

Advisory Board Paper: November 1998
Animal Welfare Services Strategic Option:
National Animal Welfare Charitable Trust

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CURRENT SCENARIO

The Animal Welfare Bill before Parliament and due to be enacted in March 1999 allows for "approved organisations" to carry out animal welfare work. As per the Bill an "approved organisation" must be a national organisation and have animal welfare as a principle purpose. Territorial Authorities will not meet the criteria of having the promotion of animal welfare as the principle purpose.

The formation of a national animal welfare charitable trust will enable Animal Welfare Services to link in to the Trust and thereby continue its animal welfare programmes without any disruption to its service delivery.

N.B. The "trust" option has been a live target of Animal Welfare Services for the last twelve months with background consideration of the concept dating back several years. It is important to note that the introduction of the new Animal Welfare Bill and its potentially restrictive parameters has in no way caused the consideration of the concept. However what it has done is deliver an urgency to progress a project which is well down the track, and which has the potential in the long term to provide significant benefits to Council. The Bill does not forbid TA involvement in Animal Welfare work provided that any such work is undertaken through an "approved organisation".

Failure to achieve completion of the "formation of animal welfare trust" project would be a retrograde leap for Animal Welfare Services and result in the following:

1. negation of the Animal Welfare Services' business unit strategic business option (to which a project commitment is already in place albeit on a time frame which must now be shortened if success is to be made possible)
2. Loss of MAF warrants under the Animals Protection Act 1960 which will:
 - negatively impact on the service provided to Waitakere City citizens
 - reduce the quality of service provided under the North Shore City Council contract
 - lessen the "cutting edge" of the approach of Animal Welfare Services to win further contracts (e.g. Auckland City)
 - Significantly damage the work achieved over the last nine years, and in particular the last three during which MAF Animal Protection Act warrants have been held under an extended three year pilot program

Delayed reaction would cost for indecision and or changing directions over ISO decisions, for continuity of progress, for MAF credibility and for exclusivity of the opportunity which some one else will seize at Waitakere's expense if Waitakere drags it's feet.

The options are simple:

1. Do nothing and endure the impacts described in above
2. Speed up the time frame of the project already in place so that the issue is resolved and success is assured.

ISSUES

- 1. The Trust will need \$20,000 seed funding to be included in the 1999/00 annual plan if it is to proceed**
- 2. The Trust will need to be a national organisation with animal welfare as it's primary purpose if it is to fully service the needs of Animal Welfare Services and Council**
- 3. Trustees of appropriate stature and influence will need to be appointed**

SUMMARY

1. Introduction

- This option arises from a Strategic Options paper submitted in January 1998.
- Animal Welfare Services adopted a holistic approach to animal welfare and control through a pilot programme with the Ministry of Agriculture and Forestry whereby Waitakere officers were warranted under the Animals Protection Act 1960 as Inspectors.
- Council has expressed concern that animal welfare services should be sustained or expanded without it being a further imposition on rating revenue. Increasing dog registration fees is not seen as a positive option.
- Establishing a charitable trust to enhance revenue opportunities is seen as the preferable option.

2. Why this option

- Waitakere has established itself as a trend-setter, e.g. the Greenprint. Waitakere is a national and international leader of change:
 - 1st NZ city to adopt Agenda 21
 - 1st to adopt ECO-city mission statement
 - 1st to synergise animal welfare and animal control
 - 1st (and only) city to have animal welfare warrants for its animal control officers.
- Synergising animal welfare and animal control, while not new internationally, is new to New Zealand. The pilot programme that Animal Welfare Services has been operating for the past 3 years has established a proven track record endorsed by 3 positive quality assurance audits conducted by MAF Compliance Group.
- A charitable trust enables greater opportunities for attracting funds than would a commercial entity.
- A charitable trust is favoured over an incorporated society as control of an incorporated society is entirely in the hands of its members, whereas control of a trust is in the hands of the trustees, the majority of whom will be appointed by Council.

3. Why national

- The opportunities of the trust having the potential to operate nationally are greater than restricting the trust to operate solely within Waitakere.

- While not intended to operate in every part of New Zealand initially, the potential is there for the trust to forge partnerships with TAs anywhere in New Zealand by being the only “approved organisation” operating with TAs under the proposed Animal Welfare Act.

4. Alignment with ECO City Principles

The proposal:

- Is **sustainable** in terms of achieving a long term approach for dealing with animal related issues. Animal Welfare and Control are inseparable in practice and Council via Animal Welfare Services has since 1989 promoted the message that the key to effective animal control is to take an active and daily interest in the welfare of the animal. This is a sustainable approach which works and influences social change in the way that people keep animals. It is an individual accountability issue which marries into community wellbeing and which promotes sustainable and favourable outcomes in terms of animals and people living together in harmony within the physical and social environments. It is interesting to note that the recent election for once did not feature dog control problems as a political issue.
- Is **dynamic**. It will enable and facilitate positive change both locally and nationally. Even the Singaporean government representatives who visited several NZ TAs in 1997 are using Council’s animal welfare approach as a model for their own operation. Part of dynamism is innovation and the proposal is certainly innovative. Senior staff from other TAs are expressing interest in Waitakere’s approach and once our option is established and formalised the platform will have been made for the merging of welfare and control which is the key to the future of the animal related industry in New Zealand. Waitakere City leads the way.
- Is **just**. The old view of catching dogs and impounding to kill them is not in keeping with Council’s Greenplan. The enlightened approach adopted by Council’s Animal Welfare Services is community focussed and just. It seeks to re-educate owners and re home suitable dogs to suitable homes as opposed to a “catch and kill” approach. Furthermore it seeks to educate citizens about animal care generally and thereby achieve an approach which is just so.
- Provides vision for future of the city, citizens and the entire industry itself.
- Takes a holistic approach to the social well being of its people. People need pets for their well-being and for recreation. Promotion of responsible pet ownership enhances that well-being.
- Provides for social well-being and leisure and has long term perspective.
- Enhances the notion of living in strong caring communities.
- Protects the environment through initiatives. A community that cares for its animals also cares for the environment. A greater educational initiative will enhance the symbiotic relationship of animals and the environment and the control of pests and unwanted animals through humane control.

5. Opportunities

5.1 Immediate

- Receive charitable funds (donations, legacies, commercial grants) not able to be accessed directly by a territorial authority;
- Proactively pursue this funding. (Note: a fund of \$5,000 has already built up from passive donations to Waitakere City's animal welfare fund.)
- Be the commercial interface between MAF and TAs participating in the animal welfare programme that would control quality of training, service delivery and performance.

5.2 Medium Term

- Enter into joint business ventures with Waitakere City (if that proves to be beneficial both to the trust and to the ratepayers of Waitakere);
- Tender for animal control service delivery contracts with other TAs in the Auckland region (North Shore City is a current example);
- Investigate/pursue commercial ventures that benefit animal welfare and attract funding for charitable purposes;
- Fund animal welfare aspects of Council's work, e.g., humane education, dog training, de-sexing companion animals, etc.

5.3 Longer term

- Take over the operation Animal Welfare Services and contract to Waitakere City for service delivery at a highly competitive rate
- Joint venture with Singapore Government on urban animal management.
- Tender for animal control contracts elsewhere in New Zealand

6. Benefits.

- Relatively inexpensive to set up. Returns to the trust would expand funding of animal welfare/charitable activities that would reduce input into animal welfare services;
- Fits the ECO City principles (see para. 4. Alignment with ECO City Principles)
- Business opportunities accessible to Council which would otherwise be inaccessible but for the partnership with the Trust.

7. Intent of legislation

- The Animal Welfare Bill before Parliament does not specifically prohibit TAs from involvement in animal welfare delivery.
- It provides for "approved organisations" that need to have animal welfare as a principle purpose.

- TAs will not meet the criteria of having the promotion of animal welfare as the principle purpose. It is doubtful that a LATE would meet the criteria.
- The Chief Veterinary Officer has informally agreed that a detailed submission provided by mid-October showing how the trust would meet the criteria of an "approved organisation" as defined in the Animal Welfare Bill, would enable him to extend the interim programme with a goal of the trust being recognised as an "approved organisation" as soon as the Bill becomes an Act (about March 1999). This will enable Animal Welfare Services to continue its animal welfare programmes without any disruption to its service delivery.

8. Costs

- Funding for establishment would be about \$20,000 in the form of a suspensory loan that the trust would return to Waitakere from future earnings. This will underwrite the setting up of the trust, the formation of business systems, and the exploration of short-term and medium-term opportunities.

Funding for establishment of Trust:

Consultancy fees	15,600.00
Telephone fax etc.	750.00
Printing stationary postage	300.00
Vehicle say 3000 km @ 60c	1,800.00
Contingencies	<u>1,500.00</u>
	<u>19,950.00</u>

9. Funding

- Initial seed-funding would come from Council in the form of a suspensory loan. That will be repaid from future revenue.
- Access to funding sources not normally open to Council will be open to a charity – donations, legacies, grants, and commercial sponsorships. This will provide a funding base that will ease the pressure on ratepayer funding of animal welfare and control activities.

10. The trust deed

- Full draft is a supporting document. The broad form is based on the Waitemata Stadium deed, with appropriate changes.

11. How would the organisation work

Council would appoint the 4 founding Trustees. The Board of Trustees would be able to co-opt up to 3 more trustees depending on need and expertise required. The trust would be administered by a tight unit that would:

- administer the trust
- support the Board of Trustees
- develop strategies
- work closely with Animal Welfare Services
- conduct fund-raising activities -- public relations, commercial sponsorships, legacies, grant funding (Lottery Board, Sky City, ASB Trust), appeals, lotteries
- investigate feasibility of new business ventures
- set up humane education programs
- expand the operational base both nationally and internationally
- work in co-operation with MAF, the Veterinary Association, the Animal Welfare Advisory Committee, etc.

14. A synopsis of the legal position

It is the policy of Local Government New Zealand that a TLA should not operate in the area of another TLA without express approval of that TLA. The Trust will not operate any function that is normally the function of a TLA in an area of another TLA. In general charitable activities, systems will be in place to ensure that there is no intrusion into the affairs of other TLAs. Where the Trust is successful in gaining a contract to provide animal welfare services in the area of another TLA then the contract will provide that express approval.

In addition to the above aspect it might be added that the Animal Welfare Bill does not forbid a TLA from undertaking Animal Welfare work provided it is via an approved organisation as defined within the proposed piece of legislation.

16. Drawbacks of not proceeding

If the trust option is not implemented in line with the timeline,

- Waitakere animal welfare officers will lose their warrants to act as animal welfare inspectors early next year.
- The leading edge developed by Animal Welfare Services has over the past 3 years will be lost.
- The competitive edge that helped in gaining the North Shore City contract will be lost.
- The potential for AWS gaining other animal control contracts will be lessened.

- Strategic Options Paper

- Draft Trust Deed

STRATEGIC OPTIONS

JANUARY 1998

ANIMAL WELFARE SERVICES

a business unit of City Enterprises

WAITAKERE CITY COUNCIL

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INTRODUCTION

The purpose of this report is to provide to The Advisory Board a set of strategic options along with a recommendation for the preferred option for the direction of Council's Animal Welfare Services.

PROFILE: ANIMAL WELFARE SERVICES

*The Vision: "TO SERVE THE COMMUNITY IN ALL ASPECTS OF
ANIMAL WELFARE AND CONTROL"*

DIRECTORSHIP

ANIMAL WELFARE SERVICES is a business unit of **City Enterprises** of Waitakere City. **City Enterprises** is a portfolio of ten diverse business units which share the vision of providing competitive and quality services in a customer focused and serviced way along with a desire to provide for commercial and social imperatives in a transparent manner by incorporating the best commercial practices.

SERVICES

ANIMAL WELFARE SERVICES is a leader in the field of animal welfare and control providing dog control, stock control, dog registration, animal protection, kennel services, and many associated services to the Waitakere City, Rodney/North Shore and on occasions the Auckland Regional Council.

CONCEPT

ANIMAL WELFARE SERVICES leads the country in promoting and incorporating into it's work the concept that animal control and animal welfare are inseparable components in achieving the long term solutions to be realised in the area of problem animals and their owners. The service typically attempts to recycle sound animals as opposed to having an outdated "catch & kill" approach and because of it's humane direction has earned a palatability with the animal owning and general public.

EDUCATION

ANIMAL WELFARE SERVICES actively promotes the education of animal owners through it's presentations to school groups, clubs, animal owners and the general public. **The Standard NZ Dog Owner Licensing System** is an example of the leadership and superior quality of material used by **Animal Welfare Services**..

APPROACH

ANIMAL WELFARE SERVICES possesses a proactive approach towards animal control and promotes the "motto" that **"The key to effective animal control is to take an active and daily interest in the welfare of the animal"**. Along with a strong educative approach used in dealing with the daily problems encountered with animals and their owners **Animal Welfare Services** uses the legislation to it's best advantage in order to achieve the desired results in terms of animal related social problems.

ANIMAL PROTECTION WORK

ANIMAL WELFARE SERVICES is the only business unit or contractor other than an SPCA undertaking Animals Protection Act work on behalf of a Territorial Authority. This initiative has been achieved through a MAF audited pilot program which was successfully embarked upon in 1995. The forecast is that MAF will open the Animals Protection Act warrants to other approved operators in the foreseeable future. This is another example of **Animal Welfare Services** leading the field of Animal Control and Welfare.

QUALITY

ANIMAL WELFARE SERVICES comprises of modern information systems, activity and performance based reporting processes, experienced and well qualified staff, customer focused performing, partnership development, win-win approaches to problems, proactivity and initiatives, sound management, ample physical and business resources and it's own unique Quality Management system which reflects **Animal Welfare Services'** commitment to the process of continual improvement.

FACILITY

ANIMAL WELFARE SERVICES operates from an all in one modern and superior facility which includes a stock pound, forty five passive solar designed dog kennels and a recently expanded and upgraded administration block. The facility also contains a veterinary room and an education facility.

STAFF

Animal Welfare Services currently employs fourteen full time staff plus five staff on less than full time duties. Qualifications of staff include the "A" grade Dog Control Officers Certificates, MAF Animals Protection Act Warrants, Dog Serological Technicians Certificates, Animal Husbandry Certificates for small and large animals, Computer Certificates (excel, word etc), First Aid Certificates, and a wealth of experience relating to all aspects of animal care and control. For example marine mammal rescue, bird rescue, canine behaviour and dog training, equine management, stock handling experience and small wildlife care. All staff employed undertake customer focus education in line with the approach of **Animal Welfare Services**.

DEVELOPMENT

Animal Welfare Services has developed from being a Council service provider to that of a business unit of good repute within the industry and within the communities which it serves. This growth has occurred since 1989 when the current facilities were established. Developments include: Dog Owner Licensing, Total Staff Training, Multi-Skilling, Customer Focus Development, Quality Systems Development, Prosecution Development, Education of School Children

and General Public, Focussed Operation with a sound approach to animal related social problems,

CURRENT WORK

Animal Welfare Services currently holds a contract with the Regulatory Services Unit of Waitakere City Council to undertake all animal control related work within the city and the contract includes:

Management and administration of the registration of 14,000 dogs.

Response to all animal related complaints & queries of which there are 6,700 per annum. This includes receiving, monitoring and responding to all complaints both in the office and field.

Legal work preparation and appearances in court to prosecute offenders under the Dog Control Act and Animals Protection Act.

Provision of kennel services which currently house 2,000 dogs per annum.

Impounding, release, adoption and euthanasia of dogs and other animals.

Provision of full stock control service to address problems with wandering stock including horses, cattle, sheep, goats and similar. Included is the running of a stock pound.

Education work to schools, clubs, community groups, individual animal owners and the general public. Dog Owner Licensing for dog owners.

All animal control and animal welfare work encountered within Waitakere City's area of legal responsibility.

Consultancy work to Regulatory Services on Policy and Technical matters.

Animal Welfare Services currently undertakes contract kennel services work on behalf of Rodney District Council. This work involves the housing, care, and release of impounded dogs.

CLARIFICATION OF TRUST VERSUS CHARITABLE TRUST

The options within this document focus upon an animal welfare charitable trust. It is important that the reader is aware of the dissimilarities between an ordinary trust and a charitable trust as the two operate in distinctly different ways.

It is proposed that the "National Animal Welfare Trust of New Zealand" (which is referred to later in this document) is established under the provisions of the Charitable Trusts Act 1957.

It is important that a charitable trust is distinguished from an ordinary trust. An ordinary trust is "an equitable obligation under which a person having the control of property is bound to deal with that property for the benefit of definite persons or for some object or purpose permitted by law." An ordinary trust has stakeholders

In a local government sense ordinary trusts can be set up for the benefit of definite persons or corporate bodies and typically will be set up to operate a business venture for the benefit of ratepayers. The Auckland Regional Services Trust is an example.

In contrast a charitable trust does not have stakeholders and cannot be set up for the benefit of definite persons. It must have charitable objects and the boundaries of what is a charity are well defined. If a charitable trust directly benefits persons or corporate bodies financially it is no longer charitable. However, the activities of a charitable trust can indirectly benefit persons. For example, a charitable trust that has as one of its objects the advancement of education will benefit those who receive the education but the beneficiaries are not financial stakeholders.

Charitable trusts enjoy certain privileges that are not accorded ordinary trusts such as exemption from filing income tax returns, donations are tax deductible in the hands of the donor, and the rule against perpetuities does not apply. This means in lay terms that a charitable trust can go on forever but an ordinary trust must have a pre-determined life.

The Guidelines on Trust Ownership and Governance Accountability of Councils are not applicable to charitable trusts. Because the beneficiaries in an ordinary trust are usually the council and/or ratepayers the Council and elected councilors have a vested interest. In a charitable trust the beneficiaries are the charitable purposes of the trust. The Council and ratepayers have no direct vested interest.

It is proposed that the charitable objects of the National Animal Welfare Trust of New Zealand are: to promote principally in New Zealand effective means for the protection, control and conservation of animals, for the prevention of ill-treatment of and the relief of suffering to animals, and in furtherance of these purposes:

- a) To promote the welfare, control, protection and conservation of animals;

- b) To encourage and develop by humane education individual responsibility for the welfare, control, protection and conservation of animals, and the promotion of humane attitudes in society to people and animals;

- c) To provide animal welfare and veterinary services;

- d) To establish a scientific institute or institutes to study animal protection, control and welfare problems;

e) To seek reform of laws for the welfare, protection, control and conservation of animals, and the promotion of humane attitudes in society to people and animals;

f) To advance the aims of the Trust by seeking the support and advice of all available moral, educational, legislative and scientific institutions;

g) To maintain effective liaison and to seek co-operation with organisations in New Zealand and elsewhere having similar objectives.

These objects would be fine tuned during the pre-establishment phase of the Trust.

Animal Welfare Services Strategic Options Summary

DISADVANTAGE	OPTION	ADVANTAGE	DESCRIPTION	FINANCIAL OUTCOME
<ul style="list-style-type: none"> • Loss of service re sustainable approach and reduced customer focus • Major negative change to service with emphasis on “catch & kill” as opposed to recycling and sustainability • Loss of Animal Welfare thrust • Negative community reaction towards less palatable service • Less owner control of operation 	1.Exit Contract out	nil	Place contractable work on open market with loss of animal welfare component which Animal Welfare Services is the only current operator warranted to provide. Necessarily adopt a more skeletal “ catch & kill” approach.	Similar cost level with possible increases due to administration of contract and owner possessed components (dog registration) being retained. Recently tendered Auckland City contract indicates that Animal Welfare Services already operates at a competitive rate whilst providing a superior service.

<ul style="list-style-type: none"> • All the same disadvantages as for option one • Longer term deterioration of animal control due to unsustainable approach • Is contrary to Council's strategic direction 	<p>2. Apply minimal service delivery with no development.</p>	<p>Minimal short term cost reduction</p>	<p>Slice animal welfare component from work and deliver a skeletal service adhering only to dog and stock control legislative requirements (adopt a more "catch & kill approach").</p>	<p>Two per cent (\$24,000) short term cost reductions possible through slicing items such as staff training and education activities but likely to be offset by PR damage control. Long term increased costs due to problems increasing through lack of preventive measures and a sustainable approach.</p>
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<p>Possibility of further capital outlays depending on which growth options are pursued.</p>	<p>3. Status Quo</p>	<ul style="list-style-type: none"> • Further opportunities created through growth • Profits are returned to the owner and the citizens • Long term benefits • Sustainable outcomes • Customer satisfaction • Owner satisfaction • Eco city approach • Retains and develops achievements to date • More control of operation by owner maintained and enhanced reputation for owner and business 	<p>Build on current achievements with options available to develop any or all of further initiatives such as:</p> <ul style="list-style-type: none"> • Cremator based business • Charitable trust basis for business • Growth of community partnerships • Establish cattery and wildlife centre • Develop independence level to LATE extent if desired • Generally expand/diversify business ventures • Explore forming a joint Dog Control Authority with another TA to increase mass and reduce costs • Tender for other TA dog control contracts 	<p>Long term sustainable financial growth. Capital outlays required depending on choice of ventures.</p>
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<ul style="list-style-type: none"> • Depending upon options entered some capital outlay could be required • Seed funding to set up Trust with an initially part time administrator would be required • Reliance on seizing opportunity of employing key expert who per chance is based within Waitakere City (Neil Wells). 	<p>4.Charitable Trust as a foundation for business growth</p>	<ul style="list-style-type: none"> • Same advantages as for option 3 which are significant per se plus the following: • Trust attractscommunity support • Trust attracts donations, legacies, and business partnerships • Trust is eligible for funding via ASB, Lotto, NZI and other fund raising community programs • Trust opens a cluster of revenue opportunities • Owner can enter into business partnerships with Trust and create a financial return for the citizens • Trust is exempt from taxation 	<ul style="list-style-type: none"> • Develop on current achievements • Seed fund the establishment of the Trust using Neil Wells, a local animal welfare expert and member of the legal profession, as the administrator • Full description of this option is provided overleaf. 	<p>Long term sustainable financial growth with business opportunities extending internationally.</p>
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PREFERRED OPTION

Animal Welfare Services prefers and therefore recommends to the Advisory Board, Option Four: The Charitable Trust as a foundation for business growth.

Rationale:

An animal welfare charitable trust...

- 1. provides a natural and logical progression to the pioneering direction which Waitakere City Council has already successfully undertaken within the Animal Control and Welfare industry and embraces then builds upon the progressions outlined within option three. Animal Welfare Services has successfully initiated the merger of welfare and control within the animal related industry thus prompting legislative changes which will open the path for other Territorial Authorities to follow Waitakere City's lead. A charitable trust provides the vehicle to further develop the unique and efficient Animal Welfare Services operation into a facilitator of business opportunities (and hence profits) for the charitable trust and Council. The charitable trust will also provide a vehicle which achieves financial benefits for the Animal Welfare Services operation.**
- 2. is relatively inexpensive to establish yet has the potential to generate significant revenue for council and the citizens it represents. Seed funding required to establish the trust is \$20,000. The number of organisations which have on occasions approached Animal Welfare Services (see "3" below) seeking to donate moneys is testimony to the untapped resources available. Likewise, business opportunities, such as providing a national training program for animal welfare inspectors, would be accessible via a charitable trust but not if provided through a Territorial Authority.**

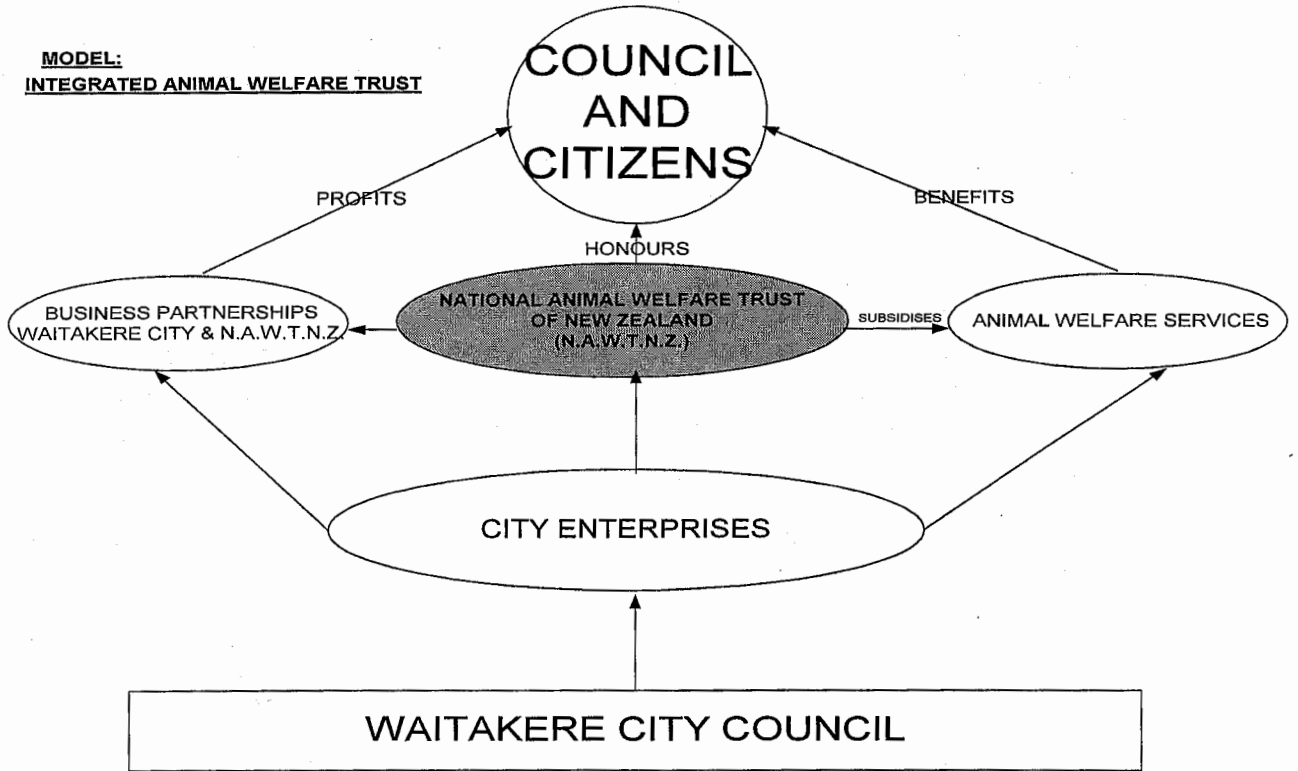
- 3. attracts donations from sources such as events, public donation boxes and posted moneys because people “love” animals. Animal Welfare Services has held a non advertised, passive Animal Welfare fund for 12 months into which around \$3,000 has been gifted. Significant “free” revenue may be gained from a number of sources including lotteries commission, public donations, events, corporate fund raising competitions (we have already been approached by NZI), legacies (also been approached by two lawyers and an individual regarding legacies) and Harrah’s Sky Casino (also has approached Animal Welfare Services). *It is significant that Animal Welfare Services has received responses from organisations and individuals wishing to donate moneys and this situation is indicative of the good will which has been fostered in the general community, including the community beyond the borders of Waitakere City.***
- 4. can enter into business ventures with Council as a business partner thereby creating revenue streams which can assist the citizens Council represents. Due to the Animal Welfare nature of potential ventures such opportunities would not otherwise be available to Council.**
- 5. provides opportunities where animal related revenue gifted from the Trust to Animal Welfare Services may be used for purposes other than solely Dog Control Act enforcement. Under the terms of the Dog Control Act 1996 any funds collected through the Act may be used only for the purposes of the Act. Funds sourced from the Trust could be used for any animal welfare related activities including those which are not dog species specific.**
- 6. could fund the animal welfare aspects of Council’s Animal Welfare Services business unit thereby eliminating the necessity to have ratepayer contribution into dog control and also providing the opportunity to minimise dog registration fee levels.**

- 7. could fund a large variety of animal related activities in the community (such as desexing, education, dog training, construction of public dog exercise areas) which would in turn assist significantly in the achievement of improved animal care and control within Waitakere City.**

- 8. could subsidise the animal welfare aspects of the Animal Welfare Services business unit so that more competitive tender prices are submitted. With the establishment of the business unit in areas other than Waitakere City the Trust would be provided with a platform to tap into other area's revenue sources**

- 9. can be operated in line with eco city principles and once again demonstrate that Waitakere City Council and it's Animal Welfare Services business unit are leading the way in which animal Control and Welfare are undertaken, not just in New Zealand, but internationally.**

MODEL:
INTEGRATED ANIMAL WELFARE TRUST



PREFERRED OPTION DETAIL

Point to note: The purpose of this paper is to present strategic options along with an introduction to the preferred option. A truly detailed exploration of the potentials would occur commencing with the pre-establishment phase as referred to in the following.

The proposed name for the Trust

The proposed name "National Animal Welfare Trust" is new but it still has a familiar ring about it that implies confidence. While the term "trust" is a legal term that denotes the trust nature of the assets, the term "trust" to the public and consumer says, "this is an organisation I can trust."

The name also has potential when being used in commercial activities because it immediately implies that the service offered or endorsed can be trusted.

Organisation

The National Animal Welfare Trust would be controlled by a Board of Trustees. The founding Trustees would be appointed by Waitakere City and comprise of Councillors.

The Trustees would have the power to appoint additional Trustees, which could include senior staff of Council or community representatives, but with a majority always being held by Council. (N.B. As clarified earlier because the National Animal Welfare Trust is a charitable trust and not an ordinary trust the Trustees can be appointed from Council.

The Board of Trustees would be able to appoint committees including an Advisory Board the latter of which could be the current City Enterprises Advisory Board which would advise on animal welfare policy issues and business strategies but would have no decision making authority over the Trust itself.

The National Animal Welfare Trust would have an administrative unit headed by an Administrator or Chief Executive Officer.

The Trust would receive and administer funds from fund-raising activities such as donations, legacies, sponsorships, grants, and other fund-raising projects, and profits from business enterprises.

Council would receive profits from any business ventures it may enter into as a business partner of the Trust.

Funds received by the Trust would be spent only within the charitable purposes of the Trust which would include supporting Council's Animal Welfare Services business unit but funds received by Waitakere City as a business partner of the Trust would benefit ratepayers.

Trust Administration

The Trust would be administered by a small administration unit headed by a CEO.

The administration unit would be responsible for:

- administration of the Trust itself
- providing support services to the Board of Trustees
- providing advice to Trustees on administration of trust funds
- developing strategies
- promoting the trust and its objectives
- conducting fund-raising initiatives such as:
 - public relations
 - commercial sponsorships
 - legacies
 - grant funding
 - appeals
 - lotteries
 - local fund-raising (galas, stalls etc.)

conducting feasibility studies into new business ventures
establishing educational programmes
expanding the activities of the Trust nationally and internationally.

Trust Development

Phases

Pre-establishment

Establishment

Launch

Development

Pre-establishment

Could be carried out on a part-time consultancy basis.

1st 3 months – 3 days per week

After 6th month – full-time.

Funding

Normal consultancy fee is \$94 an hour. However, this could be carried out for a fee of \$400 per day plus GST and expenses.

Ball-park Budget for Pre-establishment phase (3 months)

Consultancy fees – 3 days per week	15,600.00
Telephone fax etc. – say	750.00
Printing stationary postage – say	300.00
Vehicle say 3000 km @ 60c	1,800.00
Contingencies – say	<u>1,500.00</u>
	<u>19,950.00</u>

Substantial detailed budgeting would be need for the next fiscal year (July 1998 – June 1999).

Establishment

This phase would involve establishing the trust, setting up the administrative systems, one-on-one contact with potential leaders and supporters, etc.

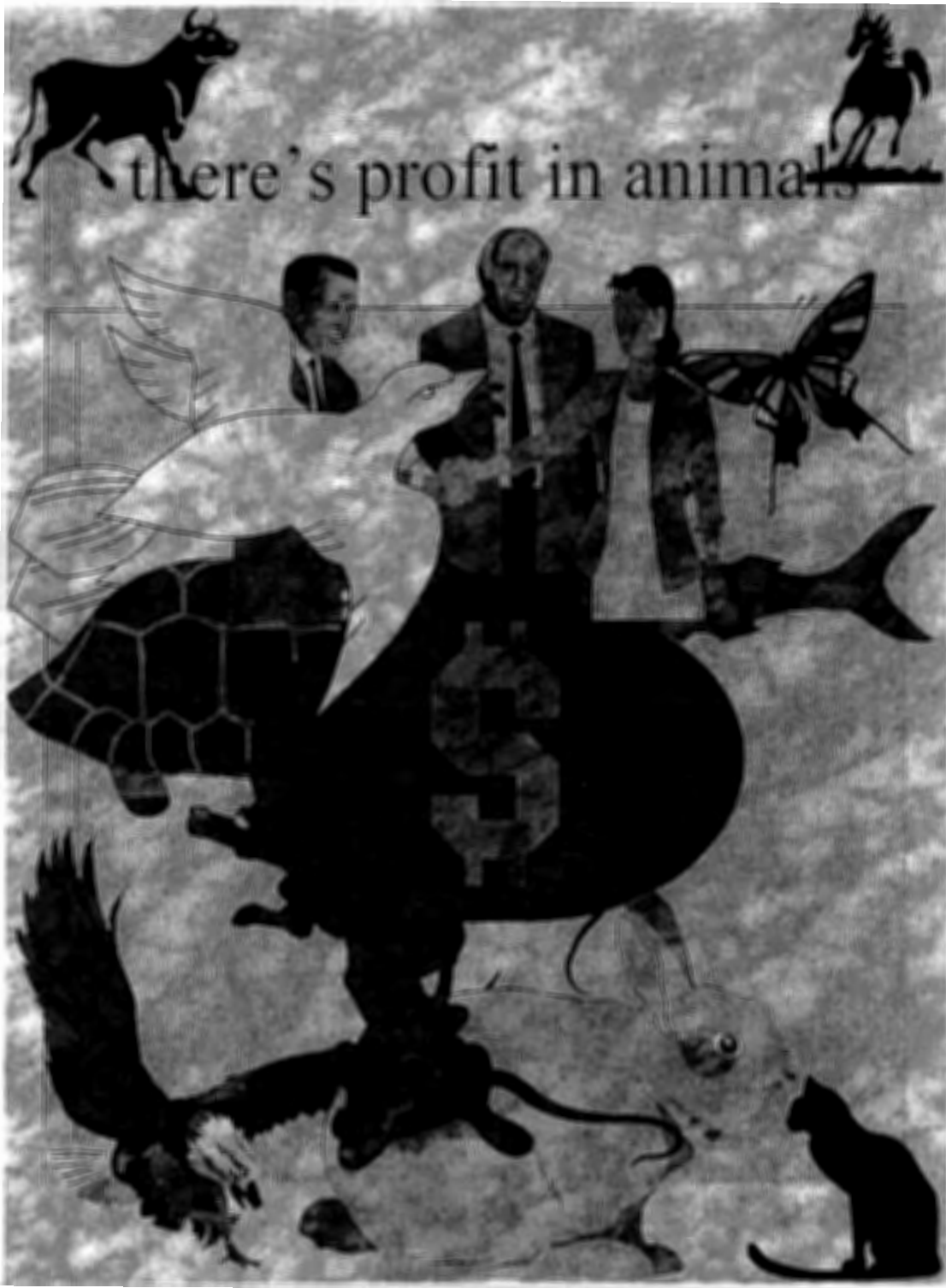
This stage should be low-key.

Launch

This should be a very high level full-on launch with an event that will attract media attention.

Sustaining and Development

This phase would involve sustaining current activities and ongoing development would involve feasibility studies of potential projects, development of new business ventures, etc.



NZI CORPORATE FUNDRAISING EVENTS

JOINT BUSINESS VENTURES

HARRAH'S SKY CASINO

LOTTERIES COMMISSION

ENVELOPE APPEALS

PUBLIC DONATIONS

LEGACIES

SPONSORSHIPS

Key Administrator

The Trust would need a highly experienced and capable CEO who possesses a thorough knowledge of the relevant legislation and regulations relating to charitable trusts. The CEO must have an extensive understanding of and involvement in the animal welfare industry and advertising/public relations industry along with an appreciation of the Waitakere City Council's eco orientation and animal welfare focus.

Opportunity in Waitakere City's own back yard

Within Waitakere City resides a Mr Neil Wells who along with fitting all the above criteria has over the years maintained both an interest and active professional involvement in the development of Council's Animal Welfare Services.

For example, in 1990 senior staff and councillors had discussions with Mr Wells regarding MAF warranting of Council's Animal Welfare staff and from those seed discussions has developed a partnership and pioneering activity whereby Mr Wells and Animal Welfare Services have developed the **MAF pilot program** with Mr Wells performing the role of training provider and guidance provider on behalf of the Waitakere City staff. The Mayor's "**pooch power conference**" would have been incomplete without Mr Wells' extensive input as both a legal expert and as an animal welfare expert of good repute and substantial experience. Mr Wells was in addition an invaluable participating member of Council's "**Canine Working Party**". As a further example of Mr Wells long term involvement with the City the records show that as far back as 1986 Mr Wells was awarded the certificate of merit for community services to the then Waitemata City.

Following on from the above examples Animal Welfare Services has made good use of Mr Wells and his animal welfare legal expertise in seeking information which explores the idea of a charitable trust. An excellent working relationship has once more been enhanced with exciting discussions and highly motivating ideas being generated which in turn have provided the ingredients for a recipe which is destined to be a huge success for Waitakere City Council, City Enterprises, Animal Welfare Services and the communities which are served and indeed the Trust itself.

Mr Wells' resume is attached as the remaining part of this document for consideration.

Neil Edward Wells

Curriculum Vitae

P O Box 60 208

Titirangi

Auckland

New Zealand

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09 811 8722 (Res.)

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CURRENT HIGHLIGHTS

⇒ Established pilot programme with Ministry of Agriculture and Waitakere City Council in 1995:

- set up training and accreditation programme
- trained animal control officers for animal welfare work
- set up written operating procedures.

This programme was successfully completed in June 1996 and was independently audited by MAF's Compliance Group.

The programme has been extended while national training systems are put in place.

- ⇒ Currently working with Ministry of Agriculture and the Public Sector Training Organisation to set up formal training and compliance standards for all animal welfare inspectors.
- ⇒ Setting up a training and accreditation body to establish training standards for international grooms accompanying large animals on flight journeys. This will involve training grooms, writing quality procedures, auditing compliance with animal remedies regulations.
- ⇒ Contracted to Department of Primary Production, Ministry of National Development, Singapore, to advise on the corporatisation/ privatisation of urban animal management, integrating animal welfare and animal control functions for a more efficient and effective service; and to provide technical, legal, training and policy inputs to the review of animal control and animal welfare legislation.

Phase 1 of the project has been completed. Phase 2 is now proceeding towards the implementation of a joint New Zealand/Singapore project to implement the privatisation of urban animal management.

- ⇒ Wrote Animal Welfare Bill currently before Parliament.

REFEREES

David Bayvel, National Manager, Animal Welfare and Environment, Ministry of Agriculture, Wellington, Tel: 04 474 4251 (DDI)

Professor Des Fielden, former Dean of Veterinary Faculty, Tel: 06 357 5411 (res.)

Bob Harvey, Mayor of Waitakere City, 09 836 8000

Joe Koppens, Partner, Wynyard Wood, Tel: 09 379 6126

Dr Ngiam Tong Tau, Director of Primary Production, Ministry of National Development, Singapore, Tel: 00 65 226 3835

EMPLOYMENT & CONSULTANCIES

- 1957–1961 Public Service: Inland Revenue Department, Electricity Department, Department of External Affairs (seconded to Secretariat of South East Asia Treaty Organisation 1959).
- 1961–1966 New Zealand Police: Gained top of class at Police College in 1961. Qualified to rank of Sergeant.
- 1966–1967 J G Baker Real Estate: Administration Manager.
- 1967–1970 New Zealand Newspapers Ltd: National Sales Executive, New Zealand Home Journal.
- 1970–1971 J Inglis Wright Ltd, accredited advertising agency: Assistant Media Manager.
- 1971–1974 MacHarman Associates Ltd, accredited advertising agency: Media Manager 1971, General Manager 1972.
- 1974 Barron Craig Associates Ltd, accredited advertising agency: Auckland Manager.
- 1974–1978 Vision Advertising (NZ) Ltd, accredited advertising agency: Managing Director and principal shareholder.
- 1983 Auckland University Law School: part-time tutor in Criminal Law and International Law.
- 1983–1984 Society for the Prevention of Cruelty to Animals, Auckland: Executive Director.
- 1984–1989 Royal New Zealand Society for the Prevention of Cruelty to Animals: National Director.
- 1989–1993 Royal New Zealand Society for the Prevention of Cruelty to Animals: Advisory Director.
- 1989–1993 World Society for the Protection of Animals: Regional Director (South Pacific).
- 1993– Managing Partner, N. E. Wells & Associates, consultants in quality systems, training and accreditation systems, animal welfare.
- 1993– In practice as Barrister Sole.

EDUCATION

- 1955—1957 Mt. Albert Grammar.
- 1978—1983 University of Auckland: Graduated Bachelor of Arts, Bachelor of Laws with Honours. Honours dissertation entitled *The Moral Status of Animals: Reform of Animal Protection Law*, 1983.
- 1984 Admitted as a Barrister and Solicitor of the High Court of New Zealand. Current holder of practising certificate as a barrister.
- 1994 ETRS-Stebbing Quality Management Systems Auditor Training Course.
- 1994 MAF Quality System Development Course.
- 1996 Completed Fire and Rescue Services Industrial Training Organisation courses for training assessors and moderators.

VOLUNTARY & COMMUNITY WORK

- 1971–1973 Councillor, Society for the Prevention of Cruelty of Animals, Auckland.
- 1973–1978 President, Society for the Prevention of Cruelty of Animals, Auckland.
- 1974–1993 Councillor, Royal New Zealand Society for the Prevention of Cruelty to Animals.
- 1974–1984 Vice President and President, Royal New Zealand Society for the Prevention of Cruelty to Animals. Awarded Gold Medal of Merit for Distinguished Service in 1994.
- 1976–1986 Advisory Director, International Society for the Protection of Animals, London. (became World Society for the Protection of Animals in 1980).
- 1982–1983 Vice President, Society for the Prevention of Cruelty of Animals, Auckland.
- 1983– Trustee, New Zealand Fund for Humane Research.
- 1983–1994 Fire Controller, Huia Voluntary Rural Fire Force.
- 1985 –1996 Civil Defence Co-ordinator, Huia Sector.
- 1986 Awarded Certificate of Merit for community service by Waitemata City Council.
- 1986–1989 Member of the Board of the World Society for the Protection of Animals, London.
- 1991–1996 Member, Board of Trustees, Laingholm District School.
- 1992 – 1996 Chairman of the Board of Trustees, Laingholm District School.
- 1994 –1995 Member advisory committee to Maritime Safety Authority for marine oiled wildlife rehabilitation response.
- 1994 – 1997 District Chief Fire Officer, Huia Volunteer Fire Brigade.
- 1995 – 1997 President, EarthKind New Zealand.

QUANGOS

- 1984– 1995 Member, National Animal Ethics Advisory Committee.
- 1987– 1991 Member, University of Auckland Animal Ethics Committee.
- 1989– Member, Animal Welfare Advisory Committee.
- 1990– 1993 Chairman, Department of Conservation Animal Ethics Committee.
- 1991– Member, Animal Behaviour and Welfare Consultative Committee.
- 1993– 1994 Chairman, Auckland Zoo Animal Ethics Committee.
- 1994 Head of New Zealand Delegation to International Organization for Standardization Technical Committee (ISO/TC191) on Animal Traps, Ottawa.
- 1994– Convenor, Standards New Zealand committee on mammal traps.
- 1995 Head of New Zealand Delegation to International Organization for Standardization Technical Committee (ISO/TC191) on Animal Traps, Denver.
- 1995– Deputy Chairman, Animal Welfare Advisory Committee.

PUBLICATIONS

The Moral Status of Animals: Reform of Animal Protection Law, 1983, Auckland University, Honours Dissertation.

"The Protection of Wildlife in the Environment", *Auckland University Law Review Vol. 4*, 1983, Auckland University Law Students Society Incorporated, Auckland.

Guide to Environmental Law in New Zealand, (Editor), 1984, Brooker and Friend for the Commissioner for the Environment, Wellington.

"Veterinarians as Guardians of Animal Welfare", *Animal Welfare in New Zealand*, 1992, Foundation for Continuing Education, Massey.

"Where Do Members of Animal Ethics Committees Stand Legally", *National Animal Ethics Advisory Committee Workshop Proceedings*, 1993, National Animal Ethics Advisory Committee.

"Animal Welfare and the Changing Face of Farming", *Beef and Cattle Society Proceedings*, 1993, Palmerston North.

The Animals Protection Act 1960 and its Implications for Those Responsible for Farm Animals, 1994, Animal Welfare Advisory Committee, Wellington.

"Trapping Standard Impasse – A trade and an animal welfare issue" *Standards New Zealand*, Vol. 40 No. 5 May 1994.

Code of Recommendations and Minimum Standards for the Transport of Animals Within New Zealand, 1994, Animal Welfare Advisory Committee, Wellington.

"World Congress on Alternatives and Animal Use in the Life Sciences. Absolutism or pragmatism – the animal welfare society perspective", *Proceedings Australian and New Zealand Council for the Care of Animals in Research and Teaching*, 1994, ANZCCART, Glen Osmonde, South Australia.

Code of Recommendations and Minimum Standards for Use of Animals for Scientific Purposes, 1995, Animal Welfare Advisory Committee, Wellington.

Code of Recommendations and Minimum Standards for the Welfare of Ostrich and Emu, 1997, Animal Welfare Advisory Committee, Wellington.

Animal Welfare Bill, Private Member's Bill introduced 1997.

PERSONAL

Born: 6 November 1941 at Lower Hutt, New Zealand.

Married to: Christine Raewyn Wells.

Children: Benjamin Edward born 11 October 1984.

Amy Ngahuia born 9 December 1987.

Business: 1156 Huia Road, Huia, Waitakere City;
P O Box 60-208, Titirangi, Waitakere City, New Zealand.

Residence: 1156 Huia Road, Huia, Waitakere City, New Zealand.

Telephone: 09-811 8020 (Bus); 09-811 8010 (Fax); 09-811 8722 (Res.)

E-Mail: newells@cybernet.co.nz

COVENANTS

1. Establishment of Trust

1.1 The Council **DIRECTS AND DECLARES** and the Trustees **ACKNOWLEDGE AND DECLARE** that the Trustees shall stand possessed of the Trust Fund upon trust to apply the same for the objects and purposes set out in clause **Error! Reference source not found.** and with the powers and discretions set out or implied in this Deed.

2. Name of Trust

2.1 The name of the Trust shall be **"The Animal Welfare Institute of New Zealand"** or such other name as the Board determines from time to time.

3. Declaration of Trust

3.1 It is hereby irrevocably covenanted agreed and declared that the Trustees shall hold the sum paid to them by the Council, together with any future assets which may at any time or times be paid given or transferred to the Trustees by any other organisation, company, body or person to be held by the Trustees upon the Trusts and subject to and with the powers and provisions expressed and declared in this Deed.

4. Objects and purposes

4.1 The objects and purposes of the Trust are to promote principally in New Zealand effective means for the welfare of animals, for the protection and control and conservation of animals, for the prevention of ill treatment of and the relief of suffering to animals, and in furtherance of these purposes:

- (a) To provide animal welfare, control and veterinary services;
- (b) To encourage and develop by humane education individual responsibility for the welfare, protection, control and conservation of animals, and the promotion of humane attitudes in society to people and animals;
- (c) To establish a quality assurance body for the enhancement of quality assured standards in animal welfare and control compliance activities, animal care and animal utilisation;
- (d) To establish a scientific institute or institutes to study animal welfare, protection, control and conservation problems;

- (e) To seek reform of laws for the welfare, protection, control and conservation of animals, and the promotion of humane attitudes in society to people and animals;
- (f) To advance the aims of the Trust by seeking the support and advice of all available moral, educational, legislative and scientific institutions, and strategic partners;
- (g) To maintain effective liaison and to seek co-operation with organisations in New Zealand and elsewhere in the world having similar objectives.

5. Tangata Whenua

5.1 In attaining its purpose the Trust Board shall have regard to the views and expectations of the tangata whenua.

6. Powers

6.1 In addition to the powers implied by the general law of New Zealand or contained in the Trustee Act 1956 the powers that the Board may exercise in order to carry out its charitable objects are as follows:

- (a) To incorporate as a Trust Board under the Charitable Trust Act 1957.
- (b) To become an "approved organisation" under the provisions of the Animal Welfare Act 1999 (when that Act has been enacted); and
- (c) To use the funds of the Trust as necessary or expedient for the purpose of attaining the objects of Trust and in payment of the costs and expenses of the Trust; and
- (d) To purchase, take on lease or licence, or in exchange or hire or otherwise acquire any land or personal property and any rights or privileges as necessary or expedient for the purpose of attaining the objects of the Trust, and to sell, exchange, bail or lease, with or without option of purchase, or in any manner dispose of any such property, rights or privileges as aforesaid; and
- (e) To carry on any business; and
- (f) To invest surplus funds in any way permitted by law for the investment of trust funds; and
- (g) To seek any declaration or Court order or promote any Act of Parliament or initiate or participate in any similar proceedings for the enabling of the Board to carry any of its objects into effect, or to better achieve its objectives and to oppose any

proceedings or application which may seem likely directly or indirectly to prejudice the interests of the Trust; and

- (h) To provide funds for the Trust's objects, or any of them and for that purpose to borrow or raise money from time to time without security and upon such terms as to priority and otherwise as the Board thinks fit, to give security by way of mortgage, debenture guarantee or otherwise over the whole or part of the property of the Trust; and
- (i) To employ staff or enter into contracts for the provision of services, for any purpose as necessary or expedient for the purpose of attaining the objects of the Trust and to manage, dismiss or terminate such contracts. The Board may employ as professional advisers, agents, officers and staff persons who are members of the Board: and
- (j) To effect insurances of whatever nature in respect of any property, by whatever means, for whatever consideration and upon terms and conditions as the Board thinks fit; and
- (k) To do all things as may from time to time appear desirable to enable the Board to give effect to and to attain the charitable purposes of the Trust.

7. Trust Board

7.1 A Trust Board shall administer the Trust.

Name of the Board

7.2 The name of the Board shall be "**The Animal Welfare Institute of New Zealand Trust Board**" or such other name as the Board determines from time to time.

Appointment to the Board

7.3 The Board shall consist of not less than 4 nor more than 7 members, provided that where a vacancy occurs the remaining trustees may act until a replacement Trustee is appointed. The initial members of the Board shall be the four signatories who signed this Deed as Trustees.

7.4 The Trustees may appoint up to three additional Trustees. Before appointing additional Trustees under this clause the Board will consult with the Council and shall have regard to the needs of the Trust having regard to the Trust's activities and the skills required by the Board and the extent to which the appointee will enhance the balance of those skills.

7.5 Every vacancy occurring among the Trustees shall be filled as soon as is convenient. The Council may appoint any suitable person to be a Trustee to fill any vacancy that occurs in

any office of Trustee appointed by the Council. The Board may appoint any suitable person to be a Trustee to fill any vacancy in the office of Trustee appointed by the Board.

7.6 No person who is a Councillor or a Community Board member or an employee of the Council may be appointed to be a Trustee or an alternate Trustee

7.7 A Trustee may, with the consent of the Board, appoint any person to be an alternate Trustee in the Trustee's place but such appointment shall have effect only during such period as the Trustee shall be absent from New Zealand, and the Trustee may by written notice to the Board revoke or alter any such appointment of an alternate Trustee.

Term of Office and Vacancies

7.8 The term of appointment of each Trustee shall be 3 years provided that upon the expiry of any term of any term of appointment each Trustee, unless a person to whom any of the provisions of clause **Error! Reference source not found.** (a), (c), (d), (e) or (f) applies, shall be eligible for reappointment.

7.9 The office of a Trustee shall become vacant if a Trustee:

- (a) Dies or is found to be a mentally disordered person within the meaning of the Mental Health Compulsory Assessment and Treatment Act 1992; or
- (b) Resigns office as a Trustee by giving 30 days notice in writing to the Board; or
- (c) If removed from office by unanimous resolution of the Council notified in writing to the Board, in the case of a Trustee appointed by the Council: or
- (d) If removed from office by unanimous resolution of the other Trustees, in the case of a Trustee appointed by the Board; or
- (e) Is declared bankrupt or makes an assignment to creditors; or
- (f) Fails to attend 3 consecutive meetings; or
- (g) If an event occurs as specified in section 43 of the Trustee Act 1956.

Payments to Trustees

7.10 Trustees shall be honorary provided that Trustees may be reimbursed for reasonable expenses incurred while on Board business at the sole discretion of the Board.

7.11 Any Trustee may retain any remuneration properly payable to that Trustee by any company or undertaking with which the Trust may be in any way concerned or involved where that Trustee has acted in any capacity whatever, notwithstanding that the Trustee's connection

with that company or undertaking is in any way attributable to that Trustee's connection with the Trust.

8. Duties of the Board

8.1 The Board shall be responsible for furthering the objects of the Trust and for declaring general policy relating to the implementation of the objects of the Trust

8.2 The Board shall, in such manner as it may determine, consult the views of Council on significant strategic issues and capital expenditure.

8.3 The Board shall:

- (a) Prepare strategic and annual business plans and an annual operating budget with specific strategies and operational objectives and performance targets.
- (b) Implement the necessary transparent processes, systems, structures and resources to support the proper operation of the Trust, including an appropriate accounting system and systems of performance measurement and reporting.
- (c) Provide for accountability arrangements, financial arrangements and management of the trust required by the Animal Welfare Act 1999 (when that Act has been enacted); and
- (d) Regularly review the administration, performance and affairs of the Trust and prepare the reports required by clauses **Error! Reference source not found.** and **Error! Reference source not found.**
- (e) Implement sound management and risk management practices consistent with prudent and commercial business and the objects of the Trust.

9. Office

9.1 The office of the Trust shall be such place in Waitakere City as the Board may determine.

10. Officers of the Board

10.1 The officers of the Board shall consist of the following:

- (a) A Chairperson who shall be a Trustee and who shall be appointed by the Board. The Chairperson shall retire from that office at each annual meeting of the Trust and shall be eligible for reappointment by the Board;

- (b) A Deputy Chairperson who shall be a Trustee and who shall be appointed by the Board. The Deputy Chairperson shall retire from that office at each annual meeting of the Trust and shall be eligible for reappointment by the Board;
- (c) A Secretary who shall be appointed by the Board and whose duties shall be to give notices of all meetings, to keep minutes and records of all meetings of the Board and of any committees, and perform such other duties as the Board may direct and as are normally incidental to the office of secretary. The Secretary may also carry out the duties of Treasurer. The Secretary shall attend all meetings of the Board, unless the Trustees otherwise direct but shall not be entitled to vote;
- (d) A Treasurer who shall be appointed by the Board and who shall have custody of the books of account and financial records and, subject to the directions of the Board, shall be responsible for the funds of the Trust. It shall be the duty of the Treasurer to see that all statutory and other requirements with reference to the financial affairs of the Trust are complied with and that the provisions of this Deed as to such matters are carried out within the Treasurer's powers, and perform such other duties as the Board may determine and as are normally incidental to the office of treasurer. The Treasurer may attend all meetings of the Board unless the Trustees otherwise direct but shall not be entitled to vote.

11. Chief Executive Officer

11.1 The Board may appoint a Chief Executive Officer upon such terms and for such period and with such duties and at such remuneration as the Trustees shall determine. Such person may by virtue of this appointment, also act as Secretary and/or Treasurer of the Trust responsible to the Board but directly responsible to the Chairperson of the Board.

11.2 The Chief Executive Officer shall:

- (a) Attend and participate in all meetings of the Board unless the Trustees otherwise direct;
- (b) Be responsible to the Board for the day to day functioning of the Trust and the Board may delegate to the Executive Director any of the duties and powers of the Board either subject to later confirmation by the Board or in a manner which does not require subsequent confirmation by the Board. . The Board shall have the right to revoke the delegation to the Executive Director of any duty or power of the Board.
- (c) Be responsible for day to day management of the Trust and shall take every lawful means to secure the due observance of the objects of the Trust and to protect the Trust Fund for rightful administration,

12. Proceedings of the Board

Meetings

12.1 The Board shall meet not less than 6 times per year, including the annual meeting, at such places and times as the Board shall determine. Meetings other than the annual meeting and a special meeting shall be convened on no less than 14 days' notice in writing to each Trustee who is in New Zealand.

Annual Meeting

12.2 The Board shall in each year convene an annual meeting to be held within 3 months of the end of the Financial Year at a time and place to be fixed by the Board. Not less than 28 days prior notice in writing of the annual meeting shall be given to each Trustee who is in New Zealand and such other persons as the Board shall determine from time to time.

Special Meeting

12.3 Upon the written request of 4 Trustees specifying the purpose of the meeting, the Chairperson shall convene a special meeting within 21 days of the request at such place and time as fixed by the Chairperson. A special meeting shall be convened on no less than 14 days notice in writing to each Trustee who is in New Zealand and such other persons as the Board shall determine from time to time specifying the business to be transacted at the meeting.

Telephone meetings

12.4 The contemporaneous linking together by telephone of a number of the Trustees not less than the quorum, whether or not any one or more of the Trustees is out of New Zealand, shall be deemed to constitute a meeting of the Board if:

- (a) All the Trustees for the time being entitled to receive notice of a meeting of the Board receive notice of a telephone meeting and are linked by telephone for the purposes of such meeting. Notice of such meeting may be given on the telephone;
- (b) Each of the Trustees taking part in the meeting by telephone is able to hear each of the other Trustees taking part at the commencement of the meeting; and
- (c) At the commencement of the meeting and at or about the closure of the meeting each Trustee acknowledges his or her presence for the purpose of a meeting of Trustees to all the other Trustees taking part.

12.5 No Trustee may leave the meeting by disconnecting his or her telephone unless he or she has previously obtained the express consent of the chairperson of the meeting. A Trustee shall be conclusively presumed to have been present and to have formed part of the quorum at all times during the meeting by telephone unless he or she has previously obtained the express consent of the chairperson of the meeting.

12.6 A minute of the proceedings at such meeting by telephone shall be sufficient evidence of such proceedings and of the observance of all necessary formalities if certified as a correct minute by the chairperson of the meeting For the purposes of this clause "telephone" shall include television or any other audio and visual device which permits instantaneous communication.

Chairperson

12.7 At every meeting of the Board, the Chairperson or in the Chairperson's absence, the Deputy Chairperson shall preside as chairperson. If at any meeting the Chairperson or Deputy Chairperson is not present within 10 minutes after the time appointed for the holding of such meeting or is present but unwilling or unable to act as chairperson, the Trustees present shall appoint one of their number to act as chairperson of the meeting.

Quorum

12.8 At any meeting of the Board a majority of members shall form a quorum and no business shall be transacted unless a quorum is present.

12.9 For the purpose of determining whether there is a quorum, the absence of a Trustee at some point during the meeting shall not affect the quorum, if there was a quorum at the commencement of the meeting.

Voting

12.10 All questions before the Board shall be decided by consensus. However, where a consensus decision cannot be reached on a question, it shall, unless otherwise specified in this Deed, be put as a motion to be decided by a majority of votes. Subject to clause [NEW1]**Error! Reference source not found.** every Trustee personally present at a meeting shall have one vote. In the case of an equality of votes, the chairperson shall not have a casting vote.

Trustee's Interests

12.11 Any Trustee who is or may be in any other capacity whatever interested or concerned directly or indirectly in any property or undertaking in which the Trust is or may be in any way concerned or involved shall be counted in the quorum and shall disclose the nature and extent of that Trustee's interest to the other Trustees, and shall not take any part whatever in any deliberations or voting of the Trustees concerning any matter in which that Trustee is or may be interested other than as a Trustee of the Trust.

Absences

12.12 Whenever a Trustee is absent from a meeting, the Secretary shall record the fact of and any reason given for the absence of that Trustee.

Resolution in Writing

12.13 A resolution in writing signed by all the Trustees for the purpose of becoming an entry in the minute book of the Trust shall be as valid and effectual as if it had been passed at a meeting of the Trustees duly called and constituted for that purpose. Any resolution may be

contained in one document or in several documents in like form signed by one or more Trustees.

1.1 Minutes of Meetings:

12.14 Minutes of all resolutions and proceedings of all meetings of the Trustees shall be prepared by the Secretary and, if confirmed at a subsequent meeting of the Trustees, shall be signed by the chairperson of the meeting as a true and correct record of those proceedings

13. Accounts and Reporting

True and fair accounts

13.1 The Board shall keep true and fair accounts of all money received or expended.

Audit

13.2 The Board shall as soon as practicable after the end of every financial year of the Board cause the accounts of the Trust for that financial year to be audited by an accountant appointed by the Board for that purpose.

Reporting

13.3 The Board shall prepare a report on the administration, performance and affairs of the Trust in respect of each 6-month period. The report will contain the matters specified from time to time by the Council and will be prepared within three months of the conclusion of the 6-month period to which the report relates.

13.4 The Board shall prepare an annual report on the administration, performance and affairs of the Trust within 3 months after the conclusion of each Financial Year. The report shall include the annual business plan and operating budget required by clause **Error! Reference source not found.** prepared for the current Financial Year.

14. Delegation Powers

Power to delegate

14.1 The Board may from time to time appoint any committee and may delegate in writing any of its powers and duties to any such committee or to any person, and the committee or person as the case may be, may without confirmation by the Board exercise or perform the delegated powers or duties in like manner and with the same effect as the Board could itself have exercised or performed them.

Delegate bound

14.2 Any committee or person to whom the Board has delegated powers or duties shall be bound by the charitable terms of the Trust.

Delegation revocable

14.3 Every such delegation shall be revocable at will and no such delegation shall prevent the exercise of any power or the performance of any duty by the Board.

Delegate need not be a Trustee

14.4 It shall not be necessary that any person who is appointed to be a member of any committee or to whom any delegation is made be a member of the Board.

15. NO PRIVATE PECUNIARY PROFIT FOR ANY INDIVIDUAL, AND EXCEPTIONS

15.1 Nothing expressed or implied in this Deed shall permit the activities of the Trustees or any business carried on by or on behalf of or for the benefit of the Trustees to be carried on for the private pecuniary profit of any individual except that:

- (a) Any Trustee may receive full reimbursement for all expenses properly incurred by that Trustee in connection with the affairs of the Trust;
- (b) The Trust may pay reasonable and proper remuneration to any officer or servant of the Trust (whether a Trustee or not) in return for services actually rendered to the Trust;
- (c) Any Trustee may be paid all usual professional business or trade charges for services rendered, time expended and all acts done by that Trustee or by any firm or entity of which that Trustee is a member, employee or associate in connection with the affairs of the Trust;
- (d) Any Trustee may retain any remuneration properly payable to that Trustee by any company or undertaking with which the Trust may be in any way concerned or involved where that Trustee has acted in any capacity whatever, notwithstanding that the Trustee's connection with that company or undertaking is in any way attributable to that Trustee's connection with the Trust.

15.2 Notwithstanding anything to the contrary expressed or implied in this Deed, where any income is derived directly or indirectly from any business carried on by or on behalf of or for the benefit of the Trust and where pursuant to this Deed any benefit or advantage, whether or not convertible into money, or any income of any of the kind referred to in the Income Tax Act 1994 is able to be afforded to, or received, or achieved or derived by:

- (a) A settlor of the Trust or any Trustee;
- (b) Any shareholder or director of a company carrying on the business of the Trust; or

- (c) Any person where that person and the settlor of the Trust, Trustee or shareholder or director referred to in any of the foregoing paragraphs of this clause are "associated Persons" (as that term is defined in the Income Tax Act 1994);

then no such person shall by virtue of that capacity in any way (whether directly or indirectly) determine or materially influence in any way the determination of the nature or the amount of that benefit or advantage or that income or the circumstances in which it is or is to be so received, gained, achieved, afforded or derived by that person provided that a person who in the course of and as part of the carrying on of his or her business of a professional public practice shall not, by reason only of his or her rendering professional services to the Trust or to any company by which any business of the Trust is carried on, be in breach of the terms of this clause.

16. Limitation of Liability

16.1 No Trustee shall be liable for any loss suffered to the Trust Fund arising from any act or omission of the Trustee or any of the Trustees if that act or omission is not attributable to the Trustee's or any Trustee's own dishonesty or to the wilful commission or omission by them or any of them of an act when that commission or omission is known by the Trustees or the relevant Trustee to be a breach of trust. No Trustee shall be bound to take any proceedings against a co-Trustee for any breach or alleged breach of trust committed by such co-Trustee.

16.2 Subject to clause **Error! Reference source not found.**, the Trustees shall be completely indemnified out of the Trust Fund for any liability they may incur arising in any way out of or in connection with acting or purporting to act as Trustees.

17. Alteration of Deed

17.1 The Board may by consensus or pursuant to a motion decided by a two-thirds majority of votes by supplemental Deed make alterations or additions to the terms and provisions of this Deed provided that no such amendment shall:

- (a) Take effect unless it is confirmed in writing by the Board;
- (b) Detract from the exclusively charitable nature of the Trust or result in the distribution of its assets on winding up or dissolution for any purpose that is not exclusively charitable.
- (c) Be made to clause **Error! Reference source not found.** unless the Inland Revenue Department first approves it in writing.

18. Common Seal

18.1 The Board shall have a Common Seal which shall be kept in the custody of the Secretary, or such other officer as shall be appointed by the Board and shall be used only as

directed by the Board. It shall be affixed to documents only in the presence of and accompanied by the signatures of two members of the Board.

19. Winding Up and Distribution of Surplus Assets

19.1 On the winding up of the Trust or on its dissolution by the Registrar, all surplus assets after the payment of costs, debts and liabilities shall be given to such exclusively charitable organisation or organisations within New Zealand of a similar nature to the Trust as the Board decides or, if the Board is unable to make such a decision, shall be disposed of in accordance with the directions of the High Court pursuant to section 27 of the Charitable Trusts Act 1957.

20. Interpretation

20.1 In this Deed, the following terms have the following meanings except to the extent that they may be inconsistent with the context:

“Auditor” means either a person who is a holder of a certificate of public practice as an auditor issued by the Institute of Chartered Accountants of New Zealand and who is a principal in a firm of chartered accountants in public practice or a firm of chartered accountants in public practice.

“Board” and **“Trust Board”** means the Trust Board of the Trust constituted in accordance with this Deed.

“Chairperson” means the person appointed by the Board as chairperson pursuant to clause **Error! Reference source not found.** or the person appointed to act as chairperson at a meeting of the Board.

“Charitable Purpose” means and includes that term as defined by the Charitable Trusts Act 1957 and the Income Tax Act 1994 and also means and includes every charitable purpose (whether religious, educational or otherwise) within New Zealand and which shall be regarded as charitable by the law for the time being in New Zealand, provided that any such charitable purpose shall also be regarded as charitable under any statute, regulation or ordinance of New Zealand relating to income tax, estate duty, gift duty or any other relevant statute for the time being in force in New Zealand.

“Chief Executive Officer” means the person appointed by the Board as Executive Director pursuant to clause **Error! Reference source not found.**

“Council” means The Waitakere City Council,

“Deputy Chairperson” means the person appointed by the Board as Deputy Chairperson pursuant to clause **Error! Reference source not found.**

“Deed” means this Deed of trust as amended from time to time in accordance with clause **Error! Reference source not found.** or as amended in any other manner permitted by law.

“Financial Year” means the year ending on 30 June or any other date adopted by the Trustees as the date up to which accounts shall be made in each year for the Trust.

“Secretary” means the person appointed by the Board as Secretary pursuant to clause **Error! Reference source not found.****Error! Reference source not found.**

“Treasurer” means the person appointed by the Board as Treasurer pursuant to clause **Error! Reference source not found.****Error! Reference source not found.**

“Trust” means the Animal Welfare Institute of New Zealand as constituted by this Deed.

“Trustees” means the Trustees for the time being of the Trust whether original, additional or substituted.

“Trust Fund” means:

- (a) All property of any kind, including any right, claim or interest, contingent or vested, future or present, legal or equitable
- (b) All moneys, investments and property, both real and personal, which may be received and accepted by the Trustees as part of the Trust Fund; and
- (c) The investments and properties from time to time representing the above and accretions to those investments and properties.

EXECUTION

THE COMMON SEAL of **THE WAITAKERE CITY COUNCIL** was hereunto affixed in the presence of:

.....
Chief Executive

.....
Manager: Corporate Services

SIGNED by [each of the Trustees])

as Trustee in the presence of)

.....)
witness)

.....)
address)

.....)
occupation)

)
)
)
)