Project
Business Case

Project name:	**Building a new home for RSPCA ACT**
Tier:	**Tier 2**
Risk assessment (high/med/low):	**Medium**
Total estimated project capital cost (P90, $m, nominal):	[redacted]
Whole-of-life cashflow (P90, $m, nominal):	[redacted]
Funding requested ($m):	[redacted]
Recommended delivery model:	[redacted]
Sponsoring Agency:	**TCCS**
Sponsoring Minister:	**Steel**
Contact officer:	**Alex Nockels**
Business Case advisors:	**Territory and Business Services (TCCS) and RSPCA ACT**

This Business Case template should be completed using the Guidelines on developing each section of the Business Case.

Sign-off

Sponsoring Agency:

Print Name
Signature

Basis of authority for consideration in 2023-24 Budget: Included in the correspondence from the Chief Minister for consideration by ERC in the 2023-24 Budget.

Brief Description: [redacted]

Wellbeing domain 1: Housing and Home

Wellbeing domain 2: Access and connectivity

Wellbeing Framework priority target group(s): (Multiple categories can be ticked)

✓ Older Canberrans	✓ Women and/or gender diverse people	✓ LGBTIQA+	✓ Carers
✓ Culturally and linguistically diverse people	✓ Children and young people	✓ Aboriginal and Torres Strait Islander Peoples	✓ People with disability

Priority alignment: (Multiple categories can be ticked)

☐ PAGA Appendix 1 or 2 item	✓ Other election commitment	☐ *National Agreement on Closing the Gap*	☐ *ACT Aboriginal and Torres Strait Islander Agreement 2019-2028*
✓ Housing	☐ Mental health	☐ Early years	☐ Women and/or the *ACT Women's Plan 2016-2026*

Electorate: All

Existing projects or program(s): No. However, there is an ongoing relationship between the RSPCA and the ACT Government that relates to this discrete project. The ongoing relationship is outlined by the Service Funding Agreement between the two parties.

Year to cease funding or ongoing: The Project to build a new facility is discrete and will cease funding requirements in 2026-27.

Link to Budget consultation: No.

Business Case Authorisations

Lead Minister

Ministerial Endorsement	Signature and date or evidence of endorsement
Lead Minister: Steel **Portfolio:** Transport and City Services	20/10/23

Sponsoring Agency: Transport Canberra and City Services Directorate	*Print Name*
	Signature

Contents

1. Executive summary

1.1 Introduction

During the 2020 ACT Election, a commitment was made to assist in the relocation of the RSPCA to a purpose-built facility. Cabinet agreed to a preferred site (21/802) and in-principle to a relocation package (22/551) where the Government would fund construction of a new facility.

[redacted]

$1.025 million was provided in the 2021-22 Budget for the preparation of enhanced preliminary sketch plan designs and securing the required planning approval using the design for a new RSPCA facility at Pialligo. The preliminary sketch plan is on track for finalisation in November 2023. The outcome of the EPBC referral being a controlled action was not expected by the Territory and has resulted in further costs for environmental studies. A further $610,000 for completion of the design was approved in Budget 2023-24.

Current estimates for the design and construction of the new facility in Pialligo, which was scoped and designed in consultation with the RSPCA is $57.7 million. This estimate is primarily a gross floor area-based assessment for building, based on the aspirations of the RSPCA for a campus-style destination that realises their mission; to prevent cruelty to animals by actively promoting their care and protection, in a setting that exceeds minimum standards.

In addition to the build cost assessment, enabling works are estimated at $9.6 million, these costs need to be allowed for by the Territory as the facility cannot be constructed without them. In total the estimated cost of completing design and constructing a new facility at Pialligo is $67.7 million, including a P90 contingency ($16.3 million). The feasibility and design project for animal welfare compliance at DAS is costed at $275,000.

1.2 Needs Analysis

During the 2020 ACT Election, a commitment was made to assist in the relocation of the RSPCA to a purpose-built facility. The commitment was made due to ageing infrastructure and ongoing site constraints for the current facility located in North Weston.

The ACT Government's strong animal welfare framework positions the ACT as a national leader in animal welfare, reflecting a zero-tolerance approach to animal cruelty. RSPCA ACT is a strategic service delivery partner of the ACT Government and works collaboratively in achieving good animal welfare outcomes. Investing in animal welfare infrastructure and delivery capability is critical and without such investment, it creates a high risk to the future and sustainability of good animal welfare outcomes for the Territory.

The RSPCA currently uses aging and substandard infrastructure and requires fit for purpose facilities to improve animal welfare outcomes, reduce safety incidents, injuries and promote best practice in animal welfare and animal management, to meet the shared mission as a strategic partner.

The vision for this facility is to construct a destination that offers a gathering point for members of Canberra's community. Here they will be surrounded by buildings, and activities dedicated to the improvement of animal welfare. The area will contain animal welfare and retail space as well as open spaces for people to mingle and relax. A campus-style destination is envisioned that realises the RSPCA's aspirations to continue in their mission; to prevent cruelty to animals by actively promoting their care and protection.

[redacted]

The land currently occupied by the RSPCA at North Weston is on the Indicative Land Release Program (ILRP), including dwelling releases in 2026-27.

The full budgeted revenue from the land release cannot be realised without the RSPCA facility being relocated and demolition of the existing premise being undertaken, including remediation of contamination.

Kennels at the DAS facility were constructed in the 1970's and do meet recent changes to animal welfare legislation and related codes of practice. They require significant ongoing capital investment to maintain annually, without meeting requirements. Of the 74 kennels, 50 do not comply with animal current welfare standards under the recently released Code of Practice for Pounds and Shelters.

1.3 Strategic and Policy Alignment

During the 2020 ACT Election, a commitment was made to assist in the relocation of the RSPCA to a purpose-built facility.

The land currently occupied by the RSPCA at North Weston is on the Indicative Land Release Program (ILRP), including dwelling releases in 2026-27. Redevelopment of the North Weston site is estimated to generate revenue of $209.3 million; minus estate planning and construction costs of $72.7 million (including selling costs and contingency), and land remediation costs of $5 million. This would leave the ACT Government with a net revenue of $131.5 million.

The construction of a new facility aligns with the objectives in the *ACT Animal Welfare and Management Strategy 2017 – 2022* developed to ensure consistent outcomes in animal welfare. The strategy highlights the intrinsic value and sentience of all animals and the importance of advocating on their behalf. It specifically aligns with Action 3.1.6 and Action 2.1.1.

By investing in a new, purpose-built animal welfare facility, the ACT Government is not only mitigating future service delivery risks, but also demonstratively investing in infrastructure to deliver on the animal welfare intents enshrined in frameworks, policies, and laws. The future renewal of the RSPCA facilities will contribute significantly to achieving high animal welfare outcomes and meeting expanding and changing community needs in the ACT.

The new facility will directly deliver on the ACT government's progressive animal welfare intents by providing a fit for purpose facility to:

- Effect changes in animal cruelty behaviours.
- Promote responsible pet ownership and connection.
- Deliver quality husbandry and care.
- Provide safe refuge to animals whose owners are in crisis.
- Build capacity in much needed primary veterinary care for domestic animals and medical care for injured wildlife.

The facility will provide a safe and fit for purpose workplace for RSPCA staff and volunteers, and importantly, it will provide a platform for early intervention and community education, thereby changing behaviour and resulting in more responsible pet ownership, less animal cruelty, and a more connected community.

The new facilities will enable the highest standards of husbandry with contemporary modern practice canine kennels, cat condos and adequate spaces for domestic and other animals.

It will also house a vet clinic, where much needed capacity can be built to include wildlife veterinary care.

Not only will it ensure sustainable animal welfare outcomes into the future, but also meet the changing community needs, inclusive of having emergency boarding spaces to support the community with animal care during times of crisis and distress and operating fit for purpose primary animal health and vet care clinics supporting at risk and low-income families.

1.4 Options Analysis

The development of the new RSPCA Pialligo facility will be delivered in partnership by the ACT Government and RSPCA, with TCCS representing the ACT Government.

Cabinet submission 22/551 considered [redacted]. Cabinet requested [redacted]. The submission gained in principle agreement for a relocation package that included the design and construction of a bespoke facility for the RSPCA at Pialligo, funded by the ACT Government with ownership of the land and facility being retained by the ACT Government. For continuity purposes, the following options will continue the numbered options 1 and 4.

Option 1 identified the ACT Government as being responsible for the detailed design and construction of the new facility, in consultation with the RSPCA as a nominated delivery partner. Option 4 proposed the RSPCA managing the construction from the development approval stage onwards, under appropriate governance frameworks.

Both options have the ACT Government funding the design and construction and maintaining ownership of the land and facility.

As per Cabinet's recommendation, a series of workshops were held to discuss and analyse delivery options with participants from Transport Canberra and City Service (TCCS), Treasury, Major Projects Canberra, and the RSPCA. As a result of these workshops, the preferred approach [redacted]

Importantly, TCCS identify that the realisation of benefits outlined in Option 4 may be possible by recognising the RSPCA as a nominated delivery partner, with their role to be defined to include contract development.

1.5 Project Scope

The education centre will provide a platform for early intervention and community education, thereby changing behaviour and resulting in more responsible pet ownership, less animal cruelty, and a more connected community.

Transport Canberra and City Services, with assistance from Treasury, has begun a scope and value management process to identify a minimum viable facility, to reduce the scope and required funding. This work will be ongoing to ensure the ACT Government achieves the best possible value from the proposed new facility.

The RSPCA will be responsible for fit out costs of the new facility along with repairs and maintenance of the built facility.

Functional areas to be included are:

- Adoption Centre
- Education Centre and public engagement areas
- Administration and offices, staff and volunteer amenity
- Vet Clinic
- Cat Boarding
- Cattery
- Cat enrichment areas (cat runs)
- Canine kennels
- Canine enrichment areas
- Small animal, farm animal and pocket pet areas
- Barn, yards and poultry care areas
- Wombat yard
- Stores and laundry
- Aviary
- Waste
- Parking
- Allowance for additional capacity for sheltering animals, including more Emergency Boarding
- Allowance for additional capacity in Veterinarian clinic for wildlife
- Separate areas open to public and private access
- Disability Discrimination Act accessibility requirements
- Separation of species for good husbandry
- Inclusion of quarantine and isolation spaces for disease control and biosecurity
- Sufficient spread of support areas for food prep and storage
- Adequate provision of enrichment areas
- Sufficient spaces for community engagement and connection, and educational spaces for young people
- The facility needs to be able to accommodate 65 staff and volunteers per day and an average of 50 visitors per day. (The adaptability need in the new facilities is highlighted by the visitor numbers. RSPCA currently exhibit an average of 50 visitors per day but can expect anywhere upwards of 500 per day for special events.)

1.6 Risk Analysis

Project risks have been considered by the RSPCA project team and through a variety of workshops held to inform the development of this business case. Workshops have involved RSPCA, Treasury, TCCS Finance representatives and the project team. Risks have been considered in accordance with AS 31000:2018 including assessing causes, likelihood and consequence, existing risk controls and development of mitigation and treatment strategies.

The key risks identified are:

- New facility is not delivered in time to allow for land release to occur as per the ILRP.
- The project does not gain EPBC Act and ACT environmental approvals, or these approvals delay the project.
- Delays in planning approvals.
- Construction cost increases due to external factors.
- Governance mechanisms are inadequate to ensure project is delivered on time and within budget.
- Governance mechanisms are inadequate to meet design requirements within the funding envelope granted.

1.7 Delivery Model Analysis

The delivery model is independent of Option 1 or Option 4.

[redacted]

If ACT Government considers that RSPCA are better placed to deliver this capital works construction project, it will need to be clarified if they are still required to meet all ACT Government policies and requirements such as Secure Local Jobs Code compliance, use of prequalified contractors and consultants and behave as a model litigant.

1.8 Financial Analysis

Turner & Townsend were requested to provide a concept cost plan for the proposed new RSPCA facilities that will consist of 10 single level buildings. The proposed site is located on the corner of Fairbairn Avenue & Addison Road in Pialligo.

The base estimate with an escalation allowance and normal ACT Government overheads is $67.9 million. The enabling works have been costed at $9.6 million and the building works at $57.7 million. These figures include an allowance for contingency for the project at the P90 level (currently ($16.3m), which could be managed in several ways to ensure value for the ACT Government and to reduce scope creep.

The level of contingency currently budgeted for is typical of projects at this stage of design. It may be prudent to release 10% of the quantum to the project with the remainder held by Treasury, to reduce the likelihood of it being allocated to scope adjustments and to provide a stronger governance framework over it being spent appropriately on unforeseen risks and issues. The release of the Territory held contingency would be released only by approval of cabinet, subcommittee such as ERC or a nominated agreement between relevant ministers including the treasurer. The preferred contingency management process could be nominated in the budget decision.

1.9 Economic Appraisal

The expected net benefit to the ACT Government of re-locating the RSPCA under both Option 1 and Option 4 is $61.8 million (net revenue from land release of $131.5 million minus construction cost of $69.7 million). This figure is the net revenue of the land release minus the construction costs for the new facility.

However, under Option 4 there is potential for the RSPCA to gain a higher quality asset for the same budget funding, due to in-kind support from contractors involved in the project.

1.10 Project Governance

The main governance mechanism is a Project Control Group (PCG) that will have membership of TCCS, Treasury and MPC staff.

The PCG will ensure the detailed design is costed within the funding envelope and that construction is also within this envelope. The PCG could also play a role in managing the project contingency depending on the approach taken to fund that aspect of the project.

The PCG will also authorise milestone payments for the project.

The PCG will report to a Project Board comprising of executive representatives from TCCS, Treasury, MPC with an independent representative nominated by the RSPCA. The Project Board will provide continued oversight of project delivery, including key functions of the project management team focussed on achieving the project objectives within the funding allocation and delivered to schedule.

1.11 Stakeholder Engagement Plan

Consultation has been undertaken to date with key external stakeholders including the Canberra Airport Group, Duntroon Horse Paddock users, ACT Equestrian Association, Territory Agistment, Leaseholder of the adjoining land, and Defence (through EPSDD) and will continue as the project moves through further design phases.

To date, the project team have met and communicated with the stakeholders on multiple occasions to gather information and seek feedback on the proposal. These consultations will be ongoing during life of the project.

The communication budget for this initiative is $15,000. It will include, but is not limited to, stakeholder engagement with community councils and interest groups such as pet shops, vets and dog walking businesses, billboard signage at the new site and fence wrap around the site perimeter, Our Canberra (print and digital), project updates which can be delivered electronically and in hard copy, posters and other print collateral which can be provided to vets and pet shops for display, stakeholder emails, community pop-ups and boosted social media. We will also work with CMTEDD to identify promotional opportunities as part of the ongoing Built for CBR campaign, including creating a project page on the Built for CBR website. An existing project page on the City Services website will also be utilised as the key point of contact for further information throughout the works. Many of these activities will be delivered in partnership with RSPCA ACT. The communications budget is included in the total initiative funding

1.12 Advisor Engagement Plan

External Technical Advisor, Design Consultant and Specialist Cost Manager (Cost Planner) have been engaged as part of the design and necessary services will be retained through the construction phase of the project.

Other specialist advisor input will be engaged at officer level from relevant ACT Government agencies including MPC, EPSDD and the GSO.

1.13 Timeline

Milestones	Date to be completed
1. Design consultant engaged (completed)	Dec 2022
2. Detailed site investigation	Mar 2024*
3. An initial cost estimate provided (completed)	Jan 2023
4. Business case for 2023-24 Budget (ongoing)	Jan 2023
5. Stakeholder consultation	2023-24
6. Draft Preliminary Sketch Plans (PSP)	Dec 2023
7. Final PSP complete	Apr 2024
8. Development Application (DA) submitted	Mar 2024
9. DA approved	Mar 2024
10. Tender documents complete	Apr 2024
11. Design and construct tender release	May 2024
12. D&C Contract Award	Oct 2024
13. Detailed Design complete	Apr 2025
14. Construction commencement	Feb 2025
15. Construction completion	Apr 2026
16. RSPCA relocation	Jun 2026

*Subject to no EIS process required for ACT environmental approvals. Should an EIS be triggered an additional 12 months is likely required for DA, site investigations, design completion, and construction commencement and completion.

2. Introduction

2.1 Overview

[redacted]

The facility will include up-to-date operational design with the occupational health and safety of staff to be included in all facets of the building along with high level animal welfare standards and an environmentally sustainable design.

The new facility will include facilities for animals (dogs, cats, poultry and large animals, quarantine areas, grooming space and assessment, enrichment and behaviour management areas), a welcome and adoption centre, a vet hospital, education facilities, volunteer and staff amenities, and a laundry.

The vision for this facility is to construct a destination that offers a gathering point for members of Canberra's community. Here they will be surrounded by buildings, and activities dedicated to the improvement of animal welfare. A campus-style destination is envisioned that realises the RSPCA's aspirations to continue in their mission; to prevent cruelty to animals by actively promoting their care and protection.

During the 2020 ACT Election, a commitment was made to assist in the relocation of the RSPCA to a purpose-built facility. Cabinet agreed to a preferred site (21/802) and in-principle to a relocation package (22/551) where the Government would fund construction of a new facility.

[redacted]

$1.025 million was provided in the 2021-22 Budget for the preparation of enhanced preliminary sketch plan designs and securing the required planning approval using the design for a new RSPCA facility at Pialligo. A further $610,000 for completion of the design was approved in Budget 2023-24 The preliminary sketch plan designs are expected to be finalised in mid-2024, subject to the project not triggering an ACT Environmental Impact Statement approval process.

2.2 Project objectives

To deliver a bespoke facility for the RSPCA that meets current and future needs with space to house and enrich domestic, native and other animals along with facilities to provide adequate animal care and education and training for animals and their owners.

Functional areas to be included in the new facility include:

- Adoption Centre
- Education Centre and public engagement areas
- Administration and offices, staff and volunteer amenity
- Vet Clinic
- Cat Boarding
- Cattery
- Cat enrichment areas (cat runs)
- Canine kennels
- Canine enrichment areas
- Small animal, farm animal and pocket pet areas
- Barn, yards and poultry care areas
- Wombat yard
- Stores and laundry
- Aviary
- Waste
- Parking
- Allowance for additional capacity for sheltering animals, including more Emergency Boarding
- Allowance for additional capacity in Veterinarian clinic for wildlife
- Separate areas open to public and private access
- Disability Discrimination Act accessibility requirements
- Separation of species for good husbandry
- Inclusion of quarantine and isolation spaces for disease control and biosecurity
- Sufficient spread of support areas for food prep and storage
- Adequate provision of enrichment areas
- Sufficient spaces for community engagement and connection, and educational spaces for young people
- The facility needs to be able to accommodate 65 staff and volunteers per day and an average of 50 visitors per day. (The adaptability need in the new facilities is highlighted by the visitor numbers. RSPCA currently exhibit an average of 50 visitors per day but can expect anywhere upwards of 500 per day for special events.)

2.3 Project background

Direct investment of $100,000 was provided by the Government to the RSPCA in Budget 2019-20 for Project Home, to support a masterplan for an upgraded facility. The facility requirements are based on the RSPCA Pialligo Concept Plan, 28 March 2022, that was generated with funding of $200,000 sourced internally by TCCS.

During the 2020 ACT Election, a commitment was made to assist in the relocation of the RSPCA to a purpose-built facility. The commitment was made due to ageing infrastructure and ongoing site constraints for the current facility located in North Weston.

On 22 July 2020 Cabinet met (20/419) and discussed [redacted]. There it was recommended that [redacted] it was agreed that the current site at Weston be placed on the ILRP.

Further funding of $1.025 million over two years was allocated in the 2021-22 Budget for TCCS to undertake further feasibility and early design works to facilitate relocation of the RSPCA from North Weston. A further $610,000 for completion of the design was approved in Budget 2023-24.

On 16 February 2022, Cabinet agreed (21/802) to a preferred site for a new RSPCA facility at Pialligo Block 2, Section 14.

On 28 November 2022, Cabinet agreed in-principle (22/551) to a relocation package for the RSPCA from their existing site at Weston Creek to Pialligo (Block 2, Section 14 Pialligo).

2.4 Current state

The land currently occupied by the RSPCA at North Weston is on the Indicative Land Release Program (ILRP), including dwelling releases in 2026-27.

The full budgeted revenue from the land release cannot be realised without the RSPCA facility being relocated and demolition of the existing premise being undertaken, including remediation of contamination (there is known contamination on the western portion of the intended land release area, but studies have not yet been carried out on the footprint of the RSPCA site).

Seasonal environmental surveys were undertaken on the proposed new site at the end of 2021 and found two Matters of National Environmental Significance (MNES) in the study area; low numbers of Striped Legless Lizards and small areas of critically endangered Natural Temperate Grassland.
A contract to develop Preliminary Sketch Plans for the facility has been awarded and early design work has commenced. Further, an updated cost estimate reflecting the current state of design has been developed and was used to inform this business case. Owing to the early stage of design and considerable construction market price volatility, the estimate does carry a significant contingency.

A referral to the Commonwealth Government under the Environment Protection and Biodiversity Conservation Act has resulted in the development of the RSPCA facility at this location being a controlled action. This requires an approval from the Commonwealth prior to the proposal (including most of the site investigations) being able to be progressed. An outcome from further environmental studies is expected from the Department of Climate Change, Energy, the Environment and Water in October 2023. This carries a low risk that the proposal does not secure approval.

Current indications from EPSDD are that the proposal, having been assessed as a controlled action by the Commonwealth, will be required to pass through the ACT's Environmental Impact Statement (EIS) approval pathway. Earlier indications were that an Environmental Significance Opinion from the Conservator of Flora and Fauna would be the pathway; an EIS will add approximately 12 months to the project schedule. This additional 12-month period is not reflected in the timings noted in the business case as actions to confirm this process requirement are underway at present.

3. Needs Analysis

3.1 Problem (or opportunity) and strategic responses

During the 2020 ACT Election, a commitment was made to assist in the relocation of the RSPCA to a purpose-built facility. The commitment was made due to ageing infrastructure and ongoing site constraints for the current facility located in North Weston.

The RSPCA currently uses aging and substandard infrastructure and requires fit for purpose facilities designed to improve animal welfare outcomes, reduce safety incidents, injuries and promote best practice in animal welfare and animal management, in order to meet the shared mission as a strategic partner of ACT Government.

[redacted]

The land currently occupied by the RSPCA at North Weston is on the Indicative Land Release Program (ILRP), including dwelling releases in 2025-26 and 2026-27.

The full budgeted revenue from the land release cannot be realised without the RSPCA facility being relocated and demolition of the existing premise being undertaken, including remediation of contamination.

The organisation plays a key role for animal welfare in the ACT. RSPCA over the last ten years has:

- provided accommodation and care to more than 72,200 animals,
- investigated 8,429 animal cruelty complaints,
- de-sexed 16,000 cats and dogs,
- provided advice and guidance to the community via an average of 21,000 inbound phone calls per year; and
- filled an average of 14,268 volunteer hours per year.

The current facility has ageing infrastructure and is nearly always over capacity for animals. The RSPCA keep a waitlist of animals waiting to be surrendered which can be up to 40 animals long at any time. Additional capacity is also required for emergency boarding and interim care. It is also worth noting that cases before ACT Civil & Administrative Tribunal can be protracted in nature requiring long-term boarding by the RSPCA and DAS. With the strong population growth Canberra is experiencing these issues are expected to worsen.

The RSPCA facility has existed on the corner of Kirkpatrick Street and Brackenreg Road in Weston for approximately 60 years. The current facility consistently operates over capacity resulting in safety issues, concerning biosecurity and disease control. To mitigate these issues, structural change is required. The current infrastructure cannot cope with further increases in demand, which are occurring due to population growth. Establishing a purpose-built facility on a new site will ensure evolving community needs are met by having an adaptable operational space. This operational space will provide for RSPCA staff and their volunteers and house Vet facilities that are in line with modern practices.

Most of the RSPCA buildings are over 45 years old. This exacerbates significant structural problems, power supply issues, termite damage, sewage discharge issues including drainage, damaged mains and water pipes, rust affected structural load bearing poles, leaking roofs, and exposed kennels to wind and rain.

Many key RSPCA buildings at Weston have been at the site since the late 1960s - early 1970s including the vet clinic and the wildlife building (a former caretaker's house). Remodelling these two buildings is difficult because they were never built for their current purpose and there is confirmed asbestos in parts of the wildlife building and presumed asbestos in the vet clinic.

The current facility no longer meets best practice animal welfare requirements for the operational spaces. For example, new disease control and biosecurity methods have developed requiring additional spaces. Separate quarantine locations and facilities for different species are required to prevent the spread of infectious diseases. This is also the case for the Domestic Animal Services (DAS) facilities.

DAS has no holding facilities for cats. All cats processed by DAS are transferred to the RSPCA. With the introduction of the Territory's new cat plan, it is expected that the overall need for cat kennelling will increase, and the current location is not capable of meeting the demand and requirements placed on the RSPCA through the Service Funding Agreement (SFA)[1].

These important issues call for an urgent need for a new facility and a new operating model.

Current facilities at DAS do not meet animal welfare requirements and a feasibility and design project will clarify the costs of upgrading the facilities to meet the requirements that DAS are legislated to enforce.

3.2 Benefits

Development of a new RSPCA facility presents an opportunity to consider innovative and collaborative service delivery models that minimise duplication of functions between the ACT Government and the RSPCA.

The existing DAS facility at Symonston is ageing, with regular and expensive maintenance required to ensure the welfare of animals held there. Development of the new RSPCA facility at Pialligo provides an opportunity for DAS and RSPCA to work together to deliver services in a more coordinated manner that reduces the expense to Canberra citizens whilst improving outcomes for animals.

Relocating the RSPCA to a bespoke facility provides an opportunity to reconsider how services under the DA and AW Acts are delivered, noting the benefits gained with effective relationships between government agencies and non-government organisations.

A unique opportunity now exists to consider innovative service delivery models, with an agreed model incorporated into the new facility's design and construction, producing a modern, purpose-built facility that is fit for purpose now and into the future.

There is also the opportunity to reconsider the services delivered by both organisations, with the possibility of reducing duplication and inefficiencies. A more collaborative approach could leverage each parties' collective strengths in addressing relevant aspects of the Domestic Animals and Animal Welfare Acts. For example: focusing DAS on compliance and community safety and the RSCPA on broader animal welfare issues.

[1] The RSPCA is funded by the ACT Government to progress broad policy goals of becoming a leader in Australian animal welfare and management practice. As a result, the RSPCA provides services on behalf of the ACT Government including animal welfare inspectorate services under the Animal Welfare Act 1992, dog and cat management services and pest animal services.

The land currently occupied by the RSPCA at North Weston is on the Indicative Land Release Program (ILRP), including dwelling releases in 2025-26 and 2026-27. Redevelopment of the North Weston site is estimated to generate revenue of $209.3 million; minus estate planning and construction costs of $72.7 million (including selling costs and contingency), and land remediation costs of $5 million, this would leave the ACT Government with a net revenue of $131.5 million.

The full budgeted revenue from the land release cannot be realised without the RSPCA facility being relocated and demolition of the existing premise being undertaken, including remediation of contamination (there is known contamination on the western portion of the intended land release area, but studies have not yet been carried out on the footprint of the RSPCA site).

The ACT Government's strong animal welfare framework positions the ACT as a national leader in animal welfare and reflects a zero-tolerance approach to animal cruelty. RSPCA ACT is a strategic service delivery partner of the ACT Government and works collaboratively in achieving good animal welfare outcomes. Investing in animal welfare infrastructure and delivery capability is critical and without such investment, it creates a high risk to the future and sustainability of good animal welfare outcomes for the Territory.

The vision for this facility is to construct a destination that offers a gathering point for members of Canberra's community. Here they will be surrounded by buildings, and activities dedicated to the improvement of animal welfare. The area will contain animal welfare education and retail space as well as open spaces for people to mingle and relax. A campus-style destination is envisioned that realises the RSPCA's aspirations to continue in their mission; to prevent cruelty to animals by actively promoting their care and protection.

The education centre will provide a platform for early intervention and community education, thereby changing behaviour and resulting in more responsible pet ownership, less animal cruelty and a more connected community.

The ability for the RSPCA to generate own source income is an important aspect of creating long term sustainability. Currently the SFA provides less than 20 per cent of the revenue required for the RSPCA to operate and increasing own source revenue streams may allow the Government to reduce ongoing support for the RSPCA in the future.

The new facility aims to deliver:

- Smart design principles that maximise welfare outcomes and provides disease control through environmental design.
- A centre of learning and interaction that promotes wellbeing for animals and humans.
- Improved welfare outcomes as a result of educational and outreach to schools (both formal and informal).
- A safe and secure environment for animals and people.
- The highest levels of disease control measures.
- Environmentally sustainable design and renewable energy for operations.
- A customer friendly, accessible, and safe environment for staff and visitors of all ages.
- A facility capable of delivering educational programs to the community of Canberra that support our nation leading animal welfare legislation and improve compliance with the Domestic Animals Act.
- Minimal impact of noise pollution to people and animals.

Effective measures of the changes to the facilities and business model may include an increase in the number of animals managed, increased compliance with animal welfare and domestic animals' requirements by Canberra citizens through education and reductions in:

- General wait times for dog training classes
- The wait list of animals to surrender
- The number of biosecurity outbreaks
- Reactive repairs and maintenance costs.
- Duplication of services between RSPCA and DAS.

4. Strategic and Policy Alignment

4.1 Alignment with Government commitments and policies

During the 2020 ACT Election, a commitment was made to assist in the relocation of the RSPCA to a purpose-built facility. The commitment was made due to ageing infrastructure and ongoing site constraints for the current facility located in North Weston.

On 16 February 2022, Cabinet agreed (21/802) to a preferred site for a new RSPCA facility at Pialligo Block 2, Section 14.

On 28 November 2022, Cabinet agreed in-principle (22/551) to a relocation package for the RSPCA from their existing site at Weston Creek to Pialligo (Block 2, Section 14 Pialligo).

The construction of a new facility aligns with the objectives in the ACT Animal Welfare and Management Strategy 2017 – 2022 developed to ensure consistent outcomes in animal welfare. The strategy highlights the intrinsic value and sentience of all animals and the importance of advocating on their behalf. It specifically aligns with Action 3.1.6 and Action 2.1.1.

By investing in a new, purpose-built animal welfare facility, the ACT Government is not only mitigating future service delivery risks, but also demonstratively investing in infrastructure to deliver on the animal welfare intents enshrined in frameworks, policies, and laws. The future renewal of the RSPCA facilities will contribute significantly to achieving high animal welfare outcomes and meeting expanding and changing community needs in the ACT.

The new facility will directly deliver on the ACT government's progressive animal welfare intents by providing a fit for purpose facility to:

- Effect changes in animal cruelty behaviours.
- Promote responsible pet ownership and connection.
- Deliver quality husbandry and care.
- Provide safe refuge to animals whose owners are in crisis.
- Build capacity in much needed primary veterinary care for domestic animals and medical care for injured wildlife.

The facility will provide a safe and fit for purpose workplace for RSPCA staff and volunteers, and importantly, it will provide a platform for early intervention and community education thereby changing behaviour and resulting in more responsible pet ownership, less animal cruelty, and a more connected community.

The new facilities will enable the highest standards of husbandry with contemporary practice canine kennels, cat condos and adequate spaces for domestic and other animals.

It will also house a vet clinic, where much needed capacity can be built to include wildlife veterinary care.

Not only will it ensure sustainable animal welfare outcomes into the future, but also meet the changing community needs, inclusive of having emergency boarding spaces to support the community with animal care during times of crisis and distress and operating fit for purpose primary animal health and vet care clinics supporting at risk and low-income families.

4.2 Wellbeing Impact Assessment

We anticipate that the proposal will have the following wellbeing impacts across the safety, environment and climate, housing and home, access and connectivity wellbeing domains:

- Major positive impact on Indicative Land Release Program (ILRP).
- Major positive impact on safety of staff and animal welfare.

The RSPCA is currently located in North Weston, which is zoned for future residential development by the Territory Plan. Relocation of the RSPCA to a new location will allow the Land release in North Weston to occur. The removal of the RSPCA and its operational buffer zone, related to noise impacts would yield up to 800 dwelling sites. This will create essential housing for the peoples of Canberra and return an estimated net revenue of $131.5 million to the Territory (after accounting for development costs).

The RSPCA currently uses an aged facility and consistently operates over capacity resulting in safety issues and increases the risk of biosecurity and disease outbreaks which negatively impact animal welfare outcomes. The new purpose-built facility will provide a safe and fit for purpose workplace for RSPCA staff and volunteers, and importantly, it will provide a platform for early intervention and community education to change behaviour and increase more responsible pet ownership among Canberrans, leading to less animal cruelty and a more connected community. The RSPCA has a critical role in supporting the ACT Government in managing domestic animals in the ACT.

Every member of the Canberra community can benefit from this proposal; however, it is of particular benefit to the people of Canberra who require essential housing, pet owners, RSPCA staff and volunteers.

The education centre will provide a platform for early intervention and community education, thereby changing behaviour and resulting in more responsible pet ownership, less animal cruelty, and a more connected community.

The Pialligo site is presently known as the Duntroon Horse Paddocks. Territory Agistment holds a grazing licence on the land, and it is used for horse agistment. Building the new RSPCA facility on Block 2, Section 14 Pialligo will reduce the paddock area by 4.0 Ha which will have an impact on the stocking rates. The proposal will have a negative impact on Duntroon agistees which can be mitigated through planning on availability and management of horse paddocks across the ACT.

The RSPCA has been in discussions with the ACT Government on the ageing infrastructure at their current facility for over 14 years.

The Weston site that currently houses the RSPCA facility is drafted to be on the Indicative Land Release Program (ILRP) for 2026-27. Land release can’t occur until the RSPCA has been relocated to a new location.

The main objective of this proposal is to proceed with relocating RSPCA from their current facility in Weston to a bespoke facility in Block 2, Section 14 Pialligo in order to:

- Vacate their current site to meet the Indicative Land Release Program timeframes.
- Provide RSPCA staff and volunteers with a safe working environment that meets their requirements.
- Improve and increase capacity to manage animal welfare in the ACT and provide better care and support to sheltered animals.

The performance of the proposal in terms of the above objectives can be measured through:

- Development of North Weston land as per Indicative Land Release Program timeframes.
- A new facility design that meets animal welfare standards, with improved conditions for animals, staff and volunteers.
- The RSPCA continuing to support the ACT Government in managing domestic animals under the relevant legislation (Animal Welfare and Domestic Animals Acts).
- A satisfaction survey of RSPCA staff and volunteers, once ensconced in the new facility.
- A new RSPCA campus that improves educational opportunities for Canberrans in relation to obligations under the legislation and provides a location to interact with animals.
- People and animals to be surrounded by buildings and activities dedicated to the improvement of animal welfare.

4.3 Alignment with other projects, Programs and Precincts

The facility upgrades will allow compliance to Best Practice Guidelines and respond to the Government's contemporary laws and policies; and objectives of the *Animal Welfare and Management Strategy 2017 – 2022* (the Strategy) outlined below:

- Objective 1 –the ACT has contemporary animal welfare and management laws.
- Objective 2 – there are ongoing and measurable improvements in animal welfare and management practice in the ACT, as assessed against best practice standards and community expectations.
- Objective 3 – Community safety and urban environmental amenity is maintained to a high standard.
- Objective 4 – Where animals are managed for social, economic and environmental purposes, this happens in accordance with best practice.
- Objective 5 – compliance and enforcement of animal welfare and management issues is efficient and effective.

This project specifically aligns with the following actions of the strategy:

- Action 3.1.6 Additional investment in fit for purpose facilities to care for and manage domestic animals in the custodianship of the ACT Government. Facilities should cater for current and future demand.
- Action 2.1.1 – Custodians, animal industries and the community have the information, knowledge and skills to fulfil their animal welfare and management responsibilities.

4.4 Consideration of Commonwealth Government policies and priorities

Not applicable.

5. Options Analysis

5.1 'Do minimum' Base Case

Should the Government not agree to re-locate the RSPCA to a new facility in Pialligo then the current site at Weston, with its ageing infrastructure and site constraints, would need to continue to be operated.

It is likely that the SFA between the ACT Government and the RSPCA would need to be reviewed, with increased costs to Government associated with increased repair and maintenance costs stemming from the ageing infrastructure. It is also likely that additional cost pressures would need to be accommodated to address the recently released Cat Plan, as the Government does not have facilities to house cats at the DAS shelter at Symonston and the current RSPCA facility is not able to cope with the increases expected once enforcement of the Cat Plan commences in earnest.

Further, the full budgeted revenue from the land release cannot be realised without the RSPCA facility being relocated and demolition of the existing premise being undertaken.

The land currently occupied by the RSPCA at North Weston is on the ILRP, including dwelling releases in 2026-27. Redevelopment of the North Weston site is estimated to generate revenue of $209.3 million; minus estate planning and construction costs of $72.7 million (including selling costs and contingency), and land remediation costs of $5 million. As such, this would leave the ACT Government without a net revenue of $131.5 million should relocation to a new facility not occur.

Should the Government not agree to fund a feasibility and design project to upgrade the DAS facilities to meet animal welfare compliance requirements, the community could be concerned that the arm of Government enforcing compliance with legislation does not meet the same requirements itself. This could undermine the integrity of the legislation and compliance with it.

5.2 Strategic solutions

There is only one strategic solution that meets both the Governments Election Commitment and allows for the land release in Weston to be realised – relocation of the RSPCA to a bespoke facility in Pialligo.

Cabinet considered various strategic solutions in submission 22/551 and 21/802 and provided funding in the 2019-20 Budget for a concept plan of the envisaged Greenfields facility.

Recommended strategic solution

[redacted]

[redacted]

[redacted]

5.3 Project options

Evaluation criteria

The major criteria for deciding between the two options is value for money and which party managing the detailed design and construction can achieve the best outcome for the funding provided.

A secondary criterion of timeliness was also considered, which party managing the detailed design and construction reduces the risk of timeframes for the ILRP failing to be met by the highest margin.

Project options

Option 1 - ACT Government undertakes detailed design and construction

This option would see the ACT Government design, enable and construct the facility, in consultation with the RSPCA, and retain ownership of both the land and the facility. These costs would therefore be capitalised.

The RSPCA would be responsible for specialised fit out costs of the new facility and ongoing repairs and maintenance for the buildings and grounds. The dog kennels, cat condos and other animal areas are considered as part of the build and the RSPCA will provide the specialised fit out for ICT, administration, and the veterinary spaces.

The legal instrument for this option would be a Heads of Agreement, with a lease arrangement, with the RSPCA for the land and buildings. The Government Solicitors Office would be involved in the drafting of the agreement which would build on the existing Service Funding Agreement (SFA) currently in place.

The ACT Government, through TCCS, is well versed at delivering construction projects of this magnitude and has in place checks and balances to ensure value for money. In addition, TCCS has staff currently employed who are experienced at delivering and managing construction projects.

Governance approaches are well known and understood, reducing the risk of the project not being delivered to scope, budget, and timeframes.

A series of recent workshops held by Transport Canberra and City Services with participation from Treasury, Major Projects Canberra and the RSPCA have indicated that this is the preferred option to deliver the project on time and within budget.

Option 4 - RSPCA manages design and construction with appropriate governance mechanisms

This option would see the ACT Government maintain ownership of the land and buildings, with the RSPCA being responsible for managing the project and construction of the facility from the Development Application stage onwards.

The financial mechanism would allow for the design costs to be capitalised, as the ACT Government will ultimately own the land and assets. The ACT Government could contract the RSPCA to build the asset on behalf of the ACT Government, with the Government paying the RSPCA based on contracted milestones and capitalising the asset over time as it is constructed.

Governance arrangements for this approach are pivotal to ensure the design and construction fit within the funding envelope. It is envisaged that a Project Control Group would have membership from ACT Government agencies (Treasury, TCCS and MPC) as well as the RSPCA itself, this group would authorise the milestone payments. This group would also maintain a level of control of the project contingency with release to the RSPCA construction team only on demonstrated/evidenced need. This approach ensures that the ACT Government retains an appropriate level of cost control over the project.

Having the RSPCA manage the design and construction allows for a single focus project, which decreases the risk of timeframes not being met and allows for in-kind construction work to be included in the funding envelope. However, neither of these benefits have been tested and no specific metrics can be placed on them to indicate a strong evidence base for the assumptions.

The RSPCA expects to be able to employ a project management team with a single project focus that will ensure delivery of the project to agreed timeframes, enabling the ILRP to meet its commitment of 2025-26 for land release.

Further, the RSPCA expect to be able gain significant in-kind contributions to the construction of the facility which will increase the value of the asset delivered within the funding envelope.

Recommended project option(s)

[redacted]

6. Project Scope

6.1 Scope of works

To ensure that the preferred site at Pialligo Block 2 Section 14, is a viable location for the RSPCA's new facility the following is required:

- Complete necessary statutory planning approval processes for the development of Pialligo site including the need for public transport.
    - The Block 2 Section 14 site in Pialligo contains small areas of critically endangered Natural Temperate Grassland and low numbers of Striped Legless Lizard. A recent referral to the Commonwealth Government under the Environment Protection and Biodiversity Conservation Act has resulted in the development of the RSPCA facility at this location being a controlled action. This requires an approval from the Commonwealth prior to the proposal (including most of the site investigations) being able to be progressed. An outcome of this approval process is expected in October 2023. An EIS under ACT legislation has recently been flagged as required; TCCS is investigating any alternative pathways to this process noting it is likely to add approximately 12 months minimum to the schedule.
- UXO survey and remediation.
- Additional detailed site investigation and surveys.
- Finalise detailed design for the new facilities.
- Enabling works for preparation of the sites (estimated at $9.7 million).
    - Civil works
    - Civil hydraulics
    - Electrical
    - Landscaping
- Staged construction and commission of new buildings.

Outputs for the RSPCA facility at a new site currently include new buildings to facilitate RSPCA activities including;

- Adoption Centre
- Education Centre and public engagement areas
- Administration and offices, staff and volunteer amenity
- Vet Clinic
- Cat Boarding
- Cattery
- Cat enrichment areas (cat runs)
- Canine kennels
- Canine enrichment areas
- Small animal, farm animal and pocket pet areas
- Barn, yards and poultry care areas
- Wombat yard
- Stores and laundry

- Aviary
- Waste
- Parking
- Allowance for additional capacity for sheltering animals, including more Emergency Boarding
- Allowance for additional capacity in Veterinarian clinic for wildlife
- Separate areas open to public and private access
- Disability Discrimination Act accessibility requirements
- Separation of species for good husbandry
- Inclusion of quarantine and isolation spaces for disease control and biosecurity
- Sufficient spread of support areas for food prep and storage
- Adequate provision of enrichment areas
- Sufficient spaces for community engagement and connection, and educational spaces for young people
- The facility needs to be able to accommodate 65 staff and volunteers per day and an average of 50 visitors per day. (The adaptability need in the new facilities is highlighted by the visitor numbers. RSPCA currently exhibit an average of 50 visitors per day but can expect anywhere upwards of 500 per day for special events.)

These requirements have been scoped and designed in consultation with the RSPCA to meet their aspirational goals for the new facility.

Transport Canberra and City Services has begun work to understand what a minimum viable facility may look like, as opposed to the aspirational facility that has currently been scoped and costed. This work will be on-going to ensure the ACT Government achieves the best possible value from the proposed new facility. The work may identify elements of the current scope and design that may be best undertaken at a time in the future, allowing for a staged approach.

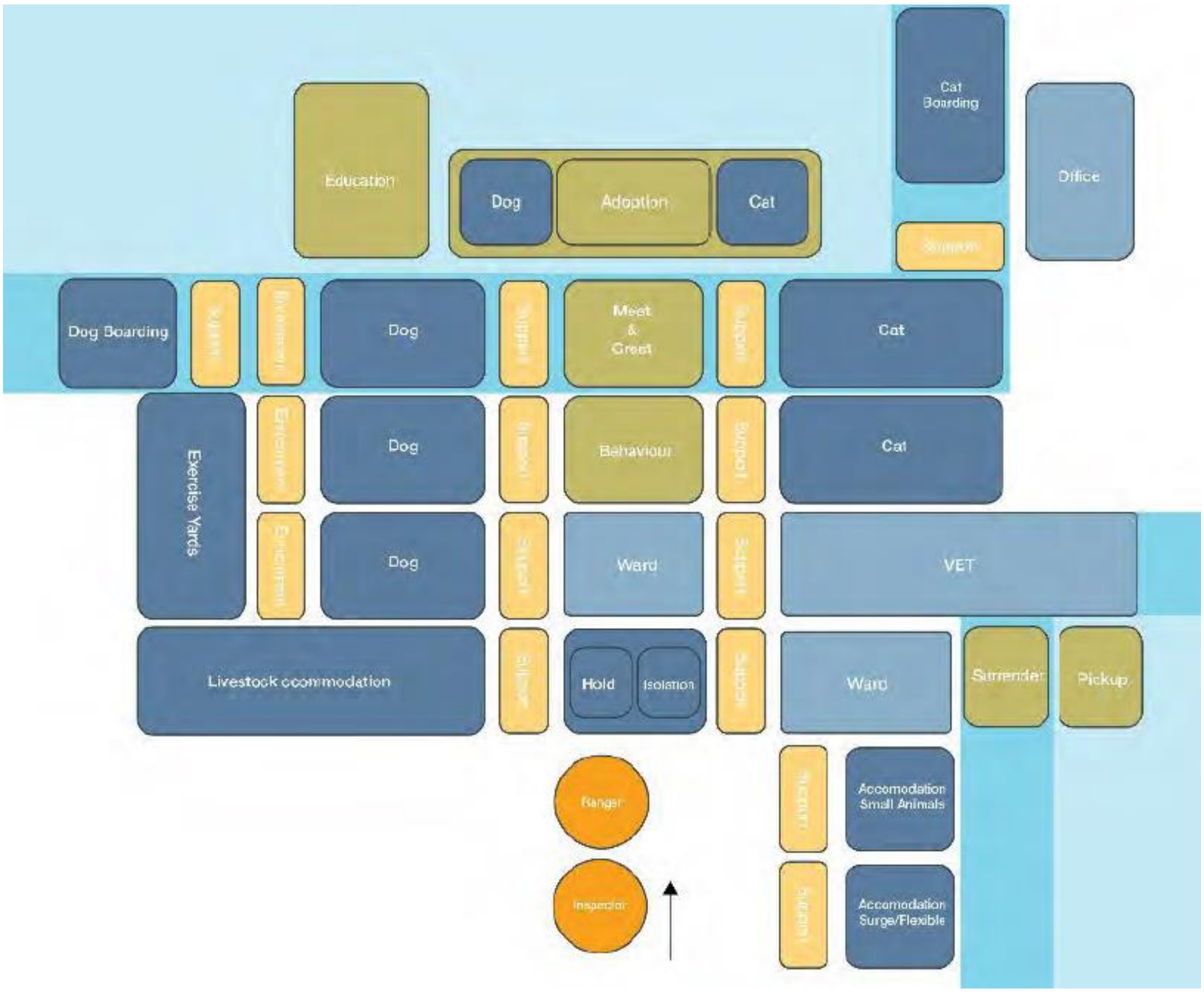
Additional outputs include:

- Service Road and associated external works.
- Public transport infrastructure along Fairburn Avenue.
- Intersection improvements at Addison Road and Fairbairn Avenue.

6.2 Scope of services

The design needs to facilitate the below relationship diagram of spaces. This allows for:

- Separate public interfaces to education/adoption and Vet/surrender.
- Semi-public areas to facilitate the viewing of a higher number of animals and a ‘meet and greet’ area.
- Separation of species an inclusion of enrichment areas.
- Isolation and triage of treatment of animals.
- Growth and expansion when required due to future demands.
- Privacy of ranger pickup.
- Suitable support areas for food prep and storage.



6.3 Project interdependencies

The land currently occupied by the RSPCA at North Weston is on the ILRP, including dwelling releases in 2026-27.

Construction and commissioning of the new facility in Pialligo must occur prior to the RSPCA vacating the current Weston site by June 2026.

7. Risk Analysis

7.1 Risk analysis process

Project risks have been considered by the RSPCA project team and through a variety of workshops held to inform the development of this business case. Workshops have involved RSPCA, Treasury, TCCS Finance representatives and the project team. Risks have been considered in accordance with AS 31000:2018 including assessing causes, likelihood and consequence, existing risk controls and development of mitigation and treatment strategies.

7.2 Key project risks

The major project risks are articulated in the table below, however the risks can be summarised as:

- New facility is not delivered in time for the RSPCA to fully vacate the current Weston site by June 2026 to allow for land release to occur as per the ILRP.
- The Block 2 Section 14 site in Pialligo contains small areas of critically endangered Natural Temperate Grassland and low numbers of threatened Striped Legless Lizard. A referral to the Commonwealth Government under the Environment Protection and Biodiversity Conservation Act has resulted in the development of the RSPCA facility at this location being a controlled action. This requires an approval from the Commonwealth prior to the proposal (including most of the site investigations) being able to be progressed. An outcome of this approval process is expected in October 2023. An EIS under ACT legislation has recently been flagged as required; TCCS is investigating any alternative pathways to this process noting it is likely to add approximately 12 months minimum to the schedule. This also carries a low risk that the proposal does not secure approval.
- Delays in planning approvals.
- Construction cost increases due to external factors (COVID-19, war in Ukraine, inflation etc).
- Governance mechanisms are inadequate to meet milestone payments and ensure project is delivered on time and within budget.
- Governance mechanisms are inadequate to meet RSPCA design requirements within the funding envelope granted.

Major Project Risks	Strategies to mitigate risk
Covid 19 impacts that delay site investigations, communications, feasibility study and design delivery.	- Prioritise milestone activity items early and address highest priorities on the critical path first. - Early communication with stakeholders to inform the project and identify alternative approaches to maintain project progress should this risk be realised.
Procurement delays	- Requirements and timeframes for procurement identified early in discussion with IDP - Tender issue timing reviewed with IDP to avoid tendering similar projects concurrently. - Recognition of the likely timing of the 2024 ACT election caretaker period and coordination with the anticipated time of construction contract award.
Development Application not approved	- Thorough background investigations and ensuing design that mitigates risk of adverse effects on cultural heritage, EPBC listed ecologies, flora and fauna, bushfire, and other key risk areas. - Appropriate planning pathway and documentation requirements identified early. - Early relevant government and public stakeholder, approvals authorities and services authorities' consultations to be undertaken as required for detailed design. - Due diligence undertaken in DA submission preparation
Milestones not met	- Statement of requirements (SoR) that clearly identifies critical milestones, time frames and delivery/acceptance dates - Project program provided early, regularly reviewed and updated. - SoR in plain language to minimise risk of miscommunication - Regular project team meetings - Regular reporting schedule that identifies progress and notifies immediately of issues, risks and WHS concerns.
Design does not meet project objectives	- RSPCA as a nominated delivery partner and defined to include contract development - Objectives clarified at project start and ongoing - Design review undertaken at project meetings and at key milestones with reference to project objectives
Design does not meet expectations	- RSPCA as a nominated delivery partner and defined to include contract development - Ensure design development responds to the outcomes of consultations - Continue discussions with government and public stakeholders as relevant throughout the project

Major Project Risks	Strategies to mitigate risk
Government and public stakeholder consensus on design proposals not achieved.	- Early and clear communication especially for areas requiring stringent design controls such as approvals such as Heritage and environment. - Early discussion with equestrians, the current site leaseholder and EPSDD to ensure design proposals are well understood and changes proposed collaboratively resolved, issues arising mitigated early
Design Approval and other approvals not timely due to document review, comment and approvals not provided by relevant government stakeholders and authorities.	- Stakeholders notified early of the scheduled activity and response timing - Preliminary discussions with stakeholders before documents are presented for review - Follow up prior to due date for responses - Timeframes for approvals authorities identified early and sufficient time allowed in delivery schedule for review, comment, and approval - Allow contingency time for possible delay
External client – Balancing RSPCA's requirements / expectations with what ACT Gov can provide.	- A steering committee for the project to be established early on, with members from RSPCA and ACT Government - The steering committee to be involved throughout the project. - The steering committee to discuss and resolve any conflict

8. Delivery Model Analysis

8.1 Overview of delivery model assessment process

The delivery model is independent of Option 1 or Option 4.

A Delivery Model Workshop (DMW) was held on 11 January 2023 which identified the preferred model [redacted]

If ACT Government considers that RSPCA are better placed to deliver this capital works construction project, it will need to be clarified if they are still required to meet all ACT Government policies and requirements such as Secure Local Jobs Code compliance, use of prequalified contractors and consultants and behave as a model litigant.

8.2 Project characteristics

The DMW agreed that there was limited scope and opportunity for private sector funding and that the project was not at a scale where private finance would be a consideration or partnering opportunities with the private sector. This discounted PPP or Alliance from further consideration.

The DMW agreed that there was limited scope for a Managing Contractor as there were no aspects of the project that suited the flexibility or higher cost structure. This may have been considered if there was any complexity for industry in pricing their resourcing outputs, similar to when used on the Alexander Maconochie Centre or ACT Healthy Waterways program.

The DMW agreed that there was limited scope for consideration of a cost-plus model such as a Project Management Agreement. This approach is generally only suitable for operational assets or facilities such as schools, emergency services facilities or sporting facilities, which are still required to be operational where the contractor works with and around occupants, which comes at a higher cost and longer timeframe.

The DMW agreed that there was limited scope for consideration of a Design, Construct Operate (DCO) or Design, Construct, Maintain and Operate (DCMO) as the Government is looking at the RSPCA signing up a long-term lease (up to 50 years). Maintenance of the facility will be a requirement of the RSPCA lease. This discounted DCO and DCMO from further consideration.

There may be an opportunity to do an early works package consisting of UXO clearance, Geotech investigations, bulk earthworks, environmental works, utilities servicing etc or some combination of these activities, subject to timely resolution of environmental approvals.

8.3 Delivery model assessment

Delivery Model Evaluation Table – RSPCA Project Home

The criteria below are likely to be relevant for most infrastructure projects. Should you wish to use additional criteria please consult first with IFR. Additionally, some criteria below may not be relevant for all tiers. Please carefully select the criteria to use in the MCA that are most important and relevant for the project. The Project Team may refer to detailed Delivery Model Analysis Guidelines for delivery model selection.

Delivery model evaluation criteria	Relative importance of evaluation criteria	Design & Construct	Design then Construct
Project value	Medium	Appropriate for D&C based on cost, risk transference and time to deliver, relatively high project value ✓✓	Appropriate for D then C based on project outputs, flexibility and limited (appropriate) risk transference, relatively high project value ✓
Project scope and duration	High	Can drive program more readily although can be perceived to lose control of design ✓✓	More easily able to drive design and scope although delivery timeframes can blow out ✓
Ability to specify project outputs clearly	Medium	More risk to sit with the contractor but control and ability to drive is lessened ✓	The Territory will have more control over design and ultimately timeframes ✓✓
Time to deliver project	High	Significant driver to achieve Land Release ✓✓	Significant driver to achieve Land Release ✓✓
Flexibility	Medium	Working with RSPCA rep's during the design and fit out is critical ✓	The Territory will have more control over approvals and ultimately timeframes ✓✓

Delivery model evaluation criteria	Relative importance of evaluation criteria	Design & Construct	Design then Construct
Price certainty	High	More price certainty and program certainty as this sits with D&C partner ✓✓	May achieve price certainty without program certainty ✓
Innovation and incentive	Medium	More innovation may be offered if incentivised ✓✓	May achieve less innovation if design is separate ✓
Risk allocation to private sector	Medium	More risk allocation sits with D&C partner and with clear implications ✓✓	More risk allocation sits with the principal and with limited implications to the contractor ✓
Market interest	Medium	Industry is interested in the project under D&C model ✓✓	Industry may be more interested in the project under D then C model with more risk sitting with the Territory ✓
Whole-of-life issues	High	May lead to more innovative outcomes but more design challenges with RSPCA input ✓✓	May lead to more buy in from RSPCA with direct input into design ✓✓
Procurement and supervision costs	Low	Commercial industry understands D&C and generally works well when outputs clearly defined. Supervision similar in both ✓✓	Commercial industry understands D then C and generally works well when pricing against design. Supervision similar in both ✓✓
Stakeholder management	High	Critical for project success, principal will support contractor ✓✓	Critical for project success, contractor will support principal ✓✓
Overall rating		[redacted]	[redacted]

Return to Options Analysis

8.4 Recommended delivery model

[redacted]

9. Financial Analysis

9.1 Estimated project capital cost

Turner & Townsend (T&T) were requested to provide a Concept Cost Plan for the proposed new RSPCA facilities that will consist of 10 single level buildings which is located on the corner of Fairbairn Ave & Addison Road, Canberra.

The project includes the following:

- Infrastructure to accommodate new facility.
- 10 Buildings with facilities for different accommodations.
- Fenced, grassed areas and paddocks.
- Parking, roads, and landscaping.

A further $2750,000 for completion of the feasibility and design work at DAS to meet animal welfare compliance is also included in the Capital Cost.

Transport Canberra and City Services has begun a value management process, with assistance from Treasury, to identify a minimum viable facility, to reduce the scope and required funding. However, the results of this work are not yet available. An updated Concept Cost Plan will accommodate the value and scope management work.

Estimated project capital cost (nominal)

Cost item	Completion of feasibility and design for DAS EX GST ($)	Enabling Works Ex GST ($)	Building Works Ex GST ($)	Total Ex GST ($)
Net Trade Cost	[redacted]			
Preliminaries and Builders Margin				
Builders Costs				
P90 contingency				
Escalation				
Training Levy				
DAS Feasibility and Design				
DA Fees				
Building Approvals				
Design & Professional Fees				
Sustainability Initiatives				
Insurances				
TCCS Fees				
Total Including on-costs (appropriated amount)				
MPC Fees				
Total estimated project capital cost				

9.2 Whole-of-life cashflows

The RSPCA will be responsible for any and all on-going costs, including repairs and maintenance, through the lease agreement.

9.3 Project contingency

Project capital contingency ($m, nominal)

Cost item	P90
Raw enabling capital costs	[redacted]
Raw building capital costs	
Total raw project costs	
Contingency allowance enabling works	
Contingency allowance building works	
Total contingency allowance	
Total estimated project capital cost	
Contingency allowance as a proportion of total estimated project capital cost (%)	

The level of contingency currently budgeted for is typical of projects at this stage of design. It may be prudent to release 10% of the quantum to the project with the remainder held by Treasury. Any item seeking to drawdown on contingency greater than $500,000 or once the 10% released is exhausted, could be addressed through the PCG which will have membership by Treasury officials. This approach may add an extra level of governance in controlling expenditure of the allocated contingency and reduce the likelihood of scope creep in the project.

9.4 Summary assessment

Not applicable.

9.5 Budget implications

Financial impacts summary (P90, $m, nominal) [2]

	2023-24	2024-25	2025-26	2026-27	2027-28	Total
Capital impacts						
Capital injection	[redacted]					
Capital inflows						
Capital offset – existing provision						
MPC Fees (resources received free of charge						
Expense impacts						
Expenses	[redacted]					
Expenses offset – existing provision						
Depreciation						
Revenue/Commonwealth contribution/savings impacts						
Revenue	[redacted]					
Commonwealth contribution						
Savings						
Staffing impact						
Total additional FTEs (no.)	[redacted]					

9.6 Assumptions

The concept cost plan incorporates the following assumptions and clarifications. These assumptions will require testing pending further design, site investigations, and market clarification.

On-cost

Areas and quantities have been measured by Turner & Townsend from the concept design plans developed by GMB architects.

- Allowance for Preliminaries @21% & 17% respectively
- Allowance for Builders Margin @4%
- Allowance for Training Levy @ 0.2%

[2] Please add additional lines for offsets where required; for example, where there are multiple discrete offsets for funding components.

- Allowance for DA Fees @1.2%
- Allowance for Building Approvals @ $400k
- Allowance for Design & Professional Fees @ 7%
- Allowance for Escalation @4% per annum for two years
- Allowance for Contingency (P90 Included)
- Allowance for Sustainability Initiatives @ 2%
- Allowance for Insurances @ 0.8%
- Allowance for TCCS Fees @ 5%
- Allowance for MPC Fees @ 4%

General

- Allowances for specific areas based on functional description of area

Demolition

- An allowance for ordinance scanning and removal thereof has been made at $250k.
- Allowance for bulk excavation and backfilling is included
- Extra over allowance for disposal of contaminated soil is included at 20%

Locality & Infrastructure

- An allowance was made for site clearance
- Allowances for services connections has been made for each respective trade, Water, Sewer, Comms & Electrical
- Allowance for new traffic lights is included
- Allowance for upgrading of road surface and kerbs at intersection
- Allowance was made for new bus stops
- Allowance for New sewer pump station was made
- Allowance for new in ground water tanks including pumping equipment.
- Allowance for new pad mounted minisub including pad mount and enclosure.

Building Services

- Services for the building has been included

External Works

- Site preparation to external works has been included in the "Enabling Works" section
- Allowance for Roads/Parking has been included
- Allowance for Hardscape has been included
- Allowance for Grassing & Fencing has been included
- Allowance for Roads/Parking has been included
- Allowance for Landscape has been included
- Allowance for Medium Size trees has been included
- Allowance for fencing & Gates to the perimeter of the site has been included

10. Economic Appraisal

10.1 Cost Benefit Analysis

The cost of construction and the net revenue generated because of the land release have been considered as identical for both Option 1 and Option 4.

Construction costs are assumed to be $67.7 million under both options, although there is potential for the RSPCA to gain additional in-kind benefits from the same funding envelope under Option 4. However, as the potential in-kind benefits cannot be easily translated into a monetary outcome, they are discussed under the Multi Criteria Analysis.

The net revenue generated because of land release being enabled by moving the RSPCA from their current site to a bespoke facility in Pialligo is identical under both Option 1 and Option 4.

Redevelopment of the North Weston site is estimated to generate revenue of $209.3 million; minus estate planning and construction costs of $72.7 million (including selling costs and contingency), and land remediation costs of $5 million, this would leave the ACT Government with a net revenue of $131.5 million.

As a result, the expected net benefit to the ACT Government of re-locating the RSPCA under both Option 1 and Option 4 is $63.8 million.

10.2 Multi Criteria Analysis

The Animal Welfare Strategy and Laws in the ACT positions the Territory as a national leader in animal welfare and reflects a zero-tolerance approach to animal cruelty. RSPCA ACT is a strategic service delivery partner of the ACT Government and works collaboratively in achieving good animal welfare outcomes. Investing in animal welfare infrastructure and delivery capability is critical and without such investment, it creates a high risk to the future and sustainability of good animal welfare outcomes for the Territory.

The vision for this facility is to construct a destination that offers a gathering point for members of Canberra’s community. Here they will be surrounded by buildings, and activities dedicated to the improvement of animal welfare. The area will contain animal welfare education and retail space as well as open spaces for people to mingle and relax. A Campus style destination is envisioned that realises the RSPCA’s aspirations to continue in their mission; to prevent cruelty to animals by actively promoting their care and protection.

The new facility aims to deliver:

- Smart design principles that maximise welfare outcomes and provides disease control through environmental design.
- A centre of learning and interaction that promotes wellbeing for animals and humans.
- Improved welfare outcomes because of educational and outreach to schools (both formal and informal).
- A safe and secure environment for animals and people.
- The highest levels of disease control measures.

- The possibility of public use of facilities such as viewing animals for adoption.
- Environmentally sustainable design and renewable energy for operations.
- A customer friendly and safe environment for visitors of all ages.
- A facility capable of delivering educational programs to the community of Canberra that support our nation leading animal welfare legislation and improve compliance with the Domestic Animals Act.
- Minimal impact of noise pollution to people and animals.
- An accessible facility for the staff and public.

Effective measures of the changes to the facilities and business model may include an increase in the number of animals managed, increased compliance with animal welfare and domestic animals' requirements by Canberra citizens through education and reductions in:

- General wait times for dog training classes
- The wait list of animals to surrender
- The number of biosecurity outbreaks
- Reactive repairs and maintenance costs.
- Duplication of services between RSPCA and DAS.

Potential additional benefits for Option 4 include the ability for the RSPCA to drive the funding further through in-kind support and the potential for partnerships not available to the ACT Government. These additional benefits are difficult to quantify at this stage, but the RSPCA is firmly of the view that they exist and would allow the for a higher quality asset to be produced from the same funding envelope.

10.3 Own Source revenue

The ability for the RSPCA to generate own source income is an important aspect of creating long term sustainability. Currently the SFA provides less than 20 per cent of the revenue required for the RSPCA to operate and increasing own source revenue streams may allow the Government to reduce ongoing support for the RSPCA in the future.

The current site in North Weston allowing the RSPCA to manage a veterinarian clinic, limited retail and education for all pet owners of their animal welfare responsibilities, along with training courses for dog owners.

The planned new facility in Pialligo will allow for enhanced veterinarian and retail income streams along with enhanced education options and pet boarding revenue.

However, the margins on this income are considered likely to be low as the intent will be to outsource or use social enterprise models, so they will not necessarily contribute significantly to RSPCA ACT revenue. The intent for the RSPCA is about place making and connection, not revenue raising.

Current retail sales account for around 4% ($250,000) of RSPCA revenue and the Tangos cat boarding around 1%.

11. Project Governance

11.1 Recommended governance structure

The main governance mechanism is a Project Control Group (PCG) that will have membership of TCCS, Treasury and MPC staff.

The New RSPCA Facility PCG will be responsible for guiding the project team to achieve the projects objectives, having oversight of the project and project decision-making where those decisions may impact or influence achieving objectives.

This group will be in place until the completion of handover of the finished facility or the project to the RSPCA, pending the outcomes of the project delivery approach assessment.

The PCG will report to a Project Board comprising of executive representatives from TCCS, Treasury, MPC with an independent representative nominated by the RSPCA. The Project Board will provide continued oversight of project delivery, including key functions of the project management team focussed on achieving the project objectives within the funding allocation and delivered to schedule.

11.2 Key bodies

RSPCA Facility PCG.

Project Board.

11.3 Governance roles and responsibilities

The RSPCA Facility PCG will comprise key project staff and senior representatives from across the ACT Government that are involved in the project or are key representatives of projects or activities that directly relate to the area around the site.

The RSPCA Facility Project Control Group will:

- ensure the program is being delivered in a safe manner fully compliant with Work Health and safety requirements;
- ensure the program is fully compliant with all relevant regulations and policies;
- provide guidance on business issues and matters that may impact the successful delivery of the project;
- ensure the appropriate management of scope and budget as emergent issues force changes to be considered;
- ensure effort and expenditure are appropriate to stakeholder requirements;
- take on responsibility for any whole-of-government issues associated with the project and reconcile differences in opinion and approach, and resolve disputes as they arise;
- ensure that strategies to address potential threats to the success of the project have been identified, costed and approved, and that the threats are regularly assessed; and
- report on progress to those responsible at a high level, such as Cabinet.

In practice, this means members will be required to:

- ensure that program outputs continue to meet the requirements of key stakeholders;
- help balance conflicting priorities and resources;
- consider ideas and issues raised;

- review the progress of the project;
- check adherence of project activities to standards of best practice, both within the organisation and in a wider context; and
- provide guidance to each program and endorse key program milestones.

The role of the individual members of the New RSPCA Facility PCG includes:

- understand the strategic implications and outcomes of initiatives being pursued through project outputs;
- appreciate the significance of the projects for all major stakeholders and represent their interests as appropriate;
- be genuinely interested in the initiatives and the outcomes being pursued in the projects;
- be an advocate for the desired outcomes;
- have a broad understanding of project management issues and the approach being adopted; and
- be committed to, and actively involved in pursuing the respective project's outcomes.

It is recognised that the RSPCA are a fundamental stakeholder of the project and effective ongoing engagement with them is crucial to attainment of the targeted project outcomes. RSPCA are not represented on this PCG however there is ongoing engagement with them, led by Territory and Business Services including a monthly meeting where status of the New RSPCA Facility project is discussed along with other key aspects of the ongoing relationship between TCCS and the RSPCA. This approach is intended to continue, and more detailed engagement with the RSPCA will occur as the design of the facility commences and progresses.

12. Stakeholder Engagement Plan

12.1 Stakeholder identification

The RSPCA are the key stakeholder.

Other stakeholders include:

- ACT Equestrian Association
- Territory Agistment
- Adjoining leaseholder at Block 1 Section 39 Pialligo
- Department of Defence
- Canberra Airport
- Duntroon Paddock Agistees
- Registered Aboriginal Organisations (RAOs)

12.2 Outcome of stakeholder engagement to date

The RSPCA were responsible for developing the Concept Plan upon which early design works have been informed.

To date, the project team have met and communicated with the stakeholders on multiple occasions to gather information and seek feedback on the proposal. These consultations will be ongoing during life of the project.

12.3 Communication Strategy

Key Messages

General

- The RSPCA plays a critical role in animal welfare in the ACT. Their facility, located in Weston, is ageing and does not meet the RSPCA's current and future requirements.
- The RSPCA's new home will include enclosed dog kennels and cattery facilities, as well as better adoption facilities to increase opportunities for abandoned animals to find their forever home. It will also provide more spaces for volunteer and community involvement in animal welfare activities.
- Located on a site zoned for future development and with infrastructure more than 40 years old and nearing its end of useful life, a new facility is required to ensure it can continue to meet the growing needs and expectations of our Canberra community.
- The ACT Government has committed to providing the RSPCA with an upgraded facility within the current term of Government. This commitment is being met through progression of design and seeking construction funding through budget processes.
- In addition to delivering a new home for the growing number of animals that check into the RSPCA every year, the project will also provide construction jobs.

Site selection

- The new site is in Pialligo on Section 14, Block 2. This site is located on the eastern side of Fairbairn Avenue and is bounded by the Australian Defence Force Academy and Royal Military College Duntroon to the west and Majura Parkway and the Canberra Airport to the east.
- The Pialligo site was nominated by RSPCA and supported by the ACT Government as the preferred site for the following reasons:

    - the location is easily accessible from main arterial roads in all directions
    - good proximity to the city with active travel access
    - good access to an existing public transport route (54) along Fairbairn Avenue, with the potential to add a bus stop along an existing route adjacent to the site and within a 50-100 metre walking distance.

Current stage of works

- The site investigations, planning and preliminary design will determine the nature and footprint of the facility, ensuring it is not only fit for purpose for current RSPCA operational requirements, but it also exhibits sufficient flexibility to accommodate future needs.

Consultation has been undertaken to date with key external stakeholders including the Canberra Airport Group, Duntroon Horse Paddock users, ACT Equestrian Association, Territory Agistment, Leaseholder of the adjoining land and Defence and will continue as we move through further design phases.

<table>
<tr><td>What is government’s involvement/interest?</td><td colspan="3">The ACT Government has committed to providing the RSPCA with a new facility within the current term of Government.
The RSPCA’s current location in Weston is proposed on the Indicative Land Release Program (ILRP) for 2025-26. Land release cannot occur until the RSPCA has been relocated and the existing facility demolished.
This initiative will also support delivery of the ACT Animal Welfare and Management Strategy 2017-2022.</td></tr>
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The proposed relocation of the RSPCA to Pialligo will need to be managed carefully. The site is currently leased for grazing purposes (horses) and there are environmental sensitivities, namely Striped legless lizard, on the site.</td></tr>
<tr><td>Does it cross over other Directorates/ agencies?</td><td>EPSDD
SLA (land release program)
CMTEDD
MPC</td><td>Spokesperson</td><td>Minister for Transport and City Services, Chris Steel

Directorate:
Ben McHugh, Deputy Director-General
Daniel Childs, Executive Group Manager
Sophie Clement, A/Executive Branch Manager</td></tr>
<tr><td>Communications project tier</td><td colspan="3">Three</td></tr>
<tr><td>Target audience/ stakeholders/third party endorsers</td><td colspan="3"></td></tr>
<tr><td>RSPCA</td><td colspan="3">They will be very keen to be kept updated on the progress of the project as well as to be consulted at each stage. An important relationship to manage, it will be equally important to involve the RSPCA in any public announcements about the project.</td></tr>
<tr><td>Department of Defence</td><td colspan="3">Defence owns land close-by to the proposed Pialligo site and are known to have made enquiries into acquiring a portion of the preferred Pialligo site. Conversations are in the preliminary stages and the co-location of these two land uses is manageable. It will be important to ensure communications between TCCS, Defence, EPSDD and CMTEDD continue in a transparent manner to ensure solutions are identified and workable for all entities. At this point in time Defence are no longer showing interest in the site if the RSPCA move to it. However, if the RSPCA do not move to the site Defence may have their interest in the site re-ignited.</td></tr>
</table>

Canberra Airport	Canberra Airport is located close-by to the proposed Pialligo site. They have an interest in growing traffic volumes surrounding the airport and it will be important to keep them informed but also remain aware of an adjacent project, the duplication of Pialligo Avenue. The facility will also need to be developed in a manner that does not impinge on safe operation of the nearby Canberra Airport and design/delivery to be in accordance with the requirements of the National Airports Safeguarding Framework.
ACT Equestrian Association / Duntroon Paddock users	Currently the preferred site makes up a portion (approx. 10%) of an area leased for grazing. The ACT Equestrian Association has expressed disappointment at what the view as continued reduction of grazing land for development. It will be important to manage this relationship and ensure continued dialogue through development of the project.
Canberra community	The Canberra community will be interested in the move of the RSPCA and the benefits the move will have for the organisation, and of the accessibility of the facility to the general public and volunteers. Concern has been expressed by the Duntroon horse paddock users about having the animals so close to the Airport and it will be important to ensure project communications covers this aspect.

Risks and sensitivities

RISK	MITIGATION
Public communications about the project lack consistency Where the project team and stakeholders have differing views about the project and share these publicly.	• Regular communication with key stakeholders (including the ACT Equestrian Association) and other ACT Government Directorates, including CMTEDD and EPSDD, to always ensure two-way communication. • Ensure all relevant project communications is delivered from ACT Government channels and officials and up-to-date information is available for the public (via a project page on the City Services website).
Low public confidence in the ACT Government Where the public, stakeholders and community have low confidence in the ACT Government and their ability to deliver projects.	• Build community and public awareness of the project with engaging experiences at public events and consistent communications in collateral. • Explain complexities in the project with clear and simple communications, including renders and artist impressions (project budget dependent).
Tender prices and the need to rescope projects A current trend in the construction market is seeing tender prices come in above expectation. This results in a	• Clear communication in media opportunities, particularly prior to the construction phase, that designs are planned/draft.

need to rescope projects, often removing elements from a design.	• Identification of 'must have' elements integral to the operations and day-to-day functions of the RSPCA and those which are aesthetic only.
Expected project timelines not being met Due to a number of variables outside the control of the project team (tender prices, approval processes, weather etc.), expected timeframes for projects go beyond those communicated.	• Project timeline to be well communicated with all stakeholders with built-in contingency. • Maintaining 'early, mid and late' year timeframe expectations. • Where a project is expected to not meet the communicated timeframes, early communication is a necessity with stakeholders.

13. Advisor Engagement Plan

13.1 Legal

Should Option 4 be the preferred method for design and construction the Government Solicitor's Office (GSO) will be engaged to assist with drafting contracts. Options 1 and 4 will require GSO to review the Service Funding Agreement in place to more closely align the services required by ACT Government to the new facility.

13.2 Financial, commercial and procurement

External Technical Advisor and Specialist Cost Manager (Cost Planner) will provide:

- Assistance with the preparation of the Business Case
- Assistance with developing the cost estimate for the project
- Advice on carrying out Risk Analysis (including facilitation of risk workshops) and the identification, quantification and allocation of risk
- Market sounding

Major Projects Canberra (MPC) will:

- Assist in assessing alternative delivery models
- Develop Request for Tender (RFT) documentation
- Run RFT evaluation processes
- Assist in drafting commercial terms and parameters for contracts
- Provide ongoing commercial advice and manage contracts.
- Review and check the accuracy of the Tenderers' financial models
- Provide financial advice and support during life of the project

13.3 Technical design and engineering

An external specialist Design Consultant will:

- Manage the specialist sub consultant team as needed
- Develop design for the facility based on budget, site limitations and conditions, and business requirements.
- Assist with drafting the RFT documents
- Provide advice regarding technical evaluation of bids, including capability of contractors
- Assist with technical aspects of risk assessment
- Provide mechanical, electrical, civil, structural, hydraulic, Acoustic, landscaping and other engineering advice required
- Undertaking peer reviews of design during the design process to ensure discrepancies and oversights are picked up and addressed early.

13.4 Probity

Should Option 4 be the preferred method for delivery, the GSO will be engaged to assist with ensuring governance mechanisms are appropriate.

If option 1 is progressed, MPC will engage a probity advisor for the main procurement should the contract value be expected to exceed the $50m threshold for independent probity advice.

13.5 Stakeholder management and communication

TCCS Project Manager with assistance from external specialist consultant and TCCS Communication team, will manage stakeholder consultation and communication.

13.6 Transactions management

MPC and TCCS Project Managers will manage transactions and track project finance.

13.7 Environment and sustainability

A specialist environmentally sustainable design (ESD) advisor will support the Project Team in obtaining the required ratings.

Environmental scientist will provide advice on identification and management of any Environmental Significance matters on project site.

13.8 Other specialists

Other Specialists who will be involved in the project include:

- Unexploded Ordnance (UXO) Consultant
- Heritage Consultant
- Site contamination Consultant
- Traffic Management
- Specialist Animal Industry Architect
- Geotechnical Surveyor
- Surveyor
- Town Planning

14. Timeline

14.1 Project timeline

Table 1: Implementation milestones and timeframes

Milestones	Date to be completed
1. Design consultant engaged (completed)	Dec 2022
2. Detailed site investigation	Mar 2024*
3. An initial cost estimate provided (completed)	Jan 2023
4. Business case for 2023-24 Budget (ongoing)	Jan 2023
5. Stakeholder consultation	2023-24
6. Draft Preliminary Sketch Plans (PSP)	Dec 2023
7. Final PSP complete	Apr 2024
8. Development Application (DA) submitted	Mar 2024
9. DA approved	Mar 2024
10. Tender documents complete	Apr 2024
11. Design and construct tender release	May 2024
12. D&C Contract Award	Oct 2024
13. Detailed Design complete	Apr 2025
14. Construction commencement	Feb 2025
15. Construction completion	Apr 2026
16. RSPCA relocation	Jun 2026

*Subject to no EIS process required for ACT environmental approvals. Should an EIS be triggered an additional 12 months is likely required for DA, site investigations, design completion, and construction commencement and completion.

14.2 Project decision points

The project has the following key decision points:

- Selection of the delivery entity (ACT Government or RSPCA), noting that Cabinet may make this decision through the budget process, and
- Selection of the D&C contractor.

14.3 Recommended float

The program and milestones included in **Error! Reference source not found.** do not account for any delivery float. A construction period float of 2 months is recommended, predominantly to account for the potential impacts of weather prior to getting construction works out of the ground. A general project float of 3 months is recommended to account for the risks associated with the various statutory approvals required and the impact these have on progressing and completing the preliminary design in a sufficiently detailed and robust manner. Should the float be adopted, the construction completion would move to September of 2026, beyond the timeframe sought for vacation of the old site allowing for land release activities to progress.

14.4 Project timeline risks, dependencies, constraints and/or deadlines

The main project timeline risk/dependency relates to the timing for the release of the land in Weston currently occupied by the existing RSPCA facility. Full completion of the new facility and the subsequent relocation of the RSPCA to Pialligo is required prior to the demolition of the existing facility and site preparation for subsequent land release.

14.5 Project timeline assumptions

The following have been assumed in relation to the above timeline and key milestones:

- No Striped Legless Lizard offset is required as an outcome of the EPBC Act approval processes.
- An EIS process is not required for the facility.
- NCA supports the Development Control Plan for the site.
- Construction market labour shortages do not result in considerable construction delays.
- Construction market supply chain constraints experienced in 2022 do not persist and impact the construction.
- A La Nina pattern of weather does not occur during the construction period.

Appendices

The Project Team are recommended to include the following appendices. Where the Project Team has undertaken further analysis, they should append this additional information to the Business Case.

Appendix A - ILW supporting documentation

Not applicable.

Appendix B - Investment Logic Map

Not applicable.

Appendix C - Wellbeing Impact Assessment

RSPCA ACT – Relocation Package and Ownership Structure	TCCS	Wellbeing Impact 1

Purpose of proposal

To advise on the relocation package, ownership structure and service delivery model of the proposed RSPCA ACT facility in Pialligo.

Impact description

We anticipate that the proposal will have the following wellbeing impacts across the safety, environment and climate, housing and home, access and connectivity wellbeing domains:

- Major positive impact on Indicative Land Release Program (ILRP)
- Major positive impact on safety of staff and animal welfare

The RSPCA is currently located in North Weston, which is zoned for future residential development by the Territory Plan. Relocation of the RSPCA to a new location will allow the Land release in North Weston to occur. The removal of the RSPCA and its operational buffer zone, related to noise impacts would yield up to 800 dwelling sites. This will create essential housing for the peoples of Canberra and return an estimated revenue of $144.3 million to the Territory (after accounting for development costs).

The RSPCA currently uses an aged facility and consistently operates over capacity resulting in safety issues, and concerning biosecurity and disease control. The new purpose-built facility will provide a safe and fit for purpose workplace for RSPCA staff and volunteers, and importantly, it will provide a platform for early intervention and community education to change behaviour and increase more responsible pet ownership among Canberrans, less animal cruelty, and a more connected community. The RSPCA has a critical role in supporting the ACT Government in managing domestic animals in the ACT.?

Who is affected?

Every member of the Canberra community can benefit from this proposal; however, it is of particular benefit to the people of Canberra who require essential housing, pet owners, RSPCA staff and volunteers.

The Pialligo site is presently known as the Duntroon Horse Paddocks. Territory Agistment holds a grazing licence on the land, and it is used for horse agistment. Building the new RSPCA facility in Block 2, Section 14 Pialligo will reduce the paddock area by 3.2Ha which will have an impact on the stocking rates. The proposal will have a negative impact on Duntroon agistees which can be managed as part of the planning on availability and management of horse paddocks across the ACT.

Wellbeing domain

Housing and home

Safety, environment and climate, access and connectivity are also impacted.

Timeframe

Between one and five years

Evidence base and data

What do we know now?

The RSPCA has been in discussions with the ACT Government on the ageing infrastructure at their current facility for over 14 years.

The Weston site that currently houses the RSPCA facility is drafted to be on the Indicative Land Release Program (ILRP) for 2025-26. Land release can't occur until the RSPCA has been relocated to a new location and, possibly, demolition of their existing facility occurring and some contamination adjacent to the site being remediated.

What do we need to know?

Further site investigations are required to be undertaken to inform planning process requirements and design work.

The main objective of this proposal is to proceed with relocating RSPCA from their current facility in Weston to a new purpose-built facility in Block 2, Section 14 Pialligo in order to:

- Vacate their current site in time for the Indicative Land Release Program
- Provide RSPCA staff and volunteers with a safe working environment that meets their requirements
- Improved and increased capacity to manage animal welfare in the ACT and provide better care and support to sheltered animals

The performance of the proposal in terms of the above objectives can be measured through:

- Development of North Weston land as per Indicative Land Release Program – land released for housing.
- New facility design that meets standards with improved conditions for animals, staff and volunteers.
- RSPCA is able to continue supporting the ACT Government in managing domestic animals under the relevant legislation.
- Survey of RSPCA staff and volunteers once in the new facility.
- New facility design that improves educational opportunities for Canberrans, provides a location to interact with animals.
- People and animals to be surrounded by buildings, and activities dedicated to the improvement of animal welfare.

Accountability and evaluation – how will we know this proposal has been successful?

The main objective of this proposal is to proceed with relocating RSPCA from their current facility in Weston to a new purpose-built facility in Block 2, Section 14 Pialligo in order to:

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- Survey of RSPCA staff and volunteers once in the new facility.
- New facility design that improves educational opportunities for Canberrans, provides a location to interact with animals.
- People and animals to be surrounded by buildings, and activities dedicated to the improvement of animal welfare.

-

Key relationships

Targeted Stakeholders: The following targeted stakeholders were consulted to inform the Site Investigation and Site Options study:

a. RSPCA

b. Department of Defence

c. Canberra Airport

d. Territory Agistment (the contractor that currently holds the license to manage the agistment area)

e. Duntroon Horse Paddock users

f. ACT Equestrian Association

g. Shane Keirs (leaseholder of adjoining land)

Internal TCCS: Territory and Business Services were consulted in preparation of the site investigation report and the Cabinet submission.

Transport Canberra, Roads ACT, Development Coordination Branch, ACT No Waste, and Urban treescapes within City Services were consulted in preparation of the site investigation report.

Cross Directorate: Strategic Planning and Policy, Biosecurity and Rural Services, ACT Parks and Conservation Service, and Conservator Liaison within EPSDD; and ACT Emergency Services Agency (ESA) within JACS were consulted in preparation of the site investigation report.

Major Projects Canberra are the contract managers for the feasibility and early design works.

Appendix D - Functional Design Brief

Appendix E - Risk Register

Project Life Cycle	Risk Ref. No.	Risk Description/Source	Consequence	Risk Owner	Risk Controls-What is in place to manager risks	Consequence	Likelihood	Risk Rating	Control Effectiveness
Planning & Development	1	The scope defined by the client does not align to available budget	**Delays in design process **Descoping required **Some priorities may need to be reduced and therefore needs explanation to stakeholders and community **Delay of implementation and execution processes	IDP/ TCCS project manager	Early review and realistic costing Review of Descoping options with client and consultants before design commence	Moderate	Possible	Medium	Adequate

	2	Design documents incomplete or with missing information	**Delays in delivery process **Delayed implementation and execution processes **Adverse consequences for construction	IDP/ TCCS project manager	Design documents to be checked by project managers, technical experts and asset owners at relevant milestones and at regular project progress review.	Minor	Possible	Medium	Adequate
	3	Timely document review, comment and approvals not provided by relevant government stakeholders.	**Delayed implementation and execution processes	TCCS project manager	Documentation provided in sufficient time for diligent review by stakeholders; due date specified and follow up as required	Moderate	Possible	Medium	Adequate
	4	Public stakeholders inadequately engaged and/or consulted	**Project outcomes not suited to public needs **Public dissatisfaction with project outcomes **Adverse public opinion of government.	TCCS project manager/Comms unit		Moderate	Possible	Medium	Adequate
	5	Project Plans/Functional Briefs inadequately defined	**Delayed approval by IDP and the tendering process	TCCS project manager	Project Plans to be checked by Senior Managers	Minor	Possible	Medium	Adequate

Implementation & execution	6	Statement of Requirements inadequately scoped	**Project outcomes not achieved **Additional cost to project to resolve issues at design and construction stages **Multiple addenda issued to resolve confusion in market. **Delay in the tendering process. ** Tender responses and prices may not be comparable due to opportunity to misinterpret requirements.	IDP	**Due diligence in preparation of statement of requirements **Statement of Requirements reviewed by senior manager **Use experience of lessons learnt and issues to identify risk areas for scoping and take measures to redress.	Moderate	Possible	Medium	Adequate
	7	Delay in advertising tenders.	**Delay in engaging consultants **Roll-on effect to engaging construction contractors.	IDP	**Allow sufficient time in the program **identify circumstances likely to delay tendering and redress as early as possible	Minor	Likely	Medium	Adequate

Procurement	8	Timeframe for the evaluation of tenders exceeded Evaluation Team members unavailable to undertake the evaluation; tenders received require extensive clarifications; post tender negotiations required; evaluation team members dispute in relation to criteria and weightings	**Request for Tender lacks clarity making it difficult for industry to provide a clear and consistent response. **Nominated evaluation team members shift their priorities; backup unavailable **Evaluation criteria, methodology and/or services sought not consistently understood by members of the evaluation team.	IDP	**ID to review tender documents in collaboration with IDP to ensure clarity and common understanding. **Evaluation Team members availability confirmed and assured; backup nominated for exceptional circumstances **Consistent evaluation criteria agreed and documented prior to tendering	Moderate	Unlikely	Medium	Adequate
	9	Unethical conduct during the Tender evaluation process. Tender evaluation not undertaken in an ethical and/or transparent manner.	**Evaluation team chair inexperienced in conducting the evaluation process. **Evaluation Team members do not understand or are unaware of the probity framework for tender evaluations.	IDP	**Evaluation Team members informed of specific probity requirements in the tendering process. **Tender panel trained undertaken in ethical behaviour as part of required development.	Moderate	Unlikely	Medium	Adequate

			**Value for money outcome compromised. **Aborted tender process		**Deeds of confidentiality and conflict of interest declaration by the team involved in evaluation.				
	10	Tenders exceed project budget	**Re-visit tender documents to ensure scope identified appropriately. **Negotiation with preferred tenderer to achieve project outcomes. **Re-tender with reduced scope if it is impossible to identify preferred tenderer for negotiation. **Delay in engaging contractor.	IDP/ TCCS project manager	**Ensure RFT and statement of requirements outline scope of works appropriately. **Project costing/estimates prepared based on current rates. **Allow appropriate contingency. **Undertake value management exercises prior to tendering to work towards the best value for money within the available budget. **Seek additional funding.	Moderate	Possible	Medium	Adequate

Emerging/additional risks:

- Securing environmental approval for the site from the Commonwealth – possibility of offsets needed, considerable program delay if this is required owing to long lead times to secure offsets. Possibility of not securing approval, new site needed.
- Construction market prices move considerably increasing project costs
- Challenges securing suitably qualified resources to deliver project (tight labour market)

P90 Cost Estimate Risk Plan

22015#RPSCA risk matrix_A.pdf

Appendix F - Detailed cost estimates

P90 Cost Plan
Therian Area Schedule

Appendix G - Detailed annual cashflow profile

Not applicable.

Appendix H - Cashflow and cost modelling (Tier 1)

Not applicable.

Appendix I - Cost estimate supporting information (Tier 2 and Tier 3)

Not applicable.

Appendix J - Economic methodology (Tier 1)

Not applicable.

Appendix K - Stakeholder Engagement Plan and Communication Strategy (Tier 1 and Tier 2)

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The relocation of the RSPCA is important both because it has outgrown its current facilities and the land on which it is currently located has been identified for future development.
The proposed relocation of the RSPCA to Pialligo will need to be managed carefully. The site is currently leased for grazing purposes (horses) and there are environmental sensitivities, namely Striped legless lizard, on the site.</td></tr>
<tr><td>Does it cross over other Directorates/ agencies?</td><td>EPSDD
SLA (land release program)
CMTEDD
MPC</td><td>Spokesperson</td><td>Minister for Transport and City Services, Chris Steel

Directorate:
Ben McHugh, Deputy Director-General
Daniel Childs, Executive Group Manager
Jeremy Smith, Executive Branch Manager</td></tr>
<tr><td>Communications project tier</td><td colspan="3">Three</td></tr>
<tr><td>Target audience/ stakeholders/third party endorsers</td><td colspan="3"></td></tr>
<tr><td>RSPCA</td><td colspan="3">They will be very keen to be kept updated on the progress of the project as well as to be consulted at each stage. An important relationship to manage, it will be equally important to involve the RSPCA in any public announcements about the project.</td></tr>
<tr><td>Department of Defence</td><td colspan="3">Defence owns land close-by to the proposed Pialligo site and are known to have made enquiries into acquiring a portion of the preferred Pialligo site. Conversations are in the preliminary stages and the co-location of these two land uses is manageable. It will be important to ensure communications between TCCS, Defence, EPSDD and CMTEDD continue in a transparent manner to ensure solutions are identified and workable for all entities.</td></tr>
</table>

Canberra Airport	Canberra Airport is located close-by to the proposed Pialligo site. They have an interest in growing traffic volumes surrounding the airport and it will be important to keep them informed but also remain aware of an adjacent project, the duplication of Pialligo Avenue.
ACT Equestrian Association / Duntroon Paddock users	Currently the preferred site makes up a portion (approx. 10%) of an area leased for grazing. The ACT Equestrian Association has expressed disappointment at what the view as continued reduction of grazing land for development. It will be important to manage this relationship and ensure continued dialogue through development of the project.
Canberra community	The Canberra community will be interested in the move of the RSPCA and the benefits the move will have for the organisation, and of the accessibility of the facility to the general public and volunteers. Concern has been expressed by the Duntroon horse paddock users about having the animals so close to the Airport and it will be important to ensure project communications covers this aspect.

Key Messages

General

- The RSPCA plays a critical role in animal welfare in the ACT. Their facility, located in Weston, is ageing and does not meet the RSPCA's current and future requirements.
- The RSPCA's new home will include enclosed dog kennels and cattery facilities, as well as better adoption facilities to increase opportunities for abandoned animals to find their forever home. It will also provide more spaces for volunteer and community involvement in animal welfare activities.
- Located on a site zoned for future development and with infrastructure more than 40 years old and nearing its end of useful life, a new facility is required to ensure it can continue to meet the growing needs and expectations of our Canberra community.
- The ACT Government has committed to providing the RSPCA with a new facility within the current term of Government.
- In addition to delivering a new home for the growing number of animals that check into the RSPCA every year, the project will also provide construction jobs.

Site selection

- The new site is in Pialligo on Section 14, Block 2. This site is located on the eastern side of Fairbairn Avenue and is bounded by the Australian Defence Force Academy and Royal Military College Duntroon to the west and Majura Parkway and the Canberra Airport to the east.
- Two sites were identified as meeting the minimum requirements to support development of a new RSPCA facility:
  o Pialligo – Section 14, Blocks 2 and 3
  o Symonston – Section 102, Block 12
- The Pialligo site was nominated by RSPCA and supported by the ACT Government as the preferred site for the following reasons:
  - the location is easily accessible from main arterial roads in all directions
  - good proximity to the city with active travel access

- good access to an existing public transport route (54) along Fairbairn Avenue, with the potential to add a bus stop along an existing route adjacent to the site and within a 50-100 metre walking distance.

Current stage of works

- The site investigations, planning and preliminary design will determine the nature and footprint of the facility, ensuring it is not only fit for purpose for current RSPCA operational requirements, but it also exhibits sufficient flexibility to accommodate future needs.
- Consultation has been undertaken to date with key external stakeholders including the Canberra Airport Group, Duntroon Horse Paddock users, ACT Equestrian Association, Territory Agistment, Leaseholder of the adjoining land and Defence and will continue as we move through further design phases.

Risks and sensitivities

RISK	MITIGATION
Public communications about the project lack consistency Where the project team and stakeholders have differing views about the project and share these publicly.	• Regular communication with key stakeholders (including the ACT Equestrian Association) and other ACT Government Directorates, including CMTEDD and EPSDD, to always ensure two-way communication. • Ensure all relevant project communications is delivered from ACT Government channels and officials and up-to-date information is available for the public (via a project page on the City Services website).
Low public confidence in the ACT Government Where the public, stakeholders and community have low confidence in the ACT Government and their ability to deliver projects.	• Build community and public awareness of the project with engaging experiences at public events and consistent communications in collateral. • Explain complexities in the project with clear and simple communications, including renders and artist impressions (project budget dependent).
Tender prices and the need to rescope projects A current trend in the construction market is seeing tender prices come in above expectation. This results in a need to rescope projects, often removing elements from a design.	• Clear communication in media opportunities, particularly prior to the construction phase, that designs are planned/draft. • Identification of 'must have' elements integral to the operations and day-to-day functions of the RSPCA and those which are aesthetic only.
Expected project timelines not being met Due to a number of variables outside the control of the project team (tender prices, approval processes, weather etc.), expected timeframes for projects go beyond those communicated.	• Project timeline to be well communicated with all stakeholders with built-in contingency. • Maintaining 'early, mid and late' year timeframe expectations. • Where a project is expected to not meet the communicated timeframes, early communication is a necessity with stakeholders.

Appendix L - Project timeline

Milestones	Date to be completed
Design consultant engaged (completed)	Dec 2022
Detailed site investigation	Mar 2024*
An initial cost estimate provided (completed)	Jan 2023
Business case for 2023-24 Budget (ongoing)	Jan 2023
Stakeholder consultation	2023-24
Draft Preliminary Sketch Plans (PSP)	Dec 2023
Final PSP complete	Apr 2024
Development Application (DA) submitted	Mar 2024
DA approved	Mar 2024
Tender documents complete	Apr 2024
Design and construct tender release	May 2024
D&C Contract Award	Oct 2024
Detailed Design complete	Apr 2025
Construction commencement	Feb 2025
Construction completion	Apr 2026
RSPCA relocation	Jun 2026