

**Submission  
No 7**

**ACCOUNTABILITY MEASURES FOR DECISION-MAKING FOR THE DELIVERY  
OF MAJOR INFRASTRUCTURE, CONTRACTING OF PUBLIC SERVICES  
AND/OR THE PRIVATISATION OF PUBLIC ASSETS IN NSW**

**Organisation:** NSW Telco Authority

**Date Received:** 30 November 2023

**INQUIRY AREA OF FOCUS:**  
**CRITICAL COMMUNICATIONS ENHANCEMENT PROGRAM (CCEP)**

# NSW Telco Authority



Submission to the NSW Parliament Public Accounts  
Committee

*Accountability measures for decision-making for the  
delivery of major infrastructure, contracting of public  
services and/or the privatisation of public assets in NSW*

November 2023

## About NSW Telco Authority

### Who we are

NSW Telco Authority (NSWTA) leads a \$1.5 billion portfolio of NSW Government projects to provide critical communications for Emergency Services Organisations (ESOs) and address connectivity challenges across NSW.

### What we do

We manage the Public Safety Network (PSN) to deliver mission-critical radio communications services for frontline responders. ESOs communicate using the PSN to coordinate responses to critical incidents and manage their day-to-day operations.

We work with frontline and essential services and telecommunications carriers during disasters to protect telecommunications assets used by emergency services and communities.

### Connectivity leadership across NSW Government

We coordinate whole-of-government connectivity to bridge the digital divide and deliver improved connectivity for citizens across NSW. This includes supporting major digital infrastructure programs for the NSW Government. We also play a central role in coordinating spectrum holdings on behalf of government.

### Legislation

We are a Statutory Authority established under the former *Government Telecommunications Act 1991 (NSW)*, later replaced by the *Government Telecommunications Act 2018 (NSW)*. The Minister for Customer Service and Digital Government has responsibility for administering this Act.

Under the *State Emergency and Rescue Management Act 1989*, NSWTA leads the state's Telecommunications Services Functional Area (TELCOFA) to coordinate support and resources for telecommunications during emergencies. This Act is administered by the Minister for Emergency Services.

### Public Safety Network

We are responsible for the network that delivers critical communications services for NSW.

Next to Australia's Triple Zero hotline, the PSN is the most important critical communications network in NSW and one of the largest in the world.

Unlike commercial telecommunications networks, the PSN is a mission-critical radio communications service and is not accessible to the general public.

The PSN currently covers 56 per cent of NSW – an area of approximately 400,000 square kilometres – and reaches 98.4 per cent of the state's population.

## The Critical Communication Enhancement Program (CCEP)

The NSW Government is investing \$1.3 billion to expand and enhance the PSN through the CCEP.

The program will increase PSN coverage to reach 85% of the state's landmass and 99.7% of the population. The program will deliver:

- Reliable, widespread radio communications coverage to ESOs and other first responders.
- A single, interoperable network to coordinate responses to critical incidents.
- A resilient network be able to minimise outages and maximise availability in extreme weather events.
- End ESO reliance on standalone ageing, duplicated networks.

### Program approval process

The business case approval and decision-making process is Cabinet in Confidence.

The program was funded in multiple phases, with budget and scope approved over a five-year period. The final \$1.3 billion cost was announced by the previous NSW Government in a media release in June 2021 and was reported in the 2021-22 NSW Budget Papers as well as the NSWTA Annual Report 2020-21.

The phased funding approach:

- Allowed for requirement and design changes in response to operational experience and incorporation of enhanced resilience measures following the 2019-2020 Black Summer Bushfires. For example, upgrading to lithium batteries which can extend battery life at a site when power is lost from 8-14 hours to 72 hours.
- Provided an opportunity to test accuracy of desktop research and coverage plans with sites in operation to ensure coverage requirements could be met.
- Enabled assumptions and pre-tender estimates to be confirmed in future business cases, following market engagement and completion of a statewide coverage design of the network.
- Allowed the program to focus rollout on priority areas with poor coverage such as the North Coast of NSW.

The program's funding and scope are summarised in Table 1, below.

**Table 1: CCEP funding and scope**

Phase	Capex	Scope
Phase 1	\$45m	<ul style="list-style-type: none"> <li>- Complete an audit of 2,600 radio sites, develop a network design to consolidate these sites.</li> <li>- 23 pilot sites</li> </ul>
Phase 2	\$119m	<ul style="list-style-type: none"> <li>- Detailed design of all sites</li> <li>- Construction of two regions</li> </ul>
Phase 3 + Supplementary Funding	\$236m + \$217m	<ul style="list-style-type: none"> <li>- Construction of two regions</li> <li>- Supplementary funding to remediate bushfire impacts and deliver coverage to major rural transport routes</li> </ul>
Phase 4 (final business case)	\$660m	<ul style="list-style-type: none"> <li>- Construction of remaining regions and significant expansion of coverage in existing regions</li> <li>- Funding for additional functionality including dedicated location services to protect first responders and in building coverage</li> </ul>

### Realisation of Program benefits

The program is delivering against business case benefits, namely statewide geographic and population coverage.

The PSN is being used by 63 customers, including all five ESOs. The number of radios using the PSN has doubled, with over 64,000 registered on the PSN.

Due to the superior coverage provided by the PSN, ESOs are requesting site prioritisation or sites operationalised ahead of major weather events.

### Performance

The CCEP is essential to helping keep NSW emergency services and the communities they serve safe.

As a result of the program's rollout, the PSN now reaches 98.4% of the state's population, with over 370 sites delivered to date.

Since 2019, NSW has seen more than 60 declared disasters. PSN sites were crucial in protecting communities and keeping emergency services connected during the 2021 and 2022 floods as well as the 2019-20 Black Summer bushfires. The PSN maintained an average of more than 99.9% availability during these disasters.

In the March 2022 Northern NSW floods, the NSW State Emergency Service had 91% land coverage, a third more than what they previously had under their network. Their staff also had access to in-vehicle coverage for the first time.

The PSN's resilience has been acknowledged by the flood inquiries of 2022, noted for providing reliable radio communications services for first responders. The network remained operational and stable while commercial carrier networks such as mobile broadband experienced significant and highly publicised outages from water damage and extreme weather.

Performance improvements implemented recently include:

- Enhanced battery infrastructure to extend power from 10 hours to 72 hours at high risk PSN sites

- Increased power redundancy and backhaul transmission at critical/high risk PSN sites to maintain availability.

## Program governance

The program reports into multiple governance forums across government.

Progress against key performance indicators (scope, budget, schedule, cost, safety, risks and benefits) is provided as well as future cost projections.

Table 1: CCEP governance

Governance Forums	Responsibility
NSW Department of Customer Service Audit & Risk Committee  NSW Audit Office	<ul style="list-style-type: none"> <li>- Tracks progress against key indicators to ensure the program is being effectively delivered</li> <li>- Assesses performance against time, budget and NSW Government's objectives</li> </ul>
Infrastructure NSW (INSW)	<ul style="list-style-type: none"> <li>- Half yearly "Health Checks" as part of Treasury Assurance Framework</li> <li>- High Profile High Risk – additional governance</li> </ul>
Program Steering Committee  (comprising Treasury, all ESOs, NSWTA MD and Deputy Secretary, Digital NSW)	<ul style="list-style-type: none"> <li>- Monitor program performance against scope, cost, schedule, and safety.</li> <li>- Review performance against key milestones</li> <li>- Review critical risks/issues and provide direction / endorse response plan</li> <li>- Approve release of contingency to the program</li> <li>- Deep dive into budget &amp; cost projections</li> </ul>
NSWTA Advisory Board	<ul style="list-style-type: none"> <li>- Tracks progress against key indicators to ensure the program is being effectively delivered</li> <li>- Assesses performance against time and budget</li> </ul>
NSWTA leadership steering committee	Day to day management of key program streams including: <ul style="list-style-type: none"> <li>- Risks and issues</li> <li>- Schedule</li> <li>- Cost</li> <li>- Project Change Control</li> </ul>
Project Control Group	<ul style="list-style-type: none"> <li>- Operational forum, overseeing progress updates and ESO migration activity</li> </ul>

### **Management and communication of program budget**

The program budget was approved by the Expenditure Review Committee of Cabinet and funds released by NSW Treasury. The budget for each year follows NSW Treasury processes.

The budget is managed according to the project completion date. Actual and forecast costs are updated monthly. An independent review of cost and cost forecast is completed on a quarterly basis, in line with quantitative schedule and risk assessments.

The program's status is communicated to a range of stakeholders each month within the Department of Customer Service, NSW Treasury, INSW, ESOs and the Ministerial Office.

All records are subject to NSW Audit Office review on a regular basis and adhere to NSW Treasury guidelines and Australian Accounting Standards.

INSW conducts bi-annual reviews on the program assessing financial oversight, controls, governance and value for money.

### **CCEP and public safety**

Radio communications is critical for community and first responder safety.

The CCEP is delivering telecommunications infrastructure that provides enhanced radio encryption options so that all ESOs can connect to each other irrespective of their agency and use shared talk groups, improving their control of communications and duress options.

The move to a single PSN will prevent asset duplication and reduce maintenance costs.

The CCEP is helping ESOs protect NSW communities now and into the future.

ENDS