

Returning the social pillar to sustainable infrastructure

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We live in a complex and fraught world where sustainability and development often compete rather than complement. Among the megatrends confounding impact assessment:

- Society's values are changing. Concern about the future of the planet has become a mainstream concern about humans' overuse of ecosystems to meet demands for food, fresh water, timber, fibre and fuel (Millennium Ecosystems Assessment 2005)
- We live in an age of turbulence, where disengaged citizens distrust experts and angry residents hold up 'nation-building projects' that disturb their values and neighbourhoods.
- Companies are on notice for 'greenwashing' (Armour 2021) but governments talk of watering down impact assessment – or 'cutting green tape' – to speed up development (Morgan 2021) while "glossing over value conflicts" (Dovers & Hussey 2013).
- Thwarted proponents accuse 'activists' of 'environmental lawfare' and disparage their angst while rights campaigners call for 'environmental justice', or equitable sharing of the benefits and harms of development.
- 'Sustainable development' might be seen as an oxymoron when "populations are exploding, we are chewing up our raw materials and oceans are becoming a sink for our waste" (Gardyne 2022).
- Capitalism, or the pursuit of material wealth, has undermined democracy, built inequitable power structures and fuelled unrest (Wilkinson & Pickett 2010; Stiglitz 2020).
- As cumulative development changes landscapes, seascapes and livelihoods, First Nations are challenging the effectiveness of footprint-based impact assessment of projects that disrespect interconnected knowledge systems and stewardship.

How can impact assessment inform decisions that respond to diverse values, political and socio-ecological complexities, community fears and aspirations and subjective judgements?

This paper explores how an outcomes approach and social performance plans might complement technocratic environmental impact assessment with a focus on long-term beneficial relationships with communities.

The limitations of impact assessment

Regulatory scrutiny of projects is important for good planning and good decisions. The process makes proponents account for the consequences of their actions and regulators for transparent and evidence-based decisions.

For consultants, however, a social impact assessment too often feels like a grudge purchase, like fuelling your car because you have to, without learning anything from the experience.

Impact assessment – in Australia at least – is dominated by monocultures of engineers and environmental scientists working within bureaucratic structures. This professional 'capture' may lead to ignoring knowledge from other disciplines and constrain thinking about sustainability to a narrow range of options defined by governments' ideology and priorities (Dovers & Hussey 2013). Decisions are made in an orderly linear way in vertical silos at horizontal milestones. The focus is on assessing and mitigating risk, not building better communities.

For social impact assessment, the orderly process may conclude with a management plan (SIMP) that might just as well be a paper weight or electronic rubbish bin. Projects are mostly approved with no

social conditions and no compliance or monitoring requirements. Rather, companies turn to corporate compliance standards and sustainability metrics as investor-focussed ESG reporting kicks in.

Even assuming a participatory impact assessment process, how can communities have any confidence that their contributions made a difference? How to shift the paradigm?

The opportunity

Over the past year, I have been working on a strategic social impact assessment (SSIA) for a major infrastructure project that is to include a sustainability outcomes framework.

In addition to thinking about how strategic assessments expand the temporal and geographic boundaries of a study, the project is seeking an infrastructure sustainability rating. Serendipity opened the door to a different way of thinking about sustainability based on four key elements, which will be described below: outcomes, wellbeing, sustainable development and social performance.

From risk to outcomes

Australian and Aoteroa New Zealand infrastructure sustainability principles and frameworks are quite forward-thinking. Infrastructure Australia (2021b, p.3) suggests that sustainable infrastructure is “planned, designed, procured, constructed and operated to optimise social, economic, environmental and governance outcomes over an asset’s life”. Further, “Infrastructure investment is driven by social, economic, governance and environmental outcomes to enable people and places to flourish and prosper” (Infrastructure Australia (IA) 2022).

Outcomes in environmental frameworks tend to set thresholds for negative impacts such as no net loss of species. For Infrastructure Australia, social, cultural, environmental and governance outcomes are the benefits delivered to people. The approach is based on ‘theories of change’ or program logic models which offer a structured pathway and qualitative approaches to determining outcomes, such as changes to knowledge, behaviour and conditions that matter to communities (IA 2022; Ramia et al. 2021).

Qualitative measures move beyond the accounting metrics of ‘impact’ to determine social influences, values and desired outcomes. The evaluation approach guides social purpose organisations in moving beyond measuring inputs and outputs (delivering 1000 meals) to outcomes that benefit communities (such as a 5% reduction in hunger).

How can this approach enrich impact assessment?

From GDP to wellbeing

While economic growth may enhance our wellbeing, problems arise if we assume that all economic growth is inherently beneficial, without questioning the nature of that growth (Parsons 2022, p.16).

Wellbeing frameworks move from GDP as a short-term, market-based measure of economic growth to account for the distribution of wealth and prosperity, as well as inter- and intragenerational equity, and other values and populations that rely on ecosystem services and nature for their livelihoods (Pascual et al. 2022; Stiglitz 2019; New Zealand Treasury 2018).

Too often infrastructure cost benefit analysis (CBA) goes no further than balancing ‘best bang for buck’ (economic efficiency) with environmental protection. While CBA might identify financially

optimal investment outcomes, it has limitations in analysing equity and distributional outcomes (Infrastructure Australia 2021a) and starves the social sustainability pillar.

Measuring human wellbeing turns to capturing whether people have the basic material for a good life, health, good social relations, security, freedom of choice and action (MEA 2005). New Zealand's Living Standards Framework led the way. Australian Governments are starting to adopt New Zealand's concept of 'wellbeing budgets' as a more holistic way of measuring long-term progress (Parsons 2022).

Sustainable development

Sustainability has become a buzz word meaning all things to all people, from recycling plastic bags to 'sustainable mining'. The original concept was that of 'enduring human wellbeing' (Grace & Pope 2013). But the concept of sustainability has been corrupted as an accounting reporting tool, viewed through the lens of business and finance (Funnell 2021).

Concerns about sustainability were driven by limits to growth literature in the 1970s, highlighting over-consumption of finite resources, population growth and threats to 'spaceship earth'.

The concept of sustainable development was conceived in the oft-quoted Brundtland Report (World Commission on the Environment and Development 1987) as a way of meeting human needs, particularly the productive potential of developing countries, while not depriving future generations of the planet's 'life support system' (Hundloe 2022).

The UN's 1992 Rio Summit (Agenda 21) conceived of sustainability as people-centred, in which "people are entitled to a healthy and productive life in harmony with nature", while combatting poverty and unsustainable consumption.

In 2015, the UN (Agenda 2030) produced 17 Sustainable Development Goals: such as reducing poverty, inequality and hunger, access to quality education, clean water and air and climate action.

While countries like Australia cast sustainability as an ecological principle, the Canadian Government refers to the 'five pillars of sustainability'. Canada's Impact Assessment Act 2019 describes sustainability as 'the ability to protect the environment, contribute to the social and economic wellbeing of the peoples of Canada and preserve their health in a manner that befits present and future generations' (Government of Canada 2021).

From a First Nations perspective, the ultimate description of sustainability is stewardship for their land and seas, sustaining livelihoods and not living off the land like parasites. "We have stepped lightly, living sustainably and ensuring that we live in harmony with Country. Always giving back as we take, knowing Country is our mother, and always with the knowledge that we must be good ancestors for those who come after us" (Australian Government, State of the Environment, Indigenous report 2021).

Giving social sustainability a higher profile may achieve the intended purpose of SIA, envisaged by Vanclay (2003) as contributing to 'socially sustainable development'.

From ESG to social performance

Like impact assessment, sustainability metrics have their place in holding companies accountable for their performance. However, I would argue, community relations, the corporate social responsibility approach of the 70s and 'social licence to operate' of the 1990s has been overtaken by ESG and fads that come in acronyms. Socially responsible behaviour (ISO 2010) has been colonised by accounting

metrics and the ‘fixer functions’ of corporate affairs (Kemp & Owen 2020). When accountants ‘put the S into ESG’, it’s not necessarily about people.

In sustainability reporting frameworks, ‘impact’ is a contribution that has to be quantified and monetised. Many are self-rating systems driven by reputation and “the needs of investors” (ISBB reporting standards).

Social performance plans shift the dial back to the 1970s, when corporate social responsibility evolved as a way of improving relationships and trust with people and communities.

Replacing regulatory SIMPS with community-focussed social performance – which aligns with the language of business – should act as a bridge from technocratic regulatory processes to project delivery.

Embedding impact assessment findings and outcomes in social performance plans informs a life cycle culture of contributing to the social and economic development of affected people and aligning a proponent’s behaviour with the activities and expectations of local stakeholders and broader society (ICMM 2022).

Sustainability-oriented social performance

A social performance plan built on holistic sustainability outcomes provides a systems approach that integrates impact assessment and ongoing evaluation of progress.

The research for a social impact assessment (SIA) provides the baseline data, outlines potential risks and opportunities and provides the evidence base on what matters to communities. The social performance plan articulates outcomes, objectives, valued components and indicators by which to evaluate progress as projects move from seeking regulatory approval to implementation.

Social sustainability outcomes might look like:

- **social:** enduring social fabric and wellbeing
- **economic:** enduring and equitable local prosperity
- **cultural:** enduring cultural identity (in this case First Nations)
- **governance:** strong institutions that encourage civic participation in decision-making
- **ecosystem services:** enduring ability of ecosystems to meet the needs and wellbeing of current and future generations.

Ecosystem services complements environmental science assessments of the inherent values of biodiversity. A focus on sustainable ecosystem services reflects how people use and value nature. The concept, outlined in the Millennium Ecosystem Assessment (MEA 2005) considers systems dynamics and interdependencies between human and natural systems.

Government and private proponents would be held accountable for evaluating compliance with the desired outcomes and continually adapting objectives in a participative way with the community and stakeholders.

The importance of values

Key methodologies for developing the outcomes framework and performance plan were a social expert reference panel and values mapping (the topic of a separate presentation). Values are pluralistic and deeply held, so must be derived from participatory approaches to define what matters to communities.

Conclusion

Human actions are depleting the Earth's natural capital. The ability of the planet's ecosystems to sustain future generations can no longer be taken for granted (MEA 2005).

Transformative change means considering human behaviour as a cause of this strain. The persistence of life – human and natural – is the ultimate rationale for saving the planet. Transformative change requires a long-term perspective, consideration of a broader range of values (Pascual et al. 2022) and moving from studies done in silos to system interdependencies. A social performance plan provides vertical integration with impact assessment and horizontal integration with both interdisciplinary studies and investor-focussed reporting.

Adopting infrastructure sustainability principles and outcomes frameworks measures lasting, systemic change – from sustainable procurement to improving the social fabric of a community – and provides for qualitative measurement of what matters to communities, not just what can be counted.

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