

House Building: Inc Impact of COVID-19 - UK - October 2020

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This report looks at the following areas:

- The impact of COVID-19 on the house building market.
- How COVID-19 may drive a structural change in the market as the popularity of retail and office property in cities declines.
- Trends in the housing market by region, nation and property type.
- How political and economic trends have shaped the state of the market and government responses to issues surrounding supply and affordability.
- The role of Help to Buy in the market and the anticipated effects of changes set to be introduced in 2021.

The conclusion of the December 2019 election and the passing of the Withdrawal Agreement in January 2020 helped to recover market confidence, driving a rapid jump in prices, peaking at 3% in March 2020. This recovery was cut short by COVID-19, but the pandemic's impact has been short-lived relative to other parts of the economy.

Mintel estimates the market to decline by 21% to £38.2 billion in 2020, primarily driven by the collapse of activity during Q2 2020 due to the initial lockdown, beginning 23 March 2020.



“Despite significant disruption due to COVID-19, activity in the UK house building market has recovered substantially, with minimal effect on the underlying strength of the market. Demand continues to be restricted by prices, however, particularly in prime markets such as London and the South East.”

- **Francesco Salau, B2B Analyst** – 16th October 2020

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