



Llywodraeth Cymru  
Welsh Government

# State of the Estate

The efficiency and environmental performance of the Welsh Government administrative estate 2024-2025.



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## 1. Introduction

Welsh Government retains a commitment to an office estate dispersed across Wales, supporting a stronger, fairer economy, and enabling staff to work flexibly.

This report is restricted to reporting only key benchmarks for cost and environmental performance across the estate.

The 10-year Future Workplace Strategy (2020-2030) sets out a framework of high-level principles to shape future plans to maximise the strategic alignment, quality performance and use of the Administrative Estate. This reflects the need to provide accommodation fit for new ways of flexible and collaborative working and using our business space in a different way. With 50% of Welsh Government staff working remotely it sets the standard for space planning at 5 workstations per 10 staff. This is complimented by an increasing need for collaborative working space and a drive towards a ‘One Public Estate’ characterised by collaborating with our public sector partners to co-locate. Our drive has been to optimise our estate by increasing tenanted spaces to an optimum level to enable maximum collaboration with our Welsh public sector partners, and provide revenue, thus making the estate more affordable.

A focus on supporting town centres, public and sustainable transport and the sustainability of our buildings remain key drivers for shaping the future estate. Our environmental impact remains a priority, and we continue to invest in sustainable technologies to reduce our dependence upon fossil fuels, reduce waste and enhance biodiversity. Incorporating flexibility to accommodate policies and trends for more blended working patterns suggests a need for a different type of office space.

Financial constraints will nevertheless remain a key driver for decisions.

Options to review the location of offices will continue to include staff and Trade Unions in a detailed analysis of the costs and benefits, as opportunities arise.

This highlight report summarises the key efficiency and environmental performance data and compares these to corresponding figures for the previous strategy.

Key indicators are:

Size and running cost of the estate	Rent <sup>1</sup> Business Rates Other Costs
Workplace efficiency	£ per full time equivalent (FTE) post Square metres (sq m) per FTE
Energy Performance as Display Energy Certificate (DEC)	
Environmental performance for CO <sub>2</sub> emissions; waste generation and recycling and water consumption.	

The figures presented in this report provide a snapshot of the efficiency of the core operational offices held within the estate as at 31 March 2025. These offices are identified in Appendix 1.

Specialist properties are excluded from the cost efficiency figures reported in the main body of the report. Details of these specialist properties are shown at Appendix 5.

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<sup>1</sup> Freehold offices are assigned a notional rent. Rents were reviewed as at 31 March 2020.

## 1.1 Case Study – Onboarding of Welsh Public Sector Tenants – 2024-25

Our hybrid working model and commitment to provide office accommodation fit for new ways of flexible and collaborative working, enabled us to offer more space to Welsh public sector tenants. The need to fill vacant office space created as a result of the increase in a remote working approach adopted post COVID-19, offer benefits for both Welsh Government and incoming tenants:

### Key Benefits

- Cost savings
- Increased flexibility
- Opportunities for networking and collaboration
- Reduction in Welsh Government carbon emissions
- Flexibility of lease or licence terms making it more attractive to tenant occupiers
- Collaborative environments foster a sense of community and reduce empty desk spaces

Three locations which have successfully onboarded tenants during the year are:

### **Sarn Mynach, Llandudno Junction**

Llandudno Junction has proven to be a particular success and with the onboarding of additional occupiers during 2024-2025, some 18% of the accommodation is now occupied by shared public sector organisations.

### **Cathays Park, Cardiff**

Work took place during the 2023-24 FY, which enabled the onboarding of tenant organisations into the building to occupy space. These public bodies now occupy over 11% of total office space within the building.

### **Rhodfa Padarn, Aberystwyth**

The existing tenants were joined during 2024-25 by a further occupier with shared occupation now amounting to 13% of the total office space within the building.

### **Common themes**

Facilities staff at the three offices worked closely with tenants and welcome sharing office spaces across each building. It was vital to ensure that good working relationship was established from the outset, to ensure tenants feel welcome and comfortable in their new office space. Early engagement held prior to moving in supported the transition for occupiers into each site and Facilities provided induction sessions to all staff on arrival. Tenant Handbooks were also provided for new tenants, detailing key information and guidance on building arrangements and the day to day operational services across the sites. Facilities also worked closely with IT colleagues to ensure that the tenant's IT requirements were met prior to their moving in. Working in this collaborative approach, supported by Estates advisors, provided incoming occupiers a smooth transition whilst also ensuring the minimum disruption to other occupiers at each site.

### **Challenges and Opportunities**

Where required, office space was re-configured at tenant's cost to suit specific requirements and furniture removed as tenants favoured their own items. This presented opportunities to re-use furniture at other offices within the estate and also, where appropriate, to offer unwanted items to other public sector bodies, removing disposal costs and safeguarding public sector funds by enabling re-use.

### **Going Forward**

Opportunities to further collaborate with public sector tenants across the Administrative Estate are ongoing with further tenants due to be welcomed across all sites in 2025-26. This will be monitored to ensure a balance is struck to both optimise building use for the benefit of tenants and also for Welsh Government staff who wish to return to office based working as part of a newer modern hybrid working model.

## 1.2 The Administrative Estate

The Estate provided 68,669 sq m of modern, flexible working and meeting space for staff, tenants and contractors, between 1 April 2024-31 March 2025.

The 15 offices include the main hubs of Cathays Park Cardiff, Rhyd-y-Car Merthyr Tydfil, Rhodfa Padarn Aberystwyth and Sarn Mynach Llandudno Junction. Other offices and premises are located across Wales to ensure a dispersed presence and to ensure that services can be delivered to meet business needs (Figure 1).

Supporting data is set out in Appendices to the report:

**Appendix 1:** Key data for the offices of the Administrative Estate as at 31 March 2025.

**Appendix 2:** Key data for the tenanted offices of the Administrative Estate

**Appendix 3:** Savings achieved from properties vacated 2020-2025.

**Appendix 4:** Performance Summary 2020-2025.

**Appendix 5:** Performance Summary of Specialist Estate Properties.

Figure 1: Location of Administrative Estate Offices



## 2. Estate Performance

Most Staff continued to work remotely during 2024-2025. The evidence being that a higher proportion are doing so on a regular basis. Performance figures are based on the assumption that all staff and contractors worked from their contractual base throughout the year.

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### 2.1 Efficiency

Block C at Picton Terrace, Carmarthen has successfully been let on a Long Leasehold basis to Welsh public sector tenants. The area is undergoing preparation to provide occupation to the tenants in January 2026.

Overall, the size of the core Administrative Estate remained at 68,669 sq m, but more space has been let to public sector partners this year which reduced the proportion of this estate that is occupied by Welsh Government.

The need for staff to be dispersed across Wales offers regional employment opportunities and options to 'right size' are actively considered through development of business cases, investment appraisals and consultation with Staff and Trade Unions as opportunities, such as break clauses or lease expiries arise. Such was the case with the office at Ty'r Afon, Bedwas which was vacated following its lease expiry in October 2024, with staff re-locating into the Cathays Park and Merthyr offices. As flexible working practices become more embedded and represent normal working practice, more opportunities for efficiencies will arise.

Opportunities to co-locate, either by letting surplus space or relocating Welsh Government organisations within other public buildings continue to be actively explored. Interest from potential occupiers in our main hubs increased during the 2024-2025 FY and continues to rise.

Planned rationalisation has been maintained at a ratio of 5 FTE to 10 workstations and 8 sq m per workstation.

The key performance figures for the estate as a whole are set out below. An analysis by building can be found at Appendix 1.

## 2.2 Size and Running Costs

	31 March 2022	31 March 2023	31 March 2024	31 March 2025	Change 31 March 2024-2025
<b>State of the Estate</b>					
Total Area of Estate sq m	68,669	68,669	68,669	68,669	0%
Number of Properties	15	15	15	15	0%
Cost of Estate (millions)	£18.80	£18.95	£19.08	£18.88	-1%
	31 March 2022	31 March 2023	31 March 2024	31 March 2025	Change 31 March 2024-2025
<b>Efficiency</b>					
Cost per sq m	273.90	275.98	358.06	274.95	-23%

## 3. Environmental Efficiency

The change in working patterns brought on by the pandemic continues to have an effect on pre-covid utility consumption and waste produced, including that available for recycling. The amount of waste to energy has increased, whilst the amount sent to landfill has reduced. Carbon produced and gas consumption reduced across the estate. Also, renewable electricity has been extended to 5 offices across the estate, which has helped reduce electricity consumption overall. This will be further extended across the estate next year.

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### 3.1 Energy

In 2024-2025 we continued to deduct that percentage of our total utilities consumption and carbon emissions used by our tenants, as they must report their own totals separately. These emissions total represent Scope 1 gas and Scope 2 electricity emissions

- Reduction in gross percentage tCO<sub>2</sub>e emissions by **6%** over the previous year.
- Increase in Electricity consumption by **6%** over previous year.
- Decrease in gas consumption by **21%** over previous year for the second consecutive year.
- **493 mwh** of onsite renewable electricity was generated at five estate offices from rooftop solar PV.

- Energy saving measures, initiated in November 2022, continue to deliver energy savings with **756mwh** saved between November 2024 to March 2025, compared to the same period before measures were introduced.
- A cost offset of **£120k** was also achieved compared to same period before measures were introduced.

Welsh Government's reversion to recirculated air in February 2024, which had been in place since the pandemic, helped deliver a full year of energy savings through reduced gas consumption.

### 3.2 Waste

- Waste decreased by 56% from 215 tonnes in 2023-2024 to 94 tonnes in 2024-2025. This is explained by the fact that the need to rationalise office space, to allow the sharing of space with tenants, had declined, so fewer staff generated waste compared to last year.
- Waste sent to landfill reduced by 25% from 0.4% the previous year to 0.3% of total in 2024-2025.
- 84% of total waste was recycled, a slight decrease from 86% the previous year.

### 3.3 Water

There was an increase in water consumption to 3.1 m3 per person due to more staff attending offices.

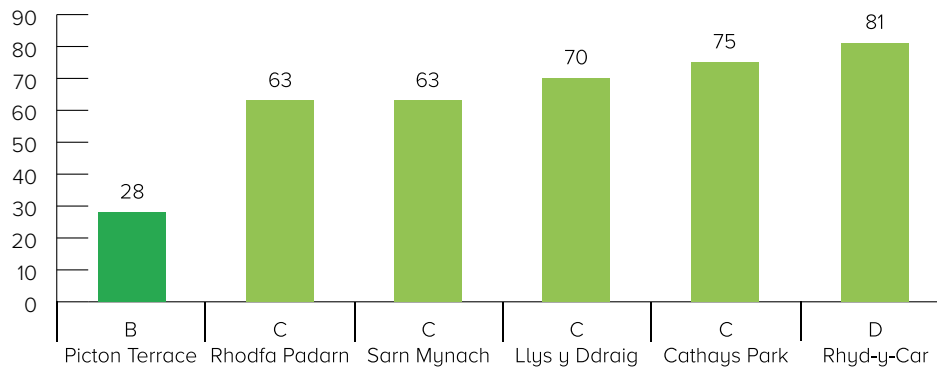
### 3.4 Environmental Performance

Details of greenhouse gas emissions, waste produced and water consumption on the Administrative Estate are shown below:

Environmental Performance	31 March 2021	31 March 2022	31 March 2023	31 March 2024	31 March 2025	Change 2024-25
Total Emissions (t CO <sub>2</sub> e)	3,500	3,000	2,890	2,275	2,132	-6%
Electricity (t CO <sub>2</sub> e)	1,896	1,500	1,542	1,210	1,287	6%
Gas (t CO <sub>2</sub> e)	1,604	1,400	1,348	1,065	845	-21%
Total waste arising (tonnes)	50	72	74	215	94	-56%
Landfill (% of total)	2	2	0.5	0.4	0.3	-25%
Recycling (% of total)	69	66	81	86	84	-2%
Waste to Energy (% of total)	29	14	17.5	13.6	14.7	8%
Water (CU.M/person/yr)	2.1	2.5	2.9	2.1	3.1	48%

### 3.5 Display Energy Certificates – top 6 sites

The average measure is within Band C, with an average of 63.



#### Environmental Performance

The estate performance average has improved by 11% since previous report. This was due to vacating the Grosvenor Street office at Wrexham and the Ty'r Afon office at Bedwas. Although we moved into another office at Wrexham, this does not require a DEC report as it is below 250m<sup>2</sup>. Also our two Traffic Management Centre offices in north and south Wales do not require DEC reports as they are not defined as public buildings.

The continued use of covid measures in respect of ventilation (where full fresh air and no recirculation increased our energy use), was ceased in February 2024 and this along with measures for optimising energy performance have contributed to the improvement.

## 4. Looking Forward

This 2024-2025 State of the Estate report looks back at a year where our offices represented opportunities to optimise occupancy as staff continued to work remotely. This is being addressed by further onboarding of Welsh public sector tenants and Welsh Government funded organisations to optimise use. This process remains under constant review as the estate adjusts and evolves. More of our spaces are being used as public sector hubs while Welsh Government staff adopt a hybrid model of working in offices and remotely. Options to encourage more staff back into offices are being assessed and under constant review.

An increase in the number of staff attending offices resulted in an increase in the figures for some areas of environmental performance, however overall key indicators, such as carbon emissions improved over the year. An ongoing programme of energy optimisation is being carried out across the estate. The increase in tenant areas allows us to deduct percentages for those areas in terms of emissions reported. Percentage of waste sent to landfill reduced, largely due to an increase sent for power production and recycling.

There continues to be an underutilised amount of office accommodation across the public estate as a consequence of hybrid and homeworking. Whilst the efficiency of the Welsh Government Administrative Estate has improved significantly since 2015, the challenge in coming years will be to ensure optimum utilisation of Welsh Government offices for staff and tenants, and to ensure offices are situated at the right locations to enable staff to deliver for Ministers.

Given the commitment to a dispersed estate, opportunities to make further efficiency improvements in the future will be largely dependent upon increasing the utilisation of retained existing buildings. We will do this through the proactive letting of our under utilised accommodation to public sector partners and mirroring the successes we have achieved to date across the estate. We remain committed to ensuring a sensible balance is achieved whereby our colleagues are able to work collaboratively within our Administrative Estate offices ensuring that space is not left vacant where a benefit for the public purse can be achieved through shared use of the estate .

## Pre Appendix page

The following list of Appendices follows the format of previous State of the State Reports, but with the addition of a new table showing key data for the new and existing Welsh public sector tenants across the estate. Five offices are now shared with tenants.

The Appendices are:

**Appendix 1:** Key data for the offices of the Administrative Estate  
as at 31 March 2025

**Appendix 2:** Key data for the tenanted offices of the Administrative Estate

**Appendix 3:** Savings achieved from properties vacated 2020-2025

**Appendix 4:** Performance Summary 2020-2025

**Appendix 5:** Performance Summary of Specialist Estate Properties

## Appendix 1: Key data for the offices of the Administrative Estate as at 31 March 2025

Address	WG Total Ownership NIA	NIA sq m	Tenure	Annual O/G Ex Rent & Rates	Rates Paid 2025	Rent inc VAT
CP1 and CP2 Cathays Park, Cardiff	37,696	37,696	○	£6,933,023	£1,409,241	
Part Second/Part 5th Floor, Tŷ Hywel, Cardiff Bay	Leasehold Property	1,792	■	£9,263	£0	£0
Ty'r Afon, Bedwas Road, Bedwas, Caerphilly		2,486	■	£508,052	£154,933	£255,000
Rhyd-y-Car, Merthyr Tydfil	6,097	6,097	○	£1,690,491	£232,280	
Crown Building, Picton Terrace, Carmarthen	3,791	2,920	○	£393,559	£143,591	
Havenshead BP, Milford Haven	Leasehold Property	155	■	£38,999	£7,306	£17,100
Llys-y-Ddraig, Penllergaer Business Park, Swansea	1,792	1,792	○	£423,906	£83,225	
Rhodfa Padarn, Aberystwyth, SY23 3UR	6,262	5,764	○	£1,566,463	£297,860	
Powys County Hall, Spa Road East, Llandrindod Wells	Leasehold Property	886	■	£171,047	£22,166	£57,500
Ladywell House, Newtown	Leasehold Property	1,166	■	£203,129	£40,934	£126,018
Timekeepers Office, Holyhead	Leasehold Property	55	■	£39,065	£3,937	£10,962
Sarn Mynach, Llandudno Junction	7105	6129	○	£1,637,389	£402,632	
1 Grosvenor Lodge, Grosvenor Road, Wrexham, LL11 1DB	Leasehold Property	318	■	£92,677	£12,224	£36,750
Suites 5, 7 & 8 Block A, Victoria Dock, Caernarfon	Leasehold Property	738	■	£152,536	£4,193	£76,200
Ground floor, Unit 2 Oak House, Celtic Springs Business Park, Newport	Leasehold Property	448	■	£77,261	£28,344	£66,000

○ Freehold

■ Leasehold

## Appendix 2: Key data for the tenanted offices of the Administrative Estate

Address	WG Total Ownership NIA	NIA sq m	Accommodation Let	National Rental	*Annual Income Ex Rent and Rates	Rates Income Generated 2025	Rental Income Generated inc VAT
CP1 and CP2 Cathays Park, Cardiff	37,696	37,696	4,161	£3,430,000	£806,673	£143,949	£375,828
Rhyd-y-Car Merthyr Tydfil	6,097	6,097	81	£825,000	£13,665	£2,857	£10,998
Crown Building, Picton Terrace, Carmarthen	3,791	3,791	0	£263,160	£0	£0	£0
Llys-y-Ddraig, Penllergaer Business Park, Swansea	1,792	1,792	43	£148,180	£6,578	£3,166	£3,569
Rhodfa Padarn, Aberystwyth, SY23 3UR	6,262	6,262	835	£544,325	£110,470	£22,824	£55,781
Sarn Mynach, Llandudno Junction	7,105	7,105	1,285	£541,497	£194,310	£46,912	£82,599

**\*Annual Income is derived from a service charge which is charged to each tenant on a pro-rata of space occupied of the total building running costs**



Address	Date Vacated	Total Estimated Savings 2020-21	Total Estimated Savings 2021-22	Total Estimated Savings 2022-23	Total Estimated Savings 2023-24	Total Estimated Savings 2024-25	5 Year Total
Plas Carew	12/02/2021	£72,318	£561,619	£561,619	£561,619	£561,619	£2,318,794
Unit 22 Llandough I.E, Penarth Road, Cardiff	23/03/2021	£2,588	£118,089	£118,089	£118,089	£118,089	£474,944
Crown Buildings, Spa Road East, Llandrindod Wells	31/07/2021	-	£344,938.	£518,116.75	£518,116.75	£518,116.75	£1,899,288
QED Centre, Treforest	30/09/2022	-	-	£328,098	£328,098	£328,098	£984,294
1 Grosvenor Lodge, Grosvenor Road, Wrexham	26/01/2024	-	-	-	£40,015	£40,015	£80,030
Ty'r Afon, Bedwas Road, Bedwas, Caerphilly	28/10/2024	-	-	-	-	£917,984	£917,984
<b>Total Savings</b>		<b>£1,763,432</b>	<b>£2,713,172</b>	<b>£3,214,449</b>	<b>£3,254,464</b>	<b>£4,172,448</b>	<b>£14,199,980</b>

NB Welsh Government have acquired a new leased office in Wrexham to replace Grosvenor Lodge

## Appendix 4: Performance Summary 2020-2025

These are costs incurred by the Administrative Estate

	31st March 2021	31st March 2022	31st March 2023	31st March 2024	31st March 2025	Change (2024-25)
<b>State of the Estate</b>						
<b>Total Area of Estate sq m</b>	69,850	68,669	68,669	68,669	68,669,	0.00%
<b>Number of Properties</b>	15	15	15	15	15	0.00%
<b>Cost of Estate £</b>	£18.413m	£18.808m	£18.951m	£19.08m (2024 report £24m)*	£18.880m	-1%
<b>Rent £</b>	£6.507m	£6.452m	£6.481m	£6.574m	£6.758m	3%
<b>Rates £</b>	£2.573m	£2.561m	£2.561m	£2.584m	£2.990m	16%
<b>Other £</b>	£9.333m	£9.796m	£9.910m	£14.389m	£9.132m	-37%
<b>Efficiency</b>						
<b>Cost Efficiency – £ per sq m</b>	£263.61	£273.90	£275.98	£358.06	£274.95	-23%
<b>Rent £ per sq m</b>	£93.15	£93.96	£94.38	£107.96	£98.42	-9%
<b>Rates £ per sq m</b>	£36.84	£37.29	£37.29	£37.44	£43.55	16%
<b>Other £ per sq m</b>	£133.62	£142.65	£144.32	£233.99	£132.98	-43%
<b>Enviromental Performance</b>						
<b>Total Emissions (t CO<sub>2</sub>)</b>	3,500	3,000	2,890	2,275	2,132	-6%
<b>Electricity (t CO<sub>2</sub>)</b>	1,896	1,500	1,542	1,210	1,287	6%
<b>Gas (t CO<sub>2</sub>)</b>	1,604	1,400	1,348	1,065	845	-21%
<b>Total Waste Arising (Tonnes)</b>	50	72	74	215	94	-56%

	31st March 2021	31st March 2022	31st March 2023	31st March 2024	31st March 2025	Change (2024-25)
<b>Landfill (% of total)</b>	2	2	0.5	0.4	0.3	-25%
<b>Recycling* (% of total)</b>	69	66	81	86	84	-2%
<b>Waste to Energy (% of total)</b>	29	14	18	13.6	14.7	8%
<b>Water (CU.M/person/yr)</b>	2.1	2.5	2.9	2.1	3.1	48%

\*The 2024 report included an allocation for a notional rental across the estate which previous years excluded. Due to the changing structure of the estate with WG acting as landlord, this cost was included in 2024 but is now allocated and included in Appendix 2 table.

## Appendix 5: Performance Summary of Specialist Estate Properties

Address	Reasons for Exclusion	Floor Area	Total Annual Cost 2020-21	Total Annual Cost 2021-22	Total Annual Cost 2022-23	Total Annual Cost 2023-24	Total Annual Cost 2024-25
25 Victoria Street, Westminster	Office located outside Wales	304 sq m NIA	£371,782	£445,258	£435,543	£318,455	£465,837
Specialist Facility, Caldicot	Specialist Use	N/A	£669,404	£602,578	£718,280	£738,840	£738,839
Traffic Management Centre, Coryton, Cardiff	Specialist Use (traffic)	763 sq m NIA	£176,786	£197,856	£170,668	£289,956	£234,554
Traffic Management Centre, Morfa BP, Ffordd Sam Pari, Morfa	Specialist Use (traffic)	1,128 sq m NIA	£133,418	£174,659	£198,233	£268,687	£226,495
Plt 233, Pavilion Royal Welsh Showground, Builth Wells	Specialist Use (Pavillion)	220 sq m NIA	£45,446	£45,808	£69,847	£70,656	£62,668
Rural Affairs Specialised Accommodation, Carmarthenshire	Specialist Use	452 sq m NIA	£35,091	£35,998	£37,807	£38,069	£39,934