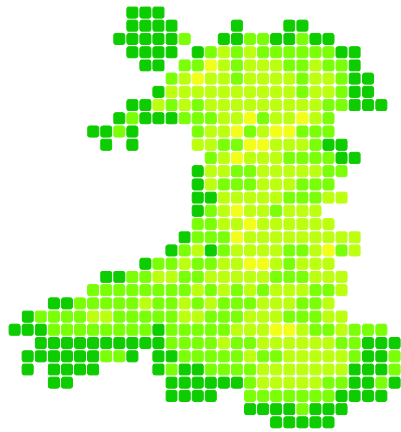


THE LOCAL DEMOCRACY AND BOUNDARY COMMISSION FOR WALES



Comisiwn Ffiniau a
Democratiaeth Leol
Cymru

Local Democracy and
Boundary Commission
For Wales

***ANNUAL REPORT AND SUMMARY
FINANCIAL STATEMENTS
2013/2014***

LOCAL DEMOCRACY AND BOUNDARY COMMISSION FOR WALES

ANNUAL REPORT 2013/2014

Foreword

The Report published here covers a period during which there were significant events affecting the Commission. The first was the enactment of the Local Democracy (Wales) Act that came into operation in August 2013. The Act changed the Commission's name, gave it better methods by which to undertake reviews and required the Commission to review the electoral arrangements of all Principal Councils on a ten year programme. The second event was the appointment by the First Minister of the Commission on Public Service Delivery and Governance, which reported in December 2013. Consideration of the recommendations of the Report is for the Welsh Government and the impact of its decisions will be of major importance to the work of the Commission; adjustments to the Commission's work have been made in conjunction with the Sponsor Department. During the year the Commission was also engaged in completing Electoral Reviews and ensuring that its policies, practices and governance arrangements were enhanced.

The year was one of transition; the Commission stands ready to act on local government arrangements that will flow from decisions of the Welsh Government.

Owen Watkin OBE DL

Chair

June 2014

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1. INTRODUCTION

The Commission

1.1 The Local Democracy Boundary Commission for Wales (the Commission) is a Welsh Government Sponsored Body (WGSB). The Commission was established in 1974 under the terms of the Local Government Act 1972 as the Local Government Boundary Commission for Wales and renamed under the terms of Section 2 of the Local Government (Democracy) (Wales) Act 2013 (the 2013 Act). The provisions of 2013 Act in respect of the Commission replace those of the 1972 Act.

1.2 The purpose of the Commission is:

To monitor the areas and electoral arrangements relevant to local government in Wales for the purpose of considering whether it is appropriate to make or recommend changes. In carrying out its duties the Commission must seek to ensure effective and convenient local government.

Membership

1.3 Three Commission members served throughout the year: Mr Owen Watkins, Mr Ceri Stradling and Mr David Powell. Mr Watkin is the Chair and his appointment is for the period 15 June 2012 to 14 June 2015. The Commission's Deputy Chair is Mr Ceri Stradling and his and Mr Powell's appointments are for the period 1 April 2012 to 31 March 2015.

The Commission's Audit and Risk 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, a member of the Institute of Welsh Affairs, a member of Amnesty International and a member of Cymdeithas Bob Owen.

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, a member of the National Trust and a member of the Snowdonia National Park Authority.

Mr Powell holds no memberships of other public bodies.

The Commission's Independent Member of the Audit Committee is Mrs Julie James who was appointed 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 the Hywel Dda Local Health Board Charitable Funds Committee, Chairman of Brecon Beacons National Park Authority, Non-Executive Director of the Local Government and Communities Director General Corporate Governance Committee, 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, 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, Review Manager, three Review Officers and two Support Officers. From 1 June 2013 with the return of Mr Ian Williams to Welsh Government, the Deputy Secretary, Mr Steve Halsall, became the Acting Secretary. As a result of the 2013 Act the designation of the Secretary post was changed to Chief Executive. Following a recruitment process Mr Halsall was appointed by Welsh Ministers as Chief Executive from 1 January 2014. In August the vacant Review Officer post was filled.
- 1.5 Following the departure of Mr Williams the designation of Accounting Officer for the Commission was transferred to Mr Halsall from 1 October 2013.
- 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. The sponsor department of the Boundary Commission for Wales is the Cabinet Office. As a result of the 2013 Act, changes to the funding arrangement and the agreement to appoint a joint Chief Executive, the Memorandum of Understanding between the Commissions and their respective sponsor departments was revised.

Statutory Duties

- 1.7 The main duty of the Commission is to monitor the areas and electoral arrangements relevant to local government in Wales for the purpose of considering whether it is appropriate to make or recommend changes. To carry out that duty the Commission conducts such reviews as are required. In conducting reviews the Commission must seek to ensure effective and convenient local government.

Principal Area Boundaries

- i) The Commission may, of its own initiative or at the request of a local authority, conduct a review of one or more principal areas.
- ii) The changes the Commission may recommend are:

- a) Such principal area boundary changes it considers appropriate, and
- b) in consequence of any principal area boundary changes such community boundary changes, preserved county changes, community council changes or electoral arrangements as it considers appropriate.

Community Boundaries

- iii) Under specific circumstances contained in the legislation the Commission may conduct a review of one or more communities in a principal area.
- iv) The changes the Commission may recommend are:
 - a) Such community boundary changes it considers appropriate, and
 - b) in consequence of any community boundary changes such community council changes and associated changes to the electoral arrangements of the community or communities under review and the principal area as it considers appropriate.

Preserved Counties

- v) The Commission may conduct a review of one or more preserved counties and may recommend such changes as it considers appropriate.

Principal Area Electoral Arrangements

- vi) The Commission must conduct a review of the electoral arrangements for each principal area at least once every 10 years and must publish a programme which sets out the timetable for the reviews.
- vii) The changes the Commission may recommend are:
 - a) Such changes to the electoral arrangements for the principal area as it considers appropriate, and
 - b) in consequence of electoral arrangement changes such community boundary changes, community council changes, changes to community electoral arrangements and preserved county changes as it considers appropriate.

Review Procedure

1.8 Chapter 4 of the 2013 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 Welsh Ministers for effecting changes to local government boundaries and local government electoral arrangements that seek to ensure 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 made a number of improvements its operation to meet the Mathias recommendations. Many of the provisions of Local Government (Democracy) (Wales) Act 2013 form part of the Welsh Government's response to the Mathias Report. In December 2013, Lesley Griffiths, Minister for Local Government and Government Business stated that it was her view that the Commission was now well placed to carry out its important role in helping to ensure fairness in local democracy and that she did not, therefore, intend to provide any further responses to the Mathias review.

Targets

- 2.3 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.
- 2.4 Within the legislation the period for representations is defined as a period of not less than 6, nor more than 12, weeks. 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.
- 2.5 The Local Government (Democracy) (Wales) Act 2013 provides for a ten-year programme of electoral reviews. This will provide both the Commission and its stakeholders with clear long-term targets for these reviews.

3. THE WORK OF THE COMMISSION DURING 2013-14

Meetings

- 3.1 The Commission has a programme of monthly meetings. Twelve Commission and four Audit Committee meetings were held during 2013-14. In addition a joint meeting with the Boundary Commission for Wales was held in November 2013.

Principal Area Reviews

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

Community Reviews

- 3.3 Following the implementation of the Local Government (Democracy) (Wales) Act 2013 the Commission updated its Community Reviews Guidance booklet which was published in December 2013.

Reviews of Electoral Arrangements

- 3.4 The Commission published its Draft Proposals for the further review of the County of Denbighshire in May 2013 and completed the review by publishing Final Proposals on 1 August 2013.
- 3.5 The Commission published its Draft Proposals for the review of the County of Pembrokeshire in July 2013.
- 3.6 The Commission published its Final Proposals for the County of Carmarthenshire in November 2013.
- 3.7 Following the publication of the Order bringing into effect changes to community boundaries and electoral arrangements in the County Borough of Torfaen work recommenced on the electoral review. The Commission published its Final Proposals for the County Borough of Torfaen in December 2013.
- 3.8 Following the implementation of the Local Government (Democracy) (Wales) Act 2013 the Commission submitted a ten-year programme of electoral reviews to the Minister and this was published in September 2013.
- 3.9 Following a further consultation on an appropriate methodology for assessing the number of councillors for each authority and working with the Data Unit – Wales, a Council Size Policy was published in November 2013.
- 3.10 The Commission's guidance document 'Electoral Reviews: Policy and Practice' was updated to incorporate the Council Size Policy and a revised document was published in January 2014.
- 3.11 The Commission on Public Service Governance and Delivery reported to the First Minister on 20 January 2014 recommending a change to the make-up and operation of Wales' 22 Principal Councils. In order to avoid any nugatory work,

pending the Welsh Government's response to the Report and Recommendations, the electoral review programme was suspended.

Corporate Governance

- 3.12 Each quarter the Chief Executive assessed the Commission's processes for producing the Governance Statement.
- 3.13 A system of financial reporting was operated that includes:
- Monthly budget reports signed off by the Chief Executive;
 - Month end processes signed off by the Chief Executive;
 - Fixed Asset Register checking; and
 - Budget report to each Commission meeting.
- 3.14 The Risk Management Policy was reviewed and amended in May 2013. 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.
- 3.15 Following the provision in the Local Government (Democracy) (Wales) Act 2013 for the Commission to be included within the scope of the Public Services Ombudsman, the Complaints Procedure was reviewed and revised and published in October 2013.
- 3.16 A Diversity Action Plan to encourage a wider diversity of applicants for the future recruitment of Commissioners was formulated and agreed and submitted to the Minister in July 2013.
- 3.17 Other codes and policies that were reviewed and revised during the year include: The Code of Practice on Public Access to Information, Environmental Policy, Commission Meeting Terms of Reference, Whistleblowing Policy, and the Gifts and Hospitality Policy. In addition an IT Strategy was agreed.
- 3.18 The Commission continued its work from the previous year to strengthen its links with stakeholders and its communications strategy was further reviewed and improved. The web site has continued to be developed maintained and the Commission has implemented a presence on Twitter and Facebook.

Other Meetings

- 3.19 During the year representatives of the Commission held meetings with Leslie Griffiths AM (Minister for Local Government and Government Business), Meri Huws (Welsh Language Commissioner), Sir Paul Williams (Commission on Public Service Delivery and Governance), Glyn Mathias, Association of Electoral Administrators, Mid and North Wales Association of Larger Community Councils, One Voice Wales, Ordnance Survey, SOLACE, Welsh Local Government Association, Welsh Government and a number of principal councils. We also met with colleagues from

the other UK Boundary Commissions and the South African Municipal Demarcation Board.

Remit Letter

3.20 The Minister for Local Government and Government Business' remit letter of 4 March 2014 (and addendum of 17 April 2014) sets 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 for 2014-15:

- To continue to undertake work on any community review submitted to the Commission by Principal Councils.
- To review the Commission's policies and practices in preparation for any work resulting from the report of the Commission on Public Service Governance and Delivery.
- To report on the actions taken to increase diversity in public appointments.
- Mainstreaming the Welsh language.
- Ensuring value for money when conducting all business.
- Comply with the general equality duties, including assessing equality impacts.
- Being mindful of sustainable development when conducting 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 2014-15.

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.ldbc-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.ldbc-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 £456,359 (2012-13; £489,932) and this has been transferred to the general reserve. Grant-in-Aid received from the Welsh Assembly Government amounted to £508,169 (2012-13; £519,735) and this has been credited direct to the general reserve.
- 4.7 The Commission is committed to achieving value for money when purchasing goods and services. 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

- 4.8 The Commission has a Welsh Language Scheme, which sets out, in detailed measures, the Commission's commitment to the principle that, in the conduct of public business in Wales, the Commission will treat the Welsh and English language on a basis of equality. The Scheme was revised in January 2014 to take into consideration the implications of the Welsh Language (Wales) Measure 2011 and organisational changes at the Commission. The Welsh Language Commissioner has approved the revised Scheme. A copy of the full Scheme will be supplied on request or may be accessed on the Commission's bilingual website.
- 4.9 The Chair of the Commission is a fluent Welsh speaker, and the Commission has appointed him Welsh Language Champion. He has an open remit to work with the Commission staff to raise and improve our use of the Welsh Language. The Commission's Chief Executive manages all new policies and initiatives personally and is the Scheme's monitoring officer.
- 4.10 The Commission offices were visited by the Welsh Language Commissioner during November 2013 to discuss the planned revision of the Commission's Welsh Language Scheme and the implementation of the Welsh Language Standards. Additionally, the office was visited by the Welsh Language Commissioner's Senior Advice and Communications Officer during February 2014 to discuss the Welsh Language Commissioner's responsibility for advising on the standard forms of Welsh place-names. As a result of this discussion, the Commission will henceforth approach the Welsh Language Commissioner as part of its review consultation process.
- 4.11 All of the Commission's publications and correspondence were issued either bilingually or with Welsh and English versions being published simultaneously. Separate publications were equally accessible (in hard copy and on the Commission's website), and were of the same quality, format and prominence.
- 4.12 Three posts were advertised by the Commission during 2013/14: one post was advertised as Welsh essential and one as Welsh desirable. One post (33% of appointments) was filled by a Welsh speaker. Two (22%) full time members of staff at the Commission's Secretariat are Welsh speakers who are available to: answer queries from colleagues pertaining to the Welsh language; answer queries from Welsh speaking members of the public; and, quality-assure Welsh language publications.

Training and Information Technology

- 4.13 Essential training courses that members of 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.

- 4.14 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. Following the adoption of an IT strategy, several improvements have been made to the Commission's IT systems.

Complaints Procedure

- 4.15 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.ldbc-wales.gov.uk) or can be obtained from the Commission at the address below. As noted at 3.15 above, the Commission now comes within the remit of the Public Services Ombudsman for Wales and the Complaints Procedure has been amended accordingly.

Employee Policy

- 4.16 The staff of the Commission at the end of March 2014 consisted of the Chief Executive, Finance Manager, Review Manager, four Review Officers, a Review Assistant and Office Assistant, the Deputy Chief Executive post being vacant. 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. Members of 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.

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

Information Policy

- 4.17 The Commission makes as much information publically available as practicable through their web site and this information largely corresponds to that set out in the guidance contained in the Information Commissioner's Office Definition Document for Welsh Government Sponsored Bodies. Any information specified in the Information Commissioner's Office Definition Document not readily available on the Commission's web site will be made available on request.

5. THE WORK OF THE COMMISSION DURING 2014-15

Reviews of Electoral Arrangements

- 5.1 In the light of the report of the Commission on Public Service Governance and Delivery and pending the Welsh Government's response to consider future scenarios and make preparations for change.
- 5.2 Review policies and practices in preparation for any work arising from the Commission on Public Service Governance and Delivery report

Community Reviews

- 5.3 Review reports received from principal councils are to be considered and processed as appropriate.
- 5.4 The Commission will provide advice and guidance as appropriate to principal councils considering undertaking Community Reviews.
- 5.5 The Commission will undertake reviews at the request of principal councils at a fee to be agreed between both parties.

Corporate Governance

- 5.6 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 and Risk Committee. Each quarter the Chief Executive will assess the Commission's processes for producing the Governance Statement.
- 5.7 The Audit and Risk Committee will meet in July and November 2014 and in February 2015 to monitor and evaluate overall governance and risk management arrangements.
- 5.8 Operational Risks will be continually assessed at Team and Management meetings and where necessary will feed into the Corporate Risks that are to be considered at each Commission meeting.

Communications

- 5.9 The Commission's communications strategy will be reviewed in the light of changes arising from the Commission on Public Service Governance and Delivery report.

Procurement

- 5.10 Existing contracts and procurement arrangements will be monitored to ensure that expenditure provides value for money.

Equality and Diversity

- 5.11 The actions taken to increase the diversity of the Commission membership will be reported to the Minister.

5.12 Equality impacts will be assessed when agreeing policies and procedures.

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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 2014. 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 (e-mail: ldbc.wales@wales.gsi.gov.uk).

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 16 to 22.

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 Chief Executive 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 Chief Executive 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, 5 August 2013 and the date of this statement.

Huw Vaughan Thomas
Auditor General for Wales
5 August 2013

Wales Audit Office
24 Cathedral Road
Cardiff

LOCAL DEMOCRACY AND BOUNDARY COMMISSION FOR WALES

STATEMENT OF COMPREHENSIVE NET EXPENDITURE for the year ended 31 March 2014

	Notes	2014 £	2013 £
COSTS			
Staff costs	6	333,197	399,825
Other expenditure		217,468	247,703
Income		(94,306)	(157,596)
Net Operating Costs		456,359	489,932
OTHER COMPREHENSIVE EXPENDITURE			
Total Comprehensive Expenditure for the year ended 31 March 2014		456,359	489,932

All activities are classed as continuing

The notes on pages 20 to 22 form part of these accounts.

LOCAL DEMOCRACY AND BOUNDARY COMMISSION FOR WALES

STATEMENT OF FINANCIAL POSITION as at 31 March 2014

	31 March 2014	31 March 2013
	£	£
NON-CURRENT ASSETS		
Property, Plant and Equipment	<u>34,908</u>	<u>4,210</u>
Total non-current assets	<u>34,908</u>	<u>4,210</u>
CURRENT ASSETS		
Trade and other receivables	<u>3,042</u>	<u>5,387</u>
Cash and cash equivalents	<u>69,196</u>	<u>50,105</u>
Total current assets	<u>72,238</u>	<u>55,492</u>
Total assets	<u>107,146</u>	<u>59,702</u>
CURRENT LIABILITIES		
Trade and other payables	<u>(56,361)</u>	<u>(60,727)</u>
Total current liabilities	<u>(56,361)</u>	<u>(60,727)</u>
Total assets less current liabilities	<u>50,785</u>	<u>(1,025)</u>
FINANCED BY:		
General reserves	<u>50,785</u>	<u>(1,025)</u>
	<u>50,785</u>	<u>(1,025)</u>

The notes on pages 20 to 22 form part of these accounts.

The Accounting Officer authorised these financial statements for issue on 16 July 2014

STEVE HALSALL
Accounting Officer
16 July 2014

LOCAL DEMOCRACY AND BOUNDARY COMMISSION FOR WALES

STATEMENT OF CASH FLOWS for the year ended 31 March 2014

	2014	2013
	£	£
Cash flows from operating activities		
Net operating costs	(456,359)	(489,932)
Adjustments for:		
Decrease / (Increase) in trade and other receivables	2,345	(2,297)
Depreciation	9,071	2,523
Increase / (Decrease) in trade payables	(4,366)	16,536
Net cash outflow from operating activities	(449,309)	(473,170)
Cash flows from investing activities		
Purchase of property, plant and equipment	(39,768)	(4,940)
Net cash outflow from investing activities	(39,768)	(4,940)
Cash flows from financing activities		
Grants from parent departments	508,169	519,735
Net financing		
Net (decrease) in cash and cash equivalents at the start of the period	19,091	41,625
Cash and cash equivalents at the beginning of the period	50,105	8,480
Cash and cash equivalents at the end of the period	69,196	50,105

The notes on pages 20 to 22 form part of these accounts.

LOCAL DEMOCRACY AND BOUNDARY COMMISSION FOR WALES

STATEMENT OF CHANGES IN TAX PAYERS' EQUITY for the year ended 31 March 2014

	General Reserve* £
Balance at 31 March 2012	(30,828)
Changes in accounting policy	-
Restated balance at 1 April 2012	<u>(30,828)</u>
Changes in tax payers' equity 2012-13	
Grant in Aid from Welsh Government	519,735
Comprehensive Expenditure for the year	(489,932)
Balance at 31 March 2013	<u>(1,025)</u>
Changes in taxpayers' equity for 2013-14	
Grant in Aid from Welsh Government	508,169
Comprehensive Expenditure for the year	(456,359)
Balance at 31 March 2014	<u>50,785</u>

The notes on pages 20 to 22 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 2013-14 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 Democracy and Boundary Commission for Wales for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Local Democracy and Boundary Commission for Wales are described below. These have been applied consistently in dealing with items that are considered 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. Administration and Programme Expenditure

The Commission's funding received from both the Welsh Government and Cabinet Office is classed as funding for programme expenditure by both Departments. All income and expenditure figures shown on the Statement of Comprehensive Net Expenditure are therefore deemed to be programme income and expenditure.

4. Financial Results

The net expenditure for the year amounted to £456,359 (2012-13; £489,932) and this has been transferred to the general reserve. Grant-in-Aid received from the Welsh Government amounted to £508,169 (2012-13; £519,735) and this has been credited direct to the general reserve.

5. 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 the Welsh Government (Grant-in-Aid) in the future.

6. STAFF NUMBERS AND RELATED COSTS

	2014 Permanently employed staff	2014 Inward Secondments	2014 Contract Staff	2014 Commission Members	2014 Total
	£	£	£	£	£
Wages and salaries	187,043	62,110	-	21,955	271,108
Social security costs	14,216	4,278	-	647	19,141
Pension costs	35,837	11,667	-	-	47,504
Holiday pay accrual	(3,417)	(1,139)	-	-	(4,556)
Total Net Costs	233,679	76,916	-	22,602	333,197

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	2	0	6	14

Comparatives:

	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

The emolument of the Chair of the Commission was £7,395 (2012-13: £6,962). The emolument of the Member was £5,049 (2012-13: £5,445). The emolument of the Deputy Chair, Independent Audit Committee Member and BCW Members was less than £5,000 each.

The above costs include £45,000 (2012-13; £81,381) in respect of staff resources and £3,539 in respect of members' remuneration expended on behalf of the Boundary Commission for Wales. The decrease in Boundary Commission for Wales costs for 2013-14 is due to the 2013 Review of Parliamentary Constituencies ending 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 16 July 2014 by the Accounting Officer. At the date of signing these accounts there were no events after the reporting period to disclose.

STEVE HALSALL
Accounting Officer
16 July 2014