



DER Annual Review and Compliance Program

2016-17 priorities and targets

Document Control

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Purpose

The purpose of this report is to outline the Department of Environment Regulation's (DER) key review and compliance priorities for the 2016-17 financial year.

Introduction

DER undertakes environmental regulation functions, principally under the *Environmental Protection Act 1986* (EP Act), of licensing, approvals, compliance and enforcement in relation to:

- emissions and discharges;
- waste;
- noise; and
- clearing of native vegetation.

Licences and Works Approvals authorise activities that may otherwise be unlawful. DER's regulatory functions include ongoing reviews and compliance of activities to ensure that they do not pose unacceptable risks to public health or the environment.

Background

In 2016-17, DER continues to build on its regulatory reform, aimed at developing a comprehensive risk-based approach to its regulatory functions, including how compliance and enforcement activities are planned and delivered. DER's *Guidance Statement: Regulatory Principles* informs DER's regulatory functions.

Compliance and enforcement activities are consistent with DER's regulatory principles in the following key ways:

- Compliance and enforcement resources and activities will be targeted at premises or activities that present the greatest risks to public health and the environment.
- Enforcement action will be proportionate to the magnitude or seriousness of the potential or actual harm to public health or the environment, taking into account the conduct of the responsible parties.
- Compliance and enforcement decision-making should result in consistent outcomes under similar circumstances.
- Responses will be targeted, effective and proportionate to the risk to public health or the environment.

In 2016-17, DER's Annual Review and Compliance Program will deliver a multifaceted compliance approach that incorporates strategic reviews of prescribed activities or sectors, increased focus on non-prescribed activities, implementation of Environmental Standards as well as a more fluid targeted approach to prescribed premises compliance.

Increasing Transparency

In May 2016, the Department released the *Guidance Statement: Publication of Annual Audit Compliance Reports*. This document details how DER will provide greater public access to the information provided in Annual Audit Compliance Reports (AACR) submitted by licensees. DER will implement the *Guidance Statement: Publication of Annual Audit Compliance Reports* by publishing AACRs.

2016-17 Review and Compliance Programs

In 2016-17, DER will undertake review and compliance activities under ten programs:

Table 1 Programs

Program	Scope
Prescribed Premises Compliance Program	Assessing compliance with Licences and Registrations issued under Part V of the EP Act.
Works Approval Compliance Program	Assessing compliance and appropriateness of works completed under a Works Approval.
Licence Review Program	Targeted, risk-based reviews of existing prescribed premises.
Environmental Standards Implementation Program	Assessing premises transition to published Environmental Standards.
Waste Compliance Program	Assessing compliance at landfills and associated waste industries.
Controlled Waste Program	Assessing compliance with the <i>Environmental Protection (Controlled Waste) Regulations 2004</i> .
Light Industry Compliance Program	Joint program with Local Governments targeting light industrial areas.
Environmental Response Program	Includes interagency inspections targeting hazardous materials storage.
Asbestos Testing Regime Program	Assessing and validating asbestos testing regimes for recycled construction and demolition material with the <i>Guideline for Managing Asbestos at Construction and Demolition Waste Recycling Facilities</i> .
Clearing Regulation Compliance Program	Assessing compliance with clearing permits issued under Part V of the EP Act and the <i>Environmental Protection (Clearing of Native Vegetation) Regulations 2004</i> .

Prescribed Premises Compliance Program

Prescribed premises compliance inspections focus on determining whether emissions and discharges from prescribed activities are managed appropriately by the current instrument and relevant legislation, and assessing compliance with these instruments and legislation.

At the commencement of 2016-17 there were 995 active prescribed premises licences. Each premises has an assigned risk rating of high, moderate or low. There are currently 45 high risk premises, 375 moderate risk premises and 575 low risk premises holding an active licence.

In 2016-17, DER will implement a risk-based program that incorporates greater flexibility, is more responsive to emerging issues, more targeted and intelligence driven. The inspection frequency will be based upon the risk rating of a premises as provided at Table 2. However, additional factors such as compliance history and intelligence derived from complaints and incidents, emerging issues and intelligence derived from annual reports and available data sources will guide targeted risk-based compliance activity.

Table 2 Prescribed premises inspection frequencies

Prescribed premises rating	Inspection frequency
High risk premises	100 per cent per annum
Moderate risk premises	33 per cent per annum
Low risk premises	20 per cent per annum

The 2016-17 Prescribed Premises Compliance Program will inspect all high risk premises, 33 per cent of moderate risk premises and 20 per cent of low risk premises. Premises will be selected in a targeted way using the inspection frequencies in Table 2 in combination with other factors such as industry sector issues, compliance history and other emerging risks.

Works Approval Program

DER will implement a targeted inspection program of compliance of premises that complete works under Works Approvals in 2016-17. This program will assess and ensure compliance with Works Approvals prior to determination of Licence or Licence amendment applications.

Licence Review Program

This program is a newly developed compliance initiative following the development of the *Guidance Statement: Licence Duration*, which resulted in longer licence durations for prescribed premises. In some cases, prescribed premises have licence durations of up to 20 years.

This program builds on DER's existing proactive compliance activities by introducing an annual Licence Review Program. This program will target specific premises across a variety of industries within the waste, resources and process industries sectors. In addition, this program includes a strategic whole-of-industry review program, which for 2016-17 will be all ports in Western Australia.

A full risk-based review of premises will be undertaken to ensure risks remain appropriately conditioned and the instrument may be amended to reflect enforceable and contemporary regulatory practices.

Environmental Standards Implementation Program

DER anticipates publishing a number of Environmental Standards in 2016-17. DER Compliance and Enforcement resources will focus on the implementation of any Environmental Standards published within the financial year.

Waste Compliance Program

Under the Government's Waste Strategy, a dedicated waste compliance capability was established within the Department to focus on ensuring consistent performance is achieved at landfills, transfer stations and related facilities.

The Waste Compliance program examines compliance at landfill premises subject to the landfill levy and associated industries such as transfer stations and waste processing facilities. Compliance is assessed against regulatory instruments as well as landfill levy obligations and exemptions. Information obtained from inspections of associated industries is used to identify potential levy evasion practices.

Controlled Waste Compliance Program

The purpose of the *Environmental Protection (Controlled Waste) Regulations 2004* is to ensure the safe and authorised transportation of controlled waste on public roads in Western Australia.

This compliance program focuses on the obligations of controlled waste carriers, drivers, waste holders and waste facilities and includes a range of inspections. DER monitors controlled waste movements across the state using its online Controlled Waste Tracking System. Information from the monitoring is used to inform the development of the Controlled Waste Compliance Program.

In 2016-17, the Controlled Waste Compliance Program will focus on carriers, waste facilities and waste holders involved in the transport of specific waste codes recognised through compliance activities as an emerging risk, and waste facilities identified by controlled waste intelligence reports due to their volume or type of controlled waste acceptance. New carriers will also be inspected as part of proactively encouraging compliance.

Light Industry Program

The Light Industry Program involves joint inspections carried out with officers from seven Local Governments within priority catchments in the Swan-Canning River system. The inspections target light industrial premises that conduct activities that present a risk of pollution of the river systems to ensure compliance with the EP Act.

The 2016-17 program will build on the collaborative success of the 2015-16 year, with the view to targeting an increased number of industrial and commercial precincts in both metropolitan and regional areas.

Environmental Response Program

This program includes inter-agency inspections with the Department of Mines and Petroleum and the Department of Fire and Emergency Services. It focuses on the handling and storage of hazardous materials to ensure that appropriate measures are in place to prevent, minimise, mitigate and abate risks to public health and the environment in the event of a large scale emergency or incident. It also includes intelligence based reactive inspections that focus on identifying potential environmental hazards and taking action to reduce the risk of pollution.

Asbestos Testing Regime Program

In 2012, the *Guideline for Managing Asbestos at Construction and Demolition Waste Recycling Facilities* was released by the then Department of Environment Conservation. The guideline provides information on asbestos management in construction and demolition waste for recycling.

In 2016-17, the Asbestos Testing Regime Program will assess and validate the asbestos testing regimes at facilities that are recycling construction and demolition waste for sale. DER will also review the need, if any, to broaden the application of the guideline to additional categories of prescribed premises.

Clearing Regulation Program

The 2016-17 Annual Compliance Program sees the inaugural incorporation of Clearing Regulation compliance activities. A range of proactive compliance initiatives in Clearing Regulation will be undertaken as follows:

- Geospatial Analysis Program;
- Annual Return Audits; and
- Intelligence driven inspections.

Annual Compliance Program Inspection Targets

DER's inspection targets for each of the above programs are outlined in Table 3 below.

Table 3 2016-17 Inspection targets

Compliance Program	2015-16 Actual Inspections	2016-17 Inspection Targets
Prescribed Premises		
High risk premises	35	45
Moderate risk premises	209	124
Low risk premises	129	115
Total	373	284
Works Approval		
	n/a	Targeted inspection of premises with completed works under Works Approvals
Licence Review		
Resource Sector	n/a	20
Waste Sector	n/a	20
Process Sector	n/a	20
Strategic reviews (all port premises)	n/a	29
Total	n/a	89
Environmental Standard Implementation		
	n/a	As required
Waste Compliance		
Associated Industries	113	160
Waste Levy	200	152
Total	313	312

Compliance Program	2015-16 Actual Inspections	2016-17 Inspection Targets
Controlled Waste		
	256	120
Asbestos Testing Regime		
	n/a	13
Light Industry		
	470	360
Environmental Risk Reduction		
	40	40
Clearing Regulation		
	40	40
TOTAL	1,452	1,249