

THE LOCAL GOVERNMENT BOUNDARY COMMISSION FOR WALES



Comisiwn Ffiniau
Llywodraeth Leol
i Gymru



Local Government
Boundary Commission
for Wales

***ANNUAL REPORT AND SUMMARY
FINANCIAL STATEMENTS
2012/2013***

LOCAL GOVERNMENT BOUNDARY COMMISSION FOR WALES

ANNUAL REPORT 2012/2013

Foreword

This report covers the work of the Commission for the year ended 31st March 2013. During the year we have continued to build on the excellent work of the Interim Commissioners in meeting the recommendations that arose from the Mathias Review.

Throughout the year we have been making changes to the way we operate and to the ways in which we interact with our stakeholders. In April 2012 we implemented a redesigned web site that improves the experience for the user and is easier for us to maintain and update. We had identified shortcomings with our accommodation in terms of our operation and at the end of January 2013 moved to Hastings House. The new accommodation provides us with better value for money and its layout and facilities have given us the opportunity to make improvements to the way we work.

We have been taking a great interest in the progress of the Local Government (Democracy) (Wales) Bill as it will have a significant impact on the way we work. We have contributed to the passage of the Bill by making both written and oral submissions to the Communities Equality and Local Government Committee and were pleased to see that a number of our comments were incorporated into the Committee's report. As the Bill is not due to receive Royal Assent until late summer, we are unable, at this juncture, to confirm our plans for the second half of 2013/14. We have however noted the provisions in the Bill that appear to have a consensus of agreement and have produced a planned programme of work based on these assumptions.

Owen Watkin OBE
Chair
July 2013

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1. INTRODUCTION

The Commission

- 1.1 The Local Government Boundary Commission for Wales (the Commission) was established in June 1974 under the terms of Section 53 of the Local Government Act 1972 (the 1972 Act). The statutory functions of the Commission are specified in Sections 54 to 78 of the 1972 Act as amended by the Local Government (Wales) Act 1994 (the 1994 Act). Schedule 8 to the 1972 Act makes provision for the Commission's constitution and proceedings. From 1 April 1995 the Commission became an advisory Non-Departmental Public Body funded by Grant-in-aid from the former Welsh Office and is now a Welsh Government Sponsored Body (WGSB).
- 1.2 The purpose of the Commission is:

To review local government areas and electoral arrangements in Wales, with a view to considering whether or not to make proposals to the Welsh Government for effecting changes which appear to the Commission to be desirable in the interests of effective and convenient local government.

Membership

- 1.3 The terms of the Interim Commissioners having come to an end the Minister appointed Mr Ceri Stradling and Mr David Powell to be Commissioners for the period 1 April 2012 to 31 March 2015 and Mr Owen Watkin was appointed Chair of the Commission for the period 15 June 2012 to 14 June 2015 (the Interim Chair, Mr Max Caller, remained in post until the appointment of Mr Watkin).

The Commission's Audit Committee is chaired by Mr Stradling.

The Commissioners held membership of other public bodies.

Mr Watkin was a member of the Aberystwyth University Audit Committee, a member of the Ceredigion Local Access Forum, a member of the Ramblers Association, a member of the Committee of Aberystwyth Ramblers, a member and trustee of the Cambrian Mountains Society, a member, of the Society's Designations Sub Committee, a member of Treftadaeth Llandre Heritage, honorary advisor to the North Ceredigion Floods Appeal Fund and a member of the Institute of Welsh Affairs. The Commission must have at least one Welsh speaker and Mr Watkin fulfilled this requirement.

Mr Stradling was chair of the Public Services Ombudsman for Wales Audit and Risk Committee, a member of the Public Services Ombudsman for Wales Advisory Panel, a member of the BBC Audience Council for Wales, a Fellow of the Institute of Chartered Accounts in England and Wales, a member of the faculty of Finance Management, a member of the Chester and North Wales Society of Chartered Accountants and a member of the National Trust.

Mr Powell holds no memberships of other public bodies.

Following a selection process Mrs Julie James was appointed as the Independent Member of the Audit Committee for the period 1 September 2012 until 31 October 2015. Mrs James was also an Independent Member of Hywel Dda Local Health Board, Chairman of Brecon Beacons National Park Authority, Chairman of National Park Wales, a Health Assessor for Welsh Government's Corporate Health Standard, a member of Dyfed Powys Police Misconduct Panel, a member of Marie Curie Cancer Care Advisory Board and a Director of South West Wales Regional Tourism Partnership and a Trustee of the National Botanical Garden of Wales.

The Commission's statutory auditor is the Auditor General for Wales who has sub-contracted this function to Grant Thornton.

Contracts exist for the provision of internal audit, legal, accountancy, translation and printing services.

The Secretariat

- 1.4 The Commission's Secretariat is located in Hastings House, Fitzalan Court, Cardiff. At the start of the year the Secretariat consisted of the posts of Secretary, Deputy Secretary, Finance Manager, Office Manager, five Review Officers (one of whom was acting as Review Manager for the Parliamentary review) two Team Support Officers and a Personal Assistant. The Deputy Secretary, Mr Steve Halsall, had been appointed by the Minister as Acting Secretary and during the period of his appointment the post of Deputy Secretary was not filled. Mr Halsall's appointment as Acting Secretary ended in September 2012 with the appointment of Mr Ian Williams as Secretary. During the year various other staff changes took place with a result that at the end of the year there were 9 members of staff in post (with a Review manager instead of an Office Manager, the Personal Assistant post was deemed to be superfluous and a Review Officer is currently unfilled).
- 1.5 Following the appointment of Mr Williams as Secretary the designation of Accounting Officer for the Commission was transferred from Mrs June Milligan (Director General for Local Government and Communities, Welsh Government) to Mr Williams.
- 1.6 From 1 January 2002 the Commission's Secretariat has also undertaken the responsibility of providing a Secretariat to the Boundary Commission for Wales for its Reviews of the Parliamentary constituencies in Wales. To manage this arrangement there is a Memorandum of Agreement between the Commissions and their respective sponsor departments. The current sponsors of the Boundary Commission for Wales are the Cabinet Office.

Statutory Duties

- 1.7 The main duties of the Commission are:

Local Government Areas

- i) To keep under review all principal areas in Wales for the purpose of considering whether or not to propose to the Welsh Government changes appearing to the Commission desirable in the interests of effective and convenient local government;

- ii) To consider requests for reviews from local authorities;
- iii) To consider reports made by principal councils in respect of community area reviews carried out by them and to make recommendations to the Welsh Government.

Electoral Arrangements

- iv) Under the provisions of the new section 64 inserted into the 1972 Act by Section 6 of the 1994 Act, as soon as practicable after the ordinary election of councillors for any of the Welsh principal areas held in 1995 the Commission was required to:
 - a) Review the electoral arrangements for those areas with a view to considering future electoral arrangements; and
 - b) Formulate proposals for those arrangements; and
- v) Not less than ten or more than fifteen years after the completion of the initial review and thereafter, at similar intervals, to review the electoral arrangements for every principal area in Wales.

Directions

- vi) The Welsh Government may direct the Commission to conduct a review of Wales as a whole, or of any one or more local government areas or parts of such areas in Wales.

Review Procedure

- 1.8 Section 60 of the 1972 Act lays down procedural guidelines to be followed when undertaking all reviews. The basic stages of a review are:
- i) An announcement of the review's commencement in which initial suggestions and comments are invited by a specified date;
 - ii) The publication of the Commission's draft proposals when comments on them are similarly invited by a specified date; and
 - iii) The publication of final proposals after which any further comments must be addressed to the Welsh Government.

2 OBJECTIVES

- 2.1 The Commission is a statutory body that is sponsored by the Democracy, Ethics and Partnerships Division of the Welsh Government. As a Welsh Government Sponsored Body the Commission receives an annual remit letter that sets out the Minister for Local Government and Communities' priorities for the Commission for the coming year. The Commission must also follow the statutory functions and responsibilities as set out in legislation. The Commission's main statutory function is to make recommendations to the appropriate Welsh Government Minister for effecting changes to local government boundaries and local government electoral arrangements that are in the interests of effective and convenient local government.
- 2.2 The Commission is subject to periodic Policy Reviews that provide medium term strategic and policy guidelines for the Commission's annual plans. The last Policy Review of the Commission was undertaken by the Wales Audit Office in 2008. In December 2010, the Minister announced that there would be an Independent Review of the Commission (the Mathias Review). The Mathias Review made a number of recommendations for the Commission and Welsh Government. In conjunction with Welsh Government, the Commission has made a number of improvements its operation to meet the Mathias recommendations. Many of the provisions of Local Government (Democracy) (Wales) Bill that is currently being progressed are part of the Welsh Government's response to the Mathias Report.

Targets

- 2.3 Directions from the Welsh Government to the Commission to undertake area reviews contain directed deadlines, which are set following consideration of the complexity of each review.
- 2.4 The procedures to be followed when undertaking a review are defined by statute, requiring the Commission to inform and consult widely and take into account representations before making any final proposals to the Welsh Government.
- 2.5 There are no statutory time periods for the consultation or other stages of the procedures, which are left to the discretion of the Commission. The Commission has given careful consideration to the need to provide adequate time for the views of local authorities and other interested persons to be submitted. Targets are set within the period of a review for the stages of publicity and consultation, the production of draft and final reports and the time needed for assessing the issues involved. However, the Commission occasionally finds it necessary to take into consideration particular circumstances and, unless directed deadlines apply, are flexible in adherence to targets.
- 2.6 The Local Government (Democracy) (Wales) Bill provides for a ten-year programme of electoral reviews rather than the current arrangement where the timetable is set by the Minister in a direction to the Commission. This will provide both the Commission and its stakeholders with clear long-term targets for these reviews.

3. THE WORK OF THE COMMISSION DURING 2012-13

Meetings

- 3.1 The Commission has a programme of monthly meetings. Eleven Commission and four Audit Committee meetings were held during 2012-13.

Principal Area Reviews

- 3.2 The Commission did not undertake any reviews of boundaries between principal authorities during the year.

Community Reviews

- 3.3 The Commission completed a review of the community boundaries in the County Borough of Torfaen and published its Final Proposals in January 2013.

Reviews of Electoral Arrangements

- 3.4 The Commission published its Final Proposals for the further review of the County of the Isle of Anglesey in May 2012.
- 3.5 The Commission published its Final Proposals for the review of the County of Gwynedd in June 2012.
- 3.6 The Commission published its Draft Proposals for the County of Carmarthenshire in January 2013.
- 3.7 The Commission began an electoral review of the County of Pembrokeshire in October 2012.
- 3.8 The previously started electoral review of the County Borough of Torfaen was suspended in October to await the completion of a community review (see 3.3 above). The electoral review is due to be recommenced upon the making of the Order changing the community boundaries.
- 3.9 Following the receipt of a direction from the Minister, the Commission began a further review of the electoral arrangements of Denbighshire (limited to the electoral arrangements for the Prestatyn area) in February 2013. The Minister directed the Commission to complete this review by the 1 August 2013.

Electoral Review Procedures

- 3.10 In response to the Mathias recommendations the Commission reviewed its policy and practice in respect of electoral reviews and published its first version of its Policy and Practice document in respect of electoral reviews in March 2012. The Commission has continued to strengthen its links with stakeholders and reviewed and improved its communications strategy.
- 3.11 Between May and July 2012 the Commission undertook a consultation on an appropriate methodology for assessing the number of councillors for each authority. As a result of this exercise further work has been carried out in conjunction with the

Data Unit – Wales to arrive at a more robust methodology. A further consultation began on 27 March 2013 with a closing date of 19 June 2013.

- 3.12 The results of the Commission's review of electoral reviews, including a timetable, were sent to the Minister on 30 March 2011. This information was also supplied to all principal councils. The review timetable was considered and, when necessary, updated at each Commission meeting. Welsh Government and the principal councils involved were kept informed of the review progress.
- 3.13 The quality control procedures within the Commission (in respect of electoral and other reviews) had been improved during in the previous year. A further review of the procedures took place during the year and additional measures introduced. In February 2013 a Review Manager post was introduced with the responsibility of ensuring the controls are monitored and applied consistently.

Corporate Governance

- 3.14 In 2011 the Commission adopted the practice of having an independent member on the Audit Committee. An interim independent member was appointed until the end of August 2012. The Commission then appointed Mrs Julie James as independent member from 1 September 2012 for a period of three years.
- 3.15 Following the Welsh Government's audit of the Commission's control environment and the subsequent report and recommendations, produced in October 2011 a follow-up audit was carried out in May 2012. As a result of the audit the Commission agreed a revised action plan.
- 3.16 The Commission's Corporate Governance Manual was updated to incorporate appropriate information from the Cabinet Office Code of Conduct for Board members of Public Bodies (June 2011).
- 3.17 A system of financial reporting was operated that includes:
- Monthly budget reports signed off by the Secretary;
 - Month end processes signed off by the Secretary;
 - Fixed Asset Register checking; and
 - Budget report to each Commission meeting.
- 3.18 The Risk Strategy was reviewed and a revised Risk Register implemented. Operational Risks were assessed at Team and Management meetings and where necessary fed into the Corporate Risks that were considered at each Commission meeting. The Audit Committee regularly assessed the risk assessment procedures. An item on Risk Management was considered at each Commission meeting. The internal audit conducted during the year gave a substantial assurance for the Commission's corporate governance and risk management.
- 3.19 The Commission continued to strengthen its links with stakeholders and its communications strategy was reviewed and improved. With the assistances of Welsh Government, a new web site was developed and implemented in April 2012.
- 3.20 At the end of January 2013 the Commission moved to new office accommodation at Hastings House. The new accommodation is more economical and provides a more effective working environment than our old office.

New Legislation

- 3.21 The forthcoming Local Government (Democracy) (Wales) Bill has significant implications for the Commission and how it operates. The Commission has taken a close interest in the contents and progress of the Bill and has contributed to the process by responding to the White Paper in August 2012, responding to the draft Bill in January 2013 and giving evidence to the Communities, Equality and Local Government Committee on 17 January 2013.

Remit Letter

- 3.22 The Minister for Local Government and Communities' remit letter of 13 March 2013 set out the role of the Commission in relation to the Welsh Government's strategic agenda and the deliverables expected of the Commission to help the Government achieve its goals. The remit letter set the following specific objectives for the Commission:

Electoral Reviews

To complete the following electoral reviews:

- Denbighshire (Prestatyn) by 1 August 2013;
- Torfaen by the end of August 2013;
- Carmarthenshire by the end of November 2013; and
- Pembrokeshire by the end of March 2014.

Council Size

To complete the council size methodology consultation and to formulate and publish an agreed methodology.

Local Government (Democracy) (Wales) Bill

To update the Commission's electoral reviews policy and practice following the adoption of a council size methodology and implementation of the Local Government (Democracy) (Wales) Bill.

Following the implementation of the Local Government (Democracy) (Wales) Bill:

- to consider community review reports from principal councils and process them appropriately;
- to produce a timetable for a 10-year programme of electoral reviews; and
- to begin the programme of electoral reviews.

The activities that will deliver objectives in these areas over the coming twelve months are included in Section 5, The Work of the Commission During 2013-14.

4. CORPORATE MANAGEMENT: POLICIES AND PRACTICE

Framework Document

- 4.1 The Framework Document describes the relationship between the Commission and the Welsh Government and requires the submission of Annual Operational Plans, Corporate Plans and Annual Reports and Accounts to the Welsh Government for the purposes of planning, budgeting and assessing performance. Quarterly liaison meetings are held with the sponsor division of the Welsh Government. The Commission also meets the Minister once a year to discuss progress.
- 4.2 A Corporate Governance Manual has been adopted and a Register of the direct or indirect pecuniary interests of Commissioners is published on the Commission's web site (www.lgbc-wales.gov.uk). There is also a code of conduct for Commission staff.
- 4.3 The Commission has an appointed Audit Committee, chaired by a member of the Commission. The Commission appoints an independent member of the Audit Committee.
- 4.4 Working practices have been adopted which accord with the principles of openness, consultation and helpfulness. For example, the Commission gives widespread publicity to their intention to hold each review and write to and visit the local authority concerned to discuss the review and invite their initial comments. For each review the Commission issues press releases on the draft and final proposals and sufficient copies of reports are supplied to enable free distribution to all members of principal and community councils affected by the proposals and to local libraries. A number of copies are also available for local residents on request. The Commission's web site: www.lgbc-wales.gov.uk gives information about the Commission, the progress of reviews and access to reports.
- 4.5 For each review one of the Commissioners is appointed Lead Commissioner for that review. The role of Lead Commissioner is to encourage councils to engage with the process at a high level through face-to-face meetings with senior members and staff where appropriate throughout the review process.

Budget and Audit

- 4.6 The net expenditure for the year amounted to £489,932 (2011-12; £562,659) and this has been transferred to the general reserve. Grant-in-Aid received from the Welsh Assembly Government amounted to £519,735 (2011-12; £576,492) and this has been credited direct to the general reserve. As Grant-in-Aid is provided on a cash basis and cannot be drawn down in advance of need and the accounts are prepared on an accruals basis this can result in a net negative reserves position. This has been the case for the last five years. The Commission is committed to achieving value for money when purchasing goods and services.
- 4.6 To ensure efficiency and value for money a comprehensive set of desk instructions relating to systems and procedures is in place. The Commission's internal auditors were Deloitte LLP. The Auditor General for Wales has undertaken the external

audit of the Commission's finances and the subsequent report was without caveat or qualification.

Welsh Language Scheme

- 4.7 One of the Commissioners is nominated as the Welsh Language Champion for the Commission. They have an open remit to work with the Commission staff to raise and improve our use of the Welsh Language. The Commission has a Welsh Language Scheme (last revised in February 2011) which sets out the Commission's commitment to the principle that in the conduct of public business in Wales, the Commission will treat the Welsh and English languages on a basis of equality. The Commission's Welsh Language Scheme contains detailed measures in support of the principle and a copy of the full report will be supplied on request or may be accessed on the Commission's web site.

Training and Information Technology

- 4.8 Essential training courses that staff are required to attend have continued this year and include: Information and Records Management and Equality Diversity and Human Rights Awareness. Staff with a responsibility for updating the Commission's web site attended a website content management course. In addition, staff development training has been supported by the Commission and courses attended include '7 Habits of Highly Effective People' and Report Writing. Three members of staff have started on the Welsh Government Leadership Programme (Cultivar). An introduction to LEAN techniques was given to all staff and this was followed by a workshop to apply the techniques learned to the reviews process. A number of actions were identified and these have either already been put into place or there are plans to do so within the coming year. All staff attended a Programme and Project Management Level 1 course and are booked on Level 2 and 3 courses in the next year. A new Review Officer received job specific training such as MapInfo Professional Introduction, and in-house coaching was arranged and supported. Welsh Language coaching has been given on an informal basis to non Welsh speaking staff, to help them improve their pronunciation of Welsh place names.
- 4.9 The Commission is part of the Welsh Government's AtoS alliance which provides the majority of the Commission's IT requirements, both hardware and software.

Complaints Procedure

- 4.10 The Commission has a Complaints Procedure whereby complaints may be made (by letter, e-mail or telephone) by contacting the Commission. Information on how complaints are handled can be found within the Commission's Complaints Procedure document, which can be viewed on the Commission's web site (www.lgbc-wales.gov.uk) or can be obtained from the Commission at the address below. The Commission currently does not come within the remit of the Public Services Ombudsman for Wales. As part of the consultation by Welsh Government in respect of the forthcoming Local Government (Democracy) (Wales) Bill we suggested a change to the legislation to bring this about.

Employee Policy

- 4.11 The staff of the Commission at the end of March 2013 consisted of the Secretary, Deputy Secretary, Finance Manager, Review Manager, four Review Officers (1 post unfilled), a Review Assistant and Office Assistant. The Commission maintains a core of directly employed staff whose salary bands and terms and conditions of service are analogous with Welsh Government staff of corresponding grades.

Staffing requirements over and above this core are dictated by the local authority and parliamentary review cycles and workloads and are met by employing inwardly seconded staff from other government departments for a fixed term of either 2 or 3 years. Staff who are seconded from other government departments remain on the salary scales and terms and conditions of their parent department whilst employed by the Commission.

With the changes that may be made to the operation of the Commission's review work as a result of changes to the legislation (see 5.14 below) there is likely to be a move to a continuous programme of review work. This will allow the Commission to employ most if not all of its staff on a permanent basis rather than having staff on secondment to cover peak periods of work.

The Commission has an extensive range of policies which reflect current legislation, and aim to secure staff retention and motivation.

5. THE WORK OF THE COMMISSION DURING 2013-14

Reviews of Electoral Arrangements

- 5.1 Draft proposals in respect of the further review of Denbighshire (Prestatyn) are due published in early May 2013 with final proposals to be published by the 1 August 2013.
- 5.2 Draft proposals in respect of the review of Pembrokeshire are due to be published by the end of June 2013 with final proposals to be published by the end of March 2014.
- 5.3 The electoral review of Torfaen is due to recommence following Welsh Government's Order implementing the recent community review. Final proposals in respect of the review of Torfaen are due to be published by the end of August 2013.
- 5.4 Final proposals in respect of the review of Carmarthenshire are due to be published by the end of November 2013.
- 5.5 Following the implementation of the Local Government (Democracy) (Wales) Bill work is anticipated to commence on the first of the electoral reviews in January 2014.

Community Reviews

- 5.6 Several of the principal Councils have started or have indicated that they are about to start on reviews of communities within their areas. The Commission will provide Councils with any advice and guidance they may require.

Electoral Review Policy

- 5.7 The consultation on the methodology for determining the size of councils will end on 19 June 2013. Following consideration of the responses to this consultation the Commissioners intends to publish its policy in respect of council size by the end of September 2013.

Corporate Governance

- 5.8 Each quarter the Secretary will assess the Commission's processes for producing the Governance Statement.
- 5.9 As part of the production of the Annual Report and Accounts a Governance Statement is required to be produced and this will be supplemented by the Annual Report of the Audit Committee.
- 5.10 The Audit Committee will meet in May, July and November 2013 and in February 2014.
- 5.11 Consideration of corporate risks will be given at each Commission meeting.

- 5.12 The Commission's records management system is to be reviewed and an effective system implemented by the end of December 2013.
- 5.13 A Corporate Plan that replaces the previous document 'Our Strategy 2009-12' is to incorporate changes that arise from the Local Government (Democracy) (Wales) Bill and will be published by the end of December 2013.

Legislation

- 5.14 As previously indicated the Local Government (Democracy) (Wales) Bill will have a significant impact on the work of the Commission. The Commission will assess the impact of the Bill's provisions and make appropriate changes to its operations to be completed by the end of March 2014.

Communications

- 5.15 The Commission's communications strategy will be further developed to incorporate an agreed social media policy and to incorporate changes to the legislation.

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6. SUMMARY FINANCIAL STATEMENTS

- 6.1 This Financial Statement provides a summary of the accounts of the Local Government Boundary Commission for Wales (the Commission) for the financial year ending 31 March 2013. It does not contain sufficient information to allow for a full understanding of the results and state of affairs of the Commission. For further information the full annual accounts and auditor's report on those accounts should be consulted. A copy of the audited accounts, which contain the detailed information required by law and under best practice guidelines, can be obtained, free of charge, from the Finance Manager, Hastings House, Fitzalan Court, Cardiff, CF24 0BL.

Report of the Auditor General for Wales to the National Assembly for Wales on the Summary Financial Statements

I have examined the summary financial statements contained in the Annual Report of the Local Government Boundary Commission for Wales' statutory financial statements set out below on pages 15 to 20.

Respective responsibilities of the Accounting Officer and auditor

The Accounting Officer is responsible for preparing the Annual Report. My responsibility is to report my opinion on the consistency of the summary financial statements with the statutory financial statements, the report of the Secretary and Accounting Officer and the remuneration report. I also read the other information contained in the Annual Report and consider the implications for my report if I become aware of any misstatements or material inconsistencies with the summary financial statements.

Basis of opinion

I conducted my work in accordance with Bulletin 2008/3 'The auditor's statement on the summary financial statements' issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In my opinion the summary financial statements are consistent with the statutory financial statements, the report of the Secretary and Accounting Officer and the remuneration report of the Local Government Boundary Commission for Wales for the year ended 31 March 2013 on which I have issued an unqualified opinion.

I have not considered the effects of any events between the dates on which I signed my report on the full financial statements, 8 August 2013 and the date of this statement.

Huw Vaughan Thomas
Auditor General for Wales
8 August 2013

Wales Audit Office
24 Cathedral Road
Cardiff

LOCAL GOVERNMENT BOUNDARY COMMISSION FOR WALES

STATEMENT OF COMPREHENSIVE NET EXPENDITURE for the year ended 31 March 2013

	Notes	2013 £	2012 £
EXPENDITURE			
Staff costs	5	399,825	446,614
Depreciation		2,523	3,356
Other expenditure		245,177	245,234
Total Expenditure		<u>647,525</u>	<u>695,204</u>
INCOME			
Other income		<u>157,596</u>	<u>132,544</u>
Total Income		<u>157,596</u>	<u>132,544</u>
Net Expenditure		<u>(489,929)</u>	<u>(562,660)</u>
Net interest (payable) / receivable		(3)	1
Net Expenditure after interest		<u><u>(489,932)</u></u>	<u><u>(562,659)</u></u>
OTHER COMPREHENSIVE EXPENDITURE			
Total Comprehensive Expenditure for the year ended 31 March 2013		(489,932)	(562,659)

All activities are classed as continuing

The notes on pages 19 to 20 form part of these accounts.

LOCAL GOVERNMENT BOUNDARY COMMISSION FOR WALES

STATEMENT OF FINANCIAL POSITION as at 31 March 2013

	Notes	31 March 2013 £	31 March 2012 £
NON-CURRENT ASSETS			
Property, Plant and Equipment		4,210	1,793
Total non-current assets		<u>4,210</u>	<u>1,793</u>
CURRENT ASSETS			
Trade and other receivables		5,387	3,090
Cash and cash equivalents		50,105	8,480
Total current assets		<u>55,492</u>	<u>11,570</u>
Total assets		<u>59,702</u>	<u>13,363</u>
CURRENT LIABILITIES			
Trade and other payables		(60,727)	(44,191)
Total current liabilities		<u>(60,727)</u>	<u>(44,191)</u>
Total assets less current liabilities		<u>(1,025)</u>	<u>(30,828)</u>
FINANCED BY:			
General reserves		(1,025)	(30,828)
		<u>(1,025)</u>	<u>(30,828)</u>

The notes on pages 19 to 20 form part of these accounts.

Ian Williams
Accounting Officer
19 July 2013

LOCAL GOVERNMENT BOUNDARY COMMISSION FOR WALES

STATEMENT OF CASH FLOWS for the year ended 31 March 2013

	Notes	2013	2012
		£	£
Cash flows from operating activities			
Net expenditure after interest		(489,932)	(562,659)
Adjustments for:			
Decrease / (Increase) in trade and other receivables		(2,297)	(1,420)
Depreciation		2,523	3,356
Increase / (Decrease) in trade payables		16,536	(12,164)
Net cash outflow from operating activities		<u>(473,170)</u>	<u>(572,887)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(4,940)	-
Net cash outflow from investing activities		<u>(4,940)</u>	<u>-</u>
Cash flows from financing activities			
Grants from parent departments		<u>519,735</u>	<u>576,492</u>
Net financing			
Net (decrease) in cash and cash equivalents at the start of the period		41,625	3,605
Cash and cash equivalents at the beginning of the period		8,480	4,875
Cash and cash equivalents at the end of the period		<u>50,105</u>	<u>8,480</u>

The notes on pages 19 to 20 form part of these accounts.

LOCAL GOVERNMENT BOUNDARY COMMISSION FOR WALES

STATEMENT OF CHANGES IN TAX PAYERS' EQUITY for the year ended 31 March 2013

	Notes	General Reserve* £
Balance at 31 March 2011		(44,661)
Changes in accounting policy		-
Restated balance at 1 April 2011		<u>(44,661)</u>
Changes in tax payers' equity 2011-12		
Grant in Aid from Welsh Government	11	576,492
Comprehensive Expenditure for the year		(562,659)
Balance at 31 March 2012		<u>(30,828)</u>
Changes in taxpayers' equity for 2012-13		
Grant in Aid from Welsh Government	11	519,735
Comprehensive Expenditure for the year		(489,932)
Balance at 31 March 2013		<u>(1,025)</u>

The notes on pages 19 to 20 form part of these accounts.

* no total column is given as this is the only reserve the Commission has.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2013

1. STATEMENT OF ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the 2012-13 Government Financial Reporting Manual (IFRS based FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Local Government Boundary Commission for Wales for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Local Government Boundary Commission for Wales are described below. These have been applied consistently in dealing with items that are consider material to the accounts.

2. Accounting Convention

The accounts are prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

3. Financial Results

The net expenditure for the year amounted to £489,932 (2011-12; £562,659) and this has been transferred to the general reserve. Grant-in-Aid received from the Welsh Assembly Government amounted to £519,735 (2011-12; £576,492) and this has been credited direct to the general reserve.

As Grant-in-Aid is provided on a cash basis and cannot be drawn down in advance of need and the accounts are prepared on an accruals basis this can result in a net negative reserves position. This has been the case for the last four years.

4. Going Concern

These accounts are prepared on a going concern basis. So far as I am aware the net current liabilities will be financed from resources voted by Parliament (Grant-in-Aid) in the future.

5. STAFF NUMBERS AND RELATED COSTS

	2013 Permanently employed staff £	2013 Inward Secondments £	2013 Contract Staff £	2013 Commission Members £	2013 Total £
Wages and salaries	164,208	127,536	7,037	22,167	320,948
Social security costs	12,464	9,498	-	829	22,791
Pension costs	31,434	24,321	-	-	55,755
Holiday pay accrual	199	132	-	-	331
Total Net Costs	208,305	161,487	7,037	22,996	399,825

Average number of persons employed

The average number of whole-time equivalent persons employed during the year by these categories was as follows:

No.	No.	No.	No.	No.
6	4	1	4	15

Comparatives:

	2012 Permanently employed staff £	2012 Inward Secondments £	2012 Contract Staff £	2012 Commission Members £	2012 Total £
Wages and salaries	211,764	120,704	2,765	32,074	367,307
Social security costs	14,988	8,317	-	2,042	25,347
Pension costs	37,527	19,426	-	-	56,953
Holiday pay accrual	(1,633)	(1,360)	-	-	(2,993)
Total Net Costs	<u>262,646</u>	<u>147,087</u>	<u>2,765</u>	<u>34,116</u>	<u>446,614</u>

Average number of persons employed

The average number of whole-time equivalent persons employed during the year by these categories was as follows:

	No.	No.	No.	No.	No.
	6	5	1	3	15

The emolument of the Chair of the Commission was £6,962 (2011-12: £2,689). The emolument of the Interim Chairman of the Commission was £2,678 (2011-12: £15,748). The emolument of the Deputy Chair and Member was £5,090 and £5,445 respectively. The emolument of the Independent Audit Committee Member and Interim Member was less than £5,000 each.

The above costs include £81,381 (2011-12; £118,143) in respect of staff resources expended on behalf of the Boundary Commission for Wales. The decrease in Boundary Commission for Wales costs for 2012-13 is due to the decrease in work for the 2013 Review of Parliamentary Constituencies which came to an end following the Electoral Registration and Administration Act 2013 (Commencement No. 3) Order 2013.

7. Events After the Reporting Period

These accounts were authorised for issue on 19 July 2013 by the Accounting Officer. At the date of signing these accounts there were no events after the reporting period to disclose.

Ian Williams
Accounting Officer
19 July 2013