Office for
National Statistics

Statistical bulletin

Economic activity and social change in the UK, real-time indicators: 20 January 2022

Early data and analysis for UK economy and society. Includes activity and change in business, spending, travel and jobs using rapid-response surveys, novel data sources and experimental methods.

Contact:
Emelia D'Silva-Parker
faster.indicators@ons.gov.uk
+44 1633 455120

Table of contents

1 . Main points

- In December 2021, a net 6% of firms reported decreasing turnover compared with the previous month; this is the highest proportion reporting a fall in monthly turnover since April 2020 (HM Revenue and Customs VAT returns). Section 3.

- Between late November 2021 and early January 2022, the BICS standardised turnover balance estimate fell by 1.4% (initial results from Wave 48 of Business Insights and Conditions Survey (BICS)). Section 4.

- One in four working adults (26%) have reported working from home exclusively in the past seven days; this rose by 5 percentage points from 21% in the previous period (Opinions and Lifestyle Survey, 6 to 16 January 2022). Section 5.

- The total volume of online job adverts on 14 January 2022 was 122% of its February 2020 average level, a 5% increase from the previous week, following a period of consecutive falls; this increase is consistent with the start of the year being a busier time for recruitment (Adzuna). See the accompanying dataset.

- The system average price (SAP) of gas increased by 12% in the week to 16 January 2022; this is the second consecutive week-on-week increase following a 48% drop in the week to 2 January 2022 (National Grid). See the accompanying dataset.

- In the week to 13 January 2022, the aggregate CHAPS-based indicator of credit and debit card purchases increased by 3 percentage points from the previous week, to 85% of its February 2020 average (Bank of England CHAPS data). See the accompanying dataset.

- The seven-day average estimate of UK seated diners increased by 5 percentage points in the week to 17 January 2022, to 93% of the level in the equivalent week of 2020; in London and Manchester seated diners increased by 6 and 19 percentage points over the same period, respectively (OpenTable).

- In the week ending 16 January 2022, the seven-day average number of UK daily flights was half (51%) the level seen in the equivalent week of 2020, but almost two and a half times (245%) higher than the equivalent week of 2021 (EUROCONTROL). See the accompanying dataset.

- There was an average of 293 daily ship visits in the week to 16 January 2022, an 18% increase from the previous week, while the average number of daily cargo and tanker ship visits also increased by 18% in the same period (exactEarth). See the accompanying dataset.

- In the week ending 16 January 2022, the seasonally-adjusted average count of traffic camera activity for cars in London and North East England increased by 7% and 4% from the previous week, respectively; traffic camera activity for cars in these areas has now returned to around the average level seen in the week before the first UK-wide lockdown (Transport for London, North East traffic cameras). See the accompanying dataset.

- The volume of motor vehicle traffic on Monday 17 January 2022 was at 91% of its level in the first week of February 2020, an increase of 4 percentage points from the previous week (Department for Transport).

- Transactions at Pret A Manger stores across the UK increased by 16 percentage points in the week to 13 January 2022 to 72% of the average level in January 2020; despite the weekly increase, transactions remain notably below levels in the four months before Christmas (Pret A Manger).

- In the week to 15 January 2022, overall retail footfall in the UK increased by 2% and was 79% of the level seen in the equivalent week of 2019, following three consecutive weeks of decreasing retail footfall (Springboard).

- There were 15,798 company incorporations in the week to 14 January 2022, 33% higher than the previous week and 10% higher than the equivalent week of 2020 (14,301) (Companies House). See the accompanying dataset.

Results presented in this bulletin are experimental and may be subject to revision.

2 . Latest indicators at a glance

Notes:

1. Users should note that the large week-on-week increases follow expected seasonal patterns of reduced activity around Christmas and New Year.

2. Users should note that the break in the available shipping data (from 14 to 19 June 2021) is when the data collection system changed.

3. *Comparisons in OpenTable data are made with the equivalent week in 2019 until December 2021. From 1 January 2022 comparisons are made to the equivalent week in 2020. This is likely to change in the coming weeks and revert back to 2019 comparisons across the series.

3 . Value-added tax (VAT) flash estimates

This week we are introducing the value-added tax (VAT) flash estimate diffusion indices. This complements the existing VAT diffusion indices, but our new flash indicator only uses monthly VAT returns received up to the seventh day (day seven) after the end of the reporting month, which are typically returns submitted in the first five working days after the reporting month. For example, estimates for December 2021 use data for that period received up to 7 January 2022 from our VAT administrative data source, which account for around 10% to 15% of all monthly VAT returns.

In comparison, the full coverage month two (M2) VAT diffusion indices use all monthly VAT returns received up to one calendar month after the reporting period. For example, estimates for November 2021 use data received up to 31 December 2021.

Our new flash estimates will be published three weeks earlier and are therefore the fastest indicator of economic output that the Office for National Statistics (ONS) produces. Comparisons of the flash estimates against the previously published month two estimates can be found in the Strengths and limitations section.

Turnover diffusion indices are an aggregate measure used to track whether most firms are reporting an increase or decrease in turnover in their VAT returns. They are calculated as the percentage of firms with increasing turnover minus the percentage with decreasing turnover. More information on the compilation and methodology of these estimates can be found in the Economic activity and social change in the UK, real-time indicators methodology.

Table 1: In December 2021, a net 6% of firms reported decreasing turnover compared with the previous month
VAT turnover diffusion indices, day seven estimates, comparison with previous month, UK, seasonally adjusted

	Total	Agriculture, forestry and fishing	Production	Construction	Services
Jul 2021	-0.01	-0.02	0.03	-0.05	0.01
Aug 2021	0.01	0.01	0.06	-0.06	0.03
Sep 2021	0.01	-0.01	0.03	0.01	0.02
Oct 2021	-0.01	-0.04	0.09	-0.01	0.03
Nov 2021	0.03	0	0.04	0.02	0.06
Dec 2021	-0.06	-0.04	0.01	-0.03	-0.06

Source: HMRC value-added tax returns

Notes:

1. The contributions of these industries to monthly GDP are: agriculture 0.7%, production 13.7%, construction 6.4% and services 79.2%

Data for all available industries, including seasonally adjusted month-on-month estimates and non-seasonally adjusted month-on-month and month-on-year estimates, for turnover and expenditure are available in the accompanying dataset.

4 . Business impacts and insights

Initial results from Wave 48 of the Business Insights and Conditions Survey (BICS) cover the reference period 27 December 2021 to 9 January 2022, with a response rate of 21.2% (8,186 responses). The survey was live for the period 10 January to 18 January 2022.

Data from BICS have shown a similar trend to that of monthly gross domestic product (GDP) as seen published alongside results from Wave 31. This analysis has been further extended to improve the study of the relationship between the BICS and GDP monthly estimates. In order to ensure comparability, the GDP estimates used only include the same industries as those covered within BICS which are then reweighted and termed as GDP*. This, therefore, differs from published monthly GDP.

Figure 1 shows how the weighted and standardised net turnover balance estimates from BICS compare with the adjusted estimate of UK monthly gross domestic product (GDP*) based on the same industries as those sampled by BICS.

Figure 1: Between late November 2021 and early January 2022 the BICS standardised turnover balance estimate has fallen by 1.4%

BICS turnover balance standardised and monthly GDP* estimates, index: 100 = 2019 average levels, UK, 7 June 2020 to 2 January 2022

Figure 1: Between late November 2021 and early January 2022 the BICS standardised turnover balance estimate has fallen by 1.4%

BICS turnover balance standardised and monthly GDP* estimates, index: 100 = 2019 average levels, UK, 7 June 2020 to 2 January 2022
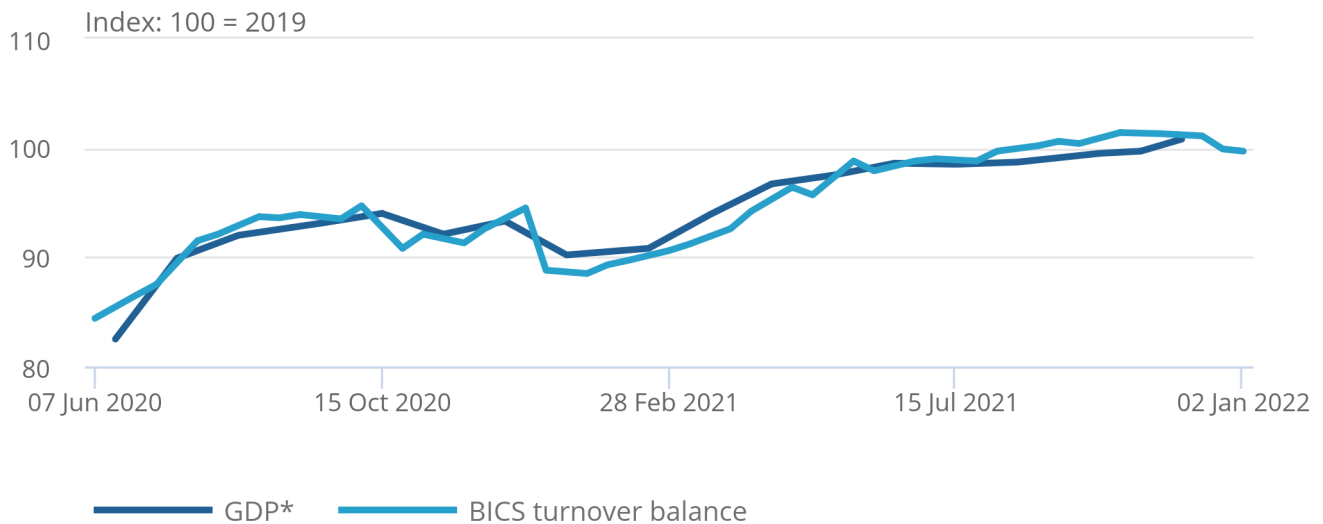
Source: Office for National Statistics – Business Insights and Conditions Survey (BICS)

Notes:

1. Final weighted results, Wave 7 to 47 and initial weighted results, Wave 48 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey (BICS) and adjusted monthly Gross Domestic Product (termed as GDP*) estimates.

2. BICS turnover balances have been standardised and adjusted for magnitude and trading status.

3. GDP* is a comparison measure derived to cover the same industries as those covered by BICS, which are then re-weighted. This differs from published monthly GDP.

4. BICS data are plotted in the middle of the reference period of each wave and GDP* are plotted in the middle of the reference month. For example, 2 January 2022 is the mid-point of Wave 48 (27 December 2021 to 9 January 2022).

Table 2: In early January 2022, 32% of currently trading UK businesses reported that turnover was lower than its "normal range" for the time of year; this is broadly unchanged from late November 2021

Impact on turnover, businesses currently trading, weighted by count, UK, 27 December 2021 to 9 January 2022

	All industries
Turnover has increased by more than 50%	Less than 1%
Turnover has increased between 20% and 50%	1%
Turnover has increased by up to 20%	3%
Turnover has not been affected	51%
Turnover has decreased by up to 20%	12%
Turnover has decreased between 20% and 50%	12%
Turnover has decreased by more than 50%	8%
Not sure	13%

Source: Office for National Statistics – Business Insights and Conditions Survey (BICS)

Notes:

1. Initial weighted results, Wave 48 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey (BICS).

2. Table may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.

3. Businesses were asked for their experiences for the reference period 27 December 2021 to 9 January 2022. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (10 January to 18 January 2022).

5 . Social impact of coronavirus

This section includes some results from the Opinions and Lifestyle Survey (OPN) covering the period 6 to 16 January 2022. The survey went out to 4,494 adults in Great Britain and had a response rate of 73% (3,293 responses). Further information to help understand the impact of the coronavirus (COVID-19) pandemic on people, households and communities in Great Britain is available in Coronavirus and the social impacts on Great Britain.

Cost of living

In the period 6 to 16 January 2022, 66% of adults reported their cost of living increased over the last month. Among those, 87% cited rising food shop prices, 79% cited rising energy bills, and 71% cited increases to the price of fuel as a reason for this increase.

Travelling to work

In the period 6 to 16 January 2022, the proportion of working adults in Great Britain who in the past seven days:

- travelled to work (both exclusively and in combination with working from home) was broadly similar to the previous period (15 December 2021 to 3 January 2022) at 59%; this follows last period's 12 percentage point decrease driven by the introduction of work from home guidance in early December

- worked exclusively from home increased by 5 percentage points to 26% from the previous period

- neither travelled to work nor worked from home decreased by 4 percentage points from the previous period to 15%

Shopping

Of the 93% of adults in Great Britain who reported leaving home in the past seven days (95% in the previous period), the proportion that did so to shop for food and medicine decreased slightly by 2 percentage points from the previous period to 81%.

The proportion of these adults who shopped for things other than food and medicine in the past seven days decreased by 6 percentage points from the previous period to 38%.

Face coverings

Of the 93% of adults in Great Britain who reported leaving home in the past seven days, the proportion that did so and reported wearing a face covering was broadly similar to the previous period at 95%. Further breakdowns, such as the situation when a face covering was worn (for example, while shopping), and by country, is available in Coronavirus and the social impacts on Great Britain.

6 . Data

Value-added tax flash estimates
Dataset | Released 20 January 2022
Early estimates of turnover and expenditure diffusion indices from HMRC VAT data.

System Average Price (SAP) of gas
Dataset | Released 20 January 2022
Daily and rolling average System Average Price (SAP) of gas traded in the UK.

UK spending on credit and debit cards
Dataset | Released 20 January 2022
Experimental indicator for monitoring UK retail purchases derived from the Bank of England's CHAPS data.

Online job advert estimates
Dataset | Released 20 January 2022
Experimental job advert indices covering the UK online job market.

Company incorporations, voluntary dissolutions and compulsory dissolutions
Dataset | Released 20 January 2022
Weekly dataset showing the number of Companies House incorporations and voluntary dissolutions accepted, and companies placed into compulsory dissolution.

Daily UK flights
Dataset | Released 20 January 2022
Experimental daily UK flight numbers and rolling seven-day average, including flights to, from, and within the UK.

Users should note that this section lists a selection of the data available with this publication. For the full list of available datasets please see the accompanying dataset page.

7 . Glossary

Faster indicator

A faster indicator provides insights into economic activity using close-to-real-time big data, administrative data sources, rapid response surveys or Experimental Statistics, which represent useful economic and social concepts.

Company incorporations

Incorporations are when a company is added to the Companies House register of limited companies. This can also include where an existing business applies to become a limited company, where it was not one before.

Voluntary dissolution applications

A voluntary dissolution application is when a company applies to begin dissolution proceedings. As such, they effectively choose to be removed from the Companies House register. For a company to be eligible to voluntarily dissolve, it should not have completed any trading activity for a period of three months.

Compulsory dissolutions

When a company fails to file the required financial accounts and/or confirmation statements, if no contact is received by Companies House following a series of letters to the company and its officers, a first gazette notice is published in the Gazette, a notice of the Registrar's intention to dissolve the company.

Diffusion index

The diffusion index tracks the growth in turnover and expenditure of firms. It is constructed to lie between negative 1 and 1. For example, if 65% of firms have increasing turnover, 30% have decreasing turnover and 5% turnover remains unchanged, then the diffusion index is 0.35.

8 . Measuring the data

UK coronavirus restrictions

A full overview of coronavirus (COVID-19) restrictions for each of the four UK constituent countries can be found here:

- England

- Scotland

- Wales

- Northern Ireland

These restrictions should be considered when interpreting the data featured throughout this bulletin.

9 . Strengths and limitations

Information on the strengths and limitations of the indicators in this bulletin is Message available in the Economic activity and social change in the UK, real-time indicators methodology.

Precision of flash estimates of value-added tax (VAT) diffusion indices

Here, we consider the revisions between the monthly value-added tax (VAT) indices for month one (data available at the end of reporting period), day seven (data received up to seven days after the reporting period) and month two (data received up to one month after the reporting period). This gives confidence as to the consistency between different publication vintages.

Revisions between different vintages of diffusion indices show a revision standard deviation of less than 0.05 in the four sectors between day seven and month two estimates. Industries with fewer responders tend to show a larger expected revision. There is a small tendency to revise upwards for monthly turnover, and a larger tendency to revise downwards in the monthly expenditure indices.

Table 3: Comparison of VAT flash (day seven) estimates with month one and month two estimates
Revisions between day seven, month one and month two VAT diffusion indices, revisions between average indices and standard deviations

Monthly	Month 1 - Month 2 average revision	Month 1 - Month 2 standard deviation revision	Day 7 - Month 2 average revision	Day 7 - Month 2 standard deviation revision
Total Turnover SA	not available	not available	0.00	0.02
Agriculture Turnover SA	0.01	0.07	0.00	0.02
Production Turnover SA	not available	not available	0.01	0.04
Construction Turnover SA	0.00	0.10	0.01	0.03
Services Turnover SA	not available	not available	0.00	0.03
Total Expenditure SA	not available	not available	-0.01	0.01
Agriculture Expenditure SA	-0.02	0.06	-0.02	0.02
Production Expenditure SA	not available	not available	0.00	0.04
Construction Expenditure SA	not available	not available	-0.01	0.03
Services Expenditure SA	0.00	0.10	0.00	0.02

Source: HMRC value-added tax returns

Notes:

1. The contributions of these industries to monthly GDP are: agriculture 0.7%, production 13.7%, construction 6.4% and services 79.2%

10 . Related links

Coronavirus (COVID-19) latest data and analysis
Webpage | Updated as and when data become available
Latest data on the coronavirus (COVID-19) in the UK and its effect on the economy and society.

Coronavirus and the social impacts on Great Britain
Bulletin | Released 7 January 2022
Latest indicators from the Opinions and Lifestyle Survey.

Deaths registered weekly in England and Wales, provisional
Bulletin | Released 18 January 2022
Provisional counts of deaths registered in England and Wales, including deaths involving COVID-19, in the latest weeks for which data are available.

Coronavirus (COVID-19) Infection Survey, UK
Bulletin | Released 19 January 2022
Initial data from the COVID-19 Infection Survey (delivered in partnership with IQVIA, the University of Oxford and Lighthouse laboratories).