

HEALTH SERVICES UNION

Governance Principles

The Branch Rules and the provisions of the *Fair Work (Industrial Organisations) Act 2009 (Cth)* will prevail over the terms of the policy to the extent of any inconsistency.

WHAT IS GOVERNANCE?

‘Governance’ refers to how the Branch is managed and how authority is exercised and controlled within the Branch. Governance influences the priorities of the Branch and the manner in which they are achieved, as well as how financial and reputational risks are monitored and assessed, and how performance is improved and managed.

WHY IS IT IMPORTANT TO THE BRANCH?

The Branch is a voluntary, democratic association of working people, who join together to achieve certain objectives, such as to protect and advance their rights as employees and to assist other unionists to protect and advance their economic and social rights. Other objects of the Branch are set out in the Branch Rules. The Branch can better achieve its objects if its structures, processes and controls are open and clear.

The Branch Rules, together with this policy and the Finance Policy and Procedures, create financial and risk-management processes and controls that are open and clear. These processes and controls also apply to Branch structures, such as Branch Council, Branch Committee and Audit and Finance Committee, which are accountable, democratic and representative. Branch members directly elect Officers and representatives to Branch Committee and Branch Council.

An Officer or an employee of the Branch cannot authorise expenditure that she or he has personally incurred. Such expenditure must be authorised by a more senior employee, Officer or the appropriate Branch forum. This includes authorisation for expenditure on travel, accommodation, hospitality and gifts.

1. Governance Principles

The governance principles listed below are based on the provisions in Rule 90 of the Branch Rules. These rules require the Branch to develop and put in place internal policies and procedures to control expenditure and encourage good governance, accountability to members and democratic functioning and control of the Branch.

- 1.1 Integrity in financial procedures, controls and reporting is established and is safeguarded.
- 1.2 Democratic and ethical decision-making is mandated.
- 1.3 The members are the Branch, and this is reflected in the Branch’s structures.
- 1.4 Communication between the Branch office and the members is clear, relevant and timely.
- 1.5 Planning and learning is in everything we do.

2. Definitions

All words in this policy have the same meaning as words in the Branch Rules.

Assistant Secretary-Treasurer	The designated Officer in charge of the financial conduct and reporting of the Branch and an assistant to the Secretary in regard to the general conduct, administration and business of the Branch.
Chief Financial Officer	The designated employee responsible for managing all financial reports and records and the Finance Department.
Councillor	A member of the Branch Council.
Employees	All staff, contractors, consultants and temporary workers of the Health Services Union NSW Branch.
Gift	A present, benefit, offering or token of appreciation received from a member, employer, vendor, supplier, potential employee, political party, vendor or supplier, and includes, but is not limited to, cash, merchandise, services, hospitality or social invitation, whether offered free or discounted.
Officer	A member of the Branch Committee
Paid officers	The Secretary, Assistant Secretary-Treasurer and Assistant Secretary
Secretary	The Chief Executive Officer of the Branch. The designated Officer in charge of the general conduct, administration and business of the Branch.
Branch	Health Services Union NSW Branch
Branch Committee	The Branch's committee of management, consisting of the President, the Senior Vice-President, the Junior Vice-President, the Secretary, the Assistant Secretary-Treasurer, the Assistant Secretary and five (5) ordinary members.
Branch Council	The supreme governing body of the Branch, consisting of the Officers and twenty-five (25) Councillors.
Branch Management	Employees who have financial responsibilities under this policy.
Branch Rules	Those rules registered under the <i>Fair Work (Registered Organisations)</i>

Governance Principles Expanded

- 1 **Integrity in financial procedures, controls and reporting is established and safeguarded.**
 - 1.1 Integrity in financial procedures, controls and reporting is safeguarded by mandating delegations of authority for all expenditure. This means that employees and Officers are prohibited from authorising expenditure that they have personally incurred and requires that such expenditure should be authorised by a more senior employee, Officer or in the case of Secretary from Branch Committee.
 - 1.2 The Assistant Secretary-Treasurer shall be responsible for compliance with financial procedures, controls and reporting. A Chief Financial Officer (CFO) will be employed to assist the Assistant Secretary-Treasurer in overseeing the management of financial procedures, controls and reporting.
 - 1.3 The Audit and Finance Committee will approve budget and cash forecasts, closely examine financial statements on a regular basis and monitor and protect the funds and property of the Branch. Minutes of the Audit and Finance Committee meetings held will be tabled to Branch Council.
 - 1.4 Financial training will be provided for all members of the Branch Council, Branch Committee and Audit and Finance Committee by an appropriate provider within six (6) months of a member's appointment.
 - 1.5 The Secretary, Assistant Secretary-Treasurer and Assistant Secretary must be accountable to members and must report to members on a regular basis about the Branch's financial position (including remuneration) and risk profile (including management of conflicts of interest and conduct of compliance audits and investigations).
 - 1.6 The Branch employs professionals with specific expertise in areas such as finance, law, communications, administration, industrial relations and membership systems to support the work performed by the Secretary, Assistant Secretary-Treasurer, Assistant Secretary, Branch Council, Branch Committee and Audit and Finance Committee.
 - 1.7 The Branch has policies and procedures for financial controls, including financial review and authorisation of expenditure. The policies and procedures will ensure that the truthful and factual presentation of income and expenditure is presented to members.

The following policies contain further details about matters referred to above:

Finance Policy and Procedures – including delegations and disclosures:

- Audit and Finance Committee Charter (Annexure A)
- Tendering and Procurement Procedure (Annexure B)
- Motor Vehicle Policy (Annexure C)
- Corporate Credit Card Policy (Annexure D)
- Business Expense Reimbursement Procedure (Annexure E)

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- Travel Policy (Annexure F).

2 Democratic and ethical decision-making is mandated.

- 2.1 No employee or Officer of the Branch shall enter into an agreement with any employer or employer representative that affects a member or group of members without first meeting with the member or group of members or taking a ballot of the group of members and through such process obtaining the consent of the member or a majority of the group of members.
- 2.2 The Branch Committee may, after considering the views expressed by members, by resolution, determine that a particular agreement is in the interests of members and thus may authorise the employee or Officer of the Branch to enter into the agreement, notwithstanding that a particular member or the majority of a group of members does not consent to the agreement.
- 2.3 All employees and Officers of the Branch carrying out Branch work must comply with the Code of Conduct.
- 2.4 Adverse action shall not be taken against an employee or an official of the Branch because that person makes a complaint of unethical practices against the Branch or an individual associated with the Branch.
- 2.5 Members should report unethical practices to the Branch President, who will investigate complaints of impropriety or misdemeanour. The Branch President must abide by principles of procedural fairness, both for the person who made the complaint and the person against whom the complaint is made.
- 2.6 There are fair and transparent procedures for the employment and promotion of employees within the Branch. Employment and promotion are based on merit that is documented by regular performance reviews.
- 2.7 Any payments arising from the Secretary or the Assistant Secretary-Treasurer or the Assistant Secretary being appointed to a board or a committee will be remitted to the Branch.
- 2.8 Any employee or Branch member appointed to a board or a committee by virtue of his or her Branch position may receive some or all of the payments associated with that appointment. This will be determined by the Branch Committee, which will minute the decision and the reasons for the decision, and publish it on the Branch website.
- 2.9 It is the aspiration of the Branch that its employees and Officers reflect the diversity of its membership. The Branch Committee will report to Branch Council on an annual basis whether this aspiration has been met and outline all steps taken to meet the aspiration.
- 2.10 The following policies contain further details about matters referred to above:
- Finance Policy and Procedures;
 - Code of Conduct;
 - Member's Complaints Policy;

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- Employment Policy.

3. The members are the Branch and this is reflected in the Branch's structures.

- 3.1 The Branch Rules set clear boundaries between the functions of the Audit and Finance Committee, the Branch Committee, the Branch Council and the day-to-day activities of the Secretary, the Assistant Secretary-Treasurer and the Assistant Secretary.
- 3.2 The Branch Secretary, the Assistant Secretary-Treasurer and Assistant Secretary are the only paid, full-time positions elected by members. The President, Senior Vice-President, Junior Vice-President and all other Branch Council and Branch Committee positions are honorary.
- 3.3 Branch delegates are elected by members at workplaces for a fixed term. Branch delegates represent members in their workplace in their dealings with management and generally represent the Branch in their workplace.
- 3.4 Where there are fifteen (15) or more Branch members in a workplace, a Sub-Branch Committee will generally be established.

Sub-Branch Committee

- 3.5 All members of a Sub-Branch Committee must comply with the Code of Conduct.
- 3.6 The Sub-Branches of the Branch are the committees of management located at workplaces with fifteen (15) or more Branch members that act as the conduit between members and the Branch Committee and the Branch Council.
- 3.7 There may be more than one Sub-Branch at a workplace. The Branch Council will not unreasonably refuse to establish additional Sub-Branches at a workplace where there are functionally distinct or specialist units at a workplace and there are fifteen (15) or more members of the Branch.
- 3.8 The Sub-Branch President, Vice-President, Secretary and at least five (5) Committee members will be elected by members annually at the Annual General Meeting.
- 3.9 The Sub Branch Committee usually meets at least monthly.

Branch Committee

- 3.10 All members of the Branch Committee must comply with the Code of Conduct.
- 3.11 The Branch Committee is the Branch's committee of management. It meets monthly. Its role includes the immediate oversight of the Branch, by directing the Paid officers in the performance of their duties, investigating grievances and disputes submitted by members and general oversight of the Branch. The Branch Committee's powers and duties are specified in Rule 42.

Audit and Finance Committee

- 3.12 All members of the Audit and Finance Committee must comply with the Code of Conduct.

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- 3.13 The Audit and Finance Committee is the financial committee of management of the Branch. It meets at least monthly. Its role includes preparation of budget and cash forecasts, close examination of financial statements on a regular basis and monitoring and protecting the funds and property of the Branch. The Audit and Finance Committee's duties are specified in Rule 75.

Branch Council

- 3.14 All members of the Branch Council must comply with the Code of Conduct.
- 3.15 The Branch Council has an effective composition, size and focus on discharging its responsibilities and duties. It consists of officers from the Branch Committee and twenty-five (25) Councillors.
- 3.16 The Branch Council meets at least annually and is the supreme governing body of the Branch. The role of the Branch Council includes the oversight of the Branch Committee, development and implementation of Branch policies and procedures, and setting remuneration, terms and conditions of employment for any Officer or employee of the Branch. The Branch Council's functions are specified in Rule 43(f).
- 3.17 At the annual meeting of the Branch Council, representatives formulate policy recommendations. Sub-Branches may submit policy proposals to Branch Council for consideration. Councillors are expected to have consulted with members about any proposals that are to be discussed at the Branch Council.
- 3.18 The following policies contain further details about matters referred to above:
- Audit and Finance Committee Charter (Annexure A of the Finance Policy);
 - Code of Conduct.

4. Communication between the Branch and members is clear, relevant and timely.

- 4.1 As a matter of common practice, communication between the Branch and members takes place through Branch delegates. Members are encouraged to contact their Branch delegate as a first port of call. Communications about organising and industrial matters will be distributed to members by workplace delegates. The Branch office facilitates communication by providing workplace delegates with current membership lists as required.
- 4.2 All employees, the Branch Secretary, Assistant Secretary-Treasurer and Assistant Secretary will respond to any question or complaint from a member in a prompt manner. Usually this will involve an immediate confirmation of the communication and a reply within seven (7) business days.
- 4.3 The Branch will use electronic communications effectively, such as its website and email, to communicate with members. The Branch will investigate technologies by which communication between members and the Branch office can be conducted in an open and secure manner.

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- 4.4 The Branch will publish the following information on its website:
- Newsletters;
 - Annual Audited Financial Reports;
 - Minutes of Branch Council (in whole unless strategic, private or confidential);
 - Job vacancies;
 - Casual vacancies of Officials;
 - Any payment made by the Branch to a related party of the Branch or to a declared person or body of the Branch;
 - Register of Related-Party Transactions;
 - Branch Rules; and
 - The most recent amendments to the Branch Rules.
- 4.5 Minutes of meetings such as Branch Council and documents discussed at such meetings will generally be published on the Branch website. Documents that are strategic, private or confidential in nature will not be publicly available. Branch members must not misuse any information gained from the Branch.
- 4.6 Members will bring important and relevant information to the attention of a Branch representative in a timely manner.
- 4.7 If a document is requested by a member, including a document referred to in clause 4.4 above, but is deemed to be strategic, private or confidential, and therefore unable to be released, the Branch Secretary will provide the reason in writing for the decision.
- 4.8 The following information is not deemed to be confidential or private:
- 4.8.1 Any earnings (including non-financial benefits like motor vehicles) from all sources for work performed by the Secretary, Assistant Secretary-Treasurer or Assistant Secretary.
 - 4.8.2 Any severance or termination pay made by the Branch to the Secretary and/or Assistant Secretary-Treasurer and/or Assistant Secretary.
 - 4.8.3 Any payment by the Branch to any consultant or employee above the set remuneration rate.
- 4.9 The total remuneration, including non-cash benefits, of the Secretary, Assistant Secretary-Treasurer and Assistant Secretary will be disclosed to members.
- 4.10 Financial members have certain rights to inspect Branch books and documents according to the Branch Rules and legislation. This right must be exercised in good faith and consistent with the interests of members of the Branch, not for some ulterior or extraneous purpose. Allowing members to inspect Branch books and documents that are not private or confidential ensures that the Branch is accountable to its members and is able to operate effectively.

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- 4.11 The Branch, by the nature of its activities, collects information from and about individuals that may be of a personal and sensitive nature. The Branch will not disclose personal information unless such disclosure is directly associated with the conduct of approved Branch activities or is required by law.
- 4.12 In case of a dispute regarding access to documents or inspection of Branch books and documents, the person unsatisfied with the decision may make a complaint to the Branch President.

5. Planning and learning is in everything we do.

- 5.1 The Branch Council will develop and maintain a Strategic Plan that will outline the direction for the Branch for a one to four-year period.
- 5.2 The Branch Committee will develop job descriptions for all staff, a performance appraisal system and a comprehensive staff agreement with terms and conditions of employment and policies on occupational health and safety, harassment and discrimination, information technology, use of social media, diversity and other issues of relevance. The Branch Committee will ensure that levels of remuneration are sufficient and reasonable, and that employees' duties and responsibilities are clear.
- 5.3 At the Branch Council, Councillors will provide feedback on the content, structure and quality of conference proceedings, venue, facilities etc.
- 5.4 The Branch Council will review the content and operation of Rule 90 policies on an as required basis.
- 5.5 The Branch Council will develop the following policies:
- 5.5.1 Making a complaint to the Branch President;
 - 5.5.2 Allocation of legal-service resources for individual members and for collective disputes;
 - 5.5.3 Privacy;
 - 5.5.4 Disclosure and management of conflicts of interest;
 - 5.5.5 Membership fees, payments and recovery of overdue membership fees.

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