

Annual Report

2013-2014

partners in planning and infrastructure coordination



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Minister for Planning

The Growth Areas Authority (GAA), known as the Metropolitan Planning Authority (MPA) since October 2013, reports to the Minister for Planning, the Hon. Matthew Guy MLC, in the Victorian Government and during the reporting period was a portfolio agency with the Department of Transport, Planning and Local Infrastructure (DTPLI). The GAA was established under the *Planning and Environment (Growth Areas Authority) Act 2006*.

The Hon. Matthew Guy MLC
Minister for Planning
September 2014



Chairman's Message

This year saw the transformation of the successful and respected Growth Areas Authority into the Metropolitan Planning Authority (MPA).

The role of the MPA is to lead the implementation of the Victorian Government's policy framework for Melbourne and Victoria's growth as set out under section 46AR of the *Planning and Environment Act 1987* and Plan Melbourne (2013).

In October 2013, the Minister for Planning announced the creation of the MPA. The Minister launched Plan Melbourne in May 2014 and, in June 2014, he appointed a seven-member Board.

The State Government has backed its strategy by committing to the future of the MPA and its activities by unveiling a permanent funding mechanism through a one per cent levy on planning permits over \$1 million commencing in July 2015.

This report outlines the achievements of the Authority over the last 12 months as we broadened our focus from the important growth areas to embrace Melbourne and regional Victoria.

It has been a year of challenge and opportunity and I want to express my appreciation to our staff, led by Peter Seamer, my fellow Authority members and in particular the Minister for Planning, Matthew Guy, whose vision and leadership has provided Melbourne and Victoria with a 'blueprint' for growth.

In conclusion I want to thank retiring Authority members, Di Fleming and Ian Munro, for their contribution to the work of the GAA and during our transition year.

A handwritten signature in black ink, appearing to read 'Chris Banks'.

Chris Banks AM
Chair
September 2014



Members of the Authority

The MPA is overseen by a highly experienced Board that brings together a broad range of disciplines including planning, development, economics, financial management, education and housing. Five Authority members were appointed by the Minister on 23 October 2012, and the Authority is chaired by Chris Banks AM. The Authority reports to the Minister for Planning, The Hon. Matthew Guy MLC.



Chris Banks AM (Chairman)

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

Widely acknowledged 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 reforms 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 behind the scenes, sharing her skills in legislation, good governance and business relations, as a Director/member of both civic and government boards.



Di Fleming

Di Fleming brings experience across education, greenfield development and digital design. Di is Director of Ducere Foundation, President of the Africa Australia Business Council (Vic), the founding director of Digital Harbour Pty Ltd with associate professorships at RMIT and Melbourne Universities. Di is a recipient of the Telstra Business Woman of the Year Award (Vic).



Bill Kuszniarczyk

Bill Kuszniarczyk brings extensive experience and knowledge in urban planning, building and 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 also Chairman and Chief Commissioner of the Victorian Building Authority, responsible for setting and enforcing Victorian building industry regulation and practice in Victoria.



Ian Munro PSM

Ian Munro PSM brings to the Board expertise in aligning government and business to achieve investment and jobs growth. Ian has a detailed understanding of the critical role of land supply and planning in economic development. Ian is a council member of the Victorian Environmental Assessment Council and former Deputy Secretary/CEO of Invest Assist (formerly the Department of Innovation, Industry and Regional Development). Ian is a consultant to the Department of State Development, Business and Innovation and Regional Development Victoria.

Risk and Audit Committee

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

The Committee comprises all members of the Authority and is chaired by Leonie Hemingway.

The Audit and Risk Committee members are all independent of the operations of the Authority.

Executive Remuneration Committee

This Committee oversees the development of executive remuneration policy and practices within the MPA, and approves individual executive remuneration packages. This Committee comprises all members of the Authority and has been chaired by Ian Munro during the financial year.

Chief Executive Officer's Report

The past financial year has been a period of transition for the Metropolitan Planning Authority (MPA). Having started the 2013-2014 financial year as the Growth Areas Authority, in response to the State Government's release of Plan Melbourne our organisation became the MPA in October 2013. This change has created new opportunities for the organisation, requiring a staff and management restructure and a new focus on planning for the whole of Melbourne and several regional centres.

The new Metropolitan Planning Authority

The MPA works with councils, State Government departments and agencies, developers and the community to manage both Melbourne's growth and the growth of key regional centres. This collaborative role focuses on planning and infrastructure coordination to help provide attractive and affordable housing for the likely new population of Melbourne. Our work takes infrastructure needs into account as well as the challenge of maintaining Melbourne's standing as the world's most liveable city through detailed planning to promote housing affordability, create jobs and improve the way our cities look and how well they function.

Key tasks this year have included:

- preparing structure plans for state-significant projects for national employment clusters, metropolitan activity centres, an expanded central city and urban-renewal precincts
- working with key stakeholders to set out a planning framework for an expanded central city
- coordinating infrastructure delivery in greenfields and urban renewal precincts

- working closely with subregional groups to identify and advise government on infrastructure priorities
- identifying and planning for urban renewal around train stations
- providing planning assistance and advice to regional councils to facilitate regional city expansion to accommodate population growth.

Since the launch of the MPA, we have employed more than 20 new planners from government bodies and other sectors to get on with the job of implementing 67 key actions outlined in the Victorian Government's metropolitan planning strategy, Plan Melbourne. Plan Melbourne has a strong emphasis on implementation and getting Melbourne investment-ready. Our key responsibilities include planning development of strategic sites across the city's inner, middle and outer suburbs as well as in selected regional centres.

Plan Melbourne

Plan Melbourne was finalised and released in May 2014. The release of Plan Melbourne followed a State Budget allocation for the MPA that has identified funding for at least the next four years, with the additional funds to be directed towards an increased number of planning activities. Plan Melbourne sets out how Victoria will manage its growth to 2050, providing planning platforms to manage a projected population of 7.7 million in Melbourne and a State population of 10 million. This includes planning for anticipated infrastructure, economic, social and welfare demand and features a number of short-term tasks to prepare Melbourne for the future.



The MPA has played an active role in stakeholder engagement activities relating to the strategy and has been busy working with councils, key stakeholders and the community as part of its role to implement 67 key actions set out in the strategy.

As part of our role, we started working with five new subregional planning groups to identify infrastructure priorities and we have also worked closely with state agencies and local government to collectively plan for jobs, housing and investment. The formation of these groups and early discussions between the MPA and the North, South, East, West and Central subregional groups are a key step in the implementation of Plan Melbourne.

Subregional planning groups include CEOs from all metropolitan councils, providing local government with a clear voice in determining Melbourne's infrastructure priorities.

For the MPA, an important factor in implementing our assigned actions was the approval of appropriate planning authority powers for metropolitan Melbourne to oversee planning of strategically important sites, urban renewal precincts, national employment clusters, activity centres, and health and education precincts, as well as greenfields developments in the growth areas.

Greenfields Planning

In 2013-2014, the MPA made significant progress in the planning of residential and commercial land across Melbourne's growth areas. Our planning teams remain committed to the greenfields program which we were set up to complete under the GAA banner, working closely with the seven declared growth area councils. This has included a focus on residential, employment themed development and working with government departments to facilitate early infrastructure delivery through to coordinating a market process for development of government owned land at East Werribee.

In 2013-2014, the Minister for Planning approved four new precinct plans to create new developments at Greenvale Central in the Hume growth area, and in the Wyndham growth area with Precinct Structure Plans (PSPs) completed for Black Forest Road South and Alfred Road (both west of Werribee), and at East Werribee.

The MPA has completed 38 precinct plans to date. A further 11 precinct plans are on exhibition, 10 under preparation and 15 at the pre-planning stage.

In February 2014, the Minister for Planning set the MPA a target of releasing 50,000 growth areas residential lots to the market in 2014. We remain on track to achieve this target, with several PSPs near completion as part of our program to provide well planned, well designed precincts for residential, commercial and mixed use.

East Werribee Employment Precinct

The MPA is managing the market process to enable development of East Werribee in line with the Government's vision for the site to become a world class employment and mixed use precinct. A request for Expressions of Interest in the site's major development parcel was released in June 2014 and it is envisaged this process could be completed later in the year.

A PSP for East Werribee was completed in October 2013, while construction of the Sneydes Road interchange and associated road works to unlock the site are expected to start later this year.

In an encouraging sign for the early development of the precinct, St Vincent's Health Australia have announced plans to develop a new 112-bed private hospital and 80-bed aged care facility near the entry to East Werribee. The health provider anticipates these facilities will be operational by 2016.

Thompsons Road Demonstration Project

The Minister for Planning launched the Thompsons Road Demonstration Project in February 2014. This exciting health, business and residential precinct in the Casey growth area will create 8,500 jobs and more than 6,000 homes.

The MPA has formed a partnership with the site developer Gill Property Group and Casey City Council to complete a demonstration project that showcases the early delivery of essential services, infrastructure and professional employment opportunities, and activation of easement land through a high-level approach to infrastructure funding models and innovative design of open space.

Essendon Technology Precinct

In March 2014, the MPA launched a vision for Essendon Fields and Airport West that will ultimately create more than 16,000 new jobs and \$2 billion of economic activity through construction, investment and business activity over the next 30 years.

The MPA will work with Moonee Valley City Council and Essendon Fields to prepare a framework plan integrating both precincts to become an aviation, technology and retail hub that will attract significant investment and accommodate a total of 25,000 jobs. This builds on an existing base of 9,000 jobs and more than 600 businesses.

Fishermans Bend Urban Renewal Area

Building on the work of Places Victoria, the MPA is finalising a Strategic Framework Plan and interim design guidelines for the development of Fishermans Bend. Fishermans Bend has been identified as the Victorian Government's most important new inner city urban renewal project, with the capacity to accommodate more than 80,000 residents, 40,000 jobs and a mix of uses and densities in a 21st century inner city precinct across 250 hectares.

Planning has been informed by extensive community consultation and we have worked closely with the City of Port Phillip and City of Melbourne to refine the plan and interim design guidelines. It is envisaged a final Strategic Framework Plan will be released shortly.

Regional Planning

The MPA and Baw Baw Shire Council recently released the Warragul and Drouin PSPs to guide growth of the two towns. Our planners have enjoyed working with Baw Baw on the Warragul and Drouin plans, which will secure the future of both towns for the next generation by setting out the development of new homes, commercial precincts, roads and recreation areas over the next 35 years.

We have also worked closely with Latrobe Council and look forward to the forthcoming release of plans focusing on Lake Narracan and Moe-Newborough.

Plan Melbourne recognises the importance of regional centres, which are expected to be home to more than 2.2 million people by 2051, through the 'state of cities' initiative to unlock the development capacity of regional centres.

The state of cities concept aims to provide balance for Victoria's growth, create broader commercial opportunities and contribute to the vibrancy of regional centres. The MPA will have a role to play with regional councils and is in early discussions about opportunities in Wodonga, Shepparton, Wangaratta and Bass Coast.

Important Planning Policy Developments

Growth Areas Infrastructure Contributions Works-in-Kind (GAIC WIK) Guidelines and model agreements were finalised and released in early 2014. This provides a mechanism for developers to reach agreement with the State Government to offset GAIC cash payments through provision of infrastructure or land as works-in-kind.

The *Biodiversity Conservation Strategy (BCS)* was also approved by the Federal Government in September 2013. We are working with the Department of Environment and Primary Industries (DEPI), developers and landowners to implement this strategy in greenfields precincts.

A reformed development contributions framework now known as the Infrastructure Contributions Plan was announced in May 2014. This new framework provides a standard approach to funding of community infrastructure with a focus on early delivery of basic and essential infrastructure.

Management

There have been changes to the MPA's management during the past year.

Jane Monk joined the MPA from DTPLI as our inner city director to oversee the organisation's inner Melbourne planning activities, while Steve Dunn returned from his work finalising Plan Melbourne to head our south-east planning team.

I returned to the MPA in a full time capacity in October 2013 after a period during which I served as interim CEO of Places Victoria and CEO of the GAA on a reduced basis. During that time, Paul Byrne served as the organisation's Chief Operating Officer and I thank him for his leadership in that role.

At the start of the 2014 calendar year, the MPA restructured its planning teams in line with its broader planning activities and responsibilities. This led to the creation of:

- an **Inner City** team to facilitate central city expansion and work on strategic inner suburban sites
- a **South and East** team to complete precinct work across the southern and eastern sub-regions, including Monash and Dandenong South National Employment Clusters, metropolitan activity centres, greenfields projects in Casey and Cardinia, and regional and peri-urban planning, including the MPA's ongoing work in Baw Baw and Latrobe
- a **North and West** team will concentrate on greenfields planning in the existing north and west growth areas, including Wyndham, Whittlesea, Melton, Hume and Mitchell as well as regional and peri-urban areas
- a **Economic Planning and Development** team to focus on research, town centre design, business development and planning for employment and housing growth in the north and west middle ring, as well as planning for the East Werribee, Sunshine and La Trobe National Employment Clusters, planning issues relating to Melbourne airport, and significant metropolitan activity centres in the inner/middle North and West
- the **Technical Services** team to look after transport planning, infrastructure coordination, community services planning, engineering services, and graphic design
- a **Intergovernmental Coordination** team to coordinate our activities across Government, support the new subregional planning groups and manage our statutory planning work across all our activities.

MPA Board

Recent appointments by the Minister for Planning have provided a new look to our Board, with Brian Haratsis, Laurinda Gardner, Freya Marsden and Theo Theophanous to join the Authority on 1 July 2014. The new Authority members will join our reappointed Chairman Chris Banks, along with Leonie Hemingway and Bill Kuszniarczyk.

The MPA expresses its thanks to retiring Authority members Di Fleming and Ian Munro who both played a key role in the Authority's work to facilitate the planning and development of Melbourne's growth areas and the broader planning role we now have following the release of Plan Melbourne.

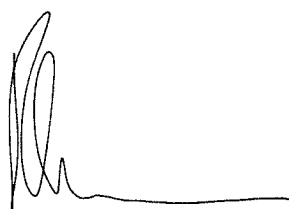
Conclusion

The 2013-2014 financial year has been an exciting and productive period for the MPA, formerly the GAA. We have achieved a lot in the growth areas, commenced work in new areas, appointed a number of additional staff and restructured the organisation in order to be in the best position to tackle the opportunities presented by Melbourne's growth and Victoria's growth. MPA as a whole has achieved a host of objectives in its planning for Melbourne's growth areas. The MPA faces a range of challenges during the next 12 months, particularly in relation to the potential for changes associated with the completion of the Metropolitan Planning Strategy, and the announcement of the intention to create an expanded planning authority to be responsible for planning in areas of growth.

Our commitment to maintaining a strong supply of land for urban development remains and has extended to identifying new frontiers for development.

Finally, I would like to thank the Minister for Planning for his ongoing support, the MPA's Authority Members for their support and guidance in our work, and sincerely thank our staff and partners, including the DTPLI, for their help during our transition and reorganisation, ensuring we have the ability and resources to plan for Victoria's future.

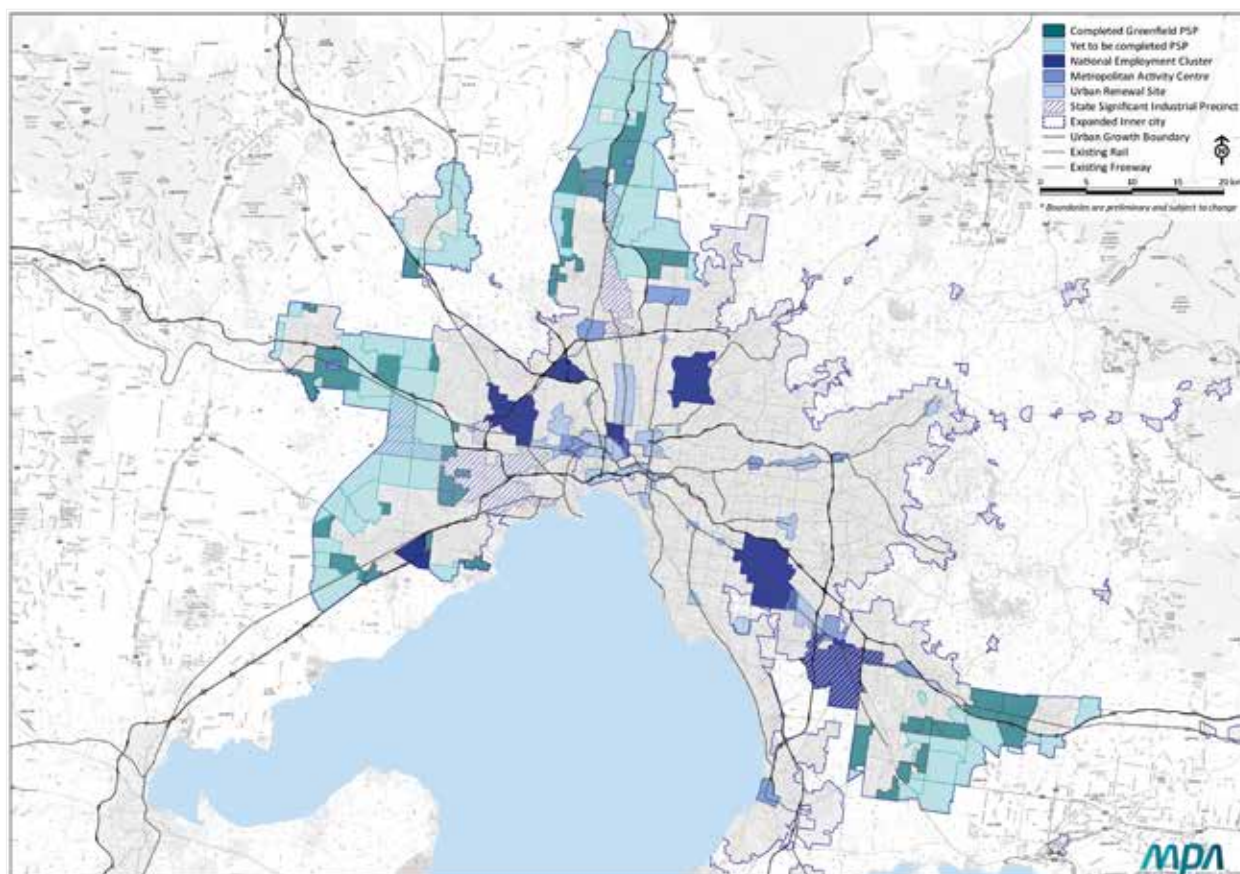
We look forward to working with you in 2014-2015 during what shapes as an exciting time for planning and development in Melbourne and in Victoria.



Peter Seamer
Chief Executive Officer
September 2014

Melbourne's Growth Areas

The MPA conducts its activities in a range of different areas, this includes the significant development areas designated in Plan Melbourne, the declared greenfield growth areas of Melbourne, and other key areas of Victoria as directed by the Minister for Planning. The map below sets out the key areas of Melbourne where the MPA will be focusing its efforts over the coming years.



Melbourne's Greenfield Growth Areas

Under the *Planning and Environment Act 1987* as amended, the growth areas have been designated by the Minister for Planning pursuant to clause 46AQ. They include land in the seven municipalities of Cardinia, Casey, Hume, Melton, Mitchell, Whittlesea and Wyndham.

The *Planning and Environment Amendment (Growth Areas Authority and Miscellaneous) Act 2013* also enables the Minister for Planning to declare a growth area outside the existing growth area municipalities via a notice in the Government Gazette. This also allows regional councils and councils outside the seven declared growth areas to request access to the MPA's skills and experience.

Plan Melbourne Designated Areas

Plan Melbourne has expanded the areas that the MPA can be expected to operate in, along with a number of itemised responsibilities. These areas include National Employment Clusters, Metropolitan Activity Centres, state-significant industrial areas, and urban renewal sites. More detail on these areas can be ascertained from Plan Melbourne which can be viewed on the DTPLI's website www.planmelbourne.vic.gov.au.

Other Areas in Victoria

The Minister for Planning may direct the MPA to provide support to other councils, including regional councils. Over the past year the MPA has held discussions on various matters with Latrobe City Council, Baw Baw Shire Council, City of Wodonga and Greater Shepparton City Council.

The Metropolitan Planning Authority

The MPA was launched in October 2013 to plan for jobs, housing and investment, and to manage Melbourne's growth. This includes working with councils, State Government departments and agencies.

Having been formed from the Growth Areas Authority, the MPA's expanded role includes high-level planning and infrastructure coordination to promote housing affordability and create jobs across Melbourne and in regional centres.

The GAA (the name of the Authority until October 2013) was established in 2006. The Authority was formally established by amendments made to the *Planning and Environment Act 1987* on 1 September 2006 through the *Planning and Environment (Growth Areas Authority) Act 2006*. Up until October 2013, the GAA was to achieve the following objectives:

- ensure that development in growth areas occurs in a coordinated and timely manner
- ensure that infrastructure, services and facilities are provided in the growth areas in a coordinated and timely manner
- promote sustainable development of land in growth areas
- promote housing diversity and affordability in growth areas
- promote employment opportunities in growth areas
- ensure that land is provided for commercial and industrial purposes in growth areas in a coordinated and timely manner
- foster the development of communities in growth areas.

An additional objective was also legislated through the *Transport Integration Act 2010* effective on 1 July 2011:

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

Functions and powers

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

The MPA's functions and powers are set out in Sections 46AS and 46AT of the *Planning and Environment Act*. On 22 July 2013, the *Planning and Environment Amendment (Growth Areas Authority and Miscellaneous) Act 2013* came into force. This legislation expanded the geographic range of the activities of the MPA when directed to do so by the Minister for Planning and also amended some of the Authority's objectives and functions.

The MPA's key functions are to:

- make recommendations and report to the Minister on:
 - » the planning, use, development and protection of land in growth areas;
 - » the use and expenditure of levies collected in the growth areas under development contribution plans;
 - » if requested by the Minister, any matter relating to the functions and powers of the Authority;
 - » the Minister's functions and powers under the Act in relation to growth areas; and
 - » to carry out any function conferred to the Authority in relation to the Growth Areas Infrastructure Contribution (GAIC).
- carry out any other function conferred on the Authority under the Act.

Nature and range of services provided

This year has seen a significant expansion in the role of the Authority. Initially this arose with the Minister's announcement in October 2013 that the Authority would be known as the Metropolitan Planning Authority and would have carriage of a number of responsibilities through Plan Melbourne, and subsequently when Plan Melbourne was launched by the Minister for Planning and Premier on 19 May 2014. These new responsibilities are in addition to the greenfield growth area responsibilities that the Authority previously had and still retains.

Before being relaunched as the MPA, the organisation operated under the banner of the GAA in declared growth areas. The MPA will continue to work in the growth areas, whilst also focusing on the areas for urban development identified in Plan Melbourne. In addition, the *Planning and Environment Amendment (Growth Areas Authority and Miscellaneous) Act 2013* allows the Minister for Planning to declare a growth area outside the existing growth area municipalities via a notice in the Government Gazette. This will allow regional councils and councils outside the seven declared growth areas and the Plan Melbourne areas to request access to the MPA's skills and experience.

Melbourne is already one of the world's largest cities, with a population of approximately 4.2 million. Victoria's latest projections indicate that the city's population could increase to 7.7 million by 2051, which requires the planning to start now to shape how our city's infrastructure, housing stock and employment opportunities will evolve. Already, the MPA is examining opportunities to unlock land capacity to identify strategic urban renewal, infill and greenfields sites.

Up to 1.4 million new dwellings will be required between 2015 and 2050 to house Melbourne's growing population. Additional housing will be required in regional centres. It is important that we start planning now for this growth to ensure we can accommodate increased demand, while maintaining housing quality and Melbourne's status as the world's most liveable city. This approach includes planning for diversity of housing stock, making use of the Government's new residential zoning across all of Melbourne and providing jobs and services close to home.

Greenfields

The GAA ensured a good supply of quality, affordable housing while at the same time improving the quality of our new suburbs: with better local town centres, housing variety, better infrastructure funding and a stronger emphasis on design at the precinct level. Due to the continuing demand for urban development in the greenfield growth areas, it is important that this ongoing planning activity be maintained. One of the MPA's key foci is to maintain the quality and supply in the growth areas as part of planning to balance growth between new urban locations, our existing urban areas and regional centres.

Urban renewal and inner city development

Early planning by the MPA in relation to urban renewal precincts is geared towards unlocking Melbourne's development capacity for commercial and residential use and creating investment opportunities.

Effective implementation of Victoria's new residential and commercial zones will unlock the capacity of Melbourne's inner suburbs and strategic urban renewal sites to accommodate more than 410,000 additional dwellings by 2050.

In the present, the MPA is working hard to ensure that planning for this development maintains quality, promotes affordability and maintains Melbourne's status as the world's most liveable city.

Recently, the MPA has:

- taken on the strategic planning of Fishermans Bend, which will become Melbourne's largest urban development with a future population of 80,000 and significant commercial opportunities on the doorstep of the CBD
- launched an exciting concept to integrate Essendon Fields and Airport West into a precinct capable of providing 25,000 jobs and generating more than \$2 billion in investment activity for Melbourne's inner north
- coordinated Melbourne's subregional planning groups to give local councils a greater say in the delivery of key infrastructure.

Future work by the MPA will focus on better use of transport, working with councils to identify what our suburbs will look like in the future, and developing clear funding models for council and state infrastructure to service new and existing residents.

Employment clusters

Plan Melbourne has identified six National Employment Clusters in and around Melbourne. There are three existing employment clusters – Monash, Parkville and Dandenong South – and three emerging clusters at East Werribee, La Trobe and Sunshine.

These clusters have been identified as centres for innovation, research, technology, education, office development, industrial and retail uses to encourage business investment, create great environments to do business and create professional job opportunities throughout Melbourne's suburbs.

As well as unlocking the capacity of the Monash, East Werribee, Sunshine, La Trobe, Parkville and Dandenong South national employment clusters, the MPA is also working on planning to generate opportunities in metropolitan activity centres, urban renewal precincts and greenfields locations to generate 960,000 new jobs by 2050.

Regional centres

Regional cities have an important role to play in Victoria's growth.

Creating a state of cities by unlocking the growth potential of regional centres is a key initiative in Plan Melbourne and in the Government's Regional Growth Plans.

The MPA is providing assistance to regional councils to manage growth in regional cities. This includes working with Baw Baw Shire Council to complete PSPs for growth areas in the two towns of Warragul and Drouin, and helping Latrobe City Council to prepare a PSP for the Lake Narracan area (just north of Moe/Newborough).

Following a direction from the Minister for Planning, the MPA will provide planning assistance to the City of Wodonga to implement the Leneva-Baranduda Growth Plan to set out the development of 14,000 new homes in the area. We are also in early discussions with Greater Shepparton City Council about long term planning for Shepparton's north east growth corridor.

Enhancing and celebrating the character of regional cities will be a key consideration in the planning and development of strategic sites across Victoria, as well as generating attractive job opportunities to drive the growth of regional centres.

Planning reform

A key activity of the MPA is the review and reform of the planning provisions and processes as they relate to the growth areas and growth area development. The MPA also has a major role to play in coordinating State and council infrastructure for the growth areas.

The MPA works in partnership with the growth area councils to prepare and implement plans for these key development sites, undertake master planning and help resolve local planning and development issues.

Infrastructure planning

The MPA works closely with State Government departments, a range of State Government agencies such as Public Transport Victoria, VicRoads, Parks Victoria, the Environment Protection Authority and Melbourne Water, and local councils in planning the future infrastructure requirements for Melbourne and its environs.

Coordination and liaison

The MPA plays a key role in co-ordinating the activities and efforts of various government bodies, local authorities and landowners and developers in areas of urban development.

The MPA also works with peak organisations such as the Planning Institute of Australia, the Property Council of Australia, the Municipal Association of Victoria, the Urban Development Institute of Australia, the Victorian Planning and Environmental Law Association and the Victorian Local Governance Association.

Authority Performance

Since the establishment of the Authority in September 2006, significant progress has been made in progressing its legislative objectives. The table below summarises the progress made against the MPA's 2013-2014 strategic priorities as set out in its adopted Business Plan.

Strategic Priority	Activities and Performance Measurement
Ensure that development in growth areas occurs in a coordinated and timely manner	<p>The Minister for Planning has approved the projects on which the MPA is to focus in the short term, which includes the continued roll-out of the greenfields PSP program, and planning for a large number of key areas within metropolitan Melbourne.</p> <p>The MPA is working with DTPLI to implement the initiatives identified in Plan Melbourne (the final version of which was released in May 2014).</p> <p>The Minister for Planning has approved the following four PSPs during the 2013-2014 financial year:</p> <ul style="list-style-type: none"> • Alfred Road (Wyndham Vale) • Blackforest Road South (Wyndham Vale) • East Werribee Employment Precinct • Greenvale Central. <p>The MPA has also made substantial progress towards the completion of the following seven PSPs during the 2013-2014 financial year:</p> <ul style="list-style-type: none"> • Toolern Park • Ballan Road • Westbrook • Truganina • Riverdale • Tarneit North • Clyde Creek Extension. <p>A further 16,400 residential lots were zoned in the 2013-2014 year, and the zoning for another 185,000 residential lots are currently being progressed (via 36 PSPs). This represents planning activity being presently underway for 26,000 hectares in Melbourne's greenfield growth areas.</p>
Ensure that infrastructure, services and facilities are provided in growth areas in a coordinated and timely manner	<p>The MPA has established subregional working groups with local councils in order to assist in the identification of State infrastructure priorities.</p> <p>The Minister for Planning released the Guidelines for GAIC Works-in-Kind (WIK) in February 2014, and the MPA is able to respond to GAIC WIK enquiries.</p> <p>The MPA is progressing the planning for the implementation of the Sneydes Road intersection with VicRoads and the DTPLI.</p> <p>To date, in excess of \$2 million has been expended from the GAIC Building New Communities Fund on the six projects previously approved by the Minister for Planning.</p>

Strategic Priority	Activities and Performance Measurement
Promote sustainable development of land in growth areas	<p>Plan Melbourne has given the MPA the responsibility for progressing the development of a Metropolitan Open Space Strategy. In addition, the Government allocated additional funding to the MPA for forthcoming years, and part of these funds will be put towards the MPA preparing the Metropolitan Open Space Strategy.</p> <p>The MPA is integrating the 11 areas brought within the Urban Growth Boundary in the logical inclusions process by further work on Corridor Plans in some cases, and progressing directly to PSPs in others. The planning for two of these areas are now being progressed through the preparation of PSPs.</p>
Promote housing diversity and affordability in growth areas	<p>The MPA's PSPs continue to promote a variety of densities, building types and types of residential areas in order to facilitate housing diversity and affordability.</p> <p>The MPA continues to ensure that PSPs enable the provision of housing lots of less than 300 square metres.</p>
Promote employment opportunities in growth areas	<p>The MPA has developed an initial program for its activities identified in Plan Melbourne which has been approved by the Minister for Planning.</p> <p>The MPA has initiated a Subregional Planning Group process for the Melbourne metropolitan area with senior local government representation.</p> <p>The MPA has called for expression of interest from parties interested in the development of the East Werribee Employment Precinct.</p> <p>The MPA is working closely with the Port Phillip City Council and the City of Melbourne in commencing implementation of the new Fishermans Bend Urban Renewal project.</p>
Ensure that land is provided for commercial and industrial purposes in growth areas in a coordinated and timely manner	<p>The MPA has enabled the completion of PSPs in 2013-2014 which planned for 356 hectares of employment land.</p> <p>The MPA also currently has PSPs under preparation which include around 1,276 hectares of employment land.</p>
Foster the development of communities in growth areas	<p>The MPA has been working with Latrobe City Council, Baw Baw Shire Council, the City of Wodonga, and the Greater City of Shepparton to progress planning initiatives.</p>
Integrate land use and transport to enable the coordinated provision of a sustainable transport system for the benefit of the community	<p>Transport infrastructure requirements are identified in the MPA's PSPs.</p> <p>GAIC WIK Guidelines were released in February and have been made accessible through the MPA's website. The MPA is responding to GAIC WIK enquiries.</p>

Strategic Priority	Activities and Performance Measurement
To ensure all financial and governance responsibilities of the Authority are appropriately discharged	<p>The annual report for 30 June 2013 was adopted and presented to the Minister for Planning by 30 September 2013 with no audit qualifications.</p> <p>GAIC enquiries and requests have been processed in a timely manner in conjunction with the State Revenue Office (SRO) and the DTPLI.</p> <p>10 Authority meetings have been held on:</p> <ul style="list-style-type: none"> • 14 August 2013 • 11 September 2013 • 20 September 2013 • 16 October 2013 • 20 November 2013 • 18 December 2013 • 5 February 2014 • 26 March 2014 • 4 May 2014 • 25 June 2014 <p>The outcomes of the MPA Environment Strategy actions are reported in the Annual Report.</p> <p>The Risk Management Attestation for the financial year ended 30 June 2013 was contained in the adopted 2012-2013 annual report.</p>

Authority Meetings

Name of meeting	Chair	Meeting frequency	Number of meetings	Membership
Authority (Board)	Chris Banks	Bi-Monthly or as required	10	All members
Risk and Audit Committee	Leonie Hemingway	Half yearly or as required	4	All members
Executive Remuneration Committee	Ian Munro	As required	6	All members

Authority Meeting Attendance

Authority Member	Authority Meeting attendance	Risk and Audit Committee attendance	Executive Remuneration Committee attendance
Chris Banks	9 out of 10	3 out of 4	6 out of 6
Di Fleming	9 out of 10	3 out of 4	5 out of 6
Leonie Hemingway	10 out of 10	4 out of 4	6 out of 6
Bill Kuszniarczyk	10 out of 10	4 out of 4	6 out of 6
Ian Munro	10 out of 10	4 out of 4	6 out of 6

Major changes or factors affecting performance

The 2013-2014 financial year has proven to be a transitional one for the Authority. The Authority entered into the financial year with its major focus on the continued roll-out of the planning for Melbourne's greenfield growth areas.

The decision by the Minister for Planning in October 2013 for the Authority to be known as Metropolitan Planning Authority and to have a key role in the future implementation of Plan Melbourne has meant that the Authority has needed to alter its focus over the course of the current financial year. The Minister ensured that the MPA was provided with additional resources for the 2013-2014 financial year, and required the Authority to expand its activities in the second half of the financial year beyond planning for Melbourne's greenfield growth areas.

The practical implications of this change in role, was that the Authority revised its initial 2013-2014 activities and also its budget from 1 January 2014. The expected revenue for the year increased from \$8.9 million to in excess of \$11 million, and similarly the budgeted expenditure also increased by around \$2 million.

The Minister and Government also increased the forward budget allocations to the MPA for future financial years, in order to enable it to carry out its expanded functions. As a result of this change in direction, the MPA restructured its work force and recruited for an additional 25 roles. This included creating a new team to focus on the planning of inner Melbourne.

In the meanwhile the MPA continued with its PSP program for Melbourne's greenfield areas. By 30 June 2014 the MPA had completed 38 PSPs from its program (and also the Toolern Major Town Centre master plan), and continued with progressing an additional 36 PSPs. The completion of the remaining 23 PSPs on the MPA's greenfields program (which includes the bulk of the land brought within the urban growth boundary in the 2011-12 logical inclusions process) have not yet either been funded or scheduled.

Now that the MPA has certainty over future funding resulting from the Government's May 2014 Budget, and the direction arising out of Plan Melbourne, the activities of the MPA over the coming years are expected to become more diverse, and more complex.

Growth Areas Infrastructure Contribution

The *Planning and Environment (Growth Areas Infrastructure Contribution) Act 2010* (the Act) came into effect on 1 July 2010. Information in relation to the Growth Areas Infrastructure Contribution (GAIC) is located on the MPA website www.mpa.vic.gov.au.

There have been two additional legislative amendments relating to GAIC: one being the *Planning and Environment Amendment (Growth Areas Infrastructure Contribution) Act 2011*, and the other the *Planning and Environment Amendment (Schools) Act 2012*. The MPA's website www.mpa.vic.gov.au contains information sheets outlining details in relation to these two matters.

The MPA is responsible under the Act to notify the State Revenue Office (SRO) and the Registrar of Titles of the properties that fall within the GAIC Area.

The SRO retains a record of those properties that are liable for GAIC, and is responsible for determining and collecting any GAIC liability.

The Registrar of Titles is responsible for placing a GAIC notice on each affected property and will not allow any land dealings, in relation to those properties, without receipt of an appropriate GAIC certificate and notice, as issued by the SRO. The MPA also progresses stage payment enquiries and applications from landowners conducting subdivisions in Melbourne's growth areas.

In February 2014 the Minister for Planning released the Guidelines for GAIC Works-in-Kind applications, and two sets of model agreements. These can viewed via the MPA's website www.mpa.vic.gov.au. The MPA is able to respond to any GAIC Works-in-Kind enquiries, and to assist in the progress of any applications.

In addition the MPA provides secretarial support to the GAIC Hardship Relief Board (the Board). The Board meets when required to consider applications for hardship relief. Information about the Board is found on the MPA website www.mpa.vic.gov.au. During the 2013-2014 year the Board made no decisions on hardship applications (2012-2013 – 4). As at 30 June 2014, there were no active applications before the Board (as at 30 June 2013 – 0).

Under section 45 of the *Financial Management Act 1994* and section 201VC of the Act the MPA and DTPLI are required to report annually on the operation of the GAIC.

The amount of GAIC triggered and received in the 2013-2014 financial year is shown below. The amounts received by the SRO are paid into the Consolidated Fund in accordance with the Act and then paid equally into two GAIC funds - the Building New Communities Fund and the Growth Areas Public Transport Fund. These Funds are held by, and also financially reported on by DTPLI.

GAIC rates per hectare of Contribution Area

Land Type	Year Ended 30 June 2014	Year Ended 30 June 2013
Type A	\$86,580	\$84,960
Type B1, B2 & C	\$102,810	\$100,890

Summary of GAIC transactions for the year ended 30 June 2014

	Number of transactions for the year ended 30 June 2014	Transaction value for the year ended 30 June 2014	Number of transactions for the year ended 30 June 2013	Transaction value for the year ended 30 June 2013	Notes
GAIC Receipts	57	\$18,872,282	48	\$16,045,887	1
GAIC Refunds	0	0	0	0	2
GAIC Deferred	23	\$65,991,661	13	\$31,401,196	3
Staged Payment Arrangements agreed	8	\$22,688,629	12	\$23,179,716	4
Net Staged Payments Outstanding	25	\$39,560,885	19	\$32,921,212	5

Notes to Summary of GAIC transactions for the year ended 30 June 2014

1. The GAIC receipts by the SRO of \$18,872,282 (2012-2013 – \$16,045,887) includes interest received and refunds made, and has been paid into the Consolidated Fund as per section 2015ZJ of the *Planning and Environment (Growth Areas Infrastructure Contribution) Act 2010*.
2. There were no GAIC refunds for the financial year ended 30 June 2014.
3. Deferrals arise from purchase transactions whereby the liable party elects to defer all, or part of their GAIC liability until the next GAIC event. Should the liable party elect to defer part of the liability then a payment of the non-deferred portion of the total liability is due. The reported Total GAIC Deferred for the year is the total amount elected to have been deferred during the financial year. Some of those amounts may have subsequently been paid, or have been converted into Staged Payment arrangements.
4. The Minister for Planning, or the Chief Executive Officer of the MPA under delegated authority, approves staged payment arrangements. The SRO processed approved staged payment arrangements in relation to eight (8) GAIC events during the year ended 30 June 2014 (2012-2013 – 12). The value of the staged payment arrangements processed for the year ended 30 June 2014 was \$22,688,629 (2012-2013 – \$23,179,691).
5. The outstanding amounts in relation to approved staged payments arrangements are to be progressively reduced in accordance with the agreed payment arrangements. The total outstanding staged payments that had been approved by 30 June 2014, and were due for payment after 30 June 2014 amount to \$39,560,885 (2012-2013 – \$32,921,212). Twenty five (25) staged payment arrangements were still current as at 30 June 2014 (2012-2013 – 19).

GAIC receipts made in each Growth Area

Growth Area	GAIC receipts to 1 July 2013 \$	GAIC receipts for year ended 30 June 2014 \$	Total GAIC receipts for each Growth Area as at 30 June 2014 \$	Total paid out of contributions received for each Growth Area as at 30 June 2014 \$	Proportion paid out of contributions received for each Growth Area* %
Casey**	17,015,042	7,781,262	24,796,304	589,018	2.4
Cardinia**	-	-	-	-	-
Hume	15,082,800	4,068,483	19,151,283	1,793,945	9.4
Melton	14,186,563	6,184,027	20,370,590	967,284	4.7
Mitchell	233,130	393,574	626,704	21,075	3.4
Whittlesea	-	-	-	-	-
Wyndham	2,911,886	444,936	3,356,822	49,730	1.5
TOTAL	\$49,429,421	\$18,872,282	\$68,301,703	\$3,421,052	5.0%

* Reported under section 201VC(b) of the Act

** The Casey-Cardinia Growth Area proportion is of funds paid or accrued is 2.4% (2012-2013 - 2%)

GAIC Funds

The reporting under section 201VC of the Act in relation to the two GAIC funds is set out below.

The amounts collected by the SRO are paid into the Consolidated Fund (in accordance with section 201SZJ of the Act). The amounts collected for the 2013-2014 financial year are reported above.

Periodically the GAIC revenue that has been collected and paid into the Consolidated Fund are transferred to the two GAIC Funds, net of any GAIC refunds made. In 2013-2014 no refunds were made (2012-2013 – 0). For the financial year ended 30 June 2014, an amount of \$7,500,000 has been transferred to each of the Building

New Communities Fund and the Growth Areas Public Transport Fund (a combined total of \$15,000,000; 2012-2013 – \$14,000,000) in accordance with section 201V(2) of the Act.

The amount that has been paid out of the GAIC Funds for the year ending 30 June 2014 is \$656,212 out of the Building New Communities Fund (2012-2013 – \$1,400,000), and \$798,302 out of the Growth Areas Public Transport Fund.

It will be noted that when the amounts received are split between the two Funds and reported by growth area municipality, that the quantity available for allocation to each growth area from each Fund is reasonably small.

Building New Communities Fund by Growth Area for the year ended 30 June 2014

Growth Area	Opening Fund Balance as at 1 July 2013 \$	Interest Earned for the Year \$	Amount Paid into the Fund for the Year \$	Amount Paid from the Fund for the Year \$	Balance of the Fund as at 30 June 2014 \$
Casey*	8,340,169	140,039	3,122,354	100,000	11,502,562
Cardinia*	-				
Hume	6,393,340	107,350	1,571,654		8,072,343
Melton	7,030,392	118,046	2,457,252	556,212	9,049,478
Mitchell	125,774	2,112	143,772		271,658
Whittlesea	-				
Wyndham	1,446,052	24,280	204,969		1,675,301
TOTAL	\$23,335,727	\$391,827	\$7,500,000	\$656,212	\$30,571,342

*Combined Casey-Cardinia Growth Area

Casey-Cardinia	8,340,169	140,039	3,122,354	100,000	11,502,562
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Allocations and payments made out of Building New Communities Fund for the year ended 30 June 2014

Allocated to	Growth Area	Purpose	Original Amount Allocated* \$	Amount Paid to 30 June 2013 \$	Amount Paid in Year Ended 30 June 2014 \$	Amount Not Yet Paid as at 30 June 2014** \$
Public Transport Victoria	Casey	Berwick Station Park and Ride Upgrade	1,100,000		100,000	1,000,000
Roads Corporation of Victoria	Casey	Upgrade of intersection South Gippsland Highway and Craig Road	1,000,000			1,000,000
Hume City Council	Hume	Upgrade of intersection Mickleham Road, Greenvale Gardens and Dellamore Boulevard	1,400,000	1,400,000		0
Hume City Council	Hume	Car parking and public open space at Hume Regional Tennis and Community Centre	1,000,000			1,000,000
Roads Corporation of Victoria	Melton	Traffic signals at Ferris Road interchange intersection	1,500,000		556,212	943,788
Wyndham City Council	Wyndham	Upgrade to bus facilities, car parking and public space of Events, Aquatic and Leisure Centre	900,000			900,000
TOTAL			\$6,900,000	\$1,400,000	\$656,212	\$4,843,788

* These payments are made net of GST.

** The net amount of allocations made out of the Building New Communities Fund not yet paid as at 30 June 2014 is \$4,843,788. So the Building New

Communities Fund balance on hand at 30 June 2014 amount to \$30,571,342 (30 June 2013 – \$23,335,727) has a commitment made against of \$4,843,788 (30 June 2013 – \$5,500,000) reducing any balance available for allocation to \$25,727,554 (30 June 2013 – \$17,835,727).

Growth Areas Public Transport Fund by Growth Area for the year ended 30 June 2014

Growth Area	Opening Fund Balance as at 1 July 2013 \$	Interest Earned for the Year \$	Amount Paid into the Fund for the Year \$	Amount Paid from the Fund for the Year \$	Balance of the Fund as at 30 June 2014 \$
Casey*	8,176,208	129,730	3,122,354	329,149	11,099,143
Cardinia*					
Hume	7,564,497	118,631	1,571,654	172,098	9,082,684
Melton	6,876,913	108,831	2,457,252	261,586	9,181,410
Mitchell	121,160	1,884	143,772	16,648	250,167
Whittlesea					
Wyndham	1,414,203	22,377	204,969	18,821	1,622,728
TOTAL	\$24,152,981	\$381,453	\$7,500,000	\$798,302	\$31,236,132

*Combined Casey-Cardinia Growth Area

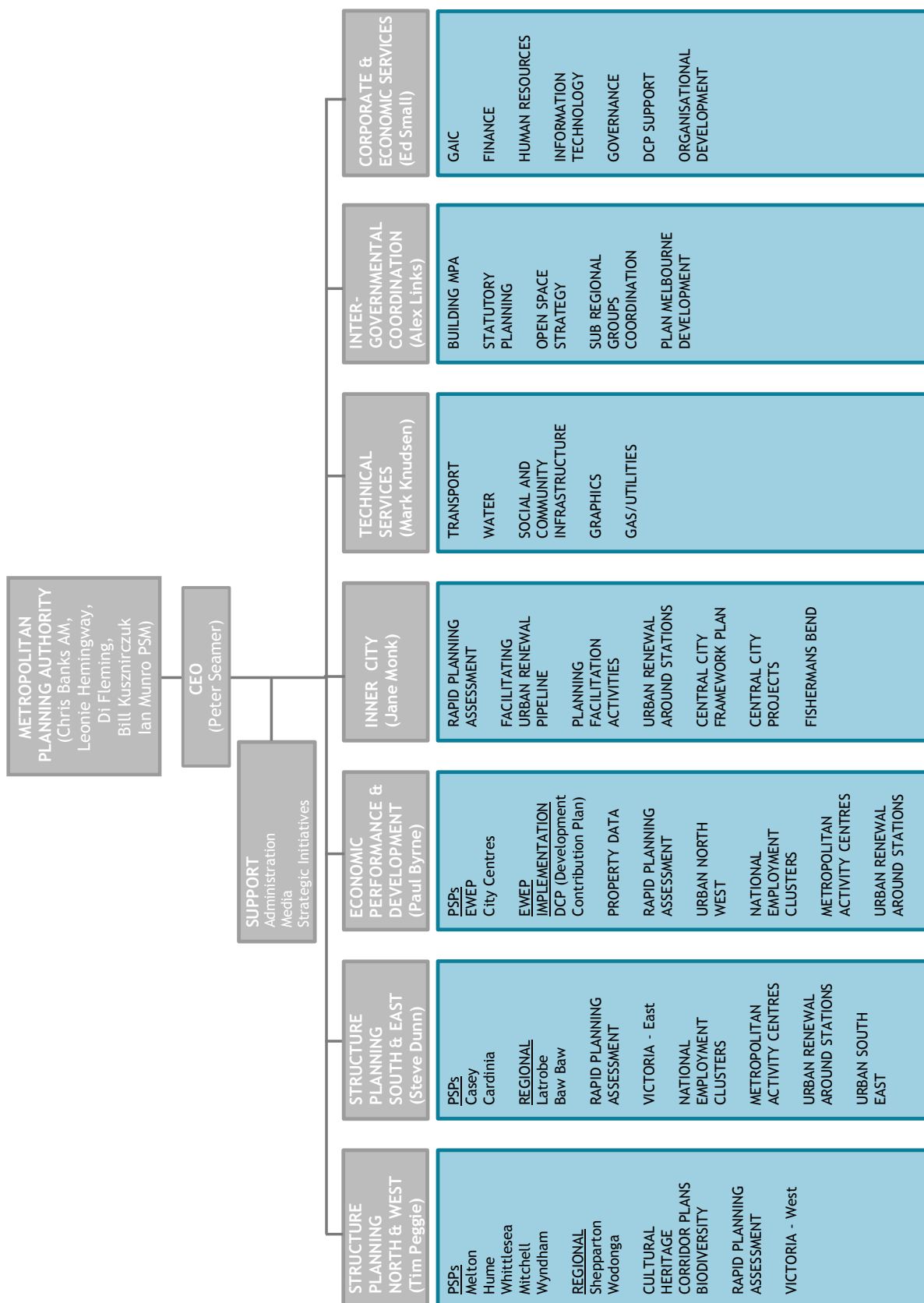
Casey-Cardinia	8,176,208	129,730	3,122,354	329,149	11,099,143
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GAIC Works-In-Kind

The GAIC Works-in-Kind legislative amendments were gazetted on 29 June 2011. The GAIC Works-In-Kind Guidelines and Model Agreements were released in February 2014 to be available for progressing GAIC Works-In-Kind applications. These documents are comprehensive and links to them can be found on the Authority's website www.mpa.vic.gov.au.

No GAIC Works-in-Kind arrangements were in place as at 30 June 2014 (as at 30 June 2013 – nil).

Organisational Structure



The organisational structure of the MPA reflects the key strategic areas of its work.

From 1 July 2013 until 30 September 2013 the Chief Executive Officer of the MPA was also the Chief Executive Officer of Places Victoria. During this period Paul Byrne was appointed to the role of Chief Operating Officer, responsible to the Chief Executive Officer for the day to day operations of the MPA. This position ceased from 1 October 2013 on the recommencement of the Chief Executive Officer in a full time capacity.

The support activities of streamlining reform and media report directly to the Chief Executive Officer.

The **Structure Planning** teams are responsible for planning activity in the eastern and southern suburbs, and in the outer north and west. This includes urban renewal planning (notably the Monash National Employment Cluster), and completing the PSP program for the declared growth areas. As at the end of June 2014, 38 PSPs of the MPA's PSP program for the growth areas have been completed.

The **Economic Performance and Development** team is responsible for planning activity in the inner north and west of Melbourne - those parts of northern and western Melbourne located between the declared growth areas and the central city sub-region. Initially, the team is producing framework plans to deliver significant growth to the La Trobe and Sunshine National Employment Clusters, Epping, Broadmeadows and Sunshine Metropolitan Activity Centres, and Essendon Technology Precinct. The team is also responsible for the roll-out of the development of the East Werribee Employment Precinct.

The **Inner City** team is responsible for unlocking urban renewal precincts in the Central Melbourne sub-region, comprising the cities of Melbourne, Maribyrnong, Stonnington, Port Phillip and Yarra. Working closely with the councils and government agencies, the Inner City team is preparing framework plans and public realm guidance capable of supporting the significant growth envisaged for the sub-region under Plan Melbourne. Key projects for 2013-2014 include finalising a Strategic Framework Plan and design guidelines for Fishermans Bend Urban Renewal Area (Australia's largest urban renewal project), preparing a Framework Plan for the Expanded Central City and giving effect to the Swan Street, Cremorne Structure Plan.

The **Technical Services** team support planners and the MPA more generally through the provision of specialist technical advice on issues such as transport, health or education facilities, utilities and engineering. A key role involves maintaining strong technical relationships with councils and key agencies on these matters. The team also provides mapping, graphics and publication production services.

The **Intergovernmental Coordination** team has the key role of managing and coordinating the interaction with all government authorities, the subregional groups and the organisation's statutory planning activities.

The **Corporate and Economic Services** team supports the operations of the MPA through the provision of finance, governance, information technology management and human resource functions. This team also has carriage for the MPA's involvement in the GAIC initiative.

People at the MPA

People Management Strategy

The MPA has a small core of staff to meet its operational needs and to provide expert assistance in key areas.

The MPA has invested major effort in the recruitment of experienced professional staff in the areas of statutory and strategic urban planning, policy development and corporate support. The MPA has comprehensive policies and systems to ensure the ongoing development of its overall capability.

With the release of Plan Melbourne and the expanded role of the Authority, the MPA sought to recruit staff from within DTPLI to meet the expectations of the plan. The MPA recruited 14 staff from DTPLI which helped to retain planning expertise within the public sector, as well as minimising costs to Government. Roles that could not be filled from within DTPLI were then advertised externally.

Occupational Health and Safety

The MPA has a clear commitment to OH&S compliance as well as general staff health and well-being, set out in its A Healthy, Safe and Supportive Workplace Policy.

The MPA maintains an Occupational Health and Safety Committee which meets regularly during the year.

During the reporting year the Authority had:

- 36 staff receive influenza vaccinations
- 0 incidents relating to our premises reported to WorkSafe
- 1 comprehensive internally conducted workplace inspection
- appointed 2 new trained fire wardens
- appointed 3 new OHS Committee employee representative members
- 21 staff received ergonomic work station assessments

Managing and Valuing Diversity and Merit

The MPA promotes equal employment opportunity through diversity in its policies and practices. In light of the small number of employees, a flexible and supportive workplace is provided through flexible working hours and leave arrangements.

MPA policies and programs consider issues relating to women, youth, and people from indigenous, culturally and linguistically diverse backgrounds. Activities relating to diversity included staff holding 'A Taste of Harmony' lunch during Harmony Week in March 2014.

The Chief Executive Officer made four internal appointments and 28 external appointments based on merit (including staff recruited from DTPLI) during the period.

Number of MPA Staff (headcount) as at 30 June 2014

Category	Staff 2014	Staff 2013
VPS 1-7 Staff		
Male	31	20
Female	30	20
Executive Staff		
Male	6	4
Female	2	1
Total Staff	69	45

Category	Staff 2014	Staff 2013
All Staff		
Male	37	24
Female	32	21
Total	69	45

The MPA is currently operating under the GAA Enterprise Agreement 2012 which has a nominal expiry date of 31 December 2015.

Upholding Public Sector Conduct

The MPA is responsible for promoting high standards of integrity and conduct in the public sector. Staff observe, and are fully informed about, the Code of Conduct for the Victorian Public Sector and the *Public Administration Act 2004* regarding “Upholding public sector conduct”.

The *Public Administration Act 2004* provides the following employment and conduct principles:

Employers must ensure:	Employees must:
Decisions are made on merit	Act with impartiality
Employees are treated fairly and reasonably	Display integrity, including avoiding real or apparent conflicts of interest
Equal employment opportunity is provided	Show accountability for actions
Reasonable avenues of redress exist against unfair and unreasonable treatment.	Provide responsive service.

New staff are required to undertake online training in regard to conflicts of interest and ethical behaviour and existing staff also have access to this online training to update their knowledge in these areas. Staff were also provided with an annual refresher training in August 2013 on code of conduct, protected disclosures (whistleblowers), probity, conflict of interest, record keeping, privacy, freedom of information, bullying and harassment, equal opportunity and human rights.

Additional Information

Environment Strategy

The Authority is committed to working towards environmental sustainability in both its operations and in the planning of new communities. It will do this by:

1. Striving to be an environmentally responsible organisation in its own operations.
2. Working towards improving the liveability and sustainability of the natural and built environment within new communities.

The 2013-2014 Business Plan includes the promotion of sustainable development as one of the Authority's objectives, and environmental sustainability aspects are included in the strategic priorities of the Business Plan. Results against the Business Plan measures are reported in the Growth Areas Performance segment of the Annual Report.

Office Based Targets and Initiatives

The MPA reports annually against a number of indicators. The measures for 2013-2014 are set out in the table below.

INDICATOR	2013/2014 Actual	Estimated Carbon Equivalent (Tonnes)	2012/2013 Actual	Estimated Carbon Equivalent (Tonnes)	Net % Change	Notes
ELECTRICITY						
Greenhouse emissions offset	25%		25%			1
Total electricity used (kWh)	61,274	66.0	57,467	64.1	3%	
PAPER						
Daily paper ream use per employee	0.027	1.67	0.033	2.04	-18%	2
TRANSPORT						
Annual total Hybrid Pool Vehicle travel (km)	19,942	1.78	18,908	2.24	-20%	
New staff taking up public transport options for travel	100%	Data N/A	100%	Data N/A		3
Other transport per employee per year (Km)	172.77	2.357	151.21	1.41	67%	4
Number of flights taken - national	1	0.54	1	0.57	-5%	
Number of flights taken - international	1	5.93	0	0	100%	
WATER						
Total water used (kL)	Data N/A		Data N/A			5
TOTAL EMISSIONS		78.28		70.36	11%	

Notes to Office Based Targets and Initiatives

1. Greenhouse emissions offset - The Authority participates in the GreenPower program with Origin Energy whereby 25% of the electricity consumption is offset with electricity from GreenPower accredited renewable sources.
2. Printing controls - 'Pull Printing' continued to ensure that excess printing is reduced by requiring manual print off of colour printouts.
3. Public transport - Public transport ticket deduction has shown an acceptance of 100% for new, eligible, MPA staff for the 2013-2014 year.
4. The new role of the MPA in the implementation of Plan Melbourne has resulted in an increase in staff numbers as well as the increased requirement of employee travel for attendance at other locations.
5. Water consumption - Water consumption is centrally managed by AMP building management. The information was not available on a tenancy basis.

Waste Management

Collins Place Management introduced a recycling initiative to dispose of redundant electronic equipment. This service is available to the Authority and other occupants at 35 Collins Street. Building management receives a standard mass balance report, and also destruction certificates which ensures that the goods were completely disassembled and recycled.

The Authority continues to participate in an enhanced waste management program, which was introduced by the Collins Place Management in 2011-2012. This incorporates:

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

Waste Management audits are conducted by Collins Place Management for the building throughout the year to measure and provide feedback on recycling efforts. The most recent recycling program update shows that the building is now recycling 78% by weight of the average daily waste, which is a decrease of 6% from 2013. It is noted that the reported 2013 result was an increase of 13% over the previous period.

However, there was also a 2% reduction of the buildings waste which was destined for landfill, from the previous year. Collins Place Management aims to further decrease this percentage and reduce the overall landfill contribution.

Freedom of Information

Victoria's *Freedom of Information Act 1982* (FOI Act) gives members of the public the right to apply for access to documents held by an agency, including the MPA. Documents include, but are not limited to: paper and electronic documents, maps, tapes and graphs. The two main categories of information normally requested under the FOI Act include individuals asking for their personal documents, and requests for documents relating to the activities of government.

The MPA officer responsible for receiving and initially actioning requests made under the FOI Act is Ed Small, who can be contacted on 03 9651 9600 or info@mpa.vic.gov.au. As from 1 July 2014, there is a fee of \$26.50 payable for each FOI application (2013-2014 – \$25.70).

The Department of Justice also provides general information on its website, *FOI online*, about making FOI requests. A copy of the FOI Act is available at www.foi.vic.gov.au.

During 2013-2014 two new requests were received by the MPA (2012-2013 – six were received). All requests related to activities of government.

Other information required to be available in accordance with FRD22D and Freedom of Information Act 1982

The following information, where it relates to the MPA and is relevant to the financial year 2013-2014, is available to the Minister for Planning, Members of Parliament and the public on request:

- a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- changes in fees, charges, rates or levies charged
- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- details of publications produced by the entity, about the entity, and the places where the publications can be obtained
- details of any major external reviews carried out on the entity

- details of any major research and development activities undertaken by the entity
- details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and the services it provides
- details of assessments and measures undertaken to improve the occupational health and safety of employees, not otherwise detailed in the Report of Operations
- a general statement on industrial relations within the entity and details of time lost through industrial action and disputes
- a list of major committees sponsored by the entity, the purposes of each committee, and the extent to which the purposes have been achieved.
- details of all consultancies and contractors including:
 - » consultants/contractors engaged
 - » services provided
 - » expenditure committed to for each engagement.

Protected Disclosures Act 2012

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

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

During 2013-2014 there were no disclosures or investigations of improper conduct or detrimental actions made to the MPA or any referred to IBAC (2012-2013 – nil).

The MPA has adopted a Protected Disclosures Policy and Procedures.

Improving Accessibility

The MPA is committed to providing access to information to all members of the community. In relation to the access to material on the MPA's website,

the MPA provides detailed information on how to access and read MPA documents, and provides a contact facility for resolving any queries, by way of the e-mail address of accessibility@mpa.vic.gov.au.

Extent and compliance with the Building Act 1993

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

Victorian Industry Participation Policy (VIPP) and disclosure of major contracts

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

National Competition Policy

As a portfolio agency, the MPA's information on compliance is included in the DTPLI's Annual Report.

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

Contracts and Consultancies

During the financial year, there were 105 consultancy engagements for which services were provided and/or were effective or operational during the reporting period that were individually valued at \$10,000 or greater (exclusive of GST). Details of these consultancy engagements have been made on the MPA's website at www.mpa.vic.gov.au.

In addition to contracts valued at over \$10,000, there were 31 contracts for consultancies that were individually valued at less than \$10,000 (exclusive of GST). Total expenditure relating to these contracts amounted to \$143,529 for the financial year.

Comparatively, in 2012-2013, the MPA engaged 43 consultants where the total fees per contract payable to the consultant during the financial year was less than \$100,000, at a total cost of \$1,079,278. It was also reported that there were six consultancies in place during the 2012-2013 financial year where the total anticipated expenditure was over \$100,000.

Risk Management

The MPA has a Risk Management Plan and Risk Register in place prepared in accordance with the Australian Standard AS/NZS ISO 31000:2009. The Risk Register was prepared from risks identified through workshops with MPA staff members and the contribution of Authority Members. The Risk and Audit Committee regularly monitor the risk management and risk mitigation progress. The MPA has ensured that the risk profile has been reviewed regularly, both internally and externally.

These processes have enabled the Risk and Audit Committee at its meeting of 25 June 2014 to endorse the MPA's Chair as the attester of risk management processes contained in this annual report.

Attestation by Chair in relation to Risk Management at the MPA

I, Chris Banks, certify that the Metropolitan Planning Authority has risk management processes in place consistent with the Australian Risk Management Standard AS/NZS ISO 31000:2009 and an internal control system in place that enables the executive to understand, manage and satisfactorily control risk exposures. The Risk and Audit Committee of the Metropolitan Planning Authority verifies this assurance and that the risk profile of the Metropolitan Planning Authority has been critically reviewed in the last twelve months.



Chris Banks

Chair

September 2014

Summary of the Financial Results

	Year ended 30 June 2014 \$	Year ended 30 June 2013 \$	Year ended 30 June 2012 \$	Year ended 30 June 2011 \$	Year ended 30 June 2010 \$
Income					
Government Contributions	6,200,000	4,630,000	10,958,000	11,760,000	11,988,000
Other Revenue	7,771,252	3,159,079	2,176,752	591,450	971,087
Total Revenue	13,971,252	7,789,079	13,134,752	12,351,450	12,959,087
Expenses					
Operating Expenditure	3,477,623	2,691,125	2,980,565	3,245,480	3,012,748
Project Expenditure	8,657,178	6,303,427	8,676,424	8,787,242	8,774,761
Total Expenditure	12,134,801	8,994,552	11,656,989	12,032,722	11,787,509
Net Result	1,836,451	(1,205,473)	1,477,763	318,728	1,171,578
Assets					
Current Assets	14,903,716	12,169,291	13,773,125	12,031,830	11,997,234
Non-Current Assets	37,460	104,343	201,290	286,407	152,604
Gross Assets	14,941,176	12,273,634	13,974,415	12,318,237	12,149,838
Liabilities					
Current Liabilities	2,302,985	1,572,256	1,997,319	1,831,154	2,114,645
Non-Current Liabilities	235,893	135,531	205,776	193,527	60,365
Gross Liabilities	2,538,878	1,707,787	2,203,095	2,024,681	2,175,010
Net Equity	12,402,298	10,565,847	11,771,320	10,293,556	9,974,828

Changes in Financial Position

During the 2013-2014 financial year, the financial position of the Authority altered significantly.

In October 2013, the Government announced that the Authority was to be known as the Metropolitan Planning Authority (MPA), and would be taking up a number of additional responsibilities. With the transition to the MPA, the Authority was allocated additional government funding of \$1.5 million in 2013-2014 to assist with the resulting increase in responsibilities, projects and staff numbers. It was also announced that the MPA would be in receipt of annual appropriations of around \$14 million in future years, which represents a substantial increase in funding for the Authority.

In addition to the increase in output appropriations, the MPA also received larger amounts of funding for specific purposes, than in the previous years. The Authority received funding of \$2.94 million for the East Werribee Employment Precinct project (EWEP) from the Government, and anticipates receiving a further \$3.16 million in future years.

A significant proportion of the funding received from third party contributions to PSPs has not yet been disbursed.

This increase in revenue received, but not yet disbursed, has resulted in the cash holding increasing to \$12.934 million at the end of the financial year. A significant proportion of this cash balance can be associated with the unspent funds received for EWEP - \$2.13 million, with a further \$5.66 million allocated to future project expenditure from third party funding revenue.

Expenditure has also increased when compared with the previous financial year, as the Authority has raised its activity level, and increased its staff complement over the course of the year, including recruiting a number of staff from out of the DTPLI.

Liabilities, overall, have also increased which is directly attributable to an increase in employee provisions from the transfer of Departmental staff.

The MPA concluded the financial year with an operating surplus of \$1.836 million, which is a favourable result against the previous year's operating shortfall of \$1.205 million. This outcome was largely due to the additional funds received during the course of the year, which has not yet been expended.

Disclosure Index

The 2013-2014 Annual Report of the Metropolitan Planning Authority is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Authority's compliance with statutory disclosure requirements.

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SD 4.2(b)	Operating Statement
SD 4.2(b)	Balance Sheet
SD 4.2(a)	Statement of Changes in Equity
SD 4.2(b)	Cash flow Statement
SD 4.2(c)	Accountable Officer's declaration
SD 4.2(c)	Compliance with Australian Accounting Standards and other authoritative Pronouncements
SD 4.2(c)	Compliance with Ministerial Directions
SD 4.2(d)	Rounding of amounts

Other disclosures in notes to the financial statements

FRD 13	Disclosure of Parliamentary appropriations
FRD 9A	Departmental disclosure of administered assets and liabilities
FRD 11	Disclosure of ex-gratia payments
FRD 21B	Responsible Person and Executive Officer disclosures
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Legislation

Building Act 1993

Financial Management Act 1994

Freedom of Information Act 1982

Multicultural Victoria Act 2004

Planning and Environment Act 1987

Protected Disclosures Act 2012

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Comprehensive Operating Statement

For the year ended 30 June 2014

	Note	2014	2013
		\$	\$
Continuing Operations			
Income from Transactions			
Grants from State Government	2	6,200,000	4,630,000
Other Grants	2	4,581,113	-
Interest	2	285,239	364,901
Other Income	2	2,904,900	2,794,178
Total Income from Transactions		13,971,252	7,789,079
Expenses from Transactions			
Employee benefits	3	7,123,750	5,604,068
Depreciation	3, 5	107,953	96,947
Interest expense	3	1,851	-
Other operating expenses	3	4,896,987	3,316,071
Total Expenses from Transactions		12,130,541	9,017,086
Net result from Transactions for the period		1,840,711	(1,228,007)
Other Economic Flows included in Net Result			
Net gain/(loss) from revaluation of long service leave liability		(4,260)	22,534
Comprehensive Result		1,836,451	(1,205,473)

Balance Sheet

As at 30 June 2014

	Note	2014 \$	2013 \$
Assets			
Financial Assets			
Cash and deposits	14	12,933,693	11,059,442
Receivables	4	1,897,896	1,044,305
Total Financial Assets		14,831,589	12,103,747
Non Financial Assets			
Prepayments		72,124	65,544
Plant & Equipment	5	37,463	104,343
Total Non Financial Assets		109,587	169,887
Total Assets		14,941,176	12,273,634
Liabilities			
Payables	6	982,607	698,138
Borrowings	7	22,679	-
Provisions	8	1,533,592	1,009,649
Total Liabilities		2,538,878	1,707,787
Net Assets		12,402,298	10,565,847
Equity			
Accumulated funds		12,402,298	10,565,847
Total Equity		12,402,298	10,565,847

Statement of Changes in Equity

For the year ended 30 June 2014

	Accumulated Surplus \$	Total \$
Balance as at 1 July 2012	11,771,320	11,771,320
Total Comprehensive Result	(1,205,473)	(1,205,473)
Balance as at 30 June 2013	10,565,847	10,565,847
Balance as at 1 July 2013	10,565,847	10,565,847
Total Comprehensive Result	1,836,451	1,836,451
Balance at 30 June 2014	12,402,298	12,402,298

Cash Flow Statement

For the year ended 30 June 2014

	Note	2014 \$	2013 \$
Cash flows from operating activities			
Receipts			
Receipts from Government		10,624,932	4,630,000
Receipts from other entities		3,150,063	3,259,933
Interest received		285,902	372,067
Total receipts		14,060,897	8,262,000
Payments			
Payments to suppliers and employees		(12,123,496)	(10,323,813)
Goods and Services Tax paid to the ATO		(37,169)	105,790
Interest paid		(1,851)	-
Other payments		(5,735)	-
Total Payments		(12,168,251)	(10,218,023)
Net cash flows from/(used in) operating activities	14	1,892,646	(1,956,023)
Cash flows from investing activities			
Payments for plant and equipment		(12,650)	-
Net cash flows from/(used in) investing activities	5	(12,650)	-
Cash flows from financing activities			
Repayment of borrowings and finance leases		(5,317)	-
Net cash flows from/(used in) financing activities	14	(5,317)	-
Net increase /(decrease) in cash and cash equivalents		1,874,679	(1,956,023)
Cash and cash equivalents at the beginning of the financial year		11,059,442	13,015,465
Cash and cash equivalents at the end of the financial year	14	12,933,693	11,059,442

Notes to the Financial Statements

For the year ended 30 June 2014

Note 1 Summary of significant accounting policies

These annual financial statements include all controlled activities of the Growth Areas Authority, trading as the Metropolitan Planning Authority (MPA). The Authority was proclaimed on 1 September 2006 and this report is for the year from 1 July 2013 to 30 June 2014. The purpose of the report is to provide users with information about the Authority's stewardship of resources entrusted to it.

(a) Statement of Compliance

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

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

(b) Basis of Accounting

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

Judgements, estimates and assumptions are required to be made about the carrying values for assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

These financial statements are presented in Australian dollars, the functional and presentation currency of the Authority.

The financial report has been prepared in accordance with the historical convention. Cost is based on the fair values of the consideration given in exchange for assets.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision.

(c) Scope and presentation of financial statements

Comprehensive Operating Statement

The comprehensive operating statement comprises two components, being 'net result from transactions for the period,' and 'other economic flows included in the net result.' The sum of these represents the overall net result.

The net result is equivalent to profit or loss derived in accordance with AASs.

Balance Sheet

Assets and liabilities are presented in liquidity order with the assets aggregated into financial assets and non-financial assets.

Current and non-current assets and liabilities (non-current being those assets or liabilities expected to be recovered or settled more than 12 months after the reporting period) are disclosed in the notes, where relevant.

Statement of Changes in Equity

The statement of changes in equity presents reconciliations of each non-owner and owner opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also separately shows changes due to amounts recognised in the comprehensive result and amounts recognised in other comprehensive income related to other non-owner changes in equity.

Cash Flow Statement

Cash flows are classified according to whether or not they arise from operating or investing activities. The classification is consistent with requirements under AASB 107 *Statement of Cash Flows*.

Note 1. (cont)

Rounding

Amounts in the financial report have been rounded to the nearest dollar.

(d) Changes in accounting policies

Subsequent to the 2012-13 reporting period, the following new and revised Standards have been adopted into the current period with their financial impact detailed below.

AASB 13 Fair Value Measurement

AASB 13 establishes a single source of guidance for all fair value measurements. AASB 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under Australian Accounting Standards when fair value is required or permitted. The Authority has considered the specific requirements relating to highest and best use, valuation premise, and principal (or most advantageous) market. In light of AASB 13, the Authority has reviewed the fair value principles as well as its current valuation methodologies in assessing the fair value, and the assessment has not materially changed the fair values recognised.

However, AASB 13 has impacted the disclosures of the Authority. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards, including AASB 7 *Financial Instruments: Disclosures*. To increase consistency and comparability in the fair value measurements and related disclosures, AASB 13 establishes a fair value hierarchy (see Note 5) that categorises assets into three levels.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability, which shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

The disclosure requirements of AASB 13 apply prospectively and need not be applied in the comparative information before first application. Consequently, the 2012-13 comparatives of these disclosures have not been provided, except for financial instruments, of which the fair value disclosures are required under AASB 7 *Financial Instruments: Disclosures*.

AASB 119 Employee Benefits

In 2013-14, the Department has applied AASB 119 *Employee Benefits* (September 2011, as amended) and the related consequential amendments for the first time.

The revised AASB 119 changes the accounting for the defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligation and plan assets. As the current accounting policy is for the Department of Treasury and Finance to recognise and disclose the State's defined benefit liabilities in its financial statements, changes in defined benefit obligations will have limited impact on the Authority.

The revised standard also changes the definition of short-term employee benefits. These were previously benefits that were expected to be settled within twelve months after the end of the reporting period in which the employees render the related service, however, short-term employee benefits are now defined as benefits expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. As a result, accrued annual leave balances which were previously classified by the AUTHORITY as short-term employee benefits no longer meet this definition and are now classified as long-term employee benefits. This has resulted in a change of measurement for the annual leave provision from an undiscounted to discounted basis.

The Authority considers that this change in classification has not materially altered its measurement of the annual leave provision.

(e) Income from transactions

Income is recognised to the extent that it is probable that the economic benefits will flow to the entity and the income can be reliably measured at fair value.

Grants from State Government

The Metropolitan Planning Authority is funded by Parliamentary process for the provision of outcomes through the Department of Transport, Planning and Local Infrastructure.

Outcomes which the Authority provides to Government, Growth Area Councils, Developers and others are recognised when those outcomes have been delivered.

Note 1. (cont)

Other Grants including Government funding

Other grants are Government (State and Commonwealth) allocations for a specific purpose.

Interest

This recognises all interest received and accrued interest on cash and other amounts due to the Metropolitan Planning Authority.

Other Income

Other income received from third parties (including Councils or Developers), including funding received for specific projects or tasks.

(f) Expenses from transactions

Expenses from transactions are recognised as they are incurred, and reported in the financial year to which they relate.

Employee expenses

Refer to the section in Note 1 (k) regarding employee benefits.

These expenses include all costs related to employment (other than superannuation which is accounted for separately) including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments and WorkCover premiums.

Superannuation

The amount recognised in the comprehensive operating statement is the employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period.

The Department of Treasury and Finance (DTF) in their annual financial statements, disclose on behalf of the State at the sponsoring employer, the net defined benefit cost related to the members of these plans as an administered liability. Refer to DTF's annual financial statements for more detailed disclosures in relation to these plans.

Depreciation

All non-financial physical assets that have finite useful lives are depreciated. Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments are made where appropriate.

The useful lives for the financial period are:

- | | |
|----------------------------------|---------|
| ▪ Computer software and hardware | 3 years |
| ▪ Leasehold improvements | 3 years |
| ▪ Furniture and equipment | 5 years |

Where assets have separately identifiable components, those components are assigned useful lives distinct from the item of plant and equipment to which they relate and are depreciated accordingly.

Interest Expense

Interest expense is recognised in the period in which it is incurred.

(g) Other economic flows included in the net result

Impairment of non-financial assets

All assets are assessed annually for indication of impairment, except for financial assets (refer note 8(b)).

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the operating statement except to the extent that the write down can be debited to an asset revaluation reserve amount applicable to that class of asset. The recoverable amount for most assets is measured at their higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate cash flows is measured at the higher of the present fair value of future cash flows expected.

Note 1. (cont)

(h) Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Authority's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

Where relevant, for note disclosure purposes, a distinction is made between those financial assets and financial liabilities that meet the definition of financial instruments in accordance with AASB 132 and those that do not.

The following refers to financial instruments unless otherwise stated.

Categories of non-derivative financial instruments

Loans and receivables

Loans and receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. For the Metropolitan Planning Authority, the loans and receivables category includes cash and deposits, trade and other receivables, but not statutory receivables.

Financial liabilities at amortised cost

Financial instrument liabilities are initially recognised on the date they originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

Financial instrument liabilities measured at amortised cost include all of the Authority's contractual payables and interest bearing arrangements other than those designated at fair value through profit or loss.

(i) Financial assets

Cash and deposits

Cash and cash deposits recognised on the balance sheet comprise cash on hand, or cash at bank, deposits at call and those highly liquid investments (with an original maturity of three months or less), which are held for the purpose of meeting short term cash commitments rather than be for investment purposes, and readily convertible to known amounts of cash with an insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as borrowings on the balance sheet.

Receivables

Receivables consist of:

- Contractual receivables, such as debtors in relation to goods and services, loans to third parties, accrued investment income, and finance lease receivables (refer to Note 1(k) *Leases*); and
- Statutory receivables, such as amounts owing from the Victorian Government and Goods and Services Tax (GST) input tax credits receivable.

Contractual receivables are classified as financial instruments and categorised as loans and receivables (refer to Note 13 *Financial Instruments* for recognition and measurement). Statutory receivables, are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract.

Receivables are subject to impairment testing. A provision for doubtful receivables is recognised when there is objective evidence that the debts may not be collected, and bad debts are written off when identified.

Note 1. (cont)

(j) Non-financial assets

Plant and equipment

The cost method of accounting is used for all acquisition of assets. Individual items of \$5,000 or more are capitalised. Cost is regarded as being the fair value, as it is the market price of assets at the date of acquisition plus any incidental costs directly attributable to acquisition.

All non-financial physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount.

Leasehold improvements

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

Prepayments

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

(k) Liabilities

Payables

Payables consist of:

- Contractual payables, such as accounts payable, and unearned income including deferred income from concession notes. Accounts payable represent liabilities for goods and services provided to the Authority prior to the end of the financial year that are unpaid, and arise when the Authority becomes obliged to make future payments in respect of the purchase of those goods and services; and
- Statutory payables, such as goods and services tax and fringe benefits tax payables.

Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost (refer to Note 6). Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

Provisions

Provisions are recognised when the Authority has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate on the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recognised from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Employee benefits

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits annual leave and accumulating sick leave, are all recognised in the provision for employee benefits as 'current liabilities', because the Authority does not have an unconditional right to defer settlements of these liabilities.

Depends on the expectation of the timing of settlement, liabilities for wage and salaries, annual leave and sick leave are measured at:

- Undiscounted value - if the Authority expects to wholly settle within 12 months; or
- Present value - if the Authority does not expect to wholly settle within 12 months.

Note 1. (cont)

(ii) Long Service Leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

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

The components of this current LSL liability are measured at:

- Undiscounted value - if the Authority expects to wholly settle within 12 months; and
- Present value - if the Authority does not expect to wholly settle within 12 months.

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

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction.

On-costs

Provisions for on-costs such as payroll tax, workers compensation and superannuation are recognised separately from the provision for employee benefits.

(I) Leases

A lease is a right to use an asset for an agreed period of time in exchange for payment.

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership. Leases of infrastructure, property, plant and equipment are classified as finance infrastructure leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. All other leases are classified as operating leases.

Finance leases

Authority as lessee

At the commencement of the lease term, finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease asset is accounted for as a non-financial physical asset. If there is certainty that the Department will obtain ownership of the lease asset by the end of the lease term, the asset shall be depreciated over the useful life of the asset. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

Minimum finance lease payments are apportioned between reduction of the outstanding lease liability and periodic finance expense which is calculated using the interest rate implicit in the lease charged directly to the comprehensive operating statement.

Operating leases

Authority as lessee

Operating lease payments, including any contingent rentals, are recognised as an expense in the comprehensive operating statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset is not recognised in the balance sheet.

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

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

Note 1. (cont)

(m) Commitments

Commitments for future expenditure including operating and capital commitments arising from contracts. These commitments are disclosed by way of a note (refer to note 11) at their nominal value and inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

(n) Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of note (refer to Note 11) and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

(o) Accounting for the goods and services tax

Income, expenses and assets are recognised net of the amount of associated goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In this case, the GST payable is recognised as part of the cost of the acquisition of an asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which is recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(p) Events after the reporting period

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the Authority and other parties, the transactions are only recognised when the agreement is irrevocable at or before the end of the reporting period. Adjustments are made to amounts recognised in the financial statements for events which occur between the end of the reporting period and the date when the financial statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions which arose after the end of the reporting period that are considered to be of material interest.

(q) Australian Accounting Standards issued that are not yet effective

Certain new AASs have been published that are not mandatory for the 30 June 2014 reporting period. The Department of Treasury and Finance (DTF) assesses the impact of all these new standards and advises the Authority of their applicability and early adoption where applicable.

Note 2. Income from transactions

	2014	2013
	\$	\$
Grants from State Government	6,200,000	4,630,000
Other Grants	4,581,113	-
Interest	285,239	364,901
Contributions	2,890,068	2,792,745
Other Income	14,832	1,433
Total Other Income	13,971,252	7,789,079

Note 3. Expenses from transactions

	2014	2013
	\$	\$
(a) Employee benefits		
Postemployment benefits		
Defined contribution superannuation expense	516,100	432,752
Defined benefit superannuation expense	4,776	-
Salaries and wages	5,429,414	4,230,263
Annual leave and long service leave expense	847,362	610,111
Other employee on-costs	326,098	330,942
Total employee expenses	7,123,750	5,604,068
(b) Depreciation		
Plant, equipment and vehicles	107,953	96,947
Total depreciation	107,953	96,947
(c) Interest expense		
Interest on finance leases	1,851	-
Total interest expense	1,851	-
(d) Other operating expenses		
Consultants	2,909,441	2,314,555
General expenses	1,426,578	452,962
Operating lease rental expenses	560,968	548,554
Total other operating expenses	4,896,987	3,316,071
Total Expenses from transactions	12,130,541	9,017,086

Note 4. Receivables

	2014	2013
	\$	\$
Current receivables		
Contractual		
Accrued Investment Income	14,273	-
Other receivables	1,791,511	1,034,605
	1,805,784	1,034,605
Statutory		
GST Input tax credit recoverable	92,112	-
Other receivables	-	9,700
	92,112	9,700
Total current receivables	1,897,896	1,044,305
Total receivables	1,897,896	1,044,305

Note 5. Plant, equipment and vehicles

Vehicles

Vehicles are valued using the depreciated replacement cost method. The process of acquisition, use and disposal in the market is managed by experienced Fleet Managers at the Department of Treasury and Finance who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Plant and Equipment

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2014.

For all assets measured at fair value, the current use is considered the highest and best use.

(a) Plant, equipment and vehicles at cost

	2014	2013
	\$	\$
At cost	646,161	605,089
Less accumulated depreciation	(608,698)	(500,476)
Total plant, equipment and vehicles	37,463	104,343

Note 5. (cont)

(b) Movements in carrying amounts during the financial year to 30 June 2014

	Opening WDV at 1 July 2013	Additions	Depreciation	Closing WDV at 30 June 2014
	\$	\$	\$	\$
<i>Leasehold Improvements</i>	5	-	6	(1)
<i>Computer hardware</i>	29,590	-	29,590	-
<i>Computer software</i>	66,542	12,650	67,948	11,244
<i>Furniture and Equipment</i>	8,206	-	4,281	3,925
<i>Motor Vehicle</i>	-	28,423	6,129	22,294
Totals	104,343	41,073	107,953	37,463

(c) Movements in carrying amounts during the financial year to 30 June 2013

	Opening WDV at 1 July 2012	Additions	Depreciation	Closing WDV at 30 June 2013
	\$	\$	\$	\$
<i>Leasehold Improvements</i>	71,096	-	41,506	29,590
<i>Computer hardware</i>	99,043	-	32,501	66,542
<i>Computer software</i>	18,570	-	18,565	5
<i>Furniture and Equipment</i>	12,581	-	4,375	8,206
<i>Motor Vehicle</i>	-	-	-	-
Totals	201,290	-	96,947	104,343

(d) Fair value measurement hierarchy for assets at 30 June 2014

	Carrying amount as at 30 June 2014	Fair value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
	\$	\$	\$	\$
Plant, equipment and vehicles at fair value				
Vehicles	22,294	-	22,294	-
Plant and equipment	15,169	-	-	15,169
Total of plant, equipment and vehicles at fair value	37,463	-	22,294	15,169

Note 5. (cont)

(e) Description of significant unobservable inputs to Level 3 valuations

	<i>Valuation technique</i>	<i>Significant unobservable inputs</i>	<i>Sensitivity of fair value measurement to changes in significant unobservable inputs</i>
Plant and equipment	Depreciated replacement cost	Cost per unit	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life of plant and equipment	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.

Note 6. Payables

	2014	2013
	\$	\$
Current payables		
Contractual		
Supplies and services	522,092	499,975
Amounts payable to government agencies	44,950	34,000
Other payables	289,882	164,163
	856,924	698,138
Statutory		
GST payable	125,683	-
	125,683	-
Total current payables	982,607	698,138
Total payables	982,607	698,138

Note 7. Borrowings

	2014	2013
	\$	\$
Current borrowings		
Finance lease liabilities	5,680	-
Total current borrowings	5,680	-
Non-current borrowings		
Finance lease liabilities	16,998	-
Total non-current borrowings	16,998	-
Total borrowings	22,678	-

Note 8. Provisions

	2014	2013
	\$	\$
Current Provisions		
Employee Benefits (Note 1(d))		
Annual leave		
Unconditional and expected to settle within 12 months	247,970	192,860
Unconditional and expected to settle after 12 months	185,190	143,225
Long service leave		
Unconditional and expected to settle within 12 months	29,821	27,770
Unconditional and expected to settle after 12 months	684,508	255,599
	1,147,488	619,454
Provisions for on-costs		
Unconditional and expected to settle within 12 months	41,126	33,210
Unconditional and expected to settle after 12 months	131,763	63,948
	172,888	97,158
Total current provisions	1,320,377	716,612
Non Current Provisions		
Employee Benefits (Note 1(d), 1(f) & 1(k))	184,988	251,060
On-costs	28,227	41,977
Total non current provisions	213,215	293,037
Total provisions	1,533,592	1,009,649

(a) Employee benefits and on-costs

	2014	2013
	\$	\$
Current employee benefits		
Annual Leave	433,159	336,085
Long Service Leave	714,329	283,369
	1,147,488	619,454
Non-current employee benefits		
Long Service Leave	184,988	251,060
Total employee benefits	1,332,476	870,514
Current on-costs	172,888	97,158
Non-current on-cost	28,227	41,977
Total on-costs	201,115	139,135
Total employee benefits and on-costs	1,533,592	1,009,649

Note 8. (cont)

(b) Movement in provisions

	On-costs	Employee Benefits	Total
	2014	2014	2014
	\$	\$	\$
Opening balance	139,135	870,514	1,009,649
Additional provisions recognised	105,863	768,124	873,987
Additions due to transfer in	18,949	132,285	151,234
Reductions arising from payments/other sacrifices of future economic benefits	(52,543)	(366,714)	(419,257)
Unwind of discount and effect of changes in the discount rate	(10,289)	(71,733)	(82,021)
Closing Balance	201,115	1,332,476	1,533,592
Current	172,888	1,147,488	1,320,377
Non-current	28,227	184,988	213,215
	201,115	1,332,476	1,533,592

Note 9. Superannuation

Employees of the Authority are entitled to receive superannuation benefits and the Authority contributes to both defined benefit and defined contribution plans. The benefit plan(s) provides benefits based on years of service and final average salary.

The Authority does not recognise any defined benefit liability in respect of the plan(s) because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance discloses the State's defined benefit liabilities in its disclosure for administered items.

However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement of the Authority.

The name, details and amounts expensed in relation to the major employee superannuation funds and contributions made by the Authority are as follows:

	Paid contribution for the year		Contribution outstanding	
	2014	2013	2014	2013
	\$	\$	\$	\$
Defined benefit plans:				
State Superannuation Fund	4,776	-	-	-
Defined contribution plans:				
VicSuper	243,542	192,872	-	-
Vision Super	130,776	169,289	-	-
Other	141,782	70,591	1,473	-
Total Contributions to all funds	520,876	432,752	1,473	-

Note 10. Leases

(a) Disclosure for lessees - finance lease liabilities

The MPA has one finance lease being for the pool car. This is a three year lease which was entered into on 29 May 2013 and will end on 28 May 2016.

	Minimum future lease payments		Present value of minimum future lease payments	
	2014	2013	2014	2013
	\$	\$	\$	\$
Lease Liabilities Payable				
Not longer than one year	7,011	-	5,680	-
Longer than one year but not longer than five years	17,878	-	16,998	-
Minimum future lease payments	24,889	-	22,678	-
Less future finance charges	(2,211)	-	-	-
Present value of minimum lease payments	22,678	-	22,678	-

Note 11. Commitments for Expenditure

At 30 June 2014, the Authority had the following operating lease commitments for accommodation until 31 October 2015.

The disclosed payments include payments for non-lease elements in the arrangement, being for cleaning charges based upon a percentage of total lettable area.

<i>Nominal values</i>	2014	2013
	\$	\$
Operating and lease commitments payable		
Lease of Premises:	-	-
Less than 1 year	565,590	502,048
Longer than 1 year and not longer than 5 years	189,008	761,020
Total operating and lease commitments	754,599	1,263,068

Note 12. Contingent Assets and Liabilities

There are no contingent assets or liabilities at 30 June 2014 (\$0 - 2012-13).

Note 13. Financial Instruments

Recognised Financial Instruments	Accounting Policy	Category
Financial Assets		
Cash assets	Cash and cash equivalents comprise cash on hand, cash at bank, deposits at call and liquid investments. These are recorded at nominal amounts.	Contractual Financial Assets - Loans and receivables
Receivables (excluding statutory receivables)	Trade receivables are carried at nominal amounts due. Instalments as agreed but normally 30 day terms.	Contractual Financial Assets - Loans and receivables
Financial Liabilities		
Payables (excluding statutory payables)	Liabilities are recognised for amounts to be paid in the future. Trade liabilities are normally settled on 30 day terms.	Contractual Financial Liabilities at amortised cost

Table 13.1: Categorisation of financial instruments

	Contractual financial assets - Loans and receivables		Contractual financial liabilities at amortised cost	
	2014 \$	2013 \$	2014 \$	2013 \$
Contractual financial assets				
Cash and cash equivalents	12,933,693	11,059,442	-	-
Receivables (excluding statutory receivables)	1,791,511	1,034,605	-	-
Accrued Investment Income	14,273	-	-	-
Total contractual financial assets	14,739,477	12,094,047	-	-
Contractual financial liabilities				
Payables (excluding statutory payables)	-	-	803,267	698,138
Finance lease liabilities	-	-	22,678	-
Total contractual financial liabilities	-	-	825,945	698,138

Note 13. (cont)

Table 13.2: Net holding gain/(loss) on financial instruments by category

	Net holding gain/(loss) \$	Total interest income/(expense) \$	Total \$
2014			
Financial assets - Loans and receivables	2,645,430	285,239	2,930,669
Total Contractual financial assets	2,645,430	285,239	2,930,669
Financial liabilities at amortised cost	127,807	(1,851)	125,956
Total Contractual financial liabilities	127,807	(1,851)	125,956
2013			
Financial assets - Loans and receivables	(1,612,893)	364,901	(1,247,992)
Total Contractual financial assets	(1,612,893)	364,901	(1,247,992)
Financial liabilities at amortised cost	1,987,577	-	1,987,577
Total Contractual financial liabilities	1,987,577	-	1,987,577

Table 13.3: Ageing analysis of contractual financial assets

Past due but not impaired						
	Carrying amount \$	Not past due and not impaired \$	Less than 1 month \$	1-3 months \$	3 months - 1 year \$	1-5 years \$
2014						
Accrued Investment Income	14,273	14,273	-	-	-	-
Other receivables	1,791,511	1,520,989	262,699	-	-	7,823
Total	1,805,784	1,535,261	262,699	-	-	7,823
2013						
Accrued Investment Income	-	-	-	-	-	-
Other receivables	1,034,605	923,540	74,631	16,267	20,167	-
Total	1,034,605	923,540	74,631	16,267	20,167	-

Note 13. (cont)

Table 13.4: Maturity analysis of contractual financial liabilities

			Maturity Dates				
	Carrying amount	Nominal amount	Less than 1 month	3 months - 1-3 months	1 year	1-5 years	5+ years
	\$	\$	\$	\$	\$	\$	\$
2014							
Other payables	803,267	803,267	803,267	-	-	-	-
Finance lease liabilities	22,678	24,889	584	1,169	5,258	17,878	-
Total	825,945	828,156	803,851	1,169	5,258	17,878	-
2013							
Other payables	698,138	698,138	698,138	-	-	-	-
Finance lease liabilities	-	-	-	-	-	-	-
Total	698,138	698,138	698,138	-	-	-	-

Table 13.5: Interest rate exposure of financial instruments

Interest rate exposure					
	Weighted average interest rate %	Carrying amount \$	Fixed interest rate \$	Variable interest rate \$	Non-interest bearing \$
2014					
Financial assets					
Cash and cash equivalents	2.58%	12,933,693	-	12,933,693	-
Accrued investment income		14,273	-	-	14,273
Other receivables		1,791,511	-	-	1,791,511
Total financial assets		14,739,477	-	12,933,693	1,805,784
Financial liabilities					
Other payables		803,267	-	-	803,267
Finance lease liabilities	6.62%	22,678	-	22,678	-
Total financial liabilities		825,945	-	22,678	803,267
2013					
Financial assets					
Cash and cash equivalents	2.70%	11,059,442	-	11,059,442	-
Accrued investment income		-	-	-	-
Other receivables		1,034,605	-	-	1,034,605
Total financial assets		12,094,047	-	11,059,442	1,034,605
Financial liabilities					
Other payables		698,138	-	-	698,138
Finance lease liabilities		-	-	-	-
Total financial liabilities		698,138	-	-	698,138

Note 13. (cont)

Table 13.6: Interest rate risk sensitivity

		Interest rate	
		-2%	2%
	Carrying amount	Net result	Net result
	\$	\$	\$
2014			
Contractual financial assets			
Cash and cash equivalents	12,933,693	(258,674)	258,674
Other contractual financial assets	1,805,784	(36,116)	36,116
Total impact	14,739,477	(294,790)	294,790
2013			
Contractual financial assets			
Cash and cash equivalents	11,059,442	(221,189)	221,189
Other contractual financial assets	1,034,605	(20,692)	20,692
Total impact	12,094,047	(241,881)	241,881

Table 13.7: Comparison between carrying amount and fair value

	2014		2013	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
Contractual financial assets				
Cash and cash equivalents	12,933,693	12,933,693	11,059,442	11,059,442
Receivables (excluding statutory receivables)	1,791,511	1,791,511	1,034,605	1,034,605
Accrued Investment Income	14,273	14,273	-	-
Total contractual financial assets	14,739,477	14,739,477	12,094,047	12,094,047
Contractual financial liabilities				
Payables (excluding statutory payables)	803,267	803,267	698,138	698,138
Finance lease liabilities	22,678	22,678	-	-
Total contractual financial liabilities	825,945	825,945	698,138	698,138

Note 14. Cash Flow Information

(a) Reconciliation of cash and cash equivalents

	For the financial year ended 2014	For the financial year ended 2013
	\$	\$
Cash at bank and on hand	12,933,693	11,059,442
Balances per Cash Flow Statement	12,933,693	11,059,442

(b) Reconciliation of net result for the period

	2014	2013
	\$	\$
Net result for the period	1,836,451	(1,205,473)
Non-cash movements:		
Depreciation & amortisation expense	107,953	96,948
Revaluation of long service leave liability	(4,260)	22,534
Movements in assets and liabilities:		
(Increase)/decrease in prepayments	(6,580)	640
(Increase)/decrease in receivables	(853,591)	(352,830)
Increase/(decrease) in payables	284,469	(591,301)
Increase/(decrease) in provisions	528,204	73,459
Net cash flows from/(used in) operating activities	1,892,646	(1,956,023)

Note 15. Responsible Persons

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

Minister

The Hon. Matthew Guy MLC	<i>Minister for Planning</i>	1 July 2013 to 30 June 2014
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Governing Board

Christopher Banks AM	<i>Chairman</i>	1 July 2013 to 30 June 2014
Leonie Hemingway	<i>Deputy Chair</i>	1 July 2013 to 30 June 2014

Board Members

Bill Kuszniarczyk		1 July 2013 to 30 June 2014
Ian Munro PSM		1 July 2013 to 30 June 2014
Diane Fleming		1 July 2013 to 30 June 2014

Chief Executive Officer & Accountable Officer

Peter Seamer	<i>Chief Executive Officer</i>	1 July 2013 to 30 June 2014
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(a) Remuneration of responsible persons

The number of responsible persons and their total remuneration during the reporting period are as shown below in their relevant income bands.

Table 15.1: Remuneration of responsible persons

Income band	2014 No.	2013 No.
\$0 - 10 000		3
\$10 000 - 19 999	4	3
\$60 000 - 69 999		1
\$70 000 - 79 999	1	
\$280 000 - 289 999		1
\$320 000 - 329 999	1	

Peter Seamer was acting CEO at Places Victoria from 1 March 2013 to 30 September 2013, where he spent 85% of his time. This decreased his overall remuneration received from the MPA during this period.

Remuneration received or receivable by the accountable officer in connection with the management of the Authority during the reporting period was in the range of \$320 000 - \$329 999 (\$280 000 - \$289 999 in 2012-13).

Two additional board members are included in the 2013 financial year figures, as their terms ended 22 October 2012.

Note 15. (cont)

(b) Remuneration of executives

The number of executive officers, other than the ministers and accountable officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long service leave payments, redundancy payments and retirement benefits. The total annualised employee equivalent provides a measure of full time equivalent executive officers over the reporting period.

Executive Officers

Edward Small	<i>Director, Corporate Services</i>	1 July 2013 to 30 June 2014
Stephen Dunn	<i>Director, Structure Planning</i>	1 July 2013 to 30 June 2014
Mark Knudsen	<i>Director, Technical Services</i>	1 July 2013 to 30 June 2014
Paul Byrne	<i>Director, Economic Planning and Development</i>	17 January 2014 to 30 June 2014
Tim Peggie	<i>Director, Structure Planning</i>	17 January 2014 to 30 June 2014
Alex Links	<i>Director, Intergovernmental Coordination</i>	1 July 2013 to 30 June 2014
Jane Monk	<i>Director, Inner City</i>	20 January to 30 June 2014

Table 15.2: Remuneration of executives

Income band	Total Remuneration		Base Remuneration	
	2014 No.	2013 No.	2014 No.	2013 No.
\$0 - 99 999	3	1	3	1
\$150 000 - 159 999				
\$160 000 - 169 999	1		1	
\$170 000 - 179 999		1		1
\$180 000 - 189 999	1		1	
\$190 000 - 199 999				
\$200 000 - 209 999				
\$210 000 - 219 999	1	2	1	2
\$220 000 - 229 000	1		1	
Total number of executives	7	4	7	4
Total annualised employee equivalents	6.33	4	6.33	4
Total amount	\$1,051,490	\$671,108	\$1,051,490	\$671,108

Note 16. Remuneration of Auditors

	For the financial year ended 2014	For the financial year ended 2013
	\$	\$
Victorian Auditor-General's Office		
Audit or review of the financial statements	15,000	13,630
	15,000	13,630

Note 17. Subsequent Events

There were no subsequent events to report.

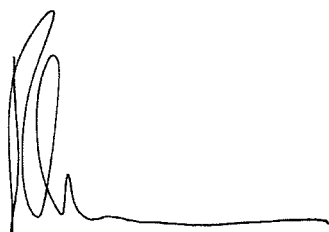
Metropolitan Planning Authority Statutory Certification

We certify that the attached financial statements for the Growth Areas Authority (trading as the Metropolitan Planning Authority) have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2014 and financial position of the Authority at 30 June 2014.

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

We authorise the attached financial statements for issue on 3 September 2014.



Peter Seamer
Chief Executive Officer

Melbourne
September 2014



Chris Banks AM
Chair

Melbourne
September 2014



Edward Small
Chief Financial Officer

Melbourne
September 2014



Victorian Auditor-General's Office

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INDEPENDENT AUDITOR'S REPORT

To the Board Members, Metropolitan Planning Authority

The Financial Report

The accompanying financial report for the year ended 30 June 2014 of the Metropolitan Planning Authority which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the Metropolitan Planning Authority statutory certification has been audited.

The Boards Members' Responsibility for the Financial Report

The Board Members of the Metropolitan Planning Authority are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Board Members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board Members, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Metropolitan Planning Authority as at 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards and the financial reporting requirements of the *Financial Management Act 1994*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of the Metropolitan Planning Authority for the year ended 30 June 2014 included both in the Metropolitan Planning Authority's annual report and on the website. The Board Members of the Metropolitan Planning Authority are responsible for the integrity of the Metropolitan Planning Authority's website. I have not been engaged to report on the integrity of the Metropolitan Planning Authority's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE
4 September 2014



John Doyle
Auditor-General

Metropolitan Planning Authority

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