

Advisory Panel on Consumer Prices - Stakeholder

5 September 2025



Basket quality review

Stephen Burgess

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Update on progress (**Note: Market Sensitive**)

- **July 2025 APCP-S meeting:** Stefan Ubovic presented the “CPI deep dive” report. The panel welcomed the report, asked for ONS to identify some potential “quick wins” to address for March 2026, and requested an update at September panel.
- **Updates:**
 - 1) We are making good progress on recruiting extra price collection resources (through extra funding under the Economic Statistics Plan). This gives us some scope to increase samples in a targeted way on selected items.
 - 2) The two divisions involved were heartened by the positive feedback at July’s panel and will commit some resources to make the “CPI deep dive” a regular annual process. We would keep APCP-S sighted on further rounds of recommendations and progress against existing ones.

Specific recommendations (**Note: Market Sensitive**)

Recommendation	Proposed Next Steps
1. Video games – increase frequency and sample size	Production teams happy to implement for 2026 annual round
2. Video games – track only original releases	Production teams happy to implement for 2026 annual round
3. Revisit ADS for air fares (and possibly hotels)	Aim to improve hotels sample and methods further for 2026 annual round; we cannot credibly commit to an ADS solution yet.
4. Develop index day / holiday adjustment (eg: for airfares)	Investigate as part of work on seasonally adjusted CPI
5. Expand sample coverage for health items	Lower priority, but Production teams investigating feasibility for 2026
6. Explore PHIN as possible ADS (health)	ADS solution would take longer to develop – not a “quick win”
7. Review sources for Wales / Scotland / NI once per year	Possibility for NHS dental charges. Need to weigh up costs and benefits
8. Review market shares and structures once per year	Need to agree a process; would not have an impact in March 26
9. Item-level information readily available	Need to agree a process; would not have an impact in March 26
10. Carry out a similar review in future	Resources provisionally agreed internally. Detail to be revisited next year.

CPI development plan

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Overview (to be published 18th September)

Refreshed the top sections to remove old references and duplicate material

Included links to the new Economic Statistics Plan

Added in a new continuous improvement section to cover smaller improvements made within the team

Removed low priority work which we don't currently have resource to take forward

Priority vs complexity

- Added a table to summarise the complexity of the different workstreams and provide an overall difficulty score
- Additional explainers for each workstream to cover the difficulty in more detail

Table 1: summary of workstreams

Project	Priority	Data	Systems	Methods	Overall Difficulty
Grocery scanner data	High	New data sources are being introduced	Existing cloud-based systems can be used	High methodological development needed	3
Removal of legacy platforms	High	Existing data can be used; no major changes expected to input sources.	Significant system redevelopment required	Existing methods remain largely unchanged; focus is on system infrastructure rather than methodological innovation.	5
COICOP 2018 Implementation	High	Existing data with harmonisation required	New system-level updates required	High methodological development needed	5
Review of shop type	Medium	Possible updates to input weights	Existing cloud-based systems can be used	High methodological development needed	4

Emerging priorities

- Inclusion in this plan does not guarantee delivery
- Final decisions will depend on prioritisation outcomes and any emerging priorities throughout the next 12 months (**this list is non-exhaustive**)
- We will continue to bring papers for specific workstreams where relevant to the panels

Questions/ discussion

The Panel is asked for feedback on the first four sections (in particular the usefulness of the summary table and difficulty ratings)

Any other business

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