

Annual Plan 2018-2019



Delivering year two of our
organisational strategy



Environment
Protection
Authority Victoria



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Front cover: EPA Officer for the Protection of the Local Environment (OPLE) for the City of Casey, Amy Phillips.

Pictured right: OPLE for Wyndham City Council, Michelle Walker. In 2018-19, EPA will continue to improve local responses to pollution and waste issues impacting local amenity and liveability through continuation of the OPLE Pilot Program. Refer to outcome 4.2.2.





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About EPA Victoria

Our vision

A healthy environment that supports a liveable and prosperous Victoria now and always.

Our purpose

We protect the environment and people by preventing and reducing harm from pollution and waste.

Our role

We are a world class regulator of pollution and waste.

Our strategic goals

To do our part in creating a healthy environment that supports a liveable and prosperous Victoria now and always, we will focus on five goals:

1. **Prevent harm:** We prevent harm from pollution and waste by leveraging good environmental performance across community, business and government.
2. **Equip community and business:** We support Victorians to understand the condition of their environment and we work to ensure shared responsibility is accepted and understood by community and business.
3. **Be an influential authority:** We are a trusted source of advice on Victoria's environment and influential in working with others to address complex problems resulting from pollution and waste.
4. **Respond to harm:** We hold polluters to account and work with our partners to respond to pollution and emergency incidents and legacy contamination to minimise harm to Victoria's environment and people.
5. **Organisational excellence:** As an organisation, EPA commits to delivering on its goals by enabling a high performance culture that values our people, and supports them with fit-for-purpose systems and expertise.



Our values

Successful implementation of our strategy requires every EPA staff member to live our values. These values applied consistently by each of us in our interactions with Victorians will deliver one experience of EPA.

Excellence

- we focus effort for best result
- we are evidence and risk based
- we learn from experience
- we are agile and innovative

Partnership

- we support each other
- we welcome diversity
- we listen and learn
- we involve people in decisions that affect them

Accountability

- we do what we say we will
- we make timely decisions
- we use sound judgement
- we are transparent and objective

We will also be exemplars of the Victorian Public Service values.

Our regional presence

EPA serves Victorians from its offices in Carlton, Melbourne CBD, Dandenong, Traralgon, Wangaratta, Bendigo, Geelong and the Centre for Applied Sciences in Macleod.

Purpose of 2018-19 Annual Plan

This Annual Plan outlines our commitment to government, the Victorian community, industry and workers. It outlines our key priorities for the 2018-19 financial year that will enable us to deliver on our organisational strategy - *Our environment, Our health*.

Message from the CEO

EPA's organisational strategy, *Our environment, Our health*, sets out how we're becoming a world class regulator that prevents and reduces harm from pollution and waste. Now, in year two of our strategy, Victorians will see even greater change.

At its core, our transformation is about a shift to prevention. This annual plan sets out what EPA will deliver in 2018-19 and how we will continue to transform.

To support our focus on prevention, we will strengthen our applied science and environmental public health capability and influence land use planning decisions to avoid creation of future legacy issues.

We will also work with industry and community to build preventative capability in the management of environmental risks and provide authoritative advice on emerging high priority environmental and human health issues.

An example of this is our work to understand the extent and characteristics of emerging contaminants in Victoria's environment - particularly the environmental and human health impacts associated with per-and polyfluoroalkyl substances (PFAS).

We will also continue to work with industry to support proactive compliance with environmental laws through our newly established Industry Guidance Unit. We assume that most people want to do the right thing and we're committed to working and supporting them to do just that. 2018-19 will see more of our people out and about across Victoria working with co-regulators to respond to pollution and emergency incidents and hold to account those who choose to break the law.

Preventing harm also needs to be underpinned by improved internal capabilities across EPA, and we will continue to improve our business systems and processes to ensure organisational excellence and our delivery of public value.

Above all, we will design and deliver a world class EPA for the future.

I look forward to working with you all to achieve outstanding outcomes for the Victorian community.



Dr Cathy Wilkinson
Chief Executive Officer

Environment Protection Authority Victoria

Becoming a world class regulator

The strategy outlines our vision for a healthy environment that supports a liveable and prosperous Victoria

EPA's organisational strategy (*Our environment, Our health*) provides the foundation for the organisation's transformation into a world class regulator. The strategy outlines our vision for a healthy environment that supports a liveable and prosperous Victoria, now and always. It also states that our purpose is to protect the environment and people by preventing and reducing harm from pollution and waste. Our statutory role and objective to protect both the environment and human health is also enshrined in the *Environment Protection Act 2017*, which commenced on 1 July 2018.

The Victorian Government's response to the Independent Inquiry into EPA recognised that EPA needed to enhance its organisational capability in response to the challenges presented by population growth, product expansion, new technologies, emerging contaminants, and evolving threats such as climate change. As a result, last financial year EPA undertook a comprehensive assessment to define the organisational capabilities needed to deliver our strategy in an evolving context, and to better meet community and industry expectations, while bringing to life the Government's vision for EPA.

EPA's Capability Framework and Assessment considers a future state where we continue to leverage the benefits of technology to gather and communicate

information, influence decision making and use a sophisticated regulatory toolkit informed by knowledge and good judgement. Over the next four years EPA will deliver a transformational program to build upon and mature our capabilities. This will ensure we become a world class regulator and deliver the greatest public value to Victorians.

The 2018-19 Annual Plan details several initiatives under the transformation program, directed at strengthening our Information Communications Technology (ICT), Regulatory Communications and Engagement and Applied Science capabilities while continuing to implement the Reform Program stemming from the Government's response to the Independent Inquiry into EPA. *Our environment, Our health* is supported by an organisational performance management framework which allows EPA to understand how our work impacts Victorians. This intelligence will inform regulatory decision making, all with the view to realising the goals set out in our organisational strategy.

In August 2018, the *Environment Protection Amendment Act 2018* was passed by the Victorian Parliament and received Royal Assent. Building on our existing transformation program, EPA is preparing for the commencement of the new legislation in 2020.

Focus areas for 2018-19

To reduce and prevent impacts of pollution and waste on the environment and human health, EPA undertakes a range of activities to drive improved environmental and compliance outcomes.

In 2018-19, EPA will focus its effort to address emerging risks and issues through targeted enforcement, compliance, and intelligence-gathering programs to reduce the threat to the environment and the Victorian community. They include:

- Addressing illegal dumping of hazardous materials, including asbestos, through EPA's Illegal Dumping Strikeforce Program;
- Focusing on Victoria's air quality through:
 - supporting DELWP in the development of a state-wide strategy to identify the impacts of significant sources of air pollution and assess the effectiveness of potential management interventions;
 - targeting key sources of odour and dust that impact communities in Brooklyn;
 - completing the reconfiguration of the ambient air monitoring network, including a new smoke sensor sub-network, in the Latrobe Valley;
- Improving industry practices to reduce and prevent the contamination of land, groundwater and stormwater through strategic compliance and engagement programs;
- Improving the management of recyclable and waste materials, particularly the risks of fire;
- Focusing on Victoria's emerging chemicals through:
 - Improving EPA's knowledge of emerging contaminants of concern through the collection and assessment of data to identify the extent of their environmental concentrations across Victoria. This will help EPA better understand their potential for community exposure and develop strategies to appropriately manage them;
 - Developing a management strategy for the environmental and human health impacts of lead contamination at current and former shooting ranges.

EPA is continuously improving the way it identifies these focus areas and will be engaging with stakeholders to help inform future priorities. As new issues emerge throughout the year, EPA will prioritise effort to address them.

Delivering year two of our strategy

GOAL 1. PREVENT HARM

We prevent harm from pollution and waste by leveraging good environmental performance across community, business and government.

EXAMPLES OF OUR REGULATORY SERVICES

- Support for environmental policy
- Development assessments and permitting
- Intelligence gathering
- Strategic and statutory land-use planning
- Industry compliance programs
- Preventative programs

OUTCOMES	HOW WE WILL IMPROVE
1.1 Regulatory effort delivers greatest preventative effect, informed by science and intelligence	<p>1.1.1 Implement an intelligence-led prioritisation process pilot to better identify emerging issues that pose a potential threat to the environment and human health.</p> <p>1.1.2 Develop an ambient assessment program to provide evidence to inform regulatory actions for emerging contaminants based on the understanding of their presence in the Victorian environment and potential for community exposure.</p>
1.2 Regulatory effort supports good performance, creates a level playing field, and encourages continuous improvement	<p>1.2.1 Complete a review of sector specific licences within coal processing, power stations and extractive industry and the mining sector to ensure expectations are clear and licence conditions remain enforceable.</p> <p>1.2.2 Continue to deliver the Major Industry and Licence Compliance Assessment Programs to ensure high risk sites have appropriate management and monitoring systems and comply with their environmental obligations.</p>
1.3 Increased participation by business and community in preventing and managing environmental risk	<p>1.3.1 In partnership with the Department of Environment, Land, Water and Planning (DELWP), consult with industry and community on the development of an ongoing Waste Management Policy (Combustible Recyclable and Waste Material) and review of existing guidelines.</p> <p>1.3.2 Undertake a citizen science pilot involving monitoring and tracking pollution and waste at 10 Victorian beaches that are susceptible to unsuitable swimming conditions in dry weather.</p>
1.4 Provision of early advice to influence land use planning decisions	<p>1.4.1 Work with other government departments and responsible authorities to support effective development policies and the consideration of environmental and health impacts in Environmental Effects Statements for major projects and local planning scheme amendments.</p> <p>1.4.2 Continue to support the development and implementation of new statutory mechanisms that increase EPA's role and influence in land use planning.</p>

GOAL 2. EQUIP COMMUNITY AND BUSINESS

We support Victorians to understand the condition of their environment and we work to ensure shared responsibility is accepted and understood by community and business.

EXAMPLES OF OUR REGULATORY SERVICES

- Making information available
- Monitoring the environment
- Compliance advice
- Engagement
- Customer service

OUTCOMES	HOW WE WILL IMPROVE
2.1 Timely, accessible information on the condition of our environment and expert advice on the human health impacts of pollution and waste	<p>2.1.1 Develop an environmental monitoring strategic framework to enable reform of EPA's monitoring and assessment program for each environmental segment.</p> <p>2.1.2 Develop and implement EPA's Channel Strategy to better leverage EPA's presence and authority through an enhanced network of channels, including social and digital media.</p>
2.2 Clear advice and guidance that supports compliance with environmental obligations	<p>2.2.1 Collaborate with industry, community and government in the ongoing development of 'support to comply' tools, providing greater certainty for duty holders and building broader knowledge of environmental protection obligations amongst all Victorians.</p> <p>2.2.2 Provide guidance and support mechanisms for small businesses to drive the adoption of better industry practices to prevent contamination to land, groundwater and stormwater.</p>
2.3 Community engagement in environmental management and decision-making	<p>2.3.1 Continue to implement EPA's industry and community engagement programs with support from our Business, Water and Community Reference groups.</p>
2.4 Acknowledged partnerships and clear role definition in environmental and human health protection	<p>2.4.1 Continue participation in the Resource Recovery Facilities Audit Taskforce in the inspection of sites to ensure Combustible Recyclable and Waste Material is appropriately managed and stored to minimise fire risks.</p> <p>2.4.2 Undertake an annual stakeholder insights survey to develop an improved and more consistent understanding of EPA's network of stakeholders and how they can be leveraged to deliver better outcomes.</p>

GOAL 3. BE AN INFLUENTIAL AUTHORITY

We are a trusted source of advice on Victoria's environment and influential in working with others to address complex problems resulting from pollution and waste.

EXAMPLES OF OUR REGULATORY SERVICES

- Applied science advice
- Environmental human health capability
- Analysis of the environment
- Engaging with partners and stakeholders

OUTCOMES	HOW WE WILL IMPROVE
3.1 Applied expertise that shapes the monitoring, identification and reporting of environmental and human health risk and subsequent response	<p>3.1.1 Expand EPA's R&D program to build external partnerships to develop knowledge and tools in new science and engineering areas.</p> <p>3.1.2 Support DELWP in the development of Victoria's Air Quality Strategy by providing technical advice regarding the impact of significant sources of air pollution on the environment and human health and the effectiveness of potential management interventions.</p>
3.2 Leadership in partnering with others to address complex pollution and waste challenges	<p>3.2.1 Deliver the Illegal Dumping Strikeforce Program in partnership with key agencies with a focus on construction and demolition waste generators and skip-bin businesses.</p> <p>3.2.2 Manage emerging chemicals of concern in Victoria through the implementation of the National Environment Management Plan (NEMP) for PFAS (per- and polyfluorinated alkyl substances).</p>
3.3 Strong collaboration with other regulators to remain at the forefront of regulatory practice	<p>3.3.1 Continue to conduct co-regulator inspections at construction and demolition sites to ensure compliance with building, construction, environment, plumbing and OHS obligations as part of the Build Aware Program.</p> <p>3.3.2 Continue to work closely with Earth Resources Regulation to ensure effective consideration of environmental protection and human health impacts in the regulation of resources and mining sectors.</p>
3.4 Enhanced environmental public health capability that gives community confidence	<p>3.4.1 Initiate development of an Environment Health Tracking Network to enable systematic collection and reporting of environmental and public health information to better inform Victorians on health effects from environmental exposure.</p>

GOAL 4. RESPOND TO HARM

We hold polluters to account and work with our partners to respond to pollution and emergency incidents and legacy contamination to minimise harm to Victoria's environment and people.

EXAMPLES OF OUR REGULATORY SERVICES

- Environmental audit system
- Litter program
- Noisy and smoky vehicle program
- Enforcement
- Incident response
- Emergency management

OUTCOMES	HOW WE WILL IMPROVE
4.1 Timely and proportionate consequences for those that do the wrong thing	4.1.1 Continue to implement EPA's Sanctions Strategy to improve the ease, efficiency and effectiveness in which sanctions are applied to ensure those that do the wrong thing are held to account and to promote increased compliance with environmental obligations.
4.2 High quality reporting of pollution incidents and timely risk-based response	4.2.1 Continue with development of the centralised dispatch function to support our regional deployment model to respond to harm, including in emergency management. 4.2.2 Improve local responses to pollution and waste issues impacting local amenity and liveability through continuation of the Officers for the Protection of the Local Environment (OPLE) Pilot Program.
4.3 Technical advice on pollution and waste that makes a significant contribution to Victoria's emergency management system	4.3.1 Provide environmental advice to Victorians using EPA's scientific and expanded human health capabilities, to enable emergency services and impacted communities to make informed decisions regarding environmental protection and their health during an incident. 4.3.2 Enhance EPA's capability to provide input to regional and major hazard emergency management planning.
4.4 Timely identification and management of legacy contamination that ensures land is efficiently returned to a safe and useful purpose	4.4.1 Increase efforts across EPA, as well as with partners, to implement specific, focused action to mitigate risks associated with lead contamination at shooting range sites of greatest concern and provide guidance and engagement materials to sites of lower concern. 4.4.2 Support DELWP to conduct a Preliminary Risk Screening pilot to provide a more consistent, risk-based approach to the screening, assessment and remediation of contaminated land.

GOAL 5. ORGANISATIONAL EXCELLENCE

As an organisation, EPA commits to delivering on its goals by enabling a high performance culture that values our people, and supports them with fit-for-purpose systems and expertise.

EXAMPLES OF OUR CORPORATE ENABLING SERVICES

- Safety, health and wellbeing
- Continuous improvement
- Budget management
- Technology and information support
- Procurement and risk management

OUTCOMES	HOW WE WILL IMPROVE
5.1 Service delivery that reflects community, business and government expectations	<p>5.1.1 Ensure integration of strategic workforce planning and capability building processes and systems into business, performance and financial planning processes with a clear focus on achieving strategic outcomes.</p> <p>5.1.2 Build staff capability in communications and stakeholder engagement to better meet stakeholders' expectations and improve their experiences of EPA.</p>
5.2 Good governance	<p>5.2.1 Support the commencement of EPA's new Governing Board who are responsible for the governance, strategic planning and risk management of EPA.</p>
5.3 Business systems and processes that continuously improve to support delivery	<p>5.3.1 Improve data management capabilities that enable EPA to source and share better quality data with community, government and business.</p> <p>5.3.2 Implement improvements to EPA's program and project management capability.</p>
5.4 Staff safety, health, wellbeing and development	<p>5.4.1 Strengthen EPA's capability through diversity and inclusion practice.</p> <p>5.4.2 Implement EPA's OH&S action plan to develop an enhanced safety culture that permeates operational activity and planning.</p>



2018-19 Operating Financial Forecast

We will perform our role as an effective regulator and influential authority by exercising sound financial management.

Summary of 2018-19 operational forecast

REVENUE	2018-19 BUDGET (\$MILLION)
Municipal and industrial landfill distribution	47.4
Reform Program Output Revenue*	24.5
Reform Program Asset Revenue*	5.0
Prescribed industrial waste levies	23.7
Investment income	3.0
Specific project funding/initiative funding	4.2
Fees, fines, license levies, other	7.4
Total Revenue	115.2
OPERATING EXPENDITURE	
People costs (salaried and agency staff)	56.7
Contracted Services	8.5
Occupancy Costs	7.0
Reform Program Expenditure*	25.9
Other expenditure (includes legal costs, grants)	9.0
Depreciation	6.2
Total Operating Expenditure	113.3
Net surplus (deficit)**	1.9

* Includes EPA's portion of funding allocated as part of the Bringing our EPA into Modern Era 2018-19 Victorian Government budget initiative.

** Surplus primarily due to the accounting treatment of Reform asset funding received as revenue partly offset by timing of reform initiatives and externally funded projects. Underlying Operational funding remains balanced.

Appendix one: Budget Paper 3 output targets

QUANTITY	TARGET 2018-19	FY 2016-17	FY 2017-18
Inspections that test compliance of premises whose operations may represent a significant risk to the environment and human health	250-300	277	279
Events that engage business and community in environment protection	10-12	Not measured	24
Activities that support business to comply with environmental obligations	15-20	Not measured	23
Environment condition notifications provided to Victorians via digital channels	900-1000*	Not measured	Not measured
QUALITY			
EPA prosecutions are determined/selected using a risk-based approach, focused on environmental outcomes and are successful	70%*	Not measured	Not measured
Environmental audits are reviewed to ensure compliance with statutory requirements and guidelines	90%	100%	97%
Remedial notices are complied with by their due date or escalated in line with EPA's Compliance and Enforcement policy	90%	94%	91%
TIMELINESS			
Pollution reporters requesting follow-up by EPA receive contact within three working days	90%	97%	97%
Works approvals and licences completed within required statutory timelines	96%	100%	99%
EPA provides technical advice to lead agencies within agreed timelines during emergency incidents	90%*	Not measured	Not measured

* New measure in 2018-19



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