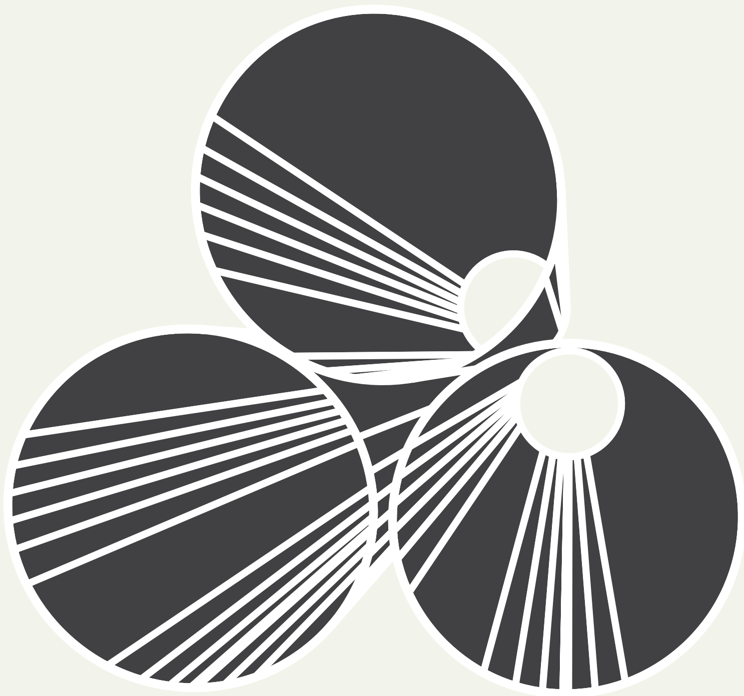
NEW

HOUSING PIPELINE



Q1 2023 REPORT

Published July 2023

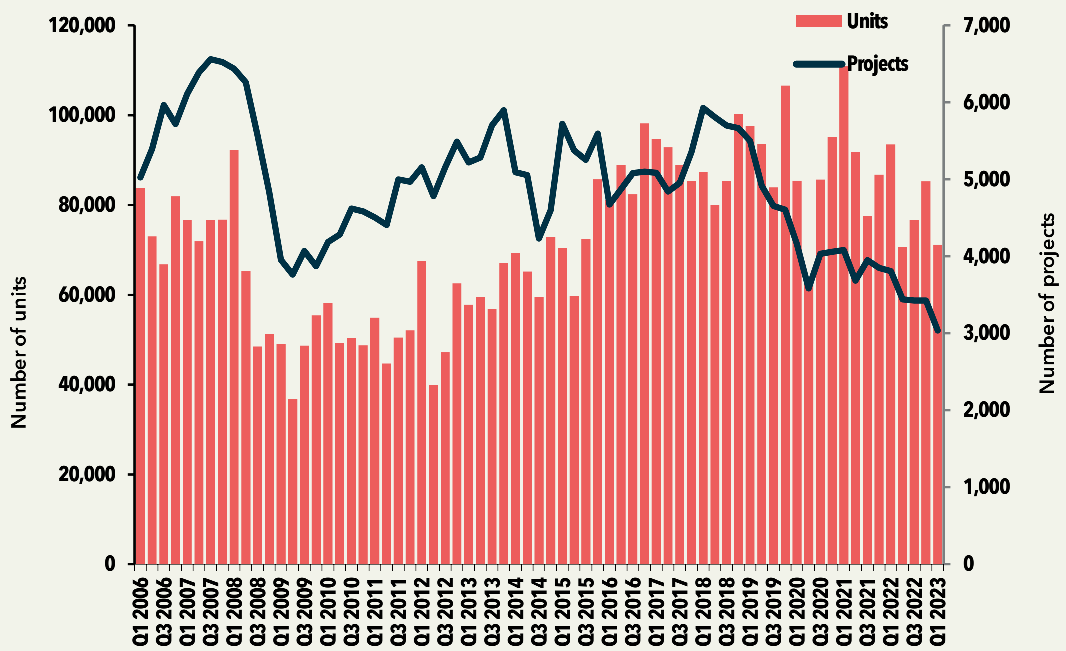
Analysis of market conditions and prospects prepared by Glenigan.

NEW HOUSING PIPELINE

The downward trend in approvals during 2022 continued into 2023 Q1. At 3,037, the number of housing projects granted planning permission in the first quarter fell by 11% against the final quarter of 2022 and was 20% lower than a year ago. This follows a 9% decline in the number of approvals during 2022.

Overall the number of units approved also fell during 2022, slipping 11% to 326,027. The number of units approved fell back 17% during the first quarter of this year and at 71,136 units was 24% lower than a year ago. The decline in approvals during the first quarter was widespread, with larger private and social housing projects and smaller-sized sites all declining.

Chart 1: Residential planning approvals (Great Britain)



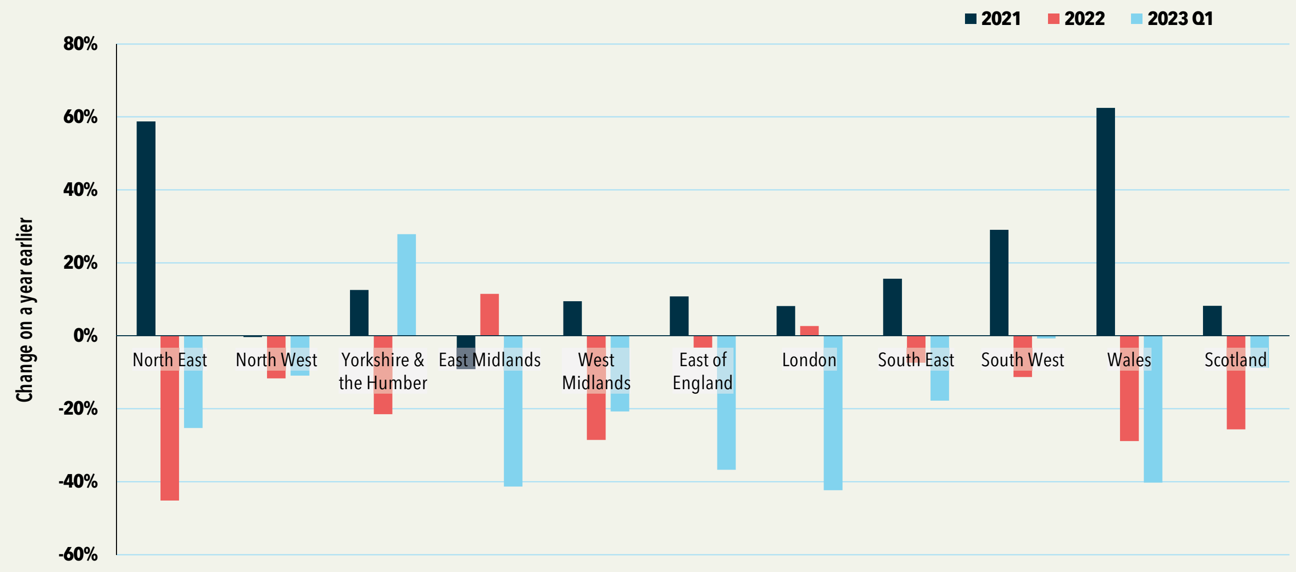
N.B. Includes residential projects of all sizes, residential units on non-residential schemes and conversions. Source: Glenigan

At 64,662 units, housing schemes of ten or more units accounted for 91% of approved units and dropped by 17% against the fourth quarter and were 24% down on a year ago. The remaining 9% of units were on smaller new build projects of up to nine units including self-build schemes together with homes included within non-residential projects and from the conversion of non-residential properties.

At 2,008 the number of private sector housing projects (schemes of 3 or more units) securing approval was 10% down on the fourth quarter and was 19% lower than a year earlier. Fewer larger schemes securing approval prompted a sharper fall in the number of units granted planning permission. At 62,587 the number of units on private sector projects was 16% down on the fourth quarter and 21% 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)



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

At 133, the number of social housing projects (of three or more units) slipped by 7% against the fourth quarter and was 33% lower than a year ago. At 7,495, the number of units was 25% down on the preceding quarter and 41% lower than a year earlier.

Table 1: Number of residential units approved

	North of England	Midlands	Southern England	England - All	Wales	Scotland	Great Britain
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	70,418	59,220	159,933	289,571	7,266	32,806	329,643
2021	78,297	58,905	182,501	319,703	11,804	35,504	367,011
2022	61,963	53,729	175,555	291,247	8,395	26,385	326,027
2023 Q1	17,035	11,411	34,567	63,013	1,480	6,643	71,136
	Change on a year earlier						
2018	-13%	-2%	1%	-3%	8%	0%	-2%
2019	0%	18%	2%	4%	14%	47%	8%
2020	-6%	-16%	-12%	-12%	-39%	-22%	-14%
2021	11%	-1%	14%	10%	62%	8%	11%
2022	-21%	-9%	-4%	-9%	-29%	-26%	-11%
2023 Q1	20%	2%	-31%	-16%	-36%	-15%	-17%

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

Regionally, the north of England was a bright spot during the first quarter, with the number of units approved rising in the North East (up 64%), North West (+8%) and Yorkshire & the Humber (+23%). Unit approvals were also 23% higher in the West Midlands than during the final quarter of 2022. All other parts of the country saw a decline against the previous quarter. The sharpest declines were seen across southern England and in Wales. Unit approvals in the East of England, London, South East, South Wales and Wales declined by 33%, 36%, 26%, 23% and 36% respectively. Approvals were also 15% lower in Scotland and 9% down in the East Midlands.

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HOUSING APPROVALS

The tables provide a regional breakdown of new building planning approvals since 2016

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.

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 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	2,533	10,673	6,296	7,763	8,332	9,669	19,436	12,005	7,245	83,952	1,113	10,001	95,066	**289,571**
Q1 2021	4,401	13,454	6,695	9,224	10,096	11,288	19,699	13,759	11,558	100,174	2,469	8,278	110,921	**314,657**
Q2 2021	4,535	8,343	6,346	5,611	6,248	8,798	17,622	13,370	7,892	78,765	2,271	10,766	91,802	**339,473**
Q3 2021	2,409	9,093	7,473	7,533	4,988	9,207	9,688	9,496	6,825	66,712	2,960	7,838	77,510	**329,603**
Q4 2021	2,482	7,479	5,587	6,683	8,522	9,371	15,489	10,466	7,973	74,052	4,104	8,622	86,778	**319,703**
Q1 2022	2,929	8,273	5,851	11,202	6,109	10,714	20,902	10,889	6,832	83,701	2,478	7,283	93,462	**303,230**
Q2 2022	1,483	9,575	4,221	6,517	4,566	8,906	9,912	9,500	8,425	63,105	1,475	6,147	70,727	**287,570**
Q3 2022	1,834	9,221	4,331	7,440	6,731	7,711	14,618	11,107	6,276	69,269	2,142	5,171	76,582	**290,127**
Q4 2022	1,334	6,824	6,087	7,232	3,932	10,083	18,736	12,110	8,834	75,172	2,300	7,784	85,256	**291,247**
Q1 2023	2,189	7,367	7,479	6,571	4,840	6,779	12,053	8,954	6,781	63,013	1,480	6,643	71,136	**270,559**

*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 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	94	340	298	327	312	563	463	708	498	3,603	148	308	4,059	**14,128**
Q1 2021	95	322	270	338	312	571	491	729	474	3,602	155	324	4,081	**14,036**
Q2 2021	90	274	305	285	265	506	374	683	429	3,211	130	343	3,684	**14,034**
Q3 2021	72	278	291	332	282	633	405	720	477	3,490	161	300	3,951	**13,906**
Q4 2021	74	270	270	311	294	580	415	748	443	3,405	156	288	3,849	**13,708**
Q1 2022	82	275	242	286	263	559	451	702	515	3,375	126	305	3,806	**13,481**
Q2 2022	57	251	241	302	257	445	384	653	460	3,050	109	283	3,442	**13,320**
Q3 2022	74	273	201	336	269	476	414	615	389	3,047	130	249	3,426	**12,877**
Q4 2022	70	263	233	316	264	434	389	649	413	3,031	121	275	3,427	**12,503**
Q1 2023	67	242	218	250	237	436	331	553	366	2,700	109	228	3,037	**11,828**

*Moving Annual Total for England

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

	10 or more	3-9 units	1 & 2 Units	Misc*	Total
Q1 2016	890	1,728	1,521	9	4,148
Q2 2016	905	1,800	1,665	13	4,383
Q3 2016	908	2,008	1,644	10	4,570
Q4 2016	1,010	2,001	1,528	15	4,554
Q1 2017	1,052	2,014	1,497	12	4,575
Q2 2017	932	1,910	1,507	4	4,353
Q3 2017	930	1,964	1,556	16	4,466
Q4 2017	894	1,974	1,976	12	4,856
Q1 2018	965	1,875	2,505	15	5,360
Q2 2018	851	1,876	2,544	11	5,282
Q3 2018	824	1,875	2,434	10	5,143
Q4 2018	938	1,786	2,363	9	5,096
Q1 2019	944	1,688	2,285	10	4,927
Q2 2019	822	1,676	1,884	6	4,388
Q3 2019	787	1,759	1,610	6	4,162
Q4 2019	860	2,058	1,177	5	4,100
Q1 2020	777	1,655	1,258	4	3,694
Q2 2020	592	1,431	1,185	5	3,213
Q3 2020	768	1,571	1,271	8	3,618
Q4 2020	842	1,724	1,032	5	3,603
Q1 2021	871	1,653	1,071	7	3,602
Q2 2021	722	1,469	1,016	4	3,211
Q3 2021	682	1,663	1,139	6	3,490
Q4 2021	667	1,662	1,073	3	3,405
Q1 2022	763	1,633	975	4	3,375
Q2 2022	631	1,452	960	7	3,050
Q3 2022	618	1,484	943	2	3,047
Q4 2022	656	1,463	906	6	3,031
Q1 2023	590	1,333	774	3	2,700

*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 UNITS by project size

	10 or more	3-9 units	1 & 2 Units	Misc*	Total
Q1 2016	63,373	7,127	1,787	111	72,398
Q2 2016	70,494	7,422	1,943	201	80,060
Q3 2016	64,763	8,157	1,941	38	74,899
Q4 2016	76,069	8,271	1,832	450	86,622
Q1 2017	75,965	8,665	1,792	36	86,458
Q2 2017	71,439	8,039	1,814	12	81,304
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	46	76,480
Q2 2018	59,653	7,802	3,022	84	70,561
Q3 2018	65,731	7,709	2,878	197	76,515
Q4 2018	79,996	7,475	2,811	228	90,510
Q1 2019	77,992	7,170	2,694	159	88,015
Q2 2019	70,039	6,828	2,218	29	79,114
Q3 2019	60,988	7,267	1,878	15	70,148
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	17	53,949
Q3 2020	68,328	6,300	1,447	507	76,582
Q4 2020	76,100	6,631	1,202	19	83,952
Q1 2021	92,424	6,402	1,265	83	100,174
Q2 2021	71,952	5,605	1,195	13	78,765
Q3 2021	59,498	5,868	1,316	30	66,712
Q4 2021	66,721	6,080	1,244	7	74,052
Q1 2022	76,306	5,957	1,157	281	83,701
Q2 2022	56,545	5,377	1,145	38	63,105
Q3 2022	62,557	5,593	1,112	7	69,269
Q4 2022	68,729	5,353	1,047	43	75,172
Q1 2023	57,125	4,964	915	9	63,013

*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 use 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 approvals data excludes Amendment of Planning Applications, Certificates of Lawfulness, Non-Building Applications, Removal or Variations of Conditions and responses by neighbouring planning authorities.
9. 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.

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ABOUT GLENIGAN

2023 sees Glenigan celebrate its 50th anniversary, commemorating half a century of delivering the highest-quality construction market intelligence and sales leads to the construction industry.

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 for developers, with sites tracked through to completion.

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Glenigan

Analysis of market
conditions and prospects
prepared by Glenigan.

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HOME BUILDERS FEDERATION