

# Scrutiny of Welsh Government Accounts 2024-25 and Legacy Report

March 2026



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# Scrutiny of Welsh Government Accounts 2024-25 and Legacy Report

March 2026



# About the Committee

The Committee was established on 23 June 2021. Its remit can be found at:  
[www.senedd.wales/SeneddPAPA](http://www.senedd.wales/SeneddPAPA)

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Current Committee membership:



**Committee Chair:  
Mark Isherwood MS**  
Welsh Conservatives



**Tom Giffard MS**  
Welsh Conservatives



**Mike Hedges MS**  
Welsh Labour



**Rhianon Passmore MS**  
Welsh Labour



**Adam Price MS**  
Plaid Cymru

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The following Member attended as a substitute during this inquiry.



**Cefin Campbell MS**  
Plaid Cymru

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## Chair's foreword

As we reflect on our work over the Sixth Senedd, it is clear that the challenges facing the public sector in Wales remain significant, wide-ranging and persistent. Across the breadth of our inquiries during this parliamentary term we have consistently observed the need for stronger governance, clearer accountability and a more rigorous and transparent approach to decision-making.

This report forms part of that ongoing effort and covers both the scrutiny of the Welsh Government's Accounts for 2024-25 and Legacy issues for our successor committee to pursue.

While we have noted improvements in the Welsh Government's accounts over the Sixth Senedd, our accounts scrutiny sessions have also identified matters requiring attention. Not all of these are new and it is disappointing that problems persist in key areas.

Although it is encouraging that the Welsh Government is now conducting its review of Managing Welsh Public Money – an essential tool which sets out the framework for managing public resources responsibly in the public interest – in April 2020 officials told our predecessor Committee it had planned to update it in 2020-21. While we acknowledge the Welsh Government delayed the review to deal with COVID-19, we do not understand why officials have not afforded it a higher priority since then. It is unacceptable that we will end this Senedd term as we started, without an updated document.

While we note the Welsh Government's efforts in making a range of changes to the controls over grants during the last decade, particularly since the issues relating to the Porthcawl Maritime Centre project began in 2017, the Auditor General for Wales said there were basic failings in this case and the lessons from it remain relevant today. It is imperative the Welsh Government makes improvements in this area.

As part of our work, we also uncovered damning evidence regarding the process that led to the decision to close Industry Wales, which we believe falls short of the openness, transparency and levels of engagement expected from the Welsh Government and our public sector.

The Committee also sought transparency and clarity regarding senior leadership arrangements within the Welsh Government, including about interim appointments and the use of secondments. Whilst such arrangements offer

flexibility and the opportunity to bring in specific skills and experience for a period, we were not persuaded by the rationale for their use in some cases and questioned their timing as officials prepare for the Seventh Senedd and the increased demands of the next parliamentary term.

Taken together, our inquiries during this Senedd have demonstrated the importance of rigorous, transparent oversight in maintaining public trust. Whether examining major governance issues, scrutinising accounts across public bodies, or contributing to UK-wide processes such as the UK COVID-19 Inquiry, we have sought to provide clear and constructive recommendations that strengthen controls and frameworks with the aim of leading to improved services for citizens.

As we pass these responsibilities to our successor committee, we have focused on legacy priorities that we believe require early attention in the Seventh Senedd. This includes: oversight of major financial interventions by the Welsh Government, including funding Cardiff Airport, TVR Automotive and the Global Centre of Rail Excellence; monitoring workforce strategy and legislative capacity within the Welsh Government; scrutinising progress on public appointments reform; and ensuring the Senedd maintains rigorous oversight of all remaining UK COVID-19 Inquiry modules.

I wish to thank all stakeholders who have contributed to our work throughout this parliamentary term. They have been instrumental in guiding and informing our views, conclusions and recommendations, and in enriching our debates.

I hope the Welsh Government carefully considers and acts upon our findings, and that our successor Committee continues our work to strengthen governance, accountability and the delivery of value for money across the Welsh public sector.

**Mark Isherwood MS**

Chair of the Public Accounts and Public Administration Committee

## Recommendations

**Recommendation 1.** The Committee recommends that the Welsh Government provides an update on discussions it has held with HM Treasury about the funding of the Welsh Government’s student loan schemes, and for these details to be shared as soon as possible in the Seventh Senedd.....Page 32

**Recommendation 2.** The Committee recommends that the Welsh Government provides information about the “management issues” at Mona Island Dairy Ltd and St Beunos Dairy Ltd in respect of which it reported losses relating to capital grants totalling £3.7 million, together with a timeline of when it became aware of the issues and what action it took as a result.....Page 33

**Recommendation 3.** The Committee recommends that the Welsh Government provides further details about why expenditure in the final claim for the Building for the Future programme was reduced by £4.12 million, the lessons learned from its review of the programme and the steps it will take to strengthen audit and documentation processes for future funding programmes. ....Page 33

**Recommendation 4.** The Committee recommends that our successor committee considers issues relating to the review of Industry Wales, including how the Welsh Government conducted it, as well as the successor arrangements the Welsh Government puts in place following the closure of Industry Wales and the wider impact on the industrial sector, during the Seventh Senedd.....Page 34

**Recommendation 5.** The Committee recommends that the Welsh Government shares with the Senedd its action plan to ensure compliance with equality law, agreed with the Equality and Human Rights Commission, including the timetable for implementation.....Page 35

**Recommendation 6.** The Committee recommends that the Welsh Government provides a breakdown of the estimated costs of the Transforming Corporate Services programme, which are currently estimated to range from £55 million to £65 million, and the related benefits, as well as details of the period over which the costs and benefits will arise, once confirmed as part of the full business case. ....Page 58

**Recommendation 7.** The Committee recommends that the Welsh Government takes steps to expedite its plans to replace or modernise its IT systems, as part of its Transforming Corporate Services programme, and commits to continue to learn from others to maximise outcomes and ensure value for money..... Page 58

**Recommendation 8.** The Committee recommends that the Welsh Government explains why it did not publish the Pay Policy Statement for 2025 in time for the Committee to scrutinise it alongside its 2024-25 Accounts and ensures it publishes its annual Pay Policy Statement in sufficient time for our successor Committee to scrutinise it alongside the accounts, each year..... Page 58

**Recommendation 9.** The Committee recommends that the Welsh Government explains how it balanced the perceived benefits of moving the former Director General for Health, Social Care and Early Years to the new role of Director General for Strategy with the consequences of a change in leadership of the NHS for what may be short period and at an important time..... Page 61

**Recommendation 10.** The Committee recommends that the Welsh Government justifies the gap between the 2024-25 salary for the then Chief Executive of NHS Wales and Director General for Health, Social Care and Early Years with those for the other Directors General in the Welsh Government..... Page 61

**Recommendation 11.** The Committee recommends that the Welsh Government provides an update about the arrangements regarding the post of Permanent Secretary, given that Dr Andrew Goodall’s secondment term is due to end on 31 October 2026..... Page 61

**Recommendation 12.** The Committee recommends that the Welsh Government provides details about the job evaluation undertaken for the new Director General for Strategy post, with an explanation of how the role and salary compare with those for other Directors General, as well as confirmation of the period for which the postholder has been appointed to the role. .... Page 61

**Recommendation 13.** The Committee recommends that the Welsh Government confirms the basis on which the new Chief Executive, NHS Wales and Director General for Health, Social Care and Early Years has been appointed since officials noted in evidence this was a “direct temporary appointment” but the documentation published by the Civil Service Commission suggests a secondment for 18 months..... Page 62

**Recommendation 14.** Assuming the new Chief Executive, NHS Wales and Director General for Health, Social Care and Early Years has joined on secondment, the Committee recommends that the Welsh Government explains why it did not notify it of the arrangement and provides information to the Committee about any other inward and outward secondments at or above Senior

Civil Service Pay Band 2 since we published our report in March 2023 about which it has not informed the Committee. .... Page 62

**Recommendation 15.** The Committee recommends that the Welsh Government provides further information on the Senior Civil Service roles advertised by the Welsh Government above the band minimum to attract candidates in 2024-25, as well as its assessment of the wider implications of this approach. .... Page 62

**Recommendation 16.** The Committee recommends that the Welsh Government clarifies what internal procedures it has in place for ensuring its website pages for the published registers of interests for senior officials and external board members are kept up to date, and explains why, at the time of our scrutiny of the 2024-25 Accounts and preparing our report, these had not been updated since January 2024. .... Page 63

**Recommendation 17.** The Committee recommends that the Welsh Government provides information about the number of staff who were dismissed for poor performance in the year to 31 March 2025 and of the total staff in post at 31 March 2025, how many were reported to be on performance improvement plans. .... Page 63

**Recommendation 18.** The Committee recommends that the Welsh Government provides a list, by building, of the organisations to which it is providing accommodation, setting out the terms of the arrangements and how their operational independence is secured under such arrangements. .... Page 63

**Recommendation 19.** Recognising the evidence about it being part of a continuous process of improvement but noting the original timescale for the programme, the Committee recommends that the Welsh Government confirms whether it had completed the actions planned under its Welsh Government 2025 programme by December 2025 and, if not, provides details of any outstanding actions it had yet to complete at that date. .... Page 64

**Recommendation 20.** The Committee recommends that the Welsh Government explains how it is implementing the Auditor General for Wales's recommendation in September 2022 that it should prioritise the development of a long-term workforce strategy, which includes a "clear assessment of long-term future workforce needs to deliver on policy priorities as well as core statutory functions" and shares a copy of the strategy with the Committee. .... Page 65

**Recommendation 21.** The Committee recommends that the Welsh Government shares a copy of the external review led by David Noble with our successor

Committee, along with information about how it will assess the effectiveness of its legislative improvement agenda in supporting legislative delivery in the Seventh Senedd..... Page 65

**Recommendation 22.** The Committee recommends that the Welsh Government provides an update to our successor Committee about the progress it has made in updating Managing Welsh Public Money by September 2026..... Page 66

**Recommendation 23.** The Committee recommends that our successor committee considers the Welsh Government’s arrangements for the oversight of its Arm’s Length Bodies as a priority issue, including the outcomes following review of the application of the self-assessment model by the 20 bodies..... Page 67

**Recommendation 24.** The Committee recommends that the Welsh Government provides explanations for the changes in the value of grant expenditure by sector and grant type in 2024-25 compared with 2023-24 and ensures it includes prior year comparatives and the main reasons for the changes year-on-year from now on..... Page 69

**Recommendation 25.** The Committee recommends the Welsh Government provides its closing position on the Economic Resilience Fund to our successor Committee as soon as it is confirmed. .... Page 69

**Recommendation 26.** The Committee recommends that the Welsh Government sets out its programme for work to implement the 141 recommendations relating to its Programme and Project Management arrangements and drive cultural changes, including the associated timescales..... Page 69

**Recommendation 27.** The Committee recommends that our successor Committee continues to embed diverse lived experiences into its scrutiny by expanding inclusive, accessible, and proactive engagement methods to ensure that future inquiries fully reflect the voices of affected communities and stakeholders across Wales, as well as good practice outside Wales..... Page 74

**Recommendation 28.** We recommend that our successor Committee maintain regular monitoring of the Welsh Government’s ownership of, and financial support offered to, Cardiff Airport. .... Page 75

**Recommendation 29.** The Committee recommends that our successor Committee keeps under review and monitors issues relating to the financial support provided by the Welsh Government to:

- TVR Automotive Ltd;
- Gilestone Farm; and
- The Global Centre of Rail Excellence. .... Page 79

**Recommendation 30.** The Committee recommends that our successor Committee conducts an inquiry into the Welsh Government’s approach to property investments to better understand the processes applied and to evaluate whether they are sufficiently rigorous..... Page 79

**Recommendation 31.** The Committee recommends that the Welsh Government clarifies the conditions attached to the £25 million Wrexham Gateway grant to Wrexham Country Borough Council and the specific purposes for which it was allocated..... Page 81

**Recommendation 32.** The Committee recommends that the Welsh Government provides information about the “light touch review” of arrangements and its findings which led to the decision to reinstate the Public Bodies Unit, around a year after it was disbanded..... Page 85

**Recommendation 33.** The Committee recommends that the Welsh Government:

- shares the independent reviewer’s evaluation of its Welsh Government’s Diversity and Inclusion Strategy for Public Appointments;
- shares the timetable for publishing the new Diversity and Inclusion Strategy for Public Appointments and the related action plan for delivery; and
- provides information about the new steering group to oversee the way it delivers public appointments, including its membership and remit.  
..... Page 85

**Recommendation 34.** The Committee recommends that the Welsh Government provides information about the timetable for its ‘Board Diversity and Welsh Language Survey’..... Page 85

**Recommendation 35.** The Committee recommends that the Welsh Government publishes the results of its ‘Board Diversity and Welsh Language Survey’ when they are available, as well as share them with our successor committee, and commits to publishing data at regular intervals if the survey is repeated. .... Page 85

**Recommendation 36.** The Committee recommends that the Welsh Government outlines the process for agreeing an Appointments Code for Wales and sets out how the Senedd will be involved in its development. .... Page 85

**Recommendation 37.** The Committee recommends that our successor Committee monitors the Welsh Government’s progress on commitments made following the inquiry into the Cabinet manual and Ministerial Code, including the regular updating of the Cabinet Handbook and appointment of the Independent Adviser on Ministerial Standards. .... Page 86

**Recommendation 38.** The Committee recommends that our successor Committee monitors plans relating to the development of the UK’s National School for Government so that the impact of devolution is more widely understood. .... Page 87

**Recommendation 39.** The Committee recommends that our successor Committee keeps under review and monitors issues relating to NHS governance, finance and performance, including the actions taken by the Welsh Government in these areas. .... Page 88

**Recommendation 40.** The Committee recommends that scrutiny of all remaining COVID-19 inquiry modules should continue during the Seventh Senedd to ensure that lessons from the pandemic are fully embedded through thorough, transparent, and timely examination. .... Page 89

**Recommendation 41.** The Committee recommends that our successor committee undertakes informal engagement sessions with the Permanent Secretary and senior Welsh Government officials as soon as possible at the beginning of the Seventh Senedd, ahead of any formal parliamentary scrutiny sessions. .... Page 90

**Recommendation 42.** We recommend that our successor Committee considers the matters raised by the Auditor General for Wales in his letter of 26 February 2026 in framing its consideration of areas of work and priorities at the beginning of the Seventh Senedd. .... Page 91

**Recommendation 43.** The Committee recommends that our successor committee:

- continues with the annual scrutiny of accounts work, taking evidence from the Welsh Government and Senedd Commission on an annual basis, and

- returns to our predecessor Committee’s approach to scrutinising other bodies on a cyclical basis (covering Welsh Government Arm’s Length Bodies in the central government sector, commissioners and the Public Services Ombudsman for Wales). ..... Page93

**Recommendation 44.** We recommend that the Welsh Government responds to our successor Committee’s recommendations by:

- clearly stating whether they are ‘accepted’ or ‘rejected’ and avoiding ‘in principle’ responses; and
- (for ‘accepted’ recommendations) providing a full explanation of how it will address the matter at hand, including the actions it is planning to take and the timetable for implementation. .... Page 94

## 1. Introduction

- 1.** The Public Accounts and Public Administration Committee (“the Committee”) undertook its scrutiny of the Welsh Government Consolidated Accounts 2024-25 (‘2024-25 Accounts’), which the Auditor General for Wales (“Auditor General”) laid before the Senedd on 15 December 2025<sup>1</sup>, by taking oral evidence from the Welsh Government on 4<sup>2</sup> and 12<sup>3</sup> February 2026.
- 2.** These sessions also provided the Committee with an opportunity to reflect on matters considered during the Sixth Senedd which were relevant to the Welsh Government and within the Committee’s remit, as set out below:

*“The Committee was established on 23 June 2021 to carry out the functions set out in Standing Orders 18.2 and 18.3, to consider any other matter that relates to the economy, efficiency and effectiveness with which resources are employed in the discharge of public functions in Wales. The Committee may scrutinise any other matter relating to the machinery of government, including the quality and standards of administration provided by the Welsh Government’s Civil Service and Welsh Government Sponsored Bodies.”<sup>4</sup>*

- 3.** We held additional evidence sessions to follow up on issues: on 4 March 2026 with the Chair and Chief Executive of the Sector Development Wales Partnership (which trades as “Industry Wales”); and on 19 March 2026 with the Chief Executive, NHS Wales and Director General, Health, Social Care and Early Years Group.
- 4.** We have structured our report to consider:
  - issues specific to the scrutiny of the Welsh Government Accounts for 2024-25;
  - themes from the Committee’s scrutiny of the Welsh Government’s Accounts during the Sixth Senedd; and
  - legacy issues.

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<sup>1</sup> [Welsh Government Consolidated Accounts 2024-25, page 11](#)

<sup>2</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026](#)

<sup>3</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026](#)

<sup>4</sup> [Senedd Cymru, Public Accounts and Public Administration Committee](#)

## 2. Scrutiny of the Welsh Government 2024-25 Accounts

### Qualification of the Auditor General for Wales's 'true and fair' opinion

**5.** The Auditor General provided a qualified 'true and fair' opinion on the 2024-25 Accounts due to "significant uncertainty" relating to the fair value of the student loan asset, which is the estimate of the amount the Welsh Government expects students to repay.<sup>5</sup> The Welsh Government valued the student loan asset at £8.9 billion at 31 March 2025.<sup>6</sup>

**6.** The value of the student loan asset is calculated using a complex model. The Welsh Government had adapted the modelling files the Department for Education ('DfE') provided some years ago to calculate the value. However, in recent years, the DfE has been using a new statistical modelling technique and updated data.<sup>7</sup>

**7.** The Welsh Government agreed a Service Level Agreement with the DfE to move to the new model in 2024-25. However, in March 2025, Welsh Government officials concluded they would not have sufficient time to test and quality assure the new methodology components in time to use the new model for the 2024-25 Accounts. Instead, the Welsh Government used the old model for the purposes of valuing the student loan asset, it being the only viable option at that time.<sup>8</sup>

**8.** In his report on the Accounts, the Auditor General noted:

*"Early indications from Department of Education's (DfE) sample testing of the new model along with findings from my audit work on the old model have raised significant concerns over the reasonableness of the estimate at 31 March 2025 and the consequent in year gain/loss on fair value. The evidence indicates that the statistical model and earnings data available to Welsh Government to use for 2024-25 accounts preparation are likely to*

<sup>5</sup> [Welsh Government Consolidated Accounts 2024-25, page 169](#)

<sup>6</sup> [Welsh Government Consolidated Accounts 2024-25, page 174](#)

<sup>7</sup> [Welsh Government Consolidated Accounts 2024-25, page 174](#)

<sup>8</sup> [Welsh Government Consolidated Accounts 2024-25, page 174](#)

*materially overstate career earnings and repayments and therefore the asset value.*<sup>9</sup>

**9.** The Welsh Government's Director of Finance confirmed that officials finished compliance testing of the new model in November 2025.<sup>10</sup> When asked by the Committee about the results, the Director of Finance said there will be an impairment of the student loan asset.<sup>11</sup> However, he did not quantify it.

**10.** The Director of Finance added HM Treasury had confirmed "the change in the stock charge will be supported in this financial year [by HM Treasury]. However, we will need to look at, as a result of any divergence in policy, the implications of that going forward".<sup>12</sup>

## Welsh Government losses

**11.** The Welsh Government reports 186 losses in 2024-25, with a total value of £32.1 million. In 2023-24, there were 159 losses with a total value of £9.4 million.<sup>13</sup> The Committee explored the reasons for some of the losses which individually exceed £300,000 and were reported separately in the 2024-25 Accounts.

## Wales Life Science Investment Fund

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**12.** The Welsh Government's losses in 2024-25 included £20.6 million relating to the final write-off of the non-recoverable element of a loan to the Development Bank of Wales for the Wales Life Science Investment Fund ('WLSIF').<sup>14</sup> The Welsh Government said:

*"There is now little prospect of any further returns from the remaining shares and as such the write-off process has been completed."*<sup>15</sup>

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<sup>9</sup> [Welsh Government Consolidated Accounts 2024-25, pages 174 and 175](#)

<sup>10</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 26](#)

<sup>11</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 30](#)

<sup>12</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 32](#)

<sup>13</sup> [Welsh Government Consolidated Accounts 2024-25, page 136](#)

<sup>14</sup> [Welsh Government Consolidated Accounts 2024-25, page 136](#)

<sup>15</sup> [Welsh Government Consolidated Accounts 2024-25, page 122](#)

**13.** Having examined the closure of the WLSIF<sup>16</sup> following the then Minister for the Economy’s statement to the Senedd in July 2023<sup>17</sup>, during our scrutiny of the 2024-25 Accounts, we sought the Welsh Government’s reflections on the loss.

**14.** The Welsh Government’s Director General, Economy, Energy and Transport (the ‘Director General’), said:

*“You do your best to get the risk analysis right, you do your best to get diligence right beforehand, but you are then subject, to some degree, to what goes on in the markets, and external factors.”<sup>18</sup>*

**15.** He also noted “obviously COVID had an impact”<sup>19</sup>.

### **Credu Charity, Porthcawl Maritime Centre**

**16.** In 2017, the Welsh Government awarded European Regional Development Funding (‘ERDF’) of £2.134 million to Credu Charity towards the development of a Maritime Centre in Porthcawl, of which the organisation had spent and claimed £929,380. In April 2016, Credu Charity also received £712,302 of Welsh Government Targeted Match Funding (‘TMF’) towards the project. This brought the total value of the claims the Welsh Government paid to Credu Charity between 2016 and 2020 to £1,641,682.<sup>20</sup>

**17.** In November 2020, Credu went into voluntary liquidation and the Maritime Centre was not constructed.<sup>21</sup> Having already been removed from the ERDF programme, the Welsh Government’s losses fall entirely on domestic funding.<sup>22</sup>

**18.** In its August 2025 report, ‘Welsh Government funding for the failed Porthcawl Maritime Centre’, Audit Wales said:

*“Even when grant funders have robust arrangements to manage risks, it is likely some projects will fail. However, in our view the Welsh Government did not put proper arrangements in place to manage*

<sup>16</sup> [Public Accounts and Public Administration Committee, 27 September 2023](#)

<sup>17</sup> [Welsh Government Written Statement: Closure of the Welsh Life Sciences Investment Fund, 12 July 2023](#)

<sup>18</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 203](#)

<sup>19</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 204](#)

<sup>20</sup> [Welsh Government Consolidated Accounts 2024-25, page 121](#)

<sup>21</sup> [Audit Wales, Welsh Government funding for the failed Porthcawl Maritime Centre, August 2025](#)

<sup>22</sup> [Audit Wales, Welsh Government funding for the failed Porthcawl Maritime Centre, August 2025, page 5](#)

*the risks associated with the Maritime Centre. If it had, it might have decided not to fund the project or, when funded, it would have identified that the project was failing far sooner. Clear warning signs and opportunities to prevent or reduce the likely loss to the public purse were missed.”<sup>23</sup>*

**19.** The Auditor General said:

*“All grant-funded projects involve an element of risk. But this is not the first time I, or my predecessors, have reported on weaknesses in the Welsh Government’s management of its support to charities or private companies. While time has passed since the events described in this report, there were basic failings in this case and the lessons from it remain relevant today.”<sup>24</sup>*

**20.** When asked to respond to these findings, the Welsh Government’s Director General stated:

*“... this was a decade ago and the funding landscape and the control arrangements are very different now and have developed significantly.”<sup>25</sup>*

**21.** The Director General added the Welsh Government Internal Audit Services had conducted further work to ascertain if there was a systemic issue, but it had concluded “this had been a bit of a one-off”<sup>26</sup>. The Audit Wales report provided further details about this.<sup>27</sup>

### **Capital grants to Mona Island Dairy Ltd and St Beunos Dairy Ltd**

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**22.** The Welsh Government awarded capital grants to dairies in North Wales that later went into administration without having completed the terms of the grant award letter. The Welsh Government notes there were “management issues in

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<sup>23</sup> [Audit Wales. Welsh Government funding for the failed Porthcawl Maritime Centre. August 2025, page 5](#)

<sup>24</sup> [Audit Wales. Welsh Government funding for the failed Porthcawl Maritime Centre. August 2025, page 6](#)

<sup>25</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 191](#)

<sup>26</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 192](#)

<sup>27</sup> [Audit Wales. Welsh Government funding for the failed Porthcawl Maritime Centre. August 2025, page 18](#)

both companies and both dairies were in relatively novel segments of the market (European cheeses and sterilised milk in bottles) which may have contributed to the businesses eventually failing”.<sup>28</sup> The Welsh Government reported losses of £3 million relating to Mona Island Dairy Ltd and £739,248 for St Beunos Dairy Ltd.<sup>29</sup>

**23.** The Director General provided further information on these cases, stating:

*“... I think they were both project grants. One would have been under the rural development programme, I think, and the other was domestic funding to support innovation in the dairy sector ... And I think, in each case, the issue was more to do with management arrangements or failings in the way that the enterprise had been managed and in terms of their ability as a management team to meet the grant conditions. So, that’s why we’ve ended up with this situation of losses.”<sup>30</sup>*

**24.** In terms of lessons learned, the Director General went on to say:

*“There’s an element of risk associated with funding a start-up company or an innovative new process, and sometimes the risk pays off and sometimes it doesn’t. But if there are any systematic or sort of systems lessons from those projects, I’m confident that the team will be looking to learn those, based on my experience of working with them.”<sup>31</sup>*

## **Transforming Towns - Building for the Future programme**

**25.** The Building for the Future (BFTF) programme assisted in the regeneration of town centres and the surrounding areas by tackling derelict, under-utilised land or buildings. It was delivered via a combination of ERDF funding, core Welsh Government funding and contributions from other public, private and third sector sources.<sup>32</sup>

**26.** The Welsh Government said:

<sup>28</sup> [Welsh Government Consolidated Accounts 2024-25, page 120](#)

<sup>29</sup> [Welsh Government Consolidated Accounts 2024-25, page 120](#)

<sup>30</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 195](#)

<sup>31</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 196](#)

<sup>32</sup> [Welsh Government Consolidated Accounts 2024-25, page 122](#)

*“As a result of the final BFTF claim and subsequent WEFO audit a £4.12m correction has been enforced at an expenditure level which resulted in an overall grant loss of £2.140m. This has occurred due to the complexity of the BFTF programme which focussed on difficult or problematic buildings in town centres.”<sup>33</sup>*

**27.** When asked to explain these losses, the Permanent Secretary stated:

*“... all projects delivered under the programme were successfully completed. Our assessment was that they provided value for money and they do contribute significantly to the town and community settings, as was originally intended by Ministers.”<sup>34</sup>*

**28.** On whether the Welsh Government had reflected on this situation, the Permanent Secretary stated:

*“There are external factors that affect some of the deliveries of these areas, and sometimes there is insufficient support maybe at the early stage, or perhaps some local authorities didn't quite have the right level of contingency. But on the other hand, that means that we can step into those early planning reflections. We can improve the documentation and the audit process, and just make sure that we are around and available to enhance the support available to partners and stakeholders when they are discharging this work with us as well.”<sup>35</sup>*

## **Industry Wales**

**29.** The Sector Development Wales Partnership Limited (known as ‘Industry Wales’) is a wholly owned Welsh Government subsidiary company and one of its Arm’s Length Bodies.<sup>36</sup>

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<sup>33</sup> [Welsh Government Consolidated Accounts 2024-25, page 122](#)

<sup>34</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 210](#)

<sup>35</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 212](#)

<sup>36</sup> [Letter from the Auditor General for Wales regarding Sector Development Wales Partnership, 4 March 2025](#)

**30.** On 2 October 2025, the Cabinet Secretary for Economy, Energy and Planning announced:

*“The Welsh Government will, at the end of the current term of government agreement [which runs from 2022-2026], remove itself as the sole guarantor for Industry Wales and dissolve the company.*

*Over the next six months the Welsh Government will, alongside Industry Wales, actively engage with the forums individually to determine the best approach to continue bespoke sectoral advice. Consideration will include transferring to an alternative structure or parent entity, grant support for dedicated delivery activity and stopping support where the economy has moved on or where forums are self-funding and/or have alternative options.”<sup>37</sup>*

**31.** In correspondence to the Committee in January 2026, Industry Wales drew attention to the “concerns regarding the opacity of the decision-making process that led to the announcement that Industry Wales would be dissolved”.<sup>38</sup> It said:

*“Despite repeated formal requests, the Board has not been provided with the review report that informed the Cabinet Secretary’s decision. Nor has Welsh Government set out the evidence base underpinning the conclusion beyond general references to cost considerations.”<sup>39</sup>*

**32.** It added the “lack of clarity presents a real risk to continuity of support for strategically important sectors and stands in contrast to the commitments made publicly regarding a managed and orderly transition”.<sup>40</sup>

**33.** When asked to provide details about the Welsh Government’s review of Industry Wales, the Director General explained:

<sup>37</sup> [Welsh Government. Written Statement: Review of Industry Wales. 2 October 2025](#)

<sup>38</sup> [Letter from the Chief Executive and Chair of Industry Wales to the Chair of the Public Accounts and Public Administration Committee regarding Industry Wales - 2024-25 Audit Opinion and Reflections on the 2023-24 Disclaimer. 8 January 2026](#)

<sup>39</sup> [Letter from the Chief Executive and Chair of Industry Wales to the Chair of the Public Accounts and Public Administration Committee regarding Industry Wales - 2024-25 Audit Opinion and Reflections on the 2023-24 Disclaimer. 8 January 2026](#)

<sup>40</sup> [Letter from the Chief Executive and Chair of Industry Wales to the Chair of the Public Accounts and Public Administration Committee regarding Industry Wales - 2024-25 Audit Opinion and Reflections on the 2023-24 Disclaimer. 8 January 2026](#)

*“So, the review was undertaken by a member of my team, a senior civil servant, the deputy director who had previously run our sectoral work on the advanced materials and manufacturing sector ...”<sup>41</sup>*

**34.** He explained the senior civil servant:

*“... conducted about 28 interviews with a range of stakeholders. Those were colleagues, internally within Welsh Government, with Industry Wales and with the Industry Wales forums. So, these are four forums that the organisation, the company supports: Aerospace Wales, Technology Connected, Net Zero Industry Wales, and the Welsh Automotive Forum.”<sup>42</sup>*

**35.** He added:

*“The key findings of the review were that the work undertaken by Industry Wales could, effectively, be swept up into activities elsewhere, either within Government or within other bodies that existed, and therefore a range of options were put to Ministers about how things could be taken forward, and Ministers concluded that they wanted to bring Industry Wales’s work to a close.”<sup>43</sup>*

**36.** In terms of the Sector Forums, the Director General confirmed “there are plans in place and work is definitely ongoing there”<sup>44</sup> and the Welsh Government had “sorted out the future for the Aerospace Wales forum”<sup>45</sup> He also referred to “a long session and workshop with the Industry Wales team on 21 January” conducted by the Welsh Government<sup>46</sup>. He further explained the Chief Executive of Industry Wales was due to hold discussions with the Welsh Government on 12 February.<sup>47</sup>

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<sup>41</sup> Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 80

<sup>42</sup> Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 81

<sup>43</sup> Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 82

<sup>44</sup> Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 183

<sup>45</sup> Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 82

<sup>46</sup> Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 183

<sup>47</sup> Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 183

**37.** When asked if industrial sectors would be affected by this decision, the Director General stated:

*“We don’t believe so, in the sense that we think there are other routes that you can use in order to provide the kinds of support that, as you have just said, might be required by the advanced manufacturing sector or the materials sector. We’re also working closely with UK Government, as you know, on the industrial strategy. So, the landscape has changed a lot and is changing, and a key reason for the review was the fact that the world has shifted a lot since 2013 and we need to be ready to respond to that.”<sup>48</sup>*

**38.** He added “there are mechanisms to support the sectors in an appropriate way that can take on the work of Industry Wales” and “we don’t see any particular risks there”.<sup>49</sup>

**39.** In terms of lessons learned from the process of dissolving the body, the Director General stated:

*“There’s always stuff that you can do around improved communication, and I think there are a number of areas where we would handle things very slightly differently.”<sup>50</sup>*

**40.** He went on to say:

*“... there are elements of the closure process and how we handled it that I think we could have done a bit differently. Probably with these things, you can never communicate enough, but the necessary work is in hand. Industry Wales itself as a company comes to an end and that has implications for colleagues working there. I completely understand that, and we’re very mindful that it has a set of impacts on individuals and we’re trying to manage that process as smoothly as we can.”<sup>51</sup>*

<sup>48</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 85](#)

<sup>49</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 184](#)

<sup>50</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 83](#)

<sup>51</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 185](#)

**41.** Following the session, the Welsh Government’s Director General shared in confidence with the Committee the review report about Industry Wales.<sup>52</sup> In his covering letter, the Director General said:

*“In terms of process, I understand the report was discussed in draft with the Chief Executive of Industry Wales late last spring, and that the planned Statement (communicating the outcome of the review, and the Cabinet Secretary’s decision) was similarly discussed with the Industry Wales team in draft beforehand. Discussions continue with IW colleagues on next steps.”<sup>53</sup>*

**42.** The Committee subsequently held an evidence session with Industry Wales to explore issues around the Welsh Government’s review and the resulting decision to dissolve the company.

**43.** In terms of oversight arrangements, Industry Wales explained the Welsh Government has an observer on its Board, which officially meets four times a year with monthly update meetings.<sup>54</sup> While noting the organisations had a “pretty good open relationship”, the Chief Executive Officer said the Welsh Government did not always attend the Board meetings.<sup>55</sup>

**44.** In December 2023, the Auditor General provided a qualified ‘regularity’ opinion on Industry Wales’s 2022-23 Accounts due to the failure to follow public procurement regulations in the award of a contract on which it had incurred material expenditure in 2022-23.<sup>56</sup> Noting she had been a Non-Executive Director at Industry Wales at the time, the Chief Executive Officer said there was “no interaction between the board and the Welsh Government on that particular issue”.<sup>57</sup>

**45.** The Auditor General disclaimed his ‘true and fair’ and ‘regularity’ opinions on Industry Wales’s 2023-24 Accounts as he had been unable to obtain the assurances he required relating to valuation or rights and obligations of the Fixed

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<sup>52</sup> [Letter from Andrew Slade, Director General - Economy, Energy and Transport - Welsh Government to the Chair regarding Industry Wales, 23 February 2026](#)

<sup>53</sup> [Letter from Andrew Slade, Director General - Economy, Energy and Transport - Welsh Government to the Chair regarding Industry Wales, 23 February 2026](#)

<sup>54</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 40](#)

<sup>55</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 40](#)

<sup>56</sup> [Letter from the Auditor General for Wales about Sector Development Wales Partnership, 4 March 2025](#)

<sup>57</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 53](#)

Assets disclosed in the balance sheet. The Auditor General also noted his qualification of the previous year's 'regularity' opinion due to the failure to follow public procurement regulations.<sup>58</sup>

**46.** The evidence the Committee has received indicates these audit outcomes were not themselves a factor in the Welsh Government's decision about the future of Industry Wales.

**47.** In January 2025, the Welsh Government had informed Industry Wales that a review would take place, which the Chief Executive Officer understood would be about how the company could be restructured for the "changing world".<sup>59</sup> However, she added:

*"It very quickly became clear to me—the official who was running the review called it 'a review to close Industry Wales'. So, that was a bit of a surprise to me at the time, and I actually went back to the Welsh Government handler and said, 'I'm a bit confused by this', and there was some commentary that they shouldn't have said that. But that sort of gives you an idea."<sup>60</sup>*

**48.** She noted:

*"... bearing in mind that I came into the role in March 2024, in good faith, I had no idea that within nine months there would be a review put in process to discuss the closure of Industry Wales. I would have expected that in that process of being employed, that we might have discussed the option that it may not be an organisation that was going to continue. And throughout that process of reporting back... we do have quarterly integrated reports that we produce for the Welsh Government, so that we receive grant payments—at no point during that process was that part of the discussion."<sup>61</sup>*

<sup>58</sup> [Letter from the Auditor General for Wales about Sector Development Wales Partnership, 4 March 2025](#)

<sup>59</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraphs 58 and 59](#)

<sup>60</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 59](#)

<sup>61</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 47](#)

**49.** In terms of the review process and Industry Wales’s involvement, the Chief Executive Officer said:

*“I would say that I had a couple of discussions with the official running the review and put forward lots of different options and ideas and ways in which that might meet the demands of the future of manufacturing in Wales, and also, at the time, the industrial strategy that was coming out from central Government and how we might contribute to that. But I would say that, maybe, I only spoke to them a couple of times and then the rest of it was done without our knowledge or our input. And I think Keith [Professor Keith Ridgway, Industry Wales Chair] was the only board member who had any conversation with the official and we actually don’t know who the stakeholders were.”<sup>62</sup>*

**50.** The Chief Executive Officer said, in spring 2025, she discussed the review with the officials leading it, noting the “review that they talked through then was slightly different to the one that was actually finally submitted”.<sup>63</sup> She added “there was a reluctance, certainly from officials, to engage with us during the period of the review”.<sup>64</sup> The Chief Executive Officer also confirmed that she did not have any “further conversations on the potential outcomes or any ways of finding another solution than the one that was presented to us—that was given to us as a fait accompli”.<sup>65</sup> In terms of the Welsh Government’s decision to dissolve Industry Wales, the Chair explained:

*“I haven’t met the Cabinet Secretary—the latest one—since I’ve been the chair of Industry Wales. The original one, Ken Skates, I did meet. There’s no advice been asked for. Every meeting’s been cancelled, which has been very disappointing. I think that the first real knowledge of the closure being Jen [Chief Operating Officer] being told in a meeting on a Friday and passing it forward in an e-mail to us was bad. I think the first real formal statement was almost a press release statement from the Cabinet Secretary, which was passed to us, which one of the board members, who is a very experienced*

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<sup>62</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 68](#)

<sup>63</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 61](#)

<sup>64</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 107](#)

<sup>65</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 74](#)

*industrial player, said was brutal and unprofessional, and we had to write chunks of that statement.”<sup>66</sup>*

**51.** Industry Wales confirmed the Welsh Government had shared a copy of its final review report with the company in correspondence although not until 9 January 2026.<sup>67</sup> The Chair set out his concerns about the quality of the review report, including the low number of participants for the review, the evidence not supporting the resulting decision to dissolve the company<sup>68</sup> and the report not including any figures or risk analysis.<sup>69</sup>

**52.** The Chair said:

*“... the review refers to Microsoft Copilot as being used to evaluate the returns. I don't think you can rely on artificial intelligence to do that. It's just wrong; to me, it's just wrong. It should have been discussed. If you wanted it validated, in my view, it should have come back to the board. We have a good, diverse board, an experienced board. I think it would have been very sensible to have brought the findings back to the board for validation and triangulation, not to use Microsoft Copilot in whatever use. Whether it's just to evaluate the responses or to come up with the final report, I don't know, but I think that's not what it's meant for; it's not what it's there for.”<sup>70</sup>*

**53.** He added:

*“When you've got a board of experienced, sensible people, from across the community, I think the right thing to do would be to take those views back and triangulate them with that board.”<sup>71</sup>*

**54.** The Chief Executive Officer noted the report did not include any risk-based scenario development, saying:

<sup>66</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 166](#)

<sup>67</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 87](#)

<sup>68</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 89](#)

<sup>69</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 101](#)

<sup>70</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 93](#)

<sup>71</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 95](#)

*“We’re just saying that, if you’re going to do it, do it in a way that is transparent and makes sense to the person who’s reading it at the end. So, those were some of the areas where it’s like: how can you say that this offers you better value for money if there are no scenarios developed?”<sup>72</sup>*

**55.** She added “And value for money is the primary reason given for the closure, but we don’t know what that looks like”.<sup>73</sup>

**56.** When asked for an update about progress since early January when Industry Wales noted formal meetings had not yet taken place to discuss handover arrangements, the Chief Executive Officer confirmed she had met with the Welsh Government to provide information about the company, such as audit, finance, and HR.<sup>74</sup> However, as far as she was aware, transition plans are not in place.<sup>75</sup>

**57.** With the exception of the Chief Executive Officer who had been retained for closure purposes, staff would leave the company by 31 March 2026<sup>76</sup> and they would not be redeployed by the Welsh Government. The Chief Executive Officer added “There’s been no support for staff”<sup>77</sup> and the Welsh Government “haven’t asked for any institutional knowledge”.<sup>78</sup> She added Industry Wales was still receiving requests for information, particularly supply chain evidence, but noted “all of that knowledge will just disappear”.<sup>79</sup>

**58.** Responding to the evidence from the Welsh Government that it could have handled the closure of Industry Wales a “bit differently”, the Chief Executive Officer identified communication, “having frank conversations with people” and being “truthful about what it is that’s happening” from the outset as the main lessons for the Welsh Government. She added “there’s been a lot of hanging around, waiting for things to happen. From a taxpayer’s point of view, that’s not a good use of money”.<sup>80</sup>

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<sup>72</sup> Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 97

<sup>73</sup> Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 103

<sup>74</sup> Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 124

<sup>75</sup> Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 125

<sup>76</sup> Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 132

<sup>77</sup> Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 134

<sup>78</sup> Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 136

<sup>79</sup> Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 140

<sup>80</sup> Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraphs 163 to 165

**59.** The Chair added:

*“... we’ve made a very big effort to encourage people to apply for board positions. We’ve got a diverse board—gender, backgrounds—and I do feel that the disrespect to those members has been felt very badly by them. So, it’s right; yes, it could have been handled a lot better. I think involvement in the review, the opportunity to discuss the review as sensible, grown-up people, would have been very helpful. And more working together, which did happen at one time, but since the review started, that hasn’t happened; we have not worked together.”<sup>81</sup>*

**60.** When asked for their reflections on the Welsh Government’s arrangements for the oversight and review of Arm’s Length Bodies, the Chief Executive Officer said:

*“I suppose part of the reason that we wrote to you in the first instance was because we couldn’t get a response from Welsh Government, and it did trigger the kind of response that we needed. But that’s not a good way—. That’s not good governance.”<sup>82</sup>*

**61.** She suggested the Welsh Government should ensure:

*“... there is a really clear process for internal reviews, external reviews, audit processes that is really well understood by all chief executives, chief operating officers of all ALBs across Wales. And that there isn’t deviation from that, or it isn’t just done ad hoc by different departments in different ways—that it should be really clear how that’s managed. And that that guidance, or best practice, is available for everybody to see.”<sup>83</sup>*

**62.** She went on to explain:

*“... I don’t think, from my point of view, there was ever, really, a clear story or idea of how Industry Wales, from the Welsh Government’s*

<sup>81</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 167](#)

<sup>82</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 170](#)

<sup>83</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 170](#)

*point of view, should deliver those [the Welsh Government's strategies and policies]. I had my own ideas, which we were trying to implement, but that's very different to what the expectation was from them. And, as I say, because the last year particularly has been very much about the review and winding down, there hasn't really been the opportunity to discuss what that might have been at any point either. So, we could have had, in 2024, some far more detailed discussions about the expectations from Welsh Government for what they wanted Industry Wales to deliver.”<sup>84</sup>*

## Failure to comply with equality law

**63.** In November 2025, the Equality and Human Rights Commission (EHRC) reported the Welsh Government had failed to comply with equality law. It identified “several failures to comply with the Public Sector Equality Duty (PSED), which is a legal requirement under the Equality Act 2010”.<sup>85</sup>

**64.** The EHRC says it:

*“... first wrote to the Welsh Government to express its concerns about PSED compliance in 2020 and monitored the issue in the following years. In 2023, the regulator held regular discussions with the Welsh Government regarding its failure to conduct and publish Equality Impact Assessments for many of its policies.”<sup>86</sup>*

**65.** When asked how the Welsh Government had responded to the EHRC's concerns, the Permanent Secretary explained “we take our equality responsibilities very seriously”, adding:

*“... the circumstances arose from some concerns that the commissioner picked up. That would have related to some judicial review process that had occurred around a policy area under Government. Of course, that's been addressed subsequently through relevant Cabinet Secretaries. But nevertheless, it left some*

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<sup>84</sup> [Public Accounts and Public Administration Committee, RoP, 4 March 2026, paragraph 183](#)

<sup>85</sup> [Equality and Human Rights Commission News, “Welsh Government did not comply with equality law, regulator says”, November 2025](#)

<sup>86</sup> [Equality and Human Rights Commission News, “Welsh Government did not comply with equality law, regulator says”, November 2025](#)

*outstanding concerns and questions from the commission, which I think we have appropriately and constructively worked through.”<sup>87</sup>*

**66.** The Permanent Secretary went on to say the Welsh Government had undertaken “some very significant work” in respect of its workforce and diversity and equality. For example, commitments around anti-racism.<sup>88</sup>

**67.** The Permanent Secretary further explained the Welsh Government had entered into a “voluntary agreement” with the EHRC to “agree a fixed action plan with the commission that is reviewed together, but, obviously, under the supervision and scrutiny of the commission over the next 18 months to two years or so. We entered into that with a ministerial agreement on 21 November”.<sup>89</sup>

**68.** The Permanent Secretary also added that a dedicated team is now in place to deal with these matters, noting:

*“... there is a clear action plan, there’s a robust governance structure that’s in place. It allows us to strengthen our approach on equality. We’ve already had some early feedback from the commission, who seem content with the progress that we’re making on that, and I’m satisfied that we should keep it as a very serious issue. And as you would expect, it’s under scrutiny of our own risk and governance arrangements, including by the Welsh Government board.”<sup>90</sup>*

## Committee View

**69.** The Committee notes the Auditor General’s qualification of his ‘true and fair’ opinion on the 2024-25 Accounts relating to student loan valuation, and the evidence which suggests that the student loan asset was significantly overstated at £8.9 billion. Although we welcome confirmation that the Welsh Government has calculated a revised estimate using the new methodology, it is disappointing that officials did not explain the budgetary impact of this during the evidence session, although they recognised it had led to an impairment (a reduction in value) of the student loan asset.

<sup>87</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 192](#)

<sup>88</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 193](#)

<sup>89</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 194](#)

<sup>90</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 195](#)

**70.** Subsequent to our evidence sessions, the Welsh Government published its Second Supplementary Budget for 2025-26.<sup>91</sup> This noted, since the First Supplementary Budget in June 2025, the Welsh Government's non-cash resource baseline had increased by £2.4 billion due to a change in student loans.<sup>92</sup> The Welsh Government also noted it had made additional non-cash allocations of £2.6 billion for 2025-26 in the Second Supplementary Budget 2025-26 to the student loan ringfenced budget in the Education Main Expenditure Group (or department).<sup>93</sup> It said this allocation followed a "change to the student loans valuation model which brings the model in Wales in line with the model used by the UK Government's Department for Education".<sup>94</sup> This budget allocation is significant, representing almost a third of the Welsh Government's student loan asset at 31 March 2025.

**71.** We note the potential risk to the Welsh Government's budget should HM Treasury depart from the position it has taken on funding the Welsh Government's student loans schemes to date. We ask for an update on discussions that have taken place with HM Treasury on the future funding in this area.

**Recommendation 1.** The Committee recommends that the Welsh Government provides an update on discussions it has held with HM Treasury about the funding of the Welsh Government's student loan schemes, and for these details to be shared as soon as possible in the Seventh Senedd.

**72.** The Committee notes the Welsh Government's evidence about the range of changes it has made to controls over grants during the last decade, particularly since the issues relating to the Porthcawl Maritime Centre project began. However, we also note the views of the Auditor General who stated in August 2025 that there were basic failings in this case and the lessons from it remain relevant today. These are issues of concern to the Committee and areas which we ask our successor committee in the Seventh Senedd to continue to monitor.

**73.** The Committee understands that the allocation of all grants includes elements of risk. We also recognise that not all losses represent poor value for money. However, losses can indicate where public bodies did not exercise proper controls over expenditure and where lessons can be learnt.

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<sup>91</sup> [Welsh Government, Second Supplementary Budget 2025 to 2026, 24 February 2026](#)

<sup>92</sup> [Welsh Government Supplementary Budget 2025-26 Explanatory Note, February 2026, page 16](#)

<sup>93</sup> [Welsh Government Supplementary Budget 2025-26 Explanatory Note, February 2026, page 4](#)

<sup>94</sup> [Welsh Government Supplementary Budget 2025-26 Explanatory Note, February 2026, page 4](#)

**74.** The Committee is particularly concerned by the management issues identified at two dairies in north Wales, Mona Island Dairy Ltd and St Beunos Dairy Ltd. In both cases it is unclear whether better oversight from, and more robust due diligence processes by, the Welsh Government would have identified issues sooner, possibly avoiding the losses or reducing the scale of them. We believe further information about these cases would be helpful in enabling us to understand the issues and whether any further action is necessary.

**75.** In relation to the Building for the Future programme and accompanying Transforming Towns funding, the Committee welcomes confirmation that this programme was successfully completed and that the Welsh Government's own assessment, conducted to satisfy WEFO and European audit mechanisms, had concluded they provided value for money. However, we are not clear of the reasons for the £4.12 million correction to expenditure in the final claim which resulted in an overall grant loss of £2.140 million. We note the views of the Welsh Government about the lessons learned from the review process, including the steps required to improve the audit and documentation process around these funds. However, further information to provide greater clarity on this process would be helpful and we ask for the Welsh Government to provide this.

**Recommendation 2.** The Committee recommends that the Welsh Government provides information about the "management issues" at Mona Island Dairy Ltd and St Beunos Dairy Ltd in respect of which it reported losses relating to capital grants totalling £3.7 million, together with a timeline of when it became aware of the issues and what action it took as a result.

**Recommendation 3.** The Committee recommends that the Welsh Government provides further details about why expenditure in the final claim for the Building for the Future programme was reduced by £4.12 million, the lessons learned from its review of the programme and the steps it will take to strengthen audit and documentation processes for future funding programmes.

**76.** The Committee notes the Welsh Government's evidence regarding the oversight arrangements for Industry Wales and its confirmation that the issues, which gave rise to the Auditor General providing a disclaimed opinion on Industry Wales's 2023-24 Accounts, have since been resolved. However, this evidence did not set out the actions taken by officials in December 2023 when the Auditor General provided a qualified regularity opinion on Industry Wales's 2022-23 Accounts. Industry Wales told us there was "no interaction between the board and the Welsh Government on that particular issue". We find this surprising given the issues identified by the Auditor General.

**77.** As we note in chapter 3 of our report, during the Sixth Senedd, we have monitored the Welsh Government’s arrangements for tailored reviews, the purpose of which was to provide assurance to Welsh Ministers, the Principal Accounting Officer and the Arm’s-Length Bodies (ALBs) on whether they “remain fit for purpose and are well governed and properly accountable”.<sup>95</sup>

**78.** We acknowledge the Welsh Government’s review of Industry Wales was not a tailored review. Nonetheless, in our view, the Welsh Government’s reviews of its Arm’s Length Bodies should be conducted against a set of core principles. These include a clearly defined purpose and terms of reference for reviews, which are understood by all parties. They should be completed in accordance with guidance, which should describe the clearance process. They should be open, inclusive and transparent, involving staff, board members and key stakeholders.

**79.** It is deeply concerning to note the evidence from Industry Wales about the Welsh Government’s review of the company, which resulted in the decision to dissolve it. The Committee considered this process to be seriously flawed, giving the impression the review findings may have been shaped to justify a predetermined policy decision. We are also concerned by the poor treatment of staff and board members by Welsh Government officials, as well as the wider reputational damage caused by this episode.

**80.** We wrote to the Welsh Government following the session seeking responses to our questions about the review.<sup>96</sup> We believe our correspondence raises important matters for our successor committee, which may also wish to consider the arrangements the Welsh Government puts in place following the closure of Industry Wales.

**Recommendation 4.** The Committee recommends that our successor committee considers issues relating to the review of Industry Wales, including how the Welsh Government conducted it, as well as the successor arrangements the Welsh Government puts in place following the closure of Industry Wales and the wider impact on the industrial sector, during the Seventh Senedd.

**81.** The Committee welcomes assurances from the Permanent Secretary that the Welsh Government takes seriously its statutory equality responsibilities under the Equality Act 2010 and Wales Regulations. However, we also note that the

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<sup>95</sup> [Letter from the then Permanent Secretary to the Public Accounts Committee of the Fifth Senedd, 25 September 2018](#)

<sup>96</sup> [Letter from the Chair of the Public Accounts and Public Administration Committee to the Director General Economy, Energy and Transport, 20 March 2026](#)

Equality and Human Rights Commission first wrote to the Welsh Government in 2020 to express its concerns about compliance with the Public Sector Equality Duty ('PSED'). The Committee remains concerned that the issues have continued since that time, especially as we would have expected the Welsh Government to act earlier to prevent any further issues of non-compliance.

**82.** The EHRC notes the issues raised relate to the decision to discontinue free school meals but also because the Welsh Government did not conduct and publish Equality Impact Assessments for many of its policies and the impact this has on its ability to comply with the PSED. We also note with regret that the Welsh Government did not publish its annual equality report, for the reporting period January to December 2023, by 31 March 2024, in contravention of Regulation 16 of the Wales Regulations.

**83.** Although the Welsh Government stated that an action plan is in place to address these issues and it has established a centralised team, we believe the Senedd should have an ongoing interest in this area and the Welsh Government should routinely share information about its action plan to ensure compliance.

**Recommendation 5.** The Committee recommends that the Welsh Government shares with the Senedd its action plan to ensure compliance with equality law, agreed with the Equality and Human Rights Commission, including the timetable for implementation.

### 3. The Committee's scrutiny of the Welsh Government Accounts over the Sixth Senedd

**84.** In this section, we cover areas relating to the Welsh Government which we explored over the Sixth Senedd and considered during our scrutiny of the 2024-25 Accounts.

**85.** Our legacy report, set out in the next chapter, also sets out matters we considered in relation to the Welsh Government which we identify as priorities for our successor committee.

#### Accounts timetable

**86.** During this Senedd term, the Committee has explored the timing of the preparation and audit of the Welsh Government's Accounts. Before the 2019-20 Accounts and the onset of the COVID-19 pandemic, it was customary for the Auditor General to lay the Welsh Government's accounts before the Senedd in late August or September each year.

**87.** In terms of preparing the accounts, the Director of Finance said:

*"I can't overestimate how hard it is pulling these accounts together. These are Government accounts, this is not a UK Government department or an arm's-length body, and the sheer consolidation, when we take into account health, the airport, Transport for Wales, the road network—all that comes in. This is the most complex set of accounts I suggest that I've ever been involved in and the sheer volume of work that needs to go into it. For me, the committee has always said that they wanted a set of accounts that tells a good story, the infographics within it tell that story of how we spend the £23 billion. I think these accounts do it."<sup>97</sup>*

**88.** When asked to explain why the Accounts for 2024-25 were laid a few weeks later than those for 2023-24, the Permanent Secretary explained:

*"It remains a very complex and technical set of accounts, more so just because of some of the recent increase in internal audit standards*

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<sup>97</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 15](#)

*and some of the events that were occurring through last year, which related to quinquennial reviews and also to student loan finances in particular.”<sup>98</sup>*

## Welsh Government systems

**89.** During the Sixth Senedd we have noted concerns about the Welsh Government’s continued use of complex spreadsheets to prepare the accounts, noting the related business risks and potential resource implications, in terms of costs and staff time.<sup>99</sup>

**90.** In our report on the scrutiny of the 2023-24 Accounts, we noted concerns about the Welsh Government’s plan not to replace its finance system until it becomes business critical given the related complexities and challenges, as well as the pressures on the small team within the Welsh Government that prepares the accounts. We expected the Welsh Government to afford such proposals a higher priority and expedite its plans.<sup>100</sup>

**91.** In October 2025, the Welsh Government noted its Transforming Corporate Services (TCS) Programme was “laying the groundwork for smarter, more integrated and future-proofed central support services”. It had developed a Business Case which focused on key Finance, HR and Grants service, functions it described as “central to the Welsh Government’s operations and play a vital role in achieving our strategic aims”.<sup>101</sup>

**92.** The Welsh Government expected to complete the Full Business Case by 30 April 2026 for consideration for Ministerial approval in the new Senedd Term. Estimated implementation costs ranged from £55 million to £65 million.<sup>102</sup>

**93.** When asked to provide a breakdown of the costs, the Director of Finance said:

<sup>98</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 12](#)

<sup>99</sup> [Public Accounts and Public Administration Committee Scrutiny of Accounts: Welsh Government 2022-23, page 14](#)

<sup>100</sup> [Public Accounts and Public Administration Committee Scrutiny of Accounts: Welsh Government 2023-24, page 18](#)

<sup>101</sup> [Permanent Secretary’s letter to the Public Accounts and Public Administration Committee, 27 October 2025, page 4](#)

<sup>102</sup> [Permanent Secretary’s letter to the Public Accounts and Public Administration Committee, 27 October 2025, page 4](#)

*“... at this stage this is an estimate; this is about pre-market testing, going out to suppliers in consultation with the UK Government, shared services, where they’re taking those initiatives, also with Scottish and Northern Ireland colleagues, who I have conversations with, because they’re already on the journey. I think those costs are based on that ... this is for the new Government, because the Welsh Government has not got that money to support the current civil service at the moment if we have costs of £55 million to £65 million.”<sup>103</sup>*

**94.** Noting the Welsh Government had “three main options”, the Chief Operating Officer confirmed:

*“... we’ve undertaken a lot of market testing, we’ve looked at what’s happened elsewhere and the sort of cost there. At the moment, it’s a provisional costing, but we are confident that it’s broadly in alignment with what we’d expect to pay for option 1, which is the enterprise architecture [Correction: enterprise resource planning] improvement to bring us in par and in line with the other UK Governments.”<sup>104</sup>*

**95.** Given the large costs involved, the Permanent Secretary also confirmed:

*“We do not have access within the civil service budget to make that as an in-year decision—it has to be a strategic investment over time.”<sup>105</sup>*

**96.** For the first time, the Welsh Government’s Head of Internal Audit has issued a ‘split’ annual opinion, providing a ‘reasonable assurance’ opinion on the arrangements to secure governance, risk management and internal control at the group level in 2024-25. However, the Head of Internal Audit provided a ‘limited assurance’ opinion on the arrangements for managing the risks associated with corporate processes and systems at the organisation level because of the Welsh Government’s reliance on ‘legacy’ IT systems in the year which are:

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<sup>103</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 46](#)

<sup>104</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 43](#)

<sup>105</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 51](#)

*“... creating ever-increasing risks of rising costs, inoperability and non-compliance, at a time when there is limited ability to mitigate these risks given the level of investment, time, capacity and capability which effective risk mitigation will require. Their limitations affect the overall efficiency and effectiveness of operations due to the lack of interoperability, absence of sufficient or reliable management information, dispersal of responsibility and reliance on manual solutions.”<sup>106</sup>*

**97.** In January 2025, the Welsh Government added a risk to its Corporate Risk Register relating to the Management and Ownership of Legacy Business Operations. It classified the risk as ‘critical’.<sup>107</sup>

### **Publishing information concurrently**

**98.** In our report on the scrutiny of the 2021-22 Accounts, we reiterated our predecessor Committee’s recommendation that the Welsh Government publishes its outturn report as soon as possible following the laying of its accounts each year and in sufficient time to enable the Committee to consider its contents in its preparation for its accounts scrutiny session.<sup>108</sup> We also recommended the Welsh Government ensures it publishes its Pay Policy Statement for the year to March by the time the Permanent Secretary approves and signs the Accounts for the same financial year.<sup>109</sup>

**99.** The Welsh Government published its Outturn Report for 2024-25 on 5 January 2026, around three weeks after the Auditor General laid the Welsh Government’s 2024-25 Accounts before the Senedd.<sup>110</sup>

**100.** At the time we prepared our report, the Welsh Government had not yet published its pay policy statement for 2025, setting out data relating to pay bands from 1 April 2024 to 31 March 2025, as well as staff numbers and pay at 31 March 2025.<sup>111</sup>

<sup>106</sup> [Welsh Government Consolidated Accounts 2024-25, page 112](#)

<sup>107</sup> [Welsh Government Consolidated Accounts 2024-25, page 131](#)

<sup>108</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts – Welsh Government 2021-22, October 2023, page 32](#)

<sup>109</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts – Welsh Government 2021-22, October 2023, page 38](#)

<sup>110</sup> [Welsh Government, Report on outturn 2024 to 2025, 5 January 2026](#)

<sup>111</sup> [Welsh Government pay policy statements \[accessed 9 March 2026\]](#)

## Senior staff

**101.** During our scrutiny of the Welsh Government’s 2024-25 Accounts, we explored issues relating to Senior Civil Servants. This followed our earlier consideration of matters about senior staff, including a payment to the former Permanent Secretary at the time of her departure, the current Permanent Secretary’s Terms and Conditions, the previous appointment to the role of Chief Executive of the NHS in Wales and Director General for the Health and Social Services Group,<sup>112</sup> as well as the arrangements for senior officers’ partial retirement.<sup>113</sup>

### Permanent Secretary

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**102.** The Permanent Secretary’s secondment term, under a new agreement with Aneurin Bevan University Health Board when he took up post on 1 November 2021, runs to 31 October 2026.<sup>114</sup>

**103.** In terms of the tenure of his appointment, the Permanent Secretary explained:

*“... since 2014, every Permanent Secretary appointment—although that will be on the back of substantive employment—undertakes a role for an initial five-year fixed-term period of time. There is always discretion within that process to consider whether, if an individual wishes to continue and if an organisation wishes them to continue, that that can occur.”<sup>115</sup>*

**104.** He added:

*“We are facing a very significant year ahead in terms of managing the Welsh Government in the context of an expanded Senedd, so it’s probably an unusual year in that sense, but there is always a way in*

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<sup>112</sup> [Public Accounts and Public Administration Committee Scrutiny of Accounts: Welsh Government 2020-21, March 2023](#)

<sup>113</sup> [Public Accounts and Public Administration Committee Scrutiny of Accounts: Welsh Government 2021-22, October 2023](#)

<sup>114</sup> [Welsh Government Consolidated Accounts 2024-25, page 146](#)

<sup>115</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 94](#)

*which First Ministers are able to accommodate their choice of a Permanent Secretary when a period of tenure comes to an end.”<sup>116</sup>*

**105.** When asked about plans for managing succession and continuity in the role beyond that time, the Director, People and Places (the ‘Director’), stated:

*“... matters relating to Permanent Secretary appointments and, indeed, extensions or other affairs, are reserved entirely for the Cabinet Office, but in close consultation with the First Minister.”<sup>117</sup>*

**106.** Adding:

*“I’ve been having regular discussions with the Cabinet Office leads who are responsible for Permanent Secretary appointments, to discuss opportunities and options, and I’ve also held discussions with the current First Minister to explore options there. At the point that the next election happens, the next Government is formed, one of the first conversations I’ll have with whoever is the First Minister at that point will be opportunities around the Permanent Secretary role and what they wish to do there.”<sup>118</sup>*

**107.** The Director also stated:

*“In the meantime, there is a plan in terms of how we will navigate the next couple of months to make sure that the Welsh Government isn’t without senior leadership ... matters are with the UK Cabinet Office and the Cabinet Secretary, who oversees all Permanent Secretary matters, and those discussions are under way and a plan is in place.”<sup>119</sup>*

## Other senior appointments

**108.** Judith Paget, the then Chief Executive of Aneurin Bevan University Health Board, succeeded Dr Goodall as the then Chief Executive of the NHS in Wales and

<sup>116</sup> Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 94

<sup>117</sup> Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 95

<sup>118</sup> Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 95

<sup>119</sup> Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 96

Director General for the Health and Social Services Group when he took up the role of Permanent Secretary. Judith Paget initially took up the role on secondment from November 2021.<sup>120</sup> On 1 June 2023, the Welsh Government announced Judith Paget had been permanently appointed to the role.<sup>121</sup> Judith Paget remained on the Health Board's Terms and Conditions until transfer to Welsh Government's terms and conditions as an employee on 1 December 2023.<sup>122</sup>

**109.** In July 2025, the Welsh Government announced it had appointed Jacqueline Totterdell as Chief Executive, NHS Wales and Director General for Health, Social Care and Early Years.<sup>123</sup> Ms Totterdell had held the post of the Group Chief Executive Officer, St George's, Epsom and St Helier University Hospitals and Health Group.

**110.** In announcing this appointment, the Welsh Government said Judith Paget would take up a new role as Director General for Strategy within Welsh Government to "strengthen strategic planning and delivery as the organisation enters a period of significant change".<sup>124</sup>

**111.** The Welsh Government's published organisation chart, dated 25 August 2025, does not include the new Director General for Strategy role.<sup>125</sup> However, the Welsh Government's Accounting Officer System Statement (December 2025), shows the Director General for Strategy role sits in the First Minister's Group, with the Chief Inspector, Care Inspectorate Wales and Chief Executive Healthcare Inspectorate Wales reporting to the Director General for Strategy.<sup>126</sup> When asked about the responsibilities falling to the role and the rationale for bringing them together, the Permanent Secretary explained:

*"I needed to ensure that I was able to bring around me some further attention and experience in a strategy role that was going to help around some of the election preparedness, the transition to the new Government arrangements and to see it through. We'd also had a number of reflections in the organisation about just looking to the longer term from an organisational perspective so that we're able to*

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<sup>120</sup> [Welsh Government Consolidated Accounts 2024-25, page 178](#)

<sup>121</sup> [Welsh Government press release, Judith Paget appointed as Chief Executive of NHS Wales, 1 June 2023](#)

<sup>122</sup> [Welsh Government Consolidated Accounts 2024-25, page 146](#)

<sup>123</sup> [Welsh Government press release, New NHS Wales Chief Executive appointed, 25 July 2025](#)

<sup>124</sup> [Welsh Government press release, New NHS Wales Chief Executive appointed, 25 July 2025](#)

<sup>125</sup> [Welsh Government organisation chart \[accessed 11 March 2025\]](#)

<sup>126</sup> [Welsh Government Accounting Officer System Statement, December 2025, page 13](#)

*see through beyond just some of the immediate requirements of Government so that we are able to work that through, and it's allowing us to address some of those longer term areas as well.*<sup>127</sup>

**112.** He added:

*“And there are a number of other factors around the role. So, for example, the future generations requirements on the team have also been brought in to underpin this role, so that we are ingraining some of the expected practices and processes. The reason it's interim is that we'll need to see whether this is something that was required on a more long-standing basis, but we've got a rather exceptional period around us at the moment, and it was a way of elevating some of that leadership support that I need as well, myself.”*<sup>128</sup>

**113.** The Director confirmed the current Director General for Strategy “was recruited onto standard civil service terms, and therefore when she moved across into her new interim role, those terms continued because she is a substantive member of the senior civil service, not on secondment to us”.<sup>129</sup>

**114.** The Director added:

*“However, to offer reassurance to the committee, at any point that we ask a senior colleague to move from one role to another, we are duty bound to undertake a job evaluation to make sure that the role is equivalently graded, and that, for DGs—the director generals—is sent to the senior leadership committee, so it's independently verified there as well.”*<sup>130</sup>

**115.** The Director also explained:

*“All matters relating to the senior civil service are regulated by the Cabinet Office, it's not devolved to the Welsh Government. In respect of director general roles, there are even tighter restrictions and we are*

<sup>127</sup> Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 72

<sup>128</sup> Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 73

<sup>129</sup> Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 69

<sup>130</sup> Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 75

*duty bound to comply with the civil service first commissioner, who is expected to sign off any appointments.”<sup>131</sup>*

**116.** Sioned Evans has been Chief Operating Officer since 31 March 2025, having previously been Director General for Education, Culture and Welsh Language.<sup>132</sup> She replaced Tim Moss who was appointed to the newly created role of Director General, Chief Operating Officer on 1 September 2022 after an externally competed appointment process.<sup>133</sup>

**117.** In explaining these changes, the Permanent Secretary said he had taken “the opportunity to move colleagues around” and had done this “through both Sioned’s appointment, who’s here on this occasion as the chief operating officer, and through the director of strategy appointment as well”.<sup>134</sup>

**118.** The Director confirmed Sioned Evans “went through open and fair competition and was appointed as a director general” but that moving her to the Chief Operating Officer role internally required “approval from the senior leadership committee at UK Government level that’s chaired by a different permanent secretary”.<sup>135</sup>

**119.** The Permanent Secretary explained he had also appointed Emma Williams as the interim Director General for Education, Culture and Welsh Language.<sup>136</sup>

**120.** The Director further explained, because the interim Director General for Education, Culture and Welsh Language role is “not a substantive appointment yet”, the Welsh Government “will still need to go out to open and fair competition at the point that we advertise that job in the usual way”. He added “We again sought approval from the [UK Government] senior leadership committee, who agreed and endorsed our approach”.<sup>137</sup>

**121.** In relation to the recent appointment to the role of Director General for Health, Social Care and Early Year Group, the Director explained:

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<sup>131</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 60](#)

<sup>132</sup> [Welsh Government Consolidated Accounts 2024-25, page 146](#)

<sup>133</sup> [Welsh Government Consolidated Accounts 2024-25, page 174](#)

<sup>134</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 58](#)

<sup>135</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 61](#)

<sup>136</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 58](#)

<sup>137</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 62](#)

*“... there was a process that we put around that to make sure that we could recruit the best individual and we’re very delighted that Jacqueline was appointed. That was a direct temporary appointment under exception 3 of the civil service commission’s recruitment principles. That was signed off by the civil service first commissioner, as is required under senior civil service rules.”<sup>138</sup>*

## Conflicts of interest

**122.** In our report on the 2021-22 Accounts, we noted our concerns that the register of interest for senior officials, published on the Welsh Government’s website, had not been updated for 18 months (from October 2021 to April 2023).<sup>139</sup> The Permanent Secretary confirmed the delay would be addressed.<sup>140</sup>

**123.** The published register of interests for senior officials on the Welsh Government’s website at the time of the Committee’s first evidence session (4 February 2026) was for 2022 to 2023 and last updated on 15 January 2024. The register of interests for external board membership was also last updated in January 2024.<sup>141</sup> The Permanent Secretary confirmed during evidence that he wasn’t aware of these issues.<sup>142</sup>

## Managing staff performance

**124.** In our report on the scrutiny of the 2023-24 Accounts, the Committee raised concerns about the management of staff performance following a leaked internal report from within the “cultural division” of the Welsh Government, which surveyed the views of staff.<sup>143</sup> The Committee welcomed confirmation that the Welsh Government was to review its performance management arrangements and requested information about the results.<sup>144</sup>

<sup>138</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 63](#)

<sup>139</sup> [Public Accounts and Public Administration Committee Scrutiny of Accounts: Welsh Government 2021-22, October 2023, page 50](#)

<sup>140</sup> [Public Accounts and Public Administration Committee Scrutiny of Accounts: Welsh Government 2021-22, October 2023, page 43](#)

<sup>141</sup> [Welsh Government Declarations of interests \[accessed 4 February 2026\]](#)

<sup>142</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 132](#)

<sup>143</sup> [Public Accounts and Public Administration Committee Scrutiny of Accounts: Welsh Government 2023-24, September 2025, page 31](#)

<sup>144</sup> [Public Accounts and Public Administration Committee Scrutiny of Accounts: Welsh Government 2023-24, September 2025, page 40](#)

**125.** In October 2025, the Welsh Government noted it had undertaken a “light touch review” of its performance management arrangements considering the “People Survey insights on the regularity, focus and value of performance check-ins and wider practice across the UK Civil Service”.<sup>145</sup>

**126.** The Director explained how the reviews were carried out in practice, stating:

*“We introduced pulse surveys to check and measure how confident colleagues felt having performance conversations. We’ve undertaken case reviews with our social partners. We’ve introduced refreshed guidance in the process. We have also introduced a new principle that we’re working through around ‘do no harm’ in terms of the way that we apply performance management and wider HR policies to our staff, borrowing from NHS mechanisms, all in consultation with social partners.”<sup>146</sup>*

**127.** The Permanent Secretary went on to say:

*“... our bullying and harassment rate in the Welsh Government civil service has halved over the last seven years, and also is the lowest of UK departments as well. So, we can track it on results and outcomes as well.”<sup>147</sup>*

**128.** However, despite these improvements, the Director recognised “There is more work to be done, and we’re not complacent”.<sup>148</sup>

## Welsh Government 2025

**129.** In 2022-23, the Permanent Secretary introduced “Welsh Government 2025” (‘WG2025’): a “three-year plan for developing the organisation to be fit for purpose in a post-pandemic, post-EU exit world”, supporting Ministers more effectively and delivering for people and communities in Wales within an increasingly challenging financial and global context”.<sup>149</sup>

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<sup>145</sup> [Permanent Secretary’s letter to the Public Accounts and Public Administration Committee, 27 October 2025, page 22](#)

<sup>146</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 104](#)

<sup>147</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 110](#)

<sup>148</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 113](#)

<sup>149</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts Welsh Government 2023-24, September 2025, page 21](#)

**130.** We have followed developments with interest, seeking updates as part of our accounts scrutiny work.

**131.** While welcoming the Permanent Secretary's confirmation in February 2025 that the organisation was intending to deliver the programme by December 2025 as planned, we were not clear whether it would achieve the overall objectives given that the Welsh Government had refocussed the programme, moving from its original five workstreams to three (ReSize, ReShape and ReSpace) due to budgetary challenges.<sup>150</sup>

**132.** In its 2024-25 Accounts, the Welsh Government said through the Welsh Government 2025 programme it had:

*"... delivered some tangible changes in the first two years, focussing on the financial challenges, digital improvement, our estate and our performance, so that we can better support our response to the First Minister's clear delivery mission for Wales and prepare for Senedd reform in 2026."*<sup>151</sup>

## ReSpace

**133.** In its 2024-25 Accounts, the Welsh Government sets out its key actions under its Welsh Government 2025 programme.<sup>152</sup> Under its ReSpace workstream these include reviewing its administrative estate to reduce operational costs whilst optimising its offices.<sup>153</sup> The Welsh Government notes the average occupancy across the estate is circa 25 per cent. It has moved to a 5:10 desk to staff allocation (from 8:10). This provided up to 50 per cent of its estate for co-location with other bodies, including sponsored bodies.<sup>154</sup>

**134.** The Director provided details of the sponsored bodies currently using the Welsh Government's office spaces in Cathays Park:

*"... currently, we have the Food Standards Agency, the Welsh Language Commissioner, the Democracy and Boundary Commission Cymru, Health and Care Research Wales, the Crown Prosecution Service, the*

<sup>150</sup> [Public Accounts and Public Administration Committee Scrutiny of Accounts Welsh Government 2023-24, September 2025, page 26](#)

<sup>151</sup> [Welsh Government Consolidated Accounts 2024-25, page 109](#)

<sup>152</sup> [Welsh Government Consolidated Accounts 2024-25, page 80](#)

<sup>153</sup> [Welsh Government Consolidated Accounts 2024-25, page 81](#)

<sup>154</sup> [Welsh Government Consolidated Accounts 2024-25, page 80](#)

*Joint Nature Conservation Committee, and Natural Resources Wales, amongst others.”<sup>155</sup>*

**135.** Adding:

*“We are mindful, when we have discussions with tenants, of what the perception may or may not be elsewhere, and if there are any additional measures we need to put in place. As of 31 December last year, we have just under 1,400 tenant staff from across 23 public sector organisations across the totality of our estate, and we have more public bodies that we are looking to onboard. This is forecast this year to generate income of around about £1.8 million to help offset some of the deficit that we have across the central services budget.”<sup>156</sup>*

**136.** In terms of ensuring the operational independence of those bodies, the Director also confirmed:

*“There is a physical separation of space where necessary, including passes that can only access particular areas, as you’d expect there to be.”<sup>157</sup>*

## **Evaluation and lessons learnt**

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**137.** When asked about work to date to evaluate the Welsh Government 2025 Programme, the Chief Operating Officer explained:

*“The programme itself was ambitious, but it was never supposed to be the end game. This gives us the foundations to provide the next programme, and to build on that. That’s the important thing: ensuring that we have a continuum of organisational improvement.”<sup>158</sup>*

**138.** Reflecting on the programme, the Chief Operating Officer stated:

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<sup>155</sup> Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 188

<sup>156</sup> Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 189

<sup>157</sup> Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 188

<sup>158</sup> Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 158

*“... one of the things that I’m aware of ... is that we don’t have a robust enough system to track everything that changed during that period and the decisions that perhaps created the reasons why we had to change. I’m confident that there are reasons, and that it is clear, but we haven’t tracked it in the way that we could do—we can press a button now and pull together a report that explains everything. So, there is some learning for us there to ensure that, at the beginning of the next programme, we have the right structure so that we can ensure that we capture everything and can learn from the things that go well and ensure that we learn from the things that haven’t gone as well.”<sup>159</sup>*

### 139. Adding:

*“... it’s to do with the way that the programme was established at the outset, in my opinion. People had a different viewpoint at the time, and that’s fine, but I would have done things a bit differently, with more of a structure around how we established the programme.”<sup>160</sup>*

## Workforce strategy

**140.** When asked how the Welsh Government had acted on the Auditor General’s recommendations on workforce planning, published in September 2022<sup>161</sup>, specifically about the development of a workforce strategy, the Director explained:

*“The auditor general’s report back in 2022 highlighted a number of challenges, including improvements to workforce planning that needed to be implemented. Welsh Government have implemented a delegations framework around workforce planning that provides clarity to directors and to directors general around the opportunities they have to operate within that framework on all resourcing matters. Matters have been complicated over the last couple of years because of the financial constraints we find ourselves in, and therefore we have*

<sup>159</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 166](#)

<sup>160</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 167](#)

<sup>161</sup> [Auditor General for Wales, ‘Welsh Government workforce planning and management’, September 2022, page 8](#)

*operated under an 'external by exception' rule. Nevertheless, within that, we have done a number of measures directly linked to the report.*<sup>162</sup>

**141.** The Director added:

*"... despite some of the system constraints that we've been operating within, both financial and technological, we have taken forward almost all of the recommendations within the auditor general's workforce planning review from 2022. As a result, I think we're in a much stronger position now to have a more agile workforce than we've been in previous years."*<sup>163</sup>

**142.** When asked about the work undertaken by the Welsh Government in relation to enhancing its capacity to support the legislative programme, the Permanent Secretary stated:

*"... an external review was undertaken of our approach to legislation and whether we could make some improvements. That has translated into a legislative improvement plan for the organisation, which is targeting how we can have some better approaches to support legislation. Some of those areas are about capacity and resilience in the organisation. Some of them are actually about processes and procedures."*<sup>164</sup>

## **Managing Welsh Public Money**

**143.** The Welsh Government last updated Managing Welsh Public Money, which sets out the framework and principles for managing public resources responsibly in the public interest, in January 2016.<sup>165</sup>

**144.** In April 2020, the Welsh Government told our predecessor Committee it had planned to refresh Managing Welsh Public Money in 2020-21. However, this work

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<sup>162</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 172](#)

<sup>163</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 174](#)

<sup>164</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 179](#)

<sup>165</sup> [Welsh Government, Managing Public Money, January 2016](#)

had been impacted by the COVID-19 outbreak.<sup>166</sup> The Welsh Government then planned to complete the revised version during 2022.<sup>167</sup>

**145.** In October 2024, the Permanent Secretary said the Welsh Government would issue chapters as they were updated but officials would “undertake a comprehensive review of the entire document”.<sup>168</sup> It aimed to complete this by December 2025.

**146.** The Committee noted, at the time of its scrutiny of the 2024-25 Accounts, the Welsh Government had not published any updated chapters and it sought an explanation. The Permanent Secretary explained this was “a very complex and technical task for us to work through”, explaining “a lot of the team who are associated with needing to provide the update have very technical roles, not least associated with the annual accounts process”.<sup>169</sup>

**147.** The Permanent Secretary went on to note, in January 2026, a secondee had joined the Welsh Government and would be “solely dedicated to moving through this piece of work, just to try and make some progress ...”.<sup>170</sup>

**148.** Separate to this, the Director of Finance added:

*“I’ve just appointed...a new senior official, whose job will be to update and maintain ‘Managing Welsh Public Money’ going forward, so, hopefully, we will never be in this position again”.*<sup>171</sup>

**149.** He added “hopefully, this time next year, we will be in a position where all the chapters will be refreshed”,<sup>172</sup> later adding “with a fair wind over the next six months to a year, I will be there with it completed”.<sup>173</sup> He also said:

*“... nothing has fallen down. The actual existing guidance and frameworks are still relevant today. I use them, and, equally, my team are there on hand to offer support, both within Welsh Government*

<sup>166</sup> [Letter from the Permanent Secretary to the Public Accounts Committee of the Fifth Senedd, 23 April 2020](#)

<sup>167</sup> [Welsh Government Consolidated Accounts 2020-21, page 110](#)

<sup>168</sup> [Letter from the Permanent Secretary to the Chair regarding the timeline for updating Managing Welsh Public Money, 3 October 2024](#)

<sup>169</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 55](#)

<sup>170</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 57](#)

<sup>171</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 63](#)

<sup>172</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 64](#)

<sup>173</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 68](#)

*and to the wider public sector as well, which they do on a daily basis.*<sup>174</sup>

**150.** He noted:

*“... I do apologise that we haven’t got a shiny new book to show you, but we are on the road. And I think we have made significant strides, and I’ve got things in place now to deliver going forward.”*<sup>175</sup>

## Oversight of Arm’s Length Bodies

**151.** Following a review of its sponsoring arrangements with public bodies to identify improvements, in June 2018 the Welsh Government decided to establish a Tailored Review programme.<sup>176</sup> Its objective was to provide assurance to Ministers, the Principal Accounting Officer and the Arm’s-Length Bodies (ALBs) on whether they “remain fit for purpose and are well governed and properly accountable”.<sup>177</sup>

**152.** By July 2023, the Welsh Government had commissioned and reported on the Tailored Reviews of only two of its ALBs, the National Library for Wales in September 2020<sup>178</sup> and Amgueddfa Cymru in July 2023.<sup>179</sup> It had also completed thematic reviews, including board recruitment in August 2024<sup>180</sup> and the royal charters of public bodies in September 2024.<sup>181</sup>

**153.** In April 2025, along with providing an update about progress made in implementing its self-assessment approach, the Permanent Secretary reported the UK Government had halted its Tailored Review programme and had no plans to restart it. He added:

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<sup>174</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 64](#)

<sup>175</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 65](#)

<sup>176</sup> [Letter from the Permanent Secretary to the Chair regarding governance challenges posed by indirectly provided, publicly funded services in Wales, 17 January 2018](#)

<sup>177</sup> [Letter from the Permanent Secretary to the Chair regarding governance and oversight of arms-length bodies, 25 September 2018](#)

<sup>178</sup> [Welsh Government, Press Release: A tailored review of the National Library of Wales, 30 September 2020](#)

<sup>179</sup> [Welsh Government, National Museum Wales: tailored review, 13 July 2023](#)

<sup>180</sup> [Welsh Government, Public body board recruitment: thematic review, August 2024](#)

<sup>181</sup> [Welsh Government, Tailored review of Royal Charters of public bodies, 2 September 2024](#)

*“As a result, the Welsh Government will not be restarting a programme of Tailored Reviews but is looking to offer a number of options for further, more detailed reviews of bodies. This will offer a more flexible approach to reviews based on the results of each self-assessment exercise. A further update on the roll out of the self-assessment exercise will be provided in due course.”<sup>182</sup>*

**154.** When asked why the Welsh Government had stopped the reviews, the Director, People and Places, stated:

*“Our original intent was to complete one review of each public body per Senedd term. We undertook two tailored reviews and it was quickly identified that each tailored review was complex, taking somewhere between 12 to 24 months to complete, and therefore our original intent was unachievable, due to those timescales.”<sup>183</sup>*

**155.** The Director went on to say the Welsh Government had “agreed that we would trial the UK Government’s self-assessment model, and that any future reviews would then take place on a risk-based approach”. He also stated that “20 bodies will undertake the self-assessment model”.<sup>184</sup>

**156.** He also stated:

*“... I’m not complacent in this area and we will need to review the self-assessment model after completion of all 20 bodies. I will be keen to explore the benefits, and, indeed, any limitations of the methodology of the self-assessment model. And subject to undertaking that review, which we’ll do in line with our internal public bodies reference group, we’ll then look to put in place ongoing arrangements over the next Senedd term so that our public bodies undertake their assessments accordingly.”<sup>185</sup>*

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<sup>182</sup> [Letter from the Permanent Secretary to the Chair regarding Scrutiny of Accounts - Welsh Government 2023-24, 1 April 2025](#)

<sup>183</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 89](#)

<sup>184</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 90](#)

<sup>185</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 93](#)

## Grant Expenditure

**157.** The Welsh Government awards grant funding to public, third and the private sectors for a diverse range of purposes aligned to Welsh Government ministerial policies, including core/project funding, capital/revenue grants as well as funding running costs for Welsh Government Sponsored Bodies and subsidiaries.<sup>186</sup>

**158.** We noted the value of the Welsh Government's grant expenditure for specific sectors in 2024-25 was significantly different to that in the preceding financial year. For example, the Welsh Government's expenditure on unhypothecated grants for Central Government and Public Corporations was £8 million in 2024-25<sup>187</sup> compared to £720 million in 2023-24<sup>188</sup>. Similarly, hypothecated grant expenditure for Welsh Government Sponsored Bodies was £850 million in 2024-25<sup>189</sup> compared to £78 million in 2023-24<sup>190</sup>.

**159.** We sought an explanation for the significant differences in grant expenditure for some sectors. The Director of Finance explained:

*"... I think it's true to say that the value of the overall percentage of grant expenditure has gone up from one year to the next. If I remember, it's gone up by £800 million from 2023-24 to 2024-25 ... However, that proportionality has remained stable over the last few years, about 94 per cent of spend, if I recall. And that is after looking at the spend on grants compared to the overall operating expenditure of Welsh Government."*<sup>191</sup>

**160.** In its January 2026 report, 'The Building Blocks? Capital Planning in Councils in Wales', Audit Wales noted the Welsh Government's processes varied for different grants and "sometimes the scale of requirements vary significantly and are not necessarily proportionate to the funding available".<sup>192</sup> Audit Wales also said:

*"Although the Welsh Government has taken steps to standardise parts of its restricted grant processes, its business case requirements*

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<sup>186</sup> [Welsh Government Consolidated Accounts 2024-25, page 26](#)

<sup>187</sup> [Welsh Government Consolidated Accounts 2024-25, page 26](#)

<sup>188</sup> [Welsh Government Consolidated Accounts 2023-24, page 24](#)

<sup>189</sup> [Welsh Government Consolidated Accounts 2024-25, page 26](#)

<sup>190</sup> [Welsh Government Consolidated Accounts 2023-24, page 24](#)

<sup>191</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 49](#)

<sup>192</sup> [Audit Wales, The Building Blocks? Capital Planning in Councils in Wales, January 2026, page 14](#)

*for grants vary. The Welsh Government has developed standardised documents and processes for some of the grants it offers. However, most of this work has focused on revenue grants. This means that there is potential for confusion if different parts of the Welsh Government use different terms to meet the requirements of the Green Book. Greater consistency in how the Welsh Government awards grants could reduce the risk of duplication and help councils to have a clear understanding of requirements to access grants. This has the potential to improve efficiency and therefore VFM.”<sup>193</sup>*

**161.** When asked to address these points, the Director for Finance said “I slightly disagree with that statement—I think there is equal emphasis on capital as revenue within Welsh Government”.<sup>194</sup> When asked to clarify he said:

*“... I think the grants centre of excellence—working with colleagues in legal, subsidy control and governance—have put together excellent materials to put out to grants managers: basically how to do these things properly, safely and compliantly. And with everything, things can go wrong... I think we have got a good process, good procedures, within Welsh Government, to manage the grants process”.<sup>195</sup>*

## COVID 19 Business Support

**162.** We have monitored the Welsh Government’s progress in completing its Economic Resilience Fund Post Completion Monitoring (‘ERF PCM’) during its scrutiny of the annual accounts.<sup>196</sup>

**163.** In April 2025, the Welsh Government confirmed it would conclude ERF PCM at the end of March 2025. A formal notice of recovery of the grant was to be issued to all businesses from which the Welsh Government had not received the required information.<sup>197</sup>

<sup>193</sup> [Audit Wales. The Building Blocks? Capital Planning in Councils in Wales. January 2026. page 15](#)

<sup>194</sup> [Public Accounts and Public Administration Committee. RoP. 12 February 2026. paragraph 39](#)

<sup>195</sup> [Public Accounts and Public Administration Committee. RoP. 12 February 2026. paragraph 42](#)

<sup>196</sup> [Public Accounts and Public Administration Committee. Scrutiny of Accounts Welsh Government 2020-21. March 2023. Recommendation 15](#)

<sup>197</sup> [Letter from the Permanent Secretary to the Chair regarding Scrutiny of Accounts - Welsh Government 2023-24. 1 April 2025](#)

**164.** The Welsh Government provided an update in its response to the Committee’s report on the scrutiny of the 2023-24 Accounts. As at the end of October 2025 across all eight phases of ERF, 428 awards to a value of £21,710,303 (of £1.6 billion) were still to provide all monitoring information. The Welsh Government had invoiced businesses £14,441,721 of the £21,710,303 and it committed to provide a final closing position report to the Committee no later than March 2026.<sup>198</sup>

**165.** During our scrutiny of the 2024-25 Accounts, the Permanent Secretary said there were “about 400 outstanding pieces of information” it needed.<sup>199</sup> He confirmed:

*“There is an intention to finally close down this process, which we would expect to be done by the end of April. But if there are any remaining non-responses from clients, they all remain live on our systems so that we can inform any future schemes as well.”<sup>200</sup>*

## Programme and Project Management

**166.** The Welsh Government sets out information in its 2024-25 Accounts about the ten reviews for which its Internal Audit Services provided limited assurance opinions in the year. These included the arrangements for the Welsh Government’s Programme and Project Management (‘PPM’).<sup>201</sup>

**167.** Last year, the Welsh Government told the Committee it had 141 recommendations relating to PPM to implement. In April 2025, officials told the Committee while some progress had been made, the “next step will be to have a fuller picture of the project professionals across WG [Welsh Government], which will be the catalyst to embed the required level of cultural change”.<sup>202</sup>

**168.** In its May 2025 report on the Wales Infrastructure Investment Strategy, Audit Wales said the “Welsh Government did not have a clear understanding of

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<sup>198</sup> [Letter from the Permanent Secretary to the Chair regarding Scrutiny of Accounts - Welsh Government 2023-24, 27 October 2025](#)

<sup>199</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 133](#)

<sup>200</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 132](#)

<sup>201</sup> [Welsh Government Consolidated Accounts 2024-25, page 113](#)

<sup>202</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts Welsh Government 2023-24, September 2025, page 48](#)

infrastructure programme and project management skills across the organisation”,<sup>203</sup> an issue we also noted.<sup>204</sup> Audit Wales recommended:

*“The Welsh Government should urgently strengthen the overall approach to programme and project management, acting on internal audit recommendations, putting in place effective leadership arrangements, and prioritising capacity to support departments.”<sup>205</sup>*

**169.** During our scrutiny of the 2024-25 Accounts, we sought an update about the progress the Welsh Government had made in this important area and in implementing the 141 recommendations relating to improving PPM. The Chief Operating Officer explained:

*“Those 141 recommendations are a major target. I’ve asked the team to look at those again. I think that there is a way that we can put those in in a way that we can manage them better, in order to develop them ... I don’t want to put a time frame on it, but I can come back within the next six months with a programme of work to be really clear on what we can do with that. We’re sitting on an audit, which is making me very uncomfortable, and I want to change that within the next year, if possible.”<sup>206</sup>*

## Committee View

**170.** The Committee notes evidence which suggests that the accounts are being produced by a small team which is using ageing IT systems. Whilst we believe that organisational cultures and effective business processes play their part when producing accounts, we recognise using out-dated systems carries significant risks, as recognised by the Welsh Government’s own Head of Internal Audit.

**171.** We understand that replacing a new finance system is part of the Transforming Corporate Systems (‘TCS’) programme, which carries an estimated cost of between £55 million to £65 million. The Committee welcomes engagement with and learning from other parts of UK in taking forward the TCS

<sup>203</sup> [Audit Wales. The Wales Infrastructure Investment Strategy. 22 May 2025. page 35.](#)

<sup>204</sup> [Public Accounts and Public Administration Committee. Scrutiny of Accounts Welsh Government 2023-24. September 2025. page 52](#)

<sup>205</sup> [Audit Wales. The Wales Infrastructure Investment Strategy. 22 May 2025. Recommendation 1. page 8.](#)

<sup>206</sup> [Public Accounts and Public Administration Committee. RoP. 12 February 2026. paragraph 119](#)

programme but would like further clarity on the costs involved, particularly as this will be strategic investment decision over a number of years.

**172.** The Committee has previously suggested it would expect the Welsh Government to expedite the process for replacing these systems and recognises that officials are looking to bring forward a full business case in April 2026. The Committee believes that transitioning to updated systems needs to be a priority for the next Welsh Government, especially given the significant risks relating to outdated systems and the high likelihood of them being realised if this does not happen. This is particularly important given evidence which suggests that it may take two to four years to implement new system(s) after a business case is approved. It is also important for the Welsh Government to realise the wider benefits from the new systems.

**Recommendation 6.** The Committee recommends that the Welsh Government provides a breakdown of the estimated costs of the Transforming Corporate Services programme, which are currently estimated to range from £55 million to £65 million, and the related benefits, as well as details of the period over which the costs and benefits will arise, once confirmed as part of the full business case.

**Recommendation 7.** The Committee recommends that the Welsh Government takes steps to expedite its plans to replace or modernise its IT systems, as part of its Transforming Corporate Services programme, and commits to continue to learn from others to maximise outcomes and ensure value for money.

**173.** The Committee welcomes the Welsh Government's publication of the Outturn Report for 2024-25, soon after the Auditor General laid the 2024-25 Accounts before the Senedd. This is the third consecutive year in which the Welsh Government has done so in sufficient time to enable the Committee to consider it alongside its scrutiny of the annual accounts.

**174.** However, the Committee notes, with regret, that the Welsh Government had not published its pay policy statement alongside its accounts, and in time for scrutiny of the 2024-25 Accounts on 4 and 12 February. We ask the Welsh Government to explain why this was the case and commits to ensuring, in future, such information is made available alongside the accounts.

**Recommendation 8.** The Committee recommends that the Welsh Government explains why it did not publish the Pay Policy Statement for 2025 in time for the Committee to scrutinise it alongside its 2024-25 Accounts and ensures it

publishes its annual Pay Policy Statement in sufficient time for our successor Committee to scrutinise it alongside the accounts, each year.

**175.** The Committee notes significant changes in staff at Director General level within the Welsh Government and the processes and procedures that were described to us for each appointment, including obtaining approval from the Cabinet Office Senior Leadership Committee and the Civil Service First Commissioner. We also note the Auditor General will review these processes as part of the audit of the Welsh Government Accounts 2025-26 later this year.

**176.** However, the Committee was not persuaded by the reasons provided by the Permanent Secretary for changing the postholder for Director General for Health, Social Care and Early Years Group, and creating a new Director General for Strategy post. We heard the new post of Director General for Strategy is an interim appointment. The postholder is the former Director General, Health, Social Care and Early Years Group, whose reported salary band for 2024-25 was £225,000 to £230,000.<sup>207</sup> which equates to the salary of a Chief Executive of a Local Health Board. While we do not consider the evidence sufficiently demonstrated the roles of Director General, Health, Social Care and Early Years Group and Director General for Strategy are commensurate, we heard the Welsh Government completed a job evaluation of the new post, and would welcome additional information about that exercise.

**177.** The evidence noted by the Committee also points to a significant gap between the salary for the Permanent Secretary and the then Director General for Health, Social Care and Early Years with that for the other Directors General in the Welsh Government in 2024-25, with the next highest earning between £140,000-£145,000.<sup>208</sup> We explored the Permanent Secretary's terms and conditions of employment during our scrutiny of the Welsh Government's 2020-21 Accounts.<sup>209</sup> We now ask the Welsh Government to justify the gap between the salary for the Director General for Health, Social Care and Early Years for 2024-25 with that for the other Directors General.

**178.** The Committee was interested to learn that the new Director General for Health, Social Care and Early Years is a "direct temporary appointment", something the Welsh Government did not set out in its announcement. Nor is this

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<sup>207</sup> [Welsh Government Consolidated Accounts 2024-25, page 145](#)

<sup>208</sup> [Welsh Government Consolidated Accounts 2024-25, page 145](#)

<sup>209</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts Welsh Government 2020-21, March 2023, pages 15 and 16](#)

clear from the Accounting Officer System Statement, in which the presentation of information about the Director General for Health, Social Care and Early Years contrasts with that for the Director General for Education, Culture and Welsh Language, to which the Welsh Government has also made an interim appointment and which is clearly stated.<sup>210</sup> Also, the governance structure does not note the Director General for Strategy is an interim post. We further note the Welsh Government's published organisation chart (dated August 2025) does not include the Director General for Strategy role.

**179.** We also heard the appointment of the new Director General for Health, Social Care and Early Years was made under exception 3 of the Civil Service Commission's recruitment principles. The Committee understands, from documents published by the Civil Service Commission, that exception 3 relates to secondments rather than "direct temporary appointments".<sup>211</sup> The documentation suggests the Welsh Government has appointed the new Director General for Health, Social Care and Early Years under a secondment arrangement for 18 months.<sup>212</sup> We believe the Welsh Government should have made clear, in its evidence to us, the basis of the appointment and we call on the Welsh Government to confirm the arrangements.

**180.** In our report on the scrutiny of the Welsh Government 2020-21 Accounts, we recommended that any future secondment arrangements, both inward and outward, relating to staff at Senior Civil Service Pay Band 2 and over (Director, Director General and Permanent Secretary, including Chiefs Dental, Digital, Medical, Nursing, Social Care, Scientific and Veterinary Officer, as well as Chief Executives) within the Welsh Government are clearly communicated and set out to the Public Accounts and Public Administration Committee. This includes any changes to the periods of the secondments.<sup>213</sup>

**181.** The Permanent Secretary accepted our recommendation and committed to ensure the HR team informs the Committee about future secondments when they commence and when any amendments to their term are made, where applicable.<sup>214</sup> Assuming our understanding is correct about the basis for the appointment, it is disappointing the Welsh Government failed to notify us of the secondment arrangement for the Director General for Health, Social Care and

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<sup>210</sup> [Welsh Government Accounting Officer System Statement, December 2025, page 13](#)

<sup>211</sup> [Civil Service Commission, Exceptions at and above Payband 2 2025/26, July 2025, page 2](#)

<sup>212</sup> [Civil Service Commission, Exceptions at and above Payband 2 2025/26, July 2025, page 2](#)

<sup>213</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts 2020-21, March 2023, page 32](#)

<sup>214</sup> [Letter from the Permanent Secretary, 19 May 2023](#)

Early Years. We request an explanation why this happened and query whether the Welsh Government has, since we published our report in March 2023, made any other inward or outward secondments above Senior Civil Service Pay Band 2 about which it has not informed the Committee.

**182.** We further note that the Welsh Government explains in its 2024-25 Accounts, “While the size of the Senior Civil Service (SCS) slightly reduced, some roles were advertised with salaries above the band minimum to attract candidates, and some high-salaried secondees have become permanent, affecting pay averages”.<sup>215</sup> We would welcome information about these roles.

**183.** These matters, including the interim nature of a number of senior posts, suggests potential fragility within senior leadership in the Welsh Government at a time when stable leadership is needed within the organisation to prepare for Senedd expansion and to support an incoming government after May 2026. Furthermore, we understand that the Permanent Secretary’s own secondment will end on 31 October 2026, with the post not yet advertised and the next steps around this appointment not decided at the time of our evidence session.

**Recommendation 9.** The Committee recommends that the Welsh Government explains how it balanced the perceived benefits of moving the former Director General for Health, Social Care and Early Years to the new role of Director General for Strategy with the consequences of a change in leadership of the NHS for what may be short period and at an important time.

**Recommendation 10.** The Committee recommends that the Welsh Government justifies the gap between the 2024-25 salary for the then Chief Executive of NHS Wales and Director General for Health, Social Care and Early Years with those for the other Directors General in the Welsh Government.

**Recommendation 11.** The Committee recommends that the Welsh Government provides an update about the arrangements regarding the post of Permanent Secretary, given that Dr Andrew Goodall’s secondment term is due to end on 31 October 2026.

**Recommendation 12.** The Committee recommends that the Welsh Government provides details about the job evaluation undertaken for the new Director General for Strategy post, with an explanation of how the role and salary compare with

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<sup>215</sup> [Welsh Government Consolidated Accounts 2024-25, page 151](#)

those for other Directors General, as well as confirmation of the period for which the postholder has been appointed to the role.

**Recommendation 13.** The Committee recommends that the Welsh Government confirms the basis on which the new Chief Executive, NHS Wales and Director General for Health, Social Care and Early Years has been appointed since officials noted in evidence this was a “direct temporary appointment” but the documentation published by the Civil Service Commission suggests a secondment for 18 months.

**Recommendation 14.** Assuming the new Chief Executive, NHS Wales and Director General for Health, Social Care and Early Years has joined on secondment, the Committee recommends that the Welsh Government explains why it did not notify it of the arrangement and provides information to the Committee about any other inward and outward secondments at or above Senior Civil Service Pay Band 2 since we published our report in March 2023 about which it has not informed the Committee.

**Recommendation 15.** The Committee recommends that the Welsh Government provides further information on the Senior Civil Service roles advertised by the Welsh Government above the band minimum to attract candidates in 2024-25, as well as its assessment of the wider implications of this approach.

**184.** The Committee has previously challenged the Welsh Government about the timeframes for publishing the register of interests of senior officials, having done so during its scrutiny of the 2021-22 Accounts in February 2023.<sup>216</sup>

**185.** We note, in its 2024-25 Accounts, the Welsh Government says “Ensuring effective management of any conflicts of interest is a key aspect of any effective governance framework and system of internal control”.<sup>217</sup> It says its controls include all relevant staff making an annual return which is published on the Welsh Government Internet site (disclosing all board and similar memberships of third party organisations held by Welsh Government officials).<sup>218</sup>

**186.** It is disappointing, at the time of our scrutiny sessions relating to the 2024-25 Accounts and preparing our report, the published register of interest for senior officials had not been updated since January 2024. We are also concerned that

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<sup>216</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts – Welsh Government 2021-22, October 2023, page 46](#)

<sup>217</sup> [Welsh Government Consolidated Accounts 2024-25, page 118](#)

<sup>218</sup> [Welsh Government Consolidated Accounts 2024-25, page 118](#)

the Welsh Government last updated its webpage for the register of interests for external board membership around the same time, in January 2024, and the Permanent Secretary was not aware of this discrepancy.

**Recommendation 16.** The Committee recommends that the Welsh Government clarifies what internal procedures it has in place for ensuring its website pages for the published registers of interests for senior officials and external board members are kept up to date, and explains why, at the time of our scrutiny of the 2024-25 Accounts and preparing our report, these had not been updated since January 2024.

**187.** The Committee notes the Welsh Government’s “light touch review” of its staff performance management arrangements and the increase in related scores in Pulse Surveys, but notes from evidence that further work is required in this area. We also welcome the relatively high confidence scores for management in the Welsh Government and that the bullying and harassment rate has halved, with the Welsh Government scoring the lowest figures across the UK Civil Service.

**188.** The Committee welcomes the Welsh Government’s commitment to provide information about how many Welsh Government staff were dismissed for poor performance in the year to 31 March 2025 as well as how many staff were reported to be on performance improvement plans.

**Recommendation 17.** The Committee recommends that the Welsh Government provides information about the number of staff who were dismissed for poor performance in the year to 31 March 2025 and of the total staff in post at 31 March 2025, how many were reported to be on performance improvement plans.

**189.** The Committee notes developments under the ReSpace workstream through which the Welsh Government has provided 50 per cent of its estate for co-location with other bodies. Although we welcome details about the bodies resident in the Welsh Government’s Cathays Park offices, we would welcome a list of all the bodies occupying the Welsh Government’s estate and the processes and procedures in place to ensure distinct office spaces providing operational independence, particularly for those bodies independent of the Welsh Government.

**Recommendation 18.** The Committee recommends that the Welsh Government provides a list, by building, of the organisations to which it is providing accommodation, setting out the terms of the arrangements and how their operational independence is secured under such arrangements.

**190.** The Committee welcomes the reflective approach taken by the Welsh Government in assessing the effectiveness of the Welsh Government 2025 programme and in exploring what could have been done differently. We are particularly interested in evidence which suggests that structural improvements are required in the way progress within the programme is monitored and believe that such improvements could also be used as a basis for monitoring future programmes.

**191.** While the Committee accepts that the Welsh Government 2025 programme is a continuous process, we nonetheless found it difficult to understand its milestones and delivery schedule, and particularly whether it had completed the actions planned under the programme by December 2025 and what it had yet to do.

**Recommendation 19.** Recognising the evidence about it being part of a continuous process of improvement but noting the original timescale for the programme, the Committee recommends that the Welsh Government confirms whether it had completed the actions planned under its Welsh Government 2025 programme by December 2025 and, if not, provides details of any outstanding actions it had yet to complete at that date.

**192.** The Committee notes the initiatives in place within the Welsh Government relating to workforce planning as part of the Welsh Government 2025 programme. However, it was not clear from the evidence received whether officials had prioritised the development of a workforce strategy that includes a clear assessment of long-term future workforce needs, in line with the Auditor General's recommendations.

**193.** The Committee also notes evidence regarding the external review of its legislative processes led by David Noble which informed a new Legislative Improvement Plan. We understand that the review identified the need for greater organisational capacity and clearer procedures.

**194.** The Permanent Secretary wrote to the Committee following the evidence session to provide further detail on the Welsh Government's plans to improve the way it supports the development and delivery of legislation.<sup>219</sup> These include establishing a central Legislation Division led by a Senior Civil Servant to "strengthen the overarching management of the legislative programme

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<sup>219</sup> [Letter from the Permanent Secretary to the Chair regarding Welsh Government's Legislative Improvement Plan, 27 February 2026](#)

(including subordinate legislation), develop and deploy specialist staff to individual projects ...and provide a central hub for advice, support and training in relation to legislation".<sup>220</sup> While we welcome the additional information, in the absence of the external review, we have not been able to assess whether the changes the Welsh Government has introduced address the findings. As such, we ask for a copy of the external review's report to be provided, as well as information about how the Welsh Government will assess the effectiveness of its legislative improvement agenda in supporting legislative delivery in the Seventh Senedd.

**Recommendation 20.** The Committee recommends that the Welsh Government explains how it is implementing the Auditor General for Wales's recommendation in September 2022 that it should prioritise the development of a long-term workforce strategy, which includes a "clear assessment of long-term future workforce needs to deliver on policy priorities as well as core statutory functions" and shares a copy of the strategy with the Committee.

**Recommendation 21.** The Committee recommends that the Welsh Government shares a copy of the external review led by David Noble with our successor Committee, along with information about how it will assess the effectiveness of its legislative improvement agenda in supporting legislative delivery in the Seventh Senedd.

**195.** The Committee notes the Welsh Government hopes to have completed its review of Managing Welsh Public Money by "this time next year". Having previously reported our concerns with the Welsh Government's delays in updating this vital document, we note it has again failed to meet its targets by not publishing chapters as they were updated and a review of the whole document by December 2025. We find it incomprehensible that officials have not afforded it a higher priority. The Committee further notes the evidence which suggested "nothing is falling down". We do not share this view and it is not reflected in our work during this Senedd. For, example, we reported related concerns about the payment to the former Permanent Secretary at the time of her departure, set out in our report on the scrutiny of the 2020-21 Accounts.<sup>221</sup>

**196.** In our report on the scrutiny of the 2022-23 Accounts, we also noted that the Auditor General's Public Interest Report concerning the governance

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<sup>220</sup> [Letter from the Permanent Secretary to the Chair regarding Welsh Government's Legislative Improvement Plan, 27 February 2026](#)

<sup>221</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts Welsh Government 2020-21, March 2023](#)

arrangements at Amgueddfa Cymru (November 2023) identified a discrepancy between the Welsh Government's "calling in" arrangement for its Arm's Length Bodies and the guidance in Managing Welsh Public Money.<sup>222</sup> The Auditor General said this discrepancy was "not conducive to robust stewardship of public money".<sup>223</sup>

**197.** Although we welcome that a review is finally underway, it is unacceptable that we will end this Senedd term as we started, without an updated document. We do not understand why it may take another year to complete this work.

**Recommendation 22.** The Committee recommends that the Welsh Government provides an update to our successor Committee about the progress it has made in updating Managing Welsh Public Money by September 2026.

**198.** As we noted in our report on the scrutiny of the Welsh Government's 2023-24 Accounts, we are disappointed that, having monitored closely the developments in this area, the results of the self-assessment model for the Welsh Government's Arm's Length Bodies will come too late for the Committee to consider them.<sup>224</sup> Such delays, along with the time taken to update other documents, initiatives and programmes explored elsewhere in this report (namely the Managing Welsh Public Money document, and the Programme and Project Management arrangements) points to a lack of urgency in grappling with governance issues.

**199.** The Committee has previously expressed concerns regarding both the Welsh Government's decision not to restart the Tailored Review Programme and the time taken to implement its risk assessment model. The Committee notes the evidence which indicates the intent of the Tailored Review Programme was unachievable. However, we found that the reasons provided to justify this view were unclear, other than the long period of time they had taken.

**200.** The tailored review reports for the National Library for Wales<sup>225</sup> and Amgueddfa Cymru<sup>226</sup> noted the reviews had been conducted based on the methodology suggested in, or in due consideration of, the Cabinet Office

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<sup>222</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts Welsh Government 2022-23, page 46](#)

<sup>223</sup> [Audit Wales, Governance arrangements relating to an employment dispute at Amgueddfa Cymru - National Museum Wales, November 2023, page 33](#)

<sup>224</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts Welsh Government 2023-24, September 2025, page 53](#)

<sup>225</sup> [A Tailored Review of the National Library for Wales, March 2020, page 3](#)

<sup>226</sup> [Amgueddfa Cymru/Museum Wales, Final report of the Tailored Review Panel, July 2023, page 6](#)

guidance, 'Tailored Reviews: Guidance on Reviews of Public Bodies' (May 2019).<sup>227</sup> This was withdrawn in August 2023.<sup>228</sup>

**201.** We note, in providing an update about its self-assessment model, the Welsh Government said:

*"Where a need for a wider review is identified by Welsh Government or the body itself, there are a number of review methods available. These include a focus on key issues identified through the assessment, a Critical Friend Review or similar tool from the Welsh Government Policy Gateway and Integrated Assurance Hub, or an internally led Rapid Review."<sup>229</sup>*

**202.** Given the evidence from Industry Wales, covered in chapter 2 of our report, we were keen to explore with the Welsh Government its arrangements and guidance for such reviews going forward. Alongside matters relating to the review of Industry Wales, we identify the Welsh Government's arrangements for the oversight of its Arm's Length Bodies as a priority for our successor committee.

**Recommendation 23.** The Committee recommends that our successor committee considers the Welsh Government's arrangements for the oversight of its Arm's Length Bodies as a priority issue, including the outcomes following review of the application of the self-assessment model by the 20 bodies.

**203.** In our report on the scrutiny of the Welsh Government's 2021-22 Accounts, we noted much of the focus of our scrutiny that year had been on the need for the accounts to more clearly tell the story about Welsh Government expenditure and what it has delivered. Many of our findings pointed to the need for additional information to be included in the accounts to aid understanding of this.<sup>230</sup> In our report, we recommended the Welsh Government reviews the content of its accounts to ensure it is properly telling the story about its expenditure and what it has delivered. We noted the Welsh Government should, in particular, consider the information it includes about its grant funding, which accounts for a significant

<sup>227</sup> [Cabinet Office, Tailored Reviews: Guidance on Reviews of Public Bodies, May 2019](#)

<sup>228</sup> [UK Government Guidance Tailored reviews of public bodies: guidance](#)

<sup>229</sup> [Letter from the Chief Operating Officer, Welsh Government, 6 June 2025](#)

<sup>230</sup> [Public Accounts and Public Administration Committee Scrutiny of Accounts - Welsh Government 2021-22, October 2023, page 5](#)

proportion of its expenditure, but this is not reflected in the balance of information in the accounts.<sup>231</sup>

**204.** In response to the Committee's recommendations, the Welsh Government has made changes to the narrative sections of its accounts. These include using infographics to display information, providing hyperlinks to other Welsh Government publications to improve accessibility for readers, being clearer about what the accounts cover, structuring the narrative of the Performance Report around five areas, using case studies and including a summary of the Statement of Financial Position (previously known as the 'Balance Sheet').

**205.** The Committee has also welcomed the analysis of outturn variance for each department by budget element in the notes to the Summary of Resource Outturn<sup>232</sup> and the presentation of information about the Welsh Government's risk profile in the Accountability Report.<sup>233</sup>

**206.** The Committee notes the steps taken by the Welsh Government to include more information in the section on administering grant expenditure in its annual accounts, including providing a breakdown of grant expenditure by sector and grant type, as well as its use of infographics to present this information. We also note the narrative which explains funding methods for unhypothecated grants and the range of different grants being allocated. These are matters that the Committee has commented on previously<sup>234</sup> and we welcome progress in this area.

**207.** However, given it represents a significant proportion of the Welsh Government's total expenditure, the Committee believes the Welsh Government could do more to 'tell the story' about its grant expenditure. This includes differentiating its funding allocations for the running costs for the NHS, local government and WGSBs from other types of grant expenditure. It should also include prior year comparatives in the infographics to show year-on-year trends, explaining the reasons for significant variances.

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<sup>231</sup> [Public Accounts and Public Administration Committee Scrutiny of Accounts - Welsh Government 2021-22, October 2023, page 28](#)

<sup>232</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts Welsh Government 2020-21, March 2023, page 57](#)

<sup>233</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts Welsh Government 2020-21, March 2023, page 57](#)

<sup>234</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts Welsh Government 2021-22, October 2023, Recommendation 1](#)

**Recommendation 24.** The Committee recommends that the Welsh Government provides explanations for the changes in the value of grant expenditure by sector and grant type in 2024-25 compared with 2023-24 and ensures it includes prior year comparatives and the main reasons for the changes year-on-year from now on.

**208.** The Committee notes the Audit Wales report, 'The Building Blocks? Capital Planning in Councils in Wales', published in late January. However, we note, at the time of our evidence sessions, the Welsh Government had not yet responded to the report and Audit Wales's recommendations.

**209.** The Committee notes that the Welsh Government has previously committed to provide a final closing position for the Post Completion Monitoring of the COVID-19 Economic Resilience Fund no later than March 2026. However, we were disappointed to learn from the Permanent Secretary that the Welsh Government would not now close this process until the end of April. We ask that the Welsh Government shares information with our successor Committee to allow this matter to be considered further.

**Recommendation 25.** The Committee recommends the Welsh Government provides its closing position on the Economic Resilience Fund to our successor Committee as soon as it is confirmed.

**210.** The Committee notes that the Welsh Government is working on implementing 141 recommendations relating to its Programme and Project Management arrangements, as well as evidence which confirmed that this is a "major target". We also note that the Welsh Government wants to have a clearer position on what it can achieve in this area and is committed to providing further updates within six months. However, the lack of clarity around timescales remains concerning, particularly given the historic slow pace of change in this area. We would welcome details about this programme of work so that we are assured that the Welsh Government is implementing the required changes and achieving the cultural change needed to drive improvements.

**Recommendation 26.** The Committee recommends that the Welsh Government sets out its programme for work to implement the 141 recommendations relating to its Programme and Project Management arrangements and drive cultural changes, including the associated timescales.

## 4. Legacy issues

**211.** As well as reflect on our work over the Sixth Senedd, this chapter identifies issues which our successor Committee may wish to consider further, including planned Audit Wales reports. A list of Audit Wales outputs which we have been unable to consider towards the end of the Sixth Senedd is included in **Annex 2**.

### **Our work in the Sixth Senedd**

**212.** Our work in the Sixth Senedd has varied widely and covered the breadth of Welsh Government functions, from scrutinising strategic programmes to examining detailed operational matters across the public sector. Our body of work has been robust, impactful and targeted at improving the economy, efficiency and effectiveness with which public money is spent. Some of our work has drawn, at least in part, on the value-for-money studies and other audit outputs prepared by the Auditor General. During the Sixth Senedd, such inquiries included looking at COVID-19 and its impact on matters relating to our remit, Active Travel in Wales, Gilestone Farm, Covering Teachers' Absence, Building Safety in Wales, Supporting Ukrainians in Wales, Regenerating Town Centres, Maximising EU Funding, Care Home Commissioning for Older People and Cancer Services in Wales.<sup>235</sup>

**213.** The Auditor General and Audit Wales staff advised us throughout these inquiries by contributing to briefings, providing expert support ahead of meetings and during our consideration of the evidence we receive. We have worked closely alongside Audit Wales to promote value for money in public expenditure and to highlight the mismanagement of public funds where necessary.

**214.** We have also conducted Committee-led inquiries and evidence sessions, pursuing matters of concern not linked directly to reports prepared by the Auditor General, such as those about Local Partnerships, Industry Wales and the new Velindre Cancer Centre. The evidence we gathered in relation to the new Velindre Cancer Centre also informed the Auditor General's more recent reporting on this topic in February 2026,<sup>236</sup> included at **Annex 2** of our report.

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<sup>235</sup> [Further information about the work undertaken during the Sixth Senedd is available on the Committee's website.](#)

<sup>236</sup> [Audit Wales. Private finance – public impact: Examining decision-making for the new Velindre Cancer Centre. February 2026](#)

**215.** Following up on the work of our predecessor committee and informed by Audit Wales outputs, we considered governance issues at Betsi Cadwaladr University Health Board.<sup>237</sup> This included holding a concurrent meeting with the Health and Social Care Committee. We also worked jointly with the Health and Social Care Committee for the scrutiny of Digital Health and Care Wales, during which we considered the progress made in implementing the recommendations of our predecessor Committee, among other things.<sup>238</sup> We also held a concurrent evidence session with the Health and Social Care Committee to consider the evaluation of the Social Services and Wellbeing (Wales) Act 2014.<sup>239</sup>

**216.** It has also been customary for us to undertake our scrutiny of accounts work over the autumn and spring terms each year, looking at the Senedd Commission and the Welsh Government. During the Sixth Senedd, the Committee scrutinised Amgueddfa Cymru's Financial Report for 2021-22, following the Auditor General's report about the governance arrangements relating to an employment dispute.<sup>240</sup> With the new appointment to the role and following our review of Commissioners, we also scrutinised the Future Generations Commissioner for Wales's Annual Report for 2022-23.<sup>241</sup>

**217.** Our predecessor Committee integrated some limited consideration of public administration as part of its annual scrutiny of accounts. However, the start of the Sixth Senedd term saw the extension of our Committee's Public Accounts remit to become the first dedicated public administration committee in the Senedd. We were given responsibility for scrutinising matters relating to the machinery of government, including the quality and standards of administration provided by the Welsh Government Civil Service and Welsh Government Sponsored Bodies. This enabled us to consider broader issues relating to:

- Public Appointments,<sup>242</sup>

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<sup>237</sup> [Public Accounts and Public Administration Committee, Betsi Cadwaladr University Health Board](#)

<sup>238</sup> [Public Accounts and Public Administration Committee, Scrutiny of Digital Health and Care Wales](#)

<sup>239</sup> [Public Accounts and Public Administration Committee and Health and Social Care Committee, Evaluation of the Social Services and Wellbeing \(Wales\) Act 2014](#)

<sup>240</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts: Amgueddfa Cymru 2021-22](#)

<sup>241</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts: The Future Generations Commissioner for Wales 2022-23](#)

<sup>242</sup> [Public Accounts and Public Administration Committee, Public Appointments](#)

- Cabinet manuals and the Ministerial Code;<sup>243</sup>
- The resourcing of Commissioners;<sup>244</sup> and
- The Welsh Government Public Bodies Unit.<sup>245</sup>

**218.** Aspects of this work we identify as priorities for our successor committee are set out in later sections of this chapter.

**219.** We also considered Module 1 of the UK COVID-19 Inquiry, which focused on the resilience and preparedness of the four nations of the United Kingdom. Our work examined the extent to which the Welsh Government has responded to the findings and recommendations of Module 1, the adequacy of the changes made to its approach to civil contingencies planning, and its preparedness for future emergencies.<sup>246</sup>

**220.** In addition, during the Sixth Senedd, the Committee scrutinised the Welsh Government's Legislative Consent Memoranda on the Procurement Bill,<sup>247</sup> the Public Authorities (Fraud, Error and Recovery) Bill,<sup>248</sup> and the Public Office (Accountability) Bill.<sup>249</sup> We also considered the Late payment (commercial transactions) Common Framework and the Common Framework for Public Procurement.<sup>250</sup>

**221.** At the time of our legacy reporting, there were various matters outstanding from our work, For example, where we were still to receive the Welsh Government's responses to our recommendations, where updates on previous responses have been promised, or where there will have been action ongoing more generally to discharge recommendations. Several of the topics described above may therefore feature to some extent in the work programme of our successor committee during the Seventh Senedd.

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<sup>243</sup> [Public Accounts and Public Administration Committee. Cabinet manuals and The Ministerial Code](#)

<sup>244</sup> [Public Accounts and Public Administration Committee. Review of Commissioners](#)

<sup>245</sup> [Public Accounts and Public Administration Committee. Welsh Government Public Bodies Unit \(PBU\)](#)

<sup>246</sup> [Public Accounts and Public Administration Committee. Consideration of the UK COVID-19 Inquiry Module 1 Report: Resilience and Preparedness](#)

<sup>247</sup> [Legislative Consent: Procurement Bill](#)

<sup>248</sup> [Legislative Consent: Public Authorities \(Fraud, Error and Recovery\) Bill](#)

<sup>249</sup> [Legislative Consent: Public Office \(Accountability\) Bill](#)

<sup>250</sup> [Public Accounts and Public Administration Committee. Late payment \(commercial transactions\) Common Framework - Common Framework for Public Procurement](#)

## Evidence Gathering

**222.** It has been important that our work during the Sixth Senedd has been informed by the experiences, needs, and views that reflect the diversity of the people and communities affected by the issues we have explored. As well as holding evidence sessions with witnesses, we have conducted consultations to inform our work and also explored other approaches to evidence gathering.

**223.** For our public appointments inquiry, the Senedd's Citizen Engagement Team gathered the views and lived experiences of people from different backgrounds including age, gender, ethnicity, and disability who hold, have held or have applied for public appointments in Wales.<sup>251</sup>

**224.** The Citizen Engagement Team recruited participants through a screening survey shared with over 60 public bodies and organisations. We would like to thank everyone who contributed to the programme of engagement. The views of the participants<sup>252</sup>, some of whom also gave oral evidence during our inquiry, were vital for us to understand the real and perceived barriers to increasing the diversity of candidates for public appointments in Wales. Our report exposed serious failings in the Welsh Government's approach to public sector appointments and we made a series of recommendations for improvements.<sup>253</sup>

**225.** For our inquiry into active in travel in Wales, we received evidence from a wide range of stakeholders, including the third sector, local authorities, charities and other public bodies. We heard compelling evidence about the barriers faced vulnerable travellers, including disabled people and older citizens, who often encounter inaccessible routes and inadequate consultation during scheme design. As part of this inquiry, the Committee also visited Slovenia to learn about the successes and challenges in a nation of comparable size, wealth and topography.<sup>254</sup>

**226.** We also visited Carmarthen, Morriston, Mold and Wrexham as part of our inquiry into town centre regeneration, meeting stakeholders who are striving to regenerate their areas. We also held evidence sessions with Welsh stakeholders, as

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<sup>251</sup> [Public Accounts and Public Administration Committee, Public Appointments](#)

<sup>252</sup> [Public Accounts and Public Administration Committee, Public Appointments in Wales: Engagement findings report, March 2023](#)

<sup>253</sup> [Public Accounts and Public Administration Committee, Public Appointments, 27 March 2025](#)

<sup>254</sup> [Public Accounts and Public Administration Committee, Active Travel in Wales](#)

well as Scotland's Towns Partnership and Trafford Town Council to consider the approach to town centre regeneration in Scotland and England.<sup>255</sup>

**Recommendation 27.** The Committee recommends that our successor Committee continues to embed diverse lived experiences into its scrutiny by expanding inclusive, accessible, and proactive engagement methods to ensure that future inquiries fully reflect the voices of affected communities and stakeholders across Wales, as well as good practice outside Wales.

## Priorities for our Successor Committee

**227.** In addition to those noted elsewhere in this report, we have identified the following priority areas for our successor committee.

### Financial Support for Business

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#### Cardiff Airport

**228.** Through this Senedd term, the Committee has held evidence sessions to maintain regular monitoring of the Welsh Government's ownership of, and financial support offered to, Cardiff Airport.

**229.** In July 2025, the Welsh Government announced<sup>256</sup> it had received formal notice that Bristol Airport was challenging the decision of the Welsh Ministers to provide the Airport with additional investment up to a maximum £206 million over 10 years<sup>257</sup> by way of an appeal to the Competition Appeal Tribunal (CAT). The hearing of the appeal by Bristol Airport took place over two days in early February 2026.

**230.** In February 2026, the Director General for Economy, Energy and Transport (the 'Director General') provided Members with an update regarding the tribunal hearing:

*"I believe the chair of the panel said at the end of the hearing, or indicated, that that could potentially be before the end of this Senedd, or before the pre-election period, but it may not be then, it*

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<sup>255</sup> [Public Accounts and Public Administration Committee, Regenerating Town Centres](#)

<sup>256</sup> [Welsh Government Written Statement: Update on the Welsh Government Investment Package for Cardiff Airport, 9 July 2025](#)

<sup>257</sup> [Welsh Government Written Statement: Cardiff Wales Airport – long term strategy, 22 July 2024](#)

*may be later. It's entirely in the gift of the panel; they've got a lot to go away and think about.*<sup>258</sup>

**231.** In terms of the status of Welsh Government funding for the Airport pending the ruling, the Director General stated:

*"We carry on with the subsidy plan as set out, unless and until the tribunal says something different, basically."*<sup>259</sup>

**Recommendation 28.** We recommend that our successor Committee maintain regular monitoring of the Welsh Government's ownership of, and financial support offered to, Cardiff Airport.

### **TVR Automotive Ltd**

**232.** In July 2024, the Committee considered a letter from the Auditor General about the Welsh Government's support for TVR Automotive Ltd ('TVRA').<sup>260</sup> During its subsequent scrutiny of the accounts, the Committee has sought updates from the Welsh Government about whether it has leased the factory in Ebbw Vale it refurbished at a cost of £7.6 million with the expectation that TVRA would occupy it. The Welsh Government completed the refurbishment in July 2023 but, at that time, TVRA was not able to lease the building for production purposes. Given this, in November 2023, the Welsh Government appointed an external agent to find an alternative tenant for the factory, which in January 2024 began marketing the property.<sup>261</sup>

**233.** The Committee has also sought updates from the Welsh Government about whether it has sold its shares in TVRA. In August 2024, the then Cabinet Secretary for the Economy, Transport and North Wales approved the sale of the shares at 'Fair Market Value' (FMV), as per the Shareholders Agreement.<sup>262</sup> However, the work of establishing the FMV is "not straightforward": TVRA was "still a pre-

<sup>258</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 174](#)

<sup>259</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 179](#)

<sup>260</sup> [Letter from the Auditor General for Wales to the Chair of the Public Accounts and Public Administration Committee on The Welsh Government's support for TVR Automotive Ltd, 12 July 2024](#)

<sup>261</sup> [Letter from the Auditor General for Wales to the Chair of the Public Accounts and Public Administration Committee on The Welsh Government's support for TVR Automotive Ltd, 12 July 2024](#)

<sup>262</sup> [Letter from the Permanent Secretary, Welsh Government to the Public Accounts and Public Administration Committee about the Welsh Government Annual Report and Accounts 2023-24, 27 October 2025, page 27](#)

revenue-based entity with very little asset value beyond branding and there is little by way of industry comparatives and a business plan that is still to be achieved”.<sup>263</sup>

**234.** During our scrutiny of the Welsh Government’s 2024-25 Accounts on 12 February 2026, we asked for an update about the lease of the building and valuing the shares in TVRA. The Director General stated:

*“... we’ll set out the position in relation to TVR in the round, not just associated with the shares, if that makes sense, because there have been other components of the relationship with the company. We’ll set that all out for you as a committee.”<sup>264</sup>*

**235.** We believe that our successor committee should monitor and keep these matters under review.

## **Gilestone Farm**

**236.** In March 2022, the Welsh Government paid £4.25 million for the freehold of Gilestone Farm, near Talybont-on-Usk in Powys, to “support the growth of the creative sector in mid Wales”. The Committee reported on this issue in July 2025 having taken evidence at various points, including before and after considering audit findings from the Auditor General.<sup>265</sup> The Committee made recommendations to the Welsh Government relating to urgent improvements and better governance for acquisition practices.<sup>266</sup>

**237.** In its response, the Welsh Government noted that the Permanent Secretary had asked the Deputy Director of Place Division, within the Housing and Regeneration Directorate, to conduct a “full review” of the purchase process to the “extent that this has not already been covered by earlier reviews and reports”.<sup>267</sup>

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<sup>263</sup> [Letter from the Permanent Secretary, Welsh Government to the Public Accounts and Public Administration Committee about the Welsh Government Annual Report and Accounts 2023-24, 27 October 2025, page 27](#)

<sup>264</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 142](#)

<sup>265</sup> [Letter from the Auditor General for Wales to the Chair regarding the Welsh Government’s purchase of Gilestone Farm, 19 January 2023](#)

<sup>266</sup> [Public Accounts and Public Administration Committee, The Welsh Government’s purchase of Gilestone Farm, July 2025](#)

<sup>267</sup> [Welsh Government, The Welsh Government’s purchase of Gilestone Farm: Welsh Government response to Public Accounts and Public Administration Committee report, September 2025](#)

**238.** In February 2026, the Permanent Secretary told us he was due to receive the finalised report by the end of that month.<sup>268</sup>

**239.** The Director General also explained the review will “have a look at what we did in relation to Gilestone Farm, but I think also more generally in relation to purchases of property and assets”, adding “That will be separate from the future of Gilestone Farm itself”.<sup>269</sup>

**240.** The Committee welcomes the Welsh Government’s confirmation the report will be shared shortly but notes with regret that this process has taken so long and the Committee may not be sighted on any outcomes before the end of the Sixth Senedd. We note with interest that, as well as reviewing what it did in relation to Gilestone Farm, the Welsh Government would be reflecting more generally in relation to its purchases of property assets.

**241.** We also asked about the medium and long-term future of Gilestone Farm. The Director General said that would be a decision for the next Welsh Government.<sup>270</sup>

**242.** In our report on Gilestone Farm, we noted we would commission an inquiry into the Welsh Government’s approach to property investments to better understand the processes applied and to evaluate whether they are sufficiently rigorous.<sup>271</sup> We did not have time to do so due to other emerging priorities. However, we believe this is an important area and our successor committee may wish to conduct an inquiry, as well monitor closely the position with Gilestone Farm.

### **Global Centre of Rail Excellence**

**243.** The Global Centre of Rail Excellence (‘GCRE’) aims to become “a ‘one stop shop” for testing new rolling stock and supporting world class research, development and certification of new rail infrastructure, technologies, processes and skills.<sup>272</sup>

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<sup>268</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 152](#)

<sup>269</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 155](#)

<sup>270</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 155](#)

<sup>271</sup> [Public Accounts and Public Administration Committee, The Welsh Government’s purchase of Gilestone Farm, July 2025](#)

<sup>272</sup> [Global Centre for Rail Excellence](#)

**244.** The GCRE project is being taken forward by GCRE Ltd. GCRE Ltd is currently wholly owned by the Welsh Government. The project will require £330 million in private investment, which GCRE is currently looking to secure.<sup>273</sup>

**245.** In its response to the Committee’s report on the scrutiny of the 2023-24 Accounts in October 2025, the Welsh Government confirmed it had invested £44.9 million at that date and noted project specific construction, set out in the masterplan, had yet to commence and would not do so “until there is contractual commitment to provide the necessary investment”.<sup>274</sup>

**246.** Its 2024-25 Accounts, the Welsh Government said it had “issued a Going Concern letter of assurance to The Global Centre of Rail Excellence (GCRE) to cover existing and future liabilities incurred in accordance with the Management Agreement (between Welsh Government and GCRE) and the periodic Remit letters that Welsh Government issue to GCRE”.<sup>275</sup>

**247.** The Committee notes the Welsh Government’s latest announcement in relation to the GCRE and the additional funding allocated<sup>276</sup>. We also note the Welsh Government has issued a “letter of comfort” setting out the scale of private investment needed to enable the project to progress and the associated risks.

**248.** In February 2026, the Welsh Government told us the “letter of comfort” was an “important mechanism” that is used for a number of companies to satisfy auditors about going concern<sup>277</sup>. The Welsh Government did not expect any additional funding requirements to arise as a result of it and the “letter of comfort” was separate to the GCRE’s strategic plans and project work.<sup>278</sup> We note a decision about funding the GCRE beyond June 2026 would be a matter for the next Welsh Government to make, by Christmas 2026.<sup>279</sup> The Committee understands these are ongoing issues, and believes they are significant matters for our successor committee to consider.

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<sup>273</sup> [Global Centre of Rail Excellence. Q&A](#)

<sup>274</sup> [Letter from the Permanent Secretary to the Chair regarding Scrutiny of Accounts - Welsh Government 2023-24. 27 October 2025](#)

<sup>275</sup> [Welsh Government Consolidated Accounts 2024-25. page 212](#)

<sup>276</sup> [Welsh Government. Written Statement: Global Centre of Rail Excellence Update. 18 December 2025](#)

<sup>277</sup> [Public Accounts and Public Administration Committee. RoP. 12 February 2026. paragraph 148](#)

<sup>278</sup> [Public Accounts and Public Administration Committee. RoP. 12 February 2026. paragraph 148](#)

<sup>279</sup> [Public Accounts and Public Administration Committee. RoP. 12 February 2026. paragraph 150](#)

**Recommendation 29.** The Committee recommends that our successor Committee keeps under review and monitors issues relating to the financial support provided by the Welsh Government to:

- TVR Automotive Ltd;
- Gilestone Farm; and
- The Global Centre of Rail Excellence.

**Recommendation 30.** The Committee recommends that our successor Committee conducts an inquiry into the Welsh Government’s approach to property investments to better understand the processes applied and to evaluate whether they are sufficiently rigorous.

### **Wrexham AFC**

**249.** In December 2025, the media reported that Welsh Government funding will be used to develop Wrexham AFC’s stadium, including helping to fund the new Kop stand at the STōK Cae Ras ground.

**250.** On 8 December 2025, US investment firm Apollo Sports Capital announced it had bought a minority stake in Wrexham AFC.<sup>280</sup> The value of the investment was not disclosed but Apollo Sports Capital said part of it would:

*“... provide financing for the STōK Cae Ras, helping advance the ongoing redevelopment of the stadium, including the new Kop Stand. The redevelopment is a key component of the larger Wrexham Gateway Project, a large-scale regeneration plan to support the city’s connectivity and economic future.”<sup>281</sup>*

**251.** The Permanent Secretary explained the Welsh Government’s position in relation to this funding, stating:

*“It’s probably worth clarifying, first of all, that the Welsh Government hasn’t provided any funding directly to Wrexham football club. The funding that was provided for supporting the stadium improvements has come from Wrexham County Borough Council. It’s a contractual*

<sup>280</sup> [Apollo. Wrexham AFC Welcomes Apollo Sports Capital as a Minority Investor. 8 December 2025](#)

<sup>281</sup> [Apollo. Wrexham AFC Welcomes Apollo Sports Capital as a Minority Investor. 8 December 2025](#)

*relationship between those two parties, rather than directly with the Welsh Government. Having said that, of course, the Welsh Government did provide wider funds that have been able to be used for some of that stadium development. There was a £25 million grant that was provided to Wrexham County Borough Council in 2021, and that was intended to be a catalyst for some of the expected improvement works on the Wrexham Gateway project.”<sup>282</sup>*

**252.** The Director General added:

*“... as the contracting party and the accountable body for this particular public investment. Wrexham County Borough Council will have done the work on subsidy control. I’m sure, where they needed support from us, so technical support, that would have been provided. I would need to check that. But, fundamentally, that would be a matter for the council in this instance.”<sup>283</sup>*

**253.** The Director General provided further information on the subsidy control compliance arrangements for developing the support package awarded to Wrexham AFC in correspondence on 25 February 2026<sup>284</sup>, which the Committee considered on 4 March 2026.

**254.** We note the Welsh Government’s clarification that it has not directly provided funding to Wrexham AFC for its STōK Cae Ras stadium improvements. We further note, as the contracting authority, Wrexham County Borough Council is responsible for subsidy control matters relating to this project, and welcome the additional information provided by the Welsh Government on Wrexham County Borough Council’s subsidy control compliance arrangements for developing the support package awarded to Wrexham AFC in correspondence on 25 February 2026. However, we also understand these improvements are supported in part by a £25 million Welsh Government grant for the Wrexham Gateway project. It is unclear to us what conditions, if any, the Welsh Government included when allocating this funding to the Council and ask for clarification on these matters so we can understand how public funding was allocated, and for what purpose.

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<sup>282</sup> [Public Accounts and Public Administration Committee, RoP 12 February 2026, paragraph 159](#)

<sup>283</sup> [Public Accounts and Public Administration Committee, RoP 12 February 2026, paragraph 163](#)

<sup>284</sup> [Letter from the Director General, Economy, Energy and Transport Group, 23 February 2026](#)

**Recommendation 31.** The Committee recommends that the Welsh Government clarifies the conditions attached to the £25 million Wrexham Gateway grant to Wrexham Country Borough Council and the specific purposes for which it was allocated.

## Public Appointments

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**255.** We conducted an inquiry into the Welsh Government’s approach to the public appointments process, including where this could be improved to increase the diversity of candidates for public appointments made by Welsh Ministers, publishing our report<sup>285</sup> and supplementary report<sup>286</sup> in March 2025. During our inquiry, it became clear that not only were there failings in the Welsh Government’s administration of public appointments but that the oversight by the Public Appointments Commissioner for England and Wales was not effective in improving the system.<sup>287</sup>

**256.** At the heart of these failings was the Welsh Government’s Public Bodies Unit (‘PBU’), which was tasked with overseeing public appointments in Wales. Its role and purpose had remained confusing and unclear, with evidence to suggest many public appointees or those seeking public appointment were unaware of its existence. We also found the Welsh Government’s Diversity and Inclusion Strategy for Public Appointments remained undelivered when the strategy period ended in 2023. The Welsh Government had not evaluated it and did not have a plan to replace it.<sup>288</sup>

**257.** In October 2024, officials told us the Welsh Government had established a new structure<sup>289</sup>, subsequently confirming in its response to our report (June 2025), it had disbanded the PBU.<sup>290</sup>

**258.** In December 2025, the Welsh Government confirmed it had, from September 2025, reinstated the PBU<sup>291</sup> and we sought an explanation for this during its scrutiny of the 2024-25 Accounts. The Director, People and Places (the ‘Director’), said:

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<sup>285</sup> [Public Accounts and Public Administration Committee, Public Appointments, March 2025](#)

<sup>286</sup> [Public Accounts and Public Administration Committee, Public Appointments in Wales: A Commissioner for Wales?, March 2025](#)

<sup>287</sup> [Public Accounts and Public Administration Committee, Public Appointments, March 2025](#)

<sup>288</sup> [Public Accounts and Public Administration Committee, Public Appointments, March 2025](#)

<sup>289</sup> [Public Accounts and Public Administration Committee, RoP, 17 October 2024, paragraph 49](#)

<sup>290</sup> [Welsh Government response to PAPA Committee report and supplementary report, Public Appointments, June 2025, page 11](#)

<sup>291</sup> [Welsh Government Public Appointments – supplementary response, December 2025, page 3](#)

*“The public bodies unit has remained within the people and places directorate throughout. We changed line management arrangements previously, following a short internal review, and after the committee’s reflections, we determined to bring it back together again in order to make sure that we don’t lose the external viewpoint that the individuals had.”<sup>292</sup>*

**259.** He added:

*“Since then, we have recruited to additional roles. We have undertaken a number of changes: we have agreed with the Commissioner for Public Appointments that there will be a Welsh code for Wales; we have undertaken a Welsh language Bill audit; we have undertaken a new board member survey; there has been engagement and governance across the wider public sector; there’s been procurement capability development, including a new recruitment framework to improve training provision; new web and communications elements ...”<sup>293</sup>*

**260.** We welcome attempts to retain expertise in, and enhance the capacity of, the PBU. However, details regarding the revised arrangements and the principles underpinning the Welsh Government’s approach in this area remain unclear, and we call for further information in this area.

**261.** In relation to reviewing the ‘Reflecting Wales in Running Wales’ strategy,<sup>294</sup> the Director stated:

*“... we undertook a review of ‘Reflecting Wales in Running Wales’. That review is currently with me and the team and we anticipate being able to publish it within the next couple of weeks. The clarity, I suppose, is us needing to really tighten up some of the objectives that we had set. So, the main consideration is around ensuring that, whilst we had the absolute appropriate values and the absolute*

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<sup>292</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 205](#)

<sup>293</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 206](#)

<sup>294</sup> [Welsh Government, Reflecting Wales in Running Wales strategy, February 2020](#)

*appropriate ideals, we didn't put in place a strong enough action plan underpinning that.”<sup>295</sup>*

**262.** He also noted:

*“The principles of ‘Reflecting Wales in Running Wales’ stand and the Cabinet Secretary has agreed to extend those principles to continue going forward. So, I don’t envisage that the principles of the strategy will change, going forward. What we have done is agreed with the Cabinet Secretary, and agreed internally, to have a new steering group to oversee the way that we deliver public appointments, and we’re going through the process of getting that sorted at the moment.”<sup>296</sup>*

**263.** We note the Welsh Government’s recent Written Statement which said the results of the evaluation of its Diversity and Inclusion Strategy for Public Appointments, “Reflecting Wales in Running Wales”, will be shared with the Committee in due course.<sup>297</sup>

**264.** While this latest commitment to transparency is laudable, we have yet to receive the independent reviewer’s report and ask for this to be shared at the earliest opportunity with our successor committee.

**265.** Our inquiry found the evidence showing the lack of data collected by the Welsh Government on the demographics of public board appointees was highly troubling and we made related recommendations.<sup>298</sup>

**266.** When asked if the Welsh Government now had technical capability to provide complete and comprehensive real time data about public appointments across all bodies, the Director noted:

*“In order to have a much more comprehensive suite, we need to update the HR system and we need to have a better recruitment system. Currently we use Pobl and Cais—they are our two main*

<sup>295</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 212](#)

<sup>296</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 213](#)

<sup>297</sup> [Welsh Government, Cabinet Statement: Progress on Public Appointments in Wales, 4 February 2026](#)

<sup>298</sup> [Public Accounts and Public Administration Committee, Public Appointments, March 2025, pages 38, 48 and 49](#)

*systems. This will be part of our approach to transforming corporate services. In the meantime, we'll continue to have more manual interventions. However, the team are now in place to address those manual interventions in a much clearer way than we have done previously.”<sup>299</sup>*

**267.** We believe it is vital that the Welsh Government is able to provide a complete picture of the public appointments process. To this end, we note the evidence the arrangements the Welsh Government has put in place until such time that it updates its HR system.

**268.** We also note the Welsh Government is, “in 2026”, launching a ‘Board Diversity and Welsh Language Survey’ for all board members.<sup>300</sup> It says:

*“This will include a comprehensive data set of diversity characteristics for current members of regulated boards, not just those who are newly appointed. Officials will ensure that the Public Accounts and Public Administration committee are updated with the outcomes.”<sup>301</sup>*

**269.** We welcome this development and the Welsh Government’s commitment to share the outcomes of the ‘Board Diversity and Welsh Language Survey’. However it is important to have maximum transparency in this area. We call on the Welsh Government to provide information about the timetable for its ‘Board Diversity and Welsh Language Survey’ and to publish the results, including at regular intervals if the survey is repeated, as well as share them with our successor committee.

**270.** The Welsh Government confirmed that the Commissioner for Public Appointments has agreed to introduce a Code for Wales<sup>302</sup>. We have previously recommended a separate Commissioner for Public Appointments for Wales<sup>303</sup>, and although we agree that this latest development is a step in the right direction, we ask for further clarity on the process for agreeing a new Code in the

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<sup>299</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 216](#)

<sup>300</sup> [Welsh Government Public Appointments – supplementary response, 18 December 2025](#)

<sup>301</sup> [Welsh Government Public Appointments – supplementary response, 18 December 2025](#)

<sup>302</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 206](#)

<sup>303</sup> [Public Accounts and Public Administration Committee, Public Appointments in Wales, A Commissioner for Wales?, March 2025](#)

Welsh context and seek confirmation on how the Senedd will be involved in its development.

**Recommendation 32.** The Committee recommends that the Welsh Government provides information about the “light touch review” of arrangements and its findings which led to the decision to reinstate the Public Bodies Unit, around a year after it was disbanded.

**Recommendation 33.** The Committee recommends that the Welsh Government:

- shares the independent reviewer’s evaluation of its Welsh Government’s Diversity and Inclusion Strategy for Public Appointments;
- shares the timetable for publishing the new Diversity and Inclusion Strategy for Public Appointments and the related action plan for delivery; and
- provides information about the new steering group to oversee the way it delivers public appointments, including its membership and remit.

**Recommendation 34.** The Committee recommends that the Welsh Government provides information about the timetable for its ‘Board Diversity and Welsh Language Survey’.

**Recommendation 35.** The Committee recommends that the Welsh Government publishes the results of its ‘Board Diversity and Welsh Language Survey’ when they are available, as well as share them with our successor committee, and commits to publishing data at regular intervals if the survey is repeated.

**Recommendation 36.** The Committee recommends that the Welsh Government outlines the process for agreeing an Appointments Code for Wales and sets out how the Senedd will be involved in its development.

## **Cabinet Handbook**

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**271.** During the Sixth Senedd, we undertook an inquiry into the Cabinet manual and the Ministerial Code, holding evidence sessions with Welsh Government officials. Following these, in November 2024, the Chair wrote to the First Minister setting out our views on changes to the Ministerial Code.<sup>304</sup> The First Minister

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<sup>304</sup> [Letter to the First Minister of Wales, 26 November 2024](#)

subsequently confirmed her intention to publish the Welsh Government's Cabinet Handbook.<sup>305</sup>

**272.** During our scrutiny of the Welsh Government's 2024-25 Accounts, the Permanent Secretary confirmed the Cabinet Manual was ready to reissue.<sup>306</sup>

**273.** We note the Welsh Government published its Cabinet Handbook on 2 February 2026<sup>307</sup> and on 5 February 2026, it announced the appointment of an Independent Adviser on Ministerial Standards.<sup>308</sup> We believe the issues we raised during our inquiry need to be kept under review by our successor committee.

**Recommendation 37.** The Committee recommends that our successor Committee monitors the Welsh Government's progress on commitments made following the inquiry into the Cabinet manual and Ministerial Code, including the regular updating of the Cabinet Handbook and appointment of the Independent Adviser on Ministerial Standards.

## National School of Government

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**274.** On 21 January 2026, the UK Government said it would launch a new "National School of Government and Public Services to provide world-class learning and development for civil servants and prepare them for the future".<sup>309</sup>

**275.** When asked how this development would impact the development of a National School of Government for Wales, the Director, People and Places, said:

*"... we are working closely with the Cabinet Office and the Scottish Government on what that means. We have recently sought to re-establish a new offer for Academi Wales, which is our public sector leadership approach. We have also been exploring what that would look like if we were to expand that offer come the next Government and come their determination on what their expectation is of public sector leadership."<sup>310</sup>*

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<sup>305</sup> [Letter from the First Minister of Wales, 24 January 2025](#)

<sup>306</sup> [Public Accounts and Public Administration Committee, RoP 12 February, paragraph 223](#)

<sup>307</sup> [Welsh Government, Cabinet handbook, 2 February 2026](#)

<sup>308</sup> [Welsh Government Written Statement: Appointment of Independent Adviser on Ministerial Standards, 5 February 2026](#)

<sup>309</sup> [UK Government Press Release, "Move fast, fix things" - Darren Jones sets out plan to rewire Whitehall and incentivise innovation in the civil service', 21 January 2026](#)

<sup>310</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 91](#)

**276.** The Director, People and Places, added he “had personal discussions with the directors being tasked with the UK Government to set up the national school for government”<sup>311</sup> and “We’ve committed to working closely on this”.<sup>312</sup> The Director also said:

*“What we will need to do is make sure that, if there are any cross-devolved issues, as inevitably there will be, we build them into the UK Government’s national school for government so they understand the impact of devolution and what that means.”<sup>313</sup>*

**277.** While we acknowledge discussions at an early stage, we ask that our successor committee consider these issues further in the Seventh Senedd.

**Recommendation 38.** The Committee recommends that our successor Committee monitors plans relating to the development of the UK’s National School for Government so that the impact of devolution is more widely understood.

## **NHS Wales Governance and Finances**

**278.** We held a standalone session with the Director General Health, Social Care and Early Years Group and Chief Executive, NHS Wales, on 19 March 2026.<sup>314</sup> Members explored a range of issues relating to NHS structures and governance, including accountability arrangements and the escalation and intervention framework. They also addressed performance issues in areas including planned and urgent and emergency care, access to primary care and matters relating to NHS finance and use of AI. On finances, the Committee heard about a currently forecast £206 million deficit across NHS Wales for 2025-26, a significant increase on 2024-25, and within this a deteriorating financial position for certain health boards in particular.

**279.** In addition, Members questioned the Director General and her officials on issues at Velindre University NHS Trust and NHS Wales Shared Services Partnership (which is hosted by the Trust), including touching on matters relating to the recent departure of the Trust’s former Chief Executive Officer.<sup>315</sup> We

<sup>311</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 92](#)

<sup>312</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 92](#)

<sup>313</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 92](#)

<sup>314</sup> [Public Accounts and Public Administration Committee, RoP, 19 March 2026](#)

<sup>315</sup> [Public Accounts and Public Administration Committee, RoP, 19 March 2026](#)

recognise the pressures faced by Local Health Boards and the NHS as a whole and believe the issues raised during the evidence session are significant and should be a focus for our successor Committee in the Seventh Senedd.

**Recommendation 39.** The Committee recommends that our successor Committee keeps under review and monitors issues relating to NHS governance, finance and performance, including the actions taken by the Welsh Government in these areas.

### **Scrutinising the recommendations resulting from public inquiries**

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**280.** The House of Commons' Public Administration and Constitutional Affairs Committee ('PACAC') wrote to us on 27 January 2026 drawing attention to its inquiry into the recommendations of the Infected Blood Inquiry.<sup>316</sup> This sought our views on how the scrutiny and implementation monitoring of the recommendations resulting from public inquiries could complement and respect the scrutiny mechanisms of the devolved parliaments in relation to inquiries established by UK Ministers, particularly those containing recommendations which are in devolved areas of competence.<sup>317</sup> The work of PACAC in this area was also referenced by the UK Government in its updated response to the Grenfell Tower Inquiry Phase 2 Report, published in February 2026.<sup>318</sup>

**281.** We noted this letter at our meeting on 12 February and provided a response.<sup>319</sup>

### **Future modules of the UK COVID-19 Inquiry**

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**282.** We published our report into Module 1 of the UK COVID-19 Inquiry on 11 March 2026, which included 27 recommendations to strengthen Wales's preparedness for future emergencies.<sup>320</sup> In November 2025 and since commencing work on Module 1, the UK COVID-19 inquiry has published its report on Module 2, focused on core decision making and political governance.

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<sup>316</sup> [Public Administration and Constitutional Affairs Committee, Inquiry into the recommendations of the Infected Blood Inquiry \(Stage 1\), December 2025](#)

<sup>317</sup> [Letter from the Chair of the Public Administration and Constitutional Affairs Committee to the Chair of the Public Accounts and Public Administration Committee, 27 January 2026](#)

<sup>318</sup> [Ministry of Housing, Communities and Local Government, Grenfell Tower Inquiry Phase 2 Report Government Response: Annual Report 2026, February 2026, paragraph 136](#)

<sup>319</sup> [Letter from the Chair of the Public Accounts and Public Administration Committee to the Chair of the House of Commons Public Administration and Constitutional Affairs Committee](#)

<sup>320</sup> [Public Accounts and Public Administration Committee, Module 1 of the UK COVID-19 Inquiry, March 2026](#)

**283.** Five further UK COVID-19 inquiry reports are planned for publication in 2026 covering Modules Three to Seven. These reports will consider topics such as Healthcare Systems, Vaccines and Therapeutics, Procurement, the Care Sector and Contact Tracing. The remaining three reports covering Modules Eight to Ten on Children and Young People, Economic Response and Impact on Society will be published in the first half of 2027.

**284.** Given the significance of this work, and the importance of ensuring that the lessons from the pandemic are fully embedded, we believe it is essential that this programme of scrutiny continues into the Seventh Senedd. We therefore included a recommendation in our report on Module 1 which calls for the next Senedd to prioritise the examination of each of the remaining inquiry modules to ensure they are subject to thorough, transparent and timely scrutiny and we reiterate our views here.

**Recommendation 40.** The Committee recommends that scrutiny of all remaining COVID-19 inquiry modules should continue during the Seventh Senedd to ensure that lessons from the pandemic are fully embedded through thorough, transparent, and timely examination.

## Engagement with the Welsh Government

**285.** When reflecting on the Committee’s work and evidence sessions during the Sixth Senedd, the Permanent Secretary stated:

*“... at the start of the committee’s tenure ... you decided to do an informal contact with myself and the directors general, reflecting our accountable officer roles—obviously mine as the principal accounting officer. And I think, at the outset of the committee, it just allowed some recognition that we were going to be in front of you quite a lot, but maybe a chance to just develop a bit more of a relationship in advance, as we have returned to come under scrutiny in various areas ... we thought that that was a really good initiative, and I hope has translated into some of the open conversation that we’ve had around the table, around the public accounts committee as well.”<sup>321</sup>*

**286.** The Permanent Secretary also told us:

<sup>321</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 216](#)

*“... looking back over the last five years, there have been some issues of ongoing interest from the committee that have been difficult to draw a line under, and I know you’ve got a real breadth of areas of interest around the annual accounts process on the one hand, but much further and wider than that around what Government gets up to through the accountable officer roles. It may just be worth reflecting on whether there is an opportunity to fix some of those recommendations, and then we can get on to delivering it for some future scrutiny as well.”<sup>322</sup>*

**287.** We agree that early informal engagement between our successor Committee and the Permanent Secretary and his senior management team provides an opportunity to develop a solid working relationship at the beginning of the new Senedd.

**Recommendation 41.** The Committee recommends that our successor committee undertakes informal engagement sessions with the Permanent Secretary and senior Welsh Government officials as soon as possible at the beginning of the Seventh Senedd, ahead of any formal parliamentary scrutiny sessions.

## **Issues identified by the Auditor General for Wales**

**288.** In February 2026, the Auditor General for Wales (the ‘Auditor General’) wrote to us to put on record his perspective on some of the issues the incoming administration will face around the future sustainability of public services.<sup>323</sup>

**289.** The Auditor General noted:

*“Frustratingly perhaps, much of what I have set out is not new; for example, my reflections around our public service landscape mirror issues raised by my predecessor and, before that, by other commentators.”<sup>324</sup>*

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<sup>322</sup> [Public Accounts and Public Administration Committee, RoP, 12 February 2026, paragraph 216](#)

<sup>323</sup> [Letter from the Auditor General for Wales to the Chairs of the Finance Committee and Public Accounts and Public Administration Committee, 26 February 2026](#)

<sup>324</sup> [Letter from the Auditor General for Wales to the Chairs of the Finance Committee and Public Accounts and Public Administration Committee, 26 February 2026](#)

**290.** The issues identified by the Auditor General also include matters which we have covered during this Senedd term. This includes the financial performance of the NHS, workforce pressures in the context of the capacity of the Welsh Government Civil Service and the need for a workforce strategy (as noted in Chapter 3 of this report). We have also acknowledged the importance of public sector bodies maintaining their existing assets and not allowing maintenance backlogs to build.

**291.** The Auditor General also says “Effective public service delivery begins with getting the basics right”, noting this work “must replace antiquated IT systems”, among other issues.<sup>325</sup> This is something we noted during this Senedd term in the context of the Welsh Government and its aging legacy IT systems, covered in Chapter 3 of this report.

**292.** He notes the importance of governance and securing value for money. Matters which we have covered over the Sixth Senedd, including through our scrutiny of accounts.

**293.** We believe the Auditor General’s letter will be an important source for our successor committee as it considers its work and its priorities for the Seventh Senedd.

**Recommendation 42.** We recommend that our successor Committee considers the matters raised by the Auditor General for Wales in his letter of 26 February 2026 in framing its consideration of areas of work and priorities at the beginning of the Seventh Senedd.

## **Accounts Scrutiny**

**294.** The scrutiny of the annual reports and accounts of publicly funded organisations has become an annual element of our work. We analyse their financial performance, key performance indicators, governance and risk management arrangements, workforce management, environment and sustainability issues, and other key strategic matters.

**295.** Through recommendations made following our scrutiny of accounts over the Sixth Senedd, we have strengthened accountability, ensuring that spending is transparent and that those responsible for managing public money can be held publicly to account. Our scrutiny has led to clear improvements in the quality,

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<sup>325</sup> [Letter from the Auditor General for Wales to the Chairs of the Finance Committee and Public Accounts and Public Administration Committee, 26 February 2026](#)

accessibility and clarity of financial and other information. For example, the Welsh Government now publishes the agenda for, and a summary of issues considered by, its Audit and Risk Assurance Committee. Both the Welsh Government and the Senedd Commission have also improved their reporting of the risks they face. These are welcome developments.

**296.** As noted in chapter 3, we believe it's important for the Welsh Government to lead the way in public sector financial reporting. We are pleased the Welsh Government recognised our role in driving improvements in its accounts. During our scrutiny of the Welsh Government's 2024-25 Accounts, the Director of Finance said:

*"Last night, the National Audit Office put out a good practice guide on how accounts should be produced. I think we hit all those things in there, because we've taken back feedback from the committee over the last few years to produce these accounts."*<sup>326</sup>

**297.** Our scrutiny of the accounts provided us with an opportunity to highlight issues of concern in the public domain. For example, our scrutiny of the Welsh Government's 2020-21 Accounts noted the balance on the Wales Reserve at 1 April 2021, as set out in the Outturn Report 2020-21, was £505.5 million, which exceeded the limit by £155.5 million.<sup>327</sup> HM Treasury had rejected the Welsh Government's request to carry forward funds in excess of the Wales Reserve limit at 31 March 2021 and the £155.5 million was lost to Wales. Equating to around two thirds of 1p on income tax, we noted this was significant funding and we were deeply concerned that it had been lost at any time but especially given the current pressures on public finances.<sup>328</sup>

**298.** We welcome the environment of openness between the Committee and officials during our accounts scrutiny work throughout this Senedd.

**299.** We note our predecessor Committee routinely scrutinised the annual reports and accounts of a selection of other public bodies (including the Welsh Government's Arm's Length Bodies in the central government sector,

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<sup>326</sup> [Public Accounts and Public Administration Committee, RoP, 4 February 2026, paragraph 16](#)

<sup>327</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts Welsh Government 2020-21, March 2023, from page 50](#)

<sup>328</sup> [Public Accounts and Public Administration Committee, Scrutiny of Accounts Welsh Government 2020-21, March 2023, from page 56](#)

commissioners and the Public Services Ombudsman for Wales) to consider how these organisations were using public money.

**Recommendation 43.** The Committee recommends that our successor committee:

- continues with the annual scrutiny of accounts work, taking evidence from the Welsh Government and Senedd Commission on an annual basis, and
- returns to our predecessor Committee’s approach to scrutinising other bodies on a cyclical basis (covering Welsh Government Arm’s Length Bodies in the central government sector, commissioners and the Public Services Ombudsman for Wales).

## Welsh Government Responses

**300.** We make recommendations with the aim of driving improvement and performance. In the interests of accountability, we would expect the Welsh Government’s response to each recommendation to be clearly flagged, with a full explanation including the actions it is planning to take and its timetable for implementing those it accepts.

**301.** We have previously commented on the Welsh Government’s approach of accepting our recommendations “in principle”<sup>329</sup>. This was also raised by our predecessor Committee in the Fifth Senedd, which recommended in its legacy report that the Welsh Government continued to respond to recommendations with either “accept” or “reject”.<sup>330</sup> The Welsh Government accepted this recommendation, noting “We have reminded officials of the need to respond in this way”.<sup>331</sup>

**302.** Unfortunately, the Welsh Government’s practice of accepting recommendations “in principle” has continued. This is disappointing, and we reiterate our views on this matter again so that the Welsh Government’s views, and the actions it will take in response to our recommendations, are as clear as possible.

<sup>329</sup> [Senedd Plenary, RoP, 25 February 2026, paragraph 214](#)

<sup>330</sup> [Public Accounts Committee \(Fifth Senedd\), Fifth Senedd Legacy Report, March 2021, Recommendation 6](#)

<sup>331</sup> [Letter from the Permanent Secretary, Public Accounts and Public Administration Committee – Fifth Senedd correspondence, 15 October 2021](#)

**303.** We note, at the meeting of the Public Accounts Committee Network conference on 7 November 2025 in Jersey, we heard accepting a recommendation “in principle” was highly unusual or non-existent in jurisdictions across the British Islands and Mediterranean Region of the Commonwealth Parliamentary Association, and a practice which delegates regarded as archaic<sup>332</sup>.

**Recommendation 44.** We recommend that the Welsh Government responds to our successor Committee’s recommendations by:

- clearly stating whether they are ‘accepted’ or ‘rejected’ and avoiding ‘in principle’ responses; and
- (for ‘accepted’ recommendations) providing a full explanation of how it will address the matter at hand, including the actions it is planning to take and the timetable for implementation.

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<sup>332</sup> [Senedd Plenary, RoP, 25 February 2026, paragraph 214](#)

## Annex 1: List of oral evidence sessions as part of the Scrutiny of the Welsh Government 2024-25 Accounts

The following witnesses provided oral evidence to the Committee on the dates noted below. Transcripts of all oral evidence sessions can be viewed on the [Committee's website](#).

Date	Name and Organisation
<b>4 February 2026</b>	<p><b>Dr Andrew Goodall, Permanent Secretary</b> Welsh Government</p> <p><b>Sioned Evans, Chief Operating Officer</b> Welsh Government</p> <p><b>Dean Medcraft, Director of Finance</b> Welsh Government</p> <p><b>Dominic Houlihan, Director - People and Places</b> Welsh Government</p>
<b>12 February 2026</b>	<p><b>Dr Andrew Goodall, Permanent Secretary</b> Welsh Government</p> <p><b>Andrew Slade, Director General - Economy, Energy and Transport</b> Welsh Government</p> <p><b>Sioned Evans, Chief Operating Officer</b> Welsh Government</p> <p><b>Dean Medcraft, Director of Finance</b> Welsh Government</p> <p><b>Dominic Houlihan, Director - People and Places</b> Welsh Government</p>

## Annex 2: Audit Wales Reports and Correspondence

Our Legacy Report identifies a number of issues which our successor Committee may wish to follow up and return to. The tables below list the Audit Wales national report outputs published in advance of the preparation of our Legacy Report which we have been unable to consider fully before the end of the Seventh Senedd.

<b>Recent Audit Wales reports / other outputs</b>	<b>Description</b>
<b><u>Protecting nature for future generations: Natural Resources Wales's approach to designating Sites of Special Scientific Interest (SSSIs) (November 2025)</u></b>	Considered the progress Natural Resources Wales was making in the context of its commitment to enlarging and better connecting the series of SSSIs as part of its broader approach to nature recovery.
<b><u>Checking the patients: Results from a pilot data matching exercise on GP patient lists (January 2026)</u></b>	This work focused on the extent of evidence of duplicate patient registrations or deceased individuals not removed from patient lists on a timely basis.
<b><u>The Building Blocks: Capital Planning in Councils in Wales (January 2026)</u></b>	While about capital planning in councils, this report also considered Welsh Government grant funding processes (see also paragraphs 160-161 and 208 of this report).
<b><u>Private finance - public impact: Examining decision-making for the new Velindre Cancer Centre (February 2026)</u></b>	Built in part on evidence considered previously by this Committee and focused on developments between Outline Business Case approval and the start of construction. This included the procurement process, approval of the Full Business Case, and the agreed contract.
<b><u>Affordable homes update (February 2026)</u></b>	An article with commentary on developments since a fuller <a href="#">Audit Wales report</a> in September 2024, set in the context of the Welsh Government's commitment to build 20,000 new low carbon social homes for rent during the 2021-2026 Senedd term.

Various Audit Wales work in progress may be complete by the time our successor Committee is fully established. That it likely to include reports / other outputs on the following topics:

- How previous audit recommendations have been addressed through the Welsh Government's Regional Integration Fund for health and social care.
- Support for children and young people with Additional Learning Needs.
- Key messages from local audit work on NHS planned care and on urgent and emergency care.
- Medr's oversight of the financial sustainability of higher and further education.
- Welsh Government business support through its Economy Futures Fund.
- The Welsh Government's Sustainable Communities for Learning Programme to build and refurbish schools and colleges.
- Council children's services - in the context of current Welsh Government policy to eliminate profit in this area by 2030.
- Welsh Government arrangements for funding local government.

The Committee has also received correspondence at various points from members of the public, or other members and committees of the Senedd, on issues of potential relevance to its remit (and beyond the core work described above). Where appropriate, we have sought further evidence/assurances from the Welsh Government in relation to these issues.