

640308 – Foreign Holidays – City Breaks

Introduction

This index covers the cost of adult and child City Breaks across a range of destinations. Prior to 2005 City Breaks were represented in the overall Foreign Holidays index, but due to the high expenditure on this item it was decided that from 2005 it would be a separate item.

Methodology

The index is calculated at the lowest level using an average of relatives for the RPI and the geometric mean of relatives for the CPI. Each month these are calculated for each holiday destination and weighted by the split between adults and children.

The approach used ensures that prices only enter the index in the month the holiday is taken. Further, in the comparison of like with like the index considers the "month of holiday" to be a defining characteristic of the product. This being so, the base price for each holiday (say, a holiday to Spain in July) is not the January price for a holiday to Spain but the last price observed for a "holiday in Spain in July" - or more clearly, the price from the previous year. These issues are articulated, at length, in the Retail Prices Index Advisory Committee reports for July 1990 and January 1993.

Weights

The spreadsheet is weighted according to the split between destination, month and adult and child. Destination and month weights are calculated from the IPS survey data, using "Short Break Expenditure" - ie, holidays lasting three days or less. Data from the latest IPS survey can be found in [REDACTED]


[REDACTED] The split between adult and children is taken from the ONS publication **Travel Trends**.

Obtaining the data

The spreadsheet contains a large number of prices. These are extracted from the internet. Prices should be inserted in the relevant cells, ensuring all the criteria is matched so that the holidays used are the same as the previous year. If a particular holiday is discontinued, then a new one is chosen with prices recorded for the new holiday for both the current and previous year.

The companies used are found in the first column of the price input worksheet, of the spreadsheet. This is kept up to date by the price analyst.

Unlike the Foreign Holiday spreadsheets which run on a winter and summer collection, both using prices for 7-night stays, City break holidays run throughout the year and usually a 3-night stay should be priced. Holidays should be priced as of departing on the 1st of every month unless stated otherwise. [REDACTED]



Processing the data

The holiday data is entered onto the prices input sheet. The cells into which the holidays are entered are shaded yellow. Cells shaded bright yellow indicate where there were prices in the previous year. The spreadsheet then automatically calculates an overall index on the index sheet.

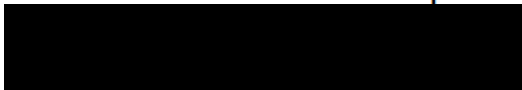
The individual holiday sheets should be checked by the Team Coordinator for any high or low-price relatives (shaded green for ease of reference) which indicate the holiday has changed significantly in price since the previous year. These green cells should be checked against the data provided for comparability and data entry errors.

Holiday prices can be entered in advance and while this will affect the future months' indices it will not affect the current month's index.

New Year Set-up

Each year the prices analyst updates the dates and weights in the spreadsheet. The list of items being priced is reviewed and updated by the prices analyst and senior prices analyst if necessary. Advice on sample changes can be sought from the advisor.

The prices for the current year are copied and pasted into the cells for the previous year. The prices analyst notifies the team coordinator that the spreadsheet is ready for checking and gives them the new year checking sheet along with copies of the data to be checked. The team coordinator also updates the **'Time Series Data'** worksheet which contains the data used to generate the Time Series graph on the **'INDEX'** worksheet. This worksheet is updated by using the following SQL:



Once the spreadsheet has been checked by the team coordinator, it is passed on to the designated spreadsheet sign-off checker, along with the base prices, documentation and any new weights data.