

BUSINESS AND ENERGY

Business Insights and Conditions Survey (BICS) Weighted Scotland Estimates - Data to Wave 49

18 February 2022

This is the 36th 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 24 January to 6 February 2022 (Wave 49), the share of businesses 'currently trading' was estimated at 99.3%, an increase on the rate in the previous period (98.0% in Wave 48).
- In Wave 49, the share of businesses reporting that they were fully trading was estimated at 92.1%, up from 89.3% in the previous period. In Wave 49, the Accommodation & Food Services and Arts, Entertainment & Recreation industry sectors had the lowest shares of "fully trading" businesses, estimated at 69.7% and 72.7% respectively.
- The share of the workforce working from home in Wave 49 was estimated to be 14.8% - down from 16.5% in Wave 48. In the latest period, the industry sectors with the highest proportion of the workforce working from home were the Information & Communication and Professional, Scientific & Technical Activities sectors, estimated at 61.9% and 41.0% respectively.
- In Wave 49, 2.2% 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 a decrease on the previous period (3.2% in Wave 48), but remains at a higher level than reported in all periods up to the end of December 2021.
- In the period 10 January to 6 February 2022, 29.8% of businesses reported a decrease in turnover compared with what is normally expected, with this share rising to 51.6% in the Accommodation & Food Services industry sector.

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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 8,614 businesses responded to the Wave 49 BICS UK-wide - 1,103 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 991 responding businesses in Wave 49. 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 17th of February 2022 ONS published [Understanding the business impacts of local and national restrictions, UK: February 2022](#) – 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

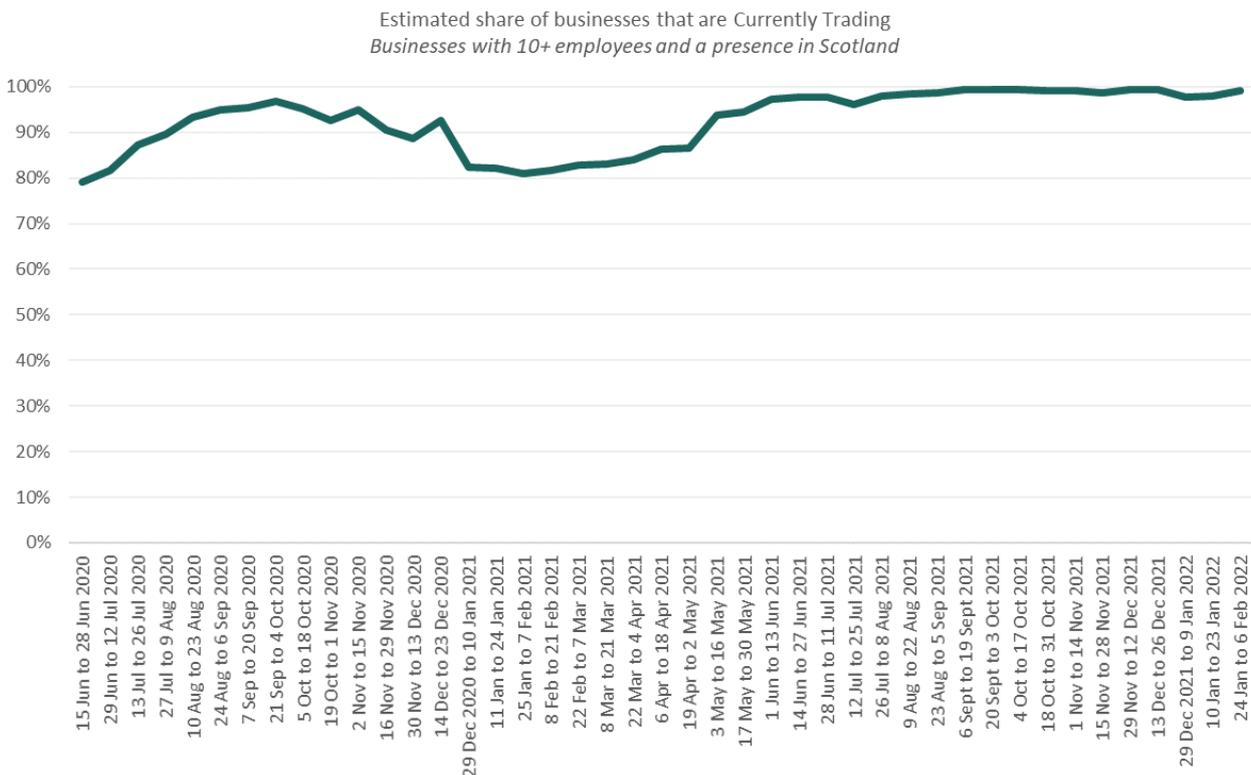
The BICS asks businesses about their trading status: the specific question³ asked is shown below. Businesses were asked for their current trading status at the time of completion of the survey questionnaire (24 January to 6 February 2022 in Wave 49).

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 24 January to 6 February 2022 (Wave 49), the share of businesses 'currently trading' was estimated at 99.3%, an increase on the rate in the previous period (98.0% in Wave 48).

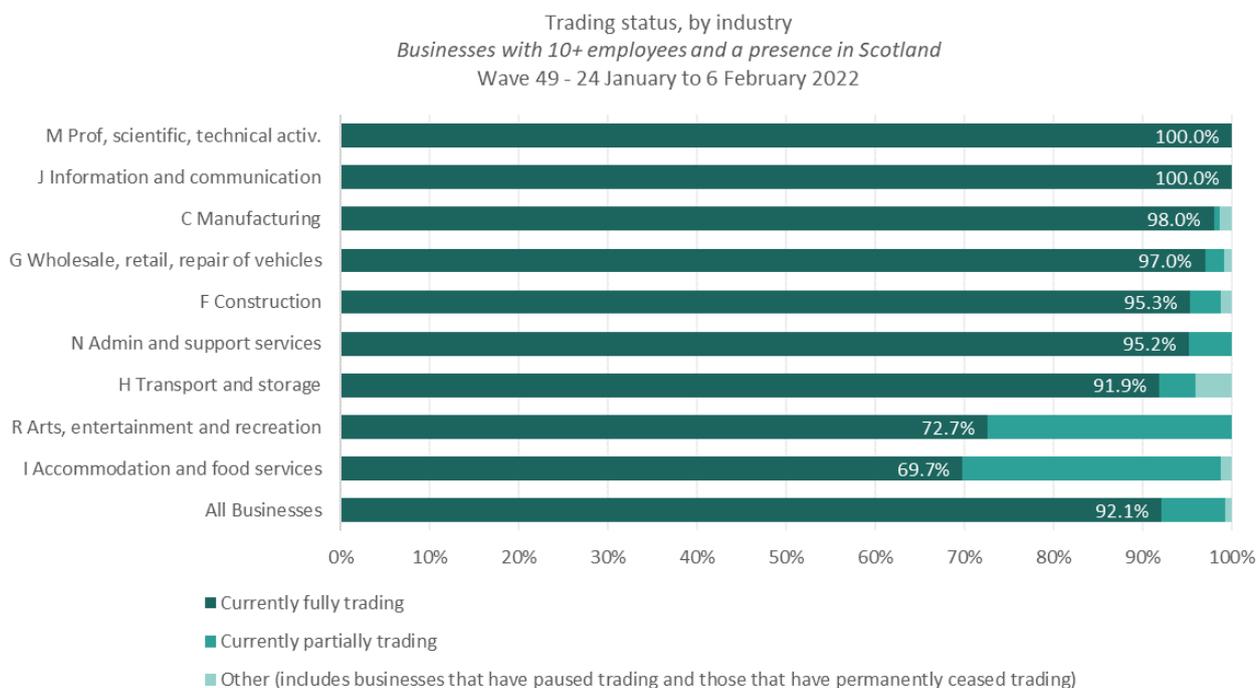


Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 7 to Wave 49

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 49, the share of businesses reporting that they were fully trading was estimated at 92.1%, up from 89.3% in the previous period. In Wave 49, the Accommodation & Food Services and Arts, Entertainment & Recreation industry sectors had the lowest shares of “fully trading” businesses, estimated at 69.7% and 72.7% respectively.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 49

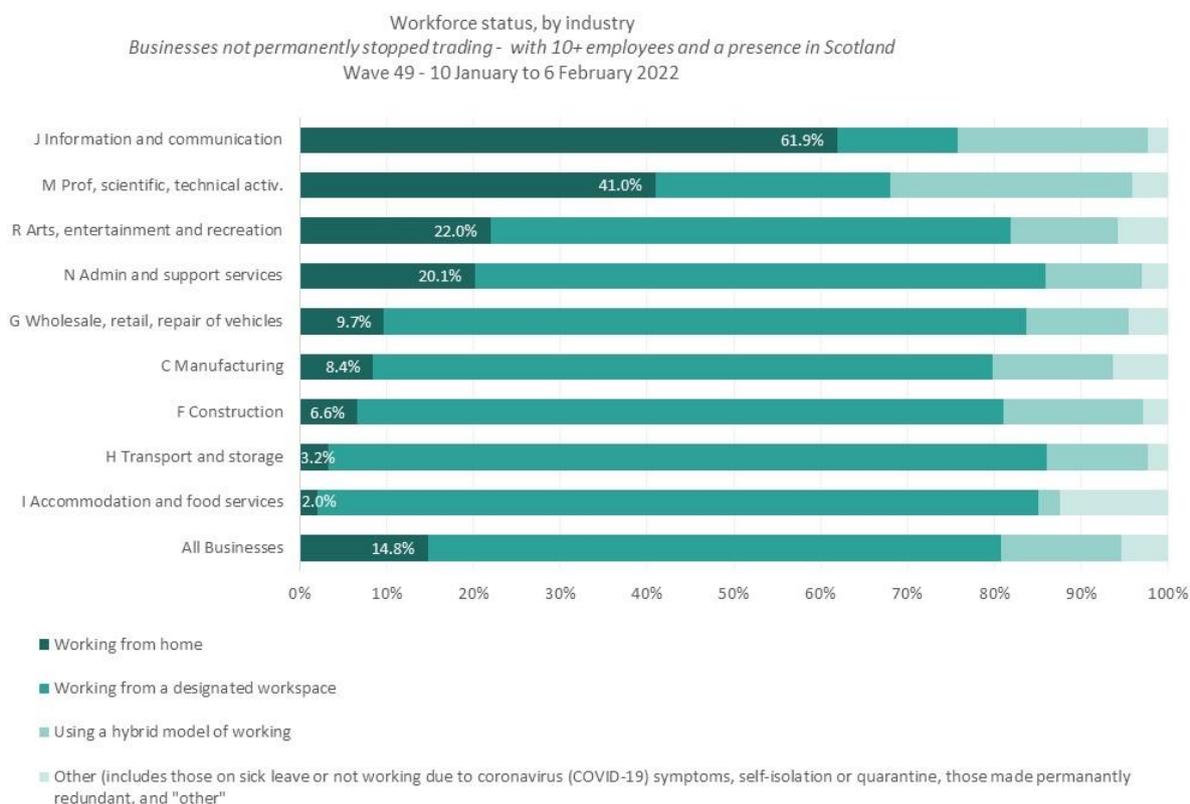
Workforce Status

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 (24 January to 6 February 2022 for Wave 49) with the full question reference period (looking back at the last two weeks) covering 10 January to 6 February 2022 for Wave 49.

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 home in Wave 49 was estimated to be 14.8% - down from 16.5% in Wave 48. In the latest period, the industry sectors with the highest proportion of the workforce working from home were the Information & Communication and Professional, Scientific & Technical Activities sectors, estimated at 61.9% and 41.0% respectively.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 49

In Wave 49, 2.2% 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 a decrease on the previous period (3.2% in Wave 48), but remains at a higher level than reported in all periods up to the end of December 2021. The Arts, Entertainment & Recreation industry sector reported the highest absence share at 4.1%.

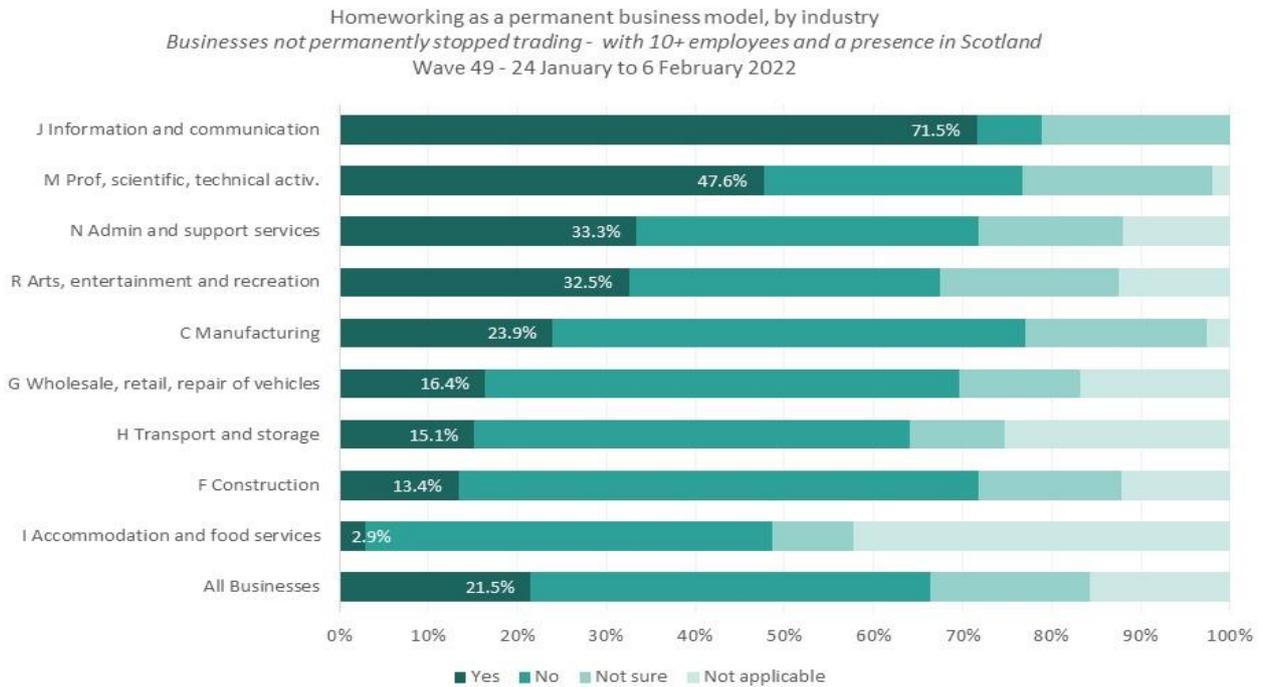
Homeworking

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

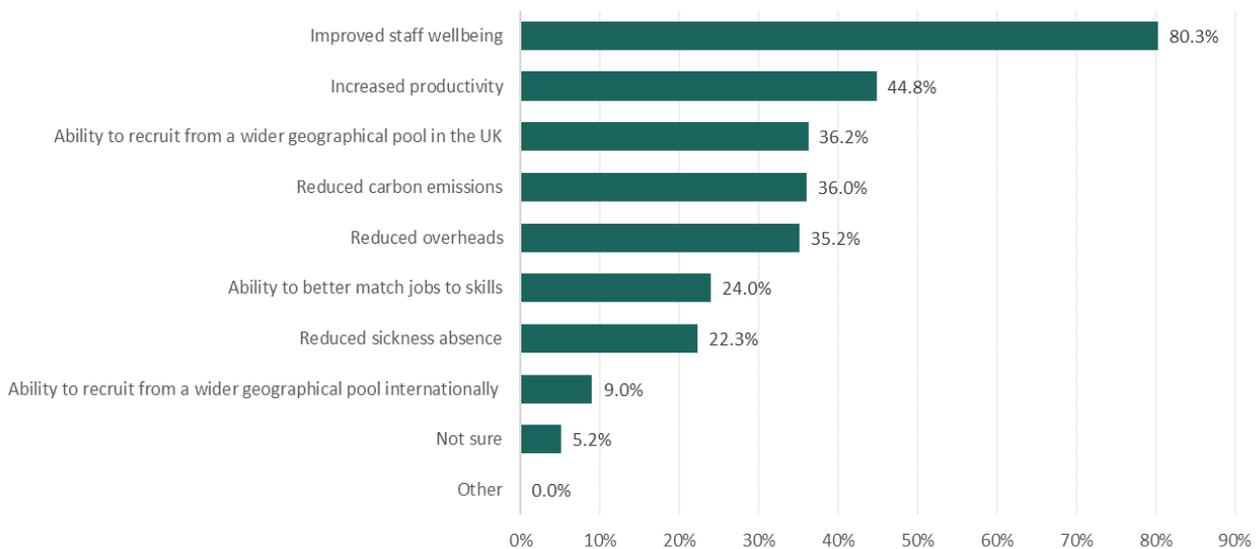
Figure 4: In the period 24 January to 6 February 2022 (Wave 49), the share of businesses that intend to use increased homeworking as a permanent business model was highest in the Information & Communication (71.5%) and Professional, Scientific & Technical Activities (47.6%) sectors. The rates were much lower in some other sectors, with only 2.9% of businesses in the Accommodation & Food Services sector, and 13.4% of Construction businesses intending to use increased homeworking as a permanent business model.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 49

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 80.3% of businesses.

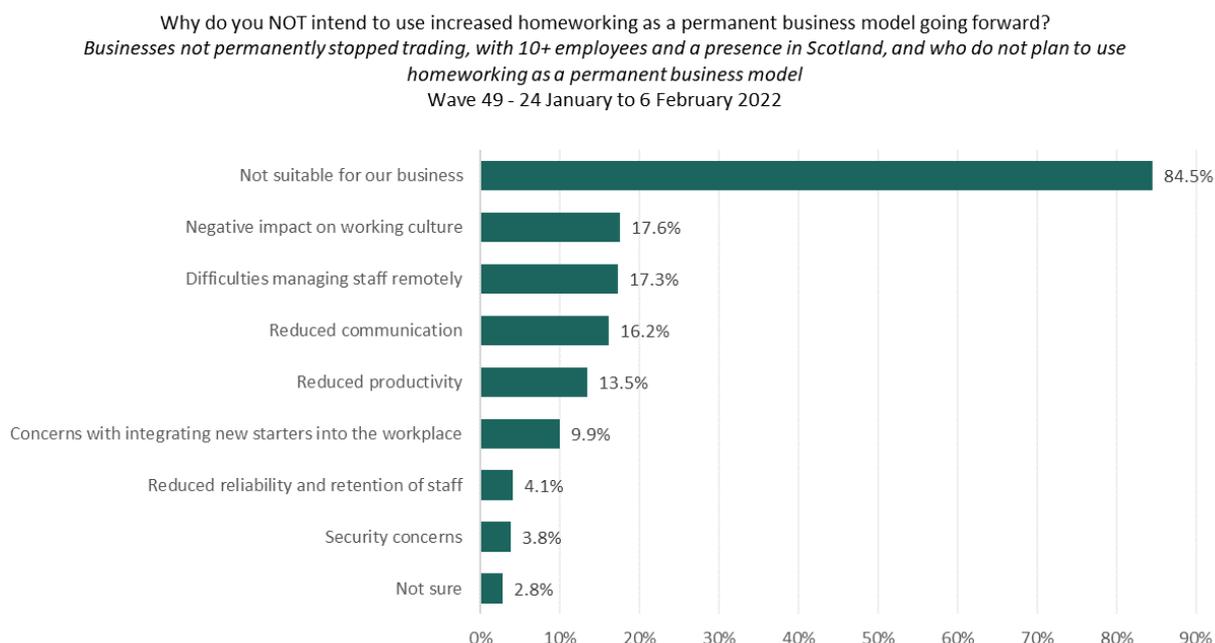
Why do you intend to use increased homeworking as a permanent business model going forward?
Businesses not permanently stopped trading, with 10+ employees and a presence in Scotland, and who plan to use homeworking as a permanent business model
Wave 49 - 24 January to 6 February 2022



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 49

In Wave 49, 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 84.5% of relevant businesses.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 49

Worker Shortages

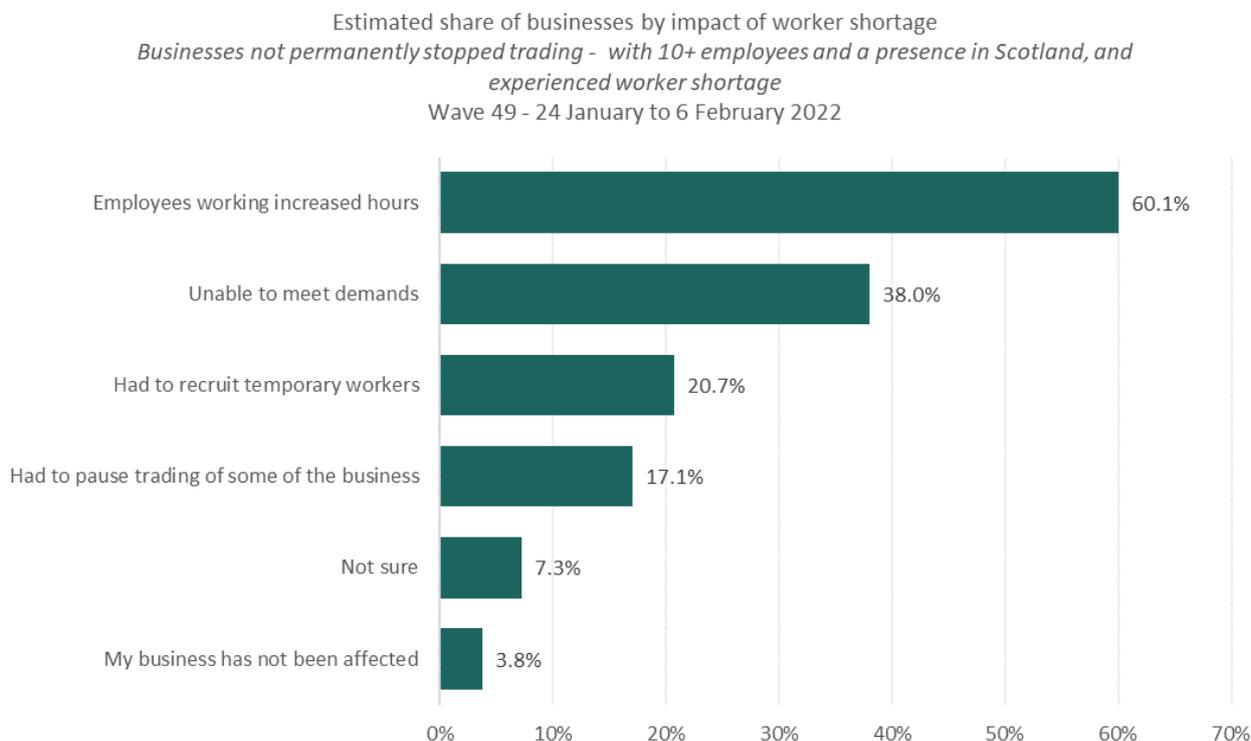
In Wave 49, businesses that have not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading'), were asked whether they are currently experiencing a shortage of workers. An estimated 34.1% of businesses reported experiencing a shortage of workers - rising to 41.6% in the Transport & Storage sector and 39.5% of businesses in the Construction 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 7: In Wave 49, 60.1% of businesses reported that the shortage of workers has resulted in employees working increased hours, and 38.0% 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 49

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 (24 January to 6 February 2022 for Wave 49) with the full question reference period (looking back at the last two weeks) covering 10 January to 6 February 2022 for Wave 49.

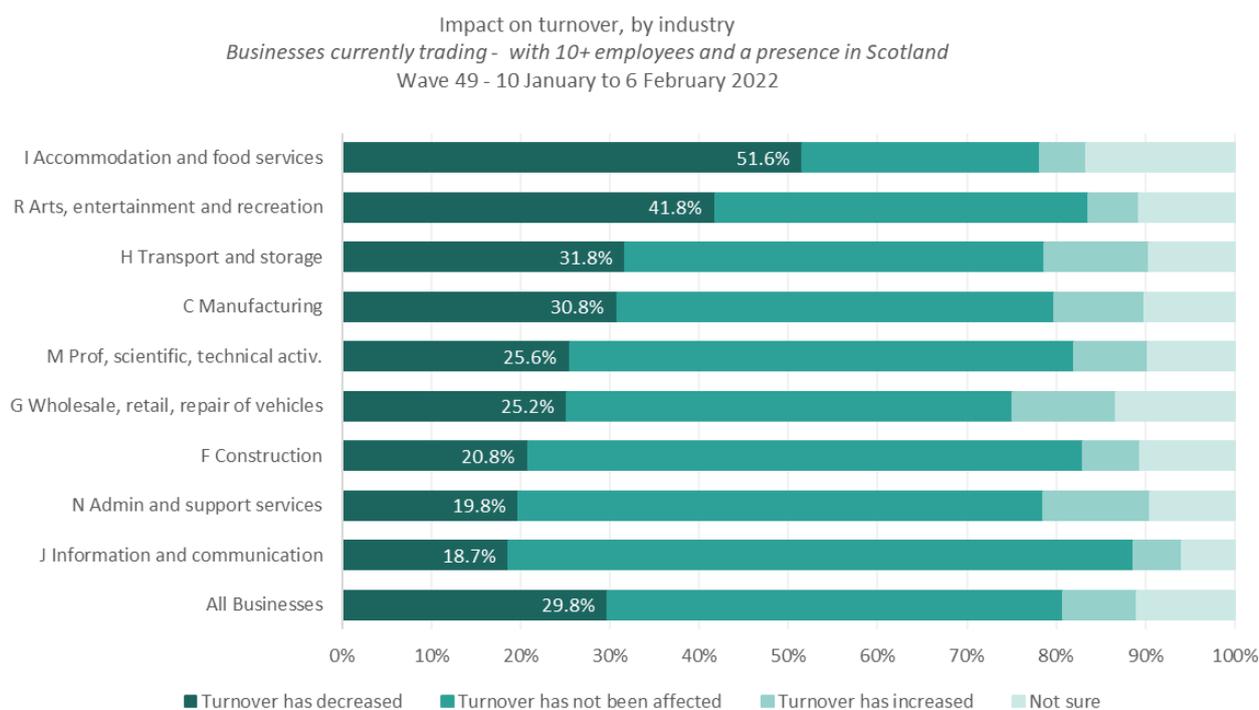
Note that in Waves 43, 45 and 47 this question asked about turnover in the last month rather than the last two weeks.

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 10 January to 6 February 2022, 29.8% 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 51.6%, however this was down on the previous period (59.2% in Wave 48).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 49

Business Resilience

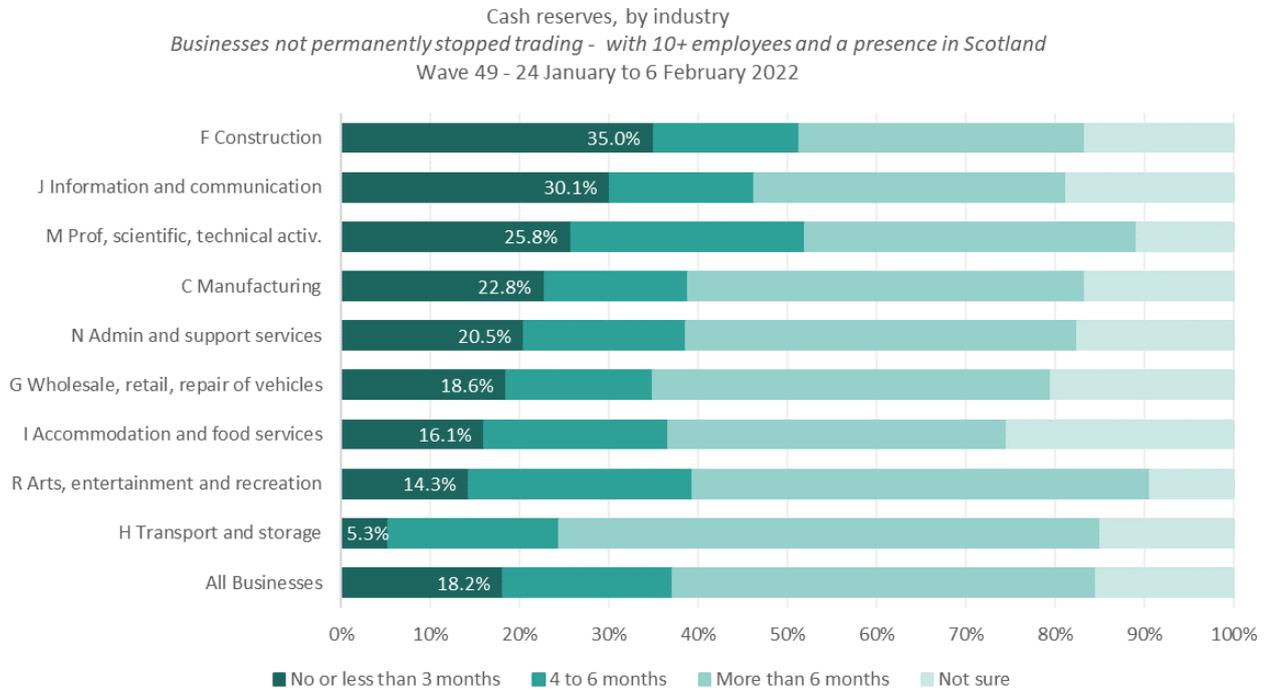
The BICS asks businesses, that had not permanently stopped trading (i.e. ‘Currently Trading’ or ‘Paused Trading’), about their cash flow - the specific question asked is shown below. Note that businesses were asked about cash flow from the time of completion of the survey questionnaire (24 January to 6 February 2022 for Wave 49).

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 9: In the latest period, 18.2% of businesses reported they had no or less than three months cash reserves, with the highest rates for the Construction and Information & Communication industry sectors (estimated at 35.0% and 30.1% respectively).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 49

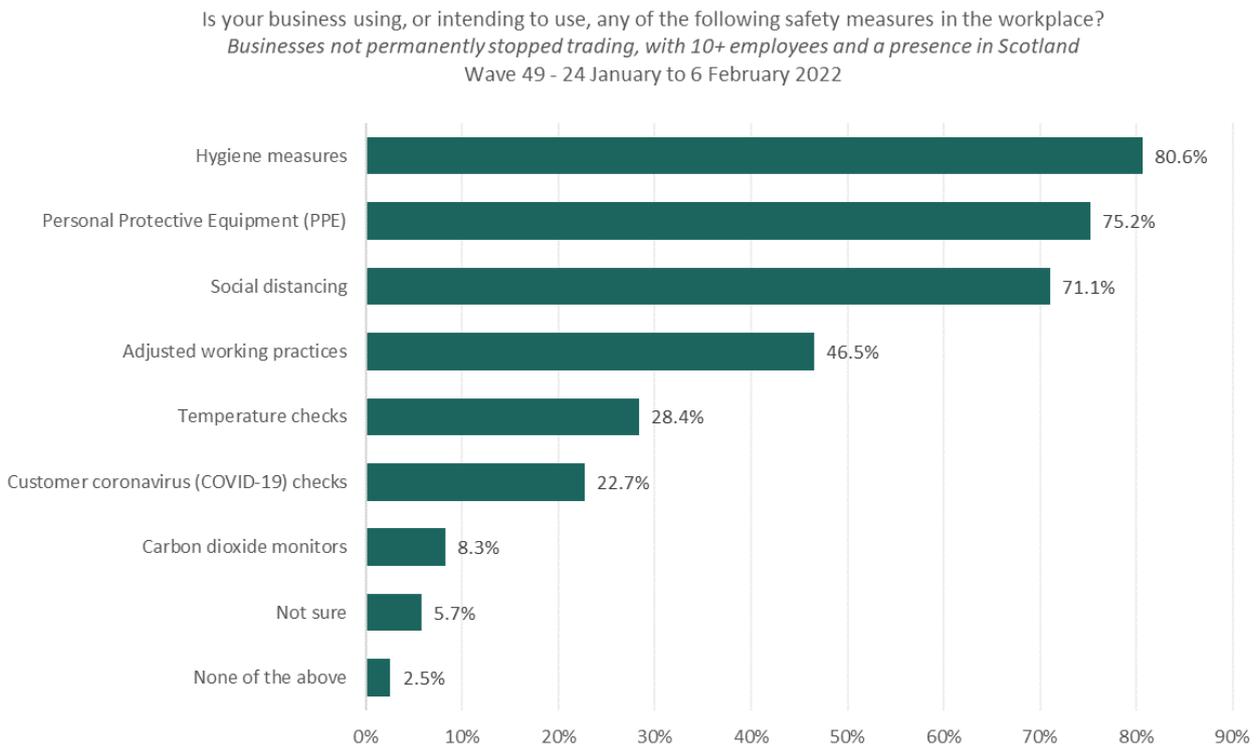
Safety Measures

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 (24 January to 6 February 2022 in Wave 49).

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 10: In Wave 49, Hygiene Measures (80.6%), Personal Protective Equipment (PPE) (75.2%) and Social Distancing (71.1%) continued to be the workplace safety measures most frequently reported by businesses.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 49

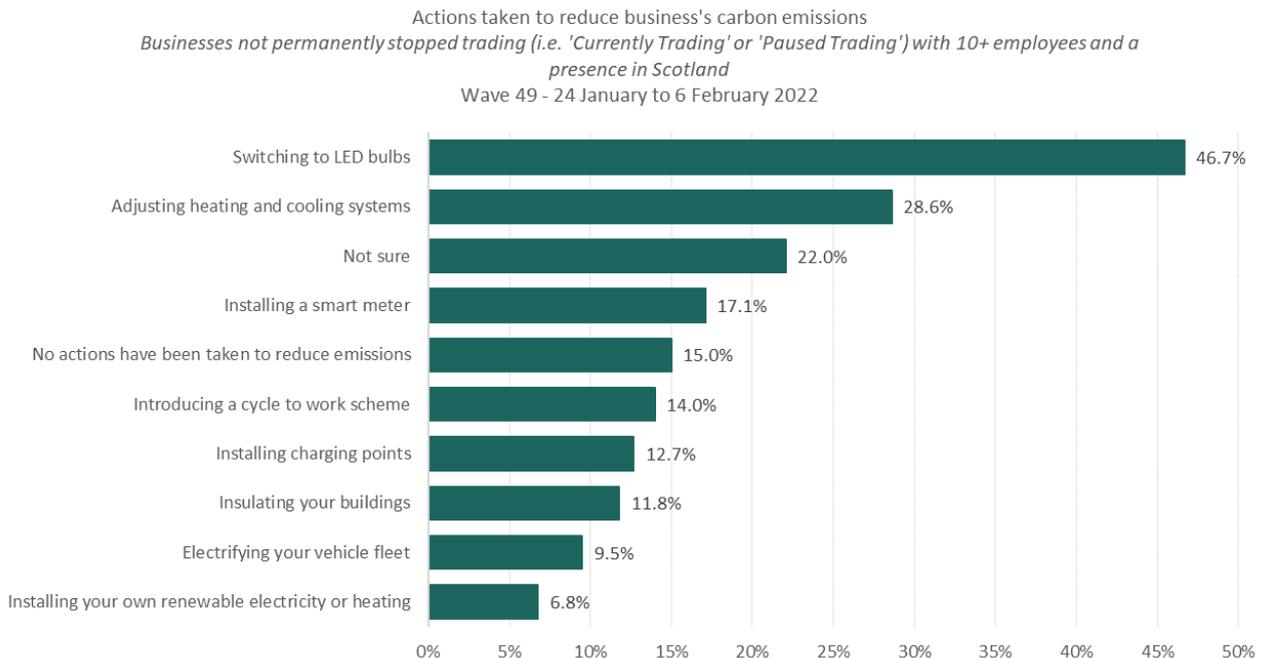
Net Zero Carbon Emissions

The BICS asks businesses that have not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading'), whether they have taken any actions to reduce the business's carbon emissions – the specific question asked is shown below. Businesses were asked about their actions at the time of completion of the survey questionnaire (24 January to 6 February 2022 in Wave 49).

Question: Which of the following actions, if any, have you taken to reduce your business's carbon emissions?

- Adjusting heating and cooling systems
- Electrifying your vehicle fleet
- Installing a smart meter
- Installing charging points
- Installing your own renewable electricity or heating
- Insulating your buildings
- Introducing a cycle to work scheme
- Switching to LED bulbs
- Not sure
- No actions have been taken to reduce emissions
- Do not have any emissions

Figure 11: Switching to LED bulbs (46.7%) and Adjusting heating and cooling systems (28.6%) were the actions most frequently reported by businesses in the period 24 January to 6 February 2022 (Wave 49). 15.0% of businesses reported that they had taken no actions to reduce their carbon emissions.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 49

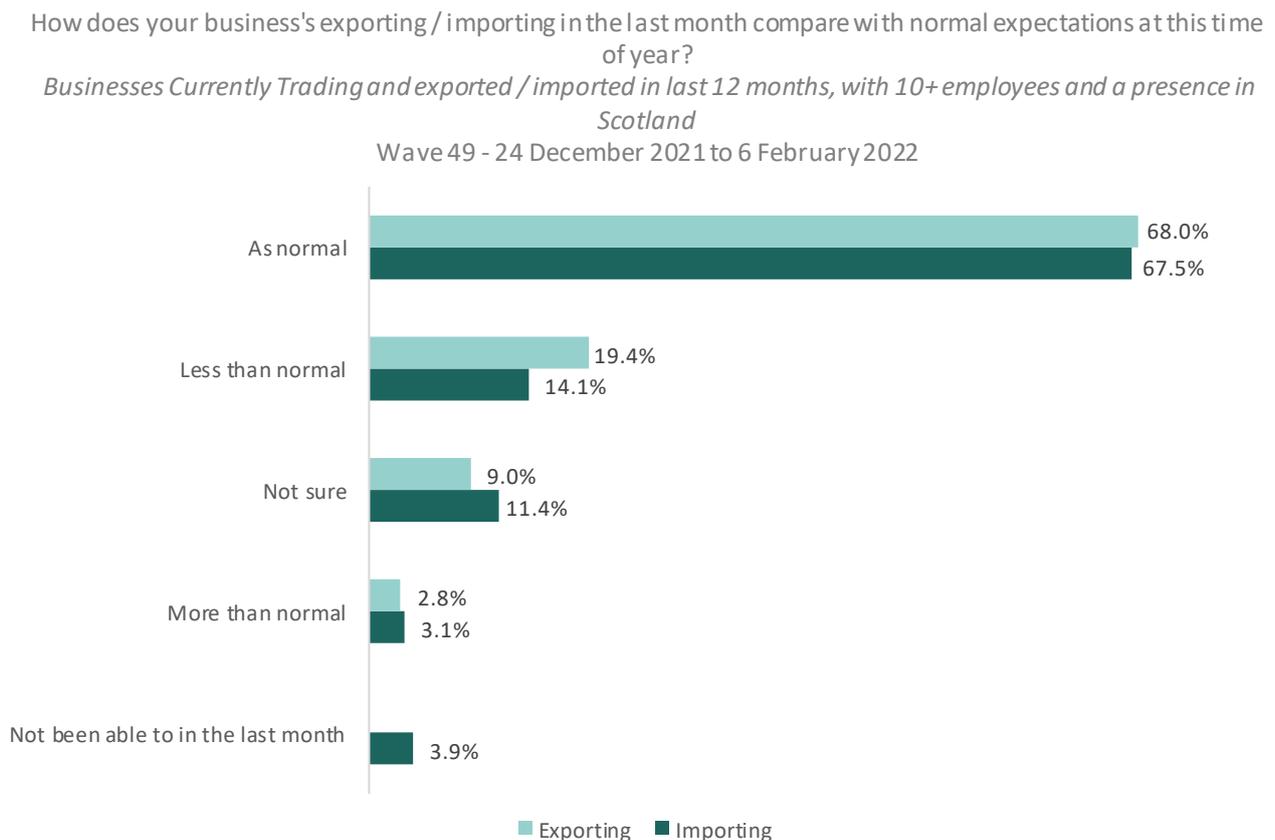
Exporting and Importing Challenges

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 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

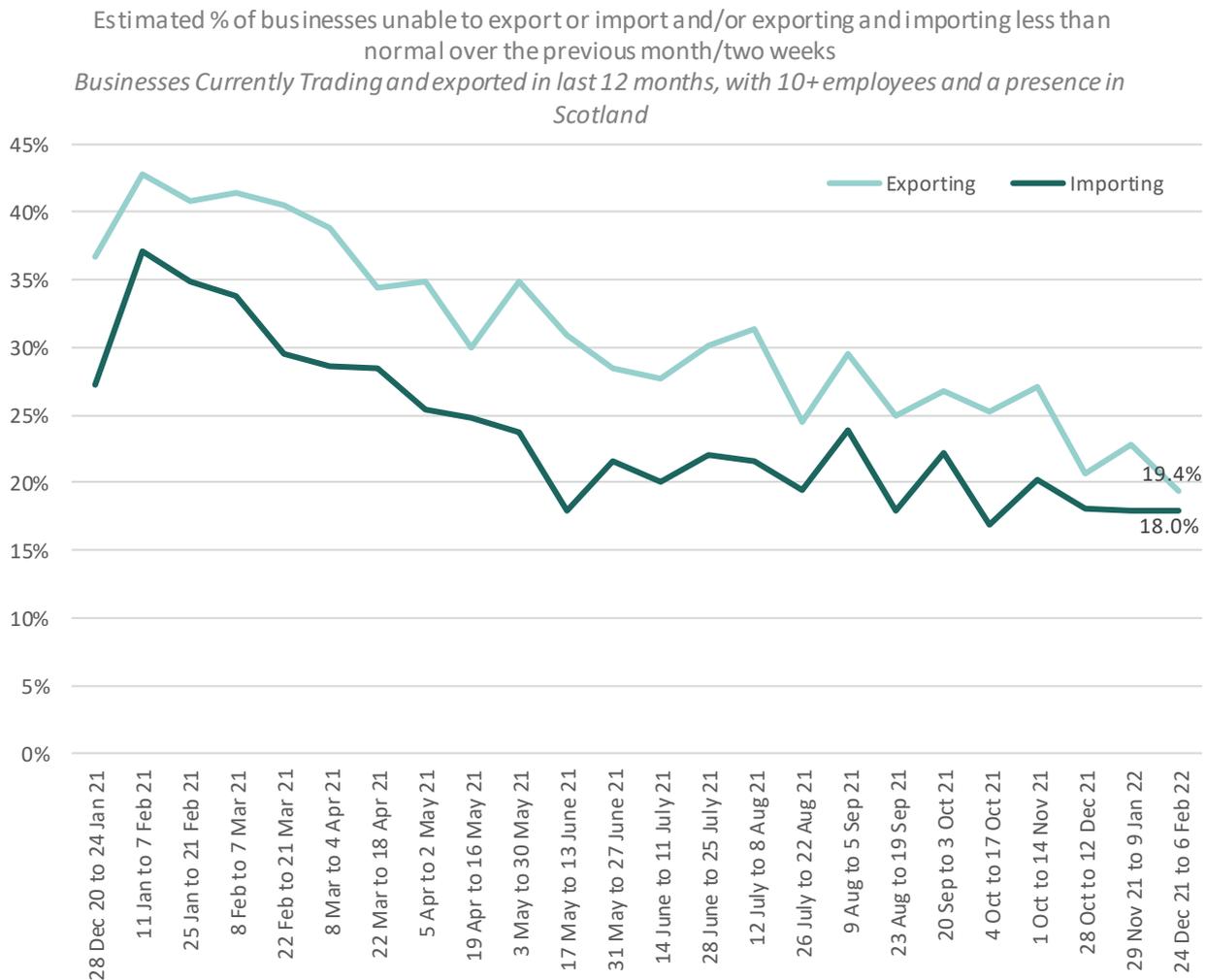
Figure 12: In the latest period, of businesses currently trading that have exported in the last 12 months, 19.4% reported exporting less than normal, and 14.1% reported importing less than normal in the past month.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 49

In the latest period, 68.0% of currently trading businesses reported exporting as normal, and a similar proportion of businesses reported importing as normal (67.5%). The proportion of businesses reporting exporting and importing as normal has generally increased since January 2021 (Wave 22).

Figure 13: 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.

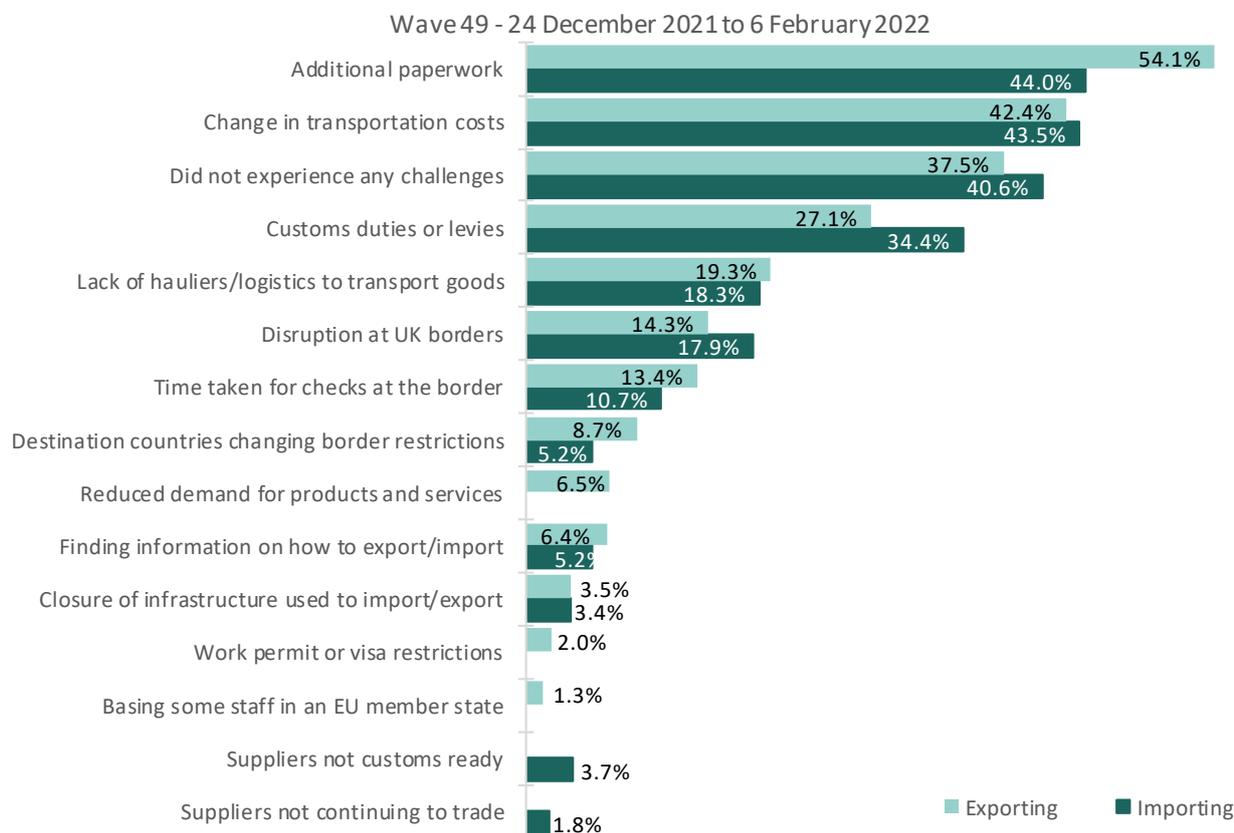


Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Waves 22 to 41, 43, 45, 47, 49.

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 14: The most commonly reported challenge continues to be additional paperwork, with over half (54.1%) of relevant businesses reporting this as an exporting challenge and 44.0% reporting this as an importing challenge.

Has your business experienced any of the following challenges with exporting/importing over the last month?
Businesses Currently Trading and exported/imported in last 12 months, with 10+ employees and a presence in Scotland



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 49

The other main challenges for exporting and importing were change in transportation costs and customs duties or levies. However 37.5% of exporters and 40.6% of importers did not experience any challenges. The percentage of exporters reporting no challenges has generally decreased 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).

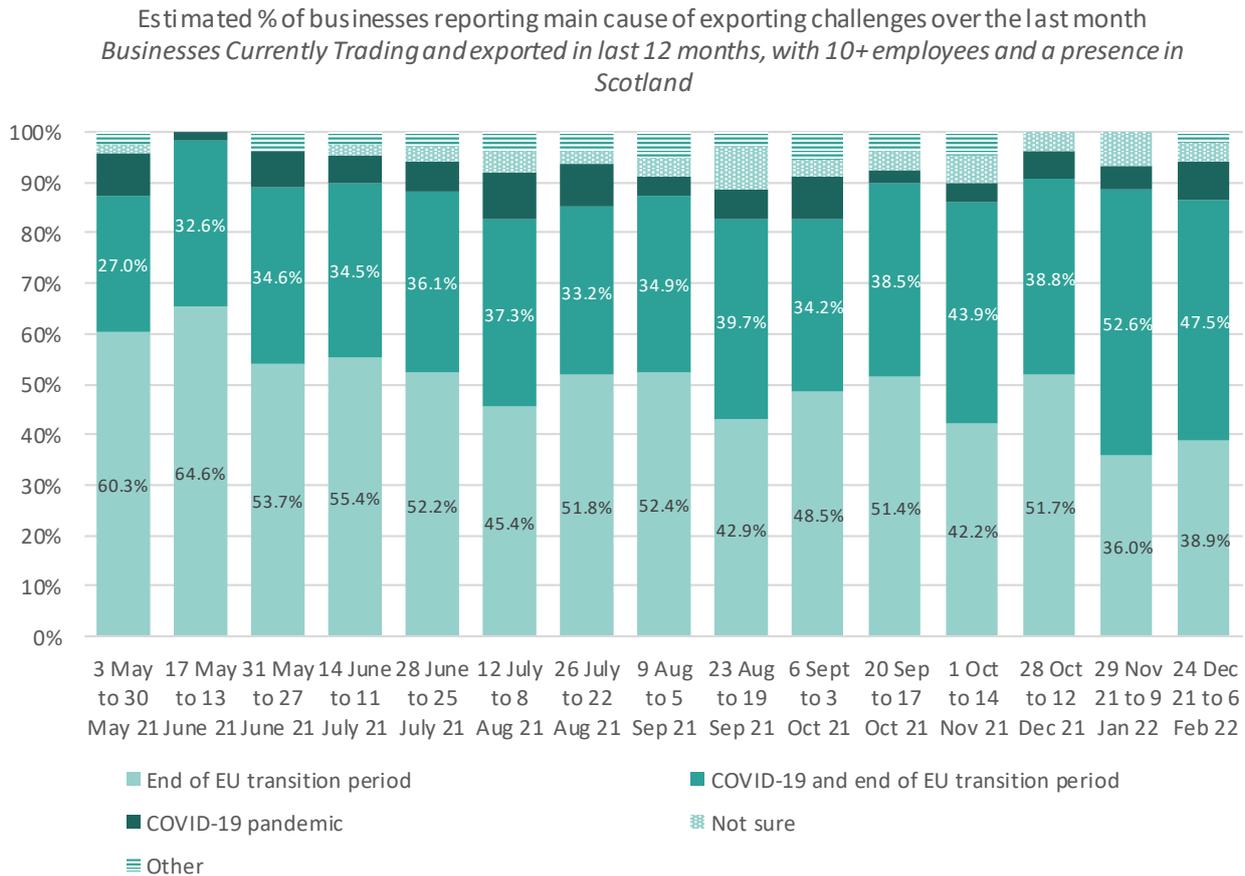
Of the businesses reporting challenges to exporting, 6.3% reported that this caused severe disruption, 37.8% reported moderate disruption, 47.2% reported low disruption, 6.3% reported no disruption, and the rest (2.3%) were not sure. A similar pattern was found for importing. The proportion of businesses reporting low disruption to exporting has generally increased since January 2021 (28.9% in Wave 22), whereas businesses reporting moderate disruption has generally decreased since January 2021 (50.0% in Wave 22).

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 15: The proportion of businesses reporting EU exit as the main cause of exporting challenges has generally decreased since April 2021 and is now lower than the proportion of businesses reporting COVID-19 and EU exit combined as the main cause (47.5%).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Waves 31 to 41, 43, 45, 47, 49.

Businesses also reported that the end of the EU transition period combined with the COVID-19 pandemic was the biggest challenge to importing, and this has generally increased since January 2021 (from 26.9% in Wave 22 to 46.0% in Wave 49). The proportion of businesses reporting EU exit alone as the biggest challenge to importing has generally decreased since January 2021 (from 56.8% in Wave 22 to 38.8% in Wave 49).

The majority (93.4%) of currently trading businesses reported that they had not changed where they exported goods or services to in the last two months, and this has remained broadly consistent since this question was first asked in March 2021. A similar pattern was found for importing.

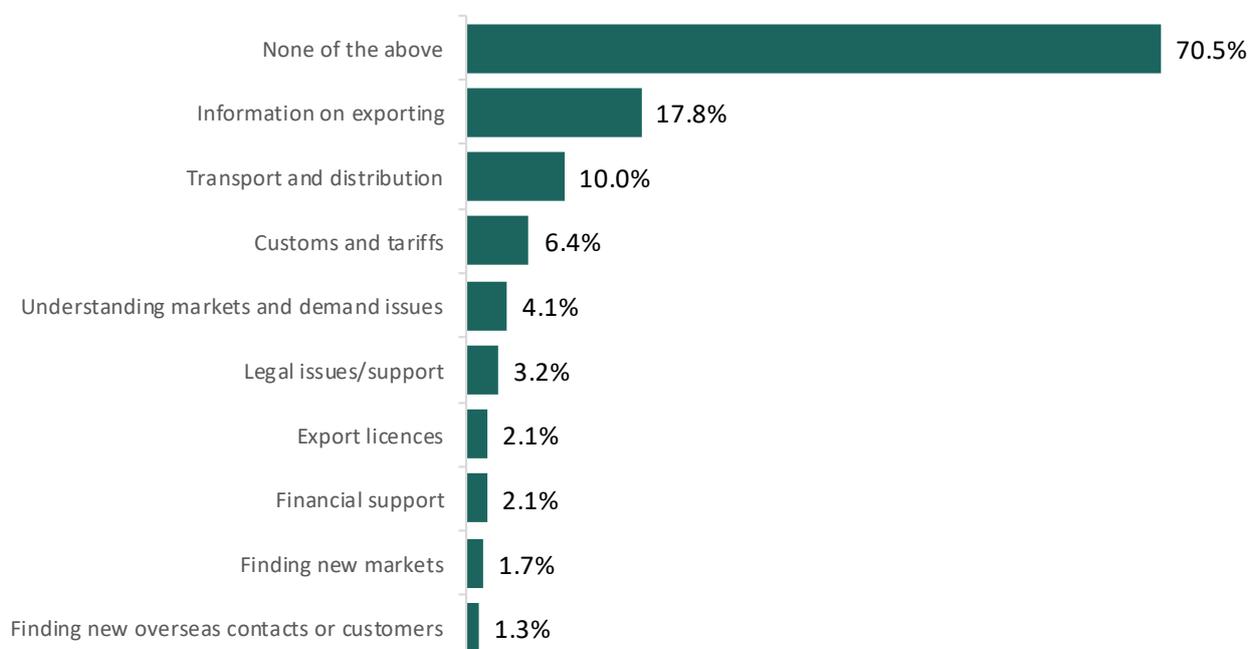
Relevant businesses who experienced exporting challenges were also asked about support options their business has benefitted from to help with these challenges.

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 16: The support options that businesses most commonly reported benefitting from were information on exporting (17.8%), and transport and distribution (10.0%). However, an estimated 70.5% 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 49

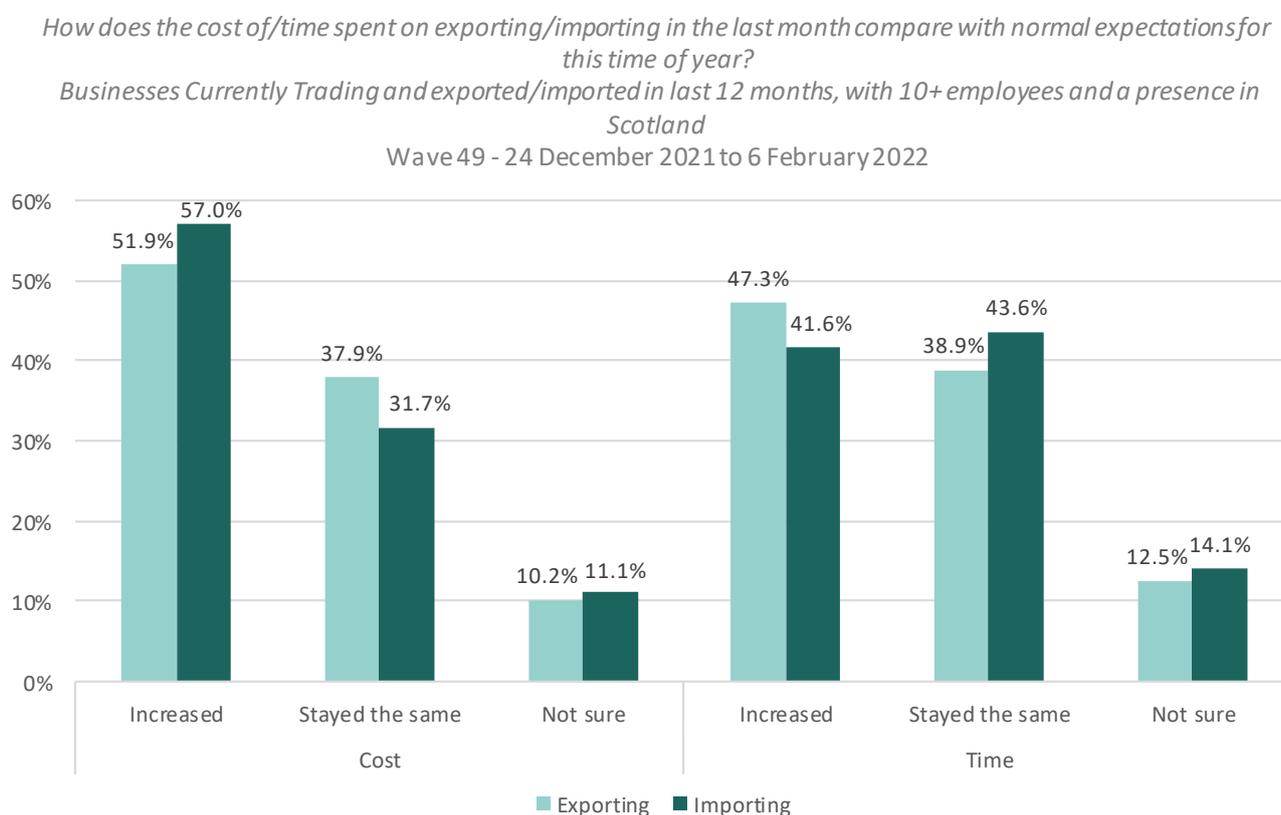
Information on exporting was first offered as a support option in the survey in September 2021 (Wave 39), and has been the top reported support option since October 2021 (Wave 41). In the latest wave, transport and distribution replaced customs and tariffs as the second most reported support option.

When asked to choose which support options they would benefit from to help with importing challenges, 32.0% of relevant businesses selected customs and tariffs, 27.9% selected

transport and distribution, and 24.3% selected information on importing. The percentage of businesses reporting customs and tariffs as a support option for importing challenges remains lower than in May 2021 (57.4% in Wave 29). Despite this decrease, customs and tariffs has been the top reported support option for importing since the series began in Wave 29. Of the relevant businesses, 39.7% reported that none of the available options for importing challenges would benefit them.

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 17: An estimated 57.0% 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 (51.9%).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 49

The proportion of businesses reporting that the cost and time spent exporting and importing have increased in the past month is lower than in January 2022 (Wave 47). On the other hand, the proportion of companies reporting that the cost and time spent exporting and importing have stayed the same in the past month is higher than in January 2022 (Wave 47).

Over two thirds (68.4%) of currently trading exporting businesses reported exporting goods or services to both EU and non-EU countries in the latest wave, and this proportion has generally increased since January 2021. On the other hand, businesses reporting exporting to the EU only has decreased since December 2021 (from 20.3% in Wave 45 to 13.5% in Wave 49) and is at its lowest level since this question was first asked in January 2021.

Production and Suppliers

Businesses were asked if they had made changes to how they conduct international trade in services due to the COVID-19 or the end of the EU transition period. Of the businesses this question applied to, over half (57.5%) reported that they had not made changes, while 13.1% reported that they had made changes. The rest (29.4%) were not sure.

Businesses were asked about their experience of global supply chain disruption. An estimated 43.0% of applicable businesses reported that they experienced no disruption to global supply chains over the past month, while 36.6% reported that they had experienced disruption. The rest (20.3%) were not sure. The percentage of applicable businesses experiencing disruption increased to 56.1% for the manufacturing sector, which is a higher proportion than in January 2022 (44.4% in Wave 47).

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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