



Victorian Planning Authority

# Business Plan

/ 2025–26



Department  
of Transport  
and Planning



# ACKNOWLEDGEMENT OF COUNTRY

## We proudly acknowledge Victoria's First Peoples

The Victorian Government acknowledges Traditional Owners in Victoria as the custodians of Country. We acknowledge their extraordinary strength and resilience in the face of historical and ongoing social, economic and legal injustices, maintaining their connection to Country.

We pay our respects to Elders past and present, whose knowledge and wisdom have ensured the continuation of spiritual and cultural practices. We also acknowledge the diversity of First Peoples' communities in Victoria.

We acknowledge that the long-lasting, far-reaching and intergenerational consequences of colonisation and dispossession continue to exist today and continue to cause harm. Colonisation has left entrenched systemic and structural racism and suffering, including through the laws and policies of the Colony of Victoria, which specifically excluded First Peoples and their laws, lores, customs, languages and cultures.

The Victorian Government has a responsibility to transform its systems and service delivery so First Peoples have decision-making power over matters that directly affect them.

We recognise undertaking the work outlined in this business plan will directly impact Country, and we acknowledge Traditional Owners' inherent rights to speak and make decisions for Country. Historically, Victoria's land use planning and development laws and regulations have not been written with input by or with regard to the interests of First Peoples. Planning processes have not considered, recognised or respected their rights and perspectives.

Through a *Plan for Victoria*, we seek to build partnerships with Traditional Owners and First Peoples across Victoria to change systems to enable self-determination and deliver better outcomes for First Peoples. As we work to achieve Plan for Victoria's vision, we recognise the contributions of Traditional Owners and First Peoples to Victorian life and how it enriches us all.

We also acknowledge First Peoples' self-determination is a human right enshrined in the United Nations Declaration on the Rights of Indigenous Peoples. We recognise the hard work of many generations of First Peoples who have fought for these rights to be recognised.



### ▲ Description of artwork

Aaron (Gunaikurnai) 'Movements Between the Five Clans' 2019, acrylic on canvas.

"The tracks are going between the five clans of the Gunaikurnai and the hands are the symbols of my spirit travelling around the campsites."

This artwork was created through programs provided by the Torch. The Torch provides art, cultural and arts industry support to Indigenous offenders and ex-offenders in Victoria. The Torch aims to reduce the rate of re-offending by encouraging the exploration of identity and culture through art programs to define new pathways upon release.

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# OUR PLAN FOR 2025–26

## In 2025–26 the VPA will create capacity for homes and jobs in line with Government priorities

The Victorian Planning Authority (VPA) sits within the Housing, Building and Land Delivery Group in the Department of Transport and Planning (DTP). The VPA is focused on supporting the DTP flagship initiative '**Capacity for homes and jobs.**'

Over the next four years the VPA's key strategic objective is to deliver projects, advice and services as directed to:

- create capacity for homes
- create capacity for industry.

In 2025–26 the VPA will plan for 20 precincts to create capacity for approximately 72,000 homes and 72,000 jobs.

The VPA will also undertake any other activities or projects as required by the VPA Sole Commissioner/Secretary of the DTP within budget and in line with Victorian Government policy – in particular *Victoria's Housing Statement*, including the 10-year plan for Melbourne's greenfields, the *Economic Growth Statement* and *Plan for Victoria*.





## Victoria's Housing Statement – The Decade Ahead 2024–2034

### 21 priority projects for growing suburbs

The VPA will continue to plan for priority precincts in growing suburbs and regional towns to deliver zoned capacity for more than 60,000 homes and 60,000 jobs. As of 31 May 2025, the VPA had completed six of the 21 priority projects for growing suburbs – Wonthaggi North East PSP, Officer South PSP, Merrifield North (due diligence), Mambourin East (due diligence), Werribee Junction (due diligence) and Clyde South (due diligence).

The VPA has finished key components of three other projects, and work is now underway across government to finalise these projects. They are:

- Ballarat Infrastructure Growth Alignment Framework
- Corio Norlane Urban Renewal Opportunity Statement
- Gunns Gully Road Growth Area Infrastructure Charge Works In Kind Agreement (GAIC WIK).

### 10-year plan for Melbourne's greenfields

The Victorian Government is committed to achieving its target that 30 per cent of new homes are delivered in greenfield areas. New greenfield plans are being delivered over three horizons, as outlined in the [10-year plan](#).

Government is sequencing delivery of plans within horizons so planning for precincts aligns with a logical sequence of growth and existing or planned infrastructure. To support decisions on which plans will commence each year, DTP considers how best to increase capacity for homes and jobs while ensuring logical, efficient growth and alignment with infrastructure capacity commitments.

In 2025–26, the VPA has been directed to:

- continue work on nine **Horizon 1** plans
- continue planning for Merrifield North, a **Horizon 2** plan
- start planning for Clyde South and Derrimut Fields, both from **Horizon 2**.

The VPA will also continue to:

- streamline planning processes, with the aim to reduce time taken by one-third.
- implement staging provisions in plans as required so that development of precincts occurs in a logical manner that allows infrastructure delivery to keep pace with development.
- review and amend select gazetted PSPs to understand opportunities to increase capacity for housing in locations close to activity centres and public transport.
- receive and coordinate advice on opportunities to bring forward rezoning of industrial land.
- progress due diligence work for the Oakbank residential precinct.

## Economic Growth Statement – Victoria: Open for business

The VPA is supporting actions to increase the amount of industrial land by:

- bringing forward planning for the Merrifield North Precinct – planning commenced in 2025.
- planning for the Northern Freight Precinct, comprising 1,400 hectares of land for the new Beveridge Intermodal Freight Terminal and associated employment land, with capacity for an estimated 14,000 jobs.
- boosting regional employment options by unlocking land for jobs in regional greenfield locations at Avalon, Bendigo and Parwan.

In 2024–25 the VPA finalised plans for Officer South Employment precinct in Melbourne's south-east, with capacity for an estimated 22,000 jobs.



## Plan for Victoria

*Plan for Victoria* sets out housing targets for every local government area across Victoria, specifying their share of the extra 2.24 million homes Victoria needs.

In 2025–26, in addition to rezoning land across Melbourne’s greenfield areas, the VPA will explore opportunities to deliver future projects that support councils to deliver on new regional housing targets.

## Performance indicators

In 2025–26, the VPA has two Budget Paper 3 (BP3) performance measures.

These are reflected in the KPIs in the table below.

### Key performance measures

Strategic objective	Key performance measures (KPIs)
Create capacity for homes	Plan preparation for one metropolitan Melbourne precinct complete
	Plan preparation for one regional Victorian precinct complete
Create capacity for jobs and industry	Plan preparation for one metropolitan Melbourne precinct complete





# PROJECT LIST

Project name	Location	Local government	Registered Aboriginal Party	Homes capacity (estimated)	Jobs capacity (estimated)	Relevant government strategies		
						Housing Statement		Economic Growth Statement
						Priority projects for growing suburbs	10-year plan for Melbourne's greenfields	
Capacity for homes								
Beveridge North West	Metro Melbourne North	Mitchell	Wurundjeri Woi-wurrung	15,000	2,900	✓	Horizon 1	
Greenvale North (Part 2)	Metro Melbourne North	Hume	Wurundjeri Woi-wurrung	400	–	✓	Horizon 1	
Devon Meadows	Metro Melbourne South East	Casey	Bunurong	3,100	1,000	✓	Horizon 1	
Melton East	Metro Melbourne West	Melton	Wurundjeri Woi-wurrung	12,900	2,000	✓	Horizon 1	
Kororoit (Part 2) #	Metro Melbourne West	Melton	Wurundjeri Woi-wurrung	1,300	–		Horizon 1	
Cardinia Creek South (Part 2)	Metro Melbourne South East	Casey	Bunurong	1,100	100		Horizon 1	
NEW: Clyde South #	Metro Melbourne South East	Casey	Bunurong	13,200	1,400		Horizon 2	
Shepparton South East	Regional Victoria	Greater Shepparton	Yorta Yorta	2,500	200	✓		
Bannockburn South East	Regional Victoria	Golden Plains	Wadawurrung	5,000	700	✓		
East of Aberline	Regional Victoria	Warrnambool	Eastern Maar	4,000	800	✓		
Ballarat North	Regional Victoria	Ballarat	Wadawurrung	6,000	600	✓		
Merrimu #	Regional Victoria	Moorabool	Wurundjeri Woi-wurrung	6,800	1,800			



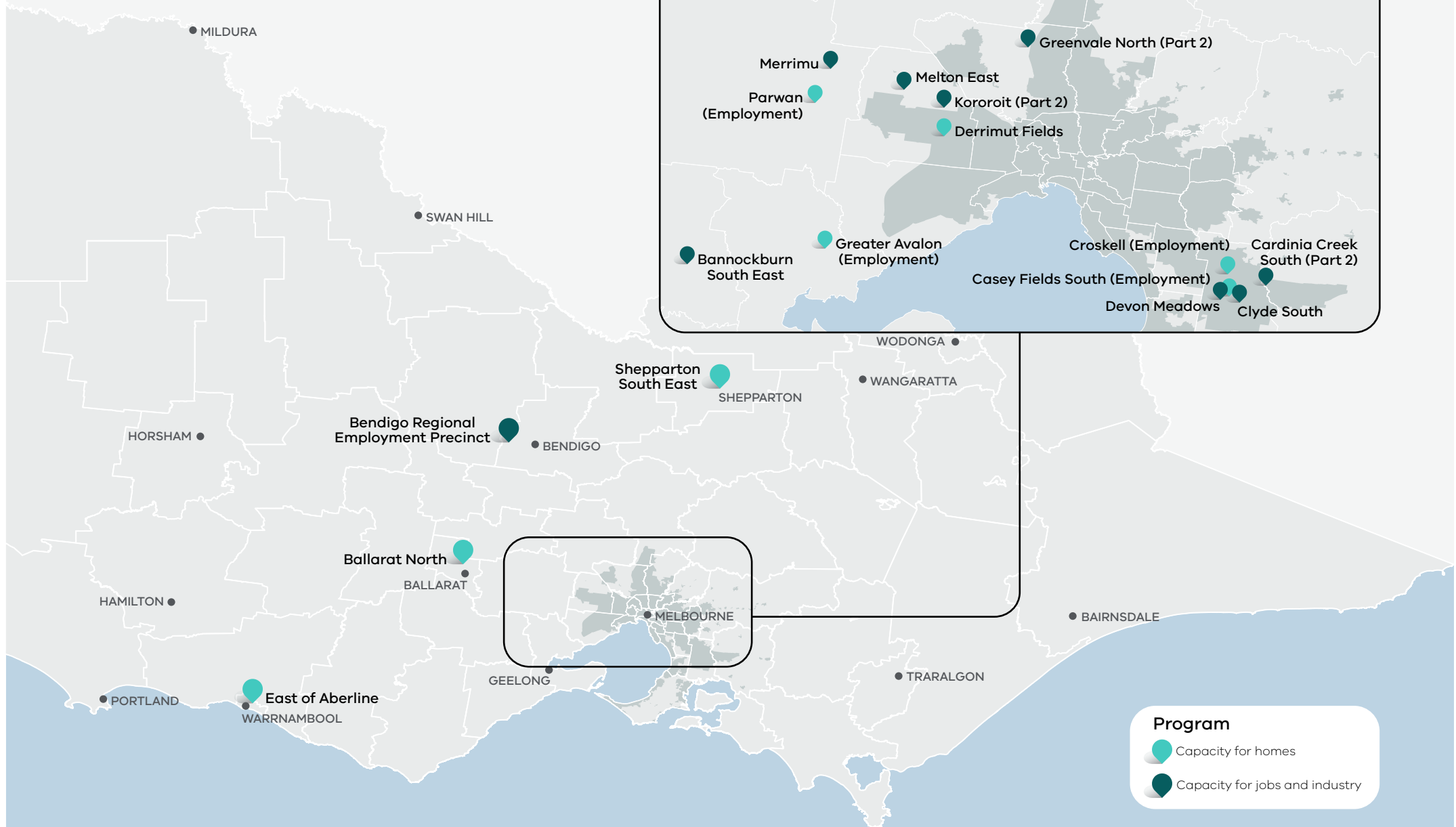
Project name	Location	Local government	Registered Aboriginal Party	Homes capacity (estimated)	Jobs capacity (estimated)	Relevant government strategies		
						Housing Statement		Economic Growth Statement
						Priority projects for growing suburbs	10-year plan for Melbourne's greenfields	
Capacity for industry								
Croskell	Metro Melbourne South East	Casey	Bunurong	700	7,000	✓	Horizon 1	
Casey Fields South	Metro Melbourne South East	Casey	Bunurong	–	4,400	✓	Horizon 1	
Northern Freight	Metro Melbourne North	Whittlesea	Wurundjeri Woi-wurrung	–	14,400		Horizon 1	✓
Merrifield North #	Metro Melbourne North	Hume & Mitchell	Wurundjeri Woi-wurrung	–	4,800		Horizon 2	fast tracked
NEW: Derrimut Fields #	Metro Melbourne West	Melton	Bunurong	–	7,200		Horizon 2	
Greater Avalon	Regional Victoria	Greater Geelong	Wadawurrung	–	18,200	✓		✓
Bendigo Regional Employment	Regional Victoria	Greater Bendigo	Dja Dja Wurrung	–	3,000			✓
Parwan (Employment)	Regional Victoria	Moorabool	Wadawurrung	–	1,500			✓
TOTAL				72,000	72,000			

**Note:** All numbers are as of 31 May 2025 and are estimates only.

The projects are Planning Scheme Amendments, i.e., where land is rezoned.

# Project progression subject to securing Third Party funding.

# PROJECT LOCATION MAP





# BUDGET AND FINANCIAL PROJECTIONS

The VPA Sole Commissioner has adopted the budget for 2025–26.

The VPA Sole Commissioner has also endorsed, in principle, the financial projections for the subsequent three years. Note, the budget reflects sources of funding that are committed. This budget will be reviewed and adjusted quarterly if necessary.

Changes to the VPA work program and budget are approved by the VPA Sole Commissioner, with Ministerial approval sought for any material change.

## Income

**Base appropriation** is core funding from Government to cover fixed operating costs, statutorily required functions and services and project delivery costs (net of any cost recovery arrangements).

**Supplementary appropriations** in the forward estimates are made up of investments from Victorian State Budgets in 2024–25 and 2025–26. This funding is applied for project delivery.

**Third-Party Funding revenue** is collected from landowners for project delivery costs and is recognised in line with accounting standard, 'AASB 15 Revenue from contracts with customers'. Third-Party Funding revenue incorporated into the budget is based on current (secured) and expected (unsecured) third party funding agreements, as well as some modelled revenue based on forward program.

**Fee for Service Revenue** is funding that the VPA receives when commissioned by government departments or agencies to deliver services.

## Expenditure

As a result of the income assumptions outlined above, expenditure (including employee costs) declines over the forward estimates.

## Net surplus and equity

The VPA reserves are primarily prior year funding that is committed and allocated to delivering and completing planning projects. The VPA will use its reserves to sustain its operations over the next four years.

Income category	Budget 25–26 (\$m)	Budget 26–27 (\$m)	Budget 27–28 (\$m)	Budget 28–29 (\$m)
Base appropriation	12.2	12.3	12.3	12.3
Supplementary Appropriations	4.2	2.4	0.0	0.0
Third-Party Funding Revenue	19.8	9.6	12.7	14.0
Fee for Service Revenue	0.4	0.0	0.0	0.0
Interest and other revenue	0.7	0.6	0.5	0.5
<b>Total income</b>	<b>37.2</b>	<b>24.8</b>	<b>25.6</b>	<b>26.8</b>

Expenditure category	Budget 25–26 (\$m)	Budget 26–27 (\$m)	Budget 27–28 (\$m)	Budget 28–29 (\$m)
Employee costs	23.8	18.1	18.1	17.9
Contractors and professional services	11.1	5.7	6.2	7.0
Grants	0.2	0.0	0.0	0.0
Asset and accommodation	1.9	1.5	1.5	1.5
Information technology	1.7	1.5	1.3	1.3
Other operating costs	0.4	0.4	0.4	0.4
<b>Total expenditure</b>	<b>39.0</b>	<b>27.3</b>	<b>27.6</b>	<b>28.1</b>

Surplus category	Budget 25–26 (\$m)	Budget 26–27 (\$m)	Budget 27–28 (\$m)	Budget 28–29 (\$m)
Net surplus (deficit) for the year	(1.8)	(2.5)	(2.0)	(1.3)
Brought forward surplus	9.1	7.3	4.8	2.8
<b>Total accumulated surplus at end of year</b>	<b>7.3</b>	<b>4.8</b>	<b>2.8</b>	<b>1.5</b>



