

Overview



The Hon John Robertson, MLC
Minister for Climate Change and the Environment
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Minister

It is my pleasure to forward to you for presentation to the New South Wales Parliament the annual report of the Department of Environment and Climate Change (DECC), covering the period 1 July 2008 to 30 June 2009.

DECC's annual report has been prepared in accordance with the provisions of the *Annual Reports (Departments) Act 1985*, the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*. DECC consolidated financial statements received an unqualified opinion from the Auditor General.

Yours sincerely

Lisa Corbyn
Director General



Director General's review

This year's annual report covers a challenging and exciting second year for the Department of Environment and Climate Change (DECC). In the context of the global financial downturn, DECC has worked to identify opportunities to promote environmentally related jobs, reduce greenhouse gas emissions and achieve cost savings through energy and water conservation programs and build green skills to position the NSW community for the future.

It has been a year of action to:

- focus on climate change, particularly in the context of the emerging national programs
- drive energy efficiency and savings
- reform and achieve effective compliance in protecting biodiversity and native vegetation; and
- better understand visitation to our national parks, increase people's range of experiences and appreciation of their natural and cultural values, and augment fire preparedness in the face of the changing climate.

Tackling climate change

This year, we conducted a round of regional forums as input to the development of the NSW Climate Change Action Plan. Its purpose is to drive climate change action across the State and to enable us to work in partnership at both a state and regional level to adapt to the impacts of climate change.

This year we rolled-out the \$150 million Energy Efficiency Program to support householders, businesses and tradespeople to reduce their energy use and save money. We developed the successful energy savings scheme legislation, which is now being administered by IPART. We have worked in partnership with other State agencies to ensure that NSW is well-placed to capture a significant share of potential investment in renewable energy and energy saving programs. This includes creating renewable energy precincts for wind.

A healthier, cleaner environment

Our policy and regulatory actions continue to deliver improvements across the widest range of programs, covering air, water, noise, threatened species, native vegetation, pesticide use, Aboriginal cultural heritage, waste, contaminated sites, radiation, chemicals, dangerous goods and forestry. Major effort has been directed this year to revamping *Action for Air*, which has involved implementing new programs such as stage 2 vapour recovery at service stations. We also began using the recently passed amendments to the *Contaminated Land Management Act 1997* to regulate remediation of contaminated sites and we have seen major progress at sites such as Rhodes Peninsula, Hunters Hill and in Newcastle. We also completed a significant whole of government *NSW Diffuse Source Water Pollution Strategy*.

Integrated landscape management

We continued our efforts to respond to challenges and emerging issues regarding native vegetation, environmental water management for river and wetland health, threatened species, national park management and Aboriginal cultural heritage management.

The Monitoring, Evaluation and Reporting Strategy continues to drive protocols for monitoring, assessing and reporting on natural resource condition and related pressures. The strategy's performance indicators have been used to develop 13 draft regional State of the Catchment reports during 2008–09, and which will feed into the 2009 State of the Environment Report as well as be widely available to catchment management authorities and other resource managers across the state.

We have seen effective results this year from DECC's *Native Vegetation Compliance and Enforcement Strategy*, which was finalised in early 2009, and we have now released a more comprehensive Native Vegetation Report Card to provide a comprehensive picture of these results.

Our environmental water recovery program secured water entitlements in NSW to support priority wetlands in the Gwydir, Macquarie, Lachlan, Murrumbidgee and Murray valleys. The volumes purchased, in combination with other Commonwealth and State water purchases and water sharing plans, are starting to show results, even in this most severe drought.

DECC continued to work with local councils, Catchment Management Authorities, committees on biodiversity conservation and environmental groups. Actions in 2008–09 include completing the recovery plan for the koala and biodiversity management plans for the Border Ranges rainforests, the Northern Rivers and the Central Coast. The BioBanking Scheme, which aims to protect parcels of land containing high quality habitat to offset the impacts of development, has its component training and protocols in place.

In November 2008, the NSW Government supported the recommendations of the Taskforce on Tourism and National Parks in NSW, which confirmed that national parks are important nature-based tourism destinations in addition to their conservation role. DECC has continued to add more land to the reserve system in line with the National Parks Establishment Plan; has augmented programs to manage pests, weeds and fires on national parks; and worked with Aboriginal people on joint management and conserving their cultural and natural heritage. A joint management agreement between DECC and the Saltwater Tribal Council (Aboriginal Corporation) was signed off in December 2008. We have also progressed the foundation work on Building Aboriginal Community Wellbeing as part of the Two Ways Together program.

A credible and efficient organisation

DECC strongly supports its staff in delivering excellent performance, and put in place this year the new Work and Development System to enable staff to set goals for their careers.

In September 2008, DECC published its Corporate Plan 2008–2012 which sets out goals, outcomes, objectives and priorities for the period. The corporate plan informs business planning and aligns with the NSW State Plan.

In August 2008, the DECC Executive endorsed an internal sustainability action plan so we can lead by example in our own performance as an agency. It contains activities to achieve efficient resource use, reduce greenhouse gas emissions and increase sustainable purchasing. During DECC's first full year as a participant in the Sustainability Advantage program, we focused on engaging staff in the program and improving resource efficiency.

Finally, DECC provided key support and resources to Victoria during the devastating fires in February 2009. As part of the coordinated NSW response, DECC committed more than 380 staff and 49 tankers to the Victorian fire suppression and recovery effort, and we have also supported Canada to combat fires during 2009.

I would like to express my appreciation for the continued dedication and hard work shown by the staff across DECC. I would also like to acknowledge the input provided by the many members of boards, trusts and advisory committees and the many community partnerships we highly value and respect.



Lisa Corbyn
Director General



Photo: Studio Commercial.

EPA Board

The EPA Board.

Left to right: back: Bob Junor, Steve Beaman (sitting), Don White, Genia McCaffery, Gerry Bates (sitting), Tony Wright, Yvonne Stewart.

Front: Lisa Corbyn, Paul Stein, Bev Smiles.

Absent: John Keniry.

Chair's report

This year the EPA Board has continued to bring issues of environmental significance into prominent focus for the Government and the community, and has exercised its independent regulatory role on the most serious offences, particularly major cases of illegal waste dumping.

Taking a statewide and regional approach, the EPA Board focused this year on the Hunter region, on the pressures it faces from concentrated industrial and mining development as well as expanding urban development. The Board's regional meeting in April 2009 included visits to a number of prominent industrial and mining sites and identified some important issues to take up as part of its agenda.

The Board has been active in raising environment protection issues arising from coal mining in NSW. These include the need for effective environmental assessment processes to consider the broader environmental, economic and social impacts of mining on regional areas. The Board has stressed the potential cumulative impact of mining proposals, and continues to work with the Government to minimise the impacts of dust and noise on local communities and progress effective mine site rehabilitation.

An increasing number of environment protection issues require collaboration and partnership across the community, industry and government. Contamination of areas such as the former BHP Steelworks site, the Rhodes Peninsula and Homebush Bay, has presented complex historical site management issues. The Board was briefed on and acknowledges the success of DECC in working strategically with multiple landowners and the Department of Planning to progress remediation of these sites. This year's amendments to the *Contaminated Land Management Act 1995* should further assist in progressing effective remediation.

This year the Board determined, with advice from the Environmental Counsel, that the Environment Protection Authority (EPA) should institute tier one proceedings for alleged serious environment protection offences against the *Protection of the Environment (Operations) Act 1997*, related to negligent waste disposal in the Central West region of NSW.

For the completion of the case in *EPA v Kate Pal*, the Board thanks DECC staff for their skilful investigation of the negligent disposal of 90,000 tonnes of inert waste in Western Sydney. The Court treated this case with appropriate seriousness and the result will undoubtedly serve as a useful deterrent in the waste industry.

The Board provided feedback on DECC's draft enforceable undertakings policy and the increasing use of alternative sentencing options by the Courts which can offer the best possible environmental redress for breaches of EPA legislation.

In addition to the above contributions, the Board provided guidance on a wide range of Government policies and strategies to reflect a balanced, intelligent and fair consideration of community costs and benefits. This included Action for Air 2008, reviewing guidelines and policy approaches for rail and road noise, and providing feedback on the progress towards meeting the Waste Avoidance and Resource Recovery Strategy targets in 2014.

On behalf of the EPA Board, I would like to thank DECC's Director General, Lisa Corbyn, and DECC staff for their support of the work of the EPA Board, and for their commitment and dedication to the protection of our environment. I would also like to welcome Ms Bev Smiles as a new Board member and to thank Mr Peter Prineas for his intelligent and insightful contributions as a member of the Board since 1999. His extensive experience across a range of community environmental organisations, as well as experience with government agencies, was an invaluable asset to the EPA Board over many years.

Paul Stein
Chair

About DECC

Our vision

A healthy environment for life

Our values

As individual staff, as work teams and as a department we seek to:

1. Protect the environment

We understand that the health of the environment underpins our social and economic prosperity as well as the health and wellbeing of the community.

2. Recognise the rights and status of Aboriginal people

We respect the unique rights and status of Aboriginal people based on their prior and continuing occupation of the land and waters of NSW, including the right to self-determination in economic, social and cultural development. We also acknowledge the importance of connection to Country for community wellbeing.

3. Act with integrity

We are ethical, impartial and honest. We are also open, accessible and accountable to the community and each other.

4. Act professionally

We treat everyone with respect. We need to be responsive and flexible and to get things done quickly and effectively. We base our decisions on facts, analysis and community values. We encourage debate but we speak with one voice once a decision has been made.

5. Work collaboratively

We value the knowledge, skills and experience of the people we work with. We encourage teamwork and work collaboratively to achieve the best outcomes.

6. Be innovative

We bring energy and creativity to our work. We will learn and improve by questioning, challenging and thinking about the future.

Who we are

The Department of Environment and Climate Change (DECC) is the NSW Government agency responsible for developing, coordinating and delivering policy and programs to deal with environmental, climate change, sustainability, natural resources and cultural heritage issues in NSW, and managing the state's national parks and reserves.

DECC was formed to build a broad organisation to respond to the challenges presented by climate change, progress reforms in the sustainable management and regulation of the state's natural resources, and manage the state's terrestrial and marine parks and reserves, and botanic gardens.

DECC builds on the strengths and cultures of its formative agencies and combines knowledge, innovation, regulatory and field experience and science to tackle the priorities outlined in the NSW State Plan and to deliver services to the community across a broad range of environmental programs.

DECC brings together a number of well-recognised brands and legislative authorities including the Environment Protection Authority, Botanic Gardens Trust and the National Parks and Wildlife Service. DECC also administers programs on behalf of the statutory Environmental Trust, and supports the Marine Parks Authority and catchment management authorities.

In regulatory matters for environment protection, DECC acts under the powers of the statutory Environment Protection Authority (EPA). The independent EPA Board provides policy direction and approves significant prosecutions and exemptions under the *Protection of the Environment Operations Act 1997*.

DECC supports the Minister for Climate Change and the Environment in performing his or her executive and statutory functions.

What we do

DECC is responsible for protecting and conserving the environment and Aboriginal heritage, managing national and marine parks and reserves, ensuring sustainable management of natural resources including coastal environments and floodplains, and developing and coordinating programs to reduce greenhouse gas emissions in NSW and the impacts of climate change on the community. In carrying out its responsibilities, DECC administers around 50 Acts and Regulations.

DECC manages:

- climate change and greenhouse gas issues, including the Climate Change Fund
- sustainability programs, including environmental education, energy efficiency and water conservation programs, and the renewable energy policy
- air and water quality and noise control programs
- regulation of chemicals and control of contaminated sites and radiation
- programs to reduce waste, litter and illegal dumping
- national parks and reserves, including marine parks and aquatic reserves
- biodiversity, threatened species and native vegetation issues
- natural resource and catchment management policy and science issues
- environmental water recovery and management issues
- coastal and floodplain programs
- Aboriginal cultural heritage and historic sites
- botanic gardens – Sydney's Royal Botanic Gardens and Domain, Mount Annan Botanic Garden and Mount Tomah Botanic Garden.



Photo: K. Steppell.

DECC enforces regulations that protect native animals, including several species of antechinus.



Photo: N. Carfile, DECC.

Ulladulla field officers document a baiting line on Brush Island which helped in successfully eradicating rats from the island.

Our approach

1. We offer information, education and incentives to help the community's decision making, to protect and improve the environment and to understand the linkages between economic, social and environmental decisions.
2. We regulate activities using a mix of tools according to the risk these activities pose to the environment, human health or Aboriginal cultural heritage.
3. We work in partnership with people in government, business and the community, including catchment management authorities, to develop and deliver sustainable environmental and conservation solutions.
4. We respect Aboriginal culture, both traditional and contemporary, and the special relationship that Aboriginal people have with Country, and seek to incorporate their knowledge, insights, values and involvement into efforts to conserve and protect the environment.
5. We manage over 8% of NSW land for conservation, education and public enjoyment.
6. We provide facilities and services to encourage the use of parks and reserves for regional development, sustainable recreation, tourism, education and scientific purposes.
7. We contribute to public debate about solutions to environmental and conservation problems.
8. We deliver best available scientific information to support environmental and cultural heritage policy, regulation and conservation objectives.

Our work with government

DECC works collaboratively with a wide range of government agencies to deliver services to the community. DECC is represented on the Chief Executives Committee that drives the implementation of the NSW Government's service delivery priorities and public sector management, particularly in relation to the NSW State Plan. DECC is a member of the:

- Natural Resources and Environment Cluster
- Business and Economics Cluster
- Transport, Planning and Infrastructure Cluster.

Nationally, DECC contributes to the Council of Australian Governments and its working groups and Ministerial Councils, to deliver significant reforms in the areas of climate change, water, natural resource management, regulatory reform and chemicals.



Photo: K. Nowak.

DECC undertakes hazard reduction burning to protect the NSW community from the impacts of bushfires.

Our clients and stakeholders

DECC values its relationships with external stakeholders and recognises their valuable role in supporting environmental initiatives. External stakeholders include potential partners in environment protection and opinion makers inside and outside government.

DECC has established and implemented several mechanisms for public participation, to involve the community in:

- the development of legislation, policies and guidelines
- the review of environment protection licences
- the development of conservation plans
- the development of wilderness declarations
- the development of conservation agreements with a statutory authority or another minister
- practical strategies to promote sustainable living and participate in environmental activities, including volunteering in, and visiting, national parks and reserves.

Our resources

- We manage more than 790 national parks and reserves covering 6.7 million hectares of land (more than 8% of NSW) for conservation, education and public enjoyment.
- We manage six marine parks covering an area of more than 345,000 hectares, and 12 aquatic reserves.
- We employ 3698 staff, many of whom are regionally based.
- Each year, about 3800 volunteers contribute more than 170,000 volunteer hours to park and reserve activities.
- We manage a total operating budget of around \$1 billion.



Photo: T. Lynch, DECC.

Monitoring marine park habitat.

Our priorities

DECC's corporate plan sets out our goals, objectives and priorities for the period 2008–2012. This Annual Report 2008–09 reports on our performance according to the goals set out in the corporate plan and NSW State Plan priorities.

Department of Environment, Climate Change, and Water

On 27 July 2009 the NSW Government formalised the Department of Environment, Climate Change, and Water (DECCW) through the publication of Administrative Orders (effective from 1 July 2009). These changed the name of the Department of Environment and Climate Change and combined its responsibilities with the water management responsibilities of the former Department of Water and Energy.

This report covers the activities of the Department of Environment and Climate Change from 1 July 2008 to 30 June 2009, prior to these changes, and therefore refers only to the former Department of Environment and Climate Change.

While the Botanic Gardens Trust is part of DECC, it produces its own annual report.

Corporate Plan 2008–2012 summary

Goals	Outcomes	Objective	NSW State Plan Priorities
Climate change and its impacts are minimised to protect the environment, the economy and community wellbeing	<p>Greenhouse gas emissions reduced</p> <p>NSW community is supported and active in adapting to climate change</p> <p>Increased risks to life, property and the environment from coastal erosion, flooding and bushfires are minimised and managed</p> <p>Business, industry and government operate sustainably, reducing adverse impacts and achieving cost savings</p> <p>Individuals, families and communities live more sustainably</p>	<p>NSW greenhouse gas mitigation measures in place to complement national climate change programs</p> <p>Regional climate change scenarios being used across NSW by local government, other government agencies and business to inform their planning</p> <p>Improved condition of coastal environments with reduced losses and impacts from flooding and coastal hazards</p> <p>Improved understanding of the impacts of climate change on biodiversity, and the nature of future bushfire regimes</p> <p>More efficient use of energy, water and materials</p> <p>Initiatives in place to address climate change, sustain and enhance the economic viability of industries and businesses in NSW</p>	<p>Priority E3</p> <p>Cleaner air and progress on greenhouse gas reductions</p> <p>Lead agency</p> <hr/> <p>Priority E1</p> <p>A secure and sustainable water supply for all users</p> <p>Partner agency</p> <hr/> <p>Priority E2</p> <p>A reliable electricity supply with increased use of renewable energy</p> <p>Partner agency</p> <hr/> <p>Priority E5</p> <p>Jobs closer to home</p> <p>Partner agency</p> <hr/> <p>Priority R3</p> <p>Reduced levels of anti-social behaviour</p> <p>Partner agency</p> <hr/> <p>Priority R4</p> <p>Increased participation and integration in community activities</p> <p>Partner agency</p> <hr/> <p>Priority E4</p> <p>Better environmental outcomes for native vegetation, biodiversity, land, rivers and coastal waterways</p> <p>Lead agency</p> <hr/> <p>Priority E6</p> <p>More people using parks, sporting and recreational facilities, and participating in the arts and cultural activity</p> <p>Partner agency</p> <hr/> <p>Priority F1</p> <p>Improved health, education and social outcomes for Aboriginal people</p> <p>Partner agency</p> <hr/> <p>Priority P6</p> <p>Increased business investment in rural and regional NSW</p> <p>Partner agency</p> <hr/> <p>Priority P3</p> <p>Cutting red tape</p> <p>All agencies</p> <hr/> <p>Priority S8</p> <p>Increased customer satisfaction with government services</p> <p>All agencies</p>
A healthier and cleaner environment protecting both ecological and human health	<p>Air pollution and other adverse environmental impacts prevented, reduced or mitigated</p> <p>Degraded environments remediated or restored</p> <p>Community wellbeing improved</p> <p>Unnecessary regulation eliminated</p>	<p>Harmful emissions to air, land and water reduced</p> <p>The number of significantly contaminated sites reduced</p> <p>Community and environmental exposure to chemicals, radiation, noise, dust, waste, odour and vibration reduced</p> <p>Effective and more streamlined environmental regulatory and approval processes in place to achieve environmental outcomes</p>	
Integrated landscape management for long-term ecological, social and economic sustainability	<p>Condition of natural resources improved</p> <p>Biodiversity and native vegetation protected and restored</p> <p>Parks and reserves contribute to increased tourism, community wellbeing and regional development</p> <p>An integrated system of public and private lands managed for conservation of natural and cultural values</p> <p>Aboriginal culture and heritage protected and revitalised</p> <p>Aboriginal participation in land, water and natural resource management and conservation increased</p>	<p>Health of wetlands, waterways and rivers managed</p> <p>Native species of flora and fauna protected and conserved in healthy populations</p> <p>The extent and condition of native vegetation improved</p> <p>A sustainable range of opportunities and experiences provided for visitors to enjoy national parks, marine parks, reserves and botanic gardens</p> <p>Increased area of land managed for conservation outcomes</p> <p>Historic heritage in parks and gardens managed for the conservation and presentation of cultural values</p> <p>Fire, pest animals and weeds managed in cooperation with others to protect parks and neighbours</p> <p>Aboriginal people supported in the practice, promotion and renewal of their cultures</p> <p>Aboriginal community capacity to manage Country increased</p> <p>Volunteer participation in, and community support for, the environment and conservation increased</p>	
A credible, efficient and effective organisation	A responsive and adaptable organisation that delivers, and where people want to work	<p>DECC leads in sustainability and environmental performance within the NSW Government</p> <p>Internal and external connections developed and renewed</p> <p>DECC is a safe and healthy workplace that values staff and encourages innovation</p> <p>A 'one DECC' culture developed, and our systems, processes and relationships aligned and working well together</p> <p>Skilled people and smart systems in place</p> <p>Good knowledge and information available to make decisions</p> <p>Customer satisfaction with DECC services</p>	

Executive and organisational structure

Our executive

At June 2009, DECC's executive management team comprised the Director General and 11 senior officers.



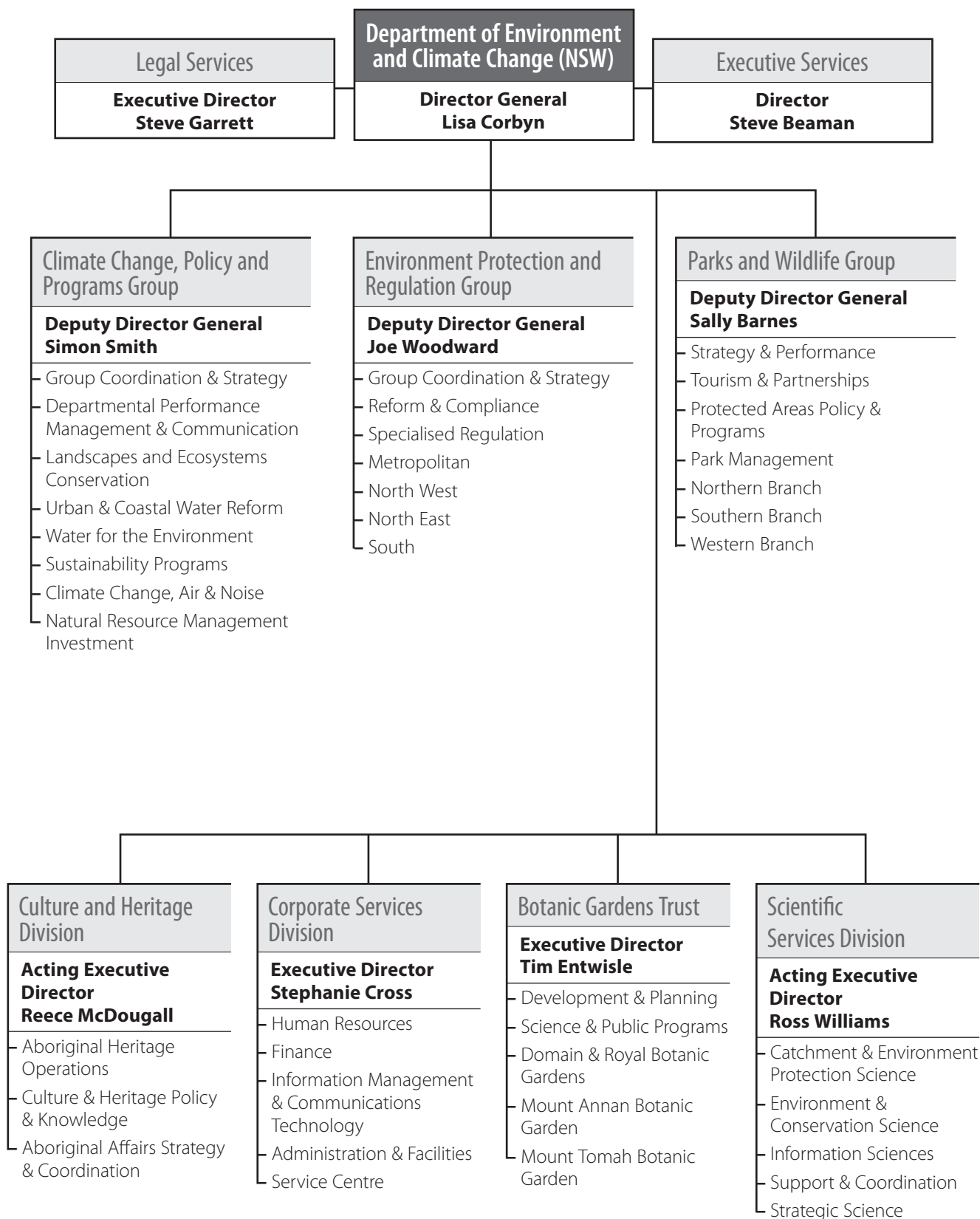
Left to right, standing: Simon Smith (Deputy Director General Climate Change Policy and Programs Group), Stephen Beaman (Director Executive Services), Ross Williams (Acting Executive Director Scientific Services Division), Stephanie Cross (Executive Director Corporate Services), Bob Conroy (Executive Director Park Management), Sally Barnes (Deputy Director General Parks and Wildlife Group), Steve Garrett (Executive Director Legal Services).

Sitting: Joe Woodward (Deputy Director General Environment Protection and Regulation Group), Lisa Corbyn (Director General), Tim Rogers (Executive Director Departmental Performance Management and Communication), Tim Entwistle (Executive Director Botanic Gardens Trust), Reece McDougall (Acting Executive Director Culture and Heritage Division).

Absent: Jason Ardler (Executive Director Culture and Heritage Division), Len Banks (Executive Director Scientific Services Division).

Also attending, sitting extreme left: Kellyanne Stanford (Acting Director Aboriginal Affairs Strategy and Coordination).

Organisational structure



Performance summary 2008–09

Strategic priority: Climate change

Reduce greenhouse gas emissions

Many people took advantage of rebates from the \$100 million Residential Rebate Program in 2008–09. Rebates for buying 4.5 star (and above) washing machines were included in the program, saving 666 million litres of potable water across NSW. The new Fridge Buyback Program, to take old refrigerators out of circulation, will save an estimated 152,000 tonnes of greenhouse gas emissions.

Round 1 of the NSW Green Business Program allocated \$11.7 million to 24 projects, saving an estimated 241 million litres of water, 46,082 megawatt hours of electricity and 36,277 tonnes of greenhouse gas emissions a year. Round 2 of the Renewable Energy Development Program, which provides \$40 million over five years to support the commercialisation of new renewable technologies, allocated \$27.3 million to seven projects, saving more than 400,000 tonnes of greenhouse gas emissions a year.

Businesses and government agencies that use over a certain amount of energy and water, and certain local councils, must prepare savings action plans. By 30 June 2009, the final target number of energy and water savings action plans were approved, indicating that many businesses and government agencies have effectively planned to reduce energy and water use.

Support the NSW community to adapt to climate change

The NSW Climate Change Action Plan will establish key priorities based on the latest science, strategic leadership and community opinion. In 2008–09, forums took place in regional areas so the NSW community could assist with the development of the plan.

The NSW community sent in over 2,000 images of the January 2009 king tide. These images helped to create a statewide snapshot of areas that are vulnerable to tidal inundation, raise community awareness of the potential future risk of sea level rise, and inform future planning decisions.

DECC and the Department of Planning jointly prepared a draft sea level rise policy statement, so the impacts of sea level rise can be consistently considered in land-use planning and coastal investment decision making.

Minimise and manage increased risks to life, property and the environment

DECC's work with local councils, catchment management authorities, and communities across the state continued to ensure the long-term protection, conservation and restoration of coastal, estuarine and floodplain environments. DECC allocated \$2.9 million in grants to 16 councils for 31 projects under the Coastal Management Program. The Estuary Management Program approved 56 projects, allocating \$3.6 million to 31 councils. Over three-quarters of the state's estuaries are now covered by estuary management plans. Under the Urban Floodplain Management Program, DECC allocated \$9.29 million on grants to 70 NSW councils.

With the Department of Water and Energy, DECC completed the Macquarie River Narromine to Oxley Station rural floodplain management plan which covers over 2,500 square kilometres immediately upstream of the Macquarie Marshes. In addition, DECC progressed another eight rural floodplain management plans covering approximately 10,000 square kilometres of the Murray–Darling Basin.

DECC was a stakeholder in the Eastern Seaboard Climate Change Initiative, which aims to improve information on the impacts of destructive weather systems on the Australian east coast, ranges and inshore marine environments.

Other research initiatives included investigating future sea level rise and coastal hazards in NSW, and the possible impacts of more frequent and intense bushfires on biodiversity, ecosystems and the community in Sydney.

Business, industry and government operate sustainably

Sustainability Advantage helps medium to large organisations and businesses improve environmental performance and bring about cost savings. As at June 2009, the program helped NSW businesses identify opportunities that could lead to over \$3 million in cost savings and reduce their greenhouse gas emissions by 21,000 tonnes.

In February 2009, the NSW Premier announced the NSW Government Sustainability Policy, including a commitment that the NSW Government will become carbon neutral by 2020. DECC is the lead agency for implementing this policy.

The Energy Efficiency for Small Business Program was piloted with 100 small businesses and found that businesses could save an average of \$420 per year on lighting, with a payback period of just five years. Launched in early 2009, the program has already attracted strong interest from local government, industry associations and major electricity retailers.

Individuals, families and communities live more sustainably

As part of the NSW Green Skills Strategy, a Green Skills Summit took place in February 2009. Over 100 participants attended, and the focus was on building trade and professional links to take advantage of the opportunities for NSW to move to a low carbon future.

Through the \$20 million Energy Efficiency Skills Program, also part of the NSW Green Skills Strategy, DECC helped electricians, plumbers, building managers, engineers, planners and architects to improve their design, installation and maintenance skills.

Through the CleanOut Program, a partnership between DECC and local government across the Sydney, Hunter and Illawarra regions, there were 40 collections of hazardous household waste in 2008–09. A total of 24,598 community members participated and 819,718 kg of hazardous materials were deposited and safely disposed of.



Photo: D. Smith.

DECC encourages people to walk, cycle and use public transport rather than drive private vehicles.

Strategic priority: Healthier and cleaner environment

Prevent, reduce or mitigate air, water and noise pollution and other adverse environmental impacts

A major effort was directed to *Action for Air*, the NSW Government's 25-year air quality management plan, launched in 1998. An update was developed with other state government agencies, which provided a summary of recent actions undertaken to maintain and improve air quality, particularly through dealing with ozone and particle pollution.

The final NSW Cleaner Vehicles and Fuels Strategy was released in August 2008. The programs it promotes, including the Diesel Retrofit Program, the NSW Fleetwise partnership and the proposed introduction of Stage 2 vapour recovery at service stations, will all help improve air quality in NSW.

About 85% of hazardous waste movements in NSW are now being monitored through the online waste tracking system. As at 30 June 2009, over 6,800 waste producers, around 880 transporters and 170 receiving facilities that deal with trackable waste were being monitored.

The Waste and Environment Levy encourages waste reduction and greater resource recovery from waste. In November 2008, changes were made to the Protection of the Environment Operations (Waste) Regulation 2005 to enable the levy to increase over the next seven years and include new council areas. The levy is expected to be a key driver in achieving the state's waste reduction and recycling targets.

During 2008–09, DECC developed an interim construction noise guideline which presented streamlined and less costly assessment approaches for low-impact and short-duration construction works when construction is occurring at residences, hospitals and schools. It also recommended work practices that minimise noise impacts and contains effective processes for community notification and complaint handling.

DECC completed 66 pollution reduction programs (PRPs) during the year, and included PRPs in more environment protection licences, requiring licensees to improve air pollution controls, measures or monitoring equipment.

Each year, DECC undertakes strategic environmental compliance and performance reviews. This year, DECC focused on industry emissions, monitoring procedures, effluent re-use in irrigation, activities in the waste industry, dangerous goods transport, radiation, and activities that can harm native vegetation.

DECC maintained its consistently high successful prosecution rate, with 97% of its prosecutions under both environment protection laws and conservation laws being successful. A record level of \$1,648,146 in financial penalties was imposed for all completed DECC prosecutions, reflecting a greater focus on more serious offences.

DECC authorised officers issued 1,786 penalty infringement notices, which imposed fines of \$727,500.



Photo: B. Peters.

Scientific research enables DECC to evaluate the properties of spilled chemical substances, assess their effect on the environment and apply appropriate clean up techniques.

Remediate or restore degraded environments

DECC regulated 119 contaminated sites across NSW to ensure the protection of human health and the environment. Remediation activities were completed at 13 sites.

This year's campaigns to reduce illegal dumping in NSW concentrated on prevention and clean-up in Aboriginal communities, and the illegal transport and disposal of construction and demolition waste, garden waste, and waste tyres.

Improve community wellbeing

The new Regional Air Quality Index provided online updates of air quality data from its 24 monitoring sites throughout NSW. DECC and NSW Health continued to operate a Health Alert system for the Sydney region, to alert asthmatics and other sensitive members of the community to forecast high pollution days.

With a return to average rainfall conditions in 2008–09, monitoring results from DECC's Beachwatch and Harbourwatch programs showed that water quality at ocean and harbour beaches throughout NSW returned to a very high standard.

Eliminate unnecessary regulation

DECC participated in developing national measures to achieve a streamlined and harmonised system of chemicals and plastics regulation.

The Protection of the Environment Operations (General) Regulation was remade after a review identified opportunities for cutting red tape for industry and improving the effectiveness of the load-based licensing scheme.

Following stakeholder consultation, the Environmentally Hazardous Chemicals Regulation 1999 was remade and commenced in September 2008.

Amendments to the *Contaminated Land Management Act 1997* (assented to in December 2008) will allow sites to be cleaned up more efficiently while reinforcing the 'polluter pays' principle.

Strategic priority: Integrated landscape management

Natural resources

NSW RiverBank, the NSW Rivers Environmental Restoration Program, the NSW Wetland Recovery Program and The Living Murray purchase water entitlements from willing sellers to increase water volumes to priority wetlands across the state. In 2008–09, these programs purchased 145 GL of water entitlements in NSW to support wetlands in the Gwydir, Macquarie, Lachlan, Murrumbidgee and Murray valleys. The volumes purchased, in combination with Federal Government water purchases and environmental water allocated through water sharing plans under the *Water Management Act 2000*, are starting to redress the imbalance between the extractive and environmental uses of water.

DECC released a draft NSW Wetlands Policy for the protection, and ecologically sustainable use and management, of NSW wetlands, for targeted public consultation.

Through the Wetland Recovery Program, DECC and the Department of Water and Energy investigated the impacts of around 70 floodplain structures on flows in the Macquarie Marshes. Five structures will be modified to improve fish passage and water movement during periods of low flow.

During 2008–09, more than 490,000 hectares of native vegetation were conserved or improved across NSW. Around 2,060 hectares were approved to be cleared in combination with environmental offsets.

Property vegetation plans (PVPs) are negotiated agreements between catchment management authorities and land holders to establish incentives for protecting or improving native vegetation. As at 30 June 2009, 1,470 PVPs had been approved, including 1,046 that included incentive payments to farmers, and the cumulative total area of land maintained or improved by property vegetation plans was 1,928,760 hectares. The use of PVPs has reduced clearing approvals from more than 12,000 hectares in 2005–06 to around 150 hectares in 2008–09.

Protect and restore biodiversity and native vegetation

DECC and the Department of Primary Industries released a discussion paper on the development of a new biodiversity strategy for NSW in November 2008. Sixty-three submissions were received from various stakeholders, and a strategy is now being worked on.

The BioBanking Scheme, which aims to protect parcels of land containing high quality habitat to offset the impacts of development, is now well established. In 2008–09, registers were set up which contained potential biobank sites, biodiversity credits for sale, credit transactions, biobanking agreements and biobanking statements.

DECC continued to work with local councils, catchment management authorities and environmental groups to implement the NSW Threatened Species Priorities Action Statement. Actions in 2008–09 included completing the recovery plan for the koala and biodiversity management plans for the Border Ranges rainforests, the Northern Rivers and the Central Coast.

Three significant wetland properties, Toorale, Pillicawarrina and Booligal Station, were added to the reserve system and five new reserves were established. Two new wild rivers, the Colo and Grose rivers, in Wollemi and Blue Mountains national parks, were declared. The area of reserves now managed by DECC totals 6.7 million hectares or almost 8.4% of NSW. Approximately 34% of NSW waters are contained in marine parks.

Significant research, monitoring and recovery programs to help native species thrive and protect habitats from pests, weeds and fires included restoring native vegetation on Montague Island with the help of volunteers to provide nesting habitat for little penguins, expanding fox control onto private lands around threatened species sites in national parks, undertaking prescribed burning on 59,202 hectares of reserves and researching the impacts of bushfires on the survival of native animals.



Photo: P. Cope, DECC.

Wildlife rescue is an important part of DECC's work. Here, a ranger rescues a wombat from a main road on the south coast of NSW.

Contribute to increased tourism, community wellbeing and regional development through parks and reserves

In November 2008, the NSW Government supported the recommendations of the Taskforce on Tourism and National Parks in NSW, which confirmed that while iconic national parks should continue to be nature-based tourism destinations, conservation must remain a priority.

Volunteers contributed significantly to conservation and public appreciation of national parks. DECC continued its partnership with Conservation Volunteers Australia, engaging 119 volunteers from Australia and overseas who contributed more than 356 volunteer days to planting, weed removal and the repair and construction of a walking track. DECC also worked with the National Parks Association of NSW on involving 145 volunteers in more than 1,142 hours of bush regeneration and community biodiversity surveys. DECC worked with students from Shoalhaven High School who consulted with Aboriginal Elders and students from Boori Preschool on the planning, design and construction of a mosaic serpent which related the story of the local Aboriginal community.

Conserve natural and cultural values through an integrated system of public and private lands

Forty-six plans of management covering 70 parks and reserves across 450,000 hectares were adopted by the Minister. A further 34 draft plans covering 48 parks and reserves were placed on exhibition for public comment during the year.

At 30 June 2009, landholders managed 1,986,762 hectares of land for conservation outside the reserve system. This represents 2.47% of the land in NSW.

Conservation agreements protect and conserve significant natural and cultural heritage on private and other non-reserved public lands in perpetuity. Fifteen new conservation agreements were established over a total area of 29,655 hectares.

Wildlife refuges protect significant wildlife and habitats on private and other non-reserved public lands on a long-term basis. Nine new wildlife refuges were established over a total area of 258 hectares.

Following public consultation in late 2007–08, the Marine Parks Authority developed zoning plan review reports for Jervis Bay and Solitary Islands marine parks, and developed a summary of submissions and public consultation undertaken during 2008–09. The reports were provided to the advisory committees for each marine park in April 2009.

Protect and revitalise Aboriginal culture and heritage

DECC issues Aboriginal Heritage Impact Permits for any development or activity that is likely to have an impact on Aboriginal objects or Places. Applicants must consult with Aboriginal communities that might be affected before commencing with the development or activity. In 2008–09, DECC reviewed the Interim Community Consultation Requirements for Applicants, released a discussion paper and held 19 forums across NSW which were attended by more than 270 Aboriginal people, heritage professionals and government representatives. Further information sessions were conducted to explain the new document and invite comment.

Two Aboriginal Places were declared in 2008–09 – Terrungamine near Dubbo and Collingwood near Liverpool. These places protect burial and ceremonial sites, and former living and meeting places. As at June 2009, Aboriginal Places had been declared.

Increase Aboriginal participation in land, water and natural resource management

Under the Aboriginal Lands Clean-Up Program, Local Aboriginal Land Councils and local councils develop collaborative projects to prevent waste from being illegally dumped on Aboriginal-owned lands and to safely clean up such waste. To date, \$500,000 has been provided under the NSW Environmental Trust to ten projects. Five completed projects in 2008–09 have resulted in the re-use of around 2,500 tonnes of material; the recycling of around 100 tonnes of metal, concrete, brick, glass and whitegoods; and the disposal of 317 tonnes of mixed wastes, including 34 tonnes of asbestos material.

Strategic priority: Credible and efficient organisation

Be a leader in sustainability and environmental performance

In 2007–08 (the most recent year for which complete data is available), DECC used 179,724 GJ of energy, resulting in 22,066 tonnes of greenhouse gas emissions.

DECC purchases 10% GreenPower (the minimum standard set out in the NSW Government Sustainability Policy is 6%). Over 2007–08, some DECC sites increased their GreenPower purchasing to 100%. In addition, during 2007–08 DECC sites generated at least 57,800 kWh of green power using solar panels, with more than 11,000 kilowatt hours fed back to the grid. In 2008–09, DECC helped the owners of its Goulburn Street (Sydney) headquarters to increase their NABERS rating from 3.5 stars to 4.5 stars.

In 2008–09, DECC staff travelled 3.98 million air miles which is a reduction of 2% over 2007–08 travel. DECC piloted internal teleconferencing and video/web-conferencing services over 2008–09 as an alternative to travel.

DECC improved the environmental performance score for its passenger vehicle fleet from 12 to 12.6 out of 20. For occupational health and safety reasons, DECC uses diesel vehicles for firefighting and associated support, as diesel vehicles are less likely to ignite. The environmental performance score for this fleet rose from 7.29 to 8.1 out of 20.

In 2007–08 (the most current year for which water consumption data is available), DECC used 296ML of potable water in its operations. In August 2008, a new technology grey water recycling system was completed in the Lane Cove River Tourist Park. Combined with other initiatives, the Tourist Park saved more than one megalitre of water in 2008.

In 2008, DECC completed a waste audit of its head office in Goulburn Street. The recommendations from this audit led to a reduction in waste generated from 140m³ to 59m³. In addition, the percentage of recycling increasing from 50% to 79% of waste generated.

Maintain and improve internal and external connections

The number of requests handled by DECC's Information Centre jumped from 228,584 in 2007–08 to 287,003 in 2009–09, including 7,085 pollution incidents and 8,958 motor vehicle reports. Email inquiries also increased by 145%, due in part to the additional websites integrated into the DECC website, and the public response to significant issues such as the whale stranding in Pittwater in August 2008.

Major partnership events and activities included a series of climate change forums as part of development of the NSW Climate Change Action Plan, and DECC's firefighting staff joining the contingent of NSW volunteers who travelled to Victoria in February 2009 to help control bushfires.

DECC issued a number of e-newsletters to enable partners, interested groups and the public to keep up-to-date with the latest environmental issues. *Climate of Change* – a quarterly publication that highlights the latest environment news and events across a broad range of topics – proved particularly popular.

In 2008–09, DECC received 32 significant complaints. Twenty-seven of these, together with nine complaints received but not resolved in 2007–08, were finalised during the year. Evidence of improper conduct was found in six cases and appropriate action was taken in response.

Skilled people smart systems

The program of professional development for employees involved in fire-related roles continued in 2008–09. In addition to individual training in prescribed burning, a four-day incident management team course was piloted with incident controllers, and operations and planning officers.

DECC has approximately 800 trained firefighters and hundreds of trained incident management staff. To ensure it is prepared for bushfires in national parks and nearby lands, DECC conducts a Fire Fighter Health and Fitness Program before the start of each fire season. During the year, 1,176 staff attempted the assessment and 1,162 succeeded.

In 2008–09 across NSW, DECC employed sixteen Aboriginal cadet rangers, one Aboriginal cadet project officer, one Aboriginal cadet policy officer and one Aboriginal cadet researcher. Four cadet rangers successfully completed their cadetships and were appointed to permanent ranger positions.

In 2008–09, DECC employed eight Aboriginal trainee field officers and one Aboriginal trainee interpretive assistant, while six Aboriginal trainee field officers, two trainee field officers and one Aboriginal trainee interpretive assistant completed the traineeship program.

A safe and healthy workplace with good knowledge and information to make decisions

This year, the number of safety incidents reported, including near misses, increased to 620, which relates directly to ongoing programs to increase reporting of safety incidents. The claims rate decreased to 263 for 2008–09 compared with 274 for the previous year. With a slight increase in full-time equivalent staff numbers, this brings the injury rate per 100 employees to 7.1, down from 7.5 the previous year.

The Atlas of NSW Wildlife, DECC's database of flora and fauna sightings, is used in conservation planning and environmental decision-making. The Atlas reached 4.25 million records of sightings by January 2009, up from 1.6 million records in 2007.

Financial policies and systems were significantly enhanced across DECC during 2008–09. Key projects and activities include developing and implementing an executive dashboard for access to and management of financial information, implementing an enhanced cash forecasting system with NSW Treasury, training in the use of the SAP financial system and a number of SAP enhancements.

Financial summary

This overview of the performance of DECC’s financial operations for 2008–09 should be read in conjunction with the accompanying financial statements and related notes. These are provided on pages 121–176 of this report. There are separate financial statements for the Environment Protection Authority and the Marine Parks Authority.

The net cost of services is the cost to the NSW Government of DECC’s services as follows:

	2008-09 \$'000	2007-08 \$'000
Total expenses	1,052,910	946,127
Loss on disposal of non-current assets	3,636	1,401
Less total retained revenue	(432,733)	(351,369)
Net cost of services	623,813	596,159

DECC also collected Crown revenue on behalf of the NSW Government totalling \$297.4 million.

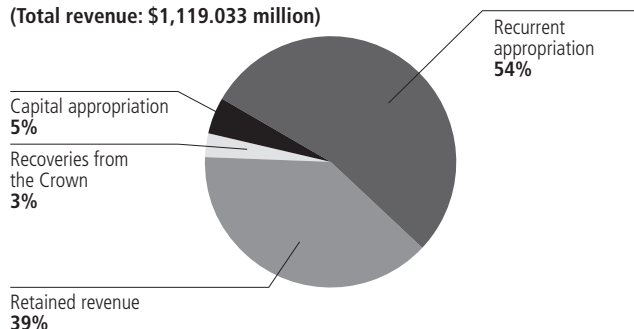
Major initiatives for 2008-09 included:

- leading the development of the state’s climate change policy response, and delivering water and energy savings through the Climate Change Fund
- delivering regulation and enforcement to protect the environment, native vegetation, biodiversity and Aboriginal cultural heritage; and responding to pollution and emergency incidents
- providing state-level leadership, in collaboration with catchment management authorities, on restoring the health of rural landscapes and ecosystems
- implementing the National Parks Establishment Plan, and developing and upgrading new visitor facilities.

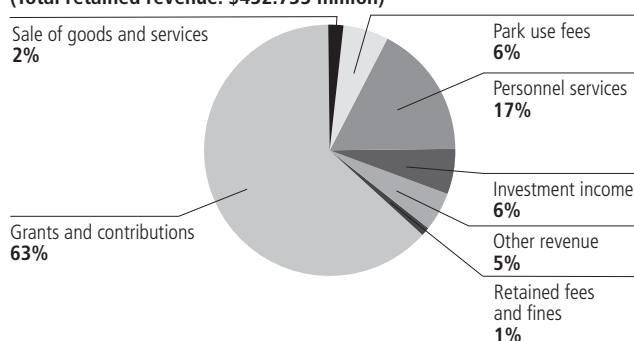
How we use our financial resources

The following charts provide a summary of allocation of expenses and net cost of services for 2008–09.

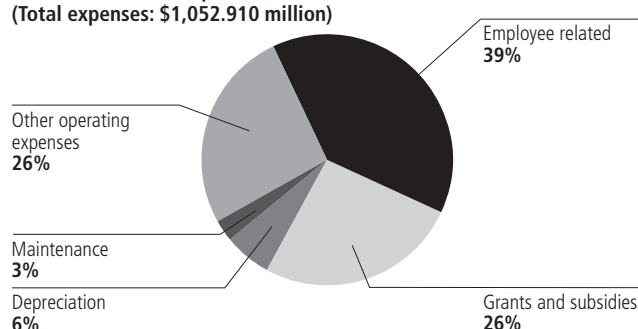
Source of revenue 2008–09
(Total revenue: \$1,119.033 million)



Source of retained revenue 2008–09
(Total retained revenue: \$432.733 million)



Allocation of total expenses 2008–09
(Total expenses: \$1,052.910 million)



2008–09 Programs: net cost of services
(Total: \$623,813 million)

