Sir David Norgrove  
Chair  
UK Statistics Authority  
1 Drummond Gate  
London  
SW1V 2QQ

5 September 2018

Dear Sir David,

Thank you for your letter, dated 16 July. We welcome the continued engagement of the Office for National Statistics, and the UK Statistics Authority, with our work.

To help inform our inquiry into the use of the retail price index, I write to ask for clarification on your statement that “the Retail Prices Index is not a good measure of inflation, does not have the potential to become one, and we strongly discourage its use”.

Can you explain why the retail price index does not have the potential to become a good measure of inflation? What specific evidence is there, and what work has the UK Statistics Authority undertaken, to establish and demonstrate that the retail price index is beyond repair?

I would be grateful for a response to these questions by 1 October.

Michael

Lord Forsyth of Drumlean  
Chairman of the Economic Affairs Committee