The Highland Council

Committee: **The Highland Council**

Date: **27 June 2024**

Report Title: **Integrated Impact Assessment – New Approach and Process**

Report By: **Chief Executive**

1   Purpose/Executive Summary

1.1   Impact assessment is a way of understanding the impact service changes, policies and strategies could have on particular individuals, groups of people or geographical communities. This process helps us to understand any impacts and by taking these into account during the planning, design or redesign phases of any work, we ensure this is given due regard and consideration as part of any decision-making process.

1.2   Impact assessment should therefore apply to everything that we do as an organisation, and we should not be taking decisions regarding service changes/policy developments/budget decisions, without understanding the impacts and considering any appropriate mitigations as part of that process.

1.3   Work to review the Council's approach to impact assessment has been progressed over the last year. This has been required to reflect the changes in legislation and to ensure that the organisation has a more effective, efficient and consistent approach that delivers on the duties we have. This has focused on reviewing and creating a more integrated impact assessment process, improving training and guidance for staff and producing a digital tool to streamline and guide staff through the process.

1.4   To support and embed this revised approach, and Members in their governance role, a number of changes are also proposed to the committee report format and training approach for Members. Work through the Governance Review Steering Group is also proposed to consider this for other decision-making processes. Together, these steps will ensure that when decisions are being taken, they are being taken giving due regard to the potential impacts on individuals with protected characteristics, specific geographical communities and groups.

2   Recommendations

2.1   Members are asked to:-

i.   **Note** the new integrated approach to impact assessment that has been developed across the Council, including the development of a digital tool and training materials to support the process;

As a result of this new approach, Members are asked to consider the following changes:-

ii.   **Agree** the revised committee report format set out at Appendix 1, to support Members to fully consider any impacts identified;
iii.   **Agree** that the Governance Review Steering Group will review standing orders, with a view to making recommendations to support the Council to comply with its legislative duties on consideration of impacts when decisions are being taken; and
iv.   **Agree** that all Members should attend the impact assessment briefings in order to support them undertake their statutory duties.

3   Implications

3.1   **Resource** - There are no direct resource implications as a result of the approach. The new approach to impact assessment has been developed in-house with resource from the Transformation, training, ICT and other service teams. The Council's current forms platform has been utilised to develop the digital tool required. The approach will be embedded into service teams to implement.

3.2   **Legal** - The Council has a number of legislative duties related to impact assessment. These are set out in the report. Failure to comply with these duties can result in a legal challenge, which has been experienced by a number of Local Authorities across the UK, including Scotland.

3.3   **Community (Equality, Poverty, Rural and Island)** - The purpose of this new approach is to improve how the Council fulfils its legal duties to take the needs of different groups and communities into account. For completeness, the process has been screened and positive impacts identified.

3.4   **Climate Change / Carbon Clever** - The introduction of Climate Change (Emissions Reduction Targets) (Scotland) Act 2019, and the specific duties on public bodies as a result of this, has resulted in the Council re-examining its own targets around climate change and improving scrutiny of the impacts of climate change in respect of decision making. Whilst all Council and strategic committee papers are screened for climate implications, given the stretching targets which have now been set and increased public scrutiny, it is essential that this process is improved and strengthened to ensure that opportunities to expedite decarbonisation are not missed. There is no legislative requirement to undertake a Climate Impact assessment but to support the Council's [Net Zero Strategy](#) it has been agreed through the Climate Change Committee to undertake climate impact assessments to embed climate change into decision making processes.

3.5   **Risk** - The most significant risk of failing to adequately assess our policies, strategies and service changes for impacts is that these could result in unintended consequences on groups that are amongst the most vulnerable in our community. As outlined at 3.2, a further risk is related to the failure to comply with our legislative duties and consider the impacts of our decision making on particular groups and individuals. This could result in a legal challenge, damage to the Council's reputation and relations with the local community.

The revised approach presented aims to mitigate that risk.

3.6   **Health and Safety (risks arising from changes to plant, equipment, process, or people)** - There are no implications.

3.7   **Gaelic** - There are no specific implications.

4   Background

4.1   *What is impact assessment?*
Impact assessment is a way of understanding the impact service changes, policies and strategies could have on particular individuals, groups of people or geographical communities. This process helps us to understand any impacts and by taking these into account during the planning, design or redesign phases of any work, we ensure this is given due regard and consideration as part of any decision-making process.

4.2   Impact assessment should therefore apply to everything that we do as an organisation, and we should not be taking decisions regarding service changes/policy developments/budget decisions, without understanding the impacts and considering any appropriate mitigations as part of that process.

4.3   An impact assessment should therefore be undertaken as part of any process which will shape, change, design or develop a project, service or policy. Through taking this approach we ensure we minimise negative impacts and design services and policies that are responsive to the needs of our communities. However, it is also a way of identifying potential positive impacts in what we are doing or making changes to the way we are delivering or doing something to ensure there is a positive impact.

4.4   *Legislative context*
In addition to enhancing the way we review and design our services, there are a range of legislative requirements that require us to take forward this approach. These are outlined below, and whilst some have been around for a number of years, there are new requirements which we need to consider. For two areas, rural and climate change, there is no current legislative requirement, but the Council has committed to considering the impact of our policies and processes in these areas of work.

Impact Assessment Area	Legislative Background
Equalities	Equality Act 2010 - Public Sector Equality Duty to: • Ensure that the proposal does not discriminate • Consider how the proposal might better advance equality of opportunity • Consider whether the proposal will affect relations between different groups.
Poverty/Socio-economic	Fairer Scotland Duty 2018 to: • Actively consider how they can reduce inequalities of outcome caused by socio-economic disadvantage,
Islands	Islands (Scotland) Act 2018 – to undertake impact assessment to: • Consider these challenges properly • Ensure islands receive fair and equitable treatment • Policy, strategy, and service outcomes are tailored to islands unique circumstance.
Mainland rural communities	There is no legislative requirement to undertake an impact assessment for mainland rural areas but in recognition of the Highland geographical area, the Council chose to adopt this approach a number of years ago.
Human Rights	Human Rights Act 1998 – incorporates the rights of the European Convention on Human Rights into British Law. • Public bodies must respect your rights.
Children's Rights and Wellbeing	United Nations Convention of the Rights of the Child (1991) – Scottish Government are implementing this from June 2024 to: • Implementing the UNCRC and incorporate it into Scots law to make it unlawful for public authorities to act incompatibly with the UNCRC. • Use the Child Rights and Wellbeing Impact Assessment (CRWIA) to ensure that our policies and legislation protect and promote the rights and wellbeing of children and young people.
Climate Change	There is no legislative requirement to undertake a Climate Impact but to support the Council's Net Zero Strategy it has been agreed through the Climate Change Committee to undertake climate impact assessments to embed climate change into decision making processes.
Data protection	UK General Data Protection Requirement requires the Council to implement data protection by design and default. Data Protection Impact Assessment is the mechanism for ensure this is met and is included as a requirement in the Council's Data Protection Policy

4.5 *Our Current Approach*
The Council's former approach to carrying out impact assessment was under the heading of Community Impact Assessments and incorporated equality, socio-economic, rural and island impacts. The approach was considered no longer fit for purpose; at best often misunderstood, and inconsistently applied – as identified by Audit Scotland in their [Annual Report](#) to the Audit Committee in September 2022. There are significant implications, including potential legal challenge, if the organisation is unable to evidence that it has effectively considered impacts upon certain groups and geographical communities as part of its policy development and decision making.

4.6 The existing processes were based around separate templates and with the growth in duties it was important to re-consider the approach to impact assessment in order to support staff to undertake these consistently, in a more streamlined manner and in a way in which to monitor performance. With other local authorities beginning to adopt a more integrated approach to impact assessment, supported by digital processes, it appeared timely to review our approach.

5   Integrated Impact Assessment - The New Approach

5.1 In developing the Council's new approach to impact assessment, the purpose has been to:-

- identify improvements to the Council's impact assessment process(es);
- increase staff awareness of the need to undertake impact assessments in order to give due regard to the various statutory duties;
- deliver revised training to support the IIA process and associated training across the subject areas; and
- develop an auditable system or repository to provide evidence and management information around the number of policies/services that have been screened and/or assessed via the new process.

5.2 The review has been run as a project, managed by the Strategic Improvement Team and has been supported by a project team comprising of subject matter experts across services, People Development and the ICT applications team. The following elements of the project have been delivered:

5.3 *A redesigned approach and guidance*
In the future, stage 1 screening for impact will be required for the following areas of business which reflect existing and forthcoming duties. To streamline the process, related area areas of impact have been combined:-

- Equality, Poverty and Human Rights;
- Children's Rights;
- Island and Rural;
- Data Protection; and
- Climate Change

Should a screening identify potential negative or unknown impacts, and where mitigations are not in place, a Stage 2 full impact assessment would be required for the relevant impact area. Processes for all assessments have been reviewed and revised and updated guidance is available to support staff on the [IIA Intranet pages](#).

5.4   ***Training***
Briefing sessions have been held throughout June on the new integrated process to raise awareness amongst staff and to support staff to adopt the approach. This is relevant for all staff who may undertake a service review, policy or strategy development and will therefore vary across services.

This is supported by online learning modules available in Traineasy. Two specific modules on the IIA tool and process have been developed and sit alongside others on the individual assessment areas.

Ongoing support for staff is available through the subject matter experts for each area of impact and through the officer Fairer Highland Group. This is vital to support embedding the approach across services.

Training for Members will be provided and is detailed further at paragraph 6.3.

5.5   ***Integrated Impact Assessment Tool***
Whilst the most significant element of this new approach is creating and embedding a consistent process within the organisation, to support this an Integrated Impact Assessment tool has been developed. This utilises the Council's existing forms platform - Granicus - to support staff through undertaking assessments. This will be live from 1 July 2024.

There are two stages to the tool:-
- Stage 1 - IIA screening (all subject areas)
- Stage 2 - IIA full impact assessments as required

The tool enables staff to work collaboratively on IIAs, with the ability to save and continue, reassign to colleagues and ensure IIAs are reviewed and approved by Service Managers.

It provides a repository of all screening and full IIA to ensure that as an organisation we know and can evidence what screenings and assessments have been done.

All full impact assessments will be published on the Council's website.

5.6   ***Monitoring and Embedding***
A core purpose of the redesign approach is to ensure that as an organisation we can consider our performance regarding impact assessment. Service management teams will be provided with data on the number of policies/service reviews screened and where these have led to full impact assessments. Management Teams will be encouraged to have this as a standing item on agendas to support embedding this as an approach within the organisation. This will be reviewed by the Fairer Highland group and reported as part of our Mainstreaming Report.

6   Proposed Changes to Embed the Approach

6.1   A core component of the new approach is to support embedding the process of impact assessment to everything that we do as an organisation and consistent consideration of the decision-making process, both operationally and strategically. To support this, the following steps are proposed.

6.2   ***Strategic Approaches***
In the future, a consistent approach will be applied to ensure that all policies, strategies and service changes will be subject to an initial screening and a full integrated impact assessment where required. This will apply to strategic Council strategies such as the Council Programme, Delivery Plan, Budget Strategy, alongside operational service reviews. For example, the new approach will be built into the project management methodology for the organisation along with the development of specifications for procuring services.

It is critical this is built into our organisational processes so that impact assessment informs the development of our services, projects and how we procure our services. Through the integration scheme with NHS Highland, the Council have assumed responsibility for delivery of core NHS services and vice versa.   The responsibility for assessing for impact therefore lies with the organisation delivering the service. However, in the case of Highlife Highland, as the Council's arm-length organisation, the Council retains responsibility for ensuring services are delivered and developed taking the relevant impacts into account.

6.3   ***Member Training***

6.3.1   It is proposed that a series of briefing sessions are held for members following recess to update and familiarise members with the new process. This will be designed to support members in their decision making. Members will also be able to access specific modules on the training platform including those on children's rights, equalities and climate change.

6.3.2   It is important to note that where local authorities have been subject to judicial review for not taking the needs of individuals into account, on occasion, members have been cited to appear. It is therefore extremely important that members are supported to fully understand the different impacts and evidence, so that when decision are taken, they are taken giving due regard to the impacts on specific individuals, groups and communities.

6.4   ***Committee Report***

6.4.1   To support the new approach to impact assessment, a change to the committee report structure is proposed. At present an implications section presents both implications and impacts. In the future, it is proposed to separate this and create a shorted implications section and separate one that will outline the impacts of the proposal, as identified through the IIA process.

6.4.2   An example of how this would look, using a worked example from the Highland Investment Plan is set out **Appendix 1**.

6.4.3   It is anticipated that in most cases, reports coming forward to committee will require some level of assessment – whether at a screening or full impact assessment level. Exceptions to this will include performance and financial monitoring reports, responses to consultations or an update on a policy, strategy or service that has already been agreed. A pre-screening checklist has been developed that will support officers to determine whether an area of work may or may not require an IIA. This is set out at **Appendix 2**. Unless exempt through this – or with the explicit permission from the relevant Assistant Chief Executive – reports can only be considered by committee if the relevant screening/assessment has been completed. This is to ensure that Members are supported to take decisions in full cognisance of the impacts that decision may have.

6.5   *Supporting the Motions Process*

6.5.1   As outlined at section 4, Impact assessment should apply to everything that we do as an organisation, and decisions should not be taken regarding service changes/policy developments/budget decisions, without fully understanding and giving due regard to the impacts and appropriate mitigations as part of that process. There are a growing number of examples – including within Scotland – where Local Authorities have been challenged on the decisions taken because the impacts of decisions were not taken into account.

6.5.2   At present, a decision could be taken as a result of a motion or amendment that could change policy, strategy or direct service provision but with no evidence to support members in taking that decision on how this could impact individuals, groups or communities and whether it could result in unintended negative consequences. This could leave members and the organisation vulnerable to challenge.

6.5.3   It is therefore proposed to consider how the motions and amendments process could be strengthened to build in consideration of impacts. How this could be progressed will be considered by the Governance Review Steering Group, in the first instance, with recommendations coming forward in proposed changes to standing orders for the Council to consider in September.

Designation: Chief Executive

Date: 7 June 2024

Author: Alison Clark, Head of Community Support, Contact and Engagement

Background Papers: None

Appendices: Appendix 1 - Revised Committee Report Template – Worked Example – Highland Investment Plan
                      Appendix 2 - Pre-IIA Screening Tool – Report Types and IIA Requirements

Revised Committee Report Template – Worked Example
Highland Investment Plan

3.	**Implications**
3.1	Resource:
3.2	Legal:
3.3	Risk:
3.4	Gaelic:
3.5	Health and Safety:
4.	**Impacts**
4.1	In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
4.2	Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
4.3	**Integrated Impact Assessment - Summary**
	An Integrated Impact Assessment screening has been undertaken on the principles and approach outlined in the Investment Plan. The conclusions have been subject to the relevant Manager Review and Approval. As noted within the report, considering, and assessing for impact will be a core component of place-based masterplans and options appraisals for individual locations. Engagement with local communities as part of the place-based reviews will help inform the impact assessments undertaken.
4.4	The Screening process has concluded that there are some potential impacts. These impacts are both positive and negative and, for those which are negative, mitigations have been identified. Positive and negative impacts are highlighted, and Members are asked to consider the summary in appendix 1 to support the decision making process.

Impact Assessment Area	Conclusion of Screening/Full Assessment (to be deleted as appropriate)
Equality	• Children and Young People – Positive • Children affected by disability – Positive • Older adults – Positive
Socio - economic	Potential negative
Human Rights	No impact
Children's Rights and Wellbeing	Positive
Island and Mainland Rural	Positive
Climate Change	Positive
Data Rights	No impact

Report Appendix: Impact Screening Summary

The screening highlighted overall positive impacts from the direction proposed in the Investment Plan but notes a potential negative socio-economic impact as a consequence of the proposed funding model.

Equality, Poverty and Human Rights
The screening specifically notes the potential for positive impact on children and young people and children's rights, as a result of the approach to delivering a sustainable and fit for purpose school estate.

There is a potential for positive impact on children and young people affected by disability, linked to the approach within the investment plan on addressing additional support needs; supporting the presumption of mainstreaming in education along with a range of options for bases and specialist settings alongside special schools and commitment to an Accessibility Design Brief to shape future school estate developments.

The creation of community PODs, includes a definition that recognises different needs in different communities. This proposed model is also anticipated to have a positive impact on older adults and the provision and alignment of service delivery locally.

Whilst overall, the impacts identified from the screening are positive, there is the potential for negative impacts as a result of the proposed funding model for the HIP. It is proposed to ringfence a proportion of council tax (equivalent to 2%) on an annual basis to fund future additional borrowing and this could have an impact on those on lower incomes. 2% in itself, equates to around 54p per week for an average band D property, therefore direct impact as a result of this policy is likely to be low, but there is a potential for impact which should be noted and given consideration as part of the proposed approach. Consideration of socio-economic impact would continue to be required on an annual basis as part of the budget setting process.

Children's Rights
The screening specifically notes the potential for positive impact on children's rights, as a result of the approach to delivering a sustainable and fit for purpose school estate.

Island and Rural
The screening also noted potential positive impacts on rural and island communities. A core principle is to support and build resilient and sustainable communities, recognising the importance this brings to ensuring economic viability and attracting investment. The creation of community PODs, includes a definition that recognises different needs in different communities, including rural communities. This proposed model is also anticipated to have a positive impact on older adults and the provision and alignment of service delivery locally.

Climate Change
The screening highlighted potential positive impacts as a result of the proposed approach. The capital investment raised will fund the retrofitting, modernisation and improvement of existing buildings and will enable the construction of future integrated facilities and support effective service delivery models across Highland. Targeted retrofit projects will improve energy performance of the estate as a whole and will in time enhance the overall environmental experience for users of our facilities.

The plan will support the council's commitment to meet both local and national net zero targets. This involves value engineering all investments to ensure we get best value and long-lasting solutions to reduce our carbon footprint.

Pre-IIA Screening Tool – Report Types and IIA Requirements

The screening tool asks an initial question based on the type of report that is being compiled as a starting point for ascertaining whether an IIA needs to be carried out. The below table shows the current list of report types and how they have been categorised.

Type of Report	IIA Required	IIA May Be Required*	IIA Not Required
Reports by Independent Chairs of professional groups**			X
Reports from External Bodies**			X
A major strategy or action plan	X		
An area or partnership-wide plan	X		
A plan, programme or strategy that sets the framework for future development consents	X		
Budget report and strategy	X		
The setting up of a body such as a Commission or Working Group		X	
An update to a plan		X	
An annual report or progress report on an existing plan		X	
A service redesign	X		
A report on a survey, or stating the results of research			X
Minutes, e.g. of Sub-Committees			X
A minor contract that does not impact on the wellbeing of the public			X
An appointment, e.g. of councillors to outside bodies, of senior officers, or of independent chairs			X
Ongoing Revenue expenditure or Performance monitoring			X
Notification of proposed Tenders			X

*   Further questions within the screening tool are used to determine this.

** These would be covered by the IIA process of the professional group / external body involved.