

Article

Producer prices development plan: October 2025

Research and development plans to improve and maintain producer price inflation statistics and ensure they meet user needs, use new data sources, and follow international best practice.

Contact:
Business prices team
business.prices@ons.gov.uk
+44 1633 456907

Release date:
22 October 2025

Next release:
To be announced

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1 . Introduction

The Office for National Statistics (ONS) produces statistics for consumer and producer price inflation. The producer price inflation statistics include both output and input inflation estimates. The output measure comprises the domestic Producer Price Index (PPI) and the Export Price Index (EPI), while the input measure is estimated using the Import Price Index (IPI), reflecting imported producer input prices, and as well as PPI data.

Publication of PPI and Service Producer Price Index (SPPI) data was [suspended in March 2025](#) following the identification of an error in the chain-linking methodology. Today we recommence the publication of PPI and SPPI data following a comprehensive review, correction, and quality assurance of the index weights and chain-linking methodology. This is described fully in our [Impact of Correction to Chain-linking Methodology article](#), which is also published today.

The identification of this methods error emerged from preparatory research focusing on transforming the data-processing systems used to compile PPI. This was an objective that would fulfil the outstanding requirements from the [Producer Price Indices \(PPI\) Spotlight on Quality report](#), published in July 2023 by the Office for Statistics Regulation (OSR). The completion of work on these requirements, as well as work targeting the outstanding requirements, are detailed in the following sections.

2 . Organisational context

The Office for National Statistics (ONS) has a rolling programme of research and development aimed at improving and maintaining its producer price inflation statistics. The development plan will ensure that the statistics continue to meet user needs, make use of new and innovative methods and data sources, and follow international best practice.

The delivery of quality producer price statistics remains a core priority for the ONS, particularly following the findings from the [Devereux Review of the Office for National Statistics performance and culture](#) and the strategic direction set by the [Economic Statistics Plan \(ESP\)](#). The ESP priorities form the foundation of our transformation work, focusing on the delivery of core economic statistics. However, they are not exhaustive, and this article describes additional developments we aim to make to further strengthen our producer price statistics.

Our development plan reflects how our producer prices development work contributes to the strategy. We contribute by efficiently producing high-quality and relevant price statistics to meet user needs, while keeping pace with evolving methods, sources, and digital processes.

The scope of this development plan update continues to build upon the processing and quality assurance improvements implemented following the publication of the [Producer Price Indices \(PPI\) Spotlight on Quality report](#) in July 2023 by the Office for Statistics Regulation (OSR).

3 . Recent development of producer price statistics

The Office for National Statistics (ONS) published an initial [producer prices development plan in October 2023](#). The following details progress that has been completed against these objectives:

Refining published data

[Requirement 7 in the Office for Statistics Regulation \(OSR\) report](#) recommended:

- a review of the sample coverage and quality of published data
- streamlining the volume of published data to ensure clarity while still meeting user needs
- publishing data to comply with data accessibility best practices

The ONS reviewed the indices it publishes to make sure they still give a reliable estimate of output price inflation. The updated quality checks were applied to all published indices. As a result, in November 2023, 63 indices were no longer included in the monthly Producer Price Index (PPI) release. This change did not negatively affect users.

In June 2024, the ONS asked users for [feedback on PPI data](#). This showed that some improvements were needed to make the data easier to access in terms of computer readability and consistency. From October 2025, the PPI data will be published in a way that follows the best practices for achieving this.

Sample maintenance

In 2024, to meet [Requirement 1 in the OSR report](#), the ONS prioritised the building of a new processing system to facilitate the updating of the PPI sample in line with the existing methodology. This system was fully built and tested by July 2024.

The next step was to use this new system to refresh the PPI sample. Because the sample had not been updated since 2018, the refresh is being done in stages, grouped by industry categories.

In February 2025, the sample of businesses included in the following divisions in the classification of products by activity (CPA) were updated:

- other non-metallic mineral products (C23)
- motor vehicles (C29)
- other transport equipment (C30)

The new sample weights for these indices were applied using December 2024 as the link month.

Updates for the CPA divisions listed below will be completed by February 2026, at which point the new sample weights will be applied with December 2025 as the link month:

- food products (C10)
- paper products (C17)
- chemical products (C20)
- rubber and plastic products (C22)
- fabricated metal products (C25)
- repair and installation services (C33)

All of this means that 69.8% (by weight) of the PPI sample has been updated. From now on, updates to the PPI sample will be announced each year and included as part of the annual update to index weights.

Analysis of data revisions

The OSR report (under [Annex C](#)) presented some analysis of revisions made to PPI data between April 2021 and May 2023. Their findings suggested a potential upward bias in the revisions applied within the monthly PPI release. This concern was reflected in [Requirement 4 in the OSR report](#), which requested further analysis regarding the impact of revisions on published data.

The ONS conducted analysis on revisions applied to the Headline Input and Output PPI and the Input and Output product groupings between January 2023 and December 2023.

The average sizes of revisions for the Headline Input and Output PPI during the period are 0.07 percentage points (pp) and 0.03pp, respectively. Furthermore, the average revisions with the product groupings did not exceed a decrease of 0.6pp or an increase of 3.6pp, both of which were considerably lower than those observed within the OSR report. The changes do not show any discernible patterns indicating that prices are not systematically overestimated or underestimated.

The time period covered in the OSR report included 2022, a period when a [major correction to weights was applied to the data](#) resulting in a substantial upward correction. When the ONS looked at data from other periods (excluding 2022), they found no evidence of bias in the monthly revisions.

To keep users informed, we will publish revisions analysis every year and include more explanation about these within the statistical bulletin.

Non-survey data source review

As part of [Requirement 8 in the OSR report](#), the [Quality and Methodology Information \(QMI\)](#) document for the PPI was updated in September 2024. The update explains how each non-survey data source is used to produce the PPI, including how the data is processed to compile the PPI estimates.

4 . Producer price statistics work programme

By restarting the publication of regular producer prices bulletins and tables, today's package of publications delivers an important milestone highlighted in the Prices section of the recent [Economic Statistics Plan](#). However, the ONS recognises that there is still work to do to improve quality further, and the plan highlights other important priorities, such as the move to online data collection and, over the medium term, continuing to move off legacy technology platforms.

The rest of this section sets out identified development priorities for the next 12 months. These will continue to fulfil the requirements laid out in the report by the Office for Statistics Regulation (OSR). Achieving these will also put the ONS in a stronger position to deliver further transformation work beyond the current financial year. The Economic Statistics Plan will be updated in spring 2026, at which point this development plan will be updated.

Sample size and design review

The ongoing maintenance of the samples for PPI, EPI, and IPI will continue throughout the year. At the same time, the ONS will review survey sample sizes and explore alternative sample designs. The goal is to make better use of existing data sources, possibly reducing the burden on businesses, as well as improving the quality of indices published. This work supports [Requirement 1 in the OSR report](#).

Data validation

[Requirement 3 in the OSR report](#) calls for a review of validation processes. This will be part of the PPI system transformation work and will look at ways to improve data quality through better validation methods.

Imputation

As the ONS moves away from legacy processing systems under the PPI transformation project, it will review current imputation methods. The aim is to ensure they follow best practices and give the ONS better control over the process, meeting [Requirement 6 in the OSR report](#).

Sales data source review

The ONS will review how existing data sources are used when updating weights during the annual chain-linking process. This will ensure consistency with sampling and better meet user needs, fulfilling [Requirement 5](#).

Input PPI review

The ONS will also review how Input PPI estimates are calculated to make sure they use available data effectively and continue to meet user needs, including how these data support the understanding of the pass-through of material cost inflation into output prices.

5 . Related links

[Producer price indices QMI](#)

Methodology | Updated 18 September 2024

Quality and Methodology Information (QMI) report for the Producer Price Index, detailing the strengths and limitations of the data, methods used, and data uses and users.

[Services Producer Price Inflation QMI](#)

Methodology | Updated 18 January 2021

Quality and Methodology Information for the Services Producer Price Index, detailing the strengths and limitations of the data, methods used and data uses and users.

6 . Cite this article

Office for National Statistics (ONS), published 22 October 2025, ONS website, article, [Producer prices development plan: October 2025](#)