

BUSINESS AND ENERGY

Business Insights and Conditions Survey (BICS) Weighted Scotland Estimates - Data to Wave 41

29 October 2021

This is the 29th 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 4 October to 17 October 2021, the share of businesses 'currently trading' was estimated at 99.4% - in line with the rate in the previous three waves.
- The share of businesses reporting that they were fully trading was estimated at 94.0%, with 5.3% of businesses reporting that they were partially trading.
- The share of the workforce on furlough leave was estimated at 1.8% in the period 20 September to 17 October 2021 – down from 4.8% in the previous period.
- In the latest period, the Arts, Entertainment & Recreation industry sector continued to have the highest share of the workforce on furlough leave - estimated at 10.0%.
- In the period 20 September to 17 October 2021, 27.6% of businesses reported a decrease in turnover compared with what is normally expected.
- In the latest period, of businesses currently trading that have exported in the last 12 months, 23.5% reported exporting less than normal, and 16.9% of relevant businesses reported importing less than normal.

Introduction

The ONS' BICS is a voluntary fortnightly business survey, which captures businesses' responses on how their turnover, workforce, prices, trade and business resilience have been affected by current conditions, including the coronavirus (COVID-19) pandemic and the end of the EU transition period.

BICS stands for the Business Insights and Conditions Survey (BICS) – previous to Wave 24, the survey was called "Business Impact of Coronavirus (COVID-19) Survey". The BICS was renamed to reflect the current question set, which goes wider than the impact of the coronavirus (COVID-19).

Currently, the main [Scottish BICS results published by the Office for National Statistics](#) are unweighted which means that we can only make inferences about the businesses that have responded.¹ Weighting the BICS responses enables us to produce estimates for Scottish businesses more generally, not just those that have responded. The ONS has provided the Scottish Government with the BICS microdata², which we have used to develop the weighted Scotland estimates. More information on the weighting method we have used for these early estimates and our plans for future developments is provided here: [BICS weighted Scotland estimates: data to wave 12](#).

The weighted Scotland estimates, in this publication, are for businesses with 10 or more employees. The weighted Scotland estimates are for businesses that have a presence in Scotland, as opposed to only those businesses headquartered in Scotland. Having a presence in Scotland means that the business has a local unit or site (e.g. shop, office, factory) in Scotland. In terms of the base of the estimates 8,930 businesses responded to the Wave 41 BICS UK-wide – 1,241 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 1,137 responding businesses in Wave 41. 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 (4 October to 17 October 2021 in Wave 41).

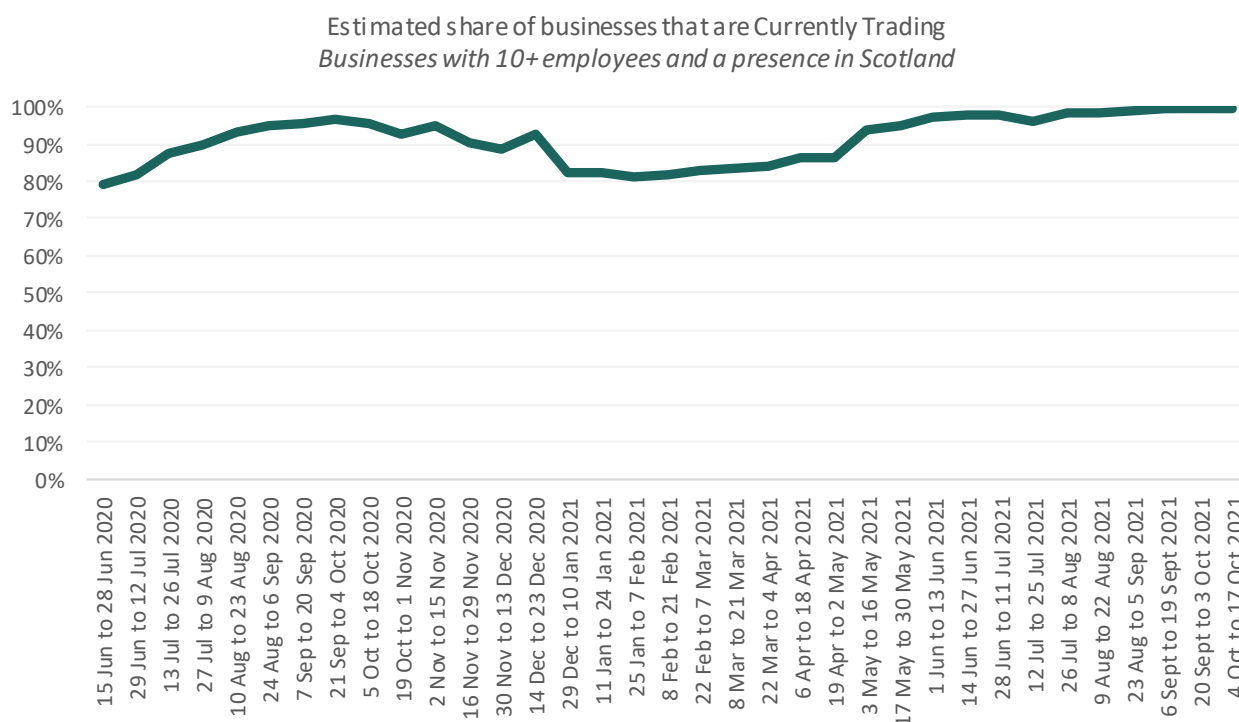
Trading Status Question: Which of the following statements best describes your business's trading status?

- 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'.

Note that in Wave 41 the response options for this question changed: 'Currently fully trading' and 'Currently partially trading' replaced 'Currently trading and has been for more than the last two weeks' and 'Started trading within the last two weeks after a pause in trading'.

Figure 1: In the period 4 October to 17 October 2021, the share of businesses 'currently trading' was estimated at 99.4% - in line with the rate in the previous three waves.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 7 to Wave 41

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

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

It should be noted that the definition of currently trading used refers to the business currently trading in any capacity. From Wave 41 the currently trading response options cover both whether a business has completely reopened to trading at full capacity, as experienced before the coronavirus (COVID-19) pandemic, and if the business is operating at a reduced level of capacity but is still trading.

Figure 2: The share of businesses reporting that they were fully trading was estimated at 94.0%, with 5.3% 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 79.5% and 83.6% respectively.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 41

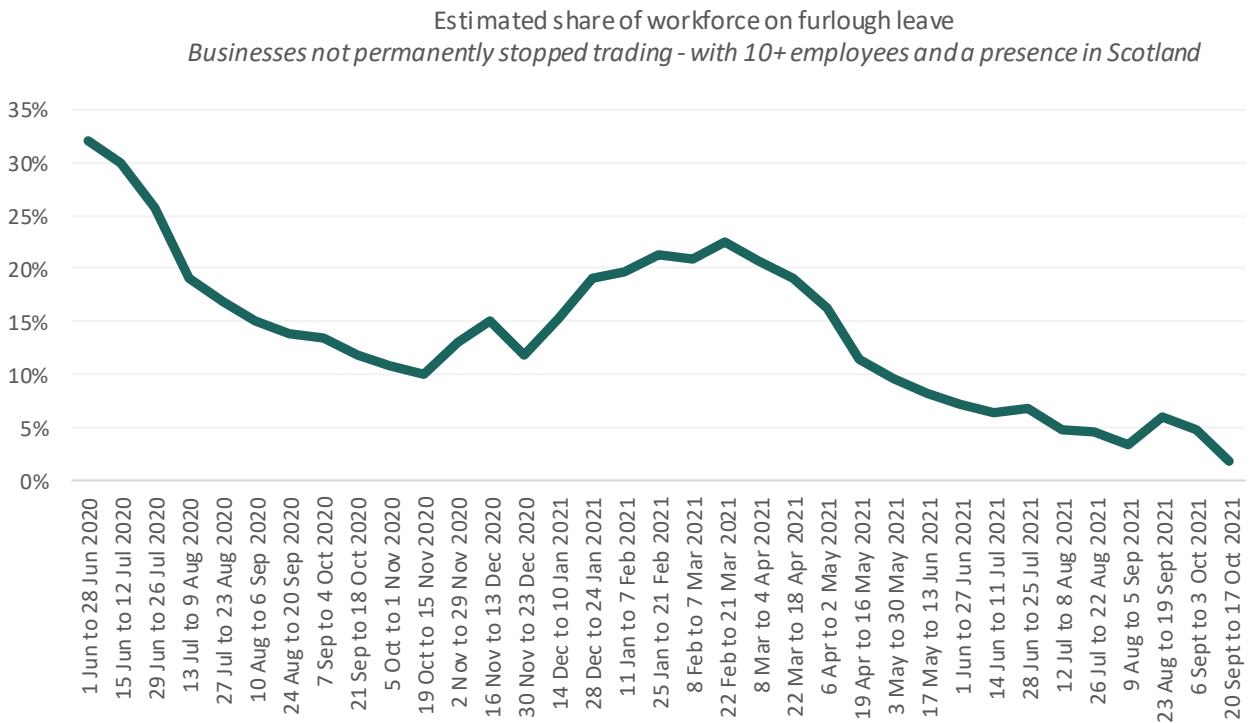
Workforce Status

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 (4 October to 17 October 2021 for Wave 41) with the full question reference period (looking back at the last two weeks) covering 20 September to 17 October 2021 for Wave 41.

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

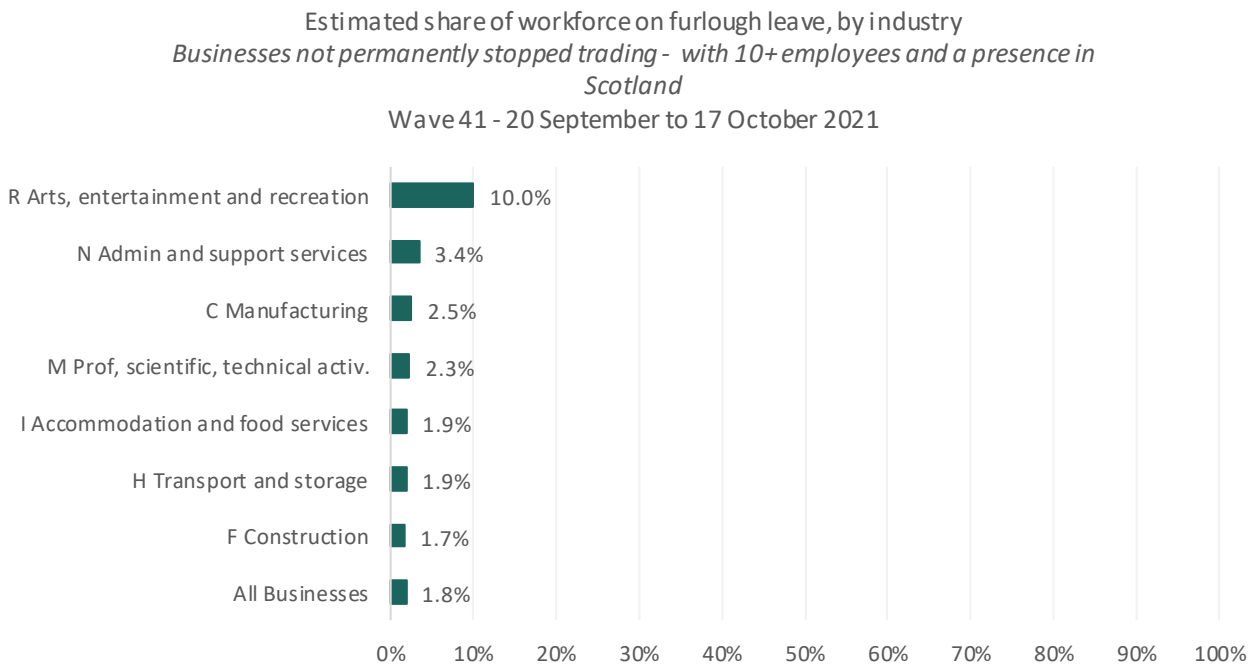
- On furlough leave
- Mainly working at the same place they were working before the pandemic
- Mainly working from home, instead of where they were working before the pandemic
- Made permanently redundant
- On sick leave or not working due to coronavirus (COVID-19) symptoms, self-isolation or quarantine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

Figure 3: The share of the workforce on furlough leave was estimated at 1.8% in the period 20 September to 17 October 2021 – down from 4.8% in the previous period.



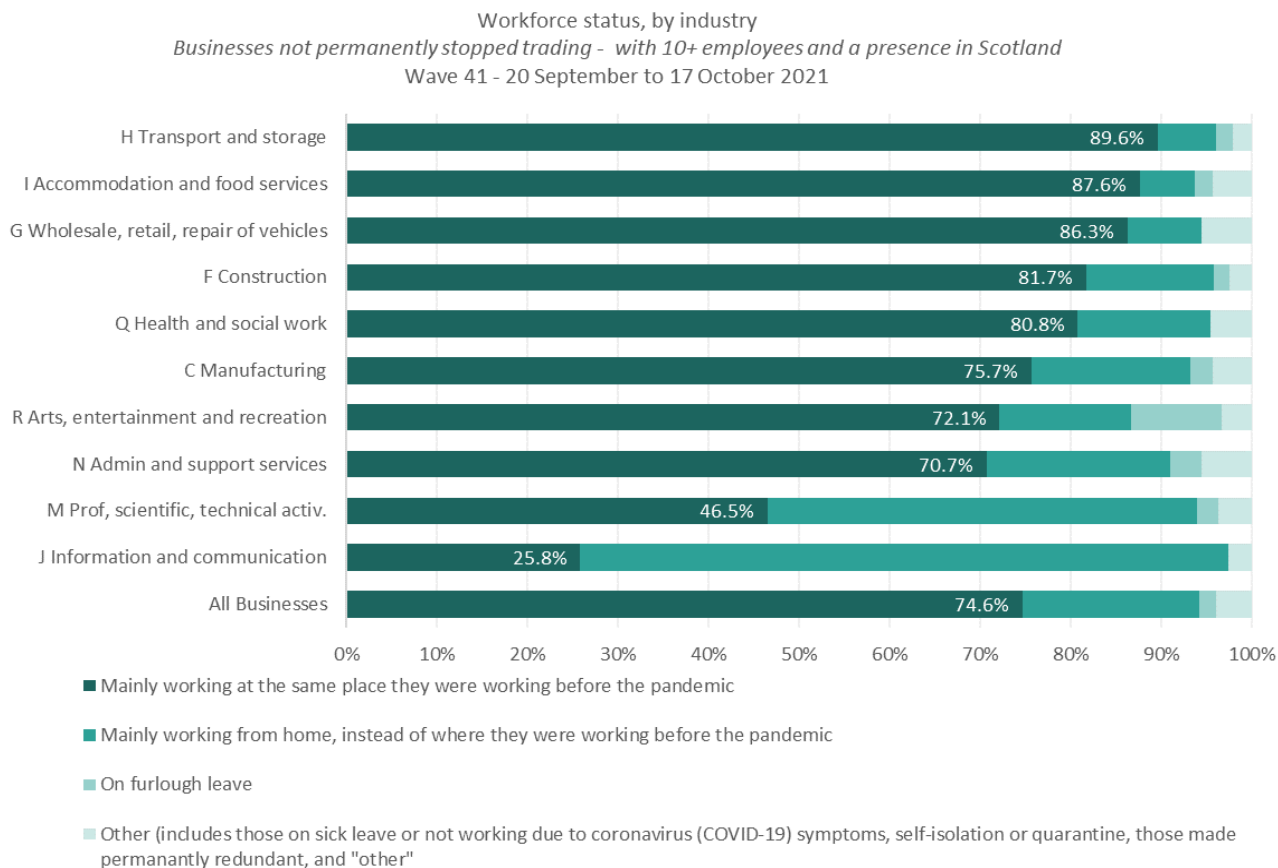
Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 7 to Wave 41

Figure 4: In the latest period, the Arts, Entertainment & Recreation industry sector continued to have the highest share of the workforce on furlough leave - estimated at 10.0%.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 41

Figure 5: The share of the workforce that are mainly working at their pre-pandemic place of work was lowest in the Information and Communication (25.8%) and Professional, Scientific and Technical Activities (46.5%) sectors - reflecting the high share of remote working in these sectors. In contrast, 89.6% of the Transport and Storage workforce were mainly working at their previous place of work.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 41

Homeworking

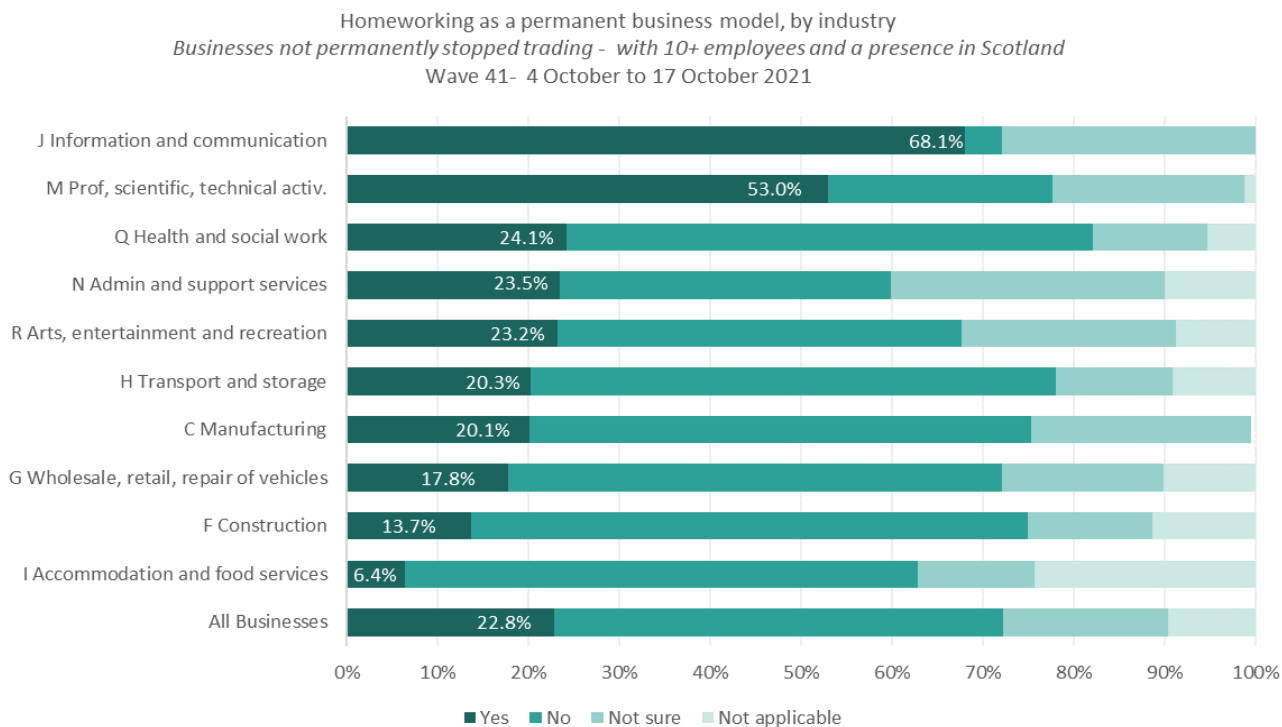
The BICS asks businesses that have not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading'), about whether they intend to use increased homeworking as a permanent business model going forward- the specific question asked is shown below.

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

- Yes
- No
- Not Sure
- Not Applicable

Note that the response option "Not Applicable" was added for Wave 41.

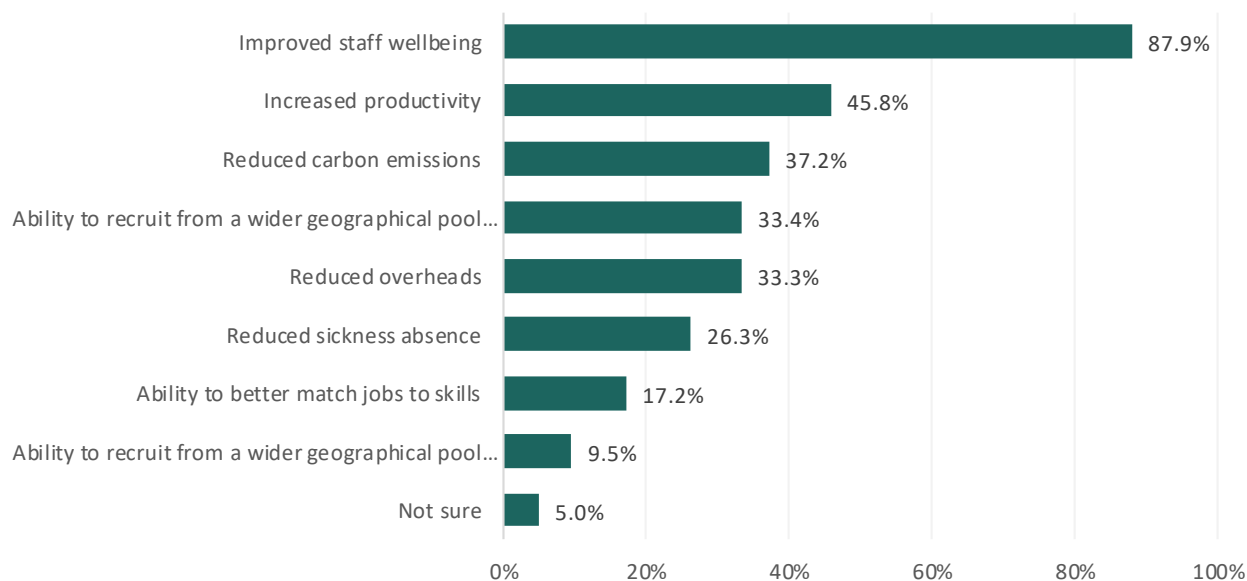
Figure 6: In the latest period, the share of the businesses that intend to use increased homeworking as a permanent business model is highest in the Information and Communication (68.1%) and Professional, Scientific and Technical Activities (53.0%) sectors. The rates are much lower in some other sectors, with only 6.4% of businesses in the Accommodation and Food Services sector, and 13.7% of Construction businesses intending to use increased homeworking as a permanent business model.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 41

Figure 7: Improved staff wellbeing was the most commonly reported reason for using increased homeworking as a permanent businesses model going forward - this was reported by 87.9% 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 41- 4 October to 17 October 2021*

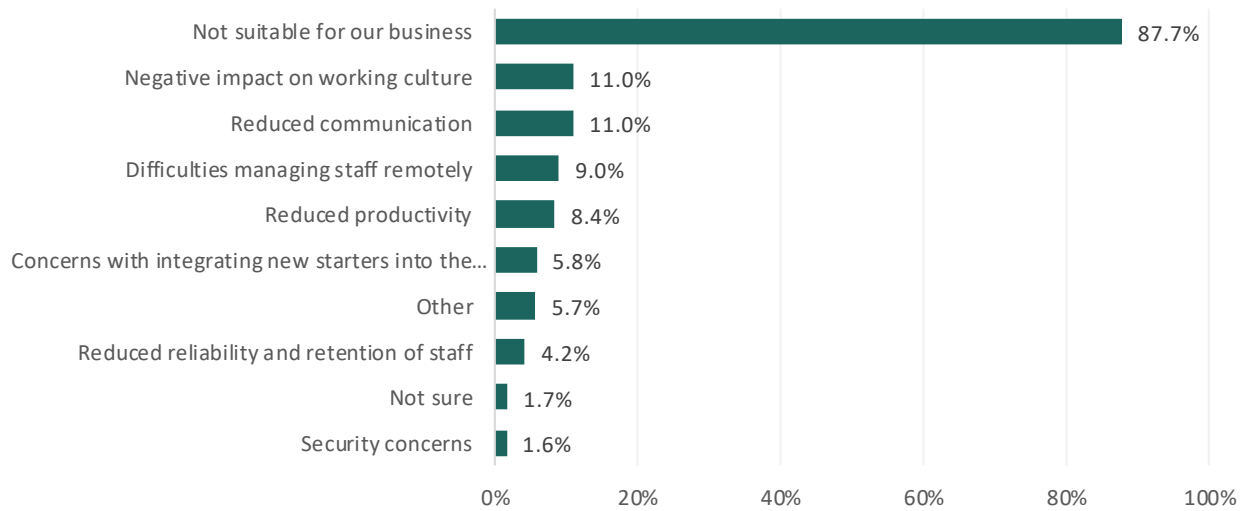


Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 41

In Wave 41, 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 8: 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 87.7% of relevant businesses. A 'negative impact on working culture' and 'reduced communication' were both reported by 11.0% of businesses.

*Why do you NOT 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
do not plan to use homeworking as a permanent business model
Wave 41- 4 October to 17 October 2021*



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 41

Financial Performance

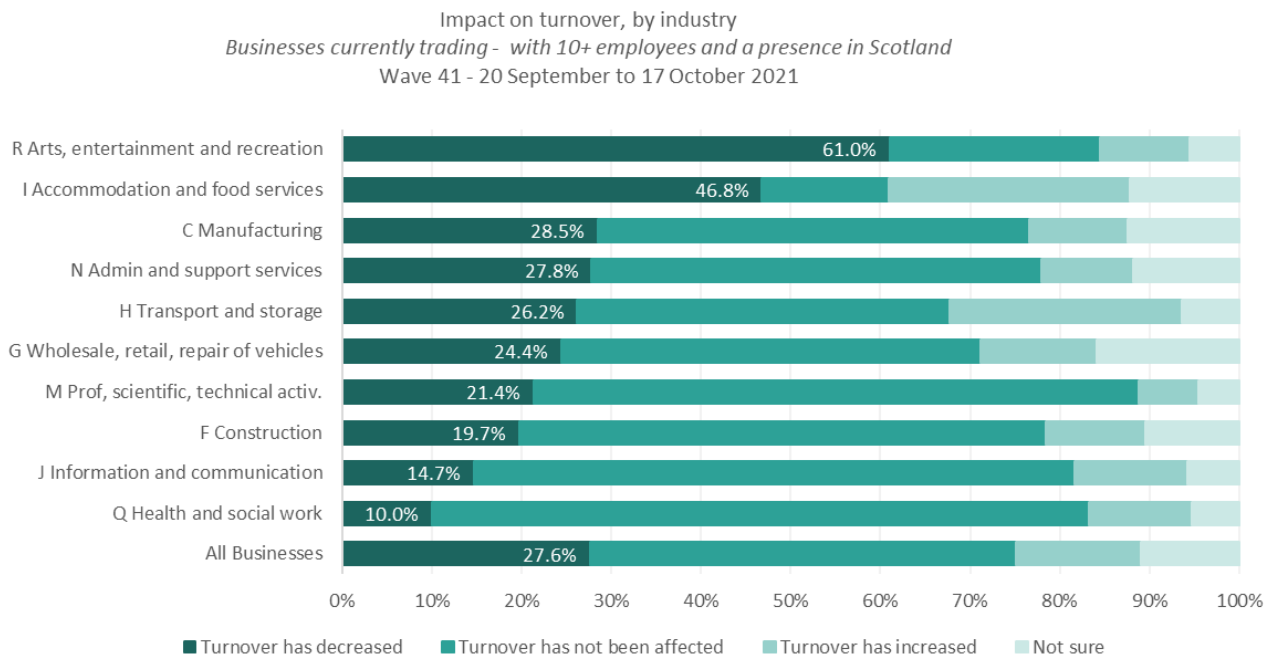
The BICS asks businesses, that are currently trading, about how turnover compares to business as usual - the specific question asked is shown below. Note that businesses were asked about the status of their turnover in the last two weeks and so responses will be from the time of completion of the survey questionnaire (4 October to 17 October 2021 for Wave 41) with the full question reference period (looking back at the last two weeks) covering 20 September to 17 October 2021 for Wave 41.

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 9: In the period 20 September to 17 October 2021, 27.6% of businesses reported a decrease in turnover compared with what is normally expected. The Arts, Entertainment & Recreation and Accommodation & Food Services industry sectors continued to have the highest shares of businesses experiencing a decrease in turnover compared with what is normally expected (estimated at 61.0% and 46.8% respectively).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 41

Net Zero Carbon Emissions

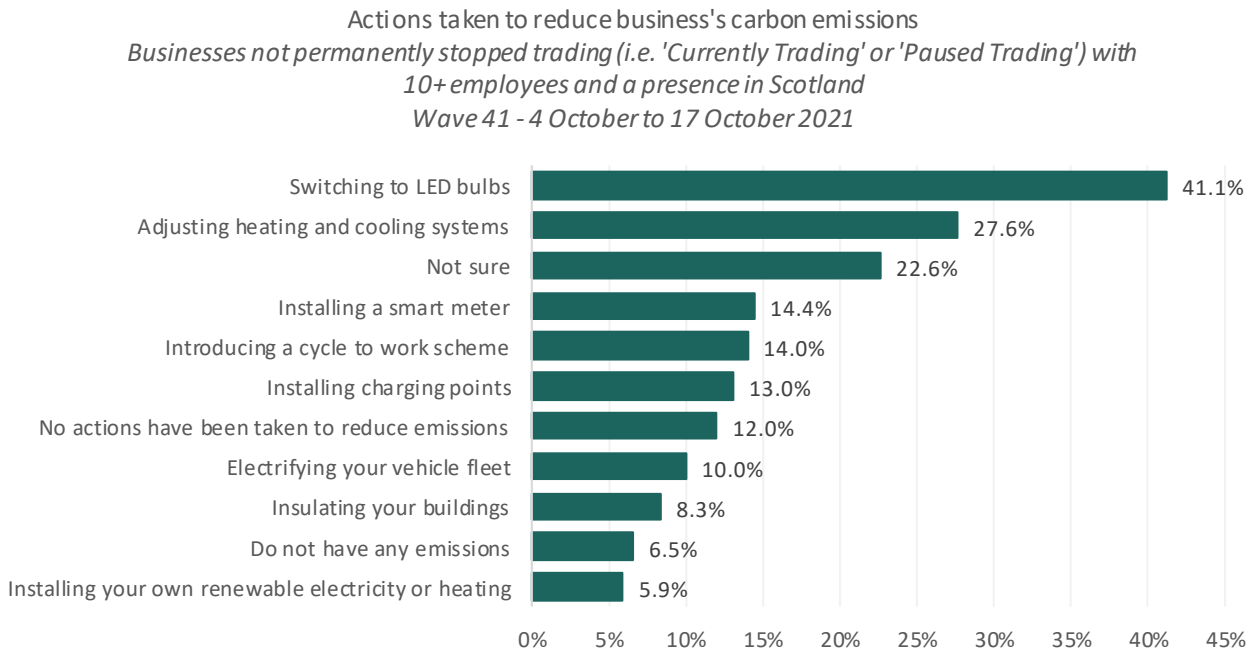
The BICS asks businesses that have not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading'), whether they have taken any actions to reduce the business's carbon emissions – the specific question asked is shown below. Businesses were asked about their actions at the time of completion of the survey questionnaire (4 October to 17 October 2021 in Wave 41).

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

Note that the response option "Do not have any emissions" was added for Wave 41.

Figure 10: Switching to LED bulbs (41.1%) and Adjusting heating and cooling systems (27.6%) were the actions most frequently reported by businesses in the period 4 October to 17 October 2021. 12.0% of businesses reported that they had taken no actions to reduce their carbon emissions.



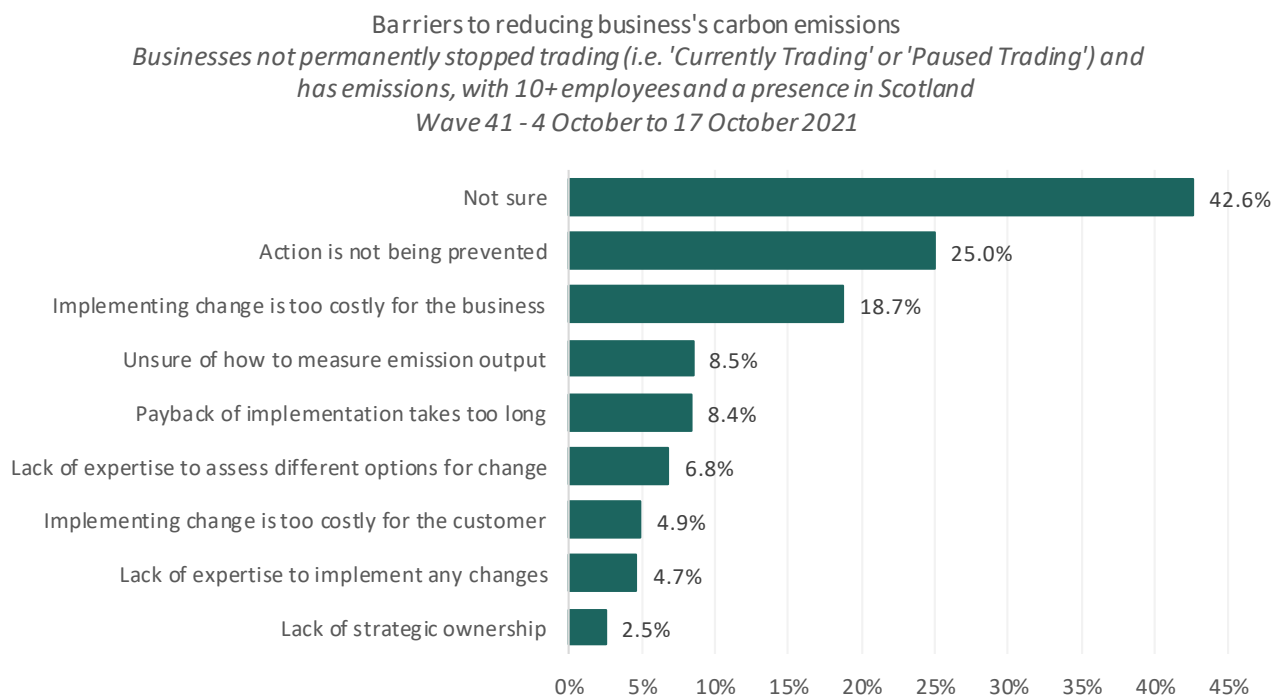
Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 41

The BICS asks businesses that have not permanently stopped trading (i.e. 'Currently Trading' or 'Paused Trading') and that reported having emissions, whether they face any barriers to taking action to reduce the business's carbon emissions – the specific question asked is shown below. Businesses were asked about barriers to action at the time of completion of the survey questionnaire (4 October to 17 October 2021 in Wave 41).

Question: Do any of the following prevent action being taken by your business to reduce its carbon emissions?

- Implementing change is too costly for the business
- Implementing change is too costly for the customer
- Lack of expertise to assess different options for change
- Lack of expertise to implement any changes
- Lack of strategic ownership
- Payback of implementation takes too long
- Unsure of how to measure emission output
- Not sure
- Action is not being prevented

Figure 11: In the latest period, 42.6% of businesses reported that they were unsure whether any of the barriers listed prevented their businesses from taking action to reduce its carbon emissions. A further 25.0% of businesses reported that action to reduce emissions is not being prevented. The high cost of implementing change was reported as a barrier by 18.7% of businesses in the latest period.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 41

Exporting and importing challenges

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

Question: How does your business's exporting / importing in the last two weeks compare with normal expectations for this time of year?

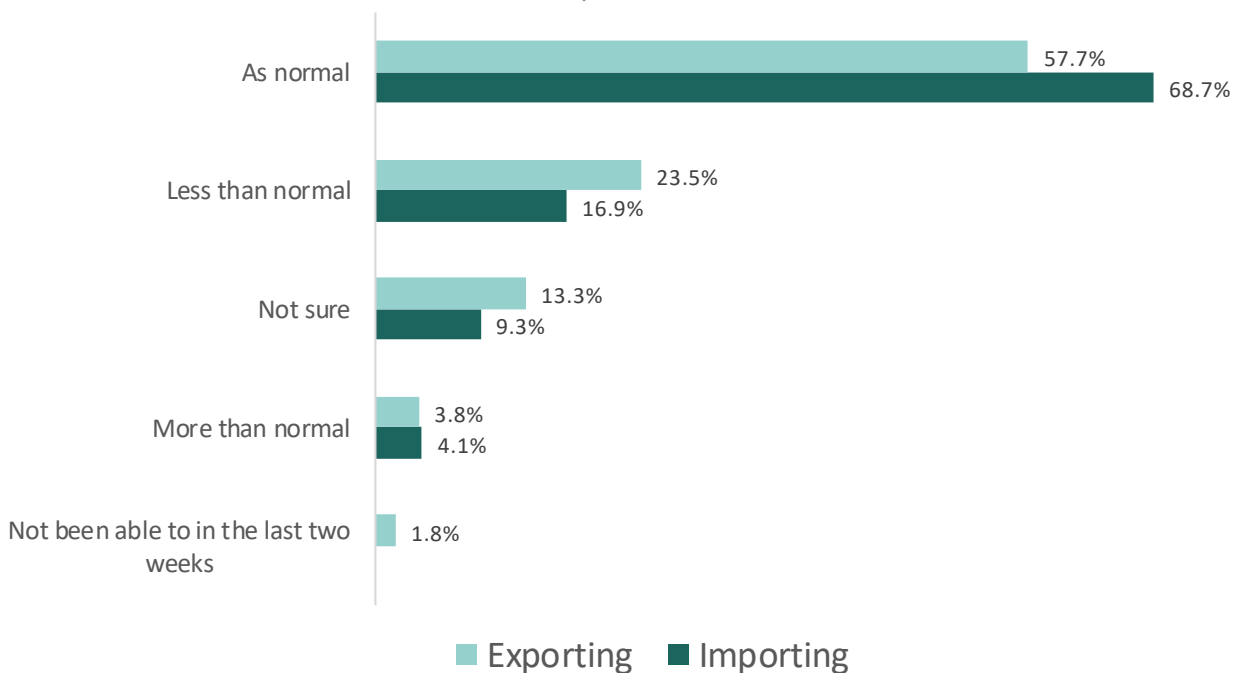
- Exporting / importing more than normal
- Exporting / importing as normal
- Exporting / importing, but less than normal
- Not been able to export / import in the last two weeks
- Not sure

Figure 12: In the latest period, of businesses currently trading that have exported in the last 12 months, 23.5% reported exporting less than normal, and 16.9% reported importing less than normal.

How does your business's exporting / importing in the last two weeks compare with normal expectations at this time of year?

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

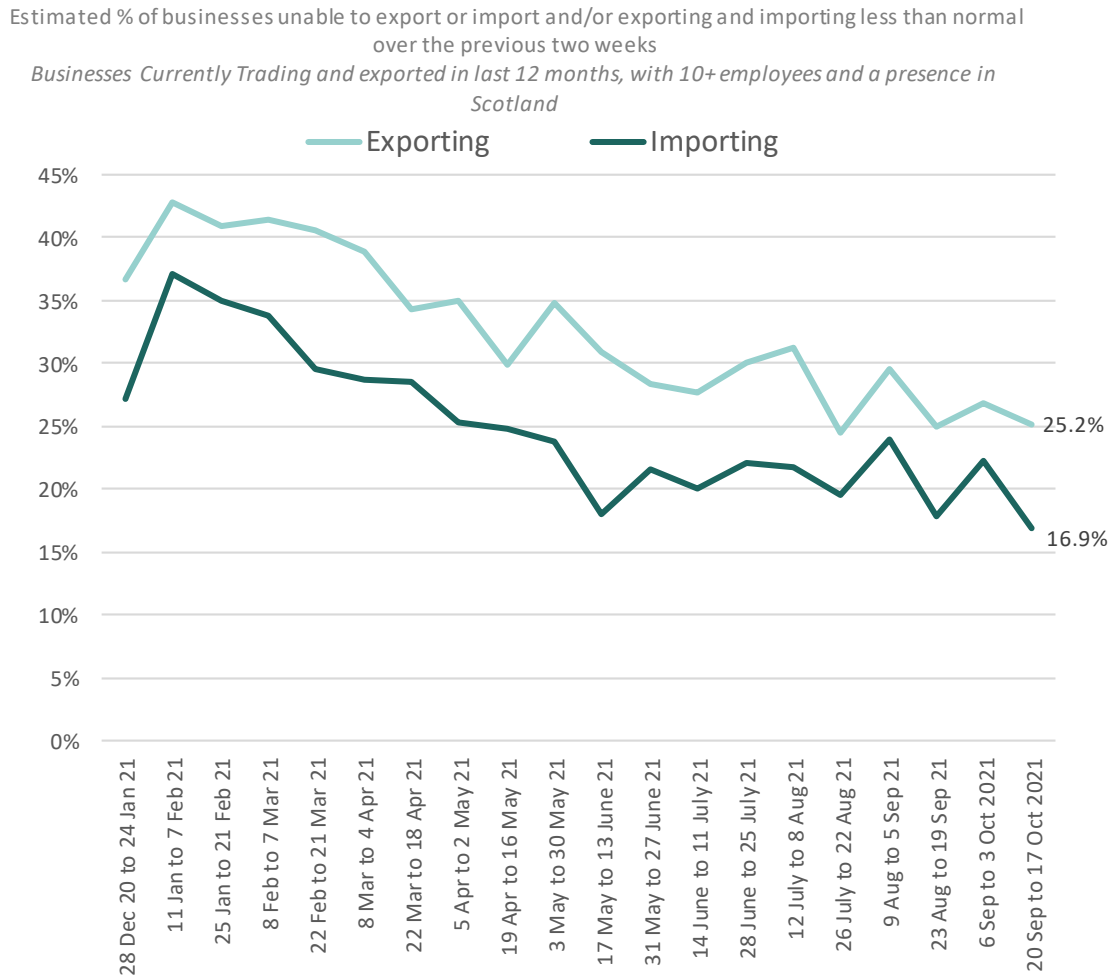
Wave 41 - 20 September to 17 October 2021



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 41

In the latest period, 57.7% of currently trading businesses reported that they exported as normal; this proportion has generally increased since the end of February (Wave 25) when 41.8% of businesses reported exporting as usual. Since January (Wave 22), a higher proportion of companies have reported importing as normal than exporting as normal, with the exception of Wave 30 where the proportion was the same for both exporting and importing.

Figure 13: The proportion of relevant businesses that have not been exporting or have exported less than usual has been generally decreasing in recent months, and continues to remain lower than in early February. Importing shows a similar trend.



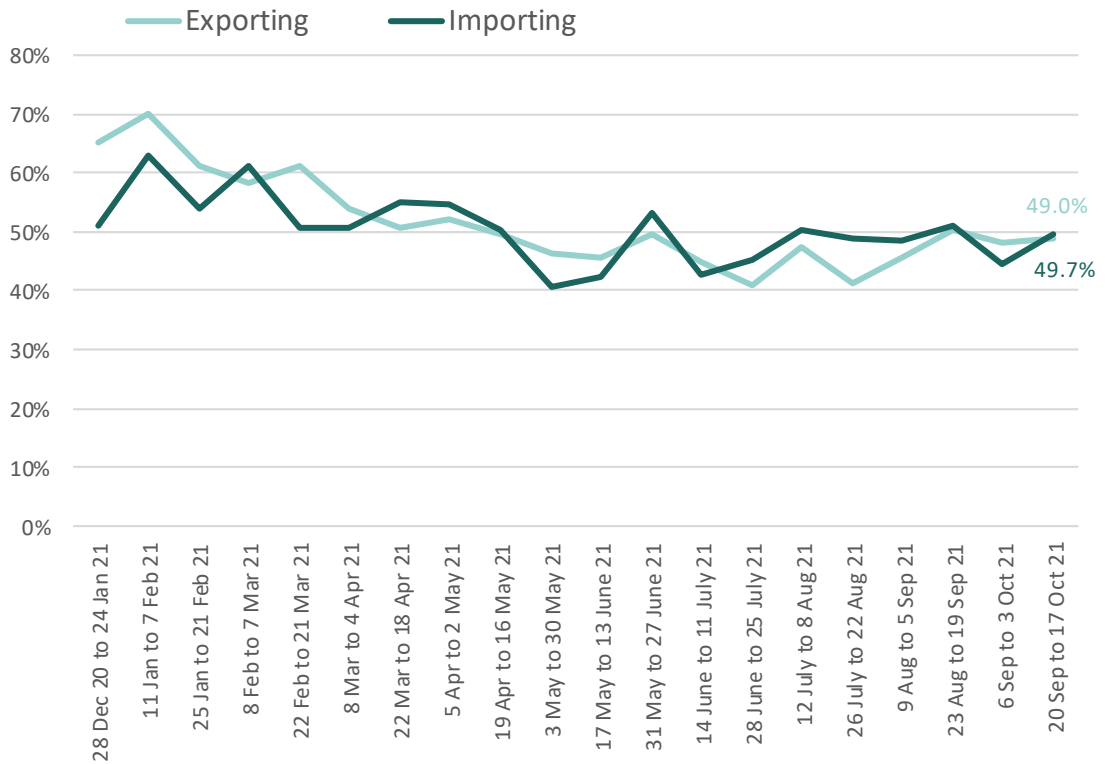
Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 41

The proportion of businesses that have reported being unable to export or exporting less than normal has been consistently higher than for importing since the series began.

Figure 14: Despite some volatility in recent waves, the proportion of relevant businesses experiencing moderate or severe disruption to exporting has generally declined since the start of February (from 70.1% to 49.0% in early October).

Estimated % of businesses experiencing moderate or severe disruption to exporting and importing over the previous two weeks

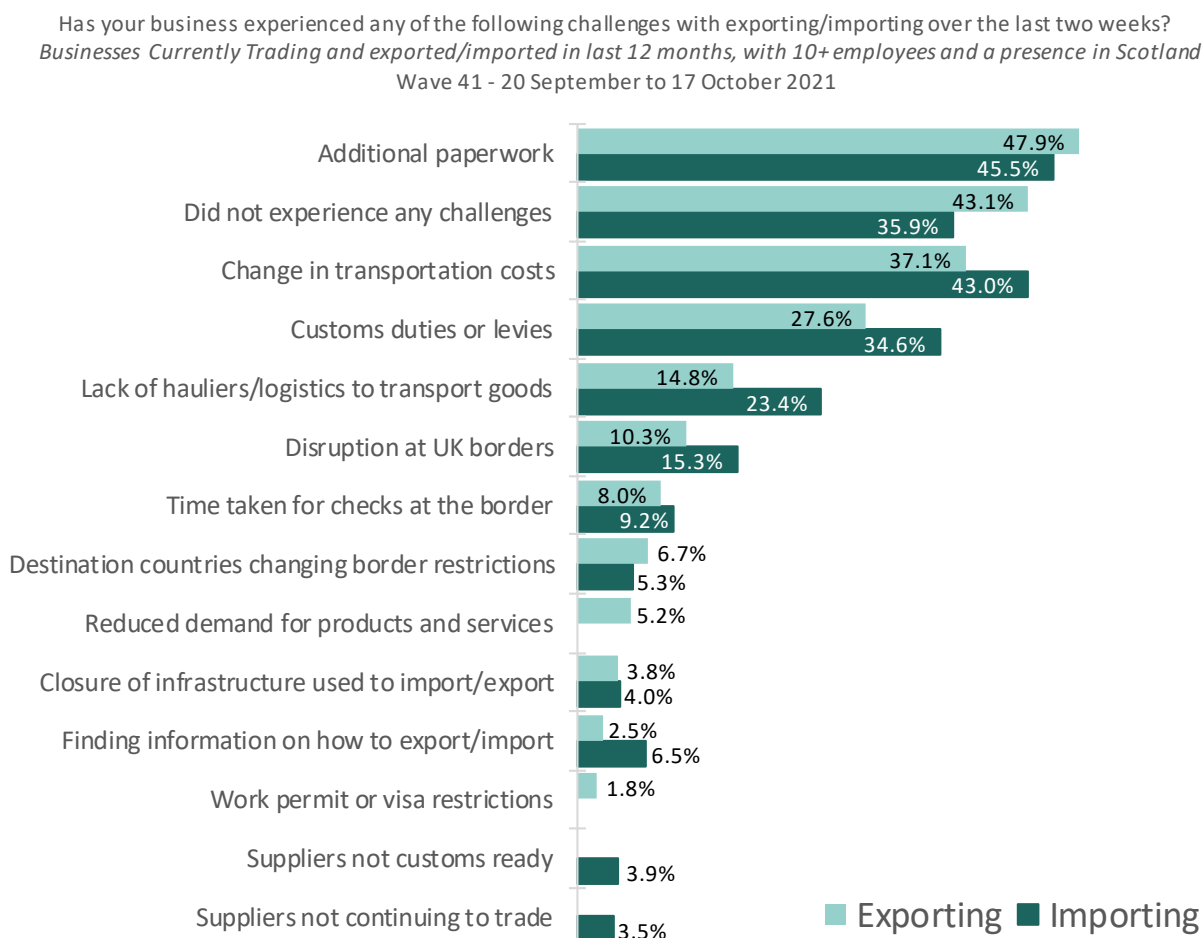
Businesses Currently Trading and exported in last 12 months, with 10+ employees and a presence in Scotland



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Waves 22 to 41

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 15: The most commonly reported challenge continues to be additional paperwork, with 47.9% of relevant companies reporting this as an exporting challenge and 45.5% reporting this as an importing challenge.



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 41

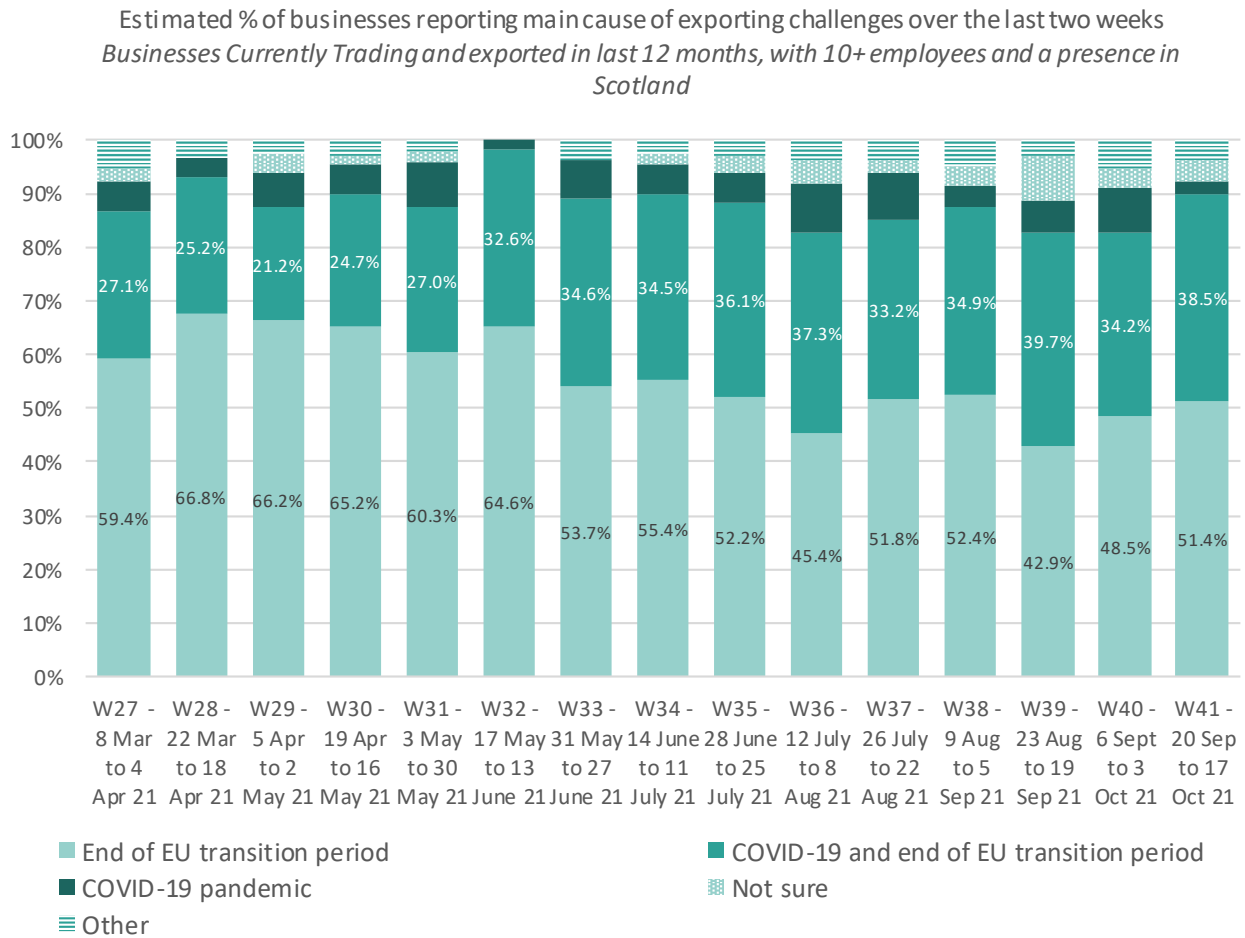
The other main challenges for exporting and importing were change in transportation costs and customs duties or levies. However, 43.1% of exporters and 35.9% of importers did not experience any challenges.

Companies that reported experiencing challenges with exporting in the last two weeks were asked about the main cause of these challenges.

Question: What was the main cause of these exporting challenges?

- Coronavirus (COVID-19) pandemic
- End of the EU transition period
- Coronavirus (COVID-19) pandemic and the end of the EU transition period
- Other
- Not sure

Figure 16: EU exit continues to be an issue for exporting, with 51.4% of relevant companies reporting this as the main cause of their exporting challenges in the latest period, while a further 38.5% reported this combined with COVID-19. The proportion of businesses reporting the end of the EU transition period as their main exporting challenge increased over the latest two periods, although remains lower than in May (64.6% in Wave 32).



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Waves 27 to 41

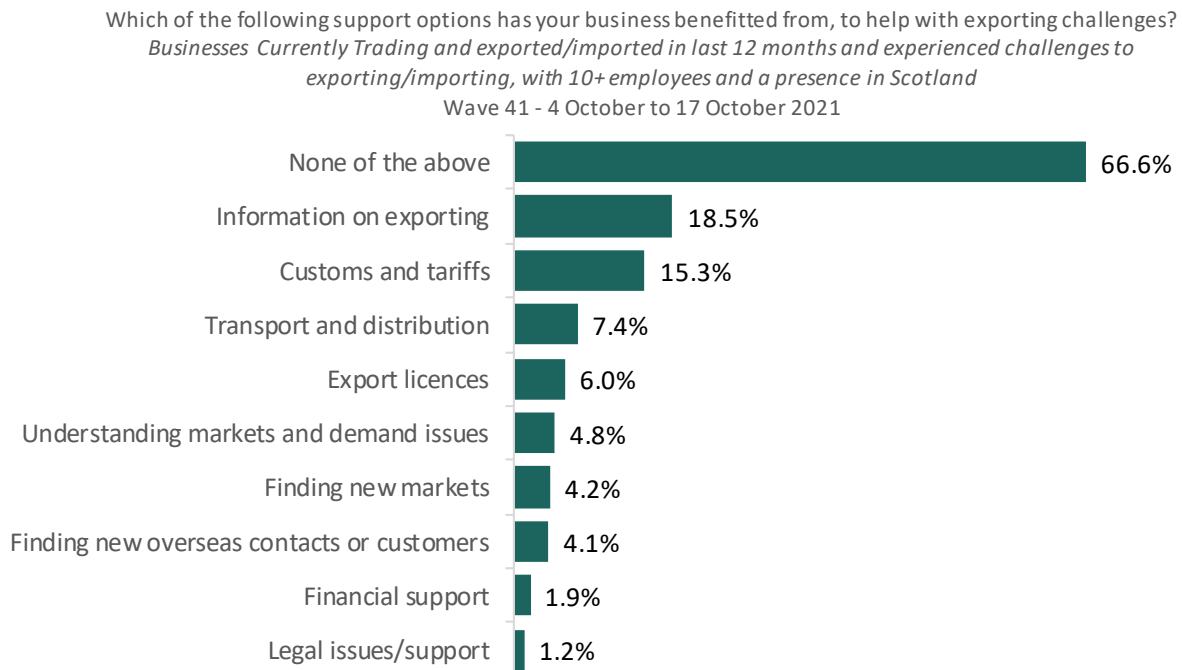
Companies also reported the end of the EU transition period as the main cause of importing challenges, with 46.8% of relevant companies reporting that EU exit was the biggest challenge to importing. A further 41.9% reported that it was a combination of EU exit and the COVID-19 pandemic.

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

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

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

Figure 17: The support options that businesses most commonly reported benefitting from were information on exporting (18.5%), and customs and tariffs (15.3%). However, two thirds (66.6%) of businesses did not benefit from any of these options to help with exporting challenges.



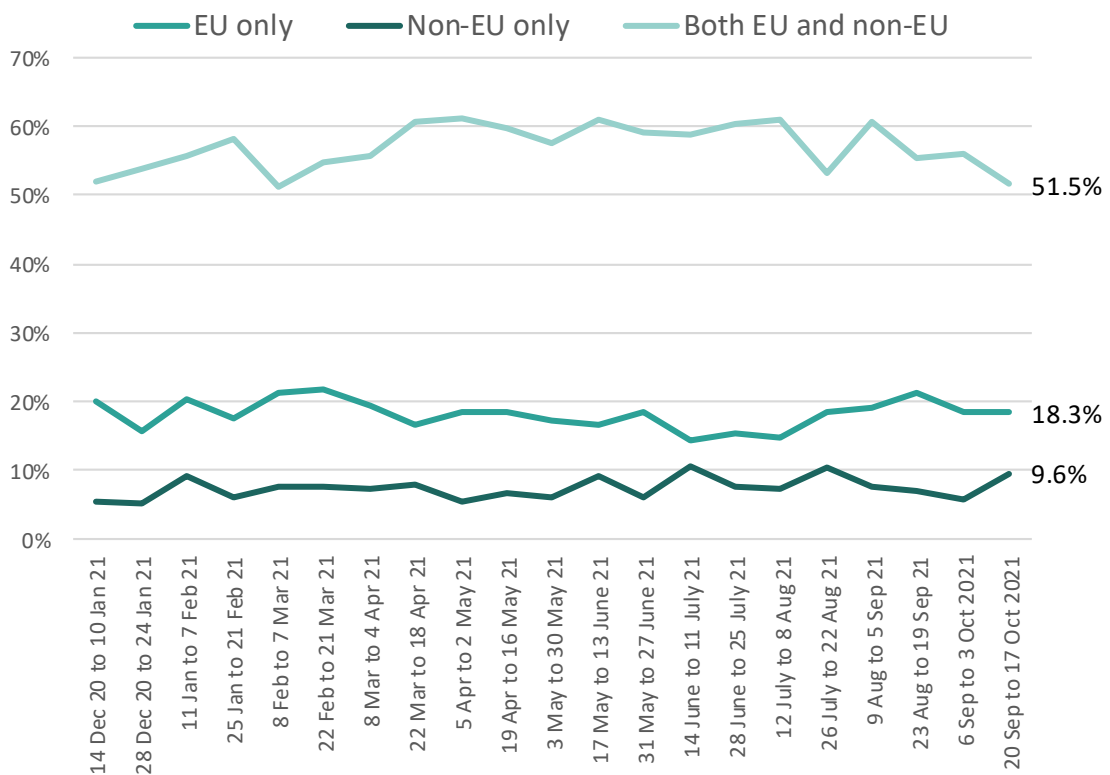
Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 41

When asked to choose which support options they would benefit from to help with importing challenges, over a third (35.6%) of relevant businesses selected customs and tariffs, 28.1% selected transport and distribution, and 24.0% selected information on importing. However, 37.5% of businesses reported that none of the available options would benefit them.

Relevant businesses were also asked where their business had exported goods or services to in the last two weeks.

Figure 18: In the latest period, more businesses reported exporting to the EU only (18.3%) than non-EU countries only (9.6%). However, around half (51.5%) of relevant businesses reported exporting to both EU and non-EU together in the latest period, and this has remained generally consistent since the series began.

Estimated % of businesses exporting goods or services to EU or non-EU 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 21 to 41

Businesses were asked if they had changed where they exported goods or services to in the last two weeks and, as in previous waves, the majority (92.6%) of relevant exporting businesses reported making no changes. Similarly, the majority (91.3%) of relevant businesses reported making no changes to where they sourced their imports of goods and services.

For the first time, businesses were asked about their use of the GB landbridge over the past 12 months. For the businesses that this question applied to, almost two thirds (65.3%) reported that they had never used the GB landbridge, 1.3% currently used the GB landbridge, 1.5% stopped using the GB landbridge, while the rest (31.9%) were unsure.

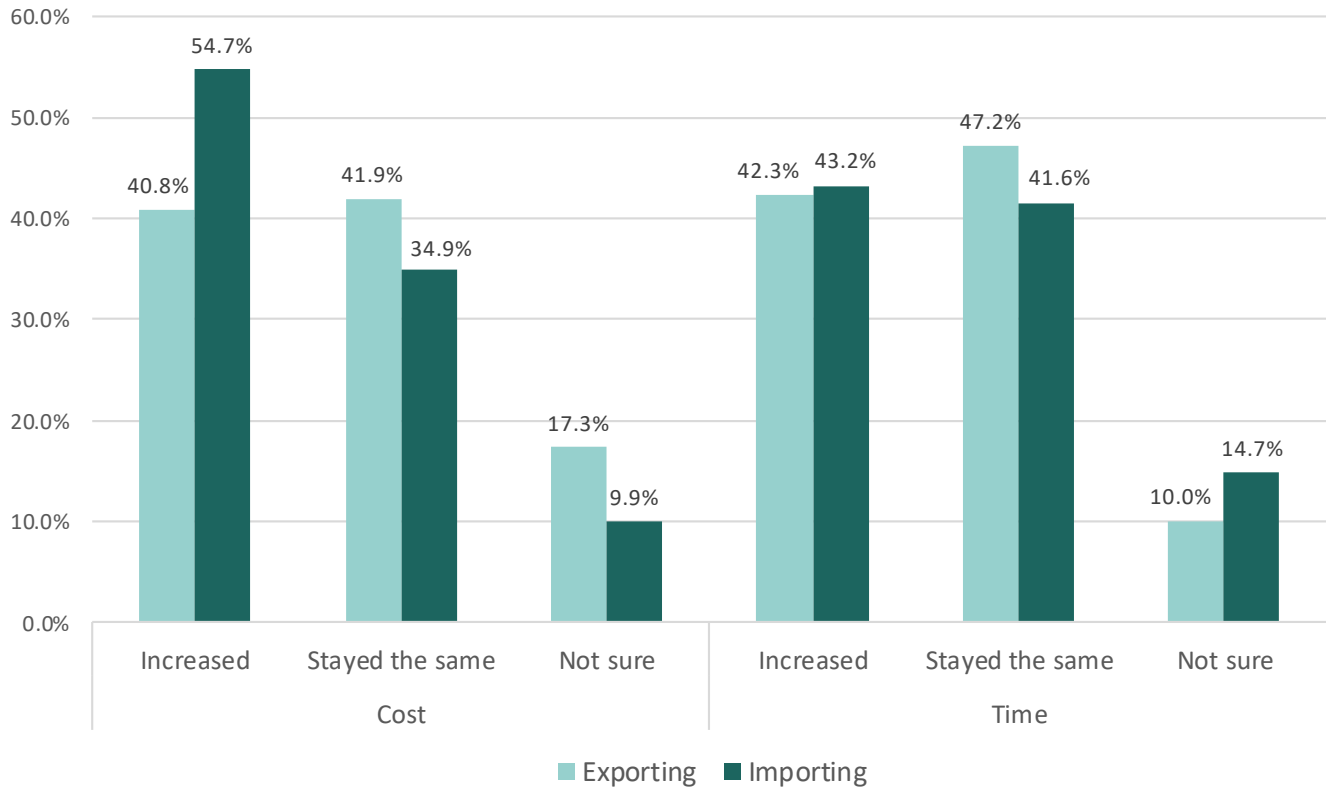
Businesses were also asked about the cost of exporting/importing and time spent on exporting/importing compared with normal expectations for this time of year.

Figure 19: Over half of relevant businesses (54.7%) reported that the cost of importing has increased compared to normal for this time of year, which is greater than for exporting (40.8%).

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

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

Wave 41 - 20 September to 17 October 2021



Source: Office for National Statistics – BICS – Weighted Scotland Estimates – Wave 41

Of currently trading businesses that have exported in the last 12 months, 41.9% reported that the cost of exporting in the last two weeks has stayed the same compared with normal expectations for this time of year, but fewer businesses (34.9%) reported this for importing. A similar percentage of businesses reported that time spent on exporting or importing has increased (42.3% for exporting, and 43.2% for importing in the latest wave).

An Experimental Statistics Publication for Scotland

Experimental statistics are a subset of newly developed or innovative statistics undergoing evaluation. They are published to involve users and stakeholders in the assessment of their suitability and quality at an early stage.

The Office for Statistics Regulation publishes guidance on experimental statistics [here](#). The Scottish Government is developing these estimates on an ongoing basis, and is grateful to the ONS which has shared the BICS data.

We welcome any feedback on the development of these statistics, using the contact details below.

Correspondence and enquiries

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Complaints and suggestions

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