"Shared ownership gave me hope. I still have that hope, but every year the finish line moves further away."

Pamela Newman -Shared Owner and member of the G15 Residents' Group

Dear Minister,

We are writing to you as members of the G15 Residents' Group (G15RG), representing residents from London's largest housing associations.

The G15RG exists to ensure that residents are genuine partners in shaping housing policy and improving services. We believe that the best housing policy is developed with residents, not simply for residents, and we are pleased to support this innovative proposal to provide staircasing through the introduction of a revised Shared Ownership mortgage offer.

Shared ownership was introduced with a bold and inspiring vision. It recognised that many hardworking people could not afford to buy a home outright but could take their first step onto the housing ladder by purchasing an initial share in their home before gradually staircasing to full ownership. The expectation was that, for many buyers, this journey would be to own their home, outright, within a decade or so.

Unfortunately, for some that vision no longer reflects today's reality.

Across our networks we hear from shared owners who entered the scheme believing they were beginning a journey towards full ownership. They have worked hard, progressed in their careers, paid their rent and mortgage, and honoured every commitment expected of them. Yet despite doing everything right, many now feel further away from owning their home than when they first bought it.

One resident told us:

"I bought through shared ownership because I believed I would eventually own my home. Six years later, despite earning more than when I bought, I'm actually further away from being able to staircase because the value of my home has risen much faster than my salary."

Ruth Picknett-Powell another shared owner said:

"Every time we get a better salary we consider staircasing fully, unfortunately the combination or higher interest rates and the increasing house price means that we have to wait a little longer. It has now been 14 years and I am trying to remain optimistic that we can do this before our children leave home"

These stories are becoming increasingly common.

For many years, house prices have risen much faster than household incomes. While wages have increased gradually, property values have accelerated significantly, meaning the additional shares residents need to purchase become more expensive far faster than they can save. Higher mortgage costs and wider affordability pressures have only widened this gap.

As a consequence, the original vision of shared ownership - where buyers could realistically expect to staircase to full ownership within a decade - is now beyond the reach of most shared owners.

The evidence reflects what residents have been telling us. Today, research suggests that only around 2% of shared owners staircase to full ownership each year, demonstrating just how difficult the current model has become.

As residents, we believe this presents one of the greatest threats to confidence in shared ownership. If people no longer believe it offers a genuine route to full ownership, confidence in the model itself will inevitably diminish.

For this reason, the G15 Residents' Group is pleased to support the proposed staircasing mortgage initiative.

We see this as an innovative and practical solution that has the potential to make the aspiration move towards of full home ownership a reality. For thousands of existing shared owners while also delivering substantial public benefit, There are currently around 243,000 shared ownership homes owned by charitable housing associations across England, representing approximately £33 billion of housing association equity tied up in unsold shares.

The modelling, underpinning this proposal. suggests that reducing staircasing mortgage rates from around **4.7% to approximately 3%** could increase staircasing rates by up to **five times**, unlocking around **£13 billion** for housing associations to reinvest into new affordable housing over a five-year to ten year period. For residents, this could fundamentally change the affordability equation. Rather than paying more each month to staircase than remaining in shared ownership, the proposal would bring around **82% of shared owners to, or close to, cost neutrality**, making the decision to staircase financially achievable for many more households.

However, what makes this proposal particularly compelling is that it does not only benefit today's shared owners. By releasing billions of pounds of housing association equity currently invested in shared ownership homes, housing associations would have the financial capacity to reinvest in the delivery of new social and affordable homes, helping thousands of households currently in need of housing and communities in need.

From the G15RG's perspective, this is one of the rare policy proposals that simultaneously supports existing residents while creating opportunities for future generations.

We would also like to highlight two further advantages.

Firstly, this represents a demand-side intervention that is not inflationary. Unlike policies that stimulate demand by increasing purchasing power across the wider housing market, this proposal helps existing shared owners' staircase at independently assessed market values. At the same time, it generates a multi-billion-pound supply-side investment by releasing capital that can be reinvested directly into new affordable housing

Secondly, the equity released remains within the social housing sector. Rather than leaking to commercial investors or being lost from the affordable housing system, it is recycled by charitable housing associations and reinvested into delivering more homes for people in housing need. This circular investment model represents exceptional value for public investment while strengthening the long-term sustainability of the affordable housing sector. As residents, we are not asking Government to create a new subsidy or to give shared owners preferential treatment.

We are asking for the original promise of shared ownership to become an opportunity and achievable again.

Shared owners have worked hard, honoured their commitments and invested in their homes. They have done everything expected of them. The challenge is not a lack of aspiration—it is that the housing market has changed dramatically, while the shared ownership model has not evolved to keep pace.

We therefore urge Government to support a **pilot programme** to test this proposal in practice. A pilot would allow Government, lenders, housing associations and residents to evaluate its effectiveness, understand its impact on staircasing rates and affordable housing delivery, and refine the model before considering wider national implementation.

The G15 Residents' Group stands ready to work alongside Government, Homes England, lenders and housing associations to help shape that pilot and ensure resident voices remain central to its development.

Together, we can restore confidence in shared ownership, fulfil its original ambition and create a lasting legacy that benefits both today's shared owners and future generations seeking an affordable route into home ownership.

Yours sincerely,

Pamela Newman – on behalf of the G15RG
Vice Chair
G15 Residents' Group