s 22

From: Sue Woodward
Sent: Friday, 18 July 2025 9:44 AM
To: Rob Heferen s 22
Cc: William Day s 22 Cate Bennett s 22 ; Tim Liu s 22
Subject: For consideration (asap, to include in response to Treasurer): Mapping regulatory user path to improve service design

Hi Rob

As always, thanks for a great meeting on Tuesday. I really value the time you give me and the sounding board you provide, especially on some of the inner workings of government.

This email (below) is an outline of the NFP/charity compliance mapping proposal we discussed (and I mentioned to Will after I left your office). I have since discussed it in principle with Assistant Minister Leigh's Chief of Staff (the AM is on leave until Monday) and Shane Johnson (acting Dep Sec Treasury) – both of whom were keen (especially Shane who thinks it fits really well with the Treasury & Finance letter).

I appreciate you need to check the capacity of your specialist team to do this work, and my outline is written without knowing exactly what capability they have. It maybe that the work could be phased eg, look at

regulatory compliance requirements and costs for an existing NFP/charity first, before adding in starting a new organisation. Some of the work may have been done in preparation for SAITE and it should certainly help identify touch points for reaching those who still need to comply.

As I mentioned, I am keen to add the States and Territories to the mix (which would cover incorporating as an association and obtaining a fundraising licence), because it gives a more realistic picture and builds on the appointment by the AM of all States and Territories to the ACNC Advisory Board – we can quite easily get this information (and have already done some of the formal mapping work).

By way of extra background – there was a report done for the ACNC by Deloitte Access Economics in 2017 about the red tape burden. I can provide a copy. I think it will save quite a bit of time as not that much has changed (and we know what has changed around fundraising licences and reporting which where the main areas identified).

I hope that we can quickly agree some wording that we could both reference in our reply (public facing) letters. I understand from Shane that they want things that will have commenced before the National Roundtable on 19 August – we would be ready for a kick off meeting before then.

Looking forward to hearing from whoever is best place to discuss further. I will do a separate email with the other follow ups from our meeting so that it is easier for you to direct those to different people! A productive meeting.

Best

Sue

Proposal: Mapping the regulatory user path for establishing a not-for-profit or charity

Objective:
To create a clear, end-to-end map of the regulatory journey for individuals or groups seeking to establish a not-for-profit or charity in Australia, including federal and state requirements.

Scope:
- Identify all regulatory steps involved in setting up a not-for-profit or charity, from initial concept to full registration and on-going reporting and compliance.
- Include requirements from the ACNC, ATO, ASIC, and relevant State and Territory regulators.
- Capture the time and financial costs associated with each step.
- Highlight areas of duplication, complexity, or delay.

Outcome:
- A baseline user path and cost model for regulatory compliance.
- Insights into pain points and inefficiencies in the current system.
- Evidence to support improvements in coordination between the ACNC, ATO, ASIC and State and Territory governments.
- Opportunities to streamline processes, reduce red tape, and improve the user experience.

Benefits:
- Enable targeted improvements (possibly using AI) to simplify, streamline, and reduce any unnecessary barriers to productivity and the reduce the cost burden for a sector heavily reliant on volunteers
- Improved understanding of key approach points for education and compliance for ATO (especially, but not only, for the SAITE measure) and the ACNC's work
- Support better policy and service design – update understanding of the real-world impact of regulatory requirements for this sector
- Enable targeted reforms to make it easier to start and run a not-for-profit or charity – a key part of the economy.

Released under FOI Act 1982
Australian Charities and Not-for-profits Commission

Why now?

- Not done in this way ever (as far as I can ascertain). Parts have been done as part of ACNC establishment (over 12 years ago), and for SAITE, but not before with States and territories and ASIC interactions
- Government productivity priority area (including 'removing unnecessary red tape and getting compliance costs down', Treasury/Finance letter) for policy development and reform
- AI opportunities that have not been a play before.

Sue Woodward AM
Commissioner
Australian Charities and Not-for-profits Commission
T s 22 | M s 22 | W www.acnc.gov.au
Pronouns: she/her

Executive Assistant: Susej Laxamana
susej.laxamana@acnc.gov.au



The ACNC acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respects to them and their cultures and elders past and present.



Released by the Australian Charities and Not-for-profits Commission