

Statistical bulletin

# Business insights and impact on the UK economy: 3 June 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:  
3 June 2021

Next release:  
17 June 2021

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# 1 . 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:

- [Economic activity and social change in the UK, real-time indicators](#)
- [Coronavirus and the social impacts on Great Britain](#)

## 2 . Main points

- The percentage of businesses currently trading has increased to 87%, the highest proportion since comparable estimates began in June 2020, with a further 3% of businesses intending to restart trading in the next two weeks.
- The percentage of businesses currently trading in the accommodation and food service activities industry rose from 61% to 83% during May 2021, as further relaxation of coronavirus (COVID-19) regulations allowed the re-opening of indoor dining.
- The proportion of businesses' workforce on furlough leave has fallen to 8% in mid-May 2021, as a result of coronavirus restrictions continuing to be relaxed across the UK; this is comparable with the lowest recorded proportion in October 2020 since the furlough scheme began.
- The proportion of businesses experiencing challenges in importing and exporting has remained broadly unchanged since the start of January 2021, following a rise after the end of the EU exit transition period in December 2020.
- The main challenge reported by currently trading businesses involved in exporting was additional paperwork, and for those importing, it was change in transportation costs.

## 3 . Headline figures

The data presented are final results from Wave 31 of the Business Insights and Conditions Survey (BICS), which was live for the period 17 to 30 May 2021.

For questions regarding the last two weeks, businesses were asked for their experience for the reference period 3 to 16 May 2021.

For experimental single site weighted regional estimates up to Wave 30 (3 to 16 May 2021), please see [Understanding the business impacts of local and national restrictions, UK: May 2021](#).

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

**Notes:**



1. Final weighted results, Wave 7 to Wave 31 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: for presentational purposes, currently trading categories and paused trading categories have been combined.
5. Financial performance: for presentational purposes, decreased turnover categories and increased turnover categories have been combined, and the option "Not sure" has been removed.
6. Business resilience: for presentational purposes, cash reserves categories between zero and three months have been combined, and the option "Not sure" has been removed.
7. Workforce: 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.

[Download the data](#)

The percentage of businesses currently trading has increased to 87% in late May 2021, up from 83% in mid-May 2021. This proportion has increased from 71% in early January 2021 when the third national lockdown was announced. This is now the highest proportion of businesses currently trading since comparable estimates began in June 2020. A further 3% of businesses intend to restart trading in the next two weeks.

Table 1: With coronavirus restrictions continuing to be relaxed across the UK, the proportion of businesses reporting that they are currently trading is substantially higher than the low point in June 2020, and a further 3% expect to restart in the next two weeks

Current trading status, all businesses, weighted by count, UK, 15 June 2021 to 30 May 2021

	<b>Wave 7 (15 to 28 June 2020)</b>	<b>Wave 30 (3 to 16 May 2021)</b>	<b>Wave 31 (17 to 30 May 2021)</b>	<b>Change from Wave 30 to Wave 31</b>
<b>Currently trading</b>	65.9%	83.4%	86.8%	3.4pp
<b>Paused trading but intends to restart in the next two weeks</b>	7.0%	5.1%	3.0%	-2.1pp
<b>Paused trading and does not intend to restart in the next two weeks</b>	26.4%	7.6%	6.3%	-1.3pp
<b>Permanently ceased trading</b>	[c]	3.9%	3.8%	-0.1pp

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

#### Notes

1. Final weighted results Waves 7, 30 and 31 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey (BICS).
2. Waves may not sum to 100% because of rounding.
3. [c] represents data that has been removed for confidentiality reasons, such as percentage less than 1% and count less than 10 for both industry and size band.

Businesses that have not permanently stopped trading were asked how their turnover compared with normal expectations for this time of year:

- the percentage of businesses experiencing a decrease in turnover has fallen slightly to 33% in mid-May 2021 - the lowest percentage recorded since comparable estimates began in June 2020
- the percentage of businesses experiencing an increase in turnover has fallen slightly to 13% in mid-May 2021

The proportion of businesses' workforce on furlough leave has fallen from 19.9% in late January 2021 to 8.1% in mid-May 2021, as a result of coronavirus restrictions continuing to be relaxed across the UK. This is the lowest proportion of businesses' workforce on furlough leave this year since the UK commenced the third nationwide lockdown, and comparable with the lowest level recorded in October 2020 (7.7%) since the furlough scheme began.

The 8.1% of businesses' workforce on furlough leave in mid-May 2021 equates to approximately 2.1 million people. This number is based on multiplying the BICS weighted furlough proportions by HM Revenue and Customs' (HMRC's) Coronavirus Job Retention Scheme (CJRS) official statistics of eligible employments<sup>1</sup>. This is only for those industries covered by the BICS sample.

### More about economy, business and jobs

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

### Notes for: Headline figures

1. An "employment" in the HMRC CJRS Official Statistics is defined as anyone who meets the scheme criteria set out within the published guidance, and data come from the whole population of HMRC CJRS claims (those applied) and Pay As You Earn (PAYE) Real Time Information systems (RTIs). The assessment of whether a person was employed on the qualifying dates is based on the methodology used for the joint HMRC and ONS statistics release, [Earnings and employment from Pay As You Earn Real Time Information](#).

## 4 . Industry insights

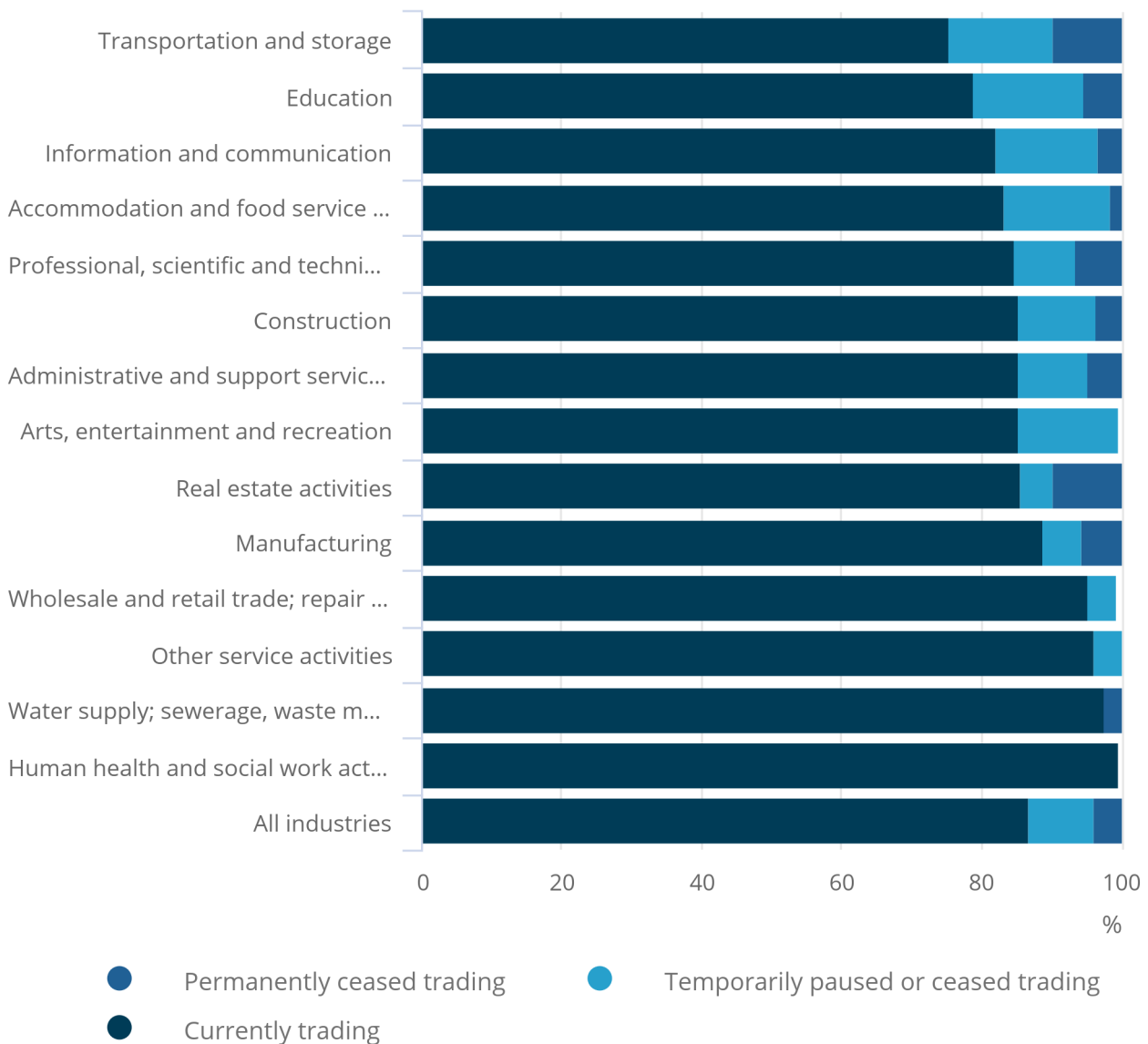
## Trading status

**Figure 2: The transportation and storage industry had the lowest percentage of businesses currently trading, at 75%**

Current trading status, all businesses, broken down by industry, weighted by count, UK, 17 to 30 May 2021

Figure 2: The transportation and storage industry had the lowest percentage of businesses currently trading, at 75%

Current trading status, all businesses, broken down by industry, weighted by count, UK, 17 to 30 May 2021



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

Notes:

1. Final weighted results, Wave 31 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey (BICS).
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".

All industries had at least three-quarters of businesses currently trading at the end of May 2021 as coronavirus (COVID-19) restrictions continue to ease across the UK.

However, some industries will take longer to open up. The arts, entertainment and recreation industry has a low proportion of businesses currently trading in the following sectors, as social distancing may limit their guest numbers:

- performing arts
- operations of arts facilities
- museums
- amusement parks and theme parks

The largest increases in the percentages of businesses currently trading, from Wave 30 to Wave 31 were for:

- accommodation and food service activities, which has risen from 61% to 83% because of the further relaxation of coronavirus restrictions on 17 May 2021 (24 May for Northern Ireland), allowing indoor dining
- the transportation and storage industry, which has risen from 67% to 75%

It should be noted that the definition of "currently trading" used within the Business Insights and Conditions Survey (BICS) refers to the business currently trading in any capacity. It does not cover whether a business has completely reopened and is trading at full capacity, or if a business is trading at a reduced level of capacity.

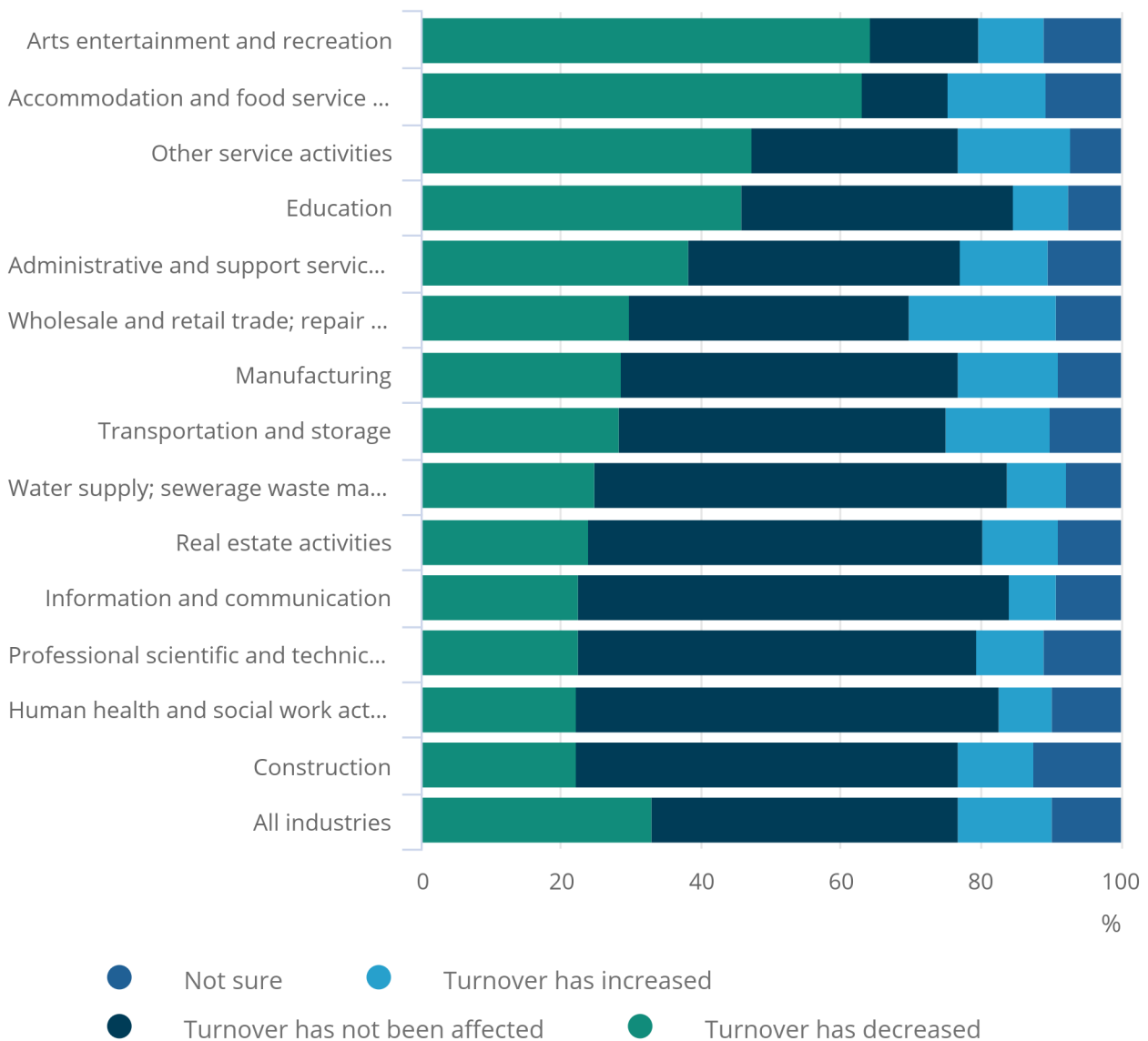
## Financial performance

**Figure 3: Over two-thirds of businesses in the arts, entertainment and recreation industry reported that their turnover is lower than normal expectations for this time of year**

Impact on turnover, businesses currently trading, broken down by industry, weighted by turnover, UK, 3 to 16 May 2021

Figure 3: Over two-thirds of businesses in the arts, entertainment and recreation industry reported that their turnover is lower than normal expectations for this time of year

Impact on turnover, businesses currently trading, broken down by industry, weighted by turnover, UK, 3 to 16 May 2021



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

Notes:

1. Final weighted results, Wave 31 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey.
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 3 to 16 May 2021. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (17 to 30 May 2021).

The largest movement of businesses experiencing a change in turnover, compared with normal expectations for this time of year for Wave 30 to Wave 31, was for the other service activities industry. The proportion of businesses experiencing a decrease in turnover has risen from 35% to 48%. The proportion of businesses experiencing an increase in turnover has fallen from 27% to 16%, primarily because of changes in small hairdressing and other beauty treatment businesses.

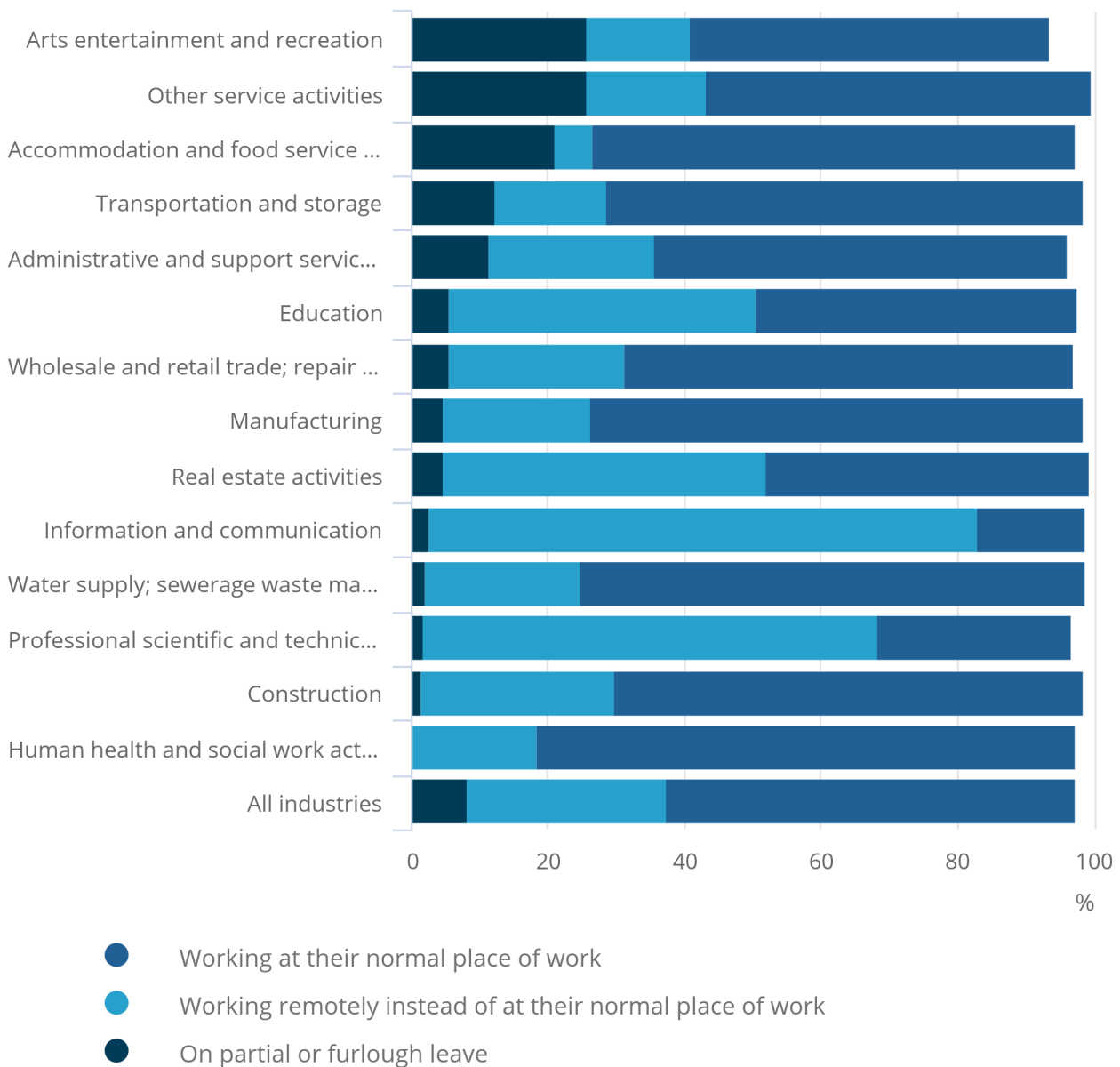
## Workforce

**Figure 4: The arts, entertainment and recreation industry and the other service activities industry have a quarter of the workforce on furlough leave in late May 2021**

Working arrangements, businesses not permanently stopped trading, broken down by industry, weighted by employment, UK, 3 to 16 May 2021

Figure 4: The arts, entertainment and recreation industry and the other service activities industry have a quarter of the workforce on furlough leave in late May 2021

Working arrangements, businesses not permanently stopped trading, broken down by industry, weighted by employment, UK, 3 to 16 May 2021



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

Notes:

1. Final weighted results, Wave 31 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey.
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 3 to 16 May 2021. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (17 to 30 May 2021).

The largest falls in the proportions of businesses' workforce on furlough leave from Wave 30 to Wave 31 were for:

- the accommodation and food service activities industry, which has fallen from 31% to 21% because of the further re-opening of food and beverage service activities
- the arts, entertainment and recreation industry, which has fallen from 34% to 26% because of the re-opening of sports facilities
- the administrative and support services industry, which has fallen slightly from 14% to 12%

## 5 . Exporting and importing challenges

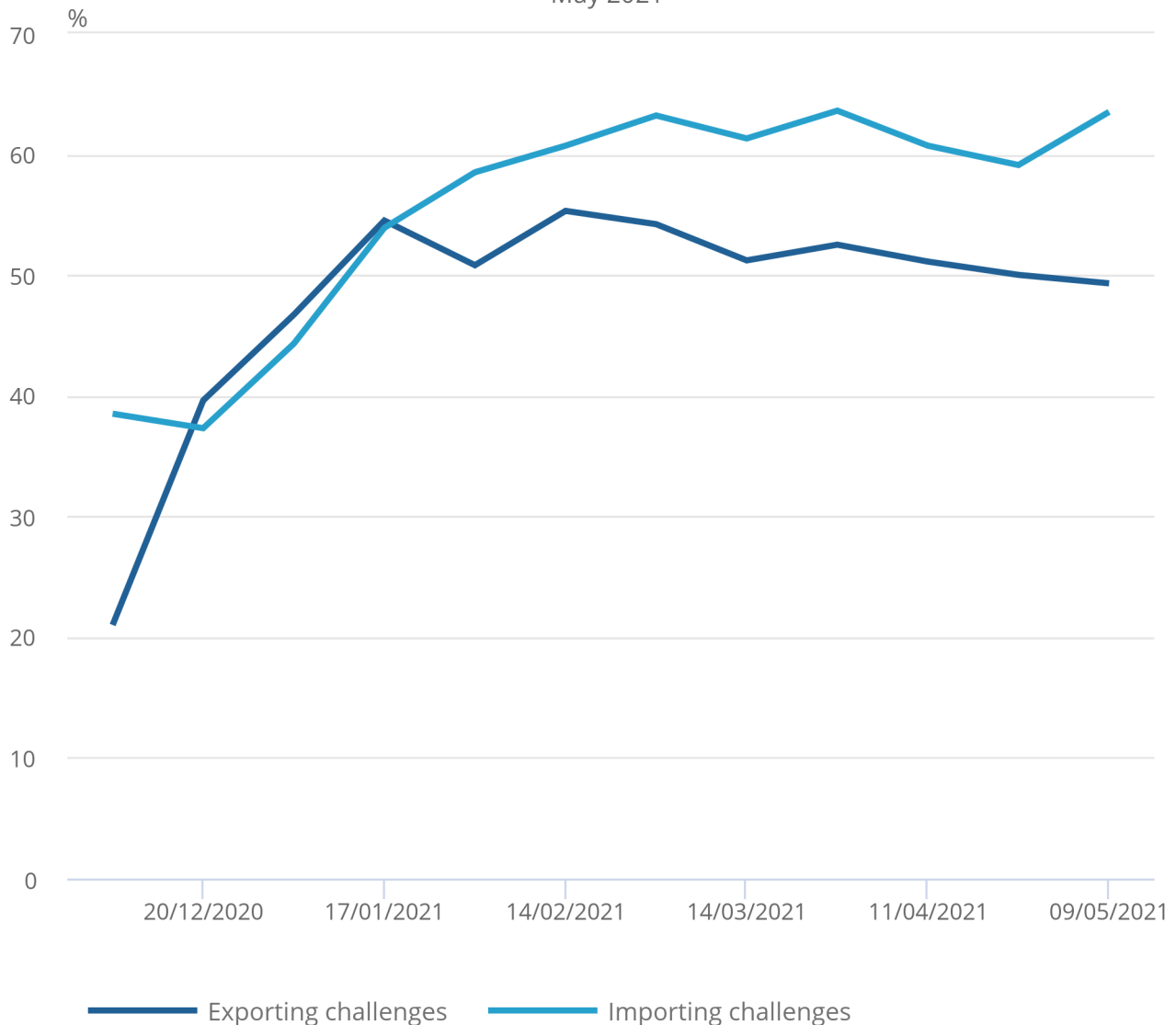
Of currently trading businesses, 10% had exported or imported in the last 12 months and reported how their exporting or importing compared with normal expectations for this time of year. These businesses were then asked about the challenges they had experienced with exporting or importing in the last two weeks.

**Figure 5: The proportions of businesses experiencing challenges in importing and exporting are broadly unchanged since January 2021**

Proportion of businesses currently trading that are experiencing a challenge in importing or exporting, 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, 1 December 2020 to 16 May 2021

Figure 5: The proportions of businesses experiencing challenges in importing and exporting are broadly unchanged since January 2021

Proportion of businesses currently trading that are experiencing a challenge in importing or exporting, 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, 1 December 2020 to 16 May 2021



**Notes:**

1. Final weighted results, Waves 20 to 31 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey (BICS).
2. 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.
3. Businesses were asked for their experiences for the reference period for each wave, however, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire.
4. Data are plotted in the middle of the two week reference period.

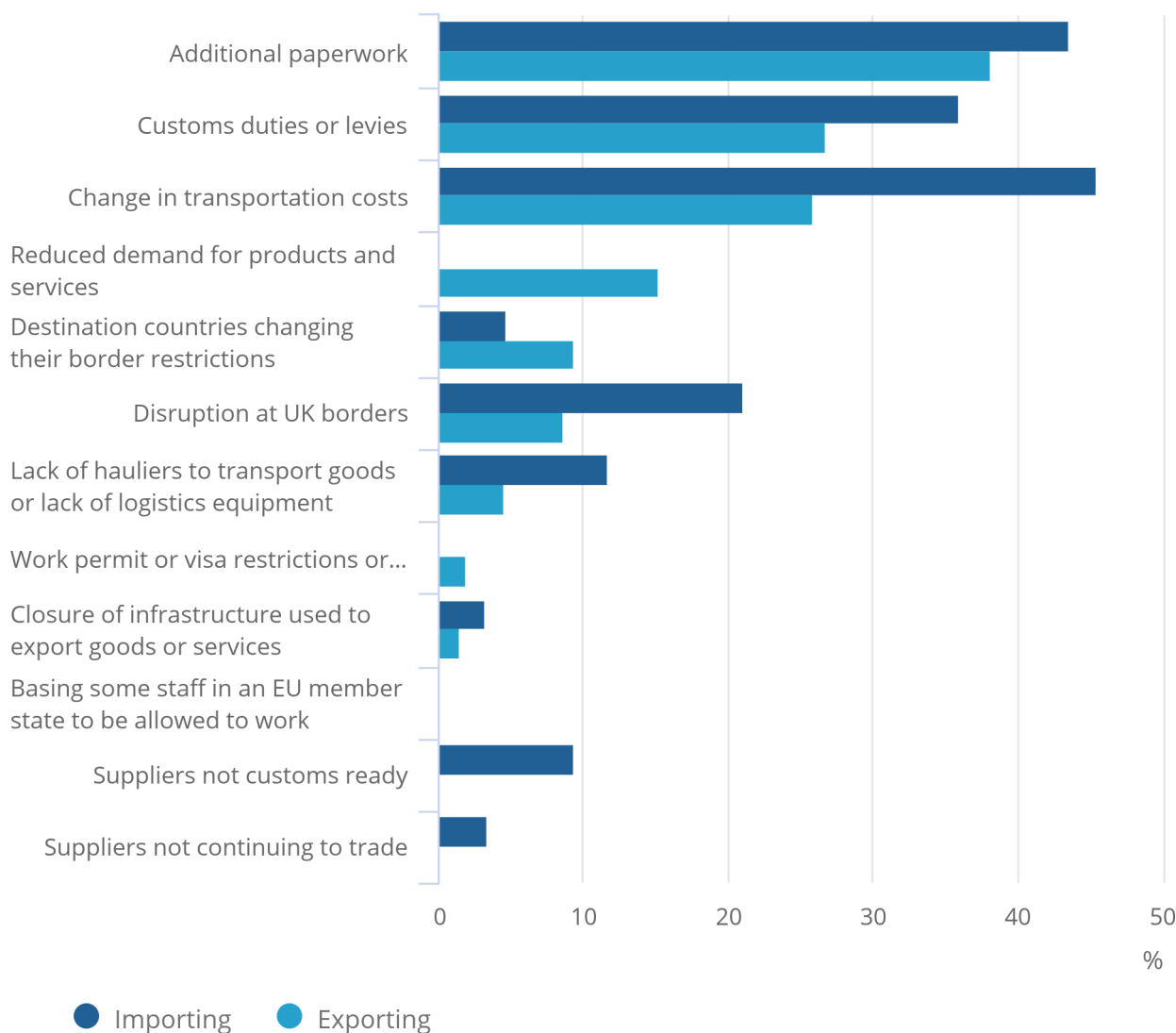
The proportion of currently trading businesses experiencing a challenge in importing and exporting increased to over 50% between December 2020 and January 2021, and has remained broadly stable through May 2021. Businesses are more likely to be experiencing an importing challenge than an exporting challenge.

**Figure 6: The main challenge reported by currently trading businesses for exporting was additional paperwork, and for importing was change in transportation costs**

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, 3 to 16 May 2021

Figure 6: The main challenge reported by currently trading businesses for exporting was additional paperwork, and for importing was change in transportation costs

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, 3 to 16 May 2021



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

Notes:

1. Final weighted results, Wave 31 of the Office for National Statistics' (ONS') Business Insights and Conditions Survey (BICS).
2. Rows 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 3 to 16 May 2021. However, for questions regarding the last two weeks, businesses may respond from the point of completion of the questionnaire (17 to 30 May 2021).

The proportion of currently trading businesses' experiencing the top three challenges in importing and exporting has remained broadly stable between Wave 30 and Wave 31.

Further industry and size band breakdowns of trade questions are available in the [dataset](#).

## 6 . Business Insights and Conditions Survey data

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

Dataset | Released 3 June 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 (COVID-19) pandemic and other events.

### Access to microdata

The BICS microdata for Waves 1 to 30 can now be accessed via 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 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.

## 7 . 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 exit 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 retain their job while the coronavirus 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.

# 8 . Measuring the data

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

Table 2: Sample and response rates for Waves 29, 30 and 31 of the Business Insights and Conditions Survey

Wave	6 May 2021 Publication Wave 29	20 May 2021 Publication Wave 30	3 June 2021 Publication Wave 31
Sample	38,919	38,834	38,752
Response	9,744	9,547	9,436
Rate	25.0%	24.6%	24.4%

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 31 survey was live for the period 17 to 30 May 2021. For questions regarding the last two weeks, businesses were asked for their experience for the reference period 3 to 16 May 2021. The [survey questions](#) are available.

## Coverage

The Monthly Business Survey (MBS) covers the UK for production and only Great Britain for services. The RSI and Construction are Great Britain-focused. Therefore, the 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

For more information on the methodology of producing the Business Insights and Conditions Survey (such as [weighting](#)), please see the [BICS QMI](#).

## 9 . Strengths and limitations

More quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in the [BICS QMI](#), published 20 May 2021.

## 10 . Related links

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

Article | Released 25 May 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.

### [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).

### [Business Insights and Conditions Survey, analysis over time, UK: 24 August 2020 to 4 April 2021](#)

Article | Released 6 May 2021

These indicators and analysis are based on selected responses over time from the new voluntary fortnightly business survey (BICS), which captures businesses' responses on how their turnover, trade and business resilience have been affected in the two-week reference period. The data relate to the period 24 August 2020 to 4 April 2021 (Wave 13 to Wave 27).

### [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.

### [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.