

# **OCW Submission**

## **Draft 2026–27 Annual Business Plan and Budget**

**Submitted by Onkaparinga Council Watch**

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### **1. Purpose of submission**

This submission addresses the draft 2026–27 Annual Business Plan and Budget.

It also refers to issues raised in the 2025–26 budget submission, Council’s response to that submission, Council’s 2026–27 budget responses, OCW community engagement, public comments, and the Mayor’s budget survey.

The submission focuses on:

- Long Term Financial Plan discipline
  - debt strategy and debt reporting
  - asset sales and debt reduction
  - budget transparency
  - service and program reporting
  - tourist parks
  - ICT and ongoing system capability
  - accounting treatment and financial reporting
  - community engagement and public understanding.
  - Essential and nonessential services
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### **2. Relevance of 2025–26 submission and asset sales**

The 2025–26 budget submission lodged by Yvonne Wenham raised concerns about asset sale proceeds, the \$3 million annual surplus asset sale target, debt reduction, debt strategy, and transparency in financial reporting.

Council’s response confirmed the \$3 million annual target formed part of the Long Term Financial Plan and that less than \$632,000 had been raised to that point.

Council has now provided the following actual revenue from surplus asset sales:

Year	Actual revenue
2021–22	\$335,937
2022–23	\$105,000
2023–24	\$7,695
2024–25	\$1,608,147
2025–26	\$5,396,074

The figures show the \$3 million annual target was not met in 2021–22, 2022–23, 2023–24 or 2024–25, and was exceeded in 2025–26.

At a March 2026 elected member session, it was stated that current-year asset sale proceeds had exceeded the \$3 million target. It was also stated that treatment of the excess had not yet been determined.

Options raised included whether the excess would be carried forward, applied to debt reduction in the current financial year, offset against future years’ asset sale targets, or paid down immediately to reduce interest costs.

OCW submits that this should be clearly determined and publicly reported. If surplus asset sale proceeds are not applied to debt reduction when received, Council may continue carrying debt and interest costs that could otherwise be reduced.

The budget should clearly show total asset sale proceeds, whether proceeds relate to plant, fleet, equipment or land, whether proceeds are operating or capital in nature, how much is applied to debt reduction, how much is applied elsewhere, and how shortfalls against the LTFP target are managed.

OCW further submits that, as part of standard quarterly reporting, Council should maintain a transparent public register disclosing surplus asset sales, proceeds received, where proceeds are allocated, when proceeds are applied to debt reduction, and the resulting impact on debt levels and interest costs.

OCW submits that Council’s Asset Revitalisation Plan should also include a structured public engagement process identifying assets proposed for consideration through each annual budget cycle. This would provide the public with earlier visibility of proposed asset rationalisation, allow meaningful public feedback before decisions progress too far, improve transparency regarding future asset disposal considerations, reduce situations where proposals only become publicly visible once formal reports are presented to Council, and assist Council to identify assets that are unlikely to raise significant public concern so they can progress more efficiently through the process.

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### **3. Long Term Financial Plan discipline**

Council has LTFP documents, strategies, reviews and financial principles.

The issue is not only whether plans exist.

The issue is whether Council:

- sticks to adopted plans
- reports against them
- explains changes
- publicly acquits outcomes
- identifies drift
- shows the financial consequence of new or changed priorities.

OCW submits that each newly elected Council should adopt a four-year priorities and project framework during its first budget/LTFP cycle.

That framework should identify:

- major projects
- minor projects
- strategic priorities
- service review priorities
- borrowing assumptions
- asset sale assumptions
- planned operating savings
- expected community outcomes.

Projects should not materially drift during the Council term unless there is a stated reason, such as:

- legal requirement
- emergency circumstance
- critical asset failure
- confirmed external funding opportunity
- formally demonstrated public-interest need.

Changes should be reported publicly against the original four-year framework.

OCW further submits that State Government election commitments involving local government infrastructure or projects should be focused on projects already identified within Council's adopted four-year budget and strategic planning framework.

OCW submits that commitments for projects outside the adopted four-year framework create financial planning, prioritisation and governance risks for councils, particularly where projects create ongoing operational, renewal and lifecycle liabilities.

If the State Government seeks delivery of projects outside Council’s adopted strategic and financial priorities, OCW submits the State Government should fully fund both establishment and associated long-term financial impacts.

OCW submits councils should not accept external funding for projects without fully assessing and publicly identifying:

- ongoing operating costs;
- renewal costs;
- lifecycle costs;
- future staffing impacts;
- future upgrade obligations;
- depreciation impacts;
- and long-term budget implications.

Those costs should be incorporated into Council’s long-term financial planning and decision-making at the time projects are approved so elected members and the public can properly assess whether projects remain financially viable over their full lifecycle, not merely at installation or construction stage.

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## 4. Tourist parks

The adopted 2025–26 budget identified the objective to:

“Finalise the master plan for the Moana Beach Tourist Park, guiding future investment to transform it into a premier tourist destination.”

However, the strategy has not yet been publicly delivered or presented to Council.

The 2026–27 draft budget proposes expenditure of:

<b>Tourist park</b>	<b>Draft 2026–27 budget</b>
Christies Beach Tourist Park	\$1,686,258
Moana Tourist Park	\$2,343,553

Total identified expenditure: **\$4,029,811**.

OCW submits the budget material does not establish whether this expenditure is essential, discretionary, renewal-based, strategic-investment based, or operationally necessary.

OCW further submits that significant ongoing investment should not occur before the previously identified tourist parks strategy and master planning work has been completed, publicly presented and considered by Council.

OCW submits that tourist park expenditure should be reviewed against:

- adopted strategy;
  - long-term financial return;
  - renewal obligations;
  - lifecycle costs;
  - debt implications;
  - and whether expenditure is essential or discretionary.
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## 5. ICT

Council's 2026–27 budget response identifies the following ICT budget detail, which was only provided after questions were specifically asked by Yvonne Wenham on behalf of OCW:

- recurrent ICT operating expenditure: **\$11.17 million**
- operating projects and capital works: **\$2.24 million**
- software and licensing costs: **\$5.52 million**
- employee costs: **\$3.1 million**
- equipment leasing: **\$1.1 million**
- contractors: **\$0.54 million**

OCW submits that this level of detail was not explicitly presented in the published draft budget in a way that allowed elected members or the public to meaningfully assess the expenditure and allocation before being asked to provide feedback.

Council also identifies a **OneCouncil Data and Staff Capability Uplift Program**.

OCW submits that the proposed uplift appears to be retrofitting existing problems of non-delivery associated with the original ICT Reform / OneCouncil implementation.

The ICT Reform / OneCouncil project was originally presented as a reform program intended to deliver efficiencies, savings and improved organisational capability. The 2018 endorsed report should therefore be considered against current ICT expenditure and capability gaps.

OCW does not accept the position recently expressed at Audit and Risk Committee that there is limited value in reviewing the past.

The past is directly relevant because Council is still carrying substantial ICT recurrent costs while simultaneously funding uplift programs to improve data capability, reporting quality and staff capability that were expected outcomes of the original reform process.

OCW submits that Council should publicly report:

- original ICT Reform cost assumptions;
- expected savings and efficiencies;
- actual total project cost;
- ongoing recurrent ICT costs;
- benefits realised;
- benefits not realised;
- remaining capability gaps;
- and whether the original financial and operational outcomes have been delivered.

OCW further submits this raises a broader governance and financial oversight question regarding whether the current ICT environment remains economically sustainable and operationally effective, or whether Council should undertake a formal business-case assessment regarding whether continuing remediation and uplift represents the best long-term financial outcome compared with replacement or alternative system approaches.

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## **6. Accounting treatment and financial reporting**

Council can provide additional financial detail beyond the statutory minimum reporting requirements legislated.

This is particularly relevant where Council itself acknowledges that current accounting treatment can mask the underlying financial position.

OCW submits that where Council is aware statutory presentation does not clearly reflect the underlying financial position, Council should provide clearer supplementary public reporting rather than relying solely on minimum legislative presentation requirements.

OCW further submits that Council should advocate for improvements to local government financial reporting requirements where existing legislative treatment reduces transparency or public understanding.

Council should lead by example by demonstrating what transparent and decision-useful local government financial reporting looks like.

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## **7. NDIS**

Council’s advice states the proposed NDIS program is self-funding and at no cost to Council.

However, the budget table provided by Council identifies:

<b>NDIS services</b>	<b>Income</b>	<b>Expenditure</b>	<b>Net cost</b>
NDIS-related services	<b>\$350,000</b>	<b>\$480,713</b>	<b>\$130,713 cost to Council</b>

The figures contradict Council’s own advice. Council has identified the proposed service as self-funding and at no cost to Council, while the budget table shows existing NDIS-related services operating at a **\$130,713 net cost to Council**.

Council has not explained the cost drivers, subsidy, overhead allocation, pricing assumptions, participation levels, or why a participant-funded service is producing a net cost to ratepayers.

Council’s own 2020–21 Annual Business Plan stated Council would “monitor the funding environment for our disability programs.” The current budget material does not demonstrate that this has been acquitted through a current whole-of-program review.

OCW has previously raised concerns with former CEOs about Council’s role as an NDIS provider, cost recovery, market impact and reporting transparency. This is not a new issue.

OCW submits that Council should not expand NDIS-related services while the existing model is operating at a loss and has not been transparently reviewed.

NDIS services should be separately itemised in the budget and quarterly reporting.

A comprehensive review should be undertaken as a matter of urgency before any expansion is adopted. That review should identify total income, expenditure, direct and indirect staffing costs, overheads, Council subsidy, pricing assumptions, compliance costs, market impact, risks, and whether continued delivery is financially sustainable and consistent with Council’s role.

## **8. NDIS fees and charges disclosure**

Council’s fees and charges schedule cites **Local Government Act 1999 section 188(1)(b)** for NDIS-related services.

The schedule does not state the actual Council fee.

Instead, it states:

“Price on application and set by NDIS price guide”

and:

“Participants access services via their NDIS plan and prices are set by the NDIS Price Guide.”

OCW submits this does not clearly disclose Council’s own fee or pricing method.

The NDIS Pricing Arrangements and Price Limits set the maximum amounts that can generally be charged for particular NDIS supports. They do not automatically set the fee charged by each provider. Council, as the service provider, still determines the actual fee it charges for each service, provided that fee sits within the applicable NDIS pricing limit.

This raises questions about whether Council’s fees and charges schedule is meeting the legislative intent and transparency obligations associated with publicly adopted fees and charges schedules under the Local Government Act 1999.

The 2025–26 Schedule of Fees and Charges shows this is not isolated to the 2026–27 budget. It also does not disclose actual NDIS fees.

OCW submits this raises a transparency and oversight concern because Council does not clearly disclose:

- the actual NDIS fees charged;
- whether it charges the maximum NDIS price limit or a lower amount;
- why NDIS-funded services produce a net cost to Council;
- and the overall NDIS service model has not been reviewed since implementation.

## **9. Graduate Program**

Council’s budget response identifies a proposed graduate program cost of **\$477,071**.

OCW submits this should be clearly disclosed in the draft budget, including:

- number of graduate positions;
- business need;
- whether roles are temporary or ongoing;
- service areas supported;
- expected organisational benefit;
- and whether this is essential or discretionary expenditure.

## **10. OCW community feedback — Draft Budget 2026–27**

On 5 May 2026, OCW published a public Facebook poll asking:

“How do you think Council should balance the budget?”

Members of the public could add their own response options and comments. OCW advised participants that community feedback may be included in this submission and sought consent before including individual comments.

<b>Poll option</b>	<b>Votes</b>
Stop spending on useless stuff	147
Reduce salary bill and expenses paid	114
Cut discretionary expenditure	87
None — show a full cost breakdown first	70
Full independent audit on every level of council	69
Cutting spend on upside down ice creams and similar artwork	66
Cut services	48
Reduce funding for consultants to perform meaningless research	15
Sell the ice cream on Beach Rd	14
Spend money on improving the quality of life of the masses and reduce spending on improving the life of the few	9
A mix of every option	7
Reduce service standards	5
Stop chasing Federal and State funding which we also have to fund	5
“I just want milk that tastes like real milk”	3
Get a DOGE	2
Increase rates	0
Increase borrowings	0

The poll was not a scientific survey. It was self-selected social media participation. However, the results show strong concern about discretionary expenditure, staffing costs, consultants, contractors, transparency, independent review, and the absence of detailed expenditure breakdowns.

Comments participants consented to OCW using included:

“I believe the real issue is not revenue, it is the way council spending, staffing, priorities, and accountability are being managed.

Before any rate increase is imposed on the community, there should be a full internal review and independent audit of council operations, including:

- Executive salaries, allowances, and vehicle benefits
- Job descriptions, staffing structures, and whether the right people are in the right roles
- Credit card use and discretionary spending
- Office expenses, stationery, subscriptions, consultants, and administration costs
- Project spending and whether essential safety works are being prioritised over non-essential or cosmetic projects
- All current and proposed capital works, with a clear focus on community need, safety, roads, infrastructure, and basic services

No expense should be considered too small to review. Residents are already under financial pressure, and council should demonstrate that every dollar is being spent responsibly before asking the community to pay more.

We need transparency, accountability, and a serious overhaul of the current structure, not another burden placed on ratepayers.”

— Natalie Jones  
(37 people agreed)

“Without a full breakdown of expenses it is irresponsible to pass a budget or ask the rate payers to agree or disagree to proposed budget. Borrowing more funds when council cannot repay from income received is disastrous. The monies from land that is/has been sold was to come off council debt. That should happen as was declared previously.

Transparency and accountability are the purview of elected councillors.

Rate payers are under financial stress at present and that needs to be considered.”

— Terrie Paice  
(19 people agreed)

“City of Onkaparinga needs to balance the budget the same way households have to: cut non-essential spending first. Protect core services, trim bureaucracy and then stop growth in wages and overheads that outpace our ratepayers ability to pay.

Rates being lifted should be the last resort, not the first!”

— Tyler Green  
(10 people agreed)

“One of my big gripes with the Council spending is the amount of time and resources spent on matters not within their publicly accepted purview - e.g. Climate change, the date on which Australia Day is celebrated etc.”

— Necia McFarlane  
(9 people agreed)

“Totally agree.  
Most of us HAVE to live on a budget based on ‘WANTS’ & ‘NEEDS’..... we might want something but do we need it & can we pay for it !

What gives the Council the right to treat OUR money we pay them irresponsibly?  
They are paid to manage our - RUBBISH, ROADS, RESERVES, RATES & Community Facilities not build empires & self promote themselves!! 🤔”

— Gerry Loiterton  
(4 people agreed)

“Also stop watering the (unwanted) trees dumped on our lawns/pavements when its bucketing with rain! I’m in Aldinga on Pridham it was full on rain when I left this morning at 6:45 am this morning and my wipers were full on getting out of my driveway and the truck was watering across the road. Still driving around Aldinga now watering. Its madness!”

— Jess Sweet  
(4 people agreed)

“The council should completely resign because they are a corporation. And then we can get back our real council that gets its authority from the People”

— Peter Dawson  
(7 people agreed)

“an audit on contractors!”

(5 people agreed)

OCW submits the feedback demonstrates significant community concern about transparency, discretionary expenditure, staffing, contractors, accountability, and confidence in Council’s budget process.

## **11. Mayor’s survey**

Following Council endorsing the formal community engagement approach for the 2026–27 draft budget, the Mayor separately created and promoted her own public survey seeking resident views relevant to councillor decision-making during the budget process.

OCW submits this raises governance and process questions regarding:

- the purpose of the additional survey;
- how the information gathered was intended to be used;
- whether the survey formed part of the formally endorsed engagement process;
- whether the results were provided to all elected members;
- whether the survey created a parallel consultation process outside the formally adopted community engagement framework;
- and how the results were submitted, interpreted and used for decision-making.

OCW submits this raises public confidence issues regarding the integrity, consistency and transparency of budget consultation and decision-making processes.

### **13. Debt strategy and long-term financial planning**

OCW submits it is negligent that Council has not publicly updated its debt strategy since 2021 despite:

- ESCOSA’s substantial unsustainability findings;
- Council’s own acknowledgement that the financial position is “precarious”;
- significant increases in borrowings;
- interest rate volatility;
- inflationary pressures;
- and major future capital and operating commitments.

OCW submits that long-term debt planning should not rely on assumptions embedded across multiple documents without a current publicly adopted debt strategy clearly setting out:

- debt purpose;
- debt ceilings;
- repayment methodology;
- borrowings versus renewal principles;
- intergenerational equity principles;
- risk thresholds;
- interest exposure;
- and debt reduction pathways.

OCW submits that a revised debt strategy should be publicly consulted on and adopted before further major long-term financial commitments are undertaken.

### **14. Debt presentation and borrowings**

Council's draft 2026–27 budget states **new borrowings of \$5.97 million**, while also presenting a budgeted debt position of **\$129.9 million**.

Budget Review 3 for 2025–26 states borrowings at **30 June 2026** are forecast to be **\$109.916 million**, a reduction of **\$9.8 million** compared with Budget Review 2.

OCW submits that this creates a material debt reporting issue.

The public and elected members should not be required to reconcile materially different debt figures across separate budget papers, quarterly reviews, carry-forward assumptions and financial statements.

Council should clearly explain the movement between:

- the **\$109.916 million** forecast debt position at 30 June 2026;
- the **\$5.97 million** in proposed new borrowings;
- and the **\$129.9 million** budgeted debt position.

OCW submits that the absence of a clear reconciliation weakens financial oversight and makes it difficult to assess Council's true borrowing position, debt trajectory, carry-forward impacts and exposure if the full capital works program is delivered.

Debt reporting should be transparent, reconciled, decision-ready, and clearly reported to the public before the budget is adopted.

## **15. Public hearing process and verbal submissions**

OCW submits that Council should reintroduce a formal public hearing process for annual business plan and budget submissions.

Prior to COVID-19, members of the public were able to verbally address Council regarding their submissions and concerns before final budget adoption.

OCW submits this provided an important accountability and transparency mechanism by allowing:

- members of the public to directly address elected members;
- clarification of written submissions;
- discussion regarding whether concerns had been addressed in the final budget report;
- and public visibility of the issues raised before Council determined the final budget.

OCW submits the current process does not adequately facilitate this.

While individuals may request to speak to their submissions through existing public participation mechanisms, that opportunity is not prominently or clearly communicated as part of the formal budget engagement process.

OCW submits many members of the community would not reasonably understand that such an opportunity may exist.

OCW further submits that budget engagement material and final budget reports should explicitly identify:

- whether verbal submissions can be made;
- how members of the public may request to speak;
- when those hearings or presentations will occur;
- and how elected members will consider and respond to issues raised before final budget adoption.

OCW submits this would improve transparency, accessibility and public confidence in Council's budget consultation and decision-making process.

## **16. Final submission position**

OCW submits that Council should not adopt the 2026–27 budget without first addressing the transparency, oversight and financial governance issues identified in this submission.

OCW submits that Council should:

- provide a clear breakdown of operating expenditure;
- identify essential versus discretionary spending;
- itemise major cost increases;
- review service areas operating at a loss;
- provide clearer debt reporting;
- update its debt strategy;
- and ensure elected members and the public have sufficient information to assess the budget before adoption.