

**Memorandum of Understanding**  
**between**  
**the Cabinet Office**  
**and**  
**the Boundary Commission for Wales**

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## 1. INDEPENDENCE OF THE BOUNDARY COMMISSION FOR WALES

- a. The Boundary Commission for Wales (BCW) is an Advisory Non-Departmental Public Body (NDPB). These are usually set up to perform functions that are technical or require political neutrality, and are therefore not suitable for departments under direct ministerial control. NDPBs are normally supported by civil servants from a sponsoring government department.<sup>1</sup> The BCW is sponsored by the Cabinet Office (CO).
- b. HM Treasury guidance notes: *Sponsor departments need arrangements to monitor and understand their NDPBs' strategy, performance and delivery.....the Treasury will expect its sponsor department to have a mechanism for asserting an appropriate degree of control over it, especially in financial matters.*<sup>2</sup>
- c. The BCW is independent of Government in terms of:
  - the recommendations it makes on any necessary changes to the parliamentary constituencies of the House of Commons in Wales;
  - the actions it carries out and judgement exercised in coming to those recommendations.
- d. However, BCW and CO also note that the status of the BCW differs somewhat from other NDPBs. As an advisory, rather than an executive NDPB, the BCW's funding and corporate governance arrangements (such as having no Board or Accounting Officer) are closer to that of a mainstream CO business unit than that of a fully arm's-length NDPB.
- e. Therefore, BCW and CO agree to work to ensure the continued independence of the BCW's recommendations as well as to work within the norms of good financial and corporate governance required by all CO business units and staff, complying as far as possible with Treasury guidance on the roles and responsibilities of sponsor departments and NDPBs.
- f. This Memorandum will facilitate continued trust in the BCW's ability to perform the duties given to it by Parliament as an independent body, while following CO best practice in financial and corporate governance. In seeking a balance between these two elements, BCW and CO take particular note of the Treasury guidance statement that nothing should discourage the application of sheer common sense.<sup>3</sup>

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<sup>1</sup> *Categories of Public Bodies: a guide for departments. April 2011. Page 12.*

[www.civilservice.gov.uk/wp-content/uploads/2011/09/Classification-Guidance-2011\\_tcm6-38852.pdf](http://www.civilservice.gov.uk/wp-content/uploads/2011/09/Classification-Guidance-2011_tcm6-38852.pdf)

<sup>2</sup> *Managing Public Money* (TSO, London, 2007), Chapter 7 'Working with others.'

<sup>3</sup> *Managing Public Money* (TSO, London, 2007), Foreword.

## **2. PURPOSE OF THE MEMORANDUM**

- a. To fulfil the general requirement to understand the BCW's strategy, performance and delivery, this document sets out:
  - i. the function and structure of the BCW;
  - ii. accountability mechanisms, role and responsibilities of BCW and CO, particularly:
    - arrangements for funding the BCW;
    - how the relationship between BCW and CO is to be conducted.
- b. BCW and CO will be careful to understand and observe their respective responsibilities. In particular, BCW and CO will endeavour to make clear the independence of the BCW regarding both the recommendations it makes, and the judgement exercised in coming to those recommendations.
- c. The secretariat is in part a shared resource between the BCW and Local Democracy and Boundary Commission for Wales (LDBCW). It is the intention of the BCW, the LDBCW and their respective sponsors to maximise the extent to which the secretariat functions as a shared resource, working to help both Commissions fulfil their statutory remits. A separate Memorandum sets out the relationships between the BCW, its sponsor, CO, the LDBCW and its sponsor, the Welsh Government (WG), as they relate to the functioning of the BCW. Both Memorandums should be read in conjunction with the other. Annex A gives more information about BCW, LDBCW and their respective sponsoring bodies.
- d. This Memorandum will be effective from 1 April 2015. It will be reviewed as soon as possible after the current triennial review of the Boundary Commissions is completed and then every three years after that. Amendments may be made at any time by agreement between the signatories.

## **3. STRUCTURE AND FUNCTION OF THE BOUNDARY COMMISSION FOR WALES**

### **a. Structure**

- i. The general structure of the BCW is laid out in Schedule 1 to the Parliamentary Constituencies Act 1986 (as amended).
- ii. The BCW consists of a Chair, Deputy Chair and two Members. It is serviced by a Secretary and secretariat. The Speaker of the House of Commons is the ex-officio Chair of the BCW. In practice, he does not attend BCW meetings. The Deputy Chair and the two Members are usually appointed for a period of five years. The Deputy Chair is appointed by the Lord Chancellor and must be a High Court Judge. The two Members are appointed by the Lord President of the Council or a Secretary of State. They are normally appointed jointly by the Lord President of the Council and the Secretary of State for Wales. The appointments of the two Members will comply with the Code of Practice of the Office of the Commissioner on Public Appointments.
- iii. There are assessors (technical advisors) to the BCW. They are the Director General of Ordnance Survey and the Statistics Board. They are represented at Commission meetings by deputies, whenever the Commission has a need to consult them on their areas of expertise. There is also provision for Assistant Commissioners to be appointed to assist Commissioners in their duties.

- iv. There is more information about the staff recruitment and management, remuneration and expenses arrangements of the BCW at Annex B.
- v. CO is the sponsoring department for the BCW.
- vi. The secretariat is in part a shared resource between the BCW and LDBCW. A separate Memorandum sets out the relationships between the BCW, its sponsor, CO, the LDBCW and its sponsor, WG, as they relate to the functioning of the BCW.
- vii. Both Memorandums should be read in conjunction with the other to allow the shared secretariat to service effectively both Commissions.

#### **b. Function**

- i. The BCW exists to fulfil statutory duties given to it by Parliament. These duties are:
  - to keep under continuous review the boundaries of the parliamentary constituencies of the House of Commons in Wales; and
  - to make recommendations on any necessary revisions to those boundaries.
- ii. The relevant legislation detailing these duties is the Parliamentary Constituencies Act 1986 (as amended, particularly by the Parliamentary Voting System and Constituencies Act 2011(PVSC)).<sup>4</sup>
- iii. The report of the next Review is due to be submitted before 1 October 2018 in accordance with the PVSC Act 2011, as amended by the Electoral Registration and Administration Act 2013. After October 2018, reviews are to be submitted every five years.
- iv. The BCW operates a fully bilingual policy which encompasses the requirements of the Welsh Language Act. All official documentation published by the BCW will be available in Welsh and English. The BCW welcomes correspondence from individuals and organisations in Welsh and English.

### **4. ACCOUNTABILITY**

#### **a. Parliamentary accountability**

- i. Ministers responsible for political and constitutional reform will account for the BCW's business in Parliament. Where communication with Parliament is necessary, BCW and CO will be careful to observe their respective responsibilities. In particular, BCW and CO will endeavour to make clear the independence of the BCW regarding both the recommendations it makes, and the judgement exercised in coming to those recommendations.
- ii. The BCW must submit an annual progress report to the Speaker of the House of Commons, in accordance with section 10(4) of the PVSC Act 2011.

#### **b. Financial accountability**

- i. The CO Permanent Secretary, as CO Accounting Officer (COAO), is accountable overall for the financial management of BCW, and through his Ministers, is accountable to Parliament for the money spent by CO. COAO is the principal ministerial adviser on

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<sup>4</sup> Parliamentary Constituencies Act 1986: [www.legislation.gov.uk/ukpga/1986/56/contents](http://www.legislation.gov.uk/ukpga/1986/56/contents)  
Parliamentary Voting System and Constituencies Act 2011: [www.legislation.gov.uk/ukpga/2011/1/contents](http://www.legislation.gov.uk/ukpga/2011/1/contents)

matters affecting CO as a whole, including resource allocation to and expenditure by the BCW. This includes, among others, being satisfied that the BCW has:

- ii. adequate resources to carry out its statutory remit;
- iii. financial resources available to ensure the efficient and effective conduct of the BCW's business, in accordance with the "fixed quarterly sum" arrangements set out in the separate Memorandum between CO, BCW, LDBCW and WG, subject to the overall CO Spending Review Settlement;
- iv. systems in place to safeguard financial propriety and regularity.
- v. Unless agreed by CO and, as necessary, HM Treasury, the BCW shall follow the principles, rules, guidance and advice in *Managing Public Money*, referring any difficulties or potential bids for exceptions to Constitution Group's Business Management Team (BMT).

Once the funding has been agreed, BCW shall have authority to incur expenditure approved in the funding without further reference to CO. This authority is subject to any restrictions imposed by this document or by statute.

- vi. However, the BCW shall obtain CO's prior written approval before:
  - entering into any undertaking to incur any expenditure that is not provided for in BCW's annual funding as approved by CO;
  - incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications;
  - making any significant change to the scale of operation or funding of any initiative or particular scheme previously approved by CO;
  - making any change of policy or practice which has wider financial implications or which might significantly affect the future level of resources required; or
  - carrying out policies that go against the principles, rules, guidance and advice in *Managing Public Money*;
  - incurring any expenditure for which the authorisation of the CO Approvals Board is needed: BCW will ensure that CO provides it with adequate advice from time to time about what types of expenditure fall into this category.
- vii. Further details of the financial framework for the BCW are set out at Annex C.

## **5. ROLES AND RESPONSIBILITIES**

### **a. BCW corporately**

#### Review and forward planning

- i. As well as the necessary day-to-day interactions between BCW and CO, the parties will arrange a six monthly meeting, or equivalent appropriate discussions, to discuss matters, which may include, among others:
  - the timetable and general progress of the next boundary review;
  - the aims and objectives for the year ahead;
  - any potential risks that could make achievement of the BCW's statutory functions more or less difficult or which could affect the BCW's smooth running in general;
  - financing of the next boundary review;
  - staffing;

- relevant comparative discussion of the work of similar bodies, including the Boundary Commissions for England, Scotland and Northern Ireland;
  - any other issues that the BCW and CO agree need to be addressed.
- ii. The discussions will be supported by any documentation that the parties agree will help. This documentation might include, among others, things such as BCW's forecast outturn by resource headings, or other reviews and forecasts of past and future activities.
  - iii. The six monthly discussions between CO and BCW are solely for the purposes of ensuring effective corporate governance. Discussions will not extend to proposals or recommendations that the BCW is preparing under its statutory duties.

General guidance:

- iv. HM Treasury directs all NDPBs to comply with a number of general guidance documents and instructions on corporate structures (see Annex D). BCW must comply with the parts of the guidance applicable to its own structure and work. In particular with guidance on risk management; fraud, propriety and regularity; and appraising potential partners.

Risk Management:

- v. The BCW shall ensure that the risks it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance. BCW will develop and implement a risk management strategy, in accordance with the Treasury guidance *Management of Risk: Principles and Concepts*.

Fraud, propriety and regularity:

- vi. The BCW will adopt and implement policies and practices to safeguard itself against fraud and theft, in line with the Treasury's guide *Managing the Risk of Fraud*. All members of the BCW and its secretariat are required to take action as set out in paragraphs 3.8.5 of *Managing Public Money* if they believe any other member of the BCW or its secretariat is contemplating action which could:
  - infringe the requirements of propriety or regularity;
  - Infringe the requirements of any document (including this Memorandum) setting out the financial and non-financial duties of the BCW;
  - Infringe any other rules governing the conduct of the BCW;
  - does not represent prudent and economical administration, value for money, efficiency or effectiveness;
  - is of questionable feasibility, or is unethical.

Appraisal of potential partners:

- vii. In partnership with CO, the BCW should also take all reasonable steps to appraise the financial standing of any Body with which it intends to enter into a contract or to give grant or grant-in-aid.

**b. Cabinet Office corporately**

- i. The CO will ensure that the BCW is supported by a Business Management Team (BMT) which is staffed by finance and procurement specialists, taken from the department's Finance and Estate Management Division (or successor). The BMT's role will be to provide the BCW with financial management expertise, ensuring BCW's expenditure is recorded and forecasted accurately. The BMT will also provide commercial expertise to ensure that BCW procures goods and services in accordance with CO policy and EU procurement legislation.

- ii. Within CO, the sponsor team<sup>5</sup> will act as the day-to-day point of contact for the BCW and will work with other teams across Government as appropriate. The sponsor team is the main source of advice to ministers on their responsibilities regarding the BCW, advising on:
- the progress of the BCW with regard to its statutory remit in general and in the event of significant risk to the delivery of that remit in particular;
  - appropriate funding for the BCW in the light of CO's overall public expenditure priorities; and
  - how well the BCW is delivering value for money in the delivery of its statutory remit.
- iii. The sponsor team is also responsible for arrangements to:
- iv. Financial:
- Ensure that the secretariat is aware of its duty to comply with those administrative practices applicable to the expenditure of public funds that CO shall specify; and that the secretariat takes account of the advice on NDPB financial management responsibilities set out in "*Public Bodies – A Guide for Departments*", as amended or augmented from time to time.
- v. Staffing:
- Liaise as necessary with the Ministry of Justice over the appointment of the Deputy Chair;
  - Conduct the recruitment process and appoint other members of the BCW when necessary;
  - Conduct the recruitment process jointly with Welsh Government and appoint the BCW Secretary when necessary;
  - Make arrangements for the appointment of Assistant Commissioners after the BCW has conducted the necessary recruitment process.
- vi. Governance:
- Assess the risks to CO surrounding the BCW's delivery of its statutory remit;
  - Inform the BCW in a timely manner of any prospective changes to the statutory framework governing the work of the BCW;
  - Support the BCW in keeping up-to-date with any relevant guidance issued by the Treasury or the CO regarding NDPBs;
  - Support the BCW to put into effect any recommendations accepted by Government, which affect the BCW and that are issued by the Public Accounts Committee (PAC), other Parliamentary Select Committees, or another Parliamentary authority;

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<sup>5</sup> This team is part of the Constitution Group in Cabinet Office.



- Help to resolve appropriately any difficulties which arise, seeking to address them in the first instance informally. If appropriate, CO should seek to discuss and resolve any concerns about BCW activities with the BCW Secretary in the first instance, and, only where necessary, raise the concerns with the Deputy Chair;
- Have the right of access to BCW records and personnel for any purpose including audits and operational investigations. However, CO does not have any right of access to any material which relates directly to recommendations to be made to Ministers before they are made public, unless the BCW wishes to share that information. CO must consider the importance of the independence of the BCW's recommendations when requesting or granting access to any BCW material;
- Ensure that the Wales Office is kept informed as necessary, in particular during any selection or appointment process of those Members. This is because the two Members of the BCW are normally appointed jointly by the Lord President of the Council and the Secretary of State for Wales.

vii. Propriety and regularity

- Inform the CO Deputy Finance Director and take action as set out in paragraphs 3.8.5 of *Managing Public Money* if it is believed that any member of the BCW or its secretariat is contemplating action which could:
  - infringe the requirements of propriety or regularity;
  - infringe the requirements of any document (including this Memorandum) setting out the financial and non-financial duties of the BCW;
  - infringe any other rules governing the conduct of the BCW;
  - not represent prudent and economical administration, value for money, efficiency or effectiveness;
  - be of questionable feasibility, or is unethical.

viii. Working jointly

The sponsor team and BCW agree that the monitoring, assessing and information exchange between both parties will:

- Use open dialogue to signal any intended monitoring or assessment activity, with adequate warning time, and as 'light a touch' as possible in the assessment itself;
- Involve the BCW in identifying the best ways to do these activities, maintaining this involvement as much as possible throughout the activities;
- Avoid unannounced activities of this kind unless absolutely necessary, fostering as much as possible a culture of open communication and 'no surprises';
- Ensure all activities maintain BCW's ability to deliver recommendations to Ministers, observing the appropriate level of independence for the BCW.
- Make any unannounced assessment activities measures of last resort. Their use will be rare under normal circumstances, and they would have been preceded by informal engagement and dialogue which seek to achieve the same outcome.

**c. Members of the BCW**

- i. The Members of the BCW have been recruited by open competition, selected for demonstrating a range of proven abilities, which they will be expected to continue to demonstrate throughout their period of appointment. These include the ability to:
  - Work in an independent and politically neutral manner while commanding the confidence of stakeholders across the democratic process in Wales;
  - Think analytically, come to reasoned conclusions on the basis of a sound evaluation of information and negotiate effectively to achieve goals;
  - Successfully manage and deliver complex projects and programmes;
  - Work successfully in a small team and also address and interact effectively with members of the public, in contexts such as public meetings.
  
- ii. The Members will also be expected to:
  - Attend meetings of the BCW;
  - Formulate proposals according to the remit of the legislation governing the BCW;
  - Follow the Seven Principles of Public Life set out by the Committee on Standards in Public Life;
  - Observe the terms and conditions of appointment referred to in their letters of appointment (see Annex E).

**d. The BCW Secretary**

- i. The BCW Secretary should ensure that the BCW as a whole is run on the basis of the standards, decision-making and financial management set out in Annex C. This includes, among others:
  - Ensuring the successful delivery of the BCW's statutory remit;
  - Advising the Deputy Chair and members of the Commission on all aspects of BCW work;
  - Ensuring effective procedures for handling complaints about BCW exist and are widely known within BCW;
  - Acting in line with this Memorandum, *Managing Public Money* and other instructions and guidance issued from time to time by HM Treasury and Cabinet Office;
  - Giving evidence when summoned before Parliament;
  - Meeting regularly with Cabinet Office to discuss progress as described at Section 5(a)(i) [*Planning and Reporting*];
  - Informing Cabinet Office of likely over- or under-spend and of corrective action to address each;
  - Working with Cabinet Office to resolve any difficulties which arise in a timely fashion;
  - Accompany the Accounting Officer to PAC hearings relating to the BCW, if necessary.
  
- ii. A full statement of the Secretary's responsibilities is at Annex F.

**Agreed by:**



**Simon James    Head of Elections Division, Cabinet Office**



**Steve Halsall    Secretary to the Boundary Commission for Wales**

## **ANNEXES**

- Annex A Information about the BCW, LDBCW and their respective sponsoring bodies.
- Annex B Staff recruitment and management, remuneration and expenses.
- Annex C Financial Framework.
- Annex D Compliance with government-wide corporate guidance and instructions.
- Annex E Terms and conditions of appointment referred to in the letters of appointment of the Members of the BCW.
- Annex F The Secretary to the BCW.

## **ANNEX A**

### **Information about BCW, LDBCW and their respective sponsoring bodies**

#### **The Boundary Commission for Wales (BCW)**

An organisation described in part 3 of this document. The BCW includes a number of Commissioners, Assistant Commissioners and technical assessors, a Secretary and a secretariat staff which is a resource shared with the LDBCW.

#### **The Cabinet Office (CO)**

The UK Government department with responsibility for electoral law and the sponsoring body for the Boundary Commission for Wales.

#### **The Local Democracy and Boundary Commission for Wales (LDBCW)**

An organisation whose purpose is described in the Local Government (Democracy) (Wales) Act 2013 including Commissioners, a Chief Executive and secretariat staff, which is a resource shared with the BCW. The Commissioners are the Chair, the Deputy Chair and not more than three other members. The Commissioners are appointed by Welsh Ministers.

#### **The Welsh Government (WG)**

The devolved government of the National Assembly for Wales, as constituted under the Government of Wales Act 2006. The WG is the sponsoring body for the LDBCW.

## **ANNEX B**

### **Staff recruitment and management, remuneration and expenses**

**The Deputy Chair** is a High Court Judge who is not paid for BCW work. He or she is entitled to be reimbursed for expenses incurred in carrying out BCW duties.

**The Members of the BCW** are paid a daily fee which is set by the CO, subject to the agreement of the Treasury. Payment is made to Members, with the necessary tax and national insurance deductions, for days (or half days) spent either preparing for, attending or following up on Commission meetings or functions. The Members are also entitled to be reimbursed for expenses incurred in carrying out their BCW duties.

Assistant Commissioners may be appointed to assist the Members of the BCW in their duties. They are paid a daily fee which is set by the CO, subject to the agreement of the Treasury. The fee is currently £505.50 per full day and pro rata per half day worked. Assistant Commissioners submit claims to the BCW Secretary for time worked. The BCW Secretary approves claims and arranges for the claim to be paid. Payment is made to Assistant Commissioners through LDBCW payroll, with the necessary tax and national insurance deductions.

**The BCW Secretary** post holder is also the Chief Executive of the LDBCW and is recruited through a joint CO/WG recruitment process. When the recruitment process has identified a suitable individual, the Lord President of the Council or a Secretary of State will appoint him or her to the BCW Secretary post. He or she will be employed under the terms and conditions of employment within Welsh Government in operation at the time.

**The Cabinet Office** is the sponsoring department of the BCW. The chief officer of the joint secretariat (who is both BCW Secretary and LDBCW Chief Executive) will be subject to the existing LDBCW performance management framework. Within this framework, the chief officer will have two reporting officers: a suitable official from Cabinet Office will act as the reporting officer in relation to the chief officer's role as BCW Secretary, and will act as the line manager for the chief officer on matters of setting personal objectives and performance appraisal in relation to the BCW Secretary role. Before each annual appraisal is conducted, that Cabinet Office official will consult with the Deputy Chairman of the BCW on matters of performance. The Chair of the LDBCW will carry out this function for the chief officer's role as LDBCW Chief Executive. Both reporting officers will discuss and agree on the chief officer's overall level of performance at the end of each reporting year.

**BCW secretariat** supports the work of the BCW secretary and the Commissioners, the Local Democracy and Boundary Commission for Wales (LDBCW) provides all staff of the BCW secretariat. It also provides the BCW's accommodation and related support services. The BCW secures the share of the resources of the joint secretariat that it needs in agreement with the LDBCW, in accordance with the Memorandum of Understanding between LDBCW, BCW, CO and WG. BCW should satisfy itself that the LDBCW is taking on duties towards staff such as recruitment, retention, development, non-discrimination, performance appraisal, responsibility for staff costs, pay, conditions of service and others.

**Travel and subsistence payments** for the Deputy Chair, Members of the BCW, the Assistant Commissioners and Assessors will be paid at CO rates in operation at the time the expense was incurred. Current travel and subsistence rates will be provided by CO at the start of each financial year or when there is a change in terms. The Secretary and secretariat staff will be paid at WG rates in operation at the time the expense was incurred.

## **ANNEX C**

### **Financial Framework**

The following is the financial framework within which the BCW will operate.

#### **Amendment and Review**

This financial framework may be changed in accordance with Government Accounting and Treasury requirements, to take account of new developments. If either CO or the BCW requires changes to be made they shall notify the other in writing. Any changes will be agreed by both parties.

#### **Planning and budgeting arrangements**

The CO will provide funding to the LDBCW to cover the cost of the resources used by the BCW to fulfil its statutory duties, which will cover the costs of the secretariat staff. The level of funding required by the BCW will be agreed in accordance with the "fixed quarterly sum" arrangements set out in the separate Memorandum between CO, BCW, LDBCW and WG. Both parties recognise that the BCW must be funded to the degree necessary for it to fulfil effectively the statutory requirements on it, and that it must do so in a way that secures the best possible value for public money. CO will provide the BCW with details of funds allocated to them, including any variation from the fixed quarterly sum, by the earliest practicable date and, if at all possible, by the start of the financial year in question.

The Secretary will prepare and submit to CO estimates and financial returns at such time, and in such form, as CO may require. CO will supply the Secretary with such information (staff costs etc), as are required to inform the process of allocation of funds for the BCW from the CO. The documentation prepared by each party shall be copied to the other for information and agreement.

Subject to CO's general approval of the Secretary's estimates, and CO's advice as to whether there are any specific exceptions, the Secretary may incur planned expenditure without further reference to CO.

However, the BCW shall consult with CO and, if agreed that it is necessary, obtain CO's prior written approval before:

- entering into any undertaking to incur any expenditure that is not provided for in BCW's annual funding as approved by CO;
- incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications or imply any new financial commitments;
- making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by CO;
- making any change of policy or practice which has wider financial implications that might have repercussions or which might significantly affect the future level of resources required; or
- carrying out policies that go against the principles, rules, guidance and advice in *Managing Public Money*.

Consultation between both parties shall occur about any potential under or overspend on the agreed current year provision and the Secretary must give warning of this at the earliest opportunity.

### **Financial monitoring**

CO will liaise with the Secretary on a regular basis to discuss the most up to date financial position, review forecast of expenditure, forthcoming procurements and any such other matters as either party may consider necessary.

The Secretary will be responsible for producing an annual report at the end of each financial year showing the expenditure against the funding provided for the year ending, and the provisional funding for the financial year ahead. The figures shown in the report must correspond with those reported by the CO at financial year end. The annual report will be made available publicly on the BCW's website.

### **Approval for purchases and disposals**

The BCW shall:

- seek to obtain value for money when making purchases, showing effective use of resources, avoiding conflicts of interest, never using public money for private benefit;
- not separately acquire or dispose of leasehold or freehold interests in property;
- not purport to enter into commitments for the acquisition of leasehold or freehold interests in property;
- not dispose of assets without the prior approval in writing of CO;
- with regard to the purchase and custody of stores and equipment, maintain adequate inventories giving sufficiently detailed information of such stores and equipment, which shall be available for inspection by CO or its auditors on request;
- seek to obtain value for money when making purchases, showing effective use of resources, avoiding conflicts of interest, never using public money for private benefit.

### **Staff and accommodation costs**

These are governed by the Memorandum of Understanding between CO, BCW, LDBCW and WG.

### **Hospitality Register, entertainment and away days**

The BCW Secretary shall maintain a record of gifts and hospitality, both given and received by the Secretary, and seek approval from the CO before any gift or donation is contemplated.

Generally, hospitality is defined as the provision of lunches, dinners, and tickets to sporting/social or leisure events. These examples are not exhaustive.

Expenditure on away days, hospitality and gifts is subject to the procedures set out on the CO intranet. The BMT will provide this guidance to BCW.

### **Fraud, Write-offs and special payments**

The BCW shall:

- in the event that any instances of fraud, suspected fraud or financial irregularity arise, notify CO in accordance with the requirements of the CO fraud response plan;

- Inform the BMT of any losses, whether of money, value of assets lost, stolen or damaged or receipts foregone, irrespective of value;
- not make any special payments, whether ex gratia arising from maladministration within the BCW's office or otherwise, without first obtaining the approval of the CO Deputy Finance Director. Such approval will only be given in exceptional circumstances.

#### **Availability of records**

The BCW shall make available to CO staff or the staff of the National Audit Office all records on request, subject to section 139 of the Constitutional Reform Act 2005 (prohibition on disclosure of confidential information without lawful authority).<sup>6</sup>

CO Internal Audit is required to provide the CO's Accounting Officer with an annual opinion on the overall state of risk management, control and governance in CO. CO therefore reserves the right of access to financial and other records, should the need arise as part of a CO review or for general oversight and assurance to the CO Accounting Officer. CO Internal Audit can also provide fraud and other irregularity investigation capability should the need arise.

#### **Insurance**

The BCW shall not undertake any insurance without prior approval of CO, other than third party insurance required under the Road Traffic Acts and any insurance, which is a statutory obligation.

In the case of any claim arising against the BCW from injury to, or death of, any person, whether that person is in the employment of the BCW or otherwise, or in the case of any claim for damage to or loss of property, the BCW shall not accept liability to make any payment without the authority of CO.

#### **Borrowing, Lending, Indemnities and Contingent liabilities**

The BCW shall not open a bank account nor retain cash beyond a working imprest that has not previously been agreed with the CO's Finance Division. The BCW will not have a bank overdraft at any time or borrow money in any other manner. It will not make loans, or gifts of money or of the CO's purchased assets. It will not give guarantees, indemnities or any letter of comfort or incur any contingent liability without the agreement of CO.

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<sup>6</sup> See: [www.legislation.gov.uk/ukpga/2005/4/section/139](http://www.legislation.gov.uk/ukpga/2005/4/section/139)



## ANNEX D

### Compliance with government-wide corporate guidance and instructions

BCW will comply with the following general guidance documents and instructions:

- This document;
- Appropriate adaptations of sections of Corporate Governance in Central Government Departments: Code of Good Practice [http://www.hmtreasury.gov.uk/.../governance\\_risk/psr\\_governance\\_corporate.cfm](http://www.hmtreasury.gov.uk/.../governance_risk/psr_governance_corporate.cfm);
- Managing Public Money (MPM);
- Government Internal Audit Standards, [http://www.hmtreasury.gov.uk/...gia\\_guidance.cfm](http://www.hmtreasury.gov.uk/...gia_guidance.cfm);
- Management of Risk: Principles and Concepts: ([www.hmtreasury.gov.uk/media/3/5/FE66035BBCDCD4B311057A7707D2521F.pdf](http://www.hmtreasury.gov.uk/media/3/5/FE66035BBCDCD4B311057A7707D2521F.pdf));
- Managing the Risk of Fraud; ([www.hmtreasury.gov.uk/media/C/3/managing\\_the\\_risk\\_fraud\\_guide\\_for\\_managers.pdf](http://www.hmtreasury.gov.uk/media/C/3/managing_the_risk_fraud_guide_for_managers.pdf));
- Government Financial Reporting Manual (FReM), [www.financialreporting.gov.uk/](http://www.financialreporting.gov.uk/);
- Fees and Charges Guide, Chapter 6 of MPM;
- Departmental Banking: A Manual for Government Departments, annex 5.7 of MPM ;
- Relevant *Dear Accounting Officer* letters;
- Regularity, Propriety and Value for Money, [www.hmtreasury.gov.uk/media/A/2/Reg\\_Prop\\_and\\_VfMNovember04.pdf](http://www.hmtreasury.gov.uk/media/A/2/Reg_Prop_and_VfMNovember04.pdf) ;
- The Parliamentary Ombudsman's Principles of Good Administration ([www.ombudsman.org.uk/improving\\_services/good\\_administration/index.html](http://www.ombudsman.org.uk/improving_services/good_administration/index.html));
- Consolidation Officer Memorandum, and relevant DCO letters;
- relevant Freedom of Information Act guidance and instructions (Ministry of Justice);
- Other relevant guidance and instructions issued by the Treasury in respect of Whole of Government Accounts;
- Other relevant instructions and guidance issued by the central Departments;
- Specific instructions and guidance issued by the sponsor Department;
- Recommendations made by the Public Accounts Committee, or another Parliamentary authority that have been accepted by the Government and are relevant to BCW.
- Any official guidance or instructions on compliance with the Welsh Language Act.

## **Annex E**

### **Terms and conditions of appointment referred to in the letters of appointment of the Members of the BCW**

#### **INFORMATION FOR CANDIDATES: BOUNDARY COMMISSION FOR WALES APPOINTMENT OF MEMBERS**

##### **1. Background**

1.1 The Parliamentary Boundary Commission for Wales (PBCW) is one of four Parliamentary Boundary Commissions, covering each part of the United Kingdom, first established by the House of Commons (Redistribution of Seats) Act 1944. Each Commission is fully independent of Government, non-political and impartial and each has undertaken five general reviews of parliamentary constituency boundaries since it was established.

##### **Membership**

1.2 The PBCW consists of the Deputy Chairman who is a serving High Court Judge and two other members. One member is appointed by the Secretary of State for Wales and one by a Cabinet Office (CO) Minister.

##### **Chair**

1.3 The Speaker of the House of Commons is nominally the Chairman of the Commission but does not attend or chair meetings. The Deputy Chairman is Mr Justice Wyn Williams.

##### **Secretariat**

1.4 Commissioners have the support of a secretariat. This consists of a Secretary (appointed by UK Government Ministers) and a number of other staff.

##### **2. Role of the parliamentary Boundary Commission for Wales**

2.1 The PBCW is a permanent body currently constituted under the Parliamentary Constituencies Act 1986 which, as amended by the Boundary Commissions Act 1992 and part 2 of the Parliamentary Voting System and Constituencies Act 2011, requires all the Commissions to keep the parliamentary constituencies in their area under continuous review and periodically to conduct a general review of all the constituencies in their area at the same time. The next review is to be completed by 1 October 2018 and thereafter there are to be reviews every five years.

##### **3. Person specification**

3.1 It is essential that members of the PBCW should have a proven capability to:

- work in an independent and politically neutral manner while commanding the confidence of stakeholders across the democratic process in Wales;
- think analytically, come to reasoned conclusions on the basis of a sound evaluation of information and negotiate effectively to achieve their goals;
- successfully manage and deliver complex projects and programmes;
- not only work successfully in a small team but also address and interact effectively with members of the public, in contexts such as public meetings.

3.2 In addition to those essential criteria, it would also be desirable for members to be able to demonstrate that they have:

- a clear understanding of and a commitment to equality issues as well as to the challenging of discriminatory practices;
- a clear understanding of and commitment to “Nolan’s Seven Principles of Public Life”.

#### **4. Role and Duties**

4.1 The Commission is an independent, non-political and totally impartial body. They have emphasised very strongly that the results of previous elections do not and should not enter their considerations when they are deciding their recommendations. Nor does the Commission consider the effects of their recommendations on future voting patterns.

4.2 As a Member you will be expected to:

- attend meetings of the PBCW;
- formulate proposals according to the remit of the legislation governing the PBCW;
- follow the Seven Principles of Public Life set out by the Committee on Standards in Public Life;
- comply with the Code of Practice for Commissioners, ensuring you understand your duties, rights and responsibilities, and that you are familiar with the function and role of the PBCW.

#### **Period of Appointment**

5.1 The appointments are expected to commence in early October 2011 and expire five years after that.

5.2 There will be a possibility of one re-appointment for up to five years, subject to a satisfactory review. The maximum overall period of appointment is 10 years. The appointment can be terminated early by either party, by giving one month’s notice, in writing.

5.3 Should the PBCW be dissolved, restructured or wound up before the end of your normal period of appointment, your appointment will terminate on dissolution, or such other date as is specified in any relevant legislation.

5.4 The appointment will normally also be terminated if you are convicted of a criminal offence; if you are made the subject of a bankruptcy order; if the level of your attendance interferes with the good running of the PBCW; if the Secretary of State believes that you have failed to perform the duties required of you in line with the standards expected in public office; or where you are otherwise unfit or unable to perform your duties as a member of the PBCW. No notice period is necessarily required for termination of an appointment in these circumstances.

#### **6. Remuneration and Expenses**

6.1 You will be remunerated at £505.50 (subject to the necessary deductions for tax and national insurance) per full day and pro rata per half day when serving as a Member. All payments are subject to change.

6.2 Reasonable travel and subsistence expenses, subject to CO policies, that you incur in attending the PBCW meetings or on visits on behalf of the PBCW, will be reimbursed at rates approved by the CO. Claims for reimbursement of expenses should be made to the Secretary of the PBCW.

6.3 Childcare and other dependent expenses may be paid, on production of receipts, for additional costs incurred as a direct consequence of duties performed in the capacity of your work for the PBCW.

## **7. Time Commitment / Location**

7.1 The next general review of parliamentary constituencies in Wales is due to begin in March 2016. The PBCW is required by law to submit to Ministers its recommendations following this review before 1 October 2018

7.2 When a general review is underway six to ten meetings usually take place each year. Each meeting requires two to three days of Commission members' time. This includes the reading of papers before the meeting and the clearance of papers resulting from the meeting.

7.3 When a general review is not taking place, you will be expected to commit 1-2 days per quarter.

7.4 Meetings usually take place in Cardiff. There is no other regular travel involved. However, one Commissioner usually attends the annual meeting of the Local Government and Parliamentary Boundary Commissions (in Belfast, Cardiff, Edinburgh or London). When a general review is underway, Commissioners may attend the public hearings (throughout Wales). Members may also be required to travel throughout Wales in conduct of the Commission's business.

## **8. Attendance**

8.1 You are expected to attend the meetings regularly. Your appointment may be terminated, if the level of your attendance interferes with the good running of the PBCW.

## **9. Sickness absences**

9.1 If, as a result of illness, you are unable to carry out your duties for a period exceeding three months, your appointment may be terminated.

## **10. Gifts and Hospitality**

10.1 You are expected to ensure that acceptance of gifts and hospitality can stand up to public scrutiny. Gifts should be declined wherever possible, and any offers should be reported to the Secretary of the Commission. Where it would be ungracious or otherwise difficult not to accept, you should inform the Secretary of the Commission of the gift, the estimated value and the donor. You must take personal responsibility to ensure that a record is placed in the hospitality register of the PBCW. Similarly, care should be taken that no extravagance is involved with working lunches and other social occasions.

## **11. Conduct**

11.1 You will hold office subject to compliance with the Seven Principles of Public Life set out by the Committee on Standards in Public Life, the Code of Practice for Commissioners, and any guidance issued by the CO.

## **12. Conflicts of Interest**

12.1 You must declare any personal or business interests which may, or may be perceived to influence your judgements in performing your functions. This should include, as a minimum, personal direct and indirect pecuniary interests. You are also encouraged to register your own non-pecuniary interests and interests of close family members and persons living in the same household which are closely related to the activities of the PBCW.

12.2 You will appreciate that a public body of this sort attracts considerable public interest. It is particularly important to ensure that there is no possible conflict of interest between your current responsibilities (or previous positions) and the responsibilities of this post. You must exercise caution in taking up new responsibilities which could conflict with the interests of the PBCW and should notify the CO before you accept any new appointment which is offered to you.

12.3 These interests will be included in a register of interests maintained by the Secretary of the PBCW, and you must ensure that your entries are kept up to date.

12.4 You should make a declaration of any interest at any Commission meeting if it relates specifically to a particular issue under consideration. Should a particular matter give rise to a conflict of interest you are required to withdraw from discussions or consideration of that matter.

12.5 The CO may have to ask you to resign your appointment to the PBCW if you wish to accept another appointment.

### **13. Political Activity**

13.1 You should not hold any paid or unpaid posts in a political party, and not engage in political activities. You should not have been a member of a political party for the previous ten years.

### **14. Bankruptcy**

14.1 Your appointment may be terminated if you have been made the subject of a bankruptcy order.

### **15. Official Secrets Act**

15.1 The provisions of the Official Secrets Act 1911 to 1989 apply to members of the PBCW. Unauthorised disclosure of any information gained in the course of this appointment, or its use by you or others for personal gain or advancement, could result in your appointment being terminated early, or even criminal prosecution.

### **16. Assistance for Members with Disabilities**

16.1 Every effort will be made to provide whatever reasonable support members need to help them carry out their duties.

## ANNEX F

### The Secretary to the Boundary Commission for Wales

The Secretary shall:-

#### *Finance*

- a) be accountable for BCW's expenditure, manpower, capital assets and equipment; for effective, efficient and economical management; and for ensuring that financial and value for money considerations are taken fully into account by the BCW;
- b) ensure the good and efficient management of the CO assets provided to support the work of the BCW;
- c) ensure that the secretariat complies with such administrative practices applicable to the expenditure of public funds as CO shall specify;
- d) address to CO in the first instance any matter concerning or requiring the approval or consent of the Treasury;

#### *Governance*

- e) not assign absolutely to any person the responsibilities set out in this annex;
- f) ensure that the BCW observes any general guidance issued by CO to put into effect recommendations accepted by Government, which affect the BCW and that are issued by the Public Accounts Committee (PAC); other Parliamentary Select Committees; or other Parliamentary authority;

#### *Risk and information*

- g) ensure that the risks that BCW faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance;
- h) ensure that the BCW develops and implements a risk management strategy, in accordance with HM Treasury guidance *Management of Risk: Principles and Concepts*;
- i) ensure that BCW staff and Commissioners are aware of and understand the CO's policies and procedures on information risk, and that information is handled appropriately within BCW;
- j) ensure that the BCW staff and Commissioners are aware of and understand the CO's guidance and procedures for dealing with Freedom of Information requests;

#### *Fraud, propriety and regularity*

- k) ensure that BCW adopts and implements policies and practices to safeguard itself against fraud and theft, in line with the Treasury's guide *Managing the Risk of Fraud*; and takes all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter into a contract or to which it intends to give grant or grant-in-aid;
- l) advise CO and take action as set out in paragraphs 3.8.5 of *Managing Public Money* if a Member of the BCW and is contemplating a course of action which the Secretary considers:

- i. would infringe the requirements of propriety or regularity; or the requirements of any document (including this Memorandum) setting out the financial and non-financial duties of the BCW; or the requirements of any other rules governing the conduct of the BCW;
- ii. does not represent prudent and economical administration, value for money, or efficiency or effectiveness; or
- iii. is of questionable feasibility, or is unethical.

*Planning, staffing and implementation of statutory duties*

- m) provide any documentation that the parties agree will help to inform and facilitate the six-monthly discussions with CO described in part 5(a)(i) above (*Review and Forward Planning*);
- n) ensure that the secretariat staffing profiles are maintained in order that the work will be carried out to meet BCW's statutory obligations;
- o) ensure that the BCW successfully and efficiently carries out the duties given to it by Parliament as laid out in statute.

