11 September 2015

The Chairman
Public Accounts Committee
Legislative Assembly
Parliament House
PERTH WA 6000

Level 10, 799 Pacific Highway
Chatswood NSW 2067
AUSTRALIA

PO Box 1212
Crows Nest NSW 1585
AUSTRALIA
T: +61 (2) 8113 4666
F: +61 (2) 8113 4646

www.ba-infrastructure.com

Re: The Public Accounts Committee Inquiry into Information and Communications Technology (ICT) Procurement and Contract Management

Dear Mr Chairman and Committee Members,

BAI applauds the scope and intent of this inquiry and is pleased to provide the following feedback on the wireless services aspects. We believe that the same rationale and approach could be applied to the wider ICT procurement and contract management inquiry.

Overview:

BAI's key messages are:

- **Maximise cost and technology efficiencies by consolidating the state's existing wireless and fibre assets**. This would include rationalising government-owned infrastructure, assets and resources to remove unnecessary costs and duplication

- **Implement and operate a multi-tenanted common wireless platform** for all government agencies. This platform could come under the direction of the newly appointed GCIO via a whole of government approach that would discourage multiple agencies from developing individual networks, which is not cost efficient. As an example, this network could be based on a P25 radio network anchored by the Police, DFES and Department of Corrective Services; other agencies could also benefit and join the network such as Western Power and Water Corporation

- **Utilise a cost effective tiered technology platform** to provide as wide a coverage area as possible for all users that is future-proofed and scalable. For example UHF coverage in Perth metro area to provide higher data throughput, VHF in regional areas and a HF service in remote areas that provides an overall umbrella and backup service state wide to VHF and UHF

- **Maximise use of any government owned licenced spectrum** that can also be enhanced with unlicenced spectrum (e.g. Wi-Fi). As an example, the PTA owns 15MHz of spectrum in the 1.8GHz band across the Perth metro area that could also be used by other agencies and/or provide backhaul via LTE for transit operational and passenger Wi-Fi services

- **Encourage private sector investment** to offset capital and ongoing costs to gain value for money

- **Utilise a long-term Managed Service Level Agreement (SLA)** that is outcome based, results driven and underpinned by agreed KPIs'; a win-win approach for

government, end users, the people of Western Australia, the contractors and investors

- **Outsource network design, construction, operations, maintenance and management** to the private sector under the direction of the office of the GCIO rather than doing it via multiple agencies in-house; meaning the Government can benefit from lower overall cost by using one provider rather than many providers

Examples of Best Practice:

BAI also applauds the government's recent appointment of the GCIO and supporting office, as a step in the right direction and an excellent example of best practice. BAI's suggestions above support the GCIO remit to:

- *reducing the cost of ICT across government*

- *develop a whole-of-government ICT reform plan that will include 'smarter procurement models and*

- *improve the capacity of agencies to deliver ICT projects in a more timely and cost-effective manner.*

The approach taken by the NSW Government's Telco Authority (TA) is a relevant example of best practice and is similar to the approach now being taken by the GCIO. The TA is a relatively young agency and oversees the NSW Government Radio Network (GRN) via a "whole of government approach". The TA is currently undertaking an Infrastructure Rationalisation Program (IRP). The IRP will consolidate dozens of different government agency radio networks utilising over 3,000 sites and multiple disparate technologies down to around 1000 sites onto one common shared GRN.

The Authority is working to improve the quality and efficiency of radio services for NSW Government agencies, to effectively manage the Government spectrum holdings, and to consolidate government owned infrastructure, assets and resources to remove unnecessary costs and duplication. The Authority works with NSW Government agencies that use radio communication as a critical operational requirement. These include emergency services agencies, electricity suppliers and transport agencies, as well as a range of other bodies for which the use of radio complements their main work.
For further information go to http://telco.nsw.gov.au/

The GRN is a P25 radio network that is the central/primary network for the NSW government agencies that has been in-situ for many years and will expand further across the state with the IRP initiative. BAI currently holds the contract for the operation and maintenance of the GRN. The TA has also recently released an RFT for an IPMO (Integrated Program Management Office). The IPMO is a joint TA and Industry Partnership program management office to plan and manage the entire IRP program.

About BAI

BAI is an independent communications infrastructure group that designs, implements, maintains and operates communications infrastructure, across multiple technologies, in locations across Australia, Asia Pacific and North America. The group specialises in RF communications technology including public safety, Wi-Fi, cellular mobile voice & data, satellite and radio & television broadcasting. In Australia, BAI owns, operates and maintains hundreds of multi-purpose communications sites with a staff of ~ 550 personnel in locations

across Australia (~14 in Perth). BAI's capabilities are drawn from the deep expertise that is founded on over 80 years' experience as the owner and operator of one of most extensive wireless transmission networks in the world.

Key customers in Australia include ERGON Energy, NSW Government Radio Network, ABC, SBS, Metro and Regional Commercial Broadcasters, Department of Defence, Telstra, Optus and Vodafone, as well as multiple federal and state government agencies. BAI is currently also implementing DAS (Mobile/Cellular) and Wi-Fi networks in New York City and Toronto, that we own, operate and maintain; the capital value of these two projects alone is approximately $US250 million.

BAI is a keen long term investor in critical communication network infrastructure and the provision of fully managed services from design and implementation through to maintenance and operations. BAI has extensive technical and project expertise with a demonstrated track record and capability over decades to deliver radio projects on time, to scope and to a high standard.

As an owner of a significant communications infrastructure portfolio in Australia and North America, BAI brings an owner/operator's perspective to projects we deliver - we consider the long term maintenance, operability and reliability aspects of infrastructure we build, and we understand the imperative to keep mission critical systems available to the end user.

Financial stability of any supplier is important; BAI has approximately $A2B of secured orders in hand and has been operating for over 80 years. BAI is majority owned by the Canada Pension Plan Investment Board (CPPIB), an organisation with a total asset value of $C270B as at June 2015. CPPIB is an active investor of billions of dollars in infrastructure in Australia. For more information on BAI and CPPIB please see

http://ba-infrastructure.com/ and http://www.cppib.com/en/home.html

BAI appreciates the opportunity to provide feedback to the committee and we look forward to its findings in 2016. We would also welcome the opportunity to meet and discuss our concepts with the committee should they wish.

Yours sincerely,

Phil Towers
Manager, Strategic Deals and New Markets