

<b>Title:</b> Assembly Constituencies <b>IA No:</b>  <b>Lead department or agency:</b> Wales Office <b>Other departments or agencies:</b> Cabinet Office	<b>Impact Assessment (IA)</b>		
	<b>Date:</b> 05/04/2012		
	<b>Stage:</b> Consultation		
	<b>Source of intervention:</b> Domestic		
	<b>Type of measure:</b> Primary legislation		
<b>Contact for enquiries:</b> Peter Newbitt, 029 2092 4205			
<b>Summary: Intervention and Options</b>		<b>RPC Opinion:</b> RPC Opinion Status	

Cost of Preferred (or more likely) Option			
Total Net Present Value	Business Net Present Value	Net cost to business per year (EANCB on 2009 prices)	In scope of One-In, Measure qualifies as One-Out?
£1.7m	NA	NA	No
			Zero Net Cost

**What is the problem under consideration? Why is government intervention necessary?**

The size of the House of Commons is reducing to 600, with constituencies becoming more equal in size. As a consequence, the number of Parliamentary constituencies in Wales will reduce from 40 to 30 while the number of Assembly constituencies has remained fixed at 40. These constituencies remain unequal in size however and there is no mechanism to review and modify their boundaries. Without such a mechanism constituencies could not contain approximately equal numbers of electors, and each elector's vote will not carry equal weight. This is detrimental to the democratic process, and the Government needs to bring forward legislation to put in a place a statutory review mechanism.

**What are the policy objectives and the intended effects?**

The Government's objective, underpinned by the principle of fairness, is to ensure each elector's vote carries an equal weight by making all constituencies broadly equal in size, and is consulting to assess whether it is better for these to be aligned to the new 30 Parliamentary constituencies or whether 40 Assembly constituencies better serve the needs of Wales.

**What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)**

Option 0: Do nothing. The current 40 Assembly constituencies will continue with no change to current boundaries and no mechanism to change those boundaries in future.

Option 1: Retain 40 Assembly constituencies, but put in place a statutory mechanism to review and modify their boundaries to make them more equal in size.

Option 2: Change to 30 Assembly constituencies, having the same boundaries as Parliamentary constituencies in Wales. The number of Assembly regional members would increase to 30 in consequence.

<b>Will the policy be reviewed?</b> It will be reviewed. <b>If applicable, set review date:</b> 08/2012					
Does implementation go beyond minimum EU requirements?			No		
Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base.	<b>Micro</b> No	<b>&lt; 20</b> No	<b>Small</b> No	<b>Medium</b> No	<b>Large</b> No
What is the CO <sub>2</sub> equivalent change in greenhouse gas emissions? (Million tonnes CO <sub>2</sub> equivalent)			<b>Traded:</b> n/a	<b>Non-traded:</b> n/a	

*I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.*

Signed by the responsible Minister: \_\_\_\_\_ Date: \_\_\_\_\_

# Summary: Analysis & Evidence

# Policy Option 1

## Description:

### FULL ECONOMIC ASSESSMENT

Price Base Year 2012	PV Base Year 2012	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: -£1.2m	High: £2.0m	Best Estimate: -£1.7m

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional	£0.15m	£1.2m
High	Optional	£0.25m	£2.0m
Best Estimate	£-	£0.20m	£1.7m

#### Description and scale of key monetised costs by 'main affected groups'

Under this option boundary reviews of Assembly constituencies would take place separately from reviews of Parliamentary constituencies. Assembly constituencies would be reviewed in 2015 and then every four years subsequently with each review incurring administrative costs of around £735,000 (in 2012/13 price terms). The first review is expected to cost more, up to a maximum of £1.7m (but likely to be less), reflecting a greater number of changes to equalise constituency size.

#### Other key non-monetised costs by 'main affected groups'

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	£-	£-	£-

#### Description and scale of key monetised benefits by 'main affected groups'

#### Other key non-monetised benefits by 'main affected groups'

Reviewing the boundaries of the 40 Assembly constituencies periodically helps ensure the principle of fairness underpins Assembly elections: that each constituency contains an approximately equal number of electors so that each elector's vote would have equal weight.

#### Key assumptions/sensitivities/risks

Discount rate (%) 3.5%

The fifth general review of constituencies in Wales by the Boundary Commission for Wales, completed in 2006, cost £659,534. Costings assume that the cost of boundary reviews rises in line with the GDP deflator to 2012/13 and then by the OBRs March 2012 GDP deflator.

Assumes that the first boundary review is completed in 2015 and that reviews are held every four years subsequently.

### BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			In scope of OIOO?	Measure qualifies as
Costs: NA	Benefits: NA	Net: NA	No	Zero net cost

# Summary: Analysis & Evidence

# Policy Option 2

## Description:

### FULL ECONOMIC ASSESSMENT

Price Base Year 2012	PV Base Year 2012	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate: £-

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	£-	£-	£-

#### Description and scale of key monetised costs by 'main affected groups'

There will be no significant monetisable costs under this option. This option would ensure that Assembly and Parliamentary constituencies have the same boundaries and reviews of Parliamentary constituency boundaries would therefore also serve to review Assembly constituencies. There would be no need for both sets of constituencies to be reviewed separately and thus no additional boundary review costs.

#### Other key non-monetised costs by 'main affected groups'

There may be an initial cost to Welsh political parties of reorganising for Assembly elections based on 30 Assembly constituencies. The Government is anticipating that this cost will be negligible but the consultation will help inform the extent to which boundary changes to Assembly constituencies would be disruptive to parties.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	£-	£-	£-

#### Description and scale of key monetised benefits by 'main affected groups'

#### Other key non-monetised benefits by 'main affected groups'

It is likely that in the long run it will be less costly for parties to organise on the basis of the same Assembly and Parliamentary constituencies rather than separately for 40 Assembly constituencies. These savings are however expected to be relatively small. Common boundaries for both sets of constituencies would also make the constituency map of Wales simpler and might facilitate local democracy by making the local organisation of political parties and networks less complicated.

<b>Key assumptions/sensitivities/risks</b>	<b>Discount rate (%)</b>	3.5%
None.		

### BUSINESS ASSESSMENT (Option 2)

<b>Direct impact on business (Equivalent Annual) £m:</b>	<b>In scope of OIOO?</b>	<b>Measure qualifies as</b>
Costs: NA	No	Zero net cost
Benefits: NA		
Net: NA		

# Evidence Base (for summary sheets)

## Problem under consideration

The size of the House of Commons is reducing to 600, with constituencies becoming more equal in size. As a consequence, the number of Parliamentary constituencies in Wales will reduce from 40 to 30 while the number of Assembly constituencies has remained fixed at 40. These constituencies remain unequal in size however and there is no mechanism to review and modify their boundaries. Without such a mechanism constituencies could not contain approximately equal numbers of electors, and each elector's vote will not carry equal weight.

## Rationale for intervention

This is detrimental to the democratic process, and the Government needs to bring forward legislation to put in a place a statutory review mechanism.

## Policy objective

The Government's objective, underpinned by the principle of fairness, is to ensure each elector's vote carries an equal weight by making all constituencies broadly equal in size, and is consulting to assess whether it is better for these to be aligned to the new 30 Parliamentary constituencies or whether 40 Assembly constituencies better serve the needs of Wales.

## Description of options considered (including do nothing)

**Option 0:** Do nothing. The current 40 Assembly constituencies will continue with no change to current boundaries and no mechanism to change those boundaries in future.

**Option 1:** Retain 40 Assembly constituencies, but put in place a statutory mechanism to review and modify their boundaries to make them more equal in size.

**Option 2:** Change to 30 Assembly constituencies, having the same boundaries as Parliamentary constituencies in Wales. The number of Assembly regional members would increase to 30 in consequence.

## Monetised and non-monetised costs and benefits of each option (including administrative burden)

**Option 1:** Current legislation contains no provision for reviewing Assembly constituency boundaries to reflect population movements. Under this option boundary reviews of Assembly constituencies would take place separately from reviews of Parliamentary constituency boundaries in Wales. Assembly constituencies would be reviewed in 2015 and then every four years subsequently with each review incurring administrative costs of around £735,000 (in 2012/13 price terms). Reviewing the boundaries of the 40 Assembly constituencies periodically helps ensure the principle of fairness underpins Assembly elections: that each constituency contains an approximately equal number of electors so that each elector's vote would have equal weight.

**Option 2:** There will be no significant monetisable costs under this option. This option would ensure that Assembly and Parliamentary constituencies have the same boundaries and reviews of Parliamentary constituency boundaries would therefore also serve to review Assembly constituencies. There would be no need for both sets of constituencies to be reviewed separately and thus no additional boundary review costs.

There may be an initial cost to Welsh political parties of reorganising for Assembly elections based on 30 Assembly constituencies. The Government is anticipating that this cost will be negligible but the consultation will help inform the extent to which boundary changes to Assembly constituencies would be disruptive to parties. It is likely that in the long run it will be less costly for parties to organise on the basis of the same Assembly and Parliamentary constituencies rather than separately for 40 Assembly constituencies. These savings are however expected to be relatively small. Common boundaries for both sets of constituencies would also make the constituency map of Wales simpler and might facilitate local democracy by making the local organisation of political parties and networks less complicated.

### Rationale and evidence that justify the level of analysis used in the IA (proportionality approach)

The Government is consulting on these options and intends to decide which one to take forward in light of the consultation outcome. This impact assessment describes who will be affected, the impacts on these groups, the quantitative effect and as far as possible at this stage, the monetisation of the effect.

### Risks and assumptions

**Option 1:** The fifth general review of constituencies in Wales by the Boundary Commission for Wales, completed in 2006, cost £659,534. Costings assume that the cost of boundary reviews rises in line with inflation. Assumes that the first boundary review is completed in 2015 and that reviews are held every four years subsequently.

**Option 2:** None.

### Direct costs and benefits to business calculations (following OIOO methodology)

There are no specific costs or benefits to business.

### Wider impacts

There are no specific impacts on business, competition, innovation or the wider economy.

There are no specific social impacts, including human rights.

There are no specific environmental impacts.

### Summary and preferred option with description of implementation plan

On balance, the Government prefers Option 2 but is open to persuasive arguments in favour of either option.

# Y Sail Dystiolaeth (ar gyfer taflenni crynhoi)

## Y broblem sy'n cael ei hystyried

Mae maint Tŷr Cyffredin yn gostwng i 600, gyda maint etholaethau'n newid i fod yn debycach o ran maint. O ganlyniad, bydd nifer yr etholaethau Seneddol yng Nghymru'n gostwng o 40 i 30 gyda nifer etholaethau'r Cynulliad yn aros yn 40. Nid yw maint yr etholaethau hyn yn gyfatal, fodd bynnag, ac nid oes mecanwaith i adolygu ac addasu eu ffiniau. Heb fecanwaith o'r fath ni allai etholaethau gynnwys nifer tebyg o etholwyr, ac ni fydd pleidlais pob etholwr yn gyfwerth.

## Sail resymegol dros ymyrryd

Mae hyn yn niweidiol i'r broses ddemocrataidd, ac mae angen i'r Llywodraeth gyflwyno deddfwriaeth i roi mecanwaith adolygu statudol ar waith.

## Amcan y polisi

Amcan y Llywodraeth, yn seiliedig ar yr egwyddor o degwch, yw sicrhau bod pleidlais pob etholwr yn gyfwerth drwy wneud pob etholaeth yn weddol gyfartal o ran maint, ac mae'n ymgynghori i asesu a yw'n well i'r rhain gael eu halinio â'r 30 etholaeth Seneddol ynteu a yw 40 etholaeth y Cynulliad yn gwasanaethu anghenion Cymru'n well.

## Disgrifiad o'r opsiynau a ystyriwyd (gan gynnwys gwneud dim)

**Opsiwn 0:** Gwneud dim. Bydd 40 etholaeth y Cynulliad presennol yn parhau heb ddim newid i'r ffiniau presennol a heb fecanwaith i newid y ffiniau hynny yn y dyfodol.

**Opsiwn 1:** Cadw 40 etholaeth y Cynulliad, ond rhoi mecanwaith statudol ar waith i adolygu ac addasu eu ffiniau i'w gwneud yn fwy cyfartal o ran maint.

**Opsiwn 2:** Newid i 30 o etholaethau Cynulliad, cael ffiniau sy'n cyfateb i etholaethau Seneddol yng Nghymru. Byddai nifer aelodau rhanbarthol y Cynulliad yn cynyddu i 30 o ganlyniad.

## Costau a buddiannau ariannol ac anariannol pob opsiwn (gan gynnwys y baich gweinyddol)

**Opsiwn 1:** Nid yw'r ddeddfwriaeth bresennol yn cynnwys darpariaethau i adolygu ffiniau etholaethau'r Cynulliad i adlewyrchu newidiadau yn y boblogaeth. O dan yr opsiwn hwn byddai adolygiadau o etholaethau'r Cynulliad yn cael eu cynnal ar wahân i adolygiadau o ffiniau etholaethau Seneddol yng Nghymru. Byddai etholaethau Cynulliad yn cael eu hadolygu yn 2015 ac yna pob pedair blynedd wedi hynny gyda chostau gweinyddol pob adolygiad oddeutu £735,000 (yn seiliedig ar brisiau 2012/13). Mae adolygu ffiniau 40 etholaeth y Cynulliad o bryd i'w gilydd yn sicrhau bod yr egwyddor o degwch yn sail i etholiadau'r Cynulliad: bod pob etholaeth yn cynnwys nifer debyg o etholwyr fel y byddai pleidlais pob etholwr yn gyfwerth.

**Opsiwn 2:** Nid fydd dim costau ariannol sylweddol ynghlwm wrth yr opsiwn hwn. Byddai'r opsiwn hwn yn sicrhau bod etholaethau'r Cynulliad a Senedd San Steffan yn rhannu'r un ffiniau a byddai adolygiadau o ffiniau etholaethau Seneddol hefyd yn adolygu ffiniau etholaethau'r Cynulliad ar yr un pryd. Nid fyddai angen wedyn i'r ddwy set o etholaethau gael eu hadolygu ar wahân ac felly ni fyddai costau adolygu ffiniau ychwanegol yn codi.

Mae'n bosibl y bydd costau cychwynnol i bleidiau gwleidyddol Cymru i ad-drefnu etholiadau'r Cynulliad yn seiliedig ar 30 o etholaethau'r Cynulliad. Mae'r Llywodraeth yn rhagweld y bydd y gost hon yn fach iawn ond bydd yr ymgynghoriad yn helpu i ganfod i ba raddau y byddai newidiadau i ffiniau etholaethau'r Cynulliad yn amharu ar y pleidiau. Yn y pen draw, mae'n debygol o fod yn llai costus i bleidiau i drefnu ar gyfer yr un etholaethau Seneddol a Chynulliad yn hytrach na 40 etholaeth y Cynulliad ar wahân. Fodd bynnag, rhagwelir mai arbedion cymharol fach fyddai'r rhain. Byddai ffiniau cyffredin ar gyfer y ddwy set o etholaethau hefyd yn gwneud y map o etholaethau Cymru yn un symlach a gallai hwyluso democratiaeth leol drwy wneud trefniadaeth leol y pleidiau gwleidyddol a rhwydweithiau'n llai cymhleth.

## Sail resymegol a thystiolaeth sy'n cyfiawnhau lefel y dadansoddi a ddefnyddir yn yr IA (dull cymesuredd)

Mae'r Llywodraeth yn ymgynghori ar yr opsiynau hyn a bydd yn penderfynu pa un i'w fabwysiadu yng ngoleuni'r ymgynghoriad. Mae'r asesiad effaith yn disgrifio pwy a effeithir, yr effaith ar y grwpiau hyn a'r effaith feintiol ac i'r graddau posibl ar hyn o bryd, yr effaith ariannol.

### Risgiau a thybiaethau

**Opsiwn 1:** Roedd y pumed adolygiad cyffredinol o etholaethau yng Nghymru gan y Comisiwn Ffiniau yng Nghymru, a gwblhawyd yn 2006, wedi costio £659,534. Mae'r costiau'n tybio bod cost adolygu'r ffiniau'n codi'n unol â chwyddiant. Tybir y bydd yr adolygiad cyntaf o ffiniau'n cael ei gwblhau yn 2015 a bod adolygiadau'n cael eu cynnal bob pedair blynedd wedi hynny.

**Opsiwn 2:** Dim.

### Costau a buddiannau uniongyrchol i gyfrifiadau busnes (gan ddefnyddio methodoleg OIOO)

Nid oes dim costau a buddiannau penodol i fusnes.

### Effeithiau ehangach

Nid oes dim effeithiau penodol ar fusnes, cystadleuaeth, arloesi na'r economi ehangach.

Nid oes dim effeithiau cymdeithasol penodol, gan gynnwys hawliau dynol.

Nid oes dim effeithiau amgylcheddol penodol.

### Crynodeb a'r opsiwn a ffefrir ynghyd â disgrifiad o gynllun cyflawni

At ei gilydd mae'r Llywodraeth yn ffafrio Opsiwn 2 ond mae'n barod i wrando ar ddadleuon o blaid y naill opsiwn neu'r llall.