

Newcastle Mines Grouting Fund



Hunter
Development
Corporation





Newcastle Mines Grouting Fund

Set up by government

In 2015 the NSW Government set up the Newcastle Mines Grouting Fund (the Fund) to address the issue of mine subsidence and its impact on property development in the Newcastle CBD.

The NSW Government is funding this initiative, and Hunter Development Corporation (HDC) is administering the Fund.

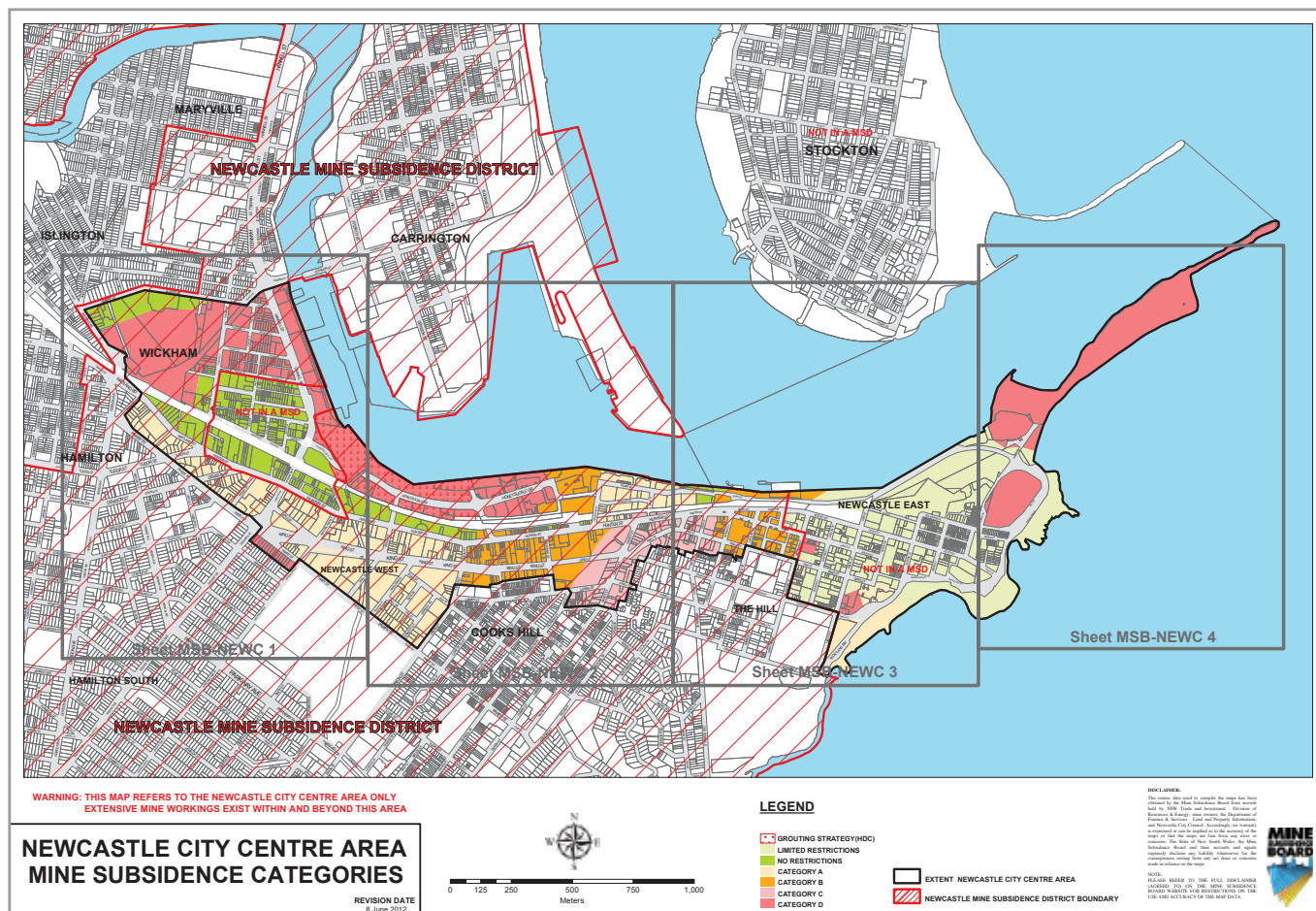
Promotes investment

The Fund will help promote new investment by giving developers and investors financial certainty about the cost of mine remediation.

Has two key parts

The Fund contributes to the cost of grouting former mine workings.

It also includes an investigation program to better understand the condition of former mine workings and design more cost-effective and sustainable remediation strategies, where they exist.



Frequently asked questions

How does the Fund work?

The Fund only applies to a defined area of the Newcastle CBD, as shown above and via this link: <http://www.hdc.nsw.gov.au/sites/default/files/NMGF/Mine%20subsidence%20categories%20map.pdf>

Developers can apply to have their project included in the Fund if it falls within the defined area.

If the application is approved, developers will pay the full cost of grouting up to a capped cost. If the actual cost of grouting exceeds the cap, the Fund will pay extra approved costs, after the works have been completed and validated by the Subsidence Advisory New South Wales (SANSW).

Applicants for approved projects will be required to execute the Newcastle Mines Grouting Fund Contribution Deed (the Deed).

The Deed sets out the terms and conditions for contributions under the Fund and should be read in conjunction with the

Application Form. A list of Fund approved cost items is provided in Schedule 2 of the Deed.

How is the capped cost worked out?

The capped cost is based on the size of the site and a rate per square metre.

The rate is set by the site location and the mine workings associated with each site. You can see the rates here: http://www.hdc.nsw.gov.au/sites/default/files/NMGF/NMGF%20Category%20Rates_.pdf

Example: A 1,000 square metre site falls within Area Category D and has a Category Rate of \$200 per square metre. The capped cost is \$200,000.

If remediation costs are more than the capped cost, the Fund will pay the approved costs above \$200,000.

If remediation costs are less than the capped cost, there is no claim and the Fund will not pay anything.



Frequently asked questions

How does the Fund work with the SANSW?

The Fund works alongside the SANSW. Fund operations do not replace SANSW processes and approvals.

The Fund follows the SANSW project delivery process, responding to three remediation milestones: design, delivery and validation.

Design:

The Fund relies on a mine grouting plan that is approved by SANSW. The developer must make sure this strategy optimises costs and outcomes.

Delivery:

The NSW Industrial Relations Guidelines: Building and Construction Procurement 2013 must be followed when appointing contractors and consultants for approved works covered under the Fund.

The Fund can independently monitor grouting works and progress costs.

Validation:

When the project ends, SANSW must agree that the works have been completed successfully. The Fund will rely on the SANSW validation before considering any contribution claim.

What criteria must projects meet?

Projects must meet five criteria to be part of the Fund:

- The site is within the defined City Centre Area and mine remediation work has not started.
- SANSW has approved the mine grouting plan.
- The project has relevant planning approvals for the work from the consent authority. This must include development approval to undertake the grouting works specified in the SANSW approved grouting plan.
- The application includes a brief outline of the project delivery plan, including a program and details of expected grouting volumes.
- The applicant confirms that contractors and consultants will be engaged using the NSW Industrial Relations Guidelines: Building and Construction Procurement 2013.

How do I apply?

Download the Newcastle Mines Grouting Fund Application Form and draft Deed from: <http://www.hdc.nsw.gov.au/newcastle-mines-grouting-fund-0>

Completed applications and supporting documents should be emailed to:

nmgf@hdc.nsw.gov.au



Frequently asked questions

How does the Fund choose and assess projects?

The Fund will assess projects that meet the criteria when the developer applies. Each criterion is essential.

If a project meets the criteria and the developer includes all needed information, assessment should take four weeks.

How long does an approval last?

The Fund approval lasts for the same term as the SANSW approval. When SANSW approval lapses, so does the Fund approval.

Do projects have to take part?

No. Developers can decide if they want to apply to participate in the Fund.

How are projects delivered?

Generally, the developer's contractor will do the work. The developer's technical consultant will validate the work in line with the SANSW approval.

The contractor doing the remediation must have grouting experience and be able to show they can undertake the work efficiently.

As the Fund administrator, HDC appoints a representative to monitor the project and be an observer at critical milestone site inspections.

When does the Fund provide its contribution?

The Fund will contribute to the approved grouting costs once SANSW has validated the completed work.

How will the Fund be reviewed and updated?

The Fund will be continually reviewed and periodically updated. These reviews and changes will respond to growing knowledge about mine subsidence.

The NSW Government has the right to change any aspect of the Fund at any time, including how it operates and is applied.

What doesn't the Fund cover?

The Fund does not cover investigation and consultancy costs, including:

- specialist consultants
- exploratory drilling
- design
- modelling
- project management
- establishment and similar costs.



Frequently asked questions

How is the Fund managed?

HDC administers the Fund. A Fund Steering Committee has also been set up to:

- oversee and direct the Fund
- coordinate an investigation program.

The committee includes representatives from the Department of Premier and Cabinet, the Department of Planning and Environment and HDC

What is the investigation program?

Knowledge gained through the investigation program will help us to better understand the condition of former mine workings by improving local mapping and providing current data.

This information will help the Fund and SANSW consider more cost-effective remediation strategies, should they exist.

How do I find out more?

Please contact HDC:

Website:
hdc.nsw.gov.au

Email:
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