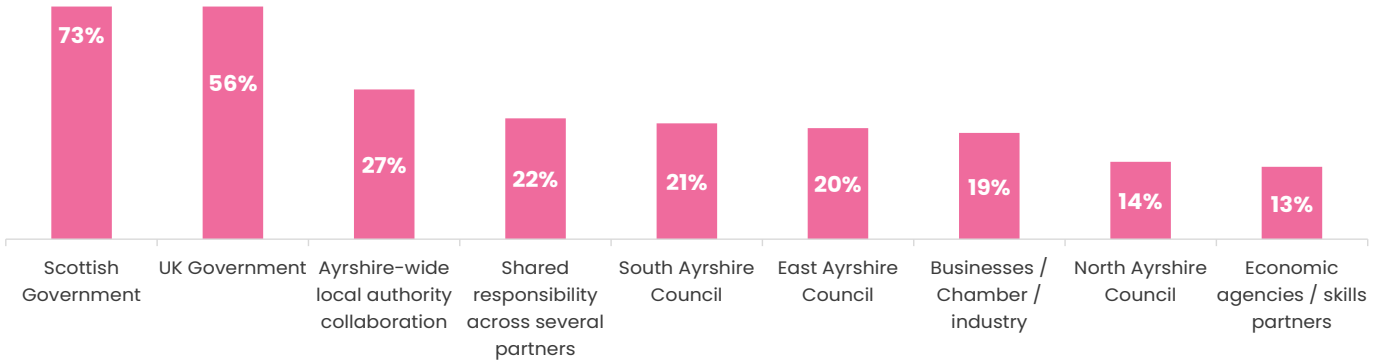
Businesses want consistent access to support, stronger promotion of Ayrshire and simpler routes into investment, procurement and growth opportunities.

Who should lead

Businesses expect national leadership alongside regional collaboration

Businesses expect action at both national and regional level. The Scottish Government was most frequently identified as having a lead role, selected by 73% of respondents, followed by the UK Government at 56%.

At regional level, 27% identified Ayrshire-wide local-authority collaboration, while 22% selected shared responsibility across several partners. Individual councils, businesses, the Chamber, industry, economic agencies and skills partners were also identified as having a role.



The results suggest that responsibility cannot sit with one organisation alone.

National action is expected on major policy and cost pressures, supported by coordinated regional delivery to address local barriers and opportunities.

"Businesses expect national governments to lead but also recognise the need for regional collaboration."



Scale of potential impact

Respondents were invited to estimate the scale of impact that could be achieved if their selected barriers were addressed. The examples supplied include businesses identifying the potential to create additional roles, accelerate investment, expand into new markets, increase exports and strengthen training and workforce development.

Employment examples ranged from one or two additional roles to as many as ten new jobs. Investment examples included a £100,000 accommodation project requiring a further £50,000 and a reported £13 million capital investment being held back by an energy-infrastructure issue. One respondent estimated the potential for a 30% increase in turnover and a doubling of exports.

These examples illustrate the potential significance of removing individual barriers. However, only 34 respondents provided a quantified estimate and the responses used different measures. They should therefore be treated as individual business examples and should not be aggregated into a regional economic forecast.

Key areas of potential impact



What respondents told us

Advanced Manufacturing / Aerospace organisation

The cost of training is really high for us to upskill non-technical people, investment in skill and education would certainly help create a baseline level to allow us to be more agile and competitive. This will help longevity of the site.

Manufacturing / Retail organisation

The business rates, national insurance and energy cost are crippling any growth in our business.

Technology / Engineering organisation

Businesses are struggling to survive bad debts are at an all time high. Fuel and energy costs are leading to inflation and government dose nothing to stimulate growth. If the UK could start growing again and confidence came back; jobs, investment and training would all follow!

Environmental / Engineering organisation

We've always struggled to recruit locally, which is not good for us. Being able to shape the recruitment pipeline in the local area would make a massive difference. Being able to get more local work would help reduce costs and potentially allow more people to be employed.

What businesses want to see next

When invited to identify one practical action that could be taken within the next 100 days, business responses centred on six recurring themes: reducing immediate business costs; creating a more joined-up regional offer; speeding up delivery and decision-making; opening clearer routes to growth; strengthening skills delivery; and addressing barriers affecting particular places and business locations.

Across the regional findings, three messages stand out. Reduced employment costs are seen as the clearest immediate lever for recruitment and growth. Locally, businesses want more consistent support across East, North and South Ayrshire and stronger promotion of the region as a place to invest, visit and trade.

- **Reduce immediate business costs**
- **Create a joined-up regional offer**
- **Speed up Delivery**
- **Open routes to growth**
- **Strengthen skills delivery**
- **Address place-specific barriers**

The overall message is a call for clear ownership, coordinated action and faster practical delivery.



National Viewpoint

David Bharier, Head of Research at the British Chambers of Commerce, said:

"The continued fall in SME investment sentiment is further evidence of a longer-term pattern that no single shock explains. Our data shows a risk-aversion cycle taking hold.

Firms have not lost ambition, but years of compounding cost pressures and geopolitical shocks have produced defensive behaviour for the average SME.

Most firms are now experiencing policy as downside risk rather than opportunity - with the rise in employer NICs a prominent example, still being felt almost two years on.

Reducing the cost and complexity of the administrative burden would give many firms the space to grow. But more broadly, government policy needs to pass a 'growth delivery test'. Each proposal should start from the question of exactly how it will cause firms to increase investment, exports, hiring, or expansion.

Until that test is being applied, more announcements will produce fewer decisions–and our survey will continue to show the same pattern quarter after quarter."



Ayrshire Chamber Viewpoint

Claire Baird, Chief Executive Officer at the Ayrshire Chamber of Commerce, said:

This quarter's results demonstrate the resilience and ambition of Ayrshire's business community. There are encouraging signs in domestic sales and orders, while almost six in ten businesses expect turnover to improve over the next twelve months. That gives us confidence that the appetite for growth remains.

What is particularly important this quarter, however, is that Ayrshire businesses have gone beyond telling us about the pressures they face. They have told us what would make a practical difference and, crucially, what they could do if those barriers were addressed.

Reducing employment costs stands out as the clearest priority, identified by 70% of respondents. More than half say they would be more likely to recruit additional staff if action was taken on their priorities, while businesses also identify opportunities to improve cash flow, invest in skills, increase wages and improve productivity.

There is an equally important message for us here in Ayrshire. Businesses want greater consistency of support across East, North and South Ayrshire, stronger promotion of the region as a place to invest, visit and trade, and clearer routes into growth and inward investment opportunities. Those are areas where stronger regional collaboration can make a tangible difference.

For me, the message from this QES is clear: Ayrshire does not lack ambition or opportunity. Our focus must now be on creating the conditions that allow businesses to turn that ambition into jobs, investment and sustainable growth. That means using the evidence businesses have given us to drive practical action, nationally and here in Ayrshire.



Key Dates:

QES Q4 fieldwork starts:
Wednesday 4th November

QES Q4 fieldwork ends:
Wednesday 2nd December


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