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News in Review

18 November 2026

"Britain is showing standout resilience"



The UK economy expanded by 0.7% in Q3, following growth of 0.5% in the second quarter, according to the Office for National Statistics (ONS). This marks the fastest growth rate in more than two years and suggests that the economy was more resilient than expected over the summer, despite the Middle East conflict.

The services sector was a key driver of growth in the three months to September, with output increasing by 0.9%. This means services output was 2.3% higher than in the same period last year. The data shows that 11 out of the 14 services subsectors made a positive contribution to growth in Q3. Information and communication activities increased by 2.1%, making it the largest driver of GDP growth in 2026 so far. ONS noted that '*many of the businesses reporting the largest increases in turnover are involved in activities related to artificial intelligence and cloud computing.*' In the other sectors, production output increased by 0.1% and construction declined by 0.7%, so construction output is now 1.7% lower than the same period last year.

Responding to the data, Prime Minister Andy Burnham said, *"Despite a year where events around the world have pushed up costs here at home, our economy is growing, bringing hope for the future."* Chancellor John Healey said, *"The Middle East conflict has hit growth worldwide, yet Britain is showing standout resilience."*

Prioritising young people

Alan Milburn's much awaited report, *'From a Welfare State to a Working State: A new settlement for the next generation,'* was released on Tuesday, outlining a 10-year plan to reduce the NEET (Not in Education, Employment of Training) rate from 13% to around 5% by 2036. Key recommendations include an overhaul of the benefits system, halving Employers' National Insurance thresholds for those aged 21 to 24 working in retail and hospitality, doubling the number of young people completing apprenticeships, an expansion of post-18 college places and cash incentives for employers taking on NEETs. Modelling suggests these reforms, with others in the review, would help 440,000 young people into sustained work.

Economic impact of the Microsoft outage

Last Friday's Microsoft outage is estimated to have cost the global economy $7bn in lost productivity, according to the Anderson Economic Group think tank, with around 51 million users reportedly experiencing disruption significant enough to cause financial losses. Services including Teams, Outlook and Copilot were affected, disrupting businesses, government agencies, schools and hospitals across 74 countries.

Burnham prepares to sign deal with EU

The Prime Minister met with European leaders in Dublin last Thursday, as he discussed his vision for the UK to have closer ties with the bloc. Later, Burnham said he hopes to negotiate a deal which could lower prices and boost the UK economy. At the upcoming UK-EU summit on 20 November, Burnham is expected to sign agreements to remove post-Brexit checks from food and agriculture exports, which could eventually benefit the UK economy by £5.1bn annually.

Landlords to face higher taxes

The Intermediary Mortgage Lenders Association (IMLA) has urged private landlords to rethink their investment strategies in response to tax increases announced in the Budget. John Healey confirmed that tax rates on rental income will rise to 24%, 44% and 49%, depending on the tax band. The IMLA has warned that these changes, which come into effect from April 2027, could be challenging for landlords with buy-to-let properties in their own names. The trade association noted that, since the reforms only apply to individuals, landlords might consider owning their properties through a limited company, which would instead be subject to Corporation Tax. However, there are other factors to consider when transferring ownership into a company structure, so landlords should understand their options before making any decisions.

Grand Theft Auto Day is coming

Grand Theft Auto (GTA) VI launches on 19 November, 13 years after the last game was released. Statistics suggest that it could affect UK productivity for the rest of the year, with BrightHR finding that nearly 5% of annual leave bookings on launch day are due to GTA. On this day alone, annual leave associated with GTA is estimated to be worth £3.14m. For the rest of the year, about 83,000 days have been booked off in November and December to play GTA, costing UK employers £12.4m.

Here to help

Financial advice is key, so please do not hesitate to get in contact with any questions or concerns you may have.

The value of investments can go down as well as up and you may not get back the full amount you invested.
The past is not a guide to future performance and past performance may not necessarily be repeated.
All details are correct at time of writing (18 November 2026)