



Shire of
Katanning
Heart of the Great Southern

Annual Report
2017 – 2018





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Contents

President’s Report.....	4
Chief Executive Officer’s Report	6
Katanning in Brief.....	7
Councillors.....	8
Executive Management Team	10
Organisational Structure	11
Grants.....	18
Major Assets	18
Katanning Saleyards.....	18
Katanning Leisure Centre.....	19
Road Infrastructure.....	20
Community Financial Assistance Program.....	20
Strategic Community Plan.....	21
Corporate Business Plan	22
Compliance	26
National Competition Policy	26
Freedom of Information	26
State Records Act.....	26
Disability Access and Inclusion Plan.....	27
Employee Remuneration Disclosure.....	28
Public Interest Disclosures	28
Complaints Register	28
Annual Financial Report 2017 – 2018	29

President's Report

I am pleased to provide this report on the activities of the Shire of Katanning for the 12- month period ending 30 June 2018.

The local government elections in October 2017 saw 2 new Councillors elected and three re-elected. Kristy D'Aprile and Ernie Menghini bring new skills and passion to our Council. Owen Boxall, Danny McGrath and Alep Mydie continue to build their experience in Local Government and are great contributors around the table.

Alep Mydie, after 13 years in Local Government and the celebration of his 60th birthday, made the decision to step down from Council in July 2018. On behalf of the community we thank Alep for his valuable years of service.



Again, we take this opportunity to sincerely thank and recognise Richard Kowald and Craig McKinley for their service and dedication to the Shire of Katanning for 12 and 4 years respectively. Craig and Richard both retired at the 2017 election, both also served as Deputy President, Richard serving a 4 year term as President and providing leadership to our community.

The Shire of Katanning was successful in gaining funding for the Welcome Precinct, Piesse Park, a Residential Subdivision and Co-location of the Bowling Club. The funds were provided by the State Government of Western Australia in May 2016 under the Growing our South Initiative under Royalty for Regions.

Extensive planning has been undertaken in the past 12 months to ensure developments are sustainable, cost effective, meet community needs and are of high quality. 2019 will now be one of action, particularly in the area of the All Ages Playground redevelopment. Council acknowledge that this component of the Katanning Heritage Centre Project holds the highest priority for our community and will greatly increase the liveability of our community.

Many thanks to all who have contributed in some way to the planning of our new developments within the Katanning Heritage Centre Project. Many people have contributed ideas and input, including Playgroup, Young people with an interest in skateboarding and the miniature Railway volunteers. Special thanks to Project Advisory Group community members Lisa Blacklow, Cameron Taylor and Doug Cherry whose input has been invaluable.

April 2018 saw the opening of The Premier Mill Hotel. This development highlighted the value of community partnerships and strong leadership. The Council of the day showed inspired leadership and ingenuity to offer The Mill for \$1. This year we have continued to work with The Premier Mill to provide high quality streetscape surrounding the development.

This partnership created a catalyst for future improvements in streetscape in our Katanning. These developments, whilst sometimes accused of being cosmetic, are essential for both community members and visitors experience of our town. We are all very proud of the Mill development and have been invigorated by the interest in our community and history. A very special thanks to Nigel Oakey CEO of the Dome Group whose passion and energy has driven the project and continues to see Katanning and The Mill promoted across Australia.

Our challenge for 2019 is to ensure that we as a community build on the opportunities provided, encourage further investment, and develop Katanning as a destination to live, work and visit. Council will continue to support initiatives that grow our economic base and prosperity.

The New Administration and Civic Centre Building will be completed in early 2019. This project demonstrates an investment in a strong and positive future of Katanning as an important regional centre. Staff will experience first class working conditions. One of the major reasons the design was chosen was the linkage provided with the old Hotel. The Katanning Hotel was purchased and renovated by the Shire some years ago as a Business incubator, the ground floor is currently leased to the Katanning Hub Community Resource Centre who partners with the Katanning Regional Business Association to deliver business, State Government and community outcomes for the district. The connection to the new Administration building provides the opportunity to engage and use the space on the top floor of the Katanning Hotel.

I would also like to thank the many and varied community organisations that continue to provide worthy services to our community, as well as the individual volunteers that make those contributions possible.

A lot of what is achieved could not take place without support from the State Government, their continued support demonstrates that Katanning is an important regional centre worthy of the investment to improve infrastructure that improves the economic prospects and liveability of our community.

Council's appreciation is extended to CEO Julian Murphy for the advice and leadership of the Shire of Katanning. To all our dedicated Shire staff who continue to work alongside the Council to deliver for our community we sincerely thank you.

Thank you to all Councillors who have given a great deal of time to deliberate on issues, plans and processes. Your contributions are appreciated and provide great assistance to Council in its decision-making process on behalf of the community.

Special thanks to Deputy President Cr John Goodheart for his dedication, support and advice.

As President I am committed to leading Council in continuing to improve communication with our community. I thank those people who continually ask questions of myself, Councillors and CEO to gain a clear understanding of particular projects and actions or raise issues.

Katanning's future looks bright, we look forward to working with you to create positive outcomes now and for future generations.

Cr Liz Guidera
President

Chief Executive Officer's Report

2017/18 saw a number of personnel changes to Elected Members following the October 2017 Council Elections and Senior Staff during the year. Although facing a number of challenges over the last twelve months we have continued to work together towards building a strong cohesive team to address the current needs of the Community and to take the organisation into the future.

Over the past year the Shire has made significant progress towards implementing a number of major transformational projects. These projects are funded by the State Government Royalties for Regions Program, Lotterywest and the Council.

Landscaping works commenced on Clive Street and Austral Terrace to support the opening of the Premier Mill Hotel Development.

The New Shire Administration and Civic Building is nearing completion with the Shire Staff expected to move into the new building in early 2019. The new building will provide facilities for the Shire administration and customer service functions, and Council Chambers.

Development of the Welcome Precinct/All Ages Playground Design has been completed after extensive community consultation with construction due to commence in early 2019.

The Piesse Park Concept Plan development has been completed with works on the implementation of the plan ongoing until the latter half of 2019.

Council gave particular consideration to the Piesse Lake Residential Subdivision plan which has been advertised for public comment following which, Council will decide on the progress of this project.

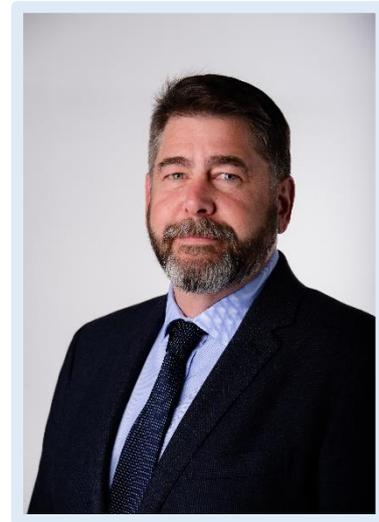
Restoration and repair works continued on rural roads following the February 2017 flood event which caused substantial damage to the Shires roads and drainage infrastructure. These works have now been completed.

The Shire employs a dedicated Community Relations Officer to ensure that communication and engagement with the community is maintained. The Shire regularly provides information to the community through the Shire Matters Newsletter, the Shire website, Facebook and other social media platforms.

We have continued to work cooperatively with our neighbouring local governments particularly in the area of tourism, fire and emergency services, housing development and building control. The Shire has also participated in the Great Southern Peer Support Program with other Local Governments working towards improving our integrated planning and reporting processes.

I would like to take this opportunity to thank the President Cr Liz Guidera and Councillors for their extraordinary commitment to attending workshops and meetings to progress the major capital projects currently being undertaken by the Shire of Katanning as well as dealing with the day to day business of Council. I would also like to express my thanks to the Staff for their hard work and support over the past year.

Julian Murphy
Chief Executive Officer



Katanning in Brief

The Shire of Katanning is located in the Upper Great Southern Region of Western Australia approximately three hours' drive south east of Perth.

Katanning is a vibrant country community founded on rural industries.

Katanning provides a range of services to meet the community's needs including education, health, recreation facilities and affordable land and housing.

Shire of Katanning Statistics	
Distance from Perth	283km
Area	1,523 sq. km
Length of Sealed Roads	255.1km
Length of Unsealed Roads	528.6km
Population	4,151 (ABS, 2016, LGA)
Number of Electors * WA Electoral Commission, 2017	2,540
Number of Dwellings *Based on Rates	2,456
Total Rates Levied	3,639,013
Total Revenue	16,016,783
Number of Employees	64 FTE

Councillors



Cr Liz Guidera
Shire President

Term expires 2019



Cr John Goodheart
Deputy Shire President

Term expires 2019



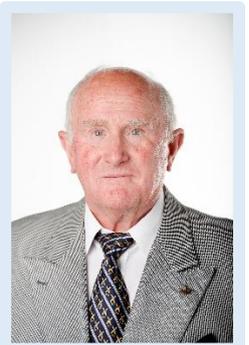
Cr Owen Boxall

Term expires 2021



Cr Serena Sandwell

Term expires 2019



Cr Martin Van Koldenhoven

Term expires 2019



Cr Danny McGrath

Term expires 2021



Cr Ernie Menghini

Term expires 2021



Cr Kristy D'Aprile

Term expires 2021

Retired Councillors



Cr Alep Mydie

Retired May 2018

Executive Management Team



Julian Murphy
Chief Executive Officer

Governance
Community Relations
Human Resources
OSH and Risk



Lisa Hannagan
Executive Manager Finance and Administration

Corporate Services
Finance and Rates
Customer Service and Administration
Information Technology



Paul Webb
Executive Manager Infrastructure and Development

Engineering
Public Works
Ranger Services
Parks and Gardens
Building Control, Environmental Health and Planning Services



Sam Davis
Executive Manager Projects and Community Building

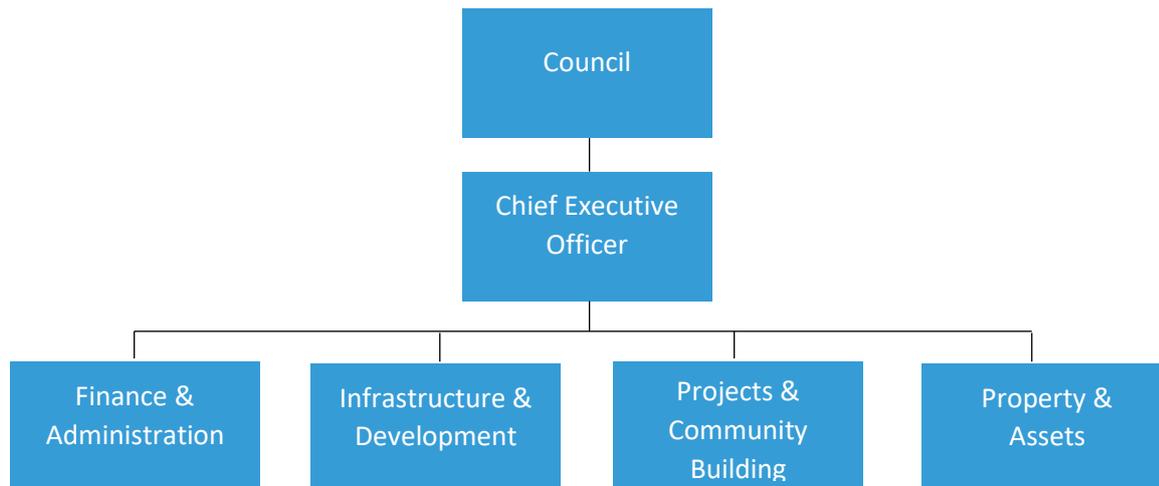
Strategic Planning
Community Development
Leisure Centre
Library and Art Gallery
Aquatic Centre



Andrus Budrikis
Executive Manager Property and Assets

Project Management
Building Maintenance
Infrastructure Management
Saleyards
Asset Management

Organisational Structure



Council Highlights, Events and Milestones

July 2017

Council Highlights

At the July Ordinary Council Meeting, having considered the submissions received following public consultation, resolved to make application to the Department of Mines, Industry Regulation and Safety - Consumer Protection Division, to permanently allow retail trading in the Shire of Katanning on Sundays 10.00am to 5.00pm.

Community Highlights

The Shire worked with community volunteers over 8 weeks of activity with a make-over at Piesse Lake. Works included garden maintenance, swale planting, shore planning and a celebration on completion.

The Katanning Art Gallery presented the *Doors Exhibition* from 27 July until 19 August 2017.

The Katanning Library hosted the Travelling Sketchbook Exhibition as part of the annual KickstART Festival held during National Youth Week.



The Shire of Katanning July School Holiday program included *Dot Painting Shoes* at the Town Hall.

August 2017

Council Highlights

Each year Council set aside funds in the annual budget to support local community initiatives.

At the August Ordinary Council Meeting, Council considered Community Financial Assistance Program applications and resolved to support the following groups:

- Lions Club of Katanning for a portion of entertainment costs for Free Community Concert; plus in kind support for Mosquito Control, Stage setup & road closure.
- Katanning Historical Society for Security barrier screens for windows in administration building.
- Katanning Landcare for part payments of events, presenters, entertainment, venue, accommodation, marketing and advertising for Ecoweek 'Out of the Bin'; plus in kind volunteer labour.
- Palmerston Association Inc for Entertainment, band travel expenses, PA system and Lighting for the NAIDOC Ball plus in kind support for 50% discount of venue hire.

At the same meeting, Council also granted Development Approval for land and buildings leased by the Shire in Katanning to be used for Community Purpose – Katanning Men's Shed.

Community Highlights



The Katanning Town Hall hosted the greatest love story ever told on 2 August 2017 when Romeo and Juliet was performed by The Players group.

The Katanning Art Gallery hosted a celebration of the artistic skills of our local Noongar artists as part of our Naidoc Week activities.

The Sweet, Sour and Saucy show came to Katanning Town Hall in August 2017. Featuring Barbara and Barry, the show toured regional Western Australia and included a workshop on group singing.



September 2017

Council Highlights

At the Ordinary Council Meeting held in September, Council considered the Katanning Supertowns Heritage Centre Project (KSHCP) and resolved that Council would hold a public meeting to seek the views of the community on the Hames Sharley Masterplan for the Welcome Precinct, Austral Terrace Precinct and Piesse Lake Precinct including Welcome Precinct Options A & B.

Community Highlights



The Katanning Library hosted best-selling Western Australian visiting author Fiona Palmer on her tour to launch her new novel *Secrets Between Friends*.



Katanning Leisure Centre hosted the *2017 Bloom Festival & Eco Week Flowers Feathers Family Fund Fair* in September 2017. The Ram Pavilion was buzzing with art, craft, live music, family entertainment, farmers market and a chook auction!



The Katanning Art Gallery hosted the *Blooming Art Exhibition* which presented amazing creative floral designs made by local identities, groups and individuals.

Techspo came to Katanning in September 2018. The event, organised by local grower group Southern Dirt, was supported by the Shire of Katanning and run primarily at the Katanning Leisure Centre over 3 days. The aim of the event is to be Australia's premier technology and innovation event for the agricultural community and included a full day Conference, exhibitions and field events. The event brought significant economic benefit to Katanning with +300 attendees at the Conference plus exhibitors.



October 2017

Council Highlights

At a Special Council Meeting held 12 October 2017, Council resolved to accept the tender from Firm Construction Pty Ltd for Request for Tender 04-2017 for the Construction of the new Administration and Civic Building.

Local Government Elections were held on 21 October 2017 with 5 positions filled. The CEO called a Special Council Meeting on 23 October 2017 to manage the business associated with the newly elected Council. Matters included election of the Shire President and Deputy Shire President, and appointment of elected members to Committees, Working Groups, Advisory Groups and non-Council Committees.

Community Highlights

The *Art Access Exhibition* was presented at the Katanning Art Gallery over September and October. The event exhibited works from TAFE Art Access Students with ceramics, sculptural and drawing artworks available for sale.

November 2017

Council Highlights

Council adopted the Strategic Community Plan – Katanning 2017- 2027 at the Ordinary Council Meeting held in November. The Strategic Community Plan is the Council’s key document, developed with extensive community consultation, that sets out what Council aim to achieve for their community over a 10-year period.

At the same meeting Council approved the Concept Plan produced by Hames Sharley for the Piesse Lake Residential Sub Division, subject to final approval from WAPC of the Piesse Lake Structure Plan.

Community Highlights

The Katanning Town Hall celebrated WA Seniors Week with a Seniors Spring Dance – Old Time Dance to step back in time.



The Katanning Art Gallery hosted *Public in Katanning* featuring murals by four prominent Western Australian artists and included workshops with local youth and *The Core* an exhibition by visiting international artist Karim Jabbari.

December 2017

Community Highlights

The “Ask Me” short film launch was held at the Katanning Town Hall in December. This initiative was supported by the Disability Services Commission and featured a number of local people answering questions about how they overcame the difficulties of living with a disability.

lotterywest
CHRISTMAS ON CLIVE
ROWIE
 Saturday
9 December, 2017
 Starts 3.00pm
CELEBRATING 100 YEARS OF WA
FREE CONCERTS
 Featuring
NACOR TOM
 A tribute to David Bowie
 Starts 4.30pm
AUSSIE ANTHEMS
 Australian Classic Rock Show
 Starts 8.00pm
PLUS
 Father Christmas
 Baking Competition
 Stalls - Kids & More
 Building Bull - Bowney Seattle
 Ferris Wheel - Dawn Ball Blaster
 Pit Crow Challenge
 Huge Christmas Kaffie
 Ball Trip Promotion Prizes

A Project of: **PROMOTIONS**
 Supported by: **Katanning** **KRBA**

Christmas on Clive was held 9 December 2017 and was a great community event with a free concert, Father Christmas. Closely followed by Carols by Candlelight in the Town Square with a free sausage sizzle and drinks.

January 2018

Community Highlights



Australia Day Celebrations took place at Lions Park with a fantastic community turn out.

February 2018

Council Highlights

At a Special Council Meeting held 12 February 2018, Council accepted the Auditors Report for the 2016/17 financial year, adopted the Annual Report (including the Financial Report) for the year ended 30 June 2017; and determined that the General Meeting of Electors was to be held on Monday 12 March 2018 at 7.30pm at the Katanning Leisure Centre.

At the Ordinary Council Meeting held 27 February 2018 Council considered Round 2 of the Community Financial Assistance Program applications and resolved to support the following groups:

- Katanning Senior High School P&C for venue hire and decoration hire costs.
- Rotary Club of Katanning for Katanning Cinema Project equipment.

Council appointed Plan E to carry out the detailed design, construction documentation and contract administration of the Welcome Precinct and All Ages Playground as per RFT 07-2017.

That Council appointed Emerge Associates to undertake the concept planning and detailed design of Piesse Park as per RFT 08-2017.

Community Highlights



The Katanning Concert in the Park was held in February and featured free music and local entertainment. This event is supported by the Shire and is growing in popularity every year.

The Katanning Library hosted *Creations from the man cave* during February. Featuring sculptures by Neil Elliot, the exhibition featured a collection of sculptures, jigsaw puzzles of wood, metal and found objects.

March 2018

Council Highlights

Council committed Wheatbelt Natural Resource Management agency that the Shire of Katanning will act as the lead agent for the Lake Ewlyamartup Maintenance and Management Plan. Council are committed to the ongoing maintenance and management of Lake Ewlyamartup and are working closely with the community and a group of highly motivated volunteers to ensure the future sustainability of this valued natural resource.

Community Highlights



Harmony Week celebrations ran during March 2018. This event continues to grow and attract community participation. With the Street Parade, loads of free cultural entertainment, and international food village and market stalls.

Friday Night Food Night was held in March and was well attended by the community.

The “Believe it or Not Tour” ran in conjunction with the Food Night and featured a whistle stop tour of some of Katanning’s art, culture and architecture including the Mosque and other houses of faith.



A *Twilight Dinner at Piesse Winery* was held in March. The *Taste Great Southern Event* brought *Fervor* to town to cook local produce in a unique location. The degustation menu included a 5-course dinner with matching wines.



Katanning Toy Library celebrated 30 years of operation in March 2018. The Toy Library is fully run by fantastic volunteers and has over 450 active toys.

April 2018

Council Highlights

Council adopted the Shire of Katanning Corporate Business Plan at the April Ordinary Council Meeting. The Corporate Business Plan is a key component of the Integrated Planning and Reporting Framework requirements for Local Government. The intent of the Integrating Planning and Reporting Framework is to ensure improved strategic, financial and asset management planning across Western Australian Local Governments.

Essentially, the Corporate Business Plan is the document that translates the goals and objectives set out in the Strategic Community Plan into activities that will address and achieve those goals and objectives.

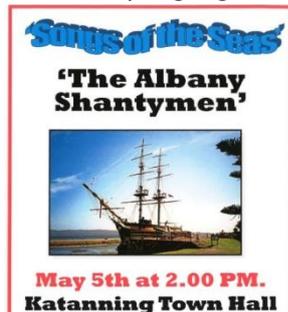
Community Highlights



The Great Southern Youth Festival 2018 was held at the Katanning Leisure Centre. This free event included Bubble Soccer, a Rock Climbing Wall, Food Vans and free music.

May 2018

Community Highlights



The Katanning Town Hall came alive with *Songs of the Sea* sung by the *Albany Shantymen*. The show was followed up by singing workshop and all money raised from the door was donated to the Royal Flying Doctor Service.

June 2018

Council Highlights

At a Special Council Meeting held 13 June 2018, Council authorised the CEO to sign the Royalties for Regions – Great Southern Regional Grants Scheme (RGS) Round 6 – Katanning Country Club Redevelopment – Stage 1 Grant Agreement.

The Grant Agreement is in relation to grant funding of \$170,000 (excluding GST) for the specific purpose of the following projects at the Katanning Country Club:

This project is one portion of a larger project to relocate the Katanning Bowling Club to the Katanning Country Club precinct which is also being managed by the Shire of Katanning.

Community Highlights



The Katanning Leisure Centre hosted a Business Expo in June 2018. The program was run with the support of the Shire, Katanning Regional Business Association, CRC and included networking, business support stalls and key note speakers.

Grants

The Shire received grants funding totalling over \$2.91 million during the reporting period.

Name of Grant/Source	Amount
Katanning Country Club Redevelopment Project (Auspice)	\$ 27,555
Youth Activities	\$ 31,931
National Youth Week (CPFS Grant)	\$ 1,000
Harmony Festival	\$ 42,818
All Ways 5 Days	\$ 5,808
Seniors Week	\$ 1,000
Kidsport	\$ 11,546
Club Development Officer	\$ 20,000
Community Water Supply Project	\$ 10,000
Regional Road Group	\$ 491,933
Roads to Recovery	\$ 440,736
Western Australian Natural Disaster Relief and Recovery Arrangement (WANDRRA)	\$ 1,718,127
Regional Airports Development Scheme (RADS)	\$ 13,000
Hidden Treasures (Auspice)	\$ 78,793
Business Activation	\$ 19,492
TOTAL	\$ 2,913,739

Major Assets

Katanning Saleyards



2017/18 Actual		2017/18 Budget		2016/17 Actual	
Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure
747,454	870,942	818,624	1,009,953	2,593,633	966,826

The Saleyards had a successful year with income through yarding fees 38% greater than budgeted. The operating profit, prior to applying depreciation, was \$322,164.00 for the year. Depreciation was larger than budgeted as a result of the fair value revaluation of Shire building assets.

\$150,000.00 was budgeted for capital upgrades at the Saleyards but remained unutilised at 30 June 2018. These funds focussed on renewable energy generation and storage, and irrigation infrastructure from the Saleyards dams. An energy study was completed to inform strategies for the better generation and use of energy. Ensuring the best combination of renewable resources for the future of the Saleyards remains a focus, and the budget has been carried forward to 2018/19.

Katanning Leisure Centre



2017/18 Actual		2017/18 Budget		2016/17 Actual	
Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure
327,488	1,691,771	401,340	1,413,084	393,200	1,776,170

Overall, Katanning Leisure Centre revenue is \$73,852 less than budgeted for 2017/18. This is largely a result of a decreased membership take-up (\$24,999) and gym entries (\$19,430). A trainee position was introduced, and a corresponding subsidy budgeted for 2017/18 (\$21,040) was received late in 2016/17.

Expenditure for KLC was \$278,687 greater than budgeted. This can be largely attributed to a higher depreciation on buildings than budgeted where fair value revaluation occurred at 30 June 2017. The air-conditioning system was replaced in the KLC Pioneer room, funding for which was identified during the budget review process.

Road Infrastructure

Council consider spending on road infrastructure on an annual basis during the Budget deliberations.

Funds are contributed by Council and external sources such as the Regional Road Group and Roads 2 Recovery.

In 2017/18, \$1,361,736 was budgeted to improve the following roads:

Road and work completed	2017/18 Actual	2017/18 Budget
Fairfield Road – Repair failed pavement and reseal	300,495	240,000
Dumbleyung Road – Repair failed pavement and reseal	54,778	126,000
Warren Road – Reconstruct and widen crests	240,183	300,000
Conroy Road – Repair failures and reseal	47,075	45,000
Andover Street (at Clive) – Reconstruct and reseal	34,191	65,000
Conning Road – Resheet	148,205	135,000
Hutton Road – Resheet	148,817	140,000
Cheviot Hills Road – Resheet	99,075	100,736
Illareen Road – Resheet	111,190	95,000
Braeside Road – Repair failures and reseal	38,326	115,000
St John Ambulance – Asphalt laneway	26,047	24,000
	\$1,248,381	\$1,385,736

Community Financial Assistance Program

Each year Council sets aside funds to provide financial support to the community.

In 2017/18, Council budgeted \$25,000 for the Community Financial Assistance Program.

Local community groups make application for funds and the following donations were awarded in the 2017/18 financial year:

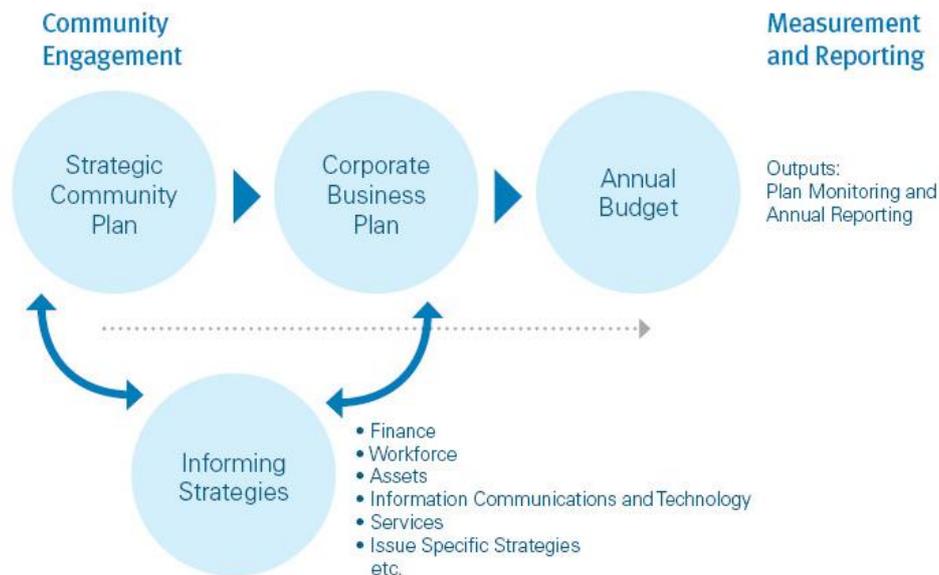
Round 1	Recipient
\$2,500 cash; plus \$1,600 in kind for Mosquito Control, Stage setup & road closure.	Lions Club of Katanning for portion of entertainment cost for Free Community Concert.
\$1,401.82 cash.	Katanning Historical Society for security barrier screens for windows in administration building.
\$5,000 cash; plus \$3,500 in kind for volunteer labour.	Katanning Landcare for part payments of events, presenters, entertainment, venue, accommodation, marketing and advertising for Ecoweek 'Out of the Bin'.
\$2,500 cash plus \$517.50 in kind for 50% discount of venue hire.	Palmerston Association Inc for Entertainment, Band travel expenses, PA system and Lighting for the NAIDOC Ball.
Round 2	
\$845.45 cash.	Katanning Senior High School P&C for venue hire and decoration hire costs.
\$10,247 cash.	Rotary Club of Katanning for Katanning Cinema Project equipment as listed in application.

Strategic Community Plan

In 2010, the Western Australian State Government introduced legislation requiring Local Governments to prepare an Integrated Planning and Reporting (IPR) Framework by June 2013. Integrated planning ensures that Councils Strategic Plan reflect the community aspirations, visions, and priorities of the district.

The Shire consulted widely with the community to produce the Strategic Community Plan and other plans within the IPR Framework.

The diagram below highlights the components of the framework:



Elements of Integrated Planning and Reporting Framework

In accordance with the legislation and following extensive community input, Council adopted its Strategic Community Plan in February 2013.

The plan is Council's principal planning and strategy document, which means that it governs all of the works that the Shire undertakes, either through direct services delivered, partnership arrangements, or advocacy on behalf of the community.

In accordance with the legislations, Council is required to report to the community annually its progress towards achieving the objectives.

Our Vision

"A prosperous, vibrant and diverse community working together"

In partnership with Council the community has developed a clear and powerful vision to build the future of Katanning based on an evolution of growth and progression. By mid-2023 the Shire of Katanning will;

Achieve a population of 15,000 by embracing its Aboriginal, agricultural, multicultural and built heritage as it moves forward as a cohesive community seeking investment in economic, environmental and social infrastructure. Our aim is to achieve self-supporting growth and recognition as the inland heart of the Great Southern.

Corporate Business Plan

Key Result Area	Annual Highlights
Social	<p><i>Councillors engage with the community and represent the Shire at regularly scheduled meetings including Katanning Leisure Centre User Group, Katanning Aquatic Centre User Group and the Christmas Decorations Working Group.</i></p>
	<p>S1 – A capable, vibrant, healthy and connected community</p> <ul style="list-style-type: none"> • The Shire’s Disability and Access Inclusion Plan was updated to ensure services and facilities actively optimise inclusion. Community education of all hazards continues through the Shire’s Facebook page, website and Shire Matters publication. • The Shire Art Gallery hosted 13 exhibitions over the period and the Library door count (established in 2015) saw a record door count for the period. • The Library Management System was upgraded to provide better ease of access and use by the community. • Agreement was reached with the Katanning Bowling Club and Katanning Country Club to collocate the bowling green at the Country Club. • Piesse Park Concept Plan was substantially progressed. • All Ages Playground / Welcome Precinct detail design was completed.
	<p>S2 – A safe community</p> <ul style="list-style-type: none"> • The Shire continues to provide administrative support to Local Emergency Management Committee and coordinates the distribution of information to the Shire’s of Katanning, Kent and Woodanilling (S.2.1.1). • Shire staff contributed the Katanning Action and Drug Association Strategic Action Plan (S.2.1.3). • A review into CCTV has commenced, with the Shire developing a Strategy document that will include a register of all CCTV currently in place (Shire and other), document gaps and facilitate grant funding applications (S.2.1.3).
	<p>S3 – A resilient, engaged community with a strong sense of pride</p> <ul style="list-style-type: none"> • Katanning Noongar Leadership Group – the Shire convened 8 meetings (S.3.1.1). • The Shire continues to support operation of the Katanning Hub CRC through the provision of facilities at the Katanning Hotel (S.3.2.3). • Council continues to provide financial assistance grants to community groups and not for profits via the Community Financial Assistance Program (S.3.2.3). • Staff facilitated the development of the Katanning Cinema Group (S.3.2.2). • The Shire supported over 15 significant events at the Katanning Leisure Centre by providing financial and/or in kind support. • The Shire supported the Noongar Wellbeing and Sport Program.

<p>Built Environment</p>	<p><i>Councillors engage with the community and represent the Shire at scheduled meetings including the Katanning Heritage Centre Project Advisory Group (KHCPAG), Katanning Administration and Civic Building Project Advisory Group, the Roadwise Committee and the Great Southern Regional Road Group.</i></p> <p>B1 – Infrastructure that meets community needs</p> <ul style="list-style-type: none"> • Annual Road Construction Program developed (B.1.1.2). • 10 year Plant Replacement Program developed (B.1.1.2). • 10 Year Plan for Footpath Network (B.1.1.2). • In relation to Biennial Satisfaction Surveys, the Shire is working with the Great Southern Peer Support group to deliver a process that will allow participating Local Governments in the region to benchmark progress. (B.1.1.1). • Continued renovation program at Town Hall, Mechanics Institute and Town Clock (B.1.1.4). • Maintained a focus on safety improvement planning and auditing on the Shire’s key building assets (B.1.1.5). • Provided financial assistance to the St John Ambulance Car Park sealing project (B.1.2.2). <p>B2 – Places for the community to live, work and connect</p> <ul style="list-style-type: none"> • The front façade revitalisation program continued with further properties on both Austral Terrace and Clive Street upgraded with assistance from Council (B.2.1.4). • The Building Better Regions Fund and Great Southern Housing Initiative continues to progress (B.2.2.1). • Completed landscaping upgrades and tree planting in Clive Street and Austral Terrace (B.2.1.5).
<p>Natural Environment</p>	<p><i>Councillors engage with the community and represent the Shire at scheduled meetings including the Local Emergency Management Committee (LEMC), Katanning Land Conservation District Committee (LCDC), Katanning Bushire Advisory Committee, Katanning Townscape Advisory Committee</i></p> <p>N1 – A community and Council that are environmentally aware and engaged</p> <ul style="list-style-type: none"> • Provided funding and support for the Katanning Landcare’s Eco Week (N.1.1.1). • Established Eco Lane as a feature at the Harmony Festival in 2018 (N.1.1.1). • Maintained a close working relationship with Katanning Landcare to assist in the delivery of Community Projects (N.1.1.1). • Worked with Department of Primary Industries and Regional Development to investigate ground water options for local industry (N.1.3.1). • Planning commenced for expansion of recycled water use for public open spaces (N.1.3.1). <p>N2 – A high level of biodiversity and healthy ecosystems</p> <ul style="list-style-type: none"> • Professor Stephen Hopper from UWA was engaged to provide professional advice to the Piesse Lake and Regional Botanic Garden Project (N.2.1.1). • Undertook a water use analysis study for the use and distribution of recycled and Saleyard catchment water (N.2.1.1).

	<p>N3 – A strong sense of community ownership and pride for the natural environment</p> <ul style="list-style-type: none"> • Regional Botanic Garden Project – formed Piesse Lake Working Group (N.3.1.1). • Living Lakes Project at Lake Ewlyamartup commenced (N.3.1.1). • Worked with Katanning Landcare on conservation works at Police Pools (N.3.1.1).
Economic	<p><i>Councillors engage with the community and represent the Shire at scheduled meetings including the Katanning Saleyards Operations User Group, the Katanning Economic Development Working Group, the Great Southern Regional Recreation Advisory Committee, Hidden Treasures of the Great Southern, Katanning Action Network.</i></p> <p>E1 – Local business and industry is resilient, growing</p> <ul style="list-style-type: none"> • Worked with the Business community to deliver the Gearing Up Skill Building and Training project (E.1.1.2). • Collaborated with Katanning Regional Business Association and Katanning Hub CRC to develop a Local Business Activation Innovation Action Plan (E.1.1.1). • Council reviewed and updated Regional Price Preference and Buy Local Policy (E.1.2.1). • Provided support to Christmas on Clive event to assist with the activation of the CBD (E.1.3.1). • Facilitated the urban art project Public in Katanning in collaboration with FORM’s Silo Art Trail (E.1.3.1). <p>E2 – A place to live and visit</p> <ul style="list-style-type: none"> • Worked with neighbouring Local Governments on the ongoing development of regional tourism strategy (E.2.1.1). • Continued to participate with Hidden Treasures of the Great Southern on tourism initiatives (E.2.1.1). • Worked collaboratively with Dome Cafes to support the Premier Mill Hotel development (E.2.1.2). • Auspiced Bloom Festival funding and finance functions (E.2.2.1). • Initiated and coordinated new regionally significant events including Fervor’s Twilight Dinner at Piesse Winery and Harmony Friday Food Night and tour (E.2.2.2). • Maintained community relations via social media platforms and main street presence at the Shire Pop-up Shop in Clive Street (E.2.3.1). <p>E3 – Sustainable economic and population growth</p> <ul style="list-style-type: none"> • The Shire worked actively to extend and embed collaboration with Katanning Landcare (E.3.1.2). • Provided support to local grower groups through financial and in kind contributions to the Southern Dirt Techspo event (E.3.1.1). • Progressed planning for the development of residential sub division at Piesse Lake (E.3.2.2). <p>E4 – A culture of learning</p> <ul style="list-style-type: none"> • The Shire continues to advocate for provision of locally based family services and support programs with all stakeholders (E.4.1.3). • Provided ongoing support to the Katanning Middle School Project (E.4.1.1).

	<ul style="list-style-type: none"> Continued to advocate for the development of an Early Childhood Hub in Katanning with the Department of Education and Department of Primary Industries and Regional Development (E.4.1.3).
Leadership	<p><i>Councillors represent the Shire on the Audit and Risk Committee, Citizen of the Year Committee, Community Financial Assistance Program (CFAP) Advisory Committee and the WALGA Great Southern Country Zone.</i></p> <p><i>Councillors participate in ongoing professional development. During this reporting period Councillors attended the Local Government Convention in Perth, WALGA's Effective Community Leadership (Tambellup) and WALGA Local Government Financial Training (Albany).</i></p> <p>L1 – An inclusive community, recognised as a great place to live and visit</p> <ul style="list-style-type: none"> Shire Officers continue to operate the Pop-up Shop on Clive Street two mornings per week to encourage engagement with the community (L.1.1.3). Council undertook a comprehensive review of all Council Policies over the second half of the reporting period (L.1.1.1). Council adopted a Customer Service Charter to establish a standard for working with the community (L.1.1.4). <p>L2 – A collaborative, progressive and resilient local government which is sustainably resourced</p> <ul style="list-style-type: none"> Council adopted a 10 year Strategic Community Plan in November 2017 (L.2.1.1). Council adopted a Corporate Business Plan in May 2018 (L.2.1.1). Continued revision of other Integrated Planning and Reporting informing strategy documents such as the Long Term Financial Plan and Workforce Management Plan (L.2.1.1).

Compliance

National Competition Policy

This policy was introduced by the Commonwealth Government in 1995 to promote competition for the benefit of business, consumers and the economy by removing unnecessary protection of monopolies of markets where completion can be enhanced. It effects local government as factors such as exemption from company and income tax or possible local regulations and laws may give local government a potential advantage over private contractors.

In respect to Council's responsibilities in relation to the National Competition Policy the Shire reports as follows:

- No business enterprise of the Shire of Katanning has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or a Public Financial Enterprise.
- Competitive neutrality has not applied to any activities undertaken by the Shire in this reporting period.
- No allegations of non-compliance with the competitive neutrality principles have been made by any private entity.
- The principles of competitive neutrality will be implemented in respect of any relevant activity undertaken during the next financial reporting period.

Freedom of Information

In complying with the *Freedom of Information Act 1992*, the Shire of Katanning is required to prepare and publish an information statement.

The Shire of Katanning's Information Statement is reviewed annually and is available via Council's website or at the Shire administration office. The information statement contains information on the type of documents available to the public and how to access those documents.

3 Freedom of Information enquiries were processed during the 2017-2018 period.

State Records Act

The *State Records Act 2000* requires the Shire maintains and disposes of all records in the prescribed manner.

Principle 6 – Compliance: Government Organisations ensure their employees comply with the record keeping plan.

Rationale: An organisation and its employees must comply with the organisation's record keeping plan. Organisations should develop and implement strategies for ensuring that each employee is aware of the compliance responsibilities.

Minimum Compliance Requirements:

The record keeping plan is to provide evidence to adduce that:

1. The efficiency and effectiveness of the organisation's record keeping system is evaluated not less than once every 5 years.

2. The organisation conducts a record keeping training program.
3. The efficiency and effectiveness of the record keeping training program is reviewed from time to time.
4. The organisation's induction program addresses employee roles and responsibilities in regard to their compliance with the organisation's record keeping plan.

The Shire has complied with Items 1 to 4.

Disability Access and Inclusion Plan

All Western Australian Local Government Authorities are required to develop and implement Disability Access and Inclusion Plans in accordance with the Disability Services Act (1993) to ensure people with disability have the same opportunity as others to access council services, facilities, information, employment and civic participation. The Shire of Katanning offers many services that ensure the community is inclusive of people with disability and their families.

People with disabilities represent a significant section of the Katanning community. According to the Disability Services Commission (Disability Services Commission website, 2004) the number of people living in the Shire of Katanning who have a disability is 17.8% of the total population. This represents almost one in five people or approximately 900 people. Given that Katanning is also a regional service provider for the Shire's of Broomehill, Woodanilling, Dumbleyung, Kojonup, Gnowangerup and Kent it can be estimated that the number of people with Disabilities for whom the Shire of Katanning provides services and facilities is significantly higher than 1000.

The vast majority of people with a disability (or disabilities) live in the community. It is therefore important that they have the same opportunities and choices as other people to participate in community life.

Given the broad range of services provided to its communities, Local Government plays a vital role in the lives of people with disabilities, their carer's and families.

In 2017-2018 the following Shire initiatives contributed towards the Achievement of the DAIP outcomes:

- Katanning Leisure Centre offered social recreational programs monthly for seniors, additionally they have gym sessions on Tuesday and Thursday afternoons both of which are inclusive of people with disability.
- Katanning Public Library have a community puzzle table and board gaming program which is accessed weekly by people with disabilities.
- For Disability Awareness Week 2017, the Shire of Katanning produced a short film 'Ask Me' featuring local people sharing stories to raise awareness around some aspects of living with a disability.
- The Shire of Katanning assisted the local TAFE organise an Art Exhibition at the Katanning Gallery as part of the Disability Awareness Week 2017.
- New access friendly soap dispensers & bins have been installed in the Katanning Town Hall toilets.
- Description signs for the new public artworks were installed at a height accessible for people in wheelchairs or seniors with electric scooters.
- Currently the Shire of Katanning prints 40+ copies of Shire Matters newsletter which is hand delivered by a volunteer to seniors in Katanning, printed copies are also available at the Shire Administration, Library, Visitor's Centre and Leisure Centre.

- 'Changing Places' toilets, will be located at the Lions Park are currently under construction.
- Accessibility in a key consideration for the Shire of Katanning when planning projects.
- Annually the Shire of Katanning hosts workplace experience students from the Katanning Senior High School, this year we hosted two students with disabilities.
- The shire provided work experience for a person with a mental illness for three months through the Pathways program.

Employee Remuneration Disclosure

Regulation 19B of the *Local Government (Administration) Regulation 1996* requires the Shire to include the following information in its Annual Report:

- The number of employees of the Shire entitled to an annual salary of \$100,000 or more; and
- The number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$100,000.

Set out below, in bands of \$10,000, is the number of employees of the Shire entitled to an annual salary of \$100,000 or more.

Salary Range

\$ From	\$To	Number of Employees
100,000	109,999	
110,000	119,999	2
120,000	129,999	3
130,000	139,999	
140,000	149,999	
150,000	159,999	
160,000	169,999	1
Total		6

Public Interest Disclosures

The Public Interest Disclosures Act 2003 facilitates the disclosure of public interest information, and provides protection for those making such disclosure and those who are the subject of disclosures. The Act provides a system for the matters disclosed to be investigated and for appropriate action to be taken. The Chief Executive Officer has complied with all obligations under the Act including:

Appointing the Executive Manager Finance & Administration as the PID officer for the organisation and publishing an internal procedure relating to the Shire's obligation.

Providing protection from detrimental action or the threat of detrimental action for an employee of the Shire who makes an appropriate disclosure of public interest information.

There were no Public Interest Disclosure requests received during the reporting period.

Complaints Register

Section 5.121 of the *Local Government Act 1995* requires the Annual Report to contain details of the entries made in the Complaints Register regarding complaints made about elected members.

Nil complaints were lodged against elected members during the 2017-2018 period.



Shire of
Katanning
Heart of the Great Southern

Annual Financial Report
2017 – 2018



REG 17 ACTION LIST - UPDATE							
CATEGORY	MATTER NOTED	RECOMMENDATION	RESPONSIBLE PERSON/S	ACTION	Update May 2018	September 2018	Dec-18
Risk Management Policy	Risk Management Policy adopted in October 2014 has not been implemented as prescribed in Policy.	Review the Risk Management Governance Framework drafted in August 2014 and update the document with current risk methodology and practices.	EMFA	<i>Review to commence Q1 2018 - Interim review does not see major changes - Policy will need to return to Council. A program will be developed to roll out Risk Management to all levels of the organisation and roll out will take place Q2 2018.</i>	This is included in the major Policy Review process currently being progressed with Council.	Risk Management Policy reviewed at Policy Review #2 Workshop, Appetite & definitions included in September ACM	Complete.
		Develop an entity wide risk register to monitor and assess top risks. The risk register should be integrated with the Shire's strategic and operational plans and formally reviewed at least annually (or more frequently if required).	EMFA	<i>The Entity wide risk register will form part of the Risk Management document set and will accompany the Risk Management and Governance Framework. Estimate Q1 2018</i>	Expect Q3 2018	Draft Entity Risk Register included in September ACM.	Ongoing.
	Risk Appetite statement not formally articulated and established.	Formulate a risk appetite statement and corresponding definitions for risk tolerance to enable more effective risk management process.	EMFA	<i>Will need to accompany the Risk Management and Governance Framework. Estimate Q1 2018</i>	Expect Q3 2018	See Above.	Complete.
Business Continuity & Disaster Recovery	The Shire's strategy for business continuity and disaster recovery is in the process of being upgraded to a Cloud based technological solution. Until this is complete, the Shire currently does not have a reliable back-up plan in the event of a prolonged disruption to telecommunication services impacting on email service and local servers etc.	To ensure continuity of services to the community in the event of a prolonged disruption to telecommunications, the Shire should formally track the progress of the 'Cloud Project' in a similar manner as the other key Shire infrastructure projects.	All Senior Staff. Executive Manager of Finance and Administration to contact LGIS - Emma Horsefield re a new or review of Business Continuity Plan	<i>The matter as noted is no longer correct. The use of a "cloud" based solution for business continuity is now off the table and the Shire will use "on premise" technology to ensure best practice business continuity. Draft Business Continuity Plans will be prepared for Council Q3 2018</i>	Remove not relevant.	Draft Business Continuity Plan will be prepared first quarter 2019.	No change.
Corporate Governance	Strategic Community Plan – 2027 and Corporate Business Plan	For Noting - The Shire has prioritised completion of the Strategic Community Plan and is aware of the impact it has on the Corporate Business Plan and other informing plans.	Executive Manager Projects and Community Building	<i>It is aimed to have both the strategic Community Plan and Corporate Plan presented to Council by December 2017.</i>	Corporate Business Plan adopted by Council at OCM April 2018	Complete. Currently drafting 1/4 report on progress.	Complete. Report went to OCM October 2018.
Code of Conduct	The Code of Conduct was reviewed and approved by Council in response to the Probity Audit. The Code of Conduct consists of twenty-two pages	Incorporate a simple table with the key guiding principles within the Code of Conduct to reduce confusion.	All Senior Staff + HR. Executive Manager of Finance and Administration to coordinate	<i>Disagree that a simple table will reduce confusion. Most LG Code of Conducts are 12 to 15 pages due to the complexity of what needs to be covered. The SoK adopted version is a comprehensive document and the information contained is critical to both elected members and staff. EMFA will consider conducting 1:1 inductions with new staff and group refreshers with existing staff. Q2 2018</i>	No change.	Case Studies presented to Council at September ACM.	Training to commence 2019.
	To consider a Code of Business Ethics for third parties	A Code of Business Ethics should be developed for Suppliers /contractors and communicated at the start of their engagement with the Shire.	All Senior Staff + Procurement. Executive Manager of Finance and Administration to coordinate	<i>Review commenced Q4 2017 and draft Code will be presented to Council Q1 2018.</i>	Presented to Audit Committee Meeting May 2018	Statement of Business Ethics, recommended by ACM May 18 will be presented to September OCM.	Complete.

Code of Conduct	Roll-out of Code of Conduct training did not include prepared material nor sample case studies	To ensure consistency of training, case studies for discussion should be prepared in advance and covered in all sessions. Whilst it is acknowledged that questions may vary between the sessions, prepared material ensures at a minimum specific topics are covered.	All Senior Staff + HR. Executive Manager of Finance and Administration to coordinate	<i>As noted above, EMFA will consider how to improve roll out process for the Code of Conduct, including case studies for discussion in training sessions. Q2 2018.</i>	No change.	Apart from initial induction for new staff, the Intranet will be used to refresh staff on an annual basis. EMFA will also use regular scheduled meetings - ie. Weekly staff meetings and Monthly Safety Meetings to keep CoC alive.	Staff training to commence 2019.
Policies & Procedures	We understand a full review of existing Council Policies is being undertaken	Going forward, to facilitate timely review of Council Policies, a master listing of policies, their review due dates, policy owners (person responsible for review) and date of council approval should be captured in a simple document.	CEO and Executive Manager of Finance and Administration	<i>First draft of Policy Manual Review completed November 2017. A number of issues require addressing including consideration of new policies, deletions of policies that are redundant or covered in other areas such as Local Laws. A Policy Review Workshop will be conducted with Councillors in Q2 2018.</i>	3 Policy Review Workshops have been conducted and Council are approximately 50% through the full process.	Finally Policy review workshops TBA by Council. Batches of reviewed and adopted policies are being uploaded to a new, easy to navigate page on the Shire website.	Final policy review workshop held 20 November 2018
	A review of the Table of Contents for the Policy Manual indicated that there are some key policies which are not included in the Policy Manual i.e. Code of Conduct, Asset Management, Internal Control Policy, Legislative Compliance Policy	As part of the review of existing policies for currency, it is recommended to include a process for ensuring that key policies have been drafted, ratified by Council and included as official policies in the Shire's records management system.	CEO and Executive Manager of Finance and Administration	<i>The first draft Policy Manual Review completed November 2017 has already identified matters noted and is addressing the issues. EMFA will take ownership of the Policy Manual and ensure, through liaison with the Executive Team, that all policies required are drafted, reviewed by the stakeholders and presented to Council.</i>	As noted above, Council Policy Review is progressing.	As noted above, these policies will be reviewed by Council via the Policy Workshop process.	Complete.
Policies & Procedures	Communication of Councils Policies/Records Retention During the review, it was observed and confirmed with some staff that they are not aware of the intranet location of Council Policies. It appears that over time, there have been multiple locations where Council Policies have been found including some which are no longer current.	Maintain all Council Policies in one central location on the intranet to ensure that staff are referring to the correct version. Redundant and previous versions of Policies should be removed to avoid confusion. When the full review of Policies has been completed, staff can be advised of the intranet location.	CEO and Executive Manager of Finance and Administration	<i>The Shire's IT infrastructure and system requires review and it will be necessary to conduct that review prior to addition of an intranet. IT Infrastructure and systems will be reviewed 2017/18. While an intranet is required as a priority and subject to budget considerations will be developed in 2018/19.</i>	Intranet has been ordered (20 May 2018) and will be functional by 30 June 2018.	Intranet has been delayed by supplier. Expected to be functional 2nd half of 2018.	Project is operational as at December 2018 - policies and procedures now being loaded.
Segregation of Duties	<u>Review of System Access Privileges</u> Random live tests of user access revealed that there is further work to be done to ensure that security profiles are set up correctly to allow access only to authorised menus/transactions. It was detected that the Manager, Finance had access to change salary details and is responsible for reviewing the pay run.	Perform a detailed review of every user's access privileges to ensure synergy to ensure that users do not have access to incompatible functions.	Executive Manager of Finance and Administration	<i>A review has commenced and will be completed by end Q1 2018.</i>	By 30 June 2018.	Review completed and access privileges changed in June 2018. SRO received formal training on management August 2018.	Complete.

Segregation of Duties	Independent review of bank reconciliation/journals. This was reported in the FMR in April and during the site inspection in May; the procedure had not been changed to require independent review due to staff capacity issues.	Independent review of bank reconciliations and journals should be implemented as a matter of priority.	Manager of Finance	Q1 2018	All Bank Recs were brought up to date and a review process instigated. CEO is now required to sign off on monthly bank reconciliations.	Complete.	Complete.
Operationalise compliance requirements	Compliance requirements are not always embedded into operational procedures.	It is recommended that key regulatory obligations be embedded into operational procedures and monitored for adherence by supervisory staff. Examples: <ul style="list-style-type: none"> • Review total spend with suppliers to detect non-compliance to Purchasing Policy [Reg 11A] • Annual health-check of credit card statements randomly selected for compliance to Credit Card Policy [Reg 11(1)(a)] • Consider simple register of mandatory compliance obligations and deadline cycles (i.e. 28th of month, quarterly etc) to mitigate against non-compliance or untimely execution. 	CEO and all Senior Staff - Executive Manager of Finance and Administration to coordinate	<i>An electronic compliance calendar will be implemented Q1 2018. All regulatory obligations will be included, and the electronic calendar will include random spot checks for Purchasing compliance and Credit Card usage compliance on a quarterly basis.</i>	Electronic Compliance Calendar is currently being reviewed by relevant officers and will include reminders for random checks of purchasing compliance on a quarterly basis.	Compliance calendar provided (for information purposes) to ACM September 2018.	Not implemented yet. Waiting for intranet.