



Sector Group Report

Kia ora Koutou,

On 1 May 2023, the Charities Sector Group (SG) met online via Zoom. 9 sector leaders and specialist professionals (listed below) met with staff from Charities Services and Policy Group in the Department of Internal Affairs (DIA) and other agencies to discuss points of common interest.

The purpose of this document is to communicate some of the points of discussion during the SG and allow members to communicate the discussion to their member organisations.

SG Sector Only discussions

Sector Co-Chair Michelle Kitney outlined what the members of the sector discussed during their sector only time.

Chris Glaudel (Community Housing Aotearoa) has been appointed Co-Chair of the SG. The sector thanked Andrew Phillips and Andrew Newbery for their efforts as Co-Chairs and work maintaining the group despite the number of changes in Charities Services. Charities Services welcomed Chris as Co-Chair, and thanked Michelle for her hard work in the role.

The Charities Amendment Bill and its select committee process are of significant interest to the sector going forward. While some in the sector have requested the bill be repealed, others are interested in what will happen next and what the participation level in the process will be.

It was noted that because of the changes during COVID that the SG began meeting online rather than face to face. Zoom offers better accessibility, however face-to-face meetings with a budget so that people may attend are preferred once a year. As a means of driving greater engagement and participation, the members suggested an approach similar to that taken by the XRB (External Reporting Board), in their sector engagement. This is a two-way process with active participation and learning opportunities.

The SG expressed interest in the Charities Amendment Bill and the work plan for Charities Services moving forward. This includes work to update forms.

Introductions

Charlotte Stanley (General Manager Charities Services) introduced herself to the SG. She emphasised a willingness to engage with the sector and support positive outcomes. The other Charities Services attendees introduced themselves to the SG members. The members then introduced themselves and provided information about their mahi (work) and the parts of the sector they work with.

Changes to Charities Services Forms

Andrew Newbery (Manager Engagement and Business Improvement) presented an update on proposed changes to the forms charities use when they register, update their details, and file annual returns. This included an update on specific work with iwi to correctly frame questions of interest to Kaupapa Māori charities. The form changes stem from changes to the reporting standards made by the XRB, proposed changes to the Charities Act, and improvements suggested by Charities Services. Charities Services anticipates consultation taking place later this year, with new forms being in place towards the middle of 2024.

Some of the proposed changes discussed included allowing entities to identify as Kaupapa Māori, Pasifika and charities support Ethnic Communities, and improvements to reporting on volunteering numbers.

The SG members mentioned that the language used in the forms and communications from Charities Services is critical to making it easier. Particularly for smaller charities that are time poor.

The SG pointed out that communications sent by Charities Services could be easily misinterpreted by charities. Emails sent during regulatory processes could come across as more serious than intended by CS. Plain and engaging English is more empowering for entities, and gives them reassurance.

Charities Services thanked the SG members for their feedback, and agreed to be conscious of this in future communications. CS made an undertaking to think carefully about how language could influence people.

Charities Amendment Bill

CS advised the SG that the Charities Amendment Bill is still going through the select committee process, and CS has not been involved in this. They noted the good level of engagement with the select committee.

Charities Services Update

Charlotte Stanley thanked everyone for their work in the communities and discussed her focus as leader of Charities Services. She highlighted being an effective regulator, and supporting implementation of the upcoming Charities Amendment Bill and form changes. Charities Services would like to strengthen their relationship with the sector, build the team

after a series of leadership changes, and draw more on the wider support of the Department of Internal Affairs.

Charities Services discussed ongoing work to develop a new regulatory strategy to help inform how the team works with the sector. SG members gave feedback that the word “regulator” could be challenging for the sector, and suggested focusing on stewardship and monitoring instead.

Inland Revenue Updates and Discussion

Representatives from Inland Revenue (IR) gave an update on tax matters and upcoming consultations of interest to the SG. This included an update on the extension of legislation making it easier for business to donate trading stock to approved done organisations. This tax relief has been extended to 31 March 2024. IR also outlined ongoing consultation regarding business income, which is due to end in late May. IR also noted that it was interested in sector feedback on its stewardship of the donations tax credit regime, and that they would be reaching out to SG members for input.

Other Business

Members of the SG asked whether DIA could give an update on the progress of work to update the Gambling Act in respect of Class 3 lottery licenses.

Jim Datson passed on his apologies for the meeting, and noted that he has taken on the role of CEO of FINZ following Michelle Berriman’s departure.

Rachel Noble informed the Sector Group that she is no longer in the same role, and is no longer the correct person to be involved in this mahi.

Attendees:

Sector Group Members: Chris Glaudel (Community Housing Aotearoa), Craig Fisher (Sector Accountant), Juliet Chevalier-Watts (University of Waikato), Michelle Kitney (Volunteering New Zealand), Peter van Hout (Interchurch Bureau), Steven Moe (Parry Field Lawyers), Sue Barker (Charity Law Association of Australia and New Zealand), Memo Musa (Platform Charitable Trust)

DIA Charities Services: Charlotte Stanley (General Manager), Andrew Newbery (Team Leader Capability), Andrew Phillips (Manager Engagement and Business Improvement), Penelope Cox (Manager Regulatory), Lucy Beeler (Team Leader Registration), Belinda Thomas (Team Leader Charities Support), Rebecca Aumua (Graduate Charities Regulator).

Inland Revenue: Stewart Donaldson (Principal Advisor Policy), Talia Smart, Graham Tubb

Apologies: Peter Bain (Interchurch Bureau), Sue McCabe (Philanthropy New Zealand), Jane Zintl (Ara Taiohi Incorporated), Rachel Qi (Multicultural Council of Wellington Incorporated), Richard Leung (New Zealand Chinese Association Incorporated), Jim Datson (Fundraising Institute of New Zealand), Francesca Ephraim (Charities Services), Kitty Bennett (Te Atamira Taiwhenua), Louise Eunson (Plunket), Denise Kingi-Uluave (LeVa), Rochelle Stewart-Allen (Hui E! Community Aotearoa), Emma Wethey (Philanthropy New Zealand)