



# FUNDING AGREEMENT

Under the Ministry for Primary Industries and  
the Royal New Zealand Society for the  
Prevention of Cruelty to Animals (SPCA)

NOVEMBER 2019

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

# FUNDING AGREEMENT

## BACKGROUND

- A. The Ministry for Primary Industries (MPI) and the Royal New Zealand Society for the Prevention OF Cruelty to Animals (SPCA) are parties to a Memorandum of Understanding dated on or about 14<sup>th</sup> of May 2019 ("MOU") under which they may from time to time enter into additional agreements to support compliance and enforcement activities.
- B. This document is an Appendix to the MOU and when signed (read together with the MOU), forms an "Agreement". Terms used but not defined in this 'Funding Agreement' have the meanings given to them in the MOU. The MOU applies to and governs this agreement as if set out in full herein in its entirety.
- C. The purpose of this Agreement is to record MPI's funding contributions to the SPCA, and the roles and responsibilities of the Parties in relation to use of that funding. This Agreement replaces any earlier Funding Agreements between the parties.

## 1. ADDITIONAL DEFINED TERMS

- 1.1. The terms used in the MOU have the same meaning in this Funding Agreement, and in addition the following terms have the following meanings:

**MOU** means the Memorandum of Understanding between MPI and the SPCA.

**Funding Agreement** means the MPI and the SPCA Funding Agreement' between the parties

**Funding Instalment** means the amount (excluding GST,) as provided for in clause 4.2, to be paid by MPI to the SPCA at the beginning of each Quarter.

## 2. TERM OF THIS FUNDING AGREEMENT

Commencement Date: this Funding Agreement commences and ends at the same time as the MOU.

This Funding Agreement does not have a finite end date and may be revised at any time by either party.

## 3. CONTACT DETAILS

Each party's Contract Manager for this Funding Agreement is:

MPI Contract Manager	SPCA Contract Manager
Peter Hyde Team Manager Animal Welfare Liaison & Coordination	Tracy Phillips General Manager Inspectorate

#### 4. FUNDING

##### Funding Instalments

- 4.1. The Parties acknowledge that total MPI expenditure under this Funding Agreement may not exceed the following annual amounts (excl. GST) unless revised and agreed to by both parties.

2019/20	2020/21	2021/2022	2022/2023	Outgoing
\$1,940,000	\$2,840,000	\$2,840,000	\$2,540,000	\$2,540,000

- 4.2. Subject to clause 4.1, for each Quarter MPI (as set out below) will in accordance with this Agreement pay the SPCA the following amounts, upon receipt of an annual invoice from the SPCA, at the following times:

	Paying party	Recipient party	Date Due	Amount
1.	MPI	SPCA	1 <sup>st</sup> of July 2019	\$485,000
2.	MPI	SPCA	1 <sup>st</sup> of October 2019	\$485,000
3.	MPI	SPCA	1 <sup>st</sup> of January 2020	\$485,000
4.	MPI	SPCA	1 <sup>st</sup> of April 2020	\$485,000
5.	MPI	SPCA	1 <sup>st</sup> of July 2020	\$710,000
6.	MPI	SPCA	1 <sup>st</sup> of October 2020	\$710,000
7.	MPI	SPCA	1 <sup>st</sup> of January 2021	\$710,000
8.	MPI	SPCA	1 <sup>st</sup> of April 2021	\$710,000
9.	MPI	SPCA	1 <sup>st</sup> of July 2021	\$710,000
10.	MPI	SPCA	1 <sup>st</sup> of October 2021	\$710,000
11.	MPI	SPCA	1 <sup>st</sup> of January 2022	\$710,000
12.	MPI	SPCA	1 <sup>st</sup> of April 2022	\$710,000
13.	MPI	SPCA	1 <sup>st</sup> of July 2022	\$635,000
14.	MPI	SPCA	1 <sup>st</sup> of October 2022	\$635,000
15.	MPI	SPCA	1 <sup>st</sup> of January 2023	\$635,000
16.	MPI	SPCA	1 <sup>st</sup> of April 2023	\$635,000

##### Funding Instalments in out years

- 4.3. In respect of each Financial Year after the 2022/2023 Financial Year,

	Paying party	Recipient party	Date Due	Amount
17.	MPI	SPCA	1/07/2xxx	\$635,000
18.	MPI	SPCA	1/10/2xxx	\$635,000
19.	MPI	SPCA	1/01/2xxx	\$635,000
20.	MPI	SPCA	1/04/2xxx	\$635,000

#### 4.4. Varying Funding Instalments

- 4.5. During any Financial Year, either party may request that the amounts of the Funding Instalments be reviewed and changed, both within or across Financial Years. Each party will use its best endeavours (and in the case of MPI will work with Treasury and Ministers) to ensure this flexibility is achieved, provided that the total amount as set out in this Funding Agreement is not exceeded.

#### Process for making payments

- 4.6. Each party must maintain a bank account with a New Zealand-registered bank. Subject to the provisions of this Agreement, MPI will pay each Funding Instalment into that bank account held by the SPCA.
- 4.7. No Funding Instalments paid to the SPCA under this Agreement, nor any monies provided pursuant to this Funding Agreement, nor any income (including any interest) received with respect to either shall be used for any purpose other than carrying out the SPCA's obligations under this Agreement, any other Agreement made under the MOU, or Animal Welfare Legislation.
- 4.8. The party designated in clause 4.2 as:
- a) the recipient of a Funding Instalment for any Quarter may issue a GST invoice to the paying party during the prior Quarter; and
  - b) the paying party shall, following receipt of such invoice, pay each Funding Instalment by the thirtieth day of the first Month of each Quarter. In respect of payments from MPI to NAIT, the payment will only be made if MPI determines that the SPCA has:
    - (i) complied with this Agreement in all material respects; and
    - (ii) complied with any applicable national policy statements or standards issued by the Minister in accordance with Animal Welfare Legislation.

### 5. SPCA'S DELIVERY and REPORTING OBLIGATIONS

#### 5.1 Delivery:

The SPCA will in exchange for the MPI funding deliver annual and ongoing compliance and enforcement services for complaints pertaining to the areas defined in clause 3.4 of the MOU.

#### Reporting:

The SPCA will provide MPI with annual statistics as outlined in clause 13.1 of the MOU, namely:

- (a) number of complaints received (nationally) by species;
- (b) number of infringement notices issued under regulations under the Act;
- (c) number of prosecutions (nationally), including the number of prosecutions that have resulted in conviction/s; and

- (d) number of persons charged with offences in legal proceedings that have not yet been concluded.
- 5.2 The reporting period shall be 1 July to 30 June of the following year. Statistics for each reporting period must be supplied within three months after that reporting period ends (ie, by 1 October).

**6. OTHER**

**Ongoing restrictions**

- 6.1. The SPCA shall:
- a) not without prior consultation with MPI act as a guarantor for a loan by another entity, or grant an indemnity to another entity;
  - b) maintain its financial viability and operate on a not-for-profit basis;
  - c) not act in a manner that may bring any of the parties to the MOU into disrepute.
- 6.2. The constitution of the SPCA shall and shall continue to make provision for the objectives and principal activities of the SPCA to be the same as those referred to in the MOU, and such provisions may not be revoked or amended without the prior written consent of the parties to the MOU.

**Termination of Funding Agreement**

- 6.3. The parties agree that the Funding Agreement does not have a termination date and that the MOU provides the appropriate mechanisms for terminating any agreements between the parties.



.....  
Signed on behalf of MPI by  
Gary ORR, Director Compliance, pursuant to  
authority delegated by the Director-General

Date... 13.7.20



.....  
Signed on behalf of SPCA by Andrea Midgen,  
Chief Executive Officer

Date... 13 July 2020

**EXAMPLE OF ANNUAL SPCA STATISTICS**

**SPCA Annual Statistics for 20XX/YY**

a) Number of complaints received nationally by species

**Table 1 showing the total number of animal welfare complaints received (13242) by SPCA Centres in 20XX/YY (Jul –Jun) with the breakdown into Animal Type (13942)**

Animal Type	No.
Alpaca	50
Amphibian	11
Bird	471
Cattle	765
Canine	7425
Crab/fish	45
Deer	10
Feline	2158
Goat	369
Guinea Pig	48
Hedgehog	3
Horse	1228
Llama	5
Ostrich	1
Other	1
Pig	205
Possum	14
Rabbit	176
Reptile	13
Rodent	29
Sheep	911
Water Buffalo	1
Zoo	3
Total	13942

Nb. The total number of animal welfare complaints received (13242) by SPCA is less than the breakdown of the total number of complaints into Animal Type (13942)

because one complaint may have more than one animal type reported ie 1x complaint at a property may include concerns about cats and dogs which is recorded as two animal types 1) Feline + 2) Canine

b) Number of infringement notices issued under regulations under the Act

There were 14 animal welfare complaints with a total of 18 infringement notices issued in 20XX/YY (excludes jobs where notices withdrawn/waived). There were 4 jobs where multiple infringement notices were issued.

c) Number of prosecutions (nationally), including the number of prosecutions that have resulted in convictions and d) Number of persons charged with offences in legal proceedings that have not yet been concluded

**Table 2 showing the breakdown of SPCA Animal Welfare Prosecutions in 20XX/YY**

Prosecutions	Definition	Total No.
Total # Brought	Number of prosecutions where the charging documents were filed with the court between 1.7.18 - 30.06.19. (irrespective of the date complaint was received)	26
Total # Completed	Number of concluded prosecutions where the sentencing date occurred between 1.7.18 - 30.06.19 (irrespective of date complaint was received/charges were filed)	28
Total # Pending	Number of prosecution files currently under consideration/legal review where date complaint received was between 1.7.18-30.6.19. Charging documents have not been laid with the Court as yet	18
Total # Defendants (Brought)	Number of defendants in prosecutions Brought category	26
Total # Defendants (Completed)	Number of defendants in prosecutions Completed category	28
Total # Charges	Includes all charges per defendant for all prosecutions Brought category	144
Total # Convictions	Includes only the prosecutions Completed category. Tally = breakdown per charge	47
Total # Dismissed	Includes prosecutions where the defendant's charges are dismissed entirely or a judicial finding of Not Guilty. Number relates to prosecutions per person (not per charge)	0

In 20XX/YY there were 144 charges filed against 26 defendants. There were 28 defendants sentenced in 20XX/YY resulting in convictions on 47 charges (irrespective of when charges were filed).

Of note there was one successful regulatory prosecution for Regulation 51 – Tail Docking for dogs in 20XX/YY.

**Table 3 Percentage breakdown of the total number of animal welfare complaints received (13242) into the welfare issue**

Complaint Type	Percentage
Animal Export	0%
Animal Fighting	0.1%
Deserts Animal	4%
Disqualification Breach	0.1%
Ill-Treatment	9%
Pain/Distress/Ill/Injured	16%
Physical/Health/Behaviour	65%
Research/Testing/Teaching	0%
Sale	0.3%
Surgical Procedures	0.3%
Transport	2%
Traps	0.4%
Reckless/Wilful Ill-Treatment	2%
Wilful Ill-Treatment (wild)	0.1%
Total	100%

Welfare Issue	Definition
Animal Export	General AWA 1999 offence section: s.40(3), 54(1)
Animal Fighting	General AWA 1999 offence section: s.31
Deserts Animal	General AWA 1999 offence section: s.14(2)
Disqualification breach	General AWA 1999 offence section: s.169B
Ill treatment	General AWA 1999 offence section: s.29(a)
Pain/Distress/Ill/Injured	General AWA 1999 offence section: s.12(b)
Physical/Health/Behavioural	General AWA 1999 offence section: s.12(a)
Research/Testing/Teaching	General AWA 1999 offence section: s.82 - 85
Sale	General AWA 1999 offence section: s. 14(1)(b)
Surgical Procedure	General AWA 1999 offence section: s. 21
Transport	General AWA 1999 offence section: s. 22, s.23
Traps	General AWA 1999 offence section: s. 34 - 36
Wilful/Reckless Ill treatment	General AWA 1999 offence section: s. 28, s.28A



**Table 4 Percentage breakdown of the total number of animal welfare complaints (13242) into the investigation outcome**

Outcome Type	Percentage
Open-under investigation	3%
No Welfare Concern	26%
Closed	36%
Other Agency Transfer	2%
Verbal Advice	21%
Education Handout/Letter	9%
Written/Formal Warning	2%
Infringement Notices	0.1%
Court Order	0.04%
Prosecution	0.2%
Total	100%

Investigation Outcomes	Definition
Open - under investigation	The final outcome has not been determined as the complaint is still being investigated by SPCA
No Welfare Concern	The inspector found no breaches of the Animal Welfare Act 1999, Regulations or the Codes of Welfare at initial inspection. Complaint was unfounded (possibly malicious or just misguided).
Closed	The investigation has concluded as the welfare issues identified (typically minor) have been resolved or mitigated without meeting the threshold for verbal advice
Other Agency Transfer	The complaint was received by SPCA but has been transferred to another agency to investigate (ie MPI, DairyNZ, Animal Control, Police)
Verbal Advice	The owner or person in charge (PIC) has been given verbal advice as to their obligations under the Animal Welfare Act 1999
Education Handout	The owner or PIC has received a standard SPCA education handout informing them of the possible offences that may have been committed under the AWA 1999 and advises of the penalties they may face under AWA
Education Letter	The owner or PIC has received a personalised SPCA education letter informing them of the welfare issues found and identifies possible offences that have been committed under the AWA 1999 and advises of the penalties they may face under AWA

Written Warning	SPCA has grounds to believe an offence has been committed for which a written warning is issued and a repeat will likely result in a prosecution in the future if a similar incident occurs again, however the owner or PIC does not formally acknowledge an offence has been committed
Formal Warning	The owner or PIC has formally acknowledged they committed an offence under the AWA 1999 and a repeat will likely result in a prosecution in the future if a similar incident occurs again. Formal Warning is issued by New Lynn Office
Infringement Notice	The owner or person in charge (PIC) has been issued an Infringement notice for breach of the AWA or Regulation
Court Order	Investigation resulted in a Court Order: TEO Temporary Enforcement Order, EO Enforcement Order, COC Court Order to Comply (for non-compliance of a EO or TEO) or a DO Disposal Order being issued
Prosecution (Act)	Investigation matter resulted in an Animal Welfare Act 1999 offence prosecution or a regulatory prosecution for an Animal Welfare (Care and Procedures) Regulations 2018 offence

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