

Statistical bulletin

# Business insights and impact on the UK economy: 22 September 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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# 1 . Main points

- Of trading businesses, 44% reported an increase in the prices of goods or services bought in August 2022 compared with July 2022, this was down from the 46% who reported an increase between June and July 2022; in comparison, the percentage of businesses who reported an increase in the prices of goods or services sold was 20%, a slight fall from 23% in July 2022.
- Of trading businesses, more than a quarter (29%) expect the prices of the goods or services they sell to increase in October 2022, broadly stable with September 2022, with energy prices (46%) the most commonly reported reason for considering doing so.
- In August 2022, 1 in 10 (10%) businesses reported they had been affected by industrial action; more than a quarter (28%) of those affected reported they were unable to obtain necessary goods because of this.
- In August 2022, 26% of trading businesses reported their turnover was lower compared with July 2022, while 15% reported their turnover was higher (a net 11% of businesses reported lower turnover); the accommodation and food service activities industry reported the largest percentage of businesses whose turnover was lower, at 43% (a net decrease of 26%).
- Nearly one in five (19%) trading businesses expect their turnover to decrease in October 2022, compared with 15% of businesses who expect their turnover to increase.

## 2 . Headline figures

The data presented in this bulletin are the final results from Wave 65 of the Business Insights and Conditions Survey (BICS), which was live from 5 September to 18 September 2022.

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

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

## Download the data

[.xlsx](#)

In early September 2022, the percentage of businesses that reported they were trading was 94%, with 84% fully trading and 10% 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.

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 August 2022 was 22%, broadly stable since late February 2022. The remaining proportion of the workforce were:

- working from home – 8%
- working from a designated workspace – 65%
- on sick leave, or not working due to coronavirus (COVID-19) symptoms or self-isolation – less than 1%
- made permanently redundant – less than 1%
- other – 5%

## 3 . Prices

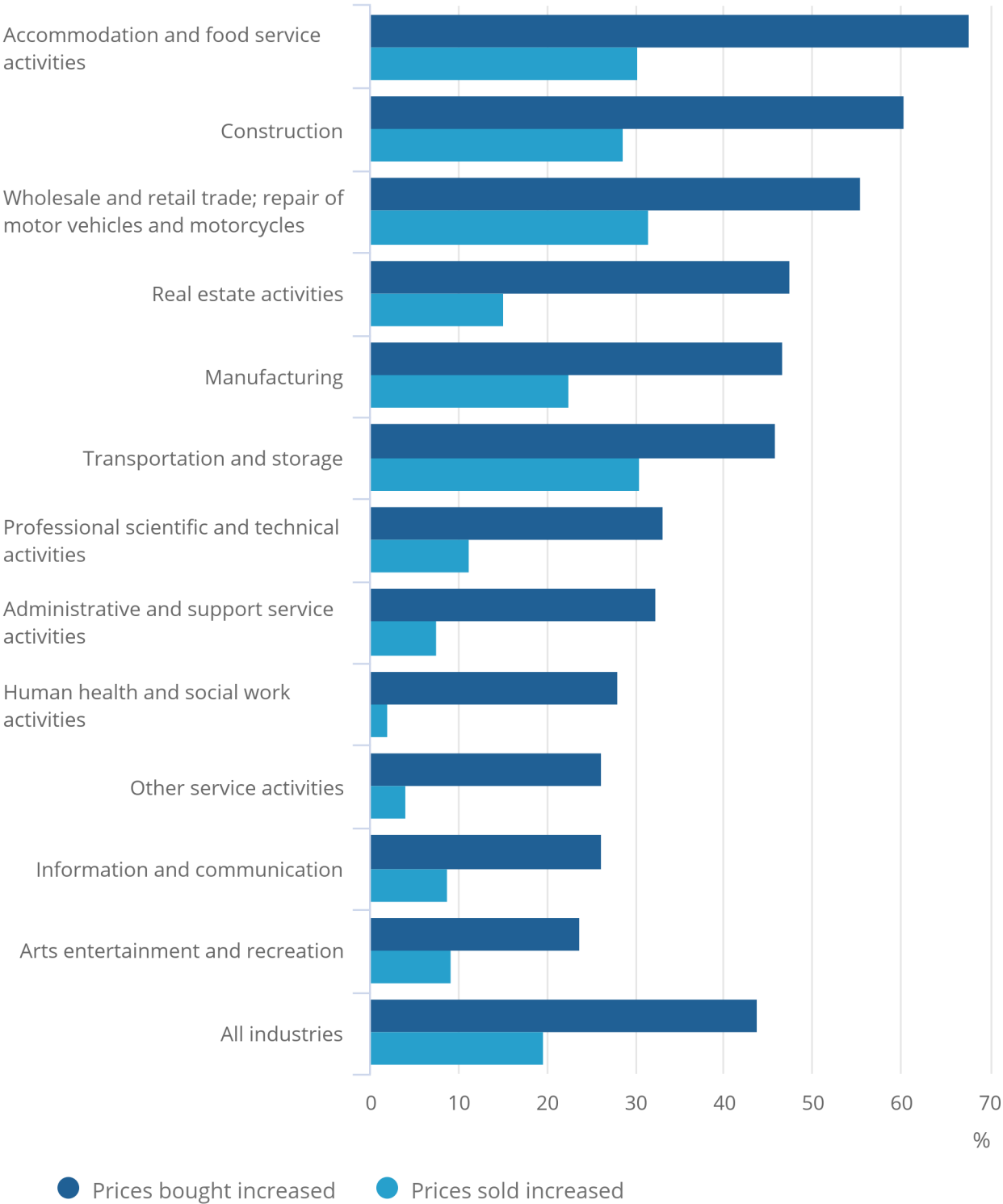
## Prices bought and sold

**Figure 2: 44% of trading businesses reported an increase in the prices of goods or services bought in August 2022 compared with July 2022**

Prices bought and sold increased, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 31 August 2022

# Figure 2: 44% of trading businesses reported an increase in the prices of goods or services bought in August 2022 compared with July 2022

Prices bought and sold increased, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 31 August 2022



**Notes:**

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

In August 2022, 44% of trading businesses reported the prices of goods or services bought had increased compared with the previous month. This compares with 46% of businesses who reported an increase in the prices of goods or services bought in July 2022.

## Price expectations

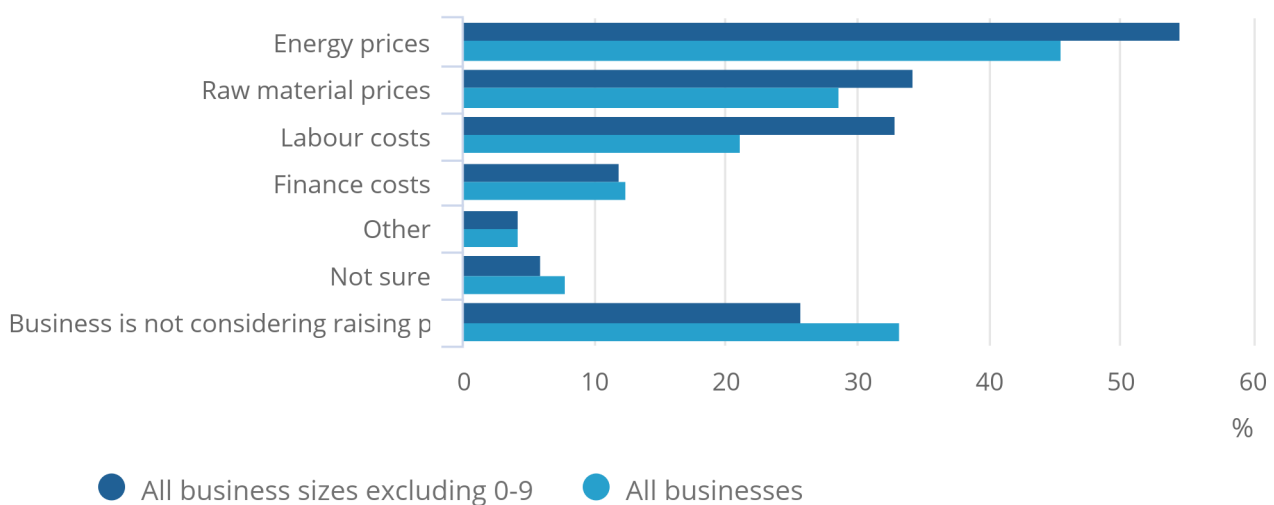
Of trading businesses, more than a quarter (29%) expect the prices of the goods or services they sell to increase in October 2022. This is broadly stable with the previous month's expectations. Of businesses with 10 or more employees, 32% expect prices to increase.

### Figure 3: More than half (55%) of businesses with 10 or more employees reported energy prices as the main reason for considering raising prices in October 2022

Price expectations, businesses currently trading and are considering raising prices, broken down by response option and size band, weighted by count, UK, 1 to 31 October 2022

### Figure 3: More than half (55%) of businesses with 10 or more employees reported energy prices as the main reason for considering raising prices in October 2022

Price expectations, businesses currently trading and are considering raising prices, broken down by response option and size band, weighted by count, UK, 1 to 31 October 2022



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

#### Notes:

1. For presentational purposes, response options have been excluded.
2. Bars may not sum to 100% because of rounding.
3. Caution should be taken when interpreting expectations questions as the employees responding on behalf of businesses may not have full oversight of all of their business's future expectations.

Of those businesses who are considering raising prices, energy prices continued to be reported as the most common reason for doing so, at 46% for businesses of all sizes and 55% for businesses with 10 or more employees. These percentages are the highest reported since this question was first introduced in April 2022.

In early September 2022, 35% of not permanently stopped trading businesses of all sizes reported their production and/or suppliers had been affected by the recent increase in energy prices, up from 33% in early August 2022. For businesses with 10 or more employees, these percentages were 45% and 44%, respectively.



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

## **4 . Financial performance**

# Turnover

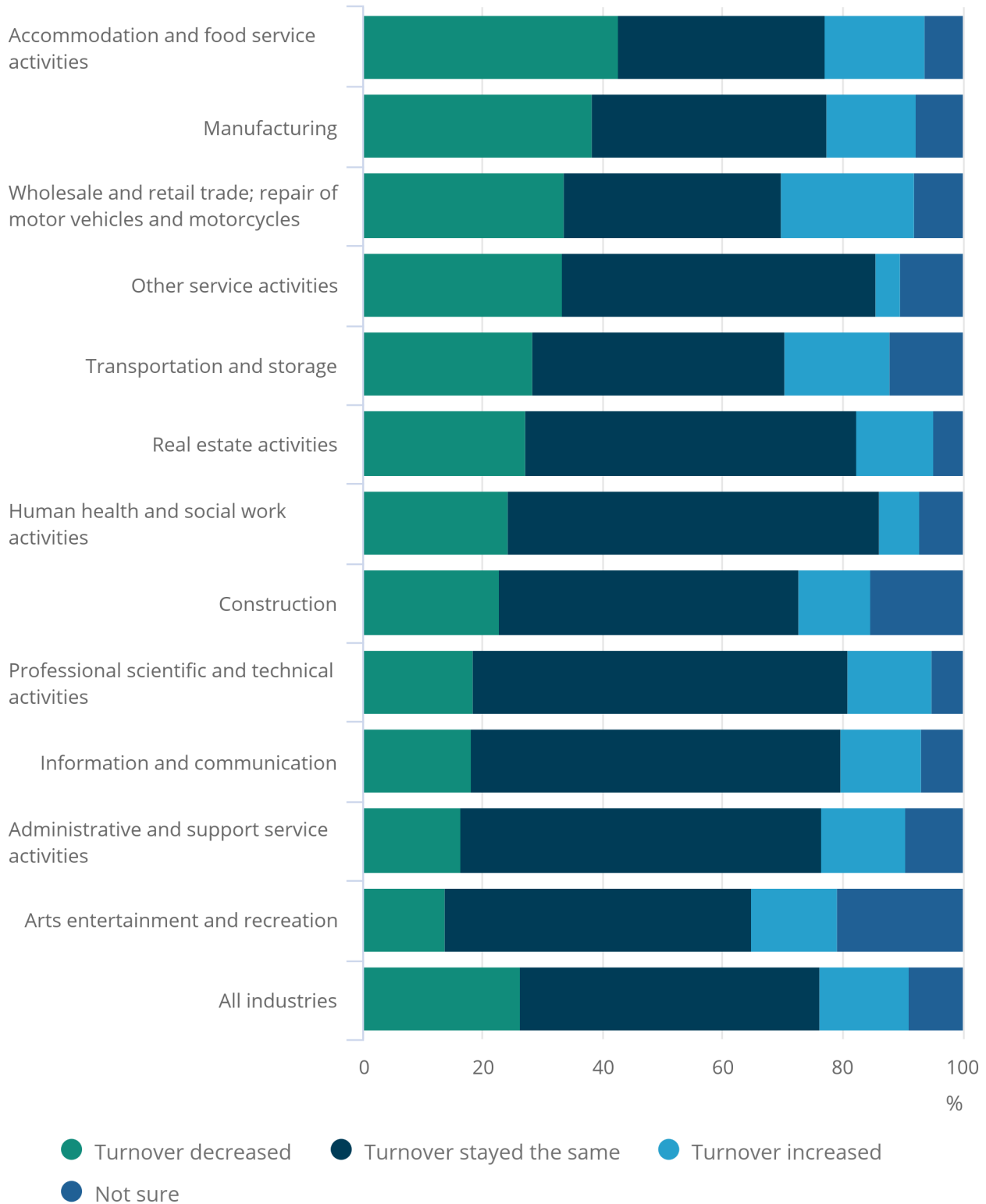
Trading businesses were asked how their turnover in August 2022 compared with July 2022.

**Figure 4: More than a quarter (26%) of trading businesses reported their turnover in August 2022 was lower than in July 2022**

Impact on turnover, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 31 August 2022

# Figure 4: More than a quarter (26%) of trading businesses reported their turnover in August 2022 was lower than in July 2022

Impact on turnover, businesses currently trading, broken down by industry, weighted by count, UK, 1 to 31 August 2022



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", "Water supply, sewerage, waste management and remediation activities" and "Education" have been removed for disclosure purposes, but their totals are included in "All industries".

## Expectations

Trading businesses were also asked about their turnover expectations for October 2022.

More than half of businesses (55%) reported that they expect their turnover to stay the same, with nearly two in five (19%) expecting their turnover to decrease.

More than half (55%) of businesses in the accommodation and food service activities industry expect their turnover to decrease in October 2022. This was driven by the licensed restaurants and the public houses and bars sub-industries.

## 5 . Industrial action

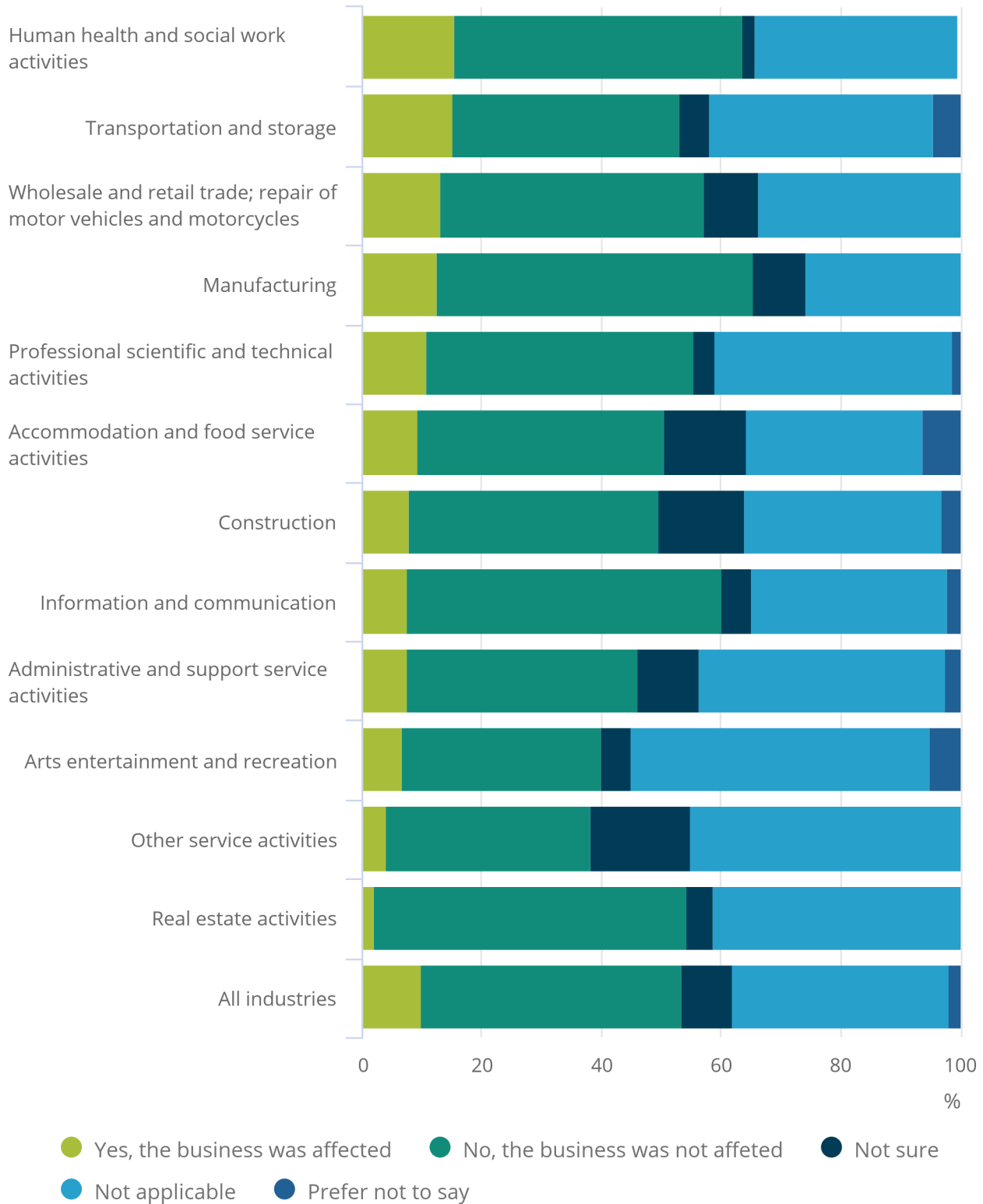
Businesses not permanently stopped trading were asked if they had been affected by industrial action in August 2022, following news reports of industrial action in the transportation and mail sectors during this period.

**Figure 5: 1 in 10 (10%) businesses were affected by industrial action in August 2022**

**Impacted by industrial action, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 1 to 31 August 2022**

## Figure 5: 1 in 10 (10%) businesses were affected by industrial action in August 2022

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





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", "Water supply, sewerage, waste management and remediation activities" and "Education" have been removed for disclosure purposes, but their totals are included in "All industries".

Businesses who reported that they had been affected by industrial action were then asked how they were affected.

Of the businesses who were affected, more than a quarter (28%) reported the business was unable to obtain necessary goods, while 24% reported the business was unable to operate fully.

Further details on industrial action 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 22 September 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 BICS microdata for Waves 1 to 64 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.

## 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 who reported a decrease, and the percentage of businesses who 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 Waves 63, 64 and 65 of the Business Insights and Conditions Survey

Wave	25 August 2022 Publication Wave 63	8 September 2022 Publication Wave 64	22 September 2022 Publication Wave 65
Sample	38,009	37,955	37,898
Response	9,207	9,154	9,401
Rate	24.2%	24.1%	24.8%

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 65 survey was live for the period 5 September to 18 September 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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