

COMMENT FROM TOM RE TRUST 13 May 1998



My main concern is of placing the business unit at risk unnecessarily:

If Animal Welfare becomes a business operating solely under the Trust then there is no protection or benefit of belonging to a larger Corporate body and this must impact on operating costs and in the short term anyway put the business at risk.

Waitakere City Council

I see the Trust as a separate entity to the business unit but having objectives which bind the Trust to complement the work of the business unit both financially and with regard to activities.

In the longer term depending on how things develop (financial success of Trust and it's relationship with Council) then maybe the business unit could become partially or fully governed by the Trust but I do not see this as an early step.

First get the Trust established as a separate entity which complements the finances and activities of Animal Welfare Services and co-operates with Council in terms of any business ventures which may benefit Council, then review things a bit further down the track. This approach "tests the water" without placing the business unit at risk. Risk factor is important given the investment in the business to date and the resultant high level of performance and good reputation achieved.

The Trust as a separate entity means:

1. no initial threat/risk to the business unit
2. Trust has opportunity to get established and prove it's worth
3. "waters are tested" in terms of the Trust
4. options remain open for later developments once the Trust and it's relationship with Council and the business unit is well established
5. investment in the business unit is not unnecessarily placed at risk or wasted