Social Impact Assessment Guideline

For State Significant Projects

July 2021

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Acknowledgement of country

The Department of Planning, Industry and Environment acknowledges the traditional custodians of the land and pays respect to Elders past, present and future.

We recognise Australian Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships to place and their rich contribution to society.

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Hindi | हिन्दी: दुभाषिए का उपयोग करके हमें कॉल करें

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이 서비스는 즉각적인 전화 통역을 제공합니다.

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Vietnamese | Tiếng Việt: Hãy gọi cho chúng tôi với thông dịch viên

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Table 1: Abbreviations

Abbreviation	Term
ABS	Australian Bureau of Statistics
EIA	Environmental Impact Assessment
EIS	Environmental Impact Statement
EP&A Act	*Environmental Planning and Assessment Act 1979*
CPP	Community Participation Plan
SEARs	Planning Secretary's Environmental Assessment Requirements
SIA	Social Impact Assessment
SSD	State significant development
SSI	State significant infrastructure

Section 6 includes a glossary of terms used in this Guideline.

1. Introduction

State significant projects can affect people in many ways, both positively and negatively. Identifying and understanding social impacts helps to inform responses that aim to avoid, mitigate or reduce negative impacts and enhance positive impacts.

Every State significant project is subject to a social impact assessment (SIA). The SIA should be targeted and proportionate to the likely project impacts, and to the project's context.

'Social impacts' generally refer to the consequences that people experience when a new project brings change. For the purposes of the SIA, 'people' are classed as individuals, households, groups, communities, or organisations.

The SIA aims to identify, predict and evaluate likely social impacts arising from a project and propose responses to the predicted impacts.

As illustrated in **Figure 1**, the SIA assesses projects from the perspectives of people, which means developments are more likely to be socially sustainable. See **Section 4.3** for an explanation of the terms used in Figure 1.

Figure 1: Social elements of value to people

State significant projects

A State significant project refers to development under the *Environmental Planning and Assessment Act 1979* (EP&A Act) that is either:

- State significant development (SSD)
- State significant infrastructure (SSI)
- Critical State significant infrastructure.[1]

The EP&A Act requires development consent or approval for these projects and sets a framework and requirements for the assessment and determination of applications for these projects.

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1   Categories of development that may be declared SSD or SSI are listed in Schedules 1 and 3 of *State Environmental Planning Policy (State and Regional Development) 2011* (SRD SEPP). Projects declared to be SSD, SSI or Critical State significant infrastructure are listed in Schedules 2, 4 and 5 of the SRD SEPP.

The SIA is one input to the broader environmental impact assessment (EIA) process that also considers environmental, economic, social and cultural impacts. The EIA is reported through an environmental impact statement (EIS), which identifies likely environmental impacts and responses for certain types of development. All State significant projects require an EIS as part of the application for consent or approval.

The requirement to undertake an SIA proportionate to the project is relevant to all State significant projects, including those that are eligible for industry-specific Planning Secretary's Environmental Assessment Requirements (SEARs).[2] This requirement will be noted within the SEARs. SIAs required under the SEARs should be prepared in accordance with this Guideline.

This Guideline is designed to help guide proponents through preparing an SIA. It draws on the agreed principles and frameworks of various international institutions, including the International Association for Impact Assessment and the Interorganizational Committee on Principles and Guidelines for Social Impact Assessment.

It details how social impacts should be identified, evaluated, responded to and, if appropriate, monitored and managed. This can create greater greater certainty and transparency for proponents and the community while achieving mutually beneficial outcomes.

The Guideline also recognises that a SIA is not a one-size-fits-all approach – social impacts will vary based on the nature, context and scale of a project. Social impacts may be both positive and negative, direct and indirect, or tangible and intangible.

The Guideline provides:

- a rigorous framework to identify, evaluate and respond to social impacts
- guidance on meaningful, respectful and effective stakeholder and community engagement on social impacts from project planning to post-approval
- the means to obtain reliable, relevant information, insights and analysis for decision-makers
- advice on how the SIA can inform ongoing engagement, project refinement, monitoring and adaptive management.

1.1 Using this guideline

This Guideline has been developed for proponents of State significant projects. It can also be used by the Department of Planning, Industry and Environment (the Department), and the community.

It explains how to assess likely social impacts for State significant projects under the EP&A Act.

Using this Guideline during the preparation of an SIA can:

- build higher levels of community understanding of projects
- help proponents to understand what is required to meet the Department's expectations
- give stakeholders and the community confidence that their concerns and perspectives are being considered early in the assessment
- reduce project risks and costs related to unplanned or reactive management of social impacts
- create better proponent-community relations and more socially sustainable outcomes
- streamline assessments by reducing departmental requests for more information
- better integrate the SIA and EIA.

While the EP&A Act has legislative requirements for SSD that differ to those for SSI, this Guideline applies to all State significant projects.

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2   If an SSD project is wholly permissible on the site, would not meet the criteria for designated development (if it was not SSD), and is not for a concept development application, then it will be eligible for industry-specific SEARs and a scoping report is not required to be prepared to inform the preparation of the industry-specific SEARs. All other State significant projects receive project-specific SEARs and require a scoping report to be lodged as part the request for SEARs. See the *State Significant Development Guidelines* for further information.

Among other things, the EP&A Act aims to promote the social and economic welfare of the community and facilitate ecologically sustainable development. It integrates relevant economic, environmental and social considerations in planning and assessment decisions and enables the community to participate in assessment.

SIA and this Guideline provide a framework to identify and manage social impacts. This is done by first predicting impacts; refining the project to avoid negative impacts and enhance benefits; minimising then mitigating negative impacts and maximising benefits; and finally managing impacts, as illustrated in **Figure 2**.

This Guideline replaces the *Social impact assessment guideline for State significant mining, petroleum production, and extractive industry development* (2017). The Guideline is supported by a **technical supplement** which, while not a mandatory requirement, provides useful additional guidance.

Other resources

A **technical supplement** sets out worked examples, social impact prompts for various development types, methods for collating and analysing social data, methods for evaluating significance, and requirements for mitigation, monitoring and adaptive management. The supplement will be updated from time to time to include best-practice examples and new research.

The **Community Participation Plan** (CPP) sets out the Department's approach to community participation including within the assessment process.

The **Community Guide to Planning** is designed for the community, to help people navigate the NSW planning system. It details who does the planning, how it works and how the community can get involved.

If an approach that differs from this Guideline is preferred, this should be discussed with the Department before lodging a request for SEARs. Any request will need to demonstrate that an alternative approach can achieve equivalent social outcomes.

Predict impacts

Refine project to avoid negative impacts and enhance benefits

Minimise negative impacts and maximise benefits

Mitigate negative impacts

Manage impacts and benefits

Figure 2: Managing social impacts

1.2 Principles

An effective SIA is as much about the approach to collecting, assessing and analysing information to inform findings as it is about the final report.

The principles in **Table 2** support an evidence-based approach to SIA – this table will be a useful reference throughout the SIA. It may be useful to summarise how the SIA adheres to these principles in the SIA report. If any of these principles are not relevant (e.g. because of project scale), explain why.

Table 2: Principles to guide the SIA[3]

Principles	Description
Action-oriented	Defines specific actions to deliver practical, achievable and effective outcomes for people.
Adaptive	Establishes systems to respond to new or different circumstances to support continuous improvement.
Culturally responsive	Develops culturally informed approaches and methodologies to ensure Aboriginal and culturally diverse communities are engaged appropriately, and their perspectives, insights and feedback are valued.
Distributive equity	Considers how different groups will experience social impacts differently (particularly vulnerable and marginalised groups, future generations compared with current generations, and differences by gender, age and cultural group).
Impartial	Uses fair, unbiased research methods and follows relevant ethical standards.
Inclusive	Seeks to hear, understand, respect and document the perspectives of all likely affected people. Uses respectful, meaningful and effective engagement activities tailored to the needs of those being engaged (e.g. being culturally sensitive and accessible).
Integrated	Uses and references relevant information and analysis from other assessments to avoid duplication. Supports effective integration of social, economic and environmental considerations in decision-making.
Life-cycle focus	Seeks to understand likely impacts (including cumulative impacts) at all project stages, from pre-construction to post-closure/operation commencement.
Material	Identifies which likely social impacts matter the most for people and/or pose the greatest risk/opportunity to those expected to be affected.
Precautionary	If there are risks of serious or irreversible environmental damage (including harm to people), avoids using any limits on full scientific certainty as a reason for postponing measures to prevent environmental (including social) degradation.
Proportionate	Ensures the scope and scale of the SIA corresponds to the scope and scale of the likely social impacts.
Rigorous	Uses appropriate, accepted social science methods and robust evidence from authoritative and trustworthy sources.
Transparent	Explains, justifies and makes available information, methods and assumptions so that people can see how their input has been considered.

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3   Adapted from Vanclay F. 2003. 'International principles for social impact assessment', *Impact Assessment and Project Appraisal*, 21(1), 5-12. https://doi.org/10.3152/147154603781766491; and Vanclay F. et al. 2015. Social impact assessment: Guidance for assessing and managing the social impacts of projects. International Association for Impact Assessment. https://www.iaia.org/uploads/pdf/SIA_Guidance_Document_IAIA.pdf.

1.3 Guideline language

This Guideline uses words such as 'should' or 'suggested', rather than prescriptive terms such as 'must' or 'will'. This allows for a nuanced approach that is proportionate to the proposed project and reflects the range of development types that the Guideline applies to.

This Guideline emphasises high-quality assessment and high-quality outcomes. It allows for information gleaned during the SIA to be used for other purposes, such as engagement, project risk assessment and project benefit realisation.

SIA uses terms that may have a different meaning in everyday language. **Section 6** clarifies what these terms mean within the context of this Guideline.

2. Overview of how social impact assessment is carried out

SIA occurs across three phases (**Figure 3**).

The **first phase** involves SIA scoping and initial assessment, refining and planning. It occurs early in project development and is used to identify likely social impacts before considering suitable refinements or other early responses. This phase will inform the required scale of the SIA report, undertaken in the second phase.

If the project is eligible for industry specific SEARs, the outcomes and findings of this early SIA scoping phase should form the basis for the second phase of SIA (the assessment) and be incorporated into the SIA report and the EIS.

If the project requires project specific SEARs, a scoping report is required. This should include the results of this phase of the SIA. Refer to the *State Significant Development* and *State*

Significant Infrastructure Guidelines – Preparing a Scoping Report.

The **second phase** assesses identified issues and develops then finalises responses and management measures. This results in an SIA report, which forms a component of the EIS. For a simple project, the SIA report may be just a few pages; for a large, complex project, it may be more substantial.

The **third phase** occurs post-approval. It verifies and refines how social impacts are managed, depending on the conditions of consent or approval. Not all projects require post-approval monitoring and management of social impacts.

Figure 4 summarises the steps and outputs within each SIA phase.
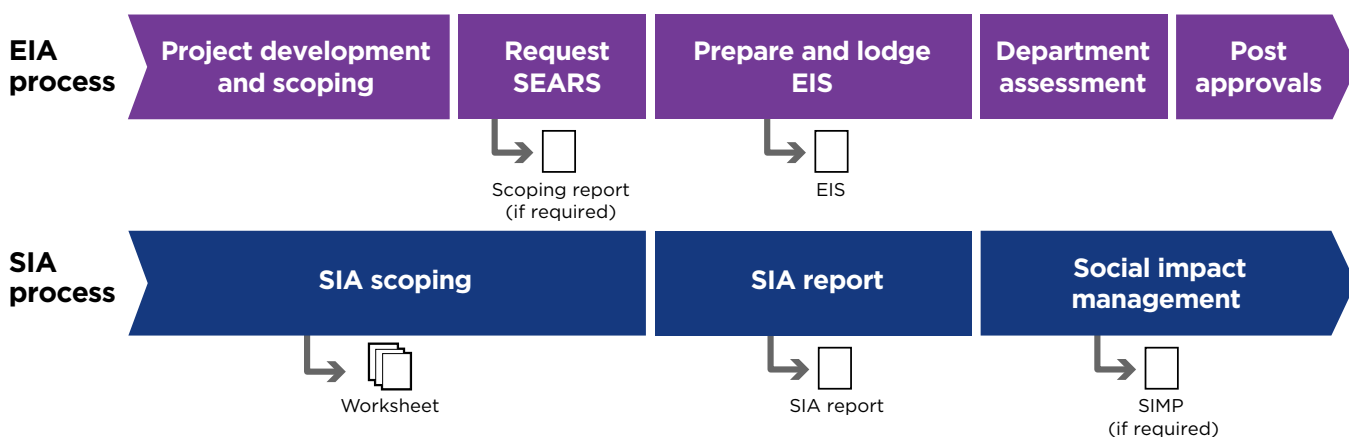
Figure 3: SIA aligned with EIA
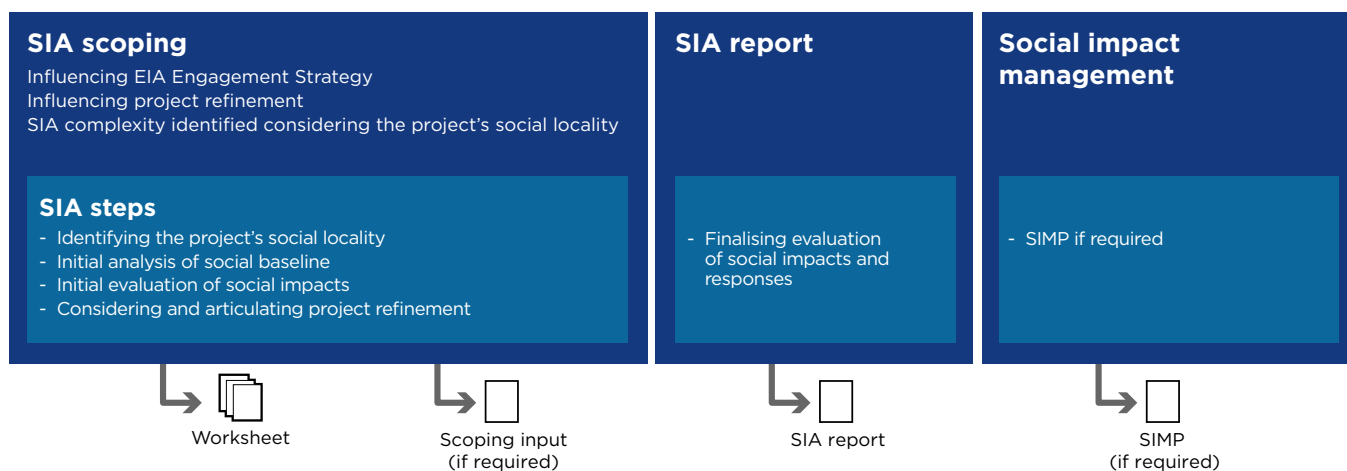
Figure 4: SIA steps in detail

2.1 Alignment with other processes

As an assessment that helps to reduce project risks, the SIA can align with other project development stages.

Projects often encounter social issues and impacts early in project planning and development; insights from these early investigations can inform the SIA. If appropriate, NSW Government proponents may choose to commence the SIA when undertaking a strategic business case, so that a single SIA can be used for both the funding process and assessment.

3. Reporting

3.1 Scoping and initial assessment

This first phase determines the size and scale of likely social impacts of the project and, in turn, the scope of the SIA. If the project is eligible for industry specific SEARs, the outcomes and findings of this first phase should be incorporated into the EIS. If a scoping report is being prepared to support the request for project specific SEARs, include the findings of this phase in the scoping report.

Starting the SIA early is important for all State significant projects, including those that are eligible for industry specific SEARs, as a project can be adjusted or refined in response to identified impacts and views, and community sentiment can be understood. This can reduce the risk of delays from unexpected community responses or unforeseen impacts.

In carrying out the SIA scoping and initial assessment:

- gain an initial understanding of the project's social locality (see **Section 4.2**)

- gain an initial understanding of the characteristics of the communities within the project's social locality (described as the social baseline see **Section 4.5**)

- conduct an initial evaluation of the likely social impacts for different groups in the social locality and the level to which these impacts need to be assessed

- consider potential refinements or approaches in response to likely social impacts, and

- consider the remainder of the SIA tasks, including engagement.

The **technical supplement** provides further guidance and supporting scoping tools.

3.2 SIA report

The second phase of the SIA results in the SIA report component of the EIS. Key findings are summarised in the EIS. Depending on the scale of the SIA, a standalone technical study may be appended to the EIS.

Typically, the SIA report should:

- predict and analyse the extent and nature of likely social impacts against baseline conditions using accepted social science methods

- evaluate, draw attention to and prioritise the social impacts that are important to people

- develop appropriate and justified responses (e.g. avoidance, mitigation and enhancement measures) to social impacts, and identify and explain residual social impacts

- propose arrangements to monitor and manage residual social impacts, including unanticipated impacts, over the life of the project (including post-closure phases for extractive industry projects).

Further guidance, including a suggested structure, is provided in the **technical supplement**.

The scalability of SIA will also be reflected in the size of the SIA report, as indicated in **Figure 5**.

A basic SIA report may be appropriate for a project where there are minor impacts and/or the social issues are not relevant to the project. In this case, the SIA report would summarise the scoping and assessment undertaken in the first phase and may conclude that no further assessment is required. If minor impacts are identified, a basic SIA report that includes desk-top research and analysis may adequately assess identified impacts.

Examples where a basic SIA report may be appropriate could include a warehouse on appropriately zoned land surrounded by other industrial developments or a modification to an approved project that proposes no material change to the impacts identified in the original SIA for the development.

Consider discussing the initial assessment with the Department to ensure social impacts are adequately scoped. This will help to avoid later delays if additional assessment or information is needed. The **technical supplement** includes examples and guidance about the most common likely impacts. Where standard or detailed impacts are identified a more comprehensive SIA report is more likely.

A complex SIA report (up to 100 pages) would be appropriate for a project that will result in significant and multiple social impacts, both positive and negative, and require bespoke mitigation and management measures.

Any information provided will be made publicly available as part of the Department's assessment requirements, starting from when the request is lodged for SEARs.
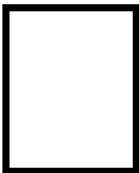
Basic
Min. 2 pages

Significance of social impacts
(also known as level and nature of impacts within EP&A Act)
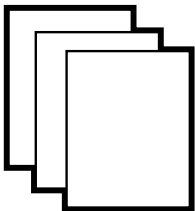
Complex
Max. 100 pages

Figure 5: The scalable complexity of SIA

4. Approach

SIA involves research, analysis and assessment. The SIA scoping and initial assessment phase includes many of these steps at an initial or preliminary level, while they are later refined and finalised in the SIA report.

This chapter describes what is involved in the SIA. The detail contained in **Section 4.2** on, is particularly relevant for projects where likely social impacts are identified and require assessment. The level of assessment should be commensurate with the level of impact of the project, as indicated in the SIA scoping and initial assessment phase. Desktop analysis may be appropriate when minor likely social impacts are identified. A tailored approach, drawing on the process below may be appropriate when standard or detailed likely impacts are identified.

4.1 Identify likely social impacts

To begin, identify likely social impacts, both positive and negative, and analyse how they will be distributed. Social impacts are considered across eight categories (see **Section 4.3**). Social impacts should also be considered in context:

- what project activities could induce social impacts for which people (reference the project's other technical studies – e.g. traffic or acoustic studies – where relevant)

- any other activities or projects that may combine to produce cumulative impacts

- whether the project meets the objectives of relevant environmental planning instruments, such as a local environmental plan

- a preliminary assessment of each impact and the proportionate level of assessment during SIA scoping

- whether the project design has been refined in response to current findings.

Once likely social impacts are identified, determine the level of assessment required. There are four assessment levels; minor, standard and detailed levels of assessment, or 'not relevant' where potential social impacts are immaterial and do not warrant assessment.

Further guidance on identifying social impacts and determining the required level of assessment is included in the **technical supplement**.

4.2 Social locality

The social baseline study (see **Section 4.5**) considers social impacts in the 'social locality'. There is no prescribed meaning or fixed, predefined geographic boundary (e.g. the local suburb, or 'within 500m') to a social locality; rather, the social locality should be construed for each project, depending on its nature and its impacts. The term 'social locality' is similar to 'area of social influence' that is commonly used in SIA practice.

Identifying the social locality begins with understanding the nature of the project, the characteristics of affected communities and how positive and negative impacts may be reasonably perceived or experienced by different people.

Some State significant projects may have a relatively focused social locality, while others may be spatially and/or temporally dispersed, involving different timeframes and/or multiple areas that require different considerations for different people. Some projects may involve a longer duration of impacts over multiple areas.

The social locality enables a consideration of these multiple and often overlapping impacts. **Figure 6** represents a relatively confined social locality, while **Figure 7** represents a more dispersed social locality. The social locality may change with project stages.

To define and describe the social locality, analyse:

- **the scale and nature** of the project; its associated activities, including ancillary works and infrastructure; and likely direct and indirect impacts (e.g. transport and logistics corridors or property acquisitions)

- **who may be affected** by the project; how they may be affected; their social, cultural and demographic characteristics (including Aboriginal populations); their relevant interests and values; the things
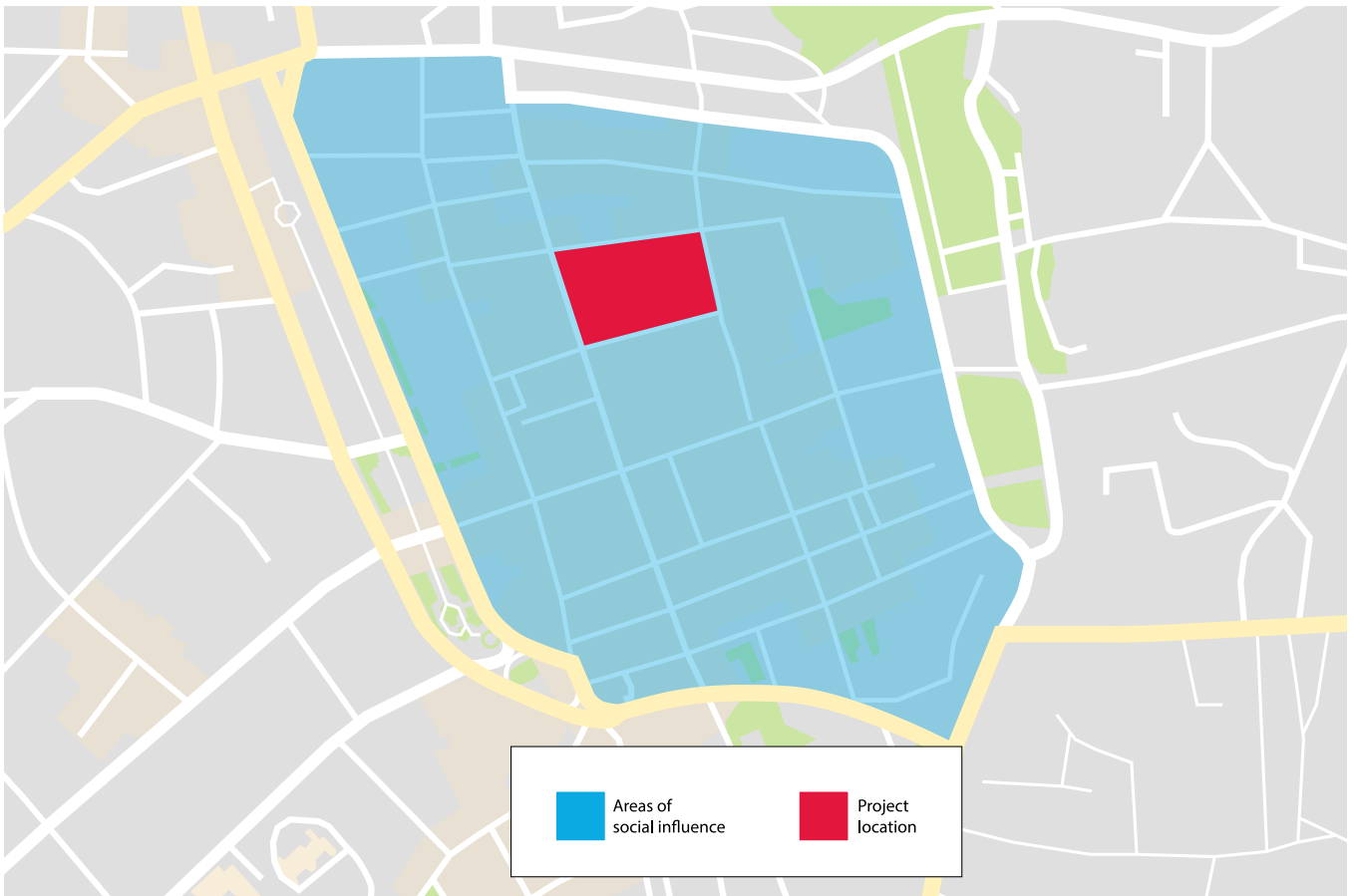
Figure 6: Project's social locality – confined example

that differentiate groups (such as cultural diversity) as well as things that they have in common; and the broader community and public interest

- **whether any vulnerable or marginalised people may be affected** by the project, including people on low incomes; people living with disabilities, chronic medical conditions or in poor health requiring access to services; culturally and linguistically diverse communities; people who are homeless or in insecure housing; people who are unable to represent themselves; or other vulnerable people such as elderly people, children or single-parent households

- **built or natural features** on or near the project that could be affected, and the tangible and intangible values that people may associate with these features, such as a sense of place or belonging, rural character, connection to Country and value of stories within the cultural landscapes, community cohesion, and use of natural areas and resources

- **relevant social, cultural, and demographic trends, and other change processes** now or in the past near the project and in the broader region, including how people have felt or experienced these changes; community resilience; how Aboriginal people engage in the area (past and present); different trends and patterns around issues like rental affordability, employment, shifting land uses, or population and demographic; or experiences of extreme weather and natural hazards

- **the history** of the proposed project and the area, and any similar experiences people in the locality have had, including change prior to, or created by, the project's planning assessment; how people reacted to early discussions; how these discussions and other experiences affected the broader community; and the traditional Aboriginal use of the place, recent history of the place and people and any ongoing traumas.
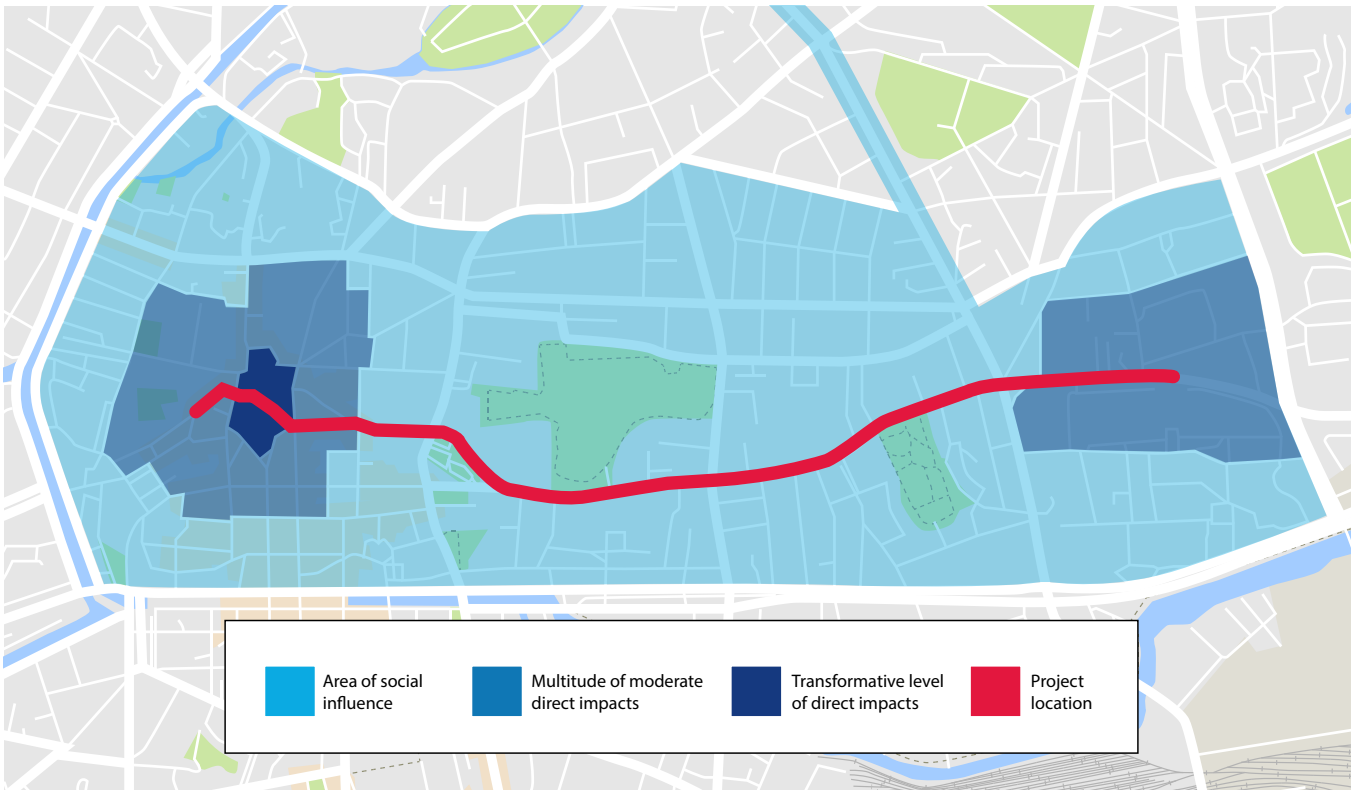
Figure 7: Project's social locality – diverse example

Where the social locality is demographically, socially and/or culturally diverse, or where some groups may be more affected than others, disaggregate data to illustrate these differences. If these differences are negligible or irrelevant, data may be aggregated. Councils can be a valuable source of information with information from strategic plans, local data, networks and local experience.

Data collected should be targeted and proportionate to the project's context, and the nature and scale of the project's impacts.
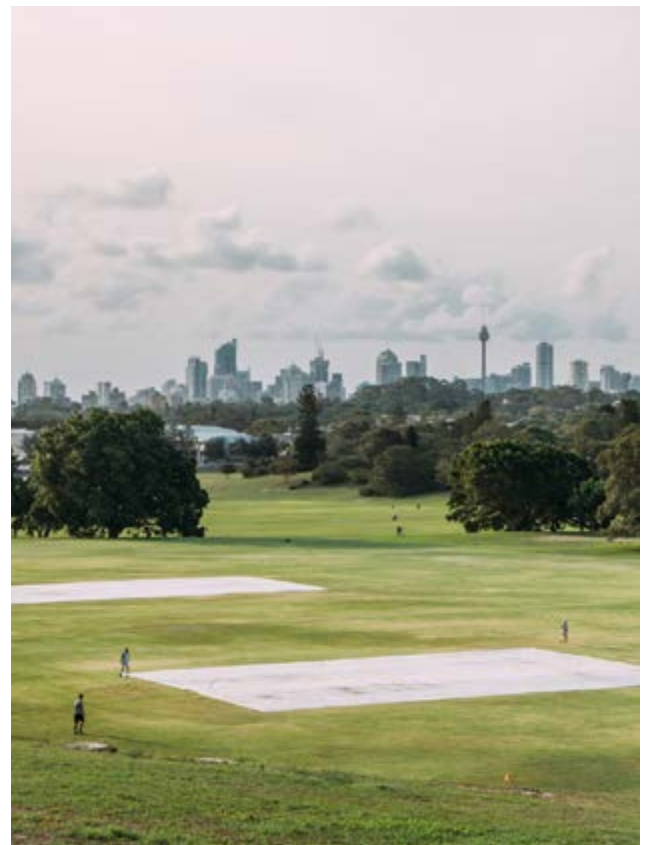
Linear projects

Linear projects such as rail lines, roadways or utility services are typically narrow but long, like that illustrated in **Figure 7**. Analysis should consider the broader area as well as key precincts or areas that will experience a higher level of impact. Surveys of people in a wider region may inform an understanding of their ways of life and livelihoods (e.g. travel times and employment) and present a broad representation across a larger social locality.

4.3 Categorising impacts

Use the following categories to identify likely social impacts:

- **way of life**, including how people live, how they get around, how they work, how they play, and how they interact each day

- **community**, including composition, cohesion, character, how the community functions, resilience, and people's sense of place

- **accessibility**, including how people access and use infrastructure, services and facilities, whether provided by a public, private, or not-for-profit organisation

- **culture**, both Aboriginal and non-Aboriginal, including shared beliefs, customs, practices, obligations, values and stories, and connections to Country, land, waterways, places and buildings

- **health and wellbeing**, including physical and mental health especially for people vulnerable to social exclusion or substantial change, psychological stress resulting from financial or other pressures, access to open space and effects on public health

- **surroundings**, including ecosystem services such as shade, pollution control, erosion control, public safety and security, access to and use of the natural and built environment, and aesthetic value and amenity

- **livelihoods**, including people's capacity to sustain themselves through employment or business

- **decision-making systems**, including the extent to which people can have a say in decisions that affect their lives, and have access to complaint, remedy and grievance mechanisms.

Some projects may have impacts in all these categories, but others may only have a few. For example, an influx of workers could affect both 'way of life' and 'community'. Neatly categorising impacts is not as important as identifying and assessing them. The categories simply provide prompts to consider possible social impacts.

Consider how benefits and impacts are distributed differently between different social groups, and each group's capacity to respond to these. This includes impacts on Aboriginal communities, with consideration of livelihood and wellbeing of Aboriginal communities as well as cultural impacts. Depending on the project, it may be necessary to consider and assess reasonable and justified fears and concerns held by the community in relation to any of the above categories. The focus should be on their logical basis, not merely their number.

When assessing the nature and scale of social impacts, consider the project's:

- location, including whether it will be densely or sparsely populated, or whether it will be contained within one council boundary or several

- layout and design (e.g. whether it will be linear or contained within a discrete site)

- social locality

- proposed construction and operation methods, and expected duration of each method

- local and regional context including dependency on or proximity to other State significant projects or other forms of industry.

Negative social impacts

Negative social impacts may include:

- decreased amenity during construction programs affecting jobs and business opportunities
- increase in dust or noise impacts affecting community health, surroundings and wellbeing
- alterations to traffic routes and management reducing a community's ability to walk or cycle, in turn affecting community health and wellbeing
- land use changes that affect community character and people's sense of place, inducing a sense of cultural loss for Aboriginal people.

Positive social impacts

Positive social impacts are just as valid, and assessment includes the positive social consequences of change (e.g. improved public health resulting from increased public space), rather than simply stating the change itself. Be careful to assess positive impacts impartially and not to overstate or understate them. Positive social impacts may include:

- improved livelihoods from increased jobs and business opportunities or less commuting
- improved public/community health, environment and wellbeing
- social development or a stronger sense of place and community cohesion through community investment or shared infrastructure
- community development initiatives, capacity building and stronger community institutions

Cumulative social impacts

Cumulative social impacts can arise from project activities (such as dust and noise), or multiple projects needing similar resources (e.g. skilled labour, housing or water). The most effective way to assess cumulative social impacts is to consider them from the viewpoint of those experiencing them.

The Department's *Cumulative Impact Assessment Guidelines for State Significant Projects* complements this guide and can also be used to inform the EIS assessment.

4.4 Refining the project

The steps of identifying and analysing likely social impacts may prompt refinement of the project design and exploration of alternatives that would improve social outcomes. Testing and refining the project design in response to social impacts is likely to be iterative. If project refinement has occurred after consideration of social impacts, describe any changes to the project design in the scoping report (if required) and the SIA report that is part of the EIS.

4.5 Social baseline

The social baseline study describes the social context *without* the project. It documents the existing social environment, conditions and trends relevant to the impacts identified.

The study is a benchmark against which direct, indirect and cumulative impacts can be predicted and analysed. Tailor the scope and content of the social baseline study to the project context and the level of assessment of social impacts using meaningful indicators and information.

4.6 Data collection

Existing data sources such as the ABS, data from similar projects, published research, relevant local, State and Commonwealth strategic plans and policies, and the outcomes from previous community engagement, will inform the preparation of the SIA report. These are considered secondary data sources. In addition, seek out primary data from sources such as:

- discussions with State agencies
- interviews, community workshops or focus groups
- written and oral stories, first-hand testimonies or community histories
- community surveys.

The SIA scoping and initial assessment helps determine data requirements. For example, an impact requiring only a minor assessment may not require collection of any primary data. Conversely, an impact identified as requiring detailed impact assessment will need some primary data collection and targeted consultation. The **technical supplement** provides more guidance on appropriate data collection for different levels of assessment of social impacts.

For project modifications, data may come from the previous assessment that resulted in the project's approval or from monitoring post-approval. It may also be necessary to obtain primary data from the sources noted above, depending on the nature of the modification.

While community profile data should inform an understanding of the demographics of the social locality, further analysis will identify distinguishing features and how the community compares to State, regional or district trends.

Councils can provide valuable information and insights on key social groups, other current projects and stressors on the community, and how to access diverse, minority and marginalised groups.

Collectively, this data will paint a picture of what is important to people and how they may be affected. When articulating this material, consider:

- What features of the community, the social locality, and/or the landscape do people value – from urban areas, the sense of community or the accessibility of services, to natural and diverse environments or quiet/vibrant neighbourhoods?
- How do these features influence local people's way of life, health or wellbeing?
- How might the project affect these features, and for which groups?
- How could the project be modified to enhance these features and how they affect people's wellbeing?
- Although the project may provide benefits in the longer term, how might the project be designed to avoid and minimise any short-term adverse impacts?
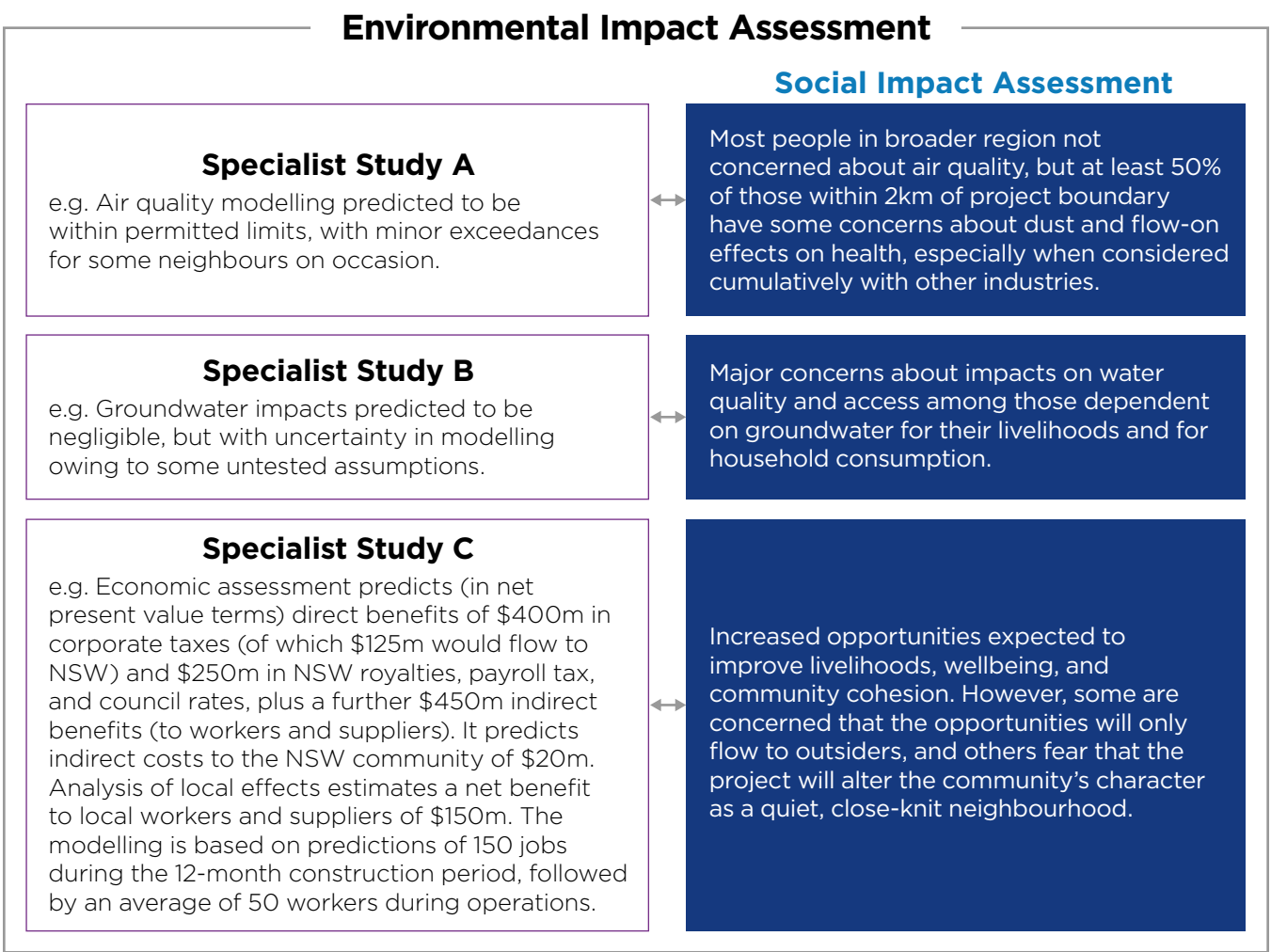
Information and insights from all sources should be trustworthy, credible, rigorous, up to date and relevant to the social context – for example, regional data may not apply evenly across all communities and may need to be disaggregated locally. Additionally, primary data should be grounded in people's reports of their actual experiences, views and perceptions and informed by details of the project.

4.7 Incorporating EIA elements

Often it is the case that several related technical studies are undertaken during the EIA and incorporated into the EIS. Consider the results of these studies (where relevant) in the SIA report.

For example, relevant environmental studies may predict and model noise and air quality emissions during construction or the economic cost assessment may predict gains or losses from the project. The SIA report complements these by examining how people might experience these environmental and economic changes.

Figure 8 illustrates the relationship between the SIA and other specialist studies and how these relate to the EIA.

Environmental Impact Assessment

Social Impact Assessment

Specialist Study A
e.g. Air quality modelling predicted to be within permitted limits, with minor exceedances for some neighbours on occasion.

↔ Most people in broader region not concerned about air quality, but at least 50% of those within 2km of project boundary have some concerns about dust and flow-on effects on health, especially when considered cumulatively with other industries.

Specialist Study B
e.g. Groundwater impacts predicted to be negligible, but with uncertainty in modelling owing to some untested assumptions.

↔ Major concerns about impacts on water quality and access among those dependent on groundwater for their livelihoods and for household consumption.

Specialist Study C
e.g. Economic assessment predicts (in net present value terms) direct benefits of $400m in corporate taxes (of which $125m would flow to NSW) and $250m in NSW royalties, payroll tax, and council rates, plus a further $450m indirect benefits (to workers and suppliers). It predicts indirect costs to the NSW community of $20m. Analysis of local effects estimates a net benefit to local workers and suppliers of $150m. The modelling is based on predictions of 150 jobs during the 12-month construction period, followed by an average of 50 workers during operations.

↔ Increased opportunities expected to improve livelihoods, wellbeing, and community cohesion. However, some are concerned that the opportunities will only flow to outsiders, and others fear that the project will alter the community's character as a quiet, close-knit neighbourhood.

Figure 8: Example relationship between the SIA report and other EIS specialist studies

4.8 Predicting, analysing and evaluating social impacts

Where required, in describing and analysing the predicted nature and scale of likely social impacts for the lifecycle of the project:

- use accepted, suitable qualitative and quantitative social science research methods including workshops and focus groups; interviews and surveys; modelling of different scenarios (e.g. project vs no project); comparative studies; literature reviews; trend extrapolations; and risk/opportunity assessment

- engage with people to obtain qualitative data (see **Appendix A** for potential research methodologies) and to obtain multiple perspectives from various groups, proactively including groups that may have been historically marginalised

- consider likely social impacts from the perspectives of likely affected people

- acknowledge and account for uncertainties in predictions and data collection by applying sensitivity analysis (i.e. how would predictions change under different assumptions?), ensuring predictions consider any reasonably foreseeable scenarios

- comparatively assess positive and negative impacts of the project not proceeding

- use credible, reasonable and justified estimates and assumptions, particularly those that rely on expert judgement

- use comparative studies (where appropriate) to examine the accuracy of assumptions, by considering similarities and differences between the project and other recent projects

- describe and justify the methodologies used to predict and analyse social impacts, assumptions and estimates as well as outcomes of the assessment.

Evaluate the significance of each likely social impact without mitigation or enhancement by giving each a significance rating. Provide evidence to support the evaluation rating to demonstrate that it is impartial and based on relevant research.

4.9 Responses

Proposed responses to positive and negative social impacts should be summarised.

Negative social impacts

Consider measures to firstly avoid, and secondly minimise, negative impacts by amending the project design. If neither are possible nor reasonably practicable, consider relevant mitigations such as physical barriers to mitigate noise and visual impacts or investment in local health services to meet increasing population needs. Other measures may include actions to address housing, employment or education and training impacts, or benefit-sharing agreements.

Mitigation measures for negative impacts should include when and where the measure will be applied and how the effectiveness of the measure will be monitored and maintained. This includes relevant measurable performance criteria and management objectives, if appropriate.

Once the proposed mitigation measures are clear, re-evaluate the significance of negative social impacts with mitigation, and describe the expected residual impact – the social impact after mitigation.

Positive social impacts

For positive social impacts, explain how and when benefits will be achieved, and, if possible, how they can be maintained and enhanced. Positive social impacts should be enhanced, particularly within the social locality to distribute benefits equitably. Measures to enhance positive social impacts must be able to be implemented and monitored effectively. Ideally, involve affected communities in the identification, design and implementation of measures to manage positive social impacts and help to set relevant indicators and monitoring processes.

Describe any steps required such as how a procurement policy that requires a proportion of goods and services to be sourced from local providers will be implemented, or how a program to hire and retain apprentices throughout a construction project will be implemented.

It may be appropriate to consider providing material public benefits through a planning agreement.[4]

Strategies to enhance positive social impacts may also help to offset negative impacts, where the two impacts are directly related. If this is the case, describe and justify any connections.

4.10 Social impact management plan

The SIA report for an EIS should provide a basis for developing a social impact management plan, where required. In some cases, the project specific SEARs may require a preliminary social impact monitoring and management plan to be included in the SIA report.

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4   Refer to Division 7.1 of the EP&A Act for planning agreements

5. Social impact management

5.1 Introduction

The post-approval phase for some projects can involve continuous mitigating, enhancing, monitoring and managing social impacts. This management can help to nurture relations with communities and maximise broad community approval or acceptance.

Social impact conditions of consent may require a social impact management plan that describes the measures to be implemented and the impacts they will address. This approach is known as adaptive management.

Monitoring and adaptive management should aim to protect and enhance the social environment throughout the life of the project. Project monitoring and management commitments can be integrated into overarching environmental management systems such as ISO 14001 accredited environmental management systems.

The Department's role in the post-approval phase is to regulate compliance with project conditions of consent or approval. If there is a condition of approval requiring a social impact management plan, this will usually need to be approved by the Department.

5.2 Preparing the social impact management plan

The social impact management plan should:

- enhance and refine mitigation, enhancement, monitoring and management of social impacts over the life of the project, and explain how unanticipated impacts will be addressed

- set out how the community can provide feedback as part of adaptive management.

The plan should describe how the requirements of performance-based and prescriptive conditions will be implemented and monitored through a robust monitoring and auditing program. It should set out elements such as indicators, baseline values, frequencies, triggers, stakeholders and responses.

While there is no required format, include:

- a project summary

- how social impacts were identified, plans for mitigation or enhancement, and management commitments

- how engagement informed the plan, including the engagement strategy and future activities, and how these will inform monitoring and management

- measurable and defined targets and actions for monitoring, reporting, auditing and reviewing progress, with clear numbering, wording and commitments to locations, timing, frequency, method and responsibilities

- a commitment to measure results and report these findings via the project website

- how shortfalls will be addressed – for example, if a target is not being met or an impact is being inadequately managed, the steps to address and report on the shortfall.

A social impact management plan may also include other components required under a project's conditions of consent such as overarching commitments that must be upheld during the construction and operational phases.

The document and commitments should be easy for the community to understand and be available online. Depending on the cultural diversity in the social locality, it may need to be translated into other languages, including Aboriginal languages.

If the social impact management plan incorporates mitigation measures through other plans such as noise or air quality management plans, cross-reference to these commitments.

6. Glossary

Term	Meaning for the purposes of SIA Guideline
Application	An application seeking development consent/approval for a State significant project or an application to modify an approved State significant project consent/approval (including concept plan) under the EP&A Act.
Community	Anyone affected by or interested in State significant projects in NSW, including individuals, community groups, Aboriginal and Torres Strait Islander communities, culturally and linguistically diverse communities or, stakeholder groups (defined below).
Department	The Department of Planning, Industry and Environment
Engagement	Actions to engage the community in the assessment of State significant projects and actions to encourage engagement.
Mitigation	Actions or measures to reduce adverse social impacts of a State significant project. Mitigations may be *performance based* (achieve an appropriate social outcome without specifying how the outcome will be achieved) or *prescriptive* (actions or measures that must be taken, such as a known best-practice technology, design or management approach).
People	Individuals, households, groups, communities, organisations and the general public.
Planning Secretary	The Secretary of the Department or their delegate.
Proponent	Those seeking approval for a State significant project.
Scoping report	A report that may be required to be submitted by the proponent to the Department, accompanied by a request for SEARs.
Stakeholder group	A group or organisation that represents several people with an interest in a State significant project.

Appendices

Appendix A – Community engagement

Respectful, inclusive and meaningful engagement is a fundamental part of SIA, alongside other research activities. It provides first-hand insights into what people value and how they expect a project to affect them. It also helps to focus the scope of the SIA on the things that really matter.

Particular attention is needed when engaging with vulnerable and marginalised groups to understand how they might experience and reasonably perceive social impacts. Provide multiple opportunities for people to participate.

Engagement and public participation are not a substitute for good evidence-based SIA; rather, it is a component of it.[5] The scope of engagement will reflect that of the project SIA.

Community engagement objectives

Aim to:

- ensure likely affected people are *identified* and have enough *understanding* of the proposed project, how it may affect them, the development of the EIA, and how they can participate

- collect qualitative and quantitative *data, evidence and insights* for scoping the SIA in ways that maximise diversity and representativeness of views

- understand the interests people have in the project and how likely impacts *may be experienced from their perspectives*

- consider the views of people in a meaningful way, and use these insights to *inform project planning* and design, mitigation and enhancement measures, and monitoring and management frameworks

- provide opportunities for people to *collaborate* on project design matters and provide input into the identification and consideration of preferred solutions

- *confirm* data, assumptions, findings and recommendations

- ensure people know how their *input and views have been considered*, and to help illustrate what actions or mitigating measures will be put into place to address concerns

- help people understand how other specialist studies prepared for the EIA (e.g. air quality or noise), and any associated proposed mitigation measures, address social impacts

- respect people's privacy, allowing them to communicate their views anonymously if they wish

- continue community engagement throughout the project to monitor the community's experiences of social impacts and respond as necessary.

Consider how best to use engagement findings to inform the final project design so that it maximises community wellbeing and avoids or genuinely mitigates adverse impacts.

The audience for engagement will depend on project context and different links and networks that connect people or groups to the project. A single, clear, geographical boundary is unlikely.

Community engagement actions

- Consider the community engagement objectives

- Use outcomes of engagement to maximise community wellbeing and avoid or effectively mitigate adverse impacts

- Engage with a diversity of people, including vulnerable and marginalised groups

- Use appropriate and specific levels and techniques of engagement, based on analysis of the community and how they are best engaged

- Follow protocols for engaging with Aboriginal people.

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5   Freudenberg WR & Olsen D. 1983. 'Public interest and political abuse: Public participation in social impact assessment. *Journal of the Community Development Society*, 14(2), 67-82.

At the very least, where people express an interest in the project, they are identifying themselves as being eligible for inclusion in engagement activities for SIA. However, the interests that different people have in a project will vary, as will the level of engagement different people may need.

Common research methods to identify who should be engaged, and for connecting people to impacts, include stakeholder mapping, stakeholder matrices, values mapping, issues mapping and community visioning.

Engage with a broad cross-section of people in a manner consistent with the SIA principles identified and explained in **Table 3**. To ensure the SIA is not disproportionately influenced by those with more power, include people from all parts of the community, from grassroots to leadership levels, and from informal, community-based organisations to formal institutions. General categories of people to engage include:

- Aboriginal people and groups, especially those with a cultural connection to the project location, and including traditional owners or custodians who can speak for Country, native title holders or registered native title claimants and relevant Local Aboriginal Land Council/s

- existing and in-migrating residents and businesses, particularly those close to the project location and in nearby localities, or any other potential users of the project (e.g. future transport users for a rail project)

- councils

- community including stakeholder groups, industry, business, cultural and environmental organisations, advocacy groups, and peak bodies

- workers, contractors and suppliers who use the area

- public and private service and infrastructure providers and regulatory agencies (especially local, State and Commonwealth government-funded education, health, community, emergency and social services)

- elected representatives and other community leaders.

This analysis will inform the levels of engagement and appropriate techniques needed to meet the SIA objectives.

How to engage

Engagement may involve varying levels of participation and require the use of several different techniques. Levels of participation range from sharing information, to collecting information and insights or, involving the community in decision-making and co-design.

The choice of level and techniques will depend on the objectives of that engagement. For instance, if the objective is to explain the results and recommendations of a technical study, information-sharing techniques such as newsletters, social media and meetings may be enough. Where the objective is to involve people in decision-making, more participatory techniques such as interviews, focus groups, workshops, community visioning and co-design would be appropriate.

To determine the levels and techniques of engagement for the SIA, consider:

- the scale of the project's social locality

- the degree of diversity among likely affected and interested people, and the extent to which they are expected to be affected or interested

- the range and types of impacts involved and their relative importance

- the timing and context, noting that stakeholders and their interests can change with different project stages

- the needs of different people (e.g. cultural appropriateness, capacity to participate, communication styles and/or preferences or, barriers to participation) including Aboriginal people; younger and older people; people with disability; people from culturally and linguistically diverse communities; people who are vulnerable, socio-economically disadvantaged or otherwise marginalised; and any other difficult-to-reach groups

- opportunities to rely on or integrate with other engagement activities planned for the EIA to avoid duplication and manage consultation fatigue.

Table 3: Useful engagement techniques for social impact assessment

Level of participation	Engagement technique	Purpose in SIA
Sharing information	Impromptu discussions and informal conversations	• Identifying affected and interested people, groups, organisations and communities
	Public displays, briefings, information sessions and public meetings	• Helping people to understand the proposal and the social impact assessment
	Open days and site visits	• Addressing questions, concerns and complaints
	Contact points (e.g. hotlines, websites, shopfronts)	• Demonstrating early engagement
	Websites, direct mail/email/SMS, fact sheets, newsletters and webinars	
Consulting to collect information and insights	Surveys and interviews	• Identifying and predicting social impacts
	Community consultative committee or community liaison and advisory groups	• Collecting data, evidence and insights • Demonstrating early engagement
	Online forums or feedback forms, social media	• Confirming data, assumptions and findings • Involving marginalised groups
	Face to face meetings or telephone/video calls	
Collaborating in decision-making	Workshops and focus groups	• Encouraging co-design, or collaboration in project design
	Deliberative forums/workshops	• Identifying and predicting social impacts
	Citizen panels	• Collaborating during monitoring, mitigation and management measures and actions
	Citizens' assemblies	• Involving marginalised groups

When to engage

Community engagement should be developed to integrate with the project's overall engagement strategy and to avoid duplication.

Commence engagement on the SIA during early project planning and development. This early engagement should be planned and undertaken sensitively, with careful thought to the appropriate level and scope of project detail to be discussed. Further engagement should occur as the project is refined and as part of the EIA. Engagement with the community should continue through the project construction and operational phases, and into closure and post-closure phases where relevant.

If a scoping report is being submitted for the EIA, describe any planned community engagement.

Engaging with Aboriginal people

All social impacts of a project should consider the livelihood and wellbeing of Aboriginal communities beyond cultural impacts. These can be understood through respectful engagement, which needs to be built on a relationship of trust.

Engagement with Aboriginal people for SIA should recognise and respect their rights and be culturally appropriate. In practice, this means:

- applying relevant protocols for Aboriginal knowledge
- acknowledging and assessing both tangible and intangible forms of cultural heritage
- ensuring free, prior and informed consent
- engaging traditional custodians who can speak for Country, as well as a range of Aboriginal stakeholders and organisations
- allowing Aboriginal decision-making processes to function effectively
- understanding local cultural practices and events to ensure the community is available (e.g. 'sorry business')
- engaging in places, at times, and in ways that encourage participation.

In addition to understanding the differential social impacts for Aboriginal people, a key objective of engaging with Aboriginal people for SIA – as distinct from Cultural Heritage Assessment – is to help identify the likelihood for a project to cause intangible harm through '**cultural or spiritual loss**'. This is defined as

> loss or diminution of traditional attachment to the land or connection to Country, and associated cultural obligations to care for Country, or loss of rights to gain spiritual sustenance from the land.

Engagement should also be aware of historical and ongoing trauma and social and health inequities experienced by Aboriginal people and the potential for the project to impact these. Equally, engagement should aim to identify opportunities for cultural or spiritual growth, including access to Country as well as improvements to livelihoods and wellbeing outcomes.

Refer to the Office of Environment and Heritage's *Aboriginal cultural heritage consultation requirements for proponents* (2010) for guidance when consulting with Aboriginal people about Aboriginal cultural heritage matters specifically, and on social impacts more broadly.

Appendix B – Authors of SIA documents

The SIA report should outline the lead author's qualifications, experience and demonstrated understanding of social impacts.

As a general rule, suitably qualified and experienced practitioner/s should be involved in the SIA scoping and initial assessment and the SIA report preparation phases. Such practitioners are best placed to investigate and evaluate the likely social impacts, including stakeholder and community perceptions, and to help identify effective refinements to the proposed project design.

A 'suitably qualified person' *must* have:

- suitable **qualifications** in a relevant social science discipline (e.g. sociology, human geography, anthropology, social or community planning), and/or
- proven **experience** over multiple years and substantial **competence** in social science research methods and SIA practices.

They also should be a member of a relevant professional organisation, such as the International Association of Impact Assessment, Environment Institute of Australia and New Zealand, Planning Institute of Australia, and/or Australasian Evaluation Society. Members of professional organisations agree to a code of ethics and professional conduct, ensuring they apply relevant principles and demonstrate integrity and competence in professional practice.

A specialist (or suitably qualified person) may not be required for projects where no or minor likely social impacts have been identified.

All practitioners should follow relevant ethical considerations that apply to research involving people.[6] Research must be conducted in a responsible, safe, secure, impartial and respectful manner.

Safeguards should be put in place, and documented, to ensure that the assessment and the outcomes provide an impartial assessment and avoid potential conflicts of interest.

The lead author of the SIA report should include a signed declaration confirming:

- the date(s) on which the SIA was completed
- that the SIA contains all relevant information
- that they understand their legal and ethical obligations, and that none of the information in the SIA is false or misleading
- their qualifications, experience and professional memberships.

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6   For further information on ethical considerations, see: National Health and Medical Research Council, Australian Research Council and the Australian Vice-Chancellors' Committee. 2015. *National Statement on Ethical Conduct in Human Research*. Canberra: Commonwealth of Australia; and Vanclay F, Baines J & Taylor CN. 2013. Principles for ethical research involving humans: Ethical professional practice in impact assessment Part I. Impact Assessment and Project Appraisal, 31(4), 243-253.

Appendix C – Review questions

Use these review questions to confirm that the requirements of this Guideline have been fulfilled when considering the scale of social impacts of the project. The Department will also refer to these questions in undertaking its assessment of the project.

Table 4: Review questions

General	
1	Does the lead author meet the qualification and experience requirements?
2	Has the lead author provided a signed declaration?
3	Would a reasonable person judge the SIA report to be impartial, transparent and suitably rigorous given the nature of the project?

Project's social locality and social baseline	
4	Does the SIA report identify and describe all the different social groups that may be affected by the project?
5	Does the SIA report identify and describe all the built or natural features that have value or importance for people, and explain why people value those features?
6	Does the SIA report identify and describe historical, current, and expected social trends or social changes for people in the locality, including their experiences with this project and other major development projects?
7	Does the social baseline study include appropriate justification for each element, and provide evidence that the elements reflect both relevant literature and the diversity of views and likely experiences?
8	Does the social baseline study demonstrate social-science research methods and explain any significant methodological or data limitations?

Identification and description of social impacts	
9	Does the SIA report adequately describe likely social impacts from the perspectives of how people may experience them, and explain the research used to identify them? When undertaken as a part of SIA scoping and initial assessment, has the plan for the SIA report been detailed?
10	Does the SIA report apply the precautionary principle to identifying social impacts, and consider how they may be experienced differently by different people and groups?
11	Does the SIA report describe how the preliminary analysis influenced project design and EIS engagement strategy?

Community engagement	
12	Were the extent and nature of engagement activities appropriate and sufficient to canvass all relevant views, including those of vulnerable or marginalised groups?
13	How have the views, concerns and insights of affected and interested people influenced both the project design and each element of the SIA report?

Predicting and analysing social impacts	
14	Does the SIA report impartially focus on the most important social impacts to people at all stages of the project, without any omissions or misrepresentations?
15	Does the SIA report analyse the distribution of both positive and negative social impacts, and identify who will benefit and who will lose from the project?
16	Does the SIA report identify its assumptions, and include sensitivity analysis and alternative scenarios? (including 'worst-case' and 'no project' scenarios where relevant)

Evaluating significance
17   Do the evaluations of significance of social impacts impartially represent how people in each identified social group can expect to experience the project, including any cumulative effects?
18   Are the evaluations of significance disaggregated to consider the likely different experiences for different people or groups, especially vulnerable groups?

Responses, monitoring and management
19   Does the SIA report propose responses that are tangible, deliverable, likely to be durably effective, directly related to the respective impact(s) and adequately delegated and resourced?
20   Does the SIA report demonstrate how people can be confident that social impacts will be monitored and reported in ways that are reliable, effective and trustworthy?
21   Does the SIA report demonstrate how the proponent will adaptively manage social impacts and respond to unanticipated events, breaches, grievances and non-compliance?