

**Government  
Institutional Impact  
Statement Guideline  
2016**

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## Government Institutional Impact Statement Guideline

Robust policy development requires detailed consideration of the impact a policy may have on the operations, capacity and funding of institutions and agencies of the Queensland Government, particularly where the policy is being implemented through legislation.

To assist Cabinet in making decisions on legislation, Cabinet submissions need to clearly set out the key impacts. Priority focus is already given to employment, regional, regulatory and financial impacts. The Government considers the risk of unintended or misunderstood impacts on institutions sufficient to warrant inclusion of institutional impact statements in submissions relating to legislative proposals.

This Government Institutional Impact Statement Guideline provides assistance in preparing an Institutional Impact Statement (IIS) in Cabinet submissions. An IIS will provide Cabinet with advice on possible implications for Government institutions arising from proposed legislation (not administrative or operational proposals that do not involve legislative change). It is necessary that consideration of these impacts occurs early during the policy development stage, in order to address, rectify or amend any identified impacts on particular institutions.

### 1. What is an Institutional Impact Statement (IIS)?

An IIS is a written summary of the potential impacts, both financial and operational, on Government institutions arising out of legislative proposals. An IIS forms part of the Cabinet submission requirements under section 5.4.3 of the Cabinet Handbook. An IIS is intended to inform Cabinet of the likely impact of legislative proposals on Government institutions.

The term 'Government institution' is defined below under section 2.2 – 'Writing an Institutional Impact Statement'. It includes frontline Government institutions such as courts, correctional facilities, hospitals and schools, and operational areas of departments such as public housing and child protection units.

An IIS is not an evaluation of a particular legislative proposal nor is it intended to duplicate existing modes of analysis, such as Regulatory Impact Statements. An IIS is a summary of identified implications for Government institutions, and how these are intended to be managed.

The length of, and detail in, an IIS will differ depending on the extent and complexities of any impacts.

### 2. Writing an Institutional Impact Statement

#### 2.1 Who does an Institutional Impact Statement apply to?

All departments must complete an IIS when preparing Cabinet or Cabinet Budget Review Committee submissions which propose legislative change. They form part of the Cabinet submission template under section 5.4.3 of the Cabinet Handbook and apply to Policy, Authority to Prepare, Authority to Introduce and Authority to Forward Significant Subordinate Legislation submissions. An IIS is not included in Information or Significant Appointment submissions.

An IIS is not intended to duplicate existing methods of analysis such as a Regulatory Impact Statement (RIS). If a RIS is completed and there is sufficient analysis of potential impacts on Government institutions within it, the IIS section in the Cabinet submission may simply refer to the RIS or briefly summarise the issues. Further, an IIS is not intended to replace discussion of relevant issues in the body of a Cabinet submission. If an impact on a Government institution is a key issue which requires detailed discussion, this should occur in the body of the submission and then be briefly referred to in the IIS section.

If a department cannot identify any impacts on a Government institution or an IIS is clearly not relevant to the particular proposal, a 'nil' response can be recorded in the IIS section.

## 2.2 What is a Government institution?

For the purposes of an IIS, a Government institution is a Queensland Government-owned or managed body that delivers frontline services or performs operational functions that directly impact or interact with members of the public. For example, this would include:

- Certain statutory authorities, such as Queensland Rail and the Queensland Reconstruction Authority
- Prisons and detention centres
- Public hospitals and State healthcare providers
- The police service
- State schools
- Courts and tribunals
- Public housing

A Government institution is not intended to include the core governance areas of Government departments, such as policy and legislation areas, human resources, finance and Ministerial services and support.

A Government institution does not include Government Owned Corporations or statutory bodies.

## 2.3 How are the institutions potentially impacted?

An IIS should identify operational and financial impacts on Government institutions as a result of implementing a particular legislative proposal, and how these impacts are proposed to be managed.

An IIS should also identify, where known, any current initiatives that might offset identified implications. For example, the Offender Levy, which was introduced in 2012 to apply to offenders sentenced in Queensland courts, might offset law enforcement or administration costs associated with a proposal to increase penalties or sentences of a particular offence.

## 2.4 What evidence/data is used to support an Institutional Impact Statement?

An IIS should acknowledge any evidence and data relied upon to identify impacts. Similarly, an IIS should make it clear if there are any assumptions made or gaps in evidence, where there is insufficient time to complete a thorough and detailed impact assessment.

Departments should consider utilising comparable data available from other jurisdictions, to support their analysis of the impact on Government institutions.

## 2.5 What are the consultation requirements for preparing an Institutional Impact Statement?

Departments preparing an IIS as part of their Cabinet submissions should, where possible, consult with the agency or unit responsible for the Government institutions that may be impacted. For example, if there are impacts on hospitals or healthcare providers, departments should consult Queensland Health. Alternatively, if there are implications for courts or the judiciary, departments should consult the Department of Justice and Attorney-General.

Departments may wish to consult the Queensland Government Statistician's Office (QGSO) if an analysis of particular statistics or data projections is required. QGSO can be contacted by telephone (07) 3035 6421.

Departments should also consult the Office of Industrial Relations (OIR) when establishing new Government bodies to consider any implications for industrial relations systems coverage. One of the roles of OIR is to facilitate the declaration and endorsement process for new bodies to be excluded from coverage under the Commonwealth Fair Work system. It is critical that this process occurs before the new body commences employing staff. OIR can be contacted by email at [oedirpr@treasury.qld.gov.au](mailto:oedirpr@treasury.qld.gov.au).

The Department of the Premier and Cabinet should be consulted about the IIS as part of the usual Cabinet consultation processes, through the relevant Portfolio Contact Officers in Policy Division.

## 2.6 What is the format of an Institutional Impact Statement?

There is no specific format for preparing an IIS. An IIS is a separate section in every Cabinet submission that identifies the possible impacts on Government institutions arising from the particular legislative proposal that is being put forward, and how these impacts will be managed. If no implications are identified, a 'Nil' response can be recorded.

An IIS is intended to be a concise statement of the potential implications on Government institutions, in order to give Cabinet clear and succinct advice if a specific recommendation is approved. Departments can determine the exact form of an ISS on a case by case basis, based on the scale of the potential impacts on Government institutions. This may be achieved in one paragraph or if more complex analysis is required, an attachment could be provided to the submission.

## 2.7 What evaluation or reporting strategy is required for Institutional Impact Statements?

An IIS is not intended to be a full evaluation of a particular legislative proposal and there is no requirement to monitor or report back to Cabinet on identified impacts. However, departments should consider whether an evaluation or monitoring strategy should be recommended in the submission if there are clear and significant implications on Government institutions that might warrant Cabinet's attention at a later date.

In doing so, departments should consider the Queensland Government Program Evaluation Guidelines. These guidelines outline a set of broad principles to underpin the planning and implementation of evaluations for programs funded by the Queensland Government. The guidelines are available online at [www.treasury.qld.gov.au/publications-resources/qld-government-program-evaluation-guidelines/](http://www.treasury.qld.gov.au/publications-resources/qld-government-program-evaluation-guidelines/).

### 3. The Institutional Impact Statement Process

#### Steps for preparing an Institutional Impact Statement:

##### Step 1

Does the proposal involve legislative change? If so, decide whether the submission will impact on Government institutions, by reviewing these guidelines.

If there are no identified implications, then a 'nil' response is satisfactory.

If unsure of any issues, consult with DPC.

##### Step 2

If appropriate and where possible, consult with agencies or units responsible for identified Government institutions.

##### Step 3

Write the draft IIS if one is required.

##### Step 4

Consult with DPC on draft submission and draft IIS and as part of usual Cabinet submission development.

##### Step 5

Finalise submission in consultation with DPC and relevant agencies.

Email any queries to either Economic Policy, DPC at [admin.economic@premiers.qld.gov.au](mailto:admin.economic@premiers.qld.gov.au) or to Social Policy, DPC at [admin.social@premiers.qld.gov.au](mailto:admin.social@premiers.qld.gov.au); or to Environmental Policy, DPC at [admin.environment@premiers.qld.gov.au](mailto:admin.environment@premiers.qld.gov.au)

### 4. Relevant contacts

The Department of the Premier and Cabinet has administrative responsibility for the Government IIS Guideline (as set out under Chapter 6.2.2 of the Cabinet Handbook).

If agencies require advice in relation to any aspect of the Government IIS Guideline or specific advice when preparing an IIS, the relevant contacts are:

<p>Economic Policy, Policy Division, DPC  Ph: (07) 3003 9342  Email:  <a href="mailto:admin.economic@premiers.qld.gov.au">admin.economic@premiers.qld.gov.au</a></p>	<p><u>For submissions prepared by:</u></p> <ul style="list-style-type: none"> <li>• Public Service Commission</li> <li>• Department of Transport and Main Roads</li> <li>• Department of Infrastructure, Local Government and Planning</li> <li>• Queensland Treasury</li> <li>• Department of Education and Training</li> <li>• Department of Tourism, Small Business and the Commonwealth Games</li> <li>• Department of State Development</li> <li>• Department of Science, Information Technology and Innovation</li> </ul>
<p>Social Policy, Policy Division, DPC  Ph: (07) 3003 9370  Email: <a href="mailto:admin.social@premiers.qld.gov.au">admin.social@premiers.qld.gov.au</a></p>	<p><u>For submissions prepared by:</u></p> <ul style="list-style-type: none"> <li>• Department of Justice and Attorney-General</li> <li>• Queensland Police Service</li> <li>• Department of Aboriginal and Torres Strait Islander Partnerships</li> <li>• Queensland Health</li> <li>• Queensland Fire and Emergency Services</li> <li>• Public Safety Business Agency</li> <li>• Department of National Parks, Sport and Racing</li> <li>• Department of Housing and Public Works</li> <li>• Department of Communities, Child Safety and Disability Services</li> </ul>
<p>Environmental Policy, Policy Division, DPC  Ph: 3003 9314  Email:  <a href="mailto:admin.environment@premiers.qld.gov.au">admin.environment@premiers.qld.gov.au</a></p>	<p><u>For submissions prepared by:</u></p> <ul style="list-style-type: none"> <li>• Department of Natural Resources and Mines</li> <li>• Department of Agriculture and Fisheries</li> <li>• Department of Energy and Water Supply</li> <li>• Department of Environment and Heritage Protection</li> </ul>