

Victorian Planning Authority

# ANNUAL REPORT

2019/2020





## Aboriginal Acknowledgement

The Victorian Planning Authority proudly acknowledges Victoria's Aboriginal community and their rich culture and pays respect to their Elders past and present.

We acknowledge Aboriginal people as Australia's first peoples and as the Traditional Owners and custodians of the land and water on which we rely. We recognise and value the ongoing contribution of Aboriginal people and communities to Victorian life and how this enriches us. We embrace the spirit of reconciliation, working towards the equality of outcomes and ensuring an equal voice.

ISSN: 2208-5602

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# Minister for Planning



The 2019/20 year has produced unprecedented challenges for Victoria, highlighting the need for coordinated government action to unlock the potential of key precincts and sites.

The Victorian Planning Authority (VPA), as Victoria's strategic spatial planning organisation, has lent its expertise to assist with our coronavirus (COVID-19) economic recovery – to keep the economy moving, support our communities and keep people in jobs, both now and into the future.

As part of the Victorian Government's response to the COVID-19 crisis, in April 2020, the Treasurer and I asked the VPA to accelerate a package of existing projects to unlock approximately \$17 billion in estimated economic value by mid-2021.

Importantly, we want to make housing more affordable and new places of work close to where Victorians live. In order to deliver this vision, innovative spatial planning and infrastructure coordination solutions are needed.

The VPA continues to play a key role in making this vision a reality by delivering quality plans for designated urban areas across the state.

This includes putting in place the right planning for infrastructure to deliver the jobs, homes and services Victorians need.

The VPA is working on the early completion of a fast track program of planning and infrastructure projects to unlock land for around 86,000 homes and 95,000 jobs across Victoria.

The VPA will work in collaboration with key partners to deliver the program, with a strong emphasis on shaping great urban places across the state.

This will help provide certainty for communities, a pipeline of development for industry and future jobs and homes for Victorians as the economy recovers from the impact of the COVID-19 pandemic.

The VPA also continues to progress greenfield planning for an additional 50,000 residential lots and the capacity for 50,000 new jobs, outlined in 2019.

These are expected to be progressively delivered until 2022/23.

Over the course of 2019/20, the VPA negotiated three Growth Areas Infrastructure Contribution (GAIC) work-in-kind agreements, delivering early certainty on land for public infrastructure in Melbourne's growth corridors.

The VPA allocated \$5.25 million in funding to 57 projects under the government's very successful Streamlining for Growth program, which provides support and capacity building for councils in regional Victoria and metropolitan Melbourne to accelerate the delivery of employment and residential land.

I thank the Chair, Board and staff of the VPA for their unstinting efforts to shape Victoria's urban future and I look forward to the authority continuing its strong track record of achievement.

**The Hon. Richard Wynne MP  
Minister for Planning**

November 2020



# Chair of the Victorian Planning Authority



The VPA's Annual Report for the year ending 30 June 2020 illustrates a year of responsiveness and delivery. The Board and Executive have focused on delivering the priorities identified by the Minister in his 2018/19 Statement of Expectations, and transformed ourselves to respond to the challenges of COVID-19. At the outset I would like to thank my Board colleagues, Stuart Moseley our CEO, his Executive team and all VPA employees for their commitment and perseverance.

I would also like to thank our Minister for his guidance and leadership, the Department of Environment, Land, Water and Planning (DELWP), partner agencies and our peak organisation colleagues for their support in these world shaping times.

Our legislation, the *Victorian Planning Authority Act 2017* (the Act) gives the VPA a primary objective to provide planning advice and assistance to the Minister for Planning, councils and other government agencies, and to support stronger infrastructure coordination.

The VPA is the State Government's lead agency to deliver quality plans to facilitate sustainable growth in designated urban areas across Victoria. The VPA is "Your partner in planning great places for a growing Victoria".

We pride ourselves on being an agile organisation that is attuned to our environment and to the needs of our partners and customers. We are proud of the work we have done with the development industry to ensure improved future liveability outcomes in new neighbourhoods.

During 2019/20 we worked hard to deliver growth planning outcomes for key areas across Victoria. A large factor in this success has been building stronger partnerships. We have made a commitment to improving the efficiency and innovation of our precinct structure planning (PSP) process, the key method we use to plan future communities. This approach followed feedback from industry and from our own review into where we could improve efficiency and achieve better outcomes.

During the year, we continued to strengthen our corporate frameworks for managing risk, developing our staff and managing our projects. We renewed our information management platforms and technology and introduced new organisational support for flexible work, a diverse workforce and entry pathways for graduate planners.

This allowed us to implement our business continuity plan in March 2020 in response to COVID-19 and continue to meet our commitments while transitioning to working remotely.

The VPA has ably refocused its efforts around the Government's response to the COVID-19 pandemic, focused on planning for better urban growth outcomes in housing affordability, priority precincts, decentralised employment opportunities, better infrastructure coordination and the best quality and most liveable development in designated urban growth areas across the state.

As part of the COVID-19 response, I was privileged to undertake the role as co-chair of the Building Victoria's Recovery Taskforce, and I thank the Deputy Chair Bill Kuszniarczyk for taking on the role as Acting Chair of the VPA Board in my absence.

On behalf of the Board I would like to reiterate my thanks to the Minister for his continued guidance and support of the VPA.



**Jude Munro AO**  
Chair, Victorian Planning Authority

## Responsible body declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the Victorian Planning Authority's Annual Report for the year ended 30 June 2020.



**Jude Munro AO**  
Chair, Victorian Planning Authority



# VPA authorising environment

The VPA reports to the Minister for Planning, the Hon. Richard Wynne MP.

As at June 2020, the VPA is now also accountable to the Minister for Business Precincts, Minister for the Suburban Rail Loop and the Minister for Transport Infrastructure. The Minister for Transport Infrastructure, Minister for the Suburban Rail Loop and Minister for Business Precincts can direct the VPA to undertake work pursuant to Section 36(1) of the *Victorian Planning Authority Act 2017* in so far as this section relates to seeking advice in relation to their precinct-related powers and functions.

The VPA also works with cross-portfolio departments and entities to assist with advice in relation to our role in prioritising delivery of leading-quality plans for designated growth areas. This includes regional planning advice relating to the Minister for Regional Development, the Hon. Jaclyn Symes MP, and precinct planning advice relating to the Minister for Ports and Freight, the Hon. Melissa Horne MP.

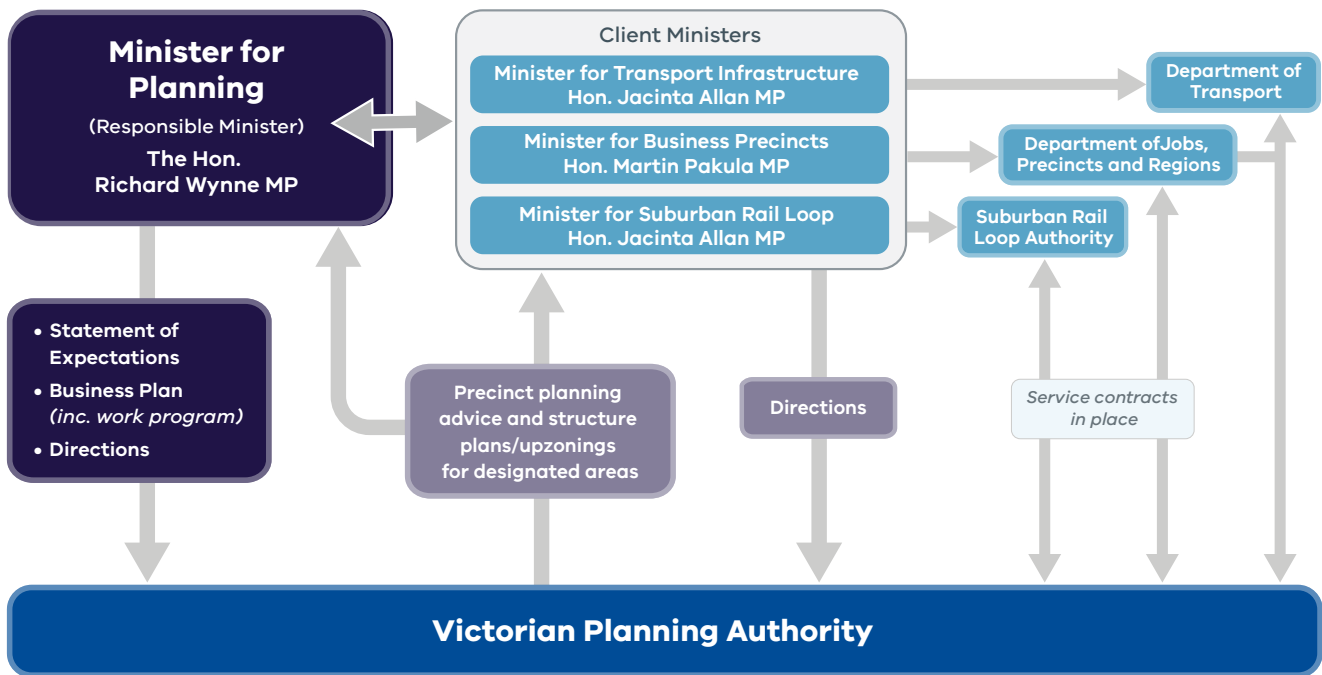


Figure 1 Authorising environment



# Nominated VPA roles

The VPA's authorising environment is articulated in the annual Business Plan, approved by the Minister for Planning pursuant to Section 44 of the *Victorian Planning Authority Act 2017*. In accordance with the terms of the Ministerial Direction accompanying the Statement of Expectations, this has the effect of conferring statutory authorisation to undertake the role nominated for each project as set out below. Authorisations will fall into one of the following roles, dependent upon the project and activity undertaken as per Figure 1.

## PLANNING AUTHORITY

The Victorian Planning Authority is the appointed planning authority, with the mandate to lead the project and deliver outcome (including recommending a planning scheme amendment to the Minister), in partnership with the relevant council(s) and government agencies.

## ADVISOR

The VPA provides advice, finance or technical support to a council or government agency preparing planning documents or frameworks. The Victorian Planning Authority advises and influences these planning documents but does not determine the content.

## PROVIDER

The Victorian Planning Authority has the lead role to prepare a plan or other report for provision to the relevant planning authority, or to a client Minister or government agency, working in partnership with the relevant council(s) and government agencies. In this role the Victorian Planning Authority submits its report or plan to the planning authority to progress through the statutory process.

## FACILITATOR

The Victorian Planning Authority assists a council or government agency with its work, providing a grant or general advice about how planning policies need to be considered. This could include participation in a steering committee or project group.

This includes an ongoing watching brief role for the VPA on VPA projects where the VPA has completed its role.





The VPA, along with all other key government and private sector institutions in Victoria, is supporting the communities and economy of the state to respond to enormous challenges.

The Victorian Government is managing one of the most significant economic disruptions to the state in living memory. Beyond managing the immediate health and economic impact, the government is also considering how to stimulate the Victorian economy once the crisis is over.

Our reputation for delivery and speeding up land supply for jobs and homes puts the VPA in a unique position to help stimulate the Victorian economy in a post-COVID-19 world.

We transitioned to our new business environment and COVID-19 is not slowing us down. We have continued to deliver on our strategic priorities and work program for 2019/20.

In addition to working remotely, our team has adapted to new ways of engaging our stakeholders and precinct communities remotely and adopting new tools and processes to ensure our work can continue.

Delivering our work program under these circumstances requires adaptability and innovation, and the VPA has stepped up to that challenge.

## Innovation during COVID-19 and new methods of delivery

*COVID-19 has accelerated many changes and innovations across the VPA. With our staff moving to a working from home environment at the end of March 2020, it was vital that they had the tools and support to allow a smooth transition.*

*We worked with our partners to ensure our program could continue to be delivered and where possible enhanced, including through online community engagement processes and planning panel processes.*

*We have brought on new digital communications and engagement tools to enable delivery of webinars on digital platforms such as Facebook Live, LinkedIn and YouTube.*

*This technology was employed successfully in our engagement on the draft Arden Structure Plan, which commenced in June 2020.*

*These innovations will provide for enduring changes to the way we do business.*

During the 2019/20 year, the VPA continued focus on supporting the delivery of *Plan Melbourne 2017-2050*, the growth plans for Victoria's regions and *Homes for Victorians: Affordability, access and choice*.

The VPA also continued rolling out its *Strategic Plan 2017-20* through the delivery of a range of internal and external projects focused on improving our processes, advocacy on key issues and practices.

Our focus is on continuing to support Victoria's economy by accelerating and prioritising the delivery of leading-quality plans for designated growth areas wherever possible – plans that enable the development of prosperous, sustainable and liveable communities.

In May 2020, the Board formalised the change of direction by approving a re-prioritised work program to deliver for Victoria's economic recovery. The Fast Track Program, comprising well-advanced projects that were already on the VPA's work program, is the VPA's immediate contribution to economic recovery. The Fast Track Program will be resourced and prioritised over the course of 2020/21.



## Economic Stimulus: The VPA Fast Track Program

*As part of the Victorian Government's response to the COVID-19 pandemic, the VPA is accelerating completion of a package of existing projects by mid-2021.*

*The VPA is working on the early completion of 19 planning and infrastructure projects that are already on our Business Plan, and which are already significantly progressed, to unlock land for the development of 86,241 homes and 95,340 jobs across Victoria. These projects will be developed in collaboration with key partners and will have a strong emphasis on shaping great urban places across Victoria.*

*This will help provide certainty for communities, a pipeline of development for industry and future jobs and homes for Victorians as the economy recovers from the impact of the COVID-19 pandemic.*

*In order to complete these projects in a streamlined and timely manner, the Minister for Planning has appointed a VPA Projects Standing Advisory Committee to consider and resolve outstanding issues. Not all VPA projects will utilise the Standing Advisory Committee.*

### Fast Track (Tier 1) projects



As Victoria works through the COVID-19 pandemic, we're committed to supporting the recovery of the Victorian economy and continuing our work managing the challenges of a growing Victoria in 2020.



## 1. KEY ACHIEVEMENTS THIS YEAR

Over 2019/20, the VPA has:



A key part of our role is engagement and we undertook 12 public consultations on our plans throughout the year. We also engaged closely with our council and industry partners to implement the innovative PSP 2.0 process.



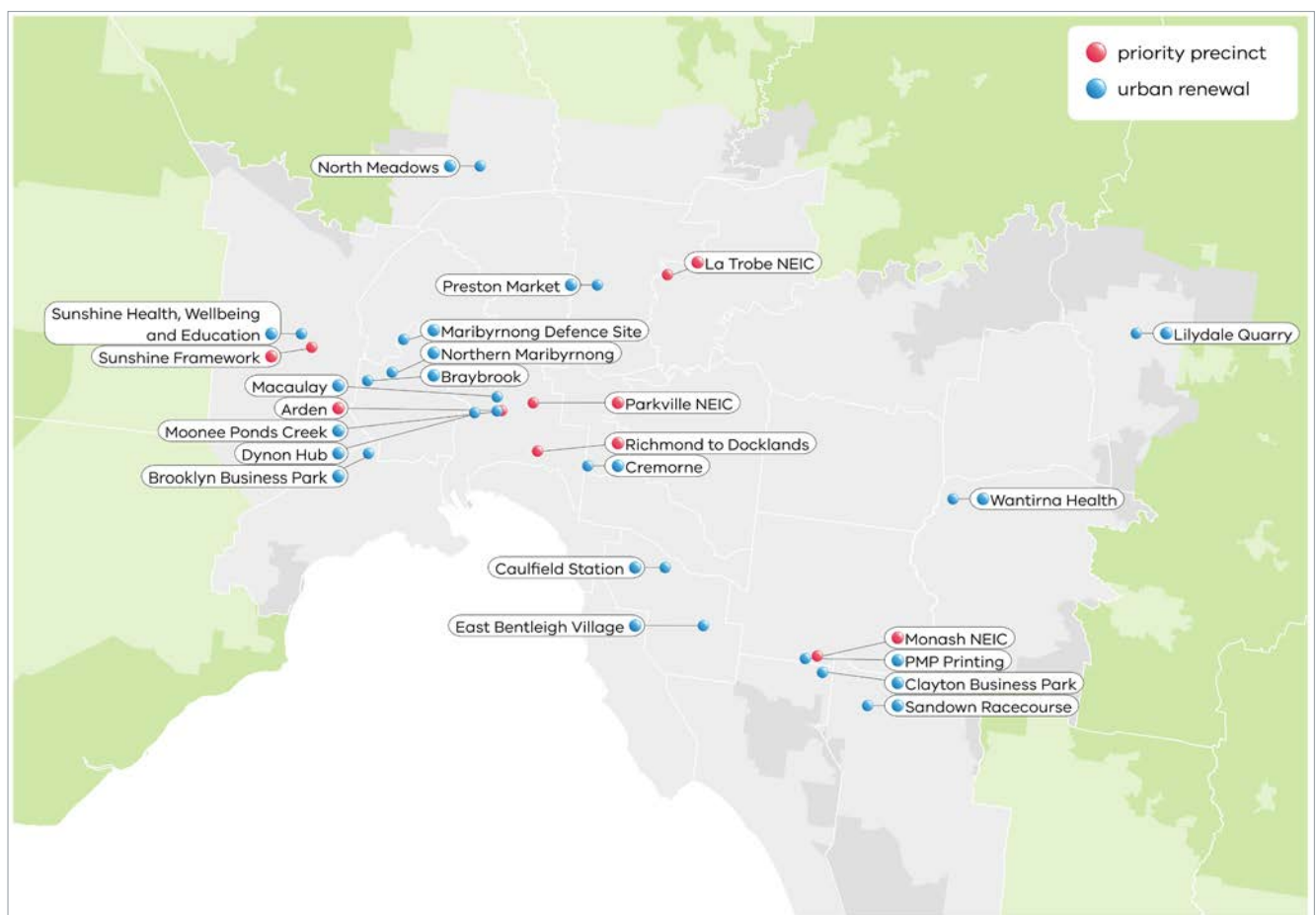
## 2. ACROSS VICTORIA – OUR WORKING LANDSCAPE

The VPA has a statewide remit to operate in designated growth areas around Victoria. The programs of activity that the Minister for Planning has requested the VPA to focus on through his Statement of Expectations are:

- Priority precincts (transitioning to Transport Precincts and Business Precincts in June 2020)
- Urban renewal in Melbourne
- Melbourne growth corridors
- Regional cities and towns
- Infrastructure planning and coordination (including GAIC)
- Streamlining plan delivery
- Planning solutions, innovation and partnerships
- Organisational capability and capacity.

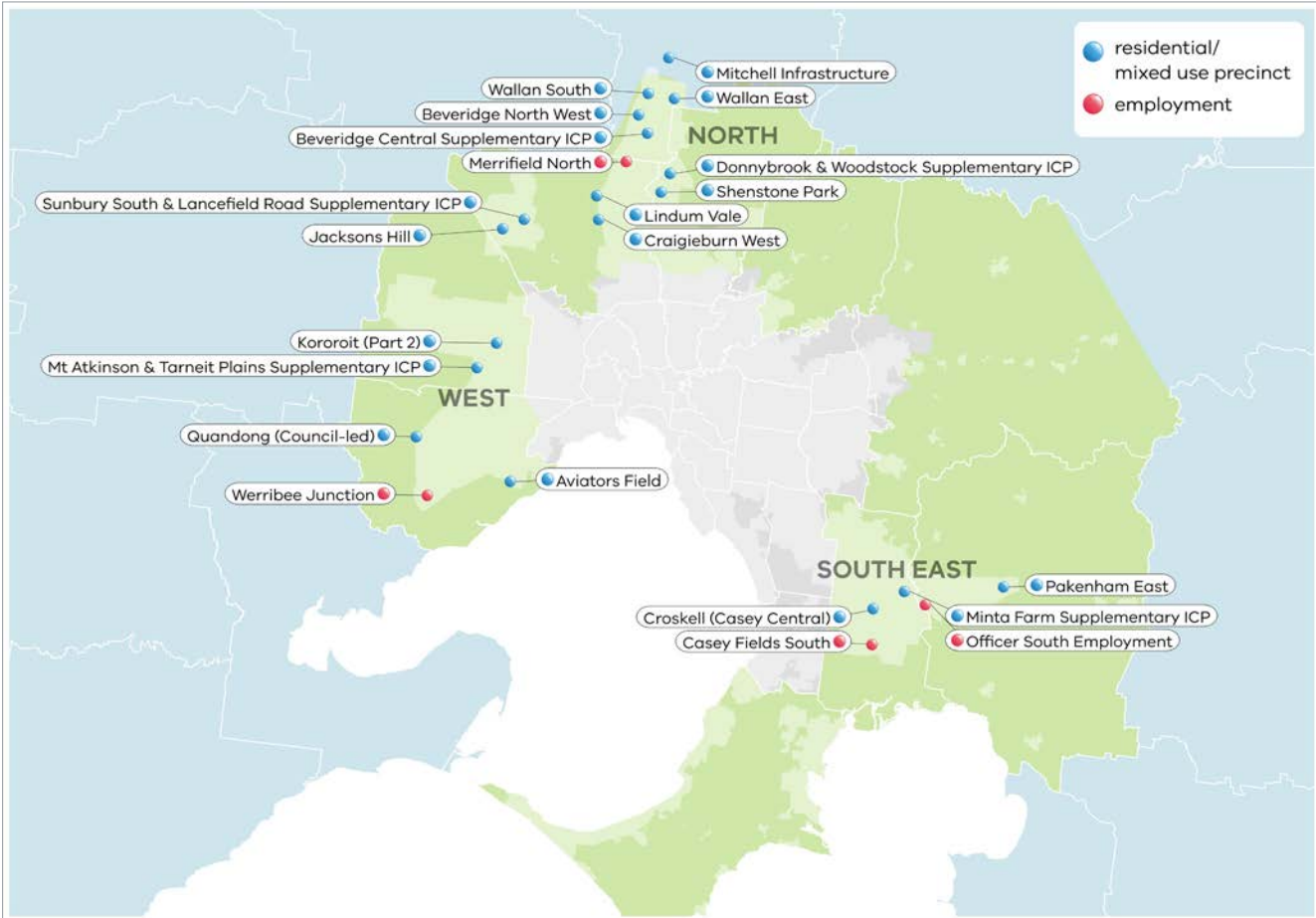
During 2019/20 we worked in the designated areas identified below.

### Established Melbourne



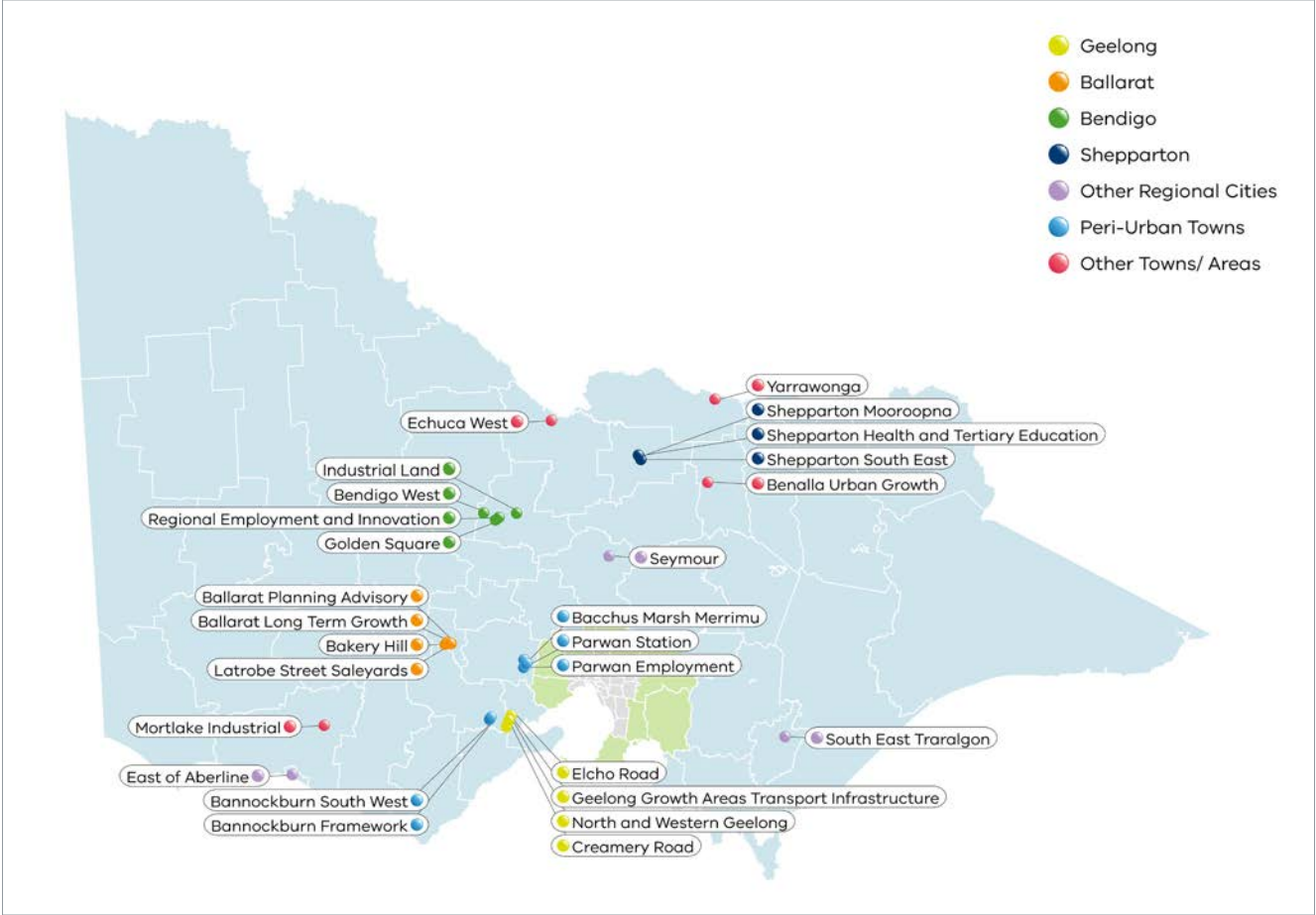


Outer Melbourne (Greenfields)





Regional cities and towns





## 2.1 Established Melbourne

The VPA's work contributes to the delivery of local jobs and aims to deliver 70 per cent of housing growth in established Melbourne and city-shaping liveability and economic outcomes.

Due to the scale of the challenge of planning for growth in Melbourne, the VPA's work program in established Melbourne has increasingly focused on planning for growth at the precinct scale (rather than at a site-by-site level).

The VPA delivers:

- planning solutions for urban renewal of strategic sites to implement planning policy, deliver value and create community benefit; and
- strategic planning advice and support for precincts and areas with other State Government organisations.

We do this in partnership with councils, communities, stakeholders and government organisations in established areas of metropolitan Melbourne.

### 2.1.1 Supporting priority precincts and the Government's city shaping agenda

The VPA assists the Department of Jobs, Precincts and Regions (DJPR), Department of Transport (DoT) and Suburban Rail Loop Authority.

In 2019/20, this has included:

- Release of the draft Arden Structure Plan for public consultation, to accommodate a new precinct with more than 34,000 jobs and 15,000 residents, around the major transport hub at the new Arden Station (as part of the Metro Tunnel project). The VPA has co-prepared the draft Arden Structure Plan with the City of Melbourne.
- Initiated the Braybrook Regeneration Project that will support the Sunshine precinct. The VPA is partnering with the Department of Health and Human Services (DHHS) and Maribyrnong City Council on this project.





## 2.1.2 Preparation of planning scheme amendments for urban renewal sites

The VPA assists councils, landowners and developers to speed up the redevelopment of a number of strategic sites across established Melbourne for jobs and housing by creating fit for purpose planning documents that enable land to be rezoned and development to occur.

As described in Figure 1, the VPA typically has the 'provider' role for these sites. Our staff prepare planning scheme amendment packages and undertake informal consultation with stakeholders, then hand the package to the relevant local council for exhibition and finalisation.

In 2019/20 this has included:

- The VPA developed and handed over a planning scheme amendment package for East Bentleigh Village Comprehensive Development Plan (CDP) and Development Contribution Plan (DCP) with Glen Eira City Council and it was considered by a planning panel.

The plan was informed by a Community Reference Group which reviewed key project material and provided feedback to the project team throughout the process. Public consultation sessions in 2018 were well attended by members of the public, who discussed their ideas for the future of the precinct.

The site will deliver 3,000 new dwellings including five per cent affordable housing; capacity for 4,500 new jobs; and a new school (planned to open in 2022). The planning scheme amendment is due for finalisation in the 2020/21 financial year.

- The VPA completed plans for the Berwick Health and Education Precinct to facilitate opportunities for allied health and education uses. Business, office, research and development uses are also encouraged along with retail and housing options to support a thriving health and education precinct. Gazettal of this amendment is anticipated soon.
- The VPA developed and handed over a planning scheme amendment package for PMP Printing, Clayton with Monash City Council. The VPA has subsequently become the planning authority to lead the finalisation of the amendment.
- The VPA developed and handed over to DoT a planning scheme amendment package for Wantirna Health Precinct with Knox City Council.

Other active projects in 2019/20 that facilitate the delivery of housing and jobs in locations well-served by public transport include:

- Caulfield Station Precinct;
- Clayton Business Park and its alignment with the Melbourne Industrial and Commercial Land Use Plan;
- Preston Market Precinct (with a focus on retaining a market on the site) where the VPA is the Planning Authority.

The VPA also conducted the role of 'advisor' to the Yarra Ranges Shire Council and the Greater Dandenong City Council on the future plans for Lilydale Quarry and Sandown Park.





## 2.2 Regional planning

During 2019/20 the VPA continued working closely with councils and government agencies to provide place-based planning solutions to support urban growth in regional cities and towns. The VPA has been set a target to deliver 30,000 new residential lots and 9,000 new jobs in the regions by 2022.

In Victoria's peri-urban and regional areas, the VPA supports councils to achieve growth aspirations by planning for precincts and places. Coordinated planning in these areas will result in a more productive economy for regional Victoria and affordable and attractive places to live.

During the year, the VPA was active in 35 regional projects, with additional projects funded through the Streamlining for Growth program. In 2019/20, we have achieved the following in partnership with councils:

Delivered by VPA	Completed projects where VPA was provider	Completed projects where VPA was advisor or facilitator
<i>Shepparton North East PSP</i>	Bakery Hill Urban Renewal Project <i>Portland Framework Plan</i> <i>Shepparton and Mooroopna Strategic Framework</i> <i>South East Traralgon PSP Issues, Opportunities and Directions Paper</i> <i>Unlocking Infrastructure Barriers – Latrobe</i> Wonthaggi North East <i>Yarrawonga Framework Plan</i>	Ballarat Long Term Growth Options Investigation <i>Golden Square Strategic Plan</i> , Bendigo Great Ocean Road development planning <i>Shepparton Regional Health and Tertiary Education Hub Structure Plan</i> Wodonga McKoy Street

## 2.3 Melbourne's growth corridors

Over the course of 2019/20, we contributed to 22 projects in Melbourne's growth corridors articulated in our Business Plan, including:

- Wallan East PSP and Infrastructure Contributions Plan (ICP)
- Wallan South PSP and ICP
- Donnybrook-Woodstock Supplementary ICP
- Sunbury South and Lancefield Road Supplementary ICP
- Beveridge Central Supplementary ICP
- Jacksons Hill Implementation
- Beveridge North West PSP and ICP
- Merrifield North PSP and ICP
- Craigieburn West PSP and ICP
- Shenstone Park PSP and ICP
- Mitchell Integrated Infrastructure Strategy
- Lindum Vale PSP and ICP
- Pakenham East PSP and ICP
- Casey Fields South PSP and ICP
- Croskell (Casey Central) PSP and ICP
- Officer South Employment PSP and ICP
- Minta Farm Supplementary ICP
- Werribee Junction PSP and ICP
- Aviators Field PSP and ICP
- Mt Atkinson and Tarneit Plains Supplementary ICP
- Kororoit (Part 2) PSP and ICP
- Quandong PSP and ICP (Council-led).



### 2.3.1 Maintaining a 15-year supply of zoned land

A 15-year supply of zoned land within Melbourne's Urban Growth Boundary helps to reduce upward pressure on house prices. The priority in 2019/20 has been to maintain this supply by unlocking land and ensuring a pipeline of zoned land. Importantly, these plans also enable the creation of valuable jobs for the Victorian community.

In February 2019, following the completion of the previous 100,000 lots program, the Government announced new greenfield planning targets for the VPA for an additional 50,000 residential lots and the capacity for 50,000 new jobs. These are expected to be progressively delivered until 2022/23.

Towards this target, Pakenham East and Lindum Vale PSPs were approved by the VPA Board in 2019/20, comprising a total of 10,820 dwellings and 2,040 jobs submitted for the Minister's approval. The Quandong PSP, led by council, was also finalised. This represented an additional 960 dwellings and 240 jobs approved and submitted to DELWP.

Two PSPs were gazetted during the 2019/20 financial year, Lindum Vale PSP and Officer PSP Town Centre review, representing 4,107 lots.

### 2.3.2 Embedding the new framework for Infrastructure Contribution Plans (ICP)

The *Planning and Environment (Public Land Contributions) Act 2018* came into effect on 2 July 2018. This act created a new mechanism for securing contributions from landowners to ensure that there was appropriate funding to enable the provision of key community infrastructure through the new Infrastructure Contribution Plan provisions. Initially this act is only being applied to Melbourne's greenfield growth areas and to nominated strategic sites.

In order to progress the implementation of the PSPs adopted and prepared over the last two years, in some instances the VPA was required to prepare interim ICP arrangements to align to the new ICP Framework, and to separately draft final supplementary ICPs. The current ICPs being prepared are:

- Plumpton and Kororoit Final Supplementary ICP
- Minta Farm Interim Supplementary ICP
- Sunbury South and Lancefield Road Interim Supplementary ICP
- Lindum Vale ICP

The following were also completed or near completion by 30 June 2020:

- Beveridge Central Interim Supplementary ICP
- Mt Atkinson and Tarneit Plains Interim Supplementary ICP
- Donnybrook and Woodstock Interim Supplementary ICP

The task of bringing historic ICPs into the new framework is resource-intensive and the VPA is managing its work program to limit the impacts of undertaking this activity on other VPA projects.



### 2.3.3 VPA PSP reform agenda

The VPA is working on and advocating for a range of PSP tools and processes to improve PSP creation and delivery.

In 2019, the VPA commenced a review to identify opportunities to streamline the process and reduce timeframes to deliver a PSP while maintaining or enhancing product quality and liveability outcomes. This innovation project (known as PSP 2.0) has involved councils, state agencies, industry and internal staff to inform the core challenges with the existing process and identify desired future outcomes.

PSP 2.0 is about achieving a future state process and product where good planning is a result of shared decision making and good planning outcomes are a shared responsibility of all stakeholders.

PSP 2.0 was progressively implemented in the 2019/20 financial year and outcomes will be delivered in all stages of PSP preparation including:

- engaging openly and collaboratively with agencies on cross-agency issues;
- stronger articulation of design and urban structure responses;
- scaling up of early strategic planning activities;
- shorter timeframes for PSP creation;
- front-loading topics and issues in and out of scope.

In addition, the VPA is undertaking a consultative process to update the *Guidelines for Precinct Structure Planning in Melbourne's Greenfields* (PSP Guidelines). The purpose of the update is to identify and incorporate government policy that has been introduced since the original guidelines were put in place a decade ago. The update also looks to provide more opportunities for innovation in greenfield PSPs. The PSP Guidelines aim to plan for communities that live in a '20-minute neighbourhood'. Throughout the preparation of the PSP Guidelines, the VPA has been consulting with industry, councils and numerous State Government agencies to ensure there is the correct balance of certainty and flexibility in the guidelines. In 2020, the VPA worked with DELWP to prepare the PSP Guidelines for public consultation with the draft PSP Guidelines endorsed by the Board for public consultation in April 2020. The PSP Guidelines will be finalised in 2020/21.

The PSP Guidelines and PSP 2.0 process will be accompanied by a range of further guidance and tools and reflect the challenges and opportunities of planning in a post-COVID-19 world.

### 2.3.4 Revision of the *Small Lot Housing Code*

As part of the VPA's *Plan Melbourne* activities and the *Homes for Victorians* objectives, the VPA reviewed and streamlined the *Small Lot Housing Code* (the Code).

The *Small Lot Housing Code* was developed in 2012 and updated in 2014 and supports the creation of homes on less than 300 square metres in the growth areas of Melbourne. It also decreases the administrative burden on council planning departments to assess single dwelling applications. This makes it one of the most important tools in growth area planning, including increasing dwelling diversity and housing affordability in areas earmarked for urban growth.

In order to streamline and clarify its use, a Streamlining for Growth funded project in 2019/20 led to changes to standards and definitions articulated by a new code and practice note. This update has simplified the language in standards, introduced new definitions, and updated the language and diagrams in the practice note to create more clarity and certainty for applicants and building assessors. The updated Code was gazetted on 25 June 2020.

The Code is a critically important measure that supports housing diversity, affordability and design quality in PSP areas. It is hoped that in the future this Code will also be applied to established Melbourne.





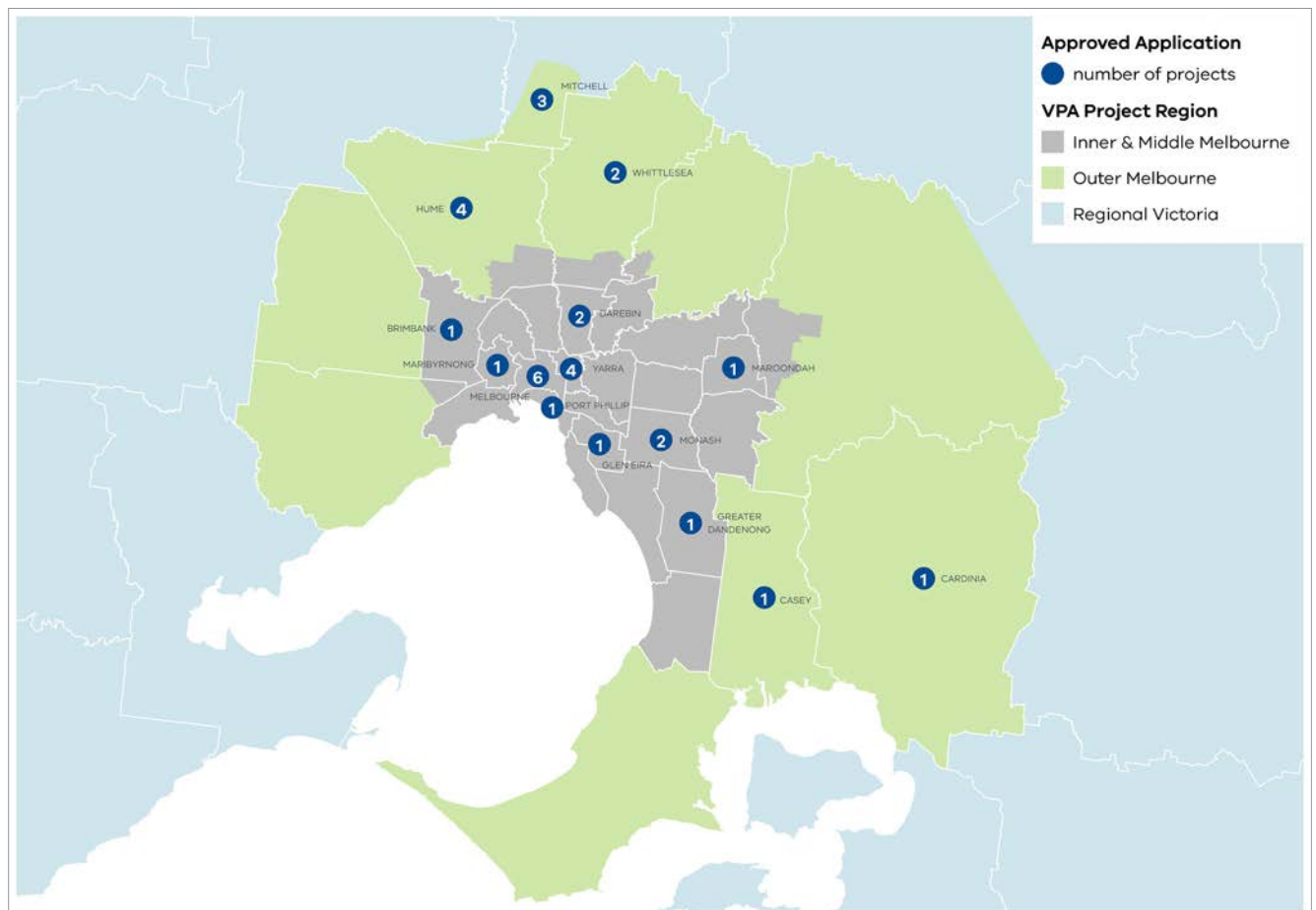
### 3. STREAMLINING FOR GROWTH

The VPA leads and manages the Victorian Government's successful Streamlining for Growth program, which aims to facilitate faster and more cost-effective delivery of employment and residential land across Victoria by supporting local authorities in their land-use planning activities. The program was launched in 2016/17 and assists in fast-tracking planning projects and streamlining processes to accelerate the delivery of employment and residential land through the provision of targeted funding and VPA staff resources.

In 2019/20, the VPA had \$5.25 million available for allocation to projects in support of local authorities, and allocated funds for 57 projects (one of which is for the administration of the program). Some of these projects were VPA-led and focused on process streamlining.

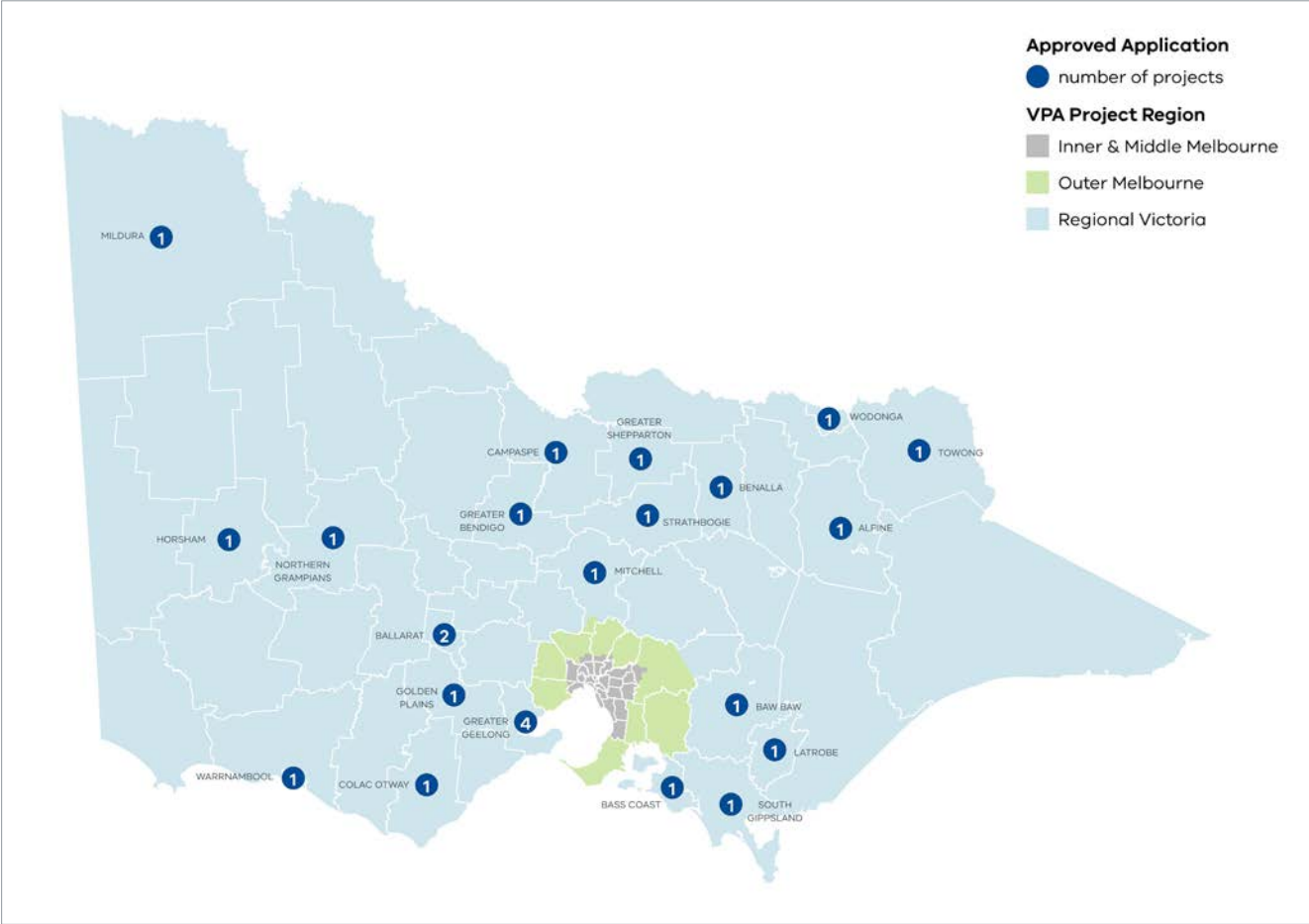
The 2019/20 program included a focus on unlocking strategic planning projects; accelerating the delivery of employment and residential land; achieving employment growth, housing choice and affordability; improving the alignment of infrastructure delivery with planning; and achieving employment growth.

#### Streamlining for Growth funded projects - metropolitan Melbourne





Streamlining for Growth funded projects - regional Victoria





## 4. INFRASTRUCTURE COORDINATION

The VPA continues to progress work and advocacy towards greater integration of land use and infrastructure planning and delivery. This is supported by the object in the *Victorian Planning Authority Act* and one of the programs of our Statement of Expectations. We continue to:

- provide a strong contribution to the Government's Land Use and Infrastructure Working Group interdepartmental committee to oversee better agency coordination;
- provide information to government about what infrastructure is required in growth corridors and PSPs at five years, 10 years and build out;
- provide inputs to inform infrastructure coordination, including extensive input to Infrastructure Victoria regarding models for land use and infrastructure integration to inform the updated *Victoria's 30-Year Infrastructure Strategy*;
- work with government colleagues to better align the development and transport infrastructure pipelines with a particular focus on the northern metropolitan growth corridor;
- support through Streamlining for Growth the Interface Councils group's Human Services Planning pilot project aimed at integrating service and infrastructure planning for local and state infrastructure in growth areas.

### 4.1 Planning for infrastructure delivery

Planning for the right infrastructure to be delivered at the right time is critical to developing complete communities. The VPA, through its infrastructure contribution plans, makes sure a fair share of infrastructure costs are met by landowners.

The VPA has been active in planning for necessary state infrastructure in Melbourne's growth areas and for key regional cities and peri-urban towns. The Government's record investment in growth area infrastructure creates an opportunity for the VPA to be proactive in providing information to departments and agencies about the infrastructure needs of the growing communities.

We are continuing to work hard to inform better alignment between the land development and infrastructure delivery pipelines in our PSP and precinct areas.

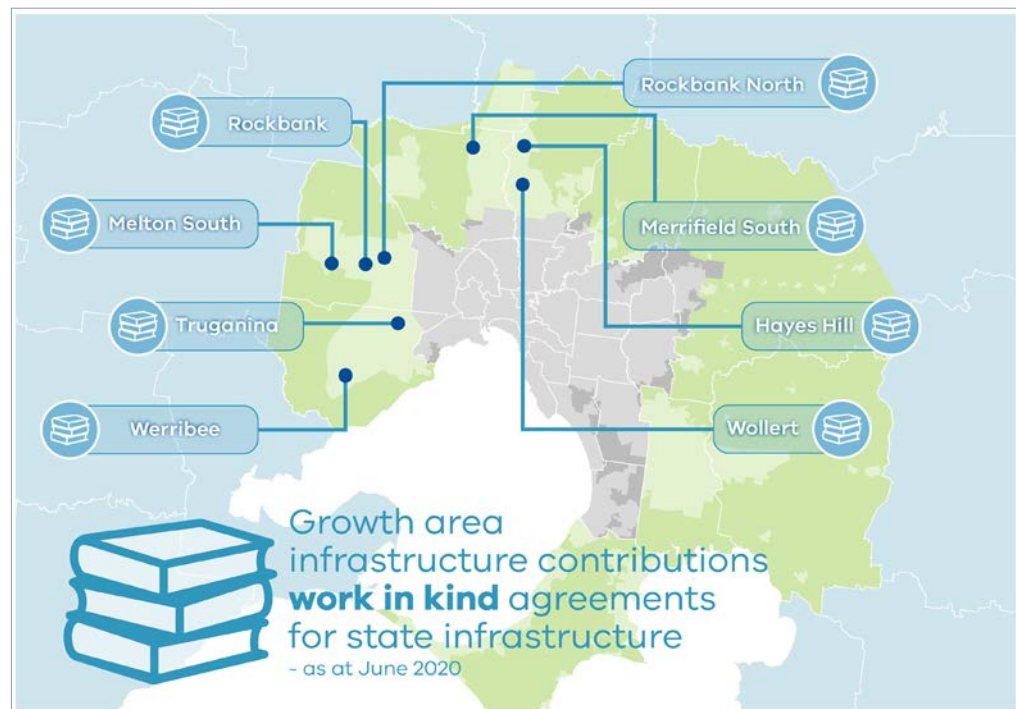
The VPA has also played a role in assisting other state agencies and local governments undertake the planning for infrastructure in some of the major urban renewal precincts in metropolitan Melbourne, such as the Arden Urban Renewal Precinct, Defence Site Maribyrnong and the Monash National Employment and Innovation Cluster (NEIC).

The VPA has also responded to the infrastructure integration opportunities presented by the government's ongoing agenda for delivering integrated water management and boosting urban sustainability.



## 4.2 GAIC and GAIC work-in-kind (GAIC WIK)

Over the course of 2019/20, the VPA concluded the negotiations of three GAIC WIK agreements, valued at \$30.2 million, delivering early certainty on land for public infrastructure. This makes a total of eight GAIC WIK agreements negotiated by the VPA since GAIC was introduced. This innovation is now proving to be an attractive alternative for landowners with GAIC liabilities and there are a number of potential agreements being discussed with landowners and their representatives.



### Examples of GAIC WIK funded infrastructure

#### Woodlea Estate (Rockbank PSP)

Leading master-planned community Woodlea helped to deliver a \$770,000 shared path to Rockbank Train Station, funded as part of its GAIC. The delivery of the path provided Victoria's first-ever GAIC WIK construction agreement.

The shared path project is an example of how the VPA has been able to negotiate a work-in-kind contribution, delivering great community benefit locally as well as reducing the costs and necessity for the State Government to provide this important infrastructure.

#### Harpley Estate (Black Forest Road South PSP)

The first parcel of secondary school land delivered via a GAIC WIK agreement. The 8.4 hectare site is part of the Harpley Estate in Wyndham.

This marks the eighth successful GAIC WIK agreement, and the first for a secondary school site.

The VPA has now signed off on deals across Victoria worth a combined \$64 million.

The agreement sees the land secured for considerably cheaper than the value determined by the Valuer-General.



### 4.3 Section 173 and DCP collections

The VPA is also responsible for the collection of DCP payments for the East Werribee Employment Precinct. The VPA is required to pass these funds across to the Wyndham City Council, as the council is the development agency for this area.

In addition, under the planning schemes for the City of Melbourne and City of Port Phillip, the VPA is responsible for the collection of certain payments made under section 173 agreements, until such time as a DCP (or ICP) is put in place. The VPA is required by the Minister for Planning to periodically pass these funds to DELWP. These funds are reflected in the balance sheet of the VPA as both cash and deposits, and also in payables (as being required to be paid to government). These section 173 collections are not regarded as revenue of the VPA and are not included in the VPA's *Comprehensive Operating Statement*.

## 5. ORGANISATIONAL CAPACITY AND FINANCIAL SUSTAINABILITY

During 2019/20, the VPA updated our financial sustainability strategy with a greater focus on the revenue source comprising a broad-based cost recovery model and reflecting a diminishing reliance on voluntary third party contributions.

To this end the VPA is proposing to diversify its revenue sources over time and to recover planning costs from benefiting landowners. Over recent years the VPA has been progressively more successful in raising funds from these sources. We are also undertaking negotiated service commissions from government agencies.

We continue to actively pursue more equitable cost recovery mechanisms and during 2019/20 we worked closely with the Department of Treasury and Finance (DTF) to build a case for cost recovery that accords with government guidelines.

### IN SUMMARY

It has been a busy year with many external factors contributing to a reprioritising and acceleration of the VPA's program of work. I would like to thank the Minister for Planning, the Board members, DELWP officers and government, council and industry partners for their strong partnership in our work over the past year. I would also like to acknowledge the efforts of our hard-working staff in what has been a busy and challenging year. I look forward to continuing to work together to plan for great new communities, places and neighbourhoods that we can all be proud of.



**Stuart Moseley**  
Chief Executive Officer



# VPA vision and values

(From the Victorian Planning Authority Strategic Plan 2017-2020)

## VISION OF THE VICTORIAN PLANNING AUTHORITY

All of our people – from the technical experts to the planners, from the research team to the administrative staff – play an important role in achieving our vision of connected, vibrant and sustainable communities.

## VALUES AND BEHAVIOURS OF THE VICTORIAN PLANNING AUTHORITY

The VPA's success is driven by our talented and dedicated staff. We combine a deep commitment to delivering public value with a strong understanding of the private sector to cut through complexity and actively facilitate innovative spatial planning solutions.

The Victorian Public Sector (VPS) Values and associated Code of Conduct, underpin all of our interactions with communities, stakeholders, partners and each other.

In addition, there are four values that we consider crucial to the VPA, which shape the way we work together as an organisation to deliver high-quality outcomes for Victoria's growing and future communities.

Value	Behaviours
<b>Leadership</b>	<b>We drive new solutions</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>	<b>We bring people together</b> We work in collaboration with our stakeholders through genuine consultation, sharing of information, and harnessing their expertise and resources.
<b>Professionalism</b>	<b>We inspire trust and confidence</b> We act with honesty and openness, are accountable for our actions and are respected for our expertise and high-quality, balanced advice.
<b>Responsiveness</b>	<b>We make it happen</b> We are attuned to the needs of our stakeholders and strive to provide a high level of service and advice at all times.



# Manner of establishment and relevant Minister

The VPA is a State Government authority established under the *Victorian Planning Authority Act 2017* (the VPA Act). The VPA came into effect as of 1 July 2017.

The VPA reports to the Minister for Planning, the Hon. Richard Wynne MP, appointed Minister for Planning in December 2014 and in December 2018. The Hon. Richard Wynne MP was the responsible Minister for the period from 1 July 2019 to 30 June 2020.

Under the VPA Act, the VPA has a Board of directors responsible for determining the general policies and strategic direction of the VPA, with a clear purpose to provide advice and assistance as directed by the Minister for Planning in accordance with the objectives of planning in Victoria.

The VPA has functions and powers under the *Planning and Environment Act 1987*. We also have responsibilities as an interface body under the *Transport Integration Act 2010*.

Until June 2020, the VPA was also accountable to the Minister for Priority Precincts to deliver advice in accordance with the Ministerial Direction pursuant to section 36(1) of the *Victorian Planning Authority Act 2017* issued on 23 May 2019.

As of June 2020, the VPA is now also accountable to the Minister for Business Precincts, Minister for the Suburban Rail Loop and the Minister for Transport Infrastructure. The Minister for Transport Infrastructure, Minister for the Suburban Rail Loop and Minister for Business Precincts can direct the VPA to undertake work pursuant to Section 36(1) of the *Victorian Planning Authority Act 2017* in so far as this section relates to seeking advice in relation to their precinct-related powers and functions.

## Nature and range of services provided

We are the Victorian Government's statewide land use planning authority, providing planning solutions in growth areas across Victoria. We provide strategic urban planning solutions and work in lockstep with our partners across government, industry, councils and community to deliver:

### Urban renewal planning:

We plan the future of transitioning our under-utilised areas for jobs, investment and housing across inner and middle Melbourne and in key regional cities. We work with local government and the community to plan for the revitalisation of existing urban areas.

### Greenfields planning:

We have been planning new suburbs across outer Melbourne since 2006 – and more recently in regional cities – using PSPs. We have been working to ensure that new neighbourhoods offer a diverse range of efficient and affordable housing and jobs that are connected, vibrant and sustainable.

### Planning for regional cities and towns:

We work closely with councils and Regional Development Victoria to provide spatial planning solutions that unlock urban growth. We plan to ensure that our regional cities and towns add to the liveability and vibrancy of regional Victoria and play a key role in the development of the state and help boost Victoria's productivity.

### Technical services, infrastructure planning and coordination:

We provide innovative technical and design solutions across all aspects of planning. We also recognise the interdependent relationship between land use plans and infrastructure networks and services, particularly transport. We seek to influence, coordinate and respond to these interdependencies.

### Capacity building:

We provide support for councils to facilitate delivery of urban plans and projects by working closely with our local government partners and sharing knowledge and learnings.

### Engagement, policy input and innovation:

We influence policy and we lead new thinking about the urban environment. We ensure local communities and stakeholders are actively engaged in our planning and utilise 21st century tools to develop 21st century places.



The VPA works with key stakeholders to better understand the views of:

- Our government partners such as DELWP and DJPR to deliver the Victorian Government's planning policies to support urban growth, housing, jobs and transport options across the state.
- Individuals and organisations with a connection or interest in the VPA's plans, to ensure our plans reflect community aspirations.
- The development industry (including peak bodies and consultants) to ensure our plans facilitate quality outcomes on privately owned land. Two-way communication with developers is essential to remain aware of commercial realities.

The VPA has continued to work in Melbourne's growth areas while broadening its focus to the areas identified for urban development in *Plan Melbourne* and precincts in regional Victoria. We lead, we act and we cut through the complexity to get the job done.

The latest population projections for Melbourne (*Victoria in the Future 2019*, DELWP) indicate that the city's population could increase to 9 million by 2056, while the population for the whole of Victoria could exceed 11.2 million. While the impacts of COVID-19 will have short term implications for this growth, it is still expected that up to 1.6 million new dwellings will be required between 2019 and 2056 to house Melbourne's growing population. An additional 470,000 dwellings will be required in regional centres.

It is important we start planning now for this growth to ensure we can accommodate increased demand, while maintaining housing quality and Melbourne's liveability. This growth requires significant early and integrated urban planning to shape how our city's infrastructure, housing stock and employment opportunities will evolve.



# Objectives, functions, powers and duties

## OBJECTIVES

The objects of the VPA are set out in section 7 of the *Victorian Planning Authority Act 2017*:

- (1) The primary object of the Authority is to provide advice and assistance that is in accordance with the objectives of planning in Victoria.
- (2) Without limiting subsection (1), the primary object includes collaborating with government agencies (including public sector bodies) and Councils —
  - (a) to promote the objectives of planning in Victoria; and
  - (b) to support productivity, liveability, housing affordability and environmental quality for Victorian communities; and
  - (c) for facilitation of timely and coordinated delivery of infrastructure and services; and
  - (d) to promote the alignment of decisions made by government about infrastructure with land use planning; and
  - (e) to promote the supply of housing; and
  - (f) to encourage land development that is sustainable and that takes into account natural and other hazards

The Authority has functions and powers under the *Planning and Environment Act 1987*.

The Authority is also an interface body within the meaning of the *Transport Integration Act 2010*.

## FUNCTIONS AND POWERS

The VPA provides advice to the Minister for Planning on development and planning issues in Melbourne and Victoria's growth areas and monitors, advises and partners with key stakeholders on a range of planning issues.

The VPA's functions are set out in section 8 of the *Victorian Planning Authority Act 2017*:

- (1) For the purposes of achieving its objects, the Authority has the following functions—
  - (a) to provide the Minister with advice and assistance in relation to planning the use, development and protection of land in Victoria;
  - (b) subject to subsection (3), to provide Councils and public sector bodies with advice and assistance in relation to planning the use, development and protection of land in Victoria;
  - (c) to perform any other functions conferred on it under this Act, the *Planning and Environment Act 1987* or any other enactment.
- (2) The Authority also has the following functions in relation to designated areas for the purposes of achieving its objects—
  - (a) to undertake integrated land use and infrastructure planning in those areas;
  - (b) to coordinate State Government action in relation to planning the use, development and protection of land in those areas.
- (3) The Authority must not give advice or provide assistance under subsection (1)(b) unless the Minister, or a person authorised by the Minister, has approved the giving of advice or the provision of assistance in a specified case or class of cases.

The VPA's powers are set out in section 9 of the *Victorian Planning Authority Act 2017*:

- (1) The Authority has power to do all things that are necessary or convenient to be done for or in connection with the achievement of its objects and the performance of its functions.
- (2) Without limiting subsection (1), the Authority may—
  - (a) enter into any agreements, contracts or arrangements in connection with its objects, functions or powers; and
  - (b) exercise the powers conferred on the Authority by this Act or any other enactment.



# Performance reporting – non-financial

## ACHIEVEMENTS, KEY INITIATIVES AND PROJECTS

The CEO's report highlights the achievements and progress on the key initiatives and projects of the VPA over the 2019/20 financial year.

## OPERATIONAL PERFORMANCE

In accordance with section 44 of the *Victorian Planning Authority Act 2017*, the VPA prepared the *2019/20 Business Plan*. This annual business plan included a number of key performance measures for the 2019/20 financial year. The table below summarises the progress made against the VPA's 2019/20 strategic priorities as set out in its adopted *2019/20 Business Plan*, and aligned with its legislative objectives under section 7 of the *Victorian Planning Authority Act 2017*.

## VPA'S KEY PERFORMANCE MEASURES FOR 2019/20

In order to achieve the VPA's outcomes over the coming four years, the VPA was expected to achieve the following during the 2019/20 financial year, as set out in our *2019/20 Business Plan*:

Program Outputs and Performance Measures	KPI for 2019/20	Status at 30 June 2020	Outcome
Deliver planning frameworks and spatial planning advice to support development in priority precincts as directed by the Minister for Priority Precincts and/or the Minister for Planning to deliver city-shaping liveability and economic outcomes.	VPA Board to finalise at least one plan prepared by the VPA or in partnership by 30 June 2020.	Achieved	Completed by 30 June 2020: <ul style="list-style-type: none"> <li>Draft <i>Arden Structure Plan</i></li> </ul> Additional alternative outputs completed: <ul style="list-style-type: none"> <li>VPA inputs to DJPR for <i>Sunshine Priority Precinct Opportunity Statement</i>.</li> <li>VPA inputs to DJPR for <i>Sunshine Priority Precinct Roadmap</i>.</li> <li>VPA review for DJPR for <i>Monash NEIC Precinct Opportunity Statement</i>.</li> </ul> VPA inputs to SRLA for Final Stage 1 Precinct Opportunity statements
	Undertake stakeholder engagement for at least one project by 30 June 2020.	Achieved	Commenced by 30 June 2020: <ul style="list-style-type: none"> <li>Draft <i>Arden Structure Plan</i></li> </ul>
Deliver planning frameworks and spatial planning advice to support the Plan Melbourne aspiration to accommodate 70 per cent of Melbourne's net dwelling growth within established Melbourne.	VPA Board to finalise plans prepared by the VPA or in partnership with others for six projects by 30 June 2020.	Achieved	Completed six by 30 June 2020: <ul style="list-style-type: none"> <li>Wantirna Health Precinct</li> <li>PMP Printing</li> <li>Defence Site Maribyrnong</li> <li><i>Moonee Ponds Creek Implementation Plan</i></li> <li><i>Cremorne Place Implementation Plan</i></li> <li>Clayton Business Park</li> </ul>
	Undertake stakeholder engagement for eight projects by 30 June 2020.	Substantially achieved	Completed five by 30 June 2020 <ul style="list-style-type: none"> <li>Wantirna Health Precinct</li> <li>Caulfield Station Precinct</li> <li><i>Cremorne Place Implementation Plan</i></li> <li>Lilydale Quarry</li> <li>East Village (led by council)</li> </ul>



Program Outputs and Performance Measures	KPI for 2019/20	Status at 30 June 2020	Outcome
Deliver planning frameworks to maintain a zoned capacity sufficient to accommodate around 15 years residential land supply and one new job for each new household in PSP areas.	VPA Board to finalise PSPs to accommodate zoned capacity for 10,000 dwellings and 2,000 jobs by 30 June 2020 as an interim KPI towards ...	Achieved	Overall total of 9,860 dwellings and 1,800 jobs submitted for Minister's approval made up of: <ul style="list-style-type: none"> <li>• Lindum Vale – 1,700 dwellings and 80 jobs</li> <li>• Quandong – 960 dwellings and 240 jobs</li> <li>• Pakenham East – 7,200 dwellings and 1,480 jobs.</li> </ul>
	... finalising PSPs to accommodate 50,000 lots and ...	On track (not yet due)	The 2019/20 program for progressing delivery of 52,000 lots by December 2022 to maintain around 15 years residential land supply is on track.
	... 50,000 jobs by December 2022.	Off track	Off track due to the re-timing of yet-to-commence PSPs as a result of: <ul style="list-style-type: none"> <li>• change in government policy on protecting extractive resources;</li> <li>• delays in obtaining third party funding;</li> <li>• need for stronger PSP justification for employment PSPs (in wake of Cranbourne West rezoning); and</li> <li>• resources diverted to completing the uncoupled ICP program.</li> </ul>
Improve planning outcomes and processes in PSP areas.	Finalise revised PSP Guidelines (part one – Greenfields) by 30 June 2020.	Substantially achieved.	Revised guidelines have been approved by the Board but the diversion of resources to support the mobilisation of the Fast Track program has delayed the next steps.
	Identify and seek approval for process improvements that will reduce average PSP preparation times by one-third.	Completed	Provided to the Board September 2019. Implementation of new process has commenced.
Deliver planning frameworks and services to support urban growth in regional Victoria. ... (continued next page)	VPA Board to approve structure plans to accommodate zoned capacity for:		
	a. 3,000 dwellings	Substantially achieved	a. <i>Shepparton North East PSP</i> gazetted September 2019 for 1,500 houses (50 per cent of dwelling target) and 50 jobs  b. <i>Echuca West</i> (5,700 dwellings and 0 jobs) delayed by: <ul style="list-style-type: none"> <li>• need for further work to reach agreement with DoT on infrastructure costing</li> <li>• open space consultants being unable to progress work due to COVID-19.</li> </ul> Project handover to council on track for second half of 2020.
	b. 750 jobs by 30 June 2020 as an interim KPI towards finalising PSPs to accommodate zoned capacity for	Not achieved	Due to delay and reduced job yield in Echuca West.
	c. ... 30,000 lots and 9,000 jobs by December 2022.	On track (not yet due)	The VPA is in the final stages of planning for further PSPs in Shepparton South East, Parwan, Merrimu, East of Aberline (Warrnambool) and Wonthaggi East.  Freeing up resources to support the new Fast Track priorities for 2020/21, together with the cumulative impact of COVID-19 on stakeholder decisions, could lead to recommended retiming of this KPI in 2020/21.



Program Outputs and Performance Measures	KPI for 2019/20	Status at 30 June 2020	Outcome
Deliver planning frameworks and services to support urban growth in regional Victoria (continued)	VPA Board to approve finalised frameworks/advice for four regional towns/areas by 30 June 2020.	Achieved	<ul style="list-style-type: none"> <li>• <i>Portland Framework Plan</i> completed August 2019</li> <li>• <i>Yarrawonga Framework Plan</i> completed November 2019.</li> <li>• <i>Ballarat Long Term Growth Options Framework Plan</i></li> <li>• <i>Benalla Urban Growth Strategy</i></li> <li>• <i>South East Traralgon Issues Opportunities and Directions Paper</i></li> </ul>
Deliver DCPs and/or ICPs to ensure that any development yield/uplift conferred by zoning change is accompanied by appropriate infrastructure contributions arrangements.	VPA to approve finalised ICPs and/or DCPs (as appropriate) to accompany all structure plans finalised by the VPA.	Achieved	Interim ICPs completed for the following areas: <ul style="list-style-type: none"> <li>• Beveridge Central</li> <li>• Sunbury South and Lancefield Road</li> <li>• Donnybrook and Woodstock</li> <li>• Arden (Development Contributions Plan Overlay)</li> </ul>
Negotiate GAIC WIK agreements to help clarify the nature and timing of infrastructure provided in PSP areas.	VPA to finalise two GAIC WIKs by 30 June 2020.	Achieved	Finalised three GAIC WIKs in 2019/20: <ul style="list-style-type: none"> <li>• Wollert P6 school (Whittlesea)</li> <li>• Rockbank shared path (first works agreement) (Melton)</li> <li>• Lollypop Creek Secondary School (Wyndham)</li> </ul>
	VPA to progress all new GAIC WIKs for submission to the Minister for Planning for approval within 12 months from the time of signing a third-party funding agreement.	Achieved	VPA has progressed its tasks in accordance with 12-month timing.
Deliver the Government's Streamlining for Growth program to unlock urban growth across the state by streamlining planning and post-plan approval processes.	Allocate at least 30 grants from the funds available through the Streamlining for Growth program by 30 June 2020 (this is a VPA whole of government performance indicator).	Achieved	Allocated 54 grants approved by the Board.
Demonstrate and disseminate innovation in planning processes and outcomes and engage with communities and partners.	Deliver at least three "Futures Thinking" events to inform public debate about quality urban growth.	Achieved	First was delivered on 2 August 2019 with the Hon. John Brumby AO. Second was delivered on Friday 18 October 2019 with David Sim. Third was delivered on 28 November 2019 with Charles Landry.
	Utilise innovative visualisation tools and models through our approach to community engagement.	Achieved	Communications team produced a video promoting community consultation for Cremorne, which was shared by Yarra City Council, driving a very high level of engagement



Program Outputs and Performance Measures	KPI for 2019/20	Status at 30 June 2020	Outcome
Enhance the operational performance of the organisation.	No significant governance breaches reported in the 2019-20 Annual Report	Achieved	No governance breaches for 2019/20 identified by 20 July 2020
	Ninety per cent of projects on the VPA work program completed or on track as at 30 June 2020 against the work program timeframes (as amended by the Board at quarterly reviews).	Achieved	Ninety-four per cent of projects on the VPA work program completed or on track as at 30 June 2020 against the work program timeframes (as adjusted by the Board at the Q3 review).
	Minister for Planning provided with draft Business Plan by 31 May 2019, and approved Business Plan published on VPA website within one month of it being approved by the Minister.	Achieved	2019/20 Business Plan submitted to the Minister on 29 May 2019. Approved by Minister on 1 September. Published on website on 13 September.
	Financial sustainability demonstrated by operating result for the year being no greater than 10 per cent more than the budgeted deficit for the year ended 30 June 2020, except in relation to any additional unbudgeted expenditure directed by the Minister for Planning	Achieved	The VPA achieved a significant year end surplus which was a favourable variance to the budgeted deficit.
	Implement new Project Management Framework (PMF) and reporting.	Achieved	The PMF is now in place and being embedded across all significant projects.



# Performance reporting – financial

## FIVE YEAR FINANCIAL SUMMARY

	Year ended 30 June 2020 \$	Year ended 30 June 2019 \$	Year ended 30 June 2018 \$	Year ended 30 June 2017 (as GAA) \$	Year ended 30 June 2016 (as GAA) \$
Income from government (a)	25,202,248	20,053,118	19,781,664	17,829,000	13,900,000
Total income from transactions	30,843,727	26,108,894	22,131,790	19,353,770	15,548,671
Total expenditure from transactions	25,103,871	27,661,984	22,050,194	18,744,888	19,099,436
Net result for the period	5,739,857	(1,548,434)	81,596	608,882	(3,550,765)
Net cash flow from operating activities	(1,413,445)	(4,371,971)	1,754,067	3,722,648	(2,238,097)
Total assets	24,373,273	15,335,928	19,485,477	17,023,123	13,671,107
Total liabilities	14,006,810	8,051,994	10,653,109	8,272,352	5,529,218
<b>Net equity</b>	<b>10,366,463</b>	<b>7,283,933</b>	<b>8,832,367</b>	<b>8,750,771</b>	<b>8,141,889</b>

### Notes:

- (a) Income from government only includes output and special appropriations. Other contributions from government are recorded within total income from transactions.

## SIGNIFICANT CHANGES IN FINANCIAL POSITION

Overall the financial position of the VPA has largely remained unaltered. The detailed movements in the different financial aspects are discussed below.

## CURRENT YEAR FINANCIAL REVIEW

### Overview

The Victorian Government considers the net result from transactions to be the appropriate measure of financial management that can be directly attributed to government policy. This measure excludes the effect of revaluations (holding gains or losses) arising from changes in market prices and other changes in the volume of assets shown under 'other economic flows' on the comprehensive operating statement, which are outside the control of the agency.

In 2019/20 the VPA recorded a surplus of \$5.74 million. This result was much more favourable than the budgeted deficit of \$3.45 million.



## Financial performance and business review

The primary reason the VPA performed favourably against budget is that we recognised an additional appropriation of \$7.5 million prior to the end of the financial year in relation to our accelerated Fast Track work program.

Overall expenditure is slightly down on the previous financial year due to less Streamlining for Growth grants paid to councils in 2019/20, \$1.947 million in 2019/20 compared to \$3.796 million in 2018/19.

## Financial position – balance sheet

At the beginning of the financial year the VPA brought forward a \$4.626 million accumulated surplus. Following the net result of \$5.74 million the VPA closed the financial year with a total accumulated surplus of \$10.366 million.

At 30 June 2020 the VPA carries contract liabilities of \$4.012 million, that is obligations to complete work/milestones for funds already received under AASB 15 Revenue from Contracts with Customers. These funds have been budgeted to be recognised as revenue during the 2020/21 financial year.

The VPA is also carrying a Right of Use Lease Liability of \$4.269 million relating to our accommodation lease, which was taken up on the balance sheet as of 1 July 2019 in accordance with new accounting standard AASB 16 Leases. This is offset by a similarly valued right of use asset.

The VPA is also holding funds in the bank of \$1.199 million which is for the S173 liability from infrastructure contributions for Fishermans Bend that we are obliged to on forward as directed by the Minister for Planning.

The VPA's employee provisions have increased by \$0.445 million since last financial year, this is primarily due to staff taking less leave in the last quarter of the financial year due to COVID-19 disruptions.

## SUBSEQUENT EVENTS

There have been no identified events subsequent to the reporting period that may significantly affect the organisation's future operations. However, the impact of COVID-19 on the economy and on the VPA's future financial situation beyond 2020/21 is uncertain.



# Governance and organisational structure

## GOVERNING BOARD

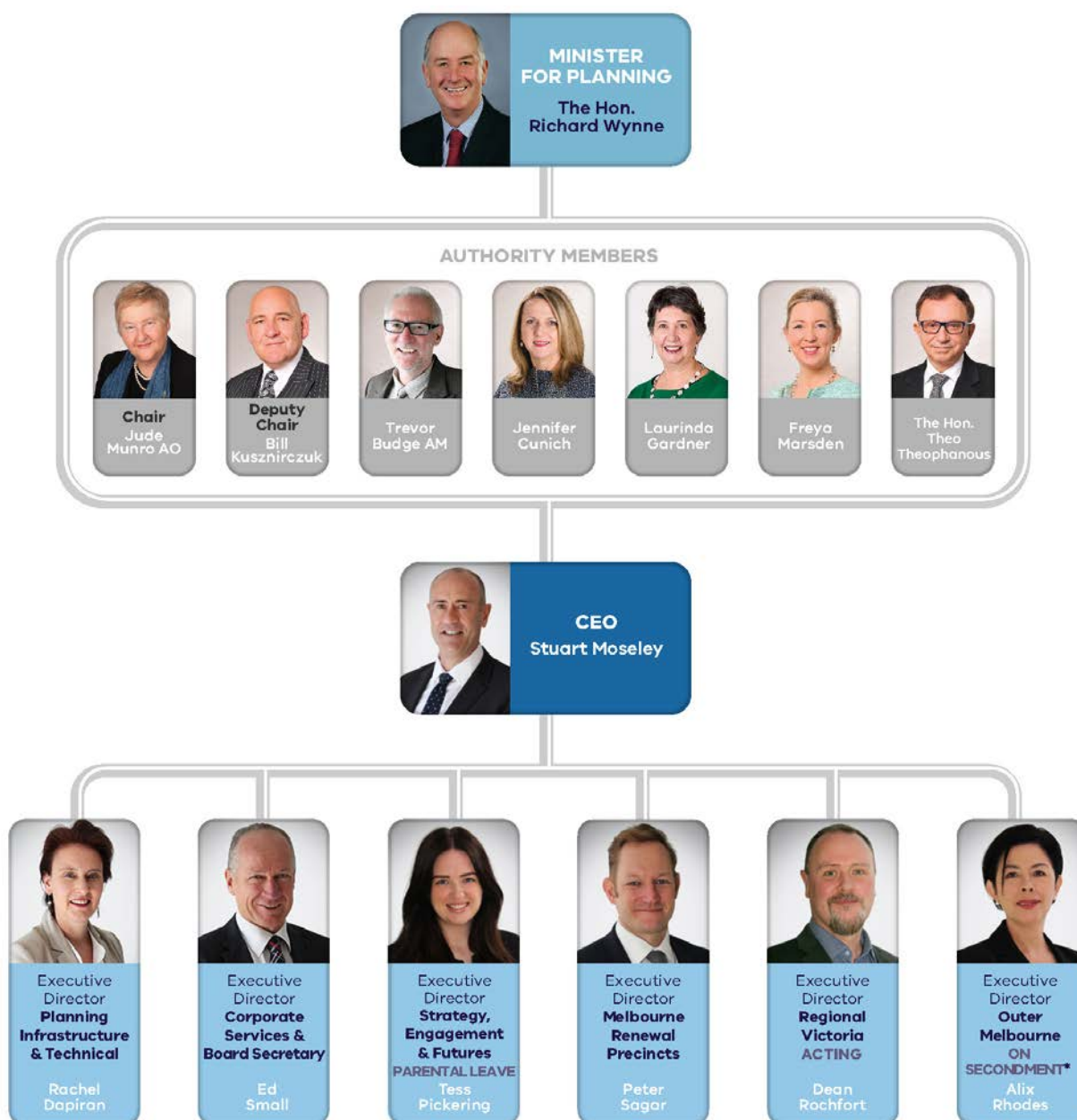
The VPA is overseen by a Board with experience in state and local government and industry that brings together a broad range of disciplines including planning, development, economics, financial management, education and housing.

The Authority reports to the Minister for Planning the Hon. Richard Wynne MP. The VPA is governed by a seven-person Board which was appointed by the Minister for Planning.

The seven Board members of the Victorian Planning Authority were in office for the whole period of 1 July 2019 until 30 June 2020. Freya Marsden completed her Board term on 30 June 2020.

While Jude Munro AO co-chaired the Building Victoria's Recovery Taskforce, Bill Kuszniarczyk was appointed Acting Chair for the period 1 May 2020 to 28 June 2020.

The VPA's organisational structure as at 30 June 2020 is as follows:



\* seconded to Building Victoria's Recovery Taskforce from 28 April 2020 to 30 June 2020



The VPA's organisational structure supports its strategic direction and is designed to ensure that the VPA delivers and improves planning projects that shape the future growth and transformation of designated urban growth areas, precincts and places.

The Board appointed a CEO, and the VPA adopted an organisational structure with three planning teams to carry out its planning projects:

- Melbourne Renewal Precincts
- Outer Melbourne
- Regional Victoria.

The planning teams are supported by three specialist teams:

- Planning, Infrastructure and Technical
- Strategy, Engagement and Futures
- Corporate Services (and Board Secretariat).

## BOARD MEETINGS

### Board meeting attendances for 2019/20

Authority Member	Membership Period	Board Meeting attendance
Jude Munro AO (Chair)	1 July 2019 to 30 June 2020	8 out of 11
Bill Kuszniarczyk (Deputy Chair)	1 July 2019 to 30 June 2020	9 out of 11
Freya Marsden	1 July 2019 to 30 June 2020	11 out of 11
Theo Theophanous	1 July 2019 to 30 June 2020	10 out of 11
Jennifer Cunich	1 July 2019 to 30 June 2020	11 out of 11
Trevor Budge AM	1 July 2019 to 30 June 2020	9 out of 11
Laurinda Gardner	1 July 2019 to 30 June 2020	10 out of 11



## BOARD MEMBERS' CONFLICT OF INTEREST DISCLOSURES

During the 2019/20 financial year, VPA board members disclosed the following potential, perceived or actual conflicts of interest:

Name of Board Member	Disclosure	Management Plan
Jude Munro AO	Monitor for Greater Geelong City Council (ceased at the end of January 2020)	Member will absent herself from any Board discussions relating to Geelong.
Jude Munro AO	Co-Chair, Building Victoria's Recovery Taskforce	Member will take leave of absence from role of Chair while serving on the Taskforce.
William (Bill) Kuszniarczyk	Managing Director of Clement Stone Town Planners	Member will advise Board if any matter that is relevant to his role with Clement Stone Town Planners comes before the Board.
William (Bill) Kuszniarczyk	Potential conflict relating to Shepparton Mooropna Regional 2050 Growth Plan	Member will not be provided with documentation regarding this item and will absent himself from meeting when this is discussed.
Freya Marsden	Family member is a partner in a consultancy firm that may undertake work for VPA	Member will not take part in any procurement decisions that involve this firm.
Trevor Budge AM	Employed as Manager Regional Sustainable Development at City of Greater Bendigo	Member will absent himself from any Board discussions relating to any matter in the City of Greater Bendigo.
Trevor Budge AM	Member of Dja Dja Wurrung Enterprise Board	Member will absent himself from discussions if it is considered that a conflict may arise.
Theo Theophanous	Director and Consultant with Embarkworldwide Pty Ltd	Member will advise Board and remove himself from any discussion or decision making if any matter affecting his clients comes before the Board
Jennifer Cunich	Member of Monash University Estates Committee	Member will absent herself from any Board discussions relating to Monash NEIC
Laurinda Gardner	Member of State Revenue Office audit committee	Member will absent herself from discussions relating to GAIC if it is considered that a conflict may arise
Laurinda Gardner	Monitor for the City of Casey (ceased in February 2020)	Member will absent herself from discussions relating to any matter in the City of Casey.

## BOARD COMMITTEES

The Board of the VPA has two sub-committees.

### Risk and Audit Committee

The Risk and Audit Committee ensures that the VPA discharges its responsibilities as prescribed in the *Financial Management Act 1994* and *Audit Act 1994*, as well as other relevant legislation and prescribed requirements.

The Risk and Audit Committee has four members and was chaired by Freya Marsden. The Risk and Audit Committee Members are all independent of the operations of the Authority.



The role of the Risk and Audit Committee is to report to the Board of the VPA on:

- financial performance;
- the financial reporting process;
- the scope of work, performance and independence of the internal auditor;
- the scope of work and performance of the external auditor;
- the operation and implementation of the risk management framework;
- matters of accountability and internal control affecting the operations of the VPA;
- the effectiveness of management information systems and internal controls;
- the acceptability, disclosure of and correct accounting treatment for significant transactions that are not part of the VPA's normal course of business..

### Risk and Audit Committee meeting attendances for 2019/20

Authority Member	Membership Period	Risk and Audit Committee attendance
Freya Marsden (Chair)	1 July 2019 to 30 June 2020	4 out of 4
Jude Munro AO	1 July 2019 to 30 June 2020	3 out of 4
Jennifer Cunich	1 July 2019 to 30 June 2020	4 out of 4
Theo Theophanous	1 July 2019 to 30 June 2020	4 out of 4

### Executive Remuneration, People and Culture Committee

This Committee is responsible to the Board and oversees the development of executive remuneration policy and practices and also monitors the development and implementation of strategies to enhance staff and organisational effectiveness within the VPA. The Committee approves individual executive remuneration packages. The Executive Remuneration, People and Culture Committee has four members and was chaired by Bill Kuszniarczyk.

The Committee recognises and demonstrates a clear relationship between people, executive performance and organisational effectiveness as an important part of the culture of the Authority.

The Committee monitors the development and progress of a *People and Culture Plan* which includes key strategies aimed at improving the Authority's organisational culture, executive and leadership development, attraction and selection practices and succession planning initiatives.

### Executive Remuneration People and Culture Committee meeting attendances for 2019/20

Authority Member	Membership Period	Executive Remuneration People and Culture Committee attendance
Bill Kuszniarczyk (Chair)	1 July 2019 to 30 June 2020	4 out of 4
Jude Munro AO	1 July 2019 to 30 June 2020	3 out of 4
Trevor Budge AM	1 July 2019 to 30 June 2020	3 out of 4
Laurinda Gardner	1 July 2019 to 30 June 2020	4 out of 4



## Our Board members



**Jude Munro AO (Chair) BA Hons (University of Melbourne), Grad Dip Business Administration (Swinburne), Grad Dip Public Policy (University of Melbourne), FAICD, FIPAA**

Jude Munro is experienced in guiding large complex organisations both as a Non-Executive Director and when she was a CEO. Jude is currently a Director, Newcastle Airport, Board Chair, Victorian Pride Centre, Chair, Uniting Vic. Tas and a Director, Metro Tasmania. She has been a Director of 20 companies, including Board Chair of Australia's fourth largest water utility, a director of a national aviation business, a development company, and a director of one of Australia's largest not-for-profits with a \$1.3 billion budget.

She also mentors CEOs. Her last CEO position was as CEO of Brisbane City Council for 10 years. She led the council with its \$2.6 billion annual budget, 9,000 employees and delivered infrastructure projects, bus and ferry services, regulatory and other municipal services for 1.2 million people. Infrastructure projects included the \$2.7 billion Clem7 tunnel, Airport Link, the Green Bridge, and the Go Between bridge. She was awarded the Keys to the City of Brisbane in 2010 for her service to the people of Brisbane and awarded an AO for national service to local government and to the people of Brisbane.



**W. R. (Bill) Kuszniarczyk (Deputy Chair, Chair of Executive Remuneration People and Culture Committee) BA (Urb Studies) FIT; Grad Dip (Urb Plg) FIT; CPP; MPIA; MAAP; AFAIM; MVEPLA; MBDAY; MAPA; MEIANZ; MAICD; MUDIA**

Bill Kuszniarczyk is a leading Urban and Regional Planner in Australia.

He has extensive experience and knowledge in all aspects of planning, building, property development and how cities, rural and regional areas should look in the future. He is the founder and Managing Director of Clement-Stone Town Planners which has a long and respected tradition of providing professional advice in these fields. Bill is sought as a regular commentator on Radio, TV and in print media.

He is the former Chair of the Building Advisory Council. Mr Kuszniarczyk was appointed as the inaugural Chairman and Chief Commissioner of the Victorian Building Authority in 2013. He is a Certified Practising Planner and Associate Fellow of the Australia Institute of Management. Bill also brings his expertise in strategic and business planning, project management, stakeholder engagement, finance, risk and corporate governance. His valuable industry experience puts him at the forefront of advisors across Australia. He also provides his valuable knowledge to the community, charities and on not-for-profit Boards.

Bill is an Australian Day Ambassador to Victoria.



**Freya Marsden (Chair of Risk and Audit Committee) Bachelor of Agriculture and Resource Economics with Honours, La Trobe University; Master of Commerce (Specialising in Economics) University of Melbourne; GAICD**

Freya Marsden is Managing Director of the Acuity Group, which provides governance, strategy, policy and economic advice and is a former Director of the Business Council of Australia. Freya is a Non-Executive Director on several government and not-for-profit boards, and provides the VPA with increased governance, risk, finance and strategy skills.

Freya brings policy and economic experience gained across industry and the Victorian and Australian Governments, including the Victorian Department of Premier and Cabinet, and the (former) Victorian Department of Infrastructure and Commonwealth Treasury.

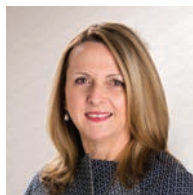




**Trevor Budge AM BA (Monash)  
Grad Dip of Education (Monash  
University) Grad Dip Town &  
Regional Planning (University of  
Melbourne) MA (Town Planning)  
(Victoria University) LFPIA**

Trevor Budge is the Manager Regional Sustainable Development at the City of Greater Bendigo. He is an Adjunct Associate Professor in the Community Planning and Development Program at the Bendigo campus of La Trobe University. He is a former State President of the Planning Institute of Australia, and is a Life Fellow and has a National Lifetime Achievement Award from the Institute. He became a Member (AM) in the General Division of the Order of Australia in June 2011 for service to town planning, particularly the development of regional and rural communities in Victoria, and to education.

He was a Ministerial appointee for six years of the Victorian Catchment Management Council and a founding Board Member on the Victoria Walks Board. He has worked extensively for state, regional and local governments, and conducted his own consulting business for 16 years. For 12 years Trevor taught at RMIT and La Trobe universities in planning and community development.



**Jennifer Cunich (Chair of Risk  
and Audit Committee as from  
1 July 2020)**

Jennifer Cunich has over 30 years' experience in the business and property sectors. She held the position as CEO of the Australian Institute of Architects and was the Executive Director of the Property Council of Australia, first as the ACT Executive Director and from 2002 to 2016 as the Executive Director at the Victorian Division.

Jennifer is one of Australia's most experienced property lobbyists and business managers. Jennifer is currently on the board of the Australian Housing Industry and Urban Research Institute (AHURI), the Monash University's Estates Committee and is the Lead Program Development Manager for the Mid-rise Advisory Program with WoodSolutions.



**Laurinda Gardner BA Hons  
(University of Melbourne),  
MAICD, FIPAA**

Laurinda Gardner is a board director, organisational reform and change management consultant and career coach. Laurinda has over 25 years of senior executive experience and was formerly a Deputy Secretary with the Victorian Department of Treasury and Finance and a Director at the City of Melbourne. She has led large operational



**The Hon. Theo Theophanous BA  
Hons (La Trobe University)**

Theo Theophanous is a former Victorian Government Minister who has held a number of senior portfolios including Industry, Trade, Energy, Resources, State Development, ICT and Major Projects. Highlights include developing the first Victorian Renewable Energy Scheme, attracting major international airlines and investment to Victoria, steering the development of the Recital Centre, AAMI Stadium, Melbourne Conference Centre and Austin Hospital redevelopments. He now works as a specialist industry advisor and has served on the National ICT Australia Board. He is also a parliamentary advisor to the World Bank.

Theo is also a Director at State Trustees Ltd and Vice President of the Cypriot Community of Melbourne and Victoria.

teams in diverse areas including strategic and business planning, HR, IT, communications, town planning, stakeholder engagement, finance and risk.

Laurinda has performed the role of trusted adviser to several CEOs, was an Administrator at the City of Greater Geelong and is currently on the Board of the Victorian Equal Opportunity and Human Rights Commission and a member of several remuneration, and audit and risk committees.



## OUR PEOPLE

At the VPA, we understand that our success is driven by our talented and dedicated workforce. Our strategic plan sets out a clear direction to build a *"dynamic and high performing organisation that delivers and creates an inspiring workplace"*. The 2019/20 year saw the continued implementation of our three-year People and Culture Plan and program, which focuses on three key areas for the organisation:

- Attracting and selecting the right people for the right jobs;
- Developing our people and creating career pathways;
- Creating an inspiring workplace.

Key achievements in the 2019/20 year include:

- Revising how we connected through an increased focus on knowledge sharing across our different functions and people manager groups.
- Enhancing diversity and flexibility in our work practices and ensuring we are supporting the needs of all of our employees.
- Rapidly transitioning the workforce successfully to remote working as a result of the COVID-19 pandemic and delivering supportive tools, training and equipment to our employees to continue safely delivering our work.

The VPA has been very pleased with the way its staff were quickly able to move to, and adapt to, remote working. This has been regarded as one of the key achievements for the second half of the financial year. Staff are being regularly surveyed to measure the status of individuals in dealing with the challenges of working remotely. Overall staff have considered that they have been well supported by the VPA and by their colleagues during this time

## BUILDING MANAGEMENT AND LEADERSHIP CAPABILITIES OF OUR PEOPLE MANAGERS

The VPA's management teams, the Senior Executive Team, the Leadership Group and the Managers Group, meet on a regular basis to exchange learnings, openly discuss and action issues of importance within their respective groups. The Leadership Group has been empowered to assist the Senior Executive Team in the development and implementation of key strategies and to progress operational matters across the organisation.

In partnership with Development Victoria, the VPA sponsored five of our senior staff members to participate in a three-month adaptive leaders' program which provides direct support to members of the community. The program was a great success with the graduation ceremony occurring remotely on 10 June 2020.

A Leading Through Change Program, complementing our resilience training, was provided to management staff in early to mid-2020 in support of our people managers transitioning to managing remote teams through the changes imposed as a result of COVID-19.

## ADOPTING BEST PRACTICE

The VPA is committed to reviewing our practices to ensure we are in line with industry best practice. We have revised our interviewing behavioural based structure and provided templates and support guides to our people managers. We continue to stay engaged and connected with whole of government people and culture practices in order to stay well-informed of new innovative practices from flexible working, future of work, managing dispersed teams, as well as including diversity and inclusion throughout.



## EMBEDDING VALUES

Our VPA values continue to be reflected through everything we do, from our initial employment brand, position descriptions, interview assessments and inductions, through to our new online performance and development review process. We are consistently looking at streamlining and enhancing processes and supporting structures to ground the demonstration of consistent messaging throughout the employee lifecycle. We implemented a value-based recognition framework that was rolled out through regular all staff forums and online 'thank you' highlights of employees living these in their daily practices.

## A CULTURE OF FLEXIBILITY

Through delivery of ongoing training to our people managers and leaders, we have continued to support our employees to seek flexible arrangements in their roles that work for them. With the onset of COVID-19 in March 2020, moving the way of work into a remote environment, VPA has adapted the way we work for the future. Whether it is employees returning from extended leave, or looking to balance their work and personal priorities a little better, our new flexible working practices and policies continue to support a diverse workforce to be able to be a part of the culture from wherever they may be in their life and career stage.

## PEOPLE MATTER SURVEY 2019

The VPA received its 2019 People Matter Survey results early in the 2019/20 financial year and put in place actions to respond to the feedback that was received. The 2020 People Matter Survey fell outside of the 2019/20 year.

The 2019 People Matter survey results were very good, with 96 per cent of staff completing the survey. Employee engagement and satisfaction measures remain satisfactorily high and compare well with previous survey results and those of comparator organisations.



## OCCUPATIONAL HEALTH AND SAFETY (OHS)

The VPA has a clear commitment to the health, safety and wellbeing of our employees. Through our OHS Committee, we continually review our OHS governance and compliance frameworks. In 2019, an external audit was conducted to support elevating the VPA's focus, commitment and practices in support of OHS both in the office and working from home environments. Several actions from the audit have been finalized and an ongoing COVIDSafe support plan has carried into the next financial year with a focus on safely returning to work in a hybrid nature with a blend of part-time in the CBD office and part-time continuing to safely work from home.

### The VPA's performance against occupational health and safety management measures

Measure	KPI	2019/20	2018/19
Incidents	No. of incidents	1	2
	Rate per 100 FTE	1	2
	No. of incidents requiring first aid and/or further medical treatment	1	2
	Hazards	0	1
Claims	No. of standard claims	1	1
	Rate per 100 FTE	1	1
	No. of lost time claims	0	0
	Rate per 100 FTE	0	0
	No. of claims exceeding 13 weeks	0	0
	Rate per 100 FTE	0	0
Fatalities	Fatality claims	0	0
Claim costs	Average cost per standard claim	\$125	\$353
Return to work	Percentage of claims with RTW plan <30 days	0	0
Management commitment	Evidence of OH&S policy and objectives, regular reporting to senior management	Achieved	Achieved
Consultation and participation	Evidence of agreed structure of designated work groups (DWGs), health and safety representatives (HSRs), and issue resolution procedures (IRPs).	Achieved	Achieved
	Compliance with agreed structure on DWGs, HSRs, and IRPs.	Achieved	Achieved
Risk management	Percentage of internal audits/inspections conducted as planned.	100%	100%
	No. of Improvement Notices issued across the Authority by WorkSafe Inspector.	0	0
	Percentage of issues identified actioned arising from:		
	• internal audits;	100%	100%
	• HSR provisional improvement notices;	n/a	n/a
	• WorkSafe notices.	n/a	n/a
Training	induction	Achieved	Achieved
	staff training	Achieved	Achieved



## WORKFORCE DATA

### Staffing trends from 2016 to 2020

The following total staff members (headcount) were employed by the Authority as at 30 June:

2020	2019	2018	2017 (GAA)	2016 (GAA)
108	114	113	95	88

The VPA has an expanded role from that of the GAA. This resulted in the VPA taking up a wider range of tasks, and expanding its staff complement correspondingly.

### Comparative workforce data

The following table discloses the head count and full-time staff equivalent (FTE) of all active VPA employees, employed in the last full pay period in June of the current reporting period (2019/20), and in the last full pay period in June of the previous reporting period (2018/19).

Details of employment levels at 30 June 2020 and 30 June 2019 are as follows:

	June 2020							June 2019						
	All employees		Ongoing			Fixed term and casual		All employees		Ongoing			Fixed term and casual	
	Number (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Number (head-count)	FTE	Number (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Number (head-count)	FTE
<b>Gender</b>														
Women	51	46.74	2	0	2	49	44.74	55	50.78	2	1	2.6	52	48.18
Men	57	53.75	4	0	4	53	49.75	59	56.06	4	0	4	55	52.06
Self-described	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Age</b>														
15-24	7	3.39	0	0	0	7	3.39	10	8.6	0	0	0	10	8.6
25-34	31	30.7	0	0	0	31	30.7	37	36.5	1	0	1	36	35.5
35-44	37	34.9	3	0	3	34	31.9	34	31.28	2	0	2	32	29.28
45-54	17	16.50	1	0	1	16	15.50	17	16.56	1	1	1.6	15	14.96
55-64	14	13	2	0	2	12	11	13	12.2	2	0	2	11	10.2
65+	2	2	0	0	0	2	2	3	1.7	0	0	0	3	1.7
<b>VPA 1-6 grades</b>														
VPA 1	3	1.2	0	0	0	3	1.2	3	1.6	0	0	0	3	1.6
VPA 2	5	3.19	0	0	0	5	3.19	3	3	0	0	0	3	3
VPA 3	11	10.6	0	0	0	11	10.6	10	9.6	0	0	0	10	9.6
VPA 4	20	19.94	0	0	0	20	19.94	21	21	0	0	0	21	21
VPA 5	24	22.49	0	0	0	24	22.49	24	21.98	0	0	0	24	21.98
VPA 6	27	25.86	5	0	5	22	20.86	36	33.26	5	1	5.6	30	27.66
<b>Senior employees</b>														
STS	12	11.2	1	0	1	11	10.2	10	9.4	1	0	1	9	8.4
Executives	6	6	0	0	0	6	6	7	7	0	0	0	7	7
<b>Total Employees</b>	<b>108</b>	<b>106.84</b>	<b>6</b>	<b>0</b>	<b>6</b>	<b>102</b>	<b>94.49</b>	<b>114</b>	<b>106.84</b>	<b>6</b>	<b>1</b>	<b>6.6</b>	<b>107</b>	<b>100.24</b>



## Annualised total salary by \$20,000 bands for executive staff at 30 June 2020

The following table discloses the annualised salary for executive officers of the organisation. The salary amount is reported as the full-time annualised salary and excludes superannuation.

In the tables below, the VPA Chief Executive Officer (CEO) is included as an executive officer. It is noted that the CEO is however excluded from the Executive Remuneration Note of the 2019/20 Annual Financial Statements as the CEO is included in the Responsible Persons Note.

Income Band	Executives 2019/20	Executives 2018/19
\$100,000 - \$119,999	1	
\$200,000 - \$219,999	1	
\$220,000 - \$239,999	3	5
\$240,000 - \$259,999	1	
\$260,000 - \$279,999		1
\$380,000 - \$399,999		1
\$400,000 - \$419,999	1	
<b>Total no. of Executives</b>	<b>7*</b>	<b>7</b>

\* This number includes one STS Officer who was appointed as an acting Executive Director

### Notes:

The salaries reported above is for the full financial year, at a 1-FTE rate, and excludes superannuation.

## Executive officer data

The executive employment and total remuneration packages as at 30 June (those employed as at 30 June) is set out below.

**Table 1** Total number of executive officers for the VPA, broken down into gender

Class	2020				2019			
	Male	Female	Self Described	Vacancies	Male	Female	Self Described	Vacancies
CEO	1	0	0	0	1	0	0	0
EO2	3	3	0	0	4	2	0	0
EO3	0	0	0	0	0	0	0	0
<b>Total</b>	<b>4*</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>2</b>	<b>0</b>	<b>0</b>

\* This number includes one STS Officer who was appointed as an acting Executive Director

**Table 2** Reconciliation of executive numbers with note in annual financial statements

	2020	2019
Executives (financial statement Note 8.3)	7	7
Accountable Officer (CEO)	1	1
Less Separations	(1)	(1)
<b>Total Executive Officers employed at 30 June 2020</b>	<b>7*</b>	<b>7</b>

\* This number includes one STS Officer who was appointed as an acting Executive Director



# Growth Areas Infrastructure Contribution

## COMPLIANCE WITH THE PLANNING AND ENVIRONMENT ACT 1987

The Growth Areas Infrastructure Contribution (GAIC) as Part 9B of the *Planning and Environment Act 1987* (P&E Act) commenced on 1 July 2010. GAIC applies to defined contribution areas in the growth area municipalities of Cardinia, Casey, Hume, Melton, Mitchell, Whittlesea and Wyndham. Properties in the contribution area have a GAIC notice registered on title. When dutiable transactions, subdivision or building permit events occur GAIC usually becomes payable and subject to interest. The P&E Act provides for deferred payments, staged payment arrangements (SPA) to spread payments over time and works-in-kind (WIK) agreements instead of payment. The P&E Act includes exclusions and appeal provisions for GAIC.

The Minister for Planning (the Minister) and the Treasurer are jointly and separately responsible for the administration of GAIC under general orders issued by the Premier. The DELWP supports the Minister in this GAIC responsibility and reports annually according to section 201VC(1) on income, expenditure and balance of the Building New Communities Fund (BNCF) and the Growth Areas Public Transport Fund (GAPTF) by growth area and proportion. DELWP also reports annually on BNCF, GAPTF and WIK projects. Please refer to the DELWP 2019-20 annual report.

The VPA has statutory and other roles in the administration of GAIC, including liaison with the State Revenue Office (SRO) as receiver of GAIC payments, the DTF supporting the Treasurer, DELWP Planning Group supporting the Minister and DELWP Local Infrastructure managing the BNCF and GAPTF. The VPA reports annually on the operation of the GAIC scheme.

The VPA's statutory roles in the P&E Act include excluded building work threshold and maximum adjusted GAIC amounts calculations for the next financial year, WIK agreement performance determinations, Commissioner of State Revenue certificates assistance, exceptional circumstances appeals consultation, contribution area recording and change notifications on titles, and annual reporting. The VPA also prepares and amends SPAs, negotiates and manages WIK and provides administrative support to the Hardship Relief Board.

GAIC amounts	2020-21	2019-20
Excluded building work threshold (\$)	1,240,660	1,217,230
Type A land amount (\$/ha)	99,230	97,360
Type B1, B2 and C land amount (\$/ha)	117,870	115,640
Published	28 May 2020	30 May 2019

## WORK-IN-KIND AGREEMENTS

The VPA accepts applications and negotiates WIK agreements for approval by the Minister. A WIK may be for land, works or a combination to meet a person's GAIC liability. The WIK value for land requires approval by the Valuer-General Victoria and the Victorian Government Land Monitor and for works requires approval by the receiving agency. DELWP, DTF and SRO assist with negotiation and approval processes. Any WIK valued at over \$2 million, and any supplementary BNCF of \$2 million or more or GAPTF must be approved by the Treasurer. Then all WIKs must be approved by the Minister. Approved WIK details are tabled on the VPA website and financial details are in the DELWP Annual Report 2019/20.

WIK	2019-20		2018-19	
	(no)	(\$m)	(no)	(\$m)
<b>Approved:</b>				
Land	2	29.21	3	19.49
Works	1	0.96	-	-
Total	3	30.17	3	19.49
<b>Completed:</b>				
Land	2	15.61	3	19.86
Works	-	-	-	-
Total	2	15.61	3	19.86



## Staged payment arrangements

The VPA accepts applications and prepares new and amended SPAs. A SPA allows the payment of GAIC liability as land is developed in stages over time. Any outstanding liability is subject to interest. The Minister approves any new GAIC SPA for a GAIC liability of \$10 million and over. The VPA CEO has delegation to approve a new SPA for a GAIC liability of less than \$10 million and an amended SPA. SPAs are amended for change of owner, stage areas, dates, number or order. All SPAs are reviewed by SRO before approval.

SPAs approved in financial year	2019-20		2018-19	
	(no)	(\$m)	(no)	(\$m)
New - \$10m or greater	2	25.85	4	58.73
New – less than \$10m	47	138.36	45	189.89
Amended	64	310.02	33	157.72
<b>Total</b>	<b>113</b>	<b>474.23</b>	<b>82</b>	<b>406.34</b>

## Hardship Relief Board

Persons may in some circumstances apply to the Hardship Relief Board (HRB) for relief from their GAIC liability. DELWP managed the appointment of the three current board members for a three-year term ending 30 June 2021. The VPA provides secretarial assistance to the HRB for meetings and hearings. The HRB must forward a notice of determination to the applicant, the Commissioner and the VPA.

HRB applications in financial year (no)	2019-20	2018-19
Start	-	-
Received	-	-
Determined	-	-
Outstanding	-	-



# Infrastructure contribution reporting

The provisions of the *Planning and Environment Amendment (Infrastructure Contributions) Act 2016* came into effect as of 1 June 2016. Collecting agencies are required to report in relation to infrastructure contributions received and expended.

In addition, the VPA acts as the collecting agency for the East Werribee Employment Precinct Development Contribution Plan (EWEP DCP). In accordance with sections 46GM and 46QD of the *Planning and Environment Act 1987*, the VPA is required to report annually on aspects of that DCP.

The VPA also collects funds from section 173 agreements in the Fishermans Bend Precinct.

The following tables reflect the different elements to be reported annually.

## Total DCP contributions received for the year ended 30 June 2020

Name of DCP	Contributions received for the year 30 June 2020 (\$)	Contributions received for the year 30 June 2019 (\$)
EWEP	Nil	62,366
<b>Total</b>	<b>Nil</b>	<b>62,366</b>

## DCP land, works, services or facilities accepted as work-in-kind for the year ended 30 June 2020

Name of DCP	Project description	Item purpose	Project value 2020 (\$)	Project value 2019 (\$)
EWEP	n/a	n/a	Nil	Nil
<b>Total</b>			<b>Nil</b>	<b>Nil</b>

## Total DCP contributions received and expended to 30 June 2020

Name of DCP	Total levies received (\$)	Total levies expended (\$)	Total work-in-kind accepted (\$)	Total DCP contributions received (levies and work-in-kind) 2020 (\$)	Total DCP contributions received (levies and work-in-kind) 2019 (\$)
EWEP	Nil	Nil	Nil	Nil	62,366
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>62,366</b>

## Land, works, services or facilities delivered for the year ended 30 June 2020 from DCP collections

Project description	Name of DCP	DCP fund expended during the year (\$)	VPA's contribution for the year (\$)	Other contributions for the financial year (\$)	Total project expenditure for the year 2020 (\$)	Percentage of item delivered	Total project expenditure for the year ended 2019 (\$)
n/a	EWEP	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>



## Fisherman Bends Section 173 collections and disbursements for the year ended 30 June 2020

	2019/20 (\$)	2018/19 (\$)
Opening balance	1,648,173	4,930,803
Receipts for the year	2,733,162	2,695,143
Disbursements for the year	2,682,277	5,977,773
<b>Section 173 collections on hand at the 30 June</b>	<b>1,199,107</b>	<b>1,648,173</b>



# Other disclosures

## ENVIRONMENT STRATEGY

The VPA is committed to working towards environmental sustainability in both its operations and in the planning of new communities. The VPA strives to be an environmentally responsible organisation in its own operations, and to improve the liveability and sustainability of the natural and built environment within new communities.

Following on from this goal the VPA's 2019/20 Business Plan builds on the VPA's Strategic Plan 2017-2020 with the following priorities for our programs:

- preparing leading-quality plans for designated growth areas that enable the development of prosperous, sustainable and liveable communities
- working to engage future residents early in the planning and development of the precinct with a view to create communities that are viable, sustainable, liveable, and prosperous;
- focusing on supporting the delivery of *Plan Melbourne 2017-50*, the growth plans for Victoria's regions and *Homes for Victorians: Affordability, access and choice*. This includes tracking our progress towards achieving the United Nations Sustainable Development Goals;
- responding to the infrastructure integration opportunities presented by the Government's ongoing agenda for delivering integrated water management and boosting urban sustainability.

## Office based targets and initiatives

The VPA reports annually against a number of initiatives. The results for 2019/20 are set out in the table below::

INDICATOR	2019/20 Actual	Estimated Carbon Equivalent (Tonnes)	2018/19 Actual	Estimated Carbon Equivalent (Tonnes)	Net % Change	Notes
<b>ENERGY USE</b>						
Total electricity used (megajoules)	331,613	84.05	441,415	148.54	-25%	1
Energy used per Full Time Employee (FTE) (megajoules)	3,212	0.81	4,163	1.40	-42%	1
Energy used per unit of office area (megajoules per m2)	245	0.06	326	0.11	-43%	
<b>PAPER</b>						
Total units of A4 equivalent copy paper used	1,021	3.88	1,561	5.93	-35%	2
Daily paper ream use per employee	0.027	0.037	0.040	0.056	-35%	2
<b>TRANSPORT</b>						
Annual total Hybrid Pool Vehicle travel (km)	17,012	1.53	28,608	2.90	-47%	3
New staff taking up public transport, cycling or walking options for travel	100%	-	100%	-	-	4
Other transport per employee per year (km)	72	1.02	236	4.58	-78%	5
Distance travelled by air (km)	17,598	3.01	56,543	15.74	-81%	6
<b>Total emissions (excluding calculated offsets)</b>		<b>93.49</b>		<b>177.69</b>	<b>-47%</b>	<b>7</b>

### Notes to Office based targets and initiatives

Decreases in the above report includes the benefits arising from the staff transitioning to a remote working environment from mid-March 2020.

1. The VPA is part of the GreenPower initiative set up by Origin Energy in order to offset monthly greenhouse gas emissions by 25 per cent with electricity from GreenPower accredited renewable sources
2. Printing controls – through staff messaging and secure printing VPA has reduced the overall amount of paper used per employee. Paper emissions are down 35 per cent in-part due to our continued emphasis on double sided printing and the new secure print functions.
3. Forty-seven per cent decrease in carbon emissions from the use of the VPA pool car in-part due to emphasis on using public transport where possible in the first three quarters of the year.
4. Public transport – of new staff for the 2019/20 year, 36 per cent make use of the myki commuter club program through the VPA, while the remainder either use their own existing myki or cycle to work. This results in 100 per cent of staff not driving to work.
5. There has been a significant decrease in the use of other modes of transport due to an increased focus on public-transport use where reasonable as well as COVID-19 interruptions to regular in person meetings such as panel hearings and community engagement workshops.
6. The use of air travel decreased significantly during this year due to COVID-19 interruptions.
7. Even factoring in the remote working environment in the last quarter of the financial year, the VPA has reduced its overall CO<sub>2</sub> emissions across this financial year due to a number of initiatives that will continue into the 2020/21 financial year.



## Water consumption and waste management

Due to the availability of data, the VPA does not record or report on office waste disposal or water consumption. However, the VPA continues to participate in enhanced waste management programs and recycling initiatives through Collins Place Management.

The enhanced waste management program incorporates:

- expanded co-mingled recycling, including recycling boxes at all staff desks;
- the removal of rubbish bins from all staff desks;
- separate bins and collection for organic waste.

## Procurement

Our environmental procurement policy seeks to embed environmental considerations into procurement decisions for goods and services consistent with the purchasing principles outlined in the Victorian Government Purchasing Board Procurement Policies.

## FREEDOM OF INFORMATION (FOI)

Victoria's *Freedom of Information Act 1982* (FOI Act) gives members of the public the right to apply for access to documents held by an agency, including the VPA. In accordance with Part II of the FOI Act, this Information Statement outlines the role of the VPA, documents held by the VPA, and how these can be accessed under the FOI Act.

## FOI organisation and functions

The VPA is the state's strategic planning authority and is responsible for preparing planning scheme amendments for priority places and precincts. The functions of the VPA are described earlier in this report. In carrying out these functions, the VPA consults widely with local councils, other government agencies, local communities and the development industry. Proposed planning scheme amendments are exhibited on the VPA's website in line with the requirements of the *Planning and Environment Act 1987*.

## FOI categories of documents

A majority of documents held by the VPA relate to the preparation of strategic plans for particular precincts. Documents typically include correspondence, meeting records, background reports and maps. The VPA also holds correspondence and meeting records regarding our involvement in the development of government policy on planning related issues, applications from councils for Streamlining for Growth grants, and documents regarding our administrative functions. The VPA uses an electronic document and records management system to store and manage all documents electronically.

## FOI publications

The VPA publishes a range of documents on our website, including approved PSPs, draft PSPs released for consultation, and background reports prepared for each PSP. Other information that is available on request under the Assistant Treasurer's standing directions is outlined below.

## FOI rules, policies and procedures

The preparation of PSPs is governed by the VPA's *Guidelines for Precinct Structure Planning*, which are published on the VPA website.

## FOI report literature

The VPA typically engages a range of expert consultants to produce background reports on different aspects of each PSP (e.g. traffic, cultural heritage, water, community infrastructure, etc.). These reports are generally published on the VPA website when the draft PSP is released for consultation.

## FOI arrangements

A freedom of information request must be made in writing to the agency that holds the documents being requested. The VPA officer responsible for receiving and initially actioning requests made under the FOI Act is Ed Small, who can be contacted on 03 9651 9600 or [info@vpa.vic.gov.au](mailto:info@vpa.vic.gov.au). As from 1 July 2019, there is a fee of \$29.60 payable for each FOI application. The Office of the Victorian Information Commissioner also provides general information on its website about making FOI requests. A copy of the FOI Act is available at [foi.vic.gov.au](http://foi.vic.gov.au).



## FOI requests for 2019/20

During the year ended 30 June 2020 two new requests were received by the VPA (30 June 2019 – two). Both requests in 2019/20 related to activities of government and were from landowners or their representatives. For one request, the documents were released in part, while for the other no documents could be located. Both decisions were made within the statutory time periods.

A request that was received in 2018/19 was reviewed by the Information Commissioner during 2019/20. There were no appeals to VCAT by FOI applicants.

## Other information required to be available in accordance with FRD22H and Freedom of Information Act 1982

The following information, where it relates to the VPA and is relevant to the financial year ended 30 June 2020, is available to the Minister for Planning, Members of Parliament and the public on request:

- (a) a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- (b) changes in fees, charges, rates or levies charged
- (c) details of publications produced by the entity, about the entity, and the places where the publications can be obtained
- (d) details of any major research and development activities undertaken by the entity
- (e) details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and the services it provides
- (f) details of assessments and measures undertaken to improve the occupational health and safety of employees, not otherwise detailed in the Report of Operations
- (g) a general statement on industrial relations within the entity and details of time lost through industrial action and disputes
- (h) a list of major committees sponsored by the entity, the purposes of each committee, and the extent to which the purposes have been achieved.
- (i) details of all consultancies and contractors including:
  - consultants/contractors engaged
  - services provided
  - expenditure committed to for each engagement.

The following information is not relevant to the VPA for the reasons set out below:

- (j) details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary (no shares have ever been issued in the VPA)
- (k) details of overseas visits undertaken including a summary of the objectives and outcomes of each visit (nil for the year)
- (l) details of any major external reviews carried out on the entity (nil for the year).

## Compliance with DataVic Access Policy

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, the VPA makes the following spatial datasets available on the web:

- Greenfield Precinct Structure Plan (PSP) boundaries
- Approved PSP Land Use data
- Open Space in metropolitan Melbourne
- Walkable catchments from open space in metropolitan Melbourne

These datasets can be accessed at [vpa.vic.gov.au/strategy-guidelines/open-data/](http://vpa.vic.gov.au/strategy-guidelines/open-data/) or by searching [data.vic.gov.au](http://data.vic.gov.au).

## Public Interest Disclosures Act 2012

The *Public Interest Disclosures Act 2012* (PID Act) forms part of the integrity system for Victoria. The PID Act aims to provide a system for people to disclose improper conduct by public officers and public bodies as well as protection from detrimental action.

The VPA encourages the reporting of known or suspected incidences of improper conduct or detrimental actions to the Independent Broad-based Anti-corruption Commission (IBAC). The contact at the VPA is Ed Small, on (03) 9651 9600. Alternatively, IBAC contacts are via [ibac.vic.gov.au](http://ibac.vic.gov.au), or 1300 735 135.

During the year ended 30 June 2020 there were no disclosures or investigations of improper conduct or detrimental actions made to the VPA or any referred to IBAC by the VPA (30 June 2019 – nil).

The VPA has adopted a Public Interest Disclosures Policy and associated procedures



## Complaints

The VPA has adopted a Complaints Policy which is accessible through the VPA website. Complaints are to be lodged at the VPA's e-mail address [complaints@vpa.vic.gov.au](mailto:complaints@vpa.vic.gov.au).

## National Competition Policy

As a portfolio agency, the VPA's information on compliance is included in the DELWP annual report.

Competitive neutrality seeks to enable fair competition between government and private sector businesses. Any advantages or disadvantages that government businesses may experience simply as a result of government ownership, should be neutralised. The VPA continues to implement and apply this principle to its business undertakings where applicable.

## Social procurement

The VPA has developed a social procurement strategy in accordance with the Victorian Government's Social Procurement Framework. The strategy was approved by the Board in December 2019. As part of the strategy, suppliers were asked to respond to the social procurement objectives during the refresh of the VPA procurement panel. This has helped to raise the profile of the social procurement objectives among the VPA's suppliers and encouraged them to consider how they could be addressed. It also enabled us to rate our suppliers based on whether they were actively pursuing social, environmental and sustainability outcomes. We then undertook a review of procurements valued at \$25,000 or over. This review found that:

- A total of 39 suppliers were engaged to supply goods and services for contracts valued at \$25,000 or over
- Procurements per supplier ranged from \$25,000 to \$279,000
- Total spend was \$3,920,237 for 62 individual procurements
- Of the 39 suppliers engaged for this period:
  - 12 have social/environmental/sustainability policies in place
  - 11 do not have social/environmental/sustainability policies in place
  - 16 were not assessed, primarily as they were engaged prior to the implementation of the social procurement strategy
  - This represents a spend of \$1,510,641 (39 per cent) on suppliers who have social procurement policies in place.

## Contracts and consultancies

### Details of consultancies (valued at \$10,000 or greater)

During the financial year ended 30 June 2020, there were eight consultancy engagements (30 June 2019 – 12) for which services were provided and/or were effective or operational during the reporting period that were individually valued at \$10,000 or greater (exclusive of GST). The total value of these consultancies was \$496,951 (30 June 2019 – \$866,029). Details of these consultancy engagements has been made available on the VPA website at [vpa.vic.gov.au](http://vpa.vic.gov.au).

The VPA did not award any major contracts (valued at \$10 million or more) during 2019/2020 (2018/2019 – nil).

### Details of consultancies (valued at less than \$10,000)

In addition to contracts valued at over \$10,000, there were three consultancy engagements that were individually valued at less than \$10,000 (exclusive of GST) (30 June 2019 – two). Total expenditure relating to these contracts amounted to \$24,664 for the financial year (30 June 2019 – \$8,580).

## Information and Communication Technology (ICT) expenditure

For the 2019/20 reporting period, the VPA had a total ICT expenditure of \$785,601 (2018/19 – \$1,223,275). This comprises business as usual ICT expenditure of \$579,526 (2018/19 – \$509,728) (this relates to operating and maintaining the current ICT capability), and non-business as usual ICT expenditure of \$206,075 (2018/19 – \$713,547) (this relates to extending or enhancing current ICT capabilities).

## Government advertising expenditure

The VPA's expenditure on government advertising did not exceed \$100,000 during the 30 June 2020 reporting period..

## Local Jobs First Victorian Industry Participation Policy (VIPP) and contract disclosure

During the reporting period, the VPA did not commence or conclude any contracts to which VIPP applied.

The VPA did not award any major contracts (valued at \$10 million or more) during 2019/20 (or 2018/19). A major contract is a contract entered into during the reporting period valued at \$10 million or more.



## Extent of compliance with the *Building Act 1993*

The VPA complies with the building and maintenance provisions of the *Building Act 1993* in its capacity as an occupant of leased premises.

## Risk management

The VPA has a *Risk Management Plan* and Risk Register in place prepared in accordance with the Australian Standard AS/NZS ISO 31000:2009. The Risk Register was prepared from risks identified through workshops with VPA staff members and Authority members. The Risk and Audit Committee regularly monitor the risk management and risk mitigation process. The VPA has ensured that the risk profile has been reviewed regularly, both internally and externally. These processes have enabled the Risk and Audit Committee at its meeting of 31 August 2020 to conclude that the risk management processes met the requirements of the Ministerial Standing Directions.

## Financial management compliance

The VPA's Risk and Audit Committee at its meeting of 28 October 2020 reviewed the material presented to it and concluded that the VPA was compliant with the Financial Management Compliance Framework and recommended to the Board that the Chair of the VPA be endorsed to sign the attestation.

## Financial management compliance attestation statement

I, Jude Munro, on behalf of the Board of the Victorian Planning Authority certify that the Victorian Planning Authority has complied with the applicable Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994* and Instructions.



**Jude Munro AO**  
**Chair, Victorian Planning Authority**

11 November 2020



# Disclosure index

The 2019/20 Annual Report of the VPA is prepared in accordance with all relevant Victorian legislation and the requirements of Financial Reporting Direction 30C. This index has been prepared to facilitate identification of the Authority's compliance with statutory disclosure requirements, including Financial Reporting Directions (FRD) and Standing Directions (SD).

FRD	DISCLOSURE	PAGE
22H	Manner of establishment and the relevant Ministers	23
22H	Purpose, functions, powers and duties	25
22H	Key initiatives and projects	8
22H	Nature and range of services provided	23
22H	Organisational structure, names and functional areas of responsibility of senior officers	32
22H	Names of board members and major committees	33
22H	Statement of workforce data for current and previous financial year	41
22H	Employment and conduct principles	38
15E	Executive officer disclosures	42
22H	Five year summary of the financial results	30
22H	Significant changes in financial position during the year	30
22H	Objectives and performance against objectives	26
22H	Major changes or factors affecting performance	6
22H	Subsequent events which will affect operations in future years	31
22H	Details of consultancies > \$10,000	50
22H	Details of consultancies - total no. and cost < \$10,000	50
12B	Disclosure of major contracts	50
22H	Disclosure of government advertising expenditure	50
25D	<i>Local Jobs First Act</i> disclosures	50
22H	Disclosure of ICT expenditure	50
22H	Application and operation of <i>Freedom of Information Act 1982</i>	48
22H	Application and operation of the <i>Public Interest Disclosures Act 2012</i>	49
22H	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	51
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22H	OHS	40
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## Financial statements required under Part 7 of the *Financial Management Act 1994*

SD 5.2.1(b)	Model Financial Report
SD 5.2.2	Accountable Officer's declaration
SD 5.2.1(a)	Compliance with Australian Accounting Standards and other authoritative Pronouncements
SD 5.2.1(a)	Compliance with the FMA, Ministerial Directions, Instructions and Financial Reporting Directions
SD 5.2.3	Declaration in report of operations
SD 3.7.1	Risk management attestation

## Other disclosures in notes to the financial statements

FRD 9B	Departmental disclosure of administered assets and liabilities
FRD 11A	Disclosure of ex-gratia payments
FRD 13	Disclosure of Parliamentary appropriations
FRD 21C	Disclosure of Responsible Persons, Executive Officers and other personnel (contractors with significant management responsibility)
FRD 103H	Non-Financial physical assets
FRD 110A	Cash Flow Statements
FRD 112D	Defined benefit superannuation obligations
FRD 114C	Financial instruments
FRD 120N	Accounting and Reporting Pronouncements applicable to the 2019/20 reporting period

## Legislation

*Building Act 1993*

*Financial Management Act 1994*

*Freedom of Information Act 1982*

*Multicultural Victoria Act 2004*

*Planning and Environment Act 1987*

*Privacy and Data Protection Act 2014*

*Public Interest Disclosures Act 2012*

*Public Administration Act 2004*

*State Owned Enterprises Act 1992*

*Victorian Data Sharing Act 2017*

*Local Jobs First Act 2003*

*Victorian Planning Authority Act 2017*



# Annual financial statements – 30 June 2020

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## DECLARATION IN FINANCIAL STATEMENTS

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The attached financial statements for the Victorian Planning Authority (VPA) have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, cash flow statement, statement of changes in equity, and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2020 and financial position of the VPA as at 30 June 2020.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 11 November 2020.



Jude Munro AO  
Chair  
Victorian Planning Authority

Melbourne  
11 November 2020



Stuart Moseley  
Chief Executive Officer  
Victorian Planning Authority

Melbourne  
11 November 2020



Ed Small  
Chief Financial Officer  
Victorian Planning Authority

Melbourne  
11 November 2020





Victorian Auditor-General's Office

## Independent Auditor's Report

*To the Board of the Victorian Planning Authority*

<b>Opinion</b>	<p>I have audited the financial report of the Victorian Planning Authority (the authority) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2020</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• declaration in the financial statements.</li> </ul> <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2020 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Board's responsibilities for the financial report</b>	<p>The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>



## INDEPENDENT AUDITOR'S REPORT – PAGE 2

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**Auditor's  
responsibilities  
for the audit  
of the financial  
report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE  
12 November 2020



Paul Martin  
*as delegate for the Auditor-General of Victoria*



## PRIMARY FINANCIAL STATEMENTS

### Comprehensive Operating Statement

For the financial year ended 30 June 2020

	Notes	2020 \$	2019 \$
<b>Income from transactions</b>			
Appropriations from State Government	2.1	25,202,248	20,053,188
Grants from Councils and Other Government agencies	2.1	2,121,210	4,203,561
External Contributions	2.1	2,396,916	942,215
Interest	2.1	118,483	271,708
Other Income	2.1	1,004,871	638,222
<b>Total income from transactions</b>		<b>30,843,727</b>	<b>26,108,894</b>
<b>Expenses from transactions</b>			
Employee benefits	3.1	16,013,713	15,119,051
Grant expenses	3.2	1,947,216	3,795,610
Other operating expenses	3.3	6,236,018	8,582,927
Depreciation	4.1.2	834,242	163,821
Interest expense	6.1.5	72,682	575
<b>Total expenses from transactions</b>		<b>25,103,871</b>	<b>27,661,984</b>
<b>Net result from transactions</b>		<b>5,739,857</b>	<b>(1,553,090)</b>
<b>Other economic flows included in net result</b>			
Net gain/(loss) on sale of non-financial assets		-	4,656
<b>Net result</b>		<b>5,739,857</b>	<b>(1,548,434)</b>
<b>Comprehensive result</b>		<b>5,739,857</b>	<b>(1,548,434)</b>

*The accompanying notes form part of these financial statements.*



## Balance Sheet

As at 30 June 2020

	Notes	2020 \$	2019 \$
<b>Assets</b>			
<b>Financial assets</b>			
Cash and deposits		10,325,700	12,610,743
Receivables	5.1	10,141,967	1,657,609
<b>Total financial assets</b>		<b>20,467,668</b>	<b>14,268,352</b>
<b>Non-financial assets</b>			
Prepayments		280,561	371,813
Property, plant and equipment	4.1	3,625,045	695,762
<b>Total non-financial assets</b>		<b>3,905,605</b>	<b>1,067,575</b>
<b>Total assets</b>		<b>24,373,273</b>	<b>15,335,928</b>
<b>Liabilities</b>			
Payables	5.2	2,462,703	5,002,236
Lease Liabilities	6.1.5	4,269,489	-
Contract Liabilities	5.3	4,012,237	-
Borrowings	6.1.4	-	26,410
Employee benefit provisions	3.1.2	3,262,381	2,817,348
Makegood Provision	6.1.4	-	206,000
<b>Total liabilities</b>		<b>14,006,810</b>	<b>8,051,994</b>
<b>Net assets</b>		<b>10,366,463</b>	<b>7,283,933</b>
<b>Equity</b>			
Accumulated surplus		10,366,463	7,283,933
<b>Total Equity</b>		<b>10,366,463</b>	<b>7,283,933</b>

*The accompanying notes form part of these financial statements.*



## Cash Flow Statement

For the financial year ended 30 June 2020

	Notes	2020 \$	2019 \$
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts from Government and other entities		20,862,634	22,717,041
Receipts of S173 Collections	7.2	2,733,162	2,695,143
Receipts from the ATO		921,584	860,622
Interest received		118,483	271,708
<b>Total receipts</b>		<b>24,635,862</b>	<b>26,544,514</b>
<b>Payments</b>			
Payments to suppliers and employees		(22,777,366)	(25,179,741)
S173 Disbursements	7.2	(2,682,227)	(5,477,773)
Payments to the ATO		(517,032)	(258,396)
Interest and other finance costs paid		(72,682)	(576)
<b>Total payments</b>		<b>(26,049,307)</b>	<b>(30,916,486)</b>
<b>Net cash flows from/(used in) operating activities</b>	6.2.1	<b>(1,413,445)</b>	<b>(4,371,971)</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		-	(139,710)
Proceeds from disposal		-	13,156
Reclassification of investments to at call (a)		-	12,042,846
<b>Net cash flows from/(used in) investing activities</b>		<b>-</b>	<b>11,916,292</b>
<b>Cash flows from financing activities</b>			
Proceeds from Borrowings		-	17,818
Repayment of borrowings and principal portion of lease liabilities (2019: finance leases)		(871,598)	(8,198)
<b>Net cash flows from/(used in) financing activities</b>		<b>(871,598)</b>	<b>9,620</b>
<b>Net increase /(decrease) in cash and cash deposits</b>		<b>(2,285,043)</b>	<b>7,553,939</b>
Cash and cash deposits at the beginning of the financial year		12,610,743	5,056,803
<b>Cash and cash deposits at the end of the financial year</b>		<b>10,325,700</b>	<b>12,610,743</b>

(a) In the 2019 financial year investments were reclassified from investments to cash at call as part of transition to the Centralised Banking System (CBS).

**The accompanying notes form part of these financial statements.**



## Statement of changes in equity

For the financial year ended 30 June 2020

	Accumulated Surplus \$
Balance as at 1 July 2018	8,832,367
Net result for the year	(1,548,434)
<b>Balance at 30 June 2019</b>	<b>7,283,933</b>
Adjustment due to change in accounting policy (a)	(2,657,328)
<b>Restated balance as at 1 July 2019</b>	<b>4,626,606</b>
Net result for the year	5,739,857
<b>Balance at 30 June 2020</b>	<b>10,366,463</b>

(a) The Authority has initially applied AASB 15 using the modified retrospective method. Under this method, the comparative information is not restated, but instead taken up as part of the opening accumulated surplus at 1 July 2019. Refer to Note 8.7.

(b) AASB 16 did not require an adjustment after applying the standard and assessing the need for retrospective change.

***The above statement of changes in equity should be read in conjunction with the accompanying notes.***



## 1 ABOUT THIS REPORT

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The VPA is a portfolio agency of the Department of Land, Water, Environment and Planning (DELWP) in the State of Victoria, established under the *Victorian Planning Authority Act 2017*.

Its principal address is:

Victorian Planning Authority  
Level 25, 35 Collins Street  
Melbourne VIC 3000

A description of the nature of its operations and its principal activities is included in the “**Report of Operations**” which does not form part of these financial statements.

### 1.1 Basis of preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied to these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when the cash is received or paid.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised. These financial statements include all the activities of the VPA. The VPA does not have any controlled entities. These financial statements have been prepared on a going concern basis. All amounts in the financial statements have been rounded to the nearest dollar. Figures in the financial statements may not equate due to rounding.

### 1.2 Compliance information

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AAS) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

These annual financial statements were authorised for issue by the Board of the VPA on 11 November 2020.



## 1.3 Impact of COVID-19 on the Financial Report

### Background

On 16 March 2020, an initial state of emergency was declared in Victoria to deal with the spread of coronavirus (COVID-19). The State Government has implemented a number of measures to reduce the spread of the virus.

These measures included bans on public gatherings, rules on social distancing and unnecessary personal travel and instructions for individuals to work from home where possible.

While the initial state of emergency was lifted and certain restrictions eased, in July 2020 the state government reintroduced stricter measures as cases of coronavirus began to increase. Post balance sheet date the government reintroduced stage 4 lock down, this has not had any material impact on financial information presented.

### Impact on projects

The VPA moved to a remote working from home environment in Mid-March 2020.

The Minister for Planning, with the Treasurer, has requested that the VPA re-prioritise our work program to develop a Fast Track program that will see the Victorian Planning Authority accelerate 19 planning projects to will unlock 89,200 homes and 107,340 jobs at an estimated value of \$18.8 Billion.

The accelerated program funding appropriation of \$7.5 Million (refer Note 2.1) provided to the VPA will allow projects to be completed months and in some cases years earlier than originally planned. This will provide certainty for industry, a pipeline of development and future jobs and homes for Victorians.

This accelerated program will be achieved by speeding up planning processes and approvals, creating a new fast track Standing Advisory committee to provide oversight and review and ensuring whole of government focus on key issues in need of decision.

Other projects on the VPA work program will either continue on their planned delivery dates or in some cases will be paused to concentrate resources where they are needed during the current financial year.

### Impact on the financial report

Management have assessed the impact of COVID-19 on the financial report and recognised that main financial items impacted are employee expenses and employee provisions.

Due to Covid restrictions staff are taking less leave than they would normally take. This has resulted in the value of VPA Employee Entitlement Liabilities increasing as they accrue but not reducing down with leave taken as it would normally. This has the effect of increasing the value of staff entitlements (recognised on the Balance Sheet) and in turn the expense the VPA recognises in the Comprehensive Operating Statement. There is effort across the organisation to encourage staff to take annual leave for health and well-being reasons.

The impact of COVID-19 is not expected to have an impact on VPA's ability to continue as a going concern. VPA is financially supported by the Victorian Government.

No other elements of the financial report have been materially affected.



## 2 FUNDING DELIVERY OF OUR SERVICES

### Introduction

The VPA's overall objective is to provide advice and assistance to the Minister for Planning, local councils and public sector bodies that is in accordance with the objectives of planning in Victoria. The VPA specifically has carriage to deliver its annual program of activity which is outlined in each year's business plan. To enable the VPA to fulfil its objectives and produce the required outcomes, it is partially funded through a parliamentary appropriation. The VPA also received other government allocations and contributions from third parties to fund some of its planning projects.

### 2.1 Summary of the of income that funds the delivery of our services

	2020 \$	2019 \$
Base Appropriation from State Government	12,450,248	12,451,188
Streamlining for Growth Program Appropriation	5,252,000	7,102,000
Plan Melbourne Appropriation	-	500,000
Accelerated Program Funding	7,500,000	-
<b>Total Appropriations</b>	<b>25,202,248</b>	<b>20,053,188</b>
Grants from Councils and other Government agencies	2,121,210	4,203,561
External Contributions	2,396,916	942,215
<b>Total Project based contributions</b>	<b>4,518,126</b>	<b>5,145,775</b>
Interest	118,483	271,708
Other Income	1,004,871	638,222
<b>Total Interest and Other Income</b>	<b>1,123,354</b>	<b>909,930</b>
<b>Total income from transactions</b>	<b>30,843,727</b>	<b>26,108,894</b>

The **Base Appropriation from State Government** is an appropriation to support the VPA in covering the cost of running a statutory government authority, its overheads and to assist in the deliver of its work program.

The **Streamlining for Growth Program Appropriation** is an appropriation from government to support and capacity building initiative for regional, metropolitan councils and the VPA to unblock planning process delays and speed up the supply of land for jobs and housing.

The **Accelerated Program Funding Appropriation** is to support the delivery of Fast Track priority projects across Urban Renewal, Greenfield and Regional Cities and Towns. See Note 1.3 for more information.

**Grants from Councils and Other Government Agencies** are grants that are received by the VPA as specific purpose contributions, which are paid for a particular purpose and/or have conditions attached regarding their use. Revenue for these are recognised when sufficiently specific performance obligations associated with the grant payment are completed.

**External contributions** include those received from third parties (for example landowners and developers) for cost recovery purposes relating to funding received for specific projects or tasks. These funds are recognised as income when the VPA completes the milestone associated with the funds received as per AASB 15 *Revenue from Contracts with Customers*.

The accounting treatment of **Grants from Councils and Other Government Agencies** and **External Contributions** has materially change from 1 July 2019 in line with AASB 15 *Revenue from Contracts with Customers*; refer to section 2.2 for more details.

**Interest** income disclosed in the comprehensive operating statement includes interest received on bank term deposits and other investments. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.



**Other income** disclosed in the comprehensive operating statement relates to prescribed fees and any income not defined above.

## 2.2 Changes in Accounting Policy - Revenue

This note explains the impact of the adoption of AASB 15 *Revenue from Contracts with Customers* from 1 July 2019 and adjustments to the amounts recognised in the financial statements.

### 2.2.1 AASB 15 Revenue from contracts with customers

The impact of initially applying AASB 15 on the Authority's revenue from contracts with customers is described in Note 8.7. Due to the modified retrospective transition method chosen in applying AASB 15, comparative information has not been restated to reflect the new requirements.

The following practical expedient have been used for uncompleted contracts when applying AASB 15 retrospectively under the modified approach:

- For contracts modified before the date of initial application, the VPA has reflected the aggregate of all past contracts modifications that occurred before the date of initial application when identifying performance obligations and determining and allocating the transaction price.

The practical expedient has been consistently applied to all contracts within the current reporting period.

The effect of applying the practical expedient is disclosed in Note 5.3 Contract liabilities.

#### **Performance obligations and revenue recognition policies**

Revenue is measured based on the consideration specified in a contract with a customer. The VPA recognises revenue when a performance obligation is met.

Revenue is recognised when, or as, the performance obligations for the delivery of services to the customer are satisfied. Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the services as it is provided. Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (see note 5.3). Where the performance obligations are satisfied but not yet billed, a contract asset would be recorded. The VPA had no contract assets recorded at 30 June 2020.

#### **Previous accounting policy for 30 June 2019**

Under previous accounting standard for revenue (AASB 118) Income from the sale of services were recognised when:

- the amount of income, and the costs incurred or to be incurred in respect of the transactions, can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the VPA.

AASB 15 *Revenue from Contracts with Customers* is effective for annual reporting periods beginning on or after 1 July 2019 for not-for-profit entities.

AASB 1058 *Income of Not-for-Profit Entities* is effective for annual reporting periods beginning on or after 1 July 2019 for not-for-profit entities.

In accordance with the transition provisions in AASB 15, the VPA has adopted the modified retrospective approach and an adjustment has been applied to the opening balance of retained earnings as at 1 July 2019 for all contracts that were not completed at 1 July 2019 (i.e. in which the VPA had not satisfied its performance obligations). Refer to note 5.3 Contract Liabilities and 8.7 Accounting Policy Changes for more details.

The impact of the global pandemic (COVID-19) is not expected to have any impact on revenue to the VPA.



## 3 THE COST OF DELIVERING SERVICES

### Introduction

This section provides an account of the expenses incurred by the VPA in the delivery of its objectives.

#### Structure

- 3.1 Employee benefits
  - 3.1.1 Employee benefits in the comprehensive operating statement
  - 3.1.2 Employee benefits in the balance sheet
  - 3.1.3 Reconciliation of movement in on-cost provision
  - 3.1.4 Superannuation contributions
- 3.2 Grant expenses
- 3.3 Other operating expenses

### 3.1 Employee benefits

#### 3.1.1 Employee benefits in the comprehensive operating statement

	2020	2019
	\$	\$
Salaries and wages, annual leave and long service leave	14,800,185	13,910,240
Defined contribution superannuation expense	1,213,528	1,208,811
	<b>16,013,713</b>	<b>15,119,051</b>

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to Superannuation is employer contributions for members of defined contribution superannuation plans that are paid or payable during the reporting period. The VPA does not have staff on defined benefit superannuation plans.

#### 3.1.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period that services are delivered.



	2020	2019
	\$	\$
<b>Current provisions</b>		
<i>Annual leave</i>		
Unconditional and expected to settle within 12 months	1,030,423	1,015,933
Unconditional and expected to settle after 12 months	54,542	23,230
	<b>1,084,964</b>	<b>1,039,163</b>
<i>Long service leave</i>		
Unconditional and expected to settle within 12 months	108,369	134,097
Unconditional and expected to settle after 12 months	1,147,592	1,167,678
	<b>1,255,961</b>	<b>1,301,775</b>
<i>Provisions for on-costs</i>		
Unconditional and expected to settle within 12 months	142,008	140,611
Unconditional and expected to settle after 12 months	186,005	183,688
	<b>328,013</b>	<b>324,299</b>
<b>Total current provisions for employee benefits</b>	<b>2,668,939</b>	<b>2,665,237</b>
<b>Non-current provisions</b>		
Long service leave	514,434	131,860
On-costs	79,008	20,251
<b>Total non-current provisions for employee benefits</b>	<b>593,442</b>	<b>152,111</b>
<b>Total provisions for employee benefits</b>	<b>3,262,381</b>	<b>2,817,348</b>

### 3.1.3 Reconciliation of movement in on-cost provision

	2020
	\$
<b>Opening balance</b>	344,550
Additional provisions recognised	141,827
Reduction transfer out	(152,102)
Unwind of discount and effect of changes in the discount rate	72,746
<b>Closing Balance</b>	<b>407,021</b>
Current	328,013
Non-current	79,008
	<b>407,021</b>

**Wages and salaries, annual leave and sick leave:** Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provision as current liabilities, because the VPA does not have unconditional right to defer settlements of these liabilities.

The liability is recognised on the balance sheet at remuneration rates which are current at the reporting date. They are measured at undiscounted amounts as the VPA expects the liabilities to be wholly settled within 12 months of reporting date.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Comprehensive Operating Statement as it is taken.

**Unconditional LSL** is disclosed as a current liability, even where the VPA does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.



The components of this current LSL liability are measured at:

- undiscounted value – if the VPA expects to wholly settle within 12 months; or
- present value – if the VPA does not expect to wholly settle within 12 months.

**Conditional LSL** is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL is measured at present value.

COVID-19 has had a financial reporting impact on employee expenses and employee provisions. Due to Covid restrictions staff are taking less leave than they would normally take. This has the effect of increasing the value of staff entitlements (recognised on the Balance Sheet) and in turn the expense the VPA recognises in the Comprehensive Operating Statement.

### 3.1.4 Superannuation contributions

Employees of the VPA are entitled to receive superannuation benefits and the VPA contributes to defined contribution plans.

	<i>Paid contribution for the year</i>		<i>Contribution outstanding at year end</i>	
	2020	2019	2020	2019
	\$	\$	\$	\$
<b>Defined contribution plans:</b>				
VicSuper	592,209	501,499	17,849	20,243
Vision Super	214,988	241,171	7,143	8,558
Australian Super	105,488	112,662	4,149	3,124
Other	295,172	351,414	14,239	17,301
<b>Total contributions</b>	<b>1,207,857</b>	<b>1,206,746</b>	<b>43,380</b>	<b>46,102</b>

## 3.2 Grant expenses

**Grant expenses** disclosed on the comprehensive operating statement are contributions of the VPA's resources to another party for specific or general purposes where there is no expectation that the amount will be repaid in equal value (either by money, goods or services).

The majority of these grant expenses are grants in relation to the Streamlining for Growth Program and are paid to councils. Grants that the VPA paid are operational in nature and are paid as specific purpose grants which are paid for a purpose and have conditions regarding their use.

## 3.3 Other operating expenses

	2020	2019
	\$	\$
Purchase of services	3,658,261	4,517,119
Legal and Panel expenses	598,287	753,291
Occupancy Costs (a)	343,376	1,054,443
Telecommunications and IT Costs	675,951	1,282,153
Other expenses	960,143	975,921
	<b>6,236,018</b>	<b>8,582,927</b>

(a) Refer to explanation below

Operating lease payments up until 30 June 2019 are recognised on a straight-line basis over the lease term as part of **Occupancy costs** above, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. Refer to Note 6.1 Leases for more information.



From 1 July 2019, the following lease payments are recognised in **Occupancy costs** on a straight-line basis:

- Short-term leases – leases with a term less than 12 months; and
- Low value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than \$10,000.

Variable lease payments not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index or a rate, initially measured using the index or rate as at the commencement date). These payments are recognised in the period in which the event or condition that triggers those payments occur.

**Other operating expenses** generally represent the day-to-day running costs incurred in normal operations.

These expenses are recognised as an expense in the reporting period in which they are incurred. The **Purchase of services** and **Legal and Panel expenses** itemised above specifically relate to consultancy engagements, legal advice provided and the cost panel hearings in relation to planning projects in which the VPA are undertaking work.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are received to enter into operating leases, the aggregate cost of incentives are recognised as a reduction of rental expense of the lease term on a straight-line basis, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.



## 4 KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

### Introduction

The VPA controls a small number of assets that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been purchased by the VPA to be utilised for delivery of those outputs.

#### Structure

4.1 Property, plant and equipment

4.2 Fair value determination

### 4.1 Property, plant and equipment

	2020	2019
	\$	\$
Property, plant and equipment at fair value	5,154,816	1,391,291
Less accumulated depreciation	(1,529,771)	(695,529)
<b>Net carrying amount</b>	<b>3,625,045</b>	<b>695,762</b>

#### Initial and subsequent measurement of PPE

Items of property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Individual items of \$5,000 or more are capitalised. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The cost of leasehold improvements is capitalised as an asset and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the improvements.

Property, plant and equipment as well as right-of-use assets under leases are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use and is summarised below by asset category.

Fair value for plant and equipment is determined using the depreciated replacement cost method. Note 4.2 includes additional information in connection with fair value determination of property, plant and equipment.

#### 4.1.1 Right of Use Assets

The following tables are subsets of property plant and equipment, inclusive of right-of-use assets recognised from 1 July 2019 as per AASB 16 *Leases*.

	Gross Carrying Amount 2020	Accumulated Depreciation 2020	Net carrying amount 2020
	\$	\$	\$
Buildings	3,763,525	(664,151)	3,099,374
Vehicles	26,371	(5,060)	21,311
<b>Net carrying amount</b>	<b>3,789,896</b>	<b>(669,211)</b>	<b>3,120,685</b>



	<b>Buildings</b>	<b>Vehicles</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	3,763,525	26,371
Additions	-	-
Disposals	-	-
Depreciation	(664,151)	(5,060)
<b>Closing Balance</b>	<b>3,099,374</b>	<b>21,311</b>

#### Initial and subsequent measurement of ROU assets (Under AASB 16 – Leases from 1 July 2019)

The VPA recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The VPA depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of the right-of-use assets are determined on the same basis as property, plant and equipment. Refer to note 6 leases.

#### 4.1.2 Reconciliation of movements in carrying values of property, plant and equipment

	Opening WDV at 1 July 2019	Additions	Disposals	Depreciation	Closing WDV at 30 June 2020
	\$	\$	\$	\$	\$
<b>Right of Use Assets</b>					
Buildings (a)	3,763,525	-	-	(664,151)	3,099,374
Vehicles (a)	26,371	-	-	(5,060)	21,311
<b>Total Right of Use Assets</b>	<b>3,789,896</b>	<b>-</b>	<b>-</b>	<b>(669,211)</b>	<b>3,120,685</b>
<b>Other Property Plant and Equipment</b>					
Leasehold improvements	534,965	-	-	(101,922)	433,043
Computer hardware	36,142	-	-	(24,088)	12,053
Computer software	98,285	-	-	(39,021)	59,263
Furniture and equipment	-	-	-	-	-
<b>Other Property Plant and Equipment Total</b>	<b>669,391</b>	<b>-</b>	<b>-</b>	<b>(165,031)</b>	<b>504,359</b>
<b>Total Property Plant and Equipment</b>	<b>4,459,287</b>	<b>-</b>	<b>-</b>	<b>(834,242)</b>	<b>3,625,045</b>

	Opening WDV at 1 July 2018	Additions	Disposals	Depreciation	Closing WDV at 30 June 2019
	\$	\$	\$	\$	\$
Leasehold improvements	628,923	7,964	-	(101,922)	534,965
Computer hardware	51,430	12,173	-	(27,462)	36,142
Computer software	34,448	92,358	-	(28,522)	98,285
Furniture and equipment	1,562	-	-	(1,562)	-
Motor vehicle	16,665	27,215	(13,156)	(4,353)	26,371
<b>Totals</b>	<b>733,029</b>	<b>139,710</b>	<b>(13,156)</b>	<b>(163,821)</b>	<b>695,762</b>

(a) Incorporates depreciation of right-of-use assets as per AASB 16 Leases



Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

The useful lives for VPA assets are:

• Buildings (Leased Accommodation)	10 years
• Computer software and hardware	3 years
• Leasehold improvements	10 years
• Furniture and equipment	5 years
• Vehicles (Leased Vehicle)	3 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments are made where appropriate. Useful lives have not changed from the prior financial year.

Right-of use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where the VPA obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

Leasehold improvements are depreciated over the short of the lease term of their useful lives.

**Impairment:** Non-financial assets, including items of property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. The assets concerned are tested as to whether their carrying value exceeds their recoverable amount.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. No assets were impaired during the reporting period.

## 4.2 Fair value determination

Significant judgement: Fair value measurement of assets and liabilities

The use of assumptions and judgement is required in determining fair value. This section discloses significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of the VPA.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value hierarchy

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. These levels are as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets and liabilities,
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, and
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The VPA determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Significant unobservable inputs have remained unchanged since July 2019.



For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- A reconciliation of the movements in fair values from the beginning of the year to the end; and
- Details of significant unobservable inputs used in fair value determination.

#### Fair value determination of non-financial physical assets

- All non-financial physical assets are classified as Level 3 significant unobservable inputs in the fair value hierarchy. There have been no transfers between levels during the period. Therefore, refer to table 4.1 for reconciliation of fair value of non-financial physical assets.

COVID-19 has had no impact on the fair value on the VPA's non-financial physical assets.

#### Fair value determination of financial assets and liabilities

The fair values and net fair values of financial assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instrument with standard terms and conditions are traded in active liquid markets and determined with reference to quoted market prices;
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The VPA currently holds a range of financial instruments that are recorded in these financial statements where the carrying amounts represent fair value at the end of the 2019/20 reporting period.

#### Financial assets and liabilities measured at fair value

	Carrying amount as at 30 June 2020	Fair value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
2020	\$	\$	\$	\$
Cash and Deposits	10,325,700	10,325,700	-	-
Receivables	10,141,967	-	-	10,141,967
<b>Total Financial Assets</b>	<b>20,467,668</b>	<b>10,325,700</b>	<b>-</b>	<b>10,141,967</b>
Payables	2,462,703	-	-	2,462,703
Borrowings	-	-	-	-
<b>Total Financial Liabilities</b>	<b>2,462,703</b>	<b>-</b>	<b>-</b>	<b>2,462,703</b>

	Carrying amount as at 30 June 2019	Fair value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
2019	\$	\$	\$	\$
Cash and Deposits	12,610,743	12,610,743	-	-
Receivables	1,657,609	-	-	1,657,609
<b>Total Financial Assets</b>	<b>14,268,352</b>	<b>12,610,743</b>	<b>-</b>	<b>1,657,609</b>
Payables	5,002,236	-	-	5,002,236
Borrowings	26,410	-	-	26,410
<b>Total Financial Liabilities</b>	<b>5,028,646</b>	<b>-</b>	<b>-</b>	<b>5,028,646</b>

There have been no transfers between levels during the period.



## 5 OTHER ASSETS AND LIABILITIES

### Introduction

This section sets out those assets and liabilities that have arisen from the VPA's operations.

#### Structure

- 5.1 Receivables
- 5.2 Payables
- 5.3 Contract liabilities

### 5.1 Receivables

	2020	2019
	\$	\$
<b>Contractual</b>		
Contributions	10,018,301	1,472,923
Accrued income	5,778	-
Other receivables	18,883	32,434
<b>Total contractual receivables</b>	<b>10,042,962</b>	<b>1,505,357</b>
<b>Statutory</b>		
GST input tax credit recoverable	99,005	152,252
<b>Total receivables*</b>	<b>10,141,967</b>	<b>1,657,609</b>

#### Receivables consist of:

**Contractual receivables** are classified as financial instruments and categorised as 'loans and receivables'. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement they are measured at amortised cost using the effective interest method, less any impairment. Contractual receivables can also include amounts receivable from the raising of a contract liability, refer to note 5.3 for more information.

**Statutory receivables** do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments.

\*All statutory and contractual receivables are classified as current, the VPA does not hold any non-current receivables.

**Prepayments** disclosed on the balance sheet represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

#### 5.1.1 Impairment of financial assets under AASB 9

The VPA records the allowance for expected credit loss for the relevant financial instruments under AASB 9's Expected Credit Loss approach.



## Ageing analysis of contractual receivables

	Carrying amount	Past due but not impaired				
		Not past due and not impaired	Less than 1 month	1-3 months	3 months - 1 year	1-5 years
	\$	\$	\$	\$	\$	\$
<b>2020</b>						
Accrued income	5,778	5,778	-	-	-	-
Other receivables	10,037,184	8,277,121	305,101	1,233,003	208,313	13,646
<b>Total</b>	<b>10,042,962</b>	<b>8,282,899</b>	<b>305,101</b>	<b>1,233,003</b>	<b>208,313</b>	<b>13,646</b>
<b>2019</b>						
Accrued income	-	-	-	-	-	-
Other receivables	1,505,357	1,058,482	190,390	227,631	28,854	-
<b>Total</b>	<b>1,505,357</b>	<b>1,058,482</b>	<b>190,390</b>	<b>227,631</b>	<b>28,854</b>	<b>-</b>

VPA applies AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. VPA has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on VPA's past history, existing market conditions, as well as forward looking estimates at the end of the financial year. Considering the nature of the VPAs statutory receivables as majority government customers the VPA is unlikely to experience a credit loss.

The historic loss rate for the categories of contractual receivables is 0%, hence no impact. COVID-19 has also not had any impact on the expected credit losses of the VPA. These are both primarily due to the VPAs practice of dealing with largely government debtors, and funding contributions received in advance from landowners being fully recoverable.

The VPA does not practice the charging of interest on outstanding balances. The average credit period for invoices is 30 days. There are no material financial assets that are individually determined to be impaired. Currently the VPA does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

## 5.2 Payables

	2020	2019
	\$	\$
<b>Contractual</b>		
Supplies and services	1,129,972	1,697,998
Amounts payable to government	1,199,107	1,712,143
Other payables	-	1,351,152
<b>Total contractual payables</b>	<b>2,329,079</b>	<b>4,761,294</b>
<b>Statutory</b>		
GST payable	133,625	240,942
<b>Total payables</b>	<b>2,462,703</b>	<b>5,002,236</b>
<i>Represented by:</i>		
Current payables	2,462,703	3,811,061
Non-current payables	-	1,191,175

### Payables consist of:

**Contractual payables** are classified as financial instruments and measured at amortised cost. Accounts payable represents liabilities for goods and services provided to the VPA prior to the end of the financial year.



**Statutory payables** are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

VPA suppliers have an average credit period of 30 days. No interest has been paid on outstanding payables.

The terms and conditions of amounts payable to the government and agencies vary according to the particular agreements and as they are not legislative payments, they are not classified as financial instruments.

### 5.2.1 Maturity analysis of contractual payables

	<i>Maturity dates</i>						
	<i>Carrying amount</i>	<i>Nominal amount</i>	<i>Less than 1 month</i>	<i>1-3 months</i>	<i>3 months - 1 year</i>	<i>1-5 years</i>	<i>5+ years</i>
	\$	\$	\$	\$	\$	\$	\$
<b>2020</b>							
Payables	2,329,079	2,329,079	2,215,906	-	-	-	-
<b>Total</b>	<b>2,329,079</b>	<b>2,329,079</b>	<b>2,215,906</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2019</b>							
Payables	4,761,294	4,761,294	3,493,531	24,884	122,652	976,571	214,604
<b>Total</b>	<b>4,761,294</b>	<b>4,761,294</b>	<b>3,493,531</b>	<b>24,884</b>	<b>122,652</b>	<b>976,571</b>	<b>214,604</b>

## 5.3 Contract liabilities

<b>Contract Liabilities</b>	<b>2020</b>
	\$
Opening balance brought forward from 30 June 2019 adjusted for AASB 15	2,657,328
Add: Payments received and receivable for performance obligations yet to be completed during the period	4,622,018
Less: Revenue recognised in the reporting period for the completion of a performance obligation	(3,240,779)
Less: Amounts refunded at conclusion of funding agreement	(26,329)
<b>Total Contract Liabilities</b>	<b>4,012,237</b>

Contract liabilities relate to consideration received from landowners, government agencies and councils for planning projects where the milestone associated with the funding has not yet been completed. Refer to note 8.7 Changes in Accounting Policy.

Contract liabilities are raised where a sufficiently specific performance obligation exists per AASB 15 *Revenue from Contracts with Customers*. Contract liabilities are raised where they are receivable from the customer in the transaction, as a result they can be included as a part of accounts receivable.



## 6 HOW WE FINANCED OUR OPERATIONS

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### Introduction

This section provides information on cash flow information and balances as well as commitments for expenditure.

#### Structure

- 6.1 Leases
- 6.2 Cash flow information and balances
- 6.2 Commitments

### 6.1 Leases

Information about leases for which the VPA is a lessee is presented below.

#### The VPA's leasing activities

The VPA's leases its office accommodation and also leases motor vehicle. The lease contracts are typically made for fixed periods of 1-10 years with an option to renew the lease after that date.

#### 6.1.1 Right-of-use assets

Right-of-use assets are presented in Note 4.1.

#### 6.1.2 Amounts recognised in the Face Statements

Lease interest of \$72,682 is recognised in the Comprehensive Operating Statement and the Cash Flow Statement.

#### 6.1.3 Policy

For any new contracts entered into on or after 1 July 2019, the VPA considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the VPA assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the VPA and for which the supplier does not have substantive substitution rights;
- the VPA has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and the VPA has the right to direct the use of the identified asset throughout the period of use; and
- the VPA has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

VPA has applied all new and revised Australian Accounting Standards that apply to annual reporting periods beginning on or after 1 July 2019, including AASB 16 *Leases*.



AASB 16 replaces AASB 117 Leases and introduces a single lessee accounting model that requires a lessee to recognise right-of-use assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Right-of-use assets are initially measured at cost and lease liabilities are initially measured on a present value basis. Subsequent to initial recognition:

- (a) right-of-use assets are accounted for on a similar basis to non-financial assets, whereby the right-of-use asset is accounted for on a cost basis unless the underlying asset is accounted for on a revaluation basis, in which case if the underlying asset is:
  - i. property, plant or equipment, the lessee applies the revaluation model in AASB 116 *Property, Plant and Equipment* to all of the right-of-use assets that relate to that class of property, plant and equipment; and
- (b) lease liabilities are accounted for on a similar basis to other financial liabilities, whereby interest expense is recognised in respect of the lease liability and the carrying amount of the lease liability is reduced to reflect the principal portion of lease payments made.

Under AASB 16 a lessor continues to classify its leases as operating leases or finance leases subject to whether the lease transfers to the lessee substantially all of the risks and rewards incidental to ownership of the underlying asset, and accounts for each type of lease in a manner consistent with the current approach under AASB 117. The VPA is not a lessor and is not impacted by this change.

#### 6.1.4 Transition

In accordance with the transition requirements of AASB 16, VPA has elected to apply AASB 16 retrospectively to those contracts that were previously identified as leases under the predecessor standard, with the cumulative effect of initially applying the new standard recognised as an adjustment to opening retained earnings at the date of initial application (i.e., at 1 July 2019). Accordingly, comparative information has not been restated.

VPA has also elected to apply the following practical expedients to the measurement of right-of-use assets and lease liabilities in relation to those leases previously classified as operating leases under the predecessor standard:

- to recognise each right-of-use asset at the date of initial application at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application;
- to not recognise a right-of-use asset and a lease liability for leases for which the underlying asset is of low value (\$10,000);
- to not recognise a right-of-use asset and a lease liability for leases for which the lease term ends within 12 months of the date of initial application;
- to exclude initial direct costs from the measurement of each right-of-use asset at the date of initial application.

The application of AASB 16 resulted in the recognition of right-of-use assets with an aggregate carrying amount of \$4,908,677 and corresponding lease liabilities with an aggregate carrying amount of \$5,043,506. A corresponding makegood prepayment and provision of \$206,000, and prepaid rent of \$71,171 was derecognised relating to the operating lease. The weighted average incremental borrowing rate applied in the calculation of the initial carrying amount of lease liabilities was 1.535%.

The following is a reconciliation of non-cancellable operating lease commitments disclosed at the end of the prior reporting period (i.e., at 30 June 2019) to the aggregate carrying amount of lease liabilities recognised at the date of the initial application (i.e., at 1 July 2019):

Lease Reconciliation	2020 \$
Aggregate non-cancellable operating lease commitments at 30 June 2019	5,344,761
Unamortised balance of initial direct costs (Makegood Prepayment)	(206,000)
Estimated dismantling costs (Makegood Provision)	206,000
Plus Other assets related to the lease	-
Less: impact of discounting lease payments to their present value at 1 July 2019	(301,255)
Plus: financial lease liabilities recognised at 30 June 2019	26,410
<b>Carrying amount of lease liabilities recognised at 1 July 2019</b>	<b>5,069,915</b>



## **Leases Accounting Policy**

Accounting policy applied to the information presented for the current period under AASB 16 Leases:

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), VPA recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

### **Lease assets**

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the group, and an estimate of costs to be incurred by the group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

Right of Use leased assets have been disclosed in Note 4.

### **Lease liabilities**

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the group's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

### **Leases of 12-months or less and leases of low value assets**

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

### **Financial Risk Leases Disclosure**

The following information relates to the current reporting period only and is presented in accordance with AASB 16 Leases (which was applied by the Authority for the first time in the current reporting period).

VPA has one operating lease for office space which is due to expire on 28th February 2025, and one finance lease of a motor vehicle which is due to expire 13 May 2022.

Right of Use leased assets have been disclosed in Note 4.



## 6.1.5 Disclosures

### Classification of Lease Liabilities

The following information relates to the classification of lease liabilities as current or non-current.

<b>Lease Liabilities</b>	<b>2020</b>
	<b>\$</b>
Current lease liabilities	845,641
Non-current lease liabilities	3,423,847
<b>Total carrying amount of lease liabilities</b>	<b>4,269,489</b>

### Lease expenses and cashflows

The following information relates to interest expense on lease liabilities and depreciation expense on lease assets.

<b>Lease expenses and cashflows</b>	<b>2020</b>
	<b>\$</b>
Interest expense on lease liabilities	72,682
Depreciation expense on lease assets	659,092
<b>Total carrying amount of lease liabilities</b>	<b>731,774</b>

### Non-cancellable operating lease arrangements (30 June 2019)

The following information relates to non-cancellable operating lease arrangements of the prior reporting period only, and is presented in accordance with the predecessor accounting standard AASB 117 Leases.

<b>Prior Year presented under AASB 117 Leases</b>	<b>2019</b>
	<b>\$</b>
Future minimum lease payments to be made:	
- Not later than 1 year	864,731
- Later than 1 year and not later than 5 years	3,795,590
- Later than 5 years	684,440
<b>Total carrying amount of lease liabilities</b>	<b>5,344,761</b>

### Accounting policy applied to the information presented for the prior period under AASB 117 Leases:

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

#### **Finance leases**

Leases of fixed assets, where substantially all of the risks and benefits incidental to ownership of the asset, but not the legal ownership, are transferred to the group are classified as finance leases. Finance leases are capitalised, recording an asset and liability equal to the fair value or, if lower, the present value of the minimum lease payments, including any guaranteed residual values. The interest expense is calculated using the interest rate implicit in the lease, if this is practicable to determine; if not, the group's incremental borrowing rate is used. Interest expense on finance leases is included in finance costs in the statement of profit or loss and other comprehensive income. Lease assets are depreciated on a straight-line basis over their estimated useful lives where it is likely the group will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period in accordance with the effective interest method.



Lease payments for operating leases are recognised as an expense on a straight-line basis over the term of the lease. Lease incentives received under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

## 6.2 Cash flow information and balances

Cash and deposits disclosed on the balance sheet include cash equivalents, comprise cash at bank, and funds held at call in the Centralised Banking System (CBS), which are held for the purpose of meeting short-term cash commitments rather than for investment purposes and which are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

### 6.2.1 Reconciliation of net result for the period to cash flow from operating activities

	2020 \$	2019 \$
<b>Net result for the year</b>	5,661,395	(1,548,434)
<i>Non-cash movements:</i>		
Depreciation and amortisation expense	1,072,681	163,821
<i>Movements in assets and liabilities:</i>		
(Increase)/Decrease in prepayments	91,253	53,034
(Increase)/Decrease in receivables	(8,484,358)	(429,657)
Increase/(Decrease) in payables	(1,554,357)	(2,784,627)
Increase/(Decrease) in provisions	445,033	210,245
Increase/(decrease) in Contract Liability	1,354,909	-
(Decrease) in make-good provision	-	(36,352)
<b>Net cash flows from/(used in) operating activities</b>	<b>(1,413,445)</b>	<b>(4,371,971)</b>

## 6.3 Commitments

### 6.3.1 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet. There are no commitments for future expenditure arising from contracts (2019: Nil). In previous years the VPA disclosed lease commitments arising from contracts, as per AASB 16 Leases, these lease commitments are taken up in the value of the VPA RoU Lease Asset and Liabilities. Refer to 6.1



## 7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

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### Introduction

The VPA is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature. Other financial instrument related disclosures have been disclosed in the specific note to which they relate.

#### Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities

### 7.1 Financial instruments specific disclosures

#### Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the VPA's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes). Such assets and liabilities do not meet the definition of financial instruments.

#### Categories of financial assets under AASB 9 Financial Instruments

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the VPA to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

The VPA recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables).

#### Categories of financial instruments

The VPA's principal financial instruments comprise of:

- cash and deposits
- receivables (excluding statutory receivables); and
- payables (excluding statutory payables); and
- lease liabilities.

The main purpose in holding financial instruments is to prudentially manage the VPA's financial risks in the government policy parameters. VPA manages this financial risk in accordance with its financial risk management policy.



### Financial instruments: Credit risk

Credit risk arises from the contractual financial assets of VPA's debtors. The VPA's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the entity. Credit risk is measured at fair value and is monitored on a regular basis.

For debtors other than Government, it is VPA's policy to only deal with entities with high credit ratings and to obtain enough collateral or credit enhancements, where appropriate. In addition, the VPA does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest.

Provision of impairment for financial assets is recognised when there is objective evidence that the entity will not be able to collect a receivable.

### Impairment of financial assets under AASB 9 – applicable from 1 July 2018

From 1 July 2018, VPA has been recording the allowance for expected credit loss for the relevant financial instruments, replacing AASB 139's incurred loss approach with AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include VPA's contractual receivables, statutory receivables and its investment in debt instruments.

### Financial instruments: Market risk

VPA's exposures to market risk are primarily through interest rate risk with only insignificant exposure to foreign currency and other price risks.

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates are set out in the table that follows.



## Interest rate exposure of financial instruments

	Weighted average interest rate %	Carrying amount \$	Fixed interest rate \$	Variable interest rate \$	Non-interest bearing \$
<b>2020</b>					
<b>Financial assets</b>					
Cash and deposits	1.03%	10,325,700	-	10,325,700	-
Investments		-	-	-	-
Accrued investment income		5,778	-	-	5,778
Other receivables		10,037,184	-	-	10,037,184
<b>Total financial assets</b>		<b>20,368,662</b>	<b>-</b>	<b>10,325,700</b>	<b>10,042,962</b>
<b>Financial liabilities</b>					
Payables		3,520,254	-	-	3,520,254
Lease liabilities	1.54%	4,269,489	4,269,489	-	-
<b>Total financial liabilities</b>		<b>7,789,743</b>	<b>4,269,489</b>	<b>-</b>	<b>3,520,254</b>
<b>2019</b>					
<b>Financial assets</b>					
Cash and deposits	1.66%	12,610,743	-	12,610,743	-
Investments	2.05%	-	-	-	-
Accrued investment income		-	-	-	-
Other receivables		1,505,357	-	-	1,505,357
<b>Total financial assets</b>		<b>14,116,100</b>	<b>-</b>	<b>12,610,743</b>	<b>1,505,357</b>
<b>Financial liabilities</b>					
Payables		4,761,294	-	-	4,761,294
Finance lease liabilities	3.25%	26,410	26,410	-	-
<b>Total financial liabilities</b>		<b>4,787,703</b>	<b>26,410</b>	<b>-</b>	<b>4,761,294</b>

The carrying amount of the VPA's financial assets and liabilities is equal to the fair value.

## 7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

### Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable. These contingent assets are shown below.



## Quantifiable contingent assets (arising from outside of government)

	2020	2019
	\$	\$
<b>Contingent assets</b>		
Section 173 Agreements (i)	266,495	766,495
	<b>266,495</b>	<b>766,495</b>

The VPA can negotiate an agreement with an owner of land to set out conditions or restrictions on the use or development of the land, or to achieve other planning objectives in relation to the land. These agreements are commonly known as **Section 173 agreements**. The power to enter into the agreement arises under section 173 of the *Planning and Environment Act 1987*.

The VPA, as directed by the Minister, has the right to receive funds of \$2 million from the collection of Section 173 Agreements. As at 30 June 2020, the VPA have retained \$1,733,505 (2019: \$1,233,505) of the funds collected.

## S173 Fund disclosure

A historical movement of funds to 30 June 2020 where the VPA has acted as the collection authority is displayed below:

	2020	2019
	\$	\$
<b>Section 173 Collections</b>		
Opening Balance	1,648,173	4,930,803
S173 Collections for the year	2,733,162	2,695,143
Disbursements for the Year	(2,682,227)	(5,477,773)
VPA share of S173 Collections	(500,000)	(500,000)
<b>Section 173 Liability at 30 June</b>	<b>1,199,107</b>	<b>1,648,173</b>

## Contingent liabilities

### Quantifiable Contingent Liabilities

The VPA does not have any quantifiable contingent liabilities.

### Unquantifiable Contingent Liabilities

The consortium Australia Education City (AEC), was negotiating with the State government to develop the proposed East Werribee Employment Precinct (EWEP). A decision was made by the government not to move ahead with the EWEP project. Subsequent to this decision, the AEC had lodged a claim with the Supreme Court to recoup development costs. AECs claim was unsuccessful; however, they have appealed this decision. VPA was named as a defendant in that appeal, along with a number of government parties. The decision on whether the appeal will proceed is still pending.



## 8 OTHER DISCLOSURES

### Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

#### Structure

- 8.1 Ex-gratia expenses
- 8.2 Responsible persons
- 8.3 Remuneration of executives
- 8.4 Related parties
- 8.5 Remuneration of auditors
- 8.6 Subsequent events
- 8.7 Changes to Accounting Policy
- 8.8 Australian Accounting Standards issued that are not yet effective

### 8.1 Ex-gratia expenses

There are no ex-gratia expenses to report (2019: nil).

### 8.2 Responsible persons

In accordance with Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994 (FMA)*, the following disclosures are made regarding responsible persons for the reporting period.

#### Names

The persons who held the positions of Ministers and Accountable Officers in the VPA are as follows:

The Hon. Richard Wynne	<i>Minister for Planning</i>	1 July 2019 to 22 July 2019 3 August 2019 to 18 September 2019 9 October 2019 to 31 December 2019 7 January 2020 to 30 June 2020
The Hon. Lily D'Ambrosio	<i>Acting Minister for Planning</i>	23 July 2019 to 2 August 2019 1 October 2019 to 8 October 2019
The Hon. Lisa Neville	<i>Acting Minister for Planning</i>	19 September 2019 to 26 September 2019 1 January 2020 to 6 January 2020
The Hon. Jaclyn Symes	<i>Acting Minister for Planning</i>	27 September 2019 to 30 September 2019
Jude Munro AO	<i>Chairperson</i>	1 July 2019 to 30 April 2020 28 June 2020 to 30 June 2020
Bill Kusznirczuk	<i>Deputy Chair</i>	1 July 2019 to 30 June 2020
	<i>Acting Chairperson</i>	1 May 2020 to 27 June 2020
Freya Marsden	<i>Board Member</i>	1 July 2019 to 30 June 2020



Trevor Budge AM	<i>Board Member</i>	1 July 2019 to 30 June 2020
Jennifer Cunich	<i>Board Member</i>	1 July 2019 to 30 June 2020
Theo Theophanous	<i>Board Member</i>	1 July 2019 to 30 June 2020
Laurinda Gardner	<i>Board Member</i>	1 July 2019 to 30 June 2020
Stuart Moseley	<i>Chief Executive Officer</i>	1 July 2019 to 30 June 2020

## Remuneration

	2020	2019
<i>Remuneration</i>	\$	\$
\$20 000 - 29 999	5	6
\$30 000 - 39 999	1	-
\$60 000 - 69 999	1	-
\$80 000 - 89 999	-	1
\$430 000 - 439 999	-	1
\$430 000 - 439 999	1	-
<b>Total remuneration<sup>(a)</sup></b>	<b>681,639</b>	<b>681,429</b>
<b>Total number of responsible persons</b>	<b>8</b>	<b>8</b>

(a) Total remuneration does not include remuneration received by the Minister for Planning. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services' Financial Report.

## 8.3 Remuneration of executives

The number of executive officers, other than ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

*Short-term employee benefits* include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

*Post-employment benefits* include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

*Other long-term benefits* include long service leave, other long-service benefit or deferred compensation.

*Termination benefits* include termination of employment payments, such as severance packages. There were no termination benefits paid to executives in 2019-20 (2018-19: \$0).

	2020	2019
<i>Remuneration</i>	\$	\$
Short-term employment benefits	1,438,253	1,394,528
Post-employment benefits	122,368	113,860
Other-long term benefits	35,815	33,589
<b>Total remuneration</b>	<b>1,596,436</b>	<b>1,541,978</b>
<b>Total number of executives<sup>(a)</sup></b>	<b>7</b>	<b>7</b>
<b>Total annualised employee equivalents<sup>(b)</sup></b>	<b>5.82</b>	<b>5.52</b>



- (a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 8.4).
- (b) Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for a reporting period.

## 8.4 Related parties

The VPA is a wholly owned and controlled entity of the State of Victoria.

Related parties of the VPA include:

- all key management personal and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- all cabinet ministers and their close family members; and
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

### Significant transactions with government-related entities

During the year, the VPA had the following government-related entity transactions:

- Appropriations received from DELWP of \$25,202,248
- Grants from government agencies for various projects of \$2,121,210

**Key management personnel** of the VPA include all responsible persons.

Key Management Personnel	Position Title
Jude Munro AO	Chairperson
Bill Kuszniarczyk	Deputy Chair
Freya Marsden	Governing board member
Trevor Budge AM	Governing board member
Jennifer Cunich	Governing board member
Theo Theophanous	Governing board member
Laurinda Gardner	Governing board member
Stuart Moseley	Chief Executive Officer

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within in Department of Parliamentary Services' Financial Report.

Compensation of KMPs	2020	2019
	\$	\$
Short-term employee benefits	629,885	629,668
Post-employment benefits	41,326	41,564
Other long-term benefits	10,428	10,197
<b>Total</b>	<b>681,639</b>	<b>681,429</b>



## Transactions with key management personnel and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with the VPA there were no related party transactions which were required to be reported involving key management personnel, their close family members and their personal business interest. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

## 8.5 Remuneration of auditors

	2020	2019
	\$	\$
<b>Victorian Auditor-General's Office</b>		
Audit of the financial statements	22,900	22,300
	<b>22,900</b>	<b>22,300</b>

## 8.6 Subsequent events

After the end of the financial year the government reintroduced Stage 4 lock down and implemented a number of measures to reduce the spread of the coronavirus (COVID-19). Refer to Note 1.3 for more information.

No other matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Authority, or the results of those operations.

## 8.7 Changes in Accounting Policy

This note explains the impact of the adoption of the following new accounting standards for the first time, from 1 July 2019:

- AASB 15 Revenue from Contracts with Customers;
- AASB 16 Leases.

The impact of the accounting standard changes to revenue and leases impacted on bought forward balance sheet balances on application of the standards at 1 July 2019. These changes have been summarised below:



Balance Sheet	Notes	Before New Accounting Standards at 30 June 2019	Impact of Standard AASB 15 Revenue	Impact of Standard AASB 16 Leases	Opening Balance at 1 July 2019
		\$	\$	\$	\$
<b>Total Financial Assets</b>		<b>14,268,352</b>	-	-	<b>14,268,352</b>
Prepayments		371,813		(277,171)	94,642
Property, plant and equipment	4.1	695,762		3,763,525	4,459,287
<b>Total non-financial assets</b>		<b>1,067,575</b>	-	<b>3,486,354</b>	<b>4,553,929</b>
<b>Total Assets</b>		<b>15,335,928</b>	-	<b>3,486,354</b>	<b>18,822,282</b>
Payables	5.2	5,002,236		(1,351,152)	3,651,084
Lease Liabilities	6.1	-		5,069,915	5,069,915
Contract Liabilities	5.3	-	2,657,328		2,657,328
Borrowings	6.1.4	26,410		(26,410)	-
Employee benefit provisions	3.1.2	2,817,348			2,817,348
Other provisions	6.1.4	206,000		(206,000)	-
<b>Total Liabilities</b>		<b>8,051,994</b>	<b>2,657,328</b>	<b>3,486,354</b>	<b>14,195,675</b>
Accumulated Surplus		7,283,933	(2,657,328)		4,626,606
<b>Total Equity</b>		<b>7,283,933</b>	<b>(2,657,328)</b>	-	<b>4,626,606</b>

In line with the Victorian Government the VPA has taken a modified retrospective approach to applying AASB 15 *Revenue from Contracts with Customers*. In line with the modified retrospective approach the transitional adjustment of \$2,657,328 was applied to the VPA's opening accumulated surplus at 1 July 2019 and the opening balance of the contract liability balance. This balance represents where the VPA had previously recorded revenue where the performance obligations was not yet complete at 30 June 2019. These are contributions from landowners, government and councils. This amount is reflected in the Statement of Changes in Equity and Note 5.3 Contract Liabilities.

### 8.7.1 AASB 15 Revenue from Contracts with Customers;

In accordance with FRD 121 requirements, the VPA has applied the transitional provisions of AASB 15, retrospectively with the cumulative effect of initially applying this standard against the opening retained earnings at 1 July 2019. Under this transition method, the VPA applied this standard retrospectively only to contracts that are not 'completed contracts' at the date of initial application. Comparative information has not been restated.

Note 2.2 includes details about the transitional application of AASB 15 and how the standard has been applied to revenue transactions.

### 8.7.2 AASB 16 Leases

The VPA has applied AASB 16 with a date of initial application of 1 July 2019. Further information is contained in Note 6.1.

## 8.8 Australian Accounting Standards issued that are not yet effective

This section contains AASs that have been issued but are not yet effective for the 2019-20 reporting period.

The following AASs have been assessed as applicable to the VPA's financial report, but are not expected to have a material impact:

- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material. Applicable for the VPA from 1 July 2020, this standard refines and clarifies the definition of 'material'.
- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non- Current. Applicable for the VPA from 1 July 2022, this standard clarifies the requirements for the presentation of liabilities in the statement of financial position as current or non-current. The meaning of 'settlement of a liability' is also clarified.

The following AAS has been assessed as not applying and having no impact on the VPA's financial report:

- AASB 17 Insurance Contracts.



In addition to the new standards and amendments above, the AASB has issued a list of other amending standards with editorial and reference changes. These are expected to have insignificant impacts on public sector reporting.

In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2019-20 reporting period (as listed below). In general, these amending standards include editorial and reference changes that are expected to have insignificant impacts on public sector reporting.

- *AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business.*
- *AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework.*
- *AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform.*
- *AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia.*
- *AASB 2019-4 Amendments to Australian Accounting Standards – Disclosure in Special Purpose Financial Statements of Not-for-Profit Private Sector Entities on Compliance with Recognition and Measurement Requirements.*
- *AASB 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities.*
- *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (Appendix C).*
- *Conceptual Framework for Financial Reporting.*



## NOTES



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