

STSCONS_ESMS31_A_FR_2010_0000



National Reference Metadata in Euro SDMX Metadata Structure (ESMS)

Compiling agency: Insee (Institut National de la Statistique et

des Etudes Economiques)
Time Dimension: 2010-A0
Data Provider: FR1

Data Flow: STSCONS_ESMS31_A

Eurostat metadata

Reference metadata

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Related Metadata

Annexes (including footnotes)

For any question on data and metadata, please contact: **EUROPEAN STATISTICAL DATA SUPPORT**

1. Contact	
1.1. Contact organisation	Insee (Institut National de la Statistique et des Etudes Economiques)
1.2. Contact organisation unit	Insee \ DSE directorate \ DSCT department \ IPP division (in French: direction des statistiques d'entreprises \ département des statistiques de court terme \ division des indices de prix à la production)
1.5. Contact mail address	INSEE à l'attention de M. Gérard VITTEK - timbre E310 18 boulevard Adolphe Pinard 75014 PARIS

2. Metadata update		<u>Top</u>
2.1. Metadata last certified	29/04/2014	
2.2. Metadata last posted	29/04/2014	
2.3. Metadata last update	29/04/2014	

3. Statistical presentation

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3.1. Data description

	Producer Price Index for construction of new residential buildings - Base 2010:
	The Statistical survey on the "cost of construction index and price of new housings" (in
	French: "Indice du Coût de la Construction - Prix de Revient des Logements neufs")
Name of	summarized in "ICC-PRLN" is conducted by the Statistical Service of the Ministry of
indicator/source	Ecology, sustainable Development and Energy.
	The Producer Price Index for construction of new residential buildings (for statistical use)
	and the "ICC" (for the official use of rentals escalation) are calculated by Insee on the
	base of these survey data with the help of hedonic models.

3.2. Classification system

CPA Rev. 2, section F.

French Producer Price Index for construction of new residential buildings distinguishes 3 types of dwellings:

- pure individual dwellings (= CC 111);
- grouped individual dwellings (part of CC 112);
- collective dwellings (remaining part of CC112).

Residences for communities (CC 113) are not observed.

3.3. Coverage - sector

Activiti	ies covered	CPA Rev. 2, Section F, sub-class 41.00.1: "residential buildings".
Size cla	_	All.

3.4. Statistical concepts and definitions

List and definition of variables	The "cost of construction index" (ICC in French) is the denomination for the index (of price, indeed) to be used for rentals escalation. It is expressed in reference $100 = 4^{th}$ quarter of 1953. The "producer price index for construction of new residential buildings - base 2010" represents the "statistical" price index in reference $100 = average$ year 2010.
Planned changes in information collected	No major changes planned. Slight adaptations possible every semester, in order to take into account legal changes (for instance, new concept of surface: SP instead of SHON).
Accounting conventions	Not applicable.

The "producer price index for construction of new residential buildings - base 2010" and the ICC measure only the development of residential buildings: excluding residences for communities, non-residential buildings, land prices and architect's and other fees. They reflect the prices paid by the client to the construction company. Hence, they respect the council regulation n° 1503/2006 on "Output price indices for construction".

3.5. Statistical unit

Reporting unit	works owner or prime contractor of a sampled building permit.	
Observation unit(s)	Building permit.	
3.6. Statistical popula	tion	
Around 500.000 buildi	ing permits a year.	
3.7. Reference area		
	Metropolitan France, in other words excluding the overseas territories and departments.	
3.8. Coverage - Time		
The ICC was first created in 1953, fourth quarter.		
3.9. Base period		
Base (reference) year	The "producer price index for construction of new residential buildings - base 2010 " is expressed in reference $100 = 2010$.	

4. Unit of measure Price Index, homogenous to € / m²

5. Reference Period The reference period is the quarter.

6. Institutional Mandate		
6.1. Institutional Mandate - legal acts and other agreements		
Legal basis	This "ICC" used for rental escalation is ruled by French Law 53-321 of April 15 th , 1953 and by decree 58-880 of September 22 nd , 1953. The producer price index for construction of new residential buildings is the right indicator corresponding to variable 310 - producer price index of annex B - construction in STS regulation n° 1158/2005, with STS package projects of extension.	
Obligation on units to provide data	Compulsory (visa n° <u>2013T027LO</u>).	
Planned changes in legal basis, obligation to respond and frame used	None.	

6.2. Institutional Mandate - data sharing

Data are shared between statistical service of Ministry of Ecology, in charge of the survey, and Insee, in charge of the index relying on a hedonic model.

We are not aware of data sharing with OECD, UN, IMF or other international organisation.

7. Confidentiality 7.1. Confidentiality - policy

Dissemination of terms and conditions under which official statistics are produced, including confidentiality of individual	Only total ICC or producer price index for construction of new residential buildings is published.
responses	
7.2. Confidentiality -	data treatment
Treatment of confidential data	Not applicable.
8. Release poli	cy I
8.1. Release calendar	
Advance	ICC and producer price index for construction of new residential buildings are published around T+100. It could be advanced to T+80 in the coming months of
dissemination of release calendar	2014.
	I To the second
release calendar 8.2. Release calendar	I To the second

http://www.insee.fr/en/publics/presse/agenda.asp. 8.3. Release policy - user access		
Simultaneous release to all interested parties	Yes.	
Identification of internal government access to data before release	No.	
Hurostat and further	The transmission to Eurostat is made using the GESMES format, the day before the national release.	

9. Frequency of dissemination Quarterly.

10.1. Dissemination format - News release Identification of ministerial commentary on the occasion of statistical releases 10.2. Dissemination format - Publications

The "ICC" index is published in the "Informations rapides" of Insee (http://www.insee.fr/en/themes /indicateur.asp?id=102) and in the *Journal Officiel* about the 10th of the fourth month following the quarter under review.

10.3. Dissemination format - online database

The Producer price indices for construction of new residential buildings is published simultaneously with the press release on BDM website: http://www.bdm.insee.fr/bdm2/affichageSeries.action?idbank=001667524&codeGroupe=1492

Possible download on Excel or CSV files.

10.4. Dissemination format - microdata access

Not available.

10.5. Dissemination format - other

Pla	nned changes in	
nat	ional	The calendar of dissemination should be advanced by 20 days in 2014.
dis	semination	The calcillation dissemination should be advanced by 20 days in 2014.
me	thods	

The "Producer Price Index for construction of new residential buildings" in reference 100 = 2010 is transmitted to Eurostat the day before the national release.

11. Accessibility of documentation

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11.1. Documentation on methodology

Dissemination of documentation on methodology and sources used in preparing statistics	Methodology on http://www.bdm.insee.fr /bdm2/documentationGroupe.action?codeGroupe=1492
Description of standard tables produced	Aggregated index: Price index for construction of new residential buildings - Base 2010.

11.2. Quality management - documentation

Not available.

12. Quality management

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12.1. Quality assurance

The European statistics code of practice is implemented as far as possible.

12.2. Quality management - assessment

The questionnaires are updated semi-annually, in order to take account of technical and regulatory developments, and also in order to adapt to the difficulties reported by respondents (new wording of the questions).

The analysis of hedonic models results is used to update models annually, in order to incorporate new variables (with testing them on the past).

Models use moving windows of six quarters, trade-off between robustness and revision of the past.

Anyway, some difficulties are encountered with:

- regional representativity;
- modification of legal definitions of living area;
- the quality effect linked to upgrading environmental norms.

If there are both a developer of building projects and a builder, the price corresponds to the builder invoice. Conceptually, one could wonder if the "margin" of the developer of building projects should not be taken into

13. Relevance

13.1. Relevance - User Needs

National Accounts need a deflator on one side (producer price index for construction of new residential buildings) and tenants and landlords an official index for rental escalation on the other side (cost of construction index).

13.2. Relevance - User Satisfaction

No claim has raised for several years, neither from National Accounts, neither from tenants or landlords...

13.3. Completeness

The coverage of new residential buildings is quite complete, under the restriction that overseas departments are not covered by the "ICC-PRLN" statistical survey, conducted by the Statistical Service of the Ministry of Ecology, sustainable Development and Energy. Overseas departments represents only 4% of the new dwellings in France in 2013 and 3.6% of the aera of new dwellings in France in 2013.

However, only new residential buildings are covered: non-residential buildings are not covered, neither civil works. NA use "Producer Price Index for construction of new residential buildings" or cost of construction indices for these activities/products. But a specific PPI exists for "dwellings maintenance and improvement works" ($CPA = 43 \setminus 43.1$).

14. Accuracy Top

14.1. Accuracy - overall

Not available. Difficult with a hedonic model.

No bias has been detected.

The data of the survey are never revised. The hedonic models use the data available at the deadline.

If data are avaiable later, they are kept by the ministry of ecology and not sent to Insee. The reason why is that "ICC" index cannot be revised (law 53-321).

With the same data, the hedonic model gives the same results.

14.2. Sampling error

Not available. Difficult with a hedonic model.

14.3. Non-sampling error

Response rate	The rate of 33% is measured between beginning of phase 1 (sample) and end of phase 2 (complete prices and characteristics available for hedonic models). But a lot of conditions have to be fulfilled. During phase 1, the survey separates renovation (out of the scope) from construction of buildings. This explains a part of the low "rate of response", which includes in fact a large proportion of "out of scope".
Actions to speed up or increase the rate of response	The ICC-PRLN questionnaire collection is done by the statistical office of the Ministry of Ecology. They call back non-respondents. The non respondents do not belong to a particular stratum of the sample. The non-respondents do not create a bias, as far as we know.

15. Timeliness and punctuality

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15.1. Timeliness

Himeliness	100 days after the end of the reference period (quarter), which will become soon
	80 in 2014.

Timetable of data collection	65 days after the end of the reference period (quarter).
15.2. Punctuality	
No delay for several y	rears.

16. Comparability

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16.1. Comparability - geographical

The definitions of Commission Regulation 1503/2006 are applied, therefore the comparability between Member States should be established (with same hypotheses on other Member States).

(French Producer Price Index for construction of new residential buildings distinguishes 3 types of dwellings:

- pure individual dwellings (= CC 111);
- grouped individual dwellings (part of CC 112);
- collective dwellings (remaining part of CC112).

Residences for communities (CC 113) are not observed)

16.2. Comparability - over time

In 2009, a hedonic model has been introduced, but should not have affected the comparability over time.

17. Coherence	<u>Top</u>
17.1. Coherence - cro	ss domain
Dissemination of information that support statistical cross-checks and provide assurance of reasonableness	Not available.
	A quarterly confrontation is made with "BT01 index", which measures the change in construction cost for activity "41 - construction of buildings". Prices are more reactive than costs; this is usual. Producers reduce first their margin, and costs are more rigid.

17.2. Coherence - internal

Three hedonics models are used: pure individual dwellings (= CC 111), grouped individual dwellings (part of CC 112) and collective dwellings (remaining part of CC112).

We compare the changes in price of the three sub-indices: they are very consistent on long term, but on short term prices of individual (pure or grouped) dwellings are more reactive than prices of collective dwellings, because the decision chain is shorter for houses than for dwellings.

18. Cost and Burden

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The cost for Insee is 0.2 Full Time Equivalent of a category A statistician. The main cost is for the Ministry of Ecology with 8 Full Time Equivalent (1 category A, 6 category B and 1 category C civil servants). External costs represent 420.000 € a year (compensation of field surveyors,...).

The statistical burden of the ICC-PRLN survey for each of the 500 building permits works owner or prime contractor is about half an hour for the first phase and one hour for the second phase, *i.e.* (6,000*1/2 + 2,000*1) = 5,000 hours a year.

19. Data revision

19.1. Data revision - policy

No revision, because of use for rental escalation.

19.2. Data revision - practice

Provision of
information about
revision and
advance notice of
major changes in
methodology

Not available.

Input data and final "ICC" data are never revised.

"Producer Price Index for construction of new residential buildings" (statistical index) could be revised (use of a new hedonic model on the past), but in practice we have not yet used this possibility. This should happen for the first time in Autumn 2014.

20. Statistical processing

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20.1. Source data

Type of source	of Ecology.
Frame on which the source is based	Sitadel register: the exhaustive source on building permits in France, managed by the Ministry of Ecology.
Sample or census	Sample.
Criteria for stratification	Type of construction Initially, about 1.500 building permits are selected every quarter, of which we expect 500 completed with prices and characteristics (some high constraints on dates and characteristics): - pure individual: ~ 200 by quarter, - grouped individual (single house in a subdivision, etc.): ~ 100 by quarter, - collective dwellings of more than 50 apartments: exhaustive collective dwelling of less than 50 apartments: 200 - number in previous stratum.
Threshold values and percentages	Not applicable.
Frequency of updating the sample	Yearly.

20.2. Frequency of data collection

Periodicity of data collection	Quarterly.

20.3. Data collection

Questionnaires used in the survey	"ICC-PRLN" questionnaires: - 2 types for phase 1 (1 dwelling / 2 dwellings and more); - 2 types for phase 2 (1 dwelling / 2 dwellings and more).
national	Possible slight adaptations every two quarters, in order to take into account legal changes.

Data collection media	Paper.	
Planned changes in data collection methodology	None.	

20.4. Data validation

First of all, the data are validated at Insee by internal consistency (first detection of outliers).

The hedonic models run twice: the first run detects other outliers (Cook's distance and Student statistics), and then the second run provides the final data, without the outliers.

20.5. Data compilation

Estimates for non-response	This concept of non-response is not really applicable: most of the 6,000 bulding permits selected quarterly for the first phase do not fit criteria necessary for the second phase (2,000 building permits usable requested). Moreover, the hedonic model relying on usable building permits of second phase does not need any imputation of building permits given up during first phase. In fact, Insee wants about 500 responses by quarter with a breakdown: - about 40% of pure individual, - about 20% of grouped individual (single house in a subdivision, etc.), about 40% of collective dwellings.
Estimates for grossing-up to	Not available.
population levels	
Type of index	The producer price index for construction of new residential buildings - base 2010 is a chain-linked Paasche index, resulting from the aggregation of three sub-indices in proportion to the importance of each type: pure individual, grouped individual and collective.
Method of weighting and chaining	chain-linked Paasche the weights of the type of construction are estimated by the number of dwellings beginning during the quarter and valuated by the mean prices of the sample. Reference 100 in 2010.
Planned changes in production methods	None.

Annexes:

Formula for ICC compilation

20.6. Adjustment

WDA, SA and	None
other calculations	None.

21. Comment No comment.

Related metadata

Annexes

"ICC-PRLN" questionnaire, 2 dwellings and more, phase 2, 2014

"ICC-PRLN" questionnaire, 1 dwelling, phase 2, 2014

"ICC-PRLN" questionnaire, 1 dwelling, phase 1, 2014

"ICC-PRLN" questionnaire, 2 dwellings and more, phase 2, 2014