

Submission - Incorporated Societies Bill

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To: Ministry of Business, Innovation and Employment (MBIE)
PO Box 1473, Wellington 6140

From: Louise Edwards, Chief Executive
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About Rātā Foundation

Rātā Foundation is one of 12 community trusts throughout New Zealand who are custodians of over 3.5 billion dollars of investments and collectively grant approximately 100 million dollars back into thousands of community organisations (Incorporated Societies) throughout New Zealand each year.

Over the past 28 years Rātā Foundation, as one of New Zealand's largest philanthropic organisations, has assisted many incorporated societies with grants totalling over \$400 million to help communities in need throughout Canterbury, Nelson, Marlborough and the Chatham Islands.

Our aim is to create positive change in communities by supporting and promoting innovation, learning, resilience and community participation.

General Position

Rātā Foundation in general supports the Exposure Draft for the Incorporated Societies Bill to replace the Incorporated Societies Act 1908, which is now 108 years old. We support the proposed four year transition period as well as the proposed measures intended to strengthen the overall governance structures of incorporated societies.

Rātā Foundation also supports the requirement for incorporated societies to have a model constitution, elected officers, key contact person and increased accountabilities. Our support for these changes principally arises from the Foundation's support for enhancing the capability, performance, resilience and effectiveness of incorporated societies and the invaluable work they collectively undertake throughout New Zealand, more often in vulnerable communities.

Rātā Foundation believes it is important for incorporated societies to operate within sound governance structures with robust processes and quality governance leadership.

Specific Concerns

- a) The lack of capacity for time and resource scarce community organisations to manage compliance under the proposed new requirements.

- b) The threat to attracting and retaining quality unpaid Officers to organisations, particularly with the increased Officer duties, accountabilities and compliance obligations under the new Bill.
- c) The low level of wider consultation around the proposed changes and inadequacy of the MBIE roadshows which were restricted to main centres only.

Recommendation

MBIE develop a significant 'transition resource kit' for incorporated societies which is supported by regionalised training workshops, in affect stepping incorporated societies through the transition process to compliance. We believe it is important the transition resource kit should be supported by training to make it accessible and it is delivered throughout Aotearoa New Zealand and specifically the greater Canterbury region, Marlborough, Nelson and Chatham Islands the constituency Rātā Foundation represents.