

D R A F T

Annex A

TRADE UNION POLITICAL FUNDS

TUC Statement of Guidance

(Final draft of 21 December)

*to be completed
under the legislation*

Introduction

1. Following discussions between the TUC and the Secretary of State for Employment, the General Council have prepared the following Statement of Guidance on good trade union practice in respect of political fund arrangements and related matters for use by affiliated unions. Unions are asked to review their existing procedures to ensure that this guidance is acted upon.

(i) Members' Rights

2. Unions should draw up an information sheet about their political fund which should:

- state why the union has a political fund;
- make clear that under the law a member has a legal right, if he or she so wishes, to opt out of payment to the political fund;
- make clear that members who 'contract-out' of paying the political levy must not by virtue of being exempt be excluded from any benefits of the union or placed under any disability or disadvantage compared with other members (except in relation to the control and management of the fund, including decisions on expenditure from it and the selection and election of candidates for political office);
- state the amount of the political levy as currently determined in cash terms and as a proportion of the normal subscription; and

(a)

- (b) - provide information about how to contract out namely that a member should do this in writing, preferably on a standard form obtainable from the union's head office (address), the branch (address) and where appropriate, workplace representatives; and also, if necessary, from the Certification Officer (address).
- (c)

3. This information sheet should be supplied to:
- new members on their admission to the union;
 - any existing member on request to his or her branch, district or head office; and
 - all union members as soon as practicable after any ballot on the establishment of, and on the continuation of, the political fund.

(ii) 'Contracting-Out' Procedures

4. Unions should ensure that no obstacles are placed in the way of members wishing to 'contract-out' of the political levy, and that prompt and effective procedures for exemption operate within the union in accordance with the 1913 Trade Union Act and the Certification Officer's model rules for political funds.

This necessitates:

- (a) - the form of exemption notice being readily available to members through workplace representatives, union branches and the union's head office;
- the branch secretary, or whichever officer in the union handles membership records, sending an acknowledgement of its receipt to the member;
- the exemption being put into effect speedily; and
- unions ensuring that members who do not wish to pay the levy do not do so inadvertently (eg under check-off arrangements).

(iii) Access to Union Accounts

5. Unions should, where they do not already do so, provide a right of access for members to the accounts of the political fund kept by the union.

which members?

(iv) Annual Returns

6. Unions should, in completing their annual returns to the Certification Officer:

- attach a list showing each payment over £250 made from their general funds to external bodies not covered by section 3(3) of the 1913 Trade Union Act;

What is this

- specify the source and amount of any investment income to the political fund. (Under the 1913 Trade Union Act, nothing may be paid into a political fund other than contributions to the fund by members or persons other than the union itself, and income which accrues from the political fund's assets);

- show the administrative costs connected with the political fund, or a considered estimate of such costs.

Role of TUC

7. The General Council strongly recommend the above practices to affiliated unions and expect unions to ensure that their political fund arrangements operate fairly and effectively, and comply with unions' statutory obligations

under the 1913 Trade Union Act. It is particularly important that unions' procedures avoid the possibility of members being unaware of their rights in relation to the political fund or being unable to exercise them freely.

8. If difficulties should arise in the areas covered by this Statement of Guidance, the TUC will be ready to advise affiliated unions on how to ensure that their political fund arrangements and procedures meet these standards.