

Rt Hon John Healey MP



HOUSE OF COMMONS

LONDON SW1A 0AA

Sir Amyas Morse
Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

30th September 2015

Dear Sir Amyas

I wrote to you in June this year about my concern over the public value for money of the government's plans to extend the 'right to buy' to housing associations.

I have not yet seen any reply to this letter, and in light of very recent developments I write to you again to underline the importance of this matter.

You will be aware that Ministers have been discussing with the National Housing Federation a proposed voluntary arrangement between housing associations and the government. This does not change my deep concerns that the proposals are a very bad deal for the taxpayer, and properly worthy of investigation by the National Audit Office.

My concern, as I explained to you in June and set out in my speech to Labour Party conference yesterday, is that taxpayers will end up paying three times over under these plans – first for the investment in the public homes, second for the discount to tenants, and third for the higher housing benefit costs that result when public homes are bought to let, and tenants on housing benefit are required to pay full market rent.

I would be grateful for your urgent reply to these points, as housing association boards are being required by the government to reply within six working days to the offer – by this Friday 2nd October – and your judgement about whether you judge the value for money implications of these proposals worth investigating will be of relevance and concern to housing associations as they make a decision on whether or not to proceed.

I am copying my letter to the chair of the PAC, Meg Hillier.

Yours sincerely

A handwritten signature in black ink, consisting of a stylized 'J' followed by a wavy line and a horizontal line that extends to the right and then curves downwards.

John Healey MP
Shadow Cabinet Member for Housing and Planning

CC: Meg Hillier, Chair of the Public Accounts Committee