

# NZ Lacrosse Merger

## Feedback Received During Consultation and Final Draft Constitution

The purpose of this document is to summarise the feedback received during the consultation on the merger of NZWLA and NZLA, the commentary and considerations to this feedback and the final draft constitution.

## Why the Merger?

The NZL merger working group (Working Group) is made up of Executive members of the NZWLA (NZ Women's Lacrosse Association) and NZLA (NZ Lacrosse Association) and exists to act on behalf of the NZ Lacrosse community to draft and carry out the merger of the NZ Men's and Women's Bodies.

The requirement to merge has been something that has been discussed as a desire across the NZ Lacrosse community for around 5 years. When we look at other sporting bodies within New Zealand, as well as across other World Lacrosse Members, we are amongst a minority where we do not have a single governing body at National level. The NZALU is the formal governing body but in reality this is in name only.

One additional imperative is that World Lacrosse is working towards their stated aim of inclusion as an Olympic sport lacrosse at the 2028 Olympics in Los Angeles. We would need to work alongside organisations like Sport New Zealand and the New Zealand Olympic Committee which we would join but this requires a single governing body to do this.

It is also widely acknowledged and discussed across the NZ Lacrosse community that a merger will see NZ Lacrosse develop into a more mature and professional sporting organisation to support the continued growth and development of all aspects of NZ Lacrosse at all levels.

## Process To Date

The Working Group started working on the merger around mid 2019. This included reviewing constitutions for other NZ sporting organisations and other World Lacrosse members. The group also engaged with Sport NZ who provided a template for constitution and put the working group in touch with an independent lawyer from DLA Piper with a sports governance background.

In November 2019, the Working Group released a high level infographic summarizing the key aspects of the draft constitution and provided an update on timings.

From 1 March 2020, the draft constitution and proposed timeline has been made available for Regional Bodies and their members to review and provide feedback for consideration.

On 15 April 2020 and 22 April 2020, the Working Group held meetings by Zoom for the community to hear more about the merger and to receive feedback.

The consultation timeline has been extended in two instances based on requests and feedback and has been open from 1 March to 17 May 2020.

## Next Steps

The Working Group proposes the following timetable going forward:

Date	Action	Description
25 May 2020	NZL Merger Working Group Update	This document is published providing an overview of key feedback and any adjustments to the proposal based on consideration to this feedback.
25 May - 3 June 2020	Publish amended constitution  Regional Bodies to commence final consultation on the amended constitution based on stakeholder feedback	Regional Bodies to: 1) Consult with their members for a final time on the amended constitution based on stakeholder feedback, and 2) To submit all feedback on behalf of their region.  (This is for Regional Body feedback only, individual feedback must be submitted to the Regional Body to include in their final submission).
10 June 2020	Final constitution published	The final constitution will be published, following consideration of final feedback received from Regional Bodies. This will be made available to all NZLA members (and stakeholders) in preparation for voting at the NZLA AGM.
17 June 2020	NZLA AGM	NZLA members will vote on approving the final NZL constitution and carry out the necessary steps to adopt the new NZL structure.
June - September 2020*	Interim appointments, meetings and applications	1) Interim NZL Board appointed 2) Regional Bodies submit applications to the interim NZL Board to become members of the NZL

		3) NZALU and NZWLA to hold AGM/SGMs to dissolve these associations
September 2020 onwards*	NZL Board appointed	The inaugural NZL Board will be appointed/elected in line with the constitution and commence planning and requirements in establishing the operational framework and strategic direction.

\*These Tentative dates may be adjusted and communicated with members as they are finalised

## Feedback Received

The Working Group recognised two key themes from the feedback about the constitution during the consultation period. In addition to this, **attached** to this document are the full questions received during consultation and the working group's answers to these.

All feedback received was discussed with our independent lawyer and the final draft constitution has been created based on considerations to the feedback by the Merger Working Group and the lawyer.

### 1) Number of Board Members and Voting

Feedback received was that the proposed even number of board members could present challenges where there was a hung vote. The proposed constitution did not give a role (for example the Board Chair) the overriding vote in these situations, and all decisions/resolutions would need to be passed by majority vote.

The rationale behind this was to ensure that the power would not sit with just one person and encouraged decisions to be reached by consensus. If there were a tie vote we would expect further discussion between the Board members would be required to reach a decision and outcome which does result in a majority vote.

Based on feedback and discussions, three options were considered:

- 1) Maintain the proposed approach of requiring a majority vote;
- 2) Provide provisions for a role to hold the overriding vote; and
- 3) Adjust the number of board members to be odd in order to avoid getting into a tie vote situation

*Based on feedback and consultation with our lawyer, we selected option 3 and amended the constitution to have an odd number of board members.*

### 2) Voting Entitlements at General Meetings

The proposed voting entitlement received commentary and feedback in a couple of different aspects.

#### Delegate Appointed Voting

Stakeholders queried why the votes in the proposed constitution were appointed to each delegate of the Regional Body rather than to the Region as a whole.

We did not receive strong feedback for or against the proposed approach to this. More so we received questions and discussion as to why we had reached the proposed view of using a delegate voting system.

This was suggested by our lawyer to ensure that proper representation from all Regional Bodies are present at General Meetings and voting on their regions' behalf. He advised that this is one of the best ways to ensure transparency and fairness in decision making. Regional Bodies would need to have both delegates present at the General meeting (in person or via video conference) so their full number of votes can be exercised.

*Based on feedback and consultation with our lawyer, we have decided to keep the delegates voting system in the final draft constitution.*

#### Calculation for Voting Entitlements

We received feedback that the proposed calculation did not adequately provide for future growth and expansion.

*We have amended the calculation in the final draft constitution to allow for infinite numbers of registered players and therefore voting entitlements.*

#### Number of votes per region

A question was submitted on why every Regional Body would not get the same number of votes rather than allocating votes based on member size. This is answered in the FAQ section of this document, alongside the definition of a registered player.

#### **Other feedback of note included:**

- Questions on what processes and policies the first NZL Board would put in place
  - We have noted suggestions and will pass them onto the new Board once they are appointed for consideration
- Feedback on the engagement process for the merger - whether it was sufficient and requests for more time
  - We have addressed individual concerns and written to our Regional Bodies to clarify
  - The consultation timeline was extended following these requests

- Questions and feedback as to the support for regions as a result of anything required from the NZL Merger
  - NZL have negotiated and agreed a package with the independent lawyer, which NZWLA and NZLA have committed to contributing a third of the cost for this. This is made available to each region who wishes to make use of this for the purposes of any amendments to their constitutions, governance structures and/or merger as a result of this NZL Merger.
  - Specifically in relation to the Auckland Men and Women's bodies, guidance has been provided as to the support and expected process to follow to merge.

## Amended Constitution

A redline copy of the second draft (amended) Constitution has been published on the NZ Lacrosse website for review.

The following are the key amendments which have been made based on feedback:

- 1) Clause 1.50 - voting entitlement;
- 2) Clause 1.61 - changes to membership of the Board from an even number to odd.

## Final Consultation

The amended constitution is now open for final consultation from today until 3 June 2020. The NZL Merger Working Group are looking to the Regional Bodies to provide any final feedback, comments and questions on behalf of their members. All individual feedback must be submitted to your Regional Body to put forward on behalf of the full region.

It is important that all members are engaging with this final consultation and asking any questions in a timely manner in order for the working group to provide answers back in time for the regions to submit all final feedback by 3 June.

## Frequently Asked Questions During Consultation

**Once all bills have been paid by the current associations (NZALU, NZLA and NZWLA) through their processes of dissolving/merging, what will happen to the remaining money currently sitting in each association? Will it still remain allocated to the mens and womens sides proportionally to what is in there now? Or is there a different plan for the funds and if so what are they likely to be?**

*Yes, the money would initially be allocated to the men and women's sides proportionally. However over time we expect the money would be allocated out based on the strategic plan and budget set by the board.*

*The operational day to day running of the two sides would most likely initially remain separate but will start to move to becoming unified as more structures are in place, this would then flow through to the allocation of funds. There is money sitting in the Men and Womens sides now which are already allocated to items, for example NZBLAX 2021 World Championship campaign. This would remain as is.*

*Currently, there is already some money which is already shared via the NZALU for insurance, websites, accounts (Xero) and subscriptions (WL and APLU).*

**In terms of the requirement for NRLA and ALA to merge into one single Auckland Regional Body, what is the timing of the dispensation the NZL Board would allow for this to occur and what is the contingency if the two current associations can't reach an agreement?**

*This is not something which is set out in the proposed constitution as it would be something we expect the NZL Board to define as part of the day to day operation. However, we expect that the NZL Board would discuss with the NRLA and ALA, as well as advice from the external lawyer, and decide on a fair and reasonable timeframe for this to occur.*

*Dispensation would be given to the two associations to remain members of the NZL for this timeframe to allow for the merger to occur.*

*If at the end of the agreed timeframe, a merger has not been fully implemented, pending discussions and final decisions by the NZL Board, we would expect that the NRLA and ALA therefore do not meet the requirements of NZL Regional Body membership and as such would no longer be a recognised member of the NZL.*

*This is obviously not something that we would expect to occur and would like to provide certainty and assurance that NZL are committed to the support for Auckland to become a merged Regional Body. This includes the support outlined in a question set out further down in this FAQ section.*

**What would the application for membership from the Regional Bodies require?**

*This would be a process and formality defined by the NZL Board. We expect that this would include a request for key information and agreement to the terms of the final confirmed constitution and all policies and procedures set out by the NZL Board.*

**What happens if there is a tie break in the election of Board Members?**

*If voting by the Regional Bodies at a General Meeting does not reach a majority for the election of a Board Member, the proposed constitution does not allow for a tie breaker vote by say the Chairperson.*

*If following a revote at that General Meeting a tie still remains, the role would remain vacant. We would then expect that a Special General meeting would be scheduled for a time in the future.*

*Please see the Q&A below for tie break at board meetings.*

**Would registered players include those who play in the school league, but who are technically not seen as registered with the Regional Body? For instance, school league players in Auckland are registered with College Sport rather than ALA.**

*Yes – it would include these players also.*

**What is the reason for allocating voting rights at General Meetings per delegate rather than per Regional Body?**

*This was suggested by our lawyer to ensure that the proper representation from all Regional Bodies are present at these General Meetings and voting on their regions' behalf. This is seen as the best way to ensure transparency and fairness in decision making. Regional Bodies would need to have both delegates present at the General meeting (in person or via video conference) so their full number of votes can be exercised.*

**Looking at the proposed timeline, it doesn't appear that NZWLA members vote for the new constitution. Is this the case?**

*NZL has shared information with its members on what the merger was expected to look like since November 2019, and have been carrying out a consultation with all its members since 1 March 2020.*

*All feedback and commentary will be considered and adjusted accordingly. This means that all NZWLA members will have received a fair and reasonable period to provide commentary and feedback towards the confirmation and passing of a new NZL constitution.*

*The proposed approach is for the new constitution, in whatever form is confirmed following review of feedback, to be voted in at the NZLA AGM in May. Arguably, all Regional Bodies are represented at this NZLA except for the women's side of Auckland. This again points to the reason why there is an expectation for Auckland to merge to a single body. The NZLA will vote to become NZL as the merged and single national governing body, and accept the new constitution.*

*From a legal and formal standpoint, the process is for NZLA to move to become NZL and therefore seek to be recognised by World Lacrosse and Sport NZ as the single national governing body for NZ Lacrosse. NZWLA and NZALU would vote to dissolve and its members, already being involved in the NZLA AGM would follow the newly defined process to become a member of the NZL.*

### **Can there be consideration to an extension of the consultation timeframe?**

*Since the consultation opened on 1 March, it has always been communicated that the timeline is a proposed timeline and all members of the NZL community were asked to provide feedback and commentary towards all details of the proposed merger, including the timeline.*

*To receive feedback on the timeline less than 1 week out from the closure of a 1 ½ month consultation period is less than ideal but something that has been considered.*

*Due to a relaxing of requirements from the Government on requirements from Incorporated Societies as a result of impacts from COVID-19, the NZLA AGM is able to be postponed. This has allowed us to consider a further extension to the consultation timeline. The [timeline has been updated](#) with an additional extension.*

### **Who is being consulted with for this proposed merger?**

*NZ Lacrosse has been consulting with all members of the NZ Lacrosse community. The NZWLA and NZLA are the national Bodies for the sport. NZWLA and NZLA's members are the individual Regional Bodies.*

*It is therefore the expectation, as with any communications shared from the NZ Bodies, that these Regional Bodies are taking the ownership to engage and communicate with their members (being registered players, staff, supporters).*

*These Regional Bodies would then be expected to direct a summary of commentary and feedback from their members to the NZL Merger Working Group.*



*In good faith, NZL have been actively communicating with all the NZL community as much as possible, in addition to this communication by Regional Bodies.*

*This has included information, infographics, detailed information, information sessions and the draft constitution since November 2019. All members are invited to share feedback either to their Regional Bodies or directly to the NZWLA and NZLA Presidents. This allows for all feedback to be received – more feedback and commentary is better than nothing.*

**This new constitution would require more involvement from Sport NZ/other organisations to help with the governance, for example 2 independent people to be on the Board Appointments Panel. Have you engaged with them already on this?**

*Yes we have. We have started developing our relationship with Sport NZ. They were the ones who introduced us to the external lawyer we have been working with, and they have also put us in touch with an external organisation who we have had discussions with around support they can provide us for setting this up and ongoing governance.*

**What support will the Regional Bodies get to make any changes to their constitutions as a result of changes at NZL level?**

*This is something that we are really cognisant of. We are aware that what we change at NZL level, while on the day to day there will not be too much change, there will be some things that will be required to be changed. For example, we would expect that Auckland will start working towards a merged men/women's body and we are also aware that Waikato are proposing a change in their constitution and hope to align this to whatever is confirmed by NZL.*

*We will be making a template version of the NZL constitution available to each Regional Body should they wish to use this to adjust their current one.*

*We have negotiated a very reasonable package with our external lawyer to provide their services to each Regional Body for the purposes of constitution and governance review. We will reach out to each Regional Body to confirm this.*

*This ensures that we have consistency in governance at all levels and we have the benefit of this lawyer having the context and experience in the wider NZL environment.*

**Why is the board member term 3 years?**

*In drafting the constitution, we sought advice and guidance from Sport NZ and the external lawyer as well as reviewed the constitutions and governance of other sporting Bodies in NZ. The template we have used was provided by Sport NZ, and we have also used parts of the NZ Hockey constitution to guide us on this proposed constitution.*

*A 1 year term is not long enough – we would see the whole board rolling out every year and would not help with continuity. 3 years feels right as it drives decisions and actions focused on the long term. It requires a certain level of commitment from the board members and ensures the board is working towards outcomes which continue to set NZL up for future success and growth.*

*Remembering that each board member's term would end at a different time so we would expect to see just 2 terms rolling off each year to ensure that continuity. If a board member for whatever reason is not able to complete their full 3 year term, they could resign and a Special General Meeting would be held to appoint a replacement to finish out that term.*

### **The Chief Executive role feels like a big role. Should it be just one role? Should it be funded?**

*Because this constitution has been drafted with future proofing in mind, we have been careful to ensure the terminology does not restrict any role to be volunteer or funded. This would be the determination of the Board at that time. We would not expect any role to be funded in the short term, however seeking alternate funding streams and opportunities to fund roles to gain better and quicker outcomes is something we'd expect the new NZL Board to be working towards.*

*Remember, the Chief Executive is a leadership role of the Operating Committee and while it is responsible for the day to day running of NZL, we would expect that this person isn't doing everything. We would expect as a leader it is working with appropriate people as part of the Operating Committee to achieve outcomes – more overseeing and facilitating than the doing. This is in the same way we see the President roles in the current NZWLA and NZLA structures today.*

### **How do Regional Bodies decide on the two delegates who represent them at General Meetings?**

*It is important to note that the constitution is an overarching governance document and we would expect the new NZL Board would focus on creating and setting policies and procedures in place which would define operational day to day activities.*

*In principle we would expect that the Regional Bodies are doing their due diligence on choosing the right people to represent them who will vote on their region's behalf. It is up to the Regional Bodies to decide who these people are but we would anticipate they are likely people who hold Executive office in their governance structures.*

### **Why not give every Regional Body the same number of votes rather than allocating votes based on member size?**

*Several options and ways of allocating votes have been considered. However, with guidance from our lawyer, we believe our proposed approach allows a more fair and equitable representation of our full NZL community. We have based this on individual registered players rather than one single Regional Body.*

**What is the definition of a registered player?**

*This is the level of detail which would be defined by the NZL Board and wouldn't be included in the constitution. However, we anticipate that this may mean any player who has participated (and therefore registered with the Regional Body) in a school, club or Regional representative tournament/team. This means that it also includes players who currently don't pay a NZWLA or NZLA membership fee (for example school players currently are not required to pay this fee to the NZWLA).*

*This is based on per player, not per situation. I.e. a player who plays in the school league and the club league is still considered as 1 player, not 2.*

*A proper register of players is important moving forward so we would expect that it becomes common practice that Regional Bodies collate and provide player registration information to the NZL.*

**In regard to membership fees – currently these are different for the men and the women, would this change?**

*Again, this detail would be defined by the NZL Board and not contained in the constitution. However, yes we would expect that the NZL Board would set a standard fee each year regardless of whether they were from the Men or Women's side.*

**Who will set the membership fees? Currently it is discussed and agreed on at the AGM, would this change?**

*The proposed constitution states that the NZL Board would set the annual membership fee. Therefore, yes, it is proposed that it would change to what is the current process. We expect that the NZL Board would consult and discuss with the Regional Bodies on the fee and provide a breakdown of what that fee covered. The NZL Board would expect to consider the long term and annual budgets, number of members, and additional revenue streams, and therefore decide on the appropriate amount.*

**What measures are in place if there were a 'renegade board' who were not acting in the best interests of NZL?**

*Clause 18.12 covers provisions for this. The Members in an SGM called for this purpose may, by Special Resolution, remove any Board Member before the expiration of their term of office if the Members consider the Board Member has breached his or her duties as specified in Clause 19.*

*Where required, we would also see Sport NZ supporting the NZL in addressing any issues of this nature which may arise.*

**Does the Chair have the overriding vote at Board Meetings, especially given there would be an even number of people on the Board?**

*Currently the proposed constitution states that the Chairperson would have no right to an additional casting vote, and that all decisions/resolutions must be passed by majority vote.*

*The reason behind this is to ensure that the power does not sit with just one person and allows for decisions to be reached by consensus. If there were a tie vote we would expect further discussion between the Board members to reach a decision and outcome which does result in a majority vote.*

**In clause 27.2, does this impact the ability for NZL to apply for grants on a Regional Body's behalf and therefore to transfer money over to that Region? And does it impact the ability to have funded roles?**

*No it doesn't. This section basically means that anyone who may benefit (both personally or through association) from payments are not involved in the decision making as to the payments and where that money goes. The key part of this clause is "except as provided in this constitution". This means that where decided by majority vote by the NZL Board roles may be funded, or payments may be transferred in the act of achieving the outcomes set by the Board and its strategic plan.*

**In the proposed constitution, a person who is declared bankrupt may not be eligible to hold office as a Board Member. Is this a fair requirement, especially in light of the current COVID-19 environment?**

*The key wording in 18.3.3 is "undischarged bankrupt". This means someone who is declared bankrupt, but whose bankruptcy has not been discharged in line with the NZ Insolvency Act may not hold office. A person who has been declared bankrupt in the past, but has been discharged may still be eligible for a Board Member position.*

**Does the constitution have provisions for requirements for disclosure by the Board Members?**

*Yes, section 19 provides requirements for this.*

**Is there any indication around how fees would be scheduled across the country?**

*Not at this stage. However, clause 14 of the draft constitution is flexible in this regard and allows the Board to determine the different levels of membership fee based on regions' circumstances.*