

Dwellings maintenance and improvement prices index (IPEA)

Presentation

Created in 1993, the survey about dwellings maintenance and improvement prices observes the prices of existing dwellings maintenance and improvement. It relate to the existing dwellings in France. This quarterly survey is realized by the Ministry of Ecology, sustainable Development and Planning.

Dwellings maintenance-improvement is analysed by nine families, among which masonry, plumbing, wood/PVC and metal joinery, electricity, plaster works, painting, etc..

Since 1999, the survey covers all these families, what allowed to establish a aggregated index, the dwellings maintenance and improvement prices index (IPEA).

The results for quarter t are published at the end of quarter (t+1) in the "SES - Infos Rapides - Construction" collection.

The survey is quarterly. It allows to establish the dwellings maintenance and improvement prices index (IPEA). The index is rebased every 5 years and is presently in base 100 on the first quarter 2005.

In national accounting, IPEA is used as deflator of the turn over realized in dwellings maintenance and improvement.

Method

Companies are sampled according to a simple random sample design with respect to the sector, size and area criteria. The sample is renewed per third, the base of survey being SIRENE. The interrogation is carried out in two stages. The first consists in renewing the panel of companies whose prices will be collected quarterly. Initially a questionnaire by mail filters the companies realizing of dwellings maintenance and improvement. Then investigators determine with those the representative services which will be followed. The second stage collects the prices using a quarterly statement.

The principle of the IPEA calculation consists in conducting surveys on a panel of companies carrying on an activity of dwellings maintenance-improvement and measuring the evolution of price for representative services determined by these companies. The prices are contract prices (except subcontracting) excluding VAT, holding account of the reductions and commissions allowed to the customers.

IPEA is index of chained Laspeyres (constant weighting). The evolutions of price are weighted by the turnovers in value.

Weights are updated regularly every five years. At the detailed level, weights correspond to the sales turnovers associated with the services with the questioned companies. At the aggregate level (index IPEA), they result from a specific regular survey about the building maintenance-improvement.

Index is calculated starting from statements of quarterly prices with a panel representative of 1 500 companies within the framework of the obligatory survey "Survey for the establishment of dwellings maintenance-improvement price index".

Characteristics

The IPEA intervenes, with height of 20 %, in the development of the dwelling rents reference index (IRL) to revise the rents of dwelling (Article 35 of the law n° 2005-841 of 26 July 2005 instituting the IRL and decree n° 2005-1615 of 22 December 2005 defining the methods of calculation).

The evolutions of the IPEA can be compared or brought closer those of indicators of costs of the factors, like the index BT50, worked out each month and published in the Official Journal by the Ministry of Ecology, sustainable Development and Planning.

In addition, concerning the construction of new dwellings, the adapted price index is the ICC (cost of construction index) worked out and published each quarter by INSEE.