

Article

CPIH-consistent inflation rate estimates for UK household groups: November to December 2022

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

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1 . Main points

- Annual Consumer Prices Index including owner occupiers' housing costs (CPIH) inflation was 10.1% for low-income households (those in the second income decile) and 8.7% for high-income households (those in the ninth income decile) in the year to December 2022, compared with an all-households rate of 9.2%.
- Annual Consumer Price Index (CPI) inflation was 11.3% for low-income households and 10.0% for high-income households in the year to December 2022, compared with an all-households rate of 10.5%.
- CPIH annual inflation for subsidised renters was 11.4%, higher than for owner occupiers (9.1%) and private renters (8.9%) in December 2022, while CPI annual inflation for subsidised renters was 11.5% in December 2022, also higher than owner occupiers (10.9%) and private renters (8.9%).
- Energy and food prices continue to be the largest contributors to the annual inflation and the main cause behind the differences in both CPI and CPIH household groups for income and tenure status, as they account for a larger share of low-income households' spending (46.1% compared with 37.9% for high-income households).

2 . CPI and CPIH-consistent inflation rate estimates for UK household groups: November to December 2022 data

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

Dataset | Released 15 February 2023

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

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

Dataset | Released 15 February 2023

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

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

Dataset | Released 15 February 2023

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

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

Dataset | Released 15 February 2023

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

3 . Measuring the data

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. The plutocratic approach is consistent with the approach used for our all-households [CPIH and CPI National Statistic series](#). Indices for both methodological approaches can be found in the data downloads section. We have produced a methodology article, [Investigating the impact of different weighting methods on CPIH](#) that compares the two approaches, alongside additional approaches to weighting a price index.

Limitations

This analysis uses the same items collected in 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 subgroup-specific spending patterns used in this analysis are at a two-year lag, for example, the 2022 data use spending pattern information from 2020. These spending patterns are constrained to all-household spending estimates for CPIH. For 2022, weights are based on estimated spending in 2021 (for more information, please refer to [section 8 of our Consumer Price Inflation bulletin](#)). 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 our 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 the [CPIH-consistent inflation rates for UK household groups QMI](#).

4 . Related links

[Consumer Price Inflation](#)

Bulletin | Released 15 February 2023

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.

[Inflation and the cost of living for household groups](#)

Article | Released 16 November 2022

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