
Chair of the UK Statistics Authority, Sir Andrew Dilnot CBE

Tony Cox
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4 November 2014

Dear Tony

REGULATED RAIL FARE INCREASES

Thank you for your letter dated 3 October regarding a press release on regulated rail fare increases published by HM Treasury and the Department for Transport on 7 September.¹ You raised several concerns about the release. I agree that the release could have been worded more precisely, particularly that it should have made clear that references to 'inflation' and any caps on regulated rail fares in 2015 related to the Retail Price Index (RPI) in July 2014, and not to the headline Consumer Price Index (CPI) measure nor to any projections of inflation measures for 2015, which readers might incorrectly have inferred.

It is important to emphasise that the Statistics Authority removed the National Statistics designation from the Retail Prices Index measure in March 2013 following a statutory re-assessment by the Authority, because the formulation of the RPI fails to meet international standards.²

I am told that the Head of Profession for Statistics at HM Treasury has confirmed that Treasury statisticians were not involved in the drafting of this press release. I also understand that since HM Treasury has been made aware of this issue, arrangements have been made to update the press release to make it clear that it refers to 'RPI inflation', although I note that it is not immediately clear from the updated press notice or the Treasury website itself that the press release has been amended since it was first published.

I am copying this to Sir Nicholas Macpherson, Permanent Secretary to HM Treasury, John Pullinger, the National Statistician and Ed Humpherson, the Director General for Regulation at the UK Statistics Authority, and to the Heads of Profession for Statistics at HM Treasury and the Department of Transport respectively, Tom Orford and June Bowman.

Yours sincerely



Sir Andrew Dilnot CBE

¹ <https://www.gov.uk/government/news/government-extends-freeze-on-rail-fares-to-2015>

² <http://www.statisticsauthority.gov.uk/news/statement---retail-prices-index---14-march-2013.pdf>