Social impact assessment

Preparing a social impact management plan: draft guideline

March 2010—for consultation
Introduction

The Queensland Government’s Sustainable Resource Communities Policy, released in 2008, states that proponents of new or expanded major resource development projects will be required to develop a social impact management plan.

The policy was developed in response to growth management issues associated with the resource development areas of the Surat Basin, Bowen Basin and North West Minerals Province.

This draft guideline has been developed by the Department of Infrastructure and Planning in collaboration with members of the Sustainable Resource Communities Partnership Group including the Department of Employment, Economic Development and Innovation; the Queensland Resources Council; and the Local Government Association of Queensland.

The draft guideline aims to help proponents develop a social impact management plan in collaboration with stakeholders. The plan must be prepared in accordance with the Sustainable Resource Communities Policy and the Queensland Government’s environmental impact assessment and resource development legislation, policies and procedures.

Purpose

A social impact management plan establishes the roles and responsibilities of proponents, government, stakeholders, and communities throughout the life of a project in mitigating and managing social impacts and opportunities during construction, operation and decommissioning of major resource development projects.

Following a social impact assessment, a thorough and well-researched social impact management plan should be prepared by the proponent. The plan should:

- reflect the findings and recommendations of the project’s social impact assessment, including consideration of the results of engagement with stakeholders
- present only a concise summary of the findings of the social impact assessment—the analysis of the existing social and cultural area, potential positive and negative impacts, and mitigation measures should be described in detail in the project’s social impact assessment
- be a plain-English standalone document
- summarise for all stakeholders the potential positive and negative impacts of the project, proposed mitigation and management strategies, and implementation actions
- be developed for the life of the project
- promote an active and ongoing role for communities, local authorities and all levels of government through construction, operation and decommissioning.
A social impact management plan only covers the period from project approval onwards. It does not cover the management of social impacts that may occur during the feasibility and exploration stages of a project.

**When social impact management plans are required**

A social impact management plan is required for either:

- new or expanded major resource development projects which require an environmental impact statement (EIS) to be prepared under either the *Environment Protection Act 1994* or the *State Development and Public Works Organisation Act 1971*
- a project for which the Department of Environment and Resource Management has given approval to a proponent to voluntarily prepare an EIS.

A draft social impact management plan should be developed following the completion of the social impact assessment and submitted to the government with the EIS, prior to the public consultation period. A final plan should then be submitted with the final EIS.

**Unresolved social issues**

Given the range of stakeholders involved in projects and the complexity of some social issues, it is not always possible to reach full agreement, consensus or a clear way forward on all mitigation strategies at the time a plan is submitted with the EIS. Where there are unresolved matters, strategies and actions to resolve these should be articulated and included in the mitigation table of the plan.

Proponents should strive to submit the final social impact management plan with the final EIS. If the proponent’s intent is clear—and the actions or steps outlined are reasonable—it is likely this approach would be sufficient for assessing project approval. As with other mitigation strategies from the plan, these unresolved strategies should be accompanied by key performance indicators and timeframes, be incorporated into the monitoring plan, and be reported on as project implementation proceeds.

**Responsibility for preparing a social impact management plan**

The proponent is responsible for preparing a social impact management plan.

In preparing the plan, the proponent must collaborate with stakeholders, particularly:

- local government
- Queensland Government departments and agencies
- relevant federal government departments and agencies
- service providers.

The plan should also reflect broader community engagement undertaken as part of the social impact assessment.
The role of the Queensland Government

The Department of Infrastructure and Planning will coordinate the Queensland Government’s involvement during the development of social impact management plans. The department’s role includes working closely with the Department of Environment and Resource Management to support their coordination and assessment of EISs required by the Environment Protection Act 1994.

To ensure effective coordination and communication on all EIS-related matters the following arrangements apply to the development of a social impact management plan during the EIS process:

- where the EIS is being conducted under the State Development and Public Works Organisation Act 1971 proponents should direct all inquiries regarding a social impact management plan to the EIS project manager at the Department of Infrastructure and Planning
- where the EIS is being conducted under the Environment Protection Act 1994 proponents should direct all inquiries regarding a social impact management plan to the EIS assessment manager at the Department of Environment and Resource Management
- during the preparation of the social impact assessment, proponents must consult with the Social Impact Assessment Unit of the Department of Infrastructure and Planning—working arrangements between the proponent and/or consultants and the department can then be developed, including any necessary role for the unit in facilitating whole-of-government coordination.

The Queensland Government’s involvement in the development of social impact management plans is supported by the:

- Department of Infrastructure and Planning
- Department of Environment and Resource Management
- Department of Employment, Economic Development and Innovation

Their functions are to:

- provide and facilitate input, advice and access to state agency information for proponents regarding potential local, regional and cumulative project impacts
- facilitate access to information for proponents to departmental and agency planning processes, strategies and actions—for example, statutory regional plans, local government community plans, regional development plans and other relevant state and Commonwealth policies and programs
- provide accurate information to assist in the development of a social impact management plan such as:
  - relevant studies conducted for the Sustainable Resource Communities partnership group and local leadership group
  - whole-of-government information coordinated by Queensland Government departments
  - advice through the Office of Economic and Social Research on data sources to ensure consistency, relevancy and reliability of social impact assessment findings
• assess the adequacy of social impact management plans
• utilise social impact assessment findings and social impact management plans to improve planning for social infrastructure and services in resource communities, and to ensure planning of infrastructure and services considers anticipated socio-economic changes
• use regular progress reports and review processes to monitor and review the progress of social impact management plans, their key performance indicators and associated project activities.

What a social impact management plan should contain

A social impact management plan should include the following: project summary; identified impacts; impact analysis including mitigation and management strategies; monitoring, reporting and review mechanisms; and dispute resolution mechanisms.

These are discussed in detail below and are included in the sample template in this guideline’s appendix.

Section A: Project summary

The project summary should provide a concise 2–4 page summary of the project, with information drawn from the social impact assessment:

• the name and location of the project
• a brief summary of the project—including a statement of the project’s objectives and expected outcomes
• a description of the project’s social and cultural area of influence
• key social and cultural issues in the project’s area of influence, as identified in baseline studies of the social impact assessment
• the potential contribution of the project to regional development
• processes for monitoring the project
• an overview of the stakeholder engagement strategy from the social impact assessment—including key stakeholders and key stakeholder and community issues, concerns, views, attitudes and aspirations
• an overview of the proposed workforce profile including workforce accommodation and/or travel to work proposals.

A list of any existing activities and commitments by the proponent in the project’s social and cultural area of influence can be included in this section.

The potential contribution and links of the project to regional development should be determined in the social impact assessment through:

• consulting with the Department of Employment, Economic Development and Innovation
• aligning mitigation and management strategies with regional planning strategies and initiatives.

More detailed information can be provided in an appendix as deemed appropriate by the proponent.
Section B: Identified impacts

A list of all positive and negative impacts identified in the social impact assessment, should be included in the social impact assessment. They should be ranked by whether they are of high, medium, or low probability.

In preparing the social impact assessment, impacts should be identified in consultation with state government departments and agencies, and in collaboration with key stakeholders including community and local governments.

Example impact types and potential impacts are listed here:

<table>
<thead>
<tr>
<th>Example impact types</th>
<th>Example potential impacts</th>
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</thead>
<tbody>
<tr>
<td>Housing and accommodation (e.g. workforce housing and accommodation)</td>
<td>• Increased demand in tight market leads to higher accommodation or land costs</td>
</tr>
<tr>
<td>Workforce (e.g. recruitment and training of construction, operational workforces and travel to work)</td>
<td>• Increased competition for labour and contractors</td>
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<tr>
<td>Social infrastructure (e.g. including community health and safety, community services and facilities, traffic and transport, associated training, community partnerships)</td>
<td>• Increased local employment opportunities</td>
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<td></td>
<td>• Increased training demand</td>
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<tr>
<td>Cultural (e.g. Indigenous community issues, heritage matters)</td>
<td>• Positive workforce integration into community (e.g. volunteers, sport and social)</td>
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<tr>
<td></td>
<td>• Increased demand for education, health, justice, childcare, transport, and emergency services</td>
</tr>
<tr>
<td>Economic/business development (e.g. local business and employment opportunities, economic contributors to improvements in social and community wellbeing)</td>
<td>• Increased cost and demand for materials</td>
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<td></td>
<td>• Increased supply opportunities for local business</td>
</tr>
</tbody>
</table>

Cumulative impacts should also be considered, which may have been identified in the social impact assessment. These may include additional impacts on population, workforce, accommodation, housing, and use of social infrastructure from the project and other proposed resource development projects which are publicly known or communicated by government and overlap with the project's construction period.
Section C: Impact analysis

The impact analysis is a detailed listing of all identified impacts in priority order. For each identified impact, it should address the following:

- the phase of the project at which the impact is likely to occur
- the stakeholders involved
- the type of impact (positive or negative)
- probability (high, medium or low)*
- consequence (high, medium or low)*
- proposed mitigation and/or management strategies
- responsible parties
- proposed timeframe
- key performance indicators.

* An assessment of the probability and consequence of impacts is encouraged as part of the social impact assessment. Further guidance will be developed and issued in 2010. The inclusion of these assessments in a social impact management plan is not required until that guidance is issued.

Mitigation and management strategies

For each impact identified, the social impact management plan should include mitigation and/or management strategies that:

- are developed in collaboration with the relevant parties, enabling improved interaction between key stakeholders in resource communities
- utilise short-, medium- or long-term responses appropriate to the type, probability and consequence of impacts
- support, build on or link to existing local, regional and state government plans, strategies and programs, especially at the local and regional level to ensure greater certainty of outcomes and to increase the level of awareness and collaboration between all parties, wherever possible
- reflect or link to strategies and initiatives that are already being implemented by the proponent.

The plan should also include mitigation and/or management strategies to address any cumulative impacts identified during the social impact assessment. Cumulative impacts are those potential impacts which may result from the proposal interacting with other projects in the local area or broader region.

The social impacts of decommissioning or closure of a resource development project begin when the intent to close down is announced and the community or region must begin to adapt. A social impact management plan should include mitigation and/or management strategies to address impacts of the closure phase. At a minimum, it should include how and when (during operations) a proponent intends to commence closure planning in collaboration with key stakeholders.
Stakeholders
The social impact management plan must list the key affected stakeholders including:
- project proponent
- local government authority
- state government agencies
- directly affected landholders
- industry or community parties who may be represented on a stakeholder/community reference group.

In some cases a stakeholder may play a role in implementing the strategy but may not have been identified or committed to specific actions. Regardless, all affected stakeholders should be listed. The stakeholder engagement strategy should include actions to involve stakeholders in the development of mitigation and management strategies.

The following resources are required in line with the Sustainable Resource Communities Policy:
- community plans developed by local governments
- local economic development plans developed by local development boards
- work plans developed by the Local Leadership Group

As these initiatives mature in future years they will be of increasing relevance to social impact management plans and will provide valuable data and guidance for stakeholder identification, impact analysis and community engagement.

Mitigation and management timeframes
For short- or medium-term impacts (1–3 or 3–5 years) that are of high or medium probability and consequence, specific timeframes should be identified for when actions will be undertaken to address the impacts.

Impacts that may occur in the longer term (5–10 years) should, if possible, be nominated a year or key project milestone when the mitigation or management strategies will need to be planned and implemented.

Section D: Monitoring, reporting and review
A social impact management plan should include:
- a monitoring plan for mitigation and management strategies designed to address high and medium probability and consequence impacts
- procedures for periodically reporting progress and results to company management, the Queensland Government and affected stakeholders
- any requirements for coordination or joint action among various parties.
Monitoring

Monitoring is the primary responsibility of the proponent. It enables tracking and evaluation of the project’s progress towards its objectives and expected outcomes. Monitoring can assist to:

- track progress on implementation of mitigation and management strategies
- assess the return a proponent is getting from its community investments
- capture information to advise communities and government on progress and achievements
- facilitate dialogue with stakeholders.

Stakeholder and community participation can assist in many aspects of monitoring, such as collecting data and participating in the development of monitoring frameworks. Meaningful participation can help to build public confidence and trust.

Key components of a monitoring plan are:

- impact—list of identified impacts and issues—for example, increased demand on emergency services
- targets and outcomes sought
- monitoring strategy—how management of the impact will be monitored—for example, regular communication with Department of Emergency Services and other service providers
- responsibility—document the individual responsible for the implementation of each monitoring strategy—for example, community relations manager
- timing and frequency—document how often monitoring of the impact should take place—for example, monthly
- key performance indicators—informative, relevant, measurable, useful, widely recognised, simple to report and easily understood indicators.

Reporting

The frequency of reporting may depend on the type of mitigation and management strategies contained in the social impact management plan.

During the construction phase, proponents should submit an annual report on progress against the social impact management plan. As the size and complexity of projects vary considerably, the reporting regime for the operational phase will be as agreed with the state government during the approval process.

Review

An external review of the social impact management plan will be undertaken at agreed times. The Department of Infrastructure and Planning’s compliance plan identifies external review as a fundamental aspect of an effective compliance program.
Options for the timing of external reviews of a social impact management plan include:

- two years after commencement, then every three years
- two years after commencement, then at key project milestones—for example, for a coal mine, a review may be conducted at the time of planned increases in production levels
- every three years
- as otherwise agreed between the proponent and the Queensland Government.

Following each external review a report will be provided to the Social Impact Assessment Unit of the Department of Infrastructure and Planning. This report will include:

- an overview of the effectiveness of implementation
- an assessment of progress against nominated performance indicators
- an explanation of why any actions were not undertaken as planned and if required
- recommendations to improve future performance.

The proponent may also elect to conduct additional internal reviews.

The Coordinator-General may, as a condition of approval or a condition imposed on a Coordinator-General’s report, require proponents to have their activities audited by an independent and suitably qualified person to determine whether activities are in compliance with the conditions imposed. This may be a requirement at either or both the construction and the operational phases of the project, depending on the nature of activities.

The Compliance Unit of the Department of Infrastructure and Planning may consider the review reports and make recommendations to the Coordinator-General if any further action is considered necessary. The unit may also undertake further monitoring or auditing of a project’s activities as a result of the findings of a report or as part of a random or targeted audit program. Such audits may include analysis of the level of compliance with conditions or an assessment of the accuracy of the audit report submitted to the Coordinator-General.

**Amendment and termination**

Amendments and updates to a social impact management plan should be made if the strategies and actions no longer meet the desired outcomes, or to improve their effectiveness. Consideration of any actions requiring amendment should occur during the regular review process. This may also need to occur at key project milestones or events to ensure a social impact management plan remains relevant.

A social impact management plan may be altered, re-structured, re-scoped or terminated through agreement by both government and the proponent, following consultation with key stakeholders.
Amendments to a plan may be necessary in cases such as changes in government policy, significant changes to company operations and site structure, or significant national or international changes to management approaches and frameworks.

Any proposal to amend a social impact management plan would involve negotiation between the proponent and the Department of Infrastructure and Planning. A process to facilitate any amendments should be identified. If necessary, the stakeholder engagement strategy should be updated to describe how stakeholders will be engaged in any change process at the time.

Section E: Stakeholder engagement strategy

A social impact management plan must include a stakeholder engagement strategy which covers:

- a list of key stakeholders—individuals, non-government organisations, community groups, community representatives, Indigenous organisations, local authorities, state and Commonwealth government departments and agencies—and a description of their interest in the project
- actions to promote an active and ongoing role for stakeholders throughout the project life cycle
- management strategies to ensure that stakeholder and community engagement processes are integrated into project implementation at site level, and at local, regional and state levels
- mechanisms to support a regular review of the effectiveness of the stakeholder engagement strategy.

Section F: Dispute resolution

The dispute resolution mechanism should support an active response to community and stakeholder concerns about social impact issues. This mechanism may be aligned with existing organisational processes and include:

- a dedicated pathway and process for handling grievances
- procedural elements—for example, a documented procedure outlining steps to be taken to prevent and handle community grievances
- records—for example, complaints and grievances logs and data, evidence of information and communication about the mechanisms or process and outcomes
- dedicated resources—for example, human and financial resources, formally defined responsibilities for grievance handling
- evidence of dialogue with aggrieved parties and/or use of alternative dispute resolution techniques—for example, negotiations, mediation, arbitration where direct dialogue is not possible or does not lead to resolution of issues
- substantive outcomes—for example, improved organisational practice and relationships, conflict resolution validated by aggrieved parties.
Conclusion

This draft guideline has been developed to assist those preparing a social impact management plan. It should be used alongside the sample template provided at appendix A.

Further information on the environmental impact statement and social impact assessment are available on the Department of Infrastructure and Planning website at www.dip.qld.gov.au.

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### Appendix A—sample social impact management plan template

**Project title**

Social impact management plan

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<thead>
<tr>
<th>Section A: Project summary</th>
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</table>
**Section B: Identified impacts**

Ranked by probability—high, medium or low, and type—positive or negative

<table>
<thead>
<tr>
<th></th>
<th>High impact</th>
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<th>Medium impact</th>
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<td>Negative</td>
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# Section C: Impact analysis

*Impact headings are provided as a guide, headings will be determined by project social impact assessment requirements*

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<thead>
<tr>
<th>C</th>
<th>Impact</th>
<th>Phase</th>
<th>Stakeholders</th>
<th>Type of impact (Positive vs. Negative)</th>
<th>Probability (High, medium or low)</th>
<th>Management and/or mitigation strategies</th>
<th>Responsible parties</th>
<th>Timeframe</th>
<th>Key performance indicators</th>
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<td>Housing and accommodation</td>
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<td>Workforce</td>
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<td>C4</td>
<td>Cultural</td>
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<td>C5</td>
<td>Economic/business development</td>
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<td>C6</td>
<td>Cumulative impacts</td>
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### Section D: Monitoring plan

<table>
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<tr>
<th>Impact</th>
<th>Monitoring strategy</th>
<th>Target and outcomes</th>
<th>Responsibility</th>
<th>Timing and frequency</th>
<th>Key performance indicators</th>
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### Section E: Stakeholder engagement strategy

<table>
<thead>
<tr>
<th>List of key stakeholders—including community and Indigenous stakeholders</th>
<th>Stakeholders’ interests—in the project</th>
<th>Engagement actions—promoting an active and ongoing role for stakeholders and community throughout the project life cycle</th>
<th>Management strategies—integrating stakeholder and community engagement into project implementation at site level, and at local, regional and state levels</th>
<th>Review mechanisms—supporting a regular review of effectiveness</th>
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## Section F: Dispute resolution

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<tbody>
<tr>
<td>F1</td>
<td>Pathway and process for handling grievances</td>
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<td>F2</td>
<td>Procedural elements—a documented procedure outlining steps to be taken to prevent and handle community grievances</td>
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<td>F3</td>
<td>Records—complaints and grievances logs and data, evidence of information and communication about process and outcomes</td>
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<td>F4</td>
<td>Dedicated resources—human and financial resources, formally defined responsibilities for grievance handling</td>
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<td>F5</td>
<td>Evidence of dialogue with aggrieved parties and/or use of alternative dispute resolution techniques</td>
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<tr>
<td>F6</td>
<td>Substantive outcomes—improved organisational practice and relationships, conflict resolution validated by aggrieved parties</td>
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</tbody>
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