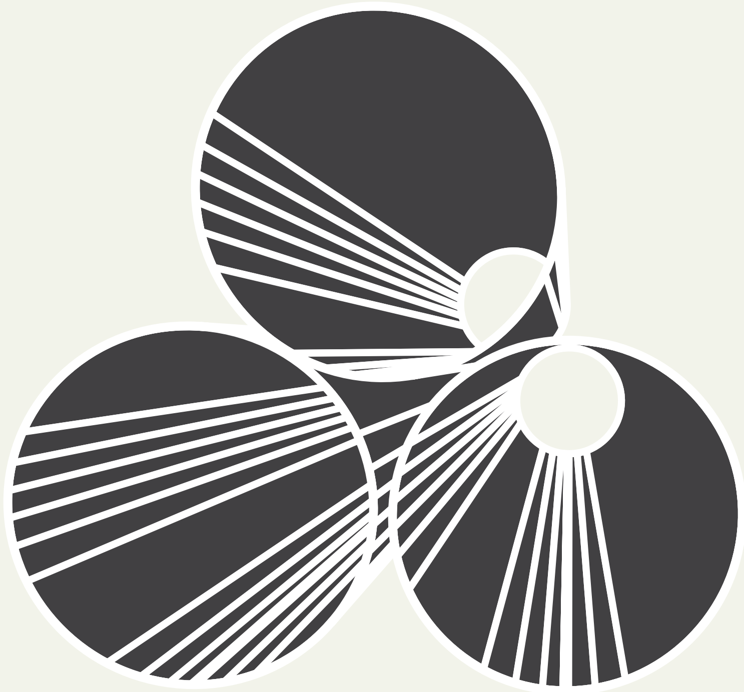
NEW HOUSING PIPELINE



Q1 2019 REPORT

Published Sept 2019

Glenigan

Analysis of market conditions and prospects prepared by Glenigan.

HOME BUILDERS FEDERATION

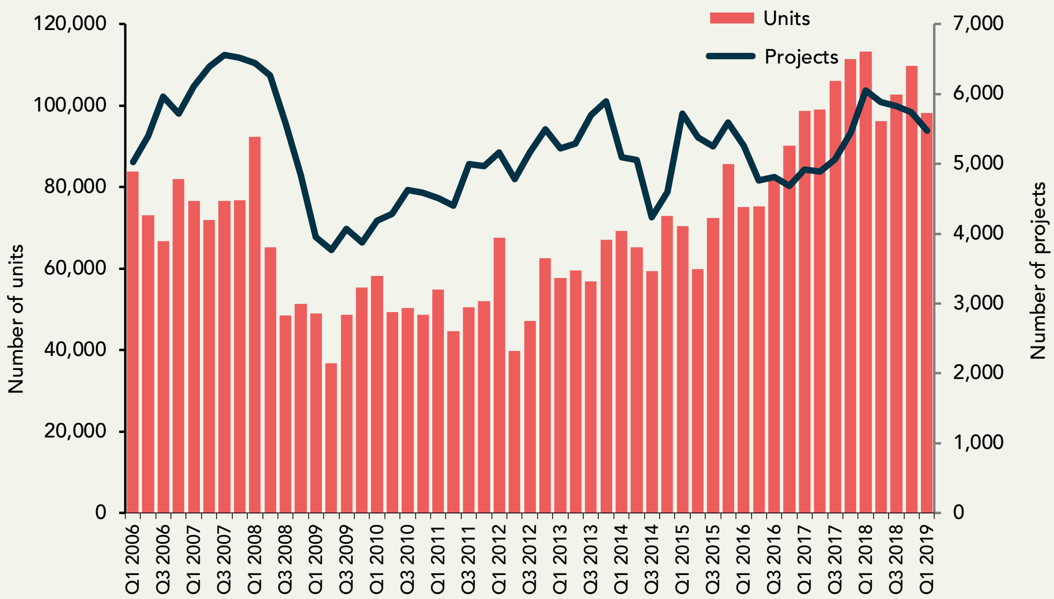
NEW HOUSING PIPELINE

The number of units approved during the first quarter dropped 10% against the previous three months and was 13% lower than a year ago. The year-on-year decline was driven by a 14% drop in the number of private housing units approved and a 10% fall in units on social housing projects. This fall follows a 6% decline in the number of residential units approved last year.

Glenigan recorded the approval of 98,229 residential units during the first quarter of 2019. At 87,323 units, housing schemes of ten or more units accounted for 89% of approved units; the remainder being on smaller new build projects including self-build schemes, homes included within non-residential projects, and the conversion of non-residential properties.

At 2,807, the number of private sector housing projects (schemes of three or more units) securing approval during the first quarter was 5% down on October to December 2018 and 8% lower than during the corresponding period of last year.

Chart 1: Residential planning approvals (Great Britain)



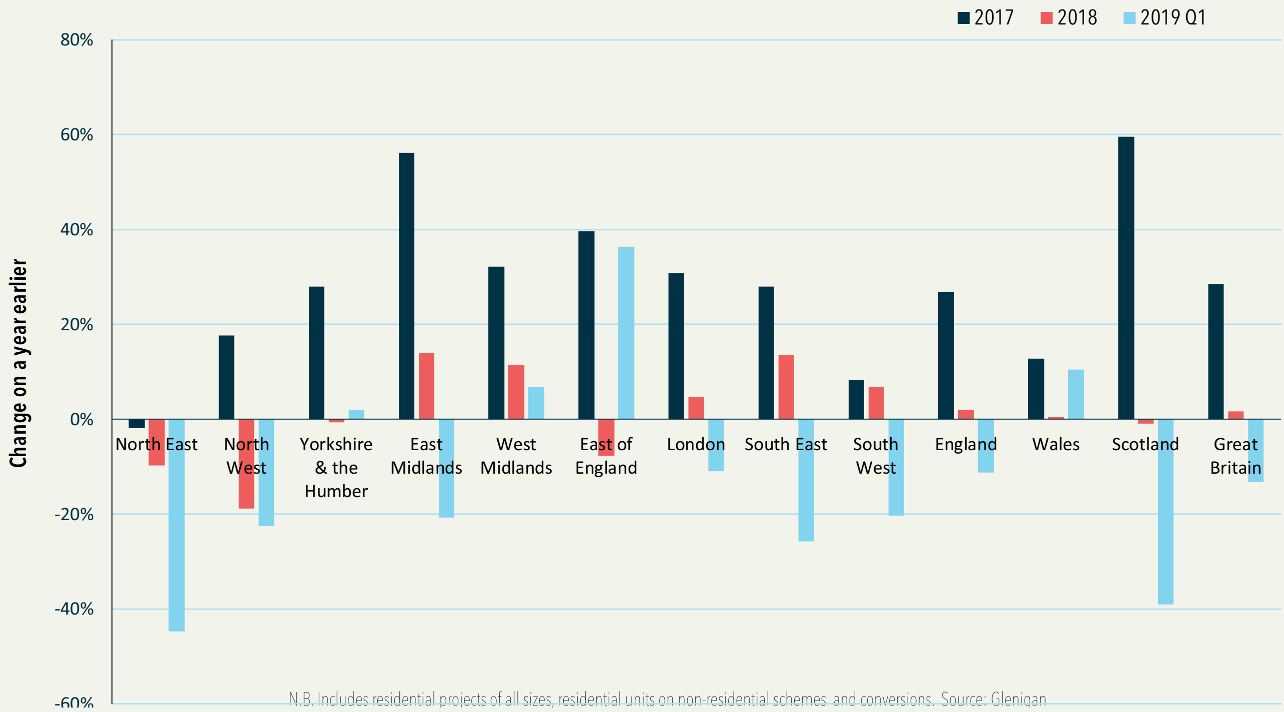
N.B. Includes residential projects of all sizes, residential units on non-residential schemes and conversions. Source: Glenigan

84,295 units were granted planning permission on private sector projects during the first quarter. This was an 11% decline against the number of units during the preceding quarter, and 14% fewer than a year earlier.

At a figure of 203, the number of social housing projects (of three or more units) was 19% up on the previous quarter but 21% lower than a year ago. Although the number of units has recovered from a weak performance during the middle of last year, at 11,076 social units were still 3% down on the previous three months and 10% lower than a year ago.

1. The range of projects covered by this report has been extended and now includes new build housing projects of all sizes, including schemes of less than 10 units, the conversion of non-residential buildings and residential units on mixed use developments.

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



There was marked variation across different parts of the country in approval levels during the first quarter compared to the same quarter of 2018. The sharpest falls were in the North East and Scotland where the number of units approved were down 45% and 39% respectively. Unit approvals were also sharply lower in London, South East, South West, North West and East Midlands with declines of 11%, 26%, 20%, 23% and 21% respectively against a year earlier. In contrast unit approvals in the West Midlands, East of England and Wales were up 7%, 36% and 10% respectively against a year earlier.

Table 1: Number of residential units approved

	North of England	Midlands	Southern England	England - All	Wales	Scotland	Great Britain
2013	53,500	41,117	122,871	217,488	7,821	15,852	241,161
2014	58,241	42,120	138,949	239,310	9,690	17,812	266,812
2015	66,842	48,792	145,144	260,778	8,270	19,300	288,348
2016	83,034	44,464	165,629	293,127	9,020	20,914	323,061
2017	97,117	63,651	210,935	371,703	10,169	33,362	415,234
2018	85,291	71,744	221,597	378,632	10,216	33,038	421,886
2019 Q1	18,489	19,244	51,215	88,948	3,096	6,185	98,229
	Change on a year earlier						
2013	9%	56%	2%	11%	21%	3%	11%
2014	9%	2%	13%	10%	24%	12%	11%
2015	15%	16%	4%	9%	-15%	8%	8%
2016	24%	-9%	14%	12%	9%	8%	12%
2017	17%	43%	27%	27%	13%	60%	29%
2018	-12%	13%	5%	2%	0%	-1%	2%
2019 Q1	-19%	-6%	-10%	-11%	10%	-39%	-13%

N.B. Residential projects of all sizes and residential units on non-residential projects and conversions.

HOUSING APPROVALS

The tables provide a regional breakdown of new building planning approvals since 2011

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

	North of England			Midlands		
	North East	North West	Yorkshire & the Humber	East Midlands	West Midlands	East of England
Q1 2011	1,181	5,369	4,051	3,257	4,359	5,329
Q2 2011	2,605	3,448	3,748	3,256	2,867	3,480
Q3 2011	1,060	5,645	2,961	2,533	3,479	5,842
Q4 2011	1,538	4,637	3,945	4,710	4,822	3,701
Q1 2012	2,381	4,881	5,227	3,223	4,674	3,937
Q2 2012	1,780	4,081	2,977	2,968	2,967	3,361
Q3 2012	2,703	7,080	3,270	1,883	2,805	3,559
Q4 2012	2,338	7,092	5,137	3,212	4,637	5,221
Q1 2013	3,037	5,884	5,377	5,155	4,672	5,398
Q2 2013	2,198	6,781	5,389	6,304	4,693	4,436
Q3 2013	2,297	6,721	3,414	3,942	5,413	6,230
Q4 2013	2,437	6,361	3,604	6,452	4,486	6,484
Q1 2014	3,107	7,899	3,903	6,305	4,674	4,703
Q2 2014	1,080	6,329	4,340	4,266	4,173	5,003
Q3 2014	2,124	7,215	4,382	4,761	6,435	4,597
Q4 2014	3,851	9,479	4,532	5,582	5,924	5,249
Q1 2015	1,943	7,593	6,390	4,537	4,522	7,257
Q2 2015	2,944	6,353	5,630	4,404	5,787	5,596
Q3 2015	2,511	10,459	4,556	4,598	6,372	9,519
Q4 2015	2,751	10,651	5,061	8,808	9,764	6,198
Q1 2016	1,842	11,298	3,953	7,244	5,570	5,789
Q2 2016	5,763	9,056	4,575	3,781	7,608	7,730
Q3 2016	2,356	14,202	6,168	4,918	4,363	8,128
Q4 2016	4,665	11,670	7,486	4,483	6,497	9,934
Q1 2017	2,457	14,133	6,123	9,790	7,275	9,768
Q2 2017	4,815	12,242	6,061	7,535	8,646	9,728
Q3 2017	4,078	15,920	7,367	7,260	6,798	12,859
Q4 2017	3,000	12,103	8,818	7,306	9,041	11,728
Q1 2018	3,727	12,388	6,704	9,594	10,894	9,014
Q2 2018	2,504	9,863	7,262	8,945	8,085	8,859
Q3 2018	3,502	11,349	7,647	9,171	6,700	10,409
Q4 2018	3,211	10,571	6,563	8,659	9,696	12,419
Q1 2019	2,062	9,597	6,830	7,605	11,639	12,295

*Moving Annual Total for England

Southern England

London	South East	South West	England	Wales	Scotland	Great Britain	*MAT England
10,631	7,731	5,097	47,005	3,715	4,183	54,903	**175,401**
5,956	5,525	7,744	38,629	1,898	4,159	44,686	**172,472**
8,745	8,367	5,650	44,282	1,613	4,571	50,466	**173,086**
8,083	10,243	4,614	46,293	2,009	3,788	52,090	**176,209**
24,652	6,888	5,696	61,559	1,769	4,241	67,569	**190,763**
4,660	7,212	5,036	35,042	1,747	3,055	39,844	**187,176**
8,667	7,849	5,534	43,350	1,225	2,606	47,181	**186,244**
11,676	10,511	5,525	55,349	1,716	5,447	62,512	**195,300**
10,818	5,197	5,916	51,454	2,540	3,791	57,785	**185,195**
8,921	8,275	6,692	53,689	1,698	4,115	59,502	**203,842**
10,479	7,574	5,229	51,299	1,722	3,808	56,829	**211,791**
14,919	9,122	7,181	61,046	1,861	4,138	67,045	**217,488**
10,941	13,445	6,119	61,096	3,000	5,212	69,308	**227,130**
15,633	10,423	7,432	58,679	2,053	4,429	65,161	**232,120**
9,937	9,083	4,649	53,183	2,517	3,746	59,446	**234,004**
15,530	9,976	6,229	66,352	2,120	4,425	72,897	**239,310**
15,966	8,273	7,191	63,672	1,722	5,041	70,435	**241,886**
8,406	8,744	5,996	53,860	2,590	3,363	59,813	**237,067**
13,001	8,213	6,654	65,883	1,448	5,065	72,396	**249,767**
15,948	12,796	5,386	77,363	2,510	5,831	85,704	**260,778**
12,552	11,210	7,690	67,148	2,275	5,682	75,105	**264,254**
11,058	9,423	9,264	68,258	1,599	5,371	75,228	**278,652**
17,971	11,189	6,947	76,242	1,911	4,404	82,557	**289,011**
12,343	17,000	7,401	81,479	3,235	5,457	90,171	**293,127**
18,903	12,837	7,817	89,103	3,090	6,579	98,772	**315,082**
15,083	14,598	8,397	87,105	1,858	10,123	99,086	**333,929**
15,665	17,782	8,158	95,887	2,346	7,810	106,043	**353,574**
20,866	17,233	9,513	99,608	2,875	8,850	111,333	**371,703**
19,078	19,774	9,103	100,276	2,803	10,140	113,219	**382,876**
15,643	14,735	9,722	85,618	2,445	8,189	96,252	**381,389**
18,052	16,285	8,070	91,185	2,186	9,356	102,727	**376,687**
20,980	20,153	9,301	101,553	2,782	5,353	109,688	**378,632**
16,982	14,686	7,252	88,948	3,096	6,185	98,229	**367,304**

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

	North of England			Midlands		
	North East	North West	Yorkshire & the Humber	East Midlands	West Midlands	East of England
Q1 2011	72	352	345	308	325	550
Q2 2011	93	355	334	281	311	521
Q3 2011	129	359	358	305	378	594
Q4 2011	101	367	383	341	397	556
Q1 2012	101	410	358	341	349	563
Q2 2012	172	378	337	338	341	622
Q3 2012	134	418	382	337	387	676
Q4 2012	116	434	363	371	429	669
Q1 2013	155	462	361	366	420	644
Q2 2013	130	489	364	390	431	719
Q3 2013	123	501	364	422	428	743
Q4 2013	152	486	418	443	451	785
Q1 2014	132	424	368	376	390	627
Q2 2014	101	447	363	374	350	661
Q3 2014	94	362	299	317	358	584
Q4 2014	116	395	308	358	371	605
Q1 2015	145	422	431	403	421	783
Q2 2015	128	444	355	386	396	713
Q3 2015	117	451	350	407	379	697
Q4 2015	128	502	365	430	495	695
Q1 2016	133	437	334	384	413	703
Q2 2016	119	388	314	353	430	674
Q3 2016	130	432	299	349	372	694
Q4 2016	114	379	329	286	373	645
Q1 2017	114	438	340	397	351	683
Q2 2017	118	370	354	379	362	648
Q3 2017	143	459	312	349	339	721
Q4 2017	117	420	395	416	452	798
Q1 2018	136	502	458	508	484	911
Q2 2018	144	437	436	549	468	875
Q3 2018	109	461	408	533	429	808
Q4 2018	115	476	420	490	463	784
Q1 2019	93	434	403	494	455	769

*Moving Annual Total for England

Southern England							
London	South East	South West	England	Wales	Scotland	Great Britain	*MAT England
588	866	524	3,930	224	352	4,506	**15,617**
545	849	555	3,844	242	319	4,405	**15,777**
645	951	642	4,361	225	412	4,998	**16,132**
626	975	654	4,400	236	333	4,969	**16,535**
846	927	655	4,550	236	371	5,157	**17,155**
478	959	607	4,232	195	356	4,783	**17,543**
590	974	678	4,576	232	349	5,157	**17,758**
683	1,059	750	4,874	242	375	5,491	**18,232**
625	957	646	4,636	230	353	5,219	**18,318**
642	967	617	4,749	218	318	5,285	**18,835**
706	1,097	689	5,073	256	373	5,702	**19,332**
692	1,090	751	5,268	278	352	5,898	**19,726**
640	910	656	4,523	218	353	5,094	**19,613**
585	928	681	4,490	228	336	5,054	**19,354**
479	790	463	3,746	180	305	4,231	**18,027**
529	830	548	4,060	196	341	4,597	**16,819**
693	1,051	798	5,147	234	340	5,721	**17,443**
653	1,032	705	4,812	220	344	5,376	**17,765**
638	975	664	4,678	224	351	5,253	**18,697**
688	1,019	655	4,977	251	365	5,593	**19,614**
635	1,047	614	4,700	224	340	5,264	**19,167**
550	890	570	4,288	193	278	4,759	**18,643**
574	906	570	4,326	192	293	4,811	**18,291**
595	917	541	4,179	186	315	4,680	**17,493**
607	937	543	4,410	175	331	4,916	**17,203**
667	925	570	4,393	165	333	4,891	**17,308**
592	1,072	575	4,562	158	340	5,060	**17,544**
600	1,084	660	4,942	190	309	5,441	**18,307**
619	1,083	775	5,476	239	337	6,052	**19,373**
643	1,022	784	5,358	194	328	5,880	**20,338**
662	1,038	805	5,253	231	339	5,823	**21,029**
564	1,024	839	5,175	243	320	5,738	**21,262**
612	993	665	4,918	257	303	5,478	**20,704**

Table 4: England – No. of housing UNITS by project size

	10 or more	3-9 units	1 & 2 Units	Misc*	Total
Q1 2010	43,246	5,097	2,039	139	50,521
Q2 2010	33,895	5,394	2,164	105	41,558
Q3 2010	35,545	5,683	2,389	51	43,668
Q4 2010	33,641	5,535	2,435	1,559	43,170
Q1 2011	39,085	5,421	2,413	86	47,005
Q2 2011	30,607	5,236	2,558	228	38,629
Q3 2011	35,878	5,191	3,094	119	44,282
Q4 2011	37,445	5,489	3,103	256	46,293
Q1 2012	51,923	6,439	2,869	328	61,559
Q2 2012	26,623	5,080	3,136	203	35,042
Q3 2012	34,307	5,721	3,244	78	43,350
Q4 2012	45,432	6,274	3,371	272	55,349
Q1 2013	42,170	6,426	2,758	100	51,454
Q2 2013	44,416	6,230	2,918	125	53,689
Q3 2013	41,060	7,005	3,050	184	51,299
Q4 2013	50,558	7,320	3,092	77	61,047
Q1 2014	51,700	6,822	2,498	76	61,096
Q2 2014	49,522	6,427	2,670	62	58,681
Q3 2014	44,781	6,586	1,772	44	53,183
Q4 2014	57,207	7,023	1,946	176	66,352
Q1 2015	52,454	7,823	2,809	586	63,672
Q2 2015	43,245	7,588	2,618	409	53,860
Q3 2015	55,786	7,405	2,489	203	65,883
Q4 2015	65,390	7,580	2,549	1,844	77,363
Q1 2016	56,713	7,204	2,412	819	67,148
Q2 2016	57,320	7,236	2,120	1,582	68,258
Q3 2016	64,391	7,923	1,827	2,101	76,242
Q4 2016	71,954	7,562	1,682	281	81,479
Q1 2017	78,907	8,441	1,737	18	89,103
Q2 2017	77,176	8,061	1,859	9	87,105
Q3 2017	83,814	8,287	1,817	1,969	95,887
Q4 2017	87,452	6,891	3,731	1,534	99,608
Q1 2018	89,465	7,804	2,958	49	100,276
Q2 2018	74,668	7,836	3,049	65	85,618
Q3 2018	79,518	7,760	2,944	963	91,185
Q4 2018	90,558	7,594	2,844	557	101,553
Q1 2019	78,970	7,283	2,694	1	88,948

*These are housing units or projects that are not primarily for housing but do supply secondary housing space e.g on commercial developments.

Table 5: England – No. of housing PROJECTS by project size

	10 or more	3-9 units	1 & 2 Units	Misc*	Total
Q1 2010	765	1,060	1,756	11	3,592
Q2 2010	643	1,116	1,904	21	3,684
Q3 2010	669	1,186	2,131	20	4,006
Q4 2010	698	1,163	2,120	16	3,997
Q1 2011	736	1,144	2,035	15	3,930
Q2 2011	565	1,083	2,184	12	3,844
Q3 2011	590	1,132	2,624	15	4,361
Q4 2011	597	1,174	2,614	15	4,400
Q1 2012	778	1,310	2,442	20	4,550
Q2 2012	500	1,068	2,648	16	4,232
Q3 2012	551	1,201	2,802	22	4,576
Q4 2012	695	1,318	2,840	21	4,874
Q1 2013	827	1,354	2,438	17	4,636
Q2 2013	772	1,356	2,598	23	4,749
Q3 2013	789	1,564	2,696	24	5,073
Q4 2013	857	1,592	2,804	16	5,269
Q1 2014	745	1,513	2,243	22	4,523
Q2 2014	697	1,445	2,332	18	4,492
Q3 2014	697	1,502	1,519	28	3,746
Q4 2014	829	1,594	1,609	28	4,060
Q1 2015	837	1,830	2,456	24	5,147
Q2 2015	682	1,799	2,310	21	4,812
Q3 2015	703	1,759	2,184	32	4,678
Q4 2015	846	1,844	2,247	40	4,977
Q1 2016	799	1,740	2,134	27	4,700
Q2 2016	766	1,718	1,774	30	4,288
Q3 2016	859	1,896	1,548	23	4,326
Q4 2016	923	1,808	1,404	44	4,179
Q1 2017	1,033	1,909	1,452	16	4,410
Q2 2017	991	1,881	1,513	8	4,393
Q3 2017	1,025	1,978	1,535	24	4,562
Q4 2017	1,007	1,955	1,957	23	4,942
Q1 2018	1,093	1,856	2,510	17	5,476
Q2 2018	938	1,853	2,562	5	5,358
Q3 2018	908	1,859	2,483	3	5,253
Q4 2018	993	1,788	2,389	5	5,175
Q1 2019	952	1,688	2,277	1	4,918

*These are housing units or projects that are not primarily for housing but do supply secondary housing space e.g on commercial developments.

NOTES

This report is based upon an analysis of housing projects being tracked by Glenigan and held on its database of construction projects. We have now extended the range of projects covered by this report in order to provide a more complete assessment of the residential development pipeline.

The following restrictions and filters apply to the analysis:

1. New build projects of all sizes are covered by the report (Coverage was previously restricted to approvals 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. Conversions of non-residential properties for housing are included.
4. Private and social housing data includes schemes of 3 or more units.
5. Total residential approvals include 1 & 2 unit schemes together with residential units on mixed used developments.
6. Elderly people's homes, hostels and student accommodation have been excluded from the analysis.
7. 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.

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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ABOUT GLENIGAN

Glenigan is the trusted provider of project information, analysis and sales leads for the construction industry. Its comprehensive company intelligence has been helping contractors, sub-contractors and suppliers build new working relationships for more than 40 years.

With exclusive content from leading industry bodies including The Builders' Conference, Glenigan offers the widest coverage of UK tenders and construction contracts. These construction project leads are unique to Glenigan and unavailable anywhere else.

The housing approvals data analysed in this report is drawn from Glenigan's extensive database of current and planned construction projects. Glenigan's detailed coverage of planned housing projects across the UK offers valuable strategic and tactical insights into developers' active sights and pipeline, with sites tracked through to completion.

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Analysis of market conditions and prospects prepared by Glenigan.

HBF

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