



The Hon Michelle Rowland MP
Former Minister for Communications
(/rowland)

[Home \(/\)](#) > [The Hon Michelle Rowland MP \(/rowland\)](#) > [Media releases \(/rowland/media-release\)](#) > Grant outcomes for election commitments to improve mobile coverage

Grant outcomes for election commitments to improve mobile coverage

MEDIA RELEASE

Thursday 19 October 2023

The Albanese Government has today announced successful grant outcomes to fulfil election commitments to improve mobile coverage and quality in identified locations across regional Australia.

A total of \$37.2 million in Commonwealth funding has been awarded under the *Improving Mobile Coverage Round* (IMCR). The IMCR attracted \$28.8 million in industry co-investment.

The grants will build 41 new base stations to improve mobile coverage at 42 target locations identified as having unreliable service by the now-Government when in Opposition.

Grant applications were independently assessed by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) against the Program's Grant Opportunity Guidelines.

The Minister has accepted all value for money recommendations made by the Department.

The IMCR did not result in solutions for 12 target locations, however four of these locations are expected to receive coverage improvements through projects that are already approved and funded across the *Regional Connectivity* and *Peri-Urban Mobile Programs*, or through commercial solutions.

Of the 12 target locations not addressed by the IMCR:

- Five locations did not receive applications;
- Four locations received applications which the Department assessed as being too expensive and not delivering value for money; and
- Three locations received applications that did not satisfy the technical coverage or solution requirements of the guidelines.

Within the remaining \$2.8 million in grant funding for the IMCR, options are being considered to further test industry solutions for two of the three locations that did not meet technical coverage requirements, but where Departmental advice indicates there is a reasonable prospect that a value for money solution may exist.

This dedicated round was funded in the October 2022 Federal Budget and delivers on the Government's election commitments to co-invest with Mobile Network Operators and Infrastructure Providers to deploy new mobile infrastructure at target locations across Australia.

In addition to this dedicated election commitment round, the Albanese Government is working to improve regional coverage through its \$1.1 billion *Better Connectivity Plan for Regional and Rural Australia*.

The Plan commits \$400 million to expand mobile coverage and improve communications resilience, including investment to fund future rounds of the Mobile Black Spot Program, and \$200 million to fund place-based communications solutions through additional rounds of the Regional Connectivity Program.

Under the Plan, the Government is also conducting an independent audit of mobile coverage to better identify mobile coverage black spots to guide future investment. A request for tender for the audit was recently opened (<https://aph.us20.list-manage.com/track/click?u=24e3428e38070f0f3cc94069c&id=8c41c85127&e=0e264f85c8>).

A full list of funded locations under the IMCR is available at www.infrastructure.gov.au/mbsp (<https://aph.us20.list-manage.com/track/click?u=24e3428e38070f0f3cc94069c&id=d7d8593b5b&e=0e264f85c8>). The rollout schedule will be published on the carriers' websites once the contracts have been executed.

Quotes attributable to Minister for Communications, the Hon Michelle Rowland MP:

"The Albanese Government has an ambitious agenda to narrow the digital divide in rural and regional Australia – including by improving mobile coverage.

"These successful grant outcomes will deliver improved coverage and quality of service for regional and remote communities, motorists and tourists in 42 target areas.

"We identified these communities as having unreliable service or coverage issues when we were in Opposition, and now we're delivering.

"The Government has accepted all Departmental advice, including value for money recommendations, and intends to undertake further market testing of two sites the Department believes may reach a value for money outcome.

"The Improving Mobile Coverage Round is a small part of our Government's work to improve regional communications, and comes in addition to our \$1.1 billion Better Connectivity Plan – the most significant investment in regional communications since the inception of the NBN".



The Hon Michelle Rowland MP

**Minister for Communications
Federal Member for Greenway**

Ref: IMCR Outcomes

Dr Gordon Reid MP
Member for Robertson
Parliament House
CANBERRA ACT 2600

Gordon.Reid.MP@aph.gov.au

Dear Dr Reid

Gordon

Mobile Black Spot Program - Improving Mobile Coverage Round Funding Outcomes

I am pleased to advise you I have awarded \$37.2 million (GST exclusive) in funding to Telstra and TPG Telecom for new mobile base stations that will deliver new and improved mobile coverage to 42 Target Locations across Australia. This funding has been awarded under the Australian Government's Improving Mobile Coverage Round (IMCR) of the Mobile Black Spot Program (MBSP).

Unfortunately, the round was unable to fund a new base station at all of the Target Locations. At Mangrove Mountain, the proposal received was assessed against the Grant Opportunity Guidelines as ineligible by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts. I have asked my department to consider options to further test industry solutions at Mangrove Mountain, noting its advice is there is a reasonable prospect that a value for money solution may exist.

Consistent with prior program rounds, IMCR used a competitive, merit-based grants process to award funding. Under this process, Mobile Network Operators and Mobile Network Infrastructure Providers were asked to come forward with solutions to improve mobile coverage and quality of service at priority areas announced during the 2022 Federal Election campaign. All applications were competitively assessed by the department in accordance with the Grant Opportunity Guidelines published on the Government's [grants.gov.au](https://www.grants.gov.au) website.

Each proposal was assessed using the assessment criteria in the Guidelines, including a value for money assessment. I made the final funding decisions in accordance with my department's recommendations. The department will now progress the funding agreements with the successful applicants, enabling work to commence on the rollout of the approved solutions.

Further to this dedicated funding for the IMCR, the Government is working to improve regional coverage through its \$1.1 billion *Better Connectivity Plan for Regional and Rural Australia* (BCP). The Plan commits \$400 million to expand mobile coverage and improve communications resilience, including investment to fund future rounds of the MBSP, and \$200 million to fund place-based communications solutions through additional rounds of the Regional Connectivity Program (RCP).

The latest rounds of the MBSP (Round 7) and the RCP (Round 3) closed on 11 August 2023 for applications from across regional Australia, and are currently being competitively assessed by my department. I expect to make funding announcements for this combined grant opportunity later this year. Following this, future rounds to improve regional mobile coverage will be available in due course.

The Government will continue to consider the design of programs, and examine alternative technologies, to support approaches that are better suited to areas where the commercial economics are increasingly challenging.

The Government has also commenced work to deliver a national audit of mobile coverage. I have asked my department for advice on how the audit which forms part of the BCP, can provide information about local capacity and coverage issues in unsuccessful areas, particularly where local experience does not reflect predictive coverage maps. The request for tender of the audit is currently out to market, with tenders due by 15 November 2023.

Further information about the MBSP and BCP is available on my department's website at: www.infrastructure.gov.au/mbsp and www.infrastructure.gov.au/bcp.

I look forward to implementing the IMCR, which will deliver improved mobile coverage for communities across Australia, and I will keep you informed of any developments to retest industry solutions at the Target Location of Mangrove Mountain.

I trust this information is of assistance.

Yours sincerely



Michelle Rowland MP

23 / 10 / 2023



Australian Government
 Department of Infrastructure, Transport,
 Regional Development, Communications and the Arts

**Assistant Secretary
 Karly Pidgeon**

EC24-000120

s 22(1)(a)(ii)

Head of Government Relations
 Telstra Limited
 Level 41, 242 Exhibition Street
 MELBOURNE VIC 3000

Dear s 22(1)(a)(ii)

I am writing in relation to the Telstra Mangrove Mountain site: 2250074 at Karingal Equestrian Centre, 2790 Wisemans Ferry Road, Mangrove Mountain NSW 2250.

It is my understanding is that Telstra intends to undertake a commercial build at the Telstra Mangrove Mountain site, as indicated by the Environmental EME Report which was published on the Australian Mobile Telecommunications Association's Radio Frequency National Site Archives website on 22 November 2023.

Telstra has notified the department that it is considering deploying additional 4G services and a new 5G base station on the Optus tower which will offer low band 5G services to the area. We understand from Telstra that while these upgrades will not expand the existing coverage in the area, they will improve the capacity and quality of service within the existing coverage at Mangrove Mountain.

As this work is still in the planning stage and a decision to proceed will most likely be made in the next six months, the department wishes to confirm that the proposed Mangrove Mountain upgrade is, or will be, included on Telstra's three-year forward build plan for 2024-25.

Furthermore, I would appreciate more detailed information on the proposed build at Mangrove Mountain, particularly in regards to the impact it is expected to have on coverage issues in the area.

It would be greatly appreciated if you could confirm Telstra's plans for Mangrove Mountain by 9 February 2024.

Thank you for your assistance in this matter. I look forward to working with you.

Yours sincerely

s 22(1)(a)(ii)

Ms Karly Pidgeon
 Assistant Secretary
 Regional Mobile Infrastructure Programs

01 February 2024



16 February 2024

Ms Karly Pidgeon
Assistant Secretary
Regional Mobile Infrastructure Programs
Department of Communications
Canberra ACT 2600

Dear Ms Pidgeon

Telstra Mangrove Mountain site

Thank you for your letter of 1 February regarding Telstra's current planning for a mobile site at the Karingal Equestrian Centre at Mangrove Mountain. I apologise for the delay in responding.

As you are aware Telstra has an existing Base Station deployed with 4G (700MHz) that was completed in April 2021, located at the Equestrian Centre on Wisemans Ferry Road. The structure is an Indara/Optus structure with Optus existing on the site prior to Telstra's deployment.

Telstra currently has plans for a project that is looking to add 1800MHz 4G for additional capacity at the site, as well as preparing it for low band 5G at 850MHz. Given the site already has 700MHz, the upgrade is not expected to provide any new coverage but is expected to improve the experience for those already receiving coverage from the site.

While we have longer term plans for the site it is not currently in our three-year funded build plan.

Regards

s 22(1)(a)(ii)

s 22(1)(a)(ii)

Head of Government Relations
Telstra

s 22(1)(a)(ii) @team.telstra.com

s 22(1)(a)(ii)

From: s 22(1)(a)(ii) @team.Telstra.com>
Sent: Tuesday, 20 February 2024 1:53 PM
To: s 22(1)(a)(ii)
Cc: MBSP; Pidgeon, Karly
Subject: RE: Proposed Telstra Mangrove Mountain site [SEC=OFFICIAL]

Hi s 22(1)(a)(ii)

Hopefully the following helps to clarify:

- We are exploring an 1800MHz 4G and 850MHz 5G upgrade of this site (single project for upgrade of both bands), which has required us to enter data into the RFNSA public registration database.
- At this stage this is just a design and approval acquisition activity that will get us to AAA (all approvals achieved). Construction activity/commencement is not in our currently funded build plan.
- If it were to go ahead, this upgrade activity would not increase the coverage provided by the site. Existing 700Mhz is our 'coverage' layer, and would remain unchanged.
- There are no long terms plans, at this stage, beyond this project for this site.

Happy to discuss

s 22(1)(a)(ii)

General

From: s 22(1)(a)(ii)
Sent: Monday, February 19, 2024 11:51 AM
To: s 22(1)(a)(ii)
Cc: MBSP ; Pidgeon, Karly
Subject: RE: Proposed Telstra Mangrove Mountain site [SEC=OFFICIAL]

[External Email] This email was sent from outside the organisation – be cautious, particularly with links and attachments.

Good morning s 22(1)(a)(ii)

Thank you for your letter. I would like to ensure we are correctly interpreting your advice.

It is our reading that the plans for adding 1800MHz 4G for additional capacity at the site and preparing it for low band 5G at 850MHz are on Telstra's three-year funded build plan. In addition, Telstra has further plans for the site that are not on the three-year funded build plan.

Is our understanding accurate?

Kind regards

s 22(1)(a)(ii)

Director • Mobile Coverage – Regional Communities / Regional Mobile Infrastructure Programs • Communications Services and Consumer

s 22(1)(a)(ii)

s 22(1)(a)(ii)

GPO Box 594 Canberra, ACT 2601

Department of Infrastructure, Transport, Regional Development, Communications and the Arts
 CONNECTING AUSTRALIANS • ENRICHING COMMUNITIES • EMPOWERING REGIONS



I would like to acknowledge the traditional custodians of this land on which we meet, work and live. I recognise and respect their continuing connection to the land, waters and communities. I pay my respects to Elders past and present and to all Aboriginal and Torres Strait Islanders.

This material contains information that may be subject to legal professional privilege.

From: MBSP <MBSP@infrastructure.gov.au>
Sent: Friday, 16 February 2024 5:07 PM
To: s 22(1)(a)(ii) <[redacted]@team.telstra.com>; MBSP <MBSP@infrastructure.gov.au>
Cc: s 22(1)(a)(ii) <[redacted]@team.telstra.com>; s 22(1)(a)(ii) <[redacted]@INFRASTRUCTURE.gov.au>
Subject: RE: Proposed Telstra Mangrove Mountain site [SEC=OFFICIAL]

OFFICIAL

Good afternoon s 22(1)(a)(ii) <[redacted]>

Thank you very much for your response.

We will reach out if we need a further conversation.

Kind regards

s 22(1)(a)(ii) <[redacted]>

s 22(1)(a)(ii) <[redacted]>

Assistant Director • Mobile Coverage – Regional Communities • Regional Mobile Infrastructure Programs
Communications Services & Consumer Division

s 22(1)(a)(ii) <[redacted]@infrastructure.gov.au>

P +s 22(1)(a)(ii) <[redacted]>

GPO Box 594 Canberra, ACT 2601

s 22(1)(a)(ii) <[redacted]>

Department of Infrastructure, Transport, Regional Development, Communications and the Arts
CONNECTING AUSTRALIANS • ENRICHING COMMUNITIES • EMPOWERING REGIONS



I would like to acknowledge the traditional custodians of this land on which we meet, work and live. I recognise and respect their continuing connection to the land, waters and communities. I pay my respects to Elders past and present and to all Aboriginal and Torres Strait Islanders.

OFFICIAL

Released under the FOI Act 1982 by the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

From: s 22(1)(a)(ii) <[REDACTED]@team.telstra.com>
 Sent: Friday, 16 February 2024 4:24 PM
 To: MBSP <MBSP@infrastructure.gov.au>
 Cc: s 22(1)(a)(ii) <[REDACTED]@team.telstra.com>; s 22(1)(a)(ii) <[REDACTED]@infrastructure.gov.au>
 Subject: RE: Proposed Telstra Mangrove Mountain site [SEC=OFFICIAL]

Good afternoon s 22(1)(a)(ii) <[REDACTED]>

Please see attached response letter to Ms Pidgeon. Apologies for the delay.

We would be happy to discuss if helpful.

s 22(1)

s 22(1)(a)(ii)
 Head of Government Relations
 Telstra Group Limited



M s 22(1)(a)(ii)
 E s 22(1)(a)(ii) <[REDACTED]@team.Telstra.com>
 W www.telstra.com

www.telstra.com

This email may contain confidential information.
 If I've sent it to you by accident, please delete it immediately.

General

From: MBSP <MBSP@infrastructure.gov.au>
 Sent: Thursday, February 1, 2024 5:05 PM
 To: s 22(1)(a)(ii) <[REDACTED]@team.telstra.com>
 Cc: s 22(1)(a)(ii) <[REDACTED]@team.telstra.com>; s 22(1)(a)(ii) <[REDACTED]@INFRASTRUCTURE.gov.au>; MBSP <MBSP@infrastructure.gov.au>; s 22(1)(a)(ii) <[REDACTED]@infrastructure.gov.au>
 Subject: Proposed Telstra Mangrove Mountain site [SEC=OFFICIAL]

[External Email] This email was sent from outside the organisation – be cautious, particularly with links and attachments.

OFFICIAL

Good afternoon s 22(1)(a)(ii) <[REDACTED]>

Please find attached a letter from our senior executive, Ms Karly Pidgeon about the proposed Telstra Mangrove Mountain site.

It would be greatly appreciated if you could confirm Telstra's plans for Mangrove Mountain by **COB 9 February 2024**.

As always, if you have any concerns please contact us.

Kind regards

s 22(1)(a)(ii)

s 22(1)(a)(ii)

Acting Director • Mobile Coverage – Regional Communities • Regional Mobile Infrastructure Programs
Communications Services & Consumer Division

s 22(1)(a)(ii) @infrastructure.gov.au

Ps 22(1)(a)(ii)

GPO Box 594 Canberra, ACT 2601

s 22(1)(a)(ii)

Department of Infrastructure, Transport, Regional Development, Communications and the Arts
CONNECTING AUSTRALIANS • ENRICHING COMMUNITIES • EMPOWERING REGIONS

infrastructure.gov.au



*I would like to acknowledge the traditional custodians of this land on which we meet, work and live.
I recognise and respect their continuing connection to the land, waters and communities.
I pay my respects to Elders past and present and to all Aboriginal and Torres Strait Islanders.*

OFFICIAL

OFFICIAL

Disclaimer

This message has been issued by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts. The information transmitted is for the use of the intended recipient only and may contain confidential and/or legally privileged material. Any review, re-transmission, disclosure, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited and may result in severe penalties. If you have received this e-mail in error, please notify the Department on +61 (2) 6274 7111 and delete all copies of this transmission together with any attachments.

Disclaimer

This message has been issued by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts. The information transmitted is for the use of the intended recipient only and may contain confidential and/or legally privileged material. Any review, re-transmission, disclosure, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited and may result in severe penalties. If you have received this e-mail in error, please notify the Department on +61 (2) 6274 7111 and delete

Released under the FOI Act 1982 by the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

all copies of this transmission together with any attachments.

Released under the FOI Act 1982 by the Department of Infrastructure,
Transport, Regional Development, Communications, Sport and the Arts

OFFICIAL: Sensitive

MS24-000435



Australian Government

**Department of Infrastructure, Transport,
Regional Development, Communications and the Arts**

To: The Hon Michelle Rowland MP, Minister for Communications (for decision)

Subject: Mobile Black Spot Program (MBSP) Improving Mobile Coverage Round (IMCR) Stage 2 - Approval of Grant Opportunity Guidelines (Guidelines) and opening of IMCR Stage 2 Grant Opportunity for applications.

Critical Date: Routine - action as appropriate to allow for the timely release of the Guidelines and the opening of the application period.

Recommendations:

1. That you **approve** testing the market for solutions at the IMCR Target Locations of Majors Creek, NSW and Mangrove Mountain, NSW, through a targeted, competitive IMCR Stage 2 Grant Opportunity.

Approved / Not Approved

2. That you **approve** the proposed Guidelines at **Attachment A** for release, and for the department to open the IMCR Stage 2 Grant Opportunity for applications for a period of eight weeks.

Approved / Not Approved

M. Rowland

The Hon Michelle Rowland MP

26/6/24

Date:

Comments:

Pls liaise w/MO re Media.

Key Points:

1. This brief seeks your approval to approach the market for solutions at the IMCR Target Locations of Majors Creek and Mangrove Mountain, through the IMCR Stage 2 Grant Opportunity process, as set out in the revised targeted, competitive IMCR Guidelines at **Attachment A**. Subject to your approval, it is anticipated the IMCR Stage 2 Grant Opportunity will open for applications mid-July 2024.

OFFICIAL: Sensitive

OFFICIAL: Sensitive

MS24-000435

2. Your approval of this approach:
 - a. Follows your decision on 12 September 2023 on the initial IMCR outcomes and request that the department provide advice to your Office on options for unsuccessful Target Locations where applicants had shown a willingness to invest (**MS23-003989**);
 - b. Following the provision of that advice, is consistent with your announcement of the IMCR outcomes on 19 October 2023, including that options were being considered to further test industry solutions for two of the three locations that did not meet technical coverage requirements, but where departmental advice indicated there was a reasonable prospect that a value for money solution may exist; and
 - c. Confirms the direction communicated by your Office on 15 March 2024 to undertake preparatory work for a competitive market testing process for these two locations.
3. The department's advice determined there was a reasonable prospect of attracting suitable solutions if the market was approached through a second stage of the IMCR, with revised Guidelines that specifically addressed coverage issues in Majors Creek and Mangrove Mountain - notably removing the small cell specification at Majors Creek and emphasising the eligible location boundaries for Mangrove Mountain, as per the description provided in the IMCR Stage 1 Guidelines. Consistent with the initial IMCR, these two Target Locations are categorised in the Stage 2 Guidelines as seeking New Coverage Solutions.
4. The department consulted the Department of Finance (DoF) on options for developing Guidelines for IMCR Stage 2 (e.g. ad-hoc or targeted, competitive; new or revised guidelines). On advice provided, the department has revised the initial IMCR Guidelines to produce the proposed Guidelines for IMCR Stage 2 at **Attachment A**. A summary of the revisions is provided under **Additional Information**.
5. While there is a reasonable prospect that a retest of the market will yield positive results, the department has identified potential risks associated with implementation of the IMCR Stage 2. We have communicated these risks, alongside mitigations strategies, to DoF and the Department of the Prime Minister and Cabinet (PM&C) in the Self-Assessment Risk Analysis (this analysis is required as part of the approval of the grants process). Further information on the risks and mitigations is provided under **Additional Information**.
6. DoF has reviewed the proposed Guidelines and Self-Assessment Risk Analysis for the IMCR Stage 2. DoF and PM&C agree that a Low risk rating applies to the IMCR Stage 2 Grant Opportunity and confirmed there are no issues with the policy authority or funding profile.
7. As a result of the Low risk rating, you may approve the Guidelines for release and are not required to write to the Finance Minister to notify the intention to publish the Guidelines.
8. Subject to your approval, the Guidelines will be published on GrantConnect, inviting applications for solutions at Majors Creek and Mangrove Mountain. The department proposes the application period be eight weeks only, given potential applicants have already considered the two Target Locations under the first stage of the IMCR.
9. In December 2023, the department identified new commercial plans for Telstra to upgrade an existing base station in the Mangrove Mountain area. Based on Telstra's advice, the department understands this will result in some improvement in the *quality* of service in the area for Telstra's existing coverage. However, the upgrade work will not extend *coverage* in Mangrove Mountain and some existing gaps in coverage will persist. This new commercial investment may reduce industry appetite for further investment in the area. As per paragraph 3, and consistent with the IMCR commitments, the IMCR Stage 2 Guidelines will seek proposals to provide New Coverage Solutions in the Mangrove Mountain area.

OFFICIAL: Sensitive

OFFICIAL: Sensitive

MS24-000435

Financial impacts:

10. There is \$2,770,463 (GST ex; \$3.047 million GST incl) in uncommitted IMCR funding available for IMCR Stage 2.
11. The department has proposed to increase the nominal cap from \$748,000 (GST incl) in Stage 1 to \$1.024 million (GST incl) in Stage 2 (see Guidelines s.3.13). This increase is based on the average cost for the 41 funded solutions under the IMCR Stage 1.
12. Given the range of costs experienced in the first stage, it is possible there will not be sufficient funds available to support additional solutions, depending on the cost and number of proposed solutions. This will not be known until applications are made, and will be considered in the Stage 2 assessment and decision process.

s 42

Stakeholder Implications: The Australian National Audit Office (ANAO) recently completed an audit on Stage 1 of the IMCR, published 22 May 2024. The IMCR and the audit have also been the subject of nine (9) Freedom of Information requests, with eight (8) made by the s 22(1)(a)(ii) s 22(1)(a)(ii) s 22(1)(a)(ii). It is likely the announcement of IMCR Stage 2 will attract further attention, including in the media.

Consultation: Department of Finance, the Department of the Prime Minister and Cabinet, Telstra (regarding related commercial plans at Mangrove Mountain).

Media Opportunities: The department will work with your office to develop a media release and other material to support the announcement of the opening.

Attachments:

Attachment A: Proposed IMCR Stage 2 Grant Opportunity Guidelines

Cleared By: Karly Pidgeon
 Position: Assistant Secretary - Regional Mobile
 Infrastructure Programs Branch
 Division: Communications and Consumer
 Services
 Ph: s 22(1)(a)(ii)
 Cleared Date: 25 June 2024

Contact Officer: s 22(1)(a)(ii)
 s 22(1)(a)(ii)
 Section: Mobile Investments -
 Communities
 Ph: s 22(1)(a)(ii)

Instructions for MPS: N/A

Do you require a signed hardcopy to be returned: No

Responsible Adviser: s 22(1)(a)(ii)

PDMS Distribution List: Jim Betts, James Chisholm, Sam Grunhard, Karly Pidgeon, s 22(1)(a)(ii) s 22(1)(a)(ii)

OFFICIAL: Sensitive

OFFICIAL: Sensitive

MS24-000435

Additional Information

Amendments to the Guidelines

The department updated the initial IMCR Grant Opportunity Guidelines to prepare the proposed IMCR Stage 2 Guidelines. The revisions include:

- adding a summary of the IMCR process (section 2.2)
- removing irrelevant material, including references to the other Target Locations from Stage 1 and unrelated assessment criteria:
 - updating the eligibility criteria (sections 4 and 5)
 - the grants available (section 3.1)
 - grant period (section 3.5)
 - the opening and closing dates (section 7) for applications
 - the services required (section 4.2)
 - the eligible grant activities (section 5.1)
- confirming the assessment criteria (section 6), including removing the reference to ‘solution types’ as each Proposed Solution under Stage 2 must provide New Handheld Coverage (section 6.1)
- removing the ‘small cell’ requirement for Majors Creek, specified in the initial IMCR, to allow market applicants to propose an appropriate solution to address the coverage issues
- providing suburb boundary maps to assist applicants develop solutions for the Target Locations (Appendix A to the Guidelines)
- clarifying the Grant Selection Process (section 8) including:
 - replacing the phrase ‘value for money’ with ‘value with relevant money’
 - providing detail on the factors considered for risk assessments (section 8.2) and those for ‘Value with Relevant Money assessments’ and other ‘Value with Relevant Money considerations’ during the assessment of applications (section 8.4)
 - removing obscure information regarding merit lists (section 8.5)
 - confirming the Decision Maker for applications (section 8.7)
- providing information on the potential evaluation of the IMCR Stage 2 Grant Opportunity to measure its outcomes and objectives (section 12.4), and confirming the department’s treatment of personal information (section 13.8)
- updating the Glossary and contemporising some of the text based on more recent program rounds (such as Round 7 and the Peri-Urban Mobile Program – Round 2).

Implementation Risks and Mitigation Strategies

The department has identified *potential* implementation risks associated with the IMCR Stage 2, including:

- failure to attract suitable proposals from industry
- stakeholder criticisms of the decision not to include all unsuccessful Target Locations
- limitations imposed by the Grant Opportunity size and complexity
- external issues impacting the delivery of Solutions, such as planning and development processes

OFFICIAL: Sensitive

OFFICIAL: Sensitive

MS24-000435

- inadequate departmental governance and administrative arrangements, legal risks such as financial liability of the Commonwealth, and risks associated with selection of projects and Grantees.

The department considers the implementation risk for the IMCR Stage 2 to be low. The Guidelines and the department's established risk management processes and arrangements, as developed for the MBSP, PUMP and other programs, will act as the key control measures for the successful administration of IMCR Stage 2. The recent ANAO audit of the IMCR also validated the appropriateness of the departmental controls in place, with an audit conclusion of 'largely effective' (awarded to less than 40 per cent of grants-related audits over the five years to September 2023, noting none were assessed as 'fully effective').

Status of IMCR Stage 1 Grant Agreement Negotiations with Telstra and TPG

On 1 February 2024, the department executed a grant agreement with Telstra valued at \$36,549,536.36 (GST ex.) to support the deployment of 40 solutions that were awarded through Stage 1.

The department is negotiating a grant agreement with TPG to support the deployment of one solution valued at **s 47** (GST ex.). Terms have largely been agreed during negotiations, pending consideration of key clauses regarding indemnity provisions.

Information about the carriers' rollout schedule will be published on the grant recipients' websites as it becomes available.

Background

As part of the 2022 federal election campaign, 54 Target Locations were identified as election commitments by the then Opposition.

Following the implementation of a targeted, merit-based competitive grants process, on 19 October 2023, you announced the outcomes of the first stage of the IMCR. \$37.2 million (GST ex.) was awarded to deliver 41 new base stations (40 Telstra and 1 TPG Telecom) to improve mobile coverage at 42 Target Locations.

Twelve (12) Target Locations did not receive a solution through the first stage of the IMCR. Of these, four (4) Target Locations are expected to receive coverage improvements from projects previously funded or other commercial solutions. Six (6) will not be progressed further as there is a low chance of success at this time. The remaining two (2) are being retested through the proposed IMCR Stage 2.

OFFICIAL: Sensitive

s 22(1)(a)(ii)

From: s 22(1)(a)(ii)
Sent: Friday, 20 December 2024 2:51 PM
To: s 22(1)(a)(ii)s 22(1)(a)(ii)
Cc: s 22(1)(a)(ii)
Subject: RE: FW: Mobile reception around Mangrove Mountain [SEC=OFFICIAL]

OFFICIAL

Hi s 22(1)(a)

I have heard back from the Department who have provided the following information:

- The Government is delivering on its commitments to improve mobile connectivity for communities
- The Improving Mobile Coverage Round (IMCR) of the Mobile Black Spot Program (MBSP) was announced as part of the 2022-23 Federal Budget in October 2022.
 - The first stage of IMCR was open for telco industry applications between 2 February 2023 and 13 April 2023, with the approach to market seeking solutions to address identified mobile coverage and quality of service issues at 54 Target Locations across Australia, including several major road transport corridors.
 - On 19 October 2023, following a competitive assessment process undertaken by the department, the Minister for Communications, the Hon Michelle Rowland MP, announced funding under the IMCR for 41 new base stations that will provide coverage to 42 of the Target Locations.
 - Twelve (12) Target Locations did not receive an outcome through this process – including Mangrove Mountain, NSW.
 - In the case of Mangrove Mountain, there was an application made, but the proposed solution did not materially address the location and it was assessed as ineligible by the department.
- The Government committed to retest the market where there was a reasonable prospect that a value with relevant money solution may exist, and opened a second grant process called *IMCR Stage 2* on 31 July 2024, for proposed solutions that deliver New Handheld Coverage to the two locations at Majors Creek and Mangrove Mountain.
 - Applications for IMCR Stage 2 closed on 25 September 2024, and the department is currently finalising its assessment of applications.

- The department expects to provide advice and funding recommendations to the Minister for decision in the near future.
- Separately, the Government has just opened Round 8 of the MBSP for applications from the telco industry – Mobile Network Operators (MNOs - Optus, Telstra and TPG Telecom) and Mobile Network Infrastructure Providers (MNIPs). Round 8 provides \$55 million in funding to boost connectivity and resilience in regional and remote areas across Australia that are prone to natural disasters.
- An online Project Noticeboard has been set up for local governments and state, territory and federal parliamentarians to identify potential projects or locations which would benefit from new and improved coverage. Telco industry applicants are encouraged to review these submissions when preparing their applications. The Project Noticeboard closes on 7 February 2025.
- Additional information on Round 8 of the MBSP, including the Noticeboard and timelines, is available on the department’s website at www.infrastructure.gov.au/mbsp.
- Constituents are encouraged to engage with their local councils and the MNOs, as experience has shown that when local communities and councils engage with the MNOs, it can increase the likelihood of connectivity issues being addressed or an application being put forward for co-funding under these programs.
- Members of Parliament can also play an important role in engaging with, and facilitating dialogue between local councils, communities and carriers as this can help to crystallise priorities and associated funding applications.
- It should be noted that ultimately however, any investment in new mobile network infrastructure remains a commercial decision for the MNOs and MNIPs. The Australian Government cannot direct an MNO or MNIP to invest in new mobile network infrastructure.

I apologise that I cannot provide a more substantial update on Mangrove Mountain at this stage. As soon as I have any updates I will be sure to let you know. ^{s 22(1)(a)(ii)} and I are aware of how important this solution at Mangrove Mountain is for your community.

We would also be happy to meet and discuss further in the New Year if that would be of some assistance.

Wishing you a very Merry Christmas.

Cheers,

s 22(1)(a)(ii) | Caucus Liaison Officer
Office of the Hon Michelle Rowland MP

Minister for Communications
Federal Member for Greenway

M: +s 22(1)(a)(ii)
E: s 22(1)(a)(ii)@mo.communications.gov.au



The Hon Michelle Rowland MP | Minister for Communications

OFFICIAL

From: s 22(1)(a)(ii) @aph.gov.au>
Sent: Monday, 16 December 2024 11:06 AM
To: s 22(1)(a)(ii) @mo.communications.gov.au>
Subject: FW: FW: Mobile reception around Mangrove Mountain

Hey s 22(1)(a)(ii),

Can you get me some details on this one. It has been brewing away for a very long time. I need something to either answer his question or tie it off.

s 22(1)(a)(ii)

s 22(1)(a)(ii)

Released under the FOI Act 1982 by the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

s 22(1)(a)(ii)

Released under the FOI Act 1982 by the Department of Infrastructure,
Transport, Regional Development, Communications, Sport and the Arts

s 22(1)(a)(ii)

Released under the FOI Act 1982 by the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

s 22(1)(a)(ii)

Released under the FOI Act 1982 by the Department of Infrastructure,
Transport, Regional Development, Communications, Sport and the Arts

s 22(1)(a)(ii)

Released under the FOI Act 1982 by the Department of Infrastructure,
Transport, Regional Development, Communications, Sport and the Arts