

Sir Andrew Dilnot CBE
Chairman
UK Statistics Authority
1 Drummond Gate
LONDON
SW1V 2QQ

9 July 2014

Dear Andrew,

Paul Johnson's Review of Range of Prices Statistics

The Royal Statistical Society (RSS) understands that Paul Johnson is on course to complete his review by the end of the summer. We remain concerned about the transparency of the review process however – you may recall such discussion when we met on 11 March – and I am writing on behalf of the RSS to explore what could be done to ameliorate this problem.

As we all know, this is a topic on which there are widely varying views, some of which are strongly held. Paul will have received many contributions in the course of his review but very few of the representations made and arguments put forward are in the public domain. This includes, importantly, the views of the Treasury, the Bank of England and other government bodies. Public debate and discussion has therefore been very limited.

As we also know, this is a topic on which it is particularly important to achieve some measure of public confidence because price indices used for uprating purposes can have a direct impact on individuals' income and expenditure. It is therefore essential to build consensus as far as possible. At the very least, an understanding and knowledge of the review's positions and arguments need to be built. This requires an opportunity for open discussion and debate. In particular it is crucial not to give the impression that decisions are being taken behind closed doors, a perception which potentially could be highly damaging and undo a large part of the value of Paul's work.

The RSS therefore believes that Paul's report should be subject to a period of open consultation as soon as it is completed and before any decisions are taken. This would give the opportunity for Paul's arguments to be fully and publicly explained and for any contrasting views to be aired. It would also give time for public absorption and understanding of the arguments and for the

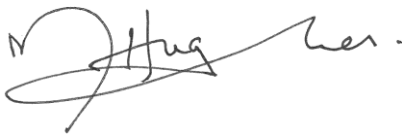


UKSA Board to understand both supporting and any contrasting views. This would help the Board both in the decisions it must take and in deciding what matters to refer to the two Advisory Panels for further investigations.

We appreciate that this could delay matters a little and we are all keen to be able to move forward. But this is an issue where the need to build acceptance and understanding is, in our view, paramount. Of course the RSS would be happy to help in any consultation procedure, for example by hosting meetings or otherwise providing a platform for debate.

I am copying this letter to Paul Johnson, to the National Statistician, John Pullinger, to Jon McGinty, Chair of the RSS Statistics User Forum, and to the Chair of the RPI CPI User Group, Tony Cox.

Kind regards,

A handwritten signature in black ink, appearing to read 'Mike Hughes', with a large, stylized initial 'M' and a long, sweeping underline.

Mike Hughes
Chair RSS National Statistics Advisory Group