

BUSINESS AND ENERGY

Business Insights and Conditions Survey (BICS) Weighted Scotland Estimates - Data to Wave 40

15 October 2021

This is the 28th publication of weighted Scotland estimates from the ONS' BICS. These are experimental statistics, which means that they are still in development but have been released to enable their use at an early stage. All results are provisional and subject to revision.

Latest main findings for businesses with 10+ employees and a presence in Scotland

- In the period 20 September to 3 October 2021, the share of businesses 'currently trading' was estimated at 99.5% - up from 99.4% in the previous period and the highest rate since comparable estimates began in June 2020.
- All businesses in the Arts, Entertainment & Recreation and Accommodation & Food Services industry sectors were 'currently trading'.
- The share of the workforce on furlough leave was estimated at 4.8% in the period 6 September to 3 October 2021 – down from 5.9% in the previous period.
- In the latest period, the Arts, Entertainment & Recreation industry sector continued to have the highest share of the workforce on furlough leave - estimated at 15.8%.
- In the period 6 September to 3 October 2021, 25.0% of businesses reported a decrease in turnover compared with what is normally expected.
- In the latest period, of businesses currently trading that have exported in the last 12 months, 21.7% reported exporting less than normal, and 19.6% of relevant businesses reported importing less than normal.

Introduction

The ONS' BICS is a voluntary fortnightly business survey, which captures businesses' responses on how their turnover, workforce, prices, trade and business resilience have been affected by current conditions, including the coronavirus (COVID-19) pandemic and the end of the EU transition period.

BICS stands for the Business Insights and Conditions Survey (BICS) – previous to Wave 24, the survey was called "Business Impact of Coronavirus (COVID-19) Survey". The BICS was renamed to reflect the current question set, which goes wider than the impact of the coronavirus (COVID-19).

Currently, the main [Scottish BICS results published by the Office for National Statistics](#) are unweighted which means that we can only make inferences about the businesses that have responded.¹ Weighting the BICS responses enables us to produce estimates for Scottish businesses more generally, not just those that have responded. The ONS has provided the Scottish Government with the BICS microdata², which we have used to develop the weighted Scotland estimates. More information on the weighting method we have used for these early estimates and our plans for future developments is provided here: [BICS weighted Scotland estimates: data to wave 12](#).

The weighted Scotland estimates, in this publication, are for businesses with 10 or more employees. The weighted Scotland estimates are for businesses that have a presence in Scotland, as opposed to only those businesses headquartered in Scotland. Having a presence in Scotland means that the business has a local unit or site (e.g. shop, office, factory) in Scotland. In terms of the base of the estimates 8,723 businesses responded to the Wave 40 BICS UK-wide – 1,227 of these responding businesses had a presence in Scotland. Excluding the micro businesses (those with less than 10 employees) takes the base for the weighted Scotland estimates down to 1,132 responding businesses in Wave 40. The weighted Scotland estimates are derived from results collected from UK businesses for the UK as a whole, but weighted by business counts or employment in Scotland. Currently no account is being made for regional differences between business sites.

The coverage of the ONS BICS includes most sectors of the Scottish economy; however, the public sector is excluded, as is 'Section A – Agriculture, forestry & fishing', 'Section D – Electricity, gas, steam & air conditioning supply' and 'Section K – Financial & insurance activities'.

¹ Note that on the 20th of July 2021 ONS published [Understanding the business impacts of local and national restrictions, UK: July 2021](#) – this provides an analysis of weighted data for areas within the UK (including Scotland). This latest ONS sub-national analysis breaks down the business base into single-site and multi-site businesses. This differs to the approach taken for the Scottish Government estimates presented here which include single-site and multi-site businesses together, and the Scottish Government estimates are constrained to businesses with 10 or more employees.

² The BICS microdata can be accessed, by accredited researchers, via the [Secure Research Service \(SRS\)](#).

Trading Status

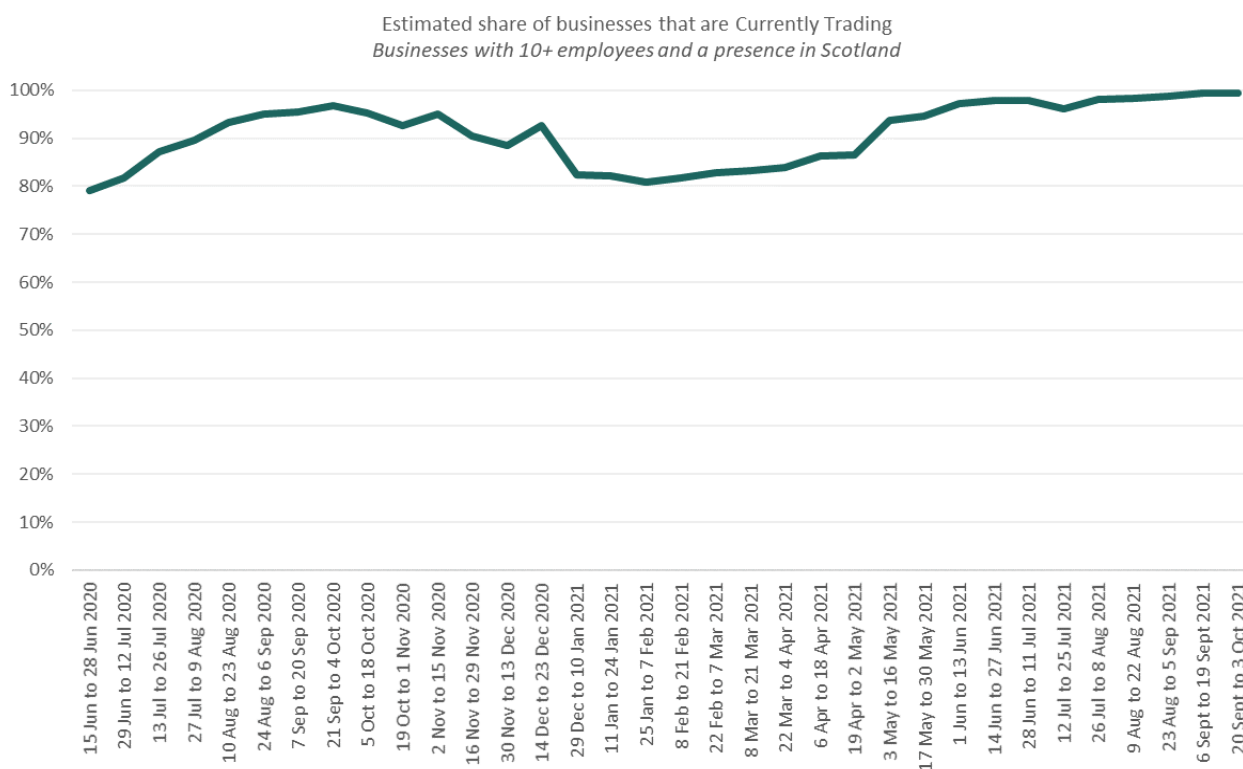
The BICS asks businesses about their trading status: the specific question³ asked is shown below. Businesses were asked for their current trading status at the time of completion of the survey questionnaire (20 September to 3 October 2021 in Wave 40).

Trading Status Question: Which of the following statements best describes your business's trading status?

- Currently trading and has been for more than the last two weeks
- Started Trading within the last two weeks after a pause in trading
- Paused trading but intends to restart in the next two weeks
- Paused trading and does not intend to restart in the next two weeks
- Has permanently ceased trading

'Currently trading and has been for more than the last two weeks', and 'Started trading within the last two weeks after a pause in trading' have been combined to 'Currently Trading'.

Figure 1: In the period 20 September to 3 October 2021, the share of businesses 'currently trading' was estimated at 99.5% - up from 99.4% in the previous period and the highest rate since comparable estimates began in June 2020.

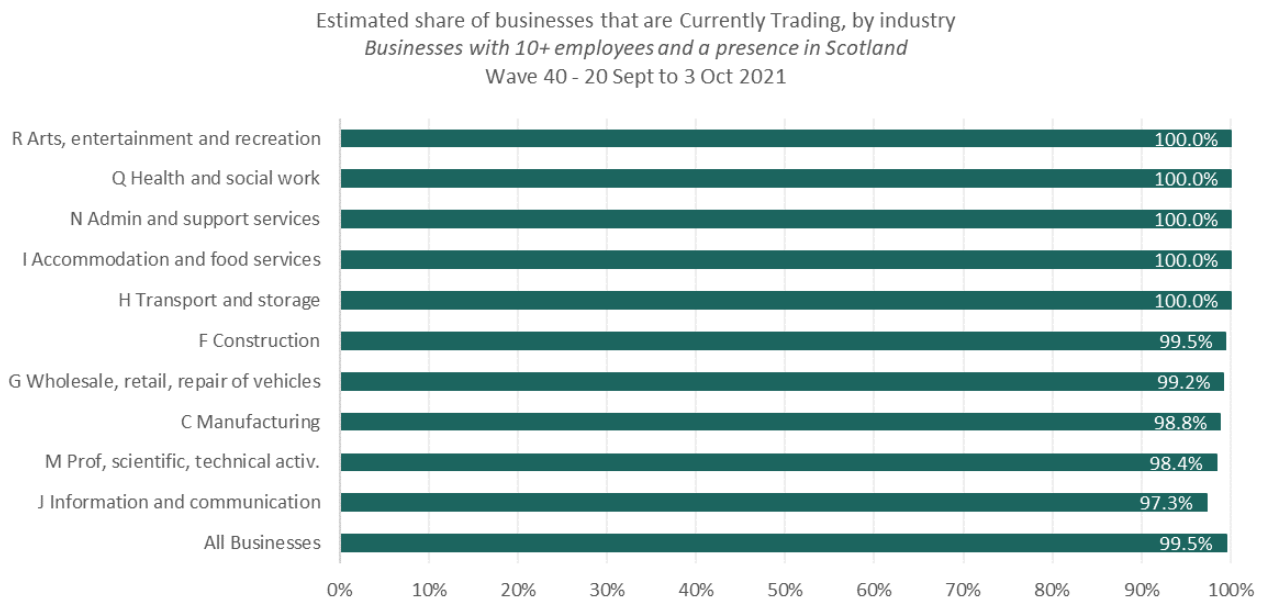


Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 7 to Wave 40

³ The ONS publishes all the questions for each wave at:

<https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/articles/businessimpactofcovid19surveyquestions/previousReleases>

Figure 2: All businesses in the Arts, Entertainment & Recreation and Accommodation & Food Services industry sectors were 'currently trading'.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 40

It should be noted that those businesses not currently trading may be less likely to respond to requests to complete the survey and, therefore, that these numbers may be an overestimate.

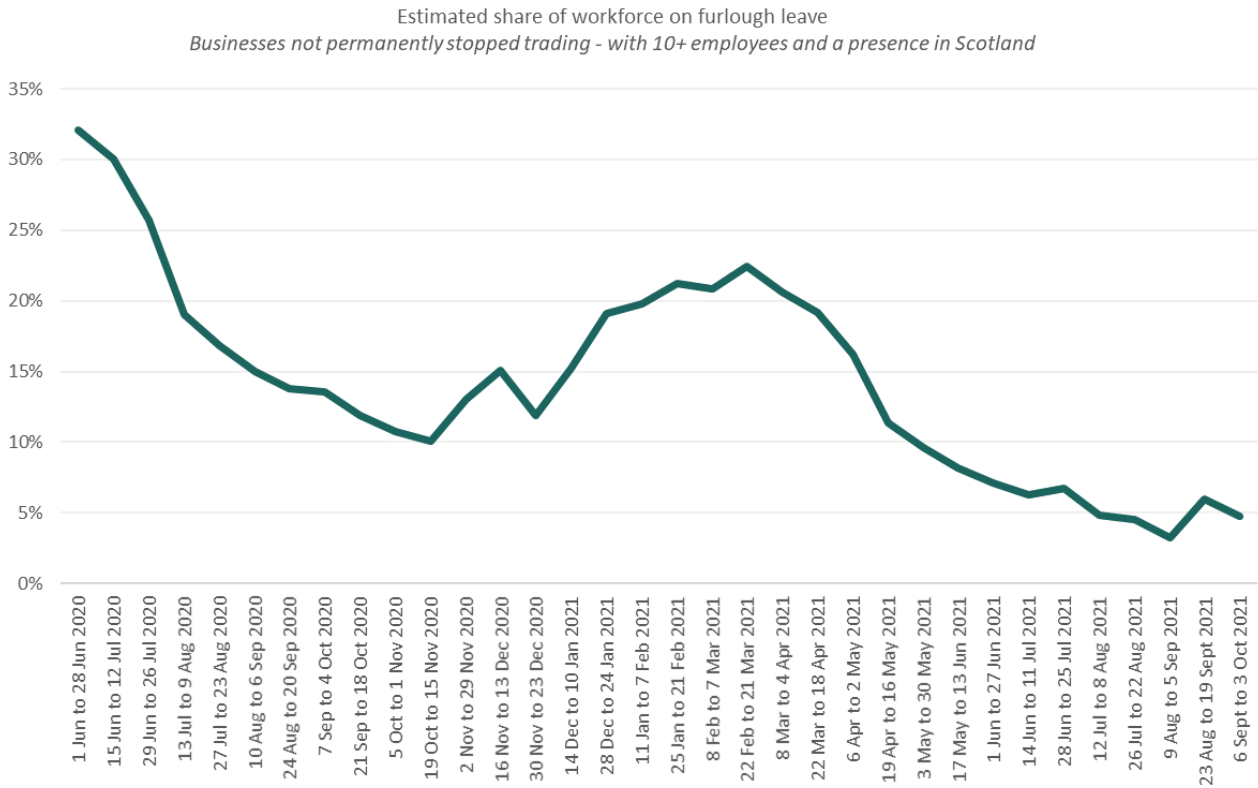
Workforce Status

The BICS asks businesses that have not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading'), about the status of their workforce - the specific question asked is shown below. Note that businesses were asked about the status of their workforce in the last two weeks and so responses will be from the time of completion of the survey questionnaire (20 September to 3 October 2021 for Wave 40) with the full question reference period (looking back at the last two weeks) covering 6 September to 3 October 2021 for Wave 40.

Workforce Status Question: In the last two weeks, approximately what percentage of your business's workforce were:

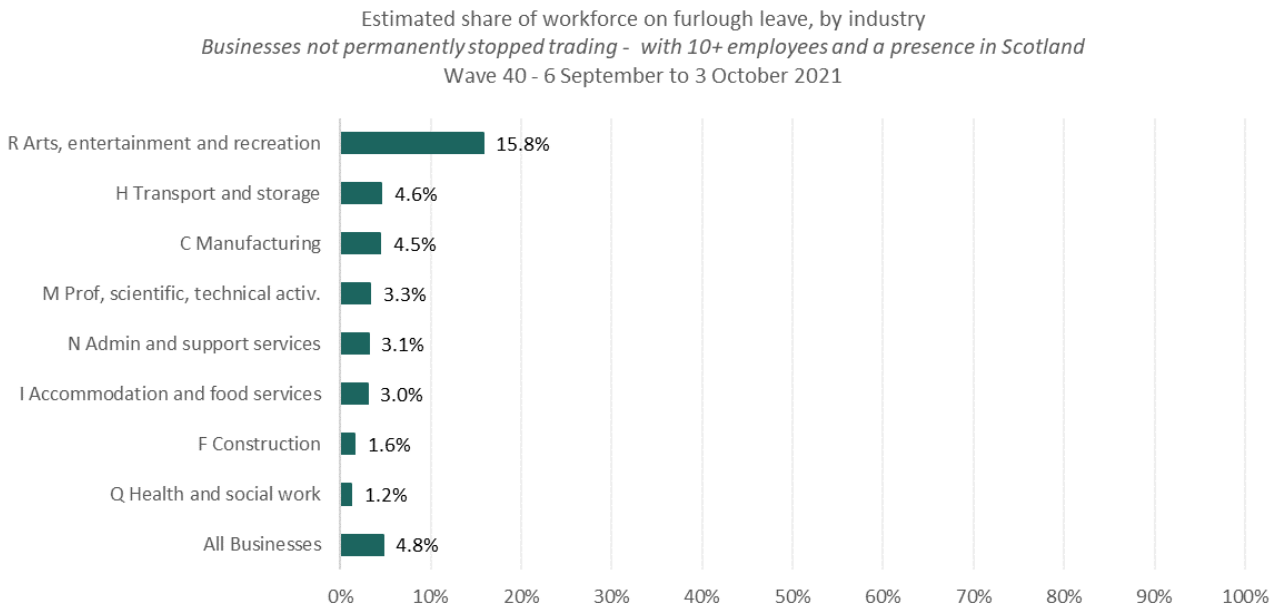
- On furlough leave
- Mainly working at the same place they were working before the pandemic
- Mainly working from home, instead of where they were working before the pandemic
- Made permanently redundant
- On sick leave or not working due to coronavirus (COVID-19) symptoms, self-isolation or quarantine
- Other

Figure 3: The share of the workforce on furlough leave was estimated at 4.8% in the period 6 September to 3 October 2021 – down from 5.9% in the previous period.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 7 to Wave 40

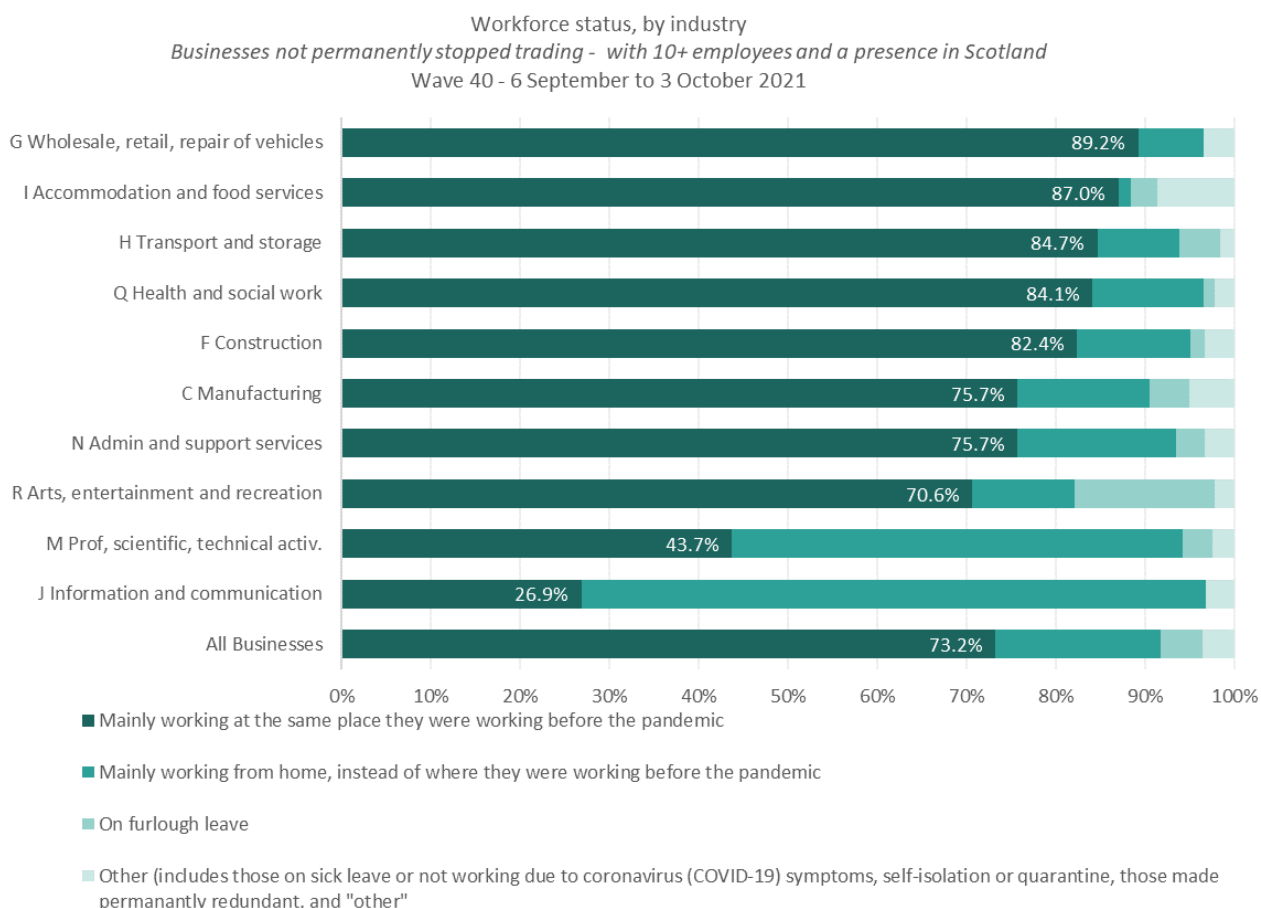
Figure 4: In the latest period, the Arts, Entertainment & Recreation industry sector continued to have the highest share of the workforce on furlough leave - estimated at 15.8%.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 40

In Wave 40, businesses were asked whether they have furloughed any of their workforce since the start of the coronavirus (Covid-19) pandemic. Of businesses not permanently stopped trading, 81.5% reported that they have furloughed their workforce during the pandemic. At 99.1% and 92.6% respectively, the Arts, Entertainment & Recreation and Construction industry sectors had the highest shares of businesses reporting that they have furloughed any of their workforce since the start of the pandemic.

Figure 5: The share of the workforce that are mainly working at their pre-pandemic place of work was lowest in the Information and Communication (26.9%) and Professional, Scientific and Technical Activities (43.7%) sectors - reflecting the high share of remote working in these sectors. In contrast, 89.2% of the Wholesale, Retail, Repair of Vehicles workforce were mainly working at their previous place of work.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 40

The BICS asks businesses that have not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading'), about changes to their workforce status in the next two weeks. In Wave 40, businesses reported that 2.7% of the workforce will move from fully homeworking to a hybrid model of working, 3.4% will move from homeworking back fully to where they were working before the pandemic and 2.0% will move from full or partial furlough back to where they worked before the pandemic in the next two weeks.

Vacancies

In Wave 40, businesses were asked about how difficult it has been to fill vacancies in the last month compared to normal expectations. Of businesses not permanently stopped trading, 44.0% reported that vacancies were more difficult to fill in the last month compared with normal expectations for this time of year – up from 40.2% in Wave 38. At 63.7% and 60.7% respectively, the Accommodation & Food Services and Arts, Entertainment & Recreation industry sectors had the highest shares of businesses reporting that vacancies were more difficult to fill.

EU workforce

In Wave 40, businesses were asked about how the number of workers from within the European Union (EU) had changed, compared with normal expectations for this time of year. In the period 20 September to 3 October 2021, 14.9% of businesses reported that the number of workers at their business from within the EU had decreased, with this share rising to 41.9% for businesses in the Accommodation & Food Services industry sector.

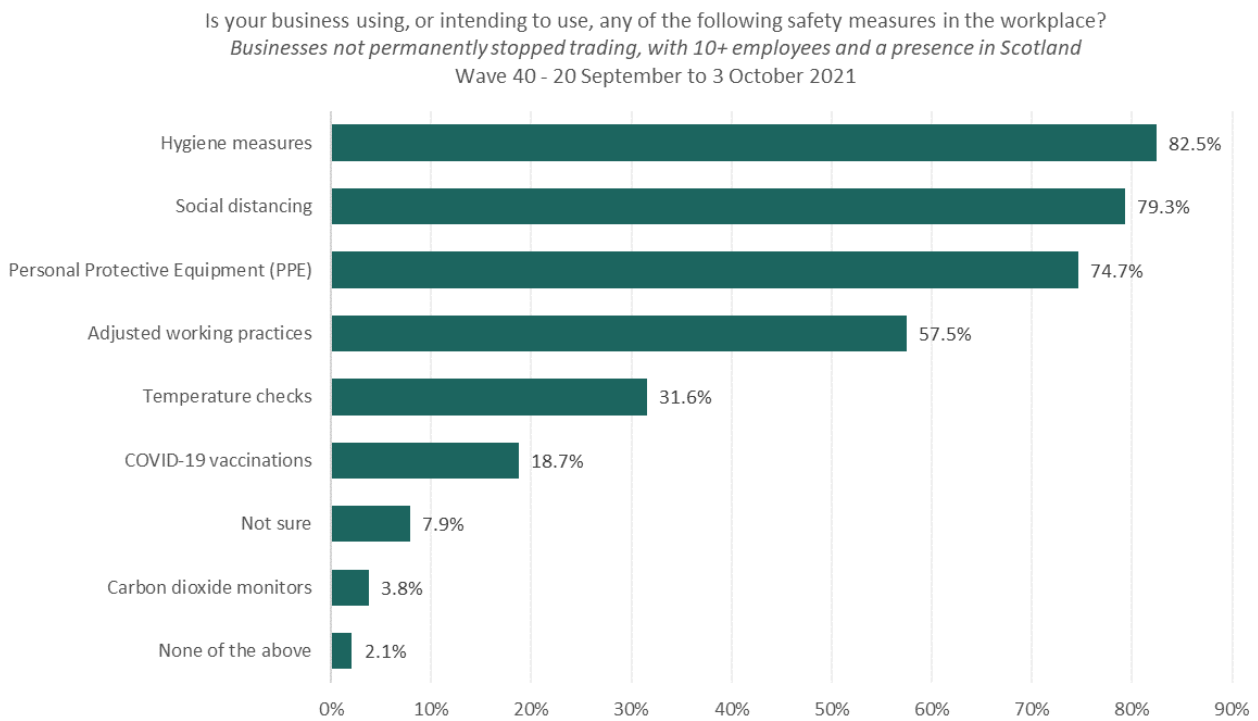
Safety Measures

The BICS asks businesses that have not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading'), whether they are using, or intending to use, any safety measures in the workplace– the specific question asked is shown below. Businesses were asked about their safety measures at the time of completion of the survey questionnaire (20 September to 3 October 2021 in Wave 40).

Safety Measures Question: Is your business using, or intending to use, any of the following safety measures in the workplace?

- Adjusted working practices
- COVID-19 vaccinations
- Hygiene measures
- Personal Protective Equipment (PPE)
- Social distancing
- Temperature checks
- Carbon dioxide monitors
- None of the above
- Not sure

Figure 6: Hygiene Measures (82.5%) Social Distancing (79.3%) and Personal Protective Equipment (PPE) (74.7%) continue to be the workplace safety measures most frequently reported by businesses in Wave 40.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 40

Financial Performance

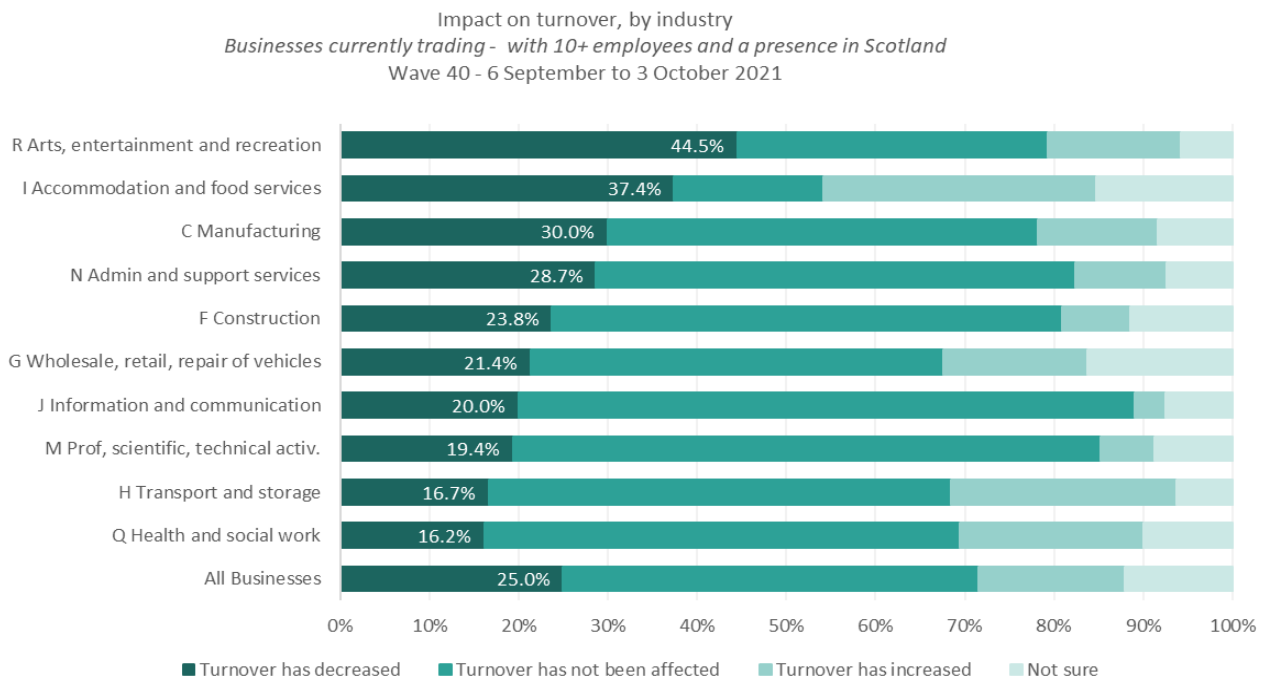
The BICS asks businesses, that are currently trading, about how turnover compares to business as usual - the specific question asked is shown below. Note that businesses were asked about the status of their turnover in the last two weeks and so responses will be from the time of completion of the survey questionnaire (20 September to 3 October 2021 for Wave 40) with the full question reference period (looking back at the last two weeks) covering 6 September to 3 October 2021 for Wave 40.

Financial Performance Question: How does turnover for the last two weeks, compare to normal expectations for this time of year?

- Turnover has increased by more than 50%
- Turnover has increased between 20% and 50%
- Turnover has increased by up to 20%
- Turnover has not been affected
- Turnover has decreased by up to 20%
- Turnover has decreased between 20% and 50%
- Turnover has decreased by more than 50%
- Not sure

For presentational purposes, increased turnover categories and decreased turnover categories have been combined. The breakdowns of these categories are available in the detailed data tables.

Figure 7: In the period 6 September to 3 October 2021, 25.0% of businesses reported a decrease in turnover compared with what is normally expected. The Arts, Entertainment & Recreation industry sector continued to have the highest share of businesses experiencing a decrease in turnover compared with what is normally expected (estimated at 44.5% in the latest period).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 40

Prices

The BICS asks businesses, that are currently trading, about how the prices of materials, goods and services bought and sold compare to normal price fluctuations - the specific questions asked are shown below. Note that businesses were asked about prices in the last two weeks and so responses will be from the time of completion of the survey questionnaire (20 September to 3 October 2021 for Wave 40) with the full question reference period (looking back at the last two weeks) covering 6 September to 3 October 2021 for Wave 40.

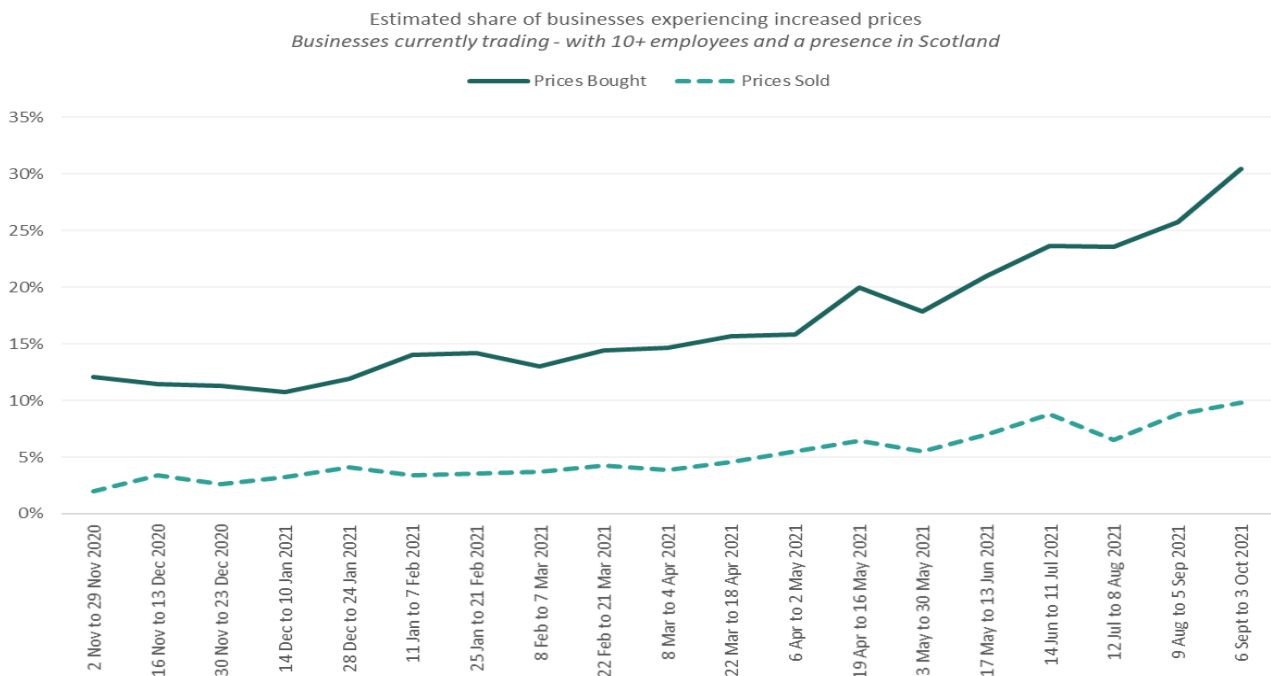
Prices Questions:

How did the prices of materials, goods or services bought by your business change in the last two weeks, compared with normal price fluctuations?

How did the prices of goods or services sold by your business change in the last two weeks, compared with normal fluctuations?

- Prices increased more than normal
- Prices decreased more than normal
- Some prices increased, some prices decreased
- Prices did not change any more than normal
- Not sure

Figure 8: In the latest period, 30.5% of currently trading businesses reported that the prices of materials, goods or services bought had increased by more than normal price fluctuations. By contrast, only 9.8% of businesses currently trading reported that they had increased the price of goods or services sold.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 18 to Wave 40

In the latest period, the industry sectors with the highest proportion of businesses reporting increases in prices of materials, goods and services bought were Construction (62.4%) and Manufacturing (47.8%).

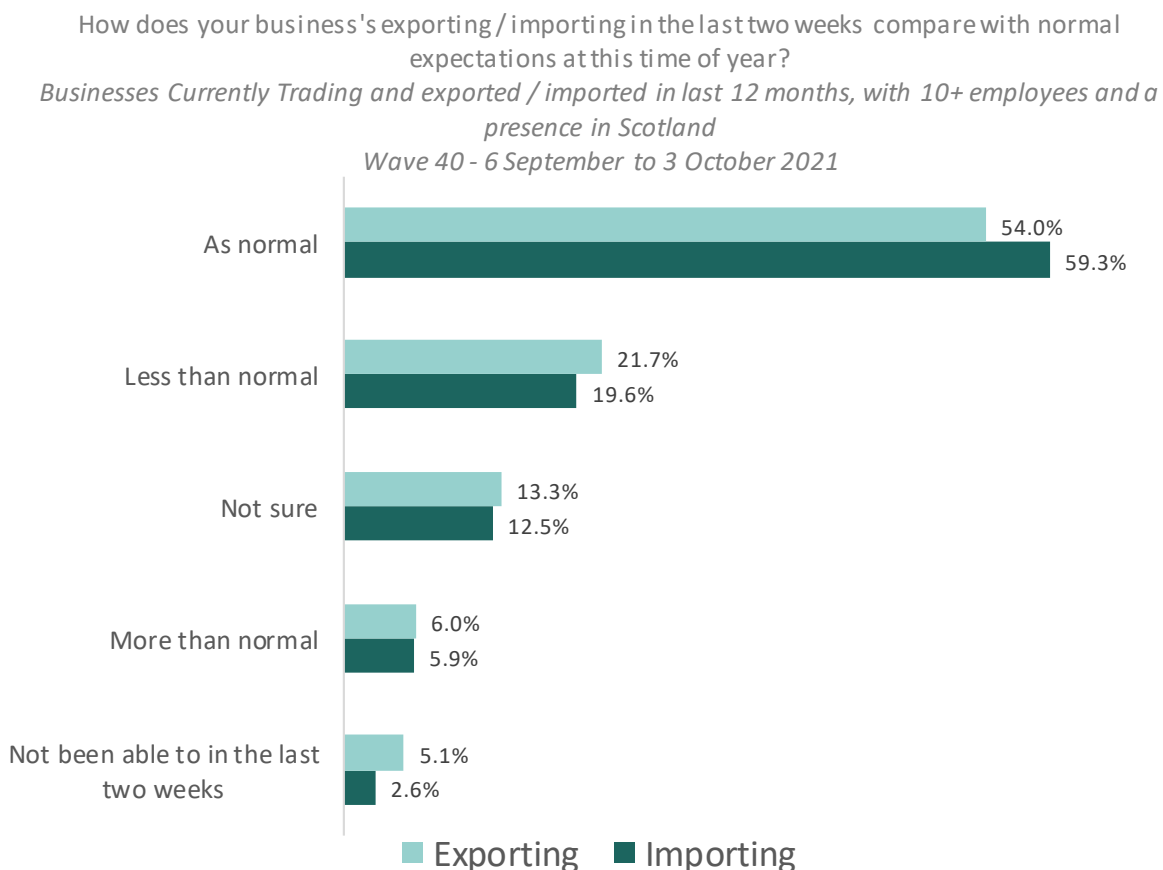
Exporting and importing challenges

The BICS asks businesses that are currently trading about how current conditions, including the end of the EU transition period, have impacted on their exporting and importing – the specific questions asked are shown below.

Question: How does your business's exporting / importing in the last two weeks compare with normal expectations for this time of year?

- Exporting / importing more than normal
- Exporting / importing as normal
- Exporting / importing, but less than normal
- Not been able to export / import in the last two weeks
- Not sure

Figure 9: In the latest period, of businesses currently trading that have exported in the last 12 months, 21.7% reported exporting less than normal, and 19.6% reported importing less than normal.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 40

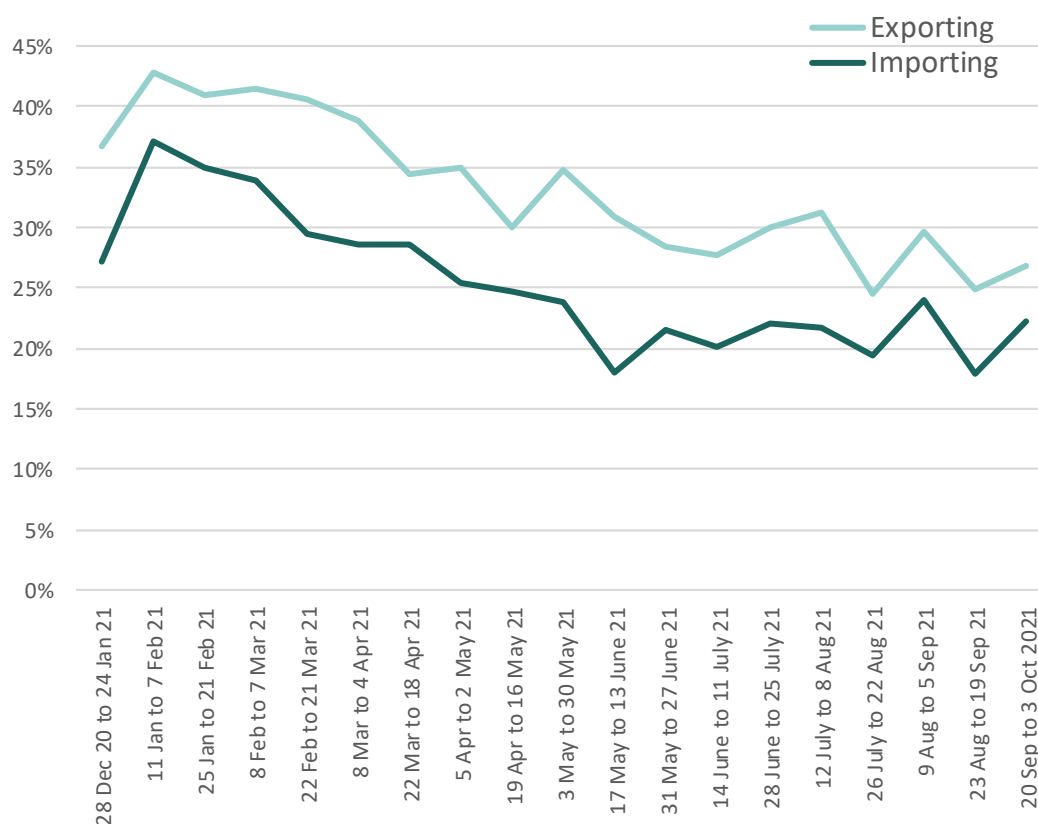
In the latest period, 54.0% of currently trading businesses reported that they exported as normal; this proportion has generally increased since the end of February (Wave 25) when

41.8% of businesses reported exporting as usual, although there has been a slight decrease since the last wave (59.6% in Wave 39). In terms of importing, 59.3% of currently trading businesses reported importing as usual in the latest period.

Figure 10: The proportion of relevant businesses that have not been exporting or have exported less than usual continues to remain lower than in early February (42.8% in Wave 23), despite a slight increase since the previous wave. Importing shows a similar trend.

Estimated % of businesses unable to export or import and/or exporting and importing less than normal over the previous two weeks

Businesses Currently Trading and exported in last 12 months, with 10+ employees and a presence in Scotland

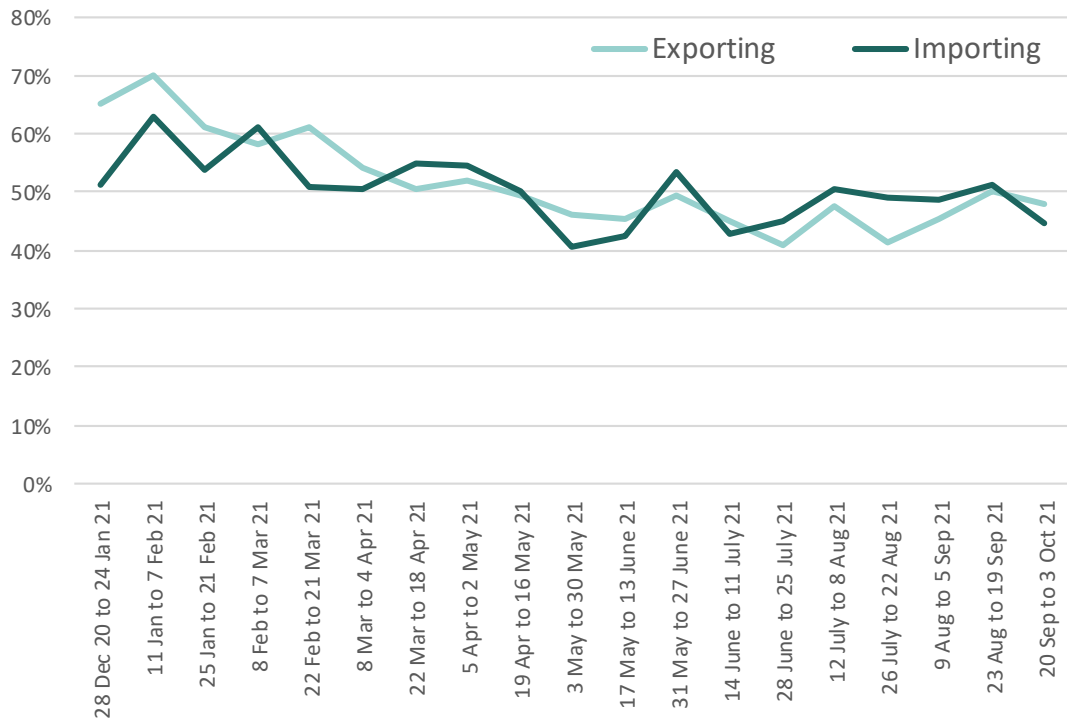


Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 40

The proportion of businesses that have reported that they have been unable to export or have been exporting less than normal has been consistently higher than for importing since the series began.

Figure 11: Despite some volatility in recent waves, the proportion of relevant businesses experiencing moderate or severe disruption to exporting has generally declined since the start of February (from 70.1% to 48.1% in early October).

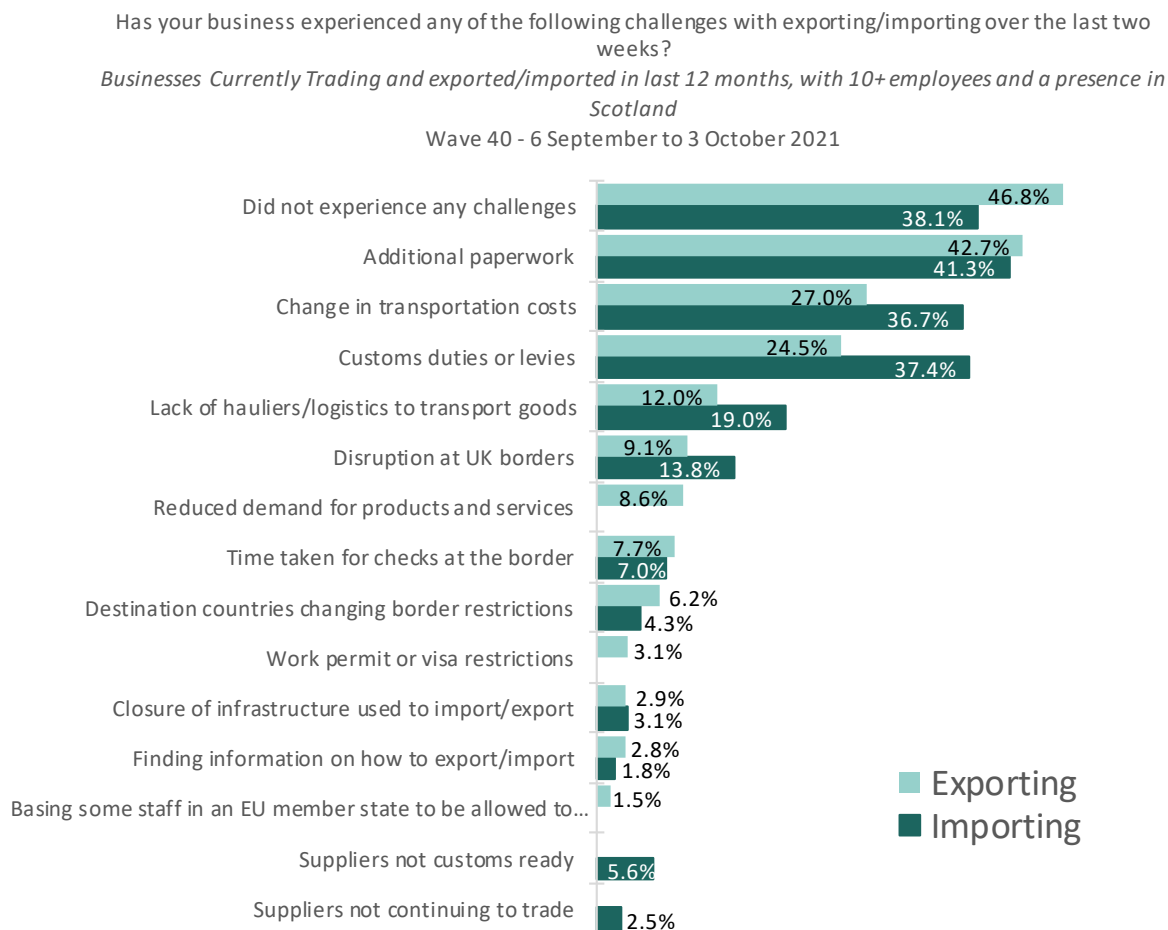
Estimated % of businesses experiencing moderate or severe disruption to exporting and importing over the previous two weeks
 Businesses Currently Trading and exported / imported in last 12 months, with 10+ employees and a presence in Scotland



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Waves 22 to 40

Currently trading businesses that have imported or exported in the last 12 months, and who reported on their exporting or importing in the last two weeks, were asked about the challenges they had experienced in doing so.

Figure 12: The most commonly reported challenge continues to be additional paperwork, with 42.7% of relevant companies reporting this as an exporting challenge and 41.3% reporting this as an importing challenge. The other main challenges were change in transportation costs and customs duties or levies. However, 46.8% of exporters and 38.1% of importers did not experience any challenges.



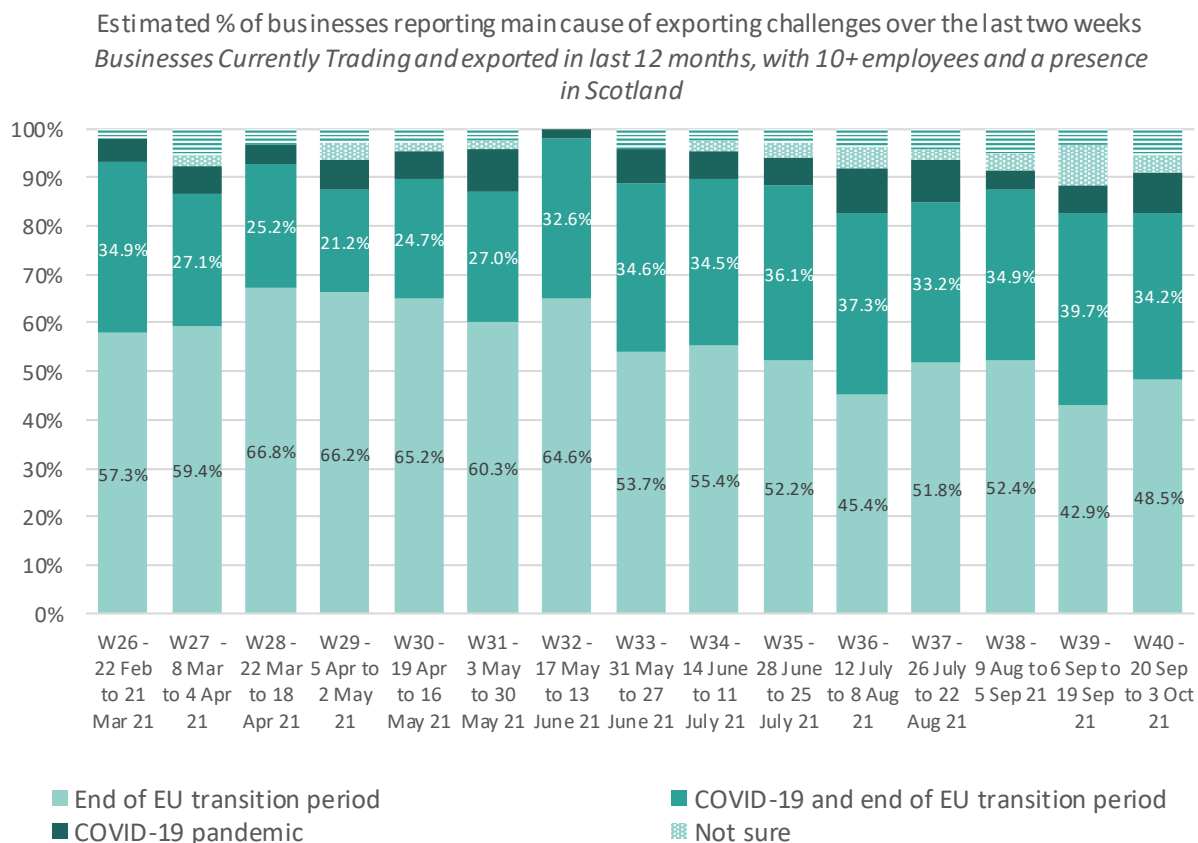
Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 40

Companies that reported experiencing challenges with exporting in the last two weeks were asked about the main cause of these challenges.

Question: What was the main cause of these exporting challenges?

- Coronavirus (COVID-19) pandemic
- End of the EU transition period
- Coronavirus (COVID-19) pandemic and the end of the EU transition period
- Other
- Not sure

Figure 13: EU exit continues to be an issue for exporting, with 48.5% of relevant companies reporting this as the main cause of their exporting challenges in the latest period, while a further 34.2% reported this combined with COVID-19. The proportion of businesses reporting the end of the EU transition period as their main exporting challenge has decreased since June (64.6% in Wave 32), although this has slightly increased since the previous wave (42.9% in Wave 39).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Waves 26 to 40

Companies also reported the end of the EU transition period as the main cause of importing challenges, with 45.4% of relevant companies reporting that EU exit was the biggest challenge to importing. Almost the same proportion again (45.1%) reported that it was a combination of EU exit and the COVID-19 pandemic.

Relevant businesses who experienced exporting challenges were also asked about support options their business has benefitted from to help with these challenges.

Question: Which of the following support options has your business benefitted from, to help with exporting challenges?

- Customs and tariffs
- Export licenses
- Financial support
- Finding new markets
- Finding new overseas contacts or customers
- Legal issues / support

- Transport and distribution
- Understanding markets and demand issues
- Information on exporting
- Other
- None of the above

Figure 14: The support options that businesses most commonly reported benefitting from were financial support (9.5%), customs and tariffs (9.4%), and information on exporting (7.3%). However, over two thirds (68.7%) of businesses did not benefit from any of these options to help with exporting challenges.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 40

When asked to choose which support options they would benefit from to help with importing challenges, around a third (33.9%) of relevant businesses selected customs and tariffs, almost a quarter (24.2%) selected transport and distribution, and 22.2% selected information on importing. However, 44.2% reported that none of the available options would benefit them.

Businesses were asked if they had changed where they exported goods or services to in the last two weeks and, as in previous waves, the majority (92.1%) of relevant exporting businesses reported making no changes. Similarly, the majority (89.4%) of relevant businesses reported making no changes to where they sourced their imports of goods and services.

An Experimental Statistics Publication for Scotland

Experimental statistics are a subset of newly developed or innovative statistics undergoing evaluation. They are published to involve users and stakeholders in the assessment of their suitability and quality at an early stage.

The Office for Statistics Regulation publishes guidance on experimental statistics [here](#). The Scottish Government is developing these estimates on an ongoing basis, and is grateful to the ONS which has shared the BICS data.

We welcome any feedback on the development of these statistics, using the contact details below.

Correspondence and enquiries

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