Senate Standing Committee on Education Employment and Workplace Relations

QUESTIONS ON NOTICE Supplementary Budget Estimates 2012-2013

Cross Portfolio

DEEWR Question No. EW0560_13

Senator Siewert provided in writing.

Question

ACNC and link to red-tape reduction

The EM to the ACNC Bill (p4) states that the Bill establishes a new regulatory framework for the sector. It also states that the sector's new regulatory system will establish a 'report-once, use-often' reporting framework. What work has been done in the Department to enable sharing of corporate/governance information between it and the ACNC? Given the Department's relationship to the sector via its grants process, what actions has the Department taken to introduce a 'report-once, use-often' framework for information collected from NFP entities in relation to the application for, reporting on and acquittal of grants?

Answer

The Australian Charities and Not-for-profits Commission (ACNC) is developing a 'Charity Passport' (the passport) which will be a key part of the ACNC reporting framework and used to reduce reporting duplication from the sector.

The ACNC will utilise information obtained through registration, Annual Information Statements and financial reports to develop the passport, and will expand the passport over time to include more information.

- For the 2012-13 reporting period, all registered charities will be expected to report basic, non-financial information about their operations through an Annual Information Statement.
- For the 2013-14 reporting period onwards, registered charities will be expected to provide Annual Information Statements, with medium and large charities required to report more detailed information (including both financial and non-financial information) about their operations.

In preparation for the introduction of the new reporting framework, the department has reviewed and amended legislation to remove duplication with the ACNC's reporting framework, with the exception of the reporting requirements under the *Schools Assistance Act 2008*. Under the ACNC Bill, the ACNC will accept reports lodged to DEEWR under the *Schools Assistance Act 2008* as satisfying the requirement to lodge financial reports to the ACNC until at least the 2014-15 financial year. Further work will be done to assess the extent to which the reports lodged to DEEWR will also satisfy the requirements for non-government schools to lodge

Annual Information Statements with the ACNC during this transitional period. To support this work, the ACNC and DEEWR are establishing a working group that will seek to identify and recommend practical strategies to resolve unnecessary duplications in the reporting requirements that may already exist and which may arise through the establishment of the ACNC. Initial representation for the working group will include the National Catholic Education Commission (NCEC) and the Independent Schools Council of Australia (ISCA).

DEEWR program administrators are aware of the pending introduction of the ACNC reporting framework and the requirement that staff must not request information already provided to the ACNC by an organisation regulated by it, where:

- the proponent is a registered not-for-profit organisation;
- the proponent has applied for, or is reporting against, DEEWR administered grant programs; and
- the information contained in the charity passport meets the requirements of the particular grant program.

The implementation of the reporting framework by the ACNC, including the acquittal of grants, will be supported by changes to Commonwealth Grant Guidelines.