

Landlords and agents fact sheet: storage and abandonment of waste



Environment
Protection
Authority Victoria

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Fact sheet

Overview

Landlords and real estate agents need to be aware of the risks associated with tenants who store or manage waste on leased premises.

This fact sheet provides information about the potential risks and mitigation measures needed, and aims to support landlords and agents to protect themselves and their land.

Waste poses fire, environmental pollution and health risks. These risks may result in unexpected costs, and potentially decrease property values. If tenants abandon waste on a property, landlords may also become liable for the cleanup. EPA investigated several cases where landlords received significant financial penalties and/or inherited the cost of cleanup. Due diligence can reduce the risk of such environmental, financial and legal liabilities.

Who is this fact sheet for?

Landlords and agents who lease or manage land or property for the purpose of:

- storing of bulk materials
- recycling or sorting operations, such as skip bins, tyres, electronic waste (e-waste), glass, etc.

What is the issue?

Storing, sorting and processing waste (for example recycling centres, bulk storage of products, waste or soils transport, skip bin collections) are legitimate activities.

However, there are risks associated with these activities as waste is commonly collected and stored in large quantities to await processing or price increases.

Some companies get into financial hardship, such as bankruptcy or administration, and landlords can be left with the legal liability to clean up the waste.

There are also rogue operators within the waste sector who, as part of an illegal business model, lease property, accept payments to collect waste, then abandon the property to avoid landfill fees.

Landlords need to take measures to protect themselves and their land from such activities.

What are the risks?

Illegally dumped or abandoned waste can include:

- construction and demolition waste
- materials containing asbestos
- contaminated soils
- medical and radiological waste
- general commercial waste
- e-waste, glass, plastics, tyres, polystyrene, etc.

Further information and updates

Contact EPA on
1300 372 842
(1300 EPA VIC)
or epa.vic.gov.au

- [Illegal dumping alert \(EPA publication 1512\)](#)
- [EPA cleanup and cost recovery under the Environment Protection Act \(EPA publication 1538\)](#)
- [Management and storage of combustible recyclable and waste materials – guideline \(EPA publication 1667\)](#)



Waste stored on your property may pose fire, pollution and health risks:

- **Fire risk** – Most waste is combustible. When stored in large volumes, it can fuel fires that pollute air and contaminate land and waterways. Infrastructure and buildings can also be damaged.
- **Leakage or leaching** – Materials can contaminate land and surrounding stormwater.
- **Health and safety** – Buildings filled with hazardous waste are a risk to workers and surrounding community if not appropriately managed.
- **Property devaluation** – Properties can become damaged, geotechnically unstable and significantly devalued.
- **Additional costs** – When waste is abandoned or catches fire, the financial consequences may include environmental consulting fees, fees for transporting waste to licensed facilities, contaminated land or water cleanup, legal fees and loss of rental income.

What is EPA's role?

EPA investigates and prosecutes individuals and companies found to be dumping, discarding or abandoning waste on land under section 27a(2) of the *Environment Protection Act 1970* (the Act). These cases can be difficult to prove if a tenant has already abandoned or vacated the property, or where little evidence may be available.

EPA is currently investigating several cases where landowners have incurred significant financial

penalties and inherited the cost of cleaning up the waste.

Clean up notices can be issued to the landowner by EPA under section 62 of the Act. This is to prevent further contamination and restore the environment to its original state.

What can you do?

Reducing the risk of tenants abandoning waste on your property requires due diligence. Landlords and agents should carefully scrutinise all individuals or companies who seek to lease property. Some checks and measures may include:

- understand who you are leasing to, by obtaining company and director information
- understand what operations will take place, including the types of products or waste to be processed or stored
- use a reputable estate agent
- seek legal advice to structure lease agreements that help protect landlords from illegal waste dumping
- ask for evidence of building permits, council approvals or EPA approvals for proposed activities (once obtained) before a business begins operating
- ensure lease agreements adequately address any rubbish, debris or waste left behind by tenants
- seek a security deposit to help cover the cost of cleanup, should a tenant abandon any waste
- speak to your insurance broker to ensure appropriate insurance policies are in place
- undertake regular inspections of your property.

Case study 1: Skip bin company

The landowner had a handshake agreement with a skip bin company who wanted to use his industrial lot. The skip bin company used the site as a waste processing depot without a council permit. The company was eventually evicted by the local council and left behind piles of mixed construction waste. The landowner received a clean up notice from EPA and had to cover the costs.

Cost to landowner: \$10,000



Case study 2: Wood materials fire

A company stored a large stockpile of wood materials without a permit from the local council and without EPA approvals. The wood caught fire. Smoke and airborne pollutants impacted local community and businesses. Some businesses were closed for several days following the fire. Land was contaminated from the fire, and the local waterway was severely impacted by firefighting water. The company responsible was investigated by EPA and by the local council. The landowner was required to carry out cleanup activities and unable to lease the land for several years while the issue was resolved in court.

Cost: More than \$1 million for environmental restoration and site cleanup