

abf

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14 February 2013

Manager, Philanthropy and Exemptions Unit
Indirect, Philanthropy and Resource Tax Division
The Treasury
Langton Crescent
Parkes ACT 2600

By Email: NFPReform@treasury.gov.au

Dear Sir / Madam,

RE: Response to Consultation Paper – Development of Governance Standards, December 2012

ABF is the peak body representing the blindness and vision impairment sector. As a member-based organisation, we have drawn on the collective expertise of our membership to formulate a response to the Consultation Paper, with particular emphasis on the implications for Australians who are blind or vision impaired.

Please find our response attached. If you have additional questions regarding this response, please feel free to contact Gabrielle Mullen on 02 6283 3214.

Yours sincerely,



Dan English
Chairman

AUSTRALIAN BLINDNESS FORUM

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ABOUT THE AUSTRALIAN BLINDNESS FORUM

The Australian Blindness Forum (ABF) was formed in 1992 and is funded only by its members. The ABF is an Australian public company limited by guarantee and governed by a Board of Directors.

ABF exists to:

- Encourage exchange of information between members.
- Exert influence on government policy development.
- Enable blindness sector representation, both nationally and internationally.
- Enable Australia to facilitate its membership of the World Blind Union.
- Encourage and promote the development and equity of the level of services throughout Australasia.

Membership of ABF is open to any organisation that has as its primary objects, the provision of services to people who are blind or vision impaired; or whose activities are substantially connected with the welfare of people who are blind or vision impaired; and those whose activities are substantially related to the prevention of blindness.

ABF combines the voice of people who are blind and vision impaired with that of the specialist service providers across the sector. As Australia's representative to the World Blind Union, the ABF has strong connections with the international blind and vision impaired community.

ABF is represented in every state and territory of Australia and all major organisations providing services to Australians who are blind or vision impaired are members of ABF.

ABF is the peak body representing rehabilitation in the blindness sector.

Signatories to this submission are the following members of ABF:

Association for the Blind of WA
Australian DeafBlind Council
Blind Citizens Australia
Blind Citizens WA
Blind Sports Australia
Blind Welfare Association of SA
Canberra Blind Society

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CanDo4Kids

CBM Australia

Guide Dogs NSW/ACT

Guide Dogs Queensland

Guide Dogs Victoria

Macular Degeneration Foundation

Royal Guide Dogs Tasmania

Royal Institute for Deaf and Blind Children

Royal Society for the Blind of South Australia

Vision Australia

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RESPONSE TO CONSULTATION PAPER QUESTIONS

Governance Standard One (Draft) - Purposes And NFP Character Of A Charity

Does draft standard one establish the appropriate principles?

Answer: Yes.

Is the wording of Draft Governance Standard One appropriate?

Answer: Yes.

Comments:

This standard is consistent with the expectations and actions of our membership.

Governance Standard Two (Draft) - Accountability to Members

Does Draft Governance Standard Two establish the appropriate principles?

Answer: Yes.

Is the wording of Draft Governance Standard Two appropriate?

Answer: Yes.

Comments:

This standard is consistent with the expectations and actions of our membership.

Governance Standard Three (Draft) - Compliance with Australian Laws

Does Draft Governance Standard Three establish the appropriate principles?

Answer: Yes.

Is the wording of Draft Governance Standard Three appropriate?

Answer: Yes.

Comments:

ABF supports any approach from the ACNC to protect assets of registered charities and ensure that the interests of those who benefit from their services are not harmed by illegal conduct, through action in response to serious breaches of the law. ABF recommends that the penalty unit value is reviewed periodically to ensure the process retains sufficient deterrent value.

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Governance Standard Four (Draft) - Responsible Management Of Financial Affairs

Does Draft Governance Standard Four establish the appropriate principles?

Answer: Yes.

Is the wording of Draft Governance Standard Four appropriate?

Yes.

Comments:

All entities should be required to manage their financial affairs through compliance with the Australian Accounting Standards, as promulgated by the Australian Accounting Standards Board. This standard is consistent with the expectations and actions of our membership.

Governance Standard Five (Draft) - Suitability Of Responsible Entities

Does Draft Governance Standard Five establish the appropriate principles?

Answer: Yes.

Is the wording of Draft Governance Standard Five appropriate?

Answer: Yes.

Are there any concerns with allowing the ACNC to disqualify responsible entities and maintain a disqualified responsible entities register?

Answer: No.

Comments:

ABF believes this is an appropriate approach in relation to suitability and disqualification of entities, including a charity's responsibility to take reasonable steps to ensure that its responsible entities are not disqualified entities. ABF also supports the proposed register of disqualified responsible entities, with the appropriate flexibilities as detailed in the Consultation Paper. ABF believes, however, that a disqualified entity should have the right to appeal any disqualification by the Commissioner through an independent appeals process .

Governance Standard Six (Draft) - Duties Of Responsible Entities

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Does Draft Governance Standard Six establish the appropriate principles?

Answer: Yes

Is the wording of Draft Governance Standard Six appropriate?

Answer: Yes

Are there any additional protections which should only be provided to volunteer responsible entities? If so, what would these protections be?

Answer: ABF members are largely dependent on the goodwill of volunteers to fill the role of responsible entities. Whilst it is essential that any responsible entity is aware of their responsibilities as a responsible entity and act in the best interests of the charity, ABF believes that some 'safe harbour' protections should apply as protection against prosecution or sanctions in appropriate circumstances. Whilst it is acknowledged that responsible entities must be accountable for their decisions and actions where they are not taken in 'good faith', appropriate protections will ensure that charitable organisations can continue to attract voluntary participation in governance roles ABF believes that an appropriate time frame (eg three months) should be included in the standard in order to define remedy periods for non-compliance.

Timing Issues

Are the transitional arrangements proposed adequate?

Answer: ABF believes that the time frames provided as part of the transitional arrangements are appropriate.

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