



Trade &  
Investment  
Resources & Energy

# Service Delivery Standards

QUARTERLY PERFORMANCE REPORT

1 JULY – 30 SEPTEMBER 2013



## Executive Summary

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

The reporting period from 1 July to 30 September 2013, is the first report period since the service delivery standards were introduced on 12 August 2013. In this instance the targets were retrospectively applied to applications lodged from 1 July 2013

The first quarter has been used to test the new reporting procedures, to train staff and identify where processes need to be modified. The second reporting period is expected to provide a true picture of how the Division of Resources and Energy (DRE) is performing against the new standards.

Performance against the agreed targets is:

Activity/Approval	Target	Performance
Mining Operations Plan (MOP) approvals:	90% within 30 business days	100%
Subsidence Management Plan (SMP) approvals:	90% within 90 business days	100%
Title applications – mineral grants:	90% within 45 business days	90.9%
Review of Environmental Factors (REF) approvals:	90% within 30 business days	85.7%
Security deposit reviews:	90% within 30 business days	80%
Surface Disturbance Notice approvals:	90% within 10 business days	73.7%
Title applications – mineral renewals:	90% within 45 business days	23.5%
Title applications – coal grants:	90% within 95 business days	none
Title applications – coal renewals:	90% within 55 business days	n/a
Security deposit release:	90% within 10 business days	n/a

While some targets were successfully met, DRE is aware where delays are occurring and is in the process of identifying 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

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.

The next report is due in January 2014. It should be noted due to the state public service shut down over the Christmas period (with the exception of skeleton staff) there will be a blanket stop the clock period for 10 days in the next reporting period.

## 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 (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.

### *Reporting Period*

The reporting period for this performance report is 1 July to 30 September 2013. This is the first report since the service delivery standards were introduced on 12 August 2013.

In this instance the targets were retrospectively applied to applications lodged from 1 July 2013.

It should be noted that DRE is in a transitional phase, with a large back log of applications that fall outside the scope of this performance report. This back log is also being progressed as a priority and represents a significant body of work. Refer to *Appendix B* for a summary of backlog work.

These Key Performance Indicators (KPIs) also only cover a portion of the work completed by DRE. Other tasks include audits, inspections and enforcements.

Where a 'stop the clock' event occurred and was ongoing, the application was excluded from the results. For shorter 'stop the clock' events the application was included in the statistics (this was the case for most environmental 'stop the clock' events).

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

## Detailed Results

### Title applications

As indicated previously, DRE is in a transitional phase, with a large back log of applications that fall outside the scope of this performance report. This back log is also being progressed as a priority and represents a significant body of work – refer to *Appendix B* for further information.

### Minerals

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

Target:	90% within 45 business days
Applications being reported on (target timeframe concluded within reporting period):	<b>22</b>
Applications that met the target timeframe:	18
Applications that did not meet target timeframe:	2
Stop the clock events:	2

The nature of the stop the clock events included:

- One application is waiting on the outcome of another matter before it can be assessed.
- One application is for an applicant who is having all tenements reviewed as a group



### Coal

Title applications for coal (defined as group 9) include exploration licences, assessment leases and mining leases.

Compared to other minerals, additional processing time is required for coal to allow for the public comment process, the applicant's right of reply to the public comment process and Ministerial approval of offer.

Target:	90% within 95 business days
Applications being reported on (target timeframe concluded within reporting period):	<b>3</b>
Applications that met the target timeframe:	n/a
Applications that did not meet the target timeframe:	n/a
Stop the clock events:	3

All title applications for coal that met the criteria for reporting were for mining lease applications.

These applications were all subject to 'stop the clock' events including:

- Awaiting development consent
- Native title
- Agricultural land and significant improvements.

It should be noted that target timeframes for mining leases are generally irrelevant as they will all have stop the clock events, such as awaiting development consent and survey requirements.

### **Title renewals**

As indicated previously, DRE is in a transitional phase, with a large back log of applications that fall outside the scope of this performance report. This back log is also being progressed as a priority and represents a significant body of work – refer to *Appendix B* for further information.

### Minerals

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

Target:	90% within 45 business days
Applications being reported on (target timeframe concluded within reporting period):	<b>34</b>
Applications that met the target timeframe:	8
Applications that did not meet the target timeframe:	26
Stop the clock events:	0

In most cases processing of title renewals was delayed as a result of additional time required for assessing the technical aspects of the application.

DRE is aware where the delays are occurring and is in the process of identifying potential improvements to resolve these issues.

Applications that were able to be assessed quickly by the technical units were processed within the timeframe.



Coal

Title applications for coal (defined as group 9) include exploration licences, assessment leases and mining leases.

Compared to other minerals, additional processing time is required for coal to allow for Ministerial approval of offer.

Target:	90% within 55 business days
Applications being reported on (target timeframe concluded within reporting period):	3
Applications that met the target timeframe:	n/a
Applications that did not meet the target timeframe:	2
Stop the clock events:	1

During the reporting period one exploration licence, one assessment lease and one mining lease renewal have been reported on.

It should be noted that the *Mining Act 1992* requires mining lease renewals (for leases of one year or more) to be lodged no later than one year prior to expiry. As mining leases are generally in force for another 12 months following the lodgement of the renewal application, the processing of other applications approaching expiry date are usually given preference.

The assessment lease renewal application has been delayed due to a review of assessment lease conditions, which are currently moving through the approval process.

The one stop the clock event was related to a requirement for additional information for a Rehabilitation Cost Estimate (RCE).

All applications are still being processed.



## Exploration Activity Approvals

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

Target:	90% within 10 business days
Applications being reported on (target timeframe concluded within reporting period):	<b>37</b>
Applications that met the target timeframe:	27
Applications that did not meet the target timeframe:	10
Stop the clock events:	10

From 1 July 2013 until the 12 August 2013 there was a backlog of approvals under the previous processing targets consequently some applications were immediately overdue on 8 August 2013 when the new targets were implemented.

The average processing time for SDNs was 11 days.

Two contractors have been engaged to fast-track the outstanding applications based on a risk-based approach.

Work has also commenced to update procedures and templates to improve workflow.

The 'stop the clock' events were related to non-compliance with ESG10: Surface Disturbance for Exploration Activities resulting in requests for additional information for reasons that include:

- Application incomplete
- Reference made to documents that have not been included/attached to application
- Application not signed



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

Target:	90% within 30 business days
Applications being reported on (target timeframe concluded within reporting period):	<b>7</b>
Applications that met the target timeframe:	6
Applications that did not meet the target timeframe:	1
Stop the clock events:	2

The average processing time for REFs was 27 days.

The 'stop the clock' events were related to:



- non-compliance with ESG2: Environmental Impact Assessment Guidelines resulting in requests for additional information and



## Mining Approvals

### Mining Operations Plans (MOP)

Target:	90% within 30 business days
Applications being reported on (target timeframe concluded within reporting period):	<b>3</b>
Applications that met the target timeframe:	3
Applications that did not meet the target timeframe:	0
Stop the clock events:	1

The average processing time for MOPs was 16 days.

The 'stop the clock' events were related to non-compliance with ESG3: Mining Operations Plan (MOP) Guidelines resulting in requests for additional information.



### Subsidence Management Plans (SMP)

Target:	90% within 90 business days
Applications being reported on (target timeframe concluded within reporting period):	<b>5</b>
Applications that met the target timeframe:	5
Applications that did not meet the target timeframe:	0
Stop the clock events:	0



The average processing time for SMPs was 28 days.

## Security Deposits

### Security deposit review

Target:	90% within 30 business days
Applications being reported on (target timeframe concluded within reporting period):	<b>10</b>
Applications that met the target timeframe:	8
Applications that did not meet the target timeframe:	2
Stop the clock events:	2



### Security deposit release

The target timeframe for cash refunds is that requests will be made within 10 days following determination. Please note that the processing of cash refunds is a function which is outside DRE control.

Target:	90% within 10 business days
Applications being reported on (target timeframe concluded within reporting period):	<b>Unavailable</b>
Applications that met the target timeframe:	Unavailable
Applications that did not meet the target timeframe:	Unavailable
Stop the clock events:	Unavailable

At this point performance data relating to security deposit release is unable to be captured.

Steps are being taken to address this issue including modification to IT systems. In the medium term DRE is looking at how to best capture this information manually.

## 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>
Mining approvals – Subsidence Management Plan (SMP)	Extraction Plan required. <sup>2</sup>	Notification to applicant	Copy of Extraction Plan approval supplied to DRE	An Extraction Plan may be required as a condition of recent development consents under the <i>Environmental Planning &amp; Assessment Act 1979</i>

## APPENDIX B

### Summary of applications and renewals pending since 1 January 2012

#### MINERAL - APPLICATIONS

<b>As at 1 January 2012</b>	<b>#</b>	<b>New applications received</b>	<b>Matters determined</b>
Assessment Lease Applications	7		
Exploration Licence Applications	178		
Mining Lease Applications	83		
<b>As at 1 January 2013</b>		<b># since 1 January 2012</b>	<b># since 1 January 2012</b>
Assessment Lease Applications	7	2	2
Exploration Licence Applications	182	279	275
Mining Lease Applications	88	17	12
<b>As at 30 June 2013</b>		<b># since 1 January 2013</b>	<b># since 1 January 2013</b>
Assessment Lease Applications	4	0	3
Exploration Licence Applications	153	97	126
Mining Lease Applications	85	2	5
<b>As at 30 September 2013</b>		<b># since 30 June 2013</b>	<b># since 30 June 2013</b>
Assessment Lease Applications	4	0	0
Exploration Licence Applications	131	49	71
Mining Lease Applications	79	1	7

#### COAL - APPLICATIONS

<b>As at 1 January 2012</b>	<b>#</b>	<b>New applications received</b>	<b>Matters determined</b>
Assessment Lease Applications	0		
Exploration Licence Applications	4		
Mining Lease Applications	42		
<b>As at 1 January 2013</b>		<b># since 1 January 2012</b>	<b># since 1 January 2012</b>
Assessment Lease Applications	3	4	1
Exploration Licence Applications	8	4	0
Mining Lease Applications	46	22	18
<b>As at 30 June 2013</b>		<b># since 1 January 2013</b>	<b># since 1 January 2013</b>
Assessment Lease Applications	3	0	0
Exploration Licence Applications	7	1	2
Mining Lease Applications	48	3	1
<b>As at 30 September 2013</b>		<b># since 30 June 2013</b>	<b># since 30 June 2013</b>
Assessment Lease Applications	3	0	0
Exploration Licence Applications	6	0	1
Mining Lease Applications	49	4	3

## MINERAL - RENEWALS

<b>As at 1 January 2012</b>		<b>New applications received</b>	<b>Matters determined</b>
Assessment Lease Renewals	3		
Exploration Licence Renewals	292		
Mining Lease Renewals	205		
<b>As at 1 January 2013</b>		<b># since 1 January 2012</b>	<b># since 1 January 2012</b>
Assessment Lease Renewals	4	3	2
Exploration Licence Renewals	304	394	382
Mining Lease Renewals	214	15	6
<b>As at 30 June 2013</b>		<b># since 1 January 2013</b>	<b># since 1 January 2013</b>
Assessment Lease Renewals	3	0	1
Exploration Licence Renewals	287	149	167
Mining Lease Renewals	210	18	24
<b>As at 30 September 2013</b>		<b># since 30 June 2013</b>	<b># since 30 June 2013</b>
Assessment Lease Renewals	2	0	1
Exploration Licence Renewals	199	62	149
Mining Lease Renewals	195	8	22

## COAL - RENEWALS

<b>As at 1 January 2012</b>		<b>New applications received</b>	<b>Matters determined</b>
Assessment Lease Renewals	2		
Exploration Licence Renewals	53		
Mining Lease Renewals	48		
<b>As at 1 January 2013</b>		<b># since 1 January 2012</b>	<b># since 1 January 2012</b>
Assessment Lease Renewals	3	1	0
Exploration Licence Renewals	112	61	2
Mining Lease Renewals	38	9	19
<b>As at 30 June 2013</b>		<b># since 1 January 2013</b>	<b># since 1 January 2013</b>
Assessment Lease Renewals	3	0	0
Exploration Licence Renewals	78	15	49
Mining Lease Renewals	44	8	3
<b>As at 30 September 2013</b>		<b># since 30 June 2013</b>	<b># since 30 June 2013</b>
Assessment Lease Renewals	4	1	0
Exploration Licence Renewals	72	8	14
Mining Lease Renewals	49	6	0