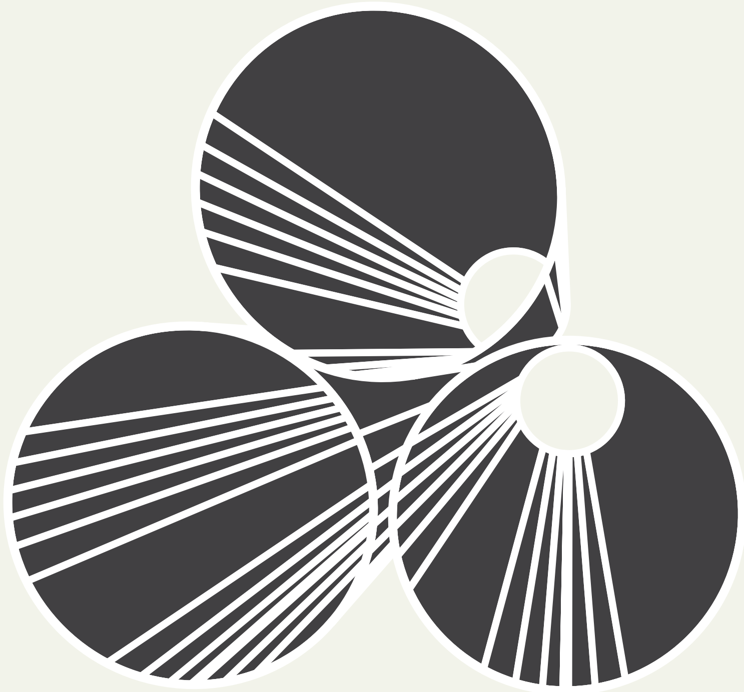
NEW HOUSING PIPELINE



Q2 2021 REPORT

Published December 2021

Glenigan

Analysis of market conditions and prospects prepared by Glenigan.

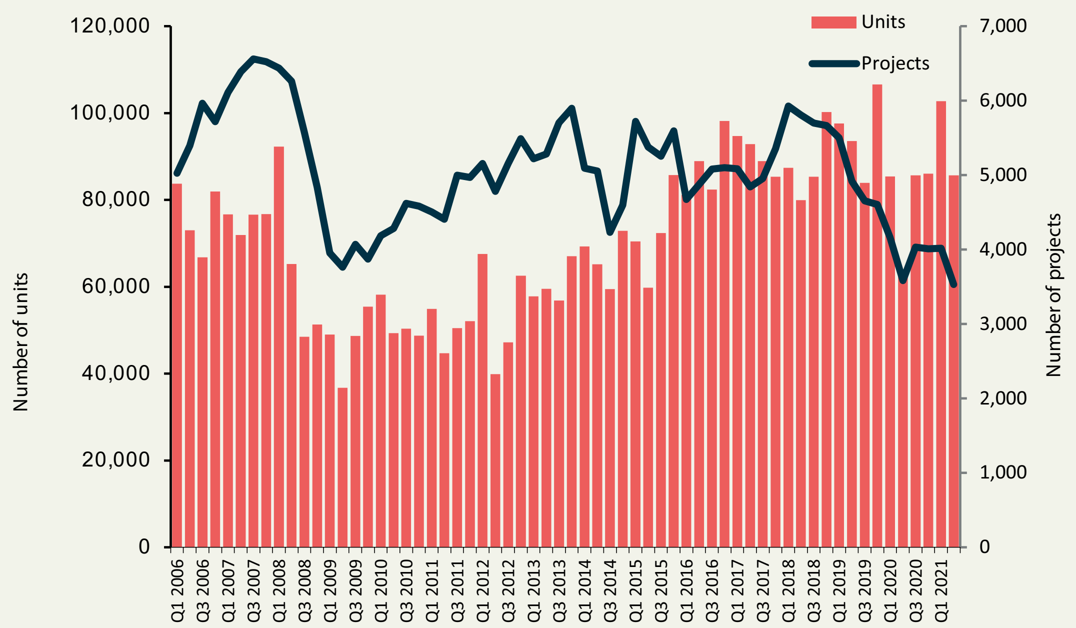
HBF
HOME BUILDERS FEDERATION

NEW HOUSING PIPELINE

The number of units approved slipped back during the second quarter, dropping by 17% against the previous three months but was 35% up on the second quarter of 2020 when planning processes were disrupted during the first lockdown. The fall, which follows a strong level of approvals during the first quarter, was due to a softening in private sector approvals and a sharp fall in social sector approvals.

Glenigan recorded the approval of 85,674 residential units1 during the second quarter of 2021. At 78,187 units, housing schemes of ten or more units accounted for 91% 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.

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

At 2,204, the number of private sector housing projects (schemes of 3 or more units) securing approval during the second quarter dropped by 13% against the preceding three months but was unchanged on a year earlier.

Whilst at 73,630 the number of units granted planning permission on private sector projects declined by 10% during the second quarter, this was 37% up on a year earlier.

At 155, the number of social housing projects (of three or more units) dropped by 40% against a strong first quarter performance and was also 10% lower than a year ago. At 10,656, the number of units was 45% down on the strong first quarter, but 27% up on a year earlier.

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.

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

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

Most parts of the UK saw a softening in approvals during the second quarter against the preceding three months, but East Midlands was the only region to also see a decline (of 7%) against a year ago. The East and West Midlands, South West and North West endured the sharpest declines in approvals against the preceding quarter, falling by 29%, 30%, 32% and 24% respectively.

Table 1: Number of residential units approved

	North of England	Midlands	Southern England	England - All	Wales	Scotland	Great Britain
2016	91,211	47,645	175,123	313,979	10,672	26,067	350,718
2017	86,222	60,668	176,856	323,746	9,648	28,455	361,849
2018	75,143	59,510	179,413	314,066	10,386	28,482	352,934
2019	75,064	70,100	182,707	327,871	11,887	41,931	381,689
2020	70,284	58,500	152,881	281,665	7,323	31,646	320,634
2021 H1	41,632	31,998	91,132	164,762	4,997	18,677	188,436
	Change on a year earlier						
2016	36%	-2%	21%	20%	29%	35%	22%
2017	-5%	27%	1%	3%	-10%	9%	3%
2018	-13%	-2%	1%	-3%	8%	0%	-2%
2019	0%	18%	2%	4%	14%	47%	8%
2020	-6%	-17%	-16%	-14%	-38%	-25%	-16%
2021 H1	54%	18%	22%	28%	7%	23%	27%

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

Approvals in the East of England, London and the South East declined by 21%, 16% and 15%. The North East and Scotland were the two areas to see a rise in approvals against the preceding three months, with increases of 5% and 13% respectively.

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IMPORTANT NOTE:

As a result of changes made by Glenigan to how they collect data on the number of permissions granted, there are some significant changes to the number of permissions reported in the Housing Pipeline reports from Q4 2020 onwards for quarters prior to that date, and to information in previous Housing Pipeline reports.

The procedural changes mean that the data collection is now more extensive and accurate than it was previously and so the numbers reported in the reports from Q4 2020, are a better reflection of the actual number of permissions being granted. The revised methodology has been agreed with the Department of Housing, Communities and Local Government, who Glenigan also provide planning permission data for and so this data set will match the official Government numbers. In its *Taking stock: The geography of housing need, permissions and completions report published in May 2021,* Lichfields considered in detail why planning permission data reported prior to Q4 2020 was not wholly accurate (and included, for example re-submitted applications) and so not a fair reflection of the number of actual plots given a permission.

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			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	*MAT England
Q1 2012	2,381	4,881	5,227	3,223	4,674	3,937	24,652	6,888	5,696	61,559	1,769	4,241	67,569	**190,763**
Q2 2012	1,780	4,081	2,977	2,968	2,967	3,361	4,660	7,212	5,036	35,042	1,747	3,055	39,844	**187,176**
Q3 2012	2,703	7,080	3,270	1,883	2,805	3,559	8,667	7,849	5,534	43,350	1,225	2,606	47,181	**186,244**
Q4 2012	2,338	7,092	5,137	3,212	4,637	5,221	11,676	10,511	5,525	55,349	1,716	5,447	62,512	**195,300**
Q1 2013	3,037	5,884	5,377	5,155	4,672	5,398	10,818	5,197	5,916	51,454	2,540	3,791	57,785	**185,195**
Q2 2013	2,198	6,781	5,389	6,304	4,693	4,436	8,921	8,275	6,692	53,689	1,698	4,115	59,502	**203,842**
Q3 2013	2,297	6,721	3,414	3,942	5,413	6,230	10,479	7,574	5,229	51,299	1,722	3,808	56,829	**211,791**
Q4 2013	2,437	6,361	3,604	6,452	4,486	6,484	14,919	9,122	7,181	61,046	1,861	4,138	67,045	**217,488**
Q1 2014	3,107	7,899	3,903	6,305	4,674	4,703	10,941	13,445	6,119	61,096	3,000	5,212	69,308	**227,130**
Q2 2014	1,080	6,329	4,340	4,266	4,173	5,003	15,633	10,423	7,432	58,679	2,053	4,429	65,161	**232,120**
Q3 2014	2,124	7,215	4,382	4,761	6,435	4,597	9,937	9,083	4,649	53,183	2,517	3,746	59,446	**234,004**
Q4 2014	3,851	9,479	4,532	5,582	5,924	5,249	15,530	9,976	6,229	66,352	2,120	4,425	72,897	**239,310**
Q1 2015	1,943	7,593	6,390	4,537	4,522	7,257	15,966	8,273	7,191	63,672	1,722	5,041	70,435	**241,886**
Q2 2015	2,944	6,353	5,630	4,404	5,787	5,596	8,406	8,744	5,996	53,860	2,590	3,363	59,813	**237,067**
Q3 2015	2,511	10,459	4,556	4,598	6,372	9,519	13,001	8,213	6,654	65,883	1,448	5,065	72,396	**249,767**
Q4 2015	2,751	10,651	5,061	8,808	9,764	6,198	15,948	12,796	5,386	77,363	2,510	5,831	85,704	**260,778**
Q1 2016	2,582	13,087	4,411	6,852	6,478	7,296	12,199	12,193	7,300	72,398	2,432	6,347	81,177	**269,504**
Q2 2016	5,152	12,382	5,461	4,343	8,336	9,582	12,568	13,084	9,152	80,060	2,408	6,490	88,958	**295,704**
Q3 2016	1,922	13,842	6,576	5,234	4,857	8,352	14,957	9,774	9,385	74,899	1,794	5,684	82,377	**304,720**
Q4 2016	4,792	12,603	8,401	5,432	6,113	11,180	14,315	15,910	7,876	86,622	4,038	7,546	98,206	**313,979**
Q1 2017	2,921	12,896	6,004	10,026	8,385	9,701	15,964	13,279	7,282	86,458	2,301	5,944	94,703	**328,039**
Q2 2017	4,468	11,764	5,605	7,489	9,126	8,286	15,413	11,143	8,010	81,304	2,349	9,204	92,857	**329,283**
Q3 2017	4,192	10,435	6,457	7,343	5,307	10,428	12,181	14,901	8,125	79,369	2,474	7,105	88,948	**333,753**
Q4 2017	2,384	10,234	8,862	6,615	6,377	8,508	9,984	15,347	8,304	76,615	2,524	6,202	85,341	**323,746**
Q1 2018	3,101	9,857	6,341	6,827	7,323	7,449	13,216	14,930	7,436	76,480	2,486	8,455	87,421	**313,768**
Q2 2018	2,270	8,273	6,527	7,236	6,123	6,778	12,128	12,497	8,729	70,561	2,435	6,927	79,923	**303,025**
Q3 2018	2,445	9,828	6,926	6,693	7,747	10,113	13,198	12,092	7,473	76,515	2,434	6,375	85,324	**300,171**
Q4 2018	3,157	9,757	6,661	8,591	8,970	9,975	16,578	17,595	9,226	90,510	3,031	6,725	100,266	**314,066**
Q1 2019	1,892	9,240	6,705	7,578	9,492	12,460	17,951	15,043	7,654	88,015	2,953	6,658	97,626	**325,601**
Q2 2019	3,799	8,370	7,346	10,944	8,119	8,219	11,409	11,966	8,942	79,114	2,482	11,955	93,551	**334,154**
Q3 2019	1,706	7,319	5,335	7,682	6,399	9,389	11,901	12,439	7,978	70,148	4,143	9,644	83,935	**327,787**
Q4 2019	4,783	10,849	7,720	6,975	12,911	10,572	14,831	14,961	6,992	90,594	2,309	13,674	106,577	**327,871**
Q1 2020	1,326	8,946	6,346	7,760	6,500	9,151	16,525	9,309	9,225	75,088	3,319	7,027	85,434	**314,944**
Q2 2020	1,440	5,380	3,510	6,808	6,016	6,497	11,991	7,915	4,392	53,949	1,346	8,169	63,464	**289,779**
Q3 2020	3,411	13,515	7,042	9,621	6,420	9,587	9,822	11,487	5,677	76,582	1,488	7,609	85,679	**296,213**
Q4 2020	2,454	10,625	6,289	7,121	8,254	9,220	13,418	11,649	7,016	76,046	1,170	8,841	86,057	**281,665**
Q1 2021	4,286	11,709	6,585	8,880	9,853	10,651	16,691	12,741	10,548	91,944	2,346	8,472	102,762	**298,521**
Q2 2021	4,502	8,880	5,670	6,335	6,930	8,447	14,054	10,826	7,174	72,818	2,651	10,205	85,674	**317,390**

*Moving Annual Total for England

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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	*MAT England
Q1 2012	101	410	358	341	349	563	846	927	655	4,550	236	371	5,157	**17,155**
Q2 2012	172	378	337	338	341	622	478	959	607	4,232	195	356	4,783	**17,543**
Q3 2012	134	418	382	337	387	676	590	974	678	4,576	232	349	5,157	**17,758**
Q4 2012	116	434	363	371	429	669	683	1,059	750	4,874	242	375	5,491	**18,232**
Q1 2013	155	462	361	366	420	644	625	957	646	4,636	230	353	5,219	**18,318**
Q2 2013	130	489	364	390	431	719	642	967	617	4,749	218	318	5,285	**18,835**
Q3 2013	123	501	364	422	428	743	706	1,097	689	5,073	256	373	5,702	**19,332**
Q4 2013	152	486	418	443	451	785	692	1,090	751	5,268	278	352	5,898	**19,726**
Q1 2014	132	424	368	376	390	627	640	910	656	4,523	218	353	5,094	**19,613**
Q2 2014	101	447	363	374	350	661	585	928	681	4,490	228	336	5,054	**19,354**
Q3 2014	94	362	299	317	358	584	479	790	463	3,746	180	305	4,231	**18,027**
Q4 2014	116	395	308	358	371	605	529	830	548	4,060	196	341	4,597	**16,819**
Q1 2015	145	422	431	403	421	783	693	1,051	798	5,147	234	340	5,721	**17,443**
Q2 2015	128	444	355	386	396	713	653	1,032	705	4,812	220	344	5,376	**17,765**
Q3 2015	117	451	350	407	379	697	638	975	664	4,678	224	351	5,253	**18,697**
Q4 2015	128	502	365	430	495	695	688	1,019	655	4,977	251	365	5,593	**19,614**
Q1 2016	112	383	304	375	371	611	551	929	512	4,148	199	325	4,672	**18,615**
Q2 2016	107	400	325	394	430	676	553	907	591	4,383	197	294	4,874	**18,186**
Q3 2016	127	442	312	385	376	741	621	934	632	4,570	199	312	5,081	**18,078**
Q4 2016	112	410	364	349	402	688	683	966	580	4,554	213	332	5,099	**17,655**
Q1 2017	118	442	336	410	401	687	634	959	588	4,575	182	327	5,084	**18,082**
Q2 2017	123	362	344	383	358	676	630	913	564	4,353	169	320	4,842	**18,052**
Q3 2017	140	433	312	351	327	718	565	1,044	576	4,466	157	331	4,954	**17,948**
Q4 2017	113	403	392	423	438	805	576	1,047	659	4,856	203	295	5,354	**18,250**
Q1 2018	131	490	455	505	469	902	592	1,054	762	5,360	249	317	5,926	**19,035**
Q2 2018	140	432	428	543	458	871	617	1,014	779	5,282	200	327	5,809	**19,964**
Q3 2018	106	458	404	533	430	792	622	1,007	791	5,143	232	324	5,699	**20,641**
Q4 2018	116	461	417	511	463	764	539	1,011	814	5,096	248	323	5,667	**20,881**
Q1 2019	94	438	401	513	457	761	601	976	686	4,927	263	312	5,502	**20,448**
Q2 2019	88	366	400	466	388	740	461	822	657	4,388	195	332	4,915	**19,554**
Q3 2019	91	352	330	435	352	637	584	838	543	4,162	191	302	4,655	**18,573**
Q4 2019	122	355	311	377	340	663	549	901	482	4,100	177	328	4,605	**17,577**
Q1 2020	93	358	287	355	301	566	485	738	511	3,694	191	275	4,160	**16,344**
Q2 2020	59	245	228	277	287	523	468	690	436	3,213	114	256	3,583	**15,169**
Q3 2020	94	363	264	305	308	567	462	787	468	3,618	131	282	4,031	**14,625**
Q4 2020	92	337	296	322	310	557	449	703	494	3,560	148	303	4,011	**14,085**
Q1 2021	94	320	267	331	308	566	472	722	465	3,545	152	322	4,019	**13,936**
Q2 2021	88	269	285	272	257	489	344	646	420	3,070	128	331	3,529	**13,793**

*Moving Annual Total for England

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

	10 or more	3-9 units	1 & 2 Units	Misc*	Total
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	7,831	2,809	578	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	63,373	7,127	1,787	586	72,873
Q2 2016	70,494	7,422	1,943	1,922	81,781
Q3 2016	64,763	8,157	1,941	558	75,419
Q4 2016	76,069	8,271	1,832	1,095	87,267
Q1 2017	75,965	8,665	1,792	36	86,458
Q2 2017	71,439	8,039	1,814	222	81,514
Q3 2017	69,251	8,048	1,841	229	79,369
Q4 2017	65,840	8,217	2,335	223	76,615
Q1 2018	65,758	7,739	2,937	596	77,030
Q2 2018	59,653	7,802	3,022	84	70,561
Q3 2018	65,731	7,709	2,878	612	76,930
Q4 2018	79,996	7,475	2,811	489	90,771
Q1 2019	77,992	7,170	2,694	243	88,099
Q2 2019	70,039	6,828	2,218	1,079	80,164
Q3 2019	60,988	7,267	1,878	615	70,748
Q4 2019	81,201	8,007	1,375	11	90,594
Q1 2020	66,719	6,899	1,461	9	75,088
Q2 2020	46,835	5,738	1,359	367	54,299
Q3 2020	68,328	6,300	1,447	507	76,582
Q4 2020	68,211	6,616	1,202	17	76,046
Q1 2021	84,229	6,370	1,265	80	91,944
Q2 2021	66,151	5,455	1,173	39	72,818

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

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

	10 or more	3-9 units	1 & 2 Units	Misc*	Total
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	1,838	2,456	16	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	890	1,728	1,521	11	4,150
Q2 2016	905	1,800	1,665	17	4,387
Q3 2016	908	2,008	1,644	11	4,571
Q4 2016	1,010	2,001	1,528	17	4,556
Q1 2017	1,052	2,014	1,497	12	4,575
Q2 2017	932	1,910	1,507	5	4,354
Q3 2017	930	1,964	1,556	16	4,466
Q4 2017	894	1,985	1,965	12	4,856
Q1 2018	965	1,883	2,497	16	5,361
Q2 2018	851	1,879	2,541	11	5,282
Q3 2018	824	1,881	2,428	11	5,144
Q4 2018	938	1,794	2,355	11	5,098
Q1 2019	944	1,694	2,279	11	4,928
Q2 2019	822	1,678	1,882	7	4,389
Q3 2019	787	1,759	1,610	7	4,163
Q4 2019	860	2,058	1,177	5	4,100
Q1 2020	777	1,654	1,259	4	3,694
Q2 2020	592	1,431	1,185	6	3,214
Q3 2020	768	1,571	1,271	8	3,618
Q4 2020	803	1,722	1,032	3	3,560
Q1 2021	823	1,645	1,071	6	3,545
Q2 2021	635	1,436	995	4	3,070

*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.
8. The late publication of planning approval decisions by local authorities may lead to the revision of planning approval data for the latest 12 months.

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.

CONTACT
Home Builders Federation Ltd
HBF House
27 Broadwall
London SE1 9PL
Tel: 020 7960 1600
Email: info@hbf.co.uk
Website: www.hbf.co.uk

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.

CONTACT
Glenigan
5th Floor, 80 Holdenhurst Road
Bournemouth
BH8 8AQ
Tel: 0800 373 771
Email: info@glenigan.com
Website: www.glenigan.com

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Analysis of market
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