

Grwp yr Economi, y Trysorlys a'r Cyfansoddiad
Economy, Treasury and Constitution Group

Cyfarwyddwr Cyffredinol – Director General



Llywodraeth Cymru
Welsh Government

Mark Isherwood MS
Chair
Public Accounts and Public Administration Committee
Senedd Cymru
Cardiff Bay
Cardiff
CF99 1NA

21 March 2024

Dear Chair

GILESTONE FARM

Thank you for your letter of 26 February seeking clarification on two additional points following the Committee's consideration of my letter of 2 February about Gilestone Farm. My responses to the Committee's questions are set out below.

Can you confirm the Welsh Government has sought a new valuation of the land, following the discovery of the ospreys on site? Previously, the Committee has been told the farm had a market value of £4.35m. If a new valuation is available, can this valuation be shared with the Committee? If no updated valuation has been sought, why not?

An external valuation of Gilestone Farm was undertaken in July 2023, prior to our being informed of the arrival of the ospreys. At that time, the property was valued at £4.25m, which is the price Welsh Government paid for the asset. The birds' arrival makes the site a unique proposition, and we have since received and implemented the osprey conservation plan. Looked at typically, a firm revised valuation will be difficult to obtain; the uniqueness of the site and situation means there is a lack of comparable and/or empirical evidence to substantiate a change in value either upwards or downwards. A current, in-principle valuation of the asset will nevertheless be undertaken by Alder King as part of the Annual Valuation of all Welsh Government assets. That valuation should be available by early May, and I will update you and the Committee as to the findings.

Can you confirm the income generated from the Farm Business Tenancy currently in place for the site?

The total income generated from the previous Farm Business Tenancy to November 2023 was £37,753. A new one-year Farm Business Tenancy has been agreed with the existing tenant for a lease term up to November 2024. The first invoice for £16,300 of rent under

the new tenancy will be issued in May, and the second tranche of £16,300 will be rendered in October. Any profit rent due will also be rendered in May and October respectively.

With best wishes.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A. Slade', written in a cursive style.

Andrew Slade

Director General, Economy, Treasury & Constitution