

Managing fire risk at resource recovery facilities: Action Plan



Introduction

The Victorian Government will undertake a series of measures to reduce the risk of fires at facilities that store combustible recyclable and waste materials.

After a significant fire at SKM Recycling's Coolaroo resource recovery facility on 13 July 2017 that lasted 20 days, the Victorian Government established a Resource Recovery Facilities Audit Taskforce and increased the Environment Protection Authority's (EPA's) powers to regulate these facilities.

During the fire, nearby residents were evacuated from their homes, four people were hospitalised, and 12 required medical attention. EPA's new powers enable regulation of the management of fire risk, to protect the Victorian community and environment from the risks of fire at resource recovery facilities.

The Taskforce was made up of government agencies with expertise in regulation and fire management. It identified and profiled known sites storing combustible recyclable and waste materials (CRWM) in Victoria, and inspected those of high risk.

The Taskforce has jointly inspected many of the highest risk sites, using EPA's new powers to lift safety standards at resource recovery facilities. There is still work to be done to further lift standards to protect the Victorian community so this intensive inspection regime will continue until at least 2020.

There is broader work required to ensure a safe and effective resource recovery industry in Victoria. The Taskforce reported to the Minister in December 2017, and the actions outlined below are based on the work of the Taskforce and its findings from inspecting over 100 sites. A summary of the Taskforce's findings, outlining further background for these actions, is available [here](#).

The focus on fire risk at waste and recycling facilities has coincided with significant changes to markets for recovered resources. China has progressively restricted imports of recyclable materials, which has had flow-on effects on Australian markets. One of these effects has been increased stockpiling of recyclable materials while new markets are found. In response to changes in market conditions, the government has developed a Recycling Industry Strategic Plan to ensure long term stability of the recycling industry in Victoria. The Strategic Plan provides further context on work being undertaken to improve markets for recovered materials and is available [here](#).

The Victorian Government's primary objective is to ensure that our recycling industry continues to thrive and operates safely. We are focusing on changing practices within the waste and recycling industry, to minimise fire risk at facilities that store CRWM. This is now more important than ever.

Improving community safety and protecting the environment has already begun, through the work of the Taskforce, which is regularly visiting recycling premises, working closely with businesses to make improvements, and enforcing EPA's new powers. This has improved knowledge and risk management standards within the recycling industry, to guard against fire risks. The Victorian Government ultimately wants to lift standards – whether through enforcement of a regulatory framework or leadership from within industry itself, or a combination of the two.

1. Regulation of sites

Action 1: Ensure an appropriate regulatory regime replaces the Interim Waste Management Policy

Lead agency: Department of Environment, Land, Water and Planning (DELWP)

EPA's power to regulate these sites was established through an Interim Waste Management Policy (WMP), which enables EPA to regulate sites that store CRWM. The objective of these regulatory powers is to ensure sites minimise fire risk, to enhance community safety and minimise environmental impacts. This includes minimising impacts to air quality and water quality that can result from fires and fire suppression activities.

An Interim WMP is a statutory instrument under the *Environment Protection Act 1970* that may be developed at short notice to respond to an emerging situation. Interim WMPs expire after 12 months, after which a more permanent instrument needs to be developed. This Interim WMP expires on 29 August 2018.

Work is currently underway to replace the Interim WMP with a longer-term WMP. The new WMP will operate in a similar way to the Interim WMP, but with improvements based on learnings of the Taskforce and input from thorough consultation with industry, government and community.

Action 2: Continue joint inspections of high-risk sites

Lead agency: EPA, fire services agencies

The Interim WMP and the new WMP provide EPA with the ability to take on a role it has not typically engaged in previously, which is the role of managing fire risk. To achieve this, EPA is working collaboratively with agencies that have expertise in fire management. By using EPA's strong expertise as a regulator and the fire management expertise of the Country Fire Authority (CFA) and Metropolitan Fire Brigade (MFB), the government has made significant progress engaging the recycling industry to better manage fire risk.

Using this collaborative approach, agencies have inspected over 100 high-risk sites, with EPA issuing 55 notices requiring remedial action. Many sites required multiple visits to ensure standards have been adequately lifted. This intense inspection regime has been important, given early findings by

the Taskforce that the industry was poorly prepared to manage these fire risks. Combining EPA's regulatory powers with the expertise of fire services agencies has been critical to ensuring significant change in industry practices.

The job is not yet done. EPA and fire services agencies will continue this approach, evaluating progress to determine required level of intensity, until at least 2020. As outlined in Action 4 below, by 2020, a broader review of the regulatory framework will have been completed, and will inform how regulation of these sites should continue.

2. Hazards for first responders

Action 3: Implement requirements for buildings that store large quantities of CRWM to ensure firefighters are aware of the hazards associated with the stored material.

Lead agency: EPA

The Taskforce noted hazards for firefighting personnel responding to fires at sites that store CRWM. When CRWM is stored inside buildings, the hazards and associated risks are not immediately visible to first responders.

The Victorian Government will improve safety for first responders by requiring buildings that contain large quantities of CRWM to display signs at the entrance, to give firefighters early warning of the site's contents. We will also ensure there is appropriate information in the red Emergency Information Book (EIB) at the entrance to sites. This will enable first responders to understand the nature, location and potential inventory of material, fire protection arrangements, emergency contact information and other resources available. This is particularly important if the facility is unattended.

Sharing information with the fire services, facilitated through Action 8, will also inform response planning, reducing overall risks to firefighters.

3. Industry leadership

Action 4: Encourage and support industry leadership in better site management, including managing fire risks.

Lead agency: DELWP

Improving site management at resource recovery facilities is not just a task for state government. The waste and recycling industry has a significant interest in better managing fire risk – particularly given that a fire will put a business's operations on hold for days to weeks, result in a cost to reputation, and incur significant clean-up costs for businesses and their insurers. A well-regulated, safely run industry is more readily insurable. There is an opportunity for industry to take leadership to improve its own practices, and industry has shown enthusiasm for leadership in meeting this challenge.

The Victorian Government will continue to work with industry and peak bodies to capitalise on this enthusiasm and encourage industry leadership. Providing clear expectations on how CRWM is to be stored and managed is an important aspect of this support. In addition, the Victorian Government will support industry associations to play their full part to improve industry practices through measures such as:

- introducing an accreditation system
- developing and delivering training
- undertaking contingency planning within their industry
- considering the role of a Code of Practice for Recycling and Resource Recovery.

Action 5: Review and update the Guideline, Management and Storage of Combustible Recyclable and Waste Materials (EPA publication 1667.1)

Lead agency: EPA

The Interim WMP sets the obligation for industry to manage fire risk at sites that store CRWM, and establishes the powers of EPA to enforce that obligation. To support this and make it clear to industry what it needs to do in practice, a Guideline, Management and Storage of Combustible Recyclable and Waste Materials (EPA publication 1667.1), was developed. The Guideline provides

meaningful and practical guidance to industry on best practices, minimum standards for site selection, stockpiling methods and provision of safety equipment to minimise the risk of fire at a site.

EPA and the fire services agencies developed this Guideline rapidly to respond to the immediate need for fire risk management that became clear following the Coolaroo fire. The development of this Guideline considered similar international guidance, and input and advice from the various stakeholders. Since its development, the Taskforce has learnt a lot through its audits of sites and further engagement with industry.

Work is underway to update this Guideline, and the revision will be published later in 2018. EPA and fire services agencies have consulted with industry, government and communities to learn from the Guideline's first year of operation. Those consultations have also been a valuable opportunity to inform industry about fire safety expectations, and how EPA and the fire services will assess sites.

4. Regulatory framework

Action 6: Undertake a broad assessment of the regulatory framework governing fire risk at sites that store CRWM, including role of EPA, capacity of government agencies and role of local governments.

Lead agency: DELWP

The Taskforce initially found regulatory gaps in the framework to manage the fire risk of CRWM. This gap was filled in the short term by the Interim WMP, and this will continue with the new WMP referred to in Action 1.

As outlined in Action 2, using EPA as the regulatory authority for managing these risks requires collaboration with fire services agencies, as EPA does not have fire risk management expertise.

Over the next 12 months, Victorian Government will further strengthen this collaborative arrangement in the context of the existing broader regulatory framework for managing these fire risks, which includes:

- requirements under the *Building Act 1993* for fire safety measures in buildings

- powers under the *Country Fire Authority Act 1958* and *Metropolitan Fire Brigades Act 1958* to issue fire protection notices
- occupational health and safety laws
- land use planning controls under the *Planning and Environment Act 1987*, including conditions of planning permits requiring appropriate fire management and prevention
- existing environment protection legislation, and
- planned reforms to the *Environment Protection Act 1970*.

Local government plays an important role in the regulatory framework, implementing many of these regulatory controls. This role will be considered as part of this review, particularly with respect to resourcing and operational variation across local councils. The Victorian Government will work closely with local government on this.

Consideration will be given to whether using an EPA-enforced WMP is the best way to manage fire risk at these facilities in the future, or if there are other more streamlined and effective options for achieving this. The Victorian Government will consider whether it boosts the fire management expertise of EPA, boosts the regulatory role and capacity of emergency services agencies, local government and other regulatory bodies, or combines these approaches.

Of critical importance to this review is the planned reforms to the *Environment Protection Act 1970*, which is scheduled to be introduced to Parliament in 2018. We must consider how the new Act will interact with the current regulatory regime, and how EPA's role in managing fire risk aligns with the new environment protection framework.

A report outlining the review of the regulatory framework will be developed within 12 months. This will include actions to ensure that regulatory settings, and the capacity of those enforcing them, are operating as effectively as possible to manage fire risk at these facilities.

5. Land use planning considerations

Action 7: Ensure the land use planning system supports community safety by incorporating specialist advice about management of fire risk in decisions.

Lead agency: DELWP

The land use planning system has an important role in ensuring new sites intending to store CRWM incorporate the requirements of emergency and environmental agencies. We will seek to strengthen these requirements in the land use planning system by:

- Considering roles for referral authorities, such as EPA, CFA and MFB, for planning matters related to sites that handle CRWM. This can ensure that applications are considered by those specialists with the skills and knowledge to determine the adequacy of fire safety measures on site.
- Ensuring coordination and agreement between referral authorities on planning proposal decisions.
- Referencing the Guideline, Management and Storage of Combustible Recyclable and Waste Materials (EPA publication 1667.1) in the Victorian Planning Provisions, so that both permit applicants and responsible authorities understand the recommendations of the Guideline early in the planning process.
- Considering how appropriate management of fire risk can be incorporated into land use outcomes by all decision-makers, including the Victorian Civil and Administrative Tribunal (VCAT).
- Considering opportunities to review existing sites handling CRWM where their initial planning permits did not consider new fire management requirements, or were not required to have planning permits because they were established before the planning legislation came into effect.

The role of the land use planning system will be considered in the context of the broader regulatory framework for managing fire risk at these sites, informed by the review of the regulatory framework in Action 6.

6. Information

Action 8: Improve information available to government and communities for better regulating and managing risk of fire at facilities storing CRWM.

Lead agency: DELWP, EPA, Sustainability Victoria (SV)

Enforcement of any regulatory framework is only as good as the information available. The Victorian Government will consider ways to improve the information available to regulators, including:

- introducing requirements to track and report waste movements
- developing standards and standard agreements for sharing sensitive data across government agencies
- sourcing high-quality aerial or satellite imagery with state-wide coverage and minimum monthly updates, available to all government agencies
- maintaining the information on resource recovery sites and businesses collated by the Taskforce, to monitor the industry's risk profile and continue to build the evidence base for taking regulatory action.

Government will also consider how information about these risks can be most effectively shared with communities that may be affected by such impacts. The Victorian Government is committed to environmental justice and the principles of inclusion and equity. The government is actively exploring environmental justice in Victoria, given our unique history, geographies, communities and industries. Extreme risk sites will be referred to the relevant Regional Fire Management Planning Committee to take a coordinated and localised planning approach to prevent fires. This planning process will ensure tailored plans are in place that address community and environmental health and ensure that the community understands the risks.

7. Interaction with recycling market

Action 9: Develop commodity price data streams and a series of indicators or indices of local market volatility.

Lead agency: SV

Victorian and Australian waste-related markets and commodities have a significant impact on amounts of CRWM stored at sites. If prices for recyclable materials are low, businesses tend to stockpile materials until they rise again. Having better information available on these markets will assist to identify emerging risks of increased stockpiling.

SV is already compiling this information and developing relevant indicators to ensure government is aware of these patterns and associated risks.

Action 10: Expand current government initiatives to develop markets for recovered materials, including government procurement, and consider the role government has in supporting investment in recycling infrastructure.

Lead agency: SV

The resource recovery industry is characterised by a constant stream of incoming material. To ensure levels of stockpiling remain manageable, it is critical that there are either domestic markets for recycled material, or that there is infrastructure within the industry to process material to a standard that allows access to world commodity markets.

SV is already working on developing markets for recovered materials, through its Market Development Strategy for Recovered Resources. As outlined in the Victorian Government's Recycling Industry Strategic Plan, this action will be expanded to include additional research and development, increase government procurement of recycled materials, and actions to develop our circular economy.

8. Interaction with national arrangements

Action 11: Review the differences in regulatory frameworks in other Australian jurisdictions that might result in material being stockpiled in Victoria and implement preventative measures.

Lead agency: DELWP

The Victorian Government will work towards greater harmony between rules and arrangements in different jurisdictions to remove any incentive for stockpiling of recyclable materials in Victoria.

The Seventh Meeting of Environment Ministers (27 April 2018) was largely focussed on challenges associated with the recycling sector, with Ministers agreeing to a range of actions to better support our recycling industry. The June 2018 Meeting of Environment Ministers will also be focussed on waste and recycling matters. The Victorian Government will use this renewed national focus to seek opportunities to harmonise rules and arrangements across jurisdictions.

Action 12: Continue to advocate for national solutions to national issues facing the industry.

Lead agency: DELWP

The Victorian Government is actively working with other Australian jurisdictions, through forums including Meeting of Environment Ministers, to develop national solutions for the recycling sector, in particular market development. This includes advocating for a national circular economy, standards for use of recycled material in packaging and national data collection and alignment.

This action will be supported by collaboration with industry and government at the national level, to accelerate the design of products and packaging for sustainability, develop standards for products, and access foreign markets, as outlined in the Victorian Government's Recycling Industry Strategic Plan.

9. Contracts

Action 13: Consider improvements to government (including local government) standard contracts for waste service procurement to incorporate improved fire risk management and contingency planning.

Lead agency: Waste and Resource Recovery Groups

Local Government Victoria and Victoria's regional Waste and Resource Recovery Groups are working with local councils to improve standard contracts for waste service procurement. This will ensure that risks associated with changing market conditions are not felt disproportionately by one party, which is a factor that can lead to unmanageable stockpiling.

Supporting this, the Victorian Government's Recycling Industry Strategic Plan sets the vision and goals for kerbside recycling in Victoria, and outlines a suite of complementary actions that government will take in partnership with industry and local government.

10. Timing

Action	Now	18/19	19/20	20/21
1. Replace the Interim Waste Management Policy	█			
2. Continue joint inspections of high-risk sites	█	█		
3. Ensure firefighters are aware of hazards	█			
4. Encourage industry leadership	█			
5. Review and update the Guideline	█			
6. Broad assessment of the regulatory framework		█		
7. Strengthen the role of the land use planning system		█	█	
8. Improve information available		█	█	█
9. Develop indicators of local market volatility	█	█		
10. Expand initiatives to develop markets and infrastructure	█	█	█	█
11. Review other regulatory frameworks		█	█	█
12. Advocate for national solutions	█	█	█	█
13. Consider improvements to standard contracts	█	█		