

Rec'd	- 5 AUG 2014
Reg. No.	14 SEL
File No.	
Ack.	no file
Action Officers	1 LH
Response due	



Government of South Australia

Dog and Cat Management Board

Level 1  
1 Richmond Road  
Keswick SA 5035

GPO Box 1047  
Adelaide SA 5001

Ph: 08 8124 4962  
Fax: 08 8124 4648

ABN 48 100 971 189

[www.dogandcatboard.com.au](http://www.dogandcatboard.com.au)

DCMB Ref: 98/0486

4 August 2014

Hon Ian Hunter MLC  
Minister for Sustainability, Environment and Conservation  
GPO Box 1047  
ADELAIDE SA 5001

Dear Minister

**Re: Premier's reform of government boards and committees**

On 8 July 2014, the Premier announced that all government boards would be abolished unless they can demonstrate they have an essential purpose that cannot be fulfilled in an alternative way. The Dog and Cat Management Board considered the Premier's reform announcement at its 29 July 2014 meeting and again on 4 August 2014. The following advice represents the unanimous views of all Members.

**The Board**

The Dog and Cat Management Board (the Board) was established under the *Dog and Cat Management Act 1995* (the Act) to allow experts to come together and make whole-of-State decisions about South Australia's dog and cat management needs. The Board takes a strategic, collaborative approach to dog and cat management issues, and its functions are delivered in consultation with key stakeholders, particularly local government.

Members have considered alternative models and, for the reasons outlined below, are of the opinion that the existing Board model is best situated to provide innovative, independent and effective dog and cat management in South Australia.

**Efficiency**

The costs associated with funding and servicing the current Board are around \$54,000. This includes \$26,000 in sitting fees plus a further \$18,000 in associated expenses such as training, superannuation and accommodation when the Board meets at rural council offices, a few times a year. Out of a total budget of \$1.4 million, this is a modest and appropriate investment, and represents a very economic means of accessing a high level of collaborative, innovative and expert decision-making.

The Board is composed of a unique array of experts, including a vet, a medical epidemiologist, members with experience in governance and executive management, in welfare and breeding, elected

local government representatives and experienced managers of dog and cat-related functions. Under the existing Board model, members are committed to, and invested in, the issues being considered. As professionals and experts, Board members could earn higher amounts engaged in other work. Our members join the Board because they believe they can make a valuable contribution. This contribution far exceeds their Board sitting fees.

Engaging the level of expertise and experience currently represented on the Board on a contract basis would prove far more expensive and ultimately provide less value, given the lack of continuity and diversity inherent in this model. The Board does occasionally 'contract-in' specific expertise to undertake specialised research projects, if members identify gaps in current knowledge. However 'contracting in' is not an optimal or efficient model for the overall governance of dog and cat management in South Australia.

### **Independence & Consistency with 'Uhrig' Principles**

The Dog and Cat Management Board exercises a full delegation of powers, pursuant to the Act. It is able to make these decisions in a timely, efficient manner. It is able to introduce a degree of creativity in its decision making. Included in its powers, are the ability to hire and fire staff including its Board Secretary/ Executive Officer<sup>1</sup> and the ability to acquire and dispose of assets.

The lack of bureaucracy means that abolition of the Board is likely to see an increase, rather than a decrease, in red tape.

The Act entitles the Board to exercise a range of powers without reference to a government department or Cabinet. This includes, for example,

- approving requirements for the management of guard dogs, patrol dogs and attack trained dogs;
- issuing guidelines to Councils about dog and cat management;
- consideration of applications for exemption from specific requirements of the Act, such as:
  - the requirement to muzzle a greyhound (the Board receives dozens of applications each month); and
  - requirements relating to the management and control of prescribed breeds.

Accordingly, the Board operates in accordance with the 'best practice model recommended by Uhrig<sup>2</sup>.

Whilst the Board is subject to Ministerial control and direction, it nevertheless retains a limited independence that would not be available to a government department or to public servants. The Board can still give its independent advice to the Minister and this current limited independence on the provision of advice is appropriate. It is also appropriate that Cabinet and the Minister retain the ultimate decision making power in relation to budgets and resource allocation.

This model allows the Board to take an objective and collaborative approach to strategic decision-making, with an appropriate degree of independence from the public service. A separation from government departments also affords the Board a level of credibility, impartiality and openness that provides value when building relationships with, and seeking input from, key stakeholders. Members also bring a diversity of expertise, a level of independence and strong links to local government that would not be found if dog and cat management was managed solely by public servants within a government department.

Whilst subject to Ministerial control, there are also efficiencies and risk mitigation outcomes, in retaining a Board with limited independence. Dog and cat stories appear in the media many times each week

---

<sup>1</sup> In fact, the Board exercised this power in late 2013.

<sup>2</sup> Review of the Corporate Governance of Statutory Authorities and Office Holders. John Uhrig, June 2003

and the Chair of the Board and the Board Secretary<sup>3</sup> are regularly requested by print media and radio programs to discuss a diverse range of often contentious issues such as dog aggression and desexing, nuisance cats, registration fees, council By-laws and so on. Board spokespeople present a knowledgeable, balanced and authoritative voice on these issues. Similarly, the Board has steady contact with members of the public, who phone, email and write to the Board. Were the Board to be abolished, it is likely that the media and public would seek comment directly from the Minister. This would place a significant resource burden on the Minister's office and may mean that focus would need to be diverted away from other core issues.

If the Minister was called upon to play a greater media role, the tone of the media enquiry is likely to change qualitatively. Media outlets seek the input from the Board, to obtain accurate, authoritative information. Board spokespeople add context and perspective to the (often) controversial dog and cat issue of the day. By contrast, when media seek interviews with a minister, their tone tends to be much more combative and confrontational. Enquiries are much more likely to be along the lines of, 'What is the Minister doing about ....'.

### **Effectiveness**

In the past few years, the Board has worked in close collaboration with the Local Government Association (LGA) and other key stakeholders and has focused on considerably increasing its effectiveness. The Board has also made a concerted effort to adopt a highly strategic outlook and to implement programs and projects designed to concentrate resources on furthering the Objects of the Act.

The Board performs a very wide range of statutory functions and it is feasible that departmental staff could undertake a variety of the more operational functions. However, with its limited independence and unique composition of experts, the existing Board model is considered the most efficient and effective means of delivering strategic, state-wide outcomes.

There are many positive benefits to be gained by bringing experts together to undertake decision-making in a group. The current Board model provides checks and balances against biases that would exist if decision-making were devolved to an individual or individuals, such as public servants in a government department. The Board also brings diverse skillsets and different perspectives to process, so that more information informs decision-making, a greater number of alternatives are generated and diverse styles of thinking inform evaluation and judgement. As a diversity of representatives are involved, the decisions arrived at also have an increased legitimacy and there is more likely to be greater acceptance of the end decisions.

As such, the Board is best placed to:

- Develop a comprehensive and nuanced understanding of state-wide policy issues and set the strategic direction for dog and cat management in South Australia;
- Build on and leverage meaningful relationships with key stakeholders such as the LGA, the shelter organisations and the Australian Veterinary Association (AVA);
- Monitor and oversee the administration and review of the Act and provide impartial, well-informed and independent advice to the Minister on state-wide dog and cat management issues;
- Make strategic decisions about how to best further the Objects of the Act, such as reducing dog attacks and reducing the public and environmental nuisance caused by dogs and cats;
- Make objective and well-informed decisions about the most efficient and effective way to allocate money in the Fund, and
- Identify gaps in current knowledge and commission new research to address those gaps.

---

<sup>3</sup> Previously the Executive Officer

Whilst each of the 68 Councils<sup>4</sup> deal with dog and cat management issues within their own areas, there is a definite requirement for a degree of planning at a state-wide level. Dog and cat management issues are often complex and require long-term, strategic solutions. In this sense, the Board also provides an important and impartial whole-of-government coordination and policy function. This is particularly evident around multifaceted issues such as reducing dog bites in the community, which require an inter-generational approach and the involvement of a wide range of stakeholders, often with divergent positions. With its diversity of expertise, including experts in community health and veterinary science, its link to local government and its credibility as a leader in dog and cat management, the Board is uniquely placed to develop long term policy solutions to this problem.

Another example is the issue of cat management, which is becoming an increasingly prominent (and contentious) community concern, with growing media interest. There is a lack of state-wide regulation around cat management and the issues involved elicit a diversity of often emotive responses from a variety of stakeholders. The Board currently plays a prominent and important role in facilitating the public debate, through the media and direct contact with the community, as well as providing advice and feedback to councils in relation to viable cat management strategies. In conjunction with the LGA, the Board has also developed a cat By-law template and associated Guideline, to provide councils with assistance in implementing consistent and effective by-laws and undertaking an appropriate level of community engagement.

### **Community and stakeholder engagement**

The Board undertakes a wide range of stakeholder engagement and community awareness programs. This includes a number of effective state-wide campaigns in relation to dog registration, micro-chipping, desexing, reducing dog bites and so on, as well as a state-wide primary school education program aimed at promoting pet safety and responsible ownership. The Board also prepares and distributes a wide range of educational publications for councils, pet owners, parents and members of the public. These campaigns would not be as effective or impactful if coordinated on an ad-hoc basis at a local council level and there is also a strong argument that efficiencies can be realised in terms of financial economies of scale, as well as audience-reach, for campaigns and education programs coordinated on a state-wide basis.

The Final Report of the Select Committee on Dogs and Cats as Companion Animals (Select Committee) also stresses the importance (Recommendation F1) of public campaigns and education programs that encourage responsible pet ownership and raise awareness around companion animal issues (particularly amongst young children) and also refers to the potential value of the Board's publications in raising community awareness around dog and cat management issues.

The Board has also recently undertaken considerable consultation and engagement with key stakeholders in relation to its detailed review of the Act. The Board derives integrity from its close links to local government, its limited independence and its standing as a leader in dog and cat management and as a result, has been able to use its existing stakeholder relationships, particularly with the LGA, to undertake meaningful and constructive engagement. The review of the Act involved consultation with the LGA, the RSPCA, the Animal Welfare League (AWL), the AVA, the Feline Association of SA, Dogs SA (the Canine Association) and the Governing Council of the Cat Fancy. The Board has now provided you with a package of proposals, aimed at addressing the incidence of dog attacks within the community, improving cat management within the State, and increasing the ability of local governments to effectively manage dogs and cats. Stakeholder feedback has influenced the Board's approach and contributed to the recommendations put forward.

---

<sup>4</sup> The Outback Communities Authority ((OCA) is not an incorporated council, however it does have obligations imposed on it by the DCM Act, including the requirement to have a dog and cat management plan, approved by the Board. The OCA covers large amounts of South Australia, including Aboriginal lands.

In the review of the Act, the Board has played a valuable role in developing a package of proposals that, with a few exceptions, have the support of all of the major stakeholders, listed above. The Board has therefore been able to play a role in leading public debate (e.g. to encourage people to microchip their pet), to also explore the possibility of legislative amendments (e.g. to *require* people to microchip their dog or cat) and to achieve key stakeholder support for these propositions.

### **Budget savings**

The Dog and Cat Management Fund (the Fund) is derived from dog registration fees, collected by local councils. Each council transfers either 10% or 20% of the fees collected to the Fund. This Fund can only be used for specific purposes, set out in the Act. If there was no Board, it is unlikely that councils, the Local Government Association or even the Parliament would support the transfer of control of the Fund. As the Board's costs are derived from dog registration fees no money is appropriated from Consolidated Revenue. The Board operates at no cost to the general taxpayer. Rather, it is a user-pays system, funded by dog owners. In consequence, savings made in the Board's costs will have no impact on the overall fiscal position of the Department of Environment, Water and Natural Resources.

### **Finance Audit and Risk Management Committee**

The Chairperson of the Board's Finance, Audit and Risk Management (FARM) committee also received a letter from the Premier, asking that the Board consider its functions and review whether its continued existence is appropriate.

### **Establishment of FARM**

FARM is not a separate government board and has no decision making power of its own. FARM is merely an advisory sub-committee to the Board. Its membership consists entirely of Board members, with input from Board and DEWNR staff. FARM makes recommendations to the Board on matters to do with finances, auditing, budgets and risk management.

Section 22(2) of the Act entitles the Board to establish committees consisting of members of the Board and to assign advisory functions. The Board established FARM, so that a subset of the Members, with relevant experience, could concentrate on these finance and risk management issues in far greater detail.

Establishing Board risk and finance committees is considered to be optimal practice by a range of corporate governance organisations<sup>5</sup> and is consistent with Principal 7.1 of the ASX Corporate Governance Council's 'Corporate Governance Principles and Recommendations'.

The existence of FARM does not abrogate the responsibility of all other Board members to understand and consider these issues. However, the work performed by FARM assists them to fulfil their legal obligations as board members. Importantly, FARM enables the wider Board to maintain its focus on wider, strategic matters.

FARM is expected to oversee and provide strategic advice on:

### **Finance and Budgets**

- Financial plans and budgets of the Board
- Preparation and integrity of the Board's financial statements
- Oversee the development of the Board's three-year financial plan, tying in the Board's strategic plan and business plan
- Review progress quarterly against the annual budget and to propose corrective actions

---

<sup>5</sup> Such as the *Australian Institute of Company Directors* and the *Governance Institute*.



- Ensure adequate safeguards are in place to prevent unintended departures from Budget goals.

FARM also interacts with the Board's external auditor. The FARM committee also provides an opportunity for members to ensure the organisation's accounts fairly represent the Board's financial position and its assets are accurately valued.

### **Risk Management**

- Identifying risks and determining tolerances
- Measuring, quantifying, monitoring and controlling risks
- Assessing and fine tuning the risk management process.

FARM brings to the Board's attention the organisations most material risks and permits the Board to understand and evaluate how those risks interrelate, how they affect the organisation and how management addresses those risks.

Members of FARM are expected to devote the additional time required to fulfil these additional duties. Board members on FARM are generally those with additional experience in risk management and financial affairs.

### **Efficiency and Budget Savings**

If FARM was abolished, the Board would need to devote greater time to financial and risk management issues at full Board meetings. As sitting fees for the Board are higher than those for FARM and as more members would be involved, abolition of FARM would have the perverse effect of *increasing* overall costs. There is a cost involved in having finance reports provided by DEWNR to the FARM Committee. These costs would still be incurred by the Board if FARM were abolished.

Note that sitting fees for the Board and FARM are not paid from funds appropriated from Consolidated Revenue. All funds expended by the Board are derived from dog registration fees, collected by councils. Abolishing FARM can have no impact on the State Budget. The existence of FARM saves time and reduces overall costs. More importantly, FARM ensures that the Board's finances and risk are understood and controlled effectively.

In summary, members consider the existing model to be the most effective and efficient way of providing both long and short-term solutions to complex dog and cat management issues in South Australia. The Board operates collaboratively, and represents a diversity of expertise, with close links to key stakeholders. As it is currently comprised, the Board is uniquely positioned to further the Objects of the Act and make strategic and well-informed decisions about state-wide policy issues. As such, it is recommended that the Board be retained, rather than abolished.

The Board would welcome further discussion about the Premier's proposed reforms and the advice provided above. To discuss these matters, or for any further information, please contact me on

██████████ or ██████████

Yours sincerely



Jan Connolly  
Chairperson and on behalf of the  
Dog and Cat Management Board

cc: Allan Holmes, Chief Executive, DEWNR