

Bruce Rolph
PO Box 437
Mosman NSW 2088

12 March 2021

Senior Advisor
Not-For-Profit Unit,
Not-for-profits and Tax Administration Branch
Treasury Melbourne
Level 16, 530 Collins Street
Melbourne VIC 3000

Dear Senior Advisor,

Submission relating to proposed changes to Governance Standard 3, ACNC Regulation 2013

I am fortunate to be involved in senior governance roles in a number of important charitable organisations, including in healthcare, heritage, and the environment & sustainability. It is in my governance capacity that I make a submission conveying my serious concerns with the proposed changes to Governance Standard 3, ACNC Regulation 2013.

In particular, I am concerned the proposed changes risk producing significant unintended consequences and, arguably, intended but highly undesirable outcomes. For example:

1. the inherent risk a charity could be deregistered without having committed an offence
2. deregistration for only minor offences, including for accidental or inadvertent acts
3. deregistration could result simply from assuming a hypothetical future act or offence
4. deregistration resulting from a failure to keep adequate Governance 3 records.

Operationally, the proposals would add a significant administrative burden to charities, many of which are already experiencing dire COVID-related financial circumstances. Moreover, ensuing policy and regulatory uncertainty would have a corrosive impact on sector confidence, at a time when their services are in high demand and their contribution to the social fabric of Australia never more important. Arguably, however, the greatest danger for the community lies in the longer-term potential for the 'politicisation' of the ACNC discretionary powers to approve and revoke a charity's registration, compounded by a further loss of procedural transparency.

The proposed changes to Governance Standard 3 regulations should be withdrawn in their entirety.

Yours sincerely,

Bruce Rolph B.Ec (Hons), MEM (UNSW), GAICD, MSAFA

*Chair, **Skin Check Champions***

*Non-Executive Director, **Landcare NSW***

*Non-Executive Director, **Mosman Environmental Trust***

*Assistant Vice President, **Headland Preservation Group Inc***