



# CAWS Programme 2010-11

## Cost-benefit Case Study for Bathurst Regional Council

Final report

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# Executive Summary

- This document provides a cost-benefit case study of the Community Animal Welfare Scheme (CAWS) programme in Bathurst Regional Council (BRC). The CAWS programme has been in operation since 2003.
- The CAWS programme addresses the issue of Unwanted Companion Animals (UCA) and their impacts on animal and human welfare. The programme aims to reduce the number of dogs being euthanised in rural pounds and shelters. As well as decreasing human health and safety issues associated with large numbers of roaming stray dogs. As part of the programme, all dogs are microchipped and vaccinated.
- Deloitte has undertaken a cost-benefit case study based on data provided by RSPCA NSW, Department of Local Government website ([www.dlg.nsw.gov.au](http://www.dlg.nsw.gov.au)) for companion animal statistics, and an interview with Margaret Gaal at BRC.
- The BRC case study shows that by investing in a targeted subsidised, and means-tested de-sexing and education programme, the Council has achieved an estimated net annual financial return of **\$31,484** on top of other tangible and intangible social benefits.
- The financial benefits from the programme include reduced impounding and re-homing costs, decreased council administrative costs and improved council staff utilisation.
- Non-financial benefits include a **36%** reduction in number of dogs impounded and a **51%** reduction in number of dogs euthanised in the BRC area, together with increased community awareness of animal safety and ownership, improved animal health, reduced staff exposure to stress, and improved community perception of the council.
- These findings support a case for further roll-out of similar programmes within other councils.

## **Introduction and Context**

- RSPCA NSW approached Deloitte seeking delivery of a cost-benefit case study of the CAWS programme in BRC comparing the 2003/2004 period to the 2010/2011 period. The intent was to show that by investing in a targeted subsidised and means-tested de-sexing and education programme, BRC had saved money and achieved other tangible and intangible social benefits.
- The outcomes of this case study will be used by RSPCA NSW to promote the expansion of the programme to other council areas.
- The scope of the cost-benefit case study covers the experience of the CAWS programme in the BRC area. BRC currently funds two CAWS programmes per year, and has been running the programme since 2003.
- The purpose of this document is to outline the framework, methodology and findings from the cost-benefit case study of the CAWS programme in BRC.

# Objectives

Deloitte has carried out this cost-benefit case study on Bathurst Regional Council to:

- Provide an external, independent analysis of the costs and benefits, both quantified and intangible, of the CAWS programme in BRC
- Act as attachments to additional councils, notably those within Western Sydney, in support of future co-funding via DLG submissions
- Compare the results within BRC to councils without a CAWS programme
- Build up source data over time that reflects the 'pace of change'

# Background

## Bathurst Regional Council

- Bathurst is located on the Macquarie River 207 km west of Sydney via the Great Western Highway and 670 m above sea-level.
- BRC covers an area of approximately 3,818 square kilometres and has an estimated resident population of 38,326 persons, while the resident population of Bathurst itself was 33,793<sup>†</sup> persons as of 2009.
- The Bathurst Regional median individual income is \$424 per week, which is slightly lower than the NSW average of \$461.
- There is one dog pound and four vets / veterinary hospitals in operation in the BRC area.

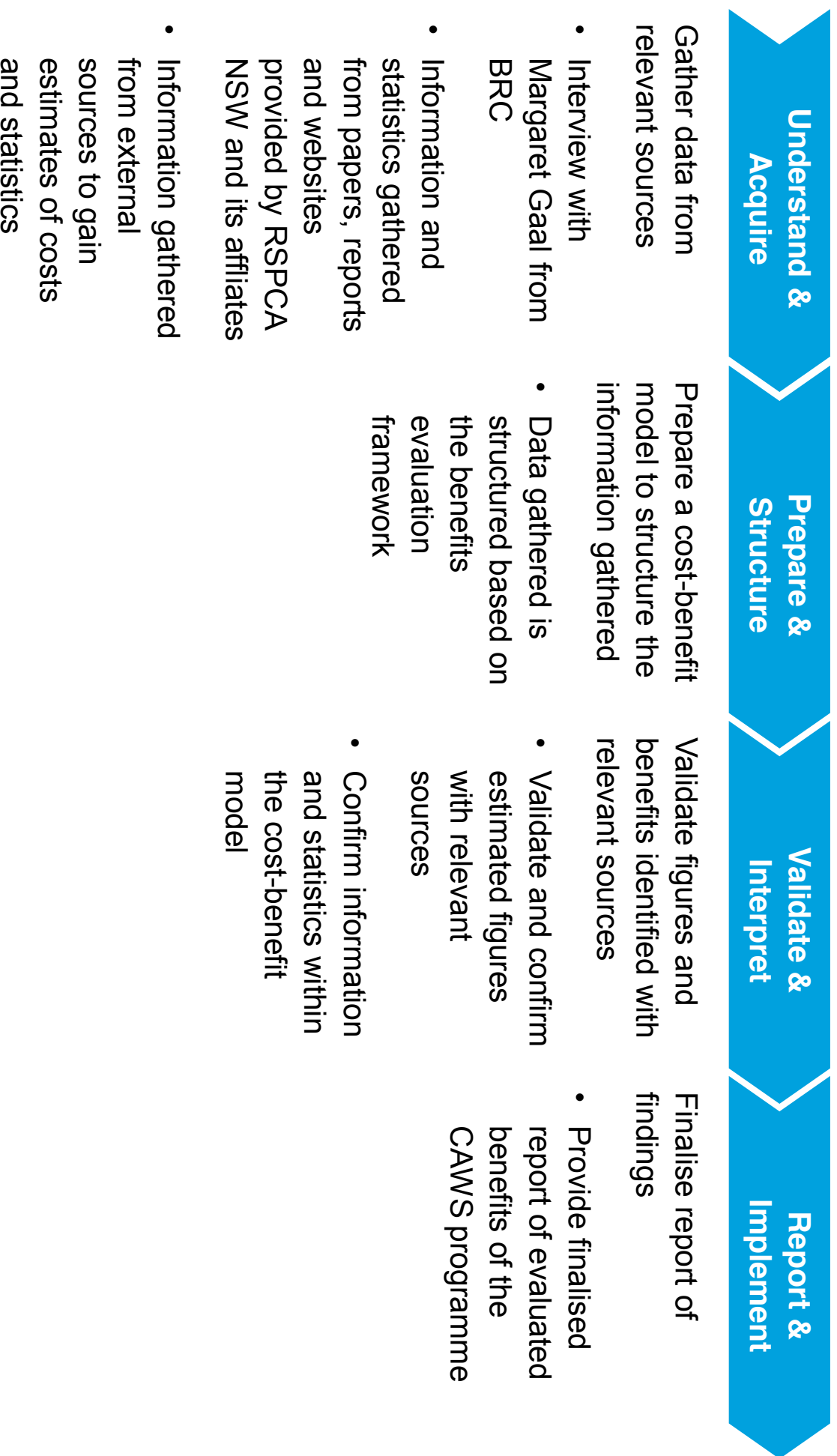
## CAWS programme at BRC

- Bathurst has been running the CAWS programme since 2003, with the first programme targeted in the lower socio-economic area of Kelso.
- It is estimated that over one thousand dogs and cats have been desexed since 2004, and the programme has proven to be very popular among residents.
- Since 2006, Bathurst has run two programmes per year with an estimated \$10,000 of funding per programme.
- Now in its seventh year, CAWS is supported by RSPCA NSW, BRC and Bathurst Veterinarians. Assistance for the programme also comes from volunteers of the RSPCA Bathurst Branch.
- The programme involve schools education, public awareness through media releases, as well as targeted desexing/vaccination and microchipping for approximately 120 animals .
- The vet surgeries involved in the programme are Stewart St Veterinary Hospital, Bathurst Veterinary Hospital, Dr Tom's Veterinary Practice and Durham Street Veterinary Practice.
- The Australian Veterinary Association (AVA) has been involved in supporting the initial programmes via support for the school education component.

Source: <sup>†</sup> Australian Bureau of Statistics, National Regional Profile (Bathurst Statistical Subdivision), 1995, [www.abs.gov.au](http://www.abs.gov.au), accessed 23/03/2011

# Approach

## CAWS Cost-Benefit Case Study approach



# Benefits Evaluation Framework

## Summary of BRC Case Study

### Financial

### Non-financial

## Quantified

#### Financial impact is clearly identified and measurable

- Reduced UCA handling costs
- Reduced council administrative costs
  - Reduced re-homing costs
- Reduction in litigation costs

#### Non-financial but has a measurable impact

- Decreased UCA incidents
- Reduction in number of UCA impounded
- Reduction in number of UCA euthanised

## Unquantified

#### Financial impact that cannot be accurately estimated

- Improved council staff utilisation
- Supports sustainable veterinary capacity in a rural town
  - Improved animal tracking
- Opportunity for increased revenue from registration of microchipped animals

#### Non-financial benefits difficult to measure

- Improved education & awareness
  - Improved health of animals
- Reduction in health issues caused by UCAs
- Reduction in staff exposure to stress
- Potential return by CAWS participants to use veterinary services
- Improved perception of council



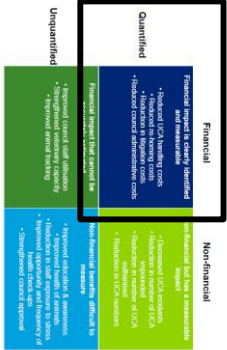
# Financial - Quantified

## Before CAWS

Factor	Annual Amount
UCA handling/impounding costs	
Maintenance <sup>20</sup>	\$62,040
Food <sup>1</sup>	\$689
Disinfectant <sup>1</sup>	\$7,200
Water Costs <sup>2</sup>	\$700
Heating and Electricity <sup>3,4</sup>	\$2,500
Waste Costs <sup>1</sup>	\$10,400
Stray animal recovery <sup>5,20</sup>	\$21,018
Council administrative costs	
Euthanasia cost <sup>1,6,7,8</sup>	\$9,982
Carcass disposal <sup>9</sup>	\$4,648
Re-homing costs <sup>8</sup>	\$2,210
Litigation costs	
Court costs dealing with unpaid fines <sup>1</sup>	\$1,400
Litigation costs involving UCA incidents <sup>10</sup>	\$700
Total Monetary Costs	\$123,487

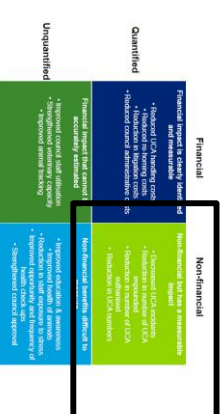
## After CAWS

Benefits due to CAWS		Change in Amount	Annual Amount
Reduced UCA handling costs <sup>1,11</sup>			
Reduced maintenance requirements		-\$22,080	\$39,960
Reduced food requirements		-\$245	\$444
Reduced disinfectant requirements		-\$1,800	\$5,400
Reduced water costs		-\$125	\$575
Reduced heating and electricity costs		-\$445	\$2,055
Reduced waste		-\$5,200	\$5,200
Stray animal recovery trips decreased		-\$6,991	\$14,027
Reduced council administrative costs <sup>1,7,9,11</sup>			
Reduced euthanasia rate		-\$5,124	\$4,858
Reduced need for carcass disposal		-\$3,088	\$1,560
Re-homing costs*		\$48	\$2,258
Reduction in litigation costs			
Reduction in court costs dealing with unpaid pound fines		-\$700	\$700
Reduction in litigation costs involving UCA incidents		-\$350	\$350
Total Monetary Value		-\$46,100	\$77,387
Net CAWS investment			\$14,616
Net Financial Benefit		\$31,484	



\* Bathurst Regional Council has recently begun the active re-homing of dogs. This has resulted in an increase in the cost of re-homing a dog when compared to the 2003/04 period.  
(Source: Anna Stapleton, BRC).

# Non-Financial - Quantified



Benefits of the CAWS Programme	Reduction in Units	Avg Units Before	Avg Units After	Unit	% Change
<b>Number of UCAs impounded/euthanised</b>					
Reduction in number of dogs impounded	-368	1034	666	Dogs Impounded/Year	-36%
Reduction in number of dogs euthanised once impounded	-366	713	347	Dogs Euthanised/Year	-51%

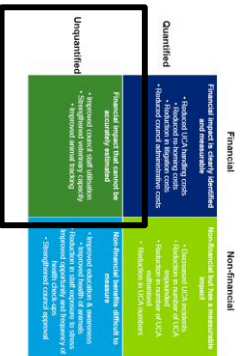
In addition to the above, another non-financial, quantified benefit was found to be a reduction in the number of UCA incidents:

- the number of car accidents involving strays or UCAs<sup>1</sup> decreased by 40%
- the number of reported dog attack incidents decreased by 3% based on reduced aggression of dogs that are de-sexed<sup>13,14</sup>

# Key Assumptions

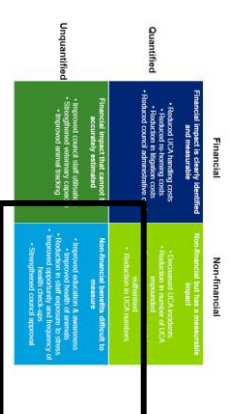
- For comparison purposes, the model draws data from the 2003 to 2011 period and where possible is specific to the Bathurst Regional area. It uses annualised costs and is based on two CAWS programmes run per year. The average cost to run the programme for dogs only was calculated as \$14,616 per year<sup>21</sup>.
- All data regarding the number of dogs impounded, euthanised and de-sexed was sourced from the Bathurst Regional Council's Survey on the Return of Council Seizures of Cats and Dogs<sup>11</sup>. To reduce the effects of annual variation on program performance, the data was averaged over the two years prior to introduction of the program me, and the last two available years.
- Wage of staff employed by the pound is estimated at \$30 per hour. This represents a loaded salary which takes into account admin on-costs<sup>20</sup>.
- The following monetary costs were sourced from Margaret Gaal<sup>1</sup>, (Bathurst Head Ranger, BRC):
  - food, disinfectant, and waste (original costs and estimated reductions)
  - euthanising and de-sexing dogs
- Water costs are based on household averages for the Bathurst region<sup>2</sup>. Heating and electricity costs are based on household averages for regional NSW<sup>3,4</sup>. Reduction estimates are based on the percentage decrease of impounded dogs. A conservative value is taken to account for fixed costs.
- Litigation costs are based on information from Margaret Gaal as well as data on dog attacks in NSW<sup>10</sup>.
- Stray animal recovery – this process is assumed to incur one hour of time by rangers. Ranger wages represent a loaded salary and assume a public service working week of 36.75 hours<sup>20</sup>.
- Carcass disposal – an average of 2 trips taken per week, 14 km per trip as estimated by Margaret Gaal<sup>9</sup>. Costs are based on staff wages, savings are based on the reduction in number of dogs euthanised.
- Re-homing – estimated to incur 45 minutes worth of labour with an additional \$20 in administration costs. If dogs are sold from the pound, additional costs are incurred by the council and were provided by Margaret Gaal<sup>9</sup>.

# Financial - Unquantified



Benefits of the CAWS Programme	
Improved council staff utilisation	
Reduction in trips for rangers to investigate feral or missing animals / resolve disputes due to lower UCA numbers/incidents	
Reduction in litigation frees up council resources for other matters	
Increased retention rate of council staff due to reduced exposure to high euthanasia rates	
Reduced staff sick / stress leave taken due to reduced exposure to high euthanasia rates	
De-sexing will also prevent puppy litters from being handed in or dealt with by staff	
Supports sustainable veterinary capacity in a rural town	
Improved ability to build veterinary capacity in areas where it would otherwise struggle to be maintained	
Improved animal tracking	
Microchipping of animals improves animal tracking and increases success of finding and contacting owners	
Improvement in tracing owners results in less time animals spend in the impounding facility	
Opportunity for increased revenue from microchipping registrations	
Increased number of animals microchipped increases potential revenue due to compulsory registration fees	

# Non-Financial - Unquantified



Benefits of the CAWS Programme	
<b>Improved education &amp; awareness</b>	
Increased awareness of basic human safety concepts, such as bite prevention	
Promotion of responsible pet ownership:	
<ul style="list-style-type: none"> <li>- Increased awareness of responsible animal ownership, welfare and humane treatment in school children</li> <li>- Increased community awareness of responsible pet ownership</li> </ul>	
<b>Improved health of animals</b>	
Vaccination of animals (as part of the CAWS programme) reduces their likelihood of illness	
Mammary or prostatic disease is prevented by de-sexing, as well as health issues resulting from over breeding	
<b>Reduction in health issues caused by UCAs</b>	
Reduction in incidence of disease/worms being passed onto humans from UCAs	
Reduction in spread of disease from UCAs to other animals	
<b>Reduction in staff exposure to stress</b>	
Reduction in Council staff stress caused by euthanising animals	
Reduction in Council staff exposure to stressful situations involving UCA incidents and neighbourhood dispute resolution	
<b>Potential return by CAWS participants to use veterinary services</b>	
CAWS encourages/reminds owners to take their animals to the vet	
CAWS programme provides vets with an opportunity to proactively check the animals for other health problems	
<b>Improved perception of council</b>	
Strengthened relationship between council and pet owners as the council is seen to be proactive in assisting local residents	

# Findings

- The cost-benefit case study shows that the CAWS programme run by BRC has delivered **\$46,100** in financial benefits at an annual investment of approx **\$14,616** (2 programmes run per year since 2006/2007). This equates to a 3:1 cost reduction, and provides a net benefit of \$2 for every \$1 spent.
- Benefits are attributable to the following factors:
  - **\$36,886** due to reduced UCA handling/impounding costs
  - **\$8,164** due to reduced council administrative costs
  - **\$1,050** due to reduced litigation costs
- Additional financial benefits (unquantified) include savings due to improved staff utilisation, improved animal tracking due to microchipping, and strengthened veterinary capacity.
- The programme has also delivered non-financial benefits including:
  - Approx **36%** reduction in the number of dogs impounded and **51%** reduction in number of dogs euthanised in the BRC area
  - Estimated **40%** reduction in the number of road accidents involving strays or UCAs
  - Reduction in number of dog attacks as de-sexing reduces aggression
- In addition, the programme has delivered qualitative social benefits such as:
  - Improved education and awareness regarding animal safety and ownership
  - Improved health of animals due to vaccination and de-sexing
  - Reduction in staff exposure to stress
  - Improved opportunity and frequency of companion animal health check-ups
  - Improved community perception of the council
- The BRC case study shows that by investing in a targeted subsidised, and means-tested de-sexing and education programme, the council has achieved an estimated net annual financial return of **\$31,484** on top of other tangible social benefits.

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