



Llywodraeth Cymru
Welsh Government

State of the Estate

The efficiency and environmental performance of the Welsh Government administrative estate 2022-2023



Contents

1. Introduction	3	Appendix 1:	11
		Key data for the offices of the Administrative Estate as at 31 March 2023	
2. Estate Performance	5	Appendix 2:	12
Efficiency	5	Savings achieved from properties vacated 2020, 2021, 2022 and 2023	
Size and Running Costs	6		
3. Environmental Efficiency	7	Appendix 3:	14
Energy	7	Performance Summary 2020, 2021, 2022 and 2023	
Waste	7		
Water	8		
Environmental Performance	8		
Display Energy Certificates	9	Appendix 4:	16
4. Looking Forward	10	Performance Summary of Specialist Estate Properties	

1. Introduction

There remains a commitment to an office estate dispersed across Wales, supporting a stronger, fairer economy, and enabling staff to work closer to, or at home.

This report is restricted to reporting key benchmarks for cost and environmental performance.

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, recognising that staff will be working away from the office more often and using our business space in a different way. Our aim for 50% of Welsh Government staff working remotely is in place and 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.

A focus on supporting town centres, public and sustainable transport and 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 for closure or replacement 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 ¹ 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 ² 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 2023. 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 4.

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

1.1 The Administrative Estate

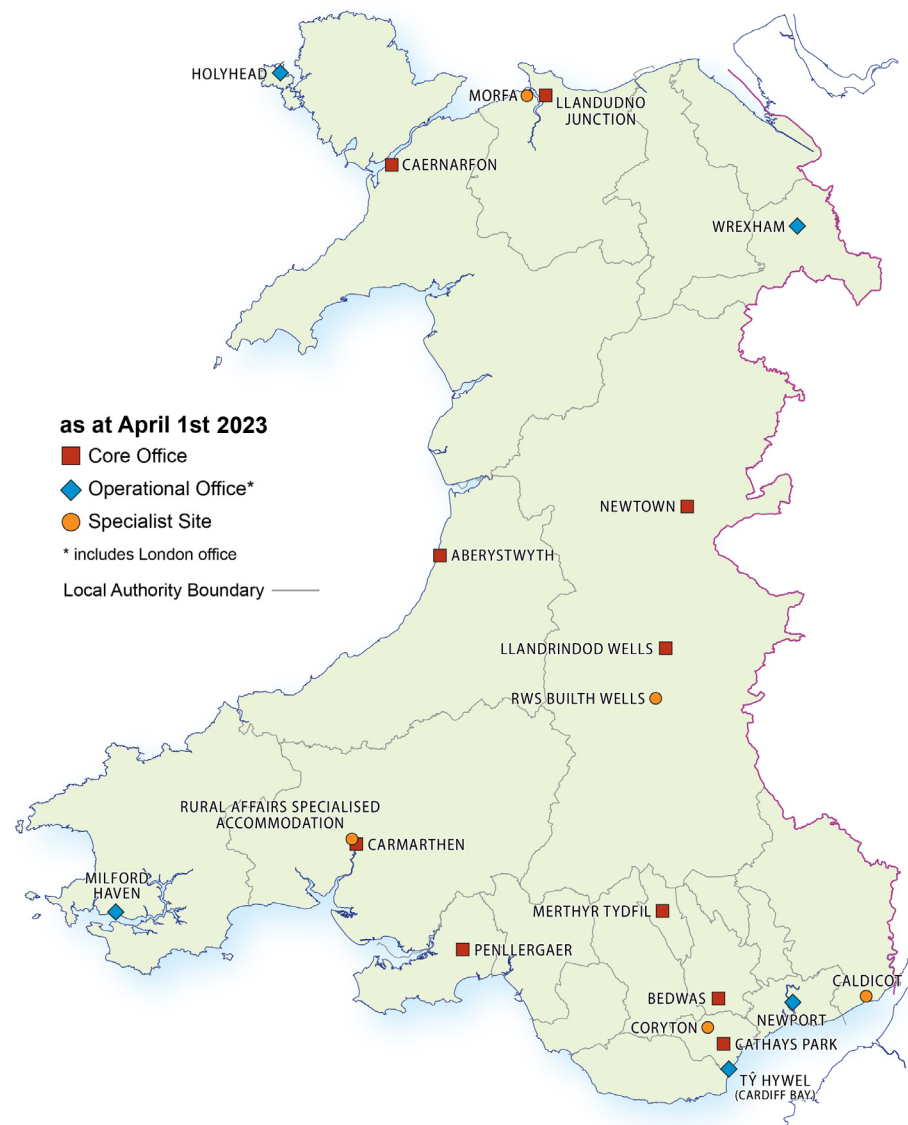
The Estate provides 68,669 sq m of modern flexible working and meeting space for 5,736 full time equivalent staff, tenants and contractors, as at 31 March 2023.

The 15 core 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 2023.
- **Appendix 2:** Savings achieved from properties vacated 2020, 2021, 2022 and 2023.
- **Appendix 3:** Performance Summary 2020, 2021, 2022 and 2023.
- **Appendix 4:** Performance Summary of Specialist Estate Properties.

Figure 1: Location of Administrative Estate Offices



2. Estate Performance

Most Staff continued to work remotely during 2022-2023. 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.

2.1 Efficiency

Block C at Picton Terrace, Carmarthen remains vacant and surplus to requirements and is being actively marketed. Uncertainty about long-term working patterns have been a factor in this office space remaining vacant.

Overall, the size of the core Administrative Estate remained at 68,669 sq m, but it is expected that more space will be let to public sector partners next year.

The need for staff to be dispersed across Wales constrains opportunities for further office closures, however 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 terminations, arise.

As remote working practices become more embedded it is anticipated that the nature of the office estate will change further and more opportunities for efficiencies will arise.

Opportunities to co-locate, either by letting surplus space or relocating Welsh Government operations within other public buildings continue to be actively explored. Interest from potential occupiers in our main hubs increased during 2022-2023.

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 A.

2.2 Size and Running Costs

	31 March 2020	31 March 2021	31 March 2022	31 March 2023	Change 31 March 2022-2023
State of the Estate					
Total Area of Estate sq m	76,181	69,850	68,669	68,669	0%
Number of Properties	17	15	15	15	0%
Cost of Estate (million)	£20.42	£18.413	£18.80	£18.95	0.76%

	31 March 2020	31 March 2021	31 March 2022	31 March 2023	Change 31 March 2022-2023
Efficiency					
Cost per FTE	3,778	3,337	3,329	3,304	-0.75%
Cost per sq m	268.04	263.31	273.90	275.98	0.75%
Sq m per FTE	14.1	12.6	12.2	12	-1.6%

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.

3.1 Energy

- Reduction in gross percentage tCO₂e emissions by **3.6%** over the previous year.
- Increase in Electricity consumption by **8%** over previous year.
- Decrease in gas consumption by **8%** over previous year.
- Energy saving measures were initiated on 31 November 2022, which helped deliver energy savings of 398 Mwh to 31 March 2023, compared to same period previous year.

- Despite energy costs increasing substantially, a cost offset of **£40k** was achieved.

Welsh Government continued to follow industry guidance on the safe operation of its building systems which includes full fresh air ventilation and no recirculation of stale air.

3.2 Waste

- Waste increased from 72 tonnes in 2021-2022 to 74 tonnes during 2022-2023. This is due to workers slowly returning to the office compared to the previous year, when the vast majority of workers were working from home.

- Waste sent to landfill reduced to 0.5% of total from the previous year when it was 2% of total.
- 81% of total waste was recycled, an increase from 66% the previous year.

3.3 Water

There was a small increase in water consumption to 2.9 m³ per person as offices saw more staff and contractors on site.

3.4 Environmental Performance

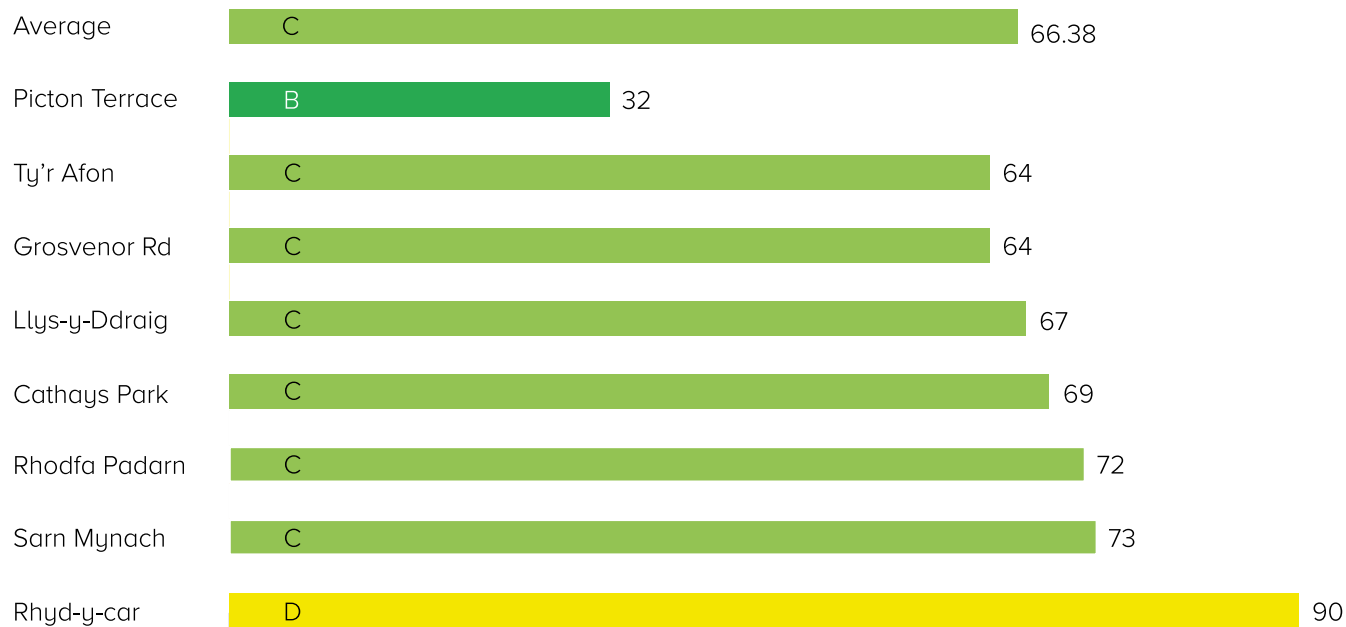
Details of greenhouse gas emissions, waste produced and water consumption on the Administrative Estate are shown below:

Environmental Performance	31 March 2018	31 March 2019	31 March 2020	31 March 2021	31 March 2022	31 March 2023	Change 2022-23
Total Emissions (t CO ₂ e)	5376	4236	3713	3,500	3,000	2,890	-3.67%
Electricity (t CO ₂ e)	4259	3193	2647	1,896	1,500	1,542	2.8%
Gas (t CO ₂ e)	1117	1043	1066	1,604	1,400	1,348	-3.71%
Total waste arising (tonnes)	350	372	284	50	72	74	2.78%
Landfill (% of total)	12	1	1	2	2	0.5	-75%
Recycling (% of total)	88	88	82	69	66	81	22.7%
Waste to Energy (% of total)	-	11	17	29	14	17.5	25%
Water (CU.M/person/yr)	6.3	6.2	5.6	2.1	2.5	2.9	16%

3.5 Display Energy Certificates – top 8 sites

The average measure remained at Band C, with an average of 66.38.

Site DEC Performance 2022-2023



Environmental Performance

The estate performance average has reduced by 4% since previous report. This was due to the continued use of covid measures in respect of ventilation where full fresh air and no recirculation increased the energy use.

4. Looking Forward

This 2022-2023 State of the Estate report looks back on a year where our offices remained under occupied as staff continued to work remotely.

An increase in number of staff attending the office 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. Waste sent to landfill reduced, largely due to an increase sent for power production.

There continues to be underutilised amounts of office accommodation across the public estate as a consequence of hybrid and homeworking during the pandemic. 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.

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 buildings through letting to public sector partners.

Appendix 1: Key data for the offices of the Administrative Estate as at 31 March 2023

Address	WG Total Ownership NIA	NIA sq m	Snowdrop Staff 2023 (inc contractors using WG space)	Snowdrop sq m. per staff	Desk Ratio	Tenure	Annual O/G Ex Rent & Rates	Rates Paid 2023	Rent inc VAT
CP1 and CP2 Cathays Park, Cardiff	37,923	37,923	3,139.6	12	0.89	○	£5,294,485	£1,278,650	£3,430,000
Part Second/Part 5th Floor, Ty Hywel, Cardiff Bay	1792	1,792	146.7	12	1.19	■	£2,707	£0	£0
Ty'r Afon, Bedwas Road, Bedwas, Caerphilly	2,907	2,486	204.9	12	1.01	■	£245,517	£123,318	£374,490
Rhyd-y-Car, Merthyr Tydfil	6,097	6,097	593.3	10	0.98	○	£1,261,823	£264,825	£825,000
Crown Building, Picton Terrace, Carmarthen	3,791	2,920	283.9	10	0.55	○	£239,737	£106,826	£202,100
Havenshead BP, Milford Haven		155	24.8	6	0.73	■	£18,944	£7,089	£17,100
Llys-y-Ddraig, Penllergaer Business Park, Swansea	1,792	1,792	301.8	6	0.66	○	£217,715	£80,785	£148,180
Rhodfa Padarn, Aberystwyth, SY23 3UR	6,262	5,764	288.5	20	1.07	○	£974,830	£260,979	£544,325
Powys County Hall, Spa Road East, Llandrindod Wells		886	108.8	8	0.64	■	£173,821	£20,196	£86,250
Ladywell House, Newtown		1,166	72.5	16	0.80	■	£187,460	£35,511	£126,018
Timekeepers Office, Holyhead		55	6.0	9	1.33	■	£22,632	£3,531	£5,000
Sarn Mynach, Llandudno Junction	7105	6129	412.5	15	1.04	○	£1,077,500	£323,274	£541,497
1 Grosvenor Lodge, Grosvenor Road, Wrexham, LL11 1DB		318	20.2	16	1.04	■	£46,014	£13,509	£40,800
Suites 5, 7 & 8 Block A, Victoria Dock, Caernarfon		738	91.3	8	0.83	■	£125,753	£15,916	£76,200
Ground floor, Unit 2 Oak House, Celtic Springs Business Park, Newport		448	41.5	11	0.82	■	£20,996	£26,349	£63,600

○ Freehold

■ Leasehold

Appendix 2: Savings achieved from properties vacated 2015-2023

	Date Vacated	Total Estimated Savings 2015-16	Total Estimated Savings 2016-17	Total Estimated Savings 2017-18	Total Estimated Savings 2018-19	Total Estimated Savings 2019-20	Total Estimated Savings 2020-21	Total Estimated Savings 2021-22	Total Estimated Savings 2022-23	8 Year Total
Wynchway House, Haverfordwest	01/02/2016	£21,861	£131,168	£131,168	£131,168	£131,168	£131,168	£131,168	£131,168	£940,037
Arran Road, Dolgellau	31/03/2016	-	£7,073	£7,073	£7,073	£7,073	£7,073	£7,073	£7,073	£49,511
National Park, Penrhyndeudraeth	31/03/2016	-	£29,094	£29,094	£29,094	£29,094	£29,094	£29,094	£29,094	£203,658
Brecon House, Caerphilly	31/05/2017	-	-	£106,280	£127,606	£127,606	£127,606	£127,606	£127,606	£744,310
Tyr Llyn, Swansea	23/06/2017	-	-	£371,811	£481,245	£481,245	£481,245	£481,245	£481,245	£2,778,036
Old Vicarage, Holyhead	12/01/2018	-	-	£7,110	£33,271	£33,271	£33,271	£33,271	£33,271	£174,815
Hill House, Picton Terrace, Carmarthen	01/04/2018	-	-	-	£139,078	£139,078	£139,078	£139,078	£139,078	£695,390
Bocam Park, Bridgend	22/06/2018	-	-	-	£92,863	£119,770	£119,770	£119,770	£119,770	£571,943
Crown Buildings, North Penrallt, Caernarfon	27/07/2018	-	-	-	£242,337	£356,666	£356,666	£356,666	£356,666	£1,669,001
Clarence House, Newport	30/05/2019	-	-	-	-	£79,381	£94,999	£94,999	£94,999	£364,378
Southgate House, Cardiff	19/09/2019	-	-	-	-	£87,042	£163,766	£163,766	£163,766	£578,340

	Date Vacated	Total Estimated Savings 2015-16	Total Estimated Savings 2016-17	Total Estimated Savings 2017-18	Total Estimated Savings 2018-19	Total Estimated Savings 2019-20	Total Estimated Savings 2020-21	Total Estimated Savings 2021-22	Total Estimated Savings 2022-23	8 Year Total
33 Newport Road, Cardiff	31/03/2020	-	-	-	-	-	£4,340	£4,340	£4,340	£13,020
Plas Carew	12/02/2021	-	-	-	-	-	£72,318	£561,619	£561,619	£1,195,556
Unit 22 Llandough I.E, Penarth Road, Cardiff	23/03/2021	-	-	-	-	-	£2,588	£118,089	£118,089	£238,766
Crown Buildings, Spa Road East, Llandrindod Wells	31/07/2021	-	-	-	-	-	-	£344,938	£518,116.75	£863,055
QED Centre, Treforest	30/09/2022	-	-	-	-	-	-	-	£328,098	£328,098
Total Savings		£21,861	£167,335	£652,536	£1,283,735	£1,591,394	£1,763,432	£2,713,172	£3,214,449	£11,407,914

No properties were disposed of during 2016-17. However re-occurring savings of £167,335 were achieved for properties vacated in 2015-16.

NB Welsh Government have acquired a new satellite office in leased accommodation in Holyhead.

NB Welsh Government have acquired a new leased office in Victoria Dock, Caernarfon.

NB Welsh Government have acquired a new leased office in Oak House, Celtic Springs, Newport.

NB Welsh Government have acquired a new leased office in Powys County Hall Llandrindod Wells.

Appendix 3: Performance Summary 2018-2023

	31 March 2018	31 March 2019	31 March 2020	31 March 2021	31 March 2022	31 March 2023	Change (2022-23)
State of the Estate							
Total Area of Estate sq m	80,325	76,836	76,181	69,850	68,669	68,669	0.00%
Number of Properties	20	18	17	15	15	15	0.00%
Cost of Estate £	£18.477m	£17.920m	£20.420m	£18.413m	£18.808m	£18.951m	0.76%
Rent £	£5,600m	£5.328m	£7.360m	£6.507m	£6.452m	£6.481m	0.450%
Rates £	£2.810m	£2.863m	£2.877m	£2.573m	£2.561m	£2.561m	0.00%
Other £	£10.067m	£9.729m	£10.183m	£9.333m	£9.796m	£9.910m	1.16%
Efficiency							
Cost per FTE	£3,576	£3,428	£3,778	£3,337	£3,329	£3,304	-0.75%
Cost Efficiency – £ per sq m	£230.02	£233.22	£268.04	£263.61	£273.90	£275.98	0.76%
Rent £ per sq m	£69.71	£69.34	£96.60	£93.15	£93.96	£94.38	0.45%
Rates £ per sq m	£34.98	£37.26	£37.76	£36.84	£37.29	£37.29	0%
Other £ per sq m	£125.33	£126.62	£133.68	£133.62	£142.65	£144.32	1.17%
Space Efficiency - sqm/FTE	15.5	14.7	14.1	12.6	12.2	12.0	-1.64%
Sq m per workstation	12.63	12.91	12.85	13.35	12.54	12.75	1.67%
Workstations per FTE	1.23	1.14	1.10	0.95	0.97	0.94	-3.09%

	31 March 2018	31 March 2019	31 March 2020	31 March 2021	31 March 2022	31 March 2023	Change (2022-23)
Environmental Performance							
Total Emissions (t CO ₂)	5376	4236	3713	3,500	3,000	2,890	-3.67%
Electricity (t CO ₂)	4259	3193	2647	1,896	1,500	1,542	2.8%
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Total Waste Arising (Tonnes)	350	372	284	50	72	74	2.78%
Landfill (% of total)	12	1	1	2	2	0.5	-75%
Recycling (% of total)	88	88	82	69	66	81	22.7%
Waste to Energy (% of total)	-	11	17	29	14	17.5	25%
Water (CU.M/person/yr)	6.3	6.2	5.6	2.1	2.5	2.9	16%

Appendix 4: Performance Summary of Specialist Estate Properties

Address	Reason for Exclusion	Floor Area sq m NIA	Total Annual Cost 2016-2017	Total Annual Cost 2017-2018	Total Annual Cost 2018-2019	Total Annual Cost 2019-2020	Total Annual Cost 2020-2021	Total Annual Cost 2021-2022	Total Annual Cost 2022-2023
25 Victoria Street, Westminster	Office located outside Wales	304	£334,994	£479,844	£435,749	£358,403	£371,782	£445,258	£435,543
Specialist Facility, Caldicot	Specialist Use	N/A	£523,807	£768,651	£544,002	£597,208	£669,404	£602,578	£718,280
Traffic Management Centre, Coryton, Cardiff	Specialist Use (traffic)	763	£230,799	£236,951	£298,460	£174,748	£176,786	£197,856	£170,668
Traffic Management Centre, Morfa BP, Ffordd Sam Pari, Morfa	Specialist Use (traffic)	1,128	£165,272	£190,144	£179,382	£127,542	£133,418	£174,659	£198,233
Plt 233, Pavilion Royal Welsh Showground, Builth Wells	Specialist Use (Pavilion)	220	£50,600	£74,932	£69,050	£47,438	£45,446	£45,808	£69,847
Rural Affairs Specialised Accommodation, Carmarthenshire	Specialist Use	452	£49,592	£34,123	£36,957	£36,104	£35,091	£35,998	£37,807