

ADVISORY PANEL ON CONSUMER PRICES – STAKEHOLDER

Review of CPIH supporting material

Status: final

Expected publication: alongside minutes

Purpose

1. This paper summarises a range of CPIH supporting material produced for the 2017 re-assessment of CPIH as a National Statistic, and asks Panel Members to consider what has been useful to them since it was published.

Actions

2. Members of the Panel are invited to:
 - a) Consider the range of CPIH supporting material and advise what information they (or their teams) find useful and what they find less useful, and
 - b) what material they (or their teams) have used and what they haven't

Other Section Titles

3. The Consumer Prices Index including owner occupiers' Housing costs (CPIH) is our lead measure of inflation. It was launched in 2013 following extensive development work with the [Consumer Prices Advisory Committee](#). However, following the identification of required improvements to the replacement of comparable properties later that year, CPIH was de-designated as a National Statistic.
4. The [Johnson Review](#) (2015) considered the range of ONS's consumer price statistics and recommended that, once the required improvements to CPIH had been made and it had been re-designated as a National Statistic, CPIH should become ONS's lead measure of inflation.
5. As a result of the work to meet the requirements for CPIH to regain National Statistic status, we published a range of supporting material in late 2016 and early 2017. Early drafts of much of this supporting material were brought to APCP meetings (May and September 2016). These supporting materials are as follows:
 - CPIH Compendium:
<https://www.ons.gov.uk/economy/inflationandpriceindices/articles/cpihcompendium/2016-10-13>
 - Quality Assurance of Administrative Data Used in Consumer Price Inflation Statistics:
<https://www.ons.gov.uk/economy/inflationandpriceindices/methodologies/qualityassuranceofadministrativedatausedincpih>
 - Users and uses of consumer price inflation statistics:
<https://www.ons.gov.uk/economy/inflationandpriceindices/methodologies/consumerpriceinflationincludesall3indicescpihcpiandrpigmi>

- Measures of owner occupiers' housing costs (quarterly):
<https://www.ons.gov.uk/economy/inflationandpriceindices/articles/understandingthedifferentapproachesofmeasuringowneroccupiershousingcosts/apriltojune2019>
 - Private rental growth measures, a UK comparison (quarterly):
<https://www.ons.gov.uk/economy/inflationandpriceindices/articles/comparingmeasuresofprivaterentalgrowthintheuk/julytoseptember2019>
 - Consumer Prices Development Plan:
<https://www.ons.gov.uk/economy/inflationandpriceindices/articles/consumerpricesdevelopmentplan/2016-10-11>
 - Consumer Price Inflation: Quality Management Information:
<https://www.ons.gov.uk/economy/inflationandpriceindices/methodologies/consumerpriceinflationincludesall3indicescpihcpiandrpigmi>
6. The *CPIH Compendium* provides the rationale for our choice of rental equivalence to measure owner occupiers' housing costs, as well as the methodology we use to do so. The Quality Assurance of Administrative Data Sources used in Consumer Price Inflation Statistics provides a risk-based evaluation for all of the data sources used in CPIH (and CPI). *Users and Uses of Consumer Price Inflation Statistics* provides detail on how our different consumer price inflation statistics are used and by whom. *Measures of Owner Occupiers' Housing Costs* and *Private Rental Growth Measures, a UK Comparison* are two ongoing quarterly articles which provide users with a comparison of different approaches and different data sources respectively. The *Consumer Prices Development Plan* is reviewed annually with Advisory Panel members. The *Consumer Price Inflation: Quality Management Information* page acts as a central 'hub' page for all of this information.
 7. It is now over 2 years since CPIH was re-designated as a National Statistic in July 2017. Some of the requirements from the re-assessment report related to ongoing monitoring. These requirements are captured in the two ongoing quarterly articles. The other publications are designed to be standalone documents; however, there is an expectation that these will be updated as required.
 8. We are inviting Panel Members to review the range of CPIH published material and advise what, over the course of the last two or three years, has been useful, and what less so. Panel Members are welcome to share this paper with their teams or colleagues to collate feedback. NOTE: We are not expecting Panel Members to read all the supporting material, as there is several hundred pages of information!

Christopher Payne
Prices Division, Office for National Statistics
December, 2019