

UNITE BRANCH FINANCING

Following the lengthy, open and constructive debate at the July and September EC's, the General Secretary submitted this revised document to harmonise Branch financing across Unite for your approval.

Background

Currently, a great disparity exists between what Branches in the two former Sections receive in terms of Branch financing from Unite.

Former Amicus Branches generally (but there are some notable exceptions) receive quarterly Branch financing equal to 3% of what members who are recorded as paying members are expected to pay. Any money not used in a year is clawed back at year end. Separately, Branches submit invoices to Head Office for room rental, postage, etc. which is paid in addition to the 3%.

Former T&G Section Branches have been paid Branch Administration up to a maximum of 10% of actual member contributions received less 100% of any employer fee for administering check-off. The amounts have been fixed in agreement with the Region and vary considerably (for example, most Scottish Branches receive 7%) and, by and large, are paid monthly. There is no clawback on monies paid. Moreover, Branches generally are expected to meet all Branch expenses out of the amount paid, although in some instances room rental to hold Branch meetings and postage is paid in addition. Many T&G Branches also impose a separate levy on members (called Branch Funds which the Union collects and pays over to the Branch) which vary from very small amounts up to £5 per month.

From a legal and financial perspective, it is important to recognise that these monies in all cases are the property of Unite and therefore can only be used for legitimate Union purposes and are included in the audited accounts of Unite.

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Revised Proposal

Following the debate at the July and September EC's, the following revised proposal is put forward for your consideration:

- From 1st January 2012, once a Branch has been confirmed as an ongoing Unite Branch, each such Branch shall be eligible to receive Branch Administration of 10% of actual member Core, Apprentice and Special Discounted Rate contributions received less 50% of any employer fee for administering check-off. Where this confirmation occurs after 1st January 2012, payments will be backdated to 1st January 2012.
- There is to be no clawback from Branches at year end. Moreover, there is to be no clawback of 2011 payments to former Amicus Branches. Any new Branch established as a consequence of the Branch reorganisation to receive a proportionate split (based on paying members) of the account balance(s) from the Branch(es) from which its members are drawn.
- 2.5% of actual member Core, Apprentice and Special Discounted Rate contributions to be deducted before payment to the Branch and paid directly into a newly established and separately accounted for Unite Dispute Fund. The Union would make an initial contribution to the Fund of £25 million. The Dispute Fund would be responsible for all costs (excluding the payroll costs for Unite employees) which may be necessary to fight a dispute. This Dispute Fund would be overseen by a Committee of the Executive (Chair, Vice Chair, two other EC members) in conjunction with the General Secretary. The EC would retain full control over this Fund and be able to vary payments from the Fund as may be necessary from time to time. The Dispute Fund would be a clear symbol to employers and members alike that Unite has the means to successfully prosecute an industrial dispute of virtually any size or duration. The dispute fund would be constituted in December 2011 and, as such, Dispute Benefit payments related to the 30th November industrial action in the public sector would come out of this Fund.
- Payments in aggregate to Branch Secretaries, other Branch officials, convenors and shop stewards (excluding reimbursement of legitimate expenses and in relation to member servicing as below) for running of Branch to be limited to 2.5% of actual member contributions (inclusive of any tax). Any such payments must be approved by a properly convened Branch meeting, specifically minuted and comply with Unite agreements with HMRC re honorarium.

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- No payments to be made by Branches to any employee – officer, organiser or member of staff – of Unite the Union or their immediate family. Any exceptional circumstances where this would be justifiable must be approved by the General Secretary (or his designate).
- Branches to pay, if necessary, for all lay member expenses (including but not limited to loss of pay) to attend non constitutional meetings, unless the meeting has been called by a Regional Secretary or National Officer, and the area activists open to all meetings. This would include funding for combines and national shop stewards meetings. Recognising that some Branches might struggle to pay member expenses for combines and national shop stewards meetings in full and the Union wants to promote such activities, the AGS overseeing the sector covered by the combine will have the ability to agree dispensation for Branches based upon their ability to pay.
- To the best level practicable, Branches are responsible to keep up to date the membership records of all members in Branch – especially employer, workplace, address, home phone number, mobile number, email address.
- Branches to pay all expenses of Branch for the running of the Branch – meeting rooms, newsletters, postage, conferences, etc. The intention is for Branches to utilise Union facilities to host Branch meetings. Where/when these are not available, then Regional Secretaries can agree to reimburse such costs out the Regional 1% fund. Upon request, the Union to help Branches arrange cost effective printing and website services to help minimise these costs for Branches.
- Although a primary goal of the Branch reorganisation is to constitute workplace Branches wherever practical and possible, it is recognised that there will still be a need to have geographic or composite Branches to cover smaller workplaces, unorganised workplaces with low Unite density and individual members. It will generally be the responsibility of these Branches to service members up to the point of appeal (as a convenor would normally do in an organised workplace) – e.g. providing preliminary advice and guidance, handling 1st stage grievance and discipline hearings. The Branch would be able to make payments (to cover reasonable expenses or a modest payment for their time) to individuals (including but not limited to Branch Secretaries and other Branch officials) to perform these duties (Branches to be careful regarding any PAYE responsibilities). The “accredited support rep” concept to be developed. The intention is that Union officials would normally undertake final appeals.
- Upon approval at a Branch meeting, Branches may stipulate that all Branch members pay an amount over and above their basic Union dues (hereinafter called “Branch Fund”) to be collected by the Union and paid directly over to Branch (net of any employer administration charge).

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- Branch Administration and Branch Fund to be paid monthly to a Unity bank account in the name of the Branch (Allied Irish Bank in ROI).

Administration

In order to receive the Branch Administration a Branch must:

- Be an active Branch and in compliance with Rule 17 and meet all Branch Standards (to be determined by the EC) including a commitment to Branch Growth through Organising.
- Unite to collect check-off payments directly from employer (not via the Branch Bank Account) and direct debit payments from members. Manual collections by Branches and cash payments by individual members allowed.
- Branches to have Unity Trust Bank account(s) and none with any other Bank (Allied Irish Bank in ROI). Unity will provide a network of “companion” high street branches throughout the UK (mostly HSBC) to provide banking services (paying in, etc.) to Branch officials. Branches must notify Central Office of all Bank Accounts.
- Branches to submit quarterly returns and annual audited accounts (calendar year basis) to the Union within 6 weeks of the period end. Branch Administration payments may be stopped if the Branch has not supplied a satisfactory return/accounts by the end of the quarter following the end of the period. Central Office to supply a template (eventually electronic) for returns/accounts which must be adhered to. The Union has the right to audit Branch accounts and will perform random audits. The audited Branch annual accounts must be submitted to a duly constituted Branch meeting to be scrutinised and approved and must be made available to Branch members upon request. The Union will provide the necessary training to Branches to enable them to perform this function.

Director of Finance and Operations