



# Outback Communities Authority

## ANNUAL BUSINESS PLAN AND BUDGET 2023-24



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Annual Business Plan and Budget 2023-24

## Contents

Community Consultation .....	1
Presiding Member’s Message.....	2
Director’s Message .....	2
About the Outback Communities Authority .....	3
Funding Local Services and Facilities .....	6
Community Contribution Scheme (CCS) – Andamooka .....	7
Community Contribution Scheme (CCS) – Iron Knob.....	7
Community Contribution Scheme (CCS) – Leigh Creek .....	7
Asset Sustainability Levy (ASL).....	8
Focus for 2023-24.....	9
2023-24 Key Activities .....	10
Grow Our Economy.....	10
Managed tourism in the Outback .....	10
A Strategic Blueprint for Outback SA .....	10
Sustain our Community .....	11
Grow Our Influence and Presence .....	12
Budget Snapshot of the 2023-24 .....	13
2023-24 OCA Budget .....	14
2023-24 Budget Notes:.....	15

## Community Consultation

The Outback Communities Authority (OCA) commenced consultation on its draft Business Plan and Budget for 2023-24 on 19 April 2023, seeking input from those with an interest in the Outback.

The annual Business Plan and Budget focuses on key issues for 2023-24. Being fundamentally linked to the OCA's Strategic Management Plan 2020-25, the Business Plan and Budget sets the Authority's priorities for 2023-24.

The public were encouraged to review the draft Business Plan and Budget and provide feedback directly to the OCA by close of business 19 May 2023.

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 25 May 2023, the Authority considered a report containing any submissions on the 2023-24 Business Plan and Budget and endorsed the document.



## Presiding Member's Message



As Presiding Member of the Outback Communities Authority (the Authority), I am pleased to provide our draft Business Plan and Budget for the next financial year. This Business Plan is an essential statutory requirement to facilitate our funding for the financial year. The plan has been developed as we await the Government's budget decisions, expected to be announced on June 15, and we remain optimistic that this will mean a substantial funding increase.

As indicated in the 22/23 Business Plan and Budget, in the 23/24 financial year the Authority will be developing a new Strategic Plan in partnership with Outback communities through consultative processes that simultaneously involve the Authority's governance and operational leadership and those people who live and work in Outback SA. It is critical that we take advantage of emerging trends, and position ourselves to both support and benefit from broader government investment in innovative projects that will contribute to the State's, and the Outback's, economic prosperity. We will also take account of the material generously provided at Coober Pedy through the Outback Futures consultation.

As always, your comments and feedback are encouraged and welcomed. I look forward to your involvement in helping to establish an exciting strategic blueprint for our Outback SA.

## Director's Message

As the new Director, Office for the Outback Communities Authority, I am eager to get on with our business of the coming 12 months.

The Board's proposed strategic planning process will set the big picture agenda for Outback SA and enable us to look to a broader horizon about those issues that are relevant to the region, as well as those that more need to be addressed at the community level.

The Office intends to overhaul its communication mechanisms and website, and steadily work towards being an organization that it is easy for you to deal with.

One action in this year's business plan – high speed public wi-fi in all Outback communities and strategic remote locations – I believe will be a game changer and go a long way in responding to the calls the Authority has heard for many years about the need for better connectivity - for residents, businesses, service providers and visitors.

Exciting times ahead!

## About the Outback Communities Authority

The Outback Communities Authority (The Authority) was established on 1 July 2010 to administer the *Outback Communities (Administration and Management) Act 2009*. It is a State Government Statutory body responsible for the efficient and accountable administration and management of outback communities in the unincorporated areas of South Australia, along with promoting their participation in local, place-based decision making.

The Authority comprises seven board members, supported by administrative staff in the Office for the Outback Communities Authority who are assigned by the Department for Infrastructure and Transport, and are responsible for the effective governance and management of the Authority's affairs. There is currently one Board vacancy.

The Authority's role, in partnership with outback community organisations, is to facilitate and support the provision of local government type services that enhance liveability, such as community development, infrastructure management including waste management and recreational facilities along with public facilities including airstrips, public toilets, open spaces, and UHF repeater networks. 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.

Where possible and appropriate the Authority forms partnerships to improve outcomes for communities, and seeks collaborative relationships with communities, stakeholders, and communities of interest in planning for and delivering a thriving, resilient Outback SA.



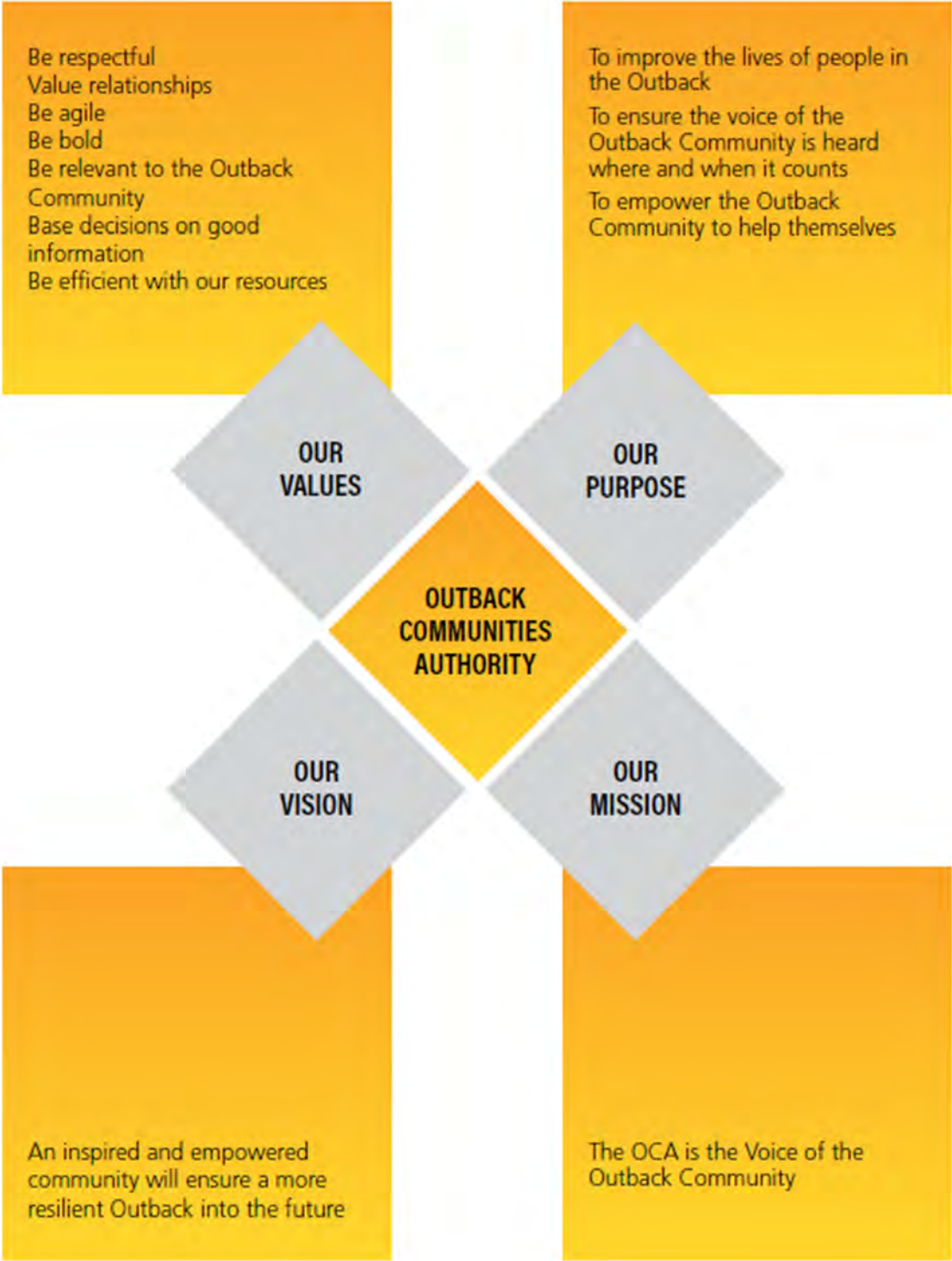
# FUNCTIONS AND OBJECTIVES

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 Authority is primarily funded through the Federal Government's Local Government Grants Commission in the same way as a Council incorporated under the *Local Government Act 1999* does, and a modest State Government appropriation.

The Authority 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 Authority'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 Authority focuses 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 funding must be available to meet the annual maintenance, depreciation, and other operating expenses of these assets.

To assist in the provision of services to outback communities the Authority has two revenue raising mechanisms; a Community Contribution Scheme (CCS) which is a community specific levy, and the Asset Sustainability Levy (ASL), which is a whole of region levy. Both are similar to council rates applied under the *Local Government Act 1999*. The latter has not been implemented to date.





## **Community Contribution Scheme – Andamooka**

In early 2012, in partnership with the Andamooka Progress and Opal Miners Association Incorporated (APOMA), 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 APOMA 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 since.

APOMA has been consulted to confirm if they agree in principle to enter a CARM Agreement which includes a community contribution for 2023-24. The Authority commenced consultation in May 2023 on the Andamooka Annual Budget and CARM Agreement including a CCS for 2023-24. Community consultation suggests the annual cost of \$400 per property unit will be continued for the 2023-24 financial year.

## **Community Contribution Scheme – Iron Knob**

Early in 2013, the Iron Knob Progress Association Incorporated approached the Authority requesting assistance for the delivery of municipal services for Iron Knob residents using 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 continued uninterrupted at the same level until 2021-22. At the Iron Knob Progress Association Incorporated's request, consultation was undertaken by the Authority in May 2022 to increase the CCS amount, with an outcome of community agreement to increase the CCS to \$360 per property unit per annum.

The Authority commenced consultation in May 2023 on the Iron Knob Annual Budget and CARM Agreement including a CCS for 2023-24. Community consultation suggests the annual cost of \$360 per property unit will be continued for the 2023-24 financial year.

## **Community Contribution Scheme – Leigh Creek**

On 1 January 2016 the Authority 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 Authority was provided a specific allocation from State Government with the clear understanding that it did not impact on the Authority's existing budget.

Funding provisions for these services were originally allocated by the Government 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 Authority 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 July 2023. Provision has been made in the Authority's forward estimates for both income and expenditure of this CCS of the value of \$167,000.

The Authority commenced consultation in May 2023 on the Leigh Creek Annual Budget and CARM Agreement including a CCS for 2023-24. Community consultation suggests the annual cost in the vicinity of \$1,000 - \$1,200 per property unit will be set for the 2023-24 financial year.

Any discrepancy between the revenue generated by a CCS and the amount specified in the forward estimates 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 Authority 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 Authority 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, aspirations and how to achieve a better and more resilient Outback SA into the future.

The Authority instigated the Outback Futures project and engaged extensively with communities and stakeholders. The Outback Futures Report and final recommendations were provided to the Minister at the end of May 2022. A key recommendation was the Authority's commitment to a 'shared responsibility' financial model, which included the introduction of a modest ASL, with matched State Government appropriation.

Provision has been made in the Authority's forward estimates for both income and expenditure of an ASL to the value of \$740,000, however it is not expected that an ASL will be introduced in the 2023-24 financial year. and will be corrected in consultation with the Department of Treasury and Finance.

If, or when, an ASL is introduced, any discrepancy between the revenue it generates, and the amount specified in the forward estimates will be corrected in consultation with the Department of Treasury and Finance.



## Focus for 2023-24

Until our new plan is developed, the Authority will continue to focus its efforts on achieving our current purpose, mission and vision as articulated in its Strategic Management Plan 2020 – 2025 through the following objectives:

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

During the Outback Futures project six goal areas were identified as being important to community participants. For now, these six goals will be woven into the 2023-24 Business Plan and Budget against the Authority's existing key objectives. The goal areas 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 Authority, 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 Outback SA to capitalise on opportunities for appropriate economic development while maintaining its unique environment and character.

### 5. The Brand

The Outback SA brand and economy is strong and well understood.

### 6. Governance

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

## 2023-24 Key Activities

In the 23/24 financial year the Authority will develop a new strategic plan – A Blueprint for Outback SA. It will do this in partnership with residents, communities and stakeholders being mindful of what we already know from the Outback Futures engagement, emerging issues and opportunities that are apparent from announcements about investments to respond to decarbonization, decentralization, and digitalization, and the circular economy.

A question the Authority will seek to answer is ‘what do we need to do right now to position Outback SA to be in the best position to take advantage of global trends?’

Another priority is for the Authority to improve its communication with Outback residents, communities, and stakeholders. We will consider technology, systems and business processes that mean we are in better touch with the people, organisations, and outcomes we exist to serve.

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

#### Managed tourism in the Outback

Action	Goal	Measureable
Partner with the Flinders Ranges and Outback Tourism Committee, the SA Tourism Commission and RDA Far North to identify opportunities for investment that will grow and manage the visitor economy.	Connection Future Opportunities The Brand	1. Our tourism opportunities are well understood 2. Information and data are available to potential investors and entrepreneurs on which to base their business decisions
Progress the ‘Outback Pass’ concept	Connection Future Opportunities The Brand	1. An intersectoral working group is established with terms of reference that include recommendations about the concept by June 2024

#### A Strategic Blueprint for Outback SA

Action	Goal Areas	Targets and Measures
Consult then publish a Strategic Blueprint for Outback SA that brings together the Authority’s aspirations and vision, those of Outback Communities and the Planning Commission’s regional plan	Liveability Vibrancy Connection The Brand Governance	1. Blueprint is endorsed by key stakeholders by March 2024

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

Action	Goal	Measureable
Partner with Outback communities and service providers to identify infrastructure and utility gaps, priorities, and opportunities for innovation.	Liveability Governance	1. Infrastructure and utility gaps, priorities and opportunities for innovation are recognized in the Strategic Blueprint for Outback SA
Support communities to develop strategic and community development plans that improve amenity and aesthetics, inclusive of 'shovel ready' projects that improve liveability.	Liveability Governance	1. The number of communities with plans by June 2024
In partnership with the Royal Flying Doctor Service, deliver high speed public wi-fi in all Outback communities and, in partnership with the Department for Infrastructure and Transport, at strategic remote locations.	Liveability Vibrancy Connection Future Opportunities The Brand Governance	1. The number of communities with high-speed public wi-fi by April 2024 2. The number of remote locations with high-speed public wi-fi by June 2024
Establish a function to address quality standards and risk across the Outback.	Liveability The Brand Governance	1. Function established by October 2023

**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
Partner with the Department for Infrastructure and Transport (DIT) to implement a new consultative forum, reporting to the Minister for Regional Roads, which makes recommendations to DIT about maintenance priorities and develops shared vision for priorities and 'pipeline' investment opportunities.	Liveability Connection Future Opportunities Governance	<ol style="list-style-type: none"> <li>1. Consultative forum established by September 2023</li> <li>2. Recommendations made in September and April each year</li> <li>3. An annual report to the Minister for Regional Roads in December each year</li> </ol>
Implement a customer relationship management (CRM) system that enables improved communication between the Authority, Outback residents, businesses, and stakeholders, and enables more agile interactions and opinion gathering	Connection Future Opportunities Governance	<ol style="list-style-type: none"> <li>1. A CRM system is implemented by December 2023</li> </ol>
Develop and consult on a visual brand for Outback SA, along with a hierarchy of signage for the region and the communities within it	Connection The Brand	<ol style="list-style-type: none"> <li>1. Visual brand and signage hierarchy determined by March 2024</li> <li>2. Signage installed by June 2024</li> </ol>

## Budget Snapshot of 2023-24

The 2023-24 Budget has been developed in accordance with the *Outback Communities (Administration and Management) Act 2009*. Management of the Budget during 2023-24 will include regular monitoring reports to the Authority.

The completion deadline for rounds one, two and three of the Federal Government's Local Roads and Community Infrastructure (LRCI) Program has been extended to end June 2024. The Office for the Outback Communities Authority and community organisations will deliver on all projects by this deadline. It is expected that a further round of LRCI funding will be available commencing July 2023.



## 2023-24 OCA Budget

The 2023-24 Budget sets out income, operating expenses and capital investment expenditure proposals consistent with the 2023-24 Business Plan and 2020-2025 Strategic Management Plan.

	2023-24 Draft Budget \$000	Notes
<b>Income</b>		
Financial Assistance Grants	1,768	(1)
State Appropriations	1,624	(2)
Community Contribution Scheme / Asset Sustainability Levy (not implemented)	1,207	(3)
Externally funded projects	3,947	(4)
Other	220	(5)
<b>Total Income</b>	<b>8,766</b>	
<b>Operating Expenses</b>		
Employee Costs	1,294	(6)
Supplies and Services	2,743	(7)
Grants and Contributions	4,259	(8)
Depreciation	801	(11)
<b>Total Operating Expenses</b>	<b>9,097</b>	
<b>Surplus / (Deficit)</b>		
Operating Surplus / Deficit	-331	
Less Capital Expenditure on Assets	-507	(9)
Plus Depreciation	801	
<b>Net Surplus / (Deficit)</b>	<b>-37</b>	<b>(10)</b>



## 2023-24 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 2023-24. 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 July 2023, (\$167,000) - the OCA will address this matter with the Department of Treasury and Finance.
- 4 Covers expected income from the Oodnadatta Municipal Services program and the Local Roads and Community Infrastructure Program Phase 1, Phase 2 and Phase 3.
- 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 2023-24 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 and expected expenditure for Local Roads and Community Infrastructure projects. 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 (\$207,000) 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 2023-24 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 because of Leigh Creek transitioning to SA Government.

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