



Outback Communities Authority

ANNUAL BUSINESS PLAN AND BUDGET 2022-23



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Annual Business Plan and Budget 2022-23

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Community Consultation

The Outback Communities Authority (OCA) commenced consultation on its draft Business Plan and Budget for 2022-23 on 26 April 2022, seeking input from those with an interest in the Outback.

The annual Business Plan and Budget focuses on key issues for 2022-23. Being fundamentally linked to the OCA's Strategic Management Plan 2020-25, the Business Plan and Budget sets the Authority's priorities for 2022-23.

The public were encouraged to review the draft Business Plan and Budget and provide feedback directly to the OCA by close of business 27 May 2022.

The document was available to download from the OCA's website, upon request by telephone or email and also from the Office for the OCA at 26 Mildred Street, Port Augusta West.

At its meeting held 30 May 2022, the Authority considered a report containing all submissions on the 2022-23 Business Plan and Budget and endorsed the document.



Presiding Member's Message



As the OCA's new Presiding Member I am pleased to provide our Business Plan and Budget for the current financial year. To a degree it represents a 'holding pattern' as we work with the State Government on the Outback Futures recommendations; there is no doubt that the Outback is in dire need of additional funding.

I would also like to flag that our next Strategic Plan and associated Business Plan and budgets, will be developed in partnership with Outback communities through consultative processes that simultaneously involve the OCA's governance and operational leadership and those people who live and work in South Australia's Outback; those of you who have the Outback's economic, social and environmental well being at heart.

As always, your comments and feedback are encouraged and welcomed. I look forward to working with you over the coming years.

Director's Message

The Annual Business Plan and Budget 2022-23 is the operational plan to support the strategic direction of the Outback Communities Authority in its endeavours to support Outback Communities and the Outback as a whole. A new year brings a new Presiding Member and two new Board Members. This, coupled with a change in operational leadership of the Office for the OCA will provide great opportunities for a reinvigoration of the OCA.

The OCA will continue to work with communities and seek new and innovative investment streams to support the Outback's aspirations.

Rest assured the OCA will be present in conversations about the Outback's long term financial, community and environmental sustainability, and doing its very best to position our Outback for an exciting future.

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 efficient and accountable administration and management of Outback Communities along with promoting participation of Outback Communities in their administration and management. The OCA also has the ability to raise revenue for public services and facilities in the unincorporated areas of South Australia. This unincorporated area 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 in the Office for the OCA who are assigned by the Attorney-General's Department and are responsible for the effective governance and management of OCA affairs.

In essence, the OCA's role, in partnership with Outback Community organisations, is to facilitate and support 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 services and infrastructure such as health, housing, education, roads and community and social inclusion services.

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

- Corporate; and
- Community Services.



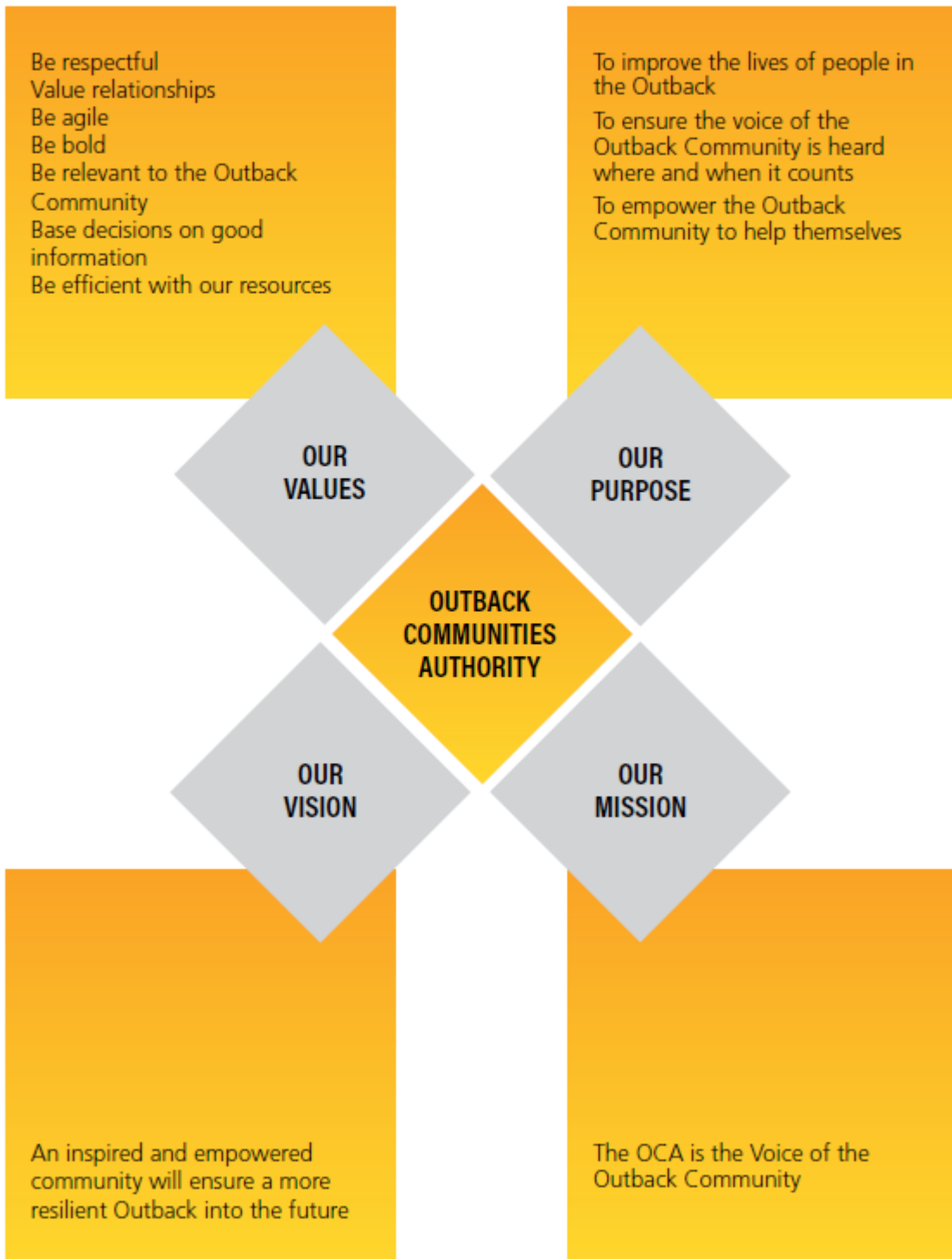
FUNCTIONS AND OBJECTIVES

The OCA's area of responsibility includes the unincorporated areas of South Australia, some 625,000 square kilometres or about 63% of the State.

Outback region 63% of SA



OCA PURPOSE, MISSION, VISION AND VALUES



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).

To assist the OCA in the provision of services to Outback Communities, the OCA has two revenue raising mechanisms; a Community Contribution Scheme (CCS) is a community specific levy and the Asset Sustainability Levy (ASL) is a whole of region levy. Both are similar to council rates applied under the *Local Government Act 1999*.



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 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 and at the same level to 2021-22.

The Andamooka Progress and Opal Miners Association Incorporated has been consulted to confirm if they agree in principle to enter into a Community Affairs Resourcing and Management (CARM) Agreement which includes a community contribution for 2022-23. The OCA commenced consultation in May 2022 on the Andamooka Annual Budget and CARM Agreement including a CCS for 2022-23. Community consultation on the CARM Agreement suggests a per annum cost of \$400 per property unit being a continuation of current CCS level.

Community Contribution Scheme – Iron Knob

Early in 2013, the Iron Knob Progress Association Incorporated 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 2021-22. The Iron Knob Progress Association Incorporated has been consulted to confirm if they agree in principle to enter into a CARM Agreement which includes a community contribution for 2022-23. The OCA commenced consultation in May 2022 on the Iron Knob Annual Budget and CARM Agreement including a CCS for 2022-23. Community consultation on the CARM Agreement suggests a per annum cost of \$360 per property unit increased from \$240 in 2021-22.

Community Contribution Scheme – Leigh Creek

On 1 January 2016 the OCA commenced providing municipal services into Leigh Creek in a manner consistent with what was previously provided by Alinta Energy who leased the township from the State Government until 30 December 2015. To provide these services the OCA was provided a specific allocation from the State Government with the clear understanding that it did not impact on the existing OCA budget.

Funding provisions for these services were originally allocated until the end of the 2020-21 financial year, by which time it was expected the future of Leigh Creek would have been decided and implemented. A provision was made in the allocation of funds to the OCA for a portion to be generated through the application of a CCS commencing from the 2018-19 financial year. The Leigh Creek CCS was not implemented in 2018-19 due to land tenure and occupancy issues not being resolved to allow a CCS to be applied, however following community consultation in early 2022, planning and preparations are underway for the introduction of the Leigh Creek CCS from 1 January 2023. Provision has been made in the OCA's forward estimates for both income and expenditure of this CCS, of the value of \$163,000, however this will be corrected in consultation with the Department of Treasury and Finance.

Asset Sustainability Levy

In December 2018 the OCA sought an increase in its State appropriation to undertake works on assets that service Outback Communities. In the 2019-20 State budget the State Government announced that the OCA would be introducing an ASL across the Outback to generate the revenue sought through the December 2018 request to increase the OCA's appropriation. The ASL was to be introduced 1 July 2019.

The OCA advised the State Government that it would not consider introducing an ASL without first undertaking a broad and comprehensive engagement process with outback people asking their views and aspirations and how to achieve a better and more resilient community into the future.

The engagement process was expected to commence by the end of the 2019-20 financial year, however due the restrictions relating to the COVID-19 pandemic, it did not commence until August 2020. Following the conclusion of initial consultation a report on the process was provided to the Minister for Planning and Local Government. The State Government supported further development of the Outback Futures Project with funding to undertake a comprehensive planning process in partnership with Outback communities to be finalised by the end of 2021 with a report being prepared for the Minister for Planning and Local Government on recommendations for the future of the Outback.

The Outback Futures Report was endorsed by the OCA and provided to the Minister in December 2021 and made available to the Outback Community at the end of January 2022.

A final round of consultation occurred in March/April 2022 with final recommendations provided to the Minister by the end of May 2022.

Provision has been made in the OCA's forward estimates for both income and expenditure of the ASL, to the value of \$740,000, however the ASL will not be introduced in the 2022-23 financial year and will be corrected in consultation with the Department of Treasury and Finance.



Focus for 2022-23

Following the OCA's Outback Futures Community Planning Session in Coober Pedy on 4, 5 September 2021 it is clear that communities are stretched.

A universal theme was the imposition placed on Progress Associations, Pastoralists and businesses from the increasing need to meet legislative and regulatory requirements.

COVID-19 has had a negative impact on community cohesion and social well-being due to lack of community events and opportunities to interact, as well as to fundraise.

The current volunteer model of managing services in communities is seen as unsustainable. There are multiple and inter-related reasons for this; an aging population, lack of population renewal, the increasing burden of administration and 'red tape' and often the need to fundraise for community development activities, and the fact that volunteers are often involved in multiple committees within communities, all conspire to reduce the capacity of the volunteer model.

While many communities are proud of how much their voluntary efforts have achieved, most groups are wanting increased support to relieve them of administration, paid roles to assist in community development and event coordination, and in some cases, assistance with managing the functioning of their Progress Associations. Several communities identified a paid administration and/or community development role as a potential / partial solution to volunteer burn out. Access to training and skills development for volunteers is also an issue, and assistance with grant applications was frequently mentioned.

Volunteering is seen as an essential and valuable part of life in the Outback. It builds community solidarity and connection. Volunteers would rather their energy was spent on these types of activities and events that fulfil that function rather than in the provision of community services.

Six goal areas were identified as being important to community participants. These six goals will be weaved into the 2022-23 Business Plan and Budget against the existing OCA key strategies as outlined in the 2020-25 Strategic Management Plan. The key goals are:

1. Liveability

Services, amenity and infrastructure that support improved liveability of the region.

2. Vibrancy

A vibrant region with a consolidated, strategic cultural and events management structure that builds social capital.

3. Connection

A well connected Outback where collaboration between the OCA, communities, regions, industries and stakeholders is part of the way things are done.

4. Future opportunities

A future oriented approach to services and infrastructure that positions the Outback to capitalise on opportunities for appropriate economic development while maintaining its unique environment and character.

5. The Brand

The Outback brand and economy is strong and well understood.

6. Governance

Outback Communities Authority governance is strong, transparent, accessible, and represents the region well; and autonomous in its ability to advocate for issues that matter to Outback communities.

2022-23 Key Activities

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

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

These objectives have an action (as per 'What we Heard' from the Coober Pedy Sessions), goal and measurable. The measurables are the point of focus for this Annual Business Plan.

Grow Our Economy - *facilitate new opportunities and new investment in the Outback*

Action	Goal	Measureable
<p>Sustainable Tourism - Some communities believe that tourism is key to their survival.</p> <p>Information and education for tourists/visitors about how to behave in the Outback; better infrastructure for tourists, particularly roads and well-managed rest stops with toilets and bins; improved public information and signage; better marketing and promotion; capitalising on the uniqueness of the Outback; creating new tourism products and related endeavours are all seen as very important.</p>	<p>Connection</p> <p>Future Opportunities</p> <p>The Brand</p> <p>Governance</p>	<ol style="list-style-type: none"> 1. Partner with the Flinders Ranges and Outback Tourism Committee to identify and invest in opportunities to grow and manage the visitor economy. 2. Support the 'roll-out' of the Aussie Travel Code signage and collateral. 3. Finalise the upgrade/replacement of all existing public conveniences within the OCA's network. 4. Partner with key agencies and NGO's to support the development of new and innovative business opportunities that support the visitor economy.
<p>Working together in a Coordinated Way - There needs to be a line of sight between a vision for the Outback, the regions within it, and communities.</p> <p>This can be achieved through strategic planning processes that first identify the preferred 'big picture' future.</p>	<p>Liveability</p> <p>Vibrancy</p> <p>Connection</p> <p>The Brand</p> <p>Governance</p>	<ol style="list-style-type: none"> 1. Consult then publish a Strategic Blueprint for South Australia's Outback that brings together the Outback Communities aspirations and vision.

Sustain our Community - promote a shared vision for improving the 'liveability' of the Outback for those that live, work and visit

Action	Goal	Measureable
<p>Basic Utilities - Needing to have a reliable supply of good quality water was raised in many communities along with reliable power that avoids frequent and prolonged outages.</p> <p>There is a frustration that the outback climate is well-suited to solar and wind energy production, but people are not able to receive financial incentives available to people in cities because they are not connected to the National Grid.</p>	<p>Liveability</p> <p>The Brand</p> <p>Governance</p>	<ol style="list-style-type: none"> 1. Partner with Outback Communities and service providers to identify infrastructure gaps and priorities. 2. In partnership with communities support the development of community based strategic and community development planning inclusive of 'shovel ready' projects that improve liveability.
<p>Improved Technology - Mobile phone and internet services are seen as inadequate. Mobile phone coverage needs to be ubiquitous. Internet speeds are slow, particularly for people relying on satellite coverage - and expensive. This puts limits on business and tourism and opportunities for innovation.</p> <p>There is a view that improved connectivity could assist with increased collaboration and cooperation between communities and regions, and remove the need for some travel – which incurs both financial and time costs.</p>	<p>Liveability</p> <p>Vibrancy</p> <p>Connection</p> <p>Future Opportunities</p> <p>The Brand</p> <p>Governance</p>	<ol style="list-style-type: none"> 1. Undertake a strategic communications audit across the Outback region. 2. Develop a Community Communications Plan that identifies gaps and opportunities, inclusive of, but not limited to alternate technologies, public Wi-Fi sites and increased mobile phone connectivity.
<p>Better Roads - One of the most consistently identified issues was the state of Outback roads.</p> <p>Poorly maintained roads are of concern for a few reasons, including safe mobility, costs for individuals, families and businesses because of rapid vehicle deterioration and reduced productivity for businesses because of slower travel times.</p> <p>Tourism is impacted by poor road conditions, and tourists often drive inappropriately on unsealed roads, contributing further to their deterioration and maintenance requirements.</p>	<p>Liveability</p> <p>Connection</p> <p>Future Opportunities</p> <p>The Brand</p> <p>Governance</p>	<ol style="list-style-type: none"> 1. Partner with the Department for Infrastructure and Transport to develop an Outback Road and Transport Strategy that promotes a shared vision for priorities and identifies 'pipeline' investment and opportunities.

Sustain our Community cont - *promote a shared vision for improving the 'liveability' of the Outback for those that live, work and visit*

Action	Goal	Measureable
<p>Improved Town Maintenance and Amenity - Some communities are in poor physical state, with dilapidated buildings, abandoned blocks and no basic amenities such as footpaths.</p> <p>Community Members want to have pride in their communities and for them to be well maintained and attractive places for residents and to better appeal to tourists.</p>	<p>Liveability</p> <p>Vibrancy</p> <p>The Brand</p> <p>Governance</p>	<p>1. In partnership with communities support the development of community based strategic and community development planning inclusive of 'shovel ready' projects that improve liveability.</p>

Grow Our Influence and Presence - Articulate the needs of Outback people and promote the OCA's key role in decision making for the Outback

Action	Goal	Measureable
<p>Planning, Regulation and Compliance - There are currently not enough resources to regulate development in Outback communities, resulting in structures being erected that are not in keeping with the character of townships and with building standards.</p> <p>Similarly there is no oversight to approve / regulate business activities that may conflict with residential areas.</p> <p>Blocks in some towns are being littered with hard rubbish and scrap metal, which detracts from the amenity of communities and their appeal to tourists.</p> <p>The OCA having the power to order clearing of rubbish from these blocks was seen as a potential solution.</p>	<p>Liveability</p> <p>The Brand</p> <p>Governance</p>	<ol style="list-style-type: none"> 1. Partner with Outback Communities and service providers to identify increased opportunities for compliance. 2. Report provided to the OCA with recommendations for increase OCA participation in compliance functions for consideration.
<p>Tourists behaving badly - Many communities identified disrespectful behaviour as a major issue, particularly the poor behaviour of the 'self-contained' travelling public.</p> <p>Tourists encroach on private land and private property and degrade the natural environment by driving 4WD vehicles off track, leaving exposed faecal matter and toilet paper in creek beds and at rest stops, and by collecting fuel for campfires.</p> <p>Suggestions for dealing with this include an 'outback code of behaviour', information campaigns, and the Western Australian model of only being able to camp in designated areas.</p>	<p>Vibrancy</p> <p>Future Opportunities</p> <p>The Brand</p> <p>Governance</p>	<ol style="list-style-type: none"> 1. Partner with the Flinders Ranges and Outback Tourism Committee to identify and invest in opportunities to grow and manage the visitor economy. 2. Support the 'roll-out' of the Aussie Travel Code signage and collateral. 3. Partner with Outback Communities and service providers to identify increase opportunities for compliance. 4. Report provided to the OCA with recommendations for increase OCA participation in compliance functions for consideration. 5. Prepare business case for the implementation of an 'Outback Travelers Pass'.

Grow Our Influence and Presence cont - Articulate the needs of Outback people and promote the OCA's key role in decision making for the Outback

Action	Goal	Measureable
<p>Better Transport Solutions - The inadequacy of public transport, and the high cost of services that are available are seen as a disadvantaging factor in living in the Outback. This is particularly true for older people, the transport disadvantaged and those needing to access services in large regional centres (e.g. Port Augusta) or Adelaide.</p> <p>Families need two vehicles for day to day mobility. The removal of the 'out of areas' concession on car registration and generally higher fuel prices, along with vehicle maintenance costs because of the previously mentioned poor state of the roads all adds up to significant expense.</p> <p>This is exacerbated by many people needing to travel long distances multiple times a week to access medical services and food.</p>	<p>Liveability</p> <p>The Brand</p> <p>Governance</p>	<p>1. Partner with the Department for Infrastructure and Transport to develop an Outback Road and Transport Strategy that promotes a shared vision for priorities and identifies 'pipeline' investment and opportunities.</p>
<p>Health and Aged Care Planning - There is great appreciation of the services provided by the Royal Flying Doctor Service. However in many communities access to health services is limited and often means travelling significant distances.</p> <p>Aged care, including 'in home' aged care services are non-existent. It can be distressing for communities when a person needs to be relocated to receive basic aged care.</p>	<p>Liveability</p> <p>Governance</p>	<p>1. Partner with the Department of Health, other health service providers and the Outback Community to develop an Integrated Health Delivery Plan that promotes a shared vision for priorities and identifies future opportunities.</p>

Budget Snapshot of the 2022-23

The 2022-23 Budget has been developed in accordance with the *Outback Communities (Administration and Management) Act 2009*. Management of the Budget during 2022-23 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 will deliver on round 3 of the Australian Government's Local Roads and Community Infrastructure Program (totaling \$4.5m) with all projects expected to be finalised by 30 June 2023.



2022-23 OCA Budget

The 2022-23 Budget sets out income, operating expenses and capital investment expenditure proposals consistent with the 2022-23 Business Plan and 2020-2025 Strategic Management Plan.

	2022-23 Draft Budget \$000	Notes
Income		
Financial Assistance Grants	1,642	(1)
State Appropriations	1,649	(2)
Community Contribution Scheme / Asset Sustainability Levy (not implemented)	1,203	(3)
Externally funded projects	122	(4)
Other	215	(5)
Total Income	4,831	
Operating Expenses		
Employee Costs	1,326	(6)
Supplies and Services	2,596	(7)
Grants and Contributions	426	(8)
Depreciation	801	(11)
Total Operating Expenses	5,149	
Surplus / (Deficit)		
Operating Surplus / Deficit	-318	
Less Capital Expenditure on Assets	-502	(9)
Plus Depreciation	801	
Net Surplus / (Deficit)	-19	(10)

2022-23 Budget Notes:

- 1 Indexation of Federal Government Financial Assistance Grants.
- 2 Annual State Appropriation including Leigh Creek operations.
- 3 Accrual of income from Community Contribution Scheme (CCS) levies planned for 2022-23 (i.e. same as 2021-22 levels – adjustment will be made should Iron Knob increase their CCS from \$240 to \$360). Also includes an allocation from an Asset Sustainability Levy (ASL), that won't be implemented, (\$740,000) and a CCS specific to Leigh Creek, that won't be implemented until 1 January 2023, (\$163,000) - the OCA will address this matter with the Department of Treasury and Finance.
- 4 Covers expected income from the Oodnadatta Municipal Services program.
- 5 Income from interest on OCA funds, outback airstrips, dog registrations, public toilet donations, Andamooka Water Supply and outback community insurance.
- 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. The OCA note that \$440,000 will not be spent due to a proposed Outback Levy not proceeding in 2022-23 and will address this matter with the Department of Treasury and Finance.
- 8 Includes community assistance through annual community CARM Agreements. Also includes joint projects with non-government stakeholders. The budget for CCS payments does not include expenses of about \$70,000 associated with the collection of the CCS which are included under 'Employee Costs' and 'Supplies and Services'.
- 9 Caters for capital expenditure on renewal and replacement of existing OCA assets (\$202,000) and an allocation for capital outback infrastructure through a proposed Outback Levy (\$300,000) - the OCA note that a proposed Outback Levy will not be proceeding in 2022-23 and will address this matter with the Department of Treasury and Finance.
- 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.

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