



Ministry of Housing,
Communities &
Local Government

Matthew Pennycook MP
Minister of State for Housing and Planning
2 Marsham Street
London
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To all Registered Providers of
Social Housing in England

15 April 2026

Dear Colleague,

I am writing to all registered providers of social housing in England to highlight some important changes to Shared Ownership, and to encourage you to take action now.

Improving the customer experience of Shared Ownership

The government remains committed to Shared Ownership as an important route into home ownership for those who would not otherwise be able to afford to buy on the open market. As you will know, we are continuing to fund Shared Ownership through our new Social and Affordable Homes Programme (SAHP), albeit with new expectations placed on providers to improve customer experience, including giving greater consideration to long-term customer affordability and increasing transparency and fairness on costs. These changes are reflected in more detail in the funding guidance for Shared Ownership which can be found on GOV.UK [here](#).

We have also made changes in the SAHP that will help give providers greater certainty and confidence in their delivery of Shared Ownership. This includes our commitment not to lower permitted rent increases below CPI+1% for the lifetime of the Programme; removing Right to Shared Ownership as a condition of funding; and enabling providers to adjust initial shares to meet their target viability on Shared Ownership sites. I trust that these measures, alongside others, have contributed to the ambition of your SAHP bids.

Implications of the Renters' Rights Act 2025 for shared owners who sublet

You will already be aware of the new Renters' Rights Act 2025 that received Royal Assent in October. The Act has important implications for Shared Ownership, including Shared Ownership leases no longer being part of the assured tenancy regime from 27 December 2025.

Permission to sublet at up to market rent remains a vital mitigation for shared owners who face building safety remediation challenges and who may have been unable to sell and move on from their Shared Ownership property as a result. From 1 May 2026, the Act will introduce changes to all assured tenancies in the private rented sector, including removing Section 21 evictions and the use of fixed term-term tenancies. To highlight the implications of the Act for shared owners who have a genuine need to sublet, and to support you in making necessary adjustments to your policies and processes ahead of the tenancy reforms taking effect, an information note for providers is available [here](#). It sets out some changes that will shortly be made to the Capital Funding Guides to ensure alignment with the new Act.

I would like to draw your attention to a key point. Recognising the challenges shared owners can face when selling their homes, including where there have been building safety remediation issues, the Act includes a targeted exemption for shared owners from the "restricted period" after

serving notice using Ground 1A (selling), which otherwise prevents landlords marketing their properties for let or agreeing a new let for 12 months.

This exemption is subject to conditions, set out in the information note, which are essential for protecting the rights of tenants who happen to sublet a home from a shared owner. Notably, to be able to exercise the exemption, shared owners with existing subletting arrangements will have until 31 May 2026 to inform their tenants that they are shared owners and that the 12-month no re-let restricted period may not apply to a subsequent letting or grant of a licence of their property.

In addition to having regard to the implications of the Act for your own policies and processes as a Shared Ownership provider, I ask you to please ensure these changes are brought to the attention of your Shared Ownership customers who are currently subletting or when they are seeking permission from you to do so, including the 31 May 2026 deadline described above. We have also published updated information for shared owners on GOV.UK [here](#) to reflect this.

Best wishes,

A handwritten signature in black ink, appearing to read 'Matthew Pennycook', with a large, stylized initial 'M'.

MATTHEW PENNYCOOK MP

Minister of State for Housing and Planning