

No. 248/26

17th September 2026

Dear Colleague,

UPDATE ON DELIVERY MODEL 26 (DM26)

Why the USO had to Change

Members will recall the background to the recent USO change. Last year, Ofcom reviewed Royal Mail's financial and operational position and concluded that the existing USO model was no longer sustainable for a variety of reasons, including declining letter volumes and persistent quality of service challenges among others.

The CWU opposed Royal Mail's original Optimised Delivery Model (ODM) because evidence from the 35 pilot sites demonstrated it was neither workable nor sustainable. Through negotiations, the union secured DM26 as a significantly better alternative.

The DM26 agreement delivers improved attendance patterns, additional duties and a commitment from Royal Mail to create 6,000 full-time equivalent opportunities. We are on target to achieve the 6000 number with over 400 delivery sites still to be deployed. The agreement also secured important protections, safeguards and review mechanisms throughout deployment.

Current Position on Implementation

As of 11th September 2026, **738 delivery units have deployed DM26**, representing just over half of the delivery network. We have also confirmed that in March 2025 there were 50,835 routes in the RM systems and at end state in DM26 deployment there will be 54,531 routes – an increase of 3,696 routes.

Performance data shows that most deployed offices are maintaining and improving the quality of service and delivery point coverage compared with pre-deployment arrangements. This is also reflected in the fact with three weeks of the bonus quarter left that circa 300 of the earlier deployed units are on target to achieve a bonus based on achieving budget, achieving delivery point coverage quality target and/or tracked 24 and tracked 48 quality targets.

We also recognise that some offices continue to experience difficulties and resolving these units must remain the priority of the CWU.

No Agreed Resourcing Plan = No Deployment

CWU representatives are reminded that DM26 should not be deployed without an agreed resourcing plan. Rollout so far shows that deployment is significantly more successful where recruitment,

resourcing and vacancy issues have been addressed in advance. In contrast those offices with unresolved resource gaps are far more likely to encounter operational difficulties.

Formal Review Process

The agreement introduces an enhanced review process, supported by live deployment data and clear eligibility for Start Time and Attendance Length Reviews.

Reviews will cover:

- Service performance.
- Delivery coverage and operations.
- Workload fairness.
- Attendance, safety and accidents.
- Productivity and resourcing.
- Surplus and contractual issues with an agreed plan to resolve these issues.

All outcomes must be jointly agreed by CWU and management, with unresolved issues escalated through the agreed governance process.

Conclusion

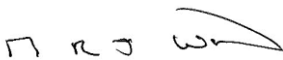
There is no doubt that this is the most significant change delivery postal workers have ever been asked to implement. We always recognised that not every unit would successfully deploy DM26 from day one. That is precisely why the agreement includes a robust formal review process. No unit can be signed off unless it meets all quality targets and is operating effectively. Only then can Royal Mail realise any potential savings.

Contrary to the impression created by some social media posts, it is simply not true that every DM26 unit is failing. Many units are performing better than they did under the previous model. Both the data and reports from our local representatives clearly demonstrate this.

Our representatives are working tirelessly to ensure that where units are experiencing problems, agreed improvement plans are put in place to make them successful. It is essential that we work collectively across the UK to ensure every deployed unit achieves the required quality standards and that the full terms of the National Agreement are applied, including all safeguards, protections and benefits it provides.

Any queries regarding this communication should be directed to the Deputy General Secretary (Postal) Department at **hford@cwu.org**.

Yours sincerely,



Martin Walsh
Deputy General Secretary (Postal)