

The Northcote Town Centre's new draft constitution contains several key changes from its 2023 rules, primarily to ensure compliance with the Incorporated Societies Act 2022 and the Auckland Council BID Policy.

Here is a list of the main differences between the two documents:

### **Terminology and Definitions**

- The new document is referred to as a "Constitution" instead of "Rules".
- Key terms like "Executive Committee" have been changed to "Committee".
- The term "Officers" is now more broadly defined to include all committee members, as well as any person who can exercise significant influence over the Association's management, such as the BID Manager, Secretary, and Treasurer.
- References to the Incorporated Societies Act 1908 have been updated to the Incorporated Societies Act 2022.

### **Membership**

- All new members must now provide written consent to join the Association.
- The new rules explicitly state that members must not bring the Association into disrepute.
- The process for becoming a Full Member is clarified, requiring the person to either own a commercially rated property or operate a business in a commercially rated property for at least 50 business days each calendar year.
- Associate Members do not have voting rights at General Meetings or on the Committee, but they may be appointed to the Committee if there are not enough Full Members to fill the positions.

### **Governance and Officer Duties**

- The new Constitution introduces specific duties for officers, including the duty to act in good faith and in the best interests of the Association, and to exercise reasonable care and diligence.
- It outlines specific disqualifications for individuals to be officers, such as being under 16 years of age, an undischarged bankrupt, or having certain criminal convictions.
- The new rules require the Committee to have a simple majority of voting-Officers for a quorum at meetings.

## **Financial and Records**

- The new rules state that the Association is not and does not intend to be a registered charitable entity under the Charities Act 2005. The old rules did not explicitly mention this.
- The new Constitution clarifies that the Association's funds and property cannot be distributed for the private financial gain of any member or officer, with specific exceptions listed.
- It details how financial records must be kept for the current and last seven completed accounting periods.
- A new requirement has been added for the Association to have a "contact individual" who is at least 18 years old and a resident of New Zealand, for the Registrar to contact when needed.
- The new Constitution specifies that the Association must have an Interests Register and sets out the rules for disclosing and managing conflicts of interest for officers and members of sub-committees.

## **Meetings and Dispute Resolution**

- The new Constitution provides a detailed, multi-step process for resolving disputes and complaints, a topic that was not as detailed in the previous rules.
- It specifies that a General Meeting must not be held unless at least 10 eligible current members attend throughout the meeting, an increase from the previous quorum requirement of six.
- The new Constitution limits proxy voting to a signed, original written proxy that is submitted to the Secretary at least five working days before the meeting.