

Statistical bulletin

# Business insights and impact on the UK economy: 21 April 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

- In early April 2022, over a quarter (29%) of businesses not permanently stopped trading reported that their production and/or suppliers had been affected by recent increases in energy prices, up from 25% in early March 2022; the accommodation and food service activities industry reported the highest percentage, at 56%.
- More than a third (36%) of businesses not permanently stopped trading reported that they were having to absorb costs as a result of general price increases; 29% had to pass the price increases on to customers.
- Approximately 15% of businesses currently trading reported that they had to change suppliers or find alternative solutions to get the materials, goods or services they needed from within the UK in March 2022.
- Of businesses not permanently stopped trading, 14% reported that they were experiencing a shortage of workers in early April 2022, compared with 13% in early March 2022; for businesses with 10 or more employees, these percentages were 34% and 31%, respectively.
- The two main concerns reported by businesses that had not permanently stopped trading for April 2022 continued to be input price inflation (24%) and energy prices (21%); the percentage of businesses reporting no concerns remained broadly stable, at 19%.
- In early April 2022, 23% of not permanently stopped trading businesses reported that they were using, or intending to use, increased homeworking as a permanent business model, with improved staff well-being reported as the main reason for doing so, at 60%.

## 2 . Headline figures

The data presented in this bulletin are the final results from Wave 54 of the Business Insights and Conditions Survey (BICS), which was live for the period 4 April to 17 April 2022.

Please note, from Wave 54 (April 2022), to minimise the burden on responding businesses and to ensure our questions remain relevant, we have rationalised the number of questions asked each wave and references to "normal expectations" have been replaced with a defined reference period for businesses to compare against. We have also introduced specified time periods in some of our questions, giving us a more targeted snapshot of what businesses are experiencing, and when. Please find further details of these changes within the blog: [Times they are a-changing: and with them, two key ONS surveys](#).

Periods referred to in each question should be kept in mind in relation to coronavirus (COVID-19) guidance as the estimates could be affected by both the location of the business and the date on which the business responded.

For experimental single-site weighted regional estimates up to Wave 49 (24 January to 6 February 2022), please see [Understanding the business impacts of local and national restrictions, UK: February 2022](#).

### 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. Trading status, intra UK procurement: for presentational purposes, response options have been combined and/or removed.
2. Data are plotted in the middle of the period of each wave.

**Download the data**

[.xlsx](#)

In early April 2022, 94% of businesses reported they were trading, with 84% fully trading and 10% partially trading. Meanwhile, 4% of businesses were temporarily paused trading and 2% were permanently ceased trading.

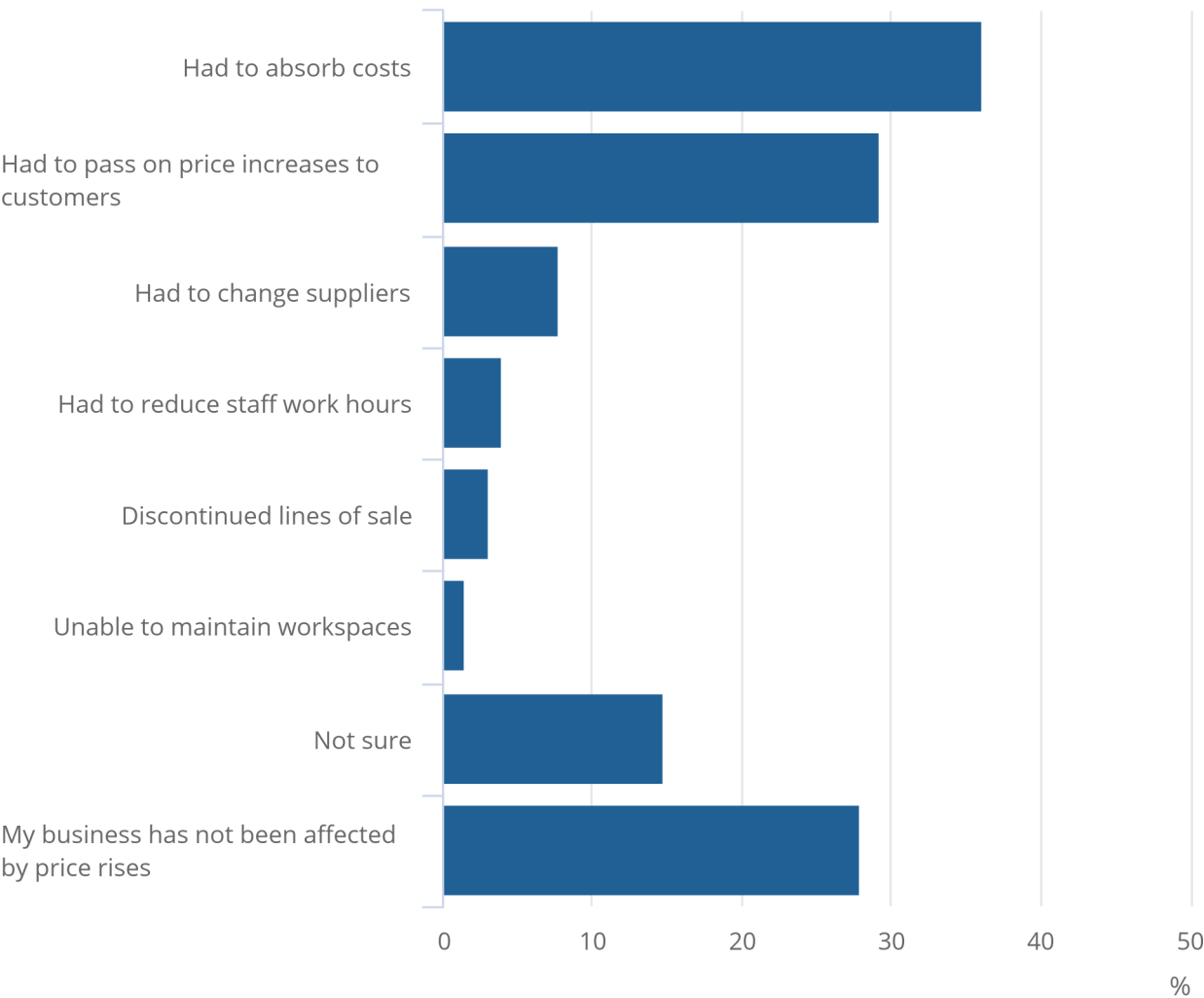
### **3 . Impact of price rises**

**Figure 2: Over a third (36%) of businesses reported they had to absorb costs because of the effect of general price rises on their business**

Impact of price rises, businesses not permanently stopped trading, weighted by count, UK, 4 April to 17 April 2022

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Impact of price rises, businesses not permanently stopped trading, weighted by count, UK, 4 April to 17 April 2022



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

Notes:

- 1. Businesses were asked in which way, if any, has their business been affected by price rises.
- 2. Response options will not sum to 100% as businesses were able to select multiple options.

Approximately three-fifths (57%) of businesses reported they were affected by the increase in general prices in one or more ways.

The following industries reported the greatest percentage for the top three selected impact options. These were:

- absorbing costs – 60% of businesses within the manufacturing industry reported they had to absorb costs, up from 49% in early March 2022
- passing on price increases – 50% of businesses within the accommodation and food service activities industry reported they had to pass on price increases to customers, up from 38% in early March 2022
- changing suppliers – 14% of businesses within the manufacturing industry reported they had to change suppliers, down from 19% in early March 2022

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

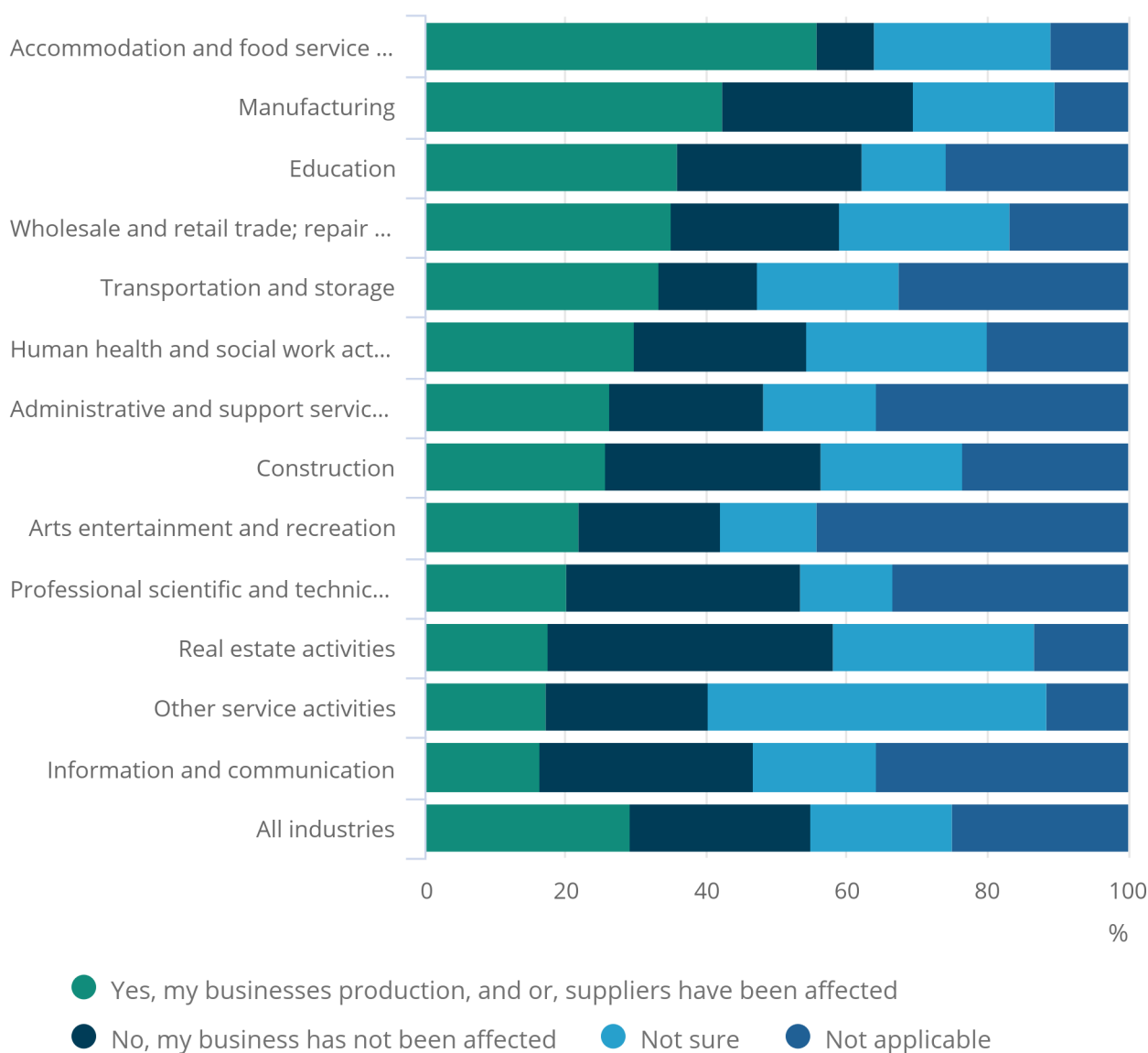
## 4 . Energy prices

**Figure 3: In early April 2022, 29% of businesses reported their production and/or suppliers had been affected by recent increases in energy prices**

Effect of energy prices, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 4 April to 17 April 2022

Figure 3: In early April 2022, 29% of businesses reported their production and/or suppliers had been affected by recent increases in energy prices

Effect of energy prices, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 4 April to 17 April 2022



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

Notes:

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

More than a quarter (29%) of businesses reported that their production and/or suppliers were affected by recent increases in energy prices in early April 2022, while 26% reported their business had not been affected. These percentages are up from 25% and down from 32%, respectively, in early March 2022.

The accommodation and food service activities industry continued to report the highest percentage of businesses whose production and/or suppliers were affected by recent increases in energy prices, at 56%. This is up from 53% in early March 2022 and was partially driven by the food and beverage service activities sub-industry.



# 5 . Business concerns

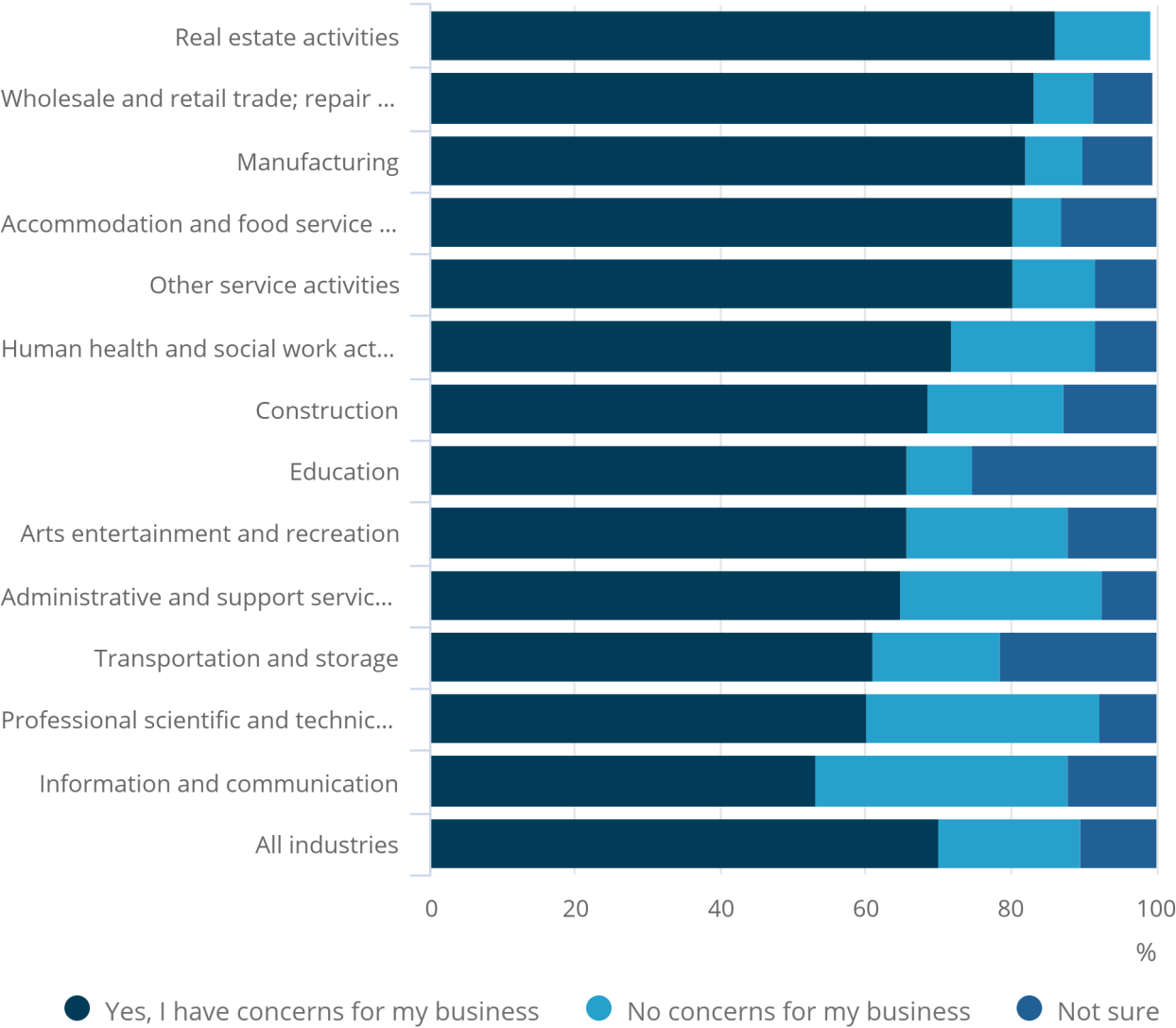
Businesses not permanently stopped trading were asked what main concern they had for their business in April 2022.

Figure 4: Over two-thirds of businesses (70%) reported they have some form of concern for their business in April 2022

Business concern, businesses not permanently stopped trading, weighted by count, UK, 1 April to 30 April 2022

Figure 4: Over two-thirds of businesses (70%) reported they have some form of concern for their business in April 2022

Business concern, businesses not permanently stopped trading, weighted by count, UK, 1 April to 30 April 2022



Notes:

1. For presentational purposes, response options have been combined.
2. "Mining and quarrying" and "water supply; sewerage, waste management and remediation activities" have been removed for disclosure purposes, but their totals are included in "All industries".
3. Industries may not sum to 100% because of rounding.
4. From Wave 54, the question changed to ask about a specific calendar month rather than "the next month" in relation to the time of completion.

Among concerns reported, input price inflation (inflation of goods and services prices) remained the main concern for businesses at 24%, broadly stable with March 2022. The human health and social work activities industry reported the largest proportion noting input price inflation as their main concern, at 40%.

Other main concerns reported by businesses were:

- energy prices at 21%, with the other service activities industry, which includes hairdressing and other beauty treatments, reporting the highest proportion (45%)
- taxation at 8%, with the real estate activities industry reporting the highest proportion (16%)
- supply chain disruption at 5%, with the manufacturing industry reporting the highest proportion (11%)

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

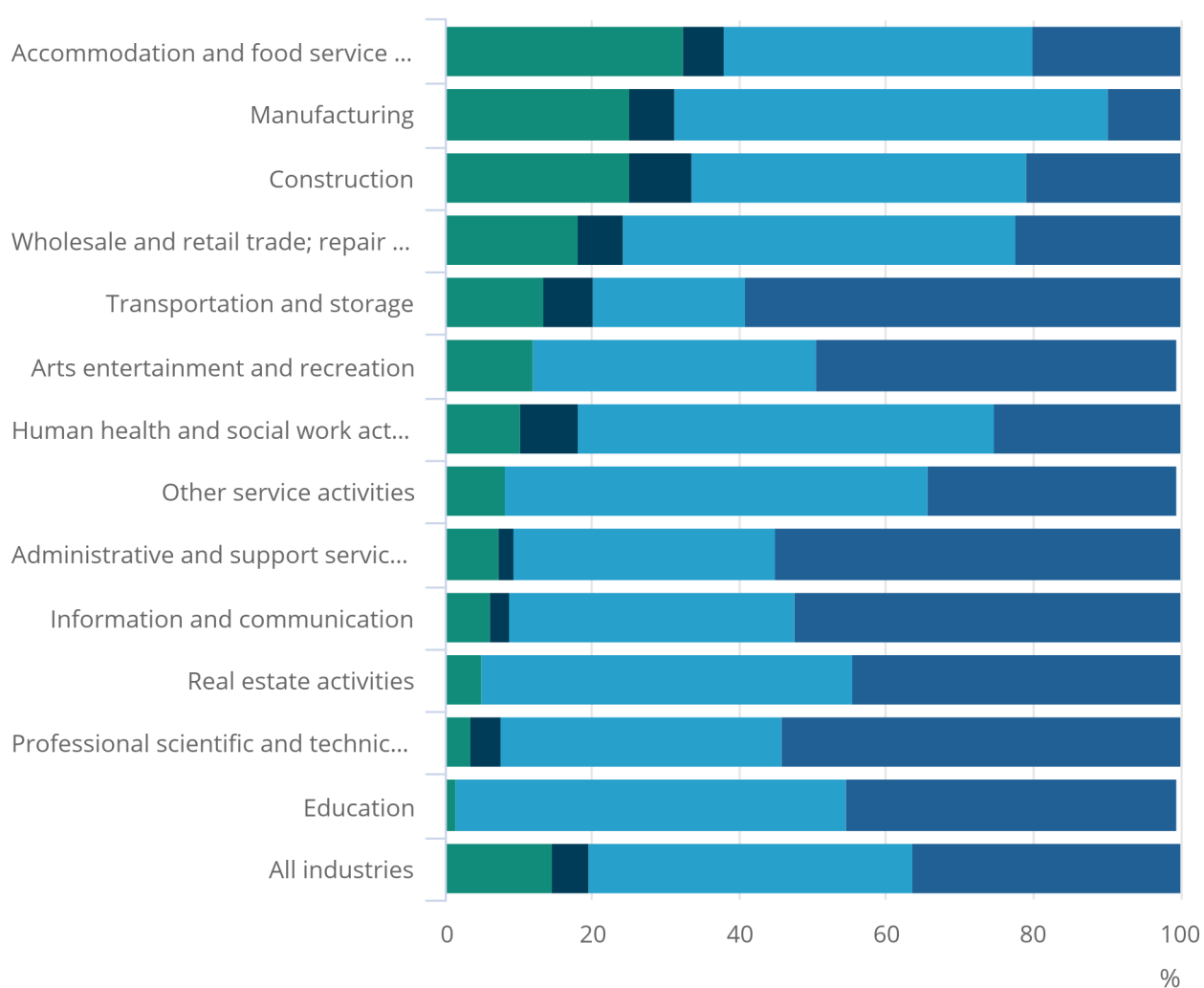
## 6 . Procurement within the UK

**Figure 5: Of businesses currently trading, 20% reported they faced challenges procuring the materials, goods or services they needed from within the UK in March 2022**

Intra UK procurement, businesses currently trading, broken down by industry, weighted by count, UK, 1 March to 31 March 2022

Figure 5: Of businesses currently trading, 20% reported they faced challenges procuring the materials, goods or services they needed from within the UK in March 2022

Intra UK procurement, businesses currently trading, broken down by industry, weighted by count, UK, 1 March to 31 March 2022



- Yes, but the business had to change suppliers or find alternative solutions
- No, the business has not been able to get the materials, goods or services needed
- Yes, the business has been able to get the materials, goods or services it needed
- Not applicable

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

Notes:

1. Industries may not sum to 100% because of rounding and percentages less than 1% being removed for disclosure purposes.
2. "Mining and quarrying" and "water supply, sewerage, waste management and remediation activities" have been removed for disclosure purposes, but their totals are included in "All industries".
3. From Wave 54, the question changed to ask about a specific calendar month rather than "the last month" in relation to the time of completion.

Approximately 15% of currently trading businesses reported that they had to change suppliers or find alternative solutions to procure within the UK. This is the highest percentage reported since late October 2020, although a small change in question wording in April 2022 may have had some impact on responses. This coincides with a fall in the percentage of currently trading businesses that stated they were able to procure their materials, goods or services they needed, decreasing from 48% in late February 2022, to 44% in March 2022.

Of the currently trading businesses that had to change suppliers or could not get the materials, goods or services they needed, 40% reported that this caused some level of disruption to their business. The equivalent figure among businesses with 10 or more employees was 52%.

Across businesses of all sizes, the education industry (private sector and higher education businesses only), the arts, entertainment and recreation industry and the manufacturing industry reported the largest proportion of major disruption to their business, at 8%. The manufacturing industry reporting the highest proportion of moderate disruption at 28%.

## 7 . Exporting and importing challenges

Currently trading businesses with 10 or more employees, who exported or imported in the last 12 months were asked how their exporting or importing in March 2022 compared with March 2021. Those that reported how their exporting or importing had been affected (excluding businesses that reported "not sure") represented 17% of exporting businesses and 22% of importing businesses.

These businesses were then asked about the challenges they had experienced while exporting or importing in March 2022.

### Figure 6: Exporting and importing figures from the Business Insights and Conditions Survey

#### Notes:

1. Exporting or importing compared with the same month last year: percentage of businesses currently trading with 10 or more employees and had reported they had exported or imported in the last year. For presentational purposes, response options have been combined.
2. Exporting or importing challenges: percentage of businesses currently trading with 10 or more employees, reported they had exported or imported in the last year, and reported how their exports or imports were affected. Businesses may report that exporting or importing has not been affected but are still able to report challenges.
3. Caution should be taken when interpreting these results based on the specific routing of this question meaning that only a small number of businesses responded.
4. Data are plotted in the middle of the period of each wave.
5. From Wave 54, the question changed to ask about a specific calendar month rather than "the last month" in relation to the time of completion, therefore, caution is urged when comparing data with previous waves.
6. Due to an overlap in reference periods, Wave 53 has been removed.

## Download the data

[.xlsx](#)

Further industry, size band and breakdowns of trade questions by type of export or import (goods, services or both) are available in the [accompanying dataset](#). This includes an unweighted data time series produced by linking samples from the Annual Business Survey (2018) and the Annual Survey of International Trade in Services (2019) to the Business Insights and Conditions Survey (BICS) microdata. We have published a [detailed description of the methodology](#).

## 8 . Workforce

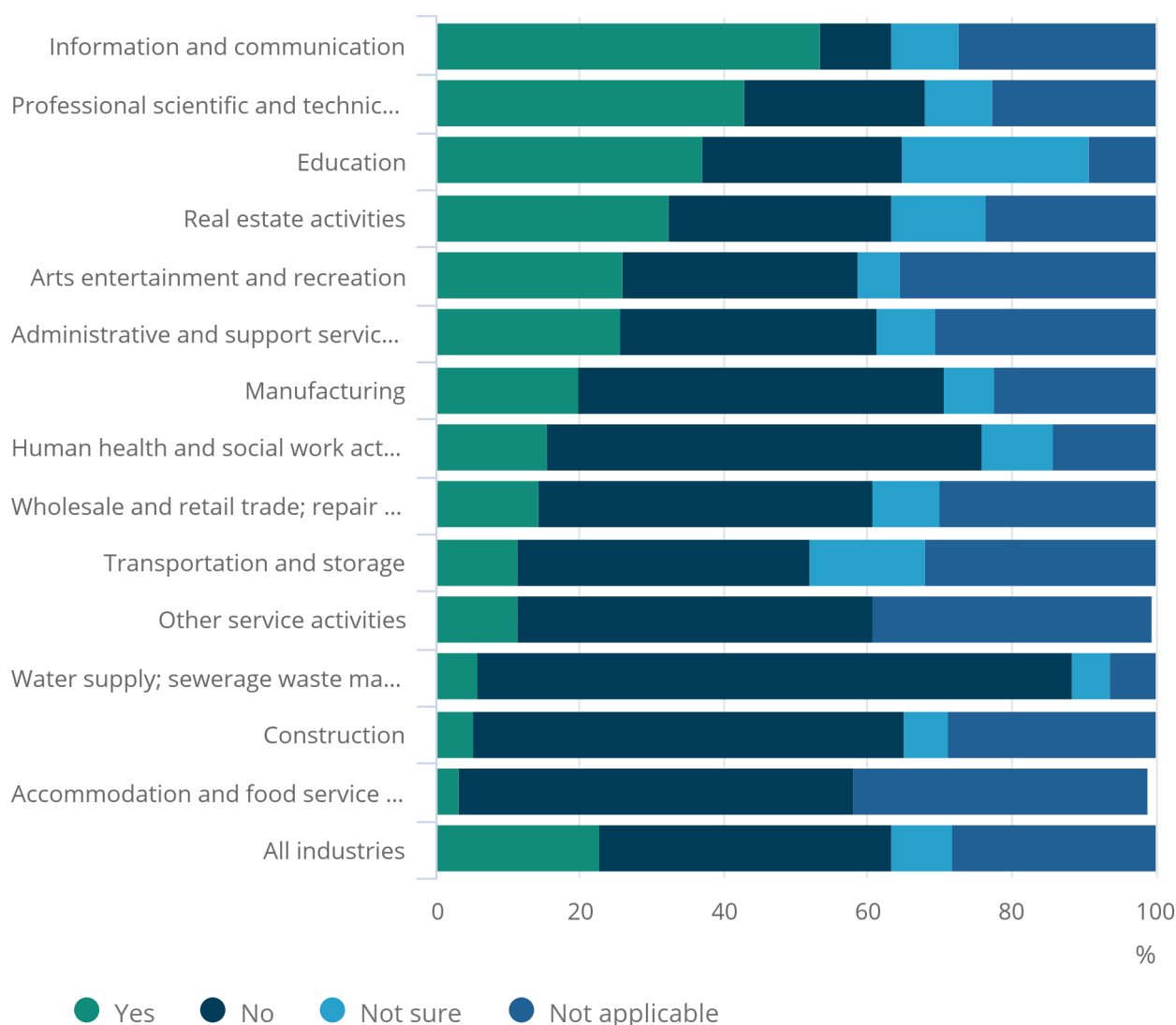
## Homeworking

**Figure 7: In early April 2022, 23% of businesses were using, or intending to use, increased homeworking as a permanent business model**

Increased home working arrangements, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 4 April to 17 April 2022

Figure 7: In early April 2022, 23% of businesses were using, or intending to use, increased homeworking as a permanent business model

Increased home working arrangements, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 4 April to 17 April 2022



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

**Notes:**

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

In early April 2022, 23% of not permanently stopped trading businesses reported using, or intending to use, increased homeworking as a permanent business model, a steady increase from 16% in early October 2021.

The main reason reported for using, or intending to use, increased homeworking as a permanent business model was improved staff well-being, at 60%, unchanged from late March 2022, however, this was down from 63% in early October 2021.

Other reasons reported by businesses were:

- reduced overheads, at 43%; down from 52% in late March 2022
- increased productivity, at 41%; down from 49% in late March 2022

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



## **Worker shortages**

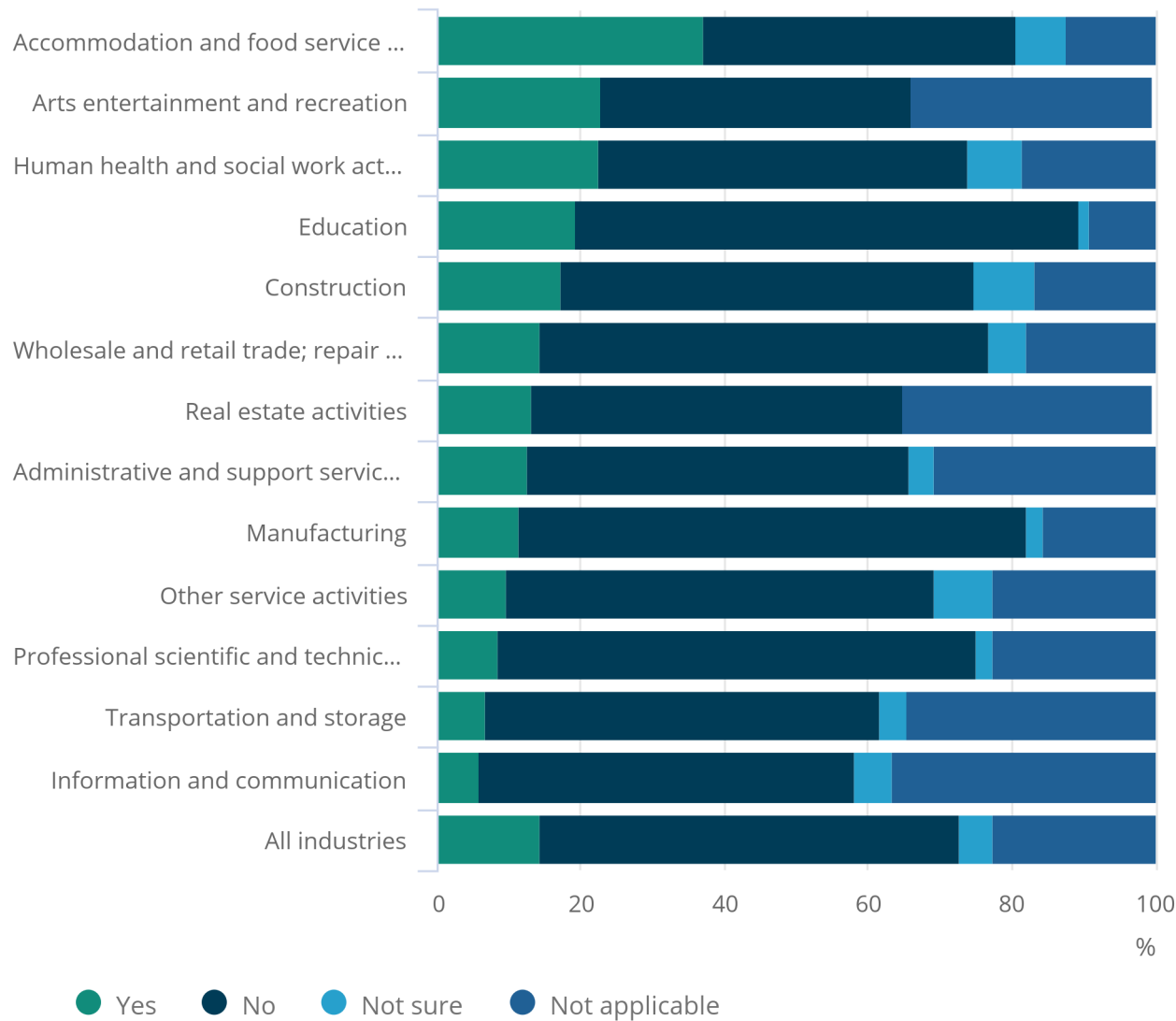
Of businesses not permanently stopped trading, one in seven (14%) reported they were experiencing worker shortages in early April 2022. This percentage has fluctuated between 12% and 15% since October 2021. The percentage of businesses with 10 or more employees that reported worker shortages was higher, at 34%, up from 31% in early March 2022.

**Figure 8: Over a third of businesses (37%) in the accommodation and food service activities industry reported they were experiencing worker shortages**

Worker shortages, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 4 April to 17 April 2022

Figure 8: Over a third of businesses (37%) in the accommodation and food service activities industry reported they were experiencing worker shortages

Worker shortages, businesses not permanently stopped trading, broken down by industry, weighted by count, UK, 4 April to 17 April 2022



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

Notes:

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

The accommodation and food service activities industry continued to report the highest percentage of businesses experiencing a shortage of workers in early April 2022 at 37%, up from 30% in early March 2022.

Of the 14% of businesses that reported a shortage of workers, the biggest effects of these shortages were:

- businesses being unable to meet demands (50%), up from 47% in early March 2022
- employees working increased hours (43%), down from 47% in early March 2022
- pausing trading of some of the business (20%), up from 13% in early March 2022
- recruiting temporary workers (13%), up from 12% in early March 2022

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

## 9 . Business Insights and Conditions Survey data

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

Dataset | Released 21 April 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 27 January 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 53 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.

## 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.

## 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

More quality and methodology information 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 the [Guide to experimental statistics](#).

Table 1: Sample and response rates for Waves 52, 53 and 54 of the Business Insights and Conditions Survey

Wave	24 March 2022 Publication Wave 52	7 April 2022 Publication Wave 53	21 April 2022 Publication Wave 54
Sample	38,187	38,153	38,166
Response	9,638	9,328	9,111
Rate	25.2%	24.4%	23.9%

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 54 survey was live for the period 4 April to 17 April 2022. The [survey questions](#) are available.

## Coverage

The Monthly Business Survey (MBS) covers the UK for production and Great Britain only for services. The Retail Sales Index (RSI) and construction are Great Britain focused. Therefore, the BICS will be UK-focused for production-based industries but Great Britain-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 the [BICS QMI](#).

## 12 . Strengths and limitations

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

## 13 . Related links

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

Article | Released 2 September 2021

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

### [COVID-19 question bank](#)

Webpage | Updated frequently

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

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

Article | Released 17 February 2022

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

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

Article | Released 14 June 2021

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

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

Article | Released 14 September 2020

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