

No. 258/24

19<sup>th</sup> July 2024

Dear Colleague,

## **ROYAL MAIL: THE COLLECTIVE PLAN – LUMP SUM BOOSTER AND ADVANCED VOLUNTARY CONTRIBUTIONS (AVCs)**

Further to LTB 248/24 dated 16<sup>th</sup> July. On the evening of 17<sup>th</sup> July we held a CWU Live Event specifically on The Collective Plan to provide an overview of the new scheme and answer some key questions raised. If Branches, Reps or members were unable to watch the Live Event, the recording can be accessed via: [www.youtube.com/live/zlVy4EPITCo](http://www.youtube.com/live/zlVy4EPITCo)

### **1% Lump Sum Booster (Matched by Royal Mail)**

The Collective Plan contribution rates are 13.6% employer and 6% employee and the Plan provides both:

- A wage in retirement
- A guaranteed Lump Sum payment upon retirement.

Members can also choose to enhance the Lump Sum payment by opting for the booster which essentially means that Royal Mail will pay an extra 1% to match your 1%.

### **Additional Voluntary Contributions (AVCs)**

The Collective Plan allows for members to pay additional contributions via an AVC. The application needs to be made via the People App prior to 13<sup>th</sup> September in order to set up the new payment to begin after 7<sup>th</sup> October (Any AVCs linked to the RMPP will cease).

Thousands of our members have already signed up to either the AVC and / or the Lump Sum Booster. Members are reminded they can ask questions via the "Enquiries" section of the Royal Mail microsite - [www.myroyalmail.com/collective-plan](http://www.myroyalmail.com/collective-plan)

Lastly, a set of comprehensive FAQs (running to 16 pages) which Reps and members will find very helpful is available via the following link:

[www.myroyalmail.com/sites/default/files/2024-07/Collective%20Plan%20Transition%20FAQs.pdf](http://www.myroyalmail.com/sites/default/files/2024-07/Collective%20Plan%20Transition%20FAQs.pdf)

Further developments will be reported as we approach the launch date of 7<sup>th</sup> October.

Yours sincerely

**Martin Walsh**  
**Deputy General Secretary (Postal)**

**Andy Furey**  
**Assistant Secretary**