

Department of  
Environment and Climate Change NSW

# Annual Report



2006-07



## VISION

A healthy environment cared for and enjoyed by the whole community and sustained for future generations

Department of **Environment & Climate Change** NSW



# Contents

The Hon Nathan Rees  
Acting Minister for Climate Change, Environment and Water  
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 first Annual Report of the Department of Environment and Climate Change (DECC), covering the period 1 July 2006 to 30 June 2007.

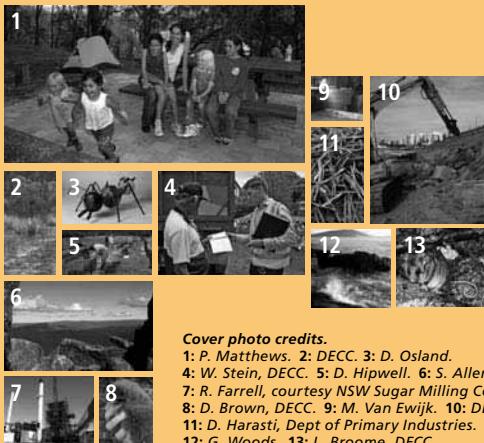
The DECC Annual Report has been prepared in accordance with the provisions of the *Annual Reports (Departments) Act 1985*, the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*. DECC consolidated financial statements received an unqualified opinion from the Auditor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

DECC came into effect on 27 April 2007, comprising the former Department of Environment and Conservation, and major programs from the former Greenhouse Office, the former Department of Natural Resources, the former Department of Energy, Utilities and Sustainability, and marine parks and aquatic reserves from the Department of Primary Industries. Due to the complexity of compiling the financial statements for these entities, a six-week extension of time for submission of the report to 12 December 2007 was approved.

Yours sincerely



**Lisa Corbyn**  
Director General



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8: D. Brown, DECC. 9: M. Van Ewijk. 10: DECC.  
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12: G. Woods. 13: L. Broome, DECC.

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# Overview

## Our vision

A healthy environment cared for and enjoyed by the whole community and sustained for future generations

## Our values

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

### **Protect the environment**

We are strongly committed to protecting the environment.

### **Support Aboriginal reconciliation**

We acknowledge and recognise the 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.

### **Act with integrity**

We are ethical, impartial and honest.

### **Be transparent**

We are open, accessible and accountable to the community and each other.

### **Act professionally**

We treat our colleagues, our many external partners and other members of the community with respect. We base our decisions on facts, objective standards and analysis, consistent with community values. We value our diversity of ideas and skills as the basis of selecting the best approach. Once a decision is made, we make a commitment to delivering that decision.

### **Work collaboratively**

We collaborate with our colleagues and our external partners to achieve our goals.

### **Be innovative**

We foster creative and inspirational thinking, and encourage learning and improvement.



## Director General's review

Once again, the past year has been a momentous one for the Department. We began the year as the Department of Environment and Conservation and finished as the expanded and renamed Department of Environment and Climate Change. Our new role encompasses the important issues of climate change and greenhouse gas reduction, and natural resources and coastal management. We are also involved in broader sustainability programs to save water and energy, as well as continuing to protect the environment, Aboriginal cultural heritage, and manage national parks.

The creation of the Climate Change, Environment and Water portfolio is a major response by the NSW Government to meet the challenge of climate change, and to further progress reforms in the sustainable management of the State's land and water resources. On 2 April 2007, our two new Ministers, Phil Koperberg as Minister for Climate Change, Environment and Water, and Verity Firth as Minister Assisting, were appointed to this new portfolio.

### A new department

On 27 April 2007, the NSW Government created the Department of Environment and Climate Change (DECC), by expanding and renaming the Department of Environment and Conservation to include major programs from the former Department of Natural Resources, the former Department of Energy, Utilities and Sustainability, the former Greenhouse Office and the Resource and Conservation Unit from the Department of Premier and Cabinet. DECC was also given responsibility for management of marine parks and aquatic reserves.

The Government also established the Department of Water and Energy (DWE). We have a close relationship with DWE and are working jointly on resource security and sustainability initiatives.

In April and May we welcomed the new staff and programs into DECC, and confirmed the new DECC Executive and broad structure. I welcome to the Executive Dr Richard Sheldrake as the Deputy Director General of the new Conservation, Landscapes and Policy Group, and Len Banks as the Executive Director for Scientific Services.

### State Plan

During the year, we contributed to the development of the Government's *State Plan – A new direction for NSW*, released in November 2006, which focuses our attention on the top priorities for the State. We are involved in programs that support most of the themes in the State Plan, but with a particular emphasis on 'Environment for Living'. We are leading the priorities relating to cleaner air and greenhouse gas reductions; and better environmental outcomes for native vegetation, biodiversity, land, rivers and coastal waterways. We are also partners in meeting critical targets such as more people using parks, supporting Aboriginal communities and encouraging volunteering. We have begun the implementation program to deliver on the targets identified in the State Plan.

### **DECC's first annual report**

This is DECC's first annual report. It covers all the activities for 2006–07 of the former Department of Environment and Conservation as well as the activities of the various agency programs which became part of DECC. Major achievements across DECC include developing new legislation, delivering strong programs, delivering innovative compliance and strong enforcement actions, and refocusing science and monitoring initiatives.

### **Administering the new DECC**

Change can be challenging. We have concentrated on integrating new staff and programs into the organisation and on communicating our progress regularly to staff.

We completed the transfer of the former Department of Environment and Conservation staff onto a common network, and improved access for staff in remote locations through a Wide Area Network. We also developed an Ethnic Affairs Priorities Statement, progressed Two Ways Together by increasing Aboriginal representation in DECC's workforce and on DECC advisory boards and committees, and held our first ON-DECK staff conference. We further reduced our environmental footprint by upgrading office lighting systems and introducing water savings initiatives in DECC's Head Office in Goulburn Street. These initiatives provide a good base for building systems for the extended Department.

I want to acknowledge the commitment and the contribution of DECC staff. I also want to give credit to the many people who help us conduct our business. The Board of the Environment Protection Authority, the National Parks and Wildlife Advisory Council, the Aboriginal Cultural Heritage Advisory Committee, the many advisory and audit committees and the Board of the Botanic Gardens Trust continue to provide positive and constructive advice and support. We also continue to build a strong working relationship with the Catchment Management Authorities.

Finally, I sincerely express my appreciation to the former Minister for the Environment, Bob Debus, who over the last eight years until his retirement in March 2007 gave us strong leadership and an enthusiastic dedication to the environment. We all look forward to continuing to work with Ministers Koperberg and Firth in the coming year.



**Lisa Corbyn**  
**Director General**



## EPA Board

### Chair's report

The past year has seen the Environment Protection Authority (EPA) Board continue its role in maintaining an independent, credible environmental regulatory authority for NSW and in bringing issues of environmental significance to the attention of the NSW Government and the community. We have seen significant changes over this past year with the appointment of a new Minister and Minister Assisting for Climate Change, Environment and Water, and additional roles added to the new Department of Environment and Climate Change (DECC), which carries out the EPA functions.

The Board continues to play an important role in advising the Minister on environmental policy and programs and determining the long-term strategic plans of the statutory body of the EPA. The broader role of DECC and its integration across environment and climate change issues is an important opportunity to significantly benefit broader environment protection in NSW.

The EPA Board established a new reporting system this year to monitor EPA regulatory and enforcement activities, which includes prosecutions, notices and penalty infringement notices. DECC has brought its considerable EPA regulatory compliance skills to other areas such as threatened species and Aboriginal cultural heritage which are showing results. With the restructure at the end of April, we expect a similar level of effort to be focused on native vegetation compliance.

The EPA Board also revamped its policy approach, establishing subcommittees in the areas of climate change and air quality, water, waste, mining, environment protection in Aboriginal communities, and regulation, compliance and enforcement. The State of the Environment Advisory Council continued its work overseeing preparation of the *NSW State of the Environment Report 2006*. These subcommittees have provided the Minister and DECC with important feedback on policy development and implementation in these areas.

During the year the EPA Board tackled a wide array of issues including: regulating noise, which included the endorsement of construction noise guidelines; approving the new approach to reducing noise from motor vehicles; and approving the implementation of the Tampering Inspection Scheme. Under this scheme DECC trains mechanics to conduct noise tests and inspect pollution control devices on vehicles, and approves inspection stations to carry out these tasks. The first two approved inspection stations were appointed in western and south-western Sydney in June 2007. This year the Board also worked with DECC in its task to cut red tape in the area of environmental regulation.

The Board met at DECC's Lidcombe site in September 2006, where it was briefed on DECC's key science projects. The Lidcombe laboratories house DECC's Atmospheric Science, Waters and Coastal Science, Ecotoxicology and Environmental Contaminants, and Environmental Forensic and Analytical Science sections. The state-of-the-art facility has been granted the first environmental forensic accreditation in Australia by the National Association of Testing Authorities, demonstrating DECC's commitment to applying good science and research in its protection of the environment.

On behalf of the EPA Board I would like to thank former Minister for the Environment, Bob Debus, for his tireless efforts for environment protection. We look forward to working with the incumbent Minister for Climate Change, Environment and Water, Phil Koperberg, and the Minister Assisting, Verity Firth. The Board would also 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.

**A.G. (Tony) Wright**  
Acting Chair

# About DECC

## Who we are

The Department of Environment and Climate Change (DECC) is a NSW Government agency, created in April 2007, by expanding and renaming the Department of Environment and Conservation to include major programs from the former Department of Natural Resources, the former Department of Energy, Utilities and Sustainability, the former Greenhouse Office and Resource and Conservation unit from the Department of Premier and Cabinet. DECC was also given responsibility for management of marine parks and aquatic reserves. The new department came into effect on 27 April 2007.

DECC is within the portfolio of the Minister for Climate Change, Environment and Water.

In carrying out its functions, DECC operates under certain well-recognised 'brands' and legislative authorities. DECC maintains the National Parks and Wildlife Service (NPWS) logo, as many people associate this brand with our national parks.

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*.

Staff of the Botanic Gardens Trust (BGT) are part of DECC, although BGT and its Board of Trustees are responsible separately to the Minister for Climate Change, Environment and Water. DECC also administers programs on behalf of the statutory Environmental Trust. Both these Trusts' activities are reported in separate annual reports.

## 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 and to address the impacts of climate change on NSW.

DECC works under:

- the State Plan:
  - particularly the 'Environment for Living' theme which covers sustainable water supply, greenhouse gas emissions, air quality, natural resource management and more people using parks
  - focusing on improving the health and education of, and social outcomes for, Aboriginal people
  - with a strong emphasis on other services relevant to DECC, including increased volunteering, and more business investment in rural and regional NSW
- some 45 pieces of legislation covering native vegetation, soil conservation, environment protection, national and marine parks, and protection of Aboriginal cultural heritage (see Appendix 7)
- Government policies and programs including the NSW Greenhouse Plan, Action for Air, the NSW Biodiversity Strategy, the NSW City and Country Environment Restoration Program, the National Reserve Strategy, Natural Resources Management standards and targets, the NSW Waste Avoidance and Resource Recovery Strategy, and Two Ways Together.

In carrying out its role, DECC:

- undertakes regulation and compliance activities and programs to protect the environment and cultural heritage, with particular responsibilities for Aboriginal heritage
- manages more than 6.6 million hectares of land (over 8% of NSW) for conservation, education and public enjoyment
- delivers policies, programs and services across the full range of its responsibilities.

Within DECC, the Climate Change and Environment Protection Group leads the implementation of climate change policies and programs, regulates protection of the environment and Aboriginal cultural heritage, and leads sustainable natural resource management across industry, government and the community.

The Conservation, Landscapes and Policy Group provides policy, technical frameworks and programs for catchment management, natural resource management, environment protection, conservation and coastal protection issues managed by government, industry and the community.

The Parks and Wildlife Group manages NSW protected areas, including national parks, wilderness areas and marine parks for conservation, education and public enjoyment. The group also forms partnerships with communities to protect biodiversity and cultural heritage on private and other public lands.

The Culture and Heritage Division develops policies and programs for the management and protection of cultural heritage, and supports Aboriginal people in the management of their traditional lands, waters and natural resources (Country).

The Scientific Services Division provides strong science to support climate change adaptation, natural resource management, environment protection and conservation issues managed by government, industry and the community.

The Strategy, Communication and Governance Division develops DECC's strategic direction, oversees the corporate governance framework, provides legal advice and services, and leads external communication with stakeholders, the community and media.

The Corporate Services Division develops and manages the services that underpin DECC's day-to-day operations, including administration and facilities, financial services, human resources, and information management and technology.

The Executive Services Branch provides strategic support to the Director General, provides executive and administrative support to the EPA Board and DECC Executive, oversees DECC's international programs, and coordinates DECC's State Plan delivery.



Photo: R Farrell, courtesy NSW Sugar Milling Co-Operative

*DECC regulates the environmental performance of industry and works with industry on implementing best practice operations. DECC worked with Broadwater Sugar Mill on replacing its old boiler with a newer model and installing new stacks. The changes make the sugar mill's operations cleaner and more energy efficient. See the case study on page 40.*



## Our clients and stakeholders

Our clients and stakeholders include:

- the NSW Minister for Climate Change, Environment and Water
- the Minister Assisting the Minister for Climate Change, Environment and Water
- State and Commonwealth governments
- the National Parks and Wildlife Advisory Council
- the Aboriginal Cultural Heritage Advisory Committee
- the EPA Board
- committees advising DECC
- Catchment Management Authorities
- the community and community organisations
- Aboriginal communities
- culturally and linguistically diverse communities
- users of parks, reserves and gardens
- neighbours of parks and reserves
- local government and its associations
- industry and its associations
- tourism operators and associations
- local, state and national conservation and heritage groups
- educators
- recreational groups
- volunteers
- the media
- recipients of scientific data such as research universities and students
- public users of our information services.



Photo: A Fay, DECC

DECC manages the state's national parks and reserves, conserving valuable landscapes such as these in Toonumbar National Park.

# Executive and organisational structure

## Our executive

At June 2007, DECC's executive management team comprised the Director General and 14 senior officers.



*The DECC Executive with the Hon Phil Koperberg MP (Minister for Climate Change, Environment and Water).  
Left to right standing: Tony Fleming, Sally Barnes, Tim Rogers, Simon Smith, Jason Ardler, Jim Booth, Minister Koperberg, Richard Sheldrake.  
Left to right sitting: Lisa Corbyn (Director General), Joe Woodward, Robyn McKeown, Len Banks, David Dekel, Tim Entwisle, Steve Garrett.  
Absent: Alistair Henchman.*

# Corporate structure

<p><b>Director General</b> Lisa Corbyn</p>	<ul style="list-style-type: none"> <li>• Executive Services</li> </ul>
<p><b>Climate Change and Environment Protection Group</b> <b>Deputy Director General</b> Simon Smith</p>	<ul style="list-style-type: none"> <li>• Climate Change Policy and Coordination Branch</li> <li>• Sustainability Programs Division</li> <li>• Operations Division</li> <li>• Specialised Regulation Branch</li> <li>• Reform and Compliance Branch</li> <li>• Environmental Water and RiverBank Branch</li> </ul>
<p><b>Parks and Wildlife Group</b> <b>Deputy Director General</b> Tony Fleming</p>	<ul style="list-style-type: none"> <li>• Reserve and Wildlife Conservation Branch</li> <li>• Central Branch</li> <li>• Northern Branch</li> <li>• Southern Branch</li> <li>• Western Branch</li> </ul>
<p><b>Conservation, Landscapes and Policy Group</b> <b>Deputy Director General</b> Richard Sheldrake</p>	<ul style="list-style-type: none"> <li>• Vegetation and Biodiversity Management Branch</li> <li>• Catchments and Landscapes Branch</li> <li>• Environmental Policy Branch</li> <li>• Resource and Conservation Unit</li> </ul>
<p><b>Strategy, Communication and Governance Division</b> <b>Executive Director</b> Sally Barnes</p>	<ul style="list-style-type: none"> <li>• Corporate Governance Branch</li> <li>• Information and Publishing Branch</li> <li>• Legal Services Branch</li> <li>• Ministerial and Parliamentary Services Branch</li> <li>• Public Affairs Branch</li> </ul>
<p><b>Scientific Services Division</b> <b>Executive Director</b> Len Banks</p>	<ul style="list-style-type: none"> <li>• Environment and Conservation Science Branch</li> <li>• Catchment and Environment Protection Branch</li> <li>• Information Sciences Branch</li> </ul>
<p><b>Culture and Heritage Division</b> <b>Executive Director</b> Jason Ardler</p>	<ul style="list-style-type: none"> <li>• Aboriginal Heritage Operations Branch</li> <li>• Policy and Knowledge Branch</li> <li>• Aboriginal Affairs, Strategy and Coordination</li> </ul>
<p><b>Botanic Gardens Trust</b> <b>Executive Director</b> Tim Entwisle</p>	<ul style="list-style-type: none"> <li>• Domain and Royal Botanic Gardens Branch</li> <li>• Finance and Business Services Branch</li> <li>• Mount Annan Botanic Gardens Branch</li> <li>• Mount Tomah Botanic Gardens Branch</li> <li>• Science and Public Programs Branch</li> </ul>
<p><b>Corporate Services Division</b> <b>Executive Director</b> Robyn McKeown</p>	<ul style="list-style-type: none"> <li>• Administration Facilities Branch</li> <li>• Finance Branch</li> <li>• Human Resources Branch</li> <li>• Information Management and Communications Technology Branch</li> <li>• Service Centre Branch</li> </ul>

# DECC's planned results

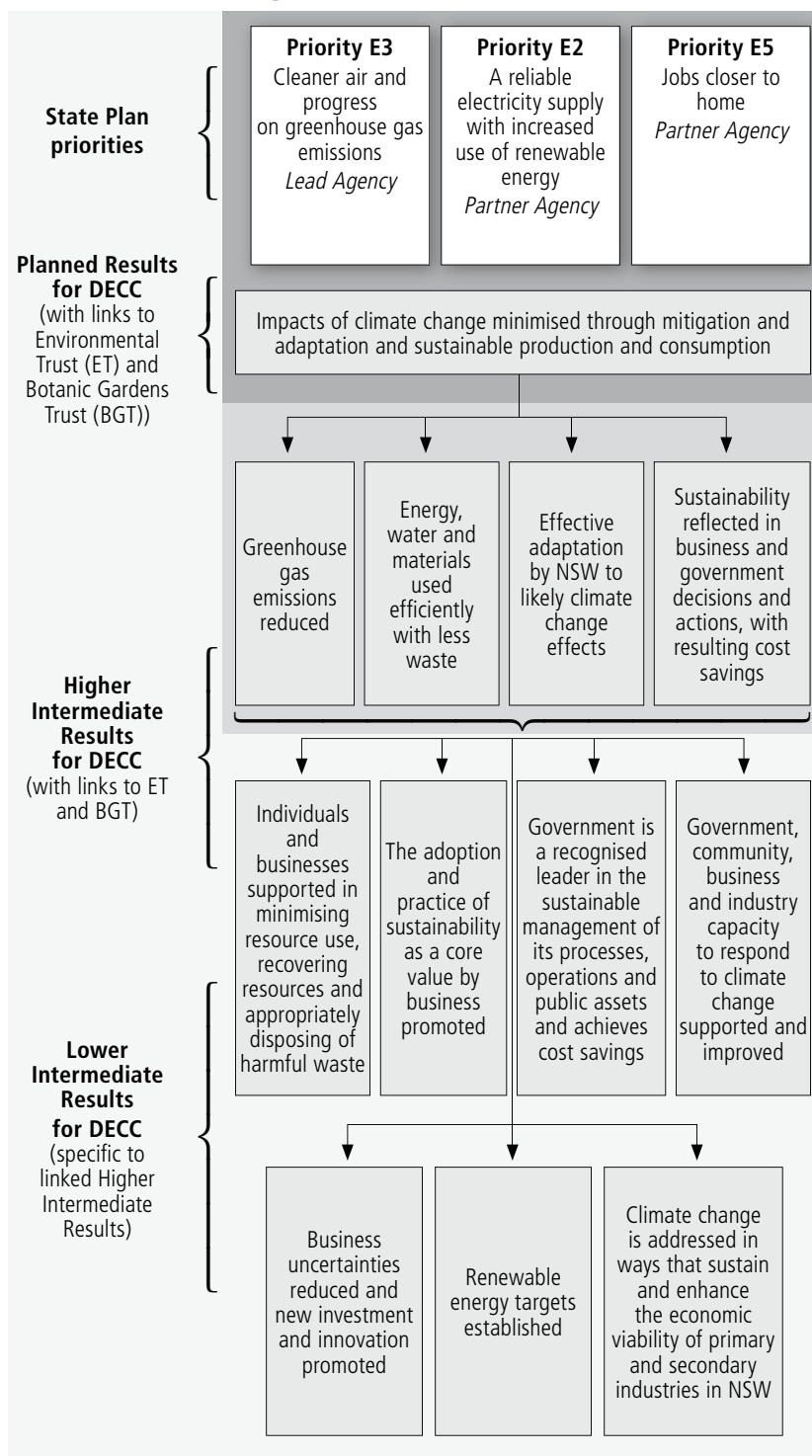
*The State Plan, A New Direction for NSW*, released in November 2006, is the NSW Government's 10-year plan for NSW. As a public sector agency, DECC is responsible for managing or contributing to actions under this plan. The State Plan can be found on [www.nsw.gov.au/stateplan](http://www.nsw.gov.au/stateplan).

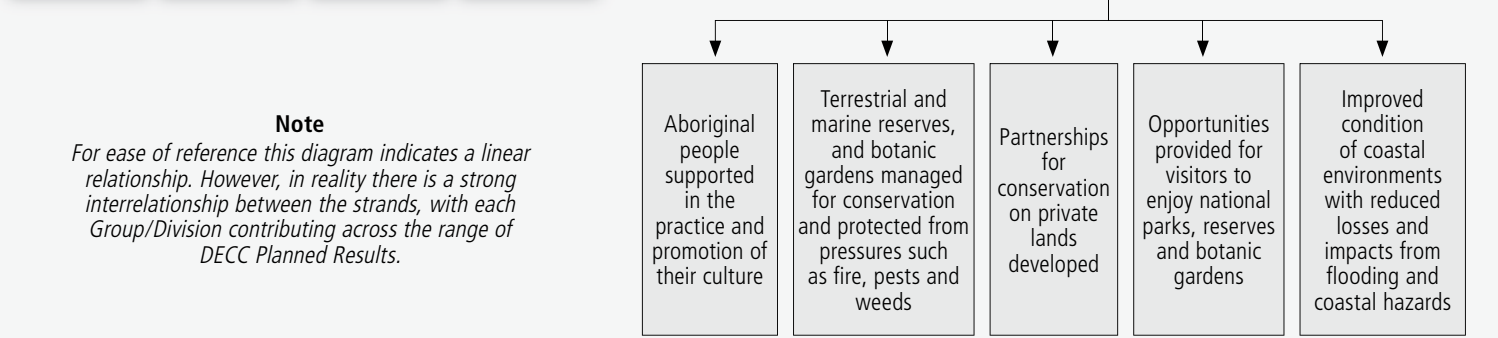
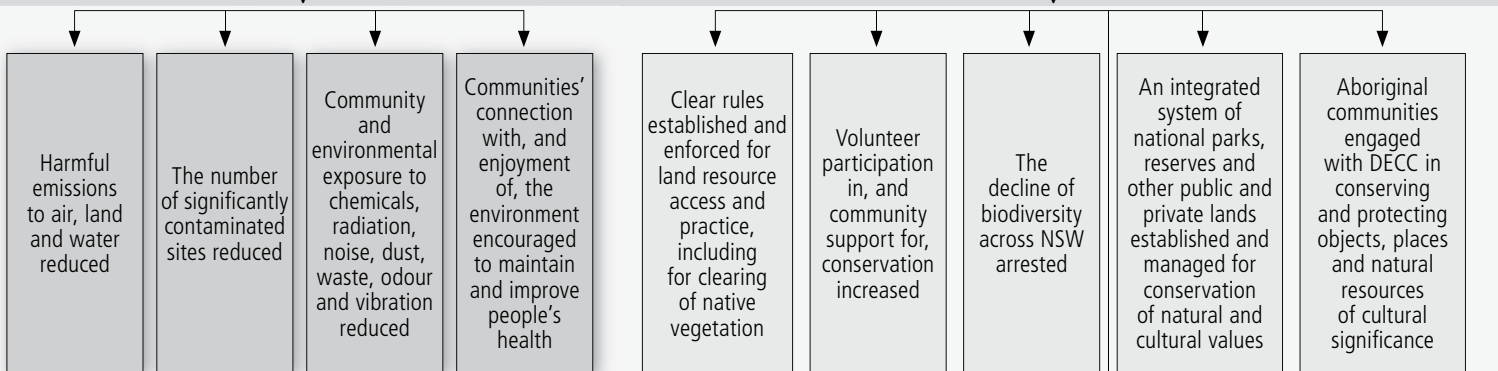
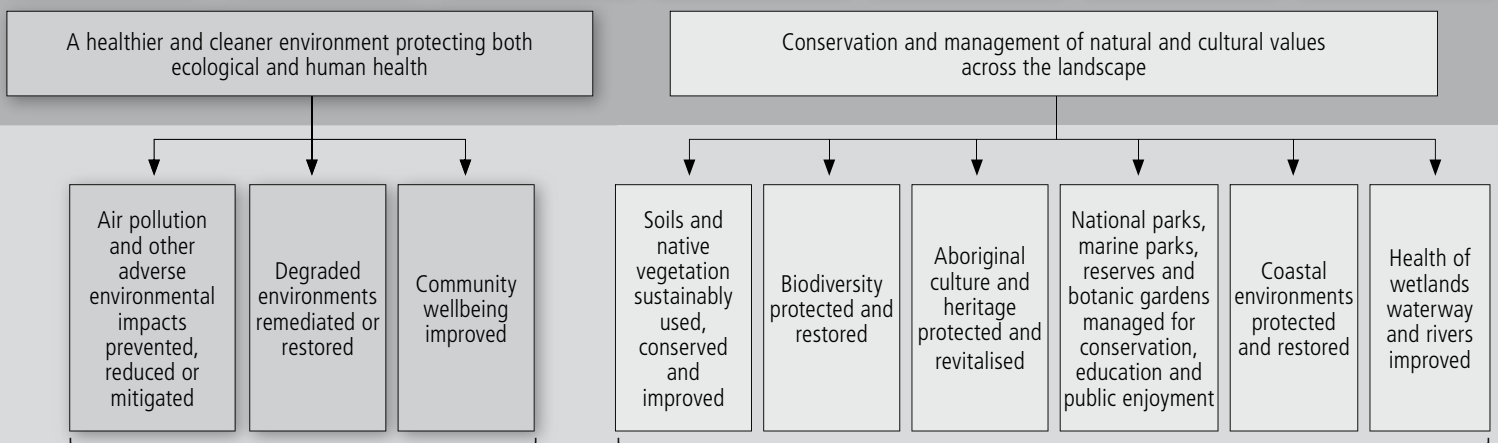
DECC will develop a new corporate plan in 2007-08 to address the full extent of its recently enlarged range of responsibilities, including DECC responsibilities under the State Plan.

In the meantime, DECC has developed a Results Logic diagram which demonstrates the State Plan priorities for which DECC is a lead or partner agency, and the impact we are trying to have ('planned results') through a series of logical steps ('intermediate results'). This diagram does not include the Botanic Gardens Trust and the Environmental Trust, each of which has its own Results Logic.

DECC has also commenced development of an Integration Plan to provide direction and establish priorities pending development of the first DECC corporate plan.

## DECC Results Logic





**Note**  
For ease of reference this diagram indicates a linear relationship. However, in reality there is a strong interrelationship between the strands, with each Group/Division contributing across the range of DECC Planned Results.

# Performance summary 2006–07

The performance summary outlines DECC's progress in 2006–07 towards the intermediate results for 2007–08 outlined in the Results Logic diagram on the previous pages. A detailed account of DECC's activities, including performance indicators, is provided in the following chapters.

Higher intermediate results	Lower intermediate results	Achievements in 2006–07
<b>Planned result: Minimising the impacts of climate change through mitigation and adaptation, and sustainable production and consumption</b>		
Reducing greenhouse gas emissions	<p>Reducing business uncertainty and promoting new investment and innovation</p> <p>Establishing renewable energy targets</p>	<p>DECC is leading the NSW State Plan priority to reduce greenhouse emissions, to meet the target of cutting greenhouse gas emissions by 60% by 2050 (page 18).</p> <p>DECC began administering the NSW Government's Climate Change Fund, launched in May 2007 with commitments of \$340 million over 5 years (page 18).</p> <p>DECC contributed to the states' and territories' development of a proposal for a national scheme for emissions trading (pages 18–19).</p> <p>44% of NSW office space and 33% of Australian office space has been measured by the Australian Building Greenhouse Rating, which is managed nationally by DECC (page 19).</p>
Adapting to climate change	<p>Supporting and improving government, community, business and industry capacity to respond to climate change</p> <p>Addressing climate change while sustaining and enhancing the economic viability of primary and secondary industries in NSW</p>	<p>DECC is undertaking seven four-year climate change impact and adaptation research programs that will provide better information for future strategies and actions (pages 20–21).</p> <p>DECC's proposal to conserve, restore and connect landscapes for 2800 kilometres, from the Victorian Alps to Atherton in Queensland, was endorsed by the Environment Protection and Heritage Council, and agreed to by the Commonwealth, NSW, Victorian, ACT and Queensland governments in November 2006 (page 21).</p>
Using energy, water and materials efficiently with less waste	Supporting individuals and businesses in minimising resource use, recovering resources, and appropriately disposing of harmful waste	<p>By 30 June 2007, 49 energy saving projects have been funded to save 139,000 megawatt hours of electricity, and 116 water savings projects have been funded to save 12.9 billion litres of water (pages 22–23).</p> <p>DECC launched NABERS (National Australian Built Environment Rating System) HOME in December 2006 so householders could calculate their energy and water use and get advice on making energy and water savings (pages 22–23).</p> <p>DECC's <i>Who cares about the environment in 2006?</i> survey found that more NSW residents are taking action to conserve water and energy (page 24).</p>

Higher intermediate results	Lower intermediate results	Achievements in 2006–07
Business and government acting sustainably with resulting cost savings	<p>Promoting the adoption and practice of sustainability as a core value by business</p> <p>Making government a recognised leader in the sustainable management of its processes, operations and public assets and achieving cost savings</p>	<p>Sustainability Advantage, launched in October 2006, is assisting more than 100 businesses to adopt and practise environmental sustainability as a core business value (page 26).</p> <p>In July 2006, DECC entered into a Sustainability Compact with IAG to implement sustainable actions in its operations, encourage its suppliers to be responsible for the life cycles of their products, and promote sustainability to its customers (page 27).</p> <p>DECC's <i>Waste reduction and purchasing policy progress report 2006</i>, published in September 2006, found that NSW government agencies had increased recycling rates to 82% and shown a 42% improvement in purchasing construction products with recycled content (page 31).</p> <p>DECC initiatives continued to encourage local governments to use recycled household organic waste (compost) in parklands and playing fields, and to prevent erosion on farmland (pages 31–32).</p> <p>DECC and the NSW Local Government and Shires Association launched Sustainable Choice in October 2006 to provide resources for councils to buy sustainable goods and services (page 32).</p>

## Planned result: A healthier and cleaner environment protecting both ecological and human health

Preventing or mitigating air pollution and other adverse environmental impacts	<p>Reducing harmful emissions to air, land and water</p> <p>Reducing exposure to chemicals, radiation, noise, dust, waste, odour and vibration</p>	<p>DECC legislative amendments, passed in June 2007, increased load based licensing fees for some emissions in summer in Sydney when ozone levels can be high in hot weather, to reduce air pollution (page 36).</p> <p>DECC ran 13 workshops with Catchment Management Authorities as a basis for developing a NSW Diffuse Source Water Pollution Strategy (page 43).</p> <p>DECC initiated the Aboriginal Lands Clean Up Project, providing grants of \$50,000 to six communities so rubbish dumped illegally on Aboriginal owned lands could be removed (page 46).</p> <p>DECC implemented and provided advice on the new pesticide notification requirements to protect people from exposure to pesticide applications on public land and in multiple occupancy dwellings (pages 47–48).</p> <p>DECC played a lead role in developing a national chemicals package (NChEM) to improve environmental management of chemicals (page 48).</p> <p>A project covering assessment and regulation of contaminants in aquatic sediments and involving ecotoxicologists from DECC, led by the CSIRO, won the Land and Water Australia Eureka Prize for Water Research in August 2006 (page 49).</p> <p>DECC staff responded to 47 significant environmental incidents, including the Strikemaster aircraft crash in the Turon Forest, and the beaching of the coal carrier, the Pasha Bulker at Newcastle (pages 51 and 54–55).</p>
Remediating or restoring degraded environments	Reducing the number of significantly contaminated sites	<p>DECC continued to regulate the remediation of contaminated sites on the Rhodes Peninsula, and contaminated sediments in Homebush Bay (page 52).</p> <p>DECC published guidelines for assessing and managing groundwater contamination (page 53).</p>
Improving community wellbeing	Encouraging community connection with, and enjoyment of, the environment	DECC helped people realise the health benefits of parks and connect with the environment by providing events in parks (pages 56–57).

Higher intermediate results	Lower intermediate results	Achievements in 2006–07
Conserving and improving native vegetation and soils	Establishing and enforcing clear rules for land resource access and practice, including clearing of native vegetation	<p>DECC continued to provide advice and assistance to Catchment Management Authorities in relation to property vegetation plans, and in 2006–07, over 547,513 hectares of land were maintained or improved through these plans (page 61).</p> <p>There was a significant reduction in the area of native vegetation approved for clearing, down to 882 hectares in 2006–07 from 12,815 hectares in 2005–06 (page 62).</p> <p>DECC worked with the Hawkesbury–Nepean Catchment Management Authority to incorporate soil landscape mapping covering 21,900 km<sup>2</sup> of the catchment into a database to help manage the area (page 64).</p> <p>DECC released two Native Vegetation Report Cards providing details on the status of NSW's native vegetation (page 64–65), and the <i>NSW woody vegetation change: 2004–06 report</i> on clearing of woody vegetation (page 64).</p>
Protecting and conserving biodiversity across the landscape	Arresting the decline in biodiversity across NSW Developing partnerships for conservation on private lands	<p>The draft <i>Lower Hunter Regional Conservation Plan</i> was exhibited in late 2006, and Stage 1 was implemented with 20,000 hectares of Government land being transferred into reserves effective from 1 July 2007 (page 67).</p> <p>Yanga National Park (31,190 hectares) and Yanga State Conservation Area (33,890 hectares) were gazetted (page 70).</p> <p>Twenty-two new conservation agreements, and 12 new wildlife refuges, were established on private land in 2006–07 (page 73).</p> <p>The Biodiversity Banking and Offsets Scheme (BioBanking scheme) was established, with the legislative framework being passed in December 2006 and the scheme being piloted on 17 sites across NSW (pages 73–74).</p> <p>DECC targeted serious breaches of the threatened species provisions of the <i>National Parks and Wildlife Act 1974</i>, and achieved record fine levels for these prosecutions (page 81).</p>
Managing the reserve system for conservation, education and public enjoyment	<p>Increasing volunteer participation in, and community support for conservation</p> <p>Managing an integrated system of national parks, reserves, and other public and private lands for conservation</p> <p>Conserving nature and cultural heritage in terrestrial and marine reserves, and botanic gardens and protecting them from pressures</p> <p>Providing opportunities for visitors to enjoy national parks, reserves and botanic gardens</p>	<p>DECC finalised five new arrangements with Aboriginal communities for co-management of reserves with the Worimi people at Stockton; the Githabul native title claimants in northern NSW; the Bundjalung people of Byron Bay–Arakwal; and the Darug people in Sydney (pages 83–84).</p> <p>Zoning plans for Port Stephens–Great Lakes and Batemans marine parks commenced in April 2007 and June 2007 respectively (page 85).</p> <p>The Centre for Environmental Risk Management of Bushfires opened in October 2006, a collaboration between the University of Wollongong, DECC and the NSW Rural Fire Service (page 94).</p>



Higher intermediate results	Lower intermediate results	Achievements in 2006–07
Improving the health of wetlands, waterways and rivers		NSW RiverBank, set up to purchase water for NSW's most stressed and valued rivers and wetlands, commenced operating in 2006–07, and water access entitlements of 16,681 megalitres were purchased from willing sellers in Macquarie, Lachlan and Murrumbidgee catchments (pages 99–100).
Protecting and restoring coastal environments	Improving the condition of coastal environments and reducing losses and impacts from flooding and coastal hazards	In 2006–07, 25 grants totalling \$1.6 million were approved under the Coastal Management Program for reducing hazards and restoring coastal areas (page 102). In 2006–07, 43 grants totalling \$2.9 million were approved under the Estuary Management Program for improvement works and environmental monitoring (page 103). In 2006–07, 410 grants totalling \$15.4 million were approved under the Urban Flood Risk Management Program for investigating and implementing strategies to reduce flood risks (page 103).
Protecting and revitalising Aboriginal culture and heritage	Engaging Aboriginal communities with DECC to conserve and protect objects, places and natural resources of cultural significance  Supporting Aboriginal people in the practice and promotion of their culture	DECC worked with the Metropolitan and La Perouse Local Aboriginal Land Councils, the Australian Museum and the University of Sydney to complete the return of over 200 ancestral remains to Country in and around Sydney (page 108).  Five new Aboriginal Places were declared across NSW (page 109).  Young people from the Walgett area were trained in Aboriginal sites identification and recording, to reconnect the young people with Country and Elders (page 110).  DECC worked with Aboriginal communities to protect 300 Aboriginal burial sites in Kinchega and Mungo National Parks in western NSW (pages 109–110).

## Planned result: A credible, efficient and effective organisation

Being responsive, adaptable and delivering responsibly	Building internal and external connections  Providing a safe, healthy workplace, valuing staff and encouraging innovation  Having good knowledge and information to make decisions  Minimising DECC's environmental footprint	A common information technology network for staff of the former Department of Environment and Conservation was completed on target in June 2007 (page 117).  Visits to some of DECC's websites increased by 44% to nearly five million, confirming their vital role in delivering information to the community (page 117).  Implementing the Aboriginal Employment Strategy over 2006–07 resulted in an increase in Aboriginal staff from 6.9% to 7.5% of former Department of Environment and Conservation staff, significantly higher than NSW Government targets (pages 119–120).  Occupational health and safety performance continued to improve, with the number and cost of compensation claims for the former Department of Environment and Conservation decreasing over 2006–07 (pages 119–120).  DECC released the 2006 <i>New South Wales State of the Environment 2006</i> to provide up-to-date information for decision makers and the NSW community (page 122).  The Department of Environment and Conservation's passenger vehicles fleet achieved the NSW Government target environment performance score (11.5 out of 20 – an increase from 10 last year) (page 123).  Goulburn Street and Hurstville tenancies achieved the maximum 5-Star Australian Building Greenhouse Rating (page 123).
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# Financial summary

This overview of the performance of DECC's financial operations for 2006–07 should be read in conjunction with the accompanying financial statements and related notes. These are provided on the CD on the inside back cover and are also on DECC's website – visit [www.environment.nsw.gov.au](http://www.environment.nsw.gov.au). The report provides separate financial statements for the Environment Protection Authority and the Marine Parks Authority.

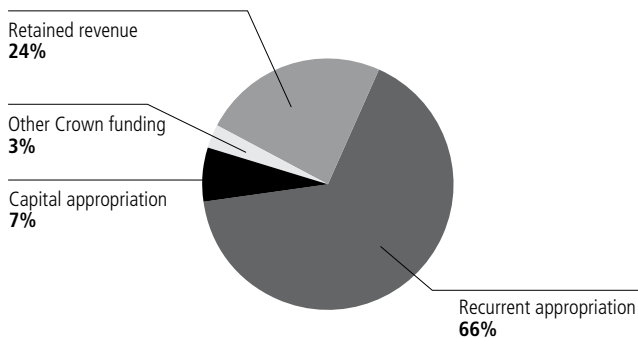
The net cost of services is the cost to the NSW Government of DECC services, and is derived by deducting the total retained revenue from total expenses and then accounting for any gain or loss from the sale of non-current assets. Our operations resulted in total expenses of \$677.12 million, total retained revenue of \$170.53 million, and a net cost of services of \$506.58 million.

In addition, DECC collected revenue on behalf of the NSW Government amounting to \$202.89 million, which contributed to Crown revenue.

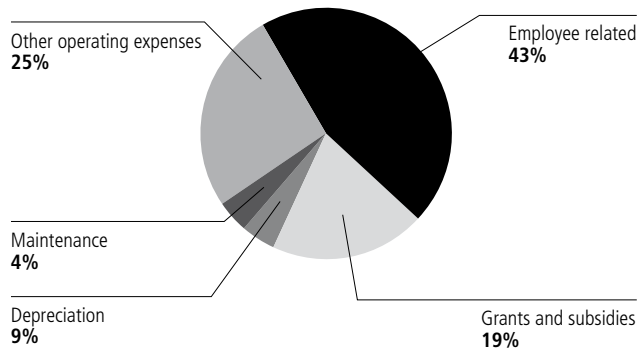
## How we use our financial resources

The following pie charts provide a summary of where DECC revenue came from and how it was allocated in 2006–07.

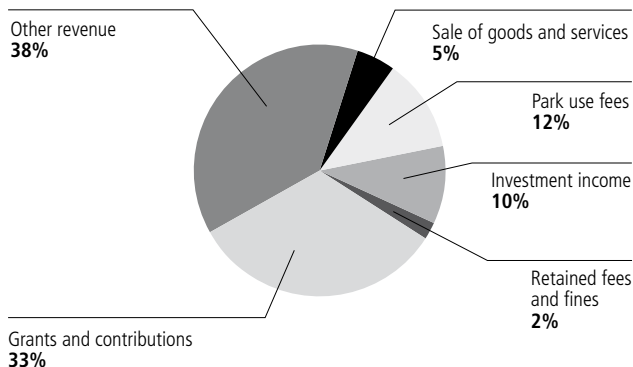
**Source of revenue 2006–07**  
(Total revenue: \$698.503 million)



**Allocation of total expenses 2006–07**  
(Total expenses: \$677.121 million)



**Source of retained revenue 2006–07**  
(Total retained revenues: \$170.539 million)



**2006–07 Programs – net cost of services**  
(Total: \$506.582 million)

