Planning and Development in Townsville

Development Activity Report | Quarter 1 – 2022

City of Townsville

Introduction

The following report provides development activity data from 2019 to quarter 1 of 2022.

The report paints a picture of development activity compared to historical data dating back to 2019.

It shows a meaningful insight into the trends and external factors that have influenced the industry throughout the 3 years.

Of note, the release of residential lots continues to hold strong when viewed in comparison to the pre government stimulus period prior to quarter 3 of 2020.

This is an encouraging sign. Lot releases continues to flow on to new dwelling construction supporting both the local economy and employment.

In addition, investment in other residential building works also continues to hold firm. This is a clear signal that residents are comfortable in expending money on property improvements.

Another pointer to increased overall development activity is the take up of free prelodgement meetings. These are an opportunity to discuss proposed developments. Reconfigurations, education services, and health are frequent topics of discussion.

As the 2022 year further unfolds, a clearer picture of the development industry without the stimulus of government incentives will be revealed.

Residential lots approved and released

This graph shows the historical trend of land releases from 2019 up to and including quarter 1 of 2022.

The data is showing 2019 experienced a depressed environment for residential lot releases with an average of 52 lots per quarter released.

2020 did see a marginal improvement early in the year, however once the Federal Government Homebuilder grant was announced, lot releases greatly increased to meet the demand for residential land generated by the grant.

2020 ended with an average of 148 lots per quarter, the bulk of which was released in quarters 3 & 4.

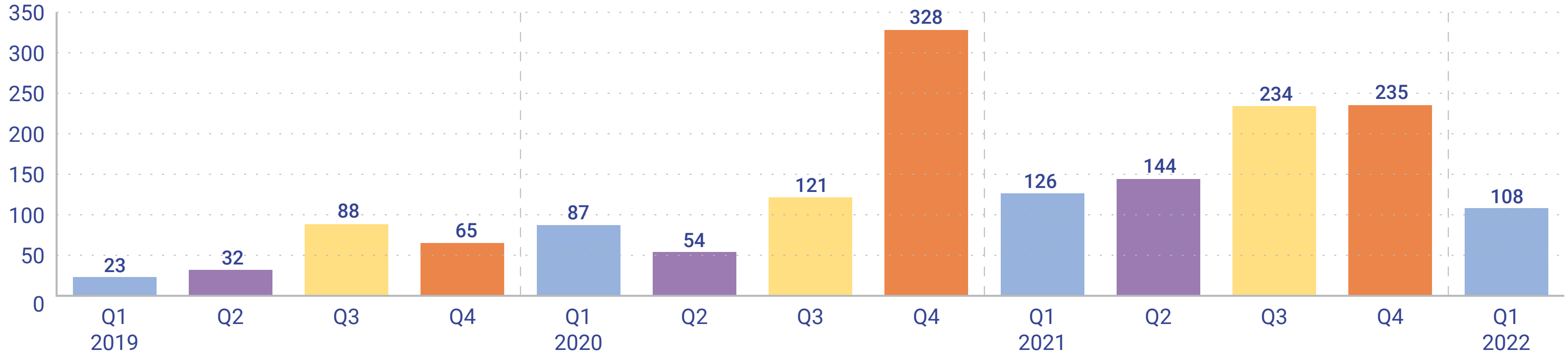
With the completion of the HomeBuilder Grant, we may have expected to see demand for residential land taper back to pre-grant levels. This has not entirely been the case.

2021 ended with an average of 185 lots per quarter with higher releases in quarters 3 & 4.

The latest data – quarter 1 of 2022, shows a marginally lower average figure of 108 for the quarter. This is not unexpected as the first quarter of the year is historically the quietest of the year.

As 2022 unfolds, residential land release results will depict the first full year since 2019 without government stimulus.

RESIDENTIAL LOTS RELEASED



Development Applications Lodged

The graph shows development applications lodged from quarter 1 of 2019 to quarter 1 of 2022.

In terms of yearly averages, 2019 shows an average of 75 applications per quarter, 2020 shows an average of 88 applications per quarter, and 2021 shows an average of 107 per quarter.

Quarter 1 each year will show lower than average lodgements. Historically January and February are the quiet months of the calendar year.

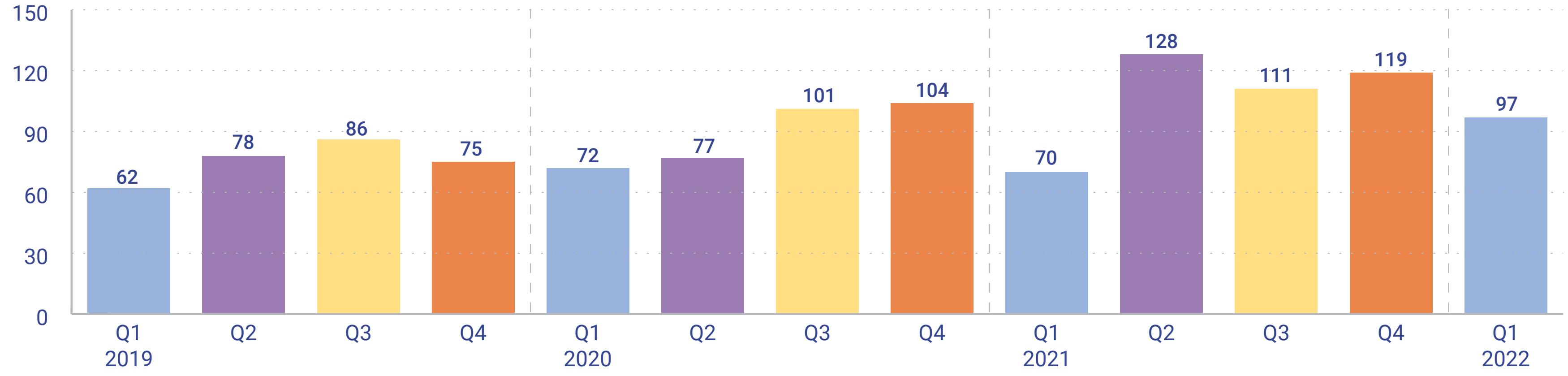
Of the Material Change application data from 2019 to 2021, Non-residential developments account for 73% of the applications lodged and the balance being residential developments.

The data overall reveals a consistent increase in the lodgement of development applications over the full data period represented.

It should be noted this data does not fully represent the business development activity taking place without the need for a planning approval.

A number of development types are prescribed under the Townsville City Plan as accepted development. Providing codes are complied with, no planning approval is required.

DEVELOPMENT APPLICATIONS LODGED



Concurrence agency applications lodged (siting and design and building over services)

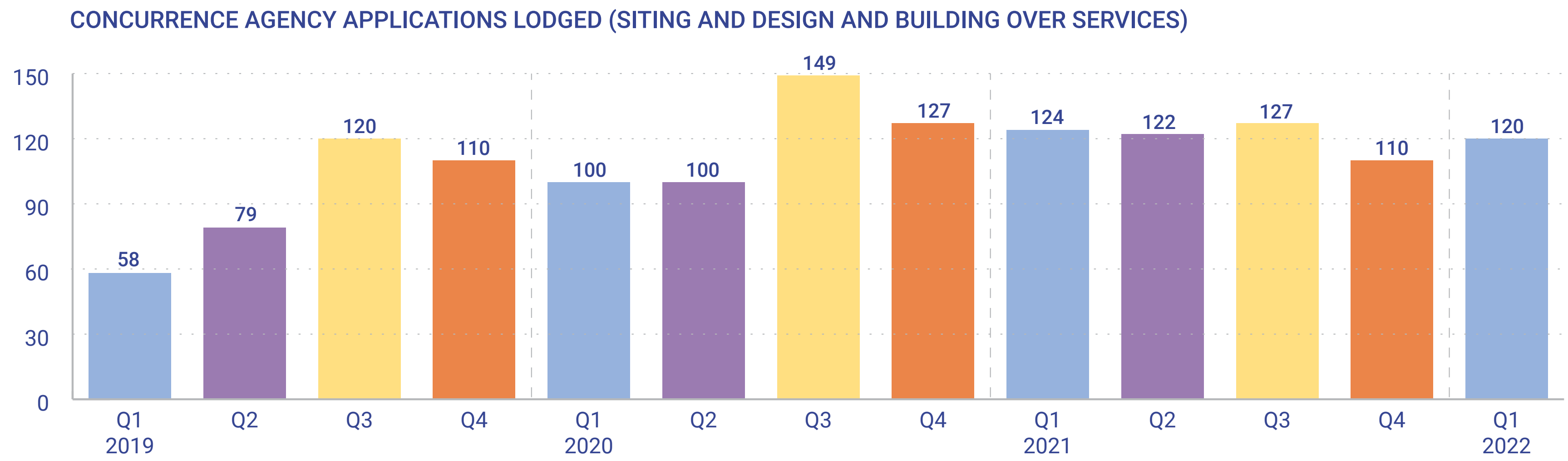
The graph shows lodgements of Concurrence agency applications lodged from quarter 1 of 2019 to quarter 1 of 2022.

This data is representative of proposed building works where relaxation of the Queensland Development Code is required.

In terms of yearly averages, 2019 shows an average of 92 applications per quarter, 2020 shows an average of 119 applications per quarter, and 2021 shows an average of 121 per quarter.

The increases in lodgements over the period indicates residents have invested further in their properties with carports, sheds, and other property improvements.

This is one of the indicators that residents of Townsville have the confidence to outlay funds for improvements to their existing homes.



Building data

The graphs are derived from residential building approval data lodged by Private Certifiers to council.

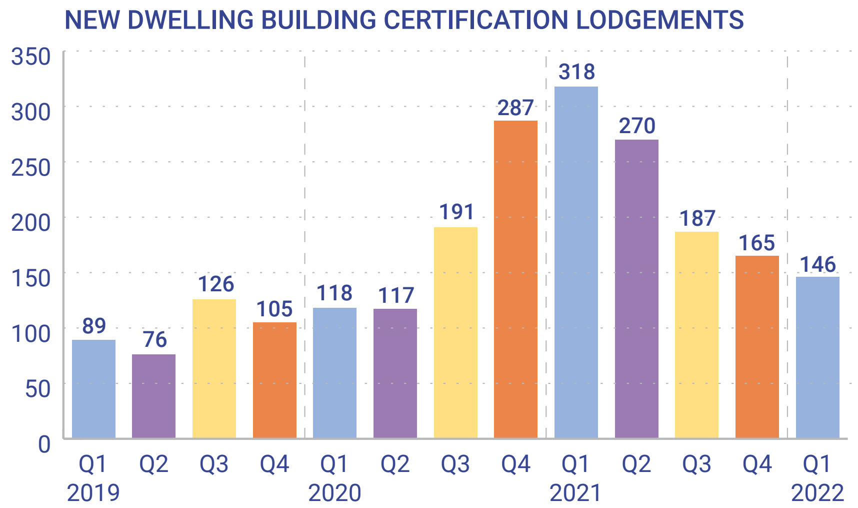
Whilst these are approvals only and may not necessarily convert to works on the ground, the data still provides a reliable reflection of trends for residential building works.

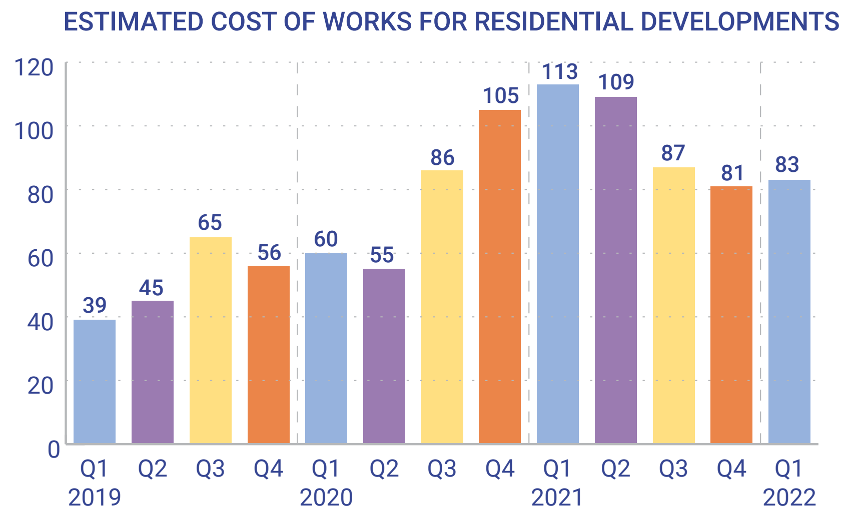
The first graph shows the retraction of investment in new homes in quarters 3 & 4 of 2021 and quarter 1 of 2022. The results, however, still shows investment in new dwellings in excess of 2019 and early 2020. Following this period, government incentives prompted a distinct increase in new dwelling construction activity.

As the 2022 year unfolds, new dwelling building approvals trends will be revealed to show a full year without the stimulus from government incentives affecting results.

The second graph shows the investment in residential building works is holding firm irrespective of the retraction in new dwelling approvals. This would indicate the investment in residential improvements continues to be strong.

Viewed in combination the local building industry continues to attract strong demand for it’s services.





Building data (continued)

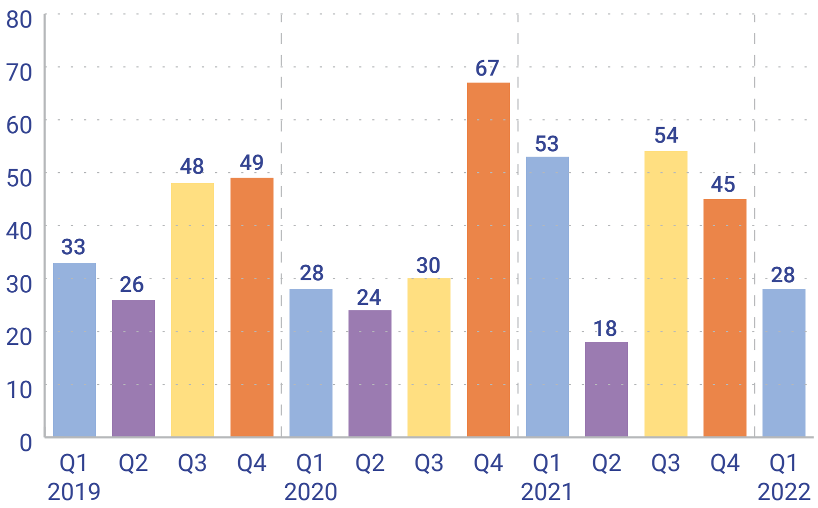
The graphs are derived from commercial building approvals data lodged by Private Certifiers to council.

Whilst these are approvals only and may not necessarily convert to works on the ground, the data still provides a reliable reflection of trends for commercial building works.

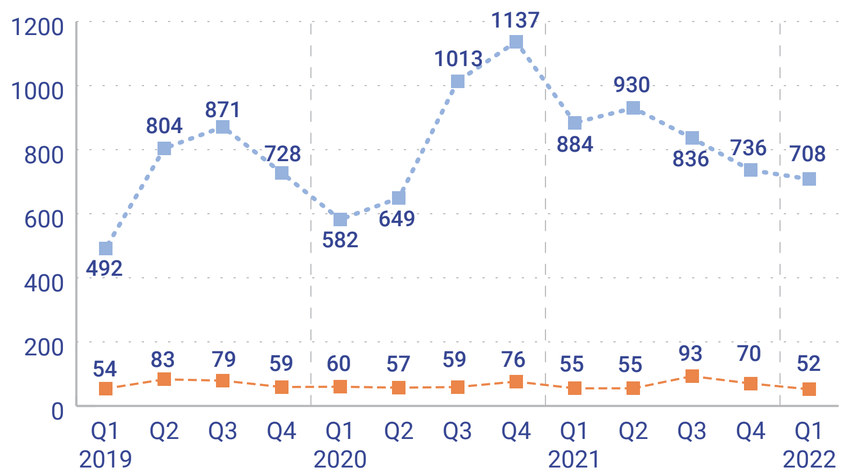
Looking at the first graph, the investment in commercial building shows an increased upward trend in the later quarters of each year.

The second graph shows the trending of commercial versus residential building approval lodgements. Commercial investment remains quite consistent whilst the residential trend is influenced from the government stimulus.

ESTIMATED COST OF WORKS - COMMERCIAL CERTIFICATION LODGED WITH COUNCIL IN MILLIONS



RESIDENTIAL & COMMERCIAL BUILDING CERTIFICATION LODGEMENTS

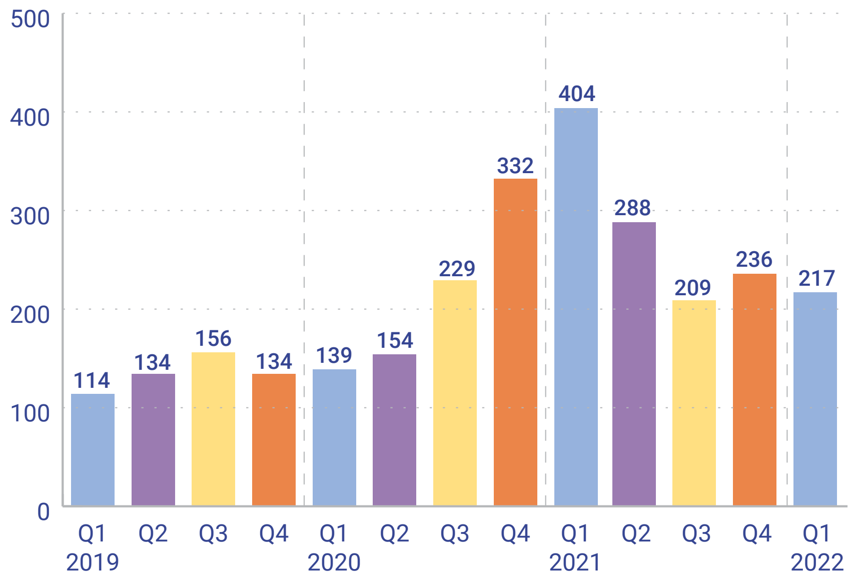


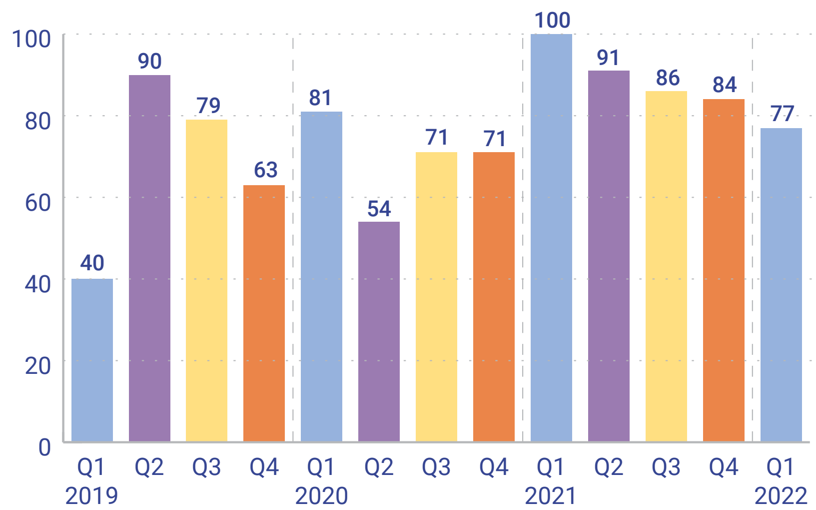
Plumbing and Drainage applications lodged

The graphs show lodgements of residential and commercial Plumbing and Drainage applications lodged from quarter 1 of 2019 to quarter 1 of 2022.

The residential chart follows the trend of new dwelling approvals and clearly shows the peak of the government incentives in quarter 4 of 2021 and quarter 1 of 2022.

Whilst it was expected that retraction of the residential data would take place once the residual effects of the government incentives lessened, application lodged on the whole remained strong.





Development Assessment Customer Service Commitments

This graph provides information on the average assessment timeframes for a number of the planning applications associated with the Planning and Development Customer Service Commitment.

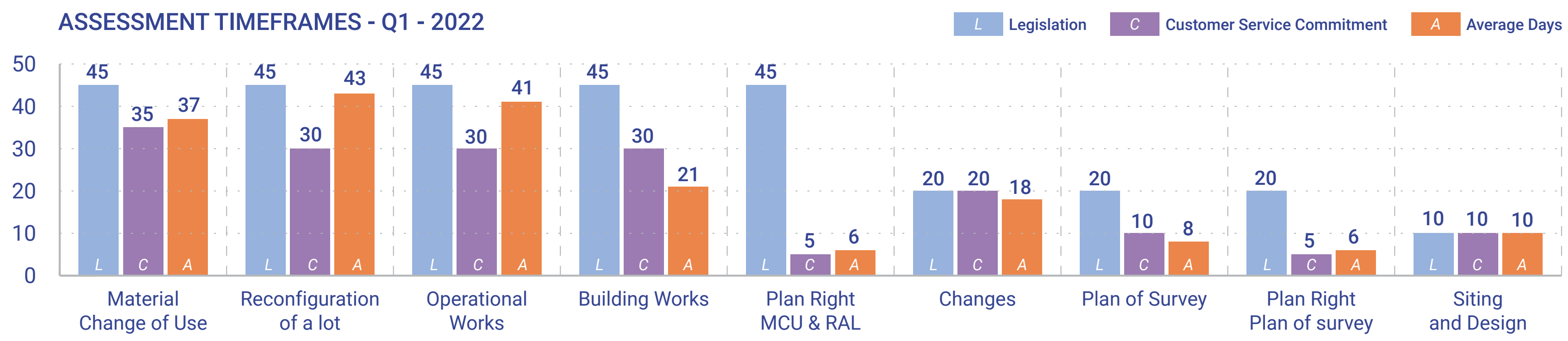
For applications, the average assessment times are calculated in business days from the lodgement of the application to the decision date, less any days waiting for responses from the applicant for action notices, requests for information, and responses from referral agencies.

The legislative timeframes show the maximum time allowed (blue shading), the Customer Service Commitment, which is our promise to the industry on timeframes that we strive to achieve (purple shading) and the actual average days to reach decision (orange shading).

Application assessment timeframes for planning applications are below legislative timeframes excluding siting and design.

The increase in development application lodgements continues to place pressure on the assessment of applications to meet the Customer Service Commitment.

The accelerated Plan Right assessment initative continues to attract applications from accredited external consultants for the assessment of Material Change of Use, Reconfigurations of a Lot, and Plan of Survey approvals.



Prelodgement Meetings

This data shows requests for formal discussions associated with new developments. Whilst 2019 and early 2020 recorded consistent results, from mid-2020, the requests increased markedly. This was the beginning of the government incentives which would have prompted increased discussions.

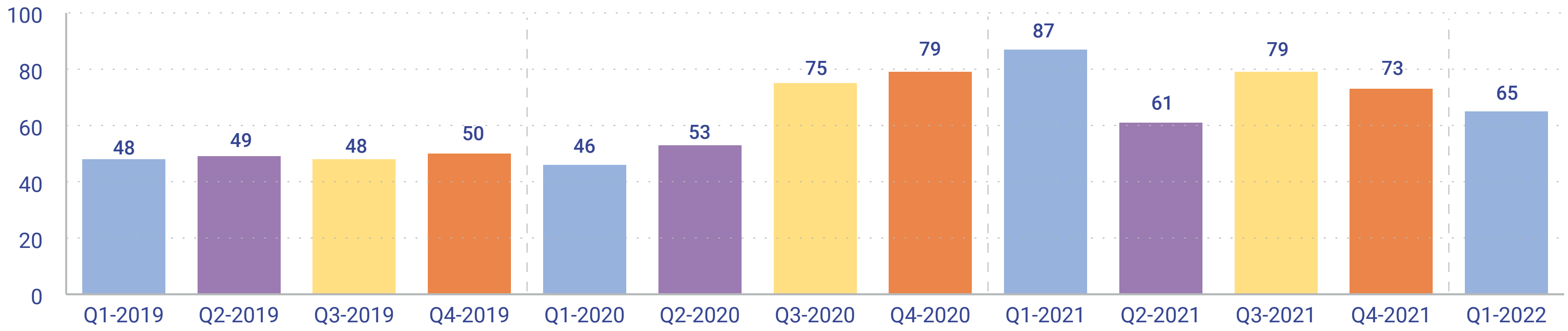
The most requested discussion topics of prelodgement meetings relating to new developments for 2021 were:

- Reconfigurations (65);
- Building works (15);
- New dwellings (13);
- Education (10);
- Health (10); and
- Multiple dwellings (8)

It is also noted that a further 40 discussions related to general planning questions.

Prelodgement meetings are encouraged by Council and are delivered at no cost to the applicant. The meetings serve to ensure applicants are aware of town planning and engineering requirements associated with a potential development.

PRELODGEMENT MEETINGS



Notes

BUILDING APPROVAL DATA

State government development information is not required to be given to Council. Therefore, the building approval data only includes a small proportion of State government work, and this should be taken into consideration when analysing the information (i.e. the estimated value of works may not include developments such as works to schools, hospitals or defence). The number of building works for the most recent two months also needs to be used with some caution. While private building certifiers are required to provide the information to Council within five business days of the decision notice being issued, this does not always occur. Data is regularly reviewed for accuracy; however, minor representation errors may still occur.

VALUE OF WORKS DATA

The estimated value of works needs to be used with some caution. As this is provided at the planning stage of works, this may not accurately reflect the final cost of works.

ASSESSMENT TIMEFRAMES FOR PLAN OF SURVEY

The assessment days for the release of Plans of Surveys are calculated from the date all required information is received by Council and all conditions of approval have been met.

CONCURRENCE AGENCY RESPONSE APPLICATIONS

Concurrence Agency applications in the context of this report represent two areas of assessment. Firstly, where residential development does not comply with the assessment guidelines of the Queensland Development Code (QDC).

The QDC prescribes amenity and design guidelines. These guidelines as an example dictate the sighting and height of structures on the lot. The Local Government Authority has the delegated rights from the State to assess applications where the property owner wishes to gain a relaxation of the codes.

Secondly the QDC prescribes guidelines in relation to structures built over or within the influence of a Council asset such as sewer infrastructure. It allows the Local Government Authority to assess the structure if it poses a risk to the infrastructure.

Glossary

OPW – OPERATIONAL WORK
In the context of day-to-day business, operational works commonly includes infrastructure works associated with development, such as sewerage, water, roads, and stormwater. This may also include excavating or filling, clearing vegetation, road works, and Advertising Devices.

DBW – DEVELOPMENT BUILDING WORK
Assessment of proposed building works on lots that are located in zones such as Character Residential Zone.

RAL- RECONFIGURING A LOT
The subdivision, amalgamation, and realignment/rearrangement of lot boundaries, creating an easement and agreements for Community Titles Scheme (CMS)

MCU-MATERIAL CHANGE OF USE
Required when commencing a new use on premises, re-establishing a use that has been abandoned or changing the intensity or scale of the use.

POS- PLAN OF SURVEY
POS lodgements are associated with the approval of a Plan of Survey. This allows newly created lot/s to be registered and introduced to market for sale.

PROPERLY MADE
An application must be properly made to allow assessment to proceed. Legislation prescribes the minimum requirements for an application to be properly made.

PLANRIGHT APPLICATIONS
PlanRight applications are those identified application types that are assessed by approved external consultants. Once lodged, Council issues the decision notice via an accelerated process.

City of Townsville

13 48 10
enquiries@townsville.qld.gov.au
townsville.qld.gov.au

Townsville City Council acknowledges the Wulgurukaba of Gurambilbarra and Yunbenun, Bindal, Gugu Badhun and Nywaigi as the Traditional Owners of this land. We pay our respects to their cultures, their ancestors and their Elders, past and present - and all future generations.

Report modified: 19 April 2022