

Feedback form: compliance and enforcement powers of the charities regulator

If you wish, you may use this form to provide your comments on the questions.

Name / organisation: Ram Subramanian, CPA Australia

Options

Option 1: no change (status quo)

Question	Comment
1. What are the risks of doing nothing and continuing with the status quo?	The ongoing non-compliance with requirements (particularly annual financial reporting requirements) is likely to undermine the credibility of the sector in the eyes of the public that could impact the sustainability and growth of the sector, in turn impacting the quantity/quality of community services provided by the sector.

Option 2: Increase education and support for compliance

Question	Comment
2. Have you received support from Charities Services to help you comply with your obligations under the Act? What additional support would be useful?	<p>Feedback we have received from our members indicates there are many opportunities for charities to obtain assistance through the website, newsletters, blog posts, telephone support and templates. Making charities more aware of such services could assist in the uptake of such resources.</p> <p>It was noted that sometimes a charity's officers may be more focused on the charity's mission and purpose than on its governance and regulatory obligations. Focused education and support for officers could assist with ensuring officers are both aware of their regulatory and governance obligations and possess the necessary knowledge seek out appropriate support to comply with such obligations.</p>
3. Would you support Charities Services increasing resource in practice monitoring and/or charitable purpose reviews? Why/why not?	Feedback we have received from our members supports this proposal. An increase in compliance activity could not only assist in improving compliance amongst those charities who are subject to that activity, but could also improve overall sector compliance when charities recognise the increased oversight activity by the regulator.

Option 3: amend new powers and **Option 4:** new powers

Question	Comment
4. Are warnings generally viewed as an effective tool? Why/why not?	No comment
5. What option or approach to addressing failure to file would best support compliance?	No comment
6. What could be the unintended consequences of additional decline powers?	No comment
7. Apart from powers to suspend or remove officers, what steps could Charities Services take to work with charities and protect charitable assets before deregistration action is taken?	<p>Feedback we have received from our members supports new powers to disqualify an officer or officers without having to deregister the charity. The power to suspend an officer or officers during an investigation could also be considered.</p> <p>A further suggestion to consider is for Charities Services to establish a facilitation or mediation service that protects charitable assets through merger/amalgamation with other charities with similar purpose(s).</p> <p>Finally, consideration could be given to having Charities Services appoint a suitably qualified and independent individual to oversee the activities of a charity that is under investigation.</p>

Technical changes

Question	Comment
8. Please provide any comment on the technical changes proposed in the document.	No comment