



Trade &  
Investment  
Resources & Energy

# Service Delivery Standards

QUARTERLY PERFORMANCE REPORT

1 OCTOBER – 31 DECEMBER 2013



## 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 second report since the service delivery standards were introduced on 12 August 2013 and reports on the decisions made between 1 October and 31 December 2013.

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. As further improvements to processes are identified and implemented, it is expected that results will continue to improve.

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
Security deposit release:	90% within 10 business days	100% 
Title applications – coal exploration licence grants:	90% within 85 business days	100% 
Subsidence Management Plan (SMP) approvals:	90% within 90 business days	100% 
Surface Disturbance Notice approvals:	90% within 10 business days	97% 
Review of Environmental Factors (REF) approvals:	90% within 30 business days	90% 
Title applications – mineral exploration licence grants:	90% within 45 business days	80% 
Security deposit reviews:	90% within 30 business days	79% 
Mining Operations Plan (MOP) approvals:	90% within 30 business days	67% 
Title applications – mineral exploration licence renewals:	90% within 45 business days	62% 
Title application - mineral & coal mining lease grants	90% within 45 business days	N/A 
Title application – mineral & coal\ Mining lease renewals	90% within 45 business days	0% 
Title applications – coal exploration licence renewals:	90% within 45 business days	0% 

Due to the state public service shut down over the Christmas period (with the exception of skeleton staff), a blanket stop the clock period of 10 days was applied to applications and renewals that had targeted timeframes that fell within the Christmas period. These will generally be included in the next report.

While a number of targets have been 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 April 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 (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.

### *Reporting Period*

The reporting period for this performance report is 1 October to 31 December 2013. This is the second report since the service delivery standards were introduced on 12 August 2013.

DRE is still in a transitional phase, with a large backlog of applications that fall outside the scope of this performance report. This backlog is also being progressed as a priority and represents a significant body of work.

The service delivery standards reported here 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

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.

Processing backlog work has impacted being able to meet targets. However, the backlog is being reduced substantially and once eliminated, additional resources will be able to focus on new and current work.

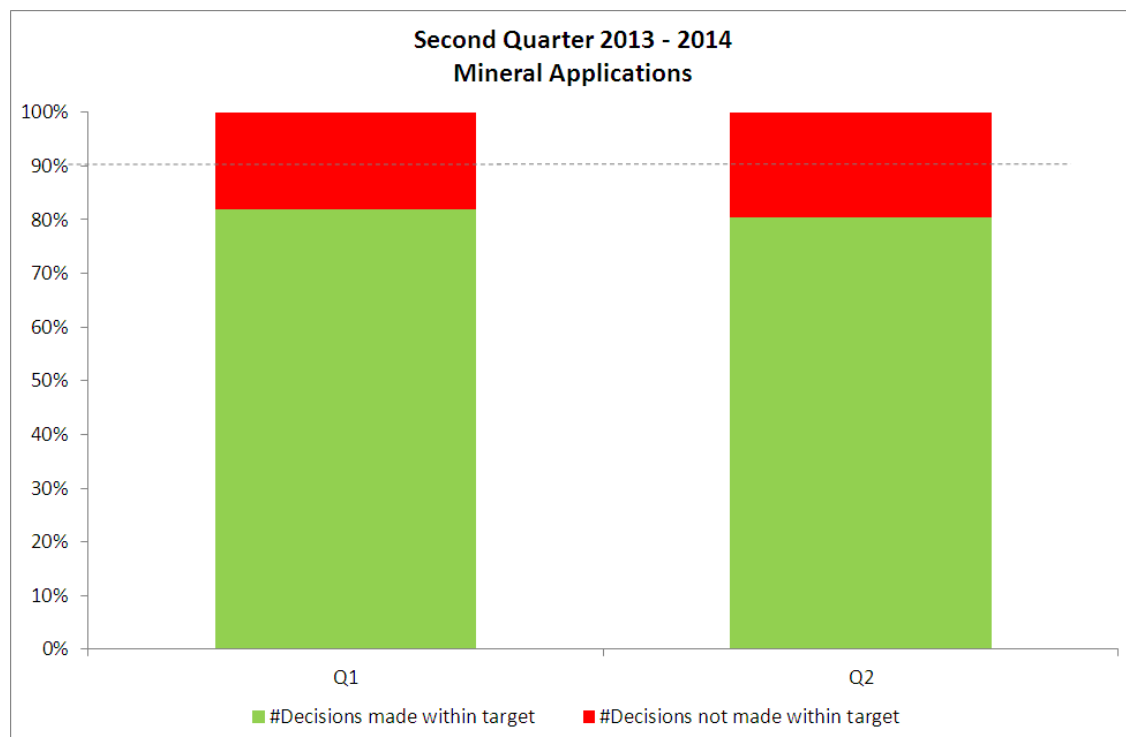
Title applications for minerals (defined as mineral groups 1-8 and 10) include exploration licences, assessment leases and mining leases.

The following report provides a snapshot of applications where a decision was made between 1 October and 31 December 2013.

### Exploration Licences

#### Mineral exploration licence applications

Target:		90% within 45 business days
Decisions made (1 Oct to 31 Dec 2013):	<b>51</b>	
Decisions made within target	<b>41</b>	<b>80%</b>
Decisions not made within target	<b>10</b>	<b>20%</b>

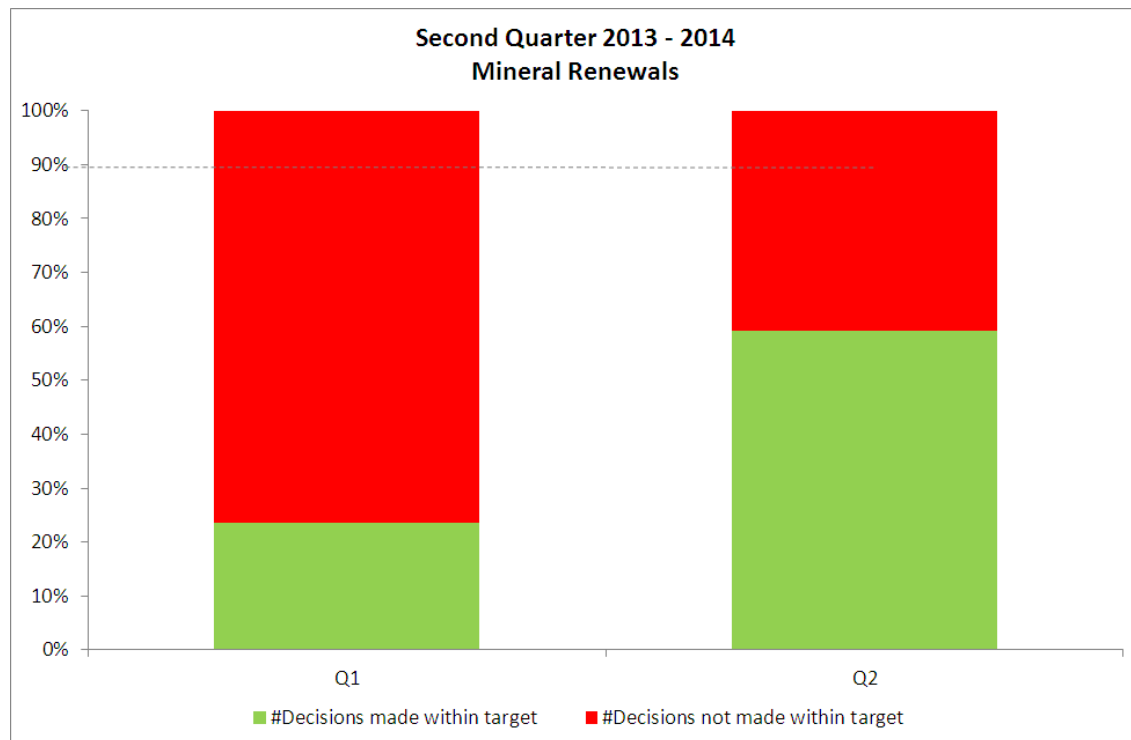


The processing of applications for this quarter has been affected by staff taking annual leave over the Christmas period as well as significant amounts of training of new and existing staff in November. With additional resources now being trained it is expected that performance will continue to improve.

In addition the processing was affected by continued work to reduce the backlog.

Mineral exploration licence renewals

Target:		90% within 45 business days
Decisions made (1 Oct to 31 Dec 2013):	<b>54</b>	
Decisions made within target	<b>32</b>	<b>62%</b>
Decisions not made within target	<b>22</b>	<b>38%</b>



There has been a significant improvement in the processing of renewals. Work has been undertaken to determine where hold ups 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 prepared for Ministerial consideration.

### Coal exploration licence applications

Target:		90% within 85 business days
Decisions made (1 Oct to 31 Dec 2013):	<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

Target:		90% within 45 business days
Decisions made (1 Oct to 31 Dec 2013):	<b>2</b>	
Decisions made within target	<b>0</b>	<b>0%</b>
Decisions not made within target	<b>2</b>	<b>100%</b>

Both coal exploration licence applications being reported on were received in July 2013, which was prior to the service delivery standards being introduced (which occurred in mid August 2013). This has contributed to the decisions being made outside the target time frame.

## Mining Leases

### Mineral and coal mining lease applications

Target:		90% within 45 business days
Decisions made (1 Oct to 31 Dec 2013):	<b>0</b>	
Decisions made within target	<b>N/A</b>	<b>N/A</b>
Decisions not made within target	<b>N/A</b>	<b>N/A</b>

### Mineral and coal mining lease renewals

Target:		90% within 45 business days
Decisions made (1 Oct to 31 Dec 2013):	<b>1</b>	
Decisions made within target	<b>0</b>	<b>0%</b>
Decisions not made within target	<b>1</b>	<b>100%</b>

The coal mining lease renewal being reported on was received in July 2013 which was prior to the service delivery standards being introduced (which occurred in mid August 2013). This has contributed to the decision being made outside the target time frame.



## Assessment leases

### Mineral and coal applications

Target:		90% within 45 business days
Decisions made (1 Oct to 31 Dec 2013):	<b>0</b>	
Decisions made within target	<b>N/A</b>	<b>N/A</b>
Decisions not made within target	<b>N/A</b>	<b>N/A</b>

### Mineral and coal renewals

Target:		90% within 45 business days
Decisions made (1 Oct to 31 Dec 2013):	<b>0</b>	
Decisions made within target	<b>N/A</b>	<b>N/A</b>
Decisions not made within target	<b>N/A</b>	<b>N/A</b>

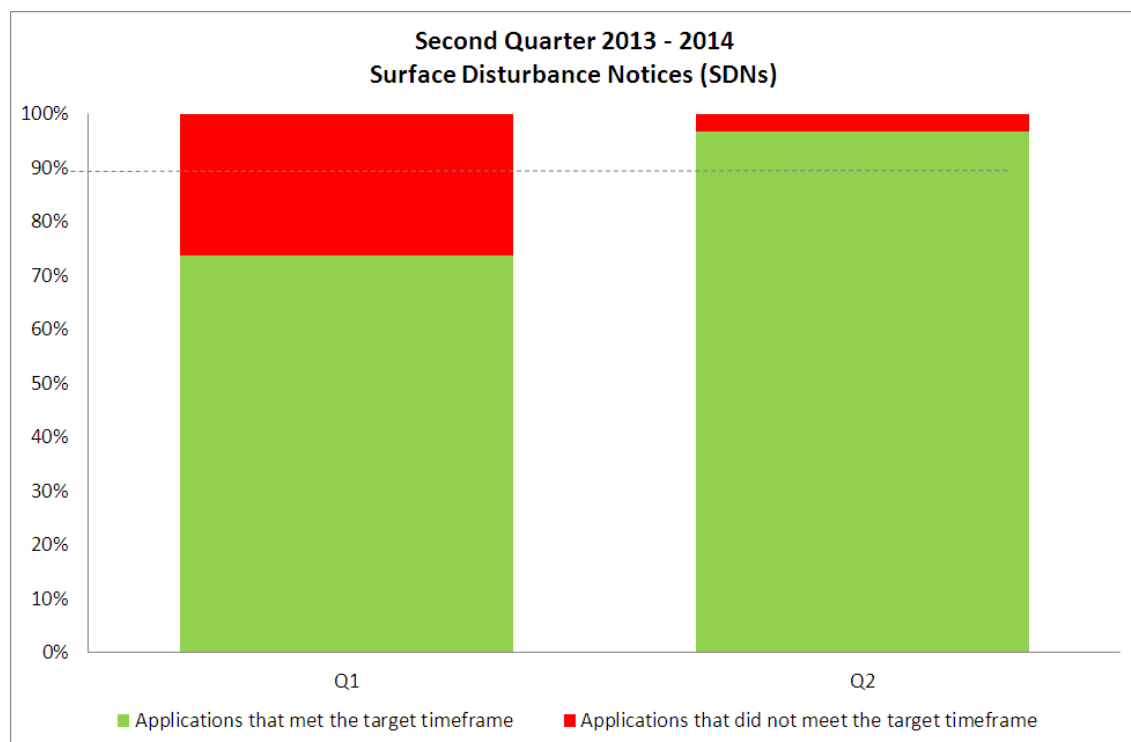
## Exploration Activity Approvals

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

Target:		90% within 10 business days
Applications being reported on (target timeframe concluded within reporting period):	<b>30</b>	
Applications that met the target timeframe:	<b>29</b>	<b>96.7%</b>
Applications that did not meet the target timeframe:	<b>1</b>	<b>3.3%</b>

The SDN approval target timeframe of 90% within 10 business days was met. The average processing time was six days.

The 'stop the clock' events were related to non-compliances with *ESG10: Surface Disturbance for Exploration Activities*, or applications that were not signed.

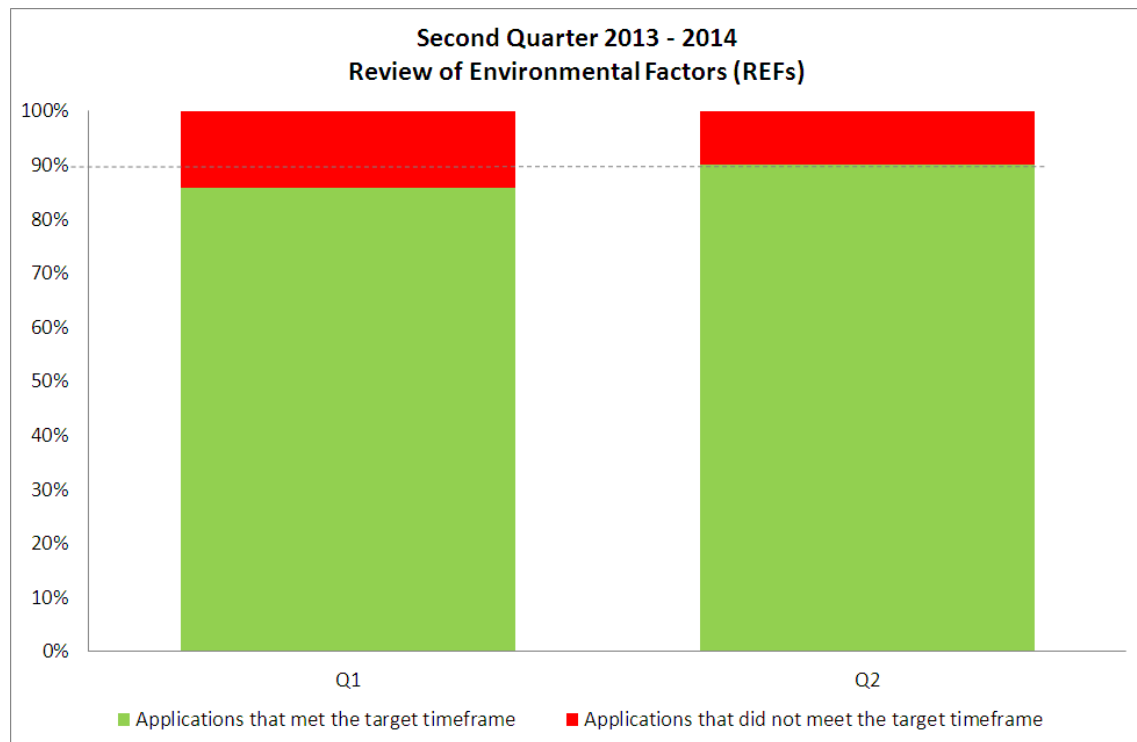


**Category 3 – Review of Environmental Factors (REF)**

Target:		90% within 30 business days
Applications being reported on (target timeframe concluded within reporting period):	<b>10</b>	
Applications that met the target timeframe:	<b>9</b>	<b>90%</b>
Applications that did not meet the target timeframe:	<b>1</b>	<b>10%</b>

The REF approval target timeframe of 90% within 30 business days was met. The average processing time was 17 days.

There were six 'stop the clock' events related to non-compliance with *ESG2: Environmental Impact Assessment Guidelines*, resulting in requests for additional information.



## Mining Approvals

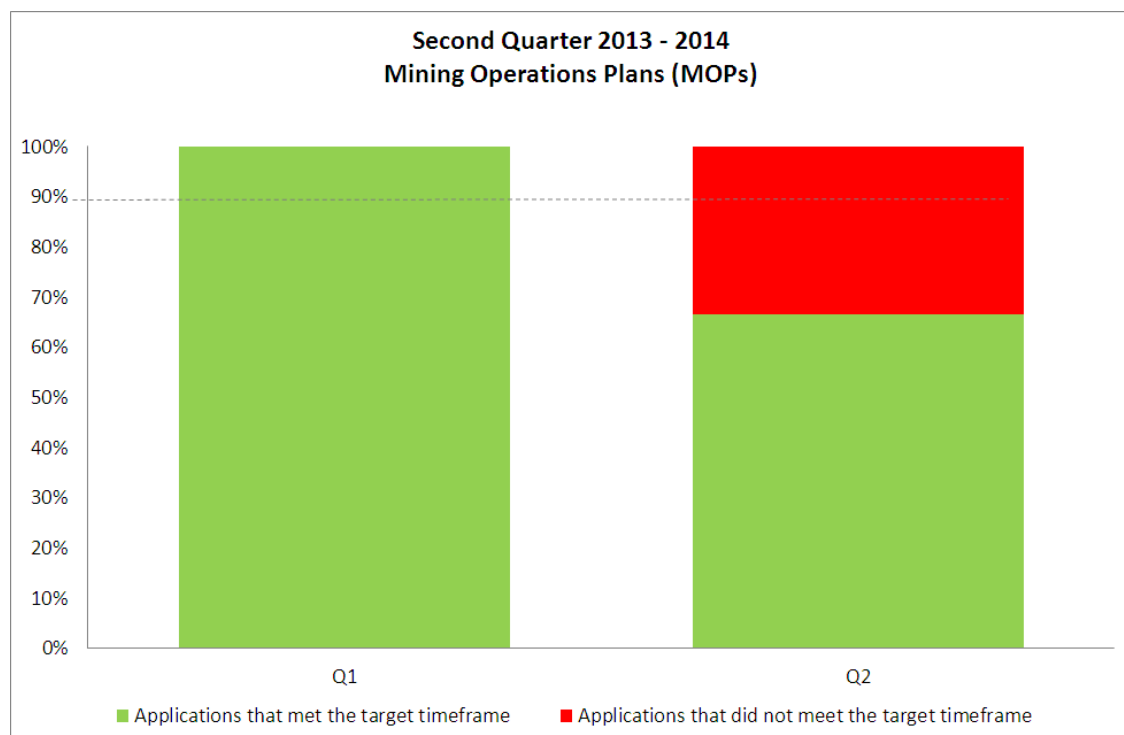
### Mining Operations Plans (MOP)

Target:		90% within 30 business days
Applications being reported on (target timeframe concluded within reporting period):	<b>18</b>	
Applications that met the target timeframe:	<b>12</b>	<b>66.7%</b>
Applications that did not meet the target timeframe:	<b>6</b>	<b>33.3%</b>

Delays in assessing MOPs in the Western Region (Broken Hill) increased the average processing time for MOPs overall to greater than 30 days. Excluding Broken Hill, the average processing time for a MOP was 19 days.

The staffing level in the Broken Hill office continues to operate at below establishment due to long term leave arrangements and an inability to fill vacant positions with qualified professional officers. The situation in Broken Hill is expected to improve with the imminent return from leave of the manager and the recent successful recruitment of a senior officer. In the meantime, other regional offices are supporting Broken Hill to help reduce the backlog.

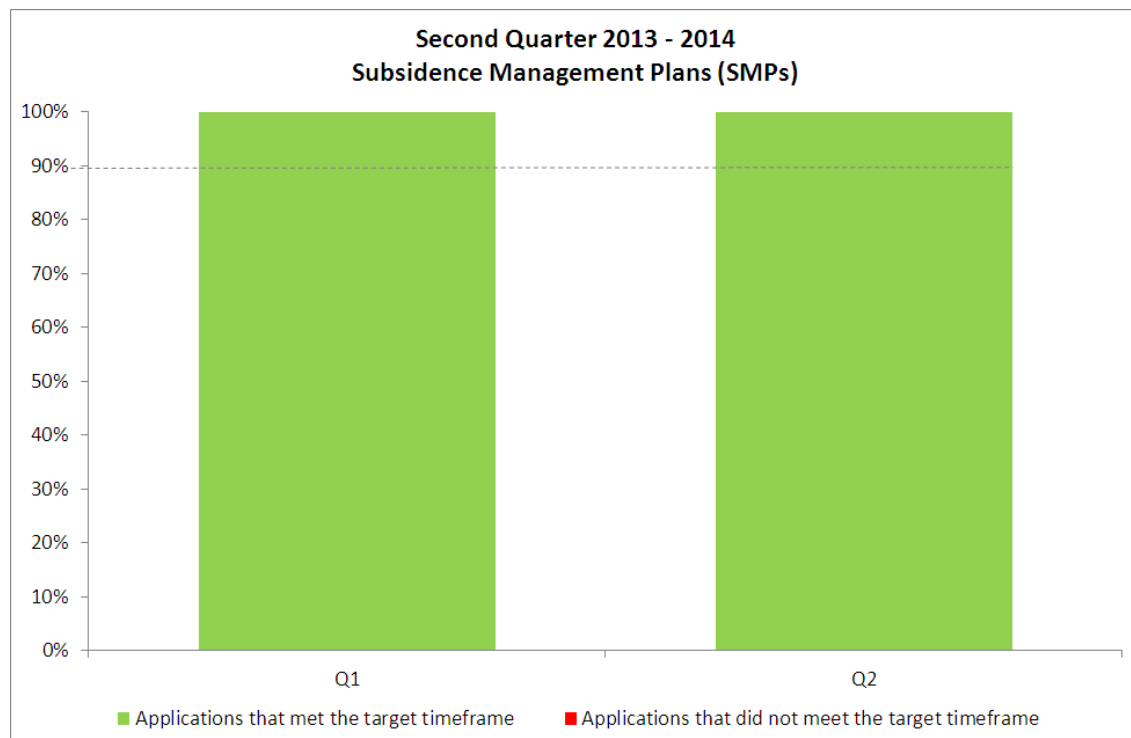
There were five 'stop the clock' events related to non-compliance with the new *ESG3: Mining Operations Plan (MOP) Guidelines* (September 2013), resulting in requests for additional information.



**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:	<b>5</b>	<b>100%</b>
Applications that did not meet the target timeframe:	<b>0</b>	

The SMP approval target timeframe of 90% within 90 business days was met. The average processing time was 18 days.

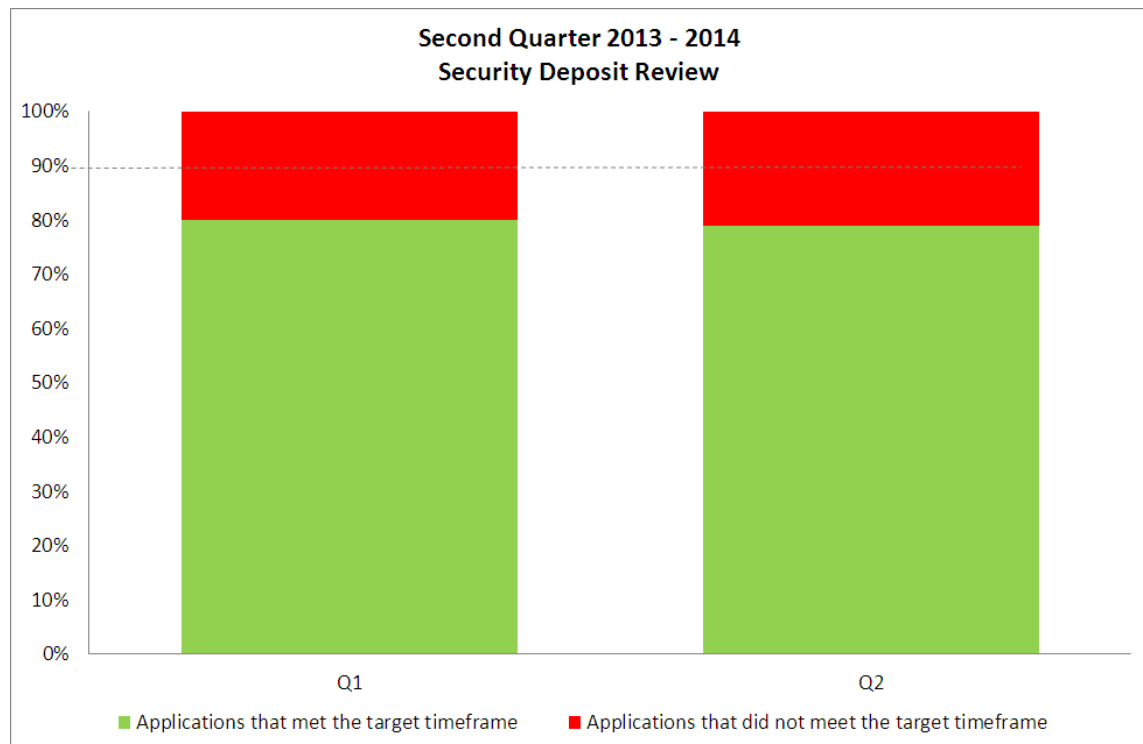


## Security Deposits

### Security deposit review

Target:		90% within 30 business days
Applications being reported on (target timeframe concluded within reporting period):	<b>57</b>	
Applications that met the target timeframe:	<b>45</b>	<b>78.9%</b>
Applications that did not meet the target timeframe:	<b>12</b>	<b>21.1%</b>

A review of security deposit processes will commence with the appointment of the Principal Officer, Security Systems in the next reporting period.

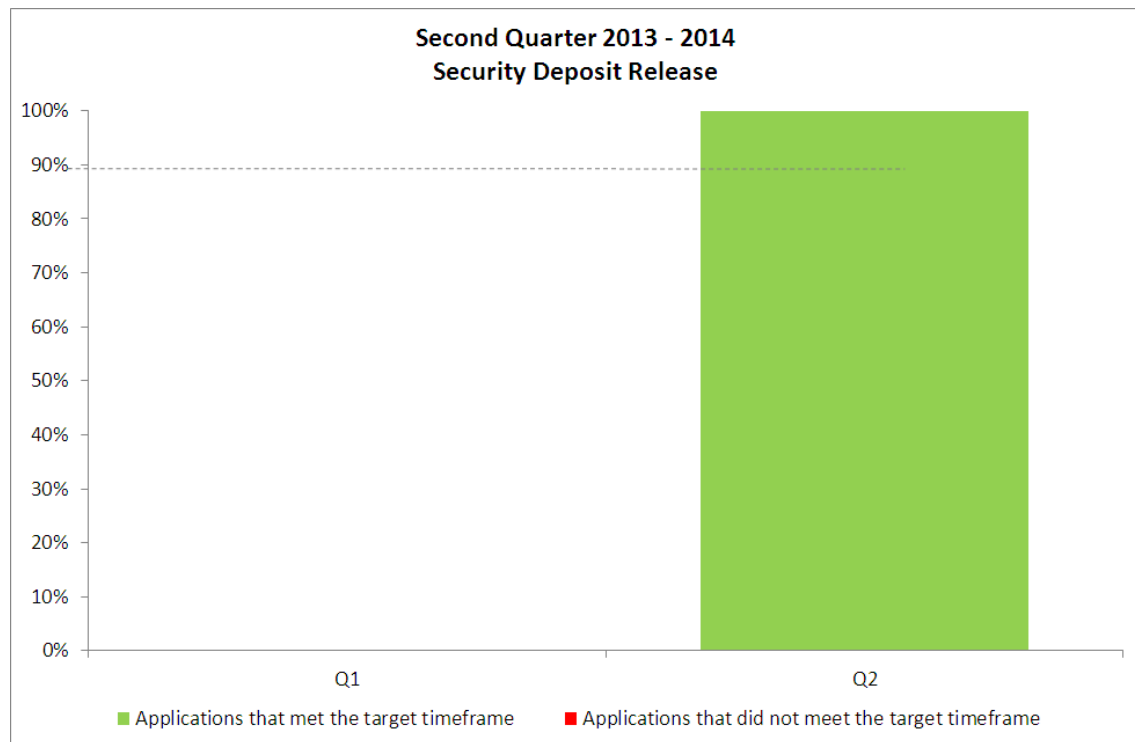


### Security deposit release

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:		90% within 10 business days
Applications being reported on (target timeframe concluded within reporting period):	<b>40</b>	
Applications that met the target timeframe:	<b>40</b>	<b>100%</b>
Applications that did not meet the target timeframe:	<b>0</b>	



## 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>