

BUSINESS AND ENERGY

Business Impact of Coronavirus (COVID-19) Survey (BICS) Weighted Scotland Estimates - Data to Wave 17

26 November 2020

This is the fifth publication of weighted Scotland estimates using the Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey (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

- The share of businesses 'currently trading' was estimated at 95.0% in the period 2 November to 15 November 2020 - up from 92.7% in the previous fortnight.¹
- In the period 2 November to 15 November 2020, the Accommodation & Food Services industry sector had the lowest share of businesses trading at 76.7%, up from 61.8% in the previous fortnight. This reflects changes in restrictions across Scotland, where the temporary measures (which included the closure of licensed premises, in the central belt, over the period 9 October to 2 November)² were replaced by Scotland's five-level Strategic Framework.³
- The share of the workforce on furlough leave was estimated at 10.1% in the period 19 October to 15 November 2020. This rate varied by industry sector – with markedly higher rates for Accommodation & Food Services (estimated at 36.4%) and Arts, Entertainment & Recreation (estimated at 26.4%).
- In the latest period, the Accommodation & Food Services industry sector had the highest share of businesses with no or low confidence that their business would survive the next three months.

¹ 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.

²<https://www.gov.scot/publications/coronavirus-covid-19-additional-measures-october-2020/>

<https://www.gov.scot/publications/coronavirus-covid-19-temporary-restrictions-update-21-october-2020/>

³<https://www.gov.scot/news/scotlands-strategic-framework/>

Introduction

The Office for National Statistics' (ONS') Business Impact of Coronavirus (COVID-19) Survey (BICS) is a new voluntary fortnightly business survey, which captures businesses' responses on how their turnover, workforce, prices, trade and business resilience have been affected.

Currently, the [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. 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 microdata⁴, 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 10,377 businesses responded to the Wave 17 BICS UK-wide – 1,502 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 1,389 responding businesses in Wave 17. 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'.

⁴ The BICS microdata can be accessed, by accredited researchers, via the [Secure Research Service \(SRS\)](#).

Trading Status

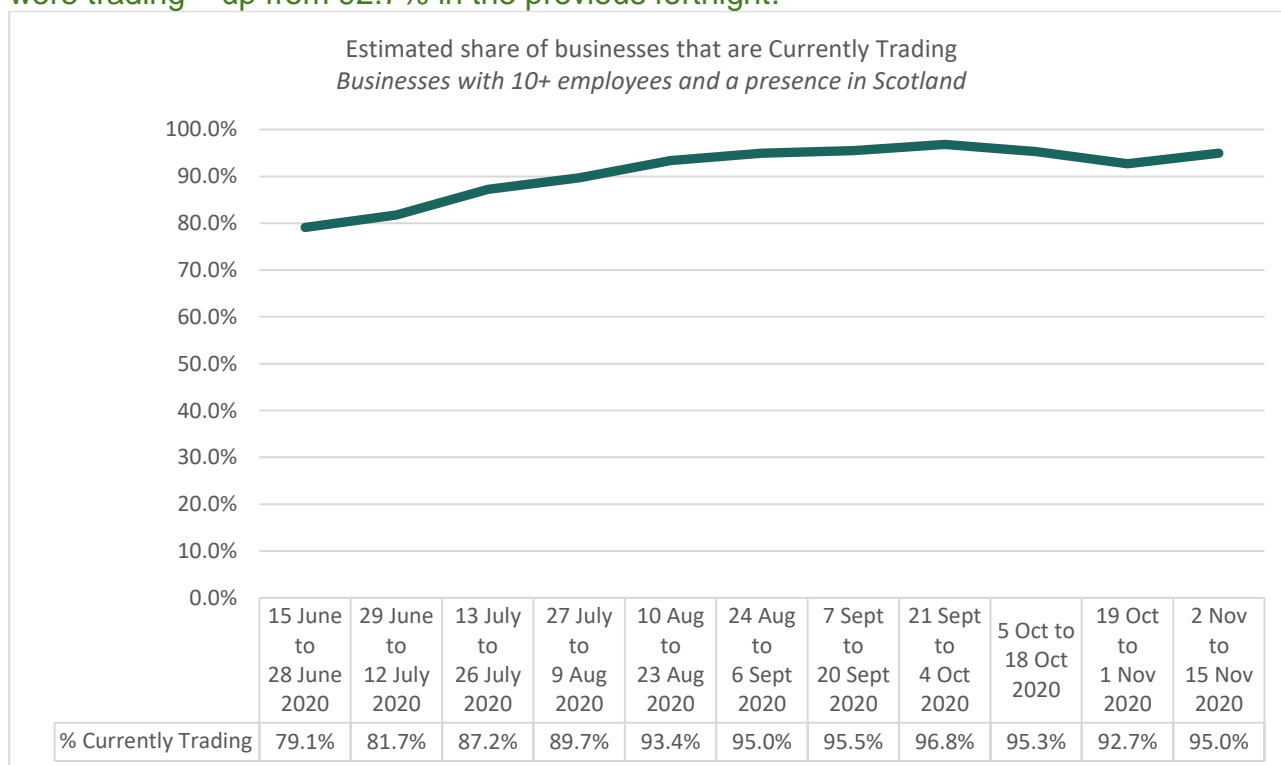
The BICS asks businesses about their trading status: the specific question⁵ asked is shown below. Note that businesses were asked for their current trading status and so responses will be from the time of completion of the survey questionnaire (2 November to 15 November 2020 in Wave 17).

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

For presentational purposes, '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'. 'Paused trading but intends to restart in the next two weeks', and 'Paused trading and does not intend to restart in the next two weeks' have been combined to 'Paused Trading'. The breakdowns of these categories are available in the detailed data tables.

Figure 1: In the period 2 November to 15 November, an estimated 95.0% of businesses were trading – up from 92.7% in the previous fortnight.

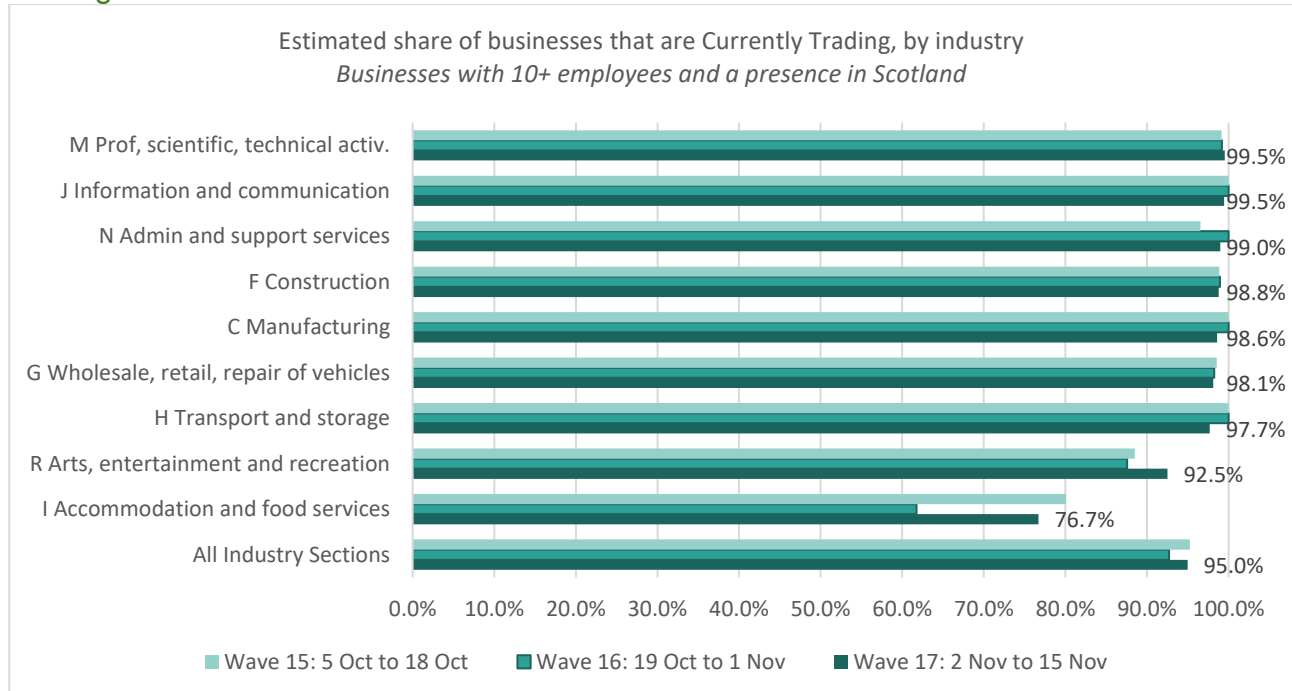


Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey – Weighted Scotland Estimates – Wave 7 to Wave 17

⁵ The ONS publishes all the questions for each wave at:

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

Figure 2: In the period 2 November to 15 November 2020, the Accommodation & Food Services industry sector had the lowest share of businesses trading at 76.7%, up from 61.8% in the previous fortnight. This reflects changes in restrictions across Scotland, where the temporary measures (which included the closure of licensed premises, in the central belt, over the period 9 October to 2 November)⁶ were replaced by the five-level Strategic Framework.⁷



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey – Weighted Scotland Estimates – Wave 15, Wave 16 and Wave 17

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 (2 November to 15 November 2020 for Wave 17) but can stretch back two weeks before this, and so the full question reference period is 19 October to 15 November 2020 for Wave 17.

⁶<https://www.gov.scot/publications/coronavirus-covid-19-additional-measures-october-2020/>
<https://www.gov.scot/publications/coronavirus-covid-19-temporary-restrictions-update-21-october-2020/>

⁷<https://www.gov.scot/news/scotlands-strategic-framework/>

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

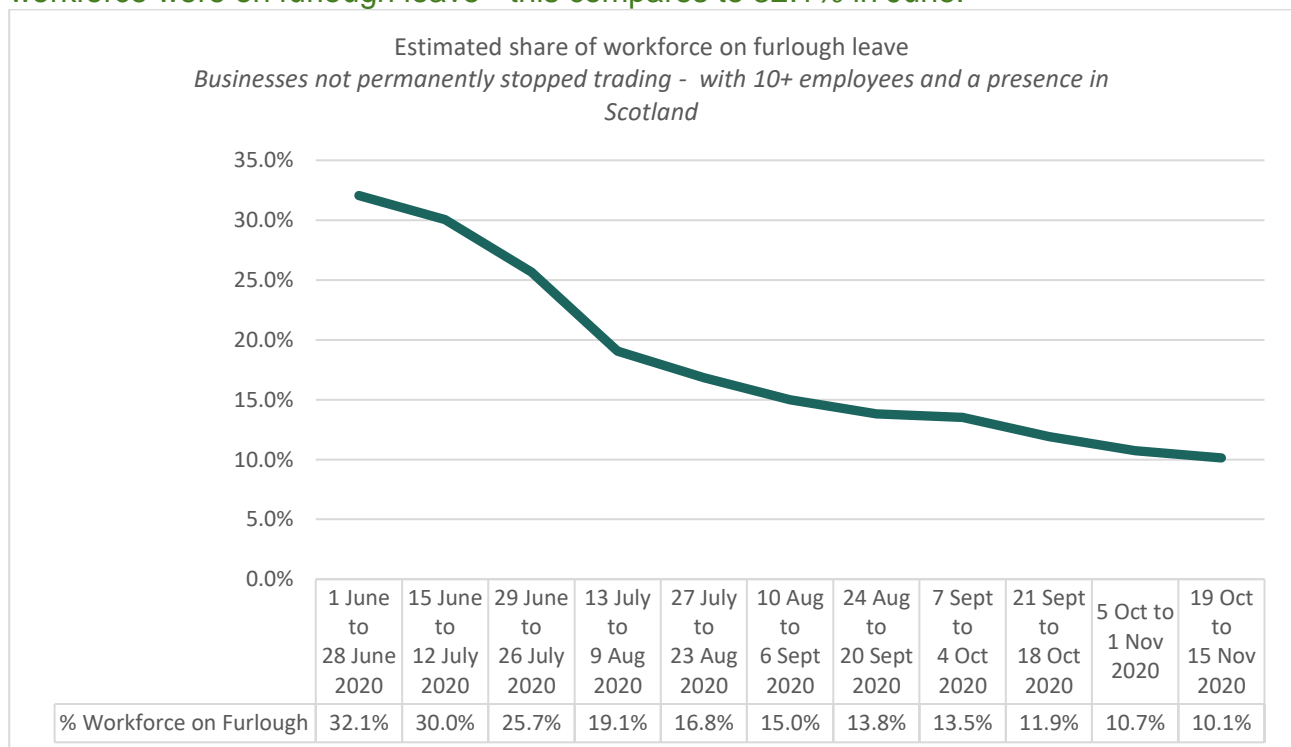
- On furlough leave
- Working at their normal place of work
- Working remotely instead of at their normal place of work
- Off sick or in self-isolation due to coronavirus (COVID-19)
- Made permanently redundant

In this report we focus on the furlough leave and working remotely responses, but all the breakdowns are available in the detailed data tables.

There are different ways that we can analyse the furlough leave response. One way to look at it is to estimate the share of businesses that have any of their workforce on furlough leave – an estimated 47.4% of businesses that were currently trading had some share of their workforce on furlough leave in the period 19 October to 15 November 2020. This share increases to 49.3% when we widen the base out to all businesses that have not permanently stopped trading (i.e. those ‘Currently Trading’ or ‘Paused Trading’).

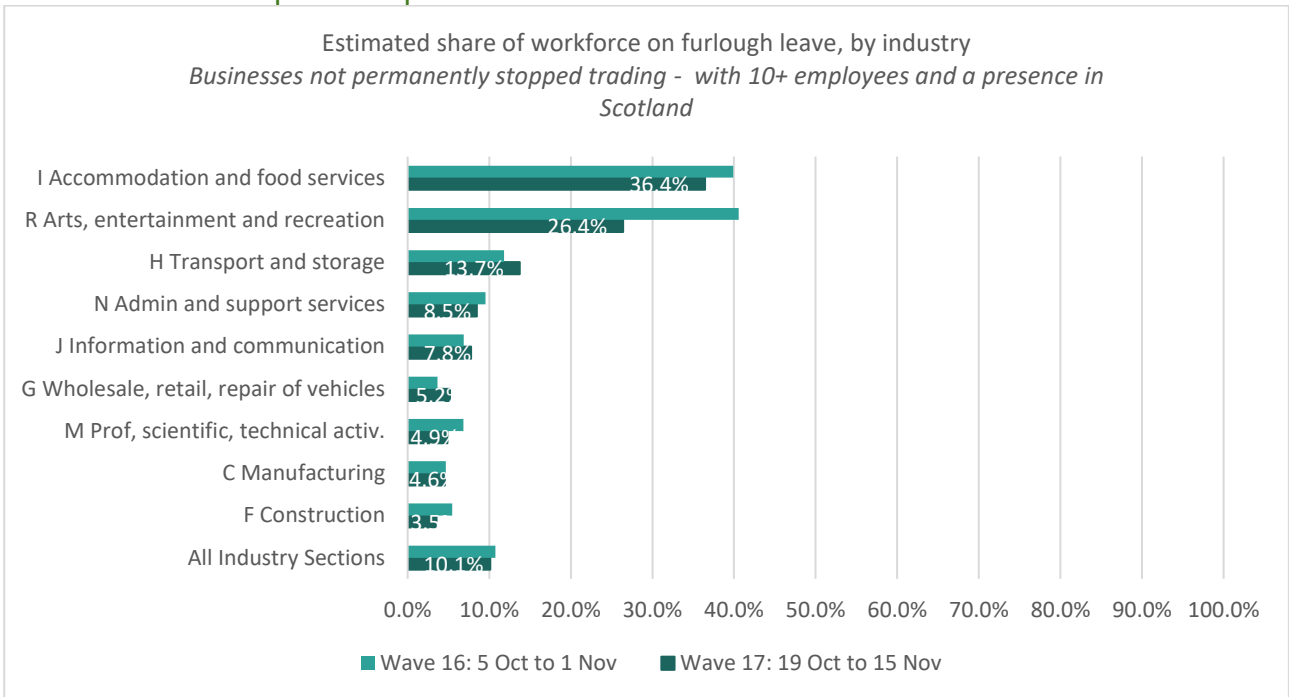
Another way to consider the workforce status question is to look at the share of the workforce that is furloughed. The workforce proportions are based on the responses provided by businesses. These are then applied to employment (in Scottish units) recorded for each reporting unit on the [Inter-Departmental Business Register \(IDBR\)](#). Then the data are weighted to ensure representativeness of the Scottish workforce in businesses with 10+ employees.

Figure 3: In the period 19 October to 15 November 2020, an estimated 10.1% of the workforce were on furlough leave - this compares to 32.1% in June.



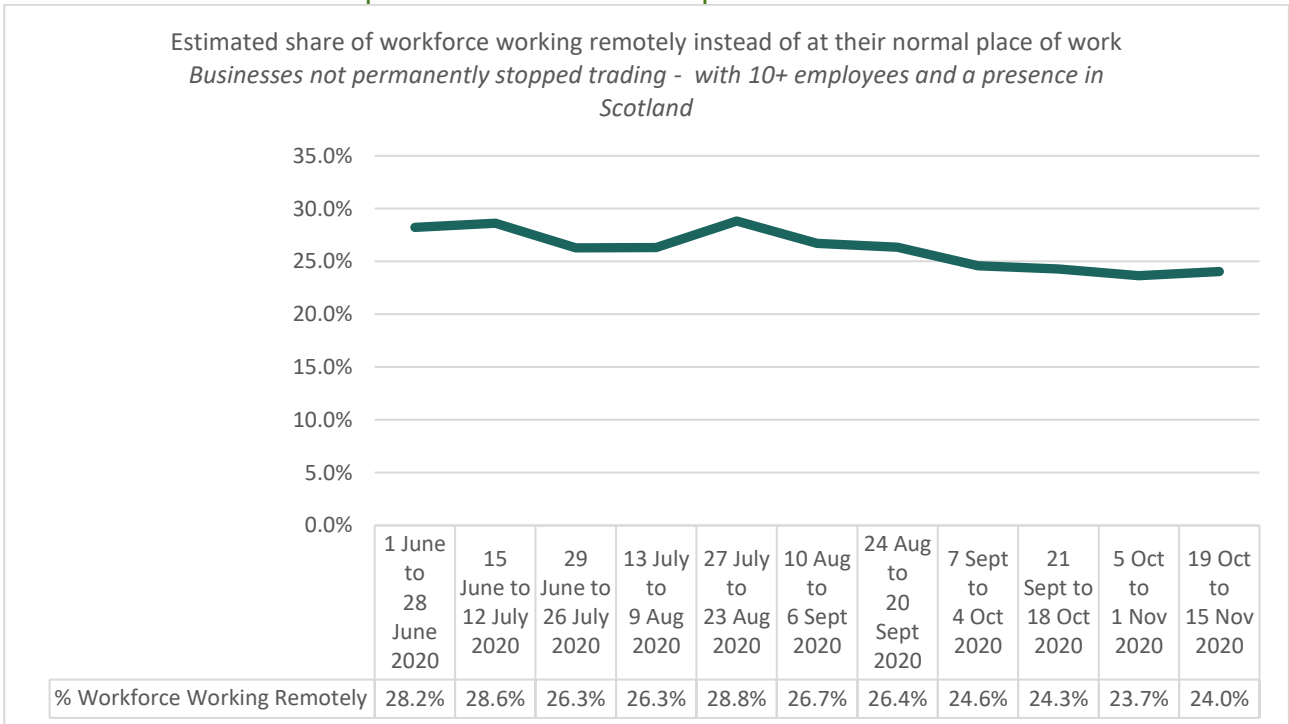
Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey – Weighted Scotland Estimates – Wave 7 to Wave 17

Figure 4: In the period 19 October to 15 November 2020, the Accommodation & Food Services industry sector had the highest share of workforce on furlough leave (36.4%), down from 39.9% on the previous period.



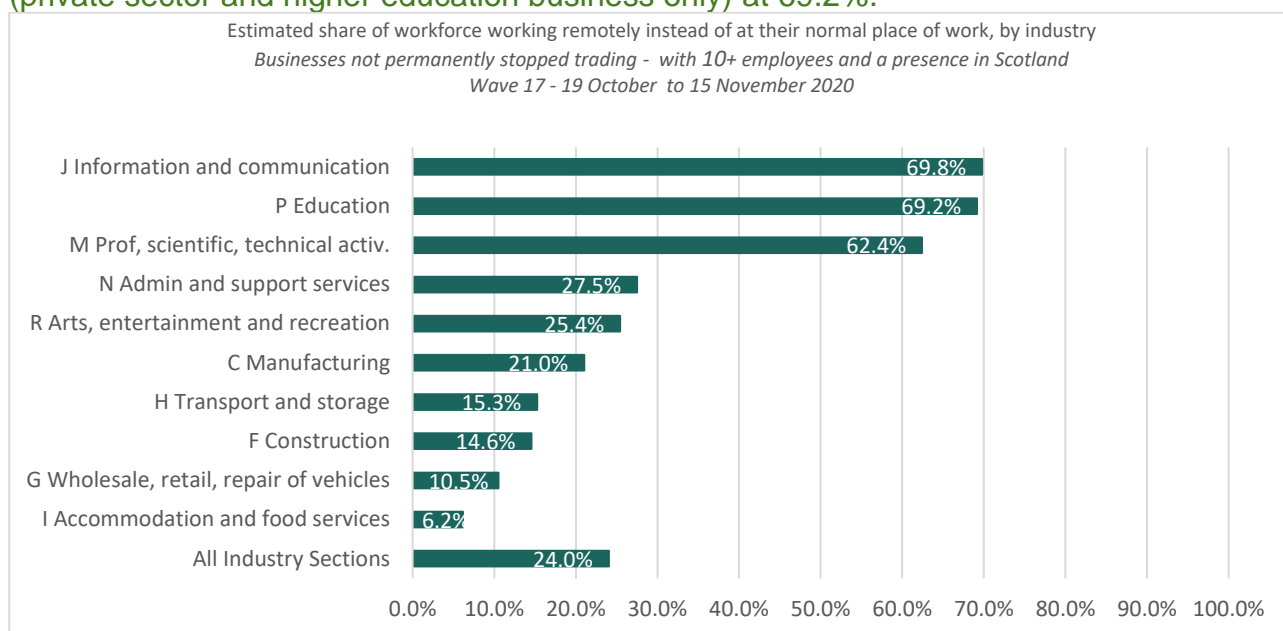
Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey – Weighted Scotland Estimates – Wave 16 and Wave 17

Figure 5: In the latest period, an estimated 24.0% of the workforce were working remotely instead of at their normal place of work - this compares to 28.2% in June.



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey – Weighted Scotland Estimates – Wave 7 to Wave 17

Figure 6: In the latest period, the Information & Communication industry sector had the highest share of workforce working remotely (69.8%). This was followed by Education (private sector and higher education business only) at 69.2%.



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey – Weighted Scotland Estimates – Wave 17

Financial Performance

The BICS asks businesses, that are currently trading, about how the COVID-19 pandemic has affected the business turnover compared to business as usual - the specific question asked is shown below. Note that businesses were asked about their experiences from the time of completion of the survey questionnaire (2 November to 15 November 2020 for Wave 17) but can stretch back two weeks before this, and so the full question reference period is 19 October to 15 November 2020 for Wave 17.

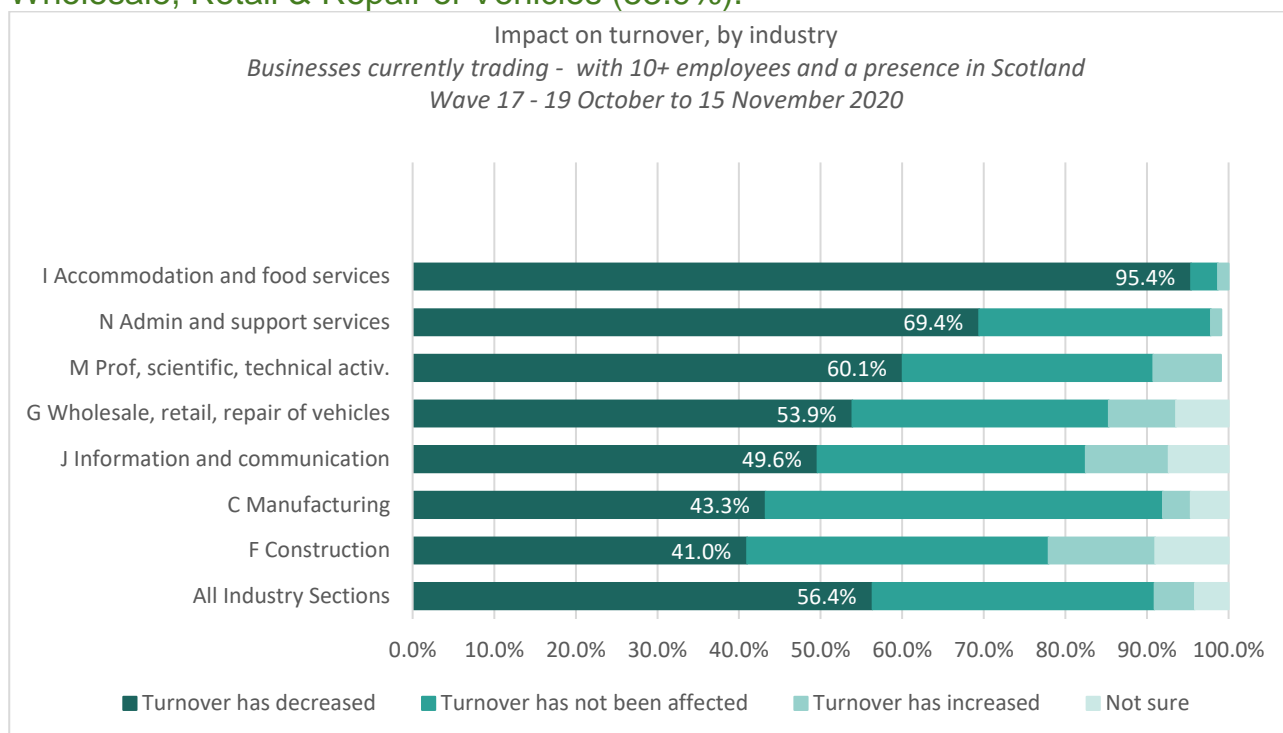
Financial Performance Question: In the last two weeks, how has the COVID-19 pandemic affected your business’s turnover, compared to what is normally expected for this time of year?:

- Turnover has increased by more than 50%
- Turnover has increased between 20% and 50%
- Turnover has increased 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.

Note that in Wave 17 there was a data collection issue whereby questions weren't always properly routed. Questions routed solely to 'currently trading businesses' were affected, reducing the sample size (and therefore the robustness) of responses to such questions. The Financial Performance questions in Wave 17 are impacted by this issue.

Figure 7: In the latest period, there were four industries where more than half of businesses experienced a decrease in turnover compared with what is normally expected for this time of year. These were Accommodation & Food Services (95.4%), Administrative & Support Services (69.4%), Professional, Scientific & Technical Activities (60.1%) and Wholesale, Retail & Repair of Vehicles (53.9%).



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey – Weighted Scotland Estimates – Wave 17

Business Resilience

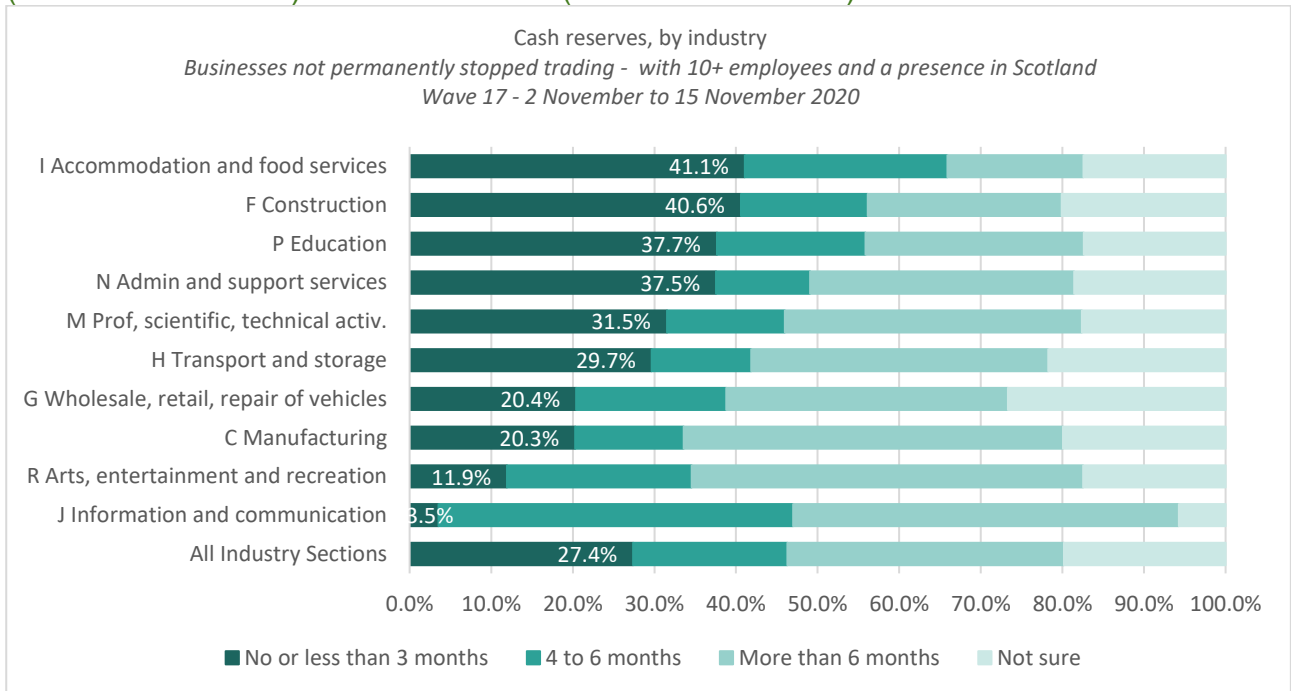
The BICS asks businesses, that had not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading'), about their cash flow - the specific question asked is shown below. Note that businesses were asked about cash flow from the time of completion of the survey questionnaire (2 November to 15 November 2020 for Wave 17).

Question: How long do you think your business's cash reserves will last?:

- No cash reserves
- Less than 1 month
- 1 to 3 months
- 4 to 6 months
- More than 6 months
- Not sure

For presentational purposes, cash reserve categories less than three months have been combined. The breakdowns of these categories are available in the detailed data tables.

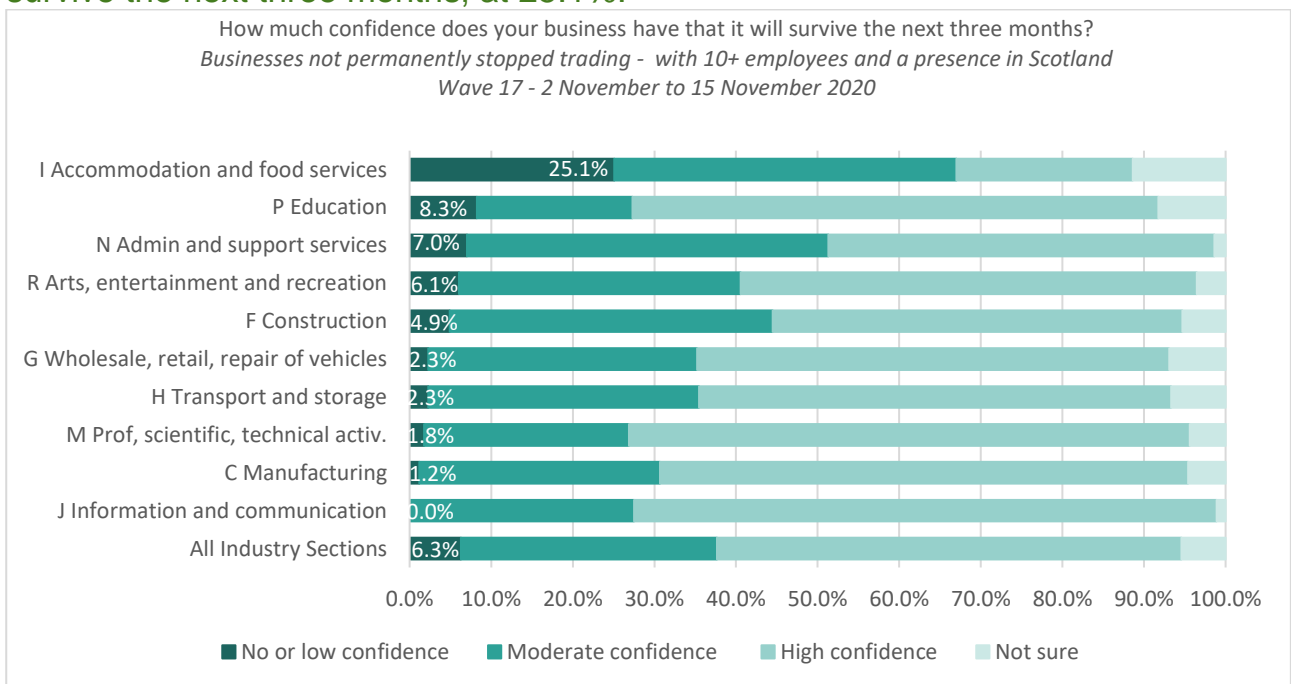
Figure 8: In the latest period, 27.4% of businesses reported they had no or less than three months cash reserves. With the highest rates for Accommodation & Food Services (estimated at 41.1%) and Construction (estimated at 40.6%).



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey – Weighted Scotland Estimates – Wave 17

In Wave 17, businesses that had not permanently stopped trading were also asked how much confidence they had that they would survive the next three months.

Figure 9: In the latest period, the Accommodation & Food Services industry sector had the highest share of businesses with no or low confidence that their business would survive the next three months, at 25.1%.



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey – Weighted Scotland Estimates – Wave 17

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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Complaints and suggestions

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