



Headline to Breadline

Definitions and explainer

We recognise that our data tool and this topic may want to ensure that the widest possible audience can have the confidence to have a tinker with the tool and understand how inflation affects people like them who share similar key demographics. To help we have put together a short definitions and details page here to help you understand why it is important to consider inflation for goods and services from a cross population perspective.

CPID - Headline Inflation

The Retail Price Index (RPI) was the original and longest-standing inflation measure in the UK but has been replaced by the CPIH (consumer price index including housing costs) in 2016.

Despite being the most comprehensive measure of inflation currently produced by the Office for National Statistics (ONS), the CPIH doesn't tell the full story. Alongside only highlighting, the average figure CPIH doesn't measure credit card and household debt despite its rapid growth amongst UK households.

Basket of Goods

The basket is a term used to describe the collection of goods and services that are used to measure consumer price inflation. This is the rate at which the prices of goods and services bought by households rise or fall.

Inflation

Inflation is the rate of increase in the price of goods and services

Income distribution

If you lined up every individual's income across the UK by value you would create an income distribution chart from those with very little to those with a lot. The ONS alongside the Department for Work and Pensions (DWP) produces an [income distribution chart](#) for the Households Below Average Income (HBAI) data release which can be viewed here and the Institute of Fiscal Studies produces a [handy tool](#) to help you identify you place in the distribution. To help analyses this data economist often bracket people into ten equal groups (deciles) to help with analysis. We have used these deciles to plot where you might fit.

Household Disposable Income

As the amount of money that households have available for spending and saving after direct taxes (such as Income Tax, National Insurance and Council Tax) have been accounted for.

Income Spent

Using ONS data on households within each income decile we identified that the amount spent on each basket of goods category exceeded the average amount households brought into the household meaning they were living beyond their means at times. This chart identifies how much of your household income is spent on the typical basket of goods for people like you in the decile.

Where does the data come from?

This is data taken from the ONS. It includes data from inflation reports and equivalised household income releases over time. We take responsibility for using it and creating the analysis.

Where do the case studies come from?

The case studies featured in our blog launching the tool '[Inflation Matters](#)' come from data behind the tool which allows people to understand how their income and demographic information affects how they are affected by inflation.

Categories within your basket of goods

Food and non-alcoholic drinks	
Food	
1.1.1	Bread, rice and cereals
1.1.2	Pasta products
1.1.3	Buns, cakes, biscuits etc.
1.1.4	Pastry (savoury)
1.1.5	Beef (fresh, chilled or frozen)
1.1.6	Pork (fresh, chilled or frozen)
1.1.7	Lamb (fresh, chilled or frozen)
1.1.8	Poultry (fresh, chilled or frozen)
1.1.9	Bacon and ham
1.1.10	Other meat and meat preparations
1.1.11	Fish and fish products
1.1.12	Milk
1.1.13	Cheese and curd
1.1.14	Eggs
1.1.15	Other milk products
1.1.16	Butter

- 1.1.17 Margarine, other vegetable fats and peanut butter
- 1.1.18 Cooking oils and fats
- 1.1.19 Fresh fruit
- 1.1.20 Other fresh, chilled or frozen fruits
- 1.1.21 Dried fruit and nuts
- 1.1.22 Preserved fruit and fruit based products
- 1.1.23 Fresh vegetables
- 1.1.24 Dried vegetables
- 1.1.25 Other preserved or processed vegetables
- 1.1.26 Potatoes
- 1.1.27 Other tubers and products of tuber vegetables
- 1.1.28 Sugar and sugar products
- 1.1.29 Jams, marmalades
- 1.1.30 Chocolate
- 1.1.31 Confectionery products
- 1.1.32 Edible ices and ice cream
- 1.1.33 Other food products

Non-alcoholic drinks

- 1.2.1 Coffee
- 1.2.2 Tea
- 1.2.3 Cocoa and powdered chocolate
- 1.2.4 Fruit and vegetable juices (Inc. fruit squash)
- 1.2.5 Mineral or spring waters
- 1.2.6 Soft drinks (Inc. fizzy and ready to drink fruit drinks)

Alcoholic drink, tobacco and narcotics

Alcoholic drinks

- 2.1.1 Spirits and liqueurs (brought home)
- 2.1.2 Wines, fortified wines (brought home)
- 2.1.3 Beer, lager, ciders and perry (brought home)
- 2.1.4 Alcopops (brought home)

Tobacco and narcotics

- 2.2.1 Cigarettes
- 2.2.2 Cigars, other tobacco products and narcotics

Clothing and footwear

Clothing

- 3.1.1 Men's outer garments
- 3.1.2 Men's under garments
- 3.1.3 Women's outer garments
- 3.1.4 Women's under garments
- 3.1.5 Boys' outer garments (5-15)
- 3.1.6 Girls' outer garments (5-15)
- 3.1.7 Infants' outer garments (under 5)
- 3.1.8 Children's under garments (under 16)
- 3.1.9 Accessories
- 3.1.10 Haberdashery and clothing hire
- 3.1.11 Dry cleaners, laundry and dyeing

Footwear

Housing (net), fuel and power

Actual rentals for housing

- 4.1.1 Gross rent
- 4.1.2 *less housing benefit, rebates and allowances rec'd*
- 4.1.3 Net rent⁴
- 4.1.4 Second dwelling rent

Maintenance and repair of dwelling

Water supply and miscellaneous services relating to the dwelling

Electricity, gas and other fuels

- 4.4.1 Electricity
- 4.4.2 Gas
- 4.4.3 Other fuels

Household goods and services

Furniture and furnishings, carpets and other floor coverings

- 5.1.1 Furniture and furnishings
- 5.1.2 Floor coverings

Household textiles

Household appliances

Glassware, tableware and household utensils

Tools and equipment for house and garden

Goods and services for routine household maintenance

5.6.1 Cleaning materials

5.6.2 Household goods and hardware

5.6.3 Domestic services, carpet cleaning, hire/repair of furniture/furnishings

Health

Medical products, appliances and equipment

6.1.1 Medicines, prescriptions, healthcare products etc

6.1.2 Spectacles, lenses, accessories and repairs

Hospital services

Transport

Purchase of vehicles

7.1.1 Purchase of new cars and vans

7.1.2 Purchase of second hand cars or vans

7.1.3 Purchase of motorcycles and other vehicles

Operation of personal transport

7.2.1 Spares and accessories

7.2.2 Petrol, diesel and other motor oils

7.2.3 Repairs and servicing

7.2.4 Other motoring costs

Transport services

7.3.1 Rail and tube fares

7.3.2 Bus and coach fares

7.3.3 Combined fares

7.3.4 Other travel and transport

Communication

Postal services

Telephone and telefax equipment

Telephone and telefax services

Internet subscription fees

Recreation and culture

Audio-visual, photographic and information processing equipment

9.1.1 Audio equipment and accessories, CD players

9.1.2 TV, video and computers

9.1.3 Photographic, cine and optical equipment

Other major durables for recreation and culture

Other recreational items and equipment, gardens and pets

9.3.1 Games, toys and hobbies

9.3.2 Computer software and games

9.3.3 Equipment for sport, camping and open-air recreation

9.3.4 Horticultural goods, garden equipment and plants

9.3.5 Pets and pet food

Recreational and cultural services

9.4.1 Sports admissions, subscriptions, leisure class fees and equipment hire

9.4.2 Cinema, theatre and museums etc

9.4.3 TV, video, satellite rental, cable subscriptions and TV licences

9.4.4 Miscellaneous entertainments

9.4.5 Development of film, deposit for film development, passport photos, holiday and school photos

9.4.6 Gambling payments

Newspapers, books and stationery

9.5.1 Books

9.5.2 Diaries, address books, cards etc

9.5.3 Newspapers

9.5.4 Magazines and periodicals

Package holidays

9.6.1 Package holidays - UK

9.6.2 Package holidays - abroad

Education

Education fees

Payments for school trips, other ad-hoc expenditure

Restaurants and hotels

Catering services

- 11.1.1 Restaurant and café meals
- 11.1.2 Alcoholic drinks (away from home)
- 11.1.3 Take away meals eaten at home
- 11.1.4 Other take-away and snack food
- 11.1.5 Contract catering (food) and canteens

Accommodation services

- 11.2.1 Holiday in the UK
- 11.2.2 Holiday abroad
- 11.2.3 Room hire

Miscellaneous goods and services

Personal care

- 12.1.1 Hairdressing, beauty treatment
- 12.1.2 Toilet paper
- 12.1.3 Toiletries and soap
- 12.1.4 Baby toiletries and accessories (disposable)
- 12.1.5 Hair products, cosmetics and related electrical appliances

Personal effects

Social protection

Insurance

- 12.4.1 Household insurances - structural, contents and appliances
- 12.4.2 Medical insurance premiums
- 12.4.3 Vehicle insurance including boat insurance
- 12.4.4 Non-package holiday, other travel insurance

Other services

- 12.5.1 Moving house
- 12.5.2 Bank, building society, post office, credit card charges
- 12.5.3 Other services and professional fees

Other expenditure items

Housing: mortgage interest payments, council tax etc

Licences, fines and transfers

Holiday spending

Money transfers and credit

- 13.4.1 Money, cash gifts given to children

13.4.2 Cash gifts and donations

13.4.3 Club instalment payments (child) and interest on credit cards