

December template release updates

Question Template released in December has changed, can you please advise what the changes were?

Answer In the updated version on the website, the only change it is yellow highlight, section 3.9.

Question How has TNZ moved away from the 'told not taught' concerns raised and what details and amendments have been made?

Answer TNZ have made changes throughout the template, and the language has been softened and in particular, some of the key provisions in the RTO constitution which relate to clubs, membership and the obligations of clubs.
Those provisions related to purpose, eligibility rule, requirement to get people signed up as members, language around access to club facilities, the role of TNZ and RTOs in relation to suspension of individual members, scrutineers at general meetings, resolving disputes, and also updated some of the definitions, particularly around eligibility, member management systems, misconduct, the national database, services and programmes, and the definition of tennis.

An overview of these changes can be found in the link above

The Incorporated Societies (IS) Registrar

Question Concern that after clubs have worked through the process and had members approve your constitution, the Registrar will decline the constitution, and clubs have to start all over again.

Answer Technically yes, If the Registrar requires substantial changes to be made to your club constitution, then yes, you will have to work back through the process.
However, TNZ have paid very close attention to the requirements under the new Act to ensure that all of the templates that have been developed are compliant with the new Act.
So technically yes, but the risk to that is very low.

Question Is the registrar really going to read and approve all of our constitutions?

Answer Technically yes. Therefore, they are likely to be significant delays given the volume over time. It is highly unlikely that the Registrar is resourced to review every incorporated societies constitution in detail.
For reference, TNZ lodged its constitution for approval in mid-December, and no have not received any response.
TNZ understand that the Registrar will take into account the TNZ changes and the process for cascading through the various layers of the system and in discussions with them, they advised that it will review the TNZ one and then as long as all others in the system are compliant to the TNZ one, the Registrar can speed that process up.

Question **Do we need to have our constitution approved by the Registrar before we can re-register?**

Answer Technically yes.
To re-register you need to provide a constitution that complies with the Act and has been approved by your members. When you are working through the online process to re-register, you'll need to upload your constitution. After you have submitted the required information, you will receive confirmation of registration. While the Registrar states they will review all constitutions, if you use the TNZ templates, it is highly likely that there will not be any issues. Please see question/answer above.

Dual Sports Clubs and Sports Hubs – e.g. Squash, Pickleball, club mergers

Question **What are the implication for clubs who also have squash?**

Answer TNZ and Squash NZ have worked closely on this, Squash has someone in their team working on the merger of the two club templates currently. The tennis one is more complex, so Squash NZ are using the tennis one as the basis and bringing the squash bits across. TNZ expect to see a draft any day now. It is not envisaged there will be much back and forth, so TNZ should be able to get this out to those racquet clubs soon after receiving it.
TNZ suggests that dual tennis clubs with Squash should wait for this template. TNZ is also happy to facilitate any conversations between clubs and Squash NZ as needed.

Question **The new constitution template is very specific to tennis. Have inclusion of other sports this been considered, e.g. pickleball?**

Answer In the definitions section at the back of the templates, 'Tennis' is defined as: racket sport played either individually against a single opponent (singles) or between two (2) teams of two (2) players each (doubles) on a court, as defined in the rules of Tennis. It may also include any complementary formats of tennis such as pickle ball, Padel, beach tennis, e-sports as decided by TNZ.
This also includes any form of accessible tennis such as wheelchair tennis.

Cascading of constitutions

Question **Why do clubs have to wait to complete their constitutions being registered before the RTO has had their constitution registered.**

Answer When a club adopts their constitution, the club is becoming a member of their Regional Tennis Organisation (RTO), and until the RTO has adopted and registered its new constitution, it doesn't technically exist. Therefore, the way the system has been set up is that it cascades from TNZ down through the system.

Templates flexibility

Question **At club level that there is much flexibility for variation to the constitution template?**

Answer There is a reasonable degree of variation built into the templates, and you can see that in the draft constitutions where there are colour coded clauses dependant on whether they are mandatory to comply with the Act or the TNZ constitution, this is also reflected in the guidance notes. There are certain provisions that you cannot change, however, the rest of optional details can be customized it to suit your needs.

Question **Clause 9 – Club Manager, can this be deleted if not relevant to our club?**

Answer Yes, this clause is optional, you can remove it or adapt it to fit your situation.

Question **There seems to be a lot of repetition throughout the templates with varying levels of detail. Can clubs state if once and then refer to the clause if it applies to other sections?**

Answer Yes, however, the more changes you make the more important will be to seek advice to ensure it still aligns with the tennis system etc.

Legal Advice

Question **Should clubs get independent legal advice? What about legal implications for Committee members?**

Answer Not necessarily, but that is ultimately a question that committee members should turn their minds to.
Clubs can take some comfort in knowing that the constitutions have been diligently prepared, initially by one of New Zealand's leading sports governance lawyers, amended by TNZ and they also reflect the feedback received through the process from the community.
The purpose of the guidance notes is to support clubs to work through the templated documents methodically.

Unaffiliated clubs

Question **We are a club that is unaffiliated to the relevant RTO and have already adopted our new Constitution using the Incorporated Societies Constitution Builder tool. Does this mean that the TNZ and RTO templates don't apply to unaffiliated clubs, and we are outside systemwide membership?**

Answer The short answer is yes. As an unaffiliated club you sit outside of the wider tennis system and that includes the benefits, security and protections that provides. TNZ would like to see everyone affiliated and plugged in and therefore that would require a new/updated constitution to be adopted which aligns with TNZ/RTO.

Masters Clubs

Question **Does Tennis NZ Masters become a RTO/LTP under the new TNZ constitution?**

Answer Tennis NZ Masters become a National Affiliated Organisation (NAO) under the new TNZ constitution. Masters' clubs will therefore become members

of a NAO. Masters' clubs can still remain affiliate members of their relevant RTO -should be discussed with both NZ Masters and the RTO

Question **Is there a template for Masters clubs?**

Answer TNZ and Tennis NZ Masters are currently working together to develop a template for Masters clubs to use. TNZ recommends that Masters clubs wait for that to be available.

Membership

Question **Our club struggles to get people on our committee due to various factors, and we would like to consider some kind of 'reward' for those that join our committee e.g. offer of free membership for the term. There doesn't appear to be anything in the constitution that allows that.**

Answer There is nothing in the templates that stop clubs from doing this. As a club, you decide what is or isn't included as part of your membership and this does not have to be included in your constitution.

Note: Clause 13.1 talks to Club Regulations, which is where this could align.

Question **How does the consent requirement of the Act get activated? Is there going to be an option in ClubSpark when they sign up?**

Answer Book A Court and ClubSpark will be updated to include this consent requirement.

Question **If a player wants to play at more than one club, are they going to be members in ten places?**

Answer The TNZ IT system will recognise those people who use Book A Court or join clubs in multiple places and merge that information.

Question **In the TNZ constitution it talks about needing to have 20 members, but the baseline in the Act is 10 members. Why the difference?**

Answer TNZ decided to lift the bar here as it relates to sustainability. TNZ felt that clubs would need to have a minimum of 20 for scale, especially those that are new in order to get off the ground.

Question **Is it still the proposal that each club would no longer control its own membership database, and its membership database is legally owned and held by TNZ?**

Answer Each club is required to provide membership details to the TNZ database. This will usually be done through a third-party provider (e.g. ClubSpark). So, for example, a club would use ClubSpark as its Membership Management System (MMS), and it would connect with the TNZ system where it would pull some information from your system, not all of it, into the TNZ one.

Clubs still own their own database and all of the information it in and are to manage it day-to-day. The connection helps TNZ to better understand the growth across the system, track trends and compile insights.

Question **Why does a parent of a junior need to be a member?**

Answer Firstly, generally contracts entered into by minors (anyone under 18 years of age) are not legally enforceable and therefore having the parent sign up is necessary for enforceability by the club.

Secondly, it is through membership that members become bound by policy. TNZ expects parents when they are attending clubs and facilities to be bound by the same policies and behavioural standards as the players. The only way to do this is by having them bound through membership.

Officers

Question **Clause 4.3 disqualifies paid staff from attending committee meetings. Can it be assumed that they can attend, but cannot be voting members and cannot go towards the quorum?**

Answer This clause is not mandatory, but it is best practice.

In detail, there is not prohibition in the new Act to have employees/contractors as members of a board/committee. It was recommended that in the guidance as good practice do to the inherent conflicts of interests that may arise. This is exacerbated if there is more than one employee on the board/committee.

If a Club elects to have an employee/contractor on its board/committee, then it will need to ensure that any potential (real or perceived) is noted and well managed.

Question **What are the officers' duties under the new Act?**

Answer We can pull that together for you and put it up on the Modernising Tennis Hub.

The new Act defines 6 specific duties for officers. It is important for officers to understand these duties and follow them. An officer must:

- Act in good faith and in the best interests of the society
- Exercise powers for proper purposes only
- Comply with the Act and your society's constitution
- Exercise reasonable care and diligence
- Not create a substantial risk of serious loss to creditors
- Not incur an obligation the officer doesn't reasonable believe the society can perform.

Please note that these have always existed, but they have now been set out clearly in the Act.

Question **What are my personal liabilities as a board/committee member of an Incorporated Society?**

Answer As a board/committee member of an incorporated society, your personal liability is generally limited. Meaning you are not personally responsible for the society's debts or obligations unless you act negligently, breach your duty of care or engage in fraudulent or illegal activities while making decision on behalf of the society. Essentially, you are only liable if you fail

to act honestly and prudently within the scope of your role as a board/committee member.

For more information on officers, please visit <https://is-register.companiesoffice.govt.nz/law-changes-for-societies/committees-and-officers/>

Question The process to declare you are eligible under the Act to be an Officer, the template provided by the Registrar is very long. You are meant to sign a declaration saying that you met that criteria before you are elected at the AGM. Could you provide a template?

Answer Yes, we can pull this together for you and put it up on the Modernising Tennis Hub.

Question Are clubs free to choose which membership database they use e.g. ClubSpark or HelloClub?

Answer Yes. TNZ are currently in conversation with several providers across the country to ensure that our systems will connect. There will be nothing to do for clubs as TNZ will manage these connections.

Question Is there a template for a nomination for officers that we can use?

Answer Yes,  here is a simple nomination form template. Please ensure it is updated to reflect your new constitution and any other relevant foundational documents.

Fees

Question Do you expect to see much change on the ground for the affiliation fee?

Answer No. TNZ have committed to not change the current affiliation fee model with these changes. This piece of work will be looked at again in the near future.

Question Will parents of juniors be charged an affiliation fee?

Answer This depends on what the relevant constitution states. The RTO/LTP/Club sets their own fee level. For example, TNZ has traditionally confirmed its fees for the year ahead at its AGM.

Question How does TNZ set affiliation fees?

Answer TNZ sets affiliation fees annually at the AGM. The baseline was established off membership numbers in 2016/2017 and then CPI has been added over the years. The CPI changes were paused during COVID and also more recently due to the cost-of-living crisis. The 2025 TNZ AGM has been scheduled for November.

Question Do life member pay fees? Can our club give our offices a discount?

Answer It all depends on what the Clubs constitution states. It may include reference to life members not paying and fees, or a discounted rate. It may also include this for officers.

The fees are set by the relevant Committee/Board.

Audit and reviews

Question There is a big difference in cost between a financial review and an audit, and the templates do not include anything around it. Please confirm which one we as clubs will need to do.

Answer The constitution template does not outline if you need an audit or a review, this was deliberately left for the club to make that decision. There are legal requirements under the Act for this, and as long as your club meets those then you'll be ok. There is a threshold in terms of the size of an organisation which triggers the change from a review to an audit. Some larger Auckland Clubs may hit this threshold. More information for these thresholds will be added to the Modernising Tennis Hub.

Question One of the requirements of the 'reviewer' is that they are independent of the club. Is this part of the Act and mandatory?

Answer TNZ believes this to be the case under the Act. TNZ will confirm this and add additional details to the Modernising Tennis Hub once confirmed.

Additional details

A club is required to have its accounts reviewed (or audited) if:

- it is a registered charity and for 2 financial years has been operating expenditure of \$550,000.00 or more. The reviewer must be a qualified auditor under the Charities Act. There is a helpful explanation here about the difference between audit and review: <https://www.charities.govt.nz/reporting-standards/new-statutory-audit-and-review-requirements/>
- it is not a charity but has 2 years of operating expenditure of \$3 million or more, it must be audited. It is unlikely that many clubs will reach each of those thresholds so they will not be required to do an audit or review.

TNZ has not required member organisations to be audited or reviewed in its constitution, and it is only guidance to do so in the templates.

However, an audit (or review) is highly recommended for the following reasons:

- to minimize the risk of fraud
- to provide verified accountability/transparency of the financial accounts to members; and
- sometimes it is required as a condition of grant funding.

In these cases, a review can be any person, but it is recommended that they be a chartered accountant who is independent of the Club, and even better, one who is a qualified auditor under the Financial Reporting Act.

Conflicts of Interest

Question Please provide an example of 'interest' in the Interests and Conflicts of Interest Section.

Answer An interest are any relationships, jobs, memberships that might influence decision making. It should also include immediate family/whānau members interests, this includes spouse/partners.

Any board/committee decisions, especially financially related, that are taken by a board/committee where there is a noted conflict should not include that person.

An example might be that a decision is made to resurface some courts, and the local provider is the brother of a board/committee member. This relationship would be seen as an 'interest' and therefore need to be noted and accepted by the board/committee. This board/committee member should not be included in the discussions and decision relating to that decision. The easiest way to capture this is in the minutes of a meeting and the relationship in a register.

Another example could be that a board/committee member is also the director of the club's maintenance provider. The providers contract comes up for review/renewal and the board/committee members should not be included in this process. This should be noted in the conflicts register.

Disputes & Complaints

Question Referring to section 15.6.c.v in the club template, please define "undue delay".

Answer When it comes to working through a dispute, they should be dealt with in a fair, efficient and effective manner. Ideally, a dispute would be resolved as soon as possible. You should be aiming to have it settled within a few weeks. If the complexity of the dispute is as such and the timelines extend beyond a few weeks, clear and consistent communications to all parties on what part of the process the dispute is in is important. This is more likely is the dispute is a complex legal dispute.

Question What rules/procedures are used for a dispute relating to interclub?

Answer Please use the usual rules of Tennis in the first instance, and if required, the process outlined in the constitution template should be used. There is no separate process for resolving a dispute for Interclub.

Other

Question Can we change our club's name through this process as well?

Answer Yes, when you re-register as an Incorporated Society, you can change your society's name as part of the re-registration process. If you want to change your name, you must include the new name in your re-registration application as you cannot simply update your name without re-registering first. Don't forget to ensure that your new constitution has the updated name.

ClubSpark

Question Will ClubSpark be updated to reflect all the changes? E.g. will there be a 'consent' mechanism added?

Answer ClubSpark will be updated to reflect the need for members to agree to the Terms and Conditions. The user will agree to ClubSpark, the Club and RTO/LTP and TTNZ Terms and Conditions in different tick boxes. This will start happening after the new affiliation year begins, from May 2025.