

Advice to 9940 Clubs re new Club Constitution: July 2022

The following message is being sent by the District Executive Secretary to Presidents and Secretaries of all D9940 Rotary Clubs and cc'd to all Area Governors and the 2022-23 DG Train, on behalf of the national Rotary NZ Constitution Working Group.

All clubs are strongly advised to hold back from undertaking any work on revising their Club Constitution until further notice from District. This is because, as you may be aware, recommendations adopted at RI Council on Legislation 2022 have resulted in a revision of the standard RI Club Constitution, and those changes will have to be adopted by all Rotary clubs world-wide. You will probably also be aware that the new NZ Incorporated Societies Act 2022 will require all NZ Incorporated Societies to make changes to their constitutions.

So we have two sources that require changes in club constitutions. And, under the new Act, all NZ Incorporated Societies are required to re-register, starting from October 2023 with a new Constitution that reflects the Act, together with its associated Regulations, which define things like financial timing and consequences and are the parts that really matter to us. For Rotary Clubs, that new Constitution will also have to comply with the new RI standard Club Constitution.

The Regulations to the new Act have not yet been drafted. We expect a draft later this year that will be put out for submissions, with the final version possibly not be available until the second half of 2023. As we do not want clubs to have to revise their documentation twice in a short period, and it is quite legitimate for clubs to operate under their current constitutions and bylaws in the meantime, we are therefore advised that clubs 'do nothing' for the time being.

To support Clubs and to avoid multiple revisions of constitutions by around 230 clubs nationally etc our District has obtained support from RI Regional Office (Oceania Zone 8) to take a national approach in the revision of the RI standard Club Constitution, to bring it into line with both the new RI version and the new NZ legislation. Led by Graham Evans, District 9940 Treasurer, supported by PDG Anthony Scott, we have established a working group comprising representatives from all NZ Districts to draft a new RI-compliant, NZ standard Club Constitution.

Drafting the new standard document will take time, but when we have a new draft constitution that meets both RI and NZ legislative requirements, we will also be in a position to help clubs through the process of re-registering by the deadline date of April 2026.

The working group will consider all aspects of the new RI standard Constitution and the Act. It will also draft a new set of 'standard' Bylaws, noting that these are often adapted to meet club-specific operational functionality – e.g. e-clubs, passport clubs and of course Mana Tangata.

Already the group is developing a new draft Trust Deed for clubs' Charitable Trusts to take into account the Trusts Act 2019 that came into force on 30 January 2021. While there is no legal requirement to adopt a new Trust Deed, in our view it is good governance practice to do so.

As 9940 District Exec Secretary I am on the working group as an Observer so will be the contact in our District for any queries, feedback, comments etc. But to confirm, at this stage we are definitely urging clubs to sit back and wait – we will send you occasional updates to keep you informed and up to speed. And as a footnote, RC Mana Tangata has offered to act as an 'early implementer', a test bed, for the new Constitution to iron out any creases in it with the NZ Incorporated Societies registrar, IRD and RI.