

Acknowledgement of Country

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.





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VPA project types

Structure plan Typically, Precinct Structure Plans (PSP) or Comprehensive Development Plans (CDP)	A high-level strategic plan that sets out the preferred spatial location of key land uses, built form and infrastructure. Guides decisions on staging of development, subdivision permits, building permits and infrastructure delivery. Once approved, structure plans are given effect by planning controls and become incorporated documents in the planning scheme.
Infrastructure and Growth Alignment Framework (IGAF)	Identifies where a city/region has the capacity to accommodate development that can be serviced by existing or known future infrastructure. It recommends forward planning and development sequencing by state and local government agencies through improved forecasting for population growth and future residents' needs.
Urban Design Framework (UDF)	A strategic planning tool that sets out an integrated design vision and planning controls for the desired future built form of an urban place.
Growth Areas Infrastructure Contribution Work-In-Kind agreement (GAIC WIK)	An agreement between a person liable to pay GAIC and the Minister for Planning. Under a WIK the liable person agrees that they will provide land and/or works (construction of state infrastructure), instead of a cash payment, to meet the whole or part of their GAIC liability.
Development plan	A long-term plan for urban development that describes how land is expected to be developed, how land uses may change over time and where and how services, utilities and transport infrastructure will support future development. Once approved, a development plan is given effect by a development plan overlay.
Renewal strategy	A document that outlines the strategy for future development of an urban place.
Due diligence	Tests and proves if a project is viable for consideration for the VPA program. The due diligence process may include preliminary stakeholder discussions, solving threshold issues, scoping and/or budgeting analysis. When the process is complete, we consider if it is viable to undertake further planning work (e.g. a PSP). If it is viable, we will seek approval from government to include the project on a future VPA work program.

VPA project roles

Planning Authority

- We are appointed Planning Authority by the Minister for Planning.
- We have the mandate to lead the project and deliver the outcome – including recommending a planning scheme amendment to the minister.
- We work closely with the relevant council(s) and government agencies.

Provider

- We have the lead role to prepare a plan (or other report) for the client minister or government agency.
- We work in partnership with the relevant council(s) and government agencies.
- We submit our plan to the planning authority to progress through the statutory process.

Facilitator

- We facilitate outcomes on behalf of government, without relying on our role as Planning Authority or Provider, for example:
 - » negotiate GAIC WIK agreements.
 - » provide advice or assistance in VPA-planned areas, e.g. in interpreting or applying the provisions of a PSP.
 - » provide ongoing advice to councils in relation to projects where we have completed our substantive role.

Advisor

- We advise and influence but do not determine the outcome or the contents of the plan or policy, for example:
 - » strategic/statutory planning, spatial analytics and/or technical advice to support development of a plan or policy being prepared by a government department or local council.

Our plan for 2023/24



Jude Munro AO Chair



Stuart MoseleyChief Executive Officer

This is an exciting time of change as the Victorian Planning Authority (VPA) takes up a key role in delivering <u>Victoria's Housing Statement</u>:

<u>The Decade Ahead 2024-2034</u>. Released in September 2023, the Housing Statement presents a clear vision for Victoria's housing future backed by a bold target of 80,000 new homes each year over the next decade – and the VPA has a vitally important role to play.

In the short term, we will be focussing on 21 priority projects that will deliver zoned capacity for more than 60,000 homes and 60,000 jobs.¹ We will also provide planning advice and services to the Department of Transport and Planning for plans that will unlock an additional 60,000 homes in an initial 10 activity centres across Melbourne.²

The Housing Statement also sets a pathway for determining our future priorities. A new plan for Victoria will bring to life the government's target for 70 per cent of Melbourne's new homes to be built in established areas.³ A review of the *Planning and Environment Act 1987* will revitalise Victoria's planning system, and our role in it.⁴

The work program outlined in this Business Plan sets the VPA up to transition over time to a greater focus on plans to support our growing population in established Melbourne.

This plan will be reviewed by the VPA Board quarterly throughout the year so that government priorities and ministerial directions are accommodated.

The VPA will continue to deliver permit-ready plans for new and renewed communities across Melbourne and in our thriving regional cities and peri-urban towns. This includes plans that will unlock industrial land to underpin employment and economic growth.

In 2023/24, many projects from our 2022/23 work program will continue. Some projects will be retimed as we shift our focus and work through place-based challenges.

Our core objective over the next four years is to deliver evidence-based, criteria-driven rolling programs of work to support new homes, jobs and infrastructure for Victorians.

¹ Victoria's Housing Statement, page 21

^{2 &}lt;u>Victoria's Housing Statement, page 11</u>

³ Victoria's Housing Statement, page 41

⁴ Victoria's Housing Statement, page 41



Delivering government priorities

Victoria is the fastest growing state in Australia. By 2051, the state will be home to around 10.3 million people. New Victorians will need homes. To ease the acute pressure people are currently facing, the Housing Statement sets a target to deliver 2.24 million homes by 2051 – that's around 80,000 a year. We will also need to support job creation and a thriving Victorian economy. We will need to accommodate at least the same number of new jobs as there will be new homes.

To support our growing urban communities, and to reach the target of 80,000 homes each year, Victoria requires a steady supply of permit-ready land for residential, industrial and commercial development. This land will be in a broad range of locations, in our regional cities and peri-urban towns, in established Melbourne and in Melbourne's greenfield growth areas. And it must be close to infrastructure, including public transport, services and amenities. The government has made it clear that aligning housing development in greenfield areas (in Melbourne and regional cities) with infrastructure provision is a key priority.

To deliver the homes and jobs required, the Victorian Government is actioning a refreshed approach to land, planning and precincts. This approach focuses on ramping up housing supply – as outlined in the Housing Statement – and reviewing the long-term growth plans for the state through a new plan for Victoria.

The Housing Statement sets priorities to increase opportunities for homes in Melbourne's middle and inner suburbs and to continue delivery of a sustainable supply of greenfield residential land. This will support greater housing choice by increasing the supply of affordable, diverse and well-designed housing across metropolitan Melbourne and regional Victoria.

The VPA will be a key player in delivering these priorities. The VPA is the lead entity for delivering structure plans to rezone land for jobs and housing in designated areas across Victoria.

The government has invested in a variety of planning-related initiatives in 2023/24. This includes an initial investment of \$3.5 million in the VPA, on top of base appropriations, to assist in supporting our planning work.

In 2023/24, the VPA will also deliver other planning, streamlining, innovation and partnership initiatives to support more efficient planning processes, greater infrastructure coordination and strengthened partnerships – especially with Traditional Owners – across all development settings.

Partnering to deliver better and faster plans

In 2023/24, we will work closely with the newly established Department of Transport and Planning and across government, Traditional Owners, councils and the private sector.

We bring to the table a depth of strategic and statutory planning experience (from the delivery of over 69 place-based plans in the past 16 years across greenfield and renewal settings), technical know-how and analytical capability.

Bringing together planning and transport in the new department offers the opportunity to enhance the integration of transport infrastructure and land use. This will help ensure future homes are built in places where there is existing transport infrastructure capacity, or where capacity can be planned and delivered to service new and growing populations.

We will work with the department to identify opportunities for strong and efficient plan delivery and partner to roll out replicable, consistent and tested planning processes.

We will provide planning advice and services to the department to support delivery of plans for an initial 10 activity centres across Melbourne.

We will continue to build and maintain strong partnerships with communities, local councils, Victorian Government agencies and peak industry organisations to help the government achieve its housing, jobs and infrastructure aspirations.



Our 2023/24 work programs

Our programs to support new homes, jobs and infrastructure for Victorians

Regional Victoria

Deliver projects for development-ready urban renewal and greenfield precincts in growing regional cities and towns, including frameworks to better align growth and infrastructure in key regional cities.

Industrial Land

Deliver projects in regional cities and Melbourne's greenfield growth areas to boost supply of industrial and commercial land in strategic locations.

Established Melbourne

Deliver projects, advice and services that contribute to increased opportunities for homes in Melbourne's middle and inner suburbs.

Melbourne New Communities

Deliver projects to support sustainable future development in Melbourne's greenfield growth areas.

Our program for streamlining, innovation and partnership

Implement key initiatives to deliver plans that facilitate liveable, connected, affordable, culturally diverse and sustainable communities.

Actions include:

- stronger and more efficient planning processes.
- improved precinct planning outcomes and infrastructure coordination advice.
- activities to strengthen Traditional Owner engagement.

Our project tiers

Tier 1

Housing Statement priority projects⁵ (21 priority projects and advice and services to DTP in relation to activity centres).

Tier 2

Projects that are progressing subject to technical studies being undertaken and completed across government to determine appropriate next steps, e.g. in relation to infrastructure or biodiversity.

Tier 3

Projects where work is being undertaken across government or with stakeholders to confirm readiness for VPA to progress to plan preparation.

Our project list will be reviewed quarterly and is flexible to accommodate delivery of government priorities at the direction of the Minister.

⁵ Victoria's Housing Statement, page 21

Regional Victoria

In Victoria's regions, we have nine projects on program that will deliver future dwellings and jobs in greenfield and urban renewal areas to alleviate housing supply shortages. The seven Housing Statement projects will have potential, when fully developed, to accommodate an estimated 23,000 future homes and 6,000 jobs.

The VPA aspires to expand our regional program in the future, based on directions set by a new plan for Victoria.

Tier	Project name	Project type	VPA role	Local Government Area	Traditional Owners
1	Wonthaggi North East*	PSP	Planning Authority	Bass Coast	Bunurong
1	Ballarat	IGAF	Facilitator	Ballarat	Wadawurrung
1	Shepparton South East	PSP	Planning Authority	Greater Shepparton	Yorta Yorta
1	Corio Norlane	Renewal strategy	Provider	Greater Geelong	Wadawurrung
1	Bannockburn South East	PSP	Planning Authority	Golden Plains	Wadawurrung
1	East of Aberline	PSP	Planning Authority	Warrnambool	Eastern Maar
1	Ballarat North	PSP	Planning Authority	Ballarat	Wadawurrung
2	Merrimu	PSP	Planning Authority	Moorabool	Wurundjeri
2	Parwan	PSP	Planning Authority	Moorabool	Wadawurrung

^{*} Project to be completed in 2023/24 as per Budget Paper 3 (BP3) requirement





Industrial Land

We have introduced a new program that gives focus to rezoning land for industrial and commercial uses to accommodate new and growing Victorian businesses. This program will deliver plans for new industrial and commercial precincts in key regional locations and in places identified in the *Melbourne Industrial and Commercial Land Use Plan*.

It will support whole-of-government action to preserve Victoria's strategic advantages, promote economic growth and provide jobs closer to homes. The VPA aims to plan for one job per new household at the corridor/town scale.

The program includes seven Housing Statement projects and two other projects that will provide capacity for thousands of future jobs when they are developed – the four priority projects currently at precinct planning stage will deliver capacity for an estimated 50,000 future jobs.

Tier	Location	Project name	Project type	VPA role	Local Government Area	Traditional Owners
1	Metro Melbourne	Officer South (Employment)*	PSP	Planning Authority	Cardinia	Bunurong
1	Regional Victoria	Greater Avalon (Employment)	PSP	Planning Authority	Greater Geelong	Wadawurrung
1	Metro Melbourne	Casey Fields South (Employment)	PSP	Planning Authority	Casey	Bunurong
1	Metro Melbourne	Croskell (Employment)	PSP	Planning Authority	Casey	Bunurong
1	Metro Melbourne	Merrifield North	Due diligence	Planning Authority	Hume & Mitchell	Wurundjeri
1	Metro Melbourne	Mambourin East	Due diligence	Planning Authority	Wyndham	Wadawurrung
1	Metro Melbourne	Werribee Junction	Due diligence	Planning Authority	Wyndham	Wadawurrung
2	Regional Victoria	Bendigo Regional Employment Precinct	PSP	Planning Authority	Greater Bendigo	Dja Dja Wurrung
2	Regional Victoria	Parwan (Employment)	Development plan	Planning Authority	Moorabool	Wadawurrung

^{*} Project to be completed in 2023/24 as per Budget Paper 3 (BP3) requirement

Established Melbourne

The VPA is supporting the government's priority to increase opportunities for homes in Melbourne's middle and inner suburbs. Our capacity to deliver is clear – having completed six urban renewal plans since 2018, with capacity for 19,000 homes and 47,000 jobs.

We have one Housing Statement project underway which has the potential to accommodate an estimated 10,000 future homes.

In line with policy, and on direction from the government, we aspire to considerably expand our Established Melbourne program in the future, based on the directions to be set by a new plan for Victoria. In 2023/24 we will also provide planning advice and services to the Department of Transport and Planning to support delivery of the Housing Statement program to increase housing choice in activity centres. The government aims to introduce clear planning controls to deliver an additional 60,000 homes around an initial 10 activity centres across Melbourne: Broadmeadows, Camberwell Junction, Chadstone, Epping, Frankston, Moorabbin, Niddrie (Keilor Road), North Essendon, Preston (High Street) and Ringwood.⁶

Activity centre plans will guide investment in the things a growing suburb needs like community facilities, public spaces and parks. The program will also consider the best way to incentivise more affordable housing.⁷

Tier	Project name	Project type	VPA role	Local Government Area	Traditional Owners
1	Braybrook Regeneration Project	UDF	Planning Authority	Maribyrnong	Bunurong Wurundjeri



⁶ Victoria's Housing Statement, page 11

⁷ Victoria's Housing Statement, page 11



Melbourne New Communities

The Housing Statement is clear that the government remains committed to sustainable delivery of new communities in Melbourne, and to ensuring these communities have the transport and infrastructure they require.⁸

The VPA has 12 Melbourne growth area projects on our program. Six of these are Housing Statement projects that have potential, when fully developed, to accommodate an estimated 30,000 future homes and 6,000 jobs.

From 2023/24, our plans for new communities will include new, stronger staging clauses so councils can ensure an orderly sequence of development and so permits are not issued until key infrastructure items are in place or committed.

The VPA will continue to work with relevant departments and agencies to plan, coordinate and negotiate future transport and infrastructure to connect people to jobs and services.

Tier	Project name	Project type	VPA role	Corridor	Local Government Area	Traditional Owners
1	Beveridge North West*	PSP	Planning Authority	North	Mitchell	Wurundjeri
1	Gunns Gully Road Interchange	GAIC WIK	Provider	North	Hume & Mitchell	Wurundjeri
1	Greenvale North (Part 2)	PSP	Planning Authority	North	Hume	Wurundjeri
1	Devon Meadows	PSP	Planning Authority	South East	Casey	Bunurong
1	Melton East	PSP	Planning Authority	West	Melton	Wurundjeri
1	Clyde South	Due diligence	Planning Authority	South East	Casey	Bunurong
2	Wallan South	PSP	Planning Authority	North	Mitchell	Wurundjeri
2	Wallan East (Part 1)	PSP	Planning Authority	North	Mitchell	Wurundjeri
2	Cardinia Creek South (Part 2)	PSP	Planning Authority	South East	Casey	Bunurong
3	Rockbank South	PSP	Planning Authority	West	Melton	Wurundjeri
3	Oakbank PSP (council led)	PSP	Advisor	West	Wyndham	Bunurong
3	Kororoit (Part 2)	PSP	Planning Authority	West	Melton	Wurundjeri

^{*} Project to be completed in 2023/24 as per Budget Paper 3 (BP3) requirement

^{8 &}lt;u>Victoria's Housing Statement, page 21</u>

Streamlining, Innovation and Partnership

Our focus this year is on building and strengthening partnerships so that we can deliver plans that facilitate liveable, connected, affordable and sustainable communities. In 2023/24 we will deliver initiatives as outlined in the table below.

Initiative	Key action/s
Strong and efficient planning processes	 Recommend options (for government consideration) to enable the VPA to deliver precinct plans in a two-year timeframe.
Precinct planning reform and guidance	 On government direction, inform and scope whole-of-government improvements to precinct planning and oversight. Develop clear guidance to enhance VPA practice and encourage innovation. Provide advice to councils and others in line with Ministerial Direction 18.
Small Lot Housing Code (part 2)	 Finalise Small Lot Housing Code (part 2) to boost housing diversity and affordability and to minimise risks to approvals.
Financial sustainability	 Explore future VPA cost recovery model and recommend options for government consideration.
Advice to government	 Input into policy development processes including, as outlined in the Housing Statement, a new plan for Victoria and review of the Planning and Environment Act 1987.
Traditional Owner engagement and protecting cultural heritage	 Review how the VPA engages with Traditional Owners/Registered Aboriginal Parties and considers cultural heritage in plans.
Infrastructure advice and contributions	 Continue to negotiate Growth Area Infrastructure Contribution (GAIC) work-in-kind agreements. Continue to administer GAIC staged payment arrangements (SPAs).
Organisational capability	Invest in strengthening organisational innovation and project management capability.



Project location map



Tier 1 - Housing Statement priority projects 21 priority projects and advice and services to DTP in relation to 10 activity centres



Tier 2 - Projects that are progressing subject to technical studies being undertaken and completed across government to determine appropriate next steps



Tier 3 - Projects where work is being undertaken across government or with stakeholders to confirm readiness for VPA to progress to plan preparation





- * Project to be completed in 2023/24 as per Budget Paper 3 (BP3) requirement
- ** Project to progress through due diligence stage only
- Established Melbourne
- Melbourne growth areas
- LGA boundaries

Budget and financial projections

The VPA has adopted the following budget for 2023/24 and has endorsed, in principle, the financial projections for the subsequent three years. The budget reflects sources of funding that are committed. Note, amounts have been rounded to the nearest \$100,000 so totals may not equate. This budget does not include necessary (unbudgeted at this stage) future funding from the Department of Transport and Planning for planning advice and services provided in relation to activity centres across Melbourne (10 projects).

Income

	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)	2026-27 (\$m)
Base appropriation	12.1	11.9	11.9	11.9
Supplementary appropriations Unlocking New Communities and Affordable Housing	3.5	0	0	0
External contributions	7.2	6	5.5	5.5
Interest revenue	1	0.7	0.3	0.2
Reimbursement and other revenue	0.4	0.4	0.4	0.4
Total income	24.2	19	18.1	18

Expenditure

	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)	2026-27 (\$m)
Employee costs	15.3	13.6	12.2	10.4
Contractors and professional services	6.7	6	5.5	5
Asset and accommodation	1.7	1.8	1.9	1.9
Information technology	1.2	1.1	1.1	1.1
Other operating costs	0.5	0.3	0.3	0.3
Total expenditure	25.4	22.8	21	18.7

Net surplus and equity

	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)	2026-27 (\$m)
Net surplus (shortfall) for the year	-1.2	-3.8	-2.9	-0.7
Brought forward surplus	8.7	7.4	3.6	0.8
Total accumulated surplus at end of year	7.4	3.6	0.8	0.1

Key performance measures

In 2023/24, there are two Budget Paper 3 (BP3) performance measures relevant to the VPA's work program. Relevant KPIs are highlighted in bold below.

Program	Outputs and performance measures	KPI for 2023/24
Regional Victoria	 Plans and spatial planning advice to deliver critical housing supply and more housing choice in thriving regional cities and towns 	 Plan preparation for one precinct structure plan (Wonthaggi North East) complete (approved by VPA Board) Ballarat infrastructure growth alignment framework completed (approved by VPA Board)
Industrial Land	 Plans and spatial planning advice for new employment precincts to preserve Victoria's strategic advantages, promote economic growth and provide jobs closer to homes 	 Plan preparation for one precinct structure plan (Officer South Employment) complete (approved by VPA Board) Due diligence completed on three projects
Established Melbourne	 Plans and spatial planning advice to increase opportunities for homes and jobs in Melbourne's inner and middle suburbs Deliver planning advice and services to the Department of Transport and Planning to support activity centre plans, as approved by the Minister for Planning 	One project (Braybrook) progressed – through two stage gates
Melbourne New Communities	 Plans and spatial planning advice to facilitate sustainable housing supply in Melbourne's growth areas New sequencing and staging provisions 	 Plan preparation for one precinct structure plan (Beveridge North West) complete (approved by VPA Board)
Streamlining, Innovation and Partnership	 Improve planning outcomes and process efficiency Demonstrate innovation Enhance engagement with Traditional Owners, communities and partners Support delivery of the government's infrastructure program Input into policy development process to support better planning outcomes and more efficient planning processes 	 Prepare at least three guidance notes including on sequencing/staging and planning for cultural diversity (approved by VPA Board) Small Lot Housing Code (part two) complete (approved by VPA Board) Commence implementation of a new organisational project management system

Plan on a page

Homes, jobs and infrastructure for Victorians

Program	Tier 1: Housing Statement projects 21 priority projects and advice and services to DTP in relation to activity centres	Tier 2 Projects progressing subject to technical studies being undertaken and completed across government to determine appropriate next steps, e.g. in relation to infrastructure or biodiversity	Tier 3 Projects where work is being undertaken across government or with stakeholders to confirm readiness for VPA to progress to plan preparation
Regional Victoria	 Wonthaggi North East PSP* Ballarat Infrastructure Growth Alignment Framework Shepparton South East PSP Corio Norlane Renewal Strategy Bannockburn South East PSP East of Aberline PSP Ballarat North PSP 	Merrimu PSP Parwan PSP	
Industrial Land	 Officer South (Employment) PSP* Greater Avalon (Employment) PSP Casey Fields South (Employment) PSP Croskell (Employment) PSP Merrifield North (due diligence only) Mambourin East (due diligence only) Werribee Junction (due diligence only) 	 Bendigo Regional Employment Precinct Parwan (Employment) Development Plan 	
Established Melbourne**	Braybrook Regeneration Project		
Melbourne New Communities	 Beveridge North West PSP* Gunns Gully Road Interchange GAIC WIK Greenvale North (Part 2) PSP Devon Meadows PSP Melton East PSP Clyde South (due diligence only) 	 Wallan South PSP Wallan East (Part 1) PSP Cardinia Creek South (Part 2) PSP 	Rockbank South PSPOakbank PSP (council led)Kororoit (Part 2) PSP

- * Project to be completed in 2023/24 as per Budget Paper 3 (BP3) requirement
- ** The VPA will also provide planning advice and services to the Department of Transport and Planning in relation to activity centres across Melbourne (10 projects)

Streamlining, Innovation and Partnership

- Strong and efficient planning processes
- Precinct planning reform and guidance
- Small Lot Housing Code (part 2)
- Financial sustainability
- Advice to government
- Traditional Owner engagement and protection of cultural heritage
- Infrastructure advice and contributions
- Organisational capability

What is due diligence?

Tests and proves if a project is viable for consideration for the VPA program. The due diligence process may include preliminary stakeholder discussions, solving threshold issues, scoping and/or budgeting analysis. When the process is complete, we consider if it is viable to undertake further planning work (e.g. a PSP). If it is viable, we will seek approval from government to include the project on a future VPA work program.





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