indara
DIGITAL INFRASTRUCTURE

Submission on Draft *A National Urban Policy for Australia*

Prepared for the Department of Infrastructure, Transport, Regional Development, Communications and the Arts

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1. Introduction

Indara welcomes the opportunity to respond to the draft National Urban Policy for Australia, prepared by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department).

The draft Policy outlines the Australian Government's goals and objectives to enable urban areas to be liveable, equitable, productive, sustainable and resilient. The Department has invited feedback on the draft Policy.

Indara is a national provider of shared telecommunications infrastructure. We work with Mobile Network Operators (MNOs) and government organisations to provide essential mobile telecommunications services to the Australian community.

Mobile connectivity has never been more important for all Australians. The social and economic benefits of strong mobile connectivity cannot be overstated; indeed mobile connectivity is now regarded as an essential service by the federal government, as important to community welfare as access to water or electricity.

Indara believes it is critically important for all Australians to have access to reliable, high-quality and affordable mobile telecommunications services in their homes, workplaces and places of recreation. We also emphasise the importance of mobile connectivity for community safety and disaster resilience.

Indara commends the Department for its strong recognition of digital connectivity in the draft Policy. We consider that this is a very positive step to ensure Australians have access to the mobile services they need.

We do note, however, that there are numerous challenges and regulatory hurdles to the provision of mobile telecommunications infrastructure. We believe it is important for the Department to be aware of these challenges, as overcoming them will be vital to achieving the outcomes of the Policy.

2. Who is Indara?

Indara Digital Infrastructure (Indara) is one of Australia's leading owners and operators of digital infrastructure. Our vision is to accelerate the digitisation of Australia and enable connectivity services to communities.

Indara is a Mobile Network Infrastructure Provider (MNIP). We do not operate a telecommunications network – rather, we build and manage the infrastructure that can be used by Mobile Network Operators (MNOs) like Optus, Telstra and TPG Telecom (Vodafone). Our towers and rooftop sites are designed and deployed to be shared infrastructure for Australia's mobile carriers, government entities, emergency services organisations and wireless providers.

Indara has a rapidly growing portfolio of over 4,700 tower and rooftop sites; we are currently deploying several hundred new sites across the country, in partnership with Mobile Network Operators.

Indara also works closely with a range of enterprise and government organisations, ranging from the National Broadband Network to emergency services organisations to private wireless internet providers. Much of our infrastructure hosts critical emergency or government communications infrastructure, playing a key role in ensuring the safety of the community.

Indara's infrastructure provides essential mobile telecommunications services to communities across Australia. We are continually investing to build new sites to satisfy the increasing wireless traffic demands of our society.

3. Mobile Connectivity – A Snapshot

There is a significant and increasing need for mobile connectivity across Australia. More than ever Australians rely on their mobile phones and other devices for communication, social connection, entertainment and business.

- 97% of Australians use a mobile phone. 82% of Australians do not have a landline phone and rely exclusively on a mobile phone[1].
- Mobile phones are the most common method Australians use to go online. 95% of Australians used a mobile phone to access the internet in 2023[2].

[1] *https://www.acma.gov.au/publications/2023-12/report/communications-and-media-australia-how-we-communicate*

[2] *https://www.acma.gov.au/publications/2023-12/report/communications-and-media-australia-trends-and-developments-telecommunications-2022-23*

- Data traffic increases every year, with streaming and video calling being major drivers of increased demand. The total volume of data downloaded by mobile services in Australia increased by 31% between June 2022 and June 2023[3].

- Public safety is a significant driver behind improvements to mobile coverage. In 2021, around 78% of emergency calls were made from a mobile handset[4].

- 3G networks are expected to be phased out by the end of 2024. This means that the 'basic' level of service available to the community is 4G. 4G enables voice calling and access to mobile data. Access to reliable 4G services in urban areas is now a basic community expectation.

  Since 2019 mobile carriers have been deploying 5G. Because of the frequencies it uses, a 5G signal can carry much more information much faster than a 4G signal, resulting in faster data download speeds and lower latency. Whilst 5G is not ubiquitous, in areas where it is available it has proven transformative – a recent Deloitte report estimated that 5G would increase Australia's GDP by $67 billion by 2030[5].

- The way mobile networks are used has evolved over time. Following the covid-19 pandemic, many Australians have continued to work from home or maintain flexible or hybrid working arrangements. This has resulted in network demand being decentralised, with residential and urban fringe areas seeing much greater network demand than was traditionally the case.

- The way that mobile networks are deployed has also evolved over time. Traditionally, deployment of infrastructure was carried out solely by mobile carriers (also known as Mobile Network Operators or MNOs). However, in the last 2-3 years there has been a significant change in deployment model. Most new telecommunications facilities in Australia are now being deployed by Mobile Network Infrastructure Providers (MNIPs) like Indara. While these facilities still provide mobile telecommunications coverage for a carrier, the 'passive equipment' (the tower and compound) is now owned and managed by the MNIP.

- Mobile connectivity has become so important that it is now considered an essential utility. The Federal Government has recently updated its *Telecommunications in New Developments* (TIND) policy to recognise mobile connectivity as an essential service; it is now expected that developers consider mobile connectivity as important as other utilities like water, electricity and sewage.[6]

Indara's commentary is based on these trends and our recent experiences with deployment.

[3] *https://www.acma.gov.au/publications/2023-12/report/communications-and-media-australia-how-we-use-internet*

[4] *https://www.triplezero.gov.au/triple-zero/How-to-Call-000/advanced-mobile-location*

[5] *https://amta.org.au/wp-content/uploads/2022/03/5G-Unleashed-Final-Report_combined-v2.pdf*

[6] *https://www.infrastructure.gov.au/department/media/publications/telecommunications-new-developments*

4. Comments on Draft National Urban Policy

Part 2: Share Government Vision and Roles

Part 2 suggests that infrastructure is mainly a Federal or State government responsibility. We note telecommunications infrastructure is somewhat unique compared with other essential utilities; it is deployed by the private sector (either by MNOs or MNIPs) but is subject to a complex regulatory framework involving all levels of government, with local government playing a particularly important role.

It is important for the Department to understand the main challenges to deployment, and how these challenges could be mitigated through a coordinated governmental approach.

Strategic Planning

Traditionally, the delivery of mobile network infrastructure has been driven by demand, without upfront planning by government or developers. There has been little strategic planning by stakeholders to 'plan ahead' for connectivity – rather, mobile network providers have responded to a need for service in a specific area, after the area has been developed, by attempting to deploy a new facility.

Because deployment has been reactive, mobile telecommunications infrastructure has essentially needed to be 'retrofitted' into established areas, rather than being planned for at an early stage. This method of deployment is often unpopular with communities; it also carries with it substantial regulatory delays and risk (discussed below), additional expense and inefficiencies in network delivery.

There are many well publicised instances of peri-urban areas having no mobile phone coverage because the infrastructure has fallen behind other development. In some unfortunate cases, a suitable site simply cannot be acquired, meaning some communities cannot be provided with any level of reliable mobile service.

A contributing factor is a lack of forward planning for mobile telecommunications infrastructure at a policy level. Governments at all levels have tended to give mobile connectivity little consideration when planning for population growth. Connectivity is often missed in policy making; where connectivity has been recognised, it has historically been given little focus. Often, there has been an assumption that the private sector will simply deliver the necessary infrastructure to service a particular area, but with little thought to the challenges in doing so – such as whether a suitable location is available – and how these could be addressed in policy. Similarly, little thought has been given to enabling, encouraging and incentivising proactive mobile infrastructure deployment through policy.

We are pleased to note that this is changing at a federal level; the federal government has recently recognised the importance of proactive forward planning in its updated *Telecommunications in New Developments* policy, released 17 February 2024. Amongst other requirements, the TIND requires developers to consider connectivity, and to engage with providers, when planning new developments.

Indara strongly supports the TIND and a more proactive approach to mobile deployment. However, we note that the TIND principles should be implemented across all levels of government as well as to developers and mobile providers. We encourage a coordinated approach, by all levels of government, to recognise mobile connectivity as an essential service and establish planning policies that consider connectivity as early as possible.

Town Planning Regulation

To deploy a new mobile telecommunications facility, the provider must obtain all relevant town planning and regulatory approvals at each level of government. The existing regulatory framework for telecommunications infrastructure deployment is rather complex.

The federal *Telecommunications Act 1997* (the Act) allows certain kinds of minor facilities to be installed without development consent (for example, installation of antennas on an existing structure). The Act does not generally authorise installation of larger scale infrastructure like standalone towers – whilst there is a mechanism under the Act to do so, via a 'Facility Installation Permit' (essentially a development consent granted by ACMA), it is a very complex and expensive process that is little if ever used. Also, the Act does not presently acknowledge the role of MNIPs in the deployment process; the powers in the Act extend only to MNOs.

At a state level, telecommunications regulations are inconsistent.

- Several states (notably New South Wales and Victoria) have specific policies to encourage mobile network deployment, including town planning exemptions which allow some kinds of facilities to be deployed without DA consent. These exemptions, where applicable, allow infrastructure to be delivered more quickly and efficiently.

- Western Australia has a state telecommunications policy which broadly recognises mobile connectivity and makes recommendations for councils to consider, but these recommendations are not mandatory and can be disregarded. The policy does not offer any town planning exemptions or other mechanisms to enable deployment.

- Some states lack any tangible telecommunications policy. In Queensland, for example, there are no town planning exemptions or other mechanisms at a state level which enable deployment; moreover, mobile connectivity is not even mentioned in the State Planning Policy, which provides strategic direction to planning across the state.

Noting the above, most new telecommunications infrastructure deployed across Australia requires local government development consent. This raises significant challenges for deployment:

- Because telecommunications DAs are not prioritised, and are treated in the same way as any other application, town planning approvals often take a very long time – it is not uncommon for development applications to take over 12 months, and sometimes much longer, in some jurisdictions.

- Council attitudes play a large role. Some councils welcome and encourage mobile deployment; others actively oppose it. Some councils have blanket prohibitions preventing telecommunications facilities from being deployed in specific land use zones. Other councils are known to oppose mobile deployment on ideological or political grounds, meaning even very reasonable proposals have a low chance of gaining consent. These issues are amplified in jurisdictions where mobile connectivity is not identified as a strategic priority.

- Because mobile infrastructure is subject to the normal development consent process, a DA for a new facility can be sidetracked by a small number of vocal objectors to the detriment of the wider community.

- If a court appeal is required (for example, if the DA is refused or a DA consent is challenged by a third party) it can create significant additional delays, uncertainty and cost.

The impact of current planning regulations includes unnecessary delays in facilitating service provision, higher costs and greater risk. Taken together, these impacts significantly impede investment and progress.

Indara notes that a more consistent and coordinated approach to planning approvals is required. In this respect, we specifically note that the federal government has, through its Mobile Telecommunications Working Group, released the *National Principles to Support Streamlined Telecommunications Planning Arrangements* on 4 July 2024 – this document provides a good overview of the challenges to deployment, from a regulatory perspective, and strongly encourages a coordinated approach to deployment at all levels of government.

Indara strongly endorses the recommendations made by the Working Group; we consider that the town planning framework for mobile deployment, at all levels of government, needs to more readily encourage deployment of mobile infrastructure.

Tenure

To deploy a mobile telecommunications facility, the mobile provider must secure tenure with a landowner willing to accommodate the site. Where private land is unavailable, mobile providers must often rely on use of council or Crown land to deploy new telecommunications facilities.

- Use of Crown Land is subject to lengthy, complex and expensive application processes that can often take years to complete. Crown rental expectations can often be unreasonable; there are also barriers to use of Crown Land, such as co-user fees (generally an additional 50% of the tower rental for an MNO to co-locate) which disincentivise deployment of shared, 'neutral host' facilities. Telecommunications facilities often appear to be regarded less as a public good, and more an opportunity to secure a windfall for the relevant state government.

- Sites owned outright by local councils can also be challenging to use. Some local authorities simply refuse to allow telecommunications infrastructure on public land. Others will allow facilities but require a lengthy and complex process to acquire the site. Some councils will only allow MNOs to use their land and refuse access to MNIPs, or will only allow infrastructure that is 'Low Impact' under federal telecommunications exemptions (excluding new towers or other infrastructure that needs DA consent). Unreasonable, revenue driven rental expectations and short tenure terms (5 years) are not uncommon, and are a disincentive to investment.

- Use of land owned by other utility providers (including water, transport and power authorities) can also have its own challenges, including specific build and design constraints, unreasonable, above market rental expectations or additional terms and conditions to operate.

If it is not possible to utilise public land, or if the terms offered by the relevant authority are not viable, the unfortunate outcome is often that investment is shifted to other areas more amenable to deployment, leaving local connectivity issues unresolved.

Tenure is a significant issue for telecommunications deployment, because – unlike other forms of utility infrastructure, which have much more secure tenure arrangements (such as utility easements) – mobile facilities generally only have agreed tenure for 10 to 20 years. We have observed losses of sites in key locations because leases have expired, and the landlord is no longer interested in accommodating a site. This can lead to circumstances where the lost coverage is impossible to effectively replace.

To achieve the objectives of the National Urban Policy, we therefore highlight the importance of being able to secure tenure; we suggest all levels of government should encourage the use of public land, where appropriate and subject to reasonable terms, for telecommunications infrastructure.

Access to Utilities

All telecommunications facilities must be connected to power. We have observed that the approvals process with power authorities is often lengthy; we are also seeing long delays for sites to be physically connected to the power network. In many cases, telecommunications infrastructure does not appear to be prioritised at either the approval or connection stage. Addressing this would also reduce delays associated with deployment.

Part 3: Australian Government Goals

Indara strongly commends the inclusion of digital connectivity and infrastructure in the **Liveable**, **Equitable**, **Productive** and **Resilient** goals of the Policy.

Part 4: Australian Government Objectives

Indara strongly supports the objectives outlined in Part 4 of the Policy. We have provided specific commentary on Objectives 1, 3 and 6 of the policy.

Objective 1: No-one and no place left behind

This objective strongly resonates with Indara. A large proportion of our current deployment work is in peri-urban growth areas on the fringe of Australia's capital cities, where infrastructure has not kept up with community need.

Indara is also working in a number of disadvantaged areas where mobile connectivity will be transformative. With the support of the federal government's Mobile Black Spot Program, Indara and Optus have recently deployed a new telecommunications facility in Yarrabah, Queensland. Yarrabah presently has very limited access to mobile services, despite being only 10km from Cairns, and the support received from the local community has been gratifying.

To achieve Objective 1, Indara note that better forward planning for mobile connectivity is needed at a strategic level (such as reserving space for telecommunications infrastructure in structure plans), and deployment of new infrastructure should be especially prioritised in new developments and growth areas. There will be a role for both 'macro' facilities (full size mobile base stations) and smaller, 'micro' cell sites and smart poles in achieving this objective.

Indara also urge a streamlined regulatory approach. Whilst some councils are very supportive of improved connectivity, others are either ambivalent or actively resistant to deployment of telecommunications infrastructure. There are currently few mechanisms available to challenge local planning authorities who are resisting deployment. To meet policy objectives, regulation that provides greater consistency and certainty is needed.

We strongly support the federal government's 'Possible Action' to invest in telecommunications infrastructure. We specifically support the Peri Urban Mobile Blackspot Program (PUMP), and urge the federal government to continue and expand this program. Proactive deployment of infrastructure, in locations that are not yet developed, is often not cost effective and could be economically unviable for an MNIP or MNO. Having the PUMP program enable and incentivise deployment is very helpful, and we support expansion of this program to the greatest possible extent.

Indara supports the purpose of the Mobile Black Spot Program (MBSP), and while we note it is not targeted specifically at urban areas, some locations on the program are located at the urban fringe of major cities, or in and around regional population centres, meaning the MSBP will also be relevant to the National Urban Policy. However, whilst we believe the MBSP is well intentioned, we are concerned that the existing funding model is not fit for purpose:

- The current MBSP does not make it sufficiently attractive to deploy in remote areas, or locations where construction is very difficult; even with government funding, some blackspot sites are not financially viable because of high build and servicing costs.

- Presently, MNIPs are only eligible for blackspot funding where they are working in partnership with a carrier / MNO; if the site is not financially viable for the MNO and they have no interest in it, they are unlikely to partner with an MNIP and the site is unlikely to get built.

- The funding model does not consider the market share of the respective mobile carriers; the model does not provide sufficient funding to incentivise a smaller mobile carrier / MNO that might, for example, only service 10% of the mobile customers in a specific location.

Noting the remote nature of sites on the MBSP, and associated difficulties with deployment, we consider that funding should be increased to 100% capital expenditure (ie construction of the tower and connection to utilities), and 10 years of operational expenditure (ie ongoing costs associated with maintenance, supply of power etc).

This would provide a significant incentive for MNIPs to deploy a facility in difficult areas; it would also encourage MNOs to use the facility because they could do so at a subsidised, equitable rate. We also encourage the federal government to consider how funding could be allocated based on MNO market share, and recognise that each carrier brings its own strategic circumstances to the question of regional coverage.

Another potential way for the government to invest in mobile infrastructure is to provide 'investment-in-kind' by encouraging easier access to public land in urban areas and growth areas. High rent costs often make it exceptionally difficult to justify use of public land. Making public land more readily available, and having reasonable commercial expectations for its use, would be of significant benefit to mobile deployment.

Finally, while Indara believes terrestrial wireless infrastructure is typically the most effective and resilient solution, the high costs associated with build, maintenance and operation mean it is not always the optimal solution. For remote or very low population areas, a multi-technology approach is logical. Satellites have an important role to play as a complementary technology to terrestrial wireless, especially in providing ubiquitous services.

Objective 3: Our urban areas are safe

Indara strongly supports this objective. Strong mobile connectivity plays a key role in public safety; a streamlined approach to deployment, with less regulatory hurdles, would have significant public safety benefit.

With respect to disaster resilience, it is important for infrastructure deployment to be prioritised, and for the infrastructure itself to be protected. However, we note that the infrastructure sometimes needs to be deployed in areas prone to natural disasters, such as flooding or bushfire, and we urge a more flexible approach to planning approval in these areas.

As an example, Indara recently received a DA rejection for a new facility in a flood prone area. The council's rationale was that telecommunications infrastructure was 'essential infrastructure' under its flood policy, and should not be deployed in flood prone areas (somewhat ironically, this was the only council policy where mobile infrastructure was recognised as 'essential').

The proposed site was designed with appropriate flood mitigation measures (mobile sites can be made suitable for flood prone land through use of elevated platforms for electrical equipment, and options to support and operate larger battery systems or generators if power is disconnected). In this case, the entire suburb was flood prone, and there were no alternative sites that would have a lesser flood risk.

Unfortunately, council took a view that it was better to have no service at all, than to have mobile services that *might* be impacted by a once in a lifetime flood event. Indara was ultimately successful in overturning this decision through a court appeal, though with significant time delays and at substantial cost to both Indara and the council.

With natural hazards like flooding and bushfire likely to become more common, we note that deployment of sites in areas subject to hazards should be prioritised – however we also note that the decision-making process to deploy the infrastructure should be flexible, practical and reasonable. A binary, black-and-white approach to this issue is unhelpful, and inhibits deployment of infrastructure that would be genuinely beneficial in a natural disaster.

Furthermore, options exist for government to support 'hardening' of mobile infrastructure sites through investment in larger battery backup systems, solar or redundant backhaul solutions.

Objective 6: Our urban areas promote productivity

Mobile connectivity is incredibly important to Australia's economy. Indara commends the federal government's intention to "*streamline and facilitate the rollout of telecommunications infrastructure in greenfield developments and urban fringe areas (already underway through the Planning Minister's Meeting)*" and "*develop a nationally coordinated approach to mobile telecommunications provision to improve access to modern telecommunications in new developments.*"

The challenges faced in deployment of mobile infrastructure have been discussed elsewhere in this submission; these Possible Actions are a strong step toward resolving these challenges. Indara strongly supports these Possible Actions and would be happy to provide ongoing assistance and support to the Department in developing them.

These actions, along with the TIND policy and the newly released National Principles, provide a strong federal framework for mobile connectivity. However, we reiterate the importance of these being recognised in state and local policy. The success of the National Urban Policy will hinge strongly on these principles being adopted by all levels of government.

5. Recommendations

1. Regulatory Reforms to Federal Legislation

- Acknowledging the increased role of MNIPs in deployment, consider expanding land access and installation powers under Schedule 3 of the *Telecommunications Act 1997* to include non-carrier MNIPs.
- Expand the kinds of activity that can be considered Low Impact under the *Telecommunications (Low-Impact Facilities) Determination 2018* – for example, to include deployment of standalone smart poles.
- Consider expanding the ambit of the *Telecommunications Act 1997* to enable deployment of new standalone telecommunications facilities – for example, by implementing a modified version of the 'Facility Installation Permit' process for MNOs and MNIPs, or by creating rules for local and state governments relating to deployment (such as certainty of access, reasonable rentals, and a presumption of development consent subject to requirements).

2. Better Forward Planning

- Ensure that all levels of government formally recognise the importance of connectivity in policy.
- Promote public awareness of the TIND and streamline processes to support developer and MNO/MNIP engagement.
- Ensure state and local governments are aware of the TIND and consider it in policymaking; forward planning for telecommunications infrastructure is not just the responsibility of the developer and the MNO/MNIP but requires governmental input.
- Ensure that connectivity is considered at a strategic level by all levels of government – all forward planning / growth planning / structure planning activities should include an assessment of mobile connectivity, and make potential sites or precincts available for telecommunications infrastructure use.

3. Enhanced Investment

- Continue to fund the PUMP and expand this program where possible.
- Modify the MBSP to improve its viability for MNOs and MNIPs.
- Consider additional methods of encouraging deployment through investment, such as by allowing easier access to public land at fair rental.

4. Streamlining and Alignment of Federal, State and Local Town Planning Policy

- Encourage states to implement telecommunications policies which recognise connectivity and facilitate deployment of infrastructure (as is already the case in New South Wales and Victoria).
- Require local authorities to create policy, and assess applications, in a way that encourages and fast tracks delivery of appropriate infrastructure. Planning decisions should work off a presumption that is supportive of connectivity; onerous or excessive development conditions should be limited; and an escalation pathway (outside the court appeals process) should be established for situations where the local authority is unreasonably delaying or withholding planning consent.
- Ensure that telecommunications facilities are not prohibited in any land use zone.
- Consider ways of de-politicising the approvals process, for example by having telecommunications proposals be assessed by an alternate consent authority rather than Council.
- Ensure that development application fees are fair, reasonable and justifiable.
- Ensure that connection of electrical supplies by state power authorities are fast tracked and not subject to unreasonable delay.

6. Enabling and Incentivising Access to Public Land

- Ensure that all public land in urban areas, regardless of ownership, is accessible for use by MNIPs and MNOs.
- Create an expectation on state and local land agencies to make land available for new telecommunications facilities, especially in urban areas.
- Streamline the process to utilise Crown Land.
- Encourage rental terms and conditions that are fair, reasonable and non-discriminatory.

6. Conclusion

Indara trusts that our submission will be of assistance to the Department. Mobile connectivity will play a substantial role in Australia's future success; we believe it is vitally important to create policies which encourage deployment of this essential infrastructure.

Indara would welcome the opportunity to answer any additional questions or provide further clarity or case studies for consideration. We would also welcome the opportunity to work more closely with the Department moving forward. Please don't hesitate to contact us if you would like to speak further on any of the matters contained within this document.

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