

Industry-to-industry monthly payments, UK QMI

Quality and methodology information for UK industry-to-industry monthly payments, detailing the strengths and limitations of the data, and the methods used.

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1 . Output information

- National Statistic: no
- Data collection: administrative data from a third party
- Frequency: recurring, to be confirmed
- How compiled: based on third party data
- Geographic coverage: ITL1

Related publications:

- [UK industry-to-industry payment flows, UK, ITL 1: 2019 to 2025](#)
- [UK industry-to-industry payment flows, 2017 to 2024: experimental data](#)
- [UK industry-to-industry payment flows, 2016 to 2023: experimental data and insights](#)

2 . About this quality and methodology information report

This Quality and Methodology Information report contains information on the quality characteristics of the data (including the European Statistical System's five dimensions of quality) as well as the methods used to create it.

The information in this report will help you to:

- understand the strengths and limitations of the data
- learn about existing uses and users of the data
- understand the methods used to create the data
- help you to decide suitable uses for the data
- reduce the risk of misusing data

3 . Important points

- This is an experimental dataset; work is in progress to improve sample size, data quality, industry classification, and introduce more granular geographic breakdowns.
- The 2019 to 2025 publication is based on an unweighted sample of anonymised and aggregated Bacs Payment System (Bacs) Direct Debit, Bacs Direct Credit and Faster Payment System (FPS) payments made between 3,472,000 organisations.
- Between January 2025 and December 2025, this sample includes 2,337,000 organisations, capturing over 40% of the 5,787,000 UK organisations [estimated to exist in 2025 by the Department for Business and Trade](#).
- The 2019 to 2025 publication provides aggregated payments between UK industries and, for the first time, International Territorial Level 1 (ITL1) countries and regions.
- This article updates two previous versions: our [Industry-to-industry payment flows, UK: 2017 to 2024, experimental data article](#) was based on an unweighted sample of anonymised and aggregated Bacs and FPS transactions made between 3,142,000 organisations, and our [2016 to 2023 article](#) focused solely on Bacs payments between approximately 117,000 organisations, known as Bacs service users.

4 . Overview of UK industry-to-industry payment flows

In the UK, payments between individuals and organisations can be made using cash, cheques, payment cards, and interbank transfers. Domestic interbank transfers can take place via one of the three UK payment systems:

- Bacs Payment System (Bacs); this is used to process Bacs Direct Credits, widely used to pay salaries, benefits, dividends and supplier payments directly into bank accounts, and Direct Debits, which automate the collection of regular payments such as utilities and other bills.
- Faster Payment System (FPS); this facilitates real-time payments between UK bank accounts up to a certain value limit, currently £1 million.
- Clearing House Automated Payment System (CHAPS); this is the Sterling high value payments system operated by the Bank of England, used to settle high-value wholesale payments and time-critical payments.

The Office for National Statistics (ONS) is working with our partners at Pay.UK and Vocalink, respectively the operator of, and infrastructure provider to, the UK's retail interbank payment systems, including Bacs and FPS. We are collaborating to develop experimental datasets on industry-to-industry payment flows within the UK. The datasets are compiled using a sample of anonymised and aggregated Bacs Direct Debit, Bacs Direct Credit, and FPS payments data provided to the ONS.

The most recent data published cover January 2019 to December 2025 and consists of payments within the UK between approximately 3,472,000 known organisations, companies, charities and governmental organisations that utilise Bacs and FPS for interbank transfers.

The important innovations of these data include:

- the facility to infer underlying economic activity directly from observed inter-industry transactions between both source and destination industries
- the production of highly granular and timely data, which can reveal changes in business conditions before traditional data sources
- the facility to map the economy as a network of directional payment relationships between industries, exposing supply-chain dependencies

We also regularly publish Direct Debit indicators developed as part of the collaboration in the [Economic activity and social change in the UK, real-time indicators bulletin](#).

5 . Quality summary

Overview of industry-to-industry payment flows methodology

The 2016 to 2023 publication was compiled using a sample of payments between approximately 117,000 Bacs Payment System (Bacs) service users, aggregated nationally to two-digit Standard Industry Classification (SIC2) level.

The 2017 to 2024 publication was compiled using a sample of payments between approximately 3,142,000 organisations across both Bacs and the Faster Payment System (FPS), aggregated nationally to SIC2 and SIC5.

The latest 2019 to 2025 publication was also compiled using Bacs and FPS payments, but with an expanded sample covering 3,472,000 organisations. Again, these transactions are aggregated nationally to SIC2 and SIC5 but with additional aggregation of SIC2 by International Territorial Level 1 (ITL1) regions.

The latest publication includes four datasets:

- Industry-to-industry payment flows at SIC2
- Industry-to-industry payment flows at SIC5
- Region-to-region flows at ITL1
- Industry/region-to-industry/region flows at SIC2 and ITL1

These data capture aggregated and anonymised monthly payment flows made between organisations using the Bacs Payment System (Bacs) and Faster Payment System (FPS) between January 2019 and December 2025.

We use a combination of deterministic and probabilistic data science techniques to identify accounts that belong to organisations, and their corresponding industry and location information.

Specifically, we use a combination of three identifiers to identify organisations, as shown under the following headings.

Bacs service users

We include known organisations, referred to as Bacs service users, which are companies, groups of companies, charities and governmental organisations that are registered to use Bacs services for the clearing and settling of Direct Debits and Direct Credits.

Indicative string in account names

We identify strings within the account name that imply the account belongs to an individual or organisation. For example, the presence of "Limited" or "LTD" suggests an organisation account, and the presence of "Mrs" or "Miss" suggests an individual account.

Network of payments

We identify payments made to or from the account that imply that the account belongs to an individual or organisation; for example, Corporation Tax payments made to HM Revenue and Customs (HMRC) imply an organisation account, benefit payments received from the Department for Work and Pensions (DWP) imply an individual account.

The 2016 to 2023 data are based on Bacs service users within Bacs only. The 2017 to 2024 data are based on a reduced list of these three identifiers across both Bacs and FPS.

In the majority of cases, accounts will have consistent identifiers (for example, an account that starts with "Mr" is substantially more likely to receive DWP benefit payments than it is to make HMRC Corporation Tax payments). However, in cases where conflicting signals exist, we weight the indicators according to how likely they are to occur alongside other indicators that imply the same classification.

For accounts classified as belonging to an organisation, identifying industry and geographical information is based on "fuzzy matching". Fuzzy matching is a technique used to identify accounts, that allows a match between the strings that is not exact.

In this case, account names are matched to Companies House and other publicly available information, in the case of public sector organisations, including:

- schools
- universities
- hospitals
- local and central government

Organisations in Companies House include up to four Standard Industry Classification (SIC) codes and one address. For organisations matched with the public sector lookups, its address is taken directly, and its industry is inferred from the lookup. For example, organisations in the university lookup are assigned the code "85421: First-degree level higher education".

Similar processes were used for the 2016 to 2023 and 2017 to 2024 datasets.

Statistical disclosure control is applied to data at the organisation level before aggregation to the published industry-level datasets to ensure the anonymity of Bacs and FPS users.

As part of our data development project with Pay.UK and Vocalink, we aim to improve the quality of the experimental data over the next 12 months. Planned improvements include:

- further increasing the sample size to include more Bacs and FPS payments between organisations
- developing further regional breakdowns

As a result, figures in the experimental dataset are subject to revision and future releases may differ from the current version.

Strengths and limitations

Strengths

The data contain monthly information on industry-to-industry payments from January 2019 to December 2025.

Bacs and FPS payments data used to compile this experimental industry-to-industry dataset are much more timely than traditional data sources used to compile similar information in supply and use tables. They provide close to real-time insights into the UK supply chain; these data also have the potential to be used in the quality assurance or enhancement of these measures.

The dataset provides substantial granularity at the industry level, with payment flows aggregated to both two-digit (SIC2) and five-digit (SIC5) Standard Industrial Classification codes. This level of detail facilitates analysis of interactions between broad sectors, as well as more specific sub-industries, offering insights into supply chain relationships and sectoral dependencies that are not possible with higher-level aggregates.

In addition to industry granularity, the most recent publication introduces regional breakdowns using International Territorial Level 1 (ITL1) classifications. This allows users to examine payment flows, not only between industries, but also across UK regions, supporting regional economic analysis and helping identify geographic patterns in inter-industry transactions.

Across all four experimental datasets, disclosure control has been applied to protect confidentiality while retaining a high proportion of the underlying value.

The most recent 2019 to 2025 dataset represents:

- over 89.3% of the available value at the five-digit SIC level
- over 97.1% at the two-digit level
- over 83.3% at the two-digit by region level
- 100% at the region-to-region ITL 1 level

Payment systems data provide very high coverage of industry-to-industry interactions by capturing financial flows across millions of organisations. In comparison, surveys are designed to measure economic activity using sampled responses and do not directly observe direct interactions. As a result, industrytoindustry payment flows can support timely and detailed economic analysis, subject to robust data development.

Limitations

Payments between industries can take place via multiple payment methods so even when the dataset is fully developed, it would not capture the universe of payments between industries.

The dataset may not fully represent direct industry-to-industry payment flows because some accounts act as intermediaries, processing transactions on behalf of other organisations. Distinguishing such indirect or "pass-through" payments is not always possible, which can distort the observed flow of funds and underrepresent smaller organisations using indirect access channels.

Industry classification in the data may be inaccurate. Fuzzy matching techniques apply a similarity threshold, meaning not all accounts can be confidently matched to an organisation. Even when matches occur, Companies House industry codes are self-reported and may not accurately represent actual business activities. As a result, some payment flows may be misclassified or assigned to an "unknown" industry.

Payments may be classified under the industry of an organisation's headquarters, rather than the actual operational unit involved. This can distort flows where enterprises operate across multiple industries and/or regions, as current methods cannot redistribute payments to individual business units.

Payments between organisations may reflect economic events with a delay owing to invoicing and settlement practices. For example, delays in issuing or paying invoices mean that observed payment flows often correspond to transactions agreed weeks or months earlier, rather than current activity. This delay can vary by industry and payment terms, reducing the immediacy of the data and potentially obscuring short-term shocks or rapid changes in business conditions.

Trends should be interpreted with caution because the dataset is neither seasonally adjusted nor corrected for inflation. This means observed changes may reflect predictable seasonal patterns (such as holiday-related spending) or price-level increases over time, rather than real changes in economic activity. Without these adjustments, comparisons across months or years can be misleading, particularly when analysing long-term trends or identifying short-term shocks.

Long-term trends may be influenced by shifts in payment method preferences rather than underlying economic activity. For example, businesses may increasingly favour electronic transfers via Bacs and FPS over cash, cheques, or other systems. Such structural changes in payment behaviour can create apparent growth in observed flows, even if the real volume of transactions remains stable, making it harder to distinguish genuine economic trends from changes in payment practices.

Some observed payments would be for capital expenditure or transfers, such as tax, subsidy, benefits, etc., rather than intermediate and final consumption. Currently, we are unable to distinguish different types of payments.

6 . Concepts and definitions

Bacs Approved Bureau

A commercial bureau awarded approved status by Bacs to collect or make payments on behalf of other organisations.

Bacs Direct Debit

Bacs Direct Debit allows organisations to electronically collect payments from their customers (both business customers and consumers) directly from their payment service provider (PSP) account for agreed amounts and on agreed dates.

Bacs Direct Credit

Bacs Direct Credit allows organisations to make payments by electronic transfer directly into payment services provider (PSP) accounts. Organisations can make Direct Credit payments via direct access (submitting the data themselves) or indirect access (via a Bacs Approved Bureau).

Bacs Payment System (Bacs)

The Bacs Payment System is one of the UK's interbank payment systems used to process electronic transactions between bank accounts. It primarily handles Bacs Direct Credit and Bacs Direct Debit payments, which:

- are batch processed
- operate on a three-day cycle
- have a £20 million individual transaction limit

These services enable secure, reliable transfers for salaries, benefits, supplier payments, and regular collections, such as bills and subscriptions.

Bacs service

The service administered by Bacs Payment System (Bacs) relating to the automated clearing and settlement of Direct Debit and Direct Credit between Bacs participants.

Bacs service user

A company, group of companies, charity, or other organisation that uses one or more Bacs services. An organisation that becomes a Bacs service user can send Bacs Direct Credits or collect Direct Debits directly themselves, or they may choose to use a third party (a Bacs Approved Bureau or a facilities management provider) to do so on their behalf.

Facilities management

In the context of the Direct Debit service, a service user (FM provider) or bureau that takes responsibility for the collection or administration of Direct Debits on behalf of another business that may not be a Bacs service user in its own right (FM client).

Faster Payment System (FPS)

FPS is a payment system that allows for payments of up to £1 million, and can be used for individual payments, standing orders, forwarded dated payments and direct corporate access payments.

International Territorial Levels (ITL)

A geographic classification used to identify regions in the UK. ITL1 represents the highest level of territorial units for statistical purposes and includes Scotland, Wales, Northern Ireland and the nine regions in England.

Payment service provider

An institution that offers payment services to customers, whether they are businesses or retail consumers, such as banks and building societies.

Pay.UK

The operator of the UK's retail interbank payment systems, including Bacs and FPS.

Standard Industrial Classification (SIC)

A system for classifying industries by a numeric code. SIC2 refers to two-digit codes representing broad sectors, while SIC5 refers to five-digit codes representing detailed sub-industries.

Vocalink

The infrastructure provider to the UK's retail interbank payment systems, responsible for processing Bacs and FPS transactions.

7 . Methods used to produce the UK industry-to-industry payment flows

How we collect the data, main data sources and accuracy

Bacs Payment System (Bacs) and Faster Payment System (FPS) data are collected and processed by Vocalink on behalf of Pay.UK. Before the data are provided to the Office for National Statistics (ONS), they are aggregated and anonymised in Vocalink, with rigorous statistical disclosure control and suppression applied, to ensure individual organisations and transactions cannot be identified.

Information on the value and number of payments in the original Bacs and FPS data is accurate, as it is based on digital footprint data from a highly mature and stable payment system. However, derived information, such as industry classification, may have some inaccuracies.

8 . Related links

[UK industry-to-industry payment flows, UK, ITL 1: 2019 to 2025](#)

Article | Released 30 January 2026

An updated dataset on UK industry-to-industry and regional payment flows at International Territorial Level 1 (ITL1), derived from anonymised and aggregated Bacs Payment System (Bacs) Direct Debit, Bacs Direct Credit and Faster Payment System payments.

[UK industry-to-industry payment flows, 2017 to 2024: experimental data](#)

Article | Released 13 January 2025

An updated experimental UK industry-to-industry payment flows dataset based on anonymised and aggregated Bacs Payment System (Bacs) Direct Debit, Bacs Direct Credit and Faster Payment System payments.

[UK industry-to-industry payment flows, 2016 to 2023: experimental data and insights](#)

Article | Released 6 December 2023

An experimental UK industry-to-industry payment flows dataset based on anonymised and aggregated Bacs Direct Debit and Direct Credit payments.

9 . Cite this methodology

Office for National Statistics (ONS), released 30 January 2026, ONS website, methodology, [Industry-to-industry monthly payments, UK Quality and Methodology Information](#)