

**UK housebuilding****UK housebuilders warn of supply clog unless sales are allowed to resume**

Industry seeks reassurance from government that new homes will be able to be sold



Developers have been returning this month to sites vacated in late March © REUTERS

**George Hammond** MAY 11 2020

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UK housebuilders have warned of the potential for unsaleable houses to pile up on their sites if the government fails to ease restrictions on property transactions.

Developers are among the first companies to resume work, returning this month to sites vacated in late March. But a number have expressed uncertainty about what to do with the homes they build and are calling on the government for clarity.

“We can’t open sales offices for the time being. Government guidance is that people shouldn’t buy homes. It’s all well and good building new homes but if you can’t sell them, there’s not much point,” said David O’Leary, policy director at the Home Builders Federation, the trade association for housebuilders.

Taylor Wimpey, the first major housebuilder to announce it was closing its sites in response to coronavirus, began gradually reopening them earlier this month. Barratt Developments and Persimmon, the other largest housebuilders in the UK, have also been ramping up activity on sites they closed in late March.

Builders will initially focus on completing properties that were sold before coronavirus struck. But in order to move on to building new homes they would need reassurance that those could be sold, said Stephen Teagle, chief executive of Vistry Partnerships and chairman of the Housing Forum, another sector body.

“There is a need for the government to engage with the Council for Mortgage Lenders, with the Royal Institution of Chartered Surveyors and with the Law Society to make sure everyone is facilitating the ability of customers to purchase,” he said.

The government in effect brought the shutters down on the housing market in late March, as it sought to lock down the country and contain the spread of coronavirus. While they have never been forced to leave building sites, the majority of developers downed tools, deciding they could not safely continue working.

Having spent more than a month off-site devising new procedures for safe working, housebuilders are now confident they can return. Shift working is being introduced and car parks expanded so more workers can drive in independently.

Construction will be fraught with challenges — “paving slabs are a two-person lift and they’re one metre long. So how do you move them?” asked Mr O’Leary — but builders think they can complete most tasks with social distancing in place.

Marc Vlessing, chief executive of affordable homes developer Pocket Living, said government guidelines would be welcome but they could only be formulated once clearer policies on public health were laid out.

“What is it reasonable to ask your workforce to do, based on the evidence? Until we get answers to that, questions like ‘how do we get the valuation market going? How do we open building sites?’ those are secondary questions,” he said.

Without visibility of when or whether buyers might return, builders had reasons to hesitate, said Mr O’Leary. “Are you going to invest too heavily in stock for completion in October, November or December? I’m not sure.”

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