

Nick Ramsay AM
National Assembly for Wales
Cardiff Bay
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15 September 2016

Dear Nick

Please see attached correspondence from Adam Price AM, dated 1 September 2016, highlighting concerns about the merger between Tai Cantref and Wales and West Housing. My response dated 14 September is also included.

It has been brought to my attention the Public Accounts Committee will be considering potential future inquiries at its next meeting. As this is an issue that lends itself more naturally to the remit of PAC, I felt it appropriate to share with you.

Do let me know if your committee decides to look into this matter.

I look forward to hearing from you.

Kind regards



John Griffiths AC / AM
Cadeirydd / Chair





Adam Price

Aelod Cynulliad dros Ddwyrain Caerfyddin a Dinefwr
Assembly Member for Carmarthen East and Dinefwr

- The standards and nature of Welsh Government monitoring of RSLs, including an investigation into why Tai Cantref was allowed to fail Welsh Housing Quality Standards set in 2012 and which will now only be achieved by 2024 following the takeover, four years later than the Welsh Government revised guidelines;
- The justification given by the Welsh Government to launch an unprecedented statutory inquiry into Tai Cantref rather an investigation of another kind. This is of critical importance considering that it was the statutory inquiry that precipitated the financial crisis between Tai Cantref and its lenders, perceived by some shareholders to have all but forced Tai Cantref shareholders to vote in favour of the takeover;
- Review the consultation process held between Tai Cantref and its tenants throughout the takeover process to ensure that Tai Cantref tenants were fully informed about developments, with a view as to what measures could be implemented to further protect RSL tenants to provide enhanced security where such organisations merge. As it my understanding that Section 105 of the Housing Act 1985 remains applicable, an enquiry could assess whether effective consultation with tenants detailed by Section 105 has been fully adhered to;
- To consider whether existing legislation offers the greatest level of security to the provision of social housing and its tenants in Wales, noting that existing legislation prevents Local Authorities and RSLs from merging as RSLs are only able to merge with other similar organisations. This is given particular relevance in this case given the strength of the application put forward by Carmarthenshire County Council which guaranteed no forced redundancies, a continued focus on Welsh language provision and the use of local contractors in Tai Cantref operations.
- An enquiry could further examine whether existing legislation clearly determines the role and responsibility of RSLs to consult with tenants, focusing on whether existing provisions for Local Authority tenants where they are afforded the right to ballot when a Local Authority transfers housing stock to an alternative company should be afforded to RSL tenants.

By investigating these issues the inquiry could also deliver the crucial publication of the findings of the Welsh Government's statutory inquiry into Tai Cantref, which set in motion the takeover between Tai Cantref and Wales and West Housing Association.

Finally, I must draw your attention to the clear conflict of interest which existed during this process.

An individual working for the company which was engaged by the Welsh Government to undertake the statutory inquiry was, during the time of the inquiry, co-opted onto the Board of Wales and West Housing Association. Whilst I do not for one minute suggest any inappropriate behaviour on the part of this individual, to have a Board Member conduct an inquiry into the company it later merged with completely undermines the legitimacy and integrity of the Welsh Government's statutory inquiry into Tai Cantref.

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Adam Price

Aelod Cynulliad dros Ddwyrain Caerfyddin a Dinefwr
Assembly Member for Carmarthen East and Dinefwr

An inquiry by your committee I believe would deliver the answers that Tai Cantref tenants and shareholders so desperately need, and help ensure that the rights of RSL tenants are fully protected.

An inquiry would deliver answers, transparency and ensure that effective provisions are made for any future mergers. I sincerely hope that you will look upon this case favourably.

Thank you in advance of your consideration. I look forward to hearing from you.

*Yours,
Adam Price*

Adam Price AC/AM

Dwyrain Caerfyddin a Dinefwr / Carmarthen East and Dinefwr

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