



Sector Group Report

On 24 March 2026, members of Charities Services' Charities Sector Group met with Charities Services and other agencies to discuss points of interest to the charitable sector. The meeting was held online. Below is a summary of the meeting.

Sector Group only discussion

Feedback focused on the need for a regulatory approach that enables compliance rather than relying on charities to navigate complexity independently. Capacity constraints, complexity of obligations, and inconsistent professional advice were highlighted as ongoing challenges.

Members also discussed the co-chair role and agreed that the appointment of a new sector co-Chair should proceed, with communication to be circulated to allow nominations from those not present.

Charities Services update

The Director of Charities Services provided an overview of Charities Services priorities and challenges.

An organisational restructure in the Department has brought about changes in Charities Services. Recruitment has been a major focus following staff changes, and most positions are now filled.

The new Investigation Team structure has strengthened investigation capability and capacity and enabled community of practice for the investigators.

Upcoming changes to the Charities Services call centre system were outlined. Charities Services is returning to a voicemail model, with extended hours and faster response times expected.

Registration backlogs were discussed, driven by incomplete applications, increased complexity, and low-quality AI-generated content. Stricter thresholds for incomplete applications will be applied to achieve a reduction in wait times by the end of June.

Charities Services' upcoming operating model review will examine systems, processes, tools, structure, and the role of technology and AI. Risks identified through an environmental scan include economic uncertainty, increased media scrutiny, foreign interference, and emerging technologies.

Incorporated Societies Act changes

Updates were provided on the approaching 5 April 2026 deadline for incorporated societies to reregister under the Incorporated Societies Act 2022. Societies that do not reregister will cease to exist and be removed from the Incorporated Societies Register. Charities that are removed from the Incorporated Societies Register no longer meet the requirement to be a registered charity. They will be removed from the Charities Register, allowing a brief period for error correction.

Inland Revenue outlined its coordinated approach and encouraged early engagement, noting that new legal structures usually require new IRD numbers and GST numbers.

Enabling compliance and reducing regulatory barriers

Discussion focused on improving practical guidance, aligning regulatory expectations with commonly used tools, and expanding targeted engagement, particularly for Māori, Pacific, ethnic, and volunteer-led organisations. The Tier 4 combined annual return was noted as a positive step in reducing regulatory reporting burden.

Policy updates

The Department's Policy group shared progress on work to grow giving, focusing on awareness raising around charitable bequests and payroll giving. Challenges with payroll giving uptake were noted, alongside the importance of recognising non-financial contributions such as volunteering.

Other business

Other business included notice of an upcoming election panel organised by Community Networks Aotearoa.