

Statistical bulletin

Business insights and impact on the UK economy: 1 December 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.

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Next release:
15 December 2022

Notice

1 December 2022

From 15 December 2022 until further notice, this release will have a headline format. It will be accompanied by our full stand-alone dataset.

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1 . Main points

- Approximately two in five (41%) trading businesses with 10 or more employees that had imported in October 2022 reported they had experienced an increase in transportation costs compared with September 2022; this was 35% for exporting businesses.
- Almost a third (32%) of businesses with 10 or more employees reported they were experiencing a shortage of workers, with the human health and social work activities industry reporting the highest proportion of businesses affected, at 54%.
- When looking ahead to December 2022, input price inflation and energy prices remain the top two concerns reported by businesses, at 25% and 19%, respectively, with energy price concerns being at the lowest level reported since late February 2022 (15%).
- One in eight (13%) businesses had been affected by industrial action in October 2022; more than a quarter (27%) of those businesses reported they were unable to obtain necessary goods for their business.

2 . Headline figures

The data presented in this bulletin are the final results from Wave 70 of the Business Insights and Conditions Survey (BICS), which was live from 14 November to 27 November 2022.

The data reported within BICS bulletins and datasets are estimates that are subject to [uncertainty](#), for example, sampling variability and [non-sampling error](#). Further information on quality is available in our [Business insights and conditions Quality and Methodology Information \(QMI\)](#) and we regularly update [confidence intervals](#) associated with the survey questions.

Experimental single-site weighted regional estimates up to Wave 60 (27 June to 10 July 2022) are available in our [Business insights and impact on the UK subnational single-site economy: July 2022 article](#).

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

More about economy, business and jobs

- All ONS analysis, summarised in our [economy, business and jobs roundup](#).
- 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. Data are plotted in the middle of the period of each wave.

Download the data

[.xlsx](#)

In late November 2022, the percentage of businesses that reported they were trading was 94%, with 85% fully trading and 9% partially trading (for example, trading with reduced hours or staff numbers). Meanwhile, 4% of businesses reported "temporarily paused trading" and 2% "permanently ceased trading" as their business's trading status.

3 . Exporting and importing

Of currently trading businesses with 10 or more employees, 19% had exported and 25% imported in the last 12 months.

Those businesses which had exported and/or imported were asked how their exporting and importing in October 2022 compared with October 2021, and which challenges they had experienced an increase in compared with the previous calendar month.

Figure 2: Exporting and importing figures from the Business Insights and Conditions Survey

Notes:

1. Exporting or importing compared with the same month last year: percentage of businesses currently trading with 10 or more employees and had reported they had exported or imported in the last year. For presentational purposes, response options have been combined.
2. Exporting or importing challenges: percentage of businesses currently trading with 10 or more employees, reported they had exported/imported in the last year, and reported how their exports/imports were affected. Businesses may report that exporting/importing has not been affected but are still able to report challenges.
3. Caution should be taken when interpreting these results based on the specific routing of this question meaning that only a small number of businesses responded.
4. Data are plotted in the middle of the period of each wave.

Download the data

[.xlsx](#)

To note on 1 October 2022, the Customs Handling of Import and Export Freight (CHIEF), an IT system based on paper forms, was replaced by the [Customs Declaration Service \(CDS\), as explained on GOV.UK](#), a fully electronic system.

From this date, importing declarations must be made on CDS. These changes may have affected how business have responded. This will not affect exporting businesses until March 2023.

Further industry and size band breakdowns for all exporting and importing questions are available in our [accompanying dataset](#).

4 . Business considerations

Business concerns

Businesses not permanently stopped trading were asked what their main concern for their business was looking ahead to December 2022.

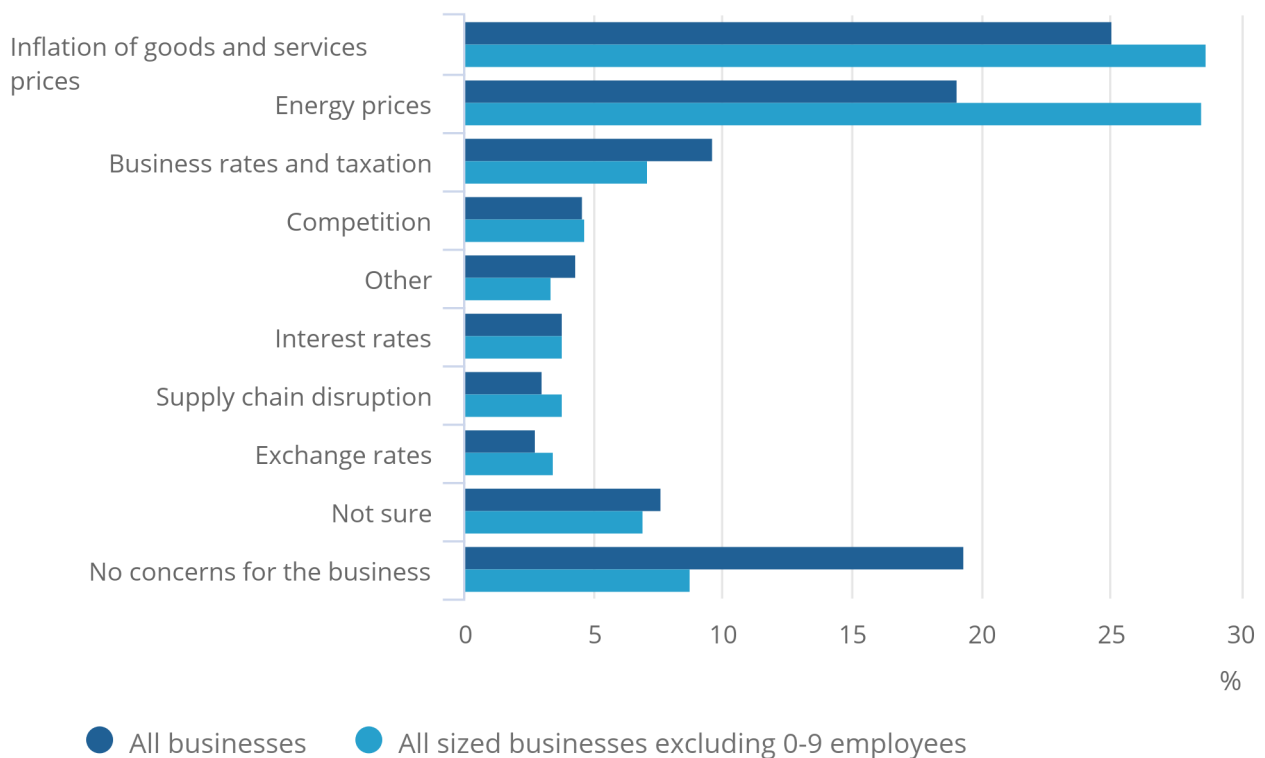
Businesses were asked for their main concern; this does not mean they do not have any other concerns for their business.

Figure 3: Input price inflation and energy prices remain the top two concerns businesses have for December 2022

Business concerns, businesses not permanently stopped trading, broken down by response option, weighted by count, UK, 1 to 31 December 2022

Figure 3: Input price inflation and energy prices remain the top two concerns businesses have for December 2022

Business concerns, businesses not permanently stopped trading, broken down by response option, weighted by count, UK, 1 to 31 December 2022



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

Notes:

1. Response options may not sum to 100% because of rounding, and percentages less than 1% being removed for disclosure purposes.
2. For presentational purposes, some response options have been combined.

Nearly three-quarters (73%) of businesses reported some form of business concern for December 2022. This percentage was higher for businesses with 10 or more employees, at 84%. These percentages were broadly stable with the proportion reported for November 2022, 76% and 85%, respectively.

The accommodation and food service activities industry had the highest proportion of all sized businesses reporting some form of concern at 93%, broadly stable with the proportion reported for November 2022.

Further details including the full list of concerns broken down by industry and size band are available in our [accompanying dataset](#).

Industrial Action

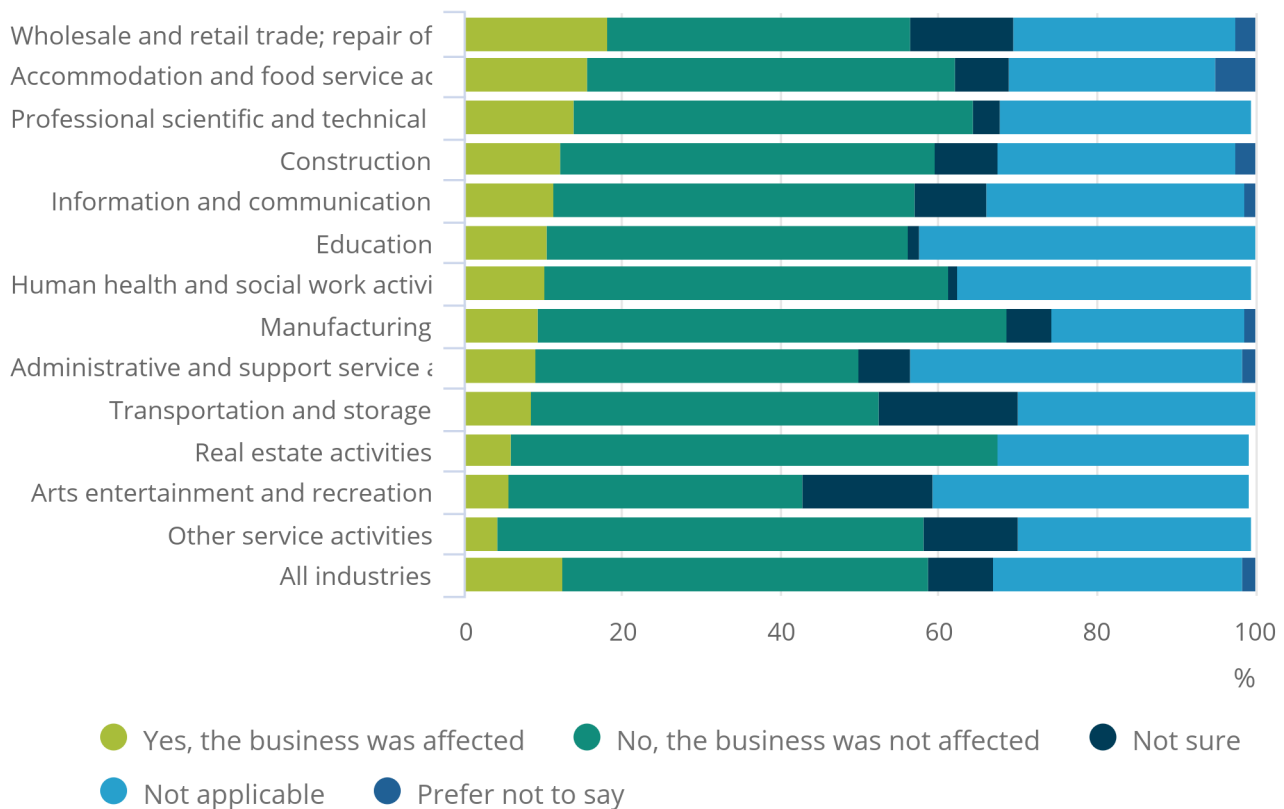
Businesses not permanently stopped trading were asked if they had been affected by industrial action in October 2022, following news reports of action undertaken in the transportation sector during this period.

Figure 4: One in eight (13%) businesses were affected by industrial action in October 2022

Affected by industrial action, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 1 to 31 October 2022

Figure 4: One in eight (13%) businesses were affected by industrial action in October 2022

Affected by industrial action, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 1 to 31 October 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 wholesale and retail trade; repair of motor vehicles and motorcycles industry reported the highest proportion (18%) of businesses affected by industrial action in October 2022. This was being partially driven by the retail sale via mail order houses or via internet sub-industry.

Businesses that reported that they had been affected by industrial action were then asked how they were affected. The most common effects were:

- 27% of businesses were unable to obtain necessary goods, falling to 18% for businesses with 10 or more employees
- 24% of businesses were unable to operate fully, falling to 14% for businesses with 10 or more employees
- 23% of businesses were unable to obtain necessary services, falling to 19% for businesses with 10 or more employees

Further details on industrial action broken down by industry and size band are available in our [accompanying dataset](#).

5 . Workforce

Hourly wages

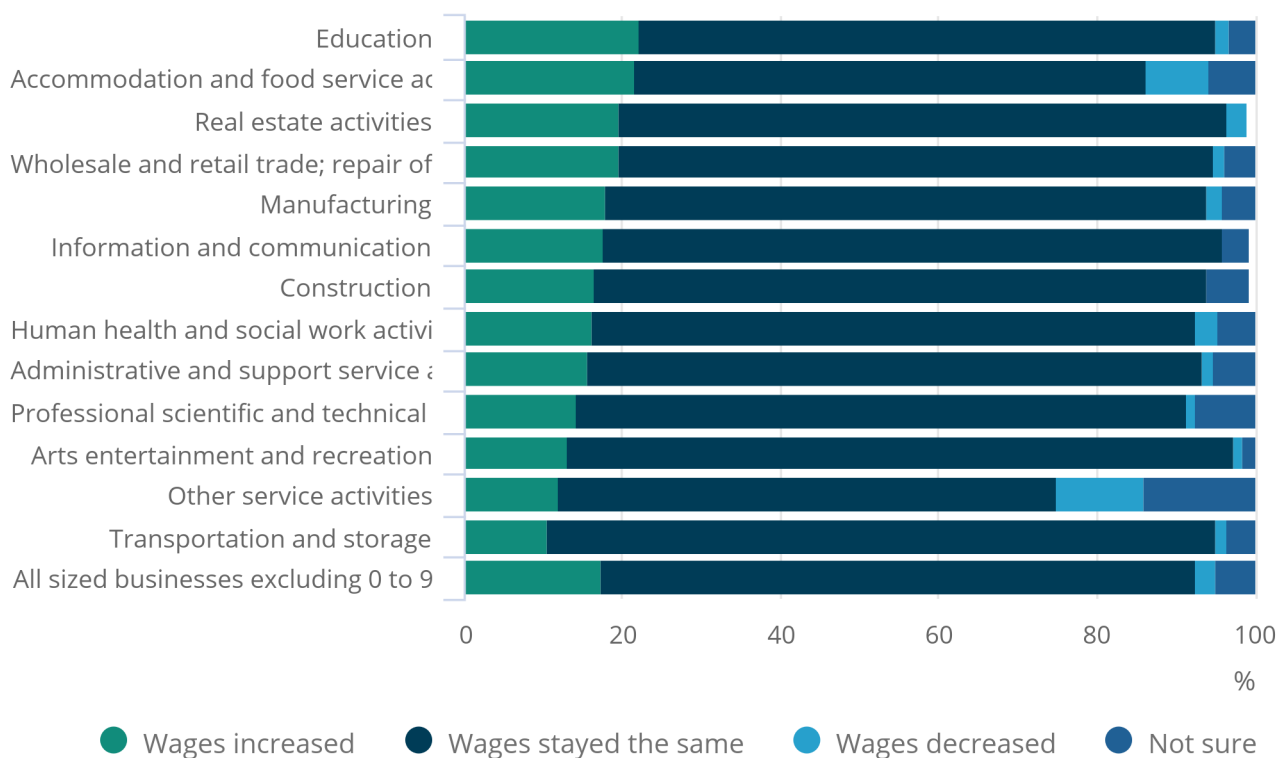
Businesses were asked, on average, how did their employees' hourly wages in October 2022 compare with those in the previous calendar month.

Figure 5: More than one in six (17%) businesses with 10 or more employees reported their employees' hourly wages had increased in October 2022

Changes to hourly wages, businesses not permanently stopped trading with 10 or more employees, broken down by industry, weighted by count, UK, 1 to 31 October 2022

Figure 5: More than one in six (17%) businesses with 10 or more employees reported their employees' hourly wages had increased in October 2022

Changes to hourly wages, businesses not permanently stopped trading with 10 or more employees, broken down by industry, weighted by count, UK, 1 to 31 October 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 sized businesses excluding 0-9".

More than one in six (17%) businesses not permanently stopped trading with 10 or more employees reported their employees' hourly wages had increased in October 2022 compared with September 2022; this fell to 10% for all sized business.

The highest percentage (22%) of businesses with 10 or more employees reporting increased wages were seen in the education industry (private sector and higher education businesses only) down 9 percentage points from the proportion reported in September 2022.

Businesses within the real estate activities industry saw the largest movement in the proportion of businesses reporting wages increased, up 10 percentage points from the 10% reported for September 2022.

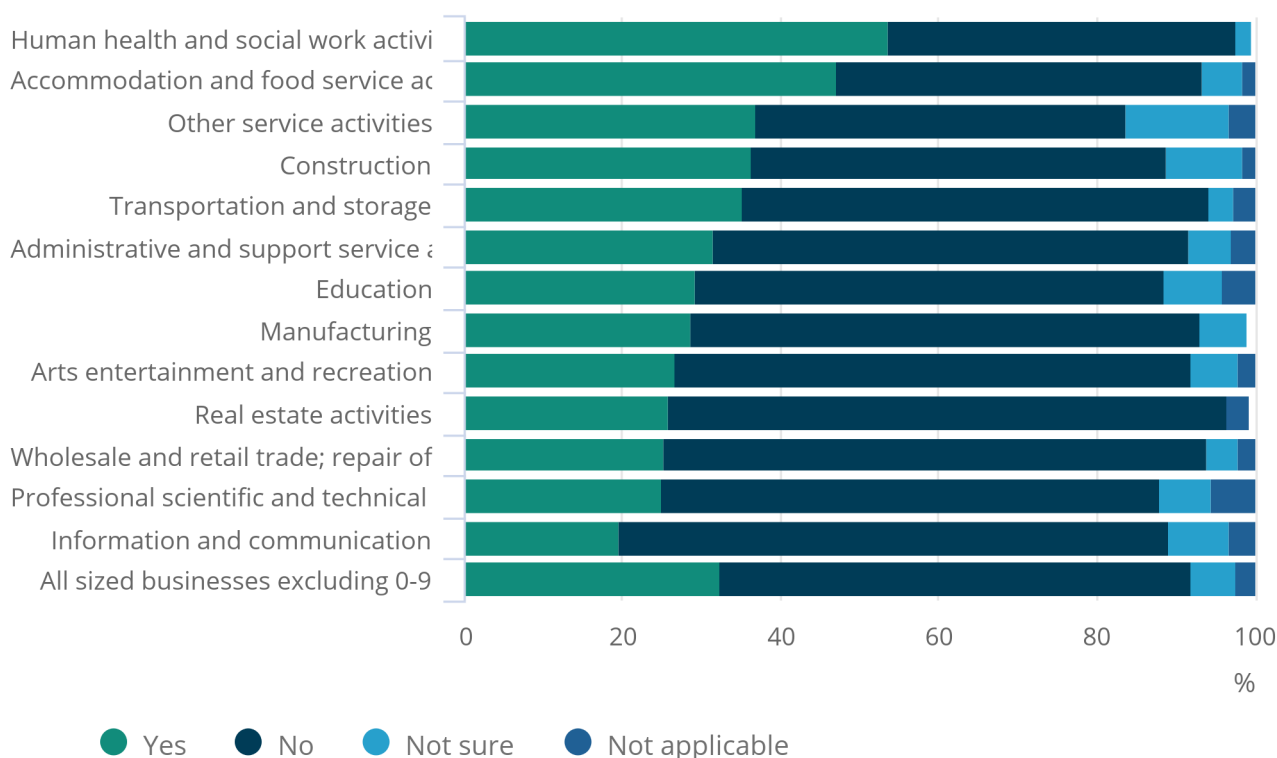
Worker shortages

Figure 6: More than half (54%) of businesses with 10 or more employees in the human health and social work activities industry reported experiencing a shortage of workers in late November 2022

Worker shortages, businesses not permanently stopped trading with 10 or more employees, broken down by industry, weighted by count, UK, 14 to 27 November 2022

Figure 6: More than half (54%) of businesses with 10 or more employees in the human health and social work activities industry reported experiencing a shortage of workers in late November 2022

Worker shortages, businesses not permanently stopped trading with 10 or more employees, broken down by industry, weighted by count, UK, 14 to 27 November 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 sized businesses excluding 0-9”.

In late November 2022, more than 1 in 10 (13%) businesses not permanently stopped trading were experiencing a shortage of workers. This percentage was higher for businesses with 10 or more employees, at 32%.

Of businesses with 10 employees or more that were experiencing worker shortages, more than half (54%) reported employees were working increased hours, while 37% of businesses were unable to meet demands.

Further details on worker shortages including its effects broken down by industry and size band are available in our [accompanying dataset](#).

6 . Business Insights and Conditions Survey data

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

Dataset | Released 1 December 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 22 August 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 microdata for Waves 1 to 69 of the Business Insights and Conditions Survey (BICS) 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, as explained on the UK Statistics Authority website](#), 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 \(RAP\), as explained on the UK Statistics Authority website](#). To access the SRS, you must also work for an organisation with an Assured Organisational Connectivity agreement in place.

7 . 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.

Net balance

Net balance is the difference between the percentage of businesses that reported a decrease, and the percentage of businesses that reported an increase.

8 . 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 Wave 68, 69 and 70 of the Business Insights and Conditions Survey

Wave	3 November 2022 Publication Wave 68	17 November 2022 Publication Wave 69	1 December 2022 Publication Wave 70
Sample	39,094	39,045	39,041
Response	9,740	9,583	10,406
Rate	24.9%	24.5%	26.7%

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 70 survey was live for the period 14 November to 27 November 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](#).

9 . 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](#).

10 . 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 HM Revenue and Customs' 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.

[Business insights and impact on the UK subnational single-site economy: July 2022](#)

Article | Released 26 July 2022

Experimental estimates from the voluntary fortnightly business survey (BICS) on topics such as prices, worker shortages, and workforce status. 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).

11 . Cite this statistical bulletin

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