

Outback Futures March 2022

At two online meetings held on March 22 and March 23 2022, 46 Outback residents and stakeholders joined members of the Authority and Outback Communities Authority staff to hear how the Authority proposes to resolve the financial future of the Outback and its communities, and to answer questions of clarification.

The questions below were asked by participants during the meetings in the 'chat' function of Microsoft Teams. While members of the Authority did their best to answer as many of them as possible during the meetings, not all were addressed and an undertaking was given to provide written answers to all of them, and to provide these to everyone who attended.

Questions have been grouped under the most relevant heading. The questions themselves have been directly copied from the meeting recording.

What does a change of government mean for the Outback Futures project?

Q. How does the election results impact on this project?

Q. Is there a deal with the new government?

A. The Authority will proceed with the project according to the direction provided by the previous government, and commence negotiations with the incoming government as soon as reasonably practicable.

Q. Matching funds raised by Outback residents. So is it already clear that Government will only match? Not exceed?

A. The previous government indicated that it would match funds raised by any levy that was introduced, as well as increasing its appropriation to pay for those services that primarily provided a benefit to the public (non-residents).

Consultation

Q. Is there going to be any consultation on this before you go to the new government with a proposal? A one size fits all financial model does not work for the whole of the outback.

A. The two meetings held on March 22 and 23 provided an opportunity for consultation. The Authority will accept feedback until April 11 2022.

Q. What about input from SA Tourism?

A. The purpose of SA Tourism is to assist in securing economic and social benefits for the people of our state through promoting South Australia as a tourism destination. Regional tourism bodies have been involved in Outback Futures consultation (Flinders Ranges and Outback South Australia Tourism and Flinders Ranges Tourism Operators Association).

Q. We were told there would be more community consultation and taking into account our previous feedback. Nothing has changed basically from the original proposal?

A. The major change proposed by the Authority to the Minister in December was a substantial increase to government funding to pay for those services that primarily benefit the public rather than residents. The second change was the government's offer to match funds from any levy that was introduced.

Q. We asked at Coober Pedy that the Board is more transparent by holding more of these meetings. Why has it taken six months for this to happen?

A. *Board members participated in community and online meetings in October last year. The Outback Futures report was provided to the Minister in December. Once his response was received the Board needed to decide next steps and undertake further financial modelling. The March meetings were the earliest that could possibly have occurred.*

Q. Where to from here? What are the OCA's next steps?

Q. Intention for the future?

A. *The Authority will consider any feedback received. It will then finalise its recommendations to the incoming Minister for Local Government and seek to discuss those with him. Once the Government's response is known there will be further communication with Outback people.*

Q. Can you please clarify if any further feedback provided by participants will impact on the proposal you put to Government or not?

A. *The Authority will consider all feedback provided.*

Q. Why even hold these meetings then?

A. *To provide information to community members and stakeholders and give them the opportunity to provide feedback.*

Land Ownership

Q. Land that's owned but the owner has passed away, what happens to that land as the person can't pay rates? Will it be offered for sale to the public or revert to crown ownership?

A. *There is an established legal process, defined in the Local Government Act, 1999, for dealing with payment/non-payment of rates/levies. The sale of land for non-payment of rates/levies is an option under the Act.*

Q. Please address adverse possession. Some people have tens of thousands of improvements on blocks. When you go to reclaim unpaid rates and sell the blocks, what happens to these people?

A. *There is an established legal process for dealing with adverse possession that would be used to deal with such issues.*

Q. How do I now sell my land now that it costs \$400.00 per year to own? (Or what the amount of the levy is?)

A. *Decisions to sell private property lie with the property owner.*

Q. Do I sell up and relocate or stay? Invest more in this region or relocate?

A. *These are personal decisions.*

The expanded Community Development function

Q. Are we saying that we will have more than 3 CDOs?

A. No

Q. Someone may have asked this question already, but why do we need more CDOs? Surely 3 is sufficient?

A. See answer to question above.

Q. So are communities going to be charged based on how much they utilise the CDOs? For example, a town that can manage their functions themselves won't have to pay for the salary of a CDO that utilises most of their time in one town?

A. The community development function is intended to benefit the Outback as a whole. The cost of this function will not be broken down community by community. Each community development officer has a portfolio of communities and will maintain good working relationships with each one. More information is available at <https://www.oca.sa.gov.au/get-involved/community-development-team>

Q. Will the CDO positions be offered to locals from the areas that they are suggesting will be being serviced? Or will they be centrally located as usual?

A. One CDO is based at Leigh Creek, providing service to Northern Flinders communities and Innamincka. Two are based at Port Augusta. This location provides best efficiency overall in servicing communities. More information is available at <https://www.oca.sa.gov.au/get-involved/community-development-team> The people currently in the CDO roles all applied from public advertisements and went through a fair and transparent selection process according to government requirements.

Q. So those communities that can do it (grants, admin, etc) themselves are paying for those that can't?

A. The CDOs will provide a range of supports and services. Different communities may access different services according to need.

Smaller vs larger towns and questions of equity

Q. The small towns are paying for the larger regional towns to have more access and more services while the smaller towns get?

Q. What will we small towns get?

Q. For example, Yunta has 7 street lights and Leigh Creek has LOTS. Why should we pay as residents for their much greater costs?

A. You wouldn't. At the 2016 census Leigh Creek has a population of 245 and Yunta a population of 85. Assuming that translates to a similar ratio of properties, any levy collected from Leigh Creek residents would be substantially more than that collected from Yunta residents.

Q. Doesn't answer the equity question about small town's costs versus big town costs?

A. See answer to question above.

Q. Fluctuation of residents in small towns. That would mean big variations in town's bank accounts and therefore reduced services?

A. *The proposed levy will be charged against property owners not residents so such fluctuations should not occur.*

Q. Are you saying that you are not going to take into account the feedback from this meeting regarding the clear inequity for small towns?

A. *The issue of equity will be dealt with through a policy based on fairness and ability of businesses, and in some cases, individuals, to pay. This policy would guarantee that small towns and small businesses are not disadvantaged.*

Q. I agree with the principle of 'shared financial responsibility' as long as it is shared equitably. What other 'questions of equity' (p11 of the Outback Futures report) were addressed and what were the results of this?

A. *Equity was addressed by the previous government indicated that it would match funds raised by any levy that was introduced, as well as increasing its appropriation to pay for those services that primarily provided a benefit to the public (non-residents).*

Who pays the proposed levy and how will it be applied?

Q. How will the land tax or rates be charged? Do they need to be joined on the same title? What is the criteria? The Government owns land too. Will they have to pay the levy or tax on each individual block of land?

A. *The process for the collection of rates/levies will be outlined in OCA policy and will be similar to the Community Contribution Implementation Guidelines. A copy of that policy can be accessed: https://www.oca.sa.gov.au/data/assets/pdf_file/0005/356675/SOP-Community-Contribution-Implementation-Guidelines.pdf. Land and properties owned by government agencies will pay a levy unless that property falls into a category that is exempt. For example a health clinic.*

Q. What about multiple blocks? Is that \$250 for each block where only a house is on one block?

A. *Unless land is contiguous a levy will apply to each block.*

Q. Do contiguous blocks count as one or two properties?

A. *Contiguous blocks count as one property.*

Q. If there are multiple businesses running out of one address are they all charged? Online businesses or just brick and mortar business only?

A. *The process for the collection of rates will be outlined in OCA policy and will be similar to the Community Contribution Implementation Guidelines. A copy of that policy can be accessed: https://www.oca.sa.gov.au/data/assets/pdf_file/0005/356675/SOP-Community-Contribution-Implementation-Guidelines.pdf.*

Q. Will the national parks and conservation leases be levied also? And Aboriginal lands also.

A. Conservation leases would be levied. National Parks are not within OCA's jurisdiction and would not be levied. Aboriginal communities on Aboriginal Lands are not within the OCA's jurisdiction. Neither does the OCA provide services to Aboriginal communities on Aboriginal Lands.

Q. Will Government land be levied too?

A. Land and properties owned by government agencies will pay a levy unless that property falls into a category that is exempt. For example a health clinic.

Q. So Government land blocks that are intended for residential but have never been taken up by anyone will pay a levy?

A. Vacant Crown Land is exempt from paying a levy.

Q. A business in a large regional town with high frequency of custom compared to a small business in a small remote town. Why are they both being charged the same figure? Regional centres financially have a much better ability to pay that kind of fee compared to a small town with limited custom. Has this been seen as an equitable requirement of payment?

A. Policy will be developed in the implementation phase to address equity.

Q. What happens if I don't pay the levy?

A. The OCA is able to take steps to recover unpaid debts including sale of property.

Q. Can we please have some help to work with Revenue SA to sort out contiguous land parcels?

A. Yes. This work will need to occur during the implementation phase prior to the introduction of a levy if that is what transpires.

Q. Does the levy from that town stay with that town?

A. No

Q. When would the proposed levy start?

A. If a levy is introduced it would likely commence in July 2023.

Q. Does the board agree it is a bad time to bring in such a high levy whilst still in drought recovery?

A. The OCA acknowledges some community members have suffered financially from the impacts of drought and covid over recent years. The OCA feels the levy must be introduced to meet the immediate needs of Outback residents, however Policy to support cases of hardship exists and will be reviewed prior to the implementation of any new levy. (https://www.oca.sa.gov.au/data/assets/pdf_file/0005/356675/SOP-Community-Contribution-Implementation-Guidelines.pdf)

Q. Will tourists be levied or commit to any recompense of funds?

A. The previous government supported the OCA's proposal that it (the government) increase funding to pay for those services that primarily cater for the public, rather than residents. This includes tourists.

Q. The 'shared financial responsibility' model is only applied to the resident of small communities and station properties. Less than 50% of the total population of the Outback of SA. Does the OCA have any plans, or indeed an intention of entering into negotiations with other outback residents or their representatives, to ensure that they are

able to contribute appropriately to the provision of services in the outback which they will also benefit from? If not, this is an unfair and equitable model and a clear example of picking the easy target.

A. All properties, big and small, located within the Out-of-Councils areas of SA is within scope of this proposal. This amounts to 100% of the land, however some of this land will be exempt under provisions contained within the Local Government Act, 1999, for example, some Crown Land.

Q. CPI becomes compounding and might be high at times. Can this be capped?

A. CPI will be applied in a compound manner consistent with the principle.

Q. Why can't we have a community by community model? Our Progress Associations would be more than capable of providing the OCA with an understanding of costs for our communities.

A. A levy is for the benefit of the Outback as a whole as well as the various townships and businesses within it. If a community wants a specific level of service outside what this model will provide, for example a new Hall or a swimming pool, then that community can have a specific levy (called a Community Contribution) applied to that community (on top of the Outback Levy).

Volunteering

Q. So why should I even volunteer? We are obviously not competent to do it.

Q. Support us by making the volunteers pay to do what they already do as a volunteer?

Q. This is going to make people stop volunteering. What is the incentive?

Q. In small towns, we do everything. We support facilities, events, community benefit assets, and significant volunteering efforts go towards that. Now you are saying we should still do that but pay for the privilege?

A. The OCA respects and values volunteers as core to the community operations of the Outback community. 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.

The 'Multiplier' for primary producers, commercial enterprises and industrial operations

Q. Why do primary producers pay 4 times as much per suggested cap? Are they getting more services?

Q. So why is the levy so much larger for pastoral properties then?

A. It represents an equitable contribution based on ability to pay. A policy would be developed that allowed primary producers to apply for a percentage rebate if they felt this was not equitable.

Q. Why is the levy so high for producers who don't use any community services at all? \$980 p/a for street lights 250km away.

Q. There are no services provided to most pastoral stations. What are we paying a levy for?

Q. Will be interested to know what primary producers will get for their levy?

A. Primary producers, their families, their suppliers and their staff use facilities in townships. For those primary producers who have diversified their business to include tourism, the additional visitors to the region put pressure on services. The proposed special waste management service will benefit all Outback residents including primary producers.

Q. How do you determine what pastoral property is attached to which town?

A. The levy is a contribution to the wellbeing of the entire Outback so the location of a pastoral property relative to a particular town is irrelevant.

The costs of the OCA doing business

Q. Out of the 100% levy, how much does the OCA absorb? Currently communities are getting 5% in CARM money. The rest never goes to communities. How will this percentage change? I request further consultation before one more CDO is employed.

A. Corporate overheads represent approximately 15% of service costs.

Services

Q. The waste collection is not mandatory for rate payers though and this will be reflection in rates charged?

A. The cost of waste collection from residences is on a user pays basis. It is not costed from within a levy. Public waste collection, under the current proposal, would be paid for through increase government funding, therefore not costed from within a levy.

Q. Who determines what waste is? One person's trash is another's treasure. That's ambitious and costly to try and deliver a waste collection service to everyone. Would the people even desire such a service? I don't see how it could be cost effective.

A. The key purpose of the waste management service described at the meetings on March 22 and 23 is to enable waste that is difficult to dispose of in the Outback (e.g. old tyres, chemicals, etc) to be managed and to contribute to positive environmental outcomes. One of the previous suggestions during earlier consultation was to establish a recycling business venture somewhere in the Outback.

Q. Will this include waste dump in Andamooka?

A. The plan is that local landfills, including the one at Andamooka, will only be used for putrescible waste in the future and all other waste is either recycled or disposed of within EPA Guidelines.

Q. Who is going to monitor that compliance reviews of towns? OCA or volunteers?

A. The compliance function would be undertaken by the OCA.

Q. Most of the stuff in town is of no benefit to residents but residents are expected to maintain these. How is that fair? Do you mow your neighbour's lawn and do gardening for them? It's their responsibility, not yours!

A. This is why the OCA has proposed to government that it increases its funding to pay for those things rather than burdening residents with the cost of their maintenance.

Q. Who is going to pay for town roads to be maintained?

A. Roads are the responsibility of the Department of Infrastructure and Transport. This will not change.

Q. Is the management of airstrips being taken away from Progress Associations?

A. Additional funds are being budgeted for Progress Associations to better maintain airstrips.

Q. So Andamooka doesn't have an airstrip which is maintained?

A. The OCA is keen to see a strategically located network of well-maintained airstrips across the Outback.

Q. What are the basics that are funded? When and how is that determined?

A. The proposal would see increased funding allocated to fund services used predominantly by the travelling public and increased funding to reduce the need for local fund raising for the provision of local community services provided by volunteers.

Q. Communities are much more financially efficient at running things than Government. It sounds like Government will step in and manage these at a greater cost so the levy will have to increase. What happens when the short fall is identified?

A. The question of whether communities or the OCA manages service delivery is yet to be determined. There may well be different solutions in different parts of the Outback depending on context and capacity and opportunities to generate employment.

Q. Are you saying that the Government will 100% cover the costs of all community buildings?

A. No. Public service buildings will be covered, for example toilets, however community owned buildings remain the responsibility of the community concerned, albeit with an increased allocation of funds to support community development.

Q. When will the building applications and council consent laws come into effect? Will these apply to stations and town residents? If not, why not? Why make it harder to live out here by imposing these?

A. The South Australian Planning System applies in all part of South Australia, it came into effect in 2016 and is underpinned by the Planning, Development and Infrastructure Act, 2016.

Q. As part of this process has a breakdown of costs associated with each town been undertaken?

A. The OCA has drawn on its own financial statements as well as those audited financial statements provided by Progress Associations to get a reasonably accurate understanding of the costs of services.

Support for projects and events

Q. How does one get support for community events? Have known of two events/organisations which haven't been supported whose events have serviced the people of the outback. Can you tell me what is needed to maintain and comprise a progress association?

A. Should the shared financial responsibility model be recommended and supported by government there will be a pool of money available for events to which communities and organisations can apply, with clear selection criteria and reporting requirements.

Q. Will there be any project funds or do they all come through a community based CCS?

A. If the current financial model is accepted by government there will be a separate project fund to which communities can apply. A very costly project beyond the scope of available funds could conceivably require a community contribution.

Q. Are there any project funds? Can I suggest one of the CDOs is based in Port Augusta and assist communities to navigate government departments.

A. See answer to question above. Two of the CDOs are based in Port Augusta. Collectively as a team part of their service to communities is to assist in navigating bureaucracy.

The Outback Pass Concept

Q. Informal discussions must have taken place regarding the 'Outback Pass.' Can you please speculate as to how you think this might work in practice? (without waiting for the results of feasibility study)

A. The concept involves the provision of camping areas with facilities such as toilets, waste collection and unpotable water (for hand washing) to reduce the environmental impact of self-contained travellers in exchange for a modest annual fee that would enable the concept to be cost neutral – that is pay for maintenance, waste management and compliance. The location of the camping areas would be subject to consultation and avoid encroaching on areas where commercial camp grounds are operating. An app could be developed to provide information about the areas through which people were travelling and have the capacity for businesses to advertise.

In the future...

Q. How will CARM money be allocated? Will it be a fair and equitable split amongst all the towns included in the OCA region?

A. The actual allocations of CARM money will depend on the OCA's financial position once the Outback Futures project has concluded. Any allocations will be made in a way that upholds fairness and equity.

Q. Is it still not clear what is expected from Progress Associations and what is being managed by OCA? When will we get any clarity?

A. As part of any implementation plans once the government's response to final recommendations is known.

Q. So who will pay for the power and water? Are the Progress Associations having to fundraise for 100% of it or is the levy contributing to 50%? How is this different from now? The bottom line is, who pays for the essentials (water, power & electricity)? Until the OCA gives more detail, why would we want to go with your proposal?

Q. Who is paying for all of the ongoing costs for town assets? Buildings, maintenance etc? Still Progress Associations?

Q. Insurance makes up more than 50% of overall town costs for our Progress Association OCA currently only share ¼ of the cost of that funding. Is this going to therefore increase to 50%?

A. Should the shared financial responsibility model be recommended and supported by government there will be an increased pool of funding within the CARM (Community Affairs Resourcing and Management) budget to support community costs. This includes, but not limited to, power, water, insurance, etc.

Q. The difference is communities work for free and wages will still need to be paid. I Struggle to see how it can run as anticipated when there are already obvious wastage of public money. Who will watch over OCA?

A. The OCA sees opportunities to increase employment in the Outback. The OCA is accountable to both government and the Outback community for its services and fiscal responsibility.