

# PIRSA

## Regional Impact Assessment Statement

Policy and Guidelines



## Foreword

South Australia's regions form the backbone of the state's economy, of our economic and cultural offerings derived from the farming, mining and tourism activities that occur regionally.

In fact, our regions generate more than one quarter of our gross state product, more than \$25 billion annually, while the primary industries and food and wine industries accounted for 57 per cent of the state's merchandise exports.

The benefits derived from our regions flow through to the rest of the state, driving our exports.

The Government of South Australia recognises that our regions are crucial for the future prosperity of the state as a whole.

Before implementing any government decision that is likely to impact significantly on a regional area, effective consultation and communication must occur with the affected regional South Australian communities.

All Government of South Australia departments, agencies and statutory bodies are required to prepare and publish Regional Impact Assessment Statements prior to implementing significant new initiatives or significant changes to existing Government services in regional areas.

Part of this commitment requires them to put in place an effective process for undertaking Regional Impact Assessment Statements as a means of informing government of, and making public, the results of such assessments.

This guide provides information to consider and integrate regional impacts into the design, development and review stages of the policy cycle.

With this guide, policy makers will be able to make informed assessment of a policy's benefits and costs, and where appropriate find ways to ensure impacts are managed through increased awareness and understanding of regional issues.

The guide is applicable to both the development of new and the review of existing policies, legislation and programs.

### **Hon Tim Whetstone MP**

Minister for Primary Industries and Regional Development

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# REGIONAL IMPACT ASSESSMENT STATEMENT POLICY

## Policy

The State Government of South Australia Regional Impact Assessment Statement Policy requires that prior to implementing any decision that will result in a significant impact to one or more regional communities, including changes to existing or introducing new services or initiatives, a Regional Impact Assessment must be undertaken, and a Regional Impact Assessment Statement (RIAS) prepared.

## Overview

Regional South Australia plays a key role in driving the State's economic growth and prosperity. Approximately 29 per cent of South Australians live outside Adelaide, and our tourism, food and wine industries are all driven by the powerhouse that is regional South Australia.

Our regions contribute strongly to the social fabric of South Australia; they are an integral part of our State's identity, and by their very definition cover the majority of our state but with far lower population densities than metropolitan Adelaide. This means that regional residents must often travel further to access services such as schools, hospitals and even employment opportunities.

The RIAS policy recognises the diversity of character, circumstances and needs of regional South Australia compared to metropolitan Adelaide. It also recognises the differences between regional areas and the degree of impact relative to the population and size of the affected area (viewed from the perspective of those it will affect).

## Principles

The RIAS policy is based on the principles of:

- community and stakeholder consultation for open, accountable and responsible decision-making
- transparency of administration
- reasonable equity in accessing government services and facilities

## Policy application

The RIAS process must be applied to any decision by a government agency or statutory body that, when implemented, will result in a significant impact to one or more regional communities, including changes to existing or the introduction of new services or initiatives. Throughout this document, government bodies are referred to by the single term of "agency".

The policy applies to both positive and negative impacts, including flow-on effects, and requires a RIAS to be prepared prior to implementing any planned alterations that will result in a significant change.

The process of developing the RIAS provides an opportunity for community involvement and consultation in relation to any planned significant change to existing services or new initiatives.

The RIAS policy recognises that government agencies can make decisions that have significant impacts on regional communities without requiring Cabinet approval, and

the RIAS policy applies equally to those decisions.

A RIAS is to be prepared and made publicly available irrespective of whether a new initiative or a change to the standard or level of a service or services has been the subject of prior Cabinet consideration and decision.

## Cabinet requirements

The Cabinet Submission template mandates that agencies are to provide details of the impacts of the submission, both positive and negative, including any regional impacts of the proposal.

The Cabinet Submission template is designed to strengthen the quality of proposals development by agencies, focus Cabinet decision making and improve the capacity of the State Government to implement proposals that deliver public value outcomes.

Cabinet Submission comments are a separate requirement from the RIAS policy requirement.

## Relationship to other policies and legislation

Where agencies have an existing procedure for public consultation, a legislative requirement regarding changes in services, or the implementation of initiatives, that process may be used to fulfil the requirements of the RIAS policy. For instance, community engagement and consultation undertaken in line with legislative provisions, such as water allocation plans.

If it meets all the RIAS requirements, the report prepared under this consultation process may be published in fulfilment of the agency's RIAS obligations.

Other matters likely to significantly impact regions are subject to specific legislation covering the regional impact, including consultation with the affected community. These legislative provisions govern the way such matters are managed.

## Special circumstances

This policy acknowledges that there will be circumstances where undertaking a RIAS may not be appropriate. In exceptional circumstances, the preparation of a RIAS may be waived, including:

- preparation of the State Budget
- a project deemed an Impact Assessed Development
- other circumstances agreed with the Minister for Primary Industries and Regional Development.

# WHEN TO PREPARE A REGIONAL IMPACT ASSESSMENT STATEMENT

## Overview

A RIAS is required whenever major government decisions are being contemplated or developed that will affect one or more region. This includes new policies, legislation or funding proposals; new or altered service delivery models; new or amended regulatory provisions; and program design and evaluation.

An assessment of regional impacts applies when any new funding, investment, regulation or service of significance is under consideration, or when any review of these is being undertaken.

The RIAS guidelines are intended to facilitate the development of the systematic and comprehensive consideration of regional impacts where this is required in existing Government of South Australia processes, such as Cabinet Submissions.

Significant late policy adjustments to accommodate regional impacts can be avoided by applying the RIAS process at an early stage.

## RIAS triggers

Scenarios that may trigger a RIAS include matters that have the potential to affect:



Other RIAS triggers are scenarios that may:



## Agency obligations

Agencies are required to undertake all of the following:

The Agency's Minister must notify the Minister for Primary Industries and Regional Development when a RIAS is being prepared

As soon as practicable, the agency's Minister must provide the Minister for Primary Industries and Regional Development with a copy of each completed RIAS

The agency must maintain an annual summary of all RIAS undertaken

The agency must publish a summary of all RIAS undertaken in its Annual Report

## Chief Executive Officer responsibilities

The **Chief Executive** of the Agency is responsible for ensuring all of the following actions:

Identifying matters that may require a RIAS

Initiating a preliminary assessment of the implications of changes to regional communities

Preparing a RIAS

Enabling access to the RIAS by community members and other stakeholders affected by the change of services

Exploring alternative or ameliorative strategies

Exploring alternative service provision

## RIAS initiation

RIAS are initiated as follows:

Agency staff may advise a Chief Executive of a proposal with a significant impact requiring a RIAS

OR

A Chief Executive requests a RIAS to be prepared

OR

A Minister requests that a RIAS be prepared

OR

PIRSA advises an agency that a RIAS should be prepared

# FACTORS TO CONSIDER WHEN PREPARING A REGIONAL IMPACT ASSESSMENT STATEMENT

## Overview

A RIAS should analyse the factors outlined below, and may include other matters arising from the implementation of a significant change in services or an initiative in one or more regional areas.

The RIAS should demonstrate that appropriate consultation and research has taken place in relation to the potential impact on regions and communities of implementing the change.

The three key steps central to assessing the significance of regional impacts and the options to address this are:



## Factors to be assessed

Consideration must be given to both positive and negative impacts of the proposed change. This includes considering the flow-on effects of these impacts. It is important that these are considered broadly and dispassionately, and that the extent to which the positive impacts of a proposal outweigh any negative impacts is taken into account.

## Economic factors

The economies of South Australia's different regions vary widely. Some small regional communities are heavily dependent on one industry sector or one large employer. Other communities draw their prosperity from the diversity of agriculture and its related industries.

There may be complex economic interdependencies in regional communities that will be affected by a new policy or initiative or a change to a service level. Such interdependencies may not be obvious at first, but with local consultation they can be identified.

Changes that may make it easier or harder to employ people are likely to have a greater impact on a small regional community than in the metropolitan area. Equally, activities and investments that result in job creation can have profoundly positive economic and employment impacts.

It is important to bear in mind that positive impacts may have negative flow-on effects. For example, a council may be under pressure to create more or better roads due to improved employment opportunities, but there is no significant increase in rate-based funding.

Consultation with the local community, and especially with the relevant councils, should assist in clarifying the full impacts – both positive and negative – of any proposed policy or service changes.

The economic review should discuss the economic effect of implementing the proposal. In particular, where applicable:



## Social and community factors

Regional communities vary widely in their social and community structures and demographics. Some regions may have a significant migrant population, whose first language is not English; some communities have markedly higher rates of unemployment and intergenerational unemployment than others; some regions may have much older or much younger populations than others.

Regional communities can exhibit certain social characteristics, such as strong rates of volunteering or a distinct community identity.

Changes to policies, programs or services may have a positive impact on a community (for example, increased funding for sporting groups), while others may have a negative impact (for example, increased regulation of volunteer groups).

It is important to consider the specific positive and negative social implications of a proposal compared to the current status, including:

### SERVICES

What are the implications for access to education, health, justice or community services?

### SOCIAL GROUPS

Are there particular social groups that may benefit or be disadvantaged?

### LIFESTYLE

What will be the ultimate effect on people's way of life?

### RECREATION

What will be the effects on recreational and leisure activities?

### STATUS QUO

Will the proposal be of greater benefit than maintaining the status quo?

### FLOW-ON EFFECT

Will any of these changes have a flow-on effect to other social factors?

## Environmental factors

Environment refers to the natural surroundings, ecosystems, heritage value, and social, economic and cultural aspects of a specific geographical area.

South Australia's regions contain some of our State's greatest natural and cultural assets, including national parks, wildlife habitats and sites of Aboriginal and post-settlement heritage significance. Natural and cultural assets may be located on all land types, including public and private land. Some are widely recognised tourist attractions and are therefore a key component of the local economy. Others may be of local environmental significance or contribute to local liveability.

Positive and negative environmental implications of the proposal must be accurately indicated. The assessment will include:

The impacts on key environmental factors, including:

- Water supply and quality
- Soil or vegetation

Will there be any flow-on effect from these factors?

## Equity factors

Equity refers to equal fairness to all people, within reason. In a regional context, this particularly means regardless of where they are located.

It is important that the RIAS addresses concerns about equity that may arise when policy or legislation is being developed to ensure that it does not create inequitable restrictions or difficulties for a particular region or community, that could be reduced or avoided (for example, reduced or fragmented service delivery or increased costs). It may be possible to mitigate the inequity by adding a desirable or positive feature to the policy or legislation.

Policies can inadvertently create inequity by imposing new requirements that will be difficult for regional communities to comply with, or by making it difficult for people in regional communities to participate in or benefit from the policy's intent.

Equally, policies can *reduce* inequity to regional communities if they are specifically designed to enable or support regional communities. For example, government services provided across the state may be more expensive to deliver in regional areas than in metropolitan Adelaide. In order to ensure equity the metropolitan pricing rate may include a subsidy that equalises the cost of the service, such as the pricing model adopted by SA Water and endorsed by the Essential Services Commission of South Australia (ESCOSA).

In order to remove or reduce existing inequity in one or more region, a policy may be:

Adapted

OR

Modified

# CONSULTING AND ENGAGING WITH REGIONAL COMMUNITIES

## Overview

The purpose of the RIAS is to provide an opportunity for community involvement and consultation in relation to any planned significant change to existing services or the introduction of a new initiative.

Central to preparing a RIAS is the consultation and engagement of regional communities and other relevant stakeholders.

Where relevant, local Aboriginal communities and linguistically diverse communities will require separate or specialised consultation to ensure their views and needs are considered.

The RIAS engagement policy is based on the Government of South Australia's six principles of engagement, as outlined in *Better Together*.

1. We know why we are engaging and we communicate this clearly
2. We know who to engage
3. We know the background and history
4. We begin early
5. We are genuine
6. We are creative, relevant and engaging

## Coordination

It is important that the government coordinates at an inter-agency level and across other spheres of government (federal, local) to ensure the effectiveness and efficiency of consultation, service delivery and value for money. Coordination may also occur with non-government agencies. This would include:

- Details of the steps taken to share resources and the resulting outcomes with other agencies and other authorities/governments (where appropriate).
- Coordination of and consultation with other spheres of government and community representatives.

## Aboriginal communities

It is important to ensure that key Aboriginal communities are consulted where the proposal will affect services to one or more regional Aboriginal community.

## Local Government

The RIAS should clearly state whether there will be any significant impact on Local Government. Consultation is to take place with Local Government if the proposal is likely to:

- Impact on the resources of councils – expenditure requirements and/or significant impacts on council staff.
- Increase the powers and/or responsibilities of councils, or significantly constrain the power of councils.
- Rely upon councils to give effect to the legislation either in full or in part (e.g. *Development Act 1993*).
- If the proposal is likely to affect more than one council area, then consideration should be given to informing the relevant regional local government organisation, and/or the Local Government Association of South Australia.

# DEPTH OF ASSESMENT FOR REGIONAL IMPACT ASSESSMENT STATEMENTS

## Overview

The extent of detail should match the complexity of the issue and ultimately be determined by the agency Chief Executive.

The level of assessment should be guided by common sense and logic; the degree of assessment for a project will vary depending upon the size and complexity of the issue, level of controversy and potential for community impact.

It is important to make an accurate assessment of the positive and negative implications of the proposal to the region.

Where the proposal has positive implications, such as creating jobs, it is important to consider the flow-on effects, such as the need for housing for an increased workforce.

The assessment will start with a description of the current status in each of the categories outlined in the section *Factors to consider when preparing a Regional Impact Assessment Statement*, and then address the individual impacts of these factors.

The high-level considerations in this guide can be applied individually or collectively to assist policy makers to satisfy the obligation that regional implications are taken into account when making decisions.

Their scope and application are intended to be as broad as possible to accommodate the range of decisions made by government.

The considerations are not exhaustive and can be supplemented with specific local knowledge and experience, where appropriate, and supported by relevant and credible evidence.

This may include existing research analysis, modelling or surveys incorporating a regional dimension, or specially commissioned research, data analysis or program evaluation.

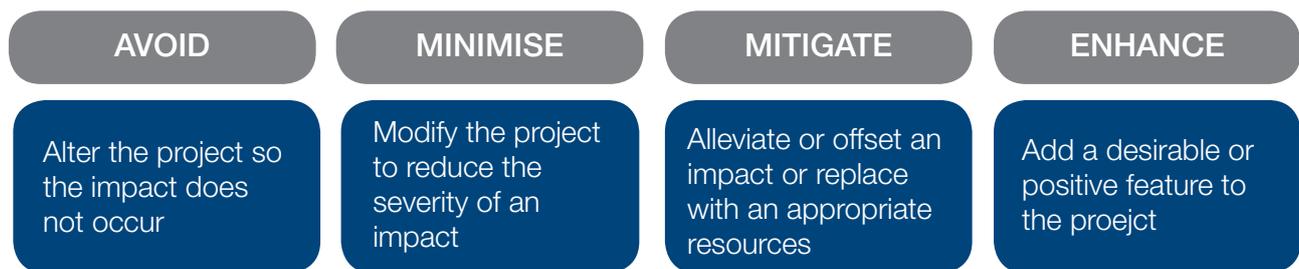
## Negative impacts or negative flow-on effects

If any negative impacts or flow-on effects are identified, it will be necessary to develop strategies to manage them.

Some negative impacts can be addressed by bringing attention to community issues early on, while others may only be recognised after an alternative has been chosen.

Agencies need to ensure that adequate measures are put in place to control negative impacts or flow-on effects in cases where these are simply unavoidable, or unable to be minimised.

Solutions to negative impacts fall into four categories:



# FURTHER INFORMATION AND ASSISTANCE

Previous RIAS that are published on the PIRSA website may also be of assistance when you are preparing your RIAS: [www.pir.sa.gov.au/regions](http://www.pir.sa.gov.au/regions)

## Links and Contacts

*Better Together* principles for engagement <http://yoursay.sa.gov.au/better-together>

Cabinet Office: <http://in.dpc.sa.gov.au/docs/Documents/Cabinet-advice-portfolio-contact-officers.pdf>

Information about and links to all South Australian councils [www.lga.sa.gov.au](http://www.lga.sa.gov.au)

The South Australian Regions [www.sa.gov.au/topics/housing-property-and-land/building-and-development/land-supply-and-planning-system/south-australian-government-regions](http://www.sa.gov.au/topics/housing-property-and-land/building-and-development/land-supply-and-planning-system/south-australian-government-regions)

PIRSA – Regions SA, [www.pir.sa.gov.au/regions](http://www.pir.sa.gov.au/regions) or contact us via phone (08) 8226 0900, email [PIRSA.Regions@sa.gov.au](mailto:PIRSA.Regions@sa.gov.au) or mail GPO Box 1671 Adelaide SA 5001.

# TERMINOLOGY AND DEFINITIONS

**Agency** – Includes any government agency, statutory body or similar entity.

**Flow-on effect** – An indirect consequence of the change, e.g. moving a service centre to another location may affect numbers and distribution of school students due to the movement of parents who work in the centre, and result over time in a loss of teaching staff. How will this affect the shop that provides the school lunches? What about the shop that sells school uniforms?

**Government** – Government of South Australia, unless otherwise specified.

**Initiative** – A government program or legislative action that is intended to solve a problem or cause a desired result.

**Negative** – A negative impact is one that detracts from the economic, social, equity and/or environmental outcomes for a community or place.

**Positive** – A positive impact is one that enhances the economic, social, equity and/or environmental outcomes for a community or place.

**Regions** – This policy applies to the eight Country or Greater Adelaide South Australian Government Regions. The details are available from: [www.sa.gov.au/topics/housing-property-and-land/building-and-development/land-supply-and-planning-system/south-australian-government-regions](http://www.sa.gov.au/topics/housing-property-and-land/building-and-development/land-supply-and-planning-system/south-australian-government-regions)

**RIAS** – Regional Impact Assessment Statement.

**Service** – A change in services refers to any proposed alteration to the delivery of State Government services involving the expansion, retraction or mode of delivery that may affect accessibility, options or costs to users.

**Significant** – is determined in relation to those whom the decision will affect, not in relation to the agency concerned. For instance, a matter perceived as a minor decision by the agency could be of major concern to an affected region.

**Significant change** – is a change that will, or is likely to affect an entire regional community, groups of individuals living in regions, or regional communities in the short or long term.

**Social and community** – a group of people in a specific geographic location who share varying degrees of cohesion, identity, resources, preferences and values in common.

# REGIONAL IMPACT ASSESSMENT STATEMENT - TEMPLATE

A RIAS may be undertaken using the template available on the PIRSA website. If necessary, additional steps or information can be incorporated into this template, or attached as a separate appendix, as determined by the initiating agency.

The template contains guiding text regarding the matters covered in this document, including describing the stakeholders affected by the proposal, who was consulted and the consultation process used. There is also a section providing a summary of impacts and analysis under the economic, social, environmental and equity factors, any mitigation strategies considered and liaison across the spheres of government.

The template can be accessed at [www.pir.sa.gov.au/rias](http://www.pir.sa.gov.au/rias)



