

Statistical bulletin

# Business insights and impact on the UK economy: 28 January 2021

The impact of the coronavirus pandemic and end of the EU transition period on UK businesses and the economy. Based on responses from the voluntary fortnightly business survey (BICS) about financial performance, workforce, prices, trade, and business resilience.

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# 1 . Other pages in this release

More commentary on the impacts of the coronavirus (COVID-19) pandemic on the UK economy and society is available on the following pages:

- [Coronavirus and the latest indicators for the UK economy and society](#)
- [Coronavirus and the social impacts on Great Britain](#)

## 2 . Main points

- The percentage of businesses currently trading has remained consistent in January 2021 at 71%.
- The percentage of businesses currently trading in the accommodation and food service activities industry has fallen to 34%, the lowest recorded value since comparable estimates began.
- The proportion of businesses' workforce on furlough leave has increased from 14% in December to 17%, a level last seen in July 2020.
- Of business currently trading, that have traded internationally over the past 12 months, and have reported how their imports or exports have been affected in the last two weeks, approximately 1 in 4 reported that a change in transportation costs affected their ability to trade goods or services internationally.
- 15% of businesses not permanently stopped trading had no or low confidence that their business would survive the next three months.
- 34% of the workforce, in businesses not permanently stopped trading, were working remotely instead of at their normal place of work.

## 3 . Current trading status of businesses

The data presented here are final results from Wave 22 of the Business Impact of Coronavirus (COVID-19) Survey (BICS), which was live for the period 11 to 24 January 2021.

For questions regarding the last two weeks, businesses were asked for their experience for the reference period 28 December 2020 to 10 January 2021.

These dates should be kept in mind in relation to local and national lockdowns and, dependent on the location and date when the business responded, this could have an impact on the estimates.

The reference period for data regarding the last two weeks overlaps the date when the EU transition period ended on 31 December 2020. Therefore, data should also be interpreted with these dates in mind and how these events may have impacted responses.

Figure 1 shows the trend in weighted trading status estimates between mid-June 2020 and mid-January 2021.

**Figure 1: The percentage of businesses currently trading has remained consistent in January 2021, at 71%**

Current trading status, all businesses, broken down by wave, weighted by count, UK, 15 June 2020 to 24 January 2021

**Figure 1: The percentage of businesses currently trading has remained consistent in January 2021, at 71%**

Current trading status, all businesses, broken down by wave, weighted by count, UK, 15 June 2020 to 24 January 2021



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

Notes:

1. Final weighted results, Wave 7 to Wave 22 of the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey (BICS).
2. For presentational purposes, currently trading categories and paused or temporarily closed categories have been combined.
3. Waves will not sum to 100% because of rounding, percentages less than 1% being removed for disclosure purposes, and the option permanently ceased trading being removed.

The percentage of businesses currently trading has remained consistent at 71% in January (Wave 21 and Wave 22), after falling from 84% of businesses currently trading in mid-December 2020 (Wave 20) before the current lockdown restrictions began. This is at the lowest level since early July 2020.

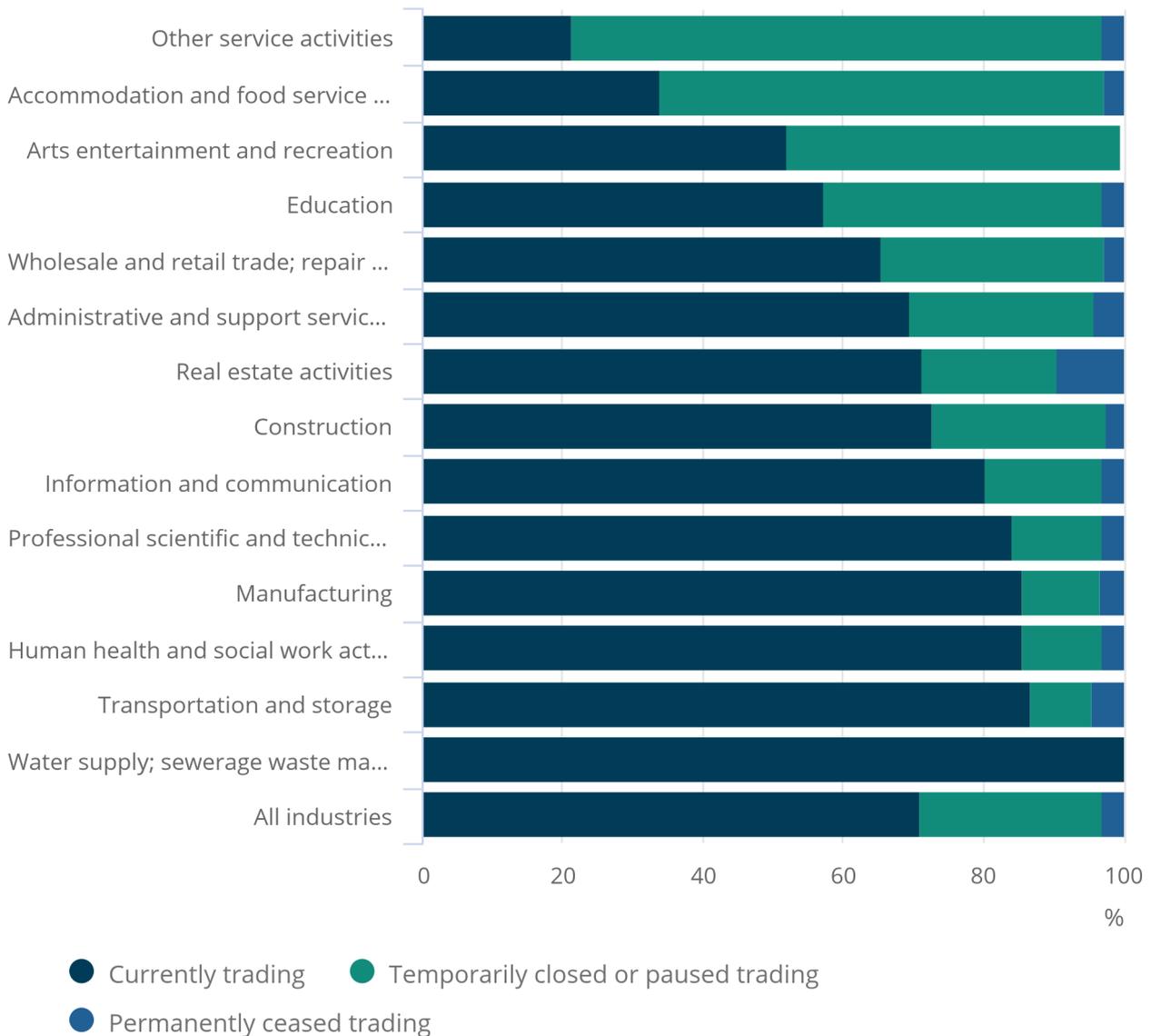
The continued low percentage of businesses currently trading, in comparison with mid-December 2020, is likely because of the continuation of coronavirus (COVID-19) restrictions over the reference period. A number of tighter restrictions in [England](#), [Scotland](#) and [Wales](#) were introduced later in the month of December. National lockdowns in England and Scotland commenced on 4 January 2021, and Northern Ireland and Wales were already in national lockdowns prior to the start of the reference period.

**Figure 2: Three-quarters of the other service activities industry were temporarily closed or paused trading in mid-January 2021**

Current trading status, all businesses, broken down by industry, weighted by count, UK, 11 to 24 January 2021

Figure 2: Three-quarters of the other service activities industry were temporarily closed or paused trading in mid-January 2021

Current trading status, all businesses, broken down by industry, weighted by count, UK, 11 to 24 January 2021



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

Notes:

1. Final weighted results, Wave 22 of the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey (BICS).
2. For presentational purposes, currently trading categories and paused or temporarily closed categories have been combined.
3. Industries may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
4. Mining and quarrying has been removed for disclosure purposes, but its total is included in all industries.

Across all industries:

- 67% of businesses had been trading for more than the last two weeks
- 4% of businesses had started trading within the last two weeks after a pause in trading
- 4% of businesses had paused trading but intended to restart in the next two weeks, down from 9% in the previous wave
- 23% of businesses had paused trading and did not intend to restart in the next two weeks, up from 18% in the previous wave
- 3% of businesses had permanently ceased trading

The other service activities industry (which includes hairdressing and other beauty treatment activities) had the highest percentage of businesses temporarily closed or paused trading, at 76%. This was followed by the accommodation and food service activities industry and the arts, entertainment and recreation industry, at 64% and 48% respectively.

The real estate activities industry had the highest percentage of businesses permanently ceased trading, at 9%.

Figure 3 shows the trend in weighted trading status estimates for the other service activities industry (which includes hairdressing and other beauty treatment activities) between mid-June 2020 and mid-January 2021.

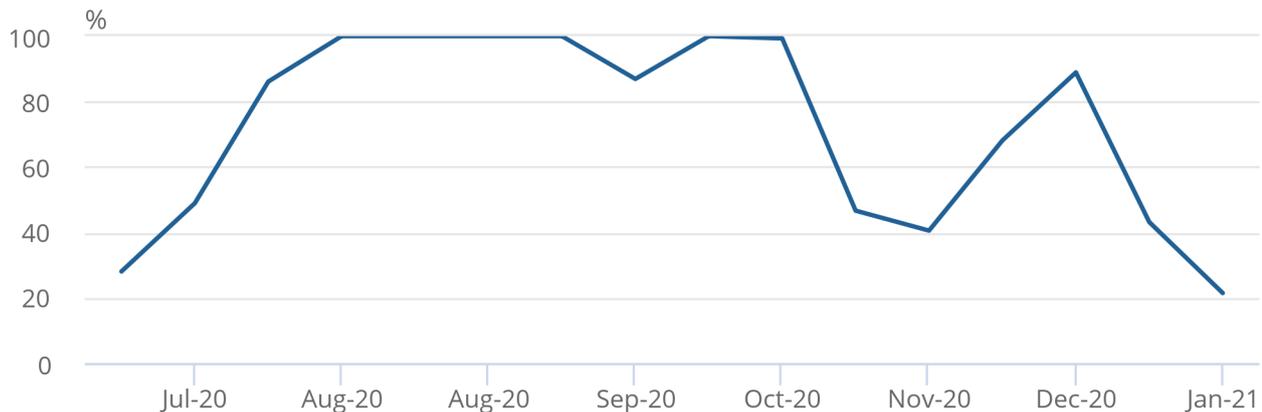
The percentage of businesses currently trading in the other service activities industry has fallen from 43% in Wave 21 to 21% in Wave 22, the lowest percentage recorded since comparable estimates began in mid-June 2020.

**Figure 3: The percentage of businesses currently trading in the other service activities industry has fallen to 21%, the lowest recorded value since comparable estimates began**

Current trading status, all businesses in the other services activities industry, weighted by count, 15 June 2020 to 24 January 2021

Figure 3: The percentage of businesses currently trading in the other service activities industry has fallen to 21%, the lowest recorded value since comparable estimates began

Current trading status, all businesses in the other services activities industry, weighted by count, 15 June 2020 to 24 January 2021



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

**Notes:**

1. Final weighted results, Wave 7 to Wave 22 of the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey (BICS); other activities industry.
2. For presentational purposes, currently trading categories have been combined.
3. Waves will not sum to 100% because of rounding, percentages less than 1% being removed for disclosure purposes, and the option permanently ceased trading being removed.
4. Caution should be taken when interpreting these results as they are based on a lower response rate than in other industries.

Since mid-June 2020, the other service activities industry has seen the percentage of businesses currently trading change significantly because of coronavirus (COVID-19) restrictions. In mid-January 2021 (Wave 22), the percentage of businesses currently trading in the other activities industry decreased to 21%, the lowest percentage recorded since comparable estimates began in mid-June 2020. This is compared with 43% in Wave 21 and 28% in Wave 7 (mid-June 2020). The highest percentage of businesses currently trading in the other service activities industry was 100% in August, September and October 2020.

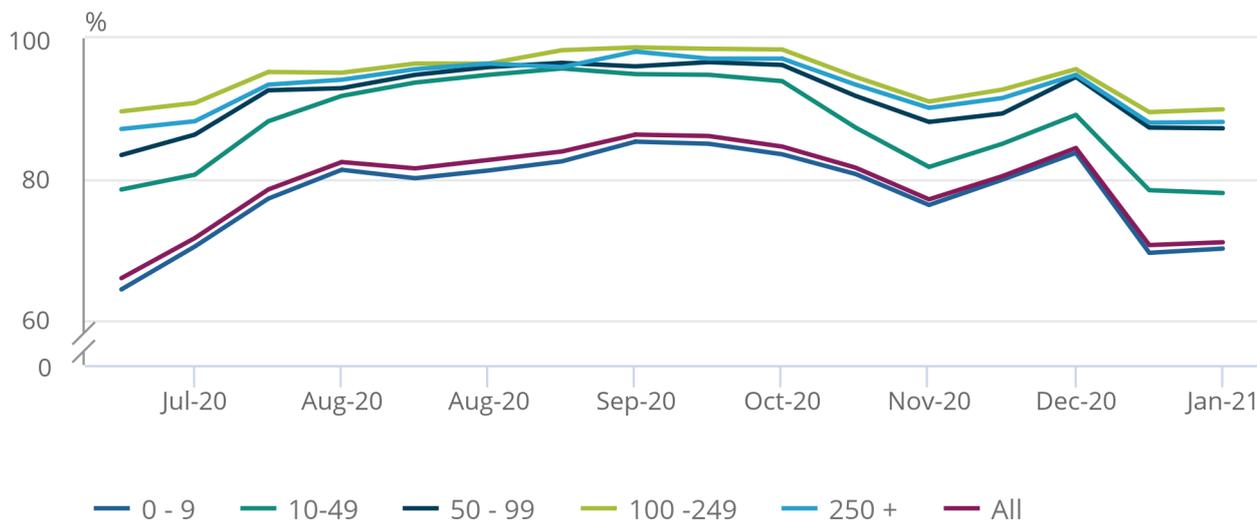
Figure 4 shows how the trading status of larger businesses compares with micro businesses (businesses with fewer than 10 employees) over time.

**Figure 4: 70% of micro businesses are currently trading, compared with 88% of businesses with 250 or more employees**

Current trading status, all business, broken down by size band, weighted by count, UK, 15 June 2020 to 24 January 2021

Figure 4: 70% of micro businesses are currently trading, compared with 88% of businesses with 250 or more employees

Current trading status, all business, broken down by size band, weighted by count, UK, 15 June 2020 to 24 January 2021



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

Notes:

1. Final weighted results, Wave 7 to Wave 22 of the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey (BICS).
2. For presentational purposes, currently trading categories have been combined.
3. The options temporarily closed or paused trading and permanently ceased trading have been removed for presentational purposes.

Across all industries in Wave 22, 88% of large businesses (with 250 or more employees) are currently trading, compared with 70% of micro businesses (with zero to nine employees).

Since comparable estimates began in mid-June 2020, micro businesses have been more impacted than larger businesses by restrictions and regulations, leading to changes in trading status. The percentage of micro businesses currently trading has never risen above 85%, which was recorded in late September and early October 2020. The lowest percentage of micro businesses currently trading was recorded in mid-June 2020, at 64%.

In comparison, the percentage of large businesses (with 250 or more employees) currently trading has almost consistently been higher than 90%. In mid-June and early July 2020 and January 2021, the percentage of large businesses currently trading dropped below 90%, the lowest percentage being 87%.

Businesses with employees of 10 to 249 have seen similar movements in the percentage of businesses currently trading as the large businesses, with no percentages lower than 78% being recorded since comparable estimates began in mid-June 2020.

For experimental single site weighted regional estimates up to Wave 18 (16 to 29 November 2020), please see [Business insights and impact on the UK and sub-national economy](#). Please note that an updated single site weighted regional analysis up to Wave 21 (28 December 2020 to 10 January 2021) will be published on 1 February 2021 in the Economic Review.

## **4 . Businesses' financial performance**

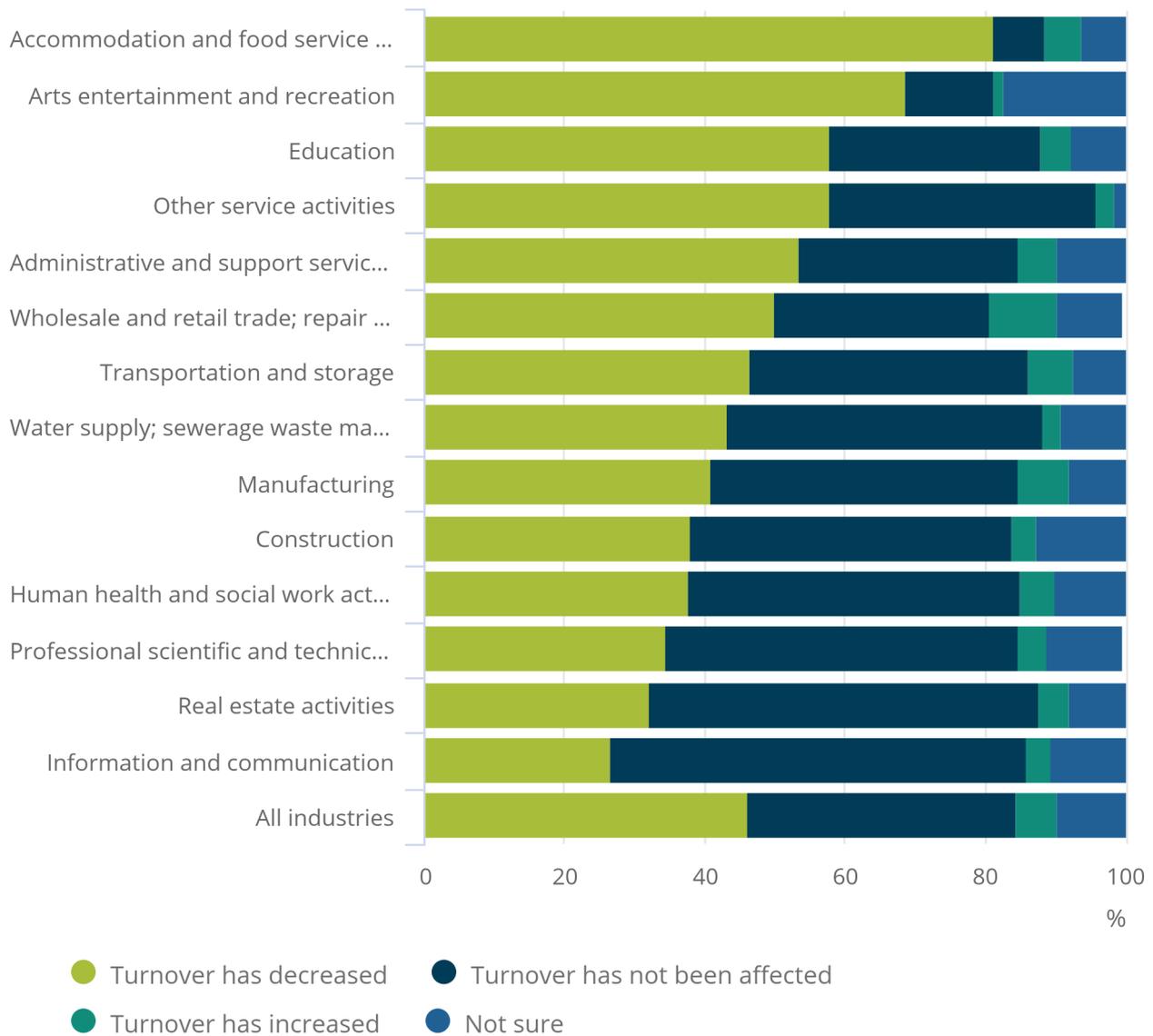
The Business Impact of Coronavirus (COVID-19) Survey (BICS) asks businesses that are currently trading how the coronavirus (COVID-19) pandemic has affected their turnover in the last two weeks, compared with normal expectations for this time of year.

**Figure 5: Of businesses in the accommodation and food service activities industry, 81% experienced a decrease in turnover, compared with 46% across all industries**

Impact on turnover, businesses currently trading, broken down by industry, weighted by turnover, UK, 28 December 2020 to 10 January 2021

Figure 5: Of businesses in the accommodation and food service activities industry, 81% experienced a decrease in turnover, compared with 46% across all industries

Impact on turnover, businesses currently trading, broken down by industry, weighted by turnover, UK, 28 December 2020 to 10 January 2021



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

Notes:

1. Final weighted results, Wave 22 of the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey; businesses currently trading.
2. For presentational purposes, decreased turnover categories and increased turnover categories have been combined.
3. Industries may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
4. Mining and quarrying has been removed for disclosure purposes, but its total is included in all industries.
5. Businesses were asked for their experiences for the reference period 28 December 2020 to 10 January 2021. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (11 to 24 January 2021).

Across all industries, of businesses currently trading:

- 46% experienced a decrease in turnover compared with normal expectations for this time of year, up from 42% in the previous wave
- 38% experienced no impact on turnover, down from 42% in the previous wave
- 5% experienced an increase in turnover compared with normal expectations for this time of year, down from 7% in the previous wave

The accommodation and food service activities industry and the arts, entertainment and recreation industry had the highest percentages of businesses experiencing a decrease in turnover compared with normal expectations for this time of year, at 81% and 69% respectively.

Conversely, the wholesale and retail trade industry had the highest percentage of businesses experiencing an increase in turnover, at 10%, although the industry still had a net decrease in turnover of 40%. Additional historical data on the retail trade industry is available in [Retail sales, Great Britain](#).

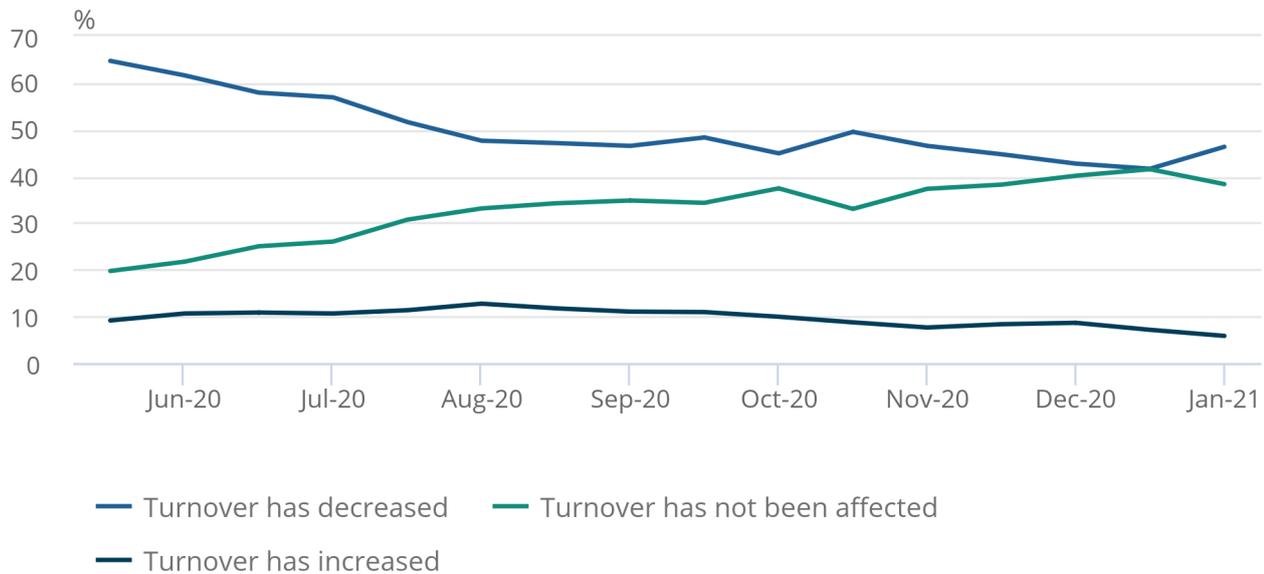
Figure 6 shows the trend in weighted turnover estimates between early June 2020 and early January 2021.

**Figure 6: The percentage of businesses experiencing a decrease in turnover has risen to 46%, a level last seen in early November 2020**

Impact on turnover, businesses currently trading, broken down by wave, weighted by turnover, UK, 1 June 2020 to 10 January 2021

Figure 6: The percentage of businesses experiencing a decrease in turnover has risen to 46%, a level last seen in early November 2020

Impact on turnover, businesses currently trading, broken down by wave, weighted by turnover, UK, 1 June 2020 to 10 January 2021



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

Notes:

1. Final weighted results, Wave 7 to Wave 22 of the Office for National Statistics' (ONS') Businesses Impact of Coronavirus (COVID-19) Survey (BICS); businesses currently trading.
2. For presentational purposes, decreased turnover categories and increased turnover categories have been combined.
3. Waves will not sum to 100% because of rounding, percentages less than 1% being removed for disclosure purposes and the option not sure being removed.
4. Businesses were asked for their experiences for the reference period. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire.

These data were collected in the reference period 28 December 2020 to 10 January 2021, and during this time England and Scotland entered national lockdowns, whilst Wales and Northern Ireland were already in their respective lockdowns.

Data on businesses' profits showed similar percentages and trends as seen for the turnover variable. These data are available in the [accompanying dataset](#).

## 5 . Comparison with monthly GDP estimates across waves

Figure 7 shows how the fortnightly turnover estimates from the Business Impact of Coronavirus (COVID-19) Survey (BICS) compare with the published UK monthly gross domestic product (GDP) estimates.

### Figure 7: Comparing the fortnightly net turnover balance estimates from BICS with the UK monthly GDP estimates

**Net turnover balances of businesses currently trading against monthly GDP estimates, UK, 1 February 2020 to 10 January 2021**

#### Notes:

1. Final unweighted results, Wave 1 to Wave 6, and final weighted results, Wave 7 to Wave 22, of the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey (BICS); businesses currently trading.
2. Weighted net balances have been calculated from Wave 7 onwards only. The sample redesign in Wave 7 improves our coverage for the small-sized businesses, allowing for weighted results to be truly reflective of all businesses.
3. Net balances have been calculated by subtracting the weighted by turnover number of businesses who have reported a decrease in turnover from the weighted by turnover number of businesses with an increase in turnover, all divided by the total weighted number of businesses currently trading for that wave, then scaled up using a scaling factor.
4. [Monthly gross domestic product \(GDP\) bulletins are available.](#)

#### Download the data

[.xlsx](#)

## 6 . Business resilience

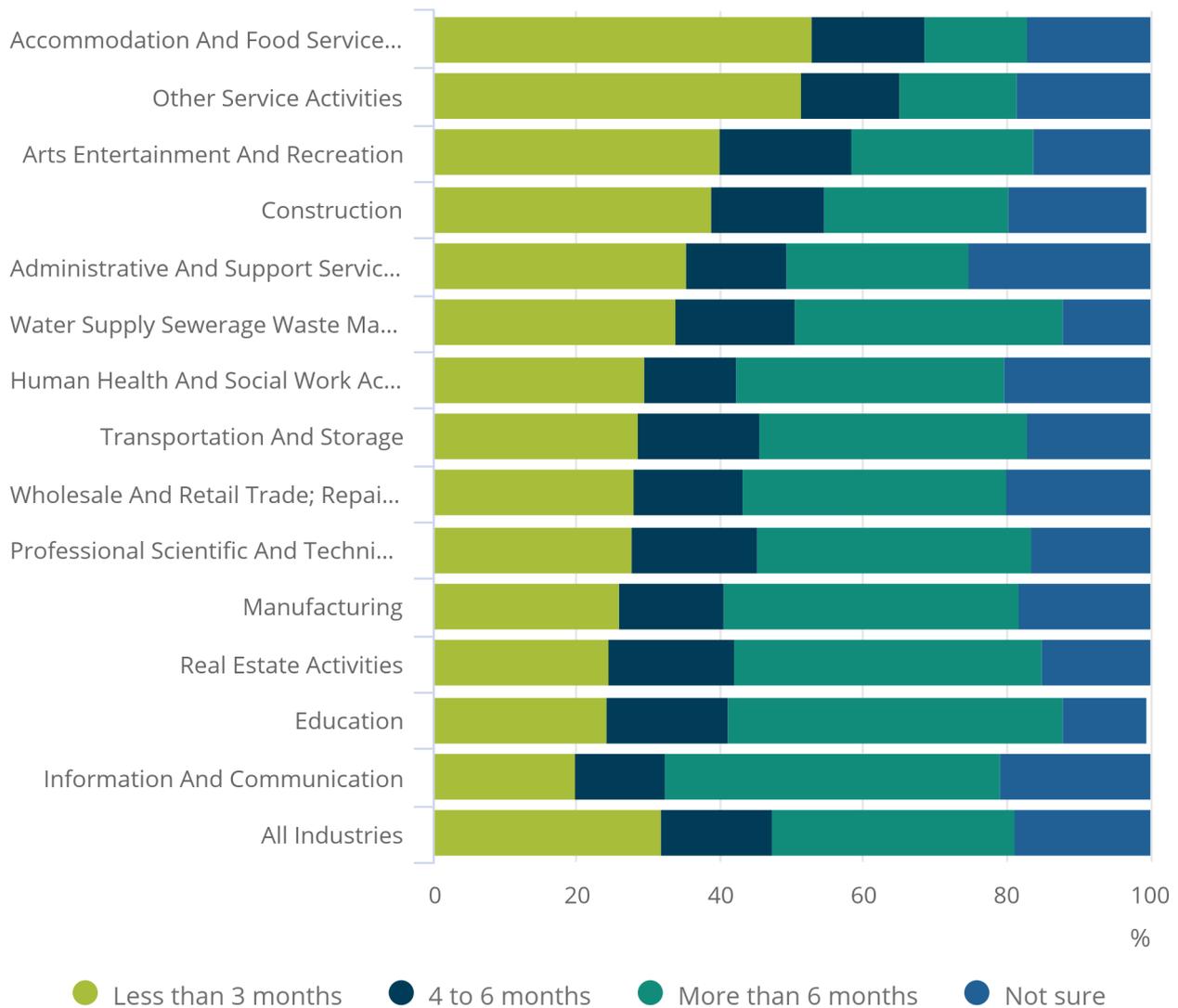
The Business Impact of Coronavirus (COVID-19) Survey (BICS) asks businesses that have not permanently stopped trading about their business resilience, in terms of how long they think their cash reserves will last and how confident they are that their business will survive the next three months.

**Figure 8: Over half of businesses in the accommodation and food service activities industry had less than three months' cash reserves, compared with 32% across all industries**

Cash reserves, businesses not permanently stopped trading, broken down by industry, weighted by turnover, UK, 11 to 24 January 2021

Figure 8: Over half of businesses in the accommodation and food service activities industry had less than three months' cash reserves, compared with 32% across all industries

Cash reserves, businesses not permanently stopped trading, broken down by industry, weighted by turnover, UK, 11 to 24 January 2021



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

Notes:

1. Final weighted results, Wave 22 of the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey; businesses not permanently stopped trading.
2. For presentational purposes, cash reserve categories between zero and three months have been combined.
3. Industries may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
4. Mining and quarrying has been removed for disclosure purposes, but its total is included in all industries.

Across all industries, of businesses not permanently stopped trading:

- 32% had less than three months' cash reserves (including no cash reserves), up from 27% in the previous wave
- 15% had between four and six months' cash reserves, down from 16% in the previous wave
- 34% had more than six months' cash reserves, down from 35% in the previous wave

The accommodation and food service activities industry had the highest percentage of businesses with less than three months' cash reserves, at 53%. This was followed by the other service activities industry (which includes hairdressing and other beauty treatment activities), at 51%.

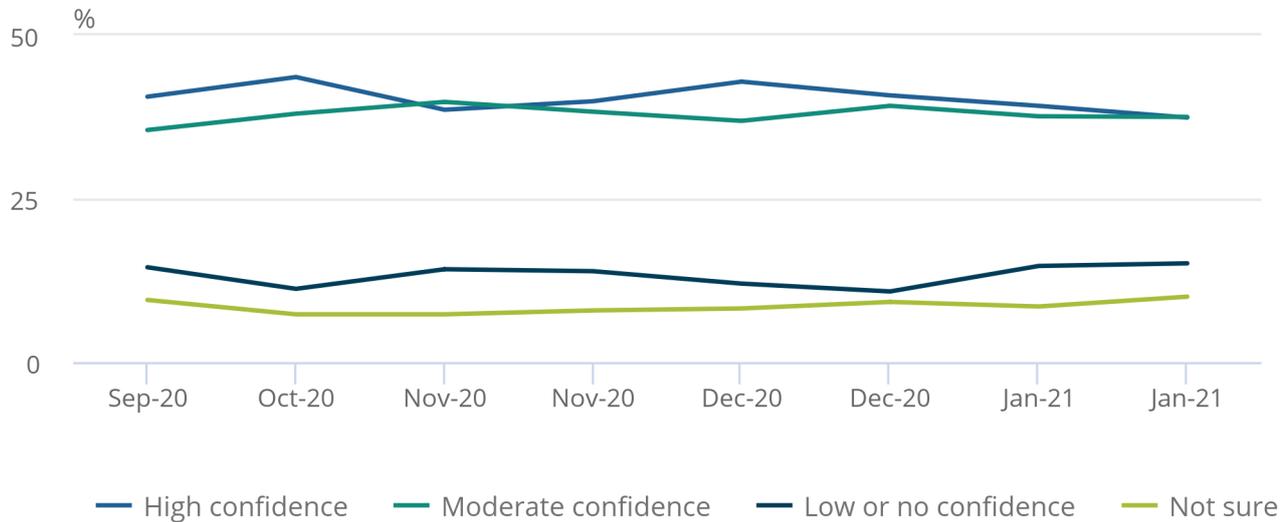
Conversely, the education industry (private sector and higher education businesses only) and the information and communication industry had the highest percentages of businesses that had cash reserves that would last more than six months, both at 47%.

## Figure 9: Survival confidence has remained broadly consistent over time

Survival confidence, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 21 September 2020 to 24 January 2021

### Figure 9: Survival confidence has remained broadly consistent over time

Survival confidence, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 21 September 2020 to 24 January 2021



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

#### Notes:

1. Final weighted results, Wave 15 to Wave 22 of the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey; businesses not permanently stopped trading.
2. For presentational purposes, no confidence and low confidence categories have been combined.
3. Rows may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.

Business survival confidence has remained broadly consistent over time. Across all industries for Wave 22, of businesses not permanently stopped trading:

- 15% had no or low confidence that their business would survive the next three months, the same as the previous wave
- 38% had moderate confidence that their business would survive the next three months, the same as the previous wave
- 37% had high confidence that their business would survive the next three months, down from 40% in the previous wave

The other service activities industry (which includes hairdressing and other beauty treatment activities) and the accommodation and food service activities industry had the highest percentages of businesses that had no or low confidence that their business would survive the next three months, at 39% and 33% respectively.

Conversely, real estate activities industry had the highest percentage of businesses that had high confidence that their business would survive the next three months, at 51%.

The fluctuation, between 11% and 15% from September 2020 to January 2021, of businesses with no or low confidence that their business would survive the next three months is broadly in line with COVID-19 lockdown restrictions. The percentage of businesses indicating they had no or low confidence increases with the restrictions imposed towards the end of 2020 and early January 2021.

## **7 . Workforce**

Surveyed businesses that have not permanently stopped trading will have differing approaches to the management of employees, whether furloughing staff, working as normal, or other scenarios. Because of the complex nature of this, the data in this section primarily focus on proportions of the workforce as opposed to percentages of businesses as is the case for other sections.

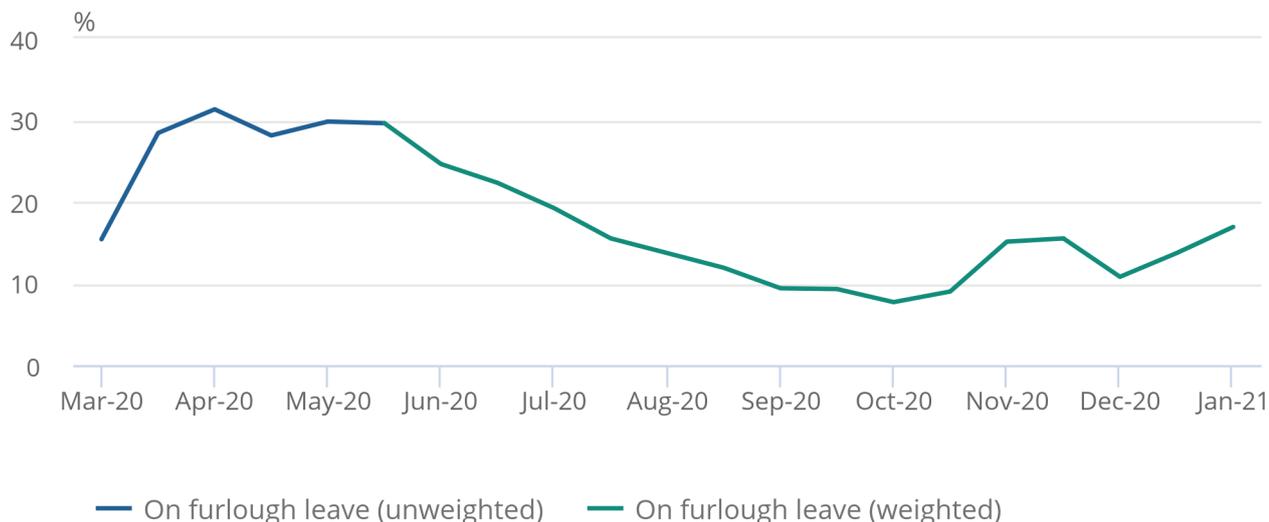
Figure 10 shows the trend in unweighted furlough estimates March to May 2020 and weighted furlough estimates between June 2020 and January 2021.

**Figure 10: The proportion of businesses' workforce on furlough leave has increased to 17%, a level last seen in July 2020**

Furlough estimates, businesses not permanently stopped trading, broken down by wave, UK, 23 March to 10 January 2021

**Figure 10: The proportion of businesses' workforce on furlough leave has increased to 17%, a level last seen in July 2020**

Furlough estimates, businesses not permanently stopped trading, broken down by wave, UK, 23 March to 10 January 2021



**Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey**

**Notes:**

1. Final unweighted results, Wave 2 to Wave 6, and final weighted results, Wave 7 to Wave 22, of the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey (BICS); businesses not permanently stopped trading.
2. Weighted estimates are available from Wave 7 onwards only. The sample redesign in Wave 7 improves our coverage for the small-sized businesses, allowing for weighted results to be truly reflective of all businesses.
3. Businesses were asked for their experiences for the reference period. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire.

In Wave 22 (early January 2021), the proportion of businesses' workforce on furlough leave increased from 14% in December to 17%. The highest proportion of the workforce on furlough leave was 31% in April 2020 and the lowest proportion was 8% in October 2020. The 17% of businesses' workforce on furlough leave is considerably lower than during the first national lockdown, where over 31% of businesses' workforce were on furlough leave. This may be due to multiple factors, including the reference period covering a week before and after national lockdowns began in England and Scotland so businesses may respond differently, and that businesses have already adapted to COVID-19 related restrictions.

The 17% of businesses' workforce on furlough leave in early January 2021, equates to approximately 5.5 million people. This number is based on multiplying the BICS weighted furlough proportions by the Inter-Departmental Business Register (IDBR) total annual employment. This will not be consistent with employment estimates from [Labour Market Statistics](#) as these are based on different sources over different time periods but provides an indication. Additionally, the BICS proportion furloughed does not include the public sector, financial sector and parts of agriculture.

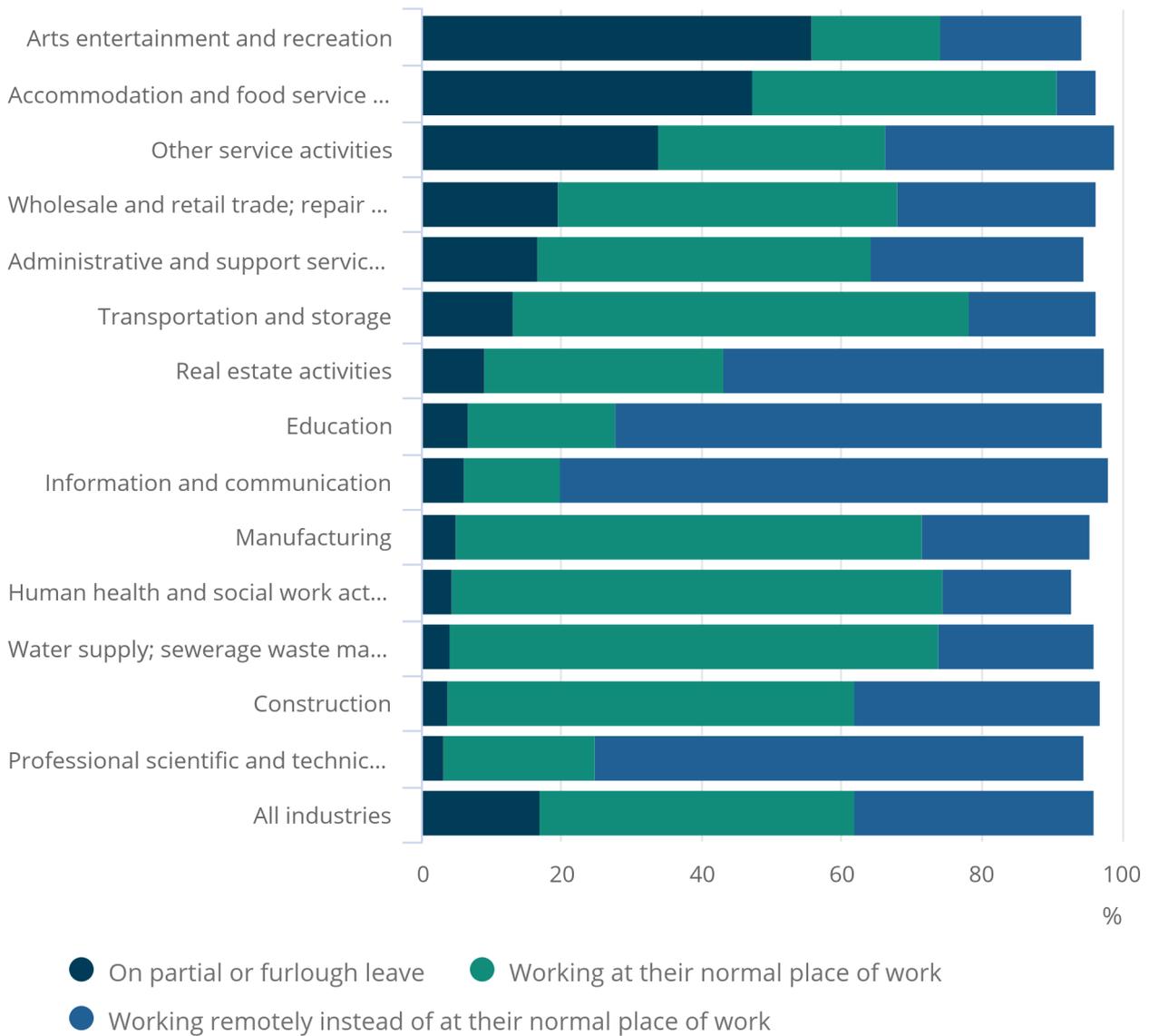
For an overview of the similarities and differences between the fortnightly BICS furlough estimates and HM Revenue and Customs' (HMRC's) Coronavirus Job Retention Scheme (CJRS) data, over the period 1 May to 31 July 2020, please see [Comparison of furloughed jobs data: May to July 2020](#).

**Figure 11: Three industries had more than a third of the workforce on furlough leave in Wave 22**

Working arrangements, businesses not permanently stopped trading, broken down by industry, weighted by employment, UK, 28 December 2020 to 10 January 2021

Figure 11: Three industries had more than a third of the workforce on furlough leave in Wave 22

Working arrangements, businesses not permanently stopped trading, broken down by industry, weighted by employment, UK, 28 December 2020 to 10 January 2021



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

Notes:

1. Final weighted results, Wave 22 of the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey; businesses not permanently stopped trading.
2. Industries will not sum to 100% because of rounding, percentages less than 1% being removed for disclosure purposes, and other options being removed.
3. Mining and quarrying has been removed for disclosure purposes, but its total is included in all industries.
4. Businesses were asked for their experiences for the reference period 28 December 2020 to 10 January 2021. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (11 to 24 January 2021).

Across all industries, of businesses not permanently stopped trading:

- 17% of the workforce were on partial or full furlough leave, up from 14% in the previous wave
- 34% of the workforce were working remotely instead of at their normal place of work, up from 32% in the previous wave
- 45% of the workforce were working at their normal place of work, down from 51% in the previous wave

The arts, entertainment and recreation industry had the highest proportion of their workforce on partial or full furlough leave under the terms of the UK government's CJRS, at 56%, up from 50% in the previous wave. This was followed by the accommodation and food service activities industry and the other service activities industry (which includes hairdressing and other beauty treatment activities), at 47% and 34% respectively.

The information and communication industry and the professional, scientific and technical activities industry had the highest proportions of their workforce working remotely instead of at their normal place of work, at 78% and 70% respectively.

The BICS also asks businesses that have not permanently stopped trading questions on which government schemes they are applying for and/or receiving. These data can be found in the [Business insights and impacts on the UK economy dataset](#).

## 8 . Impact of border restrictions on businesses' imports and exports

The data collected here are in reference to the period 28 December 2020 to 10 January 2021. The EU transition period ended on 31 December 2020.

Currently trading businesses that had imported or exported goods or services in the last 12 months, and who reported on imports or exports compared with normal expectations for this time of year, were asked about the challenges they had experienced with importing or exporting in the last two weeks.

Table 1. Of currently trading firms that trade internationally, and have reported import or export challenges, around 1 in 4 reported that a change in transportation costs affected their ability to do so  
Currently trading businesses that had imported or exported goods or services in the last 12 months and have reported on how imports and exports have been affected, weighted by count, UK, 28 December 2020 to 10 January 2021

	<b>Export challenges</b>	<b>Import challenges</b>
Did not experience any challenges with exporting	53.3%	55.7%
Change in transportation costs	25.1%	28.3%
Disruption at UK borders	19.0%	24.7%
Reduced demand for products and services	17.5%	-
Customs duties or levies	16.0%	15.5%
Destination countries changing their border restrictions	13.2%	-
Closure of infrastructure used to export goods or services	10.0%	9.2%
Lack of hauliers to transport goods	9.9%	11.2%
Suppliers not customs ready	-	7.8%
Lack of logistics equipment	4.4%	5.1%
Suppliers not continuing to trade	-	5.2%
Accessing Government-secured freight capacity	-	1.3%

Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

#### Notes

1. Final weighted results, Wave 22 of the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey (BICS); businesses currently trading who imported or exported goods or services in the last 12 months, and have reported on how imports and exports have been affected.
2. Table will not sum to 100% because businesses could select multiple options.
3. Caution should be taken when interpreting these results based on the specific routing of this question meaning that only a small number of businesses responded.
4. Businesses were asked for their experiences for the reference period 28 December 2020 to 10 January 2021. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (11 January to 24 January 2021).

Across all industries, of business currently trading, that have traded internationally over the past 12 months, and have reported how their imports or exports have been affected in the last two weeks:

- 28% experienced importing challenges, and 25% experienced export challenges through a change in transportation costs
- 19% experienced exporting challenges, and 25% experienced importing challenges through disruption at the UK borders
- 13% experienced exporting challenges because of the destination countries changing their border restrictions
- 8% experienced importing challenges through suppliers not customs ready

The majority of businesses responded that they did not experience any challenges with importing or exporting, at 56% and 53% respectively.

When focusing on the manufacturing industry, the challenge that most businesses reported for importing, at 34%, was disruption at the UK borders. For exporting the challenge that most business reported was changes in transportation costs, at 28%. A full industry breakdown is available in the [Business insights and impact on the UK economy dataset](#).

## 9 . Site closures

The Business Impact of Coronavirus (COVID-19) Survey (BICS) asked businesses that have not permanently stopped trading if they expect to temporarily or permanently close any business sites in the next two weeks.

The data collected here are for the period 11 to 24 January 2021. This should be kept in mind in relation to local and national lockdowns and, dependent on the location and date when the business responded, this could have an impact on the estimates.

Of businesses not permanently stopped trading, 8% expect to temporarily or permanently close a business site in the next two weeks.

The other service activities industry (which includes hairdressing and other beauty treatment activities) had the highest percentage of businesses expecting to temporarily or permanently close a business site in the next two weeks, at 23%. A full industry breakdown is available in the [Business insights and impact on the UK economy dataset](#).

Table 2: 25% of businesses that are expecting to temporarily or permanently close a business site are in the South East of England

Locations of expected site closures, businesses not permanently stopped trading and who expect to temporarily or permanently close a business site in the next two weeks, weighted by count, UK, 11 to 24 January 2021

<b>Region</b>	<b>% of businesses that expect to temporarily or permanently close a business site in the next two weeks</b>
<b>Northern Ireland</b>	7.1%
<b>Scotland</b>	10.7%
<b>Wales</b>	6.9%
<b>East of England</b>	8.0%
<b>East Midlands</b>	4.8%
<b>Greater London</b>	13.4%
<b>North East of England</b>	5.0%
<b>North West of England</b>	7.4%
<b>South East of England</b>	25.2%
<b>South West of England</b>	12.7%
<b>West Midlands</b>	8.2%
<b>Yorkshire and The Humber</b>	5.8%

Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

#### Notes

1. Final weighted results, Wave 22 of the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey (BICS); businesses not permanently stopped trading and who expect to temporarily or permanently close a business site in the next two weeks.
2. Table will not sum to 100% because of rounding, percentages less than 1% being removed for disclosure purposes, the option not sure being removed, and businesses could select multiple options.
3. Caution should be taken when interpreting these results based on the specific routing of this question meaning that only a small number of businesses responded.

For experimental single site weighted regional estimates up to Wave 18 (16 to 29 November 2020), please see [Business insights and impact on the UK and sub-national economy](#). Please note that an updated single site weighted regional analysis up to Wave 21 (28 December 2020 to 10 January 2021) will be published on 1 February 2021 in the Economic Review.

## 10 . End of the EU transition period

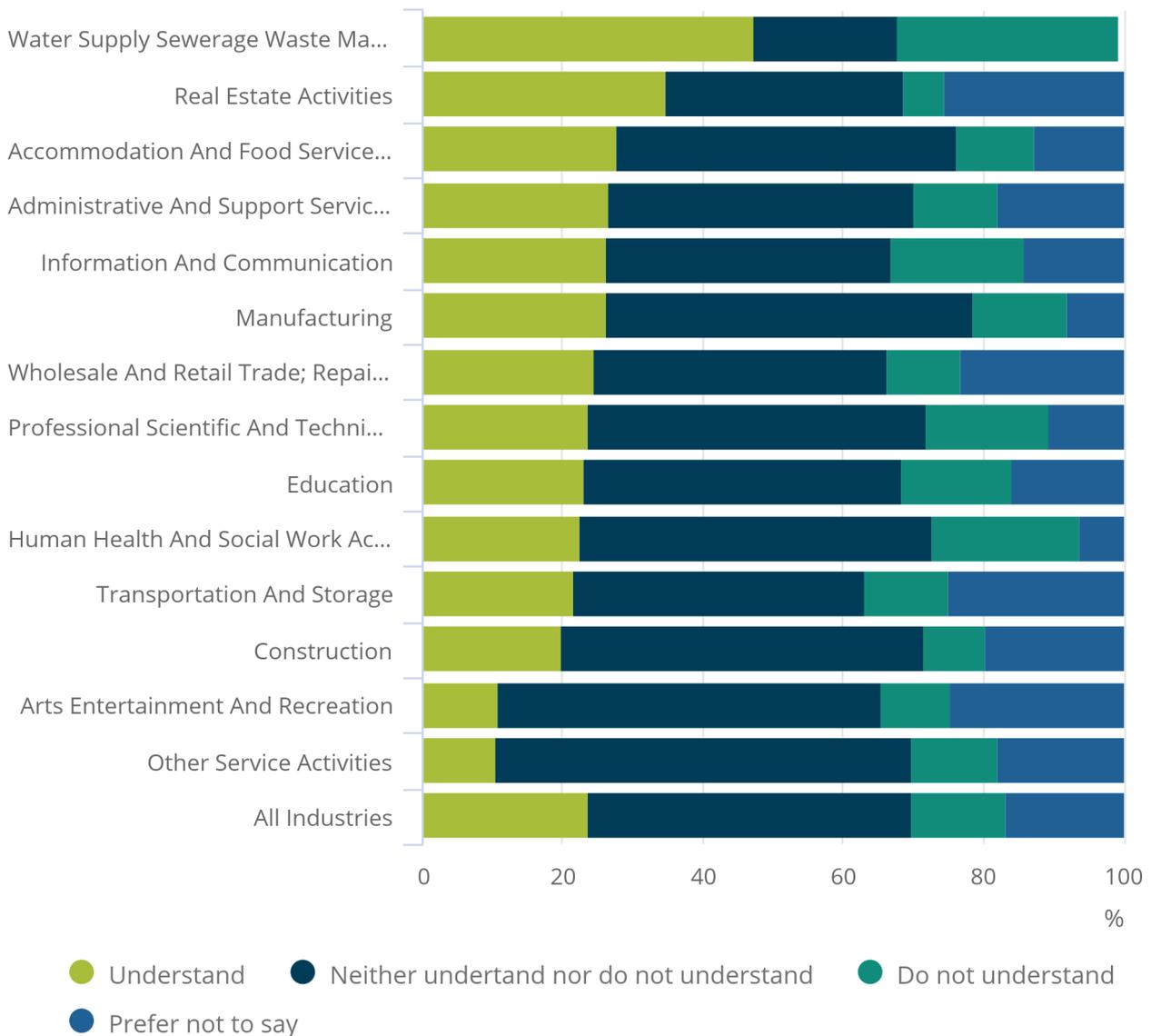
Businesses that have not permanently stopped trading were also asked about their understanding of the changes to the immigration system on 1 January 2021. The EU transition period ended on 31 December 2020.

**Figure 12: Of businesses not permanently stopped trading, less than a quarter understand how the new immigration system on 1 January 2021 affects their business**

Understanding of new immigration system, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 11 to 24 January 2021

Figure 12: Of businesses not permanently stopped trading, less than a quarter understand how the new immigration system on 1 January 2021 affects their business

Understanding of new immigration system, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 11 to 24 January 2021



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

Notes:

1. Final weighted results, Wave 22 of the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey (BICS); businesses not permanently stopped trading.
2. For presentational purposes, understand categories and do not understand categories have been combined.
3. Industries may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
4. Mining and quarrying has been removed for disclosure purposes, but its total is included in all industries.

Across all industries, of businesses not permanently stopped trading:

- 24% understand how the new immigration system will affect their business
- 46% neither understand nor do not understand
- 13% do not understand how the new immigration system will affect their businesses
- 17% would prefer not to say

Businesses that are currently trading were also asked in what ways their business had made changes to supply chains due to the end of the EU transition period (31 December 2020).

Table 3 shows how the responses to the question on changes made to supply chains differs based on the businesses' response to whether they are stockpiling goods or materials from the UK, EU or non-EU suppliers.

Table 3: Half of businesses that are currently trading and have changed their supply chains, are using more UK suppliers

Changes made to supply chains, businesses currently trading and who have made changes to their supply chains, weighted by count, UK, 11 to 24 January 2021

<b>Businesses currently trading, made changes to their supply chain due to the end of the EU transition period and stockpiling from:</b>	<b>Using more UK suppliers</b>	<b>Using more EU suppliers</b>	<b>Using more non-EU suppliers</b>	<b>Moving the supply chain away from the short straits crossings</b>	<b>Increasing the diversity in suppliers</b>	<b>Expanding to different modes of freight</b>	<b>Not sure</b>
From UK suppliers	69.4%	1.1%	65.9%	1.3%	53.3%	2.8%	3.2%
From EU suppliers	39.3%	3.4%	7.4%	6.6%	16.2%	9.3%	43.1%
From non-EU suppliers	61.4%	5.8%	21.2%	7.0%	24.8%	22.7%	4.1%
All businesses currently trading and made changes to their supply chain due to the end of the EU transition period	49.9%	2.7%	15.9%	8.9%	31.4%	4.1%	20.0%

Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

#### Notes

1. Final weighted results, Wave 22 of the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey (BICS); currently trading and who have made changes to their supply chains.
2. Rows may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
3. Businesses could select multiple options to the stockpiling question so there could be a possible overlap of businesses between rows.
4. Response options not sure and not stockpiling are not included, but their totals are included in all businesses currently trading.
5. Caution should be taken when interpreting these results based on the specific routing of this question meaning that only a small number of businesses responded.

Of businesses that are currently trading and have made changes to supply chains due to the end of the EU transition period, 50% are using more UK suppliers. More businesses are using more UK suppliers if they are also stockpiling goods and services from UK or non-EU suppliers (69% and 61%, respectively), compared with businesses stockpiling goods from EU suppliers (39%).

Additional data on the businesses' supply chains and the end of the EU transition period are available in the [Business insights and impact on the UK economy dataset](#).

# 11 . Business Impact of Coronavirus (COVID-19) Survey data

## [Business insights and impact on the UK economy](#)

Dataset | Released 28 January 2021

Weighted estimates from the voluntary fortnightly business survey (BICS) about financial performance, workforce, prices, trade, and business resilience.

This dataset includes additional information collected as part of the survey not presented in this publication.

These data are not [official statistics](#) but have been developed to deliver timely indicators to help understand the impact of the coronavirus pandemic and the end of the EU transition period in a timely way.

## Access to microdata

The BICS microdata for Waves 1 to 21 can now be accessed via the [Secure Research Service \(SRS\)](#). The BICS microdata for each wave is released on a rolling basis in the week following the publication of each wave.

The microdata are confidentialised and do not disclose any specific business.

Only researchers accredited under the [Digital Economy Act](#) are able to access data in the SRS. You can apply for accreditation through the [Research Accreditation Service \(RAS\)](#). You need to have relevant academic or work experience and must successfully attend and complete the assessed Safe Researcher Training.

To conduct analysis with microdata from the SRS, a project application must be submitted to the [Research Accreditation Panel \(RAP\)](#). To access the SRS, you must also work for an organisation with an Assured Organisational Connectivity agreement in place.

# 12 . Glossary

## Coronavirus

Coronaviruses are a family of viruses that cause disease in people and animals. They can cause the common cold or more severe diseases, such as COVID-19.

## COVID-19

COVID-19 is the name used to refer to the disease caused by the SARS CoV-2 virus, which is a type of coronavirus. The Office for National Statistics (ONS) takes COVID-19 to mean presence of SARS-CoV-2 with or without symptoms.

## EU transition period

The Brexit transition is the period agreed in the UK-EU Withdrawal Agreement in which the UK is no longer a member of the EU but continues to be subject to EU rules and remains a member of the single market and customs union. When the UK left the EU on 31 January 2020, it entered the transition period. The transition period came to an end on 31 December 2020.

## Furlough

Furlough is a temporary absence from work allowing workers to keep their job while the coronavirus (COVID-19) pandemic continues.

## Reporting unit

The business unit to which questionnaires are sent is called the reporting unit. The response from the reporting unit can cover the enterprise as a whole or parts of the enterprise identified by lists of local units.

## 13 . Measuring the data

The Business Impact of Coronavirus (COVID-19) Survey (BICS) is voluntary and the results are [experimental](#).

Table 4: Sample and response rates for Waves 20, 21 and 22 of Business Impact of Coronavirus (COVID-19) Survey

Wave	7 January 2021 Publication Wave 20	14 January 2021 Publication Wave 21	28 January 2021 Publication Wave 22
Sample	39,268	38,967	38,831
Response	9,389	8,764	10,325
Rate	23.9%	22.5%	26.6%

Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

### Notes

1. Response rates for all waves can be found in the accompanying dataset.

The results are based on responses from the voluntary, fortnightly BICS, which captures businesses' views on financial performance, workforce, prices, trade, and business resilience. The Wave 22 survey was live for the period 11 to 24 January 2021. For questions regarding the last two weeks, businesses were asked for their experience for the reference period 28 December 2020 to 10 January 2021. The [survey questions](#) are available.

## Weighting

Weighted estimates for the BICS have now been developed for all variables that are collected at a UK level. A detailed description of the weighting methodology and its differences to unweighted estimates is available in [Business Impact of Coronavirus \(COVID-19\) Survey \(BICS\): preliminary weighted results](#).

We currently provide unweighted estimates with a country and regional split for selected variables in the [Business insights and impact on the UK economy dataset](#). These should be treated with caution as only those that have responded to the survey are represented, and as such these are not fully representative of the UK as a whole. When unweighted, each business is assigned the same weight regardless of turnover, size or industry, and businesses that have not responded to the survey or that are not sampled are not taken into account.

Recently, experimental weighted regional estimates up to Wave 18 (16 to 29 November 2020) have been produced and published in [Business insights and impact on the UK and sub-national economy](#). Please note that an updated single site weighted regional analysis up to Wave 21 (28 December 2020 to 10 January 2021) will be published on 1 February 2021 in the Economic Review.

[Weighted estimates for Scotland for businesses with more than nine employees](#) are available from the Scottish Government.

## Unweighted regional estimates

Unweighted regional BICS estimates are produced by taking the survey return from each reporting unit and then applying this to the reporting unit's local sites. If a business has a site or several sites (also known as local units) within a country, using information from the Inter-Departmental Business Register (IDBR), then this business is defined to have presence there.

The business is then allocated once within each region (regardless of the number of sites) and the information provided by the reporting unit as a whole is copied and used within each country.

Aggregates of [Nomenclature of Territorial Units for Statistics \(NUTS1\)](#) regions such as the UK or England may have higher or lower response proportions than any of their constituent regions because of differences in the sample composition in terms of company workforce.

Because the larger, aggregate regions such as the UK or England generally have a larger proportion of smaller companies, if there is a substantial difference between the response proportions of larger and smaller companies, this will be reflected in the top-line figures.

## Sample

The sampling frame used in BICS was designed to achieve adequate coverage of the listed industries from the Monthly Business Survey (MBS). Coverage and response rate of the medium to largest businesses in terms of total employment are satisfactory to produce estimates on this basis.

All businesses with an employment of greater than 250 employees and that are included within the three monthly surveys (MBS, Retail Sales Index (RSI) and Construction) are included in the BICS sample with a random sample of 1% for those with an employment between 0 and 249.

As the sample is selected fortnightly, the same businesses will be selected for at least two waves depending on how many coronavirus survey selections there are between the selection of these feeder surveys. Because of the randomly selected element, there will be differences in this part of the sample once the feeder surveys have been redrawn. As this is a voluntary survey, businesses may or may not choose to respond to the different waves. Response rates can be mixed between the different waves.

While we have the ability to align the reporting unit to lower-level detail, and also increased detail on the Standard Industrial Classification (SIC), it is not advisable given the sparseness of response in certain industries and size bands.

## Coverage

The MBS covers the UK for production and only Great Britain for services. The RSI and Construction are Great Britain-focused. Therefore, BICS will be UK for production-based industries but Great Britain for the other elements of the economy covered.

The industries covered are:

- non-financial services (includes professional, scientific, communication, administrative, transport, accommodation and food, private health and education, and entertainment services)
- distribution (includes retail, wholesale and motor trades)
- production (includes manufacturing, oil and gas extraction, energy generation and supply, and water and waste management)
- construction (includes civil engineering, housebuilding, property development and specialised construction trades such as plumbers, electricians and plasterers)

The following industries are excluded from the survey:

- agriculture
- public administration and defence
- public provision of education and health
- finance and insurance

## Reporting unit

The business unit to which questionnaires are sent is called the reporting unit. The response from the reporting unit can cover the enterprise as a whole or parts of the enterprise identified by lists of local units. Other than for a minority of larger business or businesses that have a more complex structure, the reporting unit is the same as the enterprise.

Where more than one type of economic activity is carried out by a local unit or enterprise, its principal activity is the activity in which most of the people are employed, and it does not necessarily account for 50% or more of the total employment of the unit. There are detailed rules for determining [Standard Industrial Classification \(SIC\)](#) for multiple-activity economic units.

## End of the EU transition period

As the shape of the UK's future statistical relationship with the EU becomes clearer over the coming period, we are making preparations to assume responsibilities that as part of our membership of the EU, and during the transition period, were delegated to the statistical office of the EU, Eurostat. This includes responsibilities relating to international comparability of economic statistics, deciding what international statistical guidance to apply in the UK context and to provide further scrutiny of our statistics and sector classification decisions.

# 14 . Strengths and limitations

## Business Impact of Coronavirus (COVID-19) Survey

The Business Impact of Coronavirus (COVID-19) Survey (BICS) is voluntary.

Unweighted estimates should be treated with caution, as results reflect the characteristics of those that responded and not necessarily the wider business population.

The survey was designed to give a timelier estimate than other surveys.

## Comparison of waves

A detailed description of the weighting methodology and its differences to unweighted estimates across waves can be found in [Business Impact of Coronavirus \(COVID-19\) Survey: preliminary weighted results](#).

The production of weighted BICS estimates will allow for comparisons between waves, as any imbalances caused by non-responding and non-sampled businesses are corrected. This means that weighted estimates in every wave represent the experiences of all businesses rather than just those that have responded.

Comparison of unweighted estimates between waves should be treated with caution because of the voluntary nature of the survey, the differences in response rates, and dependency on those businesses that only responded in particular waves.

[Insights of BICS: 23 March to 5 April \(Wave 2\) to 1 to 14 June \(Wave 7\) 2020](#) provides a time series analysis on how the unweighted estimates changed between Wave 2 (23 March to 5 April 2020) and Wave 7 (1 to 14 June 2020).

## 15 . Related links

### [Business insights and impact on the UK and sub-national economy](#)

Article | Released 9 December 2020

Experimental estimates from the voluntary fortnightly business survey (BICS), for single site businesses only, on topics such as trading status, financial performance, workforce and business resilience. Geographical breakdowns include country, regional and subnational levels.

### [Business Impact of Coronavirus \(COVID-19\) Survey: preliminary weighted results](#)

Article | Released 14 September 2020

Early estimates of weighted responses from the voluntary fortnightly business survey, focusing on businesses' responses on how turnover, workforce and trading status have been affected in two-week reference periods, from Wave 7 (1 to 14 June 2020) to Wave 12 (10 to 23 August 2020).

### [Insights of the Business Impact of Coronavirus \(COVID-19\) Survey: 23 March to 5 April \(Wave 2\) to 1 to 14 June \(Wave 7\) 2020](#)

Article | Released 8 July 2020

Impact of the coronavirus pandemic on businesses' turnover, cash flow and workforce: analysis on responses to our new voluntary fortnightly business survey and how these have been affected in each two-week reference period. Covers the period 23 March to 14 June 2020.

### [Comparison of furloughed jobs data: May to July 2020](#)

Article | Released 25 September 2020

An overview of the similarities and differences between the fortnightly BICS furlough estimates and HM Revenue and Customs' (HMRC's) Coronavirus Job Retention Scheme (CJRS) data, over the period 1 May to 31 July 2020.

### [Business Impact of Coronavirus \(COVID-19\) Survey, expectation responses over time, UK: 1 June to 23 August 2020 \(Waves 6 to 11\)](#)

Article | Released 8 September 2020

Turnover expectations of the same businesses over time, using the final results of Waves 6 to 11 of the voluntary fortnightly BICS, covering the period 1 June to 23 August.

### [Coronavirus and the experiences of UK businesses, textual analysis: March 2020 to July 2020](#)

Article | Released 6 August 2020

Analysis of qualitative responses from selected questions from the fortnightly Business Impact of Coronavirus (COVID-19) Survey (BICS), which provides further insights on individual business experiences over the course of the pandemic so far.