



Trade Union Representation

Research into the extent of trade union representation on public bodies and significant voluntary sector boards



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FOREWORD

The Alex Ferry Foundation is just over a year old. An important work plan objective is to bring the philanthropic Foundation sector closer to the trade union movement. Recognising both as key players in maintaining an effective and dynamic civil society. Never has that been more relevant.

The role of trade unionists as sought after and active members of the governance of civil society organisations is both a neglected policy issue and under-researched. Alex Ferry wrote that the *'policy of workers having more say in their own destiny does not confine itself to the actual place of employment. It is much broader than this and calls for representation and power-sharing on all bodies which in some way affect the community as a whole.'* (Gordon Brown (ed) Industrial Democracy and Workers Control 1975)

Trade unions and policy makers have regularly returned to the challenges of creating greater industrial democracy and decentralised power in the UK. This will no doubt have another surge of interest over the coming years of this decade. We hope this report will be a stimulus for more work and more partnerships around these issues.

This report is an examination of the evidence around union member engagement with the governing bodies in both public and civil society. It is of little surprise that the issue has had limited focus over recent years but it is important to have that confirmed across both the UK and wider. The report provides some excellent insight and future direction. It has been a real privilege to work in partnership with our colleagues at Blake Stevenson.

The Trustees have an ambition for the Foundation to develop as a centre for reflection and debate in delivering its mission in partnership with the other Foundations as well as the trade union movement, think tanks and places of further and higher education. We want to advance, through research, the understanding of the relationships between good work and wellbeing. This is one of our early contributions.

Martyn Evans
Chair, Alex Ferry Foundation

Ian Waddell
Director, Alex Ferry Foundation
General Secretary, CSEU

1 INTRODUCTION

Background

The Alex Ferry Foundation is a new grant making charity, which was set up in 2019 with the aim of improving the lives of people who work or have worked in the UK shipbuilding, engineering and related manufacturing industries. It will also support their families and dependants. The foundation was established with the assets from a fund which was established in 1989 by individual members of the Confederation of Shipbuilding and Engineering Unions. The fund was used to support workers who were engaged in industrial action campaign at the time to seek a 35-hour week. The surplus left following conclusion of the campaign has increased in value and those funds have enabled the Alex Ferry Foundation to be set up.

The Foundation is in its start-up phase. In order to inform some elements of its three-year strategic plan, the Foundation has commissioned Blake Stevenson to undertake research to examine the extent of trade union representation (and its impact) on public bodies and significant voluntary sector Boards (including charitable Foundations) across the UK. The focus of this research stems directly from the interests of Alex Ferry himself, who argued for greater involvement of lay members of the trade union movement in both industrial democracy and civil society institutions.

“ We accessed full-text academic reports and articles using the Idox Information Service and a range of academic sources.

Methodology

Literature review

The first stage of our research involved conducting a literature review examining any research already undertaken into the extent of trade union participation in civil society.

In designing the search criteria for the literature review we initially considered sources within the UK. However, we found that there was very little existing research on public sector board representation by trade union representatives in the UK. Much of the literature here is limited to information related to worker representation on company boards. We subsequently expanded our search to international sources and again, much of the literature was limited to worker representation on boards. We were able to find some limited examples of trade union representation on supervisory boards in the EU private sector, but again this tended to be in the form of worker representation rather than in a trustee function.

We accessed full-text academic reports and articles using the Idox Information Service and a range of academic sources.¹ We also supplemented our research through conducting our own web-based literature searches.

Our primary search criteria included research on the extent and impact of trade union representation on public bodies and significant voluntary sector boards (including charitable foundations) across the UK. This mostly returned results detailing the general role played by trade unions, trade union membership trends in the charity sector, overall trade union membership statistics, and worker/employee

¹ Idox provides online access to a range of publications, articles and grey literature on public and social policy and practice in over 30 policy areas including arts, culture and leisure, education and skills, and health and social care.

board representation. We could not identify any literature that specifically addressed representation by trade union members on the boards of charity and third sector organisations. We were able to find general information and statistical data on the rise of union membership throughout the Third Sector. We also found a small amount of information on additional roles or activity that trade union representatives conducted with charities and Third Sector organisations, e.g. becoming trustees, however, this was only in relation to activities conducted outside the course of their employment.

We did not find literature or scholarship on trade union members on public sector boards in the UK. However, we were able to find some examples of public sector bodies in the UK that have elected board members who are also trade union members. These articles were purely factual, only announcing their appointment and did not present any commentary on the merit of electing trade union members onto public sector boards.

When we expanded our search criteria to include international sources, we found some examples of trade union member representation on boards in the EU private sector, namely the coal, iron and steel industries. However, these reports similarly only provided a description of the current legislation governing board member eligibility criteria and did not provide commentary on merit or effectiveness. Instead, we found a much larger body of research and scholarship on the merits of increasing worker representation on boards.

Key stakeholder interviews

We conducted a series of interviews with a small number of selected national stakeholders to explore in depth interviewees' experiences and perceptions of the role that trade union representatives currently play on significant public and Third Sector boards. We also explored the impact it has had, whether there is appetite for/value in expanding this representation, the added value that trade unions could bring to these boards, challenges in realising this potential, and suggestions for future action/promotion.

During this first stage of the research we interviewed four key informants from trade unions, and the charities and foundations sector.

These interviews provided us with valuable contextual background, experiences on the ground, and in some cases interviewees highlighted additional literature sources for us to examine.

Trade Union Representation in the UK

Trade union representation has been considered an intrinsic part of industrial relations in the UK since the 1950s. Workplace union representatives provide a collective voice channel which the workforce can utilise to express concerns relating to their working conditions, pay, training requirements and health and safety.²

Some also view union representation as providing potential benefit to employers. If employers are able to effectively address the collective concerns raised by their employees through union representatives, this may increase levels of employee engagement, thereby improving morale and helping to deliver sustainable economic growth.³

In more recent years, trade union membership levels in the UK have been on the rise. The number of employees who were trade union members rose by 103,000 on the year to 6.35 million in 2018. This was the second successive annual increase in employee union membership levels following the fall to the series low of 6.23 million in 2016. The proportion of employees who were trade union members also rose slightly on the year to 23.4% in 2018, from 23.3% in 2017.⁴

Trade union memberships in the public sector are rising while private sector membership has decreased. The number of public sector employees belonging to a trade union increased by 149,000 on the year to 3.7 million in 2018, whilst private sector membership levels fell by 47,000 to 2.65 million, over the same period. The proportion of employees belonging to a trade union in the public sector increased to 52.5% in 2018 from 51.9% in 2017, compared to a fall of 0.3% to 13.2% in the private sector.⁵

2 <https://warwick.ac.uk/fac/soc/wbs/research/irru/wpir/wpir101.pdf>

3 Enhancing employment through employee engagement <<https://dera.ioe.ac.uk/1810/1/file52215.pdf>>

4 Department for Business, Energy and Industrial Strategy (2018) Trade Union Membership Statistics

5 Department for Business, Energy and Industrial Strategy (2018) Trade Union Membership Statistics



2 PRIVATE SECTOR BOARDS

Our research did not identify any literature or scholarship related to trade union representation on boards for private sector entities in the UK. However, we were able to find some examples of trade union member representation on boards in the EU private sector, namely the coal, iron and steel industries. Our research found descriptions of the current legislation governing board member eligibility criteria, however, we were unable to find commentary on the merit or effectiveness of trade member representation. We found a much larger body of research and scholarship on the merits of increasing worker representation on boards.

In 12 of the EEA countries, there is no formal legal framework for board-level employee representation. This is the case for Belgium, Bulgaria, Cyprus, Estonia, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Malta, Romania and the United Kingdom. In these countries, board-level representation arrangements are the result of voluntary agreements or choices made at the company level. These may include agreements entered into between workers, trade unions and management, structures chosen for the company in the articles of association of the company, a decision by the shareholders at the general assembly, or a decision by the board itself.

German Co-determination

Co-determination is rooted in the tradition of German corporate governance and aims to facilitate equal participation of shareholders and employees in a firm's decision making, complementing the economic legitimacy of a company's management with a social one. It has existed in its current form since the Co-determination Act of 1976. Co-determination allows for employees to participate in two ways: the first is through the work council ("Betriebsrat", establishment or "shop-floor"

level), and the second through the supervisory board ("Aufsichtsrat", company level).⁶

Under German co-determination law, companies are required to have an executive board, composed of executives and chaired by the CEO, and a supervisory board, composed by non-executives, which are shareholder and employee representatives (including union representatives). For companies employing more than 2,000 employees and for companies in the coal, iron and steel industries, some of the company's workforce seats on their supervisory boards are reserved for external trade unionists, i.e. representatives from the industry union(s) who are not employed in the company. In companies with between 2,000 and 10,000 employees, there are six employee representatives – four company employees and two external union members; in companies with 10,000 to 20,000, there are eight – six company employees and two external union members; and in companies with more than 20,000 there are 10, including seven employees and three external union members.⁷ All employee representatives are voted for by the company's German staff; voting is either directly for candidates or by electing a delegate assembly. The remaining 6-10 members are voted on by shareholders and represent investors with a stake in the company.⁸ Typically one of the external union representatives will be the vice-chair of the supervisory board.

6 Bennet Berger and Elena Vaccarino (2016) Codetermination in Germany – a role model for the UK and the US?, Bruegel, <<https://www.bruegel.org/2016/10/codetermination-in-germany-a-role-model-for-the-uk-and-the-us/>>.

7 L. Fulton (2015) Worker representation in Europe, Labour Research Department and ETUI.

8 http://highpaycentre.org/files/workers_on_German_boards.pdf

The German supervisory board system typically functions more smoothly in workplaces with more homogenous union representation. One successful example is the IG-Metall union, where union representatives commit to pay 90 per cent of their board fee back to the union in order to pay for training and support to back up the employee representatives. In German banks, where union membership is weaker and there are a number of smaller, pro-management unions, the relationship between union representatives and other board members is more challenging. The system of collective agreements on pay is also weaker and employee representatives can be more hostile towards the union representatives. Union representatives believe this clash is due to employee representatives not wanting to vote against management, whereas external union representatives vote differently as they look beyond the company, at the sector and wider society.⁹

9 High Pay Centre (2013) Workers on Boards: Interviews with German Employee Directors, Friedrich Ebert Stiftung, <http://highpaycentre.org/files/workers_on_German_boards.pdf>.

Other EU Countries

In Luxembourg, the iron and steel industry allows for representation by non-employees, including trade union representatives, to be elected. The three most representative national unions have the right to directly nominate three board-level employee representatives, even if they are not represented within the company.¹⁰

In the Slovak Republic, legislation provides for the representation of employees at supervisory board level in both state-owned and private companies. In state companies, irrespective of size, employees have the right to half the seats on the supervisory board, excluding the chair. Employee members are elected by and from among the employees. Where there is a trade union in the company, it has the right to appoint one of its members as one of the employee board-level representatives.¹¹

10 Aline Conchon (2011) Board-level employee representation rights in Europe: Facts and trends, European Trade Union Institute (ETUI), Report 121.

11 L. Fulton (2013) Worker representation in Europe, Labour Research Department and ETUI.



Worker Representation

In the Nordic countries, employee representation is only entered into if employees or the local trade unions have an interest in this. In Denmark, the trade unions and/or the employees must request representation, backed by support from the majority of all employees from a yes/no ballot. In Finland, representation must be requested by two personnel groups representing a majority of the employees. In Norway, for companies with more than 200 employees, representation must be requested by a majority of employees.

The Netherlands has another system again – representatives must have no connections to the workers of the company. This rules out employees and trade unionists engaged in collective bargaining with the company. The representative would be an external person with a special interest in or qualification for discussing issues of interest to the employees at the board-level.¹²

The Irish Think-tank for Action on Social Change (TASC) published a report in 2012 on worker board participation in Ireland, which included interviews with worker board representatives, other board members, company executives and independent experts. Interviewees reported

that they felt the contribution made by worker representatives was extremely positive, as they act as a two-way conduit for information in times of conflict. They emphasised the importance of having a contrary voice on the board in conjunction with the need to avoid groupthink and promote diversity. Most worker representatives engaged in the study were not union representatives, and some interviewees highlighted the need to ensure that the roles of trade union officials and worker representatives are properly understood and delineated in order to avoid the potential for conflict.¹³

A study based on interviews with worker board representatives in 13 European companies painted a picture of worker representatives contributing to the way in which decisions are made and ‘the formation of a more balanced corporate strategy’. Examples include where a worker representative recognised the risks of a merger strategy and had combined with some of the shareholder representatives to defeat the proposal; and where a worker representative argued against plans for outsourcing, citing issues with exchange rates and other market factors that turned out to be right, successfully convincing shareholder board representatives to reject the plans.¹⁴

¹² Natalie Videbæk Munkholm (2018) Board level employee representation in Europe: an overview, Directorate General for Employment, Social Affairs and Inclusion, European Commission.

¹³ https://issuu.com/tascpublications/docs/worker_directors_final130712

¹⁴ Michael Gold (2011) ‘Taken on Board’: An evaluation of the influence of employee board-level representatives in company decision-making across Europe, *European Journal of Industrial Relations* 17(1).

3 PUBLIC SECTOR BOARDS

We did not find literature or scholarship on trade union members on public sector boards in the UK. However, we were able to find some examples of public sector bodies in the UK that have elected board members who are also trade union members. We were, however, only able to find news articles announcing their appointment. The articles did not present commentary on the reason behind electing a trade union representative, nor the merit of electing trade union members onto public sector boards.

We were able to find some scholarship on the eligibility of representatives from outside the organisation, including trade union representatives, to be appointed onto the boards of public bodies in the EU. However, the available literature is narrow and does not provide information on the intention behind the appointment of trade union representatives, or whether it is widely practiced.

Examples of Public Sector Organisations in the UK with Trade Union Representative on Boards

Transport for London

In 2016, London Mayor Sadiq Khan made the decision to allow Transport for London to appoint a union representative onto its board. This would be the first time that the organisation's board has accommodated a union member since Bob Crow was appointed to the board by Ken Livingstone. Board members for Transport for London are legally barred from representing external interests so the appointed union representative is unable to speak or vote on issues regarding unions, possibly including staffing.¹⁵

¹⁵ <https://www.standard.co.uk/news/mayor/sadiq-khan-under-fire-for-giving-unions-seat-on-tfl-board-a3337961.html>

Bank of England

In 2019, Frances O'Grady, head of the Trades Union Congress (TUC), was appointed to the board of the Bank of England. Her appointment is not the first instance of a union representative being included in the organisation's board. Ms O'Grady replaced Dave Prentis, head of UNISON, who sat on the board for a seven-year term.¹⁶

The Health and Safety Executive

The General Secretary of the Accord Union, and the Head of Organisation and Services in the TUC, Head of Organisation and Services in the TUC are all board members of the The Health and Safety Executive.

Low Pay Commission

The Low Pay Commission played an important role in establishing the credibility of the minimum wage. Their input was seen as credible and evidence-based. They continue to effectively negotiate the level of the minimum wage each year, liaising effectively between employer bodies and other parts of the public sector. Board members include a former Assistant General Secretary of the TUC; the Head of Rights, International, Social and Economics at the Trades Union Congress; and another board member had 30 years' experience as a senior national trade union official, first with Prospect and then the Communications Workers' Union.

¹⁶ <https://www.telegraph.co.uk/business/2019/05/31/hammond-names-tuc-chief-francis-ogrady-bank-england-board/>

Trade Union Congress membership of boards

In its 2020 Directory, the Trade Union Congress (TUC), lists a number of UK and other significant public bodies that have TUC members in their boards. These are listed as:

- Acas
- Advisory Panel on Consumer Prices
- Cedefop
- Council of City and Guilds
- Court of Directors, Bank of England
- Ethical Trading Initiative (ETI) Board
- Financial Reporting Council's Stakeholder Advisory Panel
- Health and Safety Executive
- Industrial Injuries Advisory Council
- Low Pay Commission
- National Employment Savings Trust Members Panel
- National Employment Tribunals User Group
- Pensions Regulator's Advisory Panel
- Scottish Union Learning Fund Board
- Steering Board of the UK National Contact Point for the OECS Guidelines for Multinational Enterprises
- Strategic Transport Apprenticeship Taskforce

However, this list is not considered to be comprehensive and feedback indicates gaps in information relating to TUC representation on public boards.

Stakeholders we consulted identified some public bodies which they felt should have trade union representation on their boards but do not currently. These included the BBC, Joseph Rowntree Foundation and Carnegie UK Trust. One stakeholder also felt there was a case for anchor voluntary organisations to have trade union representation on their boards.

EU Countries

There are few other countries in the EU that allow a representative to be appointed from outside the organisation in the public sector, including the appointment of trade union representatives. It is more common in the private sector.

In Sweden, there are some examples of trade union representatives being nominated to advisory boards for the Swedish public sector. These advisory boards are also called advisory committees and are comprised of between five to nine members. They assist the Director-General in making decisions about the agency and offer insight into the public agency's performance. The Swedish National Board of Health and Welfare's advisory board has seven members, which include three national trade union representatives, two representatives for private care providers, one Member of Parliament, and one local government politician.¹⁷

In Poland, Croatia, and Spain, there is no formal legislation on who is eligible for election for board level employee representation. For Spain in particular, there is no general statutory right to workers' representation at board level, however, there is power for minority union representation on the boards of public sector companies with more than 1,000 employees or for the establishment of monitoring and information committees with equal representation of the unions and employers. In the case of representation at board level, the two most representative unions can nominate one member each. However, in practice, there are currently relatively few public sector companies that have union representatives at board level. In 2006, legislation was passed for the two major union confederations in Spain to have one representative each on the board of the Spanish state TV and radio company RTVE.¹⁸

17 Mariano Lafuente and Ngan T. Nguyen (2011) Studying the use of public sector boards for enhancing ministry-agency coordination and agencies' performance in select OECD countries, The World Bank Working Paper Series on Public Sector Management.

18 L. Fulton (2015) Worker representation in Europe, Labour Research Department and ETUI.

4 CHARITIES AND FOUNDATIONS

Charity and the Third Sector Industrial Action

In the UK, industrial action in the voluntary and charity sector has been historically low, primarily due to the hard-working workforce being motivated by the social mission of their job as much as their working conditions and remuneration. However, following the economic downturn post-2008, union membership and recognition became more heavily concentrated in the voluntary sector.¹⁹ By the latter half of 2010, 22% of voluntary organisation employees were members of a trade union, as a result of a surge of 7% increase in 12 months.²⁰

More recently there has been movement by Third Sector workers to follow in the footsteps of public sector industrial action to push back against wage restraints.²¹ Third Sector staff, like any other workforce expect to be rewarded with decent wages and conditions. However, unlike other sectors, the Third Sector has been relatively patient, until now. Union representatives have stated that they are fed up with excuses coming from charities over wage rises that barely touch the cost of living.²² One prime example is the unprecedented bid by Unison to force a social care provider employer to back down after it ended its voluntary recognition deal with the union in late 2018 after 24 years, in response to their proposed pay deal being rejected by 92% of workers.²³

However, there are some voices within the Third Sector that are concerned about the continued rise of trade union membership in the sector. Some are concerned that the move towards increased unionisation, with the possibility of industrial action, could be so significant that it could threaten the ethos of the sector, “the third sector should be where you work because you have a passion and it reflects your values...if you lose that passion and values, it just becomes a service provider, it doesn’t have a function any longer”. The Deputy Chief of the Association of Chief Executives of Voluntary Organisations has also voiced concerns regarding the relationship between charity sector bosses and unions, “my door is open, but I won’t just welcome the unions in on their terms, they have to show a genuine appreciation of the work that we do in the third sector”.²⁴

Union activity beyond the workplace

In 2009, the TUC commissioned a survey of union representatives to identify and understand what sorts of community and campaigning activity union representatives had undertaken outside their own workplaces and their motivations for doing so.

The survey asked respondents about the campaigns that they have been involved in beyond the workplace, including both union based and non-union based activities. Results showed that each union representative was, on average, involved in two campaigns external to their own workplaces, which is considerably more than members of the general populace. When asked about the types of campaigning they were involved in, the most common response

19 <https://warwick.ac.uk/fac/soc/wbs/research/irru/wpir/wpir101.pdf>

20 <https://www.theguardian.com/voluntary-sector-network/2010/dec/06/trade-unions-job-worries>

21 Third Force News (2019) Storm warning: trade unions and the third sector <<https://thirdforcenews.org.uk/blogs/storm-warning-trade-unions-and-the-third-sector>>

22 Third Force News (2019) Storm warning: trade unions and the third sector

23 Third Force News (2018) EXCLUSIVE: care charity rips up union recognition <https://thirdforcenews.org.uk/tfn-news/exclusive-care-charity-rips-up-union-recognition>

24 <https://www.theguardian.com/voluntary-sector-network/2010/dec/06/trade-unions-job-worries>

was campaigns relating to disability or health issues, the environment, as well as those tackling racism and the far right. Other responses included campaigns involving women's issues and anti-war work.²⁵

The survey also asked respondents whether they hold similar lay positions in wider civil society that formalise their involvement and activity or provided them with leadership roles in these capacities. The results showed that 8% of respondents were school governors, 5% were trustees or members of the governing body of a local organisation, 1% were Justices of the Peace or Magistrates, 19% were volunteers in local community organisations like sports or youth clubs, and 10% were involved in other forms of civil activism. A number of respondents played more than one role or took part in more than one activity.

Trade councils are an important aspect of overall union movements. There are currently 129 councils registered with the TUC, with over half reporting being active in their local communities or working with local affiliated union branches. However, 27% of respondents responded that they did not know what a trade council was or did, and 11% reported that there were no local trade councils in their area. Many representatives reported that they play little or no active role in their local trade council, with only 15% being active in their local body, and 9% reporting that another union representative in their workplace was delegated to attend the trade council.

²⁵ <https://www.tuc.org.uk/sites/default/files/extras/unionsinthecommunity.pdf>

Call for more diversity on public and voluntary sector boards

James Fitzpatrick, Director of the Joseph Levy Foundation, writing in a paper for The Association of Charitable Foundations (ACF) in November 2018, noted that trusts and foundations had a diversity deficit.²⁶ In this paper he went on to note that this diversity did not just relate to “things you might be able to see – e.g. race, ethnicity, gender, age, disability” but that it also related to class, sexuality, life experience or way of thinking. This lack of diversity was seen as a failing of the sector that needed to be addressed and the paper was a call to action for improvements to be made.

Another paper published by the ACF referred to its Stronger Foundations initiative through which it consulted the foundation sector on board representation. These consultation events attracted a high level of interest and discussions held recognised the progress that the sector still needs to make to improve diversity on its boards. Self-examination, collaboration and a willingness to look critically at practice and creatively towards solutions were considered to be key to this progress.²⁷

²⁶ <https://www.acf.org.uk/news/foundation-trustee-boards-the-good-the-bad-and-the-data>

²⁷ <https://www.acf.org.uk/news/stronger-foundations-provocation-trusts-and-foundations-have-a-diversity-deficity>

5 CONSIDERATIONS AND CONCLUSIONS

The purpose of this research was to explore the extent of trade union representation on public bodies and significant voluntary sector boards (including charitable foundations) across the UK. The literature review undertaken by us and summarised earlier in this report shows that there are still many unknowns in relation to this question and that little research has been undertaken in this area.

Current levels of involvement

Our discussions with stakeholders indicate that trade union members play a significant role on some public and charitable boards but that this is not yet significant or widespread enough. Feedback suggests this may be stronger in the regions (Scotland, Wales, Northern Ireland) than in England.

Some of the stakeholders we consulted spoke of never having seen anyone invited onto a board of a foundation because of trade union expertise (if they are on it, it is due to other things) and others were able to cite only a small number of examples of worker representation, for example, Lloyds Bank Foundation which has bank employees on the board, and Children in Need which has several board members who are BBC employees.

There is a strong sense that trade union members' involvement in civic society more widely is likely to be extensive. There tends to be a correlation between being civically involved at work and in your local community. However, there is no substantive data on this – activity levels are largely unknown and unmapped currently. Stakeholders identified this as a gap that should be addressed.

In addition, some stakeholders were concerned about the level of appetite for increased trade union representation on significant public sector boards and foundations, and indicated that the direction of travel is not necessarily a positive one. Some stakeholders believed that there may be less appetite currently for trade union representation on significant public sector boards than has been the case historically. Others felt that, particularly in relation to the foundations sector there may be some appetite for change.

Appetite for change

Whilst the stakeholders we consulted were in agreement that trade unions need to be seen as a key part of civic society they were also in agreement that they are not widely considered to be so currently. All agreed that this could and should become an attractive prospect.

They highlighted the need for trade unions to establish a role of “trusted partner” – with people understanding their value in this respect. However, they also were able to identify challenges in achieving this (we return to these later in this chapter).

All those we consulted were clear that improved diversity on public sector and foundation boards was desirable. Some went as far as to note that ideological diversity particularly should be improved on boards – but noted that there are rarely calls for that to happen.

One stakeholder described a “crisis of legitimacy” that was sweeping across foundations with many of them reflecting on what they do and their relevance to the community they work with.

In this climate, this stakeholder believed that the legitimacy and effectiveness of some foundations could be strengthened by union representation in three ways:

- Foundations focused on employment issues like automation, or left behind areas, would benefit from having expertise and perspective from union representatives.
- Foundations with a geographical focus could value union representation from the workforce in that area.
- Foundations generally have board members with significant experience of leading organisations and the business elements but rarely have members with a lived experience of the issues they might want to address, like low wages or zero contract hours. Union representation would again provide the employee experience.

Foundations are also becoming more active in areas where union representatives could provide expertise. For example, some foundations are becoming more active in advocacy roles and activities that mobilise the wider community. Trade union members with experience of organising, lobbying and mobilising the workforce could bring that expertise to a board.

Several stakeholders highlighted the need for greater diversity on boards and believed that many foundations recognised this. They suggested that foundations could work with unions to think about how they recruit and become more representative of wider society, as well as increasing the representation of trade unions on public sector boards and foundations.

While work ongoing in relation to the foundation sector shows that there is appetite for change, this can be an impenetrable sector, and there is a lot to be done in order to move forward with foundations, especially private family trusts who often recruit relatives and from their peer group and could be less likely to encompass this kind of representation.



Key considerations in realising this potential

Stakeholders were able to identify a number of key issues in realising the potential for trade union members to contribute more significantly to public sector and foundation boards.

- There are huge overlaps between civil society broadly and unions more specifically but sharing of best practice and lessons learned is minimal – this needs to improve.
- Lack of recognition of value of engaging social partners.
- Lack of understanding of what trade unions do (beyond representing workers' rights). For example, the TUC has some 205,000 people participating in projects for learning and skills in partnership with employers – activity which is highly valued and successful but is widely unknown.
- Need to raise profile of union activity in communities and the value of what they do – help people to consider trade unions as a valid partner in civic activity.
- Capacity issues amongst trade unions to source representatives on all the right bodies (should the opportunity arise). In growing this capacity, there will be a need to ensure fit with core priorities to ensure that limited capacity is well used.
- Making sure trade union members have the skills to be involved in public sector boards – training will be needed for them to ensure that they understand their responsibilities. (Compare Pensions trustees – there is a network of these who manage the pension funds. Unions provided training to ensure that members were well-placed to participate effectively since it is such a complex field.)
- There may be a need to work with trade union members to effect cultural/attitudinal change – “it’s almost like code-switching, going from being a workers’ representative to acting on behalf of the business”
- Ensure that examples of good practice are shared – there is precedent, e.g. unions’ role in the Aids crisis in the USA – it would be interesting to understand what the conditions were that made the barriers porous.

Recommended future actions

In considering the evidence available, we have also considered what might be some appropriate next steps for the Alex Ferry Foundation. These are outlined below:

- Gain a better understanding of the landscape and identify where the real opportunities for added value lie.
- Canvass members to determine true extent of trade union input to civic society.
- Undertake a mapping of where trade unions already have representation on significant public sector boards and foundations.
- Showcase evidence of good practice.
- Consider Alex Ferry Foundation taking on a role in advocating how foundations/public sector bodies can diversify their boards.
- Work with the Association of Charitable Foundations to identify one or two foundations and explore with them how best to diversify their board – use these as test sites and provide support to them in achieving this diversification. Something similar could be replicated with selected public sector boards.

Alex Ferry Foundation aims to improve the lives of people who work or have worked in the UK shipbuilding, engineering and related manufacturing industries, as well as their families and dependants.

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