

No: 57/25

24th March 2025

Dear Colleague,

Pay 2025 and Section 5 of the EP Agreement

In December 2024 the CWU reached a groundbreaking agreement with EP which listed legal guarantees and several other commitments, including pay 2025 and resolving outstanding issues.

The agreement was dependent on EP becoming either the Controlling Shareholder or the Sole Shareholder.

The takeover has yet to clear the final regulatory process linked to Romania. This is due to recent Government elections in Romania which has delayed the clearance.

The delays in completing the takeover have clearly left the CWU facing the dilemma that the current Royal Mail Board is on its way out and does not want to negotiate an agreement resolving pay and the outstanding issues.

Whilst EP are not the owners there are legal processes in place that prevent them from authorising changes ahead of the takeover. As such the outcome is that we are not yet in a position where we can commence negotiations over the following:

- Pay
- Equalising New Entrants' pay, terms and conditions over an agreed-upon period, with the first step taking place within three months of the transaction being completed.
- A new resourcing process.
- Review of scheduled attendance and overtime rates.
- Reduction in agency staff.
- Improvement in sick pay.
- Improvement in VR terms.
- A new incentive scheme.
- Pilots on new ways of working.

We understand that our members deserve an above inflation pay rise. However, the unprecedented set of circumstances means that until the takeover has been completed any details on pay and the section 5 commitments would be a breach of the takeover panel rules as EP are not yet the owners.

We have called a policy forum for our field officials and Branches on 21st and 22nd May and we anticipate we will have a settlement on all the above if the transaction has been completed by that date.

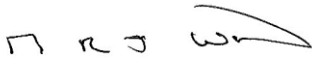
It is important to confirm that any pay deal and all points listed above will be subject to an individual member ballot and likewise any pay agreement will be backdated to the beginning of April 2025.

We will keep Branches updated on exactly when we will be allowed to commence negotiations on the EP agreement, including pay.

Given the importance of this LTB I am asking all divisions and Branches to ensure the content is given the widest possible exposure to members.

Any enquiries should be referred to the DGS(P) department.

Yours sincerely,



Martin Walsh
Deputy General Secretary (Postal)