



NSW Environment Protection Authority  
Annual Report 2023–24





## Acknowledgement of Country

The NSW Environment Protection Authority acknowledges the Traditional Custodians of the land on which we live and work, honours the ancestors and the Elders both past and present and extends that respect to all Aboriginal people.

We recognise Aboriginal peoples' spiritual and cultural connection and inherent right to protect the land, waters, skies and natural resources of NSW. This connection goes deep and has since the Dreaming.

We also acknowledge our Aboriginal and Torres Strait Islander employees who are an integral part of our diverse workforce and recognise the knowledge embedded forever in Aboriginal and Torres Strait Islander custodianship of Country and culture.

EPA Aboriginal artwork: 'Nyuragil Barray Yawutung Warri', which translates as 'Spirited Country Journey Now' depicting the area from desert to mountains, by Gerard Black.

Cover: Thredbo River in Kosciuszko National Park  
Photo: Murray Vanderveer/DCCEEW

## EPA Statement of Commitment to Aboriginal Peoples

The NSW Environment Protection Authority acknowledges Aboriginal peoples as the enduring Custodians of the land, sea, waters and sky of New South Wales.

We recognise the entire NSW landscape, including the lands, waters, plant and animal species, and seas, has spiritual and cultural significance to all Aboriginal peoples of NSW. By this understanding there is no separation of nature, wellbeing and culture. The health of the natural environment, and the health of people and culture, are intimately connected.

The EPA is committed to prioritising meaningful relationships with Aboriginal peoples to deepen our understanding of how best to care for Country. Through our partnership with the EPA Aboriginal Peoples Knowledge Group, we fully acknowledge and embrace the invaluable knowledge they hold and provide to enhance our work as environmental stewards.

The Group comprises members from Rainforest, Desert, Saltwater and Freshwater people, coming together as a unified voice for Country.

We listen to the Group as it guides, advises, nurtures and challenges us to uphold 12 principles outlined in the EPA's Statement of Commitment to Aboriginal People:

1. Work in respectful partnership with Aboriginal peoples.
2. Actively learn from and listen to Aboriginal voices, cultures and knowledges.
3. Respect Aboriginal peoples' knowledge and science as an equal to western science.
4. Weave Aboriginal knowledges and science with conventional science into the EPA's decision-making.
5. Act boldly and bravely to play our part to mend and heal Country together.
6. Ensure Aboriginal knowledge, science and Indigenous Cultural Intellectual Property (ICIP) is protected, and Aboriginal peoples have free, prior and informed consent.
7. Address both the tangible and intangible cultural elements of environmental protection.
8. Deliver on results that have direct benefits for Aboriginal communities.
9. Embed consistent, meaningful and trustworthy engagement with Aboriginal communities.
10. Develop Aboriginal cultural competency across the agency.
11. Increase Aboriginal employment across the agency to exceed public sector Aboriginal employment targets and identify specific occupational gaps.
12. Monitor the impact of this Commitment to Aboriginal peoples, Country, cultures and spirit.

This collaboration ensures our strategic initiatives are firmly grounded in principles of respect and sustainability.

## Letter of submission

The Hon. Penny Sharpe, MLC  
Minister for Climate Change  
Minister for Energy  
Minister for the Environment  
Minister for Heritage

52 Martin Place  
Sydney NSW 2000

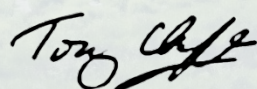
Dear Minister,

We are pleased to submit the  
*Annual Report 2023–24* for the NSW  
Environment Protection Authority.

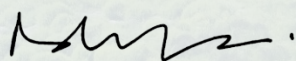
This report was prepared in accordance  
with the provisions of the *Government  
Sector Finance Act 2018* and NSW  
*Treasury Annual Reporting Framework  
2023*.

This annual report must be presented in  
both Houses of Parliament within five  
months of the relevant reporting period,  
being no later than 30 November 2024.

Yours sincerely



**Tony Chappel**  
Chief Executive Officer  
NSW Environment Protection Authority



**Rayne de Gruchy AM PSM**  
Chair of the Board

31 October 2024

Macquarie Marshes  
Photo: John Spencer/DCCEEW

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## Message from the Chair

**As environmental stewards for our State, the NSW EPA worked alongside its stakeholders to deliver proactive and responsive policies, programs and solutions to the complex issues faced by communities in 2023–24.**

The Board was impressed with the EPA's dynamic response to the asbestos-in-mulch incident, and the intensive investigation. The EPA team managed both the operational and communications aspects with skill, care and heart. It was a notable example of inter-agency collaboration, and calm leadership in the face of significant community concern.

The EPA acknowledges the Traditional Owners of NSW, and commits to working closely with them to create better environmental and health outcomes in the future.

The Board is thrilled to see the EPA partnering with Barkandji Rangers to support water quality monitoring and river health of the Darling–Baaka through comprehensive water sampling, river health assessment, and Aboriginal knowledge and practice.

Integrating cultural indicators with chemical testing and measuring provides for a richer understanding of the health of the river, and will improve its long-term recovery.

This report sees the close-out of our *Strategic Plan 2021–24*, with great progress made on the regulatory priorities for 2023–24. We describe

the outcomes in this report, and outline how this work continues under our new *Strategic Plan 2024–29*.

The Board is pleased to see the EPA strengthening its regulatory tools to deter environmental crime and pollution, and to take advantage of enhanced legislative powers and penalties. This aligns with the global shift in legislation towards preventative practices and nature positive outcomes.

Thanks go to all members of the Board and the Audit and Risk Committee for their insight and contribution. We farewelled Elizabeth Wild and Michael Rennie, who left the EPA Board this year, and welcomed Samuel Maresh. The Board remains dedicated to supporting the EPA as a modern, risk-based, pro-active regulator.

Importantly, on behalf of the Board, I thank our CEO, executive team and all the people of the EPA, who, with talent and passion, take on the challenging but rewarding work of creating better environmental outcomes for the people of NSW.

A handwritten signature in black ink, appearing to read 'Rayne de Gruchy'.

**Rayne de Gruchy AM PSM**  
Chair of the Board



## Message from the CEO

**This was a year of significant challenges for the NSW EPA and some of the communities we serve, as we worked together to hold polluters to account, and to enable a sustainable and prosperous future.**

We worked hard to address critical environmental risks including end-of-life batteries and tyres, the adaptive management of native forestry operations, problematic plastics and climate pollution.

A major focus for us has been collaboration with our community and industry stakeholders to protect the community and environment while enabling sustainable development. With a focus on the ultimate outcome of thriving, prosperous communities with improving environmental values, we call this approach 'stewardship'. It is closely connected to Aboriginal notions of caring for Country.

Central to our work has been progress in the integration of the traditional ecological knowledge held by Elders whose ancestors have cared for Country across NSW since deep time. The river health program on Barkandji Country, described in this report, is one powerful example of this stewardship and collaboration through sharing skills and knowledge for the good of the environment and the people who rely on it.

The asbestos-in-mulch investigation, sparked by a notification in January 2024 of asbestos in a park in Sydney, rapidly became the biggest

investigation in our 30-year history. We approached this with empathy, and focused on outcomes for the community during a crisis. The dedication and resilience of our EPA team members really shone during this time, ensuring we protected the community, environment and our reputation.

Following this incident, the NSW Parliament adopted government proposals to reform environmental protection legislation, creating new tools to manage environmental quality in recycled products, stronger powers to hold polluters to account, and regulatory architecture to enable whole-of-system solutions in complex supply chains.

As we concluded the financial year we completed our *Strategic Plan 2021-24*, and developed our strategic plan for the next five years. This is available on our website.

Please join me in celebrating a year of challenges, achievements and creative problem-solving. As we look forward to the year ahead, the EPA is focused on work to further address environmental crime, enable a safe, circular economy, and enhance how we best manage environmental risks.

A handwritten signature in black ink that reads "Tony Chappel". The signature is written in a cursive, flowing style.

**Tony Chappel**  
Chief Executive Officer

# 1

## Overview

Crowdy Bay National Park  
Photo: Naomi Clarke/DCCEEW



## Our vision

A healthy and sustainable future for NSW

## Our mission

Protect tomorrow together

## Who we are

As an environmental steward and regulator, we are committed to a sustainable future for NSW.

Our people are proud to play a role in protecting the environment of NSW. We partner with Aboriginal people, industry and the wider community to protect, restore and enhance our diverse ecosystems.

We bring scientific expertise, experience and actions to inspire innovative solutions as we transition NSW to a circular economy. As we respond to urgent current issues, including climate change, we educate and support our stakeholders to create an environmentally healthy future.

The Environment Protection Authority (EPA) was established under the *Protection of the Environment Administration Act 1991*. We are an independent statutory authority, and the State's primary environmental regulator.

We have responsibilities and functions under several pieces of NSW environmental legislation, including *Protection of the Environment Operations Act 1997*, *Plastics Reduction and Circular Economy Act 2021*, and *Forestry Act 2012*.

For a full list, see Appendix A.

## Our core work

Core regulation underpins our work. Under the environment protection legislation we administer, and our other statutory obligations, we are responsible for regulating a range of activities and their associated risks to the environment and communities.

These activities fall into the following categories:

- Air and odour
- Climate change
- Contaminated land
- Dangerous goods
- Industrial chemicals
- Native forestry
- Noise
- Pesticides
- Plastics
- Radiation
- Waste and circular economy
- Water.

We act in the public interest and deliver public value. We do this by delivering outcomes that have collective meaning or value to the people of NSW.

These outcomes include:

- improving air, land and water quality
- conserving biodiversity
- reducing human exposure to harmful substances
- improving environmental amenity.

## Our objectives

Our main objectives, as set out in section 6 of the *Protection of the Environment Administration Act 1991*, are to:

- protect, restore and enhance the quality of the environment in NSW, having regard to the need to maintain ecologically sustainable development
- reduce risks to human health and prevent harm to the environment.

To achieve these objectives, we listen, educate and partner with others to influence views about what can harm our environment or health. When needed, we take action against individuals, businesses and organisations in the interests of the people and environment of NSW.

## Our values

Stewardship is at the heart of what we do and guides the decisions we make every day.

As a steward for the environment, we are responsible for caring for, restoring and protecting our unique ecosystem.

- We are **focused on outcomes** that lead to healthy communities and a more sustainable environment.
- We are **guided by empathy** to bring outside ideas in, understanding our stakeholders' views and integrating their perspectives.
- We are **committed to collaboration** to overcome environmental challenges together.

Underpinning all our work is working in partnership with the Traditional Custodians of our natural environment to respect Country and protect tomorrow together.

## Our code of ethics

Our customers and stakeholders rely on us to be transparent and ethical and to act in their best interests.

The EPA's Code of Ethics and Conduct helps us understand the standards of behaviour expected of us in our day-to-day work.

It guides our decision-making so we can:

- maintain the trust of the public and all our stakeholders
- act ethically and in the public interest
- act in a professional and non-political way while implementing the decisions of the NSW Government
- use public resources efficiently and appropriately.

## Our strategic choices

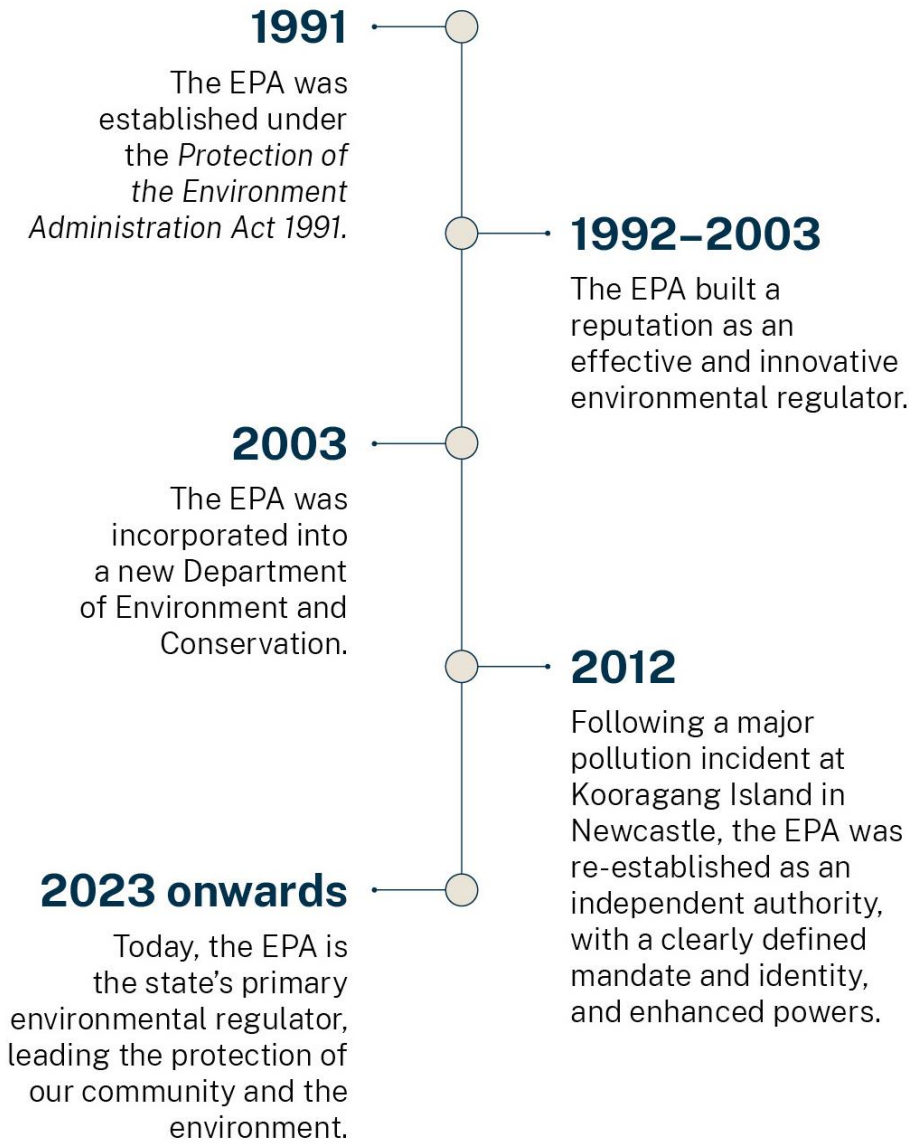
We have made strategic choices about the environmental and human health outcomes the EPA will deliver over the next five years that will support a sustainable, prosperous society as we work to protect tomorrow together. They are set out in our new [Strategic Plan 2024–29](#).

The three pillars are:

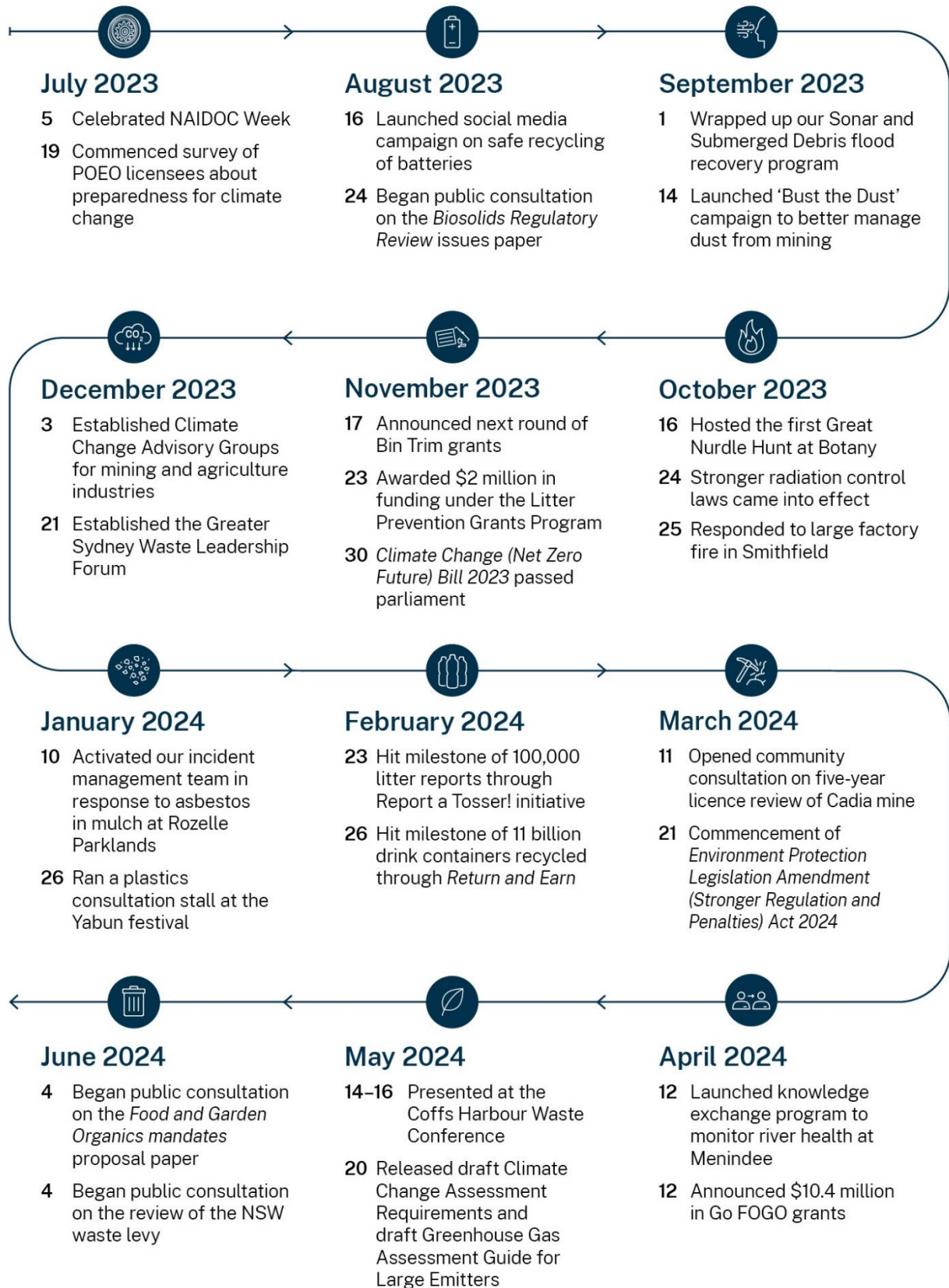
- care for Country – land, water, air and community
- drive climate action
- enable a safe circular economy.

For more information about the strategic plan that came to a close this financial year, and our progress against its goals and measures, see sections 2 and 3 of this report.

# Our history



# Calendar of key events 2023–24



## Our people

As at 30 June 2024, the EPA directly employed 1,025 people, with most staff working in metropolitan areas.

## Key facts

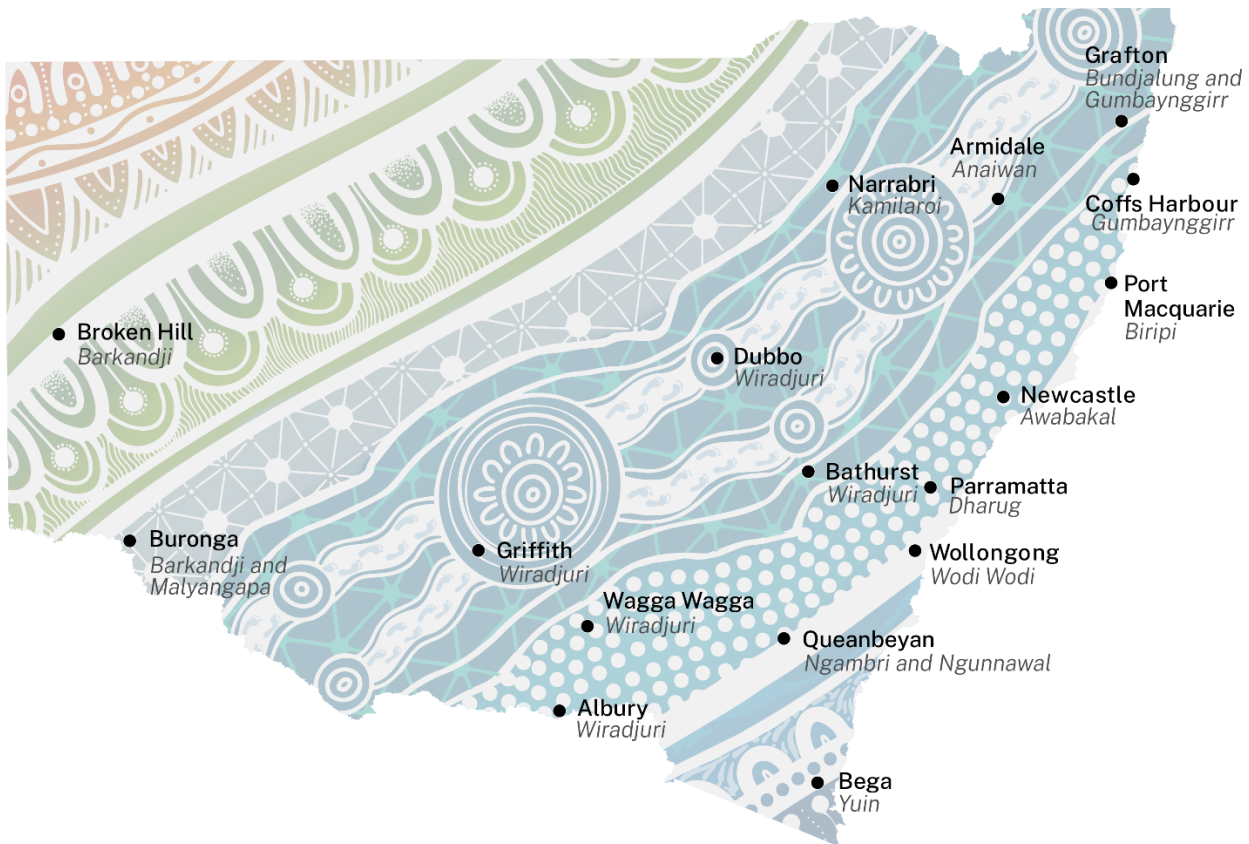
- **57%** of senior leadership roles are held by women
- **232** WHS incidents, accidents and injuries were reported, representing a positive uptick in reporting

- **161** new employees joined the EPA
- **306** training sessions were offered to EPA staff
- **3,069** officers from the EPA and local and state regulatory agencies attended training sessions

## Our offices

## Staff by location

- Regional **15%**
- Greater metropolitan Sydney **85%**

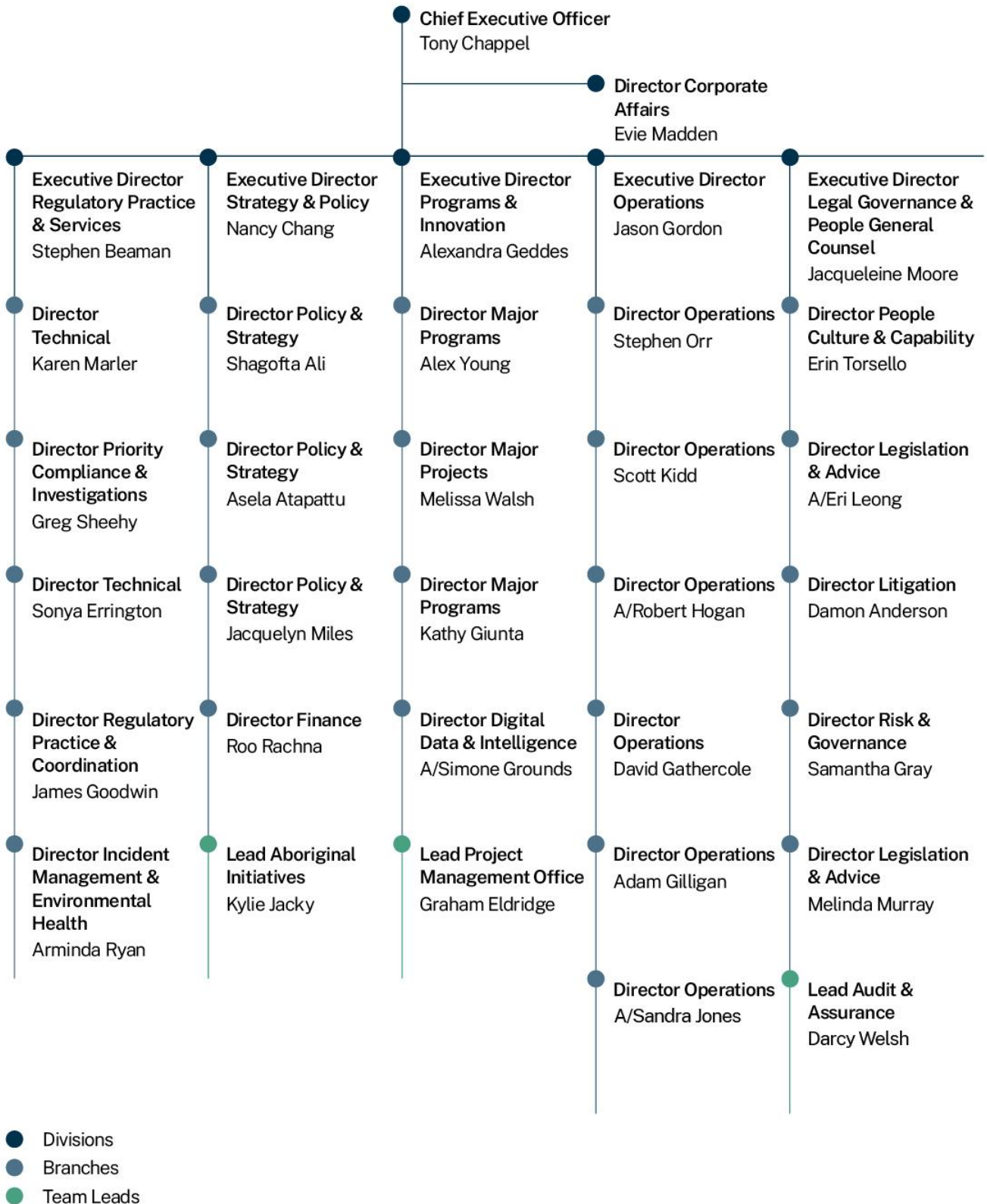


Place names have been sourced from the AIATSIS Map of Indigenous Australia and Knowledge Holders.

At the EPA, we continue to improve our understanding of Aboriginal cultures. We strive to gain accurate information for all our office locations. However, we recognise that not all NSW Aboriginal Nations are included in this map, and some Nations and their spellings are contested.

# Organisational structure

30 June 2024



## EPA program performance

- We delivered a diverse range of programs supporting our *Strategic Plan 2021–24* ambitions and targets, as well as outcomes identified by the NSW Government to protect human and environmental health and deliver a circular economy.
- Reporting on our performance helps us assess the effectiveness of our work towards realising our vision for a healthy and sustainable future for NSW.
- The following tables and graphs show how we have been tracking over time in core areas.

### EPA Program performance measures

Key: ✓ Achieved or on track ≤ Monitor or improve

Indicator	2019–20	2020–21	2021–22	2022–23	2023–24	Status
<b>Notified contaminated sites are assessed, and a decision on whether regulation is required is made, within four months of notification (annual target 95%)</b>	86%	91%	38% <sup>A</sup>	34.5% <sup>A</sup>	62%	≤

**Analysis:** When the EPA becomes aware of contaminated land, it assesses the significance of the contamination. This requires a detailed desktop assessment and often a site inspection. Sometimes the EPA may request further information to complete this task.

Assessment of contaminated sites has proved challenging in recent years due to the impacts of COVID-19 and weather events on EPA operations. This year, 2023–24, saw a shift towards pre-COVID levels, however, returning to the target level of 95% is expected to remain challenging as new training is rolled out and new procedures are implemented to ensure the EPA receives sufficient information early in the assessment process.

Achieving and maintaining the target 95% will be a focus of effort in 2024–25, supported by the implementation of a new IT system (CORE) to better track and record progress on assessments.

Indicator	2019–20	2020–21	2021–22	2022–23	2023–24	Status
Percentage of targets met for public education and awareness programs about environmental matters (annual target 95%)	100%	95%	95%	95%	-	✓

<b>NEW INDICATOR:</b> Percentage of community members who are aware of the EPA	-	-	-	-	62%	✓
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**Analysis:** Since 2019, the EPA has measured the effectiveness of public education and awareness programs based on reach, participation, interaction and engagement. In 2023–24 the EPA shifted its focus to understanding the community’s awareness of the EPA and community levels of trust in the EPA as the State’s primary environmental regulator.

This shift in focus resulted in a new indicator: the percentage of community members who are aware of the EPA. This has been reported on since the beginning of 2023.

Results from our 2023–24 Pulse survey shows that 62% of people are aware of the EPA. The survey also showed that the EPA stood out as the most-recalled environmental steward in NSW and is most often associated with effective management of air quality issues and responding to harmful incidents.

Indicator	2019–20	2020–21	2021–22	2022–23	2023–24	Status
Community access to NSW Container Deposit Scheme return points (target >90% by June 2025)	98%	99.5%	99.1%	99%	99%	✓

**Analysis:** Beverage container return points deliver clean streams of high-quality recyclable material, which contributes to the development of a circular economy in NSW. To be able to participate, communities need convenient access to return points to redeem their containers.

Following the extension of the Network Operator Agreement and the release of the 2021 Census data, the minimum number of required collection points has increased to 490 (from 433).

Even though the Network Operator has delivered more than required (633 collection points), there are currently two gaps in specific locations, which are reflected in a 99.6% achievement. The gaps are primarily the result of business closures and the time it takes to find replacement return points in a limited market. The ongoing forecast is expected to remain at or near 99%.



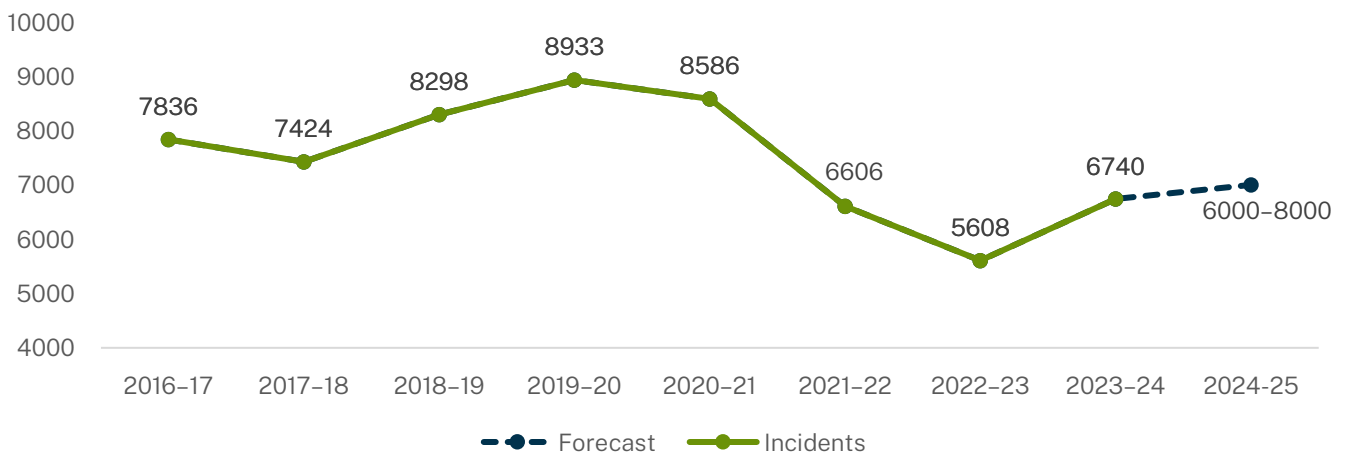
## Spotlight on human and environmental health

### Environmental health

We keep track of environmental incidents reported by the community. The large drop in numbers in 2020–21 reflected a change in how we record incidents: similar and related reports from the community are now counted as one incident.

In 2023–24, Environment Line and emergency service notifications generated a total of 6,740 incidents. Future years are anticipated to achieve similar results; however, the number of incidents reported may increase due to increased public awareness, effective education campaigns, and extreme events such as flooding or bushfires.

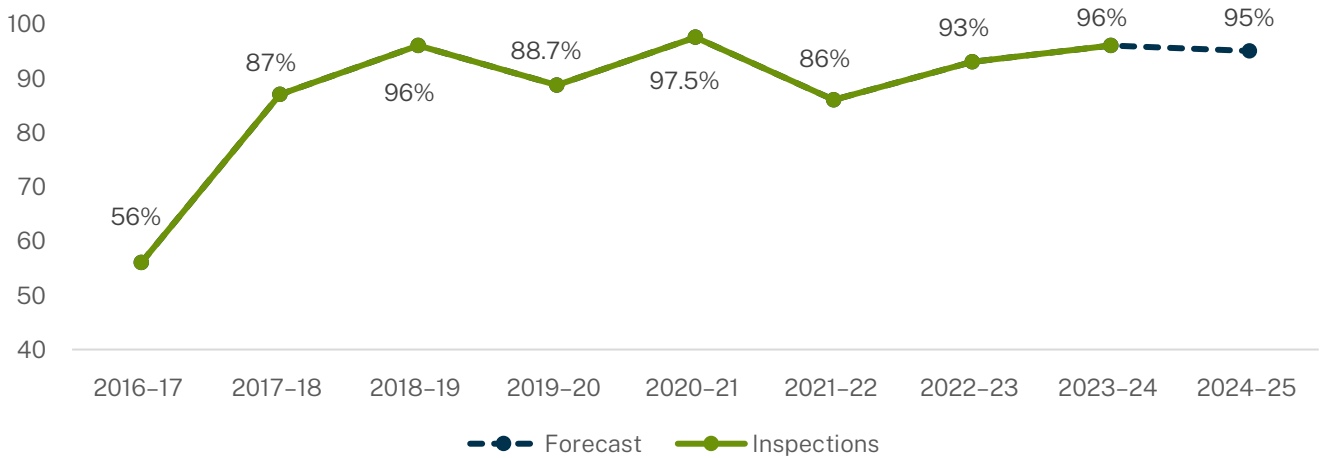
#### Reported environmental incidents



## Regulation of high-risk licences

We regulate licensed industries to help protect land, air and water. We track the proportion of inspections at premises and industries that pose a greater environmental risk. Following a drop in inspection numbers in 2021–22 and 2022–23, due to COVID-19 and wet weather, performance has returned to a high level of 96% for 2023–24.

### Proportion of inspections



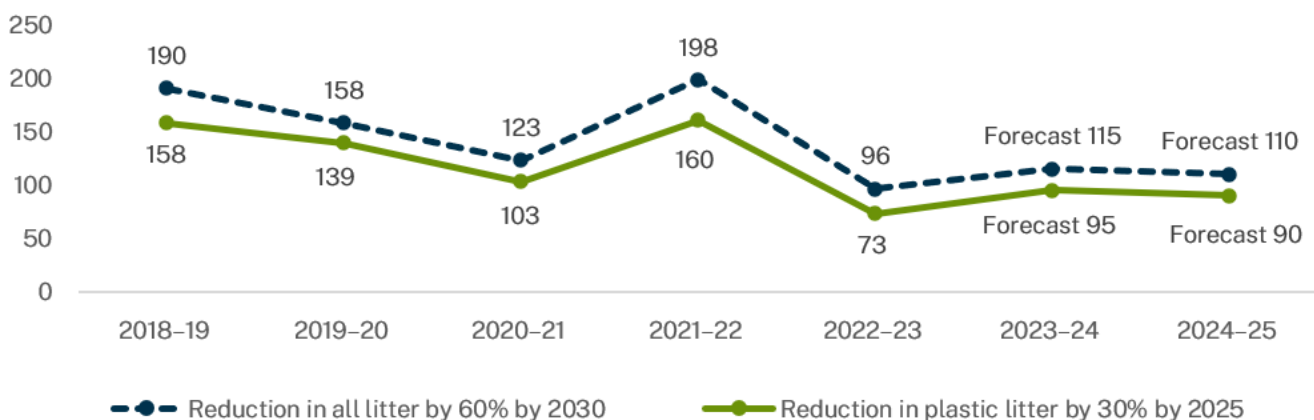
## Spotlight on achieving a circular economy

### Reducing litter

Litter reduction is one of our long-term aims. The overall target is to reduce litter of all types by 60% by 2030. For plastic litter, the target is a reduction of 30% by 2025. These targets align with commitments in the *NSW Plastics Action Plan* and the *NSW Waste and Sustainable Materials Strategy 2041 (WaSM)*.

Preliminary data for 2023–24 indicates little change in overall litter from 2022–23 figures. This may be a return to trend following a steep decrease in 2022–23. The 2030 target is still expected to be reached.

### Litter reduction trends, as items per 1,000 m<sup>2</sup>



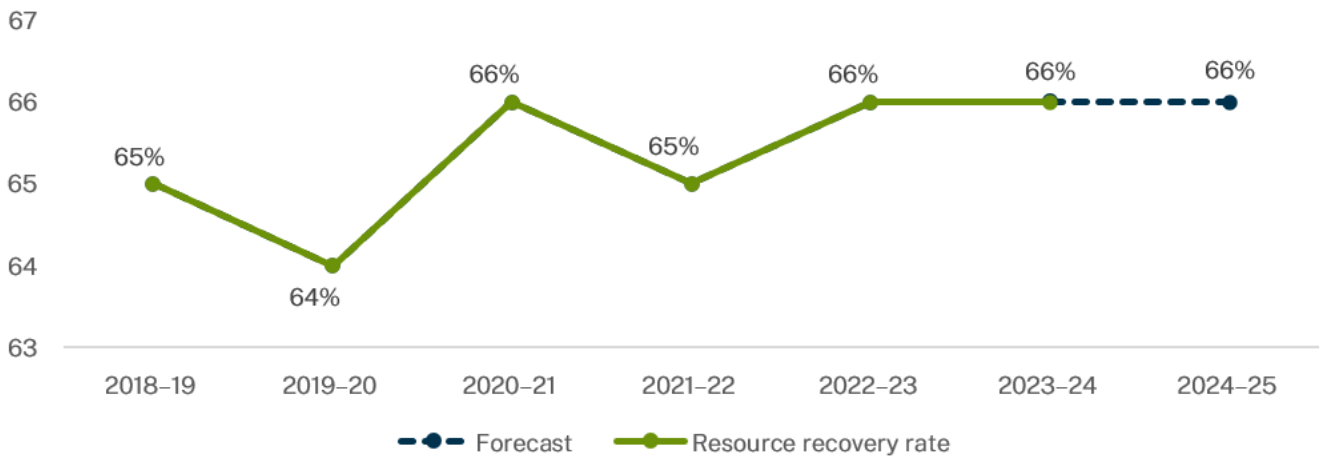
## Resource recovery rate

Our target is an 80% average recovery rate from all waste streams by 2030, to reduce waste and improve use of natural resources. The 80% target is based on longer-term policy and regulatory settings.

The results show that the overall resource recovery rate for NSW from 2018–19 to 2023–24 has stagnated, staying between 64% and 66%. A primary focus of our current reviews of the NSW waste levy and the resource recovery framework, and our development of a waste infrastructure plan, is to design and implement policy, program and regulatory responses that would deliver the step change needed to achieve our target. Other measures under consideration that may also contribute include the expansion of the container deposit scheme *Return and Earn* and mandated food and garden organics collection.

We will be closely monitoring the resource recovery trend as we deliver our work program, and will respond as required to ensure that we are on track to meet the 80% target.

### Resource recovery rate per year, as a percentage



## Financial summary

In 2023–24 the EPA maintained its sound financial position while responding to the challenges that came from changes within the business and the operating environment

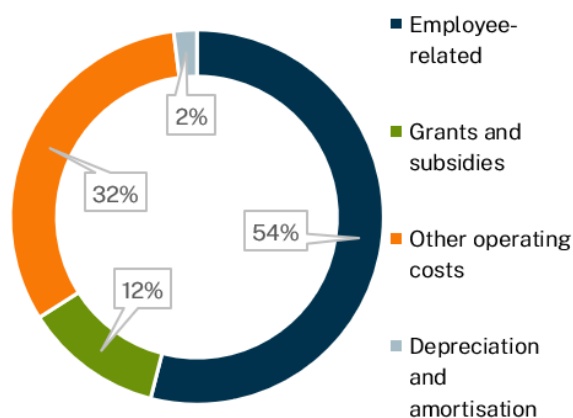
The independent audit report confirms that the EPA financial statements present fairly the organisation’s financial position and are compliant with reporting requirements. EPA income and expenditure increased in 2023–24 when compared to the prior year.

### Five-year revenue and expenditure snapshot (\$million)

Year	Revenue	Expenditure
2019–20	183	181
2020–21	216	213
2021–22	280	283
2022–23	250	260
2023–24	269	271

### Our expenditure (in %)

Category	Expenditure
Employee-related	54%
Grants and subsidies	12%
Other operating costs	32%
Depreciation and amortisation	2%



# 2

# Strategy



Broken Hill  
Photo: Destination NSW

## Our strategic plan

**Our remit, as the environmental regulator for NSW, is to protect the community and environment from harm.**

To regulate consistently, we follow a formalised publicly available regulatory framework, and our performance is reviewed annually by the EPA Board.

However, we are not just the State's primary environmental regulator. We take seriously our role as environmental stewards and have been developing our capability through 2023–24.

As a steward of the environment, we are responsible for protecting, restoring and caring for our unique ecosystems.

We embrace a stewardship mindset in partnership with Aboriginal peoples to care for Country and protect tomorrow together.

## Our focus areas

In 2024, we reached the end of our *Strategic Plan 2021–24*. This plan was a roadmap for our efforts to protect, restore and enhance the NSW environment and to protect human health.

The plan identified five major challenges, framed as focus areas:

- waste
- water quality
- legacy and emerging contaminants
- ecologically sustainable development
- climate change.

For a snapshot of our achievements and ongoing work within the focus areas, see section 3 of this report.

## Our regulatory priorities

Each year, we identify priority areas on which to focus regulation. These are hazards to community and environmental health that we want to mitigate before they escalate. They are important issues we expect we can make significant progress on within 12 months.

Our regulatory priorities were broadly consistent with our strategic focus areas and contributed to the *Strategic Plan 2021–24*.

In 2023–24, we identified seven areas as priorities for regulatory action:

- air pollution from dust
- broadacre and intensive horticulture pesticide management
- contaminated sites
- end-of-life batteries
- end-of-life tyres
- flammable solvents
- forestry.

You can read about our progress against the regulatory priorities in section 3 of this report.

## The regulatory framework

Guiding our implementation of the strategic plan was our *Regulatory Framework 2021–24*. This outlines the regulatory actions we may take to address environmental issues, and the tools we use: listen, educate, enable, act, influence, require, monitor and enforce (Figure 1).

Figure 1: The eight elements of our regulatory framework



The framework is risk-based – that is, it directs us to prioritise areas and activities that have the greatest potential to cause harm. It is outcomes-focused and includes modern regulatory approaches (for instance, the use of influence and education) to drive environmentally responsible behaviour.

Our regulatory decisions are informed by science, evidence, data and Aboriginal knowledge, including cultural values and the 12 principles outlined in the EPA’s Statement of Commitment to Aboriginal Peoples (see page 3).

## Our new strategic plan

The first half of 2024 saw the development of our new *Strategic Plan 2024–29*, which came into effect in the new financial year.

The new plan continues and builds on the work already under way, with focus areas reframed as strategic choices and regulatory priorities reframed as a targeted compliance program.

These changes reflect the increasingly complex challenges we face in protecting the environment and human health.

The table below shows the conceptual shift, continuing and building on existing work.

### Transition to new strategic plan

2021–24 focus area	2024–29 strategic choice
waste	enable a safe and effective circular economy
water quality	care for Country – water
legacy and emerging contaminants	care for Country – land
ecologically sustainable	care for Country – land development
climate change	drive climate action

Stewardship sits at the heart of what we do and guides the decisions we make every day.

Figure 2 encapsulates our stewardship approach to environmental regulation.

Figure 2: Our stewardship approach





## Reporting and reviewing

Each year the EPA Board provides the Minister responsible for the EPA under the POEA Act (currently the Minister for the Environment, Minister for Climate Change) with an annual assessment of our performance.

This Regulatory Assurance Statement summarises:

- how successful the EPA has been in reducing risks to human health and preventing degradation of the environment
- how the level of environmental protection in NSW compares with that of other Australian jurisdictions
- how well industries regulated by the EPA are performing in regard to reducing risks to human health and preventing environmental degradation
- the impact these industries have had on the environment
- how these industries could improve their environmental performance
- how the EPA could improve its own environmental performance.

This formal annual review is tabled in Parliament, and provides transparency and accountability to the community of NSW.

The Board's assessment also supports a culture of continual learning and improvement, by making recommendations for improving EPA performance. These are incorporated into the EPA's strategic and forward planning for the next financial year.

We report on our State outcome and program performance measures to NSW Treasury (see page 15). Our efficiency and effectiveness measures appear throughout this report.

Section 5 includes our human resources measures and the EPA's results from the People Matters Employee Survey.

## Innovation and improvement

Innovation is key to achieving our environmental goals.

Our Continual Improvement team was established in 2020 to help enable a culture of innovation and continual improvement, and to learn from the practice of other regulators around the world.

It works with teams across the organisation to help them take a step back and apply a human-centred approach to solving problems big and small, for improved regulatory effectiveness, employee engagement and customer satisfaction.

We strive for improvements by everyone, every day, everywhere, as lots of incremental improvements add up to big change over time.

Key initiatives for 2023–24 included:

- facilitating the co-design of seven regulatory approaches for the EPA's 2023–24 regulatory priorities
- helping our Metro West operational branch engage with key stakeholders to make improvements to how we regulate infrastructure projects
- capturing the lessons learned from three information and communication technology projects as part of our regulatory systems transformation program
- helping capture the lessons learned from the 2023 *Bust the Dust* campaign.



Thredbo, Snowy Mountains  
Photo: Destination NSW

## Key policies and strategies for the EPA

### Developed by the EPA

*Regulatory Strategy 2021–24*

*Regulatory Policy*

*EPA Climate Change Policy*

*Climate Change Action Plan 2023–26*

*NSW Illegal Dumping Prevention Strategy  
2022–2027*

*NSW Litter Prevention Strategy 2022–30*

*Powers and Notices guideline*

*EPA Code of Ethics and Conduct*

*Respectful and inclusive behaviours policy*

*Public interest disclosures policy*

### Developed by the NSW Government

*NSW Waste and Sustainable Materials Strategy  
2041: Stage 1 plan: 2021–2027*

*NSW Plastics Action Plan*

*Net Zero Plan: Stage 1: 2020–2030*

*NSW Clean Air Strategy 2021–30*

*Asbestos in NSW: Next Horizon*

*State Emergency Management Plan (Dec 2023)*

A large white number '3' is positioned on the left side of the image, partially overlapping the sunset and the lake. The background features a sunset over a body of water with a dead, leafless tree in the foreground. The sun is low on the horizon, creating a bright glow and reflecting on the water. The sky is filled with soft, orange and yellow clouds. The tree's silhouette is reflected in the calm water.

# 3

## Operations and performance

Menindee Lakes, Menindee.  
Photo: Destination NSW

**There's always a lot going on at the EPA. But 2024 won't be easily forgotten. The asbestos-in-mulch incident (p. 44) turned out to be the biggest investigation in our history, and put pressure on all parts of the agency.**

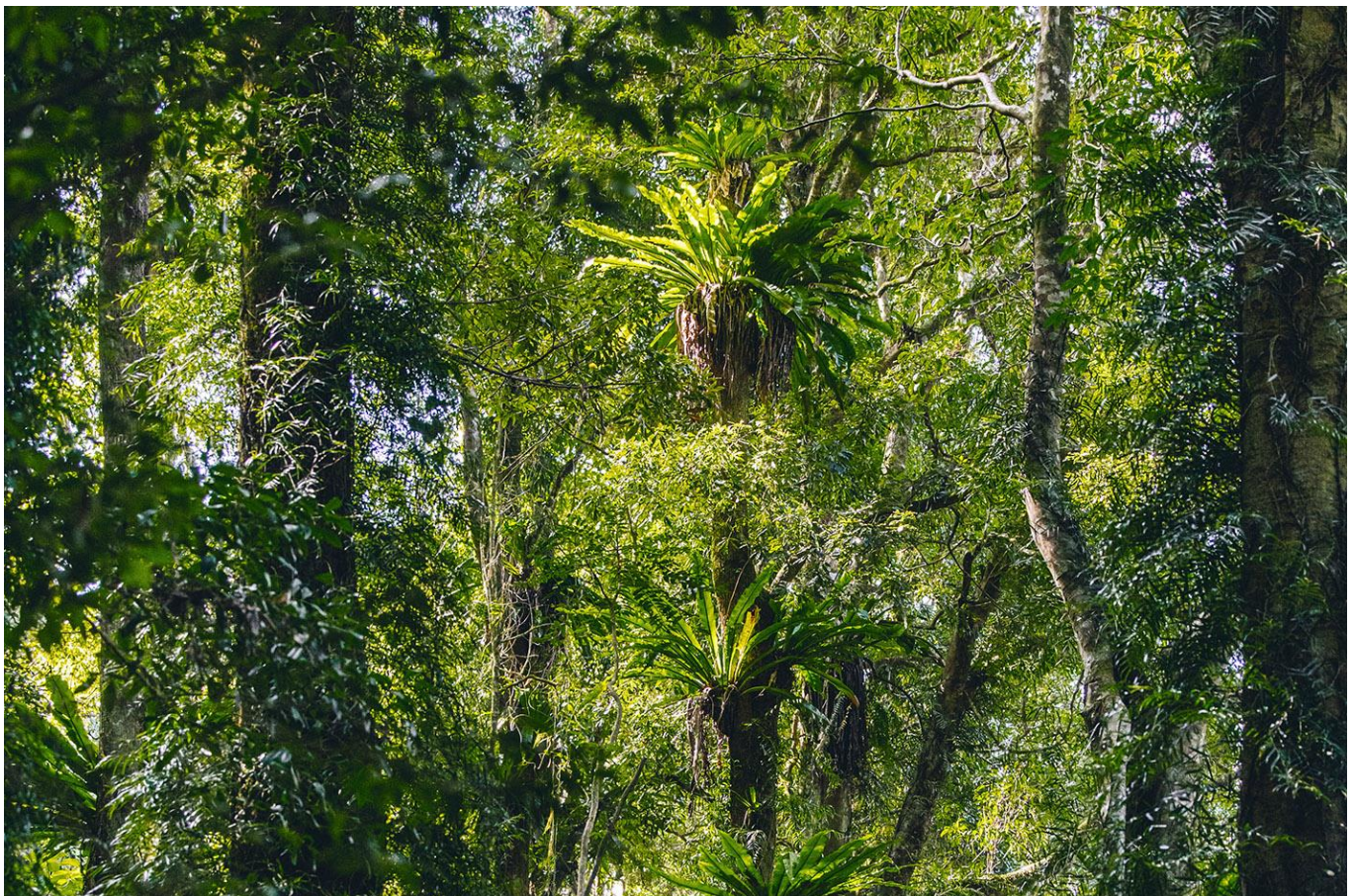
Despite the extra demands, we continued to work effectively and have major wins, including a strengthening of environmental protection legislation, and positive steps to incorporate Aboriginal knowledges and science into the way we manage river health.

Following is a snapshot of our work across the year, starting with progress against our five focus areas.

## Our focus areas

To act effectively and efficiently, we identify those challenges that require sustained focus over the medium term, as well as critical areas we can make an impact on in the short term.

Dorrigo National Park  
Photo: Jay Black/DCCEEW



Under our *Strategic Plan 2021–24*, which came to a close this year, these challenges were framed as focus areas and regulatory priorities respectively.

Our five focus areas for the term of the plan were:

- waste
- water quality
- legacy and emerging contaminants
- ecologically sustainable development
- climate change.

The following summary highlights our key achievements, as well as ongoing work aimed at protecting, restoring and enhancing our environment.

This ongoing work carries over as part of our [next strategic plan](#).

## Waste



**Goal: Take action to reduce the harmful impact of waste and drive behaviours that create a circular economy.**

This focus area was an established area of EPA work prior to the commencement of the *Strategic Plan 2021–24*. Actions to achieve the strategic plan goal are firmly under way or have been completed.

Some performance targets, such as those for *Return and Earn*, are well on track. Others, such as attaining a resource recovery rate of 80% by June 2030, remain challenging.

### Key initiatives and achievements

In 2023–24 we:

- convened roundtables in December 2023 and February 2024 with industry and government stakeholders to discuss the issue of battery fires in the waste sector
- worked with key stakeholders in the waste and resource recovery industry and local councils to understand issues causing shortfalls in residual waste infrastructure in Greater Sydney, and to identify the role of government to address them
- commenced the review of the NSW waste levy, with extensive consultation with the waste and resource recovery industry and local councils to inform advice to the Minister for the Environment on the scope of the review and form of an issues paper
- worked with the Queensland Department of Environment, Science and Innovation (DES) and our supplier KPMG, to develop and implement a nationally consistent digital system for businesses to track

movements of hazardous and other high-risk wastes. The Integrated Waste Tracking Solution (IWTS) is being released in NSW in a phased roll-out.

### Ongoing work

As part of continuing work we:

- received more than 5,000 submissions from the public on the discussion paper *NSW Plastics: Next Steps* and held a series of targeted stakeholder workshops and one-to-one meetings in March and April. This work informs the next steps NSW can take to phase out problematic and unnecessary plastics
- worked with the Soft Plastics Taskforce and counterparts in other states and territories to ensure that we take a coordinated approach and consider what regulatory support is needed
- saw the container deposit scheme *Return and Earn* continue to grow. In the 2023–24 financial year, 2.1 billion containers were collected through the *Return and Earn* network, bringing the total to 11.7 billion containers through the network since the scheme's inception in 2017
- ramped up compliance checks on storage of end-of-life tyres, and investigated serious stockpiling offences, as part of our regulatory priority work for 2024 (see page 39). We continued to work with all jurisdictions on tyre product stewardship.

## Water quality



**Goal: Take action to ensure sustainable and safe water for the community, ecosystems and economic prosperity, and to support cleaner waterways.**

Responding to water quality issues and administering environment protection licences to reduce water pollution is part of our core work.

Through the term of the strategic plan, we also undertook foundational work to strengthen water quality and sustainability measures, partnering with government, industry and communities involved in the management of water in NSW. This work will continue under our [new strategic plan](#).

### Key initiatives and achievements

In 2023–24 we:

- launched the Water Strategic Initiative supported by Dr Phil Duncan (Galambany Professorial Fellow, University of Canberra) to inform the development of five-year delivery actions under the new *Strategic Plan 2024–29*. This initiative has a core focus on identifying how we can bring Aboriginal cultural perspectives, values and knowledges into our approach to improve the health of waters and identify the indicators of success, and clarify our role in terms of water regulation, legislation, policy, technical advice and influence

- released the East Coast Water Quality Program Dashboard to improve community access to water quality data
- partnered with Barkandji and Bundjalung peoples to incorporate cultural indicators into assessment and monitoring of the Darling–Baaka and Richmond Rivers, following floods and mass fish deaths (see page 45).

### Ongoing work

As part of continuing work we:

- worked with other government agencies to monitor river water quality and publish sampling results online
- worked with councils and other state agencies towards having more areas of the Parramatta River swimmable by 2025
- worked with government agencies to improve water quality in groundwater, at beaches, in the ocean, rivers, creeks and community water supply dams.

## Legacy and emerging contaminants



**Goal: Take action to prevent harm by targeting our efforts on high-risk legacy, current and emerging contaminants.**

This focus area was an established area of EPA work prior to the commencement of the *Strategic Plan 2021–24*.

It extended into many activities, including chemical prioritisation, PFAS chemicals, the Broken Hill environmental Lead Program, and clean-up of debris and contaminants in the wake of major floods.

Actions to achieve the strategic plan goal are firmly under way or have been completed.

### Key initiatives and achievements

In 2023–24 we:

- led the investigation into asbestos in mulch (see page 44). This included resourcing the Incident Management Team, deploying staff to complete field inspections, and working with the NSW Asbestos Taskforce, which supported our investigations
- continued to work with the company Hazard Evaluation Limited (HazEL) to further develop and implement a method using Artificial Intelligence (AI) to search academic literature for chemicals of emerging concern. In 2023–24 the AI interface was developed, with next steps being for EPA officers to test the system
- completed delivery of flood debris and contaminants clean-up programs in disaster-declared areas
- published the *Contamination assessment of service station sites – Minimum sampling requirements* to provide guidance for consultants, site auditors, regulators and planning authorities who undertake or review contamination assessments of service station sites.

### Ongoing work

As part of continuing work we:

- identified legacy landfill sites with the highest potential for hazardous gases to cause harm, and where necessary undertook gas monitoring and worked with local councils to address potential risks
- identified unused service station sites for further action on potential leaks and contamination from underground petroleum storage systems (UPSS; see page 37)
- continued to lead the NSW Government's response to PFAS contamination (having implemented a ban on prescribed long-chain PFAS firefighting foam)
- continued programs such as the Broken Hill Environmental Lead Program (to reduce the impact of high blood lead levels in children)
- commenced a review of the Protection of the Environment Operations (Underground Petroleum Storage Systems) Regulations 2019 to consider if it is fit for purpose and achieving its objective of preventing future contaminated sites. This has included surveying councils, who regulate the large majority of UPSS, and targeted consultation with industry groups and other government agencies.

## Ecologically sustainable development



**Goal: Take action to champion sustainable approaches to mitigate the cumulative impacts of industry on local communities and environments.**

This year we made significant achievements in native forestry compliance, place-based planning, pesticide spray drift compliance, Aboriginal inclusion, and capacity-building for local government.

Ecologically sustainable development (ESD) acts as a guiding principle in all of our work, as per the *Protection of the Environment Operations Act 1997* (POEO Act).

### Key initiatives and achievements

All of our work in 2023–24 has been a continuation of work begun in previous years.

Highlights include:

- centralised strategic planning for coordinating the EPA’s environmental advice on significant planning proposals
- consistently responding to more than 90% of high-risk planning matters by the due date
- working with the NSW Department of Planning, Housing and Infrastructure, and other agencies across government, to implement the *NSW Clean Air Strategy 2021–30*
- establishing an ongoing Aboriginal Peoples Knowledge Group to provide input and guidance on embedding Aboriginal perspectives and cultural obligations into our work. This helps support better environmental and human health outcomes
- delivering a spray drift compliance campaign in areas with high rates of pesticide use (see page 36)
- strengthening partnerships with planning authorities and promoting intergenerational equity through evidence-based environmental advice. This has resulted in fewer land-use conflicts within special activation precincts, regional jobs precincts and major rezonings.



## Climate change



**Goal: Take action to reduce emissions, mitigate climate change impacts and build greater environmental and community resilience, aligned with the principles in the NSW Net Zero Plan and the NSW Climate Change Adaptation Strategy.**

Our *Climate Change Policy* and *Climate Change Action Plan 2023–26* (CCAP) are now into their second year.

Released in January 2023, the policy and plan are an important part of our work to protect the environment from the threat of climate change.

They outline our comprehensive regulatory approach, and the actions we'll take to address the causes and consequences of climate change in NSW.

They set out clear expectations and a regulatory framework for licensed industries, to help them reduce greenhouse gas emissions and build resilience to climate change.

Under Action 9 of our *Climate Change Action Plan 2023–26*, we have committed to include an update in the annual report of our progress implementing the plan.

Below is a summary of what we've achieved in 2023–24 against each item number in the action plan. You can also track our progress on the [EPA website](#).

### Action plan item 1

Monitor and report on the impacts of climate change, greenhouse gas emissions and the implementation and effectiveness of the *NSW Net Zero Plan*, in *NSW State of the Environment* reports.

### What we've done

We're developing the *NSW State of the Environment 2024* report, which will include information on the impacts of climate change and greenhouse gas emissions in NSW, and progress towards the *NSW Net Zero Plan*.

### Action plan item 5a

Focus our regulatory effort by first listening to our regulated community, so we understand the climate change actions already being taken.

### What we've done

We've established climate change industry advisory groups for the mining and agriculture sectors, to ensure good consultation with industry and other stakeholders on the delivery of our action plan.

The mining and agriculture groups first met in December 2023 and will meet at least twice a year. More details [here](#).

Applications also opened for a new Climate Change Community and Environment Advisory Group in June 2024. The EPA will establish membership and convene the group in 2024–25.

We surveyed all environment protection licence holders from 7 August to 1 September 2023 to better understand their emissions, risks, climate change actions and where support or regulatory interventions may be needed. The results are available [here](#).

### Action plan item 5b

Progressively require our licensees to prepare, implement and report on climate change mitigation and adaptation plans.

### What we've done

We are currently developing requirements to support licensees to develop climate change mitigation and adaptation plans (CCMAPs).

**Action plan item 5c**

Partner with Department of Planning, Housing and Infrastructure to seek to ensure climate change is being adequately addressed by proponents of activities we'll regulate, and that approvals contain appropriate conditions.

**What we've done**

Consultation on the draft *Climate Change Assessment Requirements* (CCARs) and draft *Greenhouse Gas Assessment Guide for Large Emitters* ran for six weeks from 20 May to 1 July 2024.

The draft CCARs and draft guide came into effect immediately and apply to all new projects or significant modifications expected to have large greenhouse gas emissions. They require proponents to assess a proposed development's greenhouse gas emissions and mitigation opportunities, in both the short term and the long term.

**Action plan item 7**

Regularly discuss our climate change approach with our Environment Youth Advisory Council, to ensure we're putting intergenerational equity into practice.

**What we've done**

We have engaged with the council on our climate change policy and action plan.

**Action plan item 8**

Prepare an annual EPA statement on climate change impacts, risks and adaptation to better understand and prepare for the impacts of climate change on our operations.

**What we've done**

We released our second climate-related financial disclosure as part of the *EPA Annual Report 2022-23*.

**Action plan item 9**

Report on the progress of our action plan in our annual report.

**What we've done**

Reporting included here.

**Action plan item 10**

Develop and implement programs to reduce greenhouse gas emissions from the waste sector, including our emissions target of net zero emissions from organic waste from landfills by 2030.

**What we've done**

Consultation on proposals for three new mandates for the collection of source-separated food organics and garden organics (FOGO) waste ran during June and July 2024. These mandates stipulate what businesses, households and supermarkets must do or have access to, to reduce organics going to landfill. The mandates will support our ongoing organics programs.

**Action plan item 12**

Develop and implement tailored behavioural change programs to encourage and enable greenhouse gas emission reductions.

**What we've done**

We have established the EPA's 2023 Sustainability Partnerships. We're partnering with seven organisations that are aiming to drive sustainable behaviour change in their fields.

**Action plan item 18**

Progressively place greenhouse gas emission limits and other requirements on licences for key industry sectors.

**What we've done**

We are currently developing a practical policy for applying greenhouse gas requirements on environment protection licences.

## Our regulatory priorities

As part of our *Strategic Plan 2021–24*, we made choices each year about areas that needed particular regulatory attention.

These regulatory priorities were drawn from significant or emerging threats or opportunities that required near-term, cross-divisional action.

We focused on priorities that were large enough to matter, yet small enough to move the needle on in a 12-month period, and which contributed to achieving our strategic plan outcomes.

These regulatory priorities were broadly consistent with the five strategic focus areas in our *Strategic Plan 2021–24*:

- waste
- water quality
- legacy and emerging contaminants
- ecologically sustainable development
- climate change.

In 2023–24, we identified seven areas as priorities for regulatory action:

- air pollution from dust
- broadacre and intensive horticulture pesticide management
- contaminated sites
- end-of-life batteries
- end-of-life tyres
- flammable solvents
- forestry.

Following are the main achievements and actions we took to address the 2023–24 regulatory priorities, based on the key deliverables for each priority.

## Air pollution from dust

Reducing air pollution has been core to our work for many years as community concerns continue. Air pollution has many causes, including bushfires, dust storms, domestic wood heaters and transport.

Thanks to the wet conditions of recent years, statewide action was not required. Instead, we took a place-based approach to reduce air pollution from high dust-emitting activities such as mine sites.

Minimising dust pollution at coal mines is a priority for us, as it is of particular concern for communities living near them.

We set about using all elements of our Regulatory Framework to drive this work.

We listened to communities, monitored pollution and educated industry to reduce dust emissions.

### Key achievements

We **monitored** pollution, using drones and other equipment, as part of the *Bust the Dust* compliance campaign in the Hunter Region. We met our campaign objectives, with mines found to be complying with their licence conditions.

We **enabled** the identification of key dust sites of concern through the development of a new spatial tool.

We **educated** our high-dust-emitting industries, with reminders about dust management obligations.

We **listened** to our communities to better understand concerns and drive action.

This led to:

- the deployment of air monitors across sites in the Lake Macquarie area to monitor ambient air quality in the community
- a [webpage](#) explaining these monitors, with a link to real-time live data
- ongoing relationships with key licensees to address odours and dust, including from waste facilities, mines and power stations.

We **monitored** rehabilitation by collaborating with the Department of Planning, Housing and Infrastructure and the Department of Regional NSW. This involved a review of guidance materials and opportunities for mine site rehabilitation. The review:

- concluded that extensive information is available
- identified opportunities to work collaboratively with the Resources Regulator to better educate regulatory officers in rehabilitation requirements and practices to ensure better environmental outcomes for these sites.

We **continued working with** local residents to minimise the impacts of Cadia Valley Operations mine operations on the community and environment, and strengthen air and water monitoring requirements.

This engagement led to:

- an extensive air quality study in the area surrounding Cadia mine. The study included 36 air monitors, a temporary air station in Millthorpe and six air samplers measuring dust and metals. Results are available in real time via [an online map](#)
- regular email updates, to ensure transparency
- the appointment of an independent expert panel to provide advice on investigations and monitoring of the mine's impact.

## Broadacre and intensive horticulture pesticide management

There are growing community concerns around pesticide use as some pesticides can impact people, animals, plants and property.

Examples of misuse include:

- incorrect application
- poor storage or disposal practices
- using a pesticide that is not registered for that use.

Spray drift is a particular concern for the community. This is the movement of pesticide spray droplets beyond the target area, potentially causing harm to people, animals and plants.

In response to this, we prioritised the management of broadacre and intensive horticulture pesticides, including how they are monitored.

To reduce community concern we undertook a pesticides campaign to improve industry compliance with requirements of the *Pesticides Act 1999* and *Pesticides Regulation 2017*.

### Key achievements

We **educated** industry through various programs, including:

- the Hearn's Lake Intensive Horticulture Program, in which we developed [new resources](#), including a [self-audit checklist](#) for growers to assess their own compliance performance and identify areas for improvement
- the Broadacre Pesticide Compliance Program, in which we collaborated with Local Land Services to engage with communities at agricultural field days,

including the Mudgee Small Farm Field Days, Henty Machinery Field Days and Australian National Field Days near Orange

- the EPA Pesticides Campaign in the Macquarie Valley, the Northwest Slopes and regions in Southwest NSW.

We **enforced** pesticides regulation through numerous in-field campaigns in both the broadacre areas of NSW (Regional West) and areas of intensive horticulture on the North Coast. This led to the issuing of penalty notices, official cautions, formal warnings, prevention notices, clean-up notices and advisory letters.

## Contaminated sites

Managing contamination from past activities is important, but only part of the story.

There may be as many as 130,000 underground petroleum storage systems (UPSS) sites in NSW. This includes former and current sites.

These sites are a system of underground tanks, pipes, valves and other equipment designed to store and handle petroleum products. They have a high potential to leak and cause contamination of groundwater and soils, both on site and off site.

We regulate sites with an EPA licence. Local councils are responsible for the regulation of most UPSS sites, including service stations. We expect an increase in unused UPSS sites as we transition away from fossil fuels.

Contamination may threaten human health and the environment, limit land use or increase development costs.

We have taken a proactive approach to contamination by:

- applying financial controls to high-risk licensed facilities

- identifying and assessing risks related to abandoned sites.

## Key achievements

We **listened** to experts to identify the best ways to regulate high-risk licensed facilities.

- We worked with the Broken Hill Environmental Lead Response Group (a whole-of-government committee) to identify how best to manage land in Broken Hill contaminated as a result of 140 years of silver, zinc and lead mining.
- We also collaborated with NSW Aboriginal Affairs on behalf of the NSW Asbestos Coordination Committee to identify asbestos contamination in Discrete Aboriginal Communities and undertake remediation.

We **acted** to address potential environmental and public health impacts from unused service station sites in NSW.

- We searched the SafeWork NSW database to identify potential unused service station sites.
- We prioritised 45 potential unused service station sites for investigation. The EPA will reach out to the relevant local councils and assist them as needed with field-based work to assess if contamination has occurred at these sites.

We **acted** to protect communities reliant on groundwater from the risk of leaking UPSS sites.

- We identified 16 UPSS sites across NSW for priority checking in collaboration with local councils.
- Hydrocarbon contamination was found in groundwater samples from two sites, one at Stuart Town and the other at Tarago, and required action by the councils.

We **educated** 121 NSW local government officers through a refresher program to better understand the UPSS Regulation and implementation.

- We ran four half-day, face-to-face training sessions in regional centres (Nowra, Dubbo, Wagga Wagga and Coffs Harbour). Forty-two officers attended these sessions.
- We also ran one three-hour, online-only training session. Eighty officers attended this session.
- In total, 56 local councils were represented at the training sessions, and 92.5% of attendees who completed the survey agreed or strongly agreed that the training was useful to them and would be useful to others in the role.

We also continued to **educate** councils to become excellent environmental stewards through the following projects.

- ‘Creating a Safer Environment Together’ supports councils’ capabilities to effectively manage contaminated land through collaboration.
- The ‘Circular Economy Accelerator for Councils’ project has 55 councils registered, and is being delivered in partnership with Circular Australia, a global leader. It provides councils with a greater understanding of their powers in local government to embed circular economy thinking and practice, and drive circular economy projects

We **listened** to the community, industry and NSW Government as they contributed to the Parliamentary inquiry into ‘current and potential impacts of gold, silver, lead and zinc mining on human health, land, air and water quality in New South Wales’.

- The inquiry heard submissions relating to a perceived lack of independence

when third-party consultants are used to prepare environmental impact statements, fines for environmental offences being too low, the difficulty of navigating the regulatory framework, and general concerns about the impact of mining operations on human health and the environment.

- Our Chief Executive Officer and Executive Director Regulatory Practice and Services gave evidence to the inquiry in September 2023.

## End-of-life batteries

The management of end-of-life batteries, in particular lithium-ion batteries, has become an area of increasing concern.

Lithium-ion batteries are commonly found in our phones, laptops, toys and power tools, as well as e-bikes and e-scooters.

They are the fastest-growing fire risk in NSW. If the batteries are damaged or overheated, they can ignite, causing fires that are damaging to the environment and difficult to extinguish.

Our work has focused on educating the public on how to safely store and dispose of batteries, to reduce the risk of fires in homes, businesses and the back of garbage trucks. We are encouraging safe recycling and repurposing of batteries so that fewer of them end up in landfill.

## Key achievements

We **enabled** the development of a regulatory framework for battery recycling by providing \$300,000 for the Australian Research Council (ARC) University of Sydney, Australian Battery Recycling Initiative (ABRI) and Australasian Council of Fire and Emergency Services (ACFECC).

We **checked** that participants had complied with the requirements of the industry product stewardship scheme (B-Cycle) for collecting, storing and processing end-of-life batteries.

We **monitored, listened to, educated** and **acted** with stakeholders in our ‘safe management of end-of-life batteries’ project. Activities included:

- monitoring compliance with the storage, transportation and disposal requirements for lithium-ion batteries
- conducting research to understand the operation and material flows of end-of-life batteries, as well as new ways to improve recycling behaviours
- collaborating with BehaviourWorks Australia to engage with our stakeholders to understand consumer behaviour and identify risks and challenges for disposing of devices with embedded batteries
- collecting, in partnership with councils, more than 120 tonnes of end-of-life batteries at 100 Community Recycling Centres and 52 Household Chemical CleanOut events for recycling
- improving our guidance to promote and support best-practice waste collection, classification, storage and transportation of end-of-life batteries
- raising community and industry awareness around the importance of proper and sustainable end-of-life battery management, including collection, transportation, storage, reprocessing and disposal
- influencing longer-term strategic actions, including collaborating with the Commonwealth to expand current product stewardship schemes.

## End-of-life tyres

Waste tyres must be managed responsibly, as they can pose a risk to the environment and take up valuable space in landfill.

Australians generate more than 50 million waste tyres a year. Mosquito-borne diseases and toxic fires can be an issue if waste tyres aren’t managed correctly.

The NSW Government supports the national Tyre Product Stewardship Scheme.

We require the tracking of waste tyres and monitor the movement of waste tyres through our Integrated Waste Tracking Solution to help to prevent harm to the environment and human health.

In response to the growing trend of stockpiling end-of-life tyres, our goal was to improve the storage and tracking of waste tyres and respond to illegal or unsafe disposal.

## Key achievements

We **listened to, educated** and **acted** with our stakeholders at the Off the Road (OTR) Mining Tyres and Conveyor Belt Sustainability Forum delivered by Tyre Stewardship Australia.

- We collaborated with key industry partners, including tyre processors and the mining sector, to discuss barriers and opportunities, innovative solutions, and advances in OTR processing.

We **acted, monitored** and **required** compliance by sites in southern NSW, with thousands of tonnes of tyres cleaned up.

We **enforced** compliance from a Sydney site in court with orders to remove 1,000 tyres.

We **enforced** compliance from a Western Sydney company that was ordered by the Land and Environment Court to pay more than \$160,000 for improper storage of waste tyres.

## Flammable solvents

Flammable solvents are found in products such as turps, paint and dry-cleaning fluids. They can be a significant fire risk if stockpiled or managed inappropriately.

Chemical fires are difficult to control and can release harmful substances into the air, water and land. Clean-up and recovery operations can be complex and resource intensive.

In recent years chemical fires in Victoria and NSW have been attributed to the unlawful storage and management practices of flammable liquid waste.

The *Environmental Legislation (Hazardous Chemicals) Act 2024* made changes to the State's environmental laws to strengthen the regulation of industrial chemicals in NSW.

It aligns our legislation with the new Industrial Chemicals Environmental Management Standard (IChEMS), to better manage the environmental risks of industrial chemicals.

We focused on the safe management of flammable solvents to assess the human health and environment risks of the top 10 chemicals of concern.

This included inspections to identify and reduce the risk of fire, and work to develop a better understanding of the supply and demand of solvents that influence management practices.

### Key achievements

We **listened** to stakeholders to understand and apply best practice for hazardous waste evidence collection.

We **acted** by collaborating with other agencies including SafeWork NSW and Transport for NSW to **educate** our stakeholders and **influence** sustainable waste economy markets.

We **influenced** best practice by reviewing checklists for hazardous waste storage and handling.

We **educated** our stakeholders by running an intelligence-informed targeted compliance campaign to address key information gaps and manage risks.

- We used the new waste tracking system, the solvent waste mass balance analysis, and previous campaign findings to target a selection of higher-risk facilities across the network.
- We included sites in regional NSW to capture a broader geographic coverage, recognising that this issue may not be confined to metropolitan areas.

We **acted** by collaborating with other states and territories at a flammable solvent waste forum. We shared findings, knowledge and recommendations for potential next steps.

## Forestry

Forestry management is complex. We use a range of tools to respond, take action or advocate for change.

We monitor the impacts of forestry on threatened species habitat by ensuring industry adheres to the conditions and protocols built into Integrated Forestry Operations Approvals (IFOAs) and Private Native Forestry Codes.

In 2023, the NSW Government announced the new Great Koala National Park (GKNP) and a halt to timber harvesting operations in koala hubs within the GKNP assessment area.

The GKNP assessment area includes about 171,000 hectares of State Forest and 139,000 hectares of the existing national park estate.

The Minister for Climate Change, Minister for the Environment issued a direction to us to consider making necessary improvements to



protection measures to ensure that koala hubs within the proposed GKNP assessment area are protected, under section 13 of the *Protection of the Environment Administration Act 1991*.

## Key achievements

We **monitored** native forestry operations by conducting 102 inspections, 64 on Crown estate and 38 on private land. These focused on the protection of exclusion zones, threatened species, and retained trees. We also conducted 25 inspections as part of our Crown Forest Compliance Project 2023–24.

We **acted** to engage with Forestry Corporation of NSW on potential protocol adjustments.

This will **enable** better protection for koalas, glossy black cockatoos, swift parrots, squirrel gliders and other glider species, all of which have seen significant deterioration in their presence in the forest estate

We **listened** to findings in the Public Native Forestry Regulation Performance Audit Report from the Audit Office of NSW.

This included the finding that we are effectively regulating public native forestry.

We have accepted the Audit Office’s three EPA-specific recommendations and one joint recommendation for continual improvement.

We **acted** in response to the audit by:

- committing to the ongoing training of regulatory officers to conduct forestry inspections through our Forestry Skills Development Program
- fully implementing the Memorandum of Understanding, signed during the 2019–20 Black Summer bushfires, that sets out the approach agencies will take to develop a cooperative relationship
- completing an audit and purchasing new equipment to ensure that all regulatory

staff have the necessary equipment to undertake forestry inspections

- documenting our decision-making process for assessing risk ratings for the Western IFOA areas.

We **acted** to amend the protocols for Coastal IFOAs to restrict forestry operations in koala hubs in the proposed assessment area of the GKNP.

We **enforced** compliance of the *Biodiversity Conservation Act 2016* by issuing a Stop Work Order to Forestry Corporation of NSW in Tallanganda State Forest.

- This order was given to protect southern great gliders, which are listed as an endangered species under the *Biodiversity Conservation Act 2016*.
- Under the Coastal IFOA, Forestry Corporation of NSW was required to search for, identify and record the habitat features of the southern greater glider, including its den trees.
- Over three nights in September 2023, 105 gliders and 35 den trees were identified by the EPA using drone technology in areas subject to the Stop Work Order and other areas where harvesting was planned.

We **acted** to further protect southern greater gliders by amending the Coastal IFOA ‘Protocol 31: Matters covered by the approval’.

- The southern greater glider is now listed within the protocols as a species that is no longer adequately protected by the conditions of the Coastal IFOA.
- We issued new protection requirements for southern greater gliders that reflect their recent endangered species listing and their unique habitat needs. These include increased landscape-scale protections for retention of additional habitat trees, and

- codify nocturnal pre-harvest survey requirements.

We are **acting** to further develop our integrated approach to delivering Ecological Sustainable Forestry Management (ESFM).

ESFM is the environmental standard set under intergovernmental agreements with the Australian Government via the Regional Forest Agreements (RFA).



Queanbeyan River, Queanbeyan  
Photo: Destination NSW

## Incident response and disaster recovery

**When things go wrong, we respond – to fires, chemical spills, bad smells, and all the things in between. As reports come in through our Environment Line, we listen, work with communities and, where required, send out a team, day or night.**

When the incident is a major one (such as mulch contaminated with asbestos) we establish an incident management team, and draw on our Deployment Pool of ‘reservists’ – staff trained to step up in an emergency. We also establish a crisis communication team dedicated to managing media and stakeholder engagement. (See story on the next page.)

Natural disasters such as bushfires and floods usually demand a response during and after the crisis. There can be huge amounts of waste to dispose of, and contamination in air, soil and water. We work with other agencies to help communities clean up and recover.

One initiative this year has been the launch of a knowledge exchange program at Menindee, enabling Barkandji Rangers and government workers to better monitor and rehabilitate the Darling–Baaka River in the wake of floods and fish deaths. (See story on page 45.)

## Environment Line

It’s our front door, a vital point of contact between the public and the EPA. When you need to report pollution or environmental incidents, the number to call is 131 555.

Operating around the clock, Environment Line is a convenient and accessible way for the community and businesses to seek help and advice on environmental issues. And it plays an essential role in our efforts to build a cleaner, more sustainable future for everyone.

Whether it’s stinky, noisy, slimey or dusty, we’re here to listen and act. In 2023–24 the Environment Line team fielded 35,309 calls, actioned 102,112 emails and online enquiries, and logged 7,352 environmental incidents.

Most of these interactions were about odours and waste.

The largest volume of enquiries this year, with 1,652 complaints, was about odours impacting air quality. This was usually related to waste facilities. We also received 340 complaints about asbestos in the waste dumping category.

Every call we get is a chance for us to respond effectively and address concerns.

### Number of email, phone and web reports

Category	Number
Chemicals	2,740
Waste	7,583
Radiation non-licensing	97
Licensee reports	6,817
Noise	2,847
Air	3,220
Water	2,614
EPA licensing	7,265
Land management	1,011
Legal	294
Planning	477
Corporate	1,558
Other	2,797

## Incident response: asbestos in mulch

**The discovery of asbestos in playground mulch quickly escalated into the biggest investigation in our 30-year history. We also led the NSW Government Asbestos Taskforce set up in response to the incident.**

It began with a notification from Transport for NSW in January 2024. A child had taken home some mulch from the newly opened Rozelle Parklands, located beside a major Sydney transport interchange.

The parent noticed a suspicious-looking fragment in the mulch, and reported it to authorities. Testing came back positive for asbestos.

Asbestos, once widely used in building materials, has been banned in Australia for more than 20 years. There are two types: friable, which can be crumbled into a powder that is dangerous if inhaled; and non-friable or 'bonded' asbestos, which is considered a low risk to human health, as the fibres are firmly attached to cement or other bonding material.

This fragment from the park was the non-friable type. But we needed to establish how asbestos had ended up in the mulch, who supplied it, and the extent of the contamination.

We issued a clean-up notice to Transport for NSW for the removal of all mulch in the park and surrounds, and a notice to the supplier of the mulch preventing the mulch being on-sold while an investigation was ongoing.

We also stood up an Incident Management Team (IMT) to coordinate testing, clean-up and remediation of affected sites, the supply chain tracing and investigation, and communications with the public and media.

As part of this, we activated our deployment pool – EPA staff who are trained to step up in an emergency, a bit like reservists. Members of the pool, along with many other staff, were rostered to work in the IMT or out in the field, assisting with inspections.

### Testing times

As sampling ramped up, it became clear the asbestos wasn't just in Rozelle Parklands. It was in other public parks, school playgrounds and hospital grounds.

In mid-February, the NSW Government established an Asbestos Taskforce. This was made up of senior representatives from key Government agencies and led by EPA Board member Carolyn Walsh.

The investigation was now a large, multi-pronged affair involving other agencies, such as Fire and Rescue NSW, NSW Health, NSW Department of Natural Resources Access Regulator, Education NSW, SafeWork NSW, NSW Public Works and Service NSW.

Community concern and media interest were intense, and for our crisis communications team and the IMT, the days took on a regular rhythm. There were the early-morning media interviews, the end-of-the-day lab results coming through, and between those, the briefings to officials on the latest data, and the latest school closures, ahead of the next day's interviews.

And every day, our officers were out there sampling. It was the largest single sampling program we'd ever undertaken, involving more than 100 officers over the duration.

### Key results

By mid-March, our investigation into the supply chain was complete. We had removed 6,500 tonnes of mulch, inspected 343 sites,

and taken 1,197 samples. Sites were being progressively remediated.

Of the sites tested, 79 were contaminated with asbestos. Six of these were friable, the rest non-friable.

We suspected that the mulch had come from a resource recovery site regulated by the EPA through an environment protection licence.

We carried out a compliance campaign into other mulch producers to determine whether this was a systemic issue across the industry.

It was important that we validate recycled organics as a safe product and explore whether regulatory changes are necessary to support the State's move to a safe circular economy.

That work continues. Our investigation into potential breaches of the legislation is also ongoing. In the light of heightened awareness and concern, the Government brought forward significant reforms that strengthened the State's environmental protection legislation (see page 54). These took effect in April 2024.

## Key learnings

We learned a lot from managing a crisis of this size and duration. Key learnings included:

- the critical role of data
- the need to respond full scale and involve other agencies from the outset, rather than scaling up incrementally
- the importance of planning and training, including simulated exercises
- the value of good strategic stakeholder communication.

Looking back, it was a fantastic example of inter-agency collaboration, and of staff coming together to support each other during a period of high workload.

This is supported by an after-action, independent review by Risk-e Business, which found our response was 'marked by strong leadership, effective communication and committed team collaboration leading to successful incident management and community engagement'.

EPA CEO Tony Chappel says, 'I'm proud of the way our staff pulled together so well, and the way we provided leadership on a critical issue. It's a great example of us acting in our role as stewards of the environment, mitigating risks to people's health, and standing in the shoes of our stakeholders.'

## Disaster recovery: the Darling–Baaka River

**In the wake of floods and fish deaths at Menindee in 2023, the EPA is partnering with local Barkandji Rangers and DCCEEW scientists to integrate cultural indicators into water quality monitoring.**

For the Barkandji, the river is their lifeblood, their 'mother'. Snaking past Wilcannia and on to Menindee Lakes in the NSW Far West, the Darling–Baaka River has traditionally been a place to swim, camp and fish.

Not so much in recent years. While the Barkandji people won native title in 2015, it didn't include water rights. Water in the Darling–Baaka is used to supply local towns and farms, resulting in less water passing downstream.

The river has suffered.

The floods in 2023 triggered a disaster declaration. Out of that has come the EPA's Flood Recovery Program for Water Quality Monitoring in the Darling–Baaka.

The two-year program, jointly funded by the Commonwealth and NSW Governments, monitors the river and empowers local

Barkandji Rangers and government workers to share their knowledges and sciences.

It's hoped that integrating Aboriginal cultural indicators with conventional monitoring methods will lead to better long-term outcomes for the river.

## A two-way share

The program consists of two projects: the Darling–Baaka River Health Project (DBRHP), which is being delivered by the Department of Climate Change, Energy, the Environment and Water (DCCEEW); and the Ngarratja Warrkina 'All Working Together' Project, which is being delivered by the Barkandji Native Title Prescribed Body Corporate.

The goals of the **Darling–Baaka River Health Project** are to:

- improve understanding of Darling–Baaka River health
- support local capacity to monitor water quality for flood events
- facilitate environmental recovery.

The project is monitoring parts of the Darling–Baaka most affected by the floods, using a variety of sampling techniques and four 'smart buoys' that transmit real-time data on water quality. These have been anchored in the river at Wilcannia, Menindee and Lake Wetherell, to measure key indicators such as dissolved oxygen, temperature and turbidity. DCCEEW is also carrying out biological sampling of fish, macroinvertebrates and vegetation to provide an overall assessment of the health of the river.

As part of this project, the Barkandji Rangers are doing a Certificate II in sampling and measurement. It's a nationally accredited course that has been tailored for remote online learning, with a three-day intensive

practical component. This is building capacity among the Rangers to carry out testing themselves in the event of another disaster.

The **Ngarratja Warrkina Project** is being delivered by the Barkandji Native Title Prescribed Body Corporate and their Rangers.

The goal of the project is integrating cultural knowledge and practices into water quality monitoring, to improve understanding of the health of the river. The project draws on the experiences of Barkandji Rangers and Elders to better understand the long history of local waterways and learn about the natural and human impacts the river has faced over the years.

The project kicked off in April 2024 with a community day at Menindee Central School. This was an opportunity for locals to hear about the project, and connect and speak with EPA and DCCEEW staff. The Rangers also shared cultural ways to capture knowledge about river health.

Their observations are based not just on what is happening in the water, but on the riverbanks and Country around the river. For example, which fish species would they see at a certain time of the year? What other wildlife would they see at the river?

The project involves collecting and documenting this cultural knowledge to develop cultural indicators for the community and other interested stakeholders. The result should be a better overall assessment of the health of the river.

Arminda Ryan, Director of Incident Management at the EPA, says, 'The Barkandji Rangers know their river and the changes the river has experienced over the years.

'The EPA has been meeting regularly with the Rangers and visiting areas along the Darling–Baaka River to learn from them.

Learning from this cultural knowledge is critical to understanding the current health of fish and wildlife in the river.'

## In their words

Two program participants describe their experience so far with the project and the river.

**Max Quayle is a Barkandji Ranger who's helping collect and record cultural indicators as part of the Ngarratja Warrkina ('All Working Together') Project. He's halfway through doing the Certificate II sampling and measurement course being delivered by DCCEEW.**

For us, the river is life. And it's a way of life. Mum and Dad used to take us camping, and fishing in the river. And we used to see how many mussels we could find. We'd walk around the sandy banks and feel them with our feet and dive down and get them. That's when mussels were in plentiful numbers. I haven't heard anyone getting mussels for a long time.

It would be nice to see those things coming back into play. I notice the river reeds growing back, cumbungi and duckweed ... we need them in the river.

The course has been good. We've done a bit of monitoring of dissolved oxygen. It's going to be interesting to see the oxygen levels because you don't know what's doing all these fish kills, whether it's oxygen or chemicals up top. Everybody blames cotton, but if it's not cotton it's going to be some other product. You're still going to have chemicals flushed down the river.

You can't stop anybody from making money, but you can minimise the destruction of the river.

It's really good doing these cultural indicators. That's where we can keep track. It's all there ...

the animals, the plant life, the river, from what lives in the river to what thrives off the river.

Animals can't live without water; plants can't live without water. It's part of life. We all need each other to live. It absolutely makes sense. I hate snakes but they wouldn't have been put on this earth if there wasn't a purpose for them.

I'm one for sharing our culture. The more people that we can teach to understand our Country and love it, the better it gets looked after.

Because we don't own this Country, nobody owns it. The Country owns us, we belong to the Country.

We have to teach each other and respect each other, and respect our land and respect our culture. That's why I'm here.

**Kath Korbel works in the water, wetlands and coastal science branch of the Department of Climate Change, Energy, the Environment and Water (DCCEEW). She leads the team delivering the River Health Project.**

This is a pretty special part of the world. The kangaroos, emus and shinglebacks, the spectacular sunrises and sunsets.

I've seen it in the past, when the dirt is cracking, and there are dead cattle on the side of the road. But at the moment, everything is looking particularly green and lovely. The vastness of the lakes and the sheer amount of water stored in them when they're full is impressive.

I first visited for this project in January 2024. We're measuring the river health from Wilcannia down to Wentworth, looking at biological indicators, water chemistry, flow and riparian vegetation, all using traditional western science and also new techniques such as environmental DNA testing. It's a large project that provides us with a lot more info on the river than we've had before.

We're also delivering the sampling and measurement training to the Barkandji Rangers. There are eight virtual sessions, and then the three-day intensive practical. We expect to do that in late 2024 – and hopefully, go out and do some sampling with the Rangers.

With this training, the Rangers can be equipped to respond in the event of another disaster, and measure water quality of their river.

I also came out for the Ngarratja Warrkina launch in April. I listened to Elders who've been around long enough to observe how the river has changed. That is valuable for our project, hearing how the ecology has changed in their lifetimes, as well as the stories they've had handed down. For example, species of mussels and yabbies and shrimps, and the

weeds they're now seeing. The shape of the river bed. These are things we're analysing as indicators of river health. We're aiming to incorporate that cultural knowledge into how we use science to monitor the river.

Something the Elders have shown me is Ngardji holes. These are spots that seem to have groundwater surface interactions. It could be an area where an aquifer is discharging into the river, so it may be important for water quality.

Locating these Ngardji holes using western science can be expensive and time consuming. But the Elders have a very good idea where these exist, because in times of drought, there's still water in these areas, and they make for good fishing spots. It's invaluable for us to have these discussions.



## Prosecuting polluters

The EPA has responsibilities and powers under environmental legislation to protect the environment and public health. We hold individuals and organisations to account when their actions pose significant potential or actual threats to human health and the environment.

In 2023–24, we successfully prosecuted 72 cases, recording more than \$3.6 million in fines and other financial penalties.

In early 2024, significant changes to environment protection laws were also introduced to strengthen the EPA's powers and hold polluters to account.

Below is a summary of prosecutions conducted during 2023–24, along with case studies and a list of legislative changes.

### Prosecutions

This year we conducted successful prosecutions for a range of environmental offences including:

- water pollution
- land pollution
- breaches of environment protection licences
- illegal waste transport, disposal and storage (including asbestos)
- causing asbestos to be reused or recycled
- providing false and misleading information
- failing to comply with clean-up notices
- offensive odour from scheduled premises
- liability of director for offence by corporation.

We successfully prosecuted 72 cases, out of 74 completed. The courts imposed \$3,642,713 in fines and financial penalties against defendants.

EPA prosecutions	Value of penalties
Fines	\$3,467,362.50
Other financial penalties (excluding legal costs)	\$175,350.00
Total fines and other financial penalties	\$3,642,712.50

Of the completed prosecutions, 68 were for substantive offences, and all of these resulted in a conviction.

The other six were for court-elected matters where recipients of penalty notices for littering chose to have the matters determined by a court instead of paying the fine.

The six court-elected littering prosecutions resulted in:

- 2 convictions
- 2 matters where the offence was proven but a conviction was not recorded
- 1 acquittal
- 1 dismissal.

Appendix B provides full details of the substantive prosecutions completed under EPA legislation in 2023–24.

## Minister's role

In line with section 13(3) of the *Protection of the Environment Administration Act 1991*, the EPA is not subject to the control and direction of the Minister regarding any decision to institute criminal or related proceedings under environment protection legislation. However, we keep the Minister informed of the progress of significant investigations and prosecutions.

## Enforceable undertakings: an alternative to a court hearing

An enforceable undertaking is a voluntary and legally binding agreement between us and a person, business or organisation alleged to have breached environmental legislation. It's an enforcement tool that can be used instead of a prosecution.

Through an enforceable undertaking, we may secure outcomes such as:

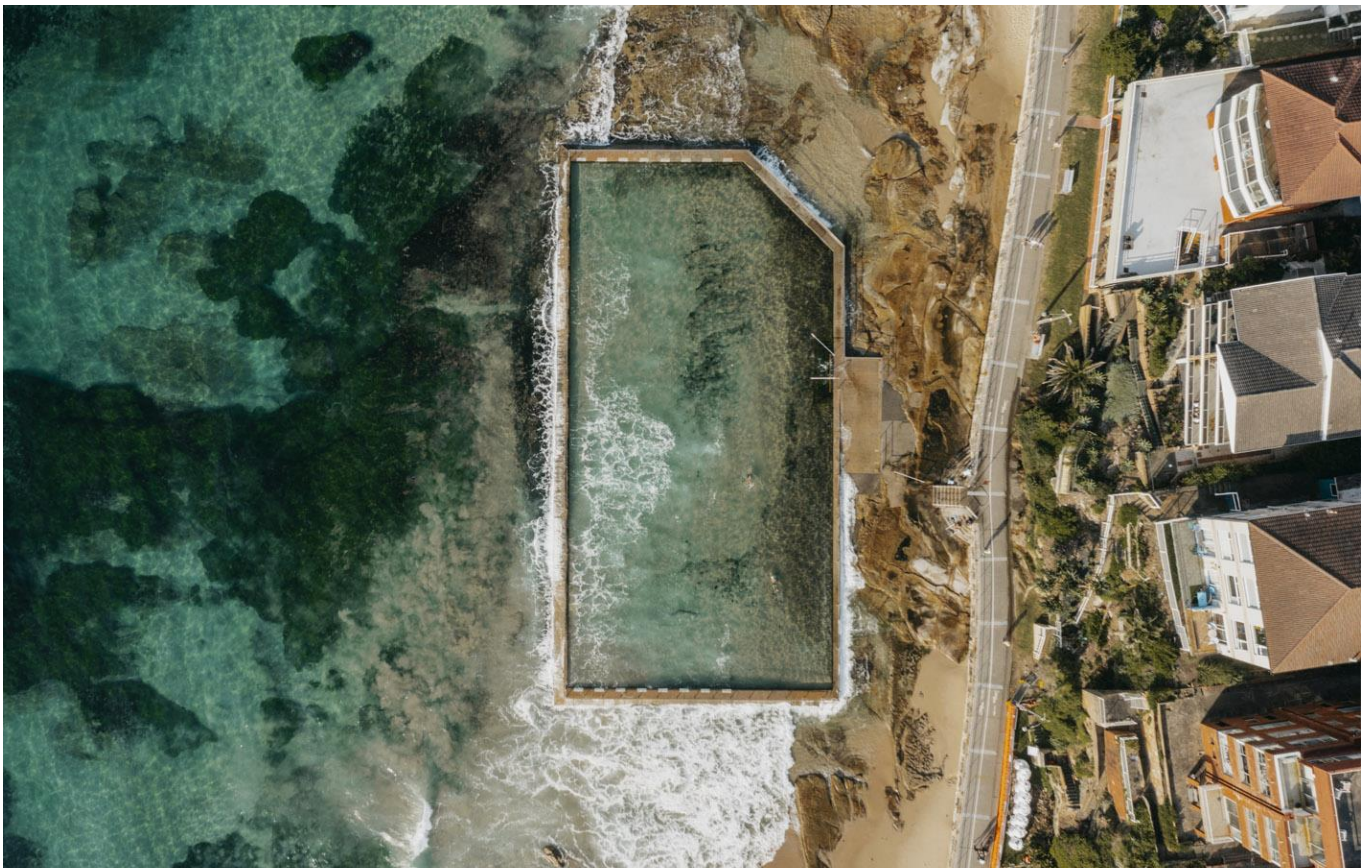
- environmental restoration measures
- improvements to a company's environmental systems
- a monetary contribution to an environmental project or initiative
- publicising events in industry or location-specific publications.

These undertakings are enforceable in the Land and Environment Court.

In 2023–24, we entered into five enforceable undertakings. These required the parties to take corrective actions and make monetary contributions totalling \$1,660,000 to environmental projects and initiatives.

Appendix C summarises key actions and contributions.

Cronulla Rock Pool  
Photo: Destination NSW



## Prosecution case studies

These case studies illustrate the range of offences we regularly prosecute, and highlight significant outcomes in the courts.

### Dial-A-Dump (EC) Pty Ltd

**Offence:** One offence of emitting an offensive odour from a scheduled premises

Dial-a-Dump (EC) Pty Ltd holds an environment protection licence which authorises the scheduled activities of waste disposal and waste storage at the Bingo Eastern Creek Landfill.

Between 26 March and 16 June 2021, a 'rotten egg' odour associated with landfill gas, containing hydrogen sulphide gas, was emitted from the landfill.

This impacted residents in nearby suburbs of Minchinbury, Eastern Creek and Horsley Park, with affected residents suffering symptoms that included throat and eye irritation, coughing, breathing difficulties, headache, nausea, insomnia, stress and anxiety.

Dial-a-Dump (EC) Pty Ltd had not installed a landfill gas extraction system of sufficient capacity to extract and treat the gas to remove malodorous compounds.

**Plea:** Guilty

**Result:** In March 2024, the Land and Environment Court convicted Dial-A-Dump (EC) Pty Ltd of emitting an offensive odour from a scheduled premises.

Dial-A-Dump (EC) Pty Ltd was ordered to pay:

- \$280,000 in total fines, 50% of which was required to be paid to Blacktown City Council for an environmental project and 50% as a moiety to the EPA
- the EPA's investigation costs of \$42,575
- the EPA's legal costs.

Dial-A-Dump (EC) Pty Ltd was ordered to publicise details of the offence in *The Sydney Morning Herald*, *Inside Waste* magazine, the *Blacktown News*, Facebook, LinkedIn, and in any public references made to its contribution to the 'Sustainability Initiative'. It was also ordered to cause a notice to be delivered to letterboxes of various impacted properties in Eastern Creek, Erskine Park, Minchinbury, Rooty Hill and St Clair.

### George Ghossayn and Ghossayn Group Pty Ltd

**Offence:** George Ghossayn was charged with one offence of land pollution, one offence of unlawfully transporting waste, one offence of unlawfully depositing asbestos waste and one offence of special executive liability of director for offence by corporation (related to the supply of false or misleading information about waste by Ghossayn Group Pty Ltd).

Ghossayn Group Pty Ltd (Ghossayn Group) was charged with one offence of land pollution; one offence of unlawfully transporting waste; one offence of unlawfully depositing asbestos waste; one offence of supplying false or misleading information about waste, being information they knew to be false or misleading; and one offence of supplying false or misleading information about waste.

Mr Ghossayn was the sole director of Ghossayn Group, a demolition, excavation and waste removal company.

In July 2019, Ghossayn Group was engaged by Didomi Pty Ltd (Didomi) to remove and dispose of waste material (including asbestos waste) from a demolition site in Dulwich Hill.

Between 15 and 16 July 2019, Ghossayn Group arranged for about 1,200 tonnes of waste (including 379 tonnes of asbestos waste) to be transported from the Dulwich Hill site to a residential property at Luddenham.

Following the unlawful transportation and disposal of the waste material, an employee from Ghossayn Group facilitated the creation of 49 falsified waste disposal docketts.

These docketts purported to show that the waste material was lawfully disposed of at a landfill run by Suez, and were supplied to Didomi alongside an invoice seeking payment for the works.

Following Didomi's identification of the false docketts, Ghossayn Group supplied a further round of waste disposal docketts that purported to show that while the waste material from Dulwich Hill had been initially transported to Luddenham, it was then transported to another residential property at Bringelly before finally being deposited at licensed landfills.

Our investigations found that while the landfills had issued these docketts for waste deposited at their sites, the waste was not associated with the Dulwich Hill site. Accordingly, these docketts were also misleading.

**Plea:** Guilty

**Result:** In November 2023, the Land and Environment Court convicted Mr Ghossayn of land pollution; unlawfully transporting waste; unlawfully disposing of asbestos waste; and special executive liability of director for offence by corporation.

The Land and Environment Court also convicted Ghossayn Group of land pollution; unlawfully transporting waste; unlawfully disposing of asbestos waste; one offence of supplying false or misleading information about waste, being information they knew to be false or misleading; and one offence of supplying false and misleading information about waste.

George Ghossayn was ordered to pay:

- \$132,625 in total fines, 50% of which was required to be paid as a moiety to the EPA
- the EPA's legal costs.

Ghossayn Group was ordered to pay:

- \$550,000 in total fines, 50% of which was required to be paid as a moiety to the EPA
- the EPA's investigation costs of \$14,468.60
- the EPA's legal costs.

George Ghossayn and Ghossayn Group were ordered to publicise details of the offences in *The Daily Telegraph* and *Inside Waste* magazine.

Mr Dani Geagea, who was the sole director of a demolition, excavation, civil engineering and waste transport company called Masters Civil (Aust) Pty Ltd was also convicted of conspiring with others, including Ghossayn Group and a Ghossayn Group employee, to supply false or misleading information about waste, being information he knew to be false or misleading, in relation to the 49 falsified waste disposal docketts. The Land and Environment Court convicted Mr Geagea and he was ordered to publicise the details of the offences in *The Daily Telegraph* and *Inside Waste* magazine and to pay:

- \$54,000 in fines, 50% of which was required to be paid as a moiety to the EPA
- the EPA's legal costs.

## Sydney Water Corporation

**Offence:** Three offences of water pollution

Sydney Water Corporation (Sydney Water) holds an environment protection licence that authorises the scheduled activity of 'sewage treatment' at the Northern Suburbs Sewage Treatment System.

Between about 26 October 2020 and about 30 October 2020, a sewer pipe and adjoining

maintenance hole at Dawson Street, Naremburn, partially collapsed. This resulted in a blockage causing an estimated 16 million litres of sewage to back up into, and overflow from, three upstream locations in Naremburn. The locations were a sewer and adjoining maintenance hole at Dawson Reserve that were under repair, and emergency relief structures near Gaza Road and Garland Road. The sewage entered Flat Rock Creek, which flows downstream to Middle Harbour.

**Plea:** Guilty

**Result:** In July 2023, the Land and Environment Court convicted Sydney Water of three offences of polluting waters.

Sydney Water was ordered to pay:

- \$365,625 in total fines, 50% of which was required to be paid to the Environment Trust and 50% as a moiety to the EPA
- The EPA's legal costs.

Sydney Water was ordered to publicise details of the offences in *The Sydney Morning Herald*, *The Daily Telegraph*, Facebook, Instagram and Twitter. It was also ordered to cause a notice to be delivered to letterboxes of all properties in nominated streets at Naremburn, Northbridge and Cammeray.

**Enforceable Undertaking:** In February 2023, Sydney Water also entered into an enforceable undertaking (EU) with the EPA, to the value of \$500,000, to address the EPA's concerns regarding its alleged failures to maintain the sewer and maintenance hole at Dawson Street in a proper and efficient condition and to immediately notify relevant authorities of the Incident. Under the EU, Sydney Water provided:

- \$180,000 to Willoughby City Council for the construction of a biofiltration raingarden to enhance and restore the environment within the Flat Rock Creek catchment

- \$180,000 to North Sydney Council to continue the Tunks Park Bushland Rehabilitation Program and implement the Tunks Park seawall project
- \$140,000 to the Aboriginal Heritage Office for a heritage and conservation project, 'Caring for Badu', to identify and protect Aboriginal sites within the Flat Rock Creek, Tunks Park and Middle Harbour catchments.

## Robert Lenard Pullinger

**Offence:** Two offences of failing to comply with a clean-up notice and one offence of failing to comply with a prohibition notice

Robert Pullinger is the former director of Truegain Pty Ltd and former owner of 62 Kyle Street, Rutherford, where Truegain formerly undertook waste oil processing activities before it went into administration in 2016.

Due to the continued presence of large volumes of liquid wastes in tanks and bunds at the premises, the EPA issued a clean-up notice in 2018 that required Mr Pullinger to remove all liquid wastes from above-ground tanks, and to pump out contaminated rainwater from bunds and underground tanks after rainfall.

In August 2020, the Minister for Environment also issued the first prohibition notice under the *Protection of the Environment Operations Act 1997* requiring Mr Pullinger to cease storing harmful substances at the premises.

Mr Pullinger failed to comply with either notice and the EPA commenced three charges against Mr Pullinger in the Land and Environment Court in November 2020.

Mr Pullinger pleaded not guilty, and after a defended hearing in August 2023, the Court found Mr Pullinger guilty of all charges on 22 May 2024. In finding Mr Pullinger guilty, the Court rejected Mr Pullinger's challenges

to the validity of both notices and his defence of a reasonable excuse for non-compliance on the grounds of technical impossibility and financial capacity.

**Plea:** Not guilty.

**Result:** On 22 May 2024, the Court found Mr Pullinger guilty of all three charges. The sentencing hearing took place on 1 October 2024. The Court has reserved its decision.

## Penalty notices

In 2023–24 EPA officers issued 2,488 penalty notices for the following offences.

Infringement type	Number
Waste – all offences	13
POEO water – all offences	8
POEO littering – motor vehicle	2,420
POEO – all other offences, e.g. contravene licence	31
Forestry – all offences	6
Pesticides – all offences	6
Dangerous goods – all offences	4

## Legislative changes in 2023–24

As well as administering Acts, the EPA has a role in developing legislation. This may include the development of new Acts or regulations, or amending existing ones in order to reduce risks to human health, prevent degradation of the environment, and make the regulatory framework simpler and more efficient.

## Legal context

The EPA:

- issues penalty notices
- prosecutes individuals and companies that are alleged to have committed environmental offences (see page 49 and Appendix B)
- enters into enforceable undertakings instead of prosecution (see page 50 and Appendix C)

See Appendix A for the full list of Acts administered by the EPA in 2023–24.

## New and amending Acts

New and amending Acts made this financial year are listed below.

- *Environment Protection Legislation Amendment (Stronger Regulation and Penalties) Act 2024*
- *Environmental Legislation Amendment (Hazardous Chemicals) Act 2024*
- *Radiation Control Amendment Act 2023*

## New and amending regulations

New and amending regulations made between 1 July 2023 and 30 June 2024 are listed below.

- Protection of the Environment Operations (Waste) Amendment (Waste Facility Contributions) Regulation 2024 (No 2)
- Protection of the Environment Operations (Waste) Amendment (Waste Facility Contributions) Regulation 2024
- Protection of the Environment Operations (Waste) Amendment (Mixed Waste Organic Outputs) Regulation 2023
- Radiation Control Amendment Regulation 2023.

## Strengthening environmental laws

As a regulator, we're only as strong as the legislation that underpins our work. That's why the *Environment Protection Legislation Amendment (Stronger Regulation and Penalties) Act 2024* is so significant.

This Act, passed by Parliament in early 2024, made the most significant changes to the EPA's powers and to penalties since the EPA was formed.

The Act amended eight Acts and three regulations with a focus on deterring offenders and making polluters pay.

Key changes include:

- increasing maximum penalties and penalty notice amounts for certain environmental crimes and introducing penalties for certain continuing and repeat offences
- introducing the new offence of illegal dumping, with higher penalties for depositing waste or litter in sensitive places
- expanding the definition of repeat waste offences to include resource recovery offences, non-compliance with a clean-up notice where the pollution incident relates to waste, and leaks, spillages or other escapes involving waste
- ensuring clean-up notices can be easily issued for deposited litter or waste, and empowering authorised officers to issue verbal directions to remove litter or waste
- enabling the EPA to issue recall notices for substances with the Minister's approval
- enabling the EPA to issue preliminary investigation notices in certain circumstances
- introducing a 'name and shame' power to issue public warning statements about

activities, persons, substances, complaints and other matters of concern

- enabling the EPA to apply to the Land and Environment Court for an order prohibiting a person from applying for or holding a licence or being involved in scheduled activities
- clarifying the EPA's objectives and powers in relation to climate change.

NSW now has the strongest environment protection laws in Australia, something we can all be proud of.

The fact that this legislation was passed with bipartisan support is also significant, as it shows that protecting the environment is an issue of concern for everyone, something that all parties agree on. These new powers will support the EPA in protecting the environment and human health, in our role as a protector and steward of the environment.

Another significant reform in 2024 was the *Environmental Legislation Amendment (Hazardous Chemicals) Act 2024*, which implements national reforms to the management and control of industrial chemicals.

This Act streamlines the regulation of environmentally hazardous chemicals by transferring key provisions of the *Environmentally Hazardous Chemicals Act 1985* (EHC Act) to the POEO Act with updates, and repealing the EHC Act.

Key changes include:

- applying the Commonwealth Industrial Chemicals Environmental Management Standard (IChEMS) register in NSW
- enabling the EPA to publish chemical use notices requiring information about the use and manufacture of chemicals to be given to the EPA

- creating new offences relating to compliance with the NSW IChEMS register and chemical use notices
- introducing a new scheduled activity for 'environmentally hazardous chemicals' under the POEO Act and converting existing environmentally hazardous chemicals licences under the EHC Act to environment protection licences under the POEO Act
- extending authorised officers' powers to apply to environmentally hazardous chemicals.
- amends the objects of the PFHR Act to include the promotion of the principles of ecologically sustainable development
- improves life cycle management of radiation sources, including requiring licensing for transport and end-of-life management
- enables the EPA to recover costs incurred for investigating offences and disposing of forfeited material and substances
- increases maximum penalties for certain offences relating to false or misleading information and abandoning radioactive substances

The *Radiation Control Amendment Act 2023* was passed in late 2023 and implements a series of recommendations identified in a 2021 statutory review of the *Radiation Control Act 1990*. The amendment Act:

- amends the title of the *Radiation Control Act 1990* to the *Protection from Harmful Radiation Act 1990* (PFHR Act)
- modernises the governance and membership of the Radiation Advisory Council
- requires EPA-accredited radiation experts and assessors to be listed in the public register.



An aerial photograph of a wetland landscape at dusk or dawn. The foreground shows a dark, muddy area with several small, circular reed beds. The middle ground is a vast expanse of golden-brown, marshy terrain. In the background, a dense forest of trees stretches to the horizon under a cloudy sky. A large, white, sans-serif number '4' is overlaid on the left side of the image.

# 4

## Management and accountability

Reed Beds Bird Hide, Mathoura.  
Photo: Destination NSW

## The EPA Board

Our Board members oversee and monitor the EPA. Between them they have a wealth of knowledge and experience in environmental law and science, Aboriginal custodianship, and corporate, financial and risk planning and management. They also have strong connections to business and community groups.

The Board is established under section 15 of the *Protection of the Environment Administration Act 1991*.

The Chair and part-time members are appointed by the NSW Governor on the recommendation of the responsible Minister (Minister for the Environment, Minister for Climate Change).

The Chair and part-time members are appointed to terms not exceeding five years and they may be reappointed.

The CEO is a non-voting member of the Board.

## What does the Board do?

The functions of the Board under the *Protection of the Environment Administration Act 1991* are to:

- determine the EPA's policies and long-term strategic plans
- oversee the effective, efficient and economical management of the EPA
- develop guidelines relating to the institution of criminal and related proceedings
- decide whether the EPA should institute proceedings for serious environment protection offences

- advise the Minister on matters relating to the protection of the environment
- provide the Minister with an annual regulatory assurance statement.

## Board meetings held

In 2023–24 the EPA Board met six times, on:

- 10 August 2023
- 12 October 2023
- 6 December 2023
- 29 February 2024
- 4 April 2024
- 25 June 2024.

In addition, the Board met for three workshops, on:

- 22 November 2023
- 26 March 2024
- 6 June 2024.

The Board also met with Minister Sharpe on 4 October 2023.

Tony Chappel has been CEO since 1 August 2022 and attended all six Board meetings in 2023–24.

Sam Maresh was appointed on 29 May 2024. Elizabeth Wild and Michael Rennie completed their terms on 6 December 2023.

All voting members attended the Board meetings, with the following exceptions:

- 6 December 2023 – Elizabeth Wild.

## Our Board members



### Rayne de Gruchy AM PSM

#### Chair

**Term of appointment:**

28 September 2020 to 27 September 2025.

**Rayne** was previously chief operating officer at the Australian Competition and Consumer Commission, and executive director of the Australian Financial Institutions Commission.

A lawyer by training, Rayne first worked in commercial and finance law. She spent a decade as CEO of the Australian Government Solicitor.

Rayne holds a Bachelor of Arts and a Bachelor of Law (Honours) and has experience as a non-executive director of two public companies. She was awarded the Public Service Medal in 2003 and made a Member of the Order of Australia in 2008.



### Carolyn Walsh

#### Board member

**Term of appointment:**

7 December 2020 to 6 December 2025

**Carolyn** is a specialist consultant in the areas of industry policy, safety, risk and regulation, with 35 years' experience in advising private sector, Commonwealth and state government clients.

Carolyn is Chair of the National Transport Commission and of the NSW Asbestos Coordination Committee. She has also been Commissioner at the Australian Transport Safety Bureau and Chief Executive of the Independent Transport Safety and Reliability Regulator, a NSW statutory authority.

Carolyn holds a Bachelor of Economics. She is qualified in risk management and auditing and is a graduate of the Australian Institute of Company Directors.



## Professor Bradley Moggridge

Board member

**Term of appointment:**

23 November 2022 to 22 November 2027

**Bradley** is a proud Murri man of the Kamilaroi Nation in northern NSW. He is an environmental hydrogeologist, with extensive experience in Indigenous water research.

Bradley feels that being a part of the Board brings together the link between protecting the environment and caring for Country, which has been the touchstone of his career, research and personal journey.

He was appointed to the Board of the Biodiversity Council in late 2022 and is a member of the Wentworth Group of Concerned Scientists, a Governor for WWF Australia, and a Fellow of the Peter Cullen Trust's Science to Policy Leadership Program. He holds a Master of Science (Hydrogeology & Groundwater Management) and Bachelor of Science (Environmental Science).



## Professor Chris Turney

Board member

**Term of appointment:**

23 November 2022 to 22 November 2027

**Chris** is an internationally recognised climate and environmental scientist and is currently the Pro Vice-Chancellor of Research at University of Technology Sydney.

He has extensive research experience in the carbon cycle, the climate system, biodiversity and tipping points in the Earth system, with a focus on mitigating the impacts of environmental change in Australia and globally.

He has worked from the poles to the tropics, including multiple seasons in the Antarctic, to improve our understanding of the stability of ice sheets and likely future sea level rise. Chris champions the value of research findings in decision-making and is passionate about universities supporting the decarbonisation of the economy to reach a net zero economy.



## Samuel Maresh

### Board member

**Term of appointment:**

29 May 2024 to 28 May 2029

**Sam** brings more than 20 years of executive leadership and commercial experience in the resources, power generation, mining (critical minerals) and renewables sectors.

During his tenure at GE Australia between 2016 and 2023, Sam supported the development and commissioning of onshore wind and power infrastructure projects. This included several wind farm proposals in NSW, and Australia's first dual-fuelled hydrogen power plant.

Sam serves on the CSIRO Manufacturing Advisory Council, chairs the Business Council of Australia's Future Industries Committee, and is also a Director of Trinity Indo-Pacific Partners.

He holds a Bachelor of Science (Chemistry) and an Executive Master of Business Administration (MBA).

## Members of our Executive



### Tony Chappel

#### Chief Executive Officer

**Tony** joined the EPA with strong experience in highly regulated industries and a commitment to the environment. He brings a useful perspective on what is required of licensees, and the community impact of industry actions.

Prior to joining the EPA, Tony was Executive General Manager, Corporate Affairs, Legal Risk and Governance at the Australian Energy Market Operator. His role included responsibility for stakeholder engagement, regulatory strategy and policy.

Tony holds a Masters in Environmental Change and Management from the University of Oxford and a Masters Degree in Environmental Technology from Imperial College, London. He has also worked as a researcher at the Smith School for Enterprise and the Environment in Oxford.



### Steve Beaman PSM

#### Executive Director, Regulatory Practice and Services

**Steve** has worked for almost 30 years on developing and implementing policy change and programs, enabling practical solutions to improve the quality of the NSW environment. In 2017 he was awarded a Public Service Medal (PSM) for his outstanding contribution to the environment.

Steve has overseen a diverse range of policy and program areas, including natural resources management, environmental planning and regulation, resource recovery and community programs. His areas of expertise include evidence-based analysis of complex policy issues and delivering innovative regulation programs to protect the community and environment.

Steve holds a Bachelor of Science and is currently completing a Master of Emergency Management.



## Evie Madden

### Director, Corporate Affairs

**Evie** is a communications professional with extensive experience in the private and public sector. She specialises in media, government relations, corporate communications and stakeholder management.

Evie has worked in broadcast journalism and across key industries in energy, construction, agriculture, water, environment and trade. She is recognised for her strategic approach to crisis management while also protecting organisational reputation.

As a member of UN Women Australia, Evie is passionate about helping younger communications professionals to not just hone their skills but also find their voice.

She holds a Bachelor of Communications and a Bachelor of Journalism.



## Nancy Chang

### Executive Director, Strategy and Policy

**Nancy** leads the EPA's operational policy and practice advice, and provides support and advice on finance.

Before joining the EPA in 2020, Nancy was the Executive Director of Early Childhood Education at the Department of Education where she oversaw the NSW Regulatory Authority for Early Childhood Education and Care Services in NSW.

Nancy's key achievements in the NSW Government include her contributions to the establishment of the Waste and Sustainable Materials Strategy 2041 and the National Disability Insurance Scheme, funding for 600 hours of early childhood education in the year before school, and major child protection reforms.

Nancy holds a Bachelor of Economics (Economics and Econometrics) and a Bachelor of Laws.



## Alexandra Geddes

### Executive Director, Programs and Innovation

**Alex** has delivered major digital and community-focused initiatives, and led strategy, advocacy and communications units. She started her career as a corporate lawyer for an international law firm.

Alex joined the EPA in December 2023, after five years at Service NSW. There, she led teams that have twice been finalists in the NSW Premier's Awards for delivering world class customer service and excellence in service delivery. She has led teams focused on disaster recovery, grants, fraud control and innovation.

She shares her passion through speaking engagements on customer experience, transformation initiatives, agile ways of working and digital disruption.

Alex is a graduate of the Australian Institute of Company Directors. She has a Bachelor of Commerce (Marketing), a Bachelor of Laws, and a Graduate Diploma in Legal Practice.



## Jason Gordon

### Executive Director, Operations

**Jason** joined the EPA in September 2023, having held senior positions at the Department of Planning and Environment (Water) and Transport NSW.

Prior to working in the NSW Government, Jason ran his own business. He has more than 20 years' experience working in local government around the State.

Jason is a qualified mediator, a graduate of the Australian Institute of Company Directors, and a Fellow/Engineering Executive Member of Engineers Australia.

Jason has a Degree in Civil Engineering with First Class Honours, a Masters Degree in Business Administration, a Masters Degree in Commercial Law, and a Masters Degree in Planning.





## Jacqueline Moore

Executive Director,  
Legal Governance and People,  
and General Counsel

**Jacqueline** has focused her legal career on protecting the community's interests through a variety of government roles.

She leads the EPA's Legal Governance and People Division, which represents the EPA in prosecutions and civil matters; provides support and advice on people and regulatory assurance issues; and delivers the government's legislative program for Acts administered by the EPA.

Jacqueline has previously worked in senior roles in several NSW Government agencies, including the Department of Premier and Cabinet and the former Department of Industry, and in legal roles with the Australian Government Solicitor and Commonwealth Director of Public Prosecutions.

Jacqueline holds a Bachelor of Laws (Hons) and a Bachelor of Arts from the University of Sydney.



## Samantha Gray

Director, Risk and Governance,  
and Chief Risk Officer

**Sam** has worked at all levels of government in mental health, law enforcement, health service planning, governance and education. She has held roles in policy, regulatory practice, business improvement, program management and stakeholder engagement.

Most recently, Sam's roles within the EPA have included responsibility for regulatory practice and IT.

Sam leads on risk management, governance, continual improvement, strategic planning, and reporting (such as the *NSW State of the Environment* report). She is an advocate for using public administration to further community participation in government decision-making and serving the public interest.

Sam holds a Bachelor of Laws (First Class Honours) and Bachelor of Arts in Communication (Social Inquiry).

## The EPA Executive

### Average remuneration of Senior Executive staff\*

Band	Range	Average remuneration 2022–23	Average remuneration 2023–24
Band 4 Secretary	\$509,251–\$588,250	n/a	n/a
Band 3 Group/Deputy Secretary	\$361,301–\$509,250	\$488,558	\$502,121
Band 2 Executive Director	\$287,201–\$361,300	\$334,499	\$352,860
Band 1 Director	\$201,350–\$287,200	\$242,970	\$247,983

\* The percentage of total employee-related expenditure for senior executives in 2023–24 was 5.8%, compared with 7.0% in 2022–23.

### EPA Senior Executive staff Full Time Equivalent (FTE)

2021–22

Band	Female	Male	Total
Band 4	0	0	0
Band 3	1	0	1
Band 2	4	2	6
Band 1	14.8	10.6	25.4
<b>Totals</b>	<b>19.8</b>	<b>12.6</b>	<b>32.4</b>

2022–23

Band	Female	Male	Total
Band 4	0	0	0
Band 3	0	1	1
Band 2	4	2	6
Band 1	11.5	11.5	23
<b>Totals</b>	<b>15.5</b>	<b>14.5</b>	<b>30</b>

2023–24

Band	Female	Male	Total
Band 4	0	0	0
Band 3	0	1	1
Band 2	3	2	5
Band 1	14.4	10	24.4
<b>Totals</b>	17.4	13	30.4

## Risk and governance

### Managing risks to achieve our objectives

In 2023–24 we continued to improve our management of risk in a number of ways.

- We continued to refresh our register of strategic risks – the greatest risks to the organisation.
- We reviewed the risk of severe or catastrophic pollution events in our core regulatory areas that could have a major impact on human health or the environment.
- Risk coordinators presented a ‘deep dive’ analysis of a selected risk to each meeting of the Audit and Risk Committee.
- We consistently applied the EPA’s assurance framework. This framework shows the EPA Chair, Board, Chief Executive Officer and Executive whether the organisation’s regulatory work is achieving the outputs and outcomes it has committed to. The review process built into the framework lets us identify and mitigate risks to service delivery, and continually improve our practice and risk management.

Plans for 2024–25 include:

- more deep dives with the Executive Leadership Team and subject matter experts on EPA’s strategic risks, to further develop our risk maturity
- promoting a culture of risk-awareness, to enable a more robust, risk-informed approach to decision-making.

### Strengthening our governance

We have updated our Public Interest Disclosure Policy in accordance with the *Public Interest Disclosures Act 2022*.

We have developed a new Data Breach Policy and updated our Privacy Management Plan in accordance with amendments to the *Privacy and Personal Information Protection Act 1998*.

### Audit and Risk Committee

The Audit and Risk Committee (ARC) is a subcommittee of the Board and reports to the Board on a regular basis.

The Committee was established in accordance with Treasury policy paper [Internal Audit and Risk Management Policy for the General Government Sector](#) (TPP20-08).

It provides assurance to the Board and the EPA Chief Executive Officer that we have in

place effective and efficient systems, policies and processes to manage risk. It does this by monitoring, reviewing and providing advice about the EPA's governance processes, risk management and control frameworks.

In 2023–24 the ARC met in July, October, December, March, April and June.

As at 30 June 2024 the members of the committee were:

- Christine Hawkins AM, Chair, 31 December 2023 to 3 December 2025
- Carolyn Walsh, independent member, 1 April 2024 to 31 March 2027
- Elizabeth Wild, independent member, 22 July 2022 to 21 July 2025.

In fulfilling their duties, the EPA's Chief Financial Officer, Chief Risk Officer and Chief Audit Executive have independent access to the Committee, the Chief Executive Officer and the Board. This approach increases assurance that we are managing risks appropriately while discharging our regulatory, financial and audit responsibilities.

Each year the Chief Executive Officer and Chief Audit Executive complete an internal audit and risk management attestation statement that indicates all Treasury requirements have been met. This is presented on the next page.

## EPA internal audit

The *Government Sector Finance Act 2018* requires statutory bodies to establish and maintain an effective internal audit function.

Our internal audit program is an independent and objective assurance and consulting

activity that is part of the EPA's overall assurance function. Like our other assurance activities, it is designed to improve our operations, which it does by evaluating and improving the effectiveness of risk management, control and governance processes.

The Lead Audit and Assurance heads the EPA's internal audit function and is the Chief Audit Executive. The *NSW EPA Internal Audit Charter* provides the framework for internal audits and the EPA's *Audit and Assurance Forward Work Program* sets out the program for conducting assurance activities (including internal audits) for 2023–24. This plan is reviewed annually to ensure that assurance work remains fit for purpose and appropriately focused on the EPA's risks.

In FY2023–24 the Audit and Risk Committee conducted its annual review of the EPA's internal audit charter, to ensure it continues to be consistent with the agency's financial, risk management and governance arrangements and current best practice.

## Cyber security

The EPA has assessed its cyber security risks, which are discussed at Executive and Board level as part of quarterly risk review and assessment processes. Cyber security is provided through the Digital Information Office of the Department of Planning, Housing and Infrastructure (DPHI). Incident response protocols are tested annually.



**Internal Audit and Risk Management Attestation Statement**  
**2023-2024 Financial Year**  
**ENVIRONMENT PROTECTION AUTHORITY**

I, Tony Chappel, Chief Executive Officer and Accountable Authority of the Environment Protection Agency (EPA), am of the opinion that the EPA has internal audit and risk management processes in operation that are, excluding any exemptions or transitional arrangements described below, compliant with the seven (7) Core Requirements set out in the NSW Treasury Policy and Guidelines Paper (TPP20-08) *Core Requirements of the Internal Audit and Risk Management Policy for the General Government Sector* specifically:

<b>Core Requirements</b>	<b>Compliant, Non-Compliant, or In Transition</b>
<b>Risk Management Framework</b>	
1.1 The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the Agency.	Compliant
1.2 The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the Agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	Compliant
<b>Internal Audit Function</b>	
2.1 The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose	Compliant
2.2 The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for the Professional Practice of Internal Auditing	Compliant
2.3 The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'	Compliant
<b>Audit and Risk Committee</b>	
3.1 The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations	Non-compliant*
3.2 The Accountable Authority shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'.	Compliant

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NSW 2124 Australia

NSW 2150 Australia

Sensitive: NSW Government  
DOC

**Departures from Core Requirements**

I, Tony Chappel, Chief Executive Officer, advise that the internal audit and risk management processes for the EPA depart from the following Core Requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*.

The circumstances giving rise to these departures have been determined by the Responsible Minister and the EPA has implemented the following practicable alternative measures to meet the Core Requirements:

Departure	Reason for departure and description of practicable alternative measures implemented/being implemented
<b>Non-Compliance</b>	
<ul style="list-style-type: none"> <li>▪ Core Requirement 3.1</li> </ul>	<ul style="list-style-type: none"> <li>▪ The NSW Environment Protection Authority has appointed a member of the Audit and Risk Committee for a continuous period exceeding eight years.</li> <li>▪ The appointment of a new independent committee member will safeguard the independence of the committee while also ensuring the continuity of knowledge and experience amongst its members.</li> </ul>

These processes, including the practicable alternative measures implemented, demonstrate that the agency has established and maintained frameworks, including systems, processes, and procedures for appropriately managing audit and risk within the EPA.

**Audit and Risk Committee – Membership**

The independent chair and members of the Audit and Risk Committee are:

- Independent Chair, Christine Hawkins AM, 31 December 2023 – 30 December 2025
- Independent Member, Carolyn Walsh, 1 April 2024 – 31 March 2027
- Independent Member, Elizabeth Wild, 22 July 2022 – 21 July 2025



Tony Chappel  
 Accountable Authority  
 Chief Executive Officer  
 Environment Protection Authority  
 Date: 22 July 2024



Darcy Welsh  
 Chief Audit Executive  
[Darcy.Welsh@epa.nsw.gov.au](mailto:Darcy.Welsh@epa.nsw.gov.au)

Sensitive: NSW Government  
 DOC24/578829-2

## EPA insurance

The EPA is insured through the Treasury Managed Fund (TMF), which is managed by the NSW Self-Insurance Corporation.

The table below shows the cost of the EPA's insurance premiums over the past five years. All amounts are rounded to the nearest one thousand dollars.

Area of risk	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000
Workers compensation	268	182	476	684	697
Public liability	74	104	262	311	338
Property	17	5	12	15	16
Motor vehicles	40	31	72	88	85
Miscellaneous losses*	0	2	4	4	3
<b>Total</b>	<b>398</b>	<b>324</b>	<b>827</b>	<b>1102</b>	<b>1,139</b>

\* Insurance cover includes miscellaneous losses such as employee dishonesty, personal accident, and protection during overseas travel.

## Working with integrity

### Public access to government information

Members of the public, the media, business and other organisations have the right to access government information under the *Government Information (Public Access) Act 2009* (GIPA Act), unless releasing this information is against the public interest. This includes information that is not usually available to the public.

Under sections 7(3) and 125 of the GIPA Act and clauses 8(a) and (b) of the Government Information (Public Access) Regulation 2018, the EPA has annual reporting obligations relating to:

- the review of its proactive release of information to the public
- its response to formal applications for access to information.

### Proactive release program

The EPA program for the proactive release of information requires each of our branches to examine information that has been informally released or formally requested under the GIPA Act, and also information we hold that may interest the public and can be made available for public use.

In 2023–24, information released on our website included:

- reports to support the biosolids regulatory review external consultation, such as the NSW Biosolids Guideline Review: Threshold Derivation for Contaminants in Biosolids; Assessment and Management of Material Stability in Contemporary Environmental Guidelines for the Use and Disposal of Biosolids Products; and NSW Biosolids Guideline Review: Identification

of Key Exposure Pathways to Assess Risks from PFAS in Biosolids

- information on the investigation of Cadia Gold Mine reports such as ‘An investigation into metals in domestic tank water around the Newmont gold mine in Cadia’ and ‘An investigation into metals in sediments from domestic rainwater tanks around the Newmont gold mine in Cadia’ and meeting summary of the independent expert panel meetings
- information and data relating to our flood recovery work, such as the Macquarie River rafts updates, water quality information for the Darling–Baaka flood recovery program and Cabbage Tree Island water and soil sampling results
- the Warringah Freeway Upgrade air quality monitoring data which provides real-time information about local air quality
- pesticide monitoring results from the ongoing Macquarie Valley Pesticide Program, which involves bulk deposition and vegetation sampling.

### Access applications received in 2023–24

This year, we received 82 valid applications for access to information. Most applications were made by members of the public.

More than one decision can be made in relation to an access application.

The EPA made 112 decisions during 2023–24 (including 14 applications withdrawn), including for applications received in the previous year. Some applications will be decided (and reported on) in 2024–25.

For 2023–24 the outcomes of the 98 decided applications (including 11 applications received in the previous year) are shown in the table on the next page.



Outcome	Total
Access granted in full	43
Access granted in part	26
Access refused in full	2
Information not held	17
Information already available	9
Refuse to deal with application	1
Refuse to confirm or deny whether information was held	0
Application withdrawn	14

For full details of the applications and outcomes, in accordance with statutory reporting requirements under clause 8 of the GIPA Regulation, see Appendix D.

## Privacy management

Our Privacy Management Plan outlines ways in which the EPA complies with the principles of the *Privacy and Personal Information Protection Act 1998* and the *Health Records and Information Privacy Act 2002*. The plan is available on our website.

Officers in the Governance, Risk and Planning branch provide specialist privacy advice and training to EPA staff, and each year take on the role of ‘privacy champion’ during Privacy Awareness Week.

‘Privacy by design’ means incorporating privacy protections into the design of information products and services. To promote it in all areas, officers of the Governance, Risk and Planning branch advise staff across the EPA. Privacy considerations are also built into policies and procedures such as the EPA Code of Ethics and Conduct and internal guides on handling personal information.

## Licence reviews

Environment protection licences issued under the *Protection of the Environment Operations Act 1997* must be reviewed every five years in accordance with section 78 of the Act.

Reviews ensure that licence requirements are updated to reflect changes over time, for example, in technology or surrounding environmental conditions. We provide notification to licensees, and list licences that are due for review on our website so that the public can contribute to these reviews.

In 2023–24, a total of 632 licences were due for review. Of these, the EPA completed 588 reviews by the due date.

Of the 44 late reviews, 41 were completed within the reporting period and three outside the period. The reason for the late reviews was a combination of competing priorities and administrative error.

The table below shows details of licence reviews over a five-year period.

Year	Total number of licence reviews	Licence reviews completed by due date	Licence reviews not completed by due date
2019–20	743	724	19
2020–21	639	606	33
2021–22	284	200	84
2022–23	327	303	24
2023–24	632	588	44



# 5

## Sustainability

Jerrawangala National Park  
Photo: Adam Meredith/DCCEEW

**In this section, we outline how we recruit, retain and develop our staff, and how we celebrate their diversity.**

We give a breakdown of our staff by category, division and location, and our work, health and safety results.

In addition, we present our third (voluntary) climate-related financial disclosure.

## Career pathways

A strong pipeline of talent is essential for building the capability and capacity to deliver on our purpose and priorities.

A key plank of our workforce strategy is nurturing early career talent. We've created career pathways suitable for school leavers, career changers and those finishing tertiary qualifications. There are two main programs.

**Admin traineeship** In early 2024, we welcomed seven people across three offices in NSW as part of a government and business administration traineeship. This cohort, which includes two Aboriginal women, was competitively selected from more than 400 applicants. The successful candidates are receiving on-the-job training in their respective divisions, while completing a Certificate III in Business (Administration) through TAFE NSW.

**Graduate program cohort** In February 2024, we welcomed 18 new colleagues to join the graduate cohort, fondly known as 'the Bilbies'. Each member brings a unique set of skills, backgrounds, perspectives and passions that enriches the agency and contributes to our collective success.

This was the first year we opened the recruitment to all offices, with one third of the cohort based at four locations outside Sydney.

The two-year program includes:

- an intensive two-week induction program, covering key values, teamwork and collaboration, wellbeing and inclusion, and stewardship
- a scheduled learning plan, cohort project work and field work opportunities
- guided development and experience from team placements.

We are proud to report that the 2024 graduate cohort comprises 58% women, which aligns with the gender balance across the wider organisation, including within senior leadership.

For the past five years, 98% of the graduate cohort has taken up employment with the EPA after completing the program.

Jonathan Zhao, 2024 graduate cohort member (specialist) says, 'I consider myself fortunate to be part of the Risk and Governance team, where I've been empowered by my colleagues. It's been a valuable platform for developing my personal skills, as I've tackled various challenging tasks. These experiences have enhanced my problem-solving abilities and interpersonal skills, and I thoroughly enjoy the opportunities it brings!'

## Diversity and inclusion

**We're proud to be recognised as an Inclusive Employer for 2023–24.**

This year, we maintained our membership with Diversity Council Australia. This membership allows all staff to access best-practice research, events and information relating to diversity, equity and inclusion.

We also participated for the second time in the Diversity Council Australia Inclusive Employer Index survey. This is a survey offered to staff to fill out anonymously.

The results led to us being recognised as one of only 84 inclusive employers for 2023–24 by Diversity Council Australia. The last time we achieved this was in 2019, and we are proud to have developed momentum to hit the mark again.

To achieve this status, we were required to:

- invite at least 65% of our employees to participate
- have a response rate of at least 20%
- achieve results that exceed the National Index Benchmark on at least five out of six measures around awareness, engagement, leadership, organisational climate, team inclusion and exclusion.

The survey has allowed us to not only understand our diversity profile, but also to see the inclusive and exclusive experiences of our employees.

These insights are helping inform initiatives towards a diverse workforce and inclusive culture, equitable processes and inclusive leadership.

## Diversity snapshot

**29** different countries of origin

**48** cultural groups

**32** different languages spoken

**12** different religious or spiritual groups

**58%** of people have caring responsibilities

**98%** of employees have flexible work arrangements

**65%** of our workforce are women

**57%** of senior leadership positions are held by women

Noni Przybylski from EPA Knowledge, Strategy and Reporting says, 'In my experience, working at the EPA is made more enjoyable because of the way it embraces inclusion and diversity, not just in policy but in reality. When your colleagues reflect the colourful breadth and depth of the Australian population it makes coming to work more comfortable and interesting. By encouraging and celebrating difference the EPA can create space for greater connection, creativity, understanding and exploration.'

## Supporting workers with disabilities

We are a Jobsupport employer. Jobsupport is the leading employment service for people with moderate intellectual disability in Australia.

In February, we received an award for employing people with an intellectual disability, and for continuing this commitment for more than a decade.

One employee, Alessandro Fazio, is a valued member of the team that handles requests from the public for release of government information.

His colleague, Vo Sroeung, says, 'Alessandro provides invaluable support to our team. He has enjoyed working in the EPA over the past 10 years, as the work he does is challenging but rewarding. He also finds the EPA's work as a regulatory body to be really interesting. Alessandro is grateful to Jobsupport for giving him the opportunity to pursue meaningful employment, and for supporting him along the way. We're lucky to have him!'

## Other highlights

- Our updated diversity and inclusion policy puts the onus on all employees to promote proactive inclusivity as a must-have, not a nice-to-have. This aligns with new legislation for the proactive management of psychosocial hazards and sexual harassment. The policy is being embedded through information sessions and mandatory e-learning.
- We made webinars on implementing LGBTQIA+ inclusion foundations and inclusive language to recognise IDAHOBIT and have released these as staff resources.
- All staff are required to complete the Winanga-li Aboriginal Cultural Capability training.
- To commemorate the UN International Day to Eliminate Racial Discrimination on 21 March, we facilitated one-on-one conversations about respect, belonging and identity in Australia, encouraging culturally and racially marginalised people to share their stories.
- For International Women's Day, two of our accomplished women scientists shared their insights and learnings on leadership, STEM and their work in Antarctica. With more than 60% of our workforce being women, we are always excited to highlight the amazing work they do inside and outside the EPA.
- We celebrated a host of other special days, too, including Mardi Gras, Harmony Week, Wear it Purple Day, International Day of People with Disability, Reconciliation Week and NAIDOC Week.

## How our people see the EPA

The People Matter Employee Survey (PMES) is the NSW public sector's annual employee engagement survey. In 2023 it ran in August and September.

The EPA had a participation rate of 86%, providing a strong positive indicator of engagement and willingness to share feedback.

The anonymous survey asked employees about their experiences with their work, work group, managers, and the organisation.

The results showed that while there are many things we do well as an organisation, and which we should continue to reinforce, there are also areas that we can improve on.

We developed both organisational and divisional priorities and engagement plans to continue to reinforce strengths and focus on areas for improvement important to our employees.

So, what did our people feel about how we support and reinforce the EPA as a great place to work? Some key indicators are listed in the table below.

### Responses to People Matter Employee Survey (PMES)

Topic	Staff who saw it favourably in 2023 (%)	Difference from 2022 (%)	Difference from NSW govt sector (%)
Teamwork and collaboration	66%	+1	+4
Inclusion and diversity	72%	-	+4
Risk and innovation	82%	+3	+10
Job purpose and enrichment	79%	-2	+8
'The EPA meets the needs of the communities, people and businesses of NSW'	69%	-1	-1

## WHS claims and reports

The number of reported WHS incidents and the number of compensation claims made in 2023–24 were both slightly higher than in 2022–23. However, the value of the claims was significantly lower.

### EPA claims and reports

Type of claim or report	2019–20	2020–21	2021–22	2022–23	2023–24
WHS incidents, accidents and injuries reported	47	55	89	86	96
Workers compensation claims made	10	10	10	8	13
Value of workers compensation claims*	\$150,357	\$184,168	\$419,934	\$246,072	\$182,820

\* Based on net incurred



## Staff profile

The EPA directly employs 1,025 people, with most staff working in metropolitan areas (see tables).

### EPA staff by category

Total staffing by category (head count*)	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024
Permanent full-time	407	492	580	641	772
Permanent part-time	70	79	80	88	115
Temporary full-time	96	140	126	122	128
Temporary part-time	13	11	16	13	10
Casual	0	6	3	0	0
<b>Total</b>	<b>586</b>	<b>728</b>	<b>805</b>	<b>864</b>	<b>1,025</b>

\* Head count numbers include all EPA employees by classification.

### EPA staff by location

Total staffing by location (head count*)	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024
Greater Sydney metropolitan area	414	541	624	726	868
Regional areas	172	187	181	138	157
<b>Total</b>	<b>586</b>	<b>728</b>	<b>805</b>	<b>864</b>	<b>1,025</b>

\* Head count numbers include all EPA employees by location.

## Workforce diversity

Of our 32 senior leaders (directors, executive directors and Chief Executive Officer), 18 (56%) are women.

Four of those women leaders are from a 'culturally and linguistically diverse' (CALD) background. One of our senior leaders is Aboriginal.

The representation and distribution of workforce diversity groups are shown in the tables below.

### Trends in the representation of workforce diversity groups

Workforce diversity group	Benchmark	2022	2023	2024
Women	50%	58.9%	60.6%	62.2%
Aboriginal and/or Torres Strait Islander people	3.3%	1.2%	0.9%	1.7%
People whose first language spoken as a child was not English	23.2%	13.6%	14.9%	15.8%
People with disability	5.6%	2.4%	3.8%	3.4%
People with disability requiring work-related adjustment	N/A	1.2%	1.4%	1.3%

**Note 1:** The benchmark of 50% for representation of women across the sector is intended to reflect the gender composition of the NSW community.

**Note 2:** The NSW Public Sector Aboriginal Employment Strategy 2019–2025 takes a career pathway approach in that it sets an ambitious target of 3% Aboriginal employment at each non-executive grade of the public sector by 2025.

**Note 3:** A benchmark from the Australian Bureau of Statistics (ABS) Census of Population and Housing has been included for 'People whose first language spoken as a child was not English'. The ABS Census does not provide information about first language but does provide information about country of birth. The benchmark of 23.2% is the percentage of the NSW general population born in a country where English is not the predominant language.

**Note 4:** In December 2017 the NSW Government announced the target of doubling the representation of people with disability in the NSW public sector from an estimated 2.7% to 5.6% by 2027. The benchmark for 'People with disability requiring work-related adjustment' was not updated.

### Trends in the distribution index for workforce diversity groups

Workforce diversity group	Benchmark	2022	2023	2024
Women	100	96	97	97
Aboriginal and/or Torres Strait Islander people	100	N/A	N/A	N/A
People whose first language spoken as a child was not English	100	95	95	96
People with disability	100	102	99	97
People with disability requiring work-related adjustment	100	N/A	N/A	N/A

**Note 1:** A distribution index score of 100 indicates that the distribution of members of the workforce diversity group across salary bands is equivalent to that of the rest of the workforce. A score less than 100 means that members of the workforce diversity group tend to be more concentrated at lower salary bands than is the case for other staff. The more pronounced this tendency is, the lower the score will be. In some cases, the index may be more than 100, indicating that members of the workforce diversity group tend to be more concentrated at higher salary bands than is the case for other staff.

**Note 2:** The distribution index is not calculated when the number of employees in the workforce diversity group is less than 20 or when the number of other employees is less than 20.

## Shared services and initiatives

For the first half of 2023–24 the Department of Planning and Environment (DPE) portfolio provided some human resources services for the EPA under a service partnership agreement.

From 1 January 2024, following changes to the way government departments are organised, this support is split between the Department of Planning, Housing and Infrastructure (DPHI) and the Department of Climate Change, Energy, the Environment and Water (DCCEEW).

DPE/DCCEEW's Capability and Inclusion team led a number of workforce diversity initiatives that were implemented across the portfolio, including in the EPA. These were the:

- Workforce Diversity and Inclusion Strategy
- Aboriginal Employment Plan
- Disability Inclusion Action Plan
- Gender Equality Plan
- Multicultural Plan
- Flexible Workplace Plan.

The EPA will continue to work closely with DCCEEW's Capability and Inclusion team and the NSW Public Service Commission to enhance workforce diversity.

## Promotion – overseas travel

Our Director Corporate Affairs, Evie Madden, travelled to the US and UK on 6–15 May 2024 for an International Best Practice Corporate Affairs Study Tour.

## Statement of action on modern slavery

We follow the NSW Government Procurement Policy Framework, which requires us to take reasonable steps to ensure that goods and services we procure are not the product of modern slavery.

We receive procurement services from DCCEEW, which operates under the procurement framework of, and receives procurement services from, DPHI.

All *Modern Slavery Act 2018* (NSW) requirements for DCCEEW are managed through this procurement framework, and activities to support and uphold the intent of the *Modern Slavery Act 2018* are reported in DPHI's *Annual Report 2023–24*.

In 2023–24, modern slavery risks were assessed and addressed as part of the open tender, evaluation and award of EPA contracts for the supply of noise detection cameras for trial use in specific Sydney local government areas.

Respondents had to demonstrate in their tender documents their commitment to prevent or minimise the risk of modern slavery in their supply chain. The contracts require the suppliers to take reasonable steps to ensure that modern slavery is not occurring in their operations and supply chains and those of any entity they own or control, and to give us any information or assistance we reasonably request to enable us to meet our obligations under modern slavery laws.

The Anti-slavery Commissioner has not identified or raised any significant issues concerning the EPA's operations in 2023–24.

## Climate-related financial disclosure

Disclaimer: This is the third climate-related financial disclosure by the EPA and reports on actions taken to address climate-related risks for the financial year 2023–24. The EPA was one of the first government agencies in NSW to publish its climate-related risks in 2021–22. This year, the EPA continues this reporting, applying NSW Treasury’s draft guidance *Reporting Framework for Year One Climate-related Financial Disclosures* when practicable.

The EPA recognises that this disclosure is an early adoption based on best endeavours, delivered ahead of sector-wide guidance being available, and there may be limitations to the robustness and consistency of reporting.

The EPA has a critical role in protecting the environment and human health from the threat of climate change and in delivering actions that will help NSW achieve net zero emissions by 2050.

As the primary environmental regulator for NSW, the EPA uses a risk-based approach to regulation. This means we continuously scan the horizon for the greatest risks and focus on actions that yield the best outcomes.

Climate change has emerged as the one of the greatest environmental risks, and our response has evolved accordingly.

We have long been responding to climate-related extreme weather events under the State’s emergency management arrangements. We have also been reviewing

climate-related environmental trends and indicators, including the State’s greenhouse gas emissions and progress towards net zero, which is being incorporated into our *NSW State of the Environment* report.

The effects of climate change are being increasingly felt in NSW and the EPA has prioritised climate action in our *Strategic Plan 2021–24* and new (current) *Strategic Plan 2024–29*, and our Regulatory Framework and Regulatory Policy.

Our climate strategy is implemented through our *Climate Change Policy and Climate Change Action Plan 2023–26*, which together are our blueprint for addressing the causes and consequences of climate change in NSW.

These documents build on the NSW Government’s climate change policies and initiatives, helping industry to decarbonise and build greater preparedness and resilience to climate change risks. This in turn delivers on the EPA’s statutory objectives and role to address climate change and the commitments in our *Strategic Plan 2021–24*.

In March 2024, changes were made to the State’s environment protection legislation. This included amendments to the Protection of the *Environment Administration Act 1991* (POEA Act) to clarify that the EPA’s objective to reduce risks to human health and prevent the degradation of the environment includes taking action in relation to climate change.

## Governance

### Board oversight

The EPA Board is an independent, expertise-based governing body that oversees and monitors the functions of the organisation.

The Board determines our policies and long-term strategic plans, including our strategy on addressing the challenge of climate change. The Board is responsible for ensuring that climate change is incorporated into EPA policies and plans.

As noted above, the POEA Act was amended this year to specify that taking action in relation to climate is one of the EPA's objectives.

Collectively, the Board members have a wealth of skills and experience, and qualifications in law, industry, climate change, renewable energy, risk management and Aboriginal perspectives. This will allow them to make sound decisions regarding our climate-related risks and opportunities (see page 58).

The Board oversees our climate-related risks through our **strategic risk register**, which is reviewed by the **Audit and Risk Committee (ARC)** every quarter. The ARC is a subcommittee of the Board that directly reports to the Board's Chair. It monitors, reviews and provides advice regarding governance processes, risk management and control frameworks, and external accountability obligations.

The EPA Executive worked with the Board to prioritise climate change in our *Strategic Plan 2021–24*. In 2023–24 we developed the *Strategic Plan 2024–29*, and climate change will continue as a strategic priority of the EPA for the next five years.

The Board oversees the EPA's strategic initiatives through quarterly updates. At the

end of financial year, the Board comments on progress towards the EPA's strategic targets, including those related to climate change, through the Board's annual Regulatory Assurance Statement.

The Board endorsed our *Climate Change Policy* and *Climate Change Action Plan 2023–26* (CCAP), which are instrumental to the delivery of our climate strategy.

The Board oversees the progress of the CCAP through quarterly updates.

### Management's role

The Chief Risk Officer (CRO) is the custodian of the strategic risk register and coordinates quarterly reporting on strategic risks, including climate-related risks, and any material changes to the EPA Executive and ARC. The CRO oversees the implementation of risk management processes to ensure risk management is embedded in the planning and approval processes of all major business processes and functions of the EPA.

Senior management in each EPA Division play an active role in EPA's climate response as they sponsor or manage working groups created to progress actions within our CCAP. The EPA is committed to providing annual updates on our progress through our website.

## Strategy

### The EPA's functions

We are the primary environmental regulator for NSW. The EPA is a statutory body established by the POEA Act and has responsibilities and functions under the Act. The EPA is also responsible for administering a suite of NSW environmental legislation – see the EPA Act summaries page for specific information about other Acts the EPA administers, and for information on the

regulations made under those Acts and under the POEA Act.

The people, businesses and industries that we regulate are our regulated community. The EPA receives funding from the government and derives income from fees paid by environment protection licence holders.

The EPA is also accountable for the management of emergency and disaster responses as detailed in the NSW State Emergency Management Plan (EMPLAN) and the NSW Environmental Services Functional Area Supporting Plan (EnviroPlan). We take part in managing, planning and making decisions on emergency response and recovery plans, including clean-up of land and inland waters affected by serious environmental incidents.

## Addressing climate-related risks

We follow a systematic process for identifying and articulating climate-related risks that could impact our ability to perform our function, based on the *Climate Risk Ready NSW Guide*.

The risks we have identified are:

- **physical risks** caused by increasing intensity and frequency of severe (acute or chronic) weather events
- **transition risks** (policy, reputational, legal) associated with transitioning to a decarbonised economy
- **liability risks** (the result of either physical or transition risks) resulting from people or businesses holding the EPA responsible for not acting sufficiently on climate change and seeking compensation from the EPA for losses they may have suffered.

Climate-related risks and their anticipated effects on EPA's ability to carry out its functions are included in the table below, *Risks, description and controls*.

These risks include those that directly impact the EPA's own operations (for example, work health and safety risks to EPA officers), or risks that may impact the EPA in undertaking its regulatory functions. Several risks are being or will be controlled through actions within our CCAP. Some actions are designed for delivery during 2023–26, while others are ongoing and will continue to inform future phases of our climate response.

## Risks, description and controls

Risk type	Risk	Control
Physical, Liability	<p>Work, health and safety (WHS) risks due to severe weather, leading to:</p> <ul style="list-style-type: none"> <li>• greater number of health and safety incidents</li> <li>• greater number of insurance claims, under-insurance or increased premiums</li> <li>• increased demand on personal protection equipment.</li> </ul>	<p>Climate-related risks are integrated in the EPA's strategic risk register and considered in the WHS management system.</p>
Physical, Liability	<p>Increased frequency and/or severity of pollution events leading to the EPA not having adequate resources to perform its full suite of regulatory functions (for example, significant resources are diverted away from regular job functions and into climate-induced impact response and recovery work, or some sites are inaccessible).</p>	<p>Climate-related risks and opportunities are integrated in the EPA's strategic register.</p> <p>We are also building resilience through the <i>Climate Change Action Plan</i> including:</p> <ul style="list-style-type: none"> <li>• Action 20 – Protect the environment during emergency response and recovery, and strengthen our approach by being better prepared for the impacts of climate change</li> <li>• Action 22 – Develop an adaptation and resilience framework for the EPA, outlining how we'll deliver on our agency-specific responsibilities under statewide strategies.</li> </ul>



Physical	<p>Increased frequency and/or severity of pollution events, leading to:</p> <p>Acute risks</p> <ul style="list-style-type: none"> <li>• additional cost to EPA in disaster recovery programs and support to the community to reduce risks and/or impacts of climate change</li> <li>• increase in EPA costs of disposal/processing of disaster waste, where local council facilities lack capacity.</li> </ul> <p>Chronic risks</p> <ul style="list-style-type: none"> <li>• increased resources required to support the regulated community to reduce chronic impacts of climate change (for example, odour issues at landfills due to sustained heavy rainfall).</li> </ul>	<p>The <i>Climate Change Action Plan</i> has actions we are taking to support the regulated community in becoming more resilient to a changing climate, including:</p> <ul style="list-style-type: none"> <li>• Action 5(d) – Require and support all our licensees to specifically consider how a changing climate might increase their risk of pollution incidents, and require them to update their pollution incident response management plans accordingly</li> <li>• Action 20 – Protect the environment during emergency response and recovery, and strengthen our approach by being better prepared for the impacts of climate change</li> <li>• Action 22 – Develop an adaptation and resilience framework for the EPA</li> <li>• Action 23 – Develop and implement environmental resilience programs and initiatives.</li> </ul> <p>Furthermore, we have access to specific disaster recovery funding under the National Disaster Recovery Funding Arrangements (DRFA) between the Commonwealth and NSW Governments.</p>
Transition (Reputational)	<p>The EPA is unable to meet its carbon-neutral commitment. For example, the carbon-neutral plan does not adequately quantify emissions or identify all emission sources, or the EPA cannot meet the costs required to mitigate emissions. This can lead to reputational harm.</p>	<p>Implementation of Action 15 (Carbon-neutral EPA) of the <i>Climate Change Action Plan</i>, which includes the development of a 2030 carbon-neutral pathway that is compliant with a carbon-neutral standard.</p>

Transition (Policy and Legal)	The EPA's regulated community considers the EPA's climate change requirements are too onerous or costly, leading to legal challenges to the EPA.	We will be implementing our climate change actions in a staged way as described in our <i>Climate Change Action Plan</i> . We will work together with our regulated community to give them time to consider and respond to new information, and to plan and to adjust to new obligations. This staged approach provides greater certainty to industries we regulate and enables us to work with them to minimise potential compliance costs.
Transition (Policy and Legal)	The broader community considers that the EPA is not doing enough to manage the causes and/or impacts of climate change, leading to legal challenges to the EPA.	<p>The EPA's <i>Climate Change Policy</i> and <i>Climate Change Action Plan</i> signals the stronger regulatory action we intend to take over the medium- to longer-term, as we expand our regulatory focus to more explicitly address the causes and consequences of climate change.</p> <p>Action 5(a) outlines how we will focus our regulatory effort by first listening to our regulated community, so we understand the climate change actions already being taken.</p> <p>As part of Action 5(a), the EPA is convening a Climate Change Community and Environment Advisory Group to provide a channel for the EPA to receive advice from community and environment group representatives and experts which can be applied across the EPA's climate change work and inform our evolving regulatory response to climate change.</p>

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Transition (Liability)

The EPA does not have the capability or capacity to support the regulated community to mitigate its emissions or climate change impacts, leading to the EPA being incapable or unable to adequately perform its regulatory job functions, resulting in litigation and reputational harm

Implementation of the EPA’s *2021–24 Strategic Plan* (and incoming *2024–29 Strategic Plan*) including addressing climate change as a focus area for the organisation.

Climate-related risks are integrated into the EPA’s strategic risk register. Capability uplift in climate change is included in the EPA’s workforce planning process.

Action 4 of the *Climate Change Action Plan* outlines our commitment to support EPA officers to make climate-change-related decisions across the full breadth of our regulatory activities, through either updating existing EPA guidance and training, adopting or adapting external guidance and training, or developing new guidance and training where required.

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## Progress on previous commitments

In the 2022–23 climate-related financial disclosure, the EPA indicated that it would determine appropriate timing for when the risks that it identified may occur. An example of time horizons could be short (1–3 years), medium (3–10 years) and long-term (>10 years). This is ongoing work that will help the EPA in risk and financial planning.

The EPA is also working to better manage the physical risks of pollution events due to extreme weather. It was previously disclosed that we were aiming to develop business continuity and recovery plans to support the EPA and its stakeholders in managing wastes during an incident. This work is being re-scoped as part of EPA’s commitment to develop an adaptation and resilience framework (Action 22 of the CCAP) that will enable us to perform our responsibilities under statewide strategies.

## Strategy and decision-making

Climate change was identified as one of five strategic priorities of the organisation in our *Strategic Plan 2021–24*. Under this strategy, we have committed taking action to reduce greenhouse gas emissions and adapt to a changing climate according to the principles of the [NSW Net Zero Plan](#).

The EPA will deliver on its climate strategy through the CCAP. This document is designed to align with existing government policies and strategies, including the *NSW Climate Change Policy Framework*, the *Net Zero Plan* and the *Climate Change Adaptation Strategy*, among others. This plan involves actions that we will take during 2023–26 and beyond, within our regulatory remit to support the NSW Government’s climate objectives.

## Ongoing climate mitigation and adaptation efforts by the EPA

### Ongoing mitigation and adaptation efforts within our own operations and regulatory remit

Ongoing mitigation and adaptation efforts	Updates in 2023–24	Future priorities/projects
<p><b>We will support our regulated community to mitigate greenhouse gas emissions and adapt to changing climate</b></p> <p>We are working with our licensees to develop emission reduction guidelines and licensing requirements. We are currently developing requirements to support licensees to develop climate change mitigation and adaptation plans. We are committed to setting clear expectations by gradually introducing greenhouse gas emission requirements on environmental protection licences.</p>	<p>We have established Climate Change Industry Advisory groups.</p> <p><a href="https://www.epa.nsw.gov.au/your-environment/climate-change/policy-and-action-plan/industry-advisory-groups">https://www.epa.nsw.gov.au/your-environment/climate-change/policy-and-action-plan/industry-advisory-groups</a></p> <p>We performed a survey on the emissions of our licensees to better understand where regulatory intervention would most assist.</p> <p><a href="https://www.epa.nsw.gov.au/your-environment/climate-change/survey">https://www.epa.nsw.gov.au/your-environment/climate-change/survey</a></p> <p>We have released our draft climate change assessment requirements and draft <i>Greenhouse Gas Assessment Guide for Large Emitters</i> which will require proponents to assess a proposed development's greenhouse gas emissions and mitigation opportunities, in both the short term and the long term. The requirements and guide apply to all new projects or significant modifications expected to have large greenhouse gas emissions.</p> <p><a href="https://yoursay.epa.nsw.gov.au/draft-climate-change-assessment-requirements-and-guide">https://yoursay.epa.nsw.gov.au/draft-climate-change-assessment-requirements-and-guide</a></p>	<p>We are progressing critical work to ensure climate change is not only adequately considered in the planning process but also embedded into our licensing and compliance frameworks for all new projects.</p> <p>We will continue to implement actions within Climate Change Action Plan including 5(a), 5(b), 5(c), and various others.</p>

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**We are protecting the environment during climate-induced emergencies**

The EPA works to protect the NSW environment during emergency and disaster responses, helping to manage the impact of pollution incidents on the environment and communities. We work together with other NSW agencies in developing plans and coordinating emergency response and recovery activities.

We updated the NSW Disaster Waste Sub Plan to reflect lessons learned from recent biosecurity, flood and bushfire responses, including the influence of climate change on disaster waste management.

<https://www.nsw.gov.au/emergency/rescue-and-emergency-management/sub-plans/disaster-waste>

In 2022–23, we disclosed that we will use NARClIM data to inform emergency waste infrastructure planning and to manage other physical risks. This work has not progressed past concept phase.

We will continue to progress Action 20 of the *Climate Change Action Plan*, ensuring that emergency management plans adequately address and consider the risks and impacts of climate change on the State's emergency response and recovery operations

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**We committed to becoming carbon neutral**

The goal is to have net zero emissions by 2030.

EPA's Carbon Neutral Working Group has re-assessed our baseline Scope 1 and Scope 2 greenhouse gas emissions from different sources. Work is in progress to establish a robust, clear and accountable carbon-neutral pathway for the EPA.

We will work to progress Action 15 of the Climate Change Action Plan to ensure that EPA's carbon-neutral pathway will align with new and existing NSW government requirements by working together with the Department of Climate Change, Energy, the Environment and Water (DCCEEW).

We are aiming to begin implementing initiatives to mitigate emissions in 2024–25 and to build capacity to report on our carbon-neutral pathway progress by 2025–26.

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**We are prioritising Aboriginal knowledge and perspectives**

The EPA has already been working with the Aboriginal Peoples Knowledge Group to provide a cultural lens in our 2021 *NSW State of the Environment* report and the EPA's Statement of Commitment to Aboriginal People.

We have continued working with the Aboriginal Peoples Knowledge Group to prepare our upcoming 2024 *NSW State of the Environment* report.

We have expanded engagement with Aboriginal peoples to inform our climate response, by including Aboriginal knowledge holders in our climate change advisory groups.

We will continue with Action 6 of the *Climate Change Action Plan* to meaningfully engage with the Aboriginal Peoples Knowledge Group and our Climate Change Industry Advisory groups to inform our continuously evolving climate change response.

### **We are incorporating environmental justice principles**

We are considering the impact of climate change on disadvantaged and vulnerable communities and people now and for future generations, seeking intergenerational equity. We are also ensuring our climate actions are fair and, where appropriate, allow for meaningful involvement regardless of age, ethnic background, socio-economic background and status.

We have met with the Youth Advisory Council to seek its feedback on our climate change response.

Meeting summaries are available at:

<https://www.epa.nsw.gov.au/working-together/engaging-with-young-people>

Engagement with the Youth Advisory Council has been completed as the two-year term of the Council ended in 2022–23.

We are considering our plans for future youth engagement.

### **Impact on the EPA’s financial position and performance**

As at 30 June 2024, we have not identified any EPA assets and liabilities whose carrying value can be impacted by climate-related risks and opportunities. Furthermore, in the short term (one year), no material impacts from potential climate-related matters have been identified. This is reflected in our annual financial statements in our 2023–24 annual report.

The medium- and long-term climate change impacts on the EPA’s financial performance, financial position and cashflow is subject to future conditions and at present cannot be reliably measured. We are developing capacity to better understand the financial impacts of climate change on the organisation as a whole.

### **Resilience of our strategy**

As part of Action 3 of the CCAP, we are performing a regular ‘climate change horizon scan’ to continuously check for emerging trends and issues related to climate change and the transition to a decarbonised economy. As part of this process, we will continue to consider the work of other jurisdictions, other NSW Government agencies, local government, industry and the private sector. These scans will be ongoing and meant to be performed at least annually. Our first horizon scan was performed in 2022. Its findings were used to inform the development of our new strategy (published in August 2024) and evolving climate response.

## Risk management

### Risk management structure and policy

Risk is managed at all levels. The chief custodian of risk management is the Chief Risk Officer who reports directly to the CEO and the ARC.

The EPA Board is responsible for approving the risk management policy and framework, and the ARC is responsible for monitoring how effective the policy and framework are in managing risk.

The Board and Executive team are responsible for the strategic risk register, while the senior leadership team and significant program leaders are responsible for operational and divisional risk registers and significant program risk registers respectively.

Risk owners, at executive or senior leadership level, are assigned to each strategic risk and are responsible for assigning risk mitigation controls, roles and responsibilities to manage the risks.

### Climate-related risk assessment

The EPA used the *Climate Risk Ready NSW Guide* to perform a climate-related risk assessment in 2021–22. This exercise involved the identification of climate-related risks and opportunities, including the likelihood and magnitude of the effects of risks.

The risk assessment was performed by a core working group within the EPA in collaboration with an appropriately qualified independent consultancy.

A senior management team was established to oversee the risk assessment process. Representatives with diverse backgrounds and functions from across the broader EPA community were subsequently consulted on

two occasions during the drafting process before the risk assessment was finalised.

### Monitoring and prioritisation of current and emerging risks

The risks that have been identified in the climate risk assessment have all been integrated into the EPA's strategic risk register, ensuring that they are regularly reviewed at the executive level and integrated into the EPA's overall risk management process. We endeavour to be agile in how we respond to the most important issues, prioritising our policies, practices and programs to address current and emerging risks. In allocating our resources, we prioritise dealing with the greatest risks to the environment and human health, and activities that deliver public value.

In 2022–23, we disclosed that we will identify risk treatment and controls climate-related risks and determine residual risk ratings when risk controls are in place. We further disclosed that we will appoint Risk Champions in each EPA Division to ensure that climate-related risks are translated in divisional workplans, workforce strategies and significant programs. We are currently reviewing our approach on how to implement this in line with our CCAP.

We are monitoring for emerging risks through our Climate Change Horizon Scan as part of Action 3 of the CCAP. Our 2023–24 Horizon Scan is in progress.



## Metrics and targets

The EPA is aiming to become a carbon-neutral organisation by 2030 as part of Action 15 of the CCAP. Our goal and methodology will align with the existing Government Resource Efficiency Policy (GREP) requirements.

In 2023–24, we re-assessed our baseline Scope 1 and Scope 2 emissions in 2018–19 and calculated our 2023–24 Scope 2 emissions in the table below. There is ongoing work to collect data on Scope 1 emissions that are mostly from our fleet vehicles.

\*Scope 2 emissions from purchased electricity in 2023–24 were estimated using NSW emissions factors from the [National Greenhouse Accounts Factors: 2023](#).

The EPA's future priorities are to improve emissions data collection and reporting and to implement emission reduction projects leading up to 2030.

## Future opportunities

We have identified opportunities to better align this climate-related financial disclosures with the NSW Treasury's reporting requirements. Our focus will be on gaining a deeper understanding of the characteristics and impacts of climate-related risks on the EPA. Additionally, we will enhance our data collection and analysis. We are committed to improving our future disclosures and achieving the best outcomes for the environment.

### The EPA's 2018–19 (baseline) and 2023–24 emissions

Emissions	Units	2018–19	2023–24
Gross Scope 1 emissions (direct emissions)	tCO <sub>2</sub> -e	624	Data collection ongoing
Gross Scope 2 emissions (indirect emissions from purchased electricity)	tCO <sub>2</sub> -e	962	1273*
Gross total emissions	tCO <sub>2</sub> -e	1586	Data collection ongoing
Carbon offsets	tCO <sub>2</sub> -e	None	None
Net emissions	tCO <sub>2</sub> -e	1586	Data collection ongoing

An aerial photograph of a coastal area. The top half shows a dense forest of green trees and shrubs on a rocky slope. Below the forest is a rocky shoreline with large, dark grey boulders. The water is exceptionally clear, showing a vibrant turquoise color. Large, dark rocks are scattered throughout the water, some partially submerged. The overall scene is bright and scenic.

# 6

## Financial performance

Ku-ring-gai Chase National Park  
Photo: Destination NSW

## CFO Statement



The EPA has achieved a responsible financial outcome for the 2023–24 year.

The EPA came within budget with an operating result loss of \$1.2 million. Total expenses of \$271 million increased from last year by \$11 million. This was principally driven by an increase in employee-related expenses, partially offset by a reduction in expenditure from natural disaster remediation programs as these programs are nearing completion.

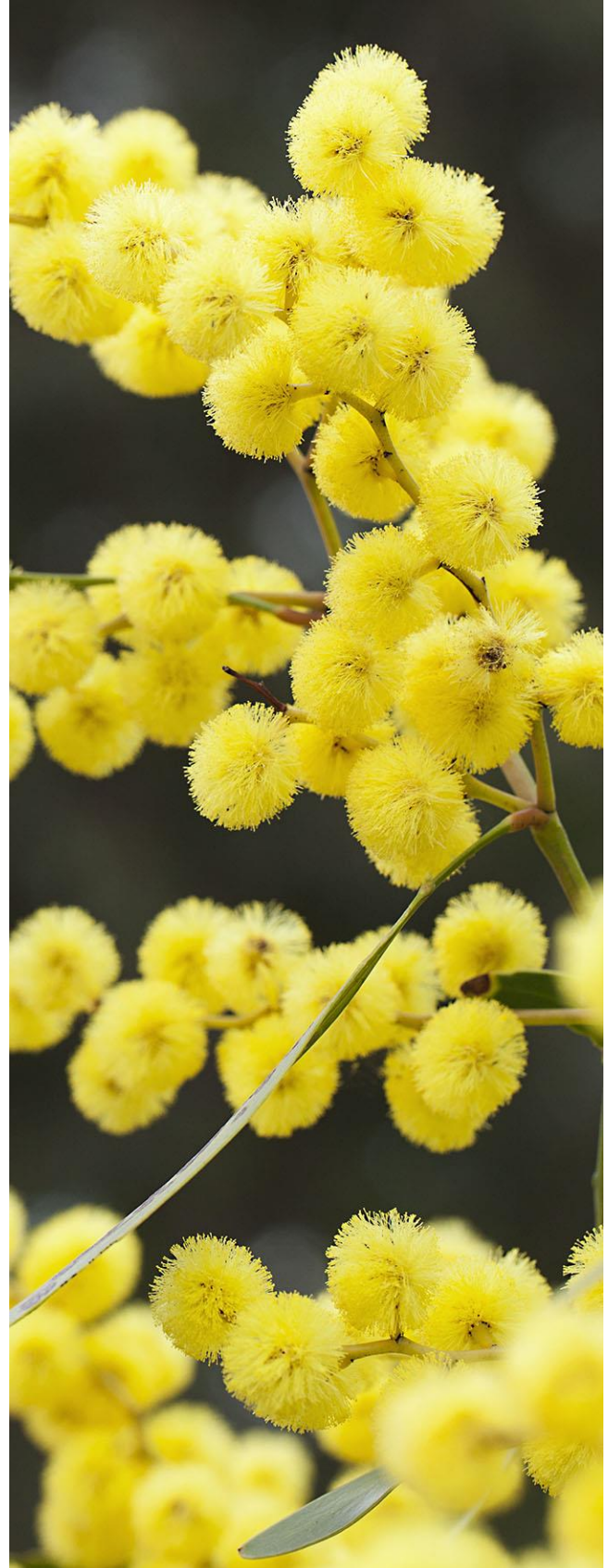
Total revenue of \$269 million is an increase from last year of \$19 million, which is a reflection of the level of government funding received during the year.

Our cash position is strong at \$41.8 million at the end of 2023–24. Our net assets are \$25.9 million. These are indications of sound financial management necessary for a sustainable financial future.

A handwritten signature in black ink, appearing to read 'Roo Rachna'.

Roo Rachna

Director of Finance  
Strategy and Policy



Golden wattle (*Acacia pycnantha*)  
Photo: Simone Cottrell/Botanic Gardens Trust

## Our financial overview

The EPA's operating result for 2023–24 was (\$1.2) million, \$0.4 million more favourable than the (\$1.6) million operating result originally estimated as part of the 2023–24 State budget process.

The budget for 2023–24 was lower than the 2022–23 budget, mainly due to the increased level of budget funding allocated for disaster recovery in the 2022–23 year.

### Managing operational risks: funding

The EPA receives government funding as well as income derived from fees paid by the regulated community. Inadequate funding could reduce the EPA's ability to achieve its objectives. The EPA manages this risk through:

- a robust budget submission and reporting system with frequent monitoring in place
- budget allocations linked to strategic priorities
- enhanced tracking of waste flows to better monitor and collect fees derived from the waste levy.

## Where our money came from

The EPA receives government funding as a grant from the Department of Climate Change, Energy, the Environment and Water (DCCEEW). Prior to the Machinery of Government changes on 1 January 2024, this funding came from the Department of Planning and Environment. Revenue is also derived from other NSW agencies, as well as from environmental licensing and administration fees paid by regulated industries.

Our total revenue for 2023–24 was \$269.4 million, a decrease of \$105.5 million on our original budget of \$374.9 million. The decrease was largely due to:

- \$84.1 million reduction in grants for disaster recovery projects due to timing and reduced scope
- \$22 million reduction in grants received from DCCEEW due to timing of waste project execution.

Our total revenue was \$269.4 million, which is 8% higher than the \$250.5 million reported for 2022–23.

### The EPA's approved budgets over the last five years

Our approved budget	2019–20	2020–21	2021–22	2022–23	2023–24
Total revenue (\$ million)	261.3	219.9	368.4	429.4	374.9
Total expenses (\$ million)	255.5	213.6	362.7	429.3	376.5
Net operating result (\$ million)	5.8	6.3	5.7*	0.1	(1.6)

\* Totals may not align due to rounding

## Revenue by source – actuals

NSW Government (\$ million)

### EPA revenue sources over the last 5 years

	2019–20	2020–21	2021–22	2022–23	2023–24
	146.4	174.5	238.7	205.9	224.8
Licensing fees and other charges (\$ million)	33.0	37.4	40.3	40.8	38.4
Acceptance by the Crown Entity of employee benefits and other liabilities (\$ million)	2.9	4.0	(0.2)	3.4	5.8
Other income (\$ million)	0.4	0.1	0.7	0.4	0.4
Total revenue (\$ million)	182.7	216.0	279.9	250.5	269.4

The EPA also collects revenue on behalf of the Crown from waste and environment levies and through the licensing of industries we regulate. This annual revenue is paid to the NSW Treasury. Greater detail is provided in the Financial statements section of this report, under note 23 – Administered assets, liabilities and income.

## How we spent our money

In 2023–24, most EPA expenditure – about 54% of the total – was for employee-related costs, with the rest used for grant programs and operating expenditure. We paid \$33.8 million in grants to various entities for a range of purposes.

In 2023–24 total expenditure was \$270.5 million, a decrease of \$106 million on our original budget of \$376.5 million. The decrease was largely due to:

- \$81 million reduction in lower flood recovery program expenditure
- \$22 million reduction in waste program expenditure, due mainly to changes in the timing of these programs.

We reported a \$10.7 million (4%) increase in expenditure this year compared to the previous year (see expenditure table below).

## EPA expenditure over the last 5 years

### Expenditure by category – actuals (\$ million)

	2019–20	2020–21	2021–22	2022–23	2023–24
Salaries	84.1	94.2	108.9	116.4	145.7
Personnel services expenses	6.7	-	-	-	
Grants and subsidies	41.6	34.9	79.0	39.5	33.8
Other operating costs	44.9	80.0	89.7	99.5	86.0
Depreciation and amortisation	3.4	3.6	4.2	4.4	5.0
<b>Total</b>	<b>180.7</b>	<b>212.7</b>	<b>281.8</b>	<b>259.8</b>	<b>270.5</b>

## Our financial position

The EPA maintained a sound financial position in 2022–24.

Most of our assets and liabilities are of a financial rather than physical nature. Total EPA assets at 30 June 2024 were \$87.2 million, an increase of \$1.6 million from 30 June 2023. Cash remains one of our largest assets, being \$41.8 million at 30 June 2024 which is higher \$21.5 million due to improved collection of receivables outstanding at the end of 2022–23. We also have \$16.8 million in receivables, mostly from waste and environment licences. Our liabilities at

30 June 2024 were \$61.3 million, an increase of \$2.9 million from last financial year.

## Solvency ratio: current position

At 30 June 2024 we had \$1.0 in current assets to meet every \$1.0 of our current liabilities. This year's solvency ratio is comparable to the previous year's ratio.

The current assets have remained steady compared to 2022–23. Current liabilities have increased by \$2.6 million, due mainly to an increase in provisions, including employee-related provisions.

## EPA current assets, liabilities and ratio over the last five years

### Current assets, liabilities and ratio

	2019–20	2020–21	2021–22	2022–23	2023–24
Current assets (\$ million)	21.5	46.1	63.6	58.3	58.6
Current liabilities (\$ million)	1.8	31.2	52.2	56.1	58.7
Current ratio	37.8	1.5	1.2	1.0	1.0

## Cashflow management

In 2023–24, the EPA generated \$296.2 million from its operating activities. This was \$11.8 million more than in the previous year, largely due to higher grants and contributions.

### EPA receivables, sales revenue and collection of debts over the last five years

Debtor management	2019–20	2020–21	2021–22	2022–23	2023–24
Receivables (\$ million)	5.1	6.2	5.2	8.7	9.4
Sales revenue (\$ million)	33.0	37.4	40.3	40.8	38.4
Average days to collect debts	56.0	60.5	47.1	77.8	89.3

## Credit management

During the year, the average number of days to pay creditors was 174.

### EPA payables and vendor management over the last five years

Credit management	2019–20	2020–21	2021–22	2022–23	2023–24
Payable (\$ million)	9.9	19.4	37.1	41.4	37.9
Other operating cost (\$ million)	44.9	79.9	89.5	99.4	86.0
Average days to pay creditors	80.5	88.6	151.3	152.0	160.9

## Expenditure

### Exceptional movements in wages, salaries and allowances

There were no exceptional movements in wages, salaries or allowances in 2023–24.

All increases to wages, salaries and allowances were consistent with the NSW Government wages policy.

### Investment performance

The EPA does not borrow or invest with the NSW Treasury Corporation (TCorp) and has no investment performance to report here.

## Liability management performance

The EPA has not accrued any debt greater than \$20 million.

### Land disposal

As the EPA does not own any land, there was none to dispose of in 2023–24.

## Implementation of price determination

The EPA is subject to the recommendations of the Independent Pricing and Regulatory Tribunal of NSW (IPART) under section 18(4) of the *Independent Pricing and Regulatory Tribunal Act 1992*.

## Major assets acquired (other than land holdings)

There were no major retirements of property, plant and equipment (PPE) assets during the year. At 30 June 2024, the total of the EPA's PPE assets was \$7.4 million.

## Annual Report production cost

There were no external production costs for the 2023–24 report. Design costs were in-house, with some elements shared with other reporting.

## Major works in progress

Over the last four years, the EPA has invested heavily in enhancing its software systems and ICT platforms to achieve synergies and efficiencies that align with the agency's proposed Digital Transformation Strategy. The EPA's main ICT program of work is the Regulatory Systems Transformation.

## Consultants

### Consultancies of \$50,000 or more

Consultant	Category	Consultancy description	Cost
Nous Group Pty Ltd	Management Services	Organisational design	\$164,329
Nous Group Pty Ltd	Management Services	Return and Earn Scheme Strategy	\$159,000
Clear Horizon Consulting	Management Services	Project evaluation	\$124,967
Hofmeyr Consulting	Management Services	Operating structure design	\$93,900
Kantar Public Australia	Environmental Services	Study and analysis on use of plastics	\$93,750
Maximus International	Management Services	Operating model development	\$63,870
Blue Environment Pty Ltd	Environmental Services	Plastics Study	\$61,180
Subtotal			\$760,996



### Consultancies of less than \$50,000

Category	Number	Cost
Environmental	4	\$10,590
Information technology	2	\$58,194
Management services	5	\$50,520
Organisational review	6	\$96,327
Training	3	\$66,860
Subtotal	20	\$282,491

### Total consultancies

Size	Number	Cost
Consultancies of \$50,000 or more	7	\$760,996
Consultancies of less than \$50,000	25	\$282,491
Total consultancies	34	\$1,043,487

The audited financial statements of the NSW EPA for the period 2023–24 are found at Appendix E.

An aerial photograph of a red sand dune landscape. The terrain is covered in vibrant red sand, with numerous green trees and shrubs scattered across it. The trees vary in size and density, some appearing as small bushes and others as larger, more developed trees. The lighting creates long, dark shadows, suggesting a low sun position. The overall scene is a mix of natural, rugged beauty and sparse vegetation.

# 7

# Appendices

Brindingabba National Park  
Photo: Joshua Smith/DCCEEW

## Appendix A: Acts administered by the EPA

The following Acts were administered by the EPA from 1 July 2023 to 30 June 2024:

- *Contaminated Land Management Act 1997 No. 140*
- *Dangerous Goods (Road and Rail Transport) Act 2008 No. 95*, so far as it relates to the transport of dangerous goods by road or rail (remainder: Minister for Work Health and Safety)
- *Environmentally Hazardous Chemicals Act 1985 No. 14* (repealed 25 March 2024)
- *Forestry Act 2012 No. 96*, Parts 5A and 5B (remainder: Minister for Agriculture)
- *Local Land Services Act 2013 No. 51*, Part 11 and Divisions 2 and 3 of Part 12, so far as they relate to private native forestry (remainder: Minister for Agriculture)
- *National Environment Protection Council (New South Wales) Act 1995 No. 4*
- *Ozone Protection Act 1989 No. 208*
- *Pesticides Act 1999 No. 80*
- *Plastic Reduction and Circular Economy Act 2021 No. 31*
- *Protection of the Environment Administration Act 1991 No. 60*
- *Protection of the Environment Operations Act 1997 No. 156*
- *Protection from Harmful Radiation Act 1990 No 13*
- *Recreation Vehicles Act 1983 No. 136* (except Parts 4 and 6: Minister for Transport, Minister for Roads and Minister for Regional Transport and Roads)
- *Waste Avoidance and Resource Recovery Act 2001 No. 58.*

## Appendix B: Prosecutions completed under EPA legislation

Details of prosecutions completed under EPA legislation, excluding littering matters, are recorded below. LEC = Land and Environment Court

LC = Local Court

s 10 = Under section 10 of the *Crimes (Sentencing Procedure) Act 1999*, the Court, although finding the defendant guilty of the offences charged, did not record a conviction or impose a penalty.

Unless otherwise stated, the dollar amount referred to in the Result/Penalty column is a fine.

### Tier 1 offences

Tier 1 offences are the most serious offences and attract the highest maximum penalties.

#### Protection of the Environment Operations Act 1997

Defendant	Charge	Result/Penalty	Court
Geagea, Dani	Provide false and misleading information about waste	Convicted/\$54,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Ghossayn Group Pty Ltd	Provide false and misleading information about waste	Convicted/\$112,500 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC

## Tier 2 offences

### Protection of the Environment Operations Act 1997

Defendant	Charge	Result/Penalty	Court
Bader, Mohamad	Failure to comply with clean-up notice	Convicted/\$50,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and lawfully remove all waste within six weeks. Also ordered to pay investigation costs of \$14,503	Campbelltown LC
Bader, Mohamad	Failure to comply with clean-up notice	Convicted/\$50,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and lawfully remove all waste within six weeks. Also ordered to pay investigation costs of \$14,503	Campbelltown LC
Brain, Matthew	Failure to comply with clean-up notice	Convicted/\$22,500 Ordered to pay 50% of the fine as a moiety to the NSW EPA and cause waste subject to clean-up notice to be lawfully removed by a licensed asbestos removalist and disposed of at a landfill that is lawfully permitted to receive asbestos waste. Also ordered to pay investigation costs of \$545	Liverpool LC
BSV Tyre Recycling Australia Pty Ltd	Breach licence condition	Convicted/\$31,200 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste magazine</i>	LEC
BSV Tyre Recycling Australia Pty Ltd	Breach licence condition	Convicted/\$10,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste magazine</i>	LEC
BSV Tyre Recycling Australia Pty Ltd	Breach licence condition	Convicted/\$18,750 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste magazine</i>	LEC

BSV Tyre Recycling Australia Pty Ltd	Breach licence condition	Convicted/\$18,750 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
BSV Tyre Recycling Australia Pty Ltd	Breach licence condition	Convicted/\$10,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
BSV Tyre Recycling Australia Pty Ltd	Breach licence condition	Convicted/\$18,750 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
BSV Tyre Recycling Australia Pty Ltd	Breach licence condition	Convicted/\$15,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
BSV Tyre Recycling Australia Pty Ltd	Breach licence condition	Convicted/\$18,750 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
BSV Tyre Recycling Australia Pty Ltd	Breach licence condition	Convicted/\$10,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
BSV Tyre Recycling Australia Pty Ltd	Breach licence condition	Convicted/\$10,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC

Calleija, Michael Joseph	Wilfully obstruct an authorised officer in the exercise of the authorised officer's powers	Convicted/\$6,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA	Blacktown LC
Carbon MF Pty Ltd	Failure to comply with clean up notice	Convicted/\$262,500 Ordered to pay 50% of the fine as a moiety to the NSW EPA and cause a notice to be delivered to the billing address of all businesses listed in the document provided by the Defendants to the EPA titled 'Carbon MF Pty Ltd Customer Contact List'. Also ordered to pay investigation costs of \$8,307.14	LEC
Carbon MF Pty Ltd	Pollute land	Convicted/\$262,500 Ordered to pay 50% of the fine as a moiety to the NSW EPA and cause a notice to be delivered to the billing address of all businesses listed in the document provided by the Defendants to the EPA titled 'Carbon MF Pty Ltd Customer Contact List'. Also ordered to pay investigation costs of \$8,307.14	LEC
D A Programmed Maintenance Pty Ltd	Unlawful use of land as a waste facility	Convicted/\$30,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>Inside Waste</i> magazine. Also ordered to pay investigation costs of \$2,157.75	Fairfield LC
Dbouk, Abdul Hadi	Unlawful use of land as a waste facility	Convicted/\$30,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA	Parramatta LC
Dial-A-Dump (EC) Pty Ltd	Emit offensive odour from scheduled premises	Convicted/\$280,000 Ordered to pay 50% of the fine as a moiety to Blacktown City Council for environmental purposes ('Sustainability Initiative'), pay 50% of the fine as a moiety to the NSW EPA and publicise details of the offence in <i>The Sydney Morning Herald</i> , <i>Inside Waste</i> magazine, the <i>Blacktown News</i> , Facebook, LinkedIn and in any public references made to its contribution to the 'Sustainability Initiative'. Also ordered	LEC

		to cause a notice to be delivered to letterboxes of various impacted properties in Eastern Creek, Erskine Park, Minchinbury, Rooty Hill and St Clair and ordered to pay investigation costs of \$42,575	
El-Masri, Maher	Unlawfully transport and deposit waste	Convicted/\$100,000  Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>Inside Waste</i> magazine. Also ordered to pay investigation costs of \$300	Liverpool LC
El-Masri, Maher	Unlawfully deposit asbestos waste	Convicted/\$100,000  Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>Inside Waste</i> magazine. Also ordered to pay investigation costs of \$300	Liverpool LC
Elmustapha, Ibrahim	Provide false and misleading information about waste	Convicted/\$56,000  Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Elmustapha, Ibrahim	Provide false and misleading information about waste	Convicted/\$32,000  Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Elmustapha, Ibrahim	Provide false and misleading information about waste	Convicted/\$72,000  Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Elmustapha, Ibrahim	Provide false and misleading information about waste	Convicted/\$43,000  Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Elmustapha, Ibrahim	Provide false and misleading information about waste	Convicted/\$10,000  Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC



Elmustapha, Ibrahim	Provide false and misleading information about waste	Convicted/\$50,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
England, Stein John	Impersonate an authorised officer	Convicted/\$5,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA	Newcastle LC
Fair, Mark	Liability of director for offence by corporation	Convicted/\$18,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and cause a notice to be delivered to the billing address of all businesses listed in the document provided by the Defendants to the EPA titled 'Carbon MF Pty Ltd Customer Contact List'. Also ordered to pay investigation costs of \$8,307.14	LEC
Fair, Mark	Pollute land	Convicted/\$39,375 Ordered to pay 50% of the fine as a moiety to the NSW EPA and cause a notice to be delivered to the billing address of all businesses listed in the document provided by the Defendants to the EPA titled 'Carbon MF Pty Ltd Customer Contact List'. Also ordered to pay investigation costs of \$8,307.14	LEC
Geta Skip Pty Ltd	Unlawful use of land as a waste facility	Convicted/\$30,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA	Parramatta LC
Ghossayn, George	Liability of director for offence by corporation	Convicted/\$27,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Ghossayn, George	Pollute land	Convicted/\$24,375 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC

Ghossayn, George	Unlawfully transport and deposit waste	Convicted/\$40,625 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Ghossayn, George	Unlawfully deposit asbestos waste	Convicted/\$40,625 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Ghossayn Group Pty Ltd	Provide false or misleading information about waste	Convicted/\$15,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Ghossayn Group Pty Ltd	Unlawfully deposit asbestos waste	Convicted/\$162,500 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Ghossayn Group Pty Ltd	Pollute land	Convicted/\$97,500 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine. Also ordered to pay investigation costs of \$14,468.60	LEC
Ghossayn Group Pty Ltd	Unlawfully transport and deposit waste	Convicted/\$162,500 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Hussain, Ahmad Masood	Unlawful use of land as a waste facility	Convicted/\$10,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>Inside Waste</i> magazine. Also ordered to pay investigation costs of \$2,157.75	Fairfield LC

Laird, Michael Anthony	Unlawful use of land as a waste facility	Convicted/\$10,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>Western Weekender</i> . Also ordered to pay investigation costs of \$461.25	Parramatta LC
Laird, Michael Anthony	Cause asbestos waste to be re-used or recycled	Convicted/\$10,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>Western Weekender</i> . Also ordered to pay investigation costs of \$461.25	Parramatta LC
Lee, Mitchell Warren	Pollute land	Convicted/\$5,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and investigation costs of \$218	Goulburn LC
Lee, Mitchell Warren	Failure to comply with a court order	Convicted/\$1,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA	Goulburn LC
Lee, Mitchell Warren	Unlawfully deposit asbestos waste	Convicted/\$5,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA	Goulburn LC
Lokeni, Taimi	Failure to comply with clean-up notice	Convicted Ordered to remove 1,000 tyres from the Premises by transporting them to a facility that can lawfully receive waste tyres and ensure that Integrated Waste Tracking Solution (IWTS) is used for each load of waste tyres removed from the Premises. Also ordered to provide the EPA with the IWTS receipt and photographic evidence that the number of waste tyres has been reduced by at least 1,000	Campbelltown LC
Mouawad, Paul (also known as Boulos, Isaac)	Unlawfully transport and deposit waste	Convicted/\$94,500 Ordered to pay 50% of the fine to the Environmental Trust for general environmental purposes and 50% of the fine as a moiety to the NSW EPA. Also ordered to pay investigation costs of \$16,823.50	LEC
Mouawad, Paul (also known as Boulos, Isaac)	Pollute land	Convicted/\$94,500 Ordered to pay 50% of the fine to the Environmental Trust for general	LEC

		environmental purposes and 50% of the fine as a moiety to the NSW EPA. Also ordered to pay investigation costs of \$16,823.50	
Nath, Virendra	Liability of director for offence by corporation	Convicted/\$30,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Nath, Virendra	Liability of director for offence by corporation	Convicted/\$10,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Nath, Virendra	Liability of director for offence by corporation	Convicted/\$15,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Nath, Virendra	Liability of director for offence by corporation	Convicted/\$10,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Daily Telegraph</i> and <i>Inside Waste</i> magazine	LEC
Newcastle City Council	Breach licence condition	Convicted/\$20,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in the <i>Newcastle Herald</i> , Facebook and Twitter	Newcastle LC
Newcastle City Council	Pollute waters	Convicted/\$90,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in the <i>Newcastle Herald</i> , Facebook and Twitter. Also ordered to pay investigation costs of \$711	Newcastle LC
Routledge, Christopher	Pollute land	Convicted/\$8,437.50 Ordered to pay 50% of the fine as a moiety to the NSW EPA and pay investigation costs of \$8,849.25	LEC

Routledge, Christopher	Pollute waters	Convicted/\$11,250 Ordered to pay 50% of the fine as a moiety to the NSW EPA and pay investigation costs of \$8,849.25	LEC
Sand Quarries Australia Pty Limited	Pollute waters	Convicted/\$97,500 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to engage suitability qualified and independent experts to prepare a remedial plan and preventative plan of action and to carry out actions in both plans. Also ordered to publicise details of the offence in <i>The Daily Liberal</i> and <i>Australian Mining</i> and pay investigation costs of \$976	Dubbo LC
Sand Quarries Australia Pty Limited	Pollute waters	Convicted/\$112,500 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to engage suitability qualified and independent experts to prepare a remedial plan and preventative plan of action and to carry out actions in both plans. Also ordered to publicise details of the offence in <i>The Daily Liberal</i> and <i>Australian Mining</i> and pay investigation costs of \$976	Dubbo LC
Sydney Water Corporation	Pollute waters	Convicted/\$219,375 Ordered to pay 50% of the fine to the Environmental Trust for general environmental purposes and 50% of the fine as a moiety to the NSW EPA and ordered to publicise details of the offence in <i>The Sydney Morning Herald</i> , <i>The Daily Telegraph</i> , Facebook, Instagram and Twitter. Also ordered to cause a notice to be delivered to letterboxes of all properties in nominated streets at Naremburn, Northbridge and Cammeray	LEC
Sydney Water Corporation	Pollute waters	Convicted/\$73,125 Ordered to pay 50% of the fine to the Environmental Trust for general environmental purposes and 50% of the fine as a moiety to the NSW EPA and ordered to publicise details of the offence in <i>The Sydney Morning Herald</i> , <i>The Daily Telegraph</i> , Facebook, Instagram and Twitter. Also ordered to cause a notice to be delivered to	LEC

		letterboxes of all properties in nominated streets at Naremburn, Northbridge and Cammeray	
Sydney Water Corporation	Pollute waters	<p>Convicted/\$73,125</p> <p>Ordered to pay 50% of the fine to the Environmental Trust for general environmental purposes and 50% of the fine as a moiety to the NSW EPA and ordered to publicise details of the offence in <i>The Sydney Morning Herald</i>, <i>The Daily Telegraph</i>, Facebook, Instagram and Twitter. Also ordered to cause a notice to be delivered to letterboxes of all properties in nominated streets at Naremburn, Northbridge and Cammeray</p>	LEC
Visy Pulp and Paper Pty Ltd	Breach licence condition	<p>Convicted</p> <p>Order to pay \$30,000 to the Environmental Trust for general environmental purposes and to publicise details of the offence in <i>The Sydney Morning Herald</i>, <i>The Daily Telegraph</i>, the <i>Tumut and Adelong Times</i> and <i>The Daily Advertiser</i>. Also ordered to pay investigation costs of \$7,028.50</p>	LEC
Visy Pulp and Paper Pty Ltd	Pollute waters	<p>Convicted</p> <p>Order to pay \$75,000 to the Environmental Trust for general environmental purposes and to publicise details of the offence in <i>The Sydney Morning Herald</i>, <i>The Daily Telegraph</i>, the <i>Tumut and Adelong Times</i> and <i>The Daily Advertiser</i>. Also ordered to pay investigation costs of \$7,028.50</p>	LEC
Visy Pulp and Paper Pty Ltd	Breach licence condition	<p>Convicted</p> <p>Order to pay \$20,000 to the Environmental Trust for general environmental purposes and to publicise details of the offence in <i>The Sydney Morning Herald</i>, <i>The Daily Telegraph</i>, the <i>Tumut and Adelong Times</i> and <i>The Daily Advertiser</i>. Also ordered to pay investigation costs of \$7,028.50</p>	LEC

Visy Pulp and Paper Pty Ltd	Breach licence condition	Convicted Order to pay \$50,000 to the Environmental Trust for general environmental purposes and to publicise details of the offence in <i>The Sydney Morning Herald</i> , <i>The Daily Telegraph</i> , the <i>Tumut and Adelong Times</i> and <i>The Daily Advertiser</i> . Also ordered to pay investigation costs of \$7,028.50	LEC
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## Forestry Act 2012

Defendant	Charge	Result/Penalty	Court
Forestry Corporation of New South Wales	Failure to comply with requirement imposed by an integrated forestry operations approval	Convicted/\$20,000 Ordered to pay 50% of the fine as a moiety to the NSW EPA and to publicise details of the offence in <i>The Sydney Morning Herald</i> , <i>Bay Post-Moruya Examiner</i> and Facebook	Batemans Bay LC

## Appendix C: Enforceable undertakings

Incident	Company	Agreed actions	Amount
<p>7 April 2022</p> <p>Approximately 9,200 litres of hydrocarbons mixed with floodwaters overflowed from the Wastewater Treatment Plant (WWTP) at the fuel transfer terminal operated by Ampol Refineries (NSW) Pty Ltd in Kurnell. The hydrocarbon-impacted floodwaters escaped from the premises to surrounding land, waters and residences.</p> <p>The incident caused harm to the environment in the Kurnell area and residents reported symptoms.</p> <p>Date of EU: 30 August 2023</p>	<p>Ampol Refineries (NSW) Pty Ltd</p>	<ul style="list-style-type: none"> <li>• Monetary contribution towards the delivery of environment-related projects including Streamwatch programs for schools in and around Kurnell and regeneration works of Kamay Botany Bay National Park</li> <li>• Monetary contribution to Sutherland Shire Council towards the delivery of a new children's playground and gym at Marton Park</li> <li>• Print media notice in <i>The Sydney Morning Herald</i>, Twitter, Facebook, Instagram and Ampol's annual report</li> </ul>	<p>\$700,000</p>
<p>Approximately 7 December 2021 to 13 December 2021</p> <p>A Forestry Corporation of NSW contractor harvested approximately 17 trees from riparian exclusion zones associated with drainage lines in the Coopernook State Forest. The incident caused harm to the environment due to the said 17 trees being harvested. The incident caused potential harm to the environment as a consequence of the 17 trees being harvested due to: reduction in rainfall interception, leading to increased likelihood of soil disturbance, erosion and sediment run-off into drainage lines; and reduction of available habitat for the native species and ecological communities that inhabited the relevant trees before they were harvested.</p> <p>Date of EU: 8 November 2023</p>	<p>Forestry Corporation of NSW – Coopernook State Forest</p>	<ul style="list-style-type: none"> <li>• Monetary contribution towards the delivery of environment-related projects</li> <li>• Monetary contribution towards improving Forestry Corporation's operational boundary management during future forestry operations</li> <li>• Monetary contribution towards Forestry Corporation's Corporate Website to better inform stakeholders about the forestry operations conducted under the CIFOA</li> <li>• Print media notice in <i>The Sydney Morning Herald</i> and Forestry Corporation's annual report</li> </ul>	<p>\$500,000</p>



<p>8 November 2022</p> <p>Approximately 1,000L to 5,000L of wastewater was discharged to the Cooks River from the Chullora premises. This was caused by a blockage in a trade waste pipe and a subsequent escape from a stormwater drain. The incident caused harm to the environment including the death of eels.</p> <p>Date of EU: 6 November 2023</p>	<p>Primo Foods Pty Ltd</p>	<ul style="list-style-type: none"> <li>• Monetary contribution towards the delivery of environment-related projects to be carried out by Canterbury Bankstown Council</li> <li>• Measures to prevent future incidents including a site assessment and updating equipment</li> <li>• Measures to improve environmental performance through training</li> <li>• Print media notice in the <i>Canterbury Bankstown Express</i> and Primo's Facebook account</li> </ul>	<p>\$150,000</p>
<p>15 August 2019</p> <p>It is alleged that between approximately 15 August 2019 and 10 February 2021, MRI (Aust) Pty Ltd was an occupier of a Warwick Farm premises and used that premises for the storage of large quantities of hazardous waste without lawful authority. MRI (Aust) Pty Ltd was wholly acquired by Sircel Limited on or about 30 April 2020. This EU relates to Sircel's alleged executive liability for unlawful waste facility and land pollution offences committed by MRI (Aust) Pty Ltd.</p> <p>Date of EU: 22 March 2024</p>	<p>Sircel Limited</p>	<ul style="list-style-type: none"> <li>• Monetary contribution towards the delivery of environment-related projects</li> <li>• Measures to prevent future incidents</li> </ul>	<p>\$110,000</p>
<p>6 August 2021 and 14 November 2021</p> <p>Waste material including paints, solvents, pharmaceuticals and other clinical and related wastes were stored in an unbunded area without sufficient segregation or labelling at the company's Kurri Kurri premises. In November 2021, a fire broke out with large volumes of liquid waste (stored outside in the unbunded area) and a number of buildings on the Premises catching alight. The fire resulted in a significant amount</p>	<p>Weston Aluminium Pty Limited</p>	<ul style="list-style-type: none"> <li>• Monetary contribution towards the delivery of environment-related projects</li> <li>• Print media notice in the <i>Newcastle Herald</i></li> </ul>	<p>\$200,000</p>

of smoke being emitted from the Premises into the surrounding area.

The company was responsible for transporting and disposing of waste material at its neighbouring premises.

Date of EU: 3 August 2023

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Total monetary contributions towards environmental works	\$1,660,000
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## Appendix D: Statistical information on access applications

Under clause 8 of the *Government Information (Public Access) Regulation 2018*, statistical information must be provided about the formal access applications received by the EPA under section 9 of the *Government Information (Public Access) Act 2009* (GIPA Act) during the current reporting year.

### Number of access applications received: clause 8(b)

During 2023–24, the EPA received 98 access applications, 78 of which were initially assessed as being invalid. Of these, 62 subsequently became valid and have been included in the total of 82 valid applications.

### Number of access applications refused under Schedule 1: clause 8(c)

During the reporting period, the EPA refused 11 applications in part and one (1) application in full because the information requested was information referred to in Schedule 1 of the GIPA Act.

### Statistical information about access applications: clause 8(d) and Schedule 2

Of the 11 applications received in the previous reporting year, all were completed in 2023–24.

More than one public interest consideration may apply in relation to an access application and, if this occurs, each consideration must be recorded (but only once per application).

### Applications by type of applicant and outcome

Type of applicant	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refused to deal with application	Refuse to confirm/deeny if information held	Application withdrawn
Media	1	3	0	3	2	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector businesses	17	2	0	6	2	0	0	6
Not-for-profit organisations/community groups	4	10	0	3	2	1	0	1
Members of the public – application by legal representative	12	5	1	1	1	0	0	2
Members of the public (other)	9	6	1	4	2	0	0	5

### Applications by type of application and outcome

Type of applicant	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refused to deal with application	Refuse to confirm/deny if information held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	0
Access applications – other than personal information applications	43	26	2	17	9	1	0	14
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

\*A 'personal information application' is an application for access to personal information (as defined in clause 4 of Schedule 4 to the GIPA Act) about the applicant (the applicant being an individual).

## Invalid applications

<b>Reason for invalidity</b>	<b>Number of applications</b>
Application does not comply with formal requirements (section 41 of the Act)	78
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	78
Invalid applications that subsequently became valid	62

## Invalid applications

<b>Public interest considerations against disclosure – Schedule 1 of the Act</b>	<b>Times consideration used</b>
Overriding secrecy laws	0
Cabinet information	5
Executive Council information	0
Contempt	0
Legal professional privilege	7
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial Code of Conduct	0
Aboriginal and environmental heritage	0
Information about complaints to Judicial Commission	0
Information about authorised transactions under the <i>Electricity Network Assets (Authorised Transactions) Act 2015</i>	0
Information about authorised transactions under the <i>Land and Property Information NSW (Authorised Transaction) Act 2016</i>	0

## Other public interest considerations against disclosure

Other public interest considerations against disclosure	Occasions application
Responsible and effective government	7
Law enforcement and security	5
Individual rights, judicial processes and natural justice	11
Business interests of agencies and other persons	11
Environment, culture, economy and general matters	2
Secrecy provisions	0
Exempt documents under interstate freedom of information legislation	0

## Timelines

Time frame	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	77
Decided after 35 days (by agreement with applicant)	21
Not decided within time frame (deemed refusal)	0
Total	98

## Applications reviewed under Part 5 of the Act (by type of review and outcome)

Type of review	Decision varied	Decision upheld	Total
Internal review	4	5	9
Review by Information Commissioner*	3	1	4
Internal review following recommendation under section 93 of the Act	1	0	1
Review by NCAT**	0	0	0
Total	8	6	14

\* The Information Commissioner does not have the authority to vary decisions but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the decision has been made.

\*\* NSW Civil and Administrative Tribunal (NCAT)



### Applications for review under Part 5 of the Act (by type of applicant)

Type of application	Applications reviewed
Applications by applicants for access to information	10
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	4

### Applications transferred to other agencies under Division 2, Part 4 of the Act (by type of transfer)

Time frame	Applications transferred
Type of transfer	1
Agency-initiated transfers	0

## Appendix E: Financial statements

Following are the audited annual financial statements for the NSW Environment Protection Authority for the year ended 30 June 2024. Other information contained in the report has not been audited.

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**Environment Protection Authority**  
**Statement by the Chief Executive Officer and accountable authority**  
For the year ended 30 June 2024

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Pursuant to section 7.6(4) of the *Government Sector Finance Act 2018* ('the Act'), we state that these financial statements:

- have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the Act, the *Government Sector Finance Regulation 2024* and the Treasurer's directions, and
- present fairly the Environment Protection Authority's financial position, financial performance and cash flows.



**Stephen Beaman**

Acting Chief Executive Officer, EPA

10 October 2024



**Rayne de Gruchy AM PSM**

Chairperson of the EPA Board

10 October 2024

**Environment Protection Authority**  
**Consolidated Statement of Comprehensive Income**  
For the year ended 30 June 2024

	Notes	Consolidated			Environment Protection Authority	
		Actual 2024 \$'000	Budget 2024 \$'000	Actual 2023 \$'000	Actual 2024 \$'000	Actual 2023 \$'000
<b>Continuing operations</b>						
<b>Expenses excluding losses</b>						
Employee-related expenses	2(a)	145,714	150,063	116,435	964	903
Personnel services expenses	2(a)	-	-	-	144,750	115,532
Other operating expenses	2(b)	86,020	142,236	99,401	86,020	99,401
Depreciation and amortisation expenses	2(c)	4,951	5,899	4,426	4,951	4,426
Grants and subsidies	2(d)	33,816	78,287	39,478	33,816	39,478
Finance costs	2(e)	23	30	92	23	92
<b>Total expenses excluding losses</b>		<b>270,524</b>	<b>376,515</b>	<b>259,832</b>	<b>270,524</b>	<b>259,832</b>
<b>Revenue</b>						
Sale of goods and services	3(a)	7,100	31,898	9,305	7,100	9,305
Retained taxes, fees and fines	3(b)	31,254	1,075	31,525	31,254	31,525
Grants and contributions	3(c)	224,784	332,683	205,924	224,784	205,924
Acceptance by the Crown of employee benefits and other liabilities	3(d)	5,826	6,822	3,368	5,826	3,368
Other income	3(e)	407	2,415	354	407	354
<b>Total revenue</b>		<b>269,371</b>	<b>374,893</b>	<b>250,476</b>	<b>269,371</b>	<b>250,476</b>
<b>Operating result</b>		<b>(1,153)</b>	<b>(1,623)</b>	<b>(9,356)</b>	<b>(1,153)</b>	<b>(9,356)</b>
Gain/(loss) on disposal	4	(355)	-	(744)	(355)	(744)
Other gains / (losses)	5	153	-	-	153	-
<b>Net result from continuing operations</b>		<b>(1,355)</b>	<b>(1,623)</b>	<b>(10,100)</b>	<b>(1,355)</b>	<b>(10,100)</b>
<b>Other comprehensive income</b>						
<i>Items that will not be reclassified to net result in subsequent periods</i>						
Changes in revaluation surplus of property, plant and equipment	10	231	-	1,629	231	1,629
<b>Total other comprehensive income</b>		<b>231</b>	<b>-</b>	<b>1,629</b>	<b>231</b>	<b>1,629</b>
<b>Total comprehensive income</b>		<b>(1,124)</b>	<b>(1,623)</b>	<b>(8,471)</b>	<b>(1,124)</b>	<b>(8,471)</b>

The accompanying notes form part of these financial statements.

**Environment Protection Authority**  
**Consolidated Statement of Financial Position**  
As at 30 June 2024

	Notes	Consolidated			Environment Protection Authority	
		Actual 2024 \$'000	Budget 2024 \$'000	Actual 2023 \$'000	Actual 2024 \$'000	Actual 2023 \$'000
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	7	41,810	15,030	20,269	41,810	20,269
Receivables	8	16,778	38,041	38,042	16,778	38,042
<b>Total current assets</b>		<b>58,588</b>	<b>53,071</b>	<b>58,311</b>	<b>58,588</b>	<b>58,311</b>
<b>Non-current assets</b>						
Property, plant and equipment						
Land and buildings	10	5,805	4,431	5,740	5,805	5,740
Plant and equipment	10	1,626	1,640	1,968	1,626	1,968
<b>Total property, plant and equipment</b>		<b>7,431</b>	<b>6,071</b>	<b>7,708</b>	<b>7,431</b>	<b>7,708</b>
Right-of-use assets	11	492	462	438	492	438
Intangible assets	12	20,662	23,186	19,130	20,662	19,130
<b>Total non-current assets</b>		<b>28,585</b>	<b>29,720</b>	<b>27,276</b>	<b>28,585</b>	<b>27,276</b>
<b>Total assets</b>		<b>87,173</b>	<b>82,791</b>	<b>85,587</b>	<b>87,173</b>	<b>85,587</b>
<b>Liabilities</b>						
<b>Current liabilities</b>						
Contract liabilities	9	337	475	475	337	475
Payables	15	37,886	41,448	40,163	40,952	41,447
Borrowings	16	225	210	243	225	243
Provisions	17	17,184	13,951	13,951	119	18
Other	18	3,066	-	1,284	3,066	1,284
Payable to the EPA Staff Agency	17	-	-	-	17,065	13,933
<b>Total current liabilities</b>		<b>58,698</b>	<b>56,084</b>	<b>56,116</b>	<b>58,698</b>	<b>56,116</b>
<b>Non-current liabilities</b>						
Borrowings	16	275	269	205	275	205
Provisions	17	2,322	1,380	2,060	1,894	1,724
Payable to the EPA Staff Agency	17	-	-	-	428	336
<b>Total non-current liabilities</b>		<b>2,597</b>	<b>1,649</b>	<b>2,265</b>	<b>2,597</b>	<b>2,265</b>
<b>Total liabilities</b>		<b>61,295</b>	<b>57,733</b>	<b>58,381</b>	<b>61,295</b>	<b>58,381</b>
<b>Net assets</b>		<b>25,878</b>	<b>25,058</b>	<b>27,206</b>	<b>25,878</b>	<b>27,206</b>
<b>Equity</b>						
Reserves		3,479	2,009	3,248	3,479	3,248
Accumulated funds		22,399	23,049	23,958	22,399	23,958
<b>Total equity</b>		<b>25,878</b>	<b>25,058</b>	<b>27,206</b>	<b>25,878</b>	<b>27,206</b>

The accompanying notes form part of these financial statements.

**Environment Protection Authority**  
**Consolidated Statement of Changes in Equity**  
For the year ended 30 June 2024

Consolidated and Parent	Notes	Accumulated funds \$'000	Asset revaluation surplus \$'000	Total \$'000
<b>Balance at 1 July 2023</b>		<b>23,958</b>	<b>3,248</b>	<b>27,206</b>
Net result for the year		(1,355)	-	(1,355)
Other comprehensive income:				
Net change in revaluation surplus of property, plant and equipment		-	231	231
Total other comprehensive income		-	<b>231</b>	<b>231</b>
Total comprehensive income for the year		<b>(1,355)</b>	<b>231</b>	<b>(1,124)</b>
<b>Transactions with owners in their capacity as owners</b>				
Increase/(decrease) in net assets from equity transfers	19	(204)	-	(204)
<b>Balance at 30 June 2024</b>		<b>22,399</b>	<b>3,479</b>	<b>25,878</b>
<b>Balance at 1 July 2022</b>		<b>34,058</b>	<b>1,619</b>	<b>35,677</b>
Net result for the year		(10,100)	-	(10,100)
Other comprehensive income:				
Net change in revaluation surplus of property, plant and equipment		-	1,629	1,629
Total other comprehensive income		-	<b>1,629</b>	<b>1,629</b>
Total comprehensive income for the year		<b>(10,100)</b>	<b>1,629</b>	<b>(8,471)</b>
<b>Balance at 30 June 2023</b>		<b>23,958</b>	<b>3,248</b>	<b>27,206</b>

The accompanying notes form part of these financial statements.

**Environment Protection Authority**  
**Consolidated Statement of Cash Flows**  
For the year ended 30 June 2024

	Notes	Consolidated			Environment Protection Authority	
		Actual	Budget	Actual	Actual	Actual
		2024	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>						
<b>Payments</b>						
Employee related		(138,767)	(143,241)	(114,903)	(964)	(903)
Personnel services expenses		-	-	-	(137,803)	(114,000)
Grants and subsidies		(33,816)	(78,287)	(39,478)	(33,816)	(39,478)
Finance costs		(23)	(30)	(20)	(23)	(20)
Other*		(95,684)	(142,236)	(102,102)	(95,684)	(102,102)
<b>Total payments</b>		<b>(268,290)</b>	<b>(363,794)</b>	<b>(256,503)</b>	<b>(268,290)</b>	<b>(256,503)</b>
<b>Receipts</b>						
Grants and other contributions		246,854	332,683	200,068	246,854	200,068
Sale of goods and services		8,360	31,898	7,768	8,360	7,768
Retained taxes, fees and fines		31,470	-	31,525	31,470	31,525
Cash reimbursements from the Crown**		2,369	-	1,862	2,369	1,862
Other		7,110	3,489	5,832	7,110	5,832
<b>Total receipts</b>		<b>296,163</b>	<b>368,070</b>	<b>247,055</b>	<b>296,163</b>	<b>247,055</b>
<b>Net cash flows from operating activities</b>	23	<b>27,873</b>	<b>4,276</b>	<b>(9,448)</b>	<b>27,873</b>	<b>(9,448)</b>
<b>Cash flows from investing activities</b>						
<b>Cash received</b>						
Proceeds from sale of land and buildings, plant and equipment and infrastructure systems		-	-	-	-	-
Purchase of intangible assets		(5,727)	(9,104)	(4,877)	(5,727)	(4,877)
Purchase of property, plant and equipment		(324)	-	(147)	(324)	(147)
<b>Net cash flows from investing activities</b>		<b>(6,051)</b>	<b>(9,104)</b>	<b>(5,024)</b>	<b>(6,051)</b>	<b>(5,024)</b>
<b>Cash flows from financing activities</b>						
Payment of principal portion of lease liabilities		(281)	(410)	(329)	(281)	(329)
<b>Net cash flows from financing activities</b>		<b>(281)</b>	<b>(410)</b>	<b>(329)</b>	<b>(281)</b>	<b>(329)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>21,541</b>	<b>(5,238)</b>	<b>(14,801)</b>	<b>21,541</b>	<b>(14,801)</b>
Opening cash and cash equivalents		20,269	20,268	35,070	20,269	35,070
<b>Closing cash and cash equivalents</b>	7	<b>41,810</b>	<b>15,030</b>	<b>20,269</b>	<b>41,810</b>	<b>20,269</b>

\*Includes payment to Department of Planning and Environment and Department of Climate Change, Energy, the Environment and Water (DCCEE) and Department of Planning, Housing and Infrastructure (DPHI) for corporate and other specialist support. Refer to Note 2(b).

\*\* Includes reimbursement of long service leave.

The accompanying notes form part of these financial statements.



## Environment Protection Authority

### Notes to the financial statements

For the year ended 30 June 2024

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#### 1. Statement of Material Accounting Policy Information

##### (a) Reporting entity

The Environment Protection Authority (the 'EPA'), a NSW Government entity and controlled by the State of New South Wales, is constituted under Section 5 of the *Protection of the Environment Administration Act 1991* as a statutory body corporate. The EPA is a not-for-profit entity (as profit is not its principal objective) and it has no cash-generating units. The EPA is consolidated as part of the NSW Total State Sector Accounts.

The EPA as a reporting entity comprises the Environment Protection Authority Staff Agency (the Staff Agency), an entity under its control. The EPA Staff Agency's objective is to provide personnel services to the EPA. Also, as part of EPA reporting entity, there are four Special Deposit Accounts namely – Environment Protection Authority Fund, Tradeable Emission Schemes Fund, Green Offsets Fund, Environmental Monitoring Fund.

In the process of preparing the consolidated financial statements for the economic entity, consisting of the controlling and controlled entity, all inter-entity transactions and balances have been eliminated and like transactions and other events are accounted for, using uniform accounting policies.

The EPA Staff Agency is a Division of the Government Service responsible to the portfolio of Ministers – Minister for Climate Change, Minister for Energy, Minister for the Environment, and Minister for Heritage. The EPA Staff Agency was established under the Administrative Arrangements Order 2014 (the Order), dated 29 January 2014. Under the Order, the former Office of the Environment Protection Authority became the EPA Staff Agency.

The EPA is responsible for licensing and regulating air emissions, contaminated sites, hazardous materials (including dangerous goods), noise, pesticides, forestry activities, waste, water quality and state of the environment reporting.

Administered activities undertaken on behalf of the Crown in right of the State of New South Wales (the 'Crown') are consolidated in the Treasury Accounts.

Under the *Administrative Changes – Miscellaneous- Order (No 6) 2023* effective from 1 January 2024 EPA was transferred from the Department of Planning and Environment (DPE) to the Department of Climate Change, Energy, the Environment and Water (DCCEEW).

Under the same Administrative Arrangements, employees of the environment line team in the corporate services group of DPE were transferred to the EPA Staff Agency. Accordingly, the staff related balances were transferred to the EPA Staff Agency. Please refer to note 19 for details.

These consolidated financial statements for the year ended 30 June 2024 have been authorised for issue by the Chief Executive Officer of the EPA.

##### (b) Basis of preparation

The EPA is a going concern and its financial statements are general purpose financial statements, which have been prepared on an accrual basis and in accordance with:

- applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations)
- the requirements of the *Government Sector Finance Act 2018* (GSF Act) and Government Sector Finance Regulation 2024
- Treasurer's Directions issued under the GSF Act.

Property plant and equipment is measured using the fair value basis. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgements, key assumptions and estimations that management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the EPA's presentation and functional currency.

##### (c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

## 1. Statement of Material Accounting Policy Information (continued)

### (d) Administered activities

The EPA administers, but does not control, certain activities on behalf of the Crown. It is accountable for the transactions relating to those administered activities but does not have the discretion to deploy the resources for the achievement of the EPA's own objectives.

Transactions and balances relating to the administered activities are not recognised as the EPA's income, expenses, assets and liabilities, but are disclosed in the accompanying schedules as 'Administered income', 'Administered expenses', 'Administered assets' and 'Administered liabilities'. Refer to note 24.

The accrual basis of accounting and applicable accounting standards has been adopted.

### (e) Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that the:

- amount of GST incurred by the EPA as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

### (f) Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

### (g) Changes in accounting policy, including new or revised Australian Accounting Standards

#### (i) *Effective for the first time in FY2023-24*

AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates is effective for the first time in financial year 2023-24. Accordingly, the EPA has revised financial statement information to disclose only material accounting policy information.

#### (ii) *Issued but not yet effective*

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards unless Treasury determines otherwise. For the new accounting standards that are not yet effective, the EPA has assessed these standards and has found that there will be no material impact when implemented.

### (h) Impact of Climate-related matters on Financial Reporting for 2023-24

The EPA has considered the following areas under the NSW Treasury *Guidance on how to reflect the effect of climate-related matters in the financial statements*:

- Fair value of property, plant and equipment – Level 3
- Useful lives of property, plant and equipment
- Impairment of non-financial assets
- Receivables and financial assets
- Expected credit losses
- Provisions and contingent liabilities
- Financial liabilities at amortised cost
- Events after the reporting period

The EPA has assessed for the above areas and determined that there are no material impacts of potential climate related matters on the financial statements.

**1. Statement of Material Accounting Policy Information (continued)**

**(i) Superannuation on Annual Leave Loading**

The EPA has determined that it is not probable a liability arises to pay superannuation on annual leave loading. This position has been formed based on current inquiries, other information currently available to management, and after considering the facts from a decision in the Federal Court of Australia: *Finance Sector Union of Australia v Commonwealth Bank of Australia [2022] FedCFamC2G 409*. That decision confirmed that, in relation to the industrial agreement considered in that case, annual leave loading did not form part of ordinary time earnings and therefore, did not require superannuation contributions to be made under superannuation guarantee legislation because the obligation to pay annual leave loading was not referable to ordinary hours of work or to ordinary rates of pay. Rather, it was paid by reference to the period of annual leave, and for the purpose of compensating employees for their loss of opportunity to work additional hours at higher rates during this period.

This position will be re-assessed in future reporting periods as new information comes to light on this matter.

**Environment Protection Authority**  
**Notes to the financial statements**  
For the year ended 30 June 2024

**2. Expenses excluding losses**

**(a) Employee related expenses and personnel services**

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Salaries and wages (including annual leave)	118,247	96,305	841	798
Redundancy payments	1,196	245	-	-
Superannuation - defined benefit plans	446	502	-	-
Superannuation - defined contribution plans	12,119	9,840	76	61
Long-service leave	5,668	2,920	-	-
Workers compensation insurance	661	587	-	-
Payroll tax and fringe benefits tax	7,374	6,034	47	44
Other	3	2	-	-
Personnel services expenses*	-	-	144,750	115,532
<b>Total employee related expenses and personnel services</b>	<b>145,714</b>	<b>116,435</b>	<b>145,714</b>	<b>116,435</b>

\* \$0.5 million (2023: \$0.4 million) of employee related costs have been capitalised as part of intangible assets throughout the financial year. Please refer to note 17 Provisions for more details on accounting policy information.

**(b) Other operating expenses**

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Auditor's remuneration (audit or review of the financial statements)	99	68	99	68
Communication costs	342	512	342	512
Consultants	1,043	3,359	1,043	3,359
Contractor – projects	45,847	52,416	45,847	52,416
Corporate support*	12,901	8,396	12,901	8,396
Expense relating to short-term leases	14	-	14	-
Fees and services**	8,062	19,785	8,062	19,785
Fleet costs	664	452	664	452
Impairment (reversal) of assets and bad debts	360	(55)	360	(55)
Information dissemination	1,399	2,237	1,399	2,237
Insurance	480	419	480	419
Legal costs	2,633	3,832	2,633	3,832
Maintenance	2,611	2,212	2,611	2,212
Other	59	60	59	60
Other occupancy costs	2,361	1,133	2,361	1,133
Stores and minor assets	2,760	1,753	2,760	1,753
Training	2,308	1,417	2,308	1,417
Travel costs	2,077	1,405	2,077	1,405
<b>Total other operating expenses</b>	<b>86,020</b>	<b>99,401</b>	<b>86,020</b>	<b>99,401</b>

\*From 1 January 2024 onwards, corporate services are provided to the EPA by the DCCEEW and DPHI.

\*\* To better present the expenses of the EPA the comparatives have been updated to reallocate \$3.428M of expenses previously classified as 'Payments to NSW government agencies' to 'fees and services'. There is no change to the total other operating expenses for the 2023 year.

**2. Expenses excluding losses (continued)**

**(b) Other operating expenses (continued)**

	Consolidated		Environment Protection Authority	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Reconciliation - Total maintenance expense				
Maintenance expense - contracted labour and other (non-employee related), as above	2,611	2,212	2,611	2,212
<b>Total maintenance expenses included in note 2(b)</b>	<b>2,611</b>	<b>2,212</b>	<b>2,611</b>	<b>2,212</b>

**Recognition and measurement**

**Maintenance expense**

Day-to-day servicing or maintenance costs are expensed as incurred, except where they relate to the replacement of a material part or component of an asset, then the costs are capitalised and depreciated. Refer to note 2(b), note 2(c) and note 10.

**Insurance**

The EPA's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

Please also refer to note 15 Payables for details on accounting policy information for other operating expenses.

**Lease expense**

EPA recognises the lease payments associated with the following types of leases as an expense on a straight-line basis:

- leases that meet the definition of short-term. i.e., where the lease term at commencement of the lease is 12 months or less. This excludes leases with a purchase option.
- leases of assets that are valued at \$10,000 or under when new.

EPA has occupancy agreements with PNSW that are not treated as leases as PNSW retain substantive substitution rights. Please refer to note 11 Leases for more details.

**(c) Depreciation and amortisation expense**

	Consolidated		Environment Protection Authority	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Depreciation</b>				
Buildings and improvements	166	159	166	159
Plant and equipment	390	434	390	434
Right-of-use asset	279	329	279	329
<b>Total depreciation expense</b>	<b>835</b>	<b>922</b>	<b>835</b>	<b>922</b>
<b>Amortisation</b>				
Intangibles	4,116	3,504	4,116	3,504
<b>Total amortisation expense</b>	<b>4,116</b>	<b>3,504</b>	<b>4,116</b>	<b>3,504</b>
<b>Total depreciation and amortisation expense</b>	<b>4,951</b>	<b>4,426</b>	<b>4,951</b>	<b>4,426</b>

For recognition and measurement policies on depreciation and amortisation refer to notes 10, 11 and 12.

**2. Expenses excluding losses (continued)**

**(d) Grants and subsidies**

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Government*	23,514	29,465	23,514	29,465
Rebates	194	65	194	65
Non-government organisations	10,108	9,948	10,108	9,948
<b>Total grants and subsidies</b>	<b>33,816</b>	<b>39,478</b>	<b>33,816</b>	<b>39,478</b>

\*Include grants and subsidies from NSW and Local government.

**Recognition and Measurement**

Grants are generally recognised as an expense when the EPA transfers control of the contribution. The EPA is deemed to have transferred control when the grant is awarded to the grantee or for grants with performance milestones when those milestones have been achieved.

**(e) Finance costs**

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Interest expense from lease liabilities	23	20	23	20
Unwinding of discount on provisions	-	72	-	72
<b>Total finance costs</b>	<b>23</b>	<b>92</b>	<b>23</b>	<b>92</b>

**3. Revenue**

**Income recognition**

Income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*, dependent on whether there is a contract with a customer defined by AASB 15 *Revenue from Contracts with Customers*. Comments regarding the accounting policies for the recognition of income are discussed below.

**(a) Rendering of services from contracts with customers**

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Minor fees and charges	7,100	9,305	7,100	9,305
<b>Total rendering of services from contracts with customers</b>	<b>7,100</b>	<b>9,305</b>	<b>7,100</b>	<b>9,305</b>

### 3. Revenue (continued)

#### (a) Rendering of services from contracts with customers (continued)

##### Rendering of services

Revenue from rendering of services is recognised when the EPA satisfies the performance obligation by transferring the promised services.

Refer to note 9 for the disclosure of the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, and when EPA expects to recognise the unsatisfied portion as revenue. This includes administration of the container deposit scheme, cost recoveries related to industry training activities and cost recoveries relating to the issue of radiation licences.

#### (b) Retained fees and fines

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Fees</b>				
Licensing administration fees	28,158	29,512	28,158	29,512
<b>Fines</b>				
Parking, court and other	3,096	2,013	3,096	2,013
<b>Total retained fees and fines</b>	<b>31,254</b>	<b>31,525</b>	<b>31,254</b>	<b>31,525</b>

##### Recognition and Measurement

Under AASB15, revenue from retained fees is recognised on receipt of returns or licenses issued. Environmental protection licenses are issued to on successful application and fees are determined as set out in legislation. Fees are charged for application, annual administrative fee and certain load-based fees for scheduled activities. Fines are recognised when cash is received.

#### (c) Grants and contributions

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Other grants with sufficiently specific performance obligation	17,615	37,338	17,615	37,338
Grant without sufficiently specific performance obligation	207,169	168,586	207,169	168,586
<b>Total grants and contributions</b>	<b>224,784</b>	<b>205,924</b>	<b>224,784</b>	<b>205,924</b>

\*From 1 January 2024 onwards, cluster grants are provided to EPA by DCCEEW. EPA received \$96.7 million grants from DPE (2023: \$168 million) and \$110.4 million from DCCEEW (2023: nil).

##### Recognition and Measurement

Grants are received by the consolidated entity to support its service delivery objectives. This revenue is treated under AASB 1058 as it does not have sufficiently specific performance obligations attached to the funding received. Revenue from funding without sufficiently specific performance obligations is recognised when the EPA obtains control over the granted assets i.e. (cash received). Where the total funding amount in a contract is not allocated to distinct milestones/performance obligations and specifies purpose only, revenue is recognised when the EPA obtains control over the funds i.e. (cash received).

Revenue from grants with sufficiently specific milestones/performance obligations and agreed funding against each milestone is recognised as revenue when the EPA satisfies its performance obligation by transferring promised goods/achieving milestones. The services provided include environmental services and environmental monitoring. In these transactions there exists an agreement between both parties clearly articulating the performance obligations.

No element of financing is deemed present as funding payments are usually received in advance or shortly after the relevant obligation is satisfied. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. This is based on past experience and terms specified in the contract.

**3. Revenue (continued)**

**(d) Acceptance by the Crown of employee benefits and other liabilities**

The following liabilities and/or expenses have been assumed by the Crown.

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Superannuation - defined benefit	446	502	-	-
Long-service leave	5,357	2,841	-	-
Payroll tax - defined benefit	23	25	-	-
Contributions by the Crown	-	-	5,826	3,368
<b>Total</b>	<b>5,826</b>	<b>3,368</b>	<b>5,826</b>	<b>3,368</b>

\*Includes contributions in relation to Environment Line staff transfer from DPE to EPA

For recognition and measurement of liabilities assumed by the Crown refer to note 17.

**(e) Other income**

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Miscellaneous revenue	407	354	407	354
<b>Total other income</b>	<b>407</b>	<b>354</b>	<b>407</b>	<b>354</b>

**Recognition and Measurement**

Miscellaneous revenue includes receipt of returned grants for waste and contaminated lands programs.

**(f) Deemed appropriations**

The Department of Planning and Environment was administratively responsible for EPA up to 31 December 2023. From 1 January 2024, the Department of Climate Change, Energy, the Environment and Water is administratively responsible for EPA as a result of a Machinery of Government (MoG) change.

The *Appropriation Act 2023 (Appropriations Act)* and the subsequent variations, appropriates the sum of \$5.2 billion to the Minister for Planning and Public Spaces out of the Consolidated Fund for the services of the Department of Planning, Housing and Infrastructure (Formerly the Department of Planning and Environment) and \$3.7 billion to the Minister for Climate Change out of the Consolidated Fund for the services of the Department of Climate Change, Energy, the Environment and Water for the 2023-24 financial year. The spending authority of the Ministers under the Appropriations Act has been delegated to the Secretary and subdelegated to officers of the Department of Planning, Housing and Infrastructure, the Department of Climate Change, Energy, the Environment and Water and entities that they are administratively responsible for, including EPA.

A summary of compliance is disclosed in the financial statements of the Annual Report of the Department of Planning, Housing and Infrastructure and the Department of Climate Change, Energy, the Environment and Water. It has been prepared by calculating the separate spending authorities of the Minister for Climate Change and the Minister for Planning and Public Spaces for the services of each respective lead department. It reflects the status at the point in time this disclosure statement is being made. EPA's spending authority and expenditure prior to the MoG change is included in the summary of compliance of the Department of Planning, Housing and Infrastructure, and after the MoG change in the summary of compliance of the Department of Climate Change, Energy, the Environment and Water.



**3. Revenue (continued)**

**(f) Deemed appropriations (continued)**

The delegation/sub-delegations for the 2023-24 and 2022-23 financial years, authorising officers of EPA to spend Consolidated Fund money, impose limits on the amounts of individual transactions, but not the overall expenditure of EPA. However, as they relate to expenditure in reliance on a sum appropriated by legislation, the delegation/sub-delegations are subject to the overall authority of the Department of Climate Change, Energy, the Environment and Water to spend monies under relevant legislation. The individual transaction limits have been properly observed. The information in relation to the limit from the Appropriations Act and other sources is disclosed in the summary of compliance tables included in the financial statements of the Annual Report of Department of Planning, Housing and Infrastructure and the Department of Climate Change, Energy, the Environment and Water.

**4. Gain / (loss) on disposal**

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Intangible asset	(10)	(739)	(10)	(739)
Plant and equipment	(345)	(5)	(345)	(5)
<b>Net gain / (loss) on disposal</b>	<b>(355)</b>	<b>(744)</b>	<b>(355)</b>	<b>(744)</b>

**5. Other gains / (losses)**

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Gain / (loss) on other provisions	153	-	153	-
<b>Other Net gains / (losses)</b>	<b>153</b>	<b>-</b>	<b>153</b>	<b>-</b>

**6. Disaggregated Disclosure Statements**

The operations of EPA contribute to the following major activity group:

Functional description: Protecting and preserving the quality of our environment and heritage through active stewardship to support a resilient and sustainable New South Wales to build a brighter future for all.

The EPA delivers credible, targeted and cost-effective regulatory services for environmental protection. It implements market-based programs and provides audit and enforcement programs and emergency services designed to reduce environmental impacts. It works closely with industry and local government to encourage proactive compliance with environmental regulations and implementation of waste programs.

The total operations of EPA contribute to resilient and sustainable environment and heritage. Accordingly, separate disaggregation has not been disclosed in the financial statements.

**Environment Protection Authority**  
**Notes to the financial statements**  
For the year ended 30 June 2024

**7. Current assets – cash and cash equivalents**

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	41,810	20,269	41,810	20,269

Cash and cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the financial year to the Statement of Cash Flows as follows.

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents (As per Statement of Financial Position)	41,810	20,269	41,810	20,269
Closing cash and cash equivalents (As per Statement of Cash Flows)	<b>41,810</b>	<b>20,269</b>	<b>41,810</b>	<b>20,269</b>

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash at bank and cash on hand.

Refer to note 14 for details on restricted cash balances.

Refer to note 25 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

**8. Current assets – receivables**

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade receivables from contracts with customers	15,914	14,790	15,914	14,790
Less: allowance for expected credit losses*	(8,076)	(7,763)	(8,076)	(7,763)
Accrued income	7,232	29,302	7,232	29,302
Prepayments	156	-	156	-
GST Receivable	1,552	1,713	1,552	1,713
<b>Total receivables</b>	<b>16,778</b>	<b>38,042</b>	<b>16,778</b>	<b>38,042</b>

Details regarding credit risk of trade debtors that are neither past due nor impaired are disclosed in note 24.

Allowance for expected credit losses	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
*Movement in the allowance for expected credit losses				
Balance at the beginning of the year	7,763	7,871	7,763	7,871
Amounts written off during the year	(15)	(53)	(15)	(53)
Increase/(decrease) in allowance recognised in net results	328	(55)	328	(55)
<b>Balance at the end of the year</b>	<b>8,076</b>	<b>7,763</b>	<b>8,076</b>	<b>7,763</b>

**Recognition and measurement**

All 'regular way' purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

**8. Current assets – receivables (continued)**

**Subsequent measurement**

The EPA holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method less impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

**Impairment**

The EPA recognises an allowance for expected credit losses (ECLs) for all debt financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows and the cash flows that the EPA expects to receive, discounted at the original effective interest rate.

For trade receivables, the EPA applies a simplified approach in calculating ECLs. The EPA recognises a loss allowance based on lifetime ECLs at each reporting date. The EPA has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

**9. Contract liabilities**

	<b>2024</b>	<b>2023</b>
<b>Consolidated and parent</b>	<b>\$'000</b>	<b>\$'000</b>
Contract liabilities - current	337	475

**Recognition and measurement**

Contract liabilities relate to consideration received in advance from customers for license application fee. The liability will be recognised as revenue when the application is accepted by the EPA and the licence is issued. The balance of contract liabilities at 30 June 2024 was determined by the value and timing of the completion of performance obligations. The contract liability balance has decreased during the year due to recognition of revenue for activities performed.

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Revenue recognised that was included in the contract liability balance at the beginning of the year	138	469
Transaction price allocated to the remaining performance obligations from contracts with customers	337	475

**10. Non-current assets – property, plant and equipment**

	<b>Buildings \$'000</b>	<b>Plant and equipment \$'000</b>	<b>Total \$'000</b>
<b>Consolidated and parent</b>			
<b>At 1 July 2022 - fair value</b>			
Gross carrying amount	5,972	4,466	10,438
Accumulated depreciation and impairment	(1,702)	(2,700)	(4,402)
<b>Net carrying amount</b>	<b>4,270</b>	<b>1,766</b>	<b>6,036</b>
<b>Year ended 30 June 2023</b>			
Net carrying amount at start of year	4,270	1,766	6,036
Purchase of assets	-	641	641
Net Revaluation increments less revaluation decrements	1,629	-	1,629
Disposals	-	(5)	(5)
Depreciation expense - asset owned	(159)	(434)	(593)
<b>Net carrying amount</b>	<b>5,740</b>	<b>1,968</b>	<b>7,708</b>

	<b>Buildings \$'000</b>	<b>Plant and equipment \$'000</b>	<b>Total \$'000</b>
<b>Consolidated and parent</b>			
<b>At 1 July 2023 - fair value</b>			
Gross carrying amount	8,200	5,046	13,246
Accumulated depreciation and impairment	(2,460)	(3,078)	(5,538)
<b>Net carrying amount</b>	<b>5,740</b>	<b>1,968</b>	<b>7,708</b>
<b>Year ended 30 June 2024</b>			
Net carrying amount at start of year	5,740	1,968	7,708
Purchase of assets	-	324	324
Net Revaluation increments less revaluation decrements	231	-	231
Disposals	-	(345)	(345)
Transfer between asset classes	-	69	69
Depreciation expense - asset owned	(166)	(390)	(556)
<b>Net carrying amount</b>	<b>5,805</b>	<b>1,626</b>	<b>7,431</b>
<b>At 30 June 2024 - fair value</b>			
Gross carrying amount	8,600	4,615	13,215
Accumulated depreciation and impairment	(2,795)	(2,989)	(5,784)
<b>Net carrying amount</b>	<b>5,805</b>	<b>1,626</b>	<b>7,431</b>

Further details of the fair value measurements of property, plant and equipment are disclosed in note 13.

**Recognition and measurement**

**Acquisition of property, plant and equipment**

Property, plant and equipment are initially measured at cost and subsequently revalued at fair value, less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

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

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e., deferred payment amount is effectively discounted over the period of credit.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

**Capitalisation thresholds**

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

## **10. Non-current assets – property, plant and equipment (continued)**

### **Recognition and measurement (continued)**

#### **Major inspection costs**

When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

#### **Restoration costs**

The present value of the expected cost for the restoration or cost of dismantling of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

#### **Depreciation of property, plant and equipment**

Depreciation is provided for on a straight-line basis so as to write-off the depreciable amount of each asset as it is consumed over its useful life to the EPA.

All material identifiable components of assets are depreciated separately over their useful lives.

The following depreciation rates have been adopted:

- plant and equipment : 6.7 to 25% (2023: 6.7 to 25%)
- buildings : 2% (2023: 2%)

#### **Right-of-Use Assets acquired by lessees**

AASB 16 Leases (AASB 16) requires a lessee to recognise a right-of-use asset for most leases. The EPA has elected to present right-of-use assets separately in the Statement of Financial Position.

Further information on leases is contained in note 11.

#### **Revaluation of property, plant and equipment**

Physical non-current assets are valued in accordance with the *Treasury Policy and Guidelines Paper TPP 21-09 Valuation of Physical Non-Current Assets at Fair Value* and *Treasurer's Direction "Valuation of Physical non-current Assets at Fair Value"* (TD 21-05). TD 21-05 and TPP 21-09 adopts fair value in accordance with AASB 13 *Fair Value Measurement* and AASB 116 *Property, Plant and Equipment*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach or cost approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer to note 13 for further information regarding fair value.

Revaluations shall be made with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The EPA conducts a comprehensive revaluation of its buildings at least every three years.

Interim revaluations are conducted between comprehensive revaluations where cumulative changes to indicators suggest fair value may differ materially from the carrying value.

EPA has a building which is mainly used for science testing and as a storage facility. A comprehensive valuation of this building was completed by Colliers International Valuation & Advisory Services Pty Ltd (Colliers), an independent valuer, as at 31 March 2024. The valuer has provided an update as at 30 June 2024.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value. The EPA has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated.

Revaluation increments are recognised in "other comprehensive income" and credited directly to the asset revaluation surplus in equity. However, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as a loss in the net result, the increment is recognised immediately as a gain in the net result.

## **10. Non-current assets – property, plant and equipment (continued)**

### **Recognition and measurement (continued)**

#### **Revaluation of property, plant and equipment (continued)**

Revaluation decrements are recognised immediately as a loss in the net result, except to the extent that it offsets an existing revaluation surplus in respect of the same class of asset, in which case they are debited directly to the revaluation surplus.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation surplus in respect of that asset is transferred to accumulated funds.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

#### **Impairment of property, plant and equipment**

As the EPA is a not-for-profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. Since property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in rare circumstances such as where the costs of disposal are material.

At each reporting date, the EPA assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the EPA estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The amount assessed for impairment in FY2023-24 is nil (FY2022-23: Nil).

Specialised assets held for continuing use of their service capacity are rarely sold and their cost of disposal is typically negligible. Their recoverable amount is expected to be materially the same as fair value, where they are regularly revalued under AASB 13.

As the EPA is a not-for-profit entity, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus for the class of asset.

After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the net result and is treated as a revaluation increase. However, to the extent that an impairment loss on the same class of asset was previously recognised in the net result, a reversal of that impairment loss is also recognised in the net result.

## **11. Leases**

### **EPA as a lessee**

AASB 16 *Leases* requires a lessee to recognise a right-of-use asset and a corresponding lease liability for most leases.

EPA has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less. Low value assets are assets with a fair value of \$10,000 or less when new and comprise mainly plant and equipment.

EPA has occupancy agreements with PNSW that are not treated as leases as PNSW retain substantive substitution rights. EPA's accounting treatment for its make-good provisions and fit-out costs in relation to the relevant accommodation remains unchanged. EPA does not have any incentives received prior to 30 June 2024, hence there will be 'nil' liability in relation to the amortized balance of incentives received.

**11. Leases (continued)**

**EPA as a lessee (continued)**

**(a) Right-of-use assets under leases**

The following tables presents right-of-use assets that do not meet the definition of investment property.

	<b>Plant and equipment</b>	<b>Total</b>
<b>Consolidated and parent</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at 1 July 2023	438	438
Additions	334	334
Remeasurement	(1)	(1)
Depreciation expense	(279)	(279)
<b>Balance at 30 June 2024</b>	<b>492</b>	<b>492</b>

	<b>Plant and equipment</b>	<b>Total</b>
<b>Consolidated and parent</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at 1 July 2022	646	646
Additions	106	106
Remeasurement	15	15
Depreciation expense	(329)	(329)
<b>Balance at 30 June 2023</b>	<b>438</b>	<b>438</b>

**(b) Lease liabilities**

The following table presents liabilities under leases (Refer to note 16):

	<b>2024</b>	<b>2023</b>
<b>Consolidated and parent</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at 1 July	448	656
Additions	334	106
Remeasurement	(1)	15
Interest expenses	23	20
Payments	(304)	(349)
<b>Balance at 30 June</b>	<b>500</b>	<b>448</b>

The following amounts were recognised in the Statement of Comprehensive Income during the year in respect of leases where the EPA is the lessee.

	<b>2024</b>	<b>2023</b>
<b>Consolidated and parent</b>	<b>\$'000</b>	<b>\$'000</b>
Depreciation expense of right-of-use assets	279	329
Interest expense on lease liabilities	23	20
Expense relating to short-term leases	14	-
<b>Total amount recognised in the Statement of Comprehensive Income</b>	<b>316</b>	<b>349</b>

The EPA had total cash outflows for leases of \$0.30 million in March 24 (FY2022-23: \$0.35 million).

## **11. Leases (continued)**

### **Recognition and measurement**

The EPA assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The EPA recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

#### **(i) Right-of-use assets**

The EPA recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability (Refer ii below), adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

The right-of-use assets are subsequently measured at cost. They are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Motor vehicles and other equipment 2 to 5 years

If ownership of the leased asset transfers to the EPA at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The amount assessed for impairment in FY2023-24 is nil (FY2022-23: Nil).

#### **(ii) Lease liabilities**

At the commencement date of the lease, the EPA recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable
- variable lease payments that depend on an index or a rate
- amounts expected to be paid under residual value guarantees
- exercise price of a purchase options reasonably certain to be exercised by the EPA
- payments of penalties for terminating the lease, if the lease term reflects the EPA exercising the option to terminate.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the EPA's leases, the lessee's incremental borrowing rate is used, being the rate that the EPA would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The EPA's lease liabilities are included in borrowings (Refer to note 16).

#### **(iii) Short-term leases and leases of low-value assets**

The EPA applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term



## 12. Intangible assets

	Software \$'000	Capital works in progress \$'000	Total \$'000
<b>Consolidated and parent</b>			
<b>At 1 July 2022 - fair value</b>			
Cost (gross carrying amount)	28,817	4,218	33,035
Accumulated amortisation and impairment	(14,539)	-	(14,539)
<b>Net carrying amount</b>	<b>14,278</b>	<b>4,218</b>	<b>18,496</b>
<b>Year ended 30 June 2023</b>			
Net carrying amount at start of year	14,278	4,218	18,496
Additions	2,944	1,933	4,877
Disposals	(439)	(300)	(739)
Transfer from work in progress	2,204	(2,204)	-
Amortisation (recognised in 'depreciation and amortisation')	(3,504)	-	(3,504)
<b>Net carrying amount</b>	<b>15,483</b>	<b>3,647</b>	<b>19,130</b>

	Software \$'000	Capital works in progress \$'000	Total \$'000
<b>Consolidated and parent</b>			
<b>At 1 July 2023 - fair value</b>			
Cost (gross carrying amount)	31,065	3,647	34,712
Accumulated amortisation and impairment	(15,582)	-	(15,582)
<b>Net carrying amount</b>	<b>15,483</b>	<b>3,647</b>	<b>19,130</b>
<b>Year ended 30 June 2024</b>			
Net carrying amount at start of year	15,483	3,647	19,130
Additions	161	5,566	5,727
Disposals	(10)	-	(10)
Transfer from work in progress	372	(372)	-
Transfer between asset classes		(69)	(69)
Amortisation (recognised in 'depreciation and amortisation')	(4,116)	-	(4,116)
<b>Net carrying amount</b>	<b>11,890</b>	<b>8,772</b>	<b>20,662</b>
<b>At 30 June 2024 - fair value</b>			
Cost (gross carrying amount)	30,956	8,772	39,728
Accumulated amortisation and impairment	(19,066)	-	(19,066)
<b>Net carrying amount</b>	<b>11,890</b>	<b>8,772</b>	<b>20,662</b>

### Recognition and measurement

The EPA recognises intangible assets only if it is probable that future economic benefit will flow to the EPA and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition. Following initial recognition, intangible assets are subsequently measured at fair value only if there is an active market. If there is no active market for the EPA's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

### Software

The useful lives of software assets are assessed to be finite.

The EPA's software assets are amortised using the straight-line method over a period ranging 4-10 years. Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

### 13. Fair value measurement of non-financial assets

#### Fair value measurement and hierarchy

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the EPA categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 – quoted (unadjusted) prices in active markets for identical assets/liabilities that the EPA can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

The EPA recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Refer to note 25 for further disclosures regarding fair value measurements of financial assets.

#### (a) Fair value hierarchy

<b>Consolidated and parent 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Property, plant and equipment (note 10)				
Buildings	-	-	5,805	5,805
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,805</b>	<b>5,805</b>

<b>Consolidated and parent 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Property, plant and equipment (note 10)				
Buildings	-	-	5,740	5,740
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,740</b>	<b>5,740</b>

There were no transfers between Level 1 or 2 during the current year or prior year.

#### (b) Valuation techniques, inputs and processes

##### Highest and best use

Non-financial assets are valued on a highest and best use basis.

##### Level 3 measurements

EPA non-financial assets, classed as Level 3, in the fair value hierarchy are valued using a cost approach given that their use is specialised in nature, and they are not actively traded in the marketplace.

<b>Type (Level 3)</b>	<b>Valuation technique</b>	<b>Inputs</b>	<b>Relationship of unobservable inputs to fair value</b>
Buildings	Current replacement cost (CRC) approach	<ul style="list-style-type: none"> <li>• Current construction cost estimates as published in Rawlinson's Handbook and the Australian Quantity of Surveyors Institute</li> <li>• actual comparable construction costs</li> <li>• Index factors from the published Rawlinson's Handbook and the Australian Bureau of Statistics</li> <li>• gross floor area and total and remaining useful life. The greater the area and the better the condition of the building, the higher will be the value.</li> </ul>	The valuer has determined the fair value of buildings by assessing the replacement cost and making appropriate adjustments for age, condition and functional and technical obsolescence. So, the higher the unit cost rate the higher the fair value or the older or the poorer the condition, the lower the fair value. During the revaluation process, the valuer physically inspected the Environmental Science Facility.

13. Fair value measurement of non-financial assets (continued)

(c) Reconciliation of recurring Level 3 fair value measurements

	Buildings \$'000	Total recurring Level 3 fair value \$'000
<b>Consolidated and parent 2024</b>		
Fair value as at 1 July 2023	5,740	5,740
Revaluations	231	231
Depreciation	(166)	(166)
<b>Fair value as at 30 June 2024</b>	<b>5,805</b>	<b>5,805</b>

	Buildings \$'000	Total recurring Level 3 fair value \$'000
<b>Consolidated and parent 2023</b>		
Fair value as at 1 July 2022	4,270	4,270
Revaluations	1,629	1,629
Depreciation	(159)	(159)
<b>Fair value as at 30 June 2023</b>	<b>5,740</b>	<b>5,740</b>

14. Restricted assets

	Consolidated		Environment Protection Authority	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Current</b>				
Contributions	9,945	8,782	9,945	8,782
<b>Total restricted cash</b>	<b>9,945</b>	<b>8,782</b>	<b>9,945</b>	<b>8,782</b>

The above amounts are recognised as restricted assets as there are specific legislative or contractual conditions associated with the use of these funds.

**15. Current liabilities – payables**

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Accrued salaries, wages and on-costs	3,344	2,868	-	-
Creditors	34,542	37,295	34,542	37,295
Payable to the EPA Staff Agency	-	-	3,344	2,868
<b>Total current payables*</b>	<b>37,886</b>	<b>40,163</b>	<b>37,886</b>	<b>40,163</b>

\*For the 2023 comparative, unearned income has been reallocated to Note 18 Current liabilities – other.

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed in note 24.

**Recognition and measurement**

Payables represent liabilities for goods and services provided to the EPA and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Payables are financial liabilities at amortised cost, initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the net result when the liabilities are derecognised as well as through the amortisation process.

**16. Current / non-current liabilities – borrowings**

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current				
Lease liability	225	243	225	243
<b>Total current borrowings</b>	<b>225</b>	<b>243</b>	<b>225</b>	<b>243</b>

Non-Current				
Lease liability	275	205	275	205
<b>Total non-current borrowings</b>	<b>275</b>	<b>205</b>	<b>275</b>	<b>205</b>

Details regarding liquidity risk, including a maturity analysis of the above payables are disclosed in note 24.

**Recognition and measurement**

Borrowing represents interest-bearing lease liabilities.

**Financial liabilities at amortised cost**

Borrowings classified as financial liabilities at amortised cost are initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in net result when the liabilities are derecognised as well as through the amortisation process.

16. Current / non-current liabilities – borrowings (continued)

Changes in liabilities arising from financial activities

	Leases \$'000	Total liabilities from financing activities \$'000
1 July 2022	656	656
Cash flows	(349)	(349)
New leases	121	121
Interest expenses	20	20
<b>30 June 2023</b>	<b>448</b>	<b>448</b>
Cash flows	(304)	(304)
New leases	333	333
Interest expenses	23	23
<b>30 June 2024</b>	<b>500</b>	<b>500</b>

17. Current / non-current liabilities – provisions

	Consolidated		Environment Protection Authority	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Current</b>				
Restoration costs	119	18	119	18
<b>Employee benefits and related on-costs</b>				
Annual leave	11,223	9,097	-	-
Annual leave on-costs	1,988	1,444	-	-
Long-service leave on-costs*	3,854	3,392	-	-
Payable to the EPA Staff Agency	-	-	17,065	13,933
<b>Total current provisions</b>	<b>17,184</b>	<b>13,951</b>	<b>17,184</b>	<b>13,951</b>

<b>Non-current</b>				
Restoration costs	772	1,045	772	1,045
Storage costs	1,122	679	1,122	679
<b>Employee benefits and related on-costs</b>				
Long-service leave on-costs*	428	336	-	-
Payable to the EPA Staff Agency	-	-	428	336
<b>Total non-current provisions</b>	<b>2,322</b>	<b>2,060</b>	<b>2,322</b>	<b>2,060</b>
<b>Total provisions</b>	<b>19,506</b>	<b>16,011</b>	<b>19,506</b>	<b>16,011</b>

<b>Aggregate employee benefits and related on-costs</b>				
Provisions - current	17,065	13,933	-	-
Provisions - non-current	428	336	-	-
Accrued salaries, wages and on-costs (Note 15)	3,344	2,868	-	-
Payable to the EPA Staff Agency	-	-	20,837	17,137
	<b>20,837</b>	<b>17,137</b>	<b>20,837</b>	<b>17,137</b>

\*The EPA's liabilities for long service leave are assumed by the Crown. However, the EPA has an obligation to meet the long service related on-costs.

**17. Current / non-current liabilities – provisions (continued)**

**Movements in provisions (Other than employee benefits)**

Movements in provision for restoration costs during the financial year are set out below:

	Consolidated					
	2024 \$'000			2023 \$'000		
	Restoration costs	Storage costs	Total	Restoration costs	Storage costs	Total
<b>Carrying amount at 1 July</b>	1,063	679	1,742	497	-	497
Additional provisions recognised	-	443	443	494	679	1,173
Unwinding/change in the discount rate	(153)	-	(153)	72	-	72
Unused amounts reversed	(19)	-	(19)	-	-	-
<b>Carrying amount at 30 June</b>	<b>891</b>	<b>1,122</b>	<b>2,013</b>	<b>1,063</b>	<b>679</b>	<b>1,742</b>

	Environment Protection Authority					
	2024 \$'000			2023 \$'000		
	Restoration costs	Storage costs	Total	Restoration costs	Storage costs	Total
<b>Carrying amount at 1 July</b>	1,063	679	1,742	497	-	497
Additional provisions recognised	-	443	443	494	679	1,173
Unwinding/change in the discount rate	(153)	-	(153)	72	-	72
Unused amounts reversed	(19)	-	(19)	-	-	-
<b>Carrying amount at 30 June</b>	<b>891</b>	<b>1,122</b>	<b>2,013</b>	<b>1,063</b>	<b>679</b>	<b>1,742</b>

**Recognition and measurement**

**Salaries and wages, annual leave and sick leave, paid parental leave**

Salaries and wages (including non-monetary benefits) and paid sick leave, expected to be settled wholly within 12 months after the year employees render the service, are recognised and measured at the undiscounted amounts of the benefits.

Annual leave not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service, is to be measured at present value in accordance with AASB 119 *Employee Benefits*.

Actuarial advice obtained by Treasury has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (Calculated using 8.4% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The EPA has assessed the actuarial advice based on its circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the EPA does not expect to settle the liability within 12 months as the EPA does not have an unconditional right to defer settlement.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be materially greater than the benefits accrued in the future.

Paid parental leave provision is recognised if the accumulating paid absences are material. The entitlement accumulates for up to 24 months. Both parents can access up to 14 weeks of paid parental leave and 2 weeks of bonus parental leave.

**Long service leave and superannuation**

The EPA's liabilities for long service leave and defined benefit superannuation are assumed by the Crown. The EPA accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown of employee benefits and other liabilities'.

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using Commonwealth Government bond rate at the reporting date.

The superannuation expense for the financial year is determined using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes, (i.e., Basic Benefit and First State Super) is calculated as a percentage of the employee's salary. For other superannuation schemes (i.e., State Superannuation Scheme and State Authorities Superannuation Scheme) the expense is calculated as a multiple of the employee's superannuation contributions.

## Environment Protection Authority

### Notes to the financial statements

For the year ended 30 June 2024

#### 17. Current / non-current liabilities – provisions (continued)

##### Recognition and measurement (continued)

##### Long service leave and superannuation (continued)

##### Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

##### Other provisions

Provisions are recognised when EPA has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. When the EPA expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented net of any reimbursement in the Statement of Comprehensive Income.

If the effect of the time value of money is material, provisions are discounted at 3.98% (2023: 3.79%), which is a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time (i.e., unwinding of discount rate) is recognised as a finance cost.

#### 18. Current liabilities – other

	Consolidated		Environment Protection Authority	
	2024 \$'000	2023* \$'000	2024 \$'000	2023* \$'000
Unearned revenue	3,066	1,284	3,066	1,284
<b>Total current other</b>	<b>3,066</b>	<b>1,284</b>	<b>3,066</b>	<b>1,284</b>

\*The 2023 comparative has been reallocated from current liabilities – payables.

Unearned revenue represents revenue already received for an environmental monitoring scheme that relates to future years.

**Environment Protection Authority**  
**Notes to the financial statements**  
For the year ended 30 June 2024

**19. Equity**

**Revaluation surplus**

The revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. This accords with EPA policy on the revaluation of property, plant and equipment as discussed in note 10.

**Accumulated funds**

The category 'Accumulated funds' includes all current and prior year retained funds.

**Increase / Decrease in Net Assets from Equity Transfers**

	Consolidated		Environment Protection Authority	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Liabilities</b>				
<b>Current liabilities</b>				
Payables	26	-	-	-
Provisions	178	-	-	-
Payable to the EPA Staff Agency	-	-	204	-
<b>Increase in Total current liabilities</b>	<b>204</b>	<b>-</b>	<b>204</b>	<b>-</b>
<b>Decrease in Net Assets</b>	<b>(204)</b>		<b>(204)</b>	
<b>Equity</b>				
Accumulated funds	(204)	-	(204)	-
<b>Decrease in Total equity</b>	<b>(204)</b>	<b>-</b>	<b>(204)</b>	<b>-</b>

Refer to note 1(a) for details of administrative changes that took effect 1 January 2024.

**Recognition and measurement**

The transfer of net assets between entities as a result of an administrative restructure, transfers of programs/functions and parts thereof between NSW public sector entities and 'equity appropriations' are designated or required by the Accounting Standards to be treated as contributions by owners and recognised as an adjustment to 'Accumulated funds'. This treatment is consistent with AASB 1004 *Contributions* and *Australian interpretation* and AASB 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

Transfers arising from an administrative restructure involving not-for-profit and for-profit government entities are recognised at the amount at which the assets and liabilities were recognised by the transferor immediately prior to the restructure, in most instances this will be approximate fair value.

**20. Commitments**

	2024 \$'000	2023 \$'000
<b>Consolidated and parent</b>		
<b>Capital commitments</b>		
Aggregate capital expenditure for the acquisition of plant and equipment contracted for at balance date and not provided for:		
Not later than one year	1,490	410
<b>Total (including GST)</b>	<b>1,490</b>	<b>410</b>



## **21. Contingent liabilities and contingent assets**

### **Contingent liabilities**

#### Non-current liabilities

It is probable that the EPA will incur a cash outflow in the storage of items at the EPA's Environmental Science facility (ESF). Refer Note 17 for the provision related to the ESF.

### **Contingent assets**

The EPA has no contingent assets as at 30 June 2024.

## **22. Budget review**

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget, e.g., adjustment for transfer of budget between entities are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the financial statements are explained below.

**Net Result:** Actual Net result of \$1.4 million deficit against the budget deficit of \$1.6 million, variance of \$0.2 million.

Total expenses were lower than budget by \$106 million explained mainly by other operating expenses being \$56 million lower than budget. This was due to an underspend in flood programs under the NSW Natural Disasters Framework (the framework). Under the framework, any funding not used is returned to the NSW Reconstruction Authority who manage the delivery of the framework. Grant and subsidies expense was \$44 million lower than budget. This was due to delays in the Waste and Sustainable Materials (WaSM) programs, \$11 million, and the flood and bushfire programs, \$32 million, caused by factors outside of the EPA's control such as delays in delivery of certain flood and bushfire recovery programs caused by subsequent floods impacting the same area which delayed works to be performed on the flood projects in that area. EPA will complete these works in FY25.

Total revenue is lower than budget by \$106 million. The lower than budget revenue is reflective of the expenditure explanation above.

**Net Assets:** Actual Net Assets of \$25.9 million against the budget of \$25.1 million, a variance of \$0.8 million.

Net assets are higher than budget mainly due to increased assets \$4.4m million arising from a higher level of cash \$26.8 million due to improved receipts from outstanding receivables existing at the end of 2023. The improvement of outstanding receivables was mainly due to the high balance of flood project claims outstanding in 2023, that were received during the year under review. The Liabilities increased by \$3.6 million driven by an increase in current provisions \$3.2 million relating mainly to employee leave provisions due to increased staff numbers and wage increases.

**Cash flow:** Closing Cash and Cash Equivalents \$41.8 million against a budget of \$15.0 million a variance of \$26.8 million. Total payments were lower than budget by \$95.5 million due to other operating payments \$46.5 million, grants and subsidies \$44.5 million and employee related payments \$4.4 million, which reflects the operating results as there was an underspend on project related operations. Total receipts were lower than budget by \$71.9 million mainly due to lower grants received \$85.8 million offset in part by higher receipts from sales of goods and services/retained taxes/other receipts \$11.6 million. Net cashflows from investing activities was \$3 million favourable than budget due to lower capital expenditure during the year \$3.4 million.

**23. Reconciliation of cash flows from operating activities to net result**

	Consolidated		Environment Protection Authority	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Net cash used on operating activities	27,873	(9,448)	27,873	(9,448)
Depreciation and amortisation	(4,951)	(4,426)	(4,951)	(4,426)
Gain/(loss) on disposal of asset	(202)	(744)	(202)	(744)
Increase/(decrease) in receivables	(21,264)	9,456	(21,264)	9,456
Decrease/(increase) in provisions	(3,444)	(544)	(3,444)	(544)
Decrease/(increase) in creditors	2,277	(5,235)	2,277	(5,235)
Decrease/(increase) in contract liabilities	138	(6)	138	(6)
Decrease/(increase) in other liabilities	(1,782)	847	(1,782)	847
<b>Net result</b>	<b>(1,355)</b>	<b>(10,100)</b>	<b>(1,355)</b>	<b>(10,100)</b>

**24. Administered assets, liabilities and income**

	2024	2023
	\$'000	\$'000
<b>Administered Items</b>		
<b>Administered assets</b>		
Receivables	133,731	123,846
Allowance for impairment	(41,524)	(50,215)
Cash	961	1,375
<b>Total administered assets</b>	<b>93,168</b>	<b>75,006</b>
<b>Administered liabilities</b>		
Payables	961	1,375
<b>Total administered liabilities</b>	<b>961</b>	<b>1,375</b>
<b>Administered income</b>		
Pollution licences and approvals	30,186	35,010
Waste-related levies and fees	865,892	900,329
Coal wash levy	5,552	14,027
Waste levy rebates	(21,678)	(41,196)
Fines	1,032	1,110
<b>Total administered income</b>	<b>880,984</b>	<b>909,280</b>
Impairment gains/ (losses)	8,692	(20,951)
<b>Total impairment gains/ (losses)</b>	<b>8,692</b>	<b>(20,951)</b>

The above receipts were collected by the EPA on behalf of the Crown in right of the State of New South Wales. The receipts relate to the waste levy payable by waste facilities under the Protection of the Environment Operations Act. The levy is calculated on a rate per tonne for different types of waste. Waste disposed is recorded and reported by the waste facility operator and the EPA calculates the levy and invoices the operator. Controls and compliance activities undertaken include independent site audits, review of volumetric surveys, use of anti-illegal dumping activities and covert surveillance are used to monitor the site activities and self-reported data of the waste facility operators. The total value of receipts transferred to Treasury for the year was \$871,513.

These items are not included in the EPA's Statement of Financial Position nor the Statement of Comprehensive Income. They are brought to account as revenue in the Treasurer's Public Accounts.

As EPA manages and administers this revenue, the accounting policies for management of receivables of the EPA also applies to administers debtors. Accordingly refer notes 8 and 25 for EPA's accounting policies, financial instrument and credit risk information.

**25. Financial instruments**

The EPA's principal financial instruments are outlined below. These financial instruments arise directly from the EPA's operations or are required to finance these operations. The EPA does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The EPA's main risks arising from financial instruments are outlined below, together with the EPA's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The EPA Board and Chief Executive Officer have overall responsibility for the establishment and oversight of risk management. Risk management policies are established to identify and analyse the risks faced by the EPA, set risk limits and control and monitor risks. Compliance with policies is reviewed by the Audit and Risk Committee and internal auditors on a periodic basis.

**(a) Financial instrument categories**

**Consolidated and parent**

<b>Financial Assets</b>	<b>Note</b>	<b>Category</b>	<b>Carrying Amount 30 June 2024 \$'000</b>	<b>Carrying Amount 30 June 2023 \$'000</b>
<b>Class:</b>				
Cash and cash equivalents	7	Amortised cost	41,810	20,269
Receivables <sup>1</sup>	8	Amortised cost	15,070	36,329
<b>Financial Liabilities</b>	<b>Note</b>	<b>Category</b>	<b>Carrying Amount 30 June 2024 \$'000</b>	<b>Carrying Amount 30 June 2023 \$'000</b>
<b>Class:</b>				
Payables <sup>2</sup>	15	Amortised cost	37,886	40,163
Borrowings	16	Amortised cost	500	448

**Notes:**

1. Excludes GST receivables and prepayments (i.e., not within scope of AASB 7).
2. Excludes GST payables and unearned revenue (i.e., not within scope of AASB 7).

**(b) Derecognition of financial assets and financial liabilities**

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire or the EPA transfers the financial asset:

- where the EPA has substantially transferred all the risks and rewards; or
- where the EPA has not transferred substantially all the risks and rewards and the EPA has not retained control.

**24. Financial instruments (continued)**

**(c) Financial risks**

**i. Credit risk**

Credit risk arises when there is the possibility that the counterparty will default on their contractual obligations, resulting in a financial loss to the EPA. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the EPA, including cash and receivables. No collateral is held by the EPA. The EPA has not granted any financial guarantees.

**Cash and cash equivalents**

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances of specified restricted cash at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to NSW Treasury.

**Accounting policy for impairment of trade receivables**

**Receivables - trade and other debtors**

Collectability of trade receivables is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand.

The EPA applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on historical observed loss rates—affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments for a period of greater than 90 days past due.

The loss allowance for trade debtors as at 30 June 2024 and 30 June 2023 was determined as follows:

<b>Consolidated and parent 30 June 2024</b>	<b>Current \$'000</b>	<b>&lt;30 days \$'000</b>	<b>30-60 days \$'000</b>	<b>61-90 days \$'000</b>	<b>&gt;91 days \$'000</b>	<b>Total \$'000</b>
Expected credit loss rate	-	-	-	-	95.6%	
Estimated total gross carrying amount	7,232	-	59	172	8,451	15,914
<b>Expected credit loss</b>	-	-	-	-	8,076	8,076
<b>Consolidated and parent 30 June 2023</b>	<b>Current \$'000</b>	<b>&lt;30 days \$'000</b>	<b>30-60 days \$'000</b>	<b>61-90 days \$'000</b>	<b>&gt;91 days \$'000</b>	<b>Total \$'000</b>
Expected credit loss rate	-	-	-	-	96.3%	
Estimated total gross carrying amount	6,453	102	173	1	8,061	14,790
<b>Expected credit loss</b>	-	-	-	-	7,763	7,763

**Notes:** the analysis is calculated based on trade debtors only (excluding accrued income and statutory receivables, as these are not within the scope of AASB 7). The total will therefore not reconcile with the receivables total in note 8.

The EPA is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors.

**24. Financial instruments (continued)**

**(c) Financial risks (continued)**

**ii. Liquidity risk**

Liquidity risk is the risk that the EPA will be unable to meet its payment obligations when they fall due. The EPA continuously manages risk through monitoring future cash flows to ensure adequate holding of high-quality liquid assets. The objective is to maintain a balance between continuity of funding.

The EPA's exposure to liquidity risk is deemed insignificant, based on data from prior periods and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11-12.

For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the head of an authority (or a person appointed by the head of an authority) may automatically pay the supplier simple interest. There was no interest paid during the period (2023: nil).

The table below summarises the maturity profile of the EPA's financial liabilities, together with the interest rate exposure.

<b>Consolidated and Parent</b>		<b>\$'000</b>						
		<b>Interest Rate Exposure</b>				<b>Maturity Dates</b>		
	<b>Weighted average effective interest rate</b>	<b>Nominal amount<sup>1</sup></b>	<b>Fixed Interest Rate</b>	<b>Variable Interest Rate</b>	<b>Non-interest bearing</b>	<b>&lt; 1 yr</b>	<b>1 - 5 yrs</b>	<b>&gt; 5 yrs</b>
<b>2024</b>								
Payables	N/A	37,886	-	-	37,886	37,886	-	-
Borrowings	5.89%	500	29	-	-	238	291	-
		<b>38,386</b>	<b>29</b>	<b>-</b>	<b>37,886</b>	<b>38,124</b>	<b>291</b>	<b>-</b>
<b>2023</b>								
Payables	N/A	40,163	-	-	40,163	40,163	-	-
Borrowings	4.50%	448	20	-	-	254	214	-
		<b>40,611</b>	<b>20</b>	<b>-</b>	<b>40,163</b>	<b>40,417</b>	<b>214</b>	<b>-</b>

1. The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the EPA can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the Statement of Financial Position.

**iii. Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The EPA has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variables is outlined in the information below for interest rate risk and other price risk. A reasonably possible change in risk variables has been determined after taking into account the economic environment in which the EPA operates and the timeframe for the assessment (i.e., until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the Statement of Financial Position date. The analysis is performed on the same basis as for 2023. The analysis assumes that all other variables remain constant.

**24. Financial instruments (continued)**

**(c) Financial risks (continued)**

**iv. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to interest rate risk arises primarily through the entity's interest-bearing liabilities.

The EPA does not account for any fixed-rate financial instruments at fair value through profit or loss. Therefore, for these financial instruments, a change in interest rates would not affect the carrying value or interest paid/earned. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The EPA's exposure to interest rate risk is set out below.

<b>Consolidated and Parent</b>	<b>Carrying amount \$'000</b>	<b>-1% Profit \$'000</b>	<b>Equity \$'000</b>	<b>+1% Profit \$'000</b>	<b>Equity \$'000</b>
<b>2024</b>					
<b>Financial liabilities</b>					
Borrowings	500	5	5	(5)	(5)
<b>2023</b>					
<b>Financial liabilities</b>					
Borrowings	448	4	4	(4)	(4)

**(d) Fair value measurement**

**i. Fair value compared to carrying amount**

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. Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the Statement of Financial Position approximates fair value because of the short-term nature of the financial instruments.

## 26. Related party disclosures

The EPA's key management personnel compensation are as follows:

	Consolidated		Environment Protection Authority	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Short-term employee benefits*	2,528	3,125	841	798
Post-employment benefits	213	241	-	-
Termination benefits	1,099	191	76	61
<b>Total remuneration</b>	<b>3,840</b>	<b>3,557</b>	<b>917</b>	<b>859</b>

\*The Prior year has been restated to separate post-employment benefits and termination benefits out of short-term employee benefits.

During the year, the EPA incurred \$1.8 million (2023: \$2.5 million) of key management personnel services that are provided by the EPA Staff Agency.

During the year, there are no material related party transactions between the EPA and the key management personnel, their close family members and controlled or jointly controlled entities thereof.

During the year, the EPA entered into transactions with other agencies that are controlled/jointly controlled/significantly influenced by the NSW Government. These transactions (incurred in the normal course of business) in aggregate are a significant portion of the EPA's revenue and expenses, and the nature of these significant transactions are detailed below:

Government Entity	Nature of Transaction
NSW Reconstruction Authority	Funding received for Environmental Services
Office of Energy and Climate Change	Funding received for Environmental Services
Department of Regional NSW	Funding received for Environmental Services
Transport for NSW	Funding received for Environmental Services
Department of Planning Housing and Infrastructure	Payments for IT, finance, property, payroll, procurement and other services
Department of Planning and Environment	Payments for IT, finance, property, payroll, procurement, scientific and other services
Property and Development NSW	Payments for property services
Department of Climate Change, Energy, Environment and Water	Payments for scientific and other services
Office of Energy and Climate Change	Payments for Environmental Services

## Environment Protection Authority

### Notes to the financial statements

For the year ended 30 June 2024

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#### 27. Special Deposit Accounts

The EPA has the following four Special Deposit Accounts (SDA's) which are controlled by the EPA. The results of these SDA's are aggregated into the results of the EPA in the financial statements of the EPA.

Name of the Fund	Environment Protection Authority Fund
Purpose of the Fund	<p>The purpose of the SDA is to receive and pay out of the fund monies prescribed under the S34 of the <i>Protection of the Environment Administration Act 1991</i> (POEA Act).</p> <p>Payment into the funds include any fees with respect to environment protection licences, including fees for applications made for or with respect to those licences and annual licence fees (other than load-based fees), associated interest and penalties.</p> <p>Payment out of the fund includes monies required by the EPA for the purposes of carrying out the functions of the EPA.</p>
Applicable Legislation	Section 34A of the <i>Protection of the Environment Administration Act 1991</i>

Name of the Fund	Tradeable Emission Schemes Fund
Purpose of the Fund	Payment into the fund includes contributions paid by participants in a tradeable emission scheme. Monies paid out of the fund include costs of management and administration of tradeable emission schemes.
Applicable Legislation	Section 295I, <i>Protection of the Environment Operations Act 1997</i>

Name of the Fund	Green Offsets Fund
Purpose of the Fund	Payment into the fund includes all contributions for green offset schemes paid by the holders of licences. Monies paid out of the fund include the costs of green offset schemes, including management and administration of schemes.
Applicable Legislation	Section 295U, <i>Protection of the Environment Operations Act 1997</i>

Name of the Fund	Environmental Monitoring Fund
Purpose of the Fund	Payment into the fund includes any environmental monitoring levy paid by a licence holder and money advanced by the Treasurer for payment into the Fund. Monies paid out of the fund include the costs of environmental monitoring programs.
Applicable Legislation	S 295ZA, <i>Protection of the Environment Operations Act 1997</i>

#### 28. Events after the reporting period

There are no other known events that would impact on the state of the EPA or have a material impact on the financial statements.

**End of audited financial statements.**





## INDEPENDENT AUDITOR'S REPORT

Environment Protection Authority

To Members of the New South Wales Parliament

### Opinion

I have audited the accompanying financial statements of the Environment Protection Authority (the EPA), which comprise the Statement by the Accountable Authority, the Statement of Comprehensive Income for the year ended 30 June 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, notes comprising a Statement of Material Accounting Policies and other explanatory information of the EPA and the consolidated entity. The consolidated entity comprises the EPA and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2024* (GSF Regulation) and the Treasurer's Directions
- presents fairly the EPA's financial position, financial performance and cash flows of the EPA and the consolidated entity.

My opinion should be read in conjunction with the rest of this report.

### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the EPA in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

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

### Other Information

The EPA's annual report for the year ended 30 June 2024 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Chief Executive Officer is responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the draft annual report.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

### **Chief Executive Officer's Responsibilities for the Financial Statements**

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and Treasurer's Directions. The Chief Executive Officer's responsibility also includes such internal control as the Chief Executive Officer determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the EPA's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the EPA carried out its activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Susan Prichard  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

10 October 2024  
SYDNEY

## Glossary

**Aboriginal Peoples Knowledge Group:** An independent advisory body established by the EPA to ensure that its recommendations, guidance, advice and nurturing, allow for truth-telling and the best possible outcomes for Country and the health of the Community. It operates with autonomy, free from direct control or influence of the EPA.

**Asbestos:** The fibrous form of those mineral silicates that belong to the serpentine or amphibole groups of rock-forming minerals including; actinolite, amosite (brown asbestos), anthophyllite, chrysotile (white asbestos), crocidolite (blue asbestos) and tremolite and includes any items made from or containing asbestos such as sheeting, roofing, lagging or pipes.

**Audit:** A tool to monitor compliance and/or best practice with licence, code or approval conditions and legislative requirements. The EPA uses both compliance and environmental audits as part of its regulatory process.

**Audit and Risk Committee:**

A subcommittee of the EPA Board. The Audit and Risk Committee (ARC) provides assurance to the Board that the EPA has effective and efficient systems, policies and processes in place to manage its risk.

**Bin Trim Program:** A free EPA program that helps NSW businesses maximise their recycling and minimise landfill waste.

**Biosolids:** The organic product that results from sewage treatment processes (sometimes referred to as sewage sludge).

**Bust the Dust:** EPA campaign that aims to tackle excessive dust levels at Hunter Valley coal mines.

**Carbon Neutral Working Group:**

A group of volunteers developing strategies and action plans to reduce the organisation's carbon emissions.

**Caring for Country:** Holistic, spiritual and ancestral knowledges and practices of Aboriginal people that ensure the health of the NSW environment and people, including communities, land, water, air, and plant and animal species. Caring for Country protects vital spiritual and cultural connections for Aboriginal Peoples.

**CFO:** Chief Financial Officer

**Circular economy:** Designing, making and selling products in a way that minimises waste, recovers resources for reuse, and reduces products' environmental impact.

**Clean-up notice:** A notice requiring a person to take specified clean-up action under section 91 of the POEO Act when it is reasonably suspected that a pollution incident, as defined in the Act, has occurred or is occurring.

**Climate-related financial disclosure:** A report that outlines the financial risks and opportunities associated with climate change in line with the framework by the Task Force on Climate-related Financial Disclosures. It considers how climate-related factors such as extreme weather events or environmental regulations can impact the organisation's operations, assets and financial performance.

**Code:** A practical guide (which may be legislated in a regulation) that sets out the requirements for achieving certain standards; for example, in relation to the construction of buildings and infrastructure.

**Community Recycling Centres:** Permanent drop-off centres for common household problem wastes that can't be collected via council kerbside waste and recycling collection services. NSW householders can drop off problem wastes at these centres year-round, free of charge.

**Compliance:** Meeting the environmental standards and protections as set out by licence, code or approval under the appropriate Act or Regulation that the EPA administers.

**Contaminated land:** Land that has been used for industrial, agricultural, waste disposal or other purposes, leading it to contain substances in soil or groundwater that are potentially harmful to human health or the environment.

**Contaminated land management:** The approach to managing contaminated land to prevent harm to human health and the environment. Depending on the type and extent of the contamination, it may include investigation, containment of the contamination, removal and treatment of soil and ongoing monitoring.

**Dangerous goods:** Dangerous goods are substances and objects that pose acute risks to people, animals, property and the environment due to their chemical or physical characteristics. The EPA (along with SafeWork NSW) regulates the transport of dangerous goods in NSW.

**Ecologically sustainable development:** A holistic approach to economic growth and resource management that aims to meet the present needs of society while ensuring the preservation and enhancement of natural ecosystems for future generations. It emphasises responsible use of resources, reduced environmental impact and ecological balance.

**Emerging contaminant:** Refers to a substance or compound that has been newly identified or recognised as potentially harmful to the environment or public health. These contaminants may not yet have established regulatory standards or monitoring protocols but are of growing concern due to their potential risks.

**Enforceable undertakings:** Voluntary and binding written agreements between the EPA and another party where the other party is alleged to have contravened a provision of an Act.

**Environment Line:** The EPA's contact centre. It handles general enquiries about environmental issues and takes reports of pollution for which the EPA has regulatory responsibilities.

**Environment protection licence (EPL):** A licence issued to the owners or operators of various industrial premises under the *Protection of the Environment (Operations) Act 1997*. An EPL may contain conditions that relate to preventing and monitoring pollution, recycling, reuse of materials, or the implementation of best practice.

**FOGO:** Food organics and garden organics waste.

**Inspection:** A proactive, routine or responsive site visit to check compliance with the appropriate legislation, regulations and licence conditions.

**Licence conditions:** Conditions associated with an issued licence. These include the activity or activities licensed, the scale of activity, monitoring requirements, reporting requirements, and conditions included in the general terms of approval as a result of the development assessment.

**Licensee:** A business, individual or organisation that has been granted legal permission by the EPA to engage in an activity prescribed by legislation.

**Modern slavery:** Any exploitative practice, such as human trafficking, servitude, forced labour, debt bondage and forced marriage, is a form of modern slavery. These practices are serious crimes under Australian law. The EPA takes all steps reasonable to prevent modern slavery in its procurement supply chain.

**NARClIM data:** NSW and Australian Regional Climate Modelling (NARClIM) data is a set of regional climate projections for south-east Australia and parts of Australasia. Projecting future climate on the basis of different global greenhouse gas emissions scenarios, the data is used by government and industry to prepare for the impacts of climate change.

**Notice:** A regulatory instrument used to manage compliance for a licensed or non-licensed premises or activity.

**NSW Net Zero Plan:** NSW Government approach for action on climate change and goal to reach net-zero emissions by 2050, and to deliver a 70% cut in emissions by 2035, compared to 2005 levels.

**Penalty notice:** A notice issued under legislation administered by the EPA. Penalty notices are used mainly to deal with one-off breaches that can be remedied easily.

**People Matter Employee Survey (PMES):** An annual survey run by the NSW Public Service Commission that gathers information about public servants' working life.

**PFAS:** Per- and polyfluoroalkyl substances are a group of manmade chemicals that persist in the environment. Historically, they were used in many products, including firefighting foam.

**POEA Act:** The *Protection of the Environment Administration Act 1991* established the EPA. The Act sets out the EPA's objectives, the scope of its powers and responsibilities, and how the agency will be managed.

**POEO Act:** The *Protection of the Environment Operations Act 1997* is a key piece of environmental protection legislation administered by the EPA that lists the activities that the agency can carry out and the instruments available – such as licensing, audits and legal proceedings – that help us ensure industry is managed safely and polluters can be held to account.

**Protection of the Environment Policy (PEP):** The POEO Act enables the Government to develop explicit policies to enhance protection of the environment and adopt more innovative approaches to reducing pollution. PEPs are instruments for setting environmental standards, goals, protocols and guidelines.

**Public interest disclosure:** The process for NSW public service employees to report concerns about possible misconduct or serious wrongdoing.

**Regulatory priority:** A strategic focus area or specific issue that has been identified as particularly significant for regulatory and enforcement activities during the reporting period. The priorities guide the EPA's efforts in allocating resources, implementing policies and ensuring compliance with environmental regulations to address critical environmental challenges.

**Resource recovery framework:** The policy, regulatory and compliance framework administered by the EPA to facilitate beneficial resource recovery and circular economy outcomes.

**Resource recovery:** The process of collecting or extracting valuable materials or energy from waste streams for reuse or recycling. It is aimed at minimising waste disposal and reducing environmental impact while maximising the use of resources.

**Return and Earn:** The State's container deposit scheme. The scheme operates by requiring the purchase price of eligible drinks to include a refundable deposit for the container. This deposit is refunded when the clean and empty container is presented at a return point.

**Soft Plastics Taskforce:** Taskforce formed for Australia's major supermarket retailers to collaborate to resume access to soft plastics recycling through Australian supermarkets, and processing of soft plastic stockpiles.

**Spray drift:** Agricultural chemicals that are sprayed on crops may, under some weather conditions, remain airborne and drift away from the area where they have been applied to adjacent properties or native vegetation.

**State of the Environment report:** A report prepared every three years as a requirement under section 10 of the POEA Act. The report describes the status and trends in the key environmental issues facing NSW.

**Strategic Plan 2021–24:** This document outlines our five focus areas, and the outcomes to be achieved over the three-year period. These areas are ecologically sustainable development, waste, water quality, legacy and emerging contaminants and climate change.

**Strategic Plan 2024–29:** This document supersedes the previous strategic plan. It outlines strategic choices by the EPA to achieve positive environmental and human health outcomes over the next five years and beyond. The plan also aligns the EPA's ambition for caring for Country with effective stewardship and regulation.

**Waste levy:** A weight-based charge on waste disposed as landfill in specified regulated areas of NSW.

**WHS:** Work Health and Safety.

**Youth Advisory Council:** A 12-person group that represents the diversity of young people living in NSW. Members are aged 15–22 years. They meet three times a year to discuss issues and provide advice and recommendations to the EPA on environmental issues, policies and projects that affect young people in NSW.

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