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No. 033/25

18th February 2025

#### For the Immediate Attention of All:

Divisional Representatives Area Distribution Representatives LGV Representatives

Dear Colleagues,

# THE DEPLOYMENT OF THE 2025 NATIONAL NETWORK (LINEHAUL) REVISION AND NATIONAL PAD REVISIONS

Branches and Representatives are informed that discussions have been taking place with the business in relation to progressing arrangements for the 2025 National Network (Linehaul) Revision activity and the 2025 National PAD Revisions.

Branches and Representatives are informed that unfortunately due to the ongoing resistance of the business to agree to Joint Statements we have not been able to secure the normal signed Joint Statement covering this activity. However, in line with the approach we have taken on other issues affected by this policy, we do however, have a letter from the business confirming the dates and the commitments to follow the established Nationally Agreed processes for this activity.

This approach has today been endorsed by the Postal Executive and attached for the information of Branches and Representatives is the correspondence from Nick Dunn, National Distribution Director confirming the Royal Mail's commitment to the established, agreed revision processes along with the detailed processes at Annexes A & B.

Additionally, the business has indicated the following will also be included or may influence the revision activity:

- > The inclusion of container tracking data, which will be reviewed as part of the working group activity prior to data being shared with the sites.
- The current ongoing MPU programme may have an impact on Distribution duties. It is understood the timings of the two pieces of work may not align and it is understood the implementation of overlays/underlays prior to a PAD revision being implemented will take into account the impact of any CSS moves.
- Transfer in financial year 25/26 of up to 14m large parcels (F4 and above) from the RM network to PFWW, this may be via direct from customer or MC/HUB in line with the BRT&G commitment to the development of a single large Parcel Network

The business has also indicated they are reviewing agency use within the functions and they are looking to reduce this over the next few months, this activity is outside of the Revision process and is normal BAU activity.

As with the previous Network Review/PAD Joint Statements, the process fully recognises the role of the CWU at all levels and all activity will be overseen by the Network Working Group/Area Distribution Working Group.

Colleagues will note that the Stage 1 Data Gathering will commence on Monday 24<sup>th</sup> February 2025 across both functions and representatives are therefore requested to engage with management accordingly in relation to the activity and release arrangements.

Any enquiries in relation to this LTB should be addressed to Davie Robertson, Assistant Secretary, email: <u>irodrigues@cwu.org</u> quoting reference LTB 033/25.

Yours sincerely,

Davie Robertson Assistant Secretary



Davie Robertson Communication Workers Union CWU Headquarters 150 The Broadway Wimbledon SW19 1RX

17th February 2025

Dear Davie

Further to our discussions regarding this year's Network & PAD Revision activity, you will recall, a lot of good work was conducted jointly to conclude the terms of the National Network (Linehaul) Revision and the PAD Revisions in 2024 to accommodate the changes to the Network Window. This process was positive, and the revision activity was deployed jointly and in line with our agreements, we therefore see no reason to deviate from the outcomes and agreements used to jointly conclude this activity.

We therefore, are proposing for 2025's activity, we mirror these arrangements, working to the dates highlighted below, utilising the agreed processes for the Network Review and PAD revision Joint Statements copies of which are attached:

- Linehaul Deployment mid June 2025
- PAD Revisions June 2025

However, due to current activity there are some additional impacts to this year's revision processes which are not included in the current agreements. This includes new technology data in relation to container tracking, also ongoing projects related to the CSS moves and USO activity which may impact duties, these are detailed below:

- The inclusion of container tracking data, which will be reviewed as part of the working group activity prior to data being shared with the sites.
- The current ongoing MPU programme may have an impact on Distribution duties. It is understood the timings of the two pieces of work may not align and it is understood the implementation of overlays/underlays prior to a PAD revision being implemented will take into account the impact of any CSS moves.
- Transfer in financial year 25/26 up to 14m large items from the RM network to PFWW, this may be via direct from customer or MC/HUB.

Prior to any revision activity as detailed above, through BAU activity we are also proposing to review agency usage in all Distribution sites, this may lead to agency reduction prior to any revision activity being implemented.

As in previous years we would propose that the activity is overseen and supported by our Joint working Groups with any issue referred to us for resolution as the national leads.

I trust that this approach allows us to commence the data gathering at VOC's and Distribution Hubs on the 24<sup>th</sup> February in preparation for the revision activity.

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Nicholas Dunn Distribution Director Royal Mail

# ANNEX A National Network/Linehaul Review 2025

# Introduction

The Business Recovery Transformation and Growth (BRT&G) Agreement commits both Royal Mail and the CWU to working together to transform business operations, building on the mutual interest processes. Part of the agreement committed both the CWU and Royal Mail to jointly review the National Network.

# Background

To achieve a successful Network Revisions deployment in June/ July, activity will have to be undertaken at pace and will require a positive and pragmatic approach that balances immediate operational requirements and considers future ambitions and growth opportunities.

Any adjustment to the external customer requirements or internal business operational footprint during the review will have to be factored in and considered in respect of a robust Network operation.

Where any workload proposed for inclusion in the review has migrated from existing Regional/Area Distribution services, Royal Mail National Distribution commit to identify this to the CWU Nationally at Stage 2 of the process and equally ensure that concurrent notice of the intention to transfer the workload is given in the appropriate functions to ensure that timely discussions can take place

It is acknowledged that joint data gathering within a Network Review based on one specific Nationally agreed day, does not give a true reflection of the workload across the different days of the week. It is therefore agreed this year's joint data gathering will encompass a designated week as agreed by the NWG.

# Current VOC's and Mini VOC's

The review will be based on the current RDC and VOC Network and will include all 17t Mini VOC's established in Area Distribution PAD Revisions. We are seeing significant volumetric and cube growth, and it is important we utilise the scale advantage that our network offers. Equally, this revision will ensure that where such solutions are either in place or required that the employees providing any 17t and above services are on the full Professional Network Driver terms and conditions.

# Commercialisation of Empty Legs

It is recognised that extensive joint working has been undertaken in relation to the Commercialisation of Empty Legs and as such it is agreed that the planning activity in relation to the Network 25 review will take account of this. The revision activity will therefore ensure that availability is built in to revised duty sets in order to continue to fulfil existing customer commitments in this regard.

# Vehicle Scheduling

As in previous reviews Network Scheduling will utilise Paragon-

# **Review Process and Revision Programme of Works**

The detailed staged process for the progression of this revision activity can be found in Annex A along with the Network Revision 'Programme of Works' – Re-sign Process detailed in Annex B

### The Review Process

The review process will be conducted over 4 Stages.

Where there is a concern or issue regarding the interpretation and/or the application of this agreement then the issue should be referred to the Network Working Group (NWG) for clarification.

The role of the CWU representatives within these processes is fully recognised, as is the requirement for appropriate release in order for them to meaningfully prepare, participate and obtain the views of their members. It is agreed that in line with the IR Framework, CWU representatives undertaking this work will not suffer financial loss. To this end it is agreed that local managers will facilitate this release and that all reasonable requests for release will be agreed.

Management and CWU representatives will agree locally on a weekly basis, the period of the release required.

#### Stages

1. Launch of a joint local data gathering exercise and collection of current state data at each VOC/Mini VOC. This activity should provide a robust baseline as a reference for analysis of the Paragon outputs and will cover data for the full working week.

This stage will include a detailed review of all ad-hoc and scheduled collections workload.

In addition, workload excluded from scheduling (e.g., shunting) will also be reviewed at the data gathering stage as an input to the review.

A non-binding preference exercise to be run at appropriate VOC's/Mini VOC's as determined by the Network Working Group.

- 2. The NWG will carry out generic analysis of Paragon "first cut" outputs; identify high impact or problem sites. At this stage the NWG will look to aid the development of local, area and National scope/solutions which may form a counter proposal for deployment. Where appropriate the NWG will consider the utilisation of Paragon in the formulation of such options. The NWG will then make a representation to the National parties regarding the status of issues. The agreed National deployment date will be targeted. The deployment date will allow sufficient time for local negotiations and re-signs to conclude prior to deployment in line with above and in line with current agreements.
- 3. NWG to commence work on future National Network revision process and approach for recommendation to National parties

#### Stage One

Local managers, local planners and CWU representatives will jointly collate and sign off a sitespecific information pack. The scope and details of the data to be gathered will be agreed with the NWG in line with previous Network review activity. This information will be used to assist the planning process and provide a reliable reference point for the assessment of first cut plans and deployment issues.

The expectation is that this process should be concluded over a two-week period.

The planning for this revision will be based on the current Network operation as defined in the data capture exercise at Stage One and does not encompass Network work currently performed by Area Distribution other than work that has been agreed to transfer via separate Area Distribution discussions.

The joint data gathering will commence on 17th February 2025 to 28<sup>th</sup> February 2025

# Stage Two

The NWG will review the first cut planning outputs to assess and where possible anticipate potential problem sites and look at the potential solutions. These potential solutions may not necessarily be restricted by individual unit or area boundaries but will always seek to maximise business efficiency whilst reconciling job and standard of living security. It is expected to conclude this process in two weeks where a status report/update will be advised to the national parties. This stage will also include a 'check in' session with the national parties to ensure Ambition and Growth activity is not being compromised by the suggested first cut planning.

#### Stage Three

Local negotiations will commence in line with this agreed revision process and the IR Framework including the use of mediation as appropriate. The NWG will support this process and be available to help conclude local/area solutions.

A traffic light process will be deployed to monitor progress and identify at the earliest opportunity potential problem sites. Implementation of the revisions at all sites will take place on the same day coordinated by the NWG.

This negotiation process should be concluded at pace within two weeks in line with the IR Framework. Re-signs will then commence at all sites to be concluded by the National implementation date. Re-signs should be conducted in line with the process contained in Annex B.

# Stage Four

The NWG will review the effectiveness of the above process and assess opportunities to refine the approach for future revision activity.

The methodology for this piece of work will be based on the ACAS guide to problem solving and will allow relevant expertise to be used where the NWG agree it would be beneficial.

When a joint recommendation has been developed it will be jointly presented to the national parties for ratification and agreement. The process will then become the agreed approach to Network revisions going forward.

#### Network Revision 'Programme of Works' – Re-sign Process

When Stage 3 of this Joint Statement has been achieved arrangements should be made where necessary to commence a re-sign of duties. Re-signs will be conducted in line with existing National Agreements.

Where agreed duty structures at any site have resulted in a surplus being declared and people's processes at such sites have identified transferees or where a transfer to another VOC has been agreed then these individuals should be included in re-signs at the receiving office, even if this is in advance of their substantive move.

Where the re-sign process can be completed in full prior to the National implementation date, all individuals will take up their new duty/rotation from that date.

#### **Contingency Arrangements**

While it is anticipated that the National implementation date will allow sufficient time to conclude the re-sign process, past experience has indicated that circumstances can occur where re-signs run past the implementation date. In such circumstances the following contingency arrangements should apply.

Where due to annual leave a full re-sign cannot be completed prior to the National implementation date the following process should apply:

- re-sign arrangements should progress until process stalls due to leave commitments. On the National implementation date those individuals who have successfully selected a duty/rotation as part of the re-sign will take it up.
- All remaining individuals should participate in a temporary resourcing process. This may take the form of either a best match exercise placing individuals on attendances similar to their current duties.

or

by individuals selecting from the remaining available duties following the implementation of the revision and thereafter on a weekly basis in seniority order until the conclusion of the full re-sign.

- The exact nature and application of the temporary resourcing process should be agreed locally.
- The re-sign process will continue as individuals return to work with subsequent successful applicants taking up their duty/rotation from the start of the next week prior to the next temporary resourcing process.

The temporary resourcing process should be progressed as a joint initiative to enable re-signs to be completed in the most expedient manner and to fully assist in the temporary resourcing process.

Notwithstanding the contingencies detailed above the efforts of all parties should be focused upon completing the re-sign in advance of the new duty structures being deployed.

### ANNEX B

### **PAD Revision Activity 2025**

#### Introduction

The Business Recovery Transformation and Growth (BRT&G) Agreement commits both Royal Mail and the CWU to working together to transform business operations, building on the mutual interest processes.

Both parties continue to work together to develop and establish improved, constructive working relationships, effective interfaces and the continued development of a mutual interest culture at all levels within RM Distribution. A key indication of the effectiveness of these efforts has been the successful deployment of National Network Revisions. This agreement aims to build on the successes and refine the processes used for Network revisions as appropriate to PAD activity based on our collective experience.

# Background

Royal Mail Distribution and the CWU agree that we have a collective interest in reaching a successful deployment of this PAD revision activity. Both parties recognise that if a proposed target of deployment of March-June 2025 is to be met, activity will have to be undertaken at pace and will require a positive and pragmatic approach that balances immediate operational requirements and considers future ambitions and growth opportunities.

Any adjustment to the external customer requirements or internal business operational footprint during the review will have to be factored in and considered in respect of a robust Distribution operation.

Royal Mail National will identify any intention to transfer workload for inclusion in PAD activity to ensure that timely discussions can take place in line with the Business Recovery Transformation and Growth (BRT&G) Agreement, the IR Framework, 'Future of Area Distribution' and 17t deployment agreements.

It is acknowledged that joint data gathering within a PAD Revision based on one specific Nationally agreed day, does not give a true reflection of the workload across the different days of the week. It is therefore agreed this year's joint data gathering will encompass a designated week as agreed by the NWG

#### Vehicle Scheduling

As in previous reviews PAD optimisation and scheduling will utilise existing tools and techniques.

The following staged process for the progression of this revision activity has been agreed as follows.

#### **The Review Process**

The detailed staged process for the progression of this revision activity can be found in Annex A along with the Network Revision 'Programme of Works' – Re-sign Process detailed in Annex B.

Any questions of interpretation, implementation or application of this agreed way forward shall be referred to the signatories of this agreement for resolution via the IR Framework.

# **The Review Process**

The review process will be conducted over 4 Stages.

Where there is a concern or issue regarding the interpretation and/or the application of this agreement then the issue should be referred to the Area Distribution Working Group (ADWG) for assistance.

The role of the CWU representatives within these processes is fully recognised, as is the requirement for appropriate release in order for them to meaningfully prepare, participate and obtain the views of their members. It is agreed that in line with the IR Framework, CWU representatives undertaking this work will not suffer financial loss. To this end it is agreed that local managers will facilitate this release and that all reasonable requests for release will be agreed.

Management and CWU representatives will agree locally on a weekly basis, the period of release required.

#### Stages

1. Launch of a joint local data gathering exercise and collection of current state data at each Area Distribution Unit. This activity should provide a robust baseline as a reference for analysis of the Paragon outputs and will cover data for the full working week.

This stage will include a detailed review of all ad-hoc and scheduled collections workload.

In addition, workload excluded from scheduling (e.g. shunting) will also be reviewed at the data gathering stage as an input to the review.

A non-binding preference exercise to be run at appropriate Area Distribution Units as determined by the Area Distribution Working Group.

#### Stage One

Local managers, local planners and CWU representatives will jointly collate and sign off a sitespecific information pack. The scope and details of the data to be gathered will be agreed with the NWG in line with previous PAD review activity. This information will be used to assist the planning process and provide a reliable reference point for the assessment of first cut plans and deployment issues.

The expectation is that this process should be concluded over a two week period.

The planning for this revision will be based on the current operation as defined in the data capture exercise at Stage One.

The joint data gathering will commence on 17<sup>th</sup> February until 28<sup>th</sup> February 2025.

# Stage Two

Local engagement on revision activity will move at pace and concentrate on maximising the driving content of MGV driver duties, while prioritising full-time duties consistent with the PDA agreement (not precluding the use of OPG driving and non-driving content to achieve this) following the resourcing principles defined on the PAD Agreement.

These commitments are consistent with our joint aspiration to provide rewarding employment, better long term prospects, employment security and to reduce to an absolute minimum the use of external resource.

A traffic light process will be deployed to monitor progress and identify at the earliest opportunity potential problem sites. Implementation of the revisions at all sites will take place on the same day coordinated by the NWG.

# Stage Three

The NWG will review the effectiveness of the above process and assess opportunities to refine the approach for future revision activity.

The methodology for this piece of work will be based on the ACAS guide to problem solving and will allow relevant expertise to be used where the NWG agree it would be beneficial.

When a joint recommendation has been developed it will be jointly presented to the National parties for ratification and agreement. The process will then become the agreed approach to Network revisions going forward.

Any questions of interpretation, implementation or application of this agreed way forward shall be referred to the signatories of this agreement for resolution via the IR Framework.

# Network Revision 'Programme of Works' – Re-sign Process

When Stage 2 of this Joint Statement has been achieved arrangements should be made where necessary to commence a re-sign of duties. Re-signs will be conducted in line with existing National Agreements.

Where agreed duty structures at any site have resulted in a surplus being declared and people's processes at such sites have identified transferees or where a transfer to another Distribution Hub has been agreed then these individuals should be included in re-signs at the receiving office, even if this is in advance of their substantive move.

Where the re-sign process can be completed in full prior to the implementation date, all individuals will take up their new duty/rotation from that date.

### Contingency Arrangements

While it is anticipated that the implementation date will allow sufficient time to conclude the re-sign process, past experience has indicated that circumstances can occur where re-signs run past the implementation date. In such circumstances the following contingency arrangements should apply.

Where due to annual leave a full re-sign cannot be completed prior to the implementation date the following process should apply:

- Normal re-sign arrangements should progress until process stalls due to leave commitments. On the implementation date those individuals who have successfully selected a duty/rotation as part of the re-sign will take it up.
- All remaining individuals should participate in a temporary resourcing process. This
  may take the form of either a best match exercise placing individuals on attendances
  similar to their current duties.

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- The exact nature and application of the temporary resourcing process should be agreed locally.
- The re-sign process will continue as individuals return to work with subsequent successful applicants taking up their duty/rotation from the start of the next week prior to the next temporary resourcing process.

The temporary resourcing process should be progressed as a joint initiative to enable re-signs to be completed in the most expedient manner and to fully assist in the temporary resourcing process.

Notwithstanding the contingencies detailed above the efforts of all parties should be focused upon completing the re-sign in advance of the new duty structures being deployed