COUNCIL WATCH FLEURIEU

VICTOR HARBOR | 00 NOVEMBER 2026 • NEWS IN BRIEF

DECISION DAY IS APPROACHING



$1.2 MILLION A YEAR — COUNCILLORS CAN NO LONGER CLAIM THEY WERE NOT WARNED

At the public briefing on 16 November 2026, CEO Chris White acknowledged that the proposed Regional Community, Sport and Recreation Precinct could expose Council to approximately $1.2 million in ongoing annual costs, while significant financial, contractual and operational matters remain unresolved. Council Watch welcomes the increased disclosure.

THE FINANCIAL WARNINGS

The briefing identified a $15.7 million proposed capital contribution schedule including assumed grants; a $669,000 grant shortfall; unresolved operating subsidies and gymnastics arrangements; and approximately $1.6–$1.7 million in incurred or anticipated committed costs if the project stops. The project has strategic merit, but transaction readiness has not yet been demonstrated.

Council Watch calls for any final binding commitment to be deferred until after the April 2027 elections, subject to existing legal obligations. Councillors Burns and Kemp have questioned affordability. All elected members must account for their decisions.

NEWS IN BRIEF | HAVE YOUR SAY

WHERE IS THE SGL PRUDENTIAL REPORT?

Why has the complete Nathan Gray (SGL) prudential assessment, including its underlying financial assumptions, not been made public? Council Watch calls for both the SGL and UHY Haines Norton assessments and an independently verified whole-of-life financial model.

LET THE COMMUNITY DECIDE

Chairman Terry Andrews calls for the project to be stopped or deferred until after the April 2027 elections. He encourages residents to express their views directly, politely and respectfully.

FIVE QUESTIONS EVERY RATEPAYER IS ENTITLED TO ASK

1. Will you support release of both prudential assessments and material financial assumptions?
2. What independent evidence demonstrates that ratepayers can afford the ongoing obligations?
3. Will you support renewed consultation based on complete and corrected financial information?
4. Will you support deferring any final binding commitment until after the April 2027 elections?
5. If you vote to proceed, what evidence and contractual safeguards protect current and future ratepayers?

MAKE YOUR VIEWS KNOWN

Elected representative	Contact number
Mayor Moira Jenkins	0412 733 453
Cr Angela Schiller	0428 264 118
Cr Carol Schofield	0473 236 491
Cr Marilyn Henderson	0427 464 213
Cr Michael Quinton	0473 680 399
Cr Nick McKenzie	0467 606 927
Cr David Kemp	0448 801 521
Cr Stewart Burns	0419 766 236
Cr Brayden Mann	0403 785 805

Numbers supplied by the Chairman; confirm against the official directory: victor.sa.gov.au/your-council/about/elected-members. Seek written responses where possible.

THE DECISION — AND THE CONSEQUENCES — NOW REST WITH YOUR ELECTED MEMBERS.

THE TIME FOR CHANGE IS NOW!

NEWS IN DETAIL

THE EVIDENCE BEHIND THE STORY

THE CEO HAS DELIVERED THE WARNING — THE COUNCILLORS MUST NOW ACCEPT RESPONSIBILITY

Perhaps the most significant outcome of Monday's briefing was the extent to which the incoming CEO publicly identified the financial risks associated with the project.

Mr White has placed elected members on notice regarding:

• Estimated ongoing expenditure of approximately $1.2 million annually.

• A proposed capital contribution schedule totalling $15.7 million, including assumed grant funding.

• An outstanding grant funding shortfall of approximately $669,000.

• Unresolved operating subsidies and gymnastics arrangements.

• Approximately $1.6–$1.7 million in expenditure already incurred or anticipated committed costs if the project stops.

• Continuing financial and commercial risks associated with a public-private partnership.

• Council's potential ultimate responsibility should the commercial arrangements fail.

His presentation also concluded that the project has strategic merit but that transaction readiness has not yet been demonstrated. These are not allegations made by Council Watch.

These are matters identified by Council's own Chief Executive Officer.

The administration has now publicly identified significant financial risks. If elected members choose to proceed without satisfactorily resolving those risks, they must accept accountability for that decision.

While administration retains its statutory and professional responsibilities, elected members cannot subsequently distance themselves from the financial consequences of decisions they knowingly support.

THEY HAVE BEEN WARNED.

WHO WILL ULTIMATELY CARRY THE FINANCIAL RISK?

Perhaps the most revealing statement of the entire briefing occurred approximately 33 minutes into the presentation when CEO Chris White acknowledged:

“Council will be the ultimate guarantor for this facility, and I don't think anyone, uh, would suggest otherwise.”

He subsequently acknowledged that lifecycle obligations not met through the commercial arrangements would almost certainly be borne by Council. This raises a fundamental question about the claimed advantages of the public-private partnership. If the developer encounters financial difficulties, if the operator cannot meet its obligations, if the commercial components fail to generate sufficient income, or if maintenance and refurbishment obligations cannot be met, who ultimately carries the burden? **The ratepayers of Victor Harbor** could be left carrying the financial consequences.

A commercial arrangement that transfers responsibilities on paper but leaves Council carrying substantial ultimate financial risk deserves the most rigorous independent examination.

99 YEARS — HAS ANYONE EXPLAINED THE TOTAL FINANCIAL EXPOSURE?

Council Watch Chairman Terry Andrews has raised concerns about the accumulated financial consequences of ongoing subsidies over the proposed initial 99-year ground lease. Using the CEO's estimated annual cost of $1.2 million, the following illustrates the potential cumulative expenditure if that cost were to continue and increase by 3% annually.

Period	Illustrative cumulative expenditure
10 years	$13.76 million
20 years	$32.24 million
30 years	$57.09 million
50 years	$135.36 million
99 years	$706.35 million

These figures are illustrative nominal expenditure calculations, not confirmed contractual commitments. They assume the initial annual cost continues throughout the selected period and increases by 3% annually. Nevertheless, they demonstrate why long-term contractual commitments require comprehensive financial scrutiny.

The actual duration of subsidies, contractual indexation, financial offsets, renewal obligations and risk allocations must be disclosed.

WHERE IS COUNCIL'S COMPLETE WHOLE-OF-LIFE FINANCIAL MODEL?

THE ELEPHANT IN THE ROOM — THE MISSING SGL PRUDENTIAL REPORT

Despite the increased disclosure provided by the incoming CEO, one fundamental question remains unanswered.

WHY HAS THE COMPLETE NATHAN GRAY (SGL) PRUDENTIAL ASSESSMENT, INCLUDING ITS UNDERLYING FINANCIAL ASSUMPTIONS, NOT BEEN MADE PUBLIC

The SGL assessment identified significant challenges relating to projected demand, utilisation, operating expenditure and financial sustainability. Council subsequently commissioned a further prudential assessment by UHY Haines Norton. Council Watch is not suggesting that commissioning a second assessment is inherently improper. However, the community is entitled to know why the second assessment was commissioned, how its assumptions differed from the original assessment and how the financial risks previously identified have been addressed.

The release of selected financial conclusions without the underlying assumptions does not constitute meaningful financial transparency. If the project is financially sound, Council should be prepared to release both assessments and allow independent scrutiny.

What legitimate reason remains for withholding the financial evidence that ratepayers need to assess the project's affordability?

COUNCILLORS BURNS AND KEMP — ASKING THE DIFFICULT QUESTIONS

Council Watch acknowledges the continuing scrutiny undertaken by Councillors Stewart Burns and David Kemp concerning the financial implications of the sporting precinct. Their previous efforts to obtain greater transparency and consideration of alternative delivery options must be assessed against Council's recorded division votes.

At the 16 November briefing, questions concerning financial sustainability, household affordability and future rate increases again highlighted matters that require

satisfactory answers before any final commitment. Ratepayers are entitled to expect this level of scrutiny from every elected member, irrespective of their previous support for the project. Supporting improved sporting facilities does not require elected members to accept a particular commercial model without independently examining its financial consequences.

Council Watch will continue to monitor and report the voting records of elected members so the community can see who supports, opposes or seeks to amend the proposed arrangements.

EXISTING FINANCIAL BURDENS — HOW MUCH MORE CAN RATEPAYERS AFFORD?

Chairman Terry Andrews has also expressed concern about the financial support already provided by Council to existing services, facilities and organisations that do not recover their full operating costs. Council Watch believes the sporting precinct cannot be assessed in isolation. Ratepayers are already responsible for funding Council's existing services, infrastructure maintenance, asset replacement, debt servicing and contributions to other undertakings. Adding another substantial ongoing financial obligation requires a comprehensive assessment of cumulative affordability.

Council Watch calls for Council to publish a consolidated schedule of all existing operating subsidies, financial contributions and projected liabilities, together with an explanation of the additional ratepayer burden arising from the sporting precinct.

The question is not whether Council can adjust its accounting treatment to accommodate another major project. The question is whether the community can afford the cumulative financial consequences.

ACCOUNTING TREATMENT DOES NOT ELIMINATE FINANCIAL RISK

The CEO's comparison between a traditionally delivered Council facility depreciated over an estimated 40-year useful life and the proposed partnership involving a 99- year ground lease requires further independent examination. A change in accounting treatment may alter the appearance of annual financial results.

It does not automatically reduce the economic cost of the facility, remove operating subsidies or eliminate future financial liabilities. Council Watch calls for the release of the relevant accounting advice, including the application of Australian Accounting Standard AASB 1059 and the justification for the proposed accounting treatment. Ratepayers deserve an understandable explanation of the difference between improving financial indicators and improving genuine financial affordability.

A PROJECT DOES NOT BECOME CHEAPER SIMPLY BECAUSE ITS COSTS ARE ACCOUNTED FOR DIFFERENTLY.

THE UNANSWERED PLANNING QUESTIONS

Council Watch's Investigative Team has also identified **Caravan and Tourist Park** zoning near Canterbury Road in Council's PlanSA documentation.

The designation appears in Precinct 202 Code Amendment — Attachment B, Current Code Policy, page 2, Figure 1.

Council Watch seeks clarification of the zoning's history, land ownership, development intentions and whether any relationship exists with the sporting precinct or its preferred developer, Accord Property. The zoning itself does not establish that an additional caravan park has been proposed or approved. There also remains an unresolved question regarding the proposed community land revocation.

Council's published project information has described the proposed revocation as affecting approximately 30% of Lot 202 Armstrong Road. Council Watch seeks confirmation that the land now submitted for ministerial approval is precisely the same area that was presented to the community during public consultation.

If commercial negotiations have resulted in material changes to the proposed revocation boundaries or lease arrangements, those changes must be disclosed and the need for further consultation properly assessed.

COUNCIL WATCH'S CONCLUSION

LET THE COMMUNITY DECIDE

The CEO's briefing has fundamentally changed the public understanding of the financial risks associated with the proposed Regional Community, Sport and Recreation Precinct. The estimated ongoing expenditure has now been publicly identified. The grant funding shortfall is known. The unresolved operating arrangements have been acknowledged. Council's potential ultimate financial responsibility has been placed on the public record.

Yet the original SGL prudential assessment and its complete underlying financial assumptions remain unavailable for independent public scrutiny.

In these circumstances, Council Watch Fleurieu believes proceeding towards a binding contractual commitment without renewed public consultation would be premature and financially irresponsible. Council Watch calls upon elected members to:

• Defer any final binding commitment until after the April 2027 local government elections, subject to an assessment of existing legal obligations.

• Release both prudential assessments and their complete material financial assumptions.

• Publish an independently verified and reconciled whole-of-life financial model.

• Disclose the full extent of the proposed land, lease and commercial arrangements.

• Resolve the outstanding planning and operating questions.

• Return the complete proposal to the community for meaningful public consultation.

This is not an argument against improved sporting facilities.

It is an argument for responsible financial management, transparent decision-making and genuine community participation in decisions that could affect generations of Victor Harbor ratepayers.

THE CEO HAS IDENTIFIED THE RISKS.

THE ELECTED MEMBERS HAVE BEEN WARNED.

THE COMMUNITY MUST NOW BE HEARD.

There is no justification for allowing an approaching commercial deadline to replace proper financial due diligence or informed public consultation.

A decision of this magnitude should withstand independent examination and democratic scrutiny.

The ratepayers of Victor Harbor deserve nothing less.

DECISION DAY IS APPROACHING.

THE TIME FOR CHANGE IS NOW!

COUNCIL WATCH FLEURIEU INC.

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