

VICTORIAN PLANNING AUTHORITY

# ANNUAL REPORT

2021/2022



## ACKNOWLEDGEMENT

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

**We acknowledge** Aboriginal people as Australia's first peoples and as the Traditional Owners and custodians of the land and water on which we rely.

**We recognise** and value the ongoing contribution of Aboriginal people and communities to Victorian life and how this enriches us.

**We embrace** the spirit of reconciliation, working towards the equality of outcomes and ensuring an equal voice.

ISSN: 2208-5602

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## Responsible body declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the Victorian Planning Authority's Annual Report for the year ended 30 June 2022.



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

12 October 2022

# A Message from the Chair of the Victorian Planning Authority



While this year continued to be challenging, it was also an inspiring year for the Victorian Planning Authority (VPA). We've worked on some fantastic projects, served government and the community well in difficult times and continued to focus on the positive change we deliver. It's been incredible to observe what the VPA has managed to achieve, despite the COVID-19 pandemic and with our people working in a constantly changing, hybrid environment. I couldn't be more proud of the commitment and dedication that everyone has shown.

This year marked a significant milestone for the VPA, with the launch of our *VPA Strategic Plan 2021-24*, supporting us to focus on the outcomes we deliver, prioritise where and how we work, maximise our value to the state and build our capacity as an organisation.

This new strategic plan follows extensive engagement with stakeholders and provides the VPA with the framework and focus for delivering our work program and streamlining for impact, as well as embedding the principles of a flexible and productive hybrid workplace and strengthening our staff wellbeing, diversity and inclusion. The skills and capability of our VPA staff are a strength of the organisation and our new strategic plan sets us up to support and bolster our greatest resource, our people.

I would like to thank our CEO Stuart Moseley and his executive team for their commitment and perseverance this year.

I also acknowledge my Board colleagues for their commitment and ongoing support to me in my capacity as Chair. During 2021, the Board farewelled Jennifer Cunich and welcomed Damien Tangey as a new member, with all other Board members continuing their tenure. I thank Jennifer for her strong contribution to the Board and acknowledge Damien for adding to the broad skills of the Board.

It was with some sadness that the VPA farewelled the Minister for Planning, the Hon. Richard Wynne on 26 June 2022. I would like to thank him for his tremendous contribution to the planning portfolio over the past seven years and for his support for the VPA.

I also welcome the Hon. Lizzie Blandthorn who took up the role as Minister for Planning on 27 June 2022.

The VPA values its partnership with the community, local government, Victorian Government agencies and peak industry organisations. This year we have appreciated the collaborative approach and engagement with our partners to achieve better outcomes.

Notwithstanding the challenges of this past year, the VPA continues to meet the expectations of the communities we serve. We understand the Victorian community expects its government to drive jobs growth and investment, with land developments that support new and thriving workplaces and communities.

We have the experience and the capacity to meet these expectations, through planning high-quality and achievable land use plans for areas of state and regional significance. This will drive certainty about both investments and quality-of-life, supporting Victorian communities in finding their own paths forward.

Finally, I want to thank our many stakeholders and the community for their support, and our people at the VPA for their resilience during a year of continued uncertainty.

A handwritten signature in black ink, appearing to read 'Jude Munro', with a stylized flourish at the end.

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

# About the Victorian Planning Authority and this Annual Report

The Victorian Planning Authority (VPA) is a State Government statutory authority and our objects and functions are set out under the *Victorian Planning Authority Act 2017*. The VPA's Board of directors is responsible for governance, strategic planning and direction of the VPA, with our clear purpose to provide advice and assistance to the Minister for Planning, collaborating with government agencies (including public sector bodies) and councils:

- to promote the objectives of planning in Victoria; and
- to support productivity, liveability, housing affordability and environmental quality for Victorian communities; and
- for facilitation of timely and coordinated delivery of infrastructure and services; and
- to promote the alignment of decisions made by government about infrastructure with land use planning; and
- to promote the supply of housing; and
- to encourage land development that is sustainable and that takes into account natural and other hazards.

The *VPA Strategic Plan 2021-2024* (the Strategic Plan), launched in August 2021, outlines our values, drivers, purpose, pillars and priorities to support our state's economic recovery, standard of living, sustainability and liveability into the future.

The Strategic Plan consolidates the VPA's role as the Victorian Government's lead urban growth planning agency. It also articulates our role as a trusted problem solver that facilitates land use and infrastructure solutions and expert advisor that brings delivery-informed insights to urban policy and projects.

## OUR PURPOSE: THE POSITIVE CHANGE WE DELIVER

Planning for prosperous, liveable, and sustainable urban communities across a growing Victoria.



Figure 1 The VPA's strategic pillars, priorities and outcomes

## OUR VALUES AND BEHAVIOURS

Successful implementation of the *VPA Strategic Plan 2021-24* is driven by our talented and dedicated staff. We combine a deep commitment to delivering public value with a strong understanding of the private sector to cut through complexity and actively facilitate innovative spatial planning solutions.

Everything we do is guided by the Victorian Public Sector values and the associated Code of Conduct. In addition, we embody our own unique values in our working lives. We demonstrate our values externally when we're serving and interacting with the community and stakeholders. We also demonstrate our values internally: they inform our operations and the way we treat one another.





	Value	What this means to us	The behaviours we demonstrate
	<b>Partnership</b>	We bring people and organisations together	We collaborate, share information, engage with our stakeholders and value their expertise to achieve better outcomes.
	<b>Leadership</b>	We are purpose driven and deliver innovative solutions	We lean in, apply best practice, and bring out the best in our people to get things done and make a positive difference.
	<b>Professionalism</b>	We inspire trust and confidence	We step in, act with honesty and integrity, are accountable and respected for our expertise and evidenced based advice.
	<b>Responsiveness</b>	We are adaptable and outcomes focused	We are accessible, and strive to provide a high level of service at all times.
	<b>Inclusion</b>	We value everyone equally	We recognise difference, celebrate diversity and consider all points of view for a fairer, socially responsible and respectful workplace and society.

Figure 2 Our values and behaviours

## ACROSS VICTORIA: OUR WORKING LANDSCAPE

The VPA has a statewide remit to operate in designated growth areas around Victoria. Our work program and focus includes programs the Minister for Planning has directed us to develop and manage, as follows:

- Transport Precincts and Business Precincts (Priority Precincts)
- Urban renewal in Melbourne
- Melbourne growth corridors
- Regional cities and towns
- Infrastructure planning and coordination (including Growth Area Infrastructure Contribution)
- Streamlining plan delivery
- Planning solutions, innovation and partnerships
- Organisational capability and capacity.

The VPA Annual Report for the year ending 30 June 2022 includes our progress against the VPA Fast Track Program and work in the designated areas identified through these programs.

# How the VPA works

The VPA is a State Government statutory authority established under the Victorian Planning Authority Act 2017 (the VPA Act). We have a Board of directors responsible for determining the general policies and strategic direction of the VPA, with a clear purpose to provide advice and assistance to the Minister for Planning and, from 22 June 2020, to the Minister for Transport Infrastructure, Minister for the Suburban Rail Loop and Minister for Business Precincts.

## DIRECTION FROM THE MINISTER FOR PLANNING

The VPA is accountable to the Minister for Planning. For this financial year the Hon Richard Wynne MP was Minister for Planning until 26 June 2022 and the Hon Lizzie Blandthorn MP was Minister for Planning from 27 June 2022.

We must deliver on the *Statement of Expectations*, and accompanying Ministerial Direction issued by the Minister to the VPA, pursuant to Section 36(1) of the VPA Act. These documents can be viewed in the VPA's published *Business Plan 2021/22*.

The current *Statement of Expectations* was issued by the Minister for Planning on 10 April 2022 and sets priorities for the 2022/23 financial year.

The Direction asks that the VPA prepare an annual business plan that articulates how the VPA will deliver its business activities, priority program and related projects, with a focus on eight program areas:

- Priority precincts
- Urban renewal in Melbourne
- Melbourne growth corridors
- Regional cities and towns
- Infrastructure planning and coordination
- Streamlining plan delivery
- Planning solutions, innovation and partnerships
- Organisational capability and capacity

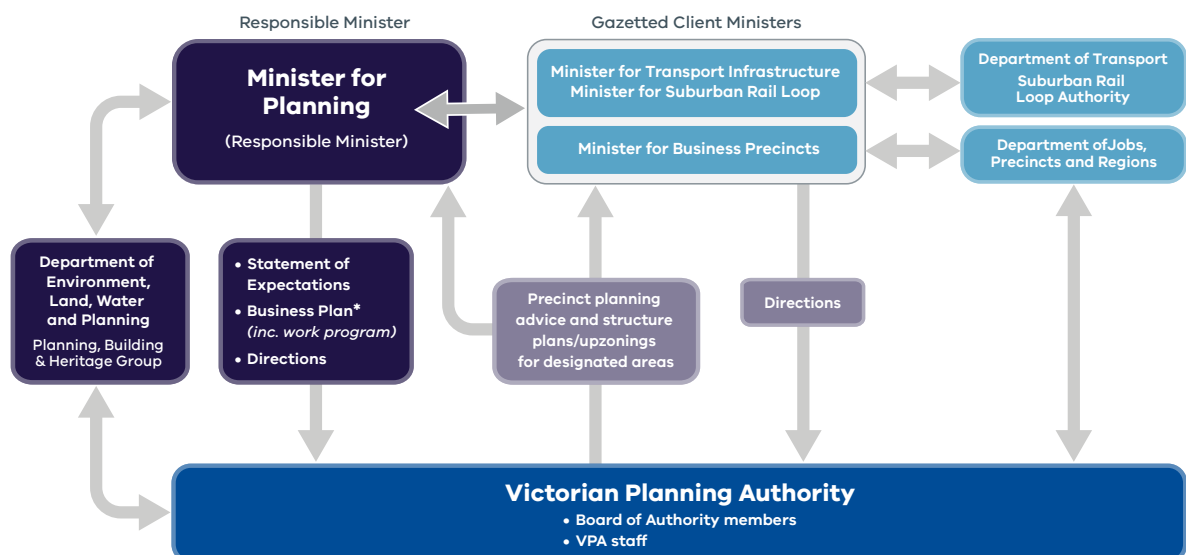
## CLIENT MINISTERS

The Minister for Business Precincts issued a Ministerial Direction on 19 May 2021, pursuant to Section 36(1) of the VPA Act, setting out priorities for the VPA's precinct related powers and functions for the period 2021/22-2022/23 inclusive. This direction enables the VPA to provide spatial, planning and development advice for Victoria's Business Precincts. This document can be viewed in the VPA's published *Business Plan 2021/22*.

The Minister for Transport Infrastructure and Minister for the Suburban Rail Loop can also direct the VPA to undertake work, pursuant to Section 36(1) of the VPA Act, insofar as it relates to seeking advice on their precinct-related powers and functions. No directions from these Ministers were issued to the VPA during the 2021/22 year.

The VPA works closely with:

- The Department of Environment, Land, Water and Planning
- The Department of Jobs, Precincts and Regions
- The Department of Transport
- The Suburban Rail Loop Authority
- Development Victoria
- Infrastructure Victoria.



\* Relevant ministers will be consulted about the addition of new PSPs to the VPA work program

Figure 3 The VPA's authorising environment

## OUR ROLE

When we deliver our planning and infrastructure coordination projects, we have one of four roles.

### Planning authority

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

### Provider

We have the lead role to prepare a plan or other report to provide the relevant planning authority, or to a client minister or government agency, working in partnership with the relevant council(s) and government agencies. In this role we submit our report or plan to the appointed planning authority to progress through the statutory process.

### Advisor

We provide advice, finance and /or technical support to a council or government agency preparing planning documents or frameworks. We advise and influence these planning documents but do not determine the content.

### Facilitator

We assist a council or government agency with their work, and may provide a grant or general advice about how planning policies need to be considered. This can include participation in a steering committee or project group, or require an ongoing watching brief role on projects where we have completed our substantive role.

Figure 4 Role of the VPA

Our Board is committed to ensuring we are empowered to deliver for government and for our stakeholders. We have the most impact when we act as planning authority, or as provider to the Minister for Planning or another client minister. The *VPA Strategic Plan 2021-2024* sets out the VPA's preference to act in these two roles.

### Our role as planning authority

The Minister for Planning has authorised us to be planning authority to prepare amendments pursuant to section 9 of the *Planning and Environment Act 1987* within Melbourne's growth areas.

The Minister has also authorised us to be planning authority with respect to amendments that implement a Precinct Structure Plan (PSP), an infrastructure contributions plan (ICP) or a development contributions plan (DCP) in Melbourne's growth areas. To prepare amendments, we must consult with:

- The Minister for Planning
- The relevant local council
- The Department of Environment, Land, Water and Planning (DELWP), and
- any other public sector body if the amendment is likely to significantly affect the functions of the public sector body.

On approval of our annual business plan, we are conferred such additional statutory authorisations as may be required to empower the delivery of our workplan in other areas.

### Councils must have regard to VPA advice

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

### The VPA must have regard to transport objectives

We have responsibilities to create an effective transport system under the Transport Integration Act 2010. This act requires that we have regard to the transport system objectives when exercising powers and performing functions under any relevant legislation likely to have a significant impact on the transport system.

### Other role

The Minister for Planning has authorised the VPA to act as the responsible authority for the collection of section 173 agreement funds in specified situations for land within the Fishermans Bend urban renewal area.

# Chief Executive Officer's Report – Year in Review

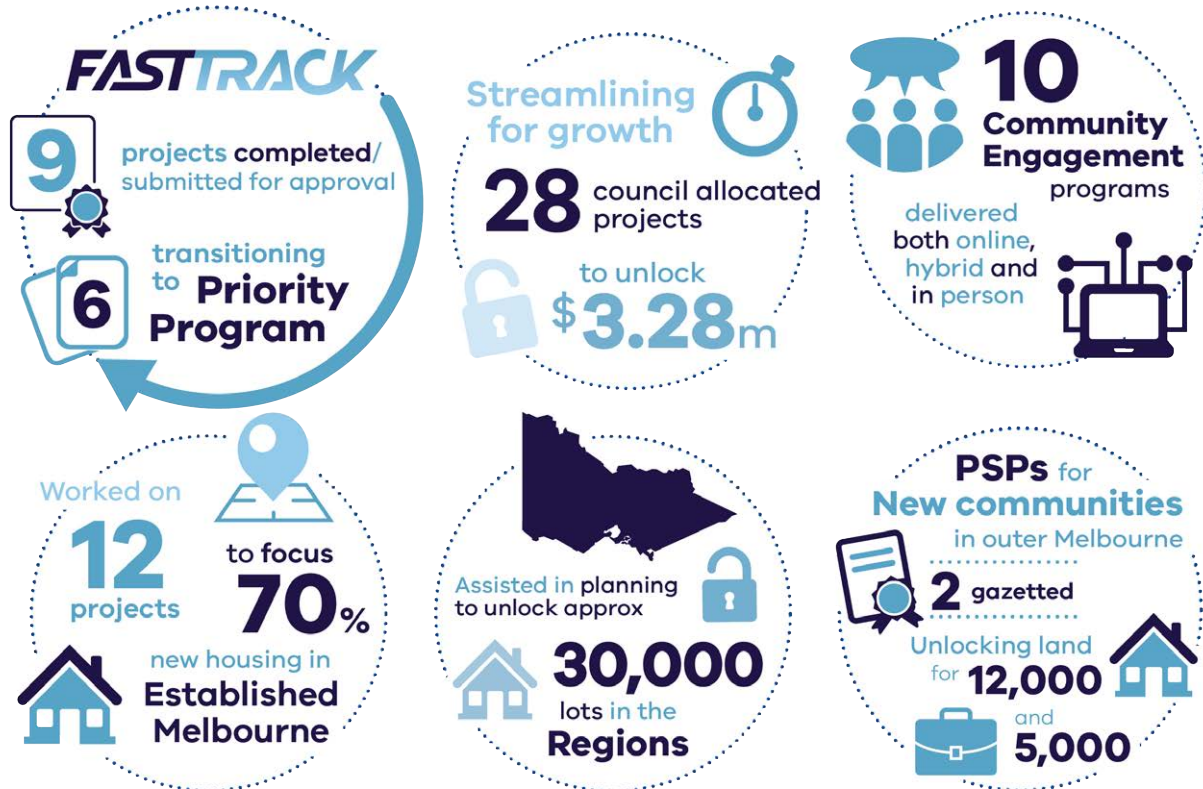
The VPA Annual Report for the year ending 30 June 2022 demonstrates the continuing resilience and strategic focus of the organisation to deliver for the Victorian community in the still difficult and dynamically changing environment caused by the COVID-19 pandemic.

As Victoria's lead agency for spatial planning and infrastructure coordination in designated growth areas across the state, the VPA has continued to focus on:

- Positioning planning as an economic enabler
- Providing planning that responds rapidly to market changes
- Unlocking the potential of key precincts for new homes and additional jobs
- Supporting liveability and resilience
- Supporting connectivity and accessibility
- Supporting communities to engage
- Improving the implementation of VPA-prepared plans
- Advocating for governance and planning system reforms
- Support for our financial sustainability approach.

Our work is underpinned by strong community engagement and collaboration with state and local government, peak groups and industry stakeholders. We are using the great relationships already established and developing new ones from our work with colleagues in state agencies including DELWP, Department of Transport (DOT) and Department of Jobs, Precincts and Regions (DJPR). We are also committed to strengthening our First Nations engagement.

## KEY ACHIEVEMENTS THIS YEAR



During 2021/22 we prioritised the acquittal and transition of the VPA Fast Track Program and worked in the designated areas identified through programs the Minister for Planning has directed us to develop and manage. This year, we prioritised delivery and acquittal of our Fast Track Program, which in some cases has meant that we needed to slow or pause other projects. **Nine Fast Track projects were finalised** and submitted for approval including Arden, the VPA's most significant PSP in established Melbourne to date.

Other highlights over the year included:

- Progressing the **Melbourne Growth Corridors program** to maintain 15 years' zoned supply, with a focus on completing the Fast Track projects, delivering the 50,000 lots and 50,000 jobs program and finalising the last of the "uncoupled" ICPs. We progressed the pipeline forward by elevating the priority of five PSPs and continued to pilot alternative delivery methods and identify opportunities for increasing densities. We also worked within government to identify the next tranche of PSPs to be readied for pre-commencement as funding and resources are secured.
- Continuing **PSP reform** by finalising and delivering the new *Precinct Structure Planning Guidelines: New Communities in Victoria*, streamlining our processes using the PSP 2.0 methodology, and working on improved models for infrastructure coordination.
- Progressing 12 vital projects across **established Melbourne** supporting redevelopment at Arden, Preston Market and more. We have also identified opportunities for an increased future role in planning for targeted growth in activity centres more broadly, and to assist in delivering on government's aspiration for 70% of new housing to be in established areas.
- Continuing the **Streamlining for Growth (SFG)** program, including 28 grants to councils for a value of \$3.28 million to unlock local growth, as well as continuing work on the new volume of our **Small Lot Housing Code**.
- Prioritising the completion of Fast Track projects in **regional Victoria**. We also identified a pipeline of projects to help meet emerging land supply shortages in some regional cities and peri-urban towns.
- Working with colleagues in state departments and agencies to support government planning reforms and develop new models to **better align land use and infrastructure pipelines**, with a recent focus on the northern metropolitan growth corridor.
- Investing in the wellbeing of our people and approach to **hybrid working** and our ability to communicate with stakeholders using a full suite of digital tools as appropriate. During the year we undertook **10 community engagement programs** delivered both online, hybrid and in person where possible.
- Finally, we have mapped the new **VPA Strategic Plan 2021-24** into our future work program, responding to change and providing for new and innovative ways to deliver our work program with a focus on supporting our people and achieving key outcomes, particularly density done well, suburban and regional jobs, better aligning development and infrastructure, and growing regional cities and towns.

In summary, it has been a busy year with many external factors contributing to the priority and delivery of the VPA's program of work. I would like to thank the outgoing and incoming Ministers for Planning, the Board members, DELWP officers and government, council and industry partners for their strong partnership in our work over the past year.

I would also like to acknowledge two outgoing Executive Directors: Rachel Dapiran, Executive Director of Infrastructure, Strategy and Planning, who left the VPA at the end of 2021/22 after seven years of service. Rachel has been central to many of the VPA's successes during her time here. Most recently this included the creation and oversight of the VPA's Fast Track program.

Alix Rhodes who very successfully carried out many important leadership roles at the VPA over the past five years, the last of which was the Executive Director of Regions.

Finally, I would like to acknowledge the efforts of our hard-working staff in what has been another busy and challenging year. I look forward to continuing to work together to plan for great new communities, places and neighbourhoods that we can all be proud of.



**Stuart Moseley**  
Chief Executive Officer

# 2021-22 Performance: Non-financial

## VPA FAST TRACK PROGRAM ACQUITTAL AND TRANSITION PROGRAM DELIVERY

Established in 2020, the Fast Track Program was a direct response to the COVID-19 pandemic. The program was designed to speed up the delivery of key projects in a pandemic response and recovery context, with a clear end point.

The Fast Track Program successfully aided faster delivery of nine high-impact projects to support economic recovery, unlocking land to facilitate 35,000 future homes and 62,000 future jobs that will create a future value of approximately \$10 billion.

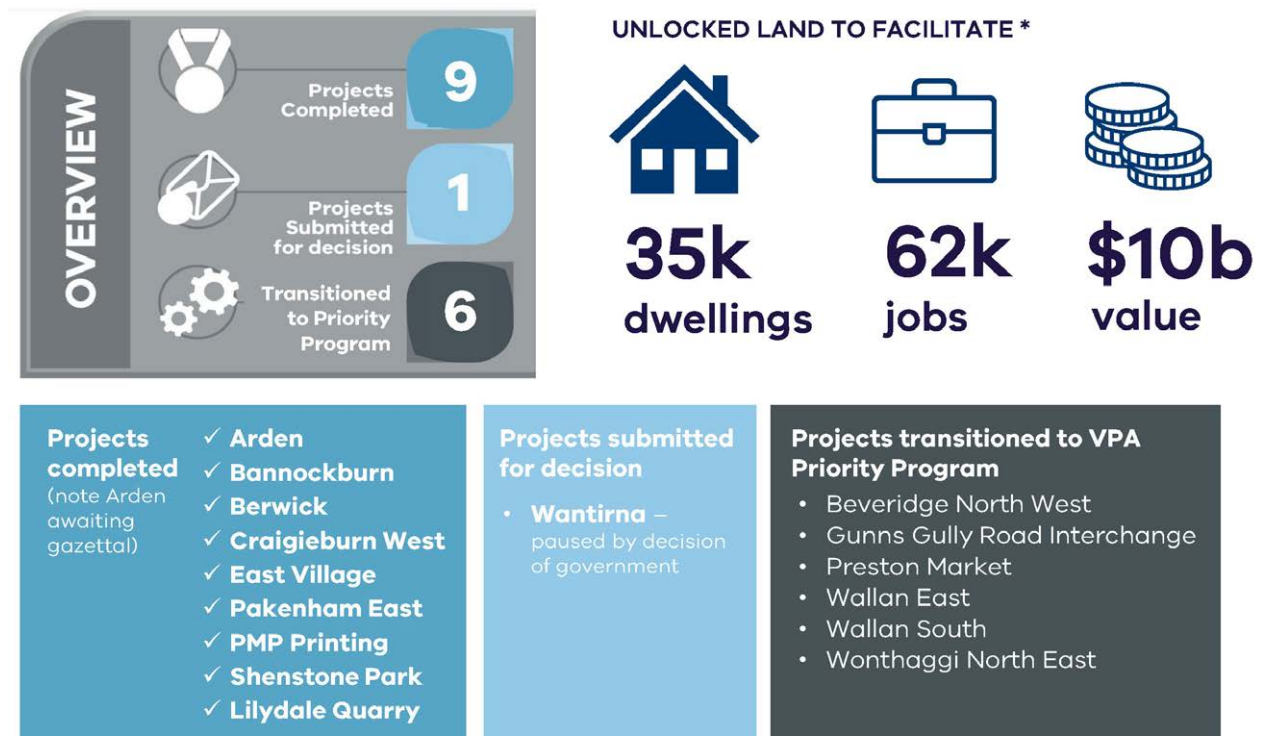
The Program was established on the basis of three requirements that the VPA needed to enable the program's success:

- Supplementary funding
- Streamlined planning decision making and review pathways
- Support to resolve key decisions from agencies.

We engaged closely with DELWP to shepherd projects through to the Minister for approval, including referral of matters to the VPA Projects Standing Advisory Committee (SAC). The VPA SAC is the centrepiece of the new approval pathway for VPA priority projects. The SAC has proven to be an effective forum for quicker resolution of outstanding submissions and showcased different methods of assessment such as round tables and conferences rather than exclusively public hearings.

Over 2021/22, the VPA has worked to acquit the Fast Track Program and transition to a new Priority Program from July 2022, as an ongoing priority work stream for the VPA that embeds benefits and lessons learnt from the Fast Track Program into our work going forward.

As projects moved towards completion we looked to identify the next projects to include in the Priority Program pipeline, including consideration of the funding and the authorising environments that go with them.



\*Note these figures include dwellings, jobs and value facilitated via Arden and Fast Track projects gazetted before 30 June 2022.

Figure 5 Fast Track Program status as at 30 June 2022

## ESTABLISHED MELBOURNE

The VPA's work contributes to the delivery of local jobs and the *Plan Melbourne* aspiration for 70 per cent of housing growth to be located in established Melbourne, as well as city-shaping liveability and economic outcomes.

We plan for the transition of under-utilised areas for jobs, investment and housing across inner and middle Melbourne. We work with local government and the community to plan for the revitalisation of existing urban areas.

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

The VPA delivers:

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

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

### In 2021/22, our focus has been on:

#### Planning state significant precincts for government

- The Minister for Transport Infrastructure priorities assisting DOT, including finalisation of Arden, planning for the Sunshine Health and Wellbeing Precinct and the development of a Sunshine Framework
- Minister for Business Precincts Direction assisting DJPR:
  - On 21 May 2021, the Minister for Business Precincts directed the VPA to provide spatial planning and development advice for Victoria's Business Precincts. The advice specifically identified Footscray, Fishermans Bend, Parkville (including the Melbourne Biomedical Precinct), Docklands, Werribee National Employment and Innovation Cluster (NEIC), Monash NEIC and La Trobe NEIC
- Minister for Suburban Rail Loop assisting Suburban Rail Loop Authority (SRLA) with Precinct Development Modelling & Advice:
  - The VPA supported and worked with DOT and the SRLA to identify uplift areas aligned with transport investment and capacity
- Homes Victoria, assisting with Big Housing Build priorities, including Braybrook.

#### Preparation of planning scheme amendments for urban renewal sites and strategic sites

- Berwick Health & Education Precinct
- Inner West
- Lilydale Quarry
- PMP Printing in Clayton
- Preston Market Precinct
- Jacksons Hill in Sunbury
- Wantirna Health (handed over to DOT to finalise).

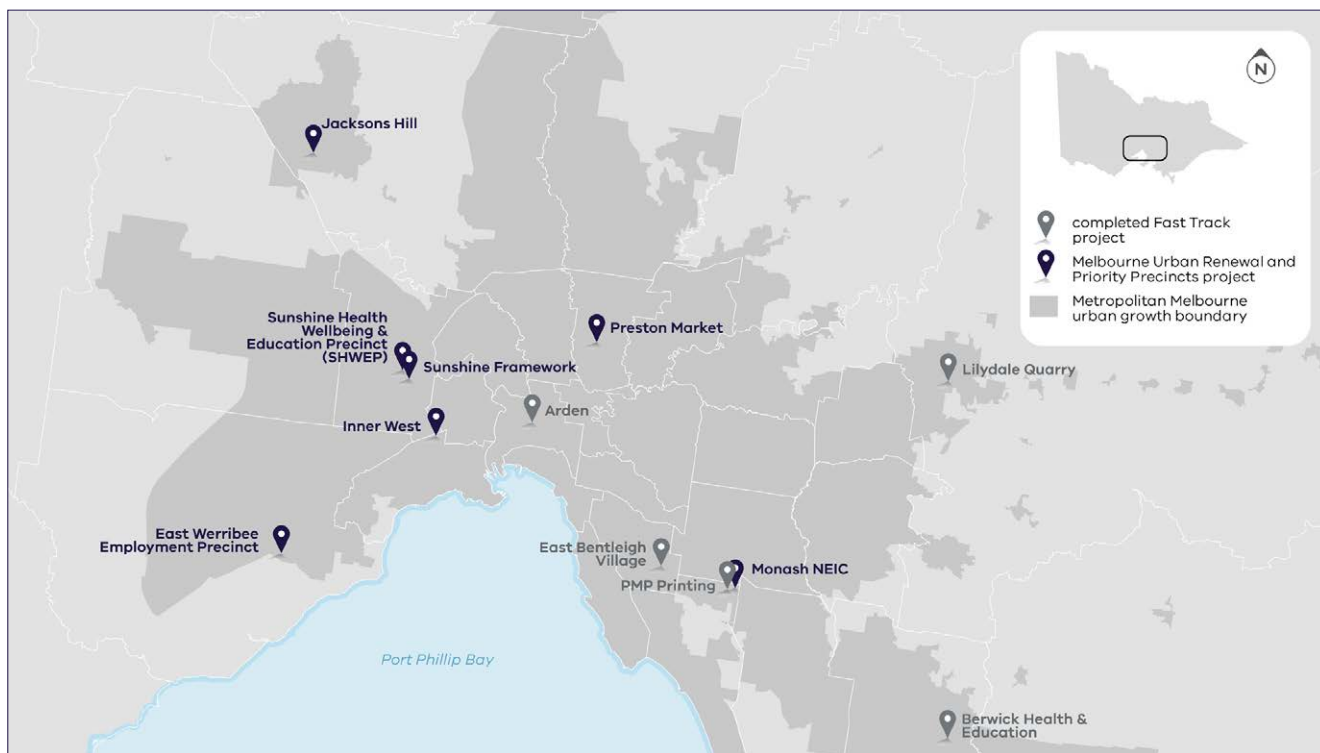


Figure 6 Established Melbourne Program

### Establishing a forward pipeline and replicable processes

- Structure planning guidelines for VPA urban renewal planning: We have progressed the development of guidelines for urban renewal products and processes the VPA is preparing. This includes two components:
  - A replicable products and process framework drawing from the PSP 2.0 framework, adapted for urban renewal
  - Metrics and benchmarks to ensure clear
  - guidance for VPA projects
- We have continued work to identify a forward pipeline of planning work required to contribute to the *Plan Melbourne* need for 70 per cent of Melbourne's dwelling growth to be located in established Melbourne and to contribute to COVID-19 recovery. This includes work with DELWP to develop and implement a program of state government-led planning projects, in partnership with local government, to ensure metropolitan and major activity centres and urban renewal areas maximise their respective strategic opportunities.

## REGIONAL CITIES AND TOWNS

This year, the VPA continued working closely with councils and government agencies, including DELWP and Regional Development Victoria, to provide place-based planning solutions to support urban growth in regional cities and towns. The VPA was active in 19 regional projects during 2021/22, with 10 projects funded with support of the SFG program.

### In 2021/22, our focus has been on:

#### **Preparation of planning scheme amendments for regional cities and towns and peri-urban areas**

- We finalised the Bannockburn Growth Plan as part of the VPA Fast Track program, providing for 6,149 homes and 4,000 jobs.
- We continued to progress planning for:
  - Ballarat North and West
  - East of Aberline
  - Merrimu
  - Parwan
  - Parwan Employment
  - Shepparton South East
  - Mildura Riverfront Masterplan
  - Wonthaggi North East.

#### **Establishing a forward regional Victoria strategic pipeline**

- We have centered our effort and actions around the development of a regional pipeline of projects that responds rapidly to market changes (particularly to meet housing demand in regional cities and key peri-urban areas), so that we can transparently allocate resources to areas where we can make the highest impact.
- A forward regional Victoria strategic pipeline allows the VPA to focus on establishing an authorising environment in regional cities and key peri-urban towns, creating a mandated pipeline of projects within a defined boundary, a criteria driven prioritised annual work program, and ensuring that regional cities and key peri-urban towns have sufficient zoned land ready to be serviced to provide jobs and housing in a post-COVID-19 world. We are currently working on four pilot projects at the invitation of councils, including:
  - Corio/Norlane Urban Renewal Project
  - Waurin Ponds Station Urban Design Framework
  - Greater Avalon Employment Precinct
  - Bendigo Regional Employment Precinct.

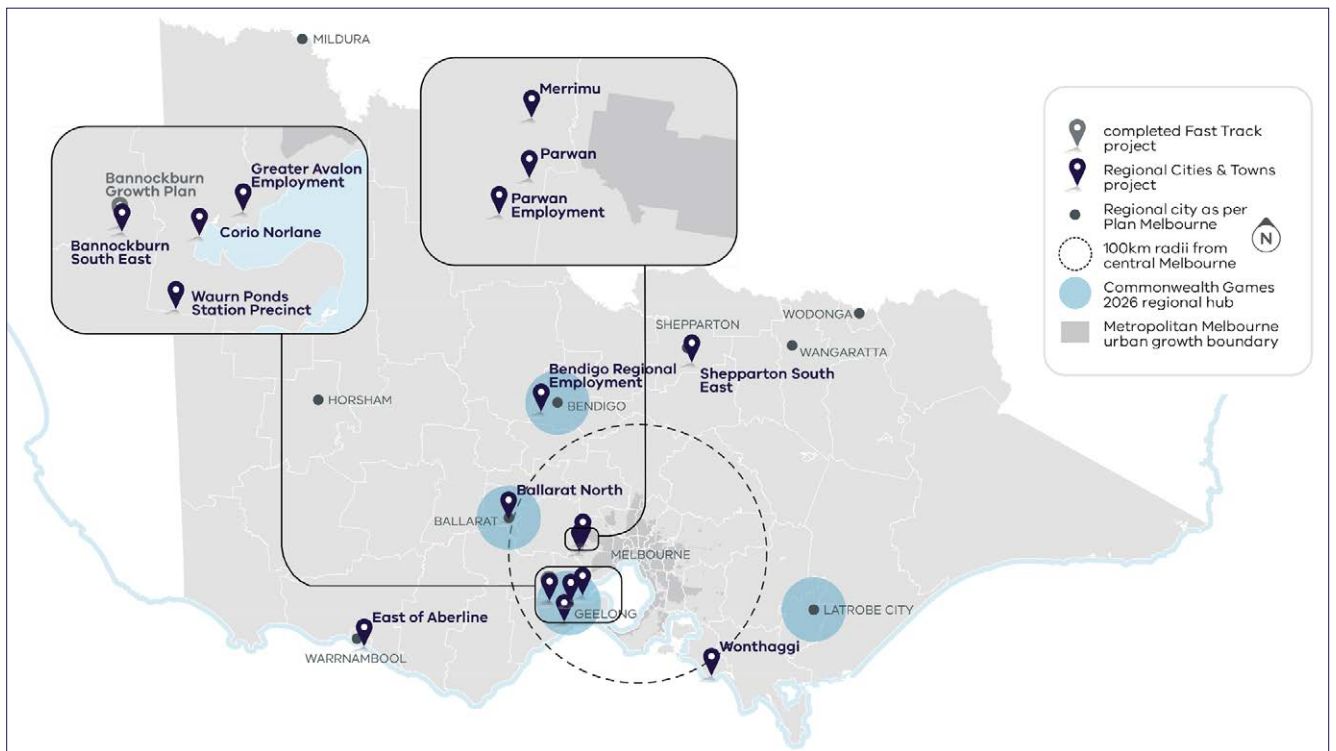


Figure 7 Regional Planning Program

## MELBOURNE'S GROWTH CORRIDORS

We have been planning new suburbs across outer Melbourne since 2006 using PSPs. The priority for this program continues to be maintaining a 15-year supply of zoned land within Melbourne's metropolitan growth corridors to help reduce upward pressure on house prices. Importantly, these plans also enable the creation of valuable jobs for the Victorian community.

We are currently working to deliver government targets in Melbourne's growth corridors for an additional 50,000 residential lots and the capacity for 50,000 new jobs. These are progressively being delivered with the 50,000 lots component targeting completion in early 2023 and the 50,000 jobs component by the end of 2023.

We have made good progress against these targets and in 2021/22, two PSPs were gazetted, being Shenstone Park PSP and ICP unlocking 3,669 homes and 4,342 jobs and Craigieburn West PSP and ICP unlocking 8,300 homes and 846 jobs.

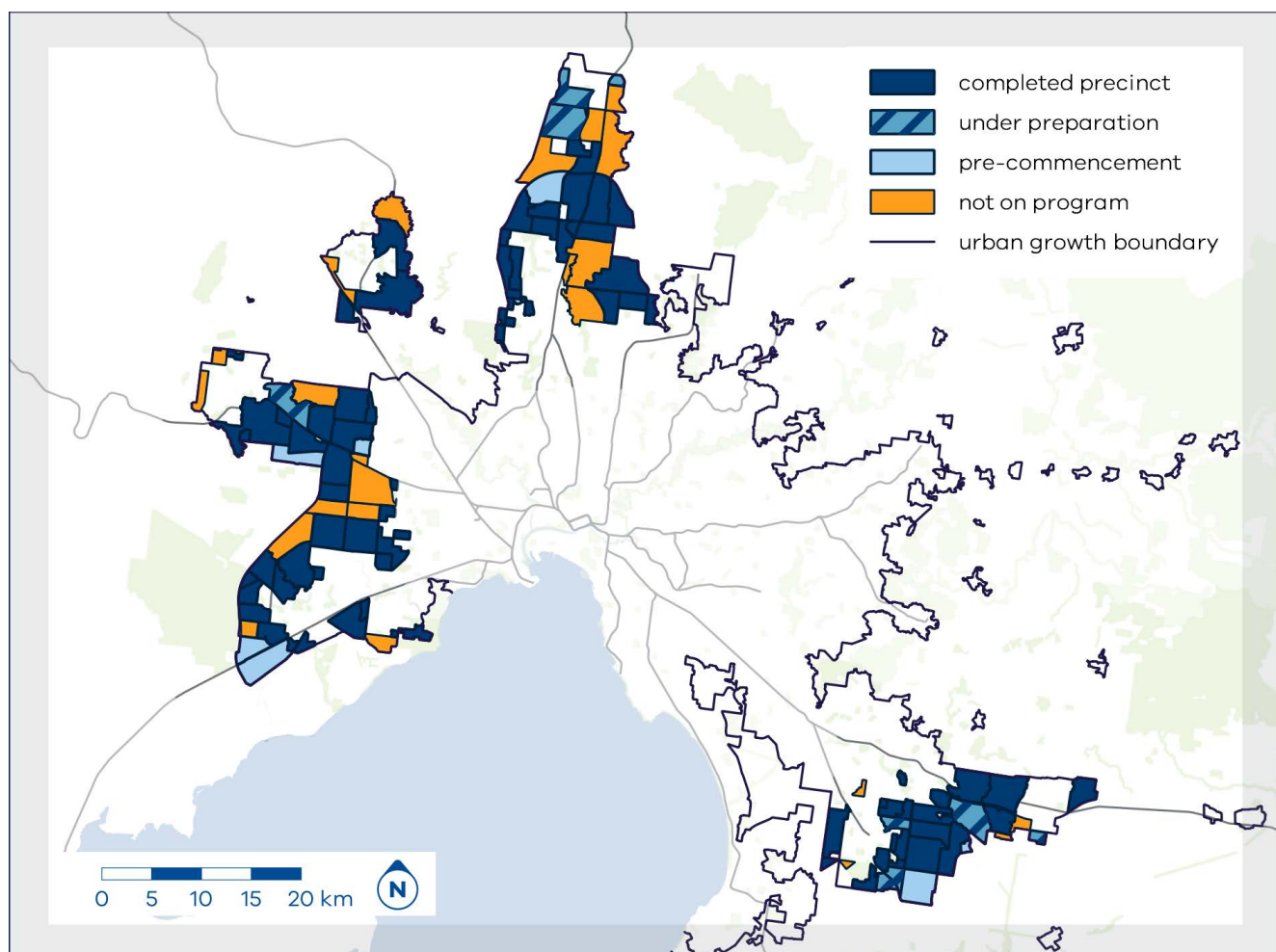


Figure 8 Outer Melbourne Planning Program - PSPs complete, on program and yet to be programmed

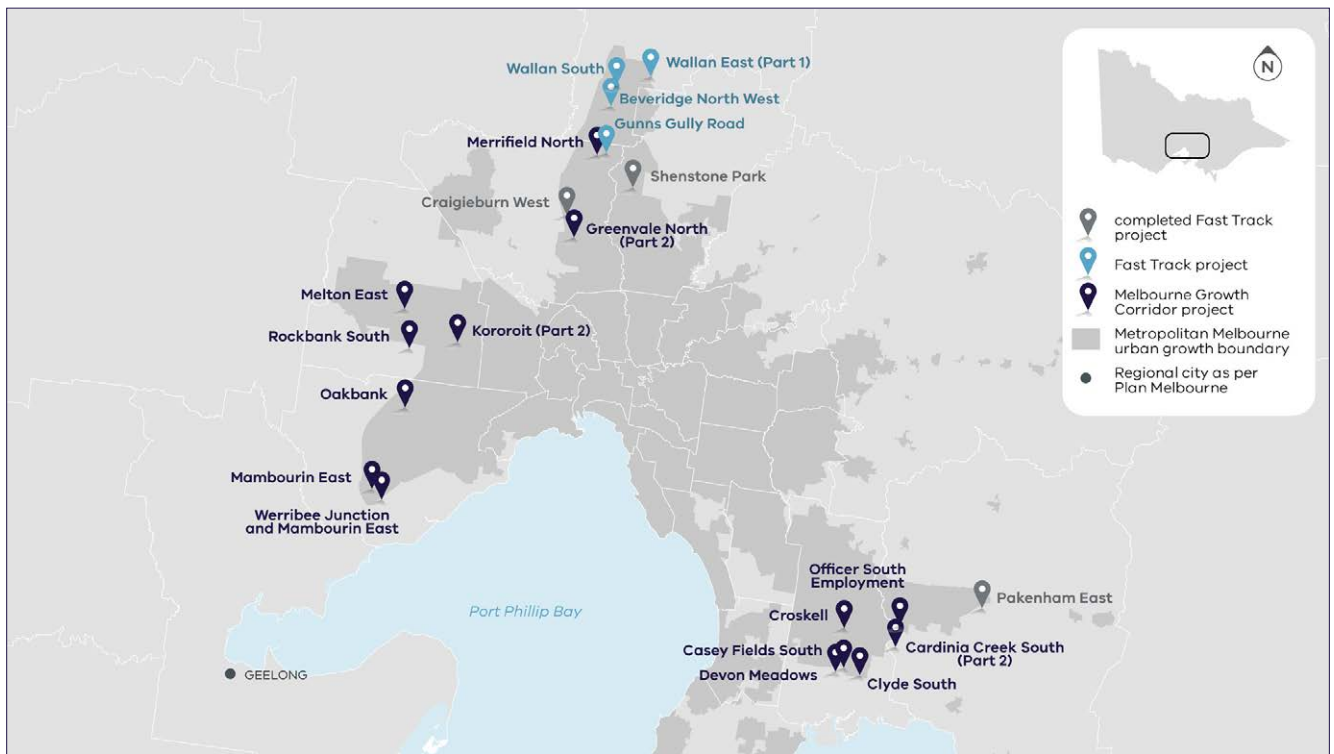


Figure 9 Outer Melbourne Planning Program

Over the course of 2021/22, we have focused on delivering and acquitting the outer Melbourne projects on the Fast Track program, as well as key projects articulated in our Business Plan, including:

- **Fast Track Program**
  - Craigieburn West (completed)
  - Shenstone Park (completed)
  - Beveridge North West
  - Wallan East
  - Wallan South
- **Other VPA-led Projects**
  - Beveridge Central Supplementary ICP
  - Casey Fields South
  - Clyde South
  - Devon Meadows
  - Melton East
  - Minta Farm Supplementary ICP
  - Officer South Employment
  - Rockbank South
  - Sunbury South and Lancefield Road Supplementary ICP
  - Mambourin East
  - Werribee Junction
- **Alternative Delivery Program Pilot**
  - Greenvale North Part 2
  - Kororoit Creek Part 2
  - Cardinia Creek South Part 2
  - Crookell
  - Merrifield North (Unlocking).
- **Council-led projects**
  - Oakbank
  - Pakenham South Employment

## VPA PSP reform agenda

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

In 2021/22, the updated the *Precinct Structure Planning Guidelines: New Communities in Victoria* (PSP Guidelines) were approved by the Minister for Planning.

The update to the PSP Guidelines incorporates government policy that has been introduced since the original guidelines were put in place a decade ago.

The PSP Guidelines provide the framework for preparing PSPs that guarantee quality outcomes while also being flexible, responsive, and supportive of innovation.

The Guidelines are based on planning for 20-minute neighbourhoods, a principle in *Plan Melbourne 2017-2050* that advocates for living locally to ensure accessible, safe and attractive local communities.

Throughout the preparation of the PSP Guidelines, the VPA consulted with industry, councils and numerous State Government agencies to ensure there is the correct balance of certainty and flexibility in the guidelines.

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

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

During this year, as part of the new PSP 2.0 process, a new Innovation Pathway was established and expressions of interest were sought for taking part in an Innovation Pathway Pilot Project. The purpose of the Innovation Pathway is to encourage leading practice and support the resolution of key challenges often faced by new community precinct planning in design or delivery through innovative demonstrations.

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

Section 46 of the *Planning and Environment Act 1987* includes a new mechanism for securing contributions from landowners to ensure that there was appropriate funding to enable the provision of key community infrastructure through the new Infrastructure Contribution Plan provisions. Initially this is only being applied to Metropolitan growth corridors and to nominated strategic sites.

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

Two uncoupled ICPs were also approved and gazetted in 2021/22 being Beveridge Central ICP and Minta Farm ICP, leaving only one uncoupled ICP for Sunbury South and Lancefield Road on the program.

## STREAMLINING FOR GROWTH

The SFG Program was established in 2016 to facilitate faster and more cost-effective delivery of permit ready employment and residential land across Victoria.

The SFG Program focuses on projects that unlock and accelerate the delivery of employment and residential land in areas subject to population growth pressures and/or experiencing shortages of land for housing or jobs. It aligns with the VPA's core function as the State Government's lead agency for delivering planning and infrastructure coordination solutions in designated areas across Victoria.

The SFG Program operates to:

- Support economic growth by delivering, unblocking or accelerating strategic planning, statutory planning, infrastructure coordination and related projects
- Accelerate the delivery of zoned and permit-ready employment and residential land
- Simplify, streamline and accelerate post strategic planning approvals and infrastructure coordination processes
- Increase housing supply, choice and affordability
- Build capability and capacity in councils via delivering red tape reduction and ongoing and systemic improvements to performance and outputs

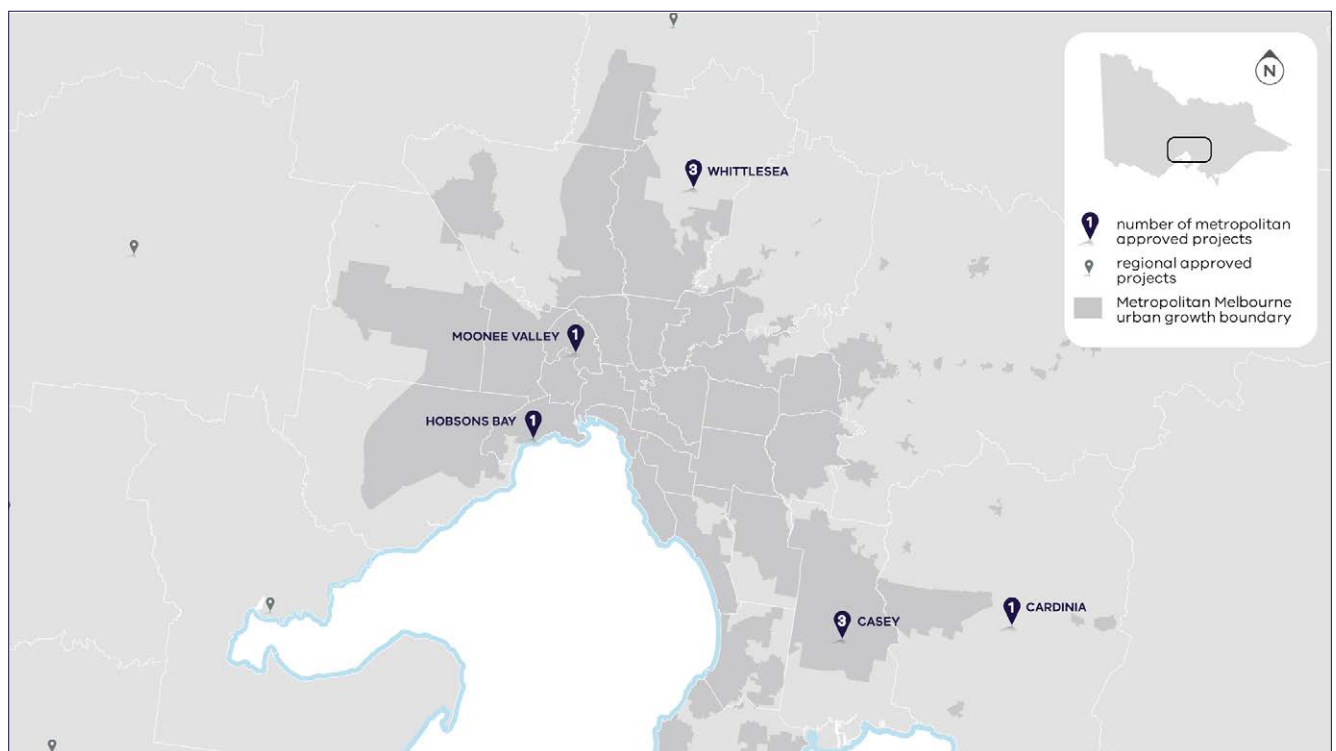


Figure 10 Streamlining for Growth 2021/22 approved projects for Metropolitan Melbourne

The SFG Program is delivered in strong partnership with local government through two mechanisms:

- **Council Grants projects:** Typically council-led projects funded predominantly by direct cash grants, and sometimes assisted by VPA managed consultants and/or VPA staff
- **VPA-led projects:** Typically VPA-led projects that support the delivery of housing and jobs via strategic land use planning or improved processes and systems, delivered by VPA staff and VPA appointed consultants

The 2021/22 program included a focus on supporting projects that responded to COVID-19 related housing and employment growth pressures. A total of 34 projects were funded under the program this year for a total value of \$6.40 million. Of this, 28 projects involved direct grants to council-led projects, with a focus on unlocking and accelerating the delivery of residential and employment land across Victoria.

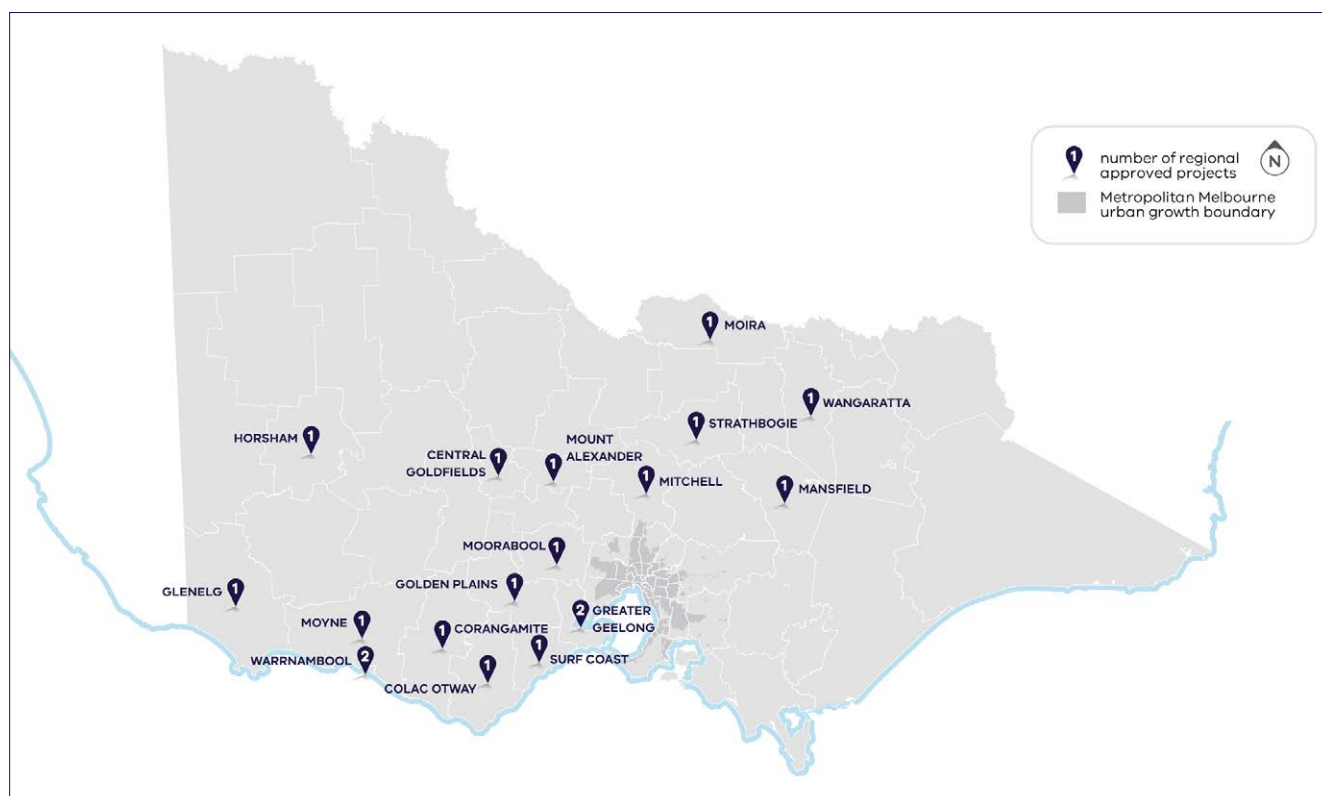


Figure 11 Streamlining for Growth 2021/22 approved projects for Regional Victoria

## INFRASTRUCTURE COORDINATION

The VPA continues to progress work and advocacy towards greater integration of land use and infrastructure planning and delivery. This supports objective 2(c) of the VPA Act and is reflected in the Statement of Expectations. We continue to:

- provide a strong contribution to improving coordination arrangements with government agencies
- provide information to government about what state infrastructure is required in growth areas at specific time intervals
- provide inputs to inform infrastructure coordination, including extensive input to Infrastructure Victoria regarding mode
- work with government colleagues to better align the development and transport infrastructure pipelines with a particular focus around existing infrastructure commitments
- facilitate Growth Area Infrastructure Contribution Work in Kind (GAIC WIK) agreements that enable earlier provision of land or works for state infrastructure for communities
- support of the Interface Councils Human Services Planning pilot project aimed at integrating service and infrastructure planning for local and state infrastructure in growth areas.

### Planning for infrastructure delivery

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

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

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

The VPA has also played a role in assisting other state agencies and local governments to undertake planning for infrastructure in some of the major urban renewal precincts in metropolitan Melbourne, such as the Arden Urban Renewal Precinct.

The VPA has developed a framework for a Victorian Place Infrastructure Compact (PIC), similar to the model pioneered by the Greater Cities Commission and currently used in NSW. A PIC is a mechanism to prioritise and sequence growth and infrastructure investment in Victoria.

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

## GAIC and GAIC WIK

The VPA has facilitated completion of a total of ten GAIC WIK Agreements since GAIC was introduced in 2010, including two in 2021/22. GAIC WIKs are proving to be an attractive alternative for landowners with GAIC liabilities. During 2021/22 several potential agreements have been explored or progressed and two further agreements are expected to be completed in 2022/23.

The VPA recently negotiated a GAIC WIK for the Gunns Gully Interchange to form part of a wider integrated transport network for the Northern Growth Corridor. The interchange has important community, social and economic benefits and construction of the interchange will help facilitate the development of the Metropolitan Activity Centre.

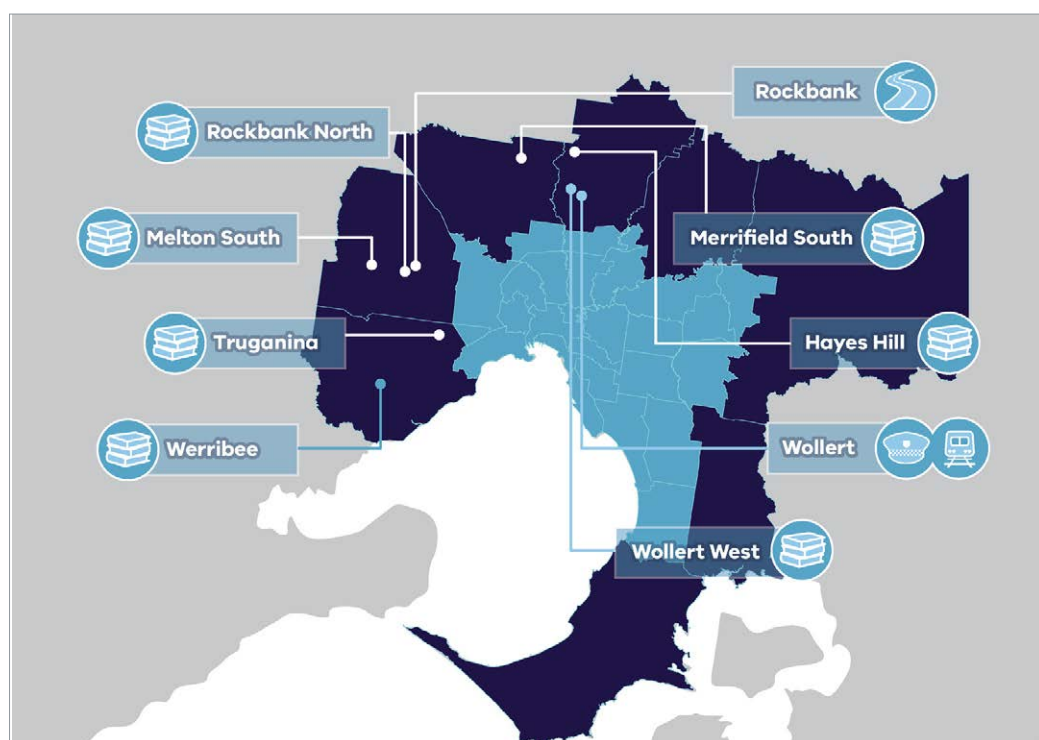


Figure 12 GAIC WIK agreements as at June 2022

## Section 173 and DCP collections

The VPA has been responsible for the collection of DCP payments for the East Werribee Employment Precinct. The VPA was required to pass these funds across to Wyndham City Council, as the council is the development agency for this area. As of 6 April 2022 the VPA no longer has delegation to collect these contributions.

In addition, under the planning schemes for the City of Melbourne and City of Port Phillip, the VPA has been responsible for the collection of certain payments made under section 173 agreements for the Fishermans Bend precinct, until such time as a DCP (or ICP) is put in place. These funds are reflected in the balance sheet of the VPA as both cash and deposits, and also in payables (as being required to be paid to government). These section 173 collections are not regarded as revenue of the VPA and are not included in the VPA's *Comprehensive Operating Statement*. The VPA has also been advised that this collection role is to be transferred to DJPR in the future.

## ORGANISATIONAL CAPACITY AND FINANCIAL SUSTAINABILITY

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

The VPA's financial sustainability strategy aims to transition over five years to a three-stream funding base given the sustainability issues that exist with the VPA's current funding model. The strategy includes a greater focus on the revenue source comprising a broad-based cost recovery model and reflecting a diminishing reliance on voluntary third party contributions. Through central agencies and DELWP, the VPA is seeking to further progress these opportunities.

The VPA continues to strive to be an employer of choice. This year, the VPA launched its new *People and Culture Strategy 2021-24* which complements the Strategic Plan by ensuring we have an organisation that can continue to perform at a high level by having the right people, the right skills and right systems in place for success.




One of the key initiatives for the first year of this new strategy was the adoption of the VPA's *Inclusion, Diversity, Equity and Belonging* (IDEB) Plan which brings to life the VPA's vision to foster a sense of community where everyone is welcome, contributes and belongs.








## OPERATIONAL PERFORMANCE






In accordance with section 44 of the VPA Act, the VPA prepared the *2021/22 Business Plan*. This annual business plan included a number of key performance measures for the 2021/22 financial year. The table below summarises the progress made against the VPA's 2021/22 strategic priorities as set out in its adopted *2021/22 Business Plan*, and aligned with its legislative objectives under section 7 of the VPA Act.

## THE VPA'S KEY PERFORMANCE MEASURES FOR 2021/22





In order to achieve the VPA's outcomes over the coming four years, the VPA was expected to achieve the following during the 2021/22 financial year, as set out in our 2021/22 Business Plan:

Program Outputs and Performance Measures	KPI for 2021/22	Status at 30 June 2022	Comment
Deliver planning frameworks and spatial planning advice to support development in priority precincts as directed by other Ministers and/or the Minister for Planning to deliver city-shaping liveability and economic outcomes	VPA to finalise the two priority precincts projects on the VPA Fast Track Program by 30 June 2022: <ul style="list-style-type: none"> <li>Arden precinct</li> <li>Braybrook Regeneration Project</li> </ul>		The Arden Precinct completed and finalised, awaiting gazettal.  Braybrook – Strategic planning work completed to agency validation stage and City of Maribyrnong Council and Homes Victoria briefed (project paused pending confirmation of agreed pathway forward for the scheme amendment).
	VPA to progress two priority precinct projects subject to commissions by lead agencies during 2021/22		Priority Precinct projects for both the Department of Transport and the Department of Jobs, Precincts and Regions were progressed by the VPA during 2021/22.
Improve Planning outcomes and processes	VPA to make significant progress towards preparing structure planning guidelines for VPA urban renewal planning by June 2022		Draft guidelines for urban renewal products and processes have been progressed.





Program Outputs and Performance Measures	KPI for 2021/22	Status at 30 June 2022	Comment
Deliver planning frameworks and spatial planning advice to support the <i>Plan Melbourne</i> aspiration to accommodate 70 per cent of Melbourne's net dwelling growth within established Melbourne	VPA Board to finalise the following two urban renewal projects on the VPA Fast Track Program by 30 June 2022 <ul style="list-style-type: none"> <li>• Lilydale Quarry</li> <li>• Preston Market</li> </ul> VPA to progress one activity centre structure planning project during 2021/22		Lilydale Quarry project completed and planning scheme amendment gazetted January 2022.  Preston Market project Standing Advisory Committee hearing process for this amendment has been scheduled for late 2022.  The relevant council representatives have been briefed on the project progressed by the VPA.
Deliver planning frameworks to maintain a zoned capacity sufficient to accommodate around 15 years' residential land supply and one new job for each new household in PSP areas	Progress finalising six PSPs during 2021/22 to accommodate 50,000 lots by February 2023		Good progress is being made on this KPI.  The VPA is progressing projects listed on the 2021/22 Business Plan as reported on its website.
	This includes securing a VPA Board decision to finalise the following PSPs on the VPA's Fast Track program by December 2021: <ul style="list-style-type: none"> <li>• Shenstone Park</li> <li>• Craigieburn West</li> </ul>		Shenstone Park PSP and Craigieburn West PSP were gazetted on 28 January 2022.
	This includes securing a Board decision to finalise the following two PSPs on the VPA's Fast Track program by June 2022: <ul style="list-style-type: none"> <li>• Beveridge North West</li> <li>• Wallan East (Part 1)</li> </ul>		The Ministerial Advisory Committee for Beveridge North West PSP has scheduled the Planning Panel for late 2022.  Wallan East PSP threshold issues resolution are under consideration with the VPA's council partner.
	This includes significantly progressing these projects past exhibition stage by June 2022 <ul style="list-style-type: none"> <li>• Wallan South</li> <li>• Officer South Employment</li> </ul>		Wallan South PSP and Officer South Employment PSP have undergone agency validation and review as part of the plan preparation stage to be ready for public engagement in the second half of 2022.
	Progress four PSPs during 2021/22 to accommodate 50,000 lots by December 2023		Progressing employment PSPs on the 50,000 jobs program including: <ul style="list-style-type: none"> <li>• Officer South Employment,</li> <li>• Casey Fields South,</li> <li>• Croskell</li> <li>• Merrifield North</li> </ul>
	VPA to initiate three projects to deliver zoned land supply for new 20-minute neighbourhoods in outer Melbourne in 2021/22 (as per BP3 measure)		Three land supply projects have been initiated as per BP3 measure: <ul style="list-style-type: none"> <li>• Melton East</li> <li>• Casey Fields South</li> <li>• Devon Meadows</li> </ul>

Program Outputs and Performance Measures	KPI for 2021/22	Status at 30 June 2022	Comment
Improve planning outcomes and processes in PSP areas	<p>Continue to operationalise completed revised PSP Guidelines by December 2022</p> <p>This includes:</p> <ul style="list-style-type: none"> <li>• Providing recommendation to government on key interventions required to achieve the intent of the Guidelines by December 2021</li> <li>• Finalisation of three practice notes by December 2021</li> <li>• Release of EOI for an innovation pathway precinct project by June 2022</li> </ul>		<p>Final PSP Guidelines were approved and publicly launched by the Minister in November 2021.</p> <p>Recommendations provided and authorised through approval of PSP Guidelines. Continuing to work with DELWP on detail of implementation of key interventions. Preparation of guidance notes on track for December 2022.</p> <p>Three practice notes finalised.</p> <p>Innovation pathway EOI process released.</p>
	<p>Continue to operationalise completed PSP 2.0 (which will enable process improvements that will reduce average PSP preparation times by one-third) by December 2022.</p> <p>This includes:</p> <ul style="list-style-type: none"> <li>• Preparation of a compact PSP document by June 2022</li> </ul>		<p>Operationalising of PSP 2.0 enhancements is ongoing. One PSP completed under PSP 2.0 and eight PSPs underway.</p> <p>Draft compact PSP template structure completed. (Three of seven plan sets updated and review of standard requirements and guidelines ongoing).</p>
Deliver planning frameworks and services to support urban growth in regional Victoria	<p>Continue to progress projects to enable finalising structure plans and master plans to accommodate zoned capacity for 7,650 lots and 2,000 jobs by 30 June 2022</p>		<p>The VPA made good progress on these PSPs during the 2021/22 financial year.</p>
	<p>This includes significantly progressing the following strategic planning projects by mid-2022:</p> <ul style="list-style-type: none"> <li>• Mildura Riverfront Masterplan</li> <li>• Shepparton South East PSP</li> <li>• Wonthaggi North East PSP</li> </ul>		<p>The 7,650 Lots and 2,000 jobs includes:</p> <ul style="list-style-type: none"> <li>• Mildura Riverfront Masterplan – 150 lots (expected to be handed over to the council in late 2022)</li> <li>• Shepparton South East PSP – 2,500 lots (expected to be gazetted in July 2023)</li> <li>• Wonthaggi North East PSP – 5,000 lots (expected to be gazetted in 2022/23)</li> </ul>
	<p>VPA to initiate three planning projects in regional cities and towns to unlock and deliver zoned land supply (as per BP3 measure)</p>		<p>VPA has initiated pre-commencement work for:</p> <ul style="list-style-type: none"> <li>• Greater Avalon Employment Precinct (Greater Geelong)</li> <li>• Bendigo Regional Employment Precinct (Greater Bendigo)</li> <li>• Bannockburn South East PSP (Golden Plains)</li> </ul>

Program Outputs and Performance Measures	KPI for 2021/22	Status at 30 June 2022	Comment
Deliver the government's Streamlining for Growth program to unlock urban growth across the state by streamlining planning and post-plan approval processes	Approve and allocate at least thirty SFG projects by 30 June 2022 (as per BP3)		Board has approved and allocated funds for 34 projects (28 for grant applications and six VPA-led projects).
Demonstrate and disseminate innovation in planning processes and outcomes, and in engaging with communities and partners	Deliver at least two webinars and/or digital-based events to inform public debate and projects on priority issues and projects		Public launch (with PIA) of the PSP Guidelines held on 25 November 2021.  Beveridge North West PSP held five online sessions in December 2021 and January 2022, utilizing Engage Vic and the VPA website for queries and submissions.  VPA held <i>Triumph of the Centres Future Thinking</i> event in June 2022.
Support the economic recovery of Victoria by prioritising the VPA's role in bringing zoned land for jobs and housing at scale in areas designated by the Minister	Commence implementation of the <i>Victorian Planning Authority Strategic Plan 2021-24</i> by 31 December 2021		Completed
Enhance the operational performance of the organisation	No significant governance breaches reported in the 2021/22 annual report		No significant governance breaches identified.
	90% of projects on the VPA work program completed or on track as at 30 June 2022 against the work program timeframes (as amended by the Board at quarterly reviews)		91.2% of projects on track against adjusted approved dates as set at the Quarter 3 review (March 2022).
	Minister for Planning provided with draft Business Plan by 31 May 2022, and approved Business Plan published on VPA website within one month of the final plan being approved by the Minister		The draft <i>2021/22 Business Plan</i> was completed by the VPA by 31 May 2022.
	Financial discipline demonstrated by expenditure for the year having a no greater than 10% unfavourable variance from the budget for the year ended 30 June 2022 (except where this is due to unbudgeted expenditure on a matter directed by the Minister for Planning)		The VPA's annual expenditure for 2021/22 of \$33.5 million was a favourable variance of \$1.4 million from the budgeted expenditure of \$34.9 million.
	Continue to progress efforts to ensure funding sources are secured to ensure sustainability of operations beyond 2022/23		With the ICP cost recovery legislation changes in 2020/21 and the 2021/22 & 2022/23 budget outcomes the VPA is in a more secure financial position.

Program Outputs and Performance Measures	KPI for 2021/22	Status at 30 June 2022	Comment
Deliver DCPs and/or ICPs to ensure that any development yield/uplift conferred by zoning change is accompanied by appropriate infrastructure contributions arrangements	VPA to approve finalised ICPs and/or DCPs (as appropriate) to accompany all structure plans finalised by the VPA		PSP/ICPs gazetted <ul style="list-style-type: none"> <li>Shenstone Park PSP</li> <li>Craigieburn West PSP</li> <li>PMP Printing</li> </ul> Uncoupled Supplementary ICPs gazetted: <ul style="list-style-type: none"> <li>Sunbury South and Lancefield Road</li> </ul> S173 agreement prepared for Lilydale Quarry
Negotiate GAIC WIK agreements to help clarify the nature and timing of infrastructure provided in PSP areas	VPA to target finalisation of two GAIC WIKs by 30 June 2022, including the Gunns Gully GAIC WIK that is part of the VPA Fast Track program		Two GAIC WIKs were concluded for the Wollert Police Station and Wollert Rail Line.  Gunns Gully GAIC WIK is near completion.
	VPA to progress all new GAIC WIKs for submission to the Minister for Planning for approval within 12 months from the time of signing of a third-party funding agreement		Achieved
Support government consideration of improved infrastructure coordination and funding models to support urban growth	Develop and submit proposed coordination model for delivering infrastructure to support development of growth areas		Coordination Model completed and submitted to central agencies.  VPA is continuing the development of the Place Infrastructure Compact Pilot under Planning Reforms.

#### Key

Green	Achieved	
Blue	Not yet due	
Amber	Substantially progressed	
Red	Delayed/Deferred	

# Performance reporting – financial

## FIVE YEAR FINANCIAL SUMMARY

	Year ended 30 June 2022 \$	Year ended 30 June 2021 \$	Year ended 30 June 2020 \$	Year ended 30 June 2019 (as GAA) \$	Year ended 30 June 2018 (as GAA) \$
Income from government (a)	26,476,605	26,463,430	25,202,248	20,053,118	19,781,664
Total income from transactions	32,351,280	32,288,785	30,843,727	26,108,894	22,131,790
Total expenditure from transactions	33,575,026	30,372,833	25,103,871	27,661,984	22,050,194
Net result for the period	(1,223,746)	1,892,973	5,739,857	(1,548,434)	81,596
Net cash flow from operating activities	7,434,669	14,392,792	(1,413,445)	(4,371,971)	1,754,067
Total assets	37,577,827	28,539,084	24,373,273	15,335,928	19,485,477
Total liabilities	26,542,136	16,279,647	14,006,810	8,051,994	10,653,109
<b>Net equity</b>	<b>11,035,690</b>	<b>12,259,437</b>	<b>10,366,463</b>	<b>7,283,933</b>	<b>8,832,367</b>

### Notes:

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

## SIGNIFICANT CHANGES IN FINANCIAL POSITION

Overall, the financial position of the VPA has slightly deteriorated with net equity decreasing by \$1,223,746 (the VPA's Net Result Loss for 2021/22) to \$11,035,690. This decrease in our equity position and Net Result Loss was anticipated in the VPA's *2021/22 Business Plan*. The detailed movements in the different financial aspects are detailed below.

The VPA was successful in being awarded an extension of two funding streams which were to have concluded at 30 June 2021. The *2021/22 State Budget* allocated a further \$7 million per annum to the well-regarded *Streamlining for Growth* program until the 2022/23 financial year and also a further \$7 million to the *Unlocking New Communities and Affordable Housing* program for the 2022/23 financial year.

Our asset base has increased and our cash flow from operating activities is high primarily due to increased collections from the VPA's role as collection authority for infrastructure contributions at Fishermans Bend. These funds collected and held have increased by \$8.1 million in the 2021/22 financial year. They are temporarily held by the VPA and do not form part of the VPA's annual income.

## CURRENT YEAR FINANCIAL REVIEW

### Overview

In 2021/22 the VPA achieved a net result loss from transactions of \$1.2 million, this is a variance of \$3.1 million from the 2020/21 financial year. Both total income and expenses from transactions have steadily increased since the 2016/17 financial year as the VPA's role and remit as the state's spatial planning agency has strengthened. This is also due to a continuation and expansion of the SFG Program as well as receiving and expending additional funding for *Unlocking New Communities and Affordable Housing*.

The Victorian Government considers the net result from transactions to be the appropriate measure of financial management that can be directly attributed to government policy. This measure excludes the effect of revaluations (holding gains or losses) arising from changes in market prices and other changes in the volume of assets shown under 'other economic flows' on the comprehensive operating statement, which are outside the control of the VPA. The VPA's net result loss for 2021/22 (\$1.2 million) is broadly in line with the budget set out in our 2021/22 annual *Business Plan* (a \$0.9 million deficit).

### Financial performance and business review

The VPA performed unfavorably against budget by \$0.3 million, this is a satisfactory result and materially within expectations considering the many challenges faced throughout the year. Expenditure for 2021/22 is higher than in previous years, this is due to a number of factors including:

- More SFG Program grants paid to councils in 2021/22: \$3.5 million in 2021/22 compared to \$2.6 million in 2020/21.
- Significant expenditure on concluding Fast Track Program projects including employee costs, panel fees and legal expenditure.

### Financial position – balance sheet

At the beginning of the financial year the VPA brought forward a \$12.3 million accumulated surplus. Following the net result loss of \$1.2 million, the VPA closed the financial year with a total accumulated surplus of \$11.0 million. This accumulated surplus is greater than that which had been anticipated in the VPA's 2021/22 Annual *Business Plan* of \$10.4 million.

At 30 June 2022 the VPA carried contract liabilities of \$6.0 million (2020/21: \$2.9 million), these are in relation to obligations to complete work/milestones for funds already received, which is the required revenue recognition treatment under AASB 15 Revenue from Contracts with Customers. These carried forward funds have been budgeted to be recognised as VPA revenue during the 2022/23 financial year once the associated work has been completed.

The VPA's balance sheet also records a Right of Use Lease Liability of \$2.5 million (2020/21: \$3.4 million) relating to our accommodation lease. This was taken up on the balance sheet as of 1 July 2020 in accordance with new accounting standard AASB 16 Leases. This liability is also partially offset by a right of use asset of \$1.8 million (2020/21: \$2.5 million).

The VPA is also holding funds of \$12.7 million (2020/21: \$4.6 million) which is for the S173 liability from infrastructure contributions for Fishermans Bend that we are obliged to on forward as directed by the Minister for Planning.

The VPA's employee provisions are valued at \$3.7 million (2020/21: \$3.6 million).

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## SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Authority, or the results of those operation, or the state of affairs in future financial years.

# Organisational Structure and Governance Arrangements

## GOVERNING BOARD

The VPA is governed by a seven-person Board appointed by the Minister for Planning.

The Board members have experience in state and local government and industry across a broad range of disciplines including planning, development, economics, financial management, and housing.

The seven Board members of the Victorian Planning Authority were in office for the whole period of 1 July 2021 until 30 June 2022 with Jude Munro AO as Chair.

The VPA's organisational structure as at 30 June 2022 is as follows:



Note: Rachel Dapiran held the role of Executive Director – Infrastructure, Strategy and Planning until 24 June 2022.

The VPA Board appoints our CEO. The organisational structure is designed to deliver on our strategic priorities.

The structure includes two planning teams to deliver planning projects in designated urban growth areas, precincts and places:

- Metropolitan Melbourne
- Regional Victoria and Commonwealth Games Support.

The planning teams are supported by two specialist teams:

- Infrastructure, Strategy and Planning
- People and Performance.

## BOARD MEETINGS

Board meeting attendances for 2021/22

Authority Member	Membership Period	Board Meeting attendance
Jude Munro AO (Chair)	1 July 2021 to 30 June 2022	13 out of 14
Bill Kuszniarczyk (Deputy Chair)	1 July 2021 to 30 June 2022	12 out of 14
Trevor Budge AM	1 July 2021 to 30 June 2022	13 out of 14
Laurinda Gardner	1 July 2021 to 30 June 2022	12 out of 14
Penny Holloway	1 July 2021 to 30 June 2022	13 out of 14
Damien Tangey	1 July 2021 to 30 June 2022	14 out of 14
Theo Theophanous	1 July 2021 to 30 June 2022	13 out of 14

## BOARD MEMBERS' CONFLICT OF INTEREST DISCLOSURES

During the 2021/22 financial year, VPA board members disclosed the following potential, perceived or actual conflicts of interest:

Name of Board Member	Disclosure	Management Plan
Jude Munro AO	Own consultancy service, Jude Munro & Associates	Chair will advise the Board if any of her consultancy work is relevant to the VPA.
Jude Munro AO	Board Director on Uniting Victoria Tasmania	Chair will advise the Board if UVT is a landowner in VPA area.
William (Bill) Kuszniarczyk	Managing Director of Clement Stone Town Planners	Member will advise the Board if any matter that is relevant to his role with Clement Stone Town Planners comes before the Board.
Trevor Budge AM	Employed by the City of Greater Bendigo	Member will absent himself from any Board discussions relating to any matter in the City of Greater Bendigo.
Trevor Budge AM	Member of Dja Dja Wurrung Enterprise Board	Member will absent himself from discussions if it is considered that a conflict may arise.
Theo Theophanous	Director of consultancy / lobbyist company (Embark Worldwide), has consultancies with Growland Pty Ltd, Lesso Home Improvements Pty Ltd, The Hellenic Museum and Norstar Recyclers Pty Ltd. A number of lapsed consultancies also appear on the Lobbyist Register.	Member will identify areas of conflict and recuse himself from Board discussions and decision making. VPA will not forward related documents to him.
Theo Theophanous	His daughter is the Member of Parliament for constituency adjacent to Preston Market.	Member to be excluded from documentation re Preston Market, and to exclude himself from any discussions, decisions or debates relating to this matter.
Theo Theophanous	Advisory role with Dimas Property Group	This group does not have an interest in the areas where the VPA is involved. Member will continue to monitor the situation and if this changes, notify the Board and take appropriate action.
Laurinda Gardner	Director LAG Consulting	Member will advise the Board if any of her consultancy work is relevant to the VPA and recuse herself from any discussions if a real or perceived conflict arises.
Damien Tangey	Board Chair of Haven; Home, Safe	Member will advise the Board if any matter that is relevant to Haven; Home, Safe comes before the Board.
Damien Tangey	Director of Birchgrove Property	Member will advise the Board if any matter that is relevant to Birchgrove Property comes before the Board.

## BOARD COMMITTEES

The Board of the VPA has two sub-committees, the Risk and Audit Committee and the Executive Remuneration People and Culture Committee.

### Risk and Audit Committee

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

The Risk and Audit Committee has five members and was chaired by Penny Holloway. The Risk and Audit Committee Members are all independent of the operations of the Authority, and one of the members, Andrew Dix, is an external independent member.

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

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

### Risk and Audit Committee meeting attendances for 2021/22

Committee Member	Membership Period	Risk and Audit Committee attendance
Penny Holloway (Chair)	1 July 2021 to 30 June 2022	5 out of 5
Jude Munro AO (ex officio) (Chair of the VPA)	1 July 2020 to 30 June 2021	4 out of 5
Damien Tangey	1 July 2021 to 30 June 2022	5 out of 5
Theo Theophanous	1 July 2021 to 30 June 2022	5 out of 5
Andrew Dix (independent member)	1 July 2021 to 30 June 2022	5 out of 5

## Executive Remuneration, People and Culture Committee

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

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

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

### Executive Remuneration People and Culture Committee meeting attendances for 2021/22

Authority Member	Membership Period	Executive Remuneration People and Culture Committee attendance
Bill Kuszniarczyk (Chair)	1 July 2021 to 30 June 2022	4 out of 4
Jude Munro AO (ex officio) (Chair of the VPA)	1 July 2021 to 30 June 2022	2 out of 4
Trevor Budge AM	1 July 2021 to 30 June 2022	4 out of 4
Laurinda Gardner	1 July 2021 to 30 June 2022	4 out of 4

## Board Development

Each year the Board has an external party conduct a review of the Board's effectiveness and identifies potential opportunities for development of the Board and its Members for the Board to consider.

## OUR BOARD MEMBERS



### **Jude Munro AO (Chair)**

BA (Hons), University of Melbourne;  
Grad Dip Business Administration,  
Swinburne University; Grad  
Dip Public Policy, University of  
Melbourne; FAICD; FIPAA

Jude Munro is experienced in guiding large complex organisations as a non-executive director. She has served on 20 boards. She has been Board Chair of Australia's fourth largest water utility, the Founding Chair, Victorian Pride Centre, a director of a national aviation business, an airport, a development company, a bus company, and a director of one of Australia's largest not-for-profits with a \$1.3 billion budget running hospitals and other services. She is currently Chair, Uniting VicTas, a Director, Newcastle Airport, a Director, Metro Tasmania, and a Director, The Pride Fund.

Jude also mentors CEOs. Her last CEO position was as CEO of Brisbane City Council for 10 years. She led the Council with its \$2.6 billion annual budget, 9,000 employees as it delivered infrastructure projects, bus and ferry services, regulatory and other municipal services for 1.2 million people. Infrastructure projects included the \$2.7 billion Clem7 tunnel, the feasibility stage of Airport Link, the Green Bridge, and Go Between Bridge.

She has been made an Officer of the Order of Australia, given keys to the City of Brisbane, listed in Deloitte's top 50 LGBTI executives, awarded the IPAA Queensland Governor's Award for excellence in the public sector and the UDIA Raymond J Peck Award for outstanding contributions and excellent service to Victoria's urban development industry.



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

Bill Kuszniarczyk is a leading urban and regional planner in Australia. He has extensive experience and knowledge spanning over 35 years in all aspects of planning, building, property development and how cities, regional and rural areas should look in the future.

He is the founder and Managing Director of Clement-Stone Town Planners.

Bill Kuszniarczyk was the inaugural Chief Commissioner of the Victorian Building Authority in 2013 regulating an industry contributing in excess of A\$39 billion of economic benefit to the state by over 40,000 registered building and plumbing professionals. As Chair, he oversaw the most significant overhaul in the history of Victoria's building and plumbing industry.

Bill is a Trustee of the Melbourne and Olympic Parks Trust.

He is an advisor to the Victorian State Government on infrastructure and delivery as a member of the Office of Projects Victoria Advisory Board.

He also provides expert advice on better building, planning and environmental regulation in Victoria. He was the former Chair of the Building Advisory Council. He is the current Deputy Chair of the Victorian Planning Authority and formally a Board Member of the Growth Areas Authority and the Metropolitan Planning Authority.

Bill also brings his experience in strategic and business planning, project management, stakeholder engagement, finance, risk and corporate governance.

He is a Certified Practising Planner and Associate Fellow of the Australia Institute of Management. He also provides his knowledge to the community, charities and not-for-profit Boards.

Bill is an Australian Day Ambassador to Victoria.



### **Penny Holloway (Chair of Risk and Audit Committee)** BA (Hons) Monash University; Bachelor of Social Work, University of Melbourne; Grad Dip Public Policy, University of Melbourne; Masters of Urban Planning, University of Melbourne; GAICD

Penny holds urban planning, public policy and board director qualifications. She has over 30 years' experience and expertise in government administration, strategic planning and program delivery at senior executive levels in state and local government in Victoria and New South Wales. In the last few decades she has held the positions of Chief Executive Officer of the Lord Howe Island Board; General Manager, North Sydney Council and Chief Executive Officer, Latrobe City Council; General Manager City Services, Whitehorse City Council; Director, Office of Youth Affairs and Group Manager, Building Better Cities with the Victorian Government.

Penny has local planning panel experience being the Chair and independent expert on local and regional planning panels in metropolitan and regional NSW. Penny has extensive Board experience and is currently a Board member of Local Government Procurement Pty Ltd. She is also an independent member of the Northern Sydney Local Health District Board Audit and Risk Committee.



**Trevor Budge AM**

**BA, Monash University; Grad Dip BA, Monash University; Grad Dip Education, Monash University; Grad Dip Town & Regional Planning, University of Melbourne; MA (Town Planning), Victoria University; LFPIA**

Trevor Budge AM holds a part time position as Strategic Projects Officer at the City of Greater Bendigo focusing on an application for World Heritage listing of the Central Victorian Goldfields region. He is a former Manager of Regional Sustainable Development and Manager of Strategy at the City of Greater Bendigo. He held the position of Associate Professor in the Community Planning and Development Program at the Bendigo campus of La Trobe University. He has been State President of the Planning Institute of Australia and is a Life Fellow and has a National Lifetime Achievement Award from the Institute. He became a Member (AM) in the General Division of the Order of Australia in June 2011 for 'service to town planning, particularly the development of regional and rural communities in Victoria, and to education'.

He was a Ministerial appointee for six years on the Victorian Catchment Management Council and a founding Board member on the Victoria Walks Board. He is currently a Board Member of Djandak – Dja Dja Wurrung Enterprises. He has worked for state, regional and local governments in both Victoria and Tasmania, conducted his own consulting business for 16 years and for 12 years taught at RMIT and La Trobe universities in planning and community development.



**Damien Tangey**

**Bachelor of Business (Property); Associate of the Australian Property Institute; GAICD**

Damien Tangey is the founder of Birchgrove Property, a Bendigo based business which has a long history of delivering and growing residential communities in regional Victoria. Damien commenced his career as a property valuer over 30 years ago and has significant experience in the property sector. He has a strong understanding of the tiers of policy, regulation and market forces defining settlement patterns and the housing delivery and affordability framework in Victoria.

Damien currently serves as the Board Chair of Haven; Home, Safe, a key registered affordable housing association in Victoria. He is also President of the Bendigo Senior Secondary College Council.

Damien has previously served in a range of elected roles with the Board of the Urban Development Institute of Australia (Vic) including as President and as Vice President of the UDIA National Council. He has also served in a number of community-based board and committee roles including with Regional Development Australia - Loddon Mallee and the Bendigo Business Council.



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

The Hon. Theo Theophanous is a former Victorian Government Minister who has held a number of senior portfolios including Industry, Trade, Energy, Resources, State Development, ICT and Major Projects. Highlights include developing the first Victorian Renewable Energy

Scheme, introducing sale of liquor in restaurants, introducing Sunday trading, attracting major international airlines and investment to Victoria, steering the development of the Recital Centre, AAMI Stadium, Melbourne Conference Centre and Austin Hospital redevelopment.

He now works as a specialist industry advisor, is on the Board of State Trustees Limited, is President of the Cyprus Community of Melbourne and Victoria and has served on the National ICT Australia Board and as a parliamentary advisor to the World Bank. He is a commentator in major Australian newspapers.



**Laurinda Gardner**

**BA (Hons), University of Melbourne; MAICD; FIPAA**

Laurinda Gardner is a board director, organisational reform and change management consultant and career coach. Laurinda has over 25 years' senior executive experience and was formerly a Deputy Secretary with the Victorian Department of Treasury and Finance and a Director at the City of Melbourne. She has led large operational teams in diverse areas including strategic and business planning, HR, IT, communications, town planning, stakeholder engagement, finance and risk.

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

## OUR PEOPLE

At the VPA, we understand that our success is driven by our talented and dedicated workforce. Our Strategic Plan sets out a clear direction to build a *"dynamic and high performing organisation that delivers and creates an inspiring workplace"*.

The VPA's *Strategic Plan 2021-24* consolidates the VPA's role as the Victorian Government's lead urban growth planning agency. It also articulates our role as a trusted problem solver that facilitates land use and infrastructure solutions and expert advisor that brings delivery-informed insights to urban policy and projects.

This year, the VPA launched its new *People and Culture Strategy 2021-24* which complements the Strategic Plan by ensuring we have an organisation that can continue to perform at a high level by having the right people, the right skills and right systems in place for success.

The Strategy has five key focus areas:

- Great culture and careers
- Inclusion, diversity, equity and belonging (IDEB)
- Capability and performance
- Health, safety and wellbeing
- Systems and support.

Key achievements in the 2021/22 year include:

- Adopting the *IDEB Plan*
- Adopting the *Gender Equality Action Plan*
- Finalising the *FlexPlace Strategy* to create a workplace that is an intelligent and connected home for the VPA that brings out our collective best
- Implementing a new Human Resource Management system.

The VPA formally transitioned a return to office for all staff following the past two years of COVID-19 lockdowns. Our hybrid way of working has continued to evolve and now people are able to benefit from this to create better work/life balances and come to the physical office for purpose. Staff pulse check surveys continued to show the ongoing resilience of staff wellbeing and the acknowledgement of strong management care for wellbeing and prioritisation support.

## BUILDING MANAGEMENT AND LEADERSHIP CAPABILITIES OF OUR PEOPLE MANAGERS

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

The VPA takes great pride in the learning and development of all staff, which features strongly in the *'Great Culture and Careers'* focus area of the Strategy.

Monthly *Lunch & Learns* and *Thought Leadership* sessions continued throughout the year with the introduction of a *Working in a Hybrid World* webinar series to support staff returning to the office after such an extensive period of working remotely.

In partnership with Development Victoria and the Suburban Rail Loop Authority, the VPA sponsored six of our senior staff members to participate in a three-month adaptive leaders' program which provides direct support to disadvantaged members of the community. The program was a great success with the graduation ceremony occurring on 6 July 2022.

## ADOPTING BEST PRACTICE

The VPA is committed to reviewing our practices to ensure we are in line with industry best practice. We have rapidly adapted to practices which support flexible, distributed and technology-based working and provided support guidelines to our people managers and to our staff. We continue to stay engaged and connected with contemporary organisation development and people and culture practices both within whole of government and beyond in order to stay well-informed of new and innovative practices in flexible working, future of work, managing dispersed teams, as well as including diversity and inclusion across the VPA.

## PUBLIC SECTOR VALUES AND EMPLOYMENT PRINCIPLES

The Public Sector values and our additional VPA values continue to be reflected through everything we do from our initial employment brand, role descriptions, recruitment and selection processes and inductions, through to our performance and development review process. We continue a value-based recognition framework that includes forums and online 'thank you' highlights of employees living these values in their daily practices. A focus of staff recognition at weekly staff forums also highlights the demonstration of our values in practice in our daily work.

## A CULTURE OF FLEXIBILITY

The VPA has articulated its approach to flexible future working conditions through 'The Way We Work' statement that highlights our role in shaping Victoria with flexibility and agility. The VPA has long recognised the importance of flexible ways of working to enable our people to balance their personal and professional priorities, while driving superior service delivery and performance.

COVID-19 led to a step-change forward in our work options to support our people to deliver outcomes, promote accountability and collaborate both face-to-face and remotely. 'The Way We Work' outlines how the VPA provides a variety of work options to encourage individuals to implement new ways to collaborate, while promoting accountability to deliver outcomes.

## COMPLIANCE WITH THE DISABILITY ACT 2006

The *Disability Act 2006* reaffirms and strengthens the rights of people with a disability.

The VPA's *Disability Action Plan* was developed in 2015 in accordance with the VPA's core values to ensure that all persons, including those with disabilities, have access to our premises, are able to participate in community engagement and consultation activities, and can access information about our key planning projects. It outlines specific strategies and actions that the organisation can take to meet the four key outcomes that are outlined in the *Disability Act 2006*, which all public sector bodies must align with.

The VPA is committed to the implementation of this plan, including regular reviews of its effectiveness, and ensuring adherence to the latest standards, as we strive to reduce barriers for those with a disability and engage with all members of our community. The plan can be accessed via [vpa.vic.gov.au/disability-action-plan](https://vpa.vic.gov.au/disability-action-plan).

## PEOPLE MATTER SURVEY 2021

The Victorian Public Sector People Matter Survey was conducted during June 2021 with results being made available in October 2021.

The report complemented the series of ongoing Pulse Check surveys conducted by the VPA throughout the year, which were initially introduced during the COVID-19 pandemic in 2020 but proved to be such an invaluable source of information that they now form part of our standard practices to understand employee sentiment.

The VPA had an overwhelming response rate of 100% (122 respondents) to the People Matter Survey which was up from 69% in 2020.

The survey results demonstrated the VPA's key areas of strength around leadership and support, quality service/outcomes and psychological and physical safety while our opportunities for development centred around internal and external career mobility, diversity and inclusion and workload and priorities.

Key results:

- 87 per cent of staff would recommend the organisation as a good place to work
- 25 per cent of staff reported high to severe stress levels which was down from 29 per cent in 2020 (VPS average is 26 per cent)
- Of those reporting stress, 61 per cent cited time pressures, 50 per cent workload and 11 per cent competing home and work responsibilities.
- 100 per cent of staff had worked from home
- 89 per cent thought senior leaders supported staff to work in an environment of change
- 79 per cent believed senior leaders provided clear strategy and direction
- 91 per cent were confident that if they requested a flexible work arrangement, it would be given due consideration

The organisation responded to these results by doing a deep dive into the results by department, and supporting individual team action plans to both celebrate the areas of success and leverage the areas for improvement.

## OCCUPATIONAL HEALTH AND SAFETY (OHS)

The VPA has a clear commitment to the health, safety and wellbeing of our employees and the OHS Committee has a pivotal role to play. This year, the Committee structure was reviewed, and the Designated Work Groups (DWGs) reduced from five to two. Elections were held and two Health and Safety Representatives (HSRs) and two Deputy HSRs were appointed and undertook formal training.

The mental and physical wellbeing of staff was a high priority throughout the year with further periods of working remotely, and efforts to return staff to the office. Leaders and staff were provided with access to a tailored series of webinars to support the transition to hybrid working, and the physical safety of the office was regularly reviewed and adapted as required. This included the development and implementation of a *VPA COVID-19 Vaccination Policy*, which came into effect after the Victorian Government's Public Safety Order ceased on 24 June 2022. The policy maintains the requirement for all staff to have two vaccinations or a medical exemption.

A provisional improvement notice was issued by WorkSafe in November 2021. It required the inclusion of more detailed return to work information in the OHS Policy and posters in the office. The gap was rectified, and the notice was removed after a further inspection.

WorkSafe conducted a further routine inspection in May 2022 with a particular focus on bullying and harassment frameworks and COVID safe practices. WorkSafe was satisfied with the frameworks in place and there was no further action to be taken.

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

Measure	KPI	2021/22	2020/21
Incidents	No. of incidents	1	0
	Rate per 100 FTE	0.8	0
	No. of incidents requiring first aid and/or further medical treatment	0	0
	Hazards	0	0
Claims	No. of standard claims	0	0
	Rate per 100 FTE	0	0
	No. of lost time claims	1	0
	Rate per 100 FTE	0.8	0
	No. of claims exceeding 13 weeks	1	0
	Rate per 100 FTE	0.8	0
Fatalities	Fatality claims	0	0
Claim costs	Average cost per standard claim	0	0
Return to work	Percentage of claims with RTW plan <30 days	1	0
Management commitment	Evidence of OHS policy and objectives, regular reporting to senior management	Achieved	Achieved
Consultation and participation	Evidence of agreed structure of designated work groups (DWGs), health and safety representatives (HSRs), and issue resolution procedures (IRPs).	Achieved	Achieved
	Compliance with agreed structure on DWGs, HSRs, and IRPs	Achieved	Achieved
Risk management	Percentage of internal audits/inspections conducted as planned	100%	100%
	No. of improvement notices issued across the Authority by WorkSafe Inspector	1	0
	Percentage of issues identified actioned arising from:		
	• internal audits	100%	100%
	HSR provisional improvement notices	0	n/a
	WorkSafe notices	1	n/a
Training	Induction	Achieved	Achieved
	Staff Training	Achieved	Achieved

## WORKFORCE DATA

### Staffing trends from 2018 to 2022

The following total staff members (headcount) were employed by the Authority as at 30 June 2022:

2022	2021	2020	2019	2018
129	125	108	114	113

### Comparative workforce data

The following table discloses the head count and full-time staff equivalent (FTE) of all active VPA employees, employed in the last full pay period in June of the current reporting period (2021/22), and in the last full pay period in June of the previous reporting period (2020/21).

Details of employment levels at 30 June 2022 and 30 June 2021 are as follows:

	June 2022							June 2021						
	All employees		Ongoing			Fixed term and casual		All employees		Ongoing			Fixed term and casual	
	Number (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Number (head-count)	FTE	Number (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Number (head-count)	FTE
<b>Gender</b>														
Women	66	63.08	2	0	2	64	61.08	62	57.94	2	0	2	60	55.94
Men	63	60.85	3	0	3	60	57.85	63	59.64	3	0	3	60	56.64
Self-described	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Age</b>														
15-24	9	7.17	0	0	0	9	7.17	11	8.94	0	0	0	11	8.94
25-34	45	44.70	0	0	0	45	44.70	38	36.37	0	0	0	38	36.37
35-44	42	39.89	1	0	1	41	38.89	42	39.93	1	0	1	41	38.93
45-54	20	19.67	2	0	2	18	17.67	17	16.8	2	0	2	15	14.8
55-64	10	9.70	2	0	2	8	7.70	14	13.19	2	0	2	12	11.19
65+	3	2.8	0	0	0	3	2.8	3	2.4	0	0	0	3	2.4
<b>VPA 1-6 grades</b>														
VPA 1	3	1.47	0	0	0	3	1.47	5	2.16	0	0	0	5	2.16
VPA 2	2	2	0	0	0	2	2	4	4	0	0	0	4	4
VPA 3	16	15.7	0	0	0	16	15.7	17	16.6	0	0	0	17	16.6
VPA 4	24	23.70	0	0	0	24	23.70	23	22.7	0	0	0	23	22.7
VPA 5	38	36.39	0	0	0	38	36.39	26	24.09	0	0	0	26	24.09
VPA 6	28	27	4	0	4	24	24	28	27.2	5	0	5	24	23.2
<b>Senior employees</b>														
STS	13	12.67	1	0	1	12	11.67	16	14.83	0	0	0	16	14.83
Executives	5	5	0	0	0	5	5	6	6	0	0	0	6	6
<b>Total Employees</b>	<b>129</b>	<b>123.93</b>	<b>5</b>	<b>0</b>	<b>5</b>	<b>124</b>	<b>119.93</b>	<b>125</b>	<b>117.58</b>	<b>5</b>	<b>0</b>	<b>5</b>	<b>120</b>	<b>112.58</b>

## Annualised total salary by \$20,000 bands for executive staff at 30 June 2022

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

In the tables below, the VPA Chief Executive Officer (CEO) is included as an executive officer. It is noted that the CEO is however excluded from the Executive Remuneration Note of the 2020/21 Annual Financial Statements as the CEO is included in the Responsible Persons Note.

Income Band	Executives 2021/22	Executives 2020/21
\$200,000 - \$219,999		
\$220,000 - \$239,999		
\$240,000 - \$259,999		5
\$260,000 - \$279,999	4	
\$380,000 - \$399,999		
\$400,000 - \$419,999		1
\$420,000 - \$429,000		
\$430,000 - \$439,000		
\$440,000 - \$449,000	1	
<b>Total no. of Executives</b>	<b>5</b>	<b>6</b>

Notes: The salaries reported above are for the full financial year, at a 1-FTE rate.

## Executive officer data

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

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

Class	2022				2021			
	Male	Female	Self Described	Vacancies	Male	Female	Self Described	Vacancies
CEO (SES-3)	1	0	0	0	1	0	0	0
SES-2	2	2	0	0	2	3	0	0
SES-1	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0</b>

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

	2022	2021
Executives (financial statement Note 8.3)	4	6
Accountable Officer (CEO)	1	1
Less Separations	0	(1)**
<b>Total Executive Officers employed at 30 June 2022</b>	<b>5*</b>	<b>6</b>

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

\*\* An executive director was reclassified to a VPS7 as part of transition to retirement through the year

# Growth Areas Infrastructure Contribution

GAIC as Part 9B of the PEA commenced on 1 July 2010 and applies to defined contribution areas in the growth area municipalities of Cardinia, Casey, Hume, Melton, Mitchell, Whittlesea, and Wyndham. Properties in the GAIC area have a GAIC notice registered on title. When dutiable transactions, subdivision or building permit events occur GAIC usually becomes payable and subject to interest. The PEA provides for deferred payments, Staged Payment Arrangements (SPA) to spread payments over time and Work-in-Kind (WIK) agreements instead of payment. The PEA includes exclusions and appeal provisions for GAIC.

The Minister for Planning and the Treasurer are jointly and separately responsible for the administration of GAIC under general orders issued by the Premier. DELWP supports the Minister in this GAIC responsibility and reports annually according to section 201VC(1) of the Act on income, expenditure and balance of the Building New Communities Fund (BNCF) and the Growth Areas Public Transport Fund (GAPTF) by growth area and proportion. DELWP also reports annually on BNCF, GAPTF and WIK projects. Please refer to the *DELWP 2021/22 Annual Report*.

The VPA has statutory and other roles in the administration of GAIC, including liaison with the SRO as receiver of GAIC payments, the DTF supporting the Treasurer, the DELWP Planning Group supporting the Minister and managing the BNCF and GAPTF. The VPA reports annually on the operation of the GAIC scheme under section 201VC(2) of the PEA.

The VPA's statutory roles in the PEA include excluded building work threshold and maximum adjusted GAIC amounts calculations for the next financial year, WIK agreement performance determinations, the CSR certificates assistance, exceptional circumstances appeals consultation by the Minister, GAIC area recording, change notifications on titles, and annual reporting. The VPA also prepares and amends SPAs, negotiates and manages WIKs and provides administrative support to the Hardship Review Board.

GAIC amounts	2021/22	2020/21
Excluded Building Work Threshold (\$)	1,290,990	1,250,510
Type A land (\$/ha)	103,260	100,020
Type B1, B2 & C (\$/ha)	122,660	118,810

## WIK AGREEMENTS

The VPA accepts applications and negotiates WIK agreements for approval by the Minister. A WIK may be for land, works or a combination to meet a person's GAIC liability. The WIK value for land requires approval by the Valuer General Victoria and the Victorian Government Land Monitor and for works requires approval by the receiving agency. DELWP, DTF and the SRO assist with negotiation and approval processes. Any WIK valued at over \$2 million, and any supplementary BNCF of \$2 million or more, or GAPTF must be approved by the Treasurer prior to the Minister's approval. Approved WIK details are tabled on the VPA website and financial details are in the *DELWP Annual Report 2021/22*.

WIK	2021/22		2020/21	
	(no)	(\$m)	(no)	(\$m)
Approved:				
Land	2	11.34	0	0
Works	0	0	0	0
<b>Total</b>	<b>2</b>	<b>11.34</b>	<b>0</b>	<b>0</b>
Completed:				
Land	4	32.24	1	7.83
Works	1	0.96	0	0
<b>Total</b>	<b>5</b>	<b>33.20</b>	<b>1</b>	<b>7.83</b>

## STAGED PAYMENT ARRANGEMENTS

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

SPAs approved in financial year	2021/22		2020/21	
	(no)	(\$m)	(no)	(\$m)
New - \$10m or greater	1	11.56	1	19.59
New – less than \$10m	54	163.19	41	114.14
Amended	54	362.99	60	295.51
<b>Total</b>	<b>109</b>	<b>537.74</b>	<b>102</b>	<b>429.24</b>

## HARDSHIP RELIEF BOARD

Persons may in some circumstances apply to the Hardship Relief Board (HRB) for relief from their GAIC liability. DELWP managed the appointment of the three current board members for a three-year term ending 30 June 2024. The VPA provides secretarial assistance to the HRB for meetings and hearings. The HRB must forward a notice of determination to the applicant, the Commissioner of State Revenue and the VPA.

HRB applications in financial year (no)	2021/22	2020/21
Start	nil	nil
Received	nil	nil
Determined	nil	nil
Outstanding	nil	nil

# Infrastructure contribution reporting

Section 46 of the *Planning and Environment Act 1987* requires collecting agencies to report in relation to infrastructure contributions received and expended.

In addition, the VPA acted as the collecting agency for the East Werribee Employment Precinct Development Contribution Plan (EWEP DCP) until April 2022. In accordance with sections 46GM and 46QD of the PEA, the VPA is required to report annually on aspects of that DCP.

The VPA also collects funds from section 173 agreements in the Fishermans Bend Precinct. The following tables reflect the different elements to be reported annually.

## Total DCP contributions received for the year ended 30 June 2022

Name of DCP	Contributions received for the year 30 June 2022 (\$)	Contributions received for the year 30 June 2021 (\$)
EWEP	Nil	29,398
<b>Total</b>	<b>Nil</b>	<b>29,398</b>

## DCP land, works, services or facilities accepted as work-in-kind for the year ended 30 June 2022

Name of DCP	Project description	Item purpose	Project value 2022 (\$)	Project value 2021 (\$)
EWEP	n/a	n/a	Nil	Nil
<b>Total</b>			<b>Nil</b>	<b>Nil</b>

## Total DCP contributions received and expended to 30 June 2022

Name of DCP	Total levies received (\$)	Total levies expended (\$)	Total work-in-kind accepted (\$)	Total DCP contributions received (levies and work-in-kind) 2022 (\$)	Total DCP contributions received (levies and work-in-kind) 2021 (\$)
EWEP	Nil	Nil	Nil	Nil	29,398
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>29,398</b>

## Land, works, services or facilities delivered for the year ended 30 June 2022 from DCP collections

Project description	Name of DCP	DCP fund expended during the year (\$)	VPA's contribution for the year (\$)	Other contributions for the financial year (\$)	Total project expenditure for the year 2022 (\$)	Percentage of item delivered	Total project expenditure for the year ended 2021 (\$)
n/a	EWEP	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

**Fisherman Bends Section 173 collections and disbursements for the year ended  
30 June 2022**

	<b>2021/22 (\$)</b>	<b>2020/21 (\$)</b>
Opening balance	4,636,814	1,199,107
Receipts for the year	8,904,552	3,704,202
Disbursements for the year	0	(266,495)
<b>Section 173 collections on hand at the 30 June</b>	<b>12,731,366</b>	<b>4,636,814</b>

# Other disclosures

## ENVIRONMENT STRATEGY

The VPA has continued its commitment to working towards environmental sustainability in both its operations and in the planning of new communities. The VPA strives to be an environmentally responsible organisation in its own operations and is also working towards improving the liveability and sustainability of the natural and built environment within new communities.

### Water consumption and waste management

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

The enhanced waste management program incorporates:

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

### Procurement

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

### Office based targets and initiatives

The VPA reports annually against a number of initiatives. The results for 2021/22 are set out in the table below:

INDICATOR	2021/22 Actual	Estimated Carbon Equivalent (Tonnes)	2020/21 Actual	Estimated Carbon Equivalent (Tonnes)	Net % Change	Notes
<b>ENERGY USE</b>						
Total electricity used (megajoules)	305,100	75.10	285,005	89.95	-17%	1
Energy used per Full Time Employee (FTE) (megajoules)	2,410	0.59	2,596	0.82	-28%	1
Energy used per unit of office area (megajoules per m <sup>2</sup> )	226	0.06	211	0.07	-21%	1
<b>PAPER</b>						
Total units of A4 equivalent copy paper used	121	0.80	64	0.42	90%	2
Daily paper ream use per employee	0.002	0.006	0.002	0.004	56%	2
<b>TRANSPORT</b>						
Annual total Hybrid Pool Vehicle travel (km)	2,809	0.25	2479	0.22	14%	3
New staff taking up public transport, cycling or walking options for travel	85%	0.05	99%	0.03	66%	4
Other transport per employee per year (km)	0.09	0.18	0.04	0.06	200%	5
Distance travelled by air (km)	0	0	1,426	0.24	-100%	6
<b>Total emissions (excluding calculated offsets)</b>		<b>77.04</b>		<b>91.57</b>	<b>-16%</b>	

### Notes to Office based targets and initiatives

Decreases in the above report include the environmental benefits arising from using Greenpower Energy and staff working remotely for the majority of the financial year.

1. While our energy usage is up 7% from 21/22 our carbon emissions are down 17% as the VPA reinstated its GreenPower Energy electricity plan in from August 2021 and there have been emissions offsets for the most part of the 2021/22 year.
2. Paper emissions are up 90% from 20/21 due to the return of staff to the office. VPA maintains a continued emphasis on double sided printing and the new secure print functions. Although our paper emissions have increased compared to last year, the paperless trend will continue into 2022/23 and we anticipate that our emissions will be reduced come the end of 2022/23 financial year.
3. 14% increase in carbon emissions from the use of the VPA pool car as there has been a slightly higher use of the VPA car during the financial year due to staff returning to work in the office and restrictions lifted.
4. Public transport – Myki commuter club numbers decreased significantly from 2020/21. We continue to estimate 85% of staff were commuting, walking, or riding to work, with some staff opting to drive due to health concerns.
5. There was no use of air travel during 2021/22.6.
6. The VPA has reduced its overall CO<sub>2</sub> emissions across the financial year primarily due to the return to the Greenpower Energy plan.

## FREEDOM OF INFORMATION (FOI)

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

### FOI organisation and functions

The VPA is the state's strategic planning authority and is responsible for preparing planning scheme amendments for priority places and precincts as directed by the Minister. The functions of the VPA are described earlier in this report.

In carrying out these functions, the VPA consults widely with local councils, other government agencies, local communities and the development industry. Proposed planning scheme amendments are exhibited on the VPA's website in line with the requirements of the *Planning and Environment Act 1987*.

### FOI categories of documents

A majority of documents held by the VPA relate to the preparation of strategic plans for particular precincts. Documents typically include correspondence, meeting records, background reports and maps.

The VPA also holds correspondence and meeting records regarding our involvement in the development of government policy on planning related issues, applications from councils for Streamlining for Growth grants, and documents regarding our administrative functions. The VPA uses an electronic document and records management system to store and manage all documents electronically.

### FOI publications

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

### FOI rules, policies and procedures

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

### FOI report literature

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

### FOI arrangements

A freedom of information request must be made in writing to the agency that holds the documents being requested. The VPA officer responsible for receiving and initially actioning requests made under the FOI Act is Ed Small, who can be contacted on 03 9651 9600 or [info@vpa.vic.gov.au](mailto:info@vpa.vic.gov.au).

As from 1 July 2022, there is a fee of \$30.10 payable for each FOI application. The Office of the Victorian Information Commissioner also provides general information on its website about making FOI requests. A copy of the FOI Act is available at [ovic.vic.gov.au/freedom-of-information](https://www.ovic.vic.gov.au/freedom-of-information).

### FOI requests for 2021/22

During the year ended 30 June 2022 six new requests were received by the VPA. All requests in 2021/22 related to activities of government. Four requests were from landowners or their representatives, and two requests were from the media. For two requests, all documents were released in full, while for three requests the documents were released in part. One request was received in June and was still being processed at the end of the financial year. Three decisions were made within the statutory time periods, with two decisions either one or two days overdue.

### Other information required to be available in accordance with FRD22 and *Freedom of Information Act 1982*

The following information, where it relates to the VPA and is relevant to the financial year ended 30 June 2022, is available to the Minister for Planning, Members of Parliament and the public on request:

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

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

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

## COMPLIANCE WITH DATAVIC ACCESS POLICY

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

- VPA precinct boundaries
- Approved PSP land use data
- PSP road centrelines
- Open space in metropolitan Melbourne
- Walkable catchments from open space in metropolitan Melbourne

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

## PUBLIC INTEREST DISCLOSURES ACT 2012

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

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

During the year ended 30 June 2022 there were no disclosures or investigations of improper conduct or detrimental actions made to the VPA or any referred to IBAC by the VPA (30 June 2021 – nil).

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

## COMPLAINTS

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

## NATIONAL COMPETITION POLICY

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

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

## SOCIAL PROCUREMENT

The VPA has a social procurement strategy as part of the Victorian Government's *Social Procurement Framework*. The strategy was approved by the Board in December 2019. As part of the strategy, suppliers are asked to respond to the social procurement objectives and are rated on their response. Procurements valued at \$25,000 or over are reviewed to assess the impact of the strategy. The review found that:

- A total of 72 suppliers (2020/21 - 49) were engaged through a competitive procurement process to supply goods and services for contracts valued at \$25,000 or over
- Procurements per supplier ranged from \$27,900 to \$1,031,217 (2020/21 - \$25,000 to \$636,000)
- Total spend was \$9,376,528 for 110 individual procurements (2020/21 - \$6,936,035 for 107 individual procurements)
- Of the 72 suppliers engaged for this period:
  - 36 have social/environmental/sustainability policies in place (2020/21 - 24)
  - 22 do not have social/environmental/sustainability policies in place (2020/21 - 15)
  - 14 were not assessed (2020/21 - 10)

This represents a spend of \$5,062,315 (54 per cent) on suppliers who have social procurement policies in place (2020/21 - \$2,952,853 or 43 per cent).

## CONTRACTS AND CONSULTANCIES

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

During the financial year ended 30 June 2022, there were 19 consultancy engagements (30 June 2021 - eight) for which services were provided and/or were effective or operational during the reporting period that were individually valued at \$10,000 or greater (exclusive of GST). The total value of these consultancies was \$638,196 (30 June 2021 - \$309,334). Details of these consultancy engagements has been made available on the VPA website at [vpa.vic.gov.au](http://vpa.vic.gov.au).

The VPA did not award any major contracts (valued at \$10 million or more) during 2021/22 (2020/2021 - nil).

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

In addition to contracts valued at over \$10,000, there were three consultancy engagements that were individually valued at less than \$10,000 (exclusive of GST) (30 June 2021 - nil).

## INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) EXPENDITURE

For the 2021/22 reporting period, the VPA had a total ICT expenditure of \$2,056,246 (2020/21 - \$1,351,958).

This comprises business as usual ICT expenditure of \$1,187,694 (2020/21 - \$992,002) (this relates to operating and maintaining the current ICT capability), and non- business as usual ICT expenditure of \$868,552 (2020/21 - \$352,956) (this relates to extending or enhancing current ICT capabilities).

## GOVERNMENT ADVERTISING EXPENDITURE

The VPA's expenditure on government advertising did not exceed \$100,000 during the 30 June 2022 reporting period (or for 30 June 2021).

## LOCAL JOBS FIRST VICTORIAN INDUSTRY PARTICIPATION POLICY (VIPP) AND CONTRACT DISCLOSURE

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

The VPA did not award any major contracts (valued at \$10 million or more) during 2021/22 (or 2020/21). A major contract is a contract entered into during the reporting period valued at \$10 million or more.

## EXTENT OF COMPLIANCE WITH THE *BUILDING ACT 1993*

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

## RISK MANAGEMENT

The VPA has a *Risk Management Plan* and Risk Register in place prepared in accordance with the Australian Standard AS/NZS ISO 31000:2018. The Risk Register was prepared from risks identified through workshops with VPA staff members and Authority members. The Risk and Audit Committee regularly monitors the risk management and risk mitigation process. The VPA has ensured that the risk profile has been reviewed regularly, both internally and externally. These processes have enabled the Risk and Audit Committee at its meeting of 6 September 2022 to conclude that the risk management processes met the requirements of the Ministerial Standing Directions.

## FINANCIAL MANAGEMENT COMPLIANCE

The VPA's Risk and Audit Committee at its meeting of 6 September 2022 reviewed the material presented to it and concluded that the VPA was compliant with the Financial Management Compliance Framework and recommended to the Board that the Chair of the VPA be endorsed to sign the attestation.

## FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION STATEMENT

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



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

12 October 2022

# Disclosure index

The 2021/22 Annual Report of the VPA is prepared in accordance with all relevant Victorian legislation and the requirements of Financial Reporting Direction 30C. This index has been prepared to facilitate identification of the Authority's compliance with statutory disclosure requirements, including Financial Reporting Directions (FRD) and Standing Directions (SD).

FRD	DISCLOSURE	PAGE
<b>Charter and purpose</b>		
22	Manner of establishment and the relevant Ministers	3, 5
22	Purpose, functions, powers and duties	3, 4, 5
8	VPA objectives, indicators and outputs	21
22	Key initiatives and projects	9
22	Nature and range of services provided	3, 6
<b>Management and structure</b>		
22	Organisational structure	28
<b>Financial and other information</b>		
22	Names of board members and major committees	29, 30
22	Statement of workforce data for current and previous financial year	37
22	Employment and conduct principles	34
15	Executive officer disclosures	38
22	Five-year summary of the financial results	26
22	Significant changes in financial position during the year	26
22	Major changes or factors affecting performance	8
22	Subsequent events which will affect operations in future years	27
22	Details of consultancies > \$10,000	46
22	Details of consultancies - total no. and cost < \$10,000	46
12	Disclosure of major contracts	47
22	Disclosure of government advertising expenditure	46
25	Local Jobs First Act disclosures	47
22	Disclosure of ICT expenditure	46
22	Application and operation of <i>Freedom of Information Act 1982</i>	44
22	Application and operation of the <i>Public Interest Disclosures Act 2012</i>	45
22	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	47
24	Reporting of office-based environmental impacts	43
22	Statement on National Competition Policy	46
22	OHS	36
10	Disclosure index	48
22	Statement of availability of other information	45

## **Financial statements required under Part 7 of the *Financial Management Act 1994***

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

## **Other disclosures in notes to the financial statements**

FRD 9	Departmental disclosure of administered assets and liabilities
FRD 11	Disclosure of ex-gratia payments
FRD 13	Disclosure of Parliamentary appropriations
FRD 21	Disclosure of Responsible Persons, Executive Officers and other personnel (contractors with significant management responsibility)
FRD 103	Non-Financial physical assets
FRD 110	Cash Flow Statements
FRD 112	Defined benefit superannuation obligations
FRD 114	Financial instruments
FRD 120	Accounting and Reporting Pronouncements applicable to the 2021/22 reporting period

## **Legislation**

*Building Act 1993*

*Disability Act 2006*

*Financial Management Act 1994*

*Freedom of Information Act 1982*

*Multicultural Victoria Act 2004*

*Planning and Environment Act 1987*

*Privacy and Data Protection Act 2014*

*Public Interest Disclosures Act 2012*

*Public Administration Act 2004*

*State Owned Enterprises Act 1992*

*Victorian Data Sharing Act 2017*

*Local Jobs First Act 2003*

*Victorian Planning Authority Act 2017*

# Annual Financial Statements – 30 June 2022

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## DECLARATION IN FINANCIAL STATEMENTS

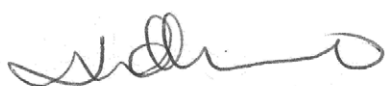
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The attached financial statements for the Victorian Planning Authority (VPA) have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, cash flow statement, statement of changes in equity, and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2022 and financial position of the VPA as at 30 June 2022.

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 12 October 2022.



Jude Munro AO  
Chair  
Victorian Planning Authority

Melbourne  
12 October 2022



Penny Holloway  
Chair – VPA Risk & Audit Committee  
Victorian Planning Authority

Melbourne  
12 October 2022



Stuart Moseley  
Chief Executive Officer  
Victorian Planning Authority

Melbourne  
12 October 2022



Ed Small  
Chief Financial Officer  
Victorian Planning Authority

Melbourne  
12 October 2022

# INDEPENDENT AUDITOR'S REPORT – PAGE 1



Victorian Auditor-General's Office

## Independent Auditor's Report

### To the Board of the Victorian Planning Authority

<b>Opinion</b>	<p>I have audited the financial report of the Victorian Planning Authority (the authority) which comprises the:</p> <ul style="list-style-type: none"><li>• balance sheet as at 30 June 2022</li><li>• comprehensive operating statement for the year then ended</li><li>• statement of changes in equity for the year then ended</li><li>• cash flow statement for the year then ended</li><li>• notes to the financial statements, including significant accounting policies</li><li>• declaration in the financial statements.</li></ul> <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2022 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Other Information</b>	<p>The Board is responsible for the "other information" included in the authority's Annual Report for the year ended 30 June 2022. The other information in the Annual Report does not include the financial report and my auditor's report thereon. My opinion on the financial report does not cover the other information included in the Annual Report. Accordingly, I do not express any form of assurance conclusion thereon.</p> <p>In connection with my audit of the financial report, my responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a materially misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.</p>
<b>Board's responsibilities for the financial report</b>	<p>The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

## INDEPENDENT AUDITOR'S REPORT – PAGE 2

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

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

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

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

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

---

MELBOURNE  
14 October 2022



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

## Comprehensive Operating Statement

For the financial year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Income from transactions</b>			
Appropriations from State Government	2.1	26,476,605	26,463,430
Grants from Councils and Other Government agencies	2.1	1,730,507	2,646,105
External Contributions	2.1	3,585,655	2,003,734
Interest	2.1	105,171	66,666
Other Income	2.1	453,341	1,108,849
<b>Total income from transactions</b>		<b>32,351,280</b>	<b>32,288,785</b>
<b>Expenses from transactions</b>			
Employee benefits	3.1.1	18,385,162	16,405,816
Grant expenses	3.2	4,081,551	2,601,441
Other operating expenses	3.3	10,214,680	10,463,012
Depreciation	4.3	847,035	842,569
Interest expense		46,597	59,994
<b>Total expenses from transactions</b>		<b>33,575,026</b>	<b>30,372,833</b>
<b>Net result from transactions</b>		<b>(1,223,746)</b>	<b>1,915,952</b>
<b>Other economic flows included in net result</b>			
Net gain/(loss) on sale of non-financial assets		-	(22,979)
<b>Net result</b>		<b>(1,223,746)</b>	<b>1,892,973</b>
<b>Comprehensive result</b>		<b>(1,223,746)</b>	<b>1,892,973</b>

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

## Balance Sheet

As at 30 June 2022

	Notes	2022 \$	2021 \$
<b>Assets</b>			
<b>Financial assets</b>			
Cash and deposits*		30,087,256	23,730,699
Receivables	5.1	5,013,641	1,598,213
<b>Total financial assets</b>		<b>35,100,897</b>	<b>25,328,912</b>
<b>Non-financial assets</b>			
Prepayments	5.2	236,992	308,524
Property, plant and equipment	4.1	456,832	450,174
Right of use assets	4.2	1,783,106	2,451,474
<b>Total non-financial assets</b>		<b>2,476,930</b>	<b>3,210,172</b>
<b>Total assets</b>		<b>37,577,827</b>	<b>28,539,084</b>
<b>Liabilities</b>			
Payables	5.3	14,293,100	6,406,171
Lease Liabilities	6.1	2,531,061	3,423,847
Contract Liabilities	5.4	6,028,716	2,904,135
Employee benefit provisions	3.1.2	3,689,259	3,545,495
<b>Total liabilities</b>		<b>26,542,136</b>	<b>16,279,647</b>
<b>Net assets</b>		<b>11,035,690</b>	<b>12,259,436</b>
<b>Equity</b>			
Accumulated surplus		11,035,690	12,259,436
<b>Total Equity</b>		<b>11,035,690</b>	<b>12,259,436</b>

\*Included in the Cash and deposits at 30 June 2022 is an amount of \$11.2m which is held on behalf of the Department of Jobs, Precincts and Regions (DJPR) and is to be paid across to them on direction. This amount has increased by \$6.5m over the 2021/22 financial year. The amount owed to DJPR is reflected in Payables and more details are provided in Notes 5.3 and 8.5.

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

## Cash Flow Statement

For the financial year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts from Government and other entities*		33,469,017	39,657,771
Receipts of S173 Collections	8.5	6,580,797	3,704,202
Receipts from the ATO		1,365,030	1,074,612
Interest received		105,171	66,666
<b>Total receipts*</b>		<b>41,520,015</b>	<b>44,503,251</b>
<b>Payments</b>			
Payments to suppliers and employees*		(33,310,021)	(29,752,779)
Payments to the ATO		(728,728)	(297,492)
Interest and other finance costs paid		(46,597)	(60,189)
<b>Total payments*</b>		<b>(34,085,346)</b>	<b>(30,110,459)</b>
<b>Net cash flows from/(used in) operating activities</b>	6.2.1	<b>7,434,669</b>	<b>14,392,792</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(185,326)	(142,151)
<b>Net cash flows from/(used in) investing activities</b>		<b>(185,326)</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings and principal portion of lease liabilities		(892,786)	(845,642)
<b>Net cash flows from/(used in) financing activities</b>		<b>(892,786)</b>	<b>(845,642)</b>
<b>Net increase /(decrease) in cash and cash deposits</b>		<b>6,356,557</b>	<b>13,404,999</b>
Cash and cash deposits at the beginning of the financial year		23,730,700	10,325,700
<b>Cash and cash deposits at the end of the financial year</b>		<b>30,087,256</b>	<b>23,730,700</b>

\*The comparative figure reflected for 2021 has been increased by an amount of \$3.7m from that reported in the 2021 Annual Financial Statements. Cash receipts from government and other entities was restated and increased by \$3.7m with a matching increase in Payments to suppliers and employees. The net impact is zero and with no change in Net cash flows from operating activities and was due to a reclassification of the s173 collections.

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

## Statement of changes in equity

For the financial year ended 30 June 2022

	Accumulated Surplus \$
Balance as at 1 July 2020	10,366,463
Net result for the year	1,892,973
<b>Balance at 30 June 2021</b>	<b>12,259,436</b>
Net result for the year	(1,223,746)
<b>Balance at 30 June 2022</b>	<b>11,035,690</b>

*The accompanying notes form part of these financial statements*

## 1. ABOUT THIS REPORT

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

Its principal address is:

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

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

### 1.1 Basis of preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis. The accrual basis of accounting has been applied to these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when the cash is received or paid.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised. These financial statements include all the activities of the VPA. Judgements and assumptions made by management in applying Australian Accounting Standards (AAS) that have significant effects on the financial statements and estimates are disclosed in the notes under the heading ‘Significant judgement or estimates’.

The VPA does not have any controlled entities. These financial statements have been prepared on a going concern basis. All amounts in the financial statements have been rounded to the nearest dollar. Figures in the financial statements may not equate due to rounding.

### 1.2 Compliance information

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable AAS which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

### 1.3 Impact of Covid-19 on the financial report

The coronavirus (COVID-19) outbreak was first reported near the end of 2019 and grew into a worldwide pandemic. While it has presented challenges, the VPA has assessed that there has been no material impact on income or expenditure during the year or the value of assets and liabilities at the end of the financial year because of the pandemic.

## 2 FUNDING DELIVERY OF OUR SERVICES

### Introduction

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

### 2.1 How the services are funded

	2022	2021
	\$	\$
Base Appropriation from State Government	12,476,605	12,463,430
Streamlining for Growth Program Appropriation	7,000,000	7,000,000
Land Supply Appropriation	7,000,000	7,000,000
<b>Total Appropriations</b>	<b>26,476,605</b>	<b>26,463,430</b>
Grants from Councils and Other Government agencies	1,730,507	2,646,105
External Contributions	3,585,655	2,003,734
<b>Total Project based contributions</b>	<b>5,316,163</b>	<b>4,649,839</b>
Interest	105,171	66,666
Other Income	453,341	1,108,849
<b>Total Interest and Other Income</b>	<b>558,512</b>	<b>1,175,515</b>
<b>Total income from transactions</b>	<b>32,351,280</b>	<b>32,288,785</b>

Appropriations are treated in accordance with AASB 1058 *Income for Not-for Profit Entities*.

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

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

The **Land Supply Appropriation** is the Unlocking New Communities and Affordable Housing appropriation provided by government to boost land supply in Melbourne's Greenfields and Regional Victoria.

**Grants from Councils and Other Government Agencies** are grants that are received by the VPA as specific purpose contributions, which are paid for a particular purpose and/or have conditions attached regarding their use. Grants from Councils and Other Government Agencies are treated in accordance with either AASB 15 or AASB 1058 depending on their nature. Revenue for these are recognised when sufficiently specific performance obligations associated with the grant payment are completed (AASB 15) or up front (AASB 1058).

**External contributions** include those received from third parties (for example landowners and developers) for cost recovery purposes relating to funding received for specific projects or tasks. External Contributions are treated in accordance with either AASB 15 or AASB 1058 depending on their nature. Revenue for these are recognised when sufficiently specific performance obligations associated with the contribution are completed (AASB 15) or up front (AASB 1058).

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

**Other income** relates to prescribed fees and any income not defined above.

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

VPA has adopted accounting policies for revenue and income recognition based on AASB 15 *Revenue from Contracts with Customers*, and AASB 1058 *Income for Not-for Profit Entities*. Revenue is measured based on the consideration specified in a contract with a customer. The VPA recognises revenue when a performance obligation is met.

Where revenue is recognised in accordance with AASB 15 *Revenue from Contracts with Customers* Revenue is recognised when, or as, the performance obligations for the delivery of services to the customer are satisfied. Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the services as it is provided. Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (Note 5.4). Where the performance obligations are satisfied but not yet billed, a contract asset would be recorded.

If no specific performance obligations are identified, the funds received or receivable are recognised immediately as income in the operating statement, with no deferral of recognition over time in accordance with AASB 1058 *Income for Not-for Profit Entities*.

## 3 THE COST OF DELIVERING SERVICES

### Introduction

This section provides an account of the expenses incurred by the VPA in the delivery of its objectives. It also included employee benefits listed on the balance sheet under liabilities as employee benefit provisions.

#### Structure

#### 3.1 Employee benefits

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

##### 3.1.2 Employee benefits in the balance sheet

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

##### 3.1.4 Superannuation contributions

#### 3.2 Grant expenses

#### 3.3 Other operating expenses

### 3.1 Employee benefits

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

	2022	2021
	\$	\$
Salaries and wages, annual leave and long service leave	16,819,322	15,127,214
Defined contribution superannuation expense	1,565,841	1,278,602
	<b>18,385,162</b>	<b>16,405,816</b>

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

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

#### 3.1.2 Employee benefits in the balance sheet

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

	2022	2021
	\$	\$
<b>Current provisions</b>		
<i>Annual leave</i>		
Unconditional and expected to settle within 12 months	1,341,017	1,185,471
Unconditional and expected to settle after 12 months	49,039	140,357
	<b>1,390,056</b>	<b>1,325,827</b>
<i>Long service leave</i>		
Unconditional and expected to settle within 12 months	185,332	147,235
Unconditional and expected to settle after 12 months	1,228,898	1,033,146
	<b>1,414,230</b>	<b>1,180,381</b>
<i>Provisions for on-costs</i>		
Unconditional and expected to settle within 12 months	199,902	173,678
Unconditional and expected to settle after 12 months	211,105	184,248
	<b>411,007</b>	<b>357,925</b>
<b>Total current provisions for employee benefits</b>	<b>3,215,293</b>	<b>2,864,133</b>
<b>Non-current provisions</b>		
Long service leave	407,146	590,649
On-costs	66,820	90,713
<b>Total non-current provisions for employee benefits</b>	<b>473,966</b>	<b>681,362</b>
<b>Total provisions for employee benefits</b>	<b>3,689,259</b>	<b>3,545,495</b>

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

	2022
	\$
<b>Opening balance</b>	448,638
Additional provisions recognised	236,266
Reduction transfer out	(187,640)
Unwind of discount and effect of changes in the discount rate	(19,437)
<b>Closing Balance</b>	<b>477,827</b>
Current	411,007
Non-current	66,820
	<b>477,827</b>

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

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

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

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

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

The components of this current LSL liability are measured at:

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

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

### 3.1.4 Superannuation contributions

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

	<i>Paid contribution for the year</i>		<i>Contribution outstanding at year end</i>	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>Defined contribution plans:</b>				
VicSuper	569,784	574,276	34,436	38,580
Vision Super	308,316	232,591	16,575	13,871
Australian Super	186,668	123,021	7,285	10,645
Other	398,639	307,801	25,420	38,264
<b>Total contributions</b>	<b>1,463,407</b>	<b>1,237,689</b>	<b>83,716</b>	<b>101,360</b>

## 3.2 Grant expenses

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

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

### 3.3 Other operating expenses

	2022	2021
	\$	\$
Purchase of services	5,056,740	5,722,871
Legal and Panel expenses	1,973,835	1,728,248
Occupancy Costs	385,642	328,465
Telecommunications and IT Costs	1,268,902	1,119,437
Other expenses	1,529,561	1,563,991
	<b>10,214,680</b>	<b>10,463,012</b>

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

The following lease payments are recognised in **Occupancy costs** on a straight-line basis:

- Short-term leases – leases with a term less than 12 months
- Low value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than \$10,000; and
- Tenancy costs relating to our lease accommodation that do not form part of the Authority's base rental costs.

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

## 4 KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

### Introduction

The VPA controls a small number of property, plant and equipment assets that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been purchased by the VPA to be utilised for delivery of those outputs. The VPA also has Right of Use Lease assets for its lease accommodation and lease vehicle.

#### Structure

- 4.1 Property, plant and equipment
- 4.2 Right of use Assets
- 4.3 Depreciation
- 4.4 Fair value determination

### 4.1 Property, plant and equipment

	2022	2021
	\$	\$
Property, plant and equipment at fair value	1,437,310	1,251,984
Less accumulated depreciation	(980,478)	(801,810)
<b>Net carrying amount</b>	<b>456,832</b>	<b>450,174</b>

A summary of the total property, plant and equipment held by the VPA is shown above. Below is a table detailing the movements between categories of property, plant and equipment held by the VPA.

	Opening WDV at 1 July 2021	Additions	Disposals	Depreciation	Closing WDV at 30 June 2022
	\$	\$	\$	\$	\$
Leasehold improvements	361,205	19,769	-	(107,828)	273,146
Computer hardware	44,661	151,487	-	(46,537)	149,611
Computer software	44,308	-	-	(21,723)	22,585
Furniture and equipment	-	14,069	-	(2,579)	11,490
<b>Total Property Plant and Equipment</b>	<b>450,174</b>	<b>185,326</b>	<b>-</b>	<b>(178,668)</b>	<b>456,832</b>

	Opening WDV at 1 July 2020	Additions	Disposals	Depreciation	Closing WDV at 30 June 2021
	\$	\$	\$	\$	\$
Leasehold improvements	433,043	33,277	-	(105,115)	361,205
Computer hardware	12,053	60,946	(531)	(27,807)	44,661
Computer software	59,263	47,928	(22,448)	(40,436)	44,308
Furniture and equipment	-	-	-	-	-
<b>Total Property Plant and Equipment</b>	<b>504,359</b>	<b>142,151</b>	<b>(22,979)</b>	<b>(173,359)</b>	<b>450,174</b>

## Measurement of Property, Plant and Equipment

Items of property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Individual items of \$5,000 or more are capitalised.

Property, plant and equipment are measured at fair value less accumulated depreciation and impairment.

Fair value for plant and equipment is determined using the depreciated replacement cost method. Note 4.4 includes additional information in connection with fair value determination of property, plant and equipment.

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

The useful lives for VPA Property, Plant and Equipment are:

- Leasehold improvements 10 years
- Computer software and hardware 3 years
- Furniture and equipment 5 years

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

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.

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

## 4.2 Right of Use Assets

Not all leases result in ROU assets and liabilities. These exclude:

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

The following tables are inclusive of right of use assets recognised from 1 July 2019 as per AASB 16 *Leases*. A summary of the Right of use assets held by the VPA is shown below.

	Gross Carrying Amount 2022	Accumulated Depreciation 2022	Net carrying amount 2022	Gross Carrying Amount 2021	Accumulated Depreciation 2021	Net carrying amount 2021
	\$	\$	\$	\$	\$	\$
Buildings	3,763,525	(1,992,454)	1,771,071	3,763,525	(1,328,303)	2,435,222
Vehicle	27,215	(15,179)	12,036	27,215	(10,962)	16,252
<b>Net carrying amount</b>	<b>3,790,740</b>	<b>(2,007,633)</b>	<b>1,783,106</b>	<b>3,790,740</b>	<b>(1,339,265)</b>	<b>2,451,474</b>

Below is a table detailing the movements between categories of right of use assets held by the VPA.

	Buildings	Vehicle	Total
	\$	\$	\$
Opening Balance - 1 July 2021	2,435,223	16,252	2,451,476
Additions	-	-	-
Disposals	-	-	-
Depreciation	(664,151)	(4,216)	(668,368)
<b>Closing Balance - 30 June 2022</b>	<b>1,771,071</b>	<b>12,036</b>	<b>1,783,106</b>
Opening Balance 1 July 2020	3,099,374	21,312	3,120,686
Additions	-	-	-
Disposals	-	-	-
Depreciation	(664,151)	(5,060)	(669,211)
<b>Closing Balance - 30 June 2021</b>	<b>2,435,223</b>	<b>16,252</b>	<b>2,451,476</b>

### Measurement of Right of Use assets

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

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

The VPA depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of the right-of-use assets are determined on the same basis as property, plant and equipment. Refer to Note 6.1 leases. Subsequent measurement of ROU assets is at fair value. The carrying amount of ROU assets is judged to be reasonably approximate their fair value as at 30 June 2022.

The useful lives for VPA ROU assets are:

- Buildings (Leased Accommodation) 10 years
- Vehicles (Leased Vehicle) 3 years

## 4.3 Depreciation

	2022	2021
	\$	\$
Property, plant and equipment	178,668	173,358
Right-of-use assets	668,368	669,211
<b>Net carrying amount</b>	<b>847,035</b>	<b>842,569</b>

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.

## 4.4 Fair value determination

### Significant judgement: Fair value measurement of assets and liabilities

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

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

### Fair value hierarchy

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

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

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

Significant unobservable inputs have remained unchanged since 30 June 2021.

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

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

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

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

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

The VPA currently holds a range of financial instruments that are recorded in these financial statements where the carrying amounts represent fair value at the end of the 2021/22 reporting period.

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

	Carrying amount as at 30 June 2022	Fair value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
2022	\$	\$	\$	\$
Cash and Deposits	30,087,256	30,087,256	-	-
Receivables	5,013,641	-	-	5,013,641
<b>Total Financial Assets</b>	<b>35,100,897</b>	30,087,256	-	5,013,641
Payables	14,293,100	-	-	14,293,100
<b>Total Financial Liabilities</b>	<b>14,293,100</b>	-	-	<b>14,293,100</b>

	Carrying amount as at 30 June 2021	Fair value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
2021	\$	\$	\$	\$
Cash and Deposits	23,730,699	23,730,699	-	-
Receivables	1,598,213	-	-	1,598,213
<b>Total Financial Assets</b>	<b>25,328,912</b>	<b>23,730,699</b>	-	<b>1,598,213</b>
Payables	6,406,171	-	-	6,406,171
<b>Total Financial Liabilities</b>	<b>6,406,171</b>	-	-	<b>6,406,171</b>

There have been no transfers between levels during the period.

## 5 OTHER ASSETS AND LIABILITIES

### Introduction

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

#### Structure

- 5.1 Receivables
  - 5.1.1 Impairment of financial assets under AASB 9
- 5.2 Prepayments
- 5.3 Payables
  - 5.3.1 Maturity analysis of contractual payables
- 5.4 Contract liabilities

### 5.1 Receivables

	2022	2021
	\$	\$
<b>Contractual</b>		
Contributions	4,794,947	1,340,489
Accrued income	25,227	54,527
Other receivables	2,796	925
<b>Total contractual receivables</b>	<b>4,822,970</b>	<b>1,395,942</b>
<b>Statutory</b>		
GST input tax credit recoverable	190,671	202,271
<b>Total receivables*</b>	<b>5,013,641</b>	<b>1,598,213</b>

**Contractual receivables** are classified as financial instruments and categorised as 'financial assets at amortised cost'. They are initially recognised at fair value plus any directly attributable transaction costs. The VPA holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measure the amortised cost using the effective interest method, less any impairment.

Details about the VPA's impairment policies, exposure to credit risk, and the calculation of the loss allowance are set out in Note 5.1.1.

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

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

The VPA records the allowance for expected credit loss for the relevant financial instruments under AASB 9's Expected Credit Loss approach. The VPA's expected credit loss at the end of the 2021/22 financial year is equal to zero.

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

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

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

## 5.2 Prepayments

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

## 5.3 Payables

	2022 \$	2021 \$
<b>Contractual</b>		
Supplies and services	1,340,993	1,560,299
Amounts payable to government	12,795,979	4,828,598
<b>Total contractual payables</b>	<b>14,136,972</b>	<b>6,388,897</b>
<b>Statutory</b>		
GST payable	156,129	17,274
<b>Total payables</b>	<b>14,293,100</b>	<b>6,406,171</b>
<i>Represented by:</i>		
Current payables	14,293,100	6,406,171
Non-current payables	-	-

**Contractual payables** are classified as financial instruments and measured at amortised cost. Accounts payable represents liabilities for goods and services provided to the VPA prior to the end of the financial year. Amounts payable to government include Section 173 contributions received due to the VPA's role as collection authority for infrastructure contributions at Fishermans Bend, where contributions received are owed back to the Fishermans Bend Taskforce which sits within the Department of Jobs, Precincts and Regions.

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

### 5.3.1 Maturity analysis of contractual payables

	<b>Carrying amount</b>	<b>Maturity dates</b>				
		<b>Less than 1 month</b>	<b>1-3 months</b>	<b>3 months - 1 year</b>	<b>1-5 years</b>	<b>5+ years</b>
	\$	\$	\$	\$	\$	\$
<b>2022</b>						
Payables	14,136,972	14,136,972	-	-	-	-
<b>Total</b>	<b>14,136,972</b>	<b>14,136,972</b>	-	-	-	-
<b>2021</b>						
Payables	6,388,897	6,388,897	-	-	-	-
<b>Total</b>	<b>6,388,897</b>	<b>6,388,897</b>	-	-	-	-

The average credit period is usually 30 days. In response to the coronavirus (COVID-19) outbreak, the VPA adopted the whole of government policy of making payments to suppliers in 10 business days. No interest is charged on the trade creditors or other payables for the first 30 days from the date of the invoice. Thereafter, interest may be charged at differing rates determined by the individual arrangements entered.

## 5.4 Contract liabilities

<b>Contract Liabilities</b>	<b>2022</b>
	\$
Opening balance brought forward from 30 June 2021	2,904,134
Add: Payments received and receivable for performance obligations yet to be completed during the period	7,514,121
Less: Revenue recognised in the reporting period for the completion of a performance obligation	(4,389,538)
Less: Amounts refunded at conclusion of funding agreement	-
<b>Total Contract Liabilities</b>	<b>6,028,716</b>
<b>Contract Liabilities</b>	<b>2021</b>
	\$
Opening balance brought forward from 30 June 2020	4,012,237
Add: Payments received and receivable for performance obligations yet to be completed during the period	1,534,615
Less: Revenue recognised in the reporting period for the completion of a performance obligation	(2,451,260)
Less: Amounts refunded at conclusion of funding agreement	(191,458)
<b>Total Contract Liabilities</b>	<b>2,904,134</b>

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

Contract liabilities are raised where a sufficiently specific performance obligation exists per AASB 15 *Revenue from Contracts with Customers*.

## 6 HOW WE FINANCED OUR OPERATIONS

### Introduction

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

#### Structure

- 6.1 Leases
  - 6.1.1 Right of use assets
  - 6.1.2 Amounts recognised in face statements
  - 6.1.3 Lease policy
- 6.2 Cash flow information and balances
  - 6.2.1 Reconciliation of net result for the period to cash flow from operating activities
- 6.3 Commitments

### 6.1 Leases

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

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

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

A maturity analysis of the VPA's lease liabilities is included in the table below:

	Carrying amount	Nominal amount	Maturity dates				
			Less than 1 month	1-3 months	3 months - 1 year	1-5 years	5+ years
	\$	\$	\$	\$	\$	\$	\$
<b>2022</b>							
Buildings	2,519,912	2,519,912	76,259	152,810	707,442	1,583,401	-
Vehicle	11,149	11,149	445	890	9,814	-	-
<b>Total</b>	<b>2,531,061</b>	<b>2,531,061</b>	<b>76,704</b>	<b>153,700</b>	<b>717,256</b>	<b>1,583,401</b>	<b>-</b>
<b>2021</b>							
Buildings	3,407,445	3,407,445	72,251	144,778	670,504	2,519,912	-
Vehicle	16,402	16,402	431	866	15,105	-	-
<b>Total</b>	<b>3,423,847</b>	<b>3,423,847</b>	<b>72,682</b>	<b>145,644</b>	<b>685,609</b>	<b>2,519,912</b>	<b>-</b>

#### 6.1.1 Right-of-use assets

Right-of-use assets are presented in Note 4.2.

## 6.1.2 Amounts recognised in the Face Statements

Lease interest of \$46,597 (2021: \$60,189) is recognised in the Comprehensive Operating Statement and the Cash Flow Statement.

## 6.1.3 Lease Policy

The VPA assesses whether the contract meets three key evaluations which are whether:

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

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

### **Separation of lease and non-lease components**

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

### **Recognition and measurement of leases as a lessee**

#### *Lease Liability – initial measurement*

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the VPA's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments less any lease incentive receivable;
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

#### *Lease Liability – subsequent measurement*

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

#### *Short-term leases and leases of low-value assets*

The VPA has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

## 6.2 Cash flow information and balances

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

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

	2022	2021
	\$	\$
<b>Net result for the year</b>	(1,223,746)	1,892,973
<i>Non-cash movements:</i>		
Depreciation and amortisation expense	847,035	842,569
Loss on disposal	-	22,979
<i>Movements in assets and liabilities:</i>		
(Increase) / Decrease in prepayments	71,532	(27,963)
(Increase) / Decrease in receivables	(3,415,428)	8,543,755
Increase / (Decrease) in payables	7,886,930	3,943,467
Increase / (Decrease) in provisions	143,764	283,115
Increase / (Decrease) in contract liabilities	3,124,582	(1,108,102)
<b>Net cash flows from/(used in) operating activities</b>	<b>7,434,669</b>	<b>14,392,792</b>

## 6.3 Commitments

There are no commitments for future expenditure arising from contracts (2021: Nil). Commitments for future expenditure include operating and capital commitments arising from contracts. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

## 7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

### Introduction

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

#### Structure

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

### 7.1 Financial instruments specific disclosures

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

#### Categories of financial assets

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

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

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

The VPA recognises the following assets in this category:

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

#### Categories of financial liabilities

**Financial liabilities at amortised cost** are initially recognised on the date they are 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 the 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. The VPA recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- lease liabilities.

#### Financial instruments: Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. The VPA's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the entity. Credit risk is measured at fair value and is monitored on a regular basis.

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

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

There has been no material change to the VPA's credit risk profile in 2021-22.

## Financial instruments: Market risk

VPA's exposures to market risk are primarily through interest rate risk with only insignificant exposure to foreign currency and other price risks. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The VPA believes a shift of +1.5% and -0.25% in market interest rates (AUD) from year-end rates is possible over the next 12 months. The carrying amounts of financial assets and financial liabilities that are exposed to interest rates are set out in the table that follows.

### Interest rate exposure of financial instruments

	Weighted average interest rate %	Carrying amount \$	Fixed interest rate \$	Variable interest rate \$	Non-interest bearing \$
<b>2022</b>					
<b>Financial assets</b>					
Cash and deposits	0.31%	30,087,256	-	30,087,256	-
Investments		-	-	-	-
Accrued investment income		25,227	-	-	25,227
Other receivables		4,797,743	-	-	4,797,743
<b>Total financial assets</b>		<b>34,910,226</b>	<b>-</b>	<b>30,087,256</b>	<b>4,822,970</b>
<b>Financial liabilities</b>					
Payables		14,136,972	-	-	14,136,972
Lease liabilities	1.54%	2,531,061	2,531,061	-	-
<b>Total financial liabilities</b>		<b>16,668,032</b>	<b>2,531,061</b>	<b>-</b>	<b>14,136,972</b>
<b>2021</b>					
<b>Financial assets</b>					
Cash and deposits	0.26%	23,730,699	-	23,730,699	-
Investments		-	-	-	-
Accrued investment income		54,527	-	-	54,527
Other receivables		1,341,414	-	-	1,341,414
<b>Total financial assets</b>		<b>25,126,641</b>	<b>-</b>	<b>23,730,699</b>	<b>1,395,942</b>
<b>Financial liabilities</b>					
Payables		6,388,897	-	-	6,388,897
Lease liabilities	1.54%	3,423,847	3,423,847	-	-
<b>Total financial liabilities</b>		<b>9,812,744</b>	<b>3,423,847</b>	<b>-</b>	<b>6,388,897</b>

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

## 7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value. The VPA does not have any quantifiable or unquantifiable contingent assets or liabilities.

## 8 OTHER DISCLOSURES

### Introduction

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

#### Structure

- 8.1 Ex-gratia expenses
- 8.2 Responsible persons
- 8.3 Remuneration of executives
- 8.4 Related parties
- 8.5 S173 fund disclosure
- 8.6 Remuneration of auditors
- 8.7 Subsequent events
- 8.8 Australian Accounting Standards issued that are not yet effective

### 8.1 Ex-gratia expenses

There are no ex-gratia expenses to report (2021: nil).

**Ex-gratia expenses** are the voluntary payments of money or other non-monetary benefit (e.g. a write off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity.

### 8.2 Responsible persons

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

#### Names

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

The Hon. Richard Wynne	<i>Minister for Planning</i>	1 July 2021 to 5 July 2021 18 July 2021 to 31 December 2021 21 January 2022 to 26 June 2022
The Hon Lisa Neville	<i>Acting Minister for Planning</i>	6 July 2021 to 18 July 2021 1 January 2022 to 9 January 2022
The Hon. Lily D'Ambrosio	<i>Acting Minister for Planning</i>	10 January to 20 January 2022
The Hon Lizzie Blandthorn	<i>Minister for Planning</i>	27 June 2022 to 30 June 2022
Jude Munro AO	<i>Chairperson</i>	1 July 2021 to 30 June 2022
Bill Kuszniczuk	<i>Deputy Chair</i>	1 July 2021 to 30 June 2022
Penny Holloway	<i>Board Member</i>	1 July 2021 to 30 June 2022
Trevor Budge AM	<i>Board Member</i>	1 July 2021 to 30 June 2022

Damien Tangey	<i>Board Member</i>	1 July 2021 to 30 June 2022
Theo Theophanous	<i>Board Member</i>	1 July 2021 to 30 June 2022
Laurinda Gardner	<i>Board Member</i>	1 July 2021 to 30 June 2022
Stuart Moseley	<i>Chief Executive Officer</i>	1 July 2021 to 27 February 2022 9 April 2022 to 30 June 2022
Rachel Dapiran	<i>Acting Chief Executive Officer</i>	28 February 2022 to 8 April 2022

## Remuneration

	2022	2021
<i>Remuneration</i>	\$	\$
\$20 000 - 29 999	6	6
\$30 000 - 39 999	-	-
\$60 000 - 69 999	-	-
\$80 000 - 89 999	1	1
\$430 000 - 439 999	-	-
\$440 000 - 449 999	-	1
\$450 000 - 459,999	1	
<b>Total remuneration<sup>(a)</sup></b>	<b>719,655</b>	<b>699,101</b>
<b>Total number of responsible persons</b>	<b>8</b>	<b>8</b>

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

(b) Total remuneration does not include remuneration received by the Acting CEO for the six week period of the CEO's leave.

## 8.3 Remuneration of executives

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

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

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

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

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

*Termination benefits* include termination of employment payments, such as severance packages. There were no termination benefits paid to executives in the 2022 financial year (2021: \$0).

	2022	2021
<b>Remuneration</b>	\$	\$
Short-term employment benefits	1,215,271	1,446,125
Post-employment benefits	113,372	128,436
Other-long term benefits	30,382	36,138
<b>Total remuneration</b>	<b>1,359,025</b>	<b>1,610,698</b>
<b>Total number of executives<sup>(a)</sup></b>	<b>5</b>	<b>6</b>
<b>Total annualised employee equivalents<sup>(b)</sup></b>	<b>4.81</b>	<b>5.92</b>

(a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 8.4).

(b) Annualised employee equivalent is based on the time fraction worked over the reporting period.

## 8.4 Related parties

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

Related parties of the VPA include:

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

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

### Significant transactions with government-related entities

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

- Appropriations received from DELWP of \$26,476,605
- Grants from state government agencies and departments for various projects of \$1,503,507
- Grants to state government agencies for various projects of \$567,913
- Payable at year-end to DJPR of \$173 Liability (see Note 8.5).

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

Key Management Personnel	Position Title
Jude Munro AO	Chairperson
Bill Kuszniarczyk	Deputy Chair
Laurinda Gardner	Governing board member
Damien Tangey	Governing board member
Penelope Holloway	Governing board member
Theo Theophanous	Governing board member
Trevor Budge AM	Governing board member
Stuart Moseley	Chief Executive Officer

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

Compensation of KMPs	2022	2021
	\$	\$
Short-term employee benefits	661,617	645,183
Post-employment benefits	47,474	43,537
Other long-term benefits	10,564	10,382
<b>Total</b>	<b>719,655</b>	<b>699,101</b>

## Transactions with key management personnel and other related parties

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

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

## 8.5 S173 Fund Disclosure

The VPA can negotiate an agreement with an owner of land to set out conditions or restrictions on the use or development of the land, or to achieve other planning objectives in relation to the land. These agreements are commonly known as **Section 173 agreements**. The power to enter into the agreement arises under section 173 of the *Planning and Environment Act 1987*. S173 contributions received by VPA but owed back to the Fishermans Bend Taskforce which sits within the Department of Jobs, Precincts and Regions.

### S173 Fund disclosure

A historical movement of funds to 30 June 2022, where the VPA has acted as the collection authority is displayed below:

	2022	2021
	\$	\$
<b>Section 173 Collections</b>		
Opening Balance	4,636,814	1,199,107
S173 Collections for the year	8,094,552	3,704,202
Disbursements for the Year	-	-
VPA share of S173 Collections	-	(266,495)
<b>Section 173 Liability</b>	<b>12,731,366</b>	<b>4,636,814</b>

## 8.6 Remuneration of auditors

	2022	2021
	\$	\$
<b>Victorian Auditor-General's Office</b>		
Audit of the financial statements	55,000	55,000
	<b>55,000</b>	<b>55,000</b>

## 8.7 Subsequent events

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Authority, or the results of those operation, or the state of affairs in future financial years.

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

This section contains Australian Accounting Standards (AASs) that have been issued but are not effective for the 2021-22 reporting period.

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

- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current*. Applicable for the VPA from 1 July 2023, this standard clarifies the requirements for presentation of liabilities in the balance sheet as current or non-current. The meaning of 'settlement of a liability' is also clarified.

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

- AASB 17 *Insurance Contracts*.

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

# Appendix A - Minister for Planning's Statement of Expectations and Ministerial Direction 2019-2022



Hon Richard Wynne MP

Minister for Planning  
Minister for Housing  
Minister for Multicultural Affairs

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

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

Ref: MBR038857



Dear Ms Munro

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

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

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

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

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

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

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

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



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

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

Yours sincerely



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

7 / 4 / 2019

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

*Encl.*

## Victorian Planning Authority Act 2017

### Direction to the Victorian Planning Authority

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

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

#### Priorities

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

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

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

#### Giving effect to these priorities

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

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

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

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



HON RICHARD WYNNE MP  
Minister for Planning

7 / 4 / 2019

# Appendix B - Minister for Business Precincts' Ministerial Direction for the VPA



The Hon Martin Pakula MP

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

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

Ref: BMIN-2-21-9578

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

Dear Ms Munro

## MINISTERIAL DIRECTION FOR THE VICTORIAN PLANNING AUTHORITY

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

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

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

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

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

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



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

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

Yours sincerely

A handwritten signature in black ink, appearing to read 'Martin Pakula', written over a large, loopy circular flourish.

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

cc: The Hon Richard Wynne MP, Minister for Planning

## **Victorian Planning Authority Act 2017**

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

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

**Giving effect to these priorities**

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



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

Date: 19.5.21

cc: The Hon Richard Wynne MP  
Minister for Planning

**Victorian Planning Authority**

Level 25, 35 Collins Street  
Melbourne Victoria 3000

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[vpa.vic.gov.au](http://vpa.vic.gov.au)

