

BUSINESS AND ENERGY

Business Insights and Conditions Survey (BICS) Weighted Scotland Estimates - Data to Wave 42

12 November 2021

This is the 30th 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 18 October to 31 October 2021, the share of businesses 'currently trading' was estimated at 99.2% - in line with the rate in the previous four waves.
- The share of businesses reporting that they were fully trading was estimated at 94.9%, with 4.3% of businesses reporting that they were partially trading.
- Following the end of the Coronavirus Job Retention Scheme on 30th September 2021, it was estimated that 74.0% of furloughed workers returned to work on the same number of hours, with 10.5% of furloughed workers returning to work on reduced hours.
- In Wave 42, 37.6% of businesses reported experiencing a shortage of workers - rising to 56.6% of businesses in the Health & Social Work industry sector, and 52.7% of businesses in the Accommodation & Food Services industry sector.
- In Wave 42, 65.3% of businesses reported that the shortage of workers has resulted in employees working increased hours, and 41.0% of businesses reported that they have been unable to meet demands due to a shortage of workers.
- Hygiene Measures (82.3%), Social Distancing (72.5%) and Personal Protective Equipment (PPE) (70.8%) continue to be the workplace safety measures most frequently reported by businesses in Wave 42.

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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 8,616 businesses responded to the Wave 42 BICS UK-wide – 1,171 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 1,072 responding businesses in Wave 42. 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

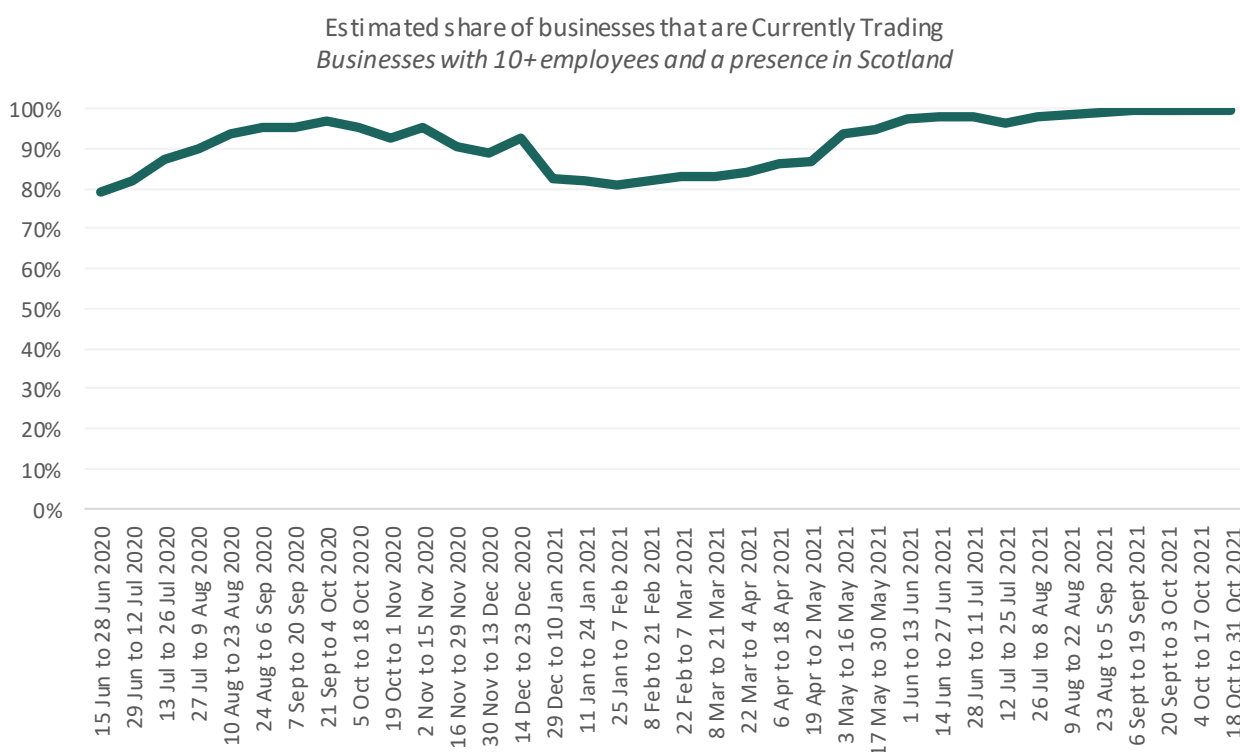
The BICS asks businesses about their trading status: the specific question³ asked is shown below. Businesses were asked for their current trading status at the time of completion of the survey questionnaire (18 October to 31 October 2021 in Wave 42).

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

- Currently fully trading
- Currently partially 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 fully trading' and 'Currently partially trading' have been combined to 'Currently Trading'.

Figure 1: In the period 18 October to 31 October 2021, the share of businesses 'currently trading' was estimated at 99.2% - in line with the rate in the previous four waves.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 7 to Wave 42

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 share of businesses reporting that they were fully trading was estimated at 94.9%, with 4.3% of businesses reporting that they were partially trading. The Accommodation & Food Services and Arts, Entertainment & Recreation industry sectors had the lowest shares of “fully trading” businesses, at 82.9% and 83.5% respectively.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 42

Workforce Status

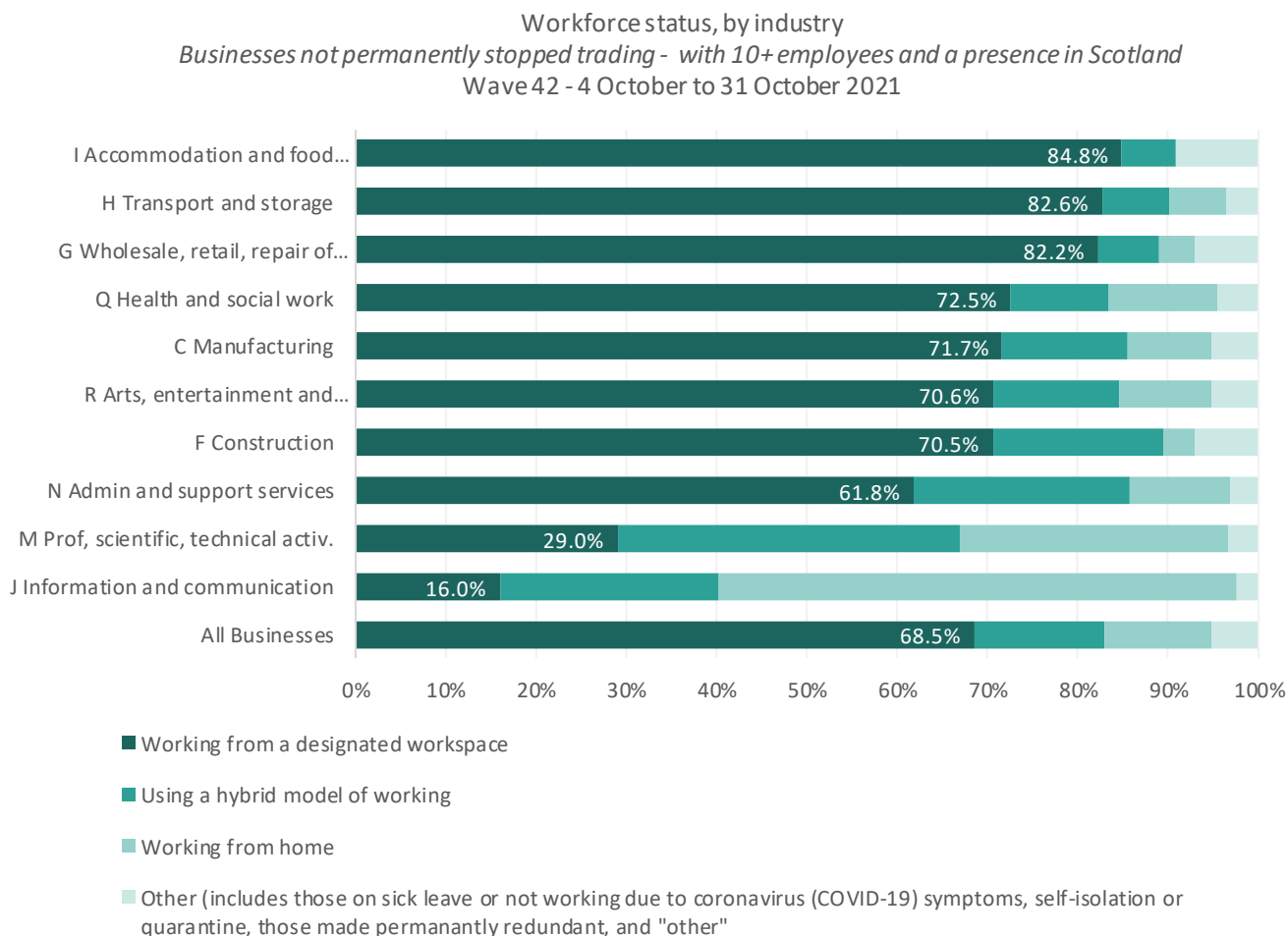
The BICS asks businesses that have not permanently stopped trading (i.e. ‘Currently Trading’ or ‘Paused Trading’), about the status of their workforce. Note that businesses were asked about the status of their workforce in the last two weeks and so responses will be from the time of completion of the survey questionnaire (18 October to 31 October 2021 for Wave 42) with the full question reference period (looking back at the last two weeks) covering 4 October to 31 October 2021 for Wave 42.

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

- Working from a designated workspace
- Made permanently redundant
- Using a hybrid model of working
- Working from home
- On sick leave or not working due to coronavirus (COVID-19) symptoms, self-isolation or quarantine
- Other

Note that response options for this question changed in Wave 42. ‘On furlough leave’, ‘Mainly working at the same place they were working before the pandemic’ and ‘Mainly working from home, instead of where they were working before the pandemic’ were dropped. ‘Working from a designated workspace’, ‘Using a hybrid model of working’ and ‘Working from home’ were added.

Figure 3: The share of the workforce that are working from a designated workspace was highest in the Accommodation & Food Services (84.8%) and Transport & Storage (82.6%) industry sectors. In contrast, 57.4% of workers in the Information & Communication industry sector are working from home.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 42

The latest data show that 14.4% of the workforce are estimated to be using a hybrid model of working, with this share rising to 37.8% in the Professional, Scientific & Technical Activities industry sector.

End of Coronavirus Job Retention Scheme

In Wave 42, businesses that have not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading'), were asked whether they had any employees on furlough at the end of the Coronavirus Job Retention Scheme (CJRS), which ended on the 30th of September 2021. Overall, 21.0% of businesses reported that they had employees on furlough at the end of the CJRS. At 33.4% and 32.6% respectively, the Administration & Support Services and Transport & Storage industry sectors had the highest shares of businesses reporting that they had employees on furlough at the end of the CJRS.

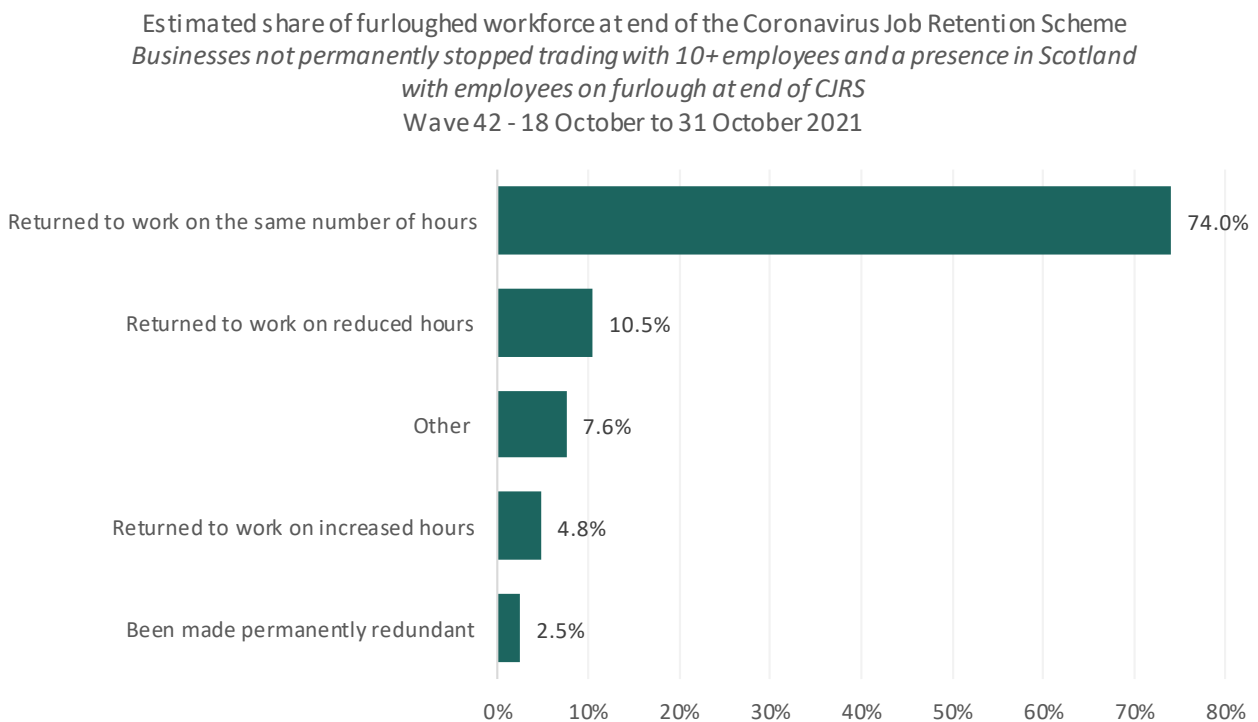
The BICS also asks businesses that have not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading') and that had employees on furlough at the end of the CJRS,

about the status of those workers following the end of the CJRS – the specific question asked is shown below.

End of Coronavirus Job Retention Scheme question: Following the end of the Coronavirus Job Retention Scheme, approximately what percentage of those furloughed employees have:

- Been made permanently redundant
- Returned to work on increased hours
- Returned to work on the same number of hours
- Returned to work on reduced hours
- Voluntarily left their role
- Other

Figure 4: Following the end of the Coronavirus Job Retention Scheme, it was estimated that 74.0% of furloughed workers returned to work on the same number of hours, with 10.5% of furloughed workers returning to work on reduced hours.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 42

Worker Shortages

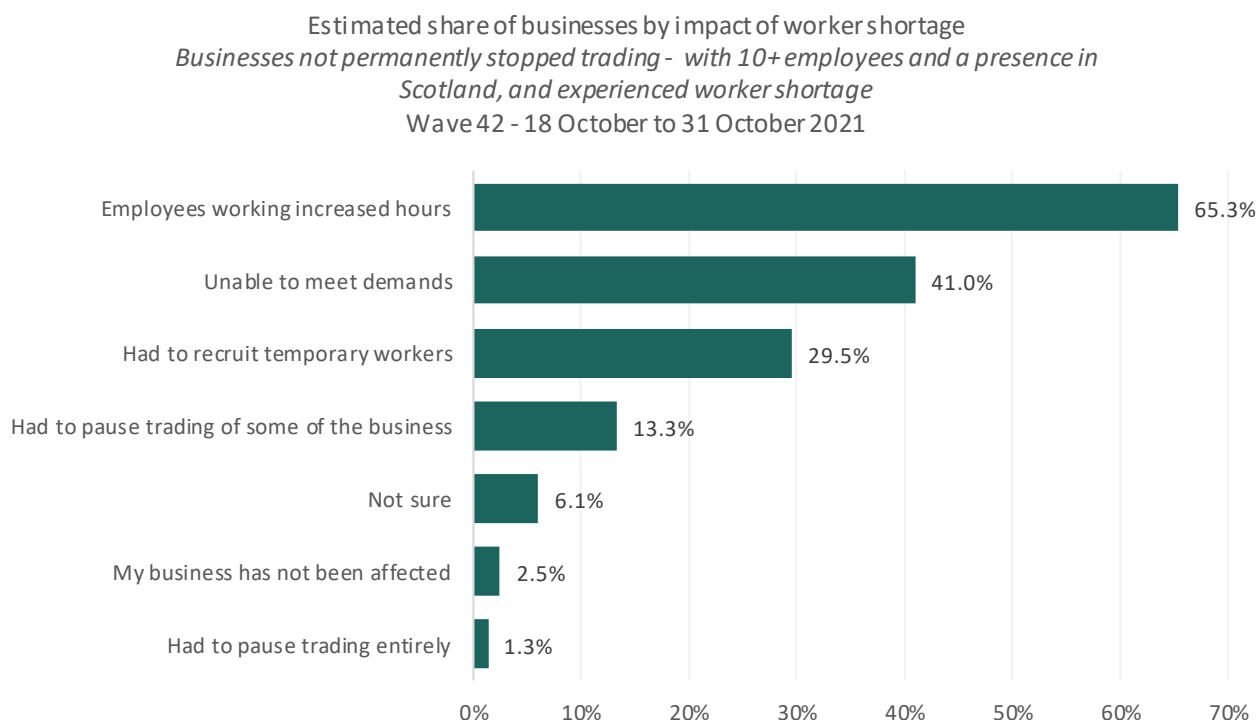
In Wave 42, businesses that have not permanently stopped trading (i.e. ‘Currently Trading’ or ‘Paused Trading’), were asked whether they are currently experiencing a shortage of workers. An estimated 37.6% of businesses reported experiencing a shortage of workers - rising to 56.6% of businesses in the Health & Social Work industry sector, and 52.7% of businesses in the Accommodation & Food Services industry sector.

The BICS also asks businesses that have not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading') and that are experiencing a shortage of workers, about how their businesses has been affected by this– the specific question asked is shown below.

Worker Shortage question: How has the shortage of workers affected your business?

- Employees working increased hours
- Had to pause trading entirely
- Had to pause trading of some of the business
- Had to recruit temporary workers
- Unable to meet demands
- Not sure
- My business has not been affected

Figure 5: In Wave 42, 65.3% of businesses reported that the shortage of workers has resulted in employees working increased hours, and 41.0% of businesses reported that they have been unable to meet demands due to a shortage of workers.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 42

Vacancies

In Wave 42, 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, 47.4% reported that vacancies were more difficult to fill in the last month compared with normal expectations for this time of year – up from 44.0% in Wave 40. Mirroring the worker shortages data, at 68.7% and 61.2% respectively, the Health & Social Work and Accommodation & Food industry sectors had the highest shares of businesses reporting that vacancies were more difficult to fill.

Safety Measures

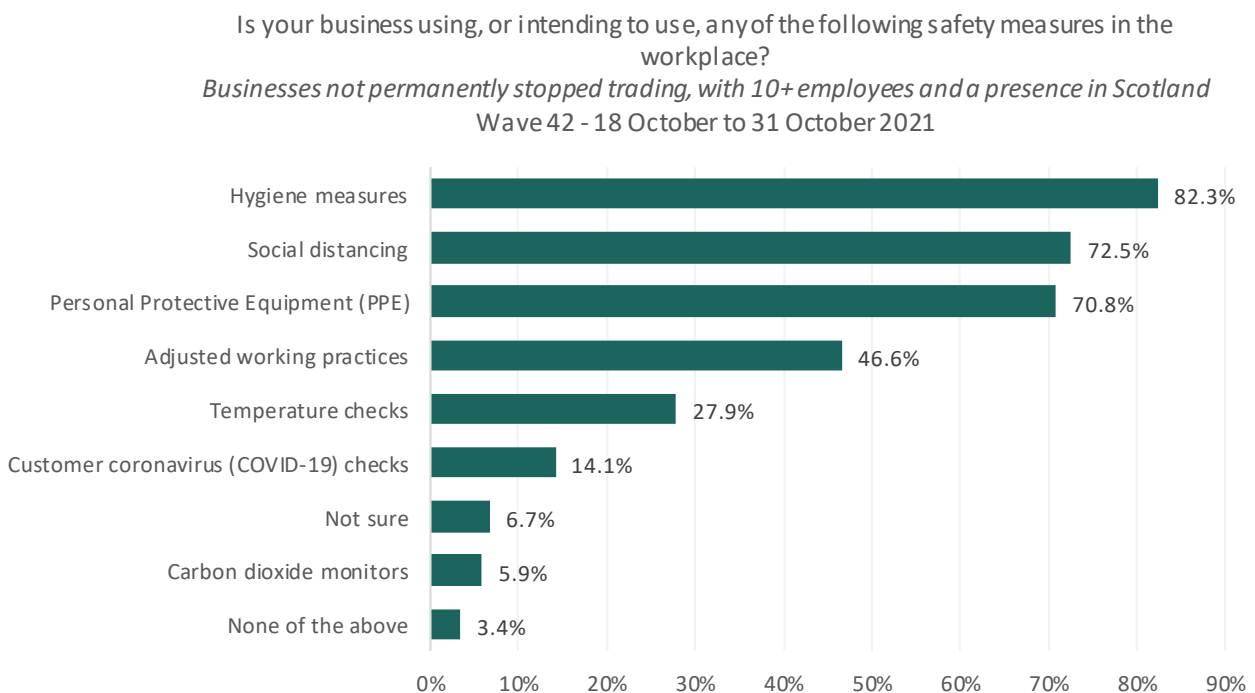
The BICS asks businesses that have not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading'), whether they are using, or intending to use, any safety measures in the workplace – the specific question asked is shown below. Businesses were asked about their safety measures at the time of completion of the survey questionnaire (18 October to 31 October 2021 in Wave 42).

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

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

Note that response options for this question changed in Wave 42. 'Customer coronavirus (COVID-19) checks' was added in, and 'COVID-19 vaccinations' was dropped.

Figure 6: Hygiene Measures (82.3%), Social Distancing (72.5%) and Personal Protective Equipment (PPE) (70.8%) continue to be the workplace safety measures most frequently reported by businesses in Wave 42.

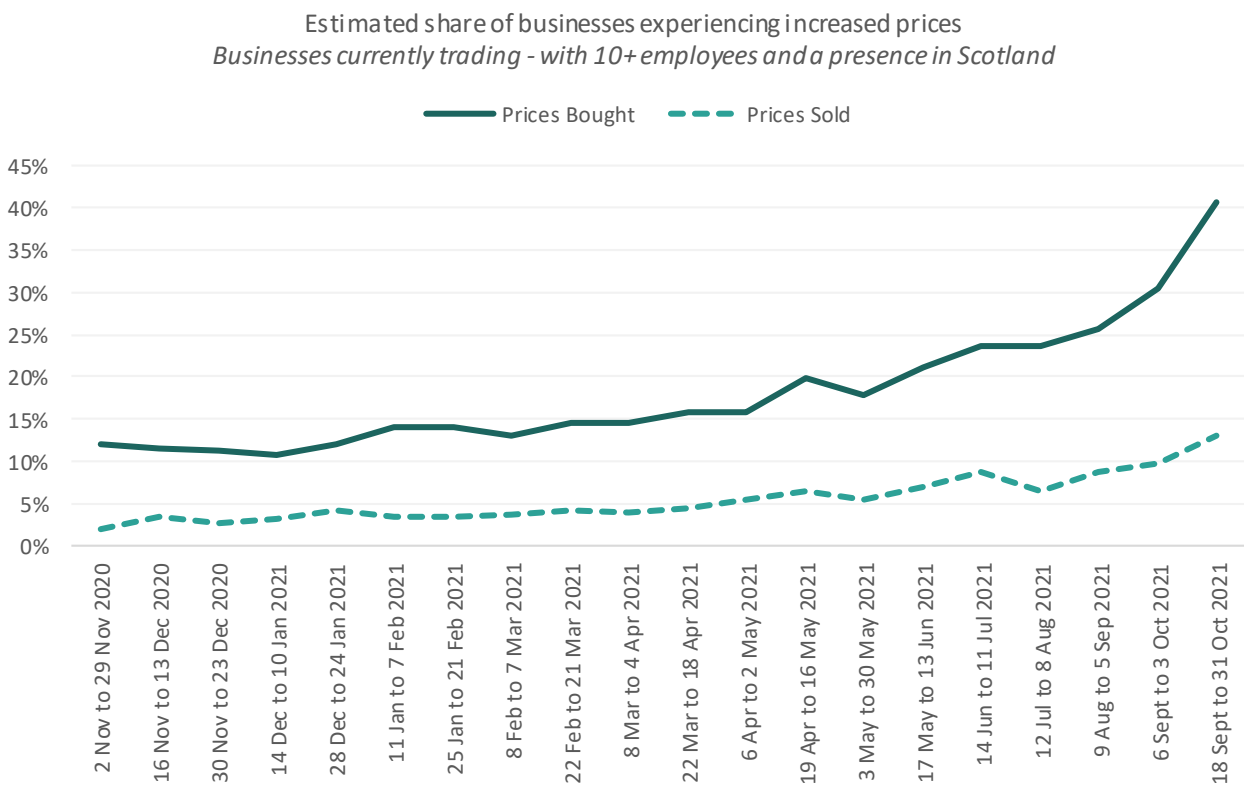


Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 42

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. Note that businesses were asked about prices in the last month and so responses will be from the time of completion of the survey questionnaire (18 October to 31 October 2021 for Wave 42) with the full question reference period (looking back at the last month) covering 18th September to 31 October 2021 for Wave 42. Prior to Wave 42, these questions asked about prices in the last two weeks rather than the last month.

Figure 7: In the latest period, 40.7% 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 13.0% 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 42

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 (68.3%) and Manufacturing (53.3%).

Supply Chains

The BICS asks businesses that have not permanently stopped trading, about supply chains and the impact of the end of the EU transition period.

Question: Has your business made changes to supply chains due to the end of the EU transition period?

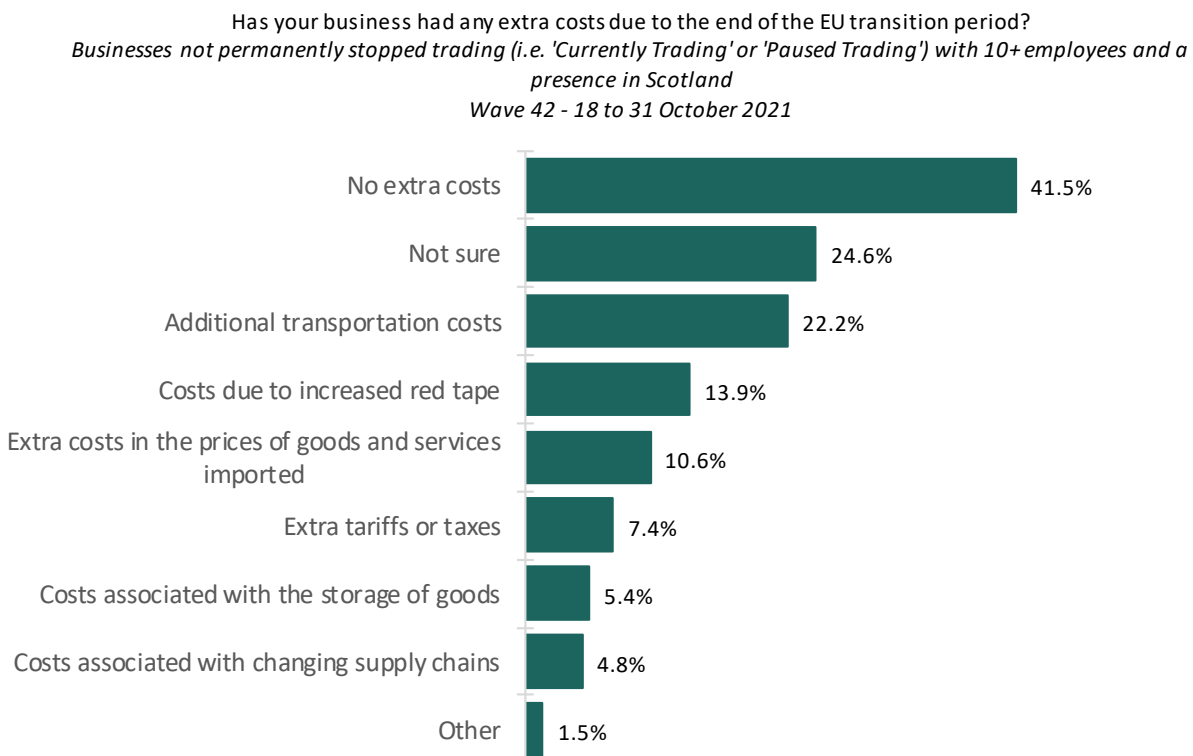
- Yes
- No
- Not sure
- Not applicable

Note for the results for this question, we have excluded 'not applicable' responses from the analysis.

Of the businesses this question applied to, 80.5% reported not making any changes to supply chains due to the end of the EU transition period, and 7.8% of business reported making changes to supply chains in the latest period, while the rest (11.8%) were unsure. The majority of companies have consistently reported that they have not made changes to supply chains, since this question was first asked in April 2021 (Wave 28).

Businesses not permanently stopped trading were also asked if they had any extra costs due to the end of the EU transition period.

Figure 8: Of the relevant businesses, an estimated 41.5% reported incurring no extra costs in the latest period. The most commonly reported additional costs were those associated with transportation (22.2%) and increased red tape (13.9%).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 42

Despite a recent slight increase in businesses reporting no extra costs (from 39.8% in Wave 39 to 41.5% in Wave 42), the proportion of relevant businesses reporting no extra costs has generally decreased since the series began in March (53.0% in Wave 27). Additional transportation costs has been the most commonly reported cost incurred in recent waves and has increased since March (11.8% in Wave 27).

Stock

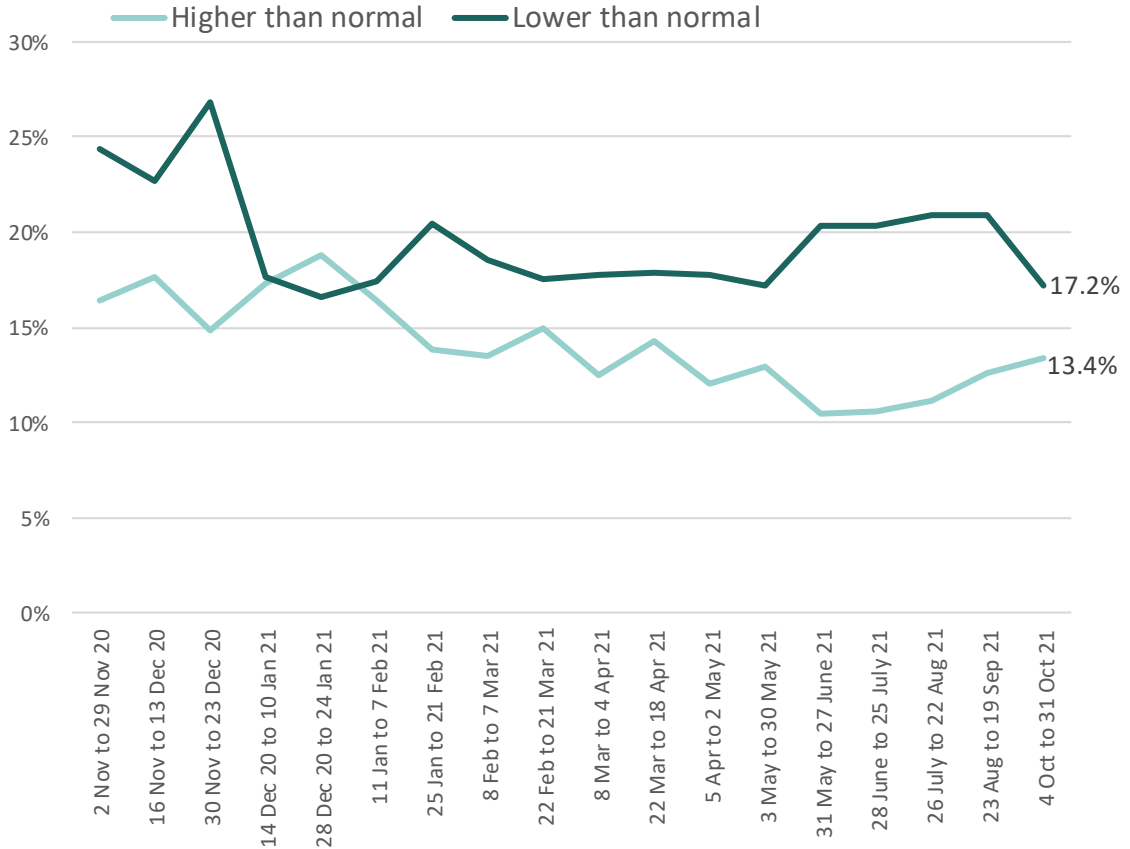
In terms of accessing materials, 71.5% of applicable businesses who had not permanently stopped trading reported that they were able to get the materials, goods or services they needed from the EU in the past two weeks, but a fifth (20.7%) of companies reported that the business had to change suppliers or find alternative solutions. The estimated proportion of businesses that had not been able to get the materials, goods or services they needed from the EU in the past two weeks has decreased since September (from 10.8% in Wave 39 to 7.7% in Wave 42).

The majority (70.2%) of applicable businesses reported being able to access materials from within the UK over the past month. Of the applicable businesses that reported being unable to get materials or having to make changes to get materials within the UK, around half (51.1%) reported that this caused moderate disruption to their business, a third (34.5%) reported minor disruption, 7.6% reported major disruption, 1.9% reported no disruption, while the rest (4.9%) were unsure.

Businesses were also asked how their stock levels in the past two weeks compared to normal expectations for this time of year. Over half (58.3%) of applicable companies reported that stock levels haven't changed over the past two weeks compared to normal expectations, while 17.2% reported that stock levels are lower than normal.

Figure 9: The proportion of businesses reporting that stock levels are higher than normal decreased between January (18.8% in Wave 22) and June (10.5% in Wave 33), but has been increasing in recent waves (13.4% in the most recent period).

Estimated % of businesses reporting stock levels as higher or lower than normal over the previous two weeks
 Businesses Currently Trading and exported in last 12 months, with 10+ employees and a presence in Scotland



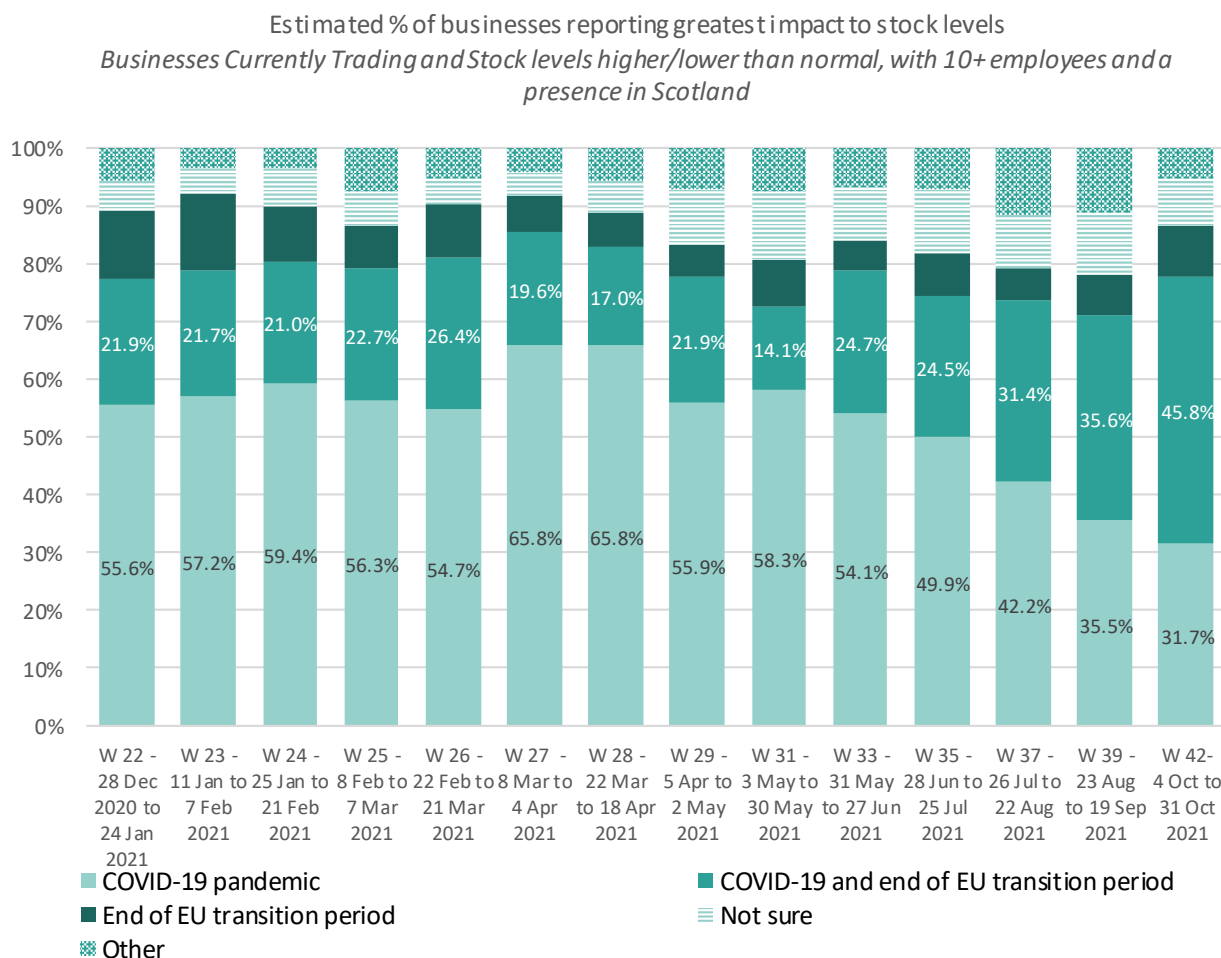
Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Waves 18-29,31,33,35,37,39,42

Businesses currently trading that reported stock levels as being higher or lower than normal were asked what has had the greatest impact to stock levels in the past two weeks.

Question: In the last two weeks, what has had the greatest impact to your business's stock levels?

- 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 10: The proportion of relevant businesses reporting COVID-19 as the biggest factor to impact stock levels is the lowest it has been (31.7%) since this was first measured in January 2021. However 45.8% reported a combination of COVID-19 and the end of the EU transition period as having the greatest impact on stock levels and this option has been increasing over recent months.



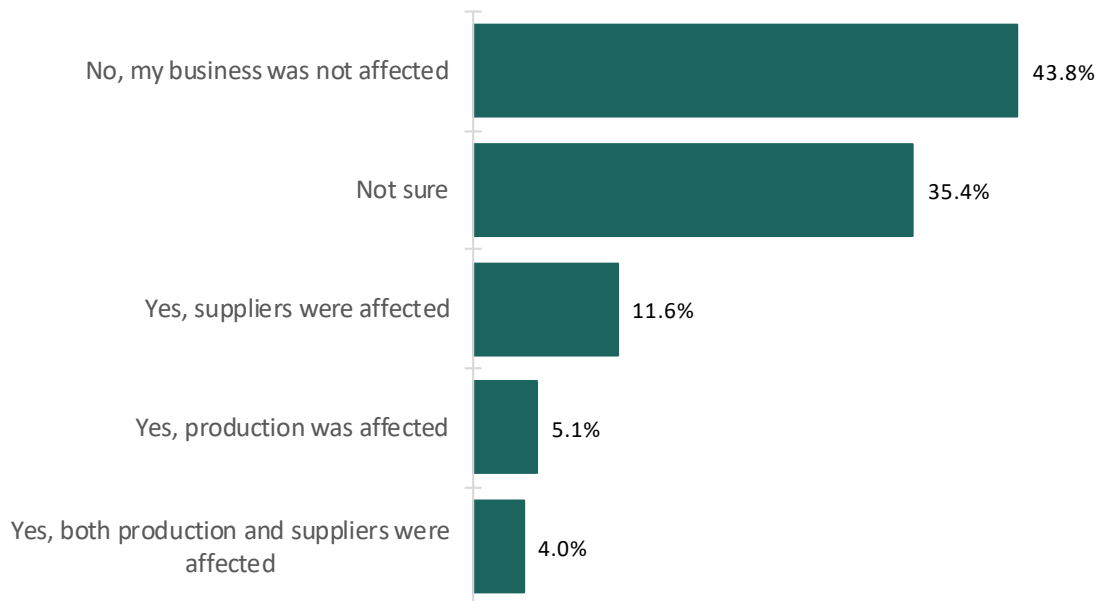
Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Waves 22-29,31,33,35,37,39,42

Businesses were also asked about stockpiling, and of businesses not permanently stopped trading, the majority (85.2%) reported that they are not stockpiling any goods or materials; this has remained relatively stable since February (Wave 25). Of the 8.2% of companies who reported that they were stockpiling, the most commonly stockpiled materials reported were metals and materials (reported by 24.3% of companies), and personal protective equipment or PPE (reported by 18.2% of companies). The proportion of companies reporting stockpiling goods or materials from UK supplies has increased in recent waves (from 71.9% in Wave 33 to 90.6% in Wave 42), while companies reporting stockpiling from EU supplies has decreased (from 44.7% in Wave 37 to 20.7% in Wave 42).

For the first time, businesses were asked if they had been affected by recent increases in wholesale gas prices.

Figure 11: Of the relevant businesses, almost half (43.8%) reported that they were not affected by recent increases in wholesale gas prices. However, a fifth (20.8%) of applicable businesses reported being affected in some way.

Has your business been affected by recent increases in wholesale gas prices?
Businesses not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading') with 10+ employees and a presence in Scotland
Wave 42 - 18 to 31 October 2021



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 42

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.

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Complaints and suggestions

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