



NSW Police Force

2018/19 Business Case REGIONAL SMALL POLICE STATION PROGRAM

DATE: 23/02/2018

Approval Sheet

STAKEHOLDER APPROVAL (DIRECTOR LEVEL)			
As part of this business case submission, all relevant stakeholders have been consulted where necessary and endorse this business case to be correct and accurate. Directorates not impacted by this business case are not required to sign off.			
Date:	Name	Directorate	Signature
Note:			
DIRECTORATE APPROVAL			
<input type="checkbox"/> Business case approved for submission <input type="checkbox"/> Business case returned to author for further work <input type="checkbox"/> Other course of action (please specify)			
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Date:	Signature Assistant Commissioner/Director		
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PROGRAM MANAGEMENT OFFICE (PMO) APPROVAL			
<input type="checkbox"/> Business case assessed and approved for submitting to F&PC <input type="checkbox"/> Business case returned to Directorate for further work <input type="checkbox"/> Other course of action (please specify):			
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Commissioner's Executive Team (CET)	
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1. EXECUTIVE SUMMARY

1.1 PURPOSE

This business case articulates The New South Wales Police Force (NSWPF) key reasons for priority investment in the Regional Small Police Station Program.

Investment in this package of Regional Small Police Stations will fund a four year program of station redevelopment in fifteen locations across NSW. Initially six locations have been identified to be developed from 2018-19 onwards at Adelong, Braidwood, Tea Gardens, South West Rocks, Tullamore and Collarenebri.

The objective of the 2018-2021 Regional Small Station Program is to:

- > Design a sustainable and repeatable Regional Small Police Station that enables modern police service delivery whilst focussing on accessibility, visibility and mobility of policing.
- > Deliver fifteen Small Regional Police Station developments in strategically targeted locations across regional and metropolitan NSW.

Total Program		2018-2019 (\$000)	2019-2020 (\$000)	2020-2021 (\$000)	2021-2022 (\$000)	Future Years	Total
Capital Cost	Land Acquisition	T1(e) & T4(c)					
	Design & Planning						
	Construction						
	Commissioning & Project Management						
	IT Fitout						
	Contingency						
Recurrent Cost - Project							
Recurrent Cost - Ongoing							
Total Funding Required		T1(e) & T4(c)					\$15,899

Avoided Cost (backlog maintenance)	T1(e) & T4(c)
Divestment income	

1.2 KEY REASONS TO INVEST

Priority investment in the Regional Small Station Program will achieve the following benefits and value proposition:

1 Condition	Safe, compliant workplaces significantly reducing the risk of harm to employees, witnesses, victims, community and offenders. Improved visible presence and pride in police stations that makes the community feel safe. Improved average Condition Grade Index of the Police Station portfolio. Increased useful life of Police Station portfolio and IT infrastructure for frontline service delivery. Financial savings in reduced maintenance costs and avoided cost of maintenance backlog. Improved morale of employees moving from substandard workplace conditions to modern, agile and amenable facilities.
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2	Capacity	<p>Ability to accommodate frontline policing resources now and into the future (40 years). Faster, smarter, systems and processes that move high volume data on new technology infrastructure.</p> <p>Increased asset utilisation through smart workspace design reducing property cost per employee.</p> <p>Lower construction and design cost per sqm through repeatable design and modularised pre-built construction.</p> <p>Reduced temporary accommodation and project management costs through faster project delivery utilising pre-built construction and streamlined design and planning methodology.</p> <p>Financial savings of amalgamated office accommodation.</p> <p>Financial savings of operating costs from use of sustainable materials and technology.</p>
3	Functionality	<p>Improved community engagement through accessible, modern facilities that foster a feeling of safety.</p> <p>Reduction or no increase on Justice value chain through smart integrated technology and asset sharing partnerships.</p> <p>Agile, flexible workspaces that sustain evolutionary activity based working and scalable resourcing requirements.</p> <p>Improved response times and visibility of policing in growth areas</p>

1.3 STAKEHOLDER CONSULTATION PROCESS

Key stakeholders that have been consulted in the process of developing this business case to date include:

Stakeholder	Engagement
Command	As end users of infrastructure, Local Commands are engaged on workspace functionality and capacity improvements. Commands engaged on Police Station Infrastructure Strategy and mapping service demand to future infrastructure needs.
Police Property Group	Delivery of the program rests with the Police Property Group. Engagement and input on program outcomes has occurred along with input to the Infrastructure Strategy. PPG provided property condition assessments and directly liaised with the NSWPF property deliver partner.
Finance	Finance and Business Services were consulted establishing funding parameters and investment governance principles.

1.4 RECOMMENDATION

Various options have been considered in determining the preferred option to achieve the desired outcomes. Through the use of multi-criteria assessment, the following options are recommended for each Police Station:

Multipurpose Station	Recommendation
Adelong	T1(e)
Braidwood	
Tea Gardens	Option 1 (Build a new station on the existing site).
South West Rocks Tullamore Collarenebri	T1(e)

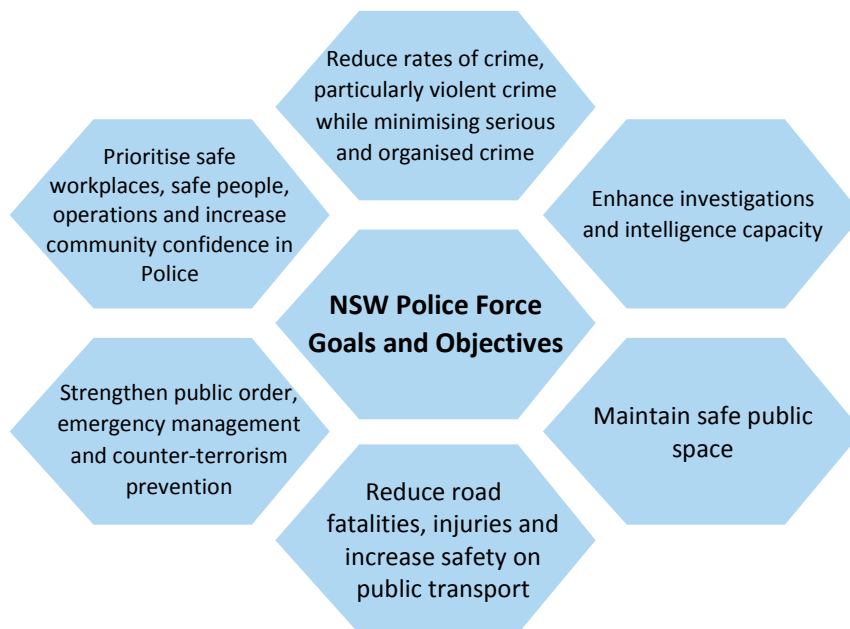
2. THE CASE FOR CHANGE



More than 20,600 employees including 16,700 Police Officers and 4000 Public Servants



NSWPF serves a population of approximately 7,000,000 people across NSW



2.1 KEY DRIVERS

An efficient and effective Police Force is essential to delivering the above objectives, ensuring social harmony exists and that the people of NSW are safe and feel safe. To be efficient and effective NSWPF intends to evolve by keeping abreast of key forces shaping the future of policing.



POLICING EVOLUTION

Prior policing evolutions:


Peelian System – Problem Oriented Policing – Community Oriented Policing – Broken Windows Approach – Zero Tolerance Policing – Hotspot Policing – Intelligence Led Policing.

Future Policing Evolutions:

Predictive Policing – Mobile Policing – Preventative Policing

The key drivers shaping the future of policing

	<p>SOCIO-DEMOGRAPHIC SHIFTS:</p> <ul style="list-style-type: none"> Population Growth and Density Rural/Remote Population Decline Household Growth/Change Net Overseas Migration Population Ageing Cultural Diversity (race, religion, language, culture) Urbanisation Social Media Ideologies Political Instability Social Cohesion Homeless Young Women/Children Child Abuse/Neglect Substance Abuse Gender Equality Vulnerable Communities (youth, Indigenous, Homeless, Mental Health and Cognitive Impairment, Disabled, Sexual Minorities, CALD, Elderly, Technology Poor) Relative Disadvantage/Inequity Mortgage/ Rental Stress Stagnated /Reduced Earnings Teenage/ Youth Unemployment Job Computerisation Projected Government Fiscal Pressures Maintaining equitable access to all policing services Policing during significant migration growth at a time of anti-migration sentiment
	<p>CRIME:</p> <ul style="list-style-type: none"> National Threat Assessment Level: PROBABLE Elder Abuse (financial and psychological) Cybercrime Pornography New Drugs Increasing Complex High Harm Crimes (Terrorism, sex trafficking, people trafficking, personal fraud) Increasing Personal Violence (sexual assault, child abuse/neglect, child exploitation, domestic violence) Indigenous Over-representation (disadvantage, homelessness, child abuse/neglect, offending, victimisation, imprisonment, juvenile justice supervision). Unrepresented/Underrepresented Communities in Law Enforcement <p>Responding to growing changes in demand on policing – falls in traditional crime and increased problem-based demands from complex social issues.</p>

	<p>TECHNOLOGY AND SCIENCE</p> <p>Internet of Things Neuroscience Genetics Digital Economy Satellite Communications 6G Network Virtual Currency Automated Vehicles Behavioural Science/Economics Data Analytics/ Big Data Modelling Climate Change Major Weather Events</p> <p>Maintaining community engagement in an emerging and changing digital economy and managing within a digital divide.</p>
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2.2 POLICE STATION INFRASTRUCTURE STRATEGY

Demands for policing services continue to grow and change. To meet the needs and expectations of the NSW community, NSWPF has considered how it should adapt to do more to enhance public safety with relatively fewer resources.

Facing the future requires an agile workforce model, use of innovative mobile technology, faster and simpler processes along with the re-evaluation of police assets to match demand, focused on accessibility, visibility and mobility of policing.



Principles

NSWPF Infrastructure Strategy is underpinned by key principles:

- > Asset follows service – service follows demand.
- > Investment priority is determined by risk based policing needs.
- > Assets must enable accessible, mobile, agile and visible policing.
- > Aligned within Justice value chain.
- > Focus on proactive asset programs and less on reactive maintenance.
- > Maximise asset utilisation rates.
- > Financially sustainable asset investment within a good governance structure.

Police Station Strategy Map

Six Regions, 32 Police Area Commands and 26 Police Districts are supported by 432 Police Stations. Development of the Police Station Infrastructure Strategy is underway for each Region.



- > The Strategy Map identifies future Police Station infrastructure needs categorised into new police station models.
- > A 10 year Investment Plan is prioritised and risk assessed by condition, capacity and functionality.



Programs and Models

Reforming our Police Station portfolio has led to the creation of models and programs that drive value for money, delivering on the Infrastructure Strategy principles and organisational and community outcomes.

- > Programs
 - Multipurpose Station Program
 - Medium Station Program
 - Small Regional Station Program
 - Refurbishment Program
 - Space utilisation
 - HVAC, flooring, painting, lockers, facilities, chairs, IT
 - Preventative Maintenance Program
- > Police Station models

Models are currently being designed for eight types of Police Stations that suit the purpose of future police station needs. Consistent design and modularised construction drives value for money through reduced design and construction cost and faster build timeframes.

POLICE STATION MODELS



TEMPORARY ACCOMMODATION -
KIOSK AND TRANSPORTABLE



SHOPFRONT



SMALL REGIONAL STATION (1-2 PERSON)



MEDIUM REGIONAL STATION (15 PERSON)



REGIONAL MULTIPURPOSE STATION
(50 - 100 PERSON)



MEDIUM METRO STATION (100 PERSON)



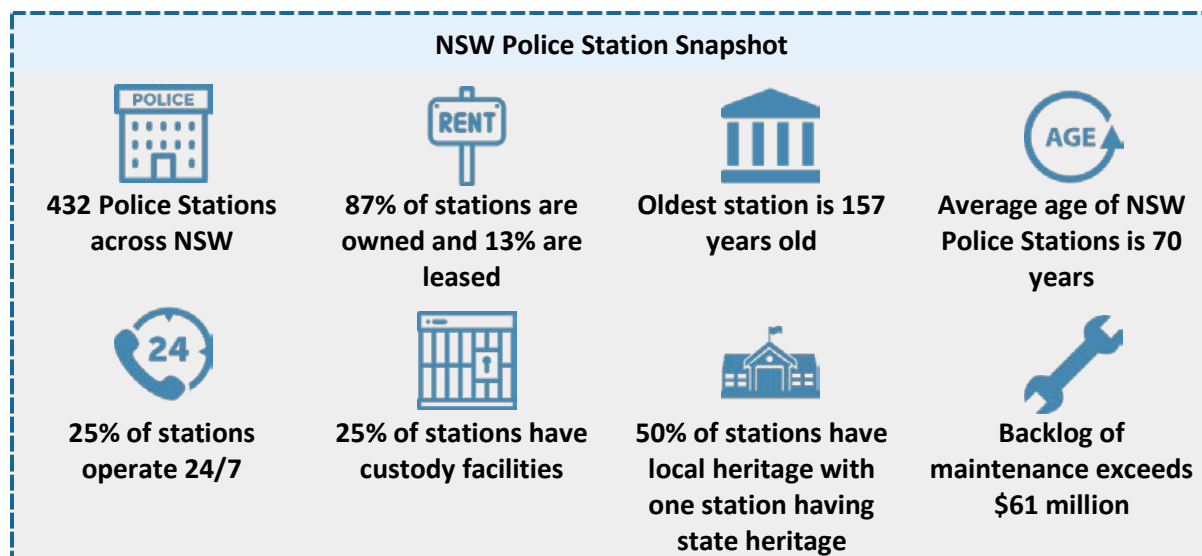
MAXI MULTIPURPOSE STATION (250+ PERSON)



PRECINCT

2.3 CURRENT STATE AND USE

NSW Police manage a large complex portfolio of Police Stations across the State. Each of the 432 Police Stations are unique with their own characteristics.



Regional Small Police Stations provide policing services in regional and remote towns. Regional Small Stations often accommodate 1-2 Police Officers who are supported by a regional network of other small stations and a Regional Multipurpose Station. Regional Small Police Stations deliver front line policing services in the form of general duties policing. Highway and traffic patrol utilise Regional Small Stations whilst patrolling a regional area.


The expected useful life of a Regional Small Police Station is 40 years. Most Regional Small Police Station across NSW are past their expected useful life and lack the functionality and capacity to enable policing services now and into the future. In addition, the condition as measured by a condition grade index of these police stations is below levels tolerable by the community and employees and lower than benchmarked peers. Prioritisation of scarce capital funding often results in investment in metropolitan stations at the expense of regional small stations.

The six Police Stations in the 2018-2022 Regional Small Station Program have been assessed on their ability to enable policing services according to condition, capacity and functionality.

Key

Condition	Assessment
The actual physical and technical state of the asset.	<div>●</div> 90-100% (requires minor capital intervention)
Capacity The ability of the physical asset to meet demand.	<div>●</div> 70-90% (requires moderate capital intervention)
Function The ability of the physical asset to enable service delivery needs.	<div>●</div> <70% (requires significant capital intervention)

1. Adelong

Location	<p>Constructed in 1920 this police station is located in Adelong, a small town that is located 410km south-west of Sydney with a population of 900. The Hume Highway passes within a few km of the town.</p> <p>Adelong Police Station is supported by a network of other small stations and a Regional hub within the Riverina Police District.</p>
Condition	This property has a Condition Grade Index of 2.97 .
Capacity	<p>The station currently caters for 2 officers. The building is 383m² on a land area of 1931m².</p> <p>The Police Station group of properties on site include a Police Station (former Court House) and two Police residences. The site is listed on the Tumut Local Environment Plan as having local heritage status. External and limited internal works would be permissible for this site. The existing site could not be demolished to make space for a new modular station.</p> <p>The two residences are currently uninhabitable and were transferred to Properties NSW under the Police Residences Management arrangements.</p> <p>An option to share a leased community health facility in Adelong is not a preferred option as the site does not provide long term sustainable investment. In addition, the site would require modification and fit out to accommodate a police station.</p>
Functionality	<p>The existing building and its infrastructure does not enable a modern policing service. Building design prevents activity based work spaces and higher rate of utilisation of floor space. Retrofitting IT infrastructure is costly and any significant investment in a building that is past its useful life is not sustainable. Police Officer workflow through the building is problematic as attempts to make greater use of space over the past century has resulted in adhoc building modifications.</p>
Area Map	 <p>Adelong Police Station, Cnr Lockhart & Campbell Streets Lot 7012, DP94468</p> <p><small>Disclaimer: This report has been generated by remote sensing and is provided for information purposes only. Spatial Services does not warrant or represent that the information in this report is accurate, or that it is exhaustive. Spatial Services gives no warranty in relation to the information, especially material supplied by third parties. Spatial Services accepts no liability for loss, damage, or costs that you may incur relating to any use or reliance upon the information in this report.</small></p>
Strategy	T1(e)

2. Braidwood

Location	<p>Constructed in 1890 this police station is located in Braidwood, a small town in the southern tablelands of NSW. It is located on the Kings highway linking Canberra to Batemans Bay on the coast.</p> <p>The regional station is supported by a network of regional small stations and regional hub within the Hume Police District.</p>
Condition	This property has a Condition Grade Index of 2.82 .
Capacity	<p>2 police officers are accommodated in the on this 172m² site with a land size of 2,538m².</p> <p>The Police Station and adjacent Court House are listed on the Palerang Local Environment Plan as having local heritage status. Both buildings are intact and have a high aesthetic value. External and internal works would not be permissible for this site.</p> <p>The existing land area whilst reasonably large would not accommodate a new modern modular station at the rear of the property, as this would substantially impact the aesthetics of the site.</p>
Functionality	<p>The existing building and its infrastructure does not enable a modern policing service. Building design prevents activity based work spaces and higher rate of utilisation of floor space. Retrofitting IT infrastructure is costly and any significant investment in a building that is past its useful life is not sustainable. Police Officer workflow through the building is problematic as attempts to make greater use of space over the past century has resulted in adhoc building modifications.</p>

Braidwood PS Located within Courthouse, 170 Wallace Street

Lot 7004, DP 1020633




Area Map


Strategy

T1(e)


3. Tea Gardens

Location	<p>Constructed in 1890 this police station is located in Tea Gardens, a small town 220km north of Sydney. Tea Gardens is a regional town with population fluctuations during holiday seasons.</p> <p>The regional station is supported by a network of regional small stations and regional hub within the Newcastle City Police District.</p>
Condition	This property has a Condition Grade Index of 2.33 .
Capacity	<p>Three police officers are accommodated in the on this 120m² site with a land size of 936m².</p> <p>The Police Station and old Court House are listed on the Great Lakes Local Environment Plan as having local heritage status. Both buildings are intact and external and internal works would be limited for this site.</p> <p>The existing land area may accommodate a new modern building to be developed on site. It is noted that the adjacent block is currently for sale as a residential development site, that contains a building of the same era as the police station.</p>
Functionality	<p>The existing building and its infrastructure does not enable a modern policing service. Building design prevents activity based work spaces and higher rate of utilisation of floor space. Retrofitting IT infrastructure is costly and any significant investment in a building that is past its useful life is not sustainable. Police Officer workflow through the building is problematic as attempts to make greater use of space over the past century has resulted in adhoc building modifications.</p>
Area Map	<p>Tea Gardens Police Station, 51-53 Marine Drive</p>  <p>Tea Gardens Police Station, 51-53 Marine Drive Lot 1 DP780806</p> <p><small>Disclaimer: This report has been generated by various sources and is provided for information purposes only. Spatial Services does not warrant or represent that the information is free from errors or omission, or that it is exhaustive. Spatial Services gives no warranty in relation to the information, especially material supplied by third parties. Spatial Services accepts no liability for loss, damage, or costs that you may incur relating to any use or reliance upon the information in this report.</small></p>
Strategy	Redevelop the existing site with a new Regional Small Police Station that meets current and future service demand.

4. South West Rocks

Location	<p>Constructed in 1900 this police station is located in South West Rocks on the mid north coast, approximately 460km north of Sydney. South West Rocks is a small growing coastal town with population fluctuations during holiday seasons.</p> <p>The regional station is supported by a network of regional small stations and regional hub within the Coffs/Clarence Police District.</p>
Condition	This property has a Condition Grade Index of 2.17
Capacity	<p>Three police officers are accommodated in the on this 220m² site with a land size of 911m².</p> <p>The Police Station is currently not listed on the Kempsey Local Environment Plan as having local heritage status, though consultation would be required on local heritage implications. The Police Station sits within a cluster of three properties of similar era. It may be more appropriate to build a new station closer to the new shopping centre.</p> <p>The existing land is not of a suitable size to accommodate another building.</p>
Functionality	<p>The existing building and its infrastructure does not enable a modern policing service. Building design prevents activity based work spaces and higher rate of utilisation of floor space. Retrofitting IT infrastructure is costly and any significant investment in a building that is past its useful life is not sustainable. Police Officer workflow through the building is problematic as attempts to make greater use of space over the past century has resulted in adhoc building modifications.</p>
Area Map	<p>South West Rocks PS, 3 Ocean Drive</p>  <p>Lot 375, DP 822657</p> <p>South West Rocks Police Station Lot 375, DP 822657</p> <p><small>Disclaimer: This report has been generated by various sources and is provided for information purposes only. Spatial Services does not warrant or represent that the information is free from errors or omission, or that it is exhaustive. Spatial Services gives no warranty in relation to the information, especially material supplied by third parties. Spatial Services accepts no liability for loss, damage, or costs that you may incur relating to any use or reliance upon the information in this report.</small></p>
Strategy	T1(e)

5. Tullamore

Location	<p>Constructed in 1920 this police station is located in Tullamore, a small rural village located approximately 60km north of Bogan Gate, and is north west of Parkes.</p> <p>The regional station is supported by a network of regional small stations and regional hub within the Oxley Police District.</p>
Condition	This property has a Condition Grade Index of 2.88 .
Capacity	<p>One police officers is accommodated in the on this 110m² site with a land size of 1130m².</p> <p>The Police Station was originally a Court House. It is a weatherboard building with fine details. It is not listed on the Parkes Local Environment Plan as having local heritage status, though it is listed on the OEH State Heritage inventory as having local heritage status. The Police Station sits within a parcel of land that contains a Police Residence that is managed by Properties NSW. The existing land is not of a suitable size to accommodate another building.</p>
Functionality	<p>The existing building and its infrastructure does not enable a modern policing service. Building design prevents activity based work spaces and higher rate of utilisation of floor space. Retrofitting IT infrastructure is costly and any significant investment in a building that is past its useful life is not sustainable. Police Officer workflow through the building is problematic as attempts to make greater use of space over the past century has resulted in adhoc building modifications.</p>
Area Map	<p>Tullamore Police Station, 15 Haylock St</p>  <p>Lot 14 & 15, DP 6912</p> <p>Tullamore Police Station Lot 14 & 15, DP 6912</p> <p>Disclaimer: This report has been generated by various sources and is provided for information purposes only. Spatial Services does not warrant or represent that the information is free from errors or omission, or that it is exhaustive. Spatial Services gives no warranty in relation to the information, especially material supplied by third parties. Spatial Services accepts no liability for loss, damage, or costs that you may incur relating to any use or reliance upon the information in this report.</p>
Strategy	T1(e)

5. Collarenebri

Location	<p>Constructed in 1920 this police station is located in Collarenebri, a small rural town located 75km north east of Walgett and 650km north west from Sydney.</p> <p>The regional station is supported by a network of regional small stations and regional hub within the Barwon Police District.</p>
Condition	<p>This property has a Condition Grade Index of 3.49. This building is ranked within NSWPF Top 10 poorest condition buildings.</p>
Capacity	<p>Three police officers are accommodated in the on this 210m² site with a land size of 2730m².</p> <p>The Police Station is listed on the Walgett Local Environment Plan as a Vernon designed building that has both historical and architectural value. The Police Station sits within a reasonable sized parcel of land that contains some external storage buildings and may be suitable to accommodate another building.</p>
Functionality	<p>The existing building and its infrastructure does not enable a modern policing service. Building design prevents activity based work spaces and higher rate of utilisation of floor space. Retrofitting IT infrastructure is costly and any significant investment in a building that is past its useful life is not sustainable. Police Officer workflow through the building is problematic as attempts to make greater use of space over the past century has resulted in adhoc building modifications.</p>
Area Map	<p>Collarenebri Police Station</p> <p>Collarenebri Police Station Part Lot 102, DP 1168830</p> <p>Disclaimer: This report has been generated by veritas sources and is provided for information purposes only. Spatial Services does not warrant or represent that the information is free from errors or omission, or that it is exhaustive. Spatial Services gives no warranty or liability to the information, especially material supplied by third parties. Spatial Services accepts no liability for loss, damage, or costs that you may incur relating to any use or reliance upon the information in this report.</p>
Strategy	T1(e)

3. OPTIONS ASSESSMENT

Based on the project benefits and value proposition discussed in the section above five options have been developed and assessed to determine the most appropriate method to achieve the desired outcomes. These options include:

3.1 BASE CASE – DO MINIMUM – UNDERTAKE MINIMUM WORKS

The base case proposes to undertake minimum works required to continue service delivery. This option requires frontline police to continue to work in suboptimal conditions where current workplace health and safety issues remain. Expenditure on reactive maintenance for assets past their useful life remain. Asset condition continues to deteriorate.

This option does not meet the objective.

3.2 OPTION ONE – BUILD NEW STATION ON EXISTING SITE

Option one proposes a complete redevelopment of the police station by demolishing the existing station and rebuilding a new station on the same site.

Key considerations of this option include:

- > Locating suitable temporary accommodation if operational work arounds can not be achieved.
- > Capacity of the site to accommodate a new functional building design within development parameters.
- > Capital cost of development and impact on capital program

This option meets the program objective.

3.3 OPTION TWO – DEVELOP NEW STATION ON NEW SITE AND DIVEST EXISTING BUILDINGS

Option two proposes to build a new police station on a new site in a strategically targeted area and divest the existing police station. Whilst most Regional Small Stations can operate remotely for a temporary period, this option mitigates the operational impact and expenditure for temporary accommodation whilst a new station is constructed. An advantage of this option is the opportunity to recycle funding achieved through divestment into new infrastructure investment. This option avoids the risk of heritage impacts on building design and site capacity.

Key considerations of this option include:

- > Ability to acquire land in a desired location.
- > Alignment with the Police Station Infrastructure Strategy matching future policing demand to service delivery.
- > Capital cost of development and impact on capital program

This option meets the program objective.

3.4 OPTION THREE – PARTNER WITH A DEVELOPER TO CONSTRUCT NEW BUILDING WITH LONG TERM LEASEBACK

Option three proposes to partner with a developer who would construct and leaseback a new police station. Whilst most Regional Small Stations can operate remotely for a temporary period, this option mitigates the operational impact and expenditure for temporary accommodation whilst a new station is constructed. An advantage of this option is the opportunity to recycle funding achieved through divestment into new infrastructure investment. This option avoids the risk of

heritage impacts on building design and site capacity. This option converts capital expenditure to operating expenditure. Under this option, at the expiry of the lease (20 years), NSWPF would be required to identify a new police station arrangement.

Key considerations of this option include:

- > Identifying a suitable site in the desired location.
- > Ability to source a suitable sustainable partnership.
- > Impact of increase in recurrent expenditure (e.g. lease) on operating budget.
- > Capability to negotiate and manage partnership outcomes.
- > Ability to design a police station consistent with NSWPF design models.

3.5 OPTION FOUR – PARTNER WITH OTHER JUSTICE AGENCY DEVELOPING A PRECINCT

Option four proposes to partner with another government or Justice Agency in a strategically targeted area to develop a precinct with shared infrastructure.

Key considerations of this option include:

- > Ability to partner with another agency that has a compelling reason to invest in the same infrastructure at the same time.
- > Ability to design a precinct that provides a value for money proposition as opposed to co-location only.

3.6 MULTI-CRITERIA ASSESSMENT






























To determine which of the options would be most preferable an assessment criterion that ranks each option based on the expected benefits, value proposition and implementation considerations has been developed.



Regional Small Police Station options assessment criteria		Base Case – Do Minimum	Option 1 – Build new station on existing site	Option 2 – Build new station on new site and divest existing station	Option 3 – Partner with a developer to construct a new station with long term leaseback	Option 4 – Partner with other Justice Agency developing a precinct
1.1	Improved average Condition Grade Index of the Police Station portfolio. Increased useful life of Police Station portfolio and IT infrastructure for frontline service delivery.					
1.2	Safe, compliant workplaces significantly reducing the risk of harm to employees, witnesses, victims, community and offenders.					
1.3	Improved community engagement through accessible, modern facilities that foster a feeling of safety.					
1.4	Reduction or no increase on Justice value chain through smart integrated technology and asset sharing partnerships.					
1.5	Ability to accommodate frontline policing resources now and into the future (20 years).					
1.6	Faster, smarter, systems and processes that move high volume data on new technology infrastructure.					



1.7	Improved morale of employees moving from substandard workplace conditions to modern, agile and amenable facilities.					
1.8	Improved response times and visibility of policing in growth areas					
1.9	Agile, flexible workspaces that sustain evolutionary activity based working and scalable resourcing requirements.					
2.1	Financial savings in reduced maintenance costs and avoided cost of maintenance backlog.					
2.2	Lower construction and design cost per sqm through repeatable design and modularised pre-built construction.					
2.3	Reduced temporary accommodation and project management costs through faster project delivery utilising pre-built construction and streamlined design and planning methodology.					
2.4	Financial savings of amalgamated office accommodation.					

2.5	Financial savings of operating costs from use of sustainable materials and technology.					
2.6	Increased asset utilisation through smart workspace design reducing property cost per employee.					
Implementation considerations						
3.1	Time to Deliver Solution					
3.2	Operational Impact of move to temporary location					
3.3	Delivery Risks					
	Conclusion  1  2  3  4	23	68	70	58	60

3.7 PREFERRED OPTION

While the multi-criteria assessment highlights option 1 as the preferred options, each Regional Small Police Station project prefers a different option based on the strategic infrastructure strategy determined for the service delivery area. It is noted that:

- > Where land size and/or Local Heritage status prohibits development, the preference is to build on a new site.
- > Where existing police residences are located on site that prohibits development the preference is to build on a new site.

Multipurpose Station	Preferred Option
Adelong Braidwood	T1(e)
Tea Gardens South West Rocks Tullamore Collarenebri	Option 1 (Build a new station on the existing site). T1(e)

4. FINANCIAL ANALYSIS

4.1 PROJECTED COSTS

The following tables outlines the cost estimates for the preferred option of each Regional Small Station.

Adelong		2018-2019 (\$000)	2019-2020 (\$000)	2020-2021 (\$000)	2021-2022 \$000)	Future Years	Total
Capital Cost	Land Acquisition	T1(e) & T4(c)					
	Design & Planning						
	Construction						
	Commissioning & Project Management						
	IT Fitout						
	Contingency						
Recurrent Cost - Project							
Recurrent Cost - Ongoing							
Total Funding Required							
Avoided Cost (backlog maintenance & leasing)		T1(e) & T4(c)					
Divestment income							

Notes:

A contingency on 5% is provided.

T1(e) & T4(c)

NPV

The Net Present Value for each option has been calculated at discount rates of 4%, 7% and 10%. This NPV includes an estimated residual land and building value.

NPV			
	4%	7%	10%
T1(e) & T4(c)			

Braidwood		2018-2019 (\$000)	2019-2020 (\$000)	2020-2021 (\$000)	2021-2022 (\$000)	Future Years	Total
Capital Cost	Land Acquisition	T1(e) & T4(c)					
	Design & Planning						
	Construction						
	Commissioning & Project Management						
	IT Fitout						
	Contingency						
Recurrent Cost - Project							
Recurrent Cost - Ongoing							
Total Funding Required							

Avoided Cost (backlog maintenance)	T1(e) & T4(c)
Divestment income	

Notes:

A contingency on 5% is provided.

T1(e) & T4(c)

NPV

The Net Present Value for each option has been calculated at discount rates of 4%, 7% and 10%. This NPV includes an estimated residual land and building value.

NPV		
4%	7%	10%
T1(e) & T4(c)		

Tea Gardens		2018-2019 (\$000)	2019-2020 (\$000)	2020-2021 (\$000)	2021-2022 \$000)	Future Years	Total
Capital Cost	Land Acquisition	T1(e) & T4(c)					
	Design & Planning						
	Construction						
	Commissioning & Project Management						
	IT Fitout						
	Contingency						
Recurrent Cost - Project							
Recurrent Cost - Ongoing							
Total Funding Required							

Avoided Cost (backlog maintenance & leasing)	T1(e) & T4(c)
Divestment income	

Notes:

A contingency on 5% is provided.

T1(e) & T4(c)

NPV

The Net Present Value for each option has been calculated at discount rates of 4%, 7% and 10%. This NPV includes an estimated residual land and building value.

NPV			
	4%	7%	10%
Option 2	T1(e) & T4(c)		

South West Rocks		2018-2019 (\$000)	2019-2020 (\$000)	2020-2021 (\$000)	2021-2022 (\$000)	Future Years	Total
Capital Cost	Land Acquisition	T1(e) & T4(c)					
	Design & Planning						
	Construction						
	Commissioning & Project Management						
	IT Fitout						
	Contingency						
Recurrent Cost - Project							
Recurrent Cost - Ongoing							
Total Funding Required							

Avoided Cost (backlog maintenance & leasing)	T1(e) & T4(c)
Divestment income	

Notes:

A contingency on 5% is provided.

T1(e) & T4(c)

NPV

The Net Present Value for each option has also been calculated at discount rates of 4%, 7% and 10%. This NPV includes an estimated residual land and building value.

NPV		
4%	7%	10%
T1(e) & T4(c)		

Tullamore		2018-2019 (\$000)	2019-2020 (\$000)	2020-2021 (\$000)	2021-2022 (\$000)	Future Years	Total
Capital Cost	Land Acquisition	T1(e) & T4(c)					
	Design & Planning						
	Construction						
	Commissioning & Project Management						
	IT Fitout						
	Contingency						
Recurrent Cost - Project							
Recurrent Cost - Ongoing							
Total Funding Required							

Avoided Cost (backlog maintenance & leasing)	T1(e) & T4(c)
Divestment income	

Notes:

A contingency on 5% is provided.

T1(e) & T4(c)

NPV

The Net Present Value for each option has been calculated at discount rates of 4%, 7% and 10%. This NPV includes an estimated residual land and building value.

NPV			
	4%	7%	10%
T1(e) & T4(c)			

Collarenebri		2018-2019 (\$000)	2019-2020 (\$000)	2020-2021 (\$000)	2021-2022 (\$000)	Future Years	Total
Capital Cost	Land Acquisition	T1(e) & T4(c)					
	Design & Planning						
	Construction						
	Commissioning & Project Management						
	IT Fitout						
	Contingency						
Recurrent Cost - Project							
Recurrent Cost - Ongoing							
Total Funding Required							

Avoided Cost (backlog maintenance & leasing)	T1(e) & T4(c)
Divestment income	

Notes:

A contingency on 5% is provided.

T1(e) & T4(c)

NPV

The Net Present Value for each option has also been calculated at discount rates of 4%, 7% and 10%. This NPV includes an estimated residual land and building value.

NPV			
	4%	7%	10%
T1(e) & T4(c)			

4.2 VALUE FOR MONEY

Value for money is best achieved through Option 1 or Option 2. In these options, the outcome is achieved at reasonable capital and recurrent cost with minimum risk.

Value for money is rated as excellent, good, moderate or poor comparing the options on three criteria:

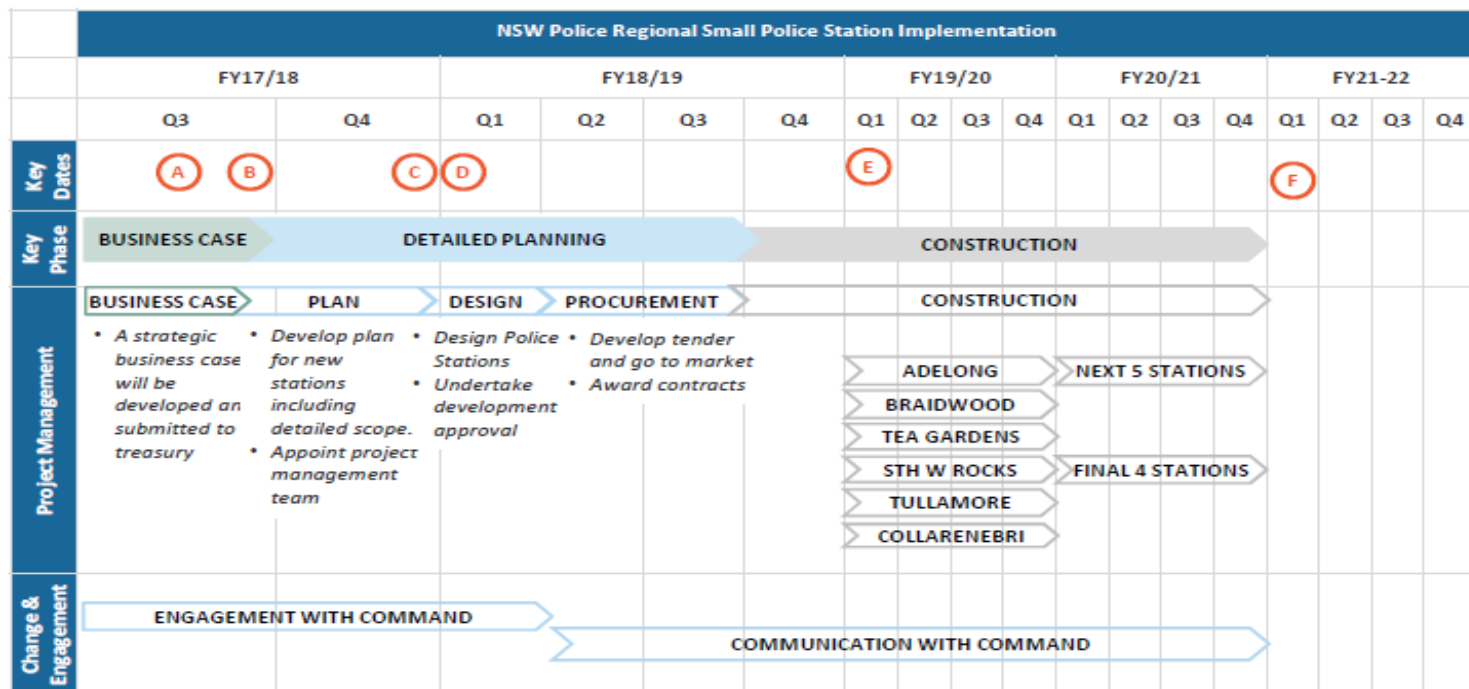
1. Economy:
 - a. Least capital and recurrent expenditure to acquire the specified capability.
 - b. Capture of all direct readily verifiable costs assignable.
 - c. Knowledge of project costs and not spending more than is necessary.
2. Efficiency:
 - a. Acceptable benefit-cost-ratio, proportionate to the size of the problem and benefits the expenditure proports to resolve.
 - b. Integrity of analysis of recommended option having properly compared options.
3. Effectiveness:
 - a. Confidence that the proposed solution will deliver the benefits.
 - b. Confidence that the proposed solution can be delivered.
 - c. Acceptable level of project risk to deliver the outcomes

	Base Case – Do Minimum	Option 1 – Build new station on existing site	Option 2 – Build new station on new site and divest existing site	Option 3 – Partner with a developer to construct a new station with long term leaseback	Option 4 – Partner with other Justice Agency developing a precinct
Economy	Moderate	Excellent	Excellent	Good	Good
Efficiency	Poor	Excellent	Excellent	Good	Good
Effectiveness	Poor	Excellent	Excellent	Good	Moderate

5. IMPLEMENTATION PLAN

5.1 TIMELINE

The Regional Small Station Program will be delivered over a four-year timeframe.



Key Milestones

- (A) - Strategic Business Case submitted to Treasury
- (B) - Business Case Approved
- (C) - Plan Approved
- (D) - Funding Released
- (E) - Construction Begins
- (F) - Project Completion

5.2 PROJECT GOVERNANCE

The Multipurpose Station Program is considered a rolling program of work and will be delivered within business as usual governance arrangements.



5.3 RESOURCING

Resource	Source	Impact
Program Delivery - Lead	Police Property Group	Minimal. Already scheduled into Properties work schedule
Project Delivery - Property	Police Properties Delivery Partner (BGIS or alternate)	Minimal. Already scheduled into Project Partners work schedule
Project Delivery - IT	Business Technology Services	Minimal. Already scheduled into BTS work schedule

5.4 PROCUREMENT

Procurement activities are aligned to NSW Procurement guidelines. Competitive tendering is the preferred option.

Existing contractual arrangements for Property Delivery Services will be utilised where deemed appropriate.

5.5 REPORTING & POST IMPLEMENTATION REVIEW

It is expected that a benefits realisation post implementation review will be conducted by the Enterprise Project Management Office or Finance and Business Services at the conclusion of each Project and conclusion of the overall Program.

Evaluation of this program will inform the 20223-2027 Regional Small Program.

6. RISK ANALYSIS

An initial risk assessment has been conducted for the Regional Small Police Station Program.

6.1 RISK REGISTER

T1(e) & T4(c)

T1(e) & T4(c)

T1(e) & T4(c)

6.2 RISK RATINGS

Level of Risk

T1(e) & T4(c)

Consequence

T1(e) & T4(c)

T1(e) & T4(c)