



SLSNZ CLUB GOVERNANCE UPDATE 1

1 August 2024

Contents

| | | |
|----|---|---|
| 1. | SLSNZ Governance Resources Webpage | 2 |
| 2. | Club Constitution FAQ..... | 2 |
| a. | Corrections to the template | 2 |
| b. | Cover Page | 2 |
| c. | SLSNR Rules | 3 |
| d. | Optional Rules..... | 3 |
| e. | Paid employees serving as Committee/Board Members | 3 |
| f. | Member Voting Rights (32.1) | 4 |
| g. | General Meeting Timeline | 4 |
| h. | What Does the Indemnity & Insurance Rule Mean?..... | 4 |
| 3. | How to Adopt the New Constitution | 5 |
| a. | Rules for conducting the General Meeting..... | 5 |
| b. | Adoption at a General Meeting | 5 |
| c. | Resolution to adopt the new Constitution | 5 |
| 4. | Election of Officers (if Committee Composition changed) | 5 |
| 5. | Club Charitable Trusts..... | 6 |
| 6. | Queries and Advice | 6 |

1. SLSNZ GOVERNANCE RESOURCES WEBPAGE

The [Club Governance Resources](#) page on the SLSNZ website has the following information available to assist clubs to develop their new constitution and reregister as an Incorporated Society:

- Club Constitution Information (how to draft your constitution)
- Club Constitution Template Guide (explanatory rules and colour-coding)
- Club Constitution Template Clean version (Word document)
- FAQ Webinar (recording of April FAQ webinars)
- Club Governance Update 1 (this document)
- Incorporated Societies Reregistration Guide
- Officer Consent Certificate

2. CLUB CONSTITUTION FAQ

a. Corrections to the template

Note the following minor corrections to the template:

1. 22.1.5- change capital 'An' to 'an' for consistency
2. 23.1.5- remove 'must' from the beginning of subrule 23.1.5 as the word 'must' is already stated in the opening rule 23.1.

If you have already completed and adopted your constitution don't worry about the changes as they do not affect its meaning.

The updated template with these changes is on the SLSNZ Governance resources webpage.

b. Cover Page

The new Constitution takes effect once reregistration has been accepted by the Incorporated Societies Register (see notes about Reregistration further on), so leave the Commencement date blank on the cover page and complete once it has been accepted. Or remove the commencement date section.

Add the following signing section to the cover as the Constitution must be signed by 2 members who were present at the AGM before you submit it for reregistration.

| |
|--|
| Certified as a true and correct copy of the Constitution passed at the Annual General Meeting of the Society held on [date] 2024 by: |
| Signature: _____ |
| Name: |
| Signature: _____ |
| Name: |

c. SLSNR Rules

Delete the reference to SLSNR in the **Definitions** and **Purposes (6.2.5)** if you are not part of the Northern Region.

d. Optional Rules

Delete any optional rules and definitions you are not using e.g. **Social Member**

Including a **Māori Name (2.2)** and **Tikanga, Kawa, Culture or Practice (8)** are optional. If you do not currently have these then I recommend you leave them out for now. If you want to include these rules you can add them to the constitution at a future General Meeting once you have gone through a proper process to consider and develop.

e. Paid employees serving as Committee/Board Members

A paid administrator/employee is not usually listed as part of the committee. The rules state that the committee is elected at the AGM however the administrator is employed by the committee (not elected). Listing the employee as a committee member also means they have the same obligations and duties as an Officer under the Act.

In practice having the club administrator at committee meetings is very useful so they can take minutes, answer queries, and generally know what tasks they need to do. If the intention is that they are not part of the committee and do not have a vote, then remove them from the committee composition list and add an additional rule under **Functions and Powers of the Committee (18)** similar to this wording:

18.4 The Committee may employ an Administrator*¹ on such terms and on such conditions as the Committee may determine. The Administrator must attend all Committee meetings unless otherwise required by the Committee but has no voting rights.

**¹use the appropriate title for the paid management role in your club*

An alternative that some clubs have in their constitution is to use the term 'ex-officio' after the administrator's title on the committee composition to indicate that the administrator serves as a Committee member because of the position they hold i.e. as the administrator. In this case the administrator generally has all the same rights and obligations, including voting rights as other committee members. Ensure you have checked the rules regarding how all committee members are elected if you want to use an ex-officio title. See here for more information on what 'ex-officio' means: <https://www.boardeffect.com/blog/what-is-the-role-of-an-ex-officio-board-member/>

Be careful about managing and recording any conflicts of interest if the administrator is an ex-officio member of the Committee e.g. discussion and decisions on their employment.

If the administrator is elected to the Committee in another role because they are a club member e.g. as the Junior Surf Co-ordinator, again carefully manage and record any conflicts of interest.

f. Member Voting Rights (32.1)

There is wide variation in what age clubs allow members to vote and speak at meetings. Remember that under the Incorporated Societies Act all members have the right to attend a General Meeting unless you have over 1000 members. If the intention is to not allow members, or their parents, under a certain age to vote, but you will allow them to speak you can alter the wording to specifically allow this e.g.:

32.1 Active Members: Each Active Member is entitled to:

32.1.3 attend, speak and vote at all General Meetings of the Club if they are xx years of age and over, or attend and speak (but not vote) at all General Meetings of the Club if they are under xx years of age (either directly, or through their parent or other legal guardian)

g. General Meeting Timeline

Check you have allowed adequate time from sending out the Notice of a General Meeting to receive nominations, motions, etc before sending out the agenda. A suggested timeline is:

| Procedure | AGM notice | SGM notice |
|--|---------------|-------------------------|
| Rule 38.3 AGM Notice Rule 39.5 SGM Notice | 30 or 21 days | 21 days (unless urgent) |
| Rule 12.1.2 Committee nominations due | 14 days | |
| Rule 43.2 AGM Motions due | 14 days | |
| Rule 41.1 AGM & SGM Agenda | 7 days | 7 days |

h. What Does the Indemnity & Insurance Rule Mean?

The **Indemnity (67)** rule means that the club will cover all current and former committee members' and employees' legal costs for claims that result from acts or omissions in their capacity as a committee member or employee. This provides assurance to an individual considering serving on the committee that they will not be liable to pay costs. Former members are covered as legal action may not arise until after they have ceased to be a committee member.

The **Scope of Indemnity (67.2)** sets out exceptions to indemnity cover e.g. for criminal acts of a failure to act in good faith or the best interests of the club.

I will provide more information soon on the SLSNZ Associations Liability insurance cover.

3. HOW TO ADOPT THE NEW CONSTITUTION

a. Rules for conducting the General Meeting

The new constitution does not take effect until you reregister as an Incorporated Society and you must follow your current constitution until then.

This means the General Meeting to adopt the new constitution is held under the rules of your current constitution in terms of timelines, business, adopting audited or reviewed financial reports, and election of committee/board members.

The adoption of the new constitution is an item of business on the agenda.

b. Adoption at a General Meeting

The new constitution must be adopted at a General Meeting, either an AGM or SGM, usually by a Special Resolution (2/3rds of members entitled to vote) *²

**² Check your current constitution for the type of majority required to change the constitution (either Ordinary or Special Resolution) and the definition of how many members a Special Resolution requires to be passed.*

If you have called a SGM to adopt the new constitution, then that is the only item of business that can be discussed at the SGM.

c. Resolution to adopt the new Constitution

Recommended wording for a resolution is:

Moved: that the current constitution [dated] is rescinded and the new constitution as proposed is adopted and will take effect upon reregistration with the Register of Incorporated Societies.

4. ELECTION OF OFFICERS (IF COMMITTEE COMPOSITION CHANGED)

The election of committee/board officers must be as listed in your current constitution at the AGM, as the new constitution does not take effect until you have reregistered. These officers are in place until the next AGM or SGM.

If your club is changing the number or type of committee officers in the new constitution some suggestions to manage this are:

- a. If you are removing a position(s) from the committee then the position is vacant if no nominations are received by the due date. You could let members know that the position will no longer be required if the constitution is adopted and so you would like to leave it vacant intentionally if you think the members will accept having no nominations. The committee has the power under both the current and new constitution to then either fill that vacancy or leave it vacant until the next AGM.



- b. If you are adding a new position(s) to your committee, once your reregistration is approved, the committee has the power under the new constitution to either fill any vacancy for a position(s) listed in the new constitution or leave it vacant until the next AGM.
- c. Insert a Transition provision at the end of the new constitution. The provision is a one-off process to be followed by the club only for the transition between constitutions. The provision could, for example, shorten the terms of the positions that will cease under the new constitution, extend the terms of other positions and/or dictate a particular rotation of committee members. Contact me if you need help with drafting a transitional provision.
- d. If the changes to the committee structure are significant you could either:
 - hold an SGM after your reregistration is accepted and elect the new committee as listed in the new constitution. Note you will need to obtain nominations for these positions beforehand.
 - hold an SGM before the AGM to adopt the new constitution. The subsequent AGM can then proceed under the new constitution, with nominations for the new committee received.

5. CLUB CHARITABLE TRUSTS

If your club Charitable Trust is also registered as an Incorporated Society then the trust must update their constitution and reregister on the Incorporated Society Register.

If your club Charitable Trust is NOT incorporated, then you do not need to reregister with the Incorporated Societies Register or have a constitution. Your rules are your Trust Deed. More information on trust rules are on the [Charities Register](#).

Check [here](#) to find out if your Trust is also an Incorporated Society.

The Trust does need to file an annual return with the Charities Register.

6. QUERIES AND ADVICE

Please contact me if you have any queries about developing your new constitution or reregistering.

I can also review your new constitution to check that any changes you have made meet the requirements of the new Act; send me a Word version of the new constitution and a copy of your current constitution for review.

Marilyn Moffatt

Club Constitution Project Contractor
E: governance@surflifesaving.org.nz
M: 027 233 3373