

Statistical bulletin

Business insights and impact on the UK economy: 25 March 2021

The impact of the coronavirus pandemic and other events on UK businesses and the economy. Based on responses from the voluntary fortnightly business survey (BICS) about financial performance, workforce, prices, trade, and business resilience.

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Release date:
25 March 2021

Next release:
8 April 2021

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1 . Main points

- The percentage of currently trading businesses experiencing a decrease in turnover, compared with normal expectations for this time of year, has fallen from 46% in January 2021 to 42% in early March 2021, the same level as seen in late December 2020 before increased coronavirus (COVID-19) restrictions.
- The percentage of businesses in the accommodation and food service activities industry with three months' cash reserves or less has fallen below 50% for the first time since early December 2020, as the percentage responding "Not sure" increased.
- The arts, entertainment and recreation industry and the accommodation and food service activities industry had more than half of their workforce on furlough leave and have seen the largest percentage point increases in the proportion of their workforce on furlough leave since early December 2020.
- The human health and social work activities industry (private sector businesses only) had the highest percentage of businesses providing regular coronavirus testing for their workforce and had the highest proportion of its workforce receiving regular coronavirus testing.
- The main challenge reported by currently trading businesses for exporting and importing remained additional paperwork.
- A third of businesses in the manufacturing industry experienced an increase of prices of materials, goods or services bought, in early March 2021.

2 . Other pages in this release

More commentary on the impacts of the coronavirus (COVID-19) pandemic on the UK economy and society is available on the following pages:

- [Coronavirus and the latest indicators for the UK economy and society](#)
- [Coronavirus and the social impacts on Great Britain](#)

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](#).

3 . Headline figures

The data presented here are final results from Wave 26 of the Business Insights and Conditions Survey (BICS), which was live for the period 8 to 21 March 2021.

For questions regarding the last two weeks, businesses were asked for their experience for the reference period 22 February to 7 March 2021.

All four nations within the UK were subject to lockdown restrictions for the duration of the reference and survey live periods. The majority of businesses subject to restrictions remained closed for the duration of the survey, with the exception of Wales, which commenced its first steps out of lockdown during the survey live period (15 March 2021 - hairdressers and barbers re-opened).

For experimental single site weighted regional estimates up to Wave 21 (29 December 2020 to 10 January 2021), please see [Understanding the business impacts of local and national restrictions: February 2021](#).

An updated article on experimental single site weighted regional estimates up to Wave 26 (8 to 21 March 2021) is due to be published on Tuesday 30 March 2021.

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

[Download the data](#)

Notes:

1. Final weighted results, Wave 7 to Wave 26 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey (BICS).
2. Weighted estimates are available from Wave 7 onwards only. The sample redesign in Wave 7 improves our coverage for the small-sized businesses, allowing for weighted results to be truly reflective of all businesses.
3. Data are plotted in the middle of the two-week period of each wave.
4. Trading status: all businesses; for presentational purposes, currently trading categories and paused trading categories have been combined.
5. Financial performance: businesses currently trading; for presentational purposes, decreased turnover categories and increased turnover categories have been combined, and the option "Not sure" has been removed.
6. Business resilience: businesses not permanently stopped trading; for presentational purposes, cash reserves categories between zero and three months have been combined, and the option "Not sure" has been removed.
7. Workforce: businesses not permanently stopped trading; for presentational purposes, the options "On sick leave or not working because of coronavirus (COVID-19), self-isolation or quarantine", "Made permanently redundant" or "Other" have been removed.
8. Financial performance and Workforce: Businesses were asked for their experiences for the reference period. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire.

Trading status

The percentage of businesses currently trading has increased slightly from 71% in early January 2021 to 74% in mid-March 2021. However, the percentage of businesses currently trading is still low compared with 84% of businesses currently trading in mid-December 2020. This is because of continuing coronavirus (COVID-19) restrictions.

The percentage of businesses currently trading in mid-March 2021 is similar to the level seen in early July 2020, when coronavirus restrictions were also widespread across the UK.

Tighter restrictions in [England](#), [Scotland](#) and [Wales](#) were introduced in late December 2020. National lockdowns in England and Scotland commenced on 4 January 2021, and Northern Ireland and Wales were already in national lockdowns by this point.

Of businesses that had not permanently stopped trading, 2% intend to permanently close a business site in the next three months.

Table 1 shows where in the UK these 2% of businesses intend to permanently close a business site in the next three months.

Table 1: Of businesses not permanently stopped trading and who intend to permanently close a business site in the next three months, the highest percentages of businesses intend to close sites in Greater London and the South East

Percentage of businesses not permanently stopped trading and who intend to permanently close a business site in the next three months, weighted by count, UK, 8 to 21 March 2021

Regions	% of businesses not permanently stopped trading and who responded yes they intend to close business sites in the next three months
Northern Ireland	2.9%
Scotland	13.1%
Wales	5.9%
East of England	16.1%
East Midlands	14.8%
Greater London	30.4%
North East of England	3.1%
North West of England	8.6%
South East of England	23.8%
South West of England	4.4%
West Midlands	3.6%
Yorkshire and The Humber	14.1%
Not sure	*

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

Notes

1. Final weighted results, Wave 26 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey (BICS); businesses not permanently stopped trading and who intend to permanently close a business site in the next three months.
2. Column will not sum to 100% as businesses could select multiple options.
3. * equals percentages less than 1%.

Financial performance

The percentage of currently trading businesses experiencing a decrease in turnover, compared with normal expectations for this time of year, has fallen from 46% in January 2021 to 42% in early March 2021.

This level was last seen in late December 2020, before coronavirus restrictions were introduced, and is now the lowest percentage of businesses experiencing a decrease in turnover since comparable estimates began in June 2020.

Prior to August 2020, when the original coronavirus restrictions were in place, the percentage of currently trading businesses experiencing a decrease in turnover, compared with normal expectation for this time of year, was consistently above 50%, reaching 65% in early June 2020 (when comparable estimates began). When compared with the 42% of businesses experiencing a decrease in turnover in most recent estimates, this suggests current lockdown restrictions do not seem to be having the same scale of impact, perhaps because of businesses adapting.

Conversely, the percentage of currently trading businesses experiencing an increase in turnover, compared with normal expectations for this time of year, has risen from 6% in early January 2021 to 10% in early March 2021. The percentage of businesses experiencing an increase in turnover is now higher than the percentages seen in December 2020, prior to lockdown restrictions, and is now in line with levels seen in early October 2020.

Business resilience

For the majority of 2020 (mid-June to late October), the percentage of businesses with three months' cash reserves or less was stable at approximately 27%. However, since November 2020, the percentage of businesses with three months' cash reserves or less has increased to approximately 31%.

Conversely, the percentage of businesses with more than six months' cash reserves has been increasing steadily since comparable estimates began in June 2020. In late June 2020, 31% of businesses had more than six months' cash reserves. This has steadily increased to 37% of businesses having more than six months' cash reserves in mid-March 2021.

It should be noted that the percentage of businesses with more than six months' cash reserves has been consistently higher than the percentage of businesses with three months' cash reserves or less since comparable estimates began.

Figure 2: Larger businesses (with 100 or more employees) tend to have more cash reserves than smaller businesses (with less than 50 employees)

Cash reserves, businesses not permanently stopped trading, broken down by size band, weighted by turnover, UK, 15 June 2020 to 21 March 2021

[Download the data](#)

Notes:

1. Final weighted results, Wave 7 to Wave 26 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey; businesses not permanently stopped trading.
2. Weighted estimates are available from Wave 7 onwards only. The sample redesign in Wave 7 improves our coverage for the small-sized businesses, allowing for weighted results to be truly reflective of all businesses.
3. Data are plotted in the middle of the two-week period of each Wave.
4. For presentational purposes, cash reserves categories between zero and three months have been combined.

Workforce

The proportion of businesses' workforce on furlough leave increased from 11% in early December 2020 to 19% in early March 2021. This level was last seen in late July 2020, when coronavirus restrictions were also widespread.

The 19% of businesses' workforce on furlough leave in early March 2021 equates to approximately 6.1 million people. These numbers are based on multiplying the BICS-weighted furlough proportions by the Inter-Departmental Business Register (IDBR) total annual employment. This will not be consistent with employment estimates from [Labour market statistics](#) as these are based on different sources over different time periods but it provides an early indication. Additionally, the BICS proportion furloughed does not include the public sector, financial sector and parts of agriculture.

For an overview of the similarities and differences between the fortnightly BICS furlough estimates and HM Revenue and Customs' (HMRC's) Coronavirus Job Retention Scheme (CJRS) data, over the period March 2020 to January 2021, please see [Comparison of furloughed jobs data, UK: March 2020 to January 2021](#).

4 . Industry insights

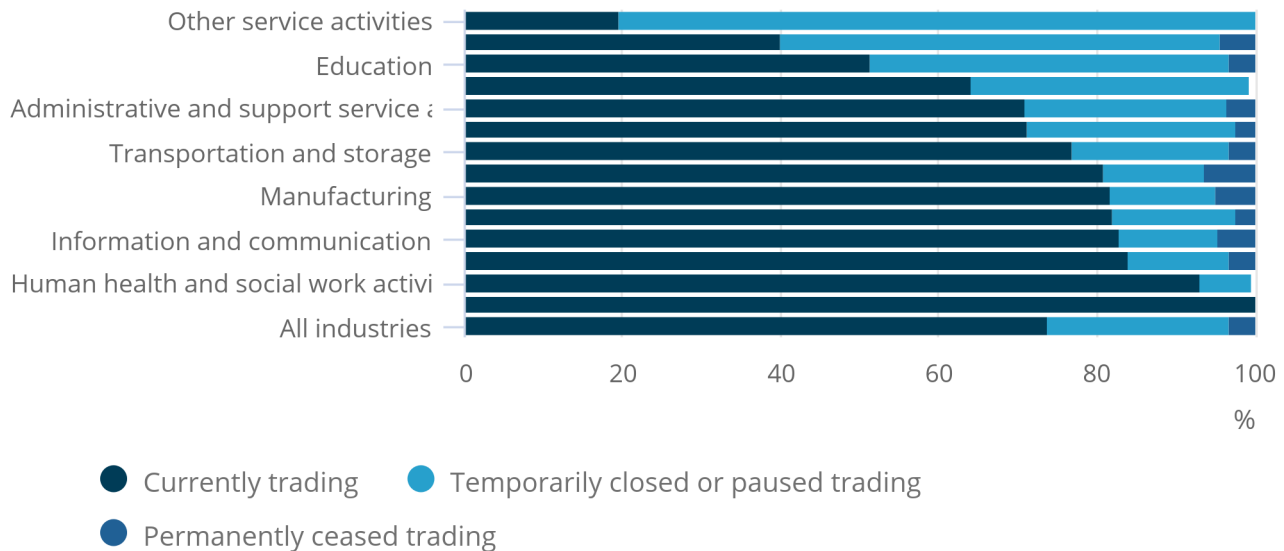
Trading status

Figure 3: Only 2 in 10 businesses in the other service activities industry are currently trading

Current trading status, all businesses, broken down by industry, weighted by count, UK, 8 to 21 March 2021

Figure 3: Only 2 in 10 businesses in the other service activities industry are currently trading

Current trading status, all businesses, broken down by industry, weighted by count, UK, 8 to 21 March 2021



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

Notes:

1. Final weighted results, Wave 26 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey (BICS); all businesses.
2. For presentational purposes, currently trading categories and paused trading categories have been combined.
3. Industries may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
4. Mining and quarrying has been removed for disclosure purposes, but its total is included in "All industries".

The other service activities industry (which includes hairdressing and other beauty treatment activities) had the lowest percentage of businesses currently trading, at 20%. This was driven by businesses in the hairdressing and other beauty treatment activities industry and the repair of footwear and leather goods industry, likely as a result of required closures because of coronavirus restrictions. Some restrictions were lifted on 15 March for businesses in Wales, but are still in place across all other countries of the UK.

The accommodation and food service activities industry was the only other industry where less than half of businesses were currently trading, at 40%. This level was last seen in late June 2020. Since mid-January 2021, the percentage of businesses currently trading in the accommodation and food service activities industry has slowly increased by 6 percentage points.

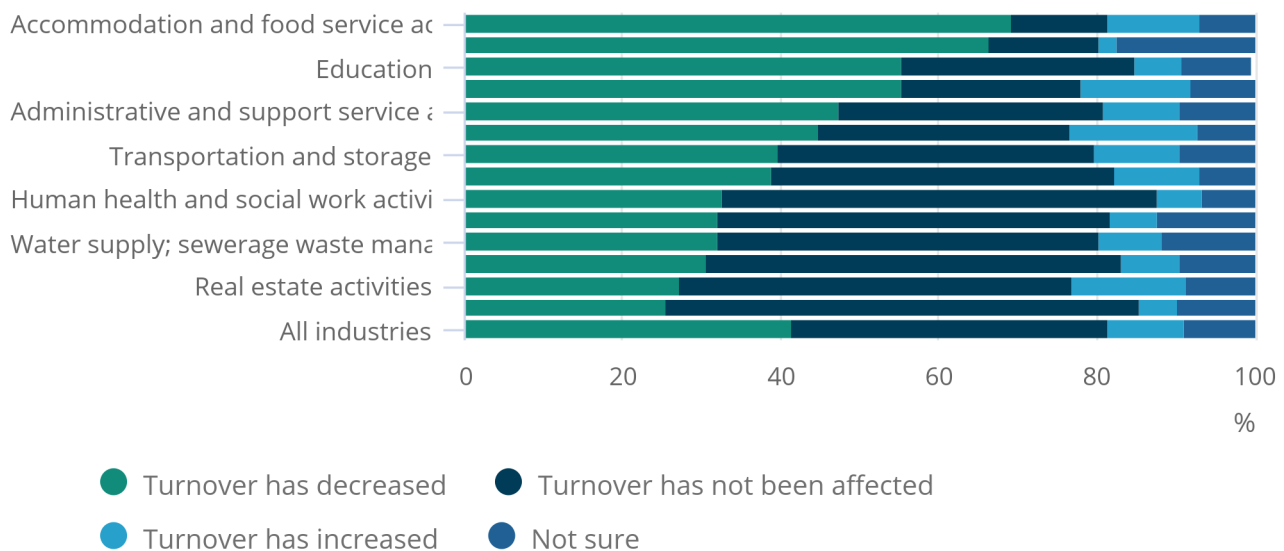
Financial performance

Figure 4: Four industries had more than half of their businesses experiencing a decrease in turnover, compared with normal expectations for this time of year

Impact on turnover, businesses currently trading, broken down by industry, weighted by turnover, UK, 22 February to 7 March 2021

Figure 4: Four industries had more than half of their businesses experiencing a decrease in turnover, compared with normal expectations for this time of year

Impact on turnover, businesses currently trading, broken down by industry, weighted by turnover, UK, 22 February to 7 March 2021



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

Notes:

1. Final weighted results, Wave 26 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey; businesses currently trading.
2. For presentational purposes, decreased turnover categories and increased turnover categories have been combined.
3. Industries may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
4. Mining and quarrying has been removed for disclosure purposes, but its total is included in "All industries".
5. Businesses were asked for their experiences for the reference period 22 February to 7 March 2021. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (8 to 21 March 2021).

The accommodation and food service activities industry had the highest percentage of businesses experiencing a decrease in turnover, compared with normal expectations for this time of year, at 69%. This has fallen compared with 81% of businesses in the accommodation and food service activities industry experiencing a decrease in turnover in early January 2021 and is now similar to the levels seen in early September 2020.

This decline in the percentage of businesses in the accommodation and food service activities industry experiencing a decrease in turnover is driven by large businesses (with 250 or more employees), which have fallen from 80% in early January 2021 to 65% in early March 2021. However, medium-sized businesses (with 10 to 49 employees) have consistently had more than 80% of businesses reporting a decrease in turnover from January to March 2021.

When splitting the industry into finer detail, the percentage of businesses in the accommodation industry experiencing a decrease in turnover has fallen from 86% in early January 2021 to 76% in early March 2021; while percentages in the food and beverage service activities industry have fallen from 80% in early January 2021 to 67% in early March 2021. Specifically, there have been falls in the "other" and short-stay accommodation and event catering activities, which may be because of the planned reopening of the industry over the next few months.

Data on businesses' profits are available in the [accompanying dataset](#).

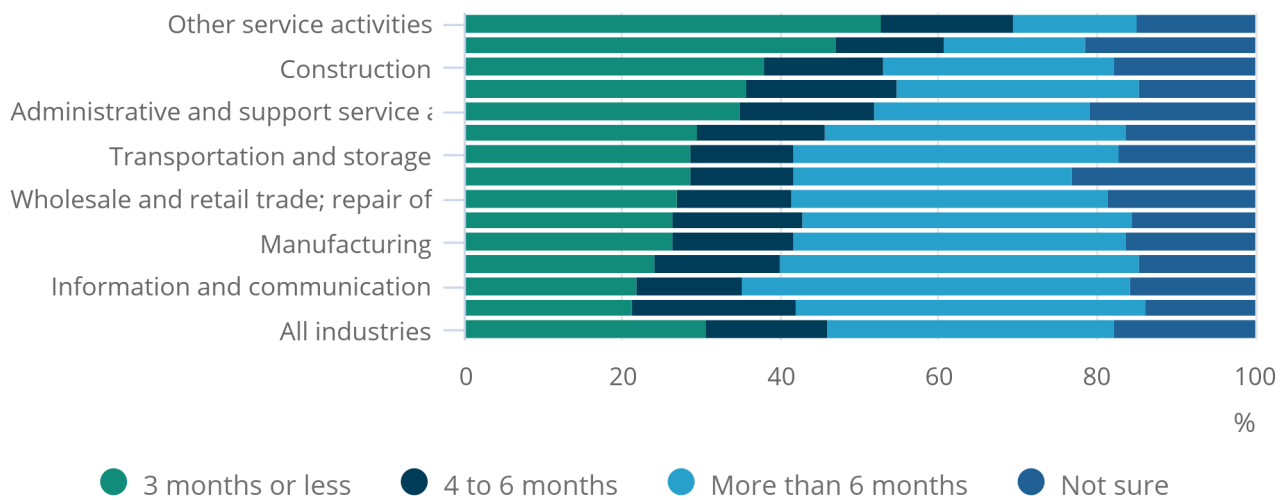
Business resilience

Figure 5: 3 in 10 businesses have 3 months' cash reserves or less

Cash reserves, businesses not permanently stopped trading, broken down by industry, weighted by turnover, UK, 8 to 21 March 2021

Figure 5: 3 in 10 businesses have 3 months' cash reserves or less

Cash reserves, businesses not permanently stopped trading, broken down by industry, weighted by turnover, UK, 8 to 21 March 2021



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

Notes:

1. Final weighted results, Wave 26 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey; businesses not permanently stopped trading.
2. For presentational purposes, cash reserves categories between zero and three months have been combined.
3. Industries may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
4. Mining and quarrying has been removed for disclosure purposes, but its total is included in "All industries".

More than half of businesses in the other service activities industry (which includes hairdressing and other beauty treatment activities) had three months' cash reserves or less in mid-March 2021.

This was the first time since early December 2020 that the accommodation and food service activities industry had less than half of its businesses with three months' cash reserves or less, as the percentage responding "Not sure" increased.

Conversely, the information and communication industry had half of its businesses with more than six months' cash reserves.

Data on businesses' survival confidence are available in the [accompanying dataset](#).

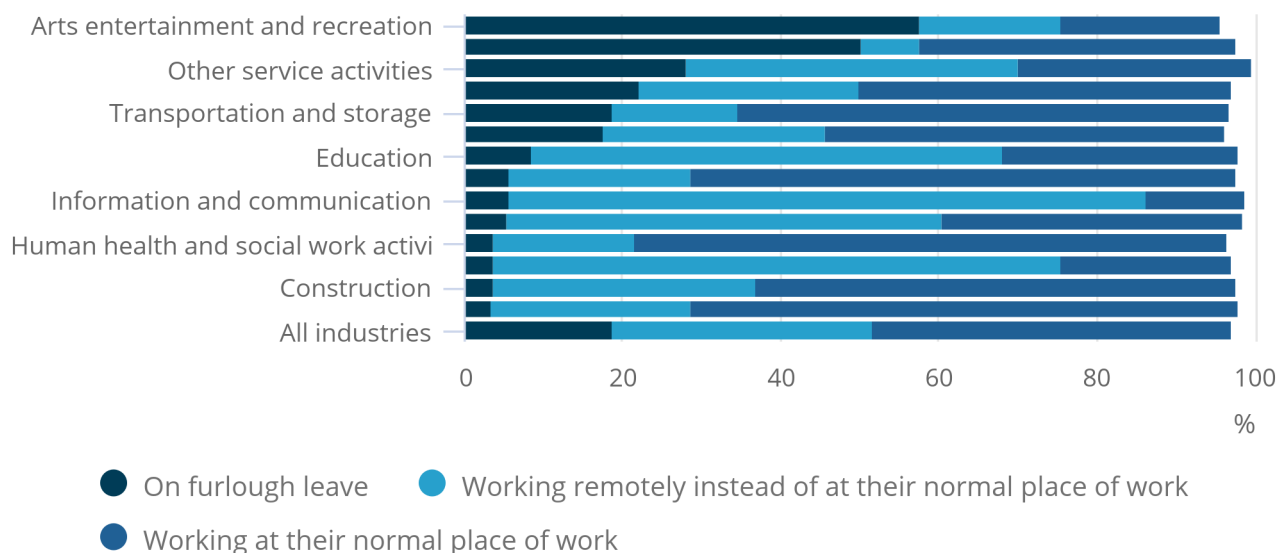
Workforce

Figure 6: The arts, entertainment and recreation industry and the accommodation and food service activities industry had more than half of their workforce on furlough leave

Working arrangements, businesses not permanently stopped trading, broken down by industry, weighted by employment, UK, 22 February to 7 March 2021

Figure 6: The arts, entertainment and recreation industry and the accommodation and food service activities industry had more than half of their workforce on furlough leave

Working arrangements, businesses not permanently stopped trading, broken down by industry, weighted by employment, UK, 22 February to 7 March 2021



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

Notes:

1. Final weighted results, Wave 26 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey; businesses not permanently stopped trading.
2. Industries will not sum to 100% because of rounding, percentages less than 1% being removed for disclosure purposes, and the options "On sick leave or not working because of coronavirus (COVID-19), self-isolation or quarantine", "Made permanently redundant" or "Other" being removed.
3. Mining and quarrying has been removed for disclosure purposes, but its total is included in "All industries".
4. Businesses were asked for their experiences for the reference period 22 February to 7 March 2021. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (8 to 21 March 2021).

The arts, entertainment and recreation industry and the accommodation and food service activities industry had the highest proportions of their workforce on furlough leave, at 58% and 50% respectively. Both these industries have seen the largest percentage point increase in the proportion of their workforce on furlough leave between early December 2020 and mid-March 2021, increasing from 37% to 58% and from 33% to 50% respectively.

5 . Comparison with monthly GDP estimates across waves

Figure 7 shows how the fortnightly turnover estimates from the Business Insights and Conditions Survey (BICS) compare with the published UK monthly gross domestic product (GDP) estimates.

There are conceptual and scope differences between these two estimates.

Figure 7: Comparing the fortnightly net turnover balance estimates from BICS with the UK monthly GDP estimates

Net balances of businesses currently trading against monthly GDP estimates, UK, 1 February 2020 to 7 February 2021

[Download the data](#)

Notes:

1. Final unweighted results, Wave 1 to Wave 6, and final weighted results, Wave 7 to Wave 26, of the Office for National Statistics' (ONS') Business Insights and Conditions Survey (BICS); businesses currently trading.
2. Weighted net balances have been calculated from Wave 7 onwards only. The sample redesign in Wave 7 improves our coverage for the small-sized businesses, allowing for weighted results to be truly reflective of all businesses.
3. Net turnover balance is given by subtracting the percentage of businesses reporting a decrease in turnover, from the percentage of businesses who reported an increase in turnover, then scaled up using a scaling factor for visual purposes. GDP and BICS estimates use different scales (one is an index, the other percentage points). Hence, to align them onto the same graph, we apply a scaling factor to BICS net balances so users can easily compare these two related trends.
4. [Monthly gross domestic product \(GDP\) bulletins are available.](#)
5. BICS data are plotted in the middle of the two-week period of each wave and GDP data are plotted in the middle of the reference month.

6 . Regular coronavirus testing in the workplace

Businesses not permanently stopped trading were asked if their business was providing regular coronavirus (COVID-19) testing for their workforce, and of the businesses who were providing testing, what proportion of their staff were being tested.

Table 2 shows the percentage of only currently trading businesses conducting coronavirus testing, and the percentage of the workforce in these businesses providing testing, that are being tested.

Table 2: The human health and social work activities industry had the highest percentage of businesses providing regular coronavirus testing for its workforce and the highest proportion of its workforce receiving regular coronavirus testing

Percentage of businesses currently trading providing regular coronavirus testing and proportion of workforce receiving regular coronavirus testing, broken down by industry, weighted by count and employment (respectively), UK, 8 to 21 March 2021

Industry	Percentage of businesses currently trading providing coronavirus testing	Proportion of workforce receiving regular testing
Human health and social work activities	36.6%	60.9%
Wholesale and retail trade; repair of motor vehicles and motorcycles	14.0%	25.5%
Arts, entertainment and recreation	13.6%	11.4%
Education	11.9%	45.2%
Construction	7.7%	14.6%
Transportation and storage	7.1%	12.0%
Manufacturing	7.0%	19.1%
Administrative and support service activities	6.5%	20.2%
Information and communication	4.8%	5.4%
Real estate activities	4.5%	*
Accommodation and food service activities	4.0%	33.8%
Professional, scientific and technical activities	3.0%	9.7%
Other service activities	1.1%	*
All industries	8.2%	22.9%

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

Notes

1. Final weighted results, Wave 26 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey; businesses currently trading.
2. The proportion of businesses not permanently stopped trading that are providing coronavirus testing is weighted by count, while the proportion of the workforce receiving regular coronavirus testing is weighted by employment.
3. For presentational purposes, the mining and quarrying industry, and the water supply; sewerage, waste management and remediation activities industry have been removed.
4. Industries will not sum to 100% because the results of two questions are being displayed, and the options "No" and "Not sure" were removed for the first question.
5. 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.
6. * equals percentages less than 1%.

Of businesses currently trading, 8% were providing regular coronavirus testing to their workforce in mid-March 2021. Of those businesses, 23% of the workforce were receiving regular coronavirus testing. This equates to 2% of the workforce of businesses currently trading.

The human health and social work activities industry (private sector businesses only) had the highest percentage of businesses providing regular coronavirus testing for its workforce, at 37%, and had the highest proportion of its workforce receiving regular coronavirus testing, at 61%. This equates to 22% of the workforce of businesses currently trading in the human health and social work activities industry (private sector businesses only).

7 . Exporting and importing challenges

Of currently trading businesses, 11% had exported in the last 12 months and reported how their exporting compared with normal expectations for this time of year, and 12% had imported in the last 12 months and reported how their importing compared with normal. These businesses were then asked about the challenges they had experienced with exporting or importing in the last two weeks.

Table 3: The main challenge reported by currently trading businesses for exporting and importing was additional paperwork, at 37% and 39% respectively

Exporting and importing challenges, businesses currently trading, who had exported or imported in the last 12 months and who reported how exports or imports compared with normal expectations, weighted by count, UK, 22 February to 7 March 2021

	Exporting challenges	Importing challenges
Did not experience any challenges	45.8%	36.8%
Additional paperwork	36.6%	39.4%
Change in transportation costs	27.7%	37.9%
Customs duties or levies	23.1%	36.1%
Reduced demand for products and services	18.2%	-
Disruption at UK borders	15.1%	24.7%
Destination countries changing their border restrictions	12.0%	9.6%
Lack of hauliers to transport goods or lack of logistics equipment	5.8%	12.3%
Work permit or visa restrictions, or lack of mutual recognition of professional qualifications	3.1%	-
Closure of infrastructure used to export goods or services	1.1%	2.9%
Basing some staff in an EU member state to be allowed to work	*	-
Suppliers not customs ready	-	10.7%
Suppliers not continuing to trade	-	6.4%

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

Notes

1. Final weighted results, Wave 26 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey (BICS); businesses currently trading businesses, who had exported or imported in the last 12 months and who had reported how exports or imports compared with normal expectations.
2. Table will not sum to 100% because businesses could select multiple options.
3. - equals data are not available for that response.
4. * equals percentages less than 1%.
5. 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.
6. Businesses were asked for their experiences for the reference period 22 February to 7 March 2021. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (8 to 21 March 2021).

Of businesses that had exported or imported goods or services in the last 12 months, and of whom reported how their exports or imports compared with normal expectations for this time of year:

- 37% experienced exporting challenges and 39% experienced importing challenges because of additional paperwork
- 28% experienced exporting challenges and 38% experienced importing challenges because of a change in transportation costs
- 23% experienced exporting challenges and 36% experienced importing challenges because of customs duties or levies
- 15% experienced exporting challenges and 25% experienced importing challenges because of disruption at the UK borders

A large proportion of internationally trading businesses responded that they did not experience any challenges with exporting or importing, at 46% and 37% respectively.

Table 4 compares how the most common exporting and importing challenges differ between smaller businesses (fewer than 250 employees) and larger businesses (250 or more employees).

Table 4: Exporting challenges were more common in large businesses, while importing challenges were more common in smaller businesses

Exporting and importing challenges, businesses currently trading, who had exported or imported in the last 12 months and who reported how exports or imports compared with normal expectations, broken down by size, weighted by count, UK, 22 February to 7 March 2021

	Exporting challenges		Importing challenges	
	Less than 250 employees	250 or more employees	Less than 250 employees	250 or more employees
Did not experience any challenges	46.0%	40.7%	36.6%	45.4%
Additional paperwork	36.3%	48.3%	39.4%	39.2%
Customs duties or levies	22.7%	37.1%	36.1%	34.1%
Change in transportation costs	27.5%	34.2%	38.1%	31.3%
Disruption at UK borders	15.0%	16.1%	24.9%	17.1%

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

Notes

1. Final weighted results, Wave 26 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey (BICS); businesses currently trading businesses, who had exported or imported in the last 12 months and who had reported how exports or imports compared with normal expectations.
2. Table will not sum to 100% because businesses could select multiple options.
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. Businesses were asked for their experiences for the reference period 22 February to 7 March 2021. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (8 to 21 March 2021).

When focusing on the manufacturing industry, the biggest challenge businesses faced when exporting and importing was additional paperwork, at 64% and 53%, respectively.

When focusing on the wholesale and retail trade industry, the biggest challenge businesses faced when exporting was additional paperwork, at 56%. For importing, it was the changes in transportation costs, at 51%.

A full industry breakdown is available in the [accompanying dataset](#).

8 . Prices

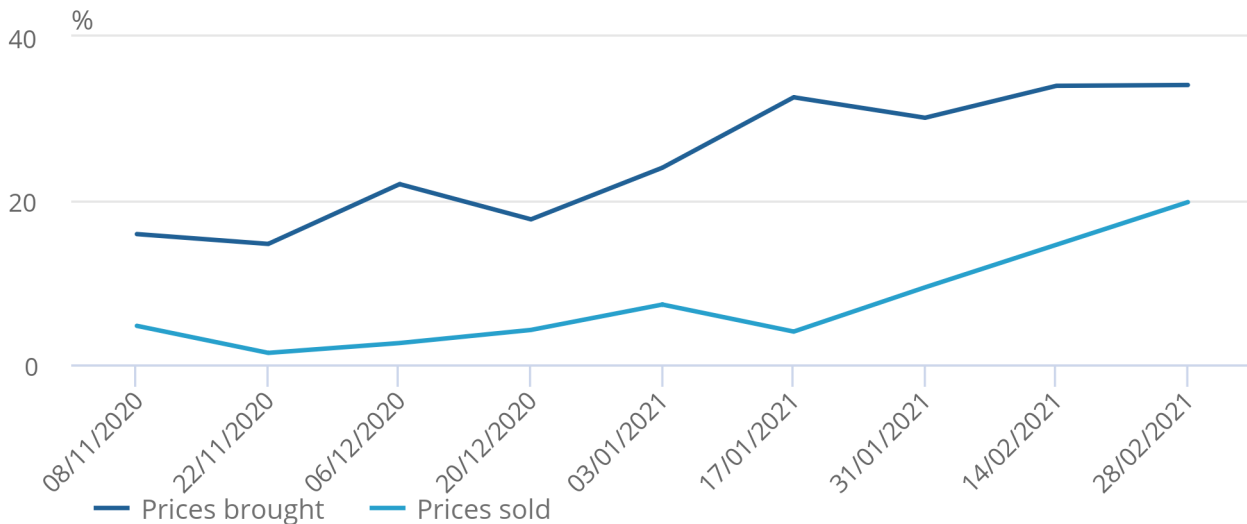
Businesses currently trading were asked how their prices of materials, goods or services bought and sold have changed in the last two weeks, compared with normal price fluctuations.

Figure 8: One in three businesses in the manufacturing industry experienced an increase of prices of materials, goods or services bought in early March 2021

Impact on prices, businesses currently trading in the manufacturing industry, who experienced an increase of prices of materials, goods or services bought and sold, weighted by count, UK, 2 November 2020 to 7 March 2021

Figure 8: One in three businesses in the manufacturing industry experienced an increase of prices of materials, goods or services bought in early March 2021

Impact on prices, businesses currently trading in the manufacturing industry, who experienced an increase of prices of materials, goods or services bought and sold, weighted by count, UK, 2 November 2020 to 7 March 2021



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

Notes:

1. Final weighted results, Wave 18 to 26 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey (BICS); businesses currently trading in the manufacturing industry, who experienced an increase of prices of materials, goods or services bought and sold.
2. Businesses were asked for their experiences for the reference period. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire.
3. Data are plotted in the middle of the two-week period of each wave.

The percentage of currently trading businesses in the manufacturing industry experiencing an increase of prices of materials, goods or services bought has been steadily rising since December 2020, reaching a peak of 34% in early March 2021.

Meanwhile, the percentage of currently trading businesses in the manufacturing industry experiencing an increase of prices of materials, goods or services sold has risen from 4% in mid-December 2020 to 20% in early March 2021.

Responses from these businesses suggest the increase in the prices of materials, goods or services bought is because of the rising cost of steel, the impact of the coronavirus (COVID-19) pandemic, and the end of the EU transition period. Consequently, the prices of materials, goods or services sold is because of the increase in raw material costs and supplies.

Similar trends are seen in the published February [producer price inflation](#) (PPI) input and output price indices, which measure changes in the prices of goods bought and sold by UK manufacturers including price indices of materials and fuels purchased (input prices) and factory gate prices (output prices). There are conceptual and scope differences between these two estimates.

9 . Business Insights and Conditions Survey data

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

Dataset | Released 25 March 2021

Weighted estimates from the voluntary fortnightly business 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.

These data are not [official statistics](#) but have been developed to deliver timely indicators to help understand the impact of the coronavirus pandemic and other events in a timely way.

Access to microdata

The BICS microdata for Waves 1 to 25 can now be accessed via the [Secure Research Service \(SRS\)](#). The BICS microdata for each wave is released on a rolling basis in the week following the publication of each wave.

The microdata are confidentialised and do not disclose 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.

10 . Glossary

Coronavirus

Coronaviruses are a family of viruses that cause disease in people and animals. They can cause the common cold or more severe diseases, such as COVID-19.

COVID-19

COVID-19 is the name used to refer to the disease caused by the SARS CoV-2 virus, which is a type of coronavirus. The Office for National Statistics (ONS) takes COVID-19 to mean presence of SARS-CoV-2 with or without symptoms.

EU transition period

The EU exit transition is the period agreed in the UK-EU Withdrawal Agreement in which the UK is no longer a member of the EU but continues to be subject to EU rules and remains a member of the single market and customs union. When the UK left the EU on 31 January 2020, it entered the transition period. The transition period came to an end on 31 December 2020.

Furlough

Furlough is a temporary absence from work allowing workers to keep their job while the coronavirus (COVID-19) pandemic continues.

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.

11 . Measuring the data

The Business Insights and Conditions Survey (BICS) is voluntary and the results are [experimental](#).

Based on user feedback, the structure of the bulletin has changed to present a more rounded narrative of main business impacts (see Figure 1, for example). The purpose remains the same, to collect real-time information on important issues such as the coronavirus (COVID-19) pandemic and other events on UK businesses. All data is still available either within the bulletin or in the [accompanying dataset](#).

Table 5: Sample and response rates for Waves 24, 25 and 26 of the Business Insights and Conditions Survey

Wave	25 February 2021 Publication Wave 24	11 March 2021 Publication Wave 25	25 March 2021 Publication Wave 26
Sample	39,278	39,068	38,977
Response	10,351	9,905	10,374
Rate	26.4%	25.4%	27.5%

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 26 survey was live for the period 8 to 21 March 2021. For questions regarding the last two weeks, businesses were asked for their experience for the reference period 22 February to 7 March 2021. The [survey questions](#) are available.

Survey name change

Based on user feedback, this survey has changed its name to the "Business Insights and Conditions Survey" (BICS) from Wave 24 onwards.

The purpose remains the same, to collect real-time information on important issues such as the coronavirus (COVID-19) pandemic and the end of the EU transition period.

Weighting

Weighted estimates for the BICS have now been developed for all variables that are collected at a UK level. A detailed description of the weighting methodology and its differences to unweighted estimates is available in [Business Impact of Coronavirus \(COVID-19\) Survey \(BICS\): preliminary weighted results](#).

We currently provide unweighted estimates with a country and regional split for selected variables in the [accompanying dataset](#). These should be treated with caution as only those that have responded to the survey are represented, and as such these are not fully representative of the UK as a whole. When unweighted, each business is assigned the same weight regardless of turnover, size or industry, and businesses that have not responded to the survey or that are not sampled are not taken into account.

For experimental single site weighted regional estimates up to Wave 21 (29 December 2020 to 10 January 2021), please see [Understanding the business impacts of local and national restrictions: February 2021](#).

An updated article on experimental single site weighted regional estimates up to Wave 26 (8 to 21 March 2021) is due to be published on Tuesday 30 March 2021.

[Weighted estimates for Scotland for businesses with more than nine employees](#) are available from the Scottish Government.

Unweighted regional estimates

Unweighted regional BICS estimates are produced by taking the survey return from each reporting unit and then applying this to the reporting unit's local sites. If a business has a site or several sites (also known as local units) within a country, using information from the Inter-Departmental Business Register (IDBR), then this business is defined to have presence there.

The business is then allocated once within each region (regardless of the number of sites) and the information provided by the reporting unit as a whole is copied and used within each country.

Aggregates of regions such as the UK or England may have higher or lower response proportions than any of their constituent regions because of differences in the sample composition in terms of company workforce.

Also, if there is a substantial difference between the response proportions of larger and smaller companies in a given region, this will be reflected in the top-line figures.

Sample

The sampling frame used in BICS was designed to achieve adequate coverage of the listed industries from the Monthly Business Survey (MBS). Coverage and response rate of the medium to largest businesses in terms of total employment are satisfactory to produce estimates on this basis.

All businesses with an employment of greater than 250 employees and that are included within the three monthly surveys (MBS, Retail Sales Index (RSI) and Construction) are included in the BICS sample with a random sample of 1% for those with an employment between 0 and 249.

As the sample is selected fortnightly, the same businesses will be selected for at least two waves depending on how many coronavirus survey selections there are between the selection of these feeder surveys. Because of the randomly selected element, there will be differences in this part of the sample once the feeder surveys have been redrawn. As this is a voluntary survey, businesses may or may not choose to respond to the different waves. Response rates can be mixed between the different waves.

While we have the ability to align the reporting unit to lower-level detail, and also increased detail on the Standard Industrial Classification (SIC), it is not advisable given the sparseness of response in certain industries and size bands.

Coverage

The MBS covers the UK for production and only Great Britain for services. The RSI and Construction are Great Britain-focused. Therefore, BICS will be UK for production-based industries but Great Britain 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

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. Other than for a minority of larger business or businesses that have a more complex structure, the reporting unit is the same as the enterprise.

Where more than one type of economic activity is carried out by a local unit or enterprise, its principal activity is the activity in which most of the people are employed, and it does not necessarily account for 50% or more of the total employment of the unit. There are detailed rules for determining [Standard Industrial Classification \(SIC\)](#) for multiple-activity economic units.

End of the EU transition period

As the shape of the UK's future statistical relationship with the EU becomes clearer over the coming period, we are making preparations to assume responsibilities that as part of our membership of the EU, and during the transition period, were delegated to the statistical office of the EU, Eurostat. This includes responsibilities relating to international comparability of economic statistics, deciding what international statistical guidance to apply in the UK context and to provide further scrutiny of our statistics and sector classification decisions.

12 . Strengths and limitations

Business Insights and Conditions Survey

The Business Insights and Conditions Survey (BICS) is voluntary.

Unweighted estimates should be treated with caution, as results reflect the characteristics of those that responded and not necessarily the wider business population.

The survey was designed to give a timelier estimate than other surveys.

Comparison of waves

A detailed description of the weighting methodology and its differences to unweighted estimates across waves can be found in [Business Impact of Coronavirus \(COVID-19\) Survey: preliminary weighted results](#).

The production of weighted BICS estimates will allow for comparisons between waves, as any imbalances caused by non-responding and non-sampled businesses are corrected. This means that weighted estimates in every wave represent the experiences of all businesses rather than just those that have responded.

Comparison of unweighted estimates between waves should be treated with caution because of the voluntary nature of the survey, the differences in response rates, and dependency on those businesses that only responded in particular waves.

[Insights of BICS: 23 March to 5 April \(Wave 2\) to 1 to 14 June \(Wave 7\) 2020](#) provides a time series analysis on how the unweighted estimates changed between Wave 2 (23 March to 5 April 2020) and Wave 7 (1 to 14 June 2020).

13 . Related links

[Understanding the business impacts of local and national restrictions: February 2021](#)

Article | Released 1 February 2021

Experimental estimates from the voluntary fortnightly business 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.

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

Article | Released 5 March 2021

An overview of the similarities and differences between the fortnightly Business Insights and Conditions Survey furlough estimates and HMRC's Coronavirus Job Retention Scheme statistics, over the period 23 March 2020 to 7 February 2021.

[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).

[Insights of the Business Impact of Coronavirus \(COVID-19\) Survey: 23 March to 5 April \(Wave 2\) to 1 to 14 June \(Wave 7\) 2020](#)

Article | Released 8 July 2020

Impact of the coronavirus pandemic on businesses' turnover, cash flow and workforce: analysis on responses to our new voluntary fortnightly business survey and how these have been affected in each two-week reference period. Covers the period 23 March to 14 June 2020.

[Business Impact of Coronavirus \(COVID-19\) Survey, expectation responses over time, UK: 1 June to 23 August 2020 \(Waves 6 to 11\)](#)

Article | Released 8 September 2020

Turnover expectations of the same businesses over time, using the final results of Waves 6 to 11 of the voluntary fortnightly BICS, covering the period 1 June to 23 August.

[Coronavirus and the experiences of UK businesses, textual analysis: March 2020 to July 2020](#)

Article | Released 6 August 2020

Analysis of qualitative responses from selected questions from the fortnightly Business Impact of Coronavirus (COVID-19) Survey (BICS), which provides further insights on individual business experiences over the course of the pandemic so far.