Member Name

Lord Marlesford (Conservative)

To ask Her Majesty's Government whether they will continue to include figures relating to the Retail Price Index in the monthly press release on UK consumer price inflation issued by the Office for National Statistics

HL1620

Baroness Sugg

The information requested falls within the responsibility of the UK Statistics Authority. I have asked the Authority to reply, and will place a copy of their letter in the House library.
The Lord Marlesford DL
House of Lords
London
SW1A 0PW

20 September 2017

Dear Lord Marlesford,

As National Statistician and Chief Executive of the UK Statistics Authority, I am replying to your Parliamentary Question asking Her Majesty's Government whether they will continue to include figures relating to the Retail Price Index in the monthly press release on UK Consumer Price Inflation issued by the Office for National Statistics (HL1620).

The Statistics and Registration Service Act 2007 requires the UK Statistics Authority to compile and maintain the Retail Price Index (RPI), and it remains widely used in contracts and for index-linked gifs. The Office for National Statistics (ONS), the executive office of the Authority, will continue monthly publication of the RPI, along with its sub-components and the RPIX. The figures are available in the data tables accompanying the Consumer Price Inflation statistical release¹.

The methods used to produce RPI are not consistent with internationally recognised best practice, a flaw which led to it losing National Statistics status in 2013. A statement by the National Statistician in 2016² highlighted its deficiencies and strongly discouraged its use. It also confirmed that the Consumer Price Index, including owner occupiers' housing costs (CPIH), would become ONS's lead measure of inflation, which took effect in March 2017.

Yours sincerely

John Pullinger

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