



Union Council Meeting Minutes

31 August 2016 9:00am

Parliament House

Room 1R3, Parliament Drive, Canberra ACT 2600

The meeting opened 8:43am with Mark Sterrey, President in the Chair for the Union Council meeting 31 August 2016.

Attendees

Mark Sterrey
Gerard Hayes
Andrew Lillicrap
Mercedes Polanco
Sue Davis
Raymond Dunn
Joan Catlin
Gillian Reilly
Sharon Carney
Steven Fraser
Leanne Burns

John Holgate
Alan Wilcock
Leigh Bush
Claire Charles
Sarah Dufty
Sharon Joseph
Lindy Twyford
Shirley O'Riley
Josephine Peacock
John Jetty Dore

1. Observers/Proxies/Apologies

Resolution: UC 01/2016

Moved: Sharon Carney/Ray Dunn

“That the apologies Sharalyn Haynes, Leanne Starr, Darriea Turley, John Chester, Stephen Austen, Ronald Pike and Warren boon be accepted and observers Clark Eaton, Elliot Waugh, Angela Nigro, Ayshe Lewis, David Perry, Phil Kessey, Adam Hall, Rob Sheehy, Adrian Coates, Tim Thorburn, Paul Compton and Linda Zutitis be admitted to the meeting.”

MOTION PUT AND CARRIED

2. Conflict of Interest, Related Party Transaction Disclosers and other Disclosures

Andrew Lillicrap, Assistant Secretary/Treasurer declared a conflict of interest in relation to knowing the two points of contact regarding the Expression of Interest for the Insurance Tenders to be reported later at this meeting,

3. Standing Order

Mark Sterrey, President invited Joseph Santangelo From Nexia Court to take the chair to discuss and explain the Union Council and Branch Council 2015/2016 audit.

Joseph discussed the Auditing report that is attached to the meeting notes going through the profit and loss statements, revenue, the current and non current assets and liabilities. An audit snapshot was discussed, looking at the findings for this year and last year and comparing the findings. Internal controls implemented preventing any errors and recommended further procedures to deal with risks with setting controls to not have misappropriation.

There were changes that have been noted however not posted, These include -

Pay debts when day fall due
Personnel
Related Party Disclosures
Governance
Revenue Reconciliation
Payroll purposes are correct

The discussion moved to the journal adjustment processes, which will change with deletions not occurring moving forward. New procedures are recommended to deal with conflicts of interest and disclosures. With the accounting team looking at Data Mining which is a housekeeping management system which will clean up on some minor issues.

Resolution: UC 02/2016

Moved: Raymond Dunn/Stephen Fraser

“Union Council notes that the Audited Financial Statements were received by Union Council at the meeting of 31 August 2016.

Union Council has received the report of the Auditor from Nexia Court and therefore adopts the Audited Financial Statements for the period ending 30 June 2016.

Union Council therefore authorises the President, Secretary, and Assistant Secretary/Treasurer to sign the Council Certificate for the period ending 30 June 2016.

Further, that the Assistant Secretary/Treasurer be authorised to sign the Accounting Officer’s Report before being filed with the NSW Industrial Relations Commission in line with reporting requirements.”

MOTION PUT AND CARRIED

9:40am Joseph Santangelo finished his report

9:40am Mark Sterrey returned to the chair

4. Minutes of Previous Meeting/s:

Gerard Hayes, Secretary advised Union Council that the attendance book for the Union Council went missing at the July Meeting at Rooty Hill held 4 July 2016 and that the attendance may not be accurate.

Resolution: UC 03/2016

Moved: John Holgate/Lindy Twyford

“That the Union Council Minutes 31 May 2016 be accepted.”

MOTION PUT AND CARRIED

Resolution: UC 04/2016
Moved: Claire Charles/Sarah Dufty
"That the Union Council Minutes 4 July 2016 2016 be accepted."
MOTION PUT AND CARRIED

5. Secretary's Report:

- Gerard Hayes, Secretary reported on a number of items including the HSU NSW/ACT growth bringing HSU membership to nearly 33,000
- Update on the Woman's Committee and the notification email regarding the leadership program which Leanne Burns will discuss via teleconference scheduled for Thursday 1 September 2016 where it will be determined who attends Women's Committee meeting in Melbourne conducted by the National Office
- Gerard discussed the Australian Electoral Commission and Fair Work Commission enquiry, Registered Organisations Commission legislation and downgrading the Industrial Program
- The potential for document distribution via DropBox
- The tender process for linen services in Wagga Wagga
- Internal legal costs being reduced due to 4 lawyers currently working in-house at the HSU.
- Next year, privatisation.

Resolution: UC 05/2016
Moved: Lindy Twyford/Susan Davis
"The Union Council accepts the Secretary's report."
MOTION PUT AND CARRIED

6. Assistant Secretary/Treasurer's Report:

Andrew Lillicrap, Assistant Secretary/Treasurer reported on the \$1.3 million surplus at the end 2015/16 financial year and reported on the expenses ongoing in that financial year, with \$1.5 million of debt paid the HSU NSW/ACT/NSW, the office still ended up in surplus. Andrew reported on the budget moving forward as per the reports attached and extended his appreciation of the huge efforts and the amount of work within the financial team to Angel Nigro and Janaki Puvanarajah.

Resolution: UC 06/2016
Moved: Sharon Carney/Leanne Burns
"The Union Council accepts the Assistant Secretary/Treasurer's report."
MOTION PUT AND CARRIED

7. Finance Report:

7.1 Balance Sheet and Profit and Loss

The balance sheet and profit and loss to July 2016 are attached.

Resolution: UC 07/2016
Moved: Alan Wilcock/John Holgate
"The Union Council notes the balance sheet and profit and loss to July 2016."
MOTION PUT AND CARRIED

7.2 Budget and Cashflow Projections 2016/2017

As attached, the Budget and Cashflow Projections 2016/2017.

Resolution: UC 08/2016
Moved: Sharon Joseph/Lindy Twyford
“That the HSU NSW Union Council discuss, review and adopt the Budget and Cashflow Projections for the 2017 financial year.”
MOTION PUT AND CARRIED

7.3 Audit Financial Statements 2015/2016

Dealt with earlier in the meeting resolution UC 02/2016.

7.4 Audit Communication Letter with those charged with governance

Attached is the Nexia audit letter following the financial year 2015-2016 audit.

Resolution: UC 09/2016
Moved: Shirley O’Riley/Gillian Reilly
“The Union Council note the Auditors letter from Nexia Court.
MOTION PUT AND CARRIED

The meeting moved to agenda item 9.

8. DIVISIONAL REPORTS

Industrial Divisional Report
Aged Care Report
SEUI Report
Private Health Division Report
Training and Development Report
Public Health Branch Council Report

9. AGENDA ITEMS

9.1 Union Ombudsman

Rule 37 requires that the Union is to appoint a Union Ombudsman annually. Noting that the current Union Ombudsman is Mr I. Temby, it is proposed that Mr. Temby is confirmed as the Union Ombudsman for the year 2016-2017.

Resolution: UC 10/2016
Moved: Claire Charles/Joan Catlin
“Branch Council endorses Mr. Ian Temby as the Union Ombudsman for the period 2016-2017.”
MOTION PUT AND CARRIED

9.2 Customer Relationship Management Program – EOI

The HSU has recently conducted an Expression of Interest process for the HSU’s Customer Relationship Management database. This is the database containing the HSU

membership records. As the expenditure over three years exceeds \$200,000, this contract ultimately requires Union Council approval.

The market testing process was required given it has been three years since the last time it was conducted and in line with HSU policies. Memforce, provided by Cotswold Concepts, has been used since 2009.

Five companies applied and provided submissions to the HSU. These were: Coconet Technologies, Cotswold Concepts, Grant Thornton, Magenta Linus and Serole Technologies.

A panel of users from head office was set up and received presentations from these companies. The panel provided feedback on the companies.

Proposals from Serole Technologies and Magenta Linus involved extensive customisation. Customisation requires a lot of resources and time to be provided to the software developer to understand HSU needs. This would involve a major commitment of time and resources from senior staff who are familiar with HSU technical requirements to spend with the software developer. These two proposals were eliminated on this basis.

The other three proposals – Cotswold (Memforce), Coconet and Grant Thornton (using Netsuite platform) – all had merit. Coconet had a simple, easy to navigate interface. Grant Thornton (Netsuite) is a powerful tool that integrates the membership database with the financial transactions and reporting of the Union. See the attached table for further detail on the proposals.

A significant price reduction occurred three years ago when this market testing process occurred. The Memforce price has been further reduced on this occasion and remains price competitive.

Any transition to a new software program would take at least 6 months. A Project Manager would need to be engaged for this time to ensure a smooth transition. In addition, the new programs incur upfront capital costs. Memforce does not incur either the cost of the project manager or the upfront capital costs, as it is the existing program used by the HSU and would simply continue uninterrupted.

Memforce has capacity to incorporate new ideas (as proposed in some of the other proposals), such as better financial reporting integration, SMS and mass emailing.

The attached summary table outlines pricing of the proposals, including upfront capital costs. The comparison including upfront capital costs, is:

Coconet Technologies: \$280,000
Cotswold Concepts (Memforce): \$242,136
Grant Thornton: \$379,307
Magenta Linus: \$309,900
Serole Technologies: \$240,000

Taking the costs involved, plus the risk associated with any transition, the stability and reliability of the existing Memforce program, as well as the confidence the staff have in the Memforce program, the Audit & Finance Committee endorsed using Memforce for a further three years.

Resolution: UC 11/2016

Moved: Leanne Burns/Lindy Twyford

“That the HSU endorses using Memforce as its CRM program for a further three years. That the Assistant Secretary/Treasurer renew the contract with Cotswold Concepts for a further three years until 2019. The Union Committee thanks the other proponents for their proposals, acknowledging the extensive work involved in putting forward their proposals.”

MOTION PUT AND CARRIED

10:50am – Break for morning tea

11:05am – return from morning tea

9.3 Insurance Brokerage Services and Policies – EOI

The HSU has recently run an Expression of Interest process for Insurance Brokerage. This meets the requirement to market test contracts with external providers every three years. The HSU’s current broker is Coverforce Insurance Brokers.

HSU insurance policies amount to over \$1m worth of expenditure every year.

The EOI was advertised in the SMH and initially, five insurance brokers applied during Stage 1. These were: IFS Solutions, Insurance Brokerage Services, Marsh & McLennan, Coverforce and Willis Towers Watson. Companies were asked to put forward a proposal outlining their qualities and capacity.

Upon assessment by the Audit & Finance Committee, this was reduced to three – Coverforce, IFS and Willis Towers Watson - who were then asked to gather quotes for the HSU insurances for Stage 2 of the EOI process.

These three companies were asked to present to the Audit & Finance Committee on 15th August. After considerable discussion, based on the insurance policies quoted, pricing, experience and understanding of HSU needs, Coverforce was selected by the Audit & Finance Committee for a further three years.

Resolution: UC 12/2016

Moved: Sharon Carney/Lindy Twyford

“That the HSU renew the arrangement with Coverforce Insurance Brokers to provide insurance brokerage to the HSU until 2019. Further, that the Assistant Secretary/Treasurer renew the insurance policies prior to expiry.”

MOTION PUT AND CARRIED

9.4 2017 Conference

The Union has held the 2015 and 2016 annual delegates Conference at Rooty Hill RSL Club. The decision to establish the Conference at Rooty Hill was due to a commitment to the membership in the Charter of Reform. This commitment would ensure that the cultural and financial interests of the of the Union would be exemplified at the Conference. The decision was also taken to limit the attendance at conference to one delegate per sub branch due to the vulnerable financial position that the union was in at the time. As the Union’s finances are now greatly improved and the membership is continuing to grow, particularly within private and Aged care sectors, the Union is in a position to increase the representation of delegates at Conference. To do so will require an alternate venue as the accommodation and Facilities at Rooty Hill RSL Club are already under pressure.

To accommodate two delegates per sub branch and to address the growing divisions of aged Care and Private Health it is anticipated that the 2017 Conference will potentially have between 700 and 800 delegates, staff and officials attending. With this amount of attendees venues in western Sydney are limited and at this time quotes have been sourced from Rosehill Race Course, Panthers and ANZ Stadium. (Quotes Attached)

Resolution: UC 13/2016

Moved: Sarah Dufty/Sharon Carney

“Following a review of costings for the 2017 HSU Conference by Panthers, ANZ Stadium and Rosehill Race Course, Union Committee recommends to Union Council that the 2017 HSU Conference is held at ANZ Stadium and that the Union is authorised to reserve the venue.”

MOTION PUT AND CARRIED

11:30am – Dr. Mike Freeland joined the meeting

The Federal Member for McArthur is a member of the HSU and he thanked the Union for the help and professional manner that all involved assisted with in the latest campaign.

11:38am – Dr. Mike Freeland left the meeting

10. GENERAL BUSINESS:

A councillor mentioned that Katrina Hart is out on the road advising that the office is shutting down a sub branch. Adam Hall is currently working with the sub branch supporting the needs of the branch, therefore this information is not correct.

At the next councillor meeting Satya Champness will be invited to the HSU NSW/ACT/QLD Christmas Party with a special mention.

Future minutes will be generated with resolution numbering to the papers.

Dropbox will be trialled for document distribution with the intention to have Councillors connect to iPads in time.

11:47am Chris Hayes Chief Opposition WIP was formally invited to the meeting by Mark Sterrey.

11:52am Tanya Plibersek joined the meeting, thanking the Union for all the hard work and support

11:57am Tanya Plibersek left the meeting.

11:59am Susan Templeman joined the meeting, thanking the Union for all the hard work and support

12:02pm Susan Templeman left the meeting.

12.02pm – Break for working lunch

12:13pm – return to working lunch

12:15pm Emma McBride joined the meeting, thanking the Union for all the hard work and support

12:19pm Emma McBride left the meeting.

The meeting moved back to the agenda item 8, Divisional report commencing with Aged Care report, by Rob Sheehy.

12:24pm Brendan O'Connor joined the meeting and discussed the plight of penalty rates and the strength of the Union

12:33pm Brendan O'Connor left the meeting.

12:33pm Emma Husar joined the meeting and reported on the plight of the Nepean Hospital

12:39pm Emma Husar left the meeting.

The meeting moved back to the agenda item 8, divisional report returning to the Private Health Division by Tim Thorburn. Phil Kessey reported on Training and Developments closing with David Perry reporting on the Public Health Council Report. All the divisional reports are attached.

There being no further business, the meeting closed at 12:52pm



Chairperson

13.12.16

Resolutions List and Attachments

UC 01/2016	That the apologies Sharalyn Haynes, Leanne Starr, Darriea Turley, John Chester, Stephen Austen, Ronald Pike and Warren boon be accepted and observers Clark Eaton, Elliot Waugh, Angela Nigro, Ayshe Lewis, David Perry, Phil Kessey, Adam Hall, Rob Sheehy, Adrian Coates, Tim Thorburn, Paul Compton and Linda Zutitis be admitted to the meeting
UC 02/2016	Union Council notes that the Audited Financial Statements were received by Union Council at the meeting of 31 August 2016.
UC 03/2016	That the Union Council Minutes 31 May 2016 be accepted
UC 04/2016	That the Union Council Minutes 4 July 2016 2016 be accepted
UC 05/2016	Union Council Secretary's Report
UC 06/2016	Union Council Assistant Secretary/Treasure's report
UC 07/2016	The Union Council review the balance sheet and profit and loss to July 2016
UC 08/2016	That the HSU NSW Union Council discuss, review and adopt the Budget and Cashflow Projections for the 2017 financial year
UC 09/2016	The Union Council review the Auditors letter from Nexia
UC 10/2016	Branch Council endorses Mr. Ian Temby as the Union Ombudsman for the period 20165-2017
UC 11/2016	That the HSU endorses using Memforce as its CRM program for a further three years. That the Assistant Secretary/Treasurer renew the contract with Cotswold Concepts for a further three years until 2019. The Union Committee thanks the other proponents for their proposals, acknowledging the extensive work involved in putting forward their proposals
UC 12/2016	That the HSU renew the arrangement with Coverforce Insurance Brokers to provide insurance brokerage to the HSU until 2019. Further, that the Assistant Secretary/Treasurer renew the insurance policies prior to expiry
UC 13/2016	Following a review of costings for the 2017 HSU Conference by Panthers, ANZ Stadium and Rose Hill Race Course, Union Committee recommends to Union Council that the 2017 HSU Conference is held at ANZ Stadium and that the Union is authorise to reserve the venue