

Victorian Planning Authority

# BUSINESS PLAN

2021/2022



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## 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.



# Message from the Chair and CEO

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Over the last year, in the face of the COVID-19 pandemic and extraordinary challenges for our communities, the Victorian Planning Authority (VPA) has strengthened our efforts as an economic enabler for Victoria, sharpening our focus and utilising our unique role and tools to bring zoned land to market sooner.

Our planning work has pivoted to economic stimulus opportunities to support our state towards the road to recovery. Through developing opportunities in our portfolio and pipeline, we continue our strong focus on government priorities and policy outcomes to respond rapidly to market changes and deliver zoned land for housing and jobs, confidence for investors and communities, and infrastructure coordination.

Great strides have been made in delivering the VPA's Fast Track Program and we've made significant headway in developing and applying frameworks for ensuring and building productive partnerships. Over the course of 2021/22, we will resource and prioritise workload to complete the Fast Track Program, while also positioning the VPA to help build Victoria's economic recovery over the coming years.

The VPA's task for the next 12 months is to build on the momentum we have established and keep delivering meaningful outcomes for the people of Victoria, a task which we are confident we will fulfil with the enthusiasm and passion that has characterised 2020/21.

Once the Fast Track Program is complete, we will focus on preparing and delivering a mandated pipeline of planning projects in established Melbourne, priority precincts and regional cities and towns.



We will also concentrate on improving the efficiency, innovation and implementation of our structure planning, including doing density well, planning for suburban and regional jobs, infrastructure coordination, and unlocking urban growth in the regions. We will use replicable and efficient processes – we will continue to implement PSP2.0 and work to develop a stronger precinct planning toolkit and advocate for planning system reform.

At the VPA, we understand that our success is driven by our talented and dedicated workforce. Our new strategic plan sets out a clear direction to build a dynamic and high performing organisation that delivers and creates an inspiring workplace. This four year plan is focused on building on our strengths and providing a funded prioritised program.

We acknowledge and extend thanks to the Hon. Richard Wynne MP, for his support as Minister for Planning.

We also acknowledge and thank the VPA Board members for their keen understanding of the broader context and direction for the VPA.

Thank you to the VPA team – your commitment to supporting each other, collaborating with our partners and achieving business outcomes means that we are ready to face future challenges and continue to deliver great outcomes for our state and the community.

The team at the VPA has shown a strong capability to continue to deliver for the Government while being responsive and agile.

We look forward to the continuation of our journey and delivery of our priorities through this business plan.

**Jude Munro AO**  
Chair

**Stuart Moseley**  
Chief Executive Officer

# VPA Strategic Plan 2021-2024:

Our strategy on a page





# Our framework for delivery

## Strategic context for our work

As Victoria's lead agency for spatial planning and infrastructure coordination in designated growth areas across the State, the VPA has considered the implications of COVID-19 for our role and work.

This is a challenging time for the planning system — one both of great uncertainty and significant opportunity. We know that the COVID-19 pandemic, has accelerated social, environmental and economic change and altered how and where many Victorians live and work.

Emerging research suggests that many of these changes will become embedded beyond the pandemic, and the longer the pandemic continues.

In this evolving context, the VPA has considered:

- What will the planning influences of the economic impact of COVID-19 be for Victoria?
- What can the VPA do to support the economic recovery of Victoria?
- What changes are required to the way we plan for land use in Victoria?

In considering these questions, the VPA has explored broad themes across:

- Population and migration impacts
- Economic shock
- Spatial structure impact (housing, urban development and planning)
- Land and market impact (how might land be valued differently)
- Consumer spending behaviour impact on place
- Impacts on liveability and sustainability.

The VPA has seen in these themes an important opportunity to reflect on how we deliver our core business and whether there is scope to shift our efforts or add new focus to how we undertake strategic planning and infrastructure coordination for the future growth and transformation of Victoria's cities and regions.



## The VPA Strategic Plan 2021-24

Following successful implementation of the VPA Strategic plan 2017-20, the new VPA Strategic Plan 2021-2024, commences in mid 2021.

It outlines our purpose, pillars, priorities, values and outcomes for delivery in consideration of the challenges and uncertainty of our current environment.

Despite the uncertain economic conditions, there is sustained demand for well-planned urban growth. Victoria's big build and infrastructure investments require seamless coordination across government portfolios. Changing community needs and preferences will impact how we manage urban change and develop key regional cities and towns.

Meanwhile, we have seen extraordinary agility at the VPA. There is an opportunity to embrace new and flexible ways of working, better tap into the skills and expertise of our people, and strengthen confidence in the VPA and Victoria's planning system.

Together, these drivers for change — across urban Victoria, within the planning system and VPA — influence the strategic choices we make for our organisation and for Victorian communities.

## Delivering our program in 2021/22

The Minister for Planning has instructed the VPA to deliver eight programs over the period 2019/20 – 2021/22.

Our approach and focus for the eight programs in 2021/22 is driven by the wider strategic influences reflected in our Strategic Plan 2021/24. Our effort centres on actions to:

- Continue to position planning as an economic enabler
- Provide planning that responds rapidly to market changes (particularly to meet housing demand in key regional cities)
- Support liveability, sustainability and resilience
- Support connectivity
- Improve the implementation of VPA-prepared plans
- Advocate for governance and planning system improvements.

We will do this by prioritising resource allocation, using replicable and efficient processes, developing prioritised forward project pipelines, and advocating for process reform. This is expressed through our eight programs as:

**Priority precincts** (with a focus on business and transport precincts) – progress Arden renewal planning and new projects to be identified with SRLA, DoT and DJPR.

**Urban renewal in Melbourne** – establish a mandated urban renewal planning pipeline including three activity centre planning pilots.

**Melbourne growth corridors** – continuing PSP reform as well as the 50k lots 50k jobs program focussed on maintaining 15-year supply and including Alternative Delivery Program projects – five new projects brought into Tier 2 of our program from Tier 3 to continue our pipeline of new communities in Outer Melbourne.

**Regional cities and towns** – establishing a mandated regional pipeline, new projects focussed on regional cities including Geelong and Bendigo.

**Infrastructure planning and coordination** – Infrastructure charging reform, Place Infrastructure Compact pilot.

**Streamlining plan delivery** – continue program of council grants and VPA projects, with greater flexibility of focus and settings.

**Planning solutions, innovation and partnerships** – advocating for planning system reform including a new precinct planning toolkit and ways of working.

**Organisational capability and capacity** – continue our drive to achieve cost recovery, invest in post-COVID organisational strengthening, efficiency and effectiveness.

# Authorising environment

The VPA is a State Government statutory authority established under the *Victorian Planning Authority Act 2017*.

Victoria's planning system provides the state-wide framework for use, development and protection of land in the interests of all Victorians (*Planning and Environment Act 1987*).

Within this system, the VPA leads place-based strategic planning for growth in designated areas. Our focus is on integrated land-use, built form and infrastructure planning outcomes for significant precincts and places in growing Victorian cities, suburbs and regional towns.

Under the *Victorian Planning Authority Act 2017* we have 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 to the Minister for Planning and, from 22 June 2020, to the Minister for Transport Infrastructure, Minister for Suburban Rail Loop and Minister for Business Precincts.

The VPA is accountable to the Minister for Planning to deliver on the *Statement of Expectations*, and accompanying Ministerial Direction issued by the Minister to the Authority pursuant to Section 36(1) of the *Victorian Planning Authority Act 2017*. The current *Statement of Expectations* was issued by the Minister for Planning on 7 April 2019 and sets program-level priorities for the three years 2019/20-2021/22. The Minister's Direction is included as Attachment A to this document. Annual project responsibilities are approved each year by the Minister for Planning via the annual Business Plan and budget.

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

The Minister for Business Precincts issued a Ministerial Direction on 19 May 2021 pursuant to Section 36(1) of the *Victorian Planning Authority Act 2017* setting out priorities for the VPA's precinct related powers and functions for the period 2021/22-2022/23 inclusive.

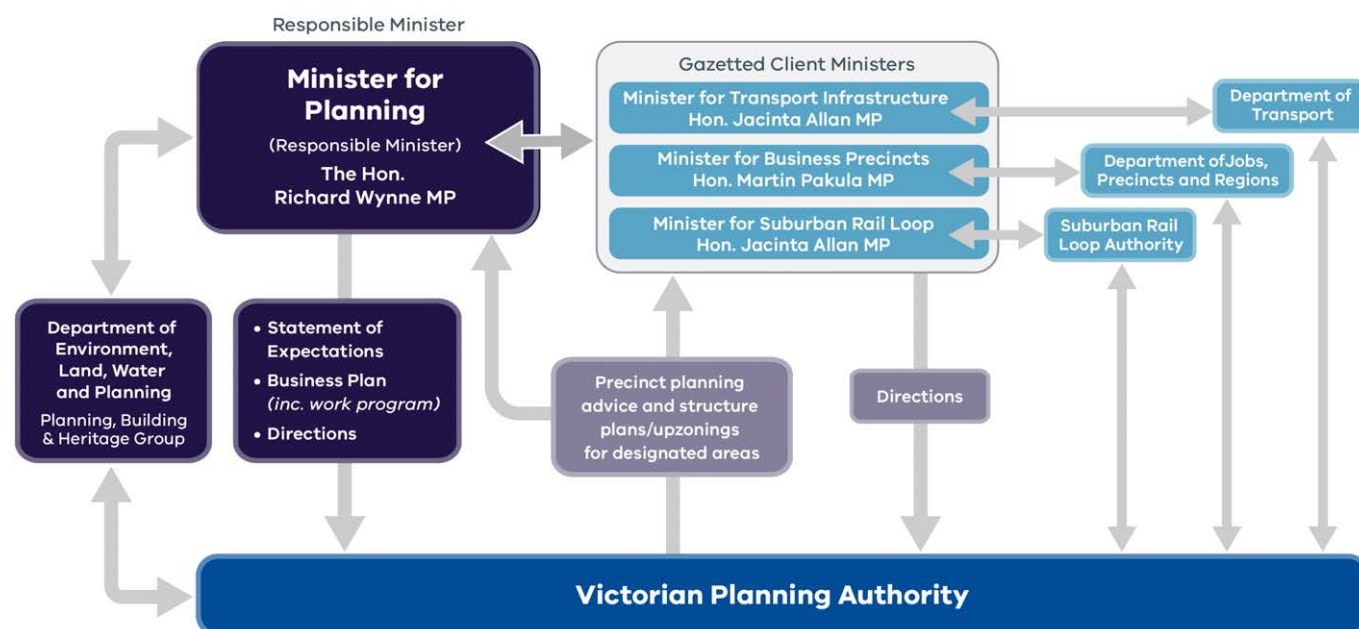


Figure 1: Authorising environment



This Business Plan also forms an important part of the VPA's authorising environment. The Business Plan has been approved by the Minister for Planning pursuant to Section 44 of the *Victorian Planning Authority Act 2017* and, in accordance with the terms of the Ministerial Direction accompanying the *Statement of Expectations*, this has the effect of conferring authorisation to undertake the role nominated for each project as set out below.

The Board of the VPA is committed to ensuring that the VPA is empowered to deliver for Government and for our stakeholders. This means we have a preference in most projects to act as planning authority or as provider to the Government.

The VPA is also empowered by Ministerial Direction No 18 (Victorian Planning Authority Advice on Planning Scheme Amendments), issued by the Minister for Planning on 28 January 2018. This direction requires councils to have regard to the advice of the VPA in situations where the VPA is authorised to act in roles other than planning authority, or when a council is proposing to alter an approved plan that has been prepared by the VPA.

The VPA also has responsibilities as an interface body under the *Transport Integration Act 2010*. This act requires that an interface body must have regard to the transport system objectives when exercising powers and performing functions under any interface legislation that is likely to have a significant impact on the transport system.

<p><b>PLANNING AUTHORITY</b></p> <p>The Victorian Planning Authority is the appointed planning authority, with the mandate to lead the project and deliver the outcome (including recommending a planning scheme amendment to the Minister), in partnership with the relevant council(s) and government agencies.</p>	<p><b>ADVISOR</b></p> <p>The Victorian Planning Authority 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.</p>
<p><b>PROVIDER</b></p> <p>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.</p>	<p><b>FACILITATOR</b></p> <p>The Victorian Planning Authority assists a council or government agency with their work, provides a grant or general advice about how planning policies need to be considered. This could include participation in a steering committee or project group.</p> <p>This includes an ongoing watching brief role for the VPA on VPA projects where the VPA has completed its role.</p>

**Figure 2:** Role of the VPA

# Organisation

The VPA's organisational structure deploys our resources into three planning project teams, supported by two corporate support teams. This gives us a spatially defined line of sight over our planning projects, ensuring that these planning teams are backed by central support, advice and resourcing.

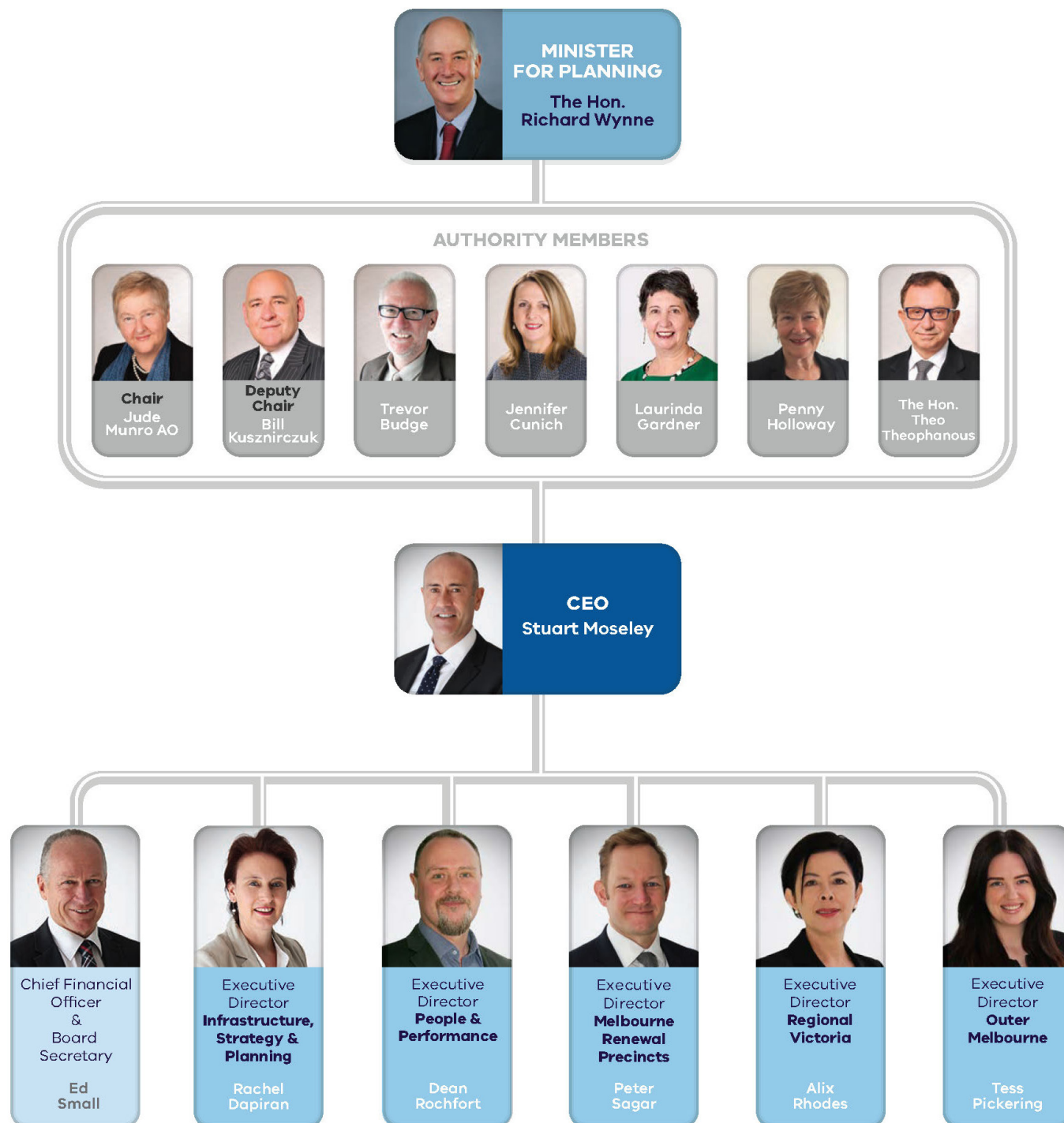


Figure 3: Organisation structure (as at 31 May 2021)

# Our work program for 2021/22

## VPA project list for 2021/22

To give effect to the Minister's Statement of Expectations for the period 2019/20 to 2021/22 and to deliver for Victoria's economic recovery, the VPA has prepared a list of projects to be undertaken in 2021/22. The project list is set out below.

Our project priorities for this year centre on finalising our Fast Track Program, which has necessitated a reprioritisation of resources to deliver these projects as quickly as possible.

We will also be supporting our people to deliver in a COVID-impacted world by investing in better systems and tools for hybrid working. We will also be working to define and empower our future work pipeline to support economic recovery and improved outcomes post-COVID.

### Fast Track projects

As part of the Victorian Government's response to the COVID-19 crisis, the VPA – in partnership with DELWP – is undertaking an accelerated work program to unlock approximately \$17b\* in estimated economic value by mid 2021. The Government provided the VPA with \$7.5m in 2019/20 to progress these projects. These funds were fully expended during 2020/21 and the VPA is now completing the remainder of the program through other funding sources.

The VPA will unlock this economic benefit by progressing projects through the planning and development pipeline to permit and shovel ready stages.

This figure is based on fast tracking 18 planning and infrastructure projects (11 of which are mission critical) to unlock around 86,000 homes and 95,000 jobs across Victoria.

The VPA has delivered three projects already, with another six by mid-2021, and the bulk of the remainder by the end of 2021. This is months and in some cases years earlier than originally planned.

This program will provide certainty for communities, a pipeline of development for industry and future jobs and homes for Victorians.

Projects on the Fast Track program:

- receive additional resources, effort and priority from the VPA and across government in order to create a complete well designed community, and/or
- have access to a streamlined pathway with tailored engagement processes and the opportunity to utilise the VPA Projects Standing Advisory Committee (SAC) (where appropriate).

There is now an expedited decision pathway in place through the SAC and the VPA has established strong inter-agency collaboration to support delivery.

Being on the Fast Track program does not imply pre-approval of any particular development outcome, nor does it take away the statutory discretions of the VPA Board or the Minister for Planning.

The Chair of the VPA is updating the Minister for Planning and the Treasurer monthly on progress in delivering Fast Track projects.

\* The framework for quantifying the economic value of dwellings relies on high level assumptions about the land and development market based on house price change of \$130,000 for outer Melbourne and regional areas and \$280,000 for urban renewal areas.

(Note this is based on assumptions from previous work completed for the VPA by EY in 2019). The employment economic value is based on the GDP per worker for Melbourne at \$75,000.

### Streamlining for Growth projects

At the same time, we have maintained a focus on progressing projects funded through the ongoing successful Streamlining for Growth program.

The 2021/22 Streamlining for Growth program has an emphasis on supporting post-COVID-19 economic and bushfire recovery, unlocking development in activity centres and along transport corridors, and supporting projects that assist in pro-actively determining a pipeline of future strategic planning projects for the VPA and/or councils to deliver, that also facilitate consistent approaches and planning controls for like areas.

The program is another part of the VPA's work to support faster approvals, planning process improvements and strategic work that will generate economic activity and more jobs and homes for Victoria as we recover from COVID 19.

The VPA will undertake 43 Streamlining for Growth projects during 2021/22, including 22 grants to councils across Victoria to support them in planning for sustainable urban growth

### Unlocking New Communities and Affordable Housing projects

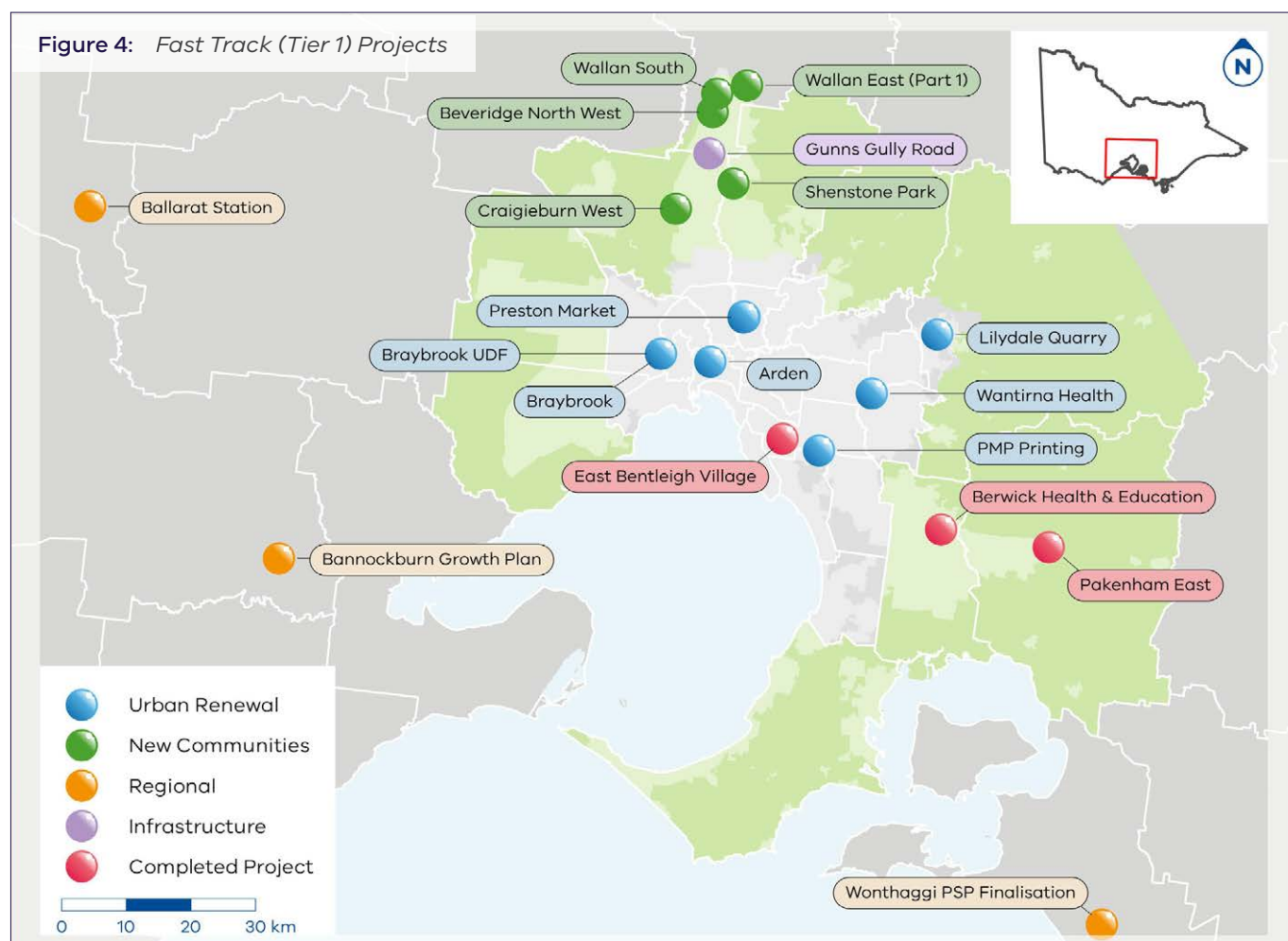
The VPA has also been provided with additional funding to help it progress PSPs and other planning tools to enable unlocking of dwelling supply and economic activity in Melbourne's growth corridors and in the regions.

This funding is intended to support the work of the VPA pending a transition to greater reliance on cost recovery (which will require legislative change).



## VPA list of Fast Track (Tier 1) projects for 2021/22

Project Number	Project Name	VPA Role	VPA Program	PRIMARY SOURCE OF FUNDING					
				V	G	L	UNCAH	SFG	STF
6010	Lilydale Quarry Planning Scheme Amendment	Advisor	Urban Renewal and Priority Precincts	X					
6002	PMP Printing Planning Scheme Amendment	Authority	Urban Renewal and Priority Precincts	X					
5006	Preston Market Structure Plan & Planning Scheme Amendment	Authority	Urban Renewal and Priority Precincts	X					
590	Beveridge North West PSP & ICP	Authority	Melbourne Growth Corridors				X		X
680	Craigieburn West PSP & ICP	Authority	Melbourne Growth Corridors			X			X
691	Shenstone Park PSP & ICP	Authority	Melbourne Growth Corridors				X		X
2012	Wallan East Part 1 PSP & ICP	Authority	Melbourne Growth Corridors			X			X
2011	Wallan South PSP & ICP	Authority	Melbourne Growth Corridors			X			X
3003	Arden Structure Plan & Planning Scheme Amendment	Authority	Urban Renewal and Priority Precincts	X					
4012	Braybrook Urban Design Framework	Provider	Urban Renewal and Priority Precincts		X				X
4021	Braybrook Planning Scheme Amendment & Permits	Authority	Urban Renewal and Priority Precincts		X				
6007	Wantirna Health Precinct Masterplan & Planning Scheme Amendment	Advisor	Urban Renewal and Priority Precincts	X					
1291	Ballarat Station Precinct - South Side Masterplan	Authority	Regional Cities & Towns				X		X
1441	Bannockburn Growth Plan (Phase 1)	Authority	Regional Cities & Towns				X		
8101	Wonthaggi PSP Finalisation	Provider	Regional Cities & Towns				X		
821	Gunns Gully Road GAIC Works-In-Kind Agreement	Provider	Infrastructure, Planning and Coordination	X					



## Other VPA projects for 2021/22

While the VPA's resources for 2021/22 are prioritised to finalising the Fast Track projects, and therefore our ability to add new projects is very limited, we will continue to progress projects to support each of the eight program areas specified by the Minister for Planning, particularly as Fast Track projects are completed.

These projects are listed below, and the revised completion date for each of these projects will be dependent upon their relative priority and on the extent of the remaining VPA capability once the Fast Track projects' requirements have been fully resourced.

The individual planning activities undertaken by the VPA generally require a number of years to complete. The majority of the VPA projects listed for the 2021/22 program are continuing from the 2020/21 program. The list also includes a limited number of new projects which are shown as "Commencing" in the column entitled Continuing/Commencing.

The VPA seeks contributions from third parties where appropriate to supplement its resources in order to undertake its extensive program. Projects are funded from different funding sources, which is displayed in the tables.

### Project Prioritisation

<b>Tier 1</b>	<b>Fast Track Program</b> – top priority for VPA resources and attention.
<b>Tier 2</b>	Currently an active project or is expected to commence / be active in 2021/22 financial year subject to resource availability.
<b>Tier 3</b>	Lower priority project, watching brief or deferred activity – not being significantly resourced or progressed but will be kept under review, development and/or oversight for possible increased activity or reactivation during 2021/22 subject to required approval decisions and/or resource availability.
<b>Services</b>	Deliverables that are ongoing obligations, usually either statutory or organisational support requirements.

### Project Commencement Status

#### Continuing

Projects which have been listed on previous business plans and are current active projects.

#### Commencing

Projects which are expected to commence/be active and can be substantively resourced in 2021/22 financial year.

#### Pre-Commencement

Currently not a significantly active project but provision has been made for preparatory work such as preliminary stakeholder discussions, due diligence, scoping and/or budgeting analysis prior to bringing the project on program in a future year (pending future decision-making processes).

### Primary Funding Sources

Refer to Page 22 of the Business Plan for a detailed description of our funding model and how we have allocated funding from our six funding sources:

<b>V</b>	<b>VPA Base Appropriation/Core Funding</b> (an ongoing funding source).
<b>G</b>	<b>Government Fee for Service Commissions</b> (project-specific).
<b>L</b>	<b>Landowner Contributions</b> (project-specific).
<b>UNCAH</b>	<b>Unlocking New Communities and Affordable Housing</b> (formerly Affordable by Supply Appropriation) (successful budget bid covers the period until 30 June 2022).
<b>SFG</b>	<b>Streamlining for Growth Appropriation</b> (successful budget bid covers the period until 30 June 2023).
<b>STF</b>	<b>Subject to Funding</b> (indicates whether the VPA is anticipating receiving an external contribution to enable it to proceed with the project. For these projects where cost recovery arrangements cannot be put in place, the VPA is unlikely to be able to proceed with the project. Where Subject to Funding is in conjunction with another funding source, that is where we anticipate the other funding will be sourced).

### Alternative PSP Delivery Model

The Alternative Delivery Program Pilot commenced in 2020/21 to test alternate PSP delivery pathways. This model of delivery seeks to utilise third party contributions and UNCAH to draw from external consultant resources to project manage and coordinate PSP content preparation. An internal VPA team will continue to provide management oversight and ensure a whole-of-Victorian-Government approach and VPA standard is adhered to throughout the process, maintaining the VPA's role and reputation. The model draws from pathways implemented in WA and NSW, and will be tested on some projects in the Growth Corridors program. Five projects in the Melbourne Growth Corridors have been selected to be part of the Alternative Delivery Program Pilot.

## Melbourne Growth Corridors projects for 2021/22

(in addition to Fast Track projects)

									PRIMARY SOURCE OF FUNDING					
Project Number	Project Name	Tier	Sub-Program	Status	VPA Role	Municipality	Lots	Jobs	V	G	L	UNCAH	SFG	STF
2200	Casey Fields South PSP & ICP	2	50K Lots 50K Jobs	Pre-Commencement	Authority	Casey City Council	0	4378			X	X		X
2210	Croskell (Casey Central) PSP & ICP*	2	50k Lots 50K Jobs	Commencing	Authority	Casey City Council	1979	2851			X	X		X
651	Merrifield North PSP & ICP*	2	50K Lots 50K Jobs	Pre-Commencement	Authority	Mitchell Shire Council; Hume City Council	0	13832				X		X
2220	Officer South Employment PSP & ICP	2	50K Lots 50K Jobs	Continuing	Authority	Cardinia Shire Council	2200	20800			X			X
2080	Werribee Junction PSP & ICP	2	50K Lots 50K Jobs	Pre-Commencement	Authority	Wyndham City Council	0	9139				X		X
580	Devon Meadows PSP & ICP	2	N/A	Pre-Commencement	Authority	Casey City Council	3137	993			X	X		X
2740	Sunbury South and Lancefield Road Supplementary ICP	2	Uncoupled ICP	Continuing	Authority	Hume City Council	19400	6215				X		X
802	Kororoit Part 2 PSP & ICP*	3	50K Lots 50K Jobs	Commencing	Authority	Melton City Council	562	60				X		
60	Pakenham South Employment PSP & ICP	3	50K Lots 50K Jobs	Continuing	Advisor	Cardinia Shire Council	0	3089	X					
2211	Cardinia Creek South Part 2 PSP & ICP*	3	N/A	Commencing	Authority	Casey City Council	1128	113			X	X		X
560	Clyde South PSP & ICP	3	N/A	Pre-Commencement	Authority	Casey City Council	13190	5469			X	X		X
2212	Greenvale North Part 2 (Site Specific Rezoning)*	3	N/A	Commencing	Authority	Hume City Council	310	0			X	X		X
760	Melton East PSP & ICP	3	N/A	Pre-Commencement	Authority	Melton City Council	12895	3868			X	X		X
880	Oakbank PSP & ICP	3	N/A	Pre-Commencement	Advisor	Wyndham City Council	13718	3429				X		X
810	Rockbank South PSP & ICP	3	N/A	Pre-Commencement	Authority	Melton City Council	9138	2384				X		X
2750	Beveridge Central Supplementary ICP	3	Uncoupled ICP	Continuing	Authority	Mitchell Shire Council	3400	270					X	X
2730	Minta Farm Supplementary ICP	3	Uncoupled ICP	Continuing	Authority	Casey City Council	3049	11431				X		X

### \* *Alternative Delivery Program Pilot*

- Greenvale North Part 2
- Kororoit Creek Part 2
- Cardinia Creek South Part 2
- Croskell PSP
- Merrifield North (Unlocking).





Figure 5: Melbourne Growth Corridors projects



## Melbourne Urban Renewal and Priority Precincts projects for 2021/22

(in addition to Fast Track projects)

Project Number	Project Name	Tier	Sub-Program	Status	VPA Role	Municipality	Lots	Jobs	PRIMARY SOURCE OF FUNDING					
									V	G	L	UNCAH	SFG	STF
3011	Parkville NEIC Plan	2	Priority Precincts	Pre-Commencement	Authority	Melbourne	TBC	TBC		X				X
6001	Monash NEIC	2	Priority Precincts	Commencing	Authority	Monash City Council City of Greater Dandenong City of Kingston	TBC	TBC		X				
8701	Activity Centre Renewal Program Pilot 1	2	Priority Precincts	Commencing	Authority	TBC	TBC	TBC					X	X
1070	Jacksons Hill Comprehensive Development Plan	2	Urban Renewal	Continuing	Authority	Hume City Council	200	280				X	X	X
4015	Brooklyn-Tottenham (Inner West) Framework Plan	2	Urban Renewal	Pre-Commencement	TBD	Brimbank City Council Hobsons Bay City Council Maribyrnong City Council	TBD	TBD		X				X
8105	Forward Activity Centre Planning Pipeline Tools and Metrics	2	Urban Renewal	Continuing	N/A	Multiple LGAs	0	0					X	
4010	Suburban Rail Loop Precinct: Specialist Advice	3	Priority Precincts	Continuing	Advisor	N/A	0	0		X				X
8700	Activity Centre Renewal Program Pilot 2	3	Priority Precincts	Pre-Commencement	Authority	TBC	TBC	TBC					X	X
8702	Activity Centre Renewal Program Pilot 3	3	Priority Precincts	Pre-Commencement	Authority	TBC	TBC	TBC					X	X
3022	North Richmond Plan	3	Urban Renewal	Pre-Commencement	Authority	Yarra	TBC	TBC		X				X
4004	Maribyrnong Defence Site Vision & Structure Plan	3	Urban Renewal	Continuing	Provider	Maribyrnong City Council	6000	2500		X				X



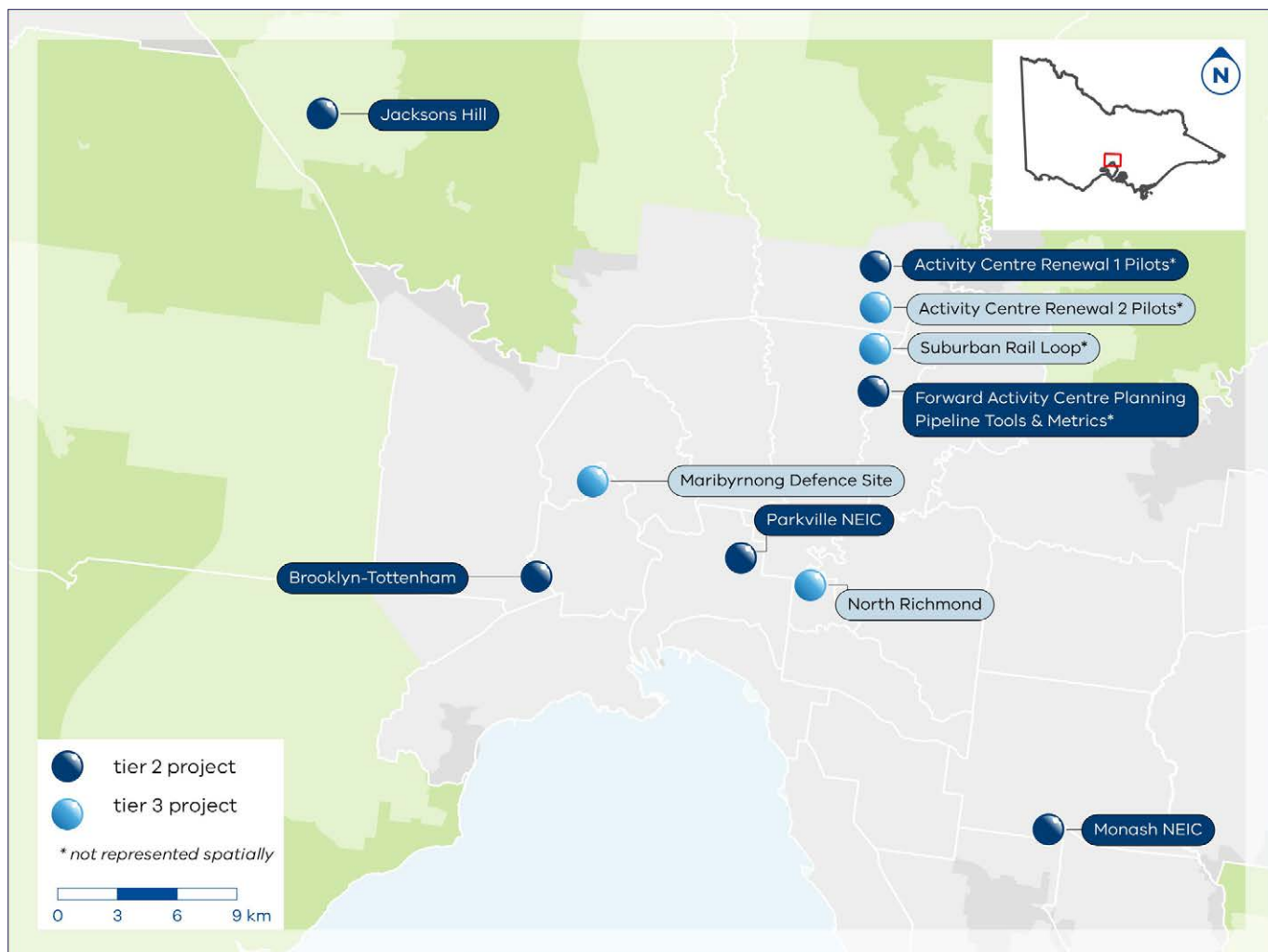


Figure 6: Melbourne Urban Renewal and Priority Precincts projects





## Regional Cities and Towns projects for 2021/22

(in addition to Fast Track projects)

Project Number	Project Name	Tier	Status	VPA Role	Municipality	Lots	Jobs	PRIMARY SOURCE OF FUNDING					
								V	G	L	UNCAH	SFG	STF
1364	Bannockburn South East PSP	2	Continuing	Authority	Golden Plains Shire Council	3500	2500			X	X		X
1447	Corio Norlane Urban Renewal	2	Commencing	Provider	Greater Geelong City Council	0	0		X				X
8046	East of Aberline PSP & DCP	2	Continuing	Authority	Warrnambool City Council	1500	380			X	X		X
8108	Forward Regional Victoria Strategic Pipeline & Metrics	2	Commencing	N/A	Multiple LGAs	N/A	N/A					X	
1445	Greater Avalon Employment Precinct	2	Pre-Commencement	Authority	Greater Geelong City Council	0	18500			X	X		X
8631	Huntly South PSP	2	Commencing	Authority	Greater Bendigo City Council	460	-			X	X	X	X
1270	Merrimu PSP	2	Continuing	Authority	Moorabool Shire Council	7200	1800			X	X		X
1363	Mildura Riverfront Precinct	2	Continuing	Provider	Mildura Rural City Council	150	175			X	X	X	X
1446	Moolap Residential PSP	2	Pre-Commencement	Provider	Greater Geelong City Council	4200	1000			X	X		X
8027	Parwan Employment Precinct Development Plan	2	Continuing	Authority	Moorabool Shire Council	0	1500			X	X		X
1440	Parwan Station PSP	2	Continuing	Authority	Moorabool Shire Council	3200	900			X	X		X
1500	Ballarat North & West PSPs TBC	2	Commencing	Authority	Ballarat City Council	15000	0					X	X
1501	Regional Pipeline Bendigo	2	Commencing	Authority	N/A	0	0					X	X
1021	Shepparton South East PSP & ICP	2	Continuing	Authority	Greater Shepparton City Council	2500	220				X		X
8090	Bright Township Western Gateway PSP	3	Continuing	Advisor	Alpine Shire Council	500	400					X	
8634	DCP Review - Drouin & Warragul	3	Commencing	Advisor	Baw Baw Shire Council	-	-					X	
1362	Geelong Biodiversity Conservation Strategy	3	Continuing	Advisor	Greater Geelong City Council	0	0					X	
8057	Geelong Growth Areas Transport Infrastructure Strategy	3	Continuing	Advisor	Greater Geelong City Council	50000	12500					X	
1331	Transforming Wonthaggi	3	Continuing	Advisor	Bass Coast Shire Council	N/A	N/A					X	

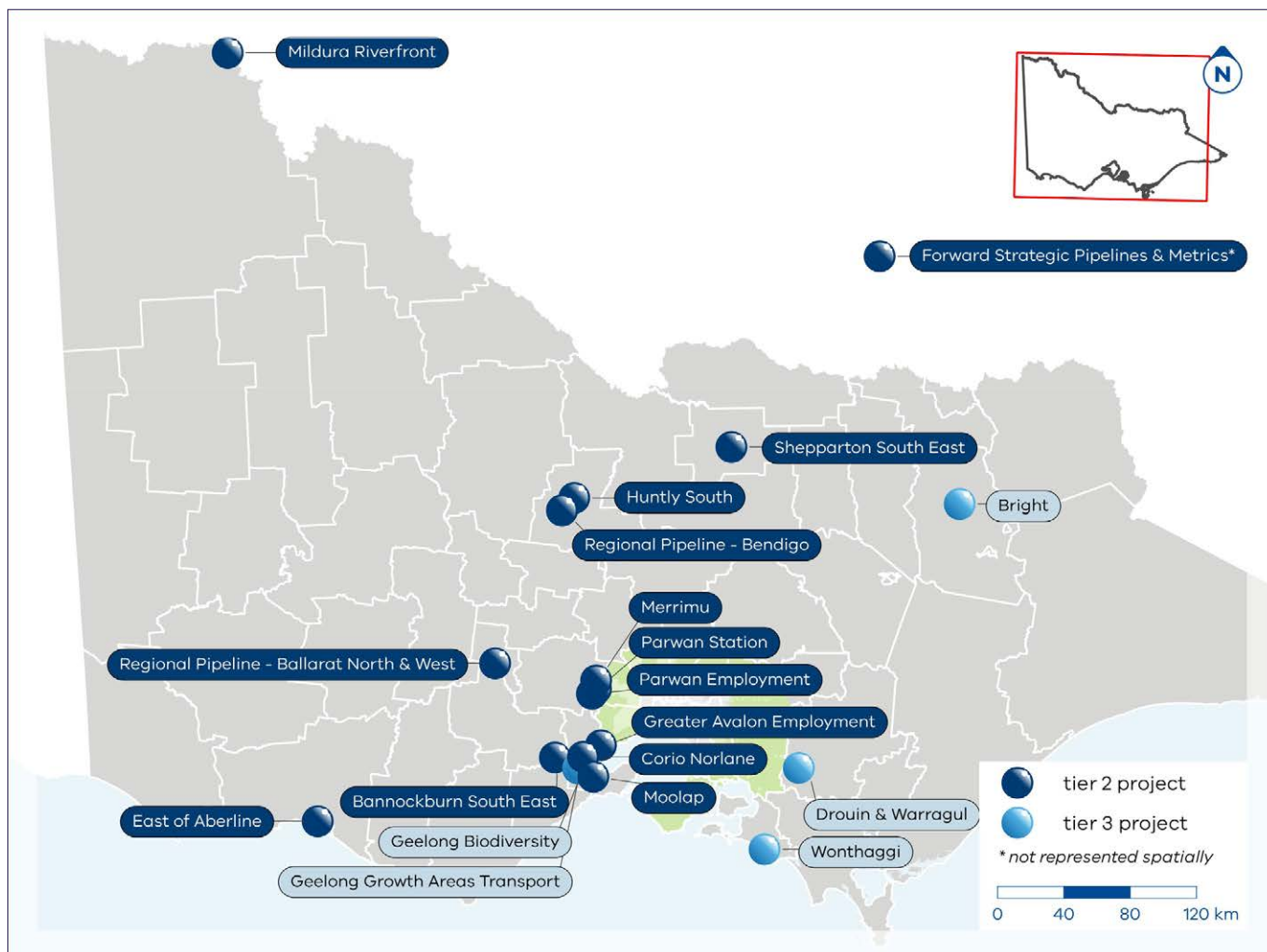


Figure 7: *Regional Cities and Towns projects*



## Infrastructure, Planning and Coordination 2021/22 project list

Project Number	Project Name	Tier	Status
8114	GAIC SPA Online Applications System	2	Continuing
8111	New Infrastructure Charging Regime / Reform	2	Continuing
9524	Northern Corridor Transport Pilot - Implementation	2	Commencing
9530	Place Infrastructure Compact	2	Commencing
9618	ICP Implementation - Greenfields - System Oversight Advice to support DELWP	3	Continuing
9110	ICP Implementation - Regional - Leadership & Advice	3	Continuing
392	East Werribee Employment Precinct Responsible Authority Role	S	Continuing
9611	Fishermans Bend Development Contribution Plans Management	S	Continuing
9511	GAIC Policy & Advice	S	Continuing
9519	GAIC SPA Administration	S	Continuing
9617	GAIC Works-in-Kind Agreements	S	Continuing
9637	Integrated Water Management Coordination Project	S	Continuing
9610	Specialist Statutory Planning Services and Advice	S	Continuing

## Planning Solutions, Innovation and Partnership 2021/22 project list

Project Number	Project Name	Tier	Status
1011	Corridor Scale Background Reports to support accelerated PSPs	2	Continuing
8309	Heritage Manual to provide best practice guidance for PSPs	2	Continuing
8106	Land Use Framework Inputs for DELWP	2	Continuing
1012	Alternative Delivery Program	2	Continuing

## Streamlining Plan Delivery 2021/22 project list

Project Number	Project Name	Tier	Status
8110	Development of Statutory Documentation to support VPA processes	2	Continuing
8098	Generally in Accordance/Model Conditions Implementation	2	Commencing
8107	Greenfields ICP Manual & Automated Template	2	Continuing
8099	Integrated Water Management Pilot Project - Aviators Field to support future PSP when programmed	2	Continuing
8328	Precinct Structure Plan process streamlining / PSP 2.0 (PSP Reform Program)	2	Continuing
8112	PSP Guidance Notes - New Communities (PSP Reform Program)	2	Commencing
9020	PSP Guidelines - New Communities	2	Continuing
8116	PSP Guidelines - Innovation Precinct Pilot (PSP Reform Program)	2	Commencing
8117	PSP Reform Agenda – Implementation Program	2	Commencing
8109	Small Lot Housing Code - Part 2	2	Continuing
8115	Streamlining Public Lighting Approvals - Implementation	2	Commencing
8113	Urban Renewal Structure Planning Guidelines	2	Continuing
8104	Engineering Design & Construction Manual Review and Technical Group	S	Continuing

## Organisational Capability and Capacity 2021/22 project list

Project Number	Project Name	Tier	Status
9643	New flexible working office accommodation upgrade project	2	Continuing
9652	Spatial Database Deployment & Integration	2	Commencing



## Overall

The forward business plan budget is based on anticipated revenue over the coming four financial years, only part of which is confirmed.

### Sources and application of funding

The nature and extent of the work of the VPA varies from year to year, and the amount of funding sourced and applied to project delivery varies accordingly.

The VPA's income in previous years has been drawn from a combination of the following sources:

- **Base appropriation** (which covers less than half of our operating requirement)
- **Supplementary appropriation(s):**
  - Streamlining for Growth Program
  - Unlocking New Communities and Affordable Housing Program – Land Supply (formerly Affordable by Supply program)
- **External contributions:**
  - commissions from government agencies
  - other contributions (principally from landowners or developers)
- **Reserves** (accumulated surplus which is drawn down to fund project delivery).

Moving forward, the VPA seeks to shift to a blended funding model comprising base appropriation plus cost recovery revenues (both from landowners and Government commissions). This will require legislative change.

### Base appropriation

This funding is applied to expenditure on the following (in order of priority):

- fixed operating costs (organisational overheads)
- statutorily required functions and services (planning and other)
- projects where we act as planning authority (net of any cost recovery arrangements)
- projects where we act as provider (net of any cost recovery arrangements)
- all other projects/services.

### Supplementary appropriation

Supplementary appropriations are applied to expenditure on projects and services in accordance with the purpose for which the funding was approved.

#### Streamlining for Growth program

The VPA's successful grants program, Streamlining for Growth, has been in operation for five years. While the government forward funded the program for a further two years (2021/22 and 2022/23) in the 2021/22 state budget; the VPA has assumed a further four years of program funding in this business plan budget.

The funding streams within the program have been further refined in forward years to focus on:

- Metropolitan Melbourne – Support
- Regional Victoria – Support
- Better Regulation and Streamlined Processes

#### Unlocking New Communities and Affordable Housing

Formerly named the Affordable by Supply Program, the Unlocking New Communities and Affordable Housing (UNCAH) allocates the VPA with \$7m in the 2021/22 financial year to projects in outer Melbourne and regional cities and towns.

This appropriation responds directly to two demand driven needs.

1. The ongoing need to provide affordable housing and jobs for a growing Melbourne and Victoria.
2. The VPA's need to shift to a sustainable funding model including cost recovery from benefiting landowners (dependent on legislative change).

This funding source lapses in 2021/22, with a proposed new budget bid intended to cover the period until 30 June 2023. The VPA has assumed a further two years of program funding in this business plan budget.

## External contributions

External contributions are applied to expenditure on the projects and services for which the funding was collected.

In line with AASB 15 *Revenue from contracts with customers*, revenue is recognized when the milestone/obligation associated with the funding received is completed.

## Commissions from government agencies

This revenue is where the VPA receives funds from other government agencies for planning work which align with our objectives and strategic priorities. Future budget projections have been made based on the VPA's understanding of likely service requirements of our key agency partners and are subject to government budgetary outcomes.

## Third party contributions revenue

The recent amendment to the *Planning and Environment Act 1987* allows the VPA to recover the cost of our planning work through an Infrastructure Contributions Plan (ICP). This mechanism is due to take effect during 2021/22.

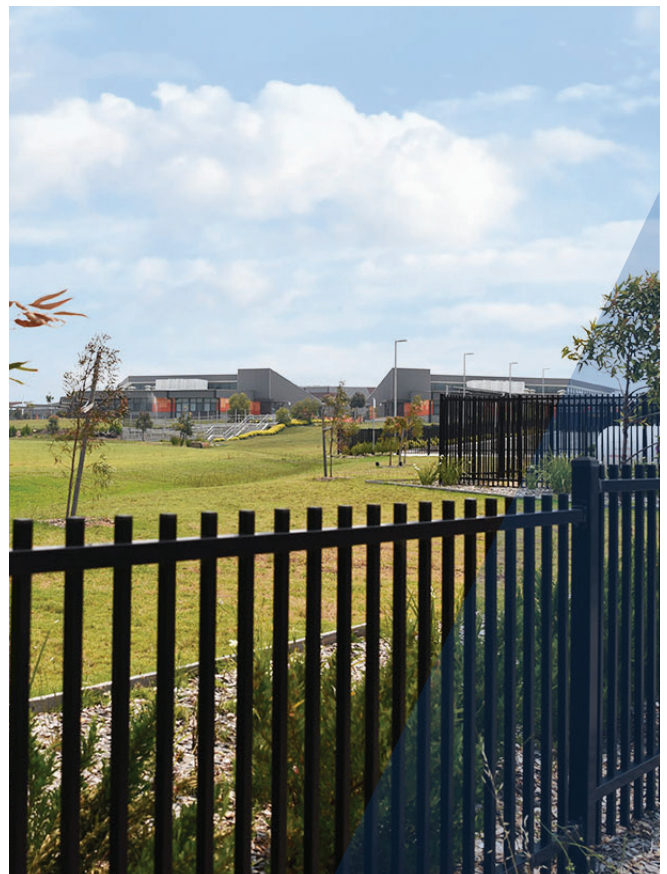
At this stage, the VPA has budgeted cash flows from this source on the basis of landowners receiving a future credit through the ICP for forward funding the VPA's planning work. This will give confidence to landowners to forward fund the VPA's planning work knowing their costs will be equalised with other landowners in a precinct through the ICP.

## Broad based cost recovery

The VPA intends to progress towards an equitable broad based cost recovery model whereby the costs of the planning work by the VPA are equally shared among landowners in a way which is equitable and funds the VPA up front for the work to be completed. Any funding from this model of collections will depend on government policy decisions and legislative change, and is unlikely occur until late in the 2022-23 financial year. It is anticipated these funds will replace third party contributions revenue.

## Reserves (accumulated surplus)

The VPA's accumulated reserves at 30 June 2021 are expected to be \$11m, of which 80% is "tied" to specific projects. The VPA also considers that a minimum of \$1.5m should be maintained as a reserve to meet unforeseen expenditure requirements or to cover unexpected revenue decreases. The VPA is forecasting to expend reserves on planning projects, reducing the balance down to \$1.5m in the final year of the four-year business plan budget. In this way the VPA will use its reserves to sustain operations over the next four years.



## Staff complement 2021/22

The VPA's staff complement has varied each year in accordance with the scope and extent of the work program. In 2021/22 the staff complement will be maintained at a similar level as that of the 2020/21 financial year. The FTE staff complement for 2021/22 is 127 FTE (2020/21 – 121 FTE). The intention is to maintain this general level of capability going forward.

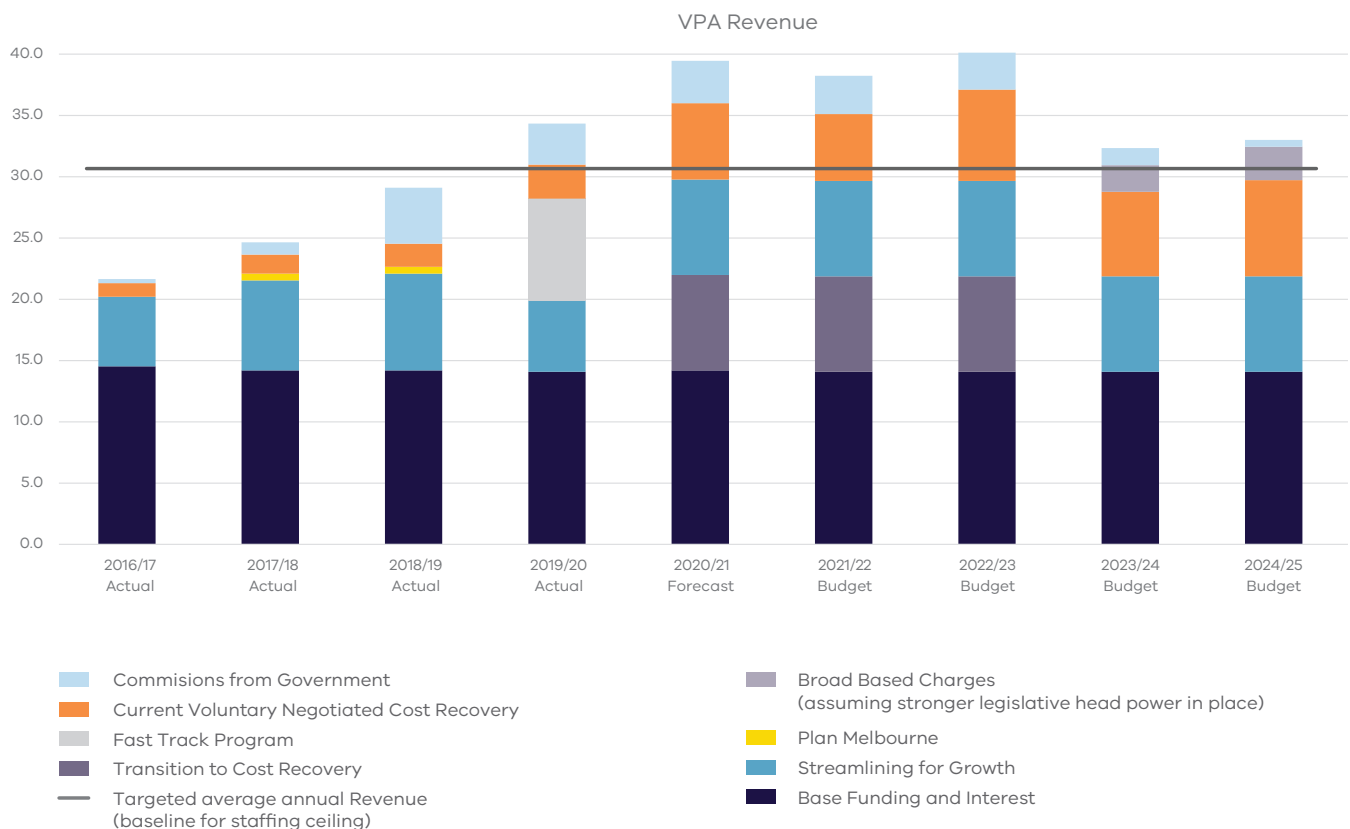
This staffing complement underpins the VPA's forward financial sustainability plan.

## Financial sustainability plan

The VPA's revenue has not kept pace with its increasing scope and role under the *Victorian Planning Authority Act 2017*. As a result, historically the VPA has been dependent upon supplementary appropriations of varying term, outcome and value.

The Board has an ambition for a minimum annual revenue of \$25-30m, allowing expenditure to be averaged at around \$27.5m per annum and ensuring the VPA can deliver a meaningful impact across the eight program areas set for us by the Minister for Planning.

The VPA is proposing to diversify its revenue sources over time and to recover planning costs from benefiting landowners, including government agencies. The graph below illustrates this change in revenue source towards a broad based cost recovery model and also reflects a diminishing reliance on voluntary third party contributions over the life of this business plan. Please note that the estimates reflected post 2021/22 are aspirational as confirmation of funding is yet to be received.



**Figure 8:** VPA financial sustainability plan - trajectory towards broad based cost recovery

## Budget 2021/22 to 2024/25

The VPA has adopted the following budget for 2021/22 and has endorsed in-principle the financial projections for the subsequent two years. The budget reflects sources of funding that are committed or are regarded as likely.

### Income (sources of funding)\*

	2021-2022 \$m	2022-2023 \$m	2023-24 \$m	2024-25 \$m
<b>Base appropriation</b>	12.5	12.5	12.5	12.5
<b>Supplementary appropriations</b>				
- Streamlining for Growth Program <sup>^</sup>	7.0	7.0	7.0 <sup>^</sup>	7.0 <sup>^</sup>
- Unlocking New Communities and Affordable Housing <sup>^</sup>	7.0	7.0 <sup>^</sup>	0.0	0.0
<b>External contributions</b>				
- Commissions from government agencies	2.1	2.3	0.8	0.0
- Third party contributions revenue	4.9	6.7	6.2	7.1
- Broad based cost recovery <sup>**</sup>	0.0	0.0	2.0 <sup>**</sup>	2.5 <sup>**</sup>
<b>Interest</b>	0.1	0.1	0.1	0.1
<b>Reimbursement &amp; other revenue</b>	0.5	0.5	0.5	0.5
<b>Total income</b>	<b>34.1</b>	<b>36.0</b>	<b>29.0</b>	<b>29.7</b>

<sup>^</sup> This revenue item is not yet secured and is dependent upon the government's forward budget decisions.

<sup>\*\*</sup> A broad based cost recovery model based on the necessary legislative and regulatory changes is currently being progressed which would enable the VPA to require payment for its services.

\* See the "Our framework for delivery" section on page 4 for a description of each of the VPA's program output categories.

Should any of these sources of funding not be realised in the future years, the VPA will be required to reduce the expenditure outlined in this 2021/22 budget in those financial years, dependent upon the revenue outcomes.



## Expenditure (by program output)\*

	2021-2022 \$m	2022-2023 \$m	2023-24 \$m	2024-25 \$m
Priority precincts	1.5	1.6	1.5	1.5
Urban renewal in Melbourne	2.4	2.3	2.3	2.4
Melbourne growth corridors	8.2	8.2	8.0	8.1
Regional cities and towns	4.8	4.9	5.0	5.1
Infrastructure planning and coordination	2.3	2.3	2.1	2.1
Streamlining plan delivery	5.9	6.0	5.7	5.8
Planning solutions, innovation and partnerships	2.2	2.1	2.0	2.1
Organisational capability and capacity	7.7	7.7	7.3	7.5
<b>Total expenditure</b>	<b>35.0</b>	<b>35.1</b>	<b>33.9</b>	<b>34.6</b>

\* See the "Our framework for delivery" section on page 4 for a description of each of the VPA's program output categories.

## Expenditure (by cost category)

	2021-2022 \$m	2022-2023 \$m	2023-24 \$m	2024-25 \$m
Employee costs	18.0	18.3	18.6	19.1
Contractors and professional services	10.6	10.9	9.2	9.4
Streamlining plan delivery - Grants to councils	3.2	3.2	3.2	3.2
Asset and accommodation	1.4	1.5	1.5	1.5
Information technology	1.2	0.9	0.9	0.9
Other operating costs	0.6	0.5	0.5	0.6
<b>Total expenditure</b>	<b>35.0</b>	<b>35.1</b>	<b>33.9</b>	<b>34.6</b>

## Net surplus and equity

	2021-2022 \$m	2022-2023 \$m	2023-24 \$m	2024-25 \$m
<b>Net surplus (shortfall) for the year</b>	<b>(0.9)</b>	<b>0.9</b>	<b>(4.9)</b>	<b>(4.9)</b>
Brought forward surplus	11.3	10.4	11.3	6.4
<b>Total accumulated surplus at end of year</b>	<b>10.4</b>	<b>11.3</b>	<b>6.4</b>	<b>1.5</b>

All amounts presented in the budget above have been rounded to the nearest \$100,000 and as a result totals may not equate due to rounding.

# Key performance measures for 2021/22

To achieve the VPA's outcomes over the coming four years, the VPA is expecting to achieve the measures listed below during the 2021/22 financial year.

Program	Program outputs and performance measures	KPI for 2021/22
Priority Precincts	Deliver planning frameworks and spatial planning advice to support development in priority precincts as directed by other Ministers and/or the Minister for Planning to deliver city-shaping liveability and economic outcomes.	<p>VPA to finalise two priority precincts projects on the VPA Fast Track Program by 30 June 2022:</p> <ul style="list-style-type: none"> <li>• Arden Transport Precinct</li> <li>• Braybrook Regeneration Project</li> </ul> <p>VPA to progress two priority precinct projects subject to commissions by lead agencies during 2021/22.</p>
Urban Renewal in Melbourne	Improve planning outcomes and processes.	VPA to make significant progress towards preparing structure planning guidelines for VPA urban renewal planning by June 2022.
	Deliver planning frameworks and spatial planning advice to support the <i>Plan Melbourne</i> aspiration to accommodate 70% of Melbourne's net dwelling growth within established Melbourne.	<p>VPA Board to finalise the following two urban renewal projects on the VPA Fast Track Program by 30 June 2022</p> <ul style="list-style-type: none"> <li>• Lilydale Quarry</li> <li>• Preston Market</li> </ul> <p>VPA to commence one activity centre structure project during 2021/22.</p>
Melbourne Growth Corridors	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.	<p>Progress finalising six PSPs during 2021/22 to accommodate 50,000 lots by February 2023.</p> <p>This includes securing a VPA Board decision to finalise the following PSPs on the VPA Fast Track Program by December 2021:</p> <ul style="list-style-type: none"> <li>• Shenstone Park</li> <li>• Craigieburn West</li> </ul> <p>This includes securing a VPA Board decision to finalise the following two PSPs on the VPA Fast Track Program by June 2022:</p> <ul style="list-style-type: none"> <li>• Beveridge North West (revised)</li> <li>• Wallan East Part 1</li> </ul> <p>This includes significantly progressing these projects (past exhibition stage) by June 2022:</p> <ul style="list-style-type: none"> <li>• Wallan South (Fast Track Project)</li> <li>• Officer South Employment</li> </ul> <p>Progress four PSPs during 2021/22 to accommodate 50,000 jobs by December 2023.</p> <p>VPA to initiate three projects to deliver zoned land supply for new 20-minute neighbourhoods in outer Melbourne in 2021/22 – (as per BP3 measure).</p>

Program	Program outputs and performance measures	KPI for 2021/22
<b>Melbourne Growth Corridors</b> <i>(continued)</i>	Improve planning outcomes and processes.	<p>Continue to operationalise completed revised Structure Planning Guidelines (part one – New Communities) by December 2022. This includes:</p> <ul style="list-style-type: none"> <li>• Providing recommendations to government on key interventions required to achieve the intent of the Guidelines by December 2021</li> <li>• Finalisation of three practice notes by December 2021</li> <li>• Release of an EOI for an Innovation Pathway Precinct Project by June 2022</li> </ul> <p>Continue to operationalise PSP 2.0 (which will enable process improvements that will reduce average PSP preparation times by one-third) by December 2022. This includes:</p> <ul style="list-style-type: none"> <li>• Preparation of a Compact PSP document by 30 June 2022.</li> </ul>
<b>Regional Cities and Towns</b>	Deliver planning frameworks and services to support urban growth in regional Victoria.	<p>Continue to progress projects to enable finalising Structure Plans and Masterplans to accommodate zoned capacity for 7,650 lots and 2,000 jobs by 30 June 2022.</p> <p>This includes significantly progressing the following strategic planning projects by mid-2022:</p> <ul style="list-style-type: none"> <li>• Mildura Riverfront Masterplan</li> <li>• Shepparton South East PSP</li> <li>• Wonthaggi North East PSP</li> </ul> <p>VPA to initiate three planning projects in regional cities and towns to unlock and deliver zoned land supply – (as per BP3 measure).</p>
<b>Streamlining Plan Delivery</b>	Deliver the Government's Streamlining for Growth program to unlock urban growth across the state by streamlining planning and post-plan approval processes.	Approve and allocate at least 30 Streamlining for Growth projects by 30 June 2022 (as per BP3 measure).
<b>Planning Solutions, Innovation and Partnerships</b>	Demonstrate and disseminate innovation in planning processes and outcomes, and in engaging with communities and partners.	Deliver at least two webinars and/or digital based events to inform public debate and projects on priority issues and projects.
	Support the economic recovery of Victoria by prioritising the VPA's role in bringing zoned land for jobs and housing at scale in areas designated by the Minister.	Commence implementation of the <i>Victorian Planning Authority Strategic Plan 2021-24</i> by 31 December 2021.

Program	Program outputs and performance measures	KPI for 2021/22
Organisational Capability and Capacity	Enhance the operational performance of the organisation.	<p>No significant governance breaches reported in the 2021/22 annual report.</p> <p>90% of projects on the VPA work program completed or on track as at 30 June 2022 against the work program timeframes (as amended by the Board at quarterly reviews).</p> <p>Minister for Planning provided with interim draft Business Plan by 31 May 2022, and the approved Business Plan published on the VPA website within one month of the final Business Plan being approved by the Minister.</p> <p>Financial discipline demonstrated by expenditure for the year having a no greater than 10% unfavourable variance from the budget for the year ended 30 June 2022 (except where this is due to unbudgeted expenditure on a matter directed by the Minister for Planning).</p> <p>Continue to progress efforts to ensure funding sources are secured to ensure sustainability of operations beyond 2022/23.</p>
Infrastructure Planning and Coordination	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.
	Negotiate Growth Area Infrastructure Contributions Work in Kind (GAIC WIK) agreements to help clarify the nature and timing of infrastructure provided in PSP areas.	<p>VPA to target finalisation of two GAIC WIKs by 30 June 2022, including the Gunns Gully GAIC WIK that is part of the VPA Fast Track program.</p> <p>VPA to progress all new GAIC WIKs for submission to the Minister for Planning for approval within 12 months from the time of signing of a third-party funding agreement.</p>
	Support government consideration of improved infrastructure coordination and funding models to support urban growth.	Develop and submit a proposed coordination model for delivering infrastructure to support development of growth areas.



# Attachment A – Minister for Planning's Direction to the VPA



Hon Richard Wynne MP

Minister for Planning  
Minister for Housing  
Minister for Multicultural Affairs

8 Nicholson Street  
East Melbourne, Victoria 3002  
Telephone: 03 8683 0964  
DX210098

Ms Jude Munro AO  
Chair  
Victorian Planning Authority  
Level 25, 35 Collins St  
MELBOURNE VIC 3000

Ref: MBR038857



Dear Ms Munro

## **VICTORIAN PLANNING AUTHORITY STATEMENT OF EXPECTATIONS AND MINISTERIAL DIRECTION 2019-2022**

I am pleased to provide the attached direction pursuant to section 36(1) of the *Victorian Planning Authority Act 2017*, which sets out my Statement of Expectations (SoE) for the Victorian Planning Authority.

The Statement will remain in effect for three years from the date of receipt or until otherwise amended and outlines the strategic priorities on which I expect the Authority to focus its business activities. Those activities will be reflected in the annual work program set out in the Business Plan that the Authority must prepare for my approval each year.

The goal of the Authority's activities is to translate state-wide policy for growth and jobs into clear spatial planning directions to enable the development of prosperous, liveable and sustainable communities for current and future Victorians. To that end I expect the Authority to work in close collaboration with the Department of Environment, Land, Water and Planning and in partnership with Councils, communities, government agencies and the development industry.

The key policy drivers for the Authority is the delivery of *Plan Melbourne 2017-2050*, the government's regional growth plans, and *Homes for Victorians: affordability, access and choice*. In giving spatial effect to these drivers, I look to the Authority to demonstrate leadership, innovation and outstanding professionalism in all of its activities.

I also look to the Authority to make the most of the opportunities for collaboration that are presented by my portfolio responsibilities and by the functions co-located within my department – in particular, to pursue planning outputs that support attainment of affordable housing, integrated water management and sustainability outcomes.

I expect the Authority to deliver strongly on its core role in Victoria's planning system, providing spatial urban growth planning solutions for identified areas and sites to shape and deliver programs of activity that accord with the Authority's *Strategic Plan 2017-20* and that are framed around the following eight priority program areas: Priority Precincts; Urban Renewal in Melbourne; Melbourne Growth Corridors; Regional Cities and Towns; Infrastructure Planning and Coordination; Streamlining Plan Delivery; Planning Solutions, Innovations and Partnerships; and Organisational Capability and Capacity.

An important indicator of the Authority's effectiveness in delivering on government's priority projects and its business activities will be transparent and timely reporting and I have requested that my department work closely with the Authority to establish a robust reporting framework, metrics and measures that will align with broader departmental and statutory reporting obligations and timeframes.



I look forward to receiving the Authority's draft Business Plan for 2019-20 by 31 May 2019.

If you have any further queries about this matter, please contact Ms Fiona Delahunt, Executive Director, Forward Policy and Business Strategy, of the Department of Environment, Land, Water and Planning on telephone (03) 8683 0916 or via email [fiona.k.delahunt@delwp.vic.gov.au](mailto:fiona.k.delahunt@delwp.vic.gov.au).

Yours sincerely



**HON RICHARD WYNNE MP**  
**Minister for Planning**

7 / 4 / 2019

*Cc Hon Gavin Jennings MP, Minister for Priority Precincts*

*Encl.*

## Victorian Planning Authority Act 2017

### Direction to the Victorian Planning Authority

I, Richard Wynne MP, Minister for Planning, give the following direction to the Victorian Planning Authority (Authority) under section 36(1) of the *Victorian Planning Authority Act 2017*.

The previous direction dated 3 September 2018 to the Authority under section 36(1) of the *Victorian Planning Authority Act 2017* is revoked.

#### Priorities

1. This direction provides the strategic overview of the business activities and priority program areas that form the *work program* for the Authority for the period 2019-2020 to 2021-2022. By 31 May of each calendar year, the Authority will deliver for my approval a draft annual business plan that will articulate how the Authority will deliver the business activities, priority programs and related projects.
2. The *work program* will include the following components:
  - a. this direction
  - b. the eight (8) priority program areas that underpin the role of the Authority as the Victorian Government's strategic spatial land use planning agency
  - c. projects and activities proposed to be undertaken in 2019-20 financial year to deliver the priority program areas including the implementation plan actions in *Plan Melbourne 2017-2050* and *Homes for Victorians* where the Authority is assigned as lead or as an implementation partner
  - d. any major new project, or activity aligned with the Victorian Government's strategic plans, as directed and approved by me or my delegate during the financial year.
3. The *eight priority programs* and related activities for 2019-2020 are:
  - a. *Priority Precincts*: The Authority will work with the Department of Environment, Land, Water and Planning (DELWP) and with the Department of Jobs, Precincts and Regions (DJPR) to provide spatial planning advice that supports the sustainable development and growth of priority precincts, including in relation to delivering the Suburban Rail Loop project.
  - b. *Urban renewal in Melbourne*: As a key contributor to achieving the goal of accommodating 70 per cent of Melbourne's dwelling growth in suitable locations across established suburbs, the Authority will focus on unlocking key central city precincts, planning for priority suburban employment areas (including National Employment and Innovation Clusters) and planning for strategic sites and areas that can deliver quality mixed-use, walkable communities in transit-rich locations.
  - c. *Melbourne growth corridors*: The Authority will maintain a core focus on achieving a zoned capacity of around 15 years supply of land in Melbourne's fast growing outer suburbs, through effective delivery of Precinct Structure Planning, including an enhanced focus on planning for employment lands in Melbourne's growth corridors. The Authority will continue its endeavours to coordinate and inform decisions required to deliver infrastructure and services to developing growth areas.
  - d. *Regional cities and towns*: The Authority will work with Victoria's regions to optimise diverse opportunities by providing urban growth planning solutions in designated regional cities and towns and boost the capacity of regional Councils to plan for the future of their communities.
  - e. *Infrastructure planning and coordination*: The Authority will liaise across Government and industry to provide advice and solutions aimed at ensuring that infrastructure is delivered in line with demand and is supported by infrastructure contributions plans. The Authority will consult across Government to ensure infrastructure requirements are reflected in planning frameworks and will provide Councils, Government agencies and utility providers with quality advice regarding the infrastructure implications of the Authority's planning program. The Authority will continue to play a key role in advising on the allocation of Growth Areas Infrastructure Contributions (GAIC) funds,



and will seek to negotiate GAIC works-in-kind agreements in order to promote certainty, timeliness and cost-efficiency in delivery of key State infrastructure.

- f. *Streamlining plan delivery*: The Authority will work closely with Councils, agencies and the development industry to identify and remove inefficiencies in post-plan approval processes and influence the market's ability to respond to changes in demand; this will include acquitting delivery of the *Streamlining for Growth* metropolitan initiatives, and greenfield and established areas projects funded in 2017-18 and 2018-19. The Authority will deliver the *Streamlining for Growth* regional initiative, including progressing regional projects arising from the Regional Partnership process in align with my approvals.
- g. *Planning solutions, innovation and partnerships*: The Authority will work with DELWP Planning Group to consider opportunities to improve the implementation of place-based growth planning frameworks; this will include giving effect to new infrastructure contributions plans that provide a clear sequence for growth area development and provide industry with a pipeline of urban renewal projects. Working with DELWP, the Authority will identify and trial innovations in spatial planning, that can contribute to enhanced and rigorous monitoring of development outcomes in growth areas.
- h. *Organisational Capability and Capacity*: The Authority will maintain strong governance, risk and financial management functions to ensure that programs are appropriately delivered, and to implement programs of activity that will strengthen the organisation's capacity to deliver.

#### Giving effect to these priorities

4. The Authority will prepare a Business Plan, pursuant to Section 44 of the *Victorian Planning Authority Act 2017*, that sets out a detailed work program to give effect to the priorities outlined in section 1 to 3 of this direction.
5. In addition to the requirements of Section 44(1)(a-d) of the Act, the Authority will work with DELWP Planning Group to establish the reporting framework to monitor, report and measure outputs and outcomes of the work program, provide transparency and accountability and meet with whole of government governance standards.
6. On my approval of the annual Business Plan, the Authority will be conferred such statutory authorisations as may be required to empower its delivery of the range of activities within its work program. Authorisations will fall into one of the following roles, dependent upon the project and activity undertaken, unless otherwise stated:

ROLE	DESCRIPTION
PLANNING AUTHORITY	Where the Victorian Planning Authority is the appointed <i>Planning Authority</i> 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.
PROVIDER	Where the local Council or Minister is the <i>Planning Authority</i> and the Victorian Planning Authority has the lead role to prepare a plan or other report, working in partnership with the relevant Council(s) and government agencies, which the Victorian Planning Authority then submits to the <i>Planning Authority</i> for progress through the statutory process.
ADVISOR	Provide advice, finance and technical advice and support in relation to a plan being prepared by a Council or government agency. The Victorian Planning Authority advises and influences, but does not determine the content.
FACILITATOR	Victorian Planning Authority assists a Council or government agency with their work, providing a grant or general advice about how planning policies need to be considered. May involve participation in a Steering Committee or Project Group.

7. Notwithstanding, the requirement to submit an annual work program I have authorised the Authority to be *planning authority* to prepare amendments pursuant to section 9 of the *Planning and Environment Act 1987* within growth areas and in other designated areas.

8. I have also authorised the Authority to be *planning authority* to prepare amendments in relation to projects/areas so designated. The projects/areas to which this authorisation applies is specified within the annual work program. This authorisation only operates in respect of amendments that implement a Structure Plan, and Infrastructure Contributions Plan or a Development Contributions Plan, and in preparing the amendment the Authority must consult with:
- a. the Minister for Planning
  - b. the relevant Council
  - c. the Department of Environment, Land, Water and Planning and
  - d. any other public sector body if the amendment is likely to significantly affect the functions of the public sector body.
9. I issued *Ministerial Direction No. 18 (Victorian Planning Authority Advice on Planning Scheme Amendments)* on 28 January 2018 to provide greater certainty about the Authority's role when it is **not** the *planning authority* but is providing advice and/or preparing documentation for councils. The Ministerial Direction is a strong reflection of the Authority's status as the Victorian Government's strategic spatial planning agency, and of the Authority's commitment to working with councils across the state to drive spatial planning solutions.
10. I have approved the Authority to provide advice and assistance to councils and public sector bodies under section 8(3) of the *Victorian Planning Authority Act 2017*. I also approve, under section 33(1) of the *Victorian Planning Authority Act 2017*, that the Authority may request certain information from councils by written notice in relation to all projects designated in this direction.
11. I have authorised the Authority to act as responsible authority in respect of:
- Specified planning permit decisions in East Werribee Employment Precinct
  - Collection of section 173 funds in specified situations for land within the Fishermans Bend Urban Renewal Area



HON RICHARD WYNNE MP  
Minister for Planning

7 / 4 / 2019

# Attachment B – Minister for Business Precincts' Direction to the VPA



The Hon Martin Pakula MP

Minister for Industry Support and Recovery  
Minister for Trade  
Minister for Business Precincts  
Minister for Tourism, Sport and Major Events  
Minister for Racing

121 Exhibition Street  
Melbourne, Victoria 3000 Australia  
Telephone: + 61 3 8392 2221  
DX210074

Ref: BMIN-2-21-9578

Ms Jude Munro AO  
Chair  
Victorian Planning Authority  
Level 25, 35 Collins Street  
MELBOURNE VIC 3000

Dear Ms Munro

## MINISTERIAL DIRECTION FOR THE VICTORIAN PLANNING AUTHORITY

I am pleased to provide the attached direction for the Victorian Planning Authority (VPA), pursuant to Section 36(1) of the *Victorian Planning Authority Act 2017*.

The direction will remain in effect for two years spanning the periods 2021-2022 and 2022-2023 or until a new direction is provided. It lists the priorities I seek the VPA to undertake for the Business Precincts portfolio. Those activities will be reflected in the VPA's annual Business Plan, which will be publicly released following approval by the Minister for Planning.

I require the VPA to provide spatial, planning and development advice for Victoria's Business Precincts, initially including but not limited to Footscray, Fishermans Bend, Parkville (including the Melbourne Biomedical Precinct), Docklands, Werribee National Employment and Innovation Cluster (NEIC), Monash NEIC and La Trobe NEIC.

In providing advice for Victoria's Business Precincts, the VPA should consider and deliver the portfolio's objective: to lead the development of vibrant and prosperous places for Victorians to live and work. I expect the VPA to be bold, innovative and evidence-based to ensure Victorians have more jobs, thriving places and inclusive communities.

In planning for Business Precincts, the VPA should have regard to ensuring a diverse mix of uses, quality urban form and adequate provision of social and affordable housing. The VPA should ensure that planning for Business Precincts emphasises walkability, connectivity and lively public spaces that incentivises quality economic growth.


I expect the VPA to work in close collaboration with the Department of Jobs, Precincts and Regions and in partnership with councils, communities, government agencies and the development industry.



I look forward to receiving a copy of the VPA's Business Plan for 2021-2022.

If you have any further queries, please contact Tania Quick, Acting Executive Director, Precinct Planning and Coordination, Department of Jobs, Precincts and Regions on 0417 340 985 or by email: [emily.mottram@ecodev.vic.gov.au](mailto:emily.mottram@ecodev.vic.gov.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Martin Pakula', is written over a light grey rectangular background.

**THE HON MARTIN PAKULA MP**  
**Minister for Business Precincts**

cc: The Hon Richard Wynne MP, Minister for Planning



## **Victorian Planning Authority Act 2017**

### **Direction to the Victorian Planning Authority**

1. I, the Hon Martin Pakula MP, Minister for Business Precincts, give the following direction to the Victorian Planning Authority (VPA) under Section 36(1) of the *Victorian Planning Authority Act 2017* for the period 2021-2022 and 2022-2023 inclusive, to include projects related to the precinct related powers and functions within the VPA's work program, as outlined to the VPA in the Minister for Planning's Direction of 7 April 2019.
2. VPA's work program will contain the following components related to my precinct related powers and functions:
  - Projects and activities to be undertaken in the 2021-2022 and 2022-2023 financial year, as outlined in this direction,
  - Any new designated priority business precinct or project as directed and approved by me or my delegate during the financial year.
3. The work program, inclusive of projects related to my precinct related powers and functions, will be included in the draft VPA Business Plan which the VPA is required to submit annually to the Minister for Planning by 31 May, for his consideration and approval.
4. The VPA has expertise that can support the achievements of my portfolio. This includes, but is not limited to:
  - a) leading or supporting creating a shared vision for the area;
  - b) providing spatial and development advice;
  - c) developing scenario models and metrics;
  - d) identifying and preparing planning instruments to unlock development; and
  - e) identifying contribution arrangements.
5. The VPA is to apply this expertise to precincts, initially including but not limited to:
  - a) Footscray;
  - b) Fishermans Bend;
  - c) Parkville (including the Melbourne Biomedical Precinct);
  - d) Docklands;
  - e) Werribee National Employment and Innovation Cluster
  - f) Monash National Employment and Innovation Cluster outside of Suburban Rail Loop precinct(s); and
  - g) La Trobe National Employment and Innovation Cluster outside of Suburban Rail Loop precinct(s).
6. The work program will be undertaken subject to the necessary funding arrangements and service level agreement facilitated through my department with the VPA.

**Giving effect to these priorities**

The VPA will work with the Department of Jobs, Precincts and Regions to establish a funding and reporting framework to monitor, report and measure outputs and outcomes of the work program, provide transparency and accountability and meet with whole of government governance standards.



**THE HON MARTIN PAKULA MP**  
**Minister for Business Precincts**

Date: 19.5.21

Cc: The Hon Richard Wynne MP  
Minister for Planning

**Victorian Planning Authority**

Level 25, 35 Collins Street  
Melbourne Victoria 3000

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