



Briefing to Incoming Minister

Community and Voluntary Sector Portfolio

Hon Tariana Turia
Minister for the Community and Voluntary Sector

Title: Briefing to Incoming Minister

Date: 19 November 2008

Key issues

This briefing describes the Community and Voluntary Sector portfolio and alerts you to major policy and implementation issues over the next few months.

Action sought

Note the contents of this briefing and the attached documents.

Timeframe

At your earliest convenience

Contact for telephone discussion (if required)

Name	Position	Telephone		Suggested first contact
		direct line	after hours	
Brendan Boyle	Chief Executive	04 495 9396	027 227 7320	
Anne Carter	Deputy Secretary Local Government & Community Branch	04 495 9323	021 229 6261	✓

Return to: Margaret Dugdale, Office of the Chief Executive
 DMS file reference: 1424146DA DIA Corporate 6045/7
 Ministerial database reference: OCE200800156

Introduction

1. The document attached to this briefing introduces you to the Community and Voluntary Sector portfolio and provides information on:
 - the Ministerial portfolio
 - the community and voluntary sector in New Zealand
 - the Department's work and key projects
 - key issues that may arise immediately and in the longer term.
2. The Community and Voluntary portfolio is one of seven portfolios administered by the Department of Internal Affairs. The Department is described in the "Welcome to the Department" document that accompanies this briefing.
3. The parts of the Department and its staff who report to you as Minister for the Community and Voluntary Sector are shown in Appendix III of the portfolio briefing.
4. This is the first of a planned series of briefings on issues requiring your attention, key projects and the wider work programme of the Department.
5. Officials are available to discuss the contents of this briefing if you wish.

Recommendation

6. The recommendation is that you **note** the contents of this briefing and the attached documents.

Brendan Boyle
Chief Executive

Noted

**Hon Tariana Turia
Minister for the Community and
Voluntary Sector**

/ /2008

Briefing for Incoming Minister

COMMUNITY AND VOLUNTARY SECTOR

November 2008

THE DEPARTMENT OF INTERNAL AFFAIRS



Te Tari Taiwhenua

Introduction

1. The community and voluntary sector makes a significant contribution to the well-being of New Zealanders and New Zealand communities. The very wide variety of non-government organisations and other community groups in New Zealand reflects the diversity of the communities served by the sector, the extensive range of work it undertakes, and the services it provides (from health and social services to sport and recreation to cultural activities). The role of the Minister is critical to establishing an effective working relationship between the sector and central government, and is seen by the sector as the key point of contact with central government.
2. The Department supports you in your role in the Community and Voluntary Sector portfolio by providing policy advice, performance monitoring and advice in respect of the Charities Commission, and administers and supports community grant funding schemes. It also provides information and advisory services to communities.

Overview

3. The Community and Voluntary Sector portfolio has a focus on developing and strengthening the Government's relationship with the community and voluntary sector and coordinating Government's activities at the community level. The portfolio recognises the important role that the sector plays in New Zealand. The Department and the Office for the Community and Voluntary Sector (OCVS) have complementary and distinct roles and we discuss this further at paragraph 16.
4. Strong, sustainable communities, whānau, hapū and iwi Māori¹ are important building blocks for achieving positive social, economic, cultural and environmental outcomes. Personal networks, community events, recreational pursuits, volunteering, and social services provide individuals and families with opportunities to take pride in themselves and their communities, have their needs met, and to be actively involved in their communities.
5. Central government, local government, and community and voluntary groups and organisations all play a part in creating strong, sustainable communities,

¹ This links with the Department's outcome of "strong sustainable communities/hapū/iwi".

whānau, hapū and iwi Māori and in achieving better outcomes for New Zealanders. There is growing recognition of the important economic, social and cultural contribution that the community and voluntary sector makes to community development and social cohesion. Much of the work done to improve communities is done within community, whānau and hapū based groups.

The Minister's role

6. The Minister provides a focal point for central government interventions and strategies that are relevant to the community and voluntary sector. The role recognises that government policy and regulatory settings can impact on the formation and function of community organisations and groups. It also recognises that the government invests significantly (across ministerial portfolios) in the wider community and specifically in the community and voluntary sector.
7. The Minister is seen by many people working in the community and voluntary sector as the primary point of contact in government to:
 - lobby and express their concerns to
 - make recommendations to for improving government policy and engagement
 - seek funding and other resources.
8. The Minister is also responsible for the Charities Act 2005 and for oversight of the Charities Commission.

Linkages with other portfolios

9. There are strong linkages between the Community and Voluntary Sector and Local Government portfolios, given local government's responsibilities to facilitate the identification of community outcomes.² There are also strong linkages with other portfolios including Māori Affairs, Economic Development, Social Development, Pacific Island Affairs, and Ethnic Affairs. Accordingly, the role includes understanding the implications of government policy across portfolios for the community and voluntary sector and communities, and seeking coherence in government policy, where that is appropriate.

² As required under the Local Government Act 2002, section 91.

Key Stakeholders

10. The Community and Voluntary Sector is a disparate sector comprising groups and organisations with differing philosophies, objectives, mandates, and funding requirements. While there are some umbrella groups that advocate for the interests of the sector,³ there is no single group or collective organisation that can be said to represent the views of the sector. With this in mind, key stakeholders include:

- communities, and community and voluntary organisations
- funders and community trusts
- whānau, hapū and iwi Māori leaders
- local government.

The Community and Voluntary Sector Portfolio

11. This section covers:

- the background to the creation of the portfolio
- the size and diversity of the community and voluntary sector
- the role of the Department
- the relationship between the Department and the Office of the Community & Voluntary Sector (OCVS) in the Ministry of Social Development
- the Department's approach to the sector and the functions it carries out.

Background to the creation of the portfolio

12. The previous government established the portfolio during its first term, following consultation with the sector. A 2001 report⁴ expressed a shared desire to improve the quality of engagement between the sector and government. In response, the Statement of Government Intentions for an Improved Community-Government Relationship was agreed in December 2001. The Statement of Government Intentions is currently being reviewed. OCVS has funded the Association of Non-Governmental Organisations of Aotearoa to undertake the review.

³ For example, the New Zealand Council of Social Services, the Association of Non-Governmental Organisations of Aotearoa, and the New Zealand Federation of Voluntary Welfare Organisations.

⁴ Ministry of Social Policy (2001), *Communities and Government – Potential for Partnership* Whakatōpū Whakaaro.

The community and voluntary sector – size and diversity

13. As previously mentioned, there is an enormous diversity of groups and associations in the sector, ranging from large, nationally organised bodies run on semi-corporate lines to small, informal groups, as well as a variety of formal and casual volunteering. Community and voluntary organisations provide a wide range of services in fields such as education, health, tourism, housing, community development, sports and recreation, and social services. They contribute to both individual and community well-being and economic development. They also provide opportunities for volunteers to become involved in, and contribute to, their communities, across all these areas.

14. Facts about the sector:

- There were 97,000 non-profit organisations as at October 2005, including over 21,000 incorporated societies and 15,000 charitable trusts. This included 1,180 Tangata Whenua governance institutions, including marae.⁵
- Over 45 per cent of these organisations were in the arts, culture, sport and recreation areas.⁶
- The New Zealand non-profit sector (inclusive of the value of voluntary labour) contributed \$6.95 billion (4.9 per cent) to Gross Domestic Product in 2004. This amount is similar to the tourism industry (4.8 per cent) and is higher than the individual contributions of several industries.⁷
- A survey carried out by the Department showed contracts or grants funding of \$1.25 billion to non-profit organisations from departments in 2005/06. Philanthropic giving for the same year suggested funding of at least \$1.27 billion.⁸
- The sector workforce numbers over 200,000 full time equivalent paid staff and volunteers, which represents 9.6 per cent of the economically active population.⁹
- Over one million volunteers gave more than 270 million hours of unpaid labour to non-profit organisations in 2004, at an estimated value of \$3.31

⁵ Statistics NZ (2007), Non-profit Institutions Satellite Account: 2004, Statistics New Zealand.

⁶ *Ibid.*

⁷ *Ibid.*

⁸ The Department's research in 2007 showed that funding made up seven per cent of departmental funding to non-profit organisations in 2005/06. The other 93 per cent was for contracts for services.

⁹ Statistics NZ (2007), Non-profit Institutions Satellite Account: 2004, Statistics New Zealand.

billion.^{10 11} These figures do not include informal volunteering. They are likely to be understated as Māori, Pacific and ethnic communities provide significant contributions to their communities through informal volunteering in fulfilling cultural obligations.

Department of Internal Affairs' role

15. The Department's role in the community and voluntary sector portfolio contributes to one of its primary outcomes, strong, sustainable communities/hapū/iwi. The Department is in a unique position as it can leverage the role it plays across the range of portfolios it administers to achieve this outcome (i.e. Community and Voluntary Sector, Local Government, Internal Affairs, and Ethnic Affairs). The Department provides an important link between central and local government, government and community, and government and community and voluntary organisations.
16. The Department supports the Minister's role by providing:
 - policy advice with a community, whānau, hapū and iwi Māori development perspective to the Minister and the Government
 - performance monitoring and advice in respect of the Charities Commission and administration of the Charities Act 2005
 - support and assistance to community and voluntary groups and organisations through, for example, distribution of grants from trusts and Crown-funded schemes such as the Community Organisation Grants Scheme and the Community Partnership Fund, and community advisory and information services, such as CommunityNet Aotearoa.

Relationship between the Department and OCVS

17. The Department works closely with OCVS in encouraging a vibrant and effective voluntary sector, and assisting the sector to contribute towards strong, sustainable communities. The Department's role focuses on:
 - strategic and operational policy on communities and community development

¹⁰*Ibid.*

¹¹ Other research (Nielsen Media Research/Nick Jones and Associates (2007), "Consumer who Cares") suggests that over 1.2 million New Zealanders volunteer each year and over 1.7 million donate money or goods. Although different collection methods mean that the two sets of data are not entirely comparable, the data suggest that the volunteering rate has remained relatively stable (between 31 and 34 per cent of the population) during the last decade.

- administration of grants funding: much of the decision-making takes place at the community level (for example, Community Organisation Grants Service)¹²
- 'bottom-up' community development advisory and information services.

OCVS focuses on:

- whole of government approach to strengthening the community-government relationship
- policy advice on cross-cutting sector wide issues
- government mandate on volunteering.

The close working relationship between the two organisations ensures that the policy advice and services delivered reflect a whole of government approach to achieving good outcomes for the sector.

The Department's approach to community development and the Community and Voluntary Sector

18. Through its long involvement with the sector, the Department has built up considerable experience in community development. Through its 16 regional offices, community development and funding advisors apply this expertise to inform policy advice and to provide effective, community-focused funding and advisory services to communities, whānau, hāpu and iwi Māori and the community and voluntary sector.
19. The Department's approach to the delivery of community development, funding advisory services and grants funding may be best described as a strength-based, community-driven and 'bottom up' approach. We provide essential developmental support and advice in response to community-identified needs. The type of support provided is customised to each community or community organisation. Services are targeted at a local level, with priority given to at-risk and under-served communities.

¹² The Department ensures that local decision making bodies are representative of the communities that they serve.

20. By assisting communities through community development and funding advice, the Department aims to help communities achieve self-reliance by building their capacity to initiate their own solutions to their own issues. One such approach is Te Whakamotuhaketanga Hapū (TWH), the Department's strategy for working beside whānau, hapū and iwi Māori to help them achieve their development aspirations. TWH focuses on improving the Department's service delivery while ensuring Māori perspectives are reflected in relevant policy advice.

An example of the work our community development advisors undertake is assistance to Purena Koa Rehua Youth Services, which provides youth programmes to address family/whānau violence, suicide, self-harm, and alcohol and drug issues in Flaxmere. As a consequence of the advisors' help and advice, Purena Koa Rehua is now in a better financial position and is able to sustainably plan its ongoing services for the young people it serves.

21. TWH builds the capacity of the Department's Local Government and Community branch staff to engage effectively with whānau, hapū and iwi Māori. Initial assessment indicates that TWH:

- is an effective way of working with Māori communities
- promotes a way of working with Māori communities which genuinely supports self-determination
- is on-track to becoming widely adopted within the Local Government and Community Branch.

An outcomes evaluation of TWH will be completed by June 2009. A briefing on TWH will be provided to you shortly.

22. To promote the building of strong, sustainable communities/hapū/iwi, the Department carries out the functions described in paragraphs 23-30.

Facilitating effective relationships between central and local government and government and communities

23. The Department leads collaborative work and initiatives with local and central government agencies, community groups and non-government organisations. It maintains strong connections to communities through the work of its networks of community development advisors and the work it does to support the interface between local and central government to achieve community outcomes.

Providing community advisory services and information

24. Community development and funding advisors, based in 16 regional offices, work with communities, whānau, hapū and iwi Māori to build services and relationships between other government agencies, local authorities and community organisations.

25. They also provide capacity building support and advice. Strengthening capacity and capability promotes organisations' and groups' effectiveness, and helps to ensure that resources, including central government funding, are used in the most efficient way possible. The effectiveness of this work is enhanced by advice to the Department by Te Atamira Taiwhenua, Te Papa Rautaki and Pou Arahi.¹³ The input of Māori community development advisors in the Department also encourages the delivery of credible and effective services to Māori. The

An example of the Department's advisory assistance is an assessment of the Omaka marae's capacity to manage a Lottery grant. This work included providing governance training to the management board, developing a strategic plan and redesigning the staff roles required to operate the marae. The marae now has a plan to develop several income streams and strengthen its relationships with internal and external stakeholders. It is attracting visitors with interests in cultural tourism, which provides self sustaining income streams for the facility and its people.

Department receives advice on empowering Pacific Island communities and groups in Aotearoa from the Pacific Island Consultation and Advisory Group.

26. The Department also works with other organisations such as grants funders; for example, in collaboration with Philanthropy New Zealand and OCVS it organises regular regional funding forums to provide information on funding for local community groups and organisations.

Administering community grants funding

27. The Department is the major administrator of central government community grant funding, and provides administrative and advisory services for a range of funding schemes.¹⁴ It implements grant funding decisions and distributes funds

¹³ Te Atamira Taiwhenua comprises Māori leaders at a rohe level who provide advice to the Department on whānau, hapū and iwi Māori development. Te Papa Rautaki provides Effectiveness for Māori advice and support to the Department. Pou Arahi provides advice and support to the Local Government and Community Branch on how the Branch can be effective for Māori through its operations (service delivery) and policy (advisory) functions.

¹⁴ Department research in 2007 showed that in 2005/06 the majority of funding from other government agencies was by way of sector-specific contracts for services, in a relatively small number of areas. Grant payments were generally dispersed across a wider range of activities, groups and organisations. The distribution of departmental grant payments is carried out mainly by the

to community organisations through both Crown and non-Crown funded schemes. Survey results show high levels of satisfaction with the Department's funding and community advisory and information services.

28. The Minister for the Community and Voluntary Sector has responsibility for a number of grants schemes (see **Appendix II, Part A**). In addition to appropriations for funding schemes that are the responsibility of the Minister for the Community and Voluntary Sector, Vote Community and Voluntary Sector has traditionally included appropriations for servicing a number of schemes that are the responsibility of other Ministers. These schemes are summarised in **Appendix II, Part B**.

Grants are made for a very wide variety of projects. One example is a \$438,000 grant for a series of animated episodes of Hectors World (an internet safety project for children). This led to the creation of a child activated safety button installed on computer screens for children to activate if they see something upsetting or worrying. The project has attracted worldwide interest and recognition.

Monitoring the performance of the Charities Commission (Crown Entity)

29. The Department provides advice on the performance of the Charities Commission, assists with Board appointment processes, and advises on the development of the Commission's annual accountability and planning documents (including strategic direction and organisational capability). The work and performance of the Commission tends to be an area of focus for the Minister. We provide more information about the Charities Commission in paragraphs 39-41.

Building community and voluntary sector capacity in ICT

30. The Department contributes to work on digital initiatives led by the Ministry of Economic Development, through the management of CommunityNet Aotearoa, which provides an information sharing resource for community and voluntary groups and organisations and members of the public. The Department also

An example of CPF investment is funding of approximately \$377,000 towards the establishment of four Cyber Whare in Northland. The Cyber Whare support each other to deliver quality ICT services and training to their communities. Access to ICT training and resources is helping to develop and promote local enterprises and businesses, and to provide services such as wānanga and clubs and holiday programmes for young people.

administers the Community Partnership Fund (CPF), which to date has provided investment in community ICT in the order of \$17.4 million.¹⁵

Administering appointments processes

31. The Department provides advice and manages the process of appointments for trusts, committees, boards and Crown Entities on behalf of a number of Ministers. This includes the Winston Churchill Memorial Trust Board, for which the Minister for the Community and Voluntary Sector is responsible.

Establishment of trusts

32. The Department has also played a key role in the establishment of a number of trusts. Most recently this involved advising the previous government on the Crown's gift of \$6 million to the Moriori community and the creation of the Te Keke Tura Moriori Identity Trust.

Legislation

33. There is relatively little legislation in the Community and Voluntary Sector portfolio. The two Acts that you need to be aware of are:
 - Charities Act 2005
 - Winston Churchill Memorial Trust Act 1965.
34. The **Charities Act 2005** provides for the establishment of the Charities Commission and the process of registering, reporting on, and monitoring charities. The Act is administered by the Department. The Minister oversees and manages the Crown's interest in, and relationship with, the Charities Commission and must account to Parliament for its performance. The Minister's responsibilities include the appointment of board members (under the Crown Entities Act 2004), direction setting, monitoring and reviewing performance and results, and managing risks on behalf of the Crown. The Department will provide advice to assist you in carrying out your role as responsible Minister.
35. The Winston Churchill Memorial Trust was established under the **Winston Churchill Memorial Trust Act 1965** with funds from both the Government and the public. Net income from investments is used to award up to 25 Churchill Fellowships each year. Under the Winston Churchill Memorial Trust Act 1965,

¹⁵ Approximately a further \$6 million is available for allocation in 2008/09.

the Minister recommends to the Governor-General the appointment of the nine members of the Board.

Major strategic, policy and operational issues

36. The Department will seek your direction on a number of issues, and work programmes and projects it proposes to undertake, within the Community and Voluntary Sector portfolio. These are:

- support for communities and community and voluntary organisations
- current economic outlook: impact on communities
- communities – future trends
- Charities Commission
- delivery of services to communities
- support for volunteering
- communities and ICT
- gaming machine sector and community funds
- recurring issues in the sector.

Support for Communities and Community and Voluntary Organisations

37. Central government agencies, local government, and community organisations are increasingly working together to promote better outcomes for communities. The Department's work programme includes collaborative work with a number of government and non-government agencies. For example, we are currently collaborating with Volunteering New Zealand, Sport and Recreation New Zealand, OCVS and the Ministry of Economic Development on volunteers' role in supporting the Rugby World Cup 2011. We also work with central and local government agencies to present joint information seminars to marae governors about legislative and funding requirements affecting marae. These seminars have also provided opportunities for agencies to share information on providing services to marae and for feedback from marae governors about the agencies' effectiveness. There is, however, still much work to do to build capability in government agencies to work effectively with communities, whānau, hapū and iwi Māori, and to co-ordinate work at the national, regional and local levels.

Current Economic Outlook: Impact on Communities

38. The current economic outlook may affect the Community and Voluntary Sector in a number of ways:

- Decline in philanthropic funds - lower interest rates and at risk investments will impact on the amounts that funders have available for distribution. This may result in these funders either reducing the quantum of each grant or reprioritising the activities they fund. Less income, combined with probable rises in costs, for community organisations may lead to reductions in the quality or scope of services they offer. Limited funding availability may also require some community organisations to merge or find creative ways to share resources (e.g. through community houses). While the effects of the current economic outlook are likely to impact on the sector as a whole, there may be some parts of the sector that are particularly vulnerable.¹⁶
- Any rise in unemployment could see an increase in the pool of potential volunteers. In this environment, there may be benefits in marketing volunteering and its benefits. However, costs incurred in volunteering may deter some potential volunteers.

39. Overall, lower income streams, rising costs and increasing demand for services (e.g. budget advice) will create pressures within the sector. This may create additional pressure for government funded services.

Communities, whānau, hapū and iwi Māori – future trends

40. We are undertaking work to analyse trends likely to impact on communities, whānau, hapū and iwi Māori in five, ten and twenty years' time. The work aims to identify how communities might change, what issues communities and government may face and how the government might respond to these changes. For example, social, economic and environmental changes can impact on New Zealand communities and the community and voluntary sector groups and organisations that serve them.

¹⁶ For example, community organisations in rural or lower socio-economic urban areas.

Charities Commission – the Department’s monitoring role

41. The Charities Commission is responsible for registering and monitoring charitable organisations in New Zealand, as well as providing education and support to the charitable sector on good governance and management.
42. Registration of charities has been slower than expected. This has led to the Commission not meeting its application processing targets for 2007/08. It is expected that the majority of applications received by 30 June 2008 will be processed by 31 December 2008. The Commission has received additional funding to enable it to process the backlog of applications this year and to develop ongoing complementary functions under the Charities Act.
43. We are closely monitoring the financial and non-financial performance of the Commission as it enters into a new phase of its organisational development and more fully implements its roles to educate and monitor the charitable sector. An interim review of the implementation of the Charities Act and Regulations is planned in 2009/10 and a review of the Commission’s baseline funding will be carried out in 2010.

Delivery of services to communities, whānau, hapū and iwi Māori

44. The Department is undertaking a number of initiatives to improve the way it works with communities, whānau, hapū and iwi Māori to deliver more responsive services.
45. For example, we have already undertaken a review of the Crown funded schemes we operate and are implementing changes. An evaluation of the Community Organisation Grants Scheme (COGS) is scheduled for 2009/10 and talks with key stakeholders regarding the scope of the evaluation will start later this year. Advice on the effectiveness of the Scheme will follow the evaluation.
46. The Department is also implementing a Better Funding Practice (BFP) framework to guide the Department's grant funding activity. This has included development of resources such as business process and operational policy databases to achieve greater alignment and consistency of funding administration practice across all funds. The current grants management system is under review and will incorporate and reflect BFP principles and practices.

47. BFP takes into account and addresses grant funding issues of concern to the community and voluntary sector; for example, the Department's current review of compliance requirements for grant applicants will consider the appropriate balance between the need to minimise compliance costs with the need to ensure accountability for funds.

Support for Volunteering

48. Many organisations in the Sector rely heavily on volunteers.¹⁷ Volunteers are the backbone of the community organisations and groups that the Department works with. Their involvement is crucial to the sustainability of these organisations and groups, and contributes directly towards creating strong, sustainable communities, iwi and hapū.
49. The Department is actively involved in supporting volunteer capacity through community funding and support. There is increasing demand for our advice and developmental support, particularly in Māori, Pacific and ethnic communities. It is likely that changing demographics, including an aging population, will result in a greater demand for services and opportunities provided by the sector, an even greater need for volunteers and for the Department's support for volunteers.
50. Many of the grants the Department distributes support the sector through volunteer training and development and funding for volunteer expenses. In addition, the Department's advisors work with volunteers to increase organisational capacity, and offer information and advice on matters such as good governance and access to funding.
51. The Department has commenced a review of the Support for Volunteering Fund, which primarily supports volunteer centres and the national volunteering body,

Over two years, the Department provided approximately \$37,000 to assist Te Hau Ora O Kaikohe to establish Te Puna Matatau, the first Māori Volunteer Centre. Te Puna Matatau will provide advice and information to whānau, hapū, iwi and community organisations who rely on volunteers to support their activities. Support included financial assistance from the Department-administered Support for Volunteering Fund and information and advice from the Department's community development advisors.

¹⁷ Jackie Sanders, Mike O'Brien, Margaret Tennant, S. Wojciech Sokolowski and Lester M. Salamon (2008). *The New Zealand Non-profit Sector in Comparative Perspective*, Office for the Community and Voluntary Sector. The report noted the high volunteer share of the non-profit workforce in New Zealand compared with other countries (67 per cent compared with an average of 42 per cent for the 41 countries in the study).

Volunteering New Zealand. Take-up of the programme has been successful, with the number of volunteer centres increasing from six in 2001 to 16 in 2007. The rapid growth in centres, and projects, has, however, placed stress on funding, with the size of volunteer centre grants decreasing from \$30,000 (per centre) in 2001 to \$21,000 in 2007. The review will consider a range of factors, including the efficiency of the Fund, whether it is achieving its objectives, whether those objectives are still relevant and how it can be enhanced.

Communities and ICT

52. The Department is currently considering options for its ongoing role to support community development in information and communication technology for 2009/10 and beyond, as the Community Partnership Fund funding expires in June 2009.

Gaming machine sector and community funds

53. Although regulation of gaming machines is the responsibility of the Minister of Internal Affairs rather than the Minister for the Community and Voluntary Sector, the distribution of gaming machine profits through gaming machine societies has implications for the community and voluntary sector, parts of which derive considerable funding from this source.

54. As part of a more strategic, outcomes-based approach to gaming machine funding, the Department is engaging with the community and voluntary sector to explore the quality of gaming machine funding and its contribution to community capability, and opportunities for improving the role of gaming machine societies in funding community purposes.

Recurring issues in the sector

55. There are some recurring issues facing the sector. In our view, these issues require collaboration between central and local government and the sector at regional and national levels in order to reach resolution. They include:

- a lack of strategy and coordination in relation to government investment in the sector
- inconsistent accountability requirements for community organisations between different funders

- the difficulty in assessing whether funding for community outcomes has achieved the intended outcomes.

56. We are seeking to address these issues in relation to our grant funding activities. In addition we are contributing to the Pathway to Partnership project, led by the Ministry of Social Development. This project is intended to achieve better coordination in the provision of funding for social services.

Summary of key issues

57. The Department has identified a number of issues that could face an incoming Minister for the Community and Voluntary Sector. These are noted below.

Key Issues in the next month

58. During December, the Department will seek your direction on:

- Charities Commission: key issues
- review of the Support for Volunteering Fund
- new budget initiatives for Budget 2009 (if any)
- Communities and ICT: future approach.

Key Issues over the next three months

59. In early 2009, the Department will seek your direction on:

- the Charities Commission's performance as it concludes the inaugural registration of charities
- key issues, and their priority, facing communities, whānau, hapū and iwi Māori, and the Community and Voluntary Sector in 5, 10 and 20 years.

Key Issues over the next six months

60. Over the next six months, the Department will seek your direction on:

- the Charities Commission's performance as it develops its monitoring and education roles to complement existing agencies providing services in these areas
- the role of the Minister and the community and voluntary sector in the Rugby World Cup preparations.

Longer term issues

61. Longer term issues on which the Department will be seeking your direction include:

- review of Charities Commission baseline funding (2010) and ongoing role
- interim review of the implementation of the Charities Act 2005 and Regulations to assess if any immediate amendments are required.

Appendix I**Membership of Statutory Bodies****CHARITIES COMMISSION**

The Charities Commission registers and monitors charitable organisations in New Zealand. It also provides them with support and advice on good governance and management. The Commission is an Autonomous Crown Entity, and must have regard to government policy when directed by its responsible Minister.

Board members

Name	City/Town	Date of appointment	Expiry of term
Sidney Ashton (Chair)	Christchurch	13 June 2005	6 July 2011
Judith Timpany (Deputy Chair)	Wanganui	13 June 2005	14 August 2010
Kerry Ayers	Christchurch	13 June 2005	6 July 2011
Ian Calder	Raumati Beach	13 June 2005	14 August 2010
Frank Claridge	Auckland	13 June 2005	14 August 2010
Amohaere Houkamau	Ruatoria	13 June 2005	6 July 2011
Patricia McKelvey	Waikanae	7 July 2008	6 July 2011

WINSTON CHURCHILL MEMORIAL TRUST BOARD

The Winston Churchill Memorial Trust was established in 1965, by Act of Parliament, with funds from both the Government and the public. Since then, net income from investments has been used to award up to 25 Churchill Fellowships each year. Fellowships are awarded to assist New Zealanders to travel overseas to learn more about other people and cultures, and to investigate topics that will help them to increase their contribution to the community and their trade, industry, profession, business or calling. The Trust is administered by the Department of Internal Affairs.

Board members

Name	City/Town	Date of appointment	Expiry of term
Dr Sayeeda Bano	Hamilton	4 December 2003	3 December 2009
Au'Birthly (Pefi) Kingi	Manukau City	4 December 2003	3 December 2009
Dr Alastair MacCormick (Chair)	Auckland	4 December 2003	3 December 2009
Dennis Oliver	Havelock North	24 June 2005	23 June 2011
Dr Murray Parsons	Christchurch	24 June 2005	23 June 2011
Marion Taylor	Wanganui	2 December 2003	3 December 2009
Sheena Tepania	Auckland	24 June 2005	23 June 2011
Rachael Selby	Otaki	11 November 2008	3 December 2009
Margy-Jean Malcom	Dunedin	11 November 2008	3 December 2009

Appendix II

Trusts and funding schemes administered by the Department

Part A: Grant funding schemes that are the responsibility of the Minister for the Community and Voluntary Sector

Crown Funded Schemes

Community Organisation Grants Scheme (\$14 million per annum excluding GST)

– grants for essential support to community organisations. Funding decisions are made by local committees, consisting of people elected by the community. A National Committee provides governance of the local committee structure and allocates funding to the committees.

Community Partnership Fund (total funding is \$12.289 million, the amount available for distribution is \$5.8 million) – grants to support local, regional and national initiatives, through partnerships, to develop and achieve confidence, relevant content, connection and capability to realise community aspirations through ICT.

Community Development Scheme (\$2.560 million per annum excluding GST) – project grants for communities / hapū to employ community development workers to facilitate the development of strong, sustainable communities.

Community Internship Programme (\$0.581 million per annum, excluding GST) – partnership grants to place interns from the public, private and community sectors with community organisations to assist capacity building. The Department provides an in-kind contribution (i.e. four interns).

Support for Volunteering (\$0.402 million per annum, excluding GST) – promotes and supports volunteering in New Zealand, primarily through Volunteering New Zealand and the network of regional volunteer centres.

Youth Worker Training Scheme (\$0.200 million per annum, excluding GST) – provides training grants and opportunities for youth workers.

Non-Crown Funded Schemes

Winston Churchill Memorial Trust – fellowships for short-term practical research projects.

Part B: Other Crown and Non-Crown Funded Schemes that are part of Vote Community and Voluntary Sector but are the responsibility of other Ministers

Crown Funded Schemes

Disarmament Education UN Implementation Fund - assists New Zealand Non-Government Organisations in implementing the recommendations of the 2002 United Nations' Study on Disarmament and Non-Proliferation Education (responsibility of the Minister for Disarmament and Arms Control).

Non-Crown Funded Schemes

Lottery Grants Board: grants to statutory bodies – the Board makes grants to Creative New Zealand, New Zealand Film Commission, Sport and Recreation New Zealand (responsibility of the Minister of Internal Affairs).

Lottery Grants Board: grants to community organisations – the Board makes grants to community organisations, with administrative support provided by the Department (responsibility of the Minister of Internal Affairs).

Lottery Minister's Discretionary Fund – The Minister of Internal Affairs makes grants for purposes that fall outside the scope of the Lottery distribution committees, with administrative support from the Department (responsibility of the Minister of Internal Affairs).

Norman Kirk Memorial Trust – grants to promote the welfare and progress of the people of New Zealand and the South Pacific, especially those who have the capacity to benefit from further education, study or training (responsibility of the Minister of Internal Affairs).

Pacific Development and Conservation Trust – grants for projects that promote a peaceful, sustainable Pacific region where all cultures flourish and the natural environment is respected (responsibility of the Minister for Disarmament and Arms Control).

The Peace and Disarmament Education Trust – grants to advance education and thereby promote international peace, arms control and disarmament (responsibility of the Minister for Disarmament and Arms Control).

Chinese Poll Tax Heritage Trust – funding for individuals and groups for projects preserving Chinese New Zealand history or supporting Chinese New Zealand history, language and culture (responsibility of the Minister of Ethnic Affairs).

Viet Nam Veterans and Their Families Trust – support for New Zealand Viet Nam veterans and their families (responsibility of the Minister of Veterans' Affairs).

In addition, the Minister of Finance has responsibility for appointments to Community Trusts.

Appendix III: DIA Organisation Chart and management contacts for the Community and Voluntary Sector Portfolio

Community & Voluntary

