

**UK STATISTICS AUTHORITY
ADVISORY PANEL ON CONSUMER PRICES – STAKEHOLDER**

Minutes

**Friday 27 January 2023
Hybrid Meeting**

Members in attendance

Dame Kate Barker (Chair)
Jonathan Camfield (Lane Clark & Peacock)
Matthew Corder (ONS)
Grant Fitzner (ONS)
Richard Gibson (Barnett Waddingham)
Michael Hardie (ONS)
Simon Hayes (Bank of England)
Ashwin Kumar (Manchester Metropolitan University)
Jill Leyland (Royal Statistical Society)
Ian Rowson (Independent Policy Analyst)
Daniela Silcott (Pensions Policy Institute)
James Smith (Resolution Foundation)
Geoff Tily (TUC)
Thomas Yeomans (HMT)

Secretariat

Sofia Poni (ONS)

Presenters

Abi Casey (ONS)
Elin Farley (ONS)
Emily Hopson (ONS)

Observers

David Beckett (ONS)
Joanna Corless (ONS)
Tanya Flower (ONS)
Chris Payne (ONS)

Outstanding Actions

3.	ONS to publish a paper summarising the discussions of the Johnson Review recommendations	Ongoing – complete as part of Panel Annual Report
6.	ONS to produce analysis (of the HCIs) for the three methods of implementing mortgage payments (the current Retail Prices Index (RPI) method, the simple revaluation method and the lender's formula method) with a 20% fall in house prices and a 1% increase in interest rates	Ongoing

12.	The ONS to produce an 'annual' report spanning the period from January 2021 to October 2022.	Ongoing
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Actions from today's meeting

15.	The ONS to publish an update to the Consumer Prices Landscape in the autumn of 2023.	-
16	The ONS to provide a catalogue of alternative data sources if new large sources, for example electronic point of sale data, are unavailable.	-
17	Circulate Jill Leyland and John Astin's paper on the HCIs, to be discussed at the April meeting, alongside Action 6.	-

1. Introductions, apologies, and actions

- 1.1. The Chair welcomed everyone to this Stakeholder Panel meeting. Apologies were received from Mike Keoghan, Jenny King and Christopher Jenkins.
- 1.2. The minutes from the previous Stakeholder Panel meeting (21 October 2022) were approved.
- 1.3. The Chair reminded the ONS of the outstanding Action 6 and asked that this be considered as part of Household Costs Indices (HCI) work.
- 1.4. Geoff Tily raised a concern about the lack of clarity on when the HCIs should be used. Grant Fitzner proposed that the ONS publish an update to the Consumer Prices Landscape in the autumn.

Action: The ONS to publish an update to the Consumer Prices Landscape in the autumn of 2023.

2. Update on Alternative Data Sources and Rents Transformation

- 2.1. Sofia Poni and Elin Farley gave an update on the continuous programme of transformation for consumer prices. They gave an overview of progress and publications over the course of 2022.
- 2.2. In particular, Sofia updated on the progress in testing and quality assurance for rail fares and second-hand cars categories transformation, and noted that the final decision and impact analysis on whether new data and methods for these categories would be included in headline consumer prices statistics from March 2023 would be published on February 7th.
- 2.3. Sofia and Elin also gave an overview of plans for 2023 and the transformation of further categories.
- 2.4. Parts of the following discussion have been redacted due to the market sensitive nature of the subject.

3. Contingency planning for Alternative Data Sources

- 3.1. Michael Hardie outlined the ONS's contingency plan for consumer price inflation statistics if the new large sources, such as retailer scanner data, are unavailable for inclusion in the monthly publication round. Michael explained that this was ONS's high-level approach and would be refined with feedback from the Panel and as the ONS become more experienced in using such data sources.
- 3.2. The Panel welcomed the paper which addressed some of the feedback from the meeting in October 2022. The Panel had no further feedback in the short-term but would like to see the detail of contingency plans in future, including the alternative data sources for each category.

Action: The ONS to provide a catalogue of alternative data sources if new large sources, for example electronic point of sale data, are unavailable.

3.3. The Panel also suggested that this contingency plan is kept under review annually, and that they would like to review and discuss with the ONS the timeline and process for any of the traditional contracts or data feeds changing or stopping.

4. Update on Prices work to support understanding of the impact of inflation on UK households

4.1. Emily Hopson gave an update on upcoming ONS analysis and data that will be published around cost of living.

4.2. Parts of the following discussion have been redacted due to the market sensitive nature of the subject.

5. Update on the development of Household Costs Indices

5.1. Abi Casey gave an update on the progress and plans for the Household Costs Indices (HCIs), where the ONS is now aiming to move from annual to quarterly publication of the HCIs from summer 2023.

5.2. Grant Fitzner updated that the ONS may need to consider the prioritisation of their work over the next two years, and that we will keep the Panel updated on this and seek their feedback.

5.3. The Panel fed back that the HCIs are a key part of this landscape. The Panel will be glad to feed into the prioritisation of work.

5.4. Jill Leyland has co-authored a paper on the HCIs which the ONS and the Panel are invited to review.

Action: Circulate Jill Leyland and John Astin's paper on the HCIs, to be discussed at the April meeting, alongside Action 6.

6. Update on RPI

6.1. Parts of the following discussion have been redacted due to the market sensitive nature of the subject.

7. AOB / Summary

7.1. Matthew Corder flagged the ONS's suspension of publication of PPI in December. Publication had been delayed by a week in January to allow for final checks and regular publication would resume from February.

7.2. David Beckett, the new secretariat for the APCP-S was introduced.

- 7.3. The Chair thanked the Panel members for their contributions to today's meeting and the ONS for their presentations and paper. She requested that even short notes are helpful in advance if the ONS wanted responses from the Panel on particular topics.

The next Panel meeting will take place at 10:30 on 28 April 2023.