

ITEM 7 PROPOSED AGREEMENT - ANIMAL MANAGEMENT SERVICES

This report recommends Council enter into a proposed agreement with the Royal Society for the Prevention of Cruelty to Animals NSW (RSPCA) for the provision of animal management services to be conducted from for a period of three years (with option to extend) from the RSPCA's facility at Unanderra.

The proposed agreement with RSPCA is for an amount that would ordinarily require Council to first proceed by way of tender pursuant to the *Local Government Act* 1993. However, this report also recommends that Council resolve, pursuant to section 55(3), that a satisfactory result would not be achieved by inviting tenders prior to entering the proposed agreement.

RECOMMENDATION

- 1 Council resolves, pursuant to section 55(3) of the *Local Government Act* 1993, to enter into the proposed agreement with RSPCA without the calling of tenders as it considers that a satisfactory result would not be achieved by inviting tenders because of extenuating circumstances and the unavailability of competitive or reliable tenders for the following reasons -
 - a The RSPCA is the only organisation available within the local government area with a centrally located animal shelter capable of providing professional animal care and management required of Council under legislative requirements;
 - b The entry into this agreement provides a significant economic benefit to the Council over the term of the contract when compared to the cost of Council providing its own facility.
- 2 Council authorise the General Manager to execute the Agreement between Council and the RSPCA and any other documentation to give effect to this resolution.
- 3 Council provide financial assistance pursuant to section 356 of the *Local Government Act* 1993 in the amount of \$25,000/annum to the RSPCA for the next three years in respect of the Community Animal Welfare Scheme (CAWS).

REPORT AUTHORISATIONS

Report of: Danny Madigan, Manager Regulation and Enforcement

Authorised by: Linda Davis, Director Planning + Environment - Future City + Neighbourhoods

ATTACHMENTS

There are no attachments for this report.

BACKGROUND

Council's animal management (pound) services have been provided by the RSPCA since 2009. Prior to this time Council operated its own pound in Montague Street North Wollongong. The current Services Agreement with the RSPCA has been in place since 1 October 2015.

Council received formal notice from the RSPCA in September 2019 advising that the RSPCA did not intend to renew that Services Agreement. The RSPCA notification was effectively identical to all councils in NSW with which they held a service agreement. Council's Services Agreement was set to conclude on 30 September 2020. However, given the short period of notice, Council applied to the RSPCA for a 12-month extension of the Agreement, which was granted. The current Deed therefore concludes 30 September 2021.

In light of the notice from the RSPCA, staff commenced extensive investigations in relation to alternative arrangements for the animal management services. This included discussions with adjoining councils, the Illawarra Shoalhaven Joint Organisation and other commercial operators and also included follow up

with RSPCA regarding reconsideration of their decision to not renew the Services Agreement. Investigations continued through 2020 including periodic follow up with RSPCA.

On 5 June 2020, in response to staff follow up, the RSPCA formally advised Council that, “.....RSPCA NSW has undertaken a strategic review of our operational footprint and capacity management. This has included consideration of the RSPCA NSW continuing with the provision of impound services for companion animals and livestock.” The RSPCA advice went further and confirmed that they would consider a further agreement with Council to provide animal impound services on the basis that a new agreement be progressed as soon as possible.

Since that time staff have confirmed Council's interest in continuing the partnership with the RSPCA. Discussions have progressed since that time under the auspices of the General Manager to a point where general agreement has now been reached to continue the arrangement albeit with a revised pricing, service and reporting structure.

PROPOSAL

The proposed agreement with RSPCA identifies an annual payment of \$603,803.00 (excluding GST) to the RSPCA to cover the provision of animal management services, including reception, housing and sustenance for a projected 1,899 dogs and cats seized by Council each year.

Where the number of seized dogs and cats exceed that number, Council will pay an additional fee for daily sustenance.

Separate fees are also payable by Council in relation to call-out, euthanasia (where required) and disposal costs.

Where the number of animals seized by Council exceeds the number above by 10% or more, Council is liable to pay a contribution to the RSPCA in relation to additional capacity for the Unanderra facility. For the term of the proposed agreement, staff are confident that the proposed capacity is sufficient. In addition, staff will also be developing further animal re-homing practices to reduce the number of seized and impounded companion animals.

The revised agreement also contains additional reporting obligations upon the RSPCA to assist Council, as well as further clarity around veterinary services and when they are to be provided.

The proposed agreement also contains a two-year option, only exercisable with the consent of both parties.

The proposed agreement also sets out the detailed services provided by the RSPCA, including:

- identification of impounded animals
- registration issued to owners
- notification of animal seizures
- maintenance of comprehensive records
- assessment of animals for placement with the RSPCA
- maintenance of NSW Government required database
- liaison services, including updates on the use of the facility

The proposed agreement also sets out the nineteen separate legislative areas in respect of which Council is required to comply, and the activities undertaken by the RSPCA to assist in meeting those requirements.

The detailed, complex and multi-faceted requirements in relation to animal management in NSW, together with the constant public interface with those services, mean that Council must act with caution in appointing a service provider. Having reviewed other options, including engaging in the discussions and analysis referred to above, the view remains that the RSPCA is not only the best placed to carry out

these services, it is effectively the only service provider in the context of any competitive or reliable possible offering.

It is also very clear that the costs to Council in carrying out these services itself (even putting to one side the property acquisition or leasing costs) would be significantly in excess of the identified payments under the proposed agreement. As noted above, Council has previous experience in operating its own pound, and cost comparisons bear out the assertion above.

For the reasons set out above in the proposed resolution, it is recommended that Council resolve to enter into the proposed agreement without the calling of tenders.

The RSPCA have also requested Council consider providing financial assistance to their Community Animal Welfare Scheme (CAWS). The Scheme seeks to work with different localities via local veterinary clinics in offering free microchipping, vaccinations and de-sexing services.

The RSPCA believe the effect of the Scheme can include decreased numbers of animals entering pounds, as well as decreased dog attack incidents and decreased euthanasia. Statistics provided to Council include the provision of the Scheme in country NSW that saw a 65% reduction in dogs entering pounds, as well as significantly decreased euthanasia rates and increased dog reclaim rates.

CONSULTATION AND COMMUNICATION

Governance

Office of Legal Counsel

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 Goal 5 *'We have a healthy community in a liveable City'*.

It specifically delivers on core business activities as detailed in the Regulatory Control Service Plan 2020-21.

RISK MANAGEMENT

Pursuant to NSW legislation, Council is obligated to provide animal management services. The current arrangement for an animal pound with RSPCA NSW concludes 30 September 2021. A solution in regards animal impounding needs to be secured for Council to meet its legal and broader community obligations.

FINANCIAL IMPLICATIONS

The operation of the Animal Pound Services has been identified as a budget risk for a period of time following the initial announcement of the RSPCA's pending withdrawal from the business. It is considered that a new contract approved under this arrangement will exceed the current contracted position and will require budget revision, although it is understood that based on current discussions that the cost will be considerably favourable against alternatives that have been progressed in future budget planning proposals and discussions. Should approval be given to the proposed approach budget considerations will be progressed through the normal quarterly review process based on a finalised agreement.

CONCLUSION

The decision of RSPCA NSW to offer a new Services Agreement does provide an opportunity (likely the only current opportunity) for Council to meet its legal obligations in regards animal pound services. Endorsement by Council of the exemption under Section 55 of the Local Government Act 1993 for the provision of this service will secure continued provision of this service and meet Council's animal impounding responsibilities.