

2198 RPI'ing us off

Proposer: William Richardson (Economics Society) p.richardson@uea.ac.uk

Seconder: Jack Robinson (Campaigns and Democracy Officer)

Union Notes:

- 1) Costs related to students are pegged to the Retail Prices Index such as rates on student loans taken out in England and Wales since 2012⁶ and rail fares⁷.
- 2) The United Kingdom Statistics Authority (UKSA) is legally obliged to produce the Retail Prices Index (RPI) under the 2007 Statistics and Registration Services Act and the supplementary notes to the Act⁸.
- 3) In accordance with the aforementioned act the Board are compelled to promote and safeguard the quality of official statistics (7(3)). It defines the quality of official statistics with reference to their impartiality, accuracy, relevance, and coherence with other official statistics (7(4)).
- 4) The UKSA acknowledge that: "the RPI is not a good measure of inflation"⁹ (RPI consistently overestimates inflation).
- 5) Ofwat proposes to move away from RPI in their 2019 price review to the Consumer Prices Index, including owner occupiers' Housing costs (CPIH)¹⁰.

Union Believes:

- 1) The Office for National Statistics (ONS) is in breach of the Statistics and Registration Services Act 2007 for the following reasons:
 - a. The Board is obliged to promote and safeguard the quality of official statistics under Section 7 of the Act.
 - b. The Board has failed to formally report the failure of RPI to be accurately produced despite the National Statistician having declared it as such as it is compelled to do so under Section 8 of the Act.
 - c. The Board has failed to minimise the burdens (including financial burdens) it imposes on other persons, particularly to student in direct contravention to the requirements of Section of the Act.
- 2) The failure of the UKSA and the ONS has cost the taxpayer in excess of £15bn in excess interest payments on RPI-linked government debt (gilts) and continues to affect the more than £60bn of student debt which is linked to the RPI.
- 3) The ONS has a positive record of listening to its stakeholders (in this instance students) and therefore a national campaign does have a strong chance of producing positive change.

Union Resolves:

- 1) To increase awareness of this issue on campus and across the country.

⁶ <https://www.gov.uk/student-finance>

⁷ http://orr.gov.uk/__data/assets/pdf_file/0020/24518/rail-fares-index-january-2017.pdf

⁸ <http://www.legislation.gov.uk/ukpga/2007/18/contents>

⁹ <https://www.statisticsauthority.gov.uk/wp-content/uploads/2016/03/Letter-from-John-Pullinger-to-Sir-Andrew-Dilnot-090316.pdf>

¹⁰ <https://064f1d25f5a6fb0868ac-0df48efcb31bcf2ed0366d316cab9ab8.ssl.cf3.rackcdn.com/wp-content/uploads/2017/07/Delivering-Water-2020-Consulting-on-our-PR19-draft-methodology-2.pdf>

- 2) To write to the write to the ONS National Statistician John Pullinger to reconsider the position of the ONS regarding the production of the RPI in consideration of the arguments made above.
- 3) To campaign for student repayments, rail prices and utility prices to be linked to CPIH instead of RPI if the UKSA and ONS fail to improve the accuracy of the RPI.