



Amplitel's Submission to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts on a National Urban Policy

4 July 2024

1. Introduction

- 1.1 Amplitel welcomes the opportunity to provide feedback to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts in response to the National Urban Policy Consultation Draft, released May 2024 (**the Policy**).
- 1.2 The Policy outlines the Australian Government's goals and objectives to enable Australia's urban areas to be liveable, equitable, productive, sustainable and resilient and includes a shared vision for sustainable growth in our cities and suburbs, that has been committed to by all Australian governments.¹ Principles as set out in Appendix 1 of the Policy (**Principles**) have been developed to support all governments to achieve this vision.
- 1.3 One of the main objects of the Telecommunications Act 1997 (Cth) is to promote "*the availability of accessible and affordable carriage services that enhance the welfare of Australians*".² Amplitel pursues mobile infrastructure operations across the country, including in urban areas, that support this social objective. The services provided by Amplitel are critical to urban communities across the country.
- 1.4 Communications and connectivity are key drivers of growth, development and wellbeing across all communities. They play an essential role in times of disaster and disaster recovery. It is important that government policy and legislation encourage expansion of connectivity and do not disincentivise investment in multi-tenanted telecommunications solutions. Amplitel believes there are strong public benefits associated with government co-funding programs, streamlined planning laws, Crown land being made available for telecommunications facilities and simple, fair and commercial Crown rental regimes, all of which will support and encourage continued investment in telecommunications solutions across urban Australia.

2. Amplitel's feedback on the Policy

- 2.1 Amplitel recognises the Australian Government's five key goals for urban places and welcomes and supports the Objectives put forward in the Policy (**Objectives**). Reliable and fit for purpose telecommunications underpin and will facilitate many of the Principles and Objectives, including those relating to fairness, equity, inclusion, health, wellbeing, safety and productivity (including digital connectivity and emerging technologies.) We particularly recognise the key urban challenge³ of digital connectivity and that '*Uneven access to digital connectivity, Internet and mobile phone access, particularly in lower income households, exacerbates inequalities and limits access to services and employment, including remote work opportunities.*'
- 2.2 We welcome the following Objectives that specifically address telecommunications:
- **No-one and no place left behind** (Objective 1) and the possible action to '*Invest in supporting infrastructure, such as...telecommunications infrastructure*'; and
 - **Our urban areas promote productivity** (Objective 6) summarised as '*Improving connection between people and goods through efficient, low-cost, accessible and active transport options and expanded telecommunications connectivity so people from all communities can work from anywhere and easily move between jobs, contributing to improved work-life balance*' and possible actions to:
 - collaborate with state, territory and local governments to:

¹ National Urban Policy Consultation Draft, May 2024, page 8

² Section 3(1)(c)

³ National Urban Policy Consultation Draft, May 2024, page 36

- *'streamline and facilitate the rollout of telecommunications infrastructure in greenfield developments and urban fringe areas (already underway through the Planning Ministers' Meeting)'; and*
- *'develop a nationally coordinated approach to mobile telecommunications provision to improve access to modern telecommunications in new developments'; and*
- invest in productivity initiatives, such as...*'improving connectivity on the fringes of cities and particularly in disaster-prone urban areas'.*

2.3 Amplitel also recognises the following 'National Initiatives Underway' as set out in Appendix B of the Policy. It is critical for our urban areas that these initiatives are continued and expanded upon to support the Objectives:

- Telecommunications in new developments (**TIND**) policy⁴ which outlines expectations for property developers to ensure that developments have modern telecommunications infrastructure to provide, as relevant, fixed and mobile broadband and voice services; and
- Peri-Urban Mobile Program (**PUMP**) which targets longstanding mobile phone coverage and reception issues in the urban fringes of Australia's capital cities and large regional cities through government co-investment in mobile phone infrastructure.

2.4 To ensure that the full benefits of the Policy are realised across urban communities, Amplitel recommends that the Policy be expanded to reflect that:

- all levels of government should encourage and facilitate co-location on mobile telecommunications infrastructure;
- Commonwealth investment in co-funding programs such as PUMP should continue, to ensure the roll out of mobile infrastructure and services that would otherwise be uneconomical. These programs should incentivise co-location and should be co-ordinated, sequenced and timed to realise the best efficiencies from government funding;
- all levels of government should make Crown land (including local council managed land) available for the purposes of telecommunications facilities (at reasonable rates);
- Crown land rental regimes must be reasonable and support rents based on the unimproved value of the freehold land, with a reasonable rate of return applied (Amplitel recommends 6%) with no co-user fees;
- planning laws and approvals should be streamlined and fit for purpose to better facilitate the rollout of telecommunications infrastructure across urban areas, including planning exemptions for co-funded towers, towers under specified heights (including replacements of light poles and extensions of existing infrastructure), towers in areas which are unlikely to have amenity impacts and those that are designed to support multiple carriers. The required lot size for telecommunications towers should also be reconsidered;
- a closer and more streamlined engagement between telecommunications providers and power authorities is required, including an engagement framework with mandated service levels for power connections to telecommunications sites; and
- mobile telecommunications infrastructure plays a critical role across all urban areas, particularly in urban fringe and other locations subject to natural disasters. Such telecommunications

⁴ [2024 Telecommunications in new developments policy | Department of Infrastructure, Transport, Regional Development, Communications and the Arts](#)

infrastructure should be given priority co-funding and planning exemptions to support disaster readiness and disaster recovery in vulnerable locations.

Further details supporting these recommendations are set out in this submission.

3. **About Amplitel**

3.1 Amplitel was established on 1 September 2021 following the transfer of the towers business of Telstra Corporation Ltd to Amplitel and sale of a 49% interest in that business to a consortium of investors. This consortium includes the Future Fund, Australian Retirement Trust, Commonwealth Superannuation Company and Morrison & Co IP. The Telstra group continues to hold 51% of Amplitel.

3.2 Amplitel is a mobile network infrastructure provider (**MNIP**) and provides most of the passive infrastructure assets at a communications site required to establish and operate a telecommunications tower. Across Australia, Amplitel operates over 8,000 towers, masts, poles, and other structures. Amplitel also has access to Telstra's equipment building rooftops and approximately 160,000 of Telstra's street side poles. Approximately 25% of Amplitel's structures are located in metropolitan areas across Australia.⁵

3.3 Amplitel's strategic objectives are to:

- invest in new passive tower infrastructure to support its customers' mobile and non-mobile networks;
- increase utilisation of its infrastructure by providing better access;
- provide competitive market offerings;
- improve asset health;
- pursue growth and drive asset efficiency; and
- be the home of tower infrastructure expertise.

3.4 Amplitel serves a broad range of customers including mobile carriers, public emergency network providers, private wireless providers, major corporations and not-for-profits. Amplitel is not a mobile network operator, not a carrier and does not supply carriage services.

3.5 Amplitel is focused on investing in customer service initiatives, new services and solutions including:

- improving its asset and customer management systems for asset inventory, workflows and order tracking;
- creating digital twins of the network to enable available space to be visually shared for more cost-effective planning for customers;
- establishing an in-house engineering services team to provide customers more choice in engineering provider;
- creating innovative approaches to reducing the cost to upgrade infrastructure to accommodate more customer equipment and to reducing the overall life-cycle cost of building and maintaining infrastructure;

⁵ Amplitel's tower locations are available at <https://www.amplitel.com.au/tower-locations>

- introducing installation services allowing Amplitel to organise the installation of the customer's equipment; and
- improving site access processes – Amplitel is currently doing a proof-of-concept trial for electronic locks.

4. **Telecommunications Infrastructure**

4.1 Passive tower infrastructure owned or operated by an MNIP such as Amplitel is one part of the total upfront and ongoing investment required to deliver a telecommunications service. The provision of mobile and non-mobile telecommunications services requires the installation and use of both passive assets and active assets. These assets will include, at a minimum, spectrum (for mobile services), radio/mobile antennas, radio units, network access equipment, power, shelter and the passive infrastructure required to install antennas at height (e.g. a tower). In the urban setting, connection to the mobile network (backhaul) will generally be via the fibre network.

4.2 As an MNIP, Amplitel provides most of the passive infrastructure assets at a site required to establish and operate a telecommunications tower. These include land, security fencing, access tracks and the tower. Amplitel also organises connection to the power network.

5. **Co-location on mobile infrastructure**

5.1 Amplitel is committed to maximising utilisation of its existing and future network infrastructure assets. This means that Amplitel, where possible, builds new towers to support more than one customer and explores co-location options with its customers.

5.2 Co-location through passive mobile infrastructure sharing can offer a number of benefits to MNIPs, mobile carriers and the public and as a result, government policy should encourage co-location. The benefits of mobile infrastructure co-location include:

- more efficient use of land and increased access to favourable locations (which can be particularly critical in built up urban locations) - in our experience, the location of a site and the benefit that the site will deliver to the overall networks of our customers is often the most important factor in determining the best location for the installation of a new telecommunications site. Amplitel's customers will specify a search ring within which to secure a new site, and that location and the size of the ring will depend upon expected network demand, spectrum to be used, distance to the core network (backhaul distance), distance to power and topology of the surrounding region. Often the best location for a tower is an elevated position. Site location must maximise benefit to a carrier's network, which limits the availability of suitable sites. In geographic locations where there is a lack of availability for suitable sites, passive mobile infrastructure which supports co-location can allow multiple carriers to gain access to the available sites;
- economic efficiencies – in general terms, it can be less costly to build a single tower that will accommodate multiple mobile carriers, than it is to build multiple structures that only support a single mobile carrier; and
- increased choice for end users – if multiple carriers co-locate on a tower, this will improve the choice of service providers available in that location, with the corresponding benefits that increased choice and competition brings.

6. **Government plays a key role in funding infrastructure**

6.1 As recognised in Appendix B of the Policy, PUMP is currently underway. Investment in mobile infrastructure in new developments and expanding suburbs is generally required prior to these locations becoming economic for carriers. This is due to the ramp-up in consumer demand being dependent on the time taken to bring the new location to full occupancy, which for some new developments, can be up to 10 years. Therefore, continued government funding in these areas, including urban fringe areas subject to natural disasters, is critical to support the Objectives.

- 6.2 The sequencing and timing of government co-funding programs can also help to support efficient investment outcomes through multi-carrier coverage from a tower. PUMP is a good example of a staged program which allowed carriers to express interest in co-location on sites to be developed by another party early in the process.
- 6.3 The design of any future co-funding programs should include staged processes to allow participants to express early interest in co-location on sites to be developed by another party. This means that there are resources available to best participate in programs. To get the best return from co-funding programs, there should be ongoing:
- co-ordination between various governments (Commonwealth, State, and potentially local) to ensure that programs are timed in a way that avoids unnecessary overlap in terms of bid deadlines and conflicting requirements; and
 - government should provide industry with early warning of anticipated future programs and reasonable windows for responding to tenders. This will assist with providing internal resourcing to respond to tenders, particularly where multi-carrier outcomes are preferred which can require extended negotiations. This also fosters a greater capacity to leverage co-contributions from a range of relevant stakeholders (both public and private). A long-term planning framework would assist with this recommendation.
- 6.4 To realise efficiencies, it is important that co-funding programs do not disincentivise co-location on existing infrastructure. For example, when co-funding opportunities arise for specific locations, existing mobile infrastructure should be considered to allow for efficiencies to be realised by way of co-location on that infrastructure under commercial arrangements (as opposed to co-funded new builds). With the emergence of the MNIPs, we have seen examples of some parties choosing not to co-locate on Amplitel mobile infrastructure, as this requires an operational expenditure commitment from them (as opposed to what would have previously been a capital expenditure cost for an integrated operator). Where capital expenditure funding is offered under a government funding program at a location close to existing infrastructure, carriers may choose to use the funded capital expenditure instead of spending operational expenditure. This may not result in the greatest efficiency as existing infrastructure is not fully utilised. Both operational expenditure and capital expenditure should be covered under programs.

7. **Crown land must be made available for telecommunications facilities**

- 7.1 Due to urban densification, there is a real and pressing challenge for us to find suitable sites for our infrastructure in both greenfield and in-fill residential areas. The progressive densification of mobile networks to meet community requirements and expectations of mobile data services means that our infrastructure needs to be located closer to where people live and work, with more sites required over time. As time goes on, there are fewer sites for our infrastructure available in urban locations. We welcome the revised TIND policy released in February 2024 (which expands the scope of that policy to include the expectations regarding mobile infrastructure in new developments) and the work underway through the Planning Ministers' Meeting. However, in addition to the planning recommendations made in section 9 of this submission, there is also a role for all levels of government to make Crown land available for the purposes of telecommunications facilities. This includes local council managed land. This is particularly relevant where no private land is available, or private landowners are not willing to sell or lease such land. There must be a positive requirement on all levels of government, including local councils, to make land available for lease for the purposes of telecommunications facilities at reasonable rates (including application fees.)

8. **The role of the State Government as landlord**

- 8.1 As detailed in section 6.1 of this submission, investment in mobile infrastructure in new developments and expanding suburbs is generally required prior to these locations becoming economic for carriers. As such, it is important that landowners realise that how they price rentals for telecommunication facilities will impact when and whether a carrier chooses to co-locate on a site. This in turn impacts the timing of availability of mobile coverage for end users in these locations.

- 8.2 Government landowners are in a unique position to reduce the cost of providing new telecommunications infrastructure by reducing and maintaining reasonable rents with reasonable escalation rates on Crown land. The actions of landlords, including the Crown, can cause the business case for tower locations to become marginal or negative in some cases.
- 8.3 Crown land owned and managed by State governments accounts for large a proportion of land across some States. For example, the Crown land accounts for over 90% of all land in WA⁶ and approximately 50% of land in NSW.⁷ Some of this land is subject to bush fire and other natural disaster risk. This makes the presence of communications facilities in these locations a valuable asset to communities and emergency service organisations in the context of disaster preparedness and recovery as well as to enable urban communities to share in the recognised benefits that mobile connectivity brings.
- 8.4 In considering the appropriate rents, Crown land agencies should explicitly consider:
- the maximisation of social welfare outcomes;
 - the positive externalities generated by mobile towers; and
 - where mobile infrastructure is government funded, the self-defeating effect of unreasonable rents while at the same time providing co-funding from public funds which in part goes back to the Crown in the form of rents at these sites.
- 8.5 To achieve these outcomes, we recommend that the unimproved value of the freehold land be used as the basis for assessment of rent for communications sites on Crown land. This approach aligns with Australian Property Institute and International Valuation Standards. Valuation principles dictate that valuation of land should ignore the value of the tenant’s business and improvements when assessing a fair market rent. That is, the value of the land should demonstrate the value of vacant land ignoring the tenant’s business, prior to the investment being made, and where both parties can act without compulsion.⁸ The determinative factor is the nature and level of demand for the site, having regard to the characteristics of the land and the range of uses to which it might be put by actual or prospective tenants or licensees.
- 8.6 If the rent is based on the unimproved value of the freehold land this method allows for a reasonable escalation rate based on the increase in the value of the unimproved value of the land.
- 8.7 In determining rent that would deliver fair, market-based returns to the Crown, the most appropriate methodology is a “rate of return” methodology under which the unimproved value of the land is multiplied by a percentage factor rate of return. Amplitel recommends a rate of return of 6%.

Co-User Fees

- 8.8 Some Crown landowners have a rent-seeking approach to telecommunications sites and levy additional fees (**co-user fees**) on carriers co-locating on a tower site (without using any additional land). These charges have the impact of increasing the total cost of the infrastructure and have the risk of disincentivising investment at impacted locations.
- 8.9 Co-user fees are inconsistent with Commonwealth legislation that encourages co-location, such as the Telecommunications Act 1997 (Cth). As outlined in section 5 of this submission, there are clear

⁶ [Land Administration » Town of Port Hedland](#)

⁷ [Crown Land - NSW Land Registry Services \(nswlrs.com.au\)](#)

⁸ Spencer v Commonwealth of Australia (1907) 5 CLR 418

efficiencies with sharing infrastructure and maximising utilisation of existing assets for Amplitel, its customers and across urban communities.

- 8.10 In the Report of its Inquiry into co-investment in multi-carrier regional mobile infrastructure, tabled in Federal Parliament on 15 November 2023 (**HOR Report**)⁹, the Commonwealth House of Representatives Standing Committee on Communications and the Arts recognised the importance of this issue. It recommended that the Australian Government prohibit its agencies from charging additional co-user rent fees above the rent a principal tenant pays to lease Commonwealth crown land for the purpose of providing telecommunications services.¹⁰ Amplitel notes that the Commonwealth is yet to respond to this recommendation. The charging of co-user fees is also not a recognised practice in the private market.¹¹ This approach should also be adopted for urban land and across all Crown land agencies.
- 8.11 Co-user fees should not be charged (where no additional land is used by the co-user) for the reasons above and on the basis that:
- the primary user is already paying rent for using the land within the telecommunications compound;
 - the primary user is the key contracting party responsible for the site and already provides the government with the relevant protections, obligations and indemnities;
 - the government is receiving the benefit of investment made by the primary user as tenant, contrary to the recognised valuation principles, as described in section 8.5 of this submission;
 - a fee from a co-user located in the compound is “double dipping”, contrary to public policy;
 - it creates an additional administrative step for all parties where an additional licence must be agreed and executed, slowing down deployment contrary to both the community and government expectations of efficient and cost effective rollouts; and
 - there is no identifiable economic justification for the fee.
- 8.12 Any Crown rental regimes and supporting policies must not disincentivise the most efficient use of communications assets across the nation.

9. **Efficiencies in planning laws are critical**

- 9.1 As set out in section 2 of this submission, Amplitel welcomes government actions to ‘*streamline and facilitate the rollout of telecommunications infrastructure in greenfield developments and urban fringe areas (already underway through the Planning Ministers’ Meeting)*’ and to ‘*develop a nationally coordinated approach to mobile telecommunications provision to improve access to modern telecommunications in new developments*’ as well as the new TIND Policy. We hope to see the challenges we face in the roll out of our infrastructure addressed via these initiatives.
- 9.2 However, we reiterate the challenges that Amplitel faces in rolling out mobile infrastructure which greatly impact the costs and feasibility of the deployment of infrastructure across urban communities. An area where such challenges can be readily addressed by reform is the cost and time of obtaining approvals to install telecommunications structures.

⁹ [Connecting the country: Mission critical – Parliament of Australia \(aph.gov.au\)](https://aph.gov.au)

¹⁰ HOR Report Recommendation 13

¹¹ IPART NSW Final Report - Review of rental arrangements for communication towers on Crown land - November 2019 page 84

9.3 In addition to the expectations on developers under the revised TIND policy, the role of local councils and State government authorities is critical as areas are developed, either as greenfield or in-fill areas, as these entities have ultimate planning approval authority for the development. Some local councils and approval authorities have existing telecommunications facilities planning rules that are not consistent with the design of a new development or expanding or densifying urban area. For example, where a local council planning scheme requires a minimum setback for a telecommunications facility from residential land use, this can be impossible to achieve in a new development or built up urban area. In addition, the planning and development approval processes for telecommunications facilities vary across local councils. This adds uncertainty in planning new infrastructure and can increase the costs of the site selection, acquisition and planning approvals during the development phase. There are several potential changes that will increase efficiencies to enable the faster and more cost-effective rollout of new infrastructure, including:

- local councils (Property and Planning departments) and other government authorising bodies should be included in early consultations regarding new developments and expanding suburbs and these entities should be encouraged to design planning requirements and schemes that support and facilitate telecommunications facilities in urban areas; and
- State and local council planning processes should be fit for purpose in the context of new developments and built up urban areas (for example, by way of special zoning for telecommunications facilities and relaxation of design and notice requirements), reflecting the special design and needs of these areas.

9.4 One way to address these challenges is by the harmonisation of State and Territory planning and development approval processes. By way of a model framework, key legislative changes have been made in Victoria which have resulted in tangible commercial benefits as the State has streamlined planning requirements for telecommunications facilities. At a minimum, we recommend that the following telecommunications facilities be afforded exemptions:

- towers built under a government co-funding program;
- towers under specified heights, including replacements of light poles and extensions of existing infrastructure;
- towers in areas which are unlikely to have amenity impacts (for example, industrial zones);
- towers in areas vulnerable to natural disasters; and
- towers that are designed to support multiple mobile carriers.

9.5 In addition, the required lot size for telecommunications towers should be reconsidered in planning and development requirements. Currently, planning rules may mean MNIPs purchase more land than is required for a tower site. For example, Amplitel typically seeks to secure a site that can accommodate at least two tenants. For a standard pole location, this can be achieved in an 80-100 sqm plot. Minimum lot sizes may mean that the MNIP purchases more land than is required for a standard pole. These requirements are inefficient and unnecessarily increase an MNIP's costs in developing and maintaining infrastructure and can be difficult to meet in urban areas where available land for telecommunications facilities can be limited.

10. Streamlined engagement with Power Authorities

10.1 Power authorities and electricity distributors (**Power Authorities**) are responsible for the connection of power to telecommunications sites. MNIPs and carriers submit applications for power connections to Power Authorities and they are assessed, and connections are completed in accordance with the Power Authorities' processes. Without the power connection, the equipment located on or at the telecommunications infrastructure will not commence transmission and as a result, it forms a critical part of the delivery of telecommunications services.

- 10.2 We have recently observed examples of power connection delays which have materially impacted and continue to impact the initial delivery and transmission of telecommunications services which can directly impact the communities in these areas. We have seen average connection times across each State range from 8 months up to 16 months from the date of our application.
- 10.3 As a result, we welcome and recommend closer and more engagement with Power Authorities and an engagement framework including mandated service levels to help us complete power connections to telecommunications sites in a safe and timely manner to best meet public and risk mitigation expectations. Such engagement is also critical during times of natural disasters that result in power outages to tower sites. We engage with the Power Authorities regularly and we are currently considering within Amplitel what enhanced engagement with would look like. Our primary goals are to improve power connection times, scheduling certainty and the cost of grid connection, the achievement of which will have flow on benefits to communities.