



Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

MEDIA RELEASE

Concerns over housing associations diversifying

Concerns have been raised about how some housing associations in Wales are diversifying their businesses.

The National Assembly's Public Accounts Committee has been looking at how housing associations are regulated in Wales.

The sector provides 158,000 homes across the country, housing approximately ten percent of the population.

The Committee was told how some organisations are now investing in student and nursing accommodation, independent maintenance services, or retail and other commercial opportunities, all of which are outside their core purpose of providing social housing.

Assembly Members recognised the potential benefits of diversification, noting that surpluses generated from commercial activities can be reinvested in providing new housing and services for tenants. But they warned of serious risks if these activities are not managed effectively.

The Committee wants to see greater clarity on how the Welsh Government oversees diversification, particularly the case where it is undertaken by a non-registered social landlord subsidiary.

It also wants to see more transparency in the sector, including giving tenants the power and information to properly scrutinise what their housing association is doing for them.

“Generally we found governance and regulation within the sector to be working well enough for housing associations to be granted more autonomy, but in return we think they should do more to be open and transparent in their decision making,” said Nick Ramsay AM, Chair of the Public Accounts Committee.

“We do, however, have concerns about how some housing associations are diversifying away from their core purpose.

“In recognising the benefits this can bring in terms of further investment in housing and services for tenants, we believe there should be greater clarity on how this activity is overseen by the Welsh Government.”

Notes to editors

For more information, interviews, photo or filming requests, please contact National Assembly media relations on 0300 200 7487, or email news@assembly.wales.

