

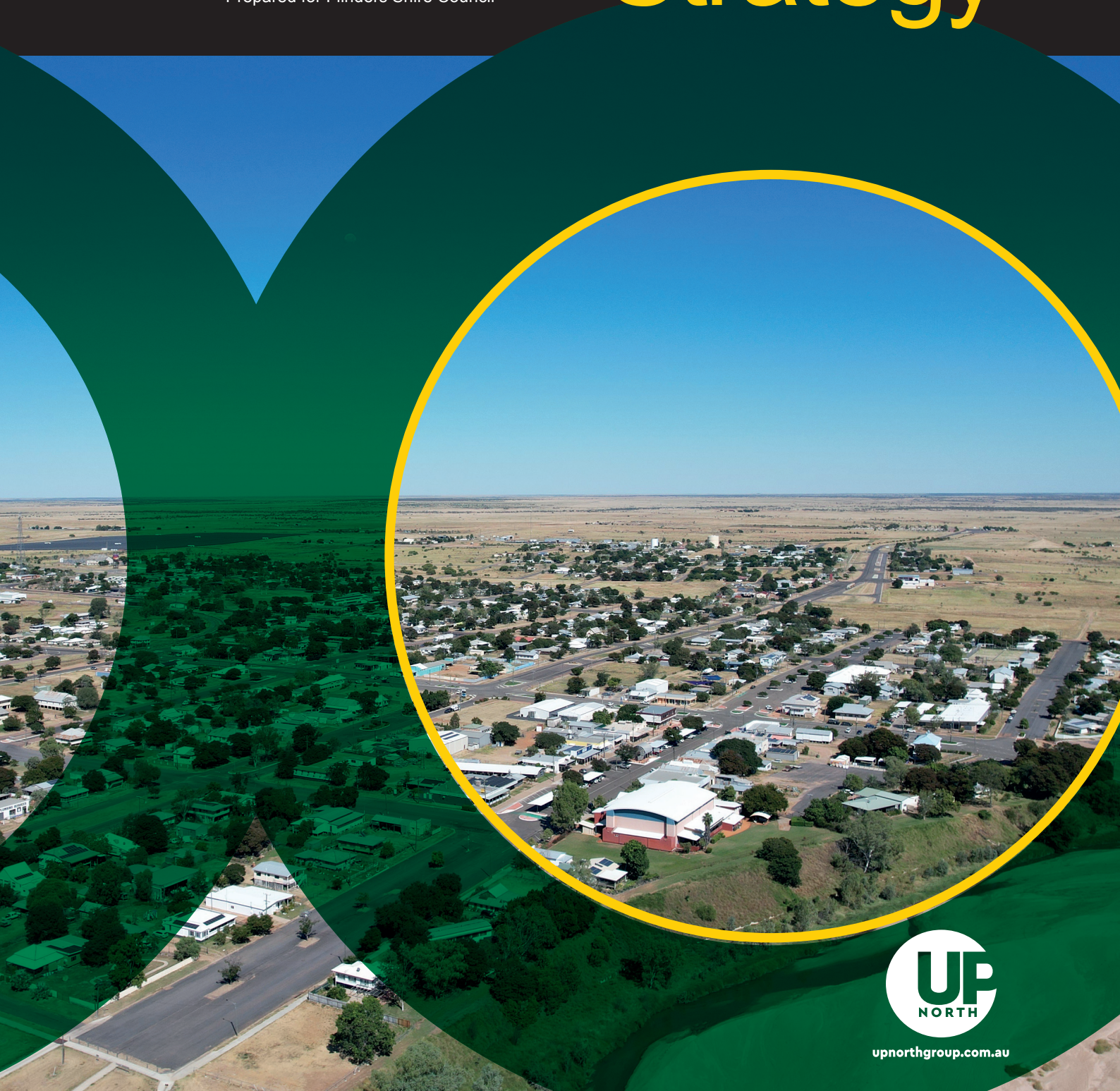
Flinders



Housing Strategy

June 2026

Prepared for Flinders Shire Council



upnorthgroup.com.au



Background and Purpose

Flinders Shire Council has engaged a consortium of consultants (led by Urban Planning North (UP North) to deliver the Flinders Housing Strategy (The Strategy).

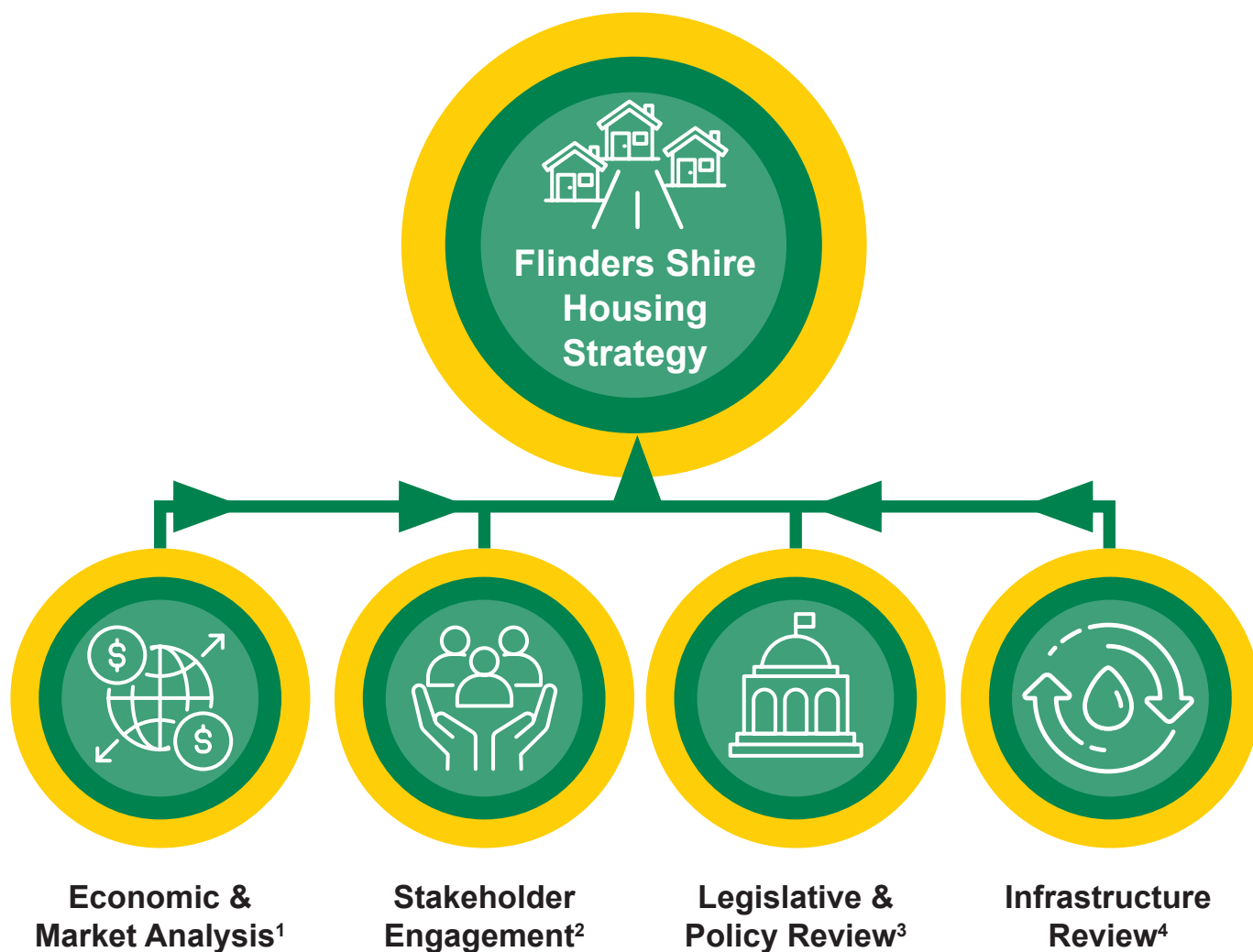
The Strategy:

- Assesses housing need in the Shire over the next 20 years within the context of current housing and vacant residential land supply, market conditions (for new and existing housing) and projected demand based on population and employment growth, as well as the delivery of key major projects located within Flinders Shire.
- Considers the impacts of relevant State, regional, and local planning policies on the delivery of new housing supply.
- Engages with key local community, government, and industry/major project stakeholders to understand the underlying demand for housing (including quantum, location, and diversity of housing needed), key challenges in the delivery of new stock, and opportunities to improve housing outcomes.
- Reviews trunk (water, power, and wastewater) infrastructure capacity and constraints to support the required delivery of residential housing and provides recommendations for future upgrades.
- Provides a series of (short, medium, and long-term) strategies to support an effective and functioning housing market within Flinders Shire using a range of advocacy, planning, funding, and infrastructure measures.

The Strategy will be used by Council and local stakeholders to drive advocacy to support housing and broader economic development outcomes for Flinders Shire.

Project Framework

This Strategy is the product of research, analysis, fact-finding, stakeholder engagement and reporting.



*Note:*¹REA (2026), ²UP North (2026a), ³UP North (2026b), ⁴ARO Industries (2026).





Market, Planning, and Infrastructure Outcomes

Key outcomes from the feeder studies underpinning the Housing Strategy include:

The Flinders Shire Housing Market:

- **Flinders Shire has an acutely tight housing market** operating with very little slack and with impending impacts from multi-billion-dollar construction projects. The market is highly sensitive to population movements and the timing and scale of major project construction activity.
- **There is an identified existing dwelling gap of at least 35 dwellings for key workers^{1,2}**, with the potential for the gap to increase materially through the peak of the upcoming major project construction phase.
- **A material near-term housing shortfall is expected to persist until the major projects move through construction. Depending on the projection scenario adopted, the dwelling gap could reach >90 dwellings by 2030.**
- **A need for increased housing diversity:** While overall demand is expected to remain predominantly detached house-focused, an underlying demand for more housing diversity (specifically duplex, triplex, or multiple dwelling (unit) product for older residents, key workers, and young people seeking a convenient and low-maintenance option) is identified as lacking compared to benchmark rural and regional areas.
- **There are key constraints holding back the delivery of new/appropriate housing**, including:
 - *The ability to service and deliver lots and dwellings at the required speed, with trade labour constrained and competing with major project delivery.*
 - *The availability of finance for private builds, including for first-home buyers.*
 - *The need for a significant upgrade/replacement of existing housing stock to meet the needs and expectations of new workers and residents.*

¹ Approximately 20 roles at Council had been identified as unfilled by Council as a result of no housing availability or this being a major contributing factor. Following consultation with the Chamber, a further ~30 roles in the private sector were identified as unfilled due to a lack of housing.

² "Key worker" in the context of the Strategy is defined as a worker that can fill the labour demand for job(s) that are essential for a functional market and community, for any good or service (including government services). Examples include (but are not limited to) key trades (plumbers, electricians, builders), health and aged care (doctors, nurses, allied health), education (teachers, childcare workers) and key public roles (police, firefighters).



Stakeholder Feedback:

- Confirms that addressing housing supply will be critical to supporting the economic sustainability and community wellbeing of Flinders Shire. Increasing the supply of diverse, affordable and well-designed housing will be necessary to accommodate workers, support local services and meet the needs of different household types.
- Importantly, stakeholders identified that the housing shortfall is creating a broader “lost opportunity” for the region. Without timely delivery of additional and more diverse housing stock, Flinders Shire risks missing the full economic and social benefits associated with major infrastructure and renewable energy investment occurring across North and Western Queensland. This includes reduced capacity to attract new families and skilled workers, lower levels of local spending and business growth, and an increased risk that temporary workforces remain externally accommodated rather than contributing to the long-term sustainability of Hughenden and surrounding communities.

The Planning and Policy Environment at Local, State, and Federal Levels:

- Is increasingly aligned for enabling new and diverse housing supply, including the delivery of trunk housing infrastructure through the Residential Activation Fund (RAF). The review confirms that housing in Flinders Shire is not solely a land-use planning issue but a complex economic and infrastructure challenge requiring a multi-faceted response.

Council Infrastructure:

- Recent condition assessments indicate that Hughenden’s water treatment network is suitable for current demand but would require upsizing of critical mains, booster pump adjustments, and other long-term upgrades to support projected growth.
- With support from Government and Copperstring, Council has committed to implementing the recommendations of the sewer condition and capacity assessment. Pump stations 1 and 2 will be upgraded in the short term to support the CopperString 500-person workers’ accommodation. This infrastructure project will provide additional sewer capacity for the Hughenden network and, in turn, support future development. Sewer capacity is unlikely to present a barrier to future residential development in the short term.

Infill Development Opportunities:

- While investigation of future residential growth areas will be critical to meeting long-term housing demand, there is also an opportunity to support more immediate housing outcomes through infill development within Hughenden. Existing serviced residential land, underutilised sites and strategically located vacant allotments provide opportunities to respond to current housing pressures while making efficient use of existing infrastructure and services. Infill development also presents an opportunity to support greater housing diversity and provide more flexible housing outcomes that respond to changing household needs and workforce demands, while complementing the longer-term release and servicing of future growth areas.

Future Growth Areas.

AREA 2

Area 2 (53 lots) offers straightforward access via McLay Street and feasible water connections, while sewer upgrades and localised flood management are required.

AREA 4

Area 4 (90 lots) has good proximity to existing infrastructure, though drainage and flood constraints may reduce yield without mitigation.

AREA 5

Area 5 (27 lots) is largely unconstrained from a servicing perspective. Consideration could be given to its proximity to the sewerage treatment plant.

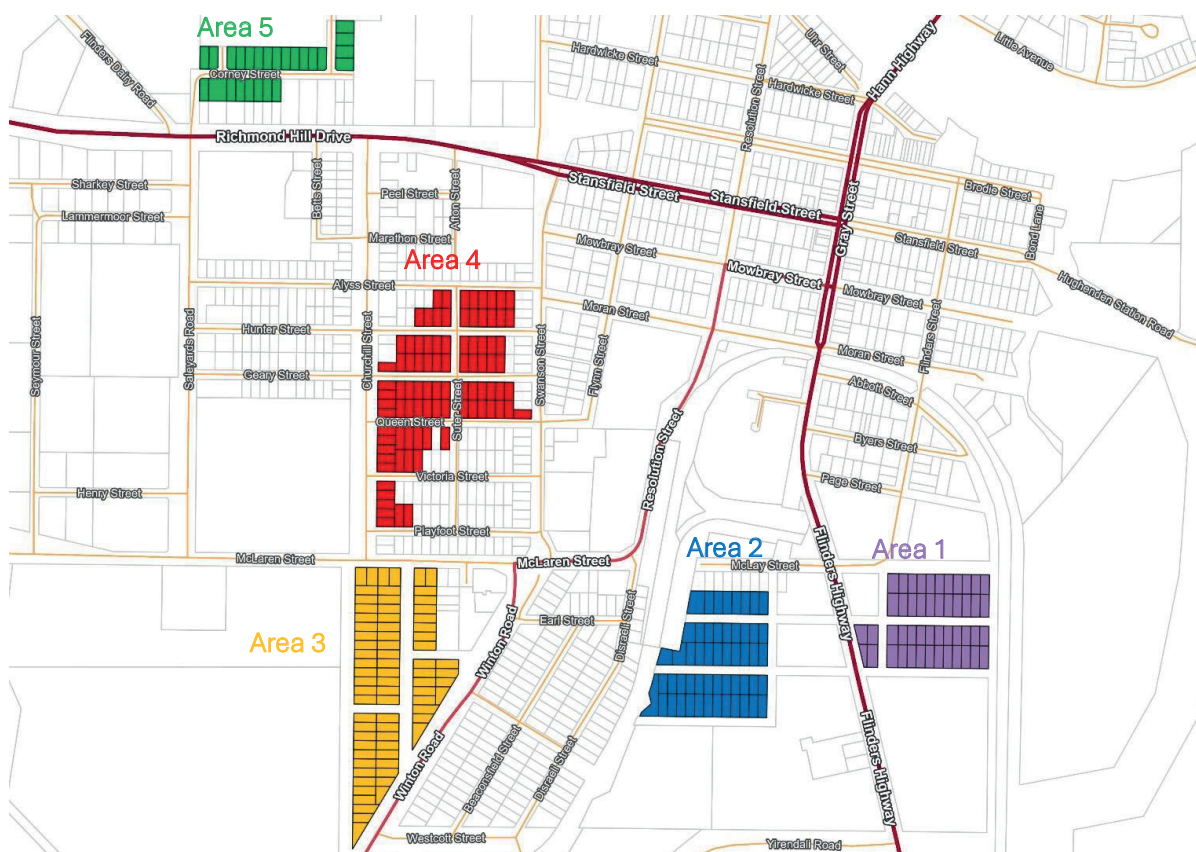
This investigation has identified clear priorities for further Council-led investigations into residential development, based on infrastructure availability, constraints, and overall development yield.

Areas 4 and 5 present the most straightforward options for detailed investigation and concept design, followed by **Area 2**, which has good road access and feasible connections to water infrastructure.

A coordinated approach with ongoing Council infrastructure upgrades and early engagement with State agencies is essential to ensure timely and feasible housing delivery.



Figure ES-2: Hughenden Investigation Areas for Flinders Shire Housing Strategy



Source: ARO Industries (2026)

Housing Strategy

The housing strategy initiatives are developed based on:

Short-Term Wins: Actions that are achievable within the next 12 months to address the critical housing shortage.

Medium-Term Goals: Opportunities to improve housing availability and affordability over time that can be delivered within 2-5 years.

Long-Term Advocacy: Longer-term advocacy and planning to support a resilient and robust housing market in the Flinders Shire.

Table ES.1: Flinders Housing Strategies

SHORT-TERM WINS	
Overview	
Council-Led Housing Delivery:	The Council is actively seeking funding through a major project proponent to commence construction of new Council-owned housing that addresses the staff housing shortage. Flinders Shire Standalone Multiple Dwelling (Unit) Development: Subsidised council units would service key Council personnel. Developing between 8 and 10 two-bedroom units within Hughenden would help to address the long-run housing mix target.
Council-Led Housing Steering Committee:	To provide ongoing recommendations and direction to Council on housing development strategy, incorporating external stakeholders. This could be done in the immediate future and the committee could adopt this housing strategy as the starting point for an ongoing, adaptive, 'living' housing strategy, informed by the community.
Develop a Staff Housing Strategy:	To identify immediate demand and product type. The strategy would inform Council housing development in the immediate term. This strategy could incorporate private sector demand to reduce crowding-out effects. Establish a policy position for major project housing contributions: A Major Project Investment Policy to guide proponents on an appropriate investment in permanent housing as part of their social licence and to mitigate adverse market impacts.
Short-Term Infrastructure Delivery under the RAF:	Apply for short-term planning and design of infrastructure to unlock strategic residential areas under the RAF.
Developing a Skilled Workforce Attraction and Retention Plan:	This plan will assist in relieving the skilled labour shortage issue by providing the Council with actionable, tangible steps to implement incentives and advocate for more to be done in securing a trade-qualified workforce for developing housing. Concurrently update the economic development strategy to incorporate significant shifts in economic fundamentals since 2021.
Key Actions	
Confirm site selection for Council housing developments (detached duplexes and units).	
Complete feasibility work, including architectural design, quantity surveyor costing, and innovative construction models to address short-term Council-led housing delivery.	
Investigate suitability of sites 8SP288611, 1SP270757, 11SP101966, and 50H20313 & 45H20313 for future supply of townhouse/flats product.	
Commission a Staff Housing Strategy to determine the Council's immediate housing need.	
Draft Council policy position for housing development by major project proponents.	
Submit trunk infrastructure funding application under round two of the RAF.	
Establish Flinders Shire Council Housing Steering Committee.	

MEDIUM-TERM OPPORTUNITIES

Overview

Council as a Developer: Establish or partner with an entity that delivers housing projects (beyond Council's direct needs).

Annual Allocation to Staff Housing Development:	To address staff housing needs identified in the Staff Housing Strategy.
Planning Scheme Amendment to facilitate housing delivery and diversity:	Identify and master plan strategic residential areas, promote infill development, identify opportunities for rural lifestyle living, streamline planning processes and reduce regulatory burden where appropriate (particularly for Council-led housing delivery on Council-owned land).
Unlock Trunk Infrastructure Capacity Through the Residential Activation Fund (RAF):	Development of a pipeline of infrastructure projects to deliver new housing stock that are submission-ready for future RAF rounds.
Strategic Land Acquisition and Disposal Policy:	Council should seek to identify and sell residential lands that are best utilised by the private sector for housing. Likewise, strategic private lands, particularly knock-down residences with service connections, should be acquired to support Council housing delivery.
Unlock Housing Through the Northern Australia Infrastructure Facility (NAIF) Funding:	The WQAC, working together, may leverage the NAIF's financing capacity, including potential equity funding. The Fund has previously provided debt financing to accommodation projects in Cairns and Townsville and has the potential to offset the challenging lending conditions in Flinders Shire.
Develop an Advocacy Package:	The strategies put forward in this document either directly involve the State and Federal Governments or would be greatly assisted by them. A two-to-three-page document presenting these strategies and those others that Council may wish to adopt would improve visibility of housing need and strategies to address it in Flinders. These types of documents are well utilised in calls for submissions and delegations to ministers.

Key Actions

- Attain legal and financial advice on the structure and management of an entity that delivers housing developments.
- Confirm structure of delivery model for all housing investments by Council (e.g. multi-entity delivery of housing (with or without WQAC), single investment vehicle, etc.), concurrently with other relevant Key Actions.
- Confirm appetite and operating model for a developer entity with WQAC Councils and potential funding opportunities under the NAIF.
- Undertake planning scheme review and consider associated amendments.
- Draft a Strategic Land Acquisition and Disposal Policy, leveraging Housing Steering Committee findings.
- Confirm long-term infrastructure pipeline and associated feasibility works to align with future RAF and other funding opportunities.
- Aligning with broader regional initiatives, develop a skilled workforce attraction and retention plan to ease the critical skilled worker shortage.
- Develop an advocacy package that contains Council's adopted policies and strategies.



LONG-TERM ADVOCACY AND REGIONAL EQUITY	
Overview	
Advocate for Adaptation of the First Start Loan System:	A concessional loan scheme for tradespeople and professionals seeking to establish or buy into a business in regional Queensland to assist in alleviating the shortage of skilled labour/entrepreneurs. At present, this scheme provides concessional loans in the initial years of establishing a Queensland-based primary production business.
Advocacy for Equitable Market Outcomes:	Several market factors have led to Flinders Shire's housing issue. However, strong interventions such as greater regulation are not necessary, nor likely to improve market outcomes. Instead, advocacy for market corrections via more adaptive and flexible approaches, particularly from the financial services sector, would be more appropriate. Examples of advocacy in these areas include: • Advocacy for Policies to Address High Insurance Premiums: To address high insurance premiums, Council can advocate for local and regional measures to mitigate flood and other natural disaster risk, improve risk sharing, and address vulnerable housing stock. • Unlocking Private Investment Through Better Valuation Models: Lenders still see significant risk in investments in housing stock in remote and Western Queensland. This is generally based on misleading data. Advocating for better valuation models to be used by financial institutions in the West would begin to improve lines of credit for individuals, thus unlocking private investment. • Advocating to the Queensland Government to Update Population Forecasts: So they are more representative of the actual growth in the region is crucial for sourcing private investment by providing evidence to the private sector of sustained demand growth into the future. • Advocate for regulatory reform of the National Construction Code and associated Australian Standards: To reduce unnecessary construction costs for housing in remote and regional Queensland, while maintaining appropriate safety, resilience and occupant amenity standards.
Key Actions	
Confirm advocacy plan and prioritisation of initiatives to support housing delivery with key regional stakeholders (State and Federal Government, Mount Isa to Townsville Economic Zone (MITEZ), Regional Development Australia (RDA) Townsville and North West, Hughenden Chamber of Commerce).	







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