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

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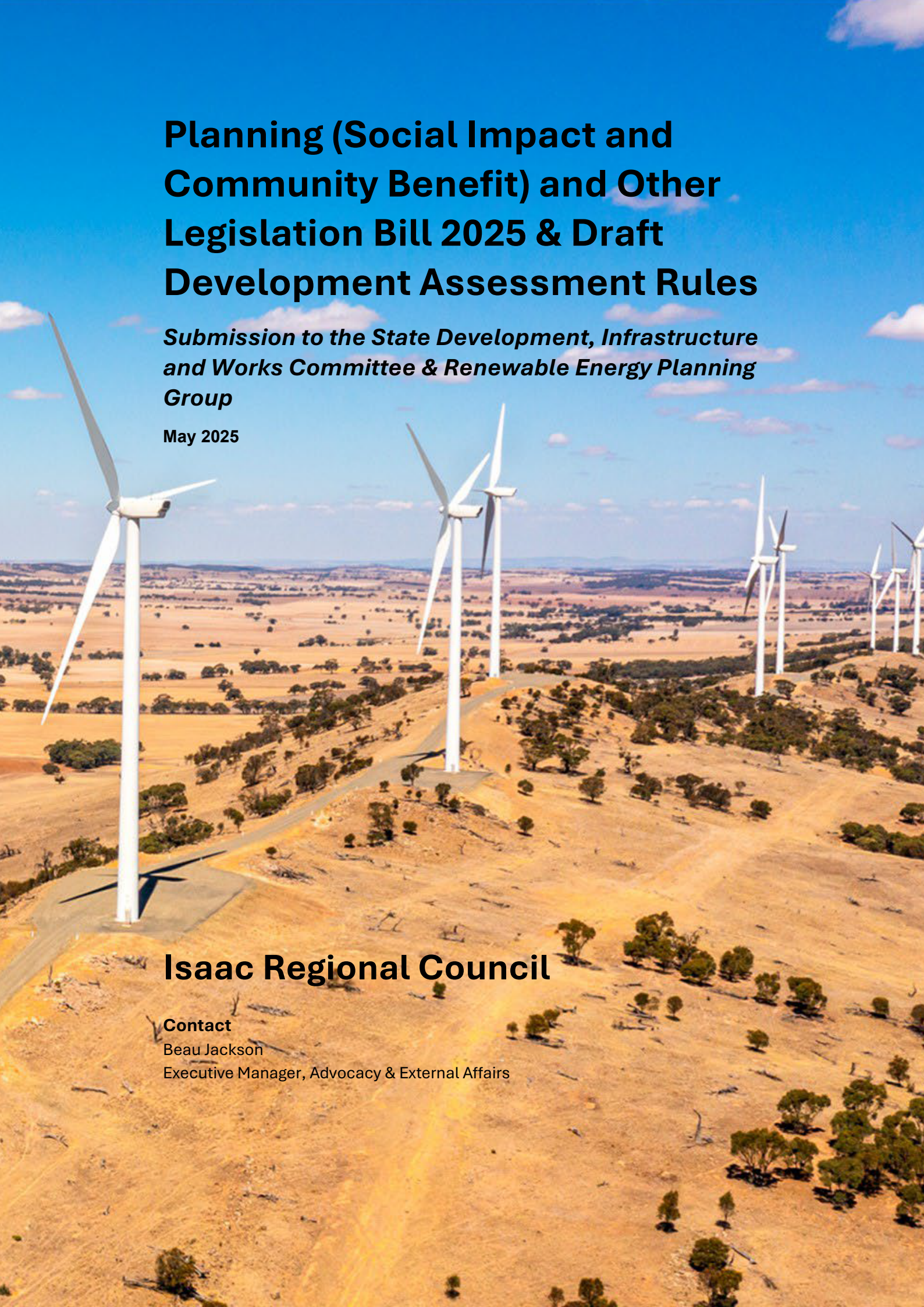
Planning (Social Impact and Community Benefit) and Other Legislation Bill 2025 & Draft Development Assessment Rules

Submission to the State Development, Infrastructure and Works Committee & Renewable Energy Planning Group

May 2025



Isaac Regional Council

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EXECUTIVE SUMMARY

Isaac Regional Council (IRC) welcomes the opportunity to provide feedback on the Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025 *(The Bill)* and the accompanying draft Development Assessment (DA) Rules.

As Queensland's powerhouse of resource and energy production, the Isaac region has hosts large-scale extractive and energy developments. Our communities have borne the brunt of this activity but understand the potential benefits it could offer. Isac Regional Council wants to ensure the benefits of large-scale renewable energy projects are captured now and into the future. As such, it supports reforms which improve community participation processes, equity, transparency, and social licence through mandated and enforceable community benefit mechanisms.

SUBMISSION

GENERAL POSITION

Isaac Regional Council is generally supportive of *The Bill* and accompanying *draft DA Rules*.

In particular, IRC broadly supports:

- the introduction of Social Impact Assessments (SIAs) and Community Benefit Agreements (CBAs) as mandatory components of major renewable energy developments.
- The intent to promote community benefit, accountability and transparent assessment of significant projects.
- The recognition of local governments in the consultation process.
- The improved public notification provisions

However, Isaac Regional Council provides the following feedback and key recommendations to ensure *The Bill, Draft SIA Guidelines and DA Rules* deliver the best outcomes for regional communities.

1. **The Role of Local Government – Assessment, Enforcement and compliance**

   In Isaac Regional Council's submission to the Draft Renewables Regulatory Framework, Council advocated for Local Government to be enshrined in legislation as a concurrence agency for all renewable energy projects:

   > *IRC believes local government should have statutory input into the assessment process. Specifically, that local government should be enshrined in legislation as a statutory referral agency and stakeholder for all renewable projects. Not doing so could see delayed identification of local concerns, issues and opportunities, which could adversely affect the proponent and host communities... IRC believes local government should have statutory input into the assessment process.*

   Isaac Regional Council recognises that under the draft Social Impact Assessment Guidelines the Coordinator General or Assessment manager may establish SIA cross-agency reference groups (including local governments) when required, however, reducing Councils to an "advice agency" diminishes the ability of regional communities to adequately influence projects that will shape their economic, social and environmental future.

   Isaac's communities are on the frontline of change, and it is local governments who will bear responsibility for associated infrastructure, service delivery, social cohesion and legacy outcomes. Therefore, Council's position on this matter remains unchanged, strongly urging local governments be granted statutory concurrence agency status for all large-scale renewable energy developments subject to Social Impact Assessments and Community Benefit Agreements.

Further, empowering local government as a concurrence agency enables Council to charge fees and act as an enforcement agency for Social Impact Assessment (SIA) and Community Benefit Agreement (CBA) conditions. While it is unclear what the mechanism will be for ensuring compliance for SIAs and CBAs, Councils are well-placed to monitor compliance on the ground and respond to emerging community concerns throughout the life of a project where it is in their own jurisdiction. IRC acknowledges that not all councils will have the legal, financial or technical capacity to undertake monitoring, review and enforcement of conditions related to a concurrence agency. In this instance, the local government should be able to escalate enforcement to the State Government.

In relation to section 106ZF(1) of the Amendment to the Planning Act 2016, clarification is sought regarding the following matter. Section 106ZF(1) applies if the Chief Executive gives the applicant a notice under section 106ZE(1) that a social impact assessment is not required for the project and the Chief Executive is not the assessment manager. Clarification is sought to understand what instances would constitute the Chief Executive not being an assessment manager. IRC is of the belief that if a notice is given under section 106ZF(1), that the application would still be assessable by the State Government. This is important to clarify as Section 106ZF(2) identifies that the notice given by the Chief Executive under section 106ZF(1) may direct the assessment manager for the development application to impose a stated community benefit condition on any development approval given for the application. Clarification is requested to understand in what instances this would apply.

Recommendations:

1a. Enshrine local governments as concurrence agencies in the Planning Regulation 2017 for all prescribed developments requiring a Social Impact Assessment.

1b. Provide a statutory requirement for proponents to respond formally to council input with the assessment manager required to give material weight to that advice.

1c. Empower local governments as enforcement authorities under the Planning Act and associated regulation for SIA and CBA compliance. Where a Council does not have sufficient internal capacity to enforce conditions, it should be able to escalate enforcement to the State Government which must have a clearly defined and responsive support mechanism in place.

1d. Ensure Councils are adequately resourced to undertake compliance monitoring and reporting, including training and access to shared enforcement tools and legal frameworks.

1e. Clarify instances that would constitute the Chief Executive not being an assessment manager.

2. Social Impact Assessment (SIA) Requirements

The Bill and *Draft DA Rules* lack clarity on what constitutes a "socially significant impact". For the purpose of section 106ZF of the Act, the chief executive may give a notice if a Social Impact Assessment report states that the development will not have a social impact or will only have a minor social impact. However, the SIA Guidelines do not provide a framework to both define levels of impact and determine how impacts will be categorised.

IRC notes section 2.2.7 of the draft guidelines dictates the requirements for an SIA to be updated if more than two years have elapsed from the time the SIA is finalised. However, the draft SIA Guidelines falls short of prescribing a review and update for projects under the Planning Act 2016.

Recommendations:

2a. Develop a framework which defines each level of impact and enables consistent identification and categorisation of impacts.

2b. Review the SIA guidelines to prescribe SIA's and SIMPs to also be regularly updated under the Planning Act 2016.

2c. Develop a clear, enforceable guideline for SIAs in partnership with LGAQ and councils, including indicators for cumulative impact, workforce accommodation, housing, amenity, and service pressure.

2d. Update the SSRC Act and ensure SIAs to align with the SSRC Act principles.

3. Community Benefit Agreements (CBAs) and Compensation

Isaac Regional Council supports the introduction of Community Benefit Agreements (CBAs) as a mandatory requirement for major renewable energy developments. CBAs have the potential to embed long-term benefits for regional communities; however, without a legislated ability to enforce compliance, there is a high risk of companies not delivering agreed benefits. This is further heightened if there are no financial securities or bonds held and there is no clear governance structure to oversee delivery.

It is IRC's opinion that compensation arrangements outside CBAs need to be formalised and/or legislated. Council is currently witnessing division in its rural communities between who is entitled to compensation and who is not. There is an opportunity to smooth out tensions through the introduction of a tiered compensation system. This system would mandate payments to host landholders and near neighbours via 'neighbourhood compensation'. The compensation would be eligible to landholders within a predetermined radius of a project who will still experience a number of impacts associated with the project but who are currently exempt from existing compensation processes.

Recommendations:

3a. Include a clear penalty regime for proponents who fail to deliver on CBA obligations such as:

- Suspension or revocation of development rights
- Fines proportionate to the undelivered benefit or associated community impact
- Public disclosure of non-compliance.

3b. Require proponents to provide a bond or financial security (held in trust) to guarantee CBA delivery. These funds should be accessible by the State to ensure fulfilment of obligations if a proponent defaults or exits.

3c. Establish a well-resourced State-led compliance and enforcement body or designate an existing entity (e.g. the Coordinator-General or Planning Chief Executive) to work with local government to:

- Monitor implementation of CBAs
- Audit outcomes against agreed terms
- Provide a dispute resolution mechanism

3d. Ensure CBAs are legally binding for the life of the project, including during project on-selling or ownership transfers.

3e. Include a mandatory seller disclosure regime, to ensure future proponents inherit and comply with CBA terms.

3f. Develop a CBA template, co-designed with local governments, to streamline negotiation and avoid ambiguity.

3g. Provide guidelines on minimum community benefit contributions such as $/MW/year or percentage of capital expenditure, to ensure equity and transparency across Queensland. For example, the NSW Benefit-Sharing Guideline model which applies set fees for solar, wind, battery energy storage systems.

3h. Introduce a mandated tiered compensation system to include near neighbours.

4. **Definitions, Other Land Users, Trigger Thresholds for State Assessment**

Council understands the definition of a prescribed renewable energy facility is proposed to be added to the Planning Regulation 2017 as follows:

> ***prescribed renewable energy facility*** *means a renewable energy facility for the generation of electricity or energy from a source of solar energy if—*
>
> *(a) the facility generates 1MW or more of electricity or energy from a source of solar energy; or*
>
> *(b) the total area of land used for solar panels and structures for mounting solar panels, including any land between the solar panels and structures, is 2ha or more.*

From Council's experience, Renewable Energy Facility applications can often include a number of other components that are separately defined under the Planning Regulation 2017, for example:

- Substation
- Major Electricity Infrastructure
- Battery Energy Storage Systems (BESS)

The definition of a prescribed renewable energy facility should clarify that any ancillary components of a renewable project also form part of this definition. Whilst it may be the intention for ancillary components like BESS to be included, this should be made clear within the definition. This is to ensure the project (in all its parts) is collectively assessed and considered as part of the Social Impact Assessment and Community Benefit Agreements. Likewise, if temporary non-resident workforce accommodation or temporary concrete batching plants are proposed within the project area, there is merit in ensuring these separately defined uses are assessed as part of the single project.

IRC is supportive of the 1MW threshold that has been proposed under the definition of prescribed renewable energy facility.

Should any changes to the *prescribed renewable energy facility* definition occur based on consultation feedback (e.g. an increase to the threshold under the definition), it is recommended The State consider introducing a new land use definition for a *small-scale renewable energy facility*.

Creating a separate definition clarifies that local government assesses small-scale projects, and the State Government assesses larger projects that fall into the definition of a prescribed renewable energy facility.

Council holds concerns that if the threshold for prescribed renewable energy facilities is increased, projects may be proposed slightly under the nominated threshold to purposefully avoid the SIA / CBA process. In these instances, local government may need to seek advice and determination from the Chief Executive as to whether they believe the project will or is likely to generate social impacts and therefore required to prepare an SIA.

In this instance, Council recommends the Chief Executive powers under section 106ZE are expanded to allow Local Government to apply to the Chief Executive to seek a determination as to whether an application should be assessed by the State Government, despite not meeting the definition of a prescribed renewable energy facility. Alternatively, the Minister's Call-in Powers under Part 6, Division 3 could be expanded to allow local government to request a significant project be called in and assessed by the State Government. This could be useful in smaller local government areas that do not have the resources to assess projects, or where projects are seen to be avoiding the SIA/CBA process.

It is acknowledged the Planning Regulation 2017 is the mechanism used to identify specific uses which are subject to the community benefit system. IRC understands this may be expanded in the future to include other uses. IRC urges the State Government to consider including Battery Storage Facilities and non-resident workforce accommodation as use types, so they are also subject to the community benefit system. These uses, particularly non-resident workforce accommodation, have generated significant impacts on communities in the Isaac Regional Council area. In the interest of ensuring consistency across the State, both in communities and in the legislative requirements, proponents for

non-resident workforce accommodation facilities should be required to demonstrate that no significant social impacts are generated. These projects are similar to renewable projects in that each council's planning scheme has different requirements and there is no benchmark across Queensland for these proponents to demonstrate they have social license to operate.

Recommendations:

4a. Maintain the definition of a prescribed renewable energy facility with the 1MW threshold.

4b. Expand the Chief Executive powers, or the Minister's Call-in Powers to allow local government to request a significant project be assessed by the State Government.

4c. Include Battery Energy Storage Systems and non-resident workforce accommodation as 'use types' to be subject to the community benefit system in the Planning Regulation 2017

5. Transitional provisions

The transitional provisions as they relate to all new development applications or Other Change applications are supported. Existing Minor Change Applications which have been lodged and made but not decided at the time the amendment comes into effect, should not be triggered by the transitional provisions.

Council has existing Change Applications currently under assessment for minor changes which seek to amend another component of the approved development that formed part of the original application (e.g. refine the footprint of the development area based on detailed design, amend conditions of approval to reflect amended technical reports prepared, amend and refine the boundaries of the approved Reconfiguring a Lot – Lease exceeding 10 years). In these instances, any existing approvals which propose Minor Change applications in the future should remain assessable by the local government and not require assessment by the State Government.

Recommendation:

5a. Ensure existing lodged but not determined Minor Change Applications are not triggered by the transitional provisions.

6. Operational Works

It is Council's interpretation of The Bill's Amendment to the Planning Regulation 2017, that operational works applications associated with a prescribed renewable energy project will still be assessable by local government, except where works trigger assessment by the State Government under the Planning Regulation 2017 (e.g. works in a state-controlled road corridor).

Separating assessment manager powers for MCU and OPW applications may result in assessments being pushed to detailed design and operational works stages (i.e conditioned out). Local government do not want to be burdened with the responsibility of having to assess detailed technical reports (which often need outsourcing to consultant engineers and environmental firms) as there is either no or limited in-house experience to assess these applications. If operational works applications remain assessable under the local planning schemes, IRC stresses that engineering matters (e.g. stormwater management arrangements, traffic arrangements) need to be resolved at an MCU stage and not conditioned to be resolved at operational works stage.

Recommendation:

6a. If operational works applications remain assessable under the local planning schemes, ensure engineering matters (e.g. stormwater management arrangements, traffic arrangements) are resolved at an MCU stage and not conditioned to be resolved at operational works stage.

7. Development Assessment Requirements

Draft State Code 26 prescribes the benchmarks for solar farm developments. It is suggested that the performance outcomes could be refined to provide additional benchmarks including:

- Performance outcomes for ancillary infrastructure that may form part of a solar farm project, like BESS facilities, substations and overhead line infrastructure. It is noted there are two performance outcomes related to workforce accommodation impacts. In addition, some projects introduce temporary concrete batching plants for the construction phase, due to the isolated or remote locations and distances associated with transporting concrete from the nearest town or centre. Use- / component-specific benchmarks would be beneficial to ensure the impacts of the development are appropriately managed.
- Performance outcome PO11 should include a requirement that the development does not place additional burden on in-region disaster management coordination responses. Consultation with Queensland Fire Department, Rural Fire department and SES should occur as part of the preparation of any emergency or evacuation management plans for the project.
- Management of solar farms is an issue for operational projects. Many projects do not have biosecurity management plans in place to prevent the spread of pest species (flora and fauna) or regular bushfire management processes to reduce the risks of grass fires. Managing and demonstrating compliance with general biosecurity and emergency management obligations should be a requirement for proponents, particularly in rural areas.

Further, it is essential that local governments' Infrastructure Plans and Planning Schemes (including relevant overlays and overlay codes) are considered as part of the development application. Performance benchmarks should be included to require proponents to demonstrate that all local planning matters under the local government's planning scheme(s) have been considered in the preparation of the development application. This is particularly relevant if the local government's role in the assessment process remains as an advice agency as it ensures the State Government and/or proponent will need to engage with the local government on such matters. If Local Governments' role is elevated to a concurrence agency (as recommended by Council in this submission), this benchmark will not be required as the local government will be able to consider the local government planning scheme in their assessment.

Recommendations:

7a. Include additional benchmarks to improve performance outcomes for solar farm developments for ancillary infrastructure, emergency response, biosecurity, disaster and bushfire management.

7b. In the instance local government is not elevated to a concurrence agency, include a performance benchmark requiring proponents to demonstrate they have adequately addressed *and* comply with the relevant local planning matters.

8. Public notification requirements and Community Engagement

IRC supports and commends the Queensland Government for the enhanced notification provisions.

Isaac Regional Council is supportive of the following changes:

- Increase in the statutory public notification timeframes from 15 business days to 20 business days. Many regional communities report that 15 business days is too short for a well-made submission to be prepared. Increasing the minimum statutory requirement to 20 business days is a positive improvement for ensuring local communities have enough time to find out about the project and have their say.
- Notices to all affected local government. IRC believes this could be extended to neighboring local governments where a project is near an adjoining local government. Further, if a project is located over properties that adjoin, but do not overlap local government boundaries, the adjoining local government should be notified as it is likely that landowners from both local

government area will be notified. This is to ensure respective local governments are aware of issues potentially affecting residents in their area.

- Public notices to owners of lots within 1500m of the premises.
- Requirement for notification on community notice boards.
- Requirement for public notice on local radio station. However, IRC believes the number of notices to be run during the public notification period is not sufficient. At least 5 notices a week in regional and rural areas (outside of SEQ) on radio stations relevant to the community of interest would ensure communication is more effective.

These changes could be further strengthened through the development of a centralised website that lists and provides details of all renewable, resource and power projects and enshrining genuine community engagement frameworks in the process.

Recommendations:

8a. Develop a centralised website that lists details of all renewable, resource and power projects and provides information on size, project cost and contact details.

8b. Extend the notices to all affected local governments to include adjoining local governments where the project is within close proximity of the boundary of an adjoining local government (e.g. 10km from the boundary of an adjoining local government area).

8c. Increase the public notices on local radio stations to 5 notices per week in regional and rural areas on stations relevant to communities of interest.

8d. Ensure community feedback is a material consideration in the decision-making process.

9. Conditions

Currently, Infrastructure Charges Notices and Infrastructure Agreements are the only mechanism for local governments to ensure developers contribute to infrastructure upgrades in an area. However, there are other forms of significant development which should also require a Social Impact Assessment or Community Benefit Agreement, including heavy industrial uses or uses that by their nature require a high construction or operational workforce. Rather than elevate the assessment of all large-scale development to the State, consideration should be given to broadening the powers for local government to be able to impose conditions on a proponent to derive lasting benefits for a community like a CBA.

Section 65AA of the Planning Act 2016 stipulates conditions that may be imposed on development requiring social impact assessment. The clause allows for a development condition to be imposed in relation to the social impact of the development, which requires the provision of, or a contribution towards infrastructure or something else for a community in the locality of the development. The relevant and reasonable requirement that normally applies under section 65 of the Act does not apply to conditions under 65AA, except that the condition or imposition must not be unreasonable.

It is recommended that similar powers be included in section 65 for significant types of development that do not trigger assessment to the state but are still considered significant in a local context.

Recommendation:

9a. Increase the powers for local government under section 65 of the Planning Act to be able to impose or enter into community benefit agreements on large-scale development applications, as a relevant and reasonable condition.

10. Infrastructure Charges

At present, the Planning Regulation 2017 does not include prescribed amounts under schedule 16 for renewable energy facilities. Instead, schedule 16 identifies that a prescribed amount for another similar use to be applied. This approach is flawed in that all other prescribed amounts are based on a *gross floor area methodology* for calculation and typically renewable energy facilities (wind and solar projects) do not generate any or only minimal gross *floor* area. Consequently, this approach for determining infrastructure charges and increases to infrastructure network demand, is not fit for purpose.

IRC recommends the Planning Regulation 2017 be amended to introduce prescribed amounts for renewable energy facilities and wind farms based on a project footprint area, output (MW) or number of solar panels / wind turbines.

Isaac Regional Council would like clarification whether commitments under a CBA can be used by a proponent to offset the cost of infrastructure charges. Section 106ZD identifies that in the event of any inconsistency, a community benefit agreement that relates to a development approval for development requiring social impact assessment applies instead of –

a. An infrastructure agreement
b. A development approval
c. An infrastructure charges notice

Council holds concerns that a CBA could result in nullifying infrastructure agreements or infrastructure charges notices.

Recommendations:

10a. Introduce prescribed amounts for renewable energy facilities and wind farms based on either project footprint area, output (MW) or number of solar panels/wind turbines in Schedule 16 of the Planning Regulation 2017

10b. Clarify whether a CBA can be used by a proponent to either nullify infrastructure agreements or infrastructure charge notices, or offset the cost of infrastructure charges.

11. Fees

Council is supportive of the inclusion allowing local government to fix a cost-recovery fee for involvement in activities mentioned in section 106ZM into the Planning Act 2016. This provides local government the ability to recover costs and meaningfully engage in the process, including for instance, engaging legal counsel for review of community benefit agreements. There do not appear to be any caps or limits prescribed for these fees, which is supported as it provides Council the ability to scale fees, accordingly, depending on the scale of the project and level of input required throughout each stage of the SIA / CBA process.

12. Guidance material and templates

Local government would benefit greatly from templated Community Benefit Agreements and additional guidance / supplementary materials to ensure there is consistency across the state in how community benefit agreements are drafted. The finer details of what is negotiated as part of a CBA can remain open, but the basic principles for each agreement should be consistent across the state. This also assists local government to adequately resource and be involved in the preparation and negotiation of CBAs, particularly in local government areas which may only have a single project during a 2- or 3-year period.

IRC has invested significant funds to engage legal representatives to draft / review Community Benefit Agreements for resource projects. Whilst this could form a baseline template for Isaac Regional Council in the future, other councils or smaller regional councils are unlikely to have the same benefit.

Instead of requiring local government to engage legal representatives to prepare a base level agreement for each CBA, templated version will help address resourcing and consistency.

Recommendation:

12a. Develop a suite of guidance materials local government, including base-level a Community Benefit Agreement template to ensure consistency across the state.

13. State Government Resourcing

It is unclear from the outset how this new process will be resourced internally at the State Government and whether it will be under a centralised model (in Brisbane) or distributed amongst regional offices. Adequate internal resourcing is required to ensure that the State has the capacity and capability to assess these applications. Council's experience from a development assessment perspective is the State Assessment and Concurrence Agency, particularly in regional officers are often limited in their resourcing as a concurrence agency or assessment manager. If the assessment of renewable projects is to be distributed amongst the regional offices, this is anticipated to be beneficial as local officers with localised experience will be responsible for the assessment. However, this should not come at a cost to the regional SARA teams, as it could result in additional delays to the assessment of applications where SARA acts as a concurrence agency.

Recommendation:

13a. Ensure The State provides adequate internal resourcing to ensure it has the capacity and capability to assess SIAs and development applications.

14. Other

Recommendation:

14a. Consider applying the legislation for proponents to formalise a CBA with local government to recently approved projects (e.g. past 12months).
14b. Typographical error found under section 51N(2)(d) – omit word *meditation* and replace with *mediation*.

CLOSING COMMENTS

Isaac Regional Council (IRC) thanks the Queensland Government for reading their submission and considering their recommendations on the Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025 and the accompanying draft Development Assessment (DA) Rules.

Should the State's Committee or Planning Group have any questions or require further information on content contained within this response, please do not hesitate to contact Beau Jackson, Executive Manager, Advocacy & External Affairs on 1300 472 227 or [redacted].

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