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

Social impact assessment + community benefit agreements for some development applications to be properly made

14 May 2025

THE BILL

The *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025* was introduced on 1 May 2025.

The Bill amends planning provisions in Queensland:

- to streamline planning approvals process regarding 2032 Olympic and Paralympic Games venues, villages and games-related transport infrastructure;
- to introduce a 'community benefit system' into the Queensland planning framework for specific development, through amendments to the *Planning Act 2016* and *Planning Regulation 2017*, *Local Government Act 2009*, *City of Brisbane Act 2010* and *Planning and Environment Court Act 2016*.

This *Insight* discusses the proposed **community benefit system** reforms.

You can read our *Insight* about the Olympic and Paralympic development fast-tracking here.

FRONTLOADING COMMUNITY BENEFIT INTO THE DEVELOPMENT ASSESSMENT SYSTEM

A new 'community benefit system', underpinned by upfront social impact assessment (**SIA**), is to be introduced into the Queensland planning framework, by amendments to the *Planning Act 2016* and related legislation proposed by the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025*.

The amendments mark stage 2 in delivering on an election commitment that renewable energy projects would be subject to the same rigorous approval process as other major resource developments. Stage 1, effective 3 February, made all wind farm MCU development applications impact assessable and amended State code 23: Wind farm development.

Government policy consultation leading up to the Bill has been relatively short (starting February), with concurrent LGAQ, targeted local governments and industry group meetings. However, early tabling of a consultation draft version of the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Regulation 2025* (**Draft Regulation**) enables a holistic consideration not only of the proposed framework but the regulatory detail that fills it. This detail includes the types of, and trigger threshold for, development applications requiring SIA to be properly made.

This *Insight* discusses the key aspects of the framework proposed by the Bill and proposed prescriptions in the Draft Regulation. The Bill has been referred to the State Development, Infrastructure and Works Committee for detailed consideration. Public submissions to the Committee's inquiry close 20 May, and the Committee's report to Parliament is due by 20 June.

Development requiring SIA

The *Planning Act 2016* Chapter 3 (Development assessment) will contain a new Part 6B — *Development requiring social impact assessment*. This development is to be prescribed by a regulation. But development can only be so prescribed if the Minister is satisfied the development has the potential to impact on the social environment of a community in the locality of the development.

KEY PROPOSITIONS

- The Planning Regulation will prescribe development that requires a social impact assessment.
- To be properly made / capable of acceptance, development applications and change applications (not minor change) will need to be accompanied by an social impact assessment report and community benefit agreement or notice from the chief executive.

What development will be prescribed?

The Draft Regulation proposes a new Part 5B be inserted in the *Planning Regulation 2017*, prescribing a material change of use of premises for either of the following as development requiring SIA:

A prescribed energy facility

The Draft Regulation proposes this be prescribed as for a *renewable energy facility* for the generation of electricity or energy from a source of solar energy—

(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.

The amended Planning Regulation Schedule 24 use definition of *renewable energy facility* will be:

(a) means the uses of premises for the generation of electricity or energy from a renewable source, including, for example, sources of bioenergy, geothermal energy, hydropower, ocean energy, solar energy or wind energy; but

(b) does not include:

(i) the use of premises for the generation of electricity or energy to be used mainly on the premises; or

(ii) a wind farm.

A wind farm

No threshold is proposed.

No amendment is proposed to the *wind farm* use definition in Schedule 24.

Subject to the Minister's satisfaction, the community benefit provisions can conceivably extend to other MCU by future prescription in the regulation.

Frontloading — for a development application to be properly made

Section 51 of the Planning Act will be amended. It will require that if a development application for development requiring SIA is to be properly made, the application must be accompanied by:

A social impact assessment report (**SIA report**) that complies with s106W(1)*	+	Each community benefit agreement (**CBA**) required under s106Z(1) or entered into under s106Z(2)
or		or
A **s106ZE notice** given by the chief executive stating that an SIA report is not required*		A **s106ZE notice** given by the chief executive stating that a CBA is not required

* Or a social impact assessment under the *Strong and Sustainable Resource Communities Act 2017* for a large resource project or an EIA/IAR under the *State Development and Public Works Organisation Act 1971* that satisfies Planning Act s106ZK(5) criteria.

KEY PROPOSITIONS

- The chief executive can only give a notice stating that an SIA report or community benefit agreement is not required if it is appropriate in the circumstances.
- If such an excusatory notice is given, the chief executive may direct a stated community benefit condition be imposed on any approval.

Section 79 will also be similarly amended for change applications (other than for a minor change) that relates to development requiring SIA.

There is no discretion for an assessment manager to accept an application that does not comply with the above.

A discretion will sit with the chief executive (of the department administering the Planning Act) under s106ZE, with a reserve power to give a **notice** to the applicant for a development application or change application stating that an SIA report or a CBA is **not** required.

Such notice can only be given if the chief executive is satisfied it is *appropriate in the circumstances* for the application to be made without it. The Draft Regulation prescribes the following matters the chief executive may consider in deciding this—

(a) the location, nature and scale of the development requiring SIA that is the subject of the application;

(b) the social impact of the development, including any assessment of the social impact carried out by the applicant;

(c) whether the applicant has engaged with the local government, and the community in the locality of the development, about the application, including the outcomes of the engagement;

(d) whether the applicant and a public sector entity have engaged in a meditation process in relation to the application, including the outcomes of the mediation process;

(e) whether the chief executive has previously given a s106ZE notice in relation to the application;

(f) any other matter the chief executive considers relevant.

If such a notice is given, the chief may direct the assessment manager or responsible entity to impose a stated community benefit condition on any development approval given for the application. These conditions are discussed on page 7 of this Insight.

KEY PROPOSITIONS

- Pre-existing development applications and change applications made but undecided when the amendments commence will be caught.

Beware retrospective implications for pre-existing applications
New Planning Act s106U (Regulation about pre-existing applications enables a regulation to provide for the effect on administering development applications and change applications **made but not decided** before the amendments commence.

The Draft Regulation s51I provides that a pre-existing development application or change application (not for a minor change) for development that as a result of the amendments requires SIA, is taken, respectively, to be not properly made (and will return to the confirmation stage) or to not have been accepted. Pre-existing applications subject to Ministerial intervention (call in or direction) are dealt with separately under s51J.

The Explanatory Notes indicate that applications in a change representation period, appeal period or appeal, deemed approval or deemed refusal, having been 'decided', can continue to progress unaffected by the provisions.

What is a social impact?
The cornerstone of the framework is social impact. This is proposed to be defined in the Planning Act, in relation to development requiring social impact assessment, as meaning the potential impact of the development on the social environment of a community in the locality of the development, including the potential impact of the development on—

(a) the physical or mental wellbeing of members of the community; and
(b) the livelihood of members of the community; and
(c) the values of the community; and
(d) the provision of services to the community, including, for example, education services, emergency services or health services.

Impact includes a positive or negative impact of the development; direct or indirect impact of the development; and a cumulative impact of the development *and other uses*.

Social impact assessment report
The SIA report must identify, analyse and assess the social impact of the development. It must comply with the requirements prescribed by regulation. The Draft Regulation requires that an SIA report must be prepared in accordance with the process stated in the SIA guideline and include the matters stated in the SIA guideline.

KEY PROPOSITIONS

- The chief executive can only give a notice stating that an SIA report or community benefit agreement is not required if it is appropriate in the circumstances.

The chief executive is empowered to make a statutory guideline about preparing an SIA report. A consultation draft SIA guideline has been published. It is an expanded version of the existing SIA guideline published by the Coordinator-General that relates to resource projects requiring an EIS.

The consultation draft SIA guideline provides for five key areas to be addressed by an SIA:

1. community and stakeholder engagement;
2. workforce management;
3. housing and accommodation;
4. local business and industry procurement;
5. health and community well-being.

Once potentially significant social impacts have been identified, the proponent, in consultation with potentially impacted communities and other stakeholders, must develop and document social impact mitigation and benefit enhancement measures within the SIA report. The management measures developed through the SIA process are to be embedded within the proponent's internal social management systems and will inform the development of the social impact management plan and may inform a CBA.

An SIA report may be changed by the applicant before the relevant development application or change application is decided. The changed SIA report must be given to the assessment manager or responsible entity. A change to an SIA report is not, however, a change to the application.

Community benefit agreements

A CBA is an agreement about providing a benefit to a community in the locality of a development requiring SIA. A CBA may provide for, for example:

- contribution towards local infrastructure or another thing for the community (eg. a sports facility, library or training program);
- financial contribution to the community (eg. a donation to a fund established for the benefit of the community).

KEY PROPOSITIONS

- A community benefit agreement must be entered into with the relevant local government(s).
- A community benefit agreement is not an infrastructure agreement but is conferred with with some of the statutory features and effects of an infrastructure agreement.

The function of CBAs was described in these terms by the Minister in introducing the Bill—

> *The social impact assessment will inform the negotiation of a legally binding community benefit agreement. Having a binding agreement between a developer and the local council ensures host communities are empowered and can have certainty and trust that they will receive real legacy benefits from renewable energy projects if they want them in their communities. These agreements might include contributions such as support for community programs and activities, charity groups, local infrastructure, roads, rail, energy cost reductions or payments to landowners in close proximity to wind or solar farms. What is important is that the benefits are real, relevant, transparent and are targeted at those affected by renewable energy projects—locally led and tailored to the needs of that community or the region. This will bring greater accountability to the sector and greater confidence for communities.*

Section 106Z establishes the mandatory requirement for a CBA. The local government for the area in which the premises the subject of the application is located must be party to a CBA and, if the SIA report identifies a social impact for a community in another local government area, that local government must also be a party. A public sector entity prescribed by regulation may also be a party; the Draft Regulation prescribes the department for this purpose. Planning Act provisions for a voluntary mediation process regarding CBA negotiations are proposed by the Bill.

Although a CBA may relate to providing or funding infrastructure, a CBA is *not* an infrastructure agreement. However, the following Planning Act provisions apply as if their references to an infrastructure agreement were a reference to a CBA — s151 (Obligation to negotiate in good faith), s152 (Content), s155 (When binds successors in title) and s156 (Extent of discretion unaffected).

Assessing and deciding applications for development requiring SIA

The Draft Regulation proposes to make MCU for solar farm development impact assessable, following the February amendments which made MCU wind farms impact assessable. A draft State code 26: Solar farm development has been released for consultation. Amendments to the Development Assessment Rules are proposed to provide specific public notification requirements for wind farm and solar farm development applications (consultation on the draft DA Rules closes 3 June).

SARA, and not the local government, will be the assessment manager for solar farms that are prescribed renewal energy facilities (ie. large scale solar farms).

KEY PROPOSITIONS

- Community benefit conditions can be imposed on a development approval. These can require the provision of a contribution towards infrastructure or another thing for the impacted community.

The absence of a CBA or the fact that a CBA does not adequately manage, mitigate or counterbalance the social impacts of the development is expressly not a ground for refusal or for directing refusal of a development application, change application, change representations or extension application for development requiring SIA.

New s65AA will provide that a development condition (a **community benefit condition**) may be imposed on a development approval:

(a)	**Requiring compliance with a CBA** Only to the extent the responsibilities under the agreement attach to, and bind the owner of, premises. Planning Act s65(1) does not apply.
(b)	**Relating to the management, mitigation or counterbalancing of a social impact of the development** Planning Act s65(1) does not apply. However, the the condition must not be an unreasonable imposition on the development or the use of the premises as a consequence of the development. May require the provision of, or a contribution towards, infrastructure or another thing for a community in the locality of the development. The condition is taken to be complied with if the entity that imposed the condition agrees (in writing) that a stated contribution towards the infrastructure/thing and the contribution is provided accordingly.
(c)	**Relating to the monitoring of a social impact of the development** Planning Act s65(1) does not apply. However, the the condition must not be an unreasonable imposition on the development or the use of the premises as a consequence of the development.

A financial contribution made to a local government under a CBA, under an agreement in (b) above, or under a community benefit condition for a particular thing must be used for that purpose.

KEY PROPOSITIONS

- Appeal rights will be confined.
- Planning and Environment Court proceedings for a declaration about specified matters regarding SIAs, CBAs and conditions will be limited to specified persons.
- Local government can charge cost-recovery fees.
- Public access to information and planning and development certificate requirements will be expanded.

Impact on appeal rights and ability to bring declaratory proceedings

A person other than the applicant will not be able to appeal against a development approval condition requiring compliance with a CBA, a condition directed to be imposed by the chief executive, or a failure to impose a condition about social impacts. Appeal rights are not otherwise affected.

A declaratory proceeding in the Planning and Environment Court will not be able to be started by anyone regarding either a s106ZE notice by the chief executive that an SIA report or CBA is not required, or a s106ZF direction by the chief executive that a community benefit condition is to be imposed.

The ability to start a declaratory proceeding for the following matters (new *Planning and Environment Court Act 2016* s12A) will be limited:

Declaration about	Who can start the proceeding
A matter stated in, to be stated in or that should have been stated in an SIA for a development application or change application	• Applicant • Holder of the development approval • Assessment manager or responsible entity for the application
A matter stated in, to be stated in or that should have been stated in a CBA	• A party to the CBA • Any person if the proceed relates to the enforcement of a development approval condition that requires compliance with the CBA.
The imposition of, or failure to impose, a condition on a development approval for development requiring SIA	• Applicant • Holder of the development approval • Assessment manager or responsible entity for the application for the development approval.

Operational amendments affecting local government

A local government will be able to charge a cost-recovery fee for considering an SIA report and negotiating a CBA (including participating in mediation).

Statutory public access to information and planning and development certificate requirements will be expanded to include an SIA report and CBA.

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