



2020/2021

ANNUAL PLAN

LEADING THROUGH CHANGE



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ABOUT EPA VICTORIA

Environment Protection Authority Victoria (EPA) is an independent statutory authority under the *Environment Protection Act 2017*. EPA's Governing Board is responsible for the governance, strategic planning and pursuit of the Authority's objective, namely, to protect human health and the environment by reducing the harmful effects of pollution and waste.

The Minister with responsibility for EPA is the Hon. Lily D'Ambrosio MP, Minister for Energy, Environment and Climate Change and Minister for Solar Homes.

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 values

Successful implementation of our organisational strategy, *Our environment, Our health*, requires every EPA staff member to live our values.

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 of:

- Responsiveness
- Integrity
- Impartiality
- Accountability
- Respect
- Leadership
- Human Rights

Purpose of 2020-21 Annual Plan

The Annual Plan outlines our commitment to the Victorian community, industry, business, and government. It outlines our key priorities for the 2020-21 financial year that will enable us to deliver on our organisational strategy, *Our environment, Our health*, as well as EPA's transformation outcomes.

Our regional presence

EPA serves Victorians from its offices in Carlton, Melbourne CBD, Western Metropolitan Region, Northern Metropolitan Region, Southern Metropolitan Region, Gippsland Region, North East Region, North West Region, South West Region, and the Centre for Applied Sciences in Macleod.

EPA acknowledges Aboriginal people as the first peoples and Traditional custodians of the land and water on which we live, work and depend. We pay respect to Aboriginal Elders past and present.

As Victoria's environmental regulator, we pay respect to how Country has been protected and cared for by Aboriginal people over many tens of thousands of years.

We acknowledge the unique spiritual and cultural significance of land, water and all that is in the environment to Aboriginal people and Traditional custodians – and the continuing connection and aspirations for Country.

A person wearing a blue hat and a high-visibility yellow and green vest is using a long black pole to clean a riverbank. The riverbank is covered in dense green vegetation and has some plastic waste on it. The water in the river is brown and murky. The person is standing on a boat or a platform, and a metal cap is visible in the foreground.

OUR VISION

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



OUR STRATEGIC GOALS

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



01. Prevent harm

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



02. 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.



03. 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.



04. 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.



05. 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.



LEADING THROUGH CHANGE

Clean air, water and land are essential to our environment and the lifestyle of every Victorian.

This Annual Plan sets out our commitment to delivering for Victoria's environment and people by preventing harm from pollution and waste, maintaining compliance, and enforcing the law.



PRIORITIES FOR 2020-21

Delivering for Victoria's environment and people by preventing harm from pollution and waste, maintaining compliance, and enforcing the law.

Stakeholder readiness and legislative transition

When amended on 1 July 2021, the *Environment Protection Act 2017* (EP Act 2017) will provide EPA with new obligations and tools to improve and tailor the way we regulate and implement a risk-based regulatory scheme to prevent harm from pollution and waste. This legislation will transform environmental protection in Victoria by introducing a general duties-based framework – a general environmental duty (GED) that places primary responsibility for managing risks to the environment and human health on those who create them. To prepare for this, EPA will engage our stakeholders about the new laws and provide compliance advice to businesses across Victoria, including industry guidance on the implementation of prevention focused and hazard specific guidance and guidance on what is 'reasonably practicable' when preventing harm from pollution and waste.

WE WILL:

- Increase awareness of Victoria's new environment protection laws by engaging with industry, business, and community.
- Develop further guidance and educational material to support duty holders to comply with their current and future obligations, including the general environmental duty, waste, land and water pollution incidents and contaminated land duties, new permission instruments, and other regulatory requirements.
- Support stakeholders as they transition to new systems for managing waste and applying for and holding permissions.
- Build capability in regulatory operations and decision-making under the amended EP Act 2017 within EPA and partner/ delegated agencies.

Waste industry focus

EPA's purpose is to protect the environment and people by preventing and reducing harm from pollution and waste. The current scale and prevalence of waste crime activity creates unacceptable risks to human health and the environment and reinforces the need for EPA to become a stronger law enforcement agency. We are committed in 2020-21 to more effectively detecting, preventing, and responding to illegal activities and waste crime. We recognise the considerable uplift in capability required to successfully deliver this work.

WE WILL:

- Deliver and support *Recycling Victoria: A New Economy* – Victoria's circular economy policy and action plan. We will take a zero-tolerance approach to the unsafe management of waste and waste crime and protect the Victorian community and environment from illegal and unsafe storage of waste.
- Partner, collaborate and share information with WorkSafe Victoria, Victoria Police, emergency service agencies, local government and other regulators to identify and prevent waste crime in Victoria.
- Improve information and intelligence sharing arrangements across regulatory and emergency management agencies.
- Implement recommendations from the independent review into EPA's regulation of chemical waste, and other audits.
- Use data and information to improve EPA's intelligence of the waste industry, prioritise our compliance and enforcement activities and inform inspections.
- Ensure that the cost of managing or cleaning up high-risk sites is borne by those responsible for the site, to the greatest extent possible.
- Address illegal dumping of hazardous materials, including waste chemicals and asbestos, through an enhanced waste transport tracking system and dedicated operations with partner agencies.
- Provide a strong regulatory presence in the community through our incident response work, compliance inspections and by enforcing the law.
- Regulate waste and resource recovery facilities that pose significant fire risks to the community and environment through non-compliant stockpiles and associated risks.
- Ensure that the Victorian Government has a ready and specialist response capability for clean up of legacy high-risk hazardous waste sites.

Public health focus

EPA is responsible for preventing harm to human health from past, present, and potential future waste and pollution. One part of this is raising understanding and awareness of environmental public health risks such as contaminated land, smoke, and air quality in the community, and helping Victorians access complex scientific information.

As Victoria's population grows, our economy diversifies and we deal with more sources of pollution, EPA has an important role to play in relation to climate change – using our legislation, regulatory guidance, and scientific expertise to ensure Victorian industry and business demonstrate best practice management of greenhouse gas emissions. In addition, EPA has committed to the whole-of-government pledge to long-term net zero emissions by 2050. To help achieve this, EPA will put in place strategies and actions in our own operations and report on our performance.

WE WILL:

- Develop guidance and continue to consider climate change in works approval and licensing decisions and when recommending regulations or state policies.
- Air quality monitoring through enhanced AirWatch emergency and incident response advice.
- Commence pilot studies into the significance of air pollution and sources to identify and quantify the relative contribution of sources of particulate matter to ambient air quality.
- Target key sources of harm such as air pollution and contaminated land including waste stockpiles impacting local communities.
- Further embed environmental public health in EPA operations and educate stakeholders on EPA's environmental public health role.

Delivering on our strategy



GOAL 01

Prevent harm



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

EXAMPLES OF OUR REGULATORY SERVICES

- Development assessments and permitting
- Delivery of Data Analytical and Intelligence products
- Strategic and statutory planning
- Compliance programs and monitoring e.g. waste transport
- Issuing remedial notices
- Preventative programs
- Litter program
- Noisy and smoky vehicle program
- National Pollution Inventory
- Landfill levy audits

OUTCOME

WHAT WE WILL DO

1.1 Regulatory effort delivers greatest preventative effect, informed by science and intelligence.

1.1.1 Finalise decisions on statutory approval applications within statutory timeframes.

1.1.2 Establish systems for compliance checking based on waste transport and landfill levy information.

1.1.3 Compliance and enforcement activity that is intelligence-led, informed by EPA and partner data, and focused on industrial waste.

1.2 Regulatory effort supports good performance, creates a level playing field, and encourages continuous improvement.

1.2.1 Complete a joint EPA/DELWP project to deliver new consolidated regulations and other subordinate instruments for the new laws.

1.2.2 Audit landfill levies collected by EPA on behalf of the state government to ensure compliance.

1.3 Increased participation by business and community in preventing and managing environmental risk.

1.3.1 Provide compliance advice to small and medium businesses across Victoria through EPA's Business Support Model.

1.3.2 Respond to community reports of smoky vehicles and litter discarded from motor vehicles and take necessary compliance and enforcement action.

1.4 Provision of early advice to influence land use planning decisions.

1.4.1 Respond to referrals within agreed timeframes under the *Planning and Environment Act 1987*, *Environment Protection and Biodiversity Conservation Act 1999*, *Environment Effects Act 1978*, and *Mineral Resources (Sustainable Development) Act 1990*.

1.4.2 Influence state policies on land use and development to reduce future land use conflicts and achieve better environmental outcomes in land development.

GOAL 02

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
- Support for environmental policy
- Applied science advice
- Waste policy advice
- Environmental human health capability
- Analysis of environmental condition
- Engaging with partners and stakeholders

OUTCOME

WHAT WE WILL DO

2.1 Timely, accessible information on the condition of our environment and expert advice on the human health impacts of pollution and waste.

2.1.1 Monitor ambient air quality across Melbourne and in regional Victoria and publish hourly 'real-time' air quality information on AirWatch.

2.1.2 Monitor the recreational water quality at 36 Victorian beaches through the summer Beach Report program, providing twice daily forecasts to the community.

2.2 Clear advice and guidance that supports compliance with environmental obligations.

2.2.1 Implement EPA's Industry Readiness Framework, including industry guidance development and implementation of prevention focused and hazard specific guidance, Strategic Reference Groups, and the Industry Partnership Program.

2.2.2 Engage our stakeholders about the new laws and onboard them onto new EPA systems to support the commencement of new legislation.

2.2.3 Establish a command centre to support legislation commencement and ensure that stakeholders operating under the amended *Environment Protection Act 2017* have the support required for a successful transition.

2.3 Community engagement in environmental management and decision-making.

2.3.1 Engage the community in EPA decisions that affect them including Permissions and during recovery from emergencies.

2.3.2 Community engagement, outreach, and assurance to support operational and regulatory service delivery.

2.4 Clear role definition within joint and peer regulators, and established strategic partnerships.

2.4.1 Prepare councils and other joint regulators to embed new laws in the areas of litter, waste, septic systems, and noise.

2.4.2 Finalise the Memorandum of Understanding with the Municipal Association of Victoria.

2.4.3 Implement EPA's Aboriginal Inclusion Action Plan.

GOAL 03

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

- Support for environmental policy
- Applied science advice
- Waste policy advice
- Environmental Human Health capability
- Analysis of environmental condition
- Engaging with partners and stakeholders
- Intelligence
- Surveillance
- Communications and engagement as a regulatory tool

OUTCOME

WHAT WE WILL DO

3.1 Applied expertise that shapes the monitoring, identification and reporting of environmental and human health risk and subsequent responses.

3.1.1 Identify hazards through the Intelligence-Led Prioritisation Program (ILPP) to inform regulatory priorities.

3.1.2 Increase knowledge and expertise in industrial processes and engineering controls in key sectors, including waste-to-energy and hazardous waste infrastructure.

3.2 Leadership in partnering with others to address complex pollution and waste challenges.

3.2.1 Provide guidance and advice, to support stakeholders to reduce their climate change impacts.

3.2.2 Establish the Waste Crime Prevention Directorate and work across government with WorkSafe Victoria and Sustainability Victoria, emergency service agencies, waste and resource recovery groups, local government, and other regulators, to prevent, detect and address waste crime and illegal dumping in Victoria.

3.2.3 Improve intelligence sharing arrangements across regulatory and emergency management agencies.

3.3 Strong collaboration with other regulators to remain at the forefront of regulatory practice.

3.3.1 Share and implement approaches of best practice environmental regulation via the Australasian Environmental Law Enforcement and Regulators neTwork (AELERT).

3.3.2 Participate in the Portfolio Coordination Group (PCG) to manage cross-agency dependencies, issues and risks and monitor *Recycling Victoria: A New Economy* program delivery.

3.4 Enhanced environmental public health capability that gives community confidence.

3.4.1 Commence a multi-year study into the significance of air pollution and sources to identify and quantify the relative contribution of sources of particulate matter to ambient air quality.

3.4.2 Deliver the windfarm noise regulatory reform project in partnership with DELWP.



GOAL 04

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

- Data analytics tools and reports, tactical and strategic intelligence reports, horizon scans
- Issuing remedial notices
- Environmental audit system
- Investigations and sanctions
- Incident Response
- Support Emergency Services

OUTCOME

WHAT WE WILL DO

4.1 Timely and proportionate consequences for those that do the wrong thing.

4.1.1 Expand the Illegal Waste Disposal Program, focusing on the prevention of illegal dumping of waste from large scale industry.

4.1.2 Implement the Coordinated Prevention and Response Framework for high-risk and hazardous waste sites.

4.2 High quality and timely, risk-based responses to reports of pollution incidents.

4.2.1 Respond to reported pollution and emergency incidents determined by EPA’s risk-based incident response triage system. Receive, triage, and follow-up pollution reports and notifications.

4.2.2 Implement better analytical systems and processes for more robust intelligence and data analytics to enhance our compliance and enforcement capability.

4.3 Technical advice on pollution and waste that makes a significant contribution to Victoria’s emergency management system.

4.3.1 Provide technical advice to lead agencies during emergency planning, incident response and recovery phases within agreed timelines.

4.4 Timely identification and management of legacy contamination that ensures land is efficiently returned to safe and useful purpose.

4.4.1 Support stakeholders’ transition to Victoria’s new contaminated land scheme, including the introduction of the Preliminary Risk Screen Assessment. Assess and triage contaminated land sites.

4.4.2 Manage the Environmental Audit Program including assessing audit reports to ensure appropriate management of contaminated land and groundwater.

4.4.3 Progress cleanup of high-risk sites, including Broderick Rd Lara, Campbellfield, and Lemon Springs, south of Kaniva.

GOAL 05

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 REGULATORY SERVICES

- Safety, health, and wellbeing
- Continuous improvement
- Corporate enablers
- Quality assurance

OUTCOME

WHAT WE WILL DO

5.1 Service delivery that reflects community, business and government expectations.

5.1.1 Provide a coordination function across government through the High-Risk Sites Coordination Committee under the Coordination Prevention and Response Framework.

5.1.2 Implement recommendations from the independent review into EPA's regulation of chemical waste, and other audits.

5.2 Good governance.

5.2.1 Manage authorised officer complaints.

5.3 Business systems and processes that continuously improve to support delivery.

5.3.1 Establish an internal review unit as required under the amended *Environment Protection Act 2017*, in preparation for its commencement.

5.3.2 Implement quality assurance framework and processes to continuously improve our response to pollution incidents and management of regulatory risk.

5.3.3 Integrate risk management, audit recommendation implementation and operational performance using an organisational performance management system.

5.4 Staff safety, health, wellbeing and development.

5.4.1 Build workforce capability focused on ensuring regulatory capability in new legislation.

5.4.2 Manage changes to our work practices to ensure the safety, health and wellbeing of our people.

2020-21 Operating financial forecast

The budget has been developed to allow EPA to perform its role as an effective regulator and to transform the organisation in preparation for the commencement of the new Environment Protection Act on 1 July 2021. The consolidated deficit of \$20.1 million is a result of additional investment to be funded through approved prudent use of EPA's reserves to deliver on the Government's response to the independent inquiry into the EPA and thus transform the organisation to ensure that EPA can meet community, industry and government expectations.

In addition, EPA's 2020-21 budget includes a number of additional investments which were announced through the State Budget. This included funding of \$22.34 million to address immediate risks at a number of high-risk sites, \$12.8 million for Recycling Victoria, and \$3.5 million for the continuation of the Officers for the Protection of the Local Environment pilot.

Summary of 2020-21 operational forecast	2020-21 budget (\$million)
Revenue	
Municipal and industrial landfill distribution	43.7
Prescribed industrial waste levies	49.9
Investment income	-
Specific project funding/initiative funding	86.0
Fees, fines, licence levies, other	6.0
Total Revenue	185.6
Operating Expenditure	
People costs (salaried and agency staff)	82.3
Contracted services	24.7
Contracted services – Lara waste stockpile site rehabilitation	42.2
Occupancy costs	8.4
Other expenditure (includes legal costs, grants)	20.5
Depreciation	6.6
Total operating expenditure	184.7
Net surplus before transformation**	0.9
Transformation revenue	
Reform program output revenue	23.0
Reform program asset revenue	0.7
Total transformation revenue	23.7
Transformation expenditure	
Transform to a world class regulator*	44.7
Total transformation expenditure	44.7
Net deficit – Transformation	(21.0)
Net deficit - Consolidated	(20.1)

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

** Surplus primarily due to the accounting treatment of capital expenditure.

Appendix 01

Budget Paper 3 output targets

Budget Paper 3 (BP3) provides an overview of the goods and services funded by the Victorian Government and delivered by departments and agencies, and how these support the Government's strategic objectives. BP3 service delivery outputs are measured through EPA's performance in preventing and reducing harm from pollution and waste through better regulation, conducting research and gathering intelligence to inform compliance activities, collaboration and the provision of advice.

Performance measures	Unit of measure	2020-21 target	2019-20 actual	2018-19 actual
Quantity				
Inspections that assess premises compliance, including licenced premises, whose operations represent a significant risk to the environment and human health	number	250-300	294	Not measured
Events that engage business and community in environment protection	number	25-35	57	12
Activities that support business to comply with environmental obligations	number	25-30	166	34
Environment condition notifications provided to Victorians via digital channels	number	900-1,000	1,070	1,249
Quality				
EPA prosecutions are selected using a risk based approach, focused on environmental outcomes and are successful	per cent	70	88	100
Environmental audits reviewed to ensure compliance with statutory requirements and guidelines	per cent	90	100	94
Remedial notices complied with by due date or escalated in line with EPA's Compliance and Enforcement policy	per cent	90	95	95
Timeliness				
Pollution reporters requesting follow up by EPA receive contact within three working days	per cent	85	97	90
Works approvals and licences completed within required statutory timelines	per cent	96	99	97
EPA provides technical advice to lead agencies within agreed timelines during emergency incidents	per cent	90	97	100

Appendix 02

Recycling Victoria Statement of Expectations

Program	Outcomes	Role	Key deliverables	Expectations
Illegal waste disposal	Reduced environmental impact or harm from mismanagement of waste through stockpiling for long periods or illegal disposal of waste	EPA – lead on delivery	Establish the compliance team by 2020/21. Business as usual compliance operations in place by 2021/22.	Program will build on existing work to address illegal dumping impacts, targeted at large scale.
Landfill levy auditing	Landfill levies collected in accordance with legislation	EPA – lead on delivery	By 2020/21 the landfill levy audit program commences, with business as usual audit operations in place by 2021/22.	Program provides reliable and useful data on landfill levy collection and compliance.
Recycling Markets Acceleration package	Victorian businesses increase use of recycled materials in ways that support: <ul style="list-style-type: none"> strong domestic markets for recovered materials business growth new markets for recycled materials innovation for advanced manufacturing and construction sectors 	SV – lead on delivery and implement commercialisation of new products and investment facilitation service.	By 2020/21 priority materials and sector investment strategy established and phase 1 market intervention commenced. Market intervention phase undertaken and investment evaluation report provided annually.	Program delivered through collaboration between industry, universities and government; closely aligned with the goals and priorities of the Business Innovation Centre. Program provides support for local government to develop standards and specifications for civil construction works.
		EPA – reduce unnecessary regulatory barriers for reuse of recycled materials and provide regulatory certainty to support innovation, especially for recovered organics and specifically the by-products of waste to energy processes.	By 20/21 regulatory and policy barriers identified; commence development of regulatory tools.	Program closely aligns with the goals and priorities of the Business Innovation Centre and product development/commercialisation opportunities.
		DELWP – research and policy support to create policy certainty to support innovation, including overseeing development of specifications, standards, etc.	By 2020/21 identify and prioritise research topics and begin developing specifications, standards, etc.	Program closely aligns with the goals and priorities of the Business Innovation Centre and product development/commercialisation opportunities.

Appendix 02 (cont.)

Recycling Victoria Statement of Expectations

Program	Outcomes	Role	Key deliverables	Expectations
Addressing waste crime	Reduce risk of harm to the environment and the community through effective preventative detection of, and enforcement against, waste crimes.	EPA – lead on delivery	BY 2020/21 establish Waste Crime Prevention Inspectorate and begin monitoring, compliance and enforcement action.	<p>Program will build on existing work.</p> <p>Inspectorate will work across government to address illegal activities and combat waste crime.</p> <p>Inspectorate will be designed and built in collaboration with the Coordination Committee for high-risk sites.</p>
High-risk sites management	Safe management of high-risk and hazardous wastes.	DELWP – lead on delivery and deliver framework.	By 2019/20 a Coordinated Prevention and Response Framework finalised. By 2020/21 governance and reforms implemented, intelligence centre established, local council capability established.	Framework provides for emergency and regulatory agencies to work together to prevent and respond to incidents at high-risk sites.
		EPA – lead on establishing the high-risk site recovery team.	By 2019/20 a High-risk Recovery Team established.	High-risk Recovery Team to coordinate whole-of-government actions/response, with specialist hazardous waste knowledge and operational capabilities across key agencies and local government.





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