

DETERMINATION

VEC principles for determining policy development expenditure

Electoral Act 2002, sections 9(3)

Determination 015/2026

Keywords

Expenditure, expense, policy development funding, statement

Preamble

Policy development funding (PDF) is funding paid by the Victorian Electoral Commission (VEC) to reimburse the claimable policy development expenses incurred by an eligible registered political party.

Section 242(6) of the *Electoral Act 2002* (Vic) (Electoral Act) empowers the VEC to determine what type of expenditure is policy development expenditure provided it does not include political expenditure, electoral expenditure or expenditure relating to any credit, rebate, refund, reimbursement or other kind of reduction in tax liability under law. Section 242(9) of the Electoral Act states that the registered officer of the registered political party must ensure that any payment received from the VEC as PDF is not paid into the state campaign account or used for electoral expenditure.

The VEC will utilise the approaches outlined in this determination when considering if an expense is a policy development expense. Auditors must apply this determination when completing an audit of a PDF statement.

Audience

The main audiences for this determination include:

- registered officers
- registered political parties eligible for policy development funding
- auditors.

Determination

I, Sven Bluemmel, Electoral Commissioner for the State of Victoria, make the following determination in accordance with sections 9(3) and 242(6) of the Electoral Act.

1. *VEC approaches for determining policy development expenditure*

- 1.1. Section 242 of the Electoral Act provides for eligible registered political parties to receive PDF to reimburse costs relating to policy development.
- 1.2. In accordance with section 242(6) of the Electoral Act, the VEC will utilise the following approaches in determining if an expense is considered a policy development expense. Policy development expenses are any expenses associated with policy development for state matters. This may include the following:
 - 1.2.1. office accommodation for policy development
 - 1.2.2. staff employed for policy development
 - 1.2.3. equipment for policy development (e.g. IT systems, vehicles, office stationery)
 - 1.2.4. interest charges on loans for policy development
 - 1.2.5. utilities for policy development
 - 1.2.6. travel related to policy development
 - 1.2.7. advertising related to policy development
 - 1.2.8. cost of activities associated with policy development (e.g. conferences, seminars, meetings, providing information to members and supporters)
 - 1.2.9. costs incurred to submit policy development applications (including staff time, audit cost).
- 1.3. Expenses that cannot be claimed as policy development expenses include any costs associated with the running of an election campaign (i.e. political and electoral expenditure) or policy development for any non-Victorian entity of a party (however styled). A PDF statement also cannot contain expenditure for which a registered political party is entitled to any credit, rebate, refund, reimbursement or other kind of reduction in tax liability under any law.
- 1.4. In accordance with section 242(9) of the Electoral Act, the registered officer of the registered political party must ensure that any payment received by the VEC as PDF is not paid into the state campaign account or used for political or electoral expenditure (as defined under section 206(1) of the Electoral Act).
- 1.5. An auditor referred to in section 243 of the Electoral Act must apply this determination in accordance with section 242(8).

Revocation of previous instrument

Determination 001/2019 ('Policy Development Expenditure Statement') made by the Electoral Commissioner on 5 February 2019 is revoked and replaced by this determination.

Commencement of this determination

This determination commences on 21 August 2026 and remains in effect until such time as it is amended, revoked, superseded, or otherwise replaced.

Sven Bluemmel
Electoral Commissioner
Victorian Electoral Commission

21 August 2026

Document details

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