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**Ed Humpherson, Director General for Regulation**

Tony Dent  
Better Statistics CIC  
(by email)

12 January 2024

Dear Tony,

### **Household Costs Indices**

Thank you for your letter dated 14th December 2023, relating to the publication of the Household Costs Indices (HCIs), and more widely relating to the UK's suite of inflation statistics. I hope you and your colleagues had a good festive break and I wish you all a Happy New Year for 2024.

It is good to hear of strong engagement with these statistics and that the new HCIs received a warm welcome at the Royal Statistical Society/Resolution Foundation event on 12th December.

You highlighted the demand for HCI statistics and asked when National Statistics status may be considered. ONS faces competing priorities and user need following delivering the first quarterly release of these statistics. This includes whether the new HCIs should be published monthly, the timing of the publication and when the statistics should be put forward for formal accreditation (previously referred to as National Statistics badging). My team is having ongoing discussions with the ONS Prices team around these developments, the competing priorities and suitable timing for ONS to seek accreditation for these statistics. We will ensure that we seek your views once we start the assessment to consider accreditation of the HCIs.

In response to your concerns that CPIH is compromised by inadequacies, we would note that there is ongoing debate about the optimal methodology for capturing housing costs, and ongoing work within the ONS to improve the data that is received to capture these costs as fully as possible, both for rents and for owner-occupied housing. From a regulatory perspective, we are aware that the ONS is keen to seek accredited official statistics status for the new private rental series and, by default, the continued accredited statistics status of CPIH. With this in mind, alongside the ongoing debate about how best to capture housing costs, we plan to commence an assessment of the new Price Index of Private Rents and the owner-occupiers housing element of the CPIH in the spring. We will seek your views as part of this assessment.

We are pleased to see the improvements that ONS is making to these statistics and believe that ONS was transparent in publishing the impact analysis of including the new private rental series around the limitations of the previous data and methods, which were the best available data at the time. The latest rents data are more comprehensive and

detailed than the historic data and that, combined with methodology changes, is enabling more robust estimates to be produced around rents.

Thank you again for your correspondence. We look forward to further discussions around UK official statistics in 2024, both relating to inflation and more generally.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ed Humpherson', written in a cursive style.

Ed Humpherson  
Director General for Regulation