

VICTORIAN PLANNING AUTHORITY ACT 2017

Direction to the Victorian Planning Authority

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

The previous direction dated 25 November 2023 to the Authority under section 36(1) of the *Victorian Planning Authority Act 2017* is revoked.

Priorities

1. By 31 May each year, the Authority will deliver for my approval a draft annual business plan, pursuant to Section 44 of the *Victorian Planning Authority Act 2017*, that will articulate how the Authority will deliver the business activities and work program in the financial year ahead.
2. The annual business plan will include the following components:
 - a. reference to this Direction.
 - b. a clear work program that includes:
 - i. **projects to be undertaken in the forward financial year** to deliver the Victorian Government's commitments and priorities articulated within Victoria's *Housing Statement- the decade ahead 2024-2034* (Housing Statement) and the forthcoming *Plan for Victoria*. This includes, but is not limited to, preparation of precinct structure plans (PSPs) for new housing and jobs in Melbourne and in key regional cities and towns. This includes supporting the delivery of a forward pipeline of metropolitan Melbourne greenfield PSPs to provide zoned and sequenced capacity to accommodate 30 percent of Melbourne's net long term dwelling growth.
 - ii. **provision of advice and technical services to the Department of Transport and Planning (DTP) to:**
 1. support the shift towards 70 percent of Melbourne's new homes being built in established suburbs – including by delivering plans for housing around activity centres and other areas with good access to transport infrastructure.
 2. enable future development of the Northern Freight Precinct (NFP) and surrounds, as necessary to unlock the Beveridge Intermodal Freight Terminal development.
 3. ensure that the preparation of future PSPs are prioritised to align with infrastructure thresholds and future PSPs include staging plans as required that guide development of the PSP in a logical manner allowing infrastructure delivery to keep pace with development.
 4. enhance utilisation of land that has already been zoned for development by unlocking capacity for housing and jobs.
 - iii. **All other details as required by the Victorian Planning Authority Act 2017.**
3. The Authority, in collaboration with DTP, will develop a criteria-based assessment framework to be used as a tool to determine the projects and programs that will be recommended to me for inclusion in the draft annual business plan each year. This framework must align with Government priorities with a focus on delivery of the Housing Statement and the forthcoming Plan for Victoria.
4. Once approved by me, the annual business plan, and the work program it contains, will set the priorities for the Authority in the financial year ahead.

5. I may direct the Authority to commence new projects or activities throughout the financial year. On receipt of my direction, and as approved by me or the Secretary of the Department of Transport and Planning (as my delegate), the Authority is to add any new project to the list of current projects on its website.
6. In delivering its work program the Authority will ensure:

- a. **Accountability and Transparency**

The Authority's annual business plan and annual report are important documents, recognised in legislation and by the community. They are essential components of a focused narrative to inform community and stakeholders of the Government's agenda and planning for housing supply to meet the needs of a growing population. I expect framing of a clear and focused narrative in the annual business plan to articulate key priorities and deliverables. I also expect clear progress reporting aligned with the reporting framework included in section 7 of this Direction, and any additional specified reporting as may be required to acquit delivery of Housing Statement initiatives or any major new project or activity.

- b. **Financial Sustainability and Demonstrating Outcomes**

The Authority will maintain strong governance, risk and financial management functions to ensure that programs and projects are appropriately delivered. The Authority should focus on:

- delivering the work program set out in its annual business plan on time and on budget.
- fulfilling its funding and reporting obligations in relation to any grant funding that may be allocated to the VPA.

Any proposed departure from the approved annual business plan, including the inclusion of new activities, programs or projects will require my approval or that of my delegate. Also, I expect to be advised of anticipated significant variations to delivery outcomes or timeframes promptly, in accordance with the relevant programs or projects reporting schedule.

- c. **Implementing government policy**

In reference to its legislated role the Authority will work with the DTP, local councils, and other Government departments and agencies to deliver projects, and planning services and advice and any other activities as directed in line with Victorian Government policy – in particular the *Housing Statement* and the forthcoming new *Plan for Victoria*. The Authority's contribution will be integral to the achievement of Government's target of 800,000 new homes in Victoria.

Giving effect to these priorities

7. In addition to the requirements of section 44(1)(a)-(d) of the *Victorian Planning Authority Act 2017*, the Authority will implement the following reporting framework.

Report	Key elements for reporting	Timing
Annual Business Plan	In line with requirements in the Act and including: <ul style="list-style-type: none"> the annual work program performance indicators indicators that are specific, measurable, attainable, relevant and timely major business risks (external and internal) strategies for the management of those risks. 	Annually, draft submitted by 31 May.
Annual Report	In line with relevant statutory requirements and including: <ul style="list-style-type: none"> Progress in delivering the Annual Business Plan. 	Annually, in line with DTP advice.
Housing Statement Initiatives	<ul style="list-style-type: none"> Detailed project plan for each of the 21 priority projects with delivery milestones Dashboard reporting on achievement of milestones Exceptions report on any outlying matters 	Project plans by December 2024 Reporting in line with project plan timeframe
Activity Centres	Dashboard reporting against: <ul style="list-style-type: none"> Project and program milestone status. Expenditure to date. Variances to planned progress. Risks to offtrack deliverables and mitigation measures proposed. 	Subject to negotiation with DTP
Planning Advice for the Northern Freight Precinct and surrounds	<ul style="list-style-type: none"> Progress against the agreed delivery program. Variances to planned progress Invoicing schedule. Expected expenditure and disbursements incurred and forecast (including VPA employee costs). End of project evaluation. 	Monthly progress reports End of Project Evaluation Report at the completion of the service. As required by DTP.
Development of Budget Paper Reporting	In line with DTF requirements, including: <ul style="list-style-type: none"> Stage 1 Stage 2 	In line with DTF advice facilitated by the Performance Reporting Team, DTP.
Budget Paper 3 deliverables	<ul style="list-style-type: none"> Half year results. Expected Outcome Forecasts. Full year results. 	In line with DTF advice facilitated by the Performance Reporting Team, DTP.
<ul style="list-style-type: none"> Other funded projects 	Progress against: <ul style="list-style-type: none"> Project and program milestone status. Expenditure to date. Material timing and/or funding variances Risks to offtrack programs/ projects and mitigation measures proposed. 	In line with DTP requirements, or biannual (December and June quarter - reported by no later than 28 February and 14 July respectively).

8. 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 local council(s) and government agencies.
PROVIDER	Where the local council or the Minister for Planning 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 local 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 local council or government agency. The Victorian Planning Authority advises and influences but does not determine the content.
FACILITATOR	Victorian Planning Authority assists a local 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.

9. To maximise the VPA's impact in delivering on the Government's objectives, I expect that the majority of the VPA's work will be undertaken in the roles either as 'planning authority' or as 'provider' to a Minister or Government entity.
10. Notwithstanding, the requirement to submit an annual work program I have authorised the Authority to be the Planning Authority to prepare amendments pursuant to section 9 of the *Planning and Environment Act 1987* within growth areas and in other designated areas.
11. 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 PSP, an Infrastructure Contributions Plan or a Development Contributions Plan, and in preparing the amendment the Authority must consult with:
- the Minister for Planning
 - the relevant local council
 - DTP
 - any other public sector body if the amendment is likely to significantly affect the functions of the public sector body.
12. I have approved the Authority to provide advice and assistance to local councils and public sector bodies under section 8(3) of the *Victorian Planning Authority Act 2017*.
13. I also approve, under section 33(1) of the *Victorian Planning Authority Act 2017*, that the Authority may request certain information from local councils by written notice in relation to all projects designated in this Direction.

14. 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 local councils. This 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 local councils across the state to drive spatial planning solutions.
15. I have authorised the Authority to continue to act as the responsible authority, until such time as this is withdrawn in respect of:
- Collection of section 173 funds in specified situations for land within the Fishermans Bend Urban Renewal Area



HON SONYA KILKENNY MP

Minister for Planning

Date: 24/10/2024