# Shared ownership complaints soar as scheme traps buyers in spiralling costs



Shared ownership was conceived as a solution to the pressing need for affordable housing, particularly aimed at assisting low-paid key workers in expensive urban centres across the UK. However, as the experiences of many shared owners unfold, it appears the initial promise is giving way to widespread dissatisfaction and financial strain. The challenges faced by individuals in these schemes reveal a mounting discontent, punctuated by alarming statistics. Complaints related to shared ownership schemes have soared by nearly 400% over the last five years, with issues ranging from skyrocketing service charges to difficulties in selling properties, as indicated by data obtained through a BBC Freedom of Information request.

Many shared owners, like Chris and Diana from east London, describe their experience as a "con": after purchasing a shared ownership property at the onset of the pandemic, they struggled to sell, ultimately losing £10,000 due to their home’s decreased value. “It’s a big con and we felt trapped,” Diana remarked. These sentiments reflect a broader reality; the shared ownership model often subjects homeowners to the financial obligations of renters without granting them the rights typically associated with homeownership. With approximately 250,000 shared ownership households currently in England, the model can seem more of a pitfall than a stepping stone.

Kathy, who has owned a share of a flat in north London since 2017, articulated the burdensome nature of escalating costs. Despite a love for her home, she has been compelled to take in a lodger to cover rising service charges that have increased by over £200 a month. “I can’t afford to increase my share,” she stated, highlighting the grim reality that a lack of financial transparency and service inadequacies has turned her dream of ownership into a nightmare. Her experience is echoed by that of Fatima, a single mother who entered shared ownership after exhausting options as a renter. She now faces an 80% increase in service charges and deplorable living conditions, stating, “It’s always on my mind. It causes a lot of anxiety.”

The serious issues with shared ownership are often compounded by the complex relationships between various stakeholders in the housing system. Housing Ombudsman Richard Blakeway notes that the “inherent complexities” of these arrangements lead to a breakdown in communication between landlords and residents, which exacerbates frustrations. As he highlighted, there exists a “mismatch” between the expectations of shared owners and the realities they face. This systemic inadequacy is further illuminated by a report from the Levelling Up, Housing and Communities Committee which criticises shared ownership schemes for failing to provide a genuine pathway to homeownership.

While some in the housing sector, such as the Shared Ownership Council, claim that shared ownership can still play a vital role in meeting housing needs, critics argue that established problems have not yet been effectively addressed. A response from Timea Szabo, representing the Shared Owners Network, proclaimed that the recent initiative for a voluntary code of best practices is “too little, too late.” This sentiment resonates with many shared owners who express scepticism about the ability of housing associations, which are often accused of mis-selling properties, to fulfil their obligations. Reports reveal service charge increases that can reach 400% after residents move in, often far exceeding initial estimates offered at the time of sale.

In the wake of numerous testimonies and growing outcry, governmental authorities assert they are aware of the challenges faced by shared owners and are contemplating actions to improve transparency and accountability within the system. However, many shared owners remain sceptical about whether these efforts will genuinely address the issues that have left them feeling trapped in unaffordable housing.

As individuals like Diana, Chris, Kathy, and Fatima continue to navigate their precarious situations, the broader shared ownership landscape stands at a crossroads. The government and housing associations are now under increased pressure to ensure that shared ownership schemes truly facilitate a viable path to homeownership rather than ensnaring buyers in a cycle of financial strain and disillusionment.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.bbc.com/news/articles/clyz8m8jj4mo), [[2]](https://www.ft.com/content/18b931cb-5ab5-43c6-812b-50c57b4c7688)
* Paragraph 2 – [[1]](https://www.bbc.com/news/articles/clyz8m8jj4mo), [[3]](https://www.theguardian.com/society/2025/mar/09/uk-housing-associations-accused-of-mis-selling-affordable-homes-as-service-charges-soar-by-up-to-400), [[4]](https://www.theguardian.com/money/2024/sep/22/affordable-shared-ownership-homes-cost-residents-more-than-half-their-wages)
* Paragraph 3 – [[5]](https://committees.parliament.uk/committee/17/housing-communities-and-local-government-committee/news/200679/shared-ownership-is-failing-to-deliver-an-affordable-route-to-homeownership-say-mps/), [[6]](https://www.theguardian.com/society/2024/mar/30/outrage-as-residents-in-englands-affordable-housing-forced-to-pay-thousands-of-pounds-extra-in-service-charge)
* Paragraph 4 – [[1]](https://www.bbc.com/news/articles/clyz8m8jj4mo), [[7]](https://www.telegraph.co.uk/money/property/house-prices/affordable-home-scheme-drastically-failing-buyers-mps-say/)
* Paragraph 5 – [[2]](https://www.ft.com/content/18b931cb-5ab5-43c6-812b-50c57b4c7688), [[3]](https://www.theguardian.com/society/2025/mar/09/uk-housing-associations-accused-of-mis-selling-affordable-homes-as-service-charges-soar-by-up-to-400)

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## Bibliography

1. <https://www.bbc.com/news/articles/clyz8m8jj4mo> - Please view link - unable to able to access data
2. <https://www.ft.com/content/18b931cb-5ab5-43c6-812b-50c57b4c7688> - An article from the Financial Times discusses how shared ownership, initially designed to assist low-paid key workers in expensive UK cities, is now contributing to housing precariousness for many lower-middle-income families. These shared owners face escalating financial burdens due to increasing mortgage payments, rent hikes tied to the consumer price index, and spiraling service charges for building maintenance, particularly in the wake of the Grenfell Tower tragedy's building safety measures. Shared owners are financially stretched from the outset and now find themselves unable to afford rising costs or sell their properties, trapping them in unfavorable financial situations. A recent select committee report condemned shared ownership as failing to provide affordable home ownership and called for accountability from housing associations and the government for exacerbating this crisis.
3. <https://www.theguardian.com/society/2025/mar/09/uk-housing-associations-accused-of-mis-selling-affordable-homes-as-service-charges-soar-by-up-to-400> - An article from The Guardian reports on allegations against UK housing associations for mis-selling 'affordable' homes, with service charges soaring by up to 400% after residents moved in. Buyers claim they were misled over the likely rise in costs after they moved in, which are now 'ruining people’s lives'. The article highlights how marketing and property documents examined by the Observer reveal how buyers who may be struggling financially are enticed to buy shared ownership homes with estimated monthly service charges as low as £120. Residents accuse housing associations of failing to accurately reflect the likely cost, which in some cases has risen to more than £650 a month.
4. <https://www.theguardian.com/money/2024/sep/22/affordable-shared-ownership-homes-cost-residents-more-than-half-their-wages> - An article from The Guardian discusses how costs have increased so much in some shared-ownership flats in the last two years that some residents say they are now struggling to meet them. L&Q housing association, one of the largest in England, promotes its properties with the guidance that, typically, the costs of mortgage, rent and service charge 'should be no more than 40% of your net take-home pay'. However, the article reports that in numerous cases, residents are paying more than 50%. The article also highlights that service charges on shared-ownership properties are uncapped and in many cases now exceed rents, which are strictly controlled.
5. <https://committees.parliament.uk/committee/17/housing-communities-and-local-government-committee/news/200679/shared-ownership-is-failing-to-deliver-an-affordable-route-to-homeownership-say-mps/> - A report from the Levelling Up, Housing and Communities Committee, published on 28 March 2024, states that shared ownership schemes are drastically failing to deliver an affordable route to homeownership for too many people and subject buyers to rising rents, uncapped service charges, and a disproportionate exposure to repair and maintenance costs. The report calls for the Government to take urgent and significant action to reform how shared ownership schemes currently operate so they can deliver an affordable route to homeownership.
6. <https://www.theguardian.com/society/2024/mar/30/outrage-as-residents-in-englands-affordable-housing-forced-to-pay-thousands-of-pounds-extra-in-service-charge> - An article from The Guardian reports on widespread service-charge abuse in England's affordable housing. Residents in shared-ownership properties have been told they face service charge increases of nearly 40%. The charges include paying towards the running costs of public amenities delivered by developers, such as parks and community spaces. Residents complain that they were not informed about these charges when they purchased their properties, leading to financial strain and feelings of being trapped in properties they cannot afford or sell.
7. <https://www.telegraph.co.uk/money/property/house-prices/affordable-home-scheme-drastically-failing-buyers-mps-say/> - An article from The Telegraph discusses how MPs have criticised the Government’s flagship affordable homes scheme for trapping buyers in an 'unbearable reality'. The report highlights that shared ownership has been promoted as a way for struggling first-time buyers to get their foot on the housing ladder. However, MPs say the scheme is 'drastically failing' to help buyers achieve full home ownership because of rising rents, uncapped service charges, and unfair repair costs. The article also mentions that more than 200,000 people have joined shared ownership schemes, according to the most recent figures, often with the hope of purchasing more shares in the property until they own it outright, a process called 'staircasing'.