

Community Benefit Agreement

This factsheet provides an overview of community benefit agreements under the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025*.

What is a community benefit agreement?

A community benefit agreement (CBA) is a legally binding agreement about providing or contributing towards infrastructure or another thing for the benefit of the community in the locality of the relevant development. Community benefit agreements are intended to ensure that relevant development projects provide specific benefits to the host communities. A community benefit agreement may include a monetary contribution, a contribution to or delivery of physical works, or a combination of both.

It is expected that a CBA will be informed by a social impact assessment to ensure that the benefit being received will be targeted towards the people and communities that are likely to be impacted by the proposed development.

Together the requirement to undertake social impact assessment and deliver a community benefit agreement is referred to as the community benefit system under the Queensland planning framework

What could a community benefit agreement include?

Possible examples include, but are not limited to:

- local infrastructure, for example, roads, community facilities etc
- training programs to upskill members of the community
- funding to contribute to improve programs or initiatives for health or wellbeing in the community
- provision of community facilities, services or housing
- support for local businesses to benefit from projects
- environmental conservation projects.

When is a community benefit agreement required?

Only certain types of uses will be subject to the community benefit system under the Queensland planning framework, as prescribed by the Planning Regulation 2017 (Planning Regulation). It is proposed that wind farms and large-scale solar farms are subject to the community benefit system.

For further information on the community benefit system, please refer to the Bill overview fact sheet.

For uses prescribed by the Planning Regulation as being subject to the community benefit system, a social impact assessment report and a CBA must be submitted with a development application to be a properly made development application under the Planning Act.

What is the purpose of a community benefit agreement?

The purpose of a CBA is twofold. Firstly to avoid, manage and mitigate the social impacts of certain types of uses on the host communities. Secondly to provide an opportunity for general community benefit to support a positive legacy from certain development types.

What does a community benefit agreement do?

The new community benefit system under the Queensland planning framework identifies that social impact assessment will be undertaken to inform the development of a CBA. While not mandated, it is intended that a CBA will have some level of relationship to the social impacts identified in the social impact assessment process.

The social impact assessment guideline also identifies that social impact assessment should be informed by community and stakeholder engagement. By involving the community early in the development process, a CBA will help build a social license for development to operate. This means that the community acceptance of the project can be secured before progressing to obtaining regulatory approvals. This is crucial for fostering trust and cooperation between proponents and the community.

For further information on the social impact assessment process, please see the social impact assessment fact sheet.

A CBA can ensure that host communities receive tangible and long-lasting benefits from development, including distributing the economic and social advantages amongst affected communities.

While some Local Governments already negotiate community benefit contributions for renewable energy developments, a mandatory, state-wide approach for wind farms and large-scale solar farms is proposed to ensure consistency, transparency and equity.

Who can enter into a community benefit agreement?

It is anticipated that in a majority of cases a CBA will be entered into by a proponent and a Local Government for an individual development.

However the CBA provisions proposed in the Planning Act have been prepared to allow for the option of a CBA that involves multiple parties or provides for multiple developments. This includes scenarios that may involve a combination of:

- one or more developments
- one or more Local Governments
- one or more proponents
- one or more public sector entities.

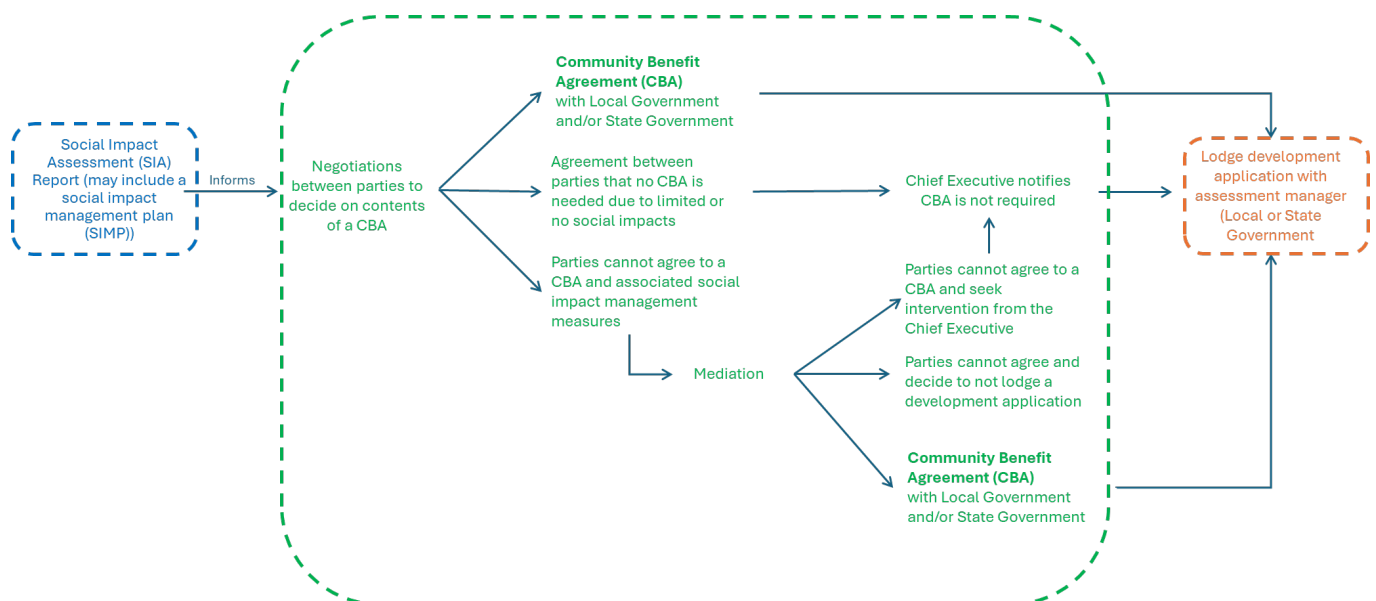
This allows a CBA to be negotiated between identified relevant parties, and to be structured to be flexible and fit-for-purpose at either a local or regional level depending on the scale, intensity or context of a development.

What is the process for entering into a community benefit agreement?

Ultimately a CBA is a commercial agreement between parties and will be negotiated and entered into on this basis. It is intended that a CBA be informed by an earlier social impact assessment process.

In limited circumstances, it is anticipated that the parties may require assistance of a third party to negotiate the details of a CBA. Recognising this, the proposed amendments to the Planning Act do provide for a voluntary mediation process.

Diagram 1 provides a graphic overview of the CBA process.



What are the reporting requirements for community benefit agreements?

Where a financial contribution is paid under a CBA, the relevant Local Government/s will be required to report on the receipt and expenditure of any funds received as part of annual financial statement reporting.

When spending funds received under a CBA, the relevant Local Government will be required demonstrate a nexus between the expenditure and the purpose for which the funds were received.

Further information

For further information please contact the Department of State Development, Infrastructure and Planning via renewablesplanning@dsdilgp.qld.gov.au.