

Internal Audit Report

Integrated Impact Assessments

16 May 2025

CD2407

**Overall
Assessment**

**Reasonable
Assurance**

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This Internal Audit review is conducted for the City of Edinburgh Council under the auspices of the 2024/25 internal audit plan approved by the Governance, Risk and Best Value Committee in March 2024. The review is designed to help the City of Edinburgh Council assess and refine its internal control environment. It is not designed or intended to be suitable for any other purpose and should not be relied upon for any other purpose. The City of Edinburgh Council accepts no responsibility for any such reliance and disclaims all liability in relation thereto.

The internal audit work and reporting has been performed in line with the requirements of the Global Internal Audit Standards (UK Public Sector) and as a result is not designed or intended to comply with any other auditing standards.

Although there are specific recommendations included in this report to strengthen internal control, it is management's responsibility to design, implement and maintain an effective control framework, and for the prevention and detection of irregularities and fraud. This is an essential part of the efficient management of the City of Edinburgh Council. Communication of the issues and weaknesses arising from this audit does not absolve management of this responsibility. High and Critical risk findings will be raised with senior management and elected members as appropriate.

Engagement conclusion and summary of findings

Review of the design and operating effectiveness of the key controls established to ensure adherence to the Council's [Integrated Impact Assessment guidance and toolkit](#) has identified a number of gaps, areas of non-compliance and scope for improvement within the process. The Council is at risk of non-compliance of key legislation of the [Public Sector Equality Duty \(PSED\)](#), [Equality Act 2010](#), and the [Fairer Scotland Duty](#). There is also a risk that Council decisions could be open to being legally challenged through judicial reviews if Integrated Impact Assessments (IIAs) are not undertaken when required or if not carried out to the required standard, which could lead to delays in implementation (of projects and proposals), financial costs, and reputational damage.

The review has highlighted there is a lack of understanding and adherence to the guidance which could impact on the accuracy and relevance of the information within IIAs. As a result, the following improvements are recommended to strengthen controls and reduce exposure to related risks:








- the IIA Toolkit and Guidance should be updated to provide clearer directive instructions and controls across the end-to-end process to ensure consistency and compliance with legislation, and includes consideration of whether IIA related e-learning modules should be mandatory
- Directorates should develop standard operating procedures to ensure that IIA requirements and Directorate-level roles and responsibilities are clearly understood and are complied with

- Directorate oversight and a quality assurance process should be implemented to ensure IIA requirements for current, new and emerging proposals are clearly understood, effectively tracked and managed, which includes ensuring that committee reporting requirements are complied with
- second line Policy and Insight procedures should be documented and periodically reviewed, including regular review of the IIA directory on the Council's website
- risks identified through the Integrated Impact Assessment process should be added to team and service risk registers to ensure visibility and effective mitigation of associated risks.

Areas of effective practice

- there are officers within Directorates and services that have been designated as equality, diversity and rights advisors to support completion of IIAs
- the second line Policy and Insight team are aware of control gaps and work is underway to strengthen the IIA process
- effective partnership working is in place through the joint training delivered with other Local Authorities within the Lothians, and NHS Lothian.

Audit Assessment

Audit Area	Control Design	Control Operation	Findings	Priority Rating
1. Integrated Impact Assessment (IIA) Toolkit and Guidance			Finding 1 – Guidance, Roles and Responsibilities and Training	Medium Priority
2. Completion of IIAs			Finding 2 – Directorate Compliance with IIA Requirements	High Priority
			Finding 3 – Directorate Oversight	Medium Priority
3. Committee Reports/Published IIAs			Finding 4 – Second Line Procedures and Oversight	Medium Priority
4. Risk Management		*N/A	Finding 5 – Identifying and Managing IIA Related Risks	Medium Priority

(*N/A controls not tested due to adequacy of design)

[See Appendix 1 for Control Assessment and Assurance Definitions](#)

Background and scope

The [Integrated Impact Assessment](#) (IIA) process allows the Council to meet its legal obligations in relation to equality, socio-economic disadvantage, climate change, sustainability, the environment and human and children’s rights in line with the [Public Sector Equality Duty \(PSED\)](#), [Equality Act 2010](#), and the [Fairer Scotland Duty](#).

IAs should be completed for proposals that could impact on people with protected characteristics, people experiencing socio-economic disadvantage, and climate and nature. The term ‘proposal’ applies to policies, strategies, provisions, criteria, functions, practice, budget savings and activities that include delivery of our services. Where an IIA is not deemed to be necessary, a statement of reasoning outlining the rationale should be prepared. The IIA, or statement, should then be approved by the Head of Service.

IAs are provided as part of committee reports to all Council committees, however, overall responsibility for the Council’s approach to conducting IAs sits with the Policy and Sustainability committee.

An [IIA toolkit](#) is available on the Orb (Council intranet) which incorporates the [IIA process and guidance documents](#) developed by the four Lothian local authorities and NHS Lothian. Training on the IIA process is also provided through the Council’s [myLearning Hub](#).

Scope

The objective of this review was to assess the adequacy of design and operating effectiveness of the key controls established to ensure adherence to the Council’s IIA guidance and toolkit to ensure legal obligations in relation to equality, socioeconomic disadvantage, climate change, sustainability, the environment and human rights were being adequately considered when making decisions, developing proposals, and delivering services.

Surveys were issued to 46 Heads of Service in the Council with 15 responses received. In addition, a sample of IAs were reviewed with surveys

issued to 10 Lead Officers responsible for the completion of the IAs. The responses received from both surveys were used to assess officer understanding of the IIA process and guidance documents.

Alignment to Risk and Business Plan Outcomes

The review also considered assurance in relation to the following Corporate Leadership Team risk categories:

- Strategic Delivery
- Governance and Decision Making
- Service Delivery
- Regulatory and Legislative Compliance
- Reputational Risk.

[Business Plan Outcomes:](#)

- Edinburgh has a stronger, greener, fairer economy and remains a world leading cultural capital

Limitations of Scope

IAs relating to the Edinburgh Health and Social Care Partnership (EHSCP) were not covered as part of this audit because the EHSCP’s IAs are provided to the Edinburgh Integrated Joint Board (EIJB).

Reporting Date

Testing was undertaken between 13 January 2025 and 1 April 2025.

Audit work concluded on 3 April 2025, and the findings and opinion are based on the conclusion of work as at that date.

Findings and Management Action Plan

Finding 1 – Guidance, Roles and Responsibilities, and Training

Finding Rating	Medium Priority
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The [Integrated Impact Assessment](#) (IIA) guidance on the Orb was updated in 2024 and includes a toolkit with guidance, and templates to support completion of IIAs. Review of the guidance and the results of sample testing notes that while it is extensive and contains a good level of detail, it could be more directive and clearer on the specific roles and responsibilities for officers to aid understanding and compliance and improve the accuracy and relevance of the information held within the IIA report. This is recognised by the Policy and Insight team, and new guidance is being developed which will aim to make roles and responsibilities clearer.

Testing highlighted the following:

- the first stage of the process is for officers to consider if an IIA is required, the guidance includes a table with high and low relevance questions, and if the officer answers yes to any high, then an IIA is required. The guidance does not state that the table must be completed and retained. For the sample of 10 IIAs reviewed, there was no evidence to confirm that the table had been used to support the decision to whether to proceed with an IIA or not
- in addition, where the officer only answers no, they need to explain why/how they reached this decision and document a brief statement of reasoning for Head of Service approval and inserting in the relevant management or committee report. It is noted however, that the guidance does not state what information this statement should contain, and survey results found that some Heads of Service were unsure what to include
- the guidance notes that the person responsible for the proposal should review and record the results of their assessment and plan, take action and set review dates to address any issues identified, but the guidance is not clear on the responsibilities of the Lead Officer in terms of recording when it is necessary for a review to be carried out and the requirement to document the outcome of these reviews to ensure evidence of the decision made

- the guidance is unclear what documents should be retained to evidence compliance with requirements, such as IIA approval and statements of reasoning, and does not link to how long these should be retained in line with the Council's records retention requirements
- the guidance states that Heads of Service must quality assure and sign off the completed IIA, however it does not define what quality checks should be carried out to gain assurance the IIA complies with all relevant IIA guidance and legislation. This was also raised by two Heads of Service in the survey
- the IIA Summary Report template does not include a declaration section within the report for the Head of Service to confirm they have completed a quality assurance check prior to approving the IIA.

Training

Two IIA modules are available on myLearning Hub and interactive training sessions are also run via MS Teams. The training is not mandatory and is not included consistently within role specific learning matrices on the Orb, however the IIA guidance notes that at least one officer involved in the IIA completion should have completed IIA training, and the IIA Summary Report template requires officers involved to update the report with the date that they completed training.

The completion frequency for the training is not specified and there is no central or Directorate tracking to confirm that training has been completed by officers as required. Review of officer training for the sample of 10 IIAs noted there was only evidence of 2 named officers completing the training in the last two years. A further 5 officers were noted as having completed the training prior to 2023, however records could not be verified as Learning and Development training records for this are only available from 2023.

IIA responsibilities in Job Descriptions

Heads of Service are responsible for approving IIAs, but the responsibility for ensuring that the service meets its Public Sector Equality Duty (PSED) requirement, and upholds the Council's Equality and Rights Framework, including IIAs is not consistently included in job descriptions and recruitment packs. HR advised that job descriptions are typically pitched at a high level and that IIA requirements could be considered as a core responsibility when the relevant job descriptions are next reviewed.

Risks

Regulatory and Legislative compliance

- officers may have insufficient knowledge of the IIA process to comply with the IIA and legislative requirements
- non-compliance with legislation if IIAs are not completed when required or not completed correctly, Council decisions may also be subject to judicial review
- non-compliance with data protection legislation if data is not recorded, stored and retained in line with requirements
- IIAs may not be completed to the required standard, if there is no quality assurance process in place.

Strategic Delivery

- lack of understanding of IIA requirements could impact achievement of the Council's strategic objectives.

Recommendations and Management Action Plan: Guidance, Roles and Responsibilities, and Training

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
1.1	<p>The IIA guidance should be updated to provide clear direction on the areas highlighted throughout this report including:</p> <ul style="list-style-type: none">• the requirement to complete and retain the assessment table to support the decision of whether an IIA is required or not• guidance on what to include in the statement of reasoning if it has been decided that an IIA is not required• guidance on what reviews the lead officer should take during the IIA completion process and at what stage, and details of supporting evidence to be retained for these reviews	<p>Agree recommendations and will integrate these into the IIA review.</p> <p>We will provide guidance to services to ensure that an appropriate retention scheme is in place relevant to the change / project, which is the subject of the IIA, and if not otherwise clear use a three year standard.</p>	Chief Executive	Head of Strategy and Partnerships Strategy Manager (Insight), Senior Policy and Insight Officer	30/04/2026

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
	<ul style="list-style-type: none"> a description of the quality assurance checks to be completed by: <ul style="list-style-type: none"> a) the Lead Officer when completing the IIA b) the person approving the IIA clear direction on what documents and approvals should be retained to evidence adherence to the IIA requirement throughout the process including how long records should be retained in line with the Councils records retention requirements of 3 years. <p>The updated guidance should be communicated to all Directorates and supported by a communications campaign to raise awareness including NewsBeat and Managers' News.</p>				
1.2	Once the IIA guidance has been reviewed and updated, the IIA training modules should be reviewed and updated to ensure that they are aligned to requirements.	Agree recommendation.	Chief Executive's Office	Head of Strategy and Partnerships Strategy Manager (Insight), Senior Policy and Insight Officer	30/04/2026
1.3	<p>a) The Council should consider whether completion of the IIA e-learning modules is mandatory for all officers involved in IIAs to ensure quality, consistency and provide assurance that there is understanding of the legislative requirements.</p> <p>IIA training should be included in the relevant role specific learning matrices and the frequency for completion of the training should also be determined and communicated including consideration of refresher training on a regular basis.</p>	<p>Management accepts the risk</p> <p>Service management disagrees that online modules should be mandatory for all officers. The IIA process may benefit from the inclusion of a broad range of colleagues with specialist knowledge, but additional training for participation may be disproportionate to their contribution and could discourage participation. It is useful as a refresher, and to give</p>	N/A	N/A	N/A

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
		reassurance to colleagues unfamiliar with the process. Additionally, online e-module training does not replace the dedicated training sessions for lead officers. Therefore, propose no action.			
	b) In addition, adding IIA responsibilities to relevant job descriptions should be considered.	Agreed. Consideration will be given as part of current review of job description guidance work.	Executive Director of Corporate Services	Service Director, Human Resources	31/10/2025
	c) Directorates should monitor completion of training for officers involved in the completion of IIAs.	Integrated Impact Assessment training will form part of the induction for all new Heads of Service and service managers. As part of the induction, Heads of Service will be reminded that the development of each IIA should include at least one person who has completed up-to-date training. Determination of up to date will depend on the updated guidance on how frequently training should be refreshed.	Chief Executive	Operations Manager, Chief Executive	31/07/2026
		Corporate Services will cascade a communication to Managers to remind them that this should be included in role specific training where appropriate. A question will be included within the Quarterly Divisional Compliance & Assurance Questionnaires to seek assurance from Service Directors/Heads of Service.	Executive Director of Corporate Services	Operations Manager, Corporate Services	30/10/2025

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
		Integrated Impact Assessment training will form part of the induction for all new Heads of Service and service managers. As part of the induction, Heads of Service will be reminded that the development of each IIA should include at least one person who has completed up-to-date training. Determination of up to date will depend on the updated Policy and Insight guidance on how frequently training should be refreshed.	Interim Executive Director of Place	Operations Manager, Place	31/07/2026
		We will implement a monitoring mechanism to track completion of IIA training for officers involved in the completion of IIAs.	Executive Director of Children's, Education and Justice Services (CEJS)	Operations Manager, CEJS	30/01/2026

Finding 2 – Directorate Compliance with IIA Requirements

Finding
Rating

High Priority

Ensuring that Integrated Impact Assessments (IIAs) are compliant with [IIA](#) requirements and take account of the IIA guidance and supporting information on the Orb is the responsibility of the Head of Service approving the IIA summary report. Testing highlighted the IIA guidance is not routinely adhered to across the following areas:

Determining whether an IIA is required

As stated in finding 1, for all 10 IIAs reviewed, there was no evidence that the assessment table had been used to support the decision to proceed with an IIA or not.

Statements of reasoning

The Heads of Service survey highlighted that 5 Heads of Service did not receive statements for approval, and 3 Heads of service noted that they would not include statements within their management or committee report, and there was no supporting rationale provided to explain why the IIA guidance had not been adhered to.

IIA Scoping Meeting Checklist

The IIA guidance includes a checklist for use at a scoping meeting to structure the group discussion and inform the final IIA. 4 out of 10 IIAs reviewed did not adhere to this, and only 3 of the remaining 6 who stated they did use the IIA checklist retained evidence to confirm this. The Policy and Insight team has confirmed that the current IIA checklist will be removed from future versions of the IIA guidance document and toolkit, therefore this point will not be taken forward within our audit recommendations.

Action Plans

The IIA guidance states that following the scoping meeting, a detailed action plan should be prepared and built into the implementation of the proposal. Review of a sample of 10 IIAs noted that action plans are not always used effectively; with high level actions plans often captured within the IIA Summary Report document itself (instead of a separate trackable document) with review dates passed and no indication if actions were followed through or completed.

Approval of IIAs

The IIA guidance states that the IIA should be approved by the relevant Head of Service. Of the 10 IIAs reviewed, six were approved by a Head of Service, three by a Service Director and 1 at Executive Director level. The Heads of Service survey indicated a lack of clarity for the responsibility for approval, including some commenting it was a director responsibility and one stating they delegated to direct reports.

In addition, for 5 out of 10 IIAs reviewed it was unclear who the Lead Officer was from the list of participants noted within section 6 of the IIA summary report. A similar issue was noted in identifying the facilitator and report writer.

Council Committee Reports /IIA Publication

The IIA guidance states that the IIA should be completed as early as possible when the proposal is clear enough to make a reasonable assessment and before a proposal is finalised.

As outlined in both the IIA guidance and the [Committee Report Writing](#) guidance, IIAs should be hyperlinked or included as an appendix within committee reports to aid Elected Members in their decision making and to comply with legislation. Testing identified that while committee reports refer to equality impacts within Section 7 of the committee report template, there were:

- 2 instances where committee reports were submitted to the committee without the IIA being referenced
- 1 instance where the committee report was submitted prior to the IIA being approved
- only 1 out of 10 reports had included the IIA as an appendix or hyperlink.

Council Policies

Review of a sample of 10 Council Policies presented to the Policy and Sustainability Committee highlighted issues including IIAs not completed in line with guidance, IIAs not linked to in reports, lack of evidence of Head of Service approval, and one instance of IIA approval post committee.

Reviews

The person responsible for the proposal should take action as needed and set review dates to address any issues identified. Review of a sample of 10 IIAs found a review was not always completed nor evidence of a review retained.

Risks

- **Regulatory and Legislative Compliance** – non-compliance with Equality legislation if IIAs are not completed where required or not completed correctly, Council decisions may also be subject to judicial review
- **Governance and Decision Making** – Elected Members may not have sufficient evidence of the potential impacts of a proposal to allow for informed decision making
- **Strategic Delivery** – if Council officers lack understanding of the IIA requirements, this could have a negative impact on achievement of the strategic objectives of the Council
- **Reputational** – the Council's reputation may be damaged if decisions are made without prior assessment of impacts, particularly if impacts are considered negative.

Recommendations and Management Action Plan: Directorate Compliance with IIA Requirements

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
2.1	Directorates should document and communicate standard operating procedures to ensure compliance with IIA requirements including: <ul style="list-style-type: none"> • requirement to ensure that IIA training has been completed by at least one person involved in the process and for evidence of completion of training to be retained • the requirement to complete and retain the IIA assessment table in the IIA toolkit to evidence the assessment and decision of whether an IIA is required or not • the requirement to produce a statement of reasoning which must be approved by the Head of Service and included in the Committee report if it has been assessed that an IIA is not required 	Based on the current guidance, for the Chief Executive's office, a communication will be prepared for all Heads of Service and service managers setting out the expectations in respect of the completion of IIAs.	Chief Executive	Operations Manager, Chief Executive	31/10/2025
		Corporate Services will remind Managers of their responsibilities with regards IIA's as per the information provided on the Orb and follow up assurance on this will be sought via the Quarterly Compliance & Assurance Questionnaire circulated to Service Directors and their Management Teams.	Executive Director of Corporate Services	Operations Manager, Corporate Services	28/11/2025

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
	<ul style="list-style-type: none"> the requirement for IIA actions to be documented with clear actions, leads and timescales and for these to be reviewed regularly, dates revised if needed or escalated clear instruction that IIA approval is the responsibility of Heads of Service and that this cannot be delegated to a direct report, where Service Director/Executive Director approval is deemed necessary this should be clear at the outset completion and documenting quality checks by <ol style="list-style-type: none"> the Lead Officer when completing the IIA and the person approving the IIA requirement to follow IIA guidance and committee reporting guidance for inclusion of IIA information in reports including confirming approval of the IIA prior to publishing the paper, including a hyperlink to the published IIA within the IIA directory or adding the IIA as an appendix. 				
		Based on the current guidance, Place Directorate will prepare a communication for all Heads of Service and service managers setting out the expectations in respect of the completion of IIAs.	Executive Director of Place	Operations Manager, Place	30/10/2026
		<p>We will create and introduce a Directorate document, agreed by our Senior Management Team, for all relevant officers around all IIA operating requirements.</p> <p>This will include training guidance, assessment tools, approval processes, checklists, retention and creation of a tracker to document actions, timescales and reviews.</p>	Executive Director of Children's, Education and Justice Services (CEJS)	Operations Manager, CEJS	30/01/2026

Finding 3 – Directorate Monitoring and Oversight

Finding
Rating

Medium
Priority

Oversight of IIA completion in Directorates

The IIA should be an integral part of proposal development which includes policies, strategies, provisions, criteria, functions, practices, budget setting and the assessment of potential savings and activities, including the delivery of services. IIAs should be applied during the development of new proposals, annual reviews and when amendments are made, before any changes are agreed. They should be completed as early as possible when the proposal is clear enough to make a reasonable assessment and before a proposal is finalised. Testing has highlighted this is not clearly understood by all officers.

Some directorates maintain a list of current policies and strategies to monitor their review, this includes whether an IIA has been completed. While this enables monitoring of current policies and strategies, there is limited oversight of development of new policies, strategies, and service decisions to ensure that IIA requirements are considered early in the process.

There is no overarching list of current, new and emerging proposals within Directorates to provide a complete and accurate position on IIA requirements and compliance, so it is unknown how many IIAs there are or how many there should be. There is a [directory](#) of published IIAs on the Council's Website however, due to the issues raised in this report, no assurance can be provided on the completeness and accuracy of the directory.

Quality Assurance

Quality assurance of IIAs is the responsibility of the Head of Service. For 15 Heads of Service, 11 advised that they do complete checks to ensure that the completed IIA has been completed with all expected relevant data. As highlighted in finding 1, there is no guidance on the type and extent of quality assurance checks to be performed by the Head of Service, therefore variation and inconsistencies in the checks was understandably evident.

Risks

- **Strategic Delivery** – directorates are unaware of proposals and processes requiring an IIA which could impact the proposal, projects objectives if legally challenged through judicial review.

Recommendations and Management Action Plan: Directorate Monitoring and Oversight

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
3.1	a) Directorates should implement processes to ensure IIA requirements have been considered for all current, new and emerging proposals and projects including policies, strategies, provisions, criteria, functions, practices, budget setting and the assessment of potential savings and activities, including the delivery of services. It is recommended that a tracker is developed to capture current, new and emerging proposals to provide assurance that IIA requirements are	The Chief Executive's office will explore options for how oversight of the development of new and emerging proposals could be achieved and tracked.	Chief Executive	Operations Manager, Chief Executive	31/07/2026
		Corporate Services will issue and cascaded a communication to Managers to remind of their responsibilities with regards IIA's as per the information provided on the Orb.	Executive Director of Corporate Services	Operations Manager, Corporate Services	30/01/2026

	<p>considered at the outset of the process and monitored to completion.</p> <p>b) Following development of guidance on quality assurance checks by the Policy and Insight team (see rec 1.1), Heads of Service should complete and document checks within the required format. Where this is delegated, the Head of Service should obtain a copy of the checks and confirm completion when approving the IIA proposal. Where quality checks cannot be evidenced, the proposal should not be approved.</p> <p>The tracker should include confirmation that the required quality assurance checks have been completed for all IIAs.</p>	Following the circulation of the updated guidance re quality assurance checks the Directorate will follow up with all Heads of Service via the Quarterly Compliance & Assurance Questionnaire to request assurance this these are taking place as per the revised guidance.			
		Place Directorate will explore options for how oversight of the development of new and emerging proposals could be achieved and tracked.	Executive Director of Place	Operations Manager, Place	31/07/2026
		We will create a new Directorate process to ensure all IIA requirements are considered, reviewed, implemented and monitored with biannual quality checks to ensure compliance across our Services.	Executive Director of Children's, Education and Justice Services (CEJS)	Operations Manager, CEJS	30/01/2026

Finding 4 – Second Line Procedures and Oversight

Finding
Rating

Medium
Priority

Second Line Procedures

The Policy and Insight team provide second line support and guidance to support the Council in meeting IIA requirements. This includes updating guidance and facilitating training. The Senior Policy and Insight Officer is the sole person within the Council with responsibility for this area.

It was noted there are no documented procedures in place detailing the following tasks completed by the Senior Policy and Insight Officer:

- **IIA Guidance Alignment to Legislation** – there is no documented procedure outlining the formal and regular review process of the IIA guidance and supporting documents to ensure that they are up-to-date and aligned to legislation when there is a change
- **IIA Publication** – completed IIAs are forwarded to a generic mailbox following completion and published on the Council's external website, and there is no documented procedure outlining this process including the management and updating of the [IIA Directory](#).

IIA Directory

The [IIA Directory](#) on the Council's website should include IIAs on projects and changes across the Council. Due to the limited understanding of the totality of IIAs across Directorates (see finding 3), the completeness of this directory cannot be verified.

In addition, review of the directory identified that many of the IIAs published within it are outdated with some publishing dates starting from 2015. Some of the information held may no longer be relevant and may be out-of-date. While work by the Senior Policy and Insight officer has begun to remove IIAs which predate the latest format (circa 2017/18), a formal process to ensure ongoing review and management of the directory has not been established.

Review of a sample of 10 IIAs found the title of the IIA and the corresponding title on the directory did not match. There is a keyword search function, but this did not always return the expected results. This mismatch may cause challenges for Elected Members and the public locating an IIA, particularly if the IIA has not been linked within a committee paper.

Risks

- **Service Delivery** – key second line tasks may be missed or incorrectly completed if there are no documented procedures to determine the end-to-end process and if there is no contingency/cover arrangements in place
- **Legislative and Regulatory** – the Council cannot provide assurance over the completeness and relevance of published IIAs.

Recommendations and Management Action Plan: Second Line Procedures and Oversight

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
4.1	A procedure covering key tasks completed by the Senior Policy and Insight Officer in relation to IIAs should be documented and include but not be limited to: <ul style="list-style-type: none">• updating guidance in line with a regular timetable and when there is a change in legislation	Agree procedure actions. Will include in IIA review. Additionally, service management is aware that the senior officer for IIAs represents a single point of failure for the organisation. We will explore options for how additional	Head of Strategy and Partnerships	Strategy Manager (Insight), Senior Policy and Insight Officer	30/04/2026

	<ul style="list-style-type: none">• publishing completed IIAs in the IIA directory on the Councils website• management of the IIA directory including naming conventions, reviews and archive dates in line with the Councils records retention policy• oversight processes to ensure that Directorates maintain complete and accurate lists of IIA requirements and linkages to ensure the IIA directory is complete and accurate (see rec 3.1). <p>In addition, contingency and cover arrangements should be considered to ensure continuity in completion of the officer's tasks in periods of extended absence.</p>	cover and capacity can be provided for this role.			
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Finding 5 – Identifying and Managing IIA Related Risks

Finding
Rating

Medium
Priority

Review of a sample of risk registers across the Council found no inclusion of any IIA related risks. However, testing as part of this review and previous audit findings have highlighted potential risks including non-completion of IIAs when required.

Given that IIAs should be considered an integral part of proposal development including policies, strategies, provisions, criteria, functions, practices, budget setting and the assessment of potential savings and activities, including the delivery of services which are a core part of all Directorates, the absence of IIA-related risks within risk registers could indicate a lack of understanding of IIA requirements.

The inclusion of IIA risks at Directorate and team-level risk registers where appropriate (for example when developing new policies, strategies, reviewing budgets and delivery of services) could help raise awareness and management of IIAs, and reduce the risk of the Council being open to judicial review in respect of decisions made.

Risks





- **Regulatory and Legislative compliance** – officers may not have sufficient knowledge of the IIA process to comply with the IIA guidance and legislative requirements.

Recommendations and Management Action Plan: Identifying and Managing IIA Related Risks

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
5.1	Management should ensure that risks relating to IIAs are fully understood, including identifying potential IIA risks for new and emerging proposals. Potential risks should be discussed at the scoping stage of the IIA and added to relevant team/service risk registers to ensure they are effectively managed and mitigated. Risks outwith the Council's risk appetite should be escalated to the Directorate and CLT risk committees as appropriate.	As part of the communication to Heads of Service and service managers, a reminder will be included on the need to identify any potential risks arising from an IIA and, where mitigations are not available or where these do not align with the Council's risk appetite, these should be considered as part of the service area risk register (and escalated if appropriate).	Chief Executive	Operations Manager, Chief Executive	31/10/2025
		The Directorate will remind Service Directors and Heads of Service that Risk Registers should include all identified risks including those relating to IIA's or identified during the completion of an IIA. All risks will continue to be escalated as per Directorate and Council process.	Executive Director of Corporate Services	Operations Manager, Corporate Services	30/11/2026
		As part of the communication to Heads of Service and service managers, a reminder will be included on the need to identify any potential risks arising from an IIA and, where mitigations are not available or where these	Executive Director of Place	Operations Manager, Place	31/10/2025

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
		do not align with the Council's risk appetite, these should be considered as part of the service area risk register (and escalated if appropriate).			
		With the introduction of a new process and tracking mechanism regular updates will be presented to Management at our Senior Management Team Performance meetings to ensure any potential risks are identified and records in Risk Registers where appropriate and a clear escalation process is in place.	Executive Director of Children's, Education and Justice Services	Operations Manager, CEJS	30/01/2026

Appendix 1 – Control Assessment and Assurance Definitions

Control Assessment Rating		Control Design Adequacy	Control Operation Effectiveness
Well managed		Well-structured design efficiently achieves fit-for purpose control objectives	Controls consistently applied and operating at optimum level of effectiveness.
Generally Satisfactory		Sound design achieves control objectives	Controls consistently applied
Some Improvement Opportunity		Design is generally sound, with some opportunity to introduce control improvements	Conformance generally sound, with some opportunity to enhance level of conformance
Major Improvement Opportunity		Design is not optimum and may put control objectives at risk	Non-conformance may put control objectives at risk
Control Not Tested	N/A	Not applicable for control design assessments	Control not tested, either due to ineffective design or due to design only audit

Overall Assurance Ratings	
Substantial Assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

Finding Priority Ratings	
Advisory	A finding that does not have a risk impact but has been raised to highlight areas of inefficiencies or good practice.
Low Priority	An issue that results in a small impact to the achievement of objectives in the area audited.
Medium Priority	An issue that results in a moderate impact to the achievement of objectives in the area audited.
High Priority	An issue that results in a severe impact to the achievement of objectives in the area audited.
Critical Priority	An issue that results in a critical impact to the achievement of objectives in the area audited. The issue needs to be resolved as a matter of urgency.

Appendix 2 – Areas of Audit Focus and Control Objectives

Audit Areas	Control Objectives
Integrated Impact Assessment (IIA) Toolkit and Guidance	<ul style="list-style-type: none"> the Council's Integrated Impact Assessment (IIA) guidance clearly sets out the end-to-end process and is aligned to all relevant legislation guidance documents are regularly reviewed to ensure that they are up-to-date and aligned to current legislation roles and responsibilities have been clearly defined and communicated to all relevant officers training has been completed / attended by relevant officers to ensure that they have a clear understanding of the IIA process.
Completion of IIAs	<ul style="list-style-type: none"> in line with Stage 1 of the process, an initial review is performed to determine if an IIA is needed. Where an IIA has not been completed, a brief statement of reasoning has been prepared and approved by the relevant Head of Service where an IIA is assessed as required, it has been completed before the proposal is finalised in line with the IIA guidance, is supported by relevant data and evidence, contains all relevant information and has been approved by the Head of service actions resulting from IIAs are recorded within implementation plans with set review dates to address issues identified IIAs are regularly reviewed and updated at each key stage of projects and decision-making processes a quality assurance programme is in place to ensure that IIAs are complete and accurate and that there is a consistent approach to the completion of IIAs, in line with guidance.
Committee Reports / Published IIAs	<ul style="list-style-type: none"> the relevant IIA sections of committee reports are completed in line with the Committee Reporting Template, and have a clear link to published IIAs where relevant all current Council IIAs are published on the Council's and HSCP's websites.
Risk Management	<ul style="list-style-type: none"> risks related to Integrated Impact Assessments are identified, recorded and managed within a service risk register, and regularly reviewed to ensure appropriate mitigating actions are in place and remain effective, with escalation to divisional and directorate level risk committees where required.

Appendix 3 – Summary of Audit Testing: Adherence to IIA Guidance

Review of a sample of IIAs and key controls highlighted the non-adherence to IIA guidance across the following areas:

Determining whether an IIA is required

Paragraph 2.1 of the IIA guidance sets out a 'High/Low Relevance' table to assist Council Officers to determine if an IIA is required for their proposal. For a sample of 10 IIAs:

- 5 lead officers stated they did not use the table
- 3 lead officers said they used the table but did not retain evidence to support that the table had been completed
- 1 lead officer stated they did not need to use it as they already knew an IIA was required
- 1 lead officer stated that they did not know what the table was.

Brief Statements

Paragraph 2.1 of the guidance states that if an IIA is not deemed to be required, a brief statement of reasoning should be documented, approved by Head of Service, and included in the relevant committee report. From the 15 Heads of Service surveyed, the following inconsistencies in knowledge and compliance of the guidance requirements were identified:

- 2 Heads of Service were unsure what should be included within the brief statement,
- 5 Heads of Service did not receive such statements for approval
- 3 Heads of service noted that they would not include brief statements within their management or committee report

IIA Scoping Meeting Checklist

Paragraph 3 of the IIA guidance contains a checklist that should be used at a scoping meeting to structure the group discussion and inform the final IIA. Testing of a sample of 10 IIAs found:

- 4 did not comply with this section of the guidance

- out of the 6 respondents who noted that they did use IIA checklist, only 3 were able to confirm that they retained evidence.

Action Plans

Paragraph 2.11 of the guidance states that the person responsible for the proposal should prepare a detailed action plan and build these into the implementation of the proposal. Testing of a sample of 10 IIAs found:

- 5 respondents noted that their Action Plan was contained IIA summary report, which does not provide sufficient detail to support effective management of the relevant actions
- 1 respondent noted that they had a plan in place
- 2 respondents noted that the plans were in development
- 1 respondent noted that they did not have an action plan
- 1 respondent noted that there were no actions necessary (to be managed) but testing highlighted that there were actions for this proposal within the IIA summary report.

Only 1 of the 10 respondents provided a separate action plan for Internal Audit to review, so there is insufficient evidence to support that actions resulting from IIAs are recorded and being effectively managed to completion to address issues identified.

Reviews

Review of a sample of 10 IIAs to identify whether actions had been reviewed in line with the guidance found:

- reviews were completed for 5
- 1 lead officer did not have any evidence a review was completed
- 3 were noted as no review having been completed
- a further 2 were not at the stage of requiring a review.

Council Policies

Review of a sample of 10 Council Policies which had been presented to the Policy and Sustainability Committee noted:

- 5 instances where the IIA was not completed in line with IIA guidance requirements
- 5 instances where the IIA was not updated or linked within the relevant committee report
- 1 instance where the IIA was not published on Council's IIA directory
- 1 instance where the IIA title does not match policy title
- 1 Policy which has not been included within the Council's policy register
- 1 instance where the IIA was not completed for a Policy as required in line the [Council's Policy Toolkit](#).