

Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025

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Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025

State Development, Infrastructure and Works Committee
Inquiry

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Submitted to

State Development, Infrastructure and Works Committee
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About RE-Alliance

RE-Alliance is working to secure a responsible and rapid shift to renewable energy that actively contributes to the strength of our regions. We do this by working with and listening to the communities most impacted by renewable energy and grid projects, and facilitating collaboration across industry, government and civil society to deliver meaningful outcomes and lasting benefits for regions.

RE-Alliance has been working for over 10 years across Australian states, including Queensland, to build collaborations, and lean into and learn from community and regional leaders. We work to ensure better policy from governments and better practice from industry that meet the needs, expectations and ambition of the regions. We are recognised as a leading voice on community engagement, benefit sharing and social licence.

Our ongoing work in Queensland and several recent and ongoing initiatives include:

- Advocating for Federal Government funding of Local Energy Hubs¹ in Queensland.
- Research into regional community perspectives on renewables and wider energy infrastructure development throughout 2024.
- Leading a collaboration with the Queensland Conservation Council, the Energy Charter, Powerlink and developers to produce *Better Practice Renewables and Biodiversity: Opportunities for Collaboration*.²
- Establishing the Transmission Alliance - a civil society grouping supporting transmission, and the guide, *Why investing in our grid is a priority for Australia*.³
- Participating in the Energy Charter, Queensland Renewable Energy Council, developers and NGO workshops to inform the *Queensland Renewable Energy Developer & Investor Toolkit*.⁴
- Running a series of community renewables workshops to openly discuss social, environmental, and planning policy across Queensland, to inform our policy work with local and state government, using grassroots views on the shift to clean energy.

¹ <https://www.localenergyhubs.org.au/>

² https://www.re-alliance.org.au/renewables_and_biodiversity_guide

³ https://assets.nationbuilder.com/vicwind/pages/3228/attachments/original/1721222386/Nexa_Transmission_Fact_Sheet_FA.pdf?1721222386

⁴ https://qrec.org.au/wp-content/uploads/2025/05/Queensland-Renewable-Energy-Developer-Investor-Toolkit_FINAL-1.pdf

Summary

RE-Alliance generally welcomes the Queensland Government's proposal to formalise social impact assessment and mandate the provision of community benefits. However, we are concerned by the expectation that these requirements will mean it takes longer for renewable energy projects to be assessed under the planning system. The proposed changes must not put at risk the ability for Queensland to gain the economic benefits arising from the shift to renewable energy for regional development and electricity consumers.

We make the following recommendations in relation to the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025 (Bill)* and the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Regulation 2025* May 2025 consultation version (**Regulation**):

1. The Queensland Government should progress the development of Renewable Energy Zones as a matter of urgency.
2. Ensure that social impact assessment and community benefit agreements apply equally across different industries by ensuring any developments with significant social impacts are required to complete a social impact assessment and agree a community benefit agreement prior to application, where that is not already required.
3. The Solar Farm Development Code should only apply where the solar farm size is at least 5 MW, with no minimum hectare threshold.
4. There should be clear requirements for community engagement with social impact assessments and community benefits agreements, including appropriate public submission processes.
5. It should be made clear that obligations for social impact mitigation, as outlined through a social impact assessment, are separate from, and additional to, the obligations for developing a community benefit agreement. If that is not the Queensland Government's intention, the required agreements should be renamed as impact mitigation agreements and proponents should be required to provide community benefit in a way that is appropriate for the local area.
6. The Queensland Government should develop a guideline to clarify what appropriately forms part of a community benefit agreement and ensure that communities are able to have meaningful input into the content of individual community benefit agreements.
7. The Queensland Government should make it clear that proponents are able to enter into community benefit sharing arrangements with local communities, outside the formal community benefit agreements.
8. The Queensland Government should clarify that neighbour payments should be additional to community benefit agreements with local councils.
9. The Queensland Government should clarify what scale of change to social impact assessments, community benefit agreements or project proposals is required for projects to be subject to further community consultation.
10. The Queensland Government should fund, starting from the Queensland state 2025/26 budget, support to increase the capacity of communities, local councils and

state government assessment agencies to effectively and efficiently manage new legislative provisions relating to social impact assessment and community benefits.

11. The Queensland Government should advocate to the Federal Government to fund Local Energy Hubs.
12. The Queensland Government should invest in First Nations liaison officers and undertake proactive cultural heritage mapping to strengthen engagement with First Nations communities.
13. Additional clarity should be provided on when it is necessary for a proponent to enter into a community benefit agreement beyond the project area.
14. Guidance should be provided to local councils and proponents on how community benefit agreements should incorporate consideration of any changes to project scale that arise as a consequence of project approval decisions.
15. Include Battery Energy Storage Systems projects above at least 5 MW within the community benefits scheme.
16. Review the Bill and Regulation to ensure that it will remain possible for Renewable Energy Zones to underpin regional benefit sharing and/or other forms of regional community benefit arrangements to deliver fair, transparent, accountable and defensible multi-project and/or region-wide benefit schemes.
17. Ensure that all community benefit agreements are publicly accessible.
18. Further consideration should be given to circumstances where it may be appropriate to mandate mediation in relation to community benefit agreements and impose a maximum timeframe on the negotiation and mediation processes.
19. Exemptions to the new social impact assessment and community benefit agreement requirements for existing applications should be considered where proponents have already conducted equivalent social impact assessment and committed to appropriate community benefit contributions.

Introduction

Thank you for the opportunity to comment on the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025 (Bill)* and the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Regulation 2025 May 2025* consultation version (**Regulation**). Given the focus of our organisation is to work to secure a responsible and rapid shift to renewable energy, we have oriented our comments on the Bill and Regulation to those aspects of each document related to social impact assessment (**SIA**) and community benefits.

RE-Alliance generally welcomes the Queensland Government's proposal to formalise SIA and mandate the provision of community benefits. However, we are concerned by the expectation; expressed by officials from the Department of State Development, Infrastructure and Planning at the State Development, Infrastructure and Works Committee briefing; that these requirements will mean it takes longer for renewable energy projects to be assessed under the planning system. The proposed changes must not put at risk the ability for Queensland to gain the benefits arising from the shift to renewable energy.

The shift to renewable energy is well underway with an estimated \$9 billion invested in renewable energy projects nationally in 2024,⁵ and tens of billions of dollars of investment expected in Queensland in coming years.⁶ The Queensland Government has previously identified that Queensland has a skilled regional workforce (35% of workers in heavy industry), ideally placed to contribute to both local and export industries supported by high quality renewable energy resources.⁷ Renewable powered industries including existing industries switching to renewables and new industries such as green aluminium, will create new jobs and new export opportunities. With its strong renewable energy resources, Queensland has the opportunity to be a global leader in low-emissions industries.

In 2024, RE-Alliance conducted research on community perspectives on renewable energy in regional communities across Queensland and Australia.⁸ This research showed that the majority of Queenslanders support the development of large-scale renewable energy infrastructure in regional Australia and were most optimistic about the following top three opportunities for regional Queensland:

- New jobs for local workers during the construction of projects.
- Ongoing jobs for local workers in maintenance and operation.
- New income streams for farmers or landowners who host renewables on their land.

However, the lack of consultation and engagement with local communities was a key concern for communities, with regional Queenslanders being more likely to be concerned than average about this issue. We welcome the government taking action to address some of the key gaps in the current legislative framework in relation to social impact and community benefits. We urge the Queensland Government to maintain a strong commitment to renewable energy to ensure Queensland does not miss out on economic, social, and emissions reduction benefits these developments can bring to the regions.

As noted above, the proposed changes are broadly welcomed, but there are several areas that require improvement or augmentation. For example, provisions that will allow local councils to recover costs associated with social impact and community benefit processes are important, but not enough to ensure meaningful and timely engagement. Investment in Local Energy Hubs, local council capacity and Queensland assessment authority renewable energy expertise are also required. The remainder of our submission identifies areas where we believe further work is required to ensure the proposed legislative changes meet their stated intent.

⁵ <https://cleanenergycouncil.org.au/news-resources/quarterly-investment-report-q4-2024>

⁶ <https://www.stanwell.com/info-hub/article/how-will-the-queensland-energy-and-jobs-plan-create-jobs>

⁷ https://www.statedevelopment.qld.gov.au/__data/assets/pdf_file/0026/64547/statement-of-cooperation.pdf

⁸ RE-Alliance 2024. Talking Renewables to the Regions Research

Legislative context

RE-Alliance sees significant community benefits arising from the implementation of the Bill and Regulation, if it is done well. The provisions of the Bill clearly respond to the need for early engagement of local communities and local councils by renewable energy proponents. The Bill encourages direct engagement between proponents and communities and local councils, giving community and local councils a strong voice in the process, but equally importantly, provides a pathway for mediation and progress if proponents and local councils find themselves at an impasse. We welcome the potential for the Bill to create community benefit agreements (**CBAs**) that are more transparent, subject to changes recommended below, making it easier to hold both local councils and proponents accountable for delivering community benefits.

Recommendation 1: *The Queensland Government should progress the development of Renewable Energy Zones as a matter of urgency.*

It is important to ensure that the proposed changes do not occur in isolation or inadvertently slow the urgently needed shift to renewable energy. We note the Queensland Government updated *State code 23: Wind farm development* earlier this year, but the fate of other important initiatives such as Renewable Energy Zones (**REZs**), REZ Readiness Assessments, and regional planning initiatives are currently unclear. These are important initiatives to ensure that Queenslanders can maximise the infrastructure, social and environmental benefits associated with the shift to renewable energy.

Recommendation 2: *Ensure that social impact assessment and community benefit agreements apply equally across different industries by ensuring any developments with significant social impacts are required to complete a social impact assessment and agree a community benefit agreement prior to application, where that is not already required.*

There is a risk that the provisions in the Bill place an unfair burden on renewable energy developments. The government has stated that these provisions are designed to bring renewable energy projects into line with existing assessment processes for other industries. However, projects requiring a SIA under the *Strong and Sustainable Resource Communities Act 2017*, for example, are not required to have formal CBAs in place before a project application can be lodged. Further, the scale of renewable energy projects captured by these provisions is not equitable when there are provisions in legislation for some industries that provide exemptions to existing SIA requirements, such as provisions allowing a coal mine which extracts less than 2 million tonnes per annum to avoid full environmental impact assessment.

We note the finding in the Statement of Compatibility that:

“Proponents for development requiring social impact assessment will need to undertake a social impact assessment and enter into a community benefit

agreement before the application can be made. Such development may also be subject to additional development conditions in relation social (sic) impacts or community benefit. **Therefore, proponents for development requiring social impact assessment will be treated differently from other development applicants.**" (our emphasis)

SIA and community benefit sharing are important elements for renewable energy projects, and RE-Alliance has long advocated for their implementation. However, these requirements should apply equally to other developments that impact on regional communities. The Regulation requiring SIA and CBA should be amended to capture any development that will result in significant social impacts - if the development is not already required to complete an SIA or agree a CBA prior to application under different legislation.

Recommendation 3: *The Solar Farm Development Code should only apply where the solar farm size is at least 5 MW, with no minimum hectare threshold.*

We recognise the current inconsistency in solar farm assessment arrangements across Queensland and the benefits of implementing a more consistent regime, including through the introduction of a Solar Farm Development Code (proposed State Code 26). However we do not support the proposed megawatt (MW) and hectare thresholds included in the Regulation. A 1 MW facility may, for example, capture community energy projects which may become unviable if they are subject to the same SIA requirements as large-scale solar farms. In our opinion, a threshold of at least 5 MW with no minimum hectare threshold would be more appropriate. Avoiding a hectare threshold would provide greater flexibility for smaller developments to place solar panels in an arrangement that best supports co-location with agricultural activity and the protection of nature.

Role of community in Community Benefit Agreements

Recommendation 4: *There should be clear requirements for community engagement with social impact assessments and community benefits agreements, including appropriate public submission processes.*

We strongly support the intent of mandatory CBAs but are concerned that the proposed pathway does not guarantee broad community involvement. We strongly support local councils having a key role in community benefit sharing arrangements but this must be combined with additional mechanisms to ensure adequate community participation, including the ability for the public to make submissions on both the SIA and a CBA. Requiring a SIA that can be used to inform a CBA, does not mitigate the need for community involvement in designing the terms of the CBA itself. Formal requirements for community engagement are key to minimising the risks that local councils will not consult with the part of their community most impacted by development and that CBAs may not be seen by the impacted parts of the community as fair.

Recommendation 5: *It should be made clear that obligations for social impact mitigation, as outlined through a social impact assessment, are separate from, and additional to, the obligations for developing a community benefit agreement. If that is not the Queensland Government's intention, the required agreements should be renamed as impact mitigation agreements and proponents should be required to provide community benefit in a way that is appropriate for the local area.*

It is also important to recognise that SIA and impact mitigation is different to the provision of community benefits. One relates to acknowledging and minimising impact and the other ensures that local communities benefit from the roll out of new industries in their region. It is therefore concerning that the *Draft Social Impact Assessment Guideline Version 2 May 2025*,⁹ makes the following statements (bold is our emphasis):

- Under the Planning Act, community and stakeholder engagement for a project SIA may include post-DA approval where post-DA approval is defined as “Community and stakeholder engagement to inform the ongoing monitoring, review and update of measures through a condition of approval **or CBA**” (p. 8); and
- “Under the Planning Act process, if a SIMP identifies the need for monitoring, review and update of the SIMP, **this should be considered as part of informing the CBA for the project**” (p.11); and
- “For SIA’s prepared under the Planning Act, **reporting and compliance requirements may be established in a CBA** as well as conditions of development approval” (p. 12).

Proponents may choose to engage with local councils and communities in a number of different ways, including social impact mitigation, local developer contributions - where a payment is made by a proponent to help fund necessary local infrastructure and/or services - and community benefits. It should be clear what activities in a region are occurring as a result of the need for impact mitigation or as local developer contributions versus those designed to provide community benefits. If it is the government's intention that CBAs are actually tools for social impact mitigation, then the agreements should be labelled as such, and proponents should be open to develop community benefit systems as is appropriate for the local area.

Recommendation 6: *The Queensland Government should develop a guideline to clarify what appropriately forms part of a community benefit agreement and ensure that communities are able to have meaningful input into the content of individual community benefit agreements.*

In our experience, community benefit programs are traditionally between proponents and communities that are impacted by development. To achieve their purpose in demonstrating benefit for and building trust with the most directly impacted parts of the communities, community benefits must benefit those communities, rather than being seen as funding available to support an entire local government area. In the absence of clear benefits for affected communities, there is a risk that agreements will not be seen as delivering any

⁹ https://www.planning.qld.gov.au/__data/assets/pdf_file/0011/100361/social-impact-assessment-guideline.pdf

meaningful benefits. Under these proposals, where proponents are required to implement CBAs with the local council, there is an obligation on council to ensure the CBAs are trusted by the community. A guideline for CBA development and governance would assist in this regard. We also recommend that the affected community is given a formal role in identifying and directing community benefits. This could include the use of mechanisms such as the development of community investment plans, where the community is able to identify and prioritise investment opportunities, or oversight committees where councils are able to pool funds from multiple developments.

RE-Alliance's report *Building Stronger Communities: community benefit funds from renewable energy projects support local outcomes*¹⁰ identified seven principles for best practice community benefit funds, namely:

1. Deliver social value - this requires that proponents work to build trust-based relationships with local communities and operate based on fairness.
2. Deliver in the long-term - community benefits should extend for at least the life of the developments.
3. Build context-specific solutions - funds are most beneficial when they go towards programs that are rooted in the local context – either answering unmet local needs or bringing an opportunity that the local community is able to use.
4. Give agency to communities to co-design programs - ensure engagement programs create equal opportunities for all members of the community to participate.
5. Be transparent and accountable.
6. Measure impact - like all community investments, community benefit funds should be monitored and evaluated.
7. Create a culture of collaboration - cooperation between multiple proponents would reduce duplication of effort, community over-consultation and siloed approaches to benefits.

Recommendation 7: *The Queensland Government should make it clear that proponents are able to enter into community benefit sharing arrangements with local communities, outside the formal community benefit agreements.*

We note that in other jurisdictions, it is not uncommon for community benefit funds to be managed by community organisations. The Bill and Regulation don't envisage a pathway by which this could occur in Queensland.

Recommendation 8: *The Queensland Government should clarify that neighbour payments should be additional to community benefit agreements with local councils.*

We further note that one of the examples of something that may be included in a community benefit agreement is "payments to landowners in close proximity to wind or solar farms." In our view, neighbour payments are not appropriately considered community

¹⁰ https://assets.nationbuilder.com/vicwind/pages/3164/attachments/original/1705557869/Building_Stronger_Communities_-_Community_benefit_funds.pdf?1705557869

benefits, rather they are a form of impact mitigation. We strongly support the use of neighbour payments but this should be done in addition to any wider CBA.

Recommendation 9: *The Queensland Government should clarify what scale of change to social impact assessments, community benefit agreements or project proposals is required for projects to be subject to further community consultation.*

We are concerned by proposed ss. 106X and 106ZA of the Act which allow changes to be made to SIA reports and CBAs without such a change being considered a change to the application. Depending on the timing of such a change, this information could be revised without any further community consultation. While we anticipate that an SIA will still need to be consistent with the *Social Impact Assessment Guideline*, as foreshadowed by s. 106W, the community may not have any visibility of the changes until after an application has been determined. In contrast, where a proponent makes a greater than minor change, including by substantially reducing the size of their application, they will be required to submit a new SIA and CBA. Further clarity should be provided on guidance on what constitutes a “minor change” and therefore requires additional community consideration.

Improve capacity to implement changes

Recommendation 10: *The Queensland Government should fund, starting from the Queensland state 2025/26 budget, support to increase the capacity of communities, local councils and state government assessment agencies to effectively and efficiently manage new legislative provisions relating to social impact assessment and community benefits.*

For the SIA and CBA initiatives to be effective they must be adequately resourced. We note and welcome the provisions in the Bill that allow local council cost recovery for engagement with SIA and CBAs, but recommend that there must be greater investment in the capacity of community, local councils and state government capacity to support these changes.

For local councils this should include additional financial support to build capacity to effectively engage in the increased number of consultations and negotiations on renewable energy projects that are an inevitable consequence of the proposed changes. In introducing the Bill to Parliament, the Minister recognised that community benefits are appropriately identified by local communities and nominated local councils as the appropriate mechanism through which to deliver these benefits. However, it must be acknowledged that different councils will have different capacity to engage with renewable energy proponents. The scale of community benefits should not be limited by a council's capacity to enter meaningful negotiations.

For the state government, increased staffing and capacity building to engage with the new assessment responsibilities and supporting guidance must be provided by the Queensland Government.

Recommendation 11: *The Queensland Government should advocate to the Federal Government to fund Local Energy Hubs.*

In our view, local communities would be best served by the creation of Local Energy Hubs - a trusted source of information that is accessible in local communities and is a key missing link for the shift to renewables.¹¹ Local Energy Hubs in Queensland, and nationally, can play a significant role for community awareness that goes beyond what can be achieved via a periodic consultation process, or a single proponent can (fairly) do. Local Energy Hubs would:

- Provide easy access to information in regional communities by hiring trusted and experienced local experts, across subjects such as renewable energy developments, transmission projects, on farm solar, home electrification and battery storage, electric vehicles and other electric equipment for farms and businesses.
- Drive down energy costs for households and businesses by improving access to state and federal energy initiatives, including low-income bill relief and solar rebates.
- Serve as outreach centres, providing services to support communities in understanding and participating in the shift to renewable energy.
- Be a crucial touchpoint for proponents, helping to foster trust in communities for their projects through quality communication and engagement.
- Address barriers to the electrification of households, small businesses and farm businesses such as lack of time or quality advice.
- Tackle complex challenges like ensuring communities know exactly how to have input into, and benefit from, renewable energy projects proposed for their regions.

Support First Nations engagement

Recommendation 12: *The Queensland Government should invest in First Nations liaison officers and undertake proactive cultural heritage mapping to strengthen engagement with First Nations communities.*

In addition to the need for more general capacity building, First Nations communities require targeted support to engage with renewable energy projects. Organisations such as the First Nations Clean Energy Network have identified clear principles designed to assist First Nations peoples to protect country, and to make sure First Nations communities share the benefits of Australia's clean energy boom.¹² The Queensland Government should invest in First Nations liaison officers and undertake proactive cultural heritage mapping to strengthen engagement with First Nations communities.

¹¹ For more information see: <https://www.localenergyhubs.org.au/>

¹² *Aboriginal and Torres Strait Islander Best Practice Principles for Clean Energy Projects*, available at: https://assets.nationbuilder.com/fncen/pages/183/attachments/original/1680570396/FNCEN_-_Best_Practice_Principles_for_Clean_Energy_Projects.pdf?1680570396

Scope of Community Benefit Agreements

Recommendation 13: *Additional clarity should be provided on when it is necessary for a proponent to enter into a community benefit agreement beyond the project area.*

Proposed s. 106Z of the Act requires that a CBA **must** be entered into with a local council beyond the project area “if a social impact assessment report for the application identifies a social impact for a community in another local government area”. We support the intention of this provision, but note that the provision does not speak to the scale at which it is necessary for a proponent to enter into an agreement for another local government area. Greater clarity on the scale of social impacts that would trigger a CBA should be provided.

Recommendation 14: *Guidance should be provided to local councils and proponents on how community benefit agreements should incorporate consideration of any changes to project scale that arise as a consequence of project approval decisions.*

We also note that CBAs between a local council and proponent will be agreed based on an expected level of impact. However, it is possible that the approval process (rather than the proponent) may significantly reduce the scale of a project and therefore potential income from the project. There does not appear to be a mechanism for adjusting CBAs in response to limitations on a project as a consequence of project approval conditions. Clear guidance should be provided to local councils and proponents on how to address this risk.

Recommendation 15: *Include Battery Energy Storage Systems projects above at least 5 MW within the community benefits scheme.*

An important component of the shift to renewable energy is the expansion of Battery Energy Storage Systems (**BESS**) to provide firming to solar and wind generation. It would be appropriate to include utility scale (i.e. above at least 5 MW) BESS projects within the community benefits scheme.

Cumulative impacts and benefits

The proposed CBA process relies on the local council's ability to engage with individual project assessments as they arise. This may make it difficult for local councils to adequately consider cumulative impact, a stated goal of the reforms, and could limit community involvement and therefore community benefits, depending on the resourcing of the local council.

Recommendation 16: *Review the Bill and Regulation to ensure that it will remain possible for Renewable Energy Zones to underpin regional benefit sharing and/or other forms of regional community benefit arrangements to deliver fair, transparent, accountable and defensible multi-project and/or region-wide benefit schemes.*

This is an issue that REZs could help to address. Regional people care the most about where they live and have the strongest desire to contribute to the future of their region. This local connection and passion should be harnessed into ensuring that regional communities strongly benefit from the shift to renewable energy, including through the implementation of REZs. RE-Alliance's report *Community Benefits Handbook: How Regional Australia Can Prosper From The Clean Energy Boom*¹³ discusses how local knowledge on land-use, community needs and regional priorities is valuable, useful information that could drastically improve the outcomes from REZs. Queensland can ensure its REZs are set up to help regions plan for their future. Community and local councils need to know how many and which projects will proceed in their local area if they are to properly manage cumulative impacts (economic, social and environmental) and strategically implement community benefits. REZs can provide increased certainty and an improved ability to manage risk in the shift to renewable energy. Existing examples of a regional approach to identifying community benefits include pilots in Callide and Western Downs designed to expand the capacity of local communities to shape and direct funding priorities from benefit funds. A regional approach can be particularly helpful for implementing 'legacy' type projects such as community microgrids, solar arrays for hospitals and large scale revegetation projects.

The current reforms should not prevent the potential for Queensland's REZs to underpin and enable a fair, transparent, accountable and defensible structure for multi-project and/or region-wide benefit schemes. Allowing regional consultation for SIA and CBA processes will help to manage community consultation fatigue from multiple renewable energy projects. The volume of potential community funding from industry over time in REZs presents an opportunity to fund ambitious and strategic local ventures if a percentage of those funds are coordinated. Pooling of funds would also help to ensure that community priorities are able to be delivered without relying on specific development assessment outcomes from individual projects. A coordinated fund that operates across a number of projects must be able to demonstrate capacity to deliver planned outcomes, must draw on local knowledge, and must demonstrate transparency and legitimacy in the eyes of the local community. One way to manage community engagement in a regional benefit sharing arrangement could be through a board consisting of the REZ management body (nominally Powerlink), local council, project proponents and community members, where between a quarter and a third of Board members are community representatives.

Transparency and accountability

Recommendation 17: *Ensure that all community benefit agreements are publicly accessible.*

We support proposed s. 106ZL of the Act requiring that financial contributions made to the local council as community benefits must be used for that purpose. We support the subsequent information in the Regulation requiring annual reporting on the amounts

¹³ https://assets.nationbuilder.com/vicwind/pages/2631/attachments/original/1630471142/RE-Alliance_Community_Benefits_Handbook_WEB_01v1_%281%29.pdf?1630471142

received and the amounts expended. We also support the transparency provided by the amendments requiring that local councils must keep a register of a cost-recovery fee for activities under proposed s.106ZM(2) of the Act.

We understand that some stakeholders have been advised that some CBAs may remain confidential documents. In our view this is entirely inappropriate and should not be permitted.

Mediation

Recommendation 18: *Further consideration should be given to circumstances where it may be appropriate to mandate mediation in relation to community benefit agreements and impose a maximum timeframe on the negotiation and mediation processes.*

We welcome the provision of mediation opportunities as part of the community benefit scheme (ss. 106ZB and 106ZC of the Act). However, we note that the provision only applies if a local council and another entity have already agreed to enter into negotiations and both must request the use of mediation. If the local council withholds its support for a community benefit scheme entirely then the only option available to a proponent to progress their application appears to be to seek a direction under proposed s. 106ZE of the Act that a CBA with local council is not required for their project. If such an exemption is granted, then it would appear that a CBA could be agreed with a nominated public authority but it is unclear how the community would be able to engage in this process. This is not a desirable approach and further consideration should be given to whether there are circumstances in which it would be appropriate to require mandatory mediation.

We also note there are no timeframes imposed on the negotiation or mediation processes. While genuine negotiation and mediation takes time, it should not be an entirely open ended process. Consideration should be given to imposing reasonable timeframes on the negotiation and mediation processes envisaged by the legislation.

Retrospective application

Recommendation 19: *Exemptions to the new social impact assessment and community benefit agreement requirements for existing applications should be considered where proponents have already conducted equivalent social impact assessment and committed to appropriate community benefit contributions.*

Proposed Regulations 51G-51J effectively require that all development applications and project modifications (unless minor) that are not yet determined need an SIA and CBA. We welcome the recognition of the importance of these schemes, however there are likely to be a number of very advanced applications in the pipeline that will need substantial new work to reapply or restart the assessment process (depending on the mechanism of assessment). This is particularly relevant for proponents who are already engaging with local communities

and have been involved in discussions around community benefits that are not appropriately managed by local council. The current provisions will require that these proponents must now deliver at least a proportion of their community benefits through an agreement with the local council. If the local council has different expectations to that agreed with the community, this creates a risk of increased conflict within the local community.

Where communities have already been extensively consulted and a strong community benefits contribution has been committed to (even if this is not in the form of a CBA with a local council), requiring a new round of consultations may add to 'engagement fatigue'. As such, we urge the government to consider a transitional approach that enables existing agreements to be assessed for providing equivalence to the new requirements. This will avoid the need for proponents to go back to already engaged communities and undertake additional consultation processes purely for the purpose of meeting new administrative requirements.

Thank you again for the opportunity to make this submission to assist the Committee's consideration of the Bill and Regulation. We would welcome the opportunity to appear before the Committee to discuss these issues further.