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

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Mr Jim McDonald MP
Member for Lockyer
Chair, State Development, Infrastructure and Works Committee
Parliament House
George Street
Brisbane QLD 4000

Dear Chair,

I would like to provide a submission regarding the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025* (the Bill). The proposed Bill represents a significant and progressive step toward embedding social responsibility within the planning system, driving clarity, consistency, and accountability in how social impacts are assessed and managed.

The requirement for proponents to undertake a Social Impact Assessment (SIA) and enter into a Community Benefit Agreement (CBA) prior to lodging development applications is a welcome reform. It reflects a growing recognition that development must not only manage its impacts but also contribute positively to the communities it affects.

Following a review of the *Draft Social Impact Assessment Guideline (Version 2, May 2025)* and the *Community Benefit Agreement Fact Sheet (May 2025)*, I offer the following observations and recommendations to strengthen the intent and clarity of the Bill and its related implementation:

1. A scalable and proportionate approach to Social Impact Assessment

With the proposed expansion of SIA requirements to include residential, commercial, industrial, and retail developments (under the Planning Act), it is essential that the guidelines adopt a scalable and proportionate approach, that is commensurate with the scale, complexity, and potential social impacts of each development type.

In alignment with the *NSW Social Impact Assessment Guideline (DPE, 2023)*, I recommend that the updated Queensland SIA guidelines include a tiered framework that adjusts the level of assessment based on the type, scale, complexity, and potential social impact of a development. This would allow lower-impact projects—such as small-scale residential or retail developments—to undergo a basic assessment process, while larger or more complex projects are subject to more detailed assessment. A proportionate, tiered approach would improve efficiency and reduce unnecessary regulatory burden.

2. The purpose of the Community Benefit Agreements should be to deliver benefits and not used to offset negative social impacts

Currently, both the guideline and the fact sheet describe CBAs as mechanisms to:

— avoid, manage, and mitigate the social impacts of certain types of development on host communities; and

— provide opportunities for general community benefit and a positive legacy.

This dual framing risks blurring the distinction between two fundamentally different objectives: impact mitigation and benefit sharing. We recommend that the Bill, guidelines, and supporting materials clearly distinguish between these two functions.

Drawing on leading practice, such as the *NSW Social Impact Assessment Guideline (DPE, 2023) and NSW Benefit Sharing Guideline (DPHI, 2024)*, mitigation measures are defined as actions taken to avoid, reduce, or manage negative social impacts identified through the SIA process. In contrast, CBAs are not mitigation tools. They are negotiated agreements designed to deliver long-term social and economic development outcomes for host communities.

CBAs should be positioned as opportunities to enhance community wellbeing and resilience, not as compensatory mechanisms for negative impacts. Negative impacts and its mitigations measures should be documented in social impact management plans (SIMPs), which may inform CBAs.

This distinction is critical to:

- adequately managing the negative social impacts of projects, driving developer accountability for the implementation of mitigation and management measures.
- avoid transactional relationships, by creating a culture of "offsetting negative impacts"
- demonstrate that proponents are committed to leaving a lasting, positive legacy in the regions where they operate.

We therefore recommend that the final version of the Bill and its supporting documents:

- clearly separate mitigation measures (within the SIA) from benefit-sharing mechanisms (within the CBA).
- emphasise that CBAs are not substitutes for mitigation, but rather complementary tools for delivering broader community benefits.

By making this distinction explicit, the legislation will better support meaningful community engagement, foster long-term partnerships, and ensure that development delivers genuine, lasting value to Queensland communities.

3. Harmonisation with NSW Benefit-Sharing Guideline

In November 2024, the NSW Government published the *NSW Benefit-Sharing Guideline – Guidance for large-scale renewable energy projects (NSW Guideline)*. This guideline has two distinct elements when compared to the proposed Queensland Benefit Sharing fact sheet:

- **Standardised valuation of benefit sharing**. The NSW Guideline it introduces fixed dollar values per megawatt per annum for different types of developments—for example, $850 for solar, $1,050 for wind, and $150 per megawatt hour for stand-alone battery energy storage systems. Given that many renewable energy developers operate in both NSW and Queensland, the different approaches used in each state could lead to inconsistencies in benefit-sharing practices. This may result in developers adopting varied approaches to meet each state's regulatory requirements, potentially causing friction between communities due to perceived inequities. To address this, we recommend that Queensland adopts a standardised method for quantifying benefit sharing in alignment with the NSW Guideline.
- **Flexible administration of benefit sharing funds.** The NSW Guideline recommends a flexible fund administration, primarily through local councils (with councils administering no less than 85% of the relevant portion of the total benefit-sharing value), but also allows for partnerships with communities, organisations, or institutions where appropriate. This approach enables benefits to be more directly realised by local communities, especially within large LGAs, and supports community empowerment. We suggest the Queensland framework similarly broaden its scope to allow CBAs to be developed not only with councils and the State Government, but also with local community stakeholders.

4. Starting Community Benefit Agreements early

A further area for improvement is the timing of CBA negotiations within the planning process. As currently outlined, CBAs are positioned as outcomes of the SIA, with negotiations recommended to begin only after the SIA is finalised.

This sequencing limits the ability of proponents/applicants to conduct meaningful engagement and reach agreement – which in turn might result in further project delays. Delaying the initiation of CBA may reduce opportunities for meaningful community input and weaken the alignment between identified social impacts and the benefits negotiated through the CBA.

I recommend that the determination and negotiation of CBAs begin early and proceed in parallel with the development of the SIA. This integrated approach would:

- enable community voices to be included from the outset.
- ensure that negotiated benefits are directly informed by needs and aspirations of communities.
- foster stronger relationships between proponents and local stakeholders, building trust and enhancing transparency.

— reduce consultation fatigue from multiple stakeholder engagement through planning, SIA and CBA processes.

Early engagement also supports a more collaborative and responsive planning process—one in which community priorities are not only acknowledged but actively shape the outcomes of development.

Thank you for the opportunity to comment on this important legislative reform. We look forward to seeing the positive impacts this legislation will have across Queensland—particularly for local communities and the future of renewable energy development.

Yours sincerely,

Carla Martinez
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