

# ENVIRONMENT PROTECTION AUTHORITY VICTORIA



## 5 Year Plan 2011-2016



Creating clean air, safe land, healthy water and minimal disturbance from noise and odour for Victorians

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EPA  
VICTORIA



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# OUR IDENTITY

## OUR VISION

A healthy environment that supports a liveable and prosperous Victoria.

## OUR COMMITMENT

We are passionately committed to protecting Victoria's environment to meet the needs of current and future generations.

## OUR ROLE

We are an effective environmental regulator and an influential authority on environmental impacts.

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# SETTING US UP FOR THE NEXT 40 YEARS



*Chairman Cheryl Batagol and CEO John Merritt*

In 2011 EPA Victoria celebrated its 40th anniversary and commenced a new stage towards becoming a modern regulator. This was an ideal opportunity for us to consider the next five years and ensure EPA has the right tools and focus to protect Victoria's environment and to meet the needs of current and future generations.

We consulted with business, the community, our colleagues in government and our own people about how the organisation is performing and what we need to focus on to meet the challenges ahead. We also took the opportunity to identify key trends and drivers that will impact on our environment and Victorians in the years ahead.

As a result, we were able to formalise our vision into this five year plan.

Our new *5 Year Plan* sets out EPA's priorities for the environment and our own improvement, including measurable outcomes and how we will achieve them.

Our vision is a 'healthy environment that supports a liveable and prosperous Victoria.' The *5 Year Plan* will help us deliver this vision.

Cheryl Batagol, Chairman

John Merritt, CEO

# OUR JOURNEY

By investing in EPA over the next five years the Victorian community can expect EPA to:

- Transparently manage past and current contaminated environments to restore land to productive use where appropriate and reduce risks to communities.
- Ensure that all duty-holders understand their environmental obligations and are held to account so they manage their responsibilities to prevent impacts.
- Consistently monitor and enforce compliance with laws and standards, ensuring that practices presenting risk to people and the environment are minimised or prevented.
- Work collaboratively with planning agencies to ensure decisions, now and in the future, protect the community's right to a safe and healthy environment.
- Enable the Victorian community to have the information it needs and to participate in, and contribute to, finding solutions for environmental issues that affect it.
- Work with portfolio partners and co-regulators to deliver environmental outcomes in a coordinated, efficient and effective way.
- Ensure that Victorian environmental standards reflect the best available knowledge, protecting environmental integrity and health.
- Build our workforce to deliver these outcomes for the people of Victoria.

## Our guiding principles

The following principles guide our work and outline what Victorians can expect from EPA.

|                      |  |
|----------------------|--|
| <b>Accountable</b>   | EPA is accountable to the people of Victoria through the Parliament. We will be accountable by publishing plans and our results against those plans. We expect the community to hold us to account for achievement of our outcomes and use of public resources.  |
| <b>Transparent</b>   | Regulation will be developed and enforced transparently, to promote the sharing of information and learnings. Compliance of duty-holders and EPA's regulatory actions will be explained and open to public scrutiny. Enforcement actions will be made public, to build the credibility of EPA's regulatory approach and processes. |
| <b>Effective</b>     | EPA will be an effective environmental regulator. We will focus our efforts on preventing environmental harm from impacts. We will ensure we deliver on environmental outcomes.  |
| <b>Inclusive</b>     | EPA will engage with community, business and government to promote environmental laws, set standards and provide opportunities to participate in compliance and enforcement.   |
| <b>Authoritative</b> | EPA will be an influential authority on environmental impacts. It will also be an authoritative source of information on environmental condition, level of compliance with the laws it regulates, key risks and new and emerging issues.   |
| <b>Consistent</b>    | EPA will be consistent and predictable in the way it deals with duty-holders, which include licensees, businesses and individuals. EPA aims to ensure that similar circumstances, breaches and incidents lead to similar outcomes.   |
| <b>Targeted</b>      | Our work will be targeted at preventing the most serious environmental harm.   |
| <b>Proportionate</b> | Regulatory measures will be proportional to the problem they seek to address.  |

## Our corporate citizenship

EPA respects its community and in our decision making we will take the following into account.

### Connection to health

EPA protects the environment for the benefit of Victorians now and in the future. This means protecting human health, maintaining healthy ecological systems and protecting the value our natural environments provide for recreation. Together these support a liveable and prosperous Victoria.

### Duty of care

Everyone has a duty of care to look after the environment we live in. EPA will work to ensure people are aware of their obligations and opportunities to contribute to improving and maintaining their environment and to tackle the big problems of the future. EPA will also play our part as an effective environmental regulator and an influential authority on environmental impacts to deliver on long-term environmental outcomes.

### Environmental citizenship

EPA will ensure the community has equal and fair access to information about its environment and the opportunity to have a say on environmental issues that affect it. This will include bringing together communities and businesses to discuss and resolve local environmental problems to ensure environmental citizenship is achieved.

### Environment portfolio and agency collaboration

EPA is dedicated to collaborating with the Department of Sustainability and Environment (DSE), Sustainability Victoria (SV) and other agencies with environmental responsibilities to tackle and avoid environmental impacts.

# IDENTIFYING OUR ENVIRONMENTAL OUTCOMES

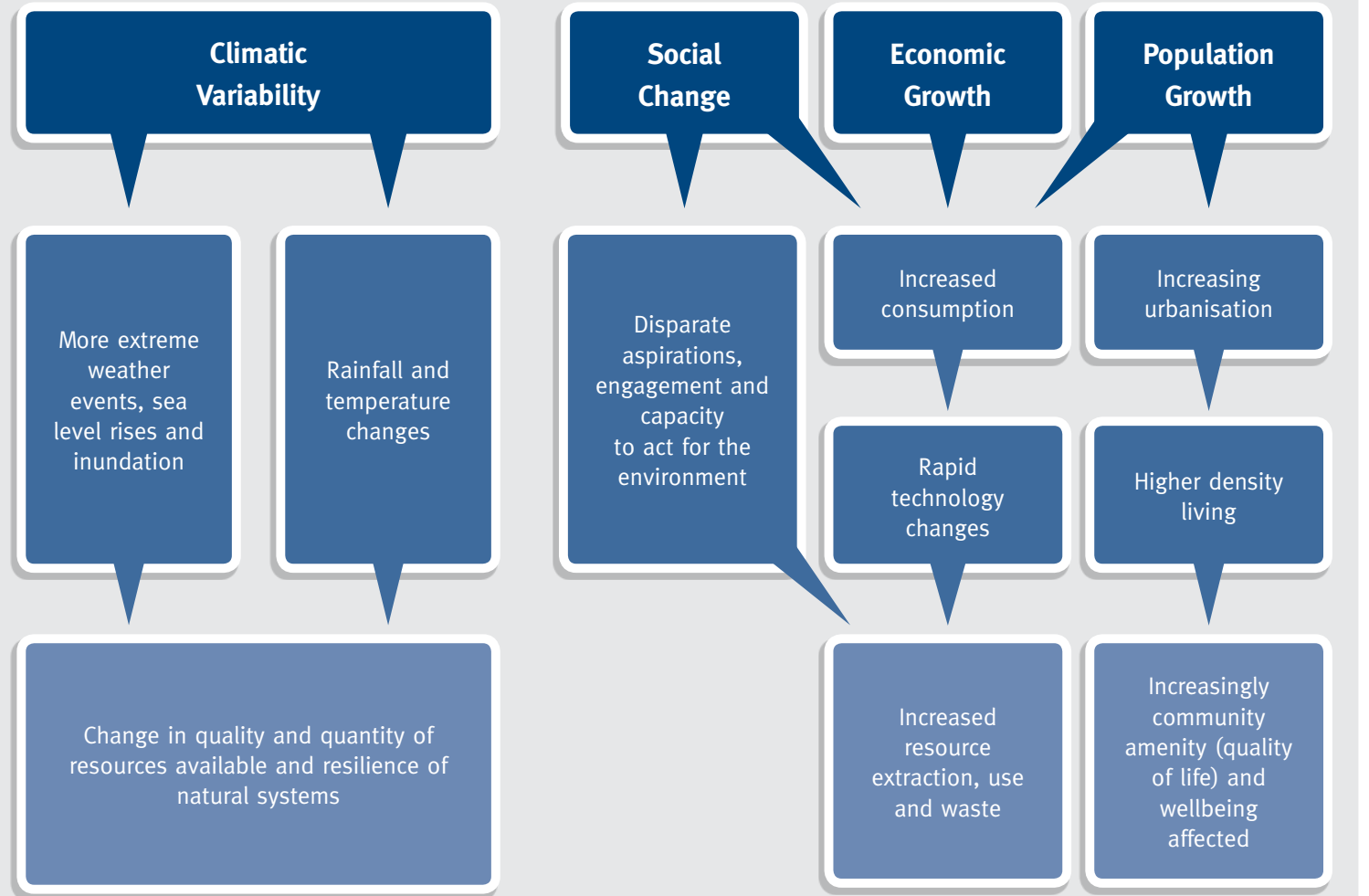
In setting the environmental outcomes we want to achieve and our priorities for the next five years, we took into account key drivers of change in Victoria's environment and Victoria's current environmental condition.

## Defining the drivers of change

The key drivers identified were:

- climatic variability
- social change
- economic growth
- population growth

Each of these drivers has consequences that will ultimately have an impact on Victoria's environmental quality.





## Analysing Victoria's environmental condition

Overall, the condition of key segments of Victoria's environment in 2010 ranged from poor to good.

|                  |  | Condition in 2010   |   |   |
|------------------|--|---|---|---|
|                  |  | Poor  | Some issues   | Good  |
| Water quality    | Most areas of the bays, streams and groundwater were considered poor or have some condition issues. The open coast and some areas of groundwater were considered good. | <ul style="list-style-type: none"> <li>• Groundwater</li> <li>• Stream condition</li> </ul> | <ul style="list-style-type: none"> <li>• Bays and estuaries</li> <li>• Groundwater</li> <li>• Stream condition</li> </ul> | <ul style="list-style-type: none"> <li>• Open coast</li> <li>• Groundwater</li> </ul> |
| Land quality     | There were some issues with general contamination, as well as specific areas (hotspots) that were considered poor.   | <ul style="list-style-type: none"> <li>• Hotspots (litter, illegal dumping)</li> </ul>      | <ul style="list-style-type: none"> <li>• Contaminated sites</li> </ul>  |   |
| Air quality      | Victoria generally has good air quality, but there were areas that had some issues with air quality.   |   | <ul style="list-style-type: none"> <li>• Hotspots</li> <li>• Events</li> </ul>  | <ul style="list-style-type: none"> <li>• General air quality</li> </ul>               |
| Noise experience | Across Victoria, the community has told us that they experienced some level of noise disturbance. There were also hotspots where the experience was considered poor.   | <ul style="list-style-type: none"> <li>• Hotspots</li> </ul>                                | <ul style="list-style-type: none"> <li>• General experience</li> </ul>  |   |
| Odour experience | Overall the experience of odour was considered good; however, there were hotspots that were considered poor.   | <ul style="list-style-type: none"> <li>• Hotspots</li> </ul>                                |   | <ul style="list-style-type: none"> <li>• General experience</li> </ul>                |

# OUR ENVIRONMENTAL OUTCOMES

EPA's 5 Year Plan will support the achievement of the following environmental outcomes by 2030:



## Clean Air

### Clean air

Continue to meet or surpass national and state air quality objectives for emissions reduction to ensure we protect human health and other beneficial uses.

Key measures will be:

- Compliance with the standards set out in the State Environment Protection Policy (SEPP) Ambient Air Quality
- Reduction in health burden from air pollutants
- Reduction in greenhouse gas emissions.#

#### Key:

- # This will be aligned to Government legislation and policy targets.
- + Priority systems will be aligned to the Victorian Strategy for Healthy Rivers, Estuaries and Wetlands (due to be released in 2011–12) and Melbourne Water's priority areas for urban Melbourne.
- \* Measures will be reviewed and aligned with the Victorian Waste Policy Review recommendations anticipated in 2012–13.

### Healthy groundwater

Maintain and where necessary improve groundwater quality to ensure it is suitable for use.

Key measures will be:

- Polluted groundwater not used for unsuitable purposes
- Where not suitable for use, groundwater cleaned up to be suitable for use
- Reduction in use of groundwater posing unacceptable risk to health.

### Healthy marine and freshwater systems

Marine and freshwater quality objectives are met, ensuring all beneficial uses are protected. The condition of priority marine and freshwater+ systems is improved.

Key measures will be:

- Pollutants do not trigger non-compliance with standards in the State Environment Protection Policy (SEPP) Waters of Victoria
- Improvement in water quality for priority freshwater and marine systems
- Reduction in the number of days when water quality poses unacceptable risk to health.

Healthy Water

### Safe land

Land is safely managed and improved to restore it to productive use. No new or existing activities contaminate land.

Key measures will be:

- Increase in the number of contaminated environments cleaned up or managed to be suitable for use
- Reduction in use of land posing unacceptable risk to health

### Less waste

Reduction in waste will positively impact our environmental outcomes. Waste is reduced by encouraging avoidance, reuse and recycling. All waste is safely and responsibly managed.

Key measures\* will be:

- Increase in the amount of waste that is avoided, recycled or reused as a proportion of total waste
- Waste is managed to meet prescribed standards and does not impact environmental quality
- Reduced quantities of waste to landfill.

Safe Land

### Minimal disturbance from noise and odour

The community does not experience disturbance from noise and odour.

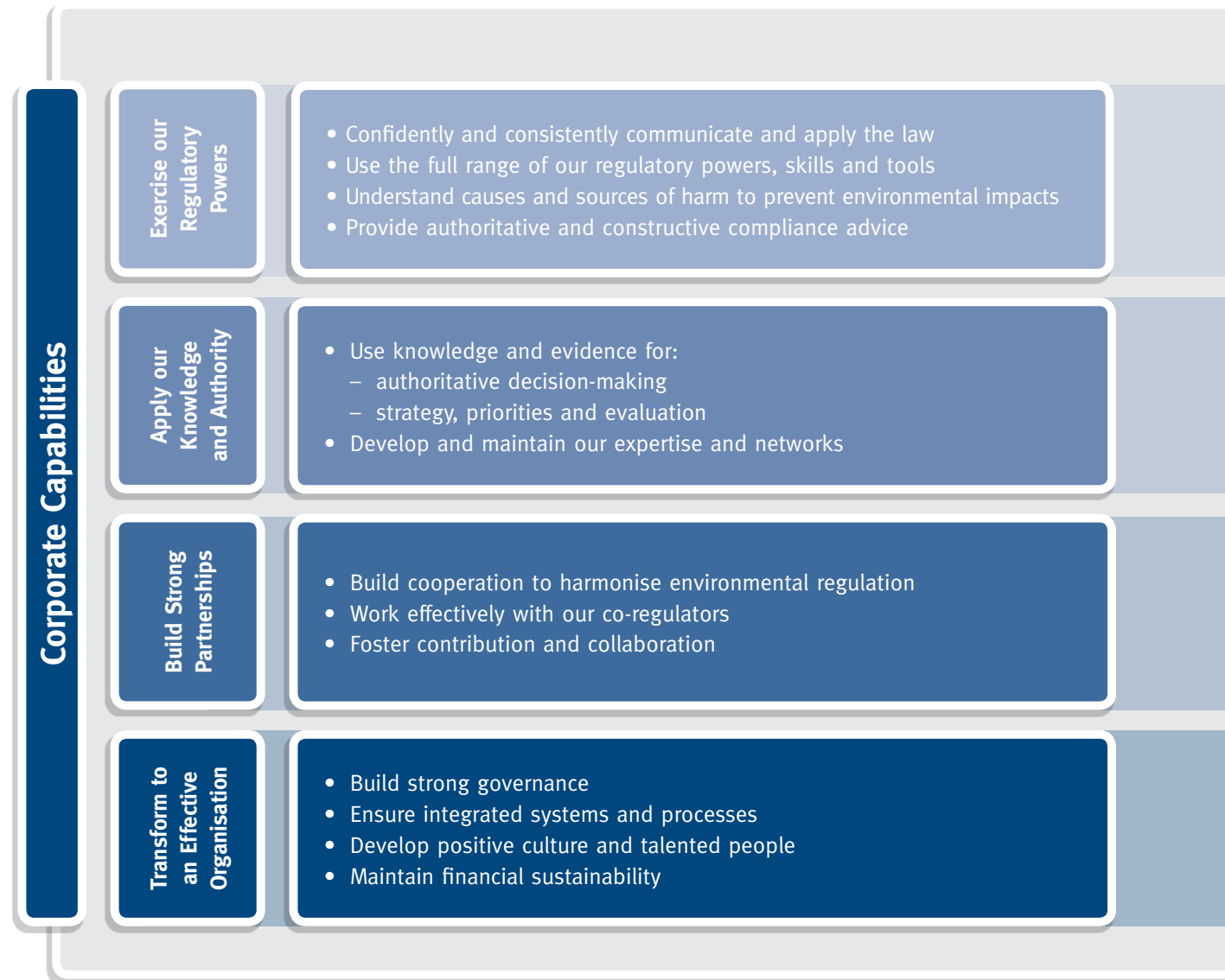
Key measures will be:

- Community increasingly satisfied with its experience of noise and odour
- Decrease in noise and odour incidents
- Reduction in health burden from noise and odour.

Minimal Disturbance from Noise and Odour

# MAKING IT HAPPEN: THE STRATEGIC FRAMEWORK

EPA's strategic priorities and corporate capabilities show what we will focus on and what we need to excel at in order to achieve our environmental outcomes.



## Strategic Priorities

### Deal with past pollution

#### Reduce environmental and health impacts of historical contamination

##### Objectives:

- Improve transparency of management of contaminated environments and their impacts.
- Enforce the law to ensure contaminated environments are safely managed.
- Support the conversion of contaminated environments to assets.
- Learn from the past to prevent future problems.

### Tackle current environmental issues

#### Prevent pollution and improve efficiency of resource use

##### Objectives:

- Tackle pollution and ensure compliance using a risk-based approach.
- Support planning and development decisions to prevent impacts.
- Minimise impacts of resource use.

### Shape the environmental future

#### Avoid future impacts by anticipating and acting

##### Objectives:

- Enhance the intelligence and communication of environmental quality and its drivers and impacts.
- Ensure science and other evidence underpins decision making at national, state and local levels.
- Lead and influence strategies and standards that safeguard from future impacts.

# OUR STRATEGIC PRIORITIES

Our strategic priorities are focused around three key themes:

## 1 Deal with past pollution

This priority ensures that past pollution does not affect the environment, health and wellbeing of Victorians. Land and groundwater contaminated by former waste disposal, industrial and other activities are often discovered during changes to land use. In the next five years there will be increased demand for residential properties and recreational and commercial land, predominantly close to urban areas.

To protect the community, EPA is committed to comprehensively reviewing the state of contaminated environments in Victoria. We will implement an action plan to identify priority sites, make information available to the public, and put processes in place to safely manage these environments and, where appropriate, restore the environment to productive use.

### Reduce environmental and health impacts of historical contamination

#### Objectives

- Improve transparency of management of contaminated environments and their impacts.
- Enforce the law to ensure contaminated environments are safely managed.
- Support the conversion of contaminated environments to assets.
- Learn from the past to prevent future problems.

#### Critical success in five years

All sites being cleaned up or managed meet statutory requirements. No non-compliances identified without escalation.

#### Indicators of success

- Percentage of known sites closed out, in line with EPA requirements.
- Percentage of statutory requirements met or escalated.
- No new land developed for a sensitive use that is not suitable.

## 2 Tackle current environmental issues

### Tackle pollution and ensure compliance using a risk-based approach

This priority represents a strengthening of our approach to compliance and enforcement. The pollution impacts we face in the coming five years will challenge us to effectively analyse, prioritise and respond to pollution from various sources ranging from individual businesses to a combination of small and large businesses, to multiple diffuse sources.

Our approach to tackling current pollution requires us to innovatively and flexibly use the full range of our regulatory tools. The key to continuously maintaining or improving environmental quality and experience will be to regularly review standards as we, business and the community learn more about the opportunities that evolving technology, knowledge and community expectations provide.

### Support planning and development decisions to prevent impacts

Population growth is increasing demand for urban renewal and fringe developments. The likely result is new residential settlements and increased demand to change land use. New residential developments will increasingly interface with existing agricultural and industrial areas. These changes in land use have the potential to significantly impact the quality of air, and increase odour and noise disturbances for communities.

To prevent these potential impacts we will work closely with the planning system to set clear standards that can be applied in planning and development decisions. Proactively working in this space as an influential authority on environmental impacts will help to prevent future problems.

### Minimise impacts of resource use

EPA seeks to minimise the impacts that resource use has on the quality of the environment. Resource use and its disposal already have a significant impact on the quality of the Victorian environment. With greater consumer demands from a growing population, these impacts are expected to increase in the future.

We know that by focusing on minimising resource use and increasing resource efficiency in product life cycles, we have the best chance of preserving our natural resources and reducing the by-products that contaminate our environment.

EPA regulates businesses to be more efficient in the use of energy, water and waste products. Our regulatory approach is targeted at minimising waste production, ensuring appropriate reuse and disposal, and encouraging innovation in new waste management techniques.

## Prevent pollution and improve efficiency of resource use

### Objectives

- Tackle pollution and ensure compliance using a risk-based approach.
- Support planning and development decisions to prevent impacts.
- Minimise impacts of resource use.

### Critical success in five years

- Existing pollution reduced through regulatory efforts based on sound science and knowledge.
- Planners are requiring best practice for operating practices (including maintaining siting and buffers) to ensure pollution is prevented and impacts are minimised.
- Resource use and efficiency programs show demonstrable improvements in resource avoidance, reuse and recycling.

### Indicators of success

- Tackle pollution and ensure compliance using a risk-based approach
- Harm Index shows reduced impact from highest priority issues.
  - Overall level of Compliance improved.
  - Reduction in pollutants from priority hotspots.
  - Increased community satisfaction with priority hotspots.
- Support planning and development decisions to prevent impacts
- Reduced number of new problems attributed to poor buffer distances.
  - Increase in number of decisions in line with EPA guidance.
- Minimise impacts of resource use
- Per-unit reductions in resource use (water, energy, emissions and waste).
  - Per-unit increases in resource reuse, recycling and energy recovery (water, energy, emissions and waste products).

### 3 Shape the environmental future

This priority focuses EPA's effort on understanding and predicting environment condition through knowledge of the drivers of change (environmental, societal and economic), including assessing the opportunities and threats from new technology. This knowledge underpins how, as a regulator, we will tackle tomorrow's problems and refine our strategies to deal with current issues.

We will interpret and model data and use information to help us address issues of environmental impacts prior to them emerging. We will valuably contribute to government, agencies and other organisations managing environmental risks. Our commitment to continuous improvement of environment protection will be reflected in effective and up-to-date approaches to pollution prevention.

#### Avoid future impacts by anticipating and acting

##### Objectives

- Enhance the intelligence and communication of environmental quality and its drivers and impacts.
- Ensure science and other evidence underpins decision making at national, state and local levels.
- Lead and influence strategies and standards that safeguard from future impacts.

##### Critical success in five years

EPA authoritatively influences key stakeholders to deliver improvements to the environment based on sound science, knowledge and evidence.

##### Indicators of success

- Demonstrable gains for the environment in line with EPA expectations on critical issues where EPA has sought influence.
- Policies, programs and standards set and/or improved to reflect best available science, knowledge and evidence.



# OUR CORPORATE CAPABILITIES

In order to achieve our environmental outcomes and strategic priorities we need to:

## Exercise our Regulatory Powers

- Confidently and consistently communicate and apply the law.
- Use the full range of our regulatory powers, skills and tools.
- Understand causes and sources of harm to prevent environmental impacts.
- Provide authoritative and constructive compliance advice.

### Critical five year outcomes

- EPA effectively monitors, regulates and supports businesses to understand and apply their legislative responsibilities, and to improve their environmental performance.
- EPA effectively supports its field staff to build their knowledge, confidence and capability to apply regulatory powers.

### Indicators of success

- Increased percentage of businesses that report an understanding of their obligations and confidence in EPA as an independent regulator.
- Increase in the level of confidence, knowledge and support reported by EPA's field force to apply its regulatory function.

## Apply our Knowledge and Authority

- Use knowledge and evidence for:
  - authoritative decision-making
  - strategy, priorities and evaluation
- Develop and maintain our expertise and networks.

### Critical five year outcomes

- EPA's culture and behaviour supports the use of knowledge and evidence in decision making.
- EPA is able to authoritatively influence to achieve the outcomes we desire.

### Indicators of success

- Our people and EPA target audiences (general public, customers and community stakeholders) are increasingly confident that EPA decision making reflects the use of evidence and knowledge.
- All priority programs actively review progress, proactively learn from their experiences and effectively share this knowledge internally and externally.
- Demonstrable evidence that expertise has been used to influence major regulatory and policy decisions in priority knowledge areas.
- Increased proportion of EPA decisions that are upheld when formally challenged (e.g. VCAT, legislative proposals).

### Build Strong Partnerships

- Build cooperation to harmonise environmental regulation.
- Work effectively with our co-regulators.
- Foster contribution and collaboration.

#### Critical five year outcomes

- EPA collaborates and builds partnerships with government and strategic partners that enable more effective and strategic delivery of our legislative mandate.
- EPA works effectively with co-regulators to achieve mutually beneficial outcomes.
- EPA builds public awareness of and support for EPA's role, enabling social standards that encourage the public to contribute to and collaborate in protecting the environment.

#### Indicators of success

- Increase in the percentage of Government and strategic stakeholders and environmental partners that report purposeful collaboration and engagement towards mutually beneficial outcomes.
- Demonstrable improvement in harmonisation of regulatory practice.
- Increase in the percentage of co-regulators that report support from EPA to deliver their role.
- Increase in the percentage of community members who report consistent and aligned responses from EPA and co-regulators.
- Increase in the percentage of general public, customers and community stakeholders who report accessible, meaningful information and engagement from EPA.

### Transform to an Effective Organisation

- Build strong governance.
- Ensure integrated systems and processes.
- Develop positive culture and talented people.
- Maintain financial sustainability.

#### Critical five year outcomes

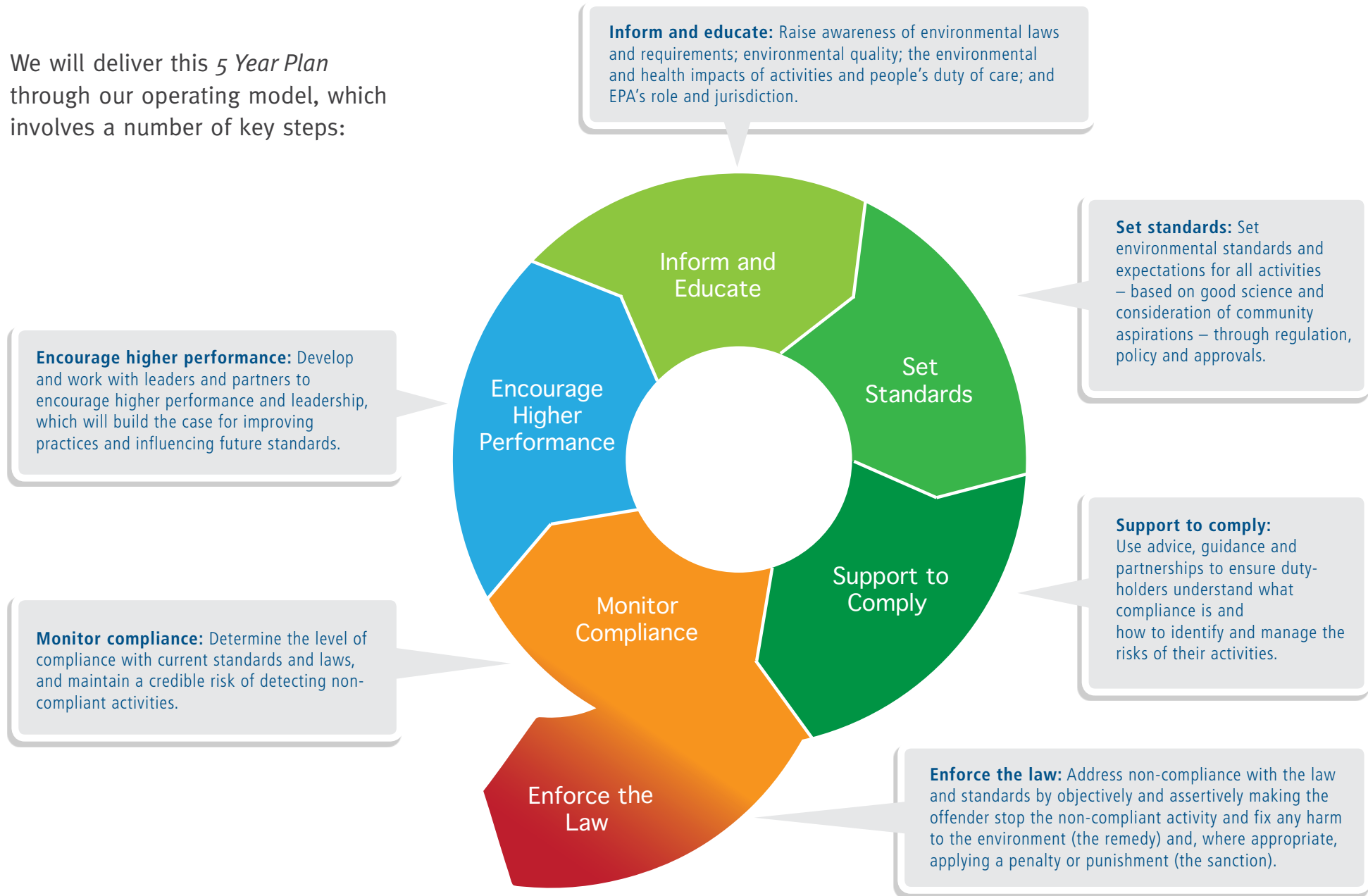
- EPA's strong governance model ensures we deliver on our objectives with demonstrable alignment between the *5 Year Plan*, Annual Plan, Unit Plans and individual performance plans.
- Our people have access to the right information at the right time and have confidence in the information.
- EPA is a preferred employer due to sound people development opportunities and a positive and safe working culture.
- EPA maintains a balanced operational budget.

#### Indicators of success

- Our people's performance plans and business unit plans are mapped to the *5 Year Plan* and regularly reviewed.
- Key corporate risks are regularly reviewed, updated and managed at the lowest feasible level.
- Our people report increasing confidence in the useability and quality of information they receive from EPA systems and processes.
- Improvement in the annual Organisation Culture Inventory (OCI) results.
- Employment retention rates are higher than the government average.
- Minimal percentage variance from budgeted position.

# OUR OPERATING MODEL

We will deliver this *5 Year Plan* through our operating model, which involves a number of key steps:



# APPENDIX A: OUR REGULATORY APPROACH

Before drafting this *5 Year Plan*, EPA needed certainty that the underpinnings of our work were the right ones. To be an effective, modern environmental regulator, EPA must work from principles that are appropriate and well understood — within the organisation, by those we regulate and by the community at large.

In June 2011 EPA unveiled a new way of operating that will provide more predictable compliance and enforcement, or ‘policing’, functions.

The *Compliance and Enforcement Policy* was developed in direct response to recommendations made in the Compliance and Enforcement Review that was undertaken in late 2010. The policy provides the framework for how EPA will exercise its discretion in its compliance and enforcement work and in practical terms ensures a consistent approach to the way we discharge this function.

As a result of the new policy, EPA’s actions will be more consistent and predictable and business and the community will know what to expect from EPA.

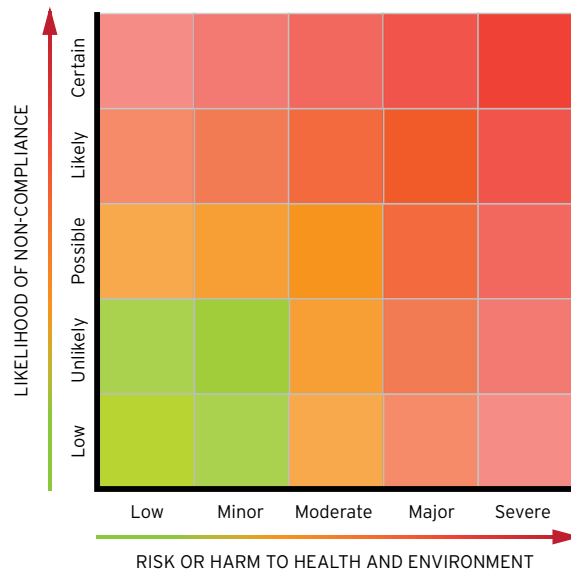


# A risk-based and responsive regulatory model

EPA's regulatory model for compliance and enforcement is based on assessing risk and minimising harm.

EPA will prioritise compliance and enforcement activity, and allocate resources where it can, to make the biggest difference to Victoria's environment by addressing the biggest risks to environment, health, safety and wellbeing. Risk is defined as a combination of both the likelihood and consequences of non-compliance, as the diagram below illustrates.

This risk-based approach informs EPA's approach to incidents and the follow-up of compliance requirements. We use a number of proactive and responsive methods based on field work, desktop audits and third-party reporting.



## EPA's approach to targeted enforcement

### Consequence:

The risk or harm to health or environment has five levels: low, minor, moderate, major and severe. This takes into account the actual or potential impacts on human health, environment and amenity. It also considers the scale and duration of any harm or impact and the level of public concern.

### Likelihood:

The likelihood of non-compliance also has five levels: low, unlikely, possible, likely and certain. Likelihood takes into account (a) the track record of the business — past incidents, inspections, enforcement and pollution reports; (b) business systems in place to identify and manage environmental risk; (c) competence of the business and its operators; and (d) the level of resources the business dedicates to environmental management, compliance and maintenance.

## How the 5 Year Plan was developed

The development of EPA's *5 Year Plan* was designed to drive changes in EPA's culture and reflect our new principles. We received a wealth of information and knowledge throughout the process using a number of engagement tools including blogs, community forums, staff consultations and discussions with the EPA Advisory Board and Minister for Environment and Climate Change.

We thank all who were involved for your engagement and contribution to our Plan.

### FURTHER INFORMATION

For further information on EPA's *5 Year Plan* and EPA's *Compliance and Enforcement Policy* contact EPA on 1300 EPA VIC (1300 372 842).





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