Faculty of Natural, Mathematical & Engineering Sciences
Department of Engineering

Thinking in systems & Shared Ownership

A collaboration between King's College London & L&Q

08 August 2025

Anna Pagani, Senior Lecturer in Engineering, King's College London

Contact: anna.pagani@kcl.ac.uk

with the support of

Ningyou Hou, PhD candidate in Engineering, King's College London

Kevin Zhang, Strategic Research Analyst, L&Q

Claudia Kitchen, Assistant Strategic Research Analyst, L&Q

Alex Jones, Strategic Research Manager, L&Q

Disclaimer:

The conclusions presented in this report are the result of Anna Pagani's study and interpretations only.

Table of Contents

1. Introduction: what's the problem with shared ownership? 3

2. Systems thinking approach 4

Stage 1: What is the problem? 6

Stage 2: How can we map it? 6

Stage 3: How can we intervene? 7

Stage 4: What are possible strategies? 8

Feedback questionnaires 8

3. Results 9

3.1. Problem scoping 9

3.2. Hopes and fears 9

3.3. Problem identification 10

3.4. Leverage points in the system 14

3.5. Strategies for a model fit for the future 18

3.6. Satisfaction and feedback questionnaires 23

4. Conclusions and recommendations 24

References 26

Appendix 27

1. Introduction: what's the problem with shared ownership?

This research was commissioned to support the design of a shared ownership model 'fit for the future'.

The shared ownership model is facing growing challenges, which are increasingly highlighted in the media and reflected in government concerns and consultations (see, e.g., BBC, 2025; LUHCC, 2024; MHCLG, 2025; The Telegraph, 2025). Despite numerous attempts and proposals to 'fix' the model, its complexity—stemming from the number of stakeholders involved, their differing interests, and the multi-level governance—often leads to unintended consequences that worsen, rather than resolve, the very issues they aim to address.

Systems thinking offers a valuable approach to navigating this complexity, helping to identify potential leverage points and understand their broader systemic impacts.

On this basis, L&Q commissioned King's College London to undertake research applying a systems perspective to the shared ownership model, with the aim of supporting the development of a model that is future-ready.

Between April and August 2025, the research team at King's College London conducted a series of systems thinking workshops. These involved both L&Q staff and residents in identifying key interconnected challenges within the shared ownership model and co-developing systemic strategies.

Rather than presenting a definitive solution, the resulting strategies are a first step towards encouraging L&Q to think systemically about issues that are too often addressed in isolation. This report also outlines the need and challenges of fundamentally rethinking a model deeply embedded in L&Q operations, and offers recommendations for moving in that direction.

This report is organised as follows. Section 2 outlines the systems thinking approach adopted in this study. Section 3 presents an overview of the findings, while Section 4 highlights key conclusions and recommendations. These aim to ensure that systems thinking is not treated as a one-off experiment, but rather embedded in future approaches that enable systemic transformation.

Key research outputs can be found on the Miro board link[1]. Additional materials can be requested from the L&Q research team.

2. Systems thinking approach

Systems thinking encourages a shift away from linear, reductionist approaches to problem-solving, towards a more holistic understanding of the underlying structures and mental models that generate those problems. The approach is particularly well-suited to the housing sector, where issues like affordability, dissatisfaction, and viability —the visible 'tip of the iceberg'—are deeply interconnected and shaped by long-term trends. These trends, in turn, emerge from system structures rooted in prevailing beliefs or political ideologies—the often-invisible 'bottom of the iceberg' (Monat & Gannon, 2015; **Figure 1**).

System Dynamics (SD) is a method within the broader systems thinking realm (Sterman, 2001). SD uses *causal loop diagrams* (CLDs) to visualise key variables, their interconnections, and the closed cyclical chains of causes and effects they form, also known as 'feedback loops.' These loops generate the complex dynamics that we observe within systems. Participatory SD modelling involves stakeholders throughout the modelling process, fostering shared understanding, meaning-making, consensus, and trust (Vennix et al., 1996; Zimmermann et al., 2015).

[1] https://miro.com/app/board/uXjVJeYCuVk=/?share_link_id=44307699380 **password**: sharedownership

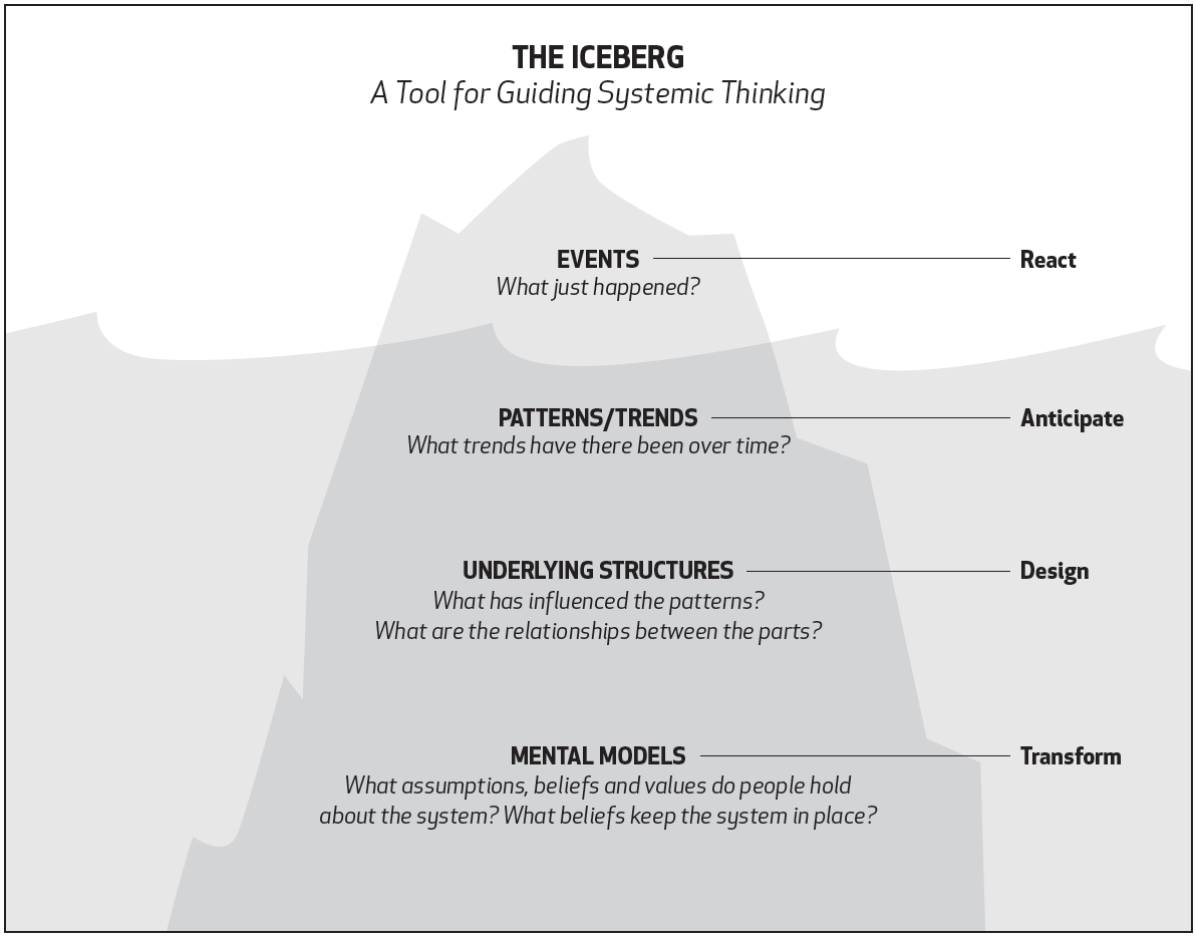


Figure 1. Iceberg model. Northwest Earth Institute. Retrieved from: https://www.nwei.org/iceberg/

This study applied a systems thinking approach, using CLDs to map the system structures underpinning issues in the shared ownership model.

The research was organised into four stages (**Figure 2**).

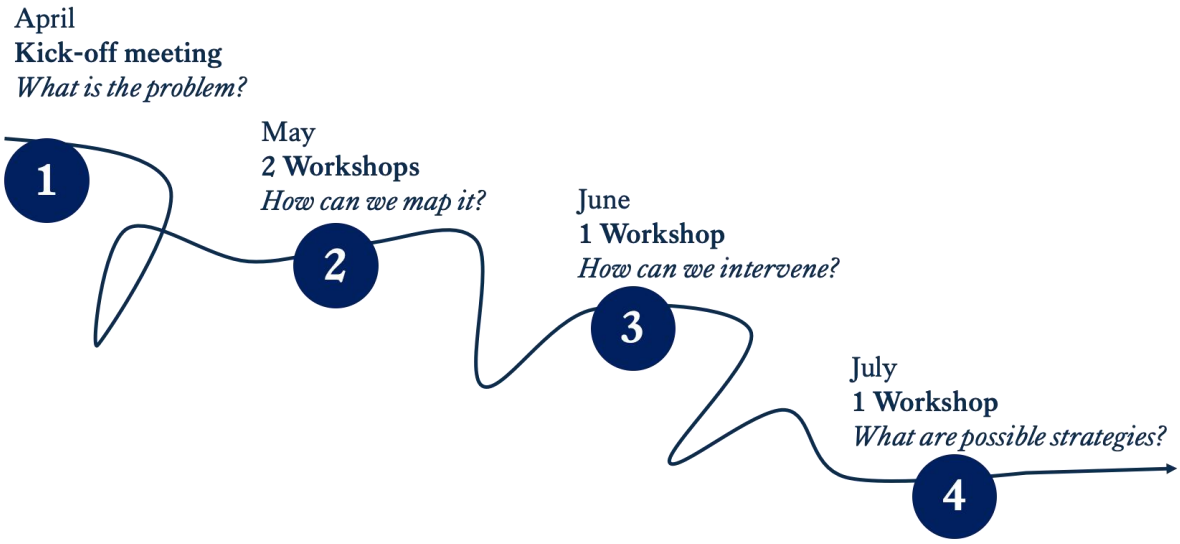


Figure 2. Research process.

Stage 1: What is the problem?

Stage 1 focused on identifying and collectively defining the core issue. This involved reviewing documentation provided by the L&Q research team and relevant literature on shared ownership. Based on this, the team developed a preliminary CLD (**Figure 3, Appendix A1**). In a kick-off meeting, the research teams at King's and L&Q agreed on the study's structure, including its focus, participant selection, and workshop schedule.

Stage 2: How can we map it?

Two participatory SD workshops were held in May. The first, conducted in person, involved L&Q staff with diverse expertise (e.g. homeownership, rent & service charge, sales, legal, resident involvement; N=8). The second, held online via Teams, involved L&Q shared owners (N=8), using Miro Board[2] as a collaborative interface. Staff were selected based on expertise, while residents were recruited on a voluntary, first-come-first-served basis by L&Q's resident involvement team.

Each workshop followed a structured format adapted from standard group model building scripts[3]. After an introduction to the core issue and the systems thinking approach, participants individually elicited their hopes and fears for the project activities, which were then clustered. In the second stage, they were then asked to identify in pairs key variables that, in their view, contributed to the core issue, and to draw "behaviour over time" (BoT) graphs—depicting past trends, as well as anticipated, hoped-for, and feared developments. These were presented and clustered, with the moderator eliciting causes and consequences of trend changes to identify further variables and relationships. The full group then developed a CLD, to visualise causal interactions and feedback loops. Finally, participants reflected on potential interventions to address the systemic issues identified during the mapping exercise.

The CLDs were transcribed using Vensim[4], with variable names refined and feedback loops mapped. We then colour-coded each diagram to highlight key themes. The two diagrams were then integrated into a single CLD, with colours distinguishing staff and resident contributions and highlighting overlaps. The integrated CLD formed the basis for identifying key themes (**Figure 3**). Workshop

[2] https://miro.com/
[3] https://en.wikibooks.org/wiki/Scriptapedia
[4] https://vensim.com/software/

outputs were summarised in slides and shared with participants ahead of the next stage.

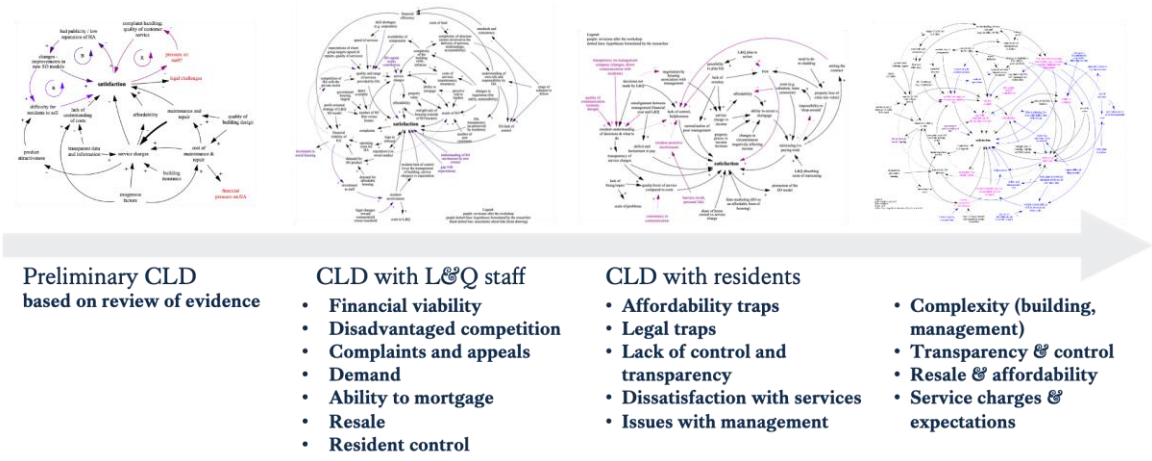


Figure 3. CLD development.

Stage 3: How can we intervene?

The goal of Stage 3 was to identify possible leverage points in the system. Drawing on Meadows' twelve leverage points (1999) and their categorisation into four system characteristics by Abson and colleagues (2017), the King's research team developed a list of transformative interventions as a prompt, shared in the slide deck ahead of the workshop (**Figure 4**).

An in-person workshop involved previous staff participants (N=4) and new participants, selected for their expertise on the themes identified in the CLD (N=2). The King's team introduced the four key themes emerging from the CLD analysis. Participants formulated interventions using sticky notes, shared them in a round-robin format and mapped them onto the CLD, indicating their impact and feasibility. For each intervention, the group discussed obstacles and opportunities for implementation.

Following this, the L&Q research team conducted an internal workshop to propose more transformational ('radical') interventions.

Outputs (sticky notes, posters) were digitised on a Miro board and shared with participants alongside a new slide deck.

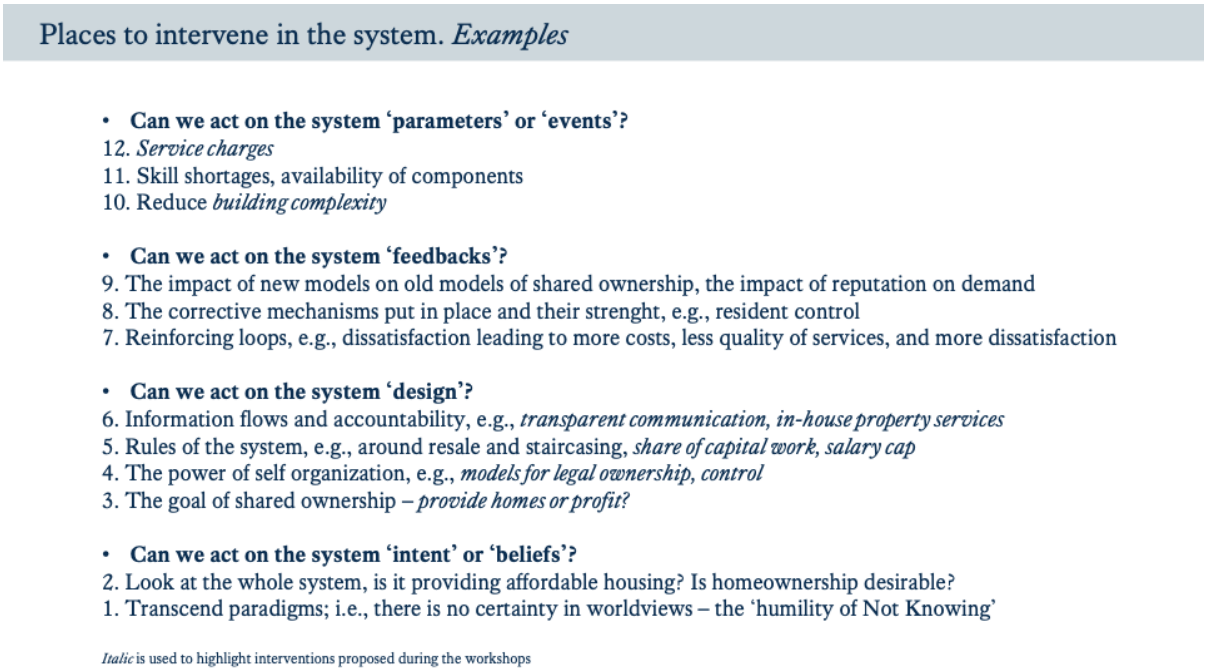


Figure 4. Places to intervene in the system – examples for Shared Ownership.

Stage 4: What are possible strategies?

The final stage aimed to develop coherent strategies by clustering the proposed interventions. An online workshop (via Teams) included previous L&Q participants (N=6) and new attendees (N=3). Members of the L&Q research team (N=4) acted as informed participants, supporting and provoking discussion on more transformative interventions. Participants were divided into three teams based on personality and expertise, each tasked with designing one strategy. After familiarising themselves with the online tools, each team voted on the most important interventions from those deemed highly impactful. Each team was assigned a different feasibility level (Team 1: most feasible / low hanging fruit; Team 2: least feasible / radical; Team 3: moderate feasibility / transition). Using the top-voted interventions, teams designed strategies in breakout rooms, selecting around 10 interlinked interventions, including at least one developed separately by the L&Q research team. Each team then identified key actions and shared their strategy with the wider group.

Feedback questionnaires

Feedback was collected after each activity to assess participants' learning, including their ability to contribute to discussions, influence outcomes, understand systems thinking, and apply insights in decision-making. Participants also provided suggestions for improvement.

3. Results

3.1. Problem scoping

Although initially prompted to focus on *affordability* and *service charges* as the key issues with the shared ownership model, the scope of this study was expanded to include interconnected drivers of **dissatisfaction with the model**. In fact, the *L&Q Perceptions Research* by *BMG* (Tenant Satisfaction Measure), alongside our review of the available documentation, clearly outlined a high and increasing level of dissatisfaction associated with a variety of issues.

Dissatisfaction stems from a lack of value for money (rather than 'money' alone), property quality and maintenance, customer service, and communication / responsiveness. In addition, lack of control for communal repairs (e.g., choice of contractor), liability for 100% repairs and maintenance costs (despite not owning 100% of the property), and unmet staircasing expectations also contribute to widespread dissatisfaction. These issues are exacerbated by policy failures—for example, new shared ownership models unintentionally making previous schemes less attractive for resale, or cladding remediation preventing residents from exiting their contracts.

An internal analysis of the L&Q research team also identified *repairs & maintenance* as key contributors to service charges—revealing interconnected issues between building quality, upkeep, costs, and satisfaction (**Appendix A1**).

Eventually, dissatisfaction reduces residents' willingness to recommend shared ownership to others, thereby undermining advocacy levels.

3.2. Hopes and fears

The hopes and fears shared by L&Q participants in the first workshop helped structure a framework for designing strategies to address *resident dissatisfaction with the shared ownership model*:

- Be strategic: address critical issues keeping feasibility in mind (complexity, power, finance, implementation)
- Keep the goal clear: helping people, social purpose
- Think differently: explore new approaches and delivery methods, leverage team strengths
- Think long-term: consistency and legislation changes
- Bring together what already exists: we will not reinvent the wheel
- Ensure rigor: to potentially influence policy/funding

- Be realistic: we can't fix all problems, but we can find leverage points with positive system-wide impacts

In the residents' workshop, participants also shared their hopes and fears, which helped guide the activity ensure sensitivity to the different realities of those involved:

- Residents wish to be **heard**
- They fear not seeing any **result** or impact
- They are hopeful to have **impact** or 'modernise' SO model
- They highlighted the need to better understand **residents' needs** (how they differ from other tenures, and how they may evolve).

3.3. Problem identification

To view all the CLDs, please access the Miro board at this link.[5]

Systems mapping with L&Q

The workshop with L&Q staff led to the development of a rich CLD, encompassing issues around financial viability, disadvantaged competition, complaints and appeals, supply-demand, ability to mortgage, resale, resident control, and several other variables impacting the system.

Preliminary intervention points included alternative building strategies (e.g. deliver less complex buildings), improved control and transparency (e.g. better communication), and financial strategies (e.g., provide clarity of purpose, review the salary cap).

Systems mapping with residents

In the CLD developed with residents, five key challenges emerged: affordability traps (due to rising costs and service charges), legal traps (barriers to securing mortgage and staircasing), lack of control and transparency, dissatisfaction with services (and the gap between quality and costs), and issues with management (and perception of shared ownership being falsely marketed).

Preliminary interventions included improved and direct communication, affordability measures (e.g., caps on service charges and rent increases), in-house property services (to reduce the number of actors involved and improve transparency), and property buy-black guarantees, to align with how the model is promoted.

[5] https://miro.com/app/board/uXjVJeYCuVk=/?share_link_id=44307699380 **password**: sharedownership

An integrated CLD

The resulting integrated CLD covered four main topics: **complexity of building & management**, **transparency and control**, **resale and affordability**, and **service charges and expectations** (**Figure 5**; variables in text are in *italic;* square brackets are used to integrate variables in the narrative).

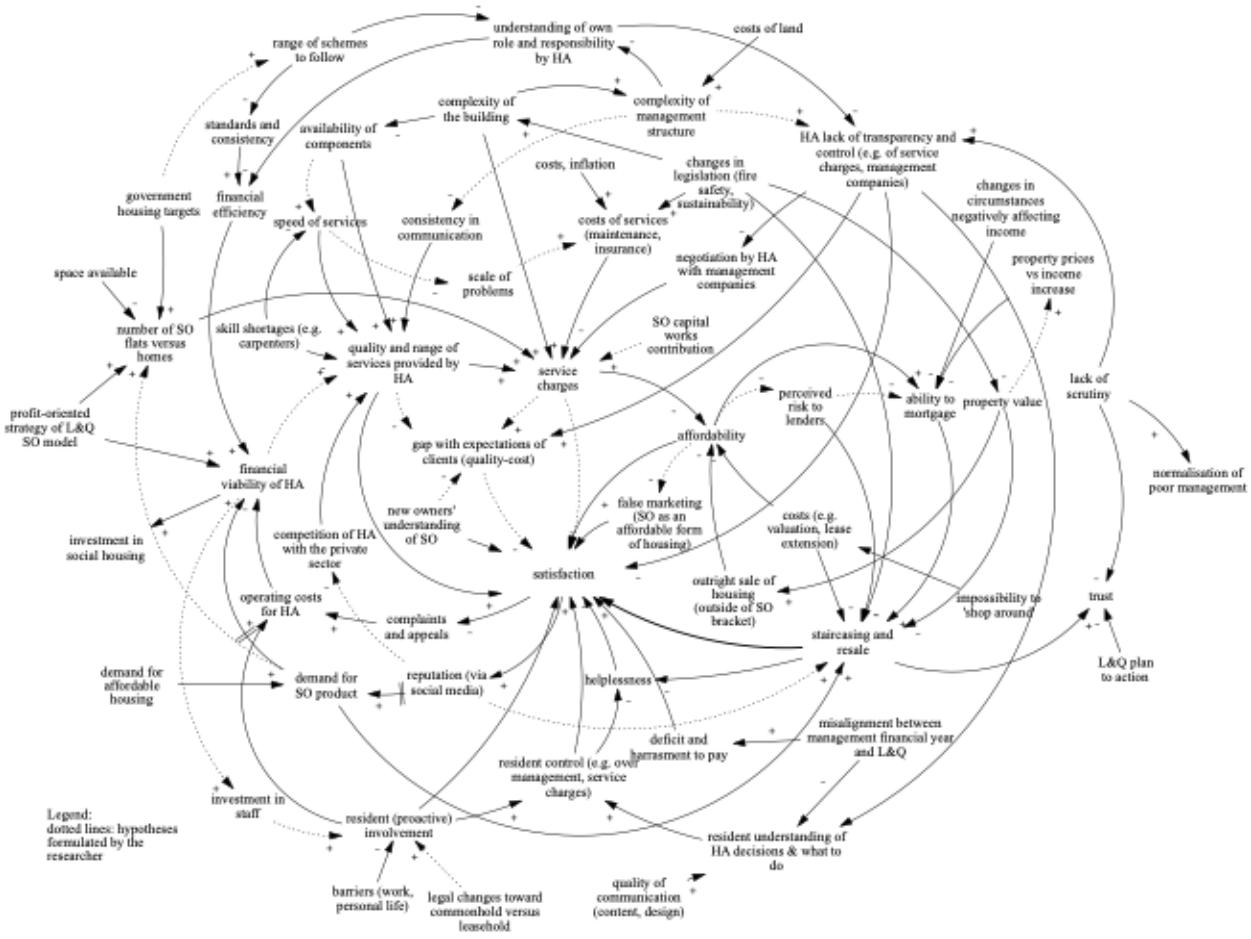


Figure 5. Integrated CLD on the issues impacting resident satisfaction with shared ownership. A positive (+) polarity indicates that an increase (decrease) in the cause variable will result, *ceteris paribus*, in an increase (decrease) in the effect variable. A negative (-) polarity will lead to the opposite effect. Hash marks = delay.

Complexity of building & management

In the CLD, the *quality and range of services provided by the HA*, and the (related) high *service charges* impact on resident *satisfaction*.

Service charges are affected by rising *costs of services*, driven in part by *changes in legislation (fire safety, sustainability)*. These changes have increased both the *complexity of the building* and the *management structure*.

Building complexity negatively affects the *availability of components*, *speed of services* (also impacted by *skill shortages*) and their *quality and range*. As services slow, the *scale of the problems* increases, increasing *costs of services*.

According to the participants, *complexity of management structure* negatively impacts on *transparency and control*, which is further undermined by *a lack of understanding of* [the housing association's] *role and responsibility*, due to the *range of schemes to follow*.

High *government housing targets* encourage such a wide *range of schemes to follow*, reducing *standards and consistency*, and *financial efficiency*. Participants noted that this targets, alongside the *profit-oriented strategy of L&Q shared ownership model*, can contribute to a greater *number of* [shared ownership] *flats versus homes*, which in turn drive higher *service charges*.

Transparency & control

The CLD displays how greater *complexity of the management structure* can lead to lower *consistency in communication* (and *services provided*) and higher *lack of transparency and control.* Residents perceived a *lack of transparency* as stemming from a *lack of scrutiny*, which in turn leads to a *normalisation of poor management* and erodes *trust*, exacerbated by concerns on L&Q's *lack of plans* to act on critical issues (e.g. cladding).

Lack of transparency also affects *residents' understanding of decisions and what to do,* which is limited by poor *quality of communication* and by the *misalignment between management financial year and L&Q's*. Such misalignment was reported to also contribute to financial *deficit and harassment to pay*.

Enhanced *resident understanding* leads instead to more *resident control,* which can be strengthened by more *resident (proactive) involvement*, itself enabled by *investment in staff*. L&Q participants shared that *resident involvement* will be key to respond to *legal changes toward commonhold,* and to ensure satisfaction with the model. However, residents also shared personal *barriers* to *involvement* (work, personal life). Furthermore, the reliance on *staff investment* to drive *involvement*, and its subsequent impact on *operating costs*, also exposes it to risks.

More generally, for L&Q, better *understanding of its own role and responsibility* can improve *financial efficiency* and *transparency and control*—critical for enhancing *negotiation with management companies*, securing lower *service charges,* and reducing the *gap with* resident *expectations*.

Resale & affordability

In the CLD, *affordability* is central to resident *satisfaction*, especially when shared ownership is marketed *as an affordable form of housing.*

Alongside *changes in circumstances that negatively affect income*, affordability can influence the *ability to mortgage*, thereby limiting *staircasing and resale* — ultimately impacting *satisfaction*. In addition, opportunities for *staircasing and resale* can be further undermined by high legal and administrative *costs (e.g. valuation, lease extension*).

Low *satisfaction* can diminish the *reputation of the product*, which, over time, may reduce *demand*—and potentially limit opportunities for *staircasing and resale.* Furthermore, *changes in legislation* (e.g., cladding) can negatively affect specific *property values*, making *staircasing and resale* impossible.

This, combined with the perceived absence of a clear *plan to action* by L&Q, erodes residents' *trust* and fosters feelings of *helplessness*.

Service charges & expectations

The CLD illustrates how *service charges* are influenced by a range of interlinked factors—including *capital works contribution*, the housing association's *negotiation* power *with management companies*, *costs of services*, *complexity of the building*, *number of flats versus homes*, and the *quality and range of services provided* by L&Q.

As *service charges* rise and *quality of services* declines, the *gap with expectations* widens, eroding *satisfaction*. According to L&Q participants, this is further exacerbated by *new owners'* [limited] *understanding of the shared ownership model.*

The consequences of declining *satisfaction* can be far-reaching. On the one hand, *complaints and appeals* can drive up *operating costs*. On the other hand, a declining *reputation*—despite a general growing demand for affordable housing—can reduce long-term the *demand for the product*, specifically.

Both outcomes can threat *financial viability*. In turn, this risks undermining *investment in social housing* more broadly, and the *quality of services* more specifically—further widening the *gap with expectations (quality-cost)*.

3.4. Leverage points in the system

L&Q participants—including those who attended the workshop and, separately, the research team—identified 47 possible interventions in the system (**Table 1**), each with varying levels of impact and feasibility. These interventions covered a range of themes, including:

- affordability and financial fairness (e.g. proactive financial advice, itemised service charges and explanation)
- management, design & policy innovation (e.g. design guide prioritising simplicity in schemes)
- resident empowerment and communication (e.g. new resident engagement structures, clear and better communication)
- shared ownership and tenure reform (e.g. a clear vision for the model, or stopping shared ownership entirely).

Table 1. Interventions, Impact = I and Feasibility = F (1 = min, 3 = max), and participants who elicited it (large team of participants in first workshop, smaller research team in second workshop). Some interventions were revised to improve clarity.

Category	Intervention	I	F	Workshop
Affordability & Financial Fairness				
	5-years service charge modelling	2	2	Research team
	cap on service charge increases	2	2	Large team
	guaranteed lenders through government scheme	3	1	Large team
	itemised service charges and explanation	3	2	Research team
	long term part-rent part-owned over life cycle	3	3	Large team
	more stringent income/cost ratio (pre-sale)	2	2	Research team
	proactive financial advice	2	3	Large team
	property buy back, subletting, reversed staircasing	3	2	Large team, Research team
	proportional service charges	3	1	Large team, Research team
	proportionate repair costs for new builds	2	2	Research team
	reduce sales commissions	1	2	Large team
	rent cap (% unpurchased equity)	2	2	Large team, Research team
	simplified resale valuation	1	2	Research team
	staircase at historical prices	2	2	Research team
Management, Design & Policy Innovation				
	challenge 3rd party estate charges	2	3	Large team
	design guide prioritising simplicity in schemes / buildings	3	2	Large team
	in-house development & management	3	2	Research team
	invest in Building Information Modelling (BIM)	2	2	Large team
	life cycle assessment and component costs	2	3	Large team
	no-frills but durable buildings	2	2	Research team

	opt for self-managed schemes	3	2	Large team
	reduce and rationalise the number of mgt companies & contractors	3	2	Large team
	reform S106 for HA to jointly design and manage	2	2	Research team
	selective in contractors' quality	2	2	Research team
	simplify management - new legal structures	3	1	Large team
	stop S106 units	2	3	Research team
	visual representation of management structures	2	3	Large team
	work with lenders to help with assurance on risk	3	1	Large team
Resident Empowerment & Communication				
	clear comms on remediation plans	3	1	Large team
	comms on SO limitations (video, fact sheets)	1	3	Research team
	communication at point of sale to set expectations	3	3	Large team, Research team
	communication of actual costs	3	3	Large team
	lessons from L&Q right to manage shared with residents	1	2	Research team
	new resident engagement structure (e.g. TRA by default)	3	2	Large team
	online portal	3	2	Large team
	position L&Q as a responsible seller	3	3	Large team
	quiz to test buyer's understanding of SO	1	2	Research team
	resident involved in mgt companies procurement	3	1	Large team
	resident ongoing, long term relationship	3	1	Large team
	resident panel on service charge/MA	1	2	Research team
	showcasing resident involvement impact	3	3	Large team
	staff training on comms (what is possible)	2	2	Large team
	survey residents	3	3	Large team
Shared Ownership & Tenure Reform				
	clear SO vision	2	3	Research team
	different levels of service - SO & affordable tenures	1	1	Large team
	rebrand shared ownership (not affordable)	3	1	Large team
	stop shared ownership	3	1	Large team

When examining where interventions impact the system (**Figure 6**), the area most frequently addressed is the lack of transparency and control within the housing association. Most of the proposed interventions fall under the category of *resident empowerment and communication*—such as improved communication and the development of ongoing, long-term resident relationships. These interventions are also ranked as the most feasible (highlighted in red in **Figure 6**).

Other prominent areas of intervention include system complexity—both in terms of building design and management structures—primarily tackled through *management, design, and policy innovation* interventions (e.g. self-managed schemes, a design guide prioritising simplicity). Additionally, service charges and

affordability are key concerns, addressed through *affordability and financial fairness* interventions such as caps on service charges and rent, life cycle assessments of building components, and challenges to third-party estate charges.

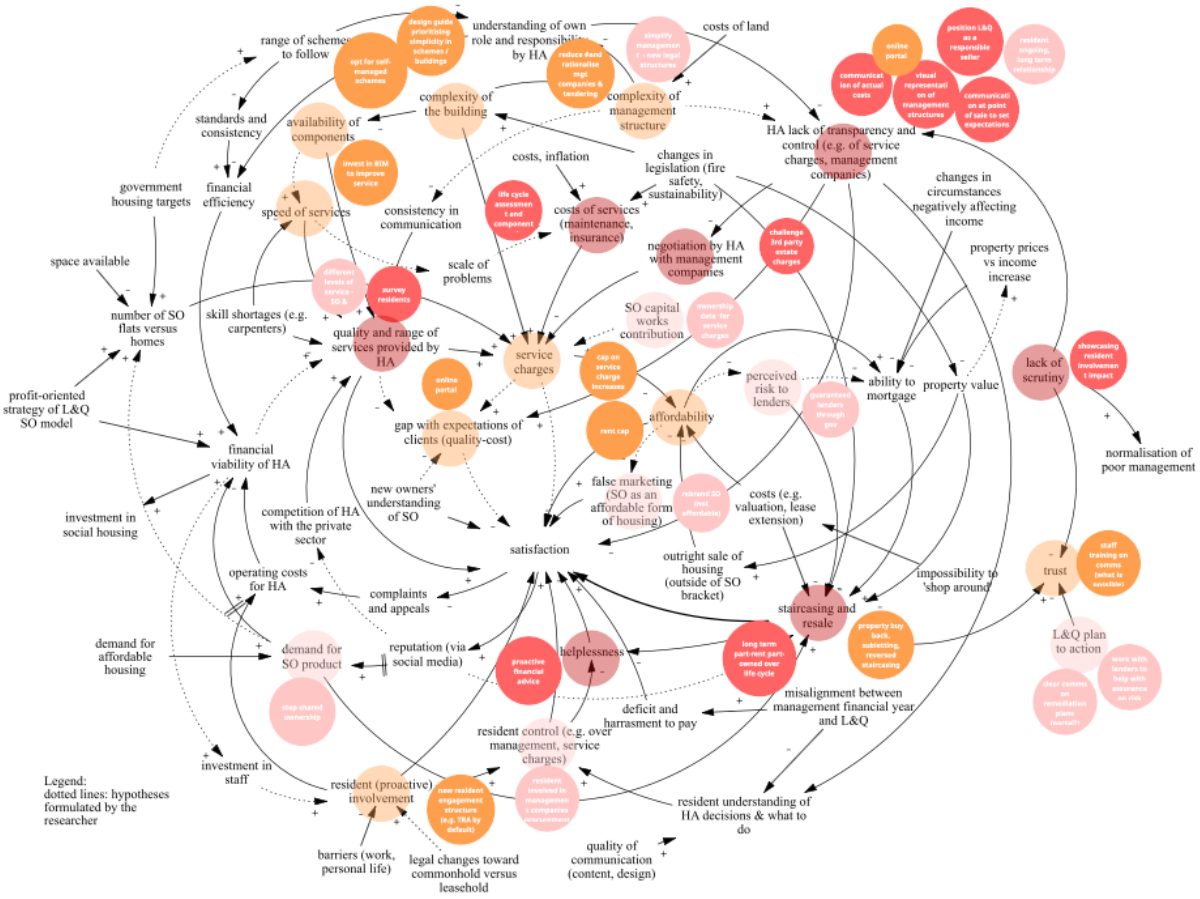


Figure 6. Interventions derived during the workshop with L&Q staff, and place where they impact the system. Colours are used to highlight feasibility levels - Pink: low, Orange: intermediate, Red: high

The proposals developed by the L&Q research team (**Figure 7**) complement this picture by focusing primarily on costs and affordability—including interventions such as five-year service charge modelling and itemised service charges with clear explanations, Additional proposals address the management of new builds, such as promoting no-frills buildings and discontinuing Section 106 schemes, as well as communication, particularly around clarifying the limitations of the shared ownership model.

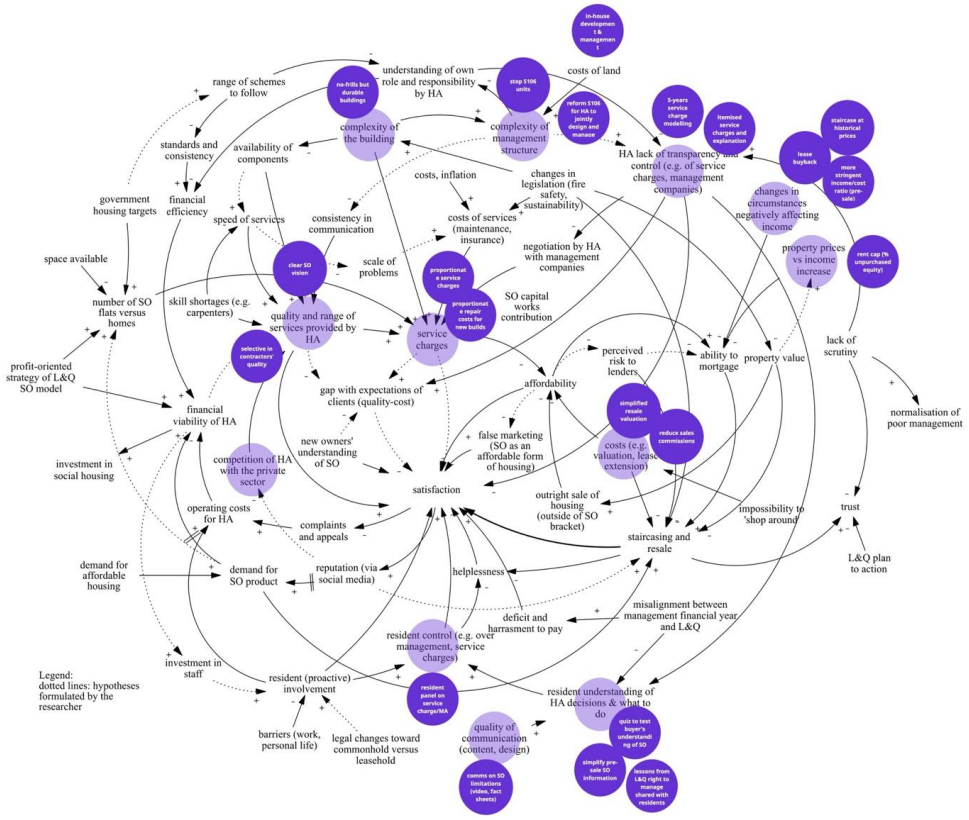


Figure 7. Interventions derived in an internal workshop with L&Q research team, and place where they impact the system.

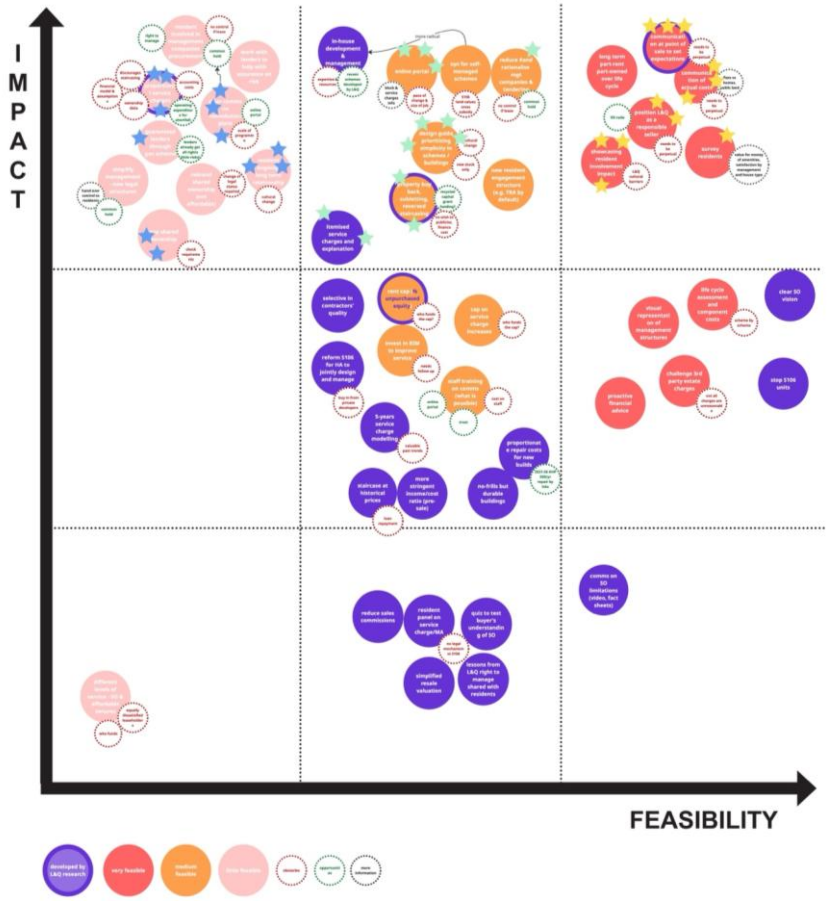


Figure 8. Feasibility and impact of the interventions derived in workshops and voting on importance (stars) by the three teams.

3.5. Strategies for a model fit for the future

The strategies designed for the future of shared ownership reflect the participants' initial goal: to focus on implementable interventions.

STRATEGY 1: Landlord responsibility. Resident/buyer education and communication'

Team 1's strategy was built around the most feasible interventions. The team prioritised *communication at the point of sale*, *communication of actual costs*, and *showcasing the impact of resident involvement* (**Figure 8**). Effective communication was seen as essential to improving shared owners' satisfaction. This included ideas such as quizzes to test buyers' understanding of the model and clear messaging about its limitations. Providing access to financial advisors to support long-term affordability, along with clear and accessible communication materials, was identified as having a significant positive impact with relatively low complexity.



Figure 9. Team 1 strategy on landlord responsibility. Sticky note colours translate into the following. Blue = title, Yellow = additional interventions, Pink = actions to move forward, Green = opportunities, , Red = obstacles. Coloured dots refer to Figure 8 color-coding. Underlined interventions highlight those prioritised by participants in the first part of the workshop.

However, the strategy also acknowledged the need for deeper, more challenging transformations to increase control. While restructuring landlord responsibilities—e.g., *stop S106 units, in-housing development and management, be selective in contractors' quality*—may be complex, these actions are vital to ensuring accurate and transparent communication, particularly around service charge costs.

The strategy was titled '*Landlord responsibility. Resident/buyer education and communication*' and included the following actions:

- **A financial interview**, demonstrating impacts of cost changes on affordability
- **Signing up to the shared ownership code** and implementing **templates for sharing information** with customers
- **Resident involvement in providing feedback on the initial buying process**, to improve it for future buyers.

STRATEGY 2: Transparency and accountability

Team 2's strategy focused on the least feasible interventions, as voted by participants. The top priorities identified were: *resident ongoing, long-term relationship*, *clear communication on remediation plans*, and *proportional service charges* (**Figure 10**). As a result, the discussion centred on issues of **transparency, accountability, and control**.

Regarding the first (*resident ongoing, long-term relationship*), participants strongly felt that L&Q should prioritise improving its relationship with residents by increasing engagement opportunities and showcasing the impact of resident involvement. In terms of the second (*clear communication on remediation plans*), clear communication with residents was seen as essential to improving oversight of schemes—achievable through more selective partnerships with Section 106 developers, or by reforming or even discontinuing S106 schemes altogether. Within this framework, proposals also included the development of an online portal and the simplification of management through new legal structures. The third priority (*proportional service charges*) was linked to other interventions such as *itemised service charges with explanations* and *five-year service charge modelling*.

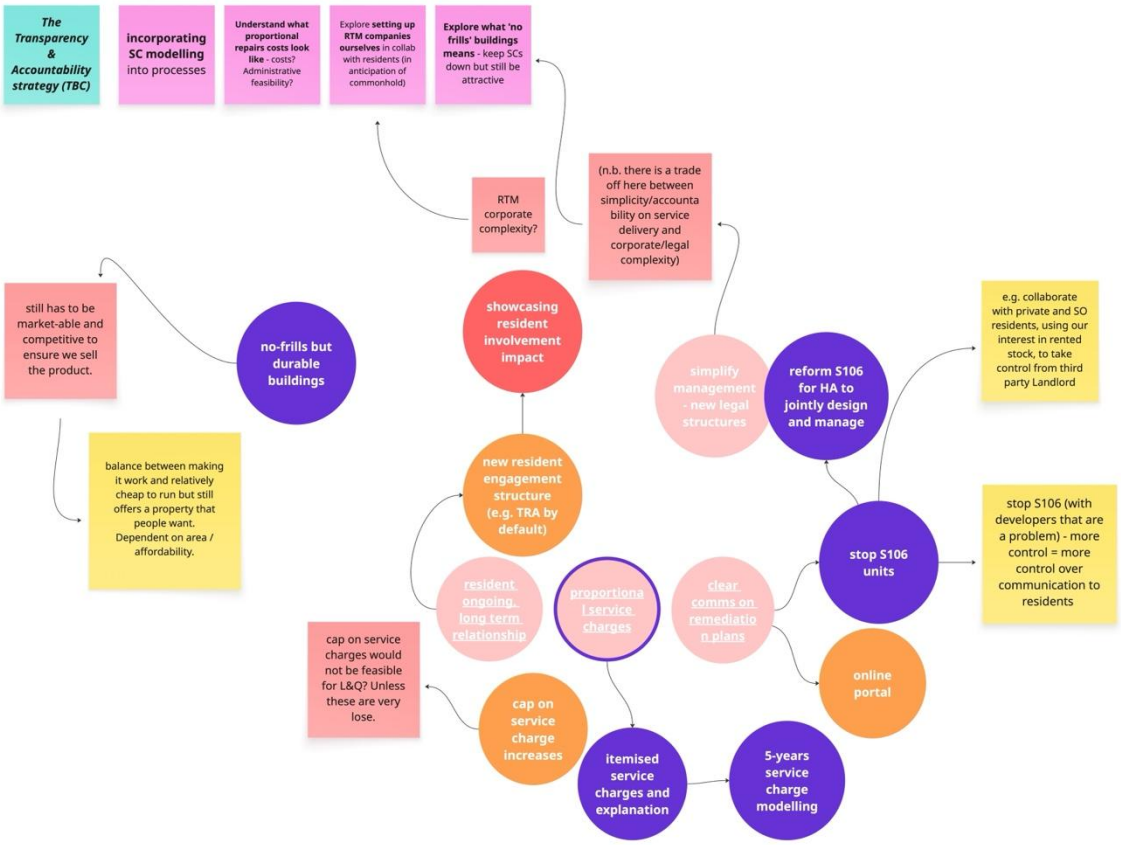


Figure 10. Team 2 strategy on transparency and accountability. Sticky note colours translate into the following. Blue = title, Yellow = additional interventions, Pink = actions to move forward, Green = opportunities, , Red = obstacles. Coloured dots refer to Figure 8 color-coding. Underlined interventions highlight those prioritised by participants in the first part of the workshop.

Despite engaging with more transformative ideas—such as adopting Tenant and Resident Associations (TRAs) by default, capping service charges, or investing in no-frills buildings—participants expressed hesitation about implementation without a clearer understanding of the costs, benefits, and trade-offs involved. The red sticky notes in **Figure 10** reflect the tensions between these transformative goals and the core responsibilities of specific departments (e.g. maintaining sales and competitiveness).

The resulting '*Transparency and accountability*' strategy included as actions:

- Incorporating **service charge modelling** into processes
- Understand what **proportional repairs costs** look like and administrative feasibility
- Explore **setting up right to manage companies** in collaboration with residents, in anticipation of commonhold
- Explore **what 'no frills' buildings mean**, keeping service charges down but retaining attractiveness.

STRATEGY 3: Affordability and transparency

Team 3's strategy was built around interventions with high impact and medium feasibility. The team selected as starting points: *a design guide prioritising simplicity in schemes and buildings*, *self-managed schemes*, and *an online portal* (**Figure 11**).

Participants discussed how unified leadership and a shared vision across L&Q departments could support the delivery of new housing schemes to a single, consistent property standard. Adopting such a standard would favour self-managed schemes and reduce complexity—for example, by focusing on *no-frills but durable buildings* that require fewer suppliers and use standardised spare parts. This would also involve being more selective in choosing contractors with proven track records (*selective in contractors' quality*) and in the types of properties developed (e.g. sale prices, service charges).

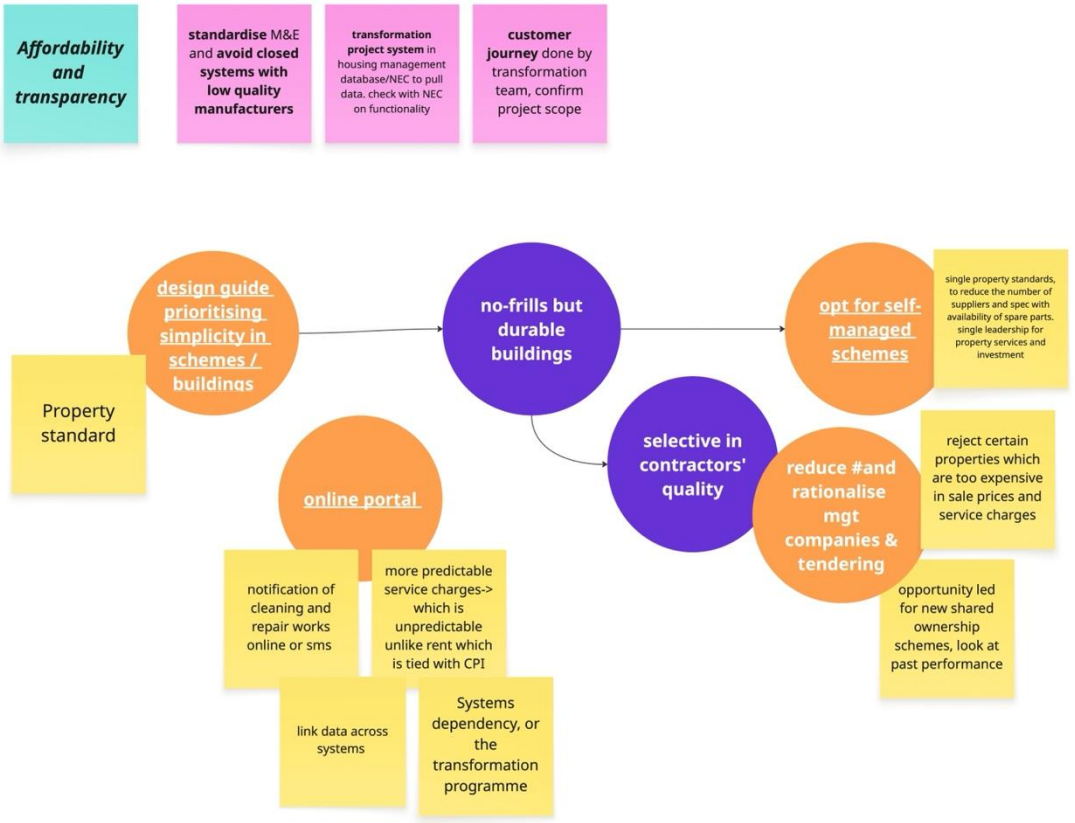


Figure 11. Team 3 strategy on affordability and transparency. Sticky note colours translate into the following. Blue = title, Yellow = additional interventions, Pink = actions to move forward, Green = opportunities, , Red = obstacles. Coloured dots refer to Figure 8 color-coding. Underlined interventions highlight those prioritised by participants in the first part of the workshop.

These interventions evidence a desire to address the root causes of systemic issues—such as building specifications—and their impact on the performance of the shared ownership model.

Within this framework, participants also discussed how communication with shared owners could be streamlined through an online portal, offering updates on services, maintenance, and changes to service charges. The ongoing IT transformation at L&Q was seen as a timely opportunity to integrate these features into the new system architecture, avoiding the need for separate procurement. Participants highlighted the importance of resident involvement not only in shaping the system's functionality, but also in co-creating a communication mechanism that is intuitive and self-navigable (e.g., through clearer service charge breakdowns). Feedback from current shared owners could be regularly incorporated, with the potential to inform early-stage buyer education. The outcomes of this co-creation process could be showcased as valuable case studies.

The resulting strategy, titled '*Affordability and transparency*', prioritised the following actions:

- Standardise M&E and avoid closed systems with low quality manufacturers
- Integrate transformation project system into the housing management database/NEC to enable data extraction
- Integrate a customer journey into the project, led by the transformation team

Summary of key actions

The key actions can be organised according to the place in the system they are affecting, ranging from the most transformative to the least (see **Figure 4**).

System intent, *or the norms, values, and goals as well as the underpinning paradigms out of which they arise*:

- **Shift governance**: Explore setting up Right to Manage companies in collaboration with residents, anticipating commonhold.

System design, *or the structure of information flows, rules, power and self-organisation:*

- **Implement fair rules**: Assess what proportional repair costs would look like and evaluate administrative feasibility.
- **Adhere to shared standards**: Sign up to the Shared Ownership Code and implement templates for sharing information with customers.
- **Set higher standards**: Standardise M&E systems and avoid closed systems with low-quality manufacturers.

System feedbacks, *or the system interactions that drive internal dynamics*

- **Improve internal financial information**: Incorporate service charge modelling into internal processes.
- **Improve external financial information:** Conduct financial interviews to show impacts on affordability if costs change.
- **Set up a feedback process:** Involve residents in providing feedback on the initial buying process to improve it for future buyers.
- **Move towards implementable changes**: Define what 'no-frills' buildings mean, aiming to keep service charges low while retaining attractiveness.
- **Design engagement:** Integrate a customer journey, led by the transformation team.

- **Improve interconnected information:** Leverage IT transformation for faster data extraction.

3.6. Satisfaction and feedback questionnaires

Feedback from L&Q participants was consistently positive, reflecting appreciation for the workshop structure, the learning experience, and the potential to apply the approach in decision-making processes.

Participants particularly valued the opportunity to collaborate across departments, to understand interdependencies and acknowledge complexity. Comments included, for instance, “working together as a group”, “cross departmental idea sharing”, “the ability to step back and align on points based on visual representation of causal loops rather than anecdote”, and “seeing how different areas of the business think with different priorities in mind, and how they all overlap”.

Among key learnings, participants highlighted “the systems approach to develop solutions”, “CLDiagrams”. One participant noted: “I hoped systems thinking would unlock more thinking about where to intervene, it has.”

However, the workshops also surfaced some (unexpected) resistance to more transformative interventions—particularly those that could challenge or conflict with the core goals individual teams are tasked with achieving. These tensions risk undermining a systemic understanding of how those goals are interdependent. As one participant reflected: “As an organisation, we need to better at understanding that goal isn't (just) to meet individual teams' KPIs but to be aware of the larger picture and how one team's performance will have a knock-on effect on other ones.”

Feedback from residents was positive, highlighting their satisfaction with the outcomes of the workshop and their sense that their views had been genuinely heard. They appreciated the opportunity to share experiences and noted the value of realising they were not alone in facing these issues. Some even found comfort in recognising that their own situation was, in some cases, better than others’. One participant, however, expressed concern about framing the discussion around dissatisfaction, as they personally felt content with their circumstances—especially in comparison to others.

4. Conclusions and recommendations

This study supported L&Q staff in a journey to reimagine the future of the shared ownership model. The process involved mapping interconnected challenges through cross-departmental knowledge, identifying and discussing potential interventions as well as obstacles and opportunities, designing strategies based on their overlaps and interactions, and reflect on possible actions to move forward.

Housing associations and their residents are under increasing pressures, which can easily steer decision-making towards quick fixes that are more vulnerable to unintended consequences. By collectively identifying leverage points within the system, participants gained a deeper understanding of where small changes could lead to significant systemic impact.

Shifting governance mechanisms towards **resident-led management** and revising **building standards** (e.g., opting for self-managed schemes, discontinuing S106 agreements, adopting no-frills building designs) are examples of interventions addressing critical nodes in the system. These changes can foster greater transparency, improve resident satisfaction, and narrow the gap between expectations and reality—helping residents overcome feelings of frustration and powerlessness. Improving **quality and access to information** was another very popular theme and a low hanging fruit. I must highlight that while proposals such as an online portal were widely supported, **digital accessibility remains a challenge** for both younger and older generations. Although increasing access to information is critical, its impact could only be meaningful if it translates into a genuine sense of control and empowerment over the decisions that such data informs.

Although not explicitly raised in the resident workshop, affordability remains an issue which extends beyond understanding service charges. Discussions highlighted how **simpler structures and standards** could reduce costs, accelerate maintenance and repair, and mitigate the worsening of issues that most affect service charges and resident satisfaction.

> ***A resilient and future-ready shared ownership strategy must address the root causes of systemic issues. This includes reconsidering building standards (complexity, reparability, management) and governance structures (more resident-led, with unified leadership). These foundational changes should be supported by improved communication***

and feedback mechanisms that enable ongoing dialogue and monitoring of progress towards a shared purpose.

However, the workshops revealed a lack of cohesive understanding around the **purpose** of shared ownership. Currently, L&Q's model is designed with a **profit-oriented approach**, with departmental goals focused on competitiveness, sales, and revenue. More transformative interventions challenge this paradigm, often encountering resistance. Yet, participants expressed a desire to implement a 'clear shared ownership vision' and to 'position L&Q as a responsible seller'—addressing two of the highest leverage points: the system's goal and the underlying paradigm.

What it means to be a 'responsible seller' remains unclear. Suggestions such as 'rebrand shared ownership as not affordable', 'stop shared ownership"' and 'stop Section 106' illustrate the scale of transformation some participants envision.

As participants began to think systemically and moved closer to the root causes of the issues, this presents an excellent opportunity to **start asking deeper questions about these leverage points—and to design solutions grounded in their answers**.

References

Abson, D. J., Fischer, J., Leventon, J., Newig, J., Schomerus, T., Vilsmaier, U., Von Wehrden, H., Abernethy, P., Ives, C. D., Jager, N. W., & Lang, D. J. (2017). Leverage points for sustainability transformation. *Ambio*, *49*(1), 30–39. https://doi.org/10.1007/s13280-016-0800-y

BBC. (2025, June 16). Shared ownership 'It was sold as a dream but became a nightmare'—BBC News.pdf. *BBC, Megan Owen*. https://www.bbc.co.uk/news/articles/clyz8m8jj4mo

LUHCC. (2024, March 28). *Shared ownership is failing to deliver an affordable route to homeownership, say MPs*. https://committees.parliament.uk/committee/17/levelling-up-housing-and-communities-committee/news/200679/shared-ownership-is-failing-to-deliver-an-affordable-route-to-homeownership-say-mps/

Meadows, D. H. (1999). *Leverage Points: Places to Intervene in a System*. The Sustainability Institute.

MHCLG. (2025, April 7). *Millions of leaseholders backed with strengthened rights*. https://www.gov.uk/government/news/millions-of-leaseholders-backed-with-strengthened-rights

Monat, J. P., & Gannon, T. F. (2015). What is Systems Thinking? A Review of Selected Literature Plus Recommendations. *American Journal of Systems Science*, *4*(1), 11–26. https://doi.org/10.5923/j.ajss.20150401.02

Sterman, J. D. (2001). System Dynamics Modeling: Tools for Learning in a Complex World. *California Management Review*, *43*(4), 8–25.

The Telegraph. (2025, October 7). 'Run far away from it' Britain's disastrous alternative to homeownership. *Josh Kirby*. https://www.telegraph.co.uk/money/property/labour-depending-shared-ownership-boost-housebuilding/

Vennix, J. A. M., Akkermans, H. A., & Rouwette, E. A. J. A. (1996). Group model-building to facilitate organizational change: An exploratory study. *System Dynamics Review*, *12*(1), 39–58. https://doi.org/10.1002/(SICI)1099-1727(199621)12:1<39::AID-SDR94>3.0.CO;2-K

Zimmermann, N., Black, L., Shrubsole, C., & Davies, M. (2015). Meaning-making in the process of participatory system dynamics research. *33rd International Conference of the System Dynamics Society*.

Appendix

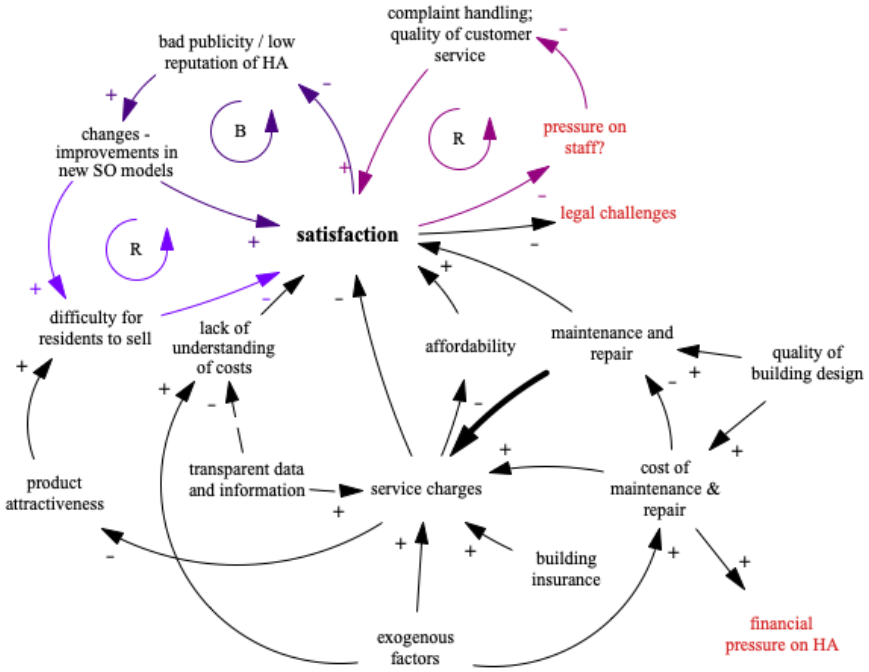


Figure A1. Preliminary CLD, based on review of evidence. In red, hypotheses from the researchers.

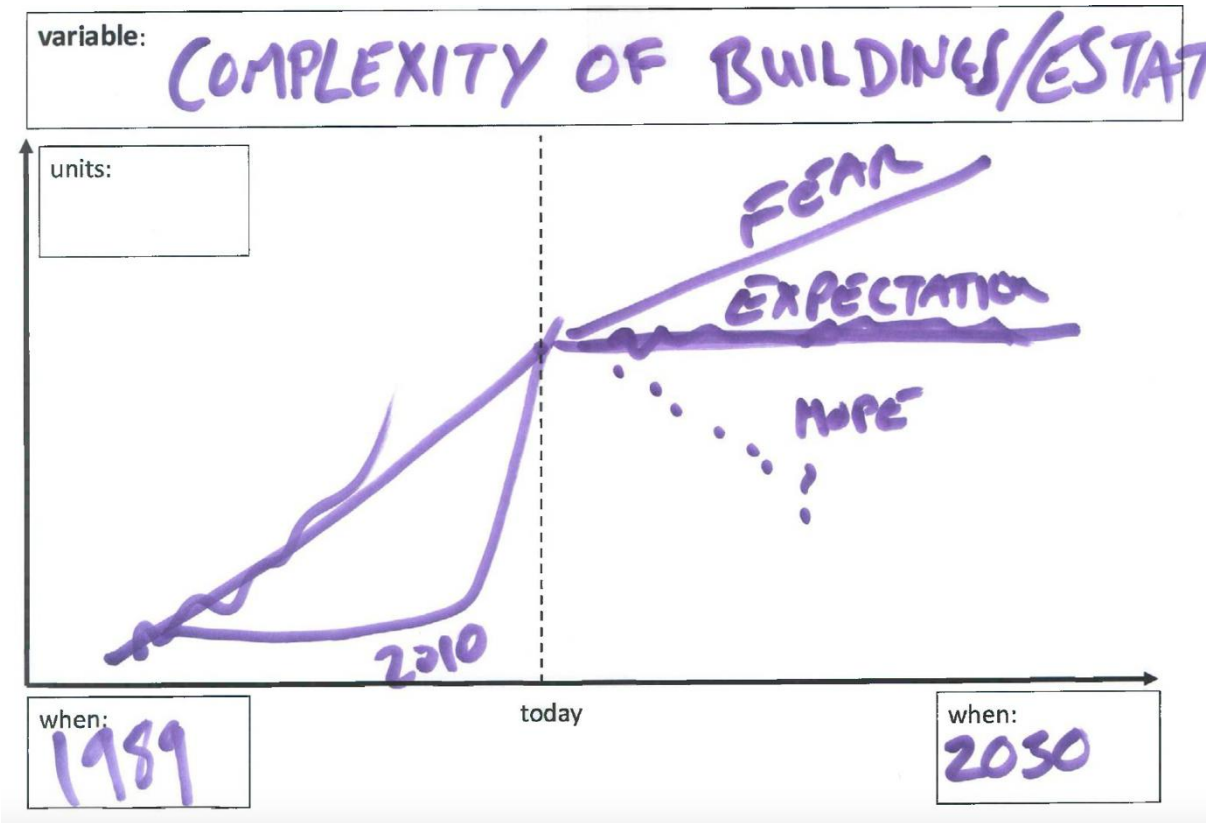


Figure A2. An example of a Behaviour Over Time graph.