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Announcement of Methodological change to 'Statistics on Smoking: England' compendia publication [NS] regarding the calculation of affordability of tobacco index

The NHS IC has routinely published a series of UK indices derived from Office for National Statistics (ONS) data in its *Statistics on Smoking: England* and *Statistics on Alcohol: England* compendia reports. These indices are used to calculate an affordability index, which shows how much more or less affordable alcohol / tobacco is in a given year relative to a baseline year. The affordability indices for both alcohol and tobacco are calculated in an identical way. The most recently published affordability of tobacco index appears in Table 2.12 of *Statistics on Smoking: England, 2010* (published on 19th August 2010).

The NHS IC has worked with key customers to investigate the scope for making methodological improvements to improve the accuracy of the affordability index. In October 2010, the Institute of Alcohol Studies (IAS) published a research paper - *A New Measure of Alcohol Affordability for the UK* - proposing a number of adjustments to the affordability of alcohol index produced by the NHS IC.

As a result of this, the NHS IC implemented one of the adjustments proposed for the in Table 2.8 of *Statistics on Alcohol: England, 2011* (published on 26th May 2011). This adjustment ensured that one of the indices that fed into the affordability index tracked, exclusively, changes in real disposable income **per capita**. Previously, changes in this index over time were, in part, due to changes in the size of the population and not exclusively due to changes in real disposable income per capita, as is required.

The unadjusted affordability of alcohol index was presented alongside the revised one for comparability purposes. For further information on the methodology please see Appendix A of *Statistics on Alcohol: England, 2011*.

This NHS IC will be making the same methodological adjustment to the affordability of tobacco index in the forthcoming *Statistics on Smoking: England, 2011* report, due for publication on 16th August 2011.

The NHS recently carried out a 12 week public consultation on its Lifestyle compendia publications, in which feedback on the methodology used to construct affordability indices were sought and received. We are currently reviewing responses and expect to publish a document highlighting the outcomes of the consultation shortly. Further revisions to the methodology used to generate affordability indices may result as an outcome of the consultation.

[NS] denotes that the publication has National Statistics status