

No. 190/25

4th September 2025

For the Immediate Attention of All:

Postal Branches
Divisional Representatives
Area Processing Representatives
Area Health & Safety Representatives

Dear Colleagues,

Terms of Reference for the Trial and Deployment of AGV's

The department has been in discussions with the business concerning the building and deployment of Automated Guided Vehicles (AGV's) within the Midlands Super Hub (MSH) to aid with the X-Dock operation.

It was recognised through discussions that specific operational challenges at the MSH necessitated an innovative solution to resolve the X-Docking situation which currently utilises hundreds of agency workers to pass York containers up and down the hall. The AGV is considered the optimum solution due to the size and layout of the operation, though previous AGV trials and deployments involving precured AGV's have had mixed results. The business has designed and manufactured the AGV covered with the TOR in-house at a manufacturing site in what was previously Gloucester Mail Centre, with a design specification that aligns to the specific requirements of the operation.

The trial will be conducted in a live operational environment, within a specified testing area to enable effective evaluation and assessment on a sustained basis. Operator Involvement is essential, and feedback is sought jointly in respect of ergonomics, the performance characteristics, and interaction with the AGV system throughout the trial.

The business has confirmed the introduction of AGV's will not impact employee earnings or permanently amend SAs, duties, or times of attendance (outside of any BAU realignment activity). Where a need for flexibility of attendance times or duty content is identified during the trial phase, this will be achieved on a voluntary basis in the first instance.

The aim of this trial is to determine if the AGVs can safely and reliably move a York through the X-Dock area, ensuring the Yorks are X-Docked to the correct vehicles.

- To gather robust data on ergonomics of the roles interfacing with the AGV system to ensure the on-going Health & Safety of the operators.
- To evaluate how the AGVs can best be used to enhance the operation.

- To start the trial in the X-Dock area and then expand across all shifts through discussions, once the AGV system has met the prescribed standards.

Any employees & WPCs, and Engineers who take part in the trial will be fully trained on the operation and skills required, they will be expected to operate the equipment within the standard operating procedures and Safe Systems of Work which will be reviewed jointly as more is learned about the system in a practical operation. Any resourcing decisions can be taken in the normal way via local discussion at joint weekly resourcing meetings, recognising the need for flexibility to support the trial learning.

Health and Safety is of paramount importance. Therefore, all responsibilities under relevant Health and Safety Legislation and Regulations, will be followed and it is confirmed all relevant safety compliance documentation in relation to this activity will be fully developed by RM in consultation with the CWU Health and Safety SMEs.

To comply with the commitments above, for all RM Manufactured AGV trials and deployment:

- I. There will be Go / No Go Gateways at each stage.
- II. All the required Safe Systems of Work and Standard Operating Procedures will be in place prior to full deployment.
- III. Each AGV will be tested and commissioned against a set test criterion before being released to the Midlands Hub.
- IV. Each AGV will be UKCA marked and compliant with ISO standard BS EN ISO 3691-4:2023.
- V. There will be designated safe walkways and fire exit routes for people to follow and there will be safe crossing solutions in place where there is a need to cross the AGV lanes. All solutions will have full safety sign-off.
- VI. Each AGV will have a safety scanner fitted on the front and rear which will be active at all times. These scanners have a warning field and a safety field. If the scanners detect an obstacle or a person in the warning field, the AGV will slow down to a minimum speed until the safety field is triggered and at this point the AGV will stop. The obstacle will need to be removed before the AGV can resume its journey.
- VII. All AGVs will have two Emergency Stop Push buttons that are easily identified and located in a prominent position.
- VIII. AGV's will be programmed to stop should the fire alarm be activated. This is a function of the Fleet Manager.
- IX. The maximum speed the AGV can achieve is 3.2 metres/second.
- X. There will be banks of chargers placed at pertinent points around the processing unit. The chargers will be wireless chargers, a very safe charging solution.
- XI. When not required, the AGV's will either be on charge or parked up in a designated safe zone.
- XII. These systems and procedures will be reviewed and updated as necessary during the trial and be classified as fit for purpose once they have been evaluated by the appropriate Royal Mail and CWU safety experts.

We are still in discussions on an outstanding issue concerning the SSOW regarding the movement of York's. The current process states that Yorks must be pushed, not pulled, however as part of this activity the Yorks will be stored in rows between metal barriers, which will mean an individual having to pull a York to move it onto the vehicle. We are aware the business are currently reviewing and trialing an automated system which hopefully should resolve this outstanding issue.

The business has indicated should the deployment be successful they would like to review if these could be deployed in other locations. We have not agreed with this position and have insisted that the attached TOR relates only to the Midland Hub trial. We have agreed we are open to a discussion on any future

deployment of the AGV's; however, we have reiterated our position concerning any future proposals in that it should not be used just to reduce headcount on site.

The trial should have no impact on current employees, with regard to headcount. There however may be duty impacts as the deployment will reduce or remove LLOP duties currently used to convey Yorks, therefore, some redeployment activity within the site may be required.

Any enquiries in relation to this LTB should be addressed to Davie Robertson, Assistant Secretary, email: jrodrigues@cwu.org quoting reference LTB 190/25.

Yours sincerely,

Katrina Quirke
Acting Assistant Secretary

TERMS OF REFERENCE FOR THE TRIAL & OPERATIONAL DEPLOYMENT OF RM MANUFACTURED AUTOMATED GUIDED VEHICLES (AGV)

1. Introduction and Aims

- 1.1 Royal Mail and the Communication Workers Union (CWU) are working together to identify operational efficiencies through the manufacture, trial, and deployment of Automated Guided Vehicles (AGVs). It is anticipated that the deployment of AGVs will support the joint commitment to reduce the reliance on agency resource in MSH.
- 1.2 The shared vision and agenda going forward is summarised in this document and represents an example of how both parties embrace and support the commitment to integrate our mutual interests. This approach is enabled through commitments by both parties to transparency and shared information.
- 1.3 It has been agreed to commence the manufacture, trial, and deployment of the RM AGVs to support and improve operational efficiency, initially at the Midlands Super Hub (MSH). RM have shared their ambition to explore further rollout to opportunities in other processing sites where it is identified they would provide operational and cost benefits. In doing so, RM recognises the CWU's role in ensuring that any deployment provides a mutual interest benefit beyond headcount reduction and the CWU reserves the right to consider each proposal on its merits.
- 1.4 RM will engage and discuss future plans with the CWU in line with these ToR and give due consideration to joint learning from the initial trial and deployment in MSH. All proposals for further deployment beyond the MSH will require full consultation between Royal Mail and the CWU
- 1.5 Both parties recognise that specific operational challenges at the MSH necessitate an innovative solution to facilitate improved performance in the Cross- Dock (X-Dock) and LLOP operation and that these solutions could provide the same benefits in other processing sites, however this will require joint evaluation, scoping and consultation before progressing. In MSH specifically, this is considered the optimum solution due to the size and layout of the operation.
- 1.6 RM's aim is to manufacture AGVs with a design specification that aligns to the specific requirements of the operation to achieve an automated solution within the Processing units identified as benefitting from this automation. This is identified initially as the X-Dock and LLOP operation.
- 1.7 Having designed and manufactured an AGV which conforms to the required safety standards detailed below, trials will be conducted in a live operational environment, within a specified testing area to enable effective evaluation and assessment on a sustained basis.

2. Joint Involvement and Information Share

- 2.1 It is agreed that nationally, the Automation Joint Working Group (AJWG) will oversee the activity which will include the involvement of local managers and CWU, IR, Health and Safety and Engineering representatives. The group activity will facilitate ongoing engagement and information sharing. Additional expertise may also be utilised where required.
- 2.2 Local managers and CWU Representatives within the Processing unit (initially MSH) will be fully involved in all aspects of the trial from the initial stages, throughout deployment and reviews of the trial findings and lessons learnt. Regular feedback will be shared by all stakeholders and reviewed on an ongoing basis during the rollout.
- 2.3 Joint involvement will enable the development of mutual understanding of the issues under consideration and the potential impact to both individuals and the operation. This will enable the identification of any issues that may require clarification and / or changes to the operational design and deployment. The trial will be conducted on the basis of joint timely access to all relevant information.

3. Manufacturing and Commissioning Phase

Relevant data collated through the commissioning phase will be shared with the CWU via the AJWG to ensure they are fully involved and have the opportunity to highlight concerns and address issues. This process will enable standard operating procedures (SOPs) and a Safe System of Work (SSOW) to be jointly developed ready for the commencement of the trial phase and to ensure that the AGV system is fully functional and ready for deployment.

4. Aim of trial and deployment:

The initial trial will take place at Midlands Super Hub (MSH), commencing June 2025, and move to deployment. During the trial phase and until the deployment phase, there is no intention to impact employee earnings or permanently amend SAs, duties, or times of attendance (outside of any BAU realignment activity). Where a need for flexibility of attendance times or duty content is identified during the trial phase, this will be achieved on a voluntary basis in the first instance.

4.1 Trial Details:

The trial will take place in Midlands Super Hub (MSH) X- Dock Operation across all operational shifts.

4.1.1 The trial will run for a period of c.12 weeks

4.1.2 Risk Assessments will be completed for all operational tasks as part of the trial.

4.2 Trial Aims:

4.2.1 The aim of this trial is to determine if the AGVs can safely and reliably move a York through the X-Dock area, ensuring the Yorks are X-Docked to the correct vehicles.

4.2.2 To gather robust data on ergonomics of the roles interfacing with the AGV system to ensure the ongoing Health & Safety of the operators.

4.2.3 To evaluate how the AGVs can best be used to enhance the operation.

4.2.4 To start the trial in the Xdock area and then expand across all shifts through discussions, once the AGV system has met the prescribed standards.

5. Operator engagement:

5.1 It is essential that Operators are engaged in this activity, and feedback is sought jointly in respect of ergonomics, the performance characteristics, and interaction with the AGV system throughout the trial.

5.2 Any employees & WPCs who take part in the trial will be fully trained on the operation and the skill set required and will be expected to operate the equipment within the standard operating procedures which will be reviewed jointly as we learn more about the system in practical operation.

5.3 Any resourcing decisions can be taken in the normal way via local discussion at joint weekly resourcing meetings, recognising the need for flexibility to support the trial learning.

5.4 Regular communication updates through the AJWG will be shared to ensure transparency on progress to all Processing employees throughout the trial.

5.5 For the duration of the trial, colleagues will be kept informed by regular communication sessions, a notice board specific to each trial phase, and FAQs which will be updated regularly. Changes will be

communicated both in the form of WTLL (Work Time Listening and Learning) and huddles, supported by Workplace Coaches, local CWU IR Representatives and managers.

5.6 Colleagues will be shown around the AGV system prior to the start of training.

5.7 Employee and CWU involvement will be key to maximising the potential value of the system's contribution.

6. Engineering

CWU Engineering Representatives will be fully involved in relation to the development of maintenance schedules and engineering requirements for the AGV system, as per our existing agreements. The engineering activity associated with this initiative will be fully developed following discussion with the CWU through the AJWG. Any issues raised in respect of engineering aspects associated to this activity will be referred to the relevant RMI and CWU National parties for resolution.

7. Safety:

Health & Safety is of paramount importance to both Royal Mail and the CWU. Therefore, in order to meet our responsibilities under relevant Health and Safety Legislation and Regulations, it is confirmed all relevant safety compliance documentation in relation to this activity will be fully developed by RM in consultation with the CWU Health and Safety SMEs.

7.1 All staff taking part in the trial activity will be fully trained on the associated Standard Operating Procedure and SSOW.

7.2 In addition, for all RM Manufactured AGV trials and deployment:

- I. There will be Go / No Go Gateways at each stage.
- II. All the required Safe Systems of Work and Standard Operating Procedures will be in place prior to full deployment.
- III. Each AGV will be tested and commissioned against a set test criterion before being released to the Midlands Hub.
- IV. Each AGV will be UKCA marked and compliant with ISO standard BS EN ISO 3691-4:2023.
- V. There will be designated safe walkways and fire exit routes for people to follow and there will be safe crossing solutions in place where there is a need to cross the AGV lanes. All solutions will have full safety sign-off.
- VI. Each AGV will have a safety scanner fitted on the front and rear which will be active at all times. These scanners have a warning field and a safety field. If the scanners detect an obstacle or a person in the warning field, the AGV will slow down to a minimum speed until the safety field is triggered and at this point the AGV will stop. The obstacle will need to be removed before the AGV can resume its journey.
- VII. All AGVs will have two Emergency Stop Push buttons that are easily identified and located in a prominent position.
- VIII. AGV's will be programmed to stop should the fire alarm be activated. This is a function of the Fleet Manager.
- IX. The maximum speed the AGV can achieve is 3.2 metres/second.
- X. There will be banks of chargers placed at pertinent points around the processing unit. The chargers will be wireless chargers, a very safe charging solution.
- XI. When not required, the AGV's will either be on charge or parked up in a designated safe zone.
- XII. These systems and procedures will be reviewed and updated as necessary during the trial and be classified as fit for purpose once they have been evaluated by the appropriate Royal Mail and CWU safety experts.

8. Deployment and Review

The deployment of this initiative within these terms of reference will be subject to ongoing consultation through the AJWG where final trial analysis and recommendations for progression will be discussed nationally.

Any questions of interpretation, implementation, or application of these Terms of Reference shall be referred to the respective National Team for resolution.