

Earth Resources Regulation

Quarterly Performance Report
2019-20 Quarter 1

1st July to 30th September 2019



Jobs,
Precincts
and Regions



Summary

This report provides a summary of the operating performance for the first quarter of financial year 2019-20 (1st July to 30th September 2019).

Stand out performance indicators in 2019-20 Q1 :

KPI 1 - 94% of the work plan stages for 18 quarries were assessed within the statutory time frames.

KPI 1 - 90% of the work plan stages and licence applications for exploration and mining projects were assessed within the statutory time frames.

KPI 2 - 206 operational compliance activities were undertaken.

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

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 mineral licence applications and mineral work plan stages assessed within statutory time frames.	%	95	Quarterly	90%	88%	Outputs/activities
	Percentage of tenement variations assessed within Client Service Standard time frames where a statutory time frame does not exist.	%	95	Quarterly	73%	92%	Outputs/activities
	Percentage of extractive work plan stages assessed within statutory time frames.	%	95	Quarterly	94%	100%	Outputs/activities
KPI 2 Ensuring Compliance	Number of operational compliance activities undertaken per quarter.	Number of activities	75	Quarterly	206	147	Inputs
KPI 3 Effective Incident Management	Percentage of reportable events that are responded to per 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	96%	92%	Outputs/activities
	Number of Stakeholder Review Group meetings held by Earth Resources Regulation.	Number of meetings	4	Annual	On Target, 1 out of 4 completed		Outputs/activities
	Number of Earth Resources Regulator Forums held by Earth Resources Regulation.	Number of meetings	3	Annual	On Target, 1 out of 3 completed		Outputs/activities
KPI 5 Complaint Management	Average number of days to respond to complaints made by community against tenements.	Business days	3	Quarterly	3	1	Outputs/activities

Mineral Licences and Work Plan Stages Assessed Within Statutory Time Frame (STF)

Quarter	Licence and Work Plan Stages	Over STF	Within STF	Total (Over + Within STF)	% Within STF/ Total
FY 2019-20 Q1	Mineral Licence Applications – (A)	2	14	16	88%
	Mineral Work Plan Stages – (B)	1	12	13	92%
	Total	3	26	29	90%

Explanation for the result:

This performance indicator combines mining licence applications, exploration licence applications and mining industry work plan stages and measures whether it was assessed within the statutory time frames.

In Q1 there were 29 (16 mineral applications and 13 mineral work plans stages) assessed, of which 90% were assessed within the statutory time frames.

(A) Mineral Licence Applications Assessed Within Statutory Time Frame (STF)

Quarter	Licence Type	STF (Target Days)	Over STF	Within STF	Total (Over + Within STF)	% Within STF/ Total
FY 2019-20 Q1	Exploration Licence	90	2	10	12	83%
	Mining Licence	120	0	1	1	100%
	Prospecting Licence	90	0	3	3	100%
	Total		2	14	16	88%

Explanation for the result:

In Q1 14 out of 16 applications were finalised within the statutory time frame.

The two exploration licence applications granted after the statutory time frame required future community consultation following the 21 day objection period.

(B) Mineral Work Plan Stages Assessed Within Statutory Time Frame (STF)

Quarter	Work Plan Type	WP Approved	Unique WP under assessment	Stage STF (Target Days)	Stages Over STF	Stages Within STF	Total Stages	% (Within STF/ Total)
FY 2019-20 Q1	Work Plan (Exploration)	0	2	28	0	2	2	100%
	Work Plan (Minerals)	1	7	28	1	10	11	91%
	Total	1	9		1	12	13	92%

Explanation for the result:

In Q1 13 mining work plan stages were assessed from nine unique work plans, of which 92% were assessed within the statutory time frame. One work plan was approved in the quarter.

Tenement Variations Finalised Within Client Service Standard (CSS)

Quarter	Licence Type	CSS (Target Days)	Over CSS	Within CSS	Total (Over + Within CSS)	% Within CSS/ Total
FY 2019-20 Q1	Exploration Licence	90	1	14	15	93%
	Mining Licence	120	2	4	6	67%
	Prospecting Licence	90	0	2	2	100%
	Retention Licence	120	1	0	1	0%
	Work Authority	30	8	12	20	60%
	Total			12	32	44
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

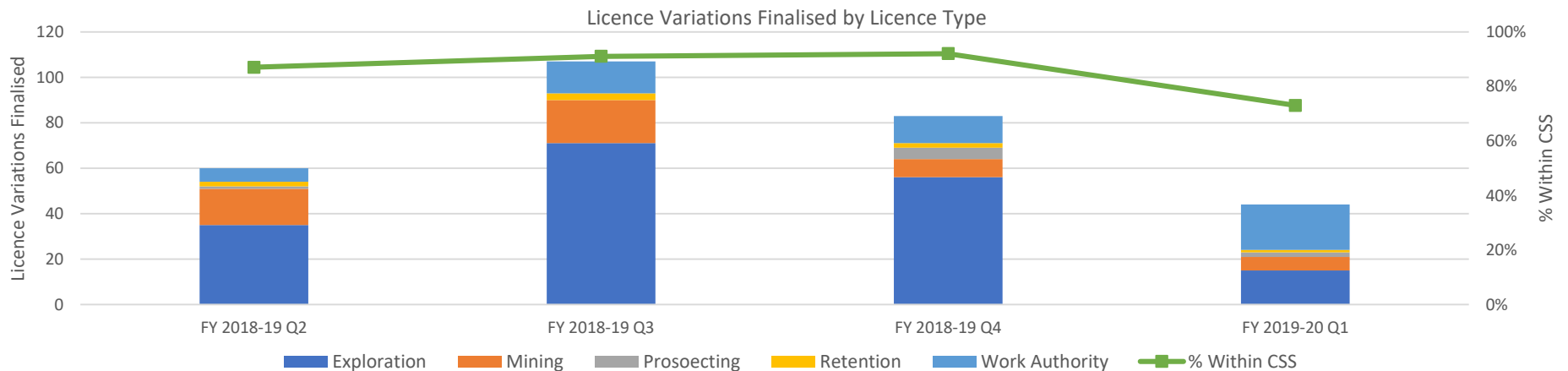
Explanation for the result:

In Q1 73% of the licence variations were completed within the client service standard (CSS) (ie the measure where no statutory time frames exist)

The variations over the CSS were some of the more complex variations, being renewals and transfers. Renewals for mining licences and retention licences are more complex in nature. Two mining licence renewals and one retention licence renewal exceeded the CSS. Two work authority variations involved the transfer from an entity that no longer exists, requiring determining the organisation structure to be able to transfer the work authority to an existing entity. Another three work authority variations were approved within one week of the CSS.

Why are these measures important?

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.

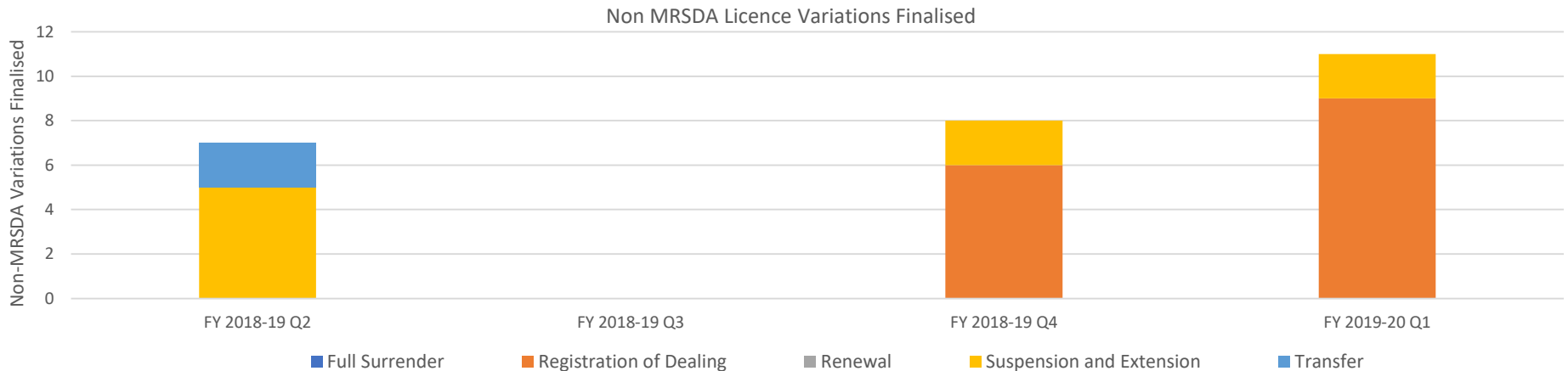


Non MRSDA Licence Variations

Quarter	Licence Type	Full Surrender	Registration of Dealing	Renewal	Suspension & Extension	Transfer	Total
FY 2019-20 Q1	Onshore Petroleum Production Licence	0	9	0	0	0	9
	Offshore Petroleum Exploration Permit	0	0	0	2	0	2
		0	9	0	2	0	11
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	8

Explanation for the result:

There were 11 non MRSDA licence variations finalised in Q1, nine for Registration of Dealing and two for Suspension and Extension.



Extractive Work Plan Stages Assessed Within Statutory Time Frame (STF)

Quarter	Work Plan Type	Unique WP under assessment	Stage STFKPI 1 (Target Days)	Stages Over STF	Stages Within STF	Total stages	% (Within STF/ Total)
FY 2019-20 Q1	Work Plan (WA)	18	28	2	32	34	94%

Extractive Work Plans Finalised in the quarter

Quarter	Work Plan Type	Finalised
FY 2019-20 Q1	Work Plan (WA)	2

Work Authority Finalised in the quarter

Quarter	Licence Type	Finalised
FY 2019-20 Q1	Work Authority	3

Explanation for the result:

This performance indicator for extractive industry work authority work plans measures whether the work plan stages were assessed within the statutory time frames.

In Q1 34 extractive work plan stages were assessed for 18 unique work plans, of which 94% were assessed within the statutory time frame. Two work plans were finalised in the quarter.

Three Work Authorities 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.

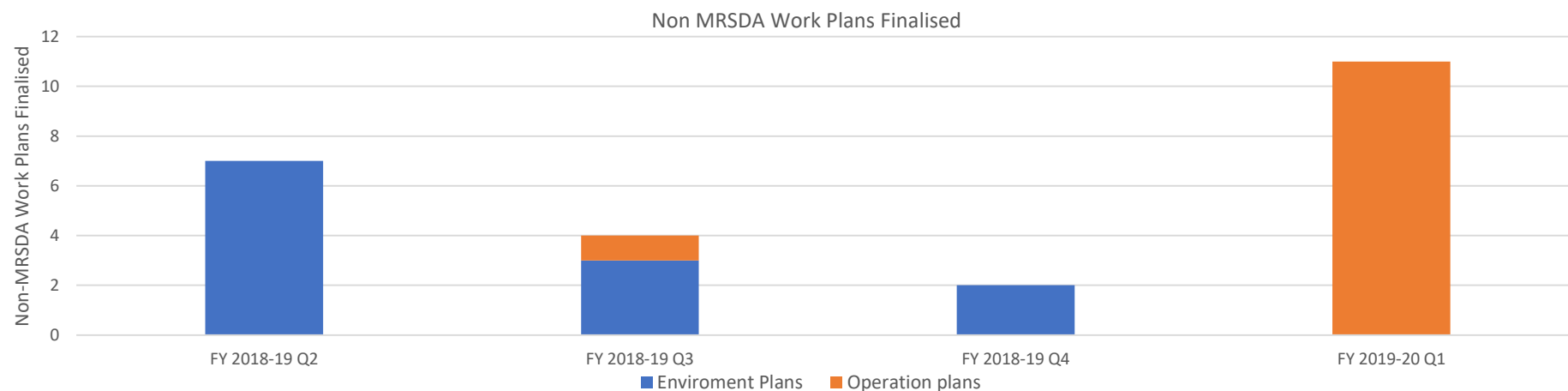
Non MRSDA – Operation Plans

Quarter	Licence Type	Plans Finalised	Unique Plans under assessment	Environment Plan Stages	Operation Plan Stages	Total Stage Assessed
FY 2019-20 Q1	Onshore Petroleum Production Licence	9	9	0	10	12
	Onshore Petroleum Special Drilling Authorisation	2	2	0	2	2
	Total	11	11	0	12	12
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

Explanation for the result:

In Q1 12 non MRSDA work plan stages were assessed from 11 unique work plans and 11 work plans were finalised.

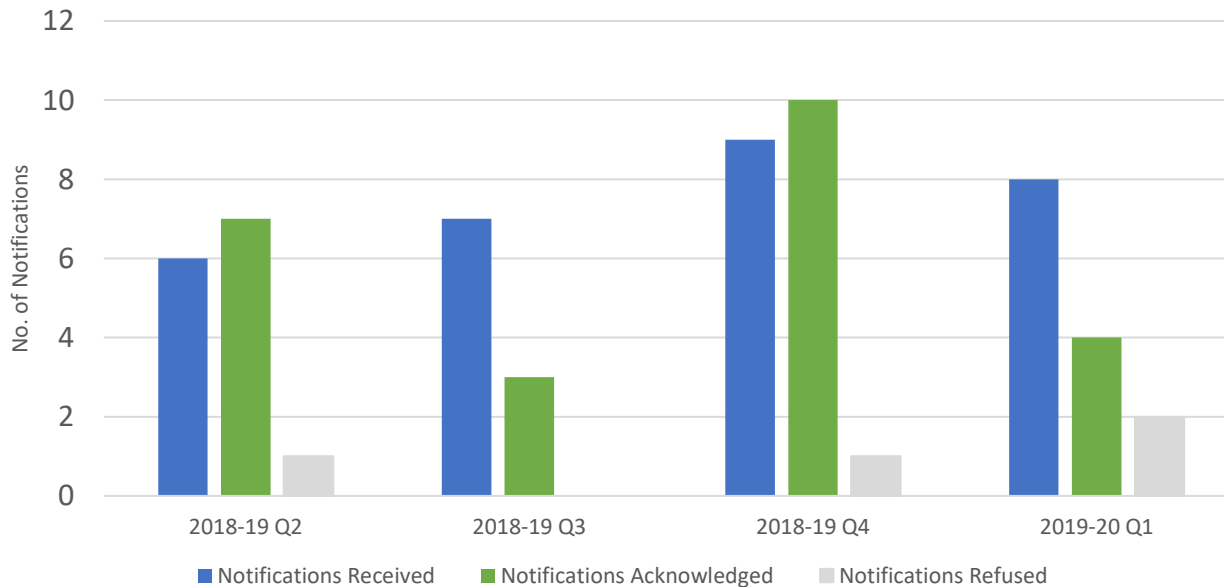
Offshore petroleum activities included assessment of operating pipelines and new drilling works while onshore petroleum activities included assessment of the closure of an existing well.



Mining	2018-19 Q2	2018-19 Q3	2018-19 Q4	2019-20 Q1	Total
Notifications Received	2	3	5	1	11
Notifications Acknowledged	3	3	4	1	11
Notification Refused	0	0	1	2	3

Extractives	2018-19 Q2	2018-19 Q3	2018-19 Q4	2019-20 Q1	Total
Notifications Received	4	4	4	7	19
Notifications Acknowledged	4	0	6	3	13
Notifications Refused	1	0	0	0	1

Administrative Updates by Notification



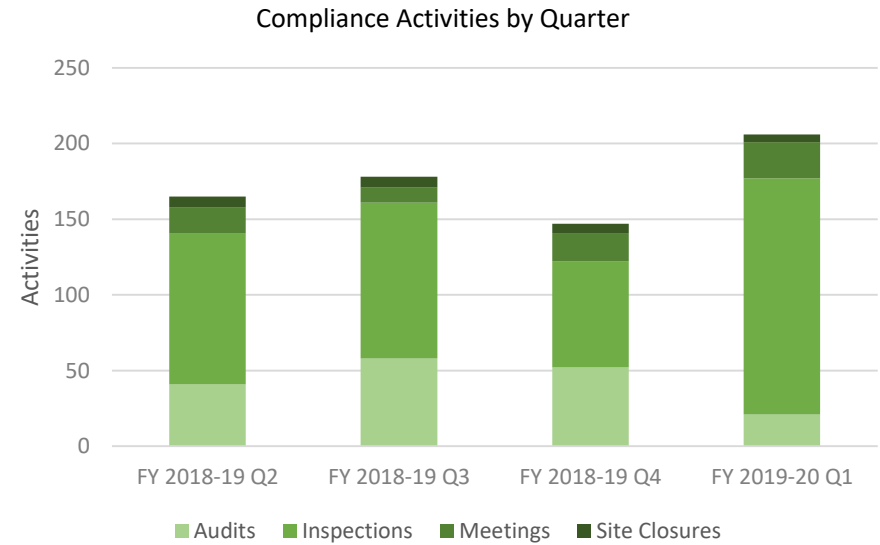
Explanation for the result:

In Q1 there were three Extractive and one Mining notifications acknowledged.

Two Mining notifications were refused administrative change due to vegetation clearing complexities with planning permissions.

Compliance Activities – 2019-20 Q1

Licence Types	Activity	Jul	Aug	Sept	Total
Extractives	Inspection	42	40	38	120
	Audit	4	7	7	18
	Meeting	1	4	3	8
	Site Closure	0	1	2	3
	Total	47	52	50	149
Mining	Inspection	13	14	9	36
	Audit	1	9	6	16
	Meeting	0	0	3	3
	Site Closure	1	1	0	2
	Total	15	24	18	57
Total	62	76	68	206	



Explanations for the results:

In Q1 Earth Resources Regulation conducted 206 proactive compliance activities involving 167 duty holders, exceeding the 75 compliance activities target by 131. The increase in activity was focused on undertaking inspections while the audit program was implemented.

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 Q2	FY 2018-19 Q3	FY 2018-19 Q4	FY 2019-20 Q1	Total	% Total
Plan and Conditions	11	20	17	8	56	32%
Progressive Rehabilitation	8	14	14	4	40	23%
Boundaries and Extraction limits	7	4	10	5	26	15%
Dust	6	1	5	0	12	7%
Impacts of Blasting	1	1	4	2	8	5%
Fire & Emergency	0	0	7	0	7	4%
Exploration Drilling	0	2	2	1	5	3%
Water Management	3	1	1	0	5	3%
GeoTechnical	0	0	4	0	4	2%
TSF Management	0	2	1	0	3	2%
Plan and Conditions (High Risk)	1	0	2	0	3	2%
Site Security and Buffer Zones	0	0	2	0	2	1%
Pest, Plant and Animal	1	0	0	0	1	1%
Hydrocarbon Storage	0	0	0	1	1	1%
Noise	0	1	0	0	1	1%
Total	38	46	69	21	174	100%

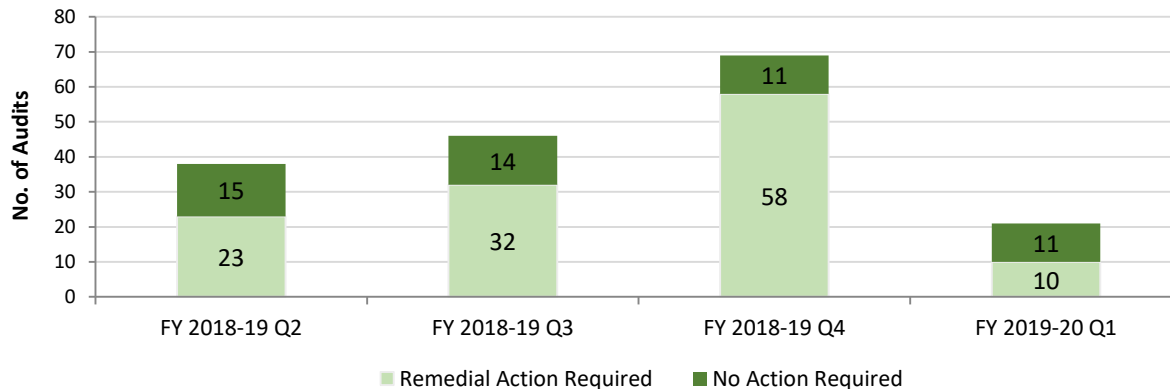
Explanations for the results:

In Q1 21 audits were conducted. Plan and Conditions, Boundaries & Extractions limits and Progressive Rehabilitation were the top three audits in the quarter. Q1 audit numbers were less than previous quarters, whilst the audit program for 2019-20 was refined

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:

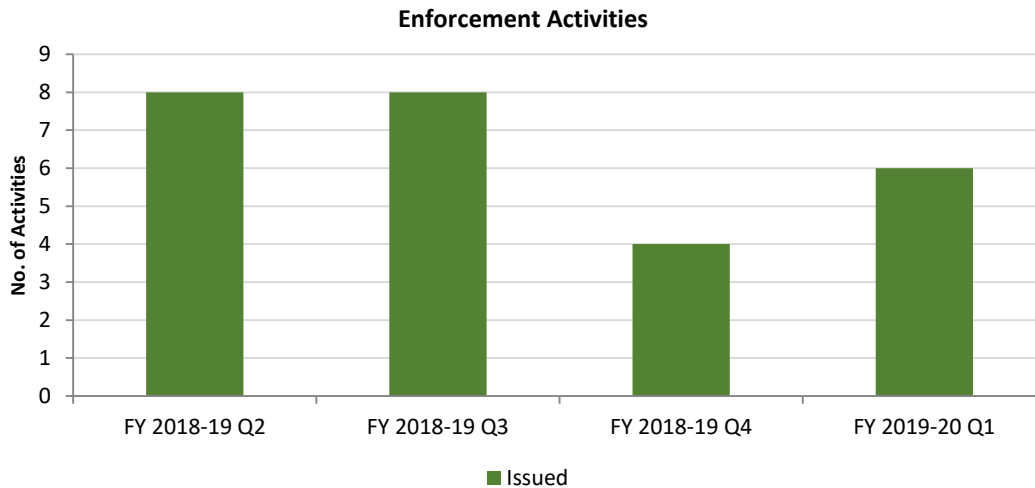
The audit program is risk based with a focus on more significant sites. Compliance improvements or enhanced risk controls were recommended at 48%(10 out of 21) of audited sites in Q1. The number of actions required can be dependant on the type of audits completed, and if the audits were 'follow up' audits from previously identified risks.

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 FY 2019-20 Q1

Sector	Action Type	Enforcement Code	Enforcement Action Type	Status	No. of Notices
Extractives	General Enforcement Action	0 - Work Without Licence or Consents	s110 Notice	Issued	2
Extractives	General Enforcement Action	1 - Authorised Activity Compliance	s110 Notice	Issued	2
Extractives	General Enforcement Action	6 - Working Hours	s110 Notice	Issued	1
Mining	General Enforcement Action	0 - Work Without Licence or Consents	s110a Notice (Stop Work)	Issued	1



Enforcement actions summary:

Earth Resources Regulation compliance group undertook a number of investigations into alleged illegal quarrying activities. Outcomes ranged from official warnings, infringements, and some matters referred to prosecution.

In Q1 six remedial notices were issued, including for the unauthorised importation of fill material, illegal mining and quarrying activities and working outside of approved hours.

Prosecutions Summary:

In Q1 one matter was prosecuted in the Melbourne Magistrates Court regarding unauthorised mining works. Sentencing is expected in November 2019.

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

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

- Court upholds mining safety standards
- Regulator refuses renewal of Bendigo mine licences

Infringements and Official Warnings issued in FY2019-20 Q1

Actions	Issued in 2019-20 Q1
Infringement notices	51
Official Warning Letters	1
Written Instruction	1

Infringements and Official Warnings summary:

In Q1 Earth Resources Regulations issued 51 infringements and one official warning and written Instruction letters to tenement holders for alleged breach of work plan condition, rehabilitation notices and failure to submit the required 2018-19 annual report by the prescribed date.

Reportable Incidents in FY2019-20 Q1

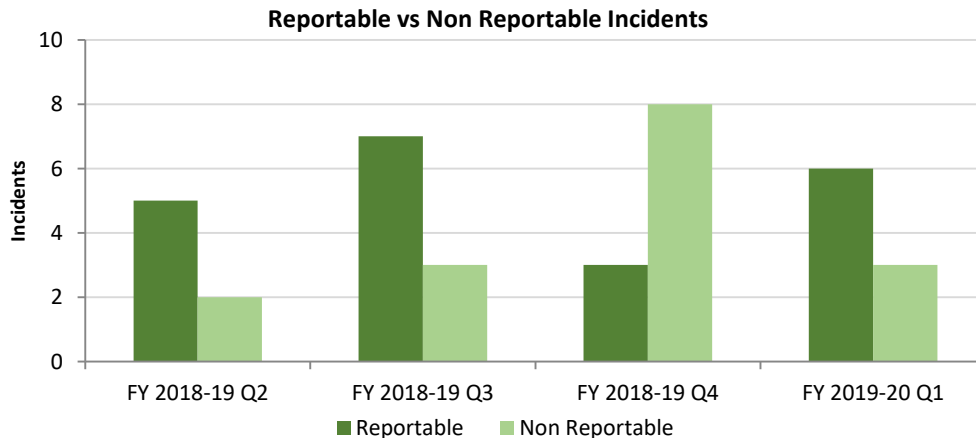
Sector	Classification	Type	Hazard	Inspection	Incident Responded To	Incident Resolved	Incident Count
Mining Licence	Minor	Environmental	Unmanaged hazardous waste	No	Yes	No	2
Mining Licence	Minor	Environmental	Fire	No	Yes	No	1
Mining Licence	Minor	Environmental	Ground instability	No	Yes	No	1
Mining Licence	Minor	Environmental	Unmanaged hazardous waste	No	Yes	No	1
Mining Licence	Minor	Legislation Breach	Unmanaged hazardous waste	No	Yes	No	1

Non Reportable Incidents in FY2019-20 Q1

Sector	Classification	Incident Type	Enforcement Code
Mining Licence	Minor	Environmental	17. Slope Stability
Mining Licence	Minor	Legislation Breach	0. Work without License or Consents
Work Authority	Major	Legislation Breach	6. Working Hours

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.



Explanation for the result

There were six reportable incidents in Q1. The incidents were related to water treatment, diesel spills, water leaking and cracking.

There were three non-reportable incidents in Q1 relating to breaches 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 Q2	2018-19 Q3	2018-19 Q4	2019-20 Q1
Meetings Planned	20	19	26	23
Meetings Attended	20	19	24	22
% Attendance	100%	100%	92%	96%

Explanation for the result:

Earth Resources Regulation attended 22 of the 23 Environmental Review Committee meetings, achieving 96% attendance rate in Q1.

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

2019-20 Q1	2019-20 Q2	2019-20 Q3	2019-20 Q4	Annual Total	Target
1				1	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 Q1. On target to achieve the annual total 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

2019-20 Q1	2019-20 Q2	2019-20 Q3	2019-20 Q4	Annual Total	Target
1				1	3

Explanation for the result:

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

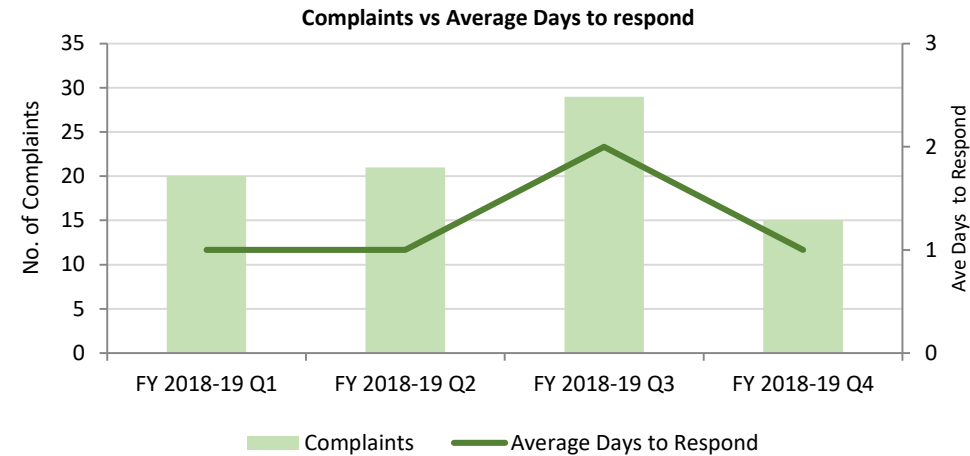
There was one Earth Resources Regulator Forum meeting held by Earth Resources Regulation in Q1. On target to achieve the annual total of three.

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 FY2019-20 Q1

Enforcement Codes	Sector	Number of Complaints	Ave Days to respond
Work without Licence or Consents	Work Authority	6	1
Work without Licence or Consents	Mining	3	1
Drainage, Erosion & Discharge	Work Authority	1	1
Native Vegetation & Fauna	Work Authority	1	1
Dust Emissions	Work Authority	1	1
Noise Emissions	Work Authority	1	17
Explosives Air & Ground Vibration	Work Authority	2	2
Waste & Redundant Plant	Work Authority	1	1
Impacts Outside Tenement Site	Work Authority	1	2
Other	Work Authority	2	15
Working Hours	Work Authority	1	1
Complaints Management	Work Authority	1	5
Total		21	3



Explanation for the result:

There were 21 complaints in Q1. The top complaints were in regard to working without licence or consents. 13 of the complaints were resolved and eight are under investigation. On average, complaints were responded to within three days.

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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