

DRAFT Social impact assessment guideline

October 2016

The Department of State Development

Copyright

This publication is protected by the *Copyright Act 1968*.

Licence



This work is licensed to the Department of State Development under a Creative Commons Attribution (CC BY) 3.0 Australia licence. To view a copy of this licence, visit:

<http://www.creativecommons.org/licenses/by/3.0/au/>

You are free to copy, communicate and adapt this publication, as long as you attribute it as follows:

© State of Queensland, Department of State Development, October 2016.



The Queensland Government is committed to providing accessible services to Queenslanders of all cultural and linguistic backgrounds. If you have difficulty understanding this publication and need a translator, please call the Translating and Interpreting Service (TIS National) on telephone 131 450 and ask them to contact the Queensland Department of State Development on (07) 3452 7100.

Disclaimer

While every care has been taken in preparing this publication, the State of Queensland accepts no responsibility for decisions or actions taken as a result of any data, information, statement or advice, expressed or implied, contained within. To the best of our knowledge, the content was correct at the time of publishing.

Copies of this publication are available on our website at www.statedevelopment.qld.gov.au and further copies are available upon request to:

Department of State Development
PO Box 15517 City East, Queensland 4002.
1 William Street Brisbane Qld 4000 (Australia)

Phone: 13QGOV (137468)
Fax: 07 3220 6465
Email: info@dsd.qld.gov.au
Web: www.statedevelopment.qld.gov.au

[Insert Source Number]

Contents

1.	Introduction	1
1.1	Application of this guideline	1
1.2	Policy intent for resource projects	1
1.3	Who should use the guideline	2
2.	The EIS and SIA process.....	2
3.	Objectives and outcomes of a SIA	2
3.1	Social baseline	3
3.2	SIA requirements.....	3
3.2.1	Data sources and data collection.....	3
3.2.2	SIA cross agency reference groups.....	4
3.2.3	Impact and opportunity assessment	4
3.2.4	Impact management strategies.....	5
3.2.5	Identification of stakeholders and stakeholder engagement.....	5
3.3	Roles of Stakeholders.....	5
3.3.1	Project proponents	5
3.3.2	State agencies.....	6
3.3.3	Local governments	6
3.3.4	Non-government organisations.....	6
3.3.5	Landholders, residents, community and Indigenous groups	6
3.4	Management plans	7
3.4.1	Community and stakeholder engagement plan.....	7
3.4.2	Workforce management plan.....	8
3.4.3	Housing and accommodation plan.....	9
3.4.4	Local business and industry content (Procurement) plan.....	10
3.4.5	Health and community wellbeing plan.....	10
4.	Monitoring, review and compliance.....	11
4.1	Monitoring program.....	11
4.2	Reporting and review.....	11
4.3	Compliance activities	12

1. Introduction

1.1 Application of this guideline

This Social Impact Assessment (SIA) guideline applies to all projects subject to an environmental impact statement (EIS) under either the *State Development and Public Works Organisation Act 1971* (SDPWO Act) or the *Environmental Protection Act 1994* (EP Act). The Guideline is a statutory instrument for resource projects and a guideline for non-resource projects declared under the SDPWO Act.

This guideline replaces the SIA guideline that was last updated in July 2013.

1.2 Policy intent for resource projects

Along with the proposed *Strong and Sustainable Resource Communities* (SSRC) Act, this guideline constitutes the Queensland Government's policy framework response to the recommendations of the 2015 Parliamentary inquiry into 'Fly in, fly out (FIFO) and other long distance commuting work practices in regional Queensland'¹.

The SSRC Act, which will apply to resource (mining and petroleum) projects only, will:

- prescribe the SIA process for new resource projects
- prevent the future use of 100% FIFO workforce arrangements near regional communities
- prohibit discrimination against locals during the recruitment of new workers, and
- allow existing FIFO workers to move to a local community if they choose.

Together, the SSRC Act and this SIA guideline also aim to:

- support resource communities to attract and retain workers and their families
- provide improved opportunities for local governments to participate in the project impact assessment process
- maximise opportunities for competitive and capable local businesses to access resource project supply chains
- ensure worker accommodation arrangements are well planned and any worker village accommodation is of a good standard
- protect resource worker health and well-being
- provide sufficient flexibility to respond to the peaks and troughs in the resource sector, and
- minimise any consequential increases in costs to both proponents and governments in the assessment and operation of resource projects.

¹ <https://www.parliament.qld.gov.au/documents/committees/IPNRC/2015/FIFO/02-gr-160317.pdf>

1.3 Who should use the guideline

This guideline should be used by:

- proponents of major projects assessed under the *SDPWO Act* and the *EP Act* to inform the preparation of their SIA
- State agencies who have advisory and consultation roles in the assessment of a major project
- local governments who either have responsibilities for approvals related to the proposed project and/or are impacted by potential social impacts arising from the proposal
- non-government organisations that have responsibility for services that will be potentially impacted by the proposed project.

In addition to using the information in this guideline, project proponents must also consult the SIA Unit in the Office of the Coordinator-General (OCG) before and during the assessment process.

2. The EIS and SIA process

Project proponents are required to complete an SIA to enable the Coordinator-General to assess the potential positive and negative social impacts of a project as part of the EIS process. The SIA also provides a collaborative mechanism for government agencies, affected stakeholders and the community to engage with the proponent.

The SIA is released for public comment as an integral component of the overall EIS. Along with submissions received on the draft EIS, the SIA informs both the EIS evaluation report, and any outcome-focused conditions imposed by the Coordinator-General (for non-resource projects) or stated by the Coordinator-General under the proposed SSRC Act.

3. Objectives and outcomes of a SIA

The desired outcome of SIA is influenced by the concept of establishing or maintaining a 'social licence to operate' with the community. This concept has been used in several industry sectors for some years. It generally describes the informal acceptance or agreement the local, regional, state or national community extends to a proponent for new development or the ongoing operation of an existing business.

The SIA should be based on the best data available, cover the full lifecycle of the project, and engage communities of interest in a meaningful way, recognising local knowledge, experience, customs and values.

3.1 Social baseline

The social baseline study should include impacts at the project site and, along the supply chains to where associated service activities are located. The geographic extent and scope of the assessment should be agreed with the SIA Unit of the OCG to ensure an appropriate baseline is established. The study should include:

- an identification of the stakeholders, including the communities of interest
- a social baseline study of the impacted communities of interest, for example:
 - community history, Indigenous communities, culture and key events that have shaped economic and social development, resilience and trends
 - key industries in the region and any historical considerations, pressures or vulnerabilities experienced by these industry sectors
- an overview of state government legislation and policies relevant to the SIA.

The baseline study also provides the basis upon which the proponent may describe the nil-project scenario.

3.2 SIA requirements

3.2.1 Data sources and data collection

Collecting the right data is one of the most important processes in undertaking a baseline study.

While published data from the Australian Bureau of Statistics (ABS), the Queensland Government Statisticians Office (QGSO) or government agencies and local government should be used, the baseline study needs to be complemented by recent on the ground research. Desktop research is not sufficient to provide baseline data. The SIA report must identify any gaps in data.

Using multiple data sources will enhance the validity of the analysis. Qualitative data may be sourced from a range of stakeholder and community engagement activities, including:

- calling for written submissions from affected stakeholders
- documenting and addressing issues that are raised in public forums
- conducting surveys of residents and affected stakeholders.

Broad data categories may include:

Community history and culture including Indigenous history and culture	Income and cost of living
Population	Social infrastructure
Workforce participation, employment and diversity profile	Technology
Profile on non-resident workers	Community health and safety
Housing and accommodation – cost availability and range of housing options	Transport
Education and training	Socio-economic advantage, disadvantage and resilience
Business, industry and economy	Relevant information from the economic impact assessment
	Existing cumulative impact data

Data collected in the development of the social baseline study should be compared, aligned and analysed using best practice social science research methods.

3.2.2 SIA cross agency reference groups

The Office of the Coordinator-General will establish SIA cross-agency reference (CAR) groups for relevant regions when required to provide a collaborative approach to SIA. Membership of the CAR groups will include relevant state government agencies and local governments. To the extent that it is possible, the SIA CAR group meetings will be convened in the relevant region, but practical constraints may necessitate that some meetings will be held in Brisbane. A project proponent may be invited to a CAR group meeting to discuss project details and proposed impact management strategies. Technical experts or other key stakeholders may also be invited to attend a CAR group meeting as required.

The frequency and agenda of each CAR group meeting will vary with project and regional circumstances. CAR groups will consider cumulative impacts of projects in the region.

3.2.3 Impact and opportunity assessment

The proponent's approach and methodology for identifying and rating social impacts should be agreed within its organisation. The process implemented by the proponent will need to be consistent with the community's capacity to participate.

An assessment of potential impacts and opportunities across each stage of the project lifecycle is to be informed by the social baseline study, as well as feedback from stakeholder engagement. The potential opportunities and impacts must be identified by considering the potential changes to the areas included in that study.

Proponents should use rating tools consistent with nationally or internationally recognised risk management standards. Upon request, the Office of the Coordinator General can provide an example of a risk impact and opportunity assessment.

Stakeholders and the community must be given the opportunity to comment on the rating of the impacts. In instances where stakeholders do not support the ratings, this should be stated and the reasons why explained and documented.

3.2.4 Impact management strategies

Once the social impacts and opportunities are identified, the proponent, in consultation and collaboration with stakeholders, must develop and document social impact management strategies. Such strategies must also be developed for expected cumulative impacts of projects within the region.

The SIA must demonstrate that the hierarchy of avoid, minimise, mitigate and offset impacts has been followed. Options to mitigate impacts must only be proposed where all reasonable project design, location, consultation and implementation measures have been explored to avoid or sufficiently reduce the social impacts.

Proposed impact mitigation measures should be relevant, reasonable, cost-effective, transparent, enforceable and focussed on outcomes rather than prescriptive processes. Such measures should also incorporate adaptive management to both:

- address changes in the socio-economic environment that may occur during the construction and operation of the project, and
- amend mitigation measures where they are proven to be either insufficiently effective or having unintended negative consequences.

The impact mitigation strategies that are developed during the SIA need to be embedded across the proponent's business. This will include developing management systems and operating procedures to deliver the social outcomes. These strategies must be included in the SIA and be submitted with the EIS documentation.

3.2.5 Identification of stakeholders and stakeholder engagement

A description of the key stakeholders affected by the project must be provided in the SIA. Stakeholders that should be considered include state agencies, local governments, non-government organisations, unions, landholders and community/resident groups.

An outline of the role of each stakeholder group is provided below.

3.3 Roles of Stakeholders

3.3.1 Project proponents

Project proponents are required to prepare an SIA that identifies the social impacts, especially those that are high risk over the project lifecycle. Mitigation measures must include commitments to:

- continuous improvement in SIAs through recognised best practice engage and collaborate with the local community, local and state governments and relevant stakeholders
- upon request, present information to the Regional CAR Group

- prepare the management plans described in section 3.4
- implement, monitor, review and report on impact management plans.

3.3.2 State agencies

State agencies are required to:

- provide information and data for the social baseline assessment
- review the proponent's SIA
- assess potential impacts on state government services and make a submission to the Coordinator-General or Department of Environment and Heritage Protection (DEHP) delegate, as appropriate.

State agencies may also engage with proponents on strategies to mitigate impacts on state government services and participate, collaborate and negotiate with proponents as part of the Regional CAR Group process.

Where appropriate, state agencies may provide draft conditions relevant to their services for consideration by the Coordinator-General during the preparation of the EIS evaluation or assessment report.

3.3.3 Local governments

Local governments play an important role in reviewing project proposals and providing consistent data and information for the social baseline assessment. Relevant local governments may also:

- review the proponent's SIA and assess potential impacts on local government services and make a submission to the Coordinator-General or DEHP delegate, as appropriate
- attend Regional CAR Group meetings
- engage, collaborate and negotiate with proponents on strategies to mitigate potential impacts on local government services
- represent local community groups as appropriate.

3.3.4 Non-government organisations

Non-government organisation may be requested by the proponent or Regional CAR Group to provide information and data for the social baseline assessment. These organisations may also:

- review the proponent's SIA and assess potential impacts on non-government services and make a submission to the Coordinator-General or DEHP delegate, as appropriate
- engage with proponents on strategies to mitigate potential impacts on non-government services.

3.3.5 Unions

Relevant Unions may be requested to provide information and data to support the social baseline assessment. The unions may also:

- review the proponent's SIA and assess potential impacts on local government services and make a submission to the Coordinator-General or DEHP delegate, as appropriate
- engage with proponents on strategies to mitigate potential impacts on workers
- represent employee groups.

3.3.6 Landholders, residents, community and Indigenous groups

Individuals, the community and Indigenous groups have the opportunity to:

- review the proponent's SIA and assessment of impacts during the EIS public consultation period and make a submission to the Coordinator-General or DEHP delegate, as appropriate
- engage with proponents on strategies to mitigate these impacts.

3.4 Management plans

As prescribed by the proposed SSRC Act, the SIA for each resource project must provide plans for the following:

- community and stakeholder engagement
- workforce management
- housing and accommodation
- local business and industry content
- health and community wellbeing.

For non-resource projects, provision of these five plans in the SIA is recommended.

While a summary of the requirements for these plans is provided below, proponents should also seek direction from the SIA Unit in OCG, early in the process to agree the content of the plans.

While this guideline generally sets out the SIA process, individual project circumstances necessitate that the actual SIA requirements for a project are specified in the Terms of Reference (ToR) for the EIS.

The Coordinator-General may require that any of the plans be updated prior to construction if more than two years have elapsed between the EIS evaluation report and the commencement of construction, or if there have been significant changes to the economic and social environment. This will ensure the SIA mitigation and management strategies remain current.

3.4.1 Community and stakeholder engagement plan

The proponent is required to develop a community and stakeholder engagement plan. This plan should support open and transparent dialogue with stakeholders. It requires identifying and working with all potentially affected individuals and groups from the start of the planning and design stages of the project. It includes affected local and state government agencies and local and regional communities.

An appropriate range of stakeholder and community engagement techniques, (for example different approaches for literacy levels and cultural differences) should be demonstrated.

The plan needs to incorporate an inclusive and continuous process between the proponent and the communities of interest that identifies social opportunities and impacts that are directly related to the project. The community and stakeholder plan should include:

- a program for the proponent to communicate to stakeholders the:
 - project details
 - expected social impacts and opportunities
 - mitigation and management strategies identified
 - the process for ongoing consultation, liaison and negotiation in relation to the implementation of agreed mitigation and management strategies during the lifecycle of the project
 - actions to promote an active and ongoing role for stakeholders throughout the project lifecycle
- responses from communities of interest about the mitigation of impacts and the transparent integration of these responses in the project's SIA
- details of the meetings set up for communities, including:
- outcomes agreed through the implementation of management and mitigation strategies.

3.4.2 Workforce management plan

A Workforce management plan is required that addresses:

- the size, nature and location of the project workforce for construction and operational phases, including the projected proportion of workers who will use FIFO, bus-in, bus-out and drive in, drive out arrangements
- workforce demand: the estimated composition of proposed workforce by occupation, project stage and duration
- labour supply analysis for the relevant region(s)
 - planning and policies for recruiting workers that considers relevant areas of high unemployment, Indigenous workers, women and people with disability
- in order of priority, a commitment and strategies for recruiting and training personnel from:
 - local and regional communities
 - recruitment to the regional community
 - recruitment from priority areas, such as areas of high unemployment and socio-economic disadvantage
 - recruitment from other areas of Queensland
- the plan must include details of all operational employees whether employed directly, by contractors or by other recruitment arrangements
- roster arrangements for local, regional and FIFO/DIDO operational workers

- training and development strategies and initiatives for the recruitment of local and regional workers to build better local and regional skills capacity
- targets and performance indicators in relation to:
 - local, regional and FIFO recruitment strategies and initiatives
 - training and development strategies and initiatives including vulnerable groups, women, people with a disability and Indigenous people
- employee assistance programs to support worker physical and mental health and well-being, including a description of the range of services to be provided.

3.4.3 Housing and accommodation plan

A Housing and accommodation plan is required that demonstrates and includes:

- clear understanding of impacts and detailed mitigation strategies for accommodating local, regional and FIFO construction and operational project workforces
- a review of available accommodation in local and regional housing markets over the construction and operational phases of the project
- projected population increases attributable to the project
- analysis of the impact of the demand for housing from the project workers and their households, and related housing affordability
- type and location of proposed accommodation for workers and projected impacts of this accommodation during construction and operational phases
- analysis of the projected workforce mix (e.g. FIFO, new and locally based operation workforce and workers who are sourced locally)
- current and projected rental and purchase costs
- current and projected rental vacancy rates
- impact of current and projected rental costs on low and moderate income workers in industries other than the resource industry
- subject to the housing market analysis above, the proportion of the operational workforce that will be located in local towns
- strategies for the provision of accommodation for workers and their families who wish to live locally and the level of assistance that will be provided by the proponent.

When outlining plans for worker accommodation villages, project proponents must include:

- details of the projected size, design, location and duration of construction and operational villages
- details of any existing accommodation camps operated by the proponent, total bed capacity and current vacancy rate
- consultation, negotiation and agreement with local government and/or state government on current status of approval process for proposed accommodation camps
- a strategy for provision of recreation, infrastructure and health and social services in the accommodation camps.

3.4.4 Local business and industry content (Procurement) plan

The *Queensland Resources Council Code of Practice for Local Content* (2013), is widely used as a basis for procurement plans across the resources sector.

The plan should include:

- an assessment of the current local community and regional supplier capacity and capability
- any proposed programs and policies to be implemented to build local and regional capacity and capability
- procurement strategies and initiatives to be implemented for local and nearby regional suppliers

The plan should also apply to contractors and sub-contractors engaged to undertake operational activities on behalf of the project owner.

3.4.5 Health and community wellbeing plan

A health and community wellbeing plan is required that details:

- forecast impacts on access and demand for health and medical services provided by hospitals, general practitioners and community health centres
- strategies for how these health services will be maintained for the community
- any community concerns about potential health and safety impacts resulting from the project and any mitigation strategies to be implemented, including for road safety
- the level of on-site health services to be provided for workers
- any workforce code of conduct to manage worker behaviour in impacted communities
- emergency response arrangements and mitigation strategies agreed with emergency service providers, for incidents both on and off the mine site
- impacts on community services and facilities, including child care, family, domestic violence, youth and disability support, community and sporting organisations
- how impacted community services and facilities will be maintained for the community
- scope, frequency and scale of any community development programs to be implemented and outcomes to be achieved
- consultation, monitoring and mitigation strategies in relation to potential community health impacts in relation to air quality, noise and water.

4. Monitoring, review and compliance

4.1 Monitoring program

The proponent will monitor the progress and effectiveness of mitigation strategies and ensure stakeholder input is considered as part of the ongoing implementation process.

Monitoring must:

- track the progress and assess the effectiveness of mitigation and management strategies
- capture information with which to advise communities and government on progress and achievements
- facilitate engagement, consultation and collaboration with stakeholders

The key components of a monitoring program are:

- a list of identified impacts and issues
- targets and outcomes sought
- how management of the impact will be monitored and reported
- the party responsible for the implementation of each monitoring strategy
- timing and frequency of monitoring
- key performance indicators that are informative, relevant, measurable, simple to report and easily understood.

Reporting and review

The frequency of reporting will depend on the individual circumstances of each project. It will be determined by the SIA Unit of the OCG in consultation with the proponent and specified in the EIS Evaluation/Assessment Report.

Prior to construction, the reporting regime may be amended if more than two years have elapsed between the evaluation report and the commencement of construction, or if there have been significant changes to the economic and social environment.

Annual reports are usually required for a period of five years after construction starts. Thereafter, reporting will be at much longer intervals (e.g. each ten years) or at key operational changes (e.g. a large quantum increase in production; or at decommissioning).

An assessment of the progress and outcomes against the Coordinator-General conditions, mitigation strategies and proponent's commitments will be undertaken for each of the five plans described in section 3.4.

The Coordinator-General will review these reports in consultation with state agencies, local government and relevant stakeholders and may make recommendations or give directions to the proponent if any further action is necessary.

4.2 Compliance activities

The Coordinator-General's enforcement powers are described in Part 7A of the SDPWO Act. Further information is available in the *Strategic Compliance Plan* on the Department of State Development website².

Compliance requirements, which are usually described in the EIS evaluation report, may include:

- a third party audit certifying the proponent's compliance with relevant conditions
- review by the Coordinator-General of annual reports or management plans, providing direction to the proponent on any corrective actions that may be required
- reporting by the proponent on any non-compliance with conditions and subsequent measures taken to correct such non-compliance and minimise the probability of reoccurrence.

The OCG SIA Unit may also undertake further auditing of the project's activities as a result of the findings of a report or as part of a targeted audit program.

² <http://www.statedevelopment.qld.gov.au/compliance-monitoring-and-enforcement/>

The Coordinator-General

PO Box 15517

tel 13 QGOV (13 74 68)

fax +61 7 3452 7486

info@dsd.qld.gov.au

www.statedevelopment.qld.gov.au