

Comment paper for Peer Review on social impact assessment

Yvonne Murphy
CORI Justice

Social impact assessment in Ireland

Experience in Ireland of social impact assessment can be considered under various headings, namely Poverty Impact Assessment, Equality Impact Assessment with initiatives having been carried out under specific subheadings including Gender Impact Assessment and Disability Impact Assessment, and some work completed under the heading of Rural Impact Assessment.

Poverty Impact Assessment (PIA)

National Level

At national level, poverty impact assessment has been conducted under the auspices of the Office for Social Inclusion (OSI), which forms part of the Department of Social and Family Affairs. The OSI has overall responsibility for coordinating and driving the Government's social inclusion agenda. The OSI defines Poverty Impact Assessment as the process by which Government Departments, Local Authorities and State Agencies assess policies and programmes at design, implementation and review stages in relation to the likely impact that they will have or have had on poverty and on inequalities which are likely to lead to poverty, with a view to poverty reduction. It sees PIA as an integral part of policy development and decision making processes, which should be carried out by those designing the policy and responsible for its implementation. Poverty proofing (the forerunner of PIA) was introduced into Government Departments in July 1998 in compliance with a commitment made under the National Anti Poverty Strategy and it has since been a requirement in the Cabinet Handbook that Memoranda for Government involving significant policy proposals should "indicate clearly the impact of the proposal on groups in poverty or at risk of falling into poverty". A working group including representatives of the community and voluntary sector was involved in the late nineties in assisting in the design of the poverty proofing process. The process was introduced initially on a one year trial basis, in Government Departments only, after which it would be reviewed and revised as necessary. Proofing was mandatory for:

- The preparation of Statements of Strategy and Annual Business Plans relating to the Strategic Management Initiative;
- Designing policies and preparing Memoranda to Government on significant policy proposals;
- The preparation of the Estimates and Annual Budget proposals – which also included expenditure reviews and programme evaluations;
- The preparation of the National Development Plan and other relevant EU Plans and Programmes;

- The preparation of legislation.

In February 2000 the National Economic and Social Council (an inter-sectoral body established by government to analyse and report on strategic issues relating to the effective development of the economy and the achievement of social justice) was requested by the Department of Social, Community and Family Affairs to conduct a review of the poverty proofing arrangements. Its report¹ was published in November 2001. The report recognised that the term 'poverty proofing' was in itself problematic in that the process had two objectives. The first objective was the sensitising of individuals involved in the policy formation process to the overarching objective of the National Anti Poverty Strategy to reduce poverty and the inequalities likely to lead to poverty, with a view to poverty reduction. The second objective was policy impact assessment. The view of NESCC was that what was in existence was a first level proofing consistent with the first objective, but that this process required further resourcing. To achieve the second objective, the practice of selective in-depth policy impact assessment by a specialised expert unit was required. This unit would assess major projects with significant distributional consequences. The combined process would significantly enhance evidence based decision making and long term sustainability. The report made further recommendations relating to the effective functioning of poverty proofing, including a requirement for the operationalising of the definition of poverty and the need to address data deficiencies. It recommended the identification of indicators by which progress could be measured. It recommended that revised guidelines incorporating a more streamlined approach be developed, and that there should be a commitment to the transparency of the process. It made recommendations regarding the strengthening of institutional supports and the provision of enhanced resources and training for those involved in the process. The development of an integrated proofing process to include dimensions other than poverty was identified as a long term goal, but it was the view of NESCC that an interim staged process should be developed in the immediate future. It was also recommended that the limitations of the process as identified should be addressed prior to extending the process to local authorities and state agencies.

In January 2006 the OSI conducted a Review of Poverty Proofing and this resulted in a number of changes to the process incorporated in a revised set of Guidelines (March 2008). The process was renamed 'Poverty Impact Assessment' to overcome the possibility that proofing would be seen as something which happened after policy was formulated rather than a process which is an integral part of policy development. Many of the recommendations set out in the NESCC report were adopted. A screening stage was added as a step in the process. The results of this stage will determine whether a full PIA will be conducted. A number of key changes was introduced, including the introduction of Consultation as a first step in the full PIA process, the requirement to put in place monitoring arrangements to measure the impact of the policy on poverty if it is adopted, the requirement to publish the results of the PIA to ensure transparency and the requirement to return a summary sheet setting out the results of the PIA to the OSI to facilitate the OSI to monitor the process.

In terms of the consultation process, there is no prescriptive list of stakeholders to be consulted but suggestions include staff in other departments or agencies, non governmental organisations, or individuals who may be affected by the process.

Stages in a PIA

The 2008 Guidelines set out the stages of a PIA assessment:

<u>Stage 1</u>	Screening	This determines whether a Full PIA is required
<u>Stage 2</u>	Full PIA	<u>Step 1</u> Consultation <u>Step 2</u> Define policy aims and target groups <u>Step 3</u> Identify available data and research <u>Step 4</u> Assess impacts and consider alternatives <u>Step 5</u> Make decisions and arrange monitoring <u>Step 6</u> Publish results <u>Step 7</u> Return summary sheet to social inclusion liaison officer (who will forward it to the OSI)

The assessment criteria at Stage 1 are based on an assessment of whether the policy is nationally or departmentally significant, and are also whether it is significant in terms of the level and/ or proportion of expenditure involved or its impact on target groups identified as being most vulnerable to social exclusion. These target groups include women, lone parent families, families with large numbers of children, people with disabilities, the unemployed, members of the travelling community, people experiencing rural disadvantage, people experiencing urban poverty, homeless people, migrants and ethnic minorities. Other unlisted target groups may be equally relevant and consideration must also be given to potential impacts on inequalities which may lead to poverty. A positive finding in relation to any of these factors, or the possibility of a positive answer indicates that a full PIA is required.

Similarly under Stage 2 Step 4, a number of criteria must be considered:

- The type of impact, either in terms of numbers in poverty or level of poverty, which is likely, whether positive, negative or none, on the vulnerable groups listed above
- If there is no impact, what changes could be suggested to deliver a positive impact?
- If it is a positive impact, would it help to prevent, reduce poverty or ameliorate the effects of poverty?
- If it has a negative effect, could this be ameliorated?
- Would the proposal contribute to the achievement of the NAP inclusion goals and targets?
- Would it address the inequalities which may lead to poverty?

Definitions are included in the Guidelines of both persistent and consistent poverty. The former covers those who have lived for three of the last four years in households below 60% of median income. Consistent poverty includes those with an income less than 60% of median income and deprived of two or more of a list of essential goods and services (such as two pairs of strong shoes, or a warm waterproof overcoat). Poverty is measured using the list of income-related common indicators of social protection and social inclusion adopted by EU Member States in June 2006.

The assessment is conducted by the Department's responsible for developing the proposal or policy before submission of a Memorandum to Government and should be conducted at all stages where significant policy proposals or changes are being considered, including where an

existing policy is being evaluated. The OSI has a role in monitoring PIAs and for this reason receive summary reports of all PIAs conducted.

Integrated Assessment

Social impact assessment is wider than Poverty Impact Assessment and there has been work also completed at national level on Equality Impact Assessment, and rural proofing. In 1997 the National Economic and Social Forum recommended that poverty proofing be expanded to include equality proofing but recognised that the application of formal proofing mechanisms in relation to the full range of equality issues including gender, disability, age, race, marital status, family status, sexual orientation and membership of the Travelling community was beyond the remit of the NAPS. The Equality Authority in 2003 pointed out the need for recognition of the interface between poverty and discrimination and the intrinsic links between people who experience poverty and discrimination, and while recognising the inclusion in the poverty proofing guidelines of a focus on inequalities likely to lead to poverty, expressed the opinion that equality proofing was also important.

A Gender Impact Assessment Checklist was developed in November 2000 by Area Development Management Ltd (now called Pobal) which administers the Local Development Social Inclusion Programme and it has also explored the potential of rural proofing to support the work of rural community organisations. Similarly the National Disability Authority developed a Disability Proofing Template for Local Government as part of the Barcelona Declaration Project 2001 to 2004 as well as Guidelines for effective consultation with people with disabilities. More recently Regulatory Impact Assessment (RIA) was introduced to assess the likely costs, benefits and impacts of new regulations. RIA employs a process similar to that employed for Poverty Impact Assessment, includes (inter alia) as a criteria to establish the need for a full RIA, the fact that a particular regulation will have significant negative effects on socially excluded or vulnerable groups. To date, while there is an awareness that Government Departments are now required to assess the same policies over an ever increasing range of impacts, integrated impact assessment remains to be developed. Some pilot projects have sought to develop integrated impact assessment but these have not been mainstreamed.

Local Level

Following the reform of local government in the late nineties, the establishment of County Development Boards in 2000 and the establishment of Social Inclusion Units in some local authorities, a number of counties has developed local anti-poverty strategies and many of these require that policies be proofed. In addition it was a requirement on County Development Boards that their strategic plans be equality proofed. However there has been no study completed on the effectiveness of these initiatives. It is also true that the lack of data at local level across a range of indicators would have made the development and monitoring of supporting indicators problematic.

Pros and Cons of the Impact Assessment Process

There is no doubt that the impact assessment process can have positive benefits in terms of heightening awareness among policy makers of the need to ensure that policies do not have negative consequences in regard to the impacts measured. The fact that consultation has to form a part of the process and the requirement to collect relevant data to support policy measures is also positive in moving towards more evidence based policy making. The inclusion of consultation as part of the assessment process ensures that policy makers must at least hear the views and concerns of relevant stakeholders. These are all benefits of the process.

On the negative side, there is a risk that the process will become merely a box ticking exercise. In Ireland where consultation has become part of the assessment process, there is no way of measuring to what extent the consultation process really informs or influences the decision making process. There is no record of why some concerns raised by those consulted have been disregarded, so no means of assessing whether the resulting assessment has been objective or not. It is also true that impact assessment requires considerable resources in terms of time and personnel and in the present climate where financial and value-for-money constraints make it likely that resources will be reduced, there are concerns that this will impact negatively on the further development of Impact Assessment. On the other hand, it can undoubtedly be shown that a properly conducted impact assessment process can itself produce positive value for money outcomes by ensuring more targeted policy making and a reduction of undesirable side effects, which may in the longer term result in further negative impacts.

The most recent evaluative process was that conducted by NESC in 2000-2001 which resulted in the development of new guidelines, last updated in 2008. It would now be important to conduct a rigorous independent evaluation of the assessment process under these new guidelines.

Forthcoming policy proposals which would benefit from social impact assessment

Support for the work of the Office for Social Inclusion (OSI) in developing effective poverty proofing mechanisms is a key commitment in the Programme for Government and the roll out of the revised guidelines is a priority in this regard. Based on the new guidelines, the Office is working with other Government Departments to have pilot Poverty Impact Assessments carried out. When completed they will provide models of best practice that will assist the OSI in its efforts to effectively embed poverty impact assessment as part of the policy making process across all government departments. In addition, the Office is working with the Combat Poverty Agency on applying the new guidelines in the local authorities.

Key Issues for Discussion

There is a number of key issues which I would like to see discussed during the Peer Review.

1. Consultation

- How can countries ensure that really effective consultation takes place?

- How can we ensure that there is real and meaningful consultation at local and national levels with the community and voluntary sector in each country?
- What mechanisms can be put in place to ensure that issues raised during the consultation process are given due weight in reaching the final conclusions?
- Is it sufficient to state that consultation has taken place without demonstrating how decisions have been reached on conflicting perspectives between target groups and those conducting the PIA?

2. Screening

- How can the screening process be monitored to ensure that all relevant policies / proposals are put forward for a full PIA?
- Is there a risk that lack of resources may lead to policies being excluded at the screening stage which should be considered for a full PIA?

3. Integrated Assessment

- If assessment has to cover a wide range of areas, including poverty, equality, economic, financial, business etc does this intrinsically weaken the process? In a climate where it is considered desirable that policies should be assessed over a wide range of impacts, does integrated assessment strengthen or weaken the assessment process?
- What kinds of impacts would benefit from the synergy of more integrated assessment?
- In what areas is separate though parallel assessment more desirable?

4. Objectivity of the Assessment process

- What are the challenges facing assessors in ensuring objectivity and the independence of the assessment process?
- How can countries ensure that assessments are informed by a shared vision of the values of social inclusion and equality which should underpin assessments?
- Has training a role to play in this regard?

5. Monitoring and evaluation

- What models of effective and robust monitoring and evaluation of the process have been developed?
- Can evaluative mechanisms measure how effectively the process is in developing evidence based policy making in the future?

Bibliography

There is a number of key references which are available in digital format. They are set out below.

The following documents are available on the website of the Office for Social Inclusion <http://www.socialinclusion.ie/pia.html>:

- Poverty Impact Assessment Guidelines. March 2008
- OSI report on revision of Poverty Proofing Guidelines January 2006
- Poverty Impact Assessment Templates
- Frequently asked questions (relating to PIA)
- Examples of PIAs

NESC Review of Poverty Proofing Process 2001 prepared by Dr. Sile O'Connor available at <http://www.nesc.ie/publications.asp>

Reaching Out. Guidelines on Consultation for Public Sector Bodies. Department of the Taoiseach at http://www.betterregulation.ie/attached_files/Pdfs/Consult%20english.pdf

Report on the Introduction of Regulatory Impact Assessment. Department of the Taoiseach. July 2005. Available at www.betterregulation.ie

2016 The National Partnership Agreement. Is available at http://www.taoiseach.gov.ie/attached_files/Pdf%20files/Towards2016PartnershipAgreement.pdf

Budget 2009 Poverty Impact Assessment: <http://www.budget.gov.ie/2009/downloads/AnnexBPovertyImpactAssessment2009.pdf>

NESF report on Early Childhood Care and Education: <http://www.nesf.ie/dynamic/docs/No%2031%20Early%20Childhood%20Care%20&%20Education.pdf>

Other publications consulted include the following:

An Equality Proofing Template for the city and county Development Boards. The Equality Authority.

Disability Proofing Template for Local Government. Barcelona Declaration Template 2001-2004. National Disability Authority.

Gender proofing Handbook. Marie Crawley and Louise O'Meara. An Initiative of Six County Development Boards. NDP Gender Equality Unit. Department of Justice.

Partnership 2000 Working Group Report on Equality Proofing. January 2000. Department of Justice Equality and Law Reform and University of Cork.

Supporting Rural Communities. Rural Proofing for the Local development Social Inclusion Programme. Area Development Management Ltd supported by the NDP.
