



# New Housing Pipeline

## Q4 2011 report

Published March 2012



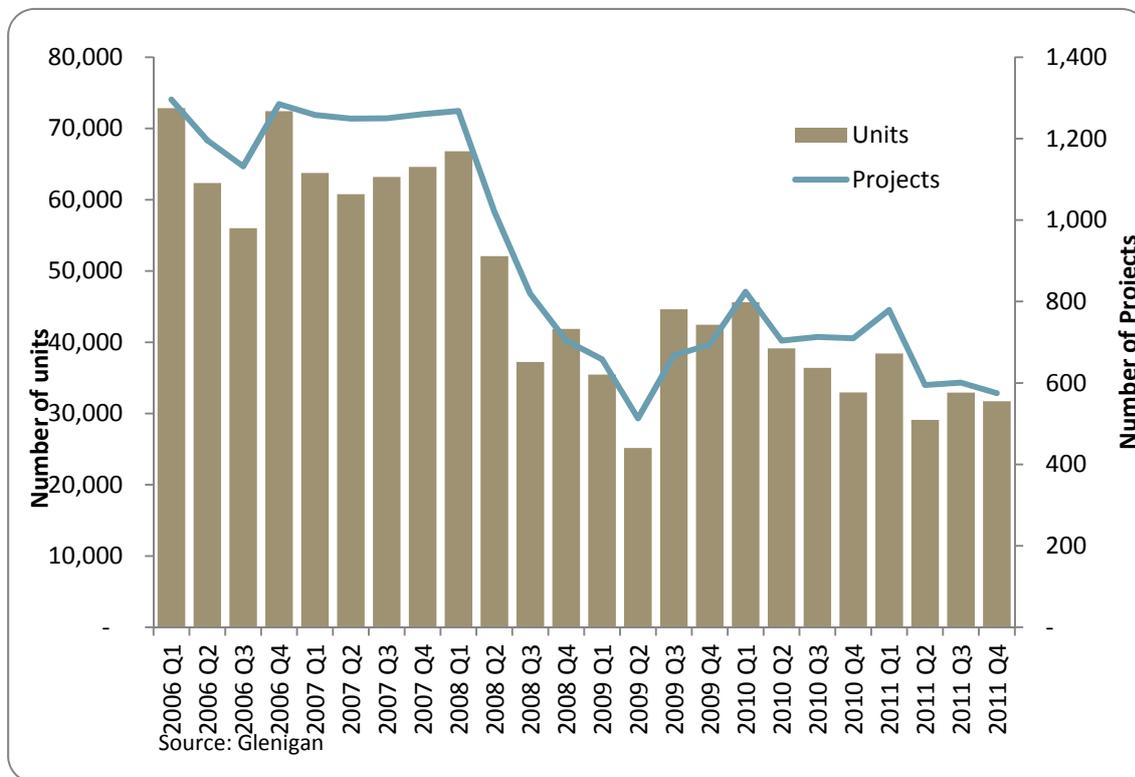
Analysis of market conditions and prospects  
prepared by Glenigan.

# New Housing Pipeline

The flow of residential approvals remained subdued during the third quarter of 2011. Whilst the number of units approved was off the two year low seen during the previous three months, it remained extremely weak

Glenigan recorded the approval of 32,900 residential units<sup>1</sup> during the third quarter of 2011; a 13% increase on the previous three months, but still 10% down on a year ago. Not only is this well below the quarterly average of 64,500 during 2006 and 2007, it also falls short of 2010's quarterly average of 38,500 units. Overall the number of units approved during the first nine months of this year is 17% down on the corresponding period of 2010.

Chart 1: Residential planning approvals (Great Britain)



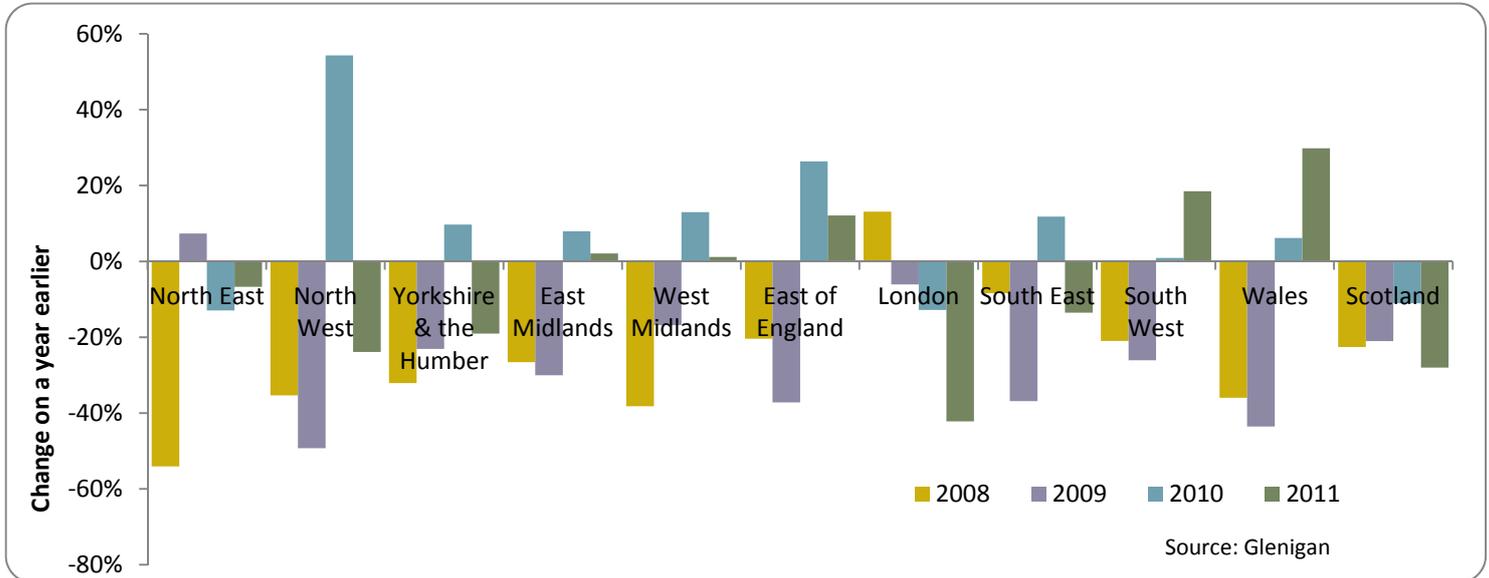
The approval of social housing projects (schemes consisting of predominately social housing) has been on an erratic, downward trend since the General Election. This continued during the closing months of 2011. At 5,100 the number of unit approvals covered by social housing projects during the fourth quarter was 36% up on an especially weak third quarter, but remained 6% down on a year ago. Taking 2011 as a whole, at 19,000 units social housing approvals were 46% down on the preceding year.

The flow of private residential approvals remains weak. At 26,000 units, private residential approvals during the fourth quarter were 6% down on the preceding three months and 2% lower than a year ago. Overall private residential approvals totalled 109,000 units during 2011, a 7% drop on the previous year but still 4% up on their 2009 low point. Nevertheless the number of residential units

<sup>1</sup> Projects involving 10 or more residential units

approved remains at around half the annual rate of 215,000 to 223,000 units seen during 2006 and 2007.

Chart 2: Residential planning approvals by region (No. of units)



Regionally the drop in approvals last year was sharpest in the north of England and Scotland. In contrast the Midlands and Wales both benefited from a strengthening in the number of private housing approvals. The drop in approvals in Southern England reflects a sharp deterioration in private residential approvals in the capital and a more widespread fall in social housing approvals; private housing approvals outside of London were stable or strengthening.

Table 1: Number of residential units approved

	England				Wales	Scotland	Great Britain
	North of England	Midlands	Southern England	All			
2006	67,565	36,580	119,549	223,694	9,416	30,514	263,624
2007	65,645	37,613	109,209	212,467	10,765	29,109	252,341
2008	40,892	25,290	102,377	168,559	6,894	22,541	197,994
2009	27,598	19,334	79,078	126,010	3,894	17,800	147,704
2010	33,714	21,389	79,040	134,143	4,134	15,836	154,113
2011	27,137	21,730	66,545	115,412	5,366	11,400	132,178
	<i>Change on a year earlier</i>						
2007	-3%	3%	-9%	-5%	14%	-5%	-4%
2008	-38%	-33%	-6%	-21%	-36%	-23%	-22%
2009	-33%	-24%	-23%	-25%	-44%	-21%	-25%
2010	22%	11%	0%	6%	6%	-11%	4%
2011	-20%	2%	-16%	-14%	30%	-28%	-14%

N.B. Projects involving 10 or more residential units.

## Notes:

This report is based upon an analysis of housing projects being tracked by Glenigan and held on its database of construction projects. The following restrictions and filters apply to the analysis:

1. Projects included are for 10 or more units
2. Housing schemes are included where the development is primarily identified as being: Apartments/ flats, Bungalows, Houses/ Luxury Housing or Sheltered Housing. Key Worker Accommodation or Sheltered Housing.
3. In addition mixed used developments involving 10 or more residential units are also included in the analysis.
4. Elderly people's homes, Hostels and student accommodation have been excluded from the analysis.
5. Approvals are recorded at the detailed planning stage. Where a project has secured outline planning approval and the detailed consent is being resolved through the approval of reserve matters the date of 'detailed consent' is deemed to be that of the approval of reserve matters. In the case of some projects, the reserve matters are approved piecemeal; in these circumstances the earliest approval date has been used in order to avoid double counting.

## Housing Approvals

The tables provide a regional breakdown of new building planning approvals since 2007

**Table 2: Number of housing units securing detailed planning approval by region & country**

	North of England			Midlands		Southern England			England	Wales	Scotland	Great Britain	
	North East	North West	Yorkshire & Humber	East Midlands	West Midlands	East of England	London	South East					South West
<b>Q1 2007</b>	2,615	11,034	5,154	4,749	4,758	5,460	7,175	8,914	5,607	55,466	1,353	6,940	<b>63,759</b>
<b>Q2 2007</b>	2,488	7,121	7,328	4,782	4,759	4,457	8,521	6,245	5,653	51,354	2,730	6,690	<b>60,774</b>
<b>Q3 2007</b>	3,722	7,352	3,871	3,975	5,007	4,860	9,960	7,179	5,727	51,653	4,874	6,670	<b>63,197</b>
<b>Q4 2007</b>	3,183	7,150	4,627	4,041	5,542	5,825	10,243	7,150	6,233	53,994	1,808	8,809	<b>64,611</b>
<b>Q1 2008</b>	2,366	10,980	5,975	3,730	3,987	5,217	11,397	7,904	6,888	58,444	2,102	6,256	<b>66,802</b>
<b>Q2 2008</b>	1,315	3,870	3,202	3,238	3,521	4,733	9,271	8,307	4,649	42,106	1,503	8,469	<b>52,078</b>
<b>Q3 2008</b>	963	3,788	1,794	3,100	3,388	3,059	7,826	4,375	3,793	32,086	1,555	3,599	<b>37,240</b>
<b>Q4 2008</b>	875	2,484	3,280	2,816	1,510	3,394	12,110	6,431	3,023	35,923	1,734	4,217	<b>41,874</b>
<b>Q1 2009</b>	1,082	3,136	1,898	1,754	2,293	2,423	9,871	4,263	3,805	30,525	987	3,950	<b>35,462</b>
<b>Q2 2009</b>	1,235	2,626	1,434	2,061	710	2,474	5,248	3,538	2,506	21,832	439	2,891	<b>25,162</b>
<b>Q3 2009</b>	929	2,454	3,900	2,907	1,487	3,000	17,778	4,133	3,555	40,143	1,298	3,182	<b>44,623</b>
<b>Q4 2009</b>	2,678	2,499	3,727	2,291	5,831	2,408	5,247	5,124	3,705	33,510	1,170	7,777	<b>42,457</b>
<b>Q1 2010</b>	2,859	4,851	3,852	2,098	3,548	3,085	12,667	3,483	4,010	40,453	1,069	4,098	<b>45,620</b>
<b>Q2 2010</b>	1,010	3,592	2,911	2,080	3,203	4,268	7,017	5,260	3,409	32,750	1,019	5,360	<b>39,129</b>
<b>Q3 2010</b>	624	3,923	2,325	2,737	2,173	3,141	8,193	4,865	3,572	31,553	771	4,087	<b>36,411</b>
<b>Q4 2010</b>	664	4,168	2,935	2,812	2,738	2,528	5,373	5,466	2,703	29,387	1,275	2,291	<b>32,953</b>
<b>Q1 2011</b>	696	4,168	3,319	2,364	3,565	3,393	6,860	4,733	4,352	33,450	2,099	2,871	<b>38,420</b>
<b>Q2 2011</b>	2,032	2,157	2,215	2,249	1,692	3,530	2,692	3,576	5,028	25,171	1,320	2,607	<b>29,098</b>
<b>Q3 2011</b>	611	3,640	2,240	1,877	2,073	5,310	5,177	3,908	4,223	29,059	963	2,906	<b>32,928</b>
<b>Q4 2011</b>	1,473	2,624	1,962	3,441	4,469	2,363	4,498	4,275	2,627	27,732	984	3,016	<b>31,732</b>

Table 3: Number of housing projects securing detailed planning approval by region &amp; country

	North of England			Midlands		Southern England				England	Wales	Scotland	Great Britain
	North East	North West	Yorkshire & the Humber	East Midlands	West Midlands	East of England	London	South East	South West				
<b>Q1 2007</b>	56	116	120	106	89	123	110	201	154	1,075	37	146	<b>1,258</b>
<b>Q2 2007</b>	47	154	111	106	107	102	120	165	141	1,053	57	139	<b>1,249</b>
<b>Q3 2007</b>	52	151	109	82	103	122	113	174	127	1,033	62	155	<b>1,250</b>
<b>Q4 2007</b>	60	136	125	84	103	142	135	182	134	1,101	45	114	<b>1,260</b>
<b>Q1 2008</b>	51	150	138	86	99	118	118	172	165	1,097	48	123	<b>1,268</b>
<b>Q2 2008</b>	37	93	84	67	76	103	103	170	122	855	40	126	<b>1,021</b>
<b>Q3 2008</b>	31	91	49	69	62	74	87	114	120	697	34	88	<b>819</b>
<b>Q4 2008</b>	19	68	74	48	43	68	86	96	74	576	34	94	<b>704</b>
<b>Q1 2009</b>	25	69	51	48	44	64	76	73	100	550	29	79	<b>658</b>
<b>Q2 2009</b>	19	54	37	37	28	58	58	67	69	427	19	67	<b>513</b>
<b>Q3 2009</b>	20	56	60	47	38	78	85	86	94	564	37	67	<b>668</b>
<b>Q4 2009</b>	23	64	56	56	49	60	75	88	104	575	24	95	<b>694</b>
<b>Q1 2010</b>	45	99	77	57	57	69	109	93	101	707	29	88	<b>824</b>
<b>Q2 2010</b>	18	74	54	58	51	79	70	119	82	605	17	82	<b>704</b>
<b>Q3 2010</b>	19	89	68	53	50	67	91	104	81	622	20	71	<b>713</b>
<b>Q4 2010</b>	19	89	64	50	64	64	88	110	71	619	26	65	<b>710</b>
<b>Q1 2011</b>	20	92	84	54	57	82	98	104	89	680	27	72	<b>779</b>
<b>Q2 2011</b>	19	59	50	42	45	72	67	84	79	517	26	52	<b>595</b>
<b>Q3 2011</b>	12	60	46	42	52	70	73	88	65	508	26	67	<b>601</b>
<b>Q4 2011</b>	19	69	35	47	62	54	59	97	70	512	24	39	<b>575</b>

## Social Housing Approvals

This table provides a regional breakdown of new social house building planning approvals since 2006

Table 4: Number of social housing projects securing detailed planning approval by region & country

	North of England			Midlands		East of England	Southern England			England	Wales	Scotland	Great Britain
	North East	North West	Yorkshire & the Humber	East Midlands	West Midlands		London	South East	South West				
Q1 2006	110	1,576	313	1,028	258	423	8,970	1,120	358	14,156	342	1,018	15,516
Q2 2006	109	240	155	113	330	595	1,746	1,902	474	5,664	322	1,250	7,236
Q3 2006	400	671	179	144	537	873	1,670	1,085	360	5,919	37	587	6,543
Q4 2006	309	700	1,438	530	780	613	1,986	1,352	356	8,064	282	1,008	9,354
Q1 2007	266	3,253	657	431	335	780	2,035	1,674	576	10,007	207	1,433	11,647
Q2 2007	105	635	461	189	719	481	2,384	374	524	5,872	668	1,169	7,709
Q3 2007	446	599	344	293	210	573	2,145	1,463	744	6,817	146	1,073	8,036
Q4 2007	215	538	649	574	472	790	1,929	868	681	6,716	73	1,787	8,576
Q1 2008	768	520	860	286	555	1,150	3,227	688	969	9,023	156	794	9,973
Q2 2008	264	549	48	68	623	284	1,986	2,434	902	7,158	232	2,966	10,356
Q3 2008	326	316	262	157	371	1,197	2,210	1,386	487	6,712	136	1,105	7,953
Q4 2008	249	530	543	289	395	462	4,236	729	270	7,703	163	1,116	8,982
Q1 2009	292	878	587	716	796	734	3,986	1,913	689	10,591	380	1,704	12,675
Q2 2009	273	236	230	168	62	667	2,340	353	367	4,696	156	1,204	6,056
Q3 2009	241	401	463	430	454	733	5,449	482	731	9,384	194	1,798	11,376
Q4 2009	322	541	414	402	4,244	531	1,557	1,364	911	10,286	320	1,012	11,618
Q1 2010	1,118	820	848	448	567	317	6,046	1,111	793	12,068	258	1,349	13,675
Q2 2010	54	687	306	118	1,148	478	1,757	969	281	5,798	73	892	6,763
Q3 2010	105	507	616	83	740	325	2,491	1,941	401	7,209	177	1,659	9,045
Q4 2010	203	425	159	260	323	359	1,662	1,013	385	4,789	112	554	5,455
Q1 2011	168	653	705	231	285	610	1,857	948	526	5,983	144	718	6,845
Q2 2011	786	37	184	156	159	308	517	298	190	2,635	84	517	3,236
Q3 2011	53	174	38	42	303	1,322	368	363	586	3,249	64	460	3,773
Q4 2011	633	481	174	624	535	430	1,148	324	118	4,467	76	579	5,122
	<b>Q4 2011 % Change</b>												
Q3 2011	1094%	176%	358%	1386%	77%	-67%	212%	-11%	-80%	37%	19%	26%	36%
Q4 2010	212%	13%	9%	140%	66%	20%	-31%	-68%	-69%	-7%	-32%	5%	-6%

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