

COBAR SHIRE COUNCIL



ORDINARY MEETING SUPPLEMENTARY REPORT

THURSDAY 22 MAY 2014

~ TABLE OF CONTENTS ~

PART A – ACTION

Page Number

Clause 8A – Mobile Phone Coverage Across Cobar Shire 3

CLAUSE 8A – MOBILE PHONE COVERAGE ACROSS COBAR SHIRE**FILE: T2-1 AOP REFERENCE: 4.2 ATTACHMENT: YES (PAGE 7-13)****AUTHOR: *Special Projects Officer, Angela Shepherd*****Purpose**

To determine Council's level of involvement and resource allocation into improving mobile phone coverage across the Shire through the Federal Government's Mobile Coverage Programme.

Background

In February 2014, following discussions at the Economic Taskforce meeting, Council provided a submission to the Federal Government's Mobile Coverage Programme Discussion Paper. A copy is attached. In this paper, a number of potential locations were identified in the Shire for new mobile phone base stations, or locations where base stations were in existence for other services that could be used to improve mobile phone coverage.

The Department of Communications has now written back to Council (attached) with further information on the program. They are also seeking Council's input into identifying any further locations where mobile phone base stations could be positioned and what funding we would be willing to contribute to the project. It is noted that there is no requirement for a location to be the subject of a co-contribution by Council, however it is a competitive process.

Issues

There have been over 2000 locations identified across Australia and only \$20m in funding. It will be up to the telecommunications companies to determine which locations they will build towers on. However, the government also believes there will be locations where state or local government will act as the project proponent.

All Councils who are eligible for the project – which covers the entire Cobar Shire Council LGA, have been asked to notify the Government of any locations within the LGA where Council may be prepared to co-contribute funding or resources towards the construction of a base station at a particular location.

The Department specifically requests if Council is interested in any of the following:

- Make a financial contribution to the cost of installing the base station;
- Provide leasehold tenure for a site for a base station at zero or concessional cost;
- Provide civil works at zero or concessional cost, such as for example the cost of bulldozing an access road to the site;
- Provide access to an existing tower (such as an emergency services or other tower); or
- Provide a connection to an existing power source.

Council identified 'Mountain View' at Gilgunnia and Mount Hope as the priority locations for new base stations in their submission. The following areas were identified as places where existing towers could be utilised:

- 'Tilpilly';
- Leopardwood Hill, 'Tambua'; and
- Coreo (on the APA pipeline);
- Mount Hope (extend the range of coverage available).

There are nearly 500 LGAs eligible for funding under the program.

Policy Implications

Council's IP&R documents have the following Council Activities listed:

COMMUNITY OUTCOME				
4.2 Good communications networks with services equal to the metropolitan areas				
COUNCIL STRATEGY				
4.2.1 Improved access to telecommunications, radio, TV and broadband services				
Council Activities				
Activities/Services	Actions	Performance Targets & Measures	Funding Source	Responsibility
4.2.1.1 Lobby the government for improved communications	Maintenance of radio base stations and licences.	Effective communications available in Shire for staff.		DES
networks				
4.2.1.2 Lobby the government and business to increase the reliability of energy provision within the Shire	Monitor opportunities for increased reliability and other energies within the shire.	All opportunities recognised and assessed for suitability.	Revenue	GM

Financial Implications

There are no resources in the budget for this project.

Options

Council can choose to:

- Make a further submission, outlining the two locations already identified, noting that Council is unable to offer in-kind or cash resources;
- Identify additional locations where mobile base towers could be located to improve mobile coverage across the shire, to add to the database being collated by the government;
- Offer 'in-kind' contributions, which is likely to be limited to use of the grader for preparation works, at cost price. However, this cost would need to be factored into the 2014/2015 budget;
- Identifying financial resources to contribute to the project and including this in the budget for 2014/2015.

RECOMMENDATION

That Council resolves write to the Department of Communications further highlighting the need for a mobile phone base station at Mount Hope and Gilgunnia, however noting that due to Council's financial position, we are unable to allocate any resources (cash or in-kind) to the project.

ATTACHMENTS



ORDINARY MEETING SUPPLEMENTARY REPORT

THURSDAY 22 MAY 2014

~ REFERENCE TO ATTACHMENTS ~

PART A – ACTION

Page Number

Clause 8A – Mobile Phone Coverage Across Cobar Shire 7-13



Australian Government

Department of Communications



Mr Gary Woodman
General Manager
Cobar Shire Council
PO Box 223
COBAR NSW 2835

7 May 2014

Dear Mr Woodman

Mobile Coverage Programme

Thank you for your Council's submission to the discussion paper for the Government's \$100 million Mobile Coverage Programme. Submissions to the discussion paper which comment on the delivery of the Programme are being considered by the Government as the design of the Programme is being finalised.

Submissions will be made publically available (subject to confidentiality requirements) on the Department of Communications' website at www.communications.gov.au/mobile_coverage

Under this Programme, the Commonwealth Government has made a funding commitment of \$100 million to improve mobile coverage and competition in regional and remote Australia, by investing in telecommunications network infrastructure.

In this letter I describe some aspects of the competitive selection process the Government expects to use, and the role that local councils can play – and I seek some specific information from your Council should you wish to provide it.

As the policy document issued by the Coalition in August 2013 stated, there are two components to this Programme, with the mobile phone network providers eligible for the first, \$80 million component, and a range of parties including these providers, as well as local government, state government and commercial entities, eligible for the second, \$20 million component.

In a Discussion Paper issued in December 2013, the Government sought comment about how best to administer the funding. Based on the feedback received the Government has decided to conduct an integrated competitive selection process across the two components.

The first step in the process is to develop a database of locations eligible for funding, based on the locations reported to the Department. To date, over 2,000 locations have been reported to the Department of Communications as having poor or no mobile phone coverage.

Re: 82690

38 Sydney Avenue, Forrest, Canberra ACT 2603 Australia • telephone 02 6271 1000

website <http://www.communications.gov.au>

-copy Manex + Councillors information provided to Peter Abbott Economic Taskforce AS

T2-1	83724
Info <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

GM *[Signature]*

The next step is to supplement this database with any relevant information about each location, including particularly whether other parties such as state governments, local councils or others wish to make a contribution, either in cash or in-kind, towards the cost of building a mobile phone base station at that location.

This database will then be provided to the parties which are potential builders and operators of new mobile phone base stations. These will include Telstra, Optus and Vodafone, as well as companies which specialise in building and operating communications towers (such as Crown Castle and Broadcast Australia.)

In formal terms, it will be these parties (collectively, the 'Bidding Parties') which will lodge bids under the competitive selection process - specifying at which locations they would be prepared to build and the contribution they would make to the cost.

However, the Government envisages that there will be locations where state or local government (and in some cases other parties) will in effect act as the project proponent. In particular, this might occur where the proponent is prepared to contribute funding or other resources towards construction of a base station at the location, or to coordinate the provision of such resources from other sources.

To that end, the Government has directed the Department of Communications to give all regional councils containing areas eligible for funding under this Programme the opportunity to notify the Government of any locations within your Council area where your Council (or other third parties of which you may be aware) may be prepared to co-contribute funding, or resources, towards the construction of a base station at a particular location under the Programme.

Specifically, in respect of any such location, I request that you notify me if your Council, or any other organisation of which you are aware, is interested to do any of the following things:

- Make a financial contribution to the cost of installing the base station;
- Provide leasehold tenure for a site for a base station at zero or concessional cost;
- Provide civil works at zero or concessional cost, such as for example the cost of bulldozing an access road to the site;
- Provide access to an existing tower (such as an emergency services or other tower); or
- Provide a connection to an existing power source.

It may assist you in determining the amount of resources you allocate to respond to this letter to know that your entire local government area is eligible for funding under the Programme, and in total there are nearly 500 local government areas eligible for funding under the Programme.

Should you wish to do so, please write to me, as the official with responsibility for this Programme within the Department of Communications, to nominate any such locations and the extent of such proposed co-contribution. I would be grateful if you can also nominate a contact person in your Council with whom the Bidding Parties can consult on your co-contributions and the relevant locations. I ask that you do this by the end of June 2014 by email to mobilecoverage@communications.gov.au

I emphasise that there is no requirement for a location to be the subject of a co-contribution by a local council or other party before it can receive funding from the Commonwealth under the Programme.

However, the Government aims to have all relevant information gathered together in relation to a location, and made known to the Bidding Parties, before they lodge their proposals with the Government. Clearly, if a third party such as a local council has an appetite to provide a co-contribution towards the construction of a base station at a particular location, it makes sense for that information to be captured and included in the database which is provided to the Bidding Parties.

Finally, you should be aware that the selection of a location to be funded by the Commonwealth under this Programme will depend upon a number of factors. The availability of funding from sources other than the Commonwealth will not be determinative. In other words, while the Commonwealth is interested to learn from you if there are any locations where your Council is interested in providing a co-contribution, I cannot give you any assurance that such a location will necessarily be chosen for funding from the Commonwealth.

If you wish to discuss this matter further, I can be contacted on 1800 113 486 or mobilecoverage@communications.gov.au

Yours sincerely



Lachlann Paterson
Assistant Secretary
Regional Communications

All communications to be addressed
to the General Manager
PO Box 223
Cobar NSW 2835

Telephone: (02) 6836 5888
Facsimile: (02) 6836 5889
Email: mail@cobar.nsw.gov.au
Website: www.cobar.nsw.gov.au
In your reply please quote:

GJW:AJS:T2-1



"Regional Centre in Western NSW"

Cobar Shire Council Offices:
36 Linsley Street
Cobar NSW 2835
ABN 71 579 717 155

**The Manager
Mobile Coverage Program
Department of Communications
GPO Box 2154
CANBERRA ACT 2615**

24 February 2014

Submission to the Mobile Coverage Program Discussion Paper

To The Manager

Council has been concerned for some time about the lack of mobile phone reception across our vast shire and your discussion paper is welcomed. Cobar Shire covers over 46,000 sq kms in western NSW. There are large areas that receive little or no mobile phone coverage. There are also 469kms of state highways in the Shire and there is little coverage along this network. This has obvious safety consequences for travellers of the network.

Cobar has a highly transient population that is mostly employed in mining and agriculture industries. The mines require fast data transfer rates. Cobar also receives a large flow-through of population along the highway system as we are based centrally from most capital cities and are a large distance from other towns. As people stop they often make use of the opportunity to phone friends and family, use their tablets and computers and consequently put added pressure on the broadband infrastructure.

This submission aims to provide comment on the discussion paper where appropriate and to also offer suggestions on how to improve coverage to our residents.

Current Limitations

No ASDL2 capacity at local exchange

Whilst there is mobile phone coverage in the town of Cobar itself, there is no additional ASDL2 capacity at the local exchange. Additional infrastructure is required to increase the wireless system (4G) for broadband use as well as mobile use. An example of the need to do so for Council operations is the inability of Council to install a CCTV system as the local network could not deal with the data downloads.

Lack of towers

The 4G network stops at Dubbo, 300kms to the east of Cobar. If our system could be upgraded from 3G to 4G, faster downloads would be possible. The Vodaphone network stops at Narromine (265kms east) and whilst Optus does operate in the town

Cobar - On the crossroads of the Kidman Way and the Barrier Highway

(using Telstra infrastructure) of Cobar, the signal is weak. Telstra is the only real provider of mobile services in the Shire.

In terms of the \$80m Mobile Network Expansion project, Council has concerns regarding the tendering out of the towers, under any of the options. As there is only one carrier that operates in this area, it is unlikely to be of benefit to undertake a tender process. It seems unlikely that another carrier will bid for the work in this area as they currently do not have any network here.

Council believes there are a number of either redundant towers, or underutilised towers across the Shire that could be used to greatly expand coverage. In the past, a number of CDMA towers were erected. This system is no longer used and the 3G system does not provide the same level of coverage. If these towers were used to install mobile receptors, it is possible that coverage across the highway network would be possible. At present, there is little coverage from Cobar to Nyngan (130kms to the east), other than at Mount Boppy.

Increasing coverage across our Shire will have added productivity benefits to the property owners. For instance, they could install cameras at watering points and monitor them remotely. There are also obvious safety benefits if mobile coverage can be expanded.

Lack of access about and understanding of equipment that improves reception levels

There are a number of devices that can be used to improve the coverage of the existing network, including using the correct handsets, using patches and aerials etc. Council believes it would be beneficial if there was an information and subsidy system developed to promote the use of these devices.

The subsidy scheme would encourage adoption and the information program would increase the knowledge of landholders of the types of things they can do to increase their coverage. Council believes this knowledge is currently lacking and would be a low cost way of improving coverage.

Mobile Black Spots Project

Under this program communities such as ours will be able to put forward locations to be funded. Local government entities such as the Council can submit an EOI, however you expect us to commit to a co-contribution. Our Council resources are already stretched in a bid to provide much needed services to our community. Often these services are provided by the private sector or other levels of government in less remote communities. They are not the responsibility of local government.

The expectation of government that Council would contribute financially to the provision of mobile phone services is another example of why remote local governments are struggling to remain viable. This is NOT a local government responsibility and certainly not one that we could afford to do. It should not be dependent on local government to ensure that there are adequate mobile phone services provided across our shire!

Another option is for large community groups. Given that the total population of the Shire is around 5,000, we do not have a community group with the capacity to provide such a co-contribution either. Is this another reason we should miss out?

The Assessment Criteria

The assessment criteria seems to be biased towards larger population centres, once again disadvantaging our community. In determining the value for money to the Commonwealth (criteria 5) – the number of premises covered is a criteria. Many of the potential users out here are tourists – that is not accounted for. The premises are few and far between. The value of industry could be taken into account and the productivity savings/business benefits from introducing coverage are ignored. The benefits for economic growth are not accounted for.

One of the assessment criteria is *Commitment from more than one MNO*. In remote areas such as ours it is unlikely to happen as there is only one MNO currently providing any service. This should not disadvantage our communities.

Again, a requirement in the criteria for accessing co-contributions will disadvantage our community's chances of having increased mobile phone coverage.

Utilising the NBN network

Again, this is not relevant to our community as we have no NBN infrastructure, leaving us more disadvantaged.

Our Suggestions

Given the significant cost of erecting new base stations, Council urges the government to look at alternatives, including using existing towers that are located across the Shire. Co-location of services or using towers that are no longer in use is a cheaper means of providing a service, allowing a greater coverage to be achieved. In Cobarr Shire we are suggesting that existing Telstra towers at:

- 'Tilpilly'
- Leopardwood Hill, 'Tambua' and
- Coreo (on the APA pipeline)
- Mount Hope (extend the range of coverage available)

could all be utilised to install new equipment and enable mobile coverage.

In this part of the state it would be unnecessary to require all new base stations to be able to support at least two MNO's, as it is likely that only one can operate. That requirement would just add additional cost to the project. Additional towers at

- 'Mountain View', Gilgunnia
- Mount Hope

are required in the Shire.

Council does not believe that the communities should be responsible for finding co-contributions in order to be able to have access to mobile phone services.

Council strongly urges the government to consider an information and subsidy program as suggested, to increase coverage and the use of the current network. The subsidy system would make it more affordable and the information will assist

residents to understand their options and how to increase their ability to access the coverage that already exists.

There are many benefits to be had from improving the mobile network. We want our businesses and residents to benefit and have similar access to the rest of Australia.

Yours sincerely

A handwritten signature in black ink, appearing to read 'G. Woodman', with a long horizontal flourish extending to the right.

Gary Woodman
General Manager