

# UK planning: silver linings in lockdown

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# Lockdown was never going to be easy for UK planning, but encouraging glimmers of activity have shone through at the start of 2020

As the UK headed towards lockdown on 23 March, planning activity had already been on a downward trend from the highs seen in 2018. The number of new applications and planning authorities' decisions were falling in tandem – and then the prime minister made his Sunday evening announcement. A typical bump in applications in March did not materialise, and the fall in April took numbers to the lowest monthly totals since at least 2016.

But the story doesn't end there. Behind some of the bleak headlines we find parts of the country that have stormed into 2020 with more projects and bigger developments. We find that, by some metrics, applications for new homes are above where they were this time last year. And we find that the ambition for widespread 5G coverage is driving serious activity among commercial applications.

This report, based on data from EG's Radius Data Exchange, delves into the figures behind UK planning from January to April this year. It might be too early to know the full extent of the impact coronavirus and lockdown will have on planning, but the first four months of the year suggest a complex situation: a story of highs, lows and quite a few surprises.

# 00

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The data excludes the following types of applications: civil utilities and infrastructure; self-build; home improvement; listed buildings and cases where planning is not required. Some use-types have also been excluded, such as synthetic sports pitches and athletics tracks.

# 01

## Overview

Headline figures for planning activity at the start of the year all point in one direction: down. Submitted applications from January to April were down by 15.7% year-on-year, while the number of planning decisions was down 14.9% in the same period. Although there was a particular slump in April, the year was already off to a slower start than 2019, with first-quarter applications and decisions down by 12.9% and 12.1%, respectively.



Headline figures for  
planning activity at the  
start of the year all point  
in one direction: down

# A steady start to the year took a turn as the UK approached lockdown

## Overview

The fall in activity at the start of the year was undoubtedly stark, but there were two primary reasons. First, the start of 2019 – alongside 2018 – was particularly active. Compared to 2016 and 2017, January and February 2020 performed in line with expectations. The second reason is the obvious one: lockdown. While activity tends to pick up in March for new applications and decisions, the trend from January onwards was a continued decline.



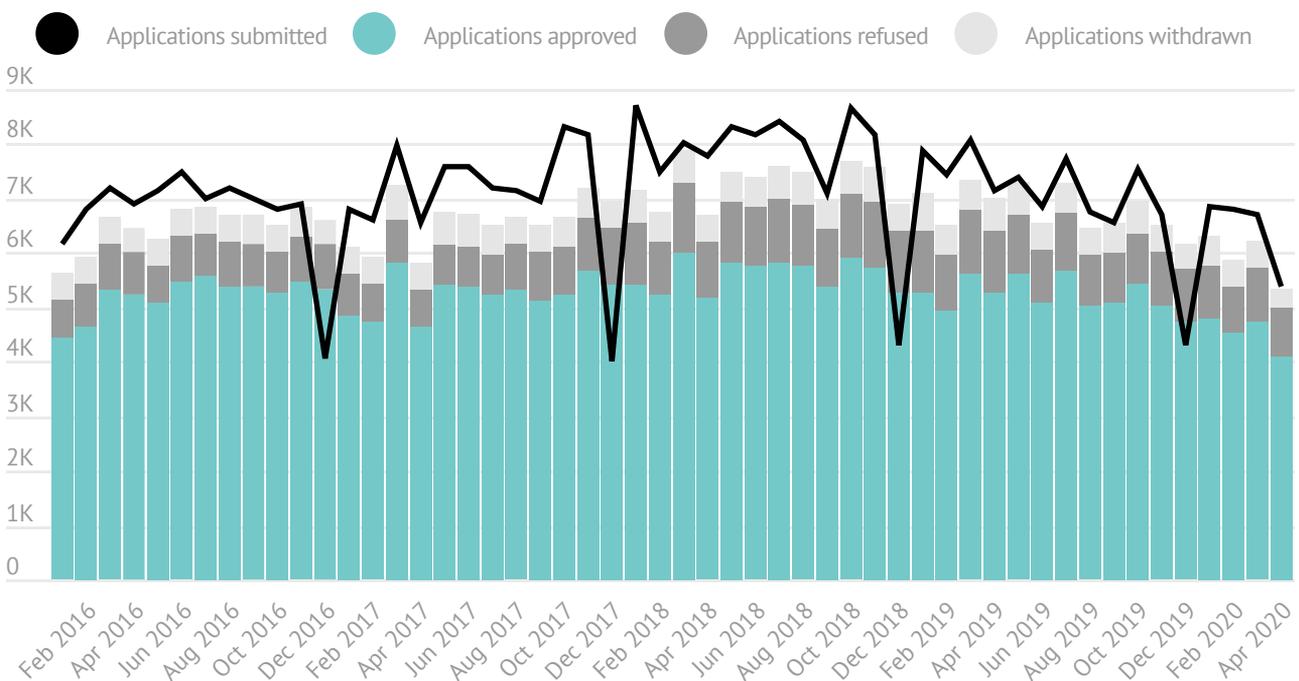
**The fall in applications from March to April this year was the sharpest monthly decline outside the Christmas period since at least the start of 2016**

**-19.8%**

fall in new applications  
between March and April  
2020

One side effect of a sharp fall in new applications was that in April planning authorities reached decisions on nearly as many applications as there were new ones (5,355 v 5,365). Excluding December, when new applications take a predictable nosedive, this was the closest councils have come to matching the number of new applications with the number of decisions since at least the start of 2016. Typically, there are about 8% fewer decisions than new applications in any given month.

# Overview: Planning activity has been subdued across the board since 2018



Before 2020, there were on average **6,796 planning decisions per month**. In 2020, that average has so far been **5,947 – a 12.5% decline**. This is slightly less severe than the fall from 2019.

The percentage of approved applications was up between January and April, accounting for **76.5%** of all decisions, compared to **75.5%** last year. Refusals were down from **16% to 15.2%**, while withdrawn applications were down by 0.2 percentage points.

# In numbers: Despite a subdued start to the year for UK planning, some sectors are defying the challenges of lockdown



number of decisions on planning applications in April – down 20% from March

5,355

76.5%

approved planning applications as a percentage of all decisions this year



210,973 total size of private and social housing projects approved between January and April



1,295

number of applications submitted for telecom masts as the UK gears up for 5G

7.2%

rise in the number of homes approved compared to the same time last year



-15.7%

fall, year-on-year, in the number of submitted applications in the first four months of the year

# 02

## Sectors

When we take a look at some of the detail behind the headline figures, glimpses of activity do emerge. Most sectors are down, both in terms of new applications and the number of decisions, but two sectors in particular stand out: social housing and offices and commercial. These two sectors are up on both metrics, which suggests that not only is activity holding up, the outlook also looks promising. Given that decisions haven't fallen as much as new applications, an uplift in commercial and social housing applications should translate to more future decisions.

# Are commercial and residential applications on opposite trajectories?

## Sector

There was a divergence in activity in the first months of the year. Private housing numbers were down significantly (-25.2% for new applications and -29.2% for decisions), while offices and commercial numbers were up almost as dramatically (21.2% for new applications and 20.5% for decisions). Notably, private housing is by far the largest sector in UK planning. The scale of the slump meant that while it accounted for more than half of decisions this time last year, its share fell to 41.9% in 2020.



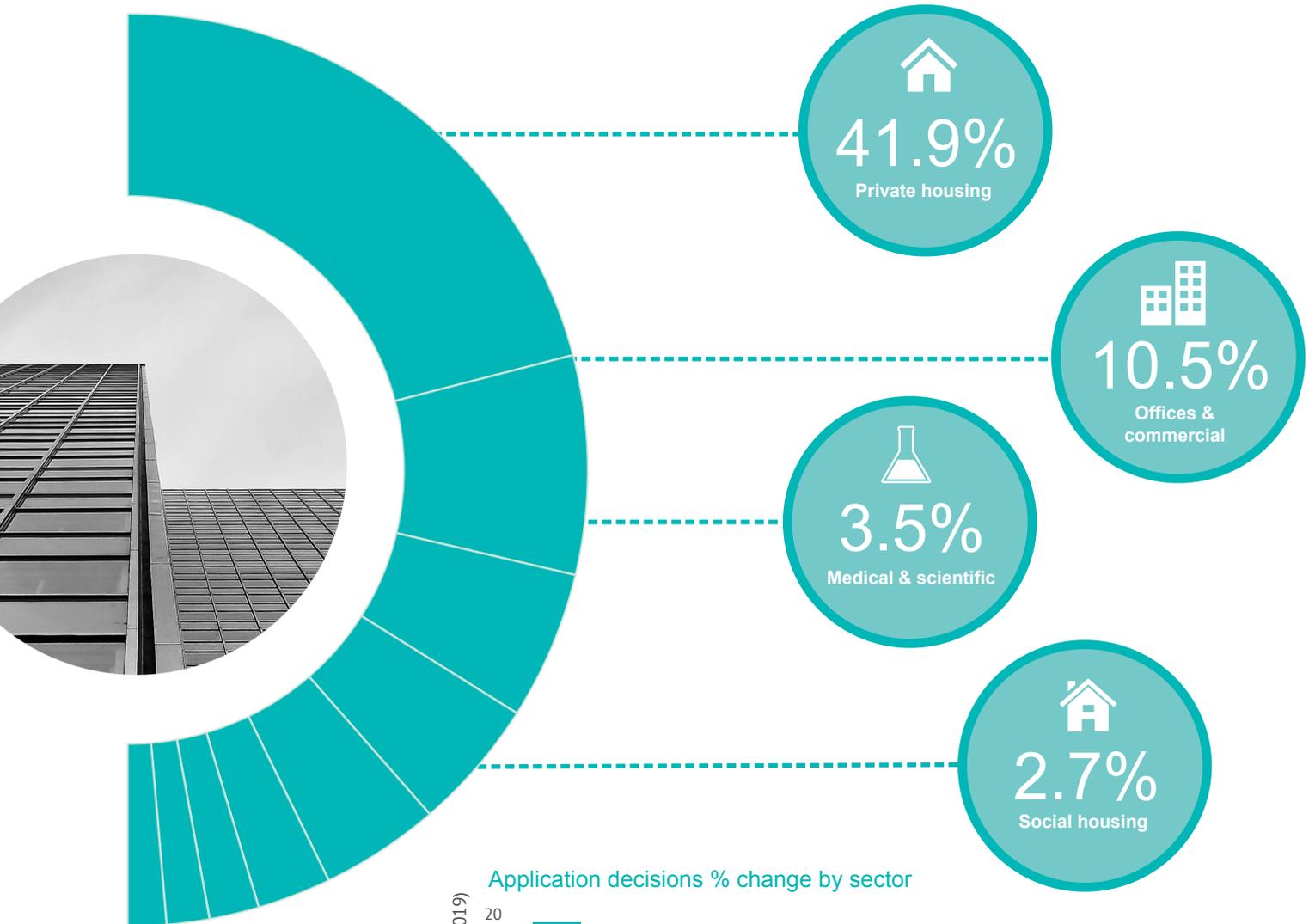
**While activity in most other sectors fell, there were 548 more office and commercial applications at the start of this year than in 2019**

# 21.2%

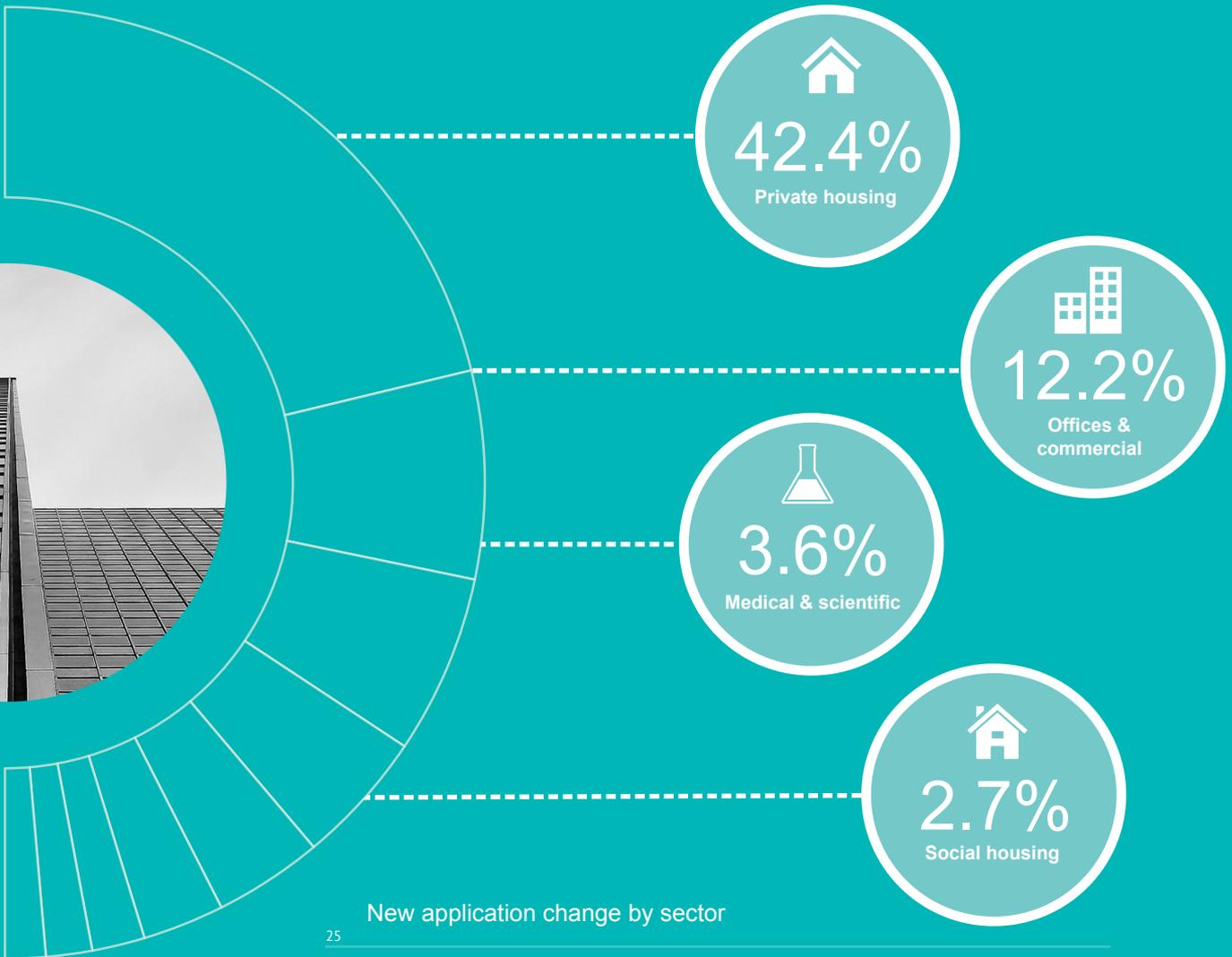
growth in the number of office and commercial applications, year-on-year

The saving grace for housing, it initially seems, is the social housing sector. Decisions were up 12.9% and new applications were up 4% on last year. But social housing is a much smaller sector than private housing, totalling about 3% of both applications and decisions. If we drill down even deeper into the data we find that the story is not quite that simple, and both the housing and commercial sectors have significant drivers of activity.

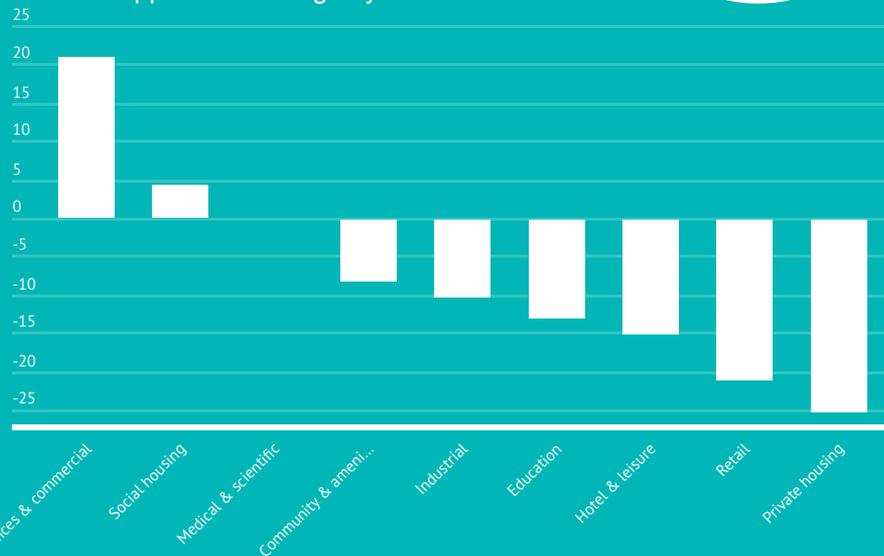
# Application decisions by sector



# New applications by sector



New application change by sector



# 03

## Sector spotlight

The undisputed outperformer so far in 2020 has been the office and commercial sector, and that comes down to one main driving force: 5G. Meeting government ambitions for widespread UK coverage requires a proliferation of masts, due to 5G's use of high frequency radio waves that don't travel as far as the 4G frequencies. As a result, masts accounted for almost a third of all office and commercial planning decisions at the start of the year, and more than 41% of new applications. That level of activity is likely to continue in the foreseeable future.



1,295

applications submitted  
for telecom masts,  
Jan-Apr 2020

41%

telecom masts as a %  
of sector apps  
submitted, Jan-Apr  
2020

5%

telecom masts as a %  
of all planning apps  
submitted, Jan-Apr  
2020

# 5G drives activity in the office and commercial sector, but the rest of the sector is also healthy

## Sector spotlight

Last year telecom masts accounted for 1.7% of all applications submitted in the first four months of the year. This year, that figure is 5%. That has single-handedly bolstered activity in the office and commercial sector as a whole.

Although the government has made a commitment to ensuring widespread coverage of high-speed internet across the country, councils have shown a high level of scrutiny towards mast applications. Some 18.5% of applications were refused at the start of the year. That is above both the average for all applications (15.2%) and considerably above the average for the rest of the sector (7.6%).



**The number of decisions on masts rose substantially from 282 last year. This year, 574 were approved, 140 refused and 43 withdrawn.**

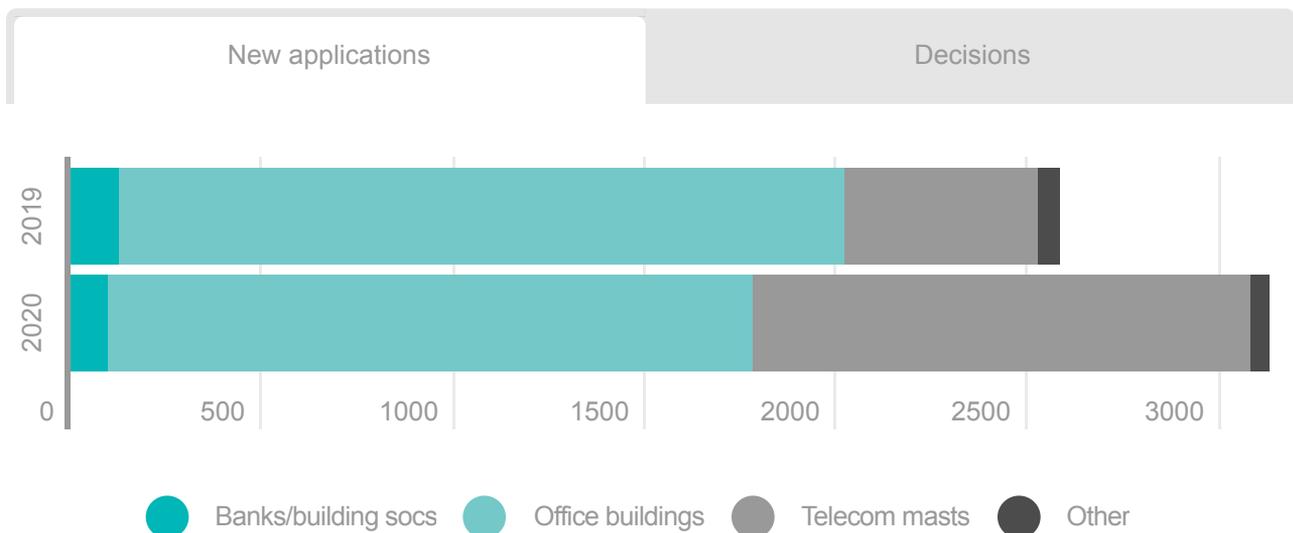
# 757

number of decisions made on masts, January-April 2020

Outside of telecom masts, the sector has been comparatively stable, recording a 2.7% fall in decisions, year-on-year. Decisions on office buildings were down less than 2%, though the fall was considerably greater among new applications, which were down 10.9%. That could lead to a decline in the future.

# 5G: Telecom masts have driven office and commercial activity, but only in parts of the country

Total number of approved telecom mast applications by country at the start of 2020



# 04

## Residential

If you look at the number of planning applications, the residential outlook appears bleak. Private housing numbers – both in new applications and decisions – are down more than any other sector, and while social housing is up by a few percentage points, it accounts for a fraction of all residential developments. Look below the surface, though, and you find something surprising: applications might be down, but the number of houses those applications are producing is up. Projects receiving planning approval this year are notably bigger than the ones last year, and that trend looks to continue.

# A slowdown in housing developments hides an upswing in planned homes

## Residential

A dip in the number of housing applications is a bad sign amid the ongoing struggle to deliver enough new homes for the UK. The good – and surprising – news is that although numbers of new applications (-25.2%) and decisions (-29.2%) are down, the actual number of homes councils approved is up on this time last year. There was a 7.2% rise to 210,973 units (predominantly houses but the number includes some other buildings in mixed-use schemes) in approved private and social housing developments.

The outlook shows a similar trend: the number of homes in schemes submitted at the start of the year was up 13% on 2019, totalling 373,972.



**The housing pipeline was off to a strong start this year as councils approved about 14,000 more homes than at the start of 2019**

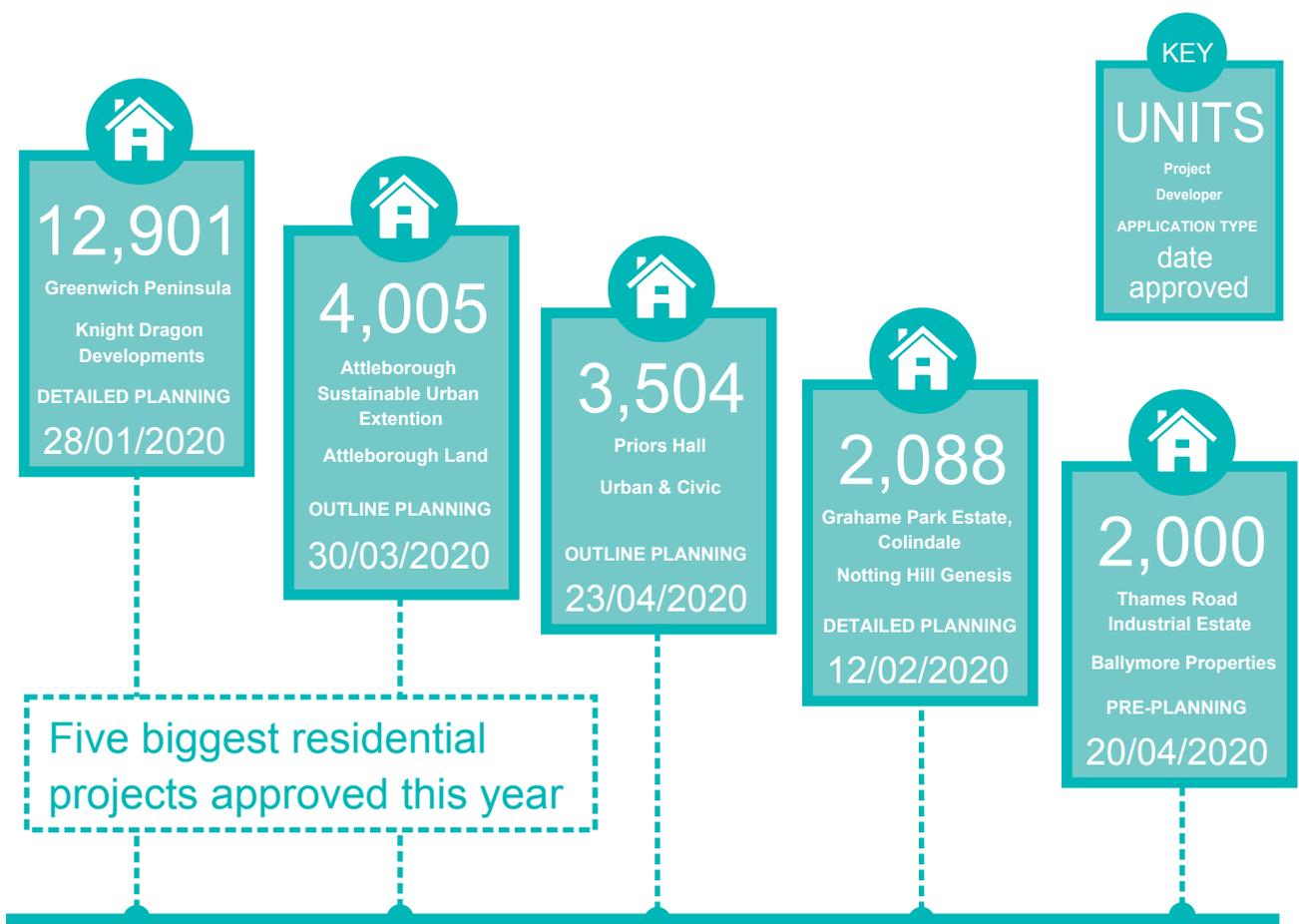
# 7.2%

growth in the number of approved homes

The biggest project approved this year was Knight Dragon's application for 12,901 units at Greenwich Peninsula – part of the 15,000-home masterplan in the area. The largest submitted was about half the size: a pre-planning application from Summix for 6,500 homes in Harrington, Oxfordshire.

# Residential: The numbers behind the uptick in homes in the planning pipeline

Social and private housing	2019	2020
Schemes	14,568	10,612
Units	247,000	267,696
Units approved	196,810	210,973
% refused	14.2%	12.7%



# 05

## Regional

A familiar picture arises regionally: general downturns with an occasional bright spot. The bright spot here is Scotland, whose planning authorities managed to process more decisions at the start of this year than in 2019, despite a small fall in new applications. Glasgow, Aberdeenshire and Highland in particular showed strong growth on last year, the former jumping from 37th to ninth for most applications submitted between January and April. Other increasingly active councils were dotted across the country, including Liverpool, Birmingham and Croydon.

# Scotland leads the way in planning activity at the start of 2020

## Regional

6.9%

average rise in new applications among 10 most active councils

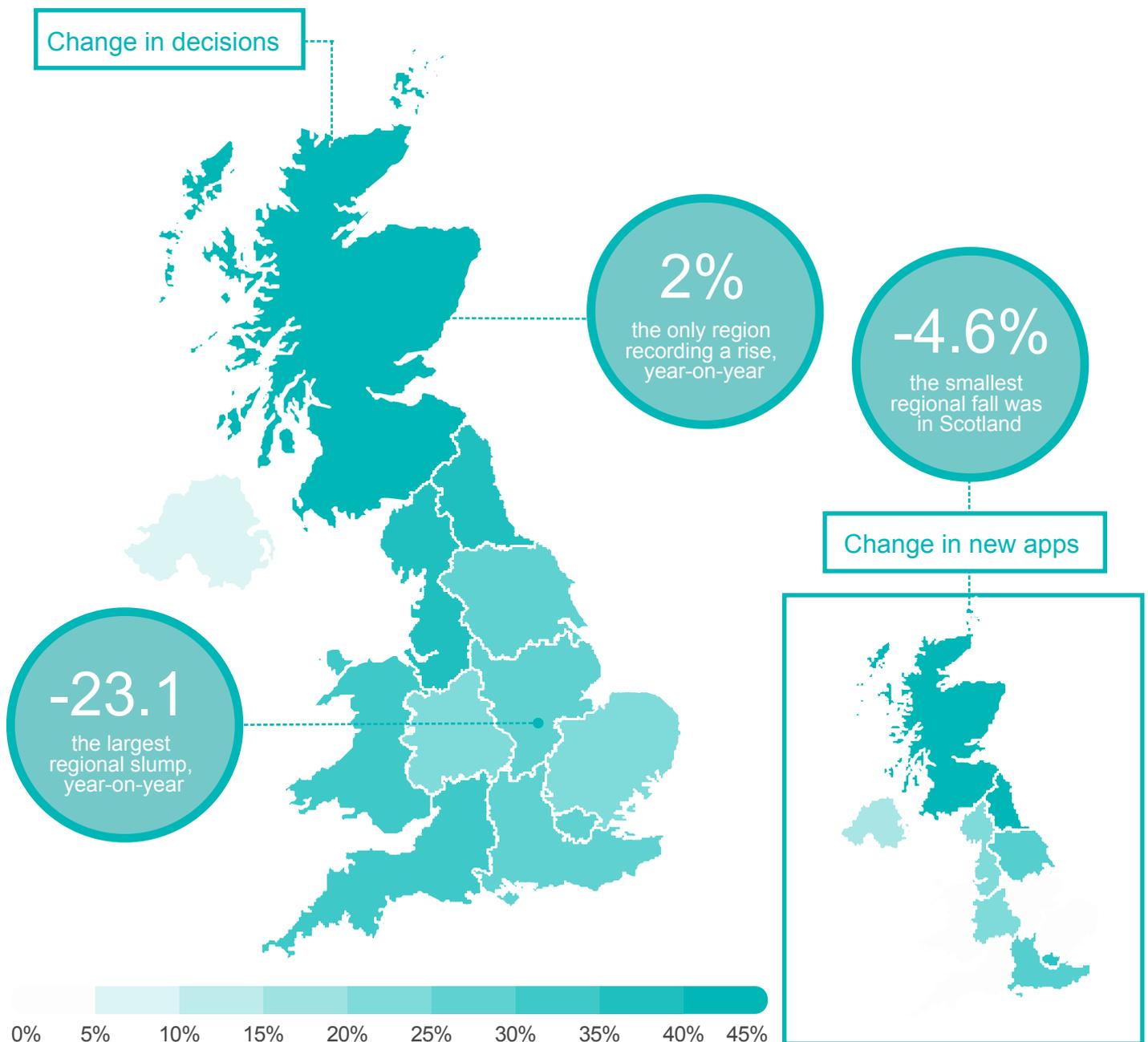
At a time when activity has slumped, Glasgow recorded a 52.9% increase in new planning applications. The council was also busy, with an 18.4% increase in decisions, helping make Scotland the only region in the UK that recorded growth in that area at the start of the year. The most active local authorities, by both metrics, were comparatively stable. Just four of the 10 councils with both the highest number of new applications and decisions recorded a year-on-year fall.

New applications

Decisions

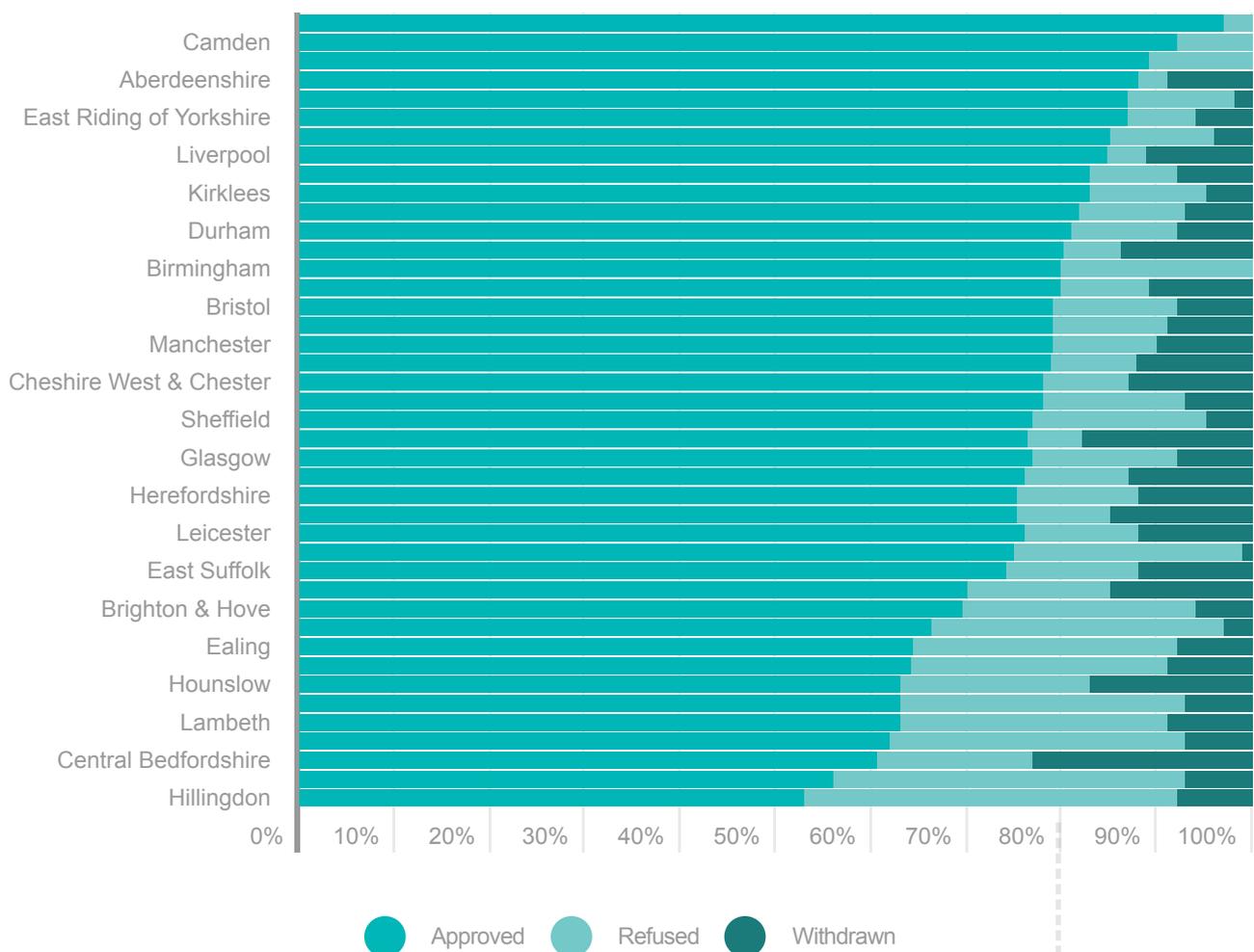
Top 10 councils for new applications	Apps	Change y-o-y
Birmingham	405	14.7%
Cornwall	370	-22.4%
Westminster	329	-9.6%
Leeds	255	2.0%
Highland	245	5.2%
Manchester	226	-2.2%
Liverpool	222	26.9%
Croydon	214	12.0%
Glasgow	208	52.9%
Epping Forest	197	-10.0%

# Regional: A snapshot of regional activity



# Regional: Visualising how the most active councils respond to planning applications

Ranking of the most active councils by how likely they are to approve an application



Greater London is home to eight of the councils most likely to refuse an application

# Looking ahead: The UK's planning needs will continue through a temporary lockdown

## Outlook

There is no doubt planning activity stumbled as the coronavirus pandemic broke out. The first full month of lockdown was underscored by one of the sharpest monthly falls in activity since at least the start of 2016, when our detailed records begin. Having covered the first four months of the year – more than two months of which were pre-lockdown – this report has yet to capture the full extent of the downturn in planning.

What happens next? We will likely see more of what we saw in April – at least in the short-term. With life effectively on hold, many sectors have to take a "wait and see" approach to their futures. But that can't go on forever. Glimmers of activity already cut through the general slowdown at the start of the year, and those glimmers will continue, whether it's the need to update the UK's digital infrastructure or to provide much-needed homes. After all, the lockdown shock is temporary, but our need for places to live, to work and socialise is not going anywhere.



## Glimmers of activity already cut through the general slowdown at the start of the year, and those glimmers will continue