

No. 091/25

9th May 2025

For the Immediate Attention of All:

Postal Branches
Regional Organisers
Divisional Representatives
Parcelforce Unit Representatives
Area Delivery Representatives
Area Distribution Representatives
Area Processing Representatives
Area Safety Representatives

Dear Colleagues,

Large Parcel Migration Between Royal Mail and Parcelforce - Update

Branches will recall the concept of utilising the synergies between Royal Mail and Parcelforce on progressing towards a Single Parcel Network for Large Parcels, as outlined in Section 5 of The Business Recovery Transformation & Growth Agreement (BRT&G). To aid this, Pilot activity has been undertaken with F4+ volume transferred directly from the Midland Superhub to the PFW Coventry Hub and via two MCs Preston and Manchester. To date, these trials have proven successful.

The Building the Future project, documented via LTB 040/25, provides Parcelforce the required IT capabilities to enable interoperability of parcels between the RM and PFW networks. This is alongside other initiatives, including First Mile Integration starting with PFW POL Collections transferring into RM, covered in LTB 076/25.

The plan is to migrate up to 14m format 4 and above (F4+) parcels from RM to PFW in financial year 2025/2026. This represents c13% of all RM's F4+ total annual parcel volumes and 1.2% of all RM's annual parcel volumes. The breakdown of how these items will migrate is as follows:

- 3.3m (F4+) items via high volume (HV) direct injection customers;
- 1.1m (T48, F4+) items via one of our Parcel Hubs;
- 9.6m (T48, F4+) items via 31 of our Outward Mail Centre (OMC) Operations (including all existing Donor sites).

While some T24 F4+ items may be included in Customer Direct Injection volumes to meet the operational model, at this stage only T48 F4+ items can migrate from the current Royal Mail Network.

The operational plan is based on:

- Day A: Collection, Outward Processing / Loading and Conveyance to PFW overnight;
- Day B: PFW Processing and Conveyance to PFW Depots;
- Day C: PFW Deliver items.

In RM on outward, Collection Hubs and Outward Mail Centres (OMCs) will segregate T48 F4+ items, conducting a scanning process and loose load items onto PFW trailers. These trailers are then sent to PFW Coventry National Hub (CNH) overnight for processing on the day shift and once migrated to PFW these items remain in the PFW network through to final delivery.

Whilst the current pilot has worked well, there will be continued learnings to manage. Therefore, it has been agreed the migration of Large Parcels will be via a phased roll-out plan, which includes three distinct pilot phases identified as follows:

- Phase 1: Pilot activity including 6 OMCs and 1 Parcel Hub by end of May 2025;
- Phase 2: Continued roll-out at a further 8 OMCs by end of June 2025;
- Phase 3: Completion of all migration by no later than end of August 2025.

It is agreed that phasing the roll out will enable joint tracking of all pilot activity and assessments of any lessons learnt, which will be further incorporated into the Joint Working Group (JWG) on Large Parcel Migration. This JWG is made up of RM, PFW and CWU representation. The roll-out also provides PFW with a natural ramp-up of additional volumes with an intent to complete the full migration before we reach the Peak pressure period in 2025.

The Pilot activity has highlighted some concerns from Mail Centres, which are currently donor sites to the Super Hubs, and from Deliveries on the impact to the DPR Routes. Many of the concerns raised were down to misinformation from managers. These have been covered off and are highlighted below:

- Limited workload impact on OMC operations due to requirement to segregate, scan and loose load trailer(s) destined for PFW;
- Fourteen of the OMCs are already donor sites to both Midlands and Northwest Super Hubs, which will mean that the F4+ T48 items will be diverted to PFW instead of the respective Super Hubs. There is no intention, as part of this project, for donor sites to redirect compensatory volume to the Super Hubs;
- Network implications are being incorporated into the annual Network Review and will include adjustments to current schedules based on volume and the introduction of direct services from the OMCs to the PFW Coventry Hub;
- IMCs will see an impact on all Inward Operations with a minor reduction of workload;
- Mail Centre realignment is planned for late June 2025 and will incorporate the workload impact into a revised model week calculation;
- Delivery functions (DPR and Core) will see on average c35 less items per day per delivery office. Consequently, DPR route structures will be reviewed in line with the reduction in volume and subsequent stops per hour impact. As such, it is not intended to activate DPR volume moving to core delivery routes from this project within 2025;
- PFW Processing and Depot Night Shift Operations will be reviewed to align resource to accommodate increased volume.

In addition to the above points, the business has shared with both departments the breakdown of volumes per Mail Centre and DPR Office and the overall impact in Delivery is on average circa 1 less DPR route per office. Therefore, this will be managed in line with National Agreements and ensuring the reduction of agency / casual use will be achieved in the first instance. This information will be supplied to CWU representatives via internal memos in due course.

We have now agreed words with the business on this activity and these are attached along with associated data covering the future roll out of the sites, Flowchart covering the migration and the SOPs.

As highlighted, the activity will be monitored through the Large Parcel Migration Joint Working Group. Both departments agreed a national launch call with the business, which has taken place today. Please find attached the slides used today along with WTLL materials, which will be used to ensure that the criteria are fully understood and deployed consistently, ensuring that connectivity and quality of service is maintained.

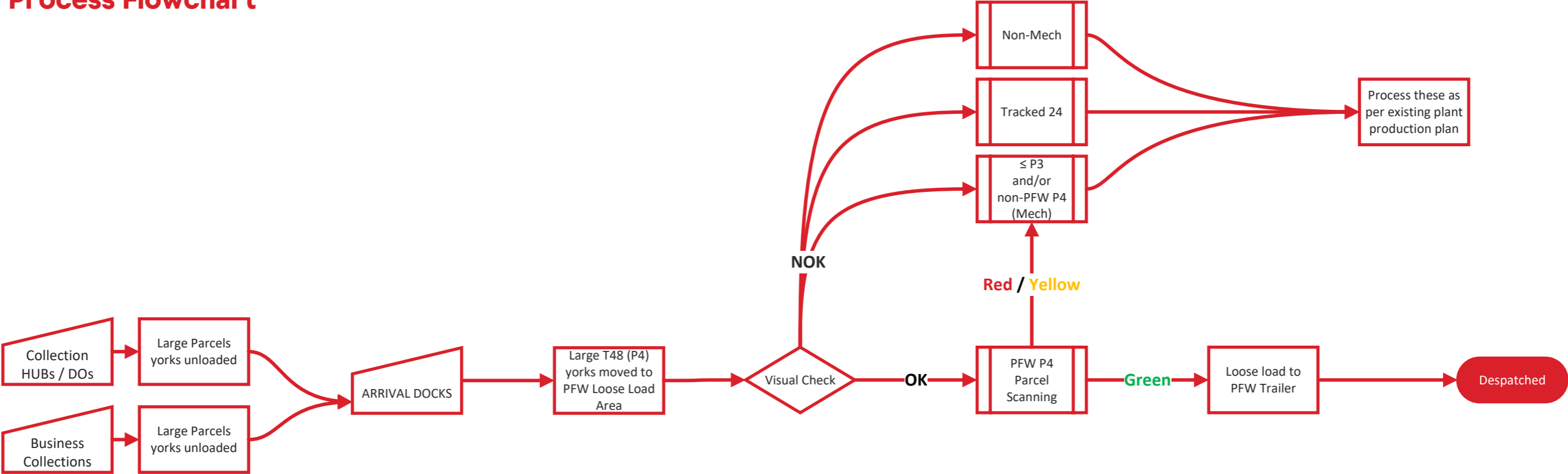
Any enquiries in relation to this LTB should be addressed to Davie Robertson, Assistant Secretary, email: jrodrigues@cwu.org or Tony Bouch, Assistant Secretary, email: Pharacz@cwu.org.

Yours sincerely,

Davie Robertson
Assistant Secretary

Tony Bouch
Assistant Secretary

Large (P4) Parcels
Process Flowchart



Joint Launch Call

Optimised Single Parcel Network for Large Parcels

Friday 09th May 2025

Agenda

- 1 Why are we migrating Large Parcels into PFW
- 2 How will this work and what have we learnt from the trials?
- 3 Expected functional impact
- 4 Proposed roll-out plan
- 5 Q&A

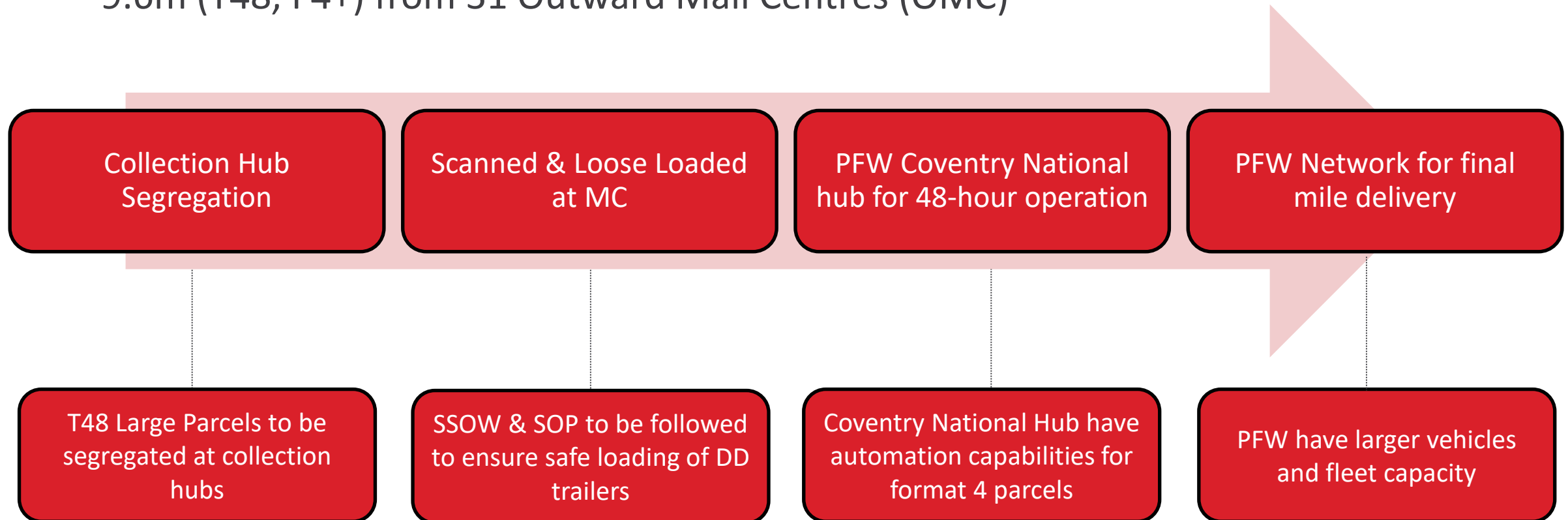
Why are we Migrating Large Parcels into PFW?



- The strategy was part of the Business Recovery Transformation & Growth Agreement (BRT&G)
- Progressing towards a Single Parcel Network for Large Parcels
- Large Parcels is the fastest growing segment of the Parcel market
- Alignment to Future Network Design
- PFW have the most appropriate infrastructure and automation capabilities to process & deliver large parcels
- Right Parcels for the right network

How will this work?

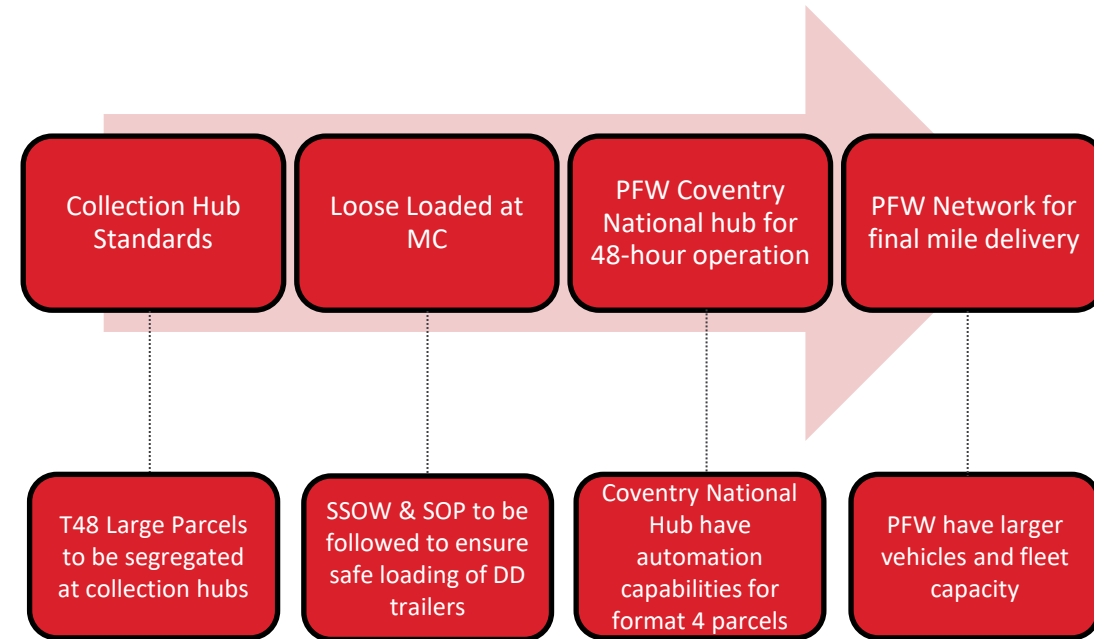
- 14m large parcels to be migrated in this financial year, broken down as follows:
 - 3.3m (F4+) direct from High Volume customers (Amazon & Boots)
 - 1.1m (T48 F4+) from one Parcel Hub
 - 9.6m (T48, F4+) from 31 Outward Mail Centres (OMC)



How will this work and what have we learnt from the trials?



- PFW scanning process significantly improved within the first week of trial
- Steady state reject rate of 11% (Restricted Postal Codes, Inflight Features & Product Spec)
- All trial activity has been successful, with 5 sites now online



Expected Functional Impact:



Collection Hubs

UTRs to segregate
F4+ T48 items

Processing

Reduction of
processing Format 4
Parcels for Outward
and Inward

Network

Improved utilisation
of trailers with
introduction of
Loose Loading and
eases Cross Docking
congestion

Local Distribution

Improve vehicle
utilisation and
reduces container
usage

Delivery

DRP routes reviewed
in line with reduced
volumes

Phased roll-out plan

				Deployment		B/H Week		Tech Solution		Leave																			
Donor Recipient Site	Donor Site	Volume to Transfer to PFW	Lead	Wk. No.	Wk50	Wk51	Wk52	Wk1	Wk2	Wk3	Wk4	Wk5	Wk6	Wk7	Wk8	Wk9	Wk10	Wk11	Wk12	Wk13	Wk14	Wk15	Wk16	Wk17	Wk18	Wk19	Wk20	Wk21	Wk22
				Countdown	19	18	17	16	15	14	13	12	11	10	9	8	7	6	5	4	3	2	1	0		-1	-2	-3	-4
				New Deployment Date	10/03/2025	17/03/2025	24/03/2025	31/03/2025	07/04/2025	14/04/2025	21/04/2025	28/04/2025	05/05/2025	12/05/2025	19/05/2025	26/05/2025	02/06/2025	09/06/2025	16/06/2025	23/06/2025	30/06/2025	07/07/2025	14/07/2025	21/07/2025	28/07/2025	04/08/2025	11/08/2025	18/08/2025	25/08/2025
NWSH	Preston MC	1500 / 3000	Julia Bateson	07/04/2025					T								2												
NWSH	Manchester MC	1500 / 3000	Julia Bateson	07/04/2025					T								2												
NWSH	Leeds MC	1500 / 3000	Adam Sutcliffe	28/04/2025								T									2								
N/A	Princess Royal Parcel Hub	1500 / 3000 / 4500	Phil Faye	28/04/2025								T								2						3			
MSH	Swindon MC	1500	Dan Knutton	05/05/2025									T																
MSH	Home Counties North MC	1500 / 3000	James Tully	12/05/2025										T						2									
MSH	Birmingham MC	1500 / 3000	Chris Millen	12/05/2025										T												2			
MSH	South Midlands MC	1500 / 3000	Dan Knutton	19/05/2025											T														
NWSH	Tyneside MC	1500	Adam Sutcliffe	02/06/2025																	2								
	Chelmsford MC	1500	Phil Faye	02/06/2025																									
MSH	Peterborough MC	1500	Chris / James	02/06/2025																									
NWSH	Chester MC	1500	Julia Bateson	09/06/2025																									
	Medway MC	1500	Sam Warner	09/06/2025																									
NWSH	North West Midlands MC	1500	Chris Millen	09/06/2025																									
MSH	Nottingham MC	1500	Adam Sutcliffe	16/06/2025																									
	Bristol MC	1500	Dan Knutton	16/06/2025																									
NWSH	Warrington MC	1500	Julia Bateson	23/06/2025																									
NWSH	Sheffield MC	1500	Adam Sutcliffe	23/06/2025																									
	Greenford MC	1500	Phil Faye	23/06/2025																									
	Cardiff MC	1500	Chris Millen	30/06/2025																									
	Northern Ireland MC	1500	James Tully	30/06/2025																									
	Gatwick MC	1500	Sam Warner	07/07/2025																									
	Edinburgh MC	1500	James Tully	07/07/2025																									
	London Central MC	1500	Phil Faye	07/07/2025																									
	Dorset MC	1500	Babatunde Adefila	14/07/2025																									
	Jubilee MC	1500	Sam Warner	14/07/2025																									
	Plymouth MC	1500	Tony Hart	21/07/2025																									
	Glasgow MC	1500	James Tully	21/07/2025																									
	Southampton MC	1500	Dan Knutton	21/07/2025																									
	Romford MC	1500	Phil Faye	21/07/2025																									
	Exeter MC	1500	Chris Millen	28/07/2025																									
	Swansea MC	1500	Dan Knutton	04/08/2025																									



- Roll-out supported by Lead project deployment Managers
- Work package in place to ensure seamless deployment process
- Check and go process in place in week prior to go-live
- Weekly JWG in place to act as key point of governance as we work through the migration plan

Q&A:





Simon Aris
Royal Mail Group
185 Farringdon Rd.
London
EC1A 1AA

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

Subject - Establishing an Optimised Single Parcel Network for Large Parcels. Migration of F4/5 items

24th April 2025

Dear Davie & Tony

As you know both Royal Mail (RM) and Parcelforce (PF) have been jointly engaged with the Communications Workers Union (CWU) on progressing towards a Single Parcel Network for Large Parcels, this strategy was outlined in section 5 of The Business Recovery Transformation & Growth Agreement (BRT&G). The Building for The Future project within PF provides the required IT capabilities to enable our interoperability of parcels between RM and PF networks, alongside other initiatives we are working on together such as First Mile Integration starting with PFW POL collections transferring into RM. Both parties recognise RMG needs to improve its competitiveness in the processing, networking, and delivery of larger parcel formats, which is the fastest growing segment in the parcels market. Migrating larger parcels from RMs containerised operation and into PFs loose loaded operation delivers financial and service-related benefits. It also supports from an employee perspective, that we process and deliver large parcels where we have the most aligned automation solutions, vehicle sizes and fleet capacities.

As you know we have been consulting with you to define how we will jointly deploy this programme of activity, the agreed outputs of which are summarised in the attached process document.

We look forward to working with you and the rest of the CWU team on successfully deploying these activities.

Yours sincerely

A handwritten signature in black ink, appearing to read "Simon Aris".

Simon Aris
Operations Programme Director – Processing
Royal Mail Group



Establishing an Optimised Single Parcel Network for Large Parcels. Migration of F4+ items

Introduction

Royal Mail (RM), Parcelforce (PFW) and the Communication Workers Union (CWU) are committed to working together in developing key business policies, mutual interest solutions and a new culture, which is at the core of all the commitments contained in our national agreements.

All parties recognise the pressures of the increasingly competitive and rapidly evolving environment we operate in and are committed to the strategic objective of creating and developing an agenda for traffic, product, and revenue retention to lay the foundations for future growth and providing employment security.

RMG continue to face financial challenges and both parties recognise that the BRT&G commitments to the creation of a Single Parcels Network for Large Parcels is key to ensuring that RMG can properly realise the synergies between the RM and PFW Networks and align traffic to maximise the strengths of the respective operational models.

The recent announcement of the Building for The Future project within PFW, now provides the required IT capabilities to enable our interoperability of parcels between RM and PFW networks, alongside other initiatives currently being progressed such as the migration of PFW Amazon F3 traffic to RM and First Mile Integration starting with PFW POL collections transferring into RM.

Outline Plan

The proposed plan is to migrate up to 14m format 4 and above (F4+) parcels from RM to PFW in financial year 2025/2026. This represents c13% of all RMs F4+ total annual parcel volumes and 1.2% of all RMs annual parcel volumes. The breakdown of how these items will migrate is as follows:

- 3.3m (F4+) items via high volume (HV) direct injection customers
- 1.1m (T48, F4+) items via one of our Parcel Hubs
- 9.6m (T48, F4+) items via 31 of our Outward Mail Centre (OMC) Operations (including all existing Donor sites)

While some T24, F4+ items may be included in Customer Direct Injection volumes, to meet the operational model, at this stage only T48, F4+ items can migrate from the current Royal Mail Network. The operational plan is based on:

- Day A: Collection, Outward Processing/Loading and Conveyance to PFW overnight.
- Day B: PFW Processing and Conveyance to PFW Depots.
- Day C: PFW Deliver items.

In RM on outward, Collection Hubs and Outward Mail Centres (OMCs) will segregate T48, F4+ items, conducting a scanning process and loose load items onto PFW trailers. These trailers are then sent to PFW Coventry National Hub (CNH) overnight for processing on the day shift and once migrated to PFW these items remain in the PFW network through to final delivery.

Pilot Activity

During 24/25 limited pilot activity has been jointly undertaken with F4+ volume transferred from the Midland Superhub and via two OMCs (Preston & Manchester). To-date these trials have proven successful, and both parties have agreed to extend the pilot activity further.

As such RM, PFW and the CWU have agreed a phased roll-out plan which includes three distinct pilot phases as follows:

- Phase 1 – Pilot activity including 6 OMCs and 1 Parcel Hub by end of May 2025
- Phase 2 – Continued roll-out at a further 8 OMCs by end of June 2025
- Phase 3 – Completion of all migration by no later than end of August 2025



This phasing enables joint tracking of all pilot activity and assess any lessons learnt, which will be incorporated into our newly formed Joint Working Group (JWG) on Large Parcel migration. This JWG will be made up of RM, PFW and CWU representation. The roll-out also provides PFW with a natural ramp-up of additional volumes with an intent to complete the full migration before we reach the Peak pressure period in 2025.

Under the guidance of the JWG the roll-out will be supported by a small team of dedicated Large Parcel Leads who will work with each of the pipelines ensuring that full training packages are deployed, and all processes are understood and embedded.

In conjunction with the appropriate CWU Representatives, this team will also be responsible for implementing agreed Safe Systems of Work and ensuring that standard operating procedures are adhered to. The JWG will also review when and how we migrate small parcel activity from PFW into RM. This also aligns to the BRT&G agreement which aims to align traffic with the most appropriate network.

Functional Impacts

RM, PFW and the CWU jointly recognise that this programme of activity will have some workload impact on varying parts of the RM Pipeline. These include Collection Hubs, OMCs, Network, Super Hubs, Inward Mail Centres (IMC) and Delivery (DPR and Core). As part of the joint planning process already undertaken, both parties have jointly reviewed directional workload impact in each of the respective functional areas. Key outputs from this activity are as follows:

- Limited workload impact on OMC operations due to requirement to segregate scan and loose load trailer/s destined for PFW.
- Fourteen of the OMCs are already donor sites to both Midlands & Northwest Super Hubs which will mean that the F4+ T48 items will be diverted to PFW instead of the respective Super Hubs. There is no intention as part of this project for donor sites to redirect compensatory volume to the Super Hubs.
- Network implications are being incorporated into the annual Network review and will include adjustments to current schedules based on volume and the introduction of direct services from the OMC's to the PFW Coventry Hub.
- IMCs will see an impact on all Inward Operations with a minor reduction of workload.
- Mail Centre realignment is planned for late June 2025 and will incorporate the workload impact into a revised model week calculation
- Delivery functions (DPR and Core) will see on average c35 less items per day per delivery office. Consequently, DPR route structures will be reviewed in line with the reduction in volume and subsequent stops per hour impact. As such it is not intended to activate DPR volume moving to core delivery routes from this project within 2025.
- PFW Processing and Depot Night Shift Operations will be reviewed to align resource to accommodate increased volume.

RM, PFW and the CWU are jointly committed to coordinating with each of the functional teams and share more detailed plans and impact assessments in each of the respective parts of the Pipeline. Our joint intent is to limit any impact on employees and use this as an opportunity to further reduce our reliance on agency workers across the operation. All local discussions will be progressed in line with national agreements and the IR Framework

Safe Systems of Work and Standard Operating Procedures

Health & Safety is of paramount importance to both RM, PFW and the CWU. RM Safe Systems of Work, Standard Operating Procedures, and all relevant safety compliance documentation for the operational tasks, in particular around the loose loading of DD trailers from York Containers will be jointly reviewed, evaluated and amended by the appropriate RM and CWU subject matter experts agreed between RM and the CWU.

Progress and escalation

RM, PFW and the CWU will jointly review progress as part of the National Large Parcels Joint Working Group (JWG) with a view to evaluating the progress of this activity, as well as providing a point of escalation.

Any issues in relation to the interpretation or application and deployment of the initiative will be raised through the line and then with the National Large Parcels Joint Working Group for review and resolution.

Operations Standards

SOP OP22.90.90.90

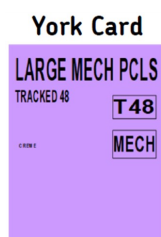


- ✓ You **MUST** have completed **ALL** relevant training for this task. **Your Manager IS responsible for this** via the WPC
- ✓ You **MUST** be familiar with Risk Assessments and Safe Systems of Work for this operation
- ✓ You **MUST** use ALL allocated Delivery equipment in accordance with the Delivery Equipment Security Procedure
- ✓ You **MUST** review ALL Hazard Cards and Walk Logs prior to departing for your delivery
- ✓ You **MUST** ensure that you wear your Royal Mail photo ID at all times when on Royal Mail premises
- ✓ You **MUST** have your Royal Mail photo ID available to produce when offsite

P4 Parcels to PFW

Step 1

Select Items of Mail to Process



Correct parcel stream and format will be identified at the arrivals dock doors and **Large Tracked 48 Format 4** parcels moved to the Parcelforce work area by porters.

- If no porter is available, follow the steps below.
 - All site-specific Health & Safety (Manual Handling SSoW) requirements must be adhered to at all times – e.g. Personal Protective Equipment (PPE) and high-visibility jackets where stipulated, etc.
 - When manoeuvring a full York container, the load must not exceed the Safe Working Load (250kg) of the container (weigh on scales if unsure before proceeding)
 - If it is necessary to manoeuvre a full York container, or one with a sleeve and you are unable to see over the container, it will be necessary to proceed with care, moving slowly and checking round the sides of the container as you go
 - In busy or congested work areas before proceeding ask for assistance from another person to guide the container by holding the front corner
 - Before manoeuvring always fasten the load retention straps on the container
 - In normal use push from brake end using the yellow handles

Step 2

Setting up work area and equipment.



- Ensure the IT equipment is setup correctly
 - If not in place already, set up the workstation with laptop making sure the screen is visible to the scanning operator.
 - Ensure all cables are safely connected and always adhere to on site SSoW and Workplace Risk Assessment.
 - Connect Finger Scanner to laptop via Bluetooth and prepare to scan items using PFW app on the laptop. (see RS5100 wireless finger scanner connection process displayed on workstation)
- Ensure segregation yorks have been setup with correct paddleboards. The breakdown is as below
 - Container 1: ≤P3 and/or non-PFW P4(Mech)
 - Container 2: Tracked 24
 - Container 3: Non-Machinable Parcels (e.g. tubes, spheres etc)

Operations Standards

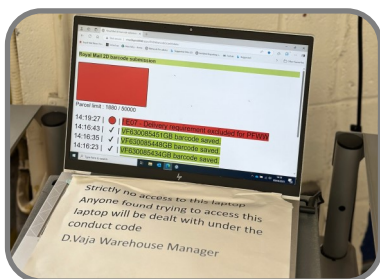
SOP OP22.90.90.90



Standard Operating Procedure

Step 3

Segregation and scanning.



- First, visually inspect each parcel and place it into the appropriate container. Use size guides for reference..
 - Container 1: $\leq P3$ and/or non-PFW P4(Mech)
 - Container 2: Tracked 24 Parcels
 - Container 3: Non-Machinable Parcels (e.g. tubes, spheres etc)
- Items that will require assisted handling will be indicated by a "CAUTION HEAVY" label attached to the item.
- Once parcels have been segregated, scan all **Tracked 48 Format 4** and above parcels using the finger scanners.
 - Always ensure the laptop screen is safely visible to the sorting operator to avoid twisting, straining or delay in obtaining visible message.
- The laptop screen will display a Green, Red or Yellow indicator
 - Green: OK for Parcelforce loose loading
 - Red: Keep within RM network
 - Yellow: Keep within RM network
- Red and Yellow items must be placed in the ' $\leq P3$ and/or non-PFW P4 (Mech)' yolk for further RM processing.
- Ensure all Green items are placed separately in a yolk for loose loading.

Step 4

Loose Loading



- Move yorks containing Tracked48 Format 4 parcels, which have passed through the scanning process, onto the trailer in preparation for loose loading
 - Staff must be trained on the Safe Systems of Work (SSOW) for Manual Handling, York Container Operation, and Loading and Unloading Large Vehicles before carrying out this task
- Loose Load F4 items onto Trailer.
 - Unload from the yolk container and place item in the vehicle ensuring the load plan is adhered to.
 - Load should be spread as evenly as possible during loading, bearing in mind the following key points.
 - * Interlocked, brick built.
 - * Heavy items below waist height
 - * Trimmed 3m (10ft) from rear
 - * 60cm (2ft) gap from the end of trailer door
- Continue to load the vehicle until vehicle is filled according to Load Plan (trimmed 3m / 10ft from the rear of the trailer with a 60cm / 2ft gap) or the vehicle is ready for despatch.

Strand	Region	Donor Site	Donor Recipient Site
Deployment	North West	Preston MC	NWSH
Deployment	North West	Manchester MC	NWSH
Deployment	Yorkshire	Leeds MC	NWSH
Deployment	National	Princess Royal Parcel Hub	N/A
Deployment	Anglia	Home Counties North MC	MSH
Deployment	South Central	Swindon MC	MSH
Deployment	Midlands	Birmingham MC	MSH

Phase 1 : 6 MC & 1 PH - Trail Sites Total daily volume 10.5k	Lead (TBC)	Wk. No.	Wk50	Wk51	Wk52	Wk1	Wk2
		Countdown	19	18	17	16	15
		New Deployment Date	10/03/2025	17/03/2025	24/03/2025	31/03/2025	07/04/2025
1500	Julia Bateson	07/04/2025					T
1500	Julia Bateson	07/04/2025					T
1500	Adam Sutcliffe	28/04/2025					
1500	Phil Fay	28/04/2025					
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1500	Dan Knutton	12/05/2025					
1500	Chris Millen	19/05/2025					

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