

## POLICY AND PROCEDURES

### Nominations/Appointments to External Boards and Committees

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**Approved by:** National Executive

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**Relevant Rule:** HSU Rule 89

**Relevant Legislation:** Fair Work Act (2009); Fair Work (Registered Organisations) Act (2009)

**Scope:** This policy, or parts of this policy have application to all HSU Branches

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## **Introduction**

The Health Services Union (HSU) is the union representing members employed or usually employed in the health and human service industries in Australia.

In this Policy, the HSU includes the following Branches:

- New South Wales
- South Australia/ Northern Territory
- Tasmania Branch (Trading as Health & Community Services Union)
- Victoria No.1 Branch (Trading as Health Workers Union)
- Victoria No.2 Branch (Trading as Health & Community Services Union)
- Victoria No.3 Branch (Trading as Victorian Allied Health Professionals Association)
- Victoria No.4 Branch (Trading as Medical Scientists Association of Victoria)
- Western Australia

## **Policy Statement**

HSU National Officers and employees are expected to uphold the integrity of the Union in the highest manner when undertaking their duties and in their undertakings with members, employers, outside organisations and suppliers.

HSU National Officers and employees must behave honestly and with integrity in the course of their employment or duties.

HSU National Officers and employees must disclose, and take reasonable steps to avoid, any conflict of interest (real or apparent) in connection with Union employment or duties.

HSU National Officers and employees must not make improper use of inside information or use their duties, status, power or authority in order to gain, or seek to gain, an improper benefit or advantage for themselves or for any other person.

HSU National Officers and employees must at all times observe The Financial Responsibilities of Officers as determined by the Rules of the Union.

## **Branch Policy**

Where a Branch does not have a policy consistent with this policy, this policy will apply to that Branch substituting the Branch structures, officers and employees with those contained in this policy where appropriate.

## Definitions

**‘Board’** means a group of persons who supervise, govern or otherwise have oversight of a corporation, organisation, association or other like body including a Board of Directors.

**‘Branch Officer’** means the officers referred to in rule 40(a).

**‘conflict of interest’** includes:

- a) an actual conflict of interest, where a material interest interferes with the proper performance of the duties of the employee or member, and
- b) an apparent conflict of interest, where it could be perceived by others that a material interests of the member interferes with the proper performance of the duties of the member, whether or not this is in fact the case, and
- c) a potential conflict of interest, where the material interests of the member could interfere with the proper performance of the duties of the member in the future.

**‘Council’** means the National Council of the HSU.

**‘employee’** means HSU National employee.

**‘Executive’** means the National Executive of the HSU.

**‘Finance Committee’** or **‘Committee’** means the National Finance Committee of the HSU

**‘HSU National’** or **‘National’** means National Office of the HSU.

**‘HSU Rules’** means the rules of the HSU registered in accordance with the Act.

**‘material personal interests’** means the National Officer or employee has a material personal interest in a matter if a determination of the National Council, National Executive, National Finance Committee or Committee established by National Council or National Executive in the matter may result in a detriment being suffered by or a benefit accruing to the National Officer or employee or an associate of the National Officer or employee and includes possible material personal interests where a National Officer or employee could reasonably be taken to have a conflict of interest (perceived conflict of interest). A material personal interest conflict exists where there is a conflict between a National Officer or employee’s duties and responsibilities, and their private interests whether financial or not.

**‘National Officer’** or **‘Officer’** whether paid or not, has the same meaning as the phrase ‘officer of an organisation’ in Division 3A of Part 2 of Chapter 5 of the *Fair Work (Registered Organisations) Act 2009*.

**‘National Secretary’** means person elected by National Council as such in accordance with rule 23B to act in accordance with responsibilities under rule 26 of the HSU Rules.

**‘non-cash benefit’** means property or services in any form other than money, but does not include a computer, mobile phone or other electronic device that is used only or mainly for work purposes.

**‘related party’** has the same meaning as that phrase in sections 6 and 9B of the Act. Relatives of a person appointed to represent the Union on a Board or Committee are **related parties**. An entity controlled by a related party is a **related party**.

**'related party transaction'** means a transaction in which HSU or HSU subsidiary was, or is proposed to be, a participant and in which a related party has, had or may have a direct or indirect material personal interest.

**'relative'** in relation to a person, means:

- a) a parent, step parent, child, stepchild, grandparent, grandchild, brother or sister of the person; or
- b) the spouse or former spouse of a person.

**'transaction'** means any financial transaction, arrangements or relationships (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangements or relationships.

**'The Act'** means the *Fair Work (Registered Organisations) Act 2009*.

## Policy

### 1. Merit Selection

- 1.1. Nominations to represent the HSU on a board or committee are to be determined on merit and on the basis of the person who the National Executive considers have the necessary skills, knowledge and capacity to best represent and serve the interests of HSU members on the particular board or committee. Decisions regarding appointments to boards or committees are to be a decision by resolution of the National Executive.

### 2. Remuneration

- 2.1. The responsibility of the National Executive is to ensure that the overall remuneration of paid National Officers and HSU National employees are determined through a transparent process and is reflective of the individuals overall responsibility and work value and that there are no perceived or actual conflicts of interests created by additional remuneration from HSU appointment to boards and committees.
- 2.2. As a general principle, where a full time paid Union Official/ Employee is undertaking a role on a board or committee, by virtue of their HSU position, it is not appropriate that they receive additional remuneration as a result of sitting on those boards or committees. In those circumstances the fee or remuneration must be paid to the National Union, the Branch, or State Registered Union in which the Official/ Employee is employed.
- 2.3. Where the National Executive determines that it is appropriate to deviate from this principle outlined in (ii), the detailed reason for the deviation and the decision by 'resolution' shall be documented and recorded in the Minutes of the National Executive.
- 2.4. All National Officers and employees of the HSU are responsible for declaring to the National Executive any personal remuneration or benefit, including a non-cash benefit, arising from their nomination/appointment by the National Executive to any board or committee.

### 3. Branch Nominations/Appointments

- 3.1. Where any Branch is required to or requested to provide a nomination/appointment to an external board or committee, and the role and function of that board or committee does not extend beyond the Branches rules coverage or interests, the Branch Committee of Management will have sole responsibility for the nomination/appointment and for the disbursement of any remuneration attached to the appointment.
- 3.2. Where the role or function of the board or committee extends beyond the rules coverage or interests of a single Branch, the matter will be referred to the National Executive for decision as to the procedure to be adopted for the appointment/nomination and for the disbursement of any remuneration attached to the appointment.

#### **4. National Nominations/Appointments**

- 4.1. When HSU National is required to nominate or appoint persons to external boards or committees the National Executive shall determine such appointments according to the policy and the following procedure.
- 4.2. On receiving a request to nominate a person the National Secretary shall formally advise the National Executive and call for nominations.
- 4.3. Any financial member is eligible to be nominated but such nomination must be supported by the Branch Committee of Management of which the nominee is a member.
- 4.4. A nominee must address the selection criteria or any other requirements for appointment determined by the external board or committee.
- 4.5. Any nominee must declare at the time of nominating any information regarding any real or perceived conflict of interest or related party interest.
- 4.6. The nomination will be resolved by formal resolution of the National Executive.
- 4.7. In the case of a Branch Officer, Branch Employee, Branch member or an honorary National Officer, any remuneration (including sitting fees, honoraria or the like) attached to an appointment will be paid to the Branch to which the person belongs.
- 4.8. In the case of a paid National Officer or National employee, any remuneration (including sitting fees, honoraria or the like) attached to an appointment will be paid to the National Office.
- 4.9. If the person nominated/appointed to a board or committee to represent the HSU has incurred a tax liability as the result of the payment of the remuneration, then that person does not need to remit for the amount of remuneration necessary to meet that tax liability.
  - a) If the person nominated/appointed to a board or committee to represent the Union is paid a superannuation contribution as the result of the payment of the remuneration, and in accordance with relevant superannuation laws, then the amount of remuneration must be paid as a superannuation contribution and the relevant declarations made.
  - b) Any deviation from this remuneration policy requires resolution of the National Executive and recording of the reasons for the deviation.

#### **5. Reappointments to External Boards and Committees**

- 5.1. Where an external board or committee requires the Union to reappoint a representative, and the current appointment indicates a willingness to continue in that role, the decision to reappoint will be made by resolution of the National Executive.

## **6. Responsibilities of Appointments to External Boards and Committees**

- 6.1. Except in relation to the nomination as a director on a superannuation board, a person appointed to represent the HSU on an external board or committee, must observe the following responsibilities:
- a) To diligently and to the best of their ability represent the interest of the HSU and members of the HSU on the board or committee to which they are appointed.
  - b) Unless there are valid reasons for not doing so, attend all meetings, and attend the duties and responsibilities required of members of the board or committee to which they are appointed.
  - c) Not to make improper use of confidential information in order to gain a personal advantage, or an advantage for any person other than the board, committee or HSU.
  - d) Not to improperly exercise his or her powers for a purpose other than to serve the interests of the board, committee or HSU in order to gain a personal advantage, or an advantage for any person other than the board, committee or HSU.
  - e) To fully disclose to National Executive, and take reasonable steps to avoid, any conflict between his or her duty to the HSU and his or her personal interests.
  - f) To inform the National Executive of any matter that gives rise, or may give rise to any conflict of interest in the performance of a representative role on any board or committee.
  - g) To fully observe any confidentiality requirements of the board or committee on which they represent the Union.

## **7. Reporting Requirements**

- 7.1. Consistent with any confidentiality requirement or other legal responsibilities of the board or committee to which they are appointed to represent the HSU, the nominee will provide the National Secretary and/or the National Executive with reports on the activities of the board or committee as requested.

## **8. Compliance and Review of this Policy**

- 8.1. A substantial or repeated breach of this policy by a National Officer or National Office employee covered by the scope of this policy will be deemed to be a disciplinary offence, in the case of a National Office employee, or misconduct under the rules of the HSU, in the case of a National Officer.

- 8.2. At least biannually, the National Finance Committee will undertake a review of the operation of this Policy and Procedures to ensure that the policy is adequately regulating the financial governance of the HSU and that the policy is being fully complied with and report the findings of the review to the National Executive.
- 8.3. The National Finance Committee and the National Executive will each have a standing 'Governance Issues' agenda item for each meeting to provide a regular forum for the discussion of union governance issues.
- 8.4. The National Secretary will ensure that all relevant policies and procedures are made available to National Officers and National Office employees and that appropriate training (including an induction process) is offered to ensure they understand the HSU's financial policies and procedures and their own responsibilities.

**END**