

# Business Plan 2007 - 2008

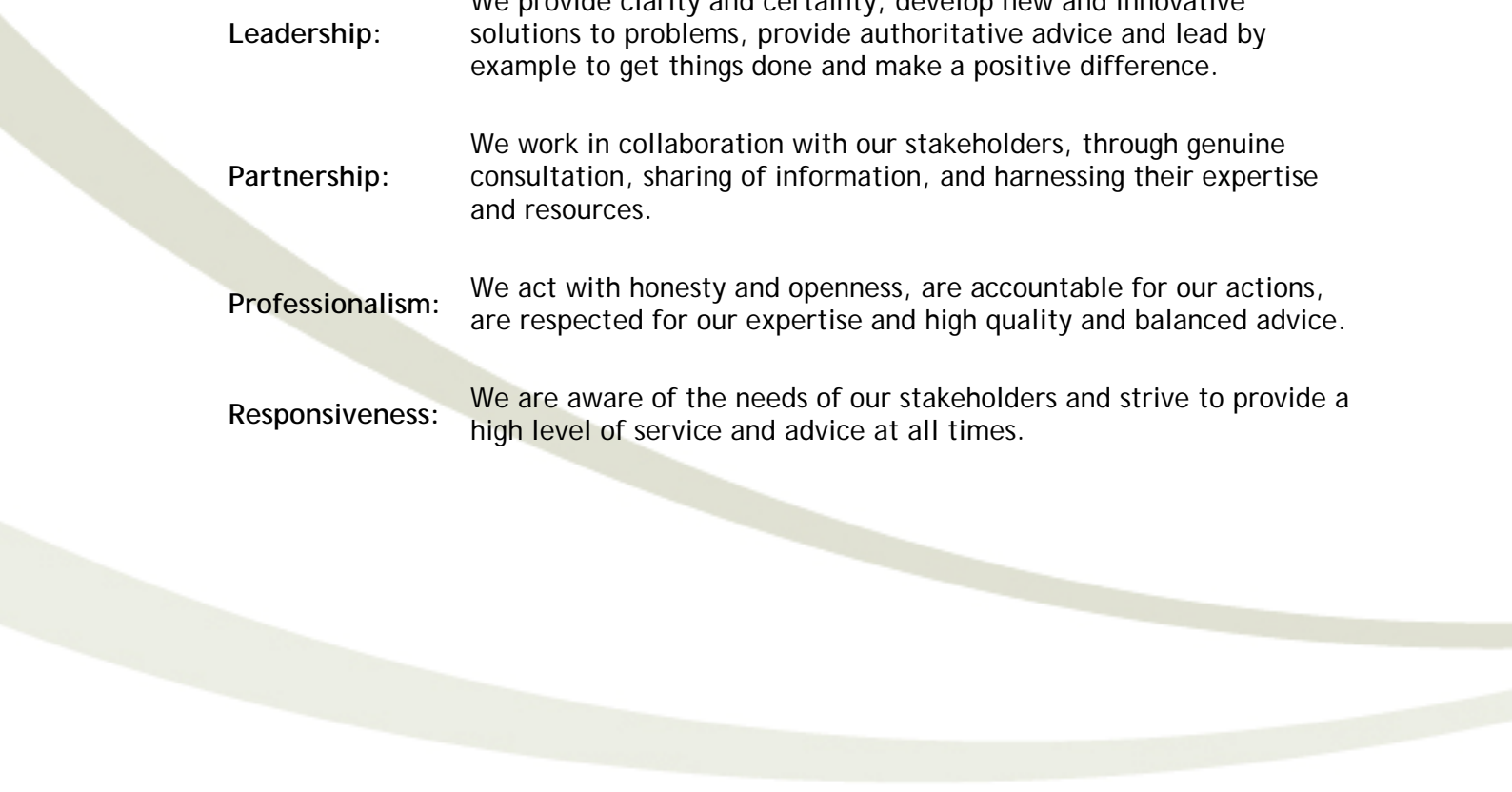
A partner in creating sustainable and  
liveable new communities in  
Melbourne's growth areas

## OUR MISSION

To be a partner in creating sustainable and liveable new communities in Melbourne's growth areas.

## OUR VALUES

The Growth Areas Authority aims to demonstrate the following values in its work with its partners to establish liveable and sustainable communities in Melbourne's growth areas.

- 
- |                         |   |
|-------------------------|---|
| <b>Leadership:</b>      | We provide clarity and certainty, develop new and innovative solutions to problems, provide authoritative advice and lead by example to get things done and make a positive difference. |
| <b>Partnership:</b>     | We work in collaboration with our stakeholders, through genuine consultation, sharing of information, and harnessing their expertise and resources.                                     |
| <b>Professionalism:</b> | We act with honesty and openness, are accountable for our actions, are respected for our expertise and high quality and balanced advice.  |
| <b>Responsiveness:</b>  | We are aware of the needs of our stakeholders and strive to provide a high level of service and advice at all times.  |

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## CHAIRMAN'S MESSAGE



Housing supply and affordability, and the recognition of the importance of the Growth Areas in the economy of Victoria, have become increasingly significant issues in recent months. The role of the Growth Areas Authority (GAA) is central in ensuring that we have both medium and long term solutions to these issues.

The Growth Areas Authority was established on 1 September 2006. The establishment phase involved the support of many people and groups. In particular, I would like to thank the Minister for Planning, the Honourable Justin Madden, his staff, and all those people at the Department of Sustainability and Environment and many other government organisations for their support.

In May 2007 we appointed a permanent Chief Executive Officer, Peter Seamer, to lead the GAA staff in driving a program of planning and infrastructure coordination initiatives.

Our Chief Executive Officer and his team have worked with the Board to clarify the directions and strategic priorities for the next 12 months as outlined in this business plan.

These initial years of the Authority will be critical to its ability to make a difference to the people of Victoria. We look forward to the continued support of the development industry, the growth area councils, and the various professional bodies in working to develop liveable and sustainable new communities in the growth areas.

The Board and I are committed to achieving concrete results which will benefit Victoria through better economic outcomes, improved housing affordability, and sustainable development thereby improving the quality of life for those people who work and live in the growth areas.

We look forward to working with the Minister for Planning, his staff and all the other stakeholders in the coming year.

Chris Banks

Chair

## CHIEF EXECUTIVE OFFICER

## OUR ROLE



The role of the Growth Areas Authority ('GAA') is to improve the medium to long term planning of the growth areas of Melbourne.

While the initial focus of the organisation has been on its successful establishment, the GAA's role is now to develop a strong planning role in precinct structure planning, infrastructure provision and in facilitating specific projects in the growth areas.

Over the coming 3 years our work will accelerate and focus on the quality, quantity and affordability of residential and employment land in the growth areas. This will involve 3 major areas: planning, urban economics and infrastructure coordination.

### Planning

The GAA, at the request of the Minister for Planning, is actively involved in reviewing the planning process for the growth areas. This involves developing a process to shorten development times, reduce cost and improve land supply flexibility in order to gain better planning outcomes. This work is underway and will be a major focus of our efforts over the coming year.

Another key area of work is the development of precinct structure plans. These are a particular priority for those areas where there is strong demand for either residential land as in the Casey-Cardinia corridor, or for employment land, as in the Hume corridor.

We will work closely with all six councils in the five growth corridors to push ahead with these plans.

Our work will see substantial new zoned land coming on stream in 2008, guaranteeing ongoing supply for residential and employment land in targeted areas.

We will also facilitate specific developments. The GAA will play a strategic, if somewhat unheralded role, in working with the councils, developers and Government bodies to resolve these issues.

### Urban Economics

The GAA is currently reviewing the supply and demand situation for land in the Growth Areas. In particular, we are working to assist with the development of infrastructure planning for Government.

## Infrastructure Coordination

The GAA has a major role to play in coordinating State and council infrastructure for the growth areas. In this area we are less well developed at the present time, but have an active program to put infrastructure plans in place for the short, medium and very long term. This will see us being able to provide good quality planning information for a range of Government departments and councils.

In all our work we have a clear focus on liveability, environmental sustainability and the broad goals of affordability, access and employment. We will work on a range of projects in collaboration with councils, industry bodies and Government departments to address these issues in the growth areas.

Over the next year the GAA has significant targets to achieve. The ongoing support of the many people and groups we deal with will be fundamental to our success.

We look forward to working with the growth area councils, Government departments, individual bodies and developers as the GAA moves ahead with the important task of planning the growth areas of Melbourne.

Peter Seamer

Chief Executive Officer

## MEMBERS OF THE AUTHORITY

In accordance with the legislative provisions outlined in the *Planning and Environment (Growth Areas Authority) Act, 2006*, the Growth Areas Authority is comprised of 5 members with a range of skills, experience or knowledge relating to planning, development, economics, financial management, local government and housing.



CHRIS BANKS AM (CHAIRMAN)

Chris has experience in the housing and development industry spanning over four decades. He was the CEO of AV Jennings (1978-1990) and Managing Director of Delfin (1995-2001). He is a Fellow of the Australian Institute of Builders and a Fellow of the Australian Housing Institute. He received an Order of Australia in 1990. Chris has also chaired and served on a number of federal and state Government and housing industry committees.



FRANK KING (ACTING DEPUTY CHAIR)

Frank has an extensive background in public sector financial management. A former Deputy Secretary of the Department of Treasury and Finance, he is currently Chair of the Victorian Centre for Adult Education, President of the Emergency Services Superannuation Board, a Board member of Victoria Legal Aid, and Chair of the Audit Committees for the Departments of Treasury and Finance and Sustainability and Environment.



FELIX BLATT

Felix is the Chief Advisor Project Management for Rio Tinto. He has had an extensive career in the energy industry and in the development and management of greenfield engineering projects with particular expertise in the assessment, evaluation, design and construction of infrastructure associated with mining and resource development projects.



DI FLEMING

Di is consultant to and Director of Accelerated Knowledge Technologies a company dedicated to the strategic management of innovation. Previously Di was Director of lab.3000.

Di was also appointed Associate Professor, Principal Research Fellow in the Department of Learning and Educational Development at the University of Melbourne from 2001-2003. In 2001 Di was featured in the Federation Celebration Exhibition Ordinary Women, Extraordinary Lives a chronology of significant women across the previous one hundred years held at that State Museum Victoria.



CAROL SCHWARTZ AM

Carol has a diverse background incorporating the arts, law and business administration. She is a Director of Highpoint Property Group, Chairman of the Industry Superannuation Property Trust and Our Community, as well as a director on a number of significant boards.

Carol was awarded the Centenary Medal in 2003 and an Order of Australia for her achievements in business and her contribution to community and the arts.



## BACKGROUND TO THE GAA

The GAA was established on 1 September 2006 under the *Planning and Environment (Growth Areas Authority) Act* 2006 to lead implementation of the Victorian Government's policy framework, *A Plan for Melbourne's Growth Areas*.

This plan outlined how the Growth Areas Authority will develop frameworks and strategies to meet the objectives of the Victorian Government's metropolitan planning framework, *Melbourne 2030, Planning for Sustainable Growth*.

Under Melbourne 2030, new housing in Melbourne is expected to meet a set of basic principles relating to neighbourhood design, accessibility to public transport, environmental sustainability and housing choice.

Other key policy drivers for the work of the Growth Areas Authority include:

- *A Fairer Victoria*, DVC, 2006
- *Toward an Integrated Housing Strategy*, DHS, 2006
- *Meeting Our Transport Challenges*, DOI, 2006
- *Our Environment Our Future: Environment Sustainability Action Statement*, DSE, 2006
- *Central Regions Water Strategy*, DSE, 2006.

## THE ROLE OF THE GAA

The GAA advises the Minister for Planning on development and planning issues in Melbourne's growth areas. It also advises and partners with key stakeholders on a range of planning issues. Our key goals are to:

- deliver communities that are socially, environmentally and economically sustainable
- improve the operation of the regulatory environment and administrative processes in order to reduce costs and inefficiencies for developers and local government
- work with industry and councils to ensure the government's priorities are achieved in the growth areas.

Put more simply, we will ensure new communities are created by delivering a good supply of quality, serviced residential and employment land.

In doing this we will be:

- improving housing and industrial land affordability
- improving living standards for Victorians
- ensuring we have a healthy development industry in our State
- leaving a very positive legacy for many generations to come.



## THE GROWTH AREAS

Population growth in Melbourne over the next 25 years is expected to be approximately of 1 million people. A significant part of this population increase will be in the growth areas where an additional 220,000 dwellings will be built and job numbers are expected to increase by 400,000. Source: APFMGA, 2005 Report 2005

Five growth areas have been designated by the Minister for Planning and include the land in the six municipalities of:

- Casey and Cardinia
- Hume
- Melton
- Wyndham
- Whittlesea

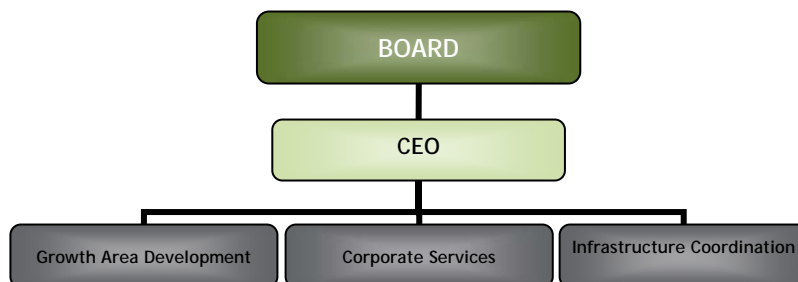


Figure 1 - The six municipalities in the Growth Areas of Melbourne

## OUR CAPACITY AND CAPABILITY

### Executive team

The Chief Executive Officer, who reports directly to the Board, and three directors form the Executive Management Team which is responsible for the overall strategy of the GAA and its relationships with Government and its partners and stakeholders.



### Staff

The capacity of our organisation and the capability of our people are critical to our success.

The GAA has a small core of staff – approximately 22 permanent staff which is supplemented by secondments or contract support to meet work priorities and to provide expert assistance in key areas.

The organisation is staffed by professionals experienced in the areas of statutory and strategic urban planning, policy development and corporate support areas.

The following table details expected staffing arrangements for the coming year:

Staff	Male	Female	Total
Executives	4	0	4
VPS	8	10	18
Temporary/Contract	1	2	3
Total	13	12	25

It is not anticipated that the total number of GAA staff will alter significantly over the next 3 years in order to maintain its existing role.

## Resource allocation

The Government announced an allocation of \$20.6 million over five years to the Growth Areas Authority in the 2006 budget. The future allocations are as follows:

2007/08	2008/09	2009/10	Ongoing
\$4.60 m	\$4.70 m	\$4.80 m	\$4.9 m

## Budget

The Authority has approved the following budget for 2007-2008 and the subsequent two years:

### Income

	2007/08 \$ m	2008/09 \$m	2009/10 \$m
Appropriation	4.60	4.70	4.80
Interest	0.03	0.03	0.03
Contributions	1.00	1.00	1.03
<b>Total</b>	<b>\$5.63 m</b>	<b>\$5.73</b>	<b>\$5.86</b>

### Expenditure

	2007/08 \$ m	2008/09 \$m	2009/10 \$m
Executive	0.82	0.79	0.80
Corporate services	1.78	1.50	1.54
Planning	2.38	2.24	2.32
Infrastructure	1.31	1.20	1.20
<b>Total</b>	<b>\$6.29 m</b>	<b>\$5.73m</b>	<b>\$5.86</b>
<b>Net operating income (expenditure)</b>	<b>(\$0.66)*</b>	<b>\$0.00</b>	<b>\$0.00</b>

\* To be funded from existing reserves.

### Equity

	2007/08 \$ m	2008/09 \$m	2009/10 \$m
Net equity	0.88	0.88	0.88

## STRATEGIC PRIORITIES FOR 2007 TO 2010

The Strategic Priorities for the three year period 2007 to 2010 are identified as follows:

- accelerating planning and development in the growth areas
- coordinating State and council infrastructure planning in growth areas
- considering options for State Development Contribution Plans

The tables below contain a summary of the GAA's action plans for the coming twelve month period and beyond, and reflect the organisations objectives as set out in Section 46AR of the Planning and Environment Act 1987 (as amended).

Objectives	Major projects	Performance Indicators
Ensure that development in growth areas occurs in a coordinated and timely manner.	<p>Ensure completion of precinct structure plans in the growth areas within reduced timeframe.</p> <p>Facilitate resolution of complex development and planning issues in the growth areas.</p>	<p>Completion of 30 precinct structure plans inside the Urban Growth Boundary within 4 years; and complete 8 PSP's by June 2008;</p> <p>8 PSP's by June 2009</p> <p>8 PSP's by June 2010</p> <p>6 PSP's by June 2011</p> <p>Successful completion of Cranbourne East Precinct Structure plan by June 2008.</p>
	Develop streamlined planning processes for development in the growth areas to reduce timeframes and remove administrative and other costs.	Present recommended streamlined planning process for the growth areas to the Minister by March 2008.
Ensure that infrastructure, services and facilities are provided in the growth areas in a coordinated and timely manner.	Work with councils and government agencies to bring forward infrastructure that is required to support development in the growth areas.	Develop a preliminary coordinated forward infrastructure plan for the growth areas.
To promote sustainable development of land in growth areas.	Progress work on the State Development Contributions Plan.	Explore options and prepare discussion papers around aspects of streamlining reforms for planning in the growth areas.
To promote housing diversity and affordability in growth areas	Participate in whole of government housing affordability review processes.	Review the potential impacts of planning and any planning reforms on housing affordability.

Objectives	Major projects	Performance Indicators
To promote employment opportunities in growth areas	Undertake a review of the employment status for the growth areas.	A report on the employment status within the growth areas is to be presented to the Authority.
Ensure that land is provided for commercial and industrial purposes in growth areas in a coordinated and timely manner.	<p>Monitor the supply of and demand for land for employment purposes to ensure the government's commitment to providing sufficient land is met.</p> <p>Prepare Precinct Structure Guidelines for major employment areas in the growth areas.</p>	<p>Delivery of a good supply of quality, serviced employment land in the growth areas - achieving a 15 years zoned land supply by the end of 2009.</p> <p>Complete the Precinct Structure Guidelines by June 2008.</p>
Foster the development of communities in growth areas	<p>Develop a strategic framework and practical tools for the creation of liveable and sustainable new communities in growth areas.</p> <p>Review the implementation of the Government's native vegetation framework for the growth areas in a timely manner.</p> <p>Develop Precinct Structure Plan targets for the growth areas including:</p> <ul style="list-style-type: none"> <li>• Overall stock targets</li> <li>• Potential timing and sequencing targets</li> <li>• Specific targets of affordable housing</li> </ul>	<p>Complete <i>Creation of Liveable Communities</i> Project by March 2008.</p> <p>Make significant progress towards applying the agreed cross-agency native vegetation framework implementation model as it applies to the growth areas by November 2008.</p> <p>Prepare a submission to the Minister on Precinct Structure Plan targets by March 2008.</p>
To ensure all financial and governance responsibilities are appropriately discharged.	<p>Conduct financial operations of the organisation in a controlled and transparent manner.</p> <p>Conduct Authority meeting matters in an appropriate manner.</p>	<p>Ensure year end financial results are in broad accordance with adopted budget, except where a variance is approved by the Authority.</p> <p>Obtain a clear audit opinion from Victoria Auditor-General's Office for financial statements of June 2008.</p> <p>Hold at least 6 Authority meetings each year.</p>





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