



Department of Water and
Environmental Regulation



2022-23

ANNUAL REPORT

Department of Water and Environmental Regulation

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Front cover: Department staff Elke Reichwaldt (middle) and Charlie Jones (far right) with Wilson Inlet Catchment Committee members Tim Gamblin, Alan Bewsher and Shaun Ossinger (left to right).

Inside cover: Students' excitement at the 'Fish Olympics' conducted by Alisia Lampropoulos at the annual Children's Ghangara Groundwater Festival.

Disclaimer

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Statement of compliance

For the year ended 30 June 2024

Hon Simone McGurk MLA

Minister for Water

Hon Reece Whitby MLA

Minister for Environment;
Climate Action

In accordance with section 63 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to Parliament the annual report for the Department of Water and Environmental Regulation for the financial year ended 30 June 2024.

The annual report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.



Alistair Jones
Director General
7 October 2024







Acknowledgement of Country

We acknowledge the Traditional Owners of the land upon which we live and work throughout Western Australia, and pay our respects to their Elders past and present.

We recognise the practice of intergenerational care for Country and its relevance to our work as water and environmental managers.

We seek to listen, learn, genuinely engage and build strong partnerships. We aim to provide sustainable opportunities for Aboriginal people within our workforce and through our business.

Working with the community, we move forward with a shared commitment to protect and conserve Country for future generations, recognising Country is a term used by Aboriginal people to describe the lands, waterways and seas to which they are intrinsically linked, and to which their wellbeing, law, place, custom, language, spiritual belief, cultural practice, material sustenance, family and identity belong.



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Maria Melero Lopez, Hydrogeologist,
pre-drilling site preparation, Karajarri
Indigenous Protected Area, La Grange

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Auditor General independent auditor's report



Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

Department of Water and Environmental Regulation

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Department of Water and Environmental Regulation (Department) which comprise:

- the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended
- administered schedules comprising the administered assets and liabilities as at 30 June 2024 and administered income and expenses by service for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Department of Water and Environmental Regulation for the year ended 30 June 2024 and the financial position as at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

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

Responsibilities of the Director General for the financial statements

The Director General is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions

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- such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director General is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Department.

Auditor's responsibilities for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

Report on the audit of controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Department of Water and Environmental Regulation. The controls exercised by the Department of Water and Environmental Regulation are those policies and procedures established to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with the State's financial reporting framework (the overall control objectives).

In my opinion, in all material respects, the controls exercised by the Department of Water and Environmental Regulation are sufficiently adequate to provide reasonable assurance that the controls within the system were suitably designed to achieve the overall control objectives identified as at 30 June 2024, and the controls were implemented as designed as at 30 June 2024.

The Director General's responsibilities

The Director General is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of

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property and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 Assurance Engagements on Controls issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Department of Water and Environmental Regulation for the year ended 30 June 2024 reported in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions (legislative requirements). The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators report of the Department of Water and Environmental Regulation for the year ended 30 June 2024 is in accordance with the legislative requirements, and the key performance indicators are relevant and appropriate to assist users to assess the Department's performance and fairly represent indicated performance for the year ended 30 June 2024.

The Director General's responsibilities for the key performance indicators

The Director General is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal controls as the Director General determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Director General is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 Key Performance Indicators.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments, I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My independence and quality management relating to the report on financial statements, controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements, the Office of the Auditor General maintains a comprehensive system of quality management including

documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

The Director General is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2024, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements and key performance indicators of the Department of Water and Environmental Regulation for the year ended 30 June 2024 included in the annual report on the Department's website. The Department's management is responsible for the integrity of the Department's website. This audit does not provide assurance on the integrity of the Department's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.



Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
1 October 2024

Certification of financial statements

For the reporting period ended 30 June 2024

The accompanying financial statements of the Department of Water and Environmental Regulation have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2024 and the financial position as at 30 June 2024.

At the date of signing, we are not aware of any circumstances which would render the particulars included within the financial statements misleading or inaccurate.



Hilary Manderson
Chief Finance Officer
1 October 2024



Alistair Jones
Director General
1 October 2024

Statement of comprehensive income

For the year ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Cost of services			
Expenses			
Employee benefits expense	2.1(a)	131,145	120,752
Supplies and services	2.3	57,734	41,790
Depreciation and amortisation expenses	4.1.1, 4.2, 4.3.1	11,019	9,880
Finance costs	6.3	170	90
Accommodation expenses	2.3	10,515	9,938
Grants and subsidies	2.2	22,451	21,384
Other expenses	2.3	7,407	6,904
Net loss on disposal of non-current assets	2.4	140	759
Total cost of services		240,581	211,497
Income			
User charges and fees	3.2	52,777	48,719
Commonwealth grants	3.3	3,031	7,639
Waste Levy	3.4	96,488	91,490
Other income	3.5	15,501	11,393
Total income		167,797	159,241
Net cost of services		72,784	52,256

	Notes	2024 \$'000	2023 \$'000
Income from State Government			
Service appropriation	3.1	104,760	110,666
Income from other public sector entities	3.1	5,850	3,526
Resources received	3.1	2,644	3,256
Royalties for Regions fund	3.1	8,973	7,990
Total income from State Government		122,227	125,438
Surplus for the period		49,443	73,182
Other comprehensive income			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation surplus	8.10	39,145	61,434
Total other comprehensive income		39,145	61,434
Total comprehensive income for the period		88,588	134,616

The Statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

As at 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Assets			
Current assets			
Cash and cash equivalents	6.4	23,487	11,448
Restricted cash and cash equivalents	6.4	96,184	94,440
Receivables	5.1	46,454	38,989
Amounts receivable for services	5.2	7,753	7,043
Other assets	5.3	4,900	3,151
Total current assets		178,778	155,071
Non-current assets			
Restricted cash and cash equivalents	6.4	-	3,308
Receivables	5.1	4,253	-
Amounts receivable for services	5.2	89,803	81,852
Infrastructure, property, plant and equipment	4.1	474,559	429,961
Right-of-use assets	4.2	2,995	2,076
Intangible assets	4.3	33,643	31,482
Other assets	5.3	121	3
Total non-current assets		605,374	548,682
Total assets		784,152	703,753

	Notes	2024 \$'000	2023 \$'000
Liabilities			
Current liabilities			
Payables	5.4	8,880	7,616
Lease liabilities	6.1	891	867
Contract liabilities	5.5	2,382	5,403
Employee related provisions	2.1(b)	27,248	26,714
Other current liabilities	5.6	1	2
Total current liabilities		39,402	40,602
Non-current liabilities			
Lease liabilities	6.1	2,194	1,274
Employee related provisions	2.1(b)	7,295	6,207
Total non-current liabilities		9,489	7,481
Total liabilities		48,891	48,083
Net assets		735,261	655,670
Equity			
Contributed equity	8.10	226,243	235,240
Reserves	8.10	137,075	97,930
Accumulated surplus		371,943	322,500
Total equity		735,261	655,670

The Statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

For the year ended 30 June 2024

	Notes	Contributed equity \$'000	Reserves \$'000	Accumulated surplus \$'000	Total equity \$'000
Balance at 1 July 2022		285,681	36,496	249,318	571,495
Surplus		-	-	73,182	73,182
Other comprehensive income	8.10	-	61,434	-	61,434
Total comprehensive income for the period		-	61,434	73,182	134,616
Transactions with owners in their capacity as owners:					
Capital appropriations	8.10	12,316	-	-	12,316
Distribution to owners	8.10	(62,757)	-	-	(62,757)
Total		(50,441)	-	-	(50,441)
Balance at 30 June 2023		235,240	97,930	322,500	655,670
Balance at 1 July 2023		235,240	97,930	322,500	655,670
Surplus		-	-	49,443	49,443
Other comprehensive income	8.10	-	39,145	-	39,145
Total comprehensive income for the period		-	39,145	49,443	88,588
Transactions with owners in their capacity as owners:					
Capital appropriations	8.10	11,046	-	-	11,046
Distribution to owners	8.10	(20,043)	-	-	(20,043)
Total		(8,997)	-	-	(8,997)
Balance at 30 June 2024		226,243	137,075	371,943	735,261

The Statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

For the year ended 30 June 2024

	2024 \$'000	2023 \$'000
Cash flows from State Government		
Service appropriation	89,806	95,931
Capital contributions	11,048	12,316
Holding account drawdown	6,293	7,918
Distributions to owner	(19,328)	(60,456)
Net proceeds on sale of land remitted to consolidated account	(229)	-
Royalties for Regions fund	8,973	7,990
Funds from other public sector entities	5,581	2,531
Net cash provided by State Government	102,144	66,230

	Notes	2024 \$'000	2023 \$'000
Utilised as follows:			
Cash flows from operating activities			
Payments			
Employee benefits		(128,968)	(117,287)
Supplies and services		(55,146)	(41,329)
Finance costs		(167)	(90)
Accommodation		(10,397)	(9,637)
Grants and subsidies		(23,385)	(19,368)
GST payments on purchases		(10,315)	(8,610)
Other payments		(5,694)	(3,909)
Receipts			
User charges and fees		50,049	44,533
Commonwealth grants		3,031	7,639
Waste Levy		94,359	84,105
GST receipts on sales		548	1,352
GST receipts from taxation authority		9,867	6,895
Other receipts		9,910	14,829
Net cash used in operating activities		(66,308)	(40,877)
Cash flows from investing activities			
Payments			
Purchase of non-current assets		(19,756)	(18,260)
Receipts			
Proceeds from sale of non-current assets		29	200
Net cash used in investing activities		(19,727)	(18,060)
Cash flows from financing activities			
Payments			
Principal elements of lease payments		(1,382)	(1,257)
Payments to accrued salaries account		(944)	-
Net cash used in financing activities		(2,326)	(1,257)
Net increase in cash and cash equivalents		13,783	6,036
Cash and cash equivalents at the beginning of the period		109,196	103,160
Adjustment for the reclassification of accrued salaries account		(3,308)	-
Cash and cash equivalents at the end of the period	6.4	119,671	109,196

The Statement of cash flows should be read in conjunction with the accompanying notes.

Administered schedules

For the year ended 30 June 2024

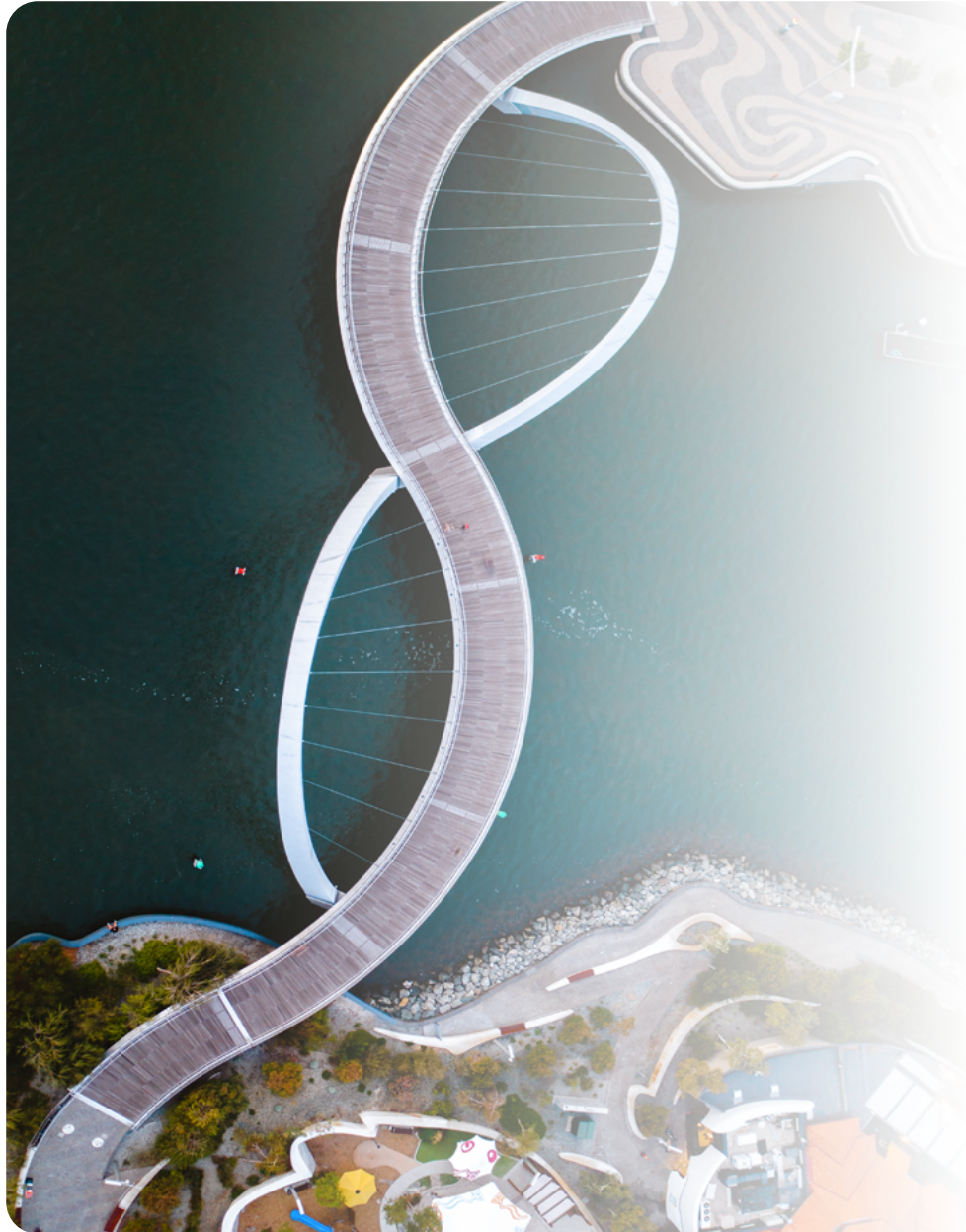
	2024 \$'000	2023 \$'000
Administered income and expenses		
Income		
For transfer:		
Regulatory fees and other charges ^(a)	94	46
Total administered income	94	46
Expenses		
Payments into the consolidated account ^(b)	94	46
Total administered expenses	94	46

(a) Payments into the consolidated account include water fines collected on behalf of the Water Corporation, and environmental infringement regulatory fees and fines collected on behalf of the State Government.

(b) Further explanations of variances are contained in [note 9.2](#) 'Explanatory statement for administered items'.

	2024 \$'000	2023 \$'000
Administered assets and liabilities		
Assets		
Current assets		
Cash and cash equivalents	1	1
Total administered current assets	1	1
Total administered assets	1	1
Liabilities		
Current liabilities		
Payables	-	-
Total administered current liabilities	-	-
Total administered liabilities	-	-





Notes to the financial statements

For the year ended 30 June 2024

1. Basis of preparation

The Department of Water and Environmental Regulation (the department) is a Government not-for-profit entity controlled by the State of Western Australia (WA), which is the ultimate parent.

A description of the nature of its operations and its principal activities have been included in the 'Our performance' section which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Director General of the department on 1 October 2024.

(a) Statement of compliance

These general purpose financial statements comply with Australian Accounting Standards - Simplified Disclosures. The general purpose financial statements have been prepared in accordance with Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by Treasurer's instructions. Several of these are modified by Treasurer's instructions to vary application, disclosure, format and wording. The Act and Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case, the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).

(c) Judgements and estimates

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

(d) Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- (a) amount of GST incurred by the department as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- (b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(e) Contributed equity

Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, as designated as contributions by owners (at the time of, or prior to, transfer) be recognised as equity contributions.

Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly-Owned Public Sector Entities* and have been credited directly to Contributed equity.

(f) Comparative figures and information

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current reporting period.

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 provides relief from presenting comparatives for:

- Property, Plant and Equipment reconciliations;
- Intangible Asset reconciliations; and
- Right-of-Use Asset reconciliations.

(g) Administered items

The department administers, but does not control, certain activities and functions for and on behalf of Government that do not contribute to the department's services or objectives. It does not have discretion over how it utilises the transactions in pursuing its own objectives.

Transactions relating to the administered activities are not recognised as the department's income, expenses, assets and liabilities, but are disclosed in the accompanying schedules as 'Administered income and expenses', and 'Administered assets and liabilities'.

The accrual basis of accounting and applicable Australian Accounting Standards have been adopted.

2. Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the department's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the department in achieving its objectives and the relevant notes are:

	Notes	2024 \$'000	2023 \$'000
Employee benefits expense	2.1(a)	131,145	120,752
Employee related provisions	2.1(b)	34,543	32,921
Grants and subsidies	2.2	22,451	21,384
Other expenditure	2.3	75,656	58,632
Net loss on disposal of non-current assets	2.4	140	759

2.1(a) Employee benefits expense

	2024 \$'000	2023 \$'000
Employee benefits	117,930	109,175
Superannuation - defined contribution plans	12,959	11,577
Termination benefits	256	-
Total employee benefits expenses	131,145	120,752
Add: AASB 16 Non-monetary benefits (not included in employee benefit expense)	1,211	936
Less: Employee contributions (refer to note 3.5 Other income)	(183)	(131)
Total employee benefits provided	132,173	121,557

Employee benefits include wages and salaries, accrued and paid leave entitlements and paid sick leave; and non-monetary benefits recognised under accounting standards other than AASB 16 (such as cars, housing and free or subsidised goods or services) for employees.

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the department is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer of voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Superannuation is the amount recognised in profit or loss of the Statement of comprehensive income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs or other superannuation funds.

AASB 16 Non-monetary benefits are non-monetary employee benefits, relating to the provision of vehicle and housing benefits that are recognised under AASB 16 and are excluded from the employee benefit expense.

Employee contributions are contributions made to the department by employees towards employee benefits that have been provided by the department. This includes both AASB 16 and non-AASB 16 employee contributions.



2.1(b) Employee related provisions

	2024 \$'000	2023 \$'000
Current		
Employee benefits provisions		
Annual leave ^(a)	11,897	11,241
Long service leave ^(b)	14,111	14,264
Purchased annual leave	151	151
Deferred salary scheme ^(c)	412	265
	26,571	25,921
Other provisions		
Employment on-costs ^(d)	677	793
Total current employee related provisions	27,248	26,714
Non-current		
Employee benefits provision		
Long service leave ^(b)	7,109	6,021
Other provisions		
Employment on-costs ^(d)	186	186
Total non-current employee related provisions	7,295	6,207
Total employee related provisions	34,543	32,921

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

(a) Annual leave liabilities are classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

(b) Long service leave liabilities are unconditional long service leave provisions and are classified as current liabilities as the department does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the department has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

The provision for long service leave is calculated at present value as the department does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

(c) Deferred salary scheme liabilities are classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

(d) Employment on-costs involve the settlement of annual and long service leave liabilities which gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance premiums, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses', [note 2.3](#) (apart from the unwinding of the discount [finance cost]) and are not included as part of the department's Employee benefits expense. The related liability is included in Employment on-costs provision.

	2024 \$'000	2023 \$'000
Employment on-costs provision		
Carrying amount at start of period	979	1,015
Additional/(reversals of) provisions recognised	341	358
Payments / other sacrifices of economic benefits	(494)	(406)
Unwinding of the discount	37	12
Carrying amount at end of period	863	979

Key sources of estimation uncertainty – long service leave

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Several estimates and assumptions are used in calculating the department's long service leave provision. These include:

- expected future salary rates
- discount rates
- employee retention rates
- expected future payments.

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision. Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

2.2 Grants and subsidies

	Notes	2024 \$'000	2023 \$'000
Recurrent			
Carbon Innovation Grants Program		58	-
Clean Energy Future Fund - Western Australia Recovery Program ^(a)		-	2,813
Commonwealth Grants - Rural Water Planning Program ^(b)		-	47
Contaminated Sites Management Account Grants		260	255
Grants Other		300	101
Keep Australia Beautiful Council (W.A.)		166	177
Murujuga Aboriginal Corporation Resourcing		193	95
Royalties for Regions - Healthy Estuaries Western Australia		-	25
Rural Water Planning Program ^(b)		-	45
Small Grants Program - Greening our Community		-	169
Statewide Water Efficiency Measures		143	47
Waste Avoidance and Resource Recovery Account	3.4	7,347	5,933
Water Innovation Partnership		48	200
Water Sensitive Cities Australia		-	150
Western Australian Climate Policy		210	383
Water Sensitive Cities Australia			
Western Australian Climate Policy			

	Notes	2024 \$'000	2023 \$'000
Capital			
Climate Action Fund - Urban Greening Grants		592	-
Commonwealth Grants - Food Waste for Healthy Soils Fund		-	750
Commonwealth Grants - National Partnership on Recycling Infrastructure ^(c)		2,007	3,499
Commonwealth Grants - Rural Water Planning Program ^(b)		501	900
Clean Energy Future Fund - Western Australia Recovery Program ^(a)		1,106	-
Clean Western Australia - Waste Paper and Cardboard Processing		22	-
Establishing and Maintaining Vegetation Offsets Account ^(d)		-	231
E-Waste to Landfill Ban ^(e)		3,652	-
Native Vegetation Rehabilitation Scheme ^(f)		1,137	981
Pilbara Environmental Offsets Fund		200	16
Rural Water Planning Program ^(b)		959	318
Small Grants Program - Greening our Community		546	-
Waste Avoidance and Resource Recovery Account - Food Waste for Healthy Soils Fund	3.4	-	750
Waste Avoidance and Resource Recovery Account - Waste Export Ban	3.4	2,004	3,499
Water Efficiency Scheme - Ghangara Groundwater Allocation Plan ^(g)		1,000	-
Total grants and subsidies		22,451	21,384

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

Grants can be paid as general-purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and / or have conditions attached regarding their use.

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as: grants, subsidies, personal benefit payments made in cash to individuals, other transfer payments made to public sector agencies, local government, non-government schools, and community groups.

- (a) The Clean Energy Future Fund – Western Australia Recovery Program supports the development of clean energy projects under a framework agreed by the Minister for Environment and the Minister for Energy, accelerating deployment of a broad range of clean energy solutions to decarbonise Western Australia's regions and the mining sector. Investment is expected to drive the installation of clean energy infrastructure in regional and remote areas, increasing economic activity and employment.
- (b) The program changed its name in 2022 from the Rural Water Deficiency and Community Water Supply grant to the Rural Water Planning Program. The Western Australian Government recognises the serious impact climate change is having on regional farming communities and continues its commitment to assist Local Government Authorities and farmers to address immediate water needs as well as building resilience into the future.

This program also supports the delivery of the Community Water Supplies Program (CWSP). The CWSP provides larger-scale grant co-funding to allow rural communities in dryland farming regions of Western Australia to adapt to changing rainfall patterns by establishing infrastructure that maximises the efficient use of all available water resources.

- (c) The Western Australian and Australian Governments announced their joint commitment to improve recycling capacity in Western Australia through a joint commitment in funding. The Commonwealth contribution is through the Recycling Modernisation Fund to fund the Commonwealth Grants - National Partnership on Recycling Infrastructure. This funding was in response to the former Council of Australian Governments' decision to ban the export of waste glass, tyres, plastics and paper/cardboard. The funding supports private investment in recycling infrastructure through grants administered by the department.
- (d) The Establishing and Maintaining Vegetation Offsets Account (Offsets Account) is a fund established for the purpose of establishing or maintaining native vegetation (also known as an offset) as a condition of a permit to clear native vegetation, granted under Part V Division 2 of the *Environmental Protection Act 1986*. Conditions on granted clearing permits can include a requirement to make monetary contributions to a fund maintained by the department for the purpose of establishing or maintaining native vegetation. The department has an obligation to spend the funds available in the Establishing and Maintaining Native Vegetation Offsets Account (Offsets Account) in a manner which counterbalances the impacts of clearing authorised through clearing permits.
- (e) The State Government is delivering an E-Waste to Landfill Ban in Western Australia, which will help recover valuable materials from waste that would otherwise be lost. The scope of e-waste items banned focuses on those with material recovery pathways, such as product stewardship schemes, in place to limit the risks of unwanted outcomes. The categories of e-waste in the initial ban, which comes into effect this year, includes televisions, computers, large household goods like dishwashers, fridges, large medical equipment, lighting, lamps and all batteries. E-waste service providers, the waste industry and significant-sized entities will have obligations to ensure e-waste is managed responsibly.

- (f) The Native Vegetation Rehabilitation Scheme program will contribute to improving habitat for Western Australia's unique and important flora and fauna species, especially black cockatoos, and remnant vegetation in highly cleared landscapes. This broader revegetation scheme will contribute to the ecosystem services provided by functioning vegetation communities.
- (g) The Water Efficiency Scheme - Gngangara Groundwater Allocation Plan is to ensure there is a productive and sustainable groundwater supply.

The 2009 *Gngangara groundwater areas allocation plan* provided initial strategies to manage sustainable groundwater abstraction and the first steps to returning the over-allocated system to balance, after years of declining rainfall and recharge to groundwater. It was a strong first step in adjusting our groundwater management in the context of a drier climate.

The Department developed the 2022 *Gngangara groundwater allocation plan* to ensure there is a productive and sustainable groundwater supply, and healthy environment under a drying climate. To develop the Gngangara allocation plan, the department consulted with water users to find ways to adjust and to bring our Gngangara groundwater system back into balance.



2.3 Other expenditure

	2024 \$'000	2023 \$'000
Supplies and services		
Communications	1,761	1,916
Consultants and contractors	43,187	30,317
Consumables	471	386
Materials	483	288
Travel	1,519	1,214
Vehicle expenses	683	593
Minor plant, machinery and equipment	2,478	1,809
Plant, machinery and equipment hire	48	162
Chemical analysis expense	1,160	888
Water carting and drought relief	595	-
Other supplies and services	5,349	4,217
Total supplies and services expenses	57,734	41,790
Accommodation expenses		
Rental	8,440	8,127
Electricity and water	525	493
Rates and taxes	26	44
Security	55	76
Repairs and maintenance	765	503
Cleaning	704	695
Total accommodation expenses	10,515	9,938

	2024 \$'000	2023 \$'000
Other expenses		
Audit fees	361	328
Bad debts	1	186
Equipment repairs and maintenance	595	513
Expected credit losses expense	729	508
Employment on-costs	3,209	3,043
Impairment losses on measurement sites ^(a)	1,008	1,129
Insurance	538	802
Other operating expenses	966	395
Total other expenses	7,407	6,904
Total other expenditure	75,656	58,632

(a) Refer to [note 4.1.1](#) for details regarding impairment losses on measurement sites.

Supplies and services

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Accommodation expenses

Repairs, maintenance, cleaning, security, electricity, water, rates and taxes costs are recognised as expenses as incurred.

Rental expenses include:

- (i) Included in rental expenses are Office rental costs of \$8.4 million (2023: \$7.7 million). Office rental is expensed as incurred as Memorandum of Understanding Agreements between the department and the Department of Finance for the leasing of office accommodation contain significant substitution rights.
- (ii) short-term leases with a lease term of 12 months or less.
- (iii) low-value leases with an underlying value of \$5,000 or less.

Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

Equipment repairs and maintenance

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset. In that case, the costs are capitalised and depreciated.

Expected credit losses

The allowance for expected credit losses of trade receivables and accrued revenue is measured at the lifetime expected credit losses at each reporting date. The department has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the receivables and the economic environment. Please refer to [note 5.1](#) Receivables for more details.

Employment on-cost

Employment on-cost includes workers' compensation insurance and other employment on-costs. The on-costs' liability associated with the recognition of annual and long service leave liabilities is included at [note 2.1\(b\)](#) Employee

related provisions. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

2.4 Net loss on disposal of non-current assets

	2024 \$'000	2023 \$'000
Proceeds from disposal of non-current assets		
Land	(29)	(202)
Plant, equipment and vehicles	(6)	-
Carrying amount of non-current assets disposed		
Infrastructure	-	11
Land	20	56
Leasehold improvements	-	8
Licences	-	1
Measurement sites	137	863
Plant, equipment and vehicles	18	22
Net loss on disposal of non-current assets	140	759

Realised and unrealised gains are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and revaluations of non-current assets.

Gains and losses on the disposal of non-current assets are presented by deducting from the proceeds on disposal the carrying amount of the asset and related selling expenses. Gains and losses are recognised in profit or loss in the Statement of comprehensive income (from the proceeds of sale).

3. Our funding services

How we obtain our funding

This section provides additional information about how the department obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the department and the relevant notes are:

	Notes	2024 \$'000	2023 \$'000
Income from State Government	3.1	122,227	125,438
User charges and fees	3.2	52,777	48,719
Commonwealth grants	3.3	3,031	7,639
Waste levy	3.4	96,488	91,490
Other income	3.5	15,501	11,393

3.1 Income from State Government

	2024 \$'000	2023 \$'000
Appropriation received during the period^(a):		
Service appropriation	104,760	110,666
Total appropriation received	104,760	110,666
Income from other public sector entities during the period^(b):		
Environmental Protection Part IV Cost Recovery Account	2,829	1,296
Establishing and Maintaining Vegetation Offsets Account	361	317
Grants	511	521
Interest revenue	1,735	1,131
Pilbara Environmental Offsets Account	-	175
Other	414	86
Total income from other public sector entities	5,850	3,526



	2024 \$'000	2023 \$'000
Resources received from other public sector entities during the period^(a):		
Services received free of charge		
Department of Finance - Accommodation lease and depreciation	160	159
Department of Planning, Lands and Heritage – Spatial data	-	1
Department of Primary Industries and Regional Development – Digital map	7	11
Landgate - Land information services	697	535
Main Roads Western Australia - Clearing permit assessment	234	190
State Solicitor's Office - Legal services	1,546	2,231
Water Corporation - Environmental Services	-	129
Total services received free of charge	2,644	3,256
Royalties for Regions fund^(a):		
Regional Infrastructure and Headworks Account	6,597	6,342
Regional Community Services Account	2,376	1,648
Total Royalties for Regions Fund	8,973	7,990
Total income from State Government	122,227	125,438

(a) Service appropriation

Service appropriations are recognised as income at the fair value of consideration received in the period in which the department gains control of the appropriated funds. The department gains control of appropriated funds at the time those funds are deposited in the bank account or credited to the Amounts receivable for services (holding account) held at Treasury.

Service appropriations fund the net cost of services delivered. Appropriation revenue comprises the following:

- cash component
- a receivable (asset).

The receivable (holding account – [note 5.2](#)) comprises the following:

- the budgeted depreciation expense for the year
- any agreed increase in leave liabilities during the year.

(b) Income from other public service entities

Income from other public service entities is recognised as income when the department has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income will be recognised when the department receives the funds.

(c) Resources received from other public sector entities

Resources received from other public sector entities are recognised as income equivalent to the fair value of the assets received, or the fair value of those services that can be reliably determined and which would have been purchased if not donated.

(d) Royalties for Regions fund

The Regional Infrastructure and Headworks Account and Regional Community Services Account are sub-funds within the overarching Royalties for Regions fund. The recurrent funds are committed to projects and programs in WA regional areas and are recognised as income when the department receives the funds.

Summary of consolidated account appropriations For the year ended 30 June 2024

	2024 Budget	Section 25 transfers	2024 Additional funding*	2024 Revised budget	2024 Actual	2024 Variance
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Delivery of services						
Item 84 Net amount appropriated to deliver services	126,655	(109)	-	126,546	103,788	(22,758)
Amount authorised by other statutes						
- Salaries and Allowances Act 1975	404	-	568	972	972	-
Total appropriations provided to deliver services	127,059	(109)	568	127,518	104,760	(22,758)
Capital						
Item 150 Capital appropriation	10,440	-	-	10,440	11,046	606
Administered transactions						
Administered grants, subsidies and other transfer payments	100	-	-	100	94	(6)
Total administered transactions	100	-	-	100	94	(6)
Total consolidated account appropriations	137,599	(109)	568	138,058	115,900	(22,158)

* Additional funding includes supplementary funding and new funding authorised under section 27 of the Act and amendments to standing appropriations.

3.2 User charges and fees

	2024 \$'000	2023 \$'000
Industry fees ^(a)	27,656	28,236
Controlled waste ^(b)	6,420	5,910
Contaminated sites	331	193
Clearing regulations	299	292
Water licences and regulatory fees ^(c)	1,480	1,754
Noise regulations	-	30
Environmental Protection Part IV Cost Recovery Account ^(d)	16,582	12,285
Other charges and fees	9	19
Total user charges and fees	52,777	48,719

User charges and fees revenue are recognised at the transaction price when the department transfers control of the services to customers.

Revenue is recognised at a point-in-time for licences, works approvals, and tracking forms. The performance obligations for these user fees and charges are satisfied when the licence, works approval or tracking form is issued to the customer.

- (a) Licensing and registration fees relating to prescribed premises under Part V of the *Environmental Protection Act 1986*.
- (b) Fees for the licensing of vehicles transporting controlled public waste as per the Environmental Protection (Controlled Waste) Regulations 2004.
- (c) Water licences and regulatory fees under the *Rights in Water and Irrigation Act 1914*.

Revenue is recognised at a point in time being the earlier of cash receipt or when the department's right to receive consideration is established with regards to environmental impact assessments (EIA).

- (d) Part IV of the *Environmental Protection Act 1986* states that the Environmental Protection Authority (EPA) will conduct EIA in WA.

The Environmental Protection (Cost Recovery) Regulations 2021 (Regulations) were developed to prescribe or provide for the determination of the fees and charges for the EIA processes under Part IV of the *Environmental Protection Act 1986*. The Regulations were gazetted on 17 December 2021 and came into operation on 1 January 2022. A special purpose account was established to manage the funds recovered under the Regulations to be used for defraying the costs incurred by the department in receiving and assessing proposals and monitoring the implementation of proposals under Part IV (division 1 or 2) of the *Environmental Protection Act 1986*. Refer to [note 8.7](#) for additional information.

3.3 Commonwealth grants

	2024 \$'000	2023 \$'000
Commonwealth grants – recurrent	3,031	7,639

Recurrent grants are recognised as income when the grants are receivable.

Capital grants are recognised as income when the department achieves milestones specified in the grant agreement.

Details of the department's Commonwealth grants are as follows:

	2024 \$'000	2023 \$'000
Food Waste for Healthy Soils Fund	-	1,125
Indian Ocean Territories Account	1,457	1,180
National Pollutant Inventory	107	107
Smart Farms Small Grants - National Landcare Program	-	875
National Partnership on Recycling Infrastructure	1,467	1,727
National Water Grid - Community Water Supply Program	-	800
National Water Grid - Agricultural Areas Dams	-	1,825
Total Commonwealth grants	3,031	7,639

3.4 Waste levy

	2024 \$'000	2023 \$'000
Waste levy	96,488	91,490

The Waste levy transaction price is determined by legislation. The Waste Avoidance and Resource Recovery Account (WARR Account) was established in 2008 under section 79 of the *Waste Avoidance and Resource Recovery Act 2007* (WARR Act). Under the WARR Act, licensed metropolitan landfill operators are required to fund the operations of the WARR Account. The WARR Account holds revenue allocated from the levy to fund waste management programs.

Waste levies give rise to variable consideration as the transaction price is dependent on waste quantities. Further, variable consideration may arise where exemptions apply to certain types of waste or where the licensed landfill operator is subject to an investigation.

The Waste levy income relating to licensed landfill operators is recognised when control of the license is transferred to the licensed landfill operator i.e. at the date of issue of the license. Where the transaction price is subject to variable consideration, the variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The department may also receive waste levy income from non-licensed landfill operators in relation to breaches of the WARR Act. Such amounts are recognised at the earlier of when the department's right to receive consideration is established or when cash is received.

3.5 Other income

	2024 \$'000	2023 \$'000
Services rendered		
Establishing and Maintaining Vegetation Offsets Account ^(a)	111	868
Pilbara Environmental Offsets Fund ^(b)	8,019	3,295
Employee contributions ^(c)	183	131
Lease rentals - land and buildings	253	223
Tree annuity	94	98
Tree harvest	19	49
Recoupment of expenses	522	620
Recoupment of grant funds	49	19
Murujuga Rock Art Monitoring Program - industry funding ^(d)	6,124	5,994
Other revenue	127	96
Total other income	15,501	11,393

(a) The department administers the *Environmental Protection Act 1986* which regulates the clearing of native vegetation. Clearing of native vegetation requires the authority of a clearing permit unless it is of an exempt kind. Clearing permits may include conditions requiring an offset to counterbalance the impacts of clearing. Offsets requirements are imposed in accordance with the WA Environmental Offsets Policy (2011) and the WA Environmental Offsets Guidelines (2014). Certain offset requirements involve payment of a monetary contribution into the Establishing and Maintaining Vegetation Offsets Account, which is an account managed by the department.

Contributions into the Establishing and Maintaining Vegetation Offsets Account are made following the grant of the associated clearing permit, and after any related appeals have been received and determined. Revenue from the offsets is recognised at a point-in-time i.e. when the

department issues an invoice to the permit holder requesting payment of the contribution into the fund.

(b) In 2012, the WA Minister for Environment mandated that proponents in the Pilbara region pay their environmental offsets into a strategic fund for conservation. In the same year, the Federal Minister for Environment gave proponents the option of doing so. This led to the establishment of the Pilbara Environmental Offsets Fund. The fund combines money from individual offset payments required under Part IV of the *Environmental Protection Act 1986* and may combine contributions required under part 9 or 10 of the *Environmental Protection and Biodiversity Conservation Act 1999* (Cth). The establishment of the fund enables the State Government to combine offset money and partner with regional land management organisations to deliver projects that achieve better and more connected biodiversity conservation outcomes. The department is responsible for managing the fund to ensure that offset payments directly benefit vegetation and habitat impacted by mining.

Despite conditions being included in Ministerial Statements from 2012, the Pilbara Environmental Offset Fund was only established on 18 April 2018. The Ministerial Statements define the proponents of the fund. Implementation conditions within these Ministerial Statements require the preparation of an Impact Reconciliation Report to determine the quantum of money owed to the fund by proponents.

Revenue from the Pilbara Environmental Offsets Fund is recognised at a point-in-time, i.e. recognised when the department has the right to invoice the proponent. The department has the right to invoice the proponent following submission and acceptance of the proponent's Impact Reconciliation Report.

(c) Income received by the department from sub-leasing of right-of-use assets to lease payments from operating leases. The department has leased several right-of-use asset from the Government Regional Officer Housing (GROH) and State Fleet (SF), which it subleases out to employees at a subsidised rate. Information on the department's leasing arrangements with GROH and SF can be found in [note 2.1\(a\)](#).

(d) In terms of the Murujuga Rock Art Monitoring Program memorandum of understanding (MoU) dated 7 February 2020, industry participants have agreed to contribute to the estimated costs associated with the program until the earlier of five years from the MoU date of execution; the parties ending the relationship by mutual consent or any statutory obligations that come into effect by an amendment to the *Environmental Protection Act 1986*.

4 Key assets

Assets the department utilises for economic benefit or service potential

This section includes information regarding the key assets the department utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes	2024 \$'000	2023 \$'000
Infrastructure, property, plant and equipment	4.1	474,559	429,961
Right-of-use assets	4.2	2,995	2,076
Intangible assets	4.3	33,643	31,482
Total key assets		511,197	463,519



4.1 Infrastructure, property, plant and equipment

	Capital works in progress	Works of Art	Computer equipment	Vehicles and Boating	Infrastructure	Plant and equipment	Measurement sites	Leasehold improvements	Buildings	Land	Total
Year ended 30 June 2024	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
1 July 2023											
Gross carrying amount	21,628	116	1,010	231	1,393	6,059	207,814	1,019	4,972	191,896	436,138
Accumulated depreciation	-	-	(885)	(191)	(306)	(2,816)	-	(70)	-	-	(4,268)
Accumulated impairment losses	-	-	-	-	-	-	(1,909)	-	-	-	(1,909)
Carrying amount at start of period	21,628	116	125	40	1,087	3,243	205,905	949	4,972	191,896	429,961
Additions	12,925	34	192	-	-	16	-	391	177	30	13,765
Transfers in/(out) ^(a)	(11,625)	-	162	57	2,739	47	8,620	-	-	-	-
Transfer as distribution to owner ^(b)	-	-	-	-	-	-	-	-	-	(686)	(686)
Disposals	-	-	-	-	-	(18)	(137)	-	-	(20)	(175)
Revaluation increments	-	-	-	-	-	-	7,392	-	776	31,459	39,627
Impairment losses ^(c)	-	-	-	-	-	-	(1,490)	-	-	-	(1,490)
Depreciation	-	-	(70)	(25)	(71)	(609)	(5,483)	(61)	(124)	-	(6,443)
Carrying amount at end of period 2024	22,928	150	409	72	3,755	2,679	214,807	1,279	5,801	222,679	474,559
Gross carrying amount	22,928	150	1,251	290	4,132	6,060	218,282	1,410	5,801	222,679	482,983
Accumulated depreciation	-	-	(842)	(218)	(377)	(3,381)	(76)	(131)	-	-	(5,025)
Accumulated impairment losses	-	-	-	-	-	-	(3,399)	-	-	-	(3,399)

(a) Transfers in / (out) from tangible capital works in progress to completed assets.

(b) Refer to [note 8.10](#), land transferred to Department of Planning, Lands and Heritage and Department of Biodiversity, Conservation and Attractions.

(c) Refer to [note 4.1.1](#) for details regarding impairment losses.

Initial recognition

Items of infrastructure, property, plant and equipment costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no cost or significantly less than fair value, the cost is valued at its fair value at the date of acquisition. Items of infrastructure, property, plant and equipment costing less than \$5,000 are immediately expensed to the Statement of comprehensive income (other than where they form part of a group of similar items which are significant in total).

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

Subsequent measurement

Subsequent to initial recognition of an asset, the revaluation model is used for the measurement of:

- land
- buildings
- measurement sites.

Land is carried at fair value.

Buildings and measurement sites are carried at fair value less accumulated depreciation and accumulated impairment losses.

All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Measurement sites are independently valued every five years by an external services valuer. In the intervening years, the measurement sites are revalued internally by use of other heavy and civil engineering construction building cost index provided by the Australian Bureau of Statistics. The last time groundwater measurement sites were independently valued was by Ernst & Young for the 30 June 2023 financial year end. Fair value for measurement

sites is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement cost.

Revaluation model:

Where the fair value of measurement sites is determined on the current replacement cost basis, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Land and buildings are independently valued annually by the WA Land Information Authority (Landgate) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Land and buildings were revalued as at 1 July 2023 by Landgate. The valuations were performed during the year ended 30 June 2024 and recognised at 30 June 2024. In undertaking the revaluation, fair value was determined by reference to market values for land: \$61,956,600 (2023: \$52,284,100) and buildings: \$2,490,000 (2023: \$2,823,500). For the remaining balance, unobservable (level 3) inputs were used to determine the fair value.

Revaluation model:

Where the fair value of buildings is determined on the current replacement cost basis, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Unobservable (level 3) inputs used to determine fair values of infrastructure, property, plant and equipment are:

Land	Fair value for restricted use land is determined by comparison with market evidence for land with low level utility. Relevant comparators of land with low level utility are selected by the Landgate (Valuation Services).
Buildings	<p>Historical cost per square metre floor area</p> <p>The costs of constructing specialised buildings with similar utility are extracted from financial records of the department, then indexed by movements in consumer price index.</p> <p>Consumed economic benefit/obsolescence of asset</p> <p>Landgate (Valuation Services) estimate these</p>
Measurement sites	<p>Historical cost of the assets</p> <p>The costs of construction of the measurement sites are extracted from the financial records of the department and indexed by movement in construction costs by valuers.</p>

Significant assumptions and judgements: The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis and in determining estimated economic life to assets. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

4.1.1 Depreciation and impairment

Charge for the period

	2024 \$'000	2023 \$'000
Depreciation		
Buildings	124	118
Infrastructure	71	70
Plant and equipment	609	583
Vehicles and boating	25	32
Computer equipment	70	89
Leasehold improvements	61	34
Measurement sites	5,483	4,380
Total depreciation for the period	6,443	5,306

At 30 June 2024, the department recognised \$1.490 (2023: \$1.909) million impairment loss on measurement sites. \$0.482 (2023: \$0.78) million was recognised in the revaluation reserve and \$1.008 (2023: \$1.129) million recognised in profit and loss to ensure that the impairment loss did not exceed the amount in the revaluation surplus for this class of assets.

Useful lives

All infrastructure, property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exceptions to this rule include assets held for sale, land and investment properties.

Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful Life: Years
Buildings	20–40 years
Leasehold improvement (b)	20 years
Measurement sites	40 years
Plant and equipment	5–20 years
Computer equipment (hardware and software (a))	3–5 years
Infrastructure	20–50 years
Vehicles and boating	5–6 years

- (a) Software that is integral to the operation of related hardware.
- (b) Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments are made where appropriate.

Land and works of art, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

Impairment

Non-financial assets, including items of infrastructure, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset is measured at cost and is written down to its recoverable amount, an impairment loss is recognised through profit and loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for the class of asset.

As the department is a not-for-profit agency, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation / amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

4.2 Right-of-use assets

Year ended 30 June 2024	Buildings	Computer and office equipment	Motor Vehicles	Total
	\$'000	\$'000	\$'000	\$'000
Net carrying amount at beginning of period	333	329	1,414	2,076
Additions	273	209	2,025	2,507
Disposals	(31)	-	(130)	(161)
Depreciation	(342)	(271)	(814)	(1,427)
Net carrying amount at end of period	233	267	2,495	2,995

The department has leases for vehicles, computer equipment, office and residential accommodations. The lease contracts are typically made for fixed periods of 1–6 years with an option to renew the lease after that date. Lease payments for buildings not leased through the Department of Finance are renegotiated when appropriate to reflect market rentals.

The department subleases residential housing to employees at a subsidised rate. The department recognises lease payments from operating leases as income on a straight-line basis over the term of the lease.

The department has also entered into Memorandum of Understanding (MOU) agreements with the Department of Finance for the leasing of office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Finance and are accounted for as an expense as incurred.

Initial recognition

At the commencement date of the lease, the department recognises right-of-use assets and a corresponding lease liability for most leases. The right-of-use assets are measured at cost comprising of:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in [note 6.1](#).

The department has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low-value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

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

If ownership of the leased asset transfers to the department at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in [note 4.1.1](#).

The following amounts relating to leases have been recognised in the statement of comprehensive income:

	2024 \$'000	2023 \$'000
Buildings	342	368
Computer and office equipment	271	206
Motor vehicles	814	695
Total right-of-use assets depreciation for the period	1,427	1,269

The total cash outflow for leases in the 2024 financial year was \$1.4 million (2023: \$1.3 million).



4.3 Intangible assets

	Capital Works in Progress	Analytical Products	Licences	Computer Software	Total
Year ended 30 June 2024	\$'000	\$'000	\$'000	\$'000	\$'000
1 July 2023					
Gross carrying amount	13,346	10,044	181	36,819	60,390
Accumulated amortisation	-	(5,399)	(86)	(23,423)	(28,908)
Carrying amount at start of period	13,346	4,645	95	13,396	31,482
Additions	5,055	-	-	255	5,310
Transfers in/(out) ^(a)	(9,206)	-	-	9,206	-
Disposal	-	-	-	-	-
Amortisation expense	-	(1,011)	(50)	(2,088)	(3,149)
Carrying amount at end of period	9,195	3,634	45	20,769	33,643
Gross carrying amount	9,195	10,044	181	46,280	65,700
Accumulated amortisation	-	(6,410)	(136)	(25,511)	(32,057)

(a) Transfer in/(out) from capital works in progress to completed assets.

Initial recognition

Intangible assets are initially recognised at cost. For assets acquired at significantly less than fair value, the cost is their fair value at the date of acquisition. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale
- b) an intention to complete the intangible asset and use or sell it
- c) the ability to use or sell the intangible asset
- d) the intangible asset will generate probable future economic benefit
- e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$5,000 or more that comply with the recognition criteria as per AASB 138 (as noted above), are capitalised. Costs incurred below these thresholds are immediately expensed directly to the Statement of comprehensive income. Costs incurred in the research phase of a project are immediately expensed.

Subsequent measurement

The cost model is applied for subsequent measurement of intangible assets requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

4.3.1 Amortisation and impairment

	2024 \$'000	2023 \$'000
Charge for the period		
Analytical products	1,011	983
Computing software	2,088	2,288
Licences	50	34
Total amortisation for the period	3,149	3,305

Useful lives

The department held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

Amortisation of finite life intangible assets is calculated on a straight-line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by the department have a finite useful life and zero residual value. Estimated useful lives are reviewed annually. The estimated useful lives for each class of intangible asset are:

Licences	3 years
Software (a)	3–10 years
Analytical products (b)	10 years

- (a) Software that is not integral to the operation of related hardware.
- (b) Analytical products are intangible assets such as geophysical datasets and surveys which are usually produced as part of project work. These products are used by the department to improve its understanding and management of water resources.

Impairment of intangible assets

Intangible assets with finite useful lives are tested for impairment annually or when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in [note 4.1.1](#). As at 30 June 2024 there were no indications of impairment to intangible assets.

5. Other assets and liabilities

This section sets out those assets and liabilities that arose from the department's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	2024 \$'000	2023 \$'000
Receivables	5.1	50,707	38,989
Amounts receivable for services	5.2	97,556	88,895
Other assets	5.3	5,021	3,154
Payables	5.4	8,880	7,616
Contract liabilities	5.5	2,382	5,403
Other current liabilities	5.6	1	2

5.1 Receivables

	2024 \$'000	2023 \$'000
Current		
Trade receivables	13,416	10,864
Allowance for impairment of trade receivables	(1,276)	(497)
Accrued revenue	33,230	27,537
Allowance for impairment of accrued revenue	(436)	(486)
GST receivable	1,520	1,571
Total current	46,454	38,989
Non-current		
Accrued salaries suspense account ^(a)	4,253	-
Total non-current	4,253	-
Total receivables	50,707	38,989

(a) Funds transferred to Treasury for the purpose of meeting the 27th pay in a reporting period that generally occurs every 11th year. This account is classified as non-current except for the year before the 27th pay year.

Trade receivables are initially recognised at their transaction price or, for those receivables that contain a significant financing component, at fair value. The department holds the receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

The department recognises a loss allowance for expected credit losses (ECLs) on a receivable not held at fair value through profit and loss. The ECLs based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate. Individual receivables are written off when the department has no reasonable expectations of recovering the contractual cash flows.

For trade receivables, the department recognises an allowance for ECLs measured at the lifetime expected credit losses at each reporting date. The department has established a provision matrix that is based on its historical credit loss experience, and adjusted for forward-looking factors specific to the debtors and the economic environment. Please refer to [note 2.3](#) for the amount of ECLs expensed in this financial year.

The accrued salaries suspense account consists of amounts paid annually into a Treasurer's special purpose account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

The account has been reclassified from 'Cash and cash equivalents' to 'Receivables' as it is considered that funds in the account are not cash but a right to receive the cash in future. Comparative amounts are not restated.

5.2 Amounts receivable for services (holding account)

	2024 \$'000	2023 \$'000
Current	7,753	7,043
Non-current	89,803	81,852
Total amounts receivable for services at end of period	97,556	88,895

Amounts receivable for services represent the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

The amounts receivable for services are financial assets at amortised cost and are not considered impaired (i.e. there is no expected credit loss of the holding account).

5.3 Other assets

	2024 \$'000	2023 \$'000
Current		
Prepayments	4,900	3,151
Total current	4,900	3,151
Non-current		
Prepayments	121	3
Total non-current	121	3
Total other assets at end of period	5,021	3,154

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

5.4 Payables

	2024 \$'000	2023 \$'000
Current		
Trade payables ^(a)	538	541
Other payables ^(a)	67	6
Accrued expenses	5,294	4,422
Accrued salaries ^(b)	2,981	2,647
Total payables at end of period	8,880	7,616

(a) Payables are recognised at the amounts payable when the department becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 15–30 days.

(b) Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight of the reporting period end. The department considers the carrying amount of accrued salaries to be equivalent to its fair value.

5.5 Contract liabilities

	2024 \$'000	2023 \$'000
Reconciliation of changes in contract liabilities		
Opening balance	5,403	2,447
Additions	2,382	5,093
Revenue recognised in the period	(5,403)	(2,137)
Total contract liabilities at end of period	2,382	5,403
Current	2,382	5,403
Non-current	-	-

The department's contract liabilities primarily relate to user charges and fees yet to be performed as the licence, works approval or tracking form has not been issued to the customer.

5.6 Other current liabilities

	2024 \$'000	2023 \$'000
Stale cheque holding account	1	2
Total current liabilities at end of period	1	2



6 Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of the department.

	Notes	2024 \$'000	2023 \$'000
Lease liabilities	6.1	3,085	2,141
Assets pledged as security	6.2	2,995	2,076
Finance costs	6.3	170	90
Cash and cash equivalents	6.4	119,671	109,196
Capital commitments	6.5	17,212	9,012

6.1 Lease liabilities

	2024 \$'000	2023 \$'000
No later than one year	891	867
Later than on year and not later than five years	2,049	1,226
Later than 5 years	145	48
	3,085	2,141
Current	891	867
Non-current	2,194	1,274
Balance at end of period	3,085	2,141

Initial measurement

At the commencement date of the lease, the department recognises lease liabilities measured at the present value of the lease payments to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the department uses the incremental borrowing rate provided by the Western Australian Treasury Corporation.

Lease payments included by the department as part of the present value calculation of lease liability include:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of purchase options (where these are reasonably certain to be exercised)

- payments for penalties for terminating a lease, where the lease term reflects the department exercising an option to terminate the lease
- periods covered by extension or termination options are only included in the lease term by the department if the lease is reasonably certain to be extended (or not terminated).

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Variable lease payments, not included in the measurement of lease liability, which are dependent on sales, an index or rate are recognised by the department in profit or loss in the period in which the condition that triggers those payments occurs.

Subsequent measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

This section should be read in conjunction with [note 4.2](#).

	2024 \$'000	2023 \$'000
Lease expenses recognised in the Statement of comprehensive income		
Lease interest expense	170	90
Short-term leases	91	87
Low-value leases	3	1
Net loss on disposal of lease arrangement	4	2

Short-term leases are recognised on a straight-line basis with a lease term of 12 months or less.

Low-value leases with an underlying value of \$5,000 or less are recognised on a straight-line basis.

6.2 Assets pledged as security

	2024 \$'000	2023 \$'000
The carrying amounts of non-current assets pledged as security are:		
Right-of-use asset vehicles	2,495	1,414
Right-of-use asset computer and office equipment	267	329
Right-of-use asset buildings	233	333
Total assets pledged as security	2,995	2,076

The department has secured the right-of-use assets against related lease liabilities. In the event of default, the rights to the leased assets will revert to the lessor.

6.3 Finance costs

	2024 \$'000	2023 \$'000
Lease interest expense	170	90

Finance cost includes the interest component of lease liability repayments.

6.4 Cash and cash equivalents

	2024 \$'000	2023 \$'000
Current		
Cash and cash equivalents	23,487	11,448
Restricted cash and cash equivalents ^(a)	96,184	94,440
Total current	119,671	105,888
Non-current		
Restricted cash and cash equivalents ^(b)	-	3,308
	-	3,308
Balance at end of period	119,671	109,196

(a) Comprised of the Waste Avoidance and Resource Recovery Account (\$41.4 million), Environmental Protection Part IV Cost Recovery Account (\$13.7 million), Establishing and Maintaining Vegetation Offsets Account (\$12.2 million), Pilbara Environmental Offsets Fund (\$12.1 million), Clean Energy Future Fund (\$8.6 million), Royalties for Regions (\$3.4 million), Agricultural Areas Dams (\$1.4 million), and other funds (\$3.4 million) that are restricted in their purpose and cannot be used in general operations.

(b) Funds held in the account for the purpose of meeting the 27th pay. The account has been reclassified to Receivables in the current year.

For the purpose of the statement of cash flows, cash and cash equivalents (and restricted cash and cash equivalent) assets comprise of short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

6.5 Capital commitments

	2024 \$'000	2023 \$'000
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:		
Within 1 year	3,724	2,529
Later than 1 year and not later than 5 years	13,488	6,483
Total capital commitments	17,212	9,012



7 Financial instruments and contingencies

This note sets out the key risk management policies and measurement techniques of the department.

	Notes
Financial instruments	7.1
Contingent assets and liabilities	7.2

7.1 Financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2024 \$'000	2023 \$'000
Financial assets		
Cash and cash equivalents	119,671	109,196
Financial assets at amortised cost ^(a)	146,354	126,162
Total financial assets	266,025	235,358
Financial liabilities		
Financial liabilities at amortised cost ^(b)	11,966	9,759
Total financial liabilities	11,966	9,759

(a) The amount of Financial assets at amortised cost excludes the GST recoverable from the ATO (statutory receivable).

(b) The amount of Financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable).

Measurement

All financial assets and liabilities are carried without subsequent remeasurement.

7.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

7.2.1 Contingent assets

The following contingent assets are excluded from the assets included in the financial statements:

The department is responsible for administering and regulating Waste Levy in Western Australia. Liability for Waste Levy is legislated through the *Waste Avoidance and Resource Recovery Act 2007* and the *Waste Avoidance and Resource Recovery Levy Act 2007* and regulated through the Waste Avoidance and Resource Recovery Regulations 2008 and the Waste Avoidance and Resource Recovery Levy Regulations 2008. The department conducts investigations on licensed and unlicensed landfill premises and the outcome of such investigations may be that the operator of the premises is liable for the payment of waste levy and applicable penalties. The department has determined that it is not practicable to estimate the financial effect of these investigations at the end of the reporting period, due to the complex nature of the investigations and the lengthy period of time that may be taken to finalise the investigations.

7.2.2 Contingent liabilities

The following contingent liabilities are excluded from the liabilities included in the financial statements:

	2024 \$'000	2023 \$'000
Costs potentially payable in relation to Supreme Court action commenced by the plaintiffs against the Department's Vegetation Conservation Notices	200	-
Costs potentially payable in relation to legal action taken against an entity relating to odour pollution	-	50
Costs potentially payable in relation to flood damage compensation	-	4,000

Contaminated sites

Under the *Contaminated Sites Act 2003*, state agencies are required to report known and suspected contaminated sites to the department. In accordance with the *Contaminated Sites Act 2003*, the department classifies these sites on the basis of risk to human health, the environment and environmental values. Where sites are classified as *contaminated - remediation required* or possibly *contaminated - investigation required*, the department may have a liability in respect of investigation or remediation expenses.

There is an outstanding contingent liability in relation to the remediation of a liquid waste treatment facility in agreement with Water Corporation.	660	150
Total contingent liabilities	860	4,200

8 Other disclosures

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

	Notes
Events occurring after the end of the reporting period	8.1
Initial application of Australian Accounting Standards	8.2
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8.1 Events occurring after the end of the reporting period

Forgiveness of debts – Environmental Protection (Cost Recovery) Regulations 2021 (Regulations):

(i) Fees charged for proposals – Part 2 – Division 4 – Regulation 15: Interest

As per [note 8.11\(d\)](#), on 2 July 2024 the Director General approved waiving interest fees on outstanding amounts relating to proposals under Part IV of the *Environmental Protection Act 1986*.

(ii) Fees charged for annual compliance fees – Part 2 – Division 4 – Regulation 15: Interest

As per [note 8.11\(d\)](#), on 27 August 2024 the Director General approved waiving interest fees on outstanding amounts relating to Annual Compliance Fees (ACF) in accordance with Part 2 – Division 3 – Regulation 11 of the Regulations 2011.

8.2 Initial application of Australian Accounting Standards

The following standards are operative for reporting periods ended on or after 30 June 2024:

- AASB 2021-2 – Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates
- AASB 2021-6 – Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards

There is no financial impact.

8.3 Key management personnel

The department has determined key management personnel to include Cabinet Ministers and senior officers of the department. The department does not incur expenditures to compensate Ministers and those disclosures may be found in the *Annual Report on State Finances*.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the department for the reporting period are presented within the following bands:

Compensation band (\$)	2024	2023
\$500,001 – \$550,000	-	1
\$300,001 – \$350,000	1	-
\$250,001 – \$300,000	1	-
\$200,001 – \$250,000	2	5
\$150,001 – \$200,000	2	3
\$100,001 – \$150,000	2	-
\$50,001 – \$100,000	-	3
\$0 – \$50,000	8	1
	2024 \$'000	2023 \$'000
Total compensation of senior officers	1,999	2,385

8.4 Related party transactions

The department is a wholly owned public sector entity that is controlled by the State of Western Australia.

Related parties of the department include:

- all Cabinet Ministers and their close family members and their controlled or jointly controlled entities
- all senior officers and their close family members and their controlled or jointly controlled entities
- other departments and statutory authorities including related bodies that are included in the whole-of-government consolidated financial statements (i.e. wholly owned public sector entities)
- associates and joint ventures of a wholly owned public sector entity
- the Government Employees Superannuation Board.

Material transactions with other related parties

Outside of normal citizen type transactions with the department, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

8.5 Related bodies

The department currently does not provide any assistance to other agencies which would deem it to be regarded as related bodies under the definitions included in TI 951 Related and Affiliated Bodies.

8.6 Affiliated bodies

The following bodies receive more than half its funding and resources from the department, but are not subject to operational control by the department and are therefore considered to be affiliated bodies under the *Financial Management Act 2006*:

	2024 \$'000			2023 \$'000		
	Funding	Services free of charge	Total assistance	Funding	Services free of charge	Total assistance
Government organisations:						
Cockburn Sound Management Council	457	-	457	488	-	488
Contaminated Sites Committee	347	-	347	311	-	311
Environmental Protection Authority	10,114	-	10,114	9,795	-	9,795
Exmouth Gulf Coordinating Body	727	-	727	293	-	293
Keep Australia Beautiful Council (W.A.)	1,276	601	1,877	1,138	230	1,368
Office of the Appeals Convenor	1,896	-	1,896	1,493	-	1,493
Warren Donnelly Water Advisory Committee	7	-	7	4	-	4
Waste Authority	22,491	-	22,491	21,662	-	21,662
Non-government organisations:						
Geographe Catchment Council ¹	626	-	626	621	-	621

- The department and Geographe Catchment Council entered into a partnership agreement whereby Geographe Catchment Council provides governance and management support to the department and the department provides support and links to the community and on-ground outcomes to achieve water quality improvements in the catchment area.

8.7 Special purpose accounts

Contaminated Sites Management Account⁽ⁱ⁾

The purpose of the account is to enable investigation or remediation of any site where the state or a public authority (excluding local government) is responsible for remediation. The account also funds the department's costs of investigation and ensuring compliance with notices.

	2024 \$'000	2023 \$'000
Balance at start of period	423	467
Receipts	361	211
Payments	(260)	(255)
Balance at end of period	524	423

Waste Avoidance and Resource Recovery Account⁽ⁱ⁾

The purpose of the account is to encourage the conservation of resources and energy through waste reduction and recycling; to promote support and encourage viable alternatives to landfill disposal of waste; and to encourage applied research and the development of appropriate waste management, waste reduction, recycling infrastructure and markets. The account is used to fund nominated programs and other waste management initiatives approved by the Minister for Environment on the advice of the Waste Authority of Western Australia.

	2024 \$'000	2023 \$'000
Balance at start of period	41,918	40,604
Receipts	22,491	21,662
Payments	(23,057)	(20,348)
Balance at end of period	41,352	41,918

Pilbara Environmental Offsets Fund⁽ⁱⁱ⁾

The purpose of the account is to deliver environmental offset projects in the Pilbara bioregion of WA in partnership with Traditional Owners, conservation agencies, industry and government.

	2024 \$'000	2023 \$'000
Balance at start of period	7,865	5,424
Receipts	5,397	3,448
Payments	(1,165)	(1,007)
Balance at end of period	12,097	7,865

Environmental Protection Part IV Cost Recovery Account⁽ⁱⁱⁱ⁾

The purpose of this account is to manage funds recovered under the Environmental Protection (Cost Recovery) Regulations 2021. The funds in this account are to be used for defraying the costs incurred by the department in receiving and assessing proposals and monitoring the implementation of proposals under Part IV Division 1 or 2 of the *Environmental Protection Act 1986*.

	2023 \$'000	2022 \$'000
Balance at start of period	10,714	1,475
Receipts	16,275	9,239
Payments	(13,282)	-
Balance at end of period	13,707	10,714

(i) Established under section 16(1)(b) of the *Financial Management Act 2006*

(ii) Established under section 16(1)(d) of the *Financial Management Act 2006*

8.8 Indian Ocean Territories Account

The purpose of the account is to account for Commonwealth funds for service delivery arrangements by the department to the Indian Ocean Territories.

	2024 \$'000	2023 \$'000
Balance at start of period	172	163
Receipts	1,501	1,230
Payments	(1,553)	(1,221)
Balance at end of period^(a)	120	172

(a) Under the terms of the Service Delivery Arrangement, the department is to provide a statement of operating and capital expenditure and revenue for the previous financial year to the Commonwealth by 31 August each year.

This notification enables adjustments to biannual payments to be made early in the financial year to take into account any under or overspends against budget estimates from the previous financial year.

8.9 Remuneration of auditors

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2024 \$'000	2023 \$'000
Auditing the accounts, financial statements, controls and key performance indicators	415	361

8.10 Contributed equity and reserves

	2023 \$'000	2022 \$'000
Contributed equity		
Balance at start of period	235,240	285,681
Contributions by owners		
Capital appropriation	11,046	12,316
Total contributions by owners	246,286	297,997
Distributions to owners		
Transfer to consolidated account	(19,357)	(60,656)
Transfer to other agencies:		
Land transferred to Department of Planning, Lands and Heritage	(450)	(2,101)
Land transferred to Department of Biodiversity, Conservation and Attractions	(236)	-
Total distributions to owners	(20,043)	(62,757)
Balance at end of period	226,243	235,240
Asset revaluation surplus		
Balance at start of period	97,930	36,496
Net revaluation increment:		
Land	31,459	24,635
Buildings	776	292
Measurement sites	6,910	36,507
Total net revaluation increment	39,145	61,434
Balance at end of period	137,075	97,930

8.11 Supplementary financial information

(a) Write-offs

	2024 \$'000	2023 \$'000
The accountable authority	1	43
The Minister	-	143
The Treasurer	-	-
Total write-offs	1	186

(b) Losses through theft, defaults and other causes

	2024 \$'000	2023 \$'000
Losses of public money, other money and other property through theft or default	7	9
Amounts recovered	(2)	(7)
Total losses	5	2

(c) Gifts of public property

During the financial year under review there were no gifts of public property provided by the department (2023: Nil).

(d) Forgiveness of debts

1. Environmental Protection (Cost Recovery) Regulations 2021 (Regulations)

(i) Fees charged for proposals – Part 2 - Division 4 - Regulation 15: Interest

On 1 January 2022, the department commenced charging proponents fees for proposals assessed under Part IV of the *Environmental Protection Act 1986* in accordance with the Regulations. Part 2 – Division 4 – Regulation 15 provides for a fee to be charged for interest on outstanding amounts payable at the prescribed

interest rate, being 3% higher than the cash rate target, as determined and published by the Reserve Bank of Australia, in effect on the 1st day the amount became outstanding.

The department currently does not have the resource capacity to determine the complex interest on the outstanding amounts payable for all invoices issued, which impacts the 2022–23 and 2023–24 financial years. Additionally, issuing an invoice to proponents charging interest after such a long delay could potentially put the department's reputation at risk.

In accordance with the Regulations, Part 2 – Division 4 – Regulation 13, the Chief Executive Officer (i.e. the Director General) may, on a case by case basis, refund, reduce or waive, in whole or in part, a fee paid or payable under this part if considered appropriate to do so.

On 2 July 2024, the Director General approved the waiving of interest fees on the outstanding amounts.

(ii) Fees charged for annual compliance fees – Part 2 – Division 4 – Regulation 15: Interest

On 1 July 2023, the department commenced charging Annual Compliance Fees (ACF) in accordance with Part 2 – Division 3 – Regulation 11 of the Regulations 2021. Part 2 – Division 4 – Regulation 15 provides for a fee to be charged for interest on outstanding amounts payable at the prescribed interest rate, being 3% higher than the cash rate target, as determined and published by the Reserve Bank of Australia, in effect on the 1st day the amount became outstanding.

The department currently does not have the capacity to determine the complex interest on the outstanding amounts payable for all invoices issued, which impacts the 2023–24 financial year. Additionally, issuing an invoice to proponents charging interest after such a long delay could potentially put the department's reputation at risk.

In accordance with the Regulations Part 2 – Division 4 – Regulation 13, the Chief Executive Officer (i.e. the Director General) may, on a case by case basis, refund, reduce or waive, in whole or in part, a fee paid or payable under this part if considered appropriate to do so.

On 27 August 2024, the Director General approved the waiving of interest fees on the outstanding amounts.

2. Environmental Protection (Noise) Regulations 1997 (Regulations)

On 5 December 2013, the Regulations were amended. Regulation 18G introduced an annual noise monitoring fee of \$5,000 for a person granted an approval under Regulation 18B(1). Regulation 18G states that if a noise monitoring fee is not paid within a specific period the approval is suspended and of no effect until the fee is paid. Additionally, the regulation states that the Chief Executive Officer (i.e. the Director General), may waive or reduce a fee payable under this regulation.

The department has not invoiced annual noise monitoring fees to approval holders since introduction of the fee. The total sum of uncollected fees is approximately \$500,000 up to 30 June 2024. There are currently ten approvals in effect.

An implementation strategy for the collection of noise monitoring fees was approved by the Director General on 21 March 2024. Included in the strategy was the waiving of the annual noise monitoring fees for the period from 5 December 2013 to 30 June 2024. The department will commence invoicing the annual noise monitoring fees from 1 July 2024 and invoicing will occur annually for the life of the approval.

9. Explanatory statements

This section explains variations in the financial performance of the department.

	Notes
Explanatory statement for controlled operations	9.1
Explanatory statement for administered items	9.2

9.1 Explanatory statements for controlled operations

This explanatory section explains variations in the financial performance of the department undertaking transactions under its own control, as represented by the primary financial statements.

All variances between annual estimates (original budget) and actual results for 2024, and between the actual results for 2024 and 2023 are shown below. Narratives are provided for key major variances which vary more than 10% from their comparative and that the variation is more than 1% of the following variance analyses for the:

1. Estimate and actual results for the current year:
 - Total Cost of Services of the estimate for the Statement of comprehensive income and Statement of cash flows (i.e. 1% of \$292,924,000), and
 - Total Assets of the estimate for the Statement of financial position (i.e. 1% of \$573,706,000).
2. Actual results for the current year and the prior year actual:
 - Total Cost of Services for the previous year for the Statements of comprehensive income and Statement of cash flows (i.e. 1% of \$211,497,000); and
 - Total Assets for the previous year for the Statement of financial position (i.e. 1% of \$703,753,000).

9.1.1 Statement of comprehensive income variances

	Variance note	Estimate 2024 \$'000	Actual 2024 \$'000	Actual 2023 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2024 and 2023 \$'000
Expenses						
Employee benefits expense		134,455	131,145	120,752	(3,310)	10,393
Supplies and services	1, a	45,137	57,734	41,790	12,597	15,944
Depreciation and amortisation expenses	2	14,738	11,019	9,880	(3,719)	1,139
Finance costs		163	170	90	7	80
Accommodation expenses		11,584	10,515	9,938	(1,069)	577
Grants and subsidies	3	77,782	22,451	21,384	(55,331)	1,067
Other expenses		6,565	7,407	6,904	842	503
Net loss on disposal of non-current assets		2,500	140	759	(2,360)	(619)
Total cost of services		292,924	240,581	211,497	(52,343)	29,084
Income						
User charges and fees	4	43,568	52,777	48,719	9,209	4,058
Commonwealth grants	b	5,530	3,031	7,639	(2,499)	(4,608)
Waste levy	5	77,600	96,488	91,490	18,888	4,998
Other Income	c	13,117	15,501	11,393	2,384	4,108
Total income		139,815	167,797	159,241	27,982	8,556
Net cost of services		153,109	72,784	52,256	(80,325)	20,528
Income from State Government						
Service appropriation	6	127,059	104,760	110,666	(22,299)	(5,906)
Income from other public sector entities	7, d	1,445	5,850	3,526	4,405	2,324
Resources received		3,055	2,644	3,256	(411)	(612)
Royalties for Regions fund		9,128	8,973	7,990	(155)	983
Total income from State Government		140,687	122,227	125,438	(18,460)	(3,211)
Surplus for the period		(12,422)	49,443	73,182	61,865	(23,739)
Other comprehensive income						
Items not reclassified subsequently to profit or loss						
Changes in asset revaluation surplus		-	39,145	61,434	39,145	(22,289)
Total other comprehensive income		-	39,145	61,434	39,145	(22,289)
Total comprehensive income for the period		(12,422)	88,588	134,616	101,010	(46,028)

Major estimate and actual (2024) variance narratives

1. Supplies and services increased by \$12.6 million (27.9%) mainly due to higher environmental contracting services, consultancy, temporary labour hire and software licence costs.
2. Depreciation and amortisation expenses decreased by \$3.7 million (25.2%) mainly due to lower than estimated additions from capital work in progress programs.
3. Grants and subsidies decreased by \$55.3 million (71.1%) mainly due to grant deferrals relating to State and Commonwealth funding for the National Partnership on Recycling Infrastructure, Clean Western Australia – Waste Paper and Cardboard Processing, Waste Export Ban, the Ban on E-waste to Landfill, Clean Energy Future Fund and delays in spending of the Establishing and Maintaining Vegetation Offsets Account, as well as the deferral of Waste Avoidance and Resource Recovery Account grants.
4. User charges and fees increased by \$9.2 million (21.1%) mainly due to higher than estimated Part IV *Environmental Protection Act 1986* applications, compliance and assessment fees; higher than estimated Part V *Environment Protection Act 1986* licence applications and renewals and higher than estimated Environmental Protection (Controlled Waste) tracking fees and licence renewals.
5. Waste Levy increased by \$18.9 million (24.3%) mainly due to a higher than anticipated waste levy volume.
6. Service appropriation decreased by \$22.3 million (17.6%) mainly due to reflow of funds from 2024 to 2025 and/or 2026 for National Partnership on Recycling Infrastructure, Ban on E-waste to Landfill, Clean Energy Future Fund and Carbon Innovation Grant Program, which was partially offset by funding for Rapid Assessment Approvals Reform and Salaries and Allowances Tribunal Appropriation baseline updates.
7. Income from other public sector entities increased by \$4.4 million (304.8%) mainly due to higher than estimated Part IV *Environmental Protection Act 1986* applications, compliance and assessment fees and higher than estimated interest revenue from the Waste Avoidance and Resource Recovery Account.

Major actual (2024) and comparative (2023) variance narratives

- a. Supplies and services increased by \$15.9 million (38.2%) mainly due to an increase in consultants and contractor costs, minor plant, machinery and equipment hire costs, water carting and drought relief costs, travel costs and other supplies and services costs.
- b. Commonwealth grants decreased by \$4.6 million (60.3%) mainly due to delay in funding for National Water Grid Agricultural Areas Dams and Community Water Supply Program, Food Waste for Heathy Soils Fund and completion of the Smart Farms Small Grants Program in 2023.
- c. Other income increased by \$4.1 million (36.1%) mainly due to increase in income from Pilbara Environmental Offset Fund.
- d. Income from other public sector entities increased by \$2.3 million (65.9%) mainly due to increased Part IV *Environmental Protection Act 1986* income from applications, compliance and assessment fees and increased interest revenue from the Waste Avoidance and Resource Recovery Account.

9.1.2 Statement of financial position variances

	Variance note	Estimate 2024 \$'000	Actual 2024 \$'000	Actual 2023 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2024 and 2023 \$'000
Assets						
Current assets						
Cash and cash equivalents		17,343	23,487	11,448	6,144	12,039
Restricted cash and cash equivalents		39,183	96,184	94,440	57,001	1,744
Receivables		25,945	46,454	38,989	20,509	7,465
Amounts receivable for services		9,238	7,753	7,043	(1,485)	710
Other assets		1,907	4,900	3,151	2,993	1,749
Total current assets		93,616	178,778	155,071	85,162	23,707
Non-current assets						
Restricted cash and cash equivalents		-	-	3,308	-	(3,308)
Receivables		3,393	4,253	-	860	4,253
Amounts receivable for services		87,352	89,803	81,852	2,451	7,951
Infrastructure, property, plant and equipment	1, a	336,591	474,559	429,961	137,968	44,598
Right-of-use assets		3,215	2,995	2,076	(220)	919
Intangible assets	2	49,537	33,643	31,482	(15,894)	2,161
Other assets		2	121	3	119	118
Total non-current assets		480,090	605,374	548,682	125,284	56,692
Total assets		573,706	784,152	703,753	210,446	80,399
Liabilities						
Current liabilities						
Payables		7,119	8,880	7,616	1,761	1,264
Lease liabilities		1,236	891	867	(345)	24
Contract liabilities		2,448	2,382	5,403	(66)	(3,021)
Employee related provisions		25,118	27,248	26,714	2,130	534
Other current liabilities		-	1	2	1	(1)
Total current liabilities		35,921	39,402	40,602	3,481	(1,200)

	Variance note	Estimate 2024 \$'000	Actual 2024 \$'000	Actual 2023 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2024 and 2023 \$'000
Non-current liabilities						
Lease liabilities		5,793	2,194	1,274	(3,599)	920
Employee related provisions		5,511	7,295	6,207	1,784	1,088
Total non-current liabilities		11,304	9,489	7,481	(1,815)	2,008
Total liabilities		47,225	48,891	48,083	1,666	808
Net assets		526,481	735,261	655,670	208,780	79,591
Equity						
Contributed equity		220,726	226,243	235,240	5,517	(8,997)
Reserves		36,502	137,075	97,930	100,573	39,145
Accumulated surplus		269,253	371,943	322,500	102,690	49,443
Total equity		526,481	735,261	655,670	208,780	79,591

Major estimate and actual (2024) variance narratives

1. Infrastructure, property, plant and equipment increased by \$138 million (41%) mainly due to an increase in revaluation increments of land, buildings and measurement sites and additions to capital work in progress programs.
2. Intangible assets decreased by \$15.9 million (32.1%) mainly due to lower spend on software.

Major actual (2024) and comparative (2023) variance narratives

- a. Infrastructure, property, plant and equipment increased by \$44.6 million (10.4%) mainly due to an increase in revaluation increments of land, buildings and measurement sites and additions to capital work in progress programs.

9.1.3 Statement of cash flows variances

	Variance note	Estimate 2024 \$'000	Actual 2024 \$'000	Actual 2023 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2024 and 2023 \$'000
Cash flows from State Government						
Service appropriation	1	112,321	89,806	95,931	(22,515)	(6,125)
Capital appropriations	2	22,353	11,048	12,316	(11,305)	(1,268)
Holding account drawdown		7,043	6,293	7,918	(750)	(1,625)
Distributions to owner	3, a	(32,911)	(19,328)	(60,456)	13,583	41,128
Net proceeds on sale of land remitted to consolidated account		-	(229)	-	(229)	(229)
Royalties for Regions fund		11,858	8,973	7,990	(2,885)	983
Funds from other public sector entities	4, b	1,445	5,581	2,531	4,136	3,050
Net cash provided by State Government		122,109	102,144	66,230	(19,965)	35,914
Cash flows from operating activities						
Payments						
Employee benefits		(134,405)	(128,968)	(117,287)	5,437	(11,681)
Supplies and services	5, c	(42,072)	(55,146)	(41,329)	(13,074)	(13,817)
Finance costs		(163)	(167)	(90)	(4)	(77)
Accommodation		(11,664)	(10,397)	(9,637)	1,267	(760)
Grants and subsidies	6, d	(77,782)	(23,385)	(19,368)	54,397	(4,017)
GST payments on purchases	7	(5,710)	(10,315)	(8,610)	(4,605)	(1,705)
Other payments		(6,505)	(5,694)	(3,909)	811	(1,785)
Receipts						
User charges and fees	8, e	43,568	50,049	44,533	6,481	5,516
Commonwealth grants	f	5,530	3,031	7,639	(2,499)	(4,608)
Waste levy	9, g	77,600	94,359	84,105	16,759	10,254
GST receipts on sales		634	548	1,352	(86)	(804)
GST receipts from taxation authority	10, h	5,086	9,867	6,895	4,781	2,972
Other receipts	11, i	13,117	9,910	14,829	(3,207)	(4,919)
Net cash used in operating activities		(132,766)	(66,308)	(40,877)	66,458	(25,431)

	Variance note	Estimate 2024 \$'000	Actual 2024 \$'000	Actual 2023 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2024 and 2023 \$'000
Cash flows from investing activities						
Payments						
Purchase of non-current assets	12	(28,570)	(19,756)	(18,260)	8,814	(1,496)
Receipts						
Proceeds from sale of non-current assets		-	29	200	29	(171)
Net cash used in investing activities		(28,570)	(19,727)	(18,060)	8,843	(1,667)
Cash flows from financing activities						
Payments						
Principal elements of lease payments		(816)	(1,382)	(1,257)	(566)	(125)
Payments to accrued salaries account		-	(944)	-	(944)	(944)
Net cash used in financing activities		(816)	(2,326)	(1,257)	(1,510)	(1,069)
Net increase/(decrease) in cash and cash equivalents		(40,043)	13,783	6,036	53,826	7,747
Cash and cash equivalents at the beginning of the period		99,962	109,196	103,160	9,234	6,036
Adjustment for the reclassification of accrued salaries account		-	(3,308)	-	(3,308)	(3,308)
Cash and cash equivalents at the end of the period		59,919	119,671	109,196	59,752	10,475

Major estimate and actual (2024) variance narratives

1. Service appropriation decreased by \$22.5 million (20.0%) mainly due to reflow of funds from 2024 to 2025 and/or 2026 for National Partnership on Recycling Infrastructure, Ban on E-waste to Landfill, Clean Energy Future Fund and Carbon Innovation Grants Program, which was partially offset by funding for Rapid Assessment Approvals Reform and Salaries and Allowances Tribunal Appropriation baseline updates.
2. Capital appropriations decreased by \$11.3 million (50.6%) mainly due to delay in receipt of climate action initiatives.
3. Distributions to owner decreased by \$13.6 million (41.3%) due to retention of adequate working cash available for committed programs of work in accordance with the Cash Management Policy.

4. Funds from other public sector entities increased by \$4.1 million (286.2%) mainly due to higher than estimated Part IV *Environmental Protection Act 1986* applications, compliance and assessment fees and higher than estimated interest revenue from the Waste Avoidance and Resource Recovery Account.
5. Supplies and services increased by \$13.1 million (31.1%) mainly due to an increase in consultants and contractor costs, minor plant, machinery and equipment hire costs, water carting and drought relief costs, travel costs and other supplies and services costs.
6. Grants and subsidies decreased by \$54.4 million (69.9%) mainly due to a deferral of State and Commonwealth funding for the National Partnership on Recycling Infrastructure, Clean Western Australia – Waste Paper and Cardboard Processing, Waste Export Ban, the Ban on E-waste to Landfill, Clean Energy Future Fund and delays in spending of the Establishing and Maintaining Vegetation Offsets Account, as well as the deferral of Waste Avoidance and Resource Recovery Account grants.
7. GST payments on purchases increased by \$4.6 million (80.6%) mainly due to higher than estimated goods and services tax paid to suppliers for goods and services rendered.
8. User charges and fees increased by \$6.5 million (14.9%) mainly due to higher than estimated Part IV *Environmental Protection Act 1986* applications, compliance and assessment fees; higher than estimated Part V *Environment Protection Act 1986* licence applications and renewals and higher than estimated Environmental Protection (Controlled Waste) tracking fees and licence renewals.
9. Waste levy increased by \$16.8 million (21.6%) mainly due to higher than anticipated leviable waste volume.
10. GST receipts from taxation authority increased by \$4.8 million (94%) mainly due to higher than estimated goods and services tax paid to suppliers for goods and services rendered.
11. Other receipts decreased by \$3.2 million (24.5%) mainly due to a decrease in funding from Murujuga Rock Art Strategy, Port Hedland Ambient Air Quality Monitoring and miscellaneous income.
12. Purchase of non-current assets decreased by \$8.8 million (30.9%) due to lower spend in Replace and Maintain Monitoring Bores, State Groundwater

Investigation Program, Rural Water Planning Program and Environment Online.

Major actual (2024) and comparative (2023) variance narratives

- a. Distributions to owner decreased by \$41.1 million (68%) due to retention of adequate working cash available for committed programs of work in accordance with the Cash Management Policy.
- b. Funds from other public sector entities increased by \$3.1 million (120.5%) mainly due to increased Part IV *Environmental Protection Act 1986* income from applications, compliance and assessment fees and increased interest revenue from the Waste Avoidance and Resource Recovery Account.
- c. Supplies and services increased by \$13.8 million (33.4%) mainly due to an increase in consultants and contractor costs, minor plant, machinery and equipment hire costs, water carting and drought relief costs, travel costs and other supplies and services costs.
- d. Grants and subsidies increased by \$4 million (20.7%) mainly due to increase in infrastructure grant expenditure for E-Waste Ban.
- e. User charges and fees increased by \$5.5 million (12.4%) mainly due to an increase in Part IV *Environmental Protection Act 1986* and Environmental Protection (Controlled Waste) income.
- f. Commonwealth grants decreased by \$4.6 million (60.3%) because no funding was received in the 2024 financial year for Food Waste for Healthy Soils, National Water Grid Agricultural Areas Dams and Community Water Supply Program and additionally, the Smart Farms small grants program was completed in 2023.
- g. Waste levy increased by \$10.3 million (12.2%) due to increases in leviable waste volume.
- h. GST receipts from taxation authority increased by \$3 million (43.1%) mainly due to higher goods and services tax paid to suppliers for goods and services rendered and grant payments and additionally, a decrease in goods and services tax on sales.
- i. Other receipts decreased by \$4.9 million (33.2%) mainly due to decrease in cash received relating to Murujuga Rock Art Monitoring and the Port Hedland Ambient Air Quality Monitoring programs.

9.2 Explanatory statement for administered items

This explanatory section explains variations in the financial performance of the department undertaking transactions that it does not control but has responsibility to the government for, as detailed in the administered schedules.

All variances between annual estimates and actual results for 2024, and between the actual results for 2024 and 2023 are shown below. Narratives are provided for key major variances which are more than 10% from their comparative and that variation is more than 1% of Total Administered Income for the following variance analyses for the:

1. Estimate and actual results for the current year (i.e. \$100,000).
2. Actual results for the current year and the prior year actual (i.e. \$46,000).

	Variance note	Estimate 2024 \$'000	Actual 2024 \$'000	Actual 2023 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2024 and 2023 \$'000
Income from administered items						
Income						
For transfer:						
Regulatory fees and other charges ^(a)	1	100	94	46	(6)	48
Total administered income		100	94	46	(6)	48
Expenses						
Payments into the consolidated account ^(a)	2	100	94	46	(6)	48
Total administered expenses		100	94	46	(6)	48

- (a) Payments into the consolidated account included water fines collected on behalf of Water Corporation, and environmental infringement regulatory fees and fines collected on behalf of the State Government.

Variance narratives

1. The variance between the actual results for 2024 and 2023 are explained below:

Major actual (2024) and comparative (2023) variance narratives

- The variance is mainly due an increase in court imposed penalties \$47,192 (2023: \$10,312) during the financial year under review.
2. The variance is explained in the abovementioned number 1.



Certification of key performance indicators

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Department of Water and Environmental Regulation's performance, and fairly represent the performance of the Department of Water and Environmental Regulation for the financial year ended 30 June 2024.

Alistair Jones
Director General
1 October 2024

Outcome-based management framework

Government goal – Investing in WA's future: Taking climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.

	Agency outcome	Key effectiveness indicators	Page	Agency services	Key efficiency indicators	Page
Outcome 1	Western Australia's growth and development is supported by the sustainable management of water resources for the long-term benefit of the state	Proportion of stakeholders who perceive the department to be effectively managing the state's water as a resource for sustainable, productive use	162	1. Water information and advice	Proportion of statutory referrals from DMAs where advice is provided within target timeframes	169
					Average cost per referral assessment	169
					Average cost per water measurement site managed	170
		Proportion of priority growth areas that have a water supply planning strategy	163	2. Water planning, allocation, and optimisation	Average cost per plan, report, or guidance document to support water planning, allocation, and optimisation	171
					Average cost per hour of scientific support for water planning, allocation, and optimisation	172
					3. Water regulation, licensing, and industry governance	Average cost of assessing a water licence application by risk assessment category
Average time taken (days) to assess a licence application by risk assessment category	173					
Average cost of compliance monitoring and enforcement action	174					
Outcome 2	Emissions, discharges and clearing of native vegetation are effectively regulated to avoid unacceptable risks to public health and the environment	Percentage of regulatory compliance activities completed as planned	163	4. Environmental regulation	Average cost per works approval and licence application	175
		Percentage of potential environmental risks identified during compliance monitoring program that are rectified within two months	164		Average cost per native vegetation clearing permit application	175
Outcome 3	Development and implementation of strategic policy and legislation that promotes sustainable environmental outcomes	Percentage of advice and recommendations that met Ministerial approval, without the need for significant modification	164	5. Environmental and water policy	Average cost per hour of policy advice and recommendations	177

	Agency outcome	Key effectiveness indicators	Page	Agency services	Key efficiency indicators	Page
Outcome 4	Waste avoided and the recovery of materials from landfill maximised	Percentage of MSW reported as diverted from landfill through recycling compared to waste strategy target in the Perth metropolitan region	165	6. Waste strategies	Cost of landfill levy compliance as a percentage of landfill levy income collected	178
		Percentage of C&I waste reported as diverted from landfill through recycling compared to the statewide waste strategy target	165			
		Percentage of C&D waste reported as diverted from landfill through recycling compared to the statewide waste strategy target	166			
Outcome 5	Quality advice to the EPA and Minister for Environment on significant proposals and environmental issues	The EPA's satisfaction with the department's EIA service during the year, in line with best practice principles of EIA	166	7. Environmental impact assessment services to the EPA	Cost per standardised unit of assessment output	179
		Percentage of project-specific conditions which did not require significant change following the appeal process	167	8. Environmental management services to the EPA	Cost per standardised unit of environmental management services output	180
		Percentage of assessments that met agreed timelines	167			
		The EPA's satisfaction with the department's provision of environmental management services during the year	168			
Outcome 6	Compliance with Ministerial Statement implementation conditions are monitored effectively	The number of Ministerial Statements audited compared to targets	168	9. Compliance monitoring services to the Minister for Environment	Average cost per environmental audit completed	181

Following the machinery of government changes, the Department of Water, the Department of Environment Regulation, and the Office of the Environmental Protection Authority were amalgamated and formed the Department of Water and Environmental Regulation (the department) on 1 July 2017. This is the seventh reporting period for the department post amalgamation.

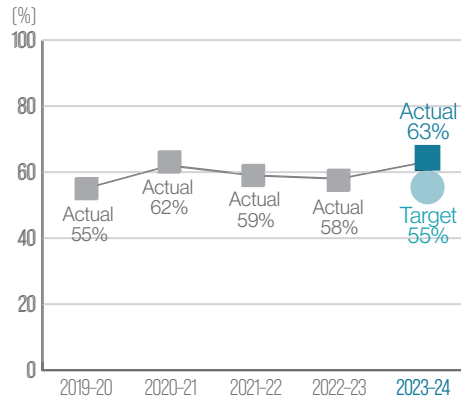
Results with significant variances of 10% or more compared with the Target and prior year results are explained.

Key effectiveness indicators

Proportion of stakeholders who perceive the department to be effectively managing the state’s water as a resource for sustainable, productive use^(a)

(a) The 2023–24 survey results have a confidence interval of +/-4.01% at 95% confidence level. Other survey statistics include:

- population size: 1,351 stakeholders
- population character: stakeholder contacts provided by the department
- stakeholders invited to participate: 1,351 stakeholders
- number of respondents: 414
- response rate: 31%
- how sample was selected: Total population as provided by the department contacted by email or mail (for those without email contact details). The initial contact sought assistance with an online survey. Phone follow-up interviews were sought with stakeholders who did not respond to the online self-completion invitation



The management of the state’s water resources to enable growth and development is a core objective for the department, and this occurs within the context of ensuring the sustainability of the resources and their dependent environments.

The department has many stakeholders with competing interests, including those from industry, investment, community, and environmental sectors.

A survey was conducted between 5 October 2023 and 19 December 2023 with the intent to determine the extent to which stakeholders perceive the

department to be effectively fulfilling the statutory and other obligations that form its core role rather than satisfaction with a particular decision or handling of a specific issue.

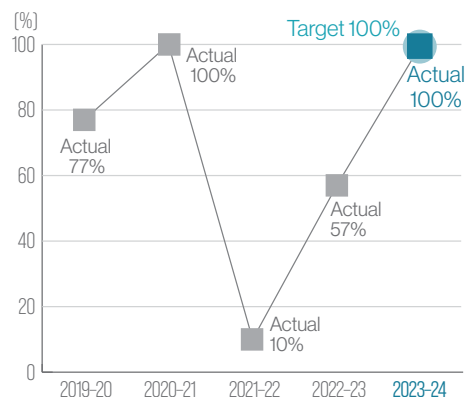
The indicator is based on feedback received from the stakeholders through the survey. It is calculated as a percentage of respondents answering 'very effective' or 'quite effective' to a question in the survey about their perception of the department effectively managing the state’s water as a resource for sustainable productive use. The other options for selection included 'neither one nor the other', 'quite ineffective', 'very ineffective' or 'don't know'.

Variance analysis

The increase in the proportion of stakeholders who perceive the department to be effectively managing the state’s water as a resource for sustainable, productive use from 2023–24 Target to 2023–24 Actual is due to ongoing reforms through the department’s portfolio operating model. This is driving business improvement, transformational initiatives and a range of senior appointments, alongside the department’s focus on Approvals Reform, Climate Change, Green Energy, Waste and stakeholder engagement.

Proportion of priority growth areas that have a water supply planning strategy

'Priority growth areas' refers to a list of significant projects and water resources areas. For each priority growth area, the department, or key stakeholders in collaboration with the department, develops a water supply plan or strategy to identify current and future water resource and supply options to meet demand for industry and population growth over the long term. This supports the timely development of resource and supply options to meet demand in areas of state priority.



Projects included in the priority growth areas have strategic significance for the state and include areas identified through the Water Supply-Demand Model as having a gap between future water demand and water availability.

The indicator is calculated as a percentage of the priority growth areas with a water supply planning strategy (or advisory report for key stakeholders) out of the total priority growth areas that the department is currently working on. Following the completion of the planned program of projects in 2020–21, the indicator was reset to zero in 2021–22 with a 100% completion target set for 2023–24 based on delivery of seven water supply planning projects, over three years ending 2023–24.

Variance analysis

2023–24 budget target of 100% relates to delivery of a total of three water supply planning strategies in 2023–24, making it seven outputs from a total of seven over three years ending 2023–24.

Percentage of regulatory compliance activities completed as planned

Compliance activities are an integral part of the department's regulatory work and include promotion, monitoring, and enforcement. Information gathered and assessed through compliance activities is also used to inform and revise both regulation and policy frameworks as well as to inform legislative reform programs.

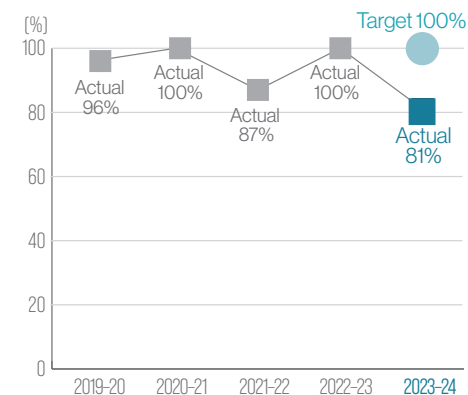
The department is a risk-based regulator that focuses its resources to address the areas of greatest risks to public health, the environment and water resources, and is responsive to emerging risks and issues.

The prescribed premises compliance monitoring program is focused on the assessment of emissions and discharges from premises to ensure they are managed appropriately by the current instrument and relevant legislation. The program identifies premises and targets activities based on a risk assessment informed by environmental and operational risk including type of activity, compliance history and intelligence gathered, including from complaints and incidents.

The waste sector compliance monitoring program assesses compliance at landfills and associated industries with the requirements of the landfill levy.

Variance analysis

The department conducted 114 of the 140 planned inspections for the Waste and Industry Compliance Program in 2023–24 with the reduced number a result of a major waste compliance issue taking resources from the annual compliance program. Regulatory resources were diverted to deliver a compliance and enforcement assurance program of works for six months of the year.

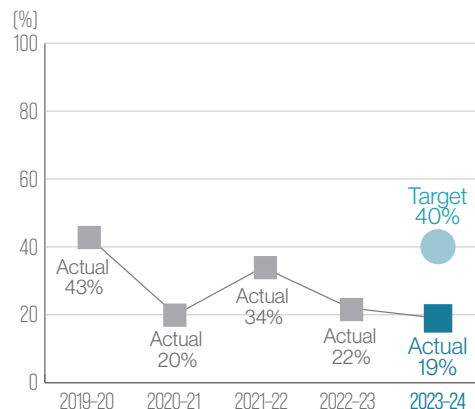


Percentage of potential environmental risks identified during compliance monitoring program that are rectified within two months

Non-compliances identified through inspections undertaken as part of the prescribed premises compliance monitoring program and the waste sector compliance monitoring program are recorded and the length of time taken for these non-compliances to be rectified is tracked.

Non-compliances vary in nature; they may be administrative, technical, or operational.

Administrative and technical non-compliances generally pose a low risk to public health, the environment or water resources, whereas operational non-compliances and emissions may pose a higher risk.



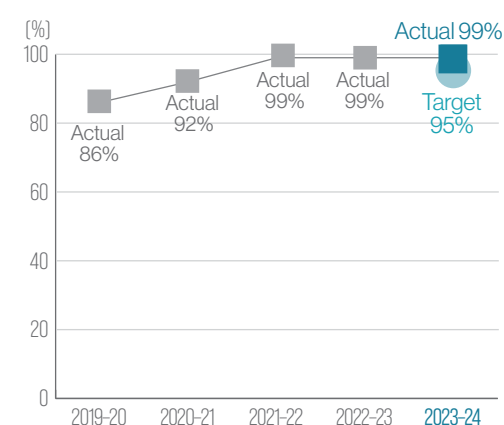
Variance analysis

During 2023–24, a total of 75 non-compliances were identified to 30 June 2024 from inspections under the waste sector and the prescribed premises compliance monitoring programs, including 38 non-compliances carried over from 2022–23 to allow for calculation against the two-month timeframe.

The target of 40% of non-compliances being closed within two calendar months was not achieved, with only 19% of non-compliances being closed within the specified timeframe. The resolution of the identified non-compliances is often protracted depending upon the complexity of the non-compliance identified and can take longer than the two-calendar-month target timeframe to resolve. Resources have been diverted through the year to deliver a compliance and enforcement assurance program of works.

Percentage of advice and recommendations that met Ministerial approval, without the need for significant modification

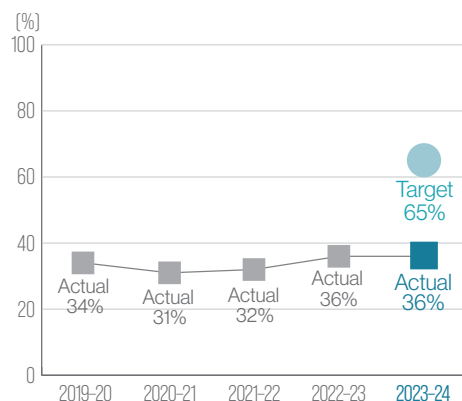
This indicator seeks to ensure that the advice provided by the department is consistent with the State Government's policy direction by measuring how well it meets the Minister for Environment's expectations.



Percentage of municipal solid waste reported as diverted from landfill through recycling compared to waste strategy target in the Perth metropolitan region

The indicator relates to the State Government's waste management target of recovering 67% of MSW by 2025, as described in the waste strategy.

Due to the significant time required to gather the relevant information, 2022–23 data, as reported in *Waste and recycling in Western Australia 2022–23*, was used to calculate this indicator for 2023–24. From 2021, the data is derived from annual returns submitted under regulation 18C of the Waste Avoidance and Resource Recovery Regulations 2008 and composition data submitted with waste levy returns. Data was sourced from voluntary surveys prior to 2019–20.



Variance analysis

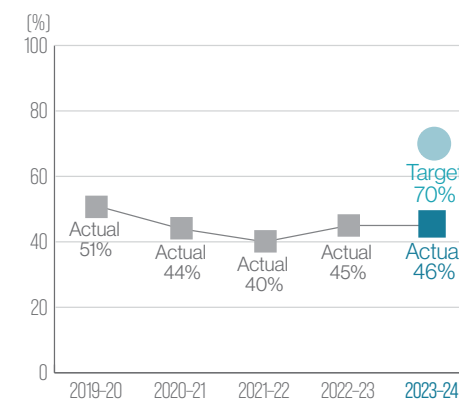
While substantial improvements are being observed in individual local government performance following the introduction of food organics and garden organics (FOGO) services, the overall waste recovery rate has remained the same as 2022–23 actuals. Several factors have influenced this outcome, including disruptions to material recovery facility operations, market-related pressures on processors and lower availability of supplies and services (for example, specialist technical staff). The majority of Perth and Peel local governments have now committed to implementing FOGO and this will continue to have a positive effect on waste recovery rates as these services are fully delivered.

The waste strategy 2030 sets a target for three-bin FOGO (food organics garden organics) services in the Perth and Peel regions by 2025. These services can recover 65% or more of kerbside waste collections. Increased adoption of FOGO services is expected to lead to increased recovery rates.

Percentage of commercial and industrial waste reported as diverted from landfill through recycling compared to the statewide waste strategy target

The indicator relates to the State Government's waste management target of recovering 75% of C&I waste by 2025, as described in the waste strategy.

Due to the significant time required to gather the relevant information, 2022–23 data, as reported in *Waste and recycling in Western Australia 2022–23*, was used to calculate this indicator for 2023–24. From 2021, the data is derived from annual returns submitted under regulation 18C of the Waste Avoidance and Resource Recovery Regulations 2008 and composition data submitted with waste levy returns. Data was sourced from voluntary surveys prior to 2019–20.



Variance analysis

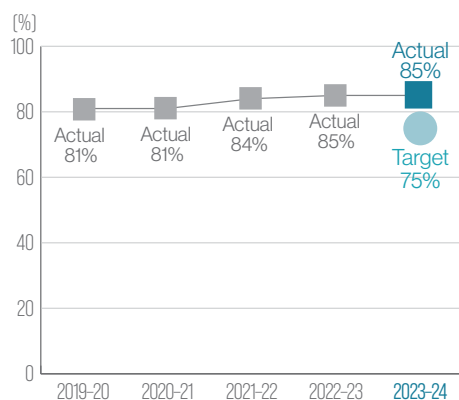
Waste recovery in the C&I sector has improved marginally compared to 2022–23. Recent and future investments in recycling infrastructure by the State and Federal governments will help to minimise reliance on international markets. A review of the Waste Avoidance and *Resource Recovery Strategy 2030* is currently underway to identify further actions to improve the recovery rates in the C&I waste sector.

There are likely to be significant opportunities to improve performance against the recovery rate target with increased recovery of organics through better practices of waste minimisation, increased resource recovery and reduced contamination of recyclables and organics.

Percentage of construction and demolition waste reported as diverted from landfill through recycling compared to the statewide waste strategy target

The indicator relates to the State Government’s waste management target of recovering 77% of C&D waste by 2025, as described in the waste strategy.

Due to the significant time required to gather the relevant information, 2022–23 data, as reported in *Waste and recycling in Western Australia 2022–23*, was used to calculate this indicator for 2023–24. From 2021, the data is derived from annual returns submitted under regulation 18C of the Waste Avoidance and Resource Recovery Regulations 2008 and composition data submitted with waste levy returns. Data was sourced from voluntary surveys prior to 2019–20.



Variance analysis

Relatively higher scheduled increases in the waste levy, compared to those that applied to the MSW and C&I streams since 2015, have made C&D waste landfilling more cost prohibitive.

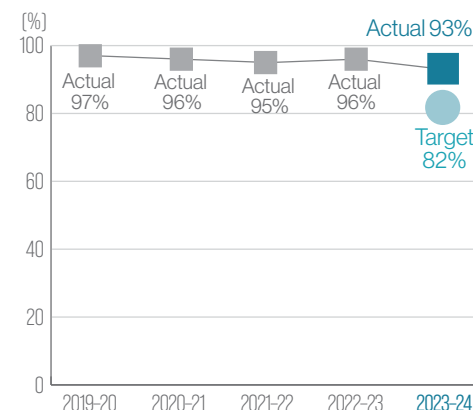
The variance between the 2023–24 Target and the 2023–24 Actual is most likely due to the ongoing stockpiling of C&D waste in lieu of disposal, which acts to inflate the reported recovery rate. Waste levy avoidance may also contribute to the reported diversion rate.

The EPA’s satisfaction with the department’s environmental impact assessment (EIA) service during the year, in line with best practice principles of EIA

The indicator is determined through surveys of the EPA’s members (service recipients) who rate the quality of each service against best practice principles (currently, the International Association for Impact Assessment’s Principles of EIA Best Practice).

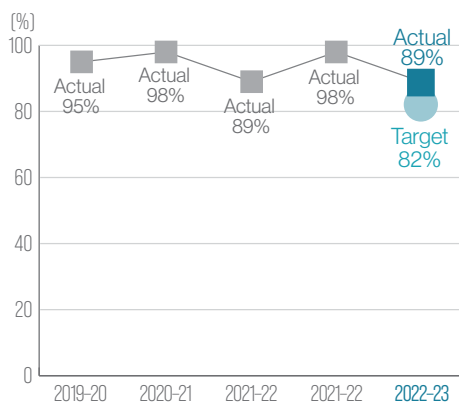
Variance analysis

The department strives to ensure that all advice provided to the EPA is as practical, efficient, rigorous, participative and fit-for-purpose as possible. In line with this goal, this year the EPA considered the EIA services provided by the department were of a very high standard, which resulted in the KPI Target being exceeded by more than 10%.



Percentage of project-specific conditions which did not require significant change following the appeal process

The indicator assists stakeholders in ascertaining the quality of conditions recommended by the department's EIA services. The department provides periodic reports to the EPA outlining the results of the appeals process and drawing attention to significant changes to the recommended conditions. This provides an important part of the State Government's expectation of a 'continuous improvement loop' in the appeals process.



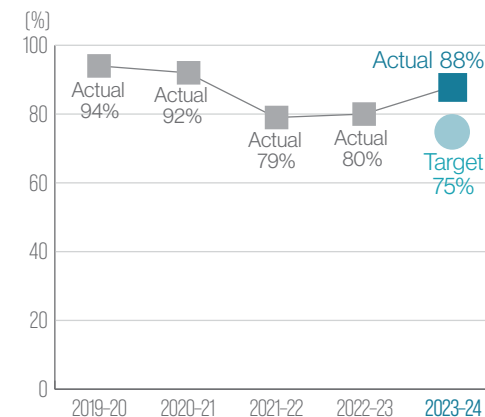
A significant change can be deemed as a substantial change to the form of a condition, the deletion or addition of a new condition, or a substantial change to the outcome or objective specified in a condition. A substantial change to the specified requirements of an environmental management plan or environmental monitoring plan and a change to a prescribed action are determined on a case-by-case basis.

Variance analysis

The department strives to ensure the conditions recommended to the EPA are as robust and comprehensive as the project requires and therefore does not require substantial change by the Office of the Appeals Convenor. In line with this goal, this year the department's recommended conditions required minimal substantial changes and therefore exceeded the KPI Target.

Percentage of assessments that met agreed timelines

This indicator measures the department's effectiveness in completing the assessment and providing the assessment report to the Minister in a timely manner. The timeline for an assessment may vary according to the complexity of the project and is usually agreed with the proponent soon after the level of assessment is determined. The assessment timeline is stated in the EPA's report. The timeline refers to the time between the receipt of the final information (that has been endorsed by the EPA) for the assessment and providing the assessment report to the Minister (12 weeks).



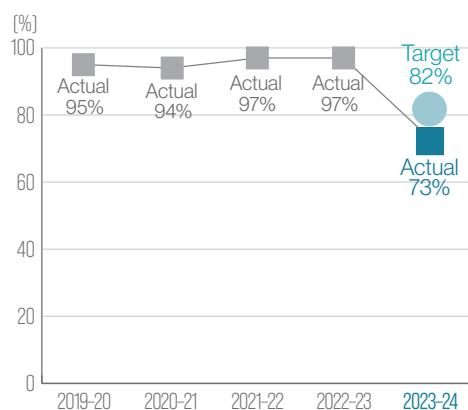
Variance analysis

The department strives to ensure assessments meet agreed timelines. In line with this goal, this year the department exceeded the KPI Target by more than 10%, following EPA Services implementing a new short report format which expedited the development and completion of EPA assessment reports in the 2023–24 financial year which have had a positive impact on meeting agreed timelines.

The EPA's satisfaction with the department's provision of environmental management services during the year

The level of quality is determined by the EPA with reference to the desirable underlying qualities of good environmental management (EM) advice. The EPA rates the quality of advice on strategic advice, statutory policies or guidelines provided by the department.

Each of the EPA members who participate in a decision rates the product on a scale of one to five (poor to excellent) and the scores of each member are averaged, combined, and proportionally adjusted to a percentage. The final indicator is the average rating awarded to all environment management services endorsed by the EPA during the period.



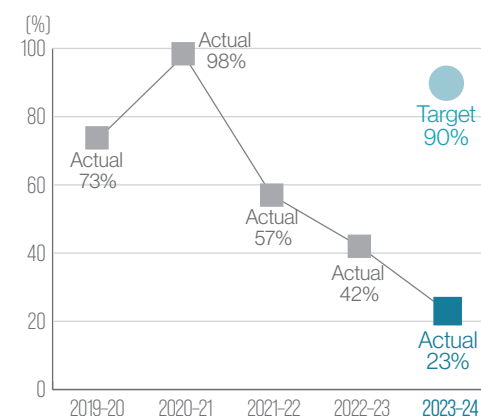
Variance analysis

The department strives to ensure that all environmental management services provided to the EPA have a clear purpose, are as rigorous, readable, applicable, consistent, and informed by stakeholder input as possible. In line with this goal, this year the EPA considered the EM services provided by the department were of a very high standard. However, this target was not met for the financial year due to the low number of items presented to the board resulting from significant change and loss of staff impacting the business operations.

The number of Ministerial Statements audited compared to targets

Compliance monitoring is managed through a structured annual compliance management program. The annual program sets out the number of audits to be undertaken and, using a priority matrix, identifies the Ministerial Statements to be audited.

The Minister imposes conditions on proposals to ensure that they are managed in an environmentally acceptable manner.



Variance analysis

The variance from the 2022-23 Actual and 2023-24 Target to the 2023-24 Actual is due to some compliance resources being refocused on high-risk compliance matters which resulted in several complete audit reports not being approved prior to the end of 2023-24.

Resources diverted to deliver compliance and enforcement Assurance Program, at the request of the Minister for Environment, have significantly impacted achievement. Backfills required on-boarding and audit training which delayed the audit process and completion. Several audits are close to completion and will now be completed in 2024-25.

Key efficiency indicators

Service 1: Water information and advice

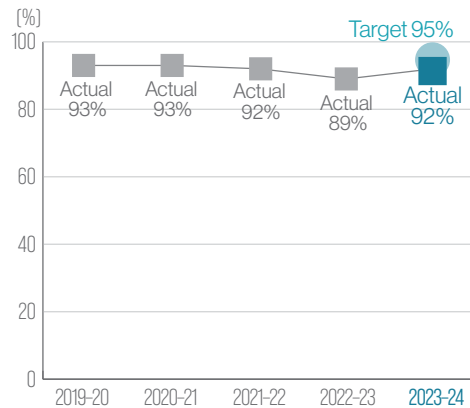
The department enables investment decisions of regional and state significance through the provision of data and information on the quantity, quality, location of, and demand for, water across the state. The information also underpins policy advice for consideration by State Government and supports other government agencies and stakeholders in their planning for future economic growth, and urban and rural development.

► Proportion of statutory referrals from DMAs where advice is provided within target timeframes

Technically proficient, reliable, and timely advice on the state's water resources enables effective decision-making by DMAs that directly supports growth, development, and investment for the long-term benefit of the state. DMAs include the:

- Environmental Protection Authority
- Other State Government agencies
- Local government authorities

This includes advice about water availability; the avoidance, management, and mitigation of impacts on water resources; and the protection of public drinking water sources.



This indicator represents a measure of the department's timeliness with respect to the provision of advice on various statutory referrals from DMAs. It demonstrates the efficiency with which the department is meeting statutory timeframes in providing water information and advice.

A statutory referral is a formal request for water advice from a DMA that has a statutory timeframe associated with the provision of that water advice. This indicator is calculated as a percentage of the total number of statutory referrals from DMAs to the department for advice that met the 35-business-day timeframe within the period.

► Average cost per referral assessment^(a)

Actual 2019-20 \$	Actual 2020-21 \$	Actual 2021-22 \$	Actual 2022-23 \$	Target 2023-24 \$	Actual 2023-24 \$
5,536	3,517	3,716	4,332	7,371	4,259

(a) The 2019-20 to 2022-23 audited figures were previously reported as \$7,182, \$5,125, \$5,418 and \$6,046. These have been restated to allow realignment with the depreciation cost allocations methodology relating to measurement sites. The average cost per referral assessment previously included 50% depreciation cost allocations for measurement sites. Depreciation costs for measurement sites have now been excluded from this service and redirected to key performance indicator – Average cost per water measurement site managed.

This measure provides information on the amount of operational expenditure being used for referrals that enable decisions on proposals that support the state's growth and development.

The indicator is relevant to the service because it is a directly attributable operational cost incurred in service delivery to meet the desired outcome.

An assessment is generated from both a formal request for water advice from a DMA or proponent such as under the Better Urban Water Management Framework. The indicator is calculated using the total cost of the water information and advice service divided by the total number of assessments conducted within the period.

Variance analysis

The reduction in the average cost per referral assessment in 2023–24 from the 2023–24 Target is mainly due to lower cost allocation resulting from revised cost allocations relating to depreciation for measurement sites to more accurately reflect the incidence of costs supporting this service.

► Average cost per water measurement site managed^(a)

Actual 2019–20 \$	Actual 2020–21 \$	Actual 2021–22 \$	Actual 2022–23 \$	Target 2023–24 \$	Actual 2023–24 \$
10,216	8,232	6,764	7,414	7,414	8,285

(a) The 2019–20 to 2022–23 audited figures were previously reported as \$9,437, \$7,437, \$5,944 and \$6,638. These have been restated to allow realignment with the depreciation cost allocations methodology relating to measurement sites. The average cost per water measurement site managed previously included 50% depreciation cost allocations for measurement sites. Depreciation costs for measurement sites have now been 100% included in this service and removed from key performance indicator – Average cost per referral assessment.

Access to reliable and current information about water resources – quantity and quality – is a core input to decision-making by State Government and water-dependent businesses that enables growth and development of the state.

Stakeholders access water information and data to support investment and business decisions. It also supports accurate water resource management decisions and advice. To service this need, the department measures or holds water data for more than 116,000 groundwater and surface water field sites, verifies and stores the data, and makes it available as water information.

Regular or periodic field measurements are essential to maintain up-to-date data, and verification, storage and accessibility are essential to make data available as reliable information.

This indicator is calculated by dividing the annual cost of water measurement and water information functions by the number of active operational sites.

Variance analysis

The increase in the average cost per water measurement site managed from the 2023–24 Target to 2023–24 Actual is mainly due to higher cost allocation resulting from revised cost allocations relating to depreciation for measurement sites to more accurately reflect the incidence of costs supporting this service as well as a lower number of water measurement sites managed during the year.

The increase in the average cost per water measurement site managed from the 2022–23 Actual to the 2023–24 Actual is mainly due to an increase in depreciation relating to measurement sites in 2023–24 compared to 2022–23.

The department undertakes and facilitates water planning, allocation, and optimisation to ensure the sustainable management of water resources for the long-term benefit of the state, which relies on good science. This includes planning and allocating water for sustainable productive use, protecting public drinking water sources, and ensuring the sustainability of water resources and their dependent ecosystems.

► Average cost per plan, report, or guidance document to support water planning, allocation, and optimisation

Actual 2019–20 \$	Actual 2020–21 \$	Actual 2021–22 \$	Actual 2022–23 \$	Target 2023–24 \$	Actual 2023–24 \$
348,488	233,709	268,753	243,074	409,599	194,137

Water resources need to be sustainably managed to achieve sufficient water quantity and quality for current and future needs. Increasingly precise, systematic, and transparent management is produced in science-based water allocation and optimisation plans, reports, and guidance documents. They guide and define management decisions to meet demand and avoid, mitigate, or minimise unsustainable impacts on resources. With this in place, sufficient good-quality surface water and groundwater will remain an ongoing part of future water supply for economic and population growth and the liveability of towns and cities.

Average cost is calculated by dividing the cost of the services by the total number of the following types of documents or advice produced:

1. Plans

- Water allocation plan
- Drinking water source protection plan
- Statement of response to public submissions

2. Plans for public comment

- Water allocation plan for public comment
- Water source protection plan for public comment

3. Technical reports

- Drinking water source protection area assessments
- Environmental water requirements report, or provisions report
- Allocation limits methods report

4. Guidance documents

- Water quality protection notes and information sheets
- Local water licensing strategy (e.g. Indigenous Land Use Agreement, allocation statement)

5. Status reports including:

- Annual or tri-annual compliance Jandakot and Gnamgara compliance reports
- Water allocation plan evaluations
- Drinking water source protection reviews
- Statewide planning reports (e.g. water resources inventory)
- Pre-planning or implementation phase status reports (e.g. discussion paper, review of allocation limits or components)
- Communication products (or sets of communication products) (e.g. water availability outlooks, website text, fact sheets)

Variance analysis

The decrease in the average cost from the 2023–24 Target to 2023–24 Actual is mainly due to lower cost allocations and a relatively small increase in the total number of documents to support water planning, allocation, and optimisation.

Service 3: Water regulation, licensing, and industry governance

The decrease in the average cost from the 2022–23 Actual to 2023–24 Actual is mainly due to lower cost allocations to support water planning, allocation and optimisation with the total number of documents supporting water planning, allocation and optimisation remaining the same.

► Average cost per hour of scientific support for water planning, allocation, and optimisation

Actual 2019–20 \$	Actual 2020–21 \$	Actual 2021–22 \$	Actual 2022–23 \$	Target 2023–24 \$	Actual 2023–24 \$
161	172	185	197	198	199

The sustainable management of water resources for the long-term benefit of the state relies on quality and contemporary water science. The indicator will enable judgement about the efficient application of the department's science capacity.

This indicator shows the average cost of providing scientific support for the achievement of water planning, allocation, and optimisation outcomes.

This indicator is calculated by dividing annual cost of full-time equivalent (FTE) and operational expenses by total hours worked by employees directly supporting scientific outcomes for this service.

Responsible, proportional regulation ensures investment, growth and development is underpinned by sustainable management of the state's water resources for the long-term benefit of the state. This service includes the management of water licensing. It also includes the management of the legislation governing the operations of water service providers.

► Average cost of assessing a water licence application by risk assessment category

Risk assessment category	Actual 2019–20 \$	Actual 2020–21 \$	Actual 2021–22 \$	Actual 2022–23 \$	Target 2023–24 \$	Actual 2023–24 \$
Low risk	3,284	3,412	3,348	4,018	4,242	4,182
Medium risk	4,378	4,549	4,464	5,357	5,656	5,577
High risk	5,473	5,686	5,580	6,697	7,070	6,971

Responsible, proportional regulation gives confidence that Western Australia's water resources are being sustainably managed for the long-term benefit of the state.

Water licensing is the main tool for sharing and allocating the state's water resources. A licence to take water authorises a licensee to take a specified volume of water from a particular water resource and is the principal tool for ensuring sustainable productive use of water in Western Australia. Other licences and permits administered by the department authorise the construction and alteration of water access infrastructure, such as wells and dams, as well as activities that interfere with the beds and banks of watercourses.

This indicator enables judgement about the costs of the department's water licence application assessments, within a risk-based assessment framework.

The indicator shows the average cost to assess a licence or permit application by risk category grouping. The indicator includes applications for permits to interfere with bed and banks, licences to construct a well, licences to access water, and renewal of and amendments to existing licences to access water, trades, transfers, and agreements.

The indicator is calculated by dividing the departmental cost of providing the water licensing service per application risk category, by the total number of licence and permit applications assessed within each risk category, within the period.

Variance analysis

The decrease in the average cost of assessing a water licence application across all water licence application risk categories from the 2023–24 Target to the 2023–24 Actual is mainly due to higher volumes of water licence applications assessed more than offset by higher cost allocations allocated to this service.

► Average time taken (days) to assess a licence application by risk assessment category

Risk assessment category	Actual 2019–20 (Days)	Actual 2020–21 (Days)	Actual 2021–22 (Days)	Actual 2022–23 (Days)	Target 2023–24 (Days)	Actual 2023–24 (Days)
Low risk	46	30	35	43	65	58
Medium risk	85	39	52	57	75	84
High risk	87	47	65	85	95	92

Water licences are one of the fundamental assets that support investment decisions in water-dependent industries. Investment decisions by licensees, existing and prospective, are also time-bound and require that applications for access to water are dealt with by the department in a timely manner.

The department ensures that the level of assessment effort applied to a water licence application is proportionate to the risk posed should a licence be granted, for example higher-risk licence applications are generally more complex and require more time to assess.

Risk categories for water licence or permit applications guide the level of assessment that is carried out by the department based on the risk should a licence or permit be granted. Risk categories are defined as low, medium, or high. Primary factors considered when assigning an assessment risk category are the volume of water being requested, how much water is available in the resource where the water is being requested, and potential impact of the proposed water use on other water users and/or the environment, including cumulative impacts.

This indicator enables judgement about the department's efficiency in decision-making for water licence and permit applications within this risk-based assessment framework.

The indicator shows the average time taken to assess a water licence or permit application by risk category. The indicator includes applications for permits to interfere with bed and banks, licences to construct a well, licences to take water, and renewal of and amendments to existing licences to take water, trades, transfers, and agreements.

The indicator is calculated by dividing the total time taken to assess all water licence and permit applications within each risk category, by the total number of licence and permit applications assessed within each risk category, within the period.

The measurement of assessment timeframes includes 'stop the clock'. When a water licence application assessment process is outside of the department's control, the time taken during this assessment process is not included when calculating application assessment times. The assessment clock is 'stopped' in these instances.

Variance analysis

The average time taken to process a water licence application has been significantly reduced in 2023–24 over the 2023–24 Targets across low and high water licence application risk categories, driven by the successful implementation of the water licensing backlog action plan.

Importantly, it should be noted that the average processing duration for low-risk applications, which represented more than 60% of the total water licence applications processed in 2023–24, is 7 days (or 11%) less than the target of 65 days.

The higher than Target average time taken to process a water licence application by medium risk category is due to the finalisation of applications that have had significantly protracted assessment timeframes. Removing the top 5% outlier applications (25 applications out of a total of 515 applications) reduces the average assessment timeframe for medium-risk applications to 72 days.

The increase in average time taken to process a licence application by risk assessment category from the 2022–23 Actual to the 2023–24 Actual is due to complexity and variability of a range of factors including compliance monitoring and enforcement activities, and complexity of licence assessment processes undertaken for each application.

► Average cost of compliance monitoring and enforcement action

Actual 2019–20 \$	Actual 2020–21 \$	Actual 2021–22 \$	Actual 2022–23 \$	Target 2023–24 \$	Actual 2023–24 \$
205	118	130	206	177	344

The department relies on water usage information for accurate water resource management advice and decisions. The department's compliance monitoring of licensed use provides accurate information on actual licensed water use to ensure the sustainable management of water resources for the long-term benefit of the state.

The department undertakes compliance monitoring and, where appropriate, enforcement action when licensed water use is found to be not in accordance with terms, restrictions, and conditions. Compliance monitoring within a risk-based framework ensures the department fulfils its legislative requirements, while ensuring efficient and sustainable productive water use.

Service 4: Environmental regulation

Investment decisions by licensees, existing and prospective, are time-bound and require that applications for access to water are dealt with by the department in a timely manner. Water licences are one of the fundamental assets that support investment decisions.

This indicator is calculated using the departmental cost of compliance and enforcement activities divided by the number of compliance and enforcement actions undertaken by the department during the year.

The enforcement actions include the following activities undertaken by the department when licensed water use is found to be inconsistent with the licence terms, restrictions, and conditions:

- educational letters
- licence amendments
- warnings, infringements, or direction notices
- prosecutions.

Variance analysis

The increase in the average cost of compliance monitoring and enforcement action from the 2022–23 Actual and the 2023–24 Target to 2023–24 Actual is mainly due to a significant reduction in the number of compliance monitoring and enforcement actions associated with water metering regulations implementation stabilised, and an associated reduction in metering related monitoring events and incidents of non-compliance, more than offset by the decrease in the cost of service.

The department seeks to prevent, control, and abate activities with the potential to cause pollution or environmental harm. It has adopted a risk-based approach to delivering its regulatory role, which broadly fits into three main functions:

1. approvals and licensing
2. monitoring, audit, and compliance inspections
3. enforcement, including complaint and incident investigation.

► Average cost per works approval and licence application

► Average cost per native vegetation clearing permit application

Efficiency indicator	Actual 2019–20 \$	Actual 2020–21 \$	Actual 2021–22 \$	Actual 2022–23 \$	Target 2023–24 \$	Actual 2023–24 \$
Average cost per works approval and licence application	47,220	51,891	55,425	73,244	56,014	77,628
Average cost per native vegetation clearing permit application	17,644	33,217	30,353	33,764	60,594	38,428

These measures of efficiency were established to reflect the costs per regulatory action for an instrument for the department's industry regulation and

native vegetation regulation functions. These are considered relevant efficiency indicators as they:

- capture the primary regulatory functions of the department
- measure the amount of resources required to assess and determine an industry regulation instrument and native vegetation instrument
- are of interest to parties paying regulatory fees
- are relevant to the review and determination of the department's regulatory fees and charges.

The indicators are considered relevant to the service as they can track the efficiency of the assessment of regulatory instruments over time and provide a simple metric for users of the department's budget statements and annual report.

For works approvals and licences, the indicator is calculated by dividing the total group costs deemed relevant to the agency activity of carrying out and administering the function of works approvals and licences – being applications assessment and decision-making on works approval and licence applications under Part V Division 3 of the *Environmental Protection Act 1986* – by the number of work approvals, licences, licence renewals and amendments assessed to provide the average cost.

For clearing permit applications, the indicator is calculated using the same method, by dividing the total group costs deemed relevant to the agency activity of carrying out and administering the function of clearing permit applications – being assessment and decision-making on clearing permit applications and amendments to clearing permit applications under Part V Division 2 of the *Environmental Protection Act 1986* – by the number of clearing permit applications and amendment applications assessed, to provide the average cost.

Variance analysis

The increase in average cost per Works Approval and Licence Application from the 2023–24 Target to 2023–24 Actuals is mainly due to a reduction of 84 Works Approval and Licence Applications decided during the year, compared to the target of 600 Works Approval and Licence Applications planned to be decided during the year.

The increase in average cost per native vegetation clearing permit application from the 2022–23 Actual to the 2023–24 Actual is due to higher cost allocations more than offset by a relatively small increase in the number of native vegetation clearing permit applications decided during 2023–24.

The decrease in average cost per native vegetation clearing permit application from the 2023–24 Target to the 2023–24 Actual is due to an increase in the number of native vegetation clearing permit applications decided from 274 in 2022–23 to 285 in 2023–24.

Service 5: Environmental and water policy

Develop and implement policies and strategies that promote environmental outcomes.

► Average cost per hour of policy advice and recommendations

Actual 2019–20 \$	Actual 2020–21 \$	Actual 2021–22 \$	Actual 2022–23 \$	Target 2023–24 \$	Actual 2023–24 \$
118	148	273	328	489	325

This measure of efficiency was established to reflect the cost per hour of policy advice. This is considered a relevant efficiency indicator as it:

- captures a significant function of the department
- measures the amount of resources required to develop and implement policies and strategies
- is of interest as it shows the cost of policy development
- is relevant to the use of funds being expended to develop and implement strategic policy and legislation that promotes sustainable environmental outcomes.

The indicator is relevant to this service as they can track the efficiency of the policy development and implementation over time and provide a simple metric for users of the department's budget statements and annual report.

The indicator is calculated by totalling the functional group costs associated with agency activity of carrying out and administering the function of providing policy advice and recommendations. The advice and recommendations relate to the development, review and amendment of environmental policy, national policy, primary and subsidiary legislation, and environmental programs,

providing advice to the Minister and the State Government in relation to legislation administration. The total number of available FTE hours for the services is divided into the costs to provide an average cost per hour of policy advice and recommendations.

Variance analysis

The decrease in average cost per hour of policy advice and recommendations from the 2023–24 Target and 2022–23 Actuals is due to an increase in the number of hours of policy advice and recommendations delivered during 2023–24 (114,072 hours) compared to 2022–23 (86,541 hours).



Waste avoided and the recovery of materials from landfill maximised.

► **Cost of landfill levy compliance as a percentage of landfill levy income collected**

Actual 2019–20 %	Actual 2020–21 %	Actual 2021–22 %	Actual 2022–23 %	Target 2023–24 %	Actual 2023–24 %
1.94	1.60	1.87	1.64	1.50	1.55

This measure of efficiency was established to reflect the cost of levy compliance as a percentage of the landfill levy income collected. This is considered a relevant efficiency indicator as it:

- measures the number of resources applied to the waste avoidance strategies and landfill diversion strategies
- is of interest as it shows the cost of managing the waste strategies
- is relevant to the use of funds being expended to develop and implement strategic policy and legislation that promotes sustainable environmental outcomes.

The indicator is relevant to the service as it can track the efficiency of managing waste strategies and provides a simple metric for users of the department’s budget statements and annual report.

The cost of landfill levy compliance as a percentage of landfill levy income collected is determined by totalling those functional group costs deemed relevant to the department’s activity of carrying out and administering the function of providing landfill levy compliance – being the administration of the landfill levy returns, auditing of those returns, processing of exemptions and undertaking inspections at a range of waste facilities, and carrying out

unauthorised waste activity investigations. The indicator is calculated by dividing the cost of levy compliance by the amount of landfill levy income collected for the year.

Variance analysis

The minor increase in the cost of landfill levy compliance as a percentage of landfill levy income collected from the 2023–24 Target to 2023–24 Actual is due to a relatively small increase in dedicated resource monitoring and enforcing landfill levy compliance activities more than offset by an increase in landfill levy income resulting from greater than anticipated waste volumes.

Service 7: Environmental impact assessment services to the EPA

Conduct, for the EPA, environmental impact assessments of significant proposals and schemes.

► Cost per standardised unit of assessment output

Actual 2019–20 \$	Actual 2020–21 \$	Actual 2021–22 \$	Actual 2022–23 \$	Target 2023–24 \$	Actual 2023–24 \$
39,924	62,466	45,444	79,177	69,506	102,998

While the variation in assessment complexity is reflected in the level of assessment set, several other factors affect how complex a proposal is to assess. To account for this range in difficulty, each assessment completed is assigned a weighting.

The difficulty often influences the amount of time spent dealing with a proposal, how the complexity weightings were allocated and trialled, in consultation with experienced officers, according to inherent proposal characteristics that cause a proposal to be more difficult rather than what causes an assessment to take more time to complete. This ensures that the indicator measures the efficiency of the department's provision of EIA advice to the EPA rather than the department's cost per hour. The total complexity is calculated by summing the individual complexities allocated to each assessment according to their inherent characteristics.

The cost per standardised unit of assessment output is calculated by dividing the total cost of assessments (including an allocation of post-approval costs and a portion of costs for policy and administrative support) by the total complexity weighting of assessments completed during the budget year.

Variance analysis

The increase in cost per standardised unit of assessment output from the 2022–23 Actual and 2023–24 Target to 2023–24 Actual is due to higher cost allocations to allocate costs to this service as well as lower number of standardised units of assessment outputs delivered. Key reasons for lower assessment outputs include the increased complexity of proposals, the allocation of some experienced assessment staff to the development and implementation of Environment Online and delivery of *Environmental Protection Act 1986* Amendments, and the ongoing training and development of new assessment staff because of high staff turnover rates.

Service 8: Environmental management services to the EPA

Develop, for the EPA, statutory policies, guidelines, and strategic advice to manage environmental impacts and protect the environment.

► Cost per standardised unit of environmental management services output

Actual 2019–20 \$	Actual 2020–21 \$	Actual 2021–22 \$	Actual 2022–23 \$	Target 2023–24 \$	Actual 2023–24 \$
34,793	34,572	26,706	26,151	53,838	53,172

Due to the variation in complexity of environmental management services provided, an average cost per piece of advice provided would not fairly represent the department's efficiency in providing such advice to the EPA. In fact, such a measure could provide a perverse incentive to produce many straightforward pieces of advice rather than tackling more complex issues that are more difficult to investigate. To account for this range in difficulty, each assessment completed is assigned a weighting.

The difficulty often influences the amount of time spent investigating a matter, how the complexity weightings were allocated, in consultation with experienced officers, according to inherent characteristics that cause a piece of environmental management advice to be more difficult rather than what causes it to take more time to complete. This ensures that the indicator measures the efficiency of the department's provision of environmental management advice to the EPA rather than the department's cost per hour.

The cost per standardised unit of environmental management services output is calculated by dividing the total cost of environmental management services (including an allocation of administrative support) by the total complexity weighting of environmental management services endorsed during the period.

Variance analysis

Strategic advice and support for environmental management services to the EPA is provided by a dedicated EPA services directorate within the department with support from other functions of the department for specialist environmental services. The cost per standardised unit of environmental management services output is higher than the 2022–23 Actual due to the lower number of environmental management services outputs to deliver the amendments to the *Environmental Protection Act 1986* and the EPA procedure suite as well as higher cost allocations supporting this work.

Service 9: Compliance monitoring services to the Minister

Audit the compliance with conditions set under Ministerial approvals and undertake enforcement action as appropriate.

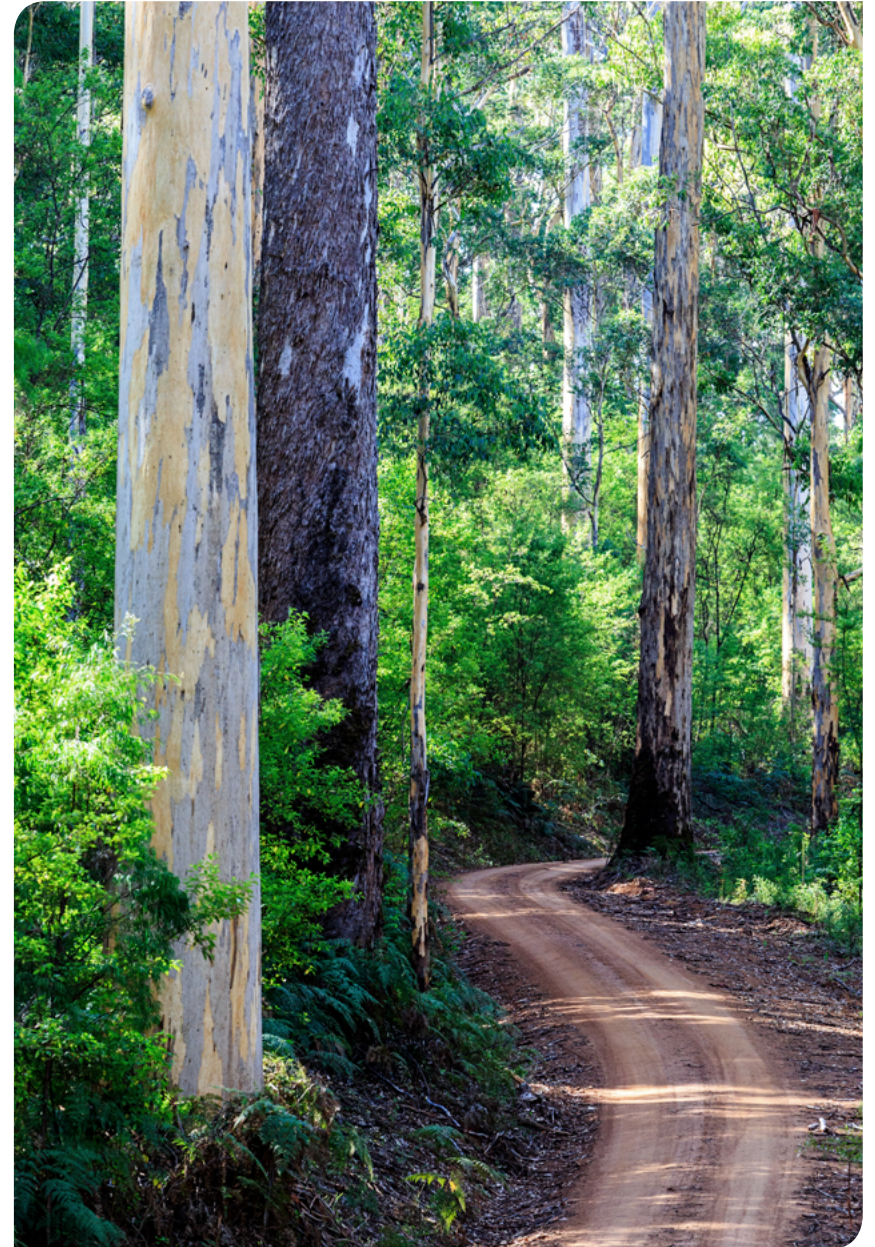
► Average cost per environmental audit completed

Actual 2019–20 \$	Actual 2020–21 \$	Actual 2021–22 \$	Actual 2022–23 \$	Target 2023–24 \$	Actual 2023–24 \$
65,666	56,117	51,684	148,276	37,574	336,373

The indicator is calculated by dividing the total cost (including an allocation of administrative overheads) allocated to compliance monitoring services by the total number of audits (not including desktop scans) completed during the period.

Variance analysis

Compliance monitoring services to the Minister for Environment are provided by a dedicated compliance and enforcement directorate within the department with support from other functions of the department. The actual average cost per environmental audit completed in 2023–24 is higher than the 2022–23 Actuals and the 2023–24 Target due to only 15% of the Target number (60) of environmental audits completed. This was due to delays in receiving information from proponents to validate compliance and staff movement throughout the year, which resulted in significant numbers of new staff commencing and the associated lead-in time to onboard and train them to be effectively supporting the audit program. Whilst the number of completed audits was below target, 23 additional environmental audits (22 environmental audits commenced but not completed in time for reporting in 2022–23) were substantially progressed during the year but not fully completed in time for reporting in 2023–24.



Appendices

Appendix A: Legislation

Legislation administered by the Department of Water and Environmental Regulation as at 30 June 2024

Carbon Rights Act 2003

Contaminated Sites Act 2003

Country Areas Water Supply Act 1947

Environmental Protection Act 1986

Environmental Protection Amendment Act 2020

Environmental Protection (Landfill) Levy Act 1998

Litter Act 1979 (the Department of Water and Environmental Regulation is the agency principally assisting the Minister for Environment in the administration of this Act assisted by the Keep Australia Beautiful Council [Western Australia])

Metropolitan Arterial Drainage Act 1982

Metropolitan Water Authority Act 1982

Metropolitan Water Supply, Sewerage and Drainage Act 1909

National Environmental Protection Council (Western Australia) Act 1996

Plumbers Licensing Act 1995 (except Part 5A which is administered by the Minister for Commerce principally assisted by the Department of Energy, Mines, Industry Regulation and Safety) – alternative citations are *Water Services Coordination Act 1995* and *Water Licensing Act 1995*

Rights in Water and Irrigation Act 1914

Waste Avoidance and Resource Recovery Act 2007 (the Department of Water and Environmental Regulation is the agency principally assisting the Minister for Environment in the administration of this Act assisted by the Waste Authority)

Waste Avoidance and Resource Recovery Levy Act 2007 (the Department of Water and Environmental Regulation is the agency principally assisting the Minister for Environment in the administration of this Act assisted by the Waste Authority)

Water Agencies (Powers) Act 1984

Water Agencies Restructure (Transitional and Consequential Provisions) Act 1995

Water Corporations Act 1995

Water Efficiency Labelling and Standards Act 2006

Water Resources Legislation Amendment Act 2007

Water Services Act 2012

Water Services Coordination Act 1995

Water Services Licensing Act 1995 (also called *Plumbers Licensing Act 1995*) (except Part 5A, which the Department of Commerce administers)

Waterways Conservation Act 1976

Regulations administered by the Department of Water and Environmental Regulation as at 30 June 2024

Clean Air (Determination of Air Impurities in Gases Discharged to the Atmosphere) Regulations 1983	Environmental Protection (Kwinana) (Atmospheric Wastes) Regulations 1992	Environmental Protection Regulations 1987
Contaminated Sites Regulations 2006	Environmental Protection (Metal Coating) Regulations 2001	Litter Regulations 1981
Country Areas Water Supply (Clearing Licence) Regulations 1981	Environmental Protection (NEPM-NPI) Regulations 1998	Noise Abatement (Noise Labelling of Equipment) Regulations (No. 2) 1985
Environmental Protection (Abattoirs) Regulations 2001	Environmental Protection (NEPM-UPM) Regulations 2013	Plumbers Licensing and Plumbing Standards Regulations 2000
Environmental Protection (Abrasive Blasting) Regulations 1998	Environmental Protection (Noise) Regulations 1997	Rights in Water and Irrigation Regulations 2000
Environmental Protection (Bilateral Agreements) Regulations 2021	Environmental Protection (Packaged Fertiliser) Regulations 2010	Waste Avoidance and Resource Recovery (Container Deposit Scheme) Regulations 2019
Environmental Protection (Clearing of Native Vegetation) Regulations 2004	Environmental Protection (Petrol) Regulations 1999	Waste Avoidance and Resource Recovery Levy Regulations 2008
Environmental Protection (Concrete Batching and Cement Product Manufacturing) Regulations 1998	Environmental Protection (Plastic Bags) Regulations 2018	Waste Avoidance and Resource Recovery (e-waste) Regulations 2024
Environmental Protection (Controlled Waste) Regulations 2004	Environmental Protection (Prohibited Plastics and Balloons) Regulations 2018	Waste Avoidance and Resource Recovery Regulations 2008
Environmental Protection (Cost Recovery) Regulations 2021	Environmental Protection (Recovery of Vapours from the Transfer of Organic Liquids) Regulations 1995	Water Agencies (Entry Warrant) Regulations 1985
Environmental Protection (Fibre Reinforced Plastics) Regulations 1998	Environmental Protection (Rural Landfill) Regulations 2002	Water Agencies (Infringements) Regulations 1994
Environmental Protection (Goldfields Residential Areas) (Sulfur Dioxide) Regulations 2003	Environmental Protection (Solid Fuel Heater and Firewood) Regulations 2018	Water Corporations (Transitional Provisions) Regulations 2013
	Environmental Protection (Unauthorised Discharges) Regulations 2004	Water Services Regulations 2013
		Water Services (Water Corporations Charges) Regulations 2014
		Waterways Conservation Regulations 1981

Other subsidiary legislation affecting our activities

For all other subsidiary legislation including bylaws, notices, declarations, proclamations, approvals, exemptions, orders, policy, pollution control areas, vesting orders, irrigation districts, standards and guidelines, please visit www.legislation.wa.gov.au.

Other key legislation affecting our activities

In the performance of our functions, the department complied with the following laws:

Aboriginal Heritage Act 1972

Auditor General Act 2006

Corruption and Crime Commission Act 2003

Disability Discrimination Act 1992 (Cth)

Disability Services Act 1993

Equal Opportunity Act 1984

Financial Management Act 2006

Freedom of Information Act 1992

Government Employees Housing Act 1964

Industrial Relations Act 1979

National Environmental Protection Council Act 1997 (Cth)

Long Service Leave Act 1958

Minimum Conditions of Employment Act 1993

Native Title Act 1993 (Cth)

Procurement Act 2020

Public Interest Disclosure Act 2003

Public Sector Management Act 1994

Salaries and Allowances Act 1975

State Records Act 2000

Workers' Compensation and Injury Management Act 1981

Work Health and Safety Act 2020

Appendix B: Shortened forms

Term	Definition
AWEAG	Aboriginal Water and Environment Advisory Group
C&D	construction and demolition
C&I	commercial and industrial
Contaminated Sites Act	<i>Contaminated Sites Act 2003</i>
CWSP	Community Water Supplies Partnership
DBCA	Department of Biodiversity, Conservation and Attractions
DEMIRS	Department of Energy, Mines, Industry Regulation and Safety
department	Department of Water and Environmental Regulation
DMA	decision-making authority
DPIRD	Department of Primary Industries and Regional Development
EIA	environmental impact assessment
EP Act	<i>Environmental Protection Act 1986</i>
EPA	Environmental Protection Authority
ERRF	Environmental Revegetation and Rehabilitation Fund
EV	electric vehicle
FOGO	food organics and garden organics

Term	Definition
FOI	freedom of information
FOI Act	<i>Freedom of Information Act 1992</i>
GL	gigalitres
ha	hectares
JTSI	Department of Jobs, Tourism, Science and Innovation
KABC	Keep Australia Beautiful Council
KPI	key performance indicator
LGA	local government authority
MAC	Murujuga Aboriginal Corporation
MAR	Mandatory Auditor's Report
MSW	municipal solid waste
RtR	Roads to Reuse
SCWS	Strategic Community Water Supply
SERS	<i>Sectoral emissions reduction strategy for Western Australia</i>
WA	Western Australia
WALGA	Western Australia Local Government Association
waste strategy	<i>Waste Avoidance and Resource Recovery Strategy 2030</i>
WIR	Water Information Reporting

Appendix C: References

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NOAA (National Oceanic and Atmospheric Administration) National Centers for Environmental Information (2024) [January 2024 Global Climate Report](#), NOAA NCEI website, accessed 4 September 2024.

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Your feedback on our 2023–24 annual report would be greatly appreciated. We will use your comments to help improve the clarity and presentation of our publications. Thank you for your input.

- Did the report help you understand the department, its purpose, services and performance?

not at all | not really | somewhat | yes | absolutely

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