

A Short Guide to

# The Local Government Boundary Commission for England



## About this guide

This Short Guide summarises the work of the Local Government Boundary Commission for England (the Commission) including what it does, how much it costs, and recent and planned changes.



If you would like to know more about the National Audit Office's (NAO's) work on the Local Government Boundary Commission for England, please contact:

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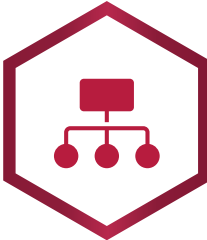
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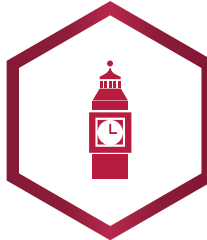
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## Key facts



**35**

Reviews completed in 2018-19 to tackle electoral inequality, ensure that every local authority is reviewed from time to time, or meet requests of local authorities and the Secretary of State



**£69,000**

Average unit cost of a review



**£2,091,000**

The Commission's total spend in 2018-19. Forecast spend for 2019-20 is £2,065,000



**10 out of 15**

Key performance indicators (KPIs) met in 2018-19. The remaining five were near target



**6**

Commissioners and one independent member of the Audit and Risk Committee, supported by around 20 full-time equivalent (FTE) staff



**59%**

Staff costs (£1,226,000), including Commissioners' costs, as a proportion of the Commission's operating expenditure in 2018-19



**81.2%**

Stakeholder satisfaction in 2018-19



**100%**

Employee engagement score in 2019

# About the Commission

The Commission is a statutory body that carries out reviews of the electoral arrangements of local authorities across England and makes recommendations for change.

The Commission is independent from government and political parties. It is accountable to Parliament through the Speaker's Committee of the House of Commons.

The Commission was established as an independent body in 2010, having previously been part of the Electoral Commission. Its statutory obligations are set out in the [Local Democracy, Economic Development and Construction Act 2009](#).

## MISSION



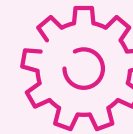
To sustain fair electoral arrangements and keep the map of English local government in good order.

## VISION



The Commission is an independent body that consults and decides on the most appropriate electoral arrangements for local government. It seeks to promote openness, integrity and rigour in all its dealings, use its resources responsibly and always strive to do things better.

## CORE ACTIVITY



Delivering fair electoral arrangements in local government.

### The Commission has three strategic objectives:

1

To deliver fair electoral arrangements by carrying out reviews to correct electoral imbalance and reviews that have been requested by local authorities.

2

To deliver high-quality reviews that consult and engage with people and communities.

3

To monitor the efficiency of its processes and keep the organisation fit for purpose.

### The Commission aims to fulfil its mission and achieve its objectives by:

- reviewing the electoral boundaries of local authorities in England and implementing any changes;
- reviewing the administrative boundaries of local authorities in England and making recommendations for any changes to the Secretary of State for Housing, Communities & Local Government; and
- reviewing the constituencies of the London Assembly and implementing any boundary changes.

The different types of review and what they entail are explained on [page 7](#).

# Delivering fair electoral arrangements in local government



## What does the Commission deliver?

The Commission carries out around 25 reviews per year. A typical review takes around 15 months to complete from initial contact with an authority through to the law establishing the new electoral arrangements being made.

Reviews arise for a number of reasons:

- **Triggering the intervention criteria on electoral variances** – The Commission aims to ensure that, in each local authority, councillors represent approximately the same number of electors. To do this, it looks at the average number of electors per councillor. An authority is considered to meet the criteria for intervention if:
  - more than 30% of wards or divisions have an average number of electors per councillor that deviates by at least 10% from the average ratio for that authority; or
  - any single ward or division has an average number of electors per councillor that deviates by at least 30% from the average ratio for that authority.

The Commission monitors levels of electoral inequality and selects these authorities for review.

- **Authorities requesting a review** – Local authorities may request reviews themselves.
- **Authorities that have not been reviewed in line with regulation** – The Commission has a statutory obligation to review every local authority in England 'from time to time'. The Commission engages with local authorities that have not been reviewed for at least 12 years, presents the opportunities afforded by an electoral review, and prioritises reviews on the basis of responses. The Commission has recently undertaken reviews of the 25 London boroughs that have not undergone reviews since 2003. As at 29 February 2020, 10 reviews of London boroughs have been completed and 15 are scheduled for completion by June 2021. Reviews of 30 metropolitan districts in the North, which have not been reviewed since 2002, began in 2020 and are due to be completed by 2024.

- **Supporting change** – Electoral reviews can also arise from changes in local government. When government agrees to a structural change that creates new unitary authorities, the Commission may carry out electoral reviews to produce electoral arrangements for the new authorities.

All 35 of the reviews completed in 2018-19 were undertaken because the Commission's intervention criteria were triggered, because the local authority requested a review, or because the government requested a reorganisation of local authorities.

The Commission can recommend changes in the following:

- The total number of councillors to be elected to the council.
- The number of wards and divisions and their boundaries.
- The number of councillors to be elected for each ward or division.
- The name of each ward or division.

# Delivering fair electoral arrangements in local government: types of review



## Electoral review

The Commission carries out electoral reviews to improve electoral equality by ensuring that the ratio of electors to councillors in each authority is roughly the same.

The Commission considers:

- whether the boundaries of wards or divisions in a local authority should be changed to take account of changes in the electorate, and whether those boundaries are appropriate to reflect community ties and to promote effective local government;
- the number of councillors, wards or divisions;
- whether wards or divisions should be represented by a single councillor or jointly by two or three councillors; and
- the names of wards and electoral divisions.

The Commission implements any changes to electoral arrangements by making a statutory instrument or order. Local authorities then run local elections using the new arrangements set out in the order.



## Principal area boundary review

Principal area boundary reviews are narrower in scope than electoral reviews. The Commission carries one out when it only needs to consider whether the boundaries between authorities should be changed.

Reviews vary in size, ranging from those looking at minor boundary anomalies that prevent local authorities from delivering services effectively through to reviews caused by whole council mergers.

Following a principal area boundary review, the Commission may decide to carry out an electoral review of the local authorities involved, depending on the scale of the change.

The Secretary of State for Housing, Communities & Local Government makes any changes recommended by principal area boundary reviews.



## Structural review

A local authority may ask to change from a two-tier structure – having both a county council and district councils – to a single local government authority, or vice versa. When this happens, the Secretary of State may ask the Commission to carry out a structural review.

If the review results in the Secretary of State setting up a new authority, the Commission might then also carry out an electoral review of the new authority.

The most recent structural reorganisations were completed in December 2018, following which the Commission undertook electoral reviews of Bournemouth, Christchurch and Poole; Dorset; East Suffolk; West Suffolk; and Somerset West and Taunton.



## Community governance review

Local authorities (specifically, district councils and unitary councils) can change the number and boundaries of their local communities (parishes) by carrying out community governance reviews.

As part of these reviews, local authorities may request the Commission to change the boundaries of electoral wards or divisions, so that they reflect changes made at parish level.

The Commission decides what changes might be allowed under the existing legislation, considers any requests to change ward or division boundaries, and makes the statutory instruments that bring boundary changes into force.



# Delivering fair electoral arrangements in local government: stakeholder engagement

The Commission has three statutory criteria for its reviews:

**1**

## **To secure equality of representation**

The Commission aims to ensure that, within a single authority, a vote in one ward or division has the same value as a vote in another ward or division.

**2**

## **To reflect identities and interests of local communities**

The Commission's core principles ensure that any reviews that it undertakes reflect community identities and interests.

**3**

## **To secure effective and convenient local government**

The pattern of wards or divisions, and the numbers of councillors in each, should support good representation of people and good local government.

The Commission states that it considers stakeholder engagement integral to any electoral review with a particular focus on community consultations.

The Commission aims to base as many of its recommendations as possible on locally generated proposals. It publicises reviews through a variety of means, including local media and targeted social media campaigns. It also encourages councils, their partners and the public to state what they would like to see in the electoral arrangements for their local authorities. Anyone can look at the electorate forecasts and maps of the Commission's proposals, compare them with the current boundaries, draw their own proposed boundaries and submit them to the Commission through an online consultation portal. The Commission reports that it receives between 4,000 and 6,000 submissions in any one year.

The Commission publishes draft recommendations and gives people an opportunity to comment on them. It carries out several phases of consultation during each review and provides significant time for consultation throughout the process. The Commission undertakes to consider all the suggestions and comments received before making final recommendations to Parliament.

The Commission tracks its effectiveness in engaging with stakeholders through a set of KPIs, which are set out on [page 21](#).



# Accountability to Parliament: the essentials of accountability

Our report *Accountability to Parliament for taxpayers' money* highlighted the four essentials of accountability:

1



## A clear expression of spending commitments and objectives

Each financial year, the Commission must present an estimate of its income and expenditure to the Speaker's Committee. The Commission lays the estimate before the House of Commons on behalf of the Speaker's Committee. This is part of Parliament's supply procedure, through which the Commission's resource requirements are approved.

The Commission reports on outturn against the estimate in its Annual Report and Accounts, which are audited by the Comptroller & Auditor General through the National Audit Office.

As part of our audit of the Commission's annual accounts, we assess the design and implementation of the Commission's financial planning and monitoring controls. We did not identify any significant issues with this process as part of our 2018-19 financial audit.

2



## A mechanism or forum to hold to account

The Commission is accountable to Parliament directly through the Speaker's Committee, a cross-party committee of MPs chaired by the Speaker of the House of Commons. The Committee's functions include examining the Commission's five-year plan, financial estimates and Annual Report, and designating the Commission's Accounting Officer.

The Commission's Board is led by a Chair and should have between four and eleven additional Commissioners. It is supported by the Remuneration Committee, which agrees staff pay awards and changes to staff terms and conditions, and by the Audit and Risk Committee.

The Audit and Risk Committee scrutinises risk management and business activities, reviews and approves governance policies and procedures, monitors the work of Internal Audit, and oversees the production of the Annual Report and Accounts. It is composed of two Commissioners and an independent member.

3



## Clear roles and someone to hold to account

The Chief Executive, Jolyon Jackson CBE, has been designated Accounting Officer by the Speaker's Committee.

The Chief Executive and Accounting Officer is responsible to Parliament for the organisation and quality of management in the Commission, the propriety and regularity of its spending, keeping proper accounting records, and safeguarding the Commission's assets, as set out by HM Treasury in *Managing Public Money*.

The Board authorises the Chief Executive to appoint other officers of the Commission to act on his behalf. These will normally be a review manager for all review-related activity and the Director of Finance and Resources for all financial and business activity.

4



## Robust performance and cost data

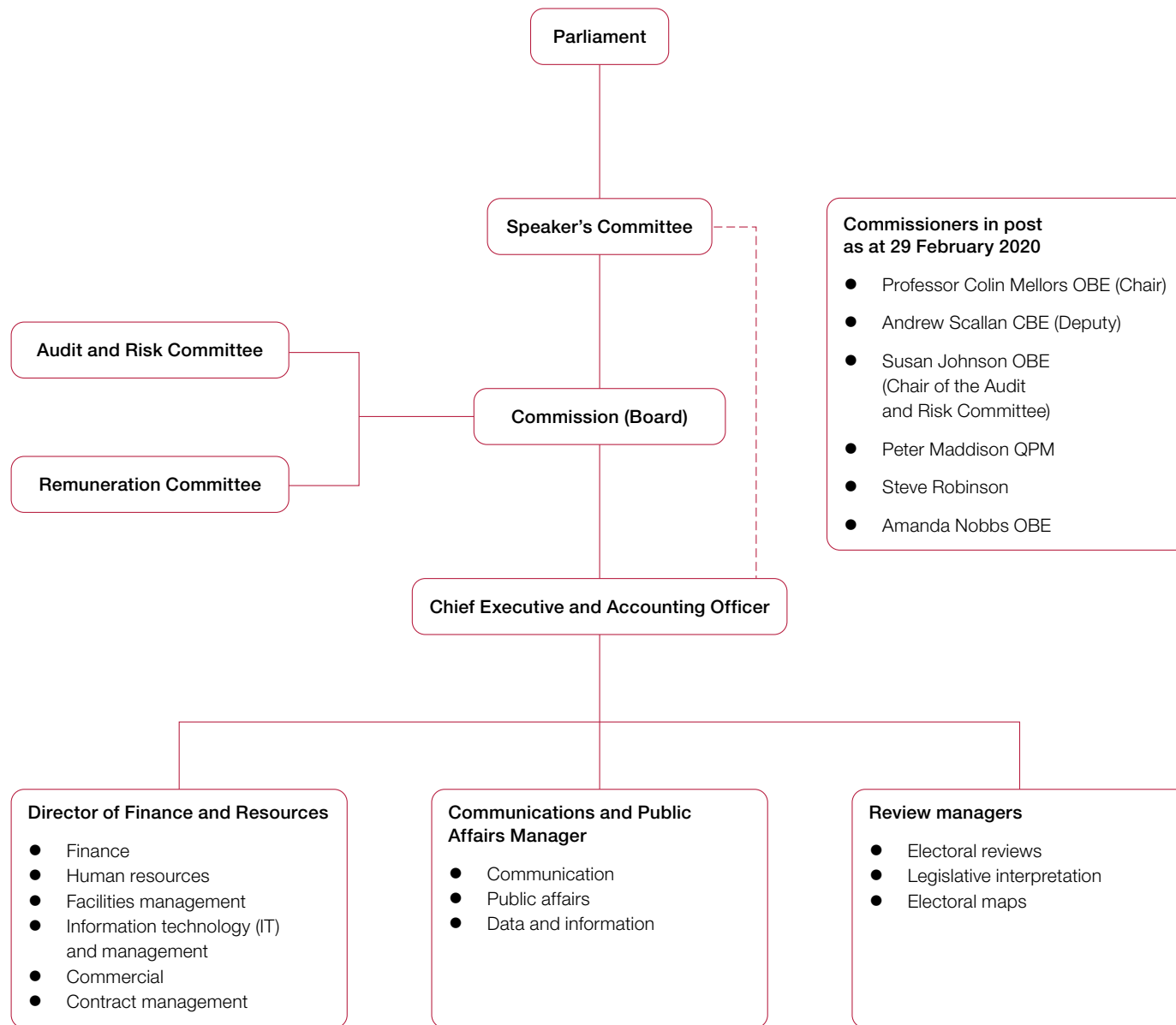
The Commission's performance measures are agreed annually by the Board and are reported to the Board on a quarterly basis.

The Commission's performance against these measures is published in the Annual Report and Accounts.

In 2018-19, the Commission introduced 15 new KPIs encompassing operational performance, stakeholder engagement and effective use of resources.

The Commission fully met 10 KPIs and was close to target on the remaining five. Further details can be found on [page 21](#).

# Accountability to Parliament: organisational structure



## The Commissioners

The Commissioners are appointed by Royal Warrant, on the recommendation of the Secretary of State for Housing, Communities & Local Government, to exercise the Commission's functions as described in the [Local Democracy, Economic Development and Construction Act 2009](#).

Commissioners have no connection with political parties and have taken no part in political activity for at least 10 years.

Commissioners set the organisation's strategy and priorities, monitor progress towards its aims, and provide decision-making on electoral reviews. A lead Commissioner is appointed for each review, but recommendations are made collectively by all Commissioners.

Commissioners also monitor the efficiency and effectiveness of the Commission's use of public funds and agree its five-year corporate plans, Annual Report and Accounts, and budget.

Commissioners are supported by around 25 individual staff members (20 FTE), led by the Chief Executive and Accounting Officer. He is accountable to the Commission for his responsibilities as Chief Executive and directly to the Speaker's Committee (and Parliament) for his responsibilities as Accounting Officer.

# Managing risk

The Commission monitors the key risks that might prevent it from meeting its objectives through a corporate risk register. The register assigns inherent, current and target scores to each risk, and sets out the controls and assurance processes through which each risk is mitigated.

The Commission aims for its controls to be both effective and proportionate to the size of the organisation.

Following the review of its risk management process in October 2018, the Commission has:

- introduced monthly in-depth reviews of two risks from the risk register by a Risk Management Group. The Group prioritises the risks with the highest scores and reports to both the Audit and Risk Committee and the Leadership Team;
- run a risk management workshop to further embed a culture of risk management in the organisation;
- carried out a risk scenario planning exercise;
- revised the Risk Policy; and
- drafted a risk appetite statement, which is currently under review.

The Commission's risk management process was reviewed by Internal Audit in September 2019. It was awarded the highest assurance rating (substantial assurance).

## The most significant current risks identified by the Commission are:

### Failure to have a resilient workforce

A high staff turnover might have an impact on the Commission's ability to deliver the review programme and to meet its KPIs.

This risk is mitigated through staff training and recruitment, analysis of leavers' feedback obtained through exit interviews and exit questionnaires, and the implementation of a new People Strategy, which is a significant area of focus of the Commission's current work ([see page 17](#)).

### Failure to gain support from the Speaker's Committee

Lack of parliamentary support for the Commission's strategic direction and associated funding requests could have a significant effect on the delivery of outcomes.

This risk is mitigated by maintaining a good working relationship with the Committee through frequent dialogue and regular reporting of key documents and plans.

### The Commission or the Audit and Risk Committee becomes inquorate

An inquorate Commission would be unable to make any decisions, rendering it ineffective.

This risk is mitigated through dialogue with the Ministry of Housing, Communities & Local Government and an early recruitment process for the replacement of Commissioners.

### Information security and management

This is a key risk for most organisations as developments and increases in cyber attacks continue.

In addition to mitigation measures already in place, the Commission has recently introduced regular IT reporting to the Leadership Team and Audit and Risk Committee, and improved device management software. It has carried out disaster recovery testing and is pursuing a cyber security certification.

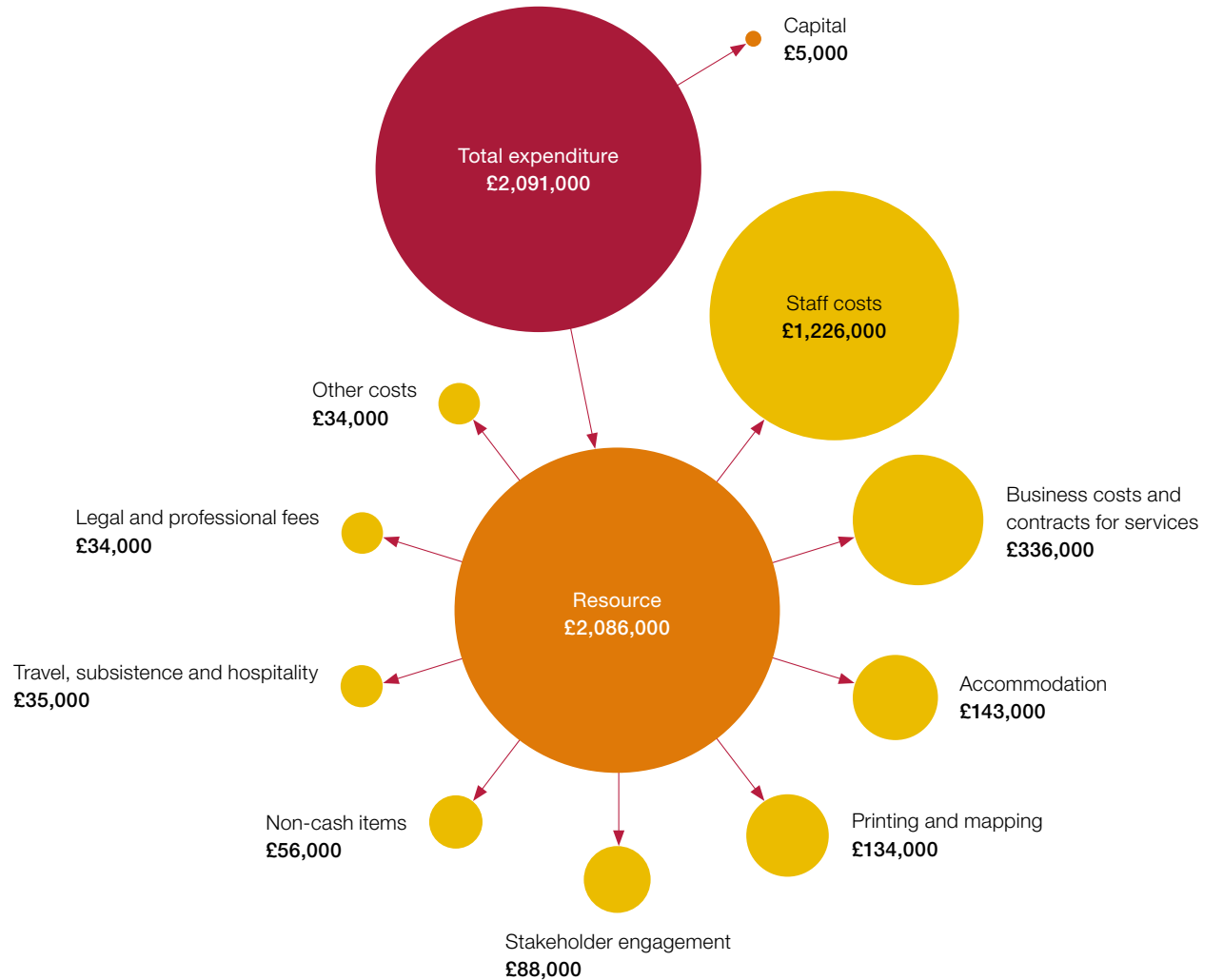
# Where the Commission spends its money: 2018-19

The Commission's total expenditure in 2018-19 was £2,091,000.

The Commission's resource budget is spent on day-to-day operations. Staff costs account for over half of the spend.

Capital expenditure in 2018-19 was incurred on the set up of the Commission's new office at Windsor House, London.

Longer-term trends are shown on the next page.



### Notes

- 1 Capital costs relate to the set up of the Commission's new office at Windsor House, London.
- 2 Non-cash items include depreciation and amortisation charges of £41,000 and a notional external audit fee of £15,000.
- 3 Other costs include other staff costs, internal audit, statistical costs and bank charges.

Source: Local Government Boundary Commission for England Annual Report and Accounts 2018-19

# Trends in the Commission's expenditure

The Commission's budget has been either reduced or frozen nearly every year since the Commission was established in 2010. In the face of this, the Commission has reduced its spending and has focused efforts on being more efficient, so as to remain within budget while increasing the average number of reviews delivered. (Further details on operational performance are provided on [pages 19-20](#)).

The Commission achieved a significant reduction in spending between 2014-15 and 2015-16, when it brought back-office services in-house and relocated to new premises in Millbank Tower.

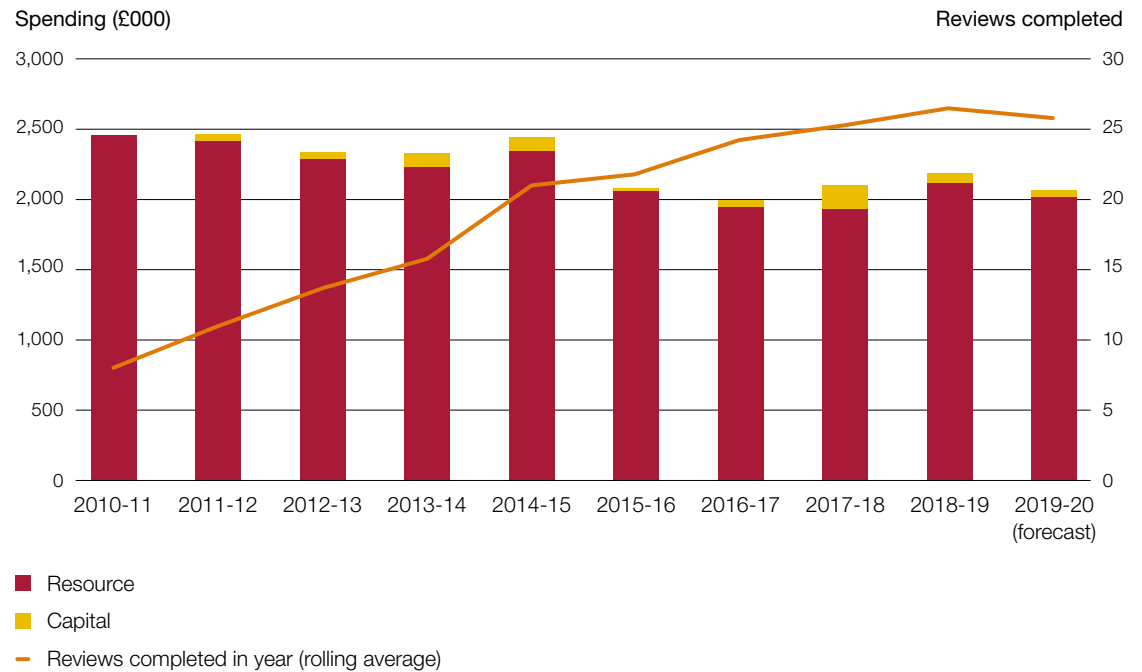
The Commission further reduced spending in 2016-17, when delays in appointing new Commissioners and high staff turnover resulted in staff and project underspend.

Spending increased slightly in 2017-18, despite a further fall in resource expenditure, due to the capital costs incurred to develop the Commission's external website and set up an intranet.

The Commission relocated to Windsor House in 2018-19. The move was in line with the [Government's Estate Strategy](#) and provided the Commission with a meeting room, which removed the need to hire external venues. The costs of the relocation, and of a short period during which the Commission paid rent on both its old and new offices, resulted in an increase in spending.

The Commission's expenditure is forecast to fall in 2019-20, due primarily to staff vacancies during the year and two pre-electoral periods (purdahs) triggered by the European and UK General Elections. Because the Commission cannot publish its recommendations during a purdah, the completion of several reviews and associated costs have been deferred until 2020-21 (see [page 19](#)).

The Commission's expenditure, 2010-11 to 2019-20



**Notes**

- 1 The Commission was established as an independent body in 2010-11. The table shows a two-year average of reviews completed for 2011-12, a three-year average for 2012-13, and a four-year rolling average for each subsequent year. The rolling average more fairly reflects the Commission's performance than single-year figures, which fluctuate significantly because of the impact of pre-election periods (see [page 19](#)).
- 2 Spending shown in nominal terms.

Source: Local Government Boundary Commission for England Annual Report and Accounts 2010-11 to 2018-19, November 2019 operational report, December 2019 finance projections

## Trends in the Commission's expenditure *continued*

Recent trends affecting the Commission's most significant expenditure items are outlined below.

**Staff costs** are the Commission's key expenditure item (see [page 12](#)).

They are relatively constant, ranging between 59% and 62% of the Commission's expenditure in any given year (see [page 15](#)).

**Accommodation, business costs and contracts for services**

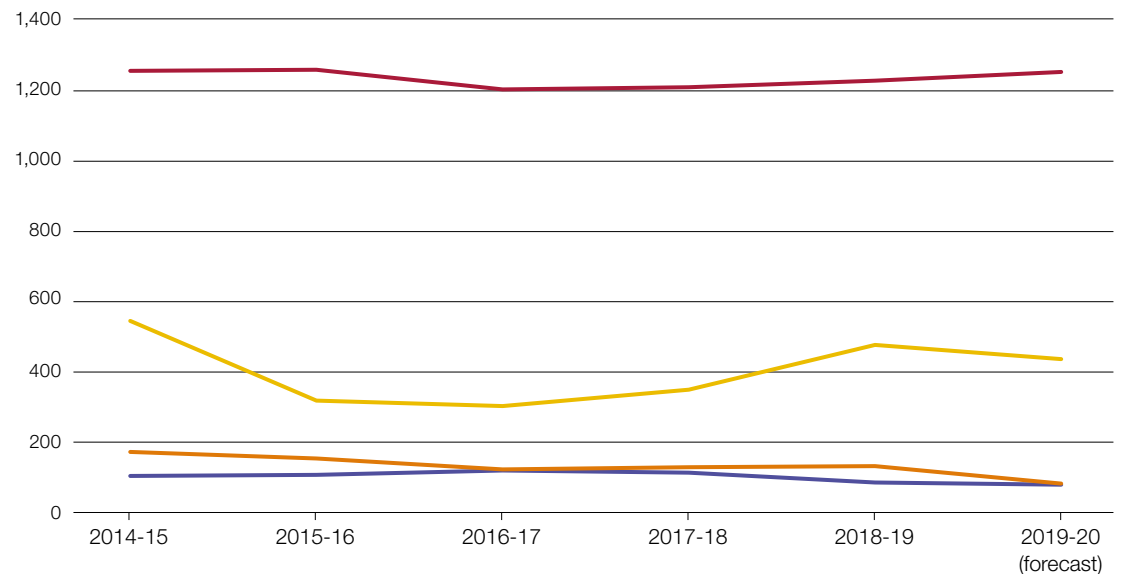
decreased sharply between 2014-15 and 2015-16, when the Commission brought finance and back-office services in-house. In late 2017-18 and early 2018-19, the Commission paid rent on two buildings as it was in the process of relocating from Millbank Tower to Windsor House. The marked increase in 2018-19 reflects the higher rental and service charges of Windsor House.

**Printing and mapping costs** decreased in 2016-17 as the Commission moved to digital maps. This is largely a result of the Commission's 'digital by default' agenda. For example, in its 2011 review of Cornwall, the Commission needed 20 maps to illustrate recommendations for each part of the county. For its recent review of Cornwall, completed in December 2018, the Commission only needed one map because the details were accessible online. Online mapping has also led to the Commission printing fewer reports and maps.

**Stakeholder engagement costs** have decreased since 2017-18 due to cost savings because the Commission combined its website and consultation portal on the same platform and reduced its additional spending on external meeting rooms following the relocation to Windsor House, which has a meeting room.

The Commission's expenditure by key area, 2014-15 to 2019-20

Resource expenditure (£000)



- Staff costs
- Accommodation, business costs and contracts for services
- Printing and mapping
- Stakeholder engagement

**Note**

1 Spending shown in nominal terms.

Source: Local Government Boundary Commission for England Annual Report and Accounts 2014-15 to 2018-19, December 2019 finance projections

# Staff costs, composition and turnover

The Commission considers the skills and expertise of its staff essential to achieving its goal of sustaining fair electoral arrangements. Staff costs, which range between 59% and 62% of total costs in any given year, are the largest single component of the Commission's total expenditure.

The Commission has around 20 full-time equivalent (FTE) staff, six Commissioners and an independent member of the Audit and Risk Committee. While overall staff numbers are stable and the level of employee engagement high, staff turnover has been at least 20% in recent years (except for 2017-18). This is largely due to the fact that, given the size and remit of the organisation, there are limited internal opportunities for career advancement among review staff, some of whom leave the organisation, after a few years, to pursue their careers elsewhere (typically within the public sector).





The Commission factors turnover into its recruitment, training processes and allocation of tasks. New staff provide fresh perspectives and ideas from their previous work experience. Nevertheless, the Commission recognises that turnover may present a challenge to the organisation and has identified the failure to have a resilient workforce as one of its significant current risks (see [page 11](#)).

Staff costs and numbers, 2015-16 to 2019-20	2015-16	2016-17	2017-18	2018-19	2019-20 (forecast)
Staff costs as a percentage of resource expenditure	61%	61% →	62% ↑	59% ↓	62% ↑
Average number of persons employed	28.1	26.6 ↓	26.6 →	26.9 ↑	26.6 ↓
Ratio of highest pay director to median staff pay	2.4	3.2 ↑	2.9 ↓	3.2 ↑	3.2 →
Weighted staff turnover	9%	26% ↑	12% ↓	20% ↑	24% ↑

#### Notes

- The average number of persons employed is the full-time equivalent figure for all staff, including Commissioners.
- The median pay figure excludes the highest paid director but includes all other staff, including Commissioners. The ratio is that between the highest paid director and median staff pay.

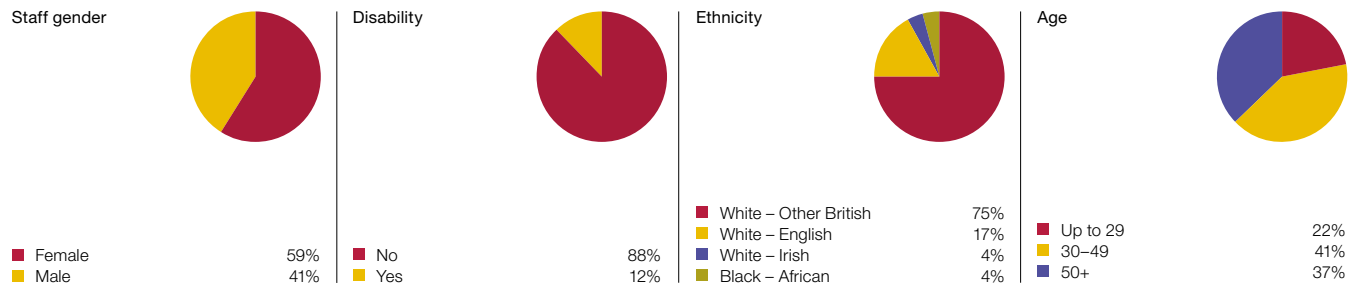
#### Staff roles, including Commissioners, as at 31 December 2019

Commissioners and independent member of Audit and Risk Committee	7.0	
Senior management	2.5	
Review staff	9.7	
Corporate services and business support	3.9	

#### Notes

- The figures provided are full-time equivalent figures. The difference between the total of 23.1 persons as at 31 December 2019 and the average of 26.6 persons employed in year is due to staff not in post as at 31 December 2019.
- As the Director of Strategy and Communication has been replaced by a Communications and Public Affairs Manager, the average FTE number of senior staff is expected to decrease in 2020-21.

#### Diversity 2018-19



Sources: Local Government Boundary Commission for England Annual Reports and Accounts 2015-16 to 2018-19 and staff data



# Significant developments for the Commission

## Staff survey

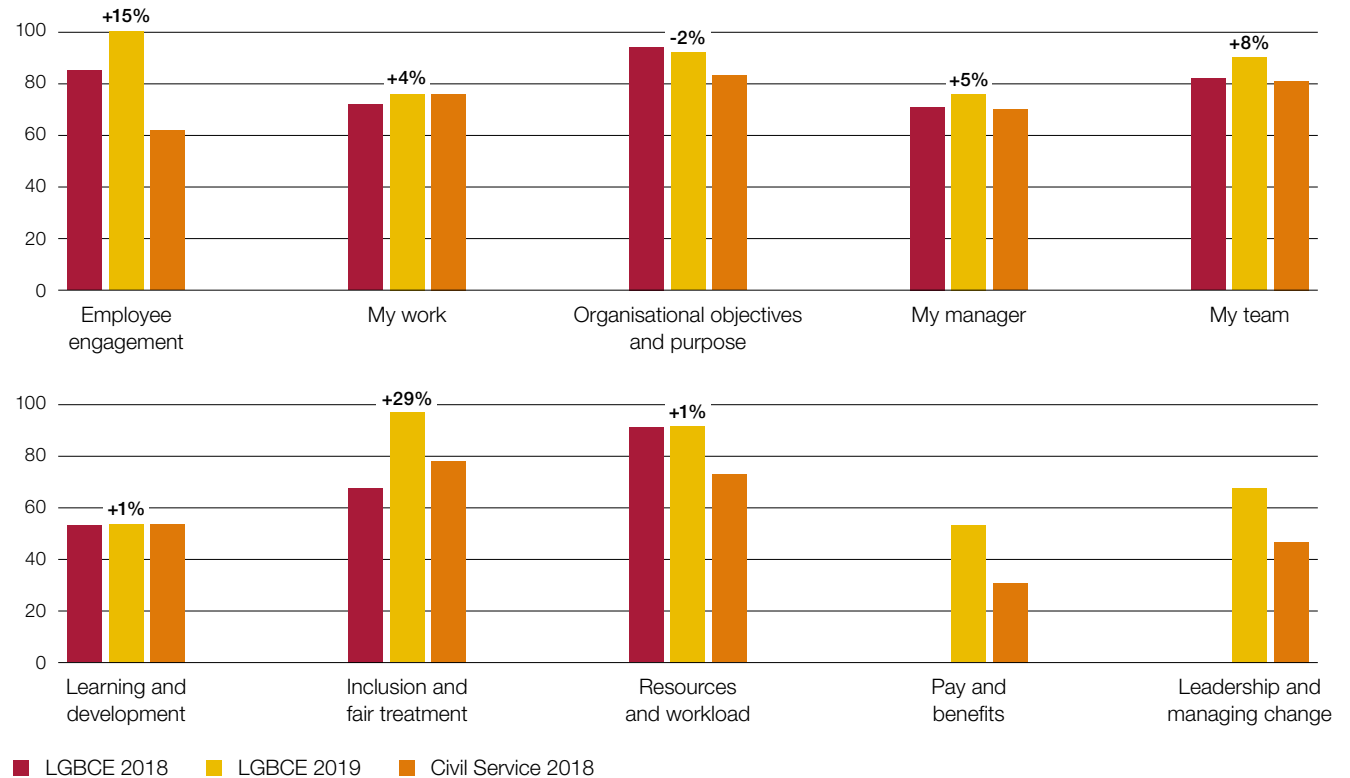
The Commission first conducted a staff survey in 2018. It adopted the Civil Service People Survey format for its 2019 survey and intends to assess the effectiveness of the People Strategy (see [page 17](#)) by monitoring the results of future surveys.

As survey questions changed between 2018 and 2019, it is only possible to carry out a limited comparison between the Commission's results in 2018 and 2019. Overall performance improved in six out of seven comparable areas. There was a modest 2% decrease in the one remaining area (organisational objective and purpose), which, however, recorded a high overall score (92%).

The 2019 survey results reported a 100% employee engagement score. Results were higher than, or equal to, Civil Service comparators across all thematic areas. The Commission scored above 90% in four areas: understanding of the organisation's objectives, my team, inclusion and fair treatment, and resources and workload.

The lowest scores (below 55%) were in the areas of pay and benefits, and learning and development, as well as in individual questions relating to change management and board vision. The Commission intends to tackle these areas through its People Strategy (see [page 17](#)).

Attitudes of staff in 2019, compared with 2018 and with Civil Service average



### Notes

- The percentages shown represent movement from the Commission's 2018 results to the Commission's 2019 results.
- Five questions from the survey are used to calculate the employee engagement score: 'I am proud when I tell others I am part of [my organisation]'; 'I would recommend [my organisation] as a great place to work'; 'I feel a strong personal attachment to [my organisation]'; '[my organisation] inspires me to do the best in my job'; '[my organisation] motivates me to help it achieve its objectives'.
- Because the Commission's 2018 people survey questions in respect of 'pay and benefits' and 'leadership and managing change' did not exactly match those of the Civil Service People Survey, no 2018 data are available for those categories.
- The Civil Service comparatives used are 2018 People Survey median results as the 2019 results were not available at the time of writing.

Source: Local Government Boundary Commission for England staff surveys 2018 and 2019, Civil Service People Survey 2018 median scores

# Significant developments for the Commission *continued*

## People Strategy

The results of the Commission's people surveys in 2018 and 2019 showed that the Commission outperformed Civil Service benchmarks in most areas. The Commission has decided to use the results to focus on organisational culture as a priority area for further improvement. The Commission identified organisational culture as the focus of its 2019-20 Business Improvement Plan and formulated its first People Strategy and action plan. The strategy, which the Board approved in February 2020, covers the period from 2020 to 2023.

The People Strategy:

- sets out an explicit goal for the Commission to be well-led, high performing, diverse and inclusive;
- sets out what it would be like for the Commission to embody each of those three features;
- identifies areas where the Commission should improve in order to be well-led, high performing, diverse and inclusive; and
- sets out the actions that the Commission will implement in each area.

The Commission has assigned resources and owners to each of these actions (36 in total), and mapped each of them onto one of the seven people survey themes.



The actions due in the first half of 2020 include:

- developing an internal communication strategy;
- developing a flexible office policy;
- refreshing the organisation's vision; and
- delivering a leadership development programme.

The Commission expects successful implementation of the actions to result in higher people survey scores, especially in the areas of learning and development and leadership and management.

## Significant developments for the Commission *continued*

### Updated guidance on electoral reviews

In 2019-20, the Commission has been working on a set of external guidance documents to make it easier for individuals to participate in electoral reviews and to increase the likelihood of review proposals being accepted by the Commission:

- an **introduction to the Commission**, which illustrates its goals, activities, values and objectives for anyone who is interested in its work;
- an **introduction to electoral reviews**, which explains the Commission's criteria for undertaking reviews, the various steps of the review process, how the Commission makes decisions, and how individuals can engage in the review process; and
- **revised technical guidance** for individuals who intend to respond to public consultations and draw up their own proposals for new ward or division boundaries. While the [current guidance](#) provides a clear description of the statutory framework for reviews, the revised guidance has a more practical focus. It includes pointers and examples of past submissions, which stakeholders can use to inform their own proposals.

These documents aim to improve stakeholders' understanding of the Commission's role and responsibilities as well as to make it easier for individuals to access, actively participate in and influence the review process.

The introduction to the Commission and electoral review documents have been agreed by the Commissioners and are due to be published shortly. The revised technical guidance is under review and due to be published around April 2020.

In the future, the Commission intends to release a video and publish a series of short guides on specific elements of the review process, reflecting the Commission's focus on stakeholder engagement.



## Performance: reviews

Every year, the Commission sets the number of each type of review that it aims to commence and to complete. In 2018-19, it commenced 25 reviews against three objectives:

	Objective	Target	Performance
Commencing	Reviews to tackle electoral inequality	10	10
	Periodic reviews	10	12
	Reviews on request (of local authorities or the Secretary of State)	5	6
Completing	Reviews to tackle electoral inequality	20	23
	Reviews on request	5	12

### Notes

- 1 The table shows 28 reviews commenced because three reviews fall under multiple objectives. The total number of reviews completed was 35.
- 2 A target relating to reviews on request was first introduced in 2018-19, reflecting the Commission's increased emphasis on responding to the needs of local government.

Source: Local Government Boundary Commission for England Annual Report and Accounts 2018-19

The Commission reported that, over the past three years (2016-17 to 2018-19), the average cost of a review, including absorbed fixed costs, was ca.£69,000. It calculated that costs ranged from £32,000 to £115,000, depending on the size of the local authority, the complexity of each review and whether further consultations were required.

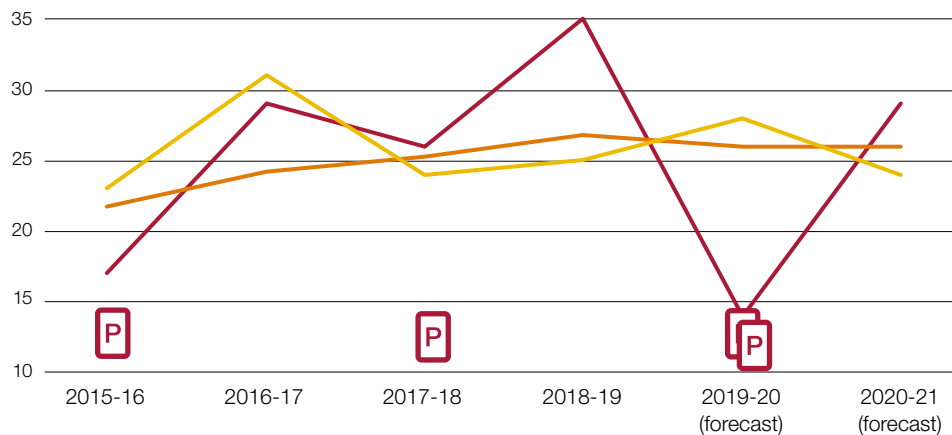
The Commission has recently completed a costing exercise and experimented with carrying out simultaneous reviews of multiple authorities in East Sussex, at both district and county level, to achieve time and cost savings.

Because reviews typically last 15 months, they usually span two financial years. As a consequence, the number of reviews can fluctuate between years, depending on when reviews begin. For example, a significant amount of work was done on reviews in 2015-16 but completed in 2016-17.

The completion of reviews is also affected by the timing of UK General and, up until 2019, European Parliamentary elections. The Commission abides by Cabinet Office guidance on the activities that can be undertaken during pre-election periods (purdahs). For instance, the Commission does not start any public consultations, brief councils or publish recommendations during purdahs. This gives rise to a concertina effect, whereby fewer reviews than usual are completed in an election year and more than usual in the following year. The effect is reflected in the movement pattern of the red line in the graph on the next page.

## Performance: reviews *continued*

Reviews completed, 2015-16 to 2020-21



— Reviews completed in year

— Reviews completed – four-year rolling average

— Target – reviews completed

**P** Purdahs (2015-16, 2017-18, 2019-20: UK General Election; 2019-20: European elections)

Despite year-on-year variations, the four-year rolling average of reviews completed (or forecast to be completed) between 2015-16 and 2020-21 is relatively stable. The rolling average was slightly below the Commission's targets in 2015-16 and 2016-17. It exceeded the Commission's targets in 2017-18 and 2018-19. In 2019-20, the rolling average of reviews completed is forecast to be 26 against a target of 28. This is due to the two purdahs in the year.

The Commission's performance in commencing reviews follows a similar pattern. The four-year rolling average of reviews commenced exceeds (or is forecasted to exceed) the Commission's targets every year from 2015-16 to 2020-21, with the sole exception of 2016-17, when the average of 26 reviews commenced was narrowly below that year's target of 27 reviews.

## Performance: balanced scorecard

In 2018-19, the Commission introduced new key performance indicators (KPIs) and adopted a balance scorecard approach to performance measurement. The new performance targets are intended to be more wide-ranging and more challenging than the Commission's previous targets. They reflect the organisation's aspiration to continuously improve across all areas of the business.

The Commission has met or exceeded 10 out of its 15 targets (green in the table below) against three categories: electoral reviews, stakeholder engagement and effective use of resources. Performance in the remaining five areas was near the targets. The Commission considers that KPIs that are around target may not require immediate action but still require careful attention.

KPI Categories	Measure	Target	2018-19 performance	Comments
Electoral reviews	Programme mix (spread of intervention reviews, periodic reviews and requested reviews commenced and completed)	Commence: 10 intervention reviews 10 periodic reviews 5 requested reviews	Commenced: 10 intervention reviews 12 periodic reviews 6 requested reviews	Five of the six requested reviews were on request of the Secretary of State, following the creation of new single-tier local authorities. For details of reviews completed, see <a href="#">page 19</a> .
	Reviews completed in time for the election agreed at the start of the review process	100%	97%	All but one reviews were completed on schedule.
	Accuracy of the Commission's five-year forecasts of future elector numbers	74%	73%	Because forecasts are five years into the future, this is the accuracy of forecasts made in 2013-14.
	Percentage of authorities reviewed over the past 12 years	>49%	49%	
Stakeholder engagement	Stakeholder satisfaction	80%	81.2%	
	Website sessions	256,000	258,464	
	Correspondence items responded to within service standards	95%	99.2%	
Effective use of resources	External audit opinion	Unqualified	Unqualified	
	Percentage of recommendations published when scheduled	55%	71%	
	Average length of recruitment process	45 days	35.3 days	
	Staff sickness rate	<2.6%	2.9%	One long-term sickness increased the Commission's sickness rate beyond the public sector average of 2.6%.
	Weighted staff turnover	17%	20%	This was driven by a fairly high turnover of staff in review posts (see <a href="#">page 15</a> ).
	Percentage of staff training plan completed during the year	63%	78.1%	
	How well the Commission undertakes its contracting	85%	92.4%	Measured by the service level agreement figure for the IT contract and observed satisfaction with smaller contracts.
Invoices paid within 30 days	95%	99.7%		

Source: Local Government Boundary Commission for England Annual Report and Accounts 2018-19



# Key themes from NAO reports

Past NAO reports have had generally positive conclusions, making some recommendations for improvement. The table summarises the main findings from recent reports and relevance to current events.

Until 2015-16, the Comptroller & Auditor General was required under [statute](#) to report annually to the Speaker's Committee on the economy, efficiency and effectiveness of the Commission.

The Deregulation Act 2015 [amended](#) the statute so that the C&AG is only required to issue a report following a UK General Election. To discharge this responsibility, following the 2017 UK General Election, the C&AG issued the [2018 Short Guide](#).

Report	Key findings	Conclusion	Relevance
2015-16: <i>Benefits realised from the back-office and relocation project</i>	<p>The Commission's option appraisals were well informed by market research.</p> <p>The Commission's preferred option was to remain in London, despite the potential to make greater financial savings in other locations. This was because of the potential impact on its programme of electoral reviews.</p>	The Commission successfully planned and delivered the back-office and relocation project, enabling the Commission to move into its new accommodation.	The Commission initially relocated to Millbank Tower in 2014-15, and then moved to Windsor House in Victoria in 2018-19, retaining its London location.
2014-15: <i>Website and online consultation portal</i>	<p>The Commission had developed an award-winning business asset, resulting in improved functionality and increased stakeholder engagement.</p> <p>Key areas of concern were governance processes and gaps in skills and experience.</p>	The Commission achieved value for money through the development of its website and online consultation tool, but it did not measure its performance against all objectives.	The Commission improved the appearance of its website in 2016-17 and combined the platforms of the website and consultation portal in 2017-18.
2012-13: <i>The costing system</i>	<p>The costing system has helped the Commission to monitor the costs of reviews more closely, leading to a better understanding of costs throughout the Commission.</p> <p>Increased understanding of costs enabled the Commission to make its processes more efficient, helping it to identify key areas of cost and potential areas for efficiency savings.</p> <p>Detailed budgets for individual reviews were still not produced, but the Commission was beginning to have sufficient information to consider doing so.</p>	The Commission continues to make good progress in understanding its costs. It is building the reliability of its understanding of staff costs, and the costing system, generally, is changing how it does business.	The Commission periodically reviews its costings to inform its budgeting process.

#### Note

- 1 The 2013-14 report was on a specific contract that has now ended. Because the recommendations were specific to that contract, we have not included this report.



# Progress against past NAO recommendations

We last reported on the Commission's response to our recommendations in the [2018 Short Guide](#).

An update on the recommendations that were not yet complete in 2018 is provided below.

## Our recommendations

## The Commission's response

### **2015-16 report: *Benefits realised from the back-office and relocation project***

Now that the Commission has clearer information on the costs of its back-office services, it should assess how these costs compare with government shared services, as well as back-office services that can be offered by their government host organisation. In doing this, the Commission will be able to determine whether it can make further savings when its back-office service arrangements are due for renewal.

Benchmarking our back-office service contracts was presented to the Commission's Audit and Risk Committee in February 2019. The Commission compared favourably against other government comparators. No further work was commissioned, although the area will be reviewed periodically by the Commission.

**Complete**

The Commission should periodically compare its performance and costs with similar organisations to assess and track whether its back-office services are cost-effective. The Commission should consider using benchmarking data, such as that offered by the Chartered Institute of Public Finance and Accountancy, to do this. This should enable the Commission to improve its back-office performance or reduce costs, or both, over the longer term.

Benchmarking our back-office service contracts was presented to the Commission's Audit and Risk Committee in February 2019. The Commission compared favourably against other government comparators. No further work was commissioned, although the area will be reviewed periodically by the Commission.

**Complete**

### **2014-15 report: *Website and online consultation portal***

Performance against each revised objective should be measured and target levels of performance, and by when these should be achieved, should be defined.

New KPIs were introduced in April 2018 (details on [page 21](#)).

**Complete**