

Statistical bulletin

Business insights and impact on the UK economy: 14 July 2022

The impact of challenges facing the economy and other events on UK businesses. Based on responses from the voluntary fortnightly business survey (BICS) to deliver real-time information to help assess issues affecting UK businesses and economy, including financial performance, workforce, trade, and business resilience.

Contact:
Emily Hopson
bics@ons.gov.uk
+44 1633 455592

Release date:
14 July 2022

Next release:
28 July 2022

Table of contents

1. [Main points](#)
2. [Headline figures](#)
3. [Financial performance](#)
4. [Prices](#)
5. [Energy prices](#)
6. [Impact of prices](#)
7. [Stock levels](#)
8. [Business Insights and Conditions Survey data](#)
9. [Glossary](#)
10. [Measuring the data](#)
11. [Strengths and limitations](#)
12. [Related links](#)

1 . Main points

- Of currently trading businesses, 24% reported that their turnover decreased in June 2022 compared with May 2022; in contrast, 13% reported that their turnover had increased, while 54% of businesses reported that their turnover stayed the same.
- Half (50%) of currently trading businesses reported an increase in the prices of goods or services bought in June 2022, broadly stable with May 2022; in comparison, the percentage of businesses who reported an increase in the prices of goods or services sold (20%) continued to steadily decrease, down from 24% in March 2022.
- Over a quarter (26%) of currently trading businesses expect the prices of the goods or services they sell to increase in August 2022, down from 31% estimated for April 2022, with energy prices (37%) the most commonly reported reason for considering doing so.
- The percentage of businesses that reported their production and/or suppliers had been affected by recent increases in energy prices in early July 2022 was 35%, broadly stable with late June 2022, and a continued steady increase since early March 2022 (25%).
- More than half (60%) of businesses with fewer than 10 employees reported they had been affected by general increases in prices, compared with 77% for business with 10 or more employees; the data therefore suggest smaller businesses were less affected by price rises than larger businesses.
- Among businesses not permanently stopped trading, 8% of businesses reported their stock levels of raw materials in June 2022 were lower than in May 2022, while 7% reported stock levels of finished goods were lower across the same period.

2 . Headline figures

The data presented in this bulletin are the final results from Wave 60 of the Business Insights and Conditions Survey (BICS), which was live from 27 June to 10 July 2022.

Experimental single-site weighted regional estimates up to Wave 49 (24 January to 6 February 2022) are available in our [Understanding the business impacts of local and national restrictions, UK: February 2022 article](#). An updated publication will be released on 26 July 2022.

Please note that businesses were asked to exclude seasonal changes when answering questions contained within the BICS.

More about economy, business and jobs

- Explore the latest trends in employment, prices and trade in our [economic dashboard](#).
- View [all economic data](#).

Figure 1: Headline figures from the Business Insights and Conditions Survey

Notes:

1. For presentational purposes, response options have been combined and/or excluded.
2. Workforce: the data for the equivalent period last year are not available as the question was not asked for this time period.
3. Prices: for presentational purposes, the data shows an increase to prices bought and sold compared with the previous calendar month.
4. Data are plotted in the middle of the period of each wave.

Download the data

[.xlsx](#)

In early July 2022, 94% of businesses reported they were trading, with 86% fully trading and 8% partially trading (for example, trading with reduced hours or staff numbers). Meanwhile, 4% of businesses reported "temporarily paused trading" and 2% reported "permanently ceased trading", as their business's trading status.

Based on the responses of businesses not permanently stopped trading, the proportion of the workforce that were working as part of a hybrid model in June 2022 was 22%. The remaining proportion of the workforce were:

- working from home - 8%
- working from a designated workspace - 63%
- on sick leave, or not working due to coronavirus (COVID-19) symptoms or self-isolation - 1%
- made permanently redundant - less than 1%
- other - 5%

3 . Financial performance

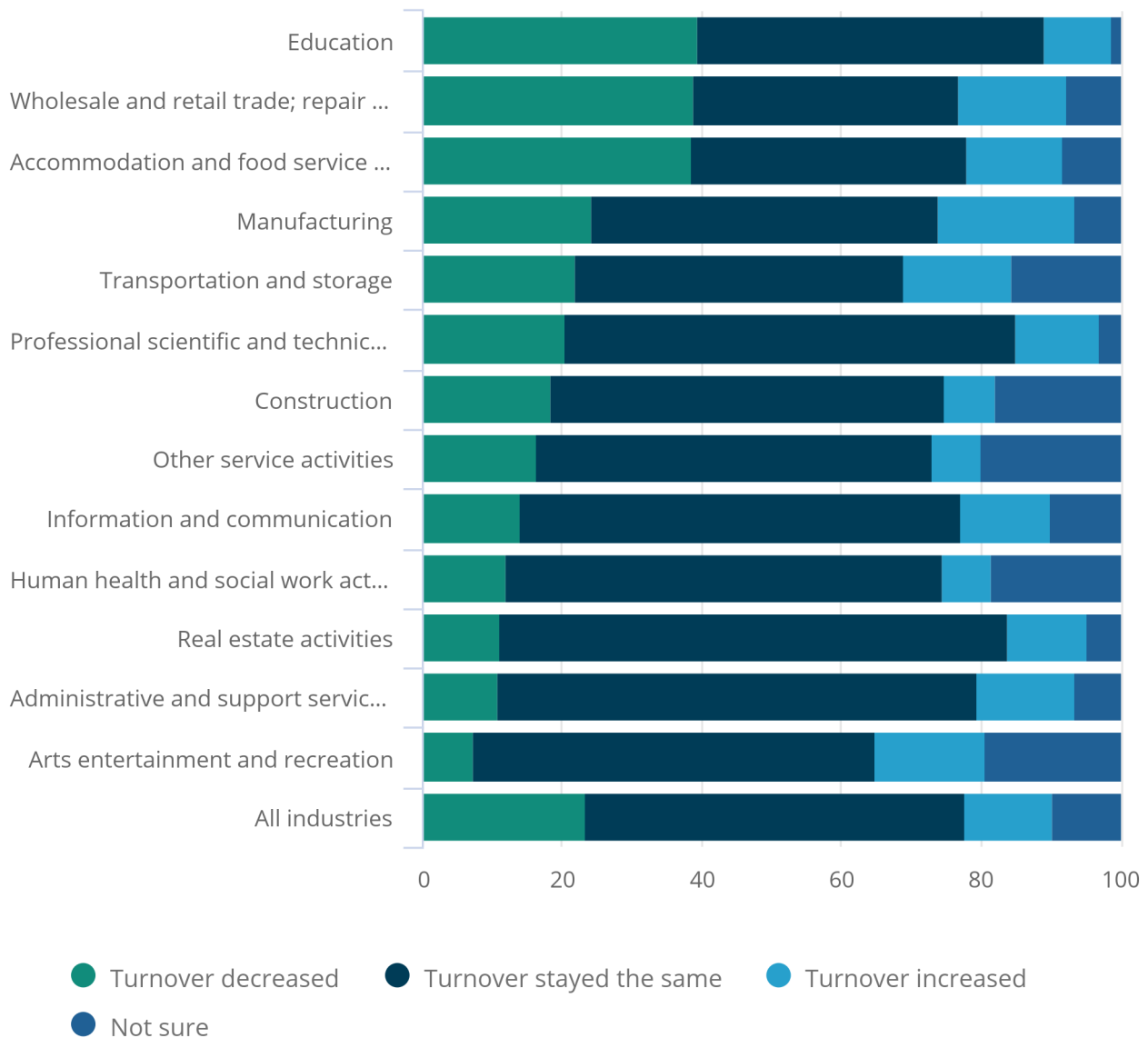
Turnover

Figure 2: 24% of business reported turnover was lower in June 2022 compared with May 2022

Impact on turnover, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 30 June 2022

Figure 2: 24% of business reported turnover was lower in June 2022 compared with May 2022

Impact on turnover, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 30 June 2022



Source: Office for National Statistics – Business Insights and Conditions Survey

Notes:

1. Bars may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
2. "Mining and quarrying" and "Water supply, sewerage, waste management and remediation activities" have been removed for disclosure purposes, but their totals are included in "All industries".

The percentage of businesses currently trading who reported their turnover had decreased compared with the previous month was up 3 percentage points from the 20% reported for May 2022.

Approximately half of all industries currently trading reported an increase in the proportion of businesses reporting turnover had decreased in June 2022 compared with May 2022, with 31% of businesses reporting the cost of materials as having the biggest impact on their turnover in the last month. The manufacturing industry reported the largest percentage of businesses reporting this challenge, at 63%.

Other challenges that businesses reported as having an impact were:

- economic uncertainty, at 28%, with the accommodation and food service activities industry reporting the highest percentage (49%)
- cost of labour, at 17%, with the other service activities industry reporting the highest percentage (37%)
- financial costs, at 14%, with the accommodation and food service activities industry reporting the highest percentage (31%)

In comparison, 28% of trading businesses reported they were not currently experiencing any challenges, down from 33% reported in late April 2022.

Turnover expectations

Businesses were also asked about their turnover expectations for August 2022 with 17% of businesses reporting that they expect their turnover to decrease. This is the first increase in the percentage of businesses reporting this since April 2022.

In contrast, over half of businesses (55%) reported that they expect their turnover to stay the same in August 2022, down from 59% reported for July 2022.

Approximately 22% of businesses in the wholesale and retail trade; repair of motor vehicles and motorcycles industry and approximately one in five (20%) businesses in the accommodation and food service activities industry reported that they expect their turnover to decrease in August 2022, despite the holiday period.

4 . Prices

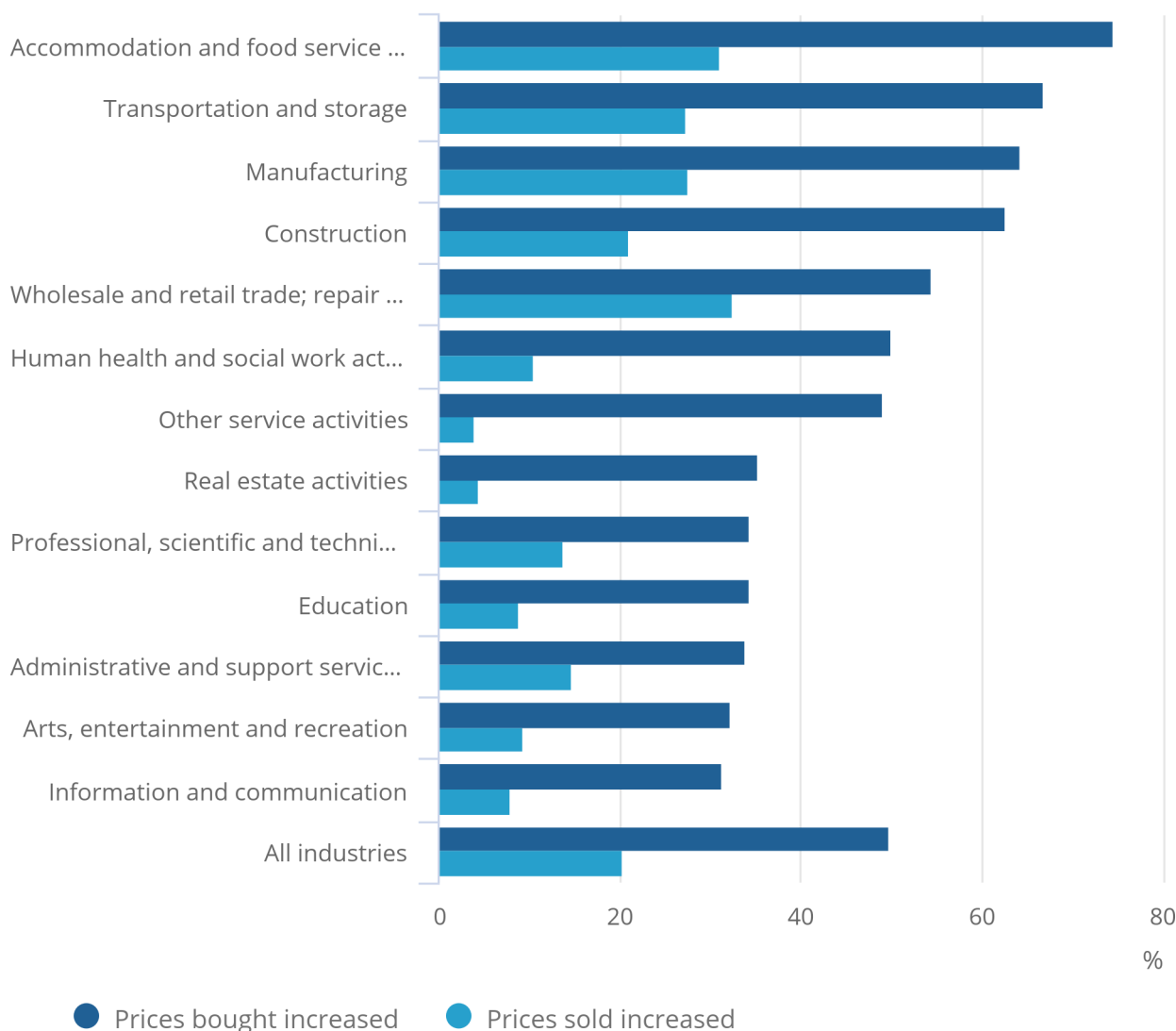
Prices bought and sold

Figure 3: Half of businesses (50%) reported an increase in the price of goods or services they bought in June 2022

Prices bought and sold increased, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 30 June 2022

Figure 3: Half of businesses (50%) reported an increase in the price of goods or services they bought in June 2022

Prices bought and sold increased, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 30 June 2022



Source: Office for National Statistics – Business Insights and Conditions Survey

Notes:

1. For presentational purposes, response options have been excluded.
2. "Mining and quarrying" and "Water supply, sewerage, waste management and remediation activities" have been removed for disclosure purposes, but their totals are included in "All industries".

The data suggest some businesses are continuing to experience an increase in the prices of goods or services they buy in comparison to the previous month.

In June 2022, the percentage of businesses currently trading who reported the prices of goods or services bought had increased compared with the previous month was 50%. This percentage has remained broadly stable since March 2022.

In contrast, 20% of businesses reported an increase in the prices of goods or services sold in June 2022 compared with the previous month. This percentage has steadily decreased from the 24% reported in March 2022.

The accommodation and food service activities industry reported the largest proportion of businesses reporting an increase in prices bought, at 75%, up from 73% reported in May 2022.

The accommodation and food service activities industry also reported the largest proportion of businesses reporting an increase in prices sold, at 31%, which is broadly stable compared with May 2022.

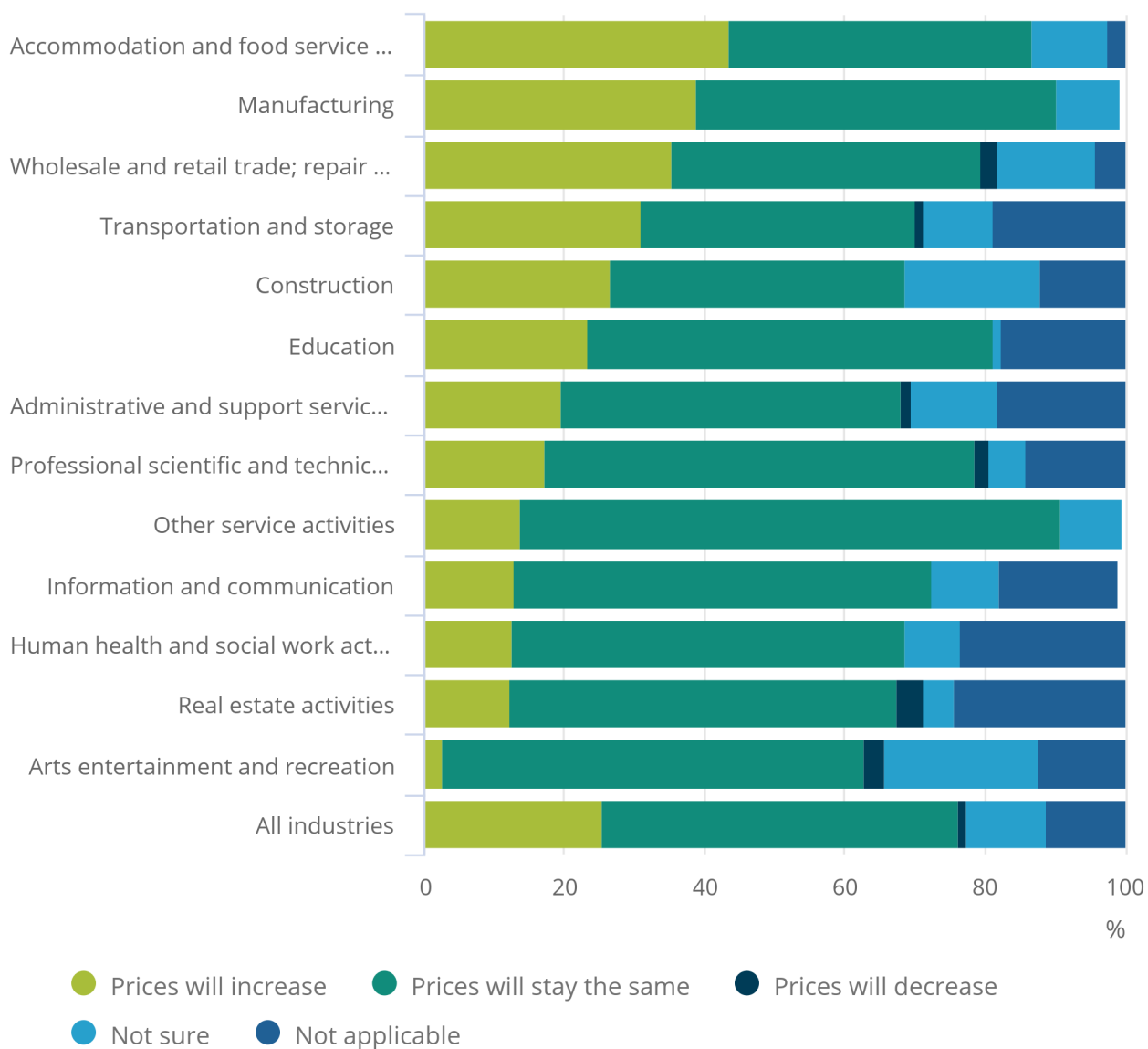
Price expectations

Figure 4: Over a quarter (26%) of businesses expect the prices of the goods or services they sell to increase in August 2022

Price expectations, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 31 August 2022

Figure 4: Over a quarter (26%) of businesses expect the prices of the goods or services they sell to increase in August 2022

Price expectations, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 31 August 2022



Source: Office for National Statistics – Business Insights and Conditions Survey

Notes:

1. Bars may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
2. "Mining and quarrying" and "Water supply, sewerage, waste management and remediation activities" have been excluded for disclosure purposes, but their totals are included in "All industries".

Of currently trading businesses, 26% expect the prices of the goods or services they sell to increase in August 2022; this is down from the 30% of businesses who reported they expected prices to increase in July 2022.

Businesses with 10 or more employees also reported a fall in the percentage of businesses expecting the prices of the goods or services they sell to increase, down from 34% in July 2022 to 31% in August 2022.

At 37%, energy prices continue to be reported as the most common reason trading businesses are considering raising their prices, with the accommodation and food service activities industry continuing to report the highest percentage at 72%.

Across all industries, other factors reported included:

- raw material prices (30%) - this was 38% for businesses with 10 or more employees
- labour costs (23%) - this was 35% for businesses with 10 or more employees

In contrast, 34% of businesses reported they are not considering raising their prices in August 2022, with this percentage decreasing to 29% for businesses with 10 or more employees.

Further response options broken down by industry and size band can be found in the [accompanying dataset](#).

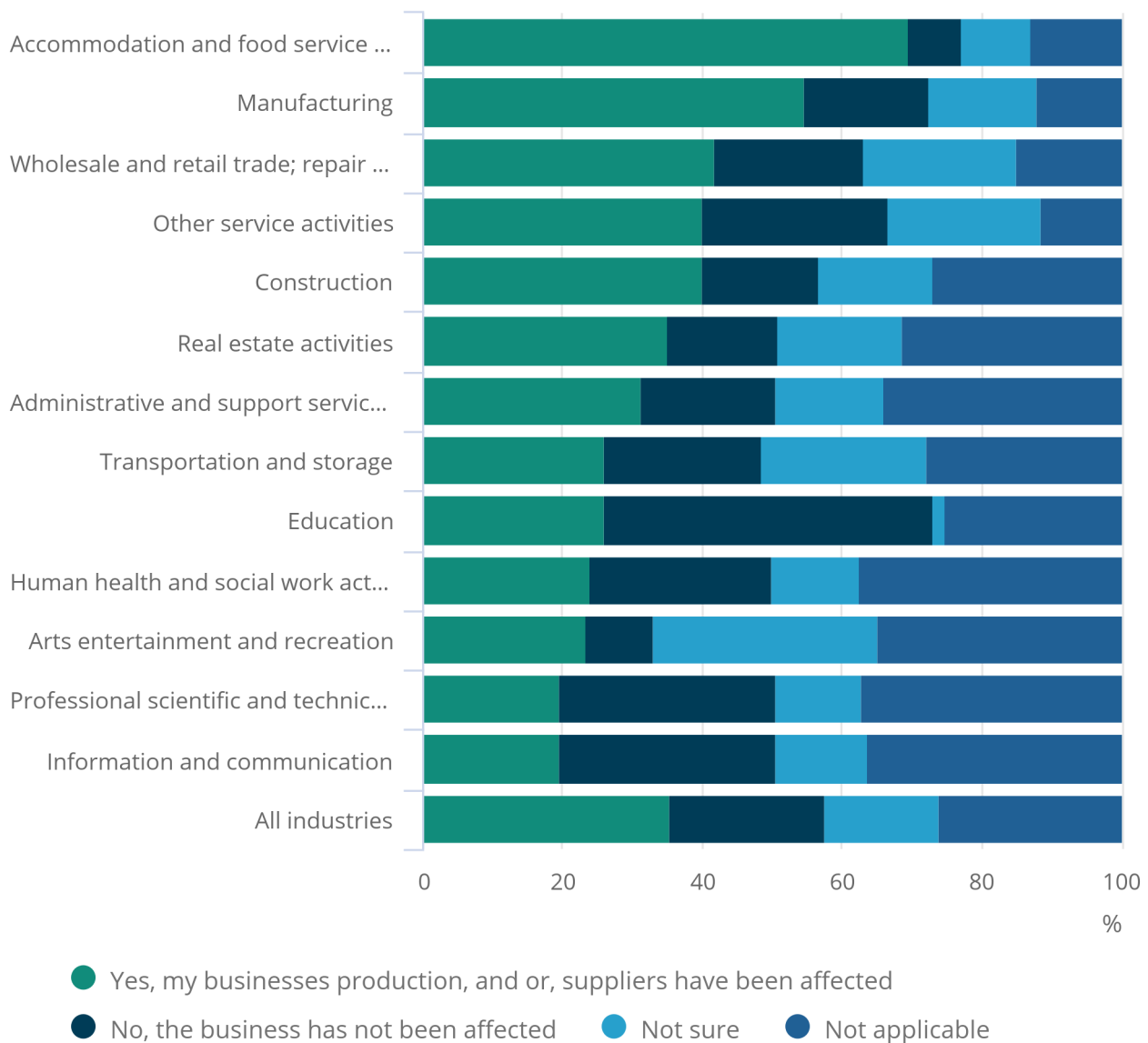
5 . Energy prices

Figure 5: More than two-thirds (70%) of businesses in the accommodation and food service activities industry reported their production and/or suppliers had been affected by increased energy prices

Impact of energy prices, businesses not permanently stopped trading, weighted by count, UK, 27 June to 10 July 2022

Figure 5: More than two-thirds (70%) of businesses in the accommodation and food service activities industry reported their production and/or suppliers had been affected by increased energy prices

Impact of energy prices, businesses not permanently stopped trading, weighted by count, UK, 27 June to 10 July 2022



Source: Office for National Statistics – Business Insights and Conditions Survey

Notes:

1. "Mining and quarrying" and "Water supply, sewerage, waste management and remediation activities" have been excluded for disclosure purposes, but their totals are included in "All industries".
2. For presentational purposes, some response options have been combined.
3. Response options may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.

The accommodation and food service activities industry continued to report the highest percentage of businesses whose production and/or suppliers were affected by recent increases in energy prices, at 70%. This is up from 61% in late June 2022 and from 53% in early March 2022 when this question was first introduced. This percentage was partially driven by the food and beverage service activities sub-industry.

All response options broken down by industry and size band can be found in the [accompanying dataset](#).

6 . Impact of prices

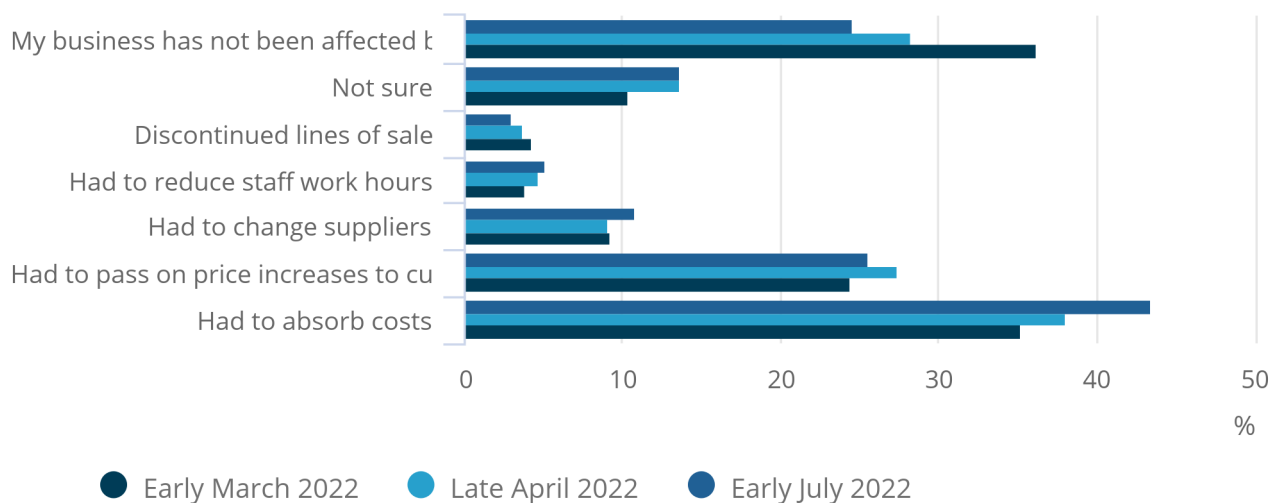
In early July 2022, businesses not permanently stopped trading were asked in which ways their business had been affected by any price rises they had experienced.

Figure 6: In early July 2022, 44% of businesses reported they had to absorb costs because of the effect of price rises on their business

Impact of price rises, businesses not permanently stopped trading, broken down by response option, weighted by count, UK, 7 March to 10 July 2022

Figure 6: In early July 2022, 44% of businesses reported they had to absorb costs because of the effect of price rises on their business

Impact of price rises, businesses not permanently stopped trading, broken down by response option, weighted by count, UK, 7 March to 10 July 2022



Source: Office for National Statistics – Business Insights and Conditions Survey

Notes:

1. Businesses were asked in which way, if any, has their business been affected by price rises.
2. Response options will not sum to 100% as businesses were able to select multiple options, and some response options have been excluded for presentational purposes.
3. Data are plotted in the middle of the period of each wave.

In July 2022, 62% of businesses reported that they were affected by general increases in prices in one or more ways, broadly stable with late June 2022, however this is up 8 percentage points since this question was introduced in early March 2022.

When excluding businesses with fewer than 10 employees, the proportion of business reporting being affected by general increases in prices was 77%, with the data suggesting smaller businesses were reporting less of an impact of price rises than larger businesses.

When excluding businesses with fewer than 10 employees, the following response options remained the biggest impacts reported by businesses as a result of general increases in prices:

- had to absorb costs, at 58% - with the other service activities industry and the accommodation and food service activities industry reporting the highest percentage, at 68%
- had to pass on price increases to customers, at 37% - with the wholesale and retail trade; repair of motor vehicles and motorcycles industry and the manufacturing industry reporting the highest percentage, at 51%

Further response options broken down by industry and size band can be found in the [accompanying dataset](#).

7 . Stock levels

Stock levels of raw materials and finished goods

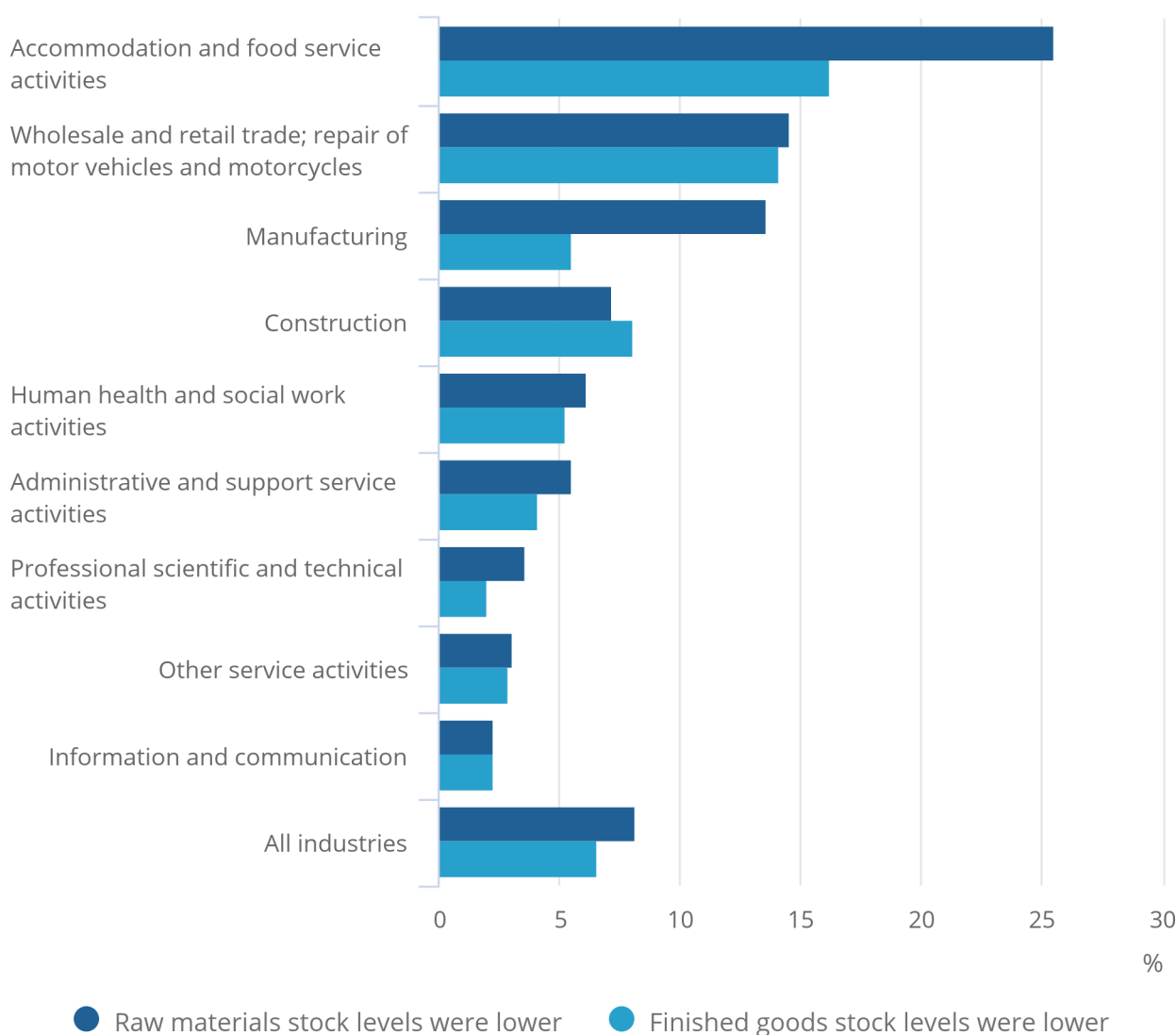
Businesses not permanently stopped trading were asked how their stock levels of raw materials and finished goods in June 2022 compared with May 2022.

Figure 7: In June 2022, 26% of businesses in the accommodation and food service activities industry reported lower stock levels of raw materials

Lower stock levels, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 1 to 30 June 2022

Figure 7: In June 2022, 26% of businesses in the accommodation and food service activities industry reported lower stock levels of raw materials

Lower stock levels, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 1 to 30 June 2022



Source: Office for National Statistics – Business Insights and Conditions Survey

Notes:

1. Industries may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
2. "Mining and quarrying", "Water supply, sewerage, waste management and remediation activities", "Transport and storage", "Real estate activities", "Education" and "Arts, entertainment and recreation" have been removed for disclosure purposes, but their totals are included in "All industries".

In relation to stock levels of raw materials, 8% of businesses not permanently stopped trading reported that their stock levels were lower in June 2022 than in May 2022, with a further 3% reporting that their stock levels were higher. Approximately a quarter (23%) of businesses reported that their stock levels had stayed the same. The remainder either reported "not sure" or "not applicable".

For businesses reporting on their stock levels of finished goods, 7% reported lower levels and 4% reported higher levels, across the same period. Around one in five (19%) businesses reported their stock levels had stayed the same.

All response options broken down by industry, trading status and size band, for raw material and finished goods stock questions can be found in the [accompanying dataset](#).

Stockpiling

Businesses not permanently stopped trading were asked whether they were stockpiling any goods or materials, to which 6% of businesses reported they were in early July 2022; this percentage has remained unchanged since March 2022.

The manufacturing industry and the wholesale and retail trade; repair of motor vehicles and motorcycles industry reported the largest percentage of businesses stockpiling goods or materials at 16% and 12%, respectively. These percentages are up from 13% and broadly stable at 12%, respectively, since early March 2022.

8 . Business Insights and Conditions Survey data

[Business insights and impact on the UK economy](#)

Dataset | Released 14 July 2022

Weighted estimates from the voluntary fortnightly Business Insights and Conditions Survey (BICS) about financial performance, workforce, prices, trade, and business resilience. This dataset includes additional information collected as part of the survey not presented in this publication.

[Business insights and impact on the UK economy confidence intervals](#)

Dataset | Released 1 June 2022

Confidence intervals for weighted estimates from the voluntary fortnightly business survey (BICS) about financial performance, workforce, prices, trade, and business resilience. These data are not official statistics but have been developed to deliver timely indicators to help understand the impact of the coronavirus (COVID-19) pandemic and other events.

Access to microdata

You can access the BICS microdata for Waves 1 to 59 through the Secure Research Service (SRS). The BICS microdata for each wave are released on a rolling basis in the week following the publication of each wave. The microdata are made confidential and do not disclose information on any specific business.

Only researchers accredited under the [Digital Economy Act](#) are able to access data in the SRS. You can apply for accreditation through the [Research Accreditation Service \(RAS\)](#). You need to have relevant academic or work experience and must successfully attend and complete the assessed Safe Researcher Training.

To conduct analysis with microdata from the SRS, a project application must be submitted to the [Research Accreditation Panel \(RAP\)](#). To access the SRS, you must also work for an organisation with an Assured Organisational Connectivity agreement in place.

9 . Glossary

Reporting unit

The business unit to which questionnaires are sent is called the reporting unit. The response from the reporting unit can cover the enterprise as a whole or parts of the enterprise identified by lists of local units.

10 . Measuring the data

More quality and methodology information (QMI) on strengths, limitations, appropriate uses, and how the data were created is available in our [Business Insights and Conditions Survey \(BICS\) QMI](#), updated on 24 January 2022.

The BICS is voluntary, and the results are experimental. More information is available in our [Guide to experimental statistics](#).

Table 1: Sample and response rates for Waves 58, 59 and 60 of the Business Insights and Conditions Survey

Wave	16 June 2022 Publication Wave 58	30 June 2022 Publication Wave 59	14 July 2022 Publication Wave 60
Sample	37,929	38,146	38,014
Response	8,671	9,605	8,912
Rate	22.9%	25.2%	23.4%

Source: Office for National Statistics - Business Insights and Conditions Survey

Notes

1. Response rates for all waves can be found in the accompanying dataset.

The results are based on responses from the voluntary fortnightly BICS, which captures businesses' views on financial performance, workforce, prices, trade, and business resilience. The Wave 60 survey was live for the period 27 June to 10 July 2022. The [BICS survey questions](#) are available.

Coverage

The Monthly Business Survey (MBS) covers the UK for production and Great Britain (GB) only for services. The Retail Sales Index (RSI) and construction are GB focused. Therefore, the BICS will be UK focused for production-based industries but GB focused for the other elements of the economy covered. The industries covered are:

- non-financial services (includes professional, scientific, communication, administrative, transport, accommodation and food, private health and education, and entertainment services)
- distribution (includes retail, wholesale, and motor trades)
- production (includes manufacturing, oil and gas extraction, energy generation and supply, and water and waste management)
- construction (includes civil engineering, housebuilding, property development and specialised construction trades such as plumbers, electricians, and plasterers)

The following industries are excluded from the survey:

- agriculture
- public administration and defence
- public provision of education and health
- finance and insurance

For more information on the methodology of producing the BICS, such as [weighting](#), please see our [BICS quality and methodology information](#).

11 . Strengths and limitations

More quality and methodology information (QMI) on strengths, limitations, appropriate uses, and how the data were created is available in our [Business Insights and Conditions Survey \(BICS\) QMI](#).

12 . Related links

[Comparison of furloughed jobs data, UK: March 2020 to June 2021](#)

Article | Released 2 September 2021

An overview of the similarities and differences between the fortnightly Business Insights and Conditions Survey (BICS) furlough estimates and HMRC's Coronavirus Job Retention Scheme statistics, over the period 23 March 2020 to 30 June 2021.

[COVID-19 question bank](#)

Webpage | Updated frequently

This webpage provides a bank of questions from multiple Office for National Statistics (ONS) surveys related to coronavirus (COVID-19) to be used in other surveys to further support harmonisation and questionnaire development. This bank also provides users with an understanding of what data the ONS has in relation to the coronavirus pandemic.

[Understanding the business impacts of local and national restrictions, UK: February 2022](#)

Article | Released 17 February 2022

Experimental estimates from the voluntary fortnightly Business Insights and Conditions Survey (BICS), for single-site businesses only, on topics such as trading status, financial performance, workforce, and business resilience. Geographical breakdowns include country, regional and local authority levels.

[Business and individual attitudes towards the future of homeworking, UK: April to May 2021](#)

Article | Released 14 June 2021

Analysis of the effects of the coronavirus (COVID-19) pandemic on office working and of business and individual attitudes to future working practices.

[Business Impact of Coronavirus \(COVID-19\) Survey: preliminary weighted results](#)

Article | Released 14 September 2020

Early estimates of weighted responses from the voluntary fortnightly business survey, focusing on businesses' responses on how turnover, workforce and trading status have been affected in two-week reference periods, from Wave 7 (1 to 14 June 2020) to Wave 12 (10 to 23 August 2020).