

DISCUSSION PAPER

ANIMAL WELFARE CHARITABLE TRUST

APRIL 1998

ANIMAL WELFARE SERVICES

a business unit of City Enterprises

WAITAKERE CITY COUNCIL

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INTRODUCTION

The purpose of this document is to serve as a discussion paper for the relevant parties to explore and provide direction to the concept of forming a community based charitable trust for animal welfare within Waitakere City.

The concept of an animal welfare charitable trust has been identified by the City Enterprises Advisory Board as having merit as a potential strategic option for Animal Welfare Services and is seen as worthy of fuller consideration by the relevant parties which include Regulatory Services, Strategy & Development, City Enterprises and 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 The service typically attempts to recycle sound animals as opposed to having an outdated "catch & kill" approach and because of it's humane direction has earned a palatability with the animal owning and general public.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 its 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 its 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.

We are exploring the viability and benefits of establishing a Waitakere Animal Welfare Charitable Trust 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 proposed Waitakere Animal Welfare Community Trust are: to promote (principally in Waitakere) 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 could be fine tuned during the pre-establishment phase of the Trust.

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.**

- 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.**

DETAILS

The proposed name for the Trust

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

The Trustees could 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 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 possibly be the current City Enterprises Advisory Board which could 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 could 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 could receive profits from any business ventures it may enter into as a business partner of the Trust.

Funds received by the Trust could 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 could 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.

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	1,500.00
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	19,950.00

Substantial detailed budgeting would be need for the next financialal 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.



HARRAH'S SKY CASINO

ENVELOPE APPEALS

LEGACIES

LOTTERIES COMMISSION

PUBLIC DONATIONS

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.