



The Welsh Government's purchase of Gilestone Farm

Welsh Government response to Public Accounts and
Public Administration Committee report

September 2025

Summary.

The Committee considered the Auditor General for Wales' letter of January 2023 setting out the key facts from its review of the purchase of Gilestone Farm by Welsh Government. Subsequently, additional scrutiny was undertaken by the Committee which culminated in a series of recommendations; this document is the Welsh Government's response to those recommendations.

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1. Introduction

The Public Accounts and Public Administration Committee made eight recommendations in the report.

1. Welsh Government thanks the Committee for its scrutiny of the purchase of Gilestone Farm. The recommendations have been considered with all recommendations either accepted or accepted in principle. The detailed response is below.

2. Recommendation 1

The Welsh Government should review the arrangements around how Ministerial Advice is shared with Cabinet Secretaries and Welsh Government Directors, to ensure all senior decisionmakers are presented with the information that is relevant to their portfolios. They should also review any guidance about the content of the advice, to ensure that the necessary information is provided to decision-makers.

Response: Accept

Existing Ministerial Advice guidance clearly outlines the need to ensure that risks associated with novel and/or contentious issues are properly set out and mitigations to manage those risks are also included. The guidance provides information in respect of the clearance processes and this aligns to the Welsh Government's Scheme of Delegation.

The Ministerial Advice guidance also outlines who should receive the advice. The Ministerial Advice template includes a mandatory copy recipient list and the guidance is clear that Deputy Directors have discretion over the scope of additional copy recipients; with the Director responsible for the policy area being a mandatory recipient.

The Ministerial Advice guidance has recently been reviewed and updated to ensure that there is clarity over when a decision is required from Cabinet Secretaries and Ministers and when the provision of general briefing is more appropriate. The guidance provides detail on the importance of ensuring that Cabinet Secretaries and Ministers remain sighted on any emerging risks, impacts on budgets or significant changes during the lifecycle of any policy development, particularly in the case of large or complex policies, programmes or projects. The Ministerial Advice guidance is clear on the need to maintain a robust audit trail.

3. Recommendation 2

The Welsh Government should review its practices around consultation and engagement more generally and report its findings to the Committee. The review should consider whether enough is being done to communicate with the public, whether the most effective methods of communication are being utilised and whether enough is done to reflect this community engagement when finalising plans or strategies.

Response: Accept in principle

The Welsh Government acknowledges the Committee's recommendation to review consultation and engagement practices and report its findings to the Committee.

The Welsh Government carries out many consultations each year (for example, 89 were conducted from September 2024 to August 2025) on a wide variety of topics. Depending on the topic, the number of consultation responses and the nature of the respondents can vary dramatically. Some consultations relate to relatively discrete topics that attract specialist interest; others have diverse stakeholders including significant interest from members of the public. Each consultation is led by relevant policy officials who may often engage with stakeholders and affected individuals through other means as well as through public consultation. They also lead on how awareness about a consultation is raised with stakeholders and the public.

For all consultations, it is the responsibility of relevant policy officials to carefully consider the opinions and issues raised by consultation respondents vis-à-vis Ministerial priorities, and to endeavour to improve initial proposals to achieve the best possible outcomes in a context where respondents may offer conflicting views or suggest things which the Welsh Government is not able to deliver. Welsh Government policies are frequently changed and improved as a result of the valuable views expressed by consultation respondents.

We recognise the importance of ensuring that our consultation and engagement practices are effective and inclusive. In response to the Future Generations Commissioner's [Section 20 review](#), we published the [Continuous Learning and Improvement Plan \(CLIP\)](#) in February 2023. This commits us to strengthening how we involve and engage people in policy design and delivery.

*Specifically, **Action 2.4** of the CLIP commits us to review and update internal resources to support policy teams as they involve, engage and consult with citizens in policy formulation and delivery. The latest CLIP update (February 2024) confirms that progress has been made against this action, with refreshed*

internal consultation guidance in the latter stages of development. This refreshed guidance will help officials to plan consultation and engagement activities more effectively.

We will keep progress on the refresh of internal guidance and resources under review, to ensure they remain current, accessible and aligned with best practice.

4. Recommendation 3

The Welsh Government should explain how it evaluates the success of their consultation and engagement more generally and what data do they collect about engagement levels and contact rates in the communities where these exercises are held, and more generally.

Response: Accept in principle

The Welsh Government acknowledges the Committee's recommendation regarding the evaluation of consultation and engagement activities, and the collection of data on engagement levels and contact rates. We recognise the importance of understanding how effectively we reach and involve different communities in our work and decision-making.

For each consultation the Welsh Government publishes, the summary of responses typically includes headline data on the level and nature of engagement. This normally sets out:

- The total number of responses received;*
- The type of respondents (e.g. organisations, individuals);*
- The channels through which responses were submitted (for example, via the online consultation platform or by email).*

This approach ensures there is a consistent record of participation levels in consultations.

We will continue to explore ways to strengthen how consultation and engagement activities are evaluated and reported, and will reflect on opportunities to enhance data collection and analysis in this area.

5. Recommendation 4

The Welsh Government's Permanent Secretary should conduct a full review of the purchase process and reflect on the significant loss in value to the land and whether this could have been mitigated had the Welsh Government performed more rigorous due diligence ahead of the purchase. It should reflect on whether more robust due diligence could have detected the risk of this issue arising, had more thorough pre-purchase checks been undertaken. The review should set out clearly the options available to the Welsh Government to mitigate the losses to the public purse.

Response: Accept

The Permanent Secretary accepts this recommendation and has asked for a full review of the purchase process, to the extent that this has not already been covered by earlier reviews and reports. He has asked the Deputy Director of Place Division within the Housing & Regeneration Directorate to conduct this review with the intention of the outcome feeding into the wider review of existing documentation and case studies in relation to land purchases which the Division will be undertaking shortly.

The Permanent Secretary also recognises the need to protect the public purse by ensuring that the value of the land is maintained as much as possible and the Deputy Director of Place Division will include this as part of his work. The Permanent Secretary notes, though, that property values fluctuate for a number of reasons and that there is not a single reason why the value of this particular property has dropped since its purchase. Nor, at the moment, has there been any actual loss to the public purse. Whether or not there will be such a loss will only be determined at the time of the disposal of the property.

6. Recommendation 5

The Welsh Government should set out what preinvestment guidelines or milestones, if any, are followed before proceeding with property or land purchases, including what searches or surveys must be undertaken to determine the suitability of the land. This explanation should also set out any exceptions where these rules do not need to be followed, if applicable.

Response: Accept

The Welsh Government accepts this recommendation. Pre-investment guidelines/ milestones form part of the existing Guidance for the Acquisition of Property Assets by Welsh Government and these matters will be covered within the review of the purchase process to be undertaken by the Deputy Director of Place Division (previously known as Land Division) as outlined in the response to Recommendation 4.

7. Recommendation 6

The Welsh Government should explain what guidance or rules are followed in relation to obtaining valuations on prospective The Welsh Government's purchase of Gilestone Farm property or land purchases and what's required of Ministers and officials.

Response: Accept

The Welsh Government accepts this recommendation. The requirements for obtaining valuation advice are set out in the existing Guidance for the Acquisition of Property Assets by Welsh Government and these matters will be covered within the review of the purchase process to be undertaken by the Deputy Director of Place Division (previously known as Land Division) as outlined in the response to Recommendation 4..

8. Recommendation 7

The Welsh Government should outline the role of the Land Division in relation to property and land purchases and explain how they work with the relevant departments to ensure the land is suitable for the purposes that are intended, and the due diligence they are expected to perform in advance of purchases.

Response: Accept

Within Welsh Government, Place Division (previously known as Land Division) coordinates the production of corporate guidance on acquisition and disposal of assets and the Corporate Asset Management Strategy.

Individual land holding departments are responsible for the production of their own Departmental Asset Management Plans and for applying the relevant guidance in their activities.

9. Recommendation 8

The Welsh Government should inform the Committee of any updated valuations for the land. They should also update the Committee when decisions are made about a future use for the site, including if the process to sell the site commences.

Response: Accept in principle

The Welsh Government will provide an update for the Committee when a decision has been made on the future of the site.

Property values fluctuate for a number of reasons and at the moment, there has not been any actual loss to the public purse. Whether or not there will be such a loss will only be determined at the time of the disposal of the property.

We can provide updates to the Committee on the asset valuation but making such details public could adversely impact Welsh Ministers' negotiating position on any prospective sale. As such, and to protect the public purse, these valuations can only be provided to members of the Committee on a strictly confidential basis.