
Chair of the UK Statistics Authority, Sir David Norgrove

Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
HM Treasury
(via email)

20 November 2020

Dear Chancellor,

Thank you for your letter of 23 October setting out your conclusions on the timing of changes to the Retail Prices Index (RPI) following the joint consultation between the UK Statistics Authority and HM Treasury.

I am pleased that you acknowledge the statistical case for our proposal. I understand that you have a wider set of issues that you must take into account in making your decision but I regret of course the Government's decision that the method of calculation should not be changed before 2030.

Your letter emphasises the need for certainty on the future of the RPI, something that came up both in the consultation but also in wider engagement with users.

It is UK Statistics Authority policy to address the shortcomings of the RPI in full at the earliest practical time. I have written to the Bank of England about the legislative constraints and enclose a copy of their response. The change we propose can legally and practically be made by the Authority in February 2030.

On this basis I propose that the UK Statistics Authority and HM Treasury work together to announce the outcome of the consultation.

We continue to urge the Government and others to cease to use the RPI. It would be wrong for Government to continue to use a measure of inflation which it itself recognises is not fit for purpose, where it has the opportunity to change.

Yours sincerely,



Sir David Norgrove