

Business Plan

2014-2015

partners in planning and infrastructure coordination



Mission

To be an active partner in ensuring Melbourne's and Victoria's affordable, sustainable and liveable new communities are of the highest international standard.

Our Values and Behaviours

In all its work, the MPA demonstrates the following values and behaviours:

Value

Behaviours

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

Business Plan 2014-2015

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Introduction



Minister for Planning

Over the past year, the State Government has worked hard to deliver a Metropolitan Planning Authority (MPA) with the expanded responsibilities, powers and resources to manage Melbourne's growth.

The MPA, formerly the Growth Areas Authority, has been a standout agency within the Victorian public sector. Its work, which now has the certainty of long-term government funding, will ensure that Victorians benefit from the infrastructure, jobs and housing benefits that flow on from best practice land use planning.

Melbourne's population and jobs market are expected to almost double by 2051 from today's current levels of

4.3 million people and approximately 2 million jobs. Planning for a forecast population of 7.7 million and workforce of up to 3.7 million is a significant task.

The government's metropolitan planning strategy, Plan Melbourne has assigned 67 key actions to the MPA. These tasks include greenfields planning, regional planning, infrastructure coordination and unlocking land within existing urban areas for future commercial and residential needs.

In order to deliver on its key objectives, the government has given the MPA planning authority powers for metropolitan Melbourne for use in strategic precincts listed in Plan Melbourne. These locations include urban renewal precincts, national employment clusters, metropolitan activity centres and health and education precincts, as well as greenfields precincts in Melbourne's declared growth areas.

The MPA will continue to work closely with local councils at project level and through the subregional planning groups. Great strides have been made through the subregional planning group process in identifying infrastructure priorities across Melbourne and I look forward to reading the first annual report on these priorities.

Master planning of greenfields sites will continue as part of the Precinct Structure Planning process. The MPA has been set a target to deliver 50,000 additional housing lots in the growth areas and is on track to achieve this.

Regional councils will also receive assistance from the MPA where required, with councils such as Baw Baw and Latrobe having already worked closely with the MPA to complete precinct structure plans and development contributions plans.

In addition, the MPA has significant work in front of it in relation to urban infill and inner suburban planning. The MPA has already proven itself to be adept at inner suburban planning, following the release of the Fishermans Bend Strategic Framework Plan to guide the development of a new inner city precinct for at least 80,000 residents and the capacity to support 40,000 jobs.

The MPA has a big job ahead in 2014-2015 but has the resources, the expertise and the will to deliver on its key objectives and to ensure Melbourne maintains its world renowned liveability.

The Hon. Matthew Guy MLC
Minister for Planning



Chairman's Message

The year ahead is the first full year of operations for the newly constituted MPA, with its clearly defined mandate and responsibilities, following the official launch of Plan Melbourne and appointment of an expanded seven-member board.

One of our key tasks for this year is to nurture and build strong, constructive 'partnership' relationships with our key stakeholders – local government, State Government authorities and the private sector in Melbourne's established suburbs, inner city and in regional Victoria.

The CEO's report provides a clear summary of our priorities for the year ahead, echoing the expectations of our Minister.

The new MPA Board is acutely aware of our responsibilities and the importance of our work as we lead the implementation of the State Government's metropolitan planning strategy, Plan Melbourne, on behalf of the Minister for Planning, the Hon. Matthew Guy MLC.

Chris Banks AM
Chairman

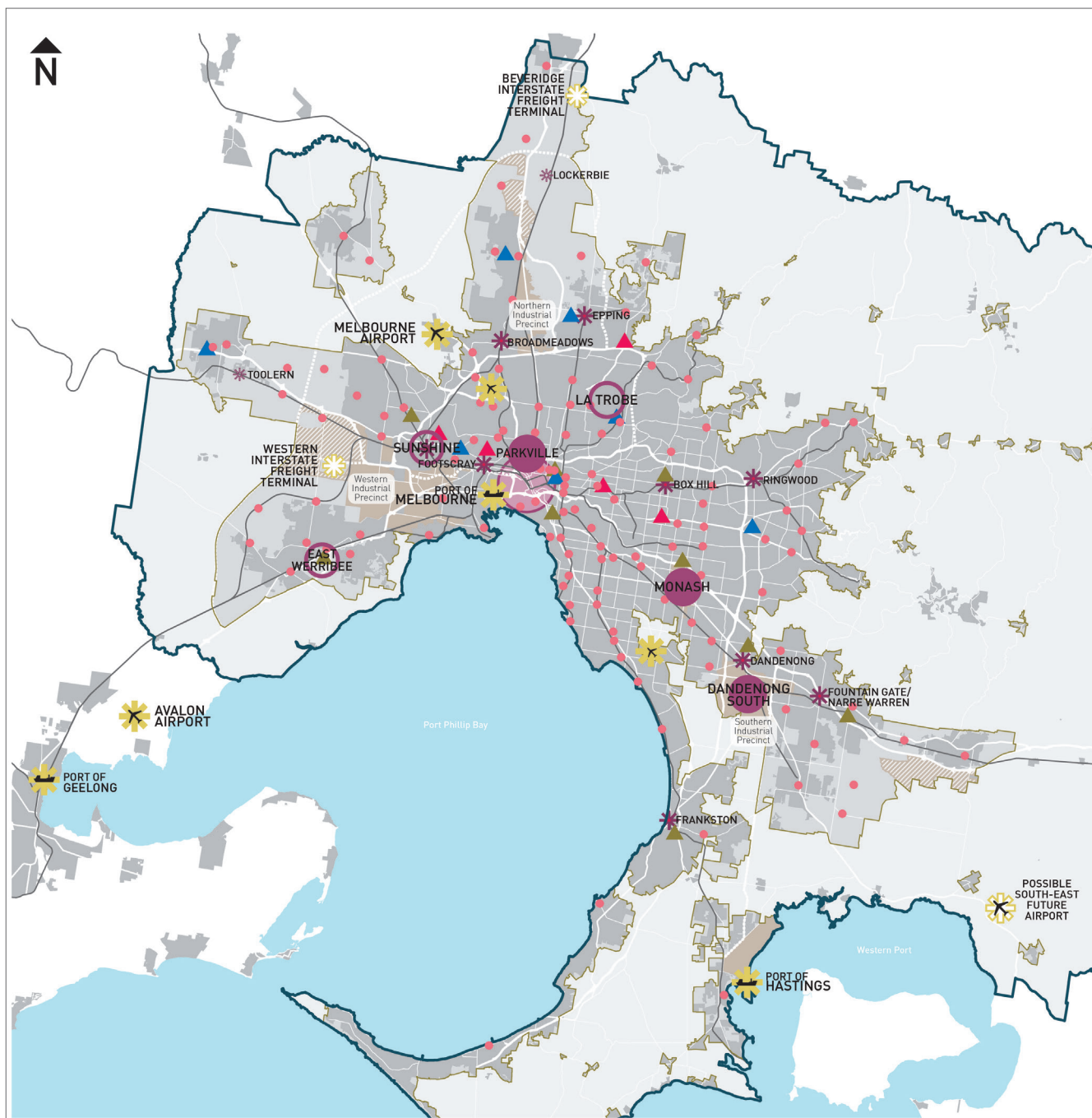


Figure 1: Plan Melbourne map of National Employment Clusters and Activity Centres

- | | |
|----------------------------------------|--------------------------------------------------|
| Metropolitan region | State-significant industrial precinct – existing |
| Metropolitan urban boundary | State-significant industrial precinct – future |
| Urban area | Metropolitan activity centre – existing |
| Road network | Metropolitan activity centre – future |
| Potential road | Activity centre – existing and future |
| Rail network | Health/Education precinct |
| Expanded central city | Health precinct |
| National employment cluster – existing | Education precinct |
| National employment cluster – emerging | Airport |
| Transport gateway – existing | Seaport |
| Transport gateway – future | |

SOURCE: DEPARTMENT OF TRANSPORT, PLANNING AND LOCAL INFRASTRUCTURE, 2014

Members of the Authority

The MPA is overseen by a highly experienced board, chaired by Chris Banks AM, that brings together a broad range of disciplines, including planning, development, economics, financial management, education and housing. The seven Authority Members were appointed by the Minister, effective from 1 July 2014. The Authority reports to the Minister for Planning, The Hon. Matthew Guy MLC.

A profile of each Authority Member is below.



Chris Banks AM (Chairman)

Chris Banks AM brings more than four decades of commitment to the housing and urban development industry.

Widely acknowledged and respected as a leader and innovator, he led both AV Jennings and Delfin to pre-eminent positions in their respective marketplaces and has been at the forefront of urban reform since the mid-1980s.



Leonie Hemingway (Deputy Chair)

Leonie Hemingway (formerly Leonie Burke) has dedicated her life to working within all three spheres of Australian government, and the people and businesses with which they interact. Recently, she has focused more on sharing her skills in legislation, good governance and business relations, as a Director/Member of both civic and government boards.



Bill Kuszniczuk

Bill Kuszniczuk brings extensive experience and knowledge in urban planning and building, and on how cities should look in the future. He is Managing Director of Clement-Stone Town Planners. He gives advice on urban planning issues across Australia. He is also a broadcaster on Fairfax radio 3AW. Bill is Chairman and Chief Commissioner of the Victorian Building Authority, an independent governing body responsible for setting and enforcing building industry regulation and practice in the State of Victoria.



Brian Haratsis

Brian Haratsis is MacroPlan Dimasi's founder and Executive Chairman. Brian is an economist and future strategist with over 30 years experience as an advisor to governments and major corporate clients throughout Australia.

Brian commands an unparalleled, on-the-ground knowledge of residential markets across Australia, having worked extensively and regularly in all capital cities and key regional markets.



Freya Marsden

Freya Marsden is Managing Director of the Acuity Group, which provides governance, strategy, policy and economic advice and is a former Director of the Business Council of Australia. Freya is a Non-Executive Director on several government and non-for-profit boards, and provides the MPA with increased governance and strategy skills. Freya brings policy and economic experience gained across industry and the Victorian and Australian governments, including the Victorian Premier's Department, the (former) Victorian Department of Infrastructure and the Commonwealth Treasury.



Laurinda Gardner

Laurinda Gardner is an organisational change consultant, board director and career coach. Laurinda has over 25 years senior executive experience and was formerly a Deputy Secretary with the Victorian Department of Treasury and Finance and a Director at the City of Melbourne. She has led large operational teams in diverse areas including: organisational reform, human resources, strategic and business planning, communications, town planning, stakeholder engagement, IT, finance and risk. Laurinda has performed the role of 'trusted adviser' to several CEOs and has extensive governance experience on not for profit boards.



Theo Theophanous

Theo Theophanous is a former Victorian Government Minister. He held a number of senior portfolios including Industry, Energy, State Development and ICT. As Major Projects Minister, he steered the development of projects including the Recital Centre, AAMI Stadium and the Conference Centre and oversaw the Docklands development. He now works as a Specialist Industry Advisor and Consultant and is on the Audit and Finance Committee of NICTA.

Chief Executive Officer: Summary of key priorities



I am pleased to present the Metropolitan Planning Authority's (MPA) business plan for our first full year of operation.

The MPA works in partnership with councils, government authorities, landowners, developers, and local communities. Working with these key stakeholders is important as we tackle the often challenging and potentially divisive issues associated with managing our growth. This business plan sets out the staffing, financial and other matters that will take the MPA forward in the 2014-2015 financial year.

Much has changed over the past 12 months: the MPA was launched by the Minister for Planning in October 2013; Plan Melbourne and the Regional Growth Plans have been finalised and released; the Government has committed a higher level of funding towards the MPA's operations; and the MPA starts 2014-2015 with an expanded board.

The key priorities for the MPA in its first eight months were to:

- engage with the local government sector
- begin defining different roles for the Authority and other stakeholders in identified projects
- work with Government in developing an initial work program
- source funding to enable the Authority to carry out its new role.

The MPA is now active in a range of infill precincts while continuing to plan for the development of Melbourne's greenfields locations. This reflects a better balance between infill and greenfields development, as envisaged and directed by Plan Melbourne.

The MPA is planning for increases in:

- Population
 - estimated to grow to 7.7 million people by 2051
- Jobs
 - will need to almost double from 2.2 million jobs to 3.9 million by 2051
- Housing:
 - 1.6 million new dwellings will be required.

The MPA has a substantial role in planning across Victoria, working closely with councils and government agencies on integrated land use and infrastructure coordination for strategically important development sites. Our major tasks are to:

- facilitate housing affordability, job creation and better development of new communities
- focus activity for job creation through National Employment Clusters and central city expansion
- work closely with sub-regional groups of councils to consider and determine infrastructure and service needs.

The challenge will be to undertake the delicate and complex work of framework and structure planning for the large number of precincts identified in Plan Melbourne. While there is a great deal of pressure from all parties to deliver early outcomes, we must consider that we are planning for a 35-year growth period. The work of the MPA, while ideally being done as soon as possible, will also need to continue over a number of years. In the immediate term a number of projects will be completed but there is also significant scope for longer term planning. This business plan outlines the MPA's program for the forthcoming three to five year period.

In all of our work, we are endeavouring to keep a clear focus on ensuring that our city and our regions become progressive, innovative and sustainable places to live and work. Our key drivers are based on affordability, efficient and effective transport outcomes and the highest quality public domain.

In order to achieve this, staffing levels have been increased, with a broader range of skills and new divisions set up within the MPA to plan for infill projects. In response, the MPA has organised its activities into 10 broad streams:

1. National Employment Clusters

These are significant areas where there are or will be clusters of employment growth. These include the Monash University and hospital precinct, and the La Trobe cluster around its university and the Austin Hospital. Planning for both of these are well underway. One of the new clusters is the East Werribee Employment Precinct, currently going through a process to allow for development by private enterprise guided by tightly directed outcomes. The National Employment Clusters will be modern, mixed used areas with high density living in close proximity to a range of new businesses and employment opportunities.

2. Greenfield Projects

In its earliest phase, the MPA concentrated on greenfield locations and these are presently performing very well in terms of growth and supply. There is no intention to reduce our presence in this area as the MPA wants to continue the important role we play in planning for growth and ensuring affordability. At the current time 41 Precinct Structure Plans (PSPs) have been completed, 8 are at the planning scheme amendment phase, 10 are under preparation and 12 are in the pre-planning phase. The MPA's role is to set out an innovative direction for these new suburbs ensuring that they have proper town centres and local community activities and facilities to make them highly desirable places to live and work.

3. Metropolitan Activity Centres

Our existing metropolitan activity centres are Sunshine, Box Hill, Dandenong, Frankston, Footscray, Broadmeadows, Ringwood, Epping and Fountain Gate/Narre Warren. These areas work hand-in-hand with the National Employment Clusters to create economic opportunity, jobs and residential activity. More than just shopping centres, these modern, mixed use activity areas provide a full range of business, residential and community activity.

4. Expanded Central City

While the area within the Hoddle grid and Docklands is not part of our role, the MPA's focus is on the future of our five historic inner city municipalities and the new direction for Fishermans Bend. The MPA will guide the development of an expanded central city to bring about high density residential areas incorporating a strong employment base in modern mixed use areas.

5. Urban Renewal Projects

There are a wide range of urban renewal areas which over time will provide much needed capacity for Melbourne's growth as we move toward a potential doubling of our population over the next 40 years.

6. Sub-regional Planning Groups

These groups see councils and officers from State authorities and departments working together within an MPA program to review the infrastructure needs of Melbourne's five-strong sub-regions. The focus is on increasing consensus amongst different levels of government on priorities for infrastructure for each area. Having satisfactorily completed the first year's program the emphasis is now on the significant work to be undertaken in the future.

7. Regional Cities

The MPA will work as directed by the Minister to assist regional councils in developing their own future vision for the urban parts of these critically important cities. The growth of our regional cities will play an important part in meeting the overall residential growth needs for the State. They offer a positive and exciting alternative to housing in Melbourne's inner or outer ring. The character, style and living options in regional cities will be an important focus for our future work.

8. Open Space Strategy

The MPA will be undertaking a review of open space across Melbourne working closely with councils, Parks Victoria and other key stakeholders. The aim of this project is to identify ways of completing networks of parks, walk ways and a range of spaces all of which will become increasingly important as our densities increase. This study will look at both physical networks and the location of parks, with recommendations to address areas where there are shortfalls or areas offering opportunities. The study will also look at the sometimes complex administrative arrangements underpinning the acquisition and management of our open space and parks.

9. Innovation (demonstration) Projects

Part of the MPA's role is to continually drive innovation to build a more progressive modern city that meets people's needs. The MPA's demonstration projects build best practice examples of new types of developments others can see and use as models for their own future projects. There is also a much wider range of innovation issues the MPA will aim to investigate and promote and this project is being amended to reflect this need.

10. Streamlining and Policy Program

The MPA is involved in a very wide range of policy, technical and other work. Recent staffing changes at the MPA have meant that our skills in these areas are rapidly increasing. One feature of this will be the new growth model for Melbourne giving much better information about where Melbourne people will be living and working in the future, providing a tool to be used by a range of authorities, including councils, government authorities and businesses.

I look forward to working with our board and staff - and all of our key partners - in planning for the future of Victoria's urban areas.

Peter Seamer
Chief Executive Officer

Delivering on our objectives

The objectives of the Authority are listed in Section 46 AR of the Planning and Environment Act 1987. For each of the objectives, the Authority's activities for the coming 12 months, and also the priorities and plans for achieving these over the next three to five years, are outlined below. The anticipated time frames associated with many of these activities are still to be finalised, and therefore, overall this program is expected to be delivered within a three to five year period.

The 2013-2014 Business Plan was developed after the launch of Plan Melbourne, the Regional Growth Plans, and the Metropolitan Planning Authority. As a result, the 2014-2015 Business Plan has adopted, and in some instances further refined, a proportion of the objectives and measures set out in the earlier Business Plan. As the emphasis is expected to continue to shift towards activities conducted in areas other than Melbourne's greenfield growth areas, the measures will change to reflect this.

A. Development occurs in a coordinated and timely manner

The MPA's role is to ensure that development in all declared areas occurs in a coordinated and timely manner.

Over the next 12 months the MPA will:

- complete a report from an early assessment program to identify key planning projects in Melbourne and Victoria
- publish a summary implementation program and reporting framework for the initial delivery of the MPA's Plan Melbourne initiatives
- work towards being able to release criteria for the designation of urban-renewal precincts of metropolitan significance
- continue with the initial planning activities for identified priority areas
- continue to conduct the strategic planning for new areas included through the Logical Inclusions Program
- complete the zoning for an additional 50,000 residential lots in the greenfield areas
- make significant progress towards the completion of 9 additional greenfield PSPs to 30 June 2015.

The priorities for this objective over the next three years are to:

- prepare a draft implementation plan for the government which considers sequencing of urban-renewal activities, recognising the factors identified in Plan Melbourne
- undertake the Structure and Framework plans for areas identified in Plan Melbourne, including:
 - National Employment Clusters
 - Urban Renewal Precincts
 - Metropolitan Activity Centres
- roll out and report on the delivery of the Plan Melbourne initiatives
- work with the Department of State Development, Business and Innovation to identify a pipeline of development planning opportunities in regional cities and centres
- manage the completion of the PSPs for Melbourne's greenfield growth areas by progressing the remaining outstanding PSPs.

The completion of the additional residential PSPs contained in the currently scheduled greenfield PSP program is expected to provide land zoned for more than a further 160,000 residential sites and 2,000 employment hectares by the end of 2017.

Other priorities identified for the MPA to assist in delivering these objectives are:

- further streamlining of growth area planning processes for greenfield and other areas
- performing the role of Planning Authority for growth areas as required
- performing the role of Responsible Authority for some specific assignments
- facilitating growth area transport and community planning activities.

B. Infrastructure, services and facilities are provided in a coordinated and timely manner

The provision of appropriate infrastructure and services in a timely manner is a critical objective of the MPA ensuring the continued development of areas identified for growth.

Over the next 12 months the MPA will:

- continue coordinating the sub-regional council groups to identify key infrastructure to inform State Government planning
- administer the GAIC works-in kind guidelines to assist in early delivery of State infrastructure in declared growth areas
- work with interested landowners to pilot initial GAIC works-in-kind projects
- work with VicRoads on the construction of the Sneydes Road interchange and other East Werribee transport projects
- continue progressing the delivery of the six announced Building New Communities Fund GAIC projects
- continue ensuring that all new PSPs incorporate the Growth Areas Engineering Standards
- introduce new approaches to council Development Contribution Plans (DCPs) in conjunction with other stakeholders
- develop more detailed plans for key infrastructure roll out, in conjunction with development timing.

The priorities for this objective over the next three years are to:

- work closely with growth area councils on growth area infrastructure plans through our planning, and through the sub-regional groups which are being created to assist planning at a regional level
- work with councils and government agencies to unlock capacity in underutilised sites
- work with councils to improve alignment of development sequencing through structure plans and development contributions
- work in conjunction with other agencies to identify and facilitate infrastructure required by new vehicle technologies
- monitor structure plan roll out schedules to influence integration with infrastructure provision
- continue to work with the Department of Transport, Planning and Local Infrastructure (DTPLI) to lead development and implementation of a five-year GAIC allocation program to bring forward the delivery of necessary State-funded infrastructure.

C. Promote sustainable development of land

The MPA will plan for the development of sustainable new communities from an economic, environmental and social perspective. The MPA's role in this is broad, and many other MPA objectives also incorporate aspects of this goal.

Over the next 12 months the MPA will:

- develop a process for confirming a mechanism to lock in a metropolitan urban boundary around Melbourne's built-up metropolitan area
- accelerate new forms of design and thinking throughout all of the MPA's work in conjunction with industry, academia and the wider Victorian public
- undertake the development of a Metropolitan Open Space Strategy
- continue to progress the Corridor Planning process in relation to areas now within the Urban Growth Boundary through the Logical Inclusions process
- complete refinement of planning for biodiversity controls through the adoption of new planning scheme amendments
- continue to work to complete Integrated Water Cycle Strategies in the growth corridors and reflect these in the MPA's PSPs in order to optimise water retention and usage in growth areas.

The MPA's focus and priority over the coming three years in relation to the environment, infrastructure and the societal benefits of promoting the sustainable development of land will be to:

- establish a permanent metropolitan urban boundary as set out in Plan Melbourne
- ensure that the review of the PSP guidelines explore the usage, treatment and storage of waste
- investigate mechanisms to encourage lot consolidation in existing suburbs
- investigate a process for an exchange of additional development rights for improved amenity in development areas.

Environment

- complete, implement and promote an Open Space Strategy across metropolitan Melbourne
- address impediments for planting canopy trees along roads, and identify a program for the implementation of boulevards
- seek water utilisation solutions to be implemented in development areas that optimise sustainable water outcomes in an affordable and equitable way
- refine and implement biodiversity controls to be applied to declared growth areas
- work with other government agencies to streamline the processes for contamination investigation and implementation.

Infrastructure

- seek optimum transport and land use solutions that minimise the need for travel and manage the need or investment
- implement innovative planning solutions to reduce resource consumption, for example in water and energy use.

Social

- ensure the PSP guideline review considers options for facilitating not-for-profit organisations and the shared use of community facilities
- facilitate opportunities for the development of integrated community infrastructure.

D. Promote housing diversity and affordability

Over the next 12 months the MPA will:

- introduce a program to bring innovation into our city design processes through collaboration with a wide range of groups
- continue to implement the process to enable the provision of dwellings on parcels less than 300 square metres in the growth areas in order to enable greater housing choice
- progress a review of the PSP guidelines for both the greenfields and other growth areas to further streamline the planning for new communities in growth areas
- continue to progress demonstration projects in partnership with growth area Councils and other stakeholders
- promote variety in densities, building types and types of residential areas in PSPs.

The MPA's priorities for this objective over the next three years are to:

- in partnership with local governments, develop peri-urban town plans to increase the supply of land for housing and to attract population growth out of Melbourne
- develop and promote Urban Design Principles
- review and amend the PSP Guidelines to further enable housing diversity and to contribute to housing affordability
- encourage use of the Residential Growth Zone and Small Lot Housing Code in Melbourne's greenfields
- continue to focus on the provision of a range of housing types within the application of PSP Guidelines
- explore social housing options when conducting urban redevelopment planning
- ensure that opportunities for new well-located housing result from public transport infrastructure development
- continue to implement demonstration projects in partnership with growth areas councils and other stakeholders.

E. Promote employment opportunities

The MPA recognises that business and employment growth in new and revitalised communities is fundamental to the health of our city and State and is influenced by a range of factors, particularly drawing on the economic advantages of Melbourne and Victoria.

Whilst this is only one part of a complex equation, the MPA will be able to significantly add to Victoria's economic development by influencing how land in the nominated areas is planned to be used.

Plan Melbourne has identified a number of initiatives in relation to delivering jobs and investment. In this initial year, the MPA will identify specific opportunities arising from the Plan which can be considered for implementation in 2014-2015 and beyond. Plan Melbourne has identified the different opportunities which can arise through the National Employment Clusters, urban renewal sites (particularly along rail corridors) and in the activity centres.

In addition, the MPA will continue to focus on raising awareness of the importance of creating a variety of real business growth and employment options in our new suburbs as this will underpin the success of these areas.

Congestion on Melbourne's roads and public transport alone will make it increasingly important that we accelerate quality employment opportunities in our new and revitalised communities. This change will improve the quality of travel on our roads and public transport, will encourage the use of counter cyclical (contra flow) travel where possible, and potentially defer the need for major transport infrastructure investment.

Over the next 12 months the MPA will:

- complete the early planning assessment process to produce a report on specific activities that the MPA could undertake in relation to the National Employment Clusters, urban renewal sites, and metropolitan activity centres set out in Plan Melbourne
- finalise the MPA's initial infill project program for publication on the MPA website
- work with local government to facilitate the development of the new growth areas centres, including the application of mixed use zonings, to produce significant economic and employment outcomes
- coordinate early works on stage one of the East Werribee Employment Precinct, and finalise the Fishermans Bend structure plan
- facilitate employment in the growth areas by detailed planning of identified employment land within the growth area PSPs
- progress detailed planning for several major and principal town centres and major employment precincts in conjunction with councils, owners and potential retail and business investors.

The priorities for this objective over the next three years are to:

- prepare structure plans for state-significant projects for National Employment Clusters, metropolitan activity centres, expanded central city and urban-renewal precincts as determined a priority by the Minister for Planning
- ensure detailed planning of sufficient industrial and employment land, having regard for demand in the different corridors
- identify and plan for infrastructure required to support business investment and employment
- continue to roll out the development of the East Werribee Employment Precinct and Fishermans Bend
- encourage and facilitate co-location of economically relevant facilities
- work with government departments to provide advice and identify sites for health and education facilities, including tertiary education in the west of Melbourne, and land for cemeteries
- work with the growth area councils and the Department of State Development, Business and Innovation on local economic development opportunities.

F. Land is provided for commercial and industrial purposes in a co-ordinated and timely manner

The MPA will work closely with DSDBI and other agencies to achieve this objective.

Over the next 12 months the MPA will:

- complete/progress PSPs for new employment areas in Melbourne's greenfields to ensure adequate supply
- facilitate agency/council strategic and development planning to enable agreement on scope, priority and justification for council and agency Infrastructure projects

The priorities for this objective over the next three years are to:

- investigate options to accelerate the delivery and development of employment-designated land in outer growth areas, including consideration of flexibility in the application of Growth Areas Infrastructure Contribution (GAIC)
- ensure sufficient industrial zoned land is maintained
- continue with comprehensive integrated planning of industrial precincts
- work with DTPLI to protect and plan for significant freight terminal opportunities in Melbourne's west and north
- facilitate the creation of opportunities for small/medium/large footprint employers
- improve the clarity of the definition of state infrastructure within legislation governing works-in-kind agreements with developers of industrial estates

G. Foster the development of communities

Much of the work and activity of the MPA is focused on achieving this objective across all of our areas of growth, including regional Victoria.

Over the next 12 months the MPA will:

- begin work with regional councils such as Latrobe, Baw Baw, Wodonga and Shepparton to progress identified planning initiatives
- continue to implement the PSP Guidelines by ensuring essential infrastructure required to support liveable communities in Melbourne's newest suburbs is identified in the PSPs and, where appropriate, in DCPs.

The priorities for this objective over the next three years are to:

- subject to funding, work with Wodonga City Council to complete the PSP and DCP for the Leneva growth corridor, which will allow the population of Wodonga to ultimately double to 75,000
- through planning, develop opportunities to allow for the creation of integrated learning places and other shared community facilities
- review PSP guidelines to ensure that they appropriately recognize the importance of walking, cycling and healthy living
- maintain focus on the creation of pedestrian friendly centres.

H. Integrate land use and transport to enable the coordinated provision of a sustainable transport system for the benefit of the community

The MPA will work closely with VicRoads, PTV and DTPLI to implement this objective.

Over the next 12 months the MPA will:

- ensure transport infrastructure required for development of new precincts is identified in PSPs, and where appropriate, incorporated in DCPs
- ensure the strategic transport network identified in the Growth Corridor Plans is refined and preserved through the development of PSPs and the subsequent Planning Scheme Amendments
- review the processes for the funding allocation of the GAIC Growth Areas Public Transport Fund and Building New Communities Fund
- work with relevant agencies to progress the development and assessment of any priority transport solutions identified as potential GAIC WIK agreements
- work with VicRoads and DTPLI to refine co-operative land use and multi-modal transport planning processes
- ensure the process for PSP preparation clearly links with co-ordinated multi-modal transport planning.

The priorities for this objective over the next three years are to:

- implement processes for considering and progressing GAIC works-in-kind applications
- refine the funding allocation processes for revenues collected from GAIC
- ensure transport alternatives are planned for in PSPs
- develop strategies for reducing the length and frequency of travel arising out of the location of Melbourne's newest suburbs
- work with DTPLI to protect/plan significant freight terminal opportunities in Melbourne's west and north
- ensure appropriate transport infrastructure and services are included in the infrastructure plans developed for each PSP
- update the PSP guidelines to include requirements for the early planning of telecommunications infrastructure in growth areas and urban renewal areas
- work closely with councils on growth area infrastructure plans
- work in conjunction with other agencies to identify and facilitate infrastructure for emerging vehicle technologies
- integrate the provision of transport and road infrastructure, with associated services.

I. Discharge governance activities

In addition to its statutory objectives, the MPA has an obligation to the Victorian community to ensure that it conducts its affairs and operations in accordance with Government's standards and expectations.

Over the next 12 months the MPA will ensure that it:

- continues to explore funding arrangements for the MPA for future financial years
- conducts the financial and governance operations of the organisation in a controlled and transparent manner by:
 - producing the annual report by the end of September each year with no qualifications in the Audit Report
 - responding to GAIC-related matters in a timely manner and reporting GAIC income and allocation as required by legislation.
- conducts Authority meetings in accordance with legislative requirements by:
 - holding at least six Authority meetings each financial year.
- reports annually on the outcomes of the MPA Environment Strategy actions
- discharges its Risk Management obligations annually by:
 - including the completed Risk Management Attestation in the Annual Report.

The priorities for this objective over the next three years are to:

- develop and implement sustainable funding and governance arrangements for the ongoing operations of the MPA.

Key priorities for 2014-2015

In order to achieve the MPA's objectives over the coming three to five years, the MPA is expecting to achieve the following during the 2014-2015 financial year:

Key Priority	Performance Measure
a. Completion of the 50,000 residential lot supply target in the PSP program in Melbourne's growth areas	Complete the preparation of draft Planning Scheme Amendments which will enable for the zoning of 50,000 residential lots for consideration by the Minister for Planning by the end of June 2015
b. Continue to progress the zoning of employment land	Complete the preparation of draft Planning Scheme Amendments which will enable for the zoning of 1,000 hectares of employment land for consideration by the Minister for Planning by the end of June 2015
c. Continuing the ongoing PSP program	Complete 9 precinct structure plans/ planning scheme amendments for submission to the Minister for consideration by 30 June 2015
d. Managing the development of the Fishermans Bend Urban Renewal Area, in particular through taking on Responsible Authority status in October 2014	Implement the introduction of the Responsible Authority role by putting in place appropriate processes to enable planning permit applications to be processed by October 2014
e. Progressing important urban renewal precincts as identified in Plan Melbourne, including Cremorne, the Collingwood industrial area (including the North Richmond to Victoria Park rail corridor), and the Brunswick to Batman rail corridor	Work closely with the relevant municipal council and the Government so as to be able to define the role of the MPA in these urban renewal projects by 30 June 2015
f. Continue the MPA's prudent financial management	Ensure that any operating shortfall for the year is no greater than 5% more than the budgeted deficit of \$3.4 million for the year ended 30 June 2015.
g. Continue to deliver appropriate service to key MPA stakeholders	In line with the partnership agreement with the Municipal Association of Victoria, consult with key stakeholders by June 2015 to ensure that they are satisfied with the manner in which the Authority conducts its business
h. Continuing the development of the East Werribee Employment Precinct	Make recommendations to the Government in relation to the future of the Major Development Parcel of the East Werribee Employment Precinct by mid 2015
i. Developing Plan Melbourne initiatives including the Open Space Strategy, and streamlined planning provisions for health precincts	Complete draft Metropolitan Open Space Strategy for consideration by mid-2015. Advise the Minister on options for a facilitative planning tool to encourage investment in health facilities by 30 September 2014
j. Working with identified regional councils in conducting strategic growth area planning	Agree with municipal councils and the Minister for Planning by March 2015 on the initial strategic planning assistance to be provided to the councils by the MPA

Our organisation

The Authority meets regularly throughout the year, and has two specialist sub-committees, dealing with Risk and Audit and Executive Remuneration matters.

The Authority had a staff complement of 72 (Effective Full Time) employees as at 30 June 2014, periodically supported by contract or seconded employees to help meet work targets and to provide expert assistance in key areas. Not all of the positions were filled at the year end. With the change in role, and the change in the focus of the Authority's activities, the MPA increased its staff levels to around 72 EFT in 2013-14, and dependent upon workload and additional available funding, this might further increase to a total complement of up to 80 EFT staff members over the course of the coming year. The MPA recruited a number of staff from the DTPLI in early 2014 and these new team members have settled in well.

The CEO and his team lead and manage the organisation. The MPA is structured around six major activities (seven teams).

The teams are organised in a manner that optimises the capacity of MPA to conduct its activities.

The **Structure Planning Teams (North & West and South & East)** are responsible for planning activity outside of the inner city and specific employment areas. The two teams deliver the strategic planning for declared growth areas on a geographic basis, except for some of the larger projects in the North and West which may be undertaken by Economic Planning and Development Team. These teams also have responsibility for providing planning assistance, when requested by the Minister, to regional Victoria.

The **Inner City Team** is responsible for the strategic planning of the inner Melbourne region. The team works very closely with the DTPLI, Melbourne City Council and other inner city councils to achieve the optimum sustainable development of this vital part of Victoria's community and economy. The Inner City Team is playing a lead role in the planning for the future development of the Fishermans Bend precinct.

The **Intergovernmental Coordination Team** has the key role of managing and coordinating the interaction with all government authorities, the sub-regional planning groups and the organisation's statutory planning activities. This Team also has the lead role in co-ordinating the MPA's activities which arise out of Plan Melbourne. This includes development of the Metropolitan Open Space Strategy, and the preparation of a report to Government on the infrastructure required to deliver Plan Melbourne as informed by the sub-regional planning groups.

The **Technical Services Team** is responsible for supporting the planning and other operations of the MPA through the provision of technical advice, infrastructure coordination planning and graphics, GIS and drafting support. This Team also coordinates the planning for infrastructure.

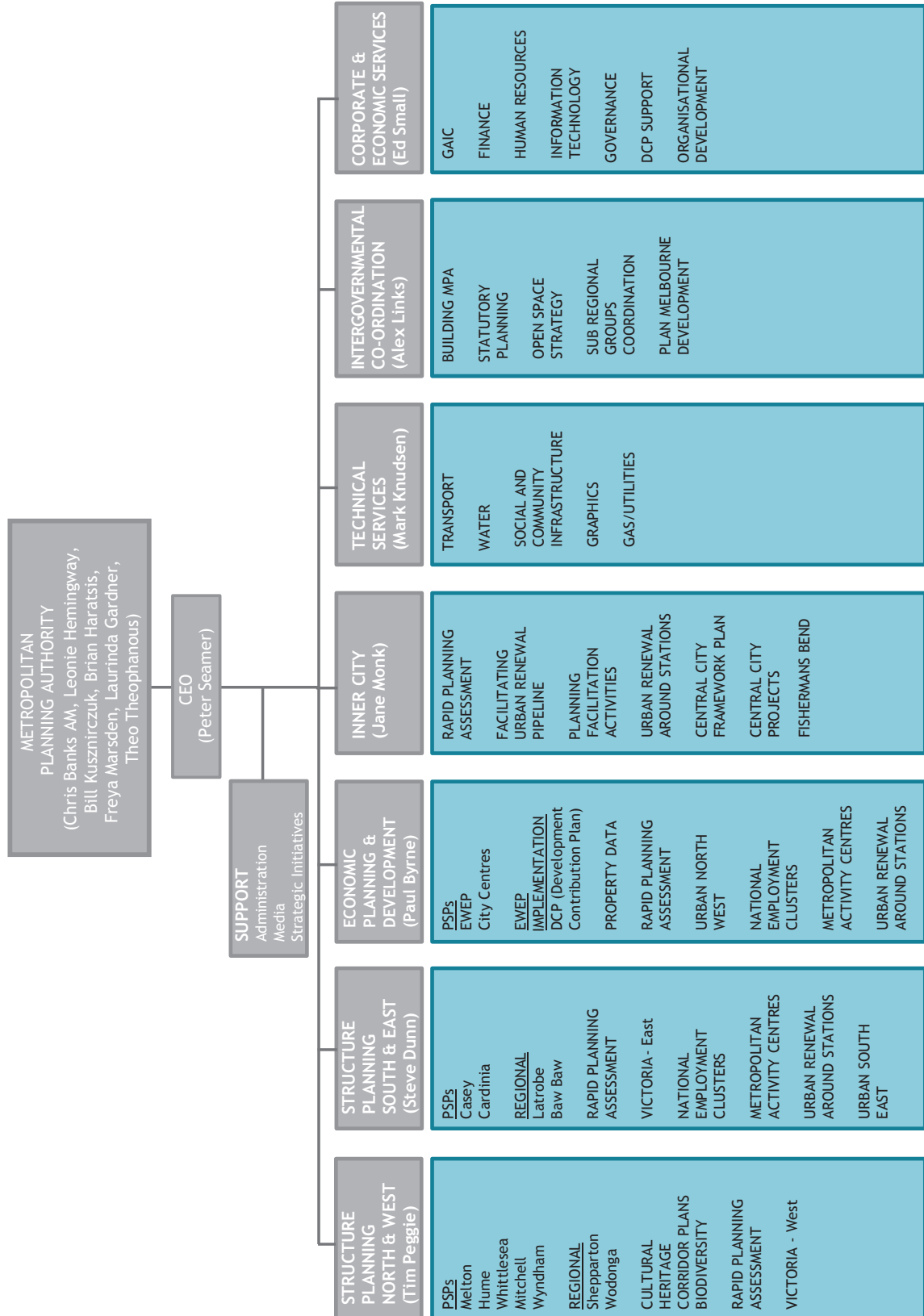
The **Economic Planning & Development Team** is responsible for preparing employment PSPs and also for developing planning and design approaches for town and city centres. The Team manages PSP preparation for industrial and town centres in the North and West, and is responsible for the rollout of the development of the East Werribee Employment Precinct. The Team also coordinates the economic research activities.

The **Corporate and Economic Services Team** is responsible for the governance activities at the MPA (including the finance, human resources, administration and information technology functions). This incorporates the administration of the GAIC, and the provision of administrative support to the GAIC Hardship Relief Board. This Team also conducts the role of coordinating responses to GAIC Works-In-Kind (WIK) proposals across Government.

The following table summarises expected staffing structures for the coming year:

Staff	2014-2015	2013/14
Executives	8	8
Non executive	72	64
Total	80	72

ORGANISATIONAL STRUCTURE



Our resources

In the May 2014 budget the Government announced that it was to provide further funding to the MPA. The Government has provided a significant increase to the MPA's forward financial allocations and these are:

- \$9.5 million in 2014-2015
- \$14.7 million in 2015-2016
- \$13.7 million in 2016-2017
- \$13.7 million in 2017-2018.

This allocation will enable the MPA to undertake its new role, particularly when coupled with the third party funding for PSP work which is brought forward. Also, the MPA had available at 30 June 2014 a brought forward surplus of \$12.4 million. This amount represents funds that the MPA has received in advance of the matching expenditure occurring, and is to be utilized to finance the completion of a number of the Greenfield and other planning activities currently underway.

Budget

The MPA has approved the following budget and projections for 2014-2015 and has endorsed in-principle the financial projections for the subsequent two years. The expected PSP income and structure planning expenditure in future years has also been included as set out below:

Income

	2014-2015 \$m	2015-2016 \$m	2016-2017 \$m
Appropriation	9.5	14.7	13.7
Other Contributions*	6.2	1.5	3.0
Interest	0.2	0.1	0.1
Total Income	15.9	16.3	16.8

Expenditure

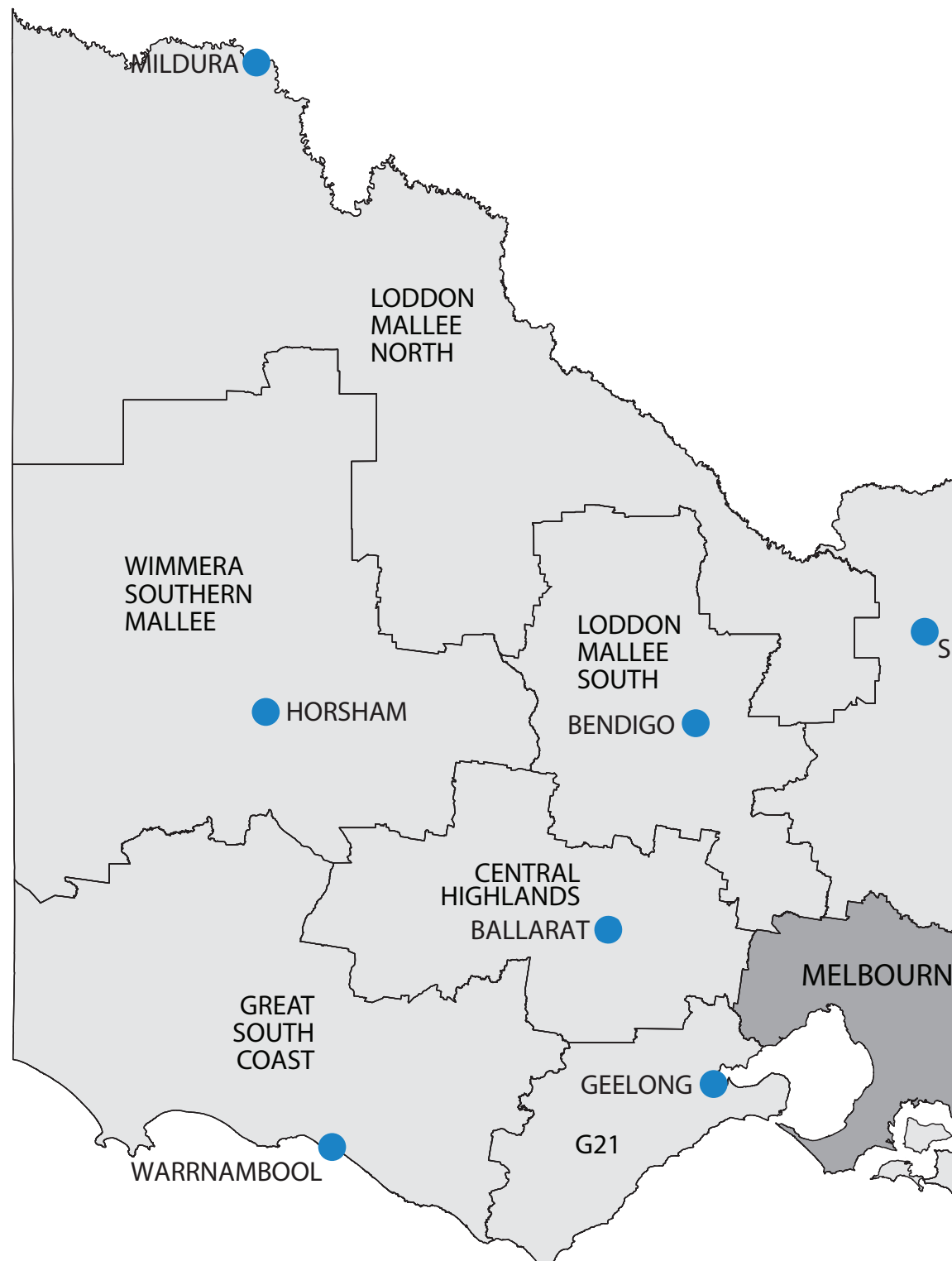
	2014-2015 \$m	2015-2016 \$m	2016-2017 \$m
Executive & Reform	1.0	1.1	1.1
Corporate Services	3.0	3.3	3.3
Statutory and Legal	1.3	1.3	1.4
Economic Performance	1.2	1.3	1.3
Structure Planning	3.2	3.3	3.4
Inner Melbourne	0.8	0.9	0.9
Technical Services	1.8	1.8	1.9
East Werribee Employment Precinct	0.9	1.9	0.1
Fishermans Bend Precinct	0.7	0.2	0.2
Projects	5.4	6.0	6.9
Total Expenditure	\$19.3	\$21.1	\$20.5
Net Operating Shortfall	\$3.4	\$4.8	\$3.7
Brought forward	12.4	9.0	4.2
End of Year	\$9.0	\$4.2	\$0.5

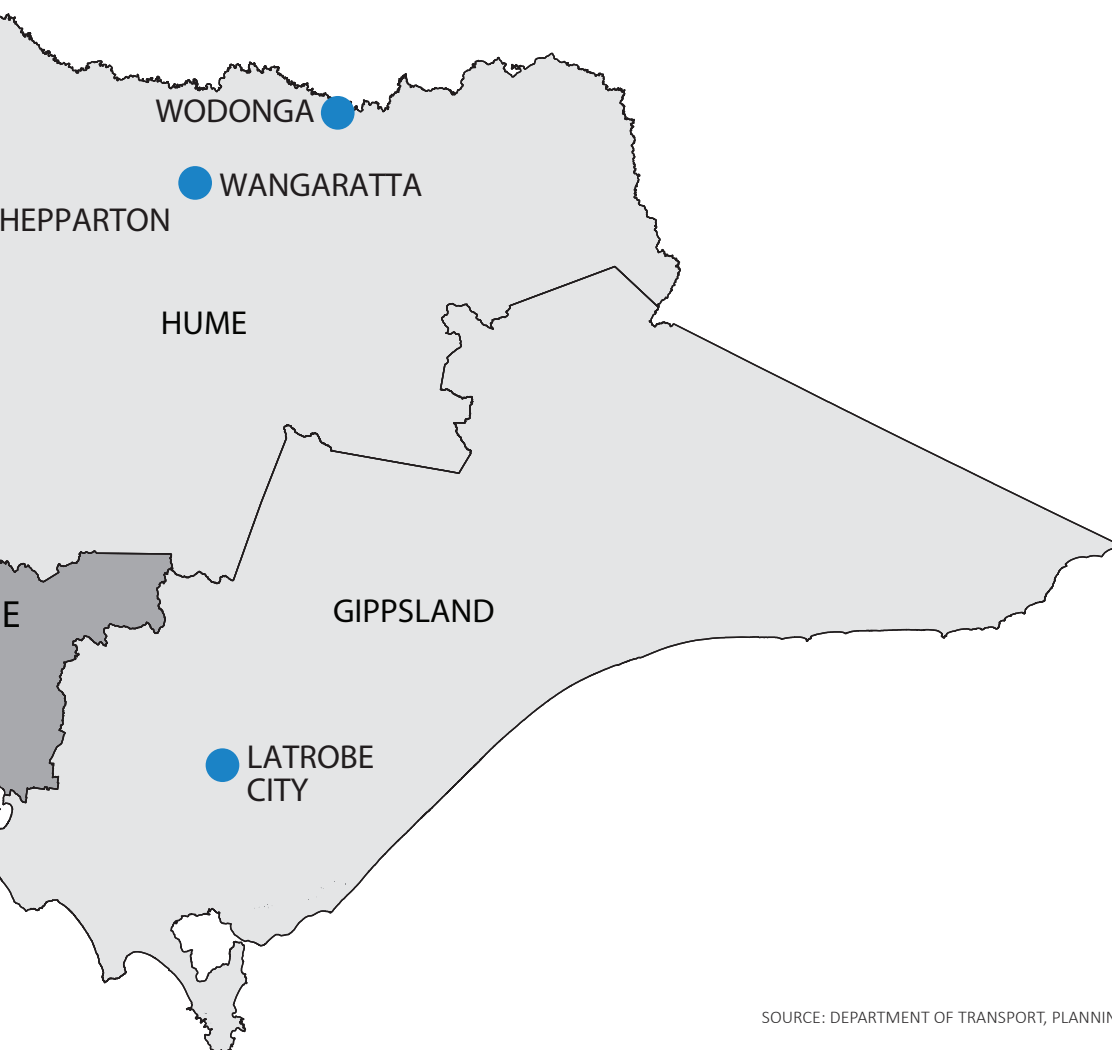
Equity

	2014-2015 \$m	2015-2016 \$m	2016-2017 \$m
Net Equity	\$9.0	\$4.2	\$0.5

* The source of \$3m revenue in 2016/17 is yet to be identified

Appendix A: Regional Growth Plans - A State of Cities





- Metropolitan region
- Regional city

Note: Latrobe City is the grouping of Traralgon, Morwell, Moe and Churchill.

SOURCE: DEPARTMENT OF TRANSPORT, PLANNING AND LOCAL INFRASTRUCTURE, 2014

Appendix B: Overview of MPA's Key Projects Program - Plan Melbourne

