

#### Principles of SIA good practice <sup>4</sup>

**Involve the diverse public** – identify and involve all potentially affected groups and individuals.

**Analyse impact equity** – identify who will win and who will lose and quantify the vulnerability of under-represented groups.

**Focus the assessment** – deal with the issues and public concerns that really count not those that are just ‘easy to count’.

**Identify methods and assumptions and define significance** – describe how the SIA is conducted, what assumptions are used and how significance is determined.

**Keep decision-makers continually informed of how the SIA is progressing** – this will ensure that there are no ‘big surprises’ in recommendations made to decision-makers.

**Use experienced SIA practitioners** – employing experienced SIA practitioners will provide the best results.

**Establish monitoring and mitigation programmes** – manage uncertainty by monitoring and mitigating adverse impacts.

**Identify data sources** – use published social scientific literature, secondary data and primary data from the affected area.

**Identify and plan for gaps in data** – clearly identify any incomplete or unavailable information and the reasons why this could not be obtained.

#### What evidence sources can be used to assess impacts?

SIA uses a wide range of evidence to determine the effect of a proposed policy. Potential ways of gathering evidence could include:

- Reviewing similar SIAs conducted both domestically and overseas.
- Reviewing international and domestic literature in the area.
- Consultation with experts in the field (e.g. key informant interviews).
- Survey work (e.g. survey data could be used to help define the potentially-affected population).
- Conducting focus groups with stakeholders and affected populations.
- Mathematical modelling (e.g. trend extrapolation).
- Cost-benefit analysis.
- Quantitative evidence (e.g. Census information, quarterly household expenditure data, other data sources).

#### How does social impact assessment interlink with other assessment tools?

There are a number of other impact assessment tools currently being used both here in New Zealand and abroad. Two of the principal assessment tools are health impact assessment (HIA) and environmental impact assessment (EIA). HIA and SIA are closely related, with many of the impacts assessed in SIA considered as the wider ‘determinants of health’. However, SIA may have a broader focus looking at impacts which may not be considered as directly related to health.

EIA is defined as the process of identifying, predicting, evaluating and mitigating the biophysical, social, and other relevant effects of development proposals prior to major decisions being taken and commitments made.<sup>5</sup> EIA looks in more detail at the environmental impacts of a policy or programme but does not routinely consider many of the impacts central to SIA (such as lifestyle and community impacts). SIA is sometimes undertaken as a sub-part of an EIA, representing the assessment of the impact of a proposal on the ‘human environment’.

#### Services provided by Allen & Clarke Policy and Regulatory Specialists Ltd

Allen & Clarke can assist you with all aspects of the social impact assessment process including:

- Formal SIA preparation.
- Developing public involvement plans.
- Conducting consultation.
- Impact identification and assessment.
- Developing realistic and practical policy-based recommendations.
- Developing mitigation plans.
- Conducting monitoring and evaluation.

We work in the following areas: policy development; literature reviews and research; regulatory system design and implementation; project management and reviews and evaluations of agencies, systems and processes.

## A DESK-BASED GUIDE TO CONDUCTING SOCIAL IMPACT ASSESSMENTS

#### What is a social impact assessment?

Social impact assessment (SIA) is a study designed to predict and measure the effects of a public or private policy, programme or project on the surrounding population’s lifestyle, culture, community, health, environment, quality of life and political system. It includes processes for analysing, monitoring and managing the intended and unintended social consequences of these interventions. SIA is a *prospective* or *anticipatory* decision-making tool ideally used at the beginning of the planning process.<sup>1</sup>

#### Why conduct a social impact assessment?

Identifying the potential impacts of a policy or project should be part of any policy planning process. SIA can help develop strategies to mitigate the negative, and enhance the positive, impacts of a proposed policy. SIA can also help assist decision-makers to:

- Identify stakeholders likely to be affected and interested in the proposed policy or project.
- Facilitate and co-ordinate participation.
- Develop and assess alternative ways to achieve a desired outcome.
- Document the local historical and cultural context within which the policy must be developed.
- Develop an understanding of local values in the areas likely to be affected.
- Determine whether the policy or proposal should proceed or which alternative option is preferable.
- Formalise consultation and negotiation between stakeholders.
- Develop a monitoring programme to identify unpredicted impacts and keep track of predicted ones.<sup>3</sup>

#### What are social impacts?

Social impacts can be defined as the consequences to people of any proposed action that changes the way they live, work, relate to one another, organise themselves and function as individuals and members of society.

This definition includes social-psychological changes, for example to people’s values, attitudes and perceptions of themselves and their community and environment.<sup>2</sup>

#### When to conduct a social impact assessment

The following checklist can be used to determine whether the project, plan or policy change may benefit from a social impact assessment. To do this you should consider whether the proposed initiative could have any of the following impacts:

- **Lifestyle impacts** – is the proposal likely to impact on the way people behave and relate to their family, friends and community on a day-to-day basis?
- **Cultural impacts** – is the proposal likely to impact on the shared customs, obligations, values, language, religious beliefs and other elements which make a social or ethnic group distinct?
- **Economic impacts** – is the proposal likely to impact on the level of economic activity in the affected area. In particular, is the proposal likely to affect levels of employment, wages, aggregate wealth (including house prices) and business outputs? Note that these aspects may also be subject to a separate economic impact assessment.
- **Community impacts** – is the proposal likely to impact on infrastructure, services, voluntary organisations, activity networks and cohesion?
- **Amenity/quality of life impacts** – is the proposal likely to impact on sense of place, aesthetics and heritage, perception of belonging, security and livability, and aspirations for the future?
- **Health impacts** – is the proposal likely to impact on mental, physical and social well being? Note that these aspects can also be subject to a separate health impact assessment.
- **Environmental impacts** – is the proposal likely to impact on flora and fauna, soil, water, air, climate and the landscape? In particular, is the proposal likely to affect the quality of the air and water people use, the availability and quality of the food they eat, the level of hazard or risk, dust and noise they are exposed to, the adequacy of sanitation, their physical safety, and their access to and control over resources? Note that these aspects may also be subject to a separate environmental impact assessment.
- **An impact on the political systems** – is the proposal likely to impact on the extent to which people are able to participate in decisions that affect their lives, the level of democratisation that is taking place, and the resources provided for this purpose?

#### What does SIA add above and beyond existing policy development processes?

It is important to note that SIA is one of many tools that can be used to inform evidence-based policy development. It is best used in conjunction with existing policy development processes as a way of refining policy decisions through assessing their likely impact on affected populations. SIA should be seen as a way of adding further evidence to support and inform programme development and policy decisions. SIA achieves this by providing an independent assessment of the impacts of a proposed policy and potential strategies to avoid and mitigate harm.

SIA can also be used in conjunction with other programme and policy development tools, such as programme logic, as a way of assessing whether a programme is likely to have the desired outcome or effect. It can also identify ways the policy and programme logic model could be altered to help ensure desired outcomes are achieved.

#### References

This guide draws extensively on all the papers detailed below. Where specific quotations have been used, for example in definitions, they have been referenced in the text.

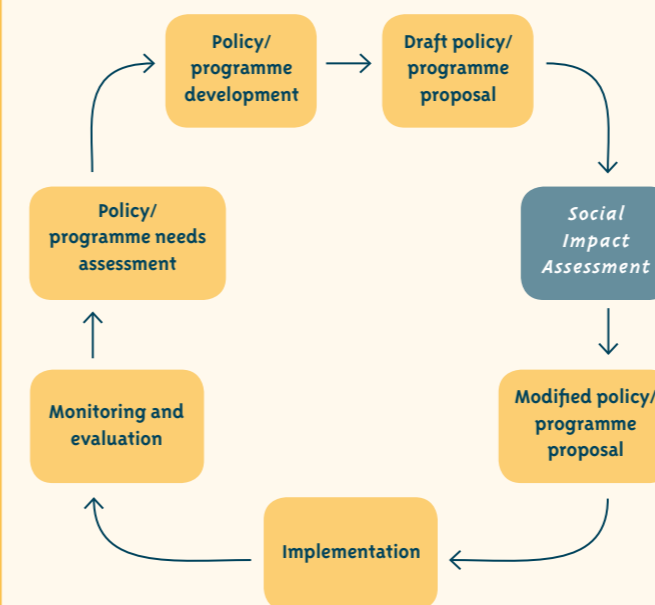
<sup>1</sup> Vanday, F. 2003. Social Impact Assessment: International Principles. Special publication series No. 2. International Association for Impact Assessment.

<sup>2</sup> Inter-organisational Committee on the Principles and Guidelines for Social Impact Assessment. 2003. Principles and Guidelines for Social Impact Assessment in the USA. Impact Assessment and Project Appraisal vol 21 No 3. Beech Tree Publishing. United Kingdom.

<sup>3,4</sup> United Nations Environmental Programme. 2002. Topic 13 – Social Impact Assessment. ETA Training Resources Manual. Earthprint.

<sup>5</sup> International Association for Impact Assessment in Co-operation with the Institute of Environmental Assessment (UK). 1999. Principles of EIA Best Practice. USA. Inter-organisational Committee on the Principles and Guidelines for Social Impact Assessment. 1994. Guidelines and Principles for Social Impact Assessment. US. Department of Commerce. NOAA Tech. Memo. NMFS-F/SPO-16, 29 p.

#### At what stage of the policy development process should an SIA be conducted?



## How to conduct a social impact assessment

Phase 1: Public Involvement	<p><b>What is involved</b></p> <ul style="list-style-type: none"> <li>Identify and list populations that could potentially be affected by the policy change or its various alternatives.</li> <li>Identify and list appropriate mechanisms to use to ensure that all affected and interested parties are actively involved in the SIA process.</li> <li>Develop a public involvement plan detailing how each of the potentially-affected populations might be involved and consulted (e.g. focus groups, interviews, surveys etc.).</li> </ul>	<p><b>What to consider</b></p> <ul style="list-style-type: none"> <li>Is the proposal likely to affect rural or urban populations, people who are socially or economically disadvantaged or people of various ethnicities?</li> <li>What is the most appropriate way to consult with those likely to be affected?</li> <li>What connections already exist to aid with the consultation process (e.g. existing connections with iwi groups, local government etc.)?</li> <li>At what stages of the process should groups be consulted (i.e. initial planning and policy development or policy implementation)?</li> <li>Can we involve the affected populations in the decision-making process? At what stage should we do so?</li> </ul>	Phase 4: Report recommendations and mitigation plan	<p><b>What is involved</b></p> <ul style="list-style-type: none"> <li>Recommend potentially beneficial changes to the policy based on information gathered in phase 3.</li> <li>Assess each recommended change separately.</li> <li>Use expert judgment and scenario modelling to assess the impact of recommended changes.</li> <li>Use an iterative process to develop recommended changes (the scope of this process will depend on time, funding and the magnitude of the policy changes).</li> <li>Consider ways to avoid, mitigate and/or compensate those adversely affected by the policy.</li> <li>Develop a mitigation plan to enhance the positive, and reduce the negative, social impacts of the proposed policy.</li> </ul>	<p><b>What to consider</b></p> <ul style="list-style-type: none"> <li>What changes could be made to improve the outcomes of the policy? Are the recommendations realistic and palatable for decisions-makers? What will be the results of the recommended changes? Who is most likely to benefit from the changes? Are those who benefit also those who suffer the majority of the negative consequences of the policy?</li> <li>A mitigation plan should: identify mitigation measures for each impact, customise them to the different affected groups, give priority to avoiding social impacts then minimise them as far as practicable and ensure impacts are not borne disproportionately by one group.</li> </ul>
Phase 2: Describing proposed policy and reasonable alternatives	<p><b>What is involved</b></p> <ul style="list-style-type: none"> <li>Profile the baseline conditions (the existing environment in the absence of the policy).</li> <li>Outline the aims, objectives and intended outcomes of the policy change.</li> <li>Outline and profile some reasonable alternatives to the current policy.</li> <li>Identify the policy's likely area of influence (i.e. will the effects be limited to a particular geographical area)?</li> <li>Profile and describe the communities and environment likely to be affected.</li> </ul>	<p><b>What to consider</b></p> <ul style="list-style-type: none"> <li>What features of the existing environment have prompted the policy intervention (e.g. a high level of childhood obesity could prompt a public health intervention)?</li> <li>What is the aim of the policy (e.g. to reduce obesity in under 18's)?</li> <li>What are the intended outcomes of the policy (e.g. a 20% reduction in overweight under 18's by 2012)?</li> <li>What is the proposal's sphere of influence (i.e. is the proposal likely to have a local, regional or national impact)?</li> <li>Are there likely to be any unintended outcomes?</li> </ul>	Phase 5: Monitor and Evaluate	<p><b>What is involved</b></p> <ul style="list-style-type: none"> <li>Identify deviations from the proposed action and any important unanticipated impacts.</li> <li>Track project and programme development and compare real impacts with projected ones.</li> <li>Identify the nature and extent of additional steps that should take place when unanticipated impacts or impacts larger than the projections occur.</li> <li>Assess the impact of the SIA on the development of the policy and give feedback to participants detailing how their feedback was integrated or considered.</li> </ul>	<p><b>What to consider</b></p> <ul style="list-style-type: none"> <li>Were there any negative or positive impacts from the proposal that were not identified in the SIA process?</li> <li>In what way did the real impacts differ from those predicted by the SIA process? Why were these impacts not foreseeable?</li> <li>What steps can now be taken to mitigate the unanticipated negative impacts?</li> <li>In what way did the SIA process impact on the development of the policy? (i.e. did the SIA result in substantial changes to the proposed policy? Which of the SIA's recommendations were taken on board?)</li> </ul>
Phase 3: Identify impacts and project effects	<p><b>What is involved</b></p> <ul style="list-style-type: none"> <li>Identify probable social impacts for affected groups and communities (refer to sources of evidence section overleaf for ways to identify probable impacts).</li> <li>Assess and predict the probable impacts of the proposal and the various identified alternatives against baseline conditions.</li> <li>Determine the significance of the identified social impacts for affected parties (consider using matrices to delineate social impacts alongside each of the identified parties likely to be affected by the proposal).</li> <li>Identify the subsequent, flow-on effects of the proposal, including the second/third order impacts and their incremental impacts when added to other past, present and foreseeable future activities.</li> </ul>	<p><b>What to consider</b></p> <p>When assessing and predicting potential impacts, consideration should be given to the following:</p> <ul style="list-style-type: none"> <li>Probability of the event occurring and the number of people that will be affected.</li> <li>Duration of impacts (long-term vs. short-term).</li> <li>Value of benefits and costs to impacted groups (intensity of impacts).</li> <li>Extent that the impact is reversible or can be mitigated.</li> <li>Likelihood of the initial impact causing subsequent impacts.</li> <li>Relevance of the impact to present and future policy decisions.</li> <li>Uncertainty over the impact's possible effects.</li> <li>Presence or absence of controversy over the issue.</li> <li>The experience with the effects of proposed actions on similar communities elsewhere.</li> </ul>			