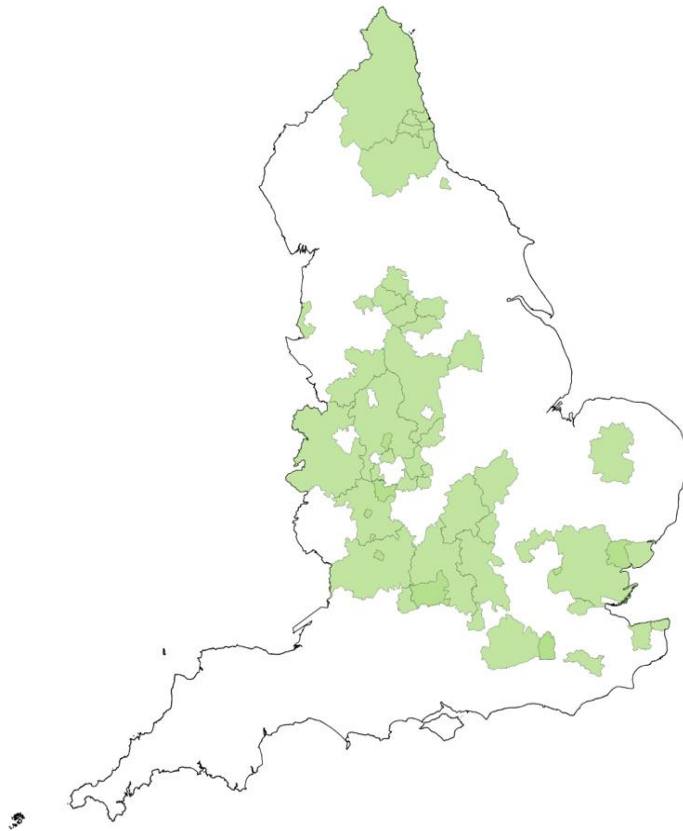


# Annual Report and Accounts 2023-24



# **Annual Report and Accounts 2023-24**

Report presented to Parliament pursuant to Paragraph 17(1) and accounts presented to Parliament pursuant to Paragraph 15(2)(c) of Schedule 1 to the Local Democracy, Economic Development and Construction Act 2009.

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# Annual Report and Accounts 2023-24

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# 1. Foreword

## 1.1 Chair's introduction

I am pleased to present the Local Government Boundary Commission for England's (LGBCE) annual report and accounts for 2023-24, a year during which we have delivered our planned programme of reviews – on time for their intended implementation and within budget – alongside enhancing our use of technology and other methods to engage actively with local people and organisations.

In addition, we have met our various key performance indicators (KPIs). These help assure ourselves – and others – that we are addressing the objectives that underpin our remit in an effective and rigorous manner.

At the same time as continuing our core business, we are undergoing important changes as an organisation – the arrival of a new Chief Executive, a forthcoming office relocation, and an on-going programme of technological and digital innovations, many of which derive from lessons learned during the pandemic.

The Commission's main remit is to undertake electoral reviews which have three main aims: making sure that, within an authority, each councillor represents a similar number of electors; creating boundaries that are appropriate and reflect community ties and identities; and delivering reviews informed by local needs, views and circumstances.

Local residents can be passionate about the place they call 'home', and the Commission is heavily dependent on the active engagement of local people and organisations, and their insight, to perform its role. We want to know what local people think, and why.

Accordingly, appreciation is due to all those – local authorities, organisations, communities and individuals – who have engaged with, and actively participated in, the Commission's reviews during the past year.

Mindful of the many challenges facing councils, not least increased demands on core services alongside pressures on their staffing resources, we work hard to construct a collaborative style of working with local authorities and local communities throughout the review process.

Whilst the central purpose of reviews is to ensure that electoral arrangements are up-to-date and fit-for-purpose, they also present a significant opportunity for councils to think about their own governance and democratic arrangements – the number of councillors needed; how accountability is exercised; and, not least, the nature and geography of the communities they serve. We are especially receptive to requests from local authorities that wish to introduce governance changes or to assist Government in the introduction of new local authorities.

It is not possible, of course, to accommodate every opinion in the Commission's recommendations – views vary along with the evidence received – but all viewpoints are considered carefully before decisions are reached. A key focus in 2023-24 has been to make it easier for local people to contribute their views to the drafting of our recommendations. In March 2023, for example, a new website was launched, unifying what had previously been two separate websites. In its first year of operation, the website has already seen a 90,000 increase in the number of visits.

We started 26 reviews over the course of the year. At any one time, there are around 50 reviews in progress, each of which will take around 15 months to complete. As noted above, all the reviews scheduled to be completed during the year – which affected around 3.6 million electors in total – were delivered in time for implementation at the election date agreed at the start of the process.

The LGBCE agreed a Memorandum of Understanding with its counterpart for parliamentary constituency reviews – the Boundary Commission for England (BCE) – shortly after the latter had completed its latest review of constituency boundaries in the summer of 2023. Whilst respecting the different legislative frameworks of the two organisations, the intention is to explore the scope for closer cooperation, sharing of good practice, mutual assistance and wider public benefits in areas such as technology, mapping tools, training and recruitment.

It is anticipated that the agreement will also support the further development of the LGBCE in undertaking its continuing programme of local government reviews and will be especially helpful to the BCE, after a fallow period, when it starts to prepare for its next review of parliamentary constituencies in a few years' time.

As with other public bodies, this has been another financially challenging year for the Commission. Although a small organisation, with the consequent challenges of resilience and limited scope for further significant savings, we have continued to work to deliver value for money across all our functions whilst striving to maintain and, where possible, enhance the rigour and quality of reviews.

An example of this has been reducing print costs whilst improving the digital resources we offer to council communication teams. This year, work has also started on identifying the Commission's requirements for a new office space once our current lease ends in autumn 2024, with a view to making sure expenditure is as efficient as possible and that our new premises support the manner that the Commission wants to work as an organisation.

The dedicated staff team continues to be core to the work and success of the Commission. Over the past three years, a new People Strategy has been progressively implemented, the benefits of which can be seen in the results of our annual staff survey. By way of illustration, 94% of staff indicated that they would recommend the Commission as 'a great place to work'.

We are, of course, no less concerned that we enjoy similar regard amongst our external audiences, and we use a number of mechanisms to elicit feedback from them, both qualitative and quantitative. Inevitably, not everyone will agree with our recommendations, but it is important to us that local people feel that their views have been given full and fair consideration. It is pleasing, therefore, that our customer satisfaction levels remain strong, with 71% of those expressing a clear view indicating that they were either 'highly' or 'quite' satisfied with how they had been dealt with by the Commission.

There have been a number of leadership changes during the past year. In December 2023, the Chief Executive Jolyon Jackson CBE retired, having held the post since June 2014. Alongside thanking him for his service to the Commission, and especially for his support for staff during the pandemic, the Commission welcomed its new Chief Executive, Ailsa Irvine, who joined in January 2024 from the Electoral Commission.

In September 2023, Susan Johnson OBE stepped down after five years and seven months as a Commissioner. I extend my personal thanks to her. In her place Wallace Sampson OBE was appointed in August 2023.

As an independent body, accountable to Parliament through the Speaker's Committee, the Commission is indebted to the Speaker of the House of Commons, and to all members of the Committee for their continued advice and guidance.

The Commission has once again planned an ambitious programme of reviews for 2024-25 and looks forward to moving into its new premises in the autumn of 2024.

Above all, however, we look forward to continuing to work closely with local authorities and with communities to discharge our responsibilities to Parliament and, whenever possible, supporting local authorities in their own ambitions.

**Professor Colin Mellors**

**Chair, Local Government Boundary Commission for England**

## **2. Performance report**

### **2.1 Overview**

This year we have continued to carry out a range of different types of reviews and have worked to ensure that we have the right business systems in place to best deliver the remit given to us by Parliament.

We also have a new executive leadership in place. We are building on the working practices and systems developed in the past few years to ensure business continuity and to further develop our already strong, positive organisational culture, all of which will support a move to new office premises in September 2024.

The ways that we engage with local councils, organisations, communities and residents are continually under review, with the aim of making it as straightforward as possible for people to express their views and ideas. We depend upon insight from local stakeholders to ensure our reviews are well-evidenced and locally driven.



## 2.1.1 Purpose, activities and risks

### Who we are

We are an independent body accountable to Parliament

### What we do

We recommend fair electoral and boundary arrangements for local authorities in England

### We aim to

Make sure that, within an authority, each councillor represents a similar number of electors

Create boundaries that are appropriate, and reflect community ties and identities

Deliver reviews informed by local needs, views and circumstances

### We are

**Impartial** - giving equal consideration to all views

**Objective** - making recommendations based on evidence

**Responsive** - listening to local opinion

**Transparent** - following clear and open processes

**Professional** - being reliable, efficient and helpful

### How we work together and with others

We believe an inclusive culture enriches all we do

We value diversity and the benefits different perspectives and experiences bring to our work

We are committed to being inclusive in the way we work together and the way we engage with those contributing to our reviews

## Our activities

We undertake the following forms of electoral review:

- (1) Intervention electoral reviews** – these are carried out in authorities with poor levels of electoral equality.<sup>1</sup>
- (2) Periodic electoral reviews (PERs)** – these are undertaken every three to four electoral cycles (12 to 16 years) to fulfil our statutory duty of reviewing all local authorities ‘from time to time’.
- (3) Requested electoral reviews** – we respond to requests from authorities who wish to change the number of councillors or their electoral cycle.
- (4) New authorities** – we want to support councils that have been established on new boundaries where this has been agreed by Government and Parliament.
- (5) Related alterations and consent cases** – we make changes to parish electoral arrangements, ward or division boundaries following community governance reviews if requested.
- (6) Principal Area Boundary Reviews (PABRs)** – these are undertaken at the request of adjoining authorities, typically to regularise anomalies in boundaries.

## Risk and our risk appetite

It is important to understand and manage our risks and to be aware of the extent of our influence and how the external environment impacts on our work.

We are all responsible for having regular risk conversations that:

- are open, straightforward and purposeful
- approach risk management to achieve set outcomes
- ensure risks are considered across the whole organisation
- provide results that enable effective, evidence-based decision-making

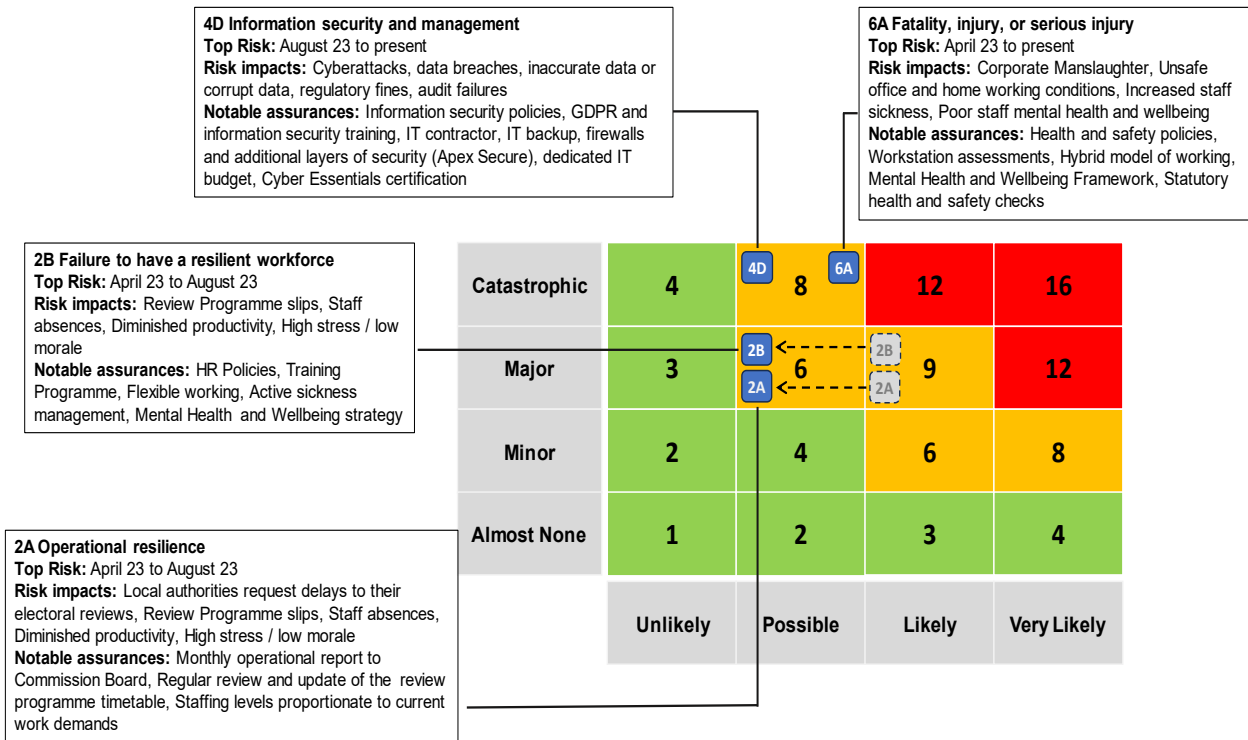
Our risk appetite shows where we are willing to engage with higher levels of risk for a greater benefit, for proportionality or to achieve our strategic objectives.

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<sup>1</sup> We consider ‘poor’ levels of equality to be when any single ward or division in an authority has a variance greater than (+/-) 30% from the average for that authority or 30% of wards or divisions in an authority have a variance greater than (+/-) 10% (i.e., where councillors represent considerably different numbers of electors compared with other councillors within their local authority).

Risk appetite scale			
Avoid	Control	Engage	Seek
Little to none	Low	Medium	High
Avoidance of risk and uncertainty is a key objective	Prefer safe options with low risk and potentially limited reward	Consider all options and choose most likely to result in successful delivery that provides acceptable levels of reward and value for money	Eager to be innovative and invest in best possible returns accepting the consequence of possibility of failure

The following are the top risks, based on their current scores.



### 2.1.2 Commissioners and Independent Member

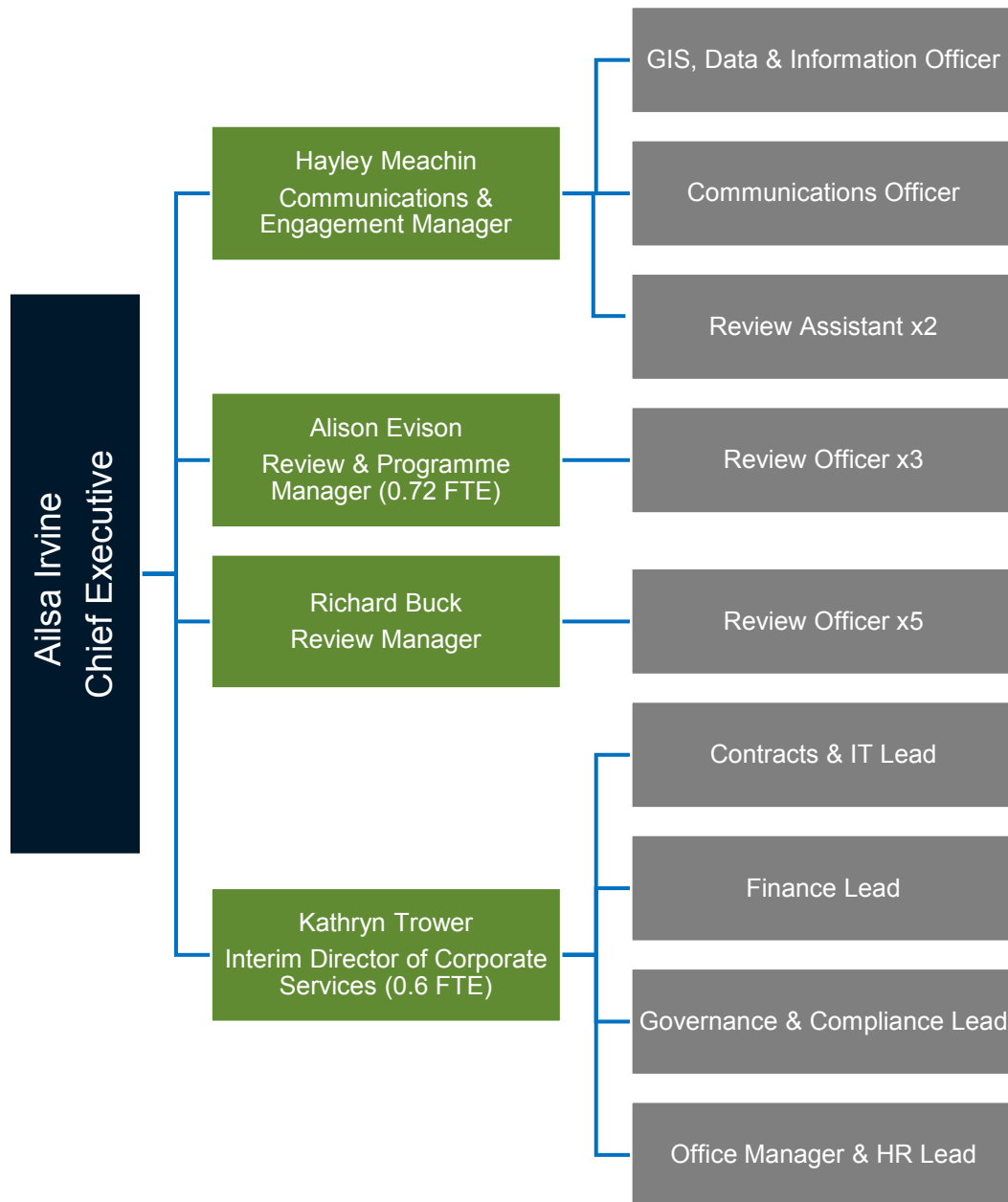
The Commission Board comprises six Commissioners. There is also an Independent Member on our Audit and Risk Committee (ARC).

Roles and functions are described in the accountability report (Section 3).

<b>Name</b>	<b>Role</b>	<b>Dates</b>
Professor Colin Mellors OBE	Chair	January 2016 to December 2025
Andrew Scallan CBE	Deputy Chair	June 2019 to November 2025
Susan Johnson OBE	Commissioner	February 2018 to September 2023
Amanda Nobbs OBE	Commissioner	June 2018 to June 2026
Steve Robinson	Commissioner	November 2017 to November 2025
Wallace Sampson OBE	Commissioner	August 2023 to August 2027
Liz Treacy	Commissioner	March 2023 to March 2027
David Horne	Independent Member of ARC	August 2022 to August 2025

### 2.1.3 Organisational structure (as at 31 March 2024)

Our organisational structure to support the Commission Board in its work is set out below.



### 2.1.4 Performance summary

Each year we aim to start approximately 25 electoral reviews and started 26 during this year. Of these 15 were periodic electoral reviews (PERs) and 11 were intervention reviews.

We have a duty to review every principal council in England ‘from time to time’ – too frequent and they can become a distraction; too infrequent and arrangements may no longer reflect the distribution of electors, communities and governance requirements. These PERs formed the majority of our work programme this year.

Apart from the obvious advantages of organisational stability and a steady output, operating a rolling programme of reviews means that we can adjust the programme in order to undertake earlier reviews in those authorities where substantial residential developments have caused significant electoral inequality. Accordingly, we monitor electoral registers each year and, where appropriate, undertake reviews (which we describe as intervention reviews) to address imbalances. We undertook 11 such intervention reviews this year.

We want to ensure that ward and division boundaries are consistent with other local community governance arrangements wherever possible, especially in respect of parish and town councils which we often use as the building blocks for our own boundaries. Accordingly, we will, when requested, realign ward and division boundaries so that they are aligned with revised parish boundaries that have been changed locally. We have made four related alterations orders to do this in 2023-24 in Dorset, St Albans, Stroud and Wealden. We have also granted consent to four local authorities to change protected parish electoral arrangements.

Consultation is a crucial feature of our work, and we continually reassess the ways in which we engage with local residents and communities. This includes looking at the review process from start to finish, identifying opportunities to refine our approach to provide efficiencies while maintaining quality and making sure safeguards are in place to minimise the risk of errors. Above all, we want to facilitate the means by which local people submit their views to inform our electoral reviews.

In the past year, this has included:

- looking for opportunities to encourage and increase engagement and to support stakeholders in getting involved in the process
- working closely with council communications teams to increase the use of technology and to better tailor our provision of information to meet the needs of local authorities
- starting work to review the communications channels and materials we use to communicate with local people, being mindful of the issue of digital inclusion
- commencing work on improving the depth and quality of submissions to the review process, identifying and assessing any barriers to participation during

the consultation process to ensure that anyone who wishes to respond feels empowered to do so

- embedding our new website, and monitoring how it is supporting users to engage with us and our work, to support a process of continual improvement
- developing our mapping tools to use Esri Sweet Boundary Editor. This software will enhance quality and accuracy when mapping our recommendations
- starting work on a database of historic reviews, to ensure learning is captured and informs future activity

Once the Commission has agreed recommendations for changes to the electoral arrangements of an authority, a draft order is laid in Parliament to bring them into effect. A total of 27 electoral changes orders were laid in Parliament during the 2023-24 financial year. If objections are raised, the recommendations may be debated in committee or the Chamber in which they were raised. They cannot be altered, only accepted in full or referred back to the Commission. If objections are not raised, the changes are signed into law by the Chief Executive of the Commission. In the 2023-24 financial year, one review (Castle Point) attracted objections. Time was not made available in Parliament for a debate to take place and the order was made at the end of the 40-day objection period.

Sharing good practice with, and learning from, others is ingrained in our way of working. To that end, although we are separate organisations and with different frameworks, we routinely maintain good informal relationships with our equivalent organisations in Scotland, Wales and Northern Ireland, as well as with the Boundary Committee for England (BCE), with whom we have established a Memorandum of Understanding.

## Our year in numbers

**3.6m** electors in authorities with improved electoral arrangements

**£2.5m** spend on our activities

**£70k** average cost of a two-tier district review

**26** electoral reviews started

**14** community briefings held with local organisations

**15** in-person tours of local areas to gain a fuller understanding of local boundaries

**97** meetings with local authority leadership

**27** orders laid in Parliament to convert our recommendations to law

**49** consultations initiated with local organisations and residents

**4,747** submissions received from local organisations and residents



## Supporting activity delivered in 2023-24

In support of the delivery of our core review functions, we delivered the following key activities:

<b>Equality, diversity and inclusion (EDI)</b>
<p><b>Terms of reference and policy</b> – we reviewed our EDI working group terms of reference and EDI policy</p> <p><b>Electoral reviews</b> – we ran a whole team session which focussed on EDI in electoral reviews</p> <p><b>Pen portraits</b> – we updated our pen portraits of local authorities to include a greater focus on EDI, reflecting the characteristics of people in individual areas</p> <p><b>Employers Network for Equality and Inclusion (enei)</b> – we completed the enei assessment. It is a benchmarking tool that enables us to see how we are performing across eight areas of the business. This is the fourth year of completion</p>
<b>Information technology and cyber security</b>
<p><b>Cyber Essentials (CE) certification</b> – we successfully achieved CE accreditation again this year, and preparations were undertaken to enable us to seek CE+ accreditation in the next financial year</p> <p><b>Microsoft Defender</b> – this endpoint security solution, which provides devices with better protection from ransomware, malware, phishing and other threats, was successfully rolled out</p> <p><b>Microsoft Intune</b> – we rolled out Microsoft In-tune, a cloud-based management solution that supports us with managing user access to organisation resources and simplifies device management</p> <p><b>Microsoft Windows 11</b> – we replaced laptops as they reached end of life to ensure business continuity and rolled out Windows 11 across the organisation</p> <p><b>Microsoft Secure Score</b> – our actions this year have led us to achieving a Secure Score of 62%, which is an improvement from a starting point of 52% (Microsoft lists organisations of a similar size as having an average Secure Score of 40%).</p>

## People

**Corporate training plan** – we developed a corporate training plan to support the learning and development needs of staff

**Commissioner induction process** – we reviewed our process to improve the induction experience for new Commissioners joining us, so that they will settle swiftly into their new role and feel integrated into the culture of the organisation

## Processes and efficiency

**Risk dashboard** – we have created a summary of real-time risk information, with a dashboard which is powered by data from the risk register and uses the SharePoint platform to make this information easy to access and readily available

**Fraud risk assessment** – we developed a new system for assessing fraud risks which also enhances our anti-fraud policy

**Equality impact assessments (EIAs)** – we have updated our approach and ensured we have embedded EIAs in our approach to reviewing our policies

**Replacement review programme tool** – we commenced a project to explore creating a more modern, automated review planning tool via the SharePoint platform

## Relocation

**Preparations for office move** – work has progressed to identify new premises for us once our current lease expires in September 2024. In particular, we have taken the opportunity to review both the amount of space required and its configuration in order to ensure we get value for money from our premises. We have developed plans for our smooth exit from our current premises and identified actions to support us with moving to our new space, including putting in place policies and protocols to ensure its effective use

## 2.2 Performance analysis

### 2.2.1 Performance review

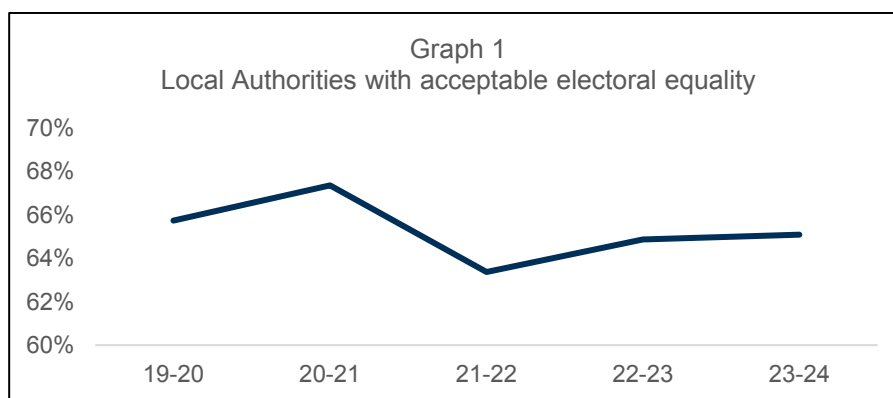
This part of our annual report describes how we measure our performance.

#### State of electoral equality in England

An important consideration for the Commission is the level of electoral equality that exists in English local government. Currently, the Commission considers that where more than 30% of wards or divisions within a local authority have variances of +/- 10% of the norm for that authority, or a single ward or division has a variance of greater than +/- 30%, this represents a poor level of electoral equality.<sup>2</sup>

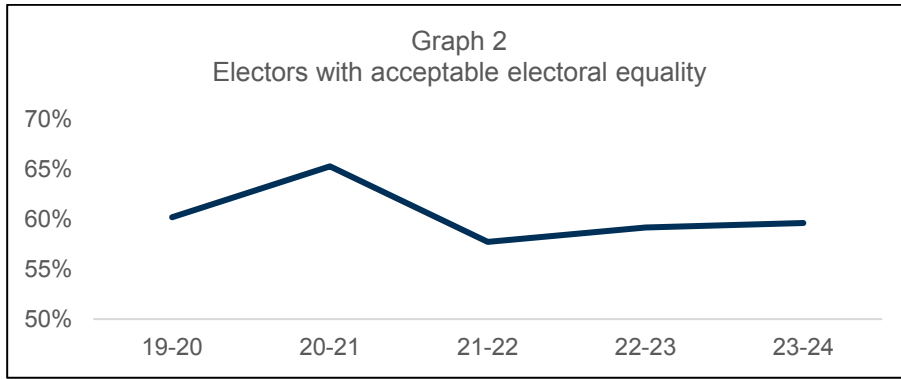
A variety of factors affect electoral equality: population growth, migration, development, levels of electoral registration and student populations. The statutory basis of our work is seeking to achieve acceptable levels of electoral equality, alongside reviewing all local authorities on a continuing basis to identify appropriate electoral boundaries. Levels of electoral equality also help shape our work programme – the blend of periodic, intervention and requested reviews – given that some authorities experience more rapid changes in the number and distribution of electors and, therefore, require more frequent reviews. We assemble data on levels of electoral equality annually and construct a work programme that we feel will deliver the most appropriate and productive balance of review types.

The graphs below indicate the most recent levels of electoral equality amongst English local authorities. Graph 1 shows the proportion of **local authorities** with acceptable<sup>3</sup> electoral equality and Graph 2 shows the proportion of **electors** with acceptable electoral equality. The first graph is affected by the number of local authorities that have been reviewed and the second by the size of those authorities in terms of their electorates. Data for both are gathered when electorates are published annually by the Office for National Statistics.



<sup>2</sup> We use these metrics as the basis of our intervention criteria.

<sup>3</sup> Acceptable is defined as avoiding the levels of inequality (see above) that trigger our intervention criteria.



The Commission has a statutory duty to review all local authorities ‘from time to time’ through periodic electoral reviews (PERs), and all authorities that have not been reviewed since the last comprehensive series of reviews (between 1996 and 2004) are in process of review or are in our forward programme.

### Key Performance Indicators (KPIs)

We measure our performance against three key performance indicators.

We assess the delivery of electoral reviews against the numbers set out in our corporate plan. There is always a challenge in achieving these targets within our own available resources and against the other responsibilities of the local authorities being reviewed. We are dependent on active engagement with authorities and work hard to develop constructive partnerships with those concerned.

#### KPI 1A: Agreed programme

<p>Each year, we set ourselves the target of starting a specified number of reviews reflecting our aim ‘to recommend fair electoral and boundary arrangements for local authorities in England’. Reviews generally take approximately 15 months from start to finish and, therefore, can straddle up to three financial years. The graph indicates the number of reviews started during the last three years.</p>	<p style="text-align: center;">KPI 1A Reviews started</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Number of Reviews Started</th> </tr> </thead> <tbody> <tr> <td>21-22</td> <td>28</td> </tr> <tr> <td>22-23</td> <td>26</td> </tr> <tr> <td>23-24 (FY)</td> <td>26</td> </tr> </tbody> </table>	Year	Number of Reviews Started	21-22	28	22-23	26	23-24 (FY)	26
Year	Number of Reviews Started								
21-22	28								
22-23	26								
23-24 (FY)	26								
<p><b>Comment</b></p> <p>In 2023-24, we once again started 26 reviews, as planned.</p>									

### KPI 1B: Reviews completed in time for election

<p>This shows the percentage of Orders made in 2023-24 that were completed in time for the election agreed at the start of each review.</p>	<p style="text-align: center;"><b>KPI 1B Orders laid in time</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>23-24 (FY)</td> <td>100%</td> </tr> <tr> <td>22-23</td> <td>100%</td> </tr> <tr> <td>21-22</td> <td>100%</td> </tr> </tbody> </table>	Year	Percentage	23-24 (FY)	100%	22-23	100%	21-22	100%
Year	Percentage								
23-24 (FY)	100%								
22-23	100%								
21-22	100%								
<p><b>Comment</b></p> <p>For each review completed in 2023-24, all Orders were made in time for the new electoral arrangements to be implemented at the election agreed at the start of the review.</p>									

### KPI 2A: Customer satisfaction

<p>This KPI measures the percentage of people who have expressed a definite opinion about satisfaction and who were either highly satisfied or quite satisfied with their overall experience of dealing with the Commission.</p>	<p style="text-align: center;"><b>KPI 2A Customer satisfaction</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>23-24 (FY)</td> <td>71%</td> </tr> <tr> <td>22-23</td> <td>78%</td> </tr> <tr> <td>21-22</td> <td>78%</td> </tr> </tbody> </table>	Year	Percentage	23-24 (FY)	71%	22-23	78%	21-22	78%
Year	Percentage								
23-24 (FY)	71%								
22-23	78%								
21-22	78%								
<p><b>Comment</b></p> <p>The overall satisfaction rate of 71% is broadly in line with previous years. We are disappointed to see the slight reduction in satisfaction levels from last year, although this also corresponds with a fall in the number of responses to our satisfaction survey. In 2024-25 we will undertake work to build further our understanding of stakeholder satisfaction and experience, which will include a review of our customer satisfaction survey, not only considering what it is looking at and what it tells us but also how we promote it and increase response rates.</p>									

This section contains other information that, whilst not being formal KPIs, provide useful background to our review work.

### Reviews started<sup>4</sup> before 31 March 2023 and completed<sup>5</sup> during 2023-24

Buckinghamshire	North Hertfordshire	Tandridge
Cannock Chase	North Northamptonshire	Tunbridge Wells
Cheltenham	North Tyneside	West Northamptonshire
County Durham	Northumberland	Wokingham
Dudley	Nuneaton & Bedworth	Worcester
Gloucestershire	Rossendale	
Harlow	Shropshire	

### Reviews started before 31 March 2023 and on-going as at 31 March 2024

Derbyshire	Oxfordshire	Worcestershire
Essex	Staffordshire	
Gateshead	Surrey	

### Reviews started and completed in 2023-24

None
------

### Reviews started in 2023-24 and on-going as at 31 March 2024

Barnsley	Coventry	South Tyneside
Bassetlaw	Kirklees	Sunderland
Bradford	Middlesbrough	Swindon
Breckland	Milton Keynes	Thanet
Bromsgrove	Newcastle upon Tyne	Thurrock
Calderdale	North Warwickshire	Vale of White Horse
Canterbury	North West Leicestershire	Wakefield
Cheshire East	Sefton	Walsall
Colchester	Solihull	

<sup>4</sup> A review 'starts' when the Commission Board takes a formal view on council size.

<sup>5</sup> A review 'finishes' when the final recommendations report is published.

**Preliminary activity<sup>6</sup> for reviews due to start in 2024-25**

Cherwell	Melton	South Holland
Cotswold	North East Lincolnshire	Southend-on-Sea
Cumberland	North Yorkshire	Swale
Dacorum	Oadby & Wigston	Wealden
East Riding of Yorkshire	Plymouth	West Oxfordshire
Great Yarmouth	Portsmouth	Westmorland & Furness
Hinckley & Bosworth	Sandwell	Wirral
Hyndburn	Sevenoaks	
Ipswich	Somerset	

**Management information (MI)**

To complement our KPIs, we have a range of management information that we also monitor, which gives further information on our performance against our objectives.

**Forecasting accuracy**

<p>When we make recommendations, we are required to consider the forecast electorate five years after the completion of the review in assessing expected levels of electoral equality. It is therefore five years before we will know the accuracy of such forecasts.</p> <p>We work closely with local authorities when making electorate forecasts, which are inevitably challenging as development and economic circumstances are difficult to predict with certainty. The graph, right, indicates how decisions made five years earlier had correctly forecast electorate changes. For example, the figure of 82% in 2023-24 is the accuracy of the electorate forecasts across all wards/divisions recommended in electoral reviews undertaken in 2018-19.</p>	<p style="text-align: center;"><b>MI 1A Forecasting accuracy</b></p> <table border="1"> <caption>MI 1A Forecasting Accuracy Data</caption> <thead> <tr> <th>Financial Year</th> <th>Forecasting Accuracy</th> </tr> </thead> <tbody> <tr> <td>23-24 (FY)</td> <td>82%</td> </tr> <tr> <td>22-23</td> <td>82%</td> </tr> <tr> <td>21-22</td> <td>82%</td> </tr> </tbody> </table>	Financial Year	Forecasting Accuracy	23-24 (FY)	82%	22-23	82%	21-22	82%
Financial Year	Forecasting Accuracy								
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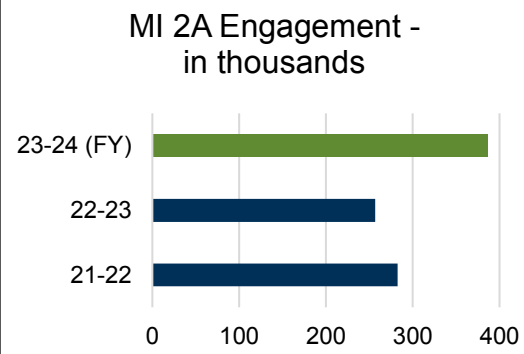
<sup>6</sup> Preliminary activity includes: LGBCE Chair and Chief Executive’s initial meetings with local authority leaders and CEOs; briefings for leaders, members, officers and town and parish councils; production of information on local and community groups for consultation purposes; local authority time to develop proposals for councillor numbers and electorate forecasts; and initial gathering of statistics and information needed to run the review.

## Comment

Forecasting electorate numbers is an important aspect of our work to create electoral arrangements that will stand the test of time, and it is therefore positive that these have continued to show a high level of accuracy.

## Engagement (website sessions)

Achieving widespread local knowledge of reviews and publicising the opportunities for individuals to participate are important Commission objectives.



## Comment

We recorded 386,547 website sessions<sup>7</sup> in 2023-24 (2022-23 256,480). This significant increase in visits from last year is a positive indicator of how our new website has worked in its first full year of operation, and we intend to carry out further work in 2024-25 to support us with establishing a deeper understanding of user experience.

## Social media

We work in partnership with local authorities to spread awareness of our public consultations. We also publicise them through traditional media outlets. Our social media focus has been Facebook because of its broad demographic. We use targeted advertising to encourage participation in our consultations. We measure performance including engagement with our posts, which involves action other than simply viewing the post, such as liking or sharing.

	2023-24	2022-23
<b>Facebook</b> people who have seen a post	<b>1,326,366</b>	1,756,981
<b>Facebook</b> actions taken	<b>91,578</b>	93,316
<b>Facebook</b> conversion rate	<b>6.93%</b>	5.31%
<b>Facebook</b> costs per engagement	<b>£0.18</b>	£0.14
<b>X (Twitter)</b> people who have seen a post	<b>47,341</b>	44,153

<sup>7</sup> A session is when a user actively engages with our website.



## Correspondence

Most of our correspondence relates to ideas and opinions on our reviews and we make efforts to increase both the quantity and quality of these. Although we receive few complaints, we look into each one carefully and, where appropriate, ensure that we learn from them.

Type	Received		Target <sup>8</sup>	Responded within the deadline			
	2023-24	2022-23		2023-24	2022-23	2023-24	2022-23
Submission on review consultations	<b>4,747</b>	5,850	15	<b>4,607</b>	5,804	<b>97%</b>	99%
Complaints (stage 1)	<b>1</b>	6	15	<b>1</b>	6	<b>100%</b>	100%
Complaints (stage 2)	<b>0</b>	3	20	<b>0</b>	3	<b>n/a</b>	100%
Complaints (stage 3)	<b>0</b>	2	20	<b>0</b>	2	<b>n/a</b>	100%
Freedom of Information requests	<b>13</b>	13	20	<b>12</b>	13	<b>92%<sup>9</sup></b>	100%

## Efficiency and value for money

Since our establishment in 2010, we have significantly reduced both our budget and our spending, whilst increasing the number of reviews delivered. Costs continued to fall for several years due to efficiencies in review processes and back-office services, digital developments, and consultation and engagement improvements. While we have continued to explore efficiencies in our processes – something that will remain a focus for the next financial year – it is becoming ever more challenging to deliver savings, given the small scale of our operations and the importance of resilience. Our review costs are now stable and affected mainly by price increases and the mix of reviews we undertake.

The latest internal costs of our reviews are presented below. The figures are calculated from a rolling average of the reviews we started and finished between April 2020 and September 2023. Average costs vary between years dependent on the mix of reviews we start.

At any one time, we have around 50 reviews in progress, and this means that unit costing is not a straightforward exercise and changes to cost recording or methodology take at least a year to filter through in review costs and longer to generate comparable data between reviews.

<sup>8</sup> Working days.

<sup>9</sup> One FOI was not responded to within the deadline as there was an error with the Contact Us section of the website which meant that the FOI was not received by [FOI@lgbce.org.uk](mailto:FOI@lgbce.org.uk).

The table below demonstrates that costs and input vary according to type of authority.

	Rolling average this year <sup>10</sup>	Rolling average last year <sup>11</sup>
Average cost per review	£78k	£89k
Two-tier districts	£70k	£88k
Unitary districts	£76k	£80k
Metropolitan districts	£81k	£71k
London boroughs	£89k	£88k
Two-tier county	£153k	£153k
Unitary county	n/a	£128k

We have also sought to achieve efficiencies in our printing, reducing costs by tailoring the materials we provide to local authorities to support their promotion of reviews to better meet their individual needs. In this financial year, this approach has seen our printing costs reduce to £23k, from £43k in 2022-23.

### 2.2.2 Financial review

The Commission's funding is provided by Parliament under Schedule 1(11) of the Local Democracy, Economic Development and Construction Act 2009. Parliamentary approval for our spending plans is through a Main Supply Estimate (MSE), presented in the House of Commons by the Speaker, specifying estimated expenditure, and requesting a vote for the necessary funds.

The MSE for 2023-24 provided for a net resource requirement of £2,643k. This was made up of a Department Expenditure Limit (DEL) net resource requirement of £2,633k, an Annually Managed Expenditure Limit (AME) net resource requirement of £10k and a DEL net capital requirement of £50k. This is set out in our corporate plan for the period to 2025-26 and was approved by the Speaker's Committee in March 2023.

### Use of resources

The Statement of Outturn against Parliamentary Supply shows outturn figures for resources, capital and cash set against the final Estimate. In 2023-24, the Commission used £2,481k of total net resources.

<sup>10</sup> Related to the period April 2020 to September 2023.

<sup>11</sup> Relates to the period April 2020 to September 2022.

<b>£000</b>	<b>MSE</b>	<b>Spend</b>	<b>Variation</b>	<b>Explanation</b>
DEL Resource	2,633	2,438	(195)	Key factors contributing to the underspend are as follows: <ul style="list-style-type: none"> <li>• Staffing savings, achieved through positive vacancy management</li> <li>• Limited external consultancy engagement required</li> <li>• Travel needs being kept under review, with the balance of in-person and virtual meetings resulting in cost savings</li> <li>• Printing cost reductions, achieved through printing on demand to meet the needs of local authorities</li> <li>• Risk and resilience budget not required in-year</li> <li>• Depreciation less than budgeted (linked to capital underspend)</li> </ul>
AME Resource	10	10	-	• Dilapidation provision increased by £10k
DEL Capital	50	33	(17)	• Capital spent on priority areas
<b>Total</b>	<b>2,693</b>	<b>2,481</b>	<b>212</b>	

## Cash

The Statement of Cash Flows analyses the net cash outflow from operating activities, cash spent on capital expenditure and investment, and the funding and amounts drawn down from the Consolidated Fund during the year.

The Commission's cash requirement amounted to £2,413k in 2023-24 to finance its activities, which was £186k less than the sum of £2,599k approved by Parliament in the Main Supply Estimate.

## Accounting Officer and auditors

In accordance with Schedule 1(16) of the Local Democracy, Economic Development and Construction Act 2009, the Speaker's Committee appointed Jolyon Jackson CBE, the Chief Executive, as Accounting Officer to 31 December 2023, and then Ailsa Irvine, the Chief Executive, as Accounting Officer from 1 January 2024.

Responsibilities as Accounting Officer are set out in Section 3.1.1.

The Comptroller and Auditor General was appointed as the Commission's external auditor under Schedule 1(15) of the Local Democracy, Economic Development and

Construction Act 2009. A non-cash cost of £28,600 (2022-23 £22,000) was incurred on external audit. Internal audit and other services were provided by The Internal Audit Association (TIAA Ltd) at a cost of £14,040 (2022-23 £13,500).

### Payment practice

The Commission has a target of paying 90% of undisputed and valid invoices within 10 working days of receipt of goods or services, or within 10 working days of receipt of the invoice, whichever is later.

The Government’s commitment is to pay 90% of undisputed and valid invoices for small or medium sized companies within 30 days (UK Prompt Payment Code).

Payment practice results remain high against all targets.

	<b>% paid within 30 days</b>	<b>% paid within 10 days</b>
<b>2023-24</b>	<b>100.0%</b>	<b>92.7%</b>
2022-23	100.0%	94.3%

It takes us on average 5.3 working days to pay suppliers. We calculate this number using the number of payments run in a year and dividing this into our average value and number of daily purchases.

	<b>Working days to pay suppliers</b>
<b>2023-24</b>	<b>5.3 days</b>
2022-23	5.2 days

### Interests, gifts and hospitality

Commissioners and staff abide by a code of conduct and register any gifts or hospitality that they have received or been offered. They list external interests through a register of interests for Commissioners and directors. This is updated annually and available on the Commission’s website. The gifts and hospitality register is provided for review at each Audit and Risk Committee meeting. There were no gifts or hospitality received during 2023-24.

### Community and the environment

Considering the needs of local communities is central to our work in providing fair electoral arrangements. We have continued to strive to make it as easy as possible for people to engage in our reviews and to submit their views. The Commission’s website, launched in March 2023, is a key mechanism for supporting engagement, and we have seen an increase in the number of visitors over the course of the last year. We want to build on this by making further improvements, guided by feedback from users, to be gathered through a website specific pop-up survey on the site.

We want to work in as sustainable a way as possible, and to ensure that in making decisions about how we work we are conscious about our environmental impact.

We currently work with the Government Property Agency and Transport for London (who provide our accommodation services) to try to reduce the direct and indirect environmental impacts associated with our operations by:

- complying with applicable legislation and regulation
- reducing waste and increasing recycling
- encouraging and supporting staff to consider environmental issues
- providing showers, bicycle storage, cycle loans and season ticket loans

These considerations will also inform the requirements for our new office space, following the end of our current lease in September 2024.

We have sought to learn from how we maintained business continuity during the pandemic and have built several technological and digital improvements into our new routines. Such changes have been informed by three considerations – the effectiveness, efficiency and quality of our working practices; stakeholder needs and expectations; and the wellbeing and development of our people. We continue to assess our practices against these three criteria and our move to new premises later this year will enable us to embed them into our new office footprint and associated protocols.

Our blend of virtual and in-person internal meetings is informed by the distinctive nature and purpose of specific meetings as well as balancing organisational and individual wellbeing and performance. Similarly, decisions about external meetings – briefings with local authority staff and members – are determined on a case-by-case basis, considering a range of factors, including any specific requests from councils. More are expressing a preference for virtual briefings since this encourages greater attendance and participation, and we have tailored our briefing materials accordingly.

In everything that we do, we are keen to draw upon best practice and digital innovation to ensure a good balance between quality and rigour and efficiency in discharging our responsibilities.

In 2024-25 we will increase our focus on sustainability and expect to develop plans which will ensure this is fully embedded throughout our ways of working.



**Ailsa Irvine, Chief Executive and Accounting Officer, 10 July 2024**

## 3. Accountability report

This part of our annual report sets out how we meet our accountability requirements and comprises three sections.

**The corporate governance report** sets out how we governed LGBCE during 2023-24, including membership and organisation of our governance structures and how they support achievement of our objectives.

**The remuneration and staff report** sets out our pay policies and how they have been implemented for the period, including salary and pension information.

**The parliamentary accountability and audit report** brings together key information to support accountability to Parliament and includes the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

### 3.1 Corporate governance report

#### 3.1.1 Statement of Commissioners' and Accounting Officer's Responsibilities

Under the Local Democracy, Economic Development and Construction Act 2009, Commissioners are required to prepare resource accounts detailing the resources acquired, held or disposed of during the year, and the use of resources during the year. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Commission and of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Commissioners and Accounting Officer are required to comply with the requirements of the Government Financial Reporting Manual (FReM), and in particular to:

- observe the accounts direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting consistently
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the FReM have been followed and disclose and explain any material departures in the accounts
- prepare the accounts on a going concern basis
- confirm that the annual report and accounts as a whole is fair, balanced and understandable and take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable

The Speaker's Committee has appointed the Chief Executive as Accounting Officer of the LGBCE. The responsibilities of an Accounting Officer, including the responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the LGBCE's assets, are set out in Managing Public Money published by HM Treasury.

Since my appointment as Accounting Officer from 1 January 2024, I have sought assurances about the arrangements in place for the first part of the financial year and reviewed the available documentation on the operation of our assurance framework and governance structures.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Commission's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware. The Accounting Officer and the Commissioners confirm that this annual report and accounts is fair, balanced and understandable. As Accounting Officer, I take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

### **3.1.2 Governance statement**

#### **Scope of responsibility**

The LGBCE was established as an independent public body under the Local Democracy, Economic Development and Construction Act 2009 on 1 April 2010. It previously formed part of the Electoral Commission as a separate Committee. We are accountable to Parliament directly through the Speaker's Committee, chaired by the Speaker of the House of Commons.

The Chief Executive/Accounting Officer is personally responsible to Parliament for the organisation and quality of management in the Commission, including our use of public money. In discharging our overall responsibility, the Commission Board is responsible for putting in place proper arrangements for the governance of our affairs and facilitating the effective exercise of our functions including arrangements for the management of risk.

This statement explains how the Commission complies with its governance framework and meets the governance requirements in Managing Public Money published by HM Treasury.

#### **The purpose of the governance statement**

The Commission has a corporate governance framework, which sets out our purpose, aim and behaviours, how we are accountable, and how we conduct business. This is consistent with the principles of Corporate Governance in Central Government Departments: Code of good practice, published by HM Treasury and the Cabinet Office in April 2017, so far as is relevant.

The governance framework comprises the behaviours, aims, systems and processes by which the Commission is directed and controlled. It enables the Commission to monitor achievement of strategic objectives and to consider whether the objectives have led to the delivery of appropriate, cost-effective reviews.

### **Accounting Officer assurances feeding into the governance statement**

We have used our governance assurance framework this year to support the Accounting Officer in considering the robustness of the governance arrangements in place. The assurance framework (developed during 2021-22) has been considered by the Accounting Officer and their leadership team continuously throughout the financial year and at each meeting of our Audit and Risk Committee. The consideration also seeks to highlight those areas where improvement is required.

The governance assurance areas are.



### **Proportionality**

The Commission recognises and accepts the need to comply with legislation and regulations. We are also aware that as a small organisation we must carefully allocate our resources to strike an appropriate balance between meeting our governance responsibilities and delivering our operational programme. The Commission (specifically through delegation to the Audit and Risk Committee) continually assesses whether its application of governance arrangements and requirements are proportionate to an organisation of the Commission's size.

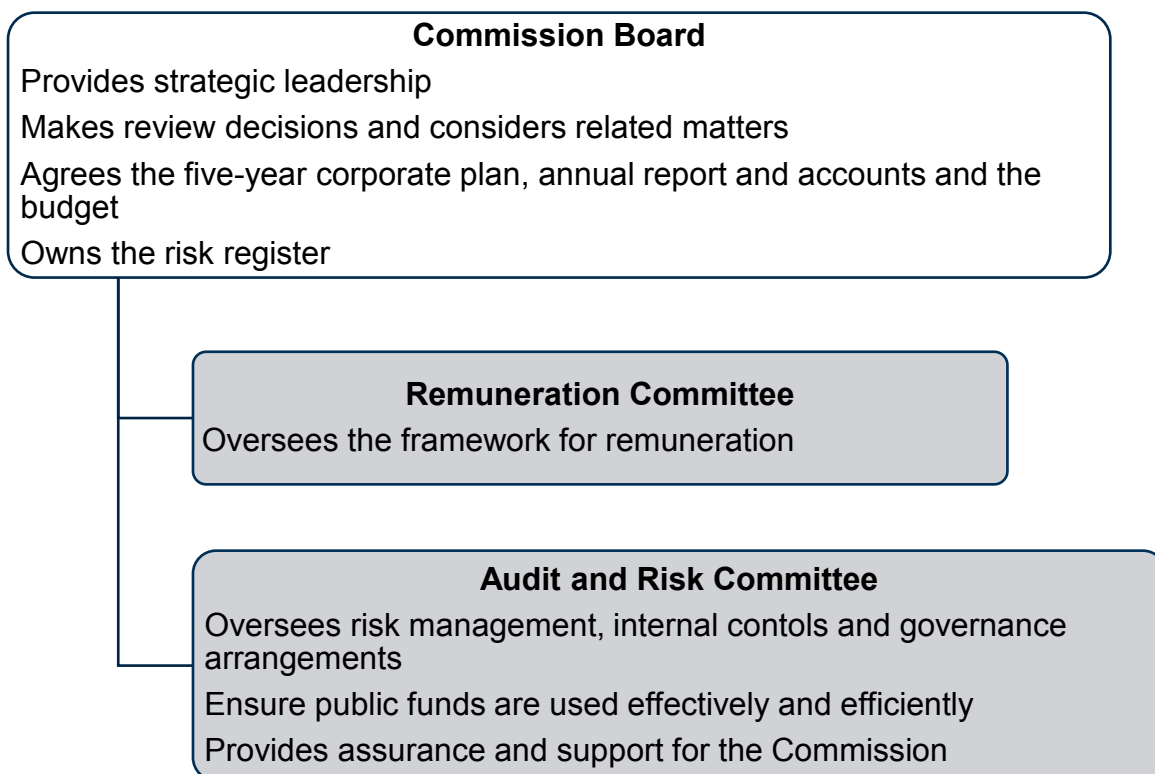


### 3.1.3 The governance structure

#### Mission and objectives

The Commission has set out who we are and what we do (see Section 2.1.1), reflecting our role in law and underpinned by our aims and behaviours. The Nolan Principles (the basis of ethical standards expected of public office holders) are adopted by Commissioners and, where relevant, all staff.

#### Our Board and Committees



#### Accountability

Commissioners, acting as a Board, are accountable to the Speaker's Committee and provide strategic leadership and decision-making on electoral reviews and related matters. They also agree the update to the five-year corporate plan, our annual report and accounts and our detailed budget, and own the Commission's risk register. The Commission Board sets the Commission's risk appetite each year.

#### The Speaker's Committee

The Speaker's Committee was established under Section 2(1) of the Political Parties, Elections and Referendums Act 2000. Its functions in relation to the LGBCE are set out in Schedule 1 to the Local Democracy, Economic Development and Construction Act 2009 and include:

- examining the annual financial estimates and laying them before the House of Commons, with or without modification – our Main Supply Estimate for 2023-24 was agreed by the Speaker’s Committee on 15 March 2023 and laid before Parliament on 18 May 2023
- examining the five-year plan and forward resource estimates and laying them before Parliament, with or without modification – the third update to our Corporate Plan was agreed in March 2023 and the latest update was agreed in March 2024
- receiving the annual report and accounts – our annual report and accounts for 2022-23 was laid in Parliament on 8 June 2023
- receiving reports from the Comptroller and Auditor General on the economy, efficiency and effectiveness of our use of resources each parliamentary term
- designating the Commission’s Accounting Officer
- reporting to the House of Commons on how it has carried out its functions

### Board committees and sub-committees

<b>Commission Board</b>		
No. of meetings in the year	12 meetings	
Membership and attendance	Colin Mellors (Chair)	12/12
	Andrew Scallan (Deputy Chair)	12/12
	Susan Johnson <sup>1</sup>	5/6
	Amanda Nobbs	12/12
	Steve Robinson	11/12
	Wallace Sampson <sup>2</sup>	6/7
	Liz Treacy	11/12
<sup>1</sup> stepped down from the Board on 30 September 2023		
<sup>2</sup> became a member of the Board on 22 August 2023		

<b>Audit and Risk Committee (ARC)</b>		
No. of meetings in the year	4 meetings	
Membership and attendance	Steve Robinson (Chair)	4/4
	Amanda Nobbs	4/4
	Andrew Scallan <sup>1</sup>	2/2
	Liz Treacy <sup>2</sup>	2/2
	David Horne (independent member)	4/4
<sup>1</sup> stepped down from the Committee on 30 September 2023		
<sup>2</sup> became a member of the Committee on 1 October 2023		

<b>Remuneration Committee</b>	
No. of meetings in the year	2 meetings
Membership and attendance	All members of the Commission Board

During 2023-24, the work of the ARC was informed by its annual plan, and its annual report to the Commission is summarised below.

<b>Audit and Risk Committee</b>	
Objective	<ul style="list-style-type: none"> <li>• ARC provides assurance to the Commission and supports the Accounting Officer by ensuring that the most efficient, effective and economic risk, control and governance processes are in place</li> </ul>
How achieved?	<ul style="list-style-type: none"> <li>• ARC is clear and transparent</li> <li>• ARC plans and reports on its annual activities</li> <li>• ARC reviews and considers its own performance</li> </ul>
Outcome	<ul style="list-style-type: none"> <li>• Plan for the year was achieved</li> <li>• Considered its own effectiveness during the year</li> <li>• Reviewed risk scores and scrutinised deep dives of risks</li> <li>• Reviewed the terms of the Remuneration Committee</li> </ul>
<b>Annual report and accounts and external audit</b>	
Objective	<ul style="list-style-type: none"> <li>• ARC scrutinises the year-end processes and production of the Commission's annual report in advance of formal approval by the Commission Board</li> </ul>
How achieved?	<ul style="list-style-type: none"> <li>• ARC meets with our auditors</li> <li>• ARC reviews audit findings and outcomes</li> <li>• ARC satisfies itself that the Commission's internal control framework and governance arrangements are robust</li> </ul>
Outcome	<ul style="list-style-type: none"> <li>• Held an annual meeting with auditors without officers present</li> <li>• Scrutinised draft and final versions of the annual report and accounts</li> <li>• Welcomed new National Audit Office (NAO) director and team</li> <li>• Evidence of challenge to NAO</li> </ul>
<b>Policy reviews and updates</b>	
Objective	<ul style="list-style-type: none"> <li>• ARC reviews and strengthens policies</li> </ul>
How achieved?	<ul style="list-style-type: none"> <li>• ARC reviews the effectiveness of the Commission's policies</li> <li>• ARC receives reports on fraud, theft, whistleblowing, bribery, health and safety and information breaches as necessary</li> <li>• ARC considers business continuity arrangements</li> </ul>
Outcome	<ul style="list-style-type: none"> <li>• Reviewed and strengthened policies over ten areas in line with our annual plan</li> <li>• No breaches within the year</li> <li>• Flagged emerging value for money requirements</li> </ul>

<b>Internal audit</b>	
Objective	<ul style="list-style-type: none"> <li>• ARC works closely with our internal auditors who provide assurances on internal controls across the organisation</li> </ul>
How achieved?	<ul style="list-style-type: none"> <li>• ARC agrees the risk based internal audit strategy and annual plan</li> <li>• ARC considers the findings of reports and oversees delivery of recommendations</li> <li>• ARC monitors relevant internal audit performance indicators</li> </ul>
Outcome	<ul style="list-style-type: none"> <li>• Reviewed the internal auditor's annual report</li> <li>• Internal audit provided substantial assurance in five areas and reasonable assurance in one area</li> <li>• Oversaw implementation of internal audit recommendations</li> <li>• Held a private meeting with internal auditors without officers present</li> <li>• Considered the extension of the internal audit contract and its related strategy</li> </ul>
<b>Scrutiny of business activities</b>	
Objective	<ul style="list-style-type: none"> <li>• ARC scrutinises key areas of Commission activities, adding value and expertise to work strands</li> </ul>
How achieved?	<ul style="list-style-type: none"> <li>• ARC considers business arrangements</li> <li>• ARC considers the Commission's performance framework to help ensure value for money is achieved in our use of resources</li> </ul>
Outcome	<ul style="list-style-type: none"> <li>• Received regular IT and health and safety reports</li> <li>• Commissioned a budget setting report for the Commission Board</li> <li>• Reviewed an analysis of performance of the new website over its first year in operation</li> </ul>

### Internal control questionnaires

Each year, questionnaires are issued to all staff, and the responses are used to identify areas where internal control weaknesses may exist and if any training or policy amendments are necessary.

In 2023-24, actions were completed to address the issues identified in the responses to the previous year's questionnaire. This included:

<b>Area identified for action</b>	<b>Action taken</b>
Learning and development plans for all staff	Training opportunities identified during the appraisal process automatically populate a separate training plan to assist the HR Lead in the formation of the corporate training plan.
Fire warden training	Staff were required to complete the online fire warden training as a mandatory read during their induction period.
Business continuity	The business continuity policy (BCP) was circulated to all staff as a mandatory read following its scheduled annual review.

The questionnaire for 2023-24 was completed by all staff, and the results discussed by the leadership team. The issues identified and proposed actions in response are reported below.

Question	Issue identified and action required
<p>Are you operating within the Commission's records management policy?</p>	<p>75% of respondents answered 'fully' to this question. 25% of respondents answered 'partially' to this question.</p> <p>To ensure clarity and compliance, the records management policy will be re-distributed to all staff as a mandatory read.</p> <p>It will also be discussed as an agenda item in an upcoming all-staff meeting, allowing colleagues to address any queries they may have.</p>
<p>Do you understand how risk management applies at LGBCE?</p>	<p>75% of respondents answered 'fully' to this question. 25% of respondents answered 'partially' to this question.</p> <p>To help raise awareness of the Commission's risk management processes, risk will be an agenda item at a future all-staff meeting.</p> <p>The release of a new risk dashboard will coincide with this and will be accessible to all staff via the Commission's home intranet page.</p>
<p>Do you know what to do in a BCP situation?</p>	<p>75% of respondents answered 'fully' to this question. 25% of respondents answered a mixture of 'partially' and 'not at all'.</p> <p>The BCP policy was recently circulated to all staff as a mandatory read following its scheduled annual review.</p> <p>It will now be discussed at an upcoming all-staff meeting so colleagues can address any queries they may have.</p> <p>Plans are also in place for aspects of the BCP to be tested.</p>

Question	Issue identified and action required
Do you understand your responsibilities as a Windsor House Fire Warden?	<p>70% of respondents answered 'fully' to this question.</p> <p>30% of respondents answered a mixture of 'partially' and 'not at all'.</p> <p>Fire Warden guidance is made available to all staff as a mandatory read, and it also forms part of the Commission's induction process.</p> <p>The guidance will be re-circulated to those colleagues who did not answer with the 'fully' response. Consideration will also be given to how the dedicated online health and safety forum can be used to maintain awareness. A review of the Commission's health and safety procedures is scheduled to take place in late 2024 to coincide with our relocation to new premises. Any policy changes will be promptly communicated to all staff.</p>

### **Standing orders/delegated powers and financial policies**

These provide a procedural framework within which the Commission discharges its business.

### **Other policies and procedures**

The Commission has agreed policies and procedures that underpin its governance and internal control arrangements. These sit across finance, governance, health and safety, people and information management. All policies and procedures are reviewed, and their effectiveness considered periodically.

### **Whistleblowing arrangements**

Our whistleblowing policy has been in operation throughout the year. The policy sets out the steps staff should take to raise their concerns about behaviours and practices within the LGBCE. This is supported by detailed guidance on the procedures to follow when raising these concerns and has been made available to all staff. No issues were raised under the whistleblowing arrangements during 2023-24.

### **Risk management**

During the year, the Commission Board has considered our risk appetite statement and risk policy and continued with a programme of 16 deep dives into our risks, assurances and control processes.

### **Assurance framework**

The assurance framework serves to define the primary governance areas within the Commission. The framework is structured around specific governance objectives which are evaluated for their effectiveness by assessing the range of controls and assurances identified under the three lines of defence. The framework also invites

scrutiny of our governance processes through regular reporting to the Audit and Risk Committee.

Nine targeted areas of our governance were evaluated during 2023-24.

**Key to assurances**

<b>Substantial</b>
<b>Reasonable</b>
<b>Ineffective</b>

<b>Governance objective</b>	<b>Number of assurances</b>			<b>Key outcomes</b>
Accurate forecasting of expenditure during the year	15	0	0	The objective has strong oversight at Board level and receives rigorous scrutiny at both internal and external audit.
Appropriate procurement rules are followed to ensure budgeted, lawful, and authorised expenditure is incurred	17	0	0	The objective is strongly supported by the Commission's finance manual which outlines the Commission's key financial processes.
The information LGBCE holds is secure and only the appropriate people have access to it	29	3	0	The objective is supported by our policies and procedures, our IT infrastructure and staff training on information security, and we receive scrutiny at both Board and ARC level through our IT reporting. Additional assurance has been achieved through our Cyber Essentials accreditation.
LGBCE has robust business continuity arrangements in place in the event of a data breach or systems failure	10	2	1	The objective is supported by the Commission's revised business continuity plan, which has robust reporting structures in place at Board and ARC level. One remedial action was identified to ensure staff are appropriately informed of the revised BCP policy.
LGBCE has followed appropriate IT security advice to protect its IT infrastructure and server from viruses and security breaches	25	2	0	The Commission works closely with its IT partners to ensure that it has the necessary protections to mitigate the risks to our IT infrastructure.
Submit to the Speaker's Committee a five-year corporate plan	17	0	0	The objective is strongly supported by the corporate plan and assurance achieved through our reporting at both Board and ARC.
Submit to the Speaker's Committee a Main Supply Estimate for resources	23	13	0	The objective is strongly supported by corporate planning, business planning and financial projections.
LGBCE provides a safe working environment for its staff	13	1	0	The objective is supported by the Commission's revised health and safety policy and supporting procedures. Health and safety is frequently assessed through our risk register. Scrutiny on health and safety matters is achieved through our reporting at Leadership Team, ARC and Board level.
LGBCE complies with the Local Democracy, Economic Development and Construction Act 2009	36	0	0	The specific area of complying with the Act focuses on Part 3 'Local government boundary and electoral change'. Assurances relating to the Commission's procedures for electoral change and boundary change have been identified to support this objective.



## Principal risks and uncertainties (set out in Section 2.1.1)

We regularly review and update our risks, risk scores, assurance framework and risk controls. Risk is considered at each Commission Board meeting, at each Audit and Risk Committee, at each leadership team meeting (where they act as the Risk Management Group) and in staff teams and staff meetings.

### Internal audit

The Commission's internal auditors continued to be The Internal Audit Association (TIAA Ltd). Internal audit reviews are compliant with the Public Sector Internal Audit Standards (PSIAS) 2017 and the Institute of Internal Auditors (IIA) International Professional Practice Framework (IPPF) 2013.

The risk-based programme of audits for the year was discussed and approved by the Audit and Risk Committee. For completed audits, the internal auditors provide reports identifying their key findings, an indication of the level of assurance that can be placed on our controls and recommendations for action. Internal audit reports are distributed to the leadership team, the Audit and Risk Committee and the Commission's external auditors, and implementation of recommendations is monitored by ARC.

Internal audits 2023-24		Recommendations			
Area	Rating	Urgent	Important	Routine	Operational
Boundary reviews	Substantial	0	0	0	1
Human resources	Substantial	0	0	0	2
Information governance	Reasonable	0	1	1	1
Key financial controls	Substantial	0	0	0	0
Office move preparation	Substantial	0	0	1	0
Risk management	Substantial	0	0	0	0

### Internal audit opinion

The Internal Audit Association (TIAA) Ltd is required to provide an annual internal audit opinion based on the work carried out throughout the year:

#### 3.1.4 Overall internal audit opinion

TIAA is satisfied that, for the areas reviewed during the year, the Local Government Boundary Commission for England has reasonable and effective risk management, control and governance processes in place.

This opinion is based solely on the matters that came to the attention of TIAA during the course of the internal audit reviews carried out during the year and is not an opinion on all elements of the risk management, control and governance processes or the ongoing financial viability or your ability to meet financial obligations which must be

obtained by the Local Government Boundary Commission for England from its various sources of assurance.

### **Personal data-related incidents**

There were no significant breaches of information security that required reporting to the Information Commissioner's Office over the financial year.

All information security breaches (however minor) are considered by the Data Protection Officer, discussed by the leadership team, and reported to the Audit and Risk Committee.

### **UK Data Protection Act 2018 (including GDPR)**

During 2023-24 we have:

- reviewed our Freedom of Information policy and publications scheme
- reviewed our correspondence handling policy and external complaints procedure

### **Review of Commission Board's effectiveness**

The Commission Board reviewed its effectiveness as part of the annual appraisal process for Commissioners and considered both its own role and its relationships and effectiveness throughout the organisation. Examples of effective practice were considered alongside areas that could be improved and these have been taken forward and fed into workstreams as appropriate.

### **Reporting and quality of information used by the Board**

Financial monitoring and budget information is reviewed quarterly by Commissioners. Risks, assurances and processes are reviewed at each Commission Board meeting, at each ARC meeting, and at each leadership team meeting. The effectiveness of policies and procedures is reviewed on a regular and scheduled basis and updated by both the ARC and the Commission.

The Commission Board finds the quality of the data used by the Commission to be acceptable. Any changes to information received are explained clearly and management information produced is summarised from detailed data that is available if required. The ARC is tasked with gaining assurance that the Commission can rely on the processes, procedures and information the Commission uses.

### **External audit**

The National Audit Office (NAO) completed the statutory audit of the Commission's annual report and accounts and issued an unqualified opinion.

I am satisfied that there are no significant deficiencies in financial management, internal control, risk management or governance that affected the achievement of our key objectives.

A handwritten signature in black ink, appearing to read 'Ailsa Irvine', with a large, sweeping flourish at the end.

**Ailsa Irvine, Chief Executive and Accounting Officer, 10 July 2024**

## 3.2 Remuneration and staff report

This part of our annual report sets out our remuneration policy and provides details on remuneration and staff that Parliament considers key to accountability.

### 3.2.1 Remuneration report

#### Commissioners

Commissioners are appointed by Royal Warrant to exercise the Commission's functions described in the Local Democracy, Economic Development and Construction Act 2009. Together, the Commissioners ensure that the Commission discharges its functions as set out in the Act and associated legislation. They monitor the Commission's performance and are responsible for ensuring that it acts within its statutory remit.

The Chair is appointed by HM The King on the recommendation of the House of Commons. Other Commissioners are appointed by His Majesty on the recommendation of the Secretary of State. The Secretary of State may designate a Commissioner to be Deputy Chair. The Chair is appointed for a period of five years with the possibility of reappointment. Commissioners are appointed for a period of four years with the possibility of reappointment. There is a statutory minimum of four Commissioners, excluding the Chair, with 11 as a maximum.

A Commissioner may cease to serve or be removed on the grounds set out in Schedule 1, paragraph 1 of the Act. Appointments will terminate at the end of the period specified for each Commissioner, unless the Commissioner is reappointed before the period expires. Appointments may also be terminated at the request of the Commissioner.

Commissioners were paid a daily fee of £382 (2022-23 £364) for each day worked during 2023-24. The Chair was paid a daily rate of £432 (2022-23 £414).

Commissioners do not receive a salary and are not able to join LGBCE's government pension schemes. Commissioners' fees increase on 1 April each year informed by the percentage increase paid to High Court Judges as part of the Senior Salaries Review Body's work. In 2023-24 Commissioners received a 4.5% (2022-23 3.5%) fee increase.

The fees received by the Commissioners during the year are set out below. These amounts include fees earned during the period, but not yet paid.

## Commissioner fees – subject to audit

Commissioner	2023-24	2022-23
Colin Mellors (Chair)	£29,717	£29,394
Andrew Scallan (Deputy chair)	£23,340	£21,781
Susan Johnson (left September 2023)	£6,205	£11,962
Peter Maddison (left December 2022)	n/a	£8,727
Amanda Nobbs	£22,461	£20,042
Steve Robinson	£18,432	£20,436
Wallace Sampson (started August 23)	£7,895	n/a
Liz Treacy (started March 23)	£16,038	n/a
<b>Total Commissioners</b>	<b>£124,088</b>	<b>£112,342</b>
<b>Independent Member of ARC</b>		
David Horne (started August 2022)	£3,692	£2,571
Lizzie Peers (left September 2022)	n/a	£683
<b>Total Independent Members</b>	<b>£3,692</b>	<b>£3,254</b>
<b>Total fees</b>	<b>£127,780</b>	<b>£115,596</b>

## Staff

In setting remuneration, we have regard to the following considerations:

- needing to recruit, retain and motivate suitably able and qualified people
- our improvement plans, including the requirement to meet our output targets for the delivery of our service within available funds
- paragraph 7(6) of schedule 1 to the 2009 Act, which requires us to have regard to the desirability of keeping the remuneration and other terms or conditions of employment of our employees broadly in line with civil servants
- wider economic considerations and affordability of recommendations

Directors' salaries plus the pension entitlements are in the table below.

The information in the table is based on payments due relating to work undertaken during 2023-24.

Subject to audit £000	CEO Jolyon Jackson <sup>1</sup>		CEO Ailsa Irvine <sup>2</sup>	
	2023-24	2022-23	2023-24	2022-23
Salary	90-95 FYE 120-125	110-115	25-30 FYE 115-120	n/a
Bonus payments	0	0	0	n/a
Pension benefits	Left pension scheme 2019		Not available <sup>5</sup>	
<b>Total</b>	<b>90-95</b>	<b>110-115</b>	<b>25-30</b>	<b>n/a</b>
<sup>1</sup> to 31 December 2023		<sup>2</sup> from 1 January 2024		

Subject to audit £000	DCS Lynn Ingram <sup>3</sup> (0.8FTE)		DCS Kathryn Trower <sup>4</sup>	
	2023-24	2022-23	2023-24	2022-23
Salary	5-10 FYE 65-70	60-65	90-95 FYE 100-105	n/a
Bonus payments	0	0	0	n/a
Pension benefits	Not available <sup>5</sup>	24	n/a	n/a
<b>Total</b>	<b>5-10</b>	<b>85-90</b>	<b>90-95</b>	<b>n/a</b>
<sup>3</sup> to 23 May 2023				
<sup>4</sup> The DCS role was filled in May 2023 by an interim, employed via an umbrella company arrangement				
<sup>5</sup> Accrued pension benefits for directors are not included in this table for 2023-24 due to exceptional delay in the calculation of these figures following the application of the public service pension remedy				

## Salary

'Salary' includes gross salary, non-consolidated award (exc. CEO) and overtime (no overtime payments or benefits-in-kind were paid).

## Bonus payments

Bonuses are based on performance levels attained and are made throughout the year on a quarterly basis. Most bonuses relate to the performance in the year they become payable to the individual, but the final quarter of the year is paid in the following financial year.

## Pay multiples – subject to audit

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the 25<sup>th</sup> percentile, median and 75<sup>th</sup> percentile remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in LGBCE in the financial year 2023-24 was £115k to £120k (2022-23 £110k to £115k). This is the highest band for this financial year. This did not include the DCS role that was filled on an interim basis via an umbrella company arrangement. This was 3.0 times (2022-23 3.1 times) the median remuneration of the workforce, 3.0 times the 25<sup>th</sup> percentile of the workforce (2022-23 3.1 times) and 2.4 times the 75<sup>th</sup> percentile of the workforce (2022-23 2.3 times).

In 2023-24, 0 (2022-23 0) employees received remuneration more than the highest-paid director. Remuneration ranged from £30k to £120k (2022-23 £29k to £115k).

Total remuneration includes salary, non-consolidated pay awards, performance-related pay and benefits-in-kind. It does not include severance, employer pension contributions and the cash equivalent transfer value of pensions.

<b>Subject to audit</b>	<b>2023-24<sup>12</sup></b>	<b>2022-23</b>
Band of highest-paid staff member (FTE)	£115k - £120k	£110k - £115k
25 <sup>th</sup> percentile of all staff pay	£38,948 Salary component (£37,448) Total remuneration (£38,948)	£35,836 Salary component (£35,836) Total remuneration (£35,836)
25 <sup>th</sup> percentile pay ratio	3.0	3.1
Median of all staff pay	£39,701 Salary component (£38,201) Total remuneration (£39,701)	£36,545 Salary component (£35,836) Total remuneration (£36,545)
Median pay ratio	3.0	3.1
75 <sup>th</sup> percentile of all staff pay	£47,993 Salary component (£46,493) Total remuneration (£47,993)	£48,270 Salary component (£48,021) Total remuneration (£48,270)
75 <sup>th</sup> percentile pay ratio	2.4	2.3
Total remuneration figures in 2023-24 contain the non-consolidated pay award and cost-of-living increase for eligible staff. In 2023-24 the highest paid member of staff includes a cost-of-living increase only £115k-£120k is the highest band in this financial year		

Reporting bodies are required to disclose the percentage change from the previous financial year in respect of the highest paid director and the average percentage change from the previous financial year for employees of the entity taken as a whole.

	<b>2023-24<sup>12</sup></b>	<b>2022-23</b>	<b>% Change</b>
Band of highest-paid staff member (FTE)	£115 - £120k	£110k - £115k	4%
All employees	£46,791	£44,512	5%
Commissioners	£18,254	£16,777	8%
Based on FTEs as at 31 March 2024. Cost-of-living award made in 2023-24. Commissioner fees reflect an increase in in-person tours carried out in 2023-24, and involvement in director-level appointments.			

<sup>12</sup> The interim DCS is employed under an umbrella company arrangement and is excluded from these calculations

## Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switched into alpha sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switched to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members who joined from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March), the



member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is updated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

### **The Cash Equivalent Transfer Value (CETV)**

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits, they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any

actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### The real increase in the value of the CETV

This is the element of the increase in accrued pension funded by the employer. It does not include an increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2024.

Subject to audit £000	Accrued pension at pension age as at 31-03-24	Real increase in pension and related lump sum at pension age	CETV at 31-03-24	CETV at 31-03-23	Real increase in CETV
Ailsa Irvine (from January 2024)	Not available	Not available	Not available	Not available	Not available
Lynn Ingram (0.8 FTE) to May 2023	Not available	Not available	Not available	156	Not available
Not available - Accrued pension benefits for directors are not included in this table for 2023-24 due to an exceptional delay in the calculation of these figures following the application of the public service pensions remedy					

### LGBCE contributions

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as 'alpha' – are unfunded multi-employer defined benefit schemes, but the LGBCE is unable to identify its share of the underlying assets and liabilities. The Scheme Actuary valued the PCSPS as at 2020. You can find details in the [resource accounts of the Cabinet Office: Civil Superannuation](#).

For 2023-24, employers' contributions of £212k were payable to the PCSPS (2022-23 £215k) at one of three rates in the range of 27.1% to 30.3% of pensionable earnings, based on salary bands.

The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2023-24 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £0 were paid to one or more of

the panels of three appointed stakeholder pension providers. Employer contributions are age-related and would range from 8% to 14.75%.

Employers also match employee contributions up to 3% of pensionable earnings. In addition, employer contributions of £0, 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the partnership pension providers at the balance sheet date were £0. Contributions prepaid at that date were £0.

### 3.2.2 Staff report

#### Staff, Commissioner and Independent Member related costs – subject to audit

£000	2023-24				2022-23
	Total	Employed staff	Other (agency staff) <sup>13</sup>	Commissioners and Independent Member	Total
Wages and salaries	1,047 <sup>14</sup>	918	130	-	957
Commissioners fees	128	-	-	128	116
Social security costs	112	102	-	10	119
Other pension costs	212	212	-	-	215
Sub total	1,499	1,232	130	138	1,407
<b>Total net costs</b>	<b>£1,499</b>	<b>1,232</b>	<b>130</b>	<b>138</b>	<b>1,407</b>

<sup>13</sup> The interim DCS employed under an umbrella company arrangement.

<sup>14</sup> Due to rounding this casts as £1,048k rather than £1,047k.

## Staff, Commissioner and Independent Member numbers – total subject to audit

£000	2023-24				2022-23
	Total	Employed staff	Other (agency staff)	Commissioners and Independent Member	Total
		Full-time equivalent (FTE)		Number	
<b>Total</b>	<b>28.0</b>	<b>20.3</b>	<b>0.6</b>	<b>7.1</b>	<b>28.5</b>
<b>Female %</b>	Female 39%	Female 40%	Female 100%	Female 29%	
<b>Male %<sup>15</sup></b>	Male 61%	Male 60%	Male 0%	Male 71%	
FTE staff and the number of Commissioners & the Independent Member reflect the monthly average throughout 2023-24. The numbers as at 31 March 2024 were 6 Commissioners, 1 Independent Member and 20.9 staff FTEs (22-23 22.5 FTE). 2 permanent staff FTE posts were filled on a fixed-term basis in 2023-24 and one 0.6 FTE was filled under an umbrella company arrangement.					

### Turnover

There were seven staff and one Commissioner leavers in 2023-24. The reasons for leaving are categorised below.

Reason	Number	Female	Male
Resignation	7	3 = 43%	4 = 57%
Retirement	1	0 = 0%	1 = 100%

### Staff policies

The Commission's human resources policies aim to achieve good performance, job satisfaction and motivation. Staff are encouraged to develop their experience, seek further training and contribute to decision-making.

### Disabled persons

The Commission gives full and fair consideration to applications for employment made by disabled persons. The Commission is a Disability Confident Employer, which we promote on the recruitment page of our website.

The Disability Confident scheme is a government scheme designed to encourage employers to recruit and retain disabled people and those with health conditions. To qualify for the scheme, the Commission commits to undertaking specific activities when recruiting staff and in the way it supports staff during their time with us. Such

<sup>15</sup> Based on year-end headcount position.

activities range from offering an interview to a disabled person who meets the minimum criteria, to supporting an employee with reasonable adjustments to enable them to carry out their role.

### Off-payroll disclosures

One postholder was appointed via an agency in May 2023 under an umbrella company arrangement. They are subject to off-payroll legislation and determined as in-scope of IR35.

This engagement was necessary to provide the skills and experience needed by the organisation further to the departure of the Director of Corporate Services, while providing the incoming Chief Executive with the opportunity to consider how to replace these skills in a permanent way.

	Day rate fees	Agency fees (based on day rate)	Total
Engagement (as at 31 March 2024)	£625	£15k	£130k

### Sickness data

	2023-24	2022-23
Days lost to sickness	16	67 <sup>16</sup>
Average per person	0.8	3.1

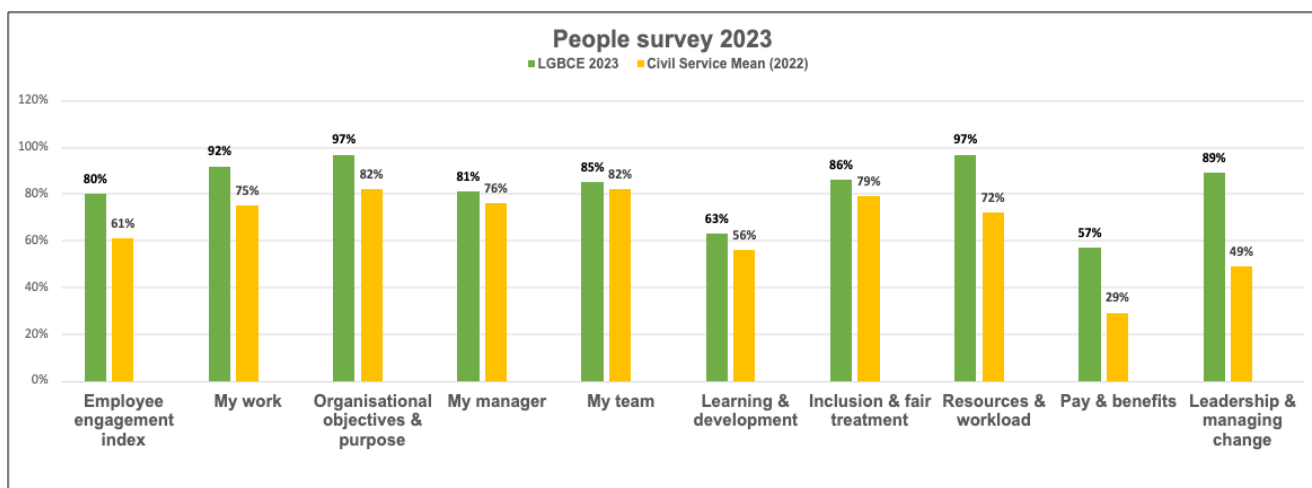
### Consultancy spend

	2023-24	2022-23
Governance	-	£10,441
HR & Payroll	£2,860	£600
IT	£9,840	£10,440
<b>Total</b>	<b>£12,700</b>	<b>£21,481</b>

### People survey

We undertook our annual people survey in November 2023. We compared our results with the latest reported Annual Civil Service People Survey (CSPS). Once again, we performed well, demonstrating the work we have undertaken on training and development, values, behaviours and culture, and in embedding these throughout our work and processes.

<sup>16</sup> With such small staff numbers, periods of sickness have a large overall effect. During the year we had one staff member with long-term sickness and a number of staff off with COVID-19.



### Trade union membership

A proportion of our staff belong to the Public and Commercial Services Union (PCS). We have a staff representative who can use work time for official duties, and union meetings take place in office time.

### Health and safety

Our health and safety (H&S) policy is reviewed every year and is available to all our staff and Commissioners. In addition, procedures, guidance and risk assessments are in place covering our core activities. Our H&S officer oversees our arrangements and reports to our leadership team monthly.

We inspect our physical working environment each month to ascertain the suitability of our current H&S arrangements and to advise the leadership team on any improvements that should be made. As last year, we have made fewer physical inspections of our office accommodation but have provided staff with display screen equipment workbooks, Portable Appliance Testing (PAT) guidance, the use of an organisation dedicated H&S Teams chat and co-ordinated virtual inspections for use when working at home.

### Reporting of Civil Service & other compensation schemes – exit packages – subject to audit

Redundancy and other departure costs are paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where the Commission has agreed early retirements, the additional costs are met by the department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the exit package figures.

There were no departures for 2023-24 with special payments (2022-23 none).

## Diversity information<sup>17</sup>

Our work on equalities, diversities and inclusion (EDI) has continued throughout the year.

We believe an inclusive culture enriches all we do.

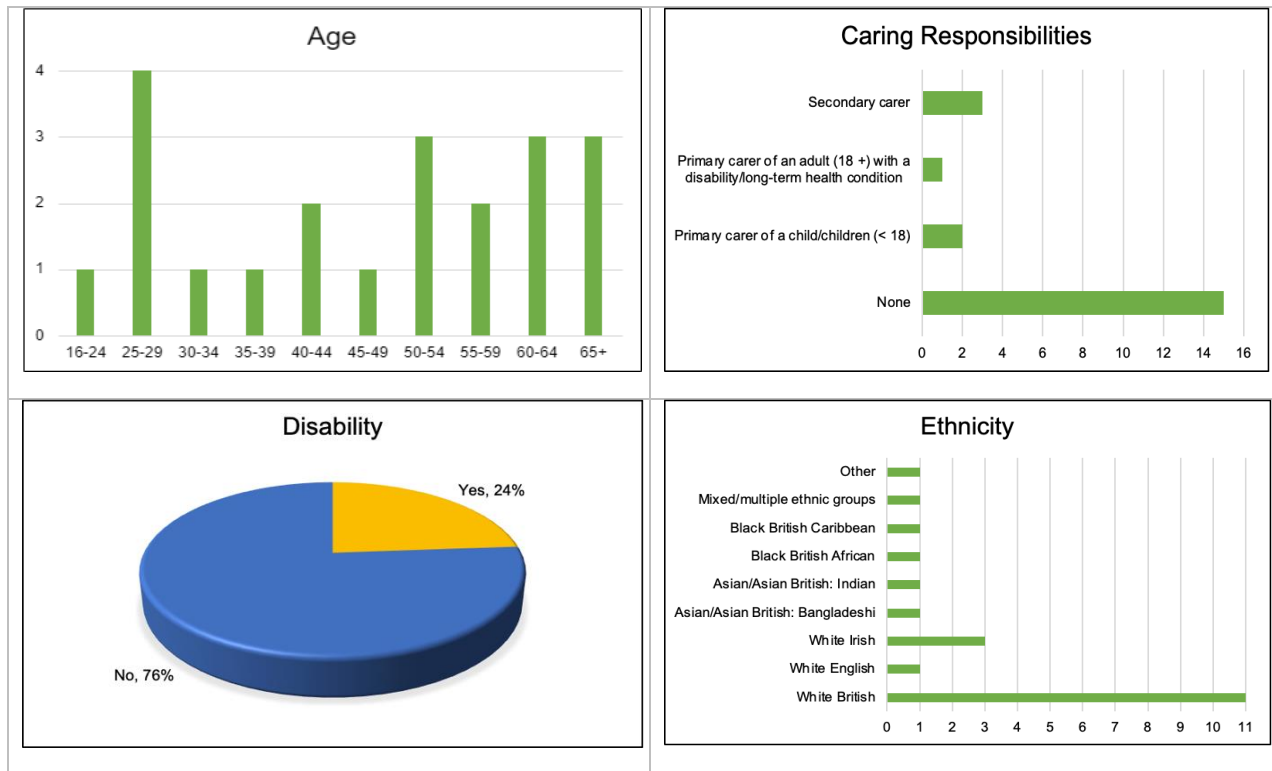
We value diversity and the benefits different perspectives and experiences bring to all our work.

We are committed to being inclusive in the ways we work together and the way we engage with those contributing to our reviews.

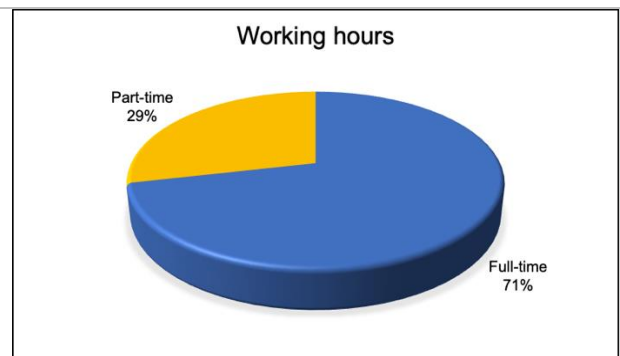
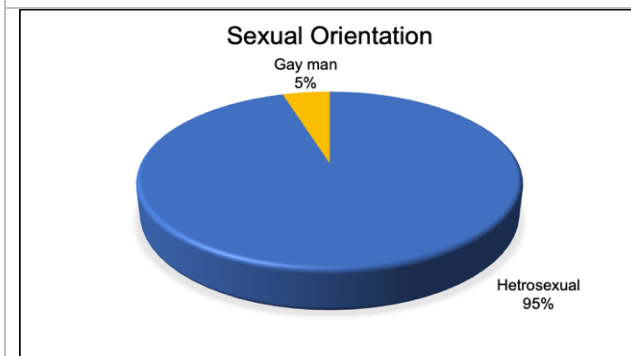
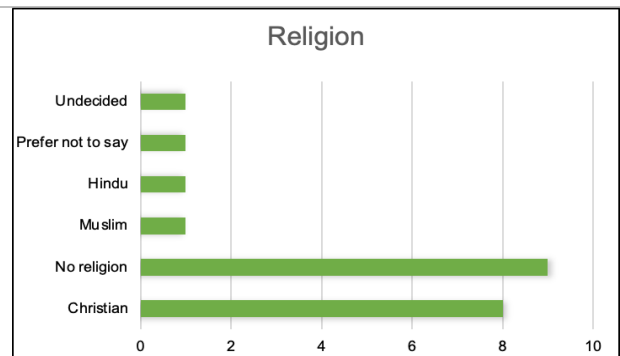
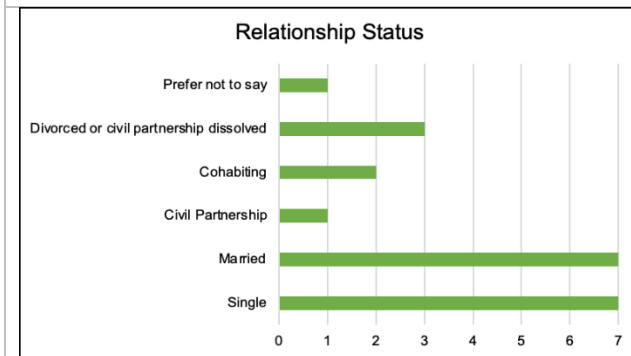
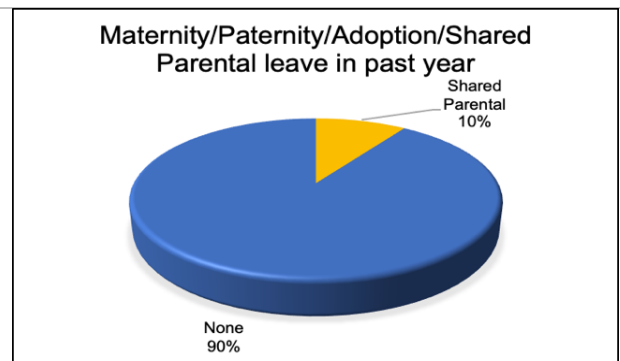
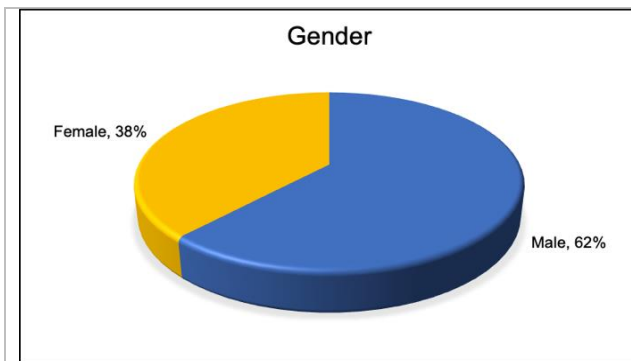
We have an EDI and equal pay policy to promote equality for staff, Commissioners and customers, the impacts of which are regularly reviewed.

Our EDI compliance is overseen by the leadership team, ARC, our EDI working group, staff champion and Commissioner champion.

The following are a summary of the diversity data captured for 2023-24



<sup>17</sup> 78% of staff and Commissioners provided the diversity information included here



**Ailsa Irvine, Chief Executive and Accounting Officer, 10 July 2024**



### **3.3 Parliamentary Accountability and Audit Report**

#### **Statement of Outturn against Parliamentary Supply (SOPS)**

In addition to the primary statements prepared under International Financial Reporting Standards (IFRS), the Government Financial Reporting Manual (FReM) requires LGBCE to prepare a Statement of Outturn against Parliamentary Supply (SOPS) and supporting notes.

The SOPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

The SOPS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate. Supply is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated Fund) that Parliament gives statutory authority for entities to utilise. The Estimate details our monetary provision and is voted on by Parliament at the start of the financial year.

Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion.

The SOPS and Estimates are compiled against the budgeting framework, which is similar to, but different to, IFRS. An understanding of our budgeting framework and an explanation of key terms is provided in the financial review section of the performance report. Further information on the Public Spending Framework and the reasons why budgeting rules are different to IFRS can also be found in chapter 1 of the Consolidated Budgeting Guidance available on gov.uk.

The supporting notes detail the following: Outturn by Estimate line, providing a more detailed breakdown (note 1) and a reconciliation of outturn to net cash requirement (note 3).

The format of the SOPS mirrors the Supply Estimate, published on gov.uk, to enable comparability between what Parliament approves and the final outturn.

The SOPS contains a summary table, detailing performance against the control limits that Parliament have voted on, cash spent (budgets are compiled on an accruals basis and so outturn will not exactly tie to cash spent) and administration.

The SOPS provides a detailed view of financial performance, in a form that is voted on and recognised by Parliament. The financial review (Section 2.2.2) in the performance report provides a summarised discussion of outturn against estimate and functions as an introduction to the SOPS disclosures.

## Statement of Outturn against Parliamentary Supply

Summary table £000								
Type of spend	SOPS note	Outturn		Estimate		Outturn v Estimate saving / (excess)		Outturn 2022-23
		Voted <sup>18</sup>	Total	Voted	Total	Voted	Total	Total
<b>Departmental Expenditure Limit</b>								
Resource	1.1	2,438	2,438	2,633	2,633	195	195	2,305
Capital	1.2	33	33	50	50	17	17	97
<b>Total</b>		<b>2,471</b>	<b>2,471</b>	<b>2,683</b>	<b>2,683</b>	<b>212</b>	<b>212</b>	<b>2,402</b>
<b>Annually Managed Expenditure</b>								
Resource	1.1	10	10	10	10	10	10	(11)
Capital		-	-	-	-	-	-	-
<b>Total</b>		<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>(11)</b>
<b>Total budget</b>								
Total resource		2,448	2,448	2,643	2,643	195	195	2,294
Total capital		33	33	50	50	17	17	97
<b>Total budget expenditure</b>		<b>2,481</b>	<b>2,481</b>	<b>2,693</b>	<b>2,693</b>	<b>212</b>	<b>212</b>	<b>2,391</b>
<b>Non-budget expenditure</b>		-	-	-	-	-	-	-
<b>Total budget and non-budget expenditure</b>		<b>2,481</b>	<b>2,481</b>	<b>2,693</b>	<b>2,693</b>	<b>212</b>	<b>212</b>	<b>2,391</b>
All expenditure is designated as programme costs and therefore there are no administration costs.								
The DEL resource underspend of £195k is due to managing expenditure tightly, being able to release the risk and resilience budget and an underspend on depreciation linked to the capital underspend.								

<sup>18</sup> The voted column covers the control limits voted by Parliament. Refer to the Supply Estimate guidance manual available on gov.uk for detail on the control limits voted by Parliament.

Net cash requirement <sup>1</sup> £000					
Item	SOPS note	Outturn	Estimate	Outturn v Estimate saving / (excess)	Outturn 2022-23
Net cash requirement	3	2,413	2,599	186	2,305
<sup>1</sup> As noted in the introduction to the SOPS, Outturn and Estimate are compiled against the budgeting framework, not on a cash basis. This reconciliation bridges the resource and capital outturn to the net cash requirement.					

## Notes to the Statement of Outturn against Parliamentary Supply (SOPS)

### SOPS 1 Outturn detail, by Estimate line

#### SOPS 1.1 Analysis of resource outturn by Estimate line – subject to audit

£000							
Type of spend (resource)	Resource Outturn Programme			Estimate		Outturn v Estimate saving / (excess) <sup>19</sup>	Outturn 2022-23
	Gross	Net	Total	Total	Total inc. Virements <sup>20</sup>	Total	Total
<b>Spending in Department Expenditure Limit (DEL)</b>							
<b>Voted expenditure</b>							
A – Estimate line 1	2,438	2,438	2,438	2,633	2,633	195	2,305
<b>Total voted DEL</b>	<b>2,438</b>	<b>2,438</b>	<b>2,438</b>	<b>2,633</b>	<b>2,633</b>	<b>195</b>	<b>2,305</b>
<b>Non-voted expenditure</b>							
<b>Total non-voted DEL</b>	-	-	-	-	-	-	-
<b>Total spending in DEL</b>	<b>2,438</b>	<b>2,438</b>	<b>2,438</b>	<b>2,633</b>	<b>2,633</b>	<b>195</b>	<b>2,305</b>

<sup>19</sup> The outturn v estimate column is based on the total including virements. The estimate total before any virements have been made is included so that users can tie the estimate back to the Estimates laid before Parliament.

<sup>20</sup> The Total Estimate columns include virements. Virements are the reallocation of provision in the Estimates that do not require parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements are provided in the Supply Estimate Manual, available on gov.uk.

£000							
Type of spend (resource)	Resource Outturn Programme			Estimate		Outturn v Estimate saving / (excess)	Outturn 2022-23
	Gross	Net	Total	Total	Total inc. Virements		
<b>Spending in Annually Managed Expenditure</b>							
A – Estimate line 1	10	10	10	10	10	-	(11)
<b>Total voted AME</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>-</b>	<b>(11)</b>
<b>Non-voted expenditure</b>							
<b>Total non-voted AME</b>	-	-	-	-	-	-	-
<b>Total spending in AME</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>-</b>	<b>(11)</b>
<b>Total Resource</b>	<b>2,448</b>	<b>2,448</b>	<b>2,448</b>	<b>2,643</b>	<b>2,643</b>	<b>195</b>	<b>2,294</b>

### SOPS 1.2 Analysis of capital outturn by Estimate line – subject to audit

	Outturn		Estimate		Outturn v Estimate saving / (excess)	Outturn 2022-23
	Gross	Net Total	Total	Total inc. Virements		
<b>Spending in Department Expenditure Limit (DEL)</b>						
<b>Voted expenditure</b>						
A – Estimate line 1	33	33	50	50	17	97
<b>Total voted DEL</b>	<b>33</b>	<b>33</b>	<b>50</b>	<b>50</b>	<b>17</b>	<b>97</b>
<b>Non-voted expenditure</b>						
<b>Total non-voted DEL</b>	-	-	-	-	-	-
<b>Total spending in DEL</b>	<b>33</b>	<b>33</b>	<b>50</b>	<b>50</b>	<b>17</b>	<b>97</b>
<b>Total Capital</b>	<b>33</b>	<b>33</b>	<b>50</b>	<b>50</b>	<b>17</b>	<b>97</b>

## SOPS 2 Reconciliation of resource outturn to net operating expenditure – subject to audit

Total resource outturn in the SOPS is the same as net operating expenditure in the SoCNE so no reconciliation is required.

## SOPS 3

### Reconciliation of net resource outturn to net cash requirement – subject to audit

<b>£000</b>				
	<b>SOPS note</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn v Estimate saving / (excess)</b>
<b>Total Resource outturn</b>	1.1	2,448	2,643	<b>195</b>
<b>Total Capital outturn</b>	1.2	33	50	<b>17</b>
<b>Adjustments to remove non-cash items</b>				
Depreciation		(43)	(67)	<b>(24)</b>
Right of use asset depreciation		(134)	(132)	<b>2</b>
Interest under lease		(2)	-	<b>2</b>
Lease liability		134	-	<b>(134)</b>
New provisions and adjustments to previous provisions		(10)	(10)	-
External audit fee		(29)	(22)	<b>7</b>
<b>Adjustments to reflect movements in working balances</b>				
(Decrease) / increase in receivables		(5)	-	<b>(5)</b>
(Increase) / decrease in payables		21	137	<b>116</b>
<b>Total</b>		<b>(68)</b>	<b>(94)</b>	<b>(26)</b>
<b>Net cash requirement</b>		<b>2,413</b>	<b>2,599</b>	<b>186</b>

## Parliamentary Accountability Disclosures

### Regularity of expenditure – subject to audit

The Accounting Officer is able to identify any material irregular or improper use of funds. To the date of this statement, there have been no instances of irregularity, impropriety or non-compliance discovered during the financial year.

**Losses and special payments – subject to audit**

There are no losses or special payments to report.

**Other payments – subject to audit**

There are no other significant payments to report.

**Remote contingent liabilities – subject to audit**

There are no remote contingent liabilities to report.

**Fees and charges – subject to audit**

The Commission is unable to charge for services so there are no fees and charges to report.

A handwritten signature in black ink, appearing to read 'Ailsa Irvine', with a large, sweeping flourish extending to the right.

**Ailsa Irvine, Chief Executive and Accounting Officer, 10 July 2024**

### 3.3.1 The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

#### Opinion on financial statements

I certify that I have audited the financial statements of Local Government Boundary Commission for England (the Commission) for the year ended 31 March 2024 under the Local Democracy, Economic Development and Construction Act 2009.

The financial statements comprise the Commission's:

- Statement of Financial Position as at 31 March 2024
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Commission's affairs as at 31 March 2024 and its net operating cost for the year then ended; and
- have been properly prepared in accordance with the Local Democracy, Economic Development and Construction Act 2009 and HM Treasury directions issued thereunder.

#### Opinion on regularity

In my opinion, in all material respects:

- the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2024 and shows that those totals have not been exceeded; and
- the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

#### Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the Commission in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Commission's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Commission's ability to

continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Commission is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

## Other information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions issued under the Local Democracy, Economic Development and Construction Act 2009;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

## Matters on which I report by exception

In the light of the knowledge and understanding of the Commission and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Commission or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or



- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## Responsibilities of the Commissioner's and Accounting Officer for the financial statements

As explained more fully in the Statement of Commissioners' and Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Commission from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Commission will not continue to be provided in the future.

## Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Local Democracy, Economic Development and Construction Act 2009.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Extent to which the audit was considered capable of detecting non-compliance with laws and regulations, including fraud**

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

### **Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud**

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Commission's accounting policies.
- inquired of management, Commission's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Commission's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Commission's controls relating to the Commission's compliance with the Local Democracy, Economic Development and Construction Act 2009, Managing Public Money and Supply and Appropriation (Main Estimates) Act 2023.
- inquired of management, Commission's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud,
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Commission for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Commission's framework of authority and other legal and regulatory frameworks in which the Commission operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Commission. The key laws and regulations I considered in this context included the Local Democracy, Economic Development and Construction Act 2009, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2023, employment law and tax legislation.

### **Audit response to identified risk**

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management and the Audit and Risk Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports; and
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement **team members and remained alert to any indications of fraud or non-compliance with laws and regulations** throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

## **Other auditor's responsibilities**

I am required to obtain appropriate evidence sufficient to give reasonable assurance that the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement.

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

## **Report**

I have no observations to make on these financial statements.

**Gareth Davies**  
**Comptroller and Auditor General**

**Date 12 July 2024**

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

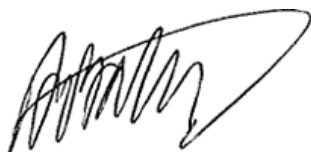
## 4. Financial statements

### Statement of Comprehensive Net Expenditure for the year ended 31 March 2024

£000	Note	2023-24	2022-23
<b>Programme expenditure</b>			
Staff costs	2	1,499	1,407
Other costs	2	939	898
Provision expense	9	10	(11)
<b>Net operating cost for the year</b>		<b>2,448</b>	<b>2,294</b>
All expenditure relates to continuing operations and there is no comprehensive expenditure.			

## Statement of financial position as at 31 March 2024

£000	Note	2023-24	2022-23
<b>Net current assets</b>			
Property, plant, and equipment	3	23	25
Intangible assets	4	110	117
Right of use accommodation asset	10	63	197
<b>Total non-current assets</b>		<b>196</b>	<b>339</b>
<b>Current assets</b>			
Other current assets	6	65	70
Cash and cash equivalents	7	62	67
<b>Total current assets</b>		<b>127</b>	<b>137</b>
<b>Total assets</b>		<b>323</b>	<b>476</b>
<b>Current liabilities</b>			
Trade and other payables	8	(90)	(92)
Accruals and earned leave liability	8	(93)	(117)
Lease liability	11	(66)	(134)
<b>Total current liabilities</b>		<b>(249)</b>	<b>(343)</b>
<b>Total assets less current liabilities</b>		<b>74</b>	<b>133</b>
<b>Non-current liabilities</b>			
Provisions	9	(58)	(48)
Lease liability	11	-	(63)
<b>Total non-current liabilities</b>		<b>(58)</b>	<b>(111)</b>
<b>Total assets less liabilities</b>		<b>16</b>	<b>22</b>
<b>Taxpayer's equity</b>			
General fund		16	22
<b>Total taxpayer's equity</b>		<b>16</b>	<b>22</b>



Ailsa Irvine, Chief Executive and Accounting Officer, 10 July 2024

## Statement of cash flows for the year ended 31 March 2024

£000	Note	2023-24	2022-23 <sup>21</sup>
<b>Cash flows from operating activities</b>			
Net operating cost		(2,448)	(2,294)
Adjustment for non-cash transactions (including lease interest)	2	217	210
Decrease / (increase) in trade, other receivables, and other current assets	6	5	(27)
(Decrease) / increase in trade, other payables, and other liabilities	8	(27)	48
Less movement in payables not passing through the SoCNE	7	6	(10)
<b>Net cash (outflow) from operating activities</b>		<b>(2,247)</b>	<b>(2,073)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, and equipment	3	(11)	(5)
Purchase of intangible assets	4	(21)	(91)
<b>Net cash (outflow) from investing activities</b>		<b>(32)</b>	<b>(96)</b>
<b>Cash flows from financing activities</b>			
Capital repayments of lease liabilities		(133)	(133)
Interest expense in respect of lease liabilities	11	(2)	(4)
From the Consolidated Fund (Supply) – current year		2,408	2,316
<b>Net financing</b>		<b>2,273</b>	<b>2,179</b>
<b>Net (decrease) / increase in cash and cash equivalents in the period before adjustments for payments to the Consolidated Fund</b>		<b>(6)</b>	<b>10</b>
<b>Net (decrease) / increase in cash and cash equivalents in the period before adjustments for payments to the Consolidated Fund</b>	7	<b>(6)</b>	<b>10</b>
<b>Cash and cash equivalents at the beginning of the period</b>	7	<b>67</b>	<b>57</b>
<b>Cash and cash equivalents at the end of the period</b> <sup>*22</sup>	7	<b>62</b>	<b>67</b>

<sup>21</sup> The figures in 2022-23 have been represented following a change in required layout of the cash flow from financing activities section.

<sup>22</sup> Due to rounding this shows a movement of £5k not £6k.

## Statement of Changes in Taxpayers' Equity for the year ended 31 March 2024

£000	Note	General Fund
<b>Balance as at 31 March 2022</b>		<b>(12)</b>
Net Parliamentary funding – deemed		57
Net Parliamentary funding – drawn down		2,316
Supply (payable) / receivable adjustment	8	(67)
Comprehensive Net Expenditure for the year		(2,294)
<b>Non-cash adjustments</b>		
Non-cash charges – external auditor remuneration	2	22
<b>Balance as at 31 March 2023</b>		<b>22</b>
Net Parliamentary funding – deemed		67
Net Parliamentary funding – drawn down		2,408
Supply (payable) / receivable adjustment	8	(62)
Comprehensive Net Expenditure for the year		(2,448)
<b>Non-cash adjustments</b>		
Non-cash charges -external auditor remuneration	2	29
<b>Balance as at 31 March 2024</b>		<b>16</b>

The notes from page 68 to page 80 form part of these accounts

### 4.1 Notes to the accounts

#### Statement of Accounting Policies

##### 1.1 Introduction

These financial statements have been prepared in a form consistent with the accounts direction issued by HMT in accordance with Paragraph 14 of Schedule 1 of the Local Democracy, Economic Development and Construction Act 2009, and in accordance with the 2023-24 Government Financial Reporting Manual (FReM) issued by HMT. The accounting policies contained in the FReM apply International Accounting Standards as adopted or interpreted for the public sector.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the circumstances of the Commission for the purpose of giving a true and fair view has been selected. The policies adopted are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

In addition to the primary statements prepared under IFRS, the FReM also requires us to prepare a Statement of Outturn against Parliamentary Supply and supporting notes, showing outturn against Estimate in terms of the net resource requirement and the net cash requirement. This statement is included under Section 2.3 of the annual report (Parliamentary Accountability).

## **1.2 Accounting convention**

These accounts have been prepared under the historical cost convention modified to account for any material revaluation of property, plant and equipment, and intangible assets.

## **1.3 Newly issued accounting standards implemented/due to be implemented**

New or amended standards are implemented in line with their adoption by the FReM. IFRS17 Insurance contracts replaces IFRS4 Insurance contracts and is expected to become effective for public sector bodies in 2025-26. Our assessment is that this will have no impact on our financial statements because we do not enter into insurance contracts.

There are no other IFRS interpretations not yet effective that would be expected to have material impact on our financial statements.

No standards have been adopted early.

## **1.4 Property, plant, and equipment**

Presented at carrying value. On initial recognition assets are valued at cost including any costs such as installation directly attributable to bringing them into working condition. The minimum level of capitalisation of an individual tangible non-current asset is £5,000. Items below the capitalisation threshold individually acquired in each asset class or pool are not capitalised. All non-property operational assets are deemed to be short-life or low-value assets and are therefore valued based on depreciated historical cost as an approximation of fair value.

We undertake an annual review of assets and their remaining life to assess their carrying amount against the value on our balance sheet.

## **1.5 Intangible assets**

Purchased computer software licences, costs associated with website enhancement and the associated costs of implementation are capitalised as intangible assets where expenditure of £5,000 or more is incurred. The valuation of our website and developed software is based on expenditure on these items less any accumulated amortisation. The valuation is used as a proxy for current value in existing use as they are one-off products with no value on the open market. Website enhancements not yet in use are recognised as Assets under Construction (AUC).

We undertake an annual review of assets and their remaining life to assess their carrying amount against the value on our balance sheet.

## **1.6 Depreciation / amortisation**

Depreciation / amortisation is provided at rates calculated to write assets down to estimated residual value on a straight-line basis over their estimated useful lives.



Assets during construction are not depreciated. Lives are normally in the following ranges, but the useful lives of assets will be assessed during development.

Software and technology assets	3 years
Websites and developed software	6 years
Equipment	10 years
Software licences	life of the licence

### 1.7 Operating income

We have no income and rely solely on Parliamentary Supply.

### 1.8 Expenditure (note 2)

Activity is accounted for in the year in which it takes place and is recognised in the financial statements on an accrual basis. Expenditure in relation to services received (including services provided by employees) is recognised at the point that the services are received rather than when payments are made. Where expenditure has been recognised but cash has not been paid, a payable for the relevant amount is recorded in our statement of financial position.

### 1.9 Pensions

Past and present employees are covered by the provisions of the Civil Service pension scheme arrangements which are described in the Remuneration Report (Section 3.2.1). In respect of the employers' contribution to the scheme, the Commission recognises the contributions payable for the year. The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme, but we are unable to determine our share of the underlying assets and liabilities. Further details about the Civil Service pension arrangements can be found on the Civil Service pensions website [www.civilservicepensionscheme.org.uk/](http://www.civilservicepensionscheme.org.uk/)

A partnership pension scheme is available for staff members to join as an alternative to the PCSPS. There are currently no staff in a partnership pension scheme.

### 1.10 Leases

**LGBCE as a lessee** - In accordance with IFRS 16 Leases, contracts, or parts of contracts that convey the right to control the use of an asset for a period of time are accounted for as leases.

Contracts for services are evaluated to determine whether they convey the right to control the use of an identified asset, incorporating both the right to obtain substantially all the economic benefits from the asset and to direct its use. If so, the relevant part of the contract is treated as a lease.

## **Measurement**

After initial recognition in 2022-23, the right-of-use asset is measured using the cost model as the LGBCE considers that the cost model (measurement by reference to the lease liability) is a reasonable proxy for fair value, for property leases of less than five years.

The value of the asset will be adjusted for subsequent depreciation and impairment, and for reassessments and modifications of the lease liability. Where the amount of a reduction to the asset exceeds the carrying value of the asset, the excess amount will be recognised in expenditure.

After initial recognition, the lease liability is adjusted for accrual of interest, repayments, reassessments and modifications. Reassessments are reappraisals of the probability of options given by the existing lease contract, while modifications are changes to the lease contract. Reassessments and modifications are accounted for by discounting the revised cash flows: using a revised discount rate where the LGBCE becomes or ceases to be reasonably certain to exercise or not exercise an extension or termination option, or the lease is modified to amend the non-cancellable period, change the term of the lease, change the consideration or the scope, or at the existing discount rate where there is movement in an index or rate that will alter the cash flows.

Expenditure for each financial year includes interest on the lease liability and a straight-line depreciation charge on the right-of-use asset, together with any impairment of the right-of-use asset and any change in variable lease payments, that was not included in the measurement of the lease payments during the period in which the asset and liability was initially recognised.

### **1.11 Operating leases**

From 1 April 2022 they have been accounted for under IFRS16 (see above).

### **1.12 Finance leases**

We have no finance leases.

### **1.13 Value added tax**

Our activities are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category. Expenditure is reported inclusive of VAT.

### **1.14 Operating segments**

We are considered to provide a single function, undertaking electoral reviews, and in terms of IFRS 8, LGBCE is a single operating segment. Management reporting and decision-making is carried out based on a single segment and therefore it is not considered that any further segmental analysis is necessary to meet the requirements of IFRS 8.

### **1.15 Going concern**

We are financed by amounts drawn from the Consolidated Fund, approved annually by Parliament to meet our net cash requirement for the year. The Statement of Financial Position as at 31 March 2024 shows taxpayers' equity of £16k. This reflects liabilities accounted for but not yet drawn down from the fund. As with other statutory bodies, the ongoing financing of our activities and related liabilities is met by future drawdowns from the Consolidated Fund approved annually by Parliament. Such approval for amounts required for 2024-25 has already been given, and it is therefore considered appropriate to adopt a going concern basis in the preparation of these financial statements.

### **1.16 Accounting estimates and judgements**

Amortisation and depreciation estimates are included within the accounts and calculated based on our accounting policies. Accruals are included at actual values (if known or invoice received after 31 March) or estimated values if not.

The provision for the dilapidation charge is based on the best estimate of the amount required to settle the obligation following an assessment of risks and uncertainties, terms of legal agreements, and where appropriate, independent professional valuation reports. A provision is made for estimated costs based on valuations where the likelihood of settlement is material and imminent or via the use of industry standard calculations / methodologies.

## 2. Expenditure

<b>£000</b>	<b>2023-24</b>	<b>2022-23</b>
Wages and salaries	1,047	957
Commissioners fees	128	116
Social security costs	112	119
Other pension costs	212	215
<b>Staff costs<sup>23</sup></b>	<b>1,499</b>	<b>1,407</b>
Depreciation and amortisation		
Other non-current assets <sup>24</sup>	42	63
Accommodation right of use asset	134	133
Interest under accommodation operating lease	2	3
Auditor remuneration <sup>25</sup>	29	22
Increase / (decrease) in provisions	10	(11)
<b>Non-cash items</b>	<b>217</b>	<b>210</b>
Printing and mapping	196	191
Business costs and contracts for services	348	309
Stakeholder engagement	30	73
Legal and professional fees	27	50
Travel, subsistence, and hospitality	21	11
Other staff costs	95	28
Internal audit	14	14
Bank charges	1	1
<b>Other expenditure</b>	<b>732</b>	<b>677</b>
<b>Total</b>	<b>2,448</b>	<b>2,294</b>
<b>£000</b>	<b>2023-24</b>	<b>2022-23</b>
Total non-cash transaction as above	217	210
<b>Non-cash items included in the reconciliation of net resources outturn to net Cash requirements</b>	<b>217</b>	<b>210</b>

<sup>23</sup> Staff costs are further analysed in the remuneration and staff report in section 3.2.

<sup>24</sup> Due to rounding depreciation shows as £43k in SOPS 3, which is in line with note 3 and 4.

<sup>25</sup> The external auditors (the National Audit Office) provided no non-audit services.

### 3. Property, plant, and equipment

£000	Total
<b>Cost or valuation</b>	
As at 1 April 2023	82
Additions	11
Disposals (write down)	-
<b>As at 31 March 2024</b>	<b>93</b>
<b>Depreciation</b>	
As at 1 April 2023	56
Charged in year	14
Disposals (write down)	-
<b>As at 31 March 2024</b>	<b>70</b>
<b>Net book value as at 31 March 2024</b>	<b>23</b>
<b>Net book value as at 31 March 2023</b>	<b>25</b>
<b>Cost or valuation</b>	
As at 1 April 2022	98
Additions	5
Disposals (write down)	(22)
<b>As at 31 March 2023</b>	<b>82</b>
<b>Depreciation</b>	
As at 1 April 2022	65
Charged in year	13
Disposals (write down)	(22)
<b>As at 31 March 2023</b>	<b>56</b>
<b>Net book value as at 31 March 2023</b>	<b>25</b>
<b>Net book value as at 31 March 2022</b>	<b>33</b>
All assets included in the note above were owned by the LGBCE. At the 31 March 2024 there were no fully depreciated assets still in use.(2022-23 £0k).	

#### 4. Intangible assets

£000 – Website and software		Total
<b>Cost or valuation</b>		
As at 1 April 2023		180
Additions		21
Disposals (write down)		(15)
<b>As at 31 March 2024</b>		<b>186</b>
<b>Amortisation</b>		
As at 1 April 2023		63
Charged in year		29
Disposals (write down)		(15)
<b>As at 31 March 2024</b>		<b>77</b>
<b>Net book value as at 31 March 2024<sup>*26</sup></b>		<b>110</b>
<b>Net book value as at 31 March 2023</b>		<b>117</b>
<b>Cost or valuation</b>		
As at 1 April 2022		366
Additions		91
Disposals (write down)		(277)
<b>As at 31 March 2023</b>		<b>180</b>
<b>Amortisation</b>		
As at 1 April 2022		290
Charged in year		50
Disposals (write down)		(277)
<b>As at 31 March 2023</b>		<b>63</b>
<b>Net book value as at 31 March 2023</b>		<b>117</b>
<b>Net book value as at 31 March 2022</b>		<b>76</b>
As at 31 March 2024 there were no fully amortised assets still in use. The remaining amortisation associated with Windows 10 was written off as we have moved to Windows 11 in 2023-24 (2022-23 £277k of assets were written down and disposed of).		
Material asset - Website	Remaining value £70,333	End of life 31.03.2029

<sup>26</sup> Due to rounding the cast of the net book value is £109k but the net book value is £110k.

## 5. Financial instruments

All cash requirements are met through the Estimates process and are drawn down from the Consolidated Fund, and financial instruments play a limited role in creating risk. Most financial instruments relate to contracts for non-financial items in line with the Commission's expected purchases and usage requirements and the Commission is therefore not exposed to significant credit, liquidity or market risk.

## 6. Trade, other receivables and other current assets

£000	2023-24	2022-23
<b>Amounts falling due within one year</b>		
Prepayments and accrued income	65	70
<b>Total receivables</b>	<b>65</b>	<b>70</b>

## 7. Cash and cash equivalents

£000	2023-24	2022-23
Balance at 1 April	67	57
Net change in cash and cash equivalent balances	(6)	10
<b>Balance at 31 March<sup>*27</sup></b>	<b>62</b>	<b>67</b>
The following balances at 31 March were held at Government Banking Service accounts	62	67
<b>Balance at 31 March</b>	<b>62</b>	<b>67</b>

## 8. Trade payables and other liabilities

£000	2023-24	2022-23
<b>Amounts falling due within one year</b>		
Trade payables	29	26
Accruals and deferred income	76	87
Short-term staff benefits (earned leave liability)	17	30
Amounts issued from the Consolidated Fund for supply not spent at year end	62	67

<sup>27</sup> Due to rounding this shows a movement of £5k not £6k.

<b>Total Payables</b> <sup>*28</sup>	<b>184</b>	<b>210</b>
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## 9. Provisions for liabilities and charges

We have one provision relating to dilapidations on our accommodation leased from the Government Property Agency (GPA).

We have set aside a provision of £58k. We have assessed this figure as being the best and most reliable estimate, based on the level of communication from the landlord and our knowledge of the changes made to the floor space in our office.

There is a certain degree of inherent uncertainty in estimating future costs of reinstating the property.

<b>£000</b>	<b>2023-24</b>	<b>2022-23</b>
Balance at 1 April	48	59
Provided in year	10	-
Provision not required written back	-	(11)
<b>Balance at 31 March</b>	<b>58</b>	<b>48</b>

## 10. Right of use leased assets

<b>£000</b>	<b>Building</b>	<b>Total</b>
<b>Cost or valuation</b>		
As at 1 April 2023	330	330
<b>As at 31 March 2024</b>	<b>330</b>	<b>330</b>
<b>Depreciation</b>		
As at 1 April 2023	(133)	(133)
Charged in year	(134)	(134)
<b>As at 31 March 2024</b>	<b>(267)</b>	<b>(267)</b>
<b>Net book value at 31 March 2024</b>	<b>63</b>	<b>63</b>
<b>Net book value at 31 March 2023</b>	<b>197</b>	<b>197</b>
<b>Cost or valuation</b>		
As at 1 April 2022	-	-

<sup>28</sup> On the SoFP due to rounding this shows as £183k instead of £184k and on the SoCF the movement shows as £27k instead of £26k



Initial recognition on implementation of IFRS16	330	330
<b>As at 31 March 2023</b>	330	<b>330</b>
<b>Depreciation</b>		
As at 1 April 2022	-	-
Charged in year	(133)	(133)
<b>As at 31 March 2023</b>	(133)	<b>(133)</b>
<b>Net book value at 31 March 2023</b>	197	<b>197</b>
<b>Net book value at 31 March 2022</b>	-	-

The lease relates to one property (Windsor House) that is used as office accommodation.

The lease term ends in September 2024.

## 11. Lease liabilities

£000	2023-24	2022-23
<b>Obligations under leases</b>		
Not later than one year	65	135
Later than one year and not later than five years	-	64
	<b>65</b>	<b>199</b>
Interest element	1	(2)
<b>Present value of obligations</b>	<b>66</b>	<b>197</b>
<b>Present value of obligations under leases</b>		
Not later than one year	66	134
Later than one year and not later than five years	-	63
	<b>66</b>	<b>197</b>
<b>Amounts recognised in the statement of comprehensive net expenditure</b>		
Depreciation	134	133
Interest expense	2	3
	<b>136</b>	<b>136</b>
<b>Amounts recognised in the statement of cash flows</b>		
Interest expenses (non-cash adjustment)	2	3

## 12. Capital and contractual commitments

The total undiscounted future minimum payments to which we are committed, analysed by the period during which the payments will be made, are shown below:

£000	Capital		Contractual		
	2023-24	2022-23	2023-24	2022-23	
Not later than one year	-	11	60	69	Website, IT contract, Juniper switches, Internal audit contract
Later than one year and not more than five years	-	-	76	54	IT contract, Internal audit contract
Late than five years	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>11</b>	<b>136</b>	<b>123</b>	

## 13. Related party transactions

The Commission is an independent statutory body, overseen and monitored by the Speaker's Committee. The Speaker's Committee acts in lieu of a Government Department as the body to which the Commission reports. It also approves the Commission's rolling five-year Corporate Plan and budget annually. The Chair of the Commission, the Chief Executive and the Director of Corporate Services attend the Speaker's Committee once a year to answer any questions Committee members might have on the Commission's Corporate Plan and Annual Report.

The Chief Executive is appointed by the Commission. None of the Commissioners, Leadership Team, staff or other related parties has undertaken any material transactions with the Commission during the year except for remuneration which is reported in the remuneration and staff report (Section 3.2.1).

In addition to the Speaker's Committee, the Commission had transactions with other government departments including the Department for Levelling Up, Housing and Communities (DLUHC), HM Revenue and Customs, HM Treasury, Department for Work and Pensions and the Government Legal Department; and with bodies including the National Audit Office and Ordnance Survey.

## 14. Events after the reporting date

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue which is the date of the audit certificate. As of the date of the Comptroller & Auditor General's certificate, there are no events which impact upon our financial statements for the year ended 31 March 2024 that are not disclosed.

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