

Statistical bulletin

Business insights and impact on the UK economy: 10 February 2022

The impact of challenges facing the economy and other events on UK businesses. Based on responses from the voluntary fortnightly business survey (BICS) to deliver real-time information to help assess issues affecting UK businesses and economy, including financial performance, workforce, trade, and business resilience.

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1 . Main points

- In late-January, the transportation and storage industry reported the lowest percentage of businesses currently fully trading, at 64%.
- Approximately a third (31%) of all businesses currently trading reported that their turnover in the last two weeks had decreased compared with normal expectations for this time of year, with the accommodation and food service activities industry reporting the highest at 63%.
- Nearly three-quarters (72%) of currently trading importing businesses with 10 or more employees reported they had experienced a challenge while importing in the last month; for exporting, this figure was 67%.
- In mid-January 2022, approximately 2% of the workforce were estimated to be on sick leave or not working because of coronavirus (COVID-19), this is the lowest figure recorded since early December 2021 (1%); while 15% of employees were estimated to be working from home in mid-January 2022, a decrease from 17% in late December 2021.
- Of all not permanently stopped trading businesses, approximately 1 in 10 businesses (9%) reported hourly wages were higher than normal for both new and existing employees, in the last month; these percentages rose to 23% and 24% respectively for businesses with 10 or more employees.
- Approximately 15% of businesses reported increased customer cancellations in the last month, this figure is down from 21% reported the month before.

Data on full breakdowns are available in the [accompanying dataset](#).

2 . Headline figures and industry insights

The data presented in this bulletin are the final results from Wave 49 of the Business Insights and Conditions Survey (BICS), which was live for the period 24 January to 6 February 2022.

For questions regarding the last month, businesses were asked for their experience for the reference period 10 January to 6 February 2022. For questions regarding the last two weeks, businesses were asked for their experience for the reference period 10 January to 23 January 2022, although some businesses may have responded in relation to the point of completion of the questionnaire (24 January to 6 February 2022). This is consistent with previous waves of the survey.

These dates should be kept in mind in relation to coronavirus (COVID-19) guidance as the estimates could be affected by both the location of the business and the date on which the business responded.

For experimental single-site weighted regional estimates up to Wave 34 (28 June to 11 July 2021), please see [Understanding the business impacts of local and national restrictions, UK: July 2021](#). An updated publication will be released on 17 February 2022.

More about economy, business and jobs

- All ONS analysis, summarised in our [economy, business and jobs roundup](#).
- Explore the latest trends in employment, prices and trade in our [economic dashboard](#).
- View [all economic data](#).

Figure 1: Headline figures from the Business Insights and Conditions Survey

Notes:

1. Trading status, financial performance, business resilience: for presentational purposes, response options have been combined and the option "not sure" has been removed.
2. Financial performance: businesses were asked for their experience for the reference period, however, businesses may respond from the point of completion of the questionnaire.
3. Data are plotted in the middle of the period of each wave.

Download the data

[.xlsx](#)

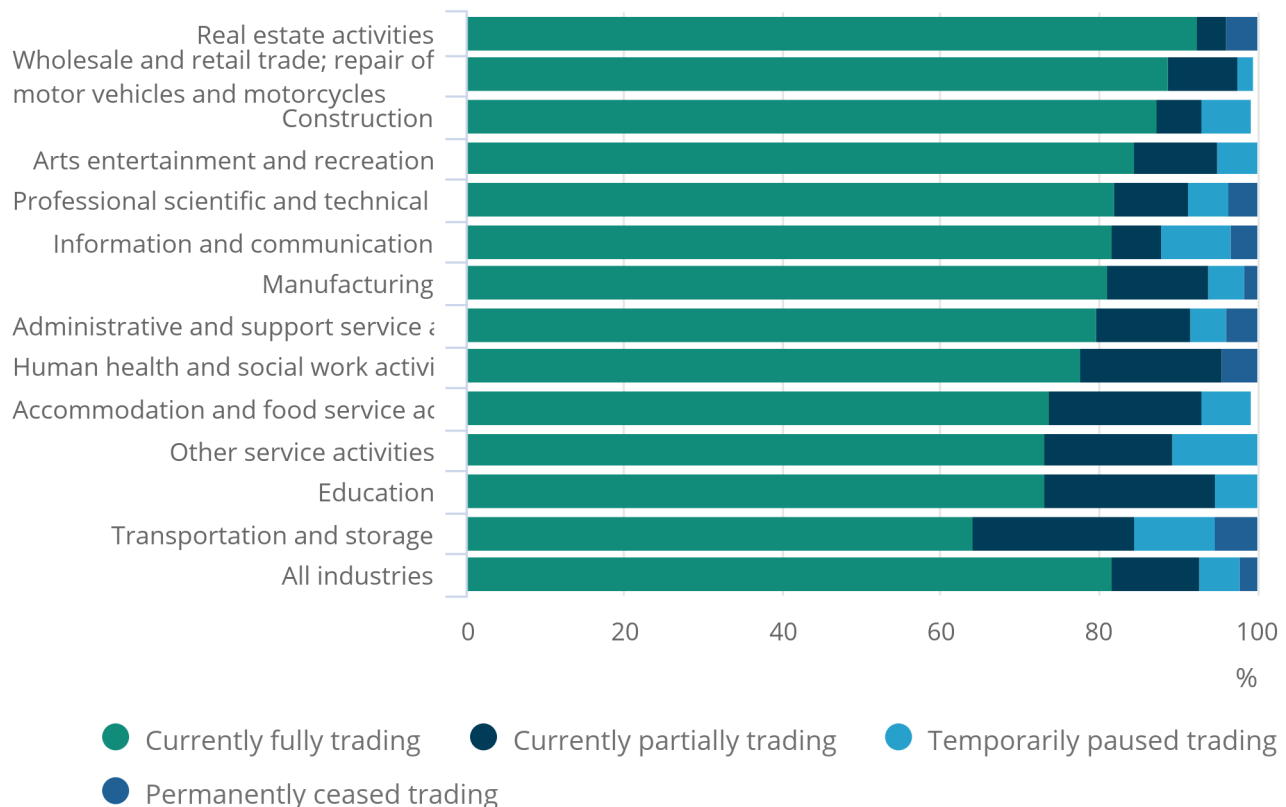
Trading status

Figure 2: The transportation and storage industry reported the lowest percentage of businesses currently fully trading, at 64%

Current trading status, all businesses, broken down by industry, weighted by count, UK, 24 January to 6 February 2022

Figure 2: The transportation and storage industry reported the lowest percentage of businesses currently fully trading, at 64%

Current trading status, all businesses, broken down by industry, weighted by count, UK, 24 January to 6 February 2022



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

Notes:

1. Industries may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
2. "Mining and quarrying" and "water supply; sewerage, waste management and remediation activities" have been removed for disclosure purposes, but their totals are included in "All industries".
3. The weighted percentage for "permanently ceased trading" can be affected by multiple businesses reporting this option over multiple waves.

In late January 2022, 93% of all businesses were either partially or fully trading, this compares with 92% reported in mid-January 2022.

The other service activities industry reported the largest movement in currently trading businesses, down from 95% in mid-January to 90% in late January 2022. This is partly being driven by the hairdressing and other beauty treatment sub-industry.

The accommodation and food service activities industry continued to report an increase in currently trading businesses at 93%, up from 89% in mid-January 2022.

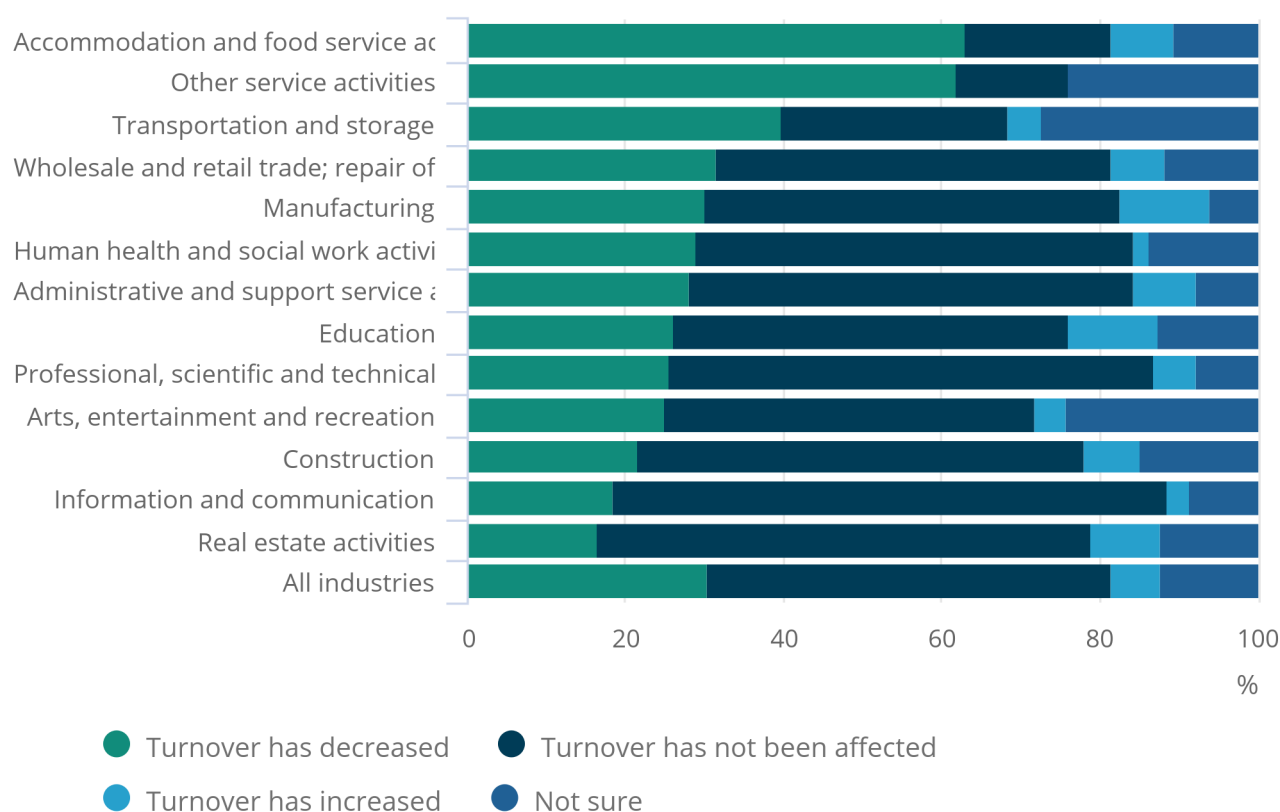
Financial performance

Figure 3: The accommodation and food service activities industry reported 63% of businesses experiencing lower turnover in the last two weeks, compared with normal expectations

Impact on turnover, businesses currently trading, broken down by industry, weighted by count, UK, 10 to 23 January 2022

Figure 3: The accommodation and food service activities industry reported 63% of businesses experiencing lower turnover in the last two weeks, compared with normal expectations

Impact on turnover, businesses currently trading, broken down by industry, weighted by count, UK, 10 to 23 January 2022



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

Notes:

1. For presentational purposes, response options have been combined.
2. Industries may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
3. "Mining and quarrying" and "water supply; sewerage, waste management and remediation activities" have been removed for disclosure purposes, but their totals are included in "All industries".
4. Businesses were asked for their experience for the reference period, however, businesses may respond from the point of completion of the questionnaire.

Of all currently trading businesses, in mid-January 2022, 31% reported a decrease in turnover in the last two weeks compared with normal expectations for this time of year, this is broadly unchanged from early-January 2022.

The accommodation and food service activities industry reported the highest percentage point increase of businesses reporting lower turnover between early January and mid-January 2022, up 5 percentage points to 63%. Of those businesses that reported a change in turnover, 47% reported the coronavirus pandemic as the main reason for the change, down from 52% in early January 2022. In contrast, 12% reported a combination of the coronavirus pandemic and the end of the EU transition period as the main reason.

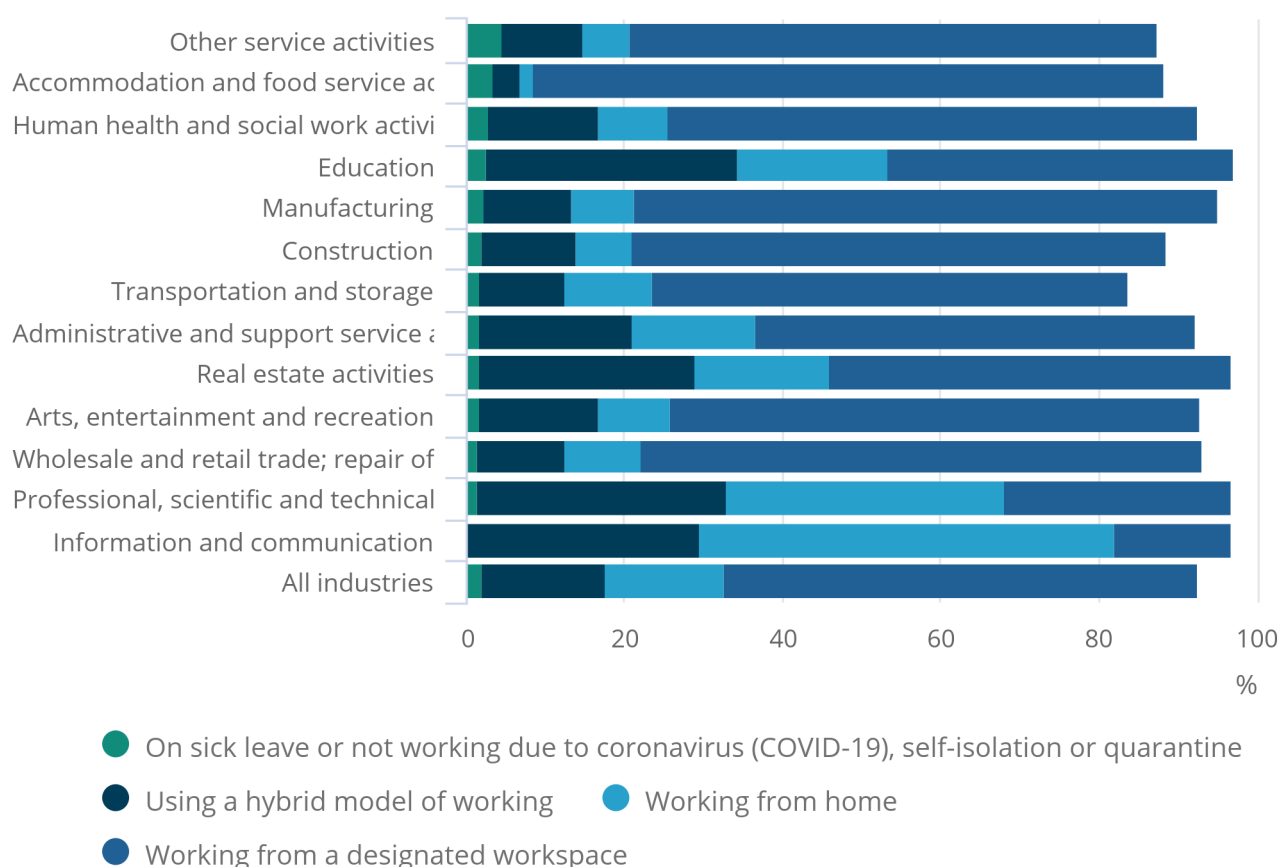
Workforce status

Figure 4: Approximately 2% of the workforce were estimated to be on sick leave or not working because of coronavirus (COVID-19) symptoms, self-isolation or quarantine in mid-January 2022

Working arrangements, businesses not permanently stopped trading, broken down by industry, weighted by employment, UK, 10 to 23 January 2022

Figure 4: Approximately 2% of the workforce were estimated to be on sick leave or not working because of coronavirus (COVID-19) symptoms, self-isolation or quarantine in mid-January 2022

Working arrangements, businesses not permanently stopped trading, broken down by industry, weighted by employment, UK, 10 to 23 January 2022



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

Notes:

1. Industries may not sum to 100% because of rounding, percentages less than 1% being removed for disclosure purposes, and the options “Made permanently redundant” or “Other” being removed.
2. “Mining and quarrying” and “water supply, sewerage, waste management and remediation activities” have been removed for disclosure purposes, but their totals are included in “All industries”.
3. Businesses were asked for their experiences for the reference period. However, businesses may respond from the point of completion of the questionnaire.

In mid-January 2022, there was a decrease reported in coronavirus related absences across all industries. Approximately 2% of the workforce were estimated to be on sick leave or not working because of coronavirus symptoms, self-isolation or quarantine, slightly down from 3% in early January 2021, however this is still higher than the 1% reported in early December 2021.

The other service activities industry, which includes hairdressing and other beauty treatments, reported the highest absence levels (5%), which is down from 7% in late December 2021. The accommodation and food service activities industry reported a fall from 6% in late December 2021, to 4% in mid-January 2022.

Approximately 60% of the workforce were estimated to be working from a designated workspace (that is, not from home), compared with 58% in early January 2022. The proportion of employees reported to be using a hybrid model of working (16%) or working from home (15%) changed from 15% and 17%, respectively.

3 . Exporting and importing challenges

Of currently trading businesses with 10 employees or more, 16% had exported and 21% imported in the last 12 months and reported how their exporting or importing differed compared with normal expectations for this time of year. These businesses were asked about the challenges they had experienced with exporting or importing in the last month.

Figure 5: Exporting and importing figures from the Business Insights and Conditions Survey

Notes:

1. Exporting or importing compared with normal expectations: percentage of businesses currently trading with 10 or more employees and had reported they had exported/imported in the last year. For presentational purposes, response options have been combined.
2. Exporting or importing challenges: percentage of businesses currently trading with 10 or more employees, reported they had exported/imported in the last year, and reported how their exports/imports were affected. Businesses may report that exporting/importing has not been affected but are still able to report challenges.
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 experience for the reference period however, businesses may respond from the point of completion of the questionnaire.
5. Data are plotted in the middle of the period of each wave.
6. From Wave 49, all data presented within these graphs have been updated to reflect results reported by currently trading businesses with 10 or more employees, therefore caution should be taken when comparing to previous publications. This is to reduce the volatility that microbusinesses (businesses with 0-9 employees) can create between Waves and to focus on the long-term trends.

Download the data

[.xlsx](#)

Of currently trading businesses with 10 or more employees, 67% experienced a challenge when exporting and 72% when importing in the last month. This compared with 66% and 73% respectively, the month before.

Businesses not permanently stopped trading were asked if they had made changes to how they conduct international trade in services because of the coronavirus (COVID-19) pandemic or the end of the EU transition period, businesses reported the following:

- 4% reported yes, they had made changes
- 19% reported no
- 7% reported not sure
- 70% reported not applicable

The education industry (private sector and higher education businesses only) reported the highest percentage of businesses making changes, at 11%. In contrast, the accommodation and food service activities industry and the other service activities industry reported less than 1% of businesses making changes, while the real estate activities industry reported 0%.

Further industry, size band and breakdowns of trade questions by type of export or import (goods, services or both) are available in the [accompanying dataset](#). This includes an unweighted data time series produced by linking samples from the Annual Business Survey (2018) and the Annual Survey of International Trade in Services (2019) to the Business Insights and Conditions Survey (BICS) microdata. We have published a [detailed description of the methodology](#).

4 . Cash reserves, survival confidence and debt obligations

Of all businesses not permanently stopped trading, 47% reported they had high or moderate confidence of meeting their current debt obligations, while 43% reported having 4 months or more of cash reserves and 85% reported they had high or moderate confidence they would survive the next three months.

Figure 6: Across all industries, there is a relationship between no cash reserves and low or no confidence to survive or pay debt obligations

No cash reserves versus survival confidence versus debt obligations, businesses not permanently stopped trading, weighted by count, UK, 24 January to 6 February

Figure 6: Across all industries, there is a relationship between no cash reserves and low or no confidence to survive or pay debt obligations

No cash reserves versus survival confidence versus debt obligations, businesses not permanently stopped trading, weighted by count, UK, 24 January to 6 February



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

Notes:

1. Businesses were asked for their experience for the reference period however, businesses may respond from the point of completion of the questionnaire.
2. Data are plotted in the middle of the period.

In late January 2022, the transportation and storage industry reported 16% of businesses with low or no confidence of surviving the next three months, the highest of any industry. However, less than 1% of businesses in this industry reported low or no confidence in their ability to meet their debt obligations, while 38% of businesses had three months or less of cash reserves.

The accommodation and food service activities industry reported the highest percentage, at 13%, of businesses reporting low or no confidence of meeting their current debt obligations, compared with 18% in early January 2022. This same industry reported 11% of businesses with no cash reserves and 13% of businesses reporting low or no confidence of surviving the next three months.

5 . Wages

Businesses not permanently stopped trading were asked how existing employees' hourly wages over the last month compare with normal expectations for this time of year.

Businesses reported hourly wages were higher in the last month compared with normal (9%). This percentage was 8% the month before.

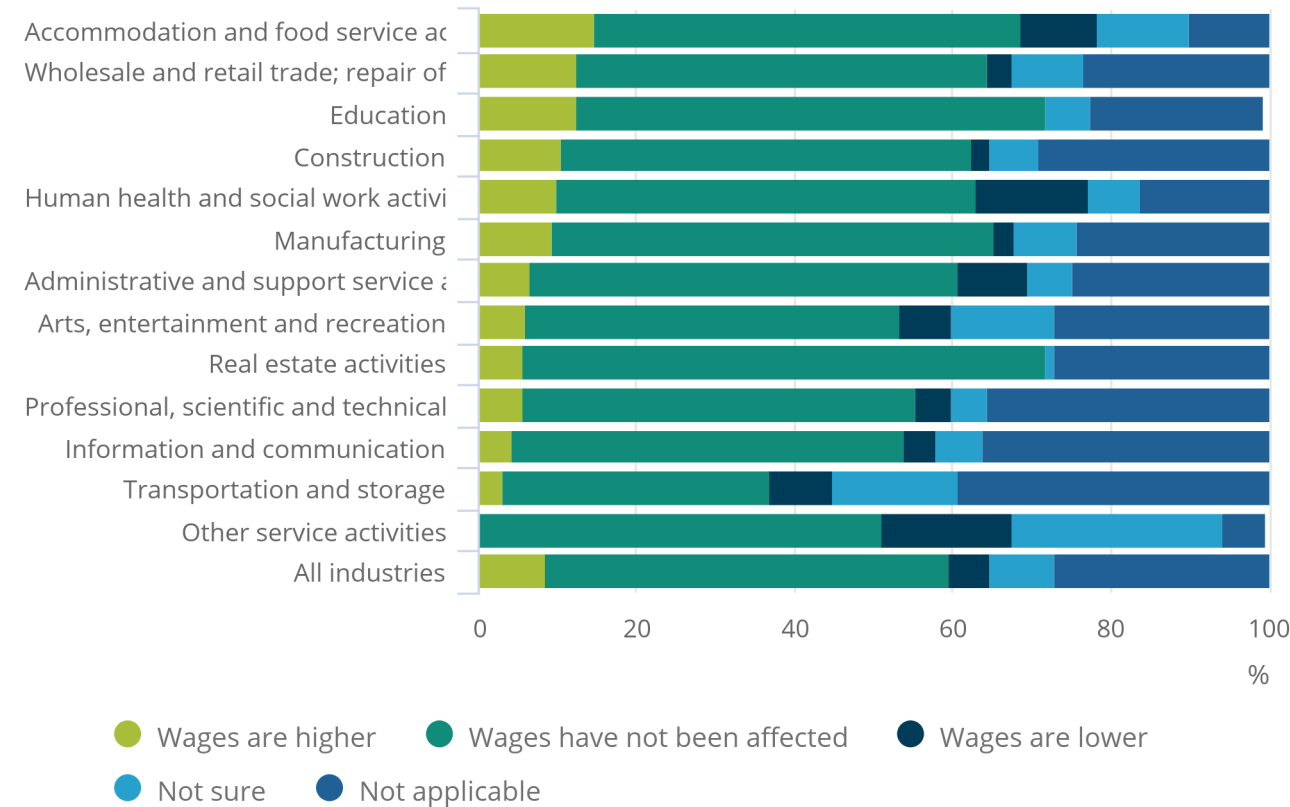
When excluding businesses with fewer than 10 employees, 24% reported hourly wages were higher than normal for existing employees.

Figure 7: Approximately 1 in 10 businesses (9%) reported hourly wages were higher than normal for existing employees, in the last month

Hourly wages for existing employees, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 10 January to 6 February 2022

Figure 7: Approximately 1 in 10 businesses (9%) reported hourly wages were higher than normal for existing employees, in the last month

Hourly wages for existing employees, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 10 January to 6 February 2022



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

Notes:

1. Businesses were asked for their experience for the reference period, however, businesses may respond from the point of completion of the questionnaire.
2. Industries may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.

Businesses were also asked how new employees' hourly wages over the last month compare with normal expectations for this time of year. Their responses were:

- 9% reported wages were higher
- 24% reported wages were not affected
- 2% reported wages were lower
- the remainder reported not sure or not applicable

Businesses in the accommodation and food service activities industry reported the highest percentage of hourly wages being higher for both new and existing employees, at 24% and 15% respectively, in the last month. This is compared with 19% and 15% respectively the month before.

The other service activities industry reported the highest percentage where hourly wages were lower for existing and new employees, at 17% and 6% respectively.

6 . Cancellations

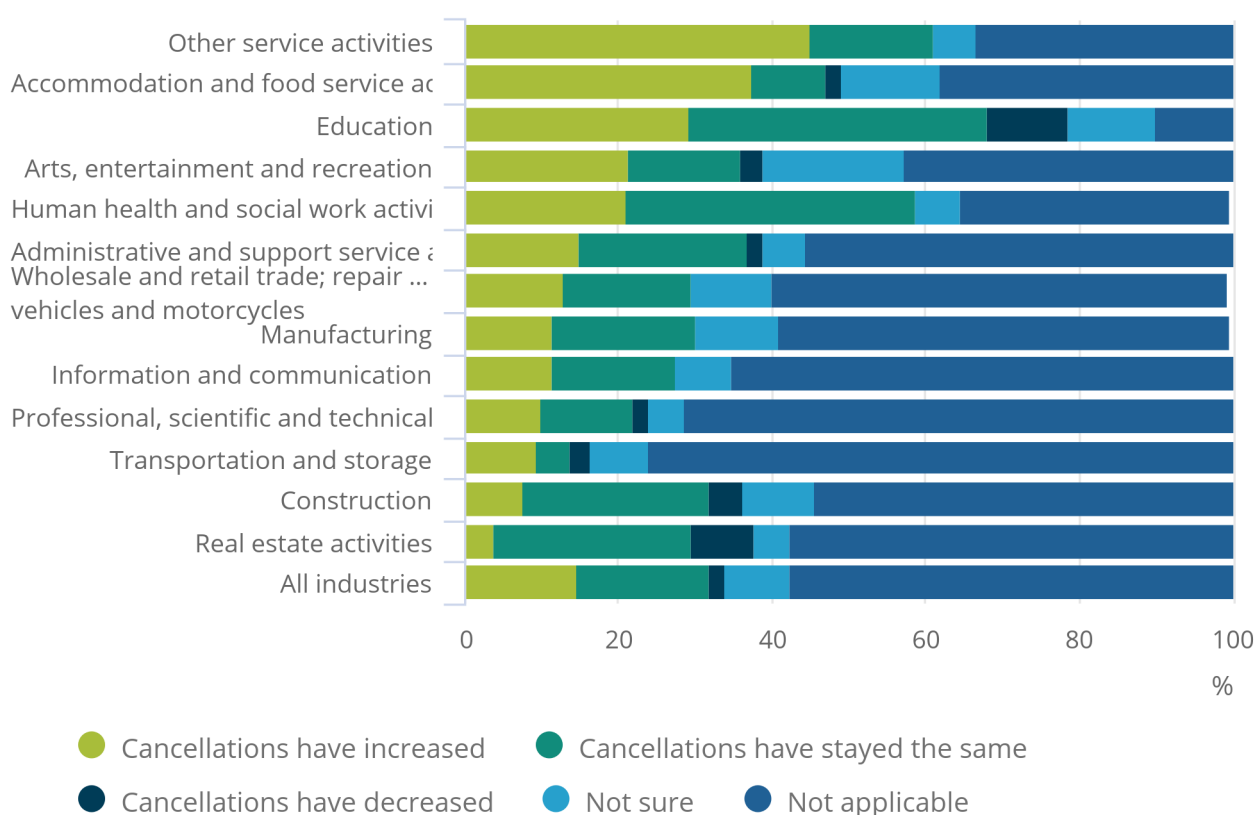
Businesses not permanently stopped trading were asked if they experienced a change in the number of cancellations from customers in the last month.

Figure 8: Of businesses not permanently stopped trading, 15% reported they had experienced an increase in cancellations from customers in the last month

Customer cancellations, businesses not permanently stopped trading, weighted by count, UK, 10 January to 6 February 2022

Figure 8: Of businesses not permanently stopped trading, 15% reported they had experienced an increase in cancellations from customers in the last month

Customer cancellations, businesses not permanently stopped trading, weighted by count, UK, 10 January to 6 February 2022



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

Notes:

1. Industries may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
2. “Mining and quarrying” and “water supply; sewerage, waste management and remediation activities” have been removed for disclosure purposes, but their totals are included in “All industries”.

The percentage of businesses not permanently stopped trading that have experienced an increase in cancellations from customers in the last month, fell to 15%, down from 21% the month before. The wholesale and retail trade; repair of motor vehicles and motorcycles industry (13%) and the information and communication industry (12%) reported an increase in customer cancellations, up from 12% and 9% respectively.

Businesses in the other service activities industry reported the highest proportion of businesses experiencing increased cancellations in the last month, at 45%, despite a 19-percentage point decrease from the month before.

7 . Business Insights and Conditions Survey data

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

Dataset | Released 10 February 2022

Weighted estimates from the voluntary fortnightly Business Insights and Conditions 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.

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

Dataset | Released 27 January 2022

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

These data are not [official statistics](#) but have been developed to deliver timely indicators to help understand the impact of the coronavirus (COVID-19) pandemic and other events in a timely way.

Access to microdata

The BICS microdata for Waves 1 to 48 can now be accessed through the Secure Research Service (SRS). The BICS microdata for each wave are released on a rolling basis in the week following the publication of each wave. The microdata are made confidential and do not disclose information on 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.

8 . 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.

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.

9 . Measuring the data

More quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in the Business Insights and Conditions Survey (BICS) QMI, updated on 24 January 2022.

The BICS is voluntary, and the results are [experimental](#).

Table 1: Sample and response rates for Waves 47, 48 and 49 of the Business Insights and Conditions Survey

Wave	13 January 2022 Publication Wave 47	27 January 2022 Publication Wave 48	10 February 2022 Publication Wave 49
Sample	38,865	38,590	38,413
Response	7,669	9,377	8,614
Rate	19.7%	24.3%	22.4%

Source: Office for National Statistics - Business Insights and Conditions 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 49 survey was live for the period 24 January to 6 February 2022. For questions regarding the last two weeks, businesses were asked for their experience for the reference period 10 January to 23 January 2022. For questions regarding the last month, businesses were asked for their experience for the reference period 10 January to 6 February 2022. However, businesses may respond from the point of completion of the questionnaire (24 January to 6 February 2022). The [survey questions](#) are available.

Coverage

The Monthly Business Survey (MBS) covers the UK for production and only Great Britain for services. The Retail Sales Index (RSI) and Construction are Great Britain-focused. Therefore, the BICS will be UK-focused for production-based industries but Great Britain-focused 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

For more information on the methodology of producing the Business Insights and Conditions Survey (such as [weighting](#)), please see the [BICS QMI](#).

10 . Strengths and limitations

More quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in the [Business Insights and Conditions Survey \(BICS\) QMI](#).

11 . Related links

[Comparison of furloughed jobs data, UK: March 2020 to June 2021](#)

Article | Released 2 September 2021

An overview of the similarities and differences between the fortnightly Business Insights and Conditions Survey (BICS) furlough estimates and HMRC's Coronavirus Job Retention Scheme statistics, over the period 23 March 2020 to 30 June 2021.

[COVID-19 question bank](#)

Webpage | Updated frequently

This webpage provides a bank of questions from multiple Office for National Statistics (ONS) surveys related to coronavirus (COVID-19) to be used in other surveys to further support harmonisation and questionnaire development. This bank also provides users with an understanding of what data the ONS have in relation to the coronavirus pandemic.

[Understanding the business impacts of local and national restrictions, UK: July 2021](#)

Article | Released 20 July 2021

Experimental estimates from the voluntary fortnightly Business Insights and Conditions 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 local authority levels.

[Business and individual attitudes towards the future of homeworking, UK: April to May 2021](#)

Article | Released 14 June 2021

Analysis of the effects of the coronavirus pandemic on office working and of business and individual attitudes to future working practices.

[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).