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Hospitality**Market**Monitor

Review of GB pub, bar and restaurant supply

APRIL 2026

98,609
Total outlets in Britain at March 2026

Hospitality loses three sites a day in tough first quarter

Market overview

Rising costs for businesses and consumers led to another contraction in Britain's licensed premises in the first quarter of 2026, the Hospitality Market Monitor reveals.

Data from NIQ, powered by CGA intelligence, shows there were 98,609 premises at the end of March. This is down by 0.3% quarter-on-quarter and a net drop of 305 sites, or an average of 3.4 closures per day.

-0.3% Net change in outlets between December 2025 and March 2026

It follows a similar drop in the fourth quarter of 2025, and means that Britain has lost **0.7%** of its licensed premises in just six months. After a much more encouraging start to 2025, it appears that the momentum of closures is starting to build.

This is no surprise in the context of the surging costs that businesses face in essential areas like labour, energy and food and drink. The same inflationary issues are also forcing millions of consumers to cut back on their eating and drinking out. For many businesses, the combination of higher costs and lower footfall has been unsustainable.

-0.3% Net change in outlets between March 2025 and March 2026

As this table shows, casual dining restaurants have had a taxing first quarter, with numbers falling by **0.9%** in three months. Bars have also been particularly affected by consumers' cuts in discretionary spending. The picture is slightly better in some drink-led channels like high street and community pubs, which have shrunk by only **0.1%** and **0.2%** respectively—an indication that some consumers are prioritising casual drinking occasions over eating out. Accommodation-led venues have some grounds for confidence too (see page 2). Nevertheless, none of hospitality's main channels were able to record growth in the first quarter.

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Outlets by segment, March 2026 v December 2025 and March 2025

	Sites at Mar 2025	Sites at Dec 2025	Sites at Mar 2026	% change, Mar 2026 v Dec 2025	% change, Mar 2026 v Mar 2025
Bar	4,680	4,721	4,666	-1.2%	-0.3%
Bar restaurant	3,338	3,399	3,338	-1.8%	0.0%
Casual dining restaurant	5,046	5,097	5,053	-0.9%	+0.1%
Community pub	17,990	17,905	17,868	-0.2%	-0.7%
Food pub	11,279	11,148	11,107	-0.4%	-1.5%
High street pub	6,139	6,161	6,153	-0.1%	+0.2%
Hotel	7,356	7,407	7,405	0.0%	+0.7%
Large venue	4,342	4,394	4,383	-0.3%	+0.9%
Nightclub	826	799	791	-1.0%	-4.2%
Restaurant	14,570	14,675	14,651	-0.2%	+0.6%
Sports / social club	19,555	19,502	19,491	-0.1%	-0.3%
Other*	3,744	3,705	3,702	-1.0%	-1.1%
Total	98,866	98,914	98,609	-0.3%	-0.3%

Comment from Karl Chessell, director - hospitality operators and food, EMEA at NIQ

There are two ways of looking at hospitality's performance in the first quarter of 2026. One is that soaring costs are taking a heavy toll and forcing hundreds of businesses to close. The other is that the numbers could have been worse.

Net closures of 305 venues in three months is disappointing—above all for the operators and employees concerned. But given the heavy pressure on both sales and profits, the latest figures reveal the impressive resilience of thousands of pubs, bars, restaurants and other outlets.

Unfortunately, this resolve will be tested further in the next few months. NIQ's latest Business Confidence Survey with Zonal found barely half (**51%**) of leaders feel confident about prospects for their business over the next 12 months. Conflict in the Middle East—which started shortly after the survey was conducted—is likely to trigger yet more price rises in energy-reliant areas and reduce leaders' confidence even further. Without targeted support, more closures can be expected over the rest of 2026.

In focus: Accommodation

As conflict in the Middle East threatens inflation for fuel prices and many associated products, as well as an increasing cost of borrowing, accommodation is one sector that may derive a benefit.

-0.1% Increase in accommodation-led outlets between March 2025 and March 2026

For consumers, increased airline fares and a limiting of international destinations to visit may make domestic holidays a more appealing option. In addition, many consumers are still conscious about their finances, and a local holiday presents less risk of losing out on a hard-earned break should international conditions continue to change. This might help pubs, restaurants and other licensed premises in popular British tourist destinations, but it would benefit hotels, guest houses and holiday parks most of all.

The accommodation-led side of the sector enjoyed a wave of staycations during COVID-19 travel restrictions, and it has also been resilient in recent months. NIQ's data shows numbers in this channel are static quarter-on-quarter and up fractionally year-on-year—a modest outperformance of the market as a whole (see page 1).

8.1% Increase in managed hotels between March 2020 and March 2026

The picture is even more positive on a longer view. The licensed hotel sector is only **4.7%** smaller than it was at the pre-COVID benchmark of March 2020, while holiday and caravan parks are down **8.1%.** By comparison, total licensed premises have dropped by **14.3%**, while other segments like casual dining restaurants (down 2**3.7%**) and nightclubs (down **36.6%**) have fallen even faster.

An important exception to this solid performance is guest and boarding houses, where numbers have plummeted by **45.0%**. This part of the accommodation sector is dominated by families and other independent operators, who were unable to draw on the cash reserves of bigger companies during COVID-era closures. Simulataneously, managed hotel groups' numbers have actually increased in the last six years, by **8.1%**.

These hotels may be about to get a fresh boost from domestic tourism. Barclays has reported that British consumers' spending on international travel fell in March for the first time in five years, while outlays on hotels, resorts and accommodation rose slightly. Seven in ten (**70%**) consumers said they were concerned about rising travel costs as a result of war in the Middle East.

Of course, a lot of summer holidays have already been booked in, and many consumers will absorb the extra costs of overseas travel. However, any uptick in domestic holidays will be a welcome lift to hotels, guest houses and holiday parks—especially in seaside towns that have been hit by a long-term decline.

Accommodation-led outlets, March 2026 v March 2020, December 2025 and March 2025

Includes licensed accommodation-led outlets only. Excludes other sectors including pubs that provide accommodation.

	Sites at March 2020	Sites at Mar 2025	Sites at Dec 2025	Sites at Mar 2026	% change, Mar 2026 v Mar 2020	% change, Mar 2026 v Mar 2025	% change, Mar 2026 v Dec 2025
Hotel	7,773	7,356	7,407	7,405	-4.7%	+0.7%	0.0%
Guest / boarding house	2,980	1,674	1,638	1,638	-45.0%	-2.2%	0.0%
Holiday / caravan park	926	843	852	851	-8.1%	+0.9%	-0.1%

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In focus: Independents

While managed restaurants, pubs, bars and hotels get a lot of attention, independently-run businesses make up nearly two thirds (**62.8%**) of all licensed premises in Britain, and their health is vital to the future of hospitality.

These outlets have been under relentless pressure since COVID, and their numbers have dropped by **16.3%** in the last six years. This is a far steeper fall than in the managed sector, which has contracted by only **3.0%**. Groups have been better able than smaller businesses to ride out challenges like trading restrictions and inflation.

+0.3% Increase in independent outlets between March 2025 and March 2026

There is little sign of respite for independents. NIQ's recent Business Confidence Survey found just **16%** of independent leaders were confident about their business' prospects in the next 12 months, compared to **51%** among all survey respondents. This wide gap in optimism reflects the disproportionate impact of rising costs on smaller and newer businesses.

However, the Hospitality Market Monitor provides independents with reasons for very cautious confidence. In the 12 months to March 2026, independently-run licensed premises rose by **0.3%**, while managed ones fell **0.5%**. Indies have outperformed bigger groups in key segments including bars, food-led pubs and community pubs.

-0.5% Decrease in managed outlets between March 2025 and March 2026

This suggests that entrepreneurs, families and start-ups continue to invest in new openings, and that there is still good demand for independent concepts as well as big brands. Businesses of all sizes are besieged by high costs at the moment, but well-run and distinctive indies can be optimistic about their chances of success in the longer run.

Managed v independent outlets, March 2026 v March 2020 and March 2025

	Sites at Mar 2026	% change, Mar 2026 v Mar 2020	% change, Mar 2026 v Mar 2025
Managed	20,642	-3.0%	-0.5%
Independent	62,295	-16.3%	+0.3%

Market summary

	Sites at Mar 2025	Sites at Dec 2025	Sites at Mar 2026	Mar 2026 v Dec 2025	% change, Mar 2026 v Dec 2025	% change, Mar 2026 v Mar 2025
All venues	98,866	98,914	98,609	-305	-0.3%	-0.3%
Managed	20,740	20,817	20,642	-175	-0.8%	-0.5%
Independent	62,134	62,383	62,295	-88	-0.1%	+0.3%
Leased	15,992	15,714	15,672	-42	-0.3%	-2.0%

Food-led venues	35,460	35,534	35,362	-172	-0.5%	-0.3%
Drink-led venues	54,376	54,335	54,204	-131	-0.2%	-0.3%
Accommodation-led venues	9,030	9,045	9,043	-2	-0.0%	+0.1%

Sources, definitions and more information

Data in this report is sourced from NIQ's Outlet Index, the leading database of licensed premises in Britain. **'Independent'** means that the venue is owned and operated independently; **'Managed'** are sites run by operators with more than one location; and **'Leased'** outlets are run by individual tenants who pay a tenancy fee or rent to a corporate landlord, typically a pub company. **'Other'** segments include cafés, delicatessens, guest and boarding houses, and holiday and caravan parks.

NIQ provides more detailed breakdowns of Britain's licensed premises, including analysis by channel, location, segment and much more. To discuss the Hospitality Market Monitor and NIQ's research portfolio, contact Reuben Pullan at reuben.pullan@nielseniq.com.

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