

## Case Study – The use of government surveys of businesses to assess the impact of COVID-19 and inform decision-making

This Case Study was first published in the [NI Statistical Surveys - Assessment of Cost Burden to Business 2020/21](#) report, and accompanies the [Use of Business Surveys](#) document.

There were four surveys of businesses<sup>1</sup> conducted in 2020/21 specifically on the impact and other effects of the pandemic, while data from multiple surveys were used to inform decision-making and the development of schemes to mitigate against the impact of the pandemic on businesses.

Within the Department of Education (DE), the NI Council for Integrated Education (NICIE) carried out the *Legacy Report – COVID-19* survey in order to gather information and feedback on the experiences of integrated schools during the pandemic and how school leaders overcame the challenges imposed during the pandemic. In addition, the Council for the Curriculum, Examinations and Assessment (CCEA) conducted a survey to review the *Home Learning Resource* (set up to provide parents and teachers with curriculum support to ensure children could continue to learn at home). This survey, issued to teachers in Primary and Irish Medium Primary schools, aimed to measure the effectiveness of the resource and aid decision making in future resource provision<sup>2</sup>.

In the Department for the Economy (DfE), the Construction Industry Training Board NI (CITB) carried out a [Survey into the impact of COVID-19 on the NI Construction Industry](#) in order to gauge the impact of the pandemic on the construction industry and the critical training needs moving forward. This included measures of site closures, redundancies, furlough and training needs. CITB used these data to inform decision making on training interventions and help businesses grow and develop the workforce to meet client needs. One of the measures in the survey was the number of apprentices employed by businesses. Apprentices and their training are supported by CITB in order to sustain the future of the construction industry. Alongside this survey, CITB conducted a further thirteen *Apprenticeship Framework* surveys in order to gauge the demand within multiple sectors and inform further decision making.

The fourth survey, the [Business Insights and Conditions Survey \(BICS\)](#) was a voluntary fortnightly survey, conducted in order to provide qualitative information on turnover, workforce, prices and trade. This survey was developed in response to the pandemic, and was originally called the *Business Impact of Coronavirus Survey*. Survey questions were reviewed and updated as part of each fortnightly wave. The results from the survey provided further insights around these business dynamics to complement the official estimates, while offering users a closer-to-real-time view of the UK economy. The results of the survey were published in the fortnightly [Business insights and impact on the UK](#) statistical bulletins and flash headline figures were presented in the weekly [Coronavirus and the latest indicators for the UK economy and society](#), these [real-time turning point indicators](#) helped policymakers and economists track economic impacts in a timely manner, and provided insight into how the economy was evolving in response to the COVID-19 pandemic.

Data from BICS was also analysed to produce the [Business Impact of Coronavirus \(COVID-19\) Survey, expectation responses over time](#), which compared the turnover expectations of businesses with

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<sup>1</sup> For Survey Burden purposes, businesses include commercial businesses (including self-employed persons surveyed in the context of their business), schools, universities, colleges, voluntary organisations, non-profit bodies, mutual associations etc. Surveys of local councils are also included under surveys of businesses.

<sup>2</sup> Similar surveys were issued to parents and to pupils.

their outturn, and the [Business insights and impact on the UK economy](#) bulletins, which used BICS data to provide detailed information on a large range of issues affecting businesses in order to assess the impact of the pandemic on the UK economy and society. This included, but was not limited to, price rises, furlough, home-working, energy costs, wages and supply chain disruption. These data and analysis were also available at [regional level](#). Additional analysis of businesses' financial performance, resilience, and monthly GDP estimate comparisons are published in [Coronavirus and the economic impacts on the UK](#).

The COVID-19 pandemic led to great demand for Northern Ireland Statistics and Research Agency (NISRA) data to inform local government's reaction and how it has supported local businesses. This included providing detailed business and employment data at low level [Standard Industrial Classification \(SIC\)](#) codes to establish the number of businesses in a certain SIC code/industry that would be eligible for specific support mechanisms, and also helping policy colleagues to understand the impact of local lockdowns of certain industries and the overall NI economy.

A number of reports were published by DfE during 2020/21 and early 2021/22 on the impacts of the [COVID-19 pandemic on the local economy](#). They were heavily informed by NISRA business surveys conducted by Economic and Labour Market Statistics (ELMS) branch or by the Office for National Statistics (ONS) on their behalf. These included:

- [Economic Recovery from COVID-19 and Restrictions](#) - this paper examined the consequences of the pandemic on economic output, businesses, labour market and wider society, along with predictions of recovery within current and upcoming risks. The report made use of quarterly construction output data from the [Quarterly Construction Survey](#), quarterly service sector output data from the [Index of Services](#) and quarterly service sector output data from the [Index of Production](#). It also used the [NI Composite Economic Index \(NICEI\)](#) which is based on these three surveys and the [Quarterly Employment Survey](#). These surveys are all part of the *Quarterly Business Survey*.
- [Research on Short and Long Term Impact of COVID-19](#) - this examined the short and long term implications of the impact of COVID-19 and the potential for recovery in the local economy. This report also made use of output data from the *Index of Production* and *Index of Services*, along with data from the [Business Register Inquiry \(IDBR\)](#) on the number of businesses (broken into different sectors) directly impacted by the restrictions imposed during 2020/21, and data on the number of businesses trading during the period, from the *Business Insights and Conditions Survey (BICS)*.
- [Economic and sectoral impact of eight weeks of autumn 2020 restrictions](#) - this examined the economic and impact by sector (such as hospitality and sport) of the eight week restrictions during autumn 2020. Data from the *Business Register and Employment Survey (BRES)* 5-Digit SIC, prior to COVID-19 lockdowns, was used to estimate the number of jobs impacted by pandemic regulations, by comparing recent figures calculated by DfE using [HMRC COVID-19 statistics](#). Recent data for the [Annual Survey of Hours and Earnings \(ASHE\)](#) was used to compare earnings between 2019 and 2020, highlighting how earnings from different sectors were affected differently by the pandemic, while financial data from *BICS* was used to identify sectors with high numbers of businesses with low cash reserves.
- [Economic impact of four-week circuit breaker](#) - this report analysed the economic impact of the four-week circuit breaker (i.e. the closing of businesses in certain sectors from mid-October 2020 for four weeks). It also made use of the surveys mentioned above: 5-Digit SIC

from *BRES* 2019 and *ASHE* data was used to examine earning by sector during and before the pandemic and *BICS* data to examine business cash reserves.

- [Coronavirus and the NI Economy](#) - this paper assessed the economic impact of the Coronavirus, examining the NI economy along with that of the UK and wider European and Global economies and recovery possibilities. Data from various sources were used, however notably the paper used economic output data from the NICEI to assist in evaluating economic recovery towards pre-COVID levels.
- [The impact of COVID-19 on the NI economy modelled results for Q2 2020 \(August 2020\), Q3 2020 \(December 2020\) & Q4 2020 \(April 2021\)](#) - The Fraser of Allander Institute (FAI) created three papers, on behalf of DfE, which examined the potential impact of the coronavirus pandemic on the Northern Ireland economy, modelling effects by sectors and regions. These reports primarily utilised *BICS* to calculate regional impacts, such as the number of operation businesses, and the FAI Analysis of [monthly GDP data](#) from ONS.

Business survey data from annual surveys, such as the [Northern Ireland Annual Business Inquiry \(NIABI\)](#), [Broad Economy Sales and Exports Statistics](#)<sup>3</sup> and [Business Register and Employment Survey](#), and short-term quarterly surveys such as the *Index of Services*, *Index of Production*, *Quarterly Construction Survey* and *Quarterly Employment Survey* (which collectively form the *Quarterly Business Survey*) have been used to inform the development, implementation and evaluation of a range of COVID-related business support schemes and the High Street Stimulus schemes.

In addition, economists in DfE worked in conjunction with NISRA ELMS branch to produce a paper and slide pack on the Labour Market impacts of COVID-19 for the new Head of the Northern Ireland Civil Service. This paper provided analysis of pay from *Annual Survey of Hours and Earnings (ASHE)*; jobs and the job industry itself from the *Quarterly Business Survey (QBS)* and the *Business Register and Employment Survey (BRES)*; and labour market composition from the [Labour Force Survey \(LFS\)](#) (a household survey carried out by ELMS). The paper provided compelling evidence of the impacts of COVID-19 and has led to additional research being commissioned in order to understand how other countries have reacted to reduce labour market scarring.

The *Purchasing Manager's Index (PMI)* was used by the Invest NI Executive Leadership Team to gauge business confidence throughout the pandemic and influenced their decision making.

Finally, data from multiple Department of Agriculture, Environment and Rural Affairs (DAERA) surveys influenced the execution of the [£25m COVID Support](#) fund for NI agricultural sectors, which provided financial support to farms in order to recover a percentage (based on sector) of their losses due to the impact of the pandemic on trading in the sectors. The initial case to implement the scheme made use of farm income forecasts based on data from the [Farm Business Survey](#), highlighting the impact of the pandemic-induced downturn in the trading ability of the agri-food industry, and the resulting effect on farm incomes. Under the scheme, the beef and sheep sector received support equivalent to 100% of their losses, whereas the dairy, potatoes and ornamental horticulture sectors received support equivalent to 80% of their losses as they were identified as having alternative support measures available. Payment rates were based on market price information collected through the [Raw Milk Producer Price Survey](#) and information published in the [Agricultural Market Report](#) which uses data from a range of sources including the *Potato merchants* survey. In order to minimise application burden on farmers, DAERA contacted eligible farmers and applications made use of pre-existing data sources.

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<sup>3</sup> These data are collected through the NI Annual Business Inquiry (ABI) survey