

Article

CPIH-consistent inflation rate estimates for UK household groups: October to December 2021

Estimates of inflation rates for different types of household in the UK on a Consumer Prices Index including owner occupiers' housing costs (CPIH)-consistent basis.

Contact:
Natalie Jones
cpi@ons.gov.uk
+44 1633 456900

Release date:
13 May 2022

Next release:
To be announced

Table of contents

1. [Main points](#)
2. [CPIH-consistent inflation rate estimates for UK household groups data](#)
3. [Data sources and quality](#)
4. [Related links](#)

1 . Main points

- The Consumer Prices Index including owner occupiers' housing costs (CPIH) is our most comprehensive measure of consumer price inflation.
- Producing CPIH-consistent inflation rates for different household groups provides an insight into how price changes can vary between different groups, within an established framework based on economic principles.
- High-income households experienced a higher rate of inflation than low-income households for most of 2021, however they saw similar rates of inflation for Quarter 4 (Oct to Dec) 2021.
- High-income households' experience of inflation is being driven by rising transport costs, on which they spend a larger proportion of their expenditure when compared with low-income households, while for low-income households housing-related costs are more of a factor.

2 . CPIH-consistent inflation rate estimates for UK household groups data

[CPIH-consistent inflation rate estimates for UK household groups \(democratic weighting\)](#)

Dataset | Released 13 May 2022

Quarterly data on democratically weighted and CPIH-consistent indices, annual inflation rates and expenditure shares.

[CPIH-consistent inflation rate estimates for UK household groups \(plutocratic weighting\)](#)

Dataset | Released 13 May 2022

Quarterly data on plutocratically weighted and CPIH-consistent indices, annual inflation rates, expenditure shares and contributions for UK household groups.

3 . Data sources and quality

Weights

Price indices are constructed using price and expenditure data. These expenditure shares can be calculated using different methodological approaches; the main two are democratic and plutocratic weighting. Indices for both methodological approaches can be found in the data downloads section. Our [methodology article Investigating the impact of different weighting methods on CPIH](#) compares the two approaches, alongside additional approaches to weighting a price index.

Limitations

This analysis uses the same items collected in the Consumer Prices Index including owner occupiers' housing costs (CPIH), along with the same prices, so the differences between the household groups are driven by differing spending patterns, rather than differing items, price increases or substitutions. An analysis of household group-specific inflation rates would ideally use price indices and expenditure weights specific to each household group. This would reflect the fact that different households will purchase goods and services from different outlets and therefore face different prices.

The spending patterns used in this analysis are at a two-year lag, for example, the 2021 data use spending pattern information from 2019. Given that spending patterns have changed throughout the coronavirus (COVID-19) pandemic, it is important to bear this in mind as a limitation.

For more information on the methodology used to construct this analysis, please see the related [Methodology to calculate CPIH-consistent inflation rates for UK household groups](#).

Quality

Users should note that the CPIH-consistent inflation rates for different household groups are experimental indices and therefore we would caution against any use other than for research purposes.

More quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in [our CPIH-consistent inflation rates for UK household groups QMI](#).

4 . Related links

[Consumer Price Inflation](#)

Bulletin | Monthly

Price indices, percentage changes, and weights for the different measures of consumer price inflation.

[Household Costs Indices](#)

Bulletin | Released 4 May 2022

UK households' experience of changing prices and costs. These are 2005 to 2021 estimates of the Household Costs Indices, a set of measures currently in development.