



LETTER TO BRANCHES

@CWUNews The Communications Union www.cwu.org

No 056/24

6th February 2024

Dear Colleagues,

Royal Mail Group: BRT&G Agreement Section 6.4.1 - Sick Pay Arrangements

Branches will be aware from LTB 216/23 dated 21st August that the payroll system needed to be developed to take account of the new arrangements which were applicable from 1st October 2023. Consequently, we have been in negotiations with Royal Mail to arrive at a position in respect of sick pay calculations that can be deployed in a consistent way whilst ensuring an equitable and fair approach for all. Obviously these negotiations had to take into account many variables, such as gross hours versus net hours which apply amongst the different grade groups, differing attendance patterns with long and short days and seasonal variations.

Branches will appreciate that this has been an extremely complex matter hence why it has taken a considerable time to get to an agreed position. Yesterday the Postal Executive endorsed the attached National Agreement that will be deployed immediately. To support this position a Joint Statement (also attached) along with some Q&As have been agreed to explain the details.

Reduced Occupational Sick Pay – ROSP

The new arrangements introduce ROSP for the reduction in sick pay for the first two, four or three days of a second, third, fourth or subsequent absence within a 12 month rolling period from the first absence. This is in accordance with Section 6.4.1 of the BRT&G Agreement. Crucially ROSP will be paid as a proportion of the number of scheduled hours (excluding SA and overtime) members are contracted to work. Only working days are included in the calculation and part day absences are excluded. In these circumstances, Statutory Sick Pay (SSP) will be paid. This is based on the current weekly rate of £109.40 and payroll will automatically adjust pay to ensure that no member is paid less than SSP where applicable.

For members who work net hours (with unpaid meal reliefs) we have ensured that the ROSP calculation excludes the unpaid meal relief.

Fundamentally, ROSP is based on the appropriate proportion of hours to ensure fairness for those members who work fewer, longer days thus avoiding an otherwise larger reduction in sick pay. Examples of this are provided in the agreement to demonstrate how it will work in practice. We have also ensured there are no detrimental impacts arising from the operation of Seasonal Variations.

Exceptions

With the introduction of ROSP there will be in certain circumstances where exceptions apply meaning that normal occupational sick pay will continue to be paid. These exceptions will be overseen by the HR Shared Services unit to ensure consistency and fairness. These exceptions include Pregnancy related absences, non-blameworthy accidents at work, Equality Act absences and other serious incidents. Naturally, these exceptions will be based on individual circumstances and if the decision is made to not grant an exception this can be challenged via the lodging of a grievance.

Joint Review

It is jointly recognised with Royal Mail that these entirely new arrangements may not be perfect and might require modification in their light of working experience. This will include updating and releasing frequently asked questions on a regular basis. Therefore, it was obviously of paramount importance to include within the agreement a clause to allow for a joint review. This approach will enable us to modify the application of the agreement if we find in practice there are anomalies or legitimate concerns raised that haven't been taken into account during the negotiations

Additionally the agreement includes the key principle that issues of interpretation or application should be referred to the signatories for resolution.

Next steps

The payroll system has been updated and the changes described in the National Agreement will be made automatically from 3rd February 2024. Also as previously agreed for any second or subsequent absence since 1st October and 2nd February will now start to be repaid via a payroll sick pay adjustment. The maximum deduction will be £50 per week or £200 per month for full time members and will be pro-rata for less than full-time members. These adjustments will start on 9th February for weekly paid members and the 29th February for those monthly paid

As Branches would expect we will discuss this matter at the National Briefing this Thursday and will include a Q&A session. Alternatively if you have any questions on the new National Agreement please write to the DGS(P) department.

Yours sincerely,



Martin Walsh
Deputy General Secretary (Postal)



Andy Furey
Assistant Secretary

National Agreement: Application of Sick Pay Arrangements

Introduction

In line with Section 6.4.1, the agreed changes to sick pay commenced on 1 October 2023 as part of the Business Recovery, Transformation and Growth (BRT&G) agreement.

The following approach to the calculation of sick pay has been agreed to achieve an approach which is fair and equitable, recognising that there is no perfect solution given the many and varied patterns of attendance.

This agreement applies to all employees in Royal Mail Group including Royal Mail, Parcelforce and Fleet. This agreement does not apply to employees in RMPFSL.

Reduced Occupational Sick Pay

Reduced Occupational Sick Pay (ROSP) is the reduced level of sick pay for the first two, four or three days of a second, third, fourth or subsequent absence within a 12 month rolling period following a first absence.

ROSP will be paid as a proportion of the number of scheduled hours (excluding SA and overtime) individuals are contracted to work. The proportion of basic pay impacted and paid at the reduced rate is as follows:

	Second absence	Third absence	Fourth and subsequent absences
Proportion of weekly scheduled hours paid at ROSP	40%	80%	60%

The first period of sick absence in a 12 month rolling period is paid in line with normal sick pay entitlements. Normal sick pay limits and rates will also apply following the initial period paid as ROSP.

The sick pay approach applies to full days of absence and therefore where an employee has a part day absence, basic pay will continue to be paid for the full day as now. ROSP will apply from the first full day of the absence.

Only working days are included in the calculation of ROSP to ensure it reflects the hours individuals were scheduled to work.

The overall limits for company sick pay remain unchanged, as do the sick pay arrangements for new entrants with less than 12 months service.

Calculating Sick Pay - Example

As described above, ROSP is calculated as a proportion of scheduled working hours. This ensures that individuals are treated consistently regardless of their contracted hours or the number of days they attend.

For example, an individual who is scheduled to work 37 hours a week, is absent for one week and has a second absence in a 12 month rolling period, will receive sick pay as follows:

40% x 37 hours = 14.8 hours paid at ROSP and the remaining 22.2 hours paid at normal sick pay rate

Should the individual return to work before 14.8 hours of their scheduled working time has elapsed, ROSP will only apply to the hours they are absent.

ROSP is based on the Statutory Sick Pay (SSP) rate which is set by the Government (currently £109.40). If the Government increases SSP, then ROSP will increase accordingly.

Payroll will automatically adjust pay to ensure that no individual is paid less than SSP where applicable.

Variation in Attendance Patterns (including Longs and shorts)

Paying ROSP on a proportion of hours ensures fairness for those who work fewer, longer days who would otherwise see a larger reduction in sick pay.

The method of calculation described above ensures a fair and equitable impact on all individuals. However, in certain circumstances, it is possible that an individuals' attendance pattern will mean that they may be subject to ROSP for more than the first two, three or four days of absence. This will occur when the start of an individuals' absence coincides with shorter days on their work schedule.

The duty pattern below demonstrates the principle above. The individual is absent for one week and has a second absence in a rolling 12 month period. Monday is the first day of absence. The first 14.8 hours (40%) of absence are subject to ROSP. The table shows that 1.8 hours of their third day of absence is subject to ROSP (unless they return to work); the remaining 6.2 hours is paid in line with normal occupational sick pay entitlement.

Day	Monday	Tuesday	Wednesday	Thursday	Friday	Total
Scheduled hours	7	6	8	8	8	37
ROSP hours	7	6	1.8			14.8

In the table below, the individual is scheduled to work 37 hours over 4 days. They are absent for one week and their first day of absence is Monday. If ROSP applied to their first two days of absence, 19 hours would be subject to ROSP rather than the first 40% (14.8 hours) of their scheduled hours.

Day	Monday	Tuesday	Wednesday	Thursday	Total
Scheduled hours	10	9	9	9	37
ROSP hours (based on days)	10	9			19
ROSP hours (based on proportions)	10	4.8			14.8

Seasonal variation (Delivery employees only, where appropriate)

In line with Appendix 1 of the BRT&G Agreement, individuals in the Delivery function will adjust their hours in the summer and winter to reflect low and high workload periods respectively.

In the summer, scheduled hours will reduce from 37 to 35 hours per week. In the winter, scheduled hours will increase from 37 to 39 hours per week. Pay for duty hours will be the same all weeks of the year.

If an individual is absent during the summer or winter periods, their pay will differ because the hourly rate used for ROSP is based on a 37 hour week. Using the example of an individual who is absent for one week and it is their second absence in a 12 month rolling period:

- In the summer, 40% of 35 scheduled hours is 14 hours. Therefore 14 hours are subject to ROSP. The remaining 21 hours are paid at the normal occupational sick pay rate.

Day	Monday	Tuesday	Wednesday	Thursday	Friday	Total
Scheduled hours	7	7	7	7	7	35
ROSP hours	7	7				14

- In the winter, 40% of 39 scheduled hours is 15.6 hours. Therefore 15.6 hours are subject to ROSP. The remaining 23.4 hours are paid at the normal occupational sick pay rate.

Winter	Monday	Tuesday	Wednesday	Thursday	Friday	Total
Scheduled hours	8	7	8	8	8	39
ROSP hours	8	7	0.6			15.6

This means that individuals will be marginally better off for periods of absence incurred during the winter because the number of hours paid at the higher normal occupational sick pay rate offsets the hours paid at a reduced rate to a greater extent than the summer.

Examples for weekly and monthly paid colleagues can be found in Appendix A.

Meal breaks

The scheduled hours used to calculate ROSP are based on your contracted scheduled hours including paid meal breaks.

For individuals who work net hours, unpaid meal breaks are not included in the ROSP calculation.

Exceptions

With the introduction of ROSP, Royal Mail sick pay arrangements remain better than SSP (which pays nothing for the first three days of absence). The new pay approach will apply in the majority of circumstances when an individual is absent from work.

However, where it is reasonable and appropriate to do so, normal occupational sick pay will be paid as an alternative. Exceptions will be overseen by HR shared services to ensure consistency and fairness in application.

Such circumstances include:

- Pregnancy related absence will always be paid normal occupational sick pay
- Absence due to a non-blameworthy accident at work
- Absence due to a severe condition or disability that is or may be covered under the Equality Act (for example, an individual undergoing cancer treatment, an employee who has suffered a heart attack, stroke or other life-threatening condition). This does not mean every absence that may be covered under the Equality Act should be treated as an exception. Consideration should be given in serious cases as to whether it is reasonable and appropriate to apply discretion
- Other serious incidents leading to absence – for example, where the individual was subject to an assault outside of work or the victim of domestic/sexual violence, a road traffic collision where the individual is hospitalised or suffers serious injuries
- Where an individual has attempted to return to work; however, they have not been able to do so (for the same absence reason) and their rehabilitation plan has been unsuccessful.

This is not an exhaustive list and will be based on individual circumstances. Where an individual believes the decision not to grant them an exception is wrong, they can raise a grievance with their manager in the normal way.

Review

The application of the new sick pay arrangements within this agreement will be jointly reviewed after 3 months by Royal Mail and CWU. Further reviews will take place as appropriate.

Any issues regarding the interpretation or application of this agreement should be referred to the signatories for resolution.



Andrew Smith
Director of Industrial Relations
Royal Mail



Martin Walsh
Deputy General Secretary (Postal)
CWU



Alistair Wood
Director of Workforce Performance and HR Policy
Royal Mail



Andy Furey
Assistant Secretary
CWU

6 February 2024

Examples of ROSP

37 Hour OPG

- Full time employee (37 hours) paid £500 per week
- They are sick for a second time in a rolling 12 month period – they are absent for 1 week
- ROSP paid for 40% of hours = 14.8 hours (£2.96/hour)
- OSP paid for 60% of hours = 22.2 hours

Full Time Employee working on flat week	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Weekly
Work Schedule	7.4	7.4	7.4	7.4	7.4	0	0	37
ROSP hours (first 14.8)	7.4	7.4	0	0	0	0	0	14.8
OSP hours – 22.2	0	0	7.4	7.4	7.4	0	0	22.2
ROSP per day (£)	£21.88	£21.88	£0.00	£0.00	£0.00	£0.00	£0.00	£43.76
OSP per day (£)	£0.00	£0.00	£100.00	£100.00	£100.00	£0.00	£0.00	£300.00
Total Sick Pay	£21.88	£21.88	£100.00	£100.00	£100.00	£0.00	£0.00	£343.76

37 Hour OPG

- Full time employee (37 hours) paid £500 per week
- They are sick for a second time in a rolling 12 month period – they return to work after one day
- ROSP paid for up to 40% of hours = 14.8 hours (£2.96/hour)

Full Time Employee working on flat week	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Weekly
Work Schedule	7.4	7.4	7.4	7.4	7.4	0	0	37
ROSP hours – first 14.8	7.4	0	0	0	0	0	0	14.8
OSP hours – 22.2	0	0	0	0	0	0	0	22.2
ROSP per day (£)	£21.88	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£21.88
OSP per day (£)	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Ordinary Pay	£0.00	£100.00	£100.00	£100.00	£100.00	£0.00	£0.00	£400.00
Total Sick Pay	£21.88	£100.00	£100.00	£100.00	£100.00	£0.00	£0.00	£421.88

Part Time Examples

25 Hour OPG

- Part time employee (25 hours) paid £337 per week
- They are off sick for a second time in a rolling 12 month period – they are absent for 1 week
- ROSP paid for 40% of hours = 10 hours (£2.96/hour)
- OSP paid for 60% of hours = 15 hours

Part Time Employee working on flat week	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Weekly
Work Schedule	5.0	5.0	5.0	5.0	5.0	0	0	25.0
ROSP hours – first 10.0	5.0	5.0	0	0	0	0	0	10.0
OSP hours – 15.0	0	0	5.0	5.0	5.0	0	0	15
ROSP per day (£)	£14.78	£14.78	£0.00	£0.00	£0.00	£0.00	£0.00	£29.57
OSP per day (£)	£0.00	£0.00	£67.57	£67.57	£67.57	£0.00	£0.00	£202.70
Total Sick Pay	£14.78	£14.78	£67.57	£67.57	£67.57	£0.00	£0.00	£232.27

36 Hour OPG

- Part time employee (36 hours) paid £486 per week
- They are off sick for a second time in a rolling 12 month period – they are absent for 1 week
- ROSP paid for 40% of hours = 14.4 hours (£2.96/hour)
- OSP paid for 60% of hours = 21.6 hours

Part Time Employee working on flat week	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Weekly
Work Schedule	7.2	7.2	7.2	7.2	7.2	0	0	36.0
ROSP hours – first 14.4	7.2	7.2	0	0	0	0	0	14.4
OSP hours – 21.6	0	0	7.2	7.2	7.2	0	0	21.6
ROSP per day (£)	£21.29	£21.29	£0.00	£0.00	£0.00	£0.00	£0.00	£42.58
OSP per day (£)	£0.00	£0.00	£97.30	£97.30	£97.30	£0.00	£0.00	£291.89
Total Sick Pay	£21.29	£21.29	£97.30	£97.30	£97.30	£0.00	£0.00	£334.47

35 Hour OPG

- Part time employee (35 hours) paid £473 per week
- They are off sick for a second time in a rolling 12 month period – they are absent for 1 week
- ROSP paid for 40% of hours = 14 hours (£2.96/hour)
- OSP paid for 60% of hours = 21 hours

Part Time Employee working on flat week	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Weekly
Work Schedule	7.0	7.0	7.0	7.0	7.0	0	0	35.0
ROSP hours – first 14.0	7.0	7.0	0	0	0	0	0	14.0
OSP hours – 21.0	0	0	7.0	7.0	7.0	0	0	21.0
ROSP per day (£)	£20.70	£20.70	£0.00	£0.00	£0.00	£0.00	£0.00	£41.39
OSP per day (£)	£0.00	£0.00	£94.59	£94.59	£94.59	£0.00	£0.00	£283.78
Total Sick Pay	£20.70	£20.70	£94.59	£94.59	£94.59	£0.00	£0.00	£325.18

Monthly Examples

40 Hour Monthly paid OPG

- OPG new T&Cs paid £2137/month scheduled to work 40 hours a week
- They are sick for a second time in a rolling 12 month period and are absent for 1 week
- ROSP is paid for 40% of their hours = 16 hours (£2.96/hour)
- Daily rate of pay £68.95
- Monthly pay would be £2047

Monthly Employee working on flat week	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Weekly
Work Schedule	8.0	8.0	8.0	8.0	8.0	0	0	40.0
ROSP hours	8.0	8.0	0	0	0	0	0	16.0
OSP hours	0	0	8.0	8.0	8.0	0	0	24
ROSP per day (£)	£23.65	£23.65	£0.00	£0.00	£0.00	£0.00	£0.00	£47.31
OSP per day (£)	£0.00	£0.00	£68.95	£68.95	£68.95	£68.95	£68.95	£344.77
Total Sick Pay	£23.65	£23.65	£68.95	£68.95	£68.95	£68.95	£68.95	£392.08

Professional Driver

- Professional driver paid £2814/month scheduled to work 36.25 hours a week
- They are sick for a second time in a rolling 12 month period and are absent for 1 week
- ROSP is paid for 40% of their hours = 14.5 hours (£2.96/hour)
- Daily rate of pay £90.79
- Monthly pay = £2676

Monthly Employee working on flat week	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Weekly
Work Schedule	7.25	7.25	7.25	7.25	7.25	0	0	36.25
ROSP hours	7.25	7.25	0	0	0	0	0	14.50
OSP hours	0	0	7.25	7.25	7.25	0	0	21.75
ROSP per day (£)	£21.44	£21.44	£0.00	£0.00	£0.00	£0.00	£0.00	£42.87
OSP per day (£)	£0.00	£0.00	£90.79	£90.79	£90.79	£90.79	£90.79	£453.94
Total Sick Pay	£21.44	£21.44	£90.79	£90.79	£90.79	£90.79	£90.79	£496.81

PFW

- PFW £2,098/month scheduled to work 38 hours a week
- They are sick for a second time in a rolling 12 month period and they are absent for 1 week
- ROSP is paid for 40% of their hours = 15.2 hours (£2.96/hour)
- Daily rate of pay £67.67
- Monthly pay = £2008

Monthly Employee working on flat week	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Weekly
Work Schedule	7.6	7.6	7.6	7.6	7.6	0	0	38.0
ROSP hours	7.6	7.6	0	0	0	0	0	15.2
OSP hours	0	0	6.6	6.6	6.6	0	0	19.8
ROSP per day (£)	£22.47	£22.47	£0.00	£0.00	£0.00	£0.00	£0.00	£44.94
OSP per day (£)	£0.00	£0.00	£67.67	£67.67	£67.67	£67.67	£67.67	£338.37
Total Sick Pay	£22.47	£22.47	£67.67	£67.67	£67.67	£67.67	£67.67	£383.32

HRS

- HR Services £2440/month scheduled to work 33 hours a week
- They go off sick for a second time in a rolling 12 month period and are absent for 1 week
- ROSP is paid for 40% of their hours = 13.2 hours (£2.96/hour)
- Daily rate of pay £78.71
- Monthly pay = £2322

Monthly Employee working on flat week	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Weekly
Work Schedule	6.6	6.6	6.6	6.6	6.6	0	0	33.0
ROSP hours	6.6	6.6	0	0	0	0	0	13.2
OSP hours	0	0	6.6	6.6	6.6	0	0	19.8
ROSP per day (£)	£19.51	£19.51	£0.00	£0.00	£0.00	£0.00	£0.00	£39.03
OSP per day (£)	£0.00	£0.00	£78.71	£78.71	£78.71	£78.71	£78.71	£393.56
Total Sick Pay	£19.51	£19.51	£78.71	£78.71	£78.71	£78.71	£78.71	£432.59

Business Recovery, Transformation & Growth (BRT&G) Agreement: Section 6.4.1 Sick Pay

Joint Statement between Royal Mail and the CWU

As previously communicated in August 2023, the changes to sick pay were implemented on 1 October 2023 as part of the Business Recovery, Transformation and Growth (BRT&G) Agreement.

Royal Mail and CWU have continued to discuss the implementation and the approach to the sick pay calculation. We have worked to achieve an approach which is as fair and equitable as possible, recognising that there is no perfect solution given the many and varied attendance patterns.

Reduced Occupational Sick Pay (ROSP) is the reduced sick pay that will be paid for the first two, four or three days of a second, third, fourth or subsequent absence within a 12 month rolling period following a first absence.

We have agreed that ROSP will be paid as a proportion of the number of scheduled hours (excluding SA and overtime) individuals are contracted to work during the week. The proportion of basic pay impacted and paid at the reduced rate (ROSP) will be as follows:

	Second absence	Third absence	Fourth and subsequent absences
Proportion of weekly scheduled paid at ROSP	40%	80%	60%

The first period of sick absence in a 12 month rolling period is paid in line with normal sick pay entitlements. Normal sick pay limits and rates will also apply following the initial period paid as ROSP.

The method of calculation ensures a fair and equitable impact on all individuals. In some circumstances, it is possible that individuals may be subject to ROSP for more than the first two, three or four days. This will occur when the start of an individual's absence coincides with shorter days on their work schedule. However, the agreed approach ensures fairness for those who work fewer, longer days who would otherwise have seen a larger reduction in sick pay.

ROSP will only be paid where appropriate for the days individuals are absent; when individuals return to work, they are paid as normal. The overall limits for company sick pay remain unchanged, as do the sick pay arrangements for new entrants with less than 12 months service.

The payroll system has been updated and the changes described above will be made automatically from 3 February 2024.

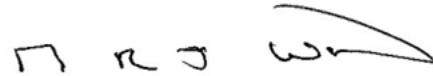
As agreed previously, any individual who has had a second or subsequent absence between 1 October and 2 February will now start to repay their sick pay adjustment through payroll. The maximum deduction will be £50 per week or £200 per month for full time colleagues (pro-rata for less than full time employees). Those impacted should have already received a letter(s) advising them of this and a further reminder letter will be sent. In addition, individuals will be able to see the information on any adjustments on the 'Sick Pay Recovery' tile in the People App. These adjustments will start on 9 February for weekly paid colleagues and on 29 February for those paid monthly.

We have developed a set of Frequently Asked Questions which you will find as at the end of this statement. There is also a helpful factsheet which is available on the People App via the Useful Links tile. Both parties will continue to review these documents and update them based on feedback and any further clarification that is required.

(Note: these changes do not apply to RMPFSL).



Andrew Smith
Director of Industrial Relations
Royal Mail



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Deputy General Secretary (Postal)
CWU



Alistair Wood
Director of Workforce Performance and HR Policy
Royal Mail



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Assistant Secretary
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6 February 2024

Frequently Asked Questions

Q: Why have you reduced the amount of sick pay I receive?

A: Sick absence costs Royal Mail around £250m a year – this is three times higher than the UK average and not sustainable. It affects the service we provide our customers and places more pressure on colleagues in work.

To reduce the impact of sick absence, and the costs associated with it, we have agreed these changes as part of a package of measures in the Business Recovery, Transformation and Growth Agreement on pay and change. Despite these changes, Royal Mail continues to offer some of the best terms and conditions in the UK in relation to sick pay.

The agreement is as follows:

- the first period of sick absence in a 12 month rolling period is paid in line with normal sick pay entitlements. For those in the first 12 months of employment, this is statutory sick pay. After 12 months, this is normally full pay for six months followed by half pay for six months;
- for the second and any subsequent absence in a 12 month rolling period, you receive the equivalent to statutory sick pay for:
 - the first two days of the second absence;
 - the first four days of the third absence;
 - the first three days of the fourth and any subsequent absence;
- normal sick pay entitlements apply following the initial periods of statutory sick pay

Royal Mail and CWU will monitor absence rates every six months. If absence rates fall on average below 5.5% over a 6 month period, then Royal Mail will re-instate the previous sick pay arrangements. Equally, if absence rates are at or above 5.5% across the 6 month period, then the approach above will continue or be re-instated as appropriate.

Q: When does the 12 month rolling period start; is it the same for everyone?

A: No, it isn't the same for everyone. The 12 month rolling period starts from the first day of an absence that begins on or after 1 October 2023. For example, if your first absence on or after 1 October 2023 starts on 4 March 2024, then your 12 month rolling period would start from the 4 March 2024.

A new rolling 12 month period starts from the first day of an absence which occurs after the original 12 months has elapsed. So, using the example above, your original 12 month rolling period will end on 3 March 2025. After that date, if you do not have another absence until 2 August 2025, then your new rolling 12 month period commences on 2 August 2025.

Remember there will be no changes applied to sick pay for your first period of absence. Changes are only applied to the second and subsequent absence(s) in a 12 month rolling period.

Q: What is Reduced Occupational Sick Pay (ROSP)?

A: Reduced Occupational Sick Pay (ROSP) is the statutory sick pay equivalent that Royal Mail will pay if you have a second or subsequent absence within a 12 month rolling period. Depending on the number of absences you have incurred, this payment is paid for either the first two, four or three days of an absence, followed by sick pay under the normal Royal Mail sick pay policy.

Q: What percentage of my hours will be paid at ROSP?

A: Normal company sick pay will apply for the first absence in a 12 month rolling period. Further absences within the 12 month rolling period will have ROSP applied as follows:

- 2nd absence: 40% of your weekly scheduled hours will be paid at ROSP
- 3rd absence: 80% of your weekly scheduled hours will be paid at ROSP
- 4th absence and beyond: 60% of your weekly scheduled hours will be paid at ROSP

The remaining percentage of your pay will be based on your normal sick pay entitlement. Royal Mail and CWU have agreed this approach because it is the fairest and most equitable way to apply the new sick pay rules consistently to the large number of different duty patterns and roles across our business.

Q: Why have I received reduced pay across three days when the agreement states that for a second absence the equivalent of statutory should only be paid for two days?

A: ROSP is paid as a proportion of your scheduled contractual hours. In some circumstances, it is possible that you may be subject to ROSP for more than the first two, three or four days. This will occur when the start of your absence coincides with shorter days as part of your work schedule. Paying ROSP as a proportion of hours ensures fairness otherwise, those who work fewer, longer days would see a larger reduction in sick pay.

Q: How do seasonal hours affect ROSP? (Delivery employees only, where applicable)

A: ROSP is calculated based on a 37 hour week. Therefore, if you are absent during the summer (35 hours) or winter (39 hours) periods, your pay may differ marginally. You may be slightly better off for periods of absence incurred during the winter because the number of hours paid at the higher normal company sick pay rate offsets the hours paid as ROSP to a greater extent than in the summer. The opposite applies to absences in the summer.

Q: Are meal breaks taken into consideration when calculating ROSP?

A: ROSP is calculated based on your contracted scheduled hours. If your meal breaks are paid, they are included in the ROSP calculation. If your meal breaks are unpaid, they are not.

Q: I have received less money than I expected and don't understand why. How can I check that what I have been paid is right?

A: You can check your payslip on the People App. Information on the sick pay recovery can be found under "My Information" on the People App under the sick pay recovery tile.

Q: I was absent due to an accident at work and believe that my absence should be treated as an exception with normal sick pay applying. What can I do?

A: In certain circumstances such as non-blameworthy accidents at work, Royal Mail will exercise discretion and pay normal company sick pay to support employees where it is appropriate and reasonable to do so. You should contact your manager if you believe your absence should be treated as an exception. Your manager will discuss your reason for the exception. If they support your request, they will complete and submit an exception request. To ensure consistency of application, requests will be reviewed and approved by HR.

Q: Will absences covered by the Equality Act be treated as an exception and normal sick pay apply?

A: It will depend. In some circumstances, those who are absent due to a severe condition or disability that is or may be covered under the Equality Act (e.g. an employee undergoing cancer treatment, an employee has suffered a heart attack, stroke or other life-threatening condition) will be exempt. However, this does not mean every absence that may be covered under the Equality Act should be treated as an exception. Consideration will be given in serious cases as to whether it is reasonable and appropriate to apply discretion. If your manager believes an exception should apply, they will complete and submit an exception request with the appropriate evidence. To ensure consistency of application, requests will be reviewed and approved by HR.