

# Consumer Price Inflation: 2015 Weights

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#### **Overview**

The 'shopping baskets' of items and their associated weights used in compiling the various measures of consumer price inflation are reviewed and updated each year to ensure the indices are representative of consumer spending patterns. This is one of two articles providing commentary to accompany this year's annual update. This article focuses on changes to the weights applied to the items within the baskets. The other article, entitled "Consumer Price Inflation: The 2015 Basket of Goods and Services", focuses on changes to items within the baskets, including new items added and old ones removed.

Published weights for the consumer price inflation statistics reflect the best available understanding of what households spend their money on in the UK at the time they were produced. However, the <u>revisions policy</u> for consumer price statistics means the indices are not usually revised historically<sup>1</sup>. The changes in weights between years may also reflect changes in data sources, methods, and definitions, as well as changes in spending patterns. Therefore, these weights should not be used to analyse trends in consumer spending in the UK over time.

This article is set out as follows. The first section explains the concept of inflation, what is meant by weighting, and lists the four measures of consumer price inflation in the UK. The second section defines the population coverage of the indices and the data sources used to compile the weights. The third section details the aggregation structure used for each of the indices. The fourth section provides some analysis to explain the largest weight changes between 2014 and 2015. The fifth and final section discusses the <a href="UK Statistics Authority's review of consumer price statistics">UK Statistics Authority's review of consumer price statistics</a> which was published in January 2015.

Annex A describes the non-generic methods used and notable exclusions from the weighting framework. Information on RPI pensioner weights is covered in annex B. The different treatment of owner occupiers' housing costs (OOH) for each index is described in annex C. The complete sets of weights up to 2015 for all the indices are provided in the tables in annex D.

<sup>&</sup>lt;sup>1</sup> Revisions to the Owner Occupiers' Housing cost (OOH) component in the experimental CPIH statistic will be included in the Consumer Price Inflation release on 24 March 2015. This has presented ONS with a one-time opportunity to also revise the OOH weight in CPIH so that it is aligned with historical National Accounts estimates. Further details can be found in ONS article Revising the weight of Owner Occupiers' Housing in CPIH published on the 17 February 2015

#### **Background**

#### What is inflation?

Consumer price inflation is the speed at which the prices of goods and services bought by households rise or fall. Consumer price inflation is estimated by using price indices. One way to understand a price index is to think of a very large shopping basket<sup>2</sup> containing all the goods and services bought by households. The price index estimates changes to the total cost of this basket within years, by calculating an average of the price changes of the items in it. At the beginning of each year the items within the basket, and the relative weight they hold, are updated using the latest available information on household spending.

#### What is meant by weighting?

Some items are more important than others in terms of their share of household expenditure. We would therefore expect price increases for certain items to have a larger impact on the overall change in the cost of the basket than others. Representative weights are applied to each item in the basket based on the proportion of household expenditure spent on them.

By way of an example, let's say that on average, households spend about five times as much on fruit as they do on postal services. A five per cent increase in the price of fruit would have five times as much effect on the total cost of the basket when compared to a five per cent increase in postal charges.

Annual updates to the weights are necessary to ensure that the consumer price inflation indices remain representative of current household expenditure patterns. In addition, weights also need to be updated to reflect the introduction of new items and the removal of old ones.

#### What are the measures of consumer price inflation?

- Consumer Prices Index (CPI) a measure produced to international standards and in line with European regulations.
- CPIH an index introduced in March 2013 that includes owner occupiers' housing costs (OOH). These are the costs of housing services associated with owning, maintaining, and living in one's own home. OOH does not include costs such as utility bills, or minor repairs and maintenance, which are already included in the index. The National Statistics status of CPIH has been discontinued pending work by ONS to investigate and improve the method for measuring owner occupiers' housing costs in this index. Full details can be found on the UK Statistics Authority website and an explanatory note on the ONS website. The improvements will be introduced as part of the 2015 annual update of consumer price indices published on 24 March 2015, with the historical series revised back to 2005.
- Retail Prices Index (RPI) a long-standing measure of UK inflation that has been used for a
  wide range of purposes. In accordance with the Statistics and Registration Service Act 2007,
  the Retail Prices Index and its derivatives were assessed against the Code of Practice for
  Official Statistics in 2013 and were found to not meet the required standard for designation as
  National Statistics. The <u>full assessment</u> report can be found on the UK Statistics Authority
  website.

<sup>&</sup>lt;sup>2</sup> In reality there are three inflation baskets: for the CPI, CPIH and a basket used by both RPI and RPIJ.

• RPIJ – a variant of the Retail Prices Index calculated using formulae that meet international standards. The same weights are used to produce the RPI and RPIJ.

#### Population coverage and data sources

Expenditure weights are designed to reflect the expenditure patterns of the target population of households covered by the index. The CPI/CPIH and RPI/RPIJ have different target populations and therefore have different expenditure weights. In addition; the CPI/CPIH and RPI/RPIJ weights are based on different sources of expenditure data.

#### **CPI and CPIH**

The CPI and CPIH cover all expenditure within the UK by:

- Private households
- Residents of institutional households such as university halls of residence or nursing homes
- · Visitors to the UK from abroad

Information on spending patterns, which underlie the CPI and CPIH weights, largely come from the Household Final Consumption Expenditure (HHFCE) component of the UK National Accounts (Blue Book). This data is used because the expenditure information is comprehensive, and balanced against data collected in other sectors of the economy<sup>3</sup> to create the most accurate picture of aggregate consumer spending. As a result, data are often revised at a later date when more accurate information becomes available. However, this is preferable to using a single data source, often with fewer revisions, as is the case in the RPI and RPIJ, because it leads to more accurate information and fewer sampling variability issues.

For the 2015 weights, the information about spending patterns was obtained from the latest available data from Blue Book 2014 relating to the calendar year 2013. As this information lags two years behind, spending on each product group is uprated to reflect price movements using information from the CPI. The uprating factor is calculated by dividing the latest December CPI month index by the annual average index of the weights reference period. For example, for the calculation of the 2015 weights in January 2015, the December 2014 index is divided by the average index of 2013. These data are uprated to December 2014 using movements in the CPI.

#### **RPI and RPIJ**

The expenditure data underlying the RPI weights<sup>4</sup> is based on the spending of private UK based households only and excludes:

- The top 4% of households by income
- Pensioner households (where the head of the household is retired and economically inactive and where at least three-quarters of the household income is derived from state benefits).

Information on spending patterns underlying the RPI weights is predominately sourced direct from the Living Costs and Food Survey (LCF). The LCF is a continuous household survey which monitors the spending patterns of over 5,000 households (from an issued sample of approximately

<sup>&</sup>lt;sup>3</sup> For example household and business surveys are balanced against each other to form a GDP estimate.

<sup>&</sup>lt;sup>4</sup> References to RPI weights also apply to RPIJ weights which are identical.

11,500) across the country each year. From this survey, the changing pattern of household spending can be monitored at regular intervals. The LCF is also one of the major inputs into the household expenditure component of the UK National Accounts. While the LCF is the primary source of the item weights a number of other sources are also used, these include a variety of market research data, National Accounts data, and other government sources.

For the 2015 weights, the information about spending patterns for most sections was obtained from the latest available data from the LCF which covers the period July 2013 to June 2014. These are then uprated to January 2015 using movements in the RPI.

#### **Aggregation Structure**

The CPI and CPIH are classified according to COICOP (Classification Of Individual COnsumption by Purpose). This is the international classification of household expenditure and it is used by both the National Accounts and the LCF.

The RPI and RPIJ use a bespoke classification system which has evolved over time following the recommendations of various RPI Advisory Committees.

#### Item weights

There are approximately 700 items included in the basket of goods and services, each of which is given its own individual weight. These item level weights represent the proportion of household expenditure spent on that item in comparison to the other items in the basket. An example of an item would be "Large Loaf, white, unsliced". For some items, price movements may differ markedly by region or type of outlet. In these cases stratification by region and/or shop type is used to improve estimates of price change.

Central shop weights reflect the market share of certain large chain stores (such as supermarkets). These chain stores are designated as "regional" or "central" shops. If a chain is designated as "regional", price quotes are collected from one store per region, while for "central" shops; price quotes from a single store or the internet represent the whole country. As only one price quote will be collected for the region or the whole country this means that such shops would be underrepresented relative to the market share they hold. This is adjusted for by using shop replication factors. These essentially create copies of the prices collected from the regional and central shops to counteract their under representation in the sample.

#### **Class/Section Weights**

Each item belongs to a CPI/CPIH 'class' or a RPI/RPIJ 'section'. Classes and sections comprise of a group of similar or related goods or services items. They represent the lowest level of aggregation for which LCF and National Accounts expenditure weights can be reliably and consistently estimated, and therefore published. For example, expenditures on alcoholic beverages, such as lager, bitter, stout, and craft beer form the 'beer' class of CPI/CPIH and the 'beer off sales' section of RPI/RPIJ. In total, weights are produced for 85 classes in the CPI (86 in CPIH due to the inclusion of OOH) and 85 sections in RPI/RPIJ. Both class and section weights are calculated as parts per thousand (ppt).

#### **Division/Group Weights**

Each 'class' then belongs to a CPI/CPIH 'division' and each 'section' belongs to an RPI/RPIJ 'group'. There are 12 'divisions' that make up the CPI/CPIH and 14 'groups' that make up the RPI/RPIJ.

Figure 1 below shows the aggregation structure in detail.

Figure 1: Weighting structure CPI/CPIH and RPI/RPIJ

RPI/RPIJ		CPI/CPIH
	Raw Data	
Central Shop Weights		Central Shop Weights
Stratum Weights		Stratum Weights
RPI/RPIJ Item Weights		CPI/CPIH Item Weights
Published Section Weights		Published Class Weights (Classified by COICOP)
Published RPI/RPIJ Group Weights		Published Division Weights (Classified by COICOP)
RPI/RPIJ All Items	-	CPI/CPIH All Items

#### Weight changes between 2014 and 2015

The tables in Annex D present CPI weights (down to class level) from 2005 onwards (table W1) and CPIH weights from 2005 onwards (table W3). RPI weights (which are also RPIJ weights) are also presented in Annex D (table W2) from 2000 onwards down to the section level.

These published weights reflect the best available understanding of what households spent their money on at the time they were produced. Differences in the weights between years can reflect changes in data sources, methods and definitions, as well as changes in spending patterns. Therefore, these weights should not be used to analyse trends in consumer spending in the UK over time. For users wishing to compare consumer spending over time, the source data used in the calculation of the weights is available in the <a href="National Accounts Blue Book">National Accounts Blue Book</a> for CPI and CPIH and the Living Costs and Food Survey for the RPI and RPIJ.

This section considers the largest weight changes between 2014 and 2015 and explains the reasons for these changes. For CPI and CPIH this includes changes greater than +/-3 ppt, and, for the RPI, changes greater than +/-3 ppt and +/-10%. In many cases, these changes do not reflect true changes in spending patterns; rather they capture changes in data sources, methods, and/or definitions in the source data used to calculate the weights.

This section also considers differences in weights between the CPI and RPI. Due to the conceptual differences between the CPI and RPI, it is not always straightforward to reconcile differences in weights between the two indices at a point in time, or to reconcile changes from one year and the next. These differences include population and commodity coverage, the different classification systems employed, and the differences in source data underlying both sets of weights.

#### **CPI** division level weights

CPI division level weights for 2014 and 2015, and the difference between the two years, is presented in figure 2 below.

Figure 2: CPI division level weights – 2014 to 2015

CPI Division	2014 Weight (parts per thousand)	2015 Weight (parts per thousand)	Difference (parts per thousand)	Per cent change
01. Food and Non- Alcoholic Beverages	112	110	-2	-1.8
02. Alcoholic Beverages and Tobacco	45	43	-2	-4.4
03. Clothing and Footwear	72	70	-2	-2.8
04. Housing, Water, Electricity, Gas and Other Fuels	129	128	-1	-0.8
05. Furniture, Household Equipment and Maintenance	60	59	-1	-1.7

06. Health	24	25	1	4.2
07. Transport	152	149	-3	-2.0
08. Communication	32	31	-1	-3.1
09. Recreation & Culture	144	147	3	2.1
10. Education	22	26	4	18.2
11. Restaurants & Hotels	120	121	1	0.8
12. Miscellaneous Goods and Services	88	91	3	3.4
Total	1000	1000		

The **Education** division increased in weight between the two years by 4ppt, from 22ppt to 26ppt. This means spending on education represents 2.6% of all spend in the CPI in 2015, as opposed to 2.2% in 2014. The education division is comprised of the following sub groups in the national accounts:

- Pre-primary, primary and secondary education
- Post secondary, non tertiary education
- Tertiary education

The weight change in the education division has been driven by the "Tertiary education" sub group – spending on university tuition fees. The reason for the weight change in this subgroup is described in the "CPI class level weights" section below.

#### **CPI class level weights**

Between 2014 and 2015, there were three classes in the CPI that changed by more than +/-3 ppt. The classes, and the reasons for the changes, are described below.

The class **Second Hand Cars** decreased by 4ppt between 2014 and 2015, moving the class back to its 2013 expenditure level. The change in weights between 2014 and 2015 was due to revisions in Annual Business Survey<sup>5</sup> data taken on in Blue Book 2014 (used to calculate 2015 weights). The new data revised the expenditure levels down for the class "Second hand cars" in recent years. However, as revisions to previous years expenditure data are not taken for CPI weights, the change has resulted in a decrease in expenditure shares between 2014 and 2015 for the class. If the revisions were taken on historically, there would have been a 2% increase in expenditure on second hand cars (from £12.7bn to £13.0bn), which would have resulted in the 2014 weight being in line with the 2015 weight.

<sup>&</sup>lt;sup>5</sup> The Annual Business Survey is the main structural business survey conducted by Office for National Statistics (ONS). More information regarding the survey can be found here

#### **Second Hand Cars expenditure 2014-15**

Expenditure data for the CPI weight (£bn)			Change in expenditure data between 2014 and 2015		
2014	2014 (revised)	2015	No revisions	If revisions were taken on	
15.1	12.7	13.0	-13.9%	+2.4%	

The movement in this class has been compared with the RPI in the section "RPI weights" within this article.

**Tertiary Education**, the sub group responsible for increasing expenditure in the Education division, increased by 5ppt. The change is a result of updated balancing of HHFCE estimates against new data collected for the Non-Profit Institutions Serving Households (NPISH) sector. This process is known as supply and use balancing within the National Accounts. More information on how the revisions have affected HHFCE estimates in Blue Book 2014 is available in the <a href="Improvements to Household Expenditure Estimates">Improvements to Household Expenditure Estimates</a> article published in September 2014.

#### **Tertiary Education expenditure 2014-15**

Expenditure data for the CPI weight (£bn)			Change in expenditure data between 2014 and 2015		
2014	2014 (revised)	2015	No revisions	If revisions were taken on	
8.2	10.3	12.6	+53.7%	+22.3%	

Direct comparisons cannot be made to the RPI. This is because supply and use balancing is a process specific to the National Accounts, which makes the data used in the CPI weights more accurate. As the increase is down to revisions in the data source a similar movement would not be expected in the equivalent RPI weights, which use a different data source – the LCF. Furthermore, the RPI does not account for spending by overseas residents studying in the UK, whereas the CPI does. This difference in coverage will cause the weights between the two indices to be different as they are measuring different expenditure levels.

The class **Other Financial Services** decreased by 5ppt. The class is made up of the following three components:

- Banking and Finance
- Share Dealing
- Currency Exchange

The decrease in the expenditure share for the class is driven mainly by the item "Banking and Finance" which has decreased 3ppt from a weight of 12ppt in 2014 to 9ppt in 2015. This decrease was driven by revisions, falling consumer expenditure, and to a lesser extent a fall in the uprating factor of 4%:

#### **Banking and Finance expenditure 2014-15**

Expenditure data for the CPI weight (£bn)			Change in expenditure data between 2014 and 2015		
2014	2014 (revised)	2015	No revisions	If revisions were taken on	
9.7	8.5	7.9	-18.6%	-7.1%	

<sup>&</sup>quot;Share Dealing" also saw a decrease of 2ppt due to a fall in consumer expenditure. There was no change in the weight for "Currency Exchange".

Within the RPI, there is no comparable section. Various types of banking charges are part of the section *"Fees & Subscriptions"*. However, many items make up this RPI section, most of which are not related to banking and finance, share dealing, or currency exchange.

#### **CPIH Division level weights**

As CPIH weights are based on the same data source as the CPI weights, with one additional class: 40200 – Imputed Rentals, the movements are in line with the CPI weight changes. Therefore, the reasons for the changes are identical to the reasons provided for the CPI. Figure 3 below summarises the weight changes in CPIH at the division level between 2014 and 2015.

It should be noted that revisions have been made to CPIH during the past year and the comparisons made between the two years reflect the revised weights. Details behind the revision are provided in the article Revising the weight of Owner Occupiers' Housing in CPIH published by ONS on the 17 February 2015.

Figure 3: CPIH division level weights – 2014 to 2015

CPIH Division	2014 Weight (parts per thousand)	2015 Weight (parts per thousand)	Difference (parts per thousand)	Per cent change
01. Food and Non- Alcoholic Beverages	92	90	-2	-2.2
02. Alcoholic Beverages and Tobacco	36	35	-1	-2.8
03. Clothing and Footwear	59	58	-1	-1.7
04. Housing, Water, Electricity, Gas and Other Fuels	287	284	-3	-1.0
05. Furniture, Household Equipment and Maintenance	49	49	0	-
06. Health	19	20	1	5.3

07. Transport	124	124	0	-
08. Communication	25	25	0	-
09. Recreation & Culture	119	118	-1	-0.8
10. Education	18	22	4	22.2
11. Restaurants & Hotels	99	99	0	-
12. Miscellaneous Goods and Services	73	76	3	4.1
Total	1000	1000		

#### **CPIH Class level weights**

As with CPIH Division level weights, the CPIH class level weights have moved in the same way as the CPI class level weights, therefore no further explanation of the reasons for the larger weight changes is needed.

#### **RPI & RPIJ Group level weights**

RPI weights for 2014 and 2015 are presented in figure 4. RPI group, **Leisure Services** increased by 7ppt which was entirely driven by an increase in expenditure in the section "Foreign holidays". More detail is provided in the next section below regarding the reasons why the weight for "Foreign Holidays" section has increased.

Figure 4: RPI Group Weights – 2014 to 2015

RPI/RPIJ Group	2014 Weight (parts per thousand)	2015 Weight (parts per thousand)	Difference (parts per thousand)	% Change
Food	114	109	-5	-4.4
Catering	47	47	0	-
Alcoholic Drink	58	56	-2	-3.5
Tobacco	29	27	-2	-6.9
Housing	253	263	10	4.0
Fuel and Light	48	45	-3	-6.3
Household Goods	61	59	-2	-3.3

Household Services	62	65	3	4.8
Clothing and Footwear	45	42	-3	-6.7
Personal Goods and Services	40	41	1	2.5
Motoring Expenditure	120	115	-5	-4.2
Fares and Other Travel Costs	22	25	3	13.6
Leisure Goods	30	28	-2	-6.7
Leisure Services	71	78	7	9.9
Total	1000	1000		

#### **RPI/RPIJ Section level weights**

There were five classes that changed by more than +/-3 ppt and more than or equal to 10% between 2014 and 2015.

**House Depreciation** saw an increase of 15ppt from 2014. The reason for the large increase is due to revisions made to National Accounts data<sup>6</sup> in recent years. The revisions are explained in detail in the ONS article Methodological changes to the estimation of capital stocks and consumption of fixed capital. In summary, the changes are a result of source data revisions and the introduction of new methodology. The result of the changes was the raising of the depreciation rate. This new rate was then applied to the previous year's average house price, excluding land, to arrive at a final cost for depreciation for use in the 2015 weights calculations. This was £41.10 per week (increasing from £31.53 per week in 2014).

House depreciation is not included in the CPI and CPIH. The differences in the treatment of owner occupiers' housing costs are explained in annex C.

The section **Petrol and Oil** decreased 8ppt between 2014 and 2015. The primary cause of this was a decline in the uprating factor by 15% because of the recent drop in the price of oil.

In the CPI, the item "Petrol and Oil" is combined with "Engine Oil" to form the class "Fuel and Lubricants". Engine Oil only makes up a small part of the CPI class, around 1%, so an approximate comparison can be made. The 2015 CPI weight for "Fuel and Lubricants" also fell, albeit to a much lesser extent than the fall in RPI "Petrol and Oil" section<sup>7</sup>. As with the RPI, the decrease in the weight was caused by a fall in the uprating factor, which declined by 10%. However, this was offset by an increase in expenditure in the class, driven by revisions in the underlying National Accounts data.

<sup>&</sup>lt;sup>6</sup> Housing Depreciation is one of the few cases where RPI weights are calculated using National Accounts data

<sup>&</sup>lt;sup>7</sup> The fall was 1ppt from 35ppt to 34ppt

#### **Fuels and Lubricants expenditure 2014-15**

Expenditure data for the CPI weight (£bn)			Change in expenditure data between 2014 and 2015		
2014	2014 (revised)	2015	No revisions	If revisions were taken on	
30.8	35.7	34.0	+10.4%	-4.8%	

Expenditure used to calculate the 2014 weight was £30.8bn and in 2015 this was £34.0bn. National Accounts data for 2014 was revised from £30.8bn to £35.7bn, bringing it in more in line with 2015 data of £34.0bn. If revisions were taken on, household expenditure would have therefore actually decreased by 5% between 2014 and 2015 for the class, rather than increasing by 10%. This would have made the 2014 weight 41ppt (instead of 35ppt), therefore showing a decrease in the expenditure weight between the two years of 7ppt, bringing it broadly in line with the RPI decrease of 8ppt between the two years.

The revisions to the National Accounts that have affected the expenditure data used in calculating the CPI and CPIH weights are explained in detail in the <a href="Improvements to Household Expenditure Estimates">Improvements to Household Expenditure Estimates</a> article published in September 2014. To summarise, ONS receives quarterly data on total sales of motor fuel from the Department for Environment and Climate Change (DECC). Data from DECC include both expenditure by consumers (HHFCE) and spending by business. To estimate the HHFCE portion, ratios derived from the LCF are applied to the totals from DECC. For Blue Book 2014, the LCF based ratios have been updated up to 2013. The ratios had previously been left unchanged since 2008. This improvement has caused upward revisions to current price annual levels and growth rates from 2008 onwards.

**Foreign Holidays** have increased 7ppt from 34ppt to 41ppt due to an estimated increase in average weekly household expenditure of 27%, as reported by the LCF.

Within the CPI, foreign and UK holidays are combined to form the Package Holidays class. Package Holidays for CPI increased by 1ppt from 32ppt in 2014 to 33ppt in 2015. The reason why the CPI does not show a movement of the same magnitude is due to the fact that foreign holidays only make up part of the Package Holiday class, it is not possible to make a direct comparison to foreign holidays in RPI/RPIJ.

The **Purchase of Motor Vehicles** section has increased 6ppt from 36ppt to 42ppt and is almost entirely due to an increase in estimated average weekly household expenditure of 16% as reported by the LCF.

The CPI weight change between 2014 and 2015 for the purchase of motor vehicles is -3ppt. The CPI has separate weights for new and second hand cars. To allow for a comparison to RPI/RPIJ, the two have been combined to give a weight of 41ppt in 2014 and 38ppt in 2015, an overall change of -3ppt, in total contrast to the RPI's positive weight change of +6ppt.

Looking in more detail, it is clear that the change in the weight for second hand cars is driving the combined difference between the RPI and CPI weight change, with a 4ppt decrease (from 18ppt in

2014 to 14ppt in 2015). As was mentioned in the CPI class section, the reason for the change in weights over the years is due to changes in household expenditure - new Annual Business Survey data was taken on for Blue Book 2014, which revised the data downwards significantly. For more detail see the second hand cars section of the CPI class weights.

The **Other Travel Costs** section has increased by 4ppt from 11ppt in 2014 to 15ppt in 2015. The increase is due mainly to a 32% increase in average weekly household expenditure, as reported by the LCF. This is coupled with a 2% increase in the RPI uprating factor.

There is no direct comparison for RPI 'Other Travel Costs' with the CPI.

#### **Review of the range of Consumer Prices Statistics**

In January 2015 the <u>UK Statistics Authority's review of consumer price statistics</u> was published. The review considered what changes are needed to the range of consumer price statistics produced for the UK to best meet current and future user needs. The review was led by Paul Johnson, Director of the Institute for Fiscal Studies.

As part of this article, commentary that accompanies the weights tables has been improved to address recommendation 16 from the review<sup>8</sup>. In addition, this article has been published to coincide with the timing of the weights change in the indices.

<sup>&</sup>lt;sup>8</sup> Recommendation 16: ONS should improve its commentary on the weights tables that accompany the RPI and CPIH, so that it explains why weights differ and/or move in different directions in the RPI and CPIH. ONS should aim to publish the annual article on the updated weights at the time the weights change.

Further information about the construction of the weights can be obtained from:

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Results of the LCF are published in the annual report, "Family Spending". For further information, please contact:

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#### Annex A: Non-generic methods and notable exclusions

#### **Consumer Price Index and CPIH**

For insurance, a 'net' concept is used in the construction of the weights. The expenditure used to calculate the weight for insurance relates only to the 'service charge' element of insurance premiums paid. The remainder of the premiums paid represent 'claims paid out'; this expenditure is redistributed to the appropriate COICOP classes. For example, expenditure on car repairs following an accident which is reimbursed by the insurance company is allocated to the 'maintenance and repairs of personal transport equipment' class. To avoid the possibility of 'negative' weights in years where claims expenditure exceeds premiums paid, a three year average of National Accounts data are used. The 'net' concept also applies to the treatment of second hand cars.

#### **Retail Price Index and RPIJ**

Sections covering expenditure on furniture and repairs & maintenance charges use a three year average of LCF data. This is because of the large sampling errors that can arise from a single year's data for these expenditure categories.

Some sections are known to under-record the actual expenditure in the LCF and are required to be adjusted. Appropriate adjustments are made to soft drinks, confectionery, alcoholic drinks, and tobacco products using the Household Final Consumption Expenditure (HHFCE) component of the National Accounts, which is derived from a variety of sources. In common with National Accounts, the weights used for alcohol and tobacco products include estimates of household expenditure on smuggled alcohol and tobacco.

Weights for the costs of owner-occupation, comprising mortgage interest payments and depreciation, are not based on LCF expenditure data. The weight for depreciation is calculated using National Accounts data to estimate a rate of depreciation for household sector dwellings, which is applied to the average house price, excluding land, to give a notional annual cost of depreciation. The weight for mortgage interest payments is based on a modelled mortgage incorporating both repayment and endowment components over an average 23 year term. Each of these is updated annually and expressed in terms of average weekly expenditure.

#### **Annex B: RPI Pensioner Weights**

Pensioners are largely dependent on benefits and so tend to have different spending patterns when compared to the remainder of the population. Specific indices have been compiled for these households since 1968 (separately for one and two person pensioner households using RPI sources and concepts). These specific indices differ from the 'general' CPI and RPI in that they are published quarterly rather than monthly. They exclude housing costs because of measurement problems due to a lack of reliable and relevant data, as well as certain other items such as canteen meals which have negligible expenditure levels.

Due to the smaller LCF sample size, all pensioner weights are based on the last three years of available expenditure data (mid-2011 to mid-2014 for the 2015 weights), with all expenditures uprated to January 2015 prices. The very small sample sizes at 'section' level often gives rise to volatility of these weights between one year and the next. The pensioner indices in previous years have been published with this article, however due to earlier publication this year pensioner indices will follow as a separate release on the 14 April 2015<sup>9</sup>. RPIJ based pensioner indices are not produced.

<sup>&</sup>lt;sup>9</sup> The pensioner weights were added to this article on the 14 April 2015 and can be found in tables W4 and W5

### Annex C: Treatment of owner occupiers' housing costs (OOH) in the different indices

CPI does not include OOH costs. This is due to the fact that they are currently excluded from the EU regulations that define the CPI, because of the difficulties in measuring them.

CPIH treats OOH costs using the rental equivalence method. This method states that a house is capital good that is not itself consumed; instead, it provides a service that the owner occupier consumes. The rental equivalence approach argues that people who own their home can either live in it or rent it out. Therefore, the rent the owner occupier could have received is a measure of how much these services are worth. Internationally, rental equivalence is the most widely-used method for estimating owner occupiers' housing costs. Council tax is not included in CPIH

The RPI treats OOH costs largely using the payments approach. This is defined as looking at what households pay out as owner occupiers. This includes:

- Mortgage interest payments (MIPS)
- Running costs (such as repairs and maintenance and insurance)
- Transaction costs such as estate agency fees and conveyancing

The RPI also includes council tax and a measure for estimating depreciation. This is achieved by estimating the amount of money households should put aside for necessary major repairs and updating in order to maintain the value of the property.

parts per 1000

											parts pe	er 1000
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
CPI (overall index)	CHZQ	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000
01 Food and non-alcoholic beverages	CHZR	106	102	103	109	118	108	118	112	106	112	110
02 Alcoholic beverages and tobacco	CHZS	46	44	43	42	44	40	42	42	44	45	43
03 Clothing and footwear	CHZT	63	65	62	63	57	56	62	65	68	72	70
04 Housing, water, electricity, gas and other fuels 05 Furniture, household equipment and maintenance	CHZU CHZV	105 65	108 73	115 68	115 67	126 66	129 64	129 61	144 61	137 59	129 60	128 59
05 Furniture, nousenoid equipment and maintenance	CHZV	24	73 24	24	22	22	22	24	24	25	24	25
07 Transport	CHZX	148	155	152	152	151	164	159	162	148	152	149
08 Communication	CHZY	25	25	24	23	23	25	26	27	31	32	3
09 Recreation and culture	CHZZ	151	147	153	152	145	150	147	134	141	144	147
10 Education	CJUU	17	17	18	19	21	19	18	19	21	22	26
<ul><li>11 Restaurants and hotels</li><li>12 Miscellaneous goods and services</li></ul>	CJUW	139 111	134 106	138 100	137 99	128 99	126 97	120 94	114 96	117 103	120 88	12 <sup>-</sup>
All goods	ICVH	536	554	547	547	554	549	561	555	534	540	532
All services	ICVI	464	446	453	453	446	451	439	445	466	460	468
01.1 Food	CJUX	93	90	90	95	104	96	103	98	93	99	97
01.1.1 Bread and cereals	CJWB	15	15	15	16	17	16	17	17	16	17	16
01.1.2 Meat	CJWC	23 4	21 4	21 4	21 5	23 5	22 4	22 4	22 4	21 4	22 4	22
01.1.3 Fish 01.1.4 Milk, cheese and eggs	CJWD CJWE	13	13	12	14	15	14	15	14	13	14	14
01.1.5 Oils and fats	CJWE	2	2	2	2	2	2	2	2	2	2	2
01.1.6 Fruit	CJWG	8	8	9	9	10	9	12	9	9	10	10
01.1.7 Vegetables including potatoes and tubers	CJWH	14	14	14	15	16	15	16	15	14	15	14
01.1.8 Sugar, jam, syrups, chocolate and confectionery	CJWI	12	11	11	11	13	11	12	12	11	12	12
01.1.9 Food products (nec)	CJWJ	2	2	2	2	3	3	3	3	3	3	3
01.2 Non-alcoholic beverages	CJUY	13	12	13	14	14	12	15	14	13	13	13
01.2.1 Coffee, tea and cocoa	CJWK	3	3	3	3	4	3	4	4	3	3	3
01.2.2 Mineral waters, soft drinks and juices	CJWL	10	9	10	11	10	9	11	10	10	10	10
02.1 Alcoholic beverages	CJUZ	20	18	18	18	21	18	19	18	20	20	19
02.1.1 Spirits	CJWM	5	5	5	5	6	5	5	5	6	6	5
02.1.2 Wine 02.1.3 Beer	CJWN CJWO	10 5	9 4	9 4	9 4	10 5	9 4	9 5	9 4	9 5	9 5	9 5
02.2 Tobacco	СЈWР	26	26	25	24	23	22	23	24	24	25	24
03.1 Clothing	CJVA	54	56	54	55	48	47	54	56	59	62	60
03.1.2 Garments	CJWR	51	52	50	51	44	43	49	52	54	55	54
03.1.3 Other clothing and clothing accessories	CJWS	2	3	3	3	3	3	4	3	4	6	5
03.1.4 Cleaning, repair and hire of clothing	CJWT	1	1	1	1	1	1	1	1	1	1	1
03.2 Footwear including repairs	CJVB	9	9	8	8	9	9	8	9	9	10	10
04.1 Actual rentals for housing	CJVC	47	47	49	51	51	54	57	64	62	70	72
04.3 Regular maintenance and repair of the dwelling	CJVD	20	19	17	18	18	17	18	14	16	2	2
04.3.1 Materials for maintenance and repair 04.3.2 Services for maintenance and repair	CJMA CJMA	12 8	11 8	10 7	10 8	10 8	10 7	11 7	8 6	9 7	1 1	1 1
04.4 Water supply and misc. services for the dwelling	CJVE	10	10	10	11	11	11	10	10	11	12	12
04.4.1 Water supply 04.4.3 Sewerage collection	CJWW CJWW	5 5	5 5	5 5	5 6	5 6	5 6	5 5	5 5	6 5	6 6	6
· ·												
04.5 Electricity, gas and other fuels 04.5.1 Electricity	CJVF	28 14	32 15	39 19	35 17	46 20	47 19	44 19	56 20	48 19	45 21	42 20
04.5.2 Gas	CJXA CJXB	12	14	18	15	23	25	22	32	26	21	20
04.5.3 Liquid fuels	CJXC	1	2	10	2	23	23	2	32	20	2	1
04.5.4 Solid fuels	CJXD	1	1	1	1	1	1	1	1	1	1	1
05.1 Furniture, furnishings and carpets	CJVG	25	32	28	28	28	25	23	20	20	21	21
05.1.1 Furniture and furnishings	CJXF	19	25	22	22	21	19	18	16	16	16	15
05.1.2 Carpets and other floor coverings	CJXG	6	7	6	6	7	6	5	4	4	5	6
05.2 Household textiles	CJVH	8	8	8	8	7	8	8	7	8	7	6
05.3 Household appliances, fitting and repairs	CJVI	8	9	8	9	9	9	9	9	9	9	8
05.3.1/2 Major appliances and small electric goods 05.3.3 Repair of household appliances	CJXI CJXJ	7 1	8 1	7 1	8 1	8 1	8 1	8 1	8 1	8 1	8 1	7 1
05.4 Glassware, tableware and household utensils	CJXJ	8	7	7	7	5	6	5	5	5	6	6
05.5 Tools and equipment for house and garden	CJVK	6	6	6	5	6	7	6	5	4	4	5
05.6 Goods and services for routine maintenance	CJVL	10	11	11	10	11	9	10	15	13	13	13
05.6.1 Non-durable household goods 05.6.2 Domestic services and household services	CJXL CJXK	5 5	5 6	5 6	5 5	6 5	5 4	6 4	6 9	5 8	5 8	5
06.1 Medical products, appliances and equipment	JKWO	12	11	10	10	10	10	11	10	10	10	12
06.1.1 Pharmaceutical products	CJYA	6	5	5	5	6	6	6	6	6	6	7
06.1.2/3 Other medical and therapeutic equipment	CJYH	6	6	5	5	4	4	5	4	4	4	5

Key: - not available (nec) not elsewhere classified

<sup>1</sup> Prior to 10 December 2003, the consumer prices index (CPI) was published in the UK as the harmonised index of consumer prices (HICP).

parts per 1000

ontinued										p	arts pe	r 1000
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
06.2 Out-patient services(Dec 1999=100)	ICVJ	4	4	5	4	4	4	4	5	6	6	5
06.2.1/3 Medical services & paramedical services (Dec 1999=100)	ICVS	2	2	3	2	2	2	2	3	3	3	3
06.2.2 Dental services (Dec 1999=100)	ICVL	2	2	2	2	2	2	2	2	3	3	2
06.3 Hospital services (Dec 2000=100)	ICVM	8	9	9	8	8	8	9	9	9	8	8
07.1 Purchase of vehicles	CJVM	53	52	49	48	47	49	44	43	38	44	40
07.1.1A New cars	CJXN	33	31	27	26	26	23	25	24	21	23	24
07.1.1B Second-hand cars	CJXO	17	18	19	19	18	23	16	16	14	18	14
07.1.2/3 Motorcycles and bicycles	CJXP	3	3	3	3	3	3	3	3	3	3	2
07.2 Operation of personal transport equipment	CJVN	63	71	72	72	69	79	81	89	81	76	77
07.2.1 Spare parts and accessories	CJXQ	6	6	6	5	5	5	6	5	5	5	6
07.2.2 Fuels and lubricants	CJXR	27	35	36	38	34	41	43	46	40	35	34
07.2.3 Maintenance and repairs	CJXS	24	24	24	23	23	25	24	22	22	23	23
07.2.4 Other services	CJXT	6	6	6	6	7	8	8	16	14	13	14
07.3 Transport services	CJVO	32	32	31	32	35	36	34	30	29	32	32
07.3.1 Passenger transport by railway	CJXU	8	8	8	8	9	9	9	9	9	11	12
07.3.2 Passenger transport by road	CJXV	14	15	14	14	14	14	13	12	13	11	12
07.3.3 Passenger transport by air	CJXW	8	7	7	8	9	10	9	8	6	6	6
07.3.4 Passenger transport by sea and inland waterway	CJXX	2	2	2	2	3	3	3	1	1	4	2
08.1 Postal services	CJVP	2	1	1	1	1	1	2	1	2	2	2
08.2/3 Telephone and telefax equipment and services	СЈҮВ	23	24	23	22	22	24	24	26	29	30	29
09.1 Audio-visual equipment and related products	C TVO	25	27	29	27	23	23	27	23	23	22	23
09.1.1 Reception and reproduction of sound and pictures	CJYC	6	6	6	6	6	7	6	6	6	5	5
09.1.2 Photographic, cinematographic and optical equipment	CJYD	4	5	4	4	4	3	5	4	3	3	3
09.1.3 Data processing equipment	CJYE	5	5	7	5	5	6	7	6	7	8	9
09.1.4 Recording media	CJYF	9	10	11	11	7	6	8	6	6	5	5
09.1.5 Repair of audio-visual equipment & related products	CJYG	1	1	1	1	1	1	1	1	1	1	1
09.2 Other major durables for recreation & culture (Dec 1999=100)		9	9	9	9	9	9	10	10	9	9	10
09.2.1/2 Major durables for in/outdoor recreation (Dec 1999=100)	ICVN	9	9	9	9	9	9	10	10	9	9	10
09.3 Other recreational items, gardens and pets	CJVS	37	39	37	38	37	40	38	35	32	36	36
09.3.1 Games, toys and hobbies	ICVP	20	23	21	22	20	24	22	20	19	21	21
09.3.2 Equipment for sport and open-air recreation	ICVQ	4	4	4	4	4	4	3	3	3	3	4
09.3.3 Gardens, plants and flowers	CJYI	6	5	5	5	5	5	5	4	4	4	4
09.3.4/5 Pets, related products and services	CJYJ	7	7	7	7	8	7	8	8	6	8	7
09.4 Recreational and cultural services	CJVT	33	28	32	32	32	31	30	29	29	31	31
09.4.1 Recreational and sporting services	ICVR	9	8	10	11	11	10	8	8	9	9	8
09.4.2 Cultural services	ICVS	24	20	22	21	21	21	22	21	20	22	23
09.5 Books, newspapers and stationery	ICVT	18	17	17	17	17	17	15	13	14	14	14
09.5.1 Books	ICVU	5	5	5	5	5	4	4	3	4	4	4
09.5.2 Newspapers and periodicals	ICVV	7	7	7	7	6	6	5	5	5	5	5
09.5.3/4 Misc. printed matter, stationery, drawing materials	ICVW	6	5	5	5	6	7	6	5	5	5	5
09.6 Package holidays	ICVX	29	27	29	29	27	30	27	24	34	32	33
10.0 Education	CJUU	17	17	18	19	21	19	18	19	21	22	26
11.1 Catering services	CJVU	121	116	119	118	111	109	103	97	98	100	100
11.1.1 Restaurants & cafes 11.1.2 Canteens	CJYL	108	103	106	106	100	98	93 10	86 11	88	91 9	91 9
11.1.2 Canteens	CJYM	13	13	13	12	11	11	10	- ' '	10	9	9
11.2 Accommodation services	CJVV	18	18	19	19	17	17	17	17	19	20	21
12.1 Personal care	CJVW	29	32	31	30	31	29	28	28	28	29	30
12.1.1 Hairdressing and personal grooming establishments	CJYN	8	8	8	8	8	7	7	8	7	7	7
12.1.2/3 Appliances and products for personal care	CJYO	21	24	23	22	23	22	21	20	21	22	23
12.2 Personal effects (nos)	C TVV	11	11	10	10	11	10	10	13	13	13	14
12.3 Personal effects (nec) 12.3.1 Jewellery, clocks and watches	CJVX	8	7	7	7	8	7	7	8	8	8	9
12.3.2 Other personal effects	ICWA	3	4	3	3	3	3	3	5	5	5	5
·		40	40	40	40	4.4	4.4	44		4.4	40	
12.4 Social protection (Dec 1999=100)	CJVY	13	12	12	12	11	11	11	13	14	12	13
12.5 Insurance	CJVZ	8	9	8	8	7	8	8	8	8	7	10
12.5.2 House contents insurance	CJYP	1	2	2	2	2	2	2	3	2	2	2
12.5.3 Health insurance (Dec 1999=100)	JKWP	2	2	2	2	2	2	2	2	2	2	3
12.5.4 Transport insurance	CJYQ	5	5	4	4	3	4	4	3	4	3	5
12.6 Financial services (nec)	CJWA	26	29	28	28	28	28	26	23	30	17	12
12.6.2 Other financial services (nec)	CJYK	26	29	28	28	28	28	26	23	30	17	12
12.7 Other services (nec)	TCVV	24	13	11	11	11	11	11	11	10	10	12
12.1 Other Scivices (Heb)	ICVY	24	13	1.1	1.1	1.1	1.1	1.1	1.1	10	10	

Key - not available (nec) not elsewhere classified

Source: Office for National Statistics

<sup>1</sup> Prior to 10 December 2003, the consumer prices index (CPI) was published in the UK as the harmonised index of comsumer prices (HICP)

### **W2** RPI<sup>1</sup> Weights 2000 to 2015

parts per 1000

															۲	aris pe	1 1000
		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Food and catering	CBVV	170	169	166	160	160	159	155	152	158	168	159	165	161	163	161	156
Alcohol and tobacco	CBVW	95	97	99	98	97	96	96	95	86	90	91	88	85	91	87	83
Housing and household expenditure	CBVX	355	362	363	365	367	387	392	408	417	416	403	408	412	419	424	432
Personal expenditure	CBVY	101	96	94	92	93	89	90	83	83	80	81	82	84	83	85	83
Travel and leisure	CBVZ	279	276	278	285	283	269	267	262	256	246	266	257	258	244	243	246
Consumer durables <sup>1</sup>	CBWA	126	125	126	126	121	122	117	109	104	106	105	106	100	96	98	94
Seasonal food	CZHA	18	18	20	17	19	19	17	19	20	21	19	20	19	20	19	18
Food excluding seasonal	CZHB	100	98	94	92	92	91	88	86	91	97	93	98	95	96	95	91
All items excluding seasonal food	CZGW	982	982	980	983	981	981	983	981	980	979	981	980	981	980	981	982
All items excluding food	CZGV	882	884	886	891	889	890	895	895	889	882	888	882	886	884	886	891
All goods All services	DOHD	533 358	526 354	529 361	522 361	518 358	510 352	503 364	478 377	474 372	472 397	486 386	480 394	462 412	455 415	453 417	436 422
All selvices	DONN	330	334	301	301	330	332	304	311	312	391	300	334	412	413	417	422
Other indices																	
All items excluding:	OF OV	060	054	064	061	061	050	050	045	040	050	066	069	071	071	070	071
mortgage interest payments (RPIX) housing	CZGY CZGX	960 805	954 795	964 801	961 797	961 791	950 776	950 778	945 762	940 746	959 764	966 763	968 762	971 763	971 746	970 747	971 737
mortgage interest payments	CZGA	000	133	001	131	131	770	110	102	740	704	703	102	703	740	141	131
and council tax	DOGY	927	920	930	925	923	911	911	905	901	919	927	928	930	928	928	931
mortgage interest payments	=																,
and depreciation	DOGZ	924	914	924	919	914	901	906	895	885	909	911	914	915	913	912	898
Food	CZGZ	118	116	114	109	111	110	105	105	111	118	112	118	114	116	114	109
Bread	CZVO	5	5	5	4	4	4	4	4	5	5	5	5	4	5	5	4
Cereals	CZVP	3	4	4	3	3	3	3	3	4	4	4	4	4	4	4	4
Biscuits and cakes	CZVQ	8	7	7	6	7	6	6	6	6	7	6	7	7	7	7	7
Beef	CZVR	4	4	3	4	4	4	4	4	4	5	4	4	4	4	4	4
Lamb of which home-killed lamb	HKIC	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2 1
imported lamb	CZVS CZVT	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Pork	CZVU	2	2	1	2	1	1	1	1	1	1	1	1	1	1	1	1
Bacon	CZVV	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Poultry	CZVW	5	5	5	3	4	3	4	3	4	4	4	4	4	4	4	4
Other meat	CZVX	7	7	7	7	7	7	7	6	7	7	7	7	7	7	7	7
Fish	HKHK	4	4	3	3	3	4	4	4	4	3	4	4	4	4	4	4
of which fresh fish	CZVY	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
processed fish Butter	CZVZ	2	2	1 1	1 1	1 1	2	2	2	2	1 1	2 1	2	2 1	2 1	2 1	2 1
Oils and fats	CZWA CZWB	1	1	1	1	1	1	1	1	1	2	2	2	2	2	2	1
Cheese	CZWC	3	3	3	3	3	3	3	3	3	4	3	4	4	3	4	4
Eggs	CZWD	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Milk, fresh	CZWE	6	5	5	5	5	5	5	5	5	5	5	5	4	4	4	3
Milk products	CZWF	4	3	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Tea	CZWG	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Coffee and other hot drinks	CZWH	2	2	2	1	1	1	1	1	1	1	1	1	2	1	2	1
Soft drinks Sugar and preserves	CZWI	10 1	11 1	10 1	11 1	10 1	12 1	10 1	11 1	12 1	12 1	11 1	13 1	11 1	12 1	11 1	10 1
Sweets and chocolates	CZWK	12	11	11	10	10	11	10	10	10	12	11	12	11	13	11	11
Potatoes	HKIE	6	6	6	5	5	5	4	5	5	5	5	5	5	5	5	5
of which unprocessed potatoes	CZWL	2	2	2	2	2	2	1	2	2	2	2	2	2	2	2	2
potato products	CZWM	4	4	4	3	3	3	3	3	3	3	3	3	3	3	3	3
Vegetables other than potatoes	HKIF	8	8	10	7	9	9	8	9	9	10	9	9	9	9	9	8
of which fresh vegetables	CZWN	6	6	8	5	7	7	6	7	7	8	7	7	7	7	7	6
processed vegetables	CZWO	2	2 7	2	2	2	2 7	2 7	2	2	2	2 7	2	2	2	2	2
Fruit of which fresh fruit	HKIG CZWP	7 6	6	7 6	7 6	7 6	6	6	7 6	8 7	8 7	6	8 7	8 6	8 7	7 6	8 6
processed fruit	CZWQ	1	1	1	1	1	1	1	1	1	1	1	1	2	1	1	2
Other foods	CZWR	13	13	12	15	15	12	11	10	10	11	11	11	11	11	11	11
Catering	CZHC	52	53	52	51	49	49	50	47	47	50	47	47	47	47	47	47
Restaurant meals	CZWS	26	26	26	26	26	25	27	25	26	27	26	26	27	27	28	28
Canteen meals	CZWT	6	6	5	5	4	5	4	4	4	4	4	4	3	4	3	3
Take-aways and snacks	CZWU	20	21	21	20	19	19	19	18	17	19	17	17	17	16	16	16
Alcoholic drink	CZHD	65	68	68	68	68	67	67	66	59	63	64	60	56	61	58	56
Beer	CZWV	38	37	36	36	35	37	36	34	31	32	31	29	26	26	25	24
on sales	CZWW	30	31	30	30	30	31	31	29	26	26	26	23	21	21	20	19
off sales	CZWX	8	6	6	6	5	6	5	5	5	6	5	6	5	5	5	5
Wines and spirits	CZWY	27	31	32	32	33	30	31	32	28	31	33	31	30	35	33	32
on sales	CZWZ	11 16	15 16	19	19 13	19	16 14	17 14	18	15 13	17	18	17 14	16 14	20 15	18	18
off sales	CZXA	16	16	13	13	14	14	14	14	13	14	15	14	14	13	15	14

Key: .. not available

1 Consumer durables: Furniture, furnishings, electrical appliances and other household equipment, men's, women's and children's outerwear, footwear, audio-visual equipment, CDs and tapes, toys, photographic and sports goods. Source: Office for National Statistics

UK holidays (Jan 1994 = 100)

DOEE

Source: Office for National Statistics

L5EU

06.1.1 Pharmaceutical products

06.1.2/3 Other medical and therapeutic equipment

parts per 1000 06.2 Out-patient services T-5 EW 06.2.1/3 Medical services 7 paramedical services L5EX 06.2.2 Dental services L5EY 06.3 Hospital services L5EZ 07.1 Purchase of vehicles T-5F2 07.1.1A New cars L5F3 07.1.1B Second hand cars L5F4 07.1.2/3 Motorcycles and bicycles L5F5 07.2 Operation of personal transport equipment L5F6 07.2.1 Spare parts and accessories L5F7 07.2.2 Fuels and lubricants L5F8 07.2.3 Maintenance and repairs L5F9 07.2.4 Other services L5FA 07.3 Transport services L5FB 07.3.1 Passenger transport by railway L5FC 07.3.2 Passenger transport by road L5FD 07.3.3 Passenger transport by air L5FE 07.3.4 Passenger transport by sea and inland waterway L5FF 08.1 Postal services L5FG 08.2/3 Telephone and telefax equipment and services L5FH 09.1 Audio-visual equipment and related products L5FI 09.1.1 Reception and reproduction of sound and pictures L5FJ 09.1.2 Photographic, cinematographic and optical equipment L5FK 09.1.3 Data processing equipment L5FL 09.1.4 Recording media 09.1.5 Repair of audio-visual equipment & related products L5FN 09.2 Other major durables for recreation & culture L5FO 09.2.1/2 Major durables for in/outdoor recreation L5FP 09.3 Other recreational items, gardens and pets L5F0 09.3.1 Games, toys and hobbies L5FR 09.3.2 Equipment for sport and open-air recreation L5FS 09.3.3 Gardens, plants and flowers T.5 FT 09.3.4/5 Pets, related products and services L5FU 09.4 Recreational and cultural services L5FV 09.4.1 Recreational and sporting services L5FW 09.4.2 Cultural services L5FX 09.5 Books, newspapers and stationery L5FY 09.5.1 Books L5FZ 09.5.2 Newspapers and periodicals L5G2 09.5.3/4 Misc. printed matter, stationery, drawing materials L5G3 09.6 Package holidays L5G4 10.0 Education L5DA 11.1 Catering services L5G5 11.1.1 Restaurants & cafes 11.1.2 Canteens L5G7 11.2 Accommodation services L5G8 12.1 Personal care L5G9 12.1.1 Hairdressing and personal grooming establishments L5GA 12.1.2/3 Appliances and products for personal care L5GB 12.3 Personal effects (nec) T-5GC 12.3.1 Jewellery, clocks and watches T.5GD 12.3.2 Other personal effects L5GE 12.4 Social protection L5GF 12.5 Insurance L5GG 12.5.2 House contents insurance L5GH 12.5.3 Health insurance L5GI 12.5.4 Transport insurance L5GJ 12.6 Financial services (nec) L5GK 12.6.2 Other financial services (nec) L5GL 12.7 Other services (nec) L5GM 

Key: - zero or negligible .. not available (nec) not elsewhere covered

Source: National Statistics

<sup>1</sup> The owner occupiers' housing costs weight in CPIH has been revised so that it's aligned with historical National Accounts estimates and reflects planned changes to the National Accounts methodology. This leads to revisions to the full CPIH time series.

### RPI pensioner indices: 1 person pensioner household weights 2000 to 2015

Food CBXR Bread CZYU Cereals CZYV Biscuits and cakes CZYX Home-killed lamb CZYY Imported lamb CZYZ 7 Pork CZZA Bacon CZZB Poultry CZZC Other meat Fresh fish CZZE Processed fish CZZF 2 Butter CZZG Oils and fats CZZH 7 Cheese CZZI Eggs CZZJ Milk, fresh CZZK Milk products CZZL Tea CZZM Coffee and other hot drinks CZZN 7 Soft drinks CZZO Sugar and preserves CZZP Sweets and chocolates CZZQ Unprocessed potatoes CZZR Processed potatoes CZZS 5 3 3 Fresh vegetables CZZT Processed vegetables CZZU Fresh fruit CZZV Processed fruit CZZW Total Seasonal food Catering CBXU Restaurant meals CZZY Canteen meals Take-aways and snacks Alcoholic drink CBXV Beer "on" sales Beer "off" sales CBVO CBVP Wines & spirits "on" sales CBVR Wines & spirits "off" sales CBVS Tobacco CBXW Cigarettes CBVT Other tobacco CBVU Fuel and light СВХҮ Coal and solid fuels Electricity CBWD CBWE Oil and other fuels CBWF 

Key: - zero .. not available Source: Office for National Statistics

### RPI pensioner indices: 1 person pensioner household weights 2000 to 2015

2004 2005 2006 2008 2009 2010 2011 2012 2013 2014 2015 Household goods CBXZ Furniture CBWG Furnishings CBWH Electrical appliances CBWI Other household equipment CBWJ 12 12 Household consumables CBWK Pet care CBWL Household services CBYA Postage Telephones, telemessages, etc CBWN Domestic services CBWO Fees and subscriptions CBWP Clothing and footwear СВУВ Men's outerwear CBWQ Women's outerwear CBWR Children's outerwear CBWS 7 Other clothing CBWT Footwear CBWU Personal goods and services CBYC Personal articles CBWV Chemists goods CBWW Personal services CBWX Motoring expenditure CBYD Purchase of motor vehicles CBWY Maintenance of motor vehicles CBWZ Petrol and oil Vehicle tax and insurance Fares and other travel costs CBYE Rail fares CBXC Bus and coach fares CBXD Other travel costs CBXE Leisure goods CBYF Audio-visual equipment CBXF Records, tapes and CDs CBXG Toys, photographic and sports goods CBXH Books and newspapers CBXI Gardening products CBXJ Leisure services CBYG Television licences and rentals CBXK Entertainment and other recreation CBXL Foreign holidays (Jan 1993 = 100) CBWB UK holidays (Jan 1994 = 100) DOEF 

Source: Office for National Statistics

### W5RPI pensioner indices: 2 person pensioner household weights 2000 to 2015

																parts pe	
		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Food	CDJQ	267	269	265	248	249	247	238	225	232	246	243	226	221	224	225	212
Bread	CBYH	14	13	13	12	12	12	12	11	12	12	12	11	11	11	11	10
Cereals	CBYI	7	7	6	6	6	6	7	7	7	7	8	7	7	7	7	7
Biscuits and cakes	CBYJ	23	23	22	21	20	19	19	18	18	19	19	18	18	18	18	18
Beef	CBYK	11	11	11	11	11	11	11	11	11	12	10	9	10	10	10	9
Home-killed lamb	CBYL	3	3	3	3	4	3	3	2	2	2	2	2	2	2	2	1
Imported lamb	CBYM	3	3	3	3	4	4	3	2	2	2	2	2	2	2	1	1
Pork	CBYN	6	6	5	5	5	4	4	4	4	4	4	4	4	4	3	3
Bacon	CBYO	9	8	8	7	7	7	6	6	6	7	6	6	6	6	5	5
Poultry	CBYP	10	10	9	8	8	8	7	6	7	8	8	7	7	7	8	7
Other meat	CBYQ	21	21	21	20	20	20	19	18	17	18	18	17	17	18	18	17
Fresh fish	CBYR	9	9	8	7	7	7	7	7	7	7	7	7	6	5	6	5
Processed fish	CBYS	5	5	5	5	4	4	4	5	5	6	6	5	4	5	5	5
Butter	CBYT	3	3	3	2	2	2	2	2	3	3	2	2	2	2	3	3
Oils and fats	CBYU	5	5	5	5	5	5	4	5	5	5	5	4	5	5	5	4
Cheese	CBYV	7	7	7	6	6	6	6	6	6	7	7	7	7	6	6	7
Eggs	CBYW	3	3	3	3	3	3	3	3	4	4	4	3	3	3	3	3
Milk, fresh	CBYX	17	16	16	15	15	14	15	13	15	15	14	12	11	11	11	10
Milk products	CBYY	7	7	7	7	7	8	7	7	8	8	8	8	8	8	9	8
Tea	CBYZ	5	5	5	4	4	4	3	3	3	3	3	3	3	3	3	2
Coffee and other hot drinks	CBZA	4	4	4	3	3	3	4	3	3	3	3	4	4	4	3	4
Soft drinks	CBZB	8	9	8	8	8	9	9	8	8	8	9	9	8	7	8	8
Sugar and preserves	CBZC	5	5	5	5	5	5	5	5	4	4	4	4	4	4	3	3
Sweets and chocolates	CBZD	12	14	13	12	11	11	10	9	9	9	10	10	10	9	9	9
Unprocessed potatoes	CBZE	5	7	7	6	6	6	5	5	5	6	6	6	5	6	6	5
Processed potatoes	CBZF	6	5	5	4	5	4	4	3	4	4	4	4	4	5	5	5
Fresh vegetables	CBZG	12	13	17	14	14	15	15	15	16	18	16	14	13	14	14	13
Processed vegetables	CBZH	5	5	5	5	5	5	4	4	4	5	5	4	4	4	4	4
Fresh fruit	CBZI	15	15	16	15	16	15	16	15	16	17	17	15	14	15	15	14
Processed fruit	CBZJ	4	3	4	4	4	4	4	4	3	3	4	4	4	4	4	4
Other foods	CBZK	23	24	21	22	22	23	20	18	18	20	20	18	18	19	20	18
Total seasonal foods		47	50	54	48	50	49	49	47	50	54	52	47	43	45	46	41
Catering	CDJT	36	36	36	38	37	43	44	45	46	45	47	45	46	50	51	57
Restaurant meals	CBZL	25	26	27	30	30	35	34	34	36	36	38	36	38	41	43	46
Canteen meals	CBZM	-	_	_	_	_	_	-	_								
Take-aways and snacks	CBZN	11	10	9	8	7	8	10	11	10	9	9	9	8	9	8	11
Alcoholic drink	CDJU	44	41	40	39	37	37	37	36	39	43	40	42	35	40	37	44
Beer "on" sales	CBZP	16	14	14	14	14	13	12	11	13	13	13	12	10	12	10	12
Beer "off" sales	CBZQ	7	6	5	5	5	5	5	4	4	5	5	6	6	5	5	5
Wines & spirits "on" sales	CBZS	3	3	4	4	3	3	3	4	5	5	3	4	3	5	4	7
Wines & spirits "off" sales	CBZT	18	18	17	16	15	16	17	17	17	20	19	20	16	18	18	20
Tobacco	CDJV	31	28	27	24	22	20	18	16	14	16	16	15	13	12	11	11
Cigarettes	CBZU	27	24	23	20	17	16	14	13	12	14	14	13	10	10	9	9
Other tobacco	CBZV	4	4	4	4	5	4	4	3	2	2	2	2	3	2	2	2
Fuel and light	CDJX	84	79	76	74	71	77	85	101	87	112	95	91	99	107	111	98
Coal and solid fuels	CCZE	8	9	6	6	4	4	3	2	4	6	6	3	3	4	4	3
Electricity	CCZF	40	37	37	35	34	37	38	45	37	47	40	40	44	46	48	44
Gas	CCZG	31	28	29	29	29	32	37	49	39	54	42	36	40	45	49	44
Oil and other fuels	CCZH	5	5	4	4	4	4	7	5	7	5	7	12	12	12	10	7

Key: - zero .. not available Source: Office for National Statistics

### RPI pensioner indices: 2 person pensioner household weights 2000 to 2015

2004 2005 2006 2008 2009 2010 2011 2012 2013 2014 Household goods CDJY Furniture CCZI Furnishings Electrical appliances CCZK Other household equipment CCZL Household consumables CCZM 10 10 Pet care CCZN Household services CDJZ Postage CCZO Telephones, telemessages, etc CCZP Domestic services CCZQ Fees and subscriptions CCZR Clothing and footwear CDKA Men's outerwear CCZS Women's outerwear CCZT 12 Children's outerwear CCZU Other clothing CCZV Footwear CCZW Personal goods and services CDKB Personal articles CCZX Chemists goods Personal services CCZZ Motoring expenditure CDKC Purchase of motor vehicles CDIX Maintenance of motor vehicles CDIY Petrol and oil Vehicle tax and insurance Fares and other travel costs CDKD Rail fares CDJB Bus and coach fares CDJC Other travel costs CDJD Leisure goods CDKE Audio-visual equipment CDJE Records, tapes and CDs CDJF 7 7 Toys, photographic and sports goods CDJG Books and newspapers CDJH Gardening products CDJI Leisure services CDKF Television licences and rentals CDJJ Entertainment and other recreation CDJK Foreign holidays (Jan 1993 = 100) CBXP UK holidays (Jan 1994 = 100) DOEG 

Source: Office for National Statistics

## W6<sup>Average</sup> weekly expenditure of households underlying 2015 RPI weights at January 2015 prices

							pounds
	General	1 person	2 person		General	1 person	2 person
	index	pensioner	pensioner		index	pensioner	pensioner
	house-	house-	house-		house-	house-	house-
	holds	holds	holds		holds	holds	holds
Food	60.89	28.18	54.31	Fuel and light	25.62	19.90	25.04
Bread	2.28	1.18	2.46	Coal and solid fuels	0.27	0.04	0.73
Cereals	2.11	0.82	1.69	Electricity	12.11	9.04	11.35
Biscuits and cakes	3.68	2.24	4.65	Gas	12.07	9.19	11.20
Beef	2.22	0.89	2.32	Oil and other fuels	1.17	1.63	1.76
Home-killed lamb	0.31	0.29	0.38				
Imported lamb	0.33	0.28	0.37	Household goods	33.43	10.65	25.62
Pork	0.65	0.43	0.88	Furniture	12.26	1.85	5.90
Bacon	0.98	0.65	1.21	Furnishings	5.18	2.38	2.87
Poultry	2.33	0.92	1.84	Electrical appliances	3.09	0.77	4.01
Other meat	3.82	2.32	4.26	Other household equipment	2.11	0.67	2.87
Fresh fish	1.17	0.61	1.40	Household consumables	6.76	3.17	6.28
Processed fish	1.08	0.64	1.17	Pet care	4.03	1.80	3.70
Butter	0.49	0.36	0.65				
Oils and fats	0.75	0.45	1.00	Household services	36.53	14.85	15.09
Cheese	1.99	0.89	1.73	Postage	0.64	0.73	0.57
Eggs	0.65	0.39	0.74	Telephones, telemessages, etc	13.84	6.28	7.88
Milk, fresh	1.97	1.35	2.47	Domestic services	7.57	5.36	3.03
Milk products	2.41	1.14	2.17	Fees and subscriptions	14.48	2.49	3.61
Tea	0.45	0.38	0.63				
Coffee and other hot drinks	0.83	0.46	0.92	Clothing and footwear	23.93	5.70	11.78
Soft drinks	5.80	0.93	2.07	Men's outerwear	4.66	0.44	2.19
Sugar and preserves	0.72	0.38	0.80	Women's outerwear	8.86	3.07	5.18
Sweets and chocolates	6.17	1.35	2.38	Children's outerwear	2.80	0.34	0.31
Unprocessed potatoes	0.86	0.62	1.20	Other clothing	3.10	0.91	1.60
Potato products	1.63	0.61	1.38	Footwear	4.52	0.94	2.50
Other fresh vegetables	3.57	1.62	3.39				
Processed vegetables	0.94	0.41	0.92	Personal goods and services	22.82	8.68	15.34
Fresh fruit	3.67	2.05	3.61	Personal articles	5.66	1.94	4.40
Processed fruit	0.89	0.49	0.95	Chemists goods	9.47	2.90	5.59
Other foods	6.14	3.03	4.67	Personal services	7.69	3.84	5.35
Catering	26.68	6.02	14.46	Motoring expenditure	65.32	12.47	38.45
Restaurant meals	15.90	5.01	11.82	Purchase of motor vehicles	23.64	3.37	7.19
Canteen meals	1.78			Maintenance of motor vehicles	9.30	2.56	7.77
Take-aways and snacks	9.00	1.01	2.65	Petrol and oil	19.85	3.32	13.75
				Vehicle tax and insurance	12.52	3.22	9.74
Alcoholic drink	31.38	4.15	11.23	F 1 . 41 4 1 4	44.00	4 ==	
Beer "on" sales	10.62	1.13	3.11	Fares and other travel costs	14.06	1.57	2.92
Beer "off" sales	2.66	0.30	1.28	Rail fares	3.69	0.45	0.69
Wines & spirits "on" sales Wines & spirits "off" sales	9.93 8.17	0.59 2.13	1.79 5.05	Bus and coach fares Other Travel costs	1.93 8.45	0.13 0.99	0.10 2.13
·							
Tobacco	15.38	1.49	2.68	Leisure goods	16.02	6.15	12.02
Cigarettes	12.93	1.30	2.11	Audio-visual equipment	3.96	0.60	1.91
Other Tobacco	2.44	0.18	0.57	CDs and tapes	1.11	0.32	0.29
1				Toys, photographic and sports goods	4.43	0.44	1.34
Housing <sup>1</sup>	148.49			Books and newspapers	3.46	3.01	5.40
Rent	47.45			Gardening products	3.06	1.78	3.08
Mortgage interest payments	16.25			1.2	40.0-	0.45	00
Depreciation	41.10			Leisure services	43.85	8.13	26.73
Council tax and rates	22.74			Television licences and rentals	6.89	2.41	4.67
Water and other charges	7.73			Entertainment & other recreation	8.18	1.26	2.50
Repairs and maintenance charges	5.23			Foreign holidays	23.21	2.72	13.17
Do-it yourself materials	4.35			UK holidays	5.56	1.73	6.39
Dwelling insurance and ground rent	3.64			ALL ITEMS	564.39	127.93	255.69
				, LE II LING	557.53	121.33	200.00

1 Housing costs are excluded from the pensioner indices because of measurement problems.

Source: Office for National Statistics