

Annual Report of the Certification Officer

2016-2017



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CERTIFICATION OFFICE
FOR TRADE UNIONS AND EMPLOYERS' ASSOCIATIONS

**Annual Report
of the Certification Officer
2016-2017**

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I am required by the Trade Union and Labour Relations (Consolidation) Act 1992 to submit to you both a report on my activities as the Certification Officer during the previous reporting period. I have pleasure in submitting such a report for the period 1 April 2016 to 31 March 2017.

A handwritten signature in black ink, appearing to read "Gerard Walker".

GERARD WALKER
The Certification Officer
26 June 2017

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Introduction

This is the forty first Annual Report to be published since the post of Certification Officer was established in 1975. It deals with my activities during the period 1 April 2016 to 31 March 2017.

This is my first Annual Report as Certification Officer. David Cockburn retired from the position on 30 June 2016, after nearly 15 years service and I was appointed on an interim basis on 1 July 2016. A permanent appointment had not been made at the time of this report.

The functions of the Certification Officer are contained in the Trade Union and Labour Relations (Consolidation) Act 1992 (as amended) (referred to in this report as “the 1992 Act” or “the Act”). They include responsibility:

under Part I, Chapter I – for maintaining a list of trade unions and for determining the independence of trade unions;

under Part I, Chapter III – for dealing with complaints by members that a trade union has failed to maintain an accurate register of members or failed to permit access to its accounting records; for seeing that trade unions keep proper accounting records, have their accounts properly audited and submit annual returns; for the investigation of the financial affairs of trade unions; for ensuring that the statutory requirements concerning the actuarial examination of members’ superannuation schemes are observed; and for dealing with complaints that a trade union has failed in its duty to secure that positions in the union are not held by certain offenders;

under Part I, Chapter IV – for dealing with complaints by members that a trade union has failed to comply with one or more of the provisions of the Act which require a trade union to secure that its president, general secretary and members of its executive are elected to those positions in accordance with the Act;

under Part I, Chapter VI – for ensuring observance by trade unions of the statutory procedures governing the setting up, operation and review of political funds; and for dealing with complaints about breaches of political fund rules or about the conduct of political fund ballots or the application of general funds for political objects;

under Part I, Chapter VII – for seeing that the statutory procedures for amalgamations, transfers of engagements and changes of name are complied with, and for dealing with complaints by members about the conduct of merger ballots;

under Part I, Chapter VIIA – for dealing with complaints by members that there has been a breach, or threatened breach of the rules of a trade union relating to

the appointment, election or removal of an office holder; disciplinary proceedings; ballots of members other than in respect of industrial action; or relating to the constitution or proceedings of an executive committee or decision making meeting;

under Part II – for maintaining a list of employers’ associations; for ensuring compliance with the statutory requirements concerning accounting records, annual returns, financial affairs and political funds; and for ensuring that the statutory procedures applying to amalgamations and transfers of engagements in respect of employers’ associations are followed.

As was reported in last year’s Annual Report the Trade Union Act 2016 received royal assent on 4 May 2016. The Act, when fully implemented, will significantly impact on the role and work of the Certification Officer. To date three sections of the Act, that relate to the work of the Certification Officer, have been implemented:

Section 11: Opting in by union members to contribute to political funds

The law relating to the way members of trade unions contribute to the political funds of their unions has been amended to favour a system of opting in rather than requiring members to opt out of making an otherwise automatic contribution. The government has set a transition period of 12 months beginning 1st March 2017. Following the end of the transition period new members joining a union with a political fund or all members of a union which establishes a new political fund will have to opt in if they wish to contribute to a political fund. To comply with the changes trade unions with political funds will have to amend their rules relating to these funds and the amended rules must be approved by me before the end of the transition period. My office has produced new guidance and model rules to assist unions in complying with the new law. Trade unions with political funds and the TUC were consulted on the new guidance and model rules prior to being published on my website;

Section 12: Union’s annual return to include details of political expenditure and Section 7 Information to Certification Officer about industrial action etc.

Trade unions will be under a duty to include significantly more information in their annual returns to the Certification Officer. In particular, trade unions will have to report on:

- all industrial action undertaken by that trade union and all ballots relating to industrial action
- details of all payments made by that trade union on political purposes and any other payment from its political fund if not made for a political purpose (where total expenditure during the period from a political fund exceeds £2,000).

Both of these provisions were commenced on 1 March 2017. However, the duty relates to reporting periods that commence after that date. For the majority of trade unions this will mean that they will first have to provide such information in their annual return to me for the period ending 31 December 2018 (such returns will be due in my office by 1 June 2019). My Office will ensure that an amended annual return form including guidance notes is sent to all relevant unions well before the reporting periods commence.

The remaining provisions, which are those that have the greatest impact on the role of the Certification Officer, have yet to be commenced, this includes the investigation and

determination of breaches of statutory provisions without a complaint from a member and increased penalty and enforcement powers.

As in each Annual Report, I give details of the membership of trade unions as reported to me in the relevant period. The number of trade union members recorded in the Annual Returns received in 2016-2017 is 6,865,056. This represents a decrease of 83,669 members or 1.2% over the membership recorded in my last Annual Report. Within these figures, the number of non-contributing members as a percentage of the total members has decreased from 8.2% in the previous year to 5.8% this reporting year.

At the end of the previous reporting period there were 158 trade unions. At the end of this reporting period there were 150 trade unions. Whilst nine trade unions were removed from the list and schedule, one was added. Of the nine which were removed, four ceased to exist due to a transfer of engagements and five were dissolved or deemed no longer to meet the statutory definition of a trade union.

The number of employers' associations also continues to decrease. At the end of this reporting period there were 91 employers' associations, a net reduction of one from the previous period.

The general downward trend in the number of trade unions and employers' associations continues from the position in 1983 when there were 502 trade unions (now 150) and 375 employers' associations (now 91).

Over the past reporting year I determined 39 complaints. Of these, 33 complaints alleged that a union had breached its own rules. The other 6 related to alleged breaches of statute. A summary of these decisions can be found in Chapters 3, 4, 8 and 9 of this report. I determined a case which challenged the election of the General Secretary of URTU. In addition a case challenging the election of the General Secretary of UNISON has been heard by Assistant Certification Officer Her Honour Judge Mary Stacey, the decision was issued on 22 May 2017. In the case involving URTU I ordered that the General Secretary stand down and a new election be held.

Since the website of the Certification Office was absorbed into the government website (gov.uk) it has continued to be the primary source for those interested in obtaining information about the work of the Certification Office. Along with each of my decisions and the decisions of my predecessors since 1975, it contains all the annual returns from trade unions and employers association since 2012, with links to The National Archives website for returns from between 2003 and 2012. It also contains guidance on various aspects of my functions, copies or links to my Annual Reports back to 1999-2000 and a list of trade unions and employers' associations known to me. In addition it is possible to sign up on the website for e-mail updates of forthcoming hearings, my decisions and the work of the Certification Office.

This Annual Report relates to those annual returns received from trade unions and employers' associations between 1 April 2016 and 31 March 2017. Such annual returns must be lodged with me within five months of the end of their respective reporting period. Accordingly, the most recent annual returns are in respect of a reporting period ending in September 2016 and the oldest annual returns are in respect of a reporting period ending in October 2015 (see paragraph 4.1).

The Advisory, Conciliation and Arbitration Service (Acas) is required to provide me with the finance and support services necessary for the performance of my statutory duties. This in no way affects my independence from both Acas and the Secretary of State for Business, Energy and Industrial Strategy. On 31 March 2017 there were eight staff in post in the Certification Office. The net cost of the Office for the year ending 31 March 2016 was £535,621. This represents a 3.96% decrease in the cost of running the office compared to the previous reporting period (£557,682) and a decrease of 19.7% since the period 2007-2008. The above figures do not include costs for some of the services provided by Acas for my office, particularly such as for the provision of IT equipment and maintenance and HR services. The Trade Union Act 2016 contains a provision, not commenced at the time of this report, for the raising of a levy to be paid by trade unions and employers associations for the full cost of my office. My salary as Certification Officer at 31 March 2017 was £81,138 which included a payment to reflect my increased duties as the Certification Officer on an interim basis.

Accounts relating to the activities of the Certification Office, prepared under section 258 of the 1992 Act, are published separately by order of the House of Commons. In broad terms it is estimated that about 16% of the Office's resources were allocated to work connected with the maintenance of the lists of trade unions and employers' associations, 45% to work relating to complaints and trade union finances, 23% to ensuring receipt of annual returns and their processing and the remainder to other matters including political funds, certification of independence and mergers.

Where it is necessary to hold a hearing to determine a complaint I can make payments towards the expenses incurred by the complainant and their witnesses in attending the hearing. During the period under review such payments amounted to £264.80. Assistance with legal costs is not available.

I appointed Mr David Taylor to act as an Assistant Certification Officer to assist me whilst I hold the position of Certification Officer. Ms Christine Stuart continued to hold her appointment as Assistant Certification Officer for Scotland. In addition I appointed Her Honour Judge Mary Stacey to prepare for, hear and determine such applications to the Certification Officer that I saw fit to delegate my powers. HHJ Stacey heard a case with multiple applicants relating to alleged breaches of statutory and rule book provisions relating to the 2015 election for General Secretary of UNISON. Her decision was issued on 22 May 2017 and is available on my website.

Until recently the Certification Office shared premises with Acas at Euston Tower. However, my office has from 10 April 2017 permanently re-located to:- Lower Ground, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX.

Advice and contacts for information

The Office receives many enquiries and requests for guidance from trade unions, employers' associations and their members. Often we can help but there are constraints on the advice that can be given. It is for example inappropriate, unless the law requires it, to give guidance on, or prior approval to, a specific course of action in those areas where complaints can be made to me by an individual member. It would also be clearly inappropriate for my Office to comment on the merits of a possible complaint. Where a complaint is made, I have to investigate it and

decide it impartially on the facts of the case and in the light of the representations made by the parties concerned. I and my staff must avoid giving advice which might seem in any way to prejudice that impartiality. That said, the Office is happy to assist where it can and guidance booklets covering different aspects of the Certification Officer's responsibilities are available on the Certification Officer's website www.gov.uk/certificationofficer or in hard copy format free of charge. They are listed in Appendix 11 and requests for further information on any aspect of the Certification Officer's duties should be made to the Certification Office, Lower Ground, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX, tel: 020 7210 3734, e-mail: info@certoffice.org.

Lists of Trade Unions and Employers' Associations

Any trade union or employers' association may apply to have its name included in the public lists maintained by the Certification Officer. This chapter sets out the background to that process. It also gives the numbers on the lists at 31 March 2017 and the changes that have occurred during the previous twelve months. The lists are set out in full in Appendix 1 (trade unions) and Appendix 2 (employers' associations).

Entry in the lists and its significance

- 1.1 The Certification Officer maintains a list of trade unions and a list of employers' associations in accordance with the provisions of sections 2-4 and sections 123-125 of the Trade Union and Labour Relations (Consolidation) Act 1992 ("the 1992 Act").
- 1.2 Listing is voluntary and any organisation of workers or of employers may apply to be listed. A fee is payable on application (see Appendix 10). The name of the organisation shall be entered in the relevant list if the Certification Officer is satisfied that it falls within the appropriate definition in the 1992 Act (see paragraphs 1.19 and 1.20). The Act does not impose any test of size or effectiveness but entry in the list is not automatic. The Certification Officer will test whether the organisation satisfies the statutory definition. There are simplified provisions for the listing of a trade union or unincorporated employer's association formed by the amalgamation of two or more trade unions or unincorporated employers' association which were already on the list (see paragraph 1.6).
- 1.3 Any organisation aggrieved by the refusal of the Certification Officer to enter its name in the relevant list may appeal on a point of law to the Employment Appeal Tribunal (EAT).
- 1.4 For trade unions, listing is an essential preliminary to any application for a certificate of independence under section 6 of the 1992 Act. There are a number of other advantages of being listed for trade unions and unincorporated employers' associations. It is one of the requirements for obtaining tax relief in respect of expenditure on provident benefits (section 981 of the Corporation Tax Act 2010). There are certain procedural advantages in connection with the devolution of property following a change of trustees (section 13 of the 1992 Act). The fact of being on the relevant list is evidence (in Scotland, sufficient evidence) that the organisation is a trade union or employers' association. The name of a trade union or employers' association is protected by the provision that an organisation shall not be entered in the relevant list if its name so nearly resembles the name of an organisation already on that list as to be likely to deceive the public.

- 1.5 The current lists are available for inspection free of charge at the Certification Office, Lower Ground, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX. The lists for organisations having their head office in Scotland are also available for inspection at the office of the Assistant Certification Officer for Scotland, Melrose House, 69a George Street, Edinburgh EH2 2JG. They also appear on the website of the Certification Officer, www.gov.uk/certificationofficer.

Unions and employers' associations formed by amalgamation

- 1.6 Upon the amalgamation of two or more unions or unincorporated employers' associations listed in accordance with Chapter VII Part I of the 1992 Act, the amalgamated union or unincorporated employers' association shall automatically be listed by the Certification Officer when the instrument of amalgamation takes effect. The newly amalgamated union or unincorporated employers' association shall, however, be removed from the list if it does not send certain prescribed information to the Certification Officer within six weeks of the date the instrument of amalgamation takes effect or such longer period as the Certification Officer may specify. The information to be sent to the Certification Officer is a copy of the rules of the new union or unincorporated employers' association, a list of its officers and the address of its head or main office, together with the prescribed fee (see Appendix 10).

Trade unions and employers' associations not on the lists (scheduled bodies)

- 1.7 As entry on the lists is voluntary, it is difficult to know precisely how many trade unions and employers' associations exist but have not applied to be listed. At the end of this reporting period, the Certification Officer was aware of 13 trade unions and 39 employers' associations which met the statutory definitions but which had not sought to be listed. These are on the schedules to the relevant lists. There may be other organisations which meet the statutory definitions of a trade union or employers' association. The fact that an organisation is not on the relevant list does not exempt it from its statutory responsibilities, including the requirement to make an annual return. The returns from the scheduled bodies are available for inspection in the same way as are those of listed organisations. Those trade unions and employers' associations known to the Certification Office but which have not applied to be included in the relevant lists are set out in the schedules to Appendices 1 and 2 respectively.

Removal from the lists and schedules

- 1.8 If at any time it appears to the Certification Officer that an organisation whose name is entered on the relevant list is not a trade union or an employers' association its name may be removed from the list. The organisation concerned will be given an opportunity to make representations as to why its name should not be removed. There is a right of appeal to the EAT on a point of law against the removal of a name from a list. The Certification Officer must also remove the name of an organisation from the list if he is satisfied that it no longer exists or if the organisation requests that he should do so.

- 1.9 The table below gives the names of the nine trade unions and one employers' associations removed from the lists and schedules during the period 1 April 2016 to 31 March 2017. An asterisk denotes those which ceased to exist as a result of a merger. The others were dissolved or deemed no longer to meet the statutory definition of a trade union or employers' association.

Trade Unions

England and Wales – Listed

Association of Principal Fire Officers*

Broadcasting Entertainment Cinematograph and Theatre Union*

National Association of Colliery Overmen Deputies and Shotfirers

National Union of Mineworkers (Leicester Area)

Shield Guarding Staff Association

UFS*

Union of Construction Allied Trades and Technicians*

Whatman International Staff Association

England and Wales – Scheduled

Society of Local Council Clerks

Scotland – Listed

None

Scotland – Scheduled

None

Employers' Associations

England and Wales – Listed

Lancaster Morecambe and South Lakeland Master Plumbers Association

England and Wales – Scheduled

Scotland – Listed

None

Scotland – Scheduled

None

Additions to the lists and schedules

- 1.10 The table below gives the name of one trade union added to the schedule during the period 1 April 2016 to 31 March 2017. No employers' associations were added to the list or schedule during this period.

Trade Unions

England and Wales – Listed

None

England and Wales – Scheduled

Association of Local Council Clerks

Scotland – Listed

None

Scotland – Scheduled

None

Employers' Associations

England and Wales – Listed

None

England and Wales – Scheduled

Scotland – Listed

None

Scotland – Scheduled

None

Decisions of the Certification Officer in relation to listing applications

- 1.11 In this reporting period the Certification Officer made a decision to refuse an application from an organisation named Disabled Workers Union to be entered on the list of trade unions on the basis that it did not meet the statutory definition of a trade union (CO/L/3/16-17). The Certification Officer removed the National Union of Mineworkers (Leicester Area) (CO/1/16-17) and the National Association of Colliery Overmen, Deputies and Shotfirers (CO/2/16-17) from the list of trade unions on the grounds that they were no longer trade unions within the meaning of the 1992 Act.

The lists and schedules at 31 March 2017

- 1.12 As required by sections 2 and 123 of the 1992 Act, this report includes the names of those trade union and employers' associations on the lists and schedules as at 31 March 2017. They are reproduced as Appendices 1 and 2. The lists comprised 137 trade unions and 52 employers' associations whilst the schedules comprised 13 trade unions and 39 employers' associations.

Changes during the year are summarised in the tables below:

Listed trade unions and employers' associations

	<i>On lists at 31 March 2016</i>	<i>Changes between 1 April 2016 and 31 March 2017</i>		<i>On lists at 31 March 2017</i>
		<i>Additions</i>	<i>Removals</i>	
Trade Unions	145	0	8	137
Employers' Associations	53	0	1	52

Scheduled trade unions and employers' associations

	<i>On schedules at 31 March 2016</i>	<i>Changes between 1 April 2016 and 31 March 2017</i>		<i>On schedules at 31 March 2017</i>
		<i>Additions</i>	<i>Removals</i>	
Trade Unions	13	1	1	13
Employers' Associations	39	0	0	39

- 1.13 As at 31 March 2017 the total number of listed and scheduled trade unions and employers' associations is, therefore, as follows:

Listed and scheduled trade unions and employers' associations

	<i>Listed</i>	<i>Scheduled</i>	<i>Total</i>
Trade Unions	137 (145)	13 (13)	150 (158)
Employers' Associations	52 (53)	39 (39)	91 (92)

The figures in brackets are the equivalent figures in the previous reporting year.

Special register bodies

- 1.14 Under the Industrial Relations Act 1971, a special register was established for the registration of organisations which were either companies or incorporated by charter or letters patent and which took part in collective bargaining on behalf of their members. These were mainly professional bodies.
- 1.15 Section 10(3) of the 1992 Act provides that trade unions cannot have corporate status. However, section 117 provides for an exception to preserve the position of those bodies which were already on the special register.
- 1.16 Special register bodies are also exempt from the requirement to conduct elections for the posts of president and general secretary where they are not voting members of the Executive. However, the voting members of the executive committee of special register bodies must be elected in accordance with the statutory provisions.
- 1.17 The following 13 special register bodies remain on the list of trade unions:

Association for Clinical Biochemistry & Laboratory Medicine
British Association of Occupational Therapists Limited
British Dental Association
British Dietetic Association
British Medical Association
Chartered Society of Physiotherapy
Educational Institute of Scotland
Headmasters and Headmistresses Conference
Royal College of Midwives
Royal College of Nursing of the United Kingdom
Society of Authors
Society of Chiropodists and Podiatrists
Society of Radiographers

Changes of name of listed trade unions and employers' associations

- 1.18 Sections 107 and 134 of the 1992 Act provide that a change of name of a listed trade union or employers' association must be approved by the Certification Officer before it can take effect. During the reporting period approval was given to the changes of name of one employers' association, the details of which are given in the table below:

		<i>Effective Date</i>
<i>Trade Unions</i>		
<i>From</i>	N/A	
<i>To</i>		
<i>Employers' Associations</i>		
<i>From</i>	Cinema Exhibitors' Association	22 August 2016
<i>To</i>	UK Cinema Association Ltd	

Definition of a trade union

1.19 Section 1 of the Trade Union and Labour Relations (Consolidation) Act 1992 provides as follows:

“In this Act a “trade union” means an organisation (whether temporary or permanent) –

- (a) *which consists wholly or mainly of workers of one or more descriptions and whose principal purposes include the regulation of relations between workers of that description or those descriptions and employers or employers’ associations; or*
- (b) *which consists wholly or mainly of –*
 - (i) *constituent or affiliated organisations which fulfil the conditions in paragraph (a) (or themselves consist wholly or mainly of constituent or affiliated organisations which fulfil those conditions), or*
 - (ii) *representatives of such constituent or affiliated organisations,*

and whose principal purposes include the regulation of relations between workers and employers or between workers and employers’ associations, or the regulation of relations between its constituent or affiliated organisations.”

Definition of an employers’ association

1.20 Section 122 of the Trade Union and Labour Relations (Consolidation) Act 1992 provides as follows:

“(1) In this Act an “employers’ association” means an organisation (whether temporary or permanent) –

- (a) *which consists wholly or mainly of employers or individual owners of undertakings of one or more descriptions and whose principal purposes include the regulation of relations between employers of that description or those descriptions and workers or trade unions; or*
- (b) *which consists wholly or mainly of –*
 - (i) *constituent or affiliated organisations which fulfil the conditions in paragraph (a) (or themselves consist wholly or mainly of constituent or affiliated organisations which fulfil those conditions), or*
 - (ii) *representatives of such constituent or affiliated organisations,*

and whose principal purposes include the regulation of relations between employers and workers or between employers and trade unions, or the regulation of relations between its constituent or affiliated organisations.

(2) References in this Act to employers' associations include combinations of employers and employers' associations."

Trade Union Independence

A trade union which is on the list of trade unions may apply for a certificate of independence. Independence is defined as meaning independence from an employer or group of employers. This chapter discusses independence and explains how such applications are dealt with and their outcome.

The statutory provisions

- 2.1 Section 5 of the Trade Union and Labour Relations (Consolidation) Act 1992 ("the 1992 Act") defines an independent trade union as:
- "... a trade union which –
- (a) is not under the domination or control of an employer or group of employers or of one or more employers' associations, and
 - (b) is not liable to interference by an employer or any such group or association (arising out of the provision of financial or material support or by any other means whatsoever) tending towards such control".¹
- 2.2 The procedure for determining the independence of trade unions is provided for in section 6 of the 1992 Act. A union must be listed (see Chapter 1) before it can apply for a certificate of independence. A fee is payable on application (see Appendix 10). The Certification Officer keeps a public record of all applications for such certificates and their outcome. He may not take a decision on an application until at least one month after it has been entered in the record. A notice that an application has been received is placed on the 'News' page of the Certification Officer's website, www.gov.uk/certificationofficer, and is normally published in the London Gazette and/or the Edinburgh Gazette as appropriate. The Certification Officer must take into account any relevant information submitted by any person and is required to give reasons if a certificate of independence is refused. A union which has been refused a certificate of independence has a right of appeal on a point of law to the Employment Appeal Tribunal (EAT).
- 2.3 Where two or more trade unions, each with a certificate of independence, amalgamate, a certificate of independence will automatically be issued to the new union when the instrument of amalgamation is registered by the Certification Officer. The newly amalgamated union will, however, have its certificate of independence removed if it does not send certain prescribed information to the Certification Officer within

¹In *Squibb UK Staff Association v Certification Officer* ([1979] 2 All ER 452, [1979] IRLR 75, CA), it was held that the word "liable" in this context should be interpreted as implying "vulnerability to interference" rather than "likelihood of interference".

six weeks of the date the amalgamation takes effect or such longer period as the Certification Officer may specify. The information to be sent to the Certification Officer is a copy of the rules of the new union, a list of its officers and the address of its head or main office, together with the prescribed fee (see Appendix 10).

- 2.4 The Certification Officer may withdraw a certificate of independence at any time if he is of the opinion that the trade union concerned is no longer independent. As in the case of a refusal, a trade union aggrieved by a decision to withdraw its certificate has a right of appeal on a point of law to the EAT.
- 2.5 Once the Certification Officer has determined that a trade union is independent and has issued a certificate, that certificate remains valid until it is withdrawn by the Certification Officer or is cancelled. This applies even to certificates issued under legislation in force prior to its consolidation into the 1992 Act.
- 2.6 The 1992 Act provides that, where a question as to the independence of a particular union arises in proceedings before the courts, employment tribunals, Central Arbitration Committee or the EAT and no certificate has been issued or refused, those proceedings may not continue until that question has been decided by the Certification Officer. The granting of a certificate by the Certification Officer, or its refusal, is conclusive evidence for all purposes that the union is or, as the case may be, is not independent. This position was considered by the Court of Appeal in the case of *Bone v North Essex Partnership NHS Foundation Trust* [2014] IRLR 635. The Court of Appeal held that a certificate of independence was retrospective in its effect for a reasonable period before the date of the certificate.

Criteria

- 2.7 The principal criteria which have been used by the Certification Officer in determining whether or not an applicant union satisfies the statutory definition are explained in the Office's *Guidance for trade unions wishing to apply for a certificate of independence*. These appear under the headings: history, membership base, organisation and structure, finance, employer-provided facilities and negotiating record. A copy of the guidance can be found on the Certification Officer's website and is available on request from the Office. The Certification Officer's decision is strictly bound by the statutory definition, having regard to the circumstances as a whole. Other considerations, such as the effect the issue of a certificate might have on employment relations, may not be taken into account.

Applications, decisions, reviews and appeals

- 2.8 During the reporting period one certificate of independence was issued. This was to Artists' Union England. The certificate was issued on 2 June 2016.
- 2.9 An application for a certificate of independence was received from United Voices of the World on 1 April 2017, outside this reporting period.
- 2.10 No formal reviews of existing certificates of independence were undertaken during the period.

2.11 Six certificates of independence were cancelled because the unions concerned ceased to exist, four of which were as a result of mergers. These were:

Association of Principal Fire Officers*

Broadcasting Entertainment Cinematograph and Theatre Union*

National Association of Colliery Overmen, Deputies and Shotfirers

National Union of Mineworkers (Leicester Area)

UFS*

Union of Construction, Allied Trades and Technicians*

(* the unions marked with an asterisk ceased to exist as the result of mergers)

2.12 On 31 March 2017 there were 93 unions which held certificates of independence.

Annual Returns, Financial Irregularities and Access to Accounting Records

This chapter deals with the requirements for trade unions and employers' associations to keep proper accounting records and to submit annual returns to the Certification Officer. It also deals with the provisions relating to the investigation of the financial affairs of trade unions and employers' associations and with the provisions giving union members a right of access to accounting records.

The statutory provisions

- 3.1 Sections 28 and 131 of the Trade Union and Labour Relations (Consolidation) Act 1992 ("the 1992 Act") provide respectively that every trade union and every employers' association (except those which consist wholly or mainly of representatives of constituent or affiliated organisations) must keep proper accounting records in respect of its transactions, assets and liabilities. Each trade union or employers' association must establish and maintain a satisfactory system of control of its accounting records, its cash holdings and all its receipts and remittances. The accounting records kept must be such as are necessary to give a true and fair view of the state of affairs of the organisation and to explain its transactions.
- 3.2 Under sections 32 and 131 of the 1992 Act such an organisation (unless it has been in existence for less than 12 months) is also required to submit an annual return to the Certification Officer in the form prescribed. The return is to include revenue and other accounts and a balance sheet, which must give a true and fair view of the matters to which they relate. The return must also give details of the salary and other benefits paid to each member of the executive, the president and the general secretary (see paragraphs 4.22 and 4.23). Any changes in the organisation's officers or in the address of its head office must be shown on the return and it must be accompanied by a copy of the rules in force at the end of the period covered by the return. All funds maintained by the trade union or employers' association must normally be included in the return made to the Certification Officer. Section 24ZA of the 1992 Act, inserted by the Transparency of Lobbying, non-Party Campaigning and Trade Union Administration Act 2014 requires trade unions to submit a membership audit certificate, in relation to the relevant reporting period at the same time as it sends to the Certification Officer its annual return.
- 3.3 Organisations which consist wholly or mainly of constituent or affiliated organisations or representatives of such organisations, are referred to within the 1992 Act as "federated" trade unions or employers' associations and are described fully within sections 118 and 135 of the Act. Those federated bodies which are composed of representatives of trade unions or employers' associations are exempt from certain provisions of the Act, including the duty to supply a copy of their rules, to keep

accounting records and to submit annual returns. The same does not apply to those federated bodies which are composed of constituent or affiliated organisations.

- 3.4 It is not the responsibility of the Certification Officer to determine whether an organisation is financially viable but to ensure that accounts in the prescribed form covering all funds administered by the organisation are available for public inspection.
- 3.5 The Act requires trade unions and employers' associations to submit before 1 June each year a return of their financial affairs covering the year ending the preceding 31 December. However, the Certification Officer may direct that the return is to relate to a different annual period. This is usually done if the normal timetable would cause serious inconvenience to the organisation concerned.
- 3.6 The annual return must include a copy of the auditor's report on the accounts. Under section 34 of the 1992 Act, a person is qualified to act as auditor of a trade union's or employers' association's accounts if he or she is eligible for appointment as a company auditor under Part 42 of the Companies Act 2006 ("a Companies Act auditor"). Section 37 of the 1992 Act sets out the rights of auditors including access to information and the entitlement to attend and speak at general meetings of the organisation.
- 3.7 A trade union (other than a special register body as described in Chapter 1 of this report, paragraphs 1.14 to 1.17) or an employers' association may have its accounts audited by someone who is not a Companies Act auditor if its receipts and payments do not in aggregate exceed £5,000, the value of its assets is less than £5,000 and it has less than 500 members. If any one of these conditions is not satisfied, it must use a Companies Act auditor.
- 3.8 The auditor must state whether, in his or her opinion, the accounts give a true and fair view of the matters to which they relate. The auditor has a duty to carry out such investigations as will enable an opinion to be formed on whether proper accounting records have been kept, whether a satisfactory system of control has been maintained and whether the accounts are in agreement with the accounting records. If, in the opinion of the auditor, the statutory requirements have not been satisfied or the union or employers' association has failed to supply all the necessary information and explanations the auditor must say so in the report by way of qualification.
- 3.9 There were no returns received by the Certification Officer during this reporting period containing an audit report in which the auditors gave a qualified opinion as to whether the return gave a true and fair view.
- 3.10 To avoid the duplication of broadly similar financial statements, the Certification Officer allows a special register body or an employers' association incorporated under the Companies Acts, to submit with its return, in lieu of the completion of certain pages in the return form, a copy of its accounts prepared under the Companies Acts provided the period covered is the same and there is no significant diminution

in the degree of disclosure. In such circumstances, however, and notwithstanding anything in the Companies Acts, an auditor's report for the purposes of the 1992 Act is still required.

- 3.11 Where trade union membership exceeds 10,000, the union is required by section 24ZB of the 1992 Act to appoint an assurer. The assurer is required to provide to the union a membership audit certificate in relation to the relevant reporting period. This must be sent at the same time as it sends to the Certification Officer its annual return. Where a union has less than 10,000 members this is done by an authorised officer of the union (See paragraph 4.11 to 4.16).
- 3.12 With the exceptions already noted, the duties imposed by sections 28, 32 and 131 of the 1992 Act apply to all trade unions and employers' associations, whether or not listed under sections 2 or 123. Refusal or wilful neglect to perform any of them is an offence for which the organisation concerned may be prosecuted and fined. The Certification Officer is responsible for enforcing these provisions, but does not generally undertake prosecutions for offences such as theft or fraud which would normally be dealt with by other prosecuting authorities. However, the Certification Officer is able to appoint inspectors to investigate allegations of financial irregularities in the affairs of a trade union or employers' association (see paragraph 3.19 below).

Late submission of returns

- 3.13 The 1992 Act requires an organisation to submit an annual return to the Certification Officer before 1st June in the calendar year following the year to which the annual return relates. For most organisations (72%), their financial year coincides with the calendar year and ends on 31 December, but others differ. By 31 March 2017, 99.2% of all due returns had been received including the returns of trade unions representing virtually 100% of members of those unions which are listed or scheduled. The annual returns of 8.6% of organisations were submitted more than three months after their due date. Outstanding returns are from those that have ceased to exist.
- 3.14 The Certification Officer continues to seek full compliance with the statutory requirements and will take steps to improve the performance of those organisations which consistently submit late annual returns.

Prosecution

- 3.15 No prosecutions for failure to submit an annual return were initiated during this period.

Statement to members

- 3.16 A statement containing specific information must be issued to all members within eight weeks of the submission of the annual return to the Certification Officer. The statement must specify:
- (i) the total income and expenditure of the union;
 - (ii) how much of the income consisted of payments in respect of membership;

- (iii) the total income and expenditure of any political fund of the union; and
- (iv) the salary and other benefits paid to each member of the executive, the president and the general secretary.

The statement must also give the name and address of the auditor, set out in full the auditor's report and should not contain anything which is inconsistent with the contents of the annual return. Members must also be told how they can complain should they be concerned that some irregularity is occurring or has occurred in the financial affairs of the trade union. The 1992 Act is specific about how this must be done and the wording of the prescribed statement is reproduced below.

"A member who is concerned that some irregularity may be occurring, or have occurred, in the conduct of the financial affairs of the union may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct."

The member may raise any such concern with such one or more of the following as it seems appropriate to raise it with: the officials of the union, the trustees of the property of the union, the auditor or auditors of the union, the Certification Officer (who is an independent officer appointed by the Secretary of State) and the police.

Where a member believes that the financial affairs of the union have been or are being conducted in breach of the law or in breach of rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he should consider obtaining independent legal advice."

A model statement and guidance are available on the Certification Officer's website, www.gov.uk/certificationofficer.

- 3.17 It is not a requirement that the statement to members is distributed individually. As an alternative, section 32A(2)(b) of the 1992 Act provides that unions may use "*any other means... which it is the practice of the union to use when information of general interest to all its members needs to be provided to them.*"
- 3.18 Trade unions have in the main readily complied with the requirement to provide members with a statement which contained the required information and met the statutory timescale. The Certification Officer will endeavour to ensure that full compliance with the 1992 Act is maintained.

Financial affairs of trade unions and employers' associations – use of statutory powers

- 3.19 The 1992 Act allows the Certification Officer to investigate the financial affairs of almost all trade unions and employers' associations (exceptions being in respect of federated employers' associations and trade unions made up wholly or mainly of representatives of constituent affiliated organisations and in respect of organisations

that have been in existence for less than twelve months). Under the 1992 Act, the Certification Officer may, if he thinks there is good reason to do so, give a direction to the organisation concerned to produce relevant documents and explanations of them. In addition, the Certification Officer may appoint inspector(s) to investigate the organisation's financial affairs and to report on them. However, the Certification Officer may only appoint inspector(s) if one or more of the following circumstances are suggested: *that the financial affairs of the trade union or employers' association have been or are being conducted fraudulently or unlawfully, that those managing those affairs have been guilty of fraud, misfeasance or other misconduct in connection with that management, that the organisation concerned has failed to comply with a duty under the Act relating to its financial affairs or that a rule of the organisation relating to its financial affairs has not been complied with.* A member may complain to the Certification Officer that there are circumstances suggesting any of the foregoing. The Certification Officer must then consider whether it is appropriate to exercise any of the powers conferred on him by the 1992 Act in that respect.

- 3.20 Information suggesting circumstances where one or more of the situations described in paragraph 3.19 above have occurred may come to the Certification Officer's attention from a variety of sources including, for example, from members who query information supplied by the union in its statement to members. In addition, the Certification Officer's staff monitor references in the media for situations which suggest that such circumstances may exist in the financial affairs of a trade union or employers' association.
- 3.21 Not all the information received by the Certification Office is of sufficient merit to warrant an approach to the body concerned. Where an approach is warranted, the matter is frequently resolved either through correspondence between the Certification Office and the parties concerned or by means of informal meetings with the body or the individual or a combination of these methods.
- 3.22 At the end of the last reporting year enquiries were in progress concerning allegations of financial irregularity in three trade unions, the National Union of Mineworkers (NUM), NUM (Northumberland Area) and the Union of Construction Allied Trades & Technicians (UCATT). By the end of this period the Certification Officer had concluded his enquiries into the concerns raised about two of the unions, the NUM and UCATT. In these cases the Certification Officer did not consider it necessary to appoint an inspector to investigate. In the case of NUM (Northumberland Area) the office remained in contact with the union regarding the issues at the end of the period. In last years' annual report it was wrongly reported that the Certification Officer had made enquiries of Accord in relation to concerns raised about the conduct of its financial affairs. In fact the Certification Officer decided that the issues, which had been brought to his attention anonymously, did not merit contact with the union.
- 3.23 In addition to the enquiry mentioned above that continued during this reporting period, new concerns were raised about the conduct of financial affairs in three other unions, the NW414 Branch of Unite the Union, the Fire Brigades Union (FBU) and one other union. The Certification Officer made enquiries of each of the unions in

relation to the matters raised. In the cases of the FBU and Unite the Union's NW414 Branch, the Certification Officer was satisfied with the response of the Unions and did not consider it appropriate to use his statutory powers. In the case of the third union referred to above the Certification Officer was clarifying the issues at the end of the period.

- 3.24 Where the Certification Officer concludes his enquiries regarding a possible financial irregularity which has been raised by a union member and decides not to appoint an inspector, he must notify that member of his decision and, if he thinks fit, will also give his reasons. All of the above four cases which concluded with no inspector appointed related to issues raised by a member of the respective union.
- 3.25 During this reporting period, the Certification Officer found it necessary to use his powers under section 37A of the 1992 Act to require documents to be produced by one trade union, this was in relation to his enquiries into the NUM Northumberland Area.

Public inspection of annual returns

- 3.26 Copies of the annual returns and the rules of trade unions and employers' associations from 1974 onwards are available for public inspection. The returns of existing organisations are available at the Certification Office or, where appropriate, the Office of the Assistant Certification Officer for Scotland. The returns of former trade unions and employers' associations are mainly kept at The National Archive where they are also publicly available for inspection. Also available for public inspection (with notification of one week) are the earlier annual returns, accounts, copies of rules and other documents submitted for the purposes of:
- (a) the Trade Union Acts 1871 to 1964
 - (b) the Industrial Relations Act 1971; and
 - (c) the Trade Union and Labour Relations Act 1974.
- 3.27 The annual returns of trade unions and employers' associations submitted in this reporting period are available on the Certification Officer's website, www.gov.uk/certificationofficer.

Access to accounting records

- 3.28 Section 30 of the 1992 Act provides a member of a trade union with a right of access to any accounting records of the union which are available for inspection. Where a member claims that a trade union has failed to comply with his or her request for access to the trade union's accounting records under section 30 of the Act, the member has the option of applying to the court or to the Certification Officer under section 31 of the 1992 Act. The Certification Officer may not consider an application if the claimant has applied to the court in respect of the same matter. Similarly, once an application has been made to the Certification Officer, the same matter may not be put to the court.
- 3.29 On application to him, the Certification Officer is required to make such enquiries as he thinks fit and give the claimant and the trade union an opportunity to be heard.

On receipt of an application the Certification Officer will, so far as reasonably practicable, determine it within six months of it being made.

- 3.30 If the Certification Officer decides that the complaint is well-founded he is required to make such orders as he considers appropriate for ensuring that the claimant:-
- (a) is allowed to inspect the records requested;
 - (b) is allowed to be accompanied by an accountant when making the inspection of those records; and
 - (c) is allowed to take, or is supplied with, such copies of, or of extracts from, the records he may require.
- 3.31 An order made by the Certification Officer under this section may be enforced in the same way as an order of the court.

Applications and complaints received in 2016-2017

- 3.32 In this reporting period the Certification Officer concluded the complaint outstanding from the previous reporting period, Fernandez Castillio and Ors v Unite the Union (D/35-39/16-17). Following two hearings, one in April 2016 and one in February 2017, the Certification Officer dismissed the complaint.
- 3.33 One new complaint of a breach of section 30 of the 1992 Act was received during the reporting period, against Unite the Union. This was dismissed upon withdrawal by the claimant.
- 3.34 Sections 28 to 30 of the 1992 Act do not define “accounting records”. However the Certification Officer has considered this matter in the cases of Mortimer v Amicus (D/1/03), Foster v Musicians Union (D/13-17/03) and Lee v NASUWT (D/3/06). This was reconsidered in the case of Mills v Unite the Union (D/38/15-16). The decision was appealed to the EAT (UKEAT/0148/16/LA). Although upholding the decision and dismissing a cross-appeal the EAT did make a point significant to this decision. At paragraph 60 of their decision the EAT stated: ‘*we disagree with this [the Certification Officer] observation “that accounting records are those that are created or kept principally for the purpose of accounting”. Whether something is an accounting records an objective test is to be applied. It may be that invoices and receipts are retained for the purpose of accounting. They may need to be made available to the auditor for checking the accounts. The fact that documents are kept for the purposes of accounting does not transform them into accounting records within the meaning of TULRCA section 28(1)(a) and (2)*’. The EAT goes on to say at paragraph 61: ‘*Proper accounting records within the meaning of section 28 are those which are “necessary to give a true and fair view of the state of affairs of the trade union and explain its transactions”*’. Copies of all decisions made by the Certification Officer are available on the Certification Officer’s website: www.gov.uk/certificationofficer. Hard copies of decisions can be obtained free of charge upon request to the Certification Office.

Financial and Membership Information and Membership Register

This chapter identifies changes in the membership levels, income and expenditure of both trade unions and employers' associations between the figures reported last year and those reported in the current reporting year. It also covers the jurisdiction of the Certification Officer to determine complaints about the maintenance of trade union membership registers.

Annual Returns received in 2016-2017

- 4.1 The information in this chapter is derived from the annual returns received during the reporting period. Statistical information is given at Appendices 4, 5, 6 and 9. That information and the following comments in this chapter relate to those unions whose annual returns were due, and received, in this office between 1 April 2016 and 31 March 2017. Unions and employers' associations must submit their annual returns to the Certification Office within five months of the end of their accounting year. This results in the information contained in my annual report being abstracted from annual returns which cover accounting periods ending between October 2015 and September 2016. However, the majority (72%) of returns are for unions or employers' associations with accounting periods ending 31 December 2015.
- 4.2 A total of 241 trade unions and employers' associations submitted returns for this period. These were made up as follows:
- | | |
|-----|-----------------------------------|
| 138 | Listed trade unions |
| 13 | Scheduled trade unions |
| 61 | Listed employers' associations |
| 29 | Scheduled employers' associations |

For the difference between listed and scheduled organisations see paragraph 1.7.

The number of unions and employers' associations which submit annual returns in any given reporting year is seldom the same as the number of unions and associations on the list as at the end of the reporting year. This is because organisations which have ceased to exist still have to submit an annual return and new organisations may not have to submit a return until the next reporting period.

Trade unions: numbers and membership

- 4.3 Appendix 4 contains a summary of the statistics concerning the membership and finances of trade unions recorded in annual returns received during 2016-2017. Details are shown for the 13 trade unions with more than 100,000 members.

- 4.4 The statistics in Appendix 4 are based on returns from 151 listed and scheduled unions. This is nine less than reported in the Annual Report for 2015-2016.
- 4.5 The trade unions from which returns were received, recorded a total membership of 6,865,056. The 13 unions with a membership of over 100,000, accounted for 5,814,572 members or 84.7% of the total. Returns received in the period show the distribution of trade union membership by size is as follows:

Trade unions: distribution by size

<i>Number of Members</i>	<i>Number of Unions</i>	<i>Membership</i>	<i>Number of Unions</i>		<i>Membership of all Unions</i>	
			<i>Per cent</i>	<i>Cumulative Per cent</i>	<i>Per cent</i>	<i>Cumulative Per cent</i>
Under 100	25	571	16.5	16.5	0.0	0.0
100-499	24	5,989	15.9	32.4	0.1	0.1
500-999	14	9,275	9.3	41.7	0.1	0.2
1,000-2,499	26	39,674	17.2	58.9	0.6	0.8
2,500-4,999	9	34,803	6.0	64.9	0.5	1.3
5,000-9,999	11	84,599	7.3	72.2	1.2	2.6
10,000-14,999	3	37,125	2.0	74.2	0.5	3.1
15,000-24,999	10	201,087	6.6	80.8	2.9	6.0
25,000-49,999	13	444,032	8.6	89.4	6.5	12.5
50,000-99,999	3	193,329	2.0	91.4	2.8	15.3
100,000-249,999	6	975,556	4.0	95.4	14.2	29.5
250,000 and over	7	4,839,016	4.6	100.0	70.5	100.0
Total	151	6,865,056	100		100	

- 4.6 The trade union membership of 6,865,056 recorded in this annual report compares to 6,948,725 reported in the previous annual report. This indicates a decrease of 83,669 members or 1.2%. The total recorded membership of around 6.9 million compares with a peak of 13.2 million in 1979, a fall of about 48%.
- 4.7 The following table shows the trade unions whose membership has increased or decreased by 10,000 members or more since the previous reporting period.

Trade Union: Changes in Membership over 10,000 members

	Total Membership		
	2015-2016	2014-2015	% changes
<i>Increases</i>			
British Medical Association	169,908	154,603	+9.90
Association of Teachers and Lecturers	200,631	189,479	+5.89
Royal College of Nursing	444,685	429,414	+3.43
<i>Decreases</i>			
Union of Construction, Allied Trades and Technicians	47,433	61,229	-22.53
Public and Commercial Services Union	195,091	231,323	-15.66
Unite the Union	1,382,126	1,405,838	-1.69
UNISON: The Public Service Union	1,255,653	1,270,248	-1.15

- 4.8 The annual returns submitted by unions to the Certification Officer require each union to provide figures for both total membership and members who pay contributions. There can be significant differences between these figures. This is usually the result of total membership figures including retired and unemployed members, members on long term sick and maternity/child care leave and those on career breaks. The returns submitted by unions during this reporting period show that the total number of contributing members was around 94.2% of the total number of members. This compared to 91.7% in the preceding year.

Membership register

- 4.9 A trade union has a duty to maintain a register of the names and addresses of its members and a duty, so far as reasonably practicable, to ensure that entries in the register are accurate and kept up-to-date. The 1992 Act provides that a trade union should allow any member on request, with reasonable notice, to ascertain from the register, free of charge, whether there is an entry on it relating to him or her. An application that a trade union has failed to comply with the requirements of section 24 of the 1992 Act can be made to either the Certification Officer or the court.
- 4.10 The Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014 introduced new provisions relating to the membership register of trade unions. The new provisions, incorporated into section 24 of the 1992 Act, impose a requirement on trade unions to submit to the Certification Officer annually a Membership Audit Certificate at the same as the union's annual return. The new provisions also provide further powers to the Certification Officer to

investigate concerns that the provisions of section 24 are not being or have not been complied with by a trade union. These powers came into force on 1 June 2016.

Membership Audit Certificate

- 4.11 Where trade union membership exceeds 10,000, the union is required by section 24ZB to appoint a qualified independent person to be an assurer. None of the following may act as an assurer (a) an officer or employee of the trade union or of any of its branches or sections; (b) a person who is a partner of, or in the employment of, or who employs, such an officer or employee.
- 4.12 The assurer is required to provide to the union a membership audit certificate (“the certificate”) in relation to the relevant reporting period this must be sent at the same time as it sends to the Certification Officer its annual return.
- 4.13 The certificate must state the name of, and be signed by, the assurer. The certificate must state whether, in the assurer’s opinion, the trade union’s system for compiling and maintaining the register of the names and addresses of its members was satisfactory for the purposes of complying with the union’s duties under section 24(1) throughout the reporting period; and whether, in the assurer’s opinion, the assurer has obtained the information and explanations which the assurer considers necessary for the performance of the assurer’s functions.
- 4.14 If the certificate states that in the assurer’s opinion, the trade union’s system for compiling and maintaining the register was not satisfactory for the purposes of complying with the union’s duties under section 24(1) throughout the reporting period; or in the assurer’s opinion, they had failed to obtain the information and explanations which they considered necessary for the performance of their functions, the certificate must state their reasons for making that statement. In the case of a failure to obtain information or explanations, the certificate must also provide a description of the information or explanations requested or required which have not been obtained; and state whether the assurer required that information or those explanations from the union’s officers, or officers of any of its branches or sections.
- 4.15 Where trade union membership is less than 10,000. The membership audit certificate must be completed by an authorised officer of the union who must state his or her name and whether, to the best of that officer’s knowledge and belief, the union has complied with the section 24 duty throughout the reporting period.
- 4.16 In this reporting year 22 membership audit certificates were due and all of these were received. No circumstances arose leading the Certification Officer to use his investigatory powers under section 24 of the 1992 Act.
- 4.17 During the period 1 April 2016 to 31 March 2017, the Certification Officer received one new complaint that a trade union, UCATT, had breached section 24 of the 1992 Act, (Brough v UCATT (No2) (D/12/16-17)). The Certification Officer upheld the complaint but did not make an order.

Finance

- 4.18 A new financial reporting standard took effect for the report reported on the returns received in 2016-17. The standard, FRS 102, makes significant changes to how investments and other accounts are expressed. One result of this is the returns received during this period show unusually wide differences between the previous years' closing position and the starting position of the new year. Organisations were advised to include 'transition statements' with their returns to aid understanding of the accounts.

Trade unions

- 4.19 Trade union income derives mainly from membership subscriptions and income from investments. There may also be additional income and/or assets arising if, for example, a union accepts the transfer of engagements of another union. The figures given at Appendix 4 include both general and other funds where applicable, e.g. contingency, superannuation and political funds. Additionally, political funds are shown separately in Appendix 9.
- 4.20 From the returns received during this reporting period, the gross income of trade unions was £1,286.48 million, an increase of 4.77% on that recorded by unions in the previous year. Income from members rose by 0.63% to £912.46 million. Income from investments rose by 8.3% and income from other sources rose by 17.6%.
- 4.21 Gross expenditure by unions during this reporting period fell by 10.6% to £1,092.20 million, while at the end of the reporting period total funds amounted to £1,520.4 million, an increase of 42.0% over the previous period. This unusually large variation from the previous period is in part a reflection of the effect of the introduction of accounting standard FRS 102 on the overall statement of net assets.

Salaries and benefits

- 4.22 Trade unions are required to include in their annual returns to the Certification Officer information about the salaries and benefits paid to certain of their national officers and executive members from the organisation's funds. For the purpose of the annual return, benefits are defined as being: a) those designated as a taxable benefit by Her Majesty's Revenue and Customs; b) pension/superannuation arrangements; and c) redundancy and other termination payments. The Certification Officer requires that all benefits paid from the funds of the union are reported, whether such funds are maintained at national or other level. Information from trade union annual returns received in the reporting period showed that 16.34% of unions paid a salary to their general secretary of over £100,000; 19.6% paid between £60,001 and £100,000; 14.6% paid between £30,001 and £60,000; and 16% paid up to £30,000; while the general secretaries of the remaining 34.5% did not receive a salary. Four unions (4.0%), although paying no salary to their general secretary, did provide an honorarium or other benefits.
- 4.23 Appendix 5 gives information on the salary and benefit payments in respect of each union which makes a payment to its general secretary. There is no requirement to provide such information in relation to other employees, even if they are paid more

than the general secretary. Employer's pension contributions make up a significant proportion of the benefits paid. Employer's national insurance contributions are excluded from the table at Appendix 5.

Employers' associations

- 4.24 A summary of statistics concerning the membership and finances of employers' associations based on returns received within the reporting period is given in Appendix 6. Details are given for each of the 23 employers' associations (including scheduled associations) with total income of more than £2,500,000.
- 4.25 The statistics in Appendix 6 are based on returns from 90 employers' associations received in this reporting year compared the same number as in the reporting year for 2015-2016.
- 4.26 From the returns received in this period, the figures show the gross income of employers' associations was £477.91 million compared with £554.60 million recorded for the previous year, a decrease of 12.2%. Income from members rose by £7.5 million to £195.40 million, an increase of 3.9%. Income from investments fell from £29.03 million to £10.13 million, a decrease of 65.1%. Other income fell from £327.73 million to £272.38 million a decrease of 16.9%. During the same period, expenditure fell from £489.84 million to £449.55 million, a decrease of 8.2%.
- 4.27 The figures given in Appendix 6 include both general funds and, where applicable, funds maintained for specific purposes. At the end of the reporting period the net assets of employers' associations amounted to £417.10 million, an increase of £28.87 million (7.4%) over the figure reported for the previous period.
- 4.28 Employers' associations are not required by the 1992 Act to provide the Certification Officer with details of officers' salaries and benefits and membership audit certificates.

Superannuation Schemes

It is a legal requirement that any superannuation scheme maintained by a trade union or an employers' association for the benefit of members must be subject to periodic actuarial examination and that a copy of the actuary's report must be sent to the Certification Officer. An explanation of the statutory provisions is given in this chapter together with information on the number of schemes maintained and the number of reports received.

The statutory provisions

- 5.1 Sections 38-42 and section 131 of the Trade Union and Labour Relations (Consolidation) Act 1992 (“the 1992 Act”) require that any superannuation scheme maintained by a trade union or employers’ association² covering members (as opposed to staff) must be examined periodically by a qualified actuary and a copy of each actuarial report sent to the Certification Officer. The actuarial examination is to be made not later than five years after the effective date of the preceding examination, but the Certification Officer has power to direct that in any particular case the period of five years may be reduced to such shorter period as he may specify. The Certification Officer also has power to exempt a members’ superannuation scheme from actuarial examination in certain circumstances. No trade union or employers’ association may maintain a members’ superannuation scheme unless it also maintains a separate fund for the payment of benefits in accordance with the scheme. A copy of the actuarial report made under the above provisions must be supplied free of charge to any member of the trade union or employers’ association on application to the organisation concerned.
- 5.2 The 1992 Act requires that the report by the actuary, following his or her examination of any scheme, shall state whether in the opinion of the actuary the premium or contribution rates are adequate, whether the accounting or funding arrangements are suitable and whether the separately maintained superannuation fund is adequate. The Certification Office continues to ensure that these requirements are not overlooked.
- 5.3 Where appropriate, actuarial reports received by the Certification Officer may be sent to the Government Actuaries Department (GAD) for its specialist comment. The views of GAD are passed on to the union.

Schemes maintained

- 5.4 At the end of the reporting period there were eight members’ superannuation schemes known to the Certification Officer maintained by three trade unions. They are listed in Appendix 7 and are mostly small schemes. At the time of their last actuarial examination, four schemes had assets of over £500,000 and only the scheme of the National Union of Rail Maritime and Transport Workers covered more than 10,000 members.

² In practice the requirements affect trade unions only. The Certification Office is not aware of any schemes maintained by employers’ associations.

- 5.5 The Certification Officer may grant exemption from the statutory requirement for actuarial examination on the grounds that a scheme is only applicable to a small number of members or for any other special reasons. There are three schemes which have been granted exemption on these grounds (see Appendix 7). During this reporting year, no application was made for exemption of any of the schemes.

Actuarial reports received in 2016-2017

- 5.6 Actuarial report's on the Unite the Union BAeSSA Superannuation Fund – a members' superannuation scheme operated by Unite the Union, The RMT Orphan Fund operated by the National Union of Rail Maritime and Transport Workers and the GMB – BMS Section Members' Superannuation Fund operated by the GMB were due and received during this period. There were no outstanding reports due at the end of the period. Unite the Union – AEEU Section Superannuation Fund is due to provide an actuarial report in the following period. This scheme is due to report to the Certification Officer by 31 December 2017.

Mergers

Mergers between trade unions and between unincorporated employers' associations may be carried out under the relevant statutory procedures. These procedures also allow for members to complain to the Certification Officer about particular aspects of the balloting process. This chapter details the statutory background. During this reporting period, there were four transfer of engagements involving trade unions and no amalgamations of unions.

The statutory provisions

- 6.1 The Trade Union and Labour Relations (Consolidation) Act 1992 ("the 1992 Act") and the Trade Unions and Employers' Associations (Amalgamations, etc.) Regulations 1975, as amended, lay down procedures governing two types of merger between trade unions and between unincorporated employers' associations. These are transfers of engagements and amalgamations. The procedures apply to listed and scheduled organisations. Their main purposes are to facilitate the processes of transfer and amalgamation and, at the same time, to safeguard the rights of members affected by the terms of a merger by ensuring that they are fully informed about the proposal and have the opportunity to vote on it.
- 6.2 Under a transfer of engagements, the transferring organisation loses its legal identity whilst the organisation to which it transfers continues in being with its legal identity unchanged. An amalgamation produces a new organisation replacing each of the amalgamating bodies, which cease to exist.
- 6.3 Organisations proposing to enter into a transfer of engagements or an amalgamation must prepare an instrument setting out the proposed terms of the merger and an explanatory notice to members. They must submit these documents to the Certification Officer. The documents must be approved before a ballot of members can be held (see Appendix 10 for the statutory fee).
- 6.4 In respect of trade union merger ballots, the ballots must be fully postal and subject to independent scrutiny. The inclusion in the notice to members of any statement making a recommendation or expressing an opinion about a proposed transfer or amalgamation is prohibited. Further, the voting paper sent to a member may not be accompanied by any material other than the notice to members, an addressed, pre-paid envelope and a document giving instructions for the return of the ballot paper. Other requirements relate to the storage, distribution and counting of votes by independent persons, the availability of a union's membership register and the circumstances of its inspection by an independent scrutineer. For mergers involving employers' associations, the provisions are different. Details can be found in the relevant guidance booklet on the Certification Officer's website, www.gov.uk/certificationofficer or on request from this office.

- 6.5 In a transfer of engagements, only the members of the transferring organisation vote on the resolution to approve the instrument of transfer. An amalgamation requires a favourable vote by the members of each of the amalgamating organisations. If the majority of votes recorded in the ballots are in favour of the transfer of engagements or the amalgamation an application to register the instrument may be made to the Certification Officer. Such an application must be preceded by a copy of the scrutineer's report being sent to every member of the union or the members being notified of its contents by other means. If the union takes the second of the above two options, members must also be told that they will, on request, be provided with a copy of the scrutineer's report – either free or subject to a reasonable specified charge. The Certification Officer has power to direct an organisation to publicise its application to register a merger.
- 6.6 In the case of both a transfer and an amalgamation, an interval of six weeks must elapse between the application for registration and registration itself. Before the expiry of the six-week period, any member of the transferring organisation or of any amalgamating organisation may complain to the Certification Officer on the grounds that one or more of the statutory conditions governing the ballot arrangements have not been observed. The Certification Officer shall determine any such complaint and the parties have a right to an oral hearing. If the Certification Officer upholds the complaint, he shall make a declaration and may make an order specifying the steps which must be taken before he will register the instrument. There is a right of appeal against the Certification Officer's decision to the Employment Appeal Tribunal on a point of law. If no such complaint is received from a member, the Certification Officer will register the instrument of transfer after the end of the six week period if he is satisfied that the rules of the transferee organisation (including any amendments to the rules made to give effect to the provisions of the instrument) are in no way inconsistent with the terms of the instrument. The merger takes effect either on the date the instrument of transfer is registered or a later date if specified in the instrument.
- 6.7 Formal documents kept by the Certification Officer relating to mergers under the 1992 Act are available for public inspection for a prescribed fee (see Appendix 10).

Trade unions formed by an amalgamation

- 6.8 Where each of the amalgamating unions was on the Certification Officer's list prior to the amalgamation, the new union will automatically be listed. Where each of the unions held a certificate of independence, the new union will automatically be issued with a certificate of independence. The listing and the certificate of independence shall be removed if the newly amalgamated union does not send certain prescribed information to the Certification Officer within six weeks of the date the amalgamation taking effect or such longer period as the Certification Officer may specify. The information to be sent to the Certification Officer is a copy of the rules of the new union, a list of its officers and the address of its head or main office, together with the prescribed fee (see Appendix 10).

Guidance

- 6.9 The Certification Office has produced two guidance booklets on the statutory requirements for transfers of engagements and amalgamations, one for trade unions and the other for employers' associations. These explain the merger procedures in detail and set out, with explanatory notes, the matters to be included in an instrument of transfer or amalgamation. Copies are available on the Certification Officer's website, www.gov.uk/certificationofficer, or may be obtained free of charge from the Certification Office. The Office will offer guidance where needed on the statutory provisions and staff are always prepared to meet officials of organisations considering a merger to discuss procedures and timetables.

Mergers during the period 2016-2017

- 6.10 During this reporting period, there were four transfers of engagements involving trade unions. There were no amalgamations. Approval was given, in the reporting period, to the instrument of amalgamation of the Association of Teachers and Lecturers and the National Union of Teachers to form the National Education Union. Ballots of the members of the two unions were held with a positive result. However, the instrument had not been registered by the end of the period.
- 6.11 The four registered transfers of engagements were – Association of Principal Fire Officers to Prospect, Broadcasting Entertainment Cinematograph and Theatre Union to Prospect, UFS to Community and Union of Construction, Allied Trades and Technicians to Unite the Union. These involved an estimated total of 75,451 members of the transferring unions. Details are given at Appendix 8.
- 6.12 During the period 1 April 2016 to 31 March 2017, the Certification Officer received no complaints relating to any of the transfers of engagements.

Political Funds

The Trade Union and Labour Relations (Consolidation) Act 1992 (“the 1992 Act”) enables trade unions and unincorporated employers’ associations to establish separate funds in furtherance of political objectives as part of their aims. Under the terms of the 1992 Act a resolution to adopt the political objects must be passed by a ballot of the members. The Certification Officer is the statutory authority for approving the establishment and continuance of such funds. This chapter explains the statutory provisions and reports developments in the period 1 April 2016 to 31 March 2017.

The statutory provisions

General

- 7.1 A trade union or an unincorporated employers’ association (whether listed or not) can include the furtherance of political objects among its objects. A resolution to adopt political objects must be passed by the members in a postal ballot held under rules which must have been approved by the Certification Officer. An independent scrutineer must be appointed to oversee the ballot. If political objects are adopted, the organisation must also adopt political fund rules which will govern the expenditure of funds on such objects. Those rules must again be approved by the Certification Officer.

Exemption from contributing

- 7.2 It is a statutory requirement that members who notify their objection to contributing to the political fund must be exempted. These exempt members must not be excluded from any benefits of the organisation or placed under any disability or disadvantage compared with other members (except in relation to the control or management of the political fund). Also, contribution to the political fund must not be made a condition for admission to the organisation.
- 7.3 Members wishing to claim exemption must use an approved application form as prescribed in the 1992 Act or make an application giving the same information. Unless contributions to the political fund are collected by a separate levy, exempt members of the organisation must be relieved from the payment of the political fund element of the normal periodical contributions. The rules must provide for such relief to be given as far as possible to all exempt members on the occasion of the same periodical contribution. They must also provide for each member to know what portion, if any, of his or her contribution is a contribution to the political fund.

Complaints

- 7.4 Any member of an organisation with a political fund who considers that the political fund rules have been breached may complain to the Certification Officer. If, after investigating the complaint, the Certification Officer considers that a breach has occurred, he may make an order to remedy it.

- 7.5 A member can complain to the Certification Officer if a political fund ballot has been held, or is proposed to be held, in a way that does not comply with the rules for holding the ballot. Any complaint must be made within the period of one year beginning with the date on which the result of the ballot is announced by the union.
- 7.6 A trade union member who claims that his or her trade union has spent money on political objects without a political fund resolution being in force or without approved political fund rules may apply to the Certification Officer for a declaration that it has done so. If the Certification Officer makes a declaration, he may also make such an order for remedying the breach as he thinks just under the circumstances. Appeals against decisions of the Certification Officer may be made to the Employment Appeal Tribunal on a point of law.

Review ballots

- 7.7 Trade unions and employers' associations which already have a political fund resolution in force, and wish to continue to spend money on political objects, are required to hold a further ballot of their members at least once every ten years. This review ballot must be held in accordance with rules approved by the Certification Officer.

Guidance on procedures

- 7.8 On request, the Certification Office gives advice on the procedures for establishing political funds and for holding review ballots. Guidance booklets which include model rules are available on the Certification Officer's website, www.gov.uk/certificationofficer or on request from the Certification Office. Any trade union or employers' association wishing to ballot its members on a political fund resolution should contact the Office at an early stage.

Organisations with new political fund rules approved for the first time during 2016-2017

- 7.9 The Society of Radiographers passed a political resolution in the previous reporting period. Its political fund rules were approved for the first time on 12 April 2016.

Amalgamations of unions already holding a political fund

- 7.10 Where two or more trade unions, each with a political fund in force, amalgamate, the amalgamated union will be treated under the provisions of section 93 of the 1992 Act as having passed a political fund resolution, provided that the rules of the union in force immediately after the amalgamation include political fund rules. The review ballot cycle (see paragraph 7.7) of such a newly constituted union is treated as having begun from the earliest of the political fund review dates of the amalgamating unions involved.

Political fund resolutions in force

- 7.11 As at 31 March 2017, there were 22 unions which had political fund resolutions in force. This is a decrease of two from the number that was reported last year. This is because the Broadcasting Entertainment Cinematograph and Theatre Union (BECTU) ceased to exist as a result of its transfer of engagements to Prospect and the Union of Construction, Allied Trades and Technicians (UCATT) ceased to exist

as a result of its transfer to Unite the Union (see paragraph 6.11). The listed and scheduled trade unions in Appendix 1 which have a political fund are identified by the symbol (P).

Political fund review ballots

- 7.12 During the reporting period, no trade unions were required by section 73(3) and 73(4) of the 1992 Act to hold a review ballot (see paragraph 7.7).

Political fund resolutions lapsed

- 7.13 During the period no political fund resolutions lapsed.

Political funds of trade unions at 31 March 2017

- 7.14 Detailed statistical information about the political funds of trade unions is set out in Appendix 9. The statistics are derived from the 24 annual returns which were received during the reporting period from unions with political funds. In all cases, the accounting periods of the returns ended between October 2015 and September 2016 (see paragraph 4.1).
- 7.15 The number of returns received within a reporting period is not always the same as the number of political fund resolutions in force at the end of the reporting period. This is because there are those unions which submitted a final return within the reporting period but which, by the end of the period, had either dissolved their political fund or ceased to exist.
- 7.16 Annual returns received during the period 1 April 2016 to 31 March 2017 contain information derived from annual returns with accounting periods which mainly end in December 2015 (see paragraph 4.1). The relevant annual returns show the total income of political funds as £24.54 million compared with £24.55 million reported during the period 2015-2016, a decrease of 0.02%. The total expenditure from political funds was £25.60 million compared with £20.65 million in the preceding year, an increase of 23.9%. The returns received within the period also show that the total value of political funds during the reporting period was £31.71 million: down £1.32 million (4.0%) on the £33.03 million reported in 2015-2016.

Political fund membership

- 7.17 Appendix 9 also gives membership information provided by those unions which maintained political funds as indicated from the latest annual returns. These returns show that the number of union members contributing to a political fund was 4,777,168 compared with 4,859,578 reported in 2015-2016, a decrease of 82,410 members or 1.7%.

Exemption notices

- 7.18 Exemption notices (see paragraph 7.3) are obtainable from the organisation concerned or from the Certification Office. The Certification Office supplied three such notices during the period 1 April 2016 to 31 March 2017. The annual returns recorded 622,286 members who belong to unions with a political fund but who do not make a political fund contribution, either because they have claimed exemption

or they belong to a category of membership which, under the rules of the union, does not contribute to the political fund.

Amendments to rules

- 7.19 Amendments to political fund rules require the Certification Officer's approval. Such approval is given provided that the amendments have been adopted in accordance with, and satisfy the requirements of, the 1992 Act. No trade union applied for such approval of amendment to their rules except those applying as outlined in paragraph 7.20 below.

Requirements of the Trade Union Act 2016 in relation to political funds

- 7.20 The Trade Union Act 2016 (the 2016 Act) is to bring in new requirements as to political funds. Broadly this will mean that from 1 March 2018 new trade union members will be exempted from contributing to a political fund unless they have given notice of their willingness to contribute to that fund. A transition period began on 1 March 2017 which will end on 28 February 2018. This period is to enable trade unions to amend their rules to meet the requirements of 2016 Act. As of 31 March 2017 six trade unions had submitted amended political fund rules for preliminary approval by the Certification Office. Preliminary approval had been given to two of these unions.

Political fund complaints

- 7.21 During the period 1 April 2016 to 31 March 2017, the Certification Officer received no complaints relating to political funds of trade unions.

Elections for Certain Positions

The Trade Union and Labour Relations (Consolidation) Act 1992 (“the 1992 Act”) requires that certain officers and all members of a trade union’s executive committee must be elected by postal ballot. If they seek to remain in that position for more than five years they must be re-elected. This chapter deals with the statutory provisions governing elections. As explained in chapter 9, the Certification Officer also has powers to deal with breaches of a union’s own rules governing elections and certain other matters.

The statutory provisions

- 8.1 A trade union must ensure that no-one takes up a position as a member of its executive committee, or as its general secretary without having been elected to that position. Nor may anyone remain in such a position for more than five years without having been re-elected to it. There are, however, exemptions in respect of amalgamations, newly formed unions, special register bodies and officers nearing retirement. Elections are required to be by postal ballot of the members of the union, conducted in accordance with the relevant provisions in the 1992 Act.
- 8.2 Individual trade union members, and candidates in the election, have the statutory right to apply to the Certification Officer, or to the court (but not to both in respect of the same complaint), for a declaration that their trade union has failed to comply with one or more of the relevant provisions of the 1992 Act. The Certification Officer will determine any such application and will give written reasons for his decision. Such reasons may be accompanied by written observations on any matter arising from, or connected with, the proceedings.
- 8.3 The 1992 Act also provides that where the Certification Officer makes a declaration he shall also, unless he considers that to do so would be inappropriate, make an enforcement order imposing on the union one or more of the following requirements –
- (a) to secure the holding of an election in accordance with the order.
 - (b) to take such other steps to remedy the declared failure as the Certification Officer may specify in the order.
 - (c) to abstain from such acts as the Certification Officer specifies with a view to securing that a failure of the same, or similar kind, does not occur in the future.
- 8.4 The 1992 Act also requires the Certification Officer to give the claimant and the trade union concerned an opportunity to be heard before the Certification Officer determines an application and makes, or refuses, the declaration sought. All hearings before the Certification Officer are held in public.

- 8.5 Section 256(2) of the 1992 Act requires the Certification Officer to make provision about the disclosure or otherwise of the identity of an individual who has made, or is proposing to make, any application or complaint. The 1992 Act requires that if the application or complaint relates to a trade union, the individual's identity is to be disclosed to the union unless the Certification Officer thinks the circumstances are such that it should not be disclosed.
- 8.6 The Certification Officer has made provision under section 256 of the 1992 Act to the effect that the identity of an individual who proposes to make an application or complaint will not generally be disclosed to the union, unless or until the application or complaint is accepted. When an application or complaint is accepted, the Certification Officer will generally disclose the individual's identity to the union (and others as the Certification Officer thinks fit) unless it is decided that the circumstances are such that it should not be disclosed. The Certification Officer makes that decision on a case by case basis. Fear of denigration will not of itself normally justify non-disclosure. The provision made by the Certification Officer under section 256 of the 1992 Act is on the Guidance and Forms section of the Certification Officer's website, www.gov.uk/certificationofficer.
- 8.7 When a hearing is held, certain expenses incurred by claimants and their necessary witnesses attending the hearings may be reimbursed by the Office at the discretion of the Certification Officer. During the reporting period such payments amounted to £264.80.
- 8.8 Appeals on any question of law arising in proceedings before or arising from a determination by the Certification Officer may be made to the Employment Appeal Tribunal (EAT).
- 8.9 If it is decided that there has been a breach of the statutory provisions, the declaration made by the Certification Officer must state any steps which the union has taken or has agreed to take to remedy the breach or prevent such a breach from occurring in the future.
- 8.10 A person cannot complain to the Certification Officer if he or she has applied to the court in respect of the same matter even if the person subsequently withdraws his or her application to the court. Similarly, once an application has been made to the Certification Officer the claimant may not then apply to the court. Where an application to the Certification Officer is made by a different person alleging the same failures which had been considered and determined by the court, the Certification Officer is required to have due regard to any declaration, order, observations or reasons made or given by the court which are brought to the notice of the Certification Officer.

Applications and decisions

- 8.11 In the period 1 April 2016 to 31 March 2017, the Certification Officer determined one application relating to the position of General Secretary of the United Road Transport Union which was received in the last reporting period. The application

(Abrahams & Ors v URTU D/23-25/16-17) was made up of three complaints relating to the term of office of the General Secretary. These included one allegation of a breach of union rule, one alleged breach of section 46(1) and one alleged breach of section 47(1) (which deal with the duty to hold elections and unreasonable exclusion of a member standing for the position of General Secretary respectively) of the Trade Union and Labour Relations (Consolidation) Act 1992. The Certification Officer upheld all three of the claimant's applications. He also made an order that the election be treated as void and of no effect and that the person elected, Robert Monks, to cease to hold office as General Secretary, forthwith. He ordered a further election to be held to allow for a declared result by 31 July 2017.

- 8.12 During the previous reporting period the Certification Officer received multiple applications regarding the election of the General Secretary of UNISON. Some of these applications were allegations of breaches of statutory provisions, the others of breaches of union rules. In total 14 members of the union made applications relating to the same issues. There were three hearings (on 6 October 2016, 19 to 21 December 2016 and 22 February 2017). The decision on this application was issued on 22 May 2017, outside this reporting period.

Breach of Trade Union Rule Applications

The Trade Union and Labour Relations (Consolidation) Act 1992 (“the 1992 Act”) provides that a member of a trade union who claims that there has been a breach or threatened breach of the rules of a trade union relating to certain matters as set out in the 1992 Act, may apply to the Certification Officer for a declaration to that effect.

The statutory provisions

- 9.1 Individual trade union members have the right to apply to the Certification Officer if there has been a breach or threatened breach of a trade union’s rules relating to any of the matters set out in section 108A(2) of the 1992 Act. The matters are: -
 - (a) *the appointment or election of a person to, or the removal of a person from, any office;*
 - (b) *disciplinary proceedings by the union (including expulsion);*
 - (c) *the balloting of members on any issue other than industrial action;*
 - (d) *the constitution or proceedings of any executive committee or of any decision-making meeting;*
 - (e) *such other matters as may be specified in an order made by the Secretary of State.*
- 9.2 The claimant must be a member of the union or have been a member at the time of the alleged breach or threatened breach. The Certification Officer may not consider an application if the claimant has applied to the court in respect of the same matter. Similarly, once a complaint has been made to the Certification Officer the same matter may not be put to the court.
- 9.3 The Certification Officer may refuse to accept a complaint if he is not satisfied that the claimant has taken all reasonable steps to resolve the claim by the use of any internal complaints procedure of the union.
- 9.4 If the Certification Officer accepts a complaint he is required to make such enquiries as he thinks fit and, before reaching a decision on the complaint, provide the claimant and the trade union with an opportunity to be heard. All hearings before the Certification Officer are held in public.
- 9.5 The Certification Officer must give written reasons for his decision and, where he makes the declaration sought, is required to make an enforcement order unless he

considers that to do so would be inappropriate. The enforcement order may impose on the union one or more of the following requirements –

- (a) to take such steps to remedy the breach, or withdraw the threat of a breach, as may be specified in the order;
- (b) to abstain from such acts as may be so specified with a view to securing that a breach or threat of the same or a similar kind does not occur in future.

Where an order imposes a requirement on the union as in (a) above, the order must specify the period within which the union must comply with the requirement of the order.

- 9.6 An enforcement order made by the Certification Officer may be enforced (by any person who is a member of the union and was a member at the time the enforcement order was made) in the same way as an order of the court.
- 9.7 An appeal on any question of law arising in proceedings before or arising from a determination by the Certification Officer, may be made to the Employment Appeal Tribunal (EAT).

Applications and decisions

- 9.8 In this reporting period, the Certification Officer determined seven of the eight applications (against four unions) that were outstanding from the previous reporting period. The remaining application was relating to the election of the General Secretary of UNISON.
- 9.9 The Certification Officer received 18 new applications (against ten unions) relating to alleged breaches of union rule in this reporting period. Four of these applications were determined in this reporting period.
- 9.10 As of 31 March 2017, 15 applications remained to be determined.
- 9.11 The Certification Officer determined 33 complaints on 12 applications of breach of rule during the period 1 April 2016 to 31 March 2017. Fifteen declarations were made that a union had breached or threatened to breach its rules and one enforcement order was issued. In four of the decisions, the Certification Officer used his power under section 256ZA of the 1992 Act to order the complaints to be struck out. Of the complaints determined the following were noteworthy:-

- **Chapman v Community (D/1-5/16-17)**

Mr Chapman made five complaints relating to disciplinary proceedings by the Union. Mr Chapman alleged that the Union breached a number of its own rules during disciplinary proceedings against him and in handling a complaint by him against another Union member. The Certification Officer refused four of the claimant's applications but declared in the claimant's favour on the fifth complaint. The Certification Officer did not make an enforcement order.

- **Brough v UCATT (No 3) (D/6/16-17)**
Mr Brough made two complaints alleging the union had breached its rules relating to disciplinary matters. Following correspondence, the Certification Officer struck out both complaints under section 256ZA(1) (a) of the Trade Union and Labour Relations (Consolidation) Act 1992 on the grounds that they had no reasonable prospect of success and/or were otherwise misconceived.
 - **Beaumont v Unite the Union (No 5) (D/16-22/16-17)**
The claimant made seven complaints that the union had allegedly breached its rules in relation to eligibility to hold lay office on its Executive Council, and related issues. The Certification Officer dismissed all the complaints.
 - **Abrahams & Ors v URTU (D/23-25/16-17)**
The applicants made three complaints relating to the 2016 Election for General Secretary of the Union. These included two alleged breaches of Chapter IV of the Trade Union and Labour Relations (Consolidation) Act 1992 and one alleged breach of one of the Union's rules. The Certification Officer upheld all three complaints and made a single enforcement order in relation to the breach of Section 47(1) of the 1992 Act.
 - **Fernandez Castillio & Ors v Unite (D/35-39/16-17)**
The claimants made four complaints of that the Union breached its rules on relation to branch officer elections in union's LE/2000 Branch and one complaint of a breach of section 30 (2) of the 1992 Act in relation to the request for access to accounting records. The Certification Officer upheld one complaint of breach of rule and dismissed the other complaints. No enforcement order was made.
- 9.12 Copies of all decisions made by the Certification Officer are available on the Certification Officer's website: www.gov.uk/certificationofficer. Hard copies of decisions can be obtained free of charge upon request to the Certification Office.
- 9.13 In the period 1 April 2016 to 31 March 2017, a total of 919 enquiries were received. These fall under the following broad headings:
- | | |
|--|-----|
| General advice on the role of the Certification Officer | 112 |
| Issues relating to the listing of trade unions and employers' associations | 115 |
| Enquiries about annual returns and financial issues | 172 |
| Certificates of independence | 17 |
| Appointment, election or dismissal from any office in the union | 50 |
| Disciplinary proceedings within the union | 58 |

Balloting of union members (other than industrial action)	8
Political funds	52
Statutory elections	23
Inadequate representation of members by their union	130
Others	182
Total	919

- 9.14 There was a 40% increase of enquiries in the current reporting period compared to the figure reported in 2015-16. Some of the increase in enquiries has been as a result of callers wrongly assuming all the powers contained in the Trade Union Act 2016 had come into force.
- 9.15 Not all enquires made could result in applications to the Certification Officer. For example the Certification Officer has no jurisdiction regarding alleged inadequate representation of members by their union or in relation to the provision of union benefits or membership.

Appendices

Appendix 1

(see paragraph 1.12)

List of Trade Unions at 31 March 2017

Notes:

- Italics* Denotes a trade union first entered in the list during 1 April 2016 to 31 March 2017.
* Denotes a trade union holding a certificate of independence at 31 March 2017.
(P) Denotes a trade union with a political fund resolution in force at 31 March 2017.

England and Wales

- * Accord
- * Advance
- * Affinity
- Aircrew Officers Association Europe
- Alliance for Finance
- * Artists' Union England
- ASPSU
- * Associated Society of Locomotive Engineers and Firemen (P)
- * Associated Train Crew Union
- * Association for Clinical Biochemistry & Laboratory Medicine, The
- * Association of Educational Psychologists
- * Association of Local Authority Chief Executives
- * Association of Revenue and Customs (P)
- * Association of School and College Leaders
- Association of Somerset Inseminators
- * Association of Teachers and Lecturers

- * Bakers Food and Allied Workers Union (P)
- Balfour Beatty Group Staff Association
- BLUECHIP STAFF ASSOCIATION
- Boots Pharmacists' Association (BPA)
- * Britannia Staff Union
- * British Air Line Pilots Association
- * British Association of Dental Nurses
- * British Association of Journalists
- * British Association of Occupational Therapists Limited
- * British Dental Association
- * British Dietetic Association
- * British Medical Association
- * British Orthoptic Society Trade Union

- Cabin Crew Union UK
*Chartered Society of Physiotherapy
City Screen Staff Forum
Cleaners and Allied Independent Workers Union (CAIWU)
*Communication Workers Union (P)
*Community (P)
Currys Supply Chain Staff Association (CSCSA)
- Driver and General Union
- * Ellington Branch of the North East Area of the National Union of Mineworkers
Employees General Union
Employees United
Equality for Workers Union (EFWU)
*Equity (Incorporating the Variety Artistes Federation)
European SOS Trade Union
- * FDA
* Fire Brigades Union (P)
* Fire Officers Association
- G4S Care and Justice Services Staff Association
General Federation of Trade Unions
*GMB (P)
* Guild of Professional Teachers of Dance, Movement to Music and Dramatic Arts
- Headmasters and Headmistresses Conference
* Hospital Consultants and Specialists Association
- * IBOA The Finance Union
* Independent Democratic Union
* Independent Pilots Association
* Independent Workers Union of Great Britain (IWGB)
* Industrial Workers of the World
 Institute of Football Management and Administration
* Institute of Journalists (Trade Union)
* ISU
- Leeds Building Society Staff Association
* Leek United Building Society Staff Association
 Leicestershire Overmen Deputies and Shotfirers Association
 Locum Doctors Association
- * Musicians Union (P)
 Myunion

- *NAPO – the Trade Union and Professional Association for Family Court and Probation Staff
- *National Association of Co-operative Officials
- *National Association of Head Teachers
- *National Association of NFU Group Secretaries
- *National Association of Schoolmasters Union of Women Teachers (P)
- *National Association of Stable Staff
- *National Crime Officers Association
 - National House Building Council Staff Association
- *National Society for Education in Art and Design
- *National Union of Journalists
- *National Union of Mineworkers (P)
 - National Union of Mineworkers (Cokemen's Area)
 - *National Union of Mineworkers (Colliery Officials and Staffs Area)
 - *National Union of Mineworkers (Colliery Officials and Staffs Area) (Region No. 4)
 - National Union of Mineworkers (Northumberland Area)
 - National Union of Mineworkers (South Wales Area)
 - *National Union of Rail Maritime and Transport Workers (P)
 - *National Union of Teachers (P)
 - *Nationwide Group Staff Union
 - *Nautilus International
 - News Union
 - North of England Zoological Society Staff Association
 - Palm Paper Staff Association
 - *PDA Union
 - *POA (P)
 - *PPU
 - *Prison Governors Association
 - Professional Cricketers Association
 - Professional Footballers Association
 - *Prospect (P)
 - PTSC
 - *Public and Commercial Services Union (P)
 - R&C Trade Union
 - *Retail Book Stationery and Allied Trades Employees Association
 - *Retained Firefighters Union
 - *Royal College of Midwives
 - *Royal College of Nursing of the United Kingdom
 - RSPB Staff Association
 - Rugby Players Association
 - *Sales Staff Association
 - *SKYSHARE
 - *Social Workers Union (SWU)
 - *Society of Authors
 - *Society of Chiropodists and Podiatrists

- * Society of Radiographers (P)
 - * Society of Union Employees (UNISON)
 - * Staff Union West Bromwich Building Society
- * Transport Salaried Staffs Association (P)
- * Undeb Cenedlaethol Athrawon Cymru (National Association of Teachers of Wales)
 - * Union of Democratic Mineworkers
 - Union of General and Volunteer Workers
 - * Union of Shop Distributive and Allied Workers (P)
 - * UNISON – The Public Service Union (P)
 - * United Road Transport Union
 - United Voices of the World
 - * Unite the Union (P)
 - * University and College Union (P)
- * Voice
- Warwick International Staff Association
 - Welsh Rugby Players Association
 - * Workers of England Union
 - * Workers Uniting
 - * Writers Guild of Great Britain
- Scotland**
- * Aegis the Union
 - * Association of Head Teachers and Deputies in Scotland
- * Educational Institute of Scotland (P)
- Independent Federation of Nursing in Scotland
- Scottish Artists Union
 - * Scottish Secondary Teachers' Association
 - Solidarity
- * United and Independent Union

Notes:

- Italics* Denotes a trade union first entered in the list during 1 April 2016 to 31 March 2017.
- * Denotes a trade union holding a certificate of independence at 31 March 2017.
- (P) Denotes a trade union with a political fund resolution in force at 31 March 2017.

Schedule to Appendix 1

(see paragraph 1.7)

This schedule contains the names of those trade unions known to the Certification Officer which are within the statutory definition of a trade union but which have not applied to be entered on the list at 31 March 2017.

Notes:

- Italics* Denotes a trade union first entered in the list during 1 April 2016 to 31 March 2017.
(≠) Denotes a branch of an American Trade Union.

England and Wales

Association of Flight Attendants (Council 07) ≠

Association of Local Council Clerks

Association of Trade Union Political and Public Sector Staff

Confederation of Shipbuilding and Engineering Unions

Employees Representatives

Federation of Entertainment Unions

International Transport Workers Federation

National Union of Mineworkers (North East Area)

Trades Union Congress

Scotland

National Union of Mineworkers (Scotland Area)

National Union of Mineworkers (Scottish Area)

Professional Footballers Association Scotland

Scottish Colliery Enginemen Boilermen and Tradesmens Association

Appendix 2

(see paragraph 1.12)

List of Employers' Associations at 31 March 2017

England and Wales

Advertising Producers Association
Association of British Orchestras
Association of Circus Proprietors of Great Britain
Association of Indian Banks in the United Kingdom
Association of Newspaper and Magazine Wholesalers
Association of Plumbing and Heating Contractors

British Amusement Catering Trades Association
British Lace Federation
British Printing Industries Federation
Builders Merchants Federation Ltd
Building & Engineering Services Association

Construction Plant-Hire Association

East of England Local Government Association
EEF Limited
Electrical Contractors Association
Engineering Construction Industry Association
England and Wales Cricket Board Limited

Federation of Dredging Contractors
Federation of Master Builders
Federation of Window Cleaners

Glass and Glazing Federation

Lancashire Textile Manufacturers Association
Leather Producers Association
London Councils

Mastic Asphalt Council

National Association of Farriers Blacksmiths and Agricultural Engineers
National Association of Master Bakers
National Farmers Union
National Federation of Retail Newsagents
National Hairdressers Federation Ltd

National Trainers Federation
North East Regional Employers Organisation for Local Authorities
North Western Local Authorities Employers Organisation

Producers Alliance for Cinema and Television

Retail Motor Industry Federation Ltd

Showmens Guild of Great Britain
Smithfield Market Tenants Association London
South East Employers

Thermal Insulation Contractors Association

UK Cinema Association Ltd
UK Fashion and Textile Association Ltd

Vehicle Builders and Repairers Association Limited

West Midlands Employers

Yorkshire and Humber (Local Authorities) Employers' Association

Scotland

Electrical Contractors Association of Scotland
Employers in Voluntary Housing Limited

Graphic Enterprise Scotland

Malt Distillers Association of Scotland

NFU Scotland

Scottish Decorators Federation
Scottish Engineering
Scottish and Northern Ireland Plumbing Employers Federation

Schedule to Appendix 2

(see paragraph 1.7)

This schedule contains the names of those employers' associations known to the Certification Officer which are within the statutory definition of an employers' association but which have not applied to be entered on the list at 31 March 2017.

England and Wales

Association of Colleges

B F M Limited

British Allied Trade Federation

British Footwear Association

British Printing Industries Federation Ltd

British Travelgoods and Accessories Association

Chemical Industries Association Ltd

Confederation of Paper Industries Ltd

Co-operative Employers Association Limited

Dairy UK

East Midlands Councils

Fencing Contractors Association

Freight Transport Association

Incorporated Guild of Hairdressers Wigmakers and Perfumers

Improvement and Development Agency

London Association of Funeral Directors

Master Carvers Association

Metal Packaging Manufacturers Association

National Federation of Roofing Contractors Ltd

Radio Electrical and Television Retailers Association (RETRA) Ltd

Refractory Users Federation

Road Haulage Association Limited

Society of London Theatre “SOLT”

South West Councils

UK Theatre Association

Universities and Colleges Employers Association

Scotland

Angus and Kincardine Master Plumbers Association

Banff and Moray Master Plumbers Association

British Packaging Association

Fife and Kinross Master Plumbers Association

Inverness and Northern District Master Plumbers Association

Lanarkshire Master Plumbers Association

Perth and District Master Plumbers Association

Scottish Association of Master Bakers

Scottish Association of Meat Wholesalers

Scottish Building Federation

Scottish Motor Trade Association Limited

SNIPEF Edinburgh and District Branch

SNIPEF Glasgow and West of Scotland

Appendix 3

(see paragraphs 2.8 to 2.12)

Decisions on Trade Union Independence during the period 1 April 2016 to 31 March 2017

Certificates of independence issued

Artists' Union England

Certificates of independence refused

None

Certificates of independence withdrawn

None

Certificates cancelled because the union's name was removed from the list of trade unions

National Association of Colliery Overmen, Deputies and Shotfirers

National Union of Mineworkers (Leicester Area)

Certificates cancelled because the union's name was removed from the list of trade unions as the result of a merger

Association of Principal Fire Officers

Broadcasting Entertainment Cinematograph and Theatre Union

UFS

Union of Construction, Allied Trades and Technicians

Applications in progress

United Voices of the World

Number of Certificates in force as at 31 March 2017

93

Appendix 4

Summary of Statistics – Trade Unions, returns received, during the period 1 April 2016 to 31 March 2017

The annual returns completed by trade unions for the Certification Officer require the accounts to be shown in a particular way. The figures used in this Appendix are taken from the summary sheets of these annual returns and provide a simple analysis of each union's financial affairs for the year. Individual annual returns are available on the website www.gov.uk/certificationofficer or copies can be obtained from the Certification Office.

The information in the table relates to returns received during the reporting period. Although a large proportion of these returns are for the year ending 31 December 2015, the table includes returns from trade unions with year ending dates ranging from October 2015 to September 2016 and therefore due in this Office between 1 April 2016 and 31 March 2017.

Notes to the Summary of Statistics schedule

- (a) The total membership reported by some trade unions includes a number of special categories (eg. honorary or retired) who are members under the union's rules but who either pay no contribution to union funds or make a nominal payment only.
- (b) Investment income is shown net of certain items such as outgoings on property held as an investment, but not, for most unions, net of tax paid on that income.
- (c) The total income and total expenditure figures are not confined to normal revenue income and expenditure. The figures cover all items which increased or decreased a union's total funds during the year. They are inclusive of recognised gains and losses, including revaluation of property and assets and other changes in the value of assets, which are not offset by an equal change in liabilities. Tax recoveries and provisions no longer required are included in total income, and tax paid is included in total expenditure.
- (d) Some figures may have changed from last year's report due to later information. Some unions may have made adjustments to the beginning of year figure.

Summary of Statistics – Trade Unions, 2015-2016

(see paragraph 4.3)

	Number of Members (a) (1)	GROSS INCOME			
		From Members (b) (2)	From Investments (b) (3)	Other Income (c) (4)	Total Income (c) (5)
		£000's	£000's	£000's	£000's
Unite the Union	1,382,126	163,381	4,804	8,467	176,652
UNISON: The Public Service Union	1,255,653	166,092	2,580	41,081	209,753
GMB	622,596	65,458	1,527	9,468	76,453
Royal College of Nursing of the United Kingdom	444,685	47,615	602	2,591	50,808
Union of Shop Distributive and Allied Workers	440,603	39,858	4,791	22,074	66,723
National Union of Teachers	372,136	38,149	1,675	4,031	43,855
National Association of Schoolmasters Union of Women Teachers	321,217	28,759	977	1,822	31,558
Association of Teachers and Lecturers	200,631	17,086	158	526	17,770
Public and Commercial Services Union	195,091	23,586	(55)	20,279	43,810
Communication Workers Union	191,912	30,179	223	2,573	32,934
British Medical Association	169,908	46,891	2,661	82,755	132,307
Prospect	113,502	16,201	3,006	102	19,309
University and College Union	104,512	21,011	19	219	21,249
Total for above unions with 100,000 members or more	5,814,572	704,266	22,927	195,988	923,181
Total for 125 other listed unions with less than 100,000 members	1,044,633	186,234	13,669	78,860	278,763
Total for listed unions	6,859,205	890,500	36,596	274,848	1,201,944
Trades Union Congress	52	15,643	3,536	16,239	35,418
Total for 12 other unlisted unions which have submitted returns	5,799	6,315	2,489	40,314	49,118
Total for all unions 2015-2016	6,865,056	912,458	42,621	331,401	1,286,480
Total for all unions 2014-2015	6,948,725	906,661	39,356	281,875	1,227,892

Notes – see previous page

Appendix 4

GROSS EXPENDITURE		TOTAL FUNDS		GROSS ASSETS				
Total Expenditure (c) £000's (6)	Beginning of the Year (d) £000's (7)	End of the Year £000's (8)		Fixed Assets £000's (9)	Investment Assets £000's (10)	Other Assets £000's (11)	Total Assets £000's (12)	Total Liabilities £000's (13)
132,476	152,468	196,644	145,344	57,903	88,041	291,288	94,644	
166,392	100,092	143,453	98,258	9,767	151,872	259,897	116,444	
65,307	48,992	60,138	33,475	30,814	26,454	90,743	30,605	
44,098	19,111	25,821	0	27,306	8,186	35,492	9,671	
41,951	17,029	41,801	7,316	64,918	11,235	83,469	41,668	
43,630	73,091	73,316	47,817	9,907	30,378	88,102	14,787	
28,761	31,241	34,039	21,899	20,147	6,907	48,953	14,914	
17,077	19,946	20,639	9,084	4,594	11,307	24,985	4,346	
36,024	7,633	15,419	14,116	1,298	5,702	21,116	5,696	
32,598	26,485	26,821	23,929	6,157	15,341	45,427	18,606	
135,761	107,736	104,282	11,812	103,578	39,053	154,443	50,161	
10,471	24,853	33,691	13,182	25,234	6,081	44,497	10,806	
24,894	22,982	19,337	15,250	1,051	20,626	36,927	17,590	
779,440	651,659	795,401	441,482	362,674	421,183	1,225,339	429,938	
258,400	503,306	523,669	138,439	331,482	105,179	575,100	51,431	
1,037,840	1,154,965	1,319,070	579,921	694,156	526,362	1,800,439	481,369	
14,821	65,847	86,444	56,367	13,030	11,418	80,815	(5,629)	
39,540	105,310	114,888	15,124	103,804	23,811	142,739	27,851	
1,092,201	1,326,122	1,520,402	651,412	810,990	561,592	2,023,993	503,591	
1,221,681	1,063,134	1,069,345	540,786	648,579	561,583	1,750,948	681,603	

Appendix 5

(see paragraph 4.16)

Salary and Benefits of Trade Union General Secretaries

	<i>Title</i> (General Secretary unless otherwise stated)	<i>Salary</i> £	<i>Benefits</i> £
England and Wales			
Accord	General Secretary	118,915	12,380
Advance	General Secretary	15,367	3,369
Affinity	General Secretary	105,500	29,138
Associated Society of Locomotive Engineers and Firemen	General Secretary	94,548	22,811
Association of Educational Psychologists	General Secretary	64,738	7,769
Association of School and College Leaders	General Secretary	130,872	23,056
Association of Teachers and Lecturers	General Secretary	121,901	18,062
Association of Trade Union Political and Public Sector Staff	Acting General Secretary	0	100 (a)
Bakers, Food and Allied Workers' Union	General Secretary	46,362	16,054
BLUECHIP STAFF ASSOCIATION	General Secretary	22,976	
Boots Pharmacists' Association (BPA), The	Chief Executive Officer	0	5,790 (b)
British Air Line Pilots Association	General Secretary	122,354	27,928
British Association of Dental Nurses	Chief Executive	45,000	2,488
British Association of Journalists	General Secretary	19,762	0
British Dental Association	General Secretary	75,000	0
British Medical Association	Chairman	40,348	0
Broadcasting Entertainment Cinematograph and Theatre Union	General Secretary	68,986	7,871
Chartered Society of Physiotherapy	Chief Executive	120,000	21,480
Communication Workers Union	General Secretary	55,292	15,170
Community	General Secretary	109,003	30,274
Confederation of Shipbuilding and Engineering Unions	General Secretary	79,724	20,528

Curry's Supply Chain Staff Association (CSCSA)	General Secretary	28,676	5,535
Driver and General Union	General Secretary	27,068	0
Equity (Incorporating the Variety Artistes' Federation)	General Secretary	80,894	28,131
FDA	General Secretary	101,464	29,729
Fire Brigades Union	General Secretary	72,178	54,506
Fire Officers' Association	Chief Executive	37,745	1,401
G4S Care and Justice Services Staff Association	General Secretary	34,634	6,827
General Federation of Trade Unions	General Secretary	65,694	10,462
GMB	General Secretary	100,000	22,000
Guild of Professional Teachers of Dance, Movement to Music and Dramatic Arts	General Secretary	14,366	0
Headmasters' and Headmistresses' Conference	General Secretary	107,244	19,790
Hospital Consultants and Specialists Association	Chief Executive	85,872	8,935
IBOA The Finance Union	General Secretary	€132,455	€71,767
Independent Democratic Union	General Secretary	52,625	10,063
Independent Pilots Association	General Secretary	37,642	1,400
Institute of Football Management and Administration, The	General Secretary	8,500	0
Institute of Journalists (Trade Union)	General Secretary	37,065	2,704
International Transport Workers Federation	General Secretary	125,000	29,000
ISU	General Secretary	67,171	0
Locum Doctor's Association	Chairperson	0	300 (a)
Musicians Union	General Secretary	119,095	34,150
NAPO – The Trade Union and Professional Association for Family Court and Probation Staff	General Secretary	70,202	1,500
National Association of Colliery Overman, Deputies and Shotfirers	General Secretary	21,374	0
National Association of Co-operative Officials	General Secretary	91,812	18,631
National Association of Head Teachers	General Secretary	128,686	22,216

National Association of NFU Group Secretaries	General Secretary	9,491	0
National Association of Schoolmasters			
Union of Women Teachers	General Secretary	101,822	31,036
National Association of Stable Staff	Chief Executive	51,480	2,545
National Crime Officers Association	Secretary	35,000	0
National Society for Education in Art and Design	General Secretary	45,225	0
National Union of Journalists	General Secretary	67,660	7,229
National Union of Mineworkers	Secretary	33,393	1,538
National Union of Mineworkers (Colliery Officials and Staffs Area)			
Region No 4	General Secretary	12,240	2,654
National Union of Mineworkers (Leicester Area)	General Secretary	17,226	2,165
National Union of Mineworkers (Northumberland Area)	General Secretary	45,321	0
National Union of Mineworkers (South Wales Area)	General Secretary	54,221	8,000
National Union of Rail, Maritime and Transport Workers	Acting		
	General Secretary	96,766	35,469
National Union of Teachers	General Secretary	106,557	43,603
Nationwide Group Staff Union	General Secretary	122,316	20,310
Nautlius International	General Secretary	94,798	17,378
News Union	General Secretary	81,849	0
PDA Union	General Secretary	0	5,000 (a)
POA	General Secretary	78,065	28,643
Professional Cricketers Association	General Secretary	133,050	4,940
Professional Footballers' Association	General Secretary	1,132,615	46,941
Prospect	General Secretary	110,533	25,894
Public and Commercial Services Union	General Secretary	92,500	29,627
Retail Book Stationery and Allied Trades Employees Association	President	38,114	11,247
Retained Firefighters Union	General Secretary	31,530	2,145
Royal College of Midwives	General Secretary	120,321	24,305
Royal College of Nursing of the United Kingdom	General Secretary	163,897 (c)(d)	5,075 (c)(d)
RSPB Staff Association	Chairperson	1,200	0
Rugby Players Association, The	General Secretary	131,136	3,294
Social Workers Union, The	General Secretary	11,429	0
Society of Authors, The	General Secretary	94,375	5,660
Society of Chiropodists and Podiatrists	General Secretary	86,747	6,940

Society of Local Council Clerks	Chief Executive Officer	28,800	0
Society of Radiographers	Chief Executive Officer	53,771	9,550
Solidarity	General Secretary	4,438	2,364
Staff Union West Bromwich Building Society	Acting General Secretary	0	21,889 (e)
Trades Union Congress	General Secretary	111,280	41,085
Transport Salaried Staffs Association	General Secretary	81,077	16,621
UFS	General Secretary	81,611	10,562
Undeb Cenedlaethol Athrawon Cymru (The National Association of the Teachers of Wales)	General Secretary	47,773	4,500
Union of Construction, Allied Trades and Technicians	General Secretary	77,200 (d)	34,243 (d)
Union of Democratic Mineworkers	General Secretary	52,876 (f)	16,530 (f)
Union of General & Volunteer Workers	General Secretary	0	750 (a)
Union of Shop Distributive and Allied Workers	General Secretary	92,497	40,598
UNISON: The Public Service Union	General Secretary	98,670	15,925 (g)
Unite the Union	General Secretary	76,327	10,216
United Road Transport Union	General Secretary	61,244	53,052
University and College Union	General Secretary	104,440	21,137
Voice	General Secretary	61,615	1,818
Welsh Rugby Players Association	General Secretary	25,000	0
Workers of England Union	General Secretary	9,060	0
Writers Guild of Great Britain	General Secretary	60,337	5,430

Scotland

Aegis	General Secretary	65,414	12,736
Association of Headteachers and Deputies in Scotland	General Secretary	58,816	14,334
Educational Institute of Scotland	General Secretary	96,544	29,241
Independent Federation of Nursing in Scotland	General Secretary	29,904	0
National Union of Mineworkers (Scotland Area)	General Secretary	27,810	944
Professional Footballers Association Scotland	Chief Executive	57,515	142
Scottish Secondary Teachers Association	General Secretary	71,373	14,459

Notes:

- (a) Honorarium
- (b) Total of honoraria paid in respect of two individuals holding the office of Chief Executive within the period and is not the sum paid to one individual.
- (c) This includes payment of £55,233 made in respect of the General Secretary's role as chief executive of the RCN Charter Body.
- (d) Total paid in respect of two people holding office as general secretary with the period and is not the sum paid to one individual
- (e) Secondment fee
- (f) £49,990 of salary and £16,530 of benefits is paid in respect of the position of the President of the Nottingham Section of the UDM
- (g) Salary sacrifice £8,805

Appendix 6

Summary of Statistics – Employers’ Associations, returns received during the period 1 April 2016 to 31 March 2017

The figures used in Appendix 6 are taken from the summary sheets of the annual returns made by employers’ associations to the Certification Officer and provide a simple analysis of each association’s financial affairs for the year. Individual annual returns are available on the website or can be viewed at, or obtained from, the Certification Office. Where an association has functions outside the field of employment relations the return may relate to its activities as a whole and not merely to its employment relations functions.

The information in the table relates to returns received during the reporting period. Although a large proportion of these returns are for the year ending 31 December 2015, the table includes returns from employers’ associations with year ending dates ranging from October 2015 to September 2016 and therefore due in this Office between 1 April 2016 and 31 March 2017.

Notes

- (a) Income from investments includes interest on short term deposits.
- (b) Total income and gross expenditure figures are not confined to normal revenue income and expenditure. The figures include all items which increased or decreased an association’s funds during the year. This includes any increases or decreases in the valuation of property and other assets. Tax recoveries and provisions no longer required are included in total income and tax paid is included in total expenditure.
- (c) Some figures may have changed from last years report due to later information.

Summary of Statistics – Employers' Associations, 2015-2016

(see paragraph 4.24)

	GROSS INCOME				GROSS EXPENDITURE (b) £000's
	From Members	From Investments	Other Income	Total Income (b) £000's	
	£000's (1)	£000's (2)	£000's (3)	£000's (4)	
Employers' Associations with over £2,500,000 total income					
England and Wales Cricket Board Limited	0	475	135,803	136,278	133,211
London Councils	52,476	(747)	20,791	72,520	68,954
National Farmers Union	30,893	1,361	14,530	46,784	31,076
EEF Ltd	16,573	3,695	17,745	38,013	48,522
Freight Transport Association Limited	25,697	16	0	25,713	23,243
Electrical Contractors Association	3,932	1,255	18,847	24,034	24,175
Building & Engineering Services Association	3,747	43	6,685	10,475	10,692
Association of Colleges	5,187	(286)	4,546	9,447	8,576
Road Haulage Association Limited	3,587	20	5,693	9,300	8,839
Society of London Theatre "SOLT"	519	19	6,106	6,644	6,399
Retail Motor Industry Federation Limited	3,231	276	2,357	5,864	5,174
Federation of Master Builders	3,810	160	1,108	5,078	4,908
Dairy UK Limited	998	24	4,012	5,034	1,926
Chemical Industries Association Limited	3,563	12	1,122	4,697	4,976
National Federation of Retail Newsagents	4,021	71	514	4,606	4,717
East of England Local Government Association	667	6	3,647	4,320	3,295
BFM Limited	154	5	4,087	4,246	1,840
British Printing Industries Federation	2,252	1	1,368	3,621	3,792
Glass and Glazing Federation	991	1,684	738	3,413	2,461
Electrical Contractors Association of Scotland	1,397	303	1,555	3,255	3,084
NFU Scotland	2,067	67	785	2,919	2,869
Showmen's Guild of Great Britain, The	869	3	1,958	2,830	2,861
Producers Alliance For Cinema and Television Limited	2,042	38	674	2,754	2,768
Total for above Employers' Associations	168,673	8,501	254,671	431,845	408,358
Total for 38 other listed Employers' Associations	14,261	947	9,068	24,276	21,898
Total for 29 other unlisted Employers' Associations	12,467	682	8,642	21,791	19,290
Total for all Employers' Associations 2015-2016	195,401	10,130	272,381	477,912	449,546
Total for all Employers' Associations 2014-2015	187,848	29,025	327,727	544,599	489,841

See Notes on previous page

Appendix 6

TOTAL FUNDS		GROSS ASSETS					
Beginning of the Year (c) £000's (6)	End of the Year £000's (7)	Fixed Assets £000's (8)	Investments £000's (9)	Other Assets £000's (10)	Total Assets £000's (11)	Total Liabilities £000's (12)	Number of Members (13)
70,039	73,106	2,899	62,296	40,787	105,982	32,876	263
(14,075)	(10,510)	1,723	0	21,720	23,443	33,954	35
104,414	120,122	16,387	113,144	14,721	144,252	24,131	87,747
56,817	46,308	19,594	50,437	12,950	82,981	36,673	2,001
1,004	3,473	3,136	0	9,352	12,488	9,014	15,121
50,600	50,459	3,863	53,466	33,329	90,658	40,199	2,783
6,704	6,487	2,631	9,551	6,959	19,141	12,654	1,311
(7,110)	(6,239)	216	0	6,505	6,721	12,959	335
2,625	3,086	2,129	100	2,759	4,988	1,901	6,768
665	911	1,681	0	18,132	19,812	18,901	185
21,972	22,662	4,408	20,926	1,199	26,533	3,871	9,805
5,996	6,166	4,892	2,031	3,422	10,345	4,179	8,220
5,562	8,670	8,105	445	925	9,475	804	236
2,530	2,251	9	0	7,239	7,248	4,998	96
5,676	5,565	2,317	2,639	1,554	6,510	945	15,042
(2,096)	(1,071)	0	0	3,443	3,443	4,515	52
1,506	3,912	0	0	4,607	4,607	694	137
(2,181)	(2,352)	437	0	979	1,416	3,768	2
6,803	7,755	1,562	4,900	3,900	10,362	2,607	411
4,551	4,722	2,993	50	2,389	5,432	711	1,210
1,931	1,981	583	1,364	634	2,581	600	8,369
5,841	5,810	3,211	4	3,042	6,257	446	3,711
2,203	2,189	22	0	3,508	3,530	1,341	527
331,977	355,464	82,798	321,353	204,055	608,206	252,742	164,367
41,820	44,199	14,013	34,444	24,741	73,198	29,000	15,093
14,936	17,437	3,438	16,921	13,886	34,245	16,808	8,498
388,733	417,099	100,249	372,718	242,682	715,649	298,550	187,958
333,476	388,234	107,085	320,626	240,687	668,398	280,164	190,525

Appendix 7

(see paragraph 5.4)

Trade Unions Maintaining Members' Superannuation Schemes 31 March 2017

Notes:

* Denotes schemes exempt from the need for actuarial examination (see paragraph 5.5)
These three schemes are reported on within Unite the Union's annual return each year.

GMB (BMS Section Members' Superannuation Fund)

National Union of Rail Maritime and Transport Workers (Orphan Fund)

Unite the Union: (6 schemes listed below)

AEEU Section Superannuation Scheme

British Aerospace Senior Staff Association Superannuation Fund

Litho Printers' Section Superannuation Fund

Plate Preparers' Section Superannuation Fund*

MSF Section Craft Members (formally known as Sheet Metal Workers)

Superannuation Fund*

TGWU Members/National Vehicle Builders Union Members' Superannuation Scheme *

Appendix 8

(see paragraphs 6.10 to 6.12)

Mergers completed during the period 1 April 2016 to 31 March 2017

Trade Union: Transfers of Engagements

<i>Engagements transferred from</i>	<i>To</i>	<i>Transfer registered on</i>
Association of Principal Fire Officers	Prospect	7 November 2016
British Entertainment Cinematograph and Theatre Union	Prospect	1 January 2017
UFS	Community	1 January 2017
Union of Construction, Allied Trades and Technicians	Unite the Union	1 January 2017

Trade Union: Amalgamations

None

Employers' Association: Transfers of Engagements

None

Employers' Association: Amalgamations

None

Appendix 9

Political Funds of Trade Unions, 2015-2016

(see paragraph 7.14)

	Number of Members contributing to the Political Fund	Number of Members not contributing to the Political Fund
	(1)	(2)
Associated Society of Locomotive Engineers and Firemen	20,450	741
Association of Revenue and Customs	1,882	555
Bakers Food and Allied Workers Union	18,382	1,073
Broadcasting Entertainment Cinematograph and Theatre Union	25,635	641
Communication Workers Union	160,522	31,390
Community	21,547	5,433
Educational Institute of Scotland	40,329	14,567
Fire Brigades Union	29,481	6,329
GMB	599,452	23,144
Musicians Union	24,722	5,799
National Association of Colliery Deputies and Shotfirers	190	583
National Association of Schoolmasters Union of Women Teachers	231,933	89,284
National Union of Mineworkers	616	523
National Union of Rail Maritime and Transport	79,793	4,061
National Union of Teachers	333,704	38,432
POA	26,250	3,853
Prospect	100,844	12,658
Public and Commercial Services Union	191,721	3,370
Transport Salaried Staffs Association	18,181	1,057
Union of Construction, Allied Trades and Technicians (a)	38,658	8,775
Union of Shop Distributive and Allied Workers	419,769	20,834
UNISON: The Public Service Union	1,148,655	106,998
Unite the Union	1,150,388	231,738
University and College Union	94,064	10,448
Total for the 24 unions with political funds which reported in this period	4,777,168	622,286
Total for the 25 unions with political funds which reported in the previous period	4,859,578	651,140

Notes:

* The information in the table is derived from annual returns received during 2016-2017, most of which relate to the year ending December 2015.

** Includes increase in fair value of investments

*** Amount of fund at beginning of year as restated under FRS 102

(a) Enquiries are being made in relation to negative funds held by the union

Number of Members exempt from contributing to the Political Fund	POLITICAL FUND			
	Income	Expenditure	Fund at Beginning of Year	Fund at End of year
	£	£	£	£
(3)	(4)	(5)	(6)	(7)
741	173,112	196,745	29,033	5,400
555	5,691	0	122,772	128,463
0	78,016	74,062	2,706	6,660
187	40,937	29,684	26,358	37,611
21,600	1,680,292	2,144,860	1,649,463	1,184,895
5,100	267,000	229,000	14,000	52,000
9,295	239,469*	127,501	2,177,753**	2,289,721
5,407	244,637	368,709	804,863	680,791
23,144	3,359,000	4,486,000	1,975,000	848,000
5,532	93,099	135,456	50,288	7,931
190	484	0	30,720	31,204
2	196,556	251,179	173,175	118,552
513	12,709	12,462	88,655	88,906
223	274,000	328,000	77,000	23,000
1,912	441,549	358,929	585,065	667,685
3,853	34,711	14,359	15,147	35,499
2,588	61,000	48,000	618,000	631,000
408	227,639	89,256	113,423	251,806
544	146,649	256,467	115,973	6,155
6,899	211,000	267,000	2,000	-54,000
20,834	2,160,000	2,516,000	924,000	568,000
7,242	6,544,000	4,867,000	8,287,000	9,964,000
48,463	7,882,000	8,630,000	14,880,000	14,132,000
7,834	167,303	167,087	9,322	9,538
124,603	24,540,853	25,597,756	32,771,716	31,714,813
205,092	24,546,834	20,651,977	29,136,146	33,031,003

Appendix 10

Current statutory fees applicable

Fees are set by the Secretary of State and were amended in Parliament by The Certification Officer (Amendment of Fees) Regulations 2005 (SI 2005/713) under the provisions of sections 108 and 293 of the Trade Union and Labour Relations (Consolidation) Act 1992.

	Current Fee
Application for entry in the list of trade unions	£150
Application for entry in the list of employers' associations	£150
Application for entry in the list of an amalgamated organisation where each amalgamating organisation was already entered	£41
Provision of a certificate of independence to an amalgamated union where each amalgamating organisation already had a certificate of independence	£41
Application for approval of a change of name	£96
Application for a certificate of independence	£4,066
Application for formal approval of an instrument of transfer of engagements or an instrument of amalgamation	£1,850
Inspection of merger documents	£19

Appendix 11

Certification Office Publications

The latest version of the following Certification Office publications are available to be printed or downloaded from the Certification Officer's website: www.gov.uk/certificationofficer. Printed copies may also be obtained free of charge on application to the Certification Office.

Guidance on making a complaint to the Certification Officer against a trade union

Disclosure of identity of individuals making applications and complaints to the Certification Officer

Guidance on procedure at formal hearings of the Certification Officer

Financial Irregularities in trade unions and employers' associations: the approach of the Certification Officer in exercising his powers of investigation

Independence: a guide for trade unions wishing to apply for a certificate of independence

Mergers: a guide to the statutory requirements for transfers of engagements and amalgamations of trade unions

Mergers: a guide to the statutory requirements for transfers of engagements and amalgamation of employers' associations

Political funds: a guide for trade unions and employers' associations wishing to establish a political fund

Political funds: a guide on the provisions in the Trade Union Act 2016

Political funds: a guide to review ballots

Trade Union' Register of Members: the Certification Officer's powers of investigation and enforcement

Certification Officer's Publication Scheme

Annual Reports of the Certification Officer

Guidance on The Certification Officer's Role as a Prescribed Person for the Purposes of Public Interest Disclosure Act 1998' – 'whistleblowing'

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