



Environment Protection Authority Victoria

Annual report of operations
2023–24



In accordance with the *Financial Management Act 1994*, we are pleased to present Environment Protection Authority (EPA) Victoria's annual report of operations for the year ending 30 June 2024.



Professor Kate Auty

Chair, EPA Governing Board
Responsible Body
26 November 2024



Lee Miezis PSM

Chief Executive Officer
Accountable Officer
26 November 2024

Financial management compliance attestation statement

I, Kate Auty, on behalf of the Responsible Body, certify that EPA Victoria has no material compliance deficiencies with respect to the applicable Standing Directions under the *Financial Management Act 1994* and instructions.



Professor Kate Auty

Chair, EPA Governing Board
26 November 2024



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.

EPA prides itself on promoting and celebrating diversity and inclusion in our workplace. We want our organisation to be a reflection of the community we serve. We encourage all of our people to bring their whole selves to work and are committed to ensuring our workplaces are safe for them to do so.



Established in 1971, we're one of the oldest environmental regulators in the world.

Over the past 53 years, we've responded to new and emerging risks to our communities and environment – from a changing climate to new industrial pollutants and consumer products, such as lithium-ion batteries – all while tackling legacy contamination and other impacts from historical practices.

Three years ago, we were given a broader remit and new powers. Now equipped to have a greater effect than ever before, this report details our progress in protecting your health and our environment.

About this report

This report is a comprehensive and transparent account of our achievements and performance. It is the main way we report to the Victorian Parliament, our partners, industry and the broader community.

We report against defined targets, measures and outputs. We have structured this report to demonstrate how our annual activities contribute to the longer-term objectives and outcomes of both EPA and the Victorian Government.

Departmental objective, indicators and output

Healthy, resilient and biodiverse environment

Indicators

Reduced pollutants from priority hotspots. EPA prosecutions result in a finding of guilt or a clarification of the law.

Output

Statutory Activities and Environment Protection (Budget Paper No. 3 Service Delivery)

EPA strategic plan 2022 to 2027

Outcomes



Our environment is cleaner and communities are healthier



All Victorians reduce their environmental risks



We have impact and influence

Annual delivery plan 2023–24

Objectives

1. Cause Victorians to act to prevent harm to human health and the environment.
2. Target priority risks of harm to make the biggest difference for our community.
3. Enhance climate action to reduce emissions and improve resilience.
4. Strengthen our culture and capability to achieve organisational excellence.



20
key results

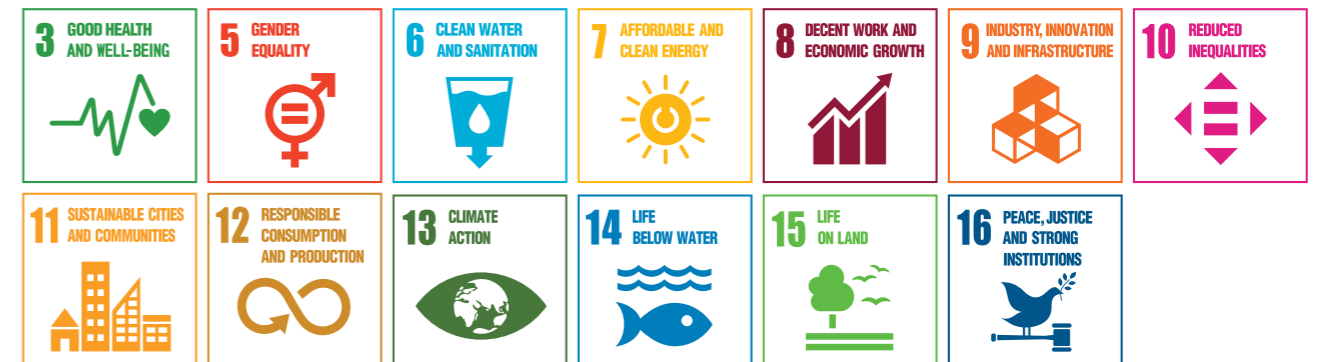


24
priority projects

This is the first year we are reporting against targets from our new Environmental, Social and Governance (ESG) statement.

We also contribute to a broader, global shift

We align our annual objectives to the United Nations' Sustainable Development Goals so we can contribute to a more sustainable world. While we contribute to all 17 global goals, we focus on the following:



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We are Victoria’s independent environmental regulator

Our job is to prevent harm from waste and air, water, land, odour and noise pollution. And we’re here to help everyone – individuals, communities and businesses – understand how they can meet the shared responsibility of protecting our environment.

Our purpose is to protect the health of our communities and environment

Our functions and powers are set out in the *Environment Protection Act 2017*.

Our regulatory approach uses a mix of encouragement and deterrence to motivate action and deliver improved outcomes for Victorian communities and the environment.

Our approach and functions

We apply a risk-based approach that uses science, data and other intelligence to prioritise our efforts to where we can make the biggest difference for our community.

Inform and educate

We raise awareness of environmental duties, human health and environmental risks and impacts of activities, the importance of environmental quality and our role and jurisdiction.

Set standards

We set clear and authoritative environmental and environmental public health standards based on science, community aspirations and industry best practice.

Support to comply

We provide advice and guidance, strengthened through partnerships to support individuals and businesses to comply and improve their capability in identifying and managing their risks.

Monitor compliance

We determine the level of compliance with duties and standards and maintain a credible likelihood of detecting non-compliance.

Enforce the law

We address non-compliance with the law by requiring parties to remedy non-compliance, seek redress for harms and where appropriate pursue a penalty or punishment.

Encourage higher performance

We work with leaders and partners to encourage higher performance, improve industry practices and inform future standards.

In fulfilling our role, we work with the community, industry, and state, local and federal government agencies. This includes others in the Victorian Government’s environment portfolio: the Department of Energy, Environment and Climate Action (including Recycling Victoria) and Sustainability Victoria.

We report to the Minister for the Environment:

The Hon. Ingrid Stitt MP
December 2022 to October 2023

The Hon. Steve Dimopoulos MP
From October 2023



From the Chair and CEO

With our focus on delivering tangible outcomes for Victorians and the environment, we improved our performance in 2023–24 from targeted efforts to enhance our systems and processes.

Delivering our core business

Year on year, we:

- issued 20% more licences and permits
- increased inspections for the third year in a row
- increased waste crime disruption activities – like specialist investigations using aerial and on-ground surveillance, and proactive inspections – by 45%
- issued 6% more notices, directions and orders
- finalised 35% more prosecutions.

This shows our efforts are working and we are delivering more and better outcomes for Victorians. Our pragmatic approach holds us in good stead for the year ahead as we aim to maintain a high standard of environmental regulation.

Achieving results for our environment and community

Focusing our efforts to where we can make the biggest difference, our work over the past year led to real results.

- Targeting our enforcement and education to landfills and other industrial sites helped drive overall odour reports down by 48%.
- Focusing on repeat noise polluters and hot spots, repeat noise reports fell by 9%.

- Our broad promotion of illegal dumping increased community reports of waste and added to our intelligence on waste crime.
- More waste and resource recovery facilities have appropriate permissions to help prevent waste fires and major air quality issues.

We always set ourselves ambitious targets. While not all targets were reached in 2023–24, our achievements affirm our focus on core functions. They also highlight our commitment to continuous improvement as we work in partnership with community, industry and governments to prevent harm to human health and the environment.

Regulating for climate action

Over the past year, we've been clear with industry that we expect more of them, particularly when meeting their general environmental duty and tackling the causes and consequences of climate change. For example, we worked with Victorian water authorities to plan for higher rainfall and reduce unplanned discharges of untreated water.

With our expectations and requirements clearly set out, we're targeting the biggest polluters and requiring them to do more to reduce their environmental impact.

We're holding industry to a high standard and expect this of ourselves as well.

In February 2024 we released our inaugural Environmental, Social and Governance statement, outlining our commitment to sustainable and ethical practices. The plan is already in action – starting with the relocation of our CBD office to a more sustainable building.

The next 12 months will see us transition to 100% renewable energy and increase our electric vehicle fleet. We'll also make progress towards 2027 goals of halving our greenhouse gas emissions and diverting 80% of our operational waste from landfill.

Engaging with our community

As a regulator, it's important our actions are informed by what is important to Victorians of all backgrounds. We rely on individuals, communities and businesses to protect the environment, report pollution and participate in environmental programs. Together we achieve better environmental outcomes.

To open more avenues to participation, we established 7 regional Community Consultation Groups and held the first meetings in April and May 2024. These enable our regional staff to better connect and discuss issues that matter to their immediate communities. This helps us deliver as we recognise that the issues of interest to the Gippsland community are not necessarily the same as those in northern metropolitan Melbourne.

In May, the Governing Board travelled to Gippsland region, engaging with stakeholders and gaining insights into key regional issues. On-location connection is an important part of the Governing Board's commitment to place-based information sharing. Board members were impressed to witness the knowledge and dedication of EPA staff to their work and their commitment to local issues. The Governing Board looks forward to connecting with more regional communities over coming years.

On 23 and 24 May this year we held our second Traditional Owner forum, on Wadawurrung Country in Geelong. The generosity of participants in sharing their stories, knowledge and experiences was deeply appreciated. It was a privilege for EPA staff to participate in these important conversations, creating opportunities for cultural values and healing Country to be part of environment protection.

Supporting our staff to succeed

In reading this report, you will see the importance we place on empowering our staff to make good, consistent decisions. Through training, clear processes and the right technology our people are what makes the difference for all Victorians.

But it's also important to us that our staff feel like they belong and that our workplace has a supportive and inclusive culture.

In the past year, we made great inroads to improve diversity, equity and inclusion.

- We drove down the pay gap between women and men from 2.2% in 2021 to 0.3% in 2023, significantly lower than the Victorian public sector average of 6.5% (non-casual VPS employees, 2023).
- We now have a dedicated diversity and inclusion role and a People Committee to oversee organisational commitments to drive actions and improvements.
- We reported our significant work plan to the Commission for Gender Equality in Public Sector on progress against our Gender Equality Action Plan.
- We increased the number of employee-led networks from 2 to 6, involving almost a quarter of our workforce.

Looking ahead

As population growth, climate change, industry transition, as well as new and emerging threats and opportunities require a different approach, our work with businesses, communities and governments is vital. In an increasingly complex and challenging environment, EPA is working hard to build connections at every level.

Some priorities are clear. This year, we quickly established the Office of Land Renewal, to help support the safe remediation of contaminated and former industrial land to deliver new homes for Victorians – a key Victorian Government priority. The office is actively working with all levels of government, property developers and in communities across the state.

Thank you

Being Victoria's environmental regulator is important work. We're proud of the way our people front up every day and act on their passion and commitment to environmental protection and prevention.

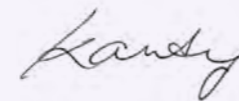
Our sincere thanks to all our staff for their hard work, drive and adaptability.

We would like to thank Monique Conheady and Ross Pilling who finished their roles on the Governing Board in 2023–24. We also welcomed Jonathon Halaiku to the Board on 25 July 2023.

Thank you to our partners in environmental regulation: the Department of Energy, Environment and Climate Action (including Recycling Victoria), Sustainability Victoria and other local, state and federal government agencies.

Finally, thank you to Victorians across our great state for your ongoing work to prevent harm to our environment and health from pollution and waste.

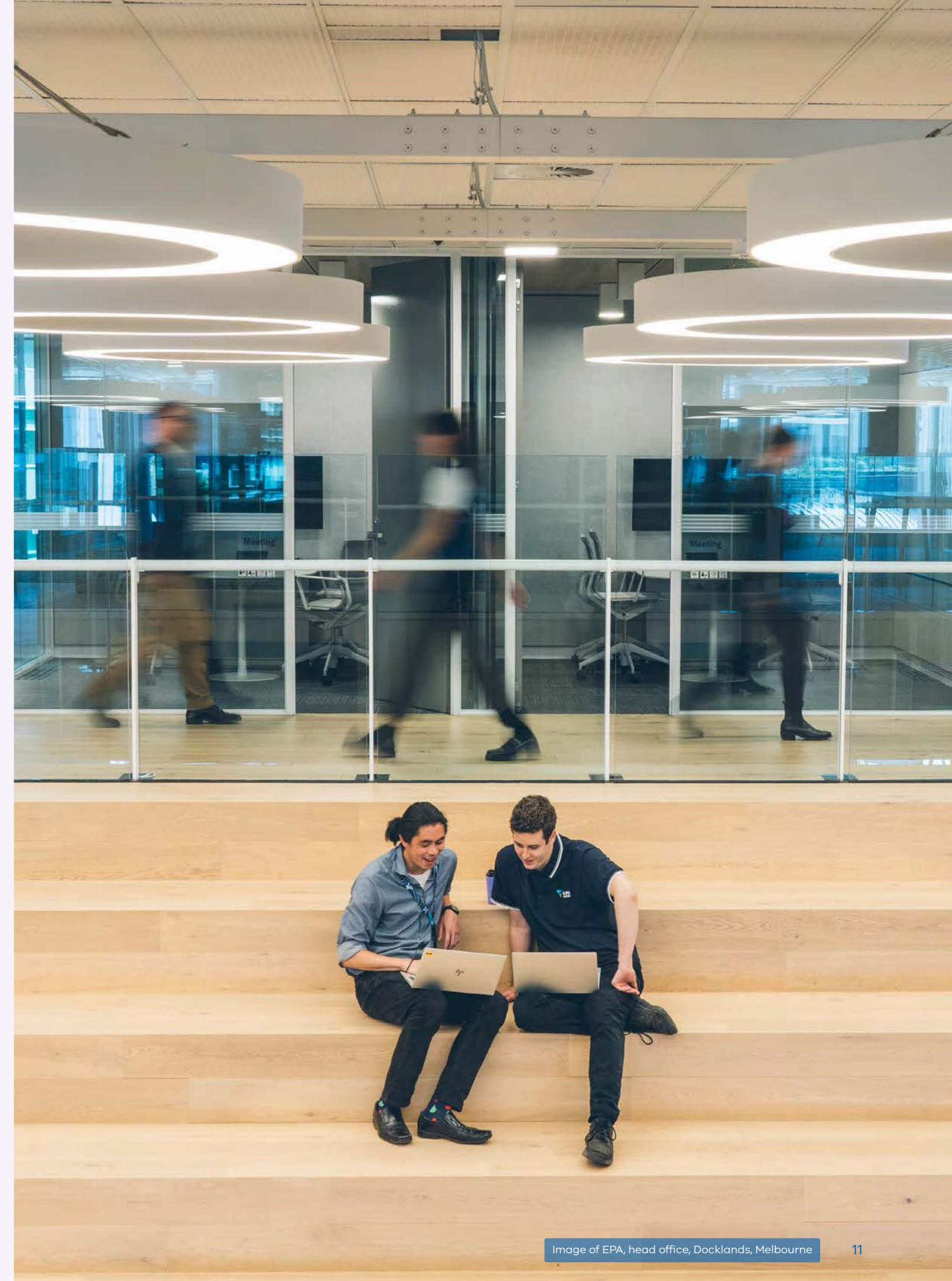
We look forward to continuing to work together in 2024–25 and beyond.



Professor Kate Auty
Chair EPA Governing Board



Lee Miezis PSM
Chief Executive Officer



At a glance

Report

25,141

Pollution reports

48,667

Emails received

43,056

Phone calls received



Permit

702

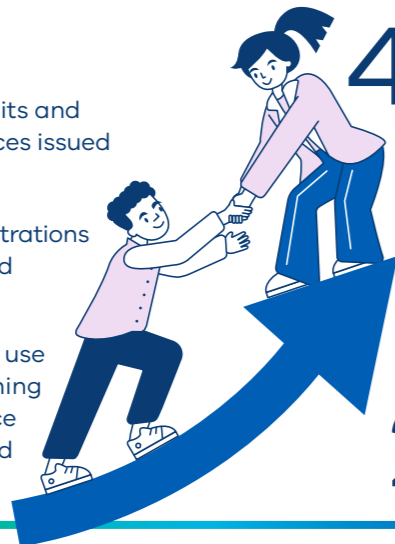
Permits and licences issued

2,996

Registrations issued

940

Land use planning advice issued



4,237

Compliance advice

17

Industry guidance issued

25

Peer-reviewed scientific articles published globally

2,714

Citations in scientific and other journals

Support

Engage

1,533

Engagement activities

99%

Staff trained in engagement

21

Sector consultation group meetings held

7

Community consultation groups formed

1,059

Soil samples received and analysed

2,742

Registrations



Garden Safe

Respond

240

Emergencies attended or advised on

100%

Emergency reports responded to within 2 hours

100%

Priority waste incidents responded to within 15 hours

10

Emergency authorisations for discharge or disposal issued



Monitor

133

Environmental audits

5,429

Inspections

144

Air and water quality notices

558

Air, water, odour, noise monitoring activities



Enforce

15,949

Regulatory notices

290

Official warnings

7

Directions

3

Orders



Civil and criminal matters

139

Matters started in the courts

120

Matters completed in the courts

Departmental objective, indicators and outputs

While a statutory authority, we contribute to a statewide environmental objective of the Department of Energy, Environment and Climate Action.

Objective: Healthy, resilient and biodiverse environment

This objective involves effective, evidence-based policies, programs and regulatory responses for environment protection, and waste resource recovery and recycling.

We support a liveable and prosperous state by leveraging good environmental performance and a shared responsibility among all Victorians to maintain clean air, water and land, and minimal disturbance from noise and odour.

This report details various initiatives and their outcomes that contribute to this objective.

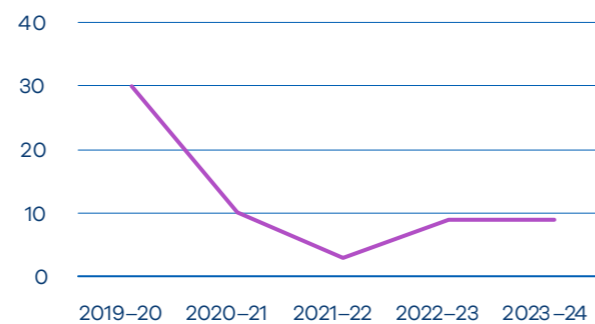
Indicators

Reduced pollutants from priority hotspots

The residential area south of the Brooklyn industrial precinct has a history of poor air quality events due to high dust levels from activities within the precinct. We have monitored the major component of dust in the air, PM10 (particles smaller than 10 micrometres), in Brooklyn since October 2009.

We have maintained our strategic regulatory focus on reducing air pollution in the precinct to lower environmental risk and improve public health outcomes.

Number of days where air quality standard was exceeded in the Brooklyn industrial precinct



In 2023-24, the national air quality standard and Victorian Environment Reference Standard was exceeded on 9 occasions. Most of these days were attributed to activities within the precinct.

On 6 occasions, higher PM10 readings were also measured at other stations (Geelong), indicating that while the main cause of dust in the precinct is due to industry, there may be some contribution from other dust sources further away.

This reinforces the need to reduce local emissions of PM10.

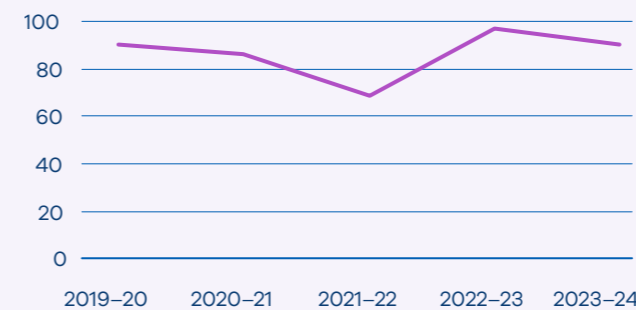
We provided 14 alerts to notify local industry of high-risk dust days, followed by unannounced inspections to ensure local industry enacted their dust management plans and implemented appropriate control measures. Where EPA officers determined non-compliance, remedial notices focused on:

- preventing dust by sealing unsealed traffic surfaces
- preventing dust from materials handling activities
- preventing mud being driven onto public roads.

EPA prosecutions result in a finding of guilt or a clarification of the law

This indicator was introduced in 2022-23 to reflect that matters commenced by EPA have a sound legal basis and are in the public interest.

Percentage of successful prosecutions



*The 2022-23 and 2023-24 results include summary and indictable prosecutions. Data prior to 2022-23 relates to indictable prosecutions only.

In 2023-24 we concluded 98 summary and indictable prosecutions, of which 88 were successful. This is a significant increase from the previous year, where we concluded 63 summary and indictable prosecutions, of which 61 were successful.

This represents an increase in matters concluded by 64%. The reduction in the percentage of successful prosecutions is substantially attributable to the increasing complexity of the matters we are taking to court as we test our powers and regulatory tools.

In 2023-24, there was a significant increase in the number of matters dealing with offences under the Environment Protection Act including a number of criminal and civil proceedings for breaches of the general environmental duty.

We take a proportionate approach to compliance across all sectors and continues to work with duty holders to help them understand and meet their obligations. For those who continue to disregard their regulatory responsibilities, we will use all powers available to protect human health and the environment.

EPA continues to have a significant number of active criminal matters in the courts, exceeding 90 active matters over the course of the year.

Outputs

We prevent and reduce harm from pollution and waste through:

- better regulation
- research
- intelligence to inform compliance and enforcement activities
- collaboration and advice.

Our performance against Victorian Government service delivery measures on the next page, as defined in the service output 'Statutory Activities and Environment Protection' in Budget Paper 3.

We met or exceeded 10 of the 11 performance targets.

Output performance measures

	Unit of measure	2023–24 actual	2023–24 target	Variation (%)	Result
Quantity					
Environment condition notifications provided to Victorians.	number	847	>800	6	✓
We exceeded the target due to the high number of pollution incidents requiring public notifications to be issued.					
Total inspections of business sites or premises conducted to prevent and respond to risks of harm to human health and the environment.	number	5,429	4,000	35	✓
We exceeded the target due to the high number of pollution incidents requiring inspections to be undertaken.					
Quality					
Victorian community trust in EPA.	%	51%	70%	-27	⊖
While we did not meet the target, our 'trust' score is consistent with government agencies nationally. We continue to focus on building community trust, including through communications and engagement, and by strengthening our service culture.					
Timeliness					
Applications for internal review of remedial notices completed within statutory timeframes.	%	100%	100%	0	✓
EPA provides technical advice to lead agencies within required timelines during emergency incidents.	%	100%	90%	11	✓
We exceeded the target which reflects our continued focus on process and system improvement.					
Environmental audits and preliminary risk screening assessment reports are reviewed to ensure administrative compliance with legislation and guidelines within 14 days of submission.	%	90%	80%	13	✓
We exceeded the target which reflects our continued focus on process and system improvement.					

	Unit of measure	2023–24 actual	2023–24 target	Variation (%)	Result
Timeliness continued					
Applications for licences and permits completed within statutory timelines.	%	86%	50%	73	✓
We exceeded the target due to a higher ratio of permits (simpler and lower risk activities) to licences (more complex and higher risk activities).					
EPA responds to priority waste incidents within 15 hours of notification.	%	100%	90%	11	✓
We exceeded the target with one priority waste incident identified.					
EPA confirms duty holder compliance with remedial notice requirements, or escalates for further action, within 17 days of the compliance due date.	%	89%	80%	11	✓
We exceeded the target due to a continued focus on process and system improvement.					
Pollution reporters requesting follow up by EPA receive contact within 5 working days.	%	72%	75%	-4	✓
EPA advice on planning matters is provided within required timeframes.	%	86%	65%	33	✓
We exceeded the target due to streamlined advice being provided to lower-risk activities.					

✓ Performance target achieved or exceeded. ⊖ Performance target not achieved. Variances of +/- 5% or more are explained.

Financial performance summary

EPA recorded a deficit of \$44.3 million in 2023–24 compared to a surplus of \$6.7 million in 2022–23. The decrease in the net result from transactions is mainly due to lower-than-expected Reportable Priority Waste Levy and reduced grants for initiatives together with the utilisation of provisions associated with waste site rehabilitation works.

EPA (controlled) five-year financial summary (\$'000)

	2024	2023	2022	2021 restated*	2020 restated*
Total income from transactions	144,355	196,328	170,931	218,250	186,641
Total expenses from transactions	188,614	(189,595)	(163,994)	(218,632)	(220,536)
Net result from transactions	(44,259)	6,733	6,937	(382)	(33,895)
Comprehensive result	(44,263)	4,227	3,884	(1,408)	(39,168)
Net cash flow from operating activities	(13,808)	(12,237)	12,633	8,142	(17,534)
Total assets	113,025	163,931	187,050	232,874	219,427
Total liabilities	30,392	37,035	64,381	114,089	99,234
Net assets	82,633	126,896	122,669	118,785	120,193

*EPA previously capitalised Software-as-a-Service (SaaS) intangible assets. EPA changed its accounting policy in 2022 to expense SaaS intangible assets following an International Financial Reporting Interpretations Committee (IFRIC) decision and consistent with the interpretation of AASB138 Intangible Assets. Therefore the 2020 and 2021 comprehensive results have been restated to reflect this change.

Financial performance review

Total income from transactions of \$144.4 million in 2023–24 is a \$52 million decrease (26%) from 2022–23. The decrease is primarily due to reduced reportable waste levy receipts.

Total expenses from transactions of \$188.6 million in 2023–24 is a \$1 million decrease (1%) from 2022–23. The decrease is related to reduced work on the Lemon Springs waste site rehabilitation program partly offset by digital enhancement initiatives and costs associated with the Victorian Public Service Enterprise Agreement.

Cash flows

The net cash outflow from operating activities of \$13.8 million in 2023–24 is the result of a decrease in Government grants associated with funded initiatives primarily for the Lemon Springs waste site rehabilitation program, together with an increase in payments made to employees.

Financial position – balance sheet

Total assets of \$113.0 million in 2023–24 is a \$50.9 million decrease (31%) from 2022–23. The movement in assets is primarily a result of the decrease in reportable priority waste levy and the utilisation of cash deposits for waste site remediation works and core services.

Total liabilities decreased by \$6.6 million (17%) from 2022–23. The decrease in total liabilities is driven by the utilisation of the provision for waste site rehabilitation works and a decrease in payables.

Capital projects/asset investment programs

EPA did not complete any projects funded by the State budget above the Total Estimated Investment threshold of \$10 million.

EPA continues to invest in asset programs that align with its strategic goals.

Subsequent events

Subsequent events are events that occur after the reporting period and before the date the financial statements are authorised for issue. The Authority discloses these events as follows:

- adjustments are made to amounts recognised in the financial statements for events where those events provide information about conditions that existed at the reporting date (i.e. adjusting events).
- disclosure is made where the events relate to conditions that arose after the end of the reporting period that are considered to be of material interest (i.e. non-adjusting events).

The Authority has determined the following is a non-adjusting event.

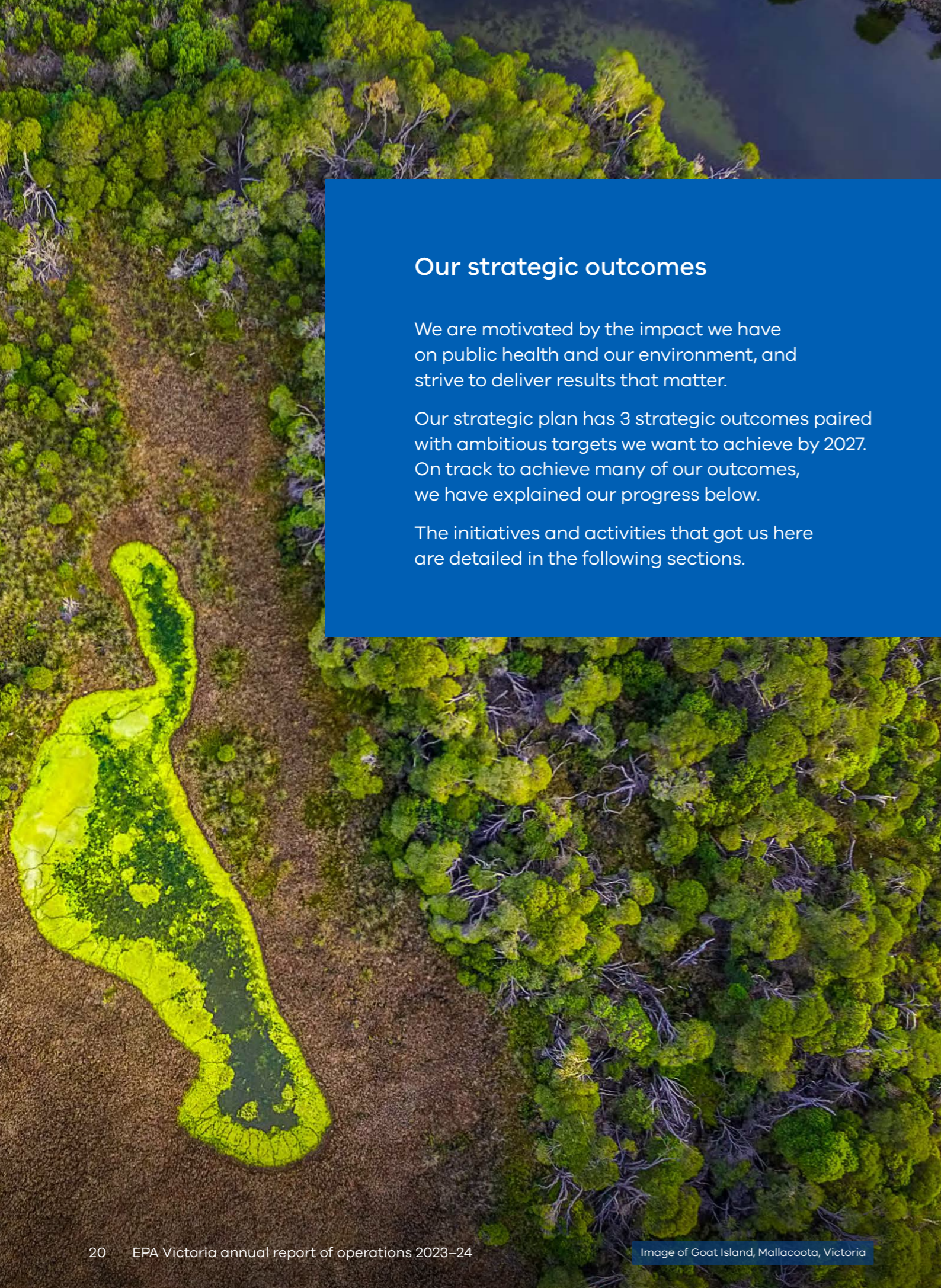
The Victorian Public Service Enterprise Agreement 2024 (Agreement) was formally approved by the Fair Work Commission on 12 August 2024. The agreement has a nominal expiry date of 9 April 2028.

Now that the agreement has been approved, all VPS staff employed at the Authority are entitled to a:

- 3% salary increase backdated to 1 May 2024 with an estimated cost of \$0.5 million for the period 1 May 2024 to 30 June 2024
- once off cost-of-living lump sum payment of \$5,600 per full time employee (employed in the VPS on 28 June 2024) and prorated for part-time employees. The estimated cost is \$5.0 million.

No further events have occurred subsequent to the balance sheet date that would require adjustment to, or disclosure in, the financial report.

For the audited financial statements, please go to [page 95](#).



Our strategic outcomes

We are motivated by the impact we have on public health and our environment, and strive to deliver results that matter.

Our strategic plan has 3 strategic outcomes paired with ambitious targets we want to achieve by 2027. On track to achieve many of our outcomes, we have explained our progress below.

The initiatives and activities that got us here are detailed in the following sections.



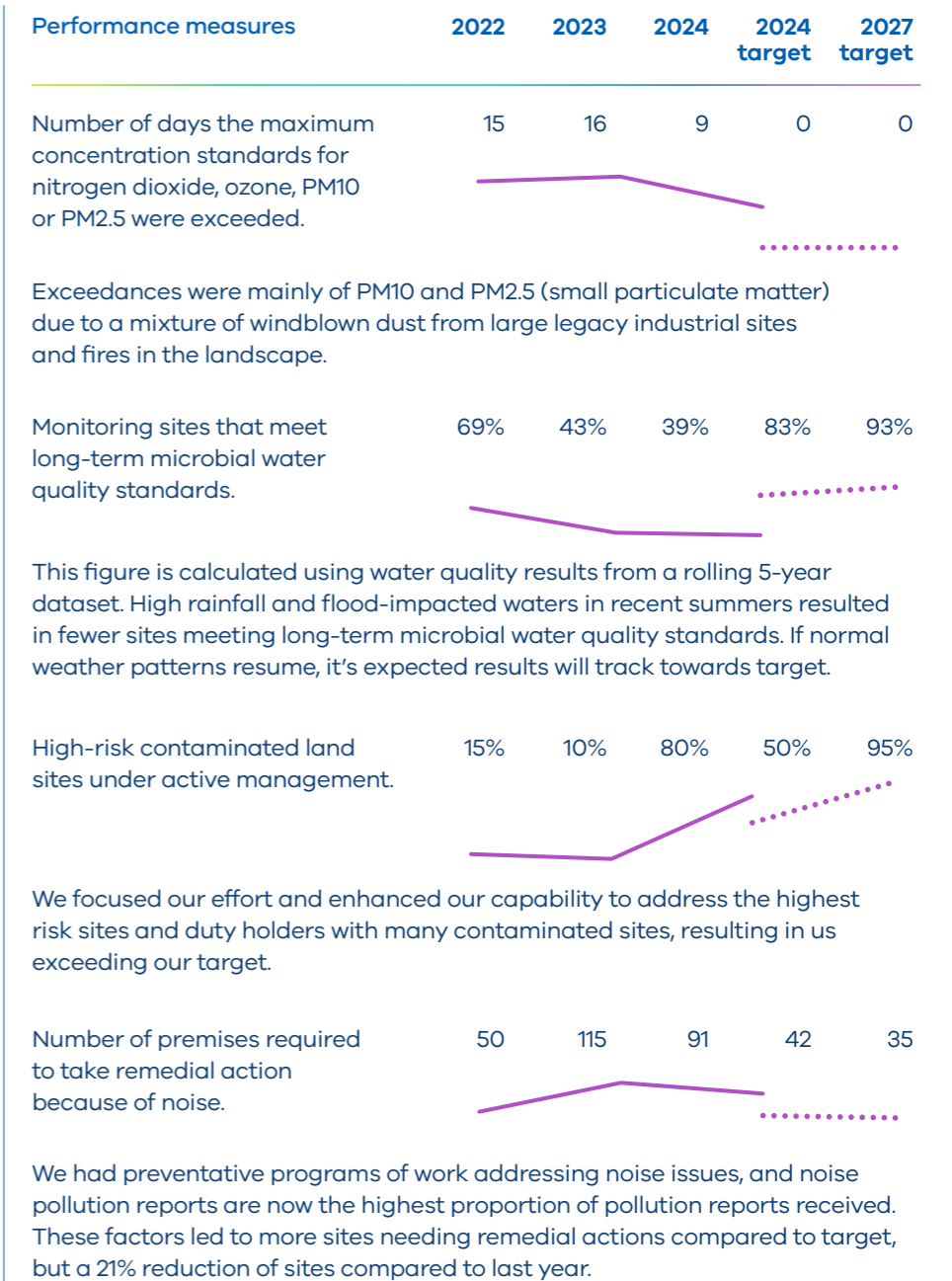
Our environment is cleaner and communities are healthier

What we will achieve

Improved air and water quality

Reduced land contamination and noise pollution

Businesses have appropriate permissions in place



— Actual results Targets

All Victorians reduce their environmental risks



What we will achieve

Increased understanding among communities and businesses of their environmental obligations

Increased adoption of environmental and human health risk controls

Industrial waste disposed at a lawful place

Performance measures	2022	2023	2024	2024 target	2027 target
<p>Pollution reports requiring a field response by EPA.</p> <p>While pollution reporting numbers remain steady there has been a reduction in reports that indicate human or environmental impact. This may be explained by better management of long-term isolated pollution events that had caused high volumes of reports where health or the environment has been impacted.</p>	9%	8%	7%	7.2%	4.5%
<p>Permissioned businesses that have appropriate risk controls implemented.</p> <p>We continued to inspect permission holders with a higher risk of harm to environment or human health from pollution and waste from their operations. Through these inspections, we helped duty holders meet their legislative obligations, with 96% of those who were found to be non-compliant moving into compliance by the end of the year.</p>	70%	74%	96%	90%	95%
<p>Community awareness of the GED.</p> <p>Since the introduction of the GED in July 2021, we have focused on industries that present the greatest risk of harm. The first community-focused campaign began in May 2024 and is already seeing high rates of engagement on digital channels. This initiative will continue through 2024–25 with support from partner agencies and co-regulators.</p>	16%	19%	16%	60%	80%



We have impact and influence

What we will achieve

Reduction in repeat polluters.

Increased proactive detection of environmental crime.

Effective internal review and assurance processes that drive continuous improvement.

Performance measures	2022	2023	2024	2024 target	2027 target
<p>Reduction in repeat polluters.</p>					
Community awareness of EPA.	56%	55%	52%	75%	95%
Community trust in EPA.	51%	50%	51%	70%	90%
<p>Community awareness and trust is heavily influenced by major incidents and news coverage. EPA maintained a steady stream of compliance coverage in the media and online. The largest incident for the year was asbestos in public spaces and we provided thorough information and detailed how the community was kept safe from pollution and waste.</p>					
Citations of EPA science.	850	1,336	2,714	935	1,275
<p>EPA scientists exceeded the citation target, demonstrating we publish impactful and relevant articles in world-class journals. This aligns with our 5-year strategic plan to address current and emerging issues through science, data and intelligence.</p>					

Our 4 objectives

The following sections detail progress against our 4 strategic objectives and key results in our 2023–24 Annual Delivery Plan.

Objectives and key results are a goal setting methodology that aligns our efforts and resources to focus on our priorities.



20
key results



24
priority projects



1. Cause Victorians to act to prevent harm to human health and the environment

Key results

	Result	Page
Increase the number of people making pollution reports by 15%.	✓	27
Increase the number of community members with a high level of knowledge of their role in environmental protection to 30%.	○	28
Reduce non-compliance with environmental protection laws in priority industries by 20%.	○	28
Increase the ratio of regulatory notices issued to advisory notices issued from 1:4 to 1:3.	○	31

- ✓ Completed
- Making progress



Pollution reports

Reports from community and businesses are an important source of information when it comes to tackling pollution and illegal waste disposal.

Not only can we respond quickly to serious local issues and emergencies, but they also help us spot the bigger, emerging issues across the state.

Increasing community reports

Community reports decreased by 14% this year, after a 40% increase last year.

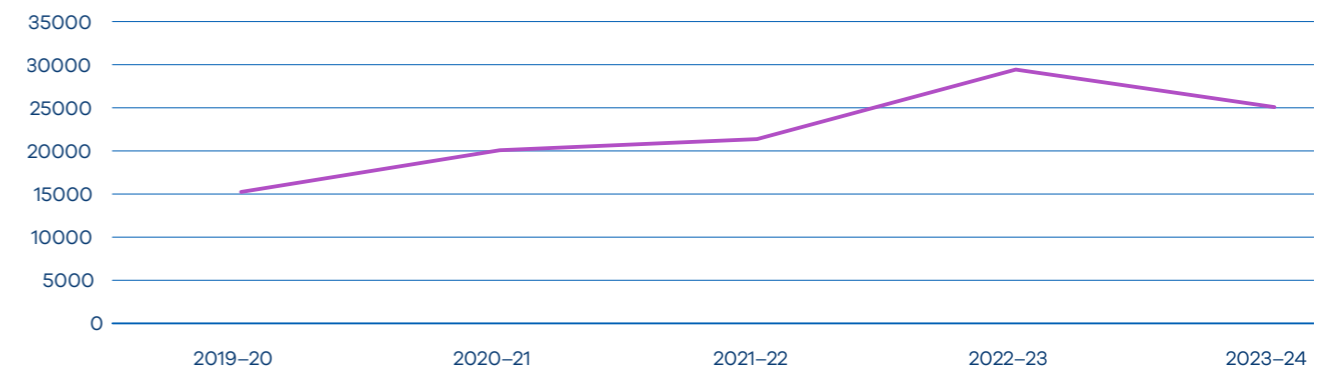
This was due to:

- a fall in community reports made around major industrial sites, notably in south metropolitan Melbourne
- a 4% reduction in new contacts.

We contacted 72% of pollution reporters who requested follow up by EPA within 5 working days.

After making various improvements to our online reporting and information, we have started a digital refresh to enhance customer experience and internal efficiencies – including a new website.

Pollution reports



	2019-20	2020-21	2021-22	2022-23	2023-24
Community reports	13,354	18,121	19,757	27,652	23,719
Emergency reports	163	204	245	238	240
Business notifications	1,751	1,691	1,313	1,486	1,182
Total	15,268	20,016	21,315	29,376	25,141

Community pollution reports by topic

	2019-20	2020-21	2021-22	2022-23	2023-24
Odour	4,589	5,101	4,796	10,952	5,716
Noise	2,593	5,404	6,585	7,973	7,240
Waste	2,563	2,917	3,171	4,006	5,724
Water	2,177	2,322	2,692	2,114	2,083
Smoke	947	1,513	1,574	1,460	1,504
Dust	658	849	925	1,040	1,384
Banned products	-	12	14	107	68
Total	13,527	18,118	19,757	27,652	23,719

2019-20 includes community reports, emergency reports and internal test reports. 2020-21 and 2022-23 include uncategorised community pollution reports by topic.

Community pollution reports by topic and region 2023–24

	Gippsland	North east Victoria	North west Victoria	North metropolitan Melbourne	South west Victoria	South metropolitan Melbourne	West metropolitan Melbourne
Odour	241	821	424	758	367	2,060	1,045
Noise	158	404	468	1,694	612	2,348	1,556
Waste	319	370	467	1,398	654	1,319	1,197
Water	156	85	104	649	192	407	490
Smoke	94	131	97	377	187	364	254
Dust	58	138	108	306	233	248	293
Banned products	2	1	3	23	2	21	16
Total	1,028	1,950	1,671	5,205	2,247	6,767	4,851

Noise was the most reported topic, in particular from commercial premises, resulting in 7,240 pollution reports.

The number of pollution reports continues to be higher in metropolitan Melbourne and is related to population size and density. South metropolitan Melbourne had the highest number of pollution reports at 6,767. These were mainly centred around industrial premises in the area.

Increasing community awareness of environmental duties

As 75% of industry report they have an excellent understanding of their role in environmental protection, we are now focusing on better community awareness.

The GED requires all Victorians to understand how their actions can present a risk to human health and the environment. And to take reasonable and practical steps to minimise those risks.

With 16% of Victorians reporting their understanding of the GED as being better than neutral, we are educating community members on what their risks may be, and what actions they can take. We will expand our approach next year to increase our reach and motivate behaviour change.

Licences and permits

Different activities require different levels of permissions, such as licences and permits. By overseeing business permissions, we can assess, monitor and intervene in activities which may cause pollution and waste.

In total, we issued 702 licences and permits, up from 568 last year. We completed 86% of licence and permit assessments within statutory timelines. For those not assessed within statutory timelines, we sought to work with applicants to minimise impacts.

We also received 2,996 registrations that were automatically approved under the permissions scheme.

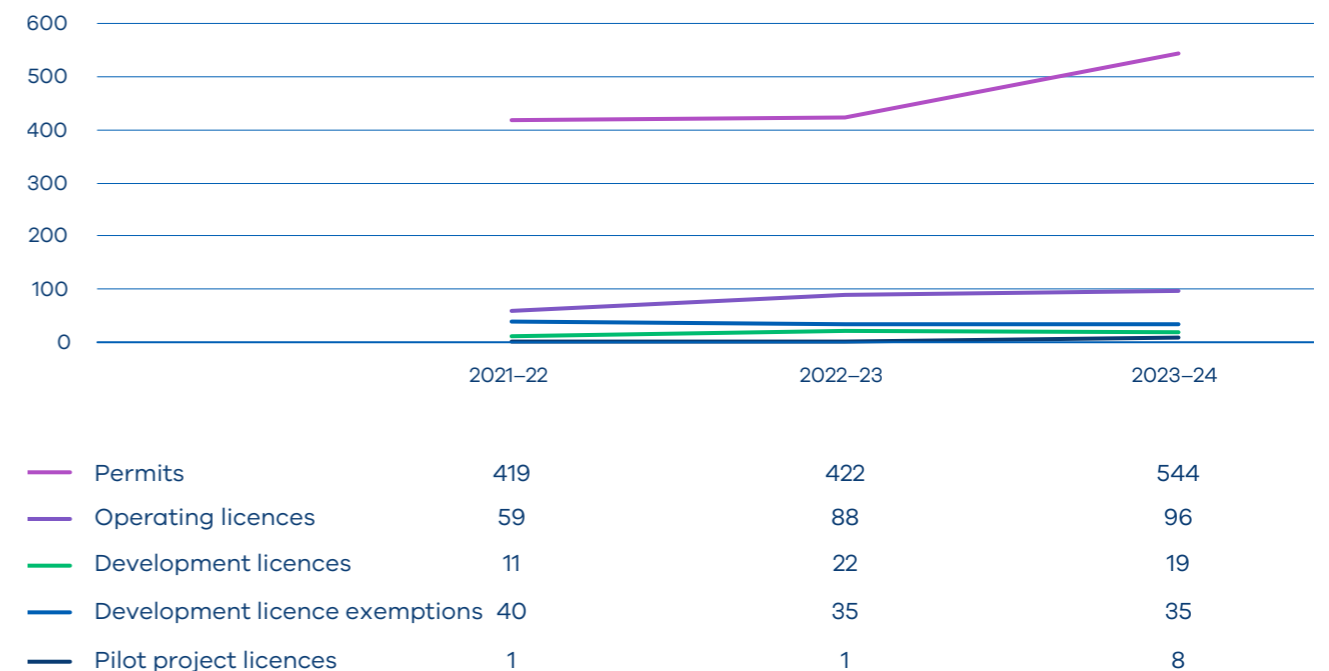
Reducing non-compliance with environmental protection laws

Focusing on some of our newest duty holders, 68% of waste and resource recovery facilities we found to be non-compliant were meeting their obligations by June 2024.

Important in diverting waste from landfills, waste and resource recovery facilities were only required to get permissions from late 2021.

In the past year, we issued 63 new permissions and ran targeted inspections to check compliance. We will focus on other priority industries next year.

Permissions granted



*Data from 2019–20 and 2020–21 is not presented here as it was collected under the former Environment Protection Act and is not directly comparable.

Land use planning and development

Over the past year we provided advice on 940 land use planning and high-priority development matters – a significant increase on the 820 issued in both 2022–23 and 2021–22. We met required timelines on 86%. Where timelines couldn't be met, we worked with those requesting the advice to minimise impacts.

Incidents and emergencies

In the past year, we received 240 emergency reports, responding to 100% within 2 hours.

We also issued 10 emergency authorisations to allow the disposal or discharge of waste where standard conditions or permission requirements were not able to be met. This included:

- 7 for avian influenza incidents
- 3 motor vehicle incidents where contaminated waste was generated.

Provided in a timely manner, emergency authorisations take careful consideration of type of waste and where it can be disposed of in a lawful place.

Supporting emergency services and other agencies, we attended or provided verbal advice for:

- 97 fires
- 78 road accidents with fuel spills
- 12 marine pollution events
- 10 hazardous material spills
- 43 other pollution events.

We also prepared our agency for a biosecurity emergency like a foot and mouth outbreak.

Emergency procurement

We did not have to activate emergency procurement provisions in the past year.

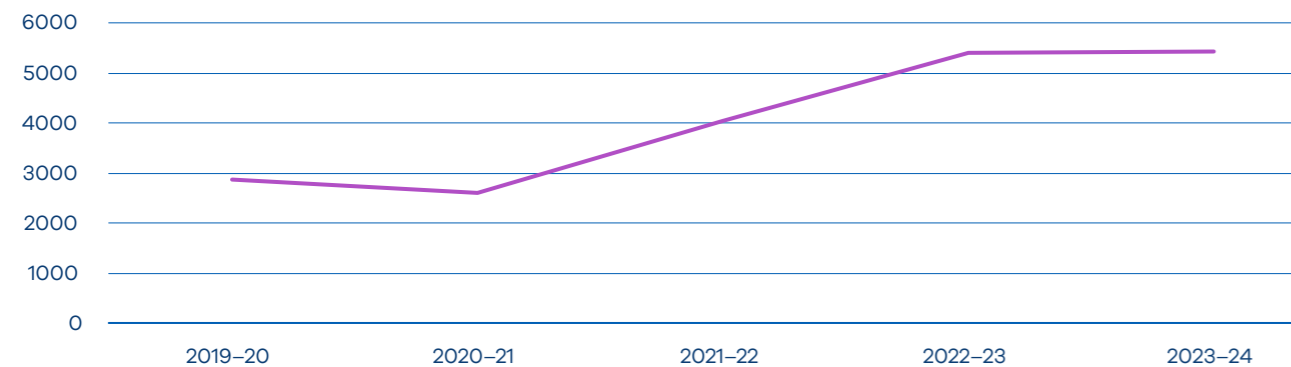
Inspections

Driven by our pollution reports, data and intelligence, we continue to conduct high numbers of both reactive and preventative inspections.

These inspections help ensure businesses are managing activities that can cause pollution or waste.

We conducted a total of 5,429 inspections in the past year, including proactive, targeted inspections of:

- 26 operating licence holders with an air discharge table, with 88% required to take action to prevent harm from their operations
- 21 dry cleaners, finding most were operating without permission or were non-compliant with controls around liquid waste. We took appropriate action to ensure these businesses take required action to meet requirements
- 1,954 sites with a higher risk of being non-compliant with their obligations to prevent harm.



Compliance and enforcement

If we find non-compliance, we may choose to issue a notice, order or direction.

Notices, directions and orders issued

	2021-22	2022-23	2023-24
Official warnings	35	151	290
Environmental infringement notices	46	86	162
Site management orders	-	25	3
Litter infringement notices	6,836	7,714	7,934
Vehicle infringement notices	975	1,227	1,445
Noisy vehicle notices	3,994	4,841	4,663
Smoky vehicle advisory letters	264	2,395	3,017
Environmental action notices	295	346	325
Improvement notices	600	728	695
Notice to investigate	88	83	89
Prohibition notices	47	47	34
Waste abatement notices	16	6	31
Non-disturbance notices	7	4	15
Directions	2	13	7
Waste information gathering notices	3	3	16
Information gathering notices	457	401	540
Total	13,665	18,070	19,266

* Data from 2019-20 and 2020-21 is not presented here as it was collected under the former Environment Protection Act and is not directly comparable.



Putting industry on notice

We issued 7% more regulatory notices, compared with 2022-23.

Since the Environment Protection Act was amended, we focused on helping industry understand our new powers and its obligations. As a result, about three quarters of our responses were compliance advice relative to notices issued.

Now we expect industry to know and comply with environmental protection laws, our intention is to reduce the ratio. While we didn't achieve our target, there has been a reduction in compliance advice.



Reducing excessive emissions from smoky vehicles

From June 2024, owners of smoky vehicles have been issued with enforceable notices rather than advisory letters. This means they must get vehicles repaired.

Environmental regulations ban the use of a motor vehicle that emits visible smoke for more than 10 seconds.

Consistent with our enforcement of noisy vehicles, this change in our regulatory approach will reduce smoky vehicle reports over time, as around 8% of these reports are about vehicles previously reported to us.

Investigations

Over the past year, we started a record 75 complex investigations into major pollution and waste issues, including our investigation into asbestos contamination in mulch used in public areas.

We continue to use new technology, including drone-mounted ground penetrating radar, and have boosted our data and analytics capability to improve access to intelligence.

Prosecutions

In the past year, we laid charges against 106 businesses and individuals (both summary and indictable prosecutions). Of these:

- 98 prosecutions were completed, an increase of 64% from the previous year
- 88 resulted in a finding of guilt or a clarification of law.

Our success rate remained above 90%. We continue to test our environmental laws in the courts and tackle complex matters to prevent harm to communities and the environment.

Making better decisions



Training our regulatory decision makers

More than 100 staff underwent intensive education and on-the-job learning this year to ensure they make fair, ethical and correct decisions when enforcing the law.

Every year, our environment protection officers, investigators, permission officers, response officers and more make thousands of regulatory decisions under environmental protection laws.

In a multi-year program to improve our decision-making consistency and capability, we've developed new learning materials and delivered tailored learning programs for different staff.



Checking the quality of our decisions

We improved our quality assessment program with more targeted and meaningful criteria and streamlined processes.

We also updated quality control checks to enhance consistency and quality in our decision making when issuing sanctions and assessing permissions.



Improving regulatory notices

In the past year we delivered additional training on remedial notice writing to all of our Authorised Officers.

Remedial notices are an important tool for raising the standard of compliance of duty holders. We expect an increasing level of compliance with the Environment Protection Act now in force for 3 years.

We delivered 7 face-to-face and 2 online sessions to uplift the capability of our frontline staff.

This training was supported by updates to our internal decision-making tools and based on insights gained in the past 3 years.



2. Target priority risks of harm to make the biggest difference for our community

Key results

	Result	Page
Increase the proportion of priority sites that have effective measures in place to address and/or prevent odour issues by 20%.	✓	34
Reduce repeat reports of noise from commercial and industrial activities by 10%.	○	35
Reduce the incidence of severe fires at high risk of harm waste and resource recovery facilities by 50%.	○	35
Increase the number of disruption activities for waste crimes identified through EPA intelligence and/or insights by 20%.	✓	35
Ensure 100% of high-risk wastewater treatment plants have updated risk management and monitoring programs in place to reduce unplanned discharges and improve their long-term preparedness.	○	39
Complete research and initial consultation to inform action to reduce the risk of harm from biomass waste burning.	✓	39

✓ Completed ○ Making progress



Every year, we scan known and emerging pollution and waste risks. By prioritising our efforts on areas of greatest risk, we can make the biggest impact for our community and environment.

In 2023–24, we focused on:

Odour

Reducing the impacts of odour from landfills and other commercial and industrial activities.

Noise

Reducing the impacts of noise from commercial and industrial activities.

Waste

Preventing fires at high-risk waste and resource recovery activities, and disrupting illicit waste markets.

Water

Reducing the impacts to waterways from discharges from wastewater treatment plants.

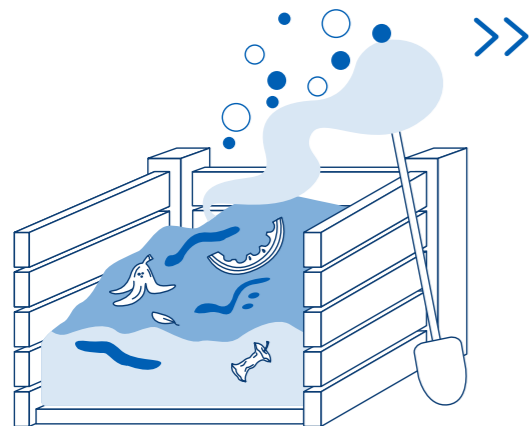
Air

Reducing the impacts from smoke and the burning of agricultural and organic wastes.

Odour

After odour pollution reports quadrupled in 2022–23, we directed more resources into targeting odour from landfills and other sectors.

Compliance and enforcement campaigns saw a 48% fall in odour reports.



Controlling odour at the source

More landfills and other industrial sites reported they have effective measures in place to control odour.

After analysing our data and intelligence, we targeted 35 priority sites that had repeat pollution reports, and a further 30 businesses in problematic sectors or geographic clusters.

We inspected 65 sites and:

- made 41 recommendations to prevent or address odour
- issued 19 notices due to serious non-compliance around poor maintenance of plant and equipment, storage and handling of materials and wastes, odour containment controls and odour monitoring processes
- recorded a 22% increase in sites that had effective odour control measures in place.

Noise

Noise reports now make up 31% of the community pollution reports we receive, with almost half due to commercial and industrial noise.

In the past year, we targeted repeat polluters, improved the way we manage noise pollution reports from the community, and worked with local government to provide clear community guidance on where to report different sources of noise.

Reducing repeat reports of commercial and industrial noise

Through targeting repeat polluters and hot spots, we drove down repeat noise reports by 9% – from 2,696 in 2022–23 to 2,443 in 2023–24.

After analysing pollution report and response data, we found entertainment venues and fitness centres were the biggest risk of harm to the community.

In the past year, we inspected 36 businesses, checking what controls they had in place to minimise noise and recommending improvements.

We also issued one notice for non-compliance and 5 pieces of compliance advice.

Waste

Waste that is improperly disposed of can cause harm to our environment and health – whether it’s through poor storage at waste recovery facilities, or through illegal dumping of high-risk waste.

Putting out the risk of waste fires

Working closely with fire services, notifications to EPA of fires at waste and resource recovery facilities rose in the past year.

Increased reporting is a positive result for industry accountability. Our work to reduce severe fires at high-risk sites will continue next year.

Already we have:

- directly contacted more than 1,389 facilities about their legal duty to manage the risk of fire and the increased chances of fires over the summer period
- conducted more than 300 targeted inspections of high-risk facilities
- processed 67 permission applications for large facilities, refusing those that couldn’t demonstrate adequate fire controls.

Disrupting waste crimes

Led by intelligence, our activities to disrupt waste crime increased by 45% over the past year.

This year we focused on illegally dumped waste tyres and asbestos as incidents have been rising across the state.

In the past year we:

- contacted more than 770 tyre retailers with advice on correct disposal, and inspected 85 businesses
- reminded waste transporters of their duties to log waste and dispose of it at licensed tyre recyclers
- issued 43 remedial notices.





Preventing fraud in the waste industry

Educating businesses on how to identify fraud in the waste industry, we started a new fraud prevention program.

This is part of the National Disruption Program we formed in 2022, which has allowed information sharing between state and federal counterparts and resulted in improved interaction for investigation planning.

To identify operators profiting from illegal waste activities – and to inform civil and criminal charges both here and interstate – our forensic accountants provided 68 services relating to:

- financial assessments and investigation
- expert witness and consultation
- detections from the National Disruption Program.

We also referred 20 detections interstate.



Estimating the size of tyre stockpiles

We are continuing to develop a reliable technique for estimating the number of tyres in a stockpile using virtual simulations.

With illegal dumping of waste tyres on the rise, we need a proven way to estimate volume quickly and accurately.

With our fieldwork now complete, our partner, Macquarie University is validating the field data and will create a tool for estimating tyre stockpiles. We will publish the outcomes next year.



Improving how we track reportable priority waste

Launched in 2021, we're continuing to upgrade our Waste Tracker app to make it easier to use, and to help us monitor the movement of reportable priority waste.

By law, reportable priority waste must be tracked, as this category of waste has the highest risk of harm to human health and the environment.

With more upgrades scheduled as part of our digital refresh, this year we:

- improved the data we hold on waste producers, with new guidance and instructional videos
- removed the need for thousands of manual entries every year, by automating or cloning records for waste receivers and users.



Reducing regulatory impact when reusing waste

Diverting waste from landfill, we've delivered multiple initiatives to ease regulatory impact when businesses re-use or recycle waste.

Giving greater clarity and certainty to industry and community, we:

- set standards for low-risk black coal fly ash so that permissions are no longer required to transport or store this waste
- set standards for the production of low-risk digestate that allows it to be supplied and used without the need for a permission
- issued guidance that supports the safe use of incinerator bottom ash and streamlines permission applications
- did statewide sampling to better understand contamination in processed organics, helping us to start new guidance on organics reprocessing.

Contaminated land

We received 167 notifications of contaminated land in the past year.

Those who manage or control this land have a duty to minimise risks of harm to human health and the environment from the contamination.

Of these notifications, we actively managed 38 due to the risks they posed. Active management means they have appropriate management and regulatory controls in place.

Streamlining land renewal

After the release of Victoria's 'Housing Statement: The decade ahead 2024–2034', we created a central Office of Land Renewal to support Victorians in the safe development of land.

The statement seeks to provide 2 million new homes by 2051, which will require remediation of former industrial sites and areas of historical contamination.

From 2024–25, we will work across EPA, state and local government, and the private sector to streamline safe land development for new homes and other beneficial land uses for the Victorian community.



Planning for priority contaminated land issues

Enhancing our approach to statewide contaminated land issues, we conducted an intelligence-led prioritisation to identify where we could best prevent harm to human health and the environment over the next 3 years.

We continue to focus on land contamination from underground petroleum storage systems to achieve higher levels of compliance.

We will focus on engaging with industry associations and a range of operators in the petroleum industry to improve knowledge of contemporary practices that can minimise risk.



Guiding the safe management and reuse of waste soil

Over the past year, we made it easier and clearer for industry to identify, reuse or dispose of waste soil from construction sites while protecting the environment and community.

Delivering the Victorian Government's Spoil Management Strategy, we:

- consulted on and published improved soil sampling guidance which supports the classification of waste soils and provides a risk-based and flexible approach for projects of all sizes
- improved the permissions pathway for waste containing per- and polyfluoroalkyl substances (PFAS), streamlining the regulatory process for industry.



Expanding the financial assurance framework

To ensure polluters pay the costs of clean ups, we will soon be requiring financial assurance from a larger number of high-risk industrial and commercial sites.

We can require a certain amount of money be set aside as security to cover remediation or clean-up costs.

In the past year, we consulted on revised calculation methods for financial assurance for contaminated land. In 2024–25, we will seek feedback on financial assurance for waste and resource recovery facilities and sites where bulk fuel, chemicals and contaminated soil are stored.

Making better decisions



Bolstering the number of independent environmental auditors

We established a program to appoint more environmental auditors, helping ensure contaminated and industrial land is managed safely.

Environmental auditors are appointed by EPA but not employed by us. They work independently and are engaged by business, industry and government to conduct and prepare preliminary risk screen assessments (PRSAs), environmental audits and other prescribed functions.

We will be appointing new environmental auditors in late 2024 and 2025.

Audits

	2019–20	2020–21	2021–22	2022–23	2023–24
Environmental audits completed ¹	210	205	141	150	133
PRSAs completed ²	n/a	n/a	17	71	60

¹ Environmental audits that were notified under the former Environment Protection Act can still be completed as per transitional arrangements.

² PRSAs were introduced in the *Environment Protection Act 2017*.



Checking the quality of auditor verification works

Over the past year, we developed new guidance to help environmental auditors provide consistent, high-quality independent advice and verification reports.

This will help us make better decisions and make sure auditors maintain up-to-date technical and legislative knowledge.

Water



Reducing unplanned discharges from wastewater treatment plants

Faced with a changing climate and heavier rainfall, we worked with 17 water corporations to understand what controls could help prevent unplanned wastewater discharges.

From 30 inspections, we found 25 sites had inadequate plans and processes for managing their risks and preventing contaminants from reaching beaches and waterways.

We required these sites to improve their plans and we continue to engage with them to ensure improvements are made.

We are also doing research to understand what new and existing contaminants are present at wastewater treatment plants.



Improving wastewater management in a changing climate

Supporting joint regulator capability uplift, we updated our guidance for water corporations and councils on wastewater management.

In the past year we consulted on and published guidance for:

- water corporations that explains how to apply for permission to use recycled water in surface waters
- councils to regulate onsite wastewater management systems under the Environment Protection Act.



Researching emerging contaminants

We continue to add to scientific evidence on the impact of floods on our environment and health.

During floods, harmful chemicals and other elements can enter our waterways, contaminate land and affect wildlife.

We have undertaken environmental monitoring for contaminants in flood water and are assessing the data to publish in a peer-reviewed paper.



Developing standards for recreational water quality

With the goal of improving our health advice to swimmers, we're reviewing how we measure and report on faecal contamination in Port Phillip Bay.

Standards that we use to inform our summer Beach Report forecast assume the contamination measured is only from human faecal sources. However faecal contamination in recreational water is mostly from animals and birds which are lower risk to human health.

While our work will continue in coming years, we determined the health risk associated with different animal faecal sources found at 8 representative beaches. We will incorporate this information into future advice.

Air



Reducing the risk of harm from biomass waste burning

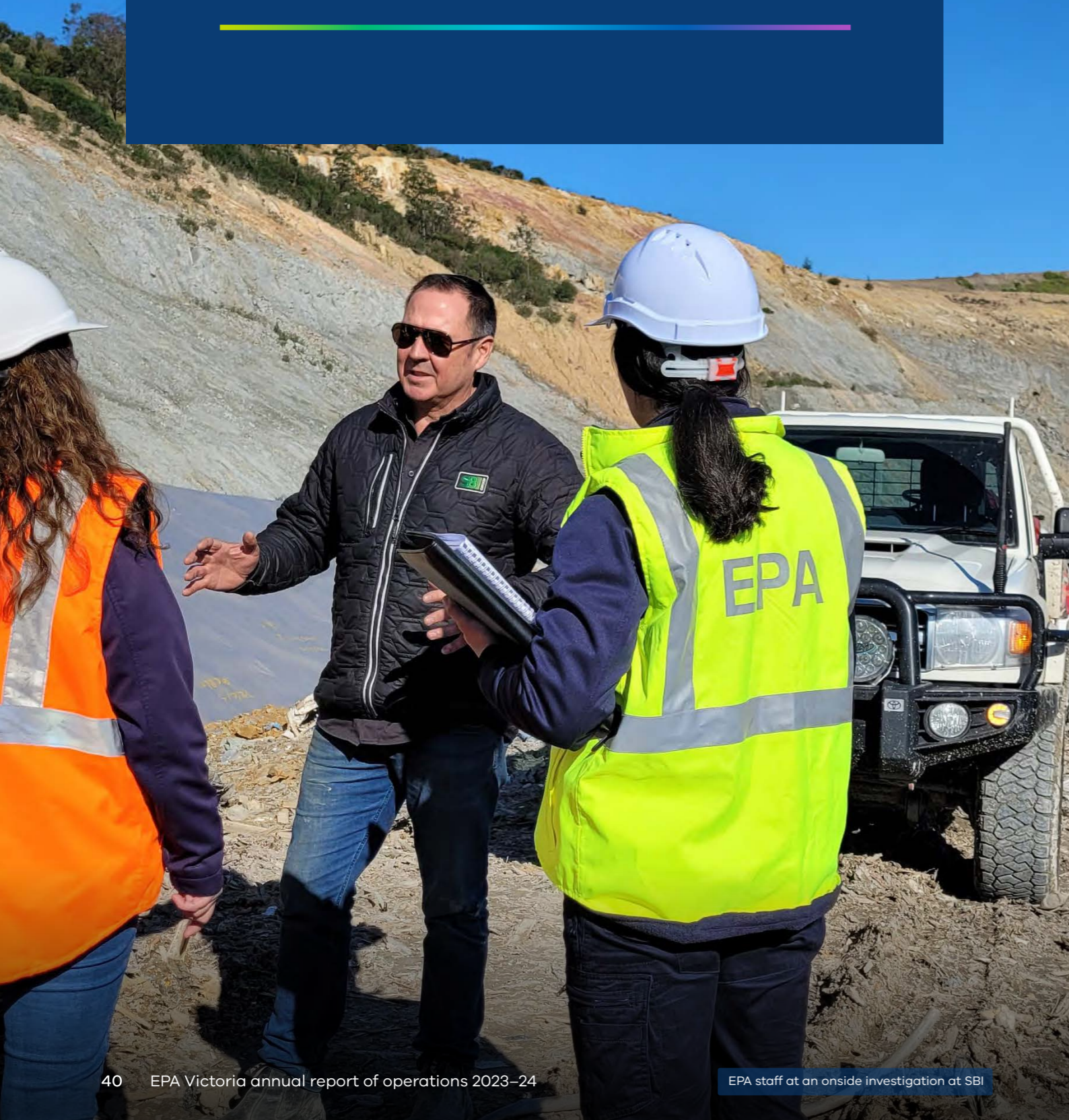
We are continuing to consult with co-regulators and industry to help minimise the impact of smoke from burning organic waste.

Some agricultural and forestry businesses manage the organic waste from their operations by burning it, but the smoke from this can impact neighbouring communities.

After researching the behaviours that drive the burning of organic waste, input from industry and our regulatory partners will inform how to best manage organic waste from agriculture and forestry.



3. Enhance climate action to reduce emissions and improve resilience

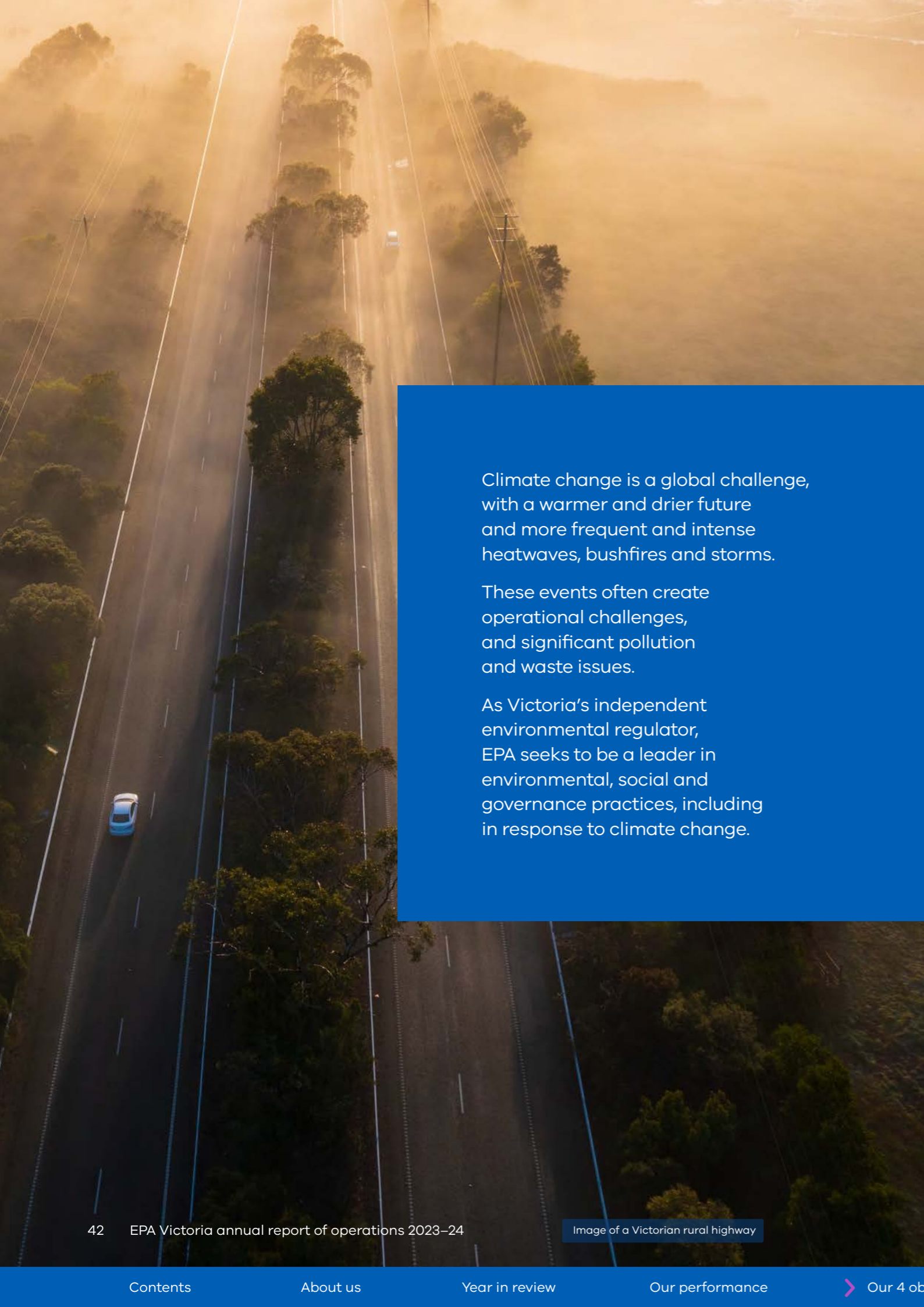


Key results

	Result	Page
Develop EPA's Environmental, Social and Governance statement by 31 December 2023.	✓	43
Complete an assessment of EPA's greenhouse gas emissions to identify reduction opportunities by 30 September 2023.	✓	43
Ensure 100% of EPA's business continuity plans consider climate change risks and include appropriate adaptation actions.	○	51
Develop a statement of regulatory intent in relation to regulation of the causes and consequences of climate change.	○	51

- ✓ Completed
- Making progress





Climate change is a global challenge, with a warmer and drier future and more frequent and intense heatwaves, bushfires and storms.

These events often create operational challenges, and significant pollution and waste issues.

As Victoria's independent environmental regulator, EPA seeks to be a leader in environmental, social and governance practices, including in response to climate change.

Image of a Victorian rural highway



Leading environmental, social and governance practices

We will continue to reduce our environmental impact through our new Environmental, Social and Governance (ESG) statement.

The statement describes how we will:

- minimise our own impact on the environment, including our carbon footprint and waste generation
- respond to risks presented by climate change
- ensure compliance with regulations, best practice and corporate policies.

A snapshot of our ESG statement is at [Appendix 2](#).

Energy and emissions

Under our ESG statement, we seek to reduce energy use and emissions from our work and supply chain to minimise our contribution to climate change.



Reducing our greenhouse gas emissions

Although overall emissions have increased by 10%, we have reduced certain emissions streams, including electricity (down 27%), waste (down 47%) and water usage (down 65%).

The overall increase can be directly tied to improved reporting – where previously unattainable data is now available. This has seen increases in emissions relating to our stationary and transport fuels, and employee commuting in a post pandemic work environment.

Over the past year:

Scope 1 emissions increased by 33%. This has largely been driven by vehicle use and improvements to how we report on stationary fuel usage

Scope 2 emissions decreased by 27%. This is due to GreenPower use and efficiency improvements

Scope 3 emissions increased by 48%. This is caused by improved reporting methods and increased operational activity.

We have identified improvement initiatives for the coming year to further target our main emissions contributors, with a focus on our fleet, energy and waste to landfill streams.

Emissions measures

	2022–23	2023–24
Total greenhouse gas emissions	2,158	2,371
Total greenhouse gas emissions per FTE [tCO ₂ e/FTE]	2.932	3.195
Total greenhouse gas emissions per unit of office area [tCO ₂ e/FTE/m ²]	0.0002058	0.0002234

Greenhouse gas emissions (tonnes CO²-e)

	2021-22	2022-23 ¹	2023-24
Scope 1: sources we control, such as burning fossil fuels in vehicles	334	282	375
Scope 2: indirect emissions using electricity from coal and gas-fired power	1,244	1,053	774
Scope 3: indirect emissions from corporate air travel and waste disposal	19	60	78
Other scope 3: (transport, stationary, electricity, taxis, public transport, water, paper, catering, printing, publications, couriers, working from home and staff commuting)	944	763	1,144

Prepared using the National Greenhouse Accounts factors updated by the Australian Government's Department of Environment in February 2023. We used management-derived methods where appropriate emissions calculation methods were not available. Impacts on the environment attributable to EPA from staff working from home, such as energy and water consumption and waste generation, were estimated to provide a more holistic account of EPA's total impact.

¹2022-23 figures have been revised from figures included in our **2022-23 annual report**.

We are on track to meet the Victorian Government's 2025 deadline for green energy supply.

More than 46% of our emissions are from energy, particularly electricity. By 30 June 2025, all our offices will use GreenPower.

We continue to seek opportunities to reduce energy consumption and encourage staff behavioural change.

Measures to reduce electricity already in place include LED lighting, efficient electrical appliances and LCD monitors, default hibernation for computers, printers, and efficient heating and cooling practices.



Electricity usage

	2021-22	2022-23	2023-24
Total electricity usage (MWh)			
Purchased directly through an electricity retailer	1,418.71	1,239.10	1,173.70
Self-generated	1.75	5.40	64.94
Onsite electricity generated (MWh)			
Solar PV - consumption behind the meter	1.75	5.40	64.94
Onsite installed generation capacity (MW)			
Solar PV	0.005	0.015	0.015
Total electricity offsets (MWh)			
GreenPower	51.77	-	193.59

Data was obtained from retailer invoices. Where data was not available, consumption was estimated using daily consumption rates. For detailed energy use and stationary fuel data, see **Appendix 3**.



Reducing our footprint

To help us reduce our footprint and environmental impacts, we developed a 3-year facilities roadmap to enhance our use of space, reduce emissions and better suit the hybrid working model.

We have staff based at 9 sites around the state to make sure we understand local issues and can respond quickly to environmental emergencies.

Under the whole-of-Victorian Government emissions reduction pledge, we consider best practice sustainable design principles and resource efficient features – including building maintenance, upgrades to offices and considering new buildings when our leases end.

We do not own or control buildings. However, we comply with the building and maintenance provision of the *Building Act 1993* to the extent that we are responsible as a tenant in leased premises.

Making better use of our space

We relocated our Carlton office to a 5.5-star NABERS building in Melbourne's central business district in June 2024.

This move means:

- we have improved how we use our office by introducing bookable desks
- we can continue to introduce electric vehicles to our fleet by installing charging stations
- more staff will opt for public transport or riding due to a more central location and better end of trip facilities.

Next up in our facilities plan is to review our use and space requirements for other offices approaching end of lease.

Transitioning to zero emission vehicles

We developed a 3-year fleet roadmap to help reduce our emissions. Already we have:

- introduced our first electric vehicle with the view to increase hybrid and electric vehicle ratios in 2024–25
- started a pilot telemetry initiative to further drive fleet efficiencies.

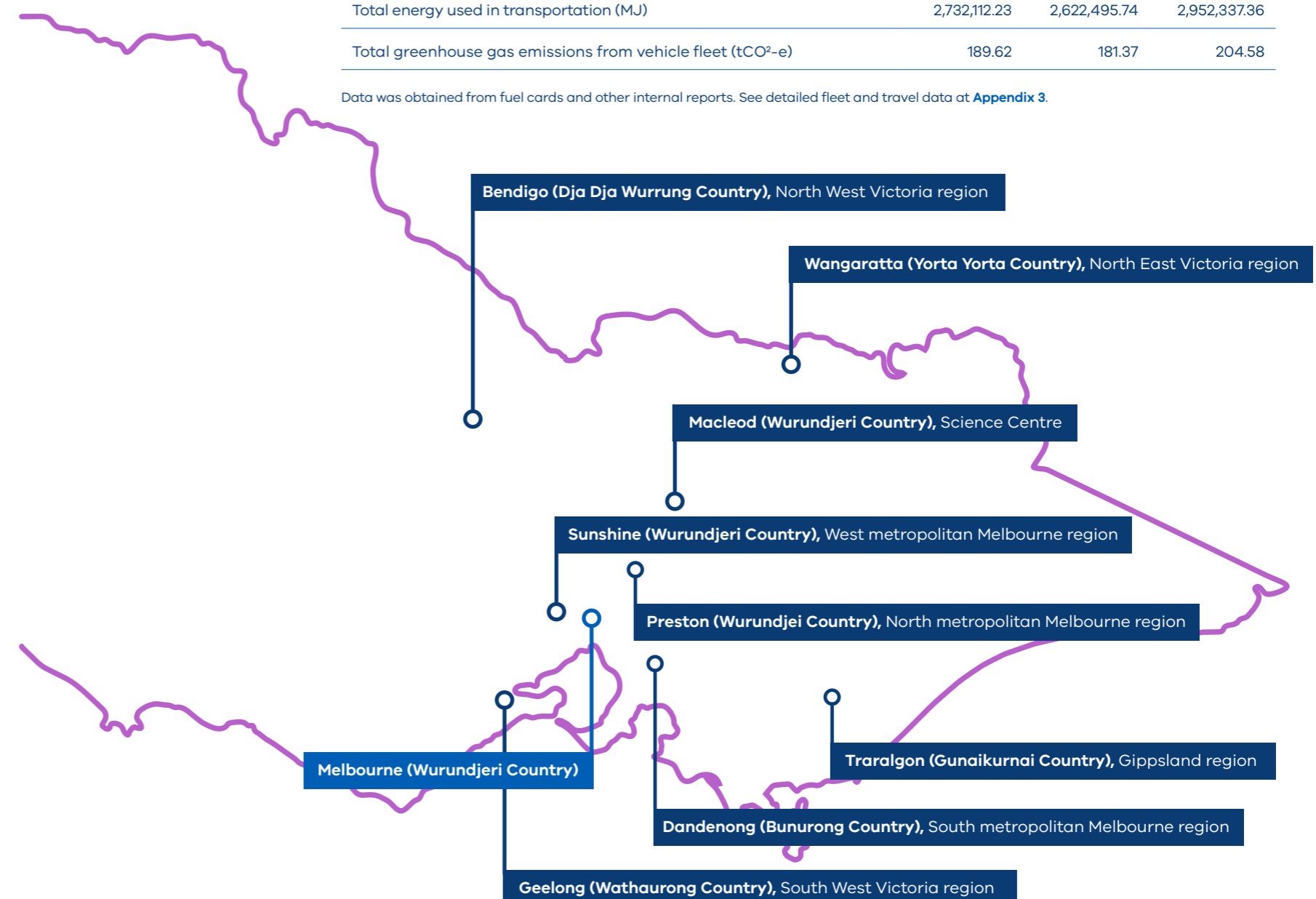
Over the past year, energy used in transport fuels increased by 13% while associated greenhouse gas emissions increased by 13%. These increases have been driven by our regulatory focus on preventative inspections.

We are planning to transition to 100% zero emissions vehicles for the shared passenger vehicle fleet in the next 12 years, consistent with the Victorian Government's commitment as a signatory to the COP26 declaration on accelerating the transition to 100% zero emissions cars and vans.

Energy used in transportation (MJ)

	2021–22	2022–23	2023–24
Total energy used in transportation (MJ)	2,732,112.23	2,622,495.74	2,952,337.36
Total greenhouse gas emissions from vehicle fleet (tCO ₂ -e)	189.62	181.37	204.58

Data was obtained from fuel cards and other internal reports. See detailed fleet and travel data at [Appendix 3](#).



Waste management

Reducing waste to landfill

Under our ESG statement, we seek to avoid or minimise waste generated by our work, in our offices and laboratories. We will also look to increase the percentage of materials that are re-used and recycled.

Just under a third of the waste we produce goes to landfill, which contributes to our greenhouse gas emissions.

Continual improvement will see a number of waste related initiatives undertaken in the coming year to further eliminate landfill contributions and improve recycling rates. The employee-led network, Green Stars, will be integral in these activities.

We drive recycling and re-use by:

- having dedicated collection bins for e-waste and printer cartridges, organics, commingled recycling, recycling and landfill, as well as compost bins in some offices with staff gardens
- enforcing our 2022 office ban on soft plastics
- repurposing electronic hardware that can no longer be used in our operations by donating to charities
- employee-led network, Green Stars, spearheading waste reduction programs, such as a reusable cup pledge.

Waste production and destination

	2021-22		2022-23		2023-24	
	Number	%	Number	%	Number	%
Total units of waste disposed of by waste disposal method (kg)	18,763	100%	19,349	100%	10,303	100%
Landfill	6,409.33	34%	6,171.00	32%	3,168.21	31%
Commingled recycling	6,093.33	32%	5,796.29	30%	2,013.83	19%
E-waste and other recycling	15.53	-	85.98	-	508.90	5%
Paper and card	479.40	3%	1,874.57	10%	1,975.80	19%
Organics	5,765.00	31%	5,421.23	28%	2,636.46	26%

Waste production

	2021-22	2022-23	2023-24
Total units of waste disposed of normalised by FTE (kg/FTE)	28.28	28.31	13.86
Recycling rate (%)	66%	68%	69%
Greenhouse gas emissions associated with waste disposal to landfill (tCO ₂ e)	10.25	9.87	5.07

See more detail at [Appendix 3](#).

Sustainable procurement

We ask potential suppliers to detail their environmental management practices and processes when submitting for EPA contracts.

Our procurement processes require:

- sustainability criteria are applied to the purchase of stationery, cleaning, paper, catering and venue hire
- a minimum 5% fixed weighting for environmental management to all procurements more than \$100,000

- a minimum 5% weighting for social procurement criteria. This includes purchasing from Victorian Aboriginal businesses or businesses that have a policy of employing Aboriginal people.

To further improve our procurement practices, we will be working with key suppliers to increase recycled content in products, and with waste providers to increase recovery and reuse of materials from waste.



Governing climate-related action

Climate change has the potential to directly and indirectly impact our services and programs. We have established strong governance to understand, identify and respond to risks, build our resilience and capitalise on opportunities.

We take a structured approach to managing our environmental impacts and improving our environmental performance. It is based on the national standard AS/NZS ISO 14001:2016: Environmental Management Systems.

We are updating our governance structures, policies, processes and other documentation to ensure climate change is fully considered and integrated into our decision-making processes.

Our Governing Board will lead an assessment of climate-related risks and opportunities in alignment with the International Sustainability Standards Board's IFRS S2 Climate-related Disclosures Standard. This standard integrates and builds on the recommendations of the Task Force on Climate-related Financial Disclosures while incorporating relevant disclosure requirements for our organisation.

Governance of climate action

Governing Board	Risk and Audit Committee	Senior Executive Committee	Green Stars (employee-led network)
Integrates response to climate risk through our strategic planning.	Monitors our climate-related risk profile and assesses the actions we take to mitigate them (as per Victorian Government Risk Management Framework).	Oversees climate change strategy. Embeds response to climate risks in annual planning. Increases our capability to identify and respond to climate risks and opportunities.	Identifies opportunities to improve our environmental performance and influence staff behaviour. Lead staff activities, such as waste reduction programs, Keep Australia Beautiful clean-up event, Plastic Free July and more.



Planning for a climate emergency

To prepare us for floods, fires and other climate-related emergencies, we are continuing to update our business continuity and crisis management arrangements.

Through incorporating actions that will ensure our critical functions can continue, we will be better placed to respond to climate change driven disruptions and emergencies.

Regulating the causes and consequences of climate change

Signaling a stronger focus on climate action, we will shortly release a draft Statement of regulatory intent on the causes and consequences of climate change.

We play a critical role in climate action and supporting Victoria's transition to net zero emissions and a climate resilient state. This includes encouraging action by businesses and the community to help reduce emissions, plan how they manage their pollution and waste in a changing climate, and to meet obligations under the GED.

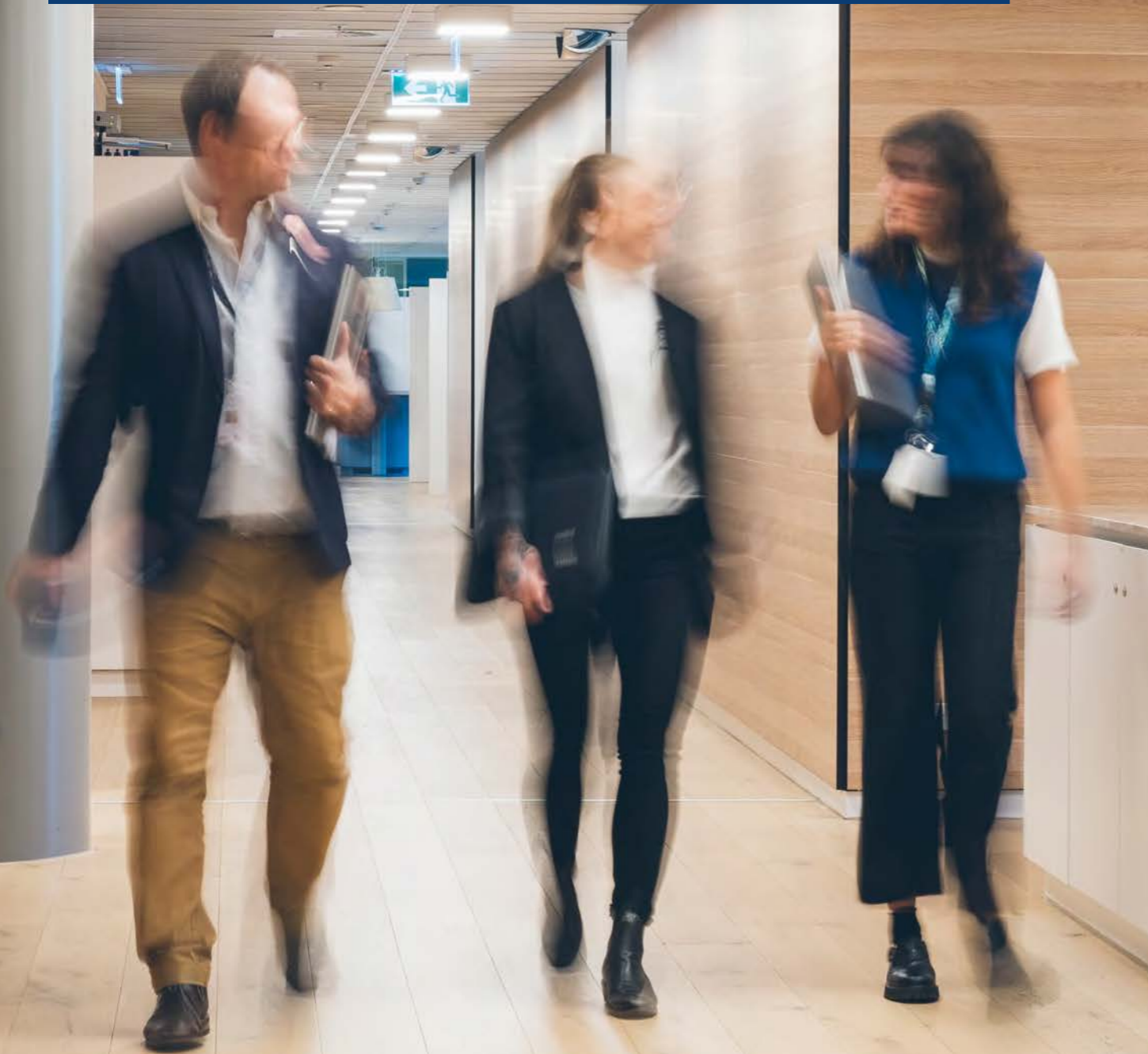
We consulted with government partners, Traditional Owner groups, community and industry on the draft statement, which sets out our role, the tools and powers we can use, as well as how we will measure our progress.



Image of Snowy River, Marlo, Victoria



4. Strengthen our culture and capability to achieve organisational excellence



Key results

	Result	Page
Increase the number of EPA employees reporting they are highly satisfied or very highly satisfied and positive or thriving to 62.5%.	<input type="radio"/>	58
Deliver 100% of actions in the culture action plans.	<input type="radio"/>	58
At least 90% of regulatory decisions demonstrably consider environmental public health.	<input type="radio"/>	63
Increase the capability maturity rating of (a) regulatory decision making, (b) regulatory effectiveness and (c) data quality and governances from 2 to 3.	<input type="radio"/>	64
In collaboration with Victorian Traditional Owners, develop a framework for the recognition of cultural knowledge and values within environment protection by 31 March 2024.	<input type="radio"/>	64
Deliver 100% of priority system improvement projects identified in EPA's Information technology plan and roadmap for 2023–24 on time and to budget.	<input checked="" type="checkbox"/>	65

Completed Making progress



Values and employment

We live our values in all aspects of our work. Our values reflect the expectations outlined in the Code of Conduct.

We also model the Victorian Public Sector values of responsiveness, impartiality, accountability, respect, leadership and human rights.

Values-driven employment

Over the past year, we developed our first Employee Value Proposition to help us attract, recruit and retain the right people with values that align with ours.

We consulted widely to explore what makes EPA a great place to work. We found our staff are passionate about the environment and driven to deliver an impact for Victorians.

Tapping into this motivation, we launched 'EPA: Protect what matters' both internally and externally in May 2024. Featuring many of our staff, the campaign promotes our impact and successes, our amazing learning and development opportunities, and our flexible working arrangements.



Integrity

We do the right things and encourage others to do the same



Courage

We're empowered to step up to our purpose



Connection

We're unified, inclusive, transparent and open



Excellence

Doing the very best we can is our priority



Tenacity

We're focused, determined and accountable

Employment and conduct principles

Recruitment

We apply merit and equity principles when appointing staff. Our selection processes ensure we assess and evaluate applicants fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination.

Onboarding

All new employees and those returning from extended leave were onboarded with a series of required learning activities. These build awareness and understanding of our values and employment principles.

Ongoing

We routinely review all our policies and procedures to ensure they:

- align with public sector employment standards under the *Public Administration Act 2004*

- provide for fair treatment, career opportunities and the early resolution of workplace issues.

In the past year, we sent reminders to staff on avoiding conflicts of interest and the importance of impartiality.

Workforce data

The following tables show the head count and full-time equivalent (FTE) of all active public sector employees of EPA, employed in the last full pay period in June 2024 and 2023.

At 30 June 2024, we had 768 employees, or 741.9 FTE, similar to the previous year.

In our annual delivery plan 2024–25, we have reduced the number of positions by 112, including 27 ongoing and 85 fixed term roles.



Workforce breakdown at 30 June 2024

	All employees		Ongoing employees			Fixed term and casual employees	
	Number headcount	FTE	Full-time headcount	Part-time headcount	FTE	Number headcount	FTE
Gender							
Men	375	369.9	321	22	338.3	32	31.6
Women	385	364.0	272	64	316.5	49	47.5
Self-described	8	8.0	5	0	5.0	3	3.0
Age							
15–24	9	9.0	6	0	6.0	3	3.0
25–34	195	191.7	152	12	161.5	31	30.2
35–44	229	219.1	184	31	206.0	14	13.1
45–54	215	208.0	162	27	182.0	26	26.0
55–64	98	94.0	78	12	86.2	8	7.8
65+	22	20.1	16	4	18.1	2	2.0
Level							
VPSG2	5	4.8	3	1	3.8	1	1.0
VPSG3/ Science A	133	127.8	104	14	113.0	15	14.8
VPSG4/ Science B	238	231.3	180	24	197.3	34	34.0
VPSG5/ Science C	261	250.0	206	38	234.3	17	15.7
VPSG6/ Science D	104	101.0	91	9	97.4	4	3.6
SES-1	9	9.0	0	0	0	9	9.0
SES-2	3	3.0	0	0	0	3	3.0
SES-3	1	1.0	0	0	0	1	1.0
STS	14	14.0	14	0	14.0	0	0
Total	768	741.9	598	86	659.8	84	82.1

Workforce breakdown at 30 June 2023

	All employees		Ongoing employees			Fixed term and casual employees	
	Number headcount	FTE	Full-time headcount	Part-time headcount	FTE	Number headcount	FTE
Gender							
Men	378	373.5	316	15	326.5	47	47.0
Women	380	357.4	276	57	312.7	47	44.8
Self-described	5	5.0	3	0	3.0	2	2.0
Age							
15–24	15	15.0	7	0	7.0	8	8.0
25–34	200	196.1	144	10	150.4	46	45.6
35–44	240	230.6	196	25	212.6	19	18.0
45–54	200	192.0	160	25	177.2	15	14.8
55–64	90	86.2	74	9	79.8	7	6.4
65+	18	16.1	14	3	15.1	1	1.0
Level							
VPSG2	7	6.8	5	1	5.8	1	1.0
VPSG3/ Science A	152	146.1	115	12	121.6	25	24.4
VPSG4/ Science B	227	219.4	171	21	184.7	35	34.6
VPSG5/ Science C	256	244.8	196	32	217.9	28	26.8
VPSG6/ Science D	98	96.0	85	6	89.0	7	7.0
SES-1	9	9.0	9	0	9.0	0	0
SES-2	4	4.0	4	0	4.0	0	0
SES-3	1	1.0	1	0	1.0	0	0
STS	9	9.0	9	0	9.0	0	0
Total	763	736.1	595	72	642.0	96	93.8

Employees have been correctly classified in workforce data collections. FTE figures may not sum to the total due to rounding. Excludes staff on leave without pay or on secondment, external contractors and consultants, and temporary agency staff.

Our culture

Measuring culture and staff satisfaction

Seven out of 10 staff are engaged with our workplace, signalling a cultural bounce back after the COVID-19 pandemic and significant workplace changes.

We run biennial culture surveys and quarterly pulse checks to monitor our culture, including staff engagement and satisfaction, wellbeing and sense of belonging.

Our 2023 People Matter survey results showed:

- 70% of employees report they are satisfied
- 42% report they are positive or thriving
- 80% say they are proud to tell people where they work
- 37% intend to stay with EPA longer than 5 years.

Taking action to improve our culture

We focused on 3 culture priority areas throughout the year – goals and objectives, capability development, and coordination and integration.

We developed culture action plans and implemented initiatives across the organisation. Capability development initiatives included building our regulatory decision maker program and implementation of our leadership development programs across all levels of leadership.

More than three quarters of culture action plans were delivered by 30 June 2024.



Equipping our leaders to lead on culture

As good leadership is key to fostering culture and staff wellbeing, 107 current and future leaders embarked on the first of our new leadership development offerings.

Our new leadership development program offers 4 internally-facilitated courses and several externally-led courses, catering to staff at various stages of their leadership journey: aspiring leaders, existing frontline leaders and supervisors, experienced leaders and technical specialists, and senior leaders with strategic leadership responsibility.

Diversity and inclusion



Ensuring a diverse and inclusive workforce

With 3 out of 4 staff feeling like they belong at EPA, we are well progressed in creating an inclusive working environment where equal opportunity and diversity are valued. We now have a dedicated diversity and inclusion role and a People Committee that governs organisational commitments to drive actions and improvements, as set out below.

In the past year, we reported for the first time to the Commission for Gender Equality in Public Sector on progress against our Gender Equality Action Plan (see Appendix 4), gender pay gap and employee workforce data.

We also increased the number of employee-led network from 2 to 6. Along with our PRIDE network and environment group Green Stars, we now have networks for:

- women
- multicultural
- diversity, equity and inclusion
- enablers.

Diversity, equity and inclusion actions 2023–24

Goal	Activities	Results
Diversity Seek to better understand by connecting to and learning about the diverse communities we serve.	Introduce quarterly 'sense of belonging' question to quarterly staff surveys.	Most recent result is 68% in People Matter Survey (October 2023).
	Launch compulsory diversity, equity and inclusions for all staff, leaders and Board members.	86% of leaders, 100% of Board and 98% for all staff (non leaders) completed the assigned training.
	Update employee demographic identifiers in human resources systems.	Delivered.
Equity Promote equity through providing opportunities for our people to have meaningful impact.	Promote and enable new employee-led networks.	Relaunched our employee-led networks, increasing from 2 to 6. Our employee-led networks are represented by 184 employees (or 24%) from across all levels and different locations.
	Deliver a calendar of events for culturally significant days and celebrations.	Celebrated more than 20 significant days through online and in-person events.
Inclusion Prioritise inclusion as an EPA practice.	Scope and plan for external partnerships that enable our inclusion goals.	Became a member of the Australian Disability network and Pride in Diversity organisation.
	Embed equitable standards in our talent acquisition process and practices.	Delivered.
	Contribute to the accessibility review of our physical spaces.	Conducted a dignified access review of our new CBD location.
	Provide practical guides to inclusive everyday practice linked to diversity, equity and inclusion training.	Published training material and regular staff communications to embed daily behaviour changes.

Meeting our obligations under the *Disability Act 2006*, we reduced barriers for persons with a disability:

- obtaining and maintaining employment by reviewing accessibility at our offices and recognising events such as Mental Health Month
- accessing goods, services and facilities, by starting a digital refresh to ensure both internal and external platforms are compliant with accessibility guidelines.

We have also taken all practical measures to continue complying with the *Carers Recognition Act 2012*, including considering the care relationship principles when creating policies and providing services.

Almost 9 out of 10 staff feel supported to take carers leave, regardless of gender, and 86% of our staff believe having family responsibilities is not seen as a barrier to success.

Safety and wellbeing

Our Health, Safety and Wellbeing Committee drives improved staff wellbeing and comprises elected health and safety representatives and management. The committee is chaired by our CEO and reports to our Senior Executive Committee.

We provide coaching and support for line managers on health, safety, injury management and wellbeing matters.

People roadmap

Showing our commitment to protecting our people, we included safety and wellbeing as one of the 4 key priority areas for our new 4-year People Roadmap to:

- strengthen our safety and wellbeing culture and systems
- manage safety risks including occupational violence and aggression and risks associated with field work
- take an integrated and comprehensive approach to mental and physical wellbeing.

- delivered defensive driving training to 142 field staff.
- recruited and trained additional 23 peer support officers.
- strengthened our employee assistance program (EAP) offering.
- introduced a range of proactive wellbeing tools, including the wellbeing portal from our new EAP provider and free access to the premium version of a mindfulness app.



Eliminating risks of occupational violence and aggression

Our staff are now better protected and equipped to stay safe, after a full assessment of field staff safety, on-site physical security and personal protective equipment.

Violence and aggression from duty holders and the general public has been a long-standing risk for our staff, and reported incidents have increased since our regulatory powers were strengthened in 2021.

Along with upgrading physical security measures at all but 2 of our offices in the past year, we trained more than 380 frontline staff in situational awareness and de-escalation practices.

Occupational health and safety

In the past year, our staff reported 107 incidents, 57% of which were near misses. Three of the incidents resulted in time off. There were 3 standard Workcover claims.

Our lost time injury frequency rate increased from previous years to 4.2. While the 12-month rolling average is volatile in a small- to medium-sized agency, we remain under our peer group benchmark of 4.6.

We closed 81% of health, safety and wellbeing corrective actions within the agreed timeline.

To help keep our staff safe, we have:

- implemented security upgrades at EPA offices and other initiatives to reduce occupational violence and aggression risks, and created an occupational violence and aggression working group.

Occupational health and safety (OHS) management measures

Key performance indicator	Notes	2020–21	2021–22	2022–23	2023–24
Incidents					
Number of incidents	1	77	93	100	107
Rate per 100 FTE	3	10.3	13.7	14.3	14.2
Lost time injury		3	2	1	4
Lost time injury frequency rate	4	2.6	1.8	1.4	4.24
Claims					
Number of standard claims	2	2	2	2	3
Rate per 100 FTE	3	0.3	0.3	0.2	0.4
Number of lost time claims		2	2	0	3
Rate per 100 FTE	3	0.3	0.3	0	0.4
Number of claims exceeding 13 weeks		1	1	0	0
Rate per 100 FTE	3	0.1	0.1	0	0
Fatalities					
Fatality claims		0	0	0	0
Claim costs					
Average cost per standard claim	2	\$98,933	\$97,341	\$98,620	\$109,846
Return to work					
Percentage of claims with return to work (RTW) plan <30 days		100%	100%	100%	100%
Consultation and participation					
Evidence of agreed structure of designated work groups (DWGs), health and safety representatives (HSRs) and issue resolution procedures (IRPs)		Completed	Completed	Completed	Completed
Compliance with agreed structure on DWGs, HSRs and IRPs		Completed	Completed	Completed	Completed
Number of quarterly OHS Committee meetings		7	5	3	4

¹ Incident data sourced from EPA's internal safety management system, as of 30 June 2024.

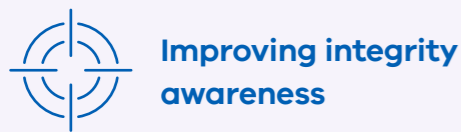
² Data sourced from the Victorian Work Cover Authority as of 30 June 2024. Average costs of claims are calculated from the net incurred cost of claims for the premium period as at the close of the financial year, divided by the number of claims which contributed to the cost over the same period.

³ Based on average FTE employees of 753.2 for 2023–24.

⁴ Rolling 12-month average.

Integrity

In the past year, there were no instances of non-conformance with the Victorian Public Sector (VPS) Code of Conduct, Public Administration Act or the Financial Management Act.



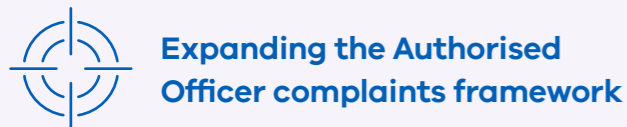
Improving integrity awareness

We are better placed to stop fraud and corruption, with highly trained staff and stronger integrity controls in place.

We undertook a comprehensive assessment of our integrity framework's effectiveness in managing risk across conflict of interest, fraud and corruption, gifts, benefits and hospitality and public interest disclosures.

Over the past year we delivered:

- integrity training to 97% of staff (compared to 85% in 2022–23)
- training on declaring and managing private interests to 155 line managers.



Expanding the Authorised Officer complaints framework

We are strengthening our authorised officer complaints framework to streamline processes and address existing pain points.

New policies and guidelines will result in a more effective, reliable and consistent process for handling complaints.

Public interest disclosures

Under the *Public Interest Disclosures Act 2012* you can disclose corrupt or improper conduct by EPA officers, employees or Governing Board members. This could involve substantial mismanagement of public resources, risk to public health or safety or the environment, or corruption.

You can also report detrimental action taken against you in reprisal for making a public interest disclosure.

We do not receive disclosures. Make a public interest disclosure to the Independent Broad-based Anti-corruption Commission:

In person

Level 1, North Tower, 459 Collins Street, Melbourne, Victoria 3000

By post

GPO Box 24234, Melbourne, Victoria 3001

By phone

1300 735 135

For more information, and secure email disclosure, go to ibac.vic.gov.au. For our disclosure procedures, go to epa.vic.gov.au/about-epa/what-we-do/public-interest-disclosures

Victorian Ombudsman enquiries

We received 23 enquiries from the Victorian Ombudsman in 2023–24. These were mostly related to our regulatory response to pollution reports, especially noise, and the timeliness of responses generally.

The enquiries included an own motion enquiry about our enforcement of residential construction noise and our collaboration with councils to support joint regulation. We have responded to the Ombudsman's information requests and we expect the enquiry to conclude in the near future.

Ombudsman enquiries received

Region	Number
Gippsland	3
North east Victoria	1
North west Victoria	0
North metropolitan Melbourne	3
South west Victoria	2
South metropolitan Melbourne	3
West metropolitan Melbourne	2
Melbourne CBD	9
Total	23

Making better decisions



Considering public health in our decisions

More than three quarters of our decisions and notices consider how non-compliance can impact public and environmental health.

Our decisions and notices are a key opportunity to tell industry why compliance matters.

In the past year, we reviewed more than 65 of our remedial notice decisions and waste incident reviews to see if we were doing this well.

Public health partnerships

We are the only EPA with an environmental public health unit, following the transfer of pollution and waste functions from the Department of Health in 2016.

We have partnered with Victorian and interstate peers and government bodies such as: Australia's Environmental Health Standing Committee, Commonwealth Scientific and Industrial Research Organisation, National Health and Medical Research Council, and Cooperative Research Centres for Solving Antimicrobial Resistance and Solving Plastic Waste.

Our unit provides advice to support decision-making by EPA as well as to external organisations. The top 5 topics where advice was provided were chemistry and toxicology, microbiology, population health impacts of air pollution, health impacts assessments, and environmental justice.

Improving our data maturity

Over the past year, we've improved our capability to make good decisions, with further work still required to measure our effectiveness and increase our data maturity.

We assessed our capability maturity rating, looking at the people, processes and technology we have in place to improve performance.

Our overall rating moved from 2 to 2.4 and we will continue our focus on these areas next year, prioritising data strategy and regulatory outcomes reporting.

Driving projects and results

In the past year, we've established 2 central offices with specialist expertise in program, project and data management to ensure we deliver on our promises and can measure our impact.

Our Enterprise Program Management Office is uplifting change and project management capability and driving our corporate reporting, planning and performance monitoring.

The Office of our new Chief Data and Insights Officer is embarking on an ambitious transformation of how we securely collect, manage and use to achieve our aspirations.

Preventing harm to Country from pollution and waste

As part of developing a regulatory framework for the recognition of cultural knowledge and values, we started a 2-year Environment Protection on Country pilot program with 6 Traditional Owner corporations.

Under this program, we fund roles to support collaborations for the prevention of harm to Country.

More than 600 staff have also completed our cultural awareness and safety workshops, delivered in partnership with the Victorian Aboriginal Community Controlled Health Organisation to support informed engagement with Traditional Owners.

Information and communication technology

In 2023–24, we spent \$51 million on information and communication technology (ICT). Details are shown in the table on the following page.

Equipping our staff with the right technology

Our IT Plan and Roadmap supports EPA achieve its purpose by delivering reliable, agile and responsive IT capabilities and technology.

Over the past year we delivered all activities in the plan for this year, including:

- continuing to mature our cyber security posture through enhanced security controls aligned with the Essential 8 and NIST cyber security frameworks, and supported by necessary testing
- introducing systems to improve staff efficiency, such as artificial intelligence, upgraded end user devices, video conferencing technology and better office internet speeds
- implementing systems for better data management, such as field samples, permissions and waste intelligence
- enhancing apps like Waste Tracker and the Landfill Levy Portal for improved customer experience
- migrating systems from on-premises data centres to cloud infrastructure for improved performance, flexibility and security.

Disclosure of ICT expenditure (\$'000,000)

All operational ICT expenditure	ICT expenditure related to projects to create or enhance ICT capabilities			
	Business-as-usual (BAU) ICT expenditure	Non-BAU ICT expenditure	Operational expenditure	Capital expenditure
(Total)	(Total = Operational expenditure and capital expenditure)			
\$37.7	\$13.3	\$13.2	\$0.1	

ICT expenditure refers to EPA's costs in providing business-enabling ICT services.

BAU ICT expenditure primarily relates to ongoing activities to operate and maintain the current ICT capability.

Non-BAU expenditure includes work to enhance the Waste Tracker application for duty holders.

Non-BAU ICT expenditure reported for 2022–23 was incorrectly stated as \$3.8 million. The correct non-BAU ICT expenditure was \$13.5 million and the total ICT expenditure was \$43 million for 2022–23.

Governance

Governing Board

In accordance with the Environment Protection Act, the Governing Board is responsible for:

- the governance, strategic planning and risk management of EPA
- pursuing our objectives
- performing the duties and functions and exercising the powers of EPA.

Professor Kate Auty

Chair - 1 July 2020 to 30 June 2025



Kate is a Professorial Fellow at the University of Melbourne, Advisor of Kaiela Institute in Shepparton and a Director and Editorial Board member of the Urban Climate Change Research Network's Oceania Hub. She is Co-Chair of the Open Government Forum (Civil Society), Open Government Partnership and Director of Women's Climate Congress non-government organisation.

She has extensive experience with environmental and climate issues. This includes as the Commissioner for Sustainability and the Environment in the Australian Capital Territory. Kate is a member of the Victorian Bar. She has worked extensively as a magistrate and coroner. Kate continues to volunteer with community environmental and sustainability groups in north-east Victoria.



Greg Tweedly

Deputy Chair - 1 July 2018 to 30 June 2025

Greg has more than 30 years' experience in regulation, governance, risk, audit and finance. As Chief Executive Officer of WorkSafe Victoria for 10 years, Greg was responsible for the regulation of workplace safety in Victoria.

Greg is currently a non-executive Director of Melbourne Health and Chair of the Personal Injury Education Foundation.



Monique Conheady

1 July 2018 to 18 September 2023

Monique is the independent Chair of JET Charge Pty Ltd, a Director of Phantm Pty Ltd and Venture Partner with Wavemaker Impact. Previously, she was the co-founder and Chief Executive Officer of Flexicar and held executive roles at Hertz Australia after it purchased Flexicar. Monique has qualifications in environmental engineering, is a graduate of the Australian Institute of Company Directors and a Fellow of the Centre for Sustainability Leadership.

Monique was appointed as the new Commission Chairperson of Energy Safe Victoria in July 2023 and appointed as a Director of Melbourne Water in October 2023.

Margaret Donnan

10 May 2022 to 9 May 2027



Margaret has extensive national and international experience of working with government, commercial and not-for-profit boards. She is currently Chair of the Audit and Risk Committee of Australian Radiation Protection and Nuclear Safety Agency and is an independent Director and Chair of the Risk and Audit Committee of Battery Stewardship Council.

Margaret's former board roles include Chair of IChemE Safety Centre global advisory board, Deputy Chair of Game Management Authority and non-executive Director on the Metropolitan Waste and Resource Recovery Group and the National Offshore Petroleum Safety Authority. In her senior executive career, Margaret was Chief Executive Officer of Plastics and Chemical Industries Association, following an extensive career at WorkSafe Victoria which culminated in her being appointed the inaugural Director of Major Hazards following the Longford tragedy.

In 2016, Margaret was a member of an independent ministerial panel that reviewed WorkSafe Victoria's compliance and enforcement policy and activities. Margaret holds a Master of Science degree, majoring in chemistry from the University of Melbourne and is an Associate Fellow of the Institution of Chemical Engineers. Margaret was inducted into the Inaugural Hall of Fame for the Australian Institute of Occupational Hygienists in 2023 and was awarded the global IChemE's Trustees Medal for 2023-24.

Johnathan Halaliku

25 July 2023 to 30 June 2025



Jonathan has undergraduate qualifications in economics and international trade. He holds post graduate qualifications and a Masters Degree in Environment and Planning, and has extensive experience in urban and regional planning consultancy, advising and acting on behalf of state and local governments, the private sector and community stakeholders.

Jonathan has a comprehensive understanding of statutory and strategic planning and regularly appears in tribunal and court settings to provide expert urban planning advice. In 2020 Jonathan was a Sessional Panel Member of Planning Panels Victoria and is called upon to preside over, assess and make recommendations on a range of state-significant strategic planning and land use projects and planning scheme amendments.

Jonathan is active and engaged in the urban planning and development industry with memberships and involvement with a range of sub-committees across peak industry bodies. He is a past Board Member and Director of the Victorian Planning and Environmental Law Association and a member of the Australian Institute of Company Directors.



Dr Catherine Lopes

10 May 2022 to 9 May 2027

Catherine's international career spans diverse sectors, ranging from financial services, utilities to media. Currently, her focus lies in enhancing business performance through the development of data and analytics strategies, the utilisation of a wide range of analytics and AI applications, and the establishment of a well-governed enterprise data management and governance framework.

Catherine was the first Chief Data and Analytics Officer at Merkle ANZ, the Head of Enterprise Data and Analytics at AGL Energy and the Head of Data Strategy and Analytics at ME Bank, ANZ Bank. Catherine also co-founded a startup Sleigh Group which is a creative resource company. She is the founder of Ada's Tribe, a community that empowers women in analytics, data science and AI, and serves on multiple university advisory boards at Australian National University and Monash. In 2005, Catherine was awarded a doctoral degree in data mining, machine learning and computer science from Monash University, where she won the Mollie Holman Doctoral Medal for her PhD thesis, 'Machine Learning and Time Series Forecasting'.

**Emeritus Professor
Joan Ozanne-Smith AO**

1 July 2018 to 30 June 2025



Joan is the Head of Injury Prevention Research at the Department of Forensic Medicine at Monash University. She has been a non-executive Director of the Australian China Alumni Association, a member of the Victorian Civil and Administrative Tribunal (VCAT) and Chair of non-government organisations.

Joan has qualifications in medicine, public health and sociology, a research doctorate in injury epidemiology and is a Fellow of the Australasian Faculty of Public Health Medicine. She conducts interdisciplinary research and develops epidemiological data systems in Australia and internationally. She has co-edited several World Health Organization (WHO) global reports, established a WHO Collaborating Centre at Monash University and has conducted many WHO missions in China, Vietnam and South Pacific countries.

Joan was appointed Officer of the Order of Australia in the 2016 Australia Day Honours List in recognition of her distinguished service to public health in the area of accident and injury prevention, forensic medicine and to higher education as an academic.

Ross' senior executive career with leading multinational companies BASF and BOC included General Manager and Managing Director roles in Asia, Australia and Europe. He was formerly the Deputy National President of the Australian Industry Group and a longstanding board member of the Plastics and Chemicals Industry Association.

Ross is a Fellow of the Australian Institute of Company Directors and of the Australian Academy of Technology and Engineering. He was awarded an Honorary Doctor of Engineering by Swinburne University of Technology in 2016.

Dr Ross Pilling

1 July 2018 to 30 June 2024



Ross is a non-executive director of Note Printing Australia Ltd, Kotzur Pty Ltd and National Golf Holdings Pty Ltd, and independent Director and Chair of Jupiter Ionics Pty Ltd. He is an executive mentor on the faculty of CMi Merryck.



Kay Rundle

20 October 2020 to 19 October 2025

Kay is the director and an executive coach at Kay Rundle and Associates. She is an experienced Board Director and Chief Executive Officer with more than 15 years' experience leading 3 local government organisations (Maribyrnong, Greater Geelong, and Port Phillip).

She holds a Bachelor of Social Work from the Phillip Institute of Technology, Graduate Diploma in Computing from Monash University, Master of Business from the Royal Melbourne Institute of Technology and Executive Coaching Level I, II and III from the Institute of Executive Coaching and Leadership. She is also a graduate of the Australian Institute of Company Directors and won a Local Government Executive Leadership Award in 2006.

Attendance at Governing Board meetings in 2023–24

Governing Board member	Meetings eligible to attend	Meetings attended
Chair Professor Kate Auty	11*	9
Deputy Chair Greg Tweedly	11	11
Monique Conheady	2*	2
Margaret Donnan	11*	11
Johnathan Halaliku	11	10
Dr Catherine Lopes	11	11
Emeritus Professor Joan Ozanne-Smith AO	11	10
Dr Ross Pilling	11*	11
Kay Rundle	11*	10

* The Governing Board, as constituted, also attended an operational update from management on 4 July 2023, which was in addition to the 11 meetings noted above.

Advisory committees

Risk and Audit Committee

Our Risk and Audit Committee and internal audit function support the Chair and Chief Executive Officer to fulfill their obligations under the Financial Management Act.

The committee reports to the Governing Board and provides advice on financial reporting, internal and external audit, risk management systems and practices, the compliance and control environment, and the ICT environment.

Risk management

We are committed to meeting the requirements of the Victorian Government Risk Management Framework, promoting a positive risk culture. Risk management is systematically embedded in annual delivery planning, and all activities and processes across the organisation.

We've identified 7 organisational strategic risks that could impact the achievement of the outcomes defined in our strategic plan. We've established treatment plans to mitigate these risks. Operational risks are identified and managed through division and branch annual delivery plans.

Management of organisational strategic risks is regularly monitored and reviewed by the Senior Executive Committee. The outcomes are reported to the Risk and Audit Committee and the Governing Board biannually or as required.

Risk and Audit Committee members (30 June 2024) and meeting attendance

Committee member	Term of appointment	Meetings eligible to attend	Meetings attended
External Chair	Peter Lewinsky AM 15 March 2023 to 31 March 2026	6	6
Governing Board members	Dr Catherine Lopes 7 August 2023 to 9 May 2027	6	5
	Kay Rundle 20 October 2020 to 19 October 2025	6	6
	Greg Tweedly 1 July 2018 to 30 June 2025	6	5
External member	Michelle Beveridge 1 August 2021 to 30 June 2027	6	6

Science, Health and Engineering Advisory Committee

This committee supports the Governing Board to oversee the implementation of our strategic plan. Operating alongside the Chief Environmental Scientist, it provides independent strategic advice to grow scientific excellence.

The committee met 4 times this year.

Executive Remuneration and Succession Committee

This committee helps the Governing Board discharge its duties in relation to executive remuneration and succession planning. It ensures we comply with Victorian Government policies around executive employment practices and reporting.

The committee met twice this year.

Science, Health and Engineering Advisory Committee members (30 June 2024)

Chair	Professor Kate Auty	Governing Board Chair
Members	Emeritus Professor Joan Ozanne-Smith AO	Governing Board member
	Margaret Donnan	Governing Board member
Ex officio	Dr Clare Looker	Chief Health Officer, Department of Health
	Professor Mark Taylor	Chief Environmental Scientist
External members	Dr Peter Breen	
	Professor David Johnston	
	Professor Sandra Kentish	
	Professor Veena Sahajwalla	
Standing invitation	Governing Board members	
	Lee Miezis	Chief Executive Officer

Executive Remuneration and Succession Committee members (30 June 2024)

Chair	Professor Kate Auty	Governing Board Chair
Members	Dr Ross Pilling	Governing Board member
	Jonathan Halaliku	Governing Board member
Standing invitation	Lee Miezis	Chief Executive Officer
	Abhijit Gupta	A/Executive Director Corporate Services
	Serryn Hayes	Chief People Officer



Senior executive

EPA is led by Chief Executive Officer (CEO) Lee Miezis PSM who is accountable to the Minister for the Environment. He is supported by 7 executives who form the Senior Executive Committee.

The committee is responsible for leading the governance and stewardship of EPA. It supports the CEO's decision making by:

- providing strategic advice and assurance regarding EPA's overall performance
- overseeing delivery of key projects, programs and enterprise-wide systems
- managing risk
- establishing workforce policies and setting the tone for EPA's culture.

Lee Miezis PSM
Chief Executive Officer
MBA, BForSci (Hons)



Reporting to the Governing Board, Lee leads EPA and is responsible for its day-to-day management and operational performance. In association with the Board, Lee also sets the organisation's strategic direction.

Lee was appointed to the role of CEO in May 2021 following 3 months as interim CEO. Prior to joining EPA, Lee was the inaugural CEO of Bushfire Recovery Victoria. Before that, he spent 15 years with the (former) Department of Environment, Land, Water and Planning, including as Deputy Secretary of the Forest, Fire and Regions Group.

Lee is a Victorian Fellow of the Institute of Public Administration Australia and was awarded a Public Service Medal in the 2022 Australia Day Honours for outstanding service to policy, regulation and service delivery, particularly around environmental sustainability.



Suzy Neilan
Executive Director Strategy
BA (Hons)

Suzy joined EPA in August 2021. Suzy was previously Executive Director, Service Delivery with the Victorian Building Authority where she oversaw Licensing and Registration, Customer Service and Quality. Before joining the Victorian Public Sector in 2018, Suzy worked in business process outsourcing, most notably as General Manager of Infringement Management Enforcement Services at Tenix Solutions which managed the outsourced systems and services of Civic Compliance Victoria for the Department of Justice and Community Safety.



Carmel Flynn
A/Executive Director Operations
MBA, BComm

Joining EPA in October 2022, Carmel brings diverse and senior experience having previously worked in corporate and emergency management executive positions in the Victorian Public Sector for more than 10 years, in international humanitarian leadership roles and in professional services.

Carmel was a commissioned officer in the Royal Australian Air Force for 10 years and a veteran of active service. Her professional qualifications include a Master of Business Administration and a Bachelor of Commerce.

We thank former Executive Director Operations Mark Rossiter, who finished with EPA in March 2024 after 5 years.

Professor Mark Patrick Taylor
Chief Environmental Scientist
PhD, BSc (Hons)



Mark joined EPA in August 2021. Mark specialises in environmental contamination and the risks it can pose to human health. Since joining EPA, Mark has established EPA's GardenSafe program supporting thousands of Victorians in understanding and addressing trace metal exposure risks in their gardens. During the 2022 Victorian floods Mark introduced enhanced soil and water testing to assist impacted communities with their clean-up efforts.

Abhijit Gupta
A/Executive Director Corporate Services
GAICD, MBA, MCA, BA (Hons)



Abhijit joined EPA in November 2021 following a 7-month stint as EPA's Interim Chief Information Officer. Abhijit has extensive experience in information technology, project and program management, and delivery of significant change programs. Prior to joining EPA, Abhijit held senior technology leadership roles including Head of Technology, General Manager, and Technology Director within the financial services and energy industries.

Abhijit is a Senior Member of the Australian Computer Society, Fellow of the Institute of Managers and Leaders, and a Member of the Australian Institute of Company Directors.



Matt d'Abbs
Chief Quality Officer
EMPA, LLB, BA

Matt joined EPA in 2018 as Director Regulatory Approach and Capability. Prior to EPA, Matt was Director Strategy, Policy and Corporate Services and General Counsel at Transport Safety Victoria and Senior Policy and Legal Adviser for the Department of Transport.

Before joining the Victorian Public Sector, Matt spent 15 years in offshore commercial fishing and maritime tourism.



Peter Tziotis
A/General Counsel
BCom (Accounting and Finance),
LLB (Hons), GDLP

Peter commenced in the role of Acting General Counsel in 2024 and has been providing strategic expertise as the leader of EPA's investigations support and prosecution unit since 2021.

Peter is an executive member of the Agency Prosecutions Section of the Law Institute of Victoria. Prior to joining EPA, Peter spent 7 years at Consumer Affairs Victoria undertaking investigations, advising on specialist consumer and regulatory law matters, and conducting criminal and civil prosecutions.



Cathy Heycock
Director Public Affairs
BA

Cathy joined EPA in 2021. Before joining EPA, Cathy headed strategic communications at the (former) Department of Environment, Land, Water and Planning. Cathy brings a wealth of experience in the environment and health portfolios leading strategic communications and major campaigns.

Executive officer data

An executive officer is defined as a person employed as a public service body head or other executive under Part 3, Division 5 of the Public Administration Act.

All figures in the following tables reflect employment levels at the last full pay period in June 2024.

Annualised total salary, by \$20,000 bands, for executives and other senior non-executive staff

Income band (salary)	Executives	STS	PS	SMA	SRA	Other
<\$160,000	0	0	0	0	0	0
\$160,000–\$179,000	0	1	0	0	0	0
\$180,000–\$199,000	0	5	0	0	0	0
\$200,000–\$219,000	4	3	0	0	0	0
\$220,000–\$239,000	5	2	0	0	0	0
\$240,000–\$259,000	0	3	0	0	0	0
\$260,000–\$279,000	0	0	0	0	0	0
\$280,000–\$299,000	0	0	0	0	0	0
\$300,000–\$319,000	3	0	0	0	0	0
\$320,000–\$339,000	0	0	0	0	0	0
\$340,000–\$359,000	0	0	0	0	0	0
\$360,000–\$379,000 -	0	0	0	0	0	0
\$380,000–\$399,000	0	0	0	0	0	0
\$400,000–\$419,000	1	0	0	0	0	0
Total	13	14	0	0	0	0

Header row acronyms stand for Senior Technical Specialist (STS), Public Service (PS), Senior Medical Advisor (SMA) and Senior Regulatory Analyst (SRA). The salaries reported above are for the full financial year, at a 1-FTE rate and exclude superannuation.

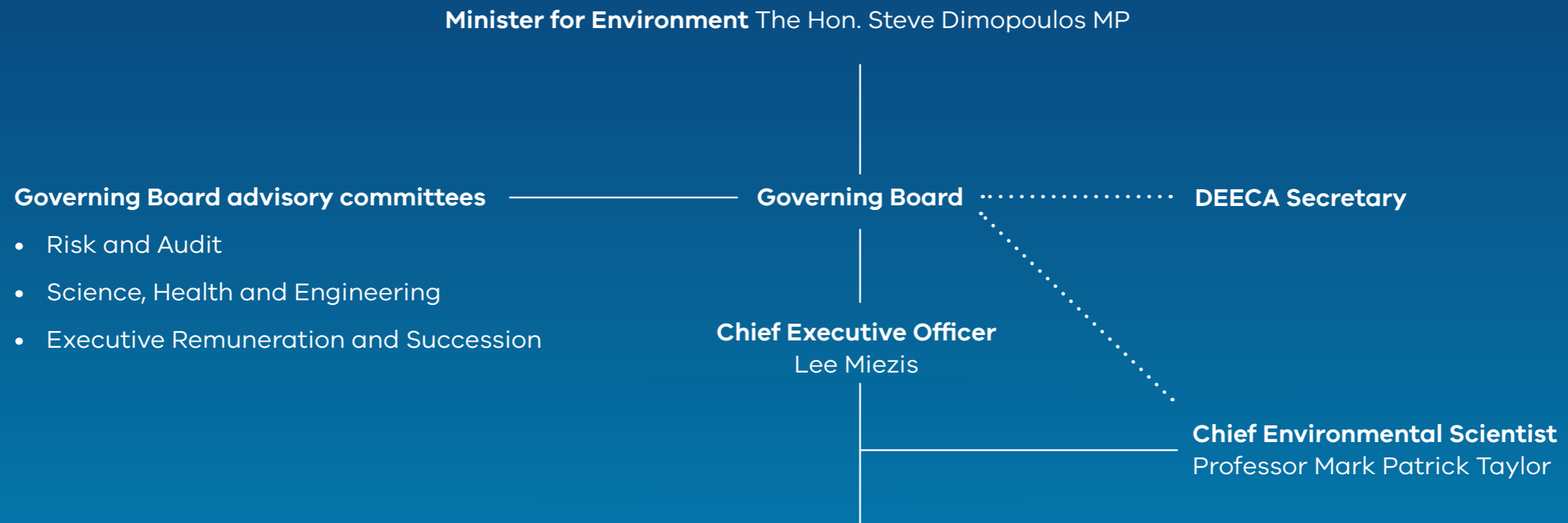
Total number of executives by gender

Classification	All		Men		Women		Self-described		Vacancies
	Number	Variation	Number	Variation	Number	Variation	Number	Variation	Number
SES-1	9	0	4	0	5	0	0	0	0
SES-2	3	-1	1	-1	2	0	0	0	1
SES-3	1	0	1	0	0	0	0	0	0
Total	13	-1	6	-1	7	0	0	0	1



EPA staff at our Melbourne office, Collins Street

Organisational structure



EPA is organised into seven main divisions and branches:



Procurement

In the past year, we trained 514 of our staff in procurement processes to ensure we correctly appoint and manage contracts.

Procurement complaints

Under the Governance Policy of the Victorian Government Purchasing Board, we must disclose any formal complaints relating to the procurement of goods and services.

We received no formal complaints through our procurement complaints management system.

Major contracts and advertising

We did not execute any major new contracts. Our advertising campaign expenditure did not exceed \$100,000.

Consultancy expenditure

We engaged 33 consultancies where the total fee payable was \$10,000 or greater. We spent a total of \$2,752,303 (excl. GST).

In the past year, we also engaged one consultant where the total fee payable was less than \$10,000. The total was \$9,855 (excl. GST).

Details of consultancies (valued at \$10,000 or greater)

Supplier	Purpose of consultancy	Total approved project fee (excl. GST)	Expenditure 2023–24 (excl. GST)	Future expenditure (excl. GST)
Acton Advisory Pty Ltd	Framework development and policy research (regulatory capability plan)	\$330,225	\$187,128	-
Arup Australia Pty Ltd	Commercial and transaction advice (wind energy facility)	\$145,455	\$23,800	\$84,695
Christopher Perry Johnstone	General professional services (flood water project)	\$60,000	\$10,000	-
Clear Horizon Consulting Pty Ltd	General professional services (industry capability uplift)	\$36,000	\$36,000	-
Clear Horizon Consulting Pty Ltd	General professional services (small business program)	\$30,180	\$30,180	-
Decentralised Water Consulting Pty Ltd	Commercial and transaction advice (wastewater management system)	\$87,306	\$18,335	-
Deloitte Consulting Pty Ltd	Review of structure, process and practice (people data quality uplift project)	\$80,000	\$80,000	-
Environmental Risk Sciences Pty Ltd	Commercial and transaction advice (contaminants in recycled water)	\$151,100	\$42,512	\$11,620
Ernst & Young Pty Ltd	Business need and system design (IT plan delivery)	\$1,017,175	\$272,828	\$45,017
Ernst & Young Pty Ltd	Review of structure, process and practice (successful delivery of projects)	\$985,141	\$328,658	\$2,518
Ernst & Young Pty Ltd	Commercial and transaction advice (strategic workforce planning framework)	\$154,545	\$118,771	\$35,774
GHD Pty Ltd	Review of structure, process and practice (water quality framework)	\$65,733	\$30,328	\$12,882
GHD Pty Ltd	Review of structure, process and practice (science facility feasibility study)	\$201,833	\$55,580	\$146,254
Griffith University	General professional services (market acceleration through sampling program)	\$32,000	\$25,004	\$6,996
Jacobs Group (Australia) Pty Ltd	Commercial and transaction advice (resource recovery facilities)	\$209,091	\$5,628	\$203,463
Monash University	Framework development and policy research (water quality standards)	\$54,189	\$54,189	-
RM Consulting Group Pty Ltd	Commercial and transaction advice (onsite wastewater management systems)	\$86,231	\$19,020	\$2,091

Total approved project fee includes consultancy work that may have commenced in a prior financial year.

Details of consultancies (valued at \$10,000 or greater) continued

Supplier	Purpose of consultancy	Total approved project fee (excl. GST)	Expenditure 2023–24 (excl. GST)	Future expenditure (excl. GST)
RM Consulting Group Pty Ltd	Review of structure, process and practice (Victorian land capability assessment framework (VLCAF))	\$97,760	\$54,820	\$42,940
RM Consulting Group Pty Ltd	Review of structure, process and practice (wastewater discharge guidance review)	\$39,980	\$39,980	-
RSM Australia Pty Ltd	Review of structure, process and practice (crime branch capability uplift project)	\$227,273	\$24,615	-
RSM Australia Pty Ltd	Review of structure, process and practice (risk assessment project)	\$145,429	\$48,132	\$37,297
Scientell Pty Ltd	Commercial and transaction advice (separation distance guidelines project)	\$42,636	\$29,845	\$12,791
SLR Consulting Australia Pty Ltd	Review of structure, process and practice (perchloroethylene (PCE) toxicity review)	\$45,000	\$45,000	-
The Nous Group	Commercial and transaction advice (climate change risk engagement)	\$454,007	\$187,980	-
The Nous Group	Commercial and transaction advice (regulatory decision maker program and learning culture)	\$209,091	\$83,636	-
The Nous Group	Framework development and policy research (statement of regulatory intent)	\$186,364	\$164,091	\$22,273
The University Of Adelaide	Commercial and transaction advice (psychological health impacts from pollution)	\$249,574	\$249,574	-
Victorian Government Solicitor's Office	General professional services (greenhouse gas emissions assessment methodology)	\$10,348	\$10,348	-
We Are Rowboat Pty Ltd	Business need and system design (employee value proposition project)	\$196,382	\$196,290	\$92
Chambers Consulting ¹	Routine accounting, audit and taxation services	\$16,650	\$5,400	\$11,250
D&D Taxation Consulting ¹	Routine accounting, audit and taxation services	\$29,490	\$9,231	-
Protiviti Pty Ltd ¹	Routine accounting, audit and taxation services	\$1,818,182	\$205,400	\$1,251,582
Victorian Auditor-General's Office ¹	Routine accounting, audit and taxation services	\$120,000	\$60,000	\$60,000
Total		\$7,614,370	\$2,752,303	\$1,989,535

¹ Firm that provides accounting services engaged by EPA in 2023–24 to provide contracted works. While these works do not meet the definition of consultant under FRD 22H, the firm is included in the table for transparency purposes.



Reviews and studies

During 2023–24, we conducted 9 reviews and studies with a total cost of \$1,888,149.

Details of reviews and studies (valued at \$10,000 or greater)

Name of review	Reason for review/study	Scope	Anticipated outcome	Estimated cost (excl. GST)	Final cost if complete	Available (Y/N)
Review of structure, process and practice (people data quality uplift project)	Review of EPA's people data and reporting framework	Internal EPA functions	An implementation roadmap with recommended options	\$80,000	\$80,000	N
Review of structure, process and practice (successful delivery of projects)	Review of project delivery processes	Internal EPA functions	A report which provides recommended options	\$985,141	-	N
Review of structure, process and practice (water quality framework)	Review of water quality framework processes	Internal EPA functions	A report which provides recommended options	\$65,733	-	N
Review of structure, process and practice (science facility feasibility study)	Feasibility study to guide decisions regarding the Science facility	Internal EPA functions	A feasibility report that provides a recommended option	\$201,833	-	N
Review of structure, process and practice (VLCAF)	Review of VLCAF processes	Internal EPA functions	A report which provides recommended options	\$97,760	-	N
Review of structure, process and practice (wastewater discharge guidance review)	Review to improve the wastewater management program	Internal EPA functions	A report which provides recommended options	\$39,980	\$39,980	N
Review of structure, process and practice (crime branch capability uplift project)	Review and action plan to uplift capability	Internal EPA functions	A report which provides recommended options	\$227,273	-	N
Review of structure, process and practice (risk assessment project)	Review of EPA's risk assessment processes	Internal EPA functions	A report which provides recommended options	\$145,429	-	N
Review of structure, process and practice (PCE toxicity review)	Review of PCE toxicity processes	Internal EPA functions	A report which provides recommended options	\$45,000	\$45,000	N

Local Jobs First

As a government procurer of goods and services, we use our purchasing power to help develop local industries, create jobs and boost economic activity in Victoria.

We apply the Local Jobs First policy in all projects valued at \$3 million (incl. GST) or more in metropolitan Melbourne, or \$1 million (incl. GST) or more for projects in regional Victoria. In the past year, no EPA projects were over these thresholds.

Competitive Neutrality Policy

Under the Competitive Neutrality Policy, we ensure we do not have a competitive advantage when our services compete, or potentially compete, with the private sector.

We cost and price our services as if they were privately owned, so we can support fair competition between public and private businesses.

This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

We ensure Victoria fulfils its requirements on competitive neutrality reporting as required under the Competition Principles Agreement and Competition and Infrastructure Reform Agreement.

Data and information

Accessing our information

The *Freedom of Information (FOI) Act 1982* allows the public a right of access to documents held by EPA – including documents we create or have been given to us. Documents may include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes.

A lot of our information and documents are available online, limiting the need for the public to seek documents under the FOI Act. If not publicly available, you can make a FOI request.

We must decide within 30 calendar days of receiving the request, or up to 45 days when we need to consult with other agencies. With agreement from the applicant, we may extend the time by up to 30 days, any number of times.

We may refuse access, either fully or partially, to information that is exempt, including cabinet documents, some internal working documents, law enforcement documents, documents covered by legal professional privilege (such as legal advice), personal information about other people and information provided to EPA in confidence.

If an applicant is not satisfied with our decision, they can seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days.

For more information about the operation and scope of the FOI Act, go to ovic.vic.gov.au.

FOI requests

We received 160 FOI applications in 2023–24. One was from a Member of Parliament, 8 from the media and the remainder were from the general public.

Making a request

- Please make your request in writing to us. If you cannot, please call us.
- Clearly identify the documents you want to access.
- Pay an application fee of \$32.70. We may waive the application fee if you can demonstrate hardship.

Send FOI requests to foi@epa.vic.gov.au or by post to:

Freedom of Information Officer
EPA Victoria
GPO Box 4395
Melbourne VIC 3001

Access charges will also be payable in relation to most requests. In some circumstances, we will waive these charges.

For more information about making a request go to epa.vic.gov.au/about-epa/governance/freedom-of-information

Summary of FOI decisions

Decisions	Number
Made within 30 days	56
Made within 31 to 45 days	37
Made past 45 days	30
Access to documents	Number
Granted in full	61
Granted in part	40
Denied in full	9
No relevant documents found	13
Timeliness	Number
Decisions made after an extension	57
Average number of days taken to decide (including extended timeframes)	40
Complaint or reviews	Number
Subject to complaint or internal review by OVIC	10
Progressed to VCAT	2

The data above includes all decisions that were made in 2023–24.

Accessing our data

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, EPA made 41 data sets available on the DataVic website in 2023–24. Information included in this report will be available at data.vic.gov.au in electronic readable format.

More information available on request

In compliance with the requirements of the Standing Directions 2018, information on the below is available on request, subject to the provisions of the Freedom of Information Act.

- Declarations of pecuniary interests completed by all relevant officers of EPA.
- Shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary.
- Changes in prices, fees, charges, rates and levies charged by EPA.
- Any major external reviews carried out in respect of the operation of EPA.

- Major research and development activities.
- Publications produced by EPA about us and where they can be obtained.
- Major promotional, public relations and marketing activities by EPA to develop community awareness of EPA and our services.
- Overseas visits, including a summary of the objectives and outcomes of each visit.
- Assessments and measures to improve occupational health and safety of employees not otherwise detailed in this report.
- A general statement on industrial relations within EPA and details of time lost through industrial accidents and disputes.
- A list of major committees sponsored by EPA, the purpose of each committee and the extent to which the purposes have been achieved.
- Consultancies and contractors engaged, services provided and expenditure committed for each engagement.

Request information from the EPA Contact Centre on 1300 372 842 or email contact@epa.vic.gov.au.

1. Disclosure index

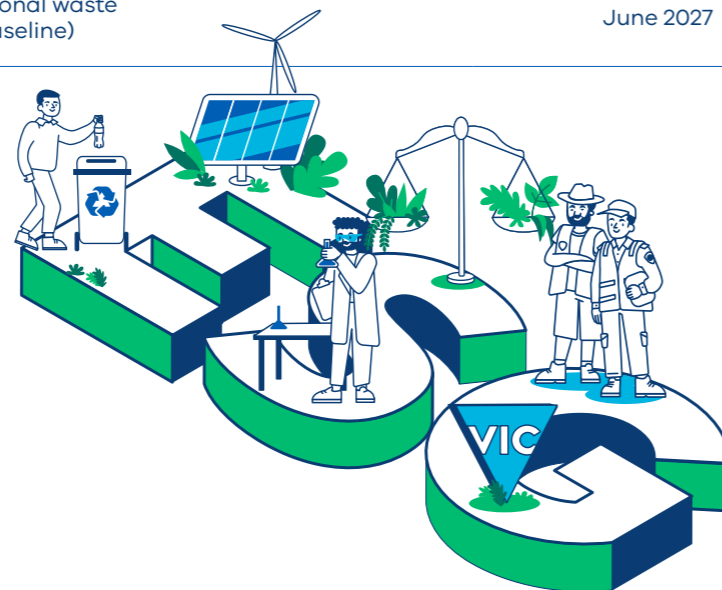
This report was prepared in accordance with all relevant Victorian legislations and pronouncements. This index will help you find information about our compliance with statutory disclosure requirements.

Legislation	Requirement	Page
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Report of operations		
Charter and purpose		
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FRD 22	Purpose, functions, powers and duties	07
FRD 8	Departmental objectives, indicators and outputs	14
FRD 22	Key initiatives and projects	25, 32, 40, 52
FRD 22	Nature and range of services provided	07
Management and structure		
FRD 22	Organisational structure	76
Financial and other information		
FRD 8	Performance against output performance measures	16
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FRD 10	Disclosure index	86
FRD 12	Disclosure of major contracts	78
FRD 15	Executive disclosures	74
FRD 22	Employment and conduct principles	55
FRD 22	Occupational health and safety policy	60
FRD 22	Summary of the financial results for the year	18
FRD 22	Significant changes in financial position during the year	19
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FRD 22	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	46
FRD 22	Statement on National Competition Policy	83
FRD 22	Application and operation of the <i>Public Interest Disclosures Act 2012</i>	62
FRD 22	Application and operation of the <i>Carers Recognition Act 2012</i>	59
FRD 22	Details of consultancies over \$10,000	78
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FRD 22	Statement of availability of other information	85
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FRD 24	Environmental reporting	43
FRD 25	Local Jobs First	83
FRD 29	Workforce data disclosures	56
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SD 5.2.3	Declaration in report of operations	Inside cover
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Declaration		
SD 5.2.2	Declaration in financial statements	97
Other requirements under Standing Directions 5.2		
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SD 5.2.1(a)	Compliance with Standing Directions	97
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Other disclosures as required by FRDs in notes to the financial statements (a)		
FRD 9	Departmental disclosure of administered assets and liabilities by activity	110, 111
FRD 11	Disclosure of ex gratia expenses	135
FRD 13	Disclosure of parliamentary appropriations	NA
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	<i>Building Act 1993</i>	46
	<i>Public Interest Disclosures Act 2012</i>	62
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	<i>Disability Act 2006</i>	59
	<i>Local Jobs Act 2003</i>	83
	<i>Financial Management Act 1994</i>	Inside cover

2. ESG snapshot

Pillar	Target	Delivery
Energy and emissions management	Establish a 2022–23 greenhouse gas emissions baseline	Page 43
	Achieve a 50% reduction in greenhouse gas emissions (from 2022–23 baseline)	June 2027
	Procure 100% renewable electricity	June 2025
Waste management and circularity	Establish a baseline of operational waste disposed and destinations	June 2025
	Establish a baseline of materials use by category	June 2025
	Reduce material use by 25% (from 2023–24 baseline)	June 2027
	Work with key suppliers to increase recycled content in products and embed this in procurement practices	June 2027
	Work with key waste and related service providers to increase recovery and reuse of materials from waste and embed this in procurement practices	June 2027
	Divert 80% or more of operational waste from landfill (from 2023–24 baseline)	June 2027



	Develop an Environmental justice policy to define how the principles and elements of environmental justice will be applied to EPA's priorities, decision making and regulatory functions	December 2024
Environmental justice	Develop an Environmental justice action plan to address issues of overburden in identified Victorian communities	June 2026
	Consider restorative justice options in all enforcement actions and pursue where appropriate	June 2026
	Achieve environmental justice outcomes through all organisational priorities, decisions and regulatory functions utilising the powers, duties and functions of the Environment Protection Act	June 2027
Embracing First Nations culture	Develop 2-way knowledge, advisory and engagement pathways between EPA and First Nations	June 2026
	Develop partnership programs and collaborations with First Nations to achieve environment protection outcomes on Country	June 2026
Health, safety and wellbeing	Maintain lost-time injury frequency rate less than our peer group benchmark	Page 61
	100% of health, safety and wellbeing corrective actions closed within the agreed timeline	Page 60
	An overall staff wellbeing score of above 75% and maintain this each year	June 2025
Diversity, equity and inclusion	Maintain our gender pay equity at less than 2%	Page 92
	Maintain gender representation across our leadership team at 40% men, 40% women and 20% any gender	Page 92
	Our workforce diversity profile reflects the community we serve	June 2026
	More than 80% of EPA staff report a high sense of belonging	June 2026
Ethical business conduct and integrity	No instances of non-conformance with the Victorian Public Sector Code of Conduct, Public Administration Act and the Financial Management Act	Page 62
Transparency and disclosure	Maintain accessible information about regulatory decisions	Ongoing

3. Additional environmental reporting

Energy use

	2021–22	2022–23	2023–24
Total energy usage from fuels (stationary and transportation) (MJ)	3,372,900.99	3,222,909.43	4,859,667.94
Total energy used from electricity (MJ)	5,113,663.97	4,480,201.01	4,459,111.03
Total energy used (MJ)	8,486,564.96	7,703,110.44	9,318,778.97
Renewable	192,683.22	19,447.20	930,712.10
Non-renewable	8,293,881.74	7,683,663.24	8,388,066.87
Units of energy used normalised by FTE(MJ/FTE)	12,792.12	11,270.05	12,537.76
Units of energy used per unit of office area (MJ/m ²)	595.54	540.57	651.40

Stationary fuel

	2021–22	2022–23	2023–24
Total fuels used in buildings and (MJ)			
Buildings – natural gas	640,788.76	600,413.69	1,907,330.58
Greenhouse gas emissions from stationary fuel consumption (tCO ₂ e)	33.02	30.94	98.28

Data for natural gas usage was supplied by supplier invoices. We only use natural gas in some EPA offices. We don't use other stationary fuels or operate machinery.

Fleet vehicles

	2021–22		2022–23		2023–24	
	Number	%	Number	%	Number	%
Road vehicles	139		99		118	
Passenger vehicles	137	99%	98	99%	118	100%
Electric	0	0	0	0	1	1%
Internal combustion engines	0	0	0	0	117	99%
Petrol	96	69%	63	64%	67	57%
Diesel/biodiesel	41	29%	35	35%	50	42%
Hybrid	0	0	0	0	65	0
Plug-in hybrid electric vehicle	0	0	0	0	0	0
Range-extended electric vehicle	0	0	0	0	0	0
Non-road vehicles	2	1%	1	0	1	1%
Internal combustion engines	0	0	0	0	0	0
Petrol	1	1%	1	0	1	1%
Diesel/biodiesel	1	1%	0	0	0	0
Hybrid	0	0	0	0	0	0
Plug-in hybrid electric vehicle	0	0	0	0	0	0
Range-extended electric vehicle	0	0	0	0	0	0

Energy used in transportation (MJ)

	2021–22	2022–23	2023–24
Total energy used in transportation (MJ)	2,732,112.23	2,622,495.74	2,952,337.36
Passenger vehicles	2,719,709.35	2,615,619.49	2,946,102.02
Petrol	1,151,918.24	1,172,178.67	1,178,526.19
Diesel	1,567,791.11	1,443,440.82	1,767,575.83
Non-road vehicles	12,402.87	6,876.25	6,235.34
Petrol	11,971.71	6,876.25	6,235.34
Diesel	431.16	0	0
Total greenhouse gas emissions from vehicle fleet (tCO ₂ -e)	189.62	181.37	204.58
Road vehicles	188.28	180.90	204.15
Petrol	77.89	79.26	79.69
Diesel	110.39	101.63	124.46
Electricity (MWh)	0	0	0
Non-road vehicles	1.34	0.48	0.43
Petrol	1.31	0.48	0.43
Diesel	0.03	0	0
Electricity (MWh)	0	0	0
Total distance travelled by commercial air travel (passenger km)	58,375.85	251,048.00	283,066.45

Data was obtained from fuel cards and other internal reports.

Water

Water consumption

	2021–22	2022–23	2023–24
Total water consumption (kilolitres)	2,451.13	13,634.52	4862.62
Potable water consumption	2,451.13	13,634.52	4862.62
Units of metered water consumed normalised by FTE (kL/FTE)	5.94	21.60	7.64
Units of office water used per office area (kL/m ²)	0.28	1.04	0.40

The data is based on water meter readings at all offices. We continue to implement water use efficiency projects like switching to water-efficient taps, regular checks to fix leaks and replace washers.

Waste

Percentage of offices covered by dedicated collection services

	2021–22	2022–23	2023–24
Printer cartridges	100%	100%	100%
Batteries	0	0	100%
E-waste	100%	100%	100%
Soft plastics	0	0	0%

4. Gender Equality Action Plan snapshot

Target	2023–24 results	2023–24 activities
Gender pay equity		
Maintain our gender pay equity at less than 2%.	The overall organisational gender pay gap between women and men (total remuneration) was 0.3% as at 30 June 2023. It was 1.5% in 2022 and 2.2% in 2021	Conducted our third consecutive annual audit of pay gap and implemented several key recommendations. These included developing a Recruitment, selection and remuneration policy and procedure documentation that incorporated proactive measures to address pay equity.
Gender composition		
Ensure our workforce diversity profile reflects the community we serve.	<p>Entire workforce:</p> <ul style="list-style-type: none"> 50% female 49% male 1% self-identified <p>68% of employees agree that gender is not a barrier to success*</p>	<p>Increased awareness and communication activities around gender equality in the workplace.</p> <p>Improved talent acquisition processes and current diversity of teams, considering gender balance during the hiring process.</p> <p>Mitigated bias throughout the hiring process by updating recruitment policies and hiring manager training.</p>
Maintain gender representation across our leadership team at 40% men, 40% women and 20% any gender.	<p>Board:</p> <ul style="list-style-type: none"> 62% female 38% male <p>Senior executive:</p> <ul style="list-style-type: none"> 54% female 46% male 	<p>Continued our inclusive recruitment practices to ensure a well-balanced Board.</p> <p>Considered gender composition for leadership development program intakes.</p>

Target	2023–24 results	2023–24 activities
Prevention of workplace sexual harassment		
Employees are confident to escalate unacceptable behaviour observed or experienced in the workplace.	<p>4% of staff experienced sexual harassment – either in office or out in the field*</p> <p>6% overall decrease in negative behaviours experienced (discrimination, bullying, violence and aggression)*</p>	<p>CEO and Executive leadership clearly communicated zero tolerance for bullying, harassment and discrimination.</p> <p>Introduced mandatory Workplace behaviour policy and training about sexual harassment, inappropriate and unacceptable behaviours.</p> <p>Targeted interventions and sessions delivered for divisions who reported experiencing sexual harassment in People Matter survey to increase awareness, encourage disclosures/ reporting (including bystanders).</p>
Employees are encouraged and supported to respond to a colleague sensitively and appropriately if they suspect or disclose that they are impacted by family violence.	82% of staff felt EPA would support them if they needed to take family violence leave*	<p>Partnered with Safe & Equal to consult with policy, training and process assessment and improvements.</p> <p>Refreshed resources on the intranet.</p> <p>Held an all-staff awareness session with guest speaker Rosy Batty.</p> <p>Specialist family violence training was provided to People and Culture team and Family Violence Contact Officers.</p>
Leave and flexibility		
Embed flexible working arrangements throughout our employment lifecycle.	<p>44% employees have flexible work arrangements.</p> <p>89% of employees felt confident a flexible work arrangement request would be given due consideration*</p>	Promoted leave and flexibility options through targeted communications and staff story videos.
Gendered work segregation		
Increase participation of gender balance in grades 3 to 6.	Workforce data demonstrating substantial and continuous decrease in grade gap between female and male employees	<p>Developed people data dashboard that provides ongoing and live mapping of gender.</p> <p>Developed strategic workforce planning framework that encourages consideration of workforce gender profile.</p>

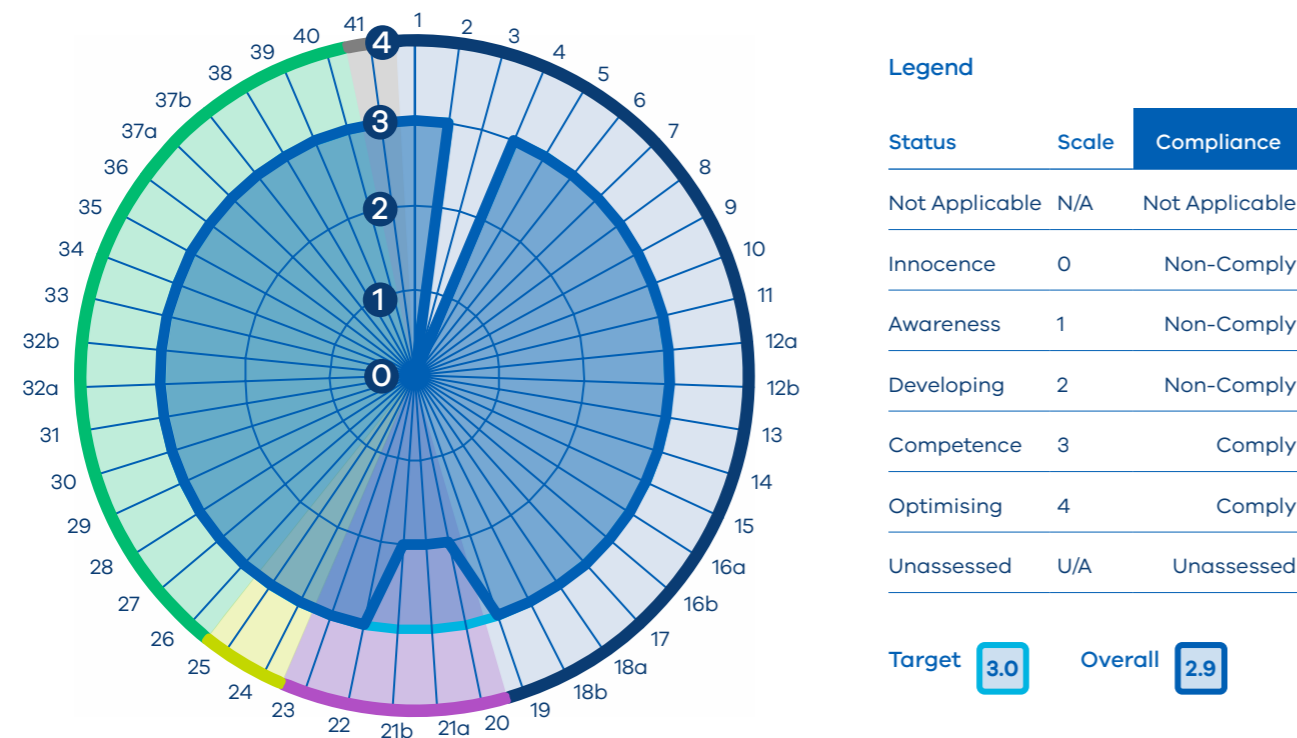
* People Matter survey (October 2023)

5. Asset Management Accountability Framework maturity assessment

This summarises our assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF).

The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. These requirements can be found on the Department of Treasury and Finance website.

Our target maturity rating is 'competence', meaning systems and processes are fully in place, consistently applied and systematically meeting the AMAF requirement. This includes a continuous improvement process to expand system performance above AMAF minimum requirements.



Leadership and Accountability (requirements 1-19)

EPA met its target maturity level for all requirements within this category.

Planning (requirements 20-23)

EPA has one compliance deficiency with respect to planning. EPA has not developed an asset management strategy in accordance with the requirement of the AMAF. This is being addressed in 2024-25.

Acquisition (requirements 24 and 25)

EPA met its target maturity level in this category.

Operation (requirements 26-40)

EPA met its target maturity level in this category.

Disposal (requirement 41)

EPA met its target maturity level in this category.

Audited 2023-24 financial statements



Independent Auditor's Report

To the Board of the Environment Protection Authority

Opinion I have audited the financial report of the Environment Protection Authority (the authority) which comprises the:

- balance sheet as at 30 June 2024
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including material accounting policies
- declaration in the financial statements.

In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Board's responsibilities for the financial report The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Paul Martin

as delegate for the Auditor-General of Victoria

MELBOURNE
26 November 2024

DECLARATION IN FINANCIAL STATEMENTS

The attached financial statements have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2024 and financial position of the Authority at 30 June 2024.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 26 November 2024.



Professor Kate Auty
Chairperson
Environment Protection Authority

Melbourne
26 November 2024



Lee Miezis
Chief Executive Officer
Environment Protection Authority

Melbourne
26 November 2024



Shawn Leong
Chief Finance Officer
Environment Protection Authority

Melbourne
26 November 2024

HOW THESE FINANCIAL STATEMENTS ARE STRUCTURED

The Environment Protection Authority (the Authority) has pleasure in presenting its audited, general purpose financial statements for the financial year ended 30 June 2024, which provides users with information about the Authority's stewardship of resources entrusted to it.

The general purpose financial statements are presented in the following structure:

Financial statements:

Comprehensive operating statement
Balance sheet
Statement of changes in equity
Cash flow statement

Notes to the financial statements:

1. About this report

The basis on which the financial statements have been prepared and compliance with reporting regulations

2. Funding delivery of our services

Income recognised in respect of grants, levies, and other income sources

3. The cost of delivering services

Operating expenses of the Authority

4. Financial information by output

Outputs and administered (non-controlled) items

5. Key assets available to support service delivery

Buildings, plant and equipment and intangible assets

6. Other assets and liabilities

Working capital balances and other key assets and liabilities

7. Financing our operations

Borrowings, cash flow information and leases

8. Risks, contingencies and valuation judgements

Financial risk management, contingent assets and liabilities as well as fair value determination

9. Other disclosures

FINANCIAL STATEMENTS

COMPREHENSIVE OPERATING STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Notes	(\$ '000) 2024	2023
Income from transactions			
Grants from Departments	2.1	25,154	45,435
Municipal and Industrial Waste levy distribution	2.1	70,083	70,709
Reportable Priority Waste levy	2.1	37,980	70,564
Other income	2.2	11,138	9,620
Total income from transactions		144,355	196,328
Expenses from transactions			
Employee expenses	3.1.1	(105,540)	(94,246)
Grant expenses	3.1	(438)	(85)
Depreciation and amortisation	5.1.1	(12,162)	(12,009)
Interest expense	7.1.2	(57)	(62)
Other operating expenses	3.1.2	(70,417)	(83,193)
Total expenses from transactions		(188,614)	(189,595)
Net result from transactions			
		(44,259)	6,733
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	9.6 (a)	446	335
Net gain/(loss) on statutory receivables	9.6 (b)	(1,714)	(1,996)
Other gain/(loss) from other economic flows	9.6 (c)	1,264	(845)
Total other economic flows included in net result		(4)	(2,506)
Net result			
		(44,263)	4,227
Other economic flows - other comprehensive income			
Items that will not be reclassified to net result		-	-
Comprehensive result			
		(44,263)	4,227

The accompanying notes form part of these financial statements.

FINANCIAL STATEMENTS

BALANCE SHEET

AS AT 30 JUNE 2024

	Notes	(\$ '000)	
		2024	2023
Assets			
Financial assets			
Cash and deposits	7.2	22,852	38,096
Receivables	6.1	38,598	64,198
Total financial assets		61,450	102,294
Non-financial assets			
Non-financial physical assets classified as held-for-sale	9.5	31	28
Other non-financial assets	6.3	5,946	6,225
Property, plant and equipment	5.1	15,024	16,527
Intangible assets	5.2	30,574	38,857
Total non-financial assets		51,575	61,637
Total assets		113,025	163,931
Liabilities			
Payables	6.2	8,541	9,741
Borrowings-lease liabilities	7.1	3,259	2,762
Employee-related provisions	3.1.1	17,458	17,262
Provisions	6.4	1,133	7,270
Total liabilities		30,392	37,035
Net assets		82,633	126,896
Equity			
Accumulated surplus		75,183	119,446
Contributed capital		3,741	3,741
Physical asset revaluation surplus		3,709	3,709
Net worth		82,633	126,896

The accompanying notes form part of these financial statements.

FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	(\$ '000)			
	Physical asset revaluation surplus	Accumulated surplus	Contributed capital	Total
Balance at 30 June 2022	3,709	115,219	3,741	122,669
Net result for year	-	4,227	-	4,227
Balance at 30 June 2023	3,709	119,446	3,741	126,896
Net result for year	-	(44,263)	-	(44,263)
Balance at 30 June 2024	3,709	75,183	3,741	82,633

The accompanying notes form part of these financial statements.

FINANCIAL STATEMENTS

CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Notes	(\$ '000) 2024	2023
Cash flows from operating activities			
Receipts			
Receipts from Government		94,499	129,596
Receipts from other entities		72,760	69,783
Goods and services tax recovered from the ATO (i)		10,232	9,926
Total receipts		177,491	209,305
Payments			
Payments of grants and other transfers		(438)	(85)
Payments to suppliers and employees		(190,804)	(221,395)
Interest and other costs of finance paid		(57)	(62)
Total payments		(191,299)	(221,542)
Net cash flows from/ (used in) operating activities	7.2.1	(13,808)	(12,237)
Cash flows from investing activities			
Proceeds from sale of non-financial assets		(3)	166
Purchases of non-financial assets		(813)	(5,883)
Net cash flows from/ (used in) investing activities		(816)	(5,717)
Cash flows from financing activities			
Repayment of leases		(620)	(738)
Net cash flows from/ (used in) financing activities		(620)	(738)
Net increase/(decrease) in cash and cash deposits		(15,244)	(18,692)
Cash and cash deposits at beginning of the financial year		38,096	56,788
Cash and cash deposits at end of the financial year	7.2	22,852	38,096

Notes:

(i) GST paid to the Australian Taxation Office (ATO) is presented on a net basis.

The accompanying notes form part of these financial statements.

1. ABOUT THIS REPORT

The Authority is a wholly owned and controlled entity of the state of Victoria.

The *Environment Protection Act 2017* transitioned the Authority from an Administrative Office to an Independent Statutory Authority, operating under a new governance structure consisting of a Governing Board as the Responsible Body. This administrative change became effective from 1 July 2018.

Its principal address is Environment Protection Authority Victoria
664 Collins Street
Docklands Vic 3008

The financial statements include all the controlled activities of the Authority.

A description of the nature of the Authority's operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

Basis of preparation

These financial statements are presented in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item.

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying Australian Accounting Standards (AASs) that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement: Fair value measurement of assets and liabilities'.

All amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated.

Compliance information

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards (AASs), including interpretations issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of the *Whole of Government and General Government Sector Financial Reporting* (AASB 1049).

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

Going Concern

The general-purpose financial statements have been prepared on a going concern basis.

The operations of the Authority and its financial viability are impacted due to a decline in the receipts from Reportable Priority Waste levies.

To mitigate this financial risk, the Minister for Environment has provided a Letter of Comfort to the Authority on 25 November 2024. The Victorian Government has provided its guarantee to the Authority to meet its financial liabilities when they fall due until 30 November 2025. This support ensures the Authority can continue to meet its current and future obligations as and when they fall due.

The Authority is undertaking various actions to manage the financial risk including drawing down on existing funding sources, minimising and deferring discretionary expenditure while maintaining core activities, and continuing to work with the Department of Treasury and Finance and the Department of Energy, Environment and Climate Action to monitor financial sustainability.

Based on the above, the Board has formed the view that the Authority can continue to meet its commitments as a going concern for the foreseeable future.

2. FUNDING DELIVERY OF OUR SERVICES

Introduction

The Authority's purpose is to protect human health and the environment by reducing the harmful effects of pollution and waste.

The Authority derives the majority of its income from grants received from the Department, Municipal and Industrial (M&I) Waste levy distributions and Reportable Priority Waste (RPW) levy.

Other income comprises earnings on investments and litter fines.

Structure

2.1 Summary of income that funds the delivery of our services

2.2 Other income

2.1 Summary of income that funds the delivery of our services

	Notes	(\$ '000) 2024	2023
Grants from the Department		25,154	45,435
Municipal and Industrial Waste levy distribution from the Department		70,083	70,709
Reportable Priority Waste levy		37,980	70,564
Other income	2.2	11,138	9,620
Total income from transactions		144,355	196,328

The Authority has determined that all grant income is recognised as income of not-for-profit entities in accordance with AASB 1058, as it has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the Authority has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, the Authority recognises any related contributions by owners, increases in liabilities, decreases in assets, and income in accordance with other Australian Accounting Standards.

All amounts of income over which the Authority does not have control are disclosed as administered income in the schedule of administered income (see Note 4.2).

The Authority has determined that landfill levies including the RPW levy are recognised as income of not-for-profit entities in accordance with AASB 1058. These amounts are recorded in the year the income was earned. Levies for which landfill operators have not yet submitted returns at the end of the financial year, are recorded as accrued income.

2.2 Other income

	(\$ '000) 2024	2023
Licence levy	547	478
Interest and holding gains from financial assets – non-public sector	2,273	2,694
Litter fines	4,419	3,597
Miscellaneous	3,586	2,540
Environment audit fees	313	311
Total other income	11,138	9,620

Interest income includes interest received on bank term deposits and other investments. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

Fines and regulatory fees are recognised when an invoice is issued, which establishes the entitlement to payment.

The Authority has determined that all other income is recognised as income of not-for-profit entities in accordance with AASB 1058.

3. THE COST OF DELIVERING SERVICES

Introduction

This section provides an account of the expenses incurred by the Authority in delivering services and outputs. In Section 2, the income that enables the delivery of our services was disclosed and in Section 3, the cost associated with provision of services is recorded.

In 2023-24, the Authority continued the clean-up of the illegal hazardous waste dump at Lemon Springs.

Structure

- 3.1 Expenses incurred in delivery of services
 - 3.1.1 Employee benefits
 - 3.1.2 Other operating expenses

3.1 Expenses incurred in delivery of services

	Notes	(\$ '000) 2024	2023
Employee expenses	3.1.1	105,540	94,246
Grant expenses		438	85
Other operating expenses	3.1.2	70,417	83,193
Total expenses incurred in delivery of services		176,395	177,524

Transactions in which the Authority provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'grant expenses'. Grants can either be operating or capital in nature.

Grants were paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grant expenses are recognised as an expense in the reporting period in which they are paid or payable.

3.1.1 Employee benefits

3.1.1(a) Employee benefits - comprehensive operating statement

	(\$ '000) 2024	2023
Salary and wages, annual leave and long service leave (i)	96,164	84,434
Termination benefits (i)	54	1,620
Post-employment benefits:		
Defined contribution superannuation expense	9,239	8,100
Defined benefit superannuation expense	83	92
Total employee expenses	105,540	94,246

Notes:

- (i) The Authority reclassified salary and wages to termination benefits in the comparative period following a review of termination benefits definition.

Employee expenses include all costs related to employment (other than superannuation which is accounted for separately) including salaries, fringe benefits tax, leave entitlements, redundancy payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to members of defined contribution and defined benefit superannuation plans is the employer contributions that are paid or payable to these plans during the reporting period.

3.1 Expenses incurred in delivery of services (continued)

3.1.1 Employee benefits (continued)

3.1.1(a) Employee benefits - comprehensive operating statement (continued)

The Authority does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and Finance (DTF) discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

3.1.1(b) Employee benefits in the balance sheet

	(\$ '000) 2024	2023
Current provisions:		
Annual leave		
Unconditional and expected to be settled within 12 months	7,676	7,820
Long service leave		
Unconditional and expected to be settled within 12 months	496	433
Unconditional and expected to be settled after 12 months	5,284	4,971
Provisions for on-costs		
Unconditional and expected to be settled within 12 months	90	76
Unconditional and expected to be settled after 12 months	960	876
Total current provisions for employee benefits	14,506	14,176
Non-current provisions:		
Conditional long service leave	2,498	2,624
On-costs	454	462
Total non-current provisions for employee benefits	2,952	3,086
Total provisions for employee benefits	17,458	17,262

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

Reconciliation of movement in on-cost provisions

	(\$ '000) 2024
Opening balance as at 1 July 2023	1,415
Additional provisions recognised	64
Reduction resulting from re-measurement or settlement without cost	-
Unwind of discount and effect of changes in the discount rate	25
Closing balance as at 30 June 2024	1,504
Current	1,050
Non-current	454

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave, are recognised in the provision for employee benefits as 'current liabilities', because the Authority does not have an unconditional right to defer settlement of these liabilities.

The liability for salaries and wages is recognised in the balance sheet at remuneration rates which are current at the reporting date. As the Authority expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as the Authority does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

3.1 Expenses incurred in delivery of services (continued)

3.1.1 Employee benefits (continued)

3.1.1(b) Employee benefits in the balance sheet (continued)

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

Unconditional long service leave is disclosed as a current liability, even where the Authority does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of these liabilities are measured at:

- undiscounted value — if the Authority expects to wholly settle within 12 months; or
- present value — if the Authority does not expect to wholly settle within 12 months.

Conditional long service leave is disclosed as a non-current liability. There is a conditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current long service liability is measured at present value.

Any gain or loss following revaluation of the present value of non-current Long Service Leave liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in the bond interest rates for which it is recognised as an 'other economic flow' in the net result.

Employees of the Authority are entitled to receive superannuation benefits and the Authority contributes to both defined benefit and defined contribution plans. The defined benefit plans provide benefits based on years of service and final average salary.

The name, details and amounts expended in relation to the major employee superannuation funds and contributions made by the Authority are as follows:

	Paid Contribution for the year	
	(\$ '000)	
	2024	2023
Defined benefit plans (i):		
Emergency Services and State Superannuation Fund (ESS)	83	92
Total defined benefit plans	83	92
Defined contribution plans:		
Aware Super	4,283	3,941
Other	4,956	4,159
Total defined contribution plans	9,239	8,100
Total	9,322	8,192

Notes:

- (i) The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans. There are no outstanding contributions at year-end.

3.1 Expenses incurred in delivery of services (continued)

3.1.2 Other operating expenses

	(\$ '000)	
	2024	2023
Consultants and contracted services	34,904	32,477
Agency costs	4,611	6,026
Shared services management fee	1,007	1,579
Occupancy and utilities	922	1,148
Supplies and services	27,512	31,344
Waste Site Remediation Works	706	10,265
Lease payments	755	354
Total other operating expenses	70,417	83,193

Other operating expenses generally represent the day-to-day running costs incurred in normal operations which are recognised as an expense in the reporting period in which they are incurred.

The following lease payments are recognised on a straight-line basis:

- Short-term leases – leases with a term less than 12 months.
- Low-value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than \$10,000.

4. FINANCIAL INFORMATION BY OUTPUT

Introduction

The Authority's sole output as defined in the Victorian Government's *Budget Paper 3*, is Statutory Activities and Environment Protection.

Structure

4.1 Authority (controlled) outputs
4.2 Administered (non-controlled) items

Fines and regulatory fees: The Authority collects litter fines and RPW levies on its own behalf, but all other fines and regulatory fees are collected on behalf of the state.

Distinction between controlled and administered items

The distinction between controlled and administered items is based on whether the Authority has the ability to deploy the resources in question for its own benefit (controlled outputs) or whether it does so on behalf of the State (administered items). The Authority remains accountable for transactions involving administered items, but it does not recognise these items in its financial statements.

4.1 Authority (controlled) outputs

All financial activities associated with this output are reported in the comprehensive operating statement of the financial statements.

4.2 Administered (non-controlled) items

The Authority administers or manages other activities on behalf of the state. The transactions relating to these state activities are reported as administered items in this note. Administered transactions give rise to income, expenses, assets and liabilities and are determined on an accrual basis. Administered income includes license fees, registration fees and infringement fees.

Administered assets include M&I Waste levy income earned but yet to be collected. Administered liabilities include M&I Waste levy expenses incurred but yet to be paid. The Authority's controlled financial statements and these administered items are consolidated into the financial statements of the state.

In respect to the M&I Waste levy, the Authority does not control the income and acts as an agent for the Department that recognises the income. Refer Note 9.3.

The Authority recognises amounts collected and payable to the Department as assets and liabilities determined on an accrual basis.

4.2 Administered (non-controlled) items (continued)

	(\$ '000)	
	2024	2023
Administered income from transactions		
Regulatory fees	20,885	20,438
Miscellaneous	264	1,297
Fines	1,764	1,103
User charges	337	279
Total administered income from transactions	23,250	23,117
Payments into the consolidated fund	(27,140)	(10,115)
Total administered expenses from transactions	(27,140)	(10,115)
Administered net result from transactions (net operating balance) for the year	(3,890)	13,002
Administered other economic flows included in administered net result		
Net gain/(loss) on receivables	(269)	(33)
Total administered other economic flows included in administered net result	(269)	(33)
Total administered comprehensive result for the year	(4,159)	12,969
Administered financial assets		
Cash and deposits	-	14,500
Receivables	140,580	136,970
Accrued income	121,719	122,783
Total administered financial assets	262,299	274,253
Total administered assets	262,299	274,253
Administered liabilities		
Creditors and accruals (i)	250,556	258,331
Unearned income	25	40
Total administered liabilities	250,581	258,371
Total administered net assets	11,718	15,882

Notes:

(i) M&I Waste levies owing to the Department.

5. KEY ASSETS AVAILABLE TO SUPPORT SERVICE DELIVERY

Introduction

The Authority controls assets and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to the Authority to be utilised for service delivery.

Significant judgement: fair value measurements of non-financial physical assets

The determination of fair values of non-financial physical assets requires significant judgement to be applied (including methodologies and assumptions).

Changes in assumptions could have a material impact on the fair values of the assets being valued.

Structure

5.1	Property, plant and equipment
5.1.1	Depreciation and amortisation
5.1.2	Reconciliation of movements in carrying values of property, plant and equipment
5.2	Intangible assets

5.1 Property, plant and equipment

	(\$ '000)	
	2024	2023
Buildings leasehold improvements		
At fair value – external valuation (i)	14,110	14,110
Less: accumulated depreciation	(12,961)	(12,403)
At fair value	16,580	16,456
Less: accumulated depreciation	(14,698)	(13,614)
Total buildings leasehold improvements	3,031	4,549
Plant and equipment		
At fair value	24,941	23,635
Less: accumulated depreciation	(18,296)	(16,728)
Total plant and equipment	6,645	6,907
Work-in-progress		
At cost	2,123	2,342
Total work-in-progress	2,123	2,342
Right of use - motor vehicles		
At fair value	4,347	3,834
Less: accumulated depreciation	(1,122)	(1,105)
Total right of use - motor vehicles	3,225	2,729
Net carrying amount of property, plant and equipment	15,024	16,527

Notes:

(i) The Authority's building leasehold assets at Macleod are subject to periodic independent valuation in accordance with instructions from the Valuer-General Victoria to determine the fair value of building leasehold improvements.

Initial recognition: Items of property, plant and equipment, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The cost of a leasehold improvement is capitalised as an asset and depreciated over the remaining term of the lease or the estimated useful life of the improvement, whichever is shorter.

Subsequent measurement: Property, plant and equipment are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset).

The fair value of plant, equipment and vehicles is determined by reference to the asset's current replacement cost. For plant, equipment and vehicles, existing depreciated historical cost is generally a reasonable proxy for current replacement cost because of the short life of the assets concerned.

5.1 Property, plant and equipment (continued)

Refer to Note 8.3 for additional information on fair value determination of property, plant and equipment.

Impairment of property, plant and equipment: The recoverable amount of primarily non-cash generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under *AASB 13 Fair value measurement*, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

5.1.1 Depreciation and amortisation

All buildings, plant and equipment and other non-financial physical assets that have a finite useful life, are depreciated. Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

The following useful lives of assets are used in the calculation of depreciation for both current and prior year:

Asset class	Useful life
Buildings leasehold improvements	4 - 25 years
Plant and equipment	1 - 20 years
Intangible assets	3 - 10 years
Right of use - motor vehicles	0 - 3 years

Where items of plant and equipment have significant and separately identifiable components which are subject to regular replacement, those components are assigned separate useful lives distinct from the item of plant and equipment to which they relate.

Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

In the event of the loss or destruction of an asset, the future economic benefits arising from the use of the asset will be written off and the asset replaced (unless a specific decision to the contrary has been made).

Charge for the period

	(\$ '000)	
	2024	2023
Building leasehold improvements	1,642	1,854
Right of use asset - motor vehicles	621	574
Plant and equipment	1,616	1,563
Software	8,283	8,018
Total depreciation and amortisation	12,162	12,009

5.1 Property, plant and equipment (continued)

5.1.2 Reconciliation of movements in carrying values of property, plant and equipment

(\$ '000)

	<i>Buildings leasehold improvements at valuation and fair value</i>	<i>Plant and equipment at fair value</i>	<i>Motor vehicles (ROU) at fair value</i>	<i>Work-in- progress</i>	<i>Total</i>
2024					
Opening balance	4,549	6,907	2,729	2,342	16,527
Additions	124	1,357	1,673	1,052	4,206
Disposals	-	(3)	(525)	-	(528)
Transfer to:					
Non-financial assets held for sale	-	-	(31)	-	(31)
Building & leasehold	-	-	-	(124)	(124)
Plant and equipment	-	-	-	(1,357)	(1,357)
Intangible assets	-	-	-	-	-
Transfer out of:					
Work in process not capitalised	-	-	-	210	210
Depreciation	(1,642)	(1,616)	(621)	-	(3,879)
Closing balance	3,031	6,645	3,225	2,123	15,024
2023					
Opening balance	6,396	5,622	2,870	1,368	16,256
Additions	7	2,912	592	2,197	5,708
Disposals	-	(64)	(124)	-	(188)
Transfer to:					
Non-financial assets held for sale	-	-	(34)	-	(34)
Plant and equipment	-	-	-	(270)	(270)
Intangible assets	-	-	-	(953)	(953)
Depreciation	(1,854)	(1,563)	(575)	-	(3,992)
Closing balance	4,549	6,907	2,729	2,342	16,527

5.2 Intangible assets

(\$ '000)

	2024	2023
Gross carrying amount at cost		
Opening balance	80,022	77,632
Transfer from work-in-progress	-	953
Additions to software	-	1,437
Closing balance	80,022	80,022
Accumulated amortisation		
Opening balance	(41,165)	(33,147)
Amortisation expense (i)	(8,283)	(8,018)
Closing balance	(49,448)	(41,165)
Net book value at the end of the financial year	30,574	38,857

Notes:

(i) Amortisation expense is included in the line item 'depreciation and amortisation expense' in the comprehensive operating statement.

Initial recognition

Intangible assets are measured at cost less accumulated amortisation and impairment. Capitalised software costs are amortised on a straight-line basis over their useful lives of 3 to 10 years for both current and prior years.

For software intangibles, when the recognition criteria in AASB 138 *Intangible assets* are met (this criteria includes the asset can be separately identifiable, with an expected future economic benefit which can be reliably measured, internally generated intangible assets are recognised and measured at cost less accumulated amortisation and impairment.

The Authority determines whether configuration or customisation costs in a cloud computing arrangement can be recognised as an intangible asset and if not, over what time period the expenditure is expensed. The determination is made based on the nature and output of the configuration and customisation. Refer Note 9.10.

5.2 Intangible assets (continued)

Subsequent measurement

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Authority.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period.

Impairment of intangible assets

Intangible assets with finite useful lives are tested annually for impairment or whenever an indication of impairment is identified.

6. OTHER ASSETS AND LIABILITIES

Introduction

This section sets out those assets and liabilities that arose from the Authority's operations.

Structure

6.1	Receivables
6.2	Payables
6.2.1	Maturity analysis of contractual payables
6.3	Other non-financial assets
6.4	Other provisions
6.4.1	Reconciliation of movement in other provisions

6.1 Receivables

	(\$ '000)	
	2024	2023
Contractual		
Trade debtors	506	211
Statutory		
Amounts owing from the Public Account (i)	456	780
Fines and regulatory fees	15,534	28,435
Allowance for impairment losses of statutory receivables	(3,203)	(2,823)
Amounts owing from the Department	19,151	18,869
Accrued income - Environment Protection Fund (ii)	5,457	15,064
GST input tax credit recoverable	696	3,662
Total receivables	38,597	64,198
Represented by:		
Current receivables	38,597	64,198

Notes:

- (i) The amounts recognised from Victorian Government represent funding for all commitments incurred through the Environment Protection Fund and are drawn from the Public Account as the commitments fall due.
(ii) Accrued income comprises estimated RPW levies which remained unpaid at 30 June 2024.

Contractual receivables are classified as financial instruments and as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. The Authority holds the contractual receivables with the objective to collect the contractual cash flows and therefore they are subsequently measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables do not arise from contracts; however, they are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments for disclosure purposes. The Authority applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivable are initially recognised at fair value plus any directly attributable transaction cost. Amounts recognised from the Victorian Government represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

6.2 Payables

	(\$ '000)	
	2024	2023
Current payables		
Accounts payable	779	2,836
Accruals	5,801	5,286
Salaries and other employee entitlements	1,961	1,619
Total current payables	8,541	9,741

Payables include contractual amounts. Accounts payable represent liabilities for goods and services provided to the Authority prior to the end of the financial year that are unpaid.

6.2.1 Maturity analysis of contractual payables

	(\$ '000)						
	Carrying amounts	Nominal amount	Less than 1 month	Maturity dates			
				1-3 months	3 months - 1 year	1-5 years	5+ years
2024							
Accounts payable	779	779	684	38	57	-	-
Accruals	5,801	5,801	5,801	-	-	-	-
Salaries and other employee entitlements	1,961	1,961	1,961	-	-	-	-
Total	8,541	8,541	8,446	38	57	-	-
2023							
Accounts payable	2,836	2,836	2,247	426	163	-	-
Accruals	5,286	5,286	5,286	-	-	-	-
Salaries and other employee entitlements	1,619	1,619	1,619	-	-	-	-
Total	9,741	9,741	9,152	426	163	-	-

Maturity analysis is presented using the contractual undiscounted cash flows.

The carrying amounts disclosed exclude statutory amounts (for example, GST payables). The Authority intends to settle the above financial liabilities in line with its contractual obligations.

6.3 Other non-financial assets

	(\$ '000)	
	2024	2023
Prepayments	5,947	6,225
Total current other non-financial assets	5,947	6,225

Other non-financial assets include prepayments, which represent payments in advance of receipt of goods or services, or that part of expenditure made in one accounting period covering a term extending beyond that financial accounting period.

6.4 Other provisions

	(\$ '000)	
	2024	2023
Current provisions		
Waste site rehabilitation works (i)	397	5,779
Total current provisions	397	5,779
Non-current provisions		
Lease make-good provision (ii)	736	1,491
Total non-current provisions	736	1,491
Total provisions	1,133	7,270

Notes:

- (i) The Authority holds a provision for the illegal hazardous waste dump at Lemon Springs. The provision is reviewed annually following assessment of the costs to complete remediation work.
- (ii) The amounts disclosed are undiscounted amounts.

Other provisions are recognised when the Authority has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably. The amount recognised as a provision, is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, using a discount rate that reflects the time value of money and risks specific to the provision.

Waste site rehabilitation works

During 2020-21, the Authority exercised its powers under the *Environment Protection Act 1970* to take over management of a site at Lemon Springs for environmental remediation works. The Authority engaged principal contractors and remediation works continued during 2023-24.

Refer to note 8.1 for additional disclosure regarding this site rehabilitation.

Lease make-good provision

The lease make-good provision represents the present value of the future payments that the Authority is presently obligated to make in respect of make-good clauses under a non-cancellable operating lease agreement. The estimate will vary if the Authority exercises its option for a further term.

6.4.1 Reconciliation of movements in other provisions

	(\$ '000)		
	Waste site rehabilitation works	Make good provision for office premises	Total
2024			
Opening balance	5,779	1,491	7,270
Additional provisions recognised (i)	397	-	(358)
Reduction arising from payments	(5,779)	-	(5,779)
Reduction resulting in re-measurement	-	(755)	-
Closing balance	397	736	1,133
2023			
Opening balance	27,971	1,315	29,286
Additional provisions recognised (i)	5,779	176	5,955
Reduction arising from payments	(27,798)	-	(27,798)
Reduction resulting in re-measurement	(173)	-	(173)
Closing balance	5,779	1,491	7,270

Notes:

- (i) The Authority revised its provision on previously recognised contaminated sites.

7. FINANCING OUR OPERATIONS

Introduction

This section provides information on the sources of finance utilised by the Authority during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of the Authority.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Notes 8.2 and 8.3 provide additional, specific financial instrument disclosures.

Structure

7.1	Borrowings
7.1.1	Maturity analysis of borrowings
7.1.2	Interest expense
7.2	Cash flow
7.2.1	Reconciliation of net result to cash flow from operating activities
7.3	Motor vehicle leases
7.4	Commitments for expenditure
7.4.1	Total commitments payable

7.1 Borrowings

	(\$ '000)	
	2024	2023
Current borrowings		
Lease liabilities (i)	1,579	1,126
Total current borrowings	1,579	1,126
Non-current borrowings		
Lease liabilities (i)	1,680	1,636
Total non-current borrowings	1,680	1,636
Total borrowings	3,259	2,762

Notes:

- (i) Secured by the assets leased. Leases are effectively secured as the rights of the leased assets revert to the lessor in the event of a default.

Borrowings refer to interest-bearing liabilities relating to leases and are classified as financial instruments. The measurement basis depends on whether the Authority has categorised its interest-bearing liabilities as either 'financial liabilities designated at fair value through net result', or financial liabilities at 'amortised cost'. The classification depends on the nature and purpose of the interest-bearing liabilities. The Authority determines the classification of its interest-bearing liabilities at initial recognition.

Leases

A lease is a right to use an asset for an agreed period of time in exchange for payment. EPA recognises a right of use asset and a lease liability at the lease commencement date.

Lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the incremental borrowing rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

7.1.1 Maturity analysis of borrowings

	(\$ '000)						
	Carrying amount	Nominal amount	Less than 1 month	1-3 months	3 months – 1 year	1-5 years	5+ years
2024							
Lease liabilities	3,259	3,259	408	203	974	1,674	-
Total	3,259	3,259	408	203	974	1,674	-
2023							
Lease liabilities	2,762	2,822	412	85	667	1,658	-
Total	2,762	2,822	412	85	667	1,658	-

7.1 Borrowings (continued)

7.1.2 Interest expense

	(\$ '000)	
	2024	2023
Interest on leases	57	62
Total interest expense	57	62

Interest expense is recognised in the period in which it is incurred. Costs incurred in connection with the borrowing of funds include interest component of lease repayments.

7.2 Cash flow

Cash and deposits recognised on the balance sheet comprise cash on hand and cash at bank and deposits at call.

Due to the state of Victoria's investment policy and government funding arrangements, government departments (including the Authority) generally do not hold a large cash reserve in their bank accounts. Cash received by the Authority from the generation of income is generally paid into the state's bank account, known as the Public Account.

Similarly, any Authority expenditure, for the payment of goods and services to its trade creditors, is made via the Public Account. The process is such that, the Public Account would remit to the Authority the cash required for the amount drawn on the cheques. This remittance by the Public Account occurs upon the presentation of the cheques by the Authority's suppliers or creditors.

As at 30 June 2024, deposits held with the Central Banking System had a floating interest rate of 4.5%.

	(\$ '000)	
	2024	2023
Deposits held with Central Banking System	22,852	38,096
Balance as per cash flow statement	22,852	38,096

7.2.1 Reconciliation of net result to cash flow from operating activities

	(\$ '000)	
	2024	2023
Net result for the year	(44,263)	4,227
Non-cash movements:		
(Gain)/loss on sale or disposal of non-current assets	(446)	(335)
Depreciation and amortisation of non-current assets	12,162	12,009
(Gain)/loss on statutory receivables	1,714	1,996
Movements in assets and liabilities:		
(Increase)/decrease in receivables	23,888	(430)
(Increase)/decrease in other non-financial assets	278	(2,662)
Increase/(decrease) in payables	(1,200)	(5,115)
Increase/(decrease) in provisions	(5,941)	(21,927)
Net cash flows from operating activities	(13,808)	(12,237)

7.3 Motor vehicle leases

EPA leased motor vehicles. The lease contracts are typically made for fixed periods of 0-3 years.

These right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Minimum lease payments are apportioned between reduction of the outstanding lease liability and periodic finance expense which is calculated using the interest rate implicit in the lease and charged directly to the comprehensive operating statement. Contingent rentals associated with leases are recognised as an expense in the period in which they are incurred.

	Notes	(\$ '000)			
		Minimum future lease payments (i)		Present value of minimum future lease payments	
		2024	2023	2024	2023
Lease liabilities payable					
Not longer than one year		1,629	1,164	1,623	1,126
Longer than one year and not longer than five years		1,733	1,658	1,636	1,636
Minimum future lease payments		3,362	2,822	3,259	2,762
Less: future finance charges		(103)	(60)	-	-
Present value of minimum lease payments		3,259	2,762	3,259	2,762
Included in the financial statements as:					
Current borrowings lease liabilities	7.1	1,579	1,126	1,623	1,126
Non-current borrowings lease liabilities	7.1	1,680	1,636	1,636	1,636
Total borrowings lease liabilities		3,259	2,762	3,259	2,762

Notes:

(i) Minimum future lease payments include the aggregate of all base payments and any guaranteed residual.

7.4 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recognised below at their nominal value and inclusive of GST.

Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

7.4.1 Total commitments payable

The following commitments have not been recognised as liabilities in the financial statements:

	(\$ '000)			
	Less than year	1-5 years	5+ years	Total
2024				
Capital expenditure	990	-	-	990
Operating	42,777	11,714	16	54,507
Total Commitment (inclusive of GST)	43,767	11,714	16	55,497
Less GST recoverable	3,979	1,065	1	5,045
Total commitments (exclusive GST)	39,788	10,649	15	50,452
2023				
Capital Expenditure	12	148	-	160
Operating	21,513	31,902	506	53,921
Total commitment (inclusive of GST)	21,525	32,050	506	54,081
Less GST recoverable	1,957	2,914	46	4,917
Total commitments (exclusive GST)	19,568	29,136	460	49,164

8. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

The Authority is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements.

This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the Authority related mainly to fair value determination.

Structure

8.1	Contingent assets and contingent liabilities
8.2	Financial instruments
8.2.1	Financial risk management categorisation
8.2.2	Financial risk management objectives and policies
8.3	Fair value determination

8.1 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Authority. These are classified as either quantifiable, where potential economic benefit is known, or non-quantifiable. There were no contingent assets for the Authority at 30 June 2024 (2023: Nil).

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Authority; or
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
 - the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

The Authority has the following non-quantifiable contingent liabilities:

- At 30 June 2024, the Authority has a number of civil litigation matters, for which the Authority may be liable for legal costs if unsuccessful. Due to the diversity of issues associated with these matters and the opportunity for new evidence to be adduced during the court process, it is not possible to reliably quantify the financial effect of litigation and it is therefore impractical to do so.
- The Authority has recognised a liability for works related to the illegal hazardous waste dump at Lemon Springs (Note 6.4). On completion of the works, the Authority may have a further unquantified obligation, dependent upon subsequent tests and community negotiation. Therefore, quantification of the financial effect, if any, cannot be reliably estimated and it is therefore impractical to do so.

8.2 Financial instruments

Introduction

The Authority is exposed to a number of financial risks including credit risk, liquidity risk, market risk (interest rate risk).

As a whole, the Authority's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Authority's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example, taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial instruments: presentation*.

8.2 Financial instruments (continued)

The Authority classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms in accordance with AASB 9.

Categories of financial assets under AASB 9

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the Authority to collect the contractual cash flow; and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

The Authority recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables).

Categories of financial liabilities

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method. The Authority recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings (including lease liabilities).

Derecognition of financial assets: A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Authority retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Authority has transferred its rights to receive cash flows from the asset and either:
 - has transferred substantially all the risks and rewards of the asset; or
 - has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where the Authority has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Authority's continuing involvement in the asset.

Derecognition of financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

8.2 Financial instruments (continued)

8.2.1 Financial risk management categorisation

The carrying amounts of the Authority's contractual financial assets and financial liabilities by category are in the table below.

			(\$ '000)
Category	Note		2024
Contractual financial assets			
Cash and cash deposits	7.2	Cash and cash deposits	22,852
Receivables	6.1	Contractual financial assets at amortised cost	506
Total contractual financial assets (i)			23,358
Contractual financial liabilities			
Payables	6.2	Financial liabilities at amortised cost	8,541
Lease liabilities	7.1	Lease Liabilities	3,259
Total contractual financial liabilities (ii)			11,800

			(\$ '000)
Category	Note		2023
Contractual financial assets			
Cash and cash deposits	7.2	Cash and cash deposits	38,096
Receivables	6.1	Contractual financial assets at amortised cost	211
Total contractual financial assets (i)			38,307
Contractual financial liabilities			
Payables	6.2	Financial liabilities at amortised cost	9,741
Lease liabilities	7.1	Lease Liabilities	2,762
Total contractual financial liabilities (ii)			12,503

Notes:

- The total amount of financial assets disclosed here excludes statutory receivables (that is, amounts owing from Victorian Government and GST input tax credit recoverable).
- The total amount of financial liabilities disclosed here excludes statutory payables (that is, taxes payable).

8.2.2 Financial risk management objectives and policies

As a whole, the Authority's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above are disclosed in Note 8.3 to the financial statements.

Credit risk

The Authority's exposure to credit risk arises from the potential default of counterparties on their contractual obligations resulting in financial loss to the Authority. The credit risk on financial assets of the Authority which have been recognised on the balance sheet, is generally the carrying amount, net of any provisions for doubtful debts.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Authority will not be able to collect a receivable.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

8.2 Financial instruments (continued)

8.2.2 Financial risk management objectives and policies (continued)

Credit quality of financial assets

(\$ '000)				
	Financial institution (double-A credit rating)	Government agencies (double-A credit rating)	Other agency (min. triple-B credit rating)	Total
2024				
Financial assets				
Cash and cash deposits	22,852	-	-	22,852
Receivables:				
Contractual	-	506	-	506
Statutory (net of impairment)	-	20,303	17,788	38,091
Total financial assets	22,852	20,809	17,788	61,449
2023				
Financial assets				
Cash and cash deposits	38,096	-	-	38,096
Receivables:				
Contractual	-	211	-	211
Statutory (net of impairment)	-	23,311	40,676	63,987
Total financial assets	38,096	23,522	40,676	102,294

Statutory receivables at amortised cost

The statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to fines and regulatory fees.

Liquidity risk

Liquidity risk arises when the Authority is unable to meet its financial obligations as they fall due. The Authority operates under the Government's fair payments policy of settling financial obligations within 30 days and in the event of a dispute, makes payments within 30 days from the date of resolution. It also continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high-quality liquid assets.

The Authority's maximum exposure to liquidity risk is equivalent to the carrying amounts of financial liabilities. For disclosure of the contractual maturity analysis for the Authority's financial liabilities refer to Note 6.2.1.

Market risk

The Authority's exposures to market risk are primarily through interest rate. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraphs below.

Interest rate risk

Exposure to interest rate risk is insignificant and might arise primarily through the Authority's variable rate cash deposits. The Authority's exposure is insignificant due to its policy to minimise risk by mainly undertaking fixed rate investments with relatively even maturity profiles which are managed by Treasury Corporation of Victoria.

8.2. Financial instruments (continued)

8.2.2 Financial risk management objectives and policies (continued)

Interest rate exposure of contractual financial instruments

2024	Weighted average interest rate %	Carrying amount	(\$ '000)		
			Fixed interest rate	Variable interest rate	Non-interest bearing
Financial assets					
Cash and cash deposits	4.50%	22,852	-	22,852	-
Trade debtors		506	-	-	506
Total financial assets		23,358	-	22,852	506
Financial liabilities					
Payables		8,541	-	-	8,541
Lease liabilities	2.09%	3,259	3,259	-	-
Total financial liabilities		11,800	3,259	-	8,541
2023					
Financial assets					
Cash and cash deposits	4.00%	38,096	-	38,096	-
Trade debtors		211	-	-	211
Total financial assets		38,307	-	38,096	211
Financial liabilities					
Payables		9,741	-	-	9,741
Lease liabilities	2.26%	2,762	2,762	-	-
Total financial liabilities		12,503	2,762	-	9,741

8.2 Financial instruments (continued)

8.2.2 Financial risk management objectives and policies (continued)

Sensitivity disclosure analysis and assumptions

Considering past performance, future expectations, economic forecasts and management's knowledge and experience of the financial markets, the Authority believes the following movements are 'reasonably possible' over the next 12 months:

- a movement of 100 basis points up and down (2023: 100 basis points up and down) in market interest rates (AUD) from year-end rates of 4.5 per cent (2023: 4.0 per cent).

Interest rate risk sensitivity

2024	Carrying amount	(\$ '000)			
		Interest rate risk		Equity	
		-100 basis points	+100 basis points		
		Net result	Equity	Net result	Equity
Contractual financial assets:					
Cash and cash deposits (i)	22,852	(229)	(229)	229	229
Receivables	506	-	-	-	-
Contractual financial liabilities:					
Payables	8,541	-	-	-	-
Lease liabilities	3,259	-	-	-	-
Total impact	35,158	(229)	(229)	229	229
2023					
Contractual financial assets:					
Cash and cash deposits (i)	38,096	(381)	(381)	381	381
Receivables	211	-	-	-	-
Contractual financial liabilities:					
Payables	9,741	-	-	-	-
Lease liabilities	2,762	-	-	-	-
Total impact	50,810	(381)	(381)	381	381

Notes:

(i) Sensitivities to these movements are calculated as follows:

- 2024: \$22.852m x -0.0100 = -\$229,000 and \$22.852m x +0.0100 = \$229,000
- 2023: \$38.096m x -0.0100 = -\$381,000 and \$38.096m x +0.0100 = \$381,000

8.3 Fair value determination

Significant judgement: Fair value measurement of assets and liabilities

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values for financial reporting purposes. Changes to assumptions could have a material impact on the results and financial position of the Authority.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Authority determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

8.3 Fair value determination (continued)

Fair value hierarchy

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — valuation techniques for which the lowest level input that is significant to fair value measurement is directly or indirectly observable.
- Level 3 — valuation techniques for which the lowest level input that is significant to fair value measurement is unobservable.

For the purpose of fair value disclosures, the Authority has determined classes of assets on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Authority determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest input that is significant to the fair value measurement as a whole) at the end of the reporting period.

How this section is structured

For those assets and liabilities for which fair value determination is determined, the following disclosures are provided;

- carrying amount and the fair value (which would be the same for those assets measured at fair value);
- which level of the fair value hierarchy was used to determine the fair value;
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
 - a reconciliation of the movements in fair values from the beginning of the year to the end; and
 - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments and non-financial physical assets.

Fair value determination: property, plant and equipment

	(\$ '000)			
	Carrying Amount	Fair value measurement at the end of the reporting period using:		
		Level 1	Level 2	Level 3
2024				
Building leasehold improvements	3,031	-	-	3,031
Plant and equipment	6,645	-	-	6,645
Leased motor vehicles	3,225	-	-	3,225
2023				
Building leasehold improvements	4,549	-	-	4,549
Plant and equipment	6,907	-	-	6,907
Leased motor vehicles	2,729	-	-	2,729

8.3 Fair value determination (continued)

Building leasehold improvements

Buildings are valued using current replacement cost method and therefore considered to be Level 3 in the fair value hierarchy. An updated valuation of buildings at the MacLeod site was undertaken at 30 June 2021 by independent valuers. The valuation of buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Depreciation rates are reflective of expected lives.

Plant and equipment

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using current replacement cost method and therefore classified as Level 3 in the fair value hierarchy.

There were no changes in valuation techniques throughout the period 30 June 2024. For all assets measured at fair value, the current use is considered the highest and best use.

Leased motor vehicles

Leased motor vehicles are valued using current replacement cost method and therefore classified as Level 3 in the fair value hierarchy. The Authority acquires new vehicles and at times disposes of them before the end of their economic life. Depreciation rates set are reflective of expected utilisation of the vehicle.

Reconciliation of Level 3 fair value movements

	(\$ '000)		
	Buildings leasehold improvements	Plant and equipment	Leased motor vehicles
2024			
Opening Balance	4,549	6,907	2,729
Purchases	124	1,357	1,673
Disposals	-	(3)	(525)
Revaluation Increment	-	-	-
Depreciation	(1,642)	(1,616)	(621)
Transfer assets sold not reported	-	-	-
Transfer assets held for sale	-	-	(31)
Closing balance	3,031	6,645	3,225
2023			
Opening Balance	6,396	5,622	2,870
Purchases	7	2,912	592
Disposals	-	(64)	(124)
Depreciation	(1,854)	(1,563)	(575)
Transfer assets sold not reported	-	-	-
Transfer assets held for sale	-	-	(34)
Closing balance	4,549	6,907	2,729

Description of significant unobservable inputs to Level 3 valuations

2023 and 2024	Valuation technique	Significant unobservable inputs
Buildings leasehold improvements	Current replacement cost	Building costs Useful life of buildings
Plant and equipment	Current replacement cost	Cost per unit Useful life of plant and equipment
Leased motor vehicles	Current replacement cost	Cost per unit Useful life of vehicles

Significant unobservable inputs have remained unchanged.

Fair value determination: financial assets and liabilities

The net fair value of cash, cash deposits and non-interest bearing monetary financial assets and financial liabilities of the Authority approximates their carrying amounts.

8.3 Fair value determination (continued)

Fair value determination: financial assets and liabilities (continued)

The fair value and net fair value of financial instruments assets and liabilities is determined as follows:

- Level 1 — the fair value of financial instruments with standard terms and conditions and traded in active liquid markets is determined with reference to quoted market prices.
- Level 2 — the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly.
- Level 3 — the fair value in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The Authority considers the carrying amount of financial assets and liabilities recorded in the financial statements to be a fair approximation of their fair value, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

Off-balance sheet

The Authority has accepted financial assurances (bank guarantees) that it may draw down on if required. These have a monetary face value which approximates their carrying value. The value of these financial assurances is \$415.5million (2023: \$538.5 million).

The Authority has potential financial liabilities which may arise from certain contingencies disclosed in Note 8.1.

9. OTHER DISCLOSURES

Introduction

This section includes additional material disclosures required by accounting standards, for the understanding of this financial report.

Structure

9.1	Responsible Persons
9.2	Remuneration of executives
9.3	Related parties
9.4	Remuneration of auditors
9.5	Non-financial assets classified as held-for-sale
9.6	Other economic flows included in net result
9.7	Subsequent events
9.8	Ex gratia expenses
9.9	Changes in accounting policy
9.10	Australian Accounting Standards issued that are not yet effective
9.11	Glossary of technical terms

9.1 Responsible Persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, the following disclosures are made regarding Responsible Persons for the reporting period.

Names

The persons who held the positions of Minister, Responsible Body and Accountable Officer in the Authority are as follows:

Minister for Environment	Ingrid Stitt MP (1 July 2024 to 1 October 2024) Steve Dimopoulos MP (2 October 2024 - 30 June 2024)
Responsible Body	Governing Board comprised: Professor Kate Auty – Chairperson: (1 July 2023 to 30 June 2024) Mr Greg Tweedly – Deputy Chairperson (25 July 2023 to 30 June 2024) Ms Monique Conheady (1 July 2023 to 18 September 2023) Dr Ross Pilling (1 July 2023 to 30 June 2024) Emeritus Professor Joan Ozanne-Smith AO (25 July 2023 to 30 June 2024) Ms Kay Rundle (1 July 2023 to 30 June 2024) Ms Margaret Donnan (1 July 2023 to 30 June 2024) Dr Catherine Lopes (1 July 2023 to 30 June 2024) Mr Johnathan Halaliku (25 July 2023- 30 June 2024)
Accountable Officer	Lee Miezis – CEO (1 July 2023 to 30 June 2024)

On 1 July 2018, the *Environment Protection Act 2017* became effective and transitioned the Authority from an Administrative Office of the Department to an Independent Statutory Authority, operating under a new governance structure consisting of a Governing Board as the Responsible Body.

9.1 Responsible Persons (continued)

Remuneration

Remuneration received or receivable by the Accountable Officer's (Chief Executive Officer) in connection with the management of the Authority during the reporting period was in the range: \$490,000-500,000 (2023: \$460,000-\$470,000).

Total remuneration received or due and receivable by the Governing Board from the Authority was in the range of \$350,000-360,000 (2023: \$390,000-\$400,000). The ranges of individual Governing Board member remuneration are outlined below.

	2024	2023
\$0 - \$9,999	1	-
\$10,000 - \$19,999	-	-
\$20,000 - \$29,999	-	-
\$30,000 - \$39,999	7	8
\$40,000 - \$49,999	-	-
\$50,000 - \$59,999	-	-
\$60,000 - \$69,999	-	-
\$70,000 - \$79,999	-	-
\$80,000 - \$89,999	1	1
\$90,000 - \$99,999	-	-
Total number of Board Members	9	9

9.2 Remuneration of executives

The number of senior executives, other than the accountable officer, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full-time equivalent senior executives over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the Authority, or on behalf of the Authority, in exchange for services rendered, and is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long-service benefit or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

	(\$ '000)	
	2024	2023
Remuneration		
Salaries and other short-term employee benefits	3,114	3,010
Post-employment benefits	332	299
Other long-term employment benefits	73	74
Termination benefits	-	-
Total remuneration	3,519	3,383
Total number of executives (i)	13	13
Total annualised employee equivalents (i) (ii)	12.87	12.24

Notes:

(i) The 2022-23 comparative figures have been restated to exclude the Accountable Officer.

(ii) Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for a reporting period.

9.3 Related parties

The Authority is a wholly owned and controlled entity of the state of Victoria.

Related parties of the Authority include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and estates they have significant influence over)
- all cabinet ministers and their close family members
- all departments and public sector entities that are controlled and consolidated into the whole-of-state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Key management personnel of the Authority include the Portfolio Minister, members of the Governing Board, the Chief Executive Officer and members of the Executive Leadership Team.

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances are set by the Parliamentary Salaries and Superannuation Act 1968 and are reported within the State's Annual Financial Report.

	(\$ '000)	
	2024	2023
Remuneration		
Salaries and other short-term employee benefits (i)	1,944	1,923
Post-employment benefits	174	160
Other long-term employment benefits (i)	34	39
Total	2,152	2,122

Notes:

(i) The 2022-23 comparative figures have been restated as Board members do not have leave entitlements.

Transactions with key management personnel and other related parties

Given the breadth and depth of Victorian Government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public, for example, stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Purchasing Board requirements.

Outside of normal citizen type transactions with the Authority, there were no related party transactions that involved key management personnel and their close family members that have been considered material for disclosure. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

In this context, transactions are only disclosed when they are considered necessary to draw attention to the possibility that the Authority's financial position and net result may have been affected by the existence of related parties, and by transactions and outstanding balances, including commitments, with such parties.

Significant transactions with government-related parties

During the year, the Authority had the following Victorian government-related entity transactions in respect of its controlled outputs:

	(\$ '000)	
	2024	2023
Receipts		
Amounts recognised as income in the comprehensive operating statement. Grants and levy distributions from the Department of Energy, Environment and Climate Change for the operations of the Authority	95,237	116,144
	95,237	116,144
Payments		
Significant amounts paid to Victorian Government entities (i)	19,746	13,552
	19,746	13,552

Notes:

(i) Significant payments Includes amounts paid for payroll tax, accommodation and motor vehicle leases. The 2022-23 comparative figures have been restated to disclose significant amounts paid to Victorian Government entities.

9.3 Related parties (continued)

The Authority administers or manages other activities on behalf of the state (Note 4.2). During the year, the Authority had the following administered transactions with government-related entities: \$475.7 million (2023: \$466.9 million) collected and passed onto the Department from M&I Landfill levy. In addition, the Authority made payments of \$27.14 million (2023: \$10.1 million) into the consolidated fund for other administered (non-controlled) items.

9.4 Remuneration of auditors

	(\$ '000)	
	2024	2023
Victorian Auditor-General's Office Audit of the financial statements	120	115
Total remuneration of auditors	120	115

9.5 Non-financial assets classified as held-for-sale

	(\$ '000)	
	2024	2023
Leased vehicles held-for-sale (i) – opening balance	28	194
Assets identified for disposal during the year	31	28
Asset disposals	(28)	(194)
Total non-financial assets classified as held-for-sale	31	28

Notes:

- (i) Leased vehicles held-for-sale represent motor vehicles identified for immediate disposal in their current condition through the VicFleet disposal process. It is anticipated that these disposals will be completed within the next 12 months.

Non-financial assets classified as held-for-sale are measured at the lower of the carrying amount and fair value less costs to sell and are not subject to depreciation.

Non-financial assets, disposal groups and related liabilities are treated as current and classified as held-for-sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale is expected to be completed within 12 months from the date of classification.

9.6 Other economic flows included in net result

	(\$ '000)	
	2024	2023
(a) Net gain/(loss) on non-financial assets		
Net gain/(loss) on disposal of property, plant and equipment	446	335
Total net gain/(loss) on non-financial assets	446	335
(b) Net (loss)/gain on statutory receivables		
Impairment of statutory receivables	(1,714)	(1,996)
Total net (loss)/gain on statutory receivables	(1,714)	(1,996)
(c) Other (losses)/gains from other economic flows		
Net (loss)/gain arising from revaluation of long service leave liability (i)	1,072	(670)
Unwinding of provisions	192	(175)
Total other (losses)/gains from other economic flows	1,264	(845)

Notes:

- (i) Revaluation gain/(loss) due to changes in bond rate.

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions.

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

Revaluation gains/(losses) of non-current physical assets

Non-current physical assets are measured at fair value on a cyclical basis, in accordance with the Financial Reporting Directions issued by the Assistant Treasurer. A full revaluation normally occurs every five years but may occur more frequently if fair value assessments indicate material changes in values. The majority of non-current assets held by the Authority are 'fit-out' leasehold improvements to buildings. The depreciated cost of leasehold improvements is an acceptable approximation of fair value.

9.6 Other economic flows included in net result (continued)

Net revaluation increases (where the carrying amount of a class of assets is increased as a result of a revaluation) are recognised in other comprehensive income and accumulated in equity under the revaluation surplus, except that the net revaluation increase shall be recognised in the net result to the extent that it reverses a net revaluation decrease in respect of the same class of property, plant and equipment previously recognised as an expense (other economic flows) in the net result.

Net revaluation decreases are recognised as expenses (other economic flows) in the net result, except that the net revaluation decrease shall be recognised in other comprehensive income to the extent that a credit balance exists in the revaluation surplus in respect of the same class of property, plant and equipment. The net revaluation decrease recognised in other comprehensive income reduces the amount accumulated in equity under revaluation surplus.

Revaluation increases and decreases relating to individual assets within a class of property, plant and equipment are offset against one another within that class but are not offset in respect of assets in different classes. Any revaluation surplus is not normally transferred to accumulated funds on derecognition of the relevant asset.

Disposal of non-financial assets

Any gain or loss on the sale of non-financial assets is recognised at the date that control of the asset is passed to the buyer and is determined after deducting from the proceeds, the carrying value of the asset at that time.

Other gains/(losses) from other economic flows

Includes the gains or losses from the revaluation of present value of the long service leave liability due to changes in the bond interest rates

9.7 Subsequent events

Subsequent events are events that occur after the reporting period and before the date the financial statements are authorised for issue. The Authority discloses these events as follows:

- adjustments are made to amounts recognised in the financial statements for events where those events provide information about conditions that existed at the reporting date (i.e. adjusting events)
- disclosure is made where the events relate to conditions that arose after the end of the reporting period that are considered to be of material interest (i.e. non-adjusting events).

The Authority has determined the following is a non-adjusting event.

The Victorian Public Service Enterprise Agreement 2024 (Agreement) was formally approved by the Fair Work Commission on 12 August 2024. The agreement has a nominal expiry date of 9 April 2028.

Now that the agreement has been approved, all VPS staff employed at the Authority are entitled to:

- 3% salary increase backdated to 1 May 2024 with an estimated cost of \$0.5 million for the period 1 May 2024 to 30 June 2024
- Once off cost of living lump sum payment of \$5,600 per full time employee (employed in the VPS on 28 June 2024) and prorated for part-time employees. The estimated cost is \$5.0 million.

No further events have occurred subsequent to the balance sheet date that would require adjustment to, or disclosure in, the financial report.

9.8 Ex gratia expenses

The Authority wrote-off a number of litter fines during the course of the year in accordance with its Litter Fine Write-off Policy. The total amount of write-offs for the year was \$1.33 million (2023: \$2.13 million).

9.9 Changes in accounting policies

There have been no changes in accounting policies during the course of the financial year.

9.10 Australian Accounting Standards issued that are not yet effective

Certain new and revised Australian Accounting Standards have been published that are not mandatory for the 30 June 2024 reporting period. EPA assesses the impact of these new standards and advises the Authority of their applicability and early adoption where applicable.

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on Authority's financial statements
AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non- Financial Assets of Not- for-Profit Public Sector Entities	<p>AASB 2022-10 amends AASB 13 Fair Value Measurement by adding authoritative implementation guidance and illustrative examples for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.</p> <p>The Standard:</p> <ul style="list-style-type: none"> specifies when entities need to consider if an asset's highest and best use differs from its current use. It also clarifies when an asset's use is considered financially feasible; specifies when an entity shall use its own assumptions and data to develop unobservable inputs. It also clarifies when these assumptions and judgements shall be adjusted; provides guidance on the application of the cost approach to fair value, including the nature of costs to be included in the reference asset and identification of economic obsolescence. 	1 January 2024	The standard is not expected to have a significant impact on the Authority.

9.10 Australian Accounting Standards issued that are not yet effective (continued)

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on Authority's financial statements
AASB 17 Insurance Contracts	AASB 17 replaces AASB 4 Insurance Contracts, AASB 1023 General Insurance Contracts and AASB 1038 Life Insurance Contracts for not-for-profit public sector entities for annual reporting periods beginning on or after 1 July 2026.	1 January 2026	The assessment has indicated that there will be no significant impact for the Authority.
AASB 2022-8 Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments	AASB 2022-8 makes consequential amendments to other Australian Accounting Standards so that public sector entities are permitted to continue to apply AASB 4 and AASB 1023 to annual periods before 1 July 2026.		
AASB 2022-9 Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector	AASB 2022-9 amends AASB 17 to make public sector-related modifications (for example, it specifies the pre-requisites, indicators and other considerations in identifying arrangements that fall within the scope of AASB 17 in a public sector context). This Standard applies for annual reporting periods beginning on or after 1 July 2026.		

A number of other standards and amendments have also been issued that apply to future reporting periods, however they are not expected to have any significant impact on the financial statements in the period of initial application.

9.11 Glossary of technical terms

The following is a summary of the major technical terms used in this report:

Comprehensive result

Total comprehensive result is the change in equity for the period other than changes arising from transactions with owners. It is the aggregate of net result and other non-owner changes in equity.

Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Depreciation

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transactions'.

Employee benefits expenses

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments and superannuation contributions.

9.11 Glossary of technical terms (continued)

Financial asset

A financial asset is any asset that is:

- (a) Cash
- (b) an equity instrument of another entity
- (c) a contractual or statutory right:
 - (i) to receive cash or another financial asset from another entity; or
 - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
 - (i) a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
 - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

Financial liability

A financial liability is any liability that is:

- (a) a contractual or statutory obligation:
 - (i) to deliver cash or another financial asset to another entity; or
 - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity.

Financial statements

A complete set of financial statements comprises:

- (a) a comprehensive operating statement for the period
- (b) a balance sheet as at the end of the period
- (c) a statement of changes in equity for the period
- (d) a statement of cash flow for the period
- (e) notes, comprising a summary of significant accounting policies and other explanatory information
- (f) comparative information in respect of the preceding period as specified in paragraphs 38 of AASB 101 *Presentation of financial statements*
- (g) a balance sheet as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statement, or when it reclassifies items in its financial statements in accordance with paragraph 41 of AASB 101

Grants and other transfers

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers.

Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

Grants can be paid as general-purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

9.11 Glossary of technical terms (continued)

Interest expense

Costs incurred in connection with the borrowing of funds include interest on bank overdrafts and short-term and long-term borrowings, amortisation of discounts or premiums relating to borrowings, interest component of lease repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

Interest income

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

Leases

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as other non-owner changes in equity.

Net result from transactions (net operating balance)

Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Non-financial assets

Non-financial assets are all assets that are not 'financial assets'. It may include land, buildings infrastructure, plant and equipment and intangible assets.

Other economic flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. These include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; actuarial gains and losses arising from defined benefit superannuation plans; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal. In simple terms, other economic flows are changes arising from market re-measurements.

Payables

Includes short and long-term trade debt, trade creditors, grants and interest payable.

Receivables

Includes amounts owing from short- and long-term trade credit, accounts receivable, accrued investment income, grants, taxes and interest receivable.

Sales of goods and services

Refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. User charges include income from the sale of goods and services income.

Supplies and services

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the Authority.

Transactions

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers.

Transactions can be in kind (for example, assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

Further information and accessibility

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