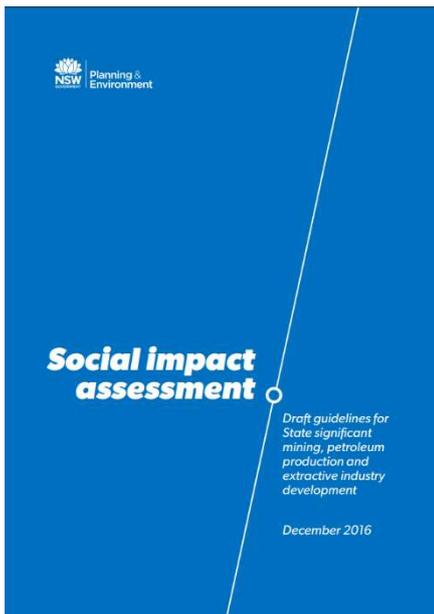


## NSW government proposes stringent requirements for social impact assessments



In January 2017, the NSW Department of Planning and Environment (DPE) released their [draft guidelines on social impact assessments](#) for significant projects in the state. The draft guidelines are open for public comment until 3 March 2017 and once finalised will be applicable to large mining and oil & gas projects with the intention to open them up to other types of projects in the future.

These guidelines seem to go well beyond the current requirements we see here in WA. One major difference is the notion that social impacts could be considered significant, regardless of any technical assessment, if the community has the perception that a particular issue greatly affects their way of life.

Social impacts are considered by the NSW DPE to be something that is experienced by people as a result of the proposed project. It could be changes to the physical, mental, social and spiritual wellbeing of a community, **as well as any perceptions they hold** about their safety, fears about the future of their community and their aspirations as a result of the proposed development.

This means that under the guidelines, the project proponent would be asked to address the community perceptions of a particular issue that previously may not have been considered significant based on the technical assessment results. Project owners now need to treat the issue as a significant one and outline their strategies to come to a resolution with the community.

In fact, the draft guidelines provide a number of characteristics to help determine the significance of a potential social impact:

- **Duration** – when will the impact occur and how long will it last?
- **Extent** – what is the geographical extent of the impact? How many people are potentially affected?
- **Sensitivity** – what is the social value the potentially affected people place on the affected part of their social environment? What is their ability to adapt and respond?
- **Severity** – how intense is the potential impact on the social environment or the potentially affected people? Is it severe or prolonged?

The guidelines state that if two or more characteristics are likely to be of high impact, or if their significance is unknown, then the social impact must be treated as a significant social impact and investigated as part of the overall social impact assessment. They go even further to state though, that project developers should also consider the level of concern within the community regarding any potentially negative impacts and if this level is high, those issues should also be included in the social impact assessment.

This is the big difference, previously for an impact to be considered significant enough to require engagement and addressing, technical data was required to confirm its significance. Under the guidelines, the significance of an impact can be confirmed if there is sufficient evidence of the community's perception of its importance to their way of life.

By comparison, the current WA requirements consider social surroundings to be *“the social surroundings of man are his aesthetic, cultural, economic and social surroundings to the extent that those surroundings directly affect or are affected by his physical or biological surroundings”*.

In order for these to be considered as part of the overall environmental impact assessment there needs to be a clear link between the proposed development's impact on the physical or biological surroundings and the impact on an affected person's or community's aesthetic, cultural, economic or social surroundings. For the

impact to be considered significant, a proposed project must be likely to have a significant effect on the environment. The types of areas where social surrounds might be considered significant aren't directly specified but could include:

- **Aboriginal heritage and culture** – in cases where actual physical protection of the environment is required or where there is a direct link from heritage to the physical or biological aspects of the environment. Traditional hunting and gathering activities for native fauna and flora is one example.
- **Natural and historical heritage** – impacts to sites on the State Register of Heritage Places, the National Heritage List and the World Heritage List will be significant as these sites are considered to have significant environmental values.
- **Amenity** – this includes the visual amenity such as natural landscapes and views and the ability for people to live, work and play within their surroundings without negative impact or unreasonable interference to their way of life, health and welfare. This may also include perceptions or tolerance for things such as noise, odour and dust that may affect the amenity of a location.
- **Economic** – this is considered only in the context of how the proposed development may impact the physical area and any resulting economic impacts from that physical impact. For example, the economic impact on a farmer who owns land next to a proposed mine site might be affected by the impact of the mine on local water supply.

Overall the NSW guidelines are much more comprehensive and direct how project proponents should go about their engagement strategies to a much greater degree than in WA. This is most evident in the below table that compares the principles for stakeholder engagement that each state employs.

NSW	WA
Action orientated – practical, effective strategies that promote better outcomes	Communication – is open, accessible, clearly defined, two-way and appropriate
Adaptive – strategies are monitored, reviewed and adjusted as required	Transparency – the process and outcomes are made open and transparent as possible and are agreed upon and documented.
Equity sensitive – the impact on future generations and the distribution across the affected communities of social impacts are considered	Collaboration – a cooperative approach to work towards mutually beneficial outcomes
Impartial – the assessment accurately reflects the views and insights shared by potentially affected communities and people	Inclusiveness – identifying and involving communities and stakeholders as early as possible and right throughout the process
Inclusive – the full diversity of people and communities that may be affected are identified and their views are understood.	Integrity – establish and foster mutual trust and respect with the proponent and the community.
Integrated – the social impact assessment leverages data and analysis from other specialist studies to cut down on double counting and duplication	
Life cycle focus – the assessment looks at the potential impacts at all stages of the project and considers cumulative effects and the post-project legacy left behind	
Material – the focus is on the potential impacts that matter most to the community and not just those that are easy to measure	
Precautionary – appropriate strategies to mitigate or minimise impacts should be implemented, even if there is a lack of scientific certainty about the impact.	
Proportionate – the scope and level of assessment is in proportion to the likely social impacts and the nature and scale of the proposed project	
Rigorous – the assessment is based on accepted social science methodologies and uses data and expert advice	

Transparent – the methods and assumptions used in the assessment are described to the community and data is accurately recorded.



Two things become clear. Firstly, both states value ‘respectful, inclusive and meaningful engagement’ with the communities, groups and people that will be affected by the development (or who have an interest in the project). Early and continuous engagement with key stakeholders is encouraged to ensure that expectations are managed and understood as early as possible, and certainly before a final project design is selected.

The key aim of these assessments in both states is to ensure the concerns and issues of communities and people affected by these developments are heard, addressed and strategies are employed to minimise or mitigate any negative impacts and enhance positive aspects. The processes around how this engagement takes place must be transparent, inclusive and documented so that affected communities and people understand how they can participate in the process and access information to make an informed decision about the development and its impact on their way of life.

The second key difference is the fact that in NSW, the requirements for community and stakeholder engagement has now been pulled into one document, while in WA requirements for stakeholder engagement are found across numerous guidelines, including; the WA Department of Mines and Petroleum’s Mining Proposal Guidelines and Mine Closure Guidelines and the Environment Protection Authority’s guidelines for human health and social surroundings. The result, is that in WA project proponents are able to approach their stakeholder engagement obligations based on the approach adopted by the particular individuals within those companies which drive the engagement strategy.

In WA, project developers would do well to take a more rigorous approach and certainly consider the community’s perceptions of any social impacts of their project. Developing your stakeholder engagement strategy as early as possible will go a long way to ensuring your project is designed to account for community concerns and impacts to their way of life.

If you need assistance understanding your stakeholder engagement obligations or require any help developing and implementing an engagement strategy, please do not hesitate to contact us via [enquiries@integratesustainability.com.au](mailto:enquiries@integratesustainability.com.au) or +618 9468 0338, we would be happy to help with a fit for purpose solution.