



Australian Government

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Australian
Charities and
Not-for-profits
Commission

21 May 2021

Submitted online at:

<https://deregulation.pmc.gov.au/priorities/regulator-best-practice-and-performance/draft-regulator-performance-guide-consultation/make-a-submission>

Our reference: ACNCSUB2021/1

ACNC submission – Regulator Performance Guide

1. The Australian Charities and Not-for-profits Commission (**ACNC**) supports the introduction of the proposed Regulator Performance Guide (**the guide**).

About the ACNC and the charity sector

2. The ACNC is the national regulator of charities established by the *Australian Charities and Not-for-profits Commission Act 2012* (Cth) (**ACNC Act**). There are currently around 58,000 entities on the ACNC Charity Register. The objects of the ACNC Act are to:
 - a. maintain, protect and enhance public trust and confidence in the Australian not-for-profit sector; and
 - b. support and sustain a robust, vibrant, independent and innovative Australian not-for-profit sector; and
 - c. promote the reduction of unnecessary regulatory obligations on the Australian not-for-profit sector.
3. The guide will assist the ACNC in measuring how well it is performing as a regulator and identify areas for improvement as it strives to meet the objects of the ACNC Act as effectively as possible.
4. The ACNC currently publishes performance metrics in accordance with the *2014 Regulator Performance Framework* (RPF).

Key changes in the ACNC context

Streamlined performance reporting

5. The ACNC agrees that it is appropriate to combine regulator performance reporting obligations with existing obligations under the *Public Governance, Performance and Accountability Act 2013* (Cth) (**PGPA Act**). In a practical sense, performance metrics will be outlined in the ACNC's corporate plans and reported in our annual reports.
6. Removing the requirement to publish a separate self-assessed report will create an efficiency without diluting the value of our performance reporting. Consistent with the PGPA Act and *Resource Management Guide No. 132*, the ACNC's corporate plans already contain performance measures that are aligned to the objects in the ACNC Act. It will be straightforward for the ACNC to revise these measures to account for the introduction of the guide – the ACNC will consider the views and interests of its stakeholders when undertaking this process.

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No requirement for external validation

7. The ACNC agrees with the proposed removal of the requirement for regulators to obtain validation from stakeholders of their self-assessment of their performance.
8. The ACNC relies on its two primary stakeholder forums to meet the current requirement: the Adviser Forum and the Sector Forum. 42 per cent of Adviser Forum members and 20 per cent of Sector Forum members took the opportunity to complete the online survey seeking validation of our 2019/2020 self-assessment. For the 2018/19 self-assessment, the respective figures were 16 and 8 per cent. In both cases, most respondents agreed with our self-assessment.
9. If the requirement is removed, the ACNC will continue to actively seek and consider feedback on its performance from its stakeholders.

Statements of Expectation and Intent

11. We anticipate that the inclusion of a Ministerial Statement of Expectations and a Regulator's Statement of Intent will assist the ACNC and its stakeholders by explicitly setting out the Government's expectations of the ACNC and priorities for charity regulation, and further clarify the nature of the accountability that exists between independent regulators and the Government.

Transitional Period

13. We submit that the proposed one-year transitional period is appropriate.

If you wish to discuss this submission, please contact Mitchell Tucker, Policy Officer, at mitch.tucker@acnc.gov.au or on (03) 8632 4662.

Yours sincerely

The Hon Dr Gary Johns
Commissioner
Australian Charities and Not-for-profits Commission