

Statistical bulletin

Business insights and impact on the UK economy: 27 July 2023

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.

Contact:
Gemma Rabaiotti
bics@ons.gov.uk
+44 1633 456417

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1 . Main points

- Latest results suggest business conditions continue to remain challenging, however, estimates show signs of improvement for some measures; examples include fewer businesses reporting energy prices as their main concern.
- Around two-thirds (67%) of businesses reported some form of concern for their business when looking ahead to August 2023, which, although broadly stable with July 2023, is the lowest percentage reported since late February 2022.
- Fewer than 1 in 10 businesses (9%) reported energy prices as their main concern for August 2023, the lowest proportion since the question was first introduced in February 2022; more commonly reported concerns included falling demand of goods and services (16%) and inflation of goods and services prices (16%), although 24% of businesses reported having no concerns for their business.
- Around 1 in 8 (13%) businesses were experiencing worker shortages in mid-July 2023, with 38% of those businesses reporting that employees were working increased hours as a consequence; these percentages were 29% and 53%, respectively, for businesses with 10 or more employees.

2 . Headline figures

The data presented in this bulletin are the final results from Wave 87 of the Business Insights and Conditions Survey (BICS), which was live from 10 July to 23 July 2023.

The data reported within BICS bulletins and datasets are estimates that are subject to [uncertainty](#), for example, sampling variability and [non-sampling error](#). Further information on quality is available in our [Business insights and conditions Quality and Methodology Information \(QMI\)](#) and we regularly update [confidence intervals](#) associated with the survey questions.

Experimental single-site weighted regional estimates up to Wave 74 are available in our [Business insights and impact on the UK subnational single-site economy: February 2023 article](#).

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. For presentational purposes, some response options have been excluded.
2. Data are plotted in the middle of each wave.

Download the data

[.xlsx](#)

The percentage of businesses that reported they were trading in mid-July 2023 was 94%, with 85% fully trading and 9% partially trading (for example, trading with reduced hours or staff numbers). Meanwhile, 4% of businesses reported “temporarily paused trading” and 2% “permanently ceased trading” as their business’s trading status.

3 . Exporting and importing

Of currently trading businesses with 10 or more employees, 18% had exported and 23% imported in the last 12 months.

Those businesses that had exported and/or imported in the last year were asked how their exporting and importing in June 2023 compared with June 2022, and which challenges they had experienced an increase in compared with the previous calendar month.

More than half (55%) of exporting businesses with 10 or more employees reported they had not experienced an increase in exporting challenges in June 2023; this was down 4 percentage points from May 2023.

Figure 2: Exporting and importing figures from the Business Insights and Conditions Survey

Notes:

1. Exporting or importing compared with the same month last year: percentage of businesses currently trading with 10 or more employees and had reported they had exported or imported in the last year.
2. Exporting or importing challenges: percentage of businesses currently trading with 10 or more employees, reported they had exported or imported in the last year, and reported how their exports or imports were affected. Businesses may report that exporting or importing has increased or not been affected but are still able to report challenges.
3. Exporting or importing challenges: Response options may not sum to 100% because of rounding, percentages less than 1% being removed for disclosure purposes and some response options being excluded from the import or export question.
4. 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.
5. For presentational and disclosure purposes, some response options have been combined and/or removed.
6. Data are plotted in the middle of the period of each wave.

Download the data

[.xlsx](#)

Further industry, size band and response option breakdowns for all exporting and importing questions are available in our [accompanying dataset](#).

4 . Business concerns

Businesses not permanently stopped trading were asked what their main concern is looking ahead to August 2023.

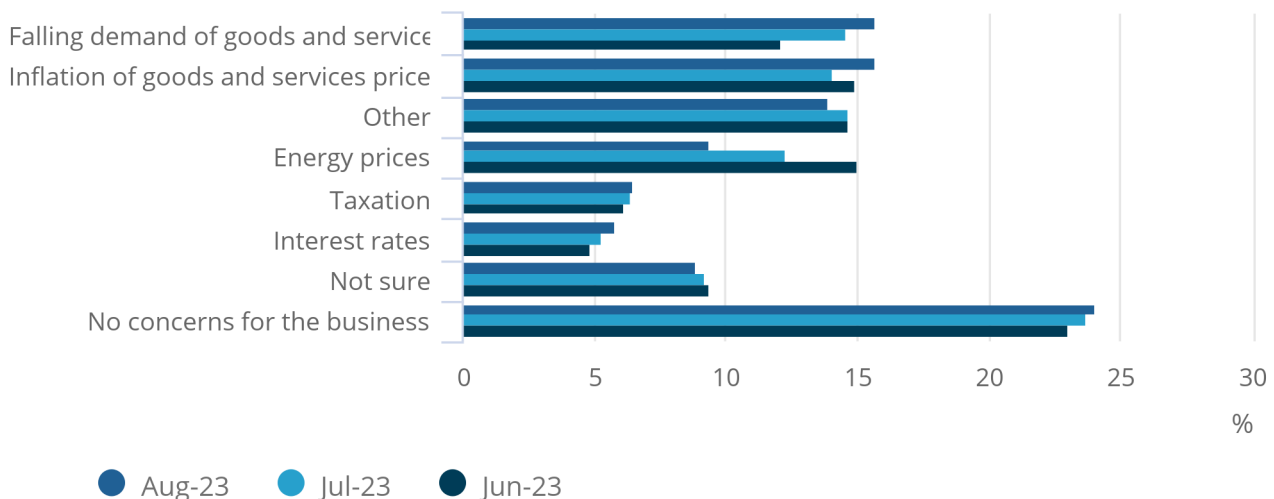
Businesses were asked for their main concern, however, this does not mean they do not have any other concerns for their business.

Figure 3: A lower proportion of businesses reported energy prices as their main concern for August 2023 than for both June 2023 and July 2023

Business concerns, businesses not permanently stopped trading, broken down by response option, weighted by count, UK, 1 June 2023 to 31 August 2023

Figure 3: A lower proportion of businesses reported energy prices as their main concern for August 2023 than for both June 2023 and July 2023

Business concerns, businesses not permanently stopped trading, broken down by response option, weighted by count, UK, 1 June 2023 to 31 August 2023



Source: Business Insights and Conditions Survey from the Office for National Statistics

Notes:

1. Response options may not sum to 100% because of rounding, and percentages less than 1% being removed for disclosure purposes.
2. For presentational purposes, some response options have been combined, a full list of concerns broken down by industry and size band, are available in our [accompanying dataset](#).

When businesses looked ahead to August 2023, 67% had some form of business concern, with falling demand of goods and services, and inflation of goods and services (both 16%) being the most reported main concerns.

Fewer than 1 in 10 businesses (9%) reported energy prices as their main concern, the lowest percentage reported since the question was introduced in February 2022.

The wholesale and retail trade; repair of motor vehicles and motorcycles industry had the largest contribution to the fall in the proportion of businesses who reported energy prices being reported as a main concern. This industry saw a fall from 13% in July to 9% in August.

Further details, including the full list of concerns broken down by industry and size band, are available in our [accompanying dataset](#).

5 . Workforce

Hourly wages

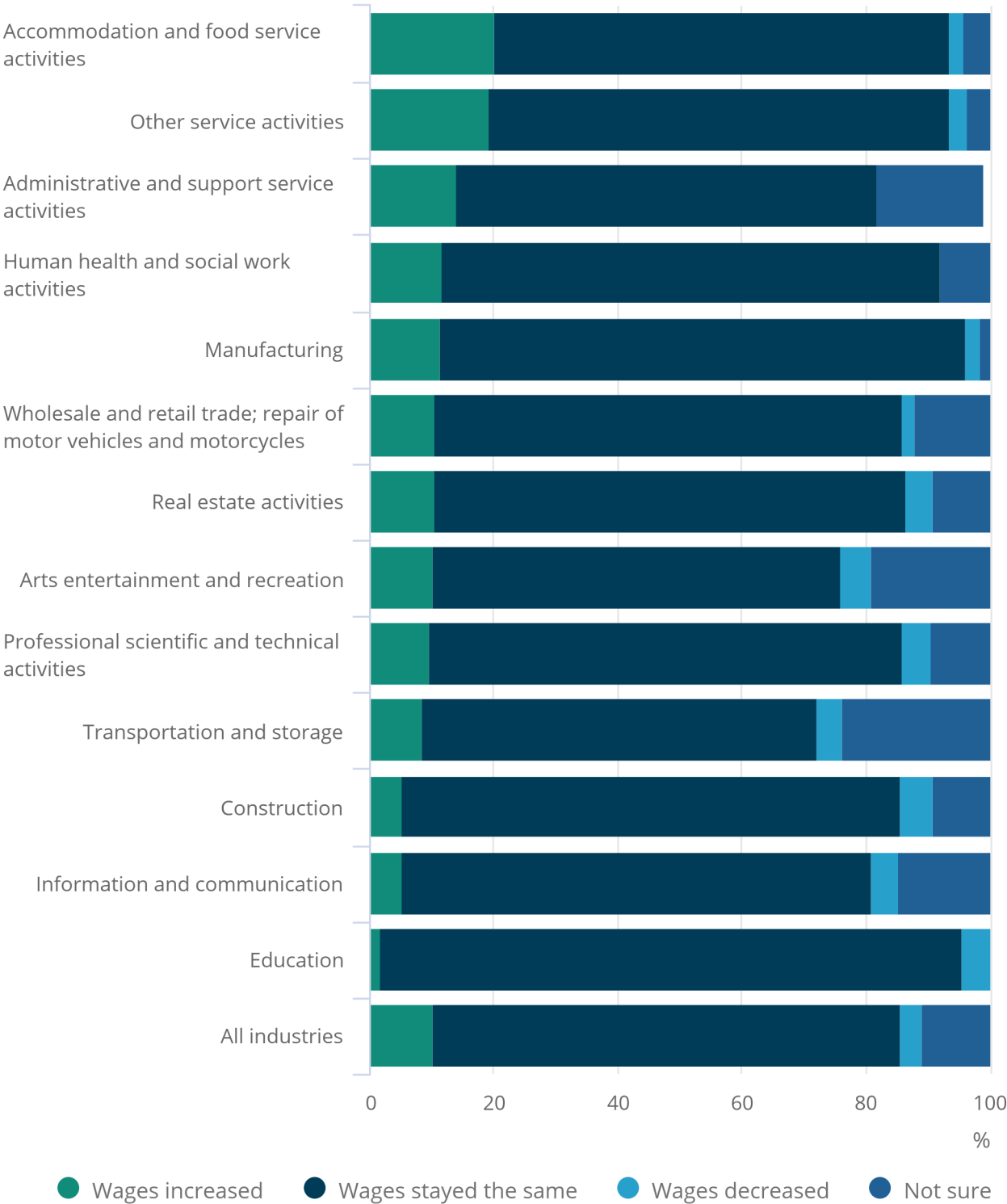
Businesses not permanently stopped trading were asked, on average, how their employees' hourly wages in June 2023 compared with May 2023.

Figure 4: 1 in 10 (10%) businesses reported that their employees hourly wages had increased in June 2023 compared with May 2023

Changes to hourly wages, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 1 June 2023 to 30 June 2023

Figure 4: 1 in 10 (10%) businesses reported that their employees hourly wages had increased in June 2023 compared with May 2023

Changes to hourly wages, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 1 June 2023 to 30 June 2023



Source: Business Insights and Conditions Survey from the Office for National Statistics

Notes:

1. Response options 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 that reported their employees' hourly wages were higher in June 2023, dropped 3 percentage points from 13% when asked in May 2023. The percentage of businesses that reported increased wages spiked in April 2023 to 23%, in line with a rise in the National Minimum Wage; these percentages have remained broadly stable since.

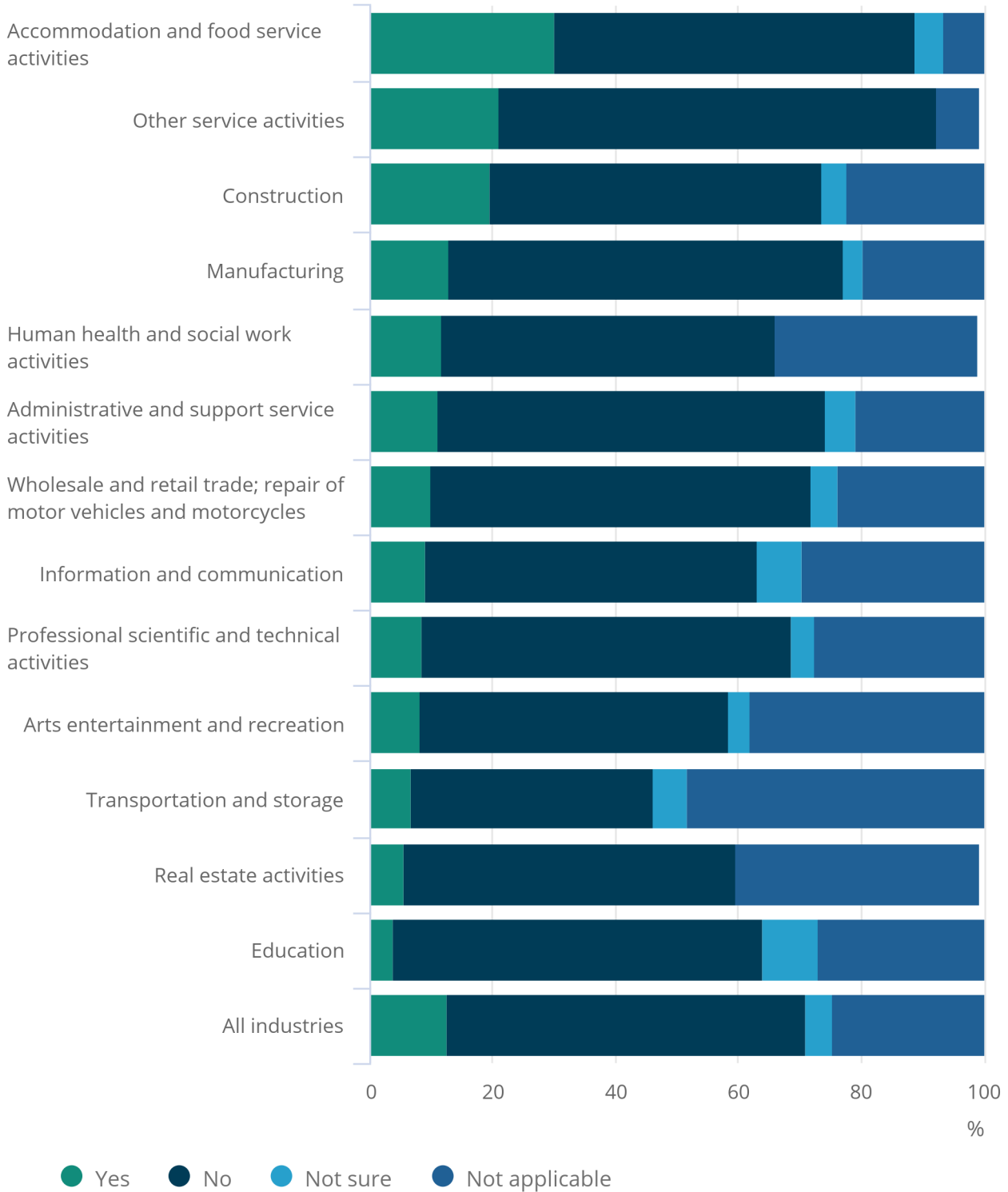
Worker shortages

Figure 5: Around one in eight (13%) businesses were experiencing worker shortages in mid-July 2023

Worker shortages, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 10 July 2023 to 23 July 2023

Figure 5: Around one in eight (13%) businesses were experiencing worker shortages in mid-July 2023

Worker shortages, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 10 July 2023 to 23 July 2023



Source: Business Insights and Conditions Survey from the Office for National Statistics

Notes:

1. Response options 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”.

Those businesses who reported experiencing worker shortages in July 2023 were asked how these shortages had affected their business. The most reported effects were:

- employees working increased hours (38%)
- unable to meet demands (38%)
- had to recruit temporary workers (16%)

Further details on worker shortages, including its effects broken down by industry and size band, are available in our [accompanying dataset](#).

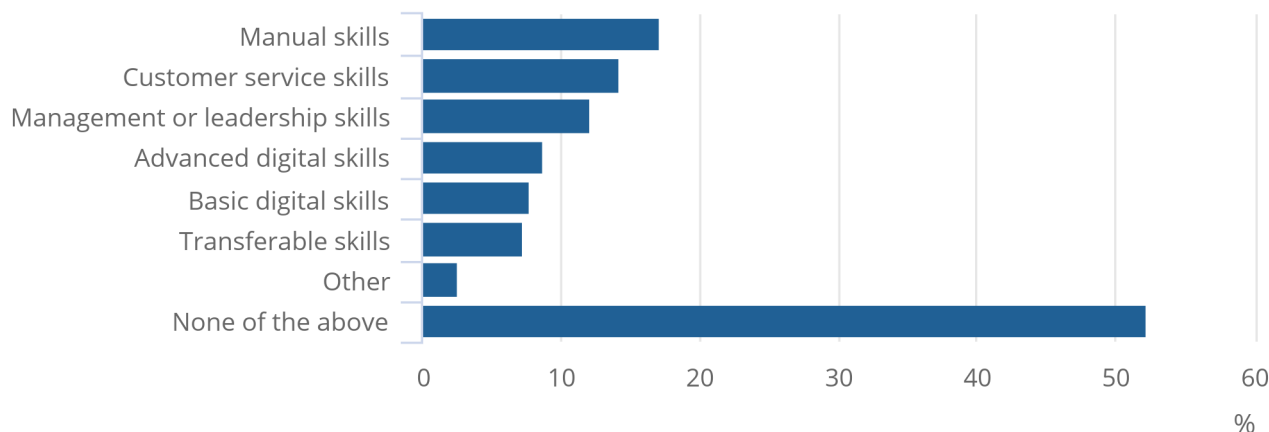
Skills

Figure 6: Around 1 in 6 (17%) businesses reported a high demand for manual skills in the last 12 months

Skills in demand, businesses not permanently stopped trading, broken down by response option, weighted by count, UK, 10 July 2023 to 23 July 2023

Figure 6: Around 1 in 6 (17%) businesses reported a high demand for manual skills in the last 12 months

Skills in demand, businesses not permanently stopped trading, broken down by response option, weighted by count, UK, 10 July 2023 to 23 July 2023



Source: Business Insights and Conditions Survey from the Office for National Statistics

Notes:

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

The construction industry reported the highest percentage of businesses with a high demand for manual skills at 52%, the accommodation and food service activities industry reported the highest percentage for customer service skills at 51%, and the information and communication industry reported the highest percentage of businesses needing advanced digital skills, at 42%.

Further details on skills broken down by industry and size band, are available in our [accompanying dataset](#).

6 . Business Insights and Conditions Survey data

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

Dataset | Released 27 July 2023

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 April 2023

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.

Access to microdata

You can access the microdata for Waves 1 to 86 of the Business Insights and Conditions Survey (BICS) 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, as explained on the UK Statistics Authority website](#) 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 \(RAP\), as explained on the UK Statistics Authority website](#). To access the SRS, you must also work for an organisation with an Assured Organisational Connectivity agreement in place.

7 . Glossary

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.

8 . Measuring the data

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

The BICS is voluntary, and the results are experimental. More information is available in our [Guide to experimental statistics](#).

Table 1: Sample and response rates for Wave 85, 86 and 87 of the Business Insights and Conditions Survey

Wave	29 June 2023 Publication Wave 85	13 July 2023 Publication Wave 86	27 July 2023 Publication Wave 87
Sample	38,920	38,912	38,897
Response	11,068	9,846	10,762
Rate	28.4%	25.3%	27.7%

Source: Business Insights and Conditions Survey from the Office for National Statistics

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 87 survey was live for the period 10 July 2023 to 23 July 2023. The [BICS survey questions](#) are available.

Coverage

The Monthly Business Survey (MBS) covers the UK for production and Great Britain (GB) only for services. The Retail Sales Index (RSI) and construction are GB-focused. Therefore, the BICS will be UK-focused for production-based industries but GB-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 BICS, such as [weighting](#), please see our [BICS QMI report](#).

9 . Strengths and limitations

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

10 . Related links

[Economic activity and social change in the UK, real-time indicators](#)

Bulletin | Updated frequently

Early experimental data and analysis on economic activity and social change in the UK. These real-time indicators are created using rapid response surveys, novel data sources and experimental methods.

[Cost of living latest insights](#)

Web page | Updated frequently

The latest data and trends about the cost of living. Explore changes in the cost of everyday items and how this is affecting people.

[COVID-19 question bank](#)

Web page | Updated frequently

This web page 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 has in relation to the coronavirus pandemic.

[Business insights and impact on the UK subnational single-site economy: February 2023](#)

Article | Released 16 February 2023

Experimental estimates from the voluntary fortnightly business survey (BICS) on topics such as prices, worker shortages and workforce status. Geographical breakdowns include country, regional and local authority levels.

[Characteristics of homeworkers, Great Britain: September 2022 to January 2023](#)

Article | Released 27 February 2023

Analysis of homeworkers, including prevalence of hybrid working, and breakdowns by personal characteristics. Data from the Opinions and Lifestyle Survey (OPN).

11 . Cite this statistical bulletin

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