



Trade &  
Investment  
Resources & Energy

# Service Delivery Standards

QUARTERLY PERFORMANCE REPORT

1 APRIL 2014 TO 30 JUNE 2014



## Executive Summary













This report outlines the performance results for service delivery standards, implemented for the processing of applications under the *Mining Act 1992*.







This is the fourth report since the service delivery standards were introduced on 12 August 2013 and reports on the decisions made between 1 April and 30 June 2014.

The results of this report show significant improvement in performance compared to the previous report. A number of approvals have met or exceeded target, with others showing a significant increase in results.

The form of the report is still being refined to ensure that it is meaningful and future reports will provide a more accurate picture of how the Division of Resources and Energy (DRE) is performing against the new standards.

The agreed targets and performance for this reporting period are:

Activity/Approval	Target	Performance*
Title applications – coal exploration licence grants:	90% within 85 business days	100% 
Title applications – mineral exploration licence grants:	90% within 45 business days	100% 
Title application – mineral & coal mining lease grants:	90% within 45 business days	100% 
Title applications – coal exploration licence renewals:	90% within 45 business days	50% 
Title applications – mineral exploration licence renewals:	90% within 45 business days	88% 
Title application – mineral & coal Mining lease renewals:	90% within 45 business days	33% 
Review of Environmental Factors (REF) approvals:	90% within 30 business days	92% 
Subsidence Management Plan (SMP) approvals:	90% within 90 business days	100% 
Surface Disturbance Notice approvals:	90% within 10 business days	87% 
Mining Operations Plan (MOP) approvals:	90% within 30 business days	100% 
Security deposit release:	90% within 10 business days	98% 
Security deposit reviews:	90% within 30 business days	90% 

\* **Performance key:**  = compliant with target and up from previous quarter;  = compliant with target and the same as previous quarter;  = compliant with target and down from previous quarter;  = not compliant with target and up from previous quarter;  = not compliant with target and the same as previous quarter;  = not compliant with target and down from previous quarter.

While a number of targets have been successfully met, DRE is continuing to identify potential improvements to resolve these issues including:

- the processing and clearing of backlog work
- a review of processes and procedures to identify efficiencies
- improved reporting and monitoring systems
- working towards the implementation of an online application and workflow system

The implementation of the reporting and monitoring systems will ensure the department can clearly identify problem areas and work quickly to prioritise and resolve them.

Information regarding the actual number of applications received in each reporting period has been included in this report as a result of feedback received (*Appendix B*).

Additionally, information regarding legacy work on hand (dealings received prior to 1 January 2013) is also provided (*Appendix C*).

The next report is due in October 2014.

## Introduction

As part of the Government's Quality Regulatory Services Initiative, NSW Trade & Investment – Division of Resources & Energy (DRE) has implemented service delivery standards for the processing of applications under the *Mining Act 1992*.

## Background

Regulatory processing delays represent one of the biggest areas of administrative burden for industry. The service delivery standards provide greater certainty and allow industry to manage operations and deadlines around the expected waiting times.

### *Processing of applications*

In order to efficiently process and report on applications, a new process has been implemented that includes 'stop the clock' provisions. In summary:

- The processing clock starts when a complete application, including all required supporting information is received.
- If an application is deficient, the applicant is notified immediately and given 10 business days (*Mining Regulation 2010* cl76(9)) to submit all required supporting information. If the required information is not received within this timeframe, the application is refused.
- The processing clock is generally only stopped in the event of an exception identified in *Appendix A*.
- Processing is complete when the applicant is notified of the result of the decision (this may be a proposed grant, proposed refusal, request for partial relinquishment prior to grant) or in the case of withdrawal, when the withdrawal of the application is finalised.

Work is continuing to ensure the consistent use of the 'stop the clock' provisions.

### *Reporting Period*

The reporting period for this performance report is 1 April to 30 June 2014. This is the fourth report since the service delivery standards were introduced on 12 August 2013.

DRE is still in a transitional phase, with a backlog of applications that fall outside the scope of this performance report.

The service delivery standards reported here only cover a portion of the work completed by DRE. Other tasks include audits, inspections and enforcements.

Where a 'stop the clock' event occurred the processing time is calculated by deducting the number of days for which the clock has stopped, from the total time taken from when a finalised application has been received to when the applicant is notified of the proposed action to be taken (i.e. grant/renewal/refusal/other action as appropriate), or for coal exploration licence matters, when the submission to the Minister for approval to make an offer has been prepared.

While steps are being taken to automate this reporting, most of this information has been compiled manually.

During this quarter questions were raised about the Department's Part 5 obligations under the *Environmental Planning and Assessment Act 1979* that relates to the grant

or renewal of exploration licences. While this uncertainty was resolved, some applications and renewals of exploration licences were affected. In these situations, 'stop the clock' events were recorded and have been taken into consideration whilst compiling this information.

## Detailed Results

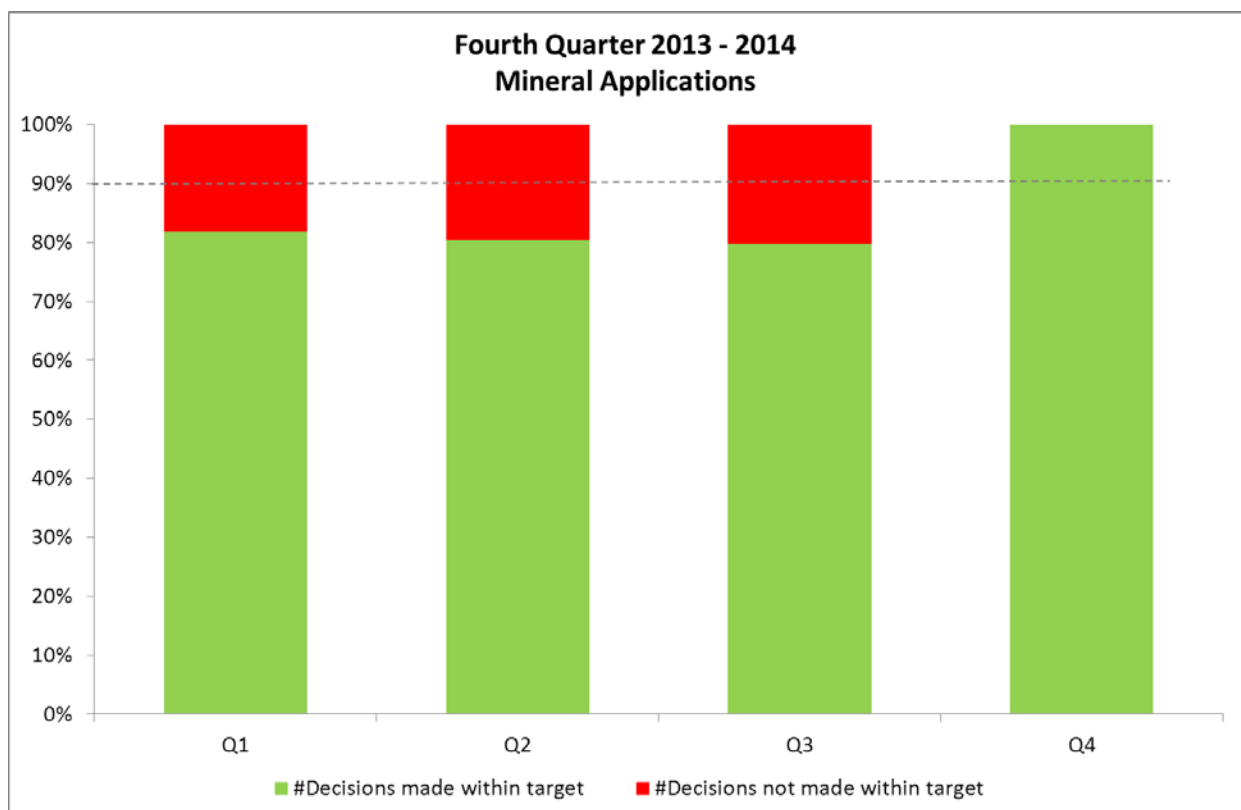
The following report provides a snapshot of applications where a decision was made between 1 April and 30 June 2014.

### Mineral exploration licences

Title applications for minerals (defined as mineral groups 1-8 and 10) include exploration licences, assessment leases and mining leases.

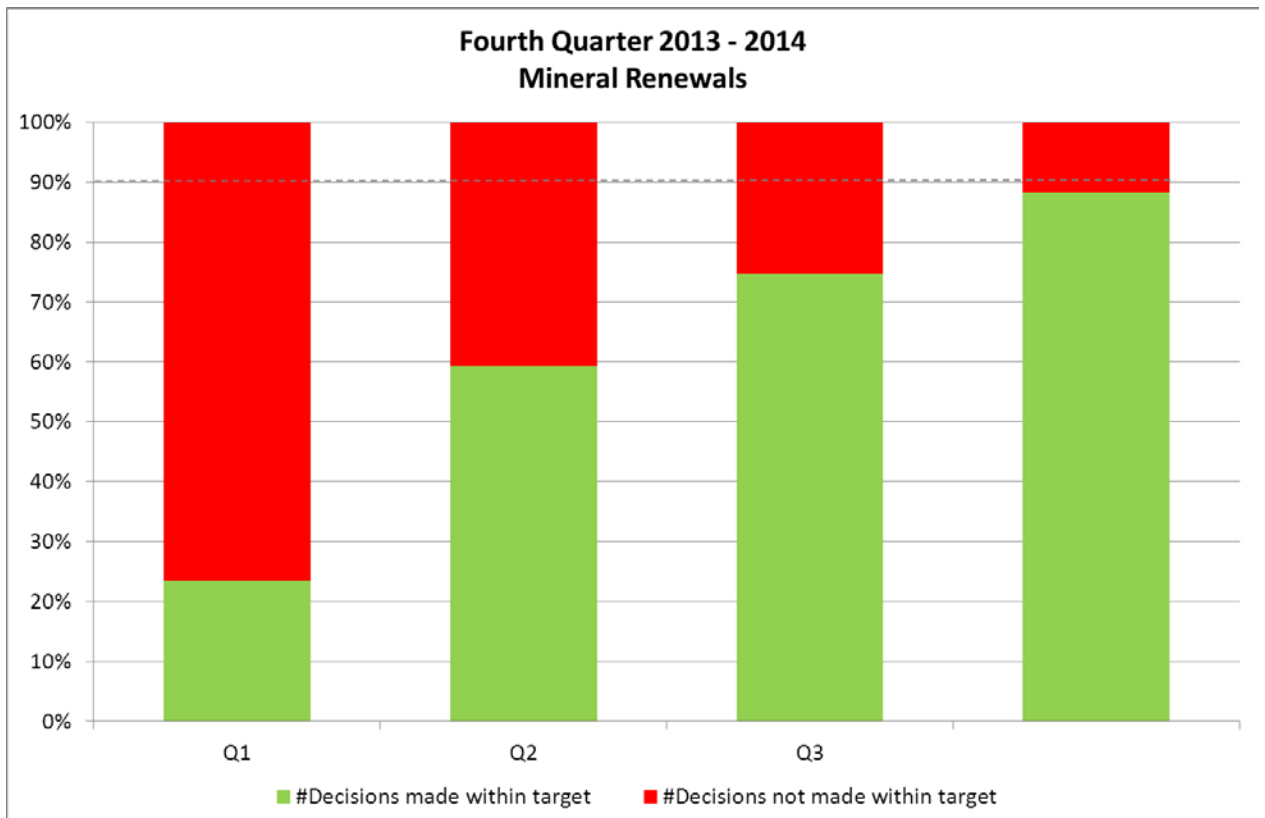
#### Mineral exploration licence applications

Target:	Number	90% within 45 business days
Decisions made (1 Apr to 30 Jun 2014):	42	
Decisions made within target	42	100%
Decisions not made within target	0	0%



## Mineral exploration licence renewals

<b>Target:</b>	<b>Number</b>	<b>90% within 45 business days</b>
Decisions made (1 Apr to 30 Jun 2014):	<b>51</b>	
Decisions made within target	<b>45</b>	<b>88%</b>
Decisions not made within target	<b>6</b>	<b>12%</b>



There has been a significant improvement in the processing of renewals. Work continues to determine where delays are occurring and new processes are currently being implemented to improve work flow within Mineral Resources and in the assessment of renewals.

## Coal

Compared to other minerals, additional processing time is required for coal exploration licence applications to allow for the public comment process and the applicant's right of reply to the public comment process. Previously additional time was also given for Ministerial approval of offer; however, the target has been changed to the date when the submission is initially prepared for Ministerial consideration.

### Coal exploration licence applications

<b>Target:</b>	<b>Number</b>	<b>90% within 85 business days</b>
Decisions made (1 Apr to 30 Jun 2014):	<b>1</b>	
Decisions made within target	<b>1</b>	<b>100%</b>
Decisions not made within target	<b>0</b>	<b>0%</b>

### Coal exploration licence renewals

<b>Target:</b>	<b>Number</b>	<b>90% within 45 business days</b>
Decisions made (1 Apr to 30 Jun 2014):	<b>4</b>	
Decisions made within target	<b>2</b>	<b>50%</b>
Decisions not made within target	<b>2</b>	<b>50%</b>

The decisions that did not meet the target were due to a change in internal requirements. The renewals were on track to meet the target prior to the change in requirements.

## Mining leases

### Mineral and coal mining lease applications

Target:	Number	90% within 45 business days
Decisions made (1 Apr to 30 Jun 2014):	1	
Decisions made within target	1	100%
Decisions not made within target	0	0%

### Mineral and coal mining lease renewals

Target:	Number	90% within 45 business days
Decisions made (1 Apr to 30 Jun 2014):	6	
Decisions made within target	2	33%
Decisions not made within target	4	67%

Mining lease renewal applications must be lodged at least 12 months prior to the due expiry date of the lease. Mining leases with pending renewals can continue in force in accordance with section 117 of the *Mining Act 1992*.

It should be noted that all six mining leases were offered renewal well before the due expiry date of the lease.

## Assessment leases

### Mineral and coal applications

Target:	Number	90% within 45 business days
Decisions made (1 Jan to 31 Mar 2014):	0	
Decisions made within target	N/A	N/A
Decisions not made within target	N/A	N/A

### Mineral and coal renewals

Target:	Number	90% within 45 business days
Decisions made (1 Jan to 31 Mar 2014):	0	
Decisions made within target	N/A	N/A
Decisions not made within target	N/A	N/A



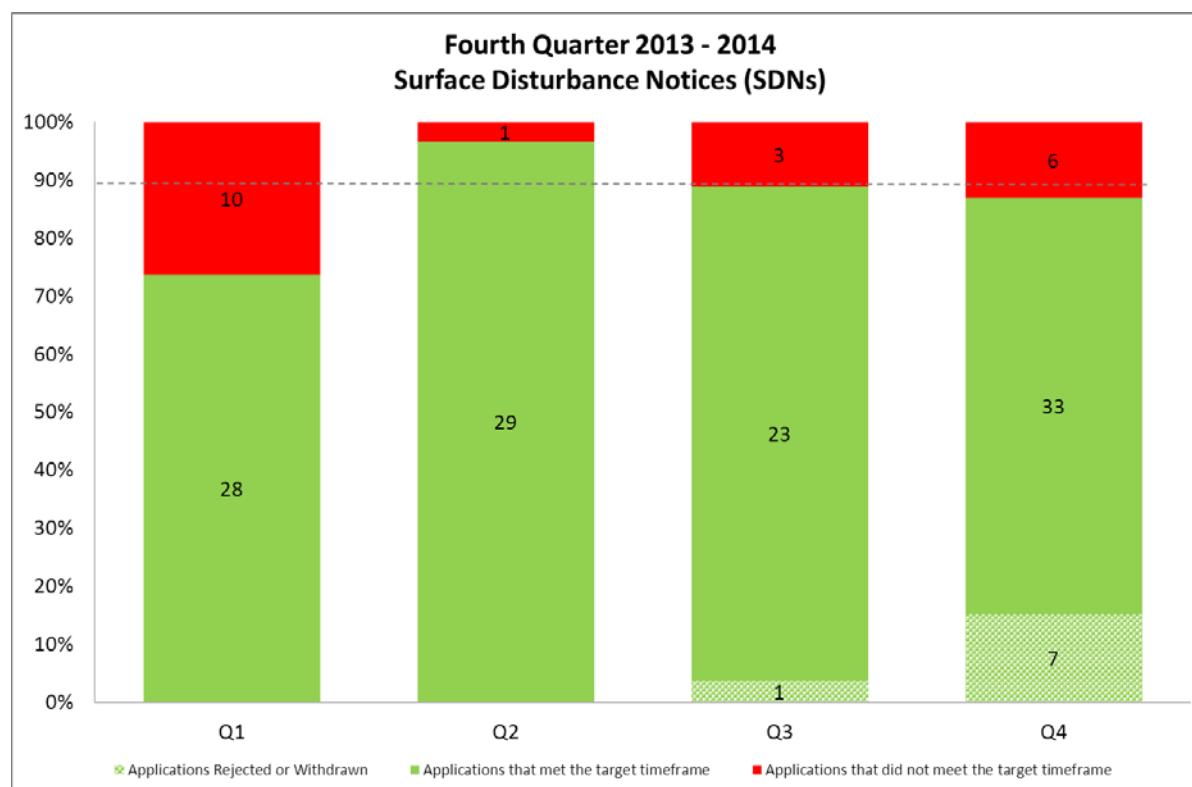
## Exploration activity approvals

### Category 2 – Surface Disturbance Notices (SDN)

Target:	Number	90% within 10 business days
Applications being reported on (target timeframe concluded within reporting period):	46	
Applications rejected or withdrawn <sup>1</sup>	7	87%
Applications that met the target timeframe:	33	
Applications that did not meet the target timeframe:	6	13%

The last quarter of the financial year is a high workload quarter that coincides with anniversaries of many reviews occurring simultaneously.

There were five 'stop the clock' events which were related to non-compliances with *ESG10: Surface Disturbance for Exploration Activities*.



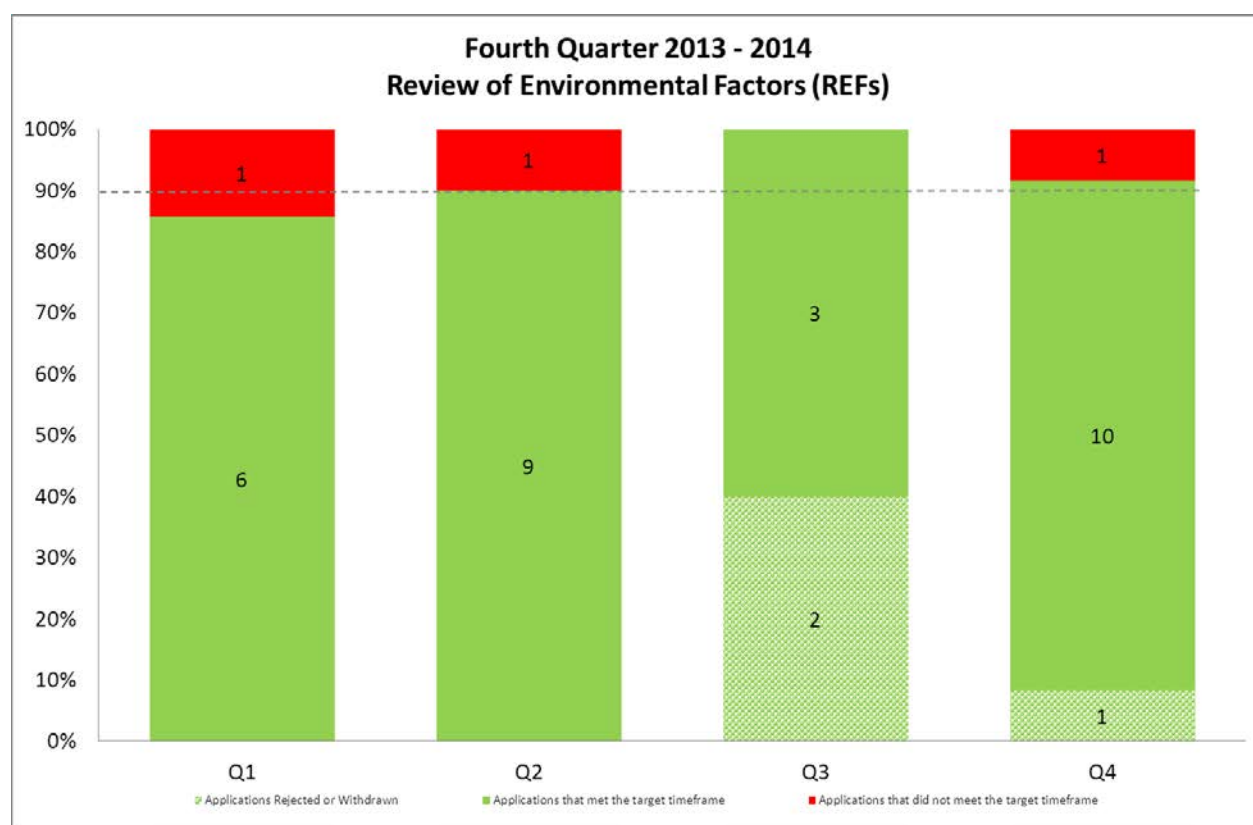
<sup>1</sup> Given the 'work effort' required to assess applications initially, applications rejected or withdrawn will be reported in this and future quarters and included in the 'applications that met the timeframe' target.

### **Category 3 – Review of Environmental Factors (REF)**

<b>Target:</b>	<b>Number</b>	<b>90% within 30 business days</b>
Applications being reported on (target timeframe concluded within reporting period):	<b>12</b>	
Applications rejected or withdrawn <sup>2</sup>	<b>1</b>	
Applications that met the target timeframe:	<b>10</b>	<b>92%</b>
Applications that did not meet the target timeframe:	<b>1</b>	<b>8%</b>

The REF approval target timeframe of 90% within 30 business days was met.

There were five reported 'stop the clock' events related to non-compliance with *ESG2: Environmental Impact Assessment Guidelines*, resulting in requests for additional information. In previous quarters, applications rejected or withdrawn were not reported.



<sup>2</sup> Given the 'work effort' required to assess applications initially, applications rejected or withdrawn will be reported in this and future quarters and included in the 'applications that met the timeframe' target.

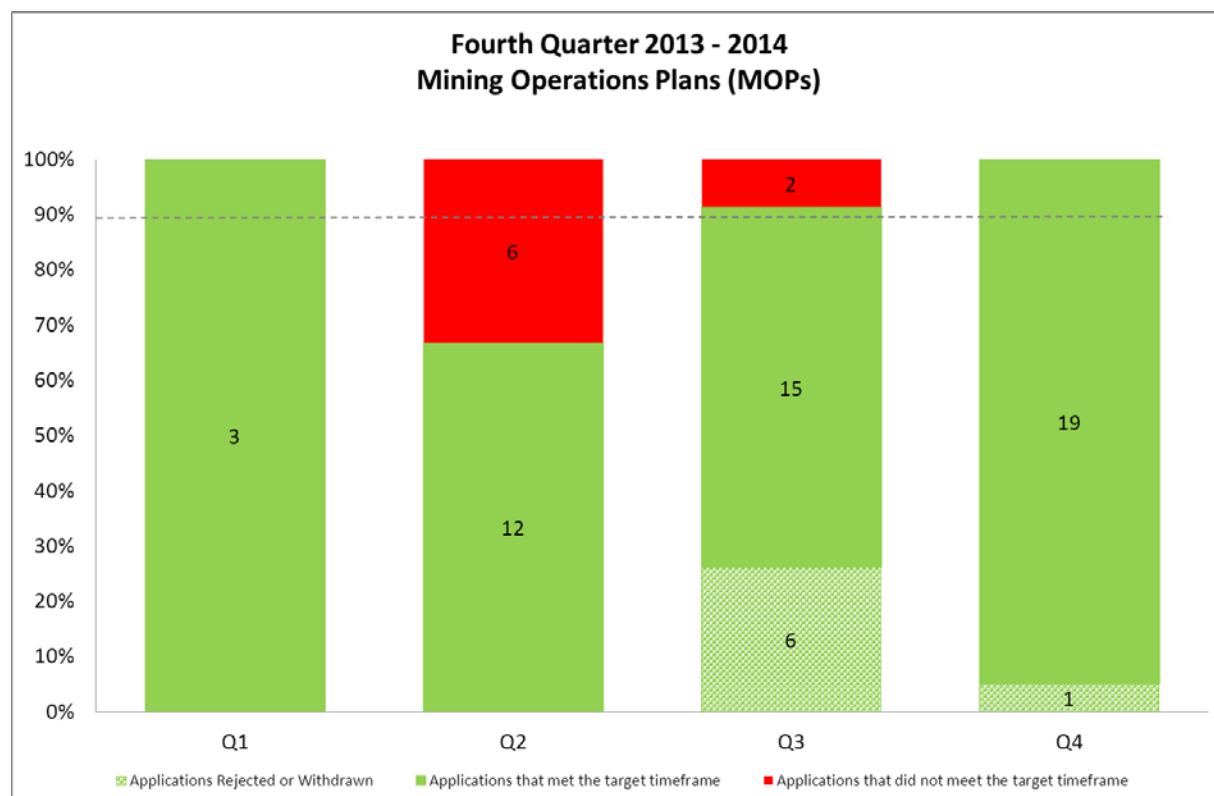
## Mining approvals

### Mining Operations Plans (MOP)

Target:	Number	90% within 30 business days
Applications being reported on (target timeframe concluded within reporting period):	20	
Applications rejected or withdrawn <sup>3</sup>	1	
Applications that met the target timeframe:	19	100%
Applications that did not meet the target timeframe:	0	0%

The MOP approval target timeframe of 90% within 30 business days was met.

There was one reported 'stop the clock' event related to non-compliance with *ESG2: Environmental Impact Assessment Guidelines*, resulting in requests for additional information. In previous quarters, applications rejected or withdrawn were not reported.

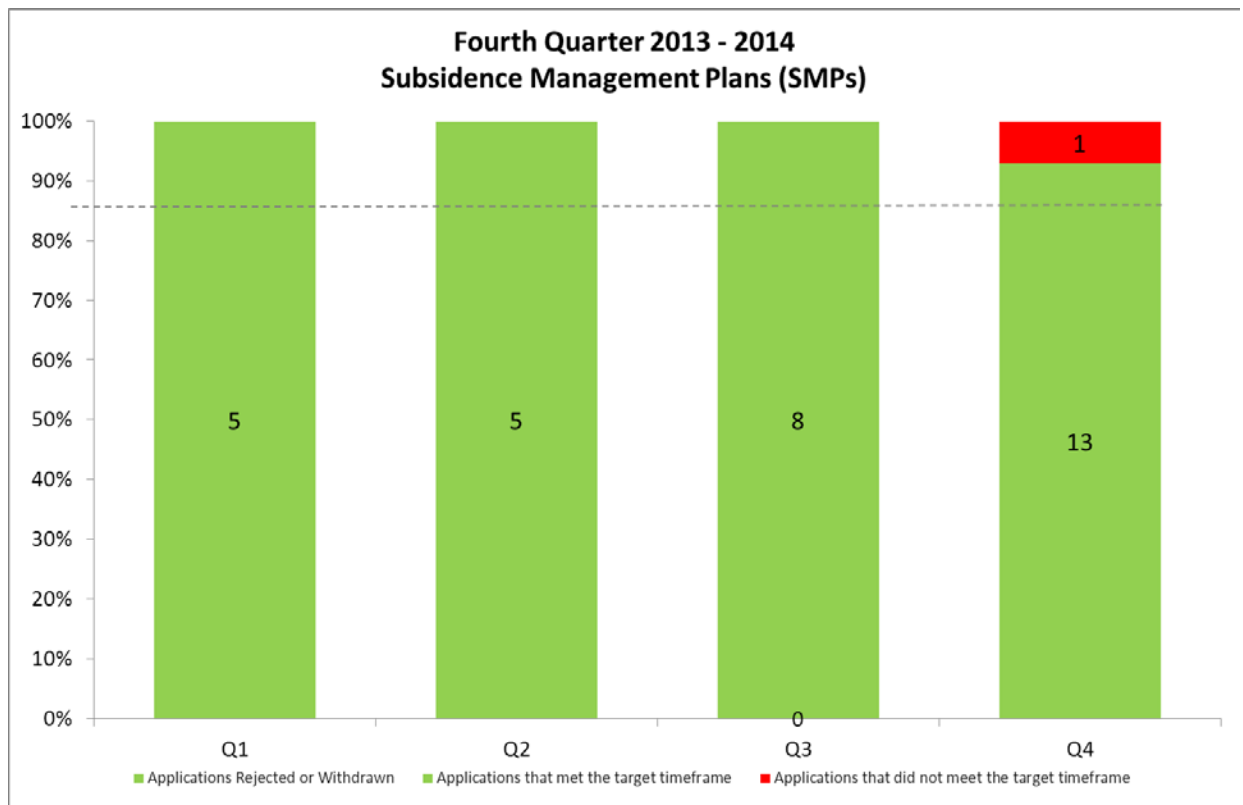


<sup>3</sup> Given the 'work effort' required to assess applications initially, this will be reported in this and future quarters and included in the 'applications that met the timeframe' target.

## Subsidence Management Plans (SMP)

Target:	Number	90% within 90 business days
Applications being reported on (target timeframe concluded within reporting period):	14	
Applications rejected or withdrawn	0	
Applications that met the target timeframe:	13	93%
Applications that did not meet the target timeframe:	1	7%

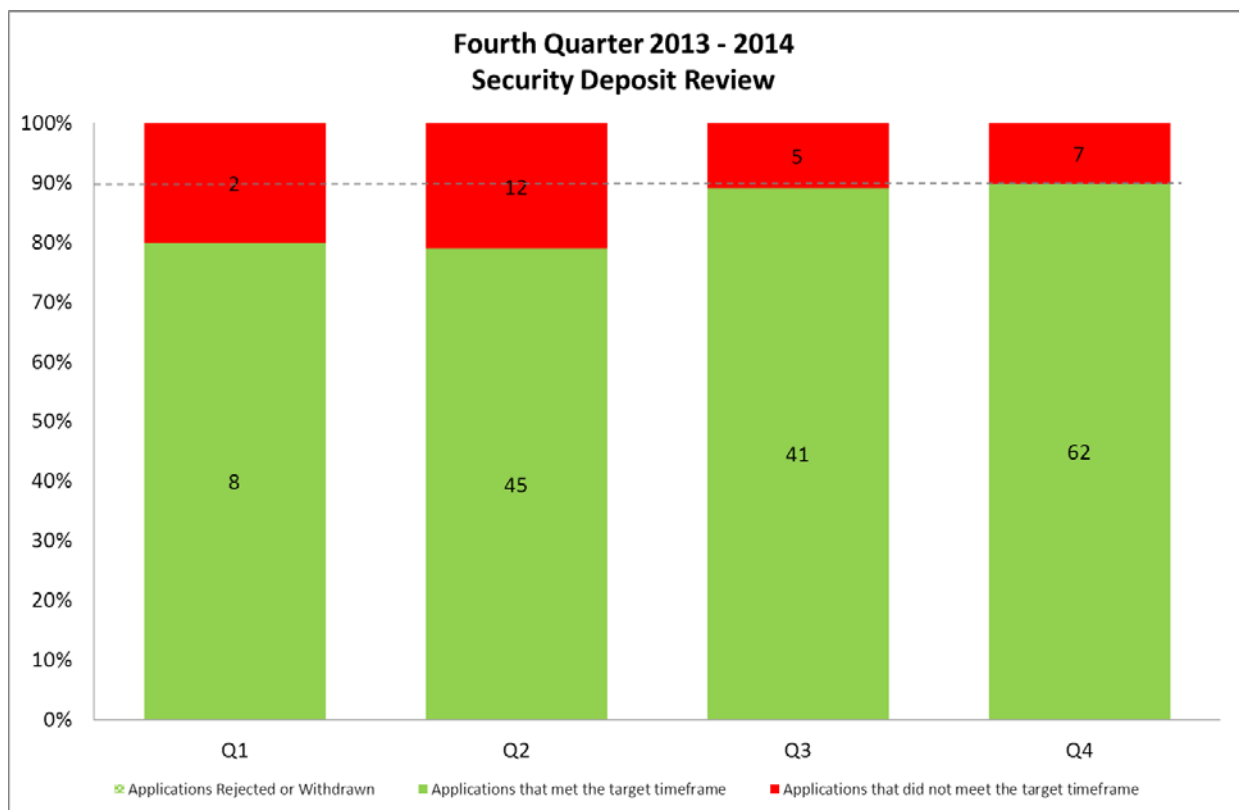
The SMP approval target timeframe of 90% within 90 business days was met.



## Security deposits

### Security deposit review

Target:	Number	90% within 30 business days
Applications being reported on (target timeframe concluded within reporting period):	69	
Applications rejected or withdrawn	N/A	
Applications that met the target timeframe:	62	90.0%
Applications that did not meet the target timeframe:	7	10.0%

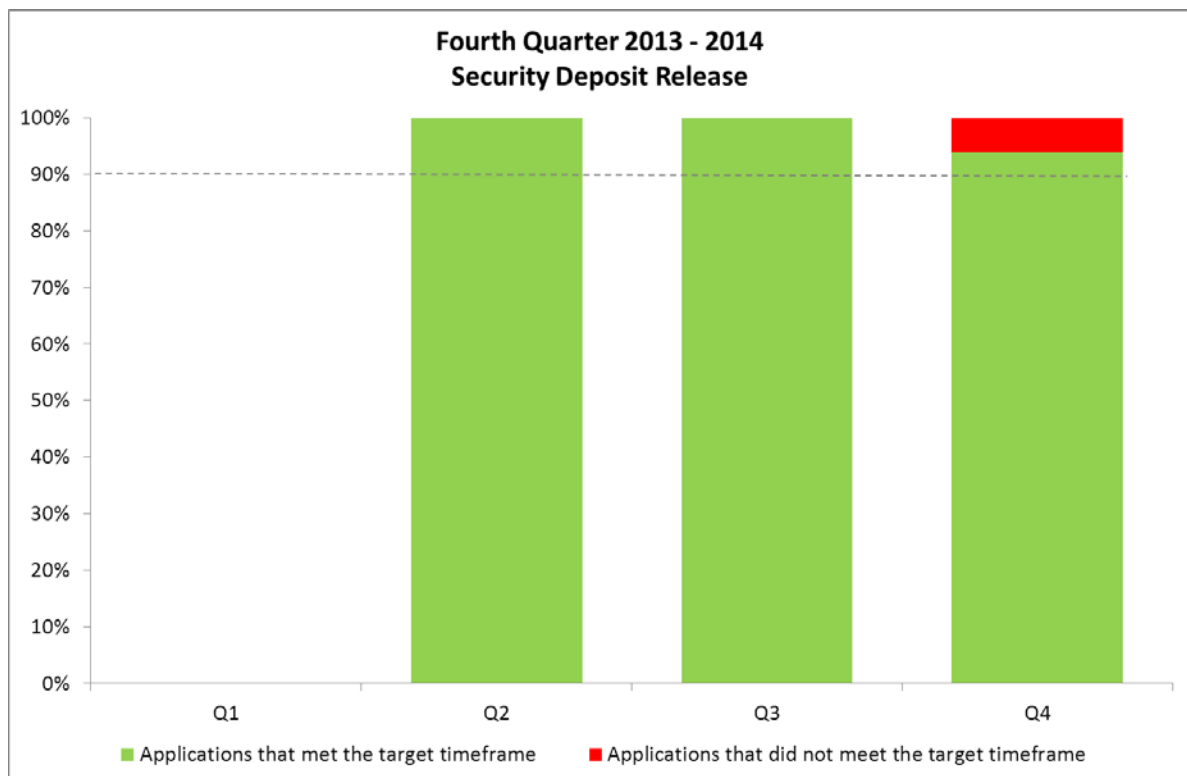


### Security deposit release

The target timeframe for cash refunds is that requests will be made within 10 days following determination. The 90% target was met.

Please note that the processing of cash refunds is a function which is outside DRE control.

Target:	Number	90% within 10 business days
Refunds being reported on (target timeframe concluded within reporting period):	49	
Refunds that met the target timeframe:	46	98%
Refunds that did not meet the target timeframe:	3	2%



## APPENDIX A

### Exception management

Exception management ('stop the clock') processes are essential to meaningful reporting of our service delivery performance. They identify circumstances which are beyond the control of DRE.

DRE will endeavour to minimise the use of the exception management ('stop the clock') triggers set out below. Where practicable:

- DRE will continue processing applications while the clock is stopped.
- If multiple triggers occur, the triggers will be dealt with in parallel rather than sequentially.

Application type	Exception	Processing clock triggers		Legislation preferences
		Stop clock	Restart clock	
All types of applications	Applicant requests that application is put on hold.	Request received from applicant to stop processing.	Request received from applicant to restart processing.	N/A
	Development consent required prior to <i>Mining Act 1992</i> approval.	Notification to applicant that processing can not proceed without development consent.	Copy of relevant consent supplied to DRE.	Section 65 <i>Mining Act 1992</i> Clause 7(1) <i>State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007</i>
	EPBC Act referral decision or approval required of direct relevance to application or title.	Notification to applicant that processing cannot proceed until referral decision or approval is made.	Copy of referral decision or approval supplied to DRE.	<i>Environment Protection and Biodiversity Conservation Act 2000</i>
	Relevant litigation underway in relation to application or title.	Notification to applicant that litigation precludes further processing.	DRE notified that litigation has been resolved.	N/A
	Significant unresolved issue with 3rd party of direct relevance to application or title.	Notification to applicant that issue with 3rd party precludes further processing.	DRE notified that issue with 3rd party has been resolved.	N/A
	Serious compliance issue of direct relevance to application or title.	Notification to applicant that compliance issue precludes further processing.	Compliance issue has been resolved.	To be dealt with in accordance with DRE compliance/enforcement policy and procedures

	Deficiency in application which may otherwise result in application being refused. <sup>1</sup>	Notification to applicant of deficiency.	Requested information supplied to DRE or applicant does not supply information within requested timeframe.	Administrative law principles relating to the exercise of discretionary powers and procedural fairness
Title applications – grant or renewal	Right to negotiate process.	Commencement of right to negotiate process at request of applicant.	Completion of right to negotiate process	<i>Native Title Act 1993</i>
	Significant improvement determination (mining leases only).	Receipt of objection.	Determination of objection	Section 62(6A) <i>Mining Act 1992</i>
	Agricultural land determination (mining leases only).	Receipt of objection.	Determination of objection	Section 179 <i>Mining Act 1992</i>
	Survey outstanding (mining leases only).	Notification to applicant that survey required before processing can proceed.	Survey compliant with requirements supplied to DRE	Section 66 <i>Mining Act 1992</i>
Exploration activity approvals – Category 2 SDN Category 3 REF Mining approvals – Mining Operations Plan (MOP) Subsidence Management Plan (SMP)	<i>Mining Act 1992</i> authorisation (title) required prior to activity approval.	Notification to applicant	Authorisation (title) granted	Sections 5 and 6 <i>Mining Act 1992</i>
Exploration activity approvals – Category 3 REF	Consent required from the Minister for the Environment for exploration in State Conservation Areas.	Notification to applicant	Copy of consent supplied to DRE	Section 47J(7) <i>National Parks and Wildlife Act 1974</i>
Other reasons at Departments discretion				



## APPENDIX B

### Number of applications received in each reporting period to date

#### Applications and renewals received since 1 July 2013

RESOURCE	PERIOD 1 1 July to 30 September 2013	PERIOD 2 1 October to 31 December 2013	PERIOD 3 1 January to 31 March 2014	PERIOD 4 1 April 2014 to 30 June 2014
<b>COAL</b>				
Exploration Licence Applications	0	2	1	0
Assessment Lease Applications	0	1	1	0
Mining Lease Applications	4	5	4	6
<b>TOTAL</b>	<b>4</b>	<b>8</b>	<b>6</b>	<b>6</b>
Exploration Licence Renewals	6	0	0	18
Assessment Lease Renewals	1	5	4	0
Mining Lease Renewals	8	3	2	1
<b>TOTAL</b>	<b>15</b>	<b>8</b>	<b>6</b>	<b>19</b>
<b>MINERALS</b>				
Exploration Licence Applications	48	65	51	51
Assessment Lease Applications	0	0	0	0
Mining Lease Applications	1	2	0	5
<b>TOTAL</b>	<b>49</b>	<b>67</b>	<b>51</b>	<b>56</b>
Exploration Licence Renewals	62	72	71	68
Assessment Lease Renewals	0	0	0	0
Mining Lease Renewals	8	13	3	1
<b>TOTAL</b>	<b>70</b>	<b>85</b>	<b>74</b>	<b>69</b>
<b>GRAND TOTAL</b>	<b>138</b>	<b>168</b>	<b>137</b>	<b>150</b>

## APPENDIX C

### Legacy work on hand (dealings received prior to 1 January 2013)

#### PRE 2013 (legacy) Work on hand – MINERALS as at 1 July 2014

MINERALS	Total as at 1 July 2013	Total as at 1 July 2014	Legacy Dealings processed 1 July 2013 to 1 July 2014	% reduction in legacy work
<b>MINERALS</b>				
<b>TOTAL</b>	<b>1063</b>	<b>619</b>	<b>444</b>	<b>41.8%</b>
DTA	509	340	169	33.2%
REN	343	168	175	51.0%

#### PRE 2013 (legacy) Work on hand – COAL as at 1 July 2014

COAL	Total as at 1 July 2013	Total as at 1 July 2014	Legacy Dealings processed 1 July 2013 to 1 July 2014	% reduction in legacy work
<b>COAL</b>				
<b>TOTAL</b>	<b>208</b>	<b>85</b>	<b>123</b>	<b>59.1%</b>
DTA	14	13	1	7.1%
REN	119	48	71	59.6%

This information is a summary only, showing the total number of dealings on hand and processed plus the actual numbers of renewals and dead title actions on hand and processed.

There has been a significant reduction in the number of pending renewals over the last 12 months.