



New Housing Pipeline

Q1 2014 report

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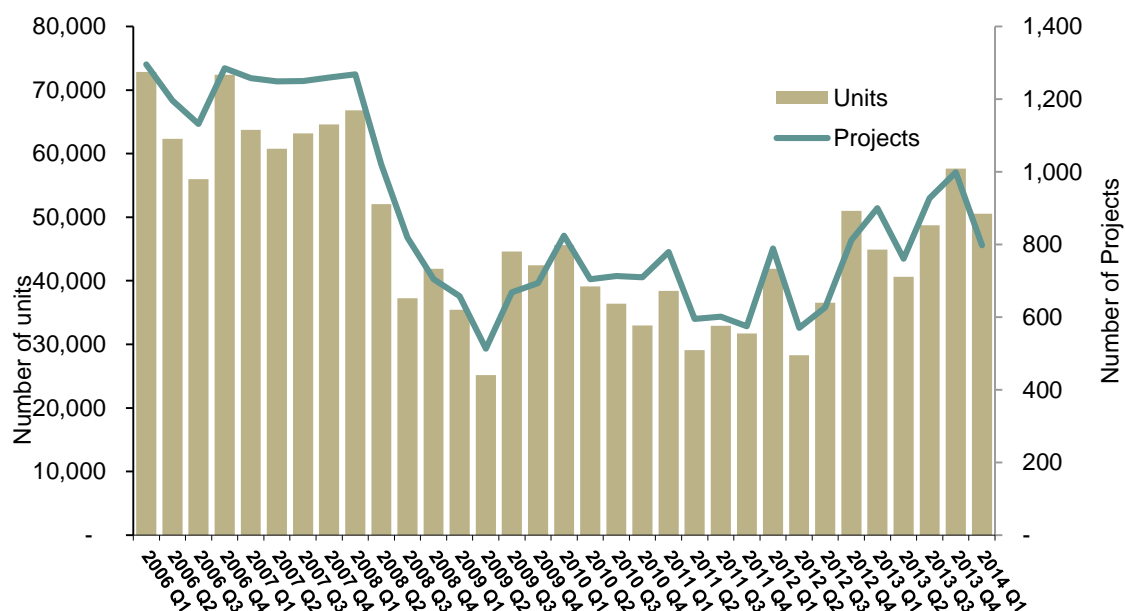
Analysis of market conditions and prospects
prepared by Glenigan.

New Housing Pipeline

The flow of residential planning approvals eased during the first quarter of 2014 after the strong performance seen during the closing months of last year. Nevertheless, whilst the number of residential units granted planning was down on the final quarter of 2013, approvals were still 12% higher than year ago. Private housing approvals during the first quarter were down against a strong final quarter of 2013, but 20% up on a year ago. In contrast social housing approvals faltered with the number of units approved down on both the previous three months and a year ago.

Overall Glenigan recorded the approval of around 50,500 residential units during the first quarter of this year, a 12% decline on the previous quarter. The dip follows a marked strengthening in overall approvals during the second half of 2013. Despite this slowdown the number of units approved during quarter was still 12% up on the first quarter of 2013.

Chart 1: Residential planning approvals (Great Britain)



Source: Glenigan

The number of private sector projects securing approval during the first quarter was 23% down on the preceding quarter. The number of private sector projects approved also dropped on annual basis; around 580 projects were approved during the first quarter, a 12% decline on the same period of 2013.

However, whilst the number of units granted planning permission on private sector projects was 8% lower than during the three months to December 2013, the number of units approved was 20% up on a year ago, matching the pace of growth seen during 2013. The divergence between the number of projects and units securing approval reflects the approval of several large projects involving the provision of over 1,000 units each.

After the strong rise in social housing approvals last year, the number of social housing projects approved fell back 10% during the first three months of 2014 and was 14% down on

a year ago. The number of residential units approved also declined; dropping 16% on the preceding quarter to stand 10% down on a year earlier.

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



Regionally, the number of units approved in the north of England rebounded from the dip seen in the final quarter of 2013, but were still 5% down on a year ago. In contrast although approvals in southern England fell against the strong performance seen in the final quarter of last year, the number of approvals was still up 43% up on a year ago. Approvals in the midlands fell 19% during the quarter to stand 8% down on a year ago. However, the recent weakening follows a 58% rise in approvals last year. Building on last year’s strong growth approvals in Wales were 36% up on a year ago. Approvals in Scotland were sharply higher during the first quarter after last year’s weak performance.

Table 1: Number of residential units approved

	North of England	Midlands	Southern England	England - All	Wales	Scotland	Great Britain
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	46,304	30,529	97,605	174,438	6,127	11,342	191,907
2014 Q1	11,767	6,963	25,196	43,926	2,482	4,117	50,525
Change on a year earlier							
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	19%	58%	18%	24%	42%	-12%	22%
2014 Q1	-5%	-8%	22%	8%	36%	67%	12%

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	*MAT England
	North East	North West	Yorkshire & Humber	East Midlands	West Midlands	East of England	London	South East	South West					
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
Q4 2013	2,775	5,042	3,113	4,913	3,689	5,380	12,737	8,478	6,407	52,534	1,656	3,488	57,678	174,471
Q1 2014	2,112	6,313	3,342	4,519	2,444	3,556	10,982	6,389	4,269	43,926	2,482	4,117	50,525	177,731

*Moving Annual Total

Table 3: Number of housing projects securing detailed planning approval by region & 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				
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	172	96	84	676	29	84	789
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
Q4 2013	38	109	80	74	86	101	125	161	111	885	43	71	999
Q1 2014	42	94	57	76	58	66	93	107	86	679	40	79	798

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
Q4 2013	411	534	443	470	355	618	2,373	1,097	1,148	7,449	368	701	8,518
Q1 2014	564	1,320	570	369	217	440	954	724	287	5,445	437	1,247	7,129
	Q1 2014 % Change												
Q4 2013	37%	147%	29%	-21%	-39%	-29%	-60%	-34%	-75%	-27%	19%	78%	-16%
Q1 2013	129%	58%	-39%	45%	-73%	24%	-63%	9%	-56%	-26%	104%	195%	-10%

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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