



Veterinary Council of New Zealand
Te Kaunihera Rata Kararehe o Aotearoa

ANNUAL REPORT

for the year ended 31st December 2008

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Introduction

This annual report has been prepared in accordance with sections 85 and 86 of the Veterinarians Act, 2005 which requires the Veterinary Council to prepare an annual report on its operations for each financial year ending 31 December.

This report must include the audited financial statements for the relevant financial year and must be delivered to the Minister of Agriculture and Fisheries as soon as practicable after the end of the financial year.

Council role and functions

The Veterinary Council is constituted under section 73 of the Veterinarians Act 2005. The purpose of this Act is to protect the public interest by aiming to ensure that veterinarians are competent to practise. The Council's statutory functions include:

- advising the Minister on any matter relating to veterinarians and the practice of veterinary science
- advising the governing body of any New Zealand university on the education of veterinarians
- prescribing minimum standards for practising as a veterinarian
- promoting and encouraging high standards of professional education and conduct
- considering reciprocal arrangements with registration bodies in other countries
- registering veterinarians and veterinary specialists, issuing practising certificates, making determinations on recognised institutions and programmes of study, setting examinations and prescribing fees
- maintaining the Register of Veterinarians
- receiving, investigating and hearing complaints
- investigating offences and bringing prosecutions

Council Membership

There are seven Councillors, three of whom are elected by veterinarians. Three members of the Council are appointed by the Minister of Agriculture - two of these are lay members. The Council cannot meet without one of the lay members being present. The Programme Director of Veterinary Science at Massey University is also a member of the Council. The Chairperson and Deputy Chairperson are elected by the Council members at the first Council meeting each year.

Council members during 2008 were:

Ron Gibson: Elected veterinarian and Chairperson
CEO, Animal Health Centre

Norm Williamson: Deputy Chairperson
Programme Director, Veterinary Science, Massey University

Barbara Benson: Ministerial appointed layperson
Manager, Teacher Education, New Zealand Teachers Council

Penny Mudford: Ministerial appointed layperson
Rural Arbitrator

Julie Wagner: Elected veterinarian
General Manager, PacificVet

Jim Edwards: Ministerial appointed veterinarian
Consultant

Peter Jerram: Elected veterinarian
Retired veterinarian

The Council appoints Committees to undertake functions on its behalf, to provide it with advice and to make policy recommendations. The business of these committees and their membership is reported on in the body of this Annual Report.

Council Staff

- CEO/Registrar: Janet Eden
- Executive Officer, Registration and Complaints: Anthea Black
- Executive Officer, Finance and Recertification: Helen Piercy
- Administration Officer: Margriet Philipsen

Council Chairperson's Report

It has been a privilege to lead the Council during 2008. We have been undertaking much significant work during the year in line with our statutory mandate to ensure veterinarians are fit and competent to practise. Decisions made on professional standards and competency matters are providing greater clarity of the Council's specific functions and its' expectations of veterinarians in relation to continuing competency and ethical conduct. Indications of government support for the registration of para-professionals (veterinary nurses and technicians) is also an exciting development. This could lead to greater flexibility in the provision of veterinary services whilst ensuring that the scopes of practice of the para professionals concerned are clearly delineated and mechanisms are in place to ensure their continuing competence and fitness to practise.

Professional Standards

During 2008 the Council embarked on a major review of the Code of Professional Conduct. This follows the passing of the 2005 legislation which allowed a separation of Council's competency functions from those related to ethical conduct and discipline. A separate competence pathway is now in place. The revised Code will focus on overarching ethical conduct requirements – those things which if seriously breached could lead to consideration of professional misconduct and possible disciplinary action.

A working group, ably led by Nick Twyford, drove the review process throughout the year. We anticipate that the code will be finalised, following consultation with the profession and other interested parties, by the end of 2009 or early 2010. Further information on the review is provided in the Professional Standards report

Another significant decision was made in November 2008 when the Council agreed with the New Zealand Veterinary Association's recommendation that it introduce compulsory Continuing Professional Development (CPD). CPD requirements for the issue of an annual practising certificate are the norm for most professions in New Zealand and for veterinarians in some Australian states. The Council had previously introduced compulsory reporting of CPD activity. This decision derives from the Council's legislative function to ensure the competency of veterinarians at initial registration and throughout their careers.

A working party was established to develop recommendations on the implementation of compulsory CPD. I anticipate that compulsory CPD may be required from 2010, although veterinary and stakeholder input will be sought before final decisions on a CPD framework are made.

The third key decision of the Council was to support and promote the registration of para-veterinary professionals (such as veterinary nurses and veterinary technicians). To this end the Council supported the development

and name of the proposed Bachelor of Veterinary Technology at Massey University, and gained the support of the new Minister of Agriculture to the registration of para-veterinary professionals. Discussions with the Veterinary and Veterinary Nursing Associations and other key stakeholders will occur in 2009 with a view to gaining general consensus on the legislative proposals to be submitted to the Minister.

Much other work was undertaken during the year to ensure that the Council's functions are supported by sound policy and process and the Registrar's report covers these.

Numbers in the profession

The numbers of practising veterinarians rose again, although by less than in previous years. The dairy sector remained buoyant during 2008. The current international market situation will impact upon all sectors of veterinary practice in the future. Nevertheless at the time of writing there remains a shortage of veterinarians along with other professionals in rural areas. This is of concern to animal owners, to the government in terms of ensuring good oversight of the production stock of New Zealand and in meeting any biosecurity incursion. The Council has been actively involved in developing strategies to address the shortage, meeting with Massey University, NZVA and the Minister of Agriculture with representatives of his department. Early in 2009 the Minister announced a student debt relief scheme for new graduates entering into the rural veterinary service. The Council will continue to be involved in the development of measures to address shortages, and in the ongoing monitoring and review of the debt relief scheme.

Work on the shortages highlighted the need for more accurate information about the workforce. From 2009 the Council will therefore produce an annual analysis of the veterinary workforce, based on the information gained through a revised annual workforce survey. We are fortunate to be able to access expert assistance from Massey University to develop the revised survey form and analyse the data.

Legislation

The Statutes Amendment Bill (No 2) passed at the end of 2007 and the amended Veterinarians Act came into effect on 27 March 2008. Significant amendments were gained to enable the Council to delegate more of its day to day decision making, consider a person's fitness to practise as part of their application for registration and to require a competence assessment of its own accord, not only on the recommendation of the Complaints Assessment Committee. Also the Complaints Assessment Committee may now refer a matter to the Council without undertaking an investigation if the matter is one of competence or health, or requires urgent action.

International liaison

In April I attended an educational forum in Canberra which identified a number of strategic priorities for Australasian veterinary education including research,

student training, tracking, continuing competence, global recognition and establishing a core curriculum for Australasian veterinary programmes.

With the Registrar, I attended the face to face meeting of the Australasian Veterinary Boards Council (AVBC) in May as well as teleconference meetings in February, July and September. Some major steps towards Australian national registration have been made. The Council is working with AVBC to ensure activities which are solely Australian are not subsidised by New Zealand veterinarians.

A critical function of the AVBC is the assessment of veterinary educational programmes, through its sub-committee the Veterinary Schools Accreditation Advisory Committee (VSAAC). During the year VSAAC has been closely monitoring the development of three new Australian veterinary degree courses to ensure that the required standards on organisation, finance, curriculum, clinical resources and teaching, and academic and support staff are being met.

The AVBC undertook a combined accreditation site visit with its American equivalent to Massey University in 2007. On behalf of the Council I have actively encouraged combined visits which reduce the number of accreditation visits that a University must be subject to and pay for. A combined site visit to Murdoch University by American, British and Australasian registration authorities will occur in 2009. The European assessment body and the South African Veterinary Council will also send observers to this visit.

Staffing

In 2008 Janet Eden was appointed Registrar and CEO of the Council. The Council is very pleased to continue to benefit from Janet's sound knowledge of regulatory matters, considerable experience in implementing new legislation and track record as CEO and Registrar of the Dental Council.

2008 was a very busy year and I thank all of those who have worked for or with the Council and its committees.

A handwritten signature in black ink that reads "Ron Gibson". The signature is written in a cursive style with a large initial 'R' and 'G'.

Ron Gibson
CHAIRPERSON

Registrar's Report

Strategic Priorities

In 2008 Council spent time planning its strategic directions to achieve the following strategic goals:

- fully implementing the Veterinarians Act 2005
- ensuring high standards of corporate governance and management in the conduct of its business
- raising Council's profile and engaging with stakeholders to promote confidence and understanding of Council's role

Over the next four years Council and staff will work towards implementing the strategic directions. The priorities for 2009 are:

- development of effective, relevant and easy to use continuing professional development provisions
- clear articulation of the standards of ethical conduct veterinarians are expected to meet through development of a revised Code of Professional Conduct
- development of proposed changes to the Veterinarians Act to accommodate the regulation of veterinary nurses and technicians
- training for Complaints Assessment Committee members
- revision of Complaints Assessment Committee guidelines

Policy development

During 2008 a number of policies were revised or developed. These included:

- Competency standards and performance indicators for veterinarians
- Policy on Competency and Competence Assessment
- VCNZ Handbook on Competence Assessment policies and procedures
- VCNZ Handbook: Tools for use in Competence Assessment
- Governance policies including delegations, conflict of interest and confidentiality. Notification of conflict of interest is now a standing item at every Council and Committee meeting so members can identify and declare any real or apparent conflicts of interest in relation to the matters contained in each agenda, then decide on the mechanism for managing the risk. An overarching Register of Members' interests has also been established
- APC and Registration policies including a policy on the use of post nominals and the registration of additional qualifications.

Further policy development will occur in 2009.

Legislation

In addition to the amended Veterinarians Act which came into effect in March 2008 the Council prescribed the following notices in the New Zealand Gazette:

- Revised "Minimum Standards for Practising as a Veterinarian" (to take account of the newly developed competency standards)

- Revised “Recognised Institutions, Qualifications, Assessment and Examination Programmes” (to reflect changes to the recognition of Irish graduates)

Section 89 of the Veterinarians Act 2005 provides that every matter prescribed by publication in the Gazette is a regulation for the purposes of the Regulations (Disallowance) Act 1989 and as such is subject to the scrutiny of the Parliamentary Regulations Review Select Committee.

Liaison

We have continued to be actively involved with Australian and other regulatory authorities and have had regular meetings with key stakeholders to discuss, or present on, matters of mutual interest. In addition to the activities mentioned elsewhere in this report, liaison has also included:

- Attendance at quarterly meetings of the Agricultural Compounds and Veterinary Medicines Advisory Council (AVMAC) and participation in the AVMAC working party on the reclassification of veterinary medicines
- Presentation to MAF veterinary staff on the role and functions of Council
- Regular formal and informal meetings with NZVA Board members and Executive
- Hosting a VCNZ display stand at the NZVA conference
- A meeting with NZFSA Compliance Investigation Group officers to discuss information exchange and reporting of issues of mutual interest
- Discussions with MAF staff on the draft MAFBNZ policy on managing conflicts of interest when providing official assurances
- Meeting with the NZVA Companion Animal Society Executive to discuss current Council issues and CAS proposals for refresher and retraining programmes for vets returning to practice

Move to Kordia House

The lease for the Council’s offices on the Terrace expired in January 2009 and we were unable to negotiate a satisfactory lease renewal with the landlord.

The successful tenderer for the Terrace premises wanted to move in as soon as possible. So, after finding suitable premises and negotiating rental for the remaining term of the lease, the shift to the new premises in Kordia House, Willis Street occurred on 22 December. I am very grateful to my VCNZ office colleagues for their support and hard work in ensuring a smooth move and a fully functioning office to start the New Year.

A nine year lease has been negotiated at a significantly reduced rate per square metre over the Terrace premises. The new premises are larger with improved storage space. The additional space is needed to accommodate a new staff member and the temporary staff and contractors we use from time to time. It also means we will be able to accommodate any future staffing increases which may be required as a result of the new continuing

professional development framework and proposed regulation of veterinary nurses and technicians.

Other work is covered by the reports which follow.

It is a pleasure to work with the dedicated people who make up the Council and its Committees. I thank them all for their support and assistance. I also thank Council office staff Anthea Black and Helen Piercy for their hard work and commitment to providing a quality service during 2008

A handwritten signature in black ink, appearing to read 'J Eden', written in a cursive style.

Janet Eden
REGISTRAR

Registration Report

The guiding principles of the Registration Committee are to ensure that:

- statutory registration requirements are met; and
- registration processes are fair, equitable, transparent and timely

Committee members in 2008 were:

Norm Williamson (Chairperson)	Paul Wiseman
Sandra Forsyth	Christopher Mawson
Katja Geschke	Joe Mayhew
Barbara Benson (layperson)	

Business of the Committee during 2008

The Registration Committee advised the Council on a number of policy matters set out below, had oversight of the New Zealand National Veterinary Examination and approved new applications for general and specialist registration.

Recognition of veterinary courses

At its September meeting the Council decided to extend its recognition of Dublin (NUI) graduates to those who graduated up to and including 1988. This changed the Council's policy set in 2005 when it recognised NUI graduates from 2004, based on recognition by AVBC following a positive report from the European organisation which assesses veterinary courses. The assessment team included an AVBC member. This policy move is consistent with that of its Australian counterparts as most Australian states register NUI qualifications gained before 1989 and after 2003.

Recency of practice

In 2007 the Council published its recency of practice policy which covered the management of cases where a veterinarian has not practised (or has not practised in a particular field of endeavour) for more than five years. In the 2008/09 annual practising certificate application veterinarians were therefore asked to declare if they were seeking to resume practice after a break of five or more years or seeking to resume practice in field of activity they had not practised for five or more years. During the year the Council decided to extend this question and as such a statement has been included in the 2009/10 Annual Practising Certificate that requires veterinarians to state if they have resumed work in an area they have not practised in for five years. Over time as veterinarians become more familiar with the Council's recency of practice requirements, it is hoped this question will become redundant.

Visiting Veterinarians

During the year the Council amended its policy around visits by overseas veterinarians who are speaking at conferences or running workshops. This now specifies that the activities those veterinarians are undertaking should not directly involve animal treatment and those people should not represent

themselves as New Zealand registered veterinarians. Overseas veterinarians visiting New Zealand to carry out activities which involve treating or manipulating animals must be registered and hold a practising certificate.

International Advice

The Council has considered the legality of overseas veterinarians providing advice, on request, to New Zealand veterinarians on patients located in New Zealand.

The Council decided that in such circumstances the overseas veterinarian is not required to be registered in New Zealand, provided any patient is under the care and clinical responsibility of the New Zealand veterinarian who requested the advice.

Verification of Good Standing status

During the year the Council decided to actively encourage Australian Boards to participate in a direct verification scheme for letters of good standing. This means that with a veterinarian's permission, the Council will directly verify with an Australian Board concerned a veterinarian's good standing status at no cost to the veterinarian concerned.

This was supported by the majority of the Australian Boards and is being trialled during the 2009/10 annual practising certificate renewal.

Policy on post nominals and additional qualifications

The Council agreed to amend its policy on post-nominals as listed on the Register of Veterinarians. In future, a qualification will be listed on the Register if it has relevance to veterinary practice and has been awarded following successful completion of a course of training or study by a body recognised by the Council. This does not prevent veterinarians from advertising 'non approved' qualifications/memberships/honorary titles but these will not appear on the public register.

Limited Registration

To date the Council has gazetted four scopes of practice under limited registration (s13 of its Act): Biosecurity Scope, Academic Scope, Industry Scope (laboratory diagnosis and pathology), and a Scope for Particular Skills for a Restricted Period. These scopes allow people who would not normally be eligible for registration without examination and whose skill set, qualifications and experience are needed in New Zealand, to be registered as veterinarians to practise (under conditions) in the specific (scoped) areas.

At its September meeting the Council received and discussed correspondence proposing the establishment of a limited veterinary scope of practice in veterinary medicines, to cover the area of clinical trials and research with some ongoing care of animals. In considering this issue the Council noted that veterinary registration is not required for clinical trials and research given that the veterinary medicines involved with animal

manipulation can be managed under an approved ACVM Code of Practice. It also considered that general registration should be required for veterinarians who provide ongoing care to animals, authorise veterinary medicines and undertake veterinary tasks associated with ethics committee approvals. In order to protect animal welfare and the public interest, those acting in this capacity need to possess the full range of competencies required for 'full' veterinary registration. On these grounds the Council did not approve such a scope.

New Zealand National Veterinary Examination (NZNVE)

The NZNVE is a means by which a veterinarian who is trained overseas but whose degree is not immediately eligible for registration in New Zealand may demonstrate competence to be registered. The Registration Committee has stewardship of this examination. The Council thanks Sandra Forsyth (Chief Examiner) and other staff at Massey University for the invaluable role they take in ensuring that examination standards are maintained and that all candidates are treated fairly.

Twenty three candidates sat the Preliminary Registration Examinations in 2008. Ten candidates were resitting. Of these 23 candidates, 4 passed overall and another 9 achieved a conditional pass (meaning they must pass the final examination on the first attempt or resit and pass the Preliminary Examination before again being eligible to resit the final exam). Seven candidates attempting the preliminary examination were resitting, having previously failed one or more times. Of these, four obtained conditional passes and three failed.

The final oral/clinical examination is held once in November at Massey University. Nine candidates sat this examination. One candidate passed. Four were granted supplementary examinations (re-sitting parts they had failed) and five candidates failed the examination.

Questions and papers for the multiple choice section of the paper are set by the Board of Examiners, a committee of the Australasian Veterinary Boards' Council. Questions are tested on students and veterinarians in Australia and New Zealand and each question is assigned a level of difficulty. In 2008 the Board of Examiners added another 150 questions to the question bank.

The Council thanks all veterinarians who contributed to testing new questions for the multi choice question databank at the NZVA conference in June.

During the year the Registration Committee commenced discussions with AVBC over the possibility of developing a joint manual for examiners in the final examination and admitting final examination candidates into each others' examinations in the event of under or over subscription.

Specialist Registration

A veterinary specialist is a veterinarian with a higher level of skill and knowledge in a specified discipline or field than that of another veterinarian. A

specialist must have undergone extensive advanced supervised training, culminating in the passing of a rigorous set of examinations.

A system for specialist registration has been established by the registering authorities in Australia and New Zealand under the provisions of their respective legislation, to ensure that the public has access to advanced veterinary expertise. Under legislation in Australia and New Zealand, only registered specialists may claim specialist status.

The following veterinarians gained specialist registration during 2008:

Specialist	Qualifications	Specialty
Dr Robert Fairley	BVSc Massey 1980, DiplACVP	Veterinary Anatomic Pathology
Dr Tamas Ambrisko	DVM Szent Istvan 1995, PhD	Veterinary Anaesthesia
Dr Dawn Seddon	BVSc Pretoria 1991, MSc, Dipl ACVP	Veterinary Pathology (Clinical Pathology)
Dr Michael Reichel	Berlin 1984, MVSc, Dr MedVet, DVPH, DTVM, FACVSc, MRCVS, PhD, DiplECVPH, MBA	Veterinary Public Health

Registration Statistics

Number of veterinarians with practising status (June figures)

	2001	2002	2003	2004	2005	2006	2007	2008
Practising	1753	1833	1940	2047	2122	2171	2275	2312
Non-practising	330	370	401	369	347	320	310	258
Total	2083	2203	2341	2416	2469	2491	2585	2570

New registrations in 2008 (by country)

Great Britain	38	Canada	3
New Zealand (Massey)	71	India	2
Australia	18	Mexico	1
United States of America	21	Denmark	1
The Netherlands	7	Romania	1
Ireland	4	Zimbabwe	1
South Africa	9	Total	177

New registrations (by year)

	2002	2003	2004	2005	2006	2007	2008
Massey	80	77	43	70	36 ¹	77	71
Other	110	111	96	123	112	116	106
Total	190	188	139	193	148	193	177

¹ A number of Massey University students whose last year was 2006 graduated in 2007 and gained full registration at that point.

Professional Standards

The role of the Professional Standards Committee is:

- to advise the Council on matters of policy, changes in legislation or codes of practice, or other matters relating to professional standards.
- to review and make recommendations on changes to the Code of Professional Conduct.

Committee members in 2008 were:

Julie Wagner (Chairperson)

Ron Gibson

Mark Robson (NZVA)

Penny Mudford (layperson)

Tony Zohrab NZFSA

Peter Jerram

Review of the Code of Professional Conduct

As outlined in the Chairperson's report and heralded in the 2007 Annual Report, the Council began a significant review of the Code of Professional Conduct in 2008. The Code was originally developed by the NZVA in the 1950s. Under the 1994 Veterinarians Act the Code was needed to define all aspects of a veterinarian's performance. The 2005 Act provided for competency matters to be dealt with by Council in a separate way from discipline matters. This separate competence pathway is now in place. The revised Code therefore needs to focus on overarching ethical conduct requirements.

The revised Code will be shorter and provide increased clarity on required ethical conduct. Additional 'explanatory guidelines' will offer more detailed explanations of how veterinarians can meet ethical standards.

Workshops to explain and seek comment on the draft veterinary medicines section of the revised code are taking place in March/April 2009. Further workshops to be held towards the end of 2009 will consider the other six sections of the code – professional relationships, client relationships, legislative requirements, confidence in the profession, animal welfare and veterinary services.

A working group convened by Nick Twyford, Chairperson of the Complaints Assessment Committee, is undertaking the review. Two members of the Professional Standards Committee of the Council sit on the working group (Julie Wagner and Penny Mudford), as do representatives of the New Zealand Food Safety Authority (Tony Zohrab, Neil Kennington and Chris Boland) and of the New Zealand Veterinary Association (Stuart Hutchings and Gavin Sinclair). The group met regularly during the year and worked closely to its brief which was to clearly define the overarching ethical principles, identify sources of additional information that would be required, and take into account the feedback received from the profession in 2007 relating to after hours and emergency care.

Much of the group's initial focus was on the veterinary medicines section of the code which needed to align with imminent changes to the classification system for veterinary medicines being implemented by the New Zealand Food Safety Authority.

By the end of 2008 the Committee had completed drafts of eight overarching principles, the veterinary medicines section with explanatory notes, and had produced advanced drafts of sections on client relationships and legislative responsibilities.

Two of the NZFSA representatives will retire from the working party as the veterinary medicines section is near finalisation. During 2009 the working party membership will be augmented with other veterinarians with particular expertise or identified views on issues to be considered.

Continuing Professional Development

A major decision of the Council in 2008 was to endorse the New Zealand Veterinary Association's call for compulsory continuing professional development.

It is anticipated that from 2010 continuing professional development (CPD) will be a requirement for the issue of a practising certificate.

Currently the Council requires veterinarians to report on their CPD activities, even if this is a nil return. Engaging in CPD is not compulsory but failing to keep up to date is taken into account when concerns about an individual's conduct or competence arise.

CPD requirements for the issue of an annual practising certificate are the norm for most professions in New Zealand and for veterinarians in some Australian states.

Requirements for mandatory CPD need to be realistic and relevant and to be worked through carefully with the profession. As such the Council is establishing a working party with NZVA, VetLearn and Government veterinary participation, to develop recommendations on a future CPD framework. This will include what the mandatory requirements should be and proposed guidance on identifying, planning and recording CPD, the length of the CPD cycle, the approval of structured CPD and CPD providers, verification and compliance monitoring and how non compliance will be handled.

For the majority of vets compulsory CPD will not require any more activity that is already being undertaken. There is a minority however for whom CPD is a relatively new activity and it is perhaps this group that is at greatest risk of failing to maintain essential competencies.

The working group's recommendations will be circulated to the profession and other stakeholders and Council will consider the feedback before finalising the future CPD framework.

Health

The role of the Health Committee is to:

- manage the Council's relationship with health impaired veterinarians
- make recommendations to the Council on health impaired veterinarians in circumstances where Council's statutory powers under the Act may need to be invoked
- oversee the development of health policy and procedure.

Health Committee members in 2008 were:

Julie Wagner: Council member and Chairperson

Ron Gibson: Council Chairperson

Tom Flewett: Medical Advisor

The Council has authorised the Council's Health Committee to manage cases of health impaired practitioners. The Committee uses an assessment and rehabilitation process based on the tested methods of other health regulatory bodies, which is designed to separate health issues from those of discipline or competence. The committee aims to be non-judgmental, rehabilitative and confidential, except in extreme cases where the veterinarian refuses to co-operate and suspension or conditions on practise are necessary to protect the public.

If a medical assessment confirms concerns about a veterinarian's fitness to practise the usual outcome is a negotiated agreement with the veterinarian, underpinned by acknowledgement that a breach may result in statutory conditions being imposed on the veterinarian's practice.

During the year the Health Committee received 15 new referrals. Of these:

- One veterinarian is undertaking a limited range of veterinary work under supervision and with regular reporting requirements
- One veterinarian whose medical condition had serious adverse implications for the safety of his clinical practice had his practising certificate cancelled
- Nine veterinarian are working under voluntary agreements with the requirement for their health practitioner to report in circumstances where their fitness to practise cannot be assured and/or regular medical review and reporting
- Four cases were closed

The Health Committee also continued to monitor five cases from previous years.

Competence

This report covers decisions and actions relating to both competence and supervision on matters of recency of practice

Competence Assessment

During the year the Council decided to disband the Competency Review Committee as this committee had been established to develop competency review policies, procedures and assessment tools - tasks that had been completed.

Council members Jim Edwards and Barbara Benson have been charged with portfolio responsibility for this area in association with the Registrar.

Competence Assessment

During 2008 the Council approved two recommendations from the Complaints Assessment Committee for a veterinarian to undergo a competence assessment under s43 (1) (b) of the Veterinarians Act 2005.

In the first case, a competency assessment was undertaken and the Competency Assessment Team recommended that the veterinarian's practice met the minimum standard of competence reasonably to be expected of a veterinarian practising in his or her area of practice and that no further action needed to be taken. The Council agreed.

In the second case the process of assessment began in 2008 when the Council agreed to the terms of reference for the assessment, which took place in 2009.

The Council maintains a panel of veterinarians who are available for appointment to a Competency Assessment Team

Supervision relating to Recency of Practice

The number of supervisory situations is increasing as a result of the Council's decisions around non-recent practice and re-entry supervision requirements.

During the year three veterinarians re-entering the profession were required to work under supervision whilst retraining or completing other requirements (such as sitting and passing a relevant part of the National Veterinary Examination).

Standards and policy documentation

During the year the Council approved draft competency standards and performance indicators based on the Massey graduating competencies. These standards were developed to set out the competencies expected for registration as a veterinarian in New Zealand and to provide criteria against which an individual veterinarian's performance may be measured.

In addition the Council developed its policy on competence and competence assessment and developed two handbooks for competency assessors.

The Council has also developed standard template supervision protocols and reporting templates.

The Council thanks the veterinarians who contribute their time and skills to competence assessment activities and to assisting colleagues to re-enter the workforce in a supported and supervised way.

Complaints

The role of the Complaints Assessment Committee is to:

- investigate complaints against veterinarians and determine whether it should take any further action including whether it should lay charges of professional misconduct against a veterinarian, or recommend to Council that a competency review of the veterinarian's practice should be undertaken
- where appropriate, attempt mediation or conciliation to resolve the disputes between complainant and veterinarian.

Complaints are normally investigated by a standing Complaints Assessment Committee comprised of two veterinarians and a layperson. The Committee that undertook the bulk of assessments in 2008 comprised:

Nick Twyford: Veterinarian and Chairperson

Mary Mountier: Lay member

Grahame Joyce: Veterinarian

When one or more standing committee members declares a conflict of interest or is not available the Council will form a new committee to consider the complaint from a panel of veterinarians and lay persons available to serve on CACs. In 2008 five different CACs were active. The Council thanks the veterinarians and laypersons who served on committees.

Complaints during 2008

Fifty-four complaints were received for 2008. Of the 54, 15 (28%) did not reach the threshold to investigate, 2 were withdrawn by the complainant and 13 are still being investigated.

The average time to reach a decision in the completed 2008 complaints was 117 days, with the shortest being 52 days and the longest being 274 days. There is still one 2007 complaint which is in the process of being finalised, and three 2006 complaints still being investigated.

Of the 2008 complaints 57% were small animal related, 6% related to farm services, 9% equine and 26% not animal related. Three of the complaints received were matters referred under s39 of the Act to the CAC from Council on the basis of information received.

At the time of writing, none of the completed 2008 complaints have resulted in charges being laid against a veterinarian and none of the vets involved have been referred for competence assessment.

As a result of information received in complaints two veterinarians were referred to the Council's Health Committee. The parties to one complaint were referred for mediation.

In 2 of the 2008 complaints the issues were considered serious or complicated enough that the CAC needed to interview the parties.

In addition to complaint investigations, the Chair presented on VCNZ complaints processes to final year students at Prelude to Practice, participated in the Massey VLE Veterinary Leadership Experience weekend (for first year veterinary students), and was a panel presenter at the New Zealand Veterinary Association plenary session on clinical risk management. In April CAC members met with Veterinary Professional Insurance Society (VPIS) representatives to discuss common concerns and issues.

2008 has been a time for review, with the complaint processes of the committee under the spotlight in order to fine tune and improve. Changes resulting from review are aimed at contributing to shorter investigation times and making it easier for veterinarians to respond to more complex complaints.

2008 has been an interesting but relatively quiet year from a complaint perspective with no serious outcomes. Reassuringly there does not appear to be an increasing number of complaints being received when this is measured over the last 15 years and matched to the increasing number of registered vets.

Complaints Summary 2004-2008

	2008	2007	2006	2005	2004
Number of Complaints	54	54	45	55	49
Complaint Category					
Inappropriate Behaviour	4	5	5	0	16
Unsatisfactory Treatment	20	29	28	27	16
Unprofessional/Unethical Behaviour (incl PARs)	29	18	13	27	16
Fees Charged	1	2	1	1	1
	54	54	48*	55	49
Species/Type					
Cat	14	12	9	18	9
Dog	17	23	17	17	17
Horse	4	3	3	3	4
Other	5	2	1	0	1
Prescription Animal Remedy Issue	2	5	3	2	2
Behaviour	12	9	9	15	16
	54	54	45	55	49
Complaint Outcome					
No professional misconduct	20	10	19	25	22
No professional misconduct, advice given	7	10	8	12	11
Diversion (no longer applicable)	0	0	0	0	1
Charges laid	0	0	1	2	4
Did not reach criteria/withdrawn	15	22	9	18	12
	42	42	37	57	50
Uncompleted at reporting time	9	8	8	-	-
Mediation attempted	1	1	2	0	2
Referral for health assessment	2	3	n/a	n/a	n/a
Times to completion of investigation					
1-3 months	27	37	24	33	34
4-6 months	13	5	7	16	13
7+ months	14	12	14	6	2
	54	54	45	55	49
Complaint/investigation originated by					
Client	32	35	30	37	30
Another veterinarian	12	6	5	7	11
Referral from Council	3	5	9	n/a	n/a
Other	7	8	n/a	n/a	n/a

* Note: Variations in the figures under 'complaint category' and 'complaint outcome' can arise because some complaints have more than one issue, or have been lodged against two or more veterinarians.

Judicial

Judicial Committee members during 2008 were:

John Morrison (Barrister)	Penny Mudford
John Hellström	Stephen Skipper
Seton Butler	

Judicial Hearing

A judicial hearing was held in Auckland in November 2008 arising from an earlier complaint. The Judicial Committee of the Veterinary Council has issued its decision on the charges brought by the Complaints Assessment Committee against the veterinarian. An appeal against the decision has been lodged in the District Court.

Judicial Penalty

During 2008 the Council also maintained oversight of a veterinarian's progress in meeting Judicial Committee requirements from a previous hearing. This included consideration of supervision reports and ensuring payment of costs and fines.

Judicial Review

In November the Council and the Complaints Assessment Committee defended allegations in Judicial Review proceedings in the High Court. The hearing was not completed and resumed again in March. The outcome is not yet known.

Information Leaflet

The Council produced an information leaflet explaining the judicial process and how hearings are run.

Finance and Administration

The role of the Finance and Administration Committee is to:

- ensure high standards of financial management and stewardship
- overview the external audit
- provide financial advice and support to Council

Finance and Administration Committee members during 2008 were:

Jim Edwards: Chairperson

Dr John O'Flaherty

Dr Ron Gibson

Financial statements

The Council budgeted for a modest deficit in the 2008 year. Some unforeseeable expenditure (legal costs, change of premises) raised the deficit a little above budget, but overall the expenditure tracked reasonably close to that of the previous year and to budget. Savings were made in other areas, such as the Council's decision not to produce the handbook, which would otherwise have cost \$20,000.

Retired veterinarians.

In September, at the request of the NZVA retired veterinarians special interest branch, the Council agreed to allow permanently retired veterinarians to remain on the non-practising register at no charge.

Staffing

The Council approved the establishment of an additional full time position from 1 January 2009. This was created to assist in managing the increased workload associated with the new provisions on competency and recency of practice.

Establishment of VCNZ members only website

A VCNZ members' website has been developed. This will be used by the Council and committee members to access minutes, agenda, financial information and other relevant information.

Investment policy

One of the recommendations of the Council's risk assessment session in November 2007 was the need for greater clarity for the investment policy. During the year the Council adopted a revised investment policy.

Annual Practising Certificate (APC) fees

In November the Council agreed to retain the APC fee for the 2009/10 practising year at its' previous level of \$275 rebated to \$250 for early payment. Significant additional expenditure is planned in 2009 to advance strategic plan initiatives and to take account of increased property rental and salary costs. Council has therefore prepared a deficit budget for the 2009 year intended to reduce reserves by \$200,000.

An adequate reserve level is required to provide a buffer against unforeseen events such as court action or increased numbers of disciplinary cases.

The Council remains committed to ensuring that it operates in a cost effective manner while ensuring an appropriate balance between its requirement to protect the public interest and affordability for veterinarians.

However serious consideration will be given to increasing the APC fee in 2010 to ensure adequate reserves.

Statement of Financial Performance

for the year ended 31 December 2008

This statement should be read in conjunction with the notes to the financial statements

	2008	2007
INCOME		
Practising Fees	570,798	584,095
Application Fees	44,902	42,900
Letters of Good Standing	2,204	2,063
Examination Fees	63,111	21,556
Interest	87,243	78,960
Judicial	-	284
Complaints Assessment Committee	-686	13,604
Miscellaneous Income	1,040	3,271
TOTAL INCOME	768,612	746,733
EXPENSES		
Employment Expenses		
Salaries	258,976	224,288
ACC Levies	1,124	1,058
Sundry Personnel Costs	3,448	-
Payroll Costs	1,595	1,419
	265,143	226,765
Operating Expenses		
Accounting Fees	4,405	4,510
Audit Fees	4,595	4,213
Bank Fees	858	942
BNZ Merchant Fees	4,306	4,518
Westpac Merchant Fees	2,447	2,220
Cleaning	1,943	1,860
Computer Support	10,598	14,555
Depreciation	8,757	13,627
Equipment Rental	417	408
Insurance	1,355	1,283
Repairs and Maintenance	1,032	1,173
Memberships	1,302	1,037
Miscellaneous Costs	3,514	4,518
Photocopying	1,656	1,629
Postage	5,860	5,684
Property Rental	36,426	36,304
Publications	3,087	4,200
Stationery	6,872	6,343

Statement of Financial Performance

for the year ended 31 December 2008

This statement should be read in conjunction with the notes to the financial statements

	2008	2007
Telephone, Tolls & Internet	6,013	4,924
Website	2,940	1,049
Training	807	1,352
Loss on sale – Fixed Assets	9,369	-
Utilities	3,874	3,557
	122,433	119,906
Total Operating Expenses	387,576	346,671
NZ Veterinary Exams		
Preliminary Exams	6,713	5,518
Final Oral/Clinical Exams	45,949	23,891
	52,662	29,409
AVBC Inc	65,711	64,892
	65,711	64,892
Council		
Honoraria	30,007	21,960
Travel	11,561	10,754
Accommodation & Meals	5,564	4,970
Telephone & tolls	404	301
Consultancy	2,774	1,666
Administration	-	247
Discretionary spending	560	1,516
Legal Costs	23,883	21,761
Judicial Review	17,804	
	92,557	63,175
Health Committee		
Honoraria	920	810
Travel	-	324
Telephone & tolls	22	332
Administration	-	217
Legal Costs	300	2,025
Consultancy	2,571	6,041
	3,813	9,749
Complaints Assessment Committee		
Honoraria	33,815	30,999
Travel	9,206	8,079
Accommodation & Meals	918	1,861
Telephone & tolls	2,901	2,373
Administration	841	462
Legal Costs	16,964	34,665
Consultancy (Mediation)	3,631	8,094
	68,276	86,533

Statement of Financial Performance

for the year ended 31 December 2008

This Statement should be read in conjunction with the notes to the Financial Statements

	2008	2007
Judicial Proceedings		
Honoraria	6,623	9,067
Travel	3,767	2,761
Accommodation & Meals	2,313	1,767
Telephone & tolls	17,727	4,038
Administration	12	38
Legal Costs	5,372	2,313
Consultancy	3,339	2,720
	39,153	22,704
Registration Committee		
Honoraria	1,878	2,751
Travel	222	392
Accommodation & Meals	307	188
Telephone & tolls	192	-
Administration	-	373
ACRVS fees (Spec Assess)	2,407	11,424
Administration (Specialists)	250	-
	5,256	15,128
Competence Review Committee		
Honoraria	4,556	1,712
Travel	1,517	1,129
Accommodation & Meals	719	-
Administration	160	-
Telephone & tolls	116	-
	7,068	2,841
Professional Standards Committee		
Honoraria	2,417	2,819
Travel	2,348	2,306
Accommodation & Meals	48	31
Telephone & tolls	237	301
	5,050	5,457
Communications		
Annual Report	1,640	-
Newsbrief	14,029	19,240
Prelude to Practice	1,156	819
Press Releases	587	-
Miscellaneous	1,461	3,330
	18,873	23,389
Council Planning & Training		
Honoraria	2,493	-
Accommodation & Meals	361	-
Consultancy	4,628	-
	7,482	-

Statement of Financial Performance

for the year ended 31 December 2008

This Statement should be read in conjunction with the notes to the Financial Statements

Elections	2008	2007
Stationery	-	314
Printing	-	1,116
Postage	-	422
Returning Officer	-	867
		2,719
Annual Practising Certificate (APC)		
Postage	537	388
Printing Cards	6,512	6,127
APC Documentation	5,699	6,071
Payment Processing	775	750
APC Temporary Staff	2,264	2,405
	15,787	15,741
Annual Register		
Annual register – Postage	-	3,748
Annual register – Production	-	16,936
	-	20,684
Code of Professional Conduct Review	19,922	-
Secretariat/Stakeholder Liaison		
Miscellaneous	1,155	2,951
	1,155	2,951
TOTAL EXPENDITURE	790,340	712,043
NET OPERATING (DEFICIT)/SURPLUS	-21,728	34,690

Statement of Movements in Equity

For the year ended 31 December 2008

This Statement should be read in conjunction with the notes to the Financial Statements

	2008	2007
Net (Deficit)/Surplus for the year	-21,728	34,690
Total Recognised Revenues And Expenses for the Period	-21,728	34,690
Equity at the Start of the Year	825,731	791,041
EQUITY AT THE END OF THE YEAR	804,003	825,731

Statement of Financial Position

As at 31 December 2008

This Statement should be read in conjunction with the notes to the Financial Statements

	NOTE	2007
EQUITY		825,731
	804,003	
Represented By:		
CURRENT ASSETS		
Bank		112,957
Receivables & Prepayments		35,678
Less: Provision for Credit notes	2	(16,804)
Deposits – On call and term	3	894,811
Interest Receivable		19,342
GST Receivable		6,811
	1,006,347	1,052,795
Less CURRENT LIABILITIES		
Accounts Payable & Accruals		127,626
Fees Received in Advance		144,077
	338,495	271,703
WORKING CAPITAL SURPLUS		781,092
	667,852	
NON CURRENT ASSETS		
Property, Plant & Equipment	4	44,639
	136,151	44,639
NET ASSETS		825,731
	804,003	

Notes to the Financial Statements

For the year ended 31 December 2008

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

The Veterinary Council of New Zealand is governed by the Veterinarians Act 2005.

The Council prepares financial statements in accordance with its reporting requirements and New Zealand Generally Accepted Accounting Practice (NZGAAP). They comply with Financial reporting Standards (FRS). New Zealand equivalents to International Financial Reporting Standards (NZIFRS) have not been adopted.

Disclosure Exemptions Under Differential reporting

The Council is a qualifying entity within the New Zealand Institute of Chartered Accountants differential reporting framework.

The Council qualified under the public accountability and size criteria.

The Council has taken advantage of all exemptions available to it.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of income and expenditure on an historical cost basis have been adopted, insofar as they apply to the Council.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the financial performance and financial position have been adopted.

Annual Practising Fee

The Annual Practising Fee is charged for the period from 1 April to 31 March. Because these financial statements are for the period 1 January to 31 December, Annual Practising Fee income is recognised on an accrual basis.

The \$146,653 shown on page 30 represents three months fee income in advance that will be recognised in the months January to March 2009.

Goods and Services Tax

The financial statements have been prepared on a GST exclusive basis, except for accounts receivable and accounts payable.

Valuation of Property, Plant and Equipment

Property, Plant & Equipment have been valued at cost less accumulated depreciation to date.

Accounts Receivable are stated at net realisable value after due allowance for uncollectable debts.

Notes to the Financial Statements

For the year ended 31 December 2008

Depreciation

Rates of depreciation applied to the property, plant & equipment in the financial statements are:

Office Equipment	9.0 – 80.4% DV
Office Furniture & Fittings	11.4-39.6% DV
Reference Library	26% DV

Taxation

The Council is exempt from paying income tax under sCW50(2) of the Income Tax Act 2007.

Changes in Accounting Policy

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those used in previous years.

2. PROVISION FOR CREDIT NOTES

This represents a provision for 2008 Annual Practising Certificate fees billed to veterinarians who are no longer practising in New Zealand. As a consequence the amounts billed are not legally due and are expected to be credited prior to the billing of the 2009 Annual Practising Certificate fees.

3 DEPOSITS - ON CALL AND TERM

	2008	2007
Current portion		
ASB Term Deposits (Fixed Term)	343,233	647,103
BNZ Term Deposits (Fixed Term)	205,277	217,521
Nat Term Deposits (Fixed Term)	312,050	
McQuarrie Investment On Call (Floating)	32,383	30,187
Total Deposits	892,943	894,811

4 PROPERTY, PLANT & EQUIPMENT & DEPRECIATION SCHEDULE

2008

Original Cost	Additions/ Sales (Net)	Deprn	Accum Deprn	Book Value
63,737	(4,380)	6,316	48,760	10,597
52,271	93,086	2,435	19,821	125,536
673	-	6	655	18
116,681	88,706	8,757	69,236	136,151

Notes to the Financial Statements
For the year ended 31 December 2008

2007

	Original Cost	Additions/ Sales (Net)	Deprn	Accum Deprn	Book Value
Office Equipment	59,000	4,736	8,899	46,604	17,132
Furniture & Fittings	47,338	4,933	4,648	24,788	27,483
Reference Library	673	-	8	649	24
	107,011	9,669	13,555	72,041	44,639

5 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

	2008	2007
Capital expenditure commitments contracted for at balance date are:		Nil
Fitout	12,061	

6 RELATED PARTIES

Members of Council who are registered veterinarians deal with the Council as part of their ordinary course of business as veterinarians.

7 OPERATING LEASE COMMITMENTS

Non-cancellable operating lease rentals are payable as follows:

	2008	2007
Current	52,124	36,426
Non-current	555,988	3,036
	608,112	39,462

The Council entered into a lease for new premises in December 2008. The term of this lease is nine years from the commencement date of 22 December 2008. The current and term lease commitments over the lease term amount to \$608,112 as detailed above.



Auditors' Report

To the readers of the 2008 financial statements of the Veterinary Council of New Zealand.

We have audited the financial statements on pages 26 to 33. The financial statements provide information about the past financial performance of the Veterinary Council of New Zealand and its financial position as at 31 December 2008. This information is stated in accordance with the accounting policies set out on pages 31 - 32.

The Council's Responsibilities

The Council is responsible for the preparation of financial statements which fairly reflect the financial position of the Veterinary Council of New Zealand as at 31 December 2008 and the results of its operations for the year ended on that date.

Auditors' Responsibilities

It is our responsibility to express an independent opinion on the financial statements presented by the Council and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgement made by the Council in the preparation of the financial statements, and
- whether the accounting policies are appropriate to the Veterinary Council of New Zealand's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards issued by the New Zealand Institute of Chartered Accountants. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditor we have no relationship with, or interests in, the Veterinary Council of New Zealand.

Unqualified Audit Opinion

We have obtained all the information and explanations we have required.

In our opinion the financial statements on pages 26 - 33 comply with generally accepted accounting practice in New Zealand; and fairly reflect the financial position of the Veterinary Council of New Zealand as at 31 December 2008 and the results of its operations for the year ended on that date.

Our audit was completed on 2 March 2008 and our unqualified opinion is expressed as at that date.

BDO SPICERS WELLINGTON

Chartered Accountants

Wellington