New Housing Pipeline

Q3 2013 report

Published Dec 2013

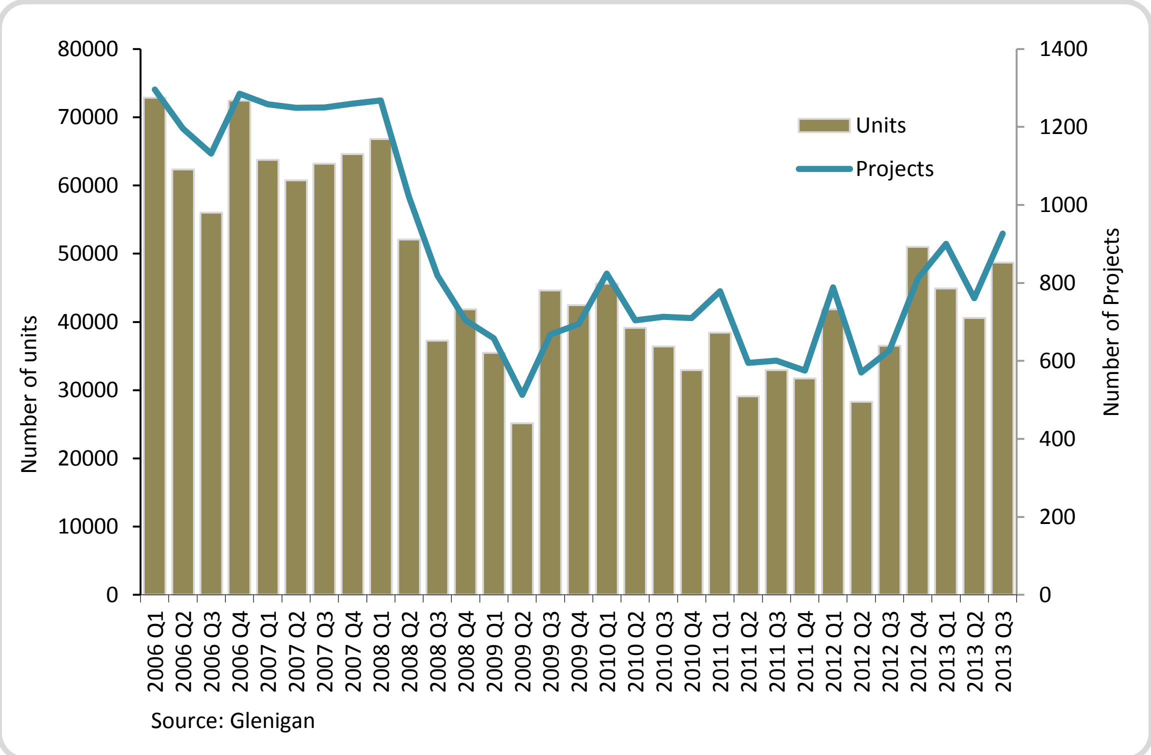
Analysis of market conditions and prospects prepared by Glenigan.

New Housing Pipeline

The flow of residential planning approvals strengthened during the third quarter of 2013, with the number of residential units granted planning approval up 20% on the second quarter and 33% up on a year ago. Private housing approvals rose, with the number of projects approved up by 22% on the second quarter and 39% on a year ago. Social housing approvals also improved; project approvals were up by 81% on a year ago, while the number of units approved increased by a more modest 15% compared to the third quarter of 2012.

Overall Glenigan recorded the approval of around 48,700 residential units[1] during the third quarter of this year; a 20% increase on the previous quarter and a 33% rise against the same period of 2012. The rise follows year-on-year growth during the previous two quarter and helped secure a 28% increase unit approvals during the first nine month of 2013.

Chart 1: Residential planning approvals (Great Britain)



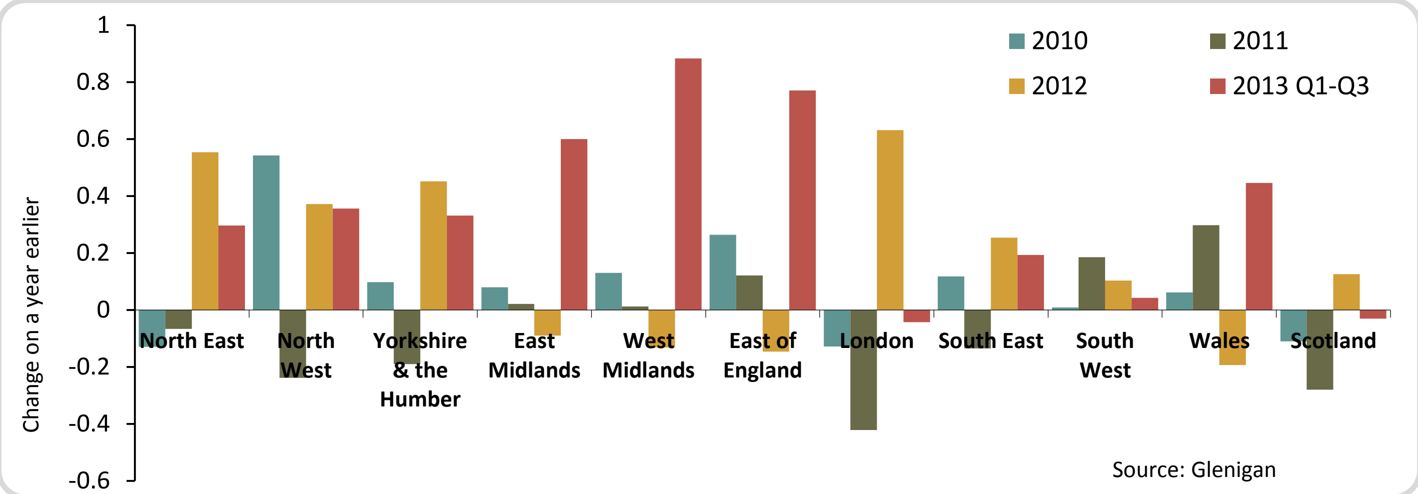
The number of private sector projects securing approval during the third quarter was 22% up on the preceding quarter. The number of units granted planning permission on private sector projects similarly improved, being 26% up on the three months to June 2013. Private sector approvals also rose on annual basis, the number of projects approved during the third quarter of 2013 was 39% higher than during the third quarter of 2012. The number of units

[1] **Projects involving 10 or more residential units**

approved rose accordingly, by 38% over the same period.

The number of social housing projects approved rose strongly during the third quarter, up 26% on the previous quarter and 81% on a year ago. However the number of residential units approved increased at a more moderate rate, 3% higher during the third quarter of 2013 than during the second quarter of 2013. The number of social housing units approved rose by 15% compared to the third quarter of 2012.

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



Regionally, unit approvals in the Midlands and Wales have rebounded strongly during the first three quarters of 2013. The only regions to record falling unit approvals during 2012, they have subsequently seen the largest rise in units approved during the first nine months of 2013. Approvals have continued to rise in the North of England following last year's positive trend. Growth in unit approvals in the South of England lagged the England and GB averages despite a strong rise in approvals in the East of England, due to a drop in unit approvals in London.

Table 1: Number of residential units approved

	North of England	Midlands	Southern England	England - All	Wales	Scotland	Great Britain
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
2012	38,872	19,282	82,401	140,555	4,330	12,828	157,713
2013 Q1-Q3	35,374	21,960	64,603	121,937	4,471	7,854	134,262
	Change on a year earlier						
2009	-33%	-24%	-23%	-25%	-44%	-21%	-25%
2010	22%	11%	0%	6%	6%	-11%	4%
2011	-20%	2%	-16%	-14%	30%	-28%	-14%
2012	43%	-11%	24%	22%	-19%	13%	19%
2013 Q1-Q3	33%	74%	15%	28%	45%	-3%	26%

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

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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								
	North East	North West	Yorkshire & Humber	East Midlands	West Midlands	East of England	London	South East	South West	England	Wales	Scotland	Great Britain	*MAT England
Q1 2007	2,615	11,034	5,154	4,749	4,758	5,460	7,175	8,914	5,607	55,466	1,353	6,940	**63,759**	**215,974**
Q2 2007	2,488	7,121	7,328	4,782	4,759	4,457	8,521	6,245	5,653	51,354	2,730	6,690	**60,774**	**218,019**
Q3 2007	3,722	7,352	3,871	3,975	5,007	4,860	9,960	7,179	5,727	51,653	4,874	6,670	**63,197**	**222,393**
Q4 2007	3,183	7,150	4,627	4,041	5,542	5,825	10,243	7,150	6,233	53,994	1,808	8,809	**64,611**	**212,467**
Q1 2008	2,366	10,980	5,975	3,730	3,987	5,217	11,397	7,904	6,888	58,444	2,102	6,256	**66,802**	**215,445**
Q2 2008	1,315	3,870	3,202	3,238	3,521	4,733	9,271	8,307	4,649	42,106	1,503	8,469	**52,078**	**206,197**
Q3 2008	963	3,788	1,794	3,100	3,388	3,059	7,826	4,375	3,793	32,086	1,555	3,599	**37,240**	**186,630**
Q4 2008	875	2,484	3,280	2,816	1,510	3,394	12,110	6,431	3,023	35,923	1,734	4,217	**41,874**	**168,559**
Q1 2009	1,082	3,136	1,898	1,754	2,293	2,423	9,871	4,263	3,805	30,525	987	3,950	**35,462**	**140,640**
Q2 2009	1,235	2,626	1,434	2,061	710	2,474	5,248	3,538	2,506	21,832	439	2,891	**25,162**	**120,366**
Q3 2009	929	2,454	3,900	2,907	1,487	3,000	17,778	4,133	3,555	40,143	1,298	3,182	**44,623**	**128,423**
Q4 2009	2,678	2,499	3,727	2,291	5,831	2,408	5,247	5,124	3,705	33,510	1,170	7,777	**42,457**	**126,010**
Q1 2010	2,859	4,851	3,852	2,098	3,548	3,085	12,667	3,483	4,010	40,453	1,069	4,098	**45,620**	**135,938**
Q2 2010	1,010	3,592	2,911	2,080	3,203	4,268	7,017	5,260	3,409	32,750	1,019	5,360	**39,129**	**146,856**
Q3 2010	624	3,923	2,325	2,737	2,173	3,141	8,193	4,865	3,572	31,553	771	4,087	**36,411**	**138,266**
Q4 2010	664	4,168	2,935	2,812	2,738	2,528	5,373	5,466	2,703	29,387	1,275	2,291	**32,953**	**134,143**
Q1 2011	696	4,168	3,319	2,364	3,565	3,393	6,860	4,733	4,352	33,450	2,099	2,871	**38,420**	**127,140**
Q2 2011	2,032	2,157	2,215	2,249	1,692	3,530	2,692	3,576	5,028	25,171	1,320	2,607	**29,098**	**119,561**
Q3 2011	611	3,640	2,240	1,877	2,073	5,310	5,177	3,908	4,223	29,059	963	2,906	**32,928**	**117,067**
Q4 2011	1,473	2,624	1,962	3,441	4,469	2,363	4,498	4,275	2,627	27,732	984	3,016	**31,732**	**115,412**
Q1 2012	1,327	3,335	4,330	2,671	1,769	2,756	12,923	3,968	3,682	36,761	1,376	3,737	**41,874**	**118,723**
Q2 2012	1,442	3,635	2,611	2,496	1,930	2,376	2,836	3,864	3,682	24,872	1,131	2,307	**28,310**	**118,424**
Q3 2012	2,899	3,938	3,003	1,453	2,338	2,536	5,838	6,235	5,641	33,881	586	2,058	**36,525**	**123,246**
Q4 2012	1,807	6,356	4,189	2,412	4,213	4,796	9,762	6,607	4,899	45,041	1,237	4,726	**51,004**	**140,555**
Q1 2013	2,822	4,042	5,541	3,835	3,767	4,432	8,279	3,510	4,405	40,633	1,828	2,463	**44,924**	**144,427**
Q2 2013	1,642	4,159	4,645	3,103	3,663	3,607	5,300	6,415	4,519	37,053	1,589	1,968	**40,610**	**156,608**
Q3 2013	2,882	6,589	3,052	3,654	3,938	5,544	7,095	6,861	4,636	44,251	1,054	3,423	**48,728**	**166,978**

***Moving Annual Total**

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

	North of England			Midlands		Southern England							
	North East	**North West**	**Yorkshire & the Humber**	**East Midlands**	**West Midlands**	**East of England**	**London**	**South East**	**South West**	**England**	**Wales**	**Scotland**	**Great Britain**
Q1 2007	56	116	120	106	89	123	110	201	154	1,075	37	146	**1,258**
Q2 2007	47	154	111	106	107	102	120	165	141	1,053	57	139	**1,249**
Q3 2007	52	151	109	82	103	122	113	174	127	1,033	62	155	**1,250**
Q4 2007	60	136	125	84	103	142	135	182	134	1,101	45	114	**1,260**
Q1 2008	51	150	138	86	99	118	118	172	165	1,097	48	123	**1,268**
Q2 2008	37	93	84	67	76	103	103	170	122	855	40	126	**1,021**
Q3 2008	31	91	49	69	62	74	87	114	120	697	34	88	**819**
Q4 2008	19	68	74	48	43	68	86	96	74	576	34	94	**704**
Q1 2009	25	69	51	48	44	64	76	73	100	550	29	79	**658**
Q2 2009	19	54	37	37	28	58	58	67	69	427	19	67	**513**
Q3 2009	20	56	60	47	38	78	85	86	94	564	37	67	**668**
Q4 2009	23	64	56	56	49	60	75	88	104	575	24	95	**694**
Q1 2010	45	99	77	57	57	69	109	93	101	707	29	88	**824**
Q2 2010	18	74	54	58	51	79	70	119	82	605	17	82	**704**
Q3 2010	19	89	68	53	50	67	91	104	81	622	20	71	**713**
Q4 2010	19	89	64	50	64	64	88	110	71	619	26	65	**710**
Q1 2011	20	92	84	54	57	82	98	104	89	680	27	72	**779**
Q2 2011	19	59	50	42	45	72	67	84	79	517	26	52	**595**
Q3 2011	12	60	46	42	52	70	73	88	65	508	26	67	**601**
Q4 2011	19	69	35	47	62	54	59	97	70	512	24	39	**575**
Q1 2012	22	77	69	47	45	64	173	96	84	677	29	84	**790**
Q2 2012	30	77	53	45	35	62	30	86	71	489	17	64	**570**
Q3 2012	38	74	60	46	46	49	53	104	86	556	22	49	**627**
Q4 2012	27	101	57	38	79	75	98	132	114	721	26	65	**812**
Q1 2013	50	100	98	75	93	81	111	99	100	807	39	54	**900**
Q2 2013	29	93	60	56	79	82	82	107	90	678	24	59	**761**
Q3 2013	43	120	62	62	91	99	96	155	98	826	32	69	**927**

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Social Housing Approvals

This table provides a regional breakdown of new social house building planning approvals since 2007

Table 4: Number of social housing units 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 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**
Q1 2012	33	658	448	123	140	296	1,717	344	554	4,313	386	767	**5,466**
Q2 2012	30	365	286	177	206	582	702	301	69	2,718	107	421	**3,246**
Q3 2012	166	515	480	147	612	33	1,093	1,114	1,453	5,613	36	522	**6,171**
Q4 2012	232	449	418	109	734	599	2,672	705	319	6,237	134	744	**7,115**
Q1 2013	246	837	940	254	795	355	2,576	665	648	7,316	214	422	**7,952**
Q2 2013	486	465	377	376	507	608	2,399	935	321	6,474	80	319	**6,873**
Q3 2013	437	603	442	146	1,166	683	1,413	1,189	340	6,419	153	537	**7,109**
						Q3 2013 % Change							
Q2 2013	**-10%**	**30%**	**17%**	**-61%**	**130%**	**12%**	**-41%**	**27%**	**6%**	**-1%**	**91%**	**68%**	**3%**
Q3 2012	**163%**	**17%**	**-8%**	**-1%**	**91%**	**1970%**	**29%**	**7%**	**-77%**	**14%**	**325%**	**3%**	**15%**

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About HBF

The Home Builders Federation (HBF) is the representative body of the home building industry in England and Wales. HBF's members' accounts for 80% of all new homes built in England and Wales in any one year, and include companies of all sizes, ranging from multi-national, household names through regionally based businesses to small local companies.

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