

Article

The cost of living, current and upcoming work: September 2022

A summary of ONS' current and future analytical work related to the cost of living.

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1 . Overview of the cost of living

UK inflation continues to remain at a high level, with the largest upward contributing factor being the rising cost of food. Food and non-alcoholic beverage prices rose by 13.1% in the 12 months to August 2022, up 0.4 percentage points from July and the highest rate since August 2008.

The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 8.6% in the 12 months to August 2022, down from 8.8% in July. The Consumer Prices Index (CPI) rose by 9.9% in the 12 months to August 2022, down from 10.1% in July. More information can be found in our [Consumer price inflation, UK: August 2022 bulletin](#).

Our [The cost of living, current and upcoming work: June 2022 article](#) provided further information about the Office for National Statistics' (ONS') work related to the cost of living. This article provides a further update, outlining our progress since June, as well as our upcoming and new analytical work.

2 . Our current position

Since our June publication, we have continued to provide new analysis on the impact of the rising cost of living to individuals and businesses through a range of different data sources. We have also published our regular suite of statistics which provide insights into the rising inflation.

Over the last three months, we have:

- moved to quarterly publication for Consumer Prices Index including owner occupiers' housing costs (CPIH) by household subgroup estimates, providing insights into the inflation rates for different types of households in the UK on a CPIH-consistent basis, for more information see our [CPIH-consistent inflation rate estimates for UK household groups: April to June 2022 article](#)
- published our [How is inflation affecting your household costs? article](#), which includes an update to the personal inflation calculator to allow users to compare their personal inflation, based on household spending patterns, with headline inflation
- published the [Inflation and the cost of living for UK households, overview: June 2022 article](#) bringing together data to understand the effect inflation has had on different price measures and the impact this has had on consumers and businesses
- published latest estimates of household expenditure on goods and services in our [Family spending in the UK: April 2020 to March 2021 bulletin](#), with breakdowns by age, income, economic status, socio-economic class, household composition and region
- published pooled analysis of the Opinions and Lifestyle Survey (OPN) covering the period March to June 2022, providing further characteristics breakdowns to explore [What actions are people taking because of the rising cost of living?](#)
- published insights into spending patterns by household type in 2020 to 2021 in our recent [Parents more likely to report increases in their cost of living article](#), including comparisons of single and two-parent households using Living Costs and Food Survey data and the Opinions and Lifestyle Survey data
- published analysis of energy spending recorded by businesses in the [Business energy spending: experimental measures from the Office for National Statistics' business surveys article](#), including business energy spending intensity in the Annual Business Survey 2019 and Annual Purchases Survey 2018, by industry, energy type, firm size and distribution, while also comparing these with timelier business survey results
- developed an experimental indicator compiled from multiple sources including card spending data to understand the change in consumer demand given the growing cost of living pressures and consistently high fuel prices: [Behavioural impacts of rising automotive fuel prices on consumer fuel demand, UK: July 2021 to August 2022 article](#); these insights are also provided on a weekly basis through the weekly Economic activity and social change in the UK, real-time indicators bulletin, including average fuel price, total fuel sales and estimated quantity demand per transaction
- published analysis of the redistributive role of taxes and benefits on income and income inequality in our [Effects of taxes and benefits on UK household income](#) bulletin; this includes direct and indirect taxation and benefits received in cash or kind analysed by household type
- begun publishing a regular cost of living newsletter and social media thread, pulling together relevant research and analysis from the ONS and other government departments; if you would like to subscribe, please visit our [sign-up page](#) and select "Cost of living newsletter" under our subscription topics

3 . Upcoming work

Prices transformation: using transaction, scanner, and administrative data

We plan to use data from Auto Trader on second-hand car prices and information from the Rail Delivery Group on rail ticket sales. These data will increase the number of price points we use on second-hand cars from around 35 popular car models at three different ages to around 400,000 car listing prices. It will also increase the number of rail fare price points to 30 million from an aggregated single annual estimate produced by the Office of Rail and Road.

These data will provide insights into the reasons behind changing prices and the potential to better understand trends (for example, by region for rail fares, or by fuel type for cars). We published our [Research and developments in the transformation of UK consumer price statistics: June 2022 article](#) and we will publish experimental statistics in November 2022, ahead of including these data in headline consumer price statistics from 2023.

We are further planning to transform the way we measure prices to understand people's spending patterns in a more detailed and timely manner. For example, working with supermarkets to use scanner (point-of-sale) data. For more information, see our [Transformation of consumer price statistics: April 2022 article](#).

As part of consumer prices transformation, we have been developing web-scraping capabilities. This has allowed us to use web-scraped supermarket data, alongside new and experimental methods, to capture price changes of everyday grocery items in our [Tracking the price of the lowest-cost grocery items, UK, experimental analysis: April 2021 to April 2022](#) article. We plan to update this analysis in Autumn 2022 to include more up-to-date price changes.

Real-time indicators

We will continue to monitor the impacts of rising prices felt by individuals and businesses through our real time surveys: the Opinions and Lifestyle Survey (OPN) and Business Insights and Conditions Survey (BICS). Both surveys provide fortnightly insights on how businesses and individuals are feeling in relation to rising costs and actions they are taking to mitigate these. We review the questions on both surveys regularly to ensure that they are appropriate and useful for our users.

The latest fortnightly estimates from the OPN can be found in our [Public opinions and social trends, Great Britain: 31 August to 11 September 2022 bulletin](#). In particular, see our [Public opinions and social trends, Great Britain: household finances dataset](#).

The latest fortnightly estimates from the BICS can be found in our [Business insights and impact on the UK economy: 22 September 2022 bulletin](#) and [Business insights and impact on the UK economy dataset](#).

We are developing content for an article in October 2022 that will examine characteristics of those most hit by cost of living increases. We will make comparisons with previous detailed OPN analysis in [The rising cost of living and its impact on individuals in Great Britain: November 2021 to March 2022](#) article, [Impact of increased cost of living on adults across Great Britain: November 2021 to March 2022](#) article and [What actions are people taking because of the rising cost of living? \(March to June 2022\)](#)

Income, spending, and wealth

We are making regular developments across the household finances surveys to ensure we are capturing current changes to the cost of living within our annual statistics. This includes capturing the cost of living payments to those receiving certain benefits or tax credits. Work is also ongoing to test the feasibility of producing more frequent subjective indicators from the Survey of Living Conditions.

We continue to use [financial transaction data](#) on card transactions, direct debit and bank transfers to analyse how consumer behaviours and business payments may be changing in response to rising prices and the potential impact on the economy. As these data are supplied and owned by private sector organisations, in many cases they may not be made publicly available. Over the past few months, we have been working closely with our data providers to publish some of these insights into the public domain. We continue to work with our data providers and will look to publish further where appropriate.

Energy

The Office for National Statistics (ONS) completed its [Energy Bills Support Scheme classification](#) review of the Energy Bills Support Scheme (EBSS) and its treatment in consumer price inflation statistics in August 2022. We concluded that payments under the scheme will not affect consumer price inflation. Other more recently announced policy proposals, such as the [Energy Price Guarantee](#), will go through the same ONS procedures to determine their treatment in the national accounts and consumer price inflation statistics.

We continue to monitor the seven-day rolling average for the wholesale gas price using the National Grid's system average price in our weekly faster indicators publication [Economic activity and social change in the UK, real-time indicators: 22 September 2022 article](#). We are also discussing with other government departments the introduction of data feeds to monitor wholesale electricity prices to accompany our existing wholesale gas data feed.

Data collected from BICS and the OPN will continue to provide insights into how rising energy prices affect businesses and individuals and the changes they are making to reduce costs. These will be available in the respective fortnightly publications.

In October 2022, we will publish an update to the [Energy Efficiency of Housing in England and Wales: 2021](#) article which will give indications of the types of main central heating and energy efficiency of housing.

In October 2022, we will also publish analysis looking at energy prices alongside [Rising business insolvencies amid high energy prices](#). This workstream looks at the relationship between the energy crisis and risks of insolvencies.

In November 2022, we plan to publish analysis on the impact of energy price rises on Consumer Prices Index including owner occupiers' housing costs (CPIH)-consistent inflation rate for UK household groups, focusing on inflation between income deciles and tenure types.

In November 2022, we also plan to publish analysis on the recent drivers of food producer price inflation in the UK.

4 . Future Developments

We are hosting a one-day event to discuss how the cost of living is affecting the UK economy and what this means for different households, informed by the range of statistics that the ONS produces. [Conference: Understanding the cost of living through statistics](#), 25 October 2022, 9.30am to 3:00pm. Please register to attend in person in London, or virtually.

The ONS is committed to providing evidence and analysis to central government, devolved administrations, and the public about the impact these factors are having across the population. Through the wide range of data we have available, and developments in how we gather and analyse it, we will continue to ensure our evidence provides clear insights and impacts of the rising cost of living.

We will continue to update on our progress approximately three months from the date of publishing.

5 . Provide feedback

We welcome users' views about ideas for statistics and analysis, identification of gaps, offers of data, and expertise to further develop our work. Please email us at coordination@ons.gov.uk.

6 . Publication schedule for September to December 2022

Regular publications we publish related to the cost of living:

- [Economic activity and social change in the UK, real-time indicators](#) (weekly publication)
- [Public opinions and social trends, Great Britain](#) (fortnightly publication)
- [Business insights and impact on the UK economy](#) (fortnightly publication)
- [Retail sales, Great Britain](#) (monthly publication)
- [Consumer price inflation, UK](#) (monthly publication)
- [Producer price inflation, UK](#) (monthly publication)
- [UK House Price Index](#) (monthly publication)
- [CPIH-consistent inflation rate estimates for UK household groups](#) (quarterly publication)
- [Energy efficiency of housing in England and Wales](#) (annual publication)
- [Private rental affordability, England](#) (annual publication)

Non-regular and ad-hoc publications we publish related to the cost of living:

- [Tracking the price of the lowest-cost grocery items, UK, experimental analysis](#): next edition planned for Autumn 2022 (provisional)