

Report to National Church Leaders: 16 March 2021

The InterChurch Bureau (ICB) core group met on 28 October 2020 and 24 February 2021 via Zoom. Due to ongoing COVID-19 restrictions and member availability these meetings were conducted as hybrid in-person/Zoom events. This flexible approach will be maintained for at least the remainder of 2021. The next meeting will be held on 26 May.

Guest speakers at the October and February meetings included:

John Edwards (Privacy Commissioner) & Jo Hughes (Assistant Privacy Commissioner)
Judith Pinny & Jamie Cattell (Project Managers, External Reporting Bureau (XRB))
Dr Juliet Chevalier-Watts (Faculty of Law, University of Waikato)
John Devery (Business Development Manager, BC Group)

1. Taxation

The InterChurch Bureau continues to monitor changes in the government's approach to documenting donations with regard to tax credits. The Inland Revenue Department (IRD) has advised that 75% of donation tax credit claims initially disallowed in the past tax year were subsequently allowed. As a result, the department is currently fine-tuning the online system and is looking at proposals to make claiming on donations easier (via donee organisations sending data electronically to the IRD rather than the individual donor being responsible). This work was placed on hold during the election period and is up to a year away from possible implementation.

The ICB tax sub-group had a constructive meeting with senior IRD officials on 27 October. Officials noted that until the end of March 2021, organisations would have the opportunity to elect whether to move GST out of owned properties and pay it immediately rather than at the time of sale. There has not been much uptake of this option, possibly because it is difficult to achieve unless significant funding was available to pay the GST component.

The IRD intends to launch dedicated phone lines for the charitable sector, allowing people to connect directly with officials who understand the charitable space. The churches have expressed strong support for this initiative.

There has been some discussion within the ICB on engaging IRD support in defending current tax policy for charities, in response to some streams of public opinion which would seek to question the rationale for charitable tax status.

2. Economic Value of Charities

An academic in the Faculty of Law at the University of Waikato, Dr Juliet Chevalier-Watts, was invited to the ICB's February meeting to discuss her current research. Juliet specialises in charities law and religious law and has previously researched the economic value of religious charities in North America and Australia. Her findings in those regions highlighted the fundamental value of such organisations to state economies, and she is now commencing a project with the intention of revealing the economic value of the work of religious charities and religious organisations (of Christian and other religious faiths) within New Zealand.

ICB members held a constructive discussion with Juliet and consider that work by a respected academic would potentially strengthen the churches' ongoing retention of charitable status by objectively demonstrating the value of religious charities to the community. It is anticipated that the link with the ICB will enable Dr Chevalier-Watts to access data to further her research. Several members indicated an interest in continuing to engage with the project.

3. Charities

The government's project to review the *Charities Act* was paused in May 2020 and is now resuming. Members of the ICB's charities sub-group will continue to attend interagency/sector meetings and present submissions to the Department of Internal Affairs when appropriate.

The Prime Minister has appointed a new Minister for the Community and Voluntary Sector: Hon. Priyanca Radhakrishnan MP. The ICB is seeking to host Minister Radhakrishnan as a guest speaker at one of its meetings in 2021 and, if she is able to attend, will ask her to outline her view of the role of the churches in the charitable space and her intentions for the review of the *Charities Act*.

The issue of advocacy by charitable organisations is once again receiving attention, with recent court decisions allowing the registration (or re-registration) of Greenpeace and Family First. These decisions will contribute to shaping the meaning of 'charitable purposes' in Aotearoa, and indicate that organisations with a significant advocacy role may now more easily qualify for registration than was previously the case.

4. Service Performance Reporting

XRB officials have reiterated the government's decision to defer the effective date of Service Performance Reporting for charitable entities from 01 January 2021 to 01 January 2022. Organisations are expected to commence gathering data during 2020 for comparative purposes. The ICB has held a preliminary discussion on challenges associated with this new form of reporting. In particular, questions of measurability and relevance of data were considered. In addition, the churches noted that – especially for those with relatively de-centralised structures – standardising and consolidating reporting will be challenging. ICB members will continue to share learnings over the course of the coming year.

5. Privacy

The churches are working collectively to adapt to the *Privacy Act 2020* which came into force in December. John Edwards (Privacy Commissioner) and Jo Hughes (newly appointed Assistant Commissioner) addressed the ICB core group at its meeting in October 2020 regarding key elements of the Act.

The legislation is concerned with information about identifiable individuals and can include both mundane and sensitive matters. Agencies (any person or body of persons - corporate or otherwise) are now responsible for reporting to the Office of the Privacy Commissioner, and to affected individuals, any breaches of privacy which present a risk of serious harm.

In assessing the implications of a privacy breach, it is necessary to consider whether the breach has or could cause serious harm and it is expected that people will exercise judgment and not simply report every instance to the Commissioner's Office. There is guidance in the statute, including factors to take into account (for example, how sensitive the information was, to whom it was released, and how successful efforts to retrieve the information or mitigate the breach have been). If agencies are in doubt, the Office of the Privacy Commissioner can assist.

The Commissioner suggested churches should designate someone (a privacy officer or other person) to manage notifications of potential breaches. This person would be responsible for responding and for assessing whether the breach is a notifiable matter, as well as for raising awareness among staff, volunteers, and congregations about rights and obligations under the Act.

The Commissioner's Office has developed a number of free online training modules (<https://elearning.privacy.org.nz/>).

6. Royal Commission

From 15-30 March 2021, the Royal Commission into Abuse in Care will hear evidence on redress processes from witnesses called on behalf of the Catholic Church in Aotearoa New Zealand, Anglican Church in Aotearoa, New Zealand and Polynesia, and the Salvation Army New Zealand. The ICB has established a sub-group to facilitate sharing of resources and policies across the churches to better enable members to work positively and transparently with the Commission, and to consider policies which will promote and increase the safety of vulnerable people within church communities in the future.

Other ICB Matters

Building WOFs

John Devery, of BC Group, spoke to the ICB at its February meeting regarding building warrants of fitness. His company offers a comprehensive service in this area and has developed special rates for the churches. (john.devery@bcgroup.co.nz)

Health & Safety

The work of the ICB's H&S Working Group led by Trudy Downes (Methodist) and Mike Gott (Catholic) continues. The working group is applying for membership of the Canterbury Safety Charter (<https://safetycharter.org.nz/>) which was established in response to the Christchurch earthquakes to promote best practice for H&S amongst organisations and businesses. Work on updating the ICB's H&S resources was put on hold due to COVID-19 but has now resumed. The unavoidable delay in this work will have an impact on the prospect of an ICB hosted H&S conference, which is now tentatively scheduled to take place in 2022.

Heritage Buildings

The ICB's heritage sub-group (ICB Heritage NZ Liaison Group) met on 07 October 2020. The group is finalising its terms of reference. Work is also ongoing on forging constructive links at a national level, including with Local Government NZ. The ICB website now has a heritage buildings page containing links to key resources for churches. (<https://www.icbnz.org/heritage-buildings.html>)



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