

No: 252/24

18th July 2024

**For the Immediate Attention of All:**

**Postal Branches  
Divisional Representatives  
Area Processing Representatives**

Dear Colleagues

**ROYAL MAIL DEPLOYMENT OF LARGE PARCEL AUTO-DIVERT CONVEYORS  
IN MAIL CENTRES**

Branches will be aware of the drive by Royal Mail to increase automation capability. In February 2022, Royal Mail introduced two Large Parcel Conveyors (LPC'S) into two Mail Centres: Gatwick MC and South Midlands MC. This deployment was the subject of an agreement with the CWU and covered by an agreed Joint Statement.

Royal Mail met with the department recently and has informed us of their intention to deploy a further 9 LPC's into the MC's highlighted below;

- Jubilee
- Tyneside
- Medway
- Birmingham
- Leeds
- Greenford
- HCN
- Chelmsford
- Bristol

The business has identified these sites due to volume and the LPC will be fitted with a Dimension Weigh Scanner to enable every item to have a scan to contribute to Revenue Protection activity. Royal Mail have indicated that they are seeking to deploy the first 6 on the list prior to Peak in the Sept – Nov window and the remaining 3 are scheduled for the post Peak period in Jan-Feb 2025. Installation at each site is expected to last 4-5 weeks from delivery to go live.

The original design (Palm Tree) has a large footprint and since 2022 the business has designed an alternative configuration (Sword) which can be utilised at sites with less available floor space. The operation of the mech is the same in both configurations and requires staffing levels, at full capacity of 18, (14 on the mech and 4 porters).

While the business is anticipating an efficiency through the introduction of the LPC's it is not anticipated that this will result in a headcount reduction at any site, other than a potential small reduction at Medway, subject to confirmation.

The department had sought to agree a revised Terms of Reference (TOR) or Joint Statement (JS) to support this deployment activity, given the length of time since the initial deployment and the changes to configuration. This would have been the normal process at any time prior to the dispute and should have been of no concern to the business given that we have previously agreed deployment of the LPC's. However, in line with their current Royal Mail policy the business has stated that they will not agree a TOR/JS with the CWU.

Given this, we have attached for the assistance of Representatives at the in-scope sites the original Terms of Reference which we encourage you to utilise in discussions with management on the deployment arrangements. If there are any issues in this regard, we would ask that Representatives contact the department for assistance.

In the view of the CWU the current Royal Mail stance with regard to Joint Statements is ridiculous and counterproductive in relation to the progression of activity and inconsistent with the commitments to restoring joint working and Industrial Relations contained in Section 2.4 of the Business Recovery, Transformation and Growth (BRT&G) Agreement. The matter is being pursued at the highest level with the company.

Also attached for the information of Representatives are the slides Royal Mail presented to the department on the deployment. It should be noted that the CWU have not agreed to the notional throughput figures included in the slide presentation. In addition, Royal Mail have shared the WTLL briefing issued this afternoon in the 9 plants, which is also attached for your information.

Any enquiries in relation to this LTB should be addressed to Davie Robertson, Assistant Secretary, email: [jrodrigues@cwu.org](mailto:jrodrigues@cwu.org) quoting LTB No. 252/24.

Yours sincerely

**Davie Robertson**  
Assistant Secretary

## **TERMS OF REFERENCE BETWEEN ROYAL MAIL AND THE CWU COVERING THE DEPLOYMENT OF LARGE PARCEL AUTO-DIVERT CONVEYORS IN MAIL CENTRES**

The Pathway to Change Agreement commits both Royal Mail and the CWU to working together to transform business operations, building on the mutual interest processes. Both parties are working to develop and establish improved, constructive working relationships, effective interfaces and the continued development of a mutual interest culture at all levels.

Both parties recognise that creating the right IR and collective working environment is key to the general success of the Processing function/operation and are committed to achieving the above by resolving all local issues and concerns across the wider operation without recourse to disagreement wherever possible.

Royal Mail and the CWU have jointly worked on a strategy for parcels automation across the Mail Centre network. PSM Deployment in Mail Centre's to date has focussed on smaller Format 1/2 Parcels, with most larger format 3/4 parcels continuing to be manually sorted. Building on the experience gained through the use of Caljan/SICK technologies within the RDC and Seasonal PSC Network, it is agreed that there may be operational benefits in the deployment of Large Parcel Conveyors (LPCs) in two of Mail Centres.

- Gatwick Mail Centre
- South Midlands Mail Centre

Like existing Caljan/SICK technologies already deployed in RDCs and PSC's, the auto-divert conveyors will dimension, weigh and scan (DWS) each parcel before diverting to "secondary" lanes. The parcels are then picked and in Mail Centres sorted to a total 96 selections on Inward or Outward mode.

The conveyors are designed for Format 3 and 4 larger parcels although they can also process larger Format 2. There is no OCR fitted so only products containing a delivery postcode in the barcode can be processed by the conveyor.

This additional processing capacity will help ensure that parcels are processed to service specification, safeguarding customer expectations and helping to retain and grow future volumes.

### **Deployment Details**

Due to the uncertainty in relation to Global supply chains at present the projected in-service dates are currently anticipated to be:

- South Midlands Mail Centre on 06/07/22
- Gatwick Mail Centre on 25/07/22

### **Gatwick Mail Centre**

Gatwick has sufficient processing footprint to ensure that during the machine build phase that all current workload can be retained at the site.

### **South Midlands Mail Centre**

The installation of the LPC will facilitate the repatriation of South Midland Traffic currently sorted at Atherstone. The expectation is that the deployment will enable a third of currently diverted workload to be returned to the Mail Centre.

During the machine build phase workload will be diverted to the Seasonal PSC at Milton Keynes. The level of workload will be agreed locally.

To enable this transition where current South Midland Employees would wish to follow the work to Milton Keynes on a temporary basis this will be accommodated where possible.

For employees remaining at both sites, for the duration of the machine build phase, current attendance patterns and earnings packages will be honoured.

Prior to deployment at both sites a full joint review locally will take place on the impact on workload as a result of the change of method and the joint aspiration will be to manage this change through the reduction of agency or casual resource.

Both parties recognise the impact of change on individuals and reaffirm our joint commitment to minimise employee disruption as much as possible. In all change, due consideration will be given to current attendance patterns and earnings packages and movement between shifts will be avoided. To assist this aim, realignment of workload between shifts may be considered where it supports effective alignment to workload and avoids stranded costs.

### **Safe Systems of Work and Standard Operating Procedures**

Health & Safety is of paramount importance to both Royal Mail and the CWU. Therefore, Safe Systems of Working, Standard Operating Procedures and all relevant safety compliance documentation in relation to the conveyors have been fully developed and agreed between RM and the CWU National Health & Safety Department.

Safe Systems of Work and Standard Operating Procedures will be kept under review throughout deployment and any issues identified will be referred to the relevant experts detailed above.

### **Training**

Staff will be fully trained on all aspects of the machine and will be expected to operate the machine within standard operating procedures which will be reviewed jointly as we learn more about the machine in practical operation.

### **Engineering**

Local CWU Engineering Representatives will undertake agreed engineering requirements and be fully involved in relation to the development of maintenance schedules for the equipment based at the sites listed. Any issues raised or concerns that cannot be resolved locally in respect of engineering aspects will be referred to the relevant RM and CWU National bodies for resolution.

### **Joint Involvement / Information Share**

The operation of the auto-divert conveyors will be jointly monitored locally by Royal Mail and CWU IR and H&S Representatives to confirm safe and effective operation. Staff and CWU involvement will be key to maximising the potential value of the machine's contribution. The data gathered on machine performance will be reviewed jointly with the aim of improving effectiveness and efficiency in accordance with existing national agreements.

The change in work method will be evaluated and factored into the Productivity Flightpath for the Mail Centre.

Any questions of interpretation, implementation or application of this document shall be referred to the respective Headquarters for resolution



**Mark Hetherington**  
National Processing Director  
Royal Mail



**Davie Robertson**  
Assistant Secretary  
CWU



**Carl Maden**  
Assistant Secretary  
CWU

Date: 22<sup>nd</sup> April 2022

# Mail Centre Large Parcel Conveyors

MC LPC +9



# MC LPC +9 Project Background



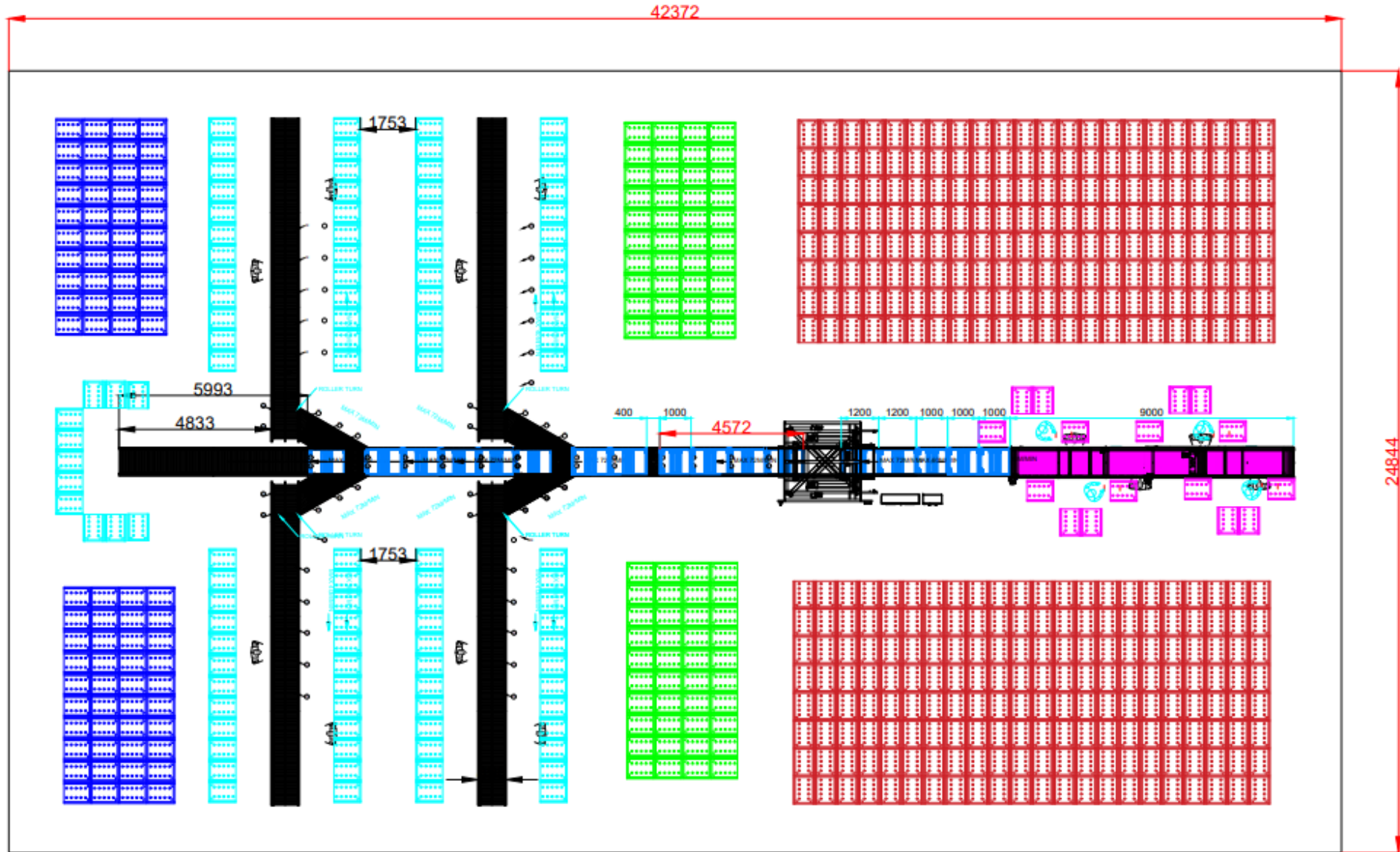
- The main aim of the project is to deploy LPCs to 9 Mail Centres.
- Currently all large parcels at the 9 nominated sites are sorted manually.
- The conveyor will sort products with barcodes containing addresses to enable auto-diverting (there will be no OCR capability), but the business case assumes HLC (High Level Control) system will be deployed on to each machine (retrospectively).
  - The HLC is being developed in-house with RM Engineering under a separate BC
- These machines will provide a DWS scan for each item and contribute to commercial Revenue Protection (RP) targets.
- There are two LPC designs being used that fit directly into the nine MCs with minimal disruption or other equipment moves.

# Machines and Installation

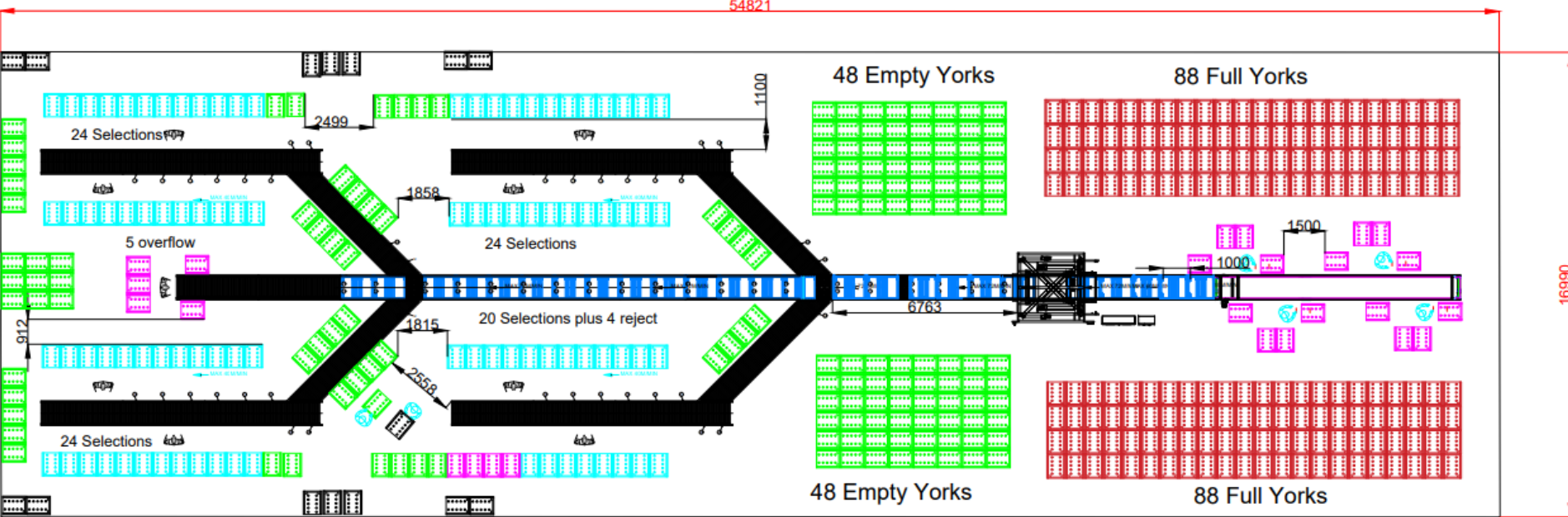
- Throughput 2,950 iph, 4 sort lanes and an overflow
- Will handle min 100x100x10 to Max 1000x650x650 and 30kg
- Two Different shapes of the same system to fit in different spaces/mail flows
- 9 MCs, aim is deliver 6 pre-peak
- Pre-peak Install-go live Sept-Nov 24. Post Peak Jan-Feb 25.
- Expected Delivery – go live 4-5 weeks.
  - Jubilee
  - Tyneside
  - Medway
  - Birmingham
  - Leeds
  - Greenford
  - HCN
  - Chelmsford
  - Bristol
- PHS/PRA/Sick will install (used for MSH). RM engineers will maintain



# Palm Tree design



# Sword shape design







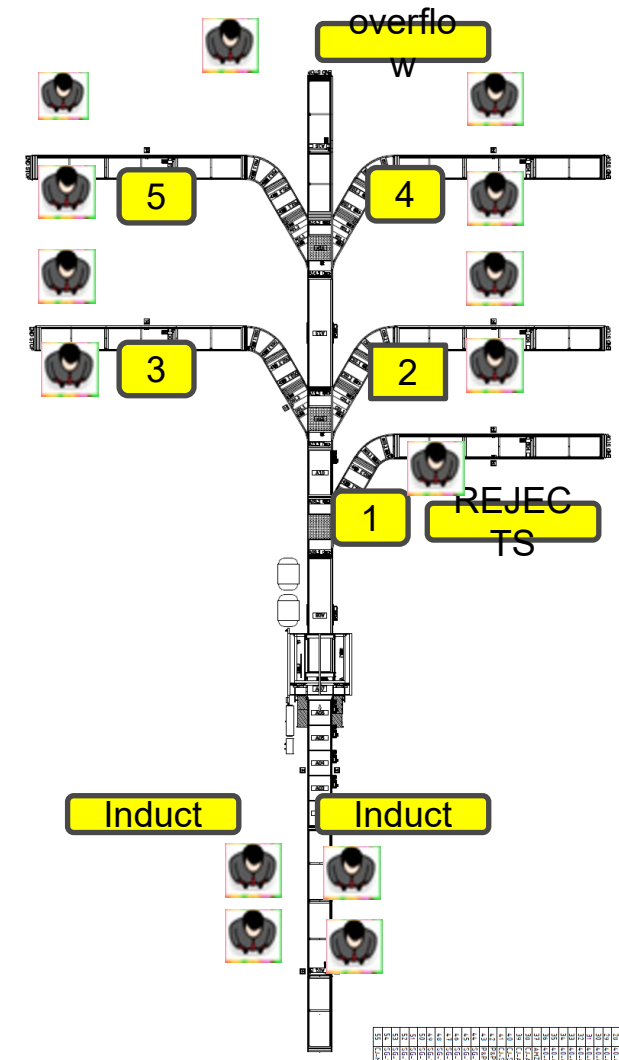
# Large Parcel Conveyor – staffing

## In-Operation Internal Flows

- Arrival York's to the front Conveyor Induct lane
- Empty York's from Induct to go to sort legs
- Any additional empty York's from York storage area to sort legs
- Full York's of sorted parcels to despatch store adjacent footprint
- Large Parcel Conveyor Porters work in LPC footprint only
- Separate despatch porters collect full York's and take to despatch
- Inductors & Sorters supported by dedicated LPC porters

## Conveyor Process

- Planned induct is 2950 parcels per hour
- 5 way camera, so do not face barcode down on the belt
- 96 York selections = 4 lanes @ 2x12 selections per side
- 1-4 inductor's @ 12.3 parcels per minute each
- 5-10 sort operator's dependant on traffic and induct operator number
- Lane 1 = Rejects operator, employed on lane 2 if no separate reject lane - rejects/ejects placed on York's, moved to sort lanes
- Lanes 2 to 5 = 4-8 sorters to 12/24 York's
- Overflow should be identified and segregated into York's labelled lane 2 to 5 and moved to equivalent sort lane to scan and sort to correct location – 1 operator
- Conveyor sorters finger scans parcels before placing in location (York) as sorted, (same as manual area).
- At design capacity 2950 iph, 4 full time porters req, 2 each side
- At design capacity 2950 iph 4 inductors & 10 sort operators
- At Max staffing 14 machine staff and 4 porters = 18 in total.



# Weekly Hours saving per plant

From variable/attrition :

**BENEFITS TABLE**

Plant	Conveyor Design	Benefit ranking	HOURS/ wk	Potential VRs
Jubilee	Sword	1	-713	0
Bristol	Palm	2	-727	0
Tyneside	Palm	3	-709	0
Medway	Sword	4	-649	3 ?
Birmingham	Palm	5	-668	0
Leeds	Sword	6	-679	0
Chelmsford	Palm	7	-609	0
Greenford	Sword	8	-477	0
HCN	Sword	9	-435	0
			-5665	

# Diversions

- Bristol – divert to SWDC with staff if deployment date before Xmas if after no diversions required.
- Medway – divert to Jubilee &/or Gatwick if not completed by the beginning of Nov 24.
- All other plants okay – no diversions required.

**Title:** Large Parcel Conveyor installation into 9 mail centres

**Date:** July 2024

**Audience:** All mail centre processing and engineering colleagues at Jubilee, Tyneside, Medway, Birmingham, Leeds, Home Counties North, Chelmsford, Greenford and Bristol mail centres

## Background

As part of our ongoing investment in parcel automation, we are introducing **Large Parcel Conveyors (LPCs) into nine of our mail centres.**

With increased parcel growth impacting on capacity, congestion, and space challenges in parcel areas generally, Royal Mail is investing in deploying parcel automation into mail centres where currently large format 3 and 4 parcels are almost entirely manually sorted.

The introduction of LPCs gives improved handling capability of large parcels up to 30kgs and provides a Dimension Weigh Scan (DWS) for each item which contributes to our commercial revenue protection targets by ensuring we are fairly paid for the size and weight of the parcel.

Parcel automation is a major part of Royal Mail's commitment to competing in the parcels market. Through our continued investment in parcels automation, we will be able to compete more effectively for business and meet the demands of our customers.

## Key messages

Royal Mail is introducing **Large Parcel Conveyors (LPCs) into nine of our mail centres.**

I'm pleased to confirm that this mail centre has been identified to receive one of the LPCs.

The LPC is designed to handle the larger format 3 and 4 parcels up to 30kg but can also handle smaller parcels if required. Currently all our larger format parcels are sorted manually. The introduction of this technology also provides a Dimension Weigh Scan image of each parcel, and this contributes to our ability to ensure we are fairly paid for the size and weight of the parcel.

## Next Steps

- The project team will share more details of the LPC design that will fit into our mail centre with minimal disruption or equipment moves.
- The planned layout and location of the LPC will be discussed with the local management team and CWU and Unite/CMA representatives.
- Site surveys will be undertaken by the project team.
- Installations of the LPCs are due to start in September 2024 in Jubilee and Tyneside mail centres with planned go-live in October 2024.
- This will be followed by LPC installations at Medway, Birmingham, Leeds, HCN, before peak this year and **Chelmsford, Greenford and Bristol Mail Centres in January/February 2025.**
  - Typically, an installation takes between three and five weeks to complete.



- Training for managers, machine operators and local engineering maintenance teams will be provided towards the end of the installation period once the LPC is ready to use and before go-live.

Any questions please contact your line manager.