

Annual Report

2011–12

Published September 2012
by Sustainability Victoria.

ABN 62 019 854 067

Level 28, Urban Workshop
50 Lonsdale Street Melbourne
Victoria 3000 Australia.

Also available on

www.sustainability.vic.gov.au

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Part 1

Chair's foreword



Dr Gillian Sparkes

2011–12 was a significant year in the history of Sustainability Victoria. Created in 2005 as a merger of predecessor organisations focused on sustainable energy, waste and recycling, Sustainability Victoria conducted its first comprehensive review since its formation.

As the environment portfolio's program delivery agency, it was timely to undertake a review of Sustainability Victoria's strategic direction. Key themes and findings identified during the Sustainability Victoria Review now underpin a realignment of the organisation to ensure that Sustainability Victoria is positioned to meet the contemporary, environmental challenges faced by Victorians.

As a consequence, during 2011–12, Sustainability Victoria commenced a transformation to re-establish and deliver against our statutory role in statewide leadership, planning and strategy for waste management, and consolidate our contribution through resource efficiency programs that deliver and demonstrate value for Victoria.

Sustainability Victoria strives to contribute to a prosperous Victorian economy in a way that values the environment and also understands the impact of resource use on the cost of living and the cost to business. Victoria's resources are finite. It makes sense environmentally, economically and socially to maximise the value we derive from materials and reduce our environmental footprint.

In September 2011, the board commenced work on a new three-year

Strategic Plan, SV2015. This plan will guide our transformation, re-focusing our efforts and effectiveness. SV2015 builds on what we have learned, and will focus SV on fewer but increasingly targeted programs to deliver enduring outcomes. A key emphasis in the implementation of Sustainability Victoria's transformation is to apply more of our revenue from the landfill levy to focus on waste management.

In 2011–12, we laid the foundation for a strong future focus on waste management, particularly in statewide waste planning, infrastructure and market development for recycled materials. Sustainability Victoria will continue to promote the sustainable use of resources. We will concentrate our investment on those sectors where the greatest efficiency gains can be realised.

To ensure that we are aligned to the needs and aspirations of our stakeholders, we have worked closely with local government, metropolitan and regional waste management groups, the waste industry, industry associations and our colleagues in the Victorian Government. These partnerships will be crucial to ensuring effective programs and outcomes.

Our staff showed great passion and professionalism during this year of change.

They continued to deliver on major Victorian Government commitments and Sustainability Victoria's Interim Business Plan with the dedication that has become a hallmark of Sustainability Victoria.

In January 2012, we appointed our new CEO, Stan Krpan. We thank Stan for the crucial role he played in the Review of Sustainability Victoria's Strategic Direction and appreciate his strong leadership in the implementation of SV2015.

In April 2012, we farewelled long-standing board members Tony Marxsen, Nicholas Gruen, Carolyn Lloyd and Tanya Ha. We thank them for their outstanding contribution to Sustainability Victoria over many years. We welcomed new board members, Ron Lovett and Tony Hinton, and we are pleased that Suzanne Evans was reappointed to the board.

We are committed to identifying solutions across Victoria that are both practical and tangible and that minimise the impact of Victorians on the environment. I am pleased to present our 2011–12 Annual Report.



Dr Gillian Sparkes
Chair

CEO's foreword



Stan Krpan

During 2010–11, the Minister for Environment & Climate Change provided Sustainability Victoria with an opportunity to review and refocus its direction.

The Review of Sustainability Victoria's Strategic Direction and our subsequent three-year strategic plan, SV2015, require significant reform of our business if we are to build on the success of Sustainability Victoria's early years but remain relevant and deliver meaningful outcomes for Victoria's environment and prosperity.

In January 2012, we responded by commencing our transformation from an agency that delivered a broad range of sustainability initiatives to one that delivers tangible outcomes focused on integrated waste management and resource efficiency. At the same time, we continued to deliver programs on behalf of the Victorian Government.

I was honoured to be appointed as CEO of Sustainability Victoria in January 2012, and am proud of the commitment that our people have shown in welcoming change, exploring opportunities and delivering a number of achievements throughout the year.

Our people were active participants in the review and subsequent planning for transformation. More than 70 employees participated in our outcome focused business planning and demonstrated their willingness to improve our effectiveness.

Key project achievements include:

- Committing to all Victorians with the *Conserve, Invest and Save* funding package – the Victorian Government has committed more than \$20 million to recycling and resource recovery infrastructure, metropolitan and regional organics recovery, and better and safer rural landfills. \$3 million is directed through Regional Waste Management

Groups to reduce waste and increase recycling through channels such as local resource recovery centres and collection/processing systems.

- Delivering the recycling message to households with *Get It Right on Bin Night* – in a groundbreaking project partnership with the Metropolitan Waste Management Group and all 30 local councils in Melbourne, we commenced a joint \$1.1 million recycling campaign, targeting households with consistent kerbside recycling messages, to reduce the recyclables in garbage bins and the garbage in recycle bins. The statewide TV advertising and local information campaigns commenced in May 2012.
- Making our homes cleaner and safer with the *Detox your Home* program that collected more than 1,100 tonnes of chemicals from Victorian households, a 21% increase on the 970 tonnes collected last year.
- Supporting our schools – one third of Victorian schools participated in the *ResourceSmart AuSSI Vic* project in 2011–12. Regionally-based providers were contracted in 2011–12 for a significant expansion to recruit a further 400 schools by July 2015.
- Saving energy and saving dollars, with over 4,000 Victorian households assisted to save energy through free home improvements and rebates for solar hot water units and high efficiency gas heaters.
- Thinking smarter, with the *Smarter Choices* project – JB Hi Fi joined the project, extending our point of sale activity into over 400 appliance

retail stores, and assisting even more Victorian households to purchase more efficient appliances, lighting and other energy using products.

We were also pleased to promote popular awards programs such as Keep Australia Beautiful Victoria, to recognise and reward sustainable business and community initiatives across Victoria. Tidy Towns will celebrate its 30th anniversary in 2012.

SV also administers the Sustainability Fund, and this year, in collaboration with the Department of Sustainability and Environment and Environment Protection Authority, we improved governance and coordination in response to the Sustainability Victoria Review.

We continued to administer the fund on behalf of the Minister for Environment and Climate Change and the Premier.

With the development of SV2015, the 2011–12 financial year has been one of significant change for Sustainability Victoria, to transition and prepare us for more-focused projects and clearer outcomes in the future. I am grateful to the Sustainability Victoria Board for its support and guidance over the past year.

Together with our Chair, Dr Gillian Sparkes, I am pleased to present our 2011–12 Annual Report.



Stan Krpan
Chief Executive Officer

Part 2

About Sustainability Victoria

Sustainability Victoria (SV) is a Victorian Government Statutory Authority established under the *Sustainability Victoria Act 2005*.

The responsible Minister for the period from 1 July 2011 to 30 June 2012 was the Hon Ryan Smith MP, Minister for Environment and Climate Change.

Objective, functions and powers

Our objective is to facilitate and promote environmental sustainability in the use of resources.

Our functions are contained in the *Sustainability Victoria Act 2005*, Part 2(7).

Our powers are contained in the *Sustainability Victoria Act 2005*, Part 2(8).

Our role

SV implements government policies and initiatives through targeted programs with a measurable impact in integrated waste management and resource efficiency (energy and materials).

SV:

- provides statewide leadership in waste management
- leads and coordinates implementation of the current waste strategy *Sustainability in Action: Towards Zero Waste* (TZW), scheduled to sunset in 2014
- works closely with agencies in the environment portfolio [Department of Sustainability and Environment (DSE), Environment Protection Authority (EPA), Metropolitan Waste Management Group (MWMG) and Regional Waste Management Groups (RWMGs)] to reduce waste and increase resource recovery
- works to improve materials and energy efficiency in selected sectors to help achieve the Victorian Government's policy objectives. These objectives are to reduce pressures on the costs of living and of doing business, to ensure a secure and reliable energy supply and reduce greenhouse gases.

Our vision

To maximise value from resources to support a liveable and prosperous Victoria.

Our stakeholders

Strong and effective relationships with our stakeholders are critical to our performance. Throughout our history, SV could have achieved little without the wide spectrum of organisations, businesses, networks and agencies that have worked closely with us to achieve good environmental and economic outcomes.

Our board, executive and staff recognise, appreciate and sincerely thank all organisations and individuals who have contributed to making Victoria more liveable and prosperous.

Our stakeholders are too numerous to mention individually in this report. The following list indicates the breadth of Victorians engaged in our work.

Victoria's municipal councils	Primary and secondary schools
RWMGs	Universities and TAFE organisations
Peak business and industry councils and associations	Peak and individual community groups
Waste management and recycling businesses	Peak and local environment groups
Environment portfolio partners	Professional institutions and organisations
Victorian Government departments and agencies	Hospitals and healthcare groups
State water authorities and retailers	Sustainability partnerships and networks

We look forward to strong and authentic stakeholder relationships and involvement as we implement SV2015.

Our new strategic direction

In February 2012, the Minister for Environment and Climate Change released the Review of Sustainability Victoria's Strategic Direction. The outcome sought to align our operations with the Victorian Government's broader economic and reform agenda and to create a clearer line of sight between our sources of funding and expenditure, meaning a strong focus on improved waste management outcomes. This followed the Victorian Auditor-General's report on Municipal Solid Waste Management, which also found that SV had lost its way on waste and did not deliver on our statutory obligations in waste planning.

The review also recommended that SV better align our programs with whole-of-government directions and programs administered by other parts of government, particularly environmental portfolio agencies. Consequently, SV has worked closely with the Department of Sustainability and Environment, which has carriage of the Waste Policy Review, contributing expertise and data and ensuring that SV's plans and programs reflect the direction of waste policy now and into the future.

SV listened to the extensive feedback from the review, and particularly the contemporary needs of businesses, local governments and households. The review recommendations underpinned the development by SV's Board of the new three-year strategic plan, SV2015. The plan is focused clearly on delivering tangible outcomes through integrated waste management and resource efficiency programs in Victoria.

An interim 2011–12 business plan was in place while the review was being completed, and we continued to deliver on our contracts and commitments. With completion of the review, the final 2011–12 business plan began the transformation to SV2015 and transition out of some projects which were not aligned to SV's new direction.

SV2015 is supported by a Transformation Plan to ensure that the organisation reforms internally to deliver the new strategic direction.

Part 3

Our board and executive team

Our board

SV's Board comprises seven non-executive members appointed in accordance with the *Sustainability Victoria Act 2005*. The Minister for Environment and Climate Change is responsible for all board appointments, ensuring that members have the relevant skills, experience and knowledge to oversee our strategy and functions. The Minister for Energy and Resources and the Minister for Water each nominate one board member to the Minister for Environment and Climate Change.

Role of the board

To meet its responsibility for good governance and effective leadership, the board:

- sets SV's strategic direction, objectives and performance targets
- selects the Chief Executive Officer
- monitors operational and financial performance
- oversees compliance with laws, regulations and other obligations
- sets and monitors internal controls to manage risks
- ensures good conduct and stakeholder relationships
- manages and monitors board and committee conduct and performance.

Board members

Dr Gillian Sparkes is the Chair of the Board, and Mike Hill the Deputy Chair. Other members are Cheryl Batagol, Suzanne Evans, Ross McCann, Tony Hinton (from May 2012) and Ron Lovett (from May 2012).

Departing board members

Dr Nicholas Gruen, Tanya Ha, Carolyn Lloyd and Dr Tony Marxsen completed their terms on our board in April 2012.

See Appendix 1 for more information about board members and details of the operations of the board and its committees

Our executive team

In 2011–12, the executive team comprised the CEO, CFO and six General Managers. In late 2011–12 a new executive structure was implemented to take effect on 1 July 2012.

The new executive team comprises the CEO, Stan Krpan, who commenced in January 2012, supported by four Directors.

The team is accountable for line management, key organisational functions and program delivery.

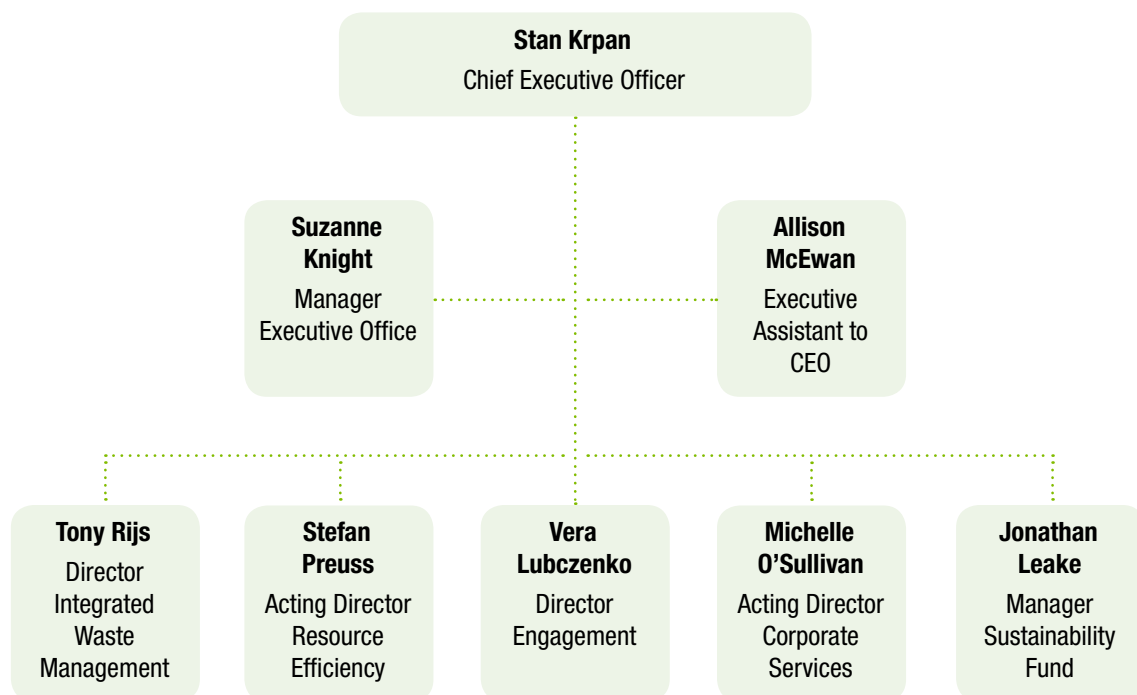


Figure 1:
Our executive team as at 1 July 2012

Part 4

Our performance

In 2011–12 SV delivered against its priorities and has continued to achieve evidenced-based, measurable results that benefit the community, households and business. A vital element underpinning our performance has been SV2015, SV's transformative plan.

The Review resulted in the implementation of major organisational change to concentrate a greater focus on SV's priority areas of integrated waste management (IWM) and resource efficiency (RE).

SV's 2011–12 Business Plan began the transition to SV2015 and identified required outcomes. This section reports our performance against these.

SV's performance has been in accordance with our goals and the government's long-term sustainability and whole-of-government objectives of a:

- reduced environmental harm from emissions and waste disposal
- greater economic return, opportunities for clean technology industries and green jobs to benefit the economy
- healthier and more liveable Victoria.

This section of the report details our 2011–12 outcomes in four key areas:

- *Our environmental performance*
- *Integrated waste management*
- *Resource efficiency*
- *SV2015: transforming our organisation.*

Our environmental outcomes

SV is responsible for the delivery of the Victorian waste strategy *Towards Zero Waste*, which includes waste avoidance, resource recovery and litter targets to be achieved by 2014 (refer Table 1).

In 2011–12, SV delivered programs that resulted in the:

- diversion of waste from landfill
- abatement of greenhouse gas
- saving of energy.

These environmental outcomes are listed in Table 2.

Table 1: *Towards Zero Waste* strategy targets

2014 targets	2010–11 ¹	
	Projected target	Actual result
1.5 million tonne reduction in the projected quantity of solid waste generated by 2014 (reported as total solid waste generated)	10.45 million tonnes generated ²	12.10 million tonnes generated
75% by weight of solid waste recovered for reuse, recycling and/or energy generation	65%	68%
Sectoral recovery rates:		
• Municipal solid waste (65%)	53%	47%
• Commercial and industrial waste (80%)	70%	66%
• Construction and demolition waste (80%)	70%	83%
A 25% improvement in littering behaviour on 2003 levels	18.2% ³	23.4% ⁴

Table 2: Measureable environmental outcomes

Environmental outcome	
Waste diverted (tonnes)	21,160
Greenhouse gas abated (tonnes)	4,765,342
Energy efficiency (MWh)	6,298,611

The Verification Statement by consultants Net Balance regarding these outcomes is found in Appendix 2.

¹ TZW 2010–11 Progress Report (to be published late 2012). Data for TZW targets for 2010–11 was collected from late August 2011 to May 2012 hence the reporting of the previous year's results in the 2011–12 Annual Report.

² Projected waste generation has been recalculated and updated using rebased GSP figures sourced from the Australian Bureau of Statistics and population figures sourced from the Department of Planning and Community Development.

³ 2011 notional target based on calendar year.

⁴ The *Victorian Litter Report 2011*, Sustainability Victoria (to be published late 2012).

Integrated waste management

Integrated waste management (IWM) is the core role for SV and key focus of SV2015. Our priorities are to:

- turn our waste into valuable products
- gain the best outcomes from our investment in waste
- achieve the best possible value for the Victorian Government's investment in waste and resource recovery.

We started to work with the industry and RWMGs to engage them in our future plans for waste infrastructure and programs. In line with SV2015, we have achieved significant progress this year on new priority initiatives, namely the *Conserve, Invest and Save* funding package and the Statewide Infrastructure Plan (see page 16), as well as improved outcomes from IWM projects in our 2011–12 Business Plan.

'Conserve, Invest and Save' funding package

We made a significant contribution to the development of the Victorian Government's *Conserve, Invest and Save* funding package through active collaboration with our environment portfolio partners.

This strategy aims to establish a new infrastructure and upgrade existing facilities, to enable greater recovery of commercial and industrial (C&I) and municipal solid waste (MSW) material. Early stage implementation commenced in 2011–12.

Case Study: *Conserve, Invest and Save*

Project objective

The *Conserve, Invest and Save* funding package will reinvest the landfill levy to support councils and landfill operators to realise and capitalise on the value of waste currently going to landfill, by optimising waste avoidance, reuse and recovery. The funding package aims to kick-start investment in resource efficiency and recovery, and create incentives to divert usable resources away from landfills.

Key developments

The *Conserve, Invest and Save* funding package is to be delivered by the environment portfolio (DSE, SV and EPA and the MWMG).

In 2011–12, the Minister for Environment and Climate Change announced initiatives in three key areas: organics, local government and business. The funding package supports waste reduction and greater resource efficiency – all priorities that reflect the newly released Sustainability Fund Priority Statement. Allocations to date include:

- \$11.5m for recycling and recovery of Victoria's commercial and industrial and municipal solid waste, with \$6.5 million for the *Resource Recovery Infrastructure* (RRI) fund, and \$5 million for Round Two of the *Driving Investment for New Recycling* (DINR) fund.
- \$5.5m for recovery and recycling of organics and general waste in regional Victoria with \$2.5m toward a regional organics strategy, and \$3 million to support RWMGs to fund priority waste projects in regional Victoria.
- \$3.5m for the *Transition Support* to Improve Rural Landfill Infrastructure program, to assist smaller councils and shires whose landfills need to be upgraded to meet updated rigorous industry standards.

Statewide Infrastructure Plan

Our new strategic direction recognises the scale and nature of the challenges facing Victoria's waste management and resource recovery sector, and foreshadows significant investment of resources into integrated waste management over the next three years. This derives from the findings of both the review of our strategic direction and the VAGO audit of municipal solid waste management, which criticised SV and the wider portfolio for a lack of planning in the *Towards Zero Waste* strategy. A clear plan is essential to guide our investment in waste outcomes and ensure that priorities are adequately addressed.

Our response under SV2015 is the development of a Statewide Infrastructure Plan. We began work on the plan which will, for the first time, map Victoria's waste infrastructure.

Statewide Infrastructure Plan

Objective

The Statewide Infrastructure Plan will guide future investment in waste management infrastructure (landfill and resource recovery).

Key Developments

Work in 2011–12 defined our key priorities to be:

- landfill performance
- organics recovery from kerbside, commercial and industrial waste streams
- optimisation of the kerbside recycling system
- greater recovery of commercial and industrial waste
- market development, particularly for organics.

Funding initiatives to meet these priorities were tailored under the government's *Conserve, Invest and Save* funding package.

Initiatives announced by the Minister in 2011–12, with total funding of \$20.5 million, include:

- landfill improvement transition funding
- regional organics funding
- support for RWMGs' business planning
- organics market development
- resource recovery infrastructure investment.

Our Statewide Infrastructure Plan will be completed in 2012–13. Our work to date in developing this plan has generated greater understanding of waste management issues, and will provide the rationale and identify the priorities to address future issues.

Our 2011–12 Business Plan outlined our projected outcomes in integrated waste management. The following table summarises our performance against these objectives.

Table 3: Integrated waste management

Required outcomes	Performance
Coordinate the <i>Towards Zero Waste</i> (TZW) strategy to ensure that Victorians minimise waste and maximise materials recovery.	<ul style="list-style-type: none"> • Victoria diverted 8.216 million tonnes of material from landfill in 2010–11 (latest available data), representing an actual recovery rate of 68% of all waste, above the 2010–11 target of 65%. • Worked with RWMGs to develop consistent business plans aligned with the TZW strategy. • Commenced development of a statewide view of waste and resource recovery infrastructure and landfills, through a Statewide Infrastructure Plan. • Collaborated with the Department of Sustainability and Environment during Victoria's Waste Policy Review.
Help fund initiatives to increase recycling, including capital investment and market development, and approved litter reduction and <i>Public Place Recycling</i> (PPR) grants.	<ul style="list-style-type: none"> • Provided \$1.8 million as capital investment grants to 7 businesses, to drive new technology in the first round of the <i>Driving Investment for New Recycling</i> (DINR) program. A further \$1.7 million in cash and in-kind contributions was leveraged from these 7 grant recipients, almost doubling the total investment in new recycling technology. • Provided \$3.87 million to enable 17 rural landfill operators to upgrade to best-practice standards. • Funded a mobile plastic baler to service regional Victoria to collect more farm plastics for recycling, as part of the Plasback product stewardship program. • Supported market development for recycled organics by funding a Market and Industry Development Officer (MIDO) to promote and support the compost industry and organics recycling. • Delivered 32 PPR and roadside projects across the state.
By 2014, improve littering behaviours by 25% compared with 2003 levels, by implementing the Litter Strategy.	<ul style="list-style-type: none"> • Installed 1,800 <i>Public Place Recycling</i> and waste bins in parks, sports grounds, shopping strips and all train stations in metropolitan Melbourne; and roadside litter prevention infrastructure, including surveillance cameras and cigarette butt bins, in the south-eastern suburbs of Melbourne. • Instigated local roadside litter prevention campaigns in north-east Victoria, Dandenong, and along the Calder Highway.

Required outcomes	Performance
Manage Keep Australia Beautiful Victoria to recognise excellence in environmental and community projects.	<p>2011 Keep Australia Beautiful Victoria Awards, recognising:</p> <ul style="list-style-type: none"> • Clean Beach of the Year: Frankston Foreshore • Sustainable City of the Year: City of Yarra • Tidy Town of the Year: Mornington. <p>Across Victoria:</p> <ul style="list-style-type: none"> • 60 tonnes of litter removed from roadsides, assisted by over 1000 volunteers. • Increased the number of Stationeers groups from 29 to 39 and Adopt a Roadside groups from 103 to 109.
Measure the effectiveness of Victoria's 79 local governments' kerbside recycling and waste management services, and report this to their residents. Use this data to influence councils to adopt best practice in kerbside recycling.	<ul style="list-style-type: none"> • The state average diversion rate increased from 43% in 2008–09 to 44% in 2009–10. • Published the Victorian Local Government Annual Survey 2009–10 and provided Councils a link to the report, and each RWMG with its region's results and made a presentation at the Local Government Survey forum.
Provide free and safe household chemical disposal through the <i>Detox your Home</i> program.	<ul style="list-style-type: none"> • Over 11,000 householders used 32 free mobile collections across 21 regional and 10 metropolitan councils, to responsibly dispose of 445 tonnes of unwanted chemicals. • Six regional and seven metropolitan councils hosted free permanent sites and collected an additional 723 tonnes. • In total, 1,168 tonnes of toxic and chemical wastes were safely diverted from landfills.
Increase household recycling in metropolitan Melbourne through the Household Recycling project (funded by the Australian Packaging Covenant).	<ul style="list-style-type: none"> • Launched <i>Get it Right on Bin Night</i>, a major community education campaign to boost household recycling rates, in May, in an unprecedented partnership with all 30 metro Melbourne councils, the MWMG and the Australian Packaging Covenant. • Campaign includes television advertising, a website, social media presence, and a toolkit for localised roll out by councils.
Publish key reports, including the Victorian Litter Report, the Victorian Recycling Industry Annual Survey and the Local Government Data Survey to measure progress against <i>Towards Zero Waste</i> .	<ul style="list-style-type: none"> • Published the Victorian Litter Report 2010 and the Victorian Local Government Annual Survey 2009–10, both available on our website.

Case Study: Polystyrene successfully diverted from landfill

Local Government Polystyrene Resource Recovery Project

Project objective

To improve recycling of expanded polystyrene (EPS) in a range of Melbourne landfills.

Key developments

The MWMG received \$334,000 in Round One of the *Driving Investment for New Recycling* (DINR) fund, to improve the collection of expanded polystyrene (EPS). MWMG began working in partnership with nine councils throughout Melbourne in November 2011.

Since then, all participating councils have expanded their existing resource recovery facilities to provide collection points for EPS. The service is free for residents and small businesses. The EPS is reprocessed and recycled for use in the building industry.

Outcomes

In the first six months, nearly 25 tonnes of material (5,473 cubic metres) was collected.

As a consequence:

- the life of landfills is extended, and there is reduced EPS litter around landfills
- EPS is kept out of other collections, such as residential garden organics and comingled recyclables
- this \$334,000 investment will deliver ongoing diversion of polystyrene from landfill, ultimately projected to be at least 39,000 cubic metres a year.

Case Study:

Public Place Recycling cleans up Mt Waverley Shopping Precinct

Mt Waverley shopping district *Public Place Recycling* project

Project objective

To improve recycling rates at the Mt Waverley Shopping Village.

Key developments

In 2011, Monash City Council received a grant of \$25,000 from the *Public Place Recycling* program, and contributed \$10,000 of its own funds to research, design and instalation of recycling bins in a process regarded as best practice by the Victorian Litter Action Alliance. This process included:

- audit of existing litter bins which found 60% of contents could have been recycled, revealing significant potential for diversion
- canvassing the views of village businesses to collect grassroots intelligence on hot spots and determine suitable locations for the new recycling bins
- professional advice from Monash Council design staff and an outdoor furniture specialist on the design of new bins and redesign of existing ones
- innovations such as standardising openings for both litter and recycling bins to streamline collections, and replacing the 'two round circles' openings for deposits with a larger, more linear opening to enable larger items like pizza boxes to be recycled
- auditing recycling and waste disposal to measure improvements two weeks after new bins were installed.

Outcomes

- Deposits of recyclables into litter bins almost halved, dropping from 60% of total litter contents to 33%.
- 80% of the total 50kg of waste in the audit period was deposited into recycling bins, with very low contamination rates.
- Less waste to landfill was achieved all round, with the audit measuring a 75% reduction in disposals into litter bins.
- An independent audit verified Monash Council's results.

The early success of the project is a testament to the council's best practice research.

Case Study: Frankston leads the way in clean cities and beaches awards

Clean Beaches Awards

Project objective

To recognise and celebrate positive actions taken by communities to protect and enhance their local beach environments.

Key developments

Frankston City Council was a finalist in 11 of the 2011 Keep Australia Beautiful Victoria's Sustainable Cities and Clean Beaches Awards categories and a winner of five of these. Frankston City Council played a key role in Frankston's category submission, with ranger education and an anti-litter campaign along the foreshore. Community action and the council combined to put Frankston at the top of environmental sustainability rankings for coastal and beach areas.

Outcomes

- Frankston City Council won the 2011 Clean Beaches – Friendly Beach Award for its accessible boardwalks and pier, visitor information centre, playground facilities, public artworks and major events that complemented the foreshore's attributes.
- The Frankston Foreshore Advisory Committee won the Clean Beaches – Community Leadership Award for its work on the Seaford Lifesaving Club development.
- Frankston High School won the Sustainable Cities – Young Leader Award for its Regional Environment and Sustainability Conference.
- Well-known local Kathleen Hassell won the Clean Beaches Dame Phyllis Frost Award for her passionate leadership of sustainability issues and her fieldwork on Frankston beaches.

Resource efficiency

Our goal for resource efficiency (RE) is to maximise the value derived from energy and material resources used in Victoria, while minimising the environmental impact.

Table 4 outlines our performance in 2011–12 on required outcomes of our RE programs.

Table 4: Resource efficiency programs with business, communities and households

Required outcomes	Performance
Support energy efficiency initiatives in commercial building tenancies through <i>CitySwitch</i> .	<ul style="list-style-type: none"> In 2011–12 <i>CitySwitch</i> achieved total abatement of 5,900 tonnes of greenhouse gas emissions throughout the life of the program in Victoria. Signed up more than 100 tenants of commercial office buildings to the <i>CitySwitch</i> program, representing over 300,000 square metres of office space in the Cities of Melbourne, Port Phillip and Yarra. Tenants ranged in size from multinational to SMEs. Provided funding, workshops, case studies and other information to the three involved councils, which helped tenants substantially reduce their energy use.
Support resource efficiency initiatives in smaller, suburban commercial buildings.	<ul style="list-style-type: none"> Conducted two feasibility studies that identified opportunities for improving the energy efficiency of non-CBD commercial office buildings, through cost-benefit analysis of building fabric, tuning and upgrading air conditioning. Funded two Smart Energy Zones to help install a new cogeneration plant at the City of Boroondara's Ashburton Pool and Recreation Centre (APARC), providing heat to the recreation centre and electricity to both the centre and the nearby not-for-profit Craig Family Centre. Installed an educational display, including real-time data showing energy savings. Abated 409 tonnes of greenhouse gas emissions in the first six months of operation. Advised local governments and organisations on planning of distributed generation projects.
Support resource efficiency initiatives in retail buildings and tenancies	<ul style="list-style-type: none"> Published case studies on the cost-effectiveness of shading from large scale solar cells and the use of natural ventilation on two shopping centres (Highpoint, Maribyrnong and The Pines, in Doncaster East).

Required outcomes	Performance
Expand and improve Minimum Energy Performance Standards (MEPS) through participation in the national Equipment Energy Efficiency (E3) Program.	<ul style="list-style-type: none"> • Saved an estimated 3.1 million tonnes of greenhouse emission in Victoria in 2011–12 through MEPS and energy labelling schemes. • Managed several projects on behalf of the E3 Program aimed at increasing the range of equipment covered by MEPS and labelling programs, including non-domestic fans, non-domestic pumps and gas-ducted heaters.
Implement the <i>ResourceSmart AuSSI Vic</i> Initiative to reduce energy and water use and waste to landfill in schools, by supporting participating schools and extending the program to an additional 400 schools by July 2015.	<ul style="list-style-type: none"> • 742 schools participated in <i>ResourceSmart AuSSI Vic</i>: 30% of all metropolitan schools, and 29% of all regional schools. 42% of the participating schools were located in regional Victoria. • 13 schools achieved full 5-Star certification. • 101 schools were certified to move up to the next Star, and 148 schools completed <i>ResourceSmart AuSSI Vic</i> modules. • A new regional funding model was established for <i>ResourceSmart AuSSI Vic</i> to support current participating schools and recruit 400 new schools by July 2015.
Help establish a voluntary business accreditation program for SMEs operating in Victoria.	<ul style="list-style-type: none"> • Developed a new program for launch in 2012–13 to support and recognise small to medium enterprises (SMEs) saving money through improved resource efficiency. • Established a new partnership with the Plastics and Chemical Industry Association (PACIA) to support its Supply Chain Sustainability Program.
Help low-income and disadvantaged households by retrofitting homes under the Energy and Water Task Force project	<ul style="list-style-type: none"> • Provided 2,669 low-income households in regional Victoria and metropolitan Melbourne with energy efficiency advice and a free home retrofit, delivered through not-for-profit and other organisations. • 79% of households surveyed in May 2012 were satisfied with information on energy saving, with 33% subsequently reporting savings on their electricity bills.
Give rooming houses incentives to improve energy and water efficiency. Provide rebates to help Victorians switch from electric to gas-powered heaters and help them purchase more efficient whitegood appliances.	<ul style="list-style-type: none"> • Conducted 578 energy assessments on community housing properties. • Energy retrofits conducted on 54 rooming houses. • Supplied grants to over 400 community housing properties to help seal draughts. • Encouraged over 500 Victorian concession cardholders to switch from electric to high efficiency gas heating or purchase energy efficient appliances (refrigerators or washing machines). • Regional householders featured strongly, claiming 87% of gas heater rebates.

Required outcomes	Performance
Continue Victorian Government homeowner assistance, by providing a rebate at the point of sale for efficient solar hot water (SHW) systems.	<ul style="list-style-type: none"> • Provided 1,254 Victorian households with a rebate to install solar hot water systems available via over 300 participating suppliers. 46% of rebates went to households in regional Victoria. • These solar hot water systems saved around 6,950 MWh and abated 1,914 tonnes of greenhouse gas emissions.
Expand Right Advice Right Place, now re-branded as <i>Smarter Choices</i> , to increase sales of energy and water-efficient appliances and whitegoods.	<ul style="list-style-type: none"> • Expanded <i>Smarter Choices</i> through rollout to JB Hi-Fi's 44 Victorian stores. Now, over 400 appliance, hardware and lighting retailers act as program partners, providing customers with in-store advice on efficient appliances. • The program's expansion also included the development of new point-of-sale materials.
Help Victorians improve liveability and decrease cost of living pressures by reducing energy costs at home. Further build the evidence base on energy use and energy efficiency potential in Victorian homes.	<ul style="list-style-type: none"> • Completed data analysis of 45 houses as part of the On Ground Assessment Project, and collected data from an additional 15 houses to build a solid evidence base on costs, benefits and issues for upgrading the energy efficiency of existing houses. • Measured energy use in 13 houses to identify how people actually use electricity in their homes.

Case Study:

Retrofitting commercial buildings in Melbourne's suburbs

B&C Grade Commercial Office Buildings

Key developments

Sustainability Victoria ran two pilot projects investigating the feasibility of retrofitting B&C grade commercial office buildings situated outside the Melbourne CBD. These projects worked with Australian Institute of Management (AIM), in St Kilda and Kingston City Council, in Cheltenham. These buildings were identified as being typical of a major market segment in Victoria that has a large potential for energy efficiency improvements.

Outcomes

- Thermal modelling and building improvement opportunities studies showed enormous opportunities for improvements in energy saving and greenhouse gas reduction.
- Projects highlighted the importance of a carefully planned and integrated approach to tuning and upgrading B&C grade commercial office buildings.
- AIM and Kingston City Council now have a comprehensive understanding of the opportunities available to their buildings and are planning building upgrades accordingly.

Case Study: ResourceSmart Schools program recognises Aitken College

Aitken College – *ResourceSmart AuSSI Vic* 5Star Sustainable School and 2011 ResourceSmart School of the Year

Key developments

In 2011, Aitken College at Greenvale in north-western Melbourne was one of the first three schools to achieve *ResourceSmart AuSSI Vic* 5Star sustainability certification. The school also won the 2011 ResourceSmart School of the Year. This honour is awarded to the school that best embeds the principles of environmental sustainability education, recognising students and teachers for their outstanding achievements in sustainability.

As a consequence:

Aitken College achieved certification and was recognised for its:

- outstanding achievements in saving water, waste and energy
- work in cleaning up waterways within the school campus, creating biodiversity within the school by developing diverse terrestrial and aquatic ecosystems
- active processing of black and grey water through the school's own sewerage system
- implementation of numerous energy efficiency upgrades to lighting and air cooling and heating
- commitment to changing energy efficiency behaviour, through education programs on climate change.

SV2015: Transforming our organisation

The review of our strategic direction led to significant transformation for SV. A team of internal experts developed a Transformation Plan that coordinated strategy development, business planning, program finalisations and employee engagement.

The transformation aims to develop a more systemic approach to outcomes and the evidence for decision-making. A multi-year planning process was adopted, directly linked to the SV2015 strategy. We utilised an outcome focused, or program logic approach, guided and approved through an executive investment conference. We have moved all new or continuing projects towards being evidence based. We also worked closely with stakeholders to enable more agile approaches in our strategies for exiting projects.

Staff engagement was maintained through regular leadership development, employee change representatives, collaboration with our union consultative committee, and a responsive internal communication strategy.

The transformation plan identified four core capabilities essential to the delivery of SV2015 over the next three years.

These capabilities are:

- Governance and coordination
- Evidence based investment and outcomes
- Statewide engagement
- People and leadership

Our 2011–12 performance on required outcomes for these four capabilities is outlined in Table 5.

Table 5: Core capabilities

1. Governance and coordination	
Required outcomes	Performance
<p>We commit to high standards of governance, accountability and performance while delivering coordinated programs within our portfolio. In 2011–12 we will:</p> <ul style="list-style-type: none"> • Review our corporate governance and decision making to improve compliance and accountability. This will ensure we fulfil our functions and objectives, and comply with our obligations. • Develop and begin implementing an Information Systems strategy that will build stronger capabilities within SV. • Produce timely and accurate financial and organisational reporting with sound systems and governance, complying with the relevant legislation and requirements of the Public Records Office for the creation, keeping and disposal of records. • Maintain ISO14001 certification for our Environmental Management System. 	<p>We revised our Corporate Governance Charter to ensure:</p> <ul style="list-style-type: none"> • All board and organisational decision-making processes are aligned to ensure clarity of roles and accountability • SV complies with contemporary legislative and other standards. • Developed Phase 1 of an organisation-wide Information Systems Strategy and began implementing in April 2012. The strategy is designed to increase efficiency and effectiveness and improve our interactions with stakeholders. • Currently developing an absorption costing model for SV's financial management systems to enhance monitoring and reporting of expenditure and establish clearer sightlines between funding and outcomes. • Maintained ISO14001 certification for Environmental Management System.

2. Evidence based investment and outcomes	
Required outcomes	Performance
<p>We will focus on an evidence based investment to design, plan, deliver and adapt our programs to achieve the best possible outcomes in our priority areas. In 2011–12 we will:</p> <ul style="list-style-type: none"> • Transition to outcome focused planning and reporting through evidence based approaches and appropriate forms of logic modelling, such as results based planning. 	<ul style="list-style-type: none"> • Introduced an outcome focused three year planning process to guide project investments.
3. Statewide engagement	
Required outcomes	Performance
<p>We will improve how we engage with our stakeholders, clients and audiences, because our reputation directly affects our ability to deliver our strategy. In 2011–12 we will:</p> <ul style="list-style-type: none"> • Engage regional Victoria using our people and regional presence to understand local conditions. In particular, we will work with local government and waste management groups to deliver better waste and resource efficiency outcomes. Our efforts and commitment will be visible and recognised, and our programs will deliver on our stakeholders' specific needs. 	<ul style="list-style-type: none"> • Adopted a regional engagement approach, following eight regional consultation sessions during the SV review. As a result, we will piloting a one stop shop in regional Victoria in 2012–13. • Re-engaged RWMGs, to help their regional business planning and work with them as part of the Statewide Infrastructure Plan. • Increased local councils' capacity to deliver best practice <i>Public Place Recycling</i> (PPR) projects, through three regional training sessions. • Coordinated a community of practice for litter and PPR to support statewide knowledge sharing. • Maintained support of regional communities through Keep Australia Beautiful Victoria (KABV) recognition programs. • Delivered 51% of the Energy and Water Task Force retrofits for low-income households in regional Victoria, including Shepparton, Seymour, Benalla, Yea, East Gippsland, South West Victoria, and Ballarat. • Developed a new regional funding model for <i>ResourceSmart AuSSI Vic</i>, to support participating schools and recruit 400 new schools by July 2015.

4. People and leadership

Required outcomes

In transitioning to our strategy we will transform ourselves and be an accountable government organisation. We recognise that change can be challenging and we will be transparent and flexible. In 2011–12 we will:

- Implement a plan to transition to our new strategy while maintaining business continuity and effective program delivery.
- Build our capability to lead change management, and support and engage our people, while meeting our strategic objectives.

Performance

- Established a transformation team of business planning, HR and communication experts from across the organisation. This team coordinated each facet of the organisational change, while ensuring that SV continued to delivering its business plan and start new projects in accordance with SV2015.
- Undertook a number of workshops involving the executive and leadership group to prepare for change, recognising their important role in leading the transformation.

Part 5

Our foundation

Our people

SV's success depends on attracting, engaging and retaining skilled employees. Our employees have professional skills and expertise in the following areas: engineering, architecture, environmental science, integrated waste management, resource efficiency, information management, marketing and communications, public policy, corporate planning, business and accounting, education, finance, human resources, and the arts.

Our workforce

In 2011–12 SV employed 112 full-time equivalent (FTE) staff, compared with 147 in 2010–11. See Appendix 3 for data on workforce composition, by gender, age and Victorian Public Service (VPS) classification.

Our executive officers

Executive Officers (EOs) are persons employed as a head or other executive under Part 3, Division 5 of the *Public Administration Act 2004*.

SV employed four EOs in 2011–12. Responsible for ongoing functions or outputs, all executive positions are classified as fixed term and ongoing. See Appendix 4 for details of SV's EO positions by gender.

Creating a safe workplace

SV is committed to a safe and risk-free work environment, and has implemented comprehensive OH&S policies. OH&S responsibilities are a key performance indicator for the individual performance plans of both manager and employee.

In 2011–12 SV improved its Occupational Health and Safety Management System to meet and exceed best practice principles based on the AS/NZS 4801:2001 standard. SV's OH&S Working Group implemented the annual OH&S plan, incorporating monthly safety themes to increase involvement.

Employees have access to a number of health and wellbeing initiatives such as flexible work hours, confidential professional counselling for work and personal issues, skin checks, and flu vaccinations.

See Appendix 5 for SV's OH&S Statement and Appendix 6 for key 2011–12 OH&S outcomes.

In 2011–12 we recorded:

- zero days lost to industrial action
- one formal written complaint
- no equal opportunity, bullying or harassment complaints
- zero days of lost time due to injury
- no WorkCover claims
- absenteeism (average days lost) of 8.4 days per employee
- an average of 16.8 training hours per employee
- an increase in staff turnover to 18.4% (from 10.7% in 2010–11).

SV addresses employee concerns promptly and fairly, consistent with VPS merit and equity principles. Importantly, no days lost to industrial action were reported in 2011–12. One formal written complaint was lodged, compared to three in 2010–11.

Our office-based environmental impacts

In striving to ‘walk the talk’, SV pursued improved sustainability in its own operations through our environmental management system (EMS). Since SV was established, we have measured our own resource use and set annual targets in a continuous improvement process aligned with certified EMS requirements in ISO 14001.

SV’s sustainability progress is detailed in Appendix 7.

Part 6

Summary of financial performance

Financial performance and position summary (\$'000)

	2012	2011	2010	2009	2008
Revenue from Government	20,979	16,910	37,104	53,512	21,559
Other revenue	26,777	26,726	28,199	25,198	26,875
Total income	47,756	43,636	65,303	78,710	48,434
Total expenses	43,706	52,749	60,947	78,905	43,797
Net result for the period	4,050	(9,113)	4,356	(195)	4,637
Net cash flow from operating activities	4,281	(107)	15,919	(13,658)	3,403
Total assets	32,769	28,794	37,970	37,073	33,189
Total liabilities	5,480	5,555	5,618	9,077	4,998

Significant changes in financial performance and position during the year and subsequent events

There was an increase in revenue (\$4.1m) due to increased funding from Government. The reduction in expenditure (\$9.0m) was due to reduced program activity during the SV review and the one-off impairment in the receivables asset (accrued landfill levy) of \$5.6 million in the previous year. The board developed a three-year strategic plan for the organisation following the release of the review by the Government.

There have been no events subsequent to the balance date of 30 June 2012, which may significantly affect operations in subsequent years.

Major contracts

Sustainability Victoria did not enter into any contracts greater than \$10 million in value during the reporting period.

Information available on request

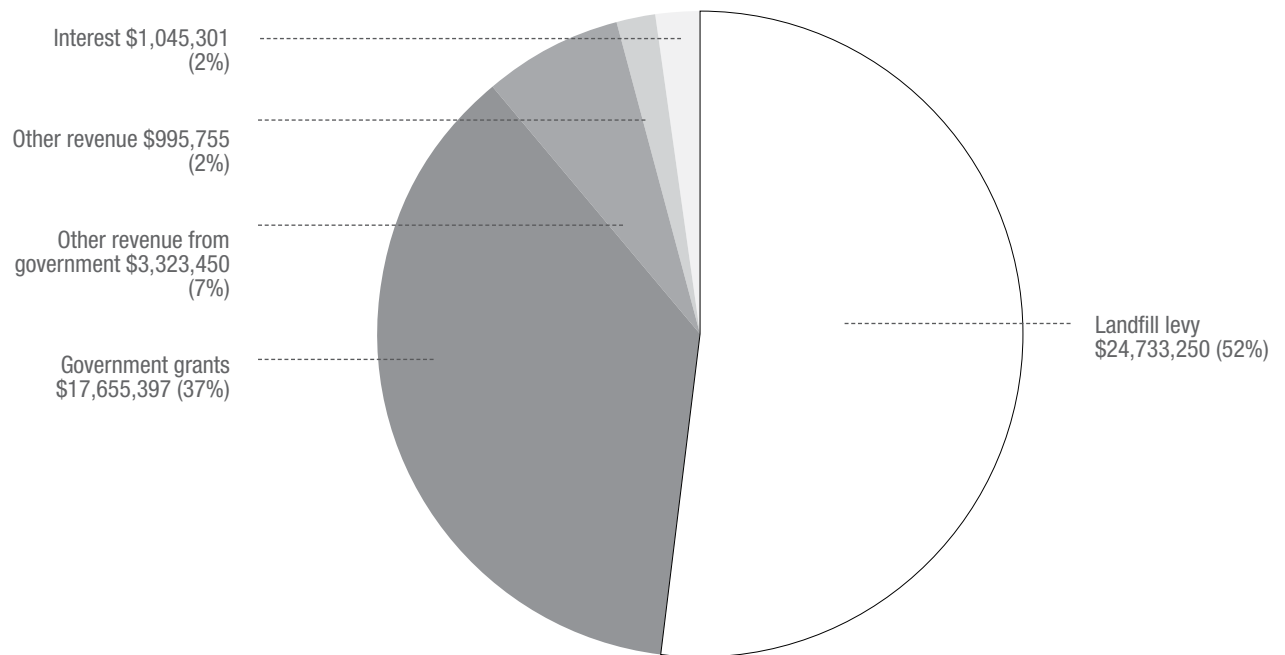
Information relevant to the headings listed in Financial Reporting Direction 22B of the *Financial Management Act (1994)* is held at Sustainability Victoria's office and is available on request, subject to the *Freedom of Information Act (1992)*.

Please contact 1300 363 744 (Victoria only) or (03) 8626 8700 (within the rest of Australia).

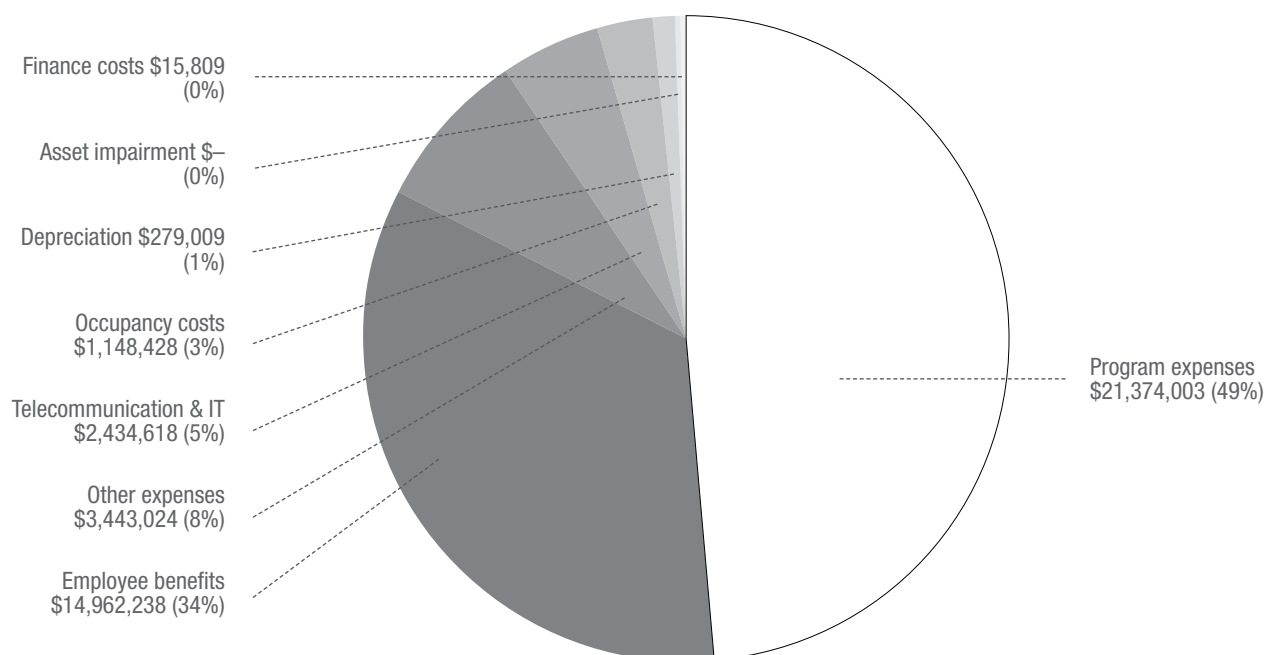
Part 6

SUMMARY OF FINANCIAL PERFORMANCE

Sustainability Victoria Revenue 2011–12 Financial Year



Sustainability Victoria Expenditure 2011–12 Financial Year



Consultancy engagements in excess of \$10,000

There were 9 consultancies costing in excess of \$10,000 for the year ended 30 June 2012, at a total cost of \$372,125.

There were 2 consultancies engaged during the year that cost less than \$10,000 each, at a total cost of \$15,700.

Consultancies in excess of \$10,000 for year ended 30 June 2012

Consultant	Particulars of consultancy	Total fees (\$)	Expenditure this year (\$)	Future commitments (\$)
PricewaterhouseCoopers	Analyse and research the appropriateness of the current <i>Towards Zero Waste</i> Strategy (TZW) targets.	128,185	128,185	—
Nolan Consulting Pty Ltd	Provide strategic and operational advice on integrated waste management to Sustainability Victoria.	50,000	15,900	34,100
Deloitte Touche Tohmatsu	Undertake investigative services.	50,000	—	50,000
Deloitte Touche Tohmatsu	Provide GST advice to Sustainability Victoria.	32,100	29,400	2,700
Corporate Capability Pty Ltd	Review selected corporate services delivered by Sustainability Victoria.	30,000	30,000	—
Presna Pty Ltd	Review the current Occupational Health and Safety ('OHS') and environmental management arrangements.	27,440	5,000	22,440
Essence Communications Australia Pty Ltd	Review the operations and governance of Keep Australia Beautiful Victoria (KABV).	21,400	21,400	—
Babel Fish Group Pty Ltd	Design, undertake and report on a process that will identify and categorise community stakeholder groups to enhance program delivery.	18,000	18,000	—
Social Traders Limited	Prepare case studies focusing on social enterprises.	15,000	15,000	—

Carry forward from previous year:

Consultant	Particulars of consultancy	Total fees (\$)	Expenditure this year (\$)	Future commitments (\$)
Carbonetix	Facilitate the tracking and certification of schools participating in the <i>ResourceSmart AuSSI Vic</i> framework.	98,878	12,972	1,250
Davis Langdon Australia	Grade commercial buildings.	38,000	12,000	—

Part 7

Annual financial statements

*Sustainability Victoria
Comprehensive Operating Statement
For the financial year ended 30 June 2012*

	Notes	2012 \$	2011 \$
Income from transactions			
Landfill levy	3	24,733,250	24,130,000
Government grants	3	17,655,397	15,303,861
Other income from government	3	3,323,450	1,605,825
Interest	3	1,045,301	1,071,853
Other income	3	995,755	1,524,281
Total income from transactions		47,753,153	43,635,820
Expenses from transactions			
Program expenses	4 (a)	(21,374,003)	(24,285,081)
Employee benefits	4 (b)	(14,962,238)	(15,577,114)
Asset impairment	6	—	(5,648,096)
Depreciation	7	(279,009)	(306,583)
Occupancy costs		(1,148,428)	(1,110,753)
Telecommunication & IT		(2,434,618)	(2,688,395)
Finance costs		(15,809)	(14,660)
Other expenses		(3,443,024)	(2,930,079)
Total expenses from transactions		(43,657,129)	(52,560,761)
Net result from transactions (net operating balance)		4,096,024	(8,924,941)
Other economic flows included in net result			
Gain/(loss) on disposal of assets	4 (c)	2,641	(1,962)
Gain/(loss) arising from revaluation of LSL liability		(48,967)	(185,950)
Total other economic flows included in net result		(46,326)	(187,912)
Net result		4,049,698	(9,112,853)
Comprehensive result		4,049,698	(9,112,853)

The above comprehensive operating statement should be read in conjunction with the accompanying notes.

***Sustainability Victoria
Balance Sheet
As at 30 June 2012***

	Notes	2012 \$	2011 \$
Assets			
Financial assets			
Cash & cash equivalents	5	23,422,200	19,392,378
Receivables	6	6,477,736	6,490,808
Total financial assets		29,899,936	25,883,186
Non-financial assets			
Property, plant & equipment	7	484,616	619,750
Prepayments	8	93,743	455
Intangibles	9	2,290,803	2,290,803
Total non-financial assets		2,869,162	2,911,008
Total assets		32,769,098	28,794,194
Liabilities			
Payables	10	2,772,995	2,387,821
Provisions	11	2,514,805	2,571,363
Borrowings	12	192,156	286,566
Unearned revenue	13	—	309,000
Total liabilities		5,479,956	5,554,750
Net assets		27,289,142	23,239,444
Equity			
Contributed capital		26,048,806	26,048,806
Accumulated surplus		1,240,336	(2,809,362)
Total equity		27,289,142	23,239,444

As at 30 June 2012, \$11.7 million was committed in contracts and payable upon the successful delivery of milestones in 2012–13 and beyond, see Note 18.

The above balance sheet should be read in conjunction with the accompanying notes.

***Sustainability Victoria
Statement of Changes in Equity
For the financial year ended 30 June 2012***

	Notes	Accumulated Surplus/(Deficit)	Contributions by Owner	Total
Balance at 1 July 2010		6,303,491	26,048,806	32,352,297
Net result for the year		(9,112,853)		(9,112,853)
Balance at 30 June 2011		(2,809,362)	26,048,806	23,239,444
Net result for the year		4,049,698		4,049,698
Balance at 30 June 2012		1,240,336	26,048,806	27,289,142

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

Sustainability Victoria
Cash Flow Statement
For the financial year ended 30 June 2012

	Notes	2012 \$	2011 \$
Cash flows from operating activities			
Receipts from government grants		18,360,997	17,499,236
Receipts from government – other		3,655,795	2,281,821
Receipts from landfill levy		23,741,797	24,130,000
Receipts from clients		1,740,543	1,070,264
Interest received		1,052,108	1,145,845
Goods and Services Tax received from the ATO		4,148,154	4,562,180
Payments to program recipients		(23,356,425)	(27,188,278)
Payments to suppliers and employees		(22,339,747)	(20,912,228)
Goods and Services Tax paid to the ATO		(2,721,947)	(2,696,108)
Net cash flows from/(used in) operating activities	15	4,281,275	(107,268)
Cash flows from investing activities			
Payments for property, plant and equipment	7	(143,875)	(463,769)
Proceeds from disposal of property, plant and equipment		2,641	–
Proceeds from the sale of investments		–	–
Net cash flows (used in)/from investing activities		(141,234)	(463,769)
Cash flows from finance activities			
Proceeds from borrowings		–	142,494
Repayments from borrowings		(110,219)	–
Net cash flows (used in)/ from finance activities		(110,219)	142,494
Net increase/(decrease) in cash & cash equivalents		4,029,822	(428,543)
Cash & cash equivalents at the beginning of the financial year		19,392,378	19,820,921
Cash & cash equivalents at the end of the financial year	5	23,422,200	19,392,378

The above cash flow statement should be read in conjunction with the accompanying notes.

Part 8

Notes to the financial statements

Notes to the Financial Statements for the period ended 30 June 2012

Note 1 Summary of Significant Accounting Policies

1.1 General

Statement of Compliance

These general-purpose financial statements have been prepared on an accrual and going concern basis in Australian dollars, in accordance with the *Financial Management Act 1994*, applicable Australian Accounting Standards which include Interpretations, issued by the Australian Accounting Standards Board. In particular, they are presented in a manner consistent with the requirements of the *AASB 1049 Whole of Government and General Government Sector Financial Reporting*.

Basis of Preparation

The financial report has been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets.

Comparative Amounts

The accounting policies set out below have been applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is recorded.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2012 and the comparative information presented for the year ended 30 June 2011. No amounts have been reclassified.

Rounding of Amounts

Amounts in this financial report are expressed to the nearest dollar.

1.2 Revenue Recognition

Government grants and program contributions are recognised as revenue when Sustainability Victoria obtains control over the assets comprising these receipts. Control over granted assets is normally obtained upon their receipt or upon earlier notification that a grant has been secured, and assets are valued at their fair value at the date of transfer.

Revenue from the landfill levy is accrued as it is earned and brought to account in the period to which it relates, based on actual receipts during the year and the accrual amount defined in the *Environment Protection (Distribution of Landfill Levy) Regulations 2011*.

1.3 Income Tax

Sustainability Victoria and its predecessor bodies are income tax exempt as per Section 23(d) of the *Income Tax Assessment Act 1936*.

1.4 Goods and Services tax

Revenues, expenses and assets are recognised net of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of acquisition of an asset or part of the expense. Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet. Cash flows arising from operating activities are presented on a gross basis. The GST component of cash flows arising from investment or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flow. Commitments are disclosed at their nominal value and inclusive of GST payable.

1.5 Program Expenses

Expenditure incurred for each of the various operating areas of Sustainability Victoria has been disclosed in Note 4(a), and includes grants, rebates, advertising campaigns and sponsorships. Grants that form part of program expenditure are taken to account on the basis of the percentage of the contract performed as at the reporting date, with the unperformed component of the contract disclosed as Commitments at Note 18 of this report.

1.6 Other Economic Flows

(a) Gain or (loss) on disposal of non-financial assets

Any gain or loss on the sale of non-financial assets is recognised at the date that control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at that time.

(b) Long service leave

Gain or (loss) on the revaluation of the present value of the long service leave liability were effected by changes in the bond interest rates.

1.7 Cash & Cash Equivalents

Cash & cash equivalents comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value.

1.8 Receivables

Receivables consist of contractual receivables, which include mainly debtors in relation to goods and services and accrued investment income and statutory receivables, which include predominately amounts owing from the Victorian Government and GST input tax credits recoverable. Receivables that are contractual are classified as financial instruments. Statutory receivables are not classified as financial instruments.

1.9 Property, Plant and Equipment

Items with a cost or value in excess of \$1,000 and a useful life of more than one year are recognised as assets. Property, plant and equipment held by Sustainability Victoria is measured at fair value.

In accordance with applicable Australian Accounting Standards, all assets are assessed annually for useful life and indications of impairment and where an asset's carrying value exceeds its recoverable amount, the difference is written-off by a charge to the comprehensive operating statement.

Depreciation is provided on all non-current assets on a straight-line basis so as to write off the net cost of each asset over its expected useful life in accordance with applicable Australian Accounting Standards. The estimated useful lives and depreciation methods are reviewed at the end of each reporting period. Depreciation rates used are listed below.

Office furniture and equipment	10%–20%
Computer equipment	25%–33.3%
Motor vehicles	20%–25%

1.10 Leased Assets**Finance leases**

Leases of property, plant and equipment where Sustainability Victoria has substantially all the risks and rewards incidental to ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in interest-bearing liabilities. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the operating statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under a finance lease are depreciated over the shorter of the asset's useful life and the lease term.

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the operating statement on a straight-line basis over the period of the lease, in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

1.11 Intangible Assets

Intangible assets represent identifiable non-monetary assets without physical substance. Intangible assets are initially recognised at fair value. Cost incurred subsequent to initial acquisition is capitalised when it is expected that additional future economic benefits will flow to Sustainability Victoria.

Intangible assets with indefinite useful lives are not amortised. The useful life of cash flow statements that are not being amortised is reviewed each period, to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. In addition, Sustainability Victoria tests all intangible assets with indefinite useful lives for impairment by comparing their recoverable amount with their carrying amount annually, and whenever there is an indication that the asset may be impaired, the excess of the carrying amount over the recoverable amount is recognised as an impairment loss.

1.12 Payables

Payables consist of contractual payables, such as accounts payable, and unearned income. Accounts payable represent liabilities for goods and services provided to Sustainability Victoria prior to the end of the financial year that are unpaid, and arise when Sustainability Victoria becomes obliged to make future payments in respect of the purchase of those goods and services; and statutory payables, such as good and services tax and fringe benefits tax payables.

1.13 Employee Benefits

(a) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Those liabilities that are not expected to be settled within 12 months are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

(b) Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current liability – unconditional LSL is disclosed in the notes to the financial statements as a current liability even where Sustainability Victoria does not expect to settle the liability within 12 months, because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- present value – component that Sustainability Victoria does not expect to settle within 12 months; and
- nominal value – component that Sustainability Victoria expects to settle within 12 months.

Non-current liability – conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value. Gain or loss following revaluation of the present value of non-current LSL liability due to changes in bond interest rates is recognised as an other economic flow.

(c) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. Sustainability Victoria recognises termination benefits when it is demonstrably committed to either 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 made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

(d) Superannuation

The amount recognised in the comprehensive operating statement in relation to employer contributions for members of defined benefit superannuation plans is simply the employer contributions that are paid or payable to these plans during the reporting period. The level of these contributions will vary depending upon the relevant rules of each plan, and is based upon actuarial advice.

The Department of Treasury and Finance (DTF) in their Annual Financial Statements, recognise on behalf of the State as the sponsoring employer, the net defined benefit cost related to the members of these plans. Refer to DTF's Annual Financial Statements for more detailed disclosures in relation to these plans.

1.14 Equity

Contributions by owners

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners.

1.15 AASs issued that are not yet effective

Certain new AASs have been published that are not mandatory for the 30 June 2012 reporting period. DTF assesses the impact of these new standards, and has advised on their applicability and early adoption where applicable.

As at 30 June 2012, the following standards and interpretations applicable to Sustainability Victoria had been issued but were not mandatory for the financial year ending 30 June 2012. Sustainability Victoria has not early adopted these standards.

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on authority financial statements
2011–13 Amendments to Australian Accounting Standard – Improvements to AASB 1049	This Standard aims to improve the AASB 1049 Whole of Government and General Government Sector Financial Reporting at the operational level. The main amendments clarify a number of requirements in AASB 1049, including the amendment to allow disclosure of other measures of key fiscal aggregates as long as they are clearly distinguished from the key fiscal aggregates and do not detract from the information required by AASB 1049. Furthermore, this Standard provides additional guidance and examples on the classification between 'transactions' and 'other economic flows' for GAAP items without GFS equivalents.	Beginning 1 Jul 2012	No significant impact is expected from these consequential amendments on entity reporting.
AASB 9 Financial instruments	This Standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial instruments: recognition and measurement (AASB 139 financial Instruments: recognition and measurement).	Beginning 1 Jan 2013	Detail of impact is still being assessed.
AASB 2010–7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 and 1038, and Interpretations 2, 5, 10, 12, 19 & 127]	These consequential amendments are in relation to the introduction of AASB 9.	Beginning 1 Jan 2013	No significant impact is expected from these consequential amendments on entity reporting.
AASB 2009–14 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure requirements (AASB 124)	This Standard amends AASB 124 Related Party Disclosures by removing the disclosure requirements in AASB 124 in relation to individual key management personnel (KMP)	Beginning 1 July 2013	No significant impact is expected from these consequential amendments on entity reporting.

2 Financial Risk Management Objectives and Policies

The Sustainability Victoria Board (Responsible Body) has ultimate responsibility for ensuring that in achieving business objectives, Sustainability Victoria manages risks appropriately. The Risk Management Framework has been developed to ensure best practice in organisational risk management and alignment to the principles of the Risk Management Standard AS/NZS 4360:2004 and the Victorian Government Risk Management Framework.

Sustainability Victoria does not have exposure to any loans and/or interest-bearing liabilities except for finance leases disclosed in Notes 17 and 24.

Financial assets and financial liabilities are disclosed in Note 24 – Financial Instruments and are valued at amortised cost (including transaction costs that are directly attributable to the acquisition or the issue of the financial asset or liability).

2.1 Market Risk (Interest Rate Risk)

Sustainability Victoria's exposure to market risk is solely through interest rate risk. There is no exposure to foreign exchange risk or other price risks.

	Carrying amount \$	Interest rate risk			
		–0.5%		+0.5%	
		Result \$	Equity \$	Result \$	Equity \$
30 June 2012					
Financial assets					
Cash and cash equivalents	23,422,200	(117,111)	(117,111)	117,111	117,111
30 June 2011					
Financial assets					
Cash and cash equivalents	19,392,378	(96,962)	(96,962)	96,962	96,962

2.2 Liquidity Risk

Liquidity risk arises when Sustainability Victoria is unable to meet its financial obligations as they fall due. Sustainability Victoria operates under the government fair payments policy of settling financial obligations within 30 days. Ongoing thirteen months cash flow forecasts are prepared to manage risk through monitoring future cash flow requirements to ensure adequate holding of high-quality liquid assets.

Sustainability Victoria exposure to liquidity risk is deemed insignificant, based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from liquidation of available cash deposits at call and/or maturing short-term deposits.

2.3 Credit Risk

Credit risk arises from the financial assets of Sustainability Victoria which comprise cash and cash equivalents, trade and other receivables.

Credit risk associated with Sustainability Victoria financial assets is minimal, because the main debtors are Victorian Government entities and no credit facilities are provided to non government clients.

3 Income from Transactions

Income/revenue by source	2012 \$	2011 \$
Landfill Levy	24,733,250	24,130,000
Government Grants		
State government departments and agencies:		
Annual appropriation	6,569,397	6,858,861
Sustainability Fund grants to Sustainability Victoria	7,041,000	6,595,000
Expenditure Review Committee Initiatives Funding	4,045,000	1,850,000
Total Government Grants	17,655,397	15,303,861

	2012 \$	2011 \$
Other Income from Government		
Bushfire Affected Households	—	250,160
Distributed Generation and Smart Grids	—	55,000
E2WG Central Fund – National Framework for Energy Efficiency Program	—	42,360
Government Leadership Projects	—	200,000
Greenlight Report	—	10,500
New Homes Performance	—	25,000
Public Place Recycling	1,250,000	—
Solar Photovoltaic Community Hubs	10,000	—
Sustainability Fund – management fee	763,450	706,565
Sustainability in Tertiary Education	—	16,240
VLR Local litter tool for Local Governments	150,000	—
Victorian Property Fund	1,150,000	300,000
Total Other Income from Government	3,323,450	1,605,825
Interest	1,045,301	1,071,853
Other Income		
FirstRate Accreditation (inc. Software)	73,205	95,662
Sale of Victorian Energy Efficiency Certificates (VEECs)	—	23,389
Program contributions	922,550	1,405,230
Total Other Income	995,755	1,524,281
Total Income from Transactions	47,753,153	43,635,820
4 (a) Program Expenses*	2012 \$	2011 \$
Business, Communities & Households	10,773,093	14,240,498
Comms & Marketing	923,422	1,728,216
Environs & Government Support	4,157,894	5,414,067
Integrated Waste Management	5,519,594	2,902,300
Total Program Expenses	21,374,003	24,285,081*
* A review of 2011 expenditure has resulted in \$423,790 of program expenses being reallocated to other expenses and telecommunication & IT in the operating statement.		
4 (b) Employee Benefits	2012 \$	2011 \$
Salaries, Wages and Allowances	13,200,596	13,351,780
Employer Superannuation	1,093,670	1,152,084
On-Costs	667,972	1,073,250
Total Employee Benefits	14,962,238	15,577,114
4 (c) Net Profit/(Loss) on Disposal of Assets	2012 \$	2011 \$
Property, Plant & Equipment	2,641	(1,962)
Total Net Profit/(Loss)	2,641	(1,962)
5 Cash and Cash Equivalents	2012 \$	2011 \$
Cash at Bank	420,500	435,301
Cash on Hand	1,700	1,700
Short-Term Deposits	23,000,000	18,955,377
Total Cash and Cash Equivalents	23,422,200	19,392,378

Part 8

NOTES TO THE FINANCIAL STATEMENTS

6 Receivables	2012 \$	2011 \$
Current Receivables Contractual		
Trade Debtors	8,800	996,362
Other Debtors	19,875	20,420
Accrued Interest	34,089	40,896
Total Contractual	62,764	1,057,678
Statutory		
Trade Debtors	58,680	—
GST Receivable	172,980	241,270
Accrued Landfill Levy	6,183,312	5,191,860
Total Statutory	6,414,972	5,433,130
Total Current Receivables	6,477,736	6,490,808

Due to changes to the Distribution Regulations in early 2011, SV recognised a one-off impairment in the Receivables Asset (Accrued Landfill Levy) of \$5,648,096 which was included in the Comprehensive Operating Statement for the year ended 30 June 2011.

7 Property, plant and equipment	2012 \$	2011 \$
Office Furniture and Equipment		
At Fair Value	506,608	506,116
Less: Accumulated Depreciation	(421,108)	(371,311)
	85,500	134,805
Computer Equipment		
At Fair Value	918,493	846,809
Less: Accumulated Depreciation	(709,389)	(644,531)
	209,104	202,278
Motor Vehicles – Leased		
At Fair Value	373,446	373,447
Less: Accumulated Depreciation	(183,434)	(90,780)
	190,012	282,667
Summary	484,616	619,750

Reconciliations:

	Office Furniture & Equipment \$	Computer Equipment \$	Motor Vehicles Leased \$	Total \$
Carrying Amount 2012				
Opening Balance	134,805	202,278	282,667	619,750
Additions	2,400	141,475	—	143,875
Depreciation	(51,705)	(134,650)	(92,654)	(279,009)
Disposals	—	—	—	—
Closing Balance	85,500	209,103	190,013	484,616
Carrying Amount 2011				
Opening Balance	117,727	279,597	128,580	525,904
Additions	84,418	76,209	303,142	463,769
Depreciation	(67,340)	(151,566)	(87,677)	(306,583)
Disposals	—	(1,962)	(61,378)	(63,340)
Closing Balance	134,805	202,278	282,667	619,750

8	Prepayments	2012 \$	2011 \$
	Prepaid Expenses	93,743	455
	As at 30 June 2012, prepayments were rent and car parking (2011 prepayments were car parking).		
9	Intangibles	2012 \$	2011 \$
	Intangibles are valued at fair value and reviewed each period for impairment.		
	Renewable Energy Certificates		
	Opening Balance as at 1 July	2,290,803	2,290,803
	Disposals	—	—
	Closing Balance as at 30 June	2,290,803	2,290,803
10	Payables	2012 \$	2011 \$
	Contractual		
	Trade Creditors	307,093	603,538
	Termination Payments Payable	318,878	—
	Accrued Expenses	2,058,770	1,688,538
		2,684,741	2,292,076
	Statutory		
	Accrued Expenses	88,254	95,745
		88,254	95,745
	Total Payables	2,772,995	2,387,821
11	Provisions	2012 \$	2011 \$
	Current		
	Annual leave and unconditional long service leave entitlements, representing 7 years of continuous services:		
	Short-term employee benefits that fall due within 12 months after the end of the period, measured at nominal value:		
	Annual Leave	826,346	913,551
	Long Service Leave	536,391	499,387
	Provisions related to employee benefit on-costs	236,522	249,612
	Long-term employee benefits that do not fall due within 12 months after the end of the period, measured at present value:		
	Long Service Leave	401,970	460,032
	Provisions related to employee benefit on-costs	66,502	76,929
	Total	2,067,731	2,199,511
	Non-current		
	Conditional Long Service Leave	383,610	318,578
	Provisions related to employee benefit on-costs	63,464	53,274
	Total	447,074	371,852
	Total Provisions	2,514,805	2,571,363

12 Borrowings	2012 \$	2011 \$
Current Borrowings		
Lease Liabilities	153,017	94,410
Total Current Borrowings	153,017	94,410
Non-Current Borrowings		
Lease Liabilities	39,139	192,156
Total Non-Current Borrowings	39,139	192,156
Total Borrowings	192,156	286,566
13 Unearned Revenue	2012 \$	2011 \$
Program Contributions Billed in Advance	–	309,000
14 Superannuation	2012 \$	2011 \$
Contributions to the defined benefit and accumulation funds incurred and reported in the Comprehensive Operating Statement, as follows:		
Defined benefit fund		
Emergency Services and State Super Fund	36,744	51,846
Accumulation funds		
VicSuper	665,081	668,291
Colonial First State Super Fund	12,887	27,068
Vision Super	68,228	62,763
Australian Super	33,907	37,126
Australian Ethical Super Fund	27,197	38,823
UniSuper	37,581	36,429
Various other accumulation funds	212,045	229,738
	1,093,670	1,152,084
Superannuation contributions outstanding at 30 June 2012 were \$9,272 (2011: \$Nil). There are no loans by the superannuation funds to Sustainability Victoria.		
15 Reconciliation of Net Cash Inflow/(Outflow) from Operating Activities to Net (Deficit)/Surplus	2012 \$	2011 \$
Net surplus/(deficit) for the year	4,049,698	(9,112,853)
Depreciation	279,009	306,583
Write down of assets	–	61,378
Finance Lease costs	15,809	14,660
(Gain)/Loss on disposal of assets	(2,641)	1,962
Loss on impairment of asset	–	5,648,096
(Decrease)/Increase in employee entitlements	(56,558)	331,740
Increase in receivables	13,072	3,104,641
(Decrease)/Increase in prepayments	(93,288)	88,368
Increase/(Decrease) in payables	385,174	(822,191)
(Decrease)/Increase in unearned revenue	(309,000)	270,348
Net Cash Inflow/(Outflow) from Operating Activities	4,281,275	(107,268)

16 Operating Lease Commitments

Lease payments for the CBD office accommodation located at Level 28/50 Lonsdale Street is classified as an operating lease, where substantially all the risks and benefits remain with the lessor and are charged as expenses in the periods in which they are incurred. No other operating leases existed at 30 June 2012.

The following commitments have been contracted for by Sustainability Victoria.

	2012 \$	2011 \$
(i) not later than one year	944,818	908,478
(ii) later than one year but not later than five years	4,172,617	4,012,131
(iii) later than five years	5,098,269	6,203,572
Total	10,215,704	11,124,181

17 Finance Lease Commitments

A lease asset and liability are established at the present value of minimum lease payments for all motor vehicles leased through VicFleet. Lease payments are allocated between the principal component of the lease liability and the interest expense.

The following commitments have been contracted for by Sustainability Victoria.

	Minimum future lease payments		Present value of minimum future lease payments	
	2012 \$	2011 \$	2012 \$	2011 \$
(i) not longer than one year	157,805	110,220	153,017	94,410
(ii) longer than one year and not longer than five years	39,647	197,452	39,139	192,156
Minimum future lease payment	197,452	307,672	192,156	286,566
Less: future finance charges	5,296	21,106	—	—
Present value of minimum lease payments	192,156	286,566	192,156	286,566
Included in the financial statements as:				
Current borrowings lease liabilities (Note 12)	—	—	153,017	94,410
Non-current borrowings lease liabilities (Note 12)	—	—	39,139	192,156
Total	—	—	192,156	286,566

18 Commitments for Program Expenditure

Financial program commitments entered into through 241 contracts by Sustainability Victoria as at the reporting date (247 at 30 June 2011), not included in the Balance Sheet and to be carried forward into the 2012–13 financial year and beyond, are as follows:

	2012 \$	2011 \$
(i) not later than one year	8,816,346	11,756,243
(ii) later than one year but not later than five years	2,882,403	1,087,259
Total Program Commitments	11,698,749	12,843,502

19 Sustainability Fund

The Sustainability Fund (SF) account forms part of the Environmental Protection Fund, which is managed by the Environment Protection Authority (EPA). EPA credits the SF account with all landfill levy revenue remaining after distributions, to itself, waste management groups and Sustainability Victoria, in accordance with the Environment Protection (Distribution of Landfill Levy) Regulations. Funds in the SF account are allocated by the Premier and the Minister for Environment and Climate Change to projects aimed at best practices in waste management and fostering environmentally sustainable use of resources in accordance with the *Environment Protection Act 1970* and the *Sustainability Fund Priority Statement*.

The SF Secretariat, managed by Sustainability Victoria (SV), oversees the management of these projects and receives a management fee for doing so. Except for the management fees, all payments to grant recipients and reimbursements from the EPA relating to these projects are processed by SV through its Balance Sheet.

Reconciliation of Sustainability Fund Account:	Total \$
Opening balance 1 July 2011	47,038,025
Share of landfill levies received by the Sustainability Fund	99,146,447
Payments made to funding recipients by Sustainability Victoria and reimbursed by EPA	(27,063,325)
Sustainability Victoria's management fee (\$763,450) plus other direct expenses	(800,000)
Closing Balance 30 June 2012	118,321,147
Opening balance 1 July 2010	28,616,858
Share of landfill levies received by the Sustainability Fund	43,420,483
Payments made to funding recipients by Sustainability Victoria and reimbursed by EPA	(24,199,316)
Sustainability Victoria's management fee (\$706,565) plus other direct expenses	(800,000)
Closing balance 30 June 2011	47,038,025

20 Responsible Person-Related Disclosures

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

Board members:	Meetings held	Meetings attended
1 July 2011 to 30 June 2012		
Dr Gillian Sparkes, Chair	11	11
Mike Hill, Deputy Chair	11	10
Dr Tony Marxsen (to April 2012)	10	9
Carolyn Lloyd (to April 2012)	10	8
Nicholas Gruen (to April 2012)	10	9
Tanya Ha (to April 2012)	10	9
Cheryl Batagol	11	10
Suzanne Evans	11	9
Ross McCann	11	8
Ron Lovett (from May 2012)	1	1
Tony Hinton (from May 2012)	1	1

Accountable Officer:

Anita Roper, Chief Executive Officer, July to August 2011
Vera Lubczenko, Interim Chief Executive Officer, September to December 2011
Stan Krpan, Chief Executive Officer, January to June 2012

The remuneration of the Minister for Environment and Climate Change, Hon Ryan Smith, is reported in the financial statements of the Department of Premier and Cabinet.

21 Related Party Transactions

The nature and terms and conditions of the project grants, consulting services and sponsorships between Sustainability Victoria and the Related Parties totalled \$199,557 (2011: \$95,520) were at arms-length and were the same as for all other grant recipients, consultants and sponsorship recipients. There were no other related-party transactions during the course of financial year.

Board member	Entity	Details	\$
Ross McCann	Plastics and Chemicals Industry Association	Communications and roll-out strategy to build capacity for implementation of the 8 Step Guide to Supply Chain Sustainability across the chemicals industry.	199,557
Total			199,557

22 Remuneration**Remuneration of Responsible Persons**

Remuneration received or receivable by Responsible Officers and Accountable Officers under their relevant band was:

	Total remuneration 2012 No.	Base remuneration 2012 No.	Total remuneration 2011 No.	Base remuneration 2011 No.
Income band				
0–\$9,999	11	11	10	10
\$20,000–\$29,999	0	0	1	1
\$30,000–\$39,999	0	1	0	0
\$130,000–\$139,999	1	0	0	0
\$240,000–\$249,999	0	1	0	0
\$250,000–\$259,999	1	0	0	0
\$290,000–\$299,999	0	0	0	1
\$320,000–\$329,999	0	0	1	0
Total numbers	13	13	12	12
Total amount	\$464,830	\$355,338	\$415,536	\$385,816

Remuneration of Executives

The number of Executive Officers, other than Ministers, Responsible Officers and Accountable Officers and their total remuneration during the reporting period are shown in the table below. Base remuneration is exclusive of bonus payments, long service leave payments, redundancy payments and retirement benefits.

Several factors have affected total remuneration payable to executives over the year, including payments for long service leave entitlements and performance bonuses received in accordance with the terms of individual employment contracts.

	Total remuneration 2012 No.	Base remuneration 2012 No.	Total remuneration 2011 No.	Base remuneration 2011 No.
Income band				
\$100,000–\$109,999	1	1	0	0
\$110,000–\$119,999	2	2	0	0
\$140,000–\$149,999	0	0	0	1
\$150,000–\$159,999	0	0	0	2
\$160,000–\$169,999	0	0	2	0
\$170,000–\$179,999	0	0	1	0
\$200,000–\$209,999	0	1	0	1
\$210,000–\$219,999	1	0	0	0
\$290,000–\$299,999	0	0	1	0
Total numbers	4	4	4	4
Total annualised employee equivalent (AEE)	3.1	3.1	4	4
Total amount	\$558,867	\$539,939	\$799,380	\$666,391

23 Auditor's Remuneration

Amounts paid or payable to the Victorian Auditor-General's Office for the financial audit of the accounts:

	2012 \$	2011 \$
Audit fee	24,850	24,000

24 Financial Instruments**(a) Terms, Conditions and Accounting Policies**

Sustainability Victoria's accounting policies, including the terms and conditions of each class of financial asset and financial liability, recognised at balance date, are as follows:

Recognised financial instruments	Accounting policies	Terms and conditions
Financial assets		
Cash Assets	Cash assets include cash on hand, cash at bank, deposits at call and short-term fixed deposits which are readily convertible to cash and are subject to insignificant risk of changes to money values. Surplus funds that are not required to meet the day-to-day obligations of Sustainability Victoria are placed with Treasury Corporation Victoria. Interest on the funds is brought to account and reported when earned.	Cash on hand, cash at bank and funds at call are used to meet the day-to-day obligations of Sustainability Victoria as required.
Receivables	Trade receivables are carried at normal amounts due. A provision is recognised when collection of the full amount is no longer probable.	Credit sales are 30-day terms.
Financial liabilities		
Payables	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to Sustainability Victoria.	Trade liabilities are settled on Government 30-day terms.
Finance Leases	Finance lease liabilities are recognised for amounts to be paid in the future for motor vehicle lease contracts.	Finance leases are settled by monthly direct bank debit over the period of the lease.

(b) Interest Rate Risk including Exposure

Sustainability Victoria's exposure to interest rate risk and aging analysis of financial assets and financial liabilities, recognised at balance date, is as follows:

As at 30 June 2012

	Floating interest rate	Fixed interest rate maturing less than 1 year	Fixed interest rate maturing 1–5 years	Non-interest bearing	Total carrying amount as per Balance Sheet	Weighted average effective interest rate
	\$	\$	\$	\$	\$	%
Financial Assets						
Cash Assets	420,500	23,000,000	–	1,700	23,422,200	3.54
Receivables	–	–	–	62,762	62,762	
Total Financial Assets	420,500	23,000,000	–	64,462	23,484,962	
Financial Liabilities						
Payables	–	–	–	2,684,738	2,684,738	
Unearned Revenue	–	–	–	–	–	
Finance Leases	–	153,017	39,139	–	192,156	6.47
Total Financial Liabilities	–	153,017	39,139	2,684,738	2,876,894	

As at 30 June 2011

	Floating interest rate	Fixed interest rate maturing less than 1 year	Fixed interest rate maturing 1–5 years	Non-interest bearing	Total carrying amount as per Balance Sheet	Weighted average effective interest rate
	\$	\$	\$	\$	\$	%
Financial Assets						
Cash Assets	435,301	18,955,377	–	1,700	19,392,378	4.82
Receivables	–	–	–	1,057,678	1,057,678	
Total Financial Assets	435,301	18,955,377	–	1,059,378	20,450,056	
Financial liabilities						
Payables	–	–	–	2,292,076	2,292,076	
Unearned Revenue	–	–	–	309,000	309,000	
Finance Leases	–	94,410	192,156	–	286,566	6.47
Total Financial Liabilities	–	94,410	192,156	2,601,076	2,887,642	

(c) Ageing Analysis of Contractual Receivables

2012	Carrying amount	Not past due and not impaired	Past due but not impaired		
			Less than 1 month	1–3 months	3 months – 1 year
Receivables					
Trade Debtors	8,800	–	8,800	–	–
Other Debtors	19,873	–	3,585	8,334	7,954
Investment and other contractual financial assets:					
Accrued Interest Income	34,089	34,089	–	–	–
Total	62,762	34,089	12,385	8,334	7,954
2011					
Receivables					
Trade Debtors	996,362	–	855,242	141,120	–
Other Debtors	20,420	–	4,133	6,005	10,282
Investment and other contractual financial assets:					
Accrued Interest Income	40,896	40,896	–	–	–
Total	1,057,678	40,896	859,375	147,125	10,282

(d) Maturity Analysis of Contractual Financial Liabilities

2012	Carrying amount	Nominal Amount	Maturity dates		
			Less than 1 month	1–3 months	3 months – 1 year
Payables:					
Trade Creditors	307,093	307,093	307,093	–	–
Accrued Expenses	2,377,645	2,377,645	2,377,645	–	–
Total	2,684,738	2,684,738	2,684,738	–	–
2011					
Payables:					
Trade Creditors	603,538	603,538	603,538	–	–
Accrued Expenses	1,688,538	1,688,538	1,688,538	–	–
Total	2,292,076	2,292,076	2,292,076	–	–

25 Contingent Assets/Liabilities

Sustainability Victoria had no contingent assets or liabilities as at the reporting date.

26 Events Occurring after reporting date**(a) Voluntary Departure Packages**

The Victorian Government announced its intention to reduce the number of public servants in non-service delivery and back-office roles, with key frontline service delivery areas being exempted. The reductions will be achieved through a combination of natural attrition, a freeze on recruitment, the lapsing of fixed term contracts and the offering of Voluntary Departure Packages (VDPs) to encourage voluntary redundancies.

Sustainability Victoria have made no adjustments to the 2011–12 financial statements as the criteria for recognising expenditure and a termination benefits liability relating to the voluntary departure packages had not been met, based on the requirements of *AASB 119 Employee Benefits*. Sustainability Victoria is not able to make a reliable estimate of the financial effect of the VDPs, as the number and classification of staff that will take up VDPs is not known. Sustainability Victoria anticipates that the VDP process will be completed before 31 December 2013.

(b) Victorian Public Service Workplace Determination 2012

The Victorian Public Service Workplace Determination 2012 was made by Fair Work Australia on 23 July 2012, which replaces the 2009 Extended and Varied Version of the Victorian Public Service Agreement 2006. The Workplace Determination takes effect from 29 July 2012 and will remain in force until 31 December 2015. The Workplace Determination provides for wage increases of 3.25 per cent and 1.25 per cent on 1 July 2012 and 1 January 2013 respectively over 2012–13, with six monthly wage increases thereafter. A lump sum payment of \$1,500 (or equivalent pro-rata amount for part time employees) will also be payable to eligible Victorian Public Service employees who received a salary on 1 July 2012 and were employed on 29 July 2012.

As the Workplace Determination takes effect from 29 July 2012, no adjustments have been made to these financial statements other than for the impact on the estimated accrued employee benefits as at 30 June 2012.

27 Glossary of Terms**Comprehensive result**

Total comprehensive result is the change in equity for the period other than changes arising from transactions with owners. It is the aggregate of net result and other non-owner changes in equity.

Commitments

Commitments relate to operating contracted commitments.

Employee benefits expenses

Employee benefits expenses include all costs related to employment, including wages and salaries, leave entitlements, redundancy payments and superannuation contributions.

Financial asset

A financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual right:
 - to receive cash or another financial asset from another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
 - a non derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial statements

Depending on the context of the sentence where the term 'financial statements' is used, it may include only the main financial statements (i.e. comprehensive operating statement, balance sheet, cash flow statements, and statement of changes in equity); or it may also be used to replace the old term 'financial report' under the revised AASB 101 (Sept 2007), which means it may include the main financial statements and the notes.

Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Interest expense

Costs incurred in connection with the borrowing of funds. Interest expenses include interest on bank overdrafts and short-term and long-term borrowings, amortisation of discounts or premiums relating to borrowings, interest component of finance lease repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

Interest revenue

Interest revenue includes interest received on bank term deposits, interest from investments, and other interest received.

Net acquisition of non-financial assets (from transactions)

Purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets, less depreciation, plus changes in inventories and other movements in non-financial assets. Includes only those increases or decreases in non-financial assets resulting from transactions, and therefore excludes write-offs, impairment write-downs and revaluations.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner changes in equity'.

Net result from transactions/net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate, and is revenue from transactions, minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Non-financial assets

Non-financial assets are all assets that are not 'financial assets'.

Other economic flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. It includes gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; actuarial gains and losses arising from defined benefit superannuation plans; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal. In simple terms, other economic flows are changes arising from market re-measurements.

Payables

Includes short-term and long-term trade debt and accounts payable, grants and interest payable.

Receivables

Includes short-term and long-term trade credit and accounts receivable, grants, taxes and interest receivable.

Transactions

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity, such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

Sustainability Victoria

Statement by Chairperson, Accountable Officer and Chief Financial Officer

We certify that the attached Financial Statements for Sustainability Victoria have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Cash Flow Statement and Statement of Changes in Equity, presents fairly the financial transactions during the year ended 30 June 2012 and the financial position of Sustainability Victoria as at 30 June 2012.

At the date of signing, we are not aware of any circumstances which would render any particulars in the Financial Statements to be misleading or inaccurate.



Dr. Gillian Sparkes
Chair
Sustainability Victoria
Melbourne
21/08/2012



Stan Krpan
Chief Executive Officer
Sustainability Victoria
Melbourne
21/08/2012



Derek Jones
Chief Financial Officer
Sustainability Victoria
Melbourne
21/08/2012



Victorian Auditor-General's Office

Level 24, 35 Collins Street
Melbourne VIC 3000
Telephone 61 3 8601 7000
Facsimile 61 3 8601 7010
Email comments@audit.vic.gov.au
Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Sustainability Victoria

The Financial Report

The accompanying financial report for the year ended 30 June 2012 of Sustainability Victoria which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by chairperson, accountable officer and chief financial officer has been audited.

The Board Members' Responsibility for the Financial Report

The Board Members of Sustainability Victoria are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Board Members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board Members, as well as evaluating the overall presentation of the financial report.

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

Auditing in the Public Interest

Independent Auditor's Report (continued)*Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of Sustainability Victoria as at 30 June 2012 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of Sustainability Victoria for the year ended 30 June 2012 included both in Sustainability Victoria's annual report and on the website. The Board Members of Sustainability Victoria are responsible for the integrity of Sustainability Victoria's website. I have not been engaged to report on the integrity of Sustainability Victoria's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE
21 August 2012

Per 
D D R Pearson
Auditor-General

Part 9

Legislative compliance

The 2011–12 Annual Report of SV is prepared in accordance with all relevant Victorian legislation.

Building Act

SV did not undertake any building works that fall within the provisions of the *Building Act 1993* (Vic). All of our premises are leased.

Freedom of Information Act

The *Freedom of Information Act 1982* (Vic) gives the public a right of access to documents held by SV. For the 12 months ending 30 June 2012, we received two requests. In both cases we granted full access.

To access documents, you must write to the Freedom of Information Officer. Your request should:

- be in writing
- identify as clearly as possible which document is requested
- be accompanied by the \$25.10 application fee, which may be waived in certain circumstances.

Requests for documents possessed by us should be addressed to:

Mr Derek Jones
Sustainability Victoria
Level 28
50 Lonsdale Street
Melbourne Victoria 3000
Telephone (03) 8626 8700
Facsimile (03) 9663 1007
Email derek.jones@sustainability.vic.gov.au

To learn more about Freedom of Information, please visit www.foi.vic.gov.au

The following information is available from the Freedom of Information Officer, subject to the *Freedom of Information Act*:

- A statement declaring that all pecuniary interests have been duly completed by all relevant officers.
- Details of shares held by senior officers as nominee, or held beneficially in a statutory authority or subsidiary.
- Details of publications we have produced about our activities, and how you can obtain these.
- Details of changes in prices, fees, charges, rates and levies charged by us.
- Details of any major external reviews of our operations.
- Details of major research and development activities undertaken by us.
- Details of overseas visits, including a summary of the objectives and outcomes of each visit.
- Details of major promotional, public relations and marketing activities we have undertaken to develop community awareness of us and our services.
- Details of assessments and measures undertaken to improve the occupational health and safety of employees.

- A general statement on industrial relations, and details of time lost through industrial accidents and disputes.
- A list of major committees, their purposes and achievements.

Information Privacy Act

We collect and use customer information according to our *Information Privacy Policy* and the *Information Privacy Act 2000* (Vic). In 2011–12 we received no complaints for breaches of privacy.

You can get a copy of our Privacy Statement by phoning (03) 8626 8700, by emailing privacy@sustainability.vic.gov.au or by visiting our website at www.sustainability.vic.gov.au

National Competition Policy

We complied with the law and principles agreed to under National Competition Policy. Competitive neutrality means fair competition between government and private sector businesses. Any advantages or disadvantages that government businesses might have, simply as a result of government ownership, should be neutralised. We continue to apply this principle in our business undertakings.

Victorian Industry Participation Policy

In October 2003, the *Victorian Parliament* passed the *Victorian Industry Participation Policy Act 2003* (Vic), which requires public bodies and departments to report on the implementation of the Victorian Industry Participation Policy (VIPP). Departments and public bodies must apply VIPP in all tenders over \$3 million in metropolitan Melbourne and over \$1 million in regional Victoria.

During 2011–12, we did not start or complete any contracts relevant to VIPP.

Whistleblowers Protection Act

The *Whistleblowers Protection Act 2001* (Vic) encourages and helps people to disclose improper conduct by public officers and public bodies. The Act protects people who disclose in accordance with the Act, and establishes a system where the information disclosed can be investigated and matters rectified.

We do not tolerate improper conduct by employees, or reprisals against people who disclose this conduct. We ensure transparency and accountability in our administration and management, and we support disclosures that reveal corrupt conduct, substantial mismanagement of public resources, and substantial risks to public health and safety or the environment.

We will take all reasonable steps to protect people who make disclosures from any reprisals. We will also afford natural justice to the person who is the subject of the disclosure, to the extent it is legally possible.

In 2011–12 no disclosures were reported in accordance with the Act.

Further information

Written guideline outlining the system for reporting disclosures are available on our website and in Appendix 8.

Legislative Compliance Index

The 2011–12 Annual Report of the SV is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the authorities' compliance with statutory disclosure requirements.

Legislation	Requirement	Page reference
Charter and purpose		
FRD22C	Manner of establishment and the relevant Ministers	8
FRD22C	Objective, functions, powers and duties	8
FRD22C	Nature and range of services provided	8
Management and structure		
FRD22C	Organisational structure	11, 12
Financial and other information		
FRD10	Disclosure index	59
FRD12A	Disclosure of major contracts	33
FRD17A	Long Service Leave wage inflation and discount rates	40
FRD15B	Executive Officer disclosures	80
FRD22C	Objectives and performance against objectives	8, 13
FRD22C	Employment and conduct principles	29
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FRD22C	Significant changes in financial position during the year	31
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FRD22C	Subsequent events	31
FRD22C	Application and operation of <i>Freedom of Information Act 1982</i>	58
FRD22C	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	58
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FRD22C	Details of consultancies over \$10,000	33
FRD22C	Details of consultancies under \$10,000	33
FRD22C	Statement of availability of other information	31
FRD24C	Reporting of office-based environmental impacts	30, 76
FRD25A	Victorian Industry Participation Policy disclosures	59
FRD26A	Accounting for VicFleet motor vehicle lease arrangements on or after 1 February 2004	47
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Legislation	Requirement	Page reference
Financial Statements required under Part 7 of FMA		
SD 4.2 (a)	Statement of Changes in Equity	36
SD 4.2 (b)	Comprehensive Operating Statement	34
SD 4.2 (b)	Balance Sheet	35
SD 4.2 (b)	Cash Flow Statement	37
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SD 4.2 (c)	Compliance with Australian Accounting Standards and other authoritative pronouncements	38
SD 4.2 (c)	Compliance with Ministerial Directions	38
SD 4.2 (d)	Rounding of amounts	38
SD 4.2 (c)	Accountable Officer's declaration	55
SD 4.2 (f)	Compliance with Model Financial Report	38
Other disclosures as required by FRDs in notes to the financial statements		
FRD11	Disclosure of ex-gratia payments	N/A
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<i>Building Act 1983</i>		58
<i>Whistleblowers Protection Act 2001</i>		59, 78
<i>Victorian Industry Participation Policy Act 2003</i>		59
<i>Financial Management Act 1994</i>		38
<i>Information Privacy Act 2000</i>		59

Part 10

Landfill levy

The following summary of the way the landfill levy is distributed to SV, EPA, the waste management groups and the Sustainability Fund provides a clearer understanding of where the levy is spent.

Landfill levy receipts and distribution

Victoria charges a landfill levy on each tonne of waste that is disposed of. These levies apply to municipal and commercial wastes deposited at licensed facilities in Victoria. Revenue raised from landfill levies is held in the Environment Protection (EP) Fund. This fund is established under the *Environment Protection Act 1970* (s. 70) and is managed by EPA Victoria.

In 2011–12, the EP Fund distributed \$135.12 million from landfill levies.

Levies received in the EP Fund are distributed in accordance with the Environment Protection (Distribution of Landfill Levy) Regulations 2010. These regulations govern the distribution of money to the WMGs, SV and EPA. The remainder of the money is then transferred into the Sustainability Fund account, within the EP Fund, held by EPA.

In 2011–12, SV received \$23.74 million, EPA received \$5.7 million, and waste management groups received \$6.53 million. The remaining funds, totalling \$99.15 million, were transferred to the Sustainability Fund account. Figure 3 to the right summarises this distribution.

SV's use of landfill levy

The *Sustainability Victoria Act 2005* specifies our objectives and functions, and we outline our annual priorities in our annual business plan. To do our work, we receive revenue from a range of sources, including government grants (appropriation), the landfill levy, and other sources for specific programs and purposes. We detail our full income and expenditure statements in Part 7 (Annual Financial Statements).

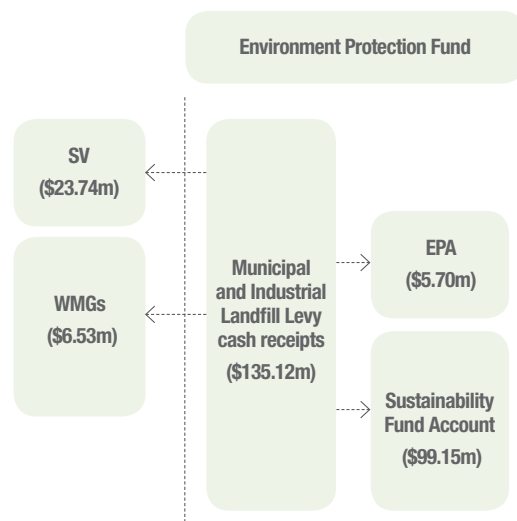


Figure 3:
Landfill Levy Distributions 2011–12

Part 11

Sustainability Fund

The Sustainability Fund is created by the *Environment Protection Act 1970* for the purposes of fostering environmentally sustainable uses of resources and best practices in waste management and fostering community action to tackle the adverse effects of climate change. All allocations are made jointly by the Premier and Minister for Environment and Climate Change.

As the authority responsible for management of the Sustainability Fund, we distribute funds on behalf of the Premier and the Minister for Environment and Climate Change¹. We maintain the Sustainability Fund Secretariat for this purpose. All money paid into the Sustainability Fund is sourced from the landfill levy (see Figure 3 on page 62).

The fund supports best practice in waste management and environmentally sustainable resource use to enhance Victoria socially and economically, and to foster community action and innovation on climate change. To achieve this, funds are allocated to various competitive funding rounds and strategic initiatives.

The Premier and the Minister for Environment and Climate Change allocated \$55.998 million from the fund to grants and strategic initiatives through the following programs in 2011–12:

- Round Two of the *Roadside Litter* grants program, managed by us, received \$0.179 million.
- Round One of the *Beyond Waste Fund* grants program, managed by us (previously managed by EPA), received \$1.442 million.
- Round One of the *Communities for Nature* grants program, managed by DSE, received \$10.661 million.
- Round One of the *Metropolitan Waste and Resource Recovery Fund* grants program, managed by the MWMG, received \$0.809 million.

¹ Sections 70(6B)(b)&(c), 70A to 70F of the *Environment Protection Act 1970*.

- Round Two of the *Metropolitan Waste and Resource Recovery Fund* grants program, managed by the MWMG, received \$1.682 million.
- Several strategic initiatives in the *Waste and Resource Efficiency* package received a total of \$41.225 million (refer to Appendix 9, Strategic Allocations).

Section 70D of the *Environment Protection Act 1970* requires we include a copy of the Sustainability Fund Advisory Panel's recommendations in our annual report for the financial year in which the panel made its recommendations. The Sustainability Fund Advisory Panel (Table 6) did not recommend any projects for funding in 2011–12. We must also include a list of all Sustainability Fund grants made in that financial year – please refer to Appendix 9.

Table 6: Sustainability Fund Advisory Panel membership

Member	Period of membership
Mick Murphy (Chair)	16 August 2010 to present
Sue Carter	16 August 2010 to 11 February 2012
Jan Boynton	16 August 2010 to 11 February 2012
Dr Sarah Ewing	16 August 2010 to 11 February 2012

Our required outcomes and our performance in 2011–12 for managing the Sustainability Fund, are outlined in Table 7.

Table 7: The Sustainability Fund

Required outcomes	Performance
<p>For the period of the 2011–12 Business Plan, we will work with our partners to meet our commitments to the Sustainability Fund and distribute funding for all existing allocations, including competitive grants projects and strategic funding.</p> <p>We will also improve the fund's governance, transparency and reporting processes.</p>	<p>To meet our commitments, we:</p> <ul style="list-style-type: none"> • improved the governance, transparency and reporting processes for the Sustainability Fund • continued to manage all pre-existing strategic funding allocations and over 80 projects from previous funding rounds, together with those announced in 2011–12 • continued secretariat support to the Sustainability Fund Advisory Panel.

Appendix 1

Board membership and operations

Board Members

Dr Gillian Sparkes, Chair

Gillian was appointed as the Chair of SV in May 2011.

Gillian has extensive experience as a senior executive in the private and public sectors. Her long career has spanned the manufacturing, waste management and water industries, and research sectors. Gillian is also Deputy Secretary, Corporate and Business Services, for the Department of Sustainability and Environment. She has executive responsibility for organisational performance and efficiency outcomes.

Gillian's qualifications include a PhD in Applied Science (Chemistry) and a Masters of Business Administration. Gillian is a graduate of the Australian Institute of Company Directors.

Mike Hill, Deputy Chair

Mike has three decades of close involvement with local governments, including serving as an elected councillor and mayor, and nine years as CEO of the Victorian Local Governance Association. He is currently Director of the Victorian Local Sustainability Accord, which aligns local and state government sustainability and climate change action.

Mike chairs the Natural Resources Conservation League and ECO-Buy Limited, and is a member of the advisory committee of RMIT's Centre for Design. He is co-director of WestWyck, a company developing an eco-village on a former school site in Brunswick West. Mike is also a former Chair of the Moreland Energy Foundation.

Cheryl Batagol

Cheryl is the Chairman of the Victorian Environment Protection Authority (EPA) and is a member of the Victorian Catchment Management Council. She is a former Chairman of Melbourne Water and board member of City West Water and Southern Rural Water. Cheryl has 30 years' experience in the waste management industry, including commercial, industrial and trade waste management and treatment. Cheryl served as the former Chairperson of EcoRecycle Victoria from 2003–2005.

Suzanne Evans

Suzanne is a partner in a horticultural enterprise in central Victoria. She is also a non-executive director of North East Water Corporation and Austin Health. She is a past member of the Osteopaths' Registration Board of Victoria, the Medical Practitioners' Board of Victoria's Customer Consultative Committee and is on the Minister for Health's list of panel members for hearing complaints against health practitioners. Suzanne sits on the accreditation committee for the Australian and New Zealand Osteopathic Council. She has executive experience in the water industry, at State Treasury, as principal of a public accounting practice and in academia.

Ross McCann

Ross is the Executive Chairman of Qenos, and President of the Plastics and Chemicals Industry Association. He spent 25 years in management-based roles at ICI Australia across operations, business development, projects and leading business units. He has also been a member of the Executive Committee of WMC Resources Ltd.

Tony Hinton (from May 2012)

Tony is a consultant in economic policy and public policy issues. He has extensive public policy experience in Australia and overseas, with a wide-ranging mix of government, financial, commercial and diplomatic responsibilities. From 2002 to 2007 Tony was a full-time Commissioner at the Productivity Commission, which is the Australian Government's principle review and advisory body on economic reform and regulation. Prior to that he was Australia's Ambassador to the OECD in Paris, which followed on from a 27-year career in the Australian Treasury.

Ron Lovett (from May 2012)

Ron has over 40 years' involvement in the building and construction industry in Australia and overseas. He is Executive Manager – Business Strategy and Management of Abigroup, one of Australia's largest infrastructure construction service contractors. One of Ron's main responsibilities is leading the Southern Region Business Leadership Team in setting the organisation's strategic direction. Ron is Vice President 2/29th Battalion AIF Association Inc.

Departing Board Members

Dr Nicholas Gruen

Nicholas has worked at senior levels in economics and public policy in the public and private sectors, including economic adviser to two cabinet ministers. He was appointed to the Productivity Commission (then Industry Commission) in 1993. From 1997, he was Director of the Business Council's New Directions Program. Since 2000 he has led Lateral Economics, where he has consulted widely to public and private sector clients, recently specialising in government innovation. In 2009, he chaired the Federal Government's widely acclaimed Government 2.0 Taskforce.

Tanya Ha

Tanya is a science journalist, author and regular green commentator in the media. She is experienced in the environment not-for-profit sector and established the Melbourne office for the Planet Ark Environmental Foundation. Tanya is also a former Board member of Keep Australia Beautiful (National Association).

Carolyn Lloyd

Carolyn has a long involvement in the building and construction industry, in particular with initiatives that promote and support sustainable urban communities that demonstrate innovation and commercial success. She is currently a member of the Building Practitioners' Board and is the former Deputy Chair of VicUrban. She is also the former Chief Executive Officer of the Housing Industry Association and has held board positions at the Sustainable Energy Authority of Victoria, EcoRecycle Victoria, the Victorian Building Industry Training Board and the Building Industry Advisory Council. Carolyn has led several international tours of builders and developers who specialise in environmentally sound, higher density urban communities.

Dr Tony Marxsen

Tony has extensive senior executive experience in the energy sector and other industries. He had a 30-year career in the State Electricity Commission where he was accountable for developing and securing Victoria's power grid, and for incorporating it into the national grid. He was also senior Chief Information Officer at the SECV, ICI Australia and TAC. For many years, Tony was a Principal with The Nous Group, advising major corporations and governments. He now operates his own consulting business and is a director of the Australian Energy Market Operator.

Board operations**Table A: Board meeting attendance**

Board member	Meetings held during period of appointment	Meetings attended
Dr Gillian Sparkes, Chair	11	11
Mike Hill, Deputy Chair	11	10
Dr Tony Marxsen	10	9
Carolyn Lloyd	10	8
Dr Nicholas Gruen	10	9
Tanya Ha	10	9
Cheryl Batagol	11	10
Suzanne Evans	11	9
Ross McCann	11	8
Ron Lovett	1	1
Tony Hinton	1	1

Board committees

Three committees help the board perform its corporate governance responsibilities:

- Audit and Risk
- Human Resources
- Performance Monitoring

Each committee acts under annually reviewed terms of reference. Committee meeting minutes are tabled at the subsequent board meeting.

Audit and Risk Committee

The Audit and Risk Committee focuses on risk management, statutory and regulatory compliance, financial management and audit assurance.

In 2011–12, the committee reviewed:

- the risk management framework
- the development of an audit tracking tool
- the internal plan for 2012
- the Information Systems Strategy (Phase 1)
- the effectiveness of four SV programs.

In July 2012, the committee also confirmed:

- compliance with the Department of Treasury and Finance's Financial Management Compliance Framework at 30 June 2012
- risk attestation compliance at 30 June 2012.

The Audit and Risk Committee comprised three board members in 2011–12: Suzanne Evans (Chair), Ross McCann and Tony Marxsen. Frank King is an external, independent member. Table B opposite shows committee members' meeting attendance. The committee members will change in financial year 2012–13.

The Audit and Risk Committee satisfies the independence criteria according to the Minister for Finance's standing directions. See Appendix 10 for the Board Chair's risk attestation.

Table B: Audit and Risk Committee attendance

Committee member	Meetings held during appointment	Meetings attended
Suzanne Evans (Chair)	4	4
Ross McCann	4	2
Tony Marxsen	4	3
Frank King	4	4

Human Resources Committee

The Human Resources Committee sets and oversees the strategic direction and framework for our people strategies and policies. This includes culture, performance, remuneration and OH&S practices.

In 2011–12 the committee:

- reviewed, contributed to and monitored our SV2015 transformation and change plan
- contributed to and reviewed improvements in organisational culture, and employee retention, engagement and development
- reviewed our OH&S management system and monitored progress
- reviewed risks identified in the HR risk register and identified trends in the quarterly HR metrics
- developed and recommended a Board-performance assessment and development process
- approved the current year's performance process and timetable for managing CEO performance
- reviewed the year's employee performance ratings trends and capabilities.

The committee comprised three board members in 2011–12: Carolyn Lloyd (Chair), Cheryl Batagol and Tanya Ha, and one public sector executive, Leigh Keath. Table C shows committee members' meeting attendance. The committee members will change in financial year 2012–13.

Table C: Human Resources Committee attendance

Committee member	Meetings held during appointment	Meetings attended
Carolyn Lloyd, Chair	3	3
Cheryl Batagol	3	3
Tanya Ha	3	2
Leigh Keath	3	2

Performance Monitoring Committee

The Performance Monitoring Committee oversees the development of our Performance Monitoring Framework (PMF). The framework aims to foster an evidence based culture that drives measureable environmental, social and economic outcomes for Victorians.

In 2011–12, the committee oversaw a review of our performance monitoring framework that found:

- there is a strong general demand for monitoring and evaluation in SV, but a focused approach based on explicit demand would be more useful and efficient
- although *Towards Zero Waste* policy indicators have helped assess organisational performance, improvement will come from more in-depth analysis of trends and progress
- evidence based capabilities vary across SV, particularly regarding use of logic modelling
- there is an opportunity to improve organisational performance in SV2015.

The committee has also overseen:

- the use of logic models to demonstrate high-level outcomes in SV2015
- definition of the evidence needs of the Executive and the Board
- an internal Evaluation Community of Practice, to assist staff with appropriate monitoring and evaluation processes.

The committee's work has helped develop an evidence framework for SV2015 that includes:

- the need for an overall evaluation plan for SV2015 that includes economic assessment
- the development of more robust indicators and targets
- a streamlined monthly report on outputs and financial issues
- development and maintenance of the evidence base
- the integration of research findings across SV.


The committee comprised three board members: Tony Marxsen (Chair), Mike Hill and Suzanne Evans. Table D below shows committee members' meeting attendance. The committee members will change in financial year 2012–13.

Table D: Performance Monitoring Committee attendance

Committee member	Meetings held during appointment	Meetings attended
Tony Marxsen	3	3
Mike Hill	3	3
Suzanne Evans	3	2

Appendix 2

Greenhouse gas abatement verification statement



Net Balance Management Group Pty Ltd
 ABN 50 121 706 081
 Level 4, 460 Bourke Street
 Melbourne VIC 3000 Australia
 T +61 3 8641 6400
 F +61 3 9600 1295
 E info@netbalance.com
 W netbalance.com

INDEPENDENT VERIFICATION STATEMENT
Greenhouse Gas Inventory: 2011-12

To the Board of Directors and the Executive of Sustainability Victoria:

Sustainability Victoria commissioned Net Balance Management Group Pty Ltd (Net Balance) to provide independent verification of the organisation's Greenhouse Gas (GHG) inventory for the period 1 July 2011 to 30 June 2012. Sustainability Victoria was responsible for the preparation of the GHG inventory and this statement represents the verification provider's independent opinion. Net Balance's responsibility in performing our verification activities is to the Board and Executive of Sustainability Victoria alone and in accordance with the terms of reference agreed with them. Other stakeholders should perform their own due diligence before taking any action as a result of this statement.

Verification objectives

The objective of the verification process is to provide Sustainability Victoria's Board and Executive, as well as its stakeholders, with an independent opinion on the accuracy of the GHG inventory for the period 1 July 2011 to 30 June 2012, as presented in the organisations' 2011-12 Annual Report. This is achieved through a review of the underlying systems, information and calculations supporting the GHG inventory.

Verification scope and methodology

The verification scope covered Sustainability Victoria's complete GHG inventory, including Scope 1, 2 and 3 emissions, as presented in the 'Greenhouse Gas Emissions' section of Appendix 7 on page 76 of the Annual Report. As factors contributing to the inventory, total reported tonnes of GHG emissions related to energy, paper and waste associated with Sustainability Victoria's operations were also within the verification scope.

The verification engagement was undertaken during July 2012 against the requirements of the GHG Protocol and the ISO 14064 international standard series for the quantification, validation and verification of greenhouse gas emissions. The verification process involved:

- A review of the GHG inventory contained within the Annual report.
- Sighting calculation methodologies and re-performing calculations to substantiate the GHG inventory claims made within the Annual Report.
- An interview with key personnel responsible for calculating the GHG inventory in order to understand data sources, reliability of data, completeness of data and the basis of key assumptions used in reporting.
- Evaluation of supporting documentary evidence.

Our competency and independence

The verification process was carried out by a team of greenhouse and energy technical specialists. Net Balance was not responsible for the preparation of any part of the GHG inventory. Net Balance confirms that we are not aware of any issue that could impair our objectivity in relation to this engagement.

Our opinion

Based on the verification process and procedures conducted, there is no evidence that the GHG inventory claims made in Sustainability Victoria's Annual Report:


- are not materially correct and are not a fair representation of data and information, and
- have not been prepared in accordance with accepted standards and practice.

Any errors identified during the verification process were rectified prior to the Annual Report being published.

On behalf of the verification team

17 August 2012

Melbourne, Australia



Terence Jeyaretnam, FIEAust
 Director, Net Balance, Lead CSAP (AccountAbility UK)



Net Balance Management Group Pty Ltd
 ABN 50 121 706 081
 Level 4, 460 Bourke Street
 Melbourne VIC 3000 Australia
 T +61 3 8641 6400
 F +61 3 9600 1295
 E info@netbalance.com
 W netbalance.com

INDEPENDENT VERIFICATION STATEMENT

Greenhouse Gas Abatement Claims: 2011-12

To the Board of Directors and the Executive of Sustainability Victoria:

Sustainability Victoria commissioned Net Balance Management Group Pty Ltd (Net Balance) to provide independent verification of the greenhouse gas abatement claims presented within the organisations' 2011-12 Annual Report. Sustainability Victoria was responsible for the preparation of the Annual Report and this statement represents the verification provider's independent opinion. Net Balance's responsibility in performing our verification activities is to the Board and Executive of Sustainability Victoria alone and in accordance with the terms of reference agreed with them. Other stakeholders should perform their own due diligence before taking any action as a result of this statement.

Verification objectives

The objective of the verification process is to provide Sustainability Victoria's Board and Executive, as well as its stakeholders, with an independent opinion on the accuracy of the greenhouse gas abatements presented within the Annual Report. This is achieved through a review of the underlying systems, information and calculations supporting the greenhouse gas abatement claims presented.

Verification scope and methodology

The verification scope covered waste diverted, greenhouse gas abated and energy efficiency values as presented in Table 2 (page 14) as well as additional greenhouse gas abatement claims contained on pages 22 to 24 in the Annual Report.

Where Sustainability Victoria was reliant on source data which was compiled and reported by external parties, Net Balance utilised discretion as to the credibility of sources to include or exclude these from the abatement claims.

The verification engagement was undertaken during July 2012 against the requirements of the GHG Protocol and the ISO 14064 international standard series for the quantification, validation and verification of greenhouse gas emissions. The verification process involved:

- A review of greenhouse gas abatement claims contained within the Annual Report.
- Sighting calculation methodologies and re-performing calculations to substantiate the greenhouse gas abatement claims made within the Annual Report.
- A series of interviews with key personnel responsible for calculating the greenhouse abatement claims contained within the Annual Report in order to understand data sources, reliability of data, completeness of data and the basis of key assumptions used in reporting abatement claims.
- Evaluation of supporting documentary evidence.

Our competency and independence

The verification process was carried out by a team of greenhouse and energy technical specialists. The team was not responsible for the preparation of any part of the greenhouse gas abatement claims. Net Balance confirms that we are not aware of any issue that could impair our objectivity in relation to this engagement.

Our opinion

Based on the verification process and procedures conducted, there is no evidence that the greenhouse gas abatement claims made in Sustainability Victoria's Annual Report:

- Are not materially correct and are not a fair representation of data and information, and
- Have not been prepared in accordance with accepted standards and practice.

Any errors identified during the verification process were rectified prior to the Annual Report being published.

On behalf of the verification team
 17 August 2012
 Melbourne, Australia

Terence Jeyaretnam, FEIAust
 Director, Net Balance, Lead CSAP (AccountAbility UK)

Appendix 3

Our workforce

	2012	2011	2010	2009	2008
	113	143	138	134	121
June 2011 – June 2012					
	Ongoing Employees⁽¹⁾				Fixed term and casual employees
	Employees (headcount)	Full time (headcount)	Part time (headcount)	FTE⁽²⁾	FTE⁽²⁾
June 2012	102	84	18	95	18
June 2011	119	102	17	113	30
	2012			2011	
	Ongoing⁽¹⁾	Fixed term & casual employees		Ongoing⁽¹⁾	Fixed term & casual employees
	Employees (headcount)	FTE⁽²⁾	FTE⁽²⁾	Employees (headcount)	FTE⁽²⁾
Gender					
Male	42	41	6	53	4
Female	59	53	12	66	26
Total Age					
Under 25	0	0	0	0	1
25–34	24	23	7	31	14
35–44	37	33	7	40	10
45–54	25	24	1	34	4
55–64	14	13	2	14	1
Over 64	1	1	1	0	0
Total Classification					
VPS 1	0	0	0	0	0
VPS 2	1	1	0	1	1
VPS 3	9	8	1	11	1
VPS 4	31	27	8	29	16
VPS 5	36	34	6	39	11
VPS 6	21	21	2	32	1
STS	2	2	0	1	0
Executive	2	2	1	6	0
Total	102	95	18	119	30

Notes:

⁽¹⁾Ongoing employees includes people engaged in an open-ended contract of employment and executives engaged on a standard executive contract who were active in the last full pay period of June

⁽²⁾FTE means full-time staff equivalent.

All figures reflect employment levels during the last full pay period in June of each year.

Excluded are those on leave without pay or absent on secondment, external contractors/consultants, and temporary staff employed by employment agencies.

Figures shown in Workforce data staffing trends are FTEs as opposed to Headcount which has been reported in previous years.

Appendix 4

Our executive officers¹

Breakdown of executive officers into gender

Class	Male		Female		Vacancies
	Number	Variation ¹	Number	Variation ¹	
E0-1	0	0	0	1	0
E0-2	2	1	0	1	0
E0-3	0	2	1	0	2
Total	2	3	1	2	2

¹ As at 30 June 2012.

² Variation from previous reporting period.

Variations due to change in executive structure.

³ Current vacancies: Director Resource Efficiency and Director Corporate Services.
Currently, non-E0 employees fill these roles in an acting capacity.

Appendix 5

Occupational health and safety statement

SV's vision: Victorians maximising value from resources to support a liveable and prosperous Victoria.

Our purpose is, as an agency of the Victorian Government, to drive integrated waste management and resource efficiency in Victoria, through delivering government programs.

Success in our vision and purpose can only be achieved through our people, and their health, safety and wellbeing is therefore an important aspect of how to achieve success together.

SV:

- believes that the health, safety and welfare of our employees and stakeholders is of prime importance and should not be impaired or prejudiced by our operations
- recognises that the responsibilities for occupational health and safety (OH&S) lie with all our staff, and that a personal commitment is essential to establish and maintain a healthy and safe working environment.

SV will provide working environments that are as practicable safe and without risks to health by:

- proactively identifying, managing and ensuring they are relevant to the nature of workplace activities and scale of health and safety risks
- complying with relevant health and safety legislation and other requirements placed upon Sustainability Victoria or to which we subscribe

- establishing measurable objectives and targets for health and safety, to ensure continuous improvement aimed at elimination of work-related illness and injury
- provision of appropriate health and safety training to all employees
- consulting to ensure that all employees are included in the decision-making processes impacting on workplace health and safety
- disseminating health and safety information to all employees, contractors, labour hire employees and visitors to the workplace
- effectively implementing the health and safety policy provisions consistently in all areas of business activity and on all sites where business activities are undertaken.

SV employees will at all times:

- take reasonable care for their own health and safety, and that of others who may be affected by their actions (or lack of actions) at work
- co-operate with SV's efforts to meet its responsibilities, by following the systems and procedures of work necessary for safe and healthy operations and participating in all appropriate training
- report hazards, risks, incidents and OH&S concerns to their manager or OH&S representative.

SV recognises that these policy objectives can best be achieved through effective consultation, communication and co-operation between all employees, working together.

Appendix 6

Our occupational health and safety performance

Performance against Occupational Health and Safety (OHS) management measures

Measure	KPI	2011–12	2010–11	2009–10
Incidents	Number of incidents	8	10	13
	Rate per 100 FTE	7.20	7.10	9.43
	Average time lost per occurrence	0	0	2 days
Claims	Number of standard claims ¹	0	0	0
Management commitment	Evidence of OH&S policy statement, OH&S objectives, regular reporting to senior management of OH&S, and OH&S plans.	completed	completed	completed
Risk management	Percentage of internal audits/inspections conducted as planned.	92%	100%	100%

¹ Data sourced from Victorian WorkCover Authority (VWA).

Appendix 7

OUR OFFICE-BASED ENVIRONMENTAL PERFORMANCE

Appendix 7

Our office-based environmental performance

Environmental Aspect ¹	Description	Unit of Measure	2011–12	2010–11	2009–10	2008–09	2007–08
Energy	Office tenant light and power (OTLP) use per THC ²	Megajoules per THC	3,608	3,064	3,174	3,108	3,119
	Office tenant light and power use per FTE ³	Megajoules per FTE	3,869	3,040	3,416	3,344	3,344
	Total electricity use OTLP	Megajoules	494,311	474,930	470,688	448,046	408,600
	Use per square metre of office space	Megajoules per m ²	255	245	248	230	242
	Total Green Power	%	100	100	100	100	100
	Base building apportioned electricity use	Megajoules	361,868	376,040	408,326	424,307	533,854
	Base building apportioned natural gas use ⁴	Megajoules	299,419	336,226	281,445	262,889	332,298
	Total GHG emissions associated with OTLP	Tonnes of CO ₂ –e	0	0	0	0	0
	Total GHG emissions associated with apportioned electricity use	Tonnes of CO ₂ –e	135	143	153	154	197
	Total GHG emissions associated with apportioned gas use	Tonnes of CO ₂ –e	16.5	18.6	16	14.6	18.4
Paper ⁵	Use per THC	Reams per THC	5.5	6.2	5.27	6.1	6.1
	Use per FTE	Reams per FTE	5.9	6.11	5.66	6.5	6.5
	Recycled content	Percentage total	97	93	95	95	95
	Total use	Reams	759	955	780	873	793
	Paper GHG emissions	Tonnes of CO ₂ –e	2.9	4.4	3.5	4	3.6
Waste ⁶	Generated per THC	Kilograms per THC	57.6	56	51.8	50	45.3
	Generated per FTE	Kilograms per FTE	61.7	54.5	55.8	54	48.6
	Organics per FTE	Kilograms per FTE	10.1	12.9	13.7	13	12.2
	Recyclables per FTE	Kilograms per FTE	49.1	40.6	38.7	38.8	31.5
	Landfill per FTE	Kilograms per FTE	2.6	2	3.3	2	4.9
	Organics	Total kg to processor	1,286	2,016	1,886	1,736	1,495
	Recyclable materials	Total kg to processors	6,272	6,344	5,349	5,204	3,845
	Landfill	Total kg to landfill	329	360	449	593	n/a
	Total recycled	Percentage	96	96	94	96	90
	Waste GHG emissions	Kilograms	362	368	449	271	429

Notes:

- SV had an average of 483 clients/guest visitors per month (or approximately 24 a day) over the course of the financial year.
- THC = Average Total Head Count for the entire year to 30 June 2012 which includes contractors employed at SV. Our contractors work on-site, using many of the same resources as our employees. (THC = 137)
- FTE = Full Time Equivalent staff as of 30 June 2012. (FTE = 127.75)
- Base building monitoring system for apportioned gas and electricity may not be the most accurate, but final billing wasn't available at the time of reporting.
- One ream is equivalent to 500 sheets of A4 office paper. All paper figures rounded to the nearest tenth.
- Waste figures from one-week-a-month measurements taken throughout 2011–12, which is meant to be within ±10% accuracy.

Environmental Aspect ¹	Description	Unit of Measure	2011–12	2010–11	2009–10	2008–09	2007–08
Water ⁷	Potable consumption per THC	Kilolitres per THC	4.06	2.32	2.85	2.62	4.85
	Potable consumption per FTE	Kilolitres per FTE	4.35	2.31	2.96	2.82	5.21
	Potable consumption per unit of office space	Kilolitres per m ²	0.33	0.37	0.41	0.38	0.83
	Total potable water consumption	Kilolitres	555	360	407	257	482
	Recycled water floor only	Kilolitres	32.5	359	417	487	764
	Apportioned water consumption per FTE	Kilolitres per FTE	11.4	6	N/A	N/A	N/A
	Total apportioned water consumption	Kilolitres	1451.5	939	1,021	986	688
Transportation ⁸	Energy consumption per THC	Gigajoules per THC	2.32	1.24	1.32	1.3	1.46
	Energy consumption per FTE	Gigajoules per FTE	2.5	1.23	1.42	1.4	1.57
	Total energy consumption	Gigajoules	317.49	192.38	195.07	188	191.4
	Total vehicle travel by vehicle type ⁹	Kilometres	167,426	90,050	124,977	125,074	111,117
	Total associated GHG emissions	Kilograms of CO ₂ –e	21,246	12,874	13,054	12,547	13,840
	GHG emissions/1,000 km travelled	Kilograms of CO ₂ –e	127	144	104.5	104.3	124.6
	Staff travel associated with agency operations per THC	Kilometres per THC	1,222	1,801	843	868	848
	Staff travel associated with agency operations per FTE	Kilometres per FTE	1,311	1,786	907	933	909.3
	Total air travel associated with agency operations	Kilometres	220,870	435,873	220,028	575,122	153,831
	Employees regularly using public transport, cycling or walking to and from work	Percentage	91	88	93	96	93
Greenhouse Gas Emissions ¹³	Employees regularly using more sustainable modes of transport ¹⁰	Percentage	28	23	32.8	21.8	25
	Total GHG emissions associated with Scope 3 electricity use ¹¹	Kilograms of CO ₂ –e	20,596	19,789	0	0	0
	Total GHG emissions associated with vehicle fleet	Kilograms of CO ₂ –e	21,246	12,874	13,054	12,547	13,840
	Total GHG emissions associated with air travel ¹²	Kilograms of CO ₂ –e	57,388	113,082	54,244	136,090	36,035
	Total GHG emissions associated with waste production	Kilograms of CO ₂ –e	362	368	449	271	429
	Total GHG emissions associated with scope of operational activities ¹⁴	Kilograms of CO ₂ –e	433,455	488,896	323,067	512,606	326,069

7. Tenancy value includes potable water associated with blackwater treatment plant top up.

Our tenancy utilises recycled water for toilet flushing. The values here reflect how much total recycled water is circulated through the system throughout the year. The system was down for 11 months of the year, thus the big increase apportioned and total potable water consumption values, with an attendant decrease in recycled water consumption. Previous potable water consumption figures for FTE and THC have been updated to reflect top only of blackwater treatment plant with potable water, not the entire sum of blackwater.

8. Increase in vehicular travel is due to inclusion of community facilitator vehicles for the first time, as tenancy and vehicle reporting requirements differ.

9. All vehicles are 4-cylinder hybrids.

10. More sustainable modes of commuting include: cycling, walking and working from home.

11. The treatment of GreenPower has changed in FY 2010–11, with GreenPower purchasing no longer considered abatement for Scope 3 emissions. While SV purchased 100% GreenPower, remaining Scope 3 associated emissions have been offset through the purchase of an accredited carbon offset product.

12. All previous years' greenhouse estimations have been adjusted based on updated formula from 2010–11. In this example, the Radiative Forcing Index has been decreased from 5 in 2010–11 to 1.9 for the RFI factor and 1.09 for Uplift Factor in 2011–12. Previous years have been updated using the same factors as in 2011–12.

13. In environmental management system terminology, 'greenhouse gas emissions' is not an Environmental Aspect, but rather an Environmental Impact. For convenience, it has been left in the first column for easier illustration.

14. The operational aspects included in the scope of activities for purchasing carbon offsets are: apportioned base building electricity and gas, office tenant light and power, kitchen and vehicle refrigerants, waste to landfill, air travel, public transport, taxi travel, fleet and electric trial vehicles for work-based activities, paper and publications consumption, and tenancy water consumption. Each year, a new Scope 3 item is added as part of our Carbon Accountability strategy. This year, no inclusion was made during the organisation's review and no sound methodology for calculating the emissions from accommodation utilisation was found. A 10% buffer in the purchase of carbon offsets has been incorporated to cover any inaccuracies in calculating the components included within SV's Greenhouse inventory boundary.

Appendix 8

Whistleblower protection policy and procedure

1. *Statement of Support for Whistleblowers*

SV is committed to the aims and objectives of the *Whistleblowers Protection Act 2001* (the Act). We do not tolerate improper conduct by our employees, officers or members, nor the taking of reprisals against those who come forward to disclose such conduct.

We recognise the value of transparency and accountability in our administrative and management practices, and support the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment. We will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. We will also afford natural justice to the person who is the subject of the disclosure.

2. *Purpose of these procedures*

These procedures establish a process for reporting disclosures of improper conduct or detrimental action by SV or its employees. The process enables such disclosures to be made to the Protected Disclosure Coordinator (PDC). Disclosures may be made by employees or by members of the public. These procedures are designed to complement normal communication channels between supervisors and employees. Employees are encouraged to continue to raise appropriate matters at any time with their supervisors. As an alternative, employees may make a disclosure of improper conduct or detrimental action under the Act in accordance with these procedures.

3. *Objects of the Act*

The Act commenced operation on 1 January 2002. The purpose of the Act is to encourage and facilitate the making of disclosures of improper conduct by public officers and public bodies. The Act provides protection to whistleblowers that make disclosures in accordance with the Act, and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

These procedures are designed to complement normal communication channels between managers and employees. You are encouraged to continue to raise appropriate matters at any time with your manager. As an alternative, you may make a disclosure of improper conduct or detrimental action under the Act in accordance with these procedures.

4. *Definitions of key terms*

Three key concepts in the reporting process are improper conduct, corrupt conduct and detrimental action. Definitions of these and other relevant terms are set out below:

4.1 Improper conduct

A disclosure may be made about improper conduct by a public body or public official. Improper conduct means conduct that is corrupt, a substantial mismanagement of public resources, or conduct involving substantial risk to public health or safety or to the environment. The conduct must be serious enough to constitute, if proved, a criminal offence or reasonable grounds for dismissal.

Examples

To avoid closure of a town's only industry, an environmental health officer ignores or conceals evidence of illegal dumping of waste.

An agricultural officer delays or declines imposing quarantine to allow a financially distressed farmer to sell diseased stock.

A building inspector tolerates poor practices and structural defects in the work of a leading local builder.

4.2 Corrupt conduct

Corrupt conduct means:

- conduct of any person (whether or not a public official) that adversely affects the honest performance of a public officer's or public body's functions
- the performance of a public officer's functions dishonestly or with inappropriate partiality
- conduct of a public officer, former public officer or a public body that amounts to a breach of public trust
- conduct by a public officer, former public officer or a public body that amounts to the misuse of information or material acquired in the course of the performance of their official functions, or
- a conspiracy or attempt to engage in the above conduct.

Examples

A public officer takes a bribe or receives a payment other than his/her wages or salary in exchange for the discharge of a public duty.

A public officer favours unmeritorious applications for jobs or permits by friends and relatives.

A public officer sells confidential information.

4.3 Detrimental action

The Act makes it an offence for a person to take detrimental action against a person in reprisal for a protected disclosure.

Detrimental action includes:

- action causing injury, loss or damage
- intimidation or harassment
- discrimination, disadvantage or adverse treatment in relation to a person's employment, career, profession, trade or business, including the taking of disciplinary action.

Examples

A public body refuses a deserved promotion of a person who makes a disclosure.

A public body demotes, transfers, isolates in the workplace or changes the duties of a whistleblower due to the making of a disclosure.

A person threatens, abuses or carries out other forms of harassment directly or indirectly against the whistleblower, his/her family or friends.

A public body discriminates against the whistleblower or his/her family and associates in subsequent applications for jobs, permits or tenders.

4.4 Public body

A public body is defined in section 3 (1) of the Act. For the purposes of the Act, SV is a public body.

4.5 Public officer

A public officer is defined in section 3 (1) of the Act. For the purposes of the Act all SV employees are public officers.

4.6 Protected disclosure

A protected disclosure is a disclosure of improper or corrupt conduct made in accordance with Part 2 of the Act. It must satisfy the following criteria:

- A natural person (that is, an individual person rather than a corporation) is making the disclosure.
- The disclosure relates to conduct of a public body or public officer acting in their official capacity.
- The alleged conduct is either improper conduct or detrimental action taken against a person in reprisal for making a protected disclosure.
- The person making a disclosure has reasonable grounds for believing the alleged conduct has occurred.

4.7 Protected Disclosure Coordinator

The Protected Disclosure Coordinator (PDC) is the SV employee nominated to receive disclosures of improper or corrupt conduct made in accordance with Part 2 of the Act.

4.8 Whistleblower

A whistleblower is any person who believes on reasonable grounds that a public officer or public body has engaged in or proposes to engage in improper conduct or reprisals against a whistleblower and who makes a disclosure in accordance with the Act about that improper conduct, or reprisal with a view to the matter being investigated and appropriate action being taken.

5. The reporting process

5.1 Contact persons within SV

Disclosures of improper conduct or detrimental action by SV or our employees may be made to the SV PDC:

Ms Suzanne Knight
Executive Advisor
Level 28, Urban Workshop
50 Lonsdale Street
Melbourne Vic 3000
Ph: (03) 8626 8700
Facsimile (03) 9663 1007
Email:
suzanne.knight@sustainability.vic.gov.au

All correspondence, telephone calls and emails or any other form of communication, from internal or external whistleblowers will be referred to the PDC.

Where a person is contemplating making a disclosure and is concerned about approaching the PDC in the workplace, he/she can call the relevant officer and request a meeting in a discreet location away from the workplace.

5.2 Alternative contact persons

A disclosure about improper conduct or detrimental action by SV or our employees may also be made directly to the Ombudsman:

Mr George Brouwer
Ombudsman Victoria
Level 9, North Tower
459 Collins Street
Melbourne Victoria 3000
(DX 210174)
Tel: 9613 6222 or Toll Free: 1800 806 314
Internet: www.ombudsman.vic.gov.au
Email: ombudvic@ombudsman.vic.gov.au

The following table sets out where disclosures about persons other than employees of SV should be made.

Person who is the subject of the disclosure	Person/body to whom the disclosure must be made
Employee of a public body (e.g. employee of SV)	That public body (i.e. SV for SV employees), or the Ombudsman
Member of Parliament (Legislative Assembly)	Speaker of the Legislative Assembly
Member of Parliament (Legislative Council)	President of the Legislative Council
Councillor	The Ombudsman
Chief Commissioner of Police	The Ombudsman or Deputy Ombudsman
Member of the police force	The Ombudsman, Deputy Ombudsman or Chief Commissioner of Police

6. Roles and responsibilities

6.1 Employees

Employees are encouraged to report known or suspected incidences of improper conduct or detrimental action in accordance with these procedures. All employees of SV have an important role to play in supporting those who have made a legitimate disclosure. They must refrain from any activity that is, or could be perceived to be, victimisation or harassment of a person who makes a disclosure. Furthermore, they should protect and maintain the confidentiality of a person they know or suspect to have made a disclosure.

6.2 PDC

The PDC has a central 'clearing house' role in the internal reporting system; she or he will:

- receive all disclosures forwarded from the PDC
- receive all phone calls, emails and letters from members of the public or employees seeking to make a disclosure
- impartially assess each disclosure to determine whether it is a public interest disclosure
- refer all public interest disclosures to the Ombudsman
- be responsible for carrying out, or appointing an investigator to carry out, an investigation referred to the public body by the Ombudsman
- be responsible for overseeing and coordinating an investigation where an investigator has been appointed
- appoint a Welfare Manager to support the whistleblower and to protect him/her from any reprisals
- advise the whistleblower of the progress of an investigation into the disclosed matter

- establish and manage a confidential filing system
- collate and publish statistics on disclosures made
- take all necessary steps to ensure the identity of the whistleblower and the identity of the person who is the subject of the disclosure are kept confidential
- liaise with the Chief Executive Officer (CEO) of the public body
- be a contact point for general advice about the operation of the Act for any person wishing to make a disclosure about improper conduct or detrimental action
- make arrangements for a disclosure to be made privately and discreetly and, if necessary, away from the workplace
- receive any disclosure made orally or in writing (from internal and external whistleblowers)
- commit to writing any disclosure made orally
- impartially assess the allegation and determine whether it is a disclosure made in accordance with Part 2 of the Act (that is, a protected disclosure)
- take all necessary steps to ensure the identity of the whistleblower and the identity of the person who is the subject of the disclosure are kept confidential
- forward all disclosures and supporting evidence to the PDC.

6.3 Investigator

The investigator to be appointed by the PDC will be responsible for carrying out an internal investigation into a disclosure where the Ombudsman has referred a matter to the public body.

6.4 Welfare Manager

The Welfare Manager (SV's Manager People and Culture) is responsible for looking after the general welfare of the whistleblower. The Welfare Manager will:

1. examine the immediate welfare and protection needs of a whistleblower who has made a disclosure and seek to foster a supportive work environment
2. advise the whistleblower of the legislative and administrative protections available to him/her
3. listen and respond to any concerns of harassment, intimidation or victimisation in reprisal for making disclosure
4. ensure the expectations of the whistleblower are realistic.

7. Confidentiality

SV will take all reasonable steps to protect the identity of the whistleblower. Maintaining confidentiality is crucial in ensuring reprisals are not made against a whistleblower.

The Act requires any person who receives information due to the handling or investigation of a protected disclosure, not to disclose that information except in certain limited circumstances. Disclosure of information, in breach of section 22 of the Act, constitutes an offence that is punishable by a maximum fine of 60 penalty units* (see page 89) or six months imprisonment, or both.

The circumstances in which a person may disclose information obtained about a protected disclosure include:

- where exercising the functions of the public body under the Act
- when making a report or recommendation under the Act
- when publishing statistics in the annual report of a public body
- in criminal proceedings for certain offences in the Act.

However, the Act prohibits the inclusion of particulars in any report or recommendation that is likely to lead to the identification of the whistleblower. The Act also prohibits the identification of the person who is the subject of the disclosure in any particulars included in an annual report.

SV will ensure all files, whether paper or electronic, are kept in a secure room and can only be accessed by the PDC, the investigator or Welfare Manager (in relation to welfare matters). All printed material will be kept in files that are clearly marked as a Whistleblower Protection Act matter, and warn of the criminal penalties that apply to any unauthorised divulging information concerning a protected disclosure. All electronic files will be produced and stored on a stand-alone computer and be given password protection. Backup files will be kept on floppy disc. All materials relevant to an investigation, such as tapes from interviews, will also be stored securely with the whistleblower files.

SV will not email documents relevant to a whistleblower matter and will ensure all phone calls and meetings are conducted in private.

8. Collating and publishing statistics

The PDC will establish a secure register to record the information required to be published in the annual report, and to generally keep account of the status of whistleblower disclosures. The register will be confidential and will not record any information that may identify the whistleblower.

The register will contain the following information:

1. The number and types of disclosures made to public bodies during the year.
2. The number of disclosures referred to the Ombudsman for determination as to whether they are public interest disclosures.

3. The number and types of disclosed matters referred to the public body by the Ombudsman for investigation.
4. The number and types of disclosures referred by the public body to the Ombudsman for investigation.
5. The number and types of investigations taken over from the public body by the Ombudsman.
6. The number of requests made by a to the Ombudsman to take over an investigation by the public body.
7. The number and types of disclosed matters that the public body has declined to investigate.
8. The number and types of disclosed matters that were substantiated upon investigation and the action taken on completion of the investigation.
9. Any recommendations made by the Ombudsman that relate to the public body.

9. Receiving and assessing disclosures

9.1 Has the disclosure been made in accordance with Part 2 of the Act?

Where a disclosure has been received by the PDC, he/she will assess whether the disclosure has been made in accordance with Part 2 of the Act and is, therefore, a protected disclosure.

9.1.1 Has the disclosure been made to the appropriate person?

For the disclosure to be responded to by SV, it must concern an employee, member or officer of SV. If the disclosure concerns an employee, officer or member of another public body, the person who has made the disclosure must be advised of the correct person or body to whom the disclosure should be directed (see the table in 5.2 on page 81). If the disclosure has been made anonymously, it should be referred to the Ombudsman.

9.1.2 Does the disclosure contain the essential elements of a protected disclosure?

To be a protected disclosure, a disclosure must satisfy the following criteria:

- Did a natural person (that is, an individual person rather than a corporation) make the disclosure?
- Does the disclosure relate to conduct of a public body or public officer acting in their official capacity?
- Is the alleged conduct either improper conduct or detrimental action taken against a person in reprisal for making a protected disclosure?
- Does the person making a disclosure have reasonable grounds for believing the alleged conduct has occurred?

Where a disclosure is assessed to be a protected disclosure, it is referred to the PDC. The PDC will determine whether the disclosure is a public interest disclosure.

Where a disclosure is assessed not to be a protected disclosure, the matter does not need to be dealt with under the Act. The PDC will decide how the matter should be responded to.

9.2 Is the disclosure a public interest disclosure?

Where the PDC has received a disclosure that has been assessed to be a protected disclosure, the PDC will determine whether the disclosure amounts to a public interest disclosure. This assessment will be made within 45 days of the receipt of the disclosure.

In reaching a conclusion as to whether a protected disclosure is a public interest disclosure, the PDC will consider whether the disclosure shows, or tends to show, that the public officer to whom the disclosure relates:

1. has engaged, is engaging or proposes to engage in improper conduct in his/her capacity as a public officer, or

2. has taken, is taking or proposes to take detrimental action in reprisal for the making of the protected disclosure.

Where the PDC concludes that the disclosure amounts to a public interest disclosure, he/she will:

1. notify the person who made the disclosure of that conclusion
2. refer the disclosure to the Ombudsman for formal determination as to whether it is indeed a public interest disclosure.

Where the PDC concludes that the disclosure is not a public interest disclosure, he/she will:

1. notify the person who made the disclosure of that conclusion
2. advise that person that he/she may request the public body to refer the disclosure to the Ombudsman for a formal determination as to whether the disclosure is a public interest disclosure, and that this request must be made within 28 days of the notification.

In either case, the PDC will make the notification and the referral within 14 days of the conclusion being reached by the public body. Notification to the whistleblower is not necessary where the disclosure has been made anonymously.

10. Investigations**10.1 Introduction**

Where the Ombudsman refers a protected disclosure to SV for investigation, the PDC will appoint an investigator to carry out the investigation.

The objectives of an investigation will be:

- to collate information relating to the allegation as quickly as possible. This may involve taking steps to protect or preserve documents, materials and equipment

- to consider the information collected and to draw conclusions objectively and impartially
- to maintain procedural fairness in the treatment of witnesses and the person who is the subject of the disclosure
- to make recommendations arising from the conclusions drawn concerning remedial or other appropriate action.

10.2 Terms of reference

Before commencing an investigation, the PDC will draw up terms of reference and obtain authorisation for those terms by the CEO. The terms of reference will set a date by which the investigation report is to be concluded, and will describe the resources available to the investigator to complete the investigation within the time set. The PDC may approve, if reasonable, an extension of time requested by the investigator. The terms of reference will require the investigator to make regular reports to the PDC, who, in turn, is to keep the Ombudsman informed of general progress.

10.3 Investigation plan

The investigator will prepare an investigation plan for approval by the PDC. The plan will list the issues to be substantiated and describe the avenue of inquiry.

It will address the following issues:

- What is being alleged?
- What are the possible findings or offences?
- What are the facts in issue?
- How is the inquiry to be conducted?
- What resources are required?

At the commencement of the investigation, the whistleblower should be:

- notified by the investigator that he/she has been appointed to conduct the investigation, and asked to
- clarify any matters, and

- provide any additional material he/she might have.

The investigator will be sensitive to the whistleblower's possible fear of reprisals and will be aware of the statutory protections provided to the whistleblower.

10.4 Natural justice

The principles of natural justice will be followed in any investigation of a public interest disclosure. The principles of natural justice concern procedural fairness and ensure a fair decision is reached by an objective decision maker. Maintaining procedural fairness protects the rights of individuals and enhances public confidence in the process.

SV will have regard to the following issues in ensuring procedural fairness:

- The person who is the subject of the disclosure is entitled to know the allegations made against him/her and must be given the right to respond. (This does not mean the person must be advised of the allegation as soon as the disclosure is received or the investigation has commenced).
- If the investigator is contemplating making a report adverse to the interests of any person, that person should be given the opportunity to put forward further material that may influence the outcome of the report and that person's defence should be fairly set out in the report.
- All relevant parties to a matter should be heard and all submissions should be considered.
- A decision should not be made until all reasonable inquiries have been made.
- The investigator or any decision maker should not have a personal or direct interest in the matter being investigated.
- All proceedings must be carried out fairly and without bias. Care should be taken to exclude perceived bias from the process.

- The investigator must be impartial in assessing the credibility of the whistleblowers and any witnesses. Where appropriate, conclusions as to credibility should be included in the investigation report.

10.5 Conduct of the investigation

The investigator will make contemporaneous notes of all discussions and phone calls, and all interviews with witnesses will be taped. All information gathered in an investigation will be stored securely. Interviews will be conducted in private and the investigator will take all reasonable steps to protect the identity of the whistleblower. Where disclosure of the identity of the whistleblower cannot be avoided, due to the nature of the allegations, the investigator will warn the whistleblower and his/her Welfare Manager of this probability.

It is in the discretion of the investigator to allow any witness to have legal or other representation or support during an interview. If a witness has a special need for legal representation or support, permission should be granted.

10.6 Referral of an investigation to the Ombudsman

The PDC will make a decision regarding the referral of an investigation to the Ombudsman where, on the advice of the investigator:

- the investigation is being obstructed by, for example, the non-cooperation of key witnesses, or
- the investigation has revealed conduct that may constitute a criminal offence.

10.7 Reporting requirements

The PDC will ensure the whistleblower is kept regularly informed concerning the handling of a protected disclosure and an investigation.

The PDC will report to the Ombudsman about the progress of an investigation.

Where the Ombudsman or the whistleblower requests information about the progress of an investigation, that information will be provided within 28 days of the date of the request.

11. Action taken after an investigation

11.1 Investigator's final report

At the conclusion of the investigation, the investigator will submit a written report of his/her findings to the PDC. The report will contain:

- The allegation(s):
 - an account of all relevant information received and, if the investigator has rejected evidence as being unreliable, the reasons for this opinion being formed
 - the conclusions reached and the basis for them
 - any recommendations arising from the conclusions.
- Where the investigator has found that the conduct disclosed by the whistleblower has occurred, recommendations made by the investigator will include:
 - the steps that need to be taken by SV to prevent the conduct from continuing or occurring in the future
 - any action that should be taken by SV to remedy any harm or loss arising from the conduct. This action may include bringing disciplinary proceedings against the person responsible for the conduct, and referring the matter to an appropriate authority for further consideration.
- The report will be accompanied by:
 - the transcript or other record of any oral evidence taken, including tape recordings

- all documents, statements or other exhibits received by the officer and accepted as evidence during the course of the investigation.

Where the investigator's report is to include an adverse comment against any person, that person will be given the opportunity to respond and his/her defence will be fairly included in the report.

The report will not disclose particulars likely to lead to the identification of the whistleblower.

11.2 Action to be taken

If the PDC is satisfied that the investigation has found that the disclosed conduct has occurred, he/she will recommend to the CEO the action that must be taken to prevent the conduct from continuing or occurring in the future. The PDC may also recommend that action be taken to remedy any harm or loss arising from the conduct.

The PDC will provide a written report to the Minister for Environment and Climate Change, the Ombudsman and the whistleblower setting out the findings of the investigation and any remedial steps taken.

Where the investigation concludes that the disclosed conduct did not occur, the PDC would report these findings to the Ombudsman and to the whistleblower.

12. Managing the welfare of the whistleblower

12.1 Commitment to protecting whistleblowers

SV is committed to the protection of genuine whistleblowers against detrimental action taken in reprisal for the making of protected disclosures. The PDC is responsible for ensuring whistleblowers are protected from direct and indirect detrimental action, and that the culture of the workplace is supportive of protected disclosures being made.

The PDC will appoint a Welfare Manager to all whistleblowers who have made a

protected disclosure. The Welfare Manager will:

- examine the immediate welfare and protection needs of a whistleblower who has made a disclosure and, where the whistleblower is an employee, seek to foster a supportive work environment
- advise the whistleblower of the legislative and administrative protections available to him/her
- listen and respond to any concerns of harassment, intimidation or victimisation in reprisal for making disclosure
- keep a contemporaneous record of all aspects of the case management of the whistleblower including all contact and follow-up action
- ensure the expectations of the whistleblower are realistic.

All employees will be advised that it is an offence for a person to take detrimental action in reprisal for a protected disclosure. The maximum penalty is a fine of 240 penalty units* (see page 89) or two year's imprisonment, or both. The taking of detrimental action in breach of this provision can also be grounds for making a disclosure under the Act and can result in an investigation.

Detrimental action includes:

- causing injury, loss or damage
- intimidation or harassment
- discrimination, disadvantage or adverse treatment in relation to a person's employment, career, profession, trade or business (including the taking of disciplinary action).

12.2 Keeping the whistleblower informed

The PDC will ensure the whistleblower is kept informed of action taken in relation to his/her disclosure, and the time frames that apply. The whistleblower will be informed of the objectives of an investigation, the findings of an investigation, and the steps taken by SV to address any improper

conduct that has been found to have occurred. The whistleblower will be given reasons for decisions made by SV in relation to a protected disclosure. All communication with the whistleblower will be in plain English.

12.3 Occurrence of detrimental action

If a whistleblower reports an incident of harassment, discrimination or adverse treatment that would amount to detrimental action taken in reprisal for the making of the disclosure, the Welfare Manager will:

- record details of the incident
- advise the whistleblower of his/her rights under the Act
- advise the PDC or CEO of the detrimental action.

The taking of detrimental action in reprisal for the making of a disclosure can be an offence against the Act as well as grounds for making a further disclosure. Where such detrimental action is reported, the PDC will assess the report as a new disclosure under the Act. Where the PDC is satisfied that the disclosure is a public interest disclosure, he/she will refer it to the Ombudsman. If the Ombudsman subsequently determines the matter to be a public interest disclosure, the Ombudsman may investigate the matter or refer it to another body for investigation as outlined in the Act.

12.4 Whistleblowers implicated in improper conduct

Where a person who makes a disclosure is implicated in misconduct, SV will handle the disclosure and protect the whistleblower from reprisals in accordance with the Act, the Ombudsman's guidelines and these procedures. SV acknowledges that the act of whistleblowing should not shield whistleblowers from the reasonable consequences flowing from any involvement in improper conduct. Section 17 of the Act specifically provides that a person's liability for his/her own conduct is not affected by the person's disclosure of that conduct under the Act. However, in some circumstances, an admission may be a mitigating factor when considering disciplinary or other action.

The CEO will make the final decision on the advice of the PDC as to whether disciplinary or other action will be taken against a whistleblower. Where disciplinary or other action relates to conduct that is the subject of the whistleblower's disclosure, the disciplinary or other action will only be taken after the disclosed matter has been appropriately dealt with. In all cases where disciplinary or other action is being contemplated, the CEO must be satisfied that it has been clearly demonstrated that:

- the intention to proceed with disciplinary action is not causally connected to the making of the disclosure (as opposed to the content of the disclosure or other available information)
- there are good and sufficient grounds that would fully justify action against any non-whistleblower in the same circumstances
- there are good and sufficient grounds that justify exercising any discretion to institute disciplinary or other action.

The PDC will thoroughly document the process including recording the reasons why the disciplinary or other action is being taken, and the reasons why the action is not in retribution for the making of the disclosure. The PDC will clearly advise the whistleblower of the proposed action to be taken, and of any mitigating factors that have been taken into account.

13. *Management of the person against whom a disclosure has been made*

SV recognises that employees against whom disclosures are made must also be supported during the handling and investigation of disclosures.

SV will take all reasonable steps to ensure the confidentiality of the person who is the subject of the disclosure during the assessment and investigation process. Where investigations do not substantiate disclosures, the fact that the investigation has been carried out, the results of the investigation, and the identity of the person who is the subject of the disclosure will remain confidential.

The PDC will ensure the person who is the subject of any disclosure investigated by or on behalf of a public body is:

- informed as to the substance of the allegations
- given the opportunity to answer the allegations before a final decision is made
- informed as to the substance of any adverse comment that may be included in any report arising from the investigation
- his/her defence set out fairly in any report.

Where the allegations in a disclosure have been investigated, and the person who is the subject of the disclosure is aware of the allegations or the fact of the investigation, the PDC will formally advise the person who is the subject of the disclosure of the outcome of the investigation.

SV will give its full support to a person who is the subject of a disclosure where the allegations contained in a disclosure are clearly wrong or unsubstantiated. If the matter has been publicly disclosed, the CEO of SV will consider any request by that person to issue a statement of support setting out that the allegations were clearly wrong or unsubstantiated.

14. Criminal offences

SV will ensure officers appointed to handle protected disclosures and all other employees are aware of the following offences created by the Act:

1. It is an offence for a person to take detrimental action against a person in reprisal for a protected disclosure being made. The Act provides a maximum penalty of a fine of 240 penalty units* or two year's imprisonment, or both.
2. It is an offence for a person to divulge information obtained as a result of the

handling or investigation of a protected disclosure without legislative authority. The Act provides a maximum penalty of 60 penalty units* or six months imprisonment, or both.

3. It is an offence for a person to obstruct the Ombudsman in performing his responsibilities under the Act. The Act provides a maximum penalty of 240 penalty units* or two year's imprisonment, or both.
4. It is an offence for a person to knowingly provide false information under the Act with the intention that it be acted on as a disclosed matter. The Act provides a maximum penalty of 240 penalty units* or two year's imprisonment, or both.

15. Review

These procedures will be reviewed annually to ensure they meet the objectives of the Act and accord with the Ombudsman's guidelines.

NOTES:

- * **1 penalty unit = \$122.14** as at 1 July 2011 (for the 2011/2012 financial year).

Penalty units are set in the *Monetary Units Act 2004*, and are used to define the amount payable for fines for many offences. The rate for penalty units is indexed annually so that it is raised in line with inflation. Any change to the value of a penalty unit will happen on 1 July each year. The latest information on penalty units can be obtained at: www.ocpc.vic.gov.au

Appendix 9

Sustainability Fund allocations 2011–12

Projects overseen by Sustainability Victoria		
Organisation	Project	Funding support
Funding Program: Roadside Litter grants program – Round 2		
Calder Regional Waste Management Group	CHILI Squad – Calder Highway Illegal Dumping and Litter Investigation Squad	\$50,000
Resource GV (Goulburn Valley Regional Waste Management Group)	Act on tourism litter in northern Victoria	\$30,000
Cardinia Shire Council	Keep Cardinia Clean	\$26,345
NevRwaste (North East Victorian Regional Waste Management Group)	Secure your load or secure a fine	\$26,322
NevRwaste (North East Victorian Regional Waste Management Group)	Take Away Litter campaign	\$18,500
Parks Victoria	Roadside Recycling Trailer	\$10,282
City of Greater Dandenong	Keep Railway Parade litter free	\$10,200
Yarra Ranges Council	Enforcement – Roadside Litter Surveillance Cameras	\$6,975
Funding Program: Beyond Waste Fund grants program – Round 1 (previously managed by EPA)		
Western Health	A financial, environmental and microbiological assessment of reusable versus single use plastic anaesthetic circuits	\$18,320
City of Whittlesea	Food Industry Beyond Waste Project	\$166,200
Geelong Manufacturing Council & HLB Mann Judd	Geelong Regional Collaborative Beyond Waste Network	\$402,700
Insights to Excellence (i2e) Ltd	Beyond Waste Insights	\$45,000
Burbank Australia Pty. Ltd.	Target Zero Waste Home Construction	\$298,000
City of Greater Dandenong	SEBN Transport Packaging Waste Minimisation project	\$50,000
Metricon Homes Pty Ltd	Waste stream analysis of home design and construction, and the elimination of material waste.	\$200,000
RMIT University	A Supply Chain Management Framework for Waste Minimisation for the Residential Sector	\$112,480
Victorian Employer's Chamber of Commerce and Industry (VECCI)	SME Waste Audits – Research	\$55,000
Restaurant and Catering Association (Australia)	Green Table Waste Reduction Pilot Program	\$94,601

Projects overseen by the Department of Sustainability and Environment		
Organisation	Project	Funding support
Funding Program: Communities for Nature grants program – Round 1		
Surf Beach Sunderland Bay Coastcare	Surf Beach to Sunderland Bay Coastal Boardwalk	\$25,000
Neerim District Progress Association	Neerim South Wetlands Habitat Creation Project	\$96,485
Greening Australia (Vic) Ltd	Marlay Point Woodland Restoration	\$128,513
Friends Of Tyers Park Incorporated	Willow Control, Tyers River	\$70,000
Phillip Island Conservation Society Incorporated	Protection of Moonahs through Erosion Control, Appley Ave, Red Rocks, Phillip Island	\$13,000
South Gippsland Landcare Network	Habitat For Life – Friends of Strzelecki Koalas	\$600,000
Yarram Yarram Landcare Network	Jack and Albert River Restoration Project (JARR)	\$600,000
East Gippsland Landcare Network Incorporated	Enhancing Threatened EVC's in a Disturbed Landscape	\$125,250
East Gippsland Rainforest Conservation Management Network	Preserving Kalimna Gully Rainforest	\$33,055
Friends Of Cape Liptrap Peninsula Including Bald Hill And Kings Flat Reserves	Reconstruction of sections of the Walking Trail at Bald Hill Reserve	\$9,900
Rhyll Coast Action Inc	The Mirror Bush Project	\$9,710
Friends Of Tarra Bulga National Park Incorporated	Rehabilitation of Sycamore Maple Infestation Site at Tarra Bulga	\$9,960
Wonthaggi Urban Landcare Group	Enhancing Historic Tank Hill	\$10,000
Community College Gippsland Ltd	McMillan Creek Restoration	\$10,000
Rutherglen Landcare Group	Indigo Feral Olive Control Program	\$96,000
Regent Honeyeater Project Inc	Habitat Restoration for Threatened Species – People Power In Action	\$30,000
High Country Rail Trail Steering Committee	Extending The High Country Rail Trail Wildlife Corridor	\$100,930
Broken Boosey Conservation Management Network	A Blueprint For Woodland Birds In The Broken Boosey	\$599,640
Yea Wetlands Committee Of Management	Yea Wetland Weed Whackers	\$25,050
Farm Trees And Land Association Inc Upper Ovens Valley Landcare Group	Riparian Restoration – Upper Ovens River	\$149,650
Violet Town Action Group Incorporated	Implementing Stage 2 of The Honeysuckle Recreational Environment Project	\$185,090
Strathbogie Ranges Conservation Management Network Inc.	Strathbogie Ranges: Farm Wetlands For Threatened Woodlands	\$137,355
Parklands Albury Wodonga Limited	Restoring Nationally Significant Murray River Wetlands And Floodplains	\$149,000
Greta Valley Landcare Group	Habitat Linking in the Greta Valley	\$59,615
Kiewa Catchment Landcare Group	Boosting Baranduda Biodiversity	\$149,665
Euroa Environment Group Inc	Seven Creeks Restoration Project	\$385,000

Appendix 9

SUSTAINABILITY FUND ALLOCATIONS 2011–12

Organisation	Project	Funding support
Body Corporate Strata Plan No 300166	Environmental Weed Removal From Sunday Creek	\$4,350
Broken River Environment Group Inc.	Goomalibee Pilot Macrofauna Baseline Survey	\$10,000
Wallan Environment Group	Wallan Crown Land Reserve Weed Removal And Flora Enhancement Project	\$7,750
Body Corporate Strata Plan No 300166	Lyndale Park Management Committee – Small Grant	\$9,900
Mid-Loddon Sub-Catchment Management Group	Mid Loddon-Cmn's Shelbourne Nature Conservation Reserve Restoration	\$140,770
Harston Community Land Care Group Incorporated	Stockyard Plain Wetland Community Project	\$119,504
Cohuna Neighbourhood House	Revegetation Of Gilrole Park Cohuna 3568	\$89,840
Connecting Country (Mt Alexander Region) Inc.	Enabling Woodland Birds To Thrive In The Mount Alexander Region	\$150,000
Whroo Goldfields Conservation Management Network	Yellow Gums And Goldfields-Nectar For Whroo's Woodland Birds	\$596,840
Sustainable Living In The Mallee	Nyah West Road Reserve Enhancement And Protection	\$80,200
St Mary's School Lancefield	St Mary's Primary School Revegetation Project	\$9,260
Post Office Hill Action Group	Chewton Community Working Together To Improve Chewton's Post Office Hill	\$9,900
Baynton Sidonia Landcare Group	Species Protection And Diversification Plus Understory Focus In Baynton, Sidonia	\$6,000
Nyah West Golf Club Incorporated	Nyah West Golf Club Environmental Improvement And Biodiversity Conservation	\$10,000
Sunraysia Institute Of Tafe	Building Capacity Knowledge For Revegetation	\$10,000
Castlemaine Landcare Group	Moonlight Creek Stage 2 Rehabilitation	\$4,702
Friends Of Campbells Creek	Campbells Creek – Streamside Rehabilitation At Winters Flat	\$5,285
Newham & District Landcare Group	Hanging Rock Revegetation Project	\$5,310
Nyah West Landcare Group Incorporated	Nyah West Landcare Group Rabbit Ripping Project	\$10,000
Friends Of Steele Creek Inc	Restoration Of Steele Creek: Stream Bank Shrubland: Stage 2	\$27,198
Merricks Beach Foreshore Committee Of Management Inc	Weed Removal From Escarpment To Allow Threatened Indigenous Plants To Flourish And Revegetation Where Appropriate	\$17,000
La Trobe University	La Trobe University Biodiversity Trail	\$120,000
National Trust Of Australia (Victoria)	Endeavour Fern Gully Rehabilitation And Revegetation Project	\$150,000

Organisation	Project	Funding support
Flinders Christian Community College Inc	Flinders Christian Community College Biodiversity Enhancement Project	\$32,225
Round The Bend Conservation Co-Operative Ltd.	Framework For Strategic Action: Weeds	\$10,240
Mornington Peninsula And Western Port Biosphere Reserve Foundation Ltd	The Biolink Challenge – Community Actions For Western Port	\$143,100
Friends Of Merri Creek Incorporated	Galada Tamboore Grassland And Escarpment Restoration: Bringing The Management Together	\$150,000
Dromana Foreshore Committee Of Management Incorporated	Dromana Foreshore Fern Recovery	\$21,000
Friends Of Birdsland	Monbulk Creek/Birdsland Rehabilitation Project, Stage 1	\$19,685
Bentleigh West Primary School	Locals Creating Wildlife Passages	\$28,320
Strathallan Golf Club Incorporated	Strathallan Golf Club Stormwater Capture And Filtering Project	\$43,000
Friends Of The Eltham Copper Butterfly	Pulling Back From The Brink: An Action Plan For The Eltham Copper Butterfly	\$459,210
Friends Of Leadbeater's Possum Inc.	Community Supported Habitat Enhancement To Help Save Leadbeater's Possum	\$67,356
Wurundjeri Tribe Land Compensation Cultural Herit Age Council Inc.	Cultural Environment Connections At The Bend Of Islands	\$25,000
Australian Trust For Conservation Volunteers	Woodlands Community Grassland For Endangered Eastern Barred Bandicoot Recovery	\$524,972
Crib Point Stony Point Foreshore Committee Of Management Inc	Protecting The Biodiversity Of Crib Point Foreshore Reserve	\$44,900
Merri Creek Management Committee Inc	Reversing The Decline Of Microserris Scapigera In The Merri Catchment	\$149,247
Moreland Energy Foundation Ltd.	Moreland Biodiversity Corridors, Creeks And Streets	\$149,500
Emu Plains Racecourse And Recreation Reserve Incorporated	Emu Plains Reserve Weed Management Project	\$100,000
Friends Of Emerald Lake Park Inc.	Emerald Lake Park Vegetation Management Project	\$600,000
Australasian Native Orchid Society Incorporated	Diuris Fragrantissima Recovery And Plains Grassland Rehabilitation, Laverton Grasslands	\$38,264
Habitat Restoration Fund	Restoration Of Waterholes Creek For Endangered Flora And Fauna	\$56,000
Southern Ranges Environment Alliance	Puffing Billy Tracks Management Plan – Green Tracks	\$147,000
Friends Of Merri Creek Incorporated	Continuing And Extending Golden Sun Moth Density And Habitat Quality Surveys	\$138,374
Dunmoochin Landcare Group Incorporated	Nillumbik's Conservation Corridors	\$599,134

Appendix 9

SUSTAINABILITY FUND ALLOCATIONS 2011–12

Organisation	Project	Funding support
Australasian Native Orchid Society Incorporated	Caladenia Robinsonii, Damp Sands Herb-Rich Woodland/Healthy Woodland Recovery	\$37,908
Friends Of Williams Road Beach	Ongoing Restoration Of Williams Road Beach – Friends And Mentored Community	\$8,103
Hogan Park (Emerald) Committee Of Management Inc.	Hogan Park Environment Enhancement Project	\$10,000
Mornington Railway Preservationsociety Inc.	Protection Of Diuris Punctata Orchid, Mornington Tourist Railway 2012	\$6,400
Wurundjeri Walk Advisory Committee	Wurundjeri Walk Biodiversity Project	\$2,181
Melbourne Girls College	Defragmenting Habitat Along The Yarra River	\$10,000
Friends Of Edgars Creek	Edgars Creek Remnant Indigenous Vegetation Protection And Enhancement	\$5,146
Montmorency South Primary School	Montmorency South School Community Bushland Regeneration Project	\$9,750
Bellbird Dell Advisory Committee	Bellbird Dell Weeding Program	\$10,000
Copperfield College	Grassland Habitat Garden	\$10,000
Bittern Bushland Preservationassociation Incorporated	Community Engagement And Habitat Protection For Threatened Orchids Of Crib Point	\$10,000
Friends Of Westgate Park Inc.	Restoring Native Vegetation At Westgate Park To Improve Biodiversity Using Community Volunteers	\$8,000
Christmas Hills Landcare Group	Woody Weed Control To Improve The Habitat Quality Of Remnant Vegetation In Christmas Hills	\$9,218
Westbourne Grammar School	The Promenade Habitat Restoration Program	\$6,213
Friends Of The Williamstown Wetlands Inc.	Path To The Birds	\$10,000
Friends Of Sherbrooke Forest Inc.	Rehabilitation Of Yanakie	\$10,000
Dromana Foreshore Committee Of Management Incorporated	Dromana Foreshore Rehabilitation Program	\$3,585
Scoresby Primary School	Scoresby Primary School – Championing Biodiversity Within School Grounds	\$9,370
Williamstown High School	Williamstown High School Wetland Revival	\$30,000
Friends Of The Maribyrnong Valley Incorporated	Maribyrnong Valley Parklands Serrated Tussock / Chilean Needle Control Stage 1	\$4,800
Leigh Catchment Group	Back From The Brink – Communities Growing To Saving Their Landscapes	\$126,103
Bellarine Landcare Group Inc.	Building The Resilience Of The Bellarine Ramsar Sites	\$133,875

Organisation	Project	Funding support
Camperdown-Timboon Rail Trail Management Committee Incorporated	Protection Of Pneumatopteris Pennigera (Lime Fern) On The Camperdown Timboon Rail Trail	\$23,850
Project Platypus Association Inc	Saving The Platypus In The Upper Wimmera Catchment	\$78,000
Ballarat Environment Network Inc.	Management Of The BEN Biodiversity Reserves	\$149,147
Laharum Landcare Group	Laharum Landcare Group (Member Of Victorian Farm Tree & Landcare Association Inc.)	\$314,000
Lake Cartcarrong Committee Incorporated	Enhancing Lake Cartcarrong Biodiversity	\$24,136
The Lismore Land Protection Group	Protecting And Enhancing The Biodiversity Values Of The Lismore Region	\$308,130
Rokewood Cemetery Trust	Fencing And Protection Of Native Vegetation Within Rokewood Cemetery Extension	\$19,937
Dowling Forest Cemetery Trust	Communities For Nature	\$18,643
Mount Elephant Community Management	Community Enhancement Of Mount Elephant Scoria Cone Biodiversity Values	\$149,574
Point Danger Committee Of Management	Point Danger Coastal Heathland Protection And Regeneration Project	\$10,000
Southern Otway Landcare Network	Sunnyside Wildlife Corridor	\$9,990
Avoca & District Landcare (A&DI)	Preparing, Propagating And Planting Eucalyptus Pyrenean In The Pyrenees	\$6,430
Nelson Reserves Committee Of Management Inc	Flora/Fauna Management – Protection And Restoration Of Riverside Reserve	\$10,000
Wattle Flat-Pootilla Landcare Group	Biodiversity Enhancement On The Upper Yarrowee River (Phase 2)	\$9,860
Friends Of Ralph Illidge Sanctuary Inc	Naringal Powerful Owl Nest Box Project	\$7,150
Landsborough Landcare Group	L.B.L.C.W.M.P	\$9,950
Bannockburn Cemetery Trust	Environmental Weed Control At Bannockburn Cemetery	\$3,259
Ocean Grove Coastcare Inc	Enhancing And Protecting Coastal Moonah Woodland For Improved Biodiversity Outcomes	\$10,000
Alvie Tree Planters	Red Rock Reserve Revegetation	\$4,940
Friends Of Edwards Point Reserve Inc	Edwards Point Nature Conservation Reserve Revegetation And Weed Removal	\$9,100
South West Coast Network Inc	Natural Assets: Women In The Environment	\$9,240
Warracknabeal Special Developmental School	Environmental Weed Control Of The Yarriambiack Creek Warracknabeal	\$5,310

Appendix 9

SUSTAINABILITY FUND ALLOCATIONS 2011–12

Organisation	Project	Funding support
Anglesea Aireys Inlet Society for the preservation of Flora and Fauna	Edna Bowman Flora Reserve Understorey Restoration	\$5,100
Batesford Fyansford Stonehaven Landcare Inc.	Restoration Of Dog Rock Sanctuary	\$10,000
Natimuk Pre School Centre	Red-Tailed Black Cockies For Kids – Embracing Early Learning Principles For Conservation	\$3,329
Friends Of Tower Hill	Habitat Restoration At Tower Hill Wildlife Reserve	\$10,000
Friends Of Griffiths Island	Bio-Diversity Revegetation Trial – Griffith Island	\$4,911
Friends Of Grass Tree Park	Grass Tree Park Restoration Works	\$5,625
East Otway Landcare Group	Enhancing The Bamba Wetlands	\$4,000
Birregurra Community Group	Birregurra Parkland Creek Restoration	\$8,370
Projects overseen by the Metropolitan Waste Management Group		
Funding Program: Metropolitan Waste and Resource Recovery Fund grants program – Round 1		
Melbourne City Council	Improving recycling in high rise residential buildings	\$175,635
Melbourne City Council	Public housing recycling service trial	\$49,400
Boroondara	Schools as gateways to community behaviour change on waste	\$187,500
Cardinia	'Halve Your Waste' (education campaign promoting waste reduction options including home composting)	\$150,000
Darebin	Flexible plastic kerbside recycling trial	\$60,000
Monash	Recycling Education Program	\$53,120
Monash	Waste and recycling education program for culturally and linguistically diverse communities, including Chinese, Indian and Greek communities	\$33,343
Bayside	'Zero Food Waste to Landfill' (trialling the use of new 'Green Cone' composting units in the community)	\$50,110
Kingston	'Who's Eating Your Scraps?' campaign' (food waste reduction and home composting campaign)	\$20,688
Moonee Valley City Council	Residential resource recovery program	\$24,250
Moonee Valley City Council	Moonee Valley Waste Audit Program	\$5,000

Organisation	Project	Funding support
Funding Program: Metropolitan Waste and Resource Recovery Fund grants program – Round 2		
Darebin City Council	Collection and Recycling of Used Mattresses	\$58,000
Knox	Collection and Recycling of Used Mattresses	\$215,000
Casey	Collection and Recycling of Used Mattresses	\$97,000
Melbourne City Council	Degraves Street Food Waste + Recycling Project	\$223,000
City of Yarra	Bin Lid Standardisation Pilot	\$20,000
City of Yarra	Neighbourhood Based Community Compost	\$242,000
Banyule	Districts + Lifestyles + Avoiding Waste	\$25,000
Hume	Transfer Station Drop Sort Pad Upgrade	\$169,417
Darebin	Maximising diversion from hard waste and streetscape collections	\$18,500
City of Yarra	Resource Recovery in multi-unit dwellings	\$25,000
Maroondah	Solutions to waste management in multi-unit dwellings	\$18,000
Darebin	Construction of a Waste Recovery Platform	\$80,000
Frankston	Halve Your Waste Challenge	\$215,000
Casey	Casey Composting Communities	\$74,077
Greater Dandenong + Frankston	Multi-unit dwelling Contamination + Recycling	\$18,000
Maribyrnong + Boroondara + City of Yarra	C+I Landfill Waste Avoidance Project	\$62,400
Whitehorse	Composting + Food Waste Avoidance	\$82,000
Brimbank	Be a Brimbank Gem	\$40,000
Strategic allocations		
Sustainability Victoria	Regional organics strategy	\$2,500,000
Sustainability Victoria	Organics market development	\$500,000
Sustainability Victoria	Resource recovery infrastructure	\$6,500,000
Sustainability Victoria	RWMGs support package	\$3,000,000
Sustainability Victoria	Driving Investment in New Recycling	\$5,000,000
Metropolitan Waste Management Group	Metropolitan organics strategy	\$3,300,000
Environment Protection Authority	Rural landfill improvement package	\$500,000
Environment Portfolio	Further details will be provided on the remaining Waste and Resource Efficiency initiatives to commence in 2012–13.	\$19,925,000

Appendix 10

CHAIR'S RISK ATTESTATION

Appendix 10

Chair's risk attestation

Level 28
Urban Workshop
50 Lonsdale Street
Melbourne Victoria
3000 Australia

T +61 3 8626 8700
F +61 3 9663 1007
sustainability.vic.gov.au
ABN 62 019 854 067

Sustainability
victoria



Sustainability Victoria

Risk Attestation

I, Gillian Sparkes certify that Sustainability Victoria has risk management processes in place consistent with AS/NZS ISO 31000:2009 and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures.

The Audit and Risk Committee verifies this assurance and that the risk profile of Sustainability Victoria has been critically reviewed within the last 12 months.

A handwritten signature in black ink, appearing to read 'G Sparkes'.

Dr Gillian Sparkes
Chair
Sustainability Victoria

Melbourne
21 August 2012

For further information visit
sustainability.vic.gov.au

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