ESC – C066 RENEWABLE ENERGY COMMUNITY BENEFITS AGREEMENT POLICY

POLICY VERSION AND REVISION

Version History	**Meeting date**	
	17th June 2026	
	Resolution number	
	# 26.07.06	
Approval by CEO		
Effective date	**Review date**	
17th June 2026	**17th June 2029**	
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1. PURPOSE

Etheridge Shire Council is committed to ensuring renewable energy projects (projects) deliver long-lasting, widespread and sustained net benefits to Etheridge communities and the broader region. The Renewable Energy Community Benefit Agreement Policy lays the foundation for the consistent negotiation and execution of Community Benefit Agreements (CBA) associated with renewable energy developments in the Etheridge Shire.

The purpose of this policy is to define and establish a consistent framework for the implementation of a Community Benefit System, including negotiating, amending, and executing Community Benefit Agreements (CBAs) as informed by Social Impact Assessments (SIAs), associated with eligible renewable energy developments in the Etheridge Shire.

This policy ensures CBAs deliver meaningful and legacy outcomes for the community in alignment with the *Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025*, The *Planning (Battery Storage Facilities) and Other Legislation Amendment Regulation* 2025 and Council's long-term strategic objectives.

This Policy sets out expectations and requirements for negotiating and establishing a Community Benefit Agreement (CBA) to deliver a demonstrable public benefit for the Etheridge Shire Community, consistent with Council's strategic objectives and principles.

This policy ensures that CBAs:

- Deliver tangible, equitable and enduring legacy outcomes for Host Communities as informed by a robust Social Impact Assessment (SIA) in line with the *Planning Act 2016* (PA) and supporting State Government guidance materials;
- Provide for voluntary legacy contributions and goodwill-based benefits as distinct from financial and other obligations imposed on the Proponent under statute, as a condition of development approval, under an infrastructure agreement and the like; and
- Are proportionate to project scale, using a transparent $/MW contribution formula benchmarked against industry standards and reviewed periodically.

2. SCOPE

This policy applies to all renewable energy projects located within the Etheridge Shire Council local government area (or within neighbouring local government areas where the development has been determined to have a social impact within the Etheridge Shire) that are subject to the community benefit system under Queensland's statutory planning framework.

The policy applies to the Chief Executive Officer, General Managers, Senior Leadership Team, Council's legal advisors, and other relevant officers engaged in renewable energy project negotiations. It must be read in conjunction with relevant legislation, Council's Corporate and Operational Plans, and associated governance frameworks.

3. POLICY

3.1. INTRODUCTION

Renewable energy developments present an opportunity for long-term economic and social benefit across the Etheridge Shire. Community Benefit Agreements (CBAs) are a key statutory mechanism by which the impacts of such developments can be offset, and tangible, place-based benefits can be delivered to local communities. Council is best positioned to understand local needs, coordinate projects, exercise sound governance, and maximise returns on investment for community betterment.

The objectives of this policy are to promote benefit sharing strategies associated with an Eligible Development that:

- Create real and ongoing social, economic and environmental benefits for the community, guided by an SIA and aligned with Council's policies and priorities for delivering sustainable infrastructure, programs and services;
- Ensure the Etheridge Shire's competitive advantage in the economic transition continues to attract investment across all industry sectors;

- Ensure meaningful, measurable and enduring benefits for communities affected by Eligible Developments;
- Embed transparency and accountability in how community benefits (including funds) are negotiated, provided, held, allocated and reported (as applicable);
- Align CBA outcomes with the Vision Statement and Guiding Principles of Council's Corporate Plan; and
- Strengthen collaboration and trust between Council, industry proponents, First Nations peoples and local communities to achieve shared, long-term legacy outcomes.

Council is committed to securing CBAs that:

- Are informed through strong Social Impact Assessments (SIAs) and other previously identified local needs in host communities, as articulated through community plans and a demonstrable consultation process;
- Reflect community expectations and aspirations;
- Integrate with, and value-add to existing local initiatives and organisations;
- Are proportionate and fair in scale and purpose;
- Embed transparency and accountability into all benefit streams; and
- Align with Council's strategic direction and long-term planning frameworks.

3.2. CEO AUTHORITY

Agreement to enter into a CBA is at the absolute discretion of Council through a formal resolution. Council sets the strategic direction on CBA priorities and will review this direction as part of the normal cycle of monitoring and review system prescribed under Council's Integrated Planning Framework.

The Chief Executive Officer is responsible for implementing the policy in accordance with the formal resolution of Council.

3.3. BENEFITS

At a minimum, a CBA will identify the community benefits to be provided to the Host Community and the manner and times for provision of those benefits. A CBA may include security arrangements and/or require the Proponent to monitor, manage and report on potential social impacts in accordance with the SIAR or SIMP for an Eligible Development.

Council requires the Proponent for an Eligible Development to make a minimum monetary contribution into a Council-managed Community Benefit Fund (CBF) as a condition of hosting the development in the Etheridge Shire, as set out in the table below.

Development Type	Minimum Contribution
Solar Farm that has a maximum instantaneous electricity output of 1 MW or more	$850.00 per megawatt per annum
Wind Farm	$1,050.00 per megawatt per annum
Standalone Battery Energy Storage System (BESS) that has a maximum instantaneous electricity output of 50MW or more	$150.00 per megawatt hour per annum
Other Energy Storage (including hydro-electric)	$850.00 per megawatt per annum

The calculation is based on the nameplate capacity of the development, indexed annually to the Consumer Price Index (CPI). The first-year contribution is to be made by the first day of the commencement of construction, with subsequent contributions made annually on the anniversary of the first day of commencement of construction, for the full operational life of the development.

In addition, Council will request an additional 1% on top of the monetary contribution of the CBA to recover ongoing costs for monitoring and reporting.

Contributions will be used for Council's and communities' identified priorities and informed by a Proponent's Social Impact Assessment. The contribution will be directed to support the Host Communities, through a competitive funding application round/s administered by Council.

The CBA may also require the Proponent for an Eligible Development to provide other benefits to a Host Community. These may include but are not limited to:

- Workforce management.
- Housing and accommodation.
- Local business and industry procurement.
- Waste management.
- Infrastructure impact.
- Community grants and donations programs.
- Emergency and disaster management.
- Environmental offset programs, habitat creation, biodiversity enhancement, environmental remediation.
- Local capacity building projects.
- Near neighbour energy rebates.
- Decommissioning and end-of-life, including making available reusable infrastructure to the community free of charge as part of the decommissioning process.

3.4. ADMINISTRATION, GOVERNANCE AND REPORTING

Community Benefit Contributions funds will be held in a dedicated reserve/s by Etheridge Shire Council. Council will manage and disperse of the funds in accordance with the *Local Government Act 2009*, the *Statutory Bodies Financial Arrangements Act 1982*, ESC's Investment Policy and ESC's Reserves Policy.

Community Benefit Contributions will be accounted for in Council's annual budget and unspent funds will be carried forward in the reserve. Interest generated through the future investment funds will be returned to the dedicated reserve. Council will report on the expenditure of Community Benefit Contributions as part of its annual financial statements.

A formal review of each CBA is to occur no less than once every three years to ensure it remains contemporary and relevant to changing community needs. Outcomes of these reviews will be reported to Council through briefing or formal resolution as appropriate.

The parties to any Community Benefits Agreement shall include:

(a) The landowner;
(b) The developer; and,
(c) Etheridge Shire Council.

Any Community Benefits Agreement shall include a clause to the effect that:

(a) Each Landowner is jointly and severally Liable to pay the financial benefit to Council, immediately upon the due date; and
(b) The Landowner must not sell or transfer the whole or any part of the Land the subject of the Community Benefit Agreement unless the Landowner has first obtained the written

consent from the proposed transferee that this agreement will continue to attach to the relevant part of the Land and the consent from Council to the proposed transferee becoming subject to the Landowner's obligations.

4 PRINCIPLES

This policy is guided by the following principles:

- Inclusive: Community benefit outcomes are determined through appropriate governance processes, informed by an SIA and community sentiment and aligned to Council priorities and plans.

  The benefits are to be distributed equitably amongst the Host Communities.
- Strategic: Funds must support the achievement of Council's Corporate Plan, Operational Plan, and key infrastructure and community strategies.
- Intergenerational Equity: Benefits are to provide a legacy of long-term meaningful impacts.
- Transparent: A fair, transparent, consistent and accountable framework governs the negotiation, preparation, and implementation of CBAs.

  Council will ensure full transparency with the community on how benefits are determined and distributed.

5 ASSESSMENT OF BENEFITS

In considering whether a CBA adequately addresses potential social impacts on a Host Community, Council may have regard to whether:

- Social
  - Potential adverse social impacts identified in the Social Impact Assessment are adequately addressed or mitigated.
  - Community wellbeing is enhanced through improved access to services, safety, cultural recognition, and social cohesion.
  - Equity measures ensure benefits reach the most impacted local and neighbouring\ communities.
- Economic
  - Tangible economic opportunities are provided through local jobs, training, and supply chain participation.
  - Contributions support long-term economic diversification and resilience beyond construction.
  - CBF investments are leveraged to maximise additional funding and multiplier effects.
- Environmental
  - Initiatives align with Queensland and Australian Government net zero objectives.
  - Contributions support environmental restoration, sustainability, or climate resilience programs.
  - Developments demonstrate avoidance of environmental harm beyond statutory conditions.
- Governance and Transparency
  - Allocation decisions are transparent, inclusive and accountable.
  - Meaningful community engagement informs priorities.
  - Outcomes are monitored and publicly reported.

Council will not enter into a CBA unless it is satisfied that the agreement adequately addresses the potential social impact of an Eligible Development, as informed by the SIA and aligned with Council's policies and priorities for delivering sustainable infrastructure programs and services. Where a proposed agreement does not meet the test, Council will require renegotiation of the agreement.

6 ADMINISTRATIVE FRAMEWORK

6.1 NOTICE OF INTENTION

Proponents must provide Council with formal notice and supporting documentation (including statutory planning studies and technical reviews of the development) within 30 business days prior to initiating the first SIA community consultation session.

6.2 COMMUNITY ENGAGEMENT

Separate to the requirement on Proponents to undertake community engagement as part of the SIA progress, Council and a Proponent negotiating a CBA will determine if and when further community engagement is necessary to finalise a CBA.

7 DEFINITIONS

To assist in interpretation of this policy the following definitions apply:

Benefit	A benefit provided by the Proponent under a CBA.
Community Benefit Agreement (CBA)	Has the meaning given to it in section 106Y of the *Planning Act 2016.*
Community Benefit Fund (CBF)	A Council administered fund to which a proponent contributes financially, for the benefit of the Host Community. Contributions are used to support community projects, services, and infrastructure in accordance with this Policy. CBF contributions are made for the duration of the development's operation.
ESC	Etheridge Shire Council.
Council	Etheridge Shire Council.
Eligible Development	A material change of use for a renewable energy development for which social impact assessment is required under the *Planning Act 2106*.
First day of construction	The date construction commences on the development.
Host Community	A community within the Etheridge Shire which is expected to experience social impacts associated with an Eligible Development, as informed by the SIA for the Eligible Development.
LGA	*Local Government Act 2009*.
LGR	*Local Government Regulation 2012*.
Monetary Contribution	A community benefit in the form of a monetary contribution and included in a CBA.

Nameplate Capacity	The manufacturer's stated maximum output installed.
Shared Benefits	Community benefits that address the social impacts and/or deliver a broader contribution that supports a positive and lasting legacy for the community.
Social Impact Assessment (SIA)	A process that helps identify the social impact that an Eligible Development may have.
Social Impact	Has the meaning given to it in section 106R of the PA.
Social Impact Assessment Report (SIAR)	Has the meaning given to it in section 106V of the PA.
Social Impact Management Plan	A Social Impact Management Plan produced under a SIAR.
PA	*The Planning Act 2016* (Qld).
PR	*The Planning Regulation 2017* (Qld).
Proponent	The applicant for a development approval, developer, operator, or owner of an Eligible Development.

8 RELATED LEGISLATION AND GUIDLEINES

- *Local Government Act 2009 (Qld);*
- *Local Government Regulation 2012 (Qld);*
- *Planning Act 2016 (Qld);*
- *Planning Regulation 2017 (Qld);*
- *Human Rights Act 2019 (Qld);*
- *Statutory Bodies Financial Arrangements Act 1982;*
- *Statutory Bodies Financial Arrangements Regulation 2019;*
- Queensland Government Guideline: Community Benefit Agreements July 2025.

9 REVIEW

The policy is to be reviewed every three years.