

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 2015-2016

- 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 2015 and 31 March 2016. 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 2014 and September 2015. However, the majority (71%) of returns are for unions or employers' associations with accounting periods ending 31 December 2014.
- 4.2 A total of 251 trade unions and employers' associations submitted returns for this period. These were made up as follows:
- | | |
|-----|-----------------------------------|
| 146 | Listed trade unions |
| 14 | Scheduled trade unions |
| 55 | Listed employers' associations |
| 36 | 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 2015-2016. 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 160 listed and scheduled unions. This is the same number as reported in the Annual Report for 2014-2015, but not necessarily all the same unions as some ceased to exist and other new unions reported for the first time.

4.5 The trade unions from which returns were received, recorded a total membership of 6,948,725. The 13 unions with a membership of over 100,000, accounted for 5,866,030 members or 84.4% 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	29	788	18.1	18.1	0.0	0.0
100-499	26	6,994	16.3	34.4	0.1	0.1
500-999	14	9,992	8.8	43.1	0.1	0.3
1,000-2,499	27	43,339	16.9	60.0	0.6	0.9
2,500-4,999	12	48,274	7.5	67.5	0.7	1.6
5,000-9,999	9	70,124	5.6	73.1	1.0	2.6
10,000-14,999	3	35,651	1.9	75.0	0.5	3.1
15,000-24,999	12	245,064	7.5	82.5	3.5	6.6
25,000-49,999	11	371,463	6.9	89.4	5.4	12.0
50,000-99,999	4	251,006	2.5	91.9	3.6	15.6
100,000-249,999	6	993,572	3.8	95.6	14.3	29.9
250,000 and over	7	4,872,458	4.4	100.0	70.1	100.0
Total	160	6,948,725	100.0	100.0	100.0	100.0

4.6 The trade union membership of 6,948,725 recorded in this annual report compares to 7,010,527 reported in the previous annual report. This indicates a decrease of 61,802 members or 0.88%. The total recorded membership of around 7 million compares with a peak of 13.2 million in 1979, a fall of about 47%.

4.7 The following table shows the trade unions whose membership has increased or decreased by 5,000 members or more since the previous reporting period.

Trade Union: Changes in Membership over 5,000 members

	<i>Total Membership</i>		
	<i>2014-2015</i>	<i>2013-2014</i>	<i>% changes</i>
<i>Increases</i>			
GMB	625,643	617,064	+1.4
Royal College of Nursing	429,414	421,558	+1.9
<i>Decreases</i>			
Union of Construction, Allied Trades and Technicians	61,229	86,983	-29.6
Public and Commercial Service Union	231,323	247,345	-6.48
Association of Teachers and Lecturers	189,479	198,102	-4.4
National Union of Teachers	376,208	387,610	-2.94
UNISON: The Public Service Union	1,270,248	1,282,560	-0.96

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 91.7% of the total number of members. This compared to 92.1% 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 (“the Lobbying Act”) introduced new provisions relating to the membership register of trade unions. Most of these provisions took effect from 6 April 2015. They impose a requirement on trade unions to submit to the Certification Officer annually a Membership Audit Certificate compiled by an

independent “assurer” at the same as the union’s annual return. The Membership Audit Certificate will provide the assurer’s opinion as to whether the trade union’s system for compiling and maintaining its register of the names and addresses of its members was satisfactory so as to secure, so far as is reasonably practicable, that the entries in its register were accurate and up-to-date throughout the reporting period. The Lobbying Act also provides further powers to the Certification Officer to investigate concerns that the provisions of section 24 of the 1992 Act are not being or have not been complied with by a trade union. These powers came into force on 1 June 2016, outside this reporting period.

- 4.11 During the period 1 April 2015 to 31 March 2016, the Certification Officer received one new complaint that a trade union, UCATT, had breached section 24 of the 1992 Act. At the end of the period the Certification Officer was still making enquiries in relation to this complaint.

Finance

- 4.12 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.
- 4.13 From the returns received during this reporting period, the gross income of trade unions was £1,227.89 million, an increase of 3.4% on that recorded by unions in the previous year. Income from members rose by 3.3% to £906.66 million. Income from investments fell by 11.9% and income from other sources rose by 6.5%.
- 4.14 Gross expenditure by unions during this reporting period rose by 17.9% to £1,221.68 million, while at the end of the reporting period total funds (net assets) amounted to £1,069.35 million, an increase of 0.6% over the previous period.

Salaries and benefits

- 4.15 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 14.3% of unions paid a salary to their general secretary of over £100,000; 21.8% paid between £60,001 and £100,000; 16.8% paid between £30,001 and £60,000; and 11.8% paid up to £30,000; while the general secretaries of the remaining 35% did not receive a salary. Six unions (4%), although paying no salary to their general secretary, did provide an honorarium or other benefits.

- 4.16 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

- 4.17 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 24 employers' associations (including scheduled associations) with total income of more than £2,500,000.
- 4.18 The statistics in Appendix 6 are based on returns from 91 employers' associations received in this reporting year compared with returns from 95 associations received in the reporting year for 2014-2015.
- 4.19 From the returns received in this period, the figures show the gross income of employers' associations was £544.60 million compared with £463.62 million recorded for the previous year, an increase of 17.5%. Income from members fell by £7.06 million to £187.85 million, a decrease of 3.6%. Income from investments rose from £14.64 million to £29.03 million, an increase of 98.2%. This included exceptional in year gains by two of the major employers' associations (see Appendix 6). Other income increased from £254.08 million to £327.73 million an increase of 29.0%. During the same period, expenditure rose from £422.99 million to £489.84 million, a increase of 15.8%.
- 4.20 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 £388.24 million, an increase of £42.23 million (12.2%) over the figure reported for the previous period.
- 4.21 Employers' associations are not required by the 1992 Act to provide the Certification Officer with details of officers' salaries and benefits.