

BUSINESS AND ENERGY

Business Insights and Conditions Survey (BICS) Weighted Scotland Estimates - Data to Wave 38

17 September 2021

This is the 26th 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 23 August to 5 September 2021, the share of businesses 'currently trading' was estimated at 98.7% - up from 98.4% in the previous period and the highest rate since comparable estimates began in June 2020.
- The Arts, Entertainment & Recreation industry sector continued to have the lowest share of businesses 'currently trading' - estimated at 95.2%.
- The share of the workforce on furlough leave was estimated at 3.3% in the period 9 August to 5 September 2021 – down from 4.5% in the previous period and the lowest rate since comparable estimates began in June 2020.
- In the latest period, the Arts, Entertainment & Recreation industry sector continued to have the highest share of the workforce on furlough leave - estimated at 19.8%.
- In the period 9 August to 5 September 2021, 27.1% of businesses reported a decrease in turnover compared with what is normally expected - the lowest percentage recorded since comparable estimates began in June 2020. There was one industry sector where more than half of trading businesses experienced a decrease in turnover compared with what is normally expected – Arts, Entertainment & Recreation (estimated at 56.1%).
- In the latest period, of businesses currently trading that have exported in the last 12 months, 27.3% reported exporting less than normal, and 22.4% 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 8,153 businesses responded to the Wave 38 BICS UK-wide – 1,118 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 1,028 responding businesses in Wave 38. 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

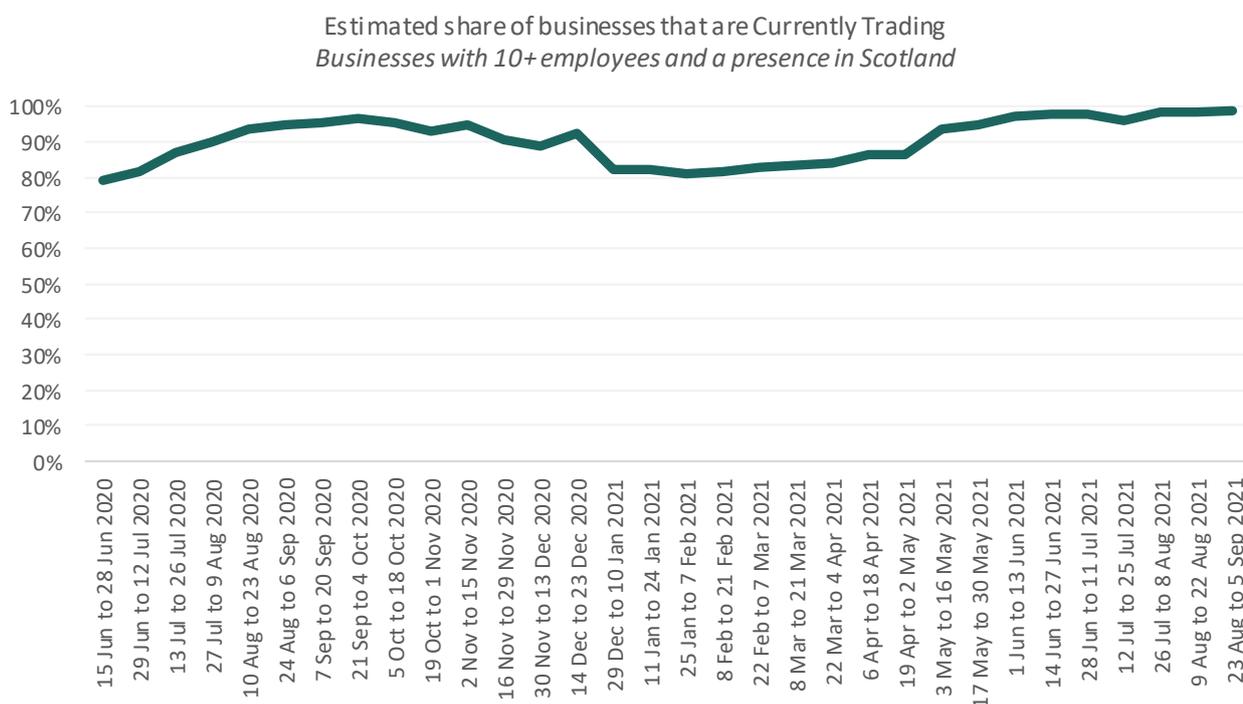
The BICS asks businesses about their trading status: the specific question³ asked is shown below. Businesses were asked for their current trading status at the time of completion of the survey questionnaire (23 August to 5 September 2021 in Wave 38).

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 23 August to 5 September 2021, the share of businesses 'currently trading' was estimated at 98.7% - up from 98.4% in the previous period and the highest rate since comparable estimates began in June 2020.

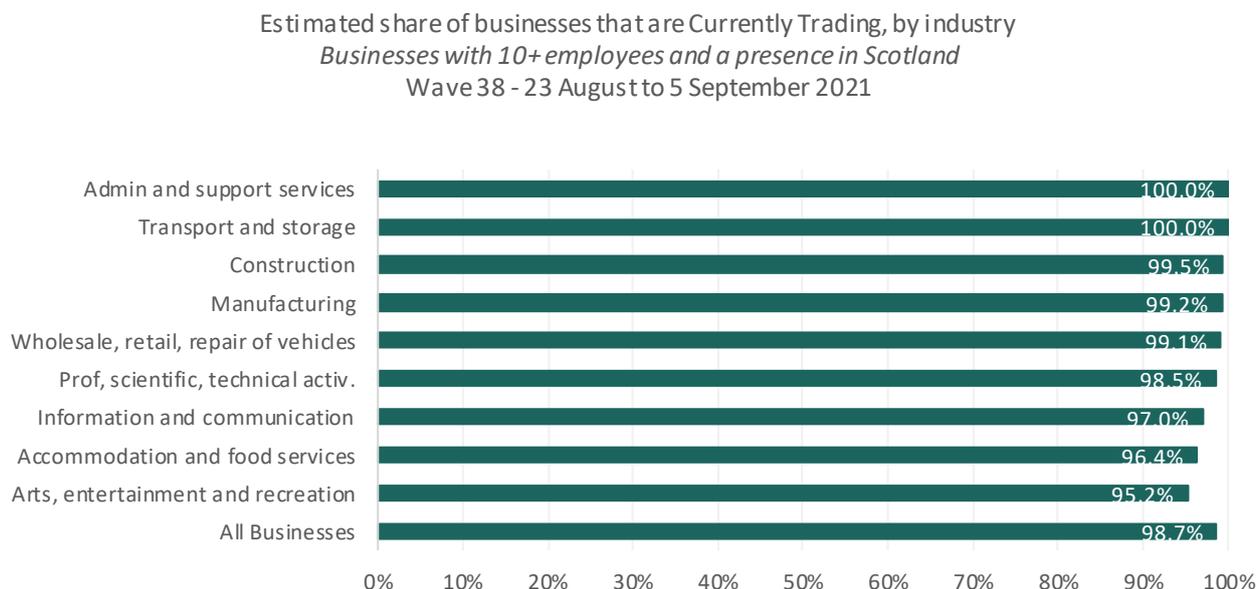


Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 7 to Wave 38

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

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

Figure 2: The Arts, Entertainment & Recreation industry sector continued to have the lowest share of businesses 'currently trading' - estimated at 95.2%.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 38

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.

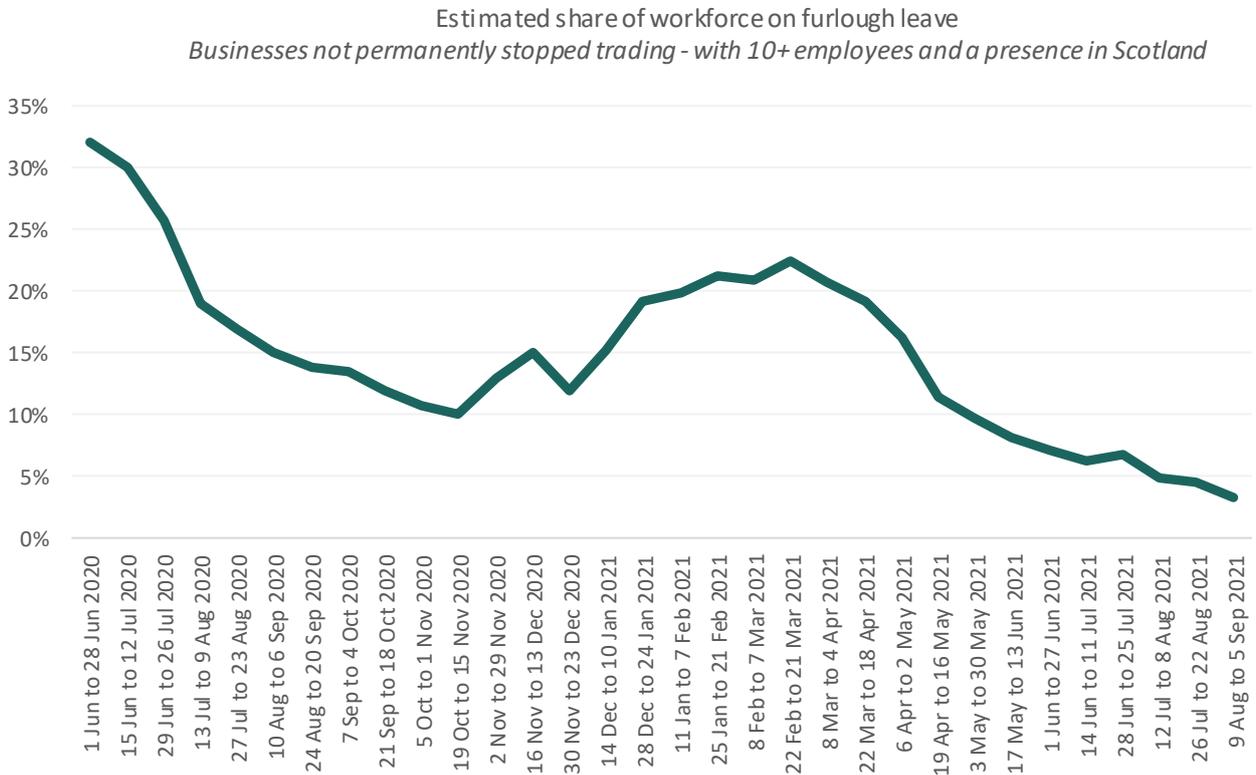
Workforce Status

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 (23 August to 5 September 2021 for Wave 38) with the full question reference period (looking back at the last two weeks) covering 9 August to 5 September 2021 for Wave 38.

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

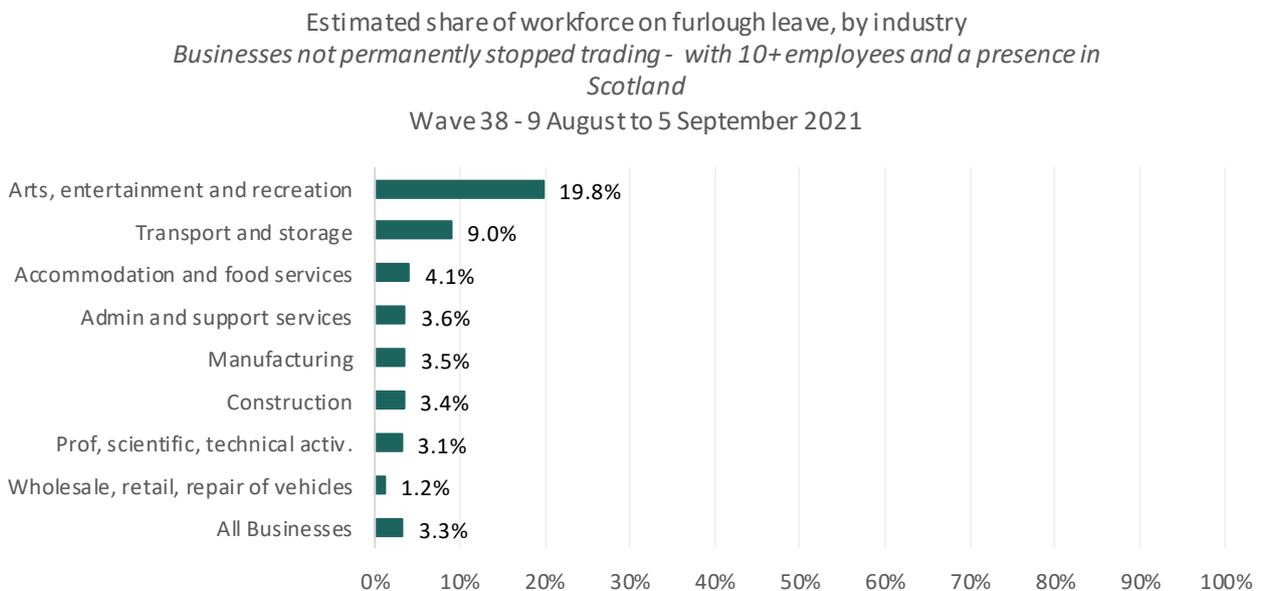
- On furlough leave
- Mainly working at the same place they were working before the pandemic
- Mainly working from home, instead of where they were working before the pandemic
- Made permanently redundant
- On sick leave or not working due to coronavirus (COVID-19) symptoms, self-isolation or quarantine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

Figure 3: The share of the workforce on furlough leave was estimated at 3.3% in the period 9 August to 5 September 2021 – down from 4.5% in the previous period and the lowest rate since comparable estimates began in June 2020.



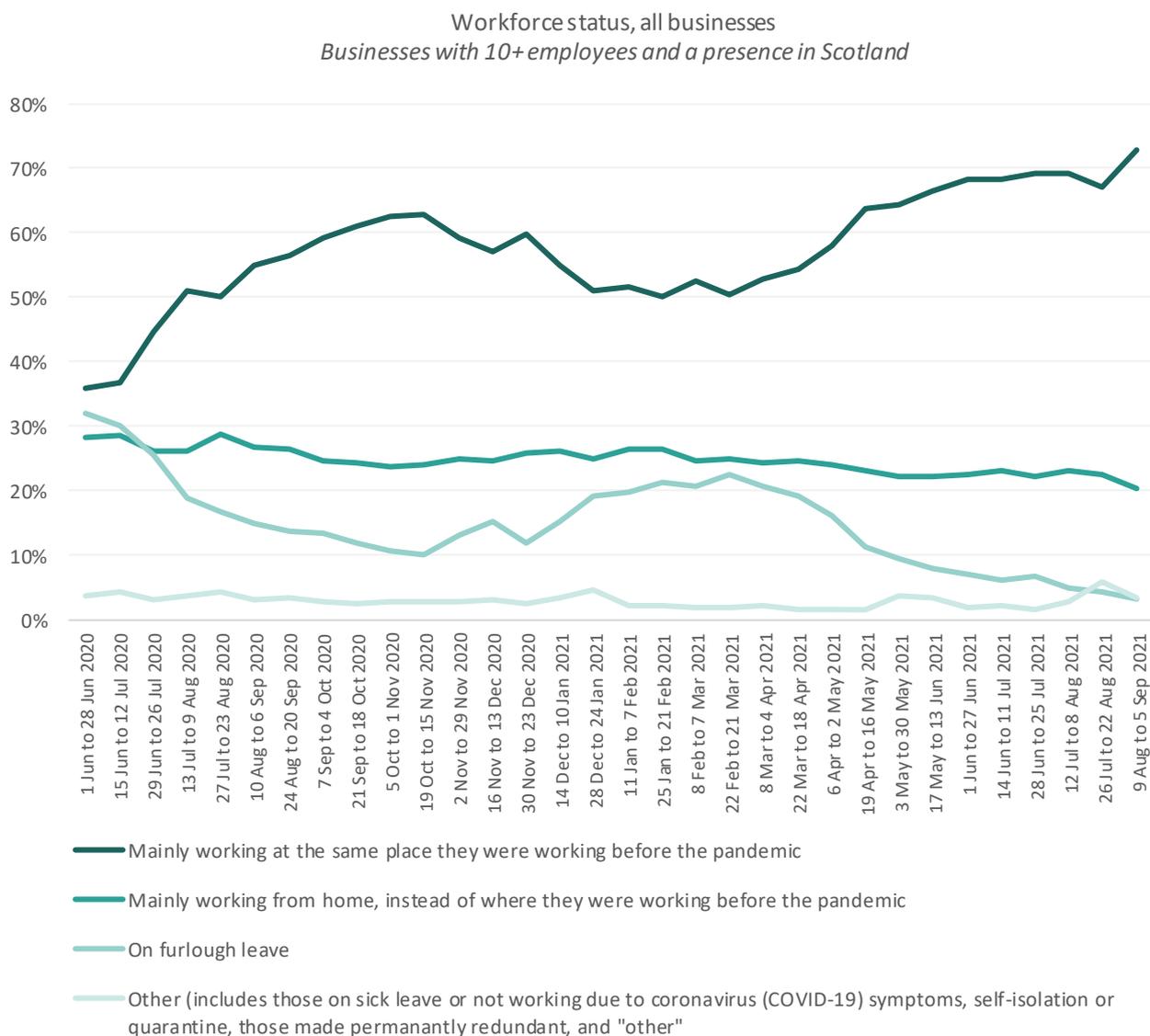
Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 7 to Wave 38

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 19.8%.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 38

Figure 5: The share of the workforce working at their normal place of work has increased over the latest period, from 67.0% in Wave 37 (26 July to 22 August 2021) to 72.9% in Wave 38 (9 August to 5 September 2021). Over the same period, there has been a decrease in the share of the workforce working mainly from home; from 22.6% in Wave 37 to 20.4% in Wave 38.

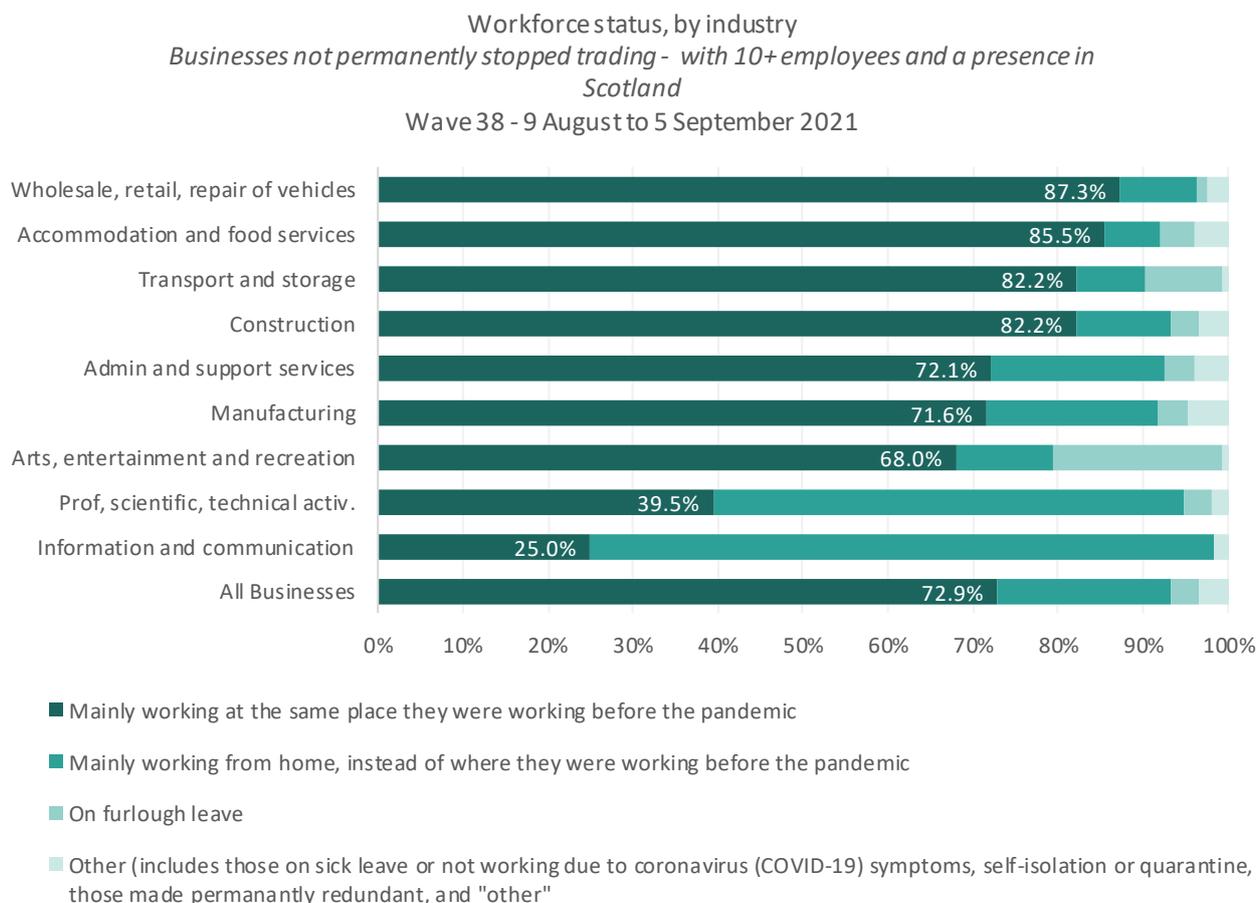


Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 7 to Wave 38

In Wave 38, businesses reported that 1.2% of their workforce were on sick leave or not working due to Covid-19 symptoms or self-isolation.⁴

⁴ In the Wave 37 report, published on 3rd of September 2021, we stated that businesses reported that 4.9% of their workforce were ‘On sick leave or not working due to Covid-19 symptoms or self isolation’ but the data for the ‘On sick leave or not working due to Covid-19 symptoms or self-isolation’ response and the “Other” response had been transposed so the 4.9% was for “Other”, whereas ‘On sick leave or not working due to Covid-19 symptoms or self-isolation’ was actually less than 1%. This error has now been corrected in the tables that accompany this report. We apologise for any inconvenience caused.

Figure 6: The share of the workforce that are mainly working at their pre-pandemic place of work was lowest in the Information and Communication (25.0%) and Professional, Scientific and Technical Activities (39.5%) sectors - reflecting the high share of remote working in these sectors. In contrast, 87.3% 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 38

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 38, businesses reported that 2.5% of the workforce will move from fully homeworking to a hybrid model of working, 3.1% will move from homeworking back fully to where they were working before the pandemic and 1.5% will move from full or partial furlough back to where they worked before the pandemic in the next two weeks.

Vacancies

In Wave 38, 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, 40.2% reported that vacancies were more difficult to fill in the last month compared with normal expectations for this time of year – up from 34.4% in Wave 36. At 65.2% and 64.5% 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.

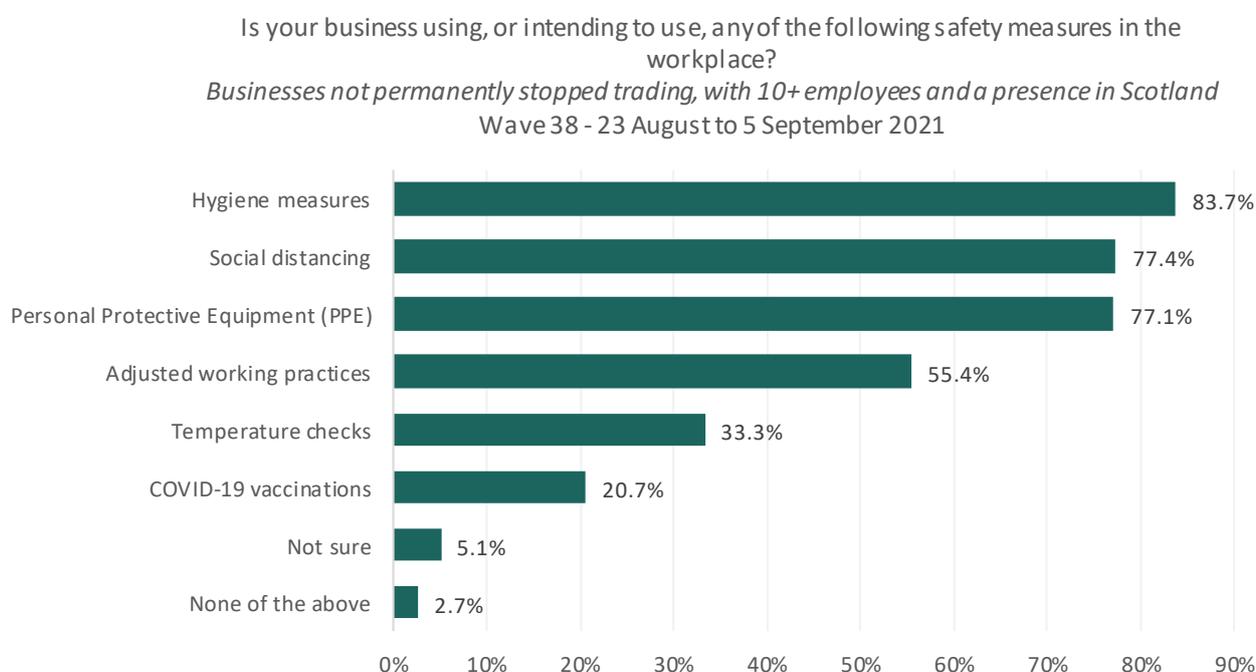
Safety Measures

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 (23 August to 5 September 2021 in Wave 38).

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
- None of the above
- Not sure

Figure 7: Hygiene Measures (83.7% in Wave 38), Social Distancing (77.4% in Wave 38) and Personal Protective Equipment (PPE) (77.1% in Wave 38) continue to be the workplace safety measures most frequently reported by businesses. Over the latest period, there has been a fall in the share of businesses using these safety measure, as in Wave 36 (26 July to 8 August 2021), 87.5% of businesses reported using Hygiene Measures, 84.9% Social Distancing and 78.5% PPE.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 38

Financial Performance

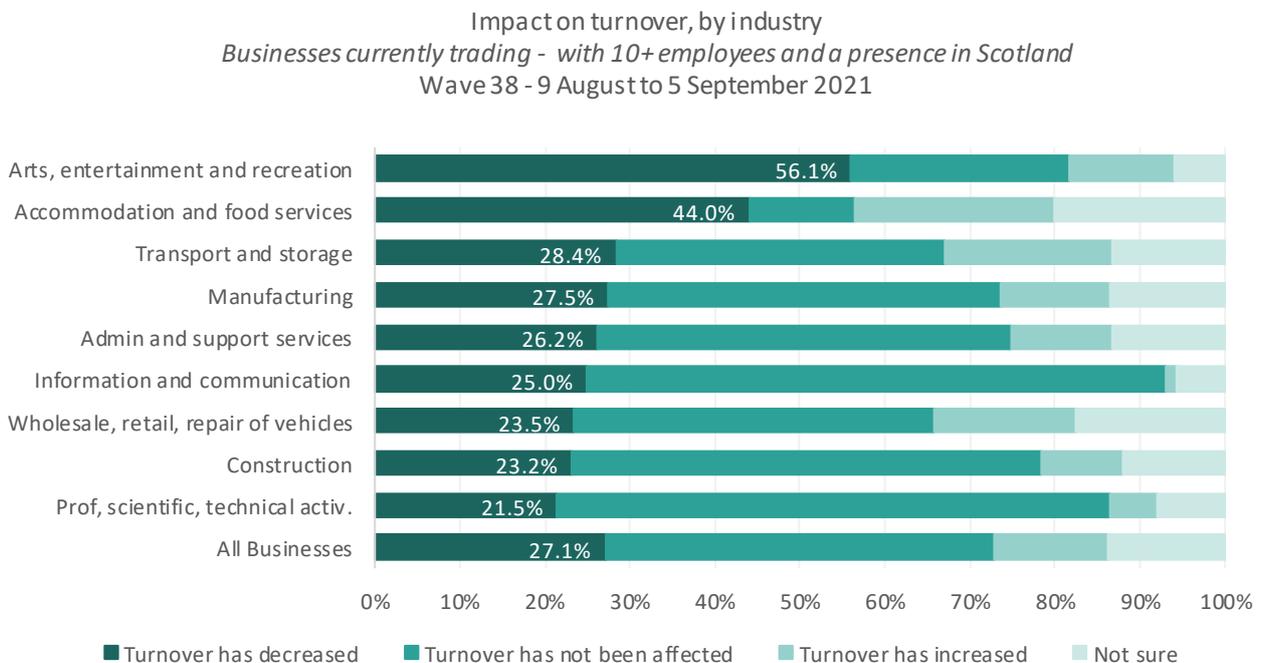
The BICS asks businesses, that are currently trading, about how turnover compares to business as usual - the specific question asked is shown below. Note that businesses were asked about the status of their turnover in the last two weeks and so responses will be from the time of completion of the survey questionnaire (23 August to 5 September 2021 for Wave 38) with the full question reference period (looking back at the last two weeks) covering 9 August to 5 September 2021 for Wave 38.

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 8: In the period 9 August to 5 September 2021, 27.1% of businesses reported a decrease in turnover compared with what is normally expected - the lowest percentage recorded since comparable estimates began in June 2020. There was one industry sector where more than half of trading businesses experienced a decrease in turnover compared with what is normally expected – Arts, Entertainment & Recreation (estimated at 56.1%).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 38

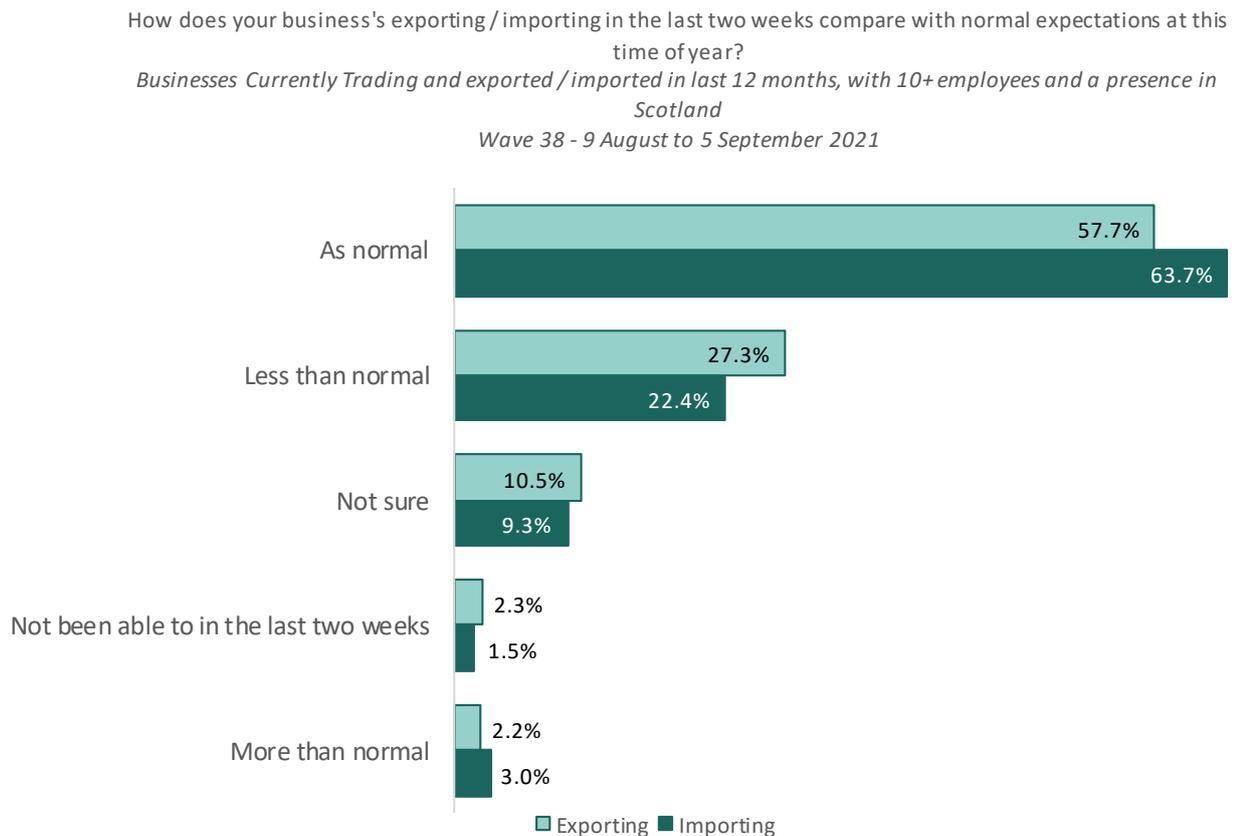
Exporting and importing challenges

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, 27.3% reported exporting less than normal, and 22.4% of relevant businesses reported importing less than normal.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 38

In the latest period, 57.7% of currently trading businesses reported exporting as normal, which is higher than in February (Wave 25) when 41.8% of businesses reported exporting as normal. Almost two thirds (63.7%) of relevant businesses reported importing as normal in the latest period, and this proportion has been generally increasing since February (47.2% in Wave 24).

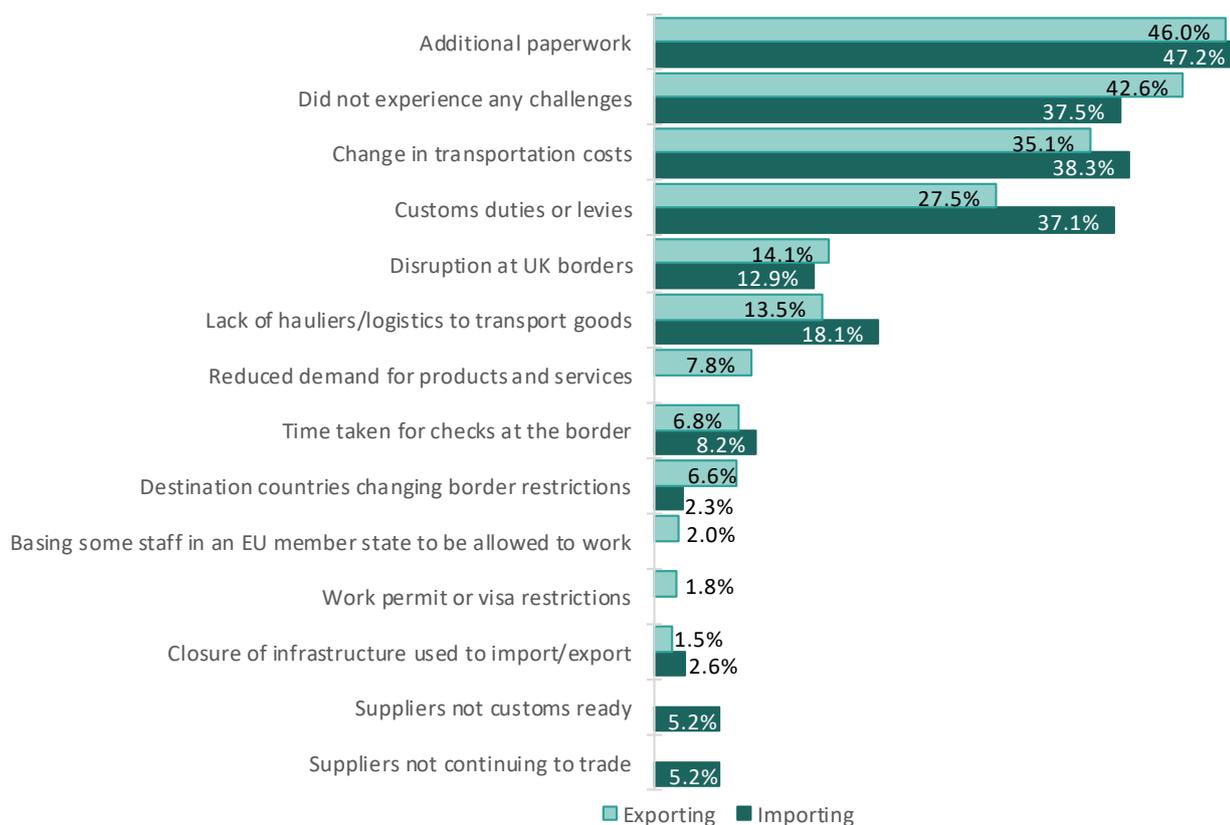
The percentage of relevant businesses reporting that they are exporting less than normal has been gradually decreasing since January (38.2% in Wave 23), although this has slightly increased since the previous wave (22.9% in Wave 37). However, the proportion of businesses reporting exporting less than normal remains higher than December 2020 levels (15.8% in Wave 21).

For importing, the percentage of businesses reporting that they are importing less than normal generally decreased from 33.5% in early February (Wave 23) to 16.6% in June (Wave 32), but has been gradually increasing since then (22.4% in the current wave).

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 10: The most commonly reported challenge continues to be additional paperwork, with 46.0% of relevant companies reporting this as an exporting challenge and 47.2% reporting this as an importing challenge. The other main challenges were change in transportation costs and customs duties or levies. However, 42.6% of exporters and 37.5% of importers did not experience any challenges.

Has your business experienced any of the following challenges with exporting/importing over the last two weeks?
Businesses Currently Trading and exported/imported in last 12 months, with 10+ employees and a presence in Scotland
Wave 38 - 9 August to 5 September 2021



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 38

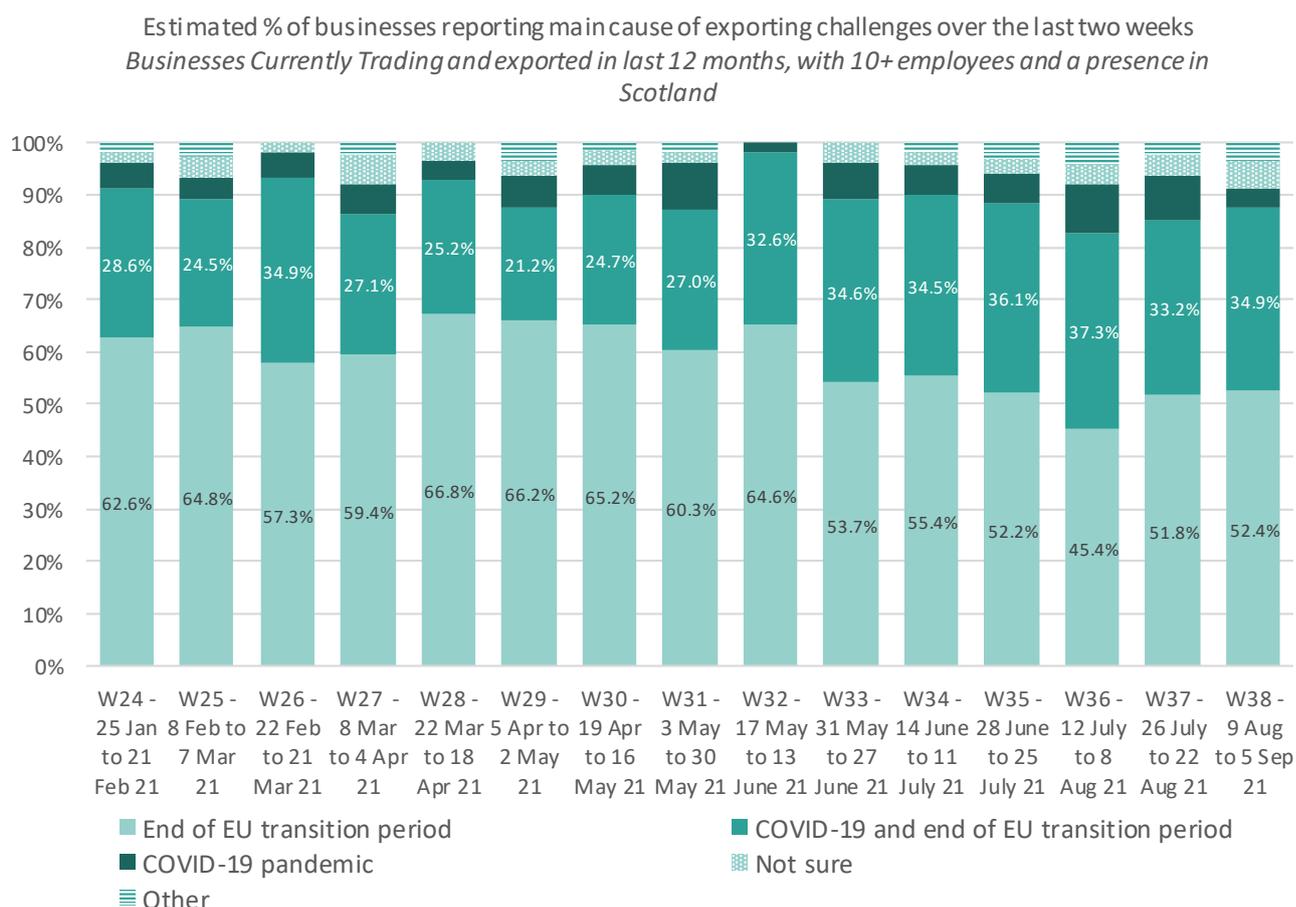
The percentage of companies reporting no challenges with exporting and importing has remained broadly unchanged since February (Wave 25), and remains at a lower level than in January 2020 (53.6% for exporting and 58.3% for importing in Wave 22).

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 11: EU exit continues to be an issue for exporting, with over half (52.4%) of relevant companies reporting this as the main cause of their exporting challenges in the latest period, while a further 34.9% reported this combined with COVID-19.

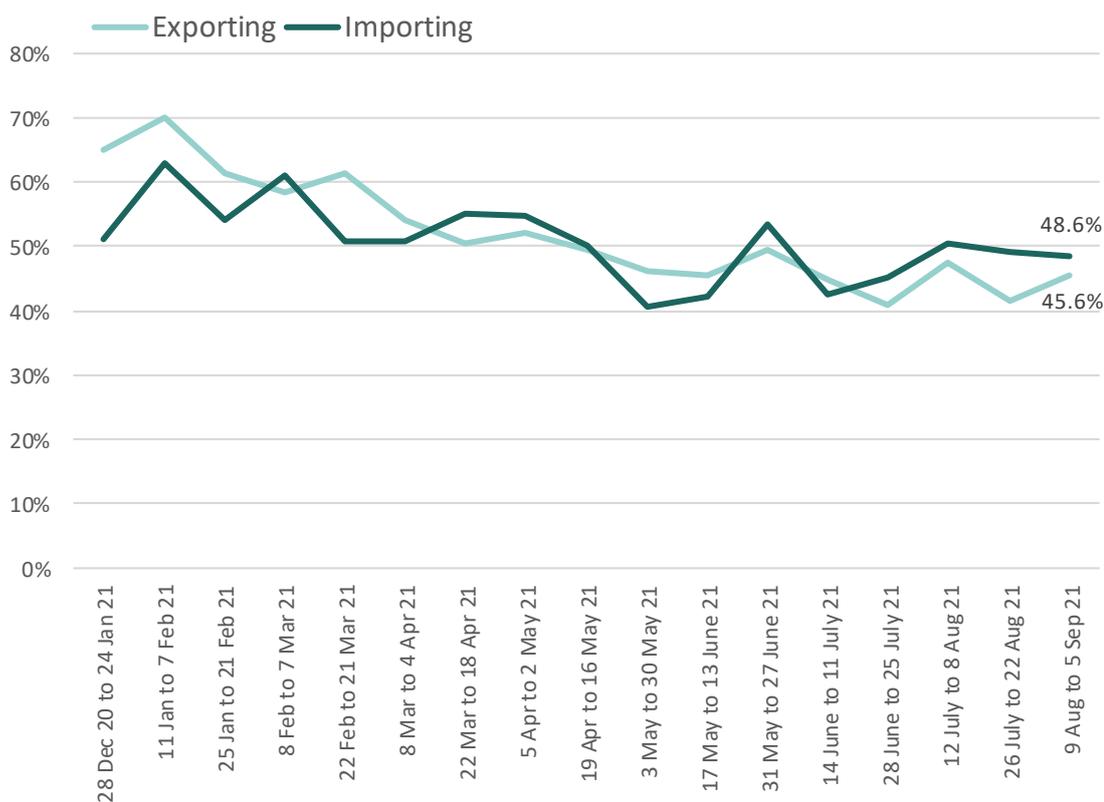


Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Waves 24 to 38

Of the businesses experiencing challenges to exporting, 8.5% reported severe disruption, 37.0% reported moderate disruption, 45.5% reported low disruption, and 3.7% reported no disruption to exporting. In terms of importing, 4.8% of relevant businesses reported severe disruption, 43.9% reported moderate disruption, 40.0% reported low disruption, and 9.3% reported no disruption to importing.

Figure 12: The proportion of relevant businesses that experienced moderate or severe disruption to exporting and/or importing has generally declined since the start of February, however, this decrease has been greater for exporting than for importing.

Estimated % of businesses experiencing moderate or severe disruption to exporting and importing 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 – Waves 22 to 38

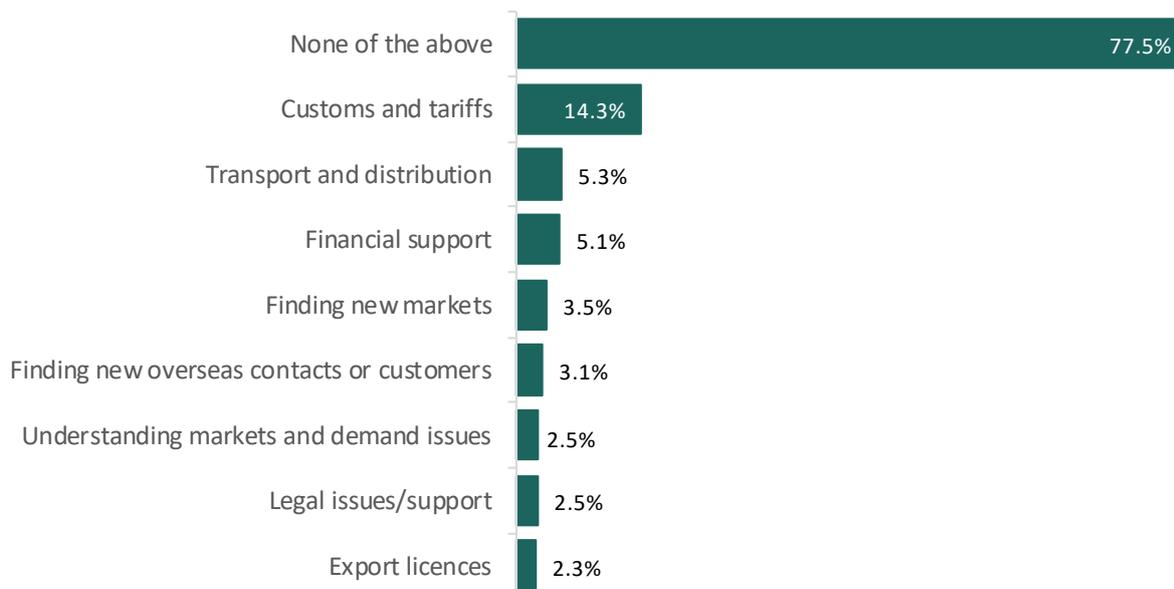
Relevant businesses who experienced exporting challenges were also asked about support options their business has benefitted from to help with these challenges.

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

Figure 13: The most commonly reported support options for exporting continue to be customs and tariffs (14.3%) and transport and distribution (5.3%). However the majority of relevant businesses (77.5%) said 'none of the above'.

Which of the following support options has your business benefitted from, to help with exporting challenges?
Businesses Currently Trading and exported in last 12 months and experienced challenges to exporting, with 10+ employees and a presence in Scotland
 Wave 38 - 9 August to 5 September 2021



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 38

Businesses were asked if they had changed where they exported goods or services to in the last two weeks and the majority (88.5%) of relevant exporting businesses reported making no changes. Similarly, the majority (87.7%) of relevant businesses reported making no changes to where they sourced their imports of goods and services.

In terms of accessing tariffs, relevant businesses were asked if they currently use rules of origin to access lower or zero tariffs on exports and over a third (36.8%) reported that they did not, while 10.0% reported using rules of origin for both EU and non-EU countries, 4.6% to EU countries, 1.1% to non EU countries, and the rest (47.4%) were unsure. The percentage of relevant businesses reporting using rules of origin to access lower or zero tariffs to EU countries has slightly decreased since July (6.5% in Wave 34).

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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