

BUSINESS AND ENERGY

Business Insights and Conditions Survey (BICS) Weighted Scotland Estimates - Data to Wave 47

21 January 2022

This is the 34th 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 29 December 2021 to 9 January 2022 (Wave 47), the share of businesses 'currently trading' was estimated at 97.8%, down from 99.5% in Wave 46 (13 December 2021 to 26 December 2021).
- In Wave 47, the share of businesses reporting that they were fully trading was estimated at 88.2%, down from 93.3% in the previous period. In Wave 47, the Accommodation & Food Services industry sector had the lowest share of "fully trading" businesses, estimated at 60.1%.
- In Wave 47, 3.0% of the workforce were estimated to be on sick leave or not working because of coronavirus (COVID-19) symptoms, self-isolation or quarantine, this is the highest the figure has been since comparable estimates began in June 2020. The Accommodation & Food Services industry sector reported the highest absence share (7.7%).
- In Wave 47, 29.2% of businesses reported a decrease in turnover compared with what is normally expected; with this share rising to 57.1% in the Accommodation & Food Services industry sector.
- In Wave 47, 29.0% of businesses reported increased cancellations from customers in the last month, with this share rising to 62.3% of businesses in the Accommodation & Food Services industry sector.
- In Wave 47, of businesses currently trading that have exported in the last 12 months, 22.8% reported exporting less than normal, and 16.6% of relevant businesses reported importing less than normal.

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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 8,851 businesses responded to the Wave 46 BICS UK-wide and 7,669 businesses responded to the Wave 47 BICS UK-wide – in Wave 46, 1,231 of these responding businesses had a presence in Scotland, and in Wave 47, 957 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 1,122 responding businesses in Wave 46, and 857 responding businesses in Wave 47. The Wave 47 response was lower than usual because of the Christmas period and the survey being live for a shorter period of time. This means that the estimates for Wave 47 are subject to more uncertainty than usual.

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

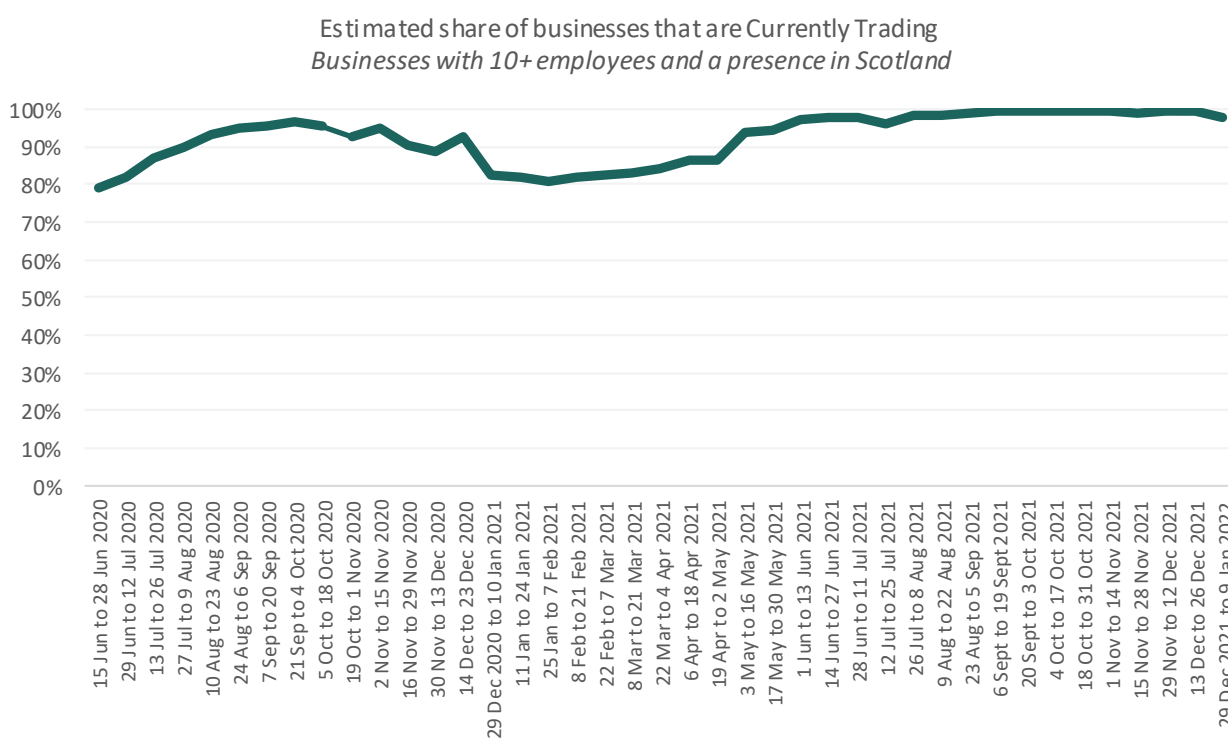
The BICS asks businesses about their trading status: the specific question³ asked is shown below. Businesses were asked for their current trading status at the time of completion of the survey questionnaire (13 December to 26 December 2021 in Wave 46, and 29 December 2021 to 9 January 2022 in Wave 47).

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 29 December 2021 to 9 January 2022 (Wave 47), the share of businesses 'currently trading' was estimated at 97.8%, down from 99.5% in Wave 46 (13 December 2021 to 26 December 2021).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 7 to Wave 47

³ The ONS publishes all the questions for each wave at: <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/articles/businessimpactofcovid19surveyquestions/previousReleases>

Figure 2: In Wave 47, the share of businesses reporting that they were fully trading was estimated at 88.2%, down from 93.3% in the previous period. In Wave 47, the Accommodation & Food Services industry sector had the lowest share of “fully trading” businesses, estimated at 60.1%.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 47

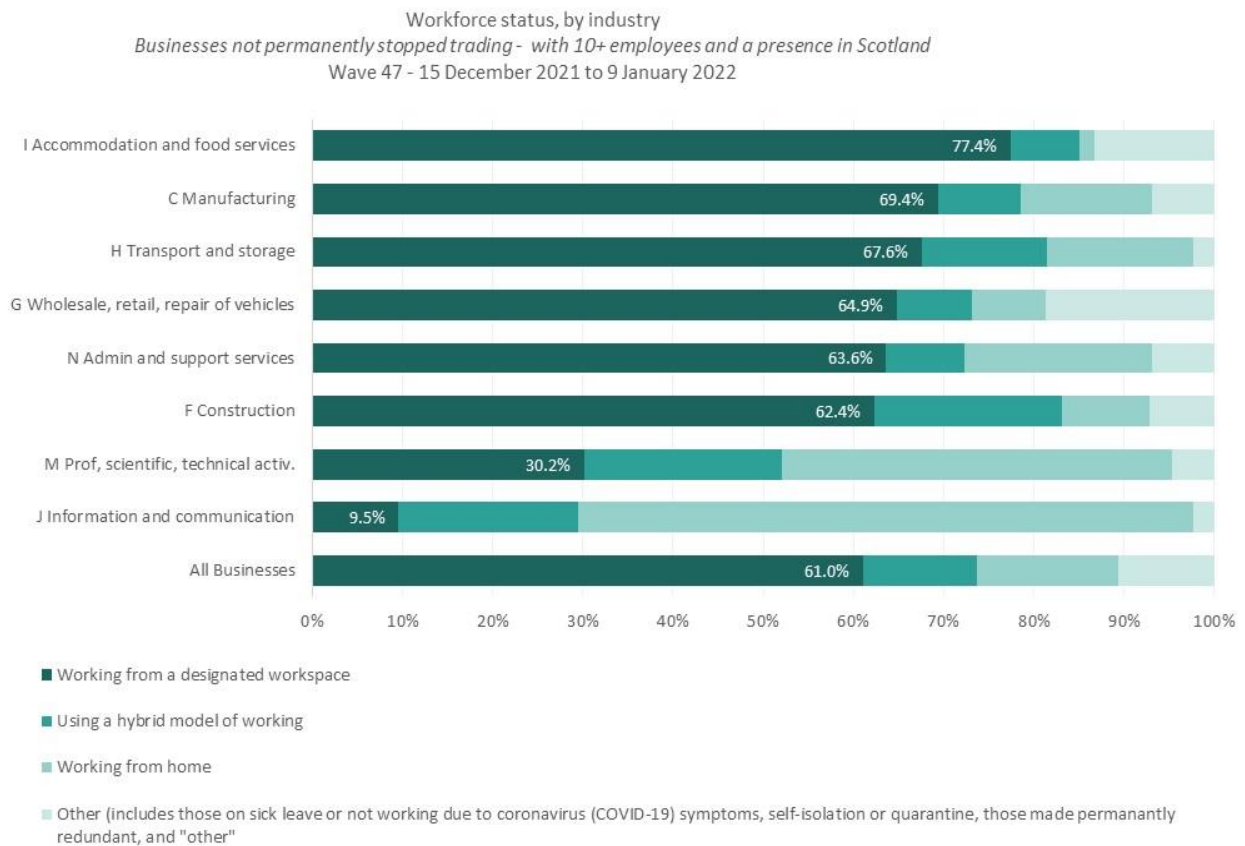
Workforce Status

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 (29 December 2021 to 9 January 2022 for Wave 47) with the full question reference period (looking back at the last two weeks) covering 15 December 2021 to 9 January 2022 for Wave 47.

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

Figure 3: The share of the workforce working from a designated workspace in Wave 47 was estimated to be 61.0%. This share was highest in the Accommodation & Food Services sector, estimated at 77.4%. In contrast, an estimated 68.2% of workers in the Information & Communication industry sector are working from home.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 47

In Wave 47, 3.0% of the workforce were estimated to be on sick leave or not working because of coronavirus (COVID-19) symptoms, self-isolation or quarantine, this is the highest the figure has been since comparable estimates began in June 2020. The Accommodation & Food Services industry sector reported the highest absence share (7.7%).

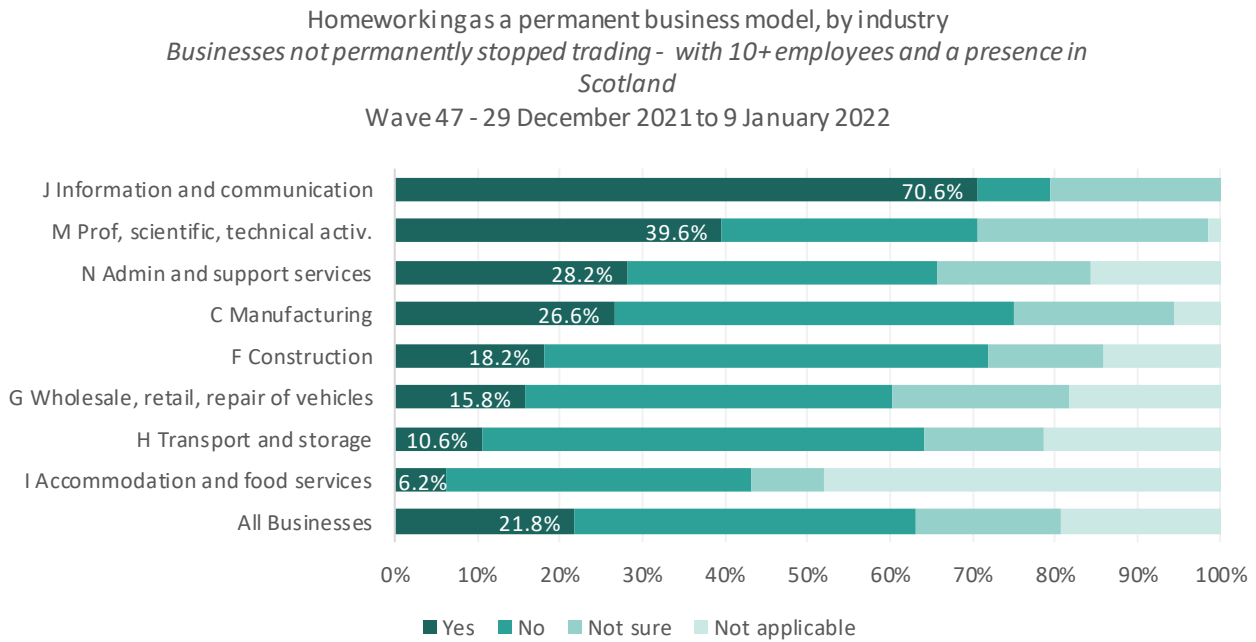
Homeworking

The BICS asks businesses that have not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading'), about whether they intend to use increased homeworking as a permanent business model going forward- the specific question asked is shown below.

Homeworking Question: Does your business intend to use increased homeworking as a permanent business model going forward?

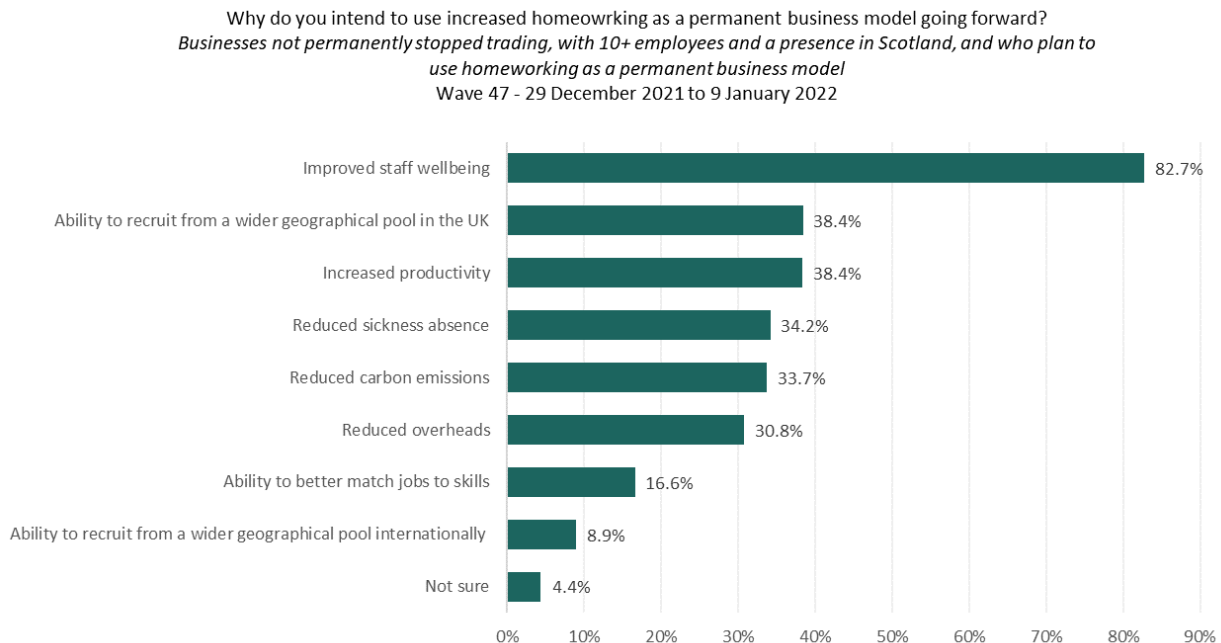
- Yes
- No
- Not Sure
- Not Applicable

Figure 4: In the period 29 December 2021 to 9 January 2022 (Wave 47), the share of businesses that intend to use increased homeworking as a permanent business model is highest in the Information & Communication (70.6%) and Professional, Scientific & Technical Activities (39.6%) sectors. The rates are much lower in some other sectors, with only 6.2% of businesses in the Accommodation & Food Services sector, and 10.6% of Transport & Storage businesses intending to use increased homeworking as a permanent business model.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 47

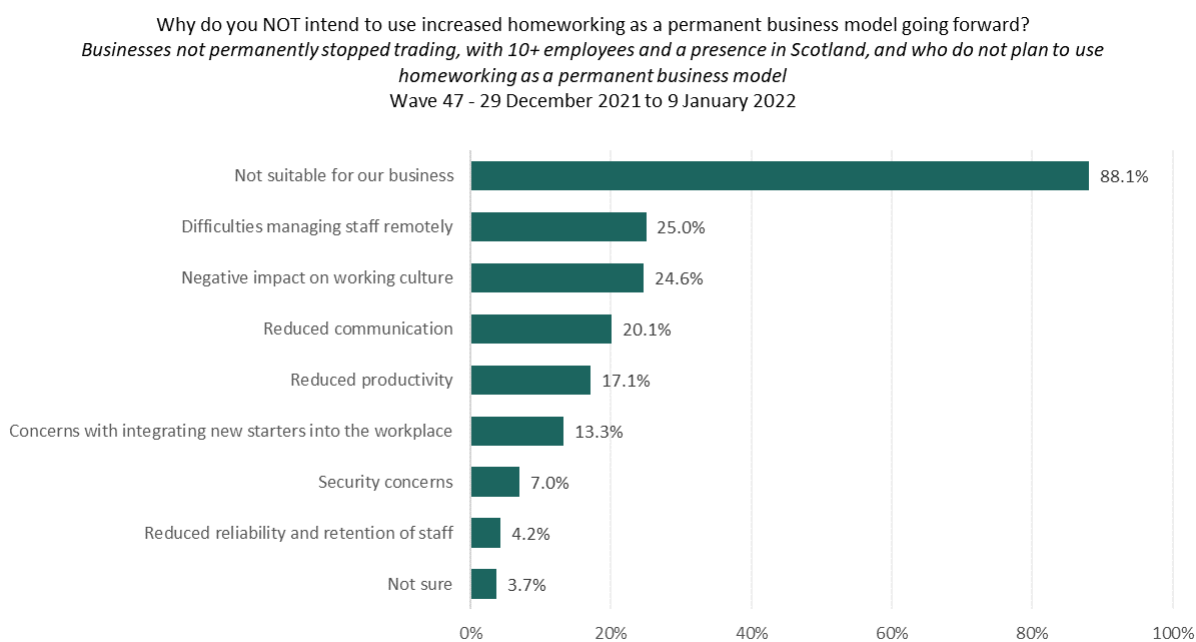
Figure 5: Improved staff wellbeing was the most commonly reported reason for using increased homeworking as a permanent businesses model going forward - this was reported by 82.7% of businesses.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 47

In Wave 47, businesses not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading') who do not plan to use increased homeworking as a permanent business model going forward were asked about their reasons for this.

Figure 6: Homeworking not being suitable for the business was the most commonly reported reason for not using increased homeworking as a permanent businesses model going forward - this was reported by 88.1% of relevant businesses.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 47

Financial Performance

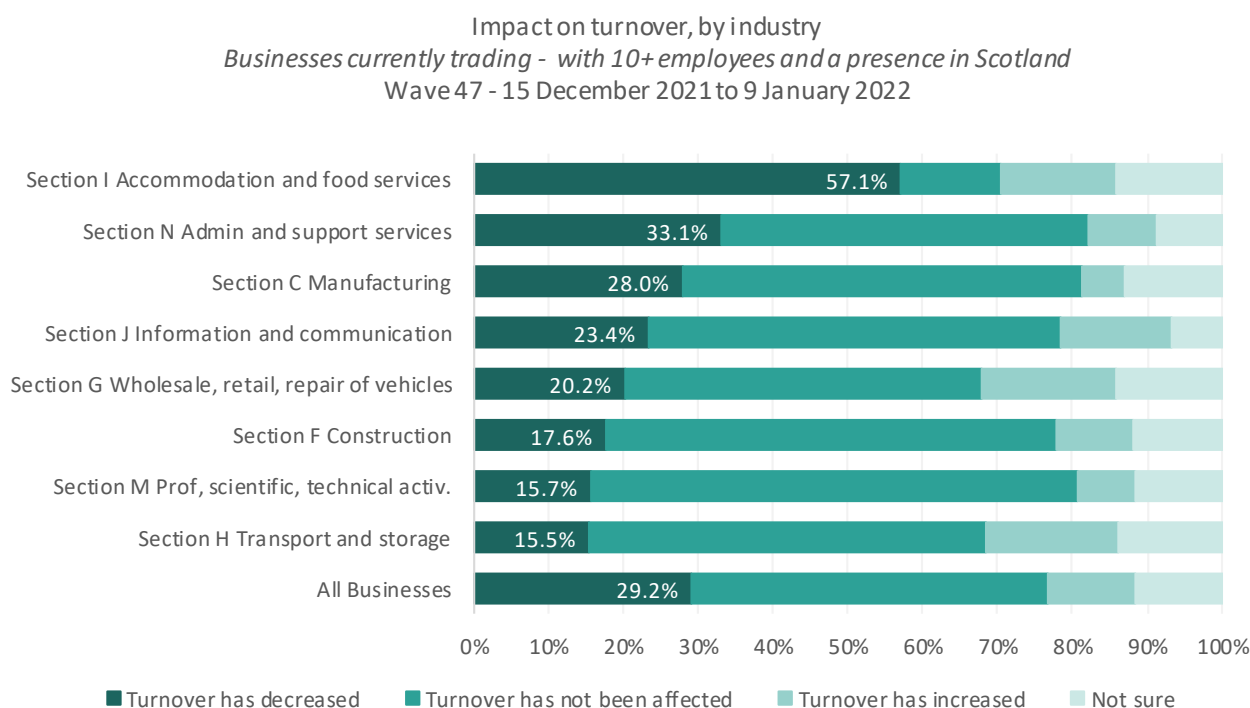
The BICS asks businesses, that are currently trading, about how turnover compares to business as usual - the specific question asked is shown below. Note that businesses were asked about the status of their turnover in the last month and so responses will be from the time of completion of the survey questionnaire (29 December 2021 to 9 January 2022 for Wave 46) with the full question reference period (looking back at the last month) covering 15 December 2021 to 9 January 2022 for Wave 47.

Financial Performance Question: How does turnover for the last month 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 15 December 2021 to 9 January 2022, 29.2% of businesses reported a decrease in turnover compared with what is normally expected. The Accommodation & Food Services industry sector continued to have the highest share of businesses experiencing a decrease in turnover compared with what is normally expected (estimated at 57.1%).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 47

Business Resilience

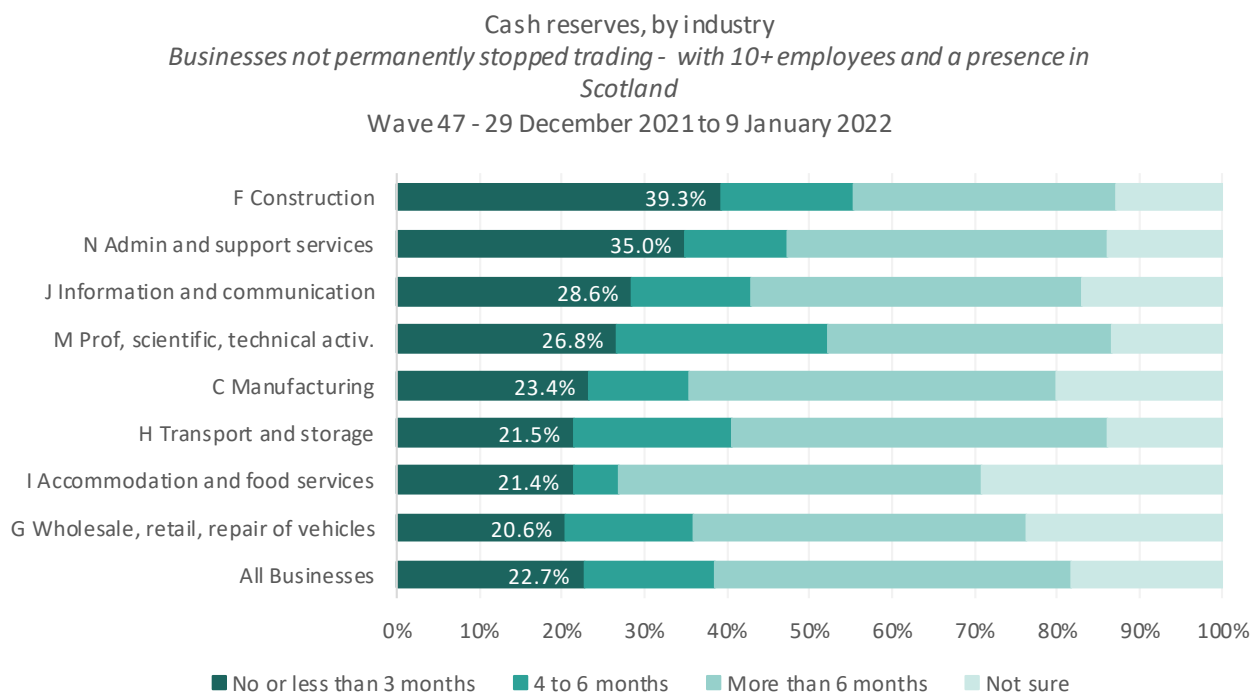
The BICS asks businesses, that had not permanently stopped trading (i.e. ‘Currently Trading’ or ‘Paused Trading’), about their cash flow - the specific question asked is shown below. Note that businesses were asked about cash flow from the time of completion of the survey questionnaire (29 December 2021 to 9 January 2022 for Wave 47).

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

- Business has 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, 22.7% of businesses reported they had no or less than three months cash reserves, with the highest rates for Construction (estimated at 39.3%) and Administration and Support Services (estimated at 35.0%).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 47

Worker Shortages

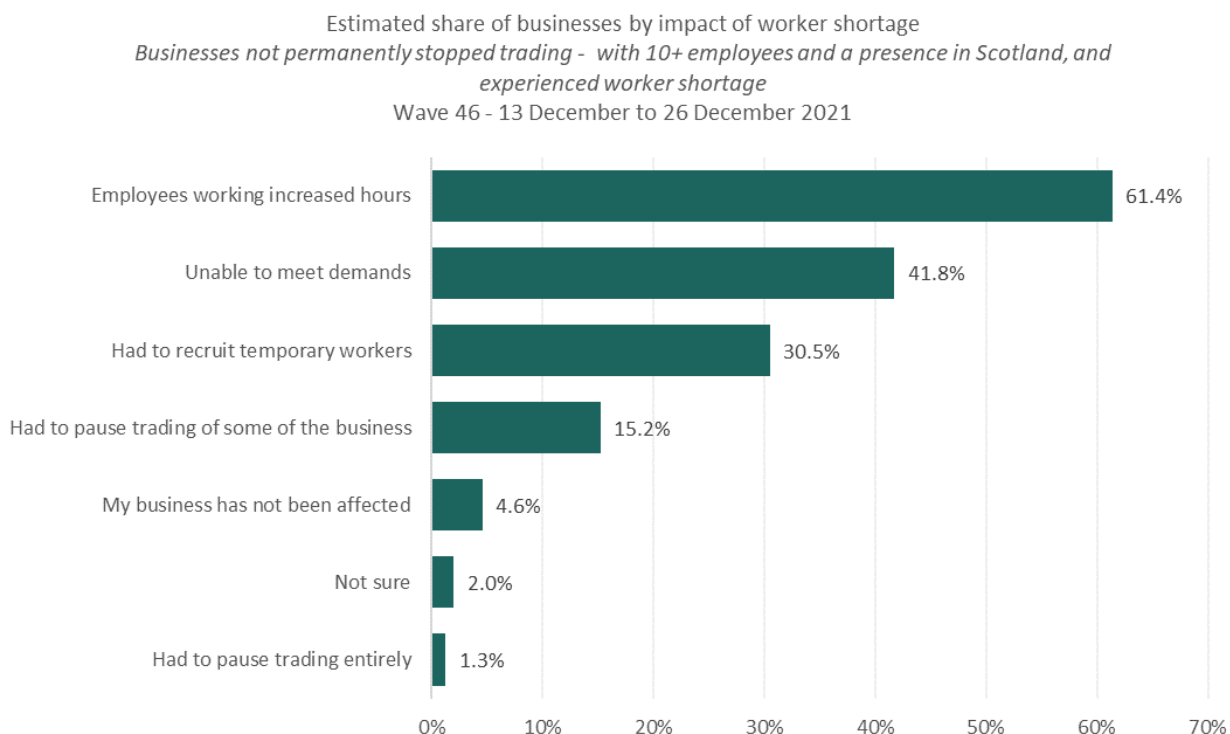
In Wave 46, businesses that have not permanently stopped trading (i.e. ‘Currently Trading’ or ‘Paused Trading’), were asked whether they are currently experiencing a shortage of workers. An estimated 38.6% of businesses reported experiencing a shortage of workers - rising to 53.0% of businesses in the Accommodation & Food Services industry sector, 42.8% of businesses in the Construction sector and 42.3% of businesses in the Arts, Entertainment & Recreation 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 9: In Wave 46, 61.4% of businesses reported that the shortage of workers has resulted in employees working increased hours, and 41.8% 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 46

Vacancies

In Wave 46, 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, 42.8% reported that vacancies were more difficult to fill in the last month compared with normal expectations for this time of year – down from 44.3% in Wave 44. In Wave 46, the Accommodation & Food Services and Transport & Storage industry sectors had the highest shares of businesses reporting that vacancies were more difficult to fill, at 49.1% and 48.8% respectively.

Employee Wages

In Wave 47, businesses not permanently stopped trading were asked about how wages for existing and new employees over the last month compare with normal expectations for this time of year.

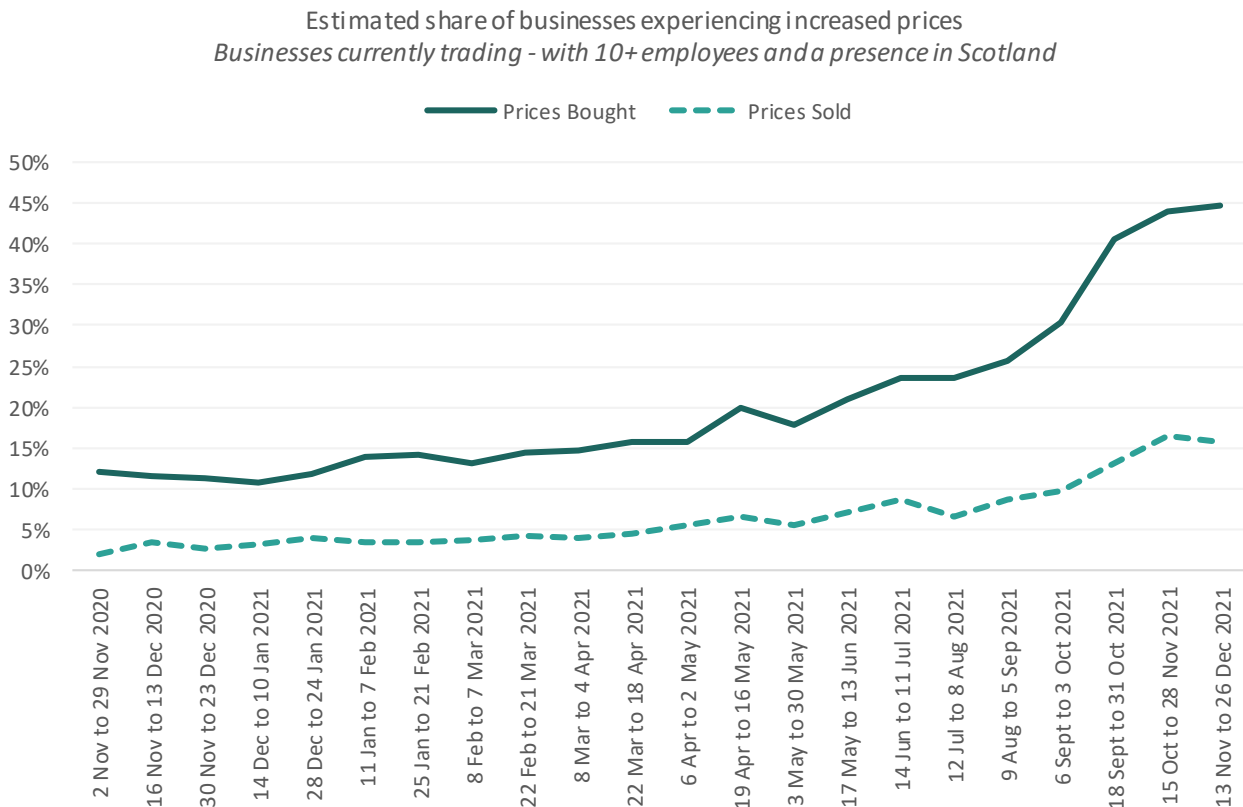
Overall, 58.4% of businesses reported that wages for existing employees have not been affected, with 22.0% of businesses reporting wages are higher than expected. In the Transport & Storage industry sector 39.3% of businesses reported that wages for existing employees are higher compared to normal expectations for this time of year.

For new employees, 47.3% of businesses reported that wages have not been affected, and 23.3% of businesses reported that wages are higher than expected for this time of year. This share increases to 41.1% of businesses in the Transport & Storage industry sector.

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 (13 December to 26 December 2021 for Wave 46) with the full question reference period (looking back at the last month) covering 13 November to 26 December 2021 for Wave 46. Prior to Wave 42, these questions asked about prices in the last two weeks rather than the last month.

Figure 10: In Wave 46, 44.7% 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 15.6% 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 32, 34, 36, 38, 40, 42, 44, 46

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 (64.2%) and Manufacturing (63.7%).

Changes to Financial or Operational Activities

In Wave 47, businesses were asked if they had experienced any unexpected changes to financial or operational activities in the last two weeks. Of businesses not permanently stopped trading, 13.0% reported that they had experienced unexpected changes to activities in the last two weeks. In the latest period, the Accommodation & Food Services industry sector had the highest share of businesses reporting unexpected changes, at 35.9%.

In Wave 47, businesses were also asked if they were expecting any financial or operational activities to be affected by the coronavirus (COVID-19) pandemic in the next two weeks. Of businesses not permanently stopped trading, 37.9% reported that they were expecting activities to be affected in the next two weeks. In the latest period, the Accommodation & Food Services industry sector had the highest share of businesses reporting that they were expecting activities to be affected, at 75.1%.

Customer Cancellations

In Wave 46 and Wave 47, businesses were asked if they had experienced a change in the number of cancellations from customers over the last month.

Of businesses not permanently stopped trading in Wave 46, 19.3% reported that cancellations had increased in the last month, with the Accommodation & Food Services and Arts, Entertainment and Recreation industry sectors having the highest share of businesses reporting increased cancellations, at 60.0% and 41.0% respectively.

In Wave 47, 29.0% reported that cancellations had increased in the last month, with the Accommodation & Food Services industry sector still having the highest share of businesses reporting increased cancellations, at 62.3%.

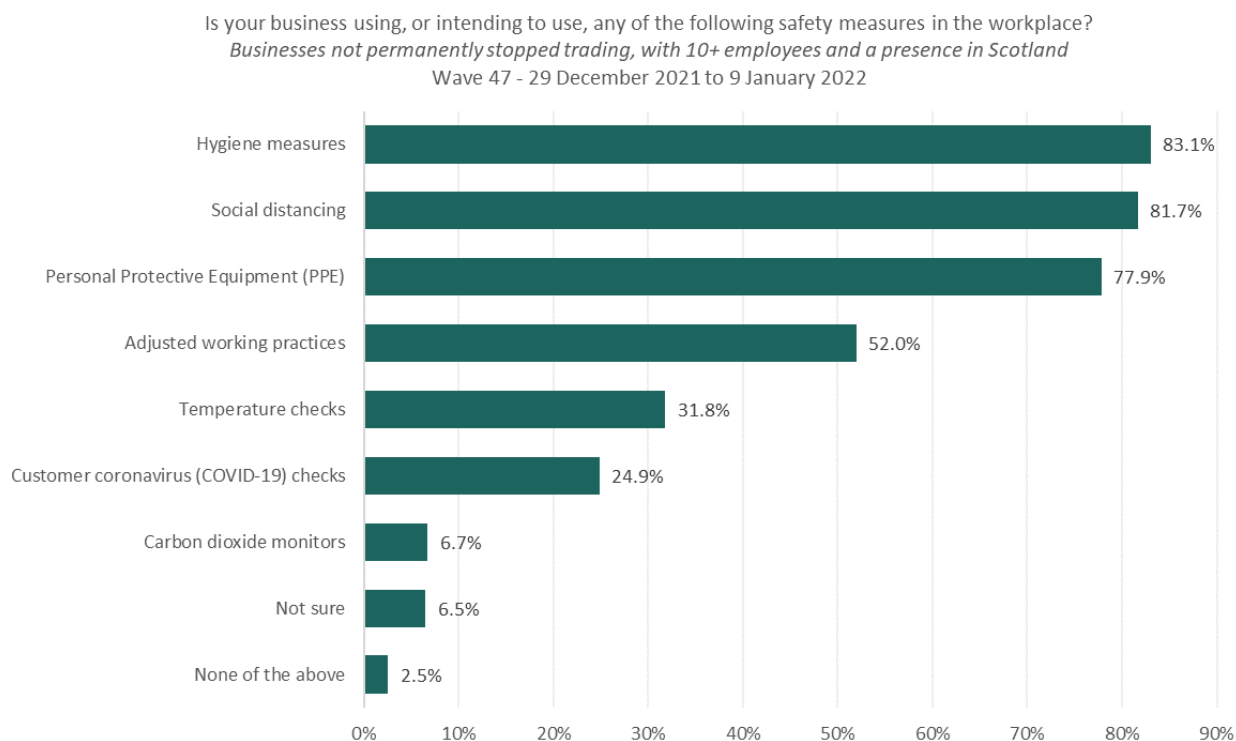
Safety Measures

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 (29 December 2021 to 9 January 2022 in Wave 47).

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

Figure 11: In Wave 47, Hygiene Measures (83.1%), Social Distancing (81.7%) and Personal Protective Equipment (PPE) (77.9%) continued to be the workplace safety measures most frequently reported by businesses.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 47

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. Since Wave 43, businesses have been asked about changes to their business over the past month. In the waves prior to Wave 43, businesses were asked about changes in the previous two weeks. This should be borne in mind when comparing waves over time.

This section contains information from Wave 46, which covers the period from 13 November to 26 December 2021.

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, 78.8% reported not making any changes to supply chains due to the end of the EU transition period, and this has been relatively consistent since this question was first asked in April 2021 (Wave 28). A further 8.0% of

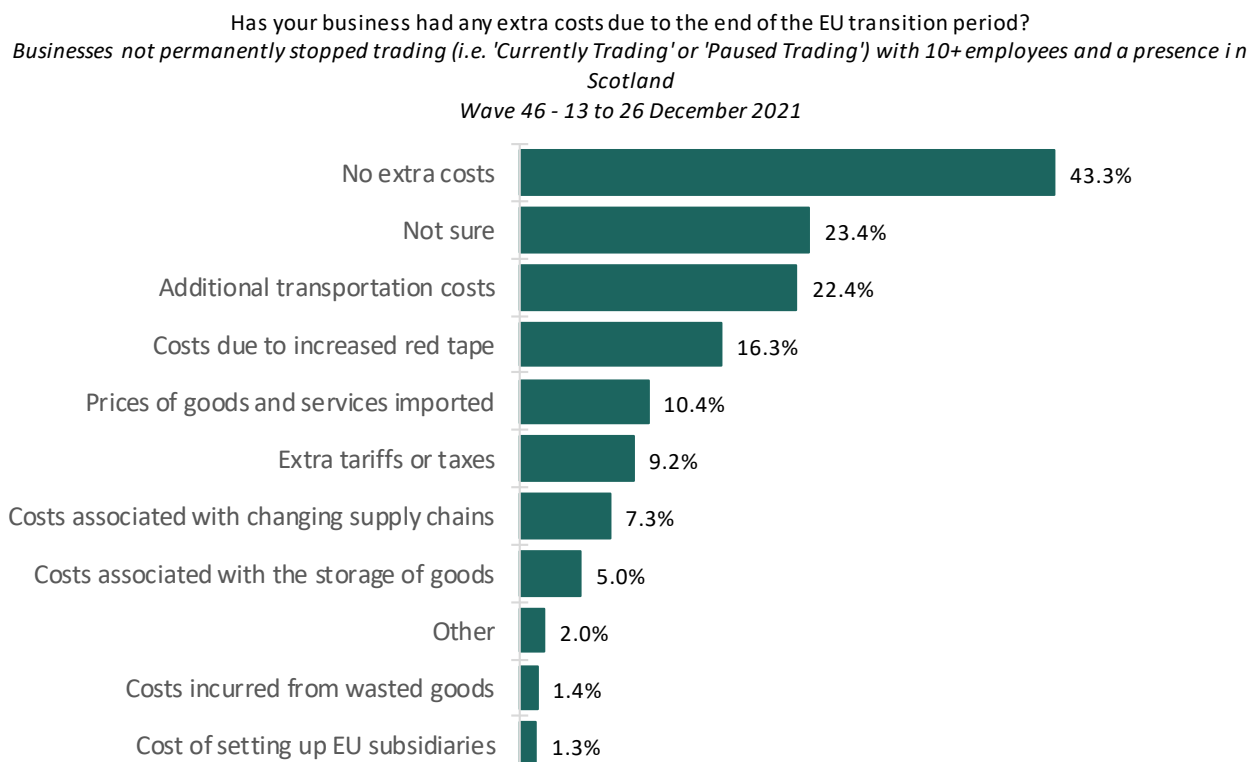
businesses reported that they had made changes to supply chains in the latest period. This figure has slightly increased since August 2021 (5.8% in Wave 37). The rest of the businesses (13.1%) were unsure.

The majority (72.4%) of applicable businesses who had not permanently stopped trading reported being able to access materials from within the UK over the past month. Similarly, around three quarters (74.1%) of applicable businesses reported that they were able to get the materials, goods or services they needed from the EU in the last month, but a further 17.9% of businesses reported that they had to change suppliers or find alternative solutions. An estimated 7.9% of businesses had not been able to get the materials, goods, or services they needed from the EU in Wave 46, and this figure has been relatively stable since October 2021.

When businesses were asked if they were planning to open any new branches or subsidiaries in the EU in the next 12 months, most businesses (90.4%) reported that they were not intending to do so, and this figure has remained consistent 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 12: Of the relevant businesses, an estimated 43.3% reported incurring no extra costs due to the end of the EU transition period. The most commonly reported additional costs were those associated with transportation (22.4%) and increased red tape (16.3%).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 46

Although the proportion of relevant businesses reporting no extra costs has slightly increased in the most recent wave, it remains lower than in March (43.3% in Wave 46 compared to 53.0% in Wave 27). Since May 2021 (Wave 30), additional transportation costs

has been the most commonly reported cost and this has generally been increasing since March 2021 (11.8% in Wave 27).

Over a quarter (28.6%) of applicable businesses reported that they were affected by the recent increases in gas prices, while 43.5% reported that they had not been affected. The rest (27.8%) were not sure.

Stock

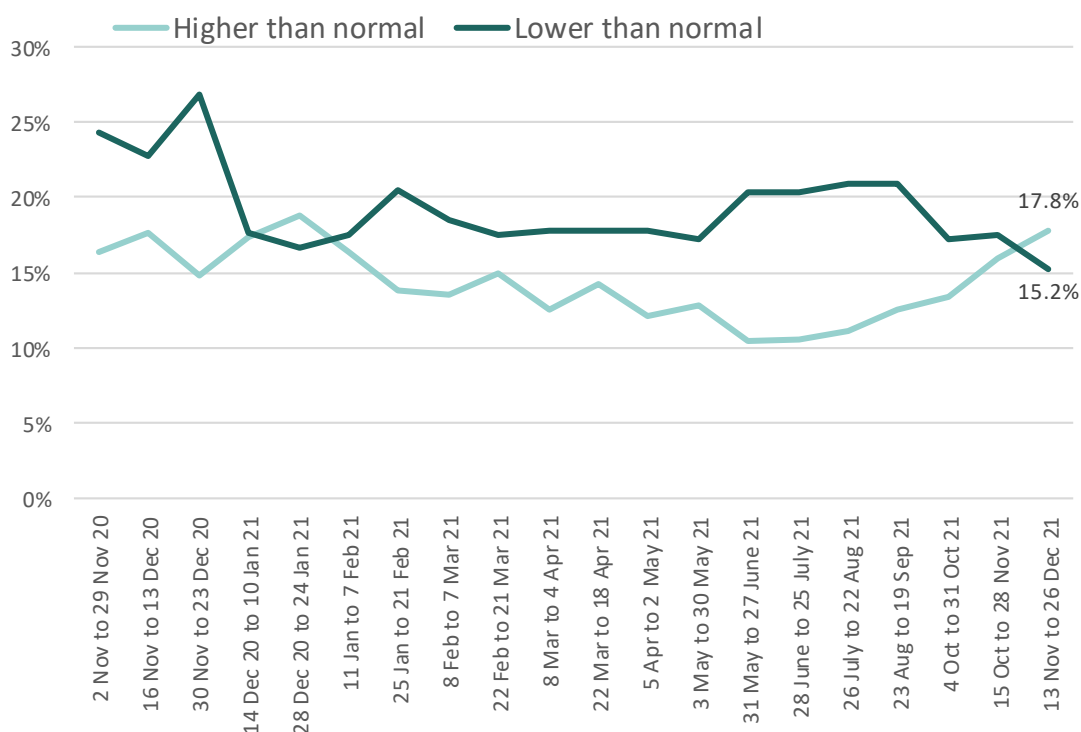
This section contains information from Wave 46, which covers the period from 13 November to 26 December 2021.

In Wave 46, the majority (87.1%) of businesses not permanently stopped trading reported that they were not stockpiling goods or materials. The proportion of businesses reporting that they were not stockpiling has been relatively consistent since this question was first asked in February 2021 (90.8% in Wave 25). Of the 9.1% businesses that did report stockpiling in Wave 46, the majority (74.3%) reported sourcing goods from UK suppliers, and most businesses (99.6%) stored stockpiled goods in the UK.

Businesses were also asked how their stock levels in the past month compared to normal expectations for this time of year. Over half (58.4%) of applicable businesses reported that stock levels had not changed over the past month compared to normal expectations, while 15.2% reported that stock levels were lower than normal.

Figure 13: For the first time since January 2021, more businesses reported that stock levels are higher than normal (17.8%) compared to lower than normal (15.2%) in Wave 46.

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



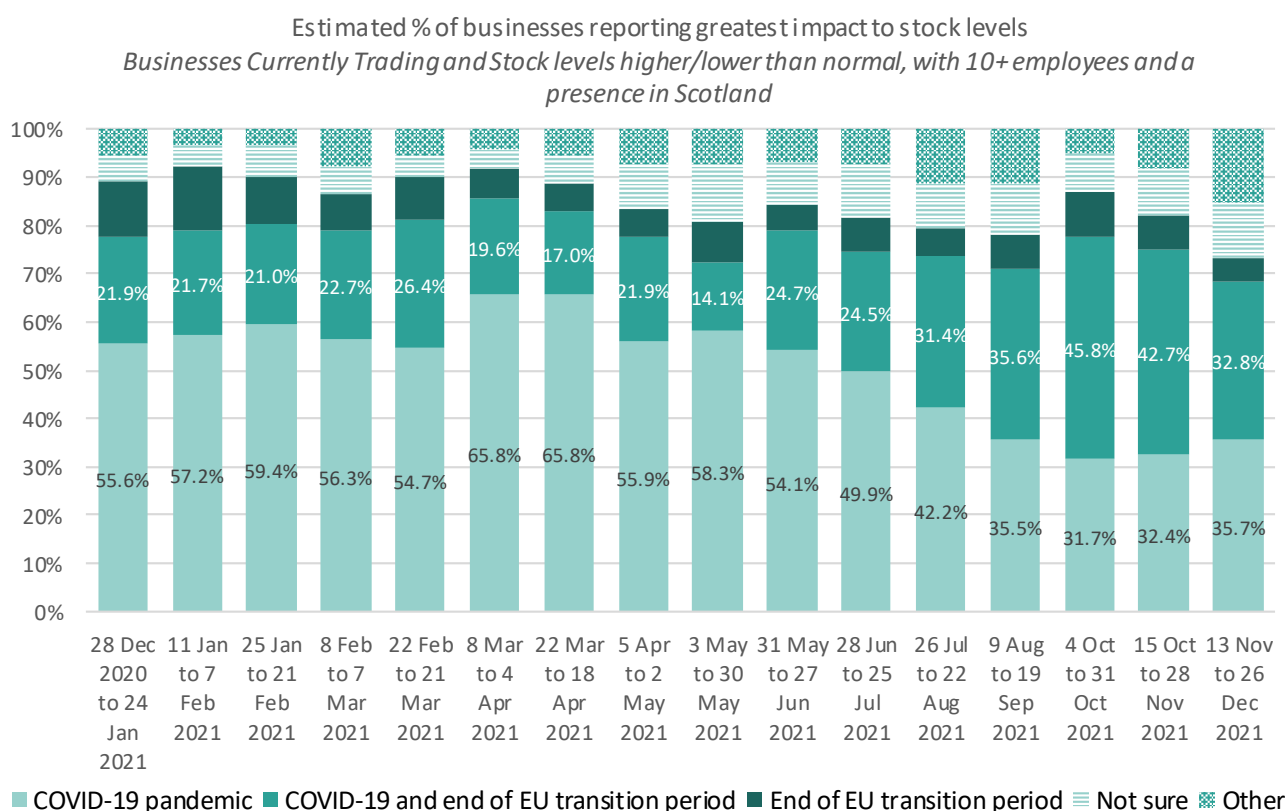
Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Waves 18-29, 31, 33, 35, 37, 39, 42, 44, 46

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 month.

Question: Over the last month, 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 14: The proportion of relevant businesses reporting COVID-19 as the biggest factor to impact stock levels has increased slightly since October 2021 (from 31.7% in Wave 42 to 35.7% in Wave 46), but remains lower than in April 2021 (65.8% in Wave 28).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Waves 18-29, 31, 33, 35, 37, 39, 42, 44, 46

The proportion of businesses reporting a combination of COVID-19 and the end of the EU transition period as being the biggest factor to impact stock levels has decreased since October 2021 (from 45.8% in Wave 42 to 32.8% in Wave 46).

Exporting and Importing Challenges

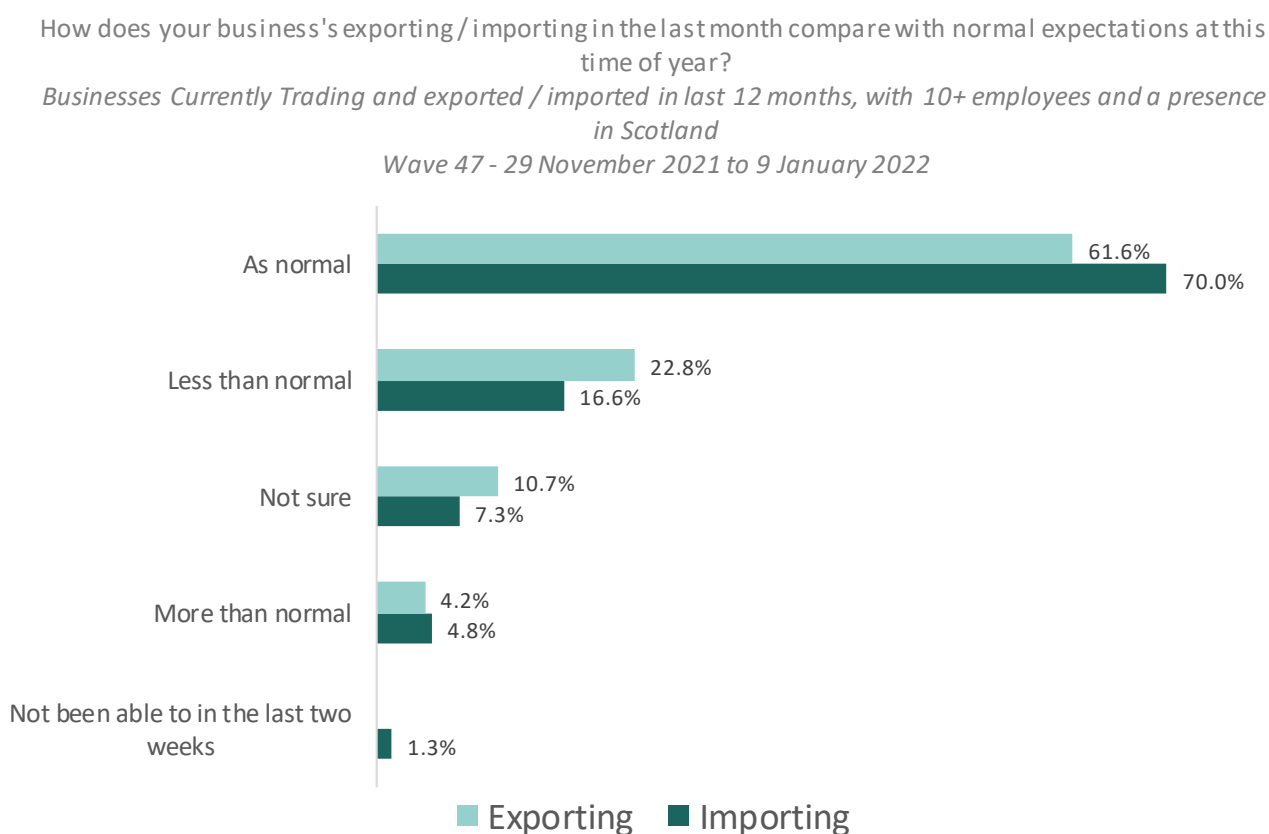
The BICS asks businesses that are currently trading about how current conditions, including the end of the EU transition period, have impacted on their exporting and importing – the specific questions asked are shown below.

This section contains information from Wave 47, which covers the period from 29 November 2021 to 9 January 2022.

Question: How does your business's exporting / importing in the last month 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 month
- Not sure

Figure 15: In the latest period, of businesses currently trading that have exported in the last 12 months, 22.8% reported exporting less than normal, and 16.6% reported importing less than normal in the past month.



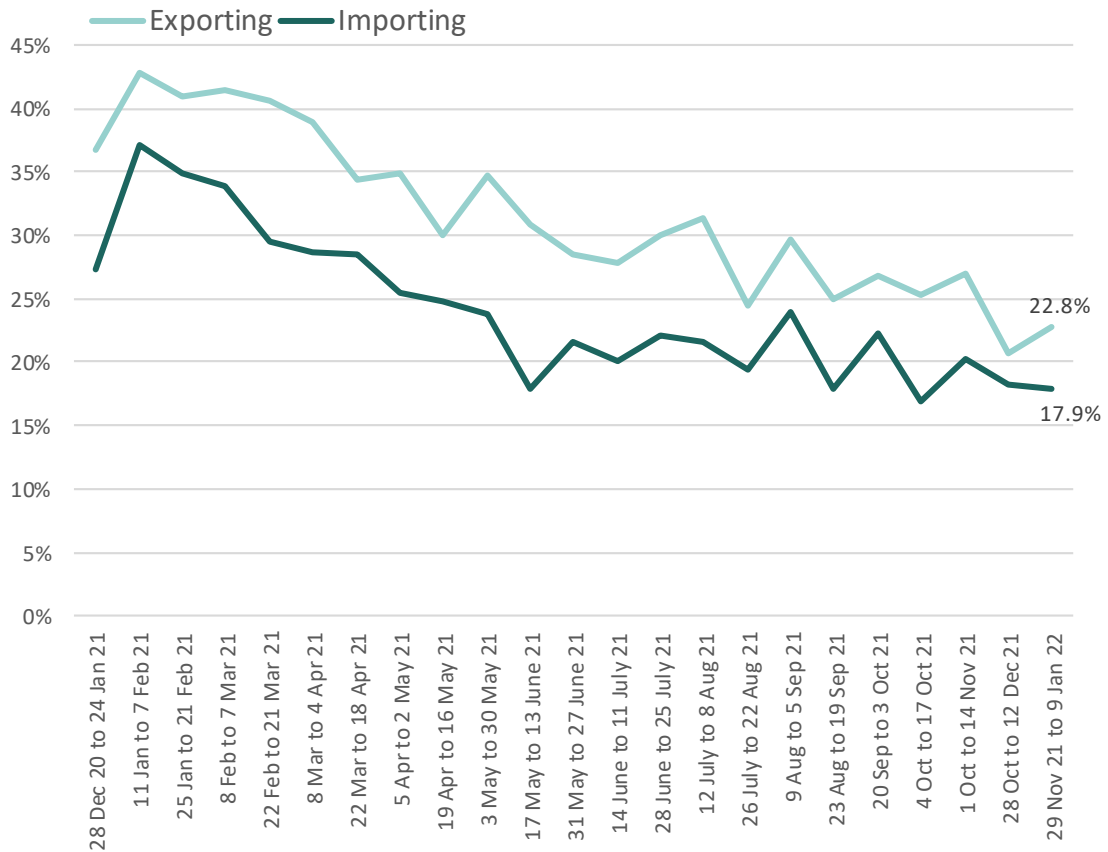
Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 47

In the latest period, 61.6% of currently trading businesses reported exporting as normal. This has generally increased since January 2021 and during this period, a higher proportion of businesses have reported importing as normal than exporting as normal, with the exception of Wave 30 (May 2021) when the proportion was the same for both exporting and importing.

Figure 16: The proportion of relevant businesses that have not been exporting or have exported less than usual has been generally decreasing since early February 2021 (42.8% in Wave 23). Importing shows a similar trend.

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

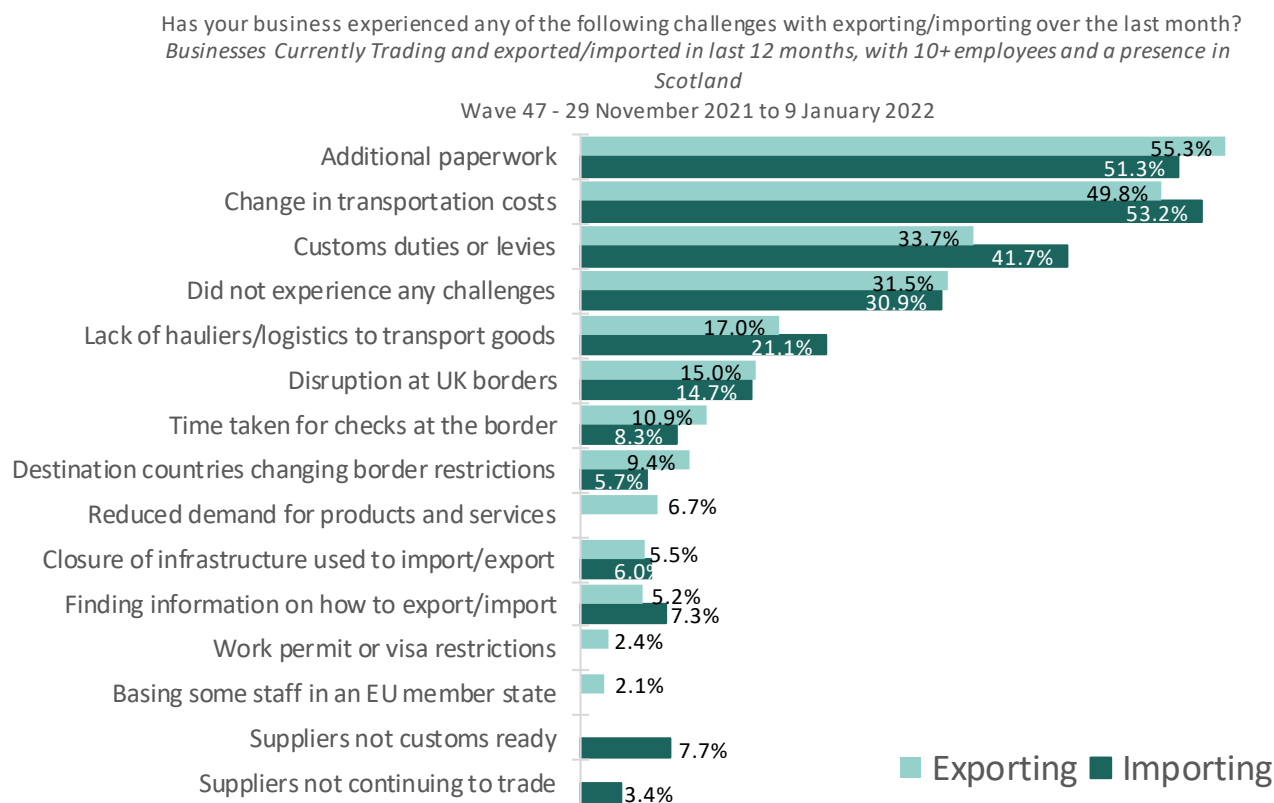
Businesses Currently Trading and exported in last 12 months, with 10+ employees and a presence in Scotland



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Waves 21-41, 43, 45, 47

Currently trading businesses that have exported or imported 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 17: The most commonly reported challenge continues to be additional paperwork, with over half (55.3%) of relevant businesses reporting this as an exporting challenge and 51.3% reporting this as an importing challenge.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 47

The other main challenges for exporting and importing were change in transportation costs and customs duties or levies. However 31.5% of exporters and 30.9% of importers did not experience any challenges. The percentage of exporters reporting no challenges has been decreasing since September 2021 (46.8% in Wave 40). On the other hand, businesses reporting no challenges with importing has increased in recent months, up from 24.7% in November 2021 (Wave 43).

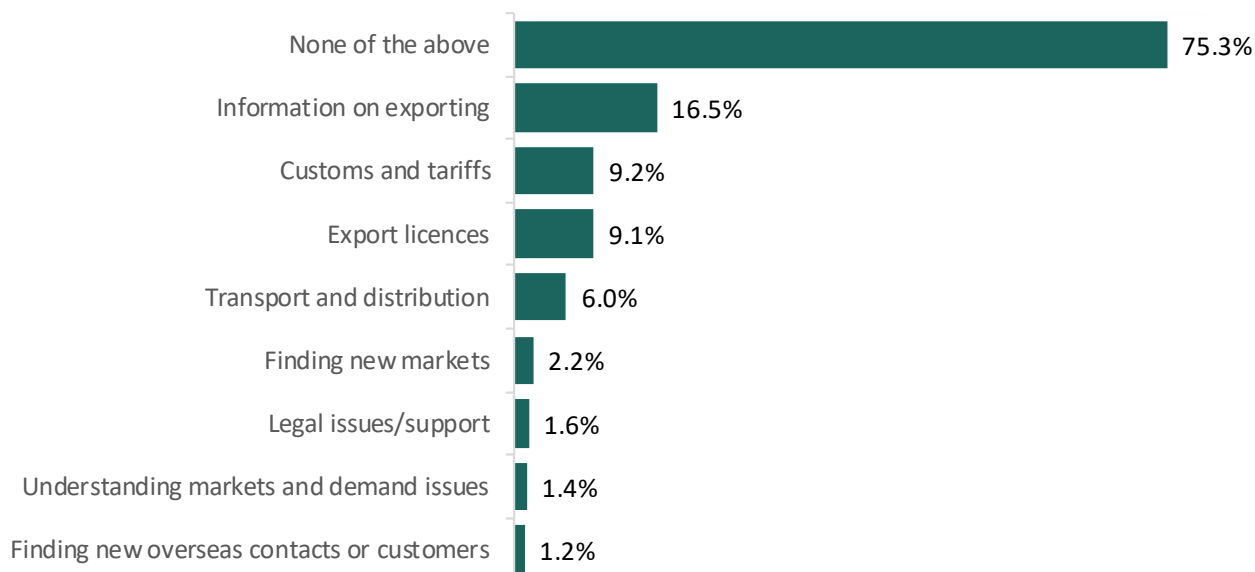
Relevant businesses who experienced exporting challenges were also asked about support options their business has benefitted from to help with these challenges.

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

- Customs and tariffs
- Export licences
- Financial support
- Finding new markets
- Finding new overseas contacts or customers
- Legal support
- Transport and distribution
- Understanding markets and demand issues
- Information on exporting
- Other
- None of the above

Figure 18: The support options that businesses most commonly reported benefitting from were information on exporting (16.5%), and customs and tariffs (9.2%). However, around three quarters (75.3%) of businesses did not benefit from any of these options to help with exporting challenges.

Which of the following support options has your business benefitted from, to help with exporting challenges?
Businesses Currently Trading and exported/imported in last 12 months and experienced challenges to exporting/importing, with 10+ employees and a presence in Scotland



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 47

Information on exporting was first offered as a support option in the survey in September 2021 (Wave 39), and has been the top reported support option since October 2021 (Wave 41).

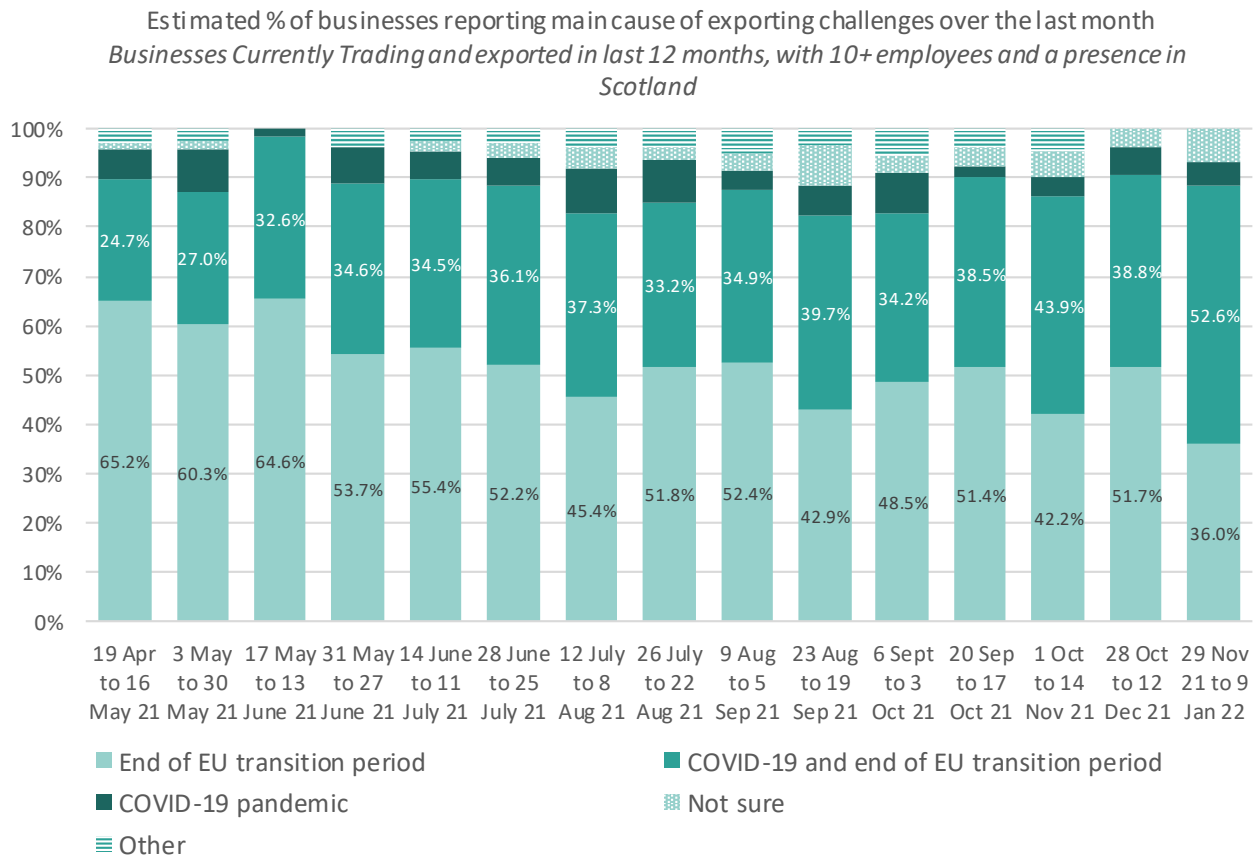
When asked to choose which support options they would benefit from to help with importing challenges, 34.5% of relevant businesses selected customs and tariffs, 27.8% selected information on importing, and 23.3% selected transport and distribution. Although the percentage of businesses reporting customs and tariffs as a support option for importing challenges has slightly increased in the most recent wave (from 27.8% in Wave 45 to 34.5% in Wave 47) it remains lower than in May 2021 (57.4% in Wave 29). Despite this, customs and tariffs has been the top reported support option for importing since the series began in April 2021. Of the relevant businesses, 32.4% reported that none of the available options for importing challenges would benefit them which is a lower proportion than in previous months.

Businesses that reported experiencing challenges with exporting in the last month 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 19: The proportion of businesses reporting EU exit as the main cause of exporting challenges (36.0%) is the lowest it's ever been, while the proportion of businesses reporting COVID-19 combined with EU exit as the main cause (52.6%) is the highest it's ever been.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Waves 30 to 41, 43, 45, 47.

Businesses also reported that the end of the EU transition period combined with the COVID-19 pandemic was the biggest challenge to importing, with over half (51.8%) of businesses reporting this. A further 36.3% of businesses reported EU exit alone as the biggest challenge to importing. Businesses reporting EU exit as the biggest challenge to importing is the lowest it has ever been since the series began.

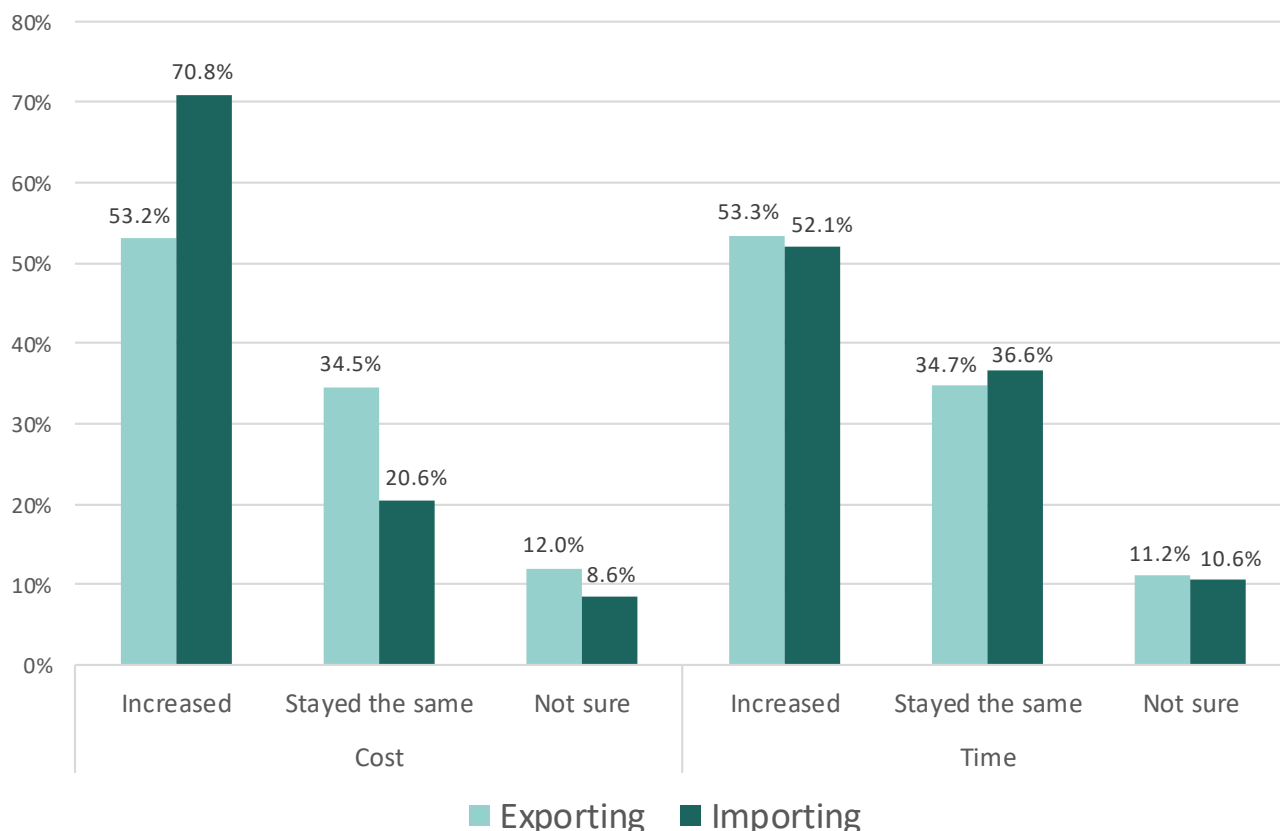
Businesses were also asked about the cost of exporting/importing and time spent on exporting/importing compared with normal expectations for this time of year.

Figure 20: An estimated 70.8% of relevant businesses reported that the cost of importing has increased compared to normal for this time of year, which is a greater proportion than for the cost of exporting (53.2%).

How does the cost of/time spent on exporting/importing in the last month compare with normal expectations for this time of year?

Businesses Currently Trading and exported/imported in last 12 months and experienced challenges to exporting/importing, with 10+ employees and a presence in Scotland

Wave 47 - 29 November 2021 to 9 January 2022



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 47

The proportion of businesses reporting that the cost of exporting and importing has increased has been generally rising since September 2021, when this question was first asked. Businesses reporting that costs have increased has been consistently higher for importing than for exporting.

Production and Suppliers

This section contains information from Wave 47, which covers the period from 29 November 2021 to 9 January 2022.

For the first time, businesses were asked what percentage of their sales were to customers in other UK nations in the past 12 months. Of the applicable businesses, over a quarter (26.7%) reported that over half of sales were to customers from other UK nations, including 21.9% reporting more than 75% of sales to other UK nations, while 30.3% reported that none of their sales were to other UK nations.

Businesses were asked if they experienced any challenges when trading with customers in other UK nations. Over three quarters (78.5%) of the applicable businesses reported that they did not experience any challenges, while 8.2% reported that they were experiencing challenges. This compares with 12.0% of applicable businesses when this question was first asked in November 2021 (Wave 43).

Businesses were also asked if they expected their business's UK distribution demands to be met by logistics services in the next two weeks. Of the relevant businesses, around a third (35.5%) expected all or some of their demands to be met, while almost half (46.3%) reported that they will not need any UK distribution, and the rest (18.1%) were not sure. This question was previously asked in late 2020 and early 2021 with similar results reported.

A new question in Wave 47 asked businesses about their experience of global supply chain disruption. Almost half (47.7%) of applicable businesses reported that they experienced no disruption to global supply chains over the past month, while 31.1% reported that they had experienced disruption. The rest (21.3%) were not sure. The percentage of applicable businesses experiencing disruption increased to 44.4% for the manufacturing sector.

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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