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12 Errol Street
London EC1Y 8LX

020 7638 8998
rss@rss.org.uk
www.rss.org.uk

By email

7 August 2024

Dear Chief Secretary,

We were in touch last month following your appointment to outline some of our relevant work at the Royal Statistical Society, setting out our priorities for how data should be used in government, and to offer our support.

We believe that statistics and data play a crucial role in improving decisions and informing the public.

With this in mind, we are sharing with you our detailed briefing on our recommendation for more granular inflation measures in decision-making, as well as our briefing on the need for assessment of policy proposals to extend beyond their impact on economic growth.

As the cost-of-living crisis continues, it is essential that we have the right inflation measures to capture the impact on different household groups, particularly the most vulnerable. The reliance on the Consumer Prices Index (CPI) is problematic for several reasons which are detailed in the briefing. The new quarterly Household Costs Indices (HCIs) address the issues with the CPI and provide measures that account for different household types, including those on lower incomes, whose expenditure is typically underweighted by the CPI. HCIs have the potential to inform policy and particularly policy targeted at the most vulnerable in society, if produced monthly in the future, by providing greater transparency.

With regards to assessment of policy proposals, we propose adopting a system like New Zealand's Living Standards Framework, which evaluates fiscal policy against a range of measures, in addition to GDP. We would also like to see the ONS's national wellbeing dashboard being used more intentionally to inform policymaking.

We hope you find the briefings helpful. Please let us know if you would like further information or if a member of your team would like to meet to discuss these issues.

Yours sincerely,

Dr. Sarah Cumbers
Chief Executive Officer

Dr. Andrew Garrett
President