

societies@mbie.govt.nz

29 June 2016

Dear Sir or Madam

**Submission on the Incorporated Societies Bill - Exposure Draft by the Auckland District Council of Social Services (ADCOSS)**

Please find below the submission from the Auckland District Council of Social Services on the exposure draft of the proposed Incorporated Societies Bill.

We are making this response within your deadline of 30<sup>th</sup> June.

We would be happy to elaborate on points made in this Submission.

We can be contacted through our Responses Committee Chair Richard Northey who can be contacted at

Withheld

**The Auckland District Council of Social Services (ADCOSS)**

ADCOSS is an umbrella organisation covering the Auckland isthmus area. Membership is made up of representatives from voluntary agencies, community groups, statutory bodies and interested individuals. This submission was approved by members of our Responses Sub-committees in a shortened process necessitated by submissions closing on 30 June.

Our functions include disseminating information on social policy issues, legislation and policy changes, to our members and to other social and community service providers. We do this by running workshops, seminars and training sessions. We also frequently make responses and submissions to public bodies and to Parliamentary Committees on legislation and on policy and regulatory matters.

We have an Executive, made up of members elected at our AGM and co-opted throughout the year. This meets monthly to discuss current issues and programmes, and it is to this meeting that representatives from our sub-committees report. We currently have sub-committees on: housing issues, producing responses and submissions, publications, children and older adults. Our housing issues subcommittee draws housing workers and experts from throughout the Auckland region and acts as a voice on housing issues for all local Councils of Social Services across Auckland.

We are affiliated to Community Networks Aotearoa, based in Wellington, which works closely with Central Government, the New Zealand Council of Christian Social Services, and Hui E! in the social policy field.

### **Comments on the Content of the Incorporated Societies Bill – Exposure Draft**

ADCOSS supports the proposed modernisation of the Incorporated Societies Act.

ADCOSS supports most of the contents of the Bill but seeks to amend it to make it more appropriate and workable, particularly for smaller incorporated societies.

We specifically support Sub-Clause 2(3) which would absolutely ensure full enforcement of the new Act by 1 June 2020 at the latest.

We also specifically support clause 8(1) which allows Societies to be formed with only 10 members and Clause 66 which requires a continuing minimum membership of 10 members.

Although we support most of the proposals including disputes resolution, rights of information for members and other modern features we have the following concerns.

Under section 22. Financial gain paragraph (3)(b) is unclear and might be better worded “pay a member that is a not-for-profit organisation for matters that are in pursuit of the purposes of the society.” Otherwise it appears that this paragraph might equally apply to an individual who is a member.

Section 36, the definition of officers is still somewhat ambiguous. This includes the fact that here “officers” are to be those involved in the governance of the organisation when the more common use of the word “officers”, e.g. in local government, is to refer to paid staff. There is also the question of the extent to which those members with purely honorary status who have no governance role, like patrons and advisers, should be considered officers, and in what circumstances. This concern could best be met by adding to paragraph 36(1)(b) something like “...apart from those who have no governance or management role or influence.”

Section 38 defining the qualifications of officers is largely good but should permit a minimum age of 14 years to enable young people to share in the governance of organisations, particularly youth organisations, when the members consider it appropriate.

Section 71 which sets out the processes and rights for access to information, particularly to requests for information from society members, needs to be made more empowering by eliminating the opportunity to refuse information without a statutory reason. This should be achieved by deleting the first words in sub-

clause 71 (4) namely deleting "Without limiting the reasons for which a society may refuse to provide the information...".

Section 83 appears to oblige all Incorporated Societies, whatever their size and resources, to meet the same accounting standards as registered charities. In our view small incorporated societies, that is those with under \$20,000 in total operating payments in both of the previous two financial years, should be exempt from having to conform to all accounting standards in their reporting.

Section 187, which requires any appeals from decisions of the registrar of Incorporated Societies to the High Court to be made within 15 days is too tight a time frame. There should be a lower level appeal process provided for in the Act. There should also be a period of at least a month permitted for an appeal to be made to the high Court, while retaining a right to apply to extend this period.

We look forward to your consideration of these matters.

Yours sincerely

Richard Northey  
Chair  
Responses Committee  
Auckland District Council of Social Services