

When replying please quote: Incorp Societies Sub WILLS, NK

30 June 2016

MINISTRY OF BUSINESS, INNOVATION AND EMPLOYMENT

Dear Sir/Madam

**Re: Submission – Incorporated Societies Bill – Exposure draft**

Please find below Venture Southland’s comments in order of the consultation draft of the proposed new Incorporated Societies Act.

Section	Subsection	Subject	Comment made
Part 1 - 3	Purposes	In its entirety	We welcome the addition of strengthened levels of responsibility for Societies as well as the recognition that they are self-governing bodies and therefore are afforded protection under this Act from inappropriate Government interference
Part 1 - 4	Overview	Contact Officer	We welcome this provision in the Act as it should mean consistent reporting and gives some assurance the Societies will have a person in place responsible to ensure the Companies Office/Registrar is kept up to date with matters concerning each individual society.  We also note that this Act has been brought into line with the Companies Act in respect of the determination relating to “inability to pay debt”. Again this will provide for consistency across the sector.
Part 2 - 8	Eligibility	Numbers required to form an Inc.	The reduction of the number of persons required from 15 to 10 is welcomed.
Part 2 - 10	Naming	Incorporated or Manatopu or both	We welcome this addition.
Part 3 - 18	Validity of Actions	In its entirety	Although we understand that this clause is put in place to protect members affected by decisions made when they honestly are not aware that the Society did not have authority to make those decisions, we are a little concerned that this may give some Boards a “Carte Blanche” approach to their duties to act in the best interests of the society. We can envisage immense issues if Society decisions were routinely made without reference to the Constitutional rules of those societies.

Part 3 - 22	3 (d)	Provides benefits to members of the public or of a " <b>certain class</b> "....	This terminology may be considered highly offensive. We respectfully suggest you remove the highlighted words.
Part 3 - 32	Standard Provisions	In its entirety	<p>We assume that any such "standard provisions" will be reasonable and practicable to ensure that all Societies can be compliant with little effect on their resources.</p> <p>In addition, we are very supportive of standard clauses for Constitutions. We believe that having such requirements will bring all Societies into line and operating with standard mechanisms of governance.</p>
Part 3 - 39	2 (a)	Exclusion of persons under 16 years of age as Officers	We believe that "Officers" should be 18 years of age, so respectfully suggest that the age limitation be elevated to that. There is no reason why persons under 18 could not be in subcommittees, or on an "apprenticeship" for becoming Officers for Societies.
Part 3 -39	2 (g)	In its entirety	Does this actually make sense? What is the purpose of this?
Part 3 – 43	3 (b)	"at least 18 years of age"	We agree with this age limitation. If 39 (2a) were to be changed to 18, this would provide for consistency within this Act.
Part 3 - 46	Liability	"former officers remain liable for past acts"	Concern has been raised about this clause. We ask if there is a time limitation on liability in the context of this proposed clause? In other words how long would liability sit with a past officer?
Part 3 - 66	All	Number of Members	As stated above, we believe this is acceptable and better than the current requirement for 15 members.
Part 3 - 72	All	Court orders	We have a question – does this section mean that the Court can over-ride the provisions of the Privacy Act 1993?

Withheld