

<b>Title:</b> The Trade Union (Deduction of Union Subscriptions from Wages in the Public Sector) Regulations <b>IA No:</b> CO2032  <b>RPC Reference No:</b> N/A <b>Lead department or agency:</b> Cabinet Office <b>Other departments or agencies:</b> Department for Business and Trade	<b>Impact Assessment (IA)</b>		
	<b>Date:</b> 09/11/2023		
	<b>Stage:</b> Final		
	<b>Source of intervention:</b> Domestic		
	<b>Type of measure:</b> Secondary legislation		
<b>Contact for enquiries:</b> Patrick Fleming (patrick.fleming@cabinetoffice.gov.uk) and Hayley Needs (hayley.needs@cabinetoffice.gov.uk)			
<b>Summary: Intervention and Options</b>			<b>RPC Opinion:</b> Not Applicable

Cost of Preferred (or more likely) Option (in 2019 prices)			
Total Net Present Social Value	Business Net Present Value	Net cost to business per year	Business Impact Target Status
-£4.9m	-£15.4m	-£1.8m	Non qualifying provision

**What is the problem under consideration? Why is government action or intervention necessary?**

Around 56% of workplaces in the public sector currently provide trade unions with a service to collect union subscriptions directly from members' salaries at source, commonly referred to as "check-off". Administrative costs are incurred by employers to provide check-off facilities. The Government's position is that there should be no cost burden to the taxpayer in the provision of check-off in the public sector and it should be funded by the trade union in receipt of the service. Not all public sector employers recover the cost of the service from trade unions and Government legislation is required to ensure that, where the service is provided, arrangements exist to ensure there is no cost to the taxpayer.

**What are the policy objectives of the action or intervention and the intended effects?**

Section 15 of the Trade Union Act 2016 allows the relevant public sector employers to provide check-off services to trade unions only if: the trade union pays the employer a reasonable amount for this service (as defined); and, workers have the option to pay their subscriptions by other means (e.g. direct debit). The policy objective is therefore to ensure that there is no cost burden to the taxpayer in the provision of check-off services in the public sector. A further objective is to ensure employees have a choice about how they wish to pay for union membership. The provision in the Act enables Ministers to make regulations to this effect. We intend to provide additional supplementary guidance to assist public sector employers in understanding what might constitute a reasonable amount for the service of check-off.

The Net Present Benefits of this intervention equate to approximately £12m, indicating significant benefits of the policy to public sector employers and therefore the taxpayer over the longer term.

**What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)**

- Option 1: Restrictions on the deduction of union subscriptions from wages in the public sector: the preferred option.
  - Introducing a statutory duty through secondary legislation is the preferred option. It is the only option that will fully deliver the policy intent, by creating consistency of approach across the public sector, representing the best way to deliver value for money for the taxpayer through a standard cost recovery. It is also the most effective way of ensuring employees have a choice about how to pay for union membership. This provision was included in the Trade Union Bill which became the Trade Union Act on 4th May 2016.
- Option 2: Non-legislative approach to meet the same aims as option 1
- Option 3: Do nothing

<b>Will the policy be reviewed?</b> It will be reviewed. <b>If applicable, set review date:</b> 05/2027			
Is this measure likely to impact on international trade and investment?		No	
Are any of these organisations in scope?	Micro Yes	Small Yes	Medium Yes
What is the CO <sub>2</sub> equivalent change in greenhouse gas emissions? (Million tonnes CO <sub>2</sub> equivalent)	<b>Traded:</b> N/A		<b>Non-traded:</b> N/A

***I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.***

Signed by the responsible Minister:

Jeremy Quin

Date:

06/09/2023

# Summary: Analysis & Evidence

# Policy Option 1

Description:

FULL ECONOMIC ASSESSMENT

Price Base Year 2020	PV Base Year 2024	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)			
			Low:	High:	Best Estimate: -£4.9m	
<b>COSTS (£m)</b>	<b>Total Transition (Constant Price) Years</b>		<b>Average Annual (excl. Transition) (Constant Price)</b>		<b>Total Cost (Present Value)</b>	
Low	£0.7m		£1.78m		£16.1m	
High	£6.4m		£1.78m		£21.8m	
Best Estimate	£1.7m		£1.78m		£17.0m	
<b>Description and scale of key monetised costs by ‘main affected groups’</b> Public sector employers <ul style="list-style-type: none"> <li>Transition costs - £1,684,500 (2020 Base Year)</li> </ul> Trade unions <ul style="list-style-type: none"> <li>Transition costs - £8,000 (2020 Base Year)</li> <li>Ongoing costs - Internalising the administrative costs of paying union membership fees (either through recharge or through the costs of charging for direct debit if members switch to that form of payment) £13,146,000 (2020 Base Year)</li> </ul> Trade union members <ul style="list-style-type: none"> <li>Ongoing costs - Increases to membership fees £2,199,000 (2020 Base Year)</li> </ul>						
<b>Other key non-monetised costs by ‘main affected groups’</b> Costs to public sector employers may include some loss of goodwill with employees and trade unions, particularly for those trade unions where a charging model for check-off has not been in place and they are in receipt of this service. Due to lack of data and difficulty in valuing goodwill, it was not possible to monetise this cost at this time. In addition, where a charging model is agreed and therefore overall costs to the trade unions increase there may be instances where the relevant trade union passes that cost onto their members, however this is not something we have any evidence or data on and so have been unable to model in any meaningful way.						
<b>BENEFITS (£m)</b>	<b>Total Transition (Constant Price) Years</b>		<b>Average Annual (excl. Transition) (Constant Price)</b>		<b>Total Benefit (Present Value)</b>	
Low	Optional		£0.9m		£7.5m	
High	Optional		£1.5m		£13.3m	
Best Estimate	Optional		£1.4m		£12.2m	
<b>Description and scale of key monetised benefits by ‘main affected groups’</b> A saving to public sector bodies of £1.4m per annum is estimated. This will stem from the remuneration of the administrative cost in administering check-off services across the relevant public sector employers. This will come in the form of cashable remuneration from trade unions for providing check-off services, and non-cashable resource benefits if there is a reduction in demand for check-off services.						
<b>Other key non-monetised benefits by ‘main affected groups’</b> The policy will engender taxpayer faith that the Government is spending their money responsibly and avoiding unnecessary cost burdens to the public purse (value for money). We are also promoting choice in that it encourages individuals and unions to review how union subscription fees are paid to best suit individual preference and circumstance.						
<b>Key assumptions/sensitivities/risks</b>					<b>Discount rate (%)</b>	3.5%

The key assumption in this analysis concerns the current usage of check-off, which is then used to estimate the amount that public sector employers will recover from charging for the provision of this service. This is made using data from the 'Management and Wellbeing Practices Survey', anecdotal evidence from public sector employers and research by the Taxpayer's Alliance. Due to the small expected size of the transition cost, savings over 10 years would significantly outweigh transition costs.

**BUSINESS ASSESSMENT (Option 1)**

<b>Direct impact on business (Equivalent Annual) £m:</b>			<b>Score for Business Impact Target (qualifying provisions only) £m:</b>
<b>Costs: £1.7m</b>	<b>Benefits: £0m</b>	<b>Net: -£1.7m</b>	
			N/A

## Contents

Evidence Base .....	6
Introduction.....	6
Strategic overview.....	6
Key definitions .....	7
Problem under consideration and rationale for intervention .....	8
Scale of the issue.....	8
Rationale for Government intervention .....	9
Policy objective.....	10
Intended scope .....	10
Devolved public bodies in Wales .....	10
Description of options considered .....	11
Option 1 - Restriction on the deduction of union subscriptions from wages in the public sector: the preferred option.....	11
Option 2 – A non-legislative approach to meet the same aims as option 1.....	11
Option 3 - Do nothing.....	12
Other option considerations .....	12
Methodology .....	13
Variables and Assumptions .....	13
Monetised Benefits (direct benefits) .....	16
All Relevant Public Sector Employers - Administrative saving.....	16
Monetised and non-monetised costs (direct costs to public sector employers).....	25
All relevant public sector employers:.....	25
Monetised and non-monetised costs (direct and indirect costs to Trade Unions and Trade Union members).....	30
One Off Costs – Relevant trade unions .....	30
Trade Union Members - Indirect Costs .....	31
Ongoing Costs – Relevant trade unions .....	32
Trade Union Members .....	34
Summary table of costs and benefits .....	35
Risks and assumptions.....	37
Current usage of check-off and charging arrangements in the public sector.....	37
Wider impacts.....	39
Impact on Small and Micro Businesses .....	39
Impact on Families.....	41
Equality Impact Assessment.....	41
Policy Review .....	43
Preferred option summary and implementation.....	44
Summary .....	44
Summary Tables.....	44
Implementation plan.....	44
Annex A - Scope of the regulations: Number of public sector organisations affected .....	45

# Evidence Base

## Introduction

### Strategic overview

1. In the Trade Union Bill 2016 (the Bill), the Government introduced fundamental reforms to modernise trade union law and improve trade union practices and transparency, balancing the interests of unions with interests of the wider public sector. Measures introduced in the Bill aimed to:
  - a. ensure that strike action only ever takes place on the basis of clear and representative mandates, through thresholds that strike ballots must meet;
  - b. specify that members' agreement to a union's proposed industrial action will automatically expire 4 months after the ballot, require 14 days' notice of strike action and remove the need to take industrial action in the first 4-8 weeks after a successful ballot;
  - c. tackle the intimidation of non-striking workers during a strike by requiring the appointment of a picket supervisor;
  - d. improve transparency of the operation of political funds;
  - e. improve transparency and oversight of trade unions through reforming the role of the Certification Officer;
  - f. reform trade union facility time in the public services by requiring public sector bodies to publish details of their resources used; and
  - g. restrict the deduction of union subscriptions from wages in the public sector (check-off).
2. The Bill received Royal Assent on the 4th May 2016 and became the Trade Union Act 2016 (the Act). The measures within the Act continue to be implemented in a systematic and proportionate way.
3. This Impact Assessment relates to section 15 of the Act (restriction on deduction of union subscriptions from wages in the public sector). The then Department for Business, Energy and Industrial Strategy (BEIS), had responsibility for the Trade Union Act 2016, except for the public sector facing elements, which it was agreed would be managed by the Cabinet Office. As such, the policy responsibility for section 15 of the Act falls to the Cabinet Office. Cabinet Office has however continued to work with BEIS (now the Department for Business & Trade (DBT)) on the commencement regulations, which enable these regulations to be made, and most notably on the data and analysis that informs this Impact Assessment as they have provided much of the workforce and trade union statistics in the public sector. The Cabinet Office has also engaged the Trade Union Congress (TUC) on the introduction of the Regulations, and has offered the opportunity for them to inform this Impact Assessment, including to provide data on the variables stated at paragraph 45, and as part of the SaMBA.
4. This Impact Assessment follows on from the initial Impact Assessment on the the Trade Union Act 2016 Prohibition on deduction of union subscriptions from wages in the public sector, published in January 2016, and a second, more specific, Impact Assessment (Restriction on deduction of union subscriptions from wages in the public sector), which accompanied the initial draft Regulations in March 2017. The initial Impact Assessment reflects the development and consideration of policy options during the passage of the Bill through Parliament. The purpose of both the current and 2017 Impact Assessment is to fully assess the impact of the final provision (section 15) included within the Act.

5. Section 15 of the Act is not a Regulatory Measure and therefore does not fall within the scope of the Better Regulation Framework. The Regulations place the requirement upon public sector employers, not businesses (or more specifically trade unions). While the Trade Unions may ultimately face costs as a result, the requirement is fundamentally on the public sector employers. In addition, the EANDCB for the policy is below the +/-£5 million de-minimis threshold. As such, whilst an Impact Assessment has been undertaken, this does not fall within the Regulatory Policy Committee's (RPC) scope for review. Nevertheless, the RPC have been engaged for an informal opinion, and their comments have been used in finalising the Impact Assessment.
6. This Impact Assessment details the problem under consideration, the rationale for intervention and the policy objective. It also evaluates the monetised and non-monetised costs and benefits of the preferred option, as well as considering the risks and possible wider impacts.

### **Key definitions**

7. Check-off: a service by which an employer deducts a trade union subscription directly from the trade union member's salary at source, and then sends the collected subscription amounts to the relevant trade union.
8. Relevant public sector employer: for the purpose of Section 15 of the Trade Union Act, the affected 'relevant public sector employers' will be listed in regulations.
9. Public sector workforce group: a collective term used to discuss sections of the public sector. The National Health Service (NHS), Civil Service, Schools and Academies, Police and Local Authorities each constitute a public sector workforce group.

## **Problem under consideration and rationale for intervention**

10. The Government is committed to the responsible and transparent use of taxpayers' money. As such, the Government believes that check-off services should not be provided by public sector organisations on behalf of trade unions at a cost burden to the taxpayer. Therefore, trade unions operating in the public sector that collect their membership subscription fees through the use of check-off services, should be liable for the cost of that service. Further, the Government believes that public sector employees should be offered a choice about how to pay union subscriptions to best meet their needs and personal circumstances.

## **Scale of the issue**

11. The TaxPayers' Alliance report, *Taxpayer funding of trade unions 2012-13*<sup>1</sup>, published in 2014, suggested that the majority of public sector employers (over 90%) provide a check-off service on behalf of their trade unions but of those offering this service less than a quarter (22%) are reimbursed by the relevant trade union for the administrative burden. However, it is unknown whether employers are reimbursed the full amount that is substantially equivalent to the actual cost of providing a check-off service.
12. The TaxPayers' Alliance is a grassroots campaigning group dedicated to reforming taxes, cutting spending and protecting taxpayers. Their research into taxpayer funding of trade unions was compiled using Freedom of Information (FoI) requests submitted to around 1,000 public bodies, including: non-departmental public bodies, regional governments, central government departments, local authorities, NHS trusts, fire services and police forces.
13. Whilst the TaxPayers Alliance report (2014) provides some indication of the extent and cost of taxpayer funded check-off services in the wider public sector, it has some limitations, mainly that it is almost 10 years out of date. In recognition of its limitations, the Cabinet Office has also made use of alternative data sources in order to provide more updated and accurate information, including The Management and Wellbeing Practices Survey carried out by the Department for Business, Energy & Industrial Strategy in 2019, and its own primary research across public sector workforces.
14. The Management and Wellbeing Practices Survey showed that 56% of workplaces in the public sector, which capture 65% of public sector employees, allowed the deduction of trade union subscriptions from employees' pay. This does suggest a slight reduction in the scale of the matter, but still that a significant proportion of the public sector may pay their union subscriptions through check-off. Through consultation with public sector workforce groups, the Cabinet Office has created sample data-sets that have provided supplementary context into specific arrangements in different workforce groups, and have been used to model more realistic scenarios.
15. With respect to ensuring that where check-off is offered by a relevant public sector employer, workers are given the option to choose payment by other means, which may better suit their individual circumstances, recent analysis carried out by the Cabinet Office found that of the 63 unions that represent the public sector, all of these already offer the means to pay by direct debit as an alternative.

---

<sup>1</sup> [https://www.taxpayersalliance.com/new\\_research\\_taxpayers\\_fund\\_trade\\_unions\\_to\\_the\\_tune\\_of\\_108\\_million](https://www.taxpayersalliance.com/new_research_taxpayers_fund_trade_unions_to_the_tune_of_108_million)



## Rationale for Government intervention

16. Section 15 of the Trade Union Act allows check-off arrangements to exist between the employer and union, which many unions find a useful method by which to collect subscription fees from their members, but ensures unions pay reasonable and proportionate costs for this service. The policy approach that underpins this intervention will ensure that union subscriptions are deducted from wages (check-off) in a way that represents value for money to the taxpayer.
17. This intervention also ensures that, where check-off is offered by a relevant public sector employer, workers are given the option to choose payment by other means, which may better suit their individual circumstances. Direct debit payments are an obvious alternative and recent analysis by the Cabinet Office found that all major public sector unions do now offer direct debit as an alternative method of paying union subscriptions. We believe it is still necessary to enshrine this right under these regulations to ensure alternative methods continue to be available to union members. In fact, we believe that it was in part the knowledge that these regulations would be coming into force that resulted in more trade unions looking to offer direct debit as an alternative way of paying. Direct debit offers members consumer protection under the Direct Debit Guarantee, entitling them to be notified of any change to the amount, frequency or date of their payments at least 10 working days in advance. Similar protections are not a feature of check-off arrangements.
18. Nine in ten UK consumers use direct debits to pay some or all of their regular bills<sup>2</sup>, so it is not an uncommon practice. Members paying by direct debit do not have to switch payment methods if leaving their employer, avoiding a lapse in membership, guaranteeing continued membership under direct debit. This may be particularly valuable for fixed term workers and others fluidly employed on a series of short-term placements with different employers.
19. Without Government intervention there is no statutory obligation for an employer to provide such a service but some employees may have a contractual right to be provided with the check-off service. Therefore, without legislative intervention, an employer may be unable to make changes to existing arrangements without risking a breach of contract claim, depending on the particular nature of existing contractual rights.

---

<sup>2</sup> <https://www.ukfinance.org.uk/sites/default/files/uploads/SUMMARY-UK-Payment-Markets-2021-FINAL.pdf>

## Policy objective

20. Section 15 of the Trade Union Act restricts how public sector employers, who are funded by the taxpayer, provide check-off services to trade unions. It specifies that a relevant public sector employer can only make deductions from its workers' wages in respect of trade union subscriptions if the trade union pays the employer a reasonable amount for this service and workers have the option to pay their subscriptions by other means.
21. This will have the effect of ensuring that there is no cost burden to the taxpayer in the provision of check-off services in the public sector and trade union members have the freedom to pay their subscriptions by an alternative method to best suit their personal needs.

## Intended scope

22. Application of the policy is intended across those relevant public sector employers in England and Scotland to the extent they are specified in regulations.
23. Relevant public sector employers will be specified in The Trade Union (Deduction of Union Subscriptions from Wages in the Public Sector) Regulations 2023, which will be published on gov.uk at the same time as this Impact Assessment. The regulations reflect current policy intention to capture those public authorities that:
  - a. are employers;
  - b. are funded wholly or mainly from public funds;
  - c. are not levy funded by a discrete sector of society;
  - d. are not predominantly commercially focussed; and
  - e. are not devolved Welsh Authorities within the meaning of the Wales Act 2017
24. It is estimated that this policy will affect 28,207 public sector organisations. A summary list of affected employers can be found at **Annex A** - Scope of the regulations: Number of public sector organisations affected.

## Devolved public bodies in Wales

25. Although devolved Welsh Authorities are not included within the scope of the regulations so we have not assessed the impact for such authorities. The Wales Act 2017 clarifies that industrial relations are a reserved matter. The UK Government will act at the earliest possible opportunity, to ensure the legislation covers devolved public authorities in Wales.

## Description of options considered

### Option 1 - Restriction on the deduction of union subscriptions from wages in the public sector: the preferred option

26. The preferred option is to impose a statutory duty that requires relevant public sector employers to charge a reasonable amount for the provision of check-off, where they provide this service. Further, if check-off is offered, public sector employers must also offer an alternative method of subscription collection to provide union members with choice about payment method. This option will deliver the policy objectives of ensuring that check-off services are only provided by public sector employers where there is no cost burden to the taxpayer and to guarantee members have choices about subscription payment methods.
27. This option places minimal burden on public sector employers. The affected employers will be given a reasonable amount of time (6 months) from the date the legislation is laid until the provisions come into force. This will allow employers ample time to put in place charging arrangements with the relevant trade unions where this is applicable.
28. Without legislation, the Government cannot ensure that check-off services, in the public sector, are provided at no cost to the taxpayer or that union members have a choice about payment methods. Therefore, the full benefits of the policy would not be realised.
29. This option also ensures the greatest level of consistency across the public sector in terms of delivering choice to union members and relieving the taxpayer of any check-off cost burden.
30. The savings associated with this option have been calculated from **paragraph 40** onwards. In the absence of any data on the frequency of use or uptake of check-off as a means of paying union subscriptions in the public sector, nor the cost of administering such provision, we have used data from the 2014 TaxPayers' Alliance report, and a more recent (2018) BEIS report, along with sample data collected by the Cabinet Office from various employers within each of the public sector workforce groups, to identify a probable estimate of the current cost of administration. This will then be equivalent to the savings arising from charging trade unions a cost that is substantially equivalent to the cost of administering check-off. This is then scaled to account for any public sector workers not captured by the groupings, and then to remove the Welsh administrations from the total cost and saving.

### Option 2 – A non-legislative approach to meet the same aims as option 1.

31. This option would require the Cabinet Office to pursue a non-legislative approach to meet the objectives of option 1. This would likely include writing to the unions to ensure they offer their members an alternative method of paying their union subscriptions to check-off and working with relevant employers to encourage them to charge unions for the reasonable costs incurred as a result of check-off. In addition, non-binding guidance would be produced to encourage employers to comply.
32. The methodology and approach for calculating the savings arising from a non-legislative approach would be much the same as the legislative approach, however there would be less guarantee of the effectiveness without the legislative underpinning, and so the savings profile is likely to be lower. The extent to which it will be lower is not certain, although in the Civil Service, the non-legislative approach does seem to have resulted in a substantial reduction in the use of check-off. However, the previous non-legislative

approach instructed Civil Service employers to stop offering check-off, whereas this option would require public sector employers to charge a reasonable amount for the costs of administering check-off, which is a more complex and less direct instruction and so is not directly comparable to the previous. Additionally, this was only instructed across the Civil Service employers, and the extent to which it would be effective across the wider public sector is difficult to ascertain.

33. This option was ultimately ruled out as it would not bind employers and therefore would not necessarily result in ending costs to the taxpayer as a result of check-off services offered. In addition, without legislative intervention, an employer may be unable to make changes to existing arrangements without risking a breach of contract claim, should a union refuse to reimburse the employer for the cost of check-off.

### **Option 3 - Do nothing**

34. While some unions encourage their members to sign up to direct debit, there is still some dependence on check-off in the public sector and some public sector employers do not charge unions for providing this service. No intervention would either have a very slow and minimal effect towards meeting the policy intent, or would do nothing to achieve it.
35. Again, the methodology for calculating the savings arising from doing nothing would be much the same as the legislative approach, albeit these costs would remain, rather than being realised in savings through introducing the legislation. Some savings would likely arise over time as direct debit continues to increase in popularity, and anecdotal evidence suggests that there are fewer employers offering check-off, particularly for new starters. Nevertheless, the pace and extent of the decline would be difficult to predict or measure with any certainty.
36. Without intervening, the Government would not be able to ensure that check-off services are provided in the public sector at no cost to the taxpayer or that payment choices were provided to union members.

### **Other option considerations**

37. A further option was considered that would require public sector employers to identify and report on the costs of providing check-off. However, this option would not deliver the policy intent and would allow employers to continue to provide check-off without charging unions for the service, which would represent a cost burden to the taxpayer.
38. In addition, during the passage of the Trade Union Act through both Houses of Parliament, an option that would see the prohibition on the provision of check-off arrangements in the public sector was debated at length. The outcome of this debate was that, to avoid burden to the taxpayer and meet this primary policy intent, organisations must, as a minimum, charge the relevant trade union(s) a reasonable amount for check-off where the service is offered by the employer. At this time, it was felt that a complete prohibition on the provision of check-off went far beyond the policy intent of removing taxpayer burden and would also be burdensome for employers and trade unions to implement.
39. As such, option 1 is the preferred option and is included within the Trade Union Act 2016 legislation. Therefore, all other options are discounted at this stage and further analysis below is carried out for option 1 only.

## Methodology

40. There is no single source that captures the frequency of use of check-off in the public sector, nor is there a single source or simple calculation to estimate the cost of administering these provisions. This Impact Assessment has made attempts, given obvious limitations in the data, to model the likely impact of the Government's preferred option on public sector organisations, taxpayers, trade unions, and trade union members.
41. As such, we have utilised two overarching reports, the TaxPayers' Alliance report (2014), and the Department for Business, Energy & Industrial Strategy's (BEIS) Management and Wellbeing Practices Survey in 2018/19 as main sources of evidence. Additionally, the Cabinet Office has undertaken its own data gathering exercise, gathering evidence from consultation with employers in each of the public sector workforces (including the NHS, Local Government, Police forces, Maintained Schools and Academies and the Civil Service), which, although largely anecdotal, has provided more recent data as a comparison and means of testing the assumptions made in these two reports. The Cabinet Office has also provided the TUC with opportunity to inform the Impact Assessment, requesting data on the frequency of use of Check-off, the extent to which trade unions are currently reimbursed, and the anticipated impact of the Regulations on their membership and finances, as well as later seeking for input into the SaMBA. As a result, the economic impact is based on an estimation of the applicability of various scenarios to differing workforce groups, which we believe is most likely to reflect the costs of administering check-off.
42. Where necessary, large figures have been rounded, often to the nearest 500, to avoid inaccuracies and therefore are approximate and should be treated as such. In particular, this may mean that the numbers stated in this Impact Assessment may not sum, however this should be understood as a result of rounding.
43. Potential savings and benefits presented in this analysis should not be considered cashable unless expressly indicated. Instead they should be considered indicative of the potential resource implications from the Government's preferred option.

## Variables and Assumptions

44. The Cabinet Office has identified the variables that we believe will affect the overall economic impact of the provision of check-off for the taxpayer. These are:
  - a. The number of organisations that make check-off available as a means of paying union subscriptions, and the number of public sector employees with access to check-off arrangements;
  - b. The number of union members who opt to pay their union subscription through check-off, where this provision is available;
  - c. The number of organisations that already charge unions for the cost of administering check-off;
  - d. The sum of the costs for administering check-off, which is dependent on the time and process required to administer the provision. Where costs are already charged, this will depend on the equivalence of that current charge to the reasonable total cost for administering check-off, as set out by these regulations; and

- e. Whether organisations continue to offer check-off following the introduction of these regulations.

45. In order to model a reasonable series of scenarios, some assumptions have been made to quantify some of these variables, based on the evidence available from the TaxPayers' Alliance report (2014) and the Cabinet office workforce samples, where we anticipate the data is largely generalisable.

- a. In response to 44(a), TaxPayers' Alliance report estimated that, in 2014, originally estimated 90% of public sector organisations provided check-off. However, more recent evidence collected by the Department formerly known as the Department for Business, Energy & Industrial Strategy's (BEIS), as part of the Management and Wellbeing Practices Survey in 2018/19, has identified that 56% workplaces<sup>3</sup> in the public sector offer check-off arrangements, which equates to 65% of the public sector workforce having access to check-off. Therefore, in instances where it has not been possible to identify a specific number or percentage of employees with access to check-off arrangements, we will assume that 65% provides a reasonable estimate.
- b. In response to 44(d), the Taxpayers' Alliance report suggested that the mean costs recharged for administering check-off is equivalent to 2.81% of annual membership fees. This appears to remain accurate to some extent as almost all organisations in the Cabinet Office sample charged between 0.5% and 5% of annual membership fees, with the median recharge cost for the provision of check-off being 1.5%. However, when monetised, this lower percentage identified by the Cabinet Office is roughly £0.27 per employee, and therefore not likely to be equivalent to the cost of time associated with administering, as required to be charged by the Regulations. Whilst the actual costs associated with administering check-off may vary depending on sector and the payroll arrangements and contracts that each individual employer has in place, for the purposes of this Impact Assessment, it is most reasonable to assume that 2.81% annual membership fees is substantially equivalent to the cost to the taxpayer for administering check-off.
- c. In response to 44(e), it is likely that the use of check off will decline slightly following the publication of the regulations. Although not directly comparable, the 2014 TaxPayers' Alliance report suggests around 90% public sector organisations offer check-off, in 2012/13, whereas the BEIS 2018/19 report suggested this was now closer to 56%, suggesting a 37.8% decline over six years, and on average 6.3% per year. Although this data sets out the fall in the number of workplaces offering check-off, rather than the number of employees who use check-off, it has not been possible to generate data on the latter, and so the assumption that this is broadly equivalent to a fall in number of employees using check-off, given that 56% workplaces roughly corresponds to 65% of employees.
  - i. Whilst assuming the 37.8% decline in the use of check-off is spread equally across the six years, in reality, periodic drops in response to Government intention may mean that some years there was a greater decline than others. It is likely that the proposed introduction of these regulations in 2017, and the Government instruction for the Civil Service to stop offering check-off in 2016, may have resulted in a more significant decline in these years than others. We expect a drop in members paying fees via check off directly following the year the Regulations come into effect. However, it has not been possible to determine the impact, and therefore in the absence of

---

<sup>3</sup> Defined as those that employ 5 or more individuals

this data, it will have to be assumed that the use of check-off may decline by approximately 6.3% in the first year.

46. 44(b), the number of union members who opt to pay their subscription through check-off, and 44(c), the number of organisations that already charge unions for the costs involved in administering check-off, are less straightforward to make overall assumptions for. Therefore, some scenarios have been modelled for each of the public sector employer groups (set out in 14(a-d)), based on the relationship between these factors;
- a. Low uptake - low recharge: representing a moderate cost to employer, and therefore a moderate savings to be made and a moderate economic impact;
  - b. High uptake - high recharge: representing a small cost to employer, and therefore a small saving to be made and a small economic impact;
  - c. Low uptake - high recharge; representing virtually no cost to the employer, and therefore the least saving to be made and negligible economic impact;
  - d. High uptake - low recharge; representing a high cost to employer, and therefore a large saving to be made and a large economic impact;
47. Once these scenarios have been set out, a probable estimate is then determined. This probable figure is then used to contribute to the overall cost and saving for the public sector as a whole. This probable estimate assesses which of the scenarios modelled (45 a-d) are most likely to be true of the workforce group, based on factors including;
- a. the validity of the sample and generalisability of the sample size;
  - b. the extent to which the same indicates the BEIS or TaxPayers' Alliance reports are an accurate representation of the group; and
  - c. the wider context in that workforce group, including anecdotal conversations we have had with workforce leads in the public sector workforce groups.
48. In some cases, it has not been possible to discern an accurate estimate of the proportion of the workforce that can access or use check-off as a means of paying their union subscriptions. As such, where this has not been possible, the percentage identified by the Department formerly known as BEIS (65%) will be used to make an estimate of the proportion of the workforce that has access to check-off, and an average percentage of uptake across the other, comparable, public sector groups will be used to make an estimate of the use of check-off as a means of paying union subscriptions. Whilst recognising that these figures are not necessarily equivalent, in the absence of more detailed data to inform a more nuanced estimate, this will provide the most likely estimate of uptake.

*Note on prices: All prices in the cost and benefit discussions below are in 2023 price/base year and converted to 2019 price year 2020 base year in the summary tables in line with HMT guidance.*

## Monetised Benefits (direct benefits)

### All Relevant Public Sector Employers - Administrative saving

49. A key driver for introducing this regulatory change is the administrative burden to public sector bodies of providing check-off facilities, which therefore represents a cost burden to the taxpayer. The introduction of the regulations would eliminate the cost burden to the taxpayer.
50. The costs associated with administering check-off have been calculated according to the following workforce groups within the public sector, namely; Civil Service, Police, NHS, Local Authorities, and Maintained Schools & Academies. In order to generalise the Cabinet Office sample information, such separation of workforce groups is necessary as it would not be appropriate to generate across groupings, given the vastly different workforce and employment terms in each sector. Equally, it would not have been proportionate to segment the public sector workforce any further than these five groupings, as whilst this could provide richer insight, such segmentation would have had an extremely limited impact on refining the overall calculation.
51. In recognition that whilst these five workforce groups account for the vast majority, they do not account for the entire public sector, the final figures have been scaled to account for the total number of public sector employees, and to remove any Welsh public bodies who are not in scope of these regulations.

### Civil Service:

52. The Civil Service consists of departments, arms-length bodies, professions and other specialist agencies and employs 510,000 staff, 504,000 of which are in scope of the check-off regulations when taking account for employees of devolved Welsh authorities<sup>4</sup>. In December 2013, the then Minister for the Cabinet Office wrote to Departments requesting that they review any check-off arrangements they had in place. Following that, a number of Departments withdrew their check-off arrangements, meaning that trade union members needed to make alternative arrangements with their trade union for the payment of their membership subscription fees (most usually via direct debit). As a result the percentage of Civil Servants that continue to pay their union subscriptions through check-off is low.
53. Based on latest Cabinet Office data collected on the main 16 Whitehall departments, only two confirmed that they do offer the provision, and within those departments only 4% staff use this service. Eleven departments did not offer the provision and three departments were unable to confirm, and therefore may offer check-off. The headcount of these five departments account for around 8.42% of the 16 Whitehall Departments<sup>5</sup>, which we have scaled up to account for the whole Civil Service headcount including arms-length bodies and agencies that also employ Civil Servants but would not be accounted for in the data from the 16 Whitehall Departments.
54. Given the earlier decisions taken by some departments to stop providing check-off in the Civil Service, and that 11 departments do not provide check-off, and only do so for a very small percentage of staff, a low estimate of uptake would assume that none of these other departments offer check-off. As such, a low estimate is based solely on the 4% of the two confirmed departments that use check-off, resulting in the low uptake estimate

---

<sup>4</sup> Calculations based on headcount figures available at: <https://www.gov.uk/government/statistics/civil-service-statistics-2022/statistical-bulletin-civil-service-statistics-2022#civil-service-headcount>

<sup>5</sup> Calculations based on headcount figures available at: <https://www.gov.uk/government/statistics/civil-service-statistics-2022/statistical-bulletin-civil-service-statistics-2022#civil-service-headcount>



being that 0.08% of the main 16 Whitehall departments offer the provision of check-off, which will then be scaled up to account for 0.08% Civil Servants using check-off to pay their trade union subscriptions.

55. However, the data provided by BEIS would indicate that 65% public sector employees have access to check-off, and therefore to assume that this is not available for any other staff in the Civil Service may be an underestimate. Using the estimate that 65% public sector employees have access to check-off, a high estimate could assume that 65% of the probable 37% union members<sup>6</sup> in these remaining three Departments use check-off. For a high estimate, the assumption has been made that all those with access would then choose to pay their subscriptions through check-off. When combined with the uptake confirmed by the other departments, this may indicate that the percentage of staff in the Civil Service using check-off could be nearer to 1.09%. Again, the 1.09% of the total workforce of the main 16 Whitehall departments use check-off to pay their union subscriptions could then be scaled up to account for 1.09% Civil Servants using check-off to pay their trade union subscriptions.
56. Alternatively, given the effectiveness of the 2013 Ministerial steers to stop providing check-off in the Civil Service, and that 11 departments do not provide check-off, and only do so for a very small percentage of staff, it may be more appropriate to assume that the uptake in these three unknown departments is nil. This will therefore form the basis of the low estimate, which assumes that only 4% of the two confirmed departments use check-off, and the other three unconfirmed departments do not offer check off, in line with the other eleven. This would result in the low uptake estimate being that 0.08% of the main 16 Whitehall departments offer the provision of check-off, which will then be scaled up to account for 0.08% Civil Servants using check-off to pay their trade union subscriptions.
57. Currently, none of the 16 Main Whitehall departments charge for the cost of administering check off. As per **paragraph 44**, the average recharge cost will be used for making assumptions about the savings achieved from recharging departments. However, the departments, and other smaller arms length bodies that responded to the Cabinet Office commission, suggested that they were able to anticipate the costs associated with administering the provision, and these estimations ranged from £1.52 to £3.29 per month per individual paying union subscriptions through their payroll, resulting in a median charge of £2.40. One department had consulted unions on their perceived cost, which they estimated to be around £1.97. It is therefore likely that departments would reach agreement with unions on figures ranging from £1.97 to £2.40. We will use the midpoint of £2.30 as the mean cost for this estimation. Per individual, this is more expensive than 1.5% total value of trade union subscription fees. As such, a high recharge estimate would be based on the average calculated by the Departments, of £2.30 as the mean between the union estimate and average Civil Service estimate. A low recharge figure, as per the wider public sector, will continue to use the 1.5% total trade union subscription costs, based on the expected uptake for the proportion of the Civil Service.
58. This gives rise to a series of possible scenarios. Although using the modelling of scenarios as above, and for the other workforce groupings, the calculations here are based on a high or low **anticipated** rather than **current** recharge, as we are not aware of any organisations currently charging trade unions for this provision in the Civil Service. As such, the anticipated outcomes in 45 (a-d) are not fully representative of the predicted value of savings here.

---

<sup>6</sup> Data provided from BEIS - Average union membership in the 'Public administration and defence; compulsory social security' sector (England and Scotland only)', 2021.

- a. Low uptake - low anticipated recharge: If, based on a low uptake estimate, 0.08% of civil servants pay Trade Union subscriptions through check-off, this could equate to approximately 500 individuals. A low estimate could suggest that costs would be recharged at 1.5% of the estimated total union subscription fee for this number of staff (£17.16 per person). This could result in a saving of approximately £1,500 per year.
- b. High uptake - high anticipated recharge: If, based on a high uptake estimate, 1.09% of Civil Servants pay Trade Union subscriptions through check-off, this could equate to approximately 5,500 individuals. A high estimate could suggest that costs would be recharged at £2.26 per person. This could result in a saving of approximately £149,000 per year.
- c. Low uptake - high anticipated recharge: If, based on a low uptake estimate, 0.08% of civil servants pay Trade Union subscriptions through check-off, this could equate to approximately 500 individuals. A high estimate could suggest that costs would be recharged at £2.26 per person. This could result in a saving of approximately £11,000 per year.
- d. High uptake - low anticipated recharge: If, based on a high uptake estimate, 1.09% of civil servants pay Trade Union subscriptions through check-off, this could equate to approximately 5,500 individuals. A low estimate could suggest that costs would be recharged at 1.5% of the estimated total union subscription fee for this number of staff (£17.16 per person). This could result in a saving of approximately £17,000 per year.

59. Given the Ministerial steers, combined with the very small percentage of departments that offer check-off, and even smaller percentage uptake, the low uptake figure is the most probable estimation. In terms of recharge, given the figures were calculated by departments and arms-length bodies on the basis of the time taken to administer check-off, this is most akin to the methodology set out in the guidance which accompanies these regulations, and therefore is more likely to be representative of a value which is substantially equivalent to the total cost to public funds for administering the payroll deductions. As such, the low uptake - high recharge figure is likely to be the most representative of the savings that could be made through introducing these regulations in the Civil Service. Therefore, the introduction of the Regulations would most likely result in a saving of **approximately £11,000 annually**, for the Civil Service.

## Police:

60. Whilst police officers are unable to join trade unions, police staff, designated officers and police community support officers can, and as such, some police forces may offer the provision of check-off for these staff to pay any trade union subscriptions. As such, it is likely that 85,269 police staff are in scope of these regulations<sup>7</sup>.
61. The Cabinet Office sampled 11% of territorial police forces and found that all offered the provision of check-off to employees, with an average of 29.5% of the total workforce opting to pay their union subscriptions through this process. As this was consistent across the organisations sampled, it could be assumed that 29.5% of the total police workforce use check-off, roughly 25,000 employees. However, this could only provide a high uptake scenario estimate as the BEIS 2018/19 data suggests that only 65% of public sector employees would have access to check-off, and so the sample may not be representative of the wider workforce. As such, the low uptake scenario estimate will be

<sup>7</sup> <https://www.scotland.police.uk/about-us/how-we-do-it/police-scotland-officer-numbers/> <https://www.gov.uk/government/collections/police-workforce-england-and-wales>

based on 29.5% of 65% of the total police workforce opting to use the mechanism giving an estimate of approximately 16,500 police staff using check-off to pay their union subscriptions.

62. Of the 11% sample, 66% of employers already charged for the provision of check-off. A high estimate would therefore be to assume that this is generalisable across all other police forces, and therefore that 66% of the costs of check-off are already recuperated from Trade Unions. Alternatively, the TaxPayers' Alliance report suggests that only 22% employers already charge for the provision of check-off, and given the sample only accounts for 11% of police forces, it is possible that the total number of police employers that currently charge is much lower.

63. As a result, the following scenarios are possible:

- a. Low uptake - Low recharge: Assuming that only around 16,500 police staff use check-off, and of this only 22% of the costs of administering the provision are recharged, there is a potential saving of an additional 78%. Based on 2.8.1% of the estimated total union subscription fee for this number of staff, this could equate to approximately £74,500 annually.
- b. High uptake - High recharge: A high uptake, assuming that approximately 25,000 police staff use check off, and of this, 66% of the costs of administering the provision are recharged, there is a potential saving of an additional 34%. Based on 2.81% of the estimated total union subscription fee for this number of staff this could equate to approximately £50,000 annually.
- c. Low uptake - High recharge: A low uptake, assuming that only around 16,500 police staff use check-off, and of this, 66% of the costs of administering the provision are already recharged, there is a potential saving of an additional 34%. Based on the 2.81% of the estimated total union subscription fee for this number of staff, this could equate to approximately £32,500 annually.
- d. High uptake - Low recharge: A high uptake, assuming that 25,000 police staff use check-off, and of this, only 22% of the costs of administering the provision are already recharged, there is a potential saving of an additional 78%. Based on the 2.81% of the estimated total union subscription fee for this number of staff, this could equate to approximately £114,500 annually.

64. The sample would indicate that the high uptake figure is the most appropriate estimate, as there was broad consistency across the forces with regard to the percentage using check-off. However, to acknowledge the small sample, it may be more appropriate to consider the findings of the TaxPayers' Alliance (2014) report, which represents a far broader proportion of the public sector. In addition, an anecdotal conversation with two police federations suggested that the amount recharged was 1% of total union subscription fee, as opposed to 2.5%. As a result, whilst there is some recharge, this is perhaps currently less than 'substantially equivalent' to the costs incurred by the taxpayer as a result of the police federation administering the provision of check-off. Therefore, it may be more generalisable and accurate to suggest that the situation is more reflective of a low current recharge, and therefore the high uptake - low recharge figure represents the most probable estimate. As such, the likely impact arising from introducing the check-off regulations in the Police may be **approximately £114,500 annually**.

**NHS:**

65. The most recent NHS Workforce statistics data indicates that the NHS England employs approximately 1,610,000 staff in England and Scotland<sup>8</sup>, including professionally qualified clinical staff such as nurses, health visitors, midwives and ambulance staff, support to clinical staff and infrastructure staff.
66. Through consultation with NHS Pay and Employment Services in the Department for Health and Social Care, the Cabinet Office has been able to identify that approximately 160,500 NHS England employees currently pay their union subscriptions through check-off, from data provided from the NHS' Electronic Staff Record (ESR) system. In the absence of any comparable data in Scotland, this has been scaled up to give a likely number paying subscriptions through check-off in both England and Scotland, which is likely to be approximately 181,000 employees.
67. A sample of 6% of NHS Foundation Trusts found that 29.5% of these organisations charge trade unions for the costs associated with check off, 56.5% do not, and 14% were unable to confirm. As such, a high estimate could assume that 43.5% organisations already charge trade unions a reasonable cost, and 22% (aligning the small sample with the TaxPayers' Alliance report findings, which it appears to broadly support) could represent the low estimate. In the absence of any data which would quantify the number of people represented in these organisations, but given the small sample size, it will be assumed that 43.5% organisations re-charging can translate into 43.5% costs being incurred for check-off are already recharged, and 22% organisations translating to 22% costs incurred already being re-charged.
68. As such, the following scenarios are possible:
- a. Confirmed uptake - low recharge: If only 22% costs are already recharged, then there could be savings made on the additional 78% as a result of introducing these regulations. This would equate to 2.81% of the total of 141,000 individual union subscription fees, calculated at an average rate of £17.16 per month, which is approximately £824,500 annually.
  - b. Confirmed uptake - high recharge: If 43.5% costs are already recharged, then there could be savings made on the additional 56.5% as a result of introducing these regulations. This would equate to another 2.81% of the total of 102,500 individual union subscription fees, calculated at an average rate of £17.16 per month, which is approximately £597,500 annually.
69. Given the small sample size, and the fact that this, at least partially, aligns with the 22% estimated by the TaxPayers' Alliance report, the low recharge estimate is probably the most appropriate figure to draw upon. As such, the likely impact arising from introducing the check-off regulations in the NHS may be **approximately £824,500 annually**.

### Local Authorities:

70. Local Authorities employ staff within fire and rescue services, maintained schools and local councils and according to the most recent local government employment statistics have a combined workforce of 1,237,000<sup>9</sup>. Of these, it is likely that 37% (approximately 457,500) are Trade Union members, according to BEIS findings<sup>10</sup>. Police staff numbers

<sup>8</sup> <https://turasdata.nes.nhs.scot/data-and-reports/official-workforce-statistics/all-official-statistics-publications/07-march-2023-workforce/>  
<https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics/february-2023>

<sup>9</sup> <https://www.gov.scot/publications/about-public-sector-employment-statistics/pages/local-government-employment/>  
<https://www.local.gov.uk/sites/default/files/documents/QPSES%202022%20Q1%20-%20summary.pdf>

<sup>10</sup> Data provided from BEIS - Average union membership in the 'Public administration and defence; compulsory social security' sector (England and Scotland only)', 2021.

have been removed from these totals as the impact of the Regulations on the Police has been assessed separately.

71. At the request of the Cabinet Office, the Local Government Association sampled over a third of local authorities, which they believe are broadly representative of the overall population. Of the 120 council responses, almost all offered the provision of check-off, and therefore it seems likely that the TaxPayers' Alliance Report findings, that 90% of public sector organisations offer check off, can be applied to Local Authorities provides and provides an indicative figure for high take-up across this workforce group. Whilst it cannot necessarily be assumed that 90% of workforces offering check-off is equivalent to 90% of public sector employees having access to check-off owing to different sized organisations, as 56% of organisations account for 65% workforce, it is likely that this figure may be broadly comparable, especially when such a large group were sampled and a consistent scenario was found. As such, an estimate that, of the 37% percentage of Local Government employees that are likely to be Trade Union/ members, 90% have access to check-off, will form the basis of the high uptake scenario.
72. On the contrary, it is possible that the sample overestimated this percentage. Therefore, to provide a low uptake estimate, the BEIS report figure of 65% public sector employees having access to check-off will be used. As such, an estimate that, of the 37% of Local Government employees that are likely to be Trade Union members, 65% have access to check-off, will form the basis of the low-uptake scenario.
73. It was not possible to identify any data which would indicate how many individuals with access to check-off then opt to pay their union subscriptions through this means. Therefore, an average of the police and NHS has been used, providing an estimate that 20.37% local authorities staff pay union subscriptions through check-off. The Civil Service proportion has not been considered when calculating this percentage, given the unique context whereby Civil Service Departments were asked to remove the provision of check-off. The LGA estimates that the takeup is likely to be lower than this as many union members began to use direct debit following the announcement of these regulations in 2017. However, there is little reason to believe this would have affected local authorities differently to the police staff or NHS, and so in the absence of any data to the contrary, the 20.37% provides the most appropriate estimate.
74. Of those sampled, approximately 67% already charged unions a fee for the costs associated with check-off, and given the sample size, it is likely that this is widely comparable across the rest of the local government workforce. However, the TaxPayers' Alliance Report suggests only 22% of those currently offering check-off are reimbursed. As such, a high estimate would assume that the 67% of costs are already recuperated from TUs across all local authorities, and a low estimate would assume that only 22% of the other two-thirds recharge for costs associated with check-off, and therefore 25.67%% of the total costs are recovered overall.
75. As such, the following scenarios arise:
  - a. Low uptake - Low recharge: If 20.37% of a low estimated number of Local Government employees with access to check off (65% of the 37% of Trade Union members) pay Trade Union subscriptions through check-off, and only 25.67% of the costs for administering this are currently recharged, it is likely that there is a potential saving of approximately £91,000 annually, based on the assumption that 2.81% of the total union subscription fee is recharged to Trade Unions.
  - b. High uptake - High recharge: If 20.376% of the a high estimated number of Local Government employees with access to check off (90% of the 37% of Trade Union

members) pay Trade Union subscriptions through check-off, and 67% of the costs for administering this are currently recharged, it is likely that there is a potential saving of £161,500 annually, based on the assumption that 2.81% of the total union subscription fee is recharged to Trade Unions.

- c. Low uptake - High recharge: If 20.376% of a low estimated number of Local Government employees with access to check off (65% of the 37% of Trade Union members) pay Trade Union subscriptions through check-off, and 67% of the costs for administering this are currently recharged, it is likely that there is a potential saving of approximately £117,000 annually, based on the assumption that 2.81% of the total union subscription fee is recharged to Trade Unions
- d. High uptake - Low recharge: If 20.376% of the a high estimated number of Local Government employees with access to check off (90% of the 37% of Trade Union members) pay Trade Union subscriptions through check-off, and 25.67% of the costs for administering this are currently recharged, it is likely that there is a potential saving of approximately £126,000 annually, based on the assumption that 2.81% of the total union subscription fee is recharged to Trade Unions.

76. Given the sample of employers' is fairly large and therefore likely generalisable, the high uptake - high recharge estimate probably provides the most likely estimate for a probable scenario. As such, the likely impact arising from introducing the check-off regulations in local authorities may be approximately **£161,500 annually**.

#### **Maintained schools and academies:**

- 77. Workforce data indicates that there are approximately 1,315,000 staff employed by maintained schools and academies in England and Scotland<sup>11</sup>. This includes teachers and support staff across state-funded and maintained nursery, primary and secondary schools, as well as academies and pupil referral units. Of these, it is likely that 46% (approximately 407,000 employees) are Trade Union members, according to BEIS data<sup>12</sup>.
- 78. The Department for Education was unable to collect any specific information from employers. As such, and in the absence of any more specific data, the fact that 65% of public sector employees having access to check off, as found in the BEIS (2018/19) survey, will form the basis of this analysis for the uptake estimate. It has also not been possible to identify data to estimate the number of Trade Union members with access to check-off that then opt to pay their union subscriptions through these means. As such, it is again necessary to use an average of the Police and NHS uptake, to provide a best estimate. Therefore, for staff employed in Education, the uptake estimates will be based upon 65% of the 407,000 Trade Union members having access to check-off, and 20.37% of these then opting to pay their union subscriptions through these means.
- 79. The TayPayers' Alliance Report suggests only 22% of those currently offering check-off are reimbursed, which will form the low estimate, and therefore would provide significant savings of an additional 78% of costs which are not currently recovered. To provide a comparable high recharge estimate, it could be possible to utilise an average from the Police, the NHS and Local Government, averaging 40.33%. This would provide a lesser saving, of only an additional 32.5% costs that are not currently recovered. The Civil Service has not been included in this average, owing to the particular circumstances of

---

<sup>11</sup> <https://explore-education-statistics.service.gov.uk/data-tables/permalink/bfc0dea9-2d60-404b-7fe4-08dac2f052a6>

<sup>12</sup> Data provided from BEIS - Average union membership in 'Education' (England and Scotland only), 2021.

the departmental decision to remove the use of check-off, which had not applied to the wider public sector.

80. As such, the following scenarios arise:

- a. Estimated uptake - Low recharge: If 20.37% of 407,000 employees opt to pay their Trade Union subscriptions through check off, and only 22% of the costs for administering this are currently recharged, it is likely that there is a potential saving of approximately £365,000 annually, based on the assumption that 2.81% of the total union subscription fee is recharged to Trade Unions.
- b. Estimated uptake - High recharge: If 20.37% of 407,000 employees opt to pay their Trade Union subscriptions through check off, and 40.33% of the costs for administering this are currently recharged, it is likely that there is a potential saving of approximately £192,500 annually, based on the assumption that 2.81% of the total union subscription fee is recharged to Trade Unions.

81. Given that there was no specific data, the 22% recharge from the 2014 TaxPayers' Alliance rate again is the only verifiable figure on uptake, rather than an average from other employers which may be skewed by differing cultures and terms and conditions of employment. As a result, the low uptake - low recharge is likely to be the most justifiable scenario in this case, and therefore the most probable estimate, would indicate that the impact arising from introducing the check-off regulations in maintained schools and academies may be approximately **£365,000 annually**.

#### Overall savings for the Public Sector:

82. To reach an estimated economic impact of introducing the check-off regulations for the entire public sector, it is necessary to total the yearly most probable estimates, and then scale this to account for all public sector employers and employees who are in scope of the regulations.

83. To account for the additional 10.13% public sector Trade Union members who are not employed by a main public sector workforce group<sup>13</sup>, a 10.13% increase, proportional to the percentage of employees not included in these groups, has been applied to the total saving. This results in a total estimated savings of **£1,626,500 annually** (in 2023 prices).

84. A summary of the potential ongoing savings is included in the table below:

Workforce Group	High estimate	Low estimate	Most probable estimate
Civil Service (in 2023 prices)	£149,000	£1,500	£11,000
Police (in 2023 prices)	£114,500	£32,500	£114,500
NHS (in 2023 prices)	£824,500	£597,500	£824,500
Local Authorities (in 2023 prices)	£161,500	£91,000	£161,500
Maintained schools and academies (in 2023 prices)	£365,000	£192,500	£365,000
Total (in 2023 prices)	£1,615,000	£914,500	£1,477,00

<sup>13</sup> <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/publicsectorpersonnel/datasets/publicsectoremploymentreferencetable>

Scaled (+10.13%) to capture the whole public sector	<b>£1,778,000</b>	<b>£1,007,000</b>	<b><u>£1,626,500</u></b>
Present value (2019 prices, 2020 base year) over a 10-year period	<b>£13,320,000</b>	<b>£7,544,000</b>	<b><u>£12,183,000</u></b>

**Caveats and further considerations:**

85. It is also then important to caveat these findings with the following estimations on the impact of introducing these regulations. Most notably, it is important to recognise that all trade unions now provide a direct debit option, and this does, anecdotally, appear to be used as a method to pay trade union subscriptions more frequently than through check-off. As such, it is likely that this saving would decline over time.
86. The 2014 TaxPayers' Alliance report suggests around 90% public sector organisations offer check-off, in 2012/13, whereas the BEIS 2018/19 report suggested this was now closer to 56%, and therefore a 37.8% reduction in 6 years. This suggests that the annual saving to public sector organisations will decline overtime as public sector organisations remove check-off processes, but this position is explored in more detail below from **paragraph 99**.
87. Whilst 2.81% has been used as the median average from the sample of current recharge costs, in some cases, organisations reported significantly higher or lower recharge rates, ranging from 0.25% to 5% total trade union subscription fees, although most ranged from 1.25 - 2.5%. In addition, Cabinet Office analysis has identified that 1.5% total trade union subscription fees were an average estimate across the public sector, and therefore could indicate that the cost savings could be lower than estimated above. It is difficult to be certain on the average cost, as this should be based on the time and resources required to administer check-off, which could vary significantly between employers. Anecdotal evidence has collected as part of the Cabinet Office sample has demonstrated that for some employers there is no time or financial commitment as the administration has become cost neutral through payroll contracts in which check-off is included at no extra cost, whereas others would assess need to charge for staff time, which would therefore vary depending on their grade and salary entitlements. As such, the probable estimate of reasonable costs recharged remains based on the 2.81% identified by the 2014 TaxPayers Alliance report, however for contrast, the 1.5% found as part of the Cabinet Office survey will be used to adjust to a low estimate, and the higher estimate will be based on the upper range of the Cabinet Office survey (5%). A summary of the impact of greater or lesser average recharge costs is included in the table below.

<b>Minimum recharge (in 2023 prices) (1.5% total trade union subscription fees)</b>	<b>Maximum recharge (in 2023 prices) (5% total trade union subscription fees)</b>	<b>Most probable recharge (in 2023 prices) (2.81% total trade union subscription fees)</b>
£855,500	£2,851,000	<b><u>£1,626,500</u></b>



## Monetised and non-monetised costs (direct costs to public sector employers)

### All relevant public sector employers:

#### Familiarisation (direct cost)

88. The introduction of section 15 of the Act will result in one-off familiarisation costs to all affected public sector employers (see **Annex A**).
89. For each public sector body, a limited number of staff will need to be made aware of the impacts the legislation will have on their operations. We assume that the amount of time taken to become familiar with the legislation will be small as the changes introduced by the Act are straightforward. This will be supported by the publication of guidance for public sector employers, which will provide advice on the calculation of a 'reasonable amount' which is substantially equivalent to the cost of administering check-off, and includes FAQs and case studies.
90. Familiarisation may include activities such as one official in each public body reading and understanding the regulatory change, learning how it impacts their operations and producing a note for senior management. This information may then be disseminated widely in public sector bodies, e.g. through an email or face-to-face meetings, and to the affected trade unions.
91. For the purposes of this Impact Assessment, we assume that the type of staff involved in familiarising themselves with these proposed regulations will be public sector administrative officials. Using the Annual Survey of Hours and Earnings data, the basic hourly median pay for 'administrative occupations: government and related organisations' (the closest available job category) is £14.82<sup>14</sup>. When uprating by 21.7% to reflect non-wage costs<sup>15</sup>, the total hourly cost for an administrative official will be approximately £18.03.
92. It is unlikely that familiarisation will take a significant amount of time for public sector employers, owing to the history of the Regulations which were previously proposed to be introduced in 2017, and therefore it is expected that employers will previously have familiarised themselves with the requirements and policy intent. Additionally, during the Cabinet Office engagement with workforce groups, there have been recent conversations about calculating an appropriate cost for administering check-off, and therefore many employers will have already begun to calculate this. Nevertheless, three scenarios have been modelled to provide a range of estimations, as it is likely that some public sector employers will be more familiar with the Regulations than others, and it is not possible to determine for certain an average cost across the public sector. The low estimate is based upon familiarisation already being complete, with some time to brief colleagues. The high estimate assumes that no prior familiarisation would be complete, and therefore it may take an official one day to familiarise themselves with the Regulations.
- a. **Low estimate:** Assuming that the above familiarisation and dissemination activities take 1 hour of an official's time, the familiarisation cost per public sector organisation will be around £18.03 (£18.03 x 1 hour), with a total cost of approximately £508,500 across all public sector bodies (£18.03 x approximately 28,000 public sector bodies).

---

14

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/latest>

15  
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/indexoflabourcostsperhourilchseasonallyadjusted>

- b. **High estimate:** Assuming that the above familiarisation and dissemination activities take 7 hours of an official's time, the familiarisation cost per public sector organisation will be around £126.21 (£18.03 x 7 hour), with a total cost of approximately £3,560,000 across all public sector bodies (£126.21 x approximately 28,000 public sector bodies).
- c. **Probable estimate:** Assuming that the above familiarisation and dissemination activities take 2 hours of an official's time, the familiarisation cost per public sector organisation will be around £36.06 (£18.03 x 2 hours), with a total cost of **approximately £1,017,000 across all public sector bodies** (£36.06 x approximately 28,000 public sector bodies).

### **Costs associated with agreeing a reasonable amount to recharge Trade Unions for the provision of check-off (direct cost)**

93. Following familiarisation, it is expected that there will be a small upfront cost linked to the time and resource required by public sector employers to put in place arrangements with relevant unions to charge for a check-off service. Where a charging arrangement is already in situ, the employer will need to ensure that it considers the payment from the union to be reasonable by reference to the legislative test. Payments are considered "reasonable" if the employer is satisfied that the total amount of the payment is substantially equivalent to the total cost to the public funds of making deductions. Guidance is available to support public sector employers with this calculation. Additionally, as the BEIS 2018/19 data suggests, only 56% public sector workforces offer Check-off, and therefore only 56% of the public sector bodies of the organisations (approximately 16,000) will need to agree a reasonable amount to recharge.
94. Costs associated with these adjustments are expected to involve mainly the time of HR professionals to engage with the relevant trade union officials to agree a reasonable charge for providing the check-off service. This is very likely to occur through existing channels, as most public sector employers will have ongoing dialogue with recognised unions as part of their business as usual relationship management. Equally, this could happen in a written exchange, and it is not anticipated that there will be lengthy discussions on the calculation, but rather the employer will calculate, ahead of the meeting, an appropriate cost in line with the guidance produced by Cabinet Office, and then present this cost and their rationale, which the Trade Union can either accept, or agree to have Check-off removed. There may be some more time-consuming discussions, where the Trade Union disputes the costs, and this may require some further work and consideration, however it is not possible to determine the anticipated frequency of such scenarios. We have therefore again used scenarios to provide a range of potential costs.
- a. **Low estimate:** Assuming that only written correspondence or a short 30-minute meeting is needed to agree a cost, with most of the interaction between the employer and Trade Union happening through existing channels with little dispute, the costs to agree a reasonable amount to recharge Trade Unions will be approximately £142,500 (£18.03 x 0.5 hours x approximately 16,000 organisations).
  - b. **High estimate:** Assuming that longer meetings are required, or no existing channels for communication between the employer and Trade Union exist, the time required may be near one day of an officials' time, then the costs to agree a reasonable amount to recharge Trade Unions will be approximately £1,993,500 (£18.03 x 7 hours x approximately 16,000 organisations).

- c. **Probable estimate:** Assuming that some meetings are required by some employers, and there are a few cases of minimal dispute, albeit most communication can be completed through existing channels, then the costs to agree a reasonable amount to recharge Trade Unions will be approximately £569,500 ( $£18.03 \times 2 \text{ hours} \times \text{approximately } 16,000 \text{ organisations}$ ).

#### **Implementing a mechanism to recharge Trade Unions for the costs associated with check-off (direct cost)**

95. Once a charging arrangement (including the amount that is to be charged to the trade union) has been agreed, staff time will be required to put the charging mechanism in place. Again, this will only be necessary in organisations where check off is available, and therefore only 56% of the public sector organisations (approximately 16,000 organisations) will need to consider implementing a mechanism to recharge Trade Unions for the costs associated with Check-off.
96. Additionally, some employers will already have a mechanism in place, as some already charge for costs associated with Check-off. The 2014 TaxPayers' Alliance report's assumption that 22% public sector employers already recharge provides the most accurate overall estimation (supported by the findings that the low recharge estimate was most probable for the majority of workforce groups), it is likely that 78% of public sector organisations that use check off (approximately 12,500 organisations) will need to implement a new mechanism for charging Trade Unions. The members of staff likely to be tasked with implementing the charging mechanism will be public sector administrative officials, and therefore are again likely to attract the basic hourly median pay for 'administrative occupations: government and related organisations' (the closest available job category) costing approximately £18.03 per hour.
97. In much of the data provided to the TaxPayers' Alliance in 2014, and to the Cabinet Office in response to requests for data for this Impact Assessment, indicated that instead of a monetary figure or charging via an invoice or other mechanism, public sector employers simply deducted a percentage of the total subscription fees from the value paid to Trade Unions. This would unlikely take significant work to achieve, and is likely to be possible to be arranged through payroll provided as a standing adjustment. However, again it has not been possible to identify data that confirms the frequency of this occurrence, and so multiple scenarios have been modelled to capture a wider set of possibilities.
- a. **Low estimate:** Assuming that almost all employers could simply request payroll to make an adjustment to the value paid to Trade Unions, it is likely that this would require extremely minimal time (0.5 hours). On that basis, it will likely cost approximately £111,000 to implement a mechanism to recharge ( $£18.03 \times 0.5 \text{ hours} \times \text{approximately } 12,500 \text{ organisations}$ ).
- b. **High estimate:** Assuming that very few employers could simply request payroll to make an adjustment to the value paid to Trade Unions, they would therefore be required to set up new processes in order to find a way to invoice Trade Unions for a specific cost, which would likely take a day of an individual's time (7 hours). On that basis, it will likely cost approximately £1,555,000 to implement a mechanism to recharge ( $£18.03 \times 7 \text{ hours} \times \text{approximately } 12,500 \text{ organisations}$ ).
- c. **Probable estimate:** Assuming that almost all employers could simply request payroll to make an adjustment to the value paid to Trade Unions, and only a view would be required to set up new processes in order to find a way to invoice Trade Unions for a specific cost, it is likely that on average this would require a small amount of dedicated time (1 hours). On that basis, it will likely cost approximately

£222,000 to implement a mechanism to recharge (£18.03 x 1 hour's x approximately 12,500 organisations).

**Removing the provision of check-off where there is a decision taken to no longer continue administering the service (direct cost)**

98. Section 15 in the Trade Union Act prohibits public sector employers from providing check-off where the legislative requirements are not met. If, for example, a charging arrangement is not put in place, it is expected that public sector bodies' payroll/finance departments will need to make one-off adjustments to payroll arrangements to cease providing check-off.
99. It is reasonable to assume that some employers will cease providing check-off, following the introduction of these regulations, however, it is difficult to estimate the exact number. This could arise if organisations are unable to agree to a reasonable cost with Trade Unions, or in the very rare instance that Trade Unions do not offer an alternative method of paying Trade Union subscriptions. In the absence of any other data, what we can refer to, to estimate the likely number of organisations that will stop providing check-off following the introduction of these regulations, is the 37.8% drop in the number of individuals who paid their union subscriptions through check-off referred to in **paragraph 86** above. This roughly amounts to a 6.3% drop, although it is not possible to say what the exact percentage drops would have been for each of the years, or whether the data is weighted more heavily by one off events, such as Civil Service departments stopping offering check-off provisions. Again, this will only occur in the 56% organisations that offer Check-off, and so should only affect 6.3% public sector organisations that use check off (approximately 1,000 organisations).
100. There are other issues related to this figure that need mentioning, including:
  - a. It is possible that the drop of 37.8% in fact accounts for all of the organisations that would have stopped offering check-off, had the Regulations been brought into force in 2017, and that in fact no more organisations will stop allowing check-off services to be offered once the Regulations now come into force. This seems extreme, but is worth considering, or more likely noting that the reduction once the Regulations come into force is likely to be considerably less than it was in the previous years.
  - b. It is also relevant that trade unions themselves are unlikely to be the ones to pull out check-off agreements as to do so would take away an option of payment from their members. As we explore further from **paragraph 107** onwards (and in particular **paragraphs 114 - 116**, there are likely to be costs to trade unions, in some instances, should their members make the switch from check-off to direct debit, including a loss of membership altogether in some instances. As such, we believe that trade unions will want to maintain check-off arrangements for their members wherever possible and this is likely to therefore impact the number of public sector organisations that stop offering check-off as we think it will be in the best interests of trade unions to agree to pay any reasonable costs incurred.
  - c. There are issues with the comparison of the two datasets we have used to reach the 6.3% figure and they are not directly comparable, for reasons we have explored earlier on in this Impact Assessment. What this means is that the actual movement in the number of public sector organisations that offer check-off between 2012/13 and 2018/19 could have been very different. Differing datasets, not comparable.

101. The costs associated with discontinuing the use of Check-off will require payroll adjustments, for which the costs incurred are primarily in terms of staff time, costs of legal advice with regards to staff contractual arrangements, and communications with staff to make them aware that they will no longer be able to use Check-off. Whilst it is not anticipated that this should take significant amounts of time, particularly as payroll providers and systems will likely have the capability to make changes across a number of employees regular payments in bulk, there is still likely to be varying costs based on specific payroll arrangements, legal positions and amount of staff communication required. As such, a number of scenarios have been modelled as it has not been possible to be certain on the average cost.

- a. **Low estimate:** Assuming that very minimal work is needed to remove Check-off payments from payroll, there are no contractual or legal concerns, and staff can be communicated to in bulk via an intranet article for example, the time involved is likely to be minimal and roughly equivalent to half a day's work. As such, the cost is likely to be approximately £63,000 ( $£18.03 \times 3.5 \text{ hours} \times 1,000 \text{ organisations}$ ).
- b. **High estimate:** Assuming that a significant amount of work is needed to remove Check-off payments from payroll, complex contractual or legal concerns arise and require significant amounts of work, and detailed staff communication is needed either in writing or through meetings, the time involved is likely to be high and roughly equivalent to two days work. As such, the cost is likely to be approximately £269,000 ( $£18.03 \times 15 \text{ hours} \times 1,000 \text{ organisations}$ ).
- c. **Probable estimate:** Assuming that some work is needed to remove Check-off, although most of this can be administered in bulk through payroll, there is not significant or high volumes of contractual or legal challenge, and moderate staff communication is needed either through bulk letters, the time involved is likely to be considerable, but roughly equivalent to one day's work. As such, the cost is likely to be approximately £125,500 ( $£18.03 \times 7 \text{ hours} \times 1,000 \text{ organisations}$ ).

## Monetised and non-monetised costs (direct and indirect costs to Trade Unions and Trade Union members)

### One Off Costs – Relevant trade unions

#### Familiarisation (direct cost)

102. It is expected that trade unions would have to familiarise themselves with this proposed legislative change. Familiarisation costs to trade unions are expected to be low because public sector bodies are expected to disseminate this information to trade unions when they engage with the unions about the legislative changes and in addition, the Government is producing guidance to help in scope public bodies understand their obligations will be publicly available for trade unions to access as well. Those tasked with familiarising themselves with the Regulations and these materials would likely be of a comparable grade to those who are working on behalf of the public sector employers, and therefore in the absence of any specific data on Trade Union salaries, the average hourly salary of £14.82, uprated to £18.03, will form the basis of the cost estimates.

103. From reviewing all Trade Unions recognised by the Certification Officer's annual report, our estimate is that there are 63 trade unions that represent workers in the public sector in some way and will need to familiarise themselves with the proposed changes<sup>16</sup>. Given that it is probable that some unions will work across multiple employers and workforces within the Public Sector, it is also likely that, on average, two union officials will need to familiarise themselves fully with the Regulations. As with public sector employers, the Trade Unions will have previously familiarised themselves with the Regulations when these were first due to be introduced in 2017, and the Cabinet Office has more recently engaged the Trade Union Congress (TUC) to make them aware of the Government's intention to now bring these into force. As such, there should be some preparedness amongst Trade Unions, reducing the amount of time needed to familiarise themselves, however, as it is not possible to quantify this or determine an average with any certainty, differing scenarios have been modelled.

- a. **Low estimate:** Assuming that almost all unions will already be familiar with the Regulations and that employers will be proactive in sharing communications and rationale on their calculations of a reasonable cost, the time required of Trade Union Officials is likely to be fairly low, and on average equivalent to one hour of each official's time. As such, it is possible the cost could be approximately £2,500 (£18.03 x 2 Officials x 1 hour x 63 unions).
- b. **High estimate:** Assuming that very few unions are already familiar with the Regulations and therefore that Trade Union officials must complete a significant amount of upskill, the time required of Trade Union Officials is likely to be quite high, and on average equivalent a day of each official's time. As such, it is possible the cost could be approximately £16,000 (£18.03 x 2 Officials x 7 hours x 63 unions).
- c. **Probable estimate:** Assuming that most unions will already be familiar with the Regulations and that employers will be proactive in sharing communications and rationale on their calculations of a reasonable cost, albeit a few may need to complete some more detailed upskill, the time required of Trade Union Officials is likely to be moderate, and on average equivalent to two hours of each official's

---

<sup>16</sup> <https://www.gov.uk/government/publications/public-list-of-active-trade-unions-official-list-and-schedule>

time. As such, it is possible the cost could be approximately £4,500 ( $\text{£}18.03 \times 2 \text{ Officials} \times 2 \text{ hours} \times 63 \text{ unions}$ ).

### **Cost of agreeing with public sector employers a reasonable amount for administering check-off (direct cost)**

104. Following familiarisation, it is expected that there will be a small upfront cost linked to the time and resource required by unions to engage with the relevant public sector employer about the level of reasonable charges for providing check-off. This is likely to be broadly comparable to the cost to public sector organisations, as Trade Unions will need to review the charge and rationale provided by the employer, before agreeing to pay this. As such they will also need to partake in the discussions and written correspondence to inform the final amount that is agreed. It is expected that on average two union officials will be required, owing to the number of employers and sectors that they need to engage with. However, it is expected that the majority of this engagement will occur through existing channels and it is not anticipated that there will be lengthy discussions on the calculation. There may be some more time-consuming discussions, where the Trade Union sees reason to dispute the costs, and this may require them to present more evidence and have a more in-depth conversation with employers, however it is not possible to determine the anticipated frequency of such scenarios, and therefore again scenarios have been used to provide a range of potential costs.

- a. **Low estimate:** Assuming that only written correspondence or a short 30-minute meeting is needed to agree a cost, with most of the interaction between the Trade Union and employer happening through existing channels with little dispute, the costs to agree a reasonable amount to recharge Trade Unions will be approximately £1,000 ( $\text{£}18.03 \times 2 \text{ officials} \times 0.5 \text{ hours} \times 63 \text{ Unions}$ ).
- b. **High estimate:** Assuming that longer meetings are required, or no existing channels for communication between the Trade Union and employer exist, the time required may be near one day of each Trade Union official's time, then the costs to agree a reasonable amount to recharge Trade Unions will be approximately £16,000 ( $\text{£}18.03 \times 2 \text{ officials} \times 7 \text{ hours} \times 63 \text{ Unions}$ ).
- c. **Probable estimate:** Assuming that some meetings are required and there are a few cases of minimal dispute, albeit most communication can be completed through existing channels, then the costs to agree a reasonable amount to recharge will be approximately £4,500 ( $\text{£}18.03 \times 2 \text{ officials} \times 2 \text{ hours} \times 63 \text{ Unions}$ ).

### **Moving members to direct debit if they no longer wish to, or have the provision provided to, pay their subscription fees via check-off (direct cost)**

105. There may be some administration costs for Trade Unions in processing potentially a larger number of direct debit payments in the first instance, if an influx of new applications are made to pay via this method. This may represent some cost in terms of time commitment required from union officials in processing the initial setting up of these payments. However, given that all unions already offer a direct debit option, it is likely that the processes are well established, potentially automated, and although there may be some additional workload, this is unlikely to warrant additional resource or capacity being created. As such, it is not anticipated that this will generate any costs, and any costs associated with this administration are likely to be insignificant.

### **Trade Union Members - Indirect Costs**

#### **Time to set up direct debit payments (indirect cost)**

106. There may be some time required for union members to apply to pay their subscription fees through direct debit, should employers cease to offer the provision of check-off as a result of the regulations. As all unions offer this option via their websites, and given the prevalence of direct debit payments in other areas of society, we do not anticipate this will take more than 10 minutes of an individual's time. Additionally, this will not represent a monetised cost as we would expect this would be completed in the union members own time (e.g. not during hours for which they are contracted to work), and so would not incur cost implications for the member or the employer.

## **Ongoing Costs – Relevant trade unions**

### **Cost of paying a reasonable amount for check-off (direct cost)**

107. The legislation will require that public sector employers charge unions a reasonable amount for the provision of check-off which is substantially equivalent to the cost to public funds of providing check-off.

108. Using the total number of trade union members, the number of members impacted by the legislation (e.g. not currently paying for check off) is estimated to be as 356,685. We estimate the proportion of these members expected to move to each of the new arrangements for membership payment. There are two likely options. 1) Members start paying a reasonable amount for check off or, 2) Trade unions ask members to switch to direct debit payments. It is estimated that 6.3% of union members will have the check off option removed therefore, 93.7% of union members will be charged for check off. As in the benefits section above, the per person average recharge for check off is estimated, which equates to an annual cost to trade unions of £1,720,500.

109. The estimated costs to each trade union will vary, depending on the membership spread across the organisations which currently use, and do not already pay a reasonable amount for, the provision of check-off. As such, this estimation is across all 63 trade unions in the public sector.

### **Banking charges (direct cost)**

110. In instances where an appropriate charging arrangement is not entered into, check-off cannot continue and the union is required to arrange for its members to pay their subscriptions via other means (e.g. direct debit). In this scenario, it is possible that trade unions will incur a banking transaction cost from receiving direct debit payments from its members. GoCardless (the UK's leader in processing Direct Debit payments) estimates a flat rate cost of £0.21 per Direct Debit, and a variable rate of 1% per Direct Debit<sup>17</sup>. As such, on the basis that the average Trade Union subscription fee is £17.16 per month, payable for 12 months, the annual Direct Debit cost to the Trade Union per member is £4.53.

111. Of the 65% of the 3,453,400 Trade Union members in the public sector that have access to Check-off (2,244,700), it is likely that 6.3% of these will have this provision removed following the introduction of the Regulations. It is estimated that a switch to direct debit will cause a 16% drop in membership. Therefore, with the expected 6.3% switch to direct debit, a 5.3% (6.3% x (100%-16%)) conversion rate is expected. This is equivalent to around 7,500 union members moving to direct debit which will result in an annual cost of approximately £34,000 to trade unions.

### **Failed Direct Debits (direct cost)**

---

<sup>17</sup> <https://gocardless.com/pricing/>



112. Of these Direct Debits that are set up, it is likely that over time, some of these will fail where individuals do not have sufficient funds in their account for the Direct Debit to be taken. GoCardless quote an average failure rate of 2.8% per month for transactions of £0-250<sup>18</sup>. Alternatively however, the Charities Aid Foundation (CAF) estimate that this is lower, and quote a 1% failure rate<sup>19</sup>. As such, this gives rise to two potential scenarios.

- a. **Low estimate:** 1% Direct Debits fail each month, resulting in a cost of less than £500 annually to Trade Unions.
- b. **High estimate:** 2.8% Direct Debits fail each month, resulting in a cost of under £1,000 annually to Trade Unions.

113. Whilst it is difficult to determine which of these is most likely to be realised, and in reality, the true figure will probably lie somewhere between the two, for the purposes of this Impact Assessment, the low estimate will be used on the basis that direct debits are common payments, with many anticipating money will leave their accounts each month through this method. Additionally, public sector workers are unlikely to be casual workers on atypical contracts, and so are likely to be paid a consistent salary, rarely impacted by bonuses or other factors. As such, the likelihood of the direct debits failing due to insufficient funds being available may be lower than average, and so the cost to Trade Unions may be less than £500 annually.

### **Loss of membership (indirect cost)**

114. Additionally, if Check-off is removed by some employers, it is likely that a small number of Trade Union members will not seek to renew their membership and will not move to Direct Debit. It is difficult to quantify exactly how frequently this may happen, as it is unclear how many organisations will stop offering Check-off, and then unclear how many individuals would not seek to continue to pay for their union membership through other means. As such, some estimates have had to be made in order to assess the impact.

115. Of the 65% of Trade Union members in the public sector that have access to Check-off (approximately 2,244,500 individuals), we estimate that around 6.3% of these will have this provision removed following the introduction of the Regulations. A membership loss of 1% of total membership is estimated which equates to around 1,500 people that will not renew their membership. The Trade Unions will therefore likely incur an annual cost of approximately £293,500 (1,500 x £17.16) from revenue loss. However, this figure does not account for any increase in Trade Union members each year, or any other potential uptake in overall membership numbers and so the net impact on membership numbers and finances is likely to be lower. It also fails to consider that there may be members of the trade union who were already planning to leave and actively chose not to recommit to the union through a direct debit mechanism.

116. We also believe that there is an argument that any disruption to trade union membership, as a result of the removal of check-off provisions could be temporary. We believe that it stands to reason that employees paying for their subscription through check-off do so predominantly expecting a service in return, e.g. support from their recognised trade union, and therefore should they wish to continue to receive this service, and should any communications out to affected members be robust enough, some members who drop off initially are likely to recommit. If they do not, there is an argument to say that this group would have left the relevant trade union anyway and that the cancellation of their check-off provision was the prompt they needed.

---

<sup>18</sup> <https://gocardless.com/solutions/reduce-failed-payments/>

<sup>19</sup> <https://www.cafonline.org/about-us/blog-home/charities-blog/direct-debit-vs-recurring-card-payments>

## **Trade Union Members**

### **Increases to subscription fees (indirect cost)**

117. Since employers may be likely to determine the 'reasonable amount' recharged to trade unions in terms of a percentage of the total cost of members subscription fees, unions may choose to pass this cost onto union members in the form of higher fees. It is again difficult to conclude for certain how frequently this may happen, and how much of a cost will be passed on to individual Trade Union members.

118. However, this is not included in the quantitative analysis as this is an indirect economic transfer. It is difficult to identify the likelihood of unions applying this charge to trade union members, and there is no evidence to suggest that this is likely to happen. Instead, a more probable scenario would be that this charge is factored into the annual increases in trade union fees, and so it would be difficult to identify the direct impact of these regulations.

## Summary table of costs and benefits

119. In the absence of a single source of accurate information on the uptake and cost of administering check-off in the public sector, the below table provides a summary of the best estimates made on the basis of the most likely scenarios, of the costs and benefits arising from introducing this legislation.

<b>Best Estimate Direct Costs</b>			
<b>Who</b>		<b>Description of Costs</b>	<b>Best Estimate Cost (in 2023 prices)</b>
<b>Public sector employers</b>	<b>One off</b>	Familiarisation	£ 1,017,000
		Costs associated with agreeing a 'reasonable amount' to recharge to Trade Unions for the provision of check-off	£ 569,500
		Implementing a mechanism to recharge Trade Unions for costs associated with check-off	£ 222,000
		Removing provision of check-off where there is a decision taken to no longer continue administering the service	£ 125,500
<b>Trade unions</b>	<b>One off</b>	Familiarisation	£ 4,500
		Transition costs to set up payment of a reasonable amount to public sector employers for the provision of check-off	£ 4,500
		Moving members to direct debit if they no longer wish to, or have the provision provided to, pay subscription fees via check-off	£0
	<b>Ongoing</b>	Potential membership loss	£ 293,007
		Paying a reasonable amount for check off	£ 1,720,500
		DD Failure Cost	£ 500
		Banking charges	£ 34,000
		Administration	£0
	<b>Present value - (discounted sum over 10 years)</b>	<b>2023 Prices</b>	
<b>2020 Prices</b>		<b>£17,036,000</b>	
<b>BENEFITS</b>			
<b>Who</b>			<b>Best Estimate Benefits (in 2023 prices)</b>
<b>Public sector organisations</b>	<b>Ongoing</b>	Cost of administering check-off	£1,626,500

<b>Present value Present value - (discounted sum over 10 years)</b>	<b>2023 prices</b>	<b>£14,000,000</b>
	<b>2020 prices</b>	<b>£12,183,000</b>

120. Note that due to the small expected size of the transition cost (due to legislation being straightforward, and ease of payroll change if required), and the majority of costs applying to Trade Unions, the savings to the public sector over 10 years would outweigh transition costs even under more conservative assumptions on check-off usage.

## **Risks and assumptions**

### **Current usage of check-off and charging arrangements in the public sector**

121. A key assumption made in this Impact Assessment concerns the current usage of check-off and charging arrangements for the provision of this service in the public sector. In the absence of more up to date robust data, this Impact Assessment uses research conducted by the TaxPayer's Alliances and BEIS, as well as anecdotal data from in-scope employers to arrive at estimated figures.
122. The TaxPayer's Alliance research into taxpayer funding of trade unions was compiled using Freedom of Information (Fol) requests submitted to around 1,000 public bodies, including: Quangos, regional governments, central government departments, local authorities, NHS trusts, fire services and police forces. Their research suggests that the majority of public sector employers (over 90%) provide a check-off service on behalf of their trade unions but of those offering this service less than a quarter (22%) are reimbursed by the relevant trade union for the administrative burden. The more recent Management and Wellbeing Practices Survey carried out by the former Department for Business, Energy & Industrial Strategy in 2019, showed that 56% of workplaces offered check-off services, which captures 65% of the public sector workforce. This data source does not provide us with a more up to date figure for the percentage of public bodies who charge for administering check-off however.
123. It is unknown whether these reports accurately reflect the levels of check-off usage and charging arrangements across the approximate 28,000 public sector employers that will be affected by Section 15 of the Act and to which this Impact Assessment applies. It is also unknown how the organisations surveyed in the TaxPayer Alliance report that charge for check-off calculated the amount they charge. In addition, the data from Management and Wellbeing Practices Survey is based on separate workplaces rather than individual separate employers. This means it is not directly comparable with the data obtained from the TaxPayers Alliance research.
124. Therefore, for the purpose of this Impact Assessment benefits and costs have been based on identifying a most likely scenario from the data in these reports, by comparing this to the context provided for each workforce group based upon Cabinet Office commissioned samples of public sector employers. The accuracy and scalability of these estimations is unknown; however, they have been used as the most recent data available to make some estimations.

### **Number of relevant public sector employers affected by the restriction on check-off**

125. This Impact Assessment assumes that 28,000 public sector employers will be affected by the legislative requirement of section 15 of the Act. This figure is based on a targeted online search of data sources that contain information on the number of public bodies within affected public sector workforces, and the conclusion of a Write Round across Government to consult with each workforce group.
126. The final figure is representative of the number of organisations which will be subject to the familiarisation and ongoing costs detailed in this Impact Assessment. It is noted that the figure may be slightly higher or lower and will fluctuate year-on-year as public bodies are closed and/or new ones introduced. The figure should therefore be treated as an estimate.

### **Short-term loss of revenue from membership fees - trade unions (where the provision of check-off no longer continues)**

127. In an instance where an employer ceases to provide a check-off service, it is possible that trade unions will face some temporary disruption in fee collection. This is because members may take time to switch to direct debit or another method of subscribing, and miss payments as a result. Associated costs may include the need to write to members to remind them of outstanding fees. Through the sections on the one-off costs to Trade Unions, this Impact Assessment has attempted to consider the impact, although it is difficult to estimate if, and how frequently, this instance may occur.

**Households without bank accounts (where the provision of check-off can no longer continue)**

128. It is possible that where employers cease to provide check-off this could have a negative impact on any workers without bank accounts who would not be able to pay membership fees by direct debit. However, this risk is considered to be minimal. According to the Financial Inclusion Annual Monitoring Report (2021), the number of adults living in households without access to a bank account is approximately 557,000, which is around 1% of households. Public sector employees should need bank accounts to receive pay and it is therefore not expected that their ability to pay union subscription fees will be affected.

## Wider impacts

### Impact on Small and Micro Businesses

#### Potential detrimental impact on public sector employers

129. The purpose of this legislation is to ensure that publicly funded employers do not provide check-off services which place a cost burden on the taxpayer and so exempting public sector authorities that employ between one and nine employees (micro) and 10 to 49 employees (small) would not meet the policy aim. Should public sector authorities that are small and micro business sized discontinue the process of check-off payments as a result of the impact of the regulations, they will incur the same time and cost impacts as outlined above (around seven hours of an official's time). This does not represent a significant burden on any organisation given that 35 hours is likely to be the most common full time equivalent contracted hours with seven representing just 20% of one individual's weekly total hours. Additionally, any cost with removing check-off is likely to be comparable to the number of trade union members within any given organisation and so there is a limit to the impact removing check-off from individuals can have in any organisation, which is capped at their total headcount. We have no information that suggests that small or micro public sector authorities are more likely to be unionised than larger public sector authorities.

130. There has been a trend in recent years towards the outsourcing of payroll functions to third party providers with the global payroll outsourcing market due to continue to grow in size<sup>20</sup>, as such many public sector organisations may not actually need to carry out the process of removing check-off, if it comes to that, and can instead instruct their relevant payroll provider to make the changes for them, which is likely to save time and cost. This is particularly true when it comes to maintained schools whose payroll is often managed by the local authority. It is also worth noting that the Government intends to provide all public sector employers with guidance to assist with the implementation of the Regulations which should help further minimise the burden on small and micro public authorities. Any burden should also be mitigated by the availability of guidance on implementing the check-off regulations.

#### Potential detrimental impact on Trade Unions which may be considered small and micro businesses

131. Although the proposed legislation to restrict the provision of check-off only directly regulates employers within the public sector, this Impact Assessment has considered whether there may be any indirect and disproportionate impact on trade unions which could be classed as either small or micro businesses.

132. Using Cabinet Office research that looked at the number of reported trade unions according to the Certification Officer's accounts there are 63 certified trade unions that represent workers in the public sector<sup>21</sup>. Although most trade unions do not report their total headcount number, by using reported data within their annual accounts on their total income and applying to this figure the cost of maintaining a workforce of at least 50 individuals, paying minimum wage, we have been able to estimate that approximately 35 of these trade unions are likely to fall under the definition of small and micro businesses by employing less than 50 individuals. These trade unions have a total combined membership of around 80,500, which is only 2.1% of the total number of reported trade union members in the public sector.

---

<sup>20</sup> <https://www.alliedmarketresearch.com/payroll-outsourcing-market-A31433>

<sup>21</sup> <https://www.gov.uk/government/publications/public-list-of-active-trade-unions-official-list-and-schedule>

133. Exempting small unions would not achieve the aims of this legislation, as it is not the unions which must provide the service, but the employers, who would have to continue to offer a check-off service for the minority of members who are currently part of a small or micro union without the ability to charge the union for the service. In effect, this could mean that a minority of trade unions retain the use of a check-off service, but would not have to remunerate the employer for its provision, which would continue a cost burden to the taxpayer.
134. This legislation requires that public sector employers must only charge unions a “reasonable amount for providing a check-off service. Payments are considered “reasonable” if the employer is satisfied that the total amount of the payment is substantially equivalent to the total cost to the public funds of making deductions (check-off). Therefore, this cost will be proportionate to the size of the membership of the union and the union will only pay for the service it receives.
135. Any disproportionate impacts would most likely arise in the circumstances of being required to agree a reasonable cost for the provision of check-off, which may result in smaller unions having to meet with a variety of public sector employers. Given the frequency of small unions in the public sector, this is likely to have a very minimal impact, and is also most likely to be applicable within workforce groups where unions are serving a niche portion of the workforce. Furthermore, unions classified as small or micro businesses have a mean membership figure of approximately 2,500 per union. This group of unions are actually much less likely to have check-off arrangements in place with employers as check-off practices are normally reserved for where a formal collective bargaining arrangement exists, rather than where the unions that happen to represent individual members, on an ad-hoc basis. Under the current statutory recognition rules, a union can only apply to the Central Arbitration Committee if they have at least 10% union membership within the proposed bargaining unit. Given the average membership numbers articulated above of this particular group of unions, it is unlikely they will meet this threshold, other than where they only represent a niche type of worker that has no other representation from larger unions. It is therefore more likely that the check-off regulations will have less of a direct effect on small and micro trade unions than it would on unions with more significant workforces.
136. In instances where an employer ceases to provide a check-off service (i.e. if a charging arrangement cannot be agreed), there is no evidence to suggest that this would have a disproportionate impact on smaller unions. Using an analysis of trade unions reported accounts, of the 35 likely small or micro sized trade unions that represent public sector workforces, 23 reported ‘general funds’ which were in the plus. This means that in a worst case scenario where trade unions lost revenue temporarily as a result of members needing to switch to alternative means of paying their subscriptions, they would likely be able to use their general funds to withstand any shortfall in revenue. Furthermore only four small and micro sized trade unions reported negative balances in their general funds (with the remaining not reporting either way), with these only accounting for around 9,500 members in total (roughly 8,500 of this group are from the same trade union, ‘Workers of England Union’), which is a statistically small overall percentage of total trade union members in the public sector, 0.24%.

### **Consideration of a Small and Micro Business Exemption or other mitigation**

137. As mentioned above, the purpose of this legislation is to ensure that publicly funded employers do not provide check-off services which place a cost burden on the taxpayer. This means that exempting small and micro public sector authorities or trade unions would not achieve the aims of this legislation.



## Impact on Families

138. The government recognises the importance of safe, secure and nurturing relationships to the quality and enjoyment of peoples' everyday lives. Healthy and strong family relationships are also recognised as an important component of individual, community and national wellbeing. Since 2014, all new legislation needs to complete the Family Test in order to ensure that any new policies do not adversely affect families and family life.
139. Restricting check-off in the public sector will not adversely affect family formation or family life. Putting in place arrangements whereby unions reimburse employers for providing check-off will not impact upon parenting, or other caring responsibilities, or have an adverse effect during periods of separation or family deterioration.
140. Similarly, families going through significant life events will not be adversely impacted. In the event that an employer removes check-off, it is expected that they will work with the affected union(s) to ensure a reasonable transition period will be place to assure that adequate notice is provided for union members to make a switch, which, even during more challenging periods of a family's life or during periods away from the workplace, will be adequate time to switch to direct debit. Switching to direct debit requires the completion of a direct debit form, which only takes a few minutes and, in many cases, can be completed online, or on a mobile phone, where the member wishes to do so.

## Equality Impact Assessment

141. The Act will not impose costs directly on individuals. As above, there will be some reasonable costs on trade unions, however these will not be of a scope likely to have serious financial or material impact on the relationship between a trade union and its members.
142. Since it is expected that Trade Unions will be required to pay, on average, 2.81% to employers, unions may choose to pass this cost onto union members in the form of higher fees. It is difficult to conclude for certain how frequently this may happen, and how much of a cost will be passed on to individual Trade Union members. It is unlikely that this would occur immediately as a direct result of the regulations being introduced, and is more likely to form part of trade union decisions about annual membership fee rises, making it difficult to determine the actual impact of these regulations.
143. Section 15 of the Act will create procedural change in the operations of trade unions, in the public sector only, as they will be required to make reasonable payments for the check-off services they receive.
144. Under circumstances where the public sector employer ceases to provide check-off, members will have consumer protection for their payments under the Direct Debit Guarantee, for those switching to direct debit, and be able to better manage their finances as they will be legally entitled to 10 working days' notice of any change to the amount, date or frequency of the payment, something which was withdrawn from check-off in 1998.
145. In such instances, certain protected groups may experience the procedural changes of the removal of check-off more than others; and some may benefit from the positive effects of moving to direct debit, as mentioned above, with more frequency. Due to the benefits of direct debit, we believe that, overall, these changes are not significantly detrimental to any union members, and so there are no significant adverse equality impacts.

146. A full equality analysis can be found in the published Trade Union Bill Equality Impact Assessment (September 2015 - prior to Royal Assent), as section 15 (restriction on check-off) of the Act also relates to the same public sector workforce.

## Policy Review

147. Section 15 of the Trade Union Act (restriction on the deductions of union subscriptions from wages in the public sector) will require policy review in May 2027. At this time, the Regulations will have been in force for three years. This should provide sufficient time and information to assess whether the intervention has met the policy intent. This will also enable a more detailed analysis of employers' experience and the associated costs and benefits including the cost to trade unions as a result of the Regulations.
148. The review will likely include a comparison of any updated data available from any future Management and Wellbeing Practices Survey, or similar reports, as well as the Certification Officer's report. In addition, the review should seek to engage relevant public sector employers and Trade Unions for any further data or experiential insight. This will enable the Government to reach those organisations in scope and impacted by the Regulations, while keeping the burden on those organisations to a minimum.

## Preferred option summary and implementation

### Summary

149. Through legislation, it is the intention of the Government to ensure that there is a consistent approach to check-off across the public sector that represents choice for members and value for money to the taxpayer.

150. The Impact Assessment identifies significant benefits of the policy over the longer term. These amount to an annual saving of £1,415,340 and a present total value of approximately **£12,183,000** over 10 years (based on 2020 base year / 2019 price year). The cost of introducing the regulations amounts to a present total value of approximately **£17,036,000** over 10 years (based on 2020 base year / 2019 price year). Of these, the costs to businesses equate to approximately **£15,352,500**, and so overall the regulations achieve a significant saving for the public sector, and therefore the taxpayer, meeting the policy aim.

### Summary Tables

<b>NPSV</b>	<b>2020 Base Year</b>
<i>Total Costs</i>	£17,036,500
<i>Total Benefits</i>	£12,183,000
<i>Net Impact</i>	-£4,854,000

<b>Business NPV</b>	<b>2020 Base Year</b>
<i>Total Business Costs</i>	£15,352,500
<i>Total Business Benefits</i>	£0
<i>Net Total Business Impact</i>	-£15,352,500

<b>EANDCB</b>	<b>Annualised</b>	<b>2020 Base Year</b>
<i>Direct Business Costs</i>	£2,049,500	£1,783,508
<i>Direct Business Benefits</i>	£0	£0
<i>Net Direct Cost to Business</i>	£2,049,500	£1,783,508

### Implementation plan

151. Following the laying of the regulations for section 15 of the Trade Union Act, the affected public sector employers will be notified and given approximately 6 months to align their existing check-off arrangements with the legislative requirement. This will provide adequate time for public sector employers to consult with their trade unions to establish a reasonable cost for providing check-off and to put an appropriate charging mechanism in place. In the event that a charging arrangement is not agreed this will also provide ample time in which trade unions are able to transfer their members to other payment methods.

152. In addition, the Cabinet Office will provide employers with guidance to assist with the transition and ensure a consistent approach to calculating any reasonable costs that need to be reimbursed.

## Annex A - Scope of the regulations: Number of public sector organisations affected

The precise number of public sector bodies changes as bodies are closed and/or new ones introduced. The figures in this table should therefore be treated as estimates, most accurate as of June 2023.

<b>Government departments</b>	
<i>Ministerial and Non-Ministerial (22 Ministerial and 20 non-Ministerial)</i>	44 <sup>22</sup>
<b>Public bodies</b>	
<i>As individually listed in the Regulations</i>	178
<b>Education</b>	
<i>Number of State Funded Schools in Scotland</i>	5,067 <sup>23</sup>
<i>Number of State Funded Schools in England</i>	22,060 <sup>24</sup>
<i>Number of Higher Education Institutions in Scotland</i>	15 <sup>25</sup>
<i>Number of Higher Education Institutions in England</i>	122 <sup>26</sup>
<b>Local authorities</b>	
<i>Local Authorities (England)</i>	317 <sup>27</sup>
<i>Local Authorities (Scotland)</i>	32 <sup>28</sup>
<b>Police</b>	
<i>Police services in England</i>	39 <sup>29</sup>
<i>Police services in Scotland</i>	1 <sup>30</sup>

<sup>22</sup> <https://www.gov.uk/government/organisations>

<sup>23</sup> <https://www.gov.scot/publications/summary-statistics-for-schools-in-scotland-2022/documents/>

<sup>24</sup> <https://explore-education-statistics.service.gov.uk/find-statistics/school-pupils-and-their-characteristics#dataBlock-728f77fd-17bd-47a0-85ae-da25fe2f4855-charts>

<sup>25</sup> <https://explore-education-statistics.service.gov.uk/data-tables/permalink/76be857b-fbd6-468d-4496-08db462637b8>

<sup>26</sup> <https://explore-education-statistics.service.gov.uk/data-tables/permalink/76be857b-fbd6-468d-4496-08db462637b9>

<sup>27</sup> <https://www.gov.uk/guidance/local-government-structure-and-elections#full-publication-update-history>

<sup>28</sup> <https://www.gov.scot/policies/local-government/>

<sup>29</sup> <https://www.gov.uk/government/statistics/police-workforce-open-data-tables>

<sup>30</sup> <https://www.scotland.police.uk/about-us/>

<b>NHS</b>	
<i>Integrated Care Boards</i>	42 <sup>31</sup>
<i>NHS Trusts</i>	214 <sup>32</sup>
<i>NHS Boards (Scotland)</i>	14 <sup>33</sup>
<i>Special health authorities</i>	4 <sup>34</sup>
<b>Other</b>	
<i>National Park Authorities</i>	12 <sup>35</sup>
<i>Fire and rescue authorities/services</i>	46 <sup>36</sup>
<b>Total</b>	<b>28,207</b> <b>(Rounded to 28,000 for the purposes of this Impact Assessment)</b>

<sup>31</sup> <https://www.england.nhs.uk/publication/integrated-care-boards-in-england/>

<sup>32</sup> <https://www.england.nhs.uk/publication/nhs-provider-directory/>

<sup>33</sup> <https://www.scot.nhs.uk/organisations/>

<sup>34</sup> <https://www.gov.uk/government/organisations>

<sup>35</sup> <https://www.nationalparksengland.org.uk/home/how-we-work>

<sup>36</sup> <https://www.nationalfirechiefs.org.uk/fire-and-rescue-services>