



Outback Communities Authority  
ANNUAL BUSINESS PLAN AND BUDGET  
2019-20





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## Presiding Member's Message



The Outback Communities Authority (OCA) Act is very clear about how the OCA should maintain its relevance and accountability to the communities within its region. Consulting communities with regard to its Annual Business Plan and Budget is a vital requirement in the Act and the OCA is always very keen and ready to receive any feedback when the draft is put out for comment each year.

After an earlier consultation process, the following Annual Business Plan and Budget has now been approved by the Minister. It will be noted that the OCA plans engagement in a wide range of activities. I believe this represents a good balance between the provision and maintenance of essential physical infrastructure and, on the other hand, the vitally important human and community assets in the region.

Although it is very early in my term of appointment, I believe the OCA is entering a period where consultation with outback communities will be an even more critical priority. I therefore urge everyone to become engaged and support some healthy debate and conversation with the OCA that will help create a strong vision for the region's future.

## Director's Message



This Outback Communities Authority's Annual Business Plan and Budget 2019-20 is the plan that guides the operations of the Office for the Outback Communities Authority (OCA) for the year ahead. The Office for the OCA is operating in a period of change; a change in leadership and a change in investment, both of which will result in a difference to how the Office does the OCA's business.

Extensive community consultation and engagement will be the hallmark of this financial year as the OCA seeks your input on how to implement this change. This balanced with the OCA's continued commitment to the Community Affairs Resourcing and Management (CARM) Agreement process confirms the underpinning of support for the whole Outback Community.

It's an exciting time to be in the Outback and I am confident that this Annual Business Plan and Budget 2019-20 will support the views, interests and aspiration of the Outback Community #oneOutback.



# About the Outback Communities Authority

The Outback Communities Authority (OCA) was established on 1 July 2010 to administer the *Outback Communities (Administration and Management) Act 2009*.

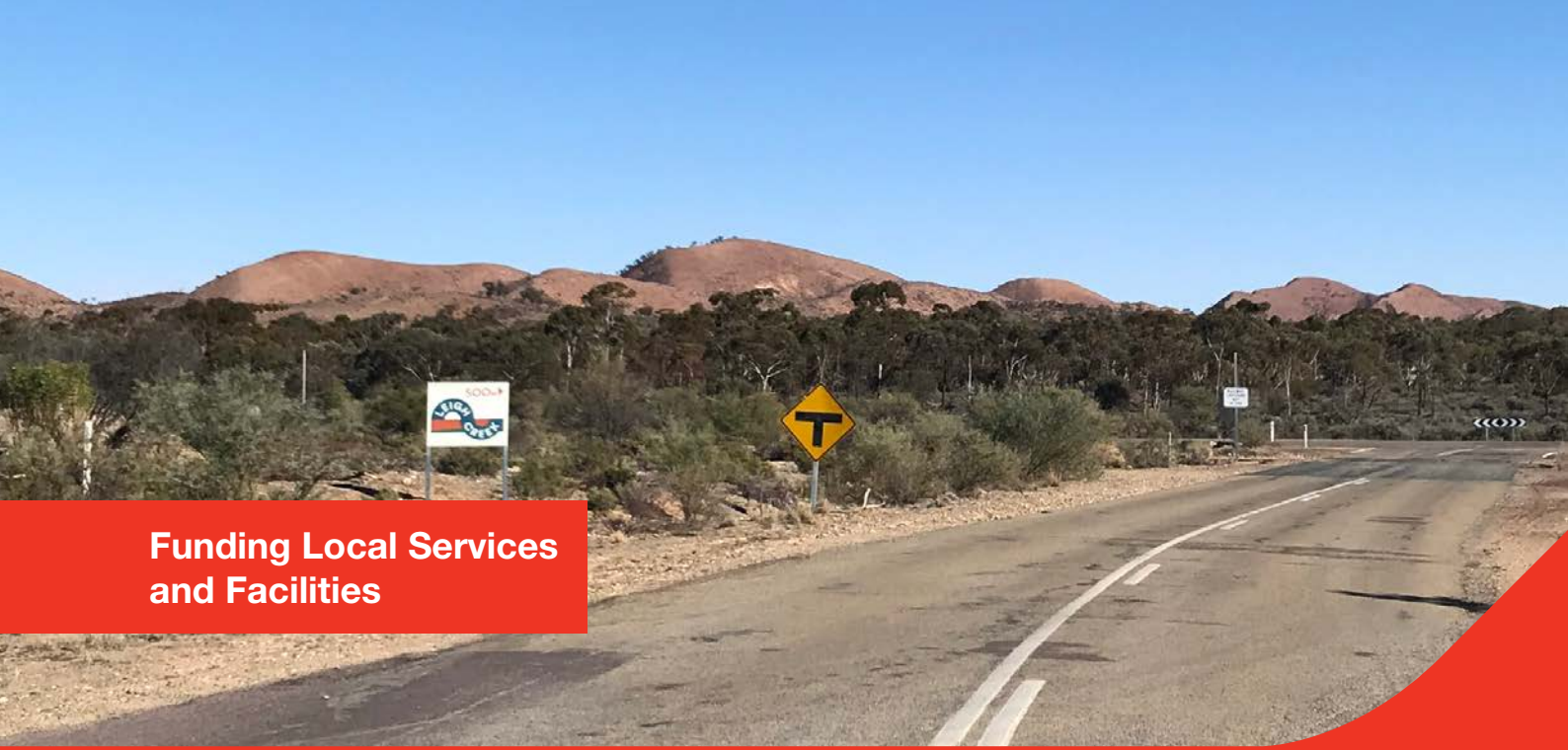
It has responsibility for the management and governance of most of the unincorporated areas of South Australia. This includes all people who live and work in the outback in the numerous townships and settlements, pastoral leases, farming properties and commercial tourism enterprises.

The OCA comprises seven board members, supported by administrative staff assigned by the Department of Planning, Transport and Infrastructure, and is responsible for the effective governance and management of OCA affairs.

In essence, the OCA's role encompasses assistance in the provision of local government type services, such as community development, infrastructure management including waste management and recreational facilities along with public facilities including airstrips, public toilets, UHF repeater networks and water stations. Other State and Federal Government agencies have responsibility for other services and infrastructure such as health, housing, education, roads and community and social inclusion services.

The business of the OCA is delivered through three specific, yet fully integrated, units within the Office for the OCA. Those units together represent the broad business focus for the OCA:

- Corporate
- Infrastructure; and
- Community Development.



## Funding Local Services and Facilities

The OCA is funded through a variety of sources, however predominantly through Federal and State Government general purpose grants. In much the same way as a Council incorporated under the Local Government Act 1999, the OCA receives its Federal funding through the Local Government Grants Commission (i.e. general purpose Financial Assistance Grants).

The OCA partners with local communities to provide funding assistance for local priorities through Community Affairs Resourcing and Management (CARM) Agreements and in other ways as described in the OCA's Community Funding Policy.

When considering investment in new or upgraded infrastructure and other assets in the future (as well as when replacing existing assets at the end of their useful lives), the OCA will ensure that its focus is on service levels desired by outback communities which are affordable in the longer term within responsible financial constraints. Apart from the initial capital cost of such assets, ongoing OCA funding must be available to meet the annual maintenance, depreciation and other operating expenses of these assets (being assets which generally provide community services over an extended period of time).

## Community Contribution Scheme – Andamooka

In early 2012, in partnership with the Andamooka Progress and Opal Miners Association Incorporated, community consultation was undertaken to enable community input into a Community Plan, Financial Plan and Budget. The consultation initiative included mail-outs, media statements and community meetings. Subsequently, a Community Contribution Scheme (CCS) was implemented at the request of the Andamooka Progress and Opal Miners Association with the wide support of the Andamooka community. The community contribution for 2012-13 was set at \$400 per property unit. The CCS has continued uninterrupted at the same level to 2018-19.

The Andamooka Progress and Opal Miners Association has again agreed to enter into a Community Affairs Resourcing and Management (CARM) Agreement which includes a community contribution for 2019-20. The OCA commenced consultation in March 2019 on the Andamooka Annual Budget and CARM Agreement including a community contribution and CCS for the continuance of the CCS in Andamooka in 2019-20. The CARM Agreement suggests a per annum cost of \$400 per property unit being a continuation of current CCS levels.



Early in 2013, the Iron Knob Progress Association approached the OCA requesting assistance for the delivery of municipal services for the Iron Knob residents through the use of a CCS. Community consultation commenced in October 2013 on the Iron Knob Business Plan, Budget, CCS and Community Affairs Resourcing and Management Agreement. The consultation suggested that a CCS would be widely supported by the community.

The Iron Knob CCS was applied from 1 January 2014 to 30 June 2014 with the levy set at \$120 (\$60 per quarter for two quarters) per property unit. The CCS has continued uninterrupted at the same level to 2018-19.

The Iron Knob Progress Association has again agreed to enter into a Community Affairs Resourcing and Management (CARM) Agreement which includes a community contribution for 2019-20. The OCA commenced consultation in March 2019 on the Iron Knob Annual Budget and CARM Agreement including a community contribution and CCS for the continuance of the CCS in Iron Knob in 2019-20. The CARM Agreement suggests a per annum cost of \$240 per property unit being a continuation of current CCS levels.

## Community Contribution Scheme – Iron Knob



# Special Focus for 2019-20

The OCA will:

- Facilitate and support the development of an Outback Tourism Strategy that promotes diversification of the economy and incorporates visitor experience opportunities by March 2020 - \$5,000.
- Develop partnerships with service providers and provide specific and targeted advice to government regarding innovative approaches to the delivery and improvement in services provided in the Outback. By August 2019, have in place an agreement for the delivery of defined economic development services into the Outback - \$70,000.
- Develop and implement a schedule of strategic connection opportunities that focus on strategic priorities around roads, communications and community service infrastructure by July 2020 - \$5,000.
- Continue to support the implementation of the OCA Regional Recreation and Sport Plan by achieving matching investment into key recommendations by June 2020 - \$50,000.
- Publish the annual 'State of the Outback' report that identifies aspects of the outback that are important to people who live, work and visit the region in December 2019 - \$5,000.
- Implement a quarterly publication promoting the regions successes, its lifestyle and shared experiences commencing in August 2019 - \$15,000.
- Deliver new public conveniences and showers at Innamincka by December 2019 - \$250,000.
- Deliver five Outback Water Stations to Marree, Innamincka, Yunta, Beltana and Kingoonya - \$900,000.
- With a successful grant submission, deliver upgrades to Oodnadatta and Marla aerodromes by June 2020 - \$900,000.

## Core Activities

- Continue to work in partnership with Outback Communities and seek new partnerships in an effort to improve the quality of life for those who live and work in the outback of South Australia.
- Continue to provide municipal services to Leigh Creek.
- Support the Community Contribution Scheme (CCS) in Andamooka and Iron Knob.
- Bring to Government decision-making an awareness of remote and very remote community issues, and promote the OCA as the first point of contact for pivotal strategic decision makers on Outback matters.
- Continue to promote the oneOutback Prospectus and the associated Strzelecki Track upgrade and Port Augusta Cross-Loading Facilities reports as the catalyst for strategic investment into the Outback Region.
- Provide efficient and accountable administration of the Business of the Outback Communities Authority.



# 2019-20

## Our Key Strategic Objectives

To achieve our Mission and Vision, the OCA has identified the following objectives:

- Grow Our Economy
- Grow Our Community
- Grow Our Influence and Presence

These objectives have a goal, driver and strategy to achieve the objective. The strategies are the point of focus for this Annual Business Plan.

Objective	Goal	Driver	Strategies
<b>Grow Our Economy</b>	'New' investment into the Outback	Outback Economy	Using the oneOutback Prospectus as a catalyst, continue to promote favourable environments for new investment
	Promote alternative income opportunities	Outback Economy	In partnership with key stakeholders identify and actively support opportunities for economic development
	Diversification and capitalisation to future-proof the Outback economy	Outback Economy	To develop an Outback Tourism Strategy that promotes diversification in the economy and incorporates visitor experience opportunities
<b>Grow Our Community</b>	Managing strategic infrastructure	Service Provision	Seek improvements to telecommunications Infrastructure that supports vibrant communities
	Well maintained infrastructure supporting the Outback Community	Infrastructure Investment	Implement long term asset sustainability solutions for the provision of high quality services to the Outback Community
	Find out what matters to Outback people	Community Sustainability	Seek innovative opportunities to promote two-way communication to allow all Outback communities to share ideas and discuss the future for the region
<b>Grow Our Influence and Presence</b>	Progressive and innovative policy development	Good Governance	Continue to foster high standards of governance and accountability through CARM agreements and Community Contribution Schemes (CCS)
	Be effective leaders in supporting Outback Communities to achieve their aims	Leadership	Continue to articulate the views, interests and aspirations of Outback Communities
	Promote our region in a positive manner	Communication	Implementation of a quarterly publication promoting the regions successes, its lifestyle and shared experiences



# 2019-20 budget

## A Snapshot of the 2019-20 Budget

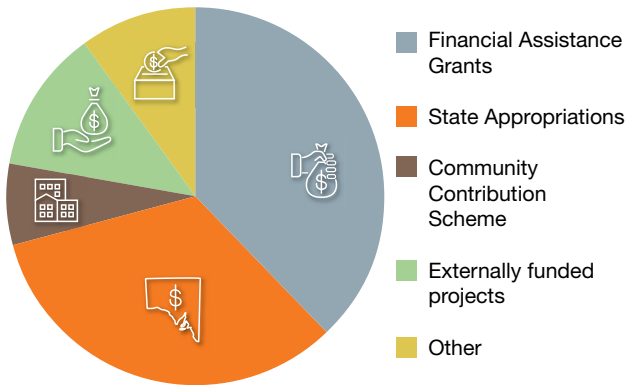
The 2019-20 Budget has been developed in accordance with the *Outback Communities (Administration and Management) Act 2009*. Management of the Budget during 2019-20 will include regular monitoring reports to the OCA Board.

To achieve the end of year budget outcomes close monitoring of the budget will need to occur with a mid-year budget review required to address efficiencies and inefficiencies. The OCA has identified the following headline programs for 2019-20, specific to the infrastructure portfolio (some of which are subject to the attraction of new investment):

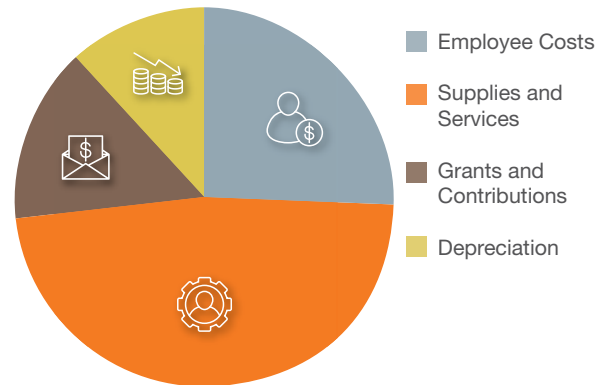
- Innamincka toilet and shower replacement
- Oodnadatta CWMS renewal
- Oodnadatta Airstrip seal upgrade
- Marla Aerodrome fencing upgrade
- Outback water treatment plants

The following diagrams represent the proportion of the OCA's 2019-20 budget.

## 2019-20 Income



## 2019-20 Expenditure



The OCA applied for funding from the Remote Airstrip Upgrade Programme (Round 6) for the Oodnadatta Airstrip Seal Upgrade and the Marla Aerodrome Fencing Upgrade. The funding is matched by the state government which will see a total investment of \$0.9m.

The repairs and resealing at Oodnadatta will enhance and enable the aerodrome to operate with improved safety under a wide range of weather conditions. This will result in the community better serviced through improved access for the Royal Flying Doctor Services in emergency situations as well as regular Aboriginal health clinics and other essential goods and services.

## Community Contribution Scheme – Andamooka and Iron Knob

Consultation in regard to the Andamooka and Iron Knob CCS for 2019-20 has been finalised with the relevant peak bodies seeking a CARM Agreement and CCS in both communities. The OCA will continue to work with the peak body in each community, the Andamooka Progress and Opal Miners Association and the Iron Knob Progress Association, supporting each community's wish to continue with a CCS – a 'user pays' scheme specific to each community helping to fund those services and projects prioritised by the residents of Andamooka and Iron Knob.

Income accrued as a result of the Andamooka and Iron Knob CCS is managed by the OCA and used specifically for the delivery of municipal services and community projects in Andamooka and Iron Knob. The 2019-20 OCA Budget includes the two communities CCS's continuing throughout 2019-20.

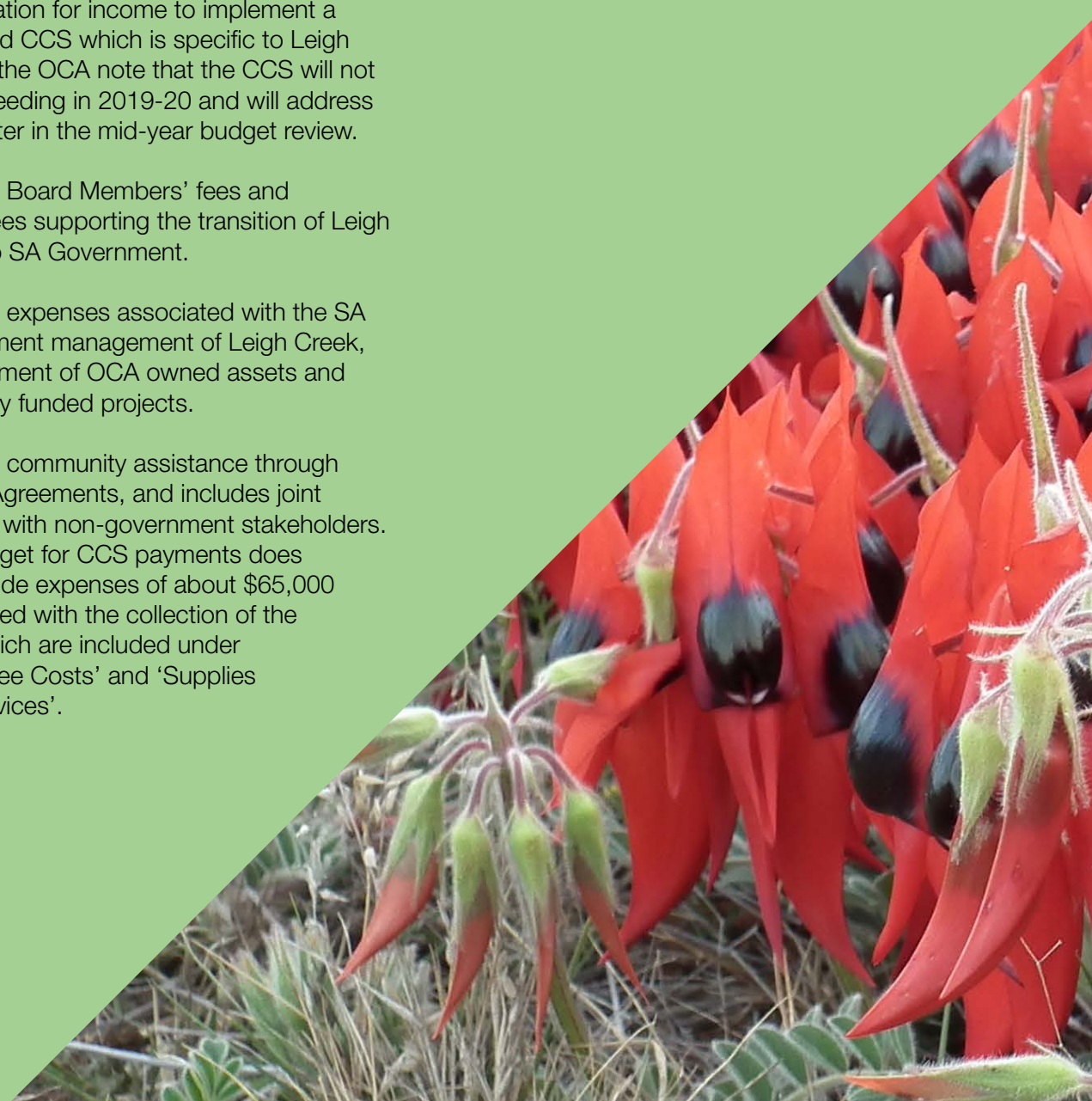
## 2019-20 OCA Budget

The 2019-20 Budget sets out income, operating expenses and capital investment expenditure proposals consistent with the 2019-20 Annual Business Plan's key strategic objectives and ultimately the 2015 - 2020 Strategic Management Plan.

	2019-20 Draft Budget \$000	Notes
<b>Income</b>		
Financial Assistance Grants	1,564	(1)
State Appropriations	1,393	(2)
Community Contribution Scheme	300	(3)
Externally funded projects	496	(4)
Other	425	(5)
<b>Total Income</b>	<b>4,178</b>	
<b>Operating Expenses</b>		
Employee Costs	1,049	(6)
Supplies and Services	1,930	(7)
Grants and Contributions	618	(8)
Depreciation	482	(11)
<b>Total Operating Expenses</b>	<b>4,079</b>	
<b>Surplus / (Deficit)</b>		
Operating Surplus / Deficit	99	
Less Capital Expenditure on Assets	-412	(9)
Plus Depreciation	482	
<b>Net Surplus / (Deficit)</b>	<b>169</b>	<b>(10)</b>

## Notes:

- 1 Indexation of Federal Government Financial Assistance Grants.
- 2 Annual State Appropriation including funding specific to Leigh Creek operations.
- 3 Accrual of income from CCS levies planned for 2019-20 (i.e. same as 2018-19 levels).
- 4 Covers expected income for the Building Better Regions Fund, Oodnadatta Municipal Services and Andamooka Water Supplies.
- 5 Income from interest on OCA funds, outback airstrips, dog registrations and public toilet donations. Also includes an allocation for income to implement a proposed CCS which is specific to Leigh Creek - the OCA note that the CCS will not be proceeding in 2019-20 and will address this matter in the mid-year budget review.
- 6 Includes Board Members' fees and employees supporting the transition of Leigh Creek to SA Government.
- 7 Includes expenses associated with the SA Government management of Leigh Creek, management of OCA owned assets and externally funded projects.
- 8 Includes community assistance through CARM Agreements, and includes joint projects with non-government stakeholders. The budget for CCS payments does not include expenses of about \$65,000 associated with the collection of the CCS which are included under 'Employee Costs' and 'Supplies and Services'.
- 9 Caters for capital expenditure on new Outback Water Stations project (\$225,000 - Building Better Regions grant opportunity) and capital expenditure on renewal & replacement of existing OCA assets (\$187,000).
- 10 Net Surplus / (Deficit) equals Operating Surplus / (Deficit), less Net Outlays on Assets.
- 11 The Budget for depreciation expenses takes account of new OCA assets acquired as a result of Leigh Creek transitioning to SA Government and new assets planned in 2019-20.







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