

# OpenVoiceNews U.K.

Transparent. Unbiased. Yours.

## UK Companies Gear Up for Growth as Confidence Soars to Nine-Year High

June 30, 2025

— Categories: Finance



London Business confidence in the UK has reached its highest point in nearly nine years, according to the latest Lloyds Bank Business Barometer released Monday. The survey shows that confidence among British employers rose to 51%, the strongest reading since November 2015.

This increase follows a significant rise in May, which came after a drop in April tied to concerns over U.S. tariffs. Many of those tariffs have since been paused, helping businesses regain confidence in the economy.

A key factor behind this positive outlook is hiring. Hann-Ju Ho, senior economist at Lloyds Bank Commercial Banking, said 60% of companies expect to increase their staff over the next year. “This suggests that employers are preparing for future growth,” Ho said.

The Bank of England is closely watching the jobs market as it assesses inflation risks. Governor Andrew Bailey recently noted signs of a slowing labor market, partly due to a tax increase on employers introduced in April. Despite this, wage growth expectations remain positive. The survey found that 36% of businesses expect average pay increases of 3% or more, marking the second month of rising wage forecasts.

Job site Adzuna reported a slight drop in vacancies from April to May but noted a 0.5% increase compared to May last year. This marks the third month in a row of growth after a long period of decline. Andrew Hunter, Adzuna’s co-founder, said, “The UK job market is gradually recovering.”

However, the economic outlook is not without challenges. The Confederation of British Industry (CBI) said that while business expectations have improved slightly, they remain cautious. Companies continue to face higher employment costs, slower consumer spending, and global uncertainties.

“Businesses are proceeding carefully amid rising costs and ongoing global issues,” said Alpesh Paleja, CBI’s deputy chief economist.

Overall, the rise in business confidence and hiring plans suggests that UK companies are becoming more optimistic about the future, despite ongoing challenges.