

Summary

This report provides a summary of the Earth Resources Regulator's operating performance for the fourth quarter of financial year 2019-20 (1 April to 30 June 2020).

Performance indicators in 2019-20 Q4 :

KPI 1# - 95% of the work plan stages for 27 quarries were assessed within the statutory time frames.

KPI 2# - 55 operational compliance activities were undertaken.

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

KPI 4# - 100% participation in Environmental Review Committee meetings.

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

- Explained in the next slide

Administrative updates by notification

- Four extractive and one mining industry administrative changes (notifications) were acknowledged during the period.

Petroleum Operation Plans

- Eight petroleum operation plan stages were assessed from seven unique operation plan submission. These submission were for existing operations exempt from the moratorium on onshore conventional gas (e.g. underground storage).
- Three petroleum operation plans were accepted in the 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, 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, 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 extractive work plan stages assessed within statutory time frames.	%	95	Quarterly	95%	100%	Outputs/activities
	Percentage of mineral licence applications and mineral work plan stages assessed within statutory time frames.	%	95	Quarterly	62%	81%	Outputs/activities
	Percentage of tenement variations assessed within Client Service Standard time frames where a statutory time frame does not exist.	%	95	Quarterly	76%	91%	Outputs/activities
KPI 2 Ensuring Compliance	Number of operational compliance activities undertaken per quarter.	Number of activities	75	Quarterly	55	143	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	100%	100%	Outputs/activities
	Number of Stakeholder Review Group meetings held by Earth Resources Regulation.	Number of meetings	4	Annual	5		Outputs/activities
	Number of Earth Resources Regulator Forums held by Earth Resources Regulation.	Number of meetings	3	Annual	2		Outputs/activities
KPI 5 Complaint Management	Average number of days to respond to complaints made by community against tenements.	Business days	3	Quarterly	5	1	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 2019-20 Q4	Work Plan (WA)	27	28	2	39	41	95%
FY 2019-20 Q3	Work Plan (WA)	20	28	0	28	28	100%

* A work plan stage represents a statutory decision point

Extractive work plans approved in the quarter

Quarter	Work Plan Type	Approved
FY 2019-20 Q4	Work Plan (WA)	9
FY 2019-20 Q3	Work Plan (WA)	5

Work Authority finalised in the quarter

Quarter	Licence Type	Approved
FY 2019-20 Q4	Work Authority	0
FY 2019-20 Q3	Work Authority	0

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 Q4 41 extractive work plan stages were assessed for 27 unique work plans, of which 95% were assessed within the statutory time frame. Two work plan stages required more time than the statutory timeframe allowed to assessed due to the complex nature of the work plan variation.

Nine work plans were approved in the quarter. Six work plan were statutorily endorsed and returned to client to proceed with planning approval.

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 2019-20 Q4	Mineral Licence Applications – (A)	12	3	15	20%
	Mineral Work Plan Stages – (B)	0	16	16	100%
	Total	12	19	31	62%
FY 2019-20 Q3	Mineral Licence Applications – (A)	4	1	5	20%
	Mineral Work Plan Stages – (B)	0	16	16	100%
	Total	4	17	21	81%

Explanation for the result:

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

In Q4 there were 31 (16 mineral work plans stages assessed and 15 mineral licence applications approved) of which 62% were assessed within the statutory time frames.

Explanation for the result:

This table is an expanded subset of the table (1) above and it details performance of the regulator in assessing mineral licence applications.

In Q4 three out of fifteen applications were granted within the statutory time frame. Some applications required referrals for expert advice, in addition to significant increase in application submission rate.

(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 2019-20 Q4	Exploration Licence	90	7	2	9	22%
	Prospecting Licence	90	2	0	2	0%
	Retention Licence	120	3	1	4	25%
	Total		12	3	15	20%
FY 2019-20 Q3	Retention Licence	120	2	0	2	0%
	Prospecting Licence	90	2	1	3	33%
	Total		4	1	5	20%

(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 2019-20 Q4	Work Plan (Exploration)	1	4	28	0	4	4	100%
	Work Plan (Minerals)	2	8	28	0	12	12	100%
	Total	3	12		0	16	16	100%
FY 2019-20 Q3	Work Plan (Exploration)	2	5	28	0	5	5	100%
	Work Plan (Minerals)	4	9	28	0	11	11	100%
	Total	6	14		0	16	16	100%

Explanation for the result:

This table is an expanded subset of the table (1) above and it details performance of the regulator in assessing mineral work plan application stages.

In Q4 16 exploration and mining work plan stages were assessed from 12 unique work plans, of which 100% were assessed within the statutory time frame. Three work plans were approved in the quarter.

* 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 2019-20 Q4	Exploration Licence	90	3	27	30	90%
	Mining Licence	120	4	1	5	25%
	Prospecting Licence	90	0	3	3	100%
	Retention Licence	120	0	0	0	-
	Work Authority	30	5	8	13	62%
	Total			12	39	51
FY 2019-20 Q3	Exploration Licence	90	1	34	35	97%
	Mining Licence	120	1	1	2	50%
	Prospecting Licence	90	0	1	1	100%
	Retention Licence	120	0	0	0	-
	Work Authority	30	2	7	9	78%
	Total			4	43	47

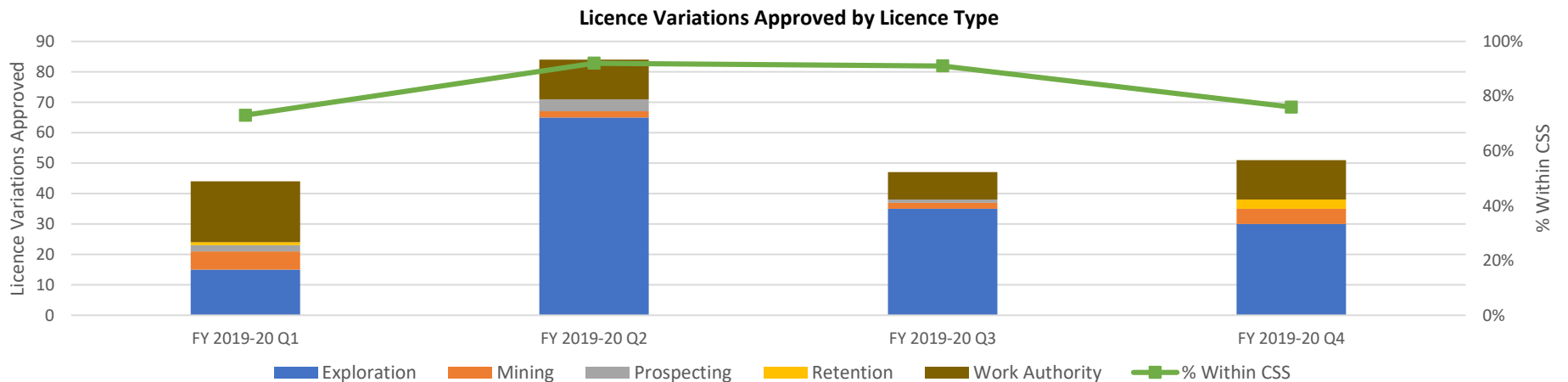
Explanation for the result:

Client Service Standard (CSS) is the percentage of licence variations assessed within departmental agreed timeframes where a statutory timeframe does not exist.

In Q4 76% of the licence variations were completed within the client service standard. Some delays are due to the impacts of transition to working remotely and increased in application volumes.

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	Agreements	Alteration to Route	Consolidation	Licence Conditions Change	Registration of Dealing	Renewals	Suspension & Extension	Transfer	Total
FY 2019-20 Q4	Offshore Petroleum Retention Lease	0	0	0	0	1	1	0	0	2
	Onshore Petroleum Exploration Permit	0	0	0	0	0	0	3	0	3
		0	0	0	0	1	1	3	0	5
FY 2019-20 Q3	Offshore Petroleum Access Authority	0	0	0	0	2	0	0	1	3
	Offshore Petroleum Exploration Permit	0	0	0	0	2	0	0	1	3
	Offshore Petroleum Production Licence	0	0	0	0	2	0	0	1	3
	Offshore Pipeline Licence	0	1	0	0	2	0	0	1	4
	Onshore Petroleum Exploration Permit	0	0	0	0	0	0	1	1	2
	Onshore Petroleum Retention Lease	0	0	0	0	0	0	1	0	1
	Onshore Petroleum Special Drilling Authorisation	1	0	0	0	1	0	0	0	2
		1	1	0	0	9	0	2	5	18

Explanation for the result:

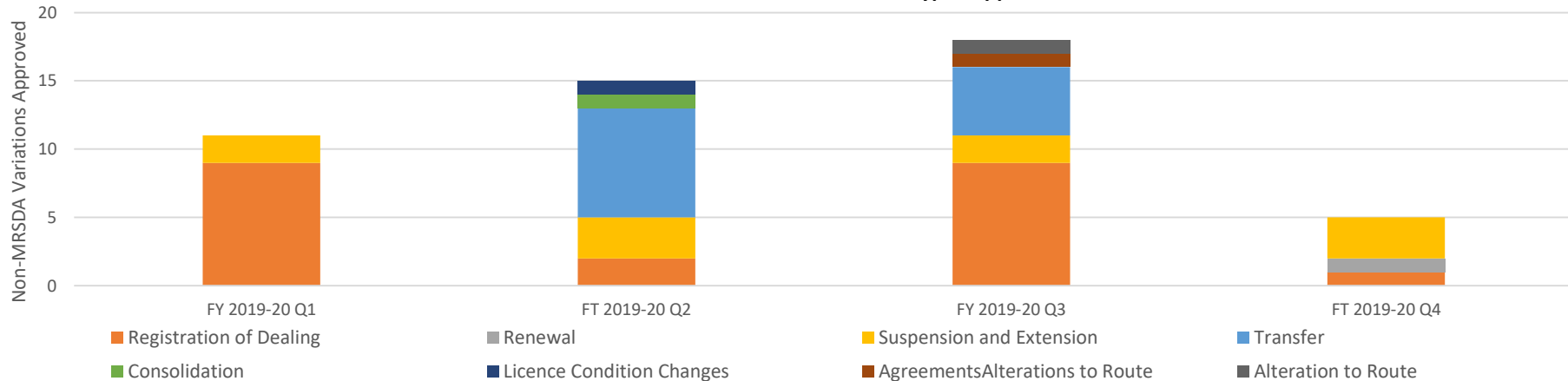
In Q4 there were five petroleum licence variations approved.

Three suspension and extension applications were assessed and approved. This will ensure petroleum exploration permit holders meet the requirements for the orderly restart 1 July 2021.

One offshore retention lease was renewed and gazetted.

There has been extensive work undertaken in Q4 to prepare for implementation of the Petroleum Amendment Bill.

Non MRSDA Licence Variations Types Approved



Petroleum – Operation Plans

Quarter	Licence Type	Plans Accepted	Unique Plans under assessment	Operation Plan Stages	Environment Plan Stages	Total Stage Assessed
FY 2019-20 Q4	Offshore Petroleum Exploration Permit	1	1	1	0	1
	Offshore Petroleum Production Licence	1	1	1	0	1
	Onshore Petroleum Production Licence	0	3	0	3	3
	Onshore Petroleum Special Access Authorisation	0	1	0	1	1
	Onshore Petroleum Special Drilling Authorisation	1	1	0	2	2
	Total		3	7	2	6
FY 2019-20 Q3	Offshore Petroleum Production Licence	0	1	0	2	2
	Onshore Petroleum Production Licence	5	8	10	0	10
	Onshore Petroleum Special Drilling Authorisation	2	2	7	0	7
	Onshore Petroleum Special Access Authorisation	1	1	1	0	1
	Total		8	12	18	2

Explanation for the result:

In Q4 eight petroleum operation plan stages were assessed from seven unique plans for existing operations exempt from the moratorium on onshore conventional gas (e.g. underground storage).

Assessments related to existing production and storage facilities and proposed exploration drilling operations.

There were three petroleum operation plans accepted in the quarter.

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

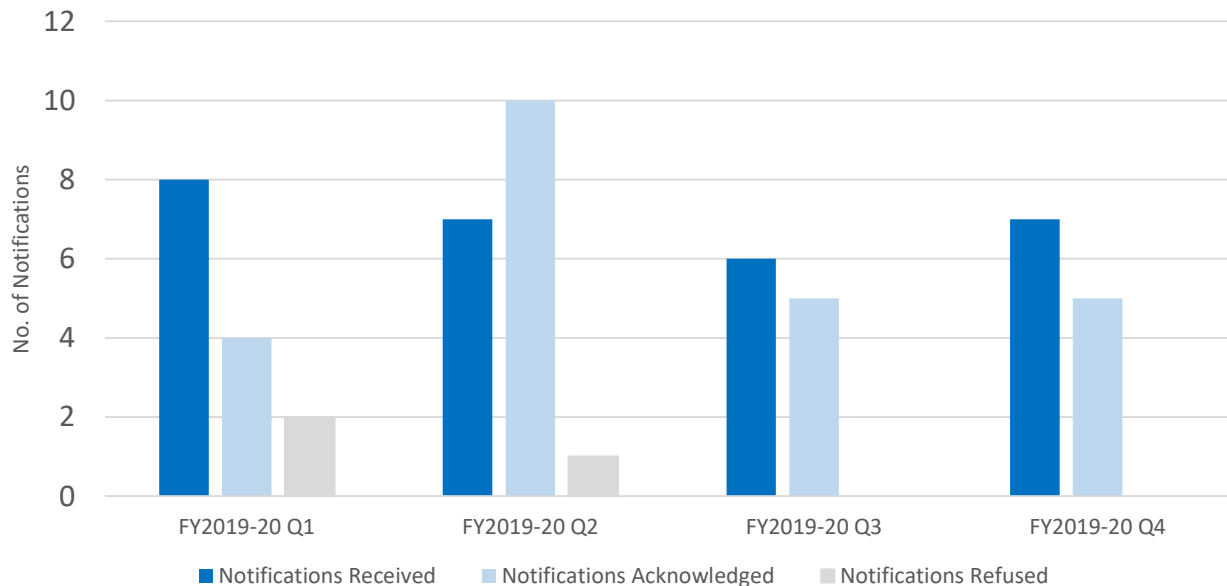
Petroleum Plans Accepted



Mining	FY2019-20 Q1	FY 2019-20 Q2	FY 2019-20 Q3	FY 2019-20 Q4	Total
Notifications Received	1	3	2	2	8
Notifications Acknowledged	1	3	2	1	7
Notification Refused	2	0	0	0	2

Extractives	FY 2019-20 Q1	FY 2019-20 Q2	FY 2019-20 Q3	FY 2019-20 Q4	Total
Notifications Received	7	5	4	7	23
Notifications Acknowledged	3	7	3	4	17
Notifications Refused	0	1	0	0	1

Administrative Updates by Notification



Explanation for the result:

In Q4 there were four extractive and one mining industry administrative changes acknowledged.

Administrative Updates by Notifications:

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

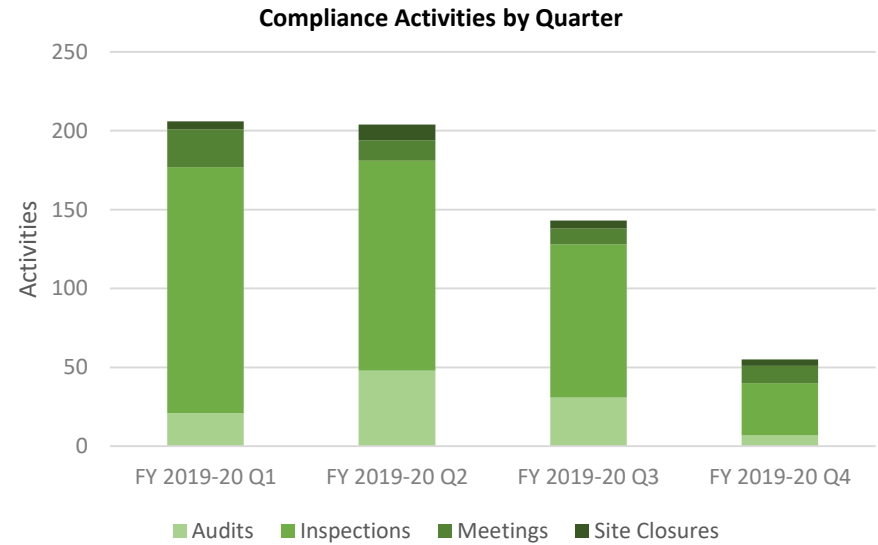
- There is no significant increase in risk arising from the new or changing work
- Council has been consulted and confirms in writing that the new or changing work does not require an amendment to the planning permit
- Relevant referral agencies have been consulted and confirmed that the new or changing 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 FY 2019-20 Q4

Licence Types	Activity	Apr	May	Jun	Total
Extractives	Inspection	0	4	16	20
	Audit	0	0	1	1
	Site Closure	0	0	1	1
	Meeting	0	1	0	1
	Extractives Total	0	5	18	23
Mining	Inspection	3	4	6	13
	Meeting	1	1	8	10
	Audit	0	3	3	6
	Site Closure	1	1	1	3
	Mining Total	5	9	18	32
Total		5	14	36	55



Explanations for the results:

In Q4 Earth Resources Regulation conducted 55 proactive compliance activities involving 40 duty holders. The number of field activities decreased in the quarter, due to COVID-19 restrictions, restricting Inspectors duties to critical activities.

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 undertakes 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 2019-20 Q1	FY 2019-20 Q2	FY 2019-20 Q3	FY 2019-20 Q4	Total	% Total
Progressive Rehabilitation	4	22	8	4	38	35%
Plan and Conditions	9	8	9	1	27	25%
Boundaries and Extraction limits	5	3	3	0	11	10%
Dust	0	4	5	1	10	9%
GeoTechnical	0	2	3	1	6	6%
Impacts of Blasting	2	2	0	0	4	4%
Fire & Emergency	0	3	0	0	3	3%
Exploration Drilling	1	1	0	0	2	2%
TSF Management	0	0	2	0	2	2%
Pest, Plant and Animal	0	2	0	0	2	2%
Site Security and Buffer Zones	0	0	1	0	1	1%
Community Engagement	0	1	0	0	1	1%
Hydrocarbon Storage	1	0	0	0	1	1%
Total	22	48	31	7	108	100%

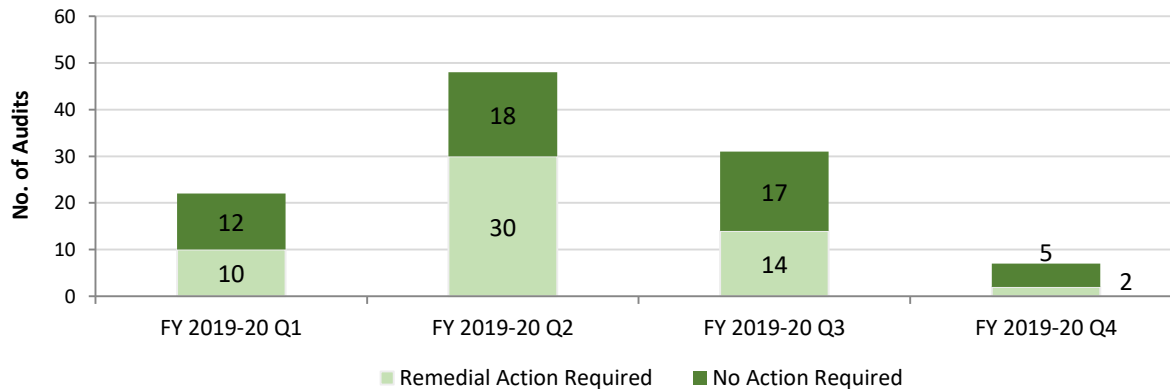
Explanations for the results:

In Q4 seven audits were conducted due to the COVID-19 restrictions.

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

Remedial action / No action after audits



Explanations for the results:

The audit program is risk based with a focus on more significant sites. 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.

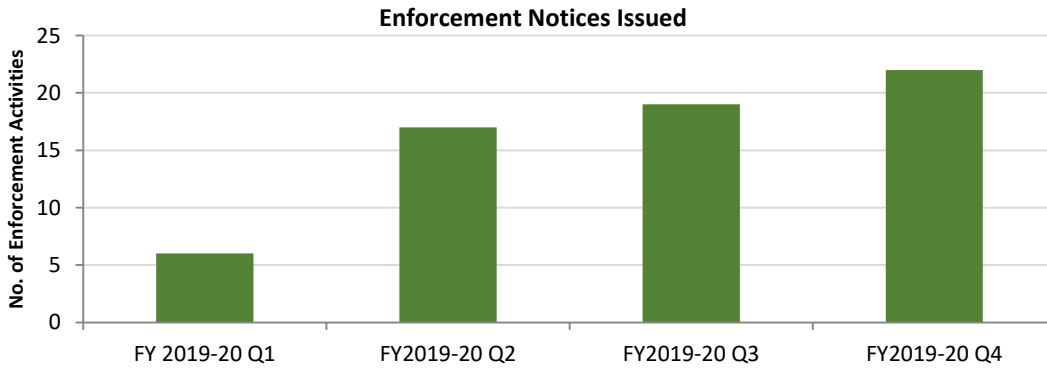
Two audits required remedial actions for the seven audits conducted in the quarter.

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 Notices Issued in FY 2019-20 Q4

Sector	Action Type	Enforcement Code	Enforcement Action Type	No. of Notices
Extractives	General Enforcement Action	Work Without Licence or Consents	s110a Notice (Stop Work)	3
Extractives	General Enforcement Action	Dust Emissions	s110 Notice	3
Extractives	General Enforcement Action	Work Without Licence or Consents	s110 Notice (Stop Work)	2
Extractives	General Enforcement Action	Tenement Boundaries	s110 Notice	2
Extractives	General Enforcement Action	Public Safety and Site Security	s110 Notice	1
Extractives	General Enforcement Action	Slope Stability	s110 Notice	1
Extractives	General Enforcement Action	Tailings and Slime Management	s110 Notice	1
Mining	General Enforcement Action	Work Without Licence or Consents	s110 Notice (Stop Work)	1
Mining	General Enforcement Action	Authorised Activity Compliance	s110 Notice	1
Mining	General Enforcement Action	Waste and Redundant Plan	s110 Notice	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 Q4 22 remedial notices were issued, including alleged stormwater run offs, dust emissions and working outside of work plan conditions.

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

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

Infringements and Official Warnings issued in FY 2019-20 Q4

Actions	Issued in FY 2019-20 Q4
Infringement Notice	3
Official Warning Letters	3

Infringements and Official Warnings summary:

In Q4 Earth Resources Regulation issued three infringement notices and three official warning to authority holders for non-compliance.

Reportable Incidents in FY 2019-20 Q4

Sector	Classification	Type	Enforcement Code	Incident Responded To	Incident Resolved	Incident Count
Mineral	Minor	Public Safety	Reporting, Monitoring & Auditing	Yes	Resolved	23
Mineral	Minor	Environmental	Environmental Incident Notification	Yes	Resolved	4
Mineral	Minor	Environmental	Fire Precautions & Risk Control	Yes	Open	1
Mineral	Minor	Infrastructure	Reporting, Monitoring & Auditing	Yes	Resolved	1
Extractive	Minor	Legislation Breach	Environmental Incident Notification	Yes	Open	1

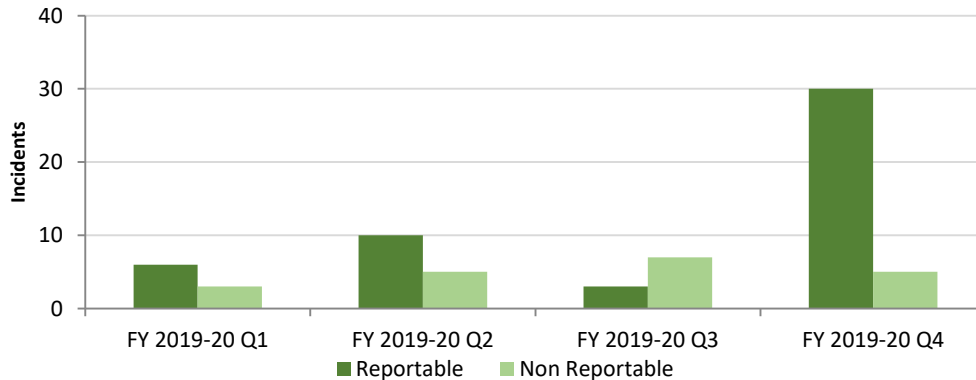
Non-Reportable Incidents in FY 2019-20 Q4

Sector	Classification	Incident Type	Enforcement Code	Count
Mineral	Minor	Legislation Breach	Authorized Activity Compliance	2
Mineral	Minor	Public Safety	Reporting, Monitoring & Auditing	1
Mineral	Minor	Infrastructure	Reporting, Monitoring & Auditing	1
Extractive	Minor	Legislation Breach	Authorized Activity Compliance	1

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.

Reportable vs Non Reportable Incidents



Explanation for the result:

There were 30 reportable incidents in Q4 and 26 of the incidents were fire related incidents (small coal smoulders). A change in reporting requirements now classifies smoulders as a reportable fire event.

There were five non-reportable incidents in Q4 relating to truck movements, electrical sparks and increase heat of coal material .

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

Environmental Review Committee Attendance

	2019-20 Q1	2019-20 Q2	2019-20 Q3	2019-20 Q4
Meetings Planned	23	33	18	9
Meetings Attended	22	31	18	9
% Attendance	96%	94%	100%	100%
Target	100%	100%	100%	100%

Explanation for the result:

Earth Resources Regulation attended 100% of the scheduled Environmental Review Committee meetings in Q4. With COVID-19 restrictions in place all Committee meetings were moved to online platforms which worked successfully.

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	1	2	5	4

Explanation for the result:

The target is an annual figure based on Stakeholder Reference Group meetings being scheduled every three months.

There were two SRG meeting held by Earth Resources Regulation in Q4.

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	0	0	2	3

Explanation for the result:

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

The scheduled Earth Resources Regulator Forum meeting was cancelled in Q4 due to COVID-19.

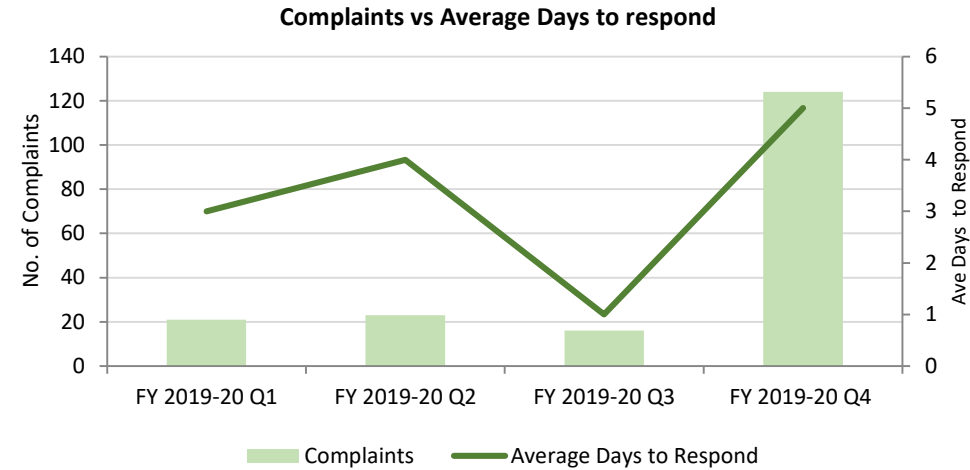
Why are these measures important?

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 Time to Complaints in FY 2019-20 Q4

Sector	Enforcement Codes	Number of Complaints	Ave Days to respond	*Median Days to respond
Extractive	Explosives Air & Ground Vibration	72	6	4
Extractive	Working Hours	9	3	1
Extractive	Noise Emissions	8	7	8
Extractive	Miscellaneous	5	1	1
Extractive	Rehabilitation of Site	4	1	1
Extractive	Work without License or Consents	3	11	16
Extractive	Drainage, Erosion & Discharge	2	1	1
Extractive	Complaints Management	2	1	1
Extractive	Authorised Activity Compliance	2	3	3
Extractive	Impacts Outside Tenement Site	2	2	2
Extractive	Dust Emissions	1	1	1
Extractive	Environmental Incident Notification	1	1	1
Minerals	Explosives Air & Ground Vibration	5	1	1
Minerals	Noise Emissions	4	3	2
Minerals	Work without License or Consents	3	1	1
Minerals	Miscellaneous	1	5	5
Grand Total		124	5	2

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



Explanation for the result:

There was a significant rise in complaints received in Q4, with 124 received in comparison to 18 received in Q3. Many of these complaints were relating to a single quarry in the Melbourne Metropolitan area. Complaints were related to blast vibrations, noise and concerns of operators working outside of approved hours. With COVID-19 restrictions in place requiring people to continue to work from home, it is expected that complaint management will be a key focus for the foreseeable future.

115 of the complaints were resolved and nine are under investigation. The average number of days to respond to a complaint was five days, the median days to respond was two.

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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