

Earth Resources Regulation

Quarterly Performance Report

2021-22 Quarter 1

1 July to 30 September 2021



Summary

This report provides a summary of Earth Resources Regulation's operating performance for quarter one of financial year 2021-22 (1 July to 30 September 2021).

Performance highlights

KPI 1# - 88% of extractive work plan stages were assessed within the statutory time frames.

- 82% of mineral work plan stages were assessed within the statutory time frames.

KPI 2# - 81 operational compliance activities were undertaken.

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

KPI 5# - The time to respond to complaints took on average three business days.

Explained in the next slide

Administrative updates by notification

- Two extractive industry administrative changes (notifications) were acknowledged.
- One mining industry administrative change (notifications) was acknowledged.

FY 2020-21 Authority holders' annual returns

- 52% of extractive work authority holders fulfilled their obligation to submit their annual return by the due date on 31 July 2021
- Approximately 68% of minerals (Mining and Prospecting) licensees fulfilled their obligation to submit their annual return by the due date on 28 July 2021

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 on regulatory matters, and ensuring that authority holders rehabilitate their sites. We are committed to being an effective regulator.

Earth Resources Regulation is a unit of the Department of Jobs, Precincts 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 extractive work plan stages assessed within statutory time frames.	%	95	Quarterly	88%	100%	Outputs/activities
	Percentage of mineral licence applications and mineral work plan stages assessed within statutory time frames.	%	95	Quarterly	83%	74%	Outputs/activities
	Percentage of tenement variations assessed within Client Service Standard time frames where a statutory time frame does not exist.	%	95	Quarterly	86%	89%	Outputs/activities
KPI 2: Ensuring Compliance	Number of operational compliance activities undertaken per quarter.	Number of activities	75	Quarterly	81	151	Inputs
KPI 3: Effective Incident Management	Percentage of reportable events that are responded to per quarter.	%	100	Quarterly	100%	100%	Short-term and long-term outcomes
KPI 4: Facilitation of Stakeholder Engagement	Earth Resources Regulation attendance at Environmental Review Committee meetings.	%	100	Quarterly	100%	100%	Outputs/activities
	Number of Industry Reference Group meetings.	Number of meetings	4	Annual	1		Outputs/activities
	Number of Earth Resources Regulators Forum meetings.	Number of meetings	3	Annual	1		Outputs/activities
KPI 5: Complaint Management	Average number of days to respond to complaints made by community against tenements.	Business days	3	Quarterly	3	5	Outputs/activities

Extractive work plan stages* assessed within statutory time frame (STF)

Quarter	Work Plan Type	Unique WP Under Assessment	Stage STF (Target Days)	Stages Over STF	Stages Within STF	Total Stages	% (Within STF/Total)
FY 2021-22 Q1	Work Plan (WA)	10	28	2	15	17	88%
FY 2020-21 Q4	Work Plan (WA)	18	28	0	26	26	100%

* A work plan stage represents a statutory decision point.

Extractive work plans endorsed or approved in the quarter

Quarter	Work Plan Type	Endorsed	Approved
FY 2021-22 Q1	Work Plan (WA)	2	0
FY 2020-21 Q4	Work Plan (WA)	4	6

Work authorities granted in the quarter

Quarter	Licence Type	Granted
FY 2021-22 Q1	Work Authority	6
FY 2020-21 Q4	Work Authority	1

Explanation for the result:

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

In Q1, 17 extractive work plan stages were assessed from 10 unique work plans, of which 88% were assessed within the statutory time frame.

Two work plans were statutorily endorsed and returned to the applicants to proceed with planning approval.

Six work authorities were granted 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.

(Table 1) 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 2021-22 Q1	Mineral Licence Applications – (A)	4	21	25	84%
	Mineral Work Plan Stages – (B)	2	9	11	82%
	Total	6	30	36	83%
FY 2020-21 Q4	Mineral Licence Applications – (A)	8	20	28	71%
	Mineral Work Plan Stages – (B)	2	9	11	82%
	Total	10	29	39	74%

Explanation for the result:

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

In Q1, there were 36 (11 mineral work plan stages assessed and 25 mineral licence applications granted) of which 83% were assessed within the statutory time frames.

Explanation for the result:

This table is an expanded subset of Table 1 above. It details the regulator’s performance in assessing mineral licence applications.

In Q1, 84% (21 out of 25) applications were granted within the statutory time frames.

Q1 has seen improvements in meeting statutory time frames for granting exploration licences (up 13 percentage points to 83%) and prospecting licences (up 20 percentage points to 100%) within the statutory time frames.

Explanation for the result:

This table is an expanded subset of Table 1 above. It details the regulator’s performance in assessing mineral work plan application stages.

In Q1, 11 exploration and mining work plan stages were assessed from 10 unique work plans, of which 82% were assessed within the statutory time frames. Five work plans were approved in the quarter.

(Table 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 2021-22 Q1	Exploration Licence	90	4	19	23	83%
	Prospecting Licence	90	0	2	2	100%
	Total		4	21	25	84%
FY 2020-21 Q4	Exploration Licence	90	7	16	23	70%
	Prospecting Licence	90	1	4	5	80%
	Total		8	20	28	71%

(Table 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 2021-22 Q1	Work Plan (Exploration)	4	7	28	2	6	8	75%
	Work Plan (Minerals)	1	3	28	0	3	3	100%
	Total	5	10		2	9	11	82%
FY 2020-21 Q4	Work Plan (Exploration)	0	4	28	1	3	4	75%
	Work Plan (Minerals)	1	4	28	1	6	7	86%
	Total	1	8		2	9	11	82%

* A work plan stage represents a statutory decision point.

Tenement variations approved within Client Service Standard (CSS)

Quarter	Licence Type	CSS (Target Days)	Over CSS	Within CSS	Total (Over + Within CSS)	% Within CSS/ Total
FY 2021-22 Q1	Exploration Licence	90	5	29	34	85%
	Mining Licence	120	1	3	4	75%
	Prospecting Licence	90	0	3	3	100%
	Retention Licence	120	0	2	2	100%
	Work Authority	30	1	5	6	83%
	Total			7	42	49
FY 2020-21 Q4	Exploration Licence	90	6	65	71	92%
	Mining Licence	120	1	3	4	75%
	Prospecting Licence	90	0	0	0	-
	Retention Licence	120	0	2	2	100%
	Work Authority	30	2	5	7	71%
	Total			9	75	84

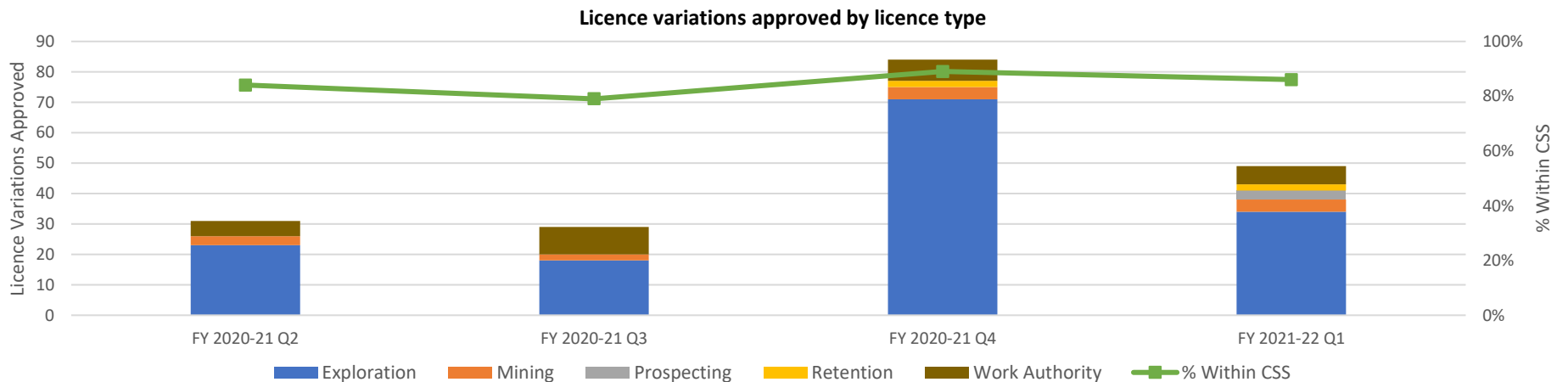
Explanation for the result:

The Client Service Standard (CSS) is the percentage of licence variations assessed within departmental agreed time frames where a statutory time frame does not exist.

In Q1, 86% (42 out of 49) of licence variations were completed within the Client Service Standard.

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 the Client Service Standard when processing licence variation approvals.



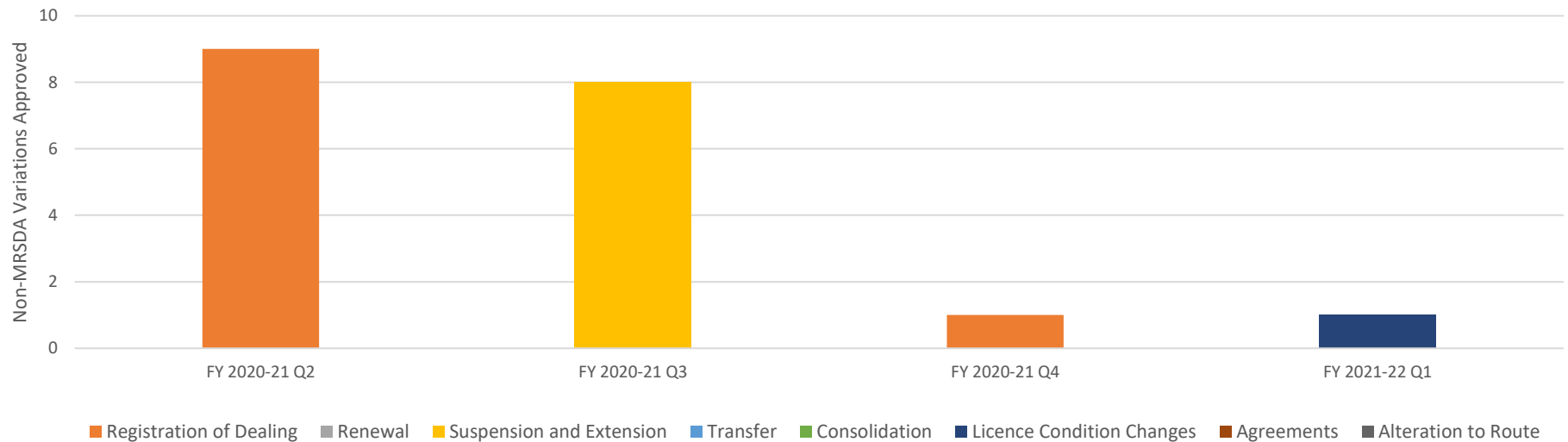
Non-MRSDA licence variations approved

Quarter	Licence Type	Registration of Dealing	Licence Conditions Change	Total
FY 2021-22 Q1	Onshore Petroleum Exploration Permit	0	1	1
		0	1	1
FY 2020-21 Q4	Offshore Pipeline Licence	1	0	1
		1	0	1

Explanation for the result:

In Q1, there was one onshore petroleum exploration permit variation approved.

Non-MRSDA licence variations types approved



Non-MRSDA – Operation Plans

Quarter	Licence Type	Plans Accepted	Unique Plans Under Assessment	Environment Plan Stages	Operation Plan Stages	Total Stages Assessed
FY 2021-22 Q1	Total	0	0	0	0	0
FY 2020-21 Q4	Onshore Petroleum Production Licence	1	1	0	3	3
	Onshore Petroleum Special Drilling Authorisation	1	1	0	1	1
	Total	2	2	0	4	4

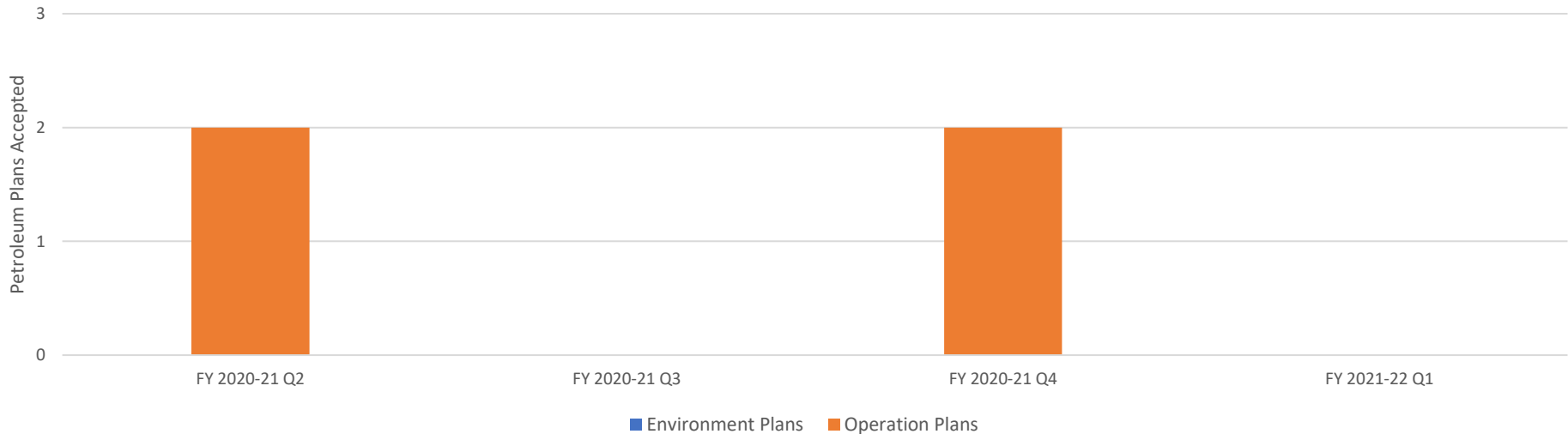
Explanation for the result:

In Q1, no plans were accepted or plan stages assessed.

The amendments in the *Petroleum Act 1998* that came into force on 1 July 2021 require regulations to support those provisions. The supporting regulations are in the new Petroleum Regulations 2021, which will come into force in Q2. As a result, no operation plan could be submitted or assessed during Q1.

Note:
Hydraulic fracturing and coal seam gas exploration and extraction are banned in Victoria.

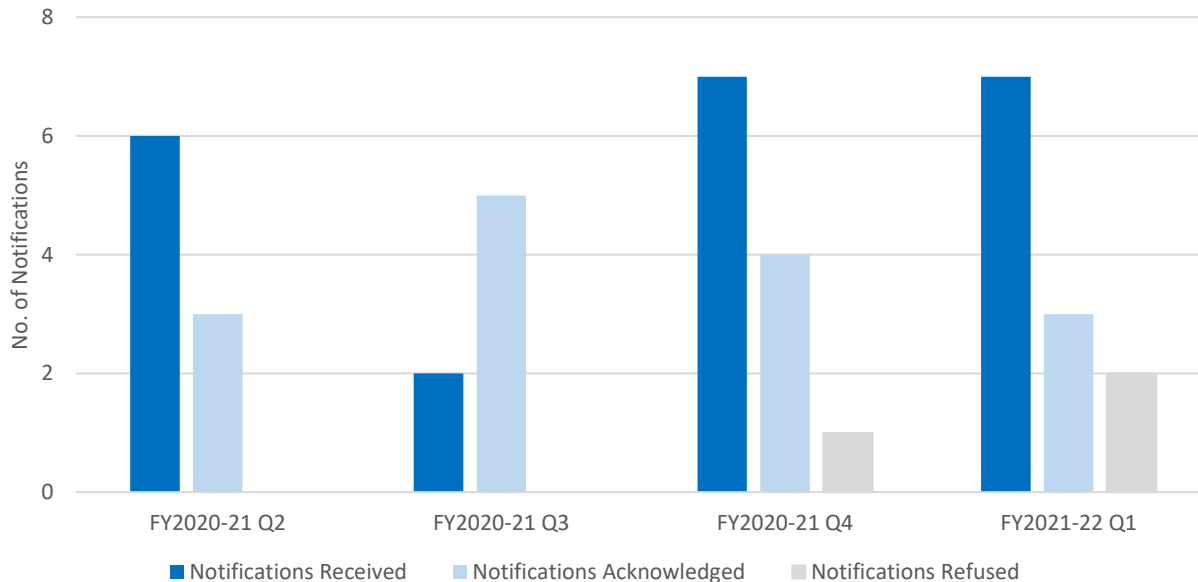
Non-MRSDA plans accepted



Mining	FY 2020-21 Q2	FY 2020-21 Q3	FY 2020-21 Q4	FY 2021-22 Q1	Total
Notifications Received	2	2	1	2	7
Notifications Acknowledged	1	2	2	1	6
Notifications Refused	0	0	0	0	0

Extractives	FY 2020-21 Q2	FY 2020-21 Q3	FY 2020-21 Q4	FY 2021-22 Q1	Total
Notifications Received	4	0	6	5	15
Notifications Acknowledged	2	3	2	2	9
Notifications Refused	0	0	1	2	3

Administrative updates by notification



Explanation for the result:

In Q1, one mining and two extractive industries administrative changes were acknowledged.

Administrative updates by notification:

New or changing work on existing work plans where it satisfies the following conditions:

- There is no significant increase in risk arising from the new or changing work.
- Council has been consulted and confirms in writing that the new or changing work does not require an amendment to the planning permit.
- Relevant referral agencies have been consulted and confirmed that the new or changing work raises no concerns.

More information is available on the website:

<https://earthresources.vic.gov.au/legislation-and-regulations/guidelines-and-codes-of-practice/extractive-industry-work-plan-guideline>

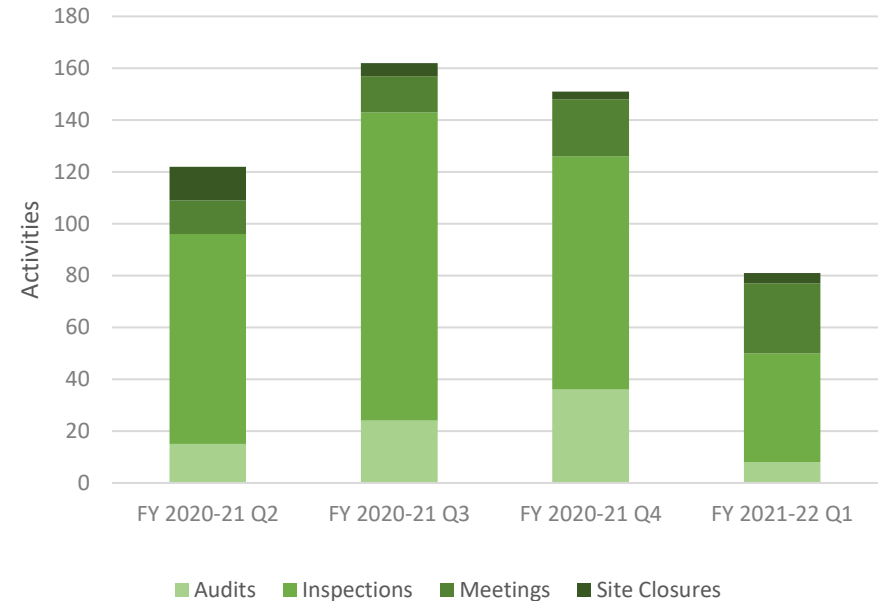
Compliance activities

Licence Types	Activity	July	Aug	Sep	Total
Extractives	Inspection	14	12	4	30
	Audit	6	0	1	7
	Meeting	0	2	0	2
	Site Closure	2	0	0	2
	Extractives Total	22	14	5	41
Mining	Inspection	3	7	2	12
	Meeting	6	7	12	25
	Audit	1	0	0	1
	Site Closure	2	0	0	2
	Mining Total	12	14	14	40
Total	34	28	19	81	

Explanation for the results:

In Q1, Earth Resources Regulation conducted 81 proactive compliance activities involving 59 authority holders. This quarter’s field activities were impacted by COVID-19 restrictions and resourcing constraints.

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 outcomes.

Earth Resources Regulation undertakes compliance actions under the *Mineral Resources (Sustainable Development) Act 1990*, *Petroleum Act 1998* and other legislation to identify and act on any audits or omissions by the authority holder that have or are likely to result in a risk to public safety, the environment, land, property or infrastructure, or fail to comply with licence or work authority conditions.

Compliance audits

Type of Audit	FY 2020-21 Q2	FY 2020-21 Q3	FY 2020-21 Q4	FY 2021-22 Q1	Total	% Total
Progressive Rehabilitation	1	10	16	1	28	34%
Plan and Conditions	9	3	5	1	18	22%
Water Management	1	4	0	0	5	6%
Dust	1	0	3	0	4	5%
Noise	2	0	2	4	8	10%
GeoTechnical	0	0	4	0	4	5%
Fire and Emergency	0	3	0	0	3	4%
Boundaries and Extraction Limits	1	0	1	1	3	4%
Site Security and Buffer Zones	0	1	1	0	2	2%
Impacts of Blasting	0	1	1	0	2	2%
Exploration Drilling	0	1	1	0	2	2%
Imported Materials	0	1	0	0	1	1%
Plan and Conditions (High-Risk)	0	0	1	0	1	1%
Pest, Plant and Animal	0	0	1	0	1	1%
TSF Management	0	0	0	1	1	1%
Total	15	24	36	8	83	100%

Explanation for the results:

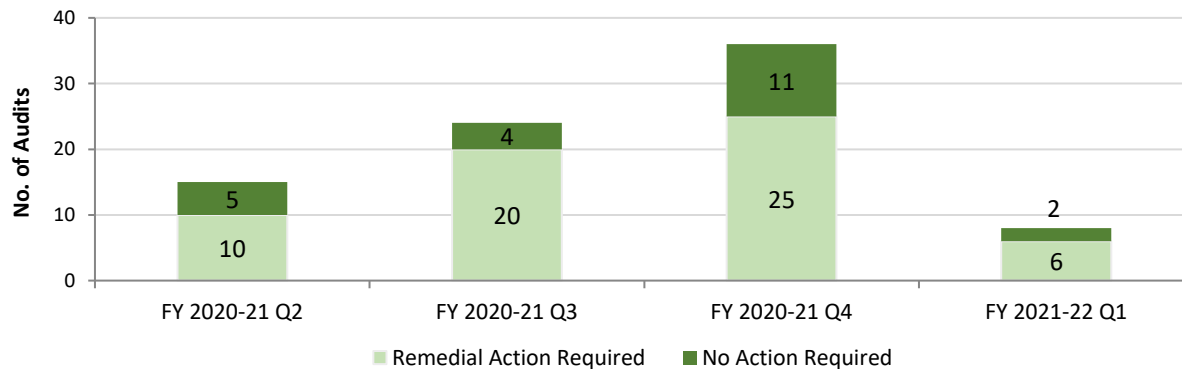
There were eight audits conducted in Q1. Audit activities were impacted by COVID-19 restrictions and reduced resources availability.

Earth Resources Regulation's compliance program aims to drive improved industry performance by focusing on the 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 on the website:

<https://earthresources.vic.gov.au/legislation-and-regulations/compliance-enforcement>

Remedial action / No action after audits



Explanation for the results:

The audit program is risk-based with a focus on more significant sites. The number of actions required can be dependent on the type of audits completed and if the audits were 'follow up' audits from previously identified risks.

Of the audits completed during the quarter, six out of eight required remedial actions.

Why are these measures important?

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

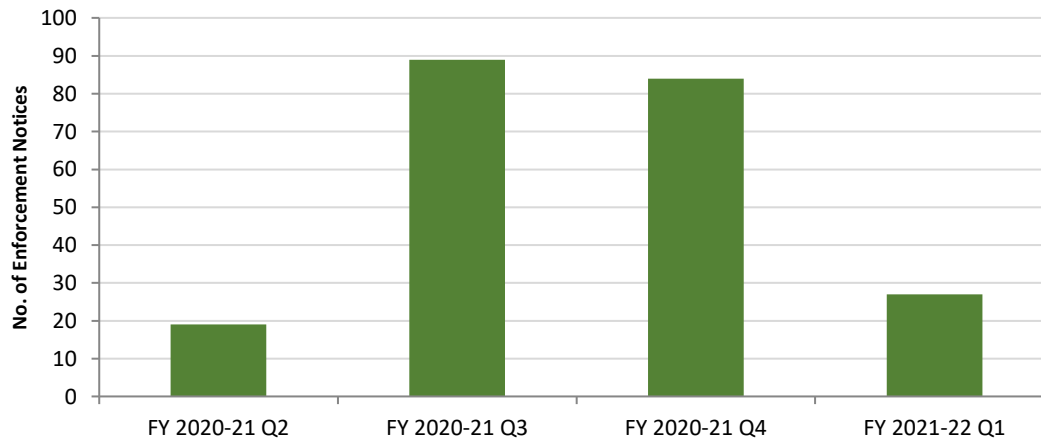
General enforcement notices issued in the quarter

Sector	Enforcement Action Type	Enforcement Code	No. of Notices
Extractives	s110 Notice	Slope Stability	2
Extractives	s110 Notice	Rehabilitation of Site	2
Extractives	s110 Notice	Work Outside Approved Area	1
Mining	s110 Notice	Slope Stability	3
Mining	s110 Notice	Waste and Redundant Plant	1
Mining	s110 Notice	Community Engagement	1
Total			10

Infringements and official warnings issued

Actions	Issued in the quarter
Improvement Notice	9
Written Instruction	7
Official Warning Letter	1
Total	17

Enforcement notices issued



Enforcement actions summary:

In Q1, there were 27 enforcement actions issued, of which 10 were related to s110 notices and 17 were from written instructions, improvement and official warning letters. Further details on enforcement actions can be found in the following media releases: <https://earthresources.vic.gov.au/about-us/news>

Reportable incidents in the quarter

Sector	Classification	Incident Type	Enforcement Code	Incident Responded To	Incident Status	Incident Count
Mining Licence	Minor	Public Safety	Fire Precautions and Risk Control	Yes	Resolved	14
Mining Licence	Minor	Environmental	Drainage, Erosion and Discharge	Yes	Resolved	3
Mining Licence	Major	Environmental	Environmental Incident Notification	Yes	Resolved	2
Mining Licence	Minor	Environmental	Environmental Incident Notification	Yes	Resolved	2
Mining Licence	Minor	Public Safety	Reporting, Monitoring and Auditing	Yes	Resolved	1
Work Authority	Minor	Environmental	Drainage, Erosion and Discharge	Yes	Resolved	3
Work Authority	Minor	Environmental	Reporting, Monitoring and Auditing	Yes	New	1
Work Authority	Minor	Legislation Breach	Slope Stability	Yes	New	1
Total						27

Non-reportable incidents in the quarter

Sector	Classification	Incident Type	Enforcement Code	Count
Mining Licence	Minor	Environmental	Groundwater Impacts	1
Mining Licence	Minor	Public Safety	Fire Precautions and Risk Control	1
Total				2

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.

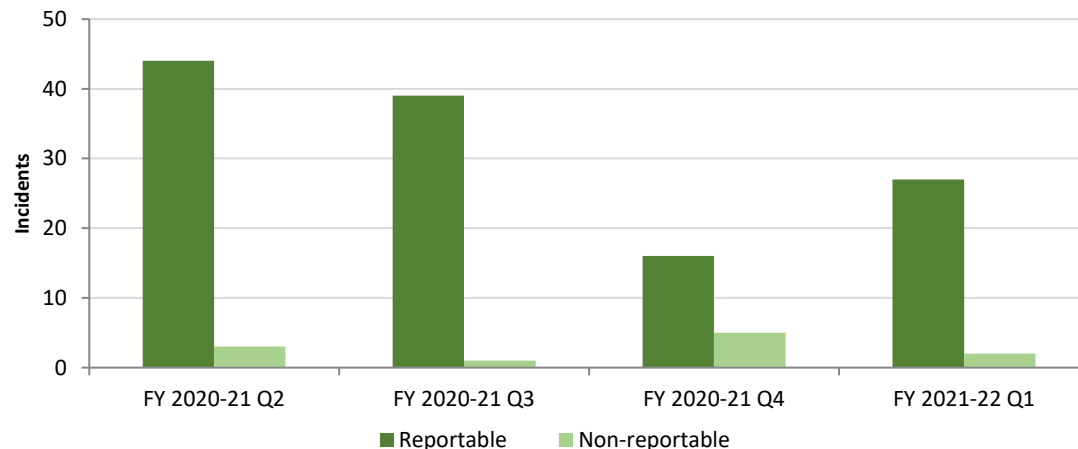
Explanation for the result:

There were 27 reportable incidents in Q1 with a majority of these relating to small coal smoulders and drainage.

A recent change in reporting requirements now classifies smoulders as a reportable fire event. All incidents were responded to and two are still under investigation.

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

Reportable vs Non-reportable incidents



FY 2020-21 Annual work authority, mining and prospecting returns submitted by the due date

Tenement type	Annual return type	Tenement active in FY 2020-21 (Annual returns expected)	Annual returns submitted by due date*	Annual returns submitted by due date* %
Work Authority	Annual Report - Extractive	862	445	52%
Mining Licence	Expenditure and Activity	140	97	69%
Mining Licence	Production and Royalty	140	94	67%
Prospecting Licence	Expenditure and Activity	69	50	72%
Prospecting Licence	Production and Royalty	69	45	65%

*Due Date: Work Authority 31 July 2021 , Mining and Prospecting 28 July 2021.

*Annual returns submitted includes regulator approved extensions.

Annual report requirements:

All tenement holders are obliged to submit an annual report on their activities by the due date even if no work has been undertaken in the financial year. The information is used to monitor industry activities, specify regulatory fees and royalties and inform management of Victoria's earth resources sector by understanding the state of the industry and aiding further investment and jobs.

Environmental review committee attendance

	2020-21 Q2	2020-21 Q3	2020-21 Q4	2021-22 Q1
Meetings Planned	20	14	13	14
Meetings Attended	20	14	13	14
% Attendance	100%	100%	100%	100%
Target	100%	100%	100%	100%

Explanation for the result:

Earth Resources Regulation attended 100% of the scheduled Environmental Review Committee (ERC) meetings in Q1. All ERCs were held online during the period due to COVID-19 restrictions, with feedback indicating that this approach worked well for licensees and communities.

Industry Reference Group

2021-22 Q1	2021-22 Q1	2021-22 Q3	2021-22 Q4	Annual Total	FY Target
1	-	-	-	1	4

Explanation for the result:

The target is an annual figure based on Industry Reference Group (IRG) meetings being scheduled every three months.

The IRG, which replaces the former Stakeholder Reference Group (SRG), held one meeting in Q1, which was the first time the group met under its new terms of reference.

Earth Resources Regulators Forum

2021-21 Q1	2021-21 Q2	2021-22 Q3	2021-22 Q4	Annual Total	FY 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 financial year.

Why are these measures important?

The stakeholder engagement indicator covers the interaction between the regulator, authority 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.

Why are these measures important?

The Industry 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.

Why are these measures important?

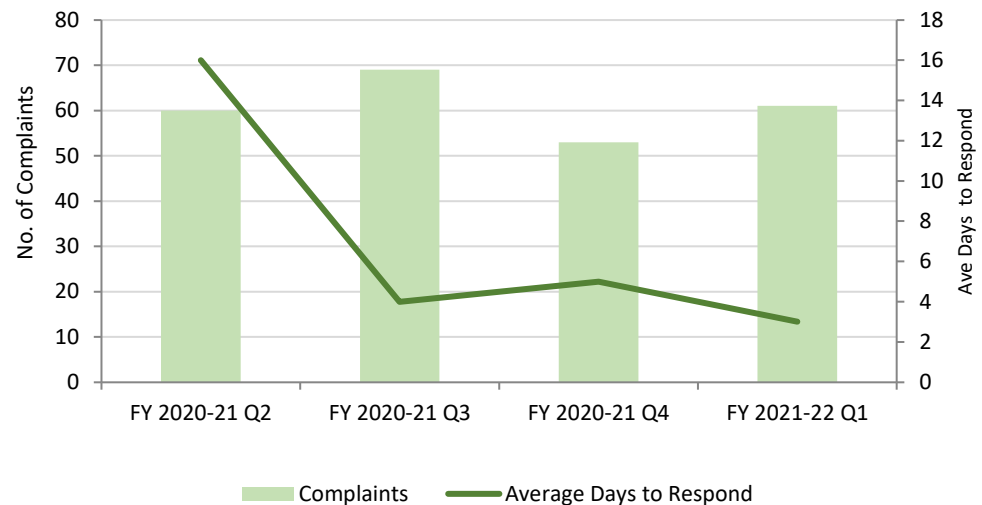
The Earth Resources Regulators' Forum drives a coordinated, strategic approach to regulation in the earth resources sector. Through the forum and its independent chair, Earth Resources Regulation coordinates its activities with other regulators to improve timeliness, reduce compliance and administrative 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 times to complaints in the quarter

Sector	Enforcement Codes	Number of Complaints	Ave Days to respond	*Median Days to respond
Extractives	Explosives Air and Ground Vibration	19	3	1
Extractives	Working Hours	7	9	1
Extractives	Drainage, Erosion and Discharge	3	3	4
Extractives	Noise Emissions	3	2	2
Extractives	Work without License or Consents	2	1	1
Extractives	Rehabilitation of Site	2	1	1
Extractives	Impacts Outside Tenement Site	1	1	1
Extractives	Authorised Activity Compliance	1	1	1
Extractives	Dust Emissions	1	6	6
Extractives	Noxious Weeds, Plants and Pests	1	3	3
Extractives	Other (Not Specified Above)	1	1	1
Mining	Explosives Air and Ground Vibration	12	3	1
Mining	Work without License or Consents	3	1	1
Mining	Internal Roads and Tracks	1	9	9
Mining	Impacts Outside Tenement Site	1	6	6
Mining	Environmental Incident Notification	1	1	1
Mining	Authorised Activity Compliance	1	2	2
Mining	Groundwater Impacts	1	1	1
		61	3	1

* Median Days: Arranging the days to respond in order and then selecting the middle value . Median is used to minimise the impact of outliers.

Complaints vs Average days to respond



Explanation for the result:

There were 61 complaints in Q1. Of these, 48% were attributed to two licence holders relating to Explosives Air and Ground Vibration.

Of the 61 complaints received, 32 were resolved and 29 are under investigation. The average number of days to respond to a complaint was three days and the median to respond was one day. Repeat complaints were addressed through combined responses.

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

Earth Resources Regulation

1 Spring Street
Melbourne VIC 3000
Telephone: 1300 366 356

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