

No. 285/26

26th October 2026

Dear Colleague,

UPDATE ON DM26 TALKS – GOVERNMENT INTERVENTION AND THE FUTURE OF THE COMPANY

The purpose of this LTB is twofold:

1. To provide an overview of the Joint Statement reached following discussions with both EP and Royal Mail.
2. To confirm a tripartite meeting with Government and set out the CWU's views on the wider challenges facing Royal Mail and the future of the company.

Joint Statement Overview

Two weeks ago, the union took the decision to pause any further deployments of DM26 because we believed Royal Mail was moving too slowly to address those units where DM26 was not working effectively. This was contrary to the national agreement. In addition, the union believed Royal Mail was prioritising further deployments over carrying out the formal reviews needed to resolve local issues and make permanent the 8,100 temporary part-time uplifts.

The union also had major concerns, whereby according to Royal Mail's own figures, the company's self-inflicted recruitment and retention crisis has increased from on average 326 to 400 employees leaving per week, this being overwhelmingly, although not exclusively, new entrants. The CWU has been consistent in stating that unless the company honours its agreement with the union and delivers stable resourcing, then customer quality can never be properly restored.

On Tuesday 20th October, we held a Summit Meeting with the owners and CEO of Royal Mail to address these issues and identify a way forward. Negotiations continued following the Summit and resulted in an agreed Joint Statement, which has been unanimously endorsed by the Postal Executive.

Main Points of the Joint Statement:

- There are **195 Delivery Units** with more than **10,000 workplan failures** and/or **delivery point coverage below 90%**. These units will be prioritised and stabilised including the early implementation of Peak arrangements such as filling the fourth duty. Once stabilised, the units will undergo formal review, and a new deployment plan will be agreed and implemented by **31st January 2027**.
- All other reviews will now commence and be completed with priority given to units experiencing operational difficulties that are not included within the 195 identified Delivery Units. We have already seen 1600 POD duties turn to 50/50 as a result of reviews; the key objective of these reviews is to ensure that the delivery unit is achieving all its quality targets.

- We have agreed that **8,100 temporary uplifts will be made permanent in two phases:**
 - **4,600 temporary part-time to full-time uplifts** will be made permanent by the end of **November 2026**.
 - **2,500 temporary part-time to full-time uplifts**, together with a further **1,000 temporary increases in contracted hours**, will be made permanent through formal reviews and no later than **31st January 2027**.
- A further **15 Delivery Units** will be deployed by **2nd November 2026**. These units have been identified locally for deployment and will still be required to pass the agreed stop/go-no-go process.
- **107 Delivery Units** will not deploy DM26 before **13th January 2027**. National discussions will determine how these units will operate during the Peak period.
- We have agreed the key principles for the Peak Arrangements. The objective is to conclude a full national agreement by **30th October 2026**.
- The company has agreed to bring forward immediate negotiations on the next step and full plan to equalise new entrants' terms and conditions.
- The company has also agreed an independent fatigue study, examining the impact of our members workload including the impact of extreme weather.
- A commitment has been secured to develop and agree a new delivery model that takes account of the findings of the fatigue study and feedback gathered through listening sessions with frontline employees.

Our decision to pause was never about preventing the deployment of DM26. Instead, it was about ensuring full compliance with the National Agreement and requiring Royal Mail to resolve outstanding issues and complete the formal reviews necessary to ensure all units are operating effectively and achieving the required quality of service targets. In many of the failing units this will now require additional hours or investment in delivery, in line with the commitments set out in the National Agreement.

As well as bringing forward negotiations to achieve the next step and full plan for new entrant's equalisation, we have also secured a commitment to develop a new delivery model that addresses the growing impact of parcel growth, which is increasingly creating unachievable workloads for delivery members.

We have also agreed to an independent fatigue study, which will examine both workload demands and the extreme temperatures under which our members work. The findings will help shape the new delivery model, alongside direct engagement with frontline delivery members. The new model will remain aligned with the revised Ofcom USO regulations.

GOVERNMENT INTERVENTION AND THE FUTURE OF THE COMPANY

In a further development, the tripartite meeting CWU called for with the Government and the owners, has now been scheduled by the Secretary of State for the 3rd November.

The truth is Government intervention is ultimately the only way we can resolve the deeper rooted and long-established problems that threaten the future of the Royal Mail Group.

This is why the CWU are also campaigning for the Government and Public to support a radical new direction on the future of the company, including:

- A level playing field to stop the Competition undercutting Royal Mail - ending bogus self-employment and the race to the bottom on the pay, terms and conditions of all workers in the sector.
- A new regulatory framework that stops Ofcom damaging the finances of the business and blatantly promoting Competition over securing the future of the USO.
- A more ambitious growth strategy that is not just based on replacing letter decline with parcels. Instead, we believe growth must also be driven by utilising Royal Mail's unrivalled infrastructure to develop innovative services that put Postal Workers at the forefront of adding social and economic value to the UK.
- A new ownership and governance model that provides for more public/customer accountability and is based on Government taking a bigger stake in the company, alongside the workforce.

As a result of the CWU's campaign we have already seen the Government announce its intention, subject to a public consultation, to end bogus self-employment.

And there is definitely a will amongst politicians, including the Prime Minister, to look at a new way forward for the company and its workforce.

Please ensure the content of this LTB is distributed to all CWU representatives and local offices.

Finally, we look forward to discussing all of the above issues at the National Briefing on the 4th November.

Any enquiries relating to the content of this LTB should be referred to the Deputy General Secretary (Postal) Department hford@cwu.org.

Yours sincerely,



Martin Walsh
Deputy General Secretary (Postal)



Tony Bouch
Assistant Secretary



Davie Robertson
Assistant Secretary



Dave Ward
General Secretary



Andy Furey
Assistant Secretary

Agreed outcomes of meetings held on 20 October 2026 between Royal Mail and CWU

Following meetings held on 20 October 2026 and subsequent discussions, we are pleased to issue this joint statement and share the following decisions and outcomes that have been agreed;

1. Delivery Method 2026 (DM26)
2. Peak 2026
3. Improving Retention
4. Future Delivery Model

1. DM26

1.1 DM26 Deployments

Regional Steering Groups (**RSGs**) have agreed to a further 15 DM26 deployments deploying no later than **Monday 02 November 2026**. These Delivery Offices (**DOs**) will still need to go through all the necessary deployment checks and the go/no go process in line with the USO Deployment agreement- Appendix G.

Following these deployments, there will be no further DOs deploying DM26 before **11 January 2027**. This pause will enable joint focus on the following priorities and jointly deliver the most successful Peak operation possible, whilst ensuring we address operational challenges and complete formal reviews.

Additionally, RSGs will continue with all pre-deployment planning activities, as per the USO Deployment Agreement, to ensure that all remaining units are ready to deploy **on Monday 11 January 2027**.

1.2 DM26 Performance Improvements

During Week 28, 195 DOs were identified as being more than one-week post-deployment and recording either:

- A workplan failure exceeding 10,000 items; and/or
- Delivery Point Coverage (**DPC%**) below 90%.

RSGs have full authority to reach agreement and are encouraged to advance deployment of peak arrangements (see Peak section 2 below) as soon as possible to stabilise operational performance. In addition, they should consider the following resourcing options, in order to deploy those arrangements:

- Deployment of surplus colleagues in the DO or loaning surplus colleagues from neighbouring DOs
- Deployment of leave reserves
- Consideration of additional temporary uplifts in hours for part-time (PT) colleagues
- Use of rest day overtime volunteers, from the DO and neighbouring DOs

- Planned, pre-start overtime to ensure “Get Out” times are achieved
- Christmas temporary colleagues and agency resource being brought forward

The National Delivery Joint Working Group (**NDJWG**) will oversee these 195 DOs to ensure that they have an agreed plan to address workplan failures and DPC% and if they do not have an agreed plan then the NDJWG will work with the RSGs to agree a plan.

Formal reviews will be undertaken for these 195 DOs, in line with the USO Deployment Agreement – Appendix H, **before 31 January 2027**.

The RSG’s will commence and complete the remaining formal reviews for the other deployed DOs, in line with the USO Deployment Agreement – Appendix H, with priority given to DOs recording less than 98% DPC% and/or ongoing workplan failures, to be completed **before 31 January 2027**.

Local weekly resourcing meetings will determine the overtime required to clear all planned workload. Resourcing arrangements will be agreed locally between the Manager and CWU Representative, supported by the Operations Performance Leader (**OPL**) and Area Delivery Representative (**ADR**).

c.**107** DOs will not deploy before 11 January 2027. Discussions will take place, at the NDJWG on how these DOs will operate through the peak period, including arrangements for the DTS algorithm on weekday and Saturday operations. This will be completed **by end October 2026**

1.3 DM26 Resourcing Improvements

Recognising the delay in reviews taking place, we have accelerated the process to make temporary increases in hours for PT colleagues permanent as follows;

Approximately **4,600 part-time to full-time conversions** will be made permanent before the end of November 2026, with contract variation letters issued from the following week.

A further **2,500 part-time to full-time conversions** and approximately **1,000 contractual hour increases** will be completed upon formal review sign-off, or no later than **31 January 2027**.

This represents approximately **8,100 permanent contractual improvements**.

2. Peak 2026

All parties are committed to ensuring Royal Mail is as well prepared as possible for a successful Christmas period.

Detailed discussions will commence this week, with the aim of finalising Peak 2026 arrangements **no later than 30 October 2026**. Should these arrangements not be finalised by that date, the matter will be escalated to the signatories of this agreement.

The key principles of the Peak 2026 arrangements will include a range of measures including:

- A detailed review of the expected workload growth by duty type, by week
- The addition of a fourth duty into PODs, where the POD retains all its workload or
- The addition of dedicated parcel duties, where fourth duties are not added into PODs.
- In exceptional cases, to be agreed locally, additional support maybe required
- Adjustment of additional work from 50/50 duties, to suit local demand levels.
- The availability of pre-scheduled overtime, to support both indoor and outdoor activities, across 7 days of operation.
- Night operations in agreed units to support earlier delivery departures.
- Pre-start arrangements in all other units to help employees commence deliveries earlier or at the very least on time.

These arrangements will be supported by:

- Up to **11,000 reserves** from Week 35.
- Surplus employees.
- Opportunities for colleagues to undertake Rest Day Working opportunities
- Opportunities for PT colleagues to temporarily increase contractual hours where appropriate.
- Approximately **7,000 Christmas temporary employees**.
- Approximately **3,000 Angard agency workers**.

Local discussions will determine the most appropriate arrangements for each unit, taking account of these principles and local operational requirements.

3. Improving Retention

The parties recognise the need to improve retention and jointly acknowledge that failure to address this issue could adversely affect quality of service and increase costs.

The following actions are agreed:

1. Talks will commence immediately to produce an agreement on the next step of equalisation and full plan, together with an implementation plan, will be reached no later than **January 2027**.
2. A review of pay simplification will be completed, with recommendations agreed by **31 January 2027**.
3. An independent review of fatigue, including the impact of extreme weather conditions, will be commissioned. Terms of reference will be agreed by **31 December 2026**, with the national study commencing in early 2027.
4. A review will be undertaken of how data is most effectively used to support frontline delivery performance
5. Detailed analysis of retention development per regions including exit survey data will be jointly reviewed to identify and implement further measures to improve employee retention.
6. Options for addressing recruitment hotspots will be reviewed and agreed.
7. An increased focus to ensure all new entrants are allocated a regular duty for an agreed period following appointment.

8. In line with existing commitments, further discussions will establish a clear career pathway enabling employees to:
- Increase contracted hours.
 - Progress into driving roles.
 - Transfer to other business areas or delivery units.
 - Build long-term careers within Royal Mail.

4. Future Delivery Model

The parties are committed to developing a sustainable future delivery model that reflects:

- Continued growth in parcels and tracked products.
- Changing customer expectations.
- Increasing parcel volumes.
- Declining letter volumes.
- The need to balance operational efficiency with employee wellbeing.

These discussions will take account of the recommendations arising from the independent fatigue review, including ensuring fair and achievable workloads.

Both parties are also committed to engaging frontline employees throughout the process and using their feedback to help shape the future operating model.

The parties agree to conclude discussions and secure key principles of a future delivery model by **31 March 2027** and full agreement by the end of summer 2027

Governance Process

The signatories to this joint statement will be responsible for addressing and resolving any issues arising from the implementation or interpretation of the process set out in this statement.

Alistair Cochrane
Chief Executive Office

Martin Walsh
Deputy General Secretary (Postal)

Kieran Judd
Chief Peoples Officer

Tony Bouch
Assistant Secretary

Jamie Stephenson
Chief Operations Officer