

Earth Resources Regulation

Quarterly Performance Report

2018-19 Quarter 4

1st April to 30th June 2019



Jobs,
Precincts
and Regions



Summary

This report provides a summary of the operating performance for the fourth quarter of financial year 2018-19 (1st April to 30th June 2019).

Delivery of an improved regulation system:

- Stakeholder workshops were held to provide an update on planning reforms and implementation of the new notifications pathway for low risk changes to quarry and mine operations.
- Earth Resources Regulation acknowledged 10 notifications for low risk changes to the operation of mines and quarries.

Stand out performance indicators in Q4 :

KPI 1 - 100% of work plan stages for mines and quarries were assessed within statutory times.

KPI 2 - 147 operational compliance activities undertaken, above the target of 75.

KPI 3 - 100% of reportable incidents were responded to during this quarter.

KPI 4 - Earth Resources Regulation convened one scheduled Stakeholder Reference Group meeting.

KPI 5 - The time to respond to complaints took an average one business day.

Key Performance Indicator Reporting

Earth Resources Regulation is Victoria's earth resources regulator – our role includes granting rights to access resources, assessing works and setting controls for the extraction of resources, conducting compliance operations to ensure that authority holders fulfil their regulatory obligations, engaging with communities and stakeholders. We are committed to being an effective regulator.

Earth Resources Regulation is a unit of the Department of Jobs, Precinct and Regions (DJPR). The unit is guided by the department's compliance framework and policy. This whole-of-department policy requires regular performance measuring and reporting to demonstrate the effectiveness of Earth Resources Regulation's compliance activities. Earth Resources Regulation uses a range of indicators to monitor its activities and performance and publishes key performance indicators on its website on a quarterly basis. Public reporting of the data allows stakeholders to continue to monitor Earth Resources Regulation's performance.

KPI	High Level Indicators	Measurement	Target	Target period	Current Quarter	Previous Quarter	DJPR's compliance policy framework
KPI 1 Efficient Approvals Process	Percentage of licence applications assessed in statutory timeframe	%	95	Quarterly	70%	100%	Outputs/activities
	Percentage of Work Plan stages with Earth Resources Regulation assessed in statutory timeframe	%	95	Quarterly	100%	100%	Outputs/activities
	Percentage of tenement applications assessed within Client Service Standard timeframes where a statutory timeframe does not exist	%	95	Quarterly	92%	91%	Outputs/activities
KPI 2 Ensuring Compliance	Number of operational compliance activities undertaken per quarter	Number of activities	75	Quarterly	147	178	Inputs
KPI 3 Effective Incident Management	Percentage of reportable events that are responded to during the quarter	%	100	Quarterly	100%	100%	Short-term & long-term outcomes
KPI 4 Facilitation of Stakeholder Engagement	Earth Resources Regulation attendance at Environmental Review Committee meetings	%	100	Quarterly	92%	100%	Outputs/activities
	Number of Stakeholder Review Group meetings held by Earth Resources Regulation	Number of meetings	4	Annual	Achieved Target		Outputs/activities
	Number of Earth Resources Regulator Forums held by Earth Resources Regulation	Number of meetings	3	Annual	Achieved Target		Outputs/activities
KPI 5 Complaint Management	Average number of days to respond to complaints made by community against tenements	Business days	3	Quarterly	1	2	Outputs/activities

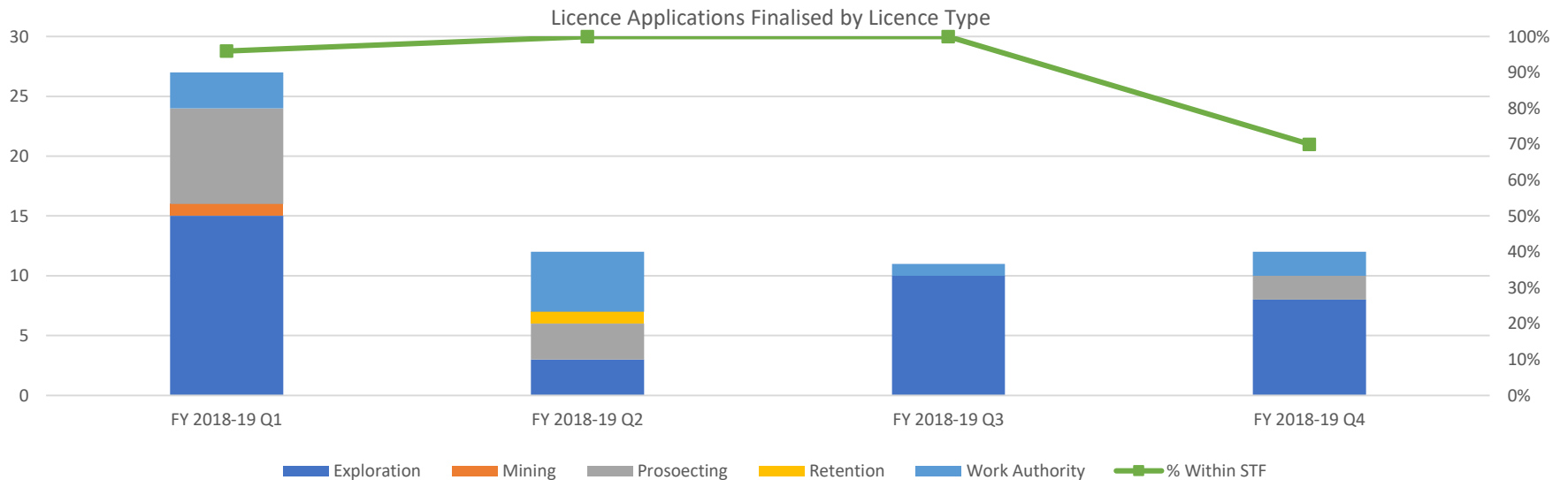
Licence Applications Finalised Within Statutory Timeframe

Quarter	Licence Type	STF (Target Days)	N/A STF	Over STF	Within STF	Total (Over + Within STF)	% Within STF/ Total
FY 2018-19 Q4	Exploration Licence	90	N/A	3	5	8	63%
	Prospecting Licence	90	N/A	0	2	2	100%
	Work Authority	N/A	2	0	0	0	N/A
	Total		2	3	7	10	70%
FY 2018-19 Q3	Exploration Licence	90	N/A	0	10	10	100%
	Work Authority	N/A	1	0	0	0	N/A
	Total		1	0	10	10	100%

Explanation for the result:

In Q4 seven out of ten applications were finalised within the Statutory Time Frame (STF). Three exploration licences were granted after the statutory timeframe to provide more time for consultation with local community members and applicants.

There were two Work Authority applications finalised during the quarter.



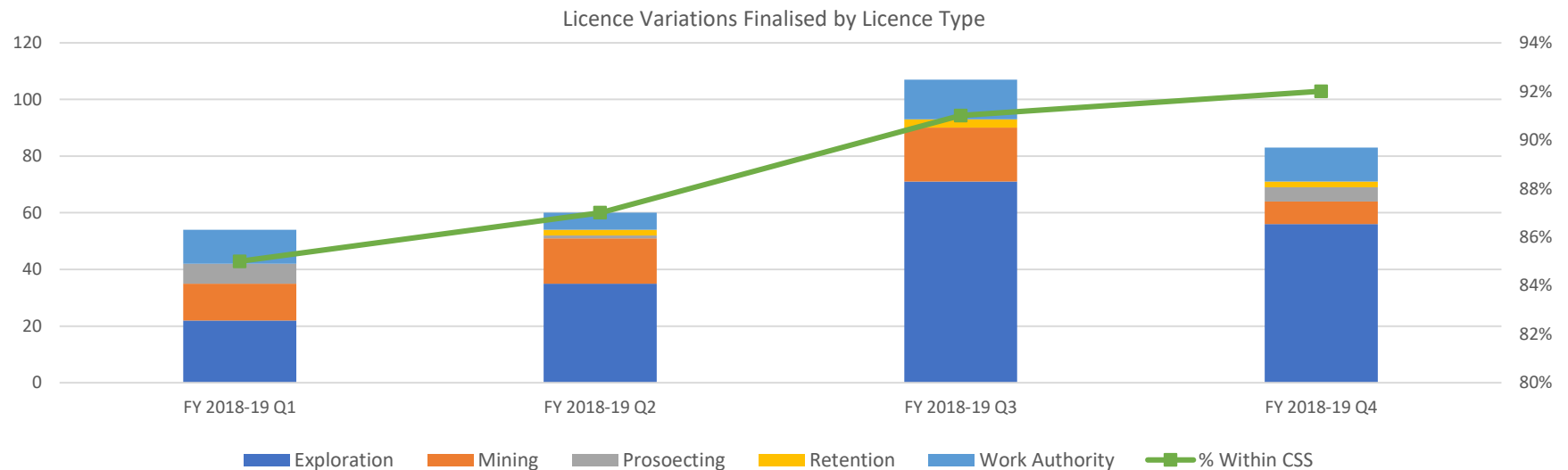
Licence Variations Finalised (Client Service Standard – CSS)

Quarter	Licence Type	CSS (Target Days)	Over CSS	Within CSS	Total (Over + Within CSS)	% Within CSS/ Total
FY 2018-19 Q4	Exploration Licence	90	3	53	56	95%
	Mining Licence	120	1	7	8	88%
	Prospecting Licence	90	0	5	5	100%
	Retention Licence	120	0	2	2	100%
	Work Authority	30	3	9	12	75%
	Total			7	76	83
FY 2018-19 Q3	Exploration Licence	90	4	67	71	94%
	Mining Licence	120	2	17	19	89%
	Retention Licence	120	0	3	3	100%
	Work Authority	30	4	10	14	71%
	Total			10	97	107

Explanation for the result:

In Q4 92% of the licence variations were completed within the client service standard (CSS) (ie the measure where no statutory time frames exist). It is the highest percentage of completion within client services standard in the last four quarters.

Earth Resources Regulation began reporting on the client service standard in July 2017. This indicator measures how well the department meets its client service standard when processing licence variation approvals.



Work Plans Stage Performance (Statutory Time Frame)

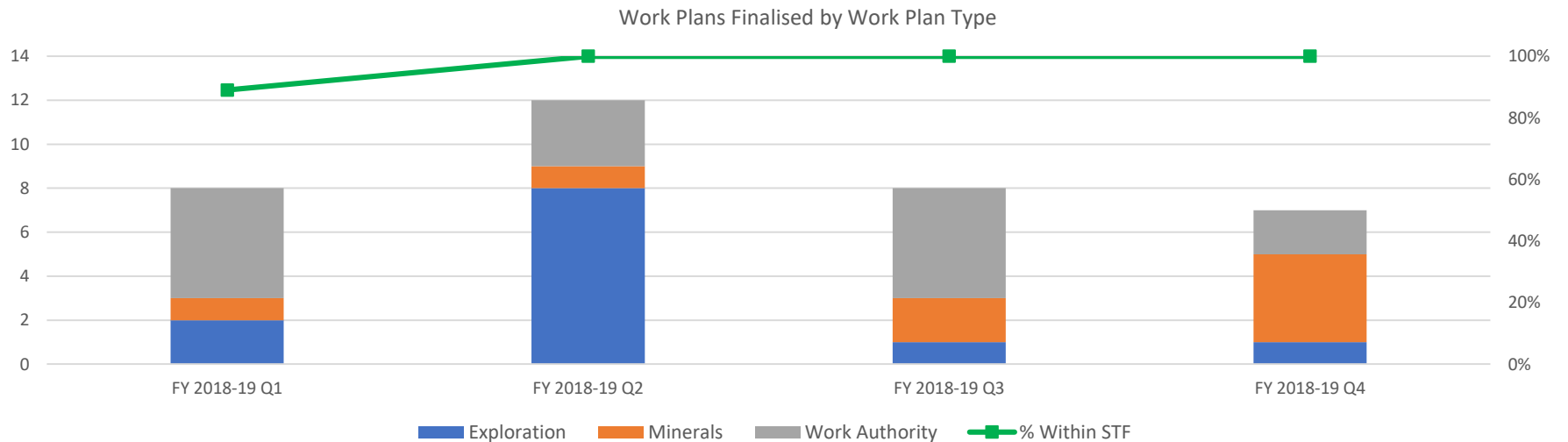
Explanation for the result:

In Q4 Earth Resources Regulation assessed 43 work plan stages for 28 unique work plans, of which 100% were assessed within the stage’s statutory timeframe. Seven work plans were finalised in the quarter.

Why are these measures important?

Earth Resources Regulation strives for a consistent and transparent approvals process, balancing efficiency but maintaining the rigour required for comprehensive assessment, consistent with the legislation.

Quarter	Work Plan Type	WP Finalised	Unique WP under assessment	Stage STF (Target Days)	Stages Over STF	Stages Within STF	Total stages	% (Within STF/ Total)
FY 2018-19 Q4	Work Plan (Exploration)	1	2	28	0	2	2	100%
	Work Plan (Minerals)	4	6	28	0	13	13	100%
	Work Plan (WA)	2	20	28	0	28	28	100%
	Total	7	28		0	43	43	100%
FY 2018-19 Q3	Work Plan (Exploration)	1	2	28	0	2	2	100%
	Work Plan (Minerals)	2	7	28	0	11	11	100%
	Work Plan (WA)	5	19	28	0	24	24	100%
	Total	8	28		0	37	37	100%

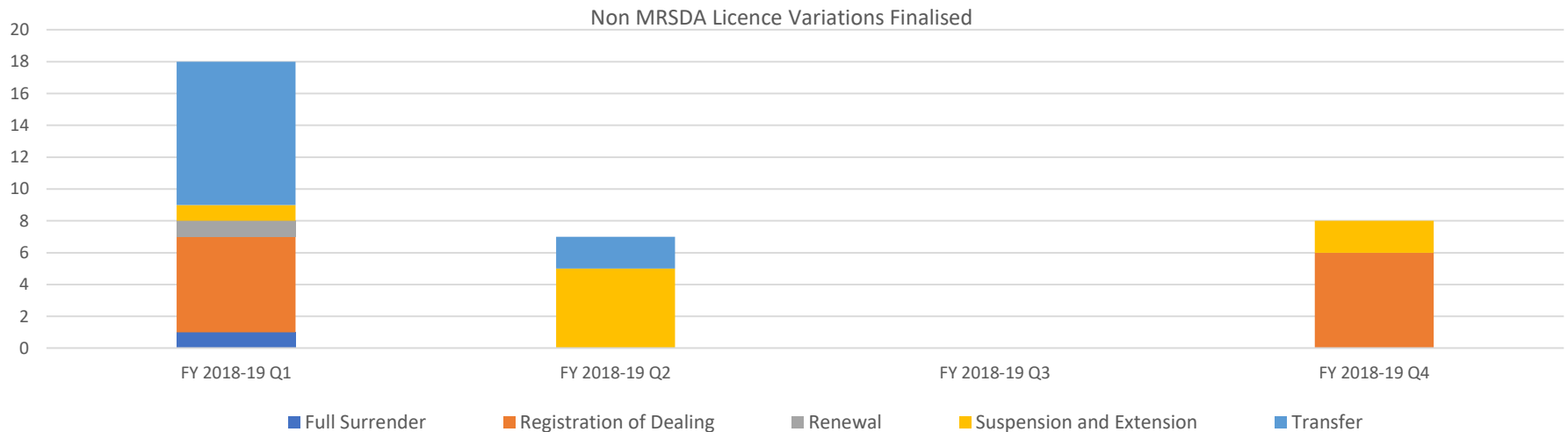


Non MRSDA Variations

Quarter	Licence Type	Full Surrender	Registration of Dealing	Renewal	Suspension & Extension	Transfer	Total
FY 2018-19 Q4	Offshore Petroleum Access Authority	0	1	0	0	0	1
	Offshore Petroleum Exploration Permit	0	1	0	0	0	1
	Offshore Petroleum Production Licence	0	1	0	0	0	1
	Offshore Pipeline Licence	0	1	0	0	0	1
	Onshore Petroleum Exploration Permit	0	1	0	2	0	3
	Onshore Petroleum Special Drilling Authorisation	0	1	0	0	0	1
			0	6	0	2	0

Explanation for the result:

There were eight Non MRSDA licence variations finalised in Q4, six for Registration of Dealing and two for Suspension and Extension.



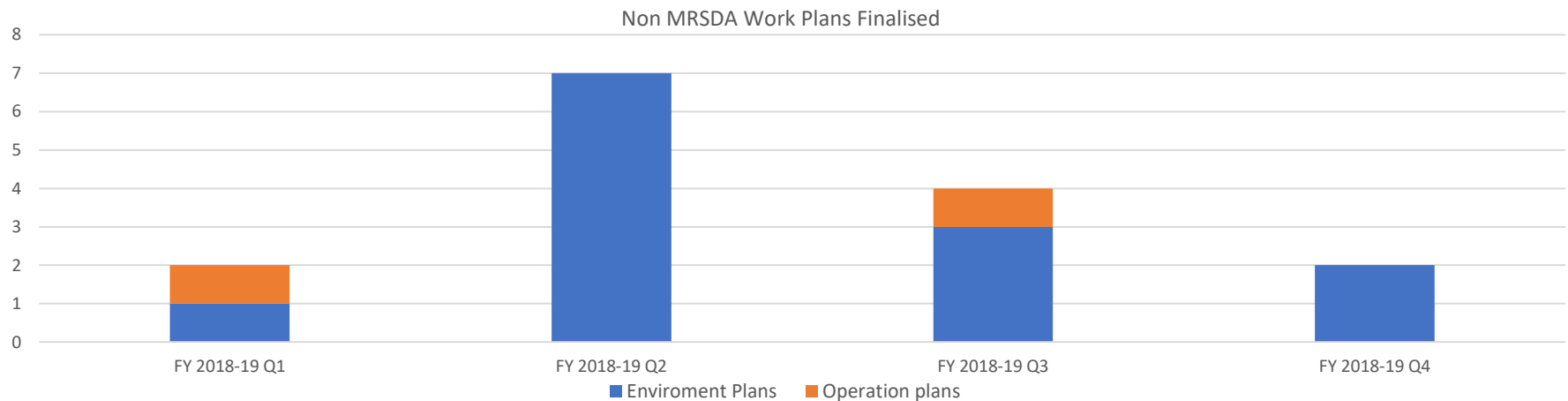
Non MRSDA Plans

Quarter	Licence Type	Plans Finalised	Unique Plans under assessment	Environment Plan Stages	Operation Plan Stages	Total Stage Assessed
FY 2018-19 Q4	Offshore Petroleum Production Licence	1	1	1	0	1
	Offshore Petroleum Retention Lease	1	1	1	0	1
	Onshore Petroleum Production Licence	0	8	0	9	9
	Onshore Petroleum Special Drilling Authorisation	0	1	0	1	1
	Total	2	11	2	10	12
FY 2018-19 Q2	Offshore Petroleum Production Licence	0	1	1	0	1
	Offshore Petroleum Retention Lease	1	1	2	0	2
	Offshore Pipeline Licence	2	2	2	0	2
	Onshore Petroleum Exploration Permit	1	1	0	2	2
	Onshore Petroleum Special Drilling Authorisation	0	1	0	1	1
	Total	4	6	5	3	8

Explanation for the result:

In Q4 12 Non- MRSDA work plan stages were assessed from 11 unique work plans with two work plans finalised in the quarter.

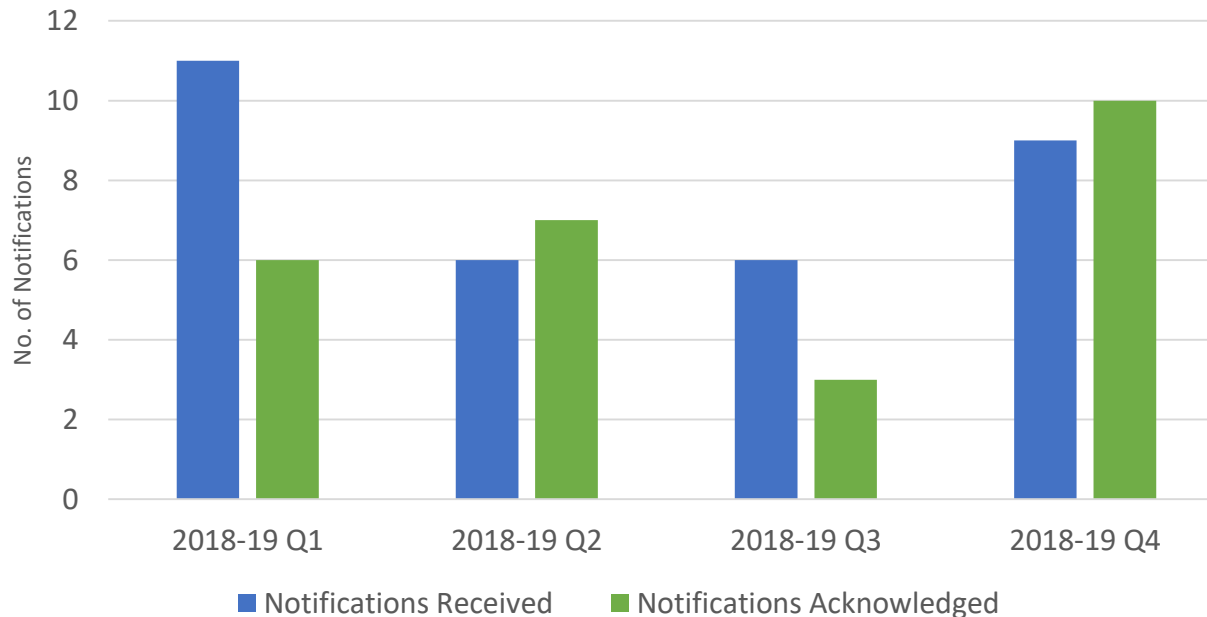
Offshore petroleum activities included assessment of operating pipelines and new drilling works while onshore petroleum activities included assessment of the closure of an existing well.



Mining	2018-19 Q1	2018-19 Q2	2018-19 Q3	2018-19 Q4	Total
Notification Received	2	2	3	5	12
Notification Acknowledged	0	3	3	4	10

Extractives	2018-19 Q1	2018-19 Q2	2018-19 Q3	2018-19 Q4	Total
Notification Received	9	4	3	4	20
Notification Acknowledged	6	4	0	6	16

Administrative Updates by Notifications



Explanation for the result:
 In Q4 there were four Mining and six Extractive notifications acknowledged, the highest quarterly total for the financial year.
 Interest in the new notifications pathway is growing with more sites now looking to 'bundle' multiple changes into each notification request.

Compliance Activities Undertaken

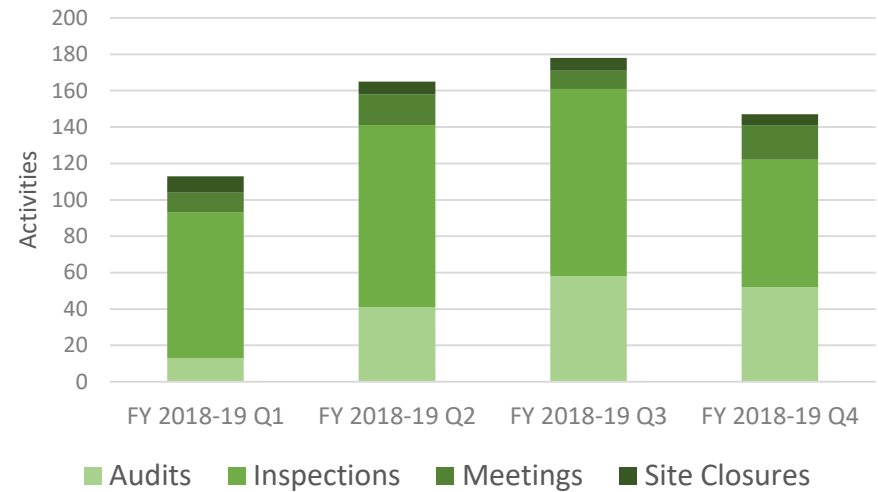
Compliance Activities – 2018-19 Q4

Licence Types	Activity	April	May	June	Total
Extractives	Inspection	13	7	21	41
	Audit	8	5	26	39
	Site Closure	1	3	2	6
	Meeting	0	0	1	1
	Total	22	15	50	87
Mining	Inspection	9	9	11	29
	Audit	8	2	3	13
	Meeting	4	5	4	13
	Site Closure	1	0	4	5
	Total	22	16	22	60
Total		44	31	72	147

Explanations for the results:

In Q4 Earth Resources Regulation conducted 147 proactive compliance activities involving 112 duty holders, exceeding the 75 compliance activities target by 72.

Compliance Activities by Quarter



Why are these measures important?

Earth Resources Regulation undertakes proactive compliance activities using a risk based approach. Activities include audits, inspections, meetings with duty holders and site closures after reviewing rehabilitation.

Earth Resources Regulation undertaken compliance actions under the *Mineral Resources (Sustainable Development) Act 1990*, *Petroleum Act 1998* and other legislations, to identify and act on any audits or omission by the duty holder that has, or is likely to result in a risk to public safety, the environment, land, property or infrastructure, or is a non-compliance with a licence or work authority conditions.

Compliance Audits – by type of Audit

Type of Audits	FY 2018-19 Q1	FY 2018-19 Q2	FY 2018-19 Q3	FY 2018-19 Q4	Total	% Total
Plan and Conditions	5	11	20	17	53	32%
Progressive Rehabilitation	3	9	14	14	40	24%
Boundaries and Extraction limits	1	7	4	10	22	13%
Dust	0	6	1	5	12	7%
Fire & Emergency	0	0	0	7	7	4%
Impacts of Blasting	0	1	1	4	6	4%
Exploration Drilling	1	0	2	2	5	3%
Geo Technical	0	0	0	4	4	2%
Water Management	0	2	1	1	4	2%
TSF Management	0	0	2	1	3	2%
Plan and Conditions (High Risk)	0	1	0	2	3	2%
Site Security and Buffer Zones	0	0	0	2	2	1%
Pest, Plant and Animal	0	1	0	0	1	1%
Imported Materials	1	0	0	0	1	1%
Noise	0	0	1	0	1	1%
Total	11	38	46	69	164	100%

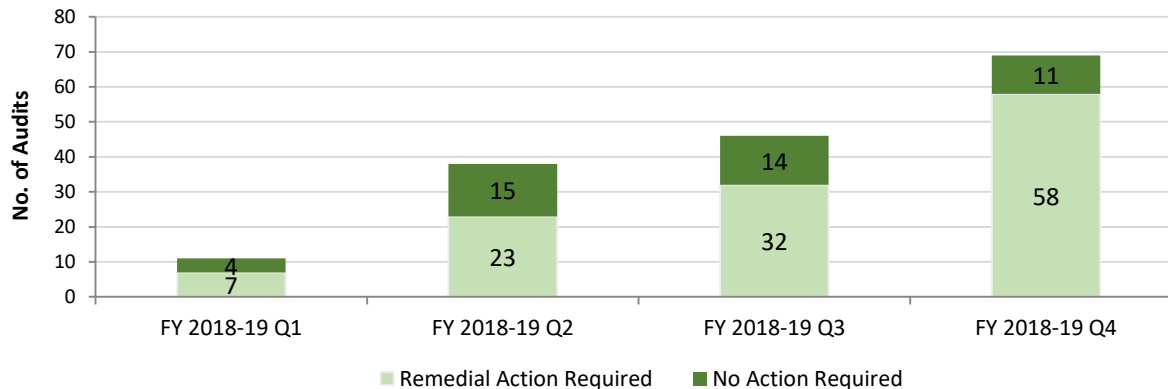
Explanations for the results:

Of the 147 compliance activities conducted in Q4, 69 were audits. Plan and Conditions, Progressive Rehabilitation and Boundaries & Extractions limits were the top three audits in the quarter.

Earth Resources Regulation's compliance program aims to drive improved industry performance and is focussing on management of the following risks to protect public safety and the environment: rehabilitation, fire, dust, noise, stability, water and approval conditions.

For further information on compliance priorities see the Earth Resources Regulation Compliance Strategy https://earthresources.vic.gov.au/_data/assets/pdf_file/0020/461315/Earth-Resources-Regulation-Compliance-Strategy-2018-2020.pdf

Action requirements on Audits



Explanations for the results:

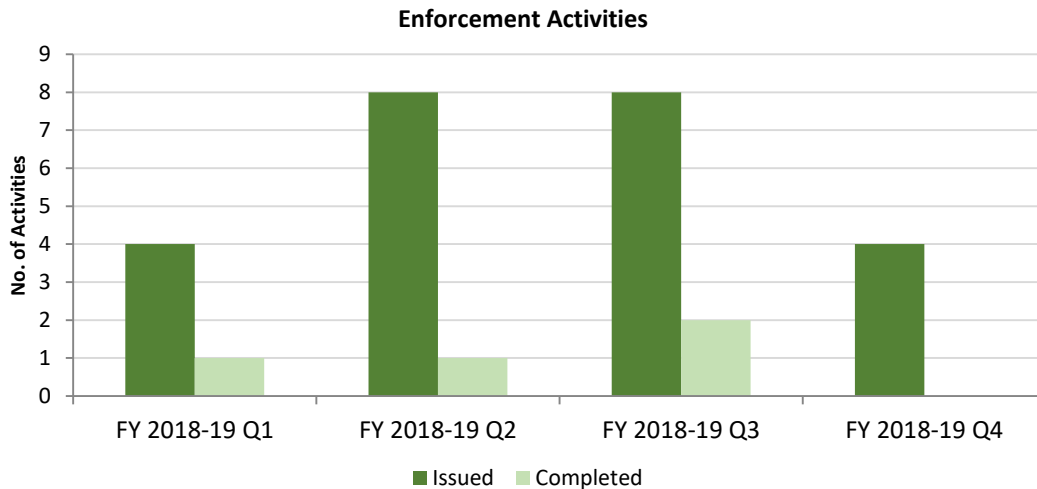
The audit program is risk based with a focus on more significant sites. Compliance improvements or enhanced risk controls were recommended at 84% of audited sites in Q4 compared to 70% in Q3.

Why are these measures important?

This indicator measures the number of current tenements that have had a compliance activity undertaken and shows how many duty holders are meeting requirements.

Enforcement Activity Issued in Quarter 4

Sector	Action Type	Enforcement Code	Enforcement Action Type	Status	No. of Notices
Mining	General Enforcement Action	24 - Drainage, Erosion and Discharge	s110 Notice	Issued	2
Mining	General Enforcement Action	1 - Authorised Activity Compliance	s110 Notice	Issued	1
Extractives	General Enforcement Action	35 - Dust Emissions	s110 Notice	Issued	1



Enforcement actions summary:

In Q4 four notices were issued, two for drainage, erosion and discharge, one for authorised activity compliance and one for dust emissions.

Further details on enforcement actions can be found in the following media releases:

<https://earthresources.vic.gov.au/about-us/news>

- Regulator enforces public safety at metro quarry
- East Gippsland gold miner in court

Infringements and Official Warnings issued in Quarter 4

Actions	Issued in 2018-19 Q4
Infringement notices	18
Official Warning Letters	6

Infringements and Official Warnings summary:

In Q4 Earth Resources Regulations issued 18 infringements and 6 official warning letters to tenement holders who were late to submit their FY2017-18 annual returns.

Reportable Incidents in Q4

Sector	Classification	Type	Hazard	Inspection	Incident Responded To	Incident Resolved	Incident Count
Mining Licence	Minor	Environmental	Noise pollution	No	Yes	Yes	1
Mining Licence	Minor	Environmental	Unmanaged hazardous waste	Yes	Yes	No	2

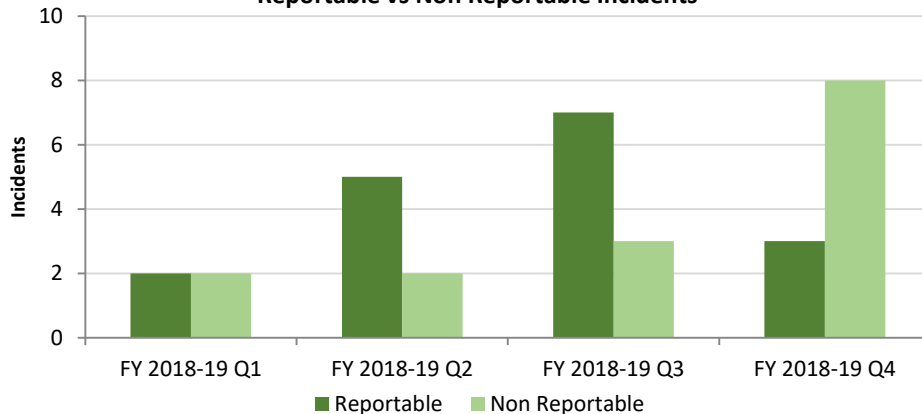
Non Reportable Incidents in Q4

Sector	Classification	Incident Type	Enforcement Code
Extractive	Major	Legislation Breach	1. Authorized Activity Compliance
Extractive	Major	Legislation Breach	5. Aboriginal Heritage
Mining	Major	Legislation Breach	2. Environmental Incident Notification
Mining	Major	Legislation Breach	40. Rehabilitation of Site
Mining	Major	Legislation Breach	9. Documentation & Records
Mining	Major	Legislation Breach	0. Work without License or Consents
Mining	Minor	Legislation Breach	0. Work without License or Consents
Mining	Minor	Legislation Breach	1. Authorized Activity Compliance

Why are these measures important?

This measure shows whether Earth Resources Regulation is responsive to high risk incidents that occur at tenement sites. The indicators measure the number of compliance and enforcement actions that Earth Resources Regulation inspectors commenced, completed and closed in a particular period. Depending on its complexity, an incident may be resolved in a subsequent quarter.

Reportable vs Non Reportable Incidents



Explanation for the result

There were three reportable incidents in Q4. The incidents were related to excessive night time noise, and water over flows.

There were eight non-reportable incidents in Q4 relating to working outside of the boundaries and breach of the work plan conditions.

Earth Resources Regulation will continue to proactively undertake compliance activities, focussing on stability, public safety and environmental impacts.

Environmental Review Committee Attendance

	2018-19 Q1	2018-19 Q2	2018-19 Q3	2018-19 Q4
Meetings Planned	19	20	19	26
Meetings Attended	19	20	19	24
% Attendance	100%	100%	100%	92%

Explanation for the result:

Earth Resources Regulation attended 24 of the 26 Environmental Review Committee meetings, achieving 92% attendance rate in Q4.

Why are these measures important?

The Stakeholder Engagement indicator covers the interaction between the regulator, duty holders, co-regulators and the community by reporting active participation by Earth Resources Regulation at Environmental Review Committee meetings. Earth Resources Regulation has made a commitment in the Compliance Strategy to report on ERC attendance quarterly.

Stakeholder Reference Group

2018-19 Q1	2018-19 Q2	2018-19 Q3	2018-19 Q4	Annual Total	Target
1	2	1	1	5	4

Explanation for the result:

The target is an annual figure based on Stakeholder Reference Group meetings being scheduled every three months.

There was one SRG meeting held by Earth Resources Regulation in Q4 and five in total for the financial year, exceeding the annual target of four.

Why are these measures important?

The Stakeholder Reference Group provides a forum for engagement and consultation with stakeholder representatives from industry associations and government agencies regarding statutory, regulatory and stakeholder relations issues and activities in the context of the current policy and regulatory framework.

Earth Resources Regulators Forum

2018-19 Q1	2018-19 Q2	2018-19 Q3	2018-19 Q4	Annual Total	Target
1	1	1	0	3	3

Explanation for the result:

The target is an annual figure based on three Earth Resources Regulator Forum meetings being scheduled each year.

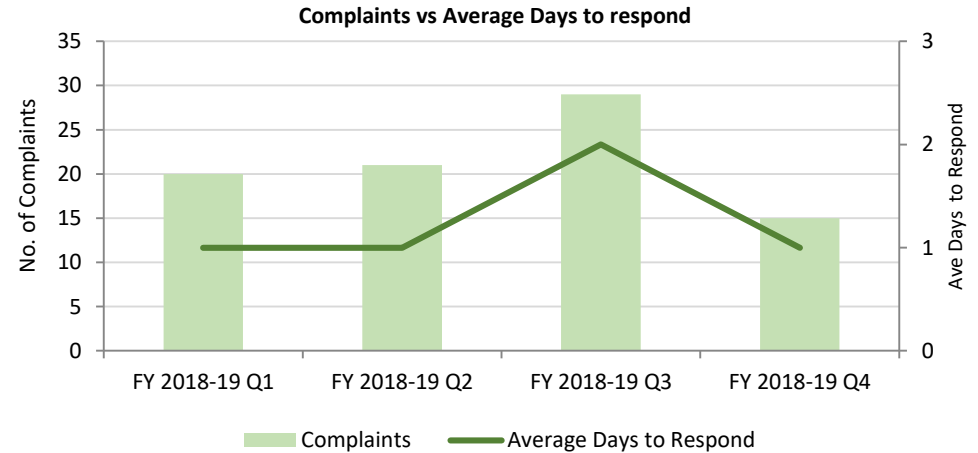
The annual target of three was achieved.

Why are these measures important?

The Victorian Earth Resources Regulators' Forum drives a coordinated, strategic approach to regulation in the earth resources sector. Through the forum and its independent chair, Earth Resources Regulation coordinates its activities with other regulators to improve timeliness, reduce compliance and administrative costs to industry, and identify and resolve any regulatory gaps or overlaps. This includes a focus on more real-time communication, strategic sequencing, common risk assessment and partnerships with local government authorities.

Response Time to Complaints in Q4

Enforcement Codes	Sector	Number of Complaints	Ave Days to respond
0. Work without Licence or Consents	Extractive	1	1
0. Work without Licence or Consents	Mining	1	1
11. Public Safety & Site Security	Extractive	1	1
28. Visual Amenity	Extractive	1	1
34. Groundwater Impacts	Extractive	1	1
35. Dust Emissions	Extractive	1	1
36. Noise Emissions	Extractive	2	2
38. Explosives Air & Ground Vibration	Extractive	1	1
4. Community Engagement	Mining	1	1
40. Rehabilitation of Site	Extractive	1	1
40. Rehabilitation of Site	Mining	1	1
46. Other (Not Specified Above)	Extractive	3	1
Total		15	1



Explanation for the result:

There were 15 complaints in Q4. The top three complaints were working without licence or consents, rehabilitation of site and noise emissions. Ten of the complaints were resolved and five are under investigation. On average, complaints were responded to within one day.

Why are these measures important?

The complaints handling process is an important aspect of effective stakeholder management and building confidence in Earth Resources Regulation as an effective regulator.

Department of Jobs, Precincts and Regions

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