

Future Talent Group: Topical Viewpoint

The 2004 Barker Review of Housing Supply: What was the Barker Review and how much has changed twenty years on?

Overview

Over the past few decades, not enough homes have been built to meet the needs of the population. As a result, the country is in a housing crisis – with fewer and fewer people now able to own their own home.

During that time, the Government has commissioned many reviews, studies and investigations of the housing market to work out how to increase the number of houses being built. One of the most significant Government investigations was [the Barker Review of Housing Supply](#) in 2004.

On the twentieth anniversary of the Barker Review earlier this year, HBF took a look back at the Review and the progress that has been made in implementing its recommendations. Our analysis showed that there is still a lot of work to do to increase housing supply and to make housing more affordable for everyone in society.

What was the Barker Review of Housing Supply?

In 2003, the economist Kate Barker was asked by then-Chancellor Gordon Brown to conduct a review of why housing supply was not increasing, even though the economy was booming.

Barker was also asked to provide recommendations on how to make the housing market more affordable and stable, and on how to provide an adequate supply of affordable and social housing. In total, the Barker Review provided 36 recommendations to the Government and the home building industry.

The Barker Review was arguably the most significant Government review of the housing market this century - as it made clear that more homes need to be built to make housing more affordable.

What did the Barker Review recommend?

In her Review, Kate Barker warned that *“I do not believe that continuing at the current rate of housebuilding is a realistic option, unless we are prepared to accept increasing problems of homelessness, affordability and social division.”*

The Barker Review’s 36 recommendations to increase the number of homes being built included:

- Introducing targets in each region for housing affordability.
- Introducing new routes for home building companies to gain planning permission – making the process simpler and speedier.
- Giving local councils more resources to speed up planning decisions.
- Action by the industry to develop a strategy to increase the take-up of apprenticeships.

Barker also set out three scenarios, or ‘targets’, for increasing housing supply to make the housing market more affordable:

1. **Least ambitious target:** Increasing the number of homes built every year from 160,000 (2003 levels) to 180,000 homes a year.
2. **Central target:** Increasing housing supply from 160,000 to 240,000 homes a year.
3. **Most ambitious target:** Increasing housing supply from 160,000 to 300,000 homes a year.

What progress has been made in delivering on the Barker Review's recommendations?

HBF's report ['Beyond Barker'](#) shows that:

- Only 11 of the 36 recommendations of the Barker Review were implemented in full.
- Five of the recommendations were implemented but then reversed.
- On average, there have been only 190,000 homes built per year since 2003 - whereas at least 240,000 homes a year were needed to deliver Barker's central target.
- England would have 2 million more homes today if the Barker Review's most ambitious housing supply target had been achieved - equivalent to the entire housing stock of Ireland.

Some recent decisions the Government has made have also reversed progress in implementing the Barker Review's recommendations. In December 2023, the Government announced several changes to [the National Planning Policy Framework \(NPPF\)](#), the document that sets out how local authorities should make planning decisions. These changes included getting rid of mandatory housing targets for local authorities. HBF's analysis shows that progress in implementing three of the Barker Review's recommendations were reversed as a result of the Government's changes to the NPPF last December.

However, the Barker Review did also lead to some lasting change. For instance, local authorities must now always show they have 'available, suitable and viable' sites for new homes to be built on.

Furthermore, the Review had a significant impact on industry practices, with all but one of the five recommendations directed at the home building industry being introduced in full. The main example is that the industry now has a Customer Satisfaction Survey and star rating scheme to monitor the quality of new build homes as a direct result of the Barker Review.

How has the housing market changed since the Barker Review?

Twenty years on from the Barker Review, the housing crisis has unfortunately got even worse. This is not because the Barker Review's recommendations were not strong enough, but instead because many governments have not taken the lessons of the Barker Review fully onboard:

- The average age of first-time buyers is now 34, up from 31 two decades ago when the Barker Review was published;
- Homeownership levels have fallen to 65% in 2022-23, from a peak of 71% in 2003;
- Housing affordability has worsened in every local authority in England.

HBF is highlighting the need for urgent action to fix the housing crisis by drawing on the lessons and recommendations of the Barker Review.