



Newcastle Mines Grouting Fund

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BACKGROUND

The NSW Government has established the Newcastle Mines Grouting Fund (Fund) to address the critical issue of mine subsidence and its impact on property development within Mine Subsidence districts in the Newcastle CBD.

Funding for this initiative is being provided by the Hunter Infrastructure and Investment Fund (HIIF).

FUND OBJECTIVE

The objective of the Fund is to facilitate and promote new investment by providing financial certainty for proponents of development around the cost to remedy the unique matter of mine remediation.

FUND OPERATION

The Fund comprises two fundamental parts:

1. Newcastle Mines Grouting Fund:

Contribution toward cost for grouting former mine workings based on application from project proponents; and

2. Investigation Program:

Works to better understand the condition of former mine workings, improve local mapping and provide data for consideration of alternative and more cost effective and sustainable remediation strategies.



Frequently Asked Questions

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FREQUENTLY ASKED QUESTIONS

How does the Fund work?

Subject to the conditions of the application being met, the Fund underwrites grouting costs, exclusive of initial site investigation and consultancy fees beyond an upper cap value. The upper cap value is determined based on a rate per square metre of site area in each of the identified Area Categories.

The Areas Categories are identified in the Newcastle City Centre Area – Mine Subsidence Board 2012¹ publication.

http://www.minesub.nsw.gov.au/templates/mine_subsidence_board

In the event the actual costs to remediate exceed the cap, the Fund meets the expenses in excess of the limit.

Example Project: Assuming a site of 1,000 sqm and the determined upper limit is \$200 per sqm, the allowance for the site is \$200,000. If costs to remediate (grouting or other stabilisation works) exclusive of investigation and consultant fees exceeds \$200,000, the Fund pays the difference. If it is less, there is no claim.

Rates associated with each of the Category Areas are available on the Hunter Development Corporation website. www.hdc.nsw.gov.au/

The operation of the Fund does not take the place of any processes of the Mine Subsidence Board (MSB). The Fund has been designed to sit beside the established process of the MSB, responding to milestones in the project delivery process around design, delivery and validation.

Design: The Fund relies upon the Mine Remediation Strategy approved by the MSB as the basis for the works. The proponent must ensure that the strategy seeks to optimise costs and outcomes.

Delivery: During delivery the Fund requires that the works are procured in accordance with the NSW Government Guidelines. The Fund reserves the right to independently monitor progress. The Fund will provide a point of contact during project delivery.

Validation: The Fund will rely upon the concurrence of the MSB that the works have been completed and have achieved their objective.

What application criteria apply?

All sites within the City Centre Area as defined that have not yet commenced mine remediation works are deemed to qualify for the Fund.

Further criteria apply at the time of application including:

1. The project has obtained an approval for the mine remediation strategy from the MSB;
2. The project has obtained the relevant Planning Approval from the Consent Authority;
3. A brief outline of the project delivery plan including a program and any available details of anticipated grouting volumes is supplied; and
4. The proponent confirms that the procurement process of contractors delivering the grouting works will be consistent with the NSW Government Procurement Guidelines.

How are projects assessed and selected?

Projects that meet the requirements of the criteria at the time of application will be assessed under the Fund. Each of the criteria is considered essential.

How long will my assessment take?

Subject to meeting the criteria and providing all necessary information, applications should be assessed within 4 weeks.

How long does an approval last?

The Fund approval remains current for a term identical to the MSB approval of the project i.e. when the MSB approval lapses so does the Newcastle Mines Grouting Fund approval.

Is participation in the Fund compulsory?

No. Participation on the basis of an application to the Fund is entirely at the discretion of the proponent.

How are projects delivered?

Generally works will be delivered by the proponent's contractor with validation provided by the proponent's technical consultant in accordance with the MSB approval.

The contractor delivering the mine remediation works (e.g. grouting) will be experienced in the works and be able to demonstrate that efficient work practices are to be implemented.

The Fund will provide a contact person to be involved in monitoring the project.

When does the Fund provide its contribution?

The Fund will provide its contribution once the MSB has verified the completed works.

¹ Mine Subsidence Board 2012, Newcastle City Centre Area Mine Subsidence Categories Revision Date 8 June 2012. Available from <http://www.minesub.nsw.gov.au/templates/mine_subsidence_board>

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How will the Fund be updated and reviewed?

The Fund will undergo continued review and be subject to periodic updates responding to the growing body of knowledge associated with the Mine Subsidence issue.

The NSW Government reserves the right to modify any aspect of the operation or application of the Fund at any time.

A formal review of the initial operation of the Fund is scheduled for the end of 2016.

What does the Fund NOT cover?

The Fund does not cover investigation and consultancy engagements including but not limited to: Specialist consultants, exploratory drilling, design, modelling, project management, establishment, preliminaries and the like.

How is the Fund administered?

The Fund is being administered by the Hunter Development Corporation.

A Newcastle Mines Grouting Fund Steering Committee has also been established including representatives from the Department of Premier and Cabinet, Department of Planning and Environment and the Hunter Development Corporation to oversee and direct the activity of the Fund as well as coordinate the investigation program.

What is the investigation program?

Included with the commitment of the Newcastle Mines Grouting Fund an investigation program including works to understand the condition of former mine workings, improve local mapping and provide data for consideration of alternative and more cost effective remediation strategies will be undertaken in close consultation with the MSB.

Where do I find more information?

For more information refer to the Hunter Development Corporation Web site www.hdc.nsw.gov.au or email hdc@hdc.nsw.gov.au or call **49 042750**



Application Form

Applications to be sent to the Hunter Development Corporation
 Level 5, 26 Honeysuckle Drive
 Newcastle NSW 2300

Name of Applicant		ABN/ACN
Registered Office Address		
Contact Name		
Contact Numbers		

Details of site		
Lot	DP	Site Area
Description of proposed development		

Estimated cost of works based on the Mine Subsidence Board approved strategy (Include breakdown of activities and estimated quantities of grout required)	Anticipated construction date

Attach MSB approval for the remediation strategy including any conditions on the approval

Attach Outline Delivery Plan including the following:

- Proposed contractors and consultants;
- Proposed procurement method for contractors and consultants;
- A description of the proposed work methods for the grouting works;
- Proposed program.