



**CEC Financial Proposal to**

**Congress 2025**



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**GMB CONGRESS 2025**

**CEC SPECIAL REPORT**

# Financial Proposals Congress 2025

The financial statements of GMB for 2024 confirm that once again, the CEC has successfully delivered an operating surplus. Income has increased, expenditure has been well managed and the Union's asset base has strengthened.

Membership continued to grow in 2024, with an increase of over 9,000 grade 1 and grade 2 members. However, despite this growth, income for the year remained below 2020 levels. Encouragingly, membership growth has continued into 2025 and we have introduced new initiatives aimed at re-engaging former members.

While we have budgeted for a modest surplus this year, the CEC are also mindful of the significant challenges that lie ahead. Our costs have risen significantly and although we have worked hard in recent years to reduce expenditure without compromising the service we provide to members, we, like all organisations, have suffered from the recent increases in National Insurance and energy.

Although the UK is not currently in recession, recent developments, such as the introduction of Trump-era tariffs, have increased the risk of an economic downturn in 2025. Growing concerns about workplace closures and potential job losses underline the seriousness of the situation.

In deciding whether to recommend an increase in contributions, the CEC carefully considered both the challenging economic climate and the need to maintain a level of income that supports the delivery of a high-quality service to our members. Following thorough deliberation, the CEC concluded that a contribution increase is necessary in light of increasing costs. However, conscious of the importance of keeping union membership affordable, the CEC is proposing a below-inflation increase: an additional 7p per week for grade 1 members and 2p per week for grade 2 members. Combined with continued tight control of expenditure, this increase would help ensure we can continue to meet the needs of our members effectively and sustainably.

The CEC has reviewed the contribution for retired membership. This was formerly up to £40 per year, but the charge was removed in 2015. As a result, many members were reclassified as retired life members without them taking an active decision to remain involved in the Union. This led to a disproportionate increase in retired membership numbers.

The CEC believes that reintroducing a nominal weekly fee for current and future retired membership would allow the Union to rebalance membership numbers and to ensure the retention of those who have an active interest in the Union. The CEC propose to reintroduce a fee at the rate of 25p per week.

The CEC believes that certain aspects of the Rules for Union Funds and Regional Funds are outdated and should be revised to align with current practices.

There is provision for a Central Fund, raised by way of levy on the Regions, and from which officer costs will be met. The manner in which GMB collects contributions means the concept of the Central Fund is no longer appropriate and indeed it is no longer in existence. Income is now divided between National Office and Regions based on an agreed formula which ensures cash resources are available as and when required. The CEC seek to remove the Central Fund from Rule and instead introduce to Rule the General Fund, which

is the principal Fund of the Union and through which the day-to-day business of the Union is transacted.

Regions have been responsible for setting their own annual budgets, subject to CEC approval, for many years. All hold investments in growth funds which are included in their balance sheets. The CEC seek to write this into Rule.

The CEC believes that creating dedicated Regional Funds would allow Regions to advance the Union's aims and objectives beyond the constraints of the standard budgetary system. They would give Regions the opportunity to innovate without the risk of failure impacting their core budgets. These Funds would be financed by income sources other than member contributions, remain the property of the Union and be reported in the Union's financial statements.

Finally, the CEC has proposed changes to the Rules governing Regional Member Auditors and audits in order to provide greater clarity and to ensure alignment with statutory requirements.

Introducing into Rule a formal review process and reappointment requirement would prevent our Statutory Auditors and Assurers from remaining in office by default, requiring members to take active steps to confirm their reappointment.

The CEC is recommending the following Rule Amendments:

#### **CECRA24 Rule 45, Clause 1**

**Line 3: Delete “£3.42”, Insert “£3.49”**

**Line 8: Delete “£1.95”, Insert “£1.97”**

**Line 10: Delete “£3.43”, Insert “£3.50”**

**Line 11: Delete “£3.42”, Insert “£3.49”**

**Line 16: Delete “£1.96”, Insert “£1.98”**

**Line 17: Delete “£1.95”, Insert “£1.97”**

**Clause will now read:**

1       Once they join the union, members will pay a contribution in line with this rule.

Members who joined before 1 March, 2018 and all members in Northern Ireland will pay £3.49 a week and be classed as grade-1 members, unless they are:

- part-time members employed for 20 hours or less;

- young people under 18; or
- recruited as being unemployed;

in which case, they will pay £1.97 a week and be classed as grade-2 members.

Members who join on or after 1 March, 2018 will pay £3.50 a week if they opt in to the political fund and £3.49 if they do not, and be classed as grade-1 members, unless they are:

- part-time members employed for 20 hours or less;
- young people under 18; or
- recruited as being unemployed;

in which case, they will pay £1.98 a week if they opt in to the political fund and £1.97 if they do not, and be classed as grade-2 members.

Grade-2 members can choose to pay the contribution rate for, and be classed as, a grade-1 member.

The above grades are only used for deciding what contributions members should pay and the benefits they may receive.

## **CECRA25 Rule 45, Clause 2**

**Line 3: Delete “£3.42”, Insert “£3.49”**

**Line 4: Delete “£1.95”, Insert “£1.97”**

**Clause will now read:**

- 2 Branch committees will have the power to fix the amount lapsed members (members who joined but later stopped paying contributions) need to pay to rejoin. This amount will be between £3.49 and £10 for grade-1 members, and between £1.97 and £5.50 for grade-2 members, except in particular circumstances when we may increase the amount with the approval of the regional committee.

## **CECRA26 Rule 47a**

**Delete existing rule and replace with the following:**

### **Rule 47a Retired Members**

- 1 When retiring permanently from paid work, people who have been members for at least five years and who want to stop paying contributions under rules 45 and 46 may apply in writing to become retired members of the union. Until their application for retired membership has been accepted, members will continue to pay their contributions in line with rules 45 and 46.
- 2a With effect from 1 July 2025 all current retired life members will pay 25p per week. If a member retires on or after 1 July 2025, they can apply for retired membership within three months of no longer paying contributions in line with rules 45 or 46, and will instead pay 25p per week.
- 2b If the member owes contributions on the date their application is accepted, they will need to pay them. If they fail to do this, the member's name will be taken off the books and they will lose all the contributions they have made.
- 3 A retired member will be a financial member within rule 45.4, and may be a full financial member.
- 4 A retired member will not be eligible for any benefits we provide, except the following. a Legal assistance under rule 26, as long as they:
- are 60 or over;
  - have been a member for 10 years; and
  - are registered by the union as a retired member.
- If they meet these conditions, they will not need to pay any additional contributions while we are dealing with a legal claim on their behalf. b Funeral benefit under Rule 53.

- 5 Where this applies, the contributions a retired member pays under rule 18.2 will depend on their grade on the day immediately before the date their application for retired membership was accepted under this rule.
- 6 If a retired member returns to paid work, they will no longer be a retired member and will start to pay contributions in line with rule 45. We will refund the lump sum they paid if they became a retired life member before July 1, 2015.

## **CECRA27 Rule 27**

**Delete existing rule and replace with the following:**

### **Rule 27 Union Funds**

- 1 All money, property or costs recovered and received or retained by any part of the Union will belong to the Union, and will be vested in the General Trustees of the Union, who shall act on the directions of the Central Executive Council as set out in Rule 16.
- 2 The funds of the Union will be held in one or more banks as specified by the Central Executive Council. The Central Executive Council can choose to hold part of the funds in any other bank or in any way and in any part of the world as it feels is appropriate.
- 3 The Central Executive Council will have the power to direct the use of the Union's funds in any way it considers necessary and appropriate.
- 4 The principal fund of the Union will be a General Fund to be used for the purpose of protecting members and supporting them in seeking to achieve the Aims and Objectives of the Union in their workplaces, and for the general management of the Union.
- 5 The Central Executive Council will finance the General Fund from contributions from members and in any way it considers necessary.
- 6 The Central Executive Council will give directions as to how all financial transactions on behalf of the Union will be authorised and the signatory requirements for any bank mandate held by any part of the union.

## **CECRA28 Rule 28**

**Delete existing rule and replace with the following:**

### **Rule 28 Regional Funds**

- 1 In accordance with regulations determined from time to time by the Central Executive Council:
  - each Region will be responsible for setting an annual budget, subject to the endorsement of the Central Executive Council;
  - each Region may own an investment in a Regional Growth Fund, held in the name of the General Trustees and operated in accordance with guidance agreed by the Senior Management Team.
  - other investments within the Region, including the Regional Growth Fund, will be included in the Region's balance sheet.
- 2 A Region can use its funds in order to pay any necessary expenses connected with the management of the Region, and shall retain any surplus from its funds.
- 3 Each Region may establish dedicated Regional Funds, which may include a Dispute Fund and a Legal Fund, to further the aims and objectives of the Union, in accordance with such directions as may from time to time be given by the Central Executive Council, in order to ensure the management of the Union in such a way that reflects, respects, and enhances its Regional structures. Each fund will have its own bank account, to be held in a bank account as specified in accordance with rule 27.
- 4 Regional Funds cannot be used to pay any benefits otherwise provided in these Rules.
- 5 As provided in Rule 10.7 and Rule 27.1, all funds and assets of the Union belong to the Union and must be included in the Union's financial statements.

## **CECRA29 Rule 25**

**Delete existing rule and replace with the following:**

### **Rule 25 Regional Member Auditors**

- 1 The Regional Council will elect no less than two Regional Member Auditors every four years. The Regional Member Auditors:
  - will not be eligible to be elected to the Regional Committee; but
  - will be eligible to be elected to the Central Executive Council and if elected may not continue to hold office as a Regional Member Auditor.
- 2 The books and accounts of the Region will be examined by two Regional Member Auditors acting together.
- 3 The Regional Member Auditors will have free access on demand to all books and documents they need to carry out their examination, and the Region will provide such access.
- 4 The Regional Member Auditors will present the accounts of the Region at the next Regional Council meeting.
- 5 The Regional Council may remove a Regional Member Auditor from office if they are incapacitated from undertaking their duties.

If there is a casual vacancy amongst the Regional Member Auditors, a new Regional Member Auditor will be elected at the next meeting of the Regional Council and will serve for the balance of the term of office. In the interim period a Regional Committee may appoint a temporary Regional Member Auditor.
- 6 The role of the Regional Member Auditors will be in addition to, and not in place of, the statutory audit required under Rule 29.

## **CECRA30 Rule 29**

**Delete existing rule and replace with the following:**

### **Rule 29 Audits**

- 1 The accounts of the Union will be audited by chartered accountants appointed by the Central Executive Council. The chartered accountants, appointed in



2023, shall be re-appointed each year at Congress and a review process shall be undertaken every 5 years.

- 2 The Union's membership register will be audited by an assurer appointed by the Central Executive Council. The assurer, appointed in 2023, shall be reappointed each year at Congress and a review process shall be undertaken every 5 years.
- 3 The accounts of the Union will be examined by three Union members, who will be elected every four years as General Member Auditors, in accordance with guidance issued by the Central Executive Council under rule 10.16. No Region will have more than one General Member Auditor. The General Member Auditors elected will be the first three candidates from different Regions according to the number of votes cast.
- 4 A General Member Auditor must not be a member of the Central Executive Council, or hold office as a Regional Auditor Member. No employee of the Union may hold office as a General Member Auditor under this Rule.
- 5 The General Member Auditors will have the same access to the Union's books and information as the Auditors appointed have under the Trade Union and Labour Relations (Consolidation) Act 1992.
- 6 The Auditors appointed under Clause 1 of this Rule and the assurers appointed under Clause 2, may only be removed from office in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992.