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## Chair of the UK Statistics Authority, Sir David Norgrove

Rt Hon Sajid Javid MP Chancellor of the Exchequer (via email)

30 July 2019

## **OFFICIAL SENSITIVE – MARKET SENSITIVE**

Dear Chancellor,

Let me begin by congratulating you on your appointment. I realise you will have many priorities, but I wanted to bring to your attention the Retail Prices Index (RPI) which I am afraid has become rather urgent.

In January, the Lords Economic Affairs Committee published its report on the RPI. This included numerous recommendations for HM Treasury, the UK Statistics Authority and its executive office, the Office for National Statistics. Recognising the market sensitivity, it has always been intended that the response to the Committee would be coordinated between HM Treasury and the Authority.

There has been official level discussion on the best way forward, and the Authority put a formal proposal to your predecessor in March, in line with a procedure specified in legislation. Our proposal remains outstanding, and your predecessor said when I met him in June that this should be an issue for his successor. HM Treasury officials are fully involved so should be ready to advise you.

It is now more than six months since the Committee's report and nearly five months since we made the proposal to your predecessor. During that time, the Chair of the Treasury Committee has lent her support to it and Parliament has recently expressed concern that the response has been so long delayed.

The current situation cannot continue: the issues raised in the report are important and need to be addressed. The UK Statistics Authority Board has decided that we should publish our proposal and reply to the Lords at the earliest practical occasion when Parliament returns from its summer recess in the first week of September.

As this is a market sensitive matter, we will need to consider the appropriate time and day of the week carefully. I suggest our officials continue to discuss and as far as possible agree a coordinated approach.

I and colleagues here are of course happy to discuss further.

Yours sincerely,

Sir David Norgrove