



National Agreement WAY FORWARD Royal Mail and CWU

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This statement, jointly agreed by Royal Mail and the Communication Workers Union, covers the eight attached agreements. These agreements bring to a conclusion the negotiations on The Way Forward.

The eight agreements are:

1 Employment Security

A statement on the objective of maintaining employment security and how this will be achieved.

2 Pay and Grading

This introduces a new single operational grade (plus a single operational support grade) with higher levels of guaranteed basic pay and revised arrangements for overtime and allowances. It also revises the pay structure for the LA2 grade.

3 Shorter Working Week

This covers all of the issues involved with the implementation of a 40 hour gross week.

4 Annual Leave

This introduces enhancements in leave entitlements for employees with long service, and sets out the processes and procedures for selecting, covering and taking leave.

5 Meal Breaks

This sets out new rules for Meal Breaks which harmonise arrangements and enhance entitlements for many employees.

6 Way of Working

This sets out the new and improved ways of working which will both make Royal Mail more competitive and responsive to change, and improve the working environment for employees.

7 Working Time Regulations

This sets out the joint position between the CWU and Royal Mail Service Delivery and starts the process for the introduction of the requirements of the Working Time regulations. Both parties are committed to dealing with all aspects of the Regulations, including the transition from attendance patterns, which may be in conflict with the principles of the Directive.

Further work will be undertaken jointly to deal effectively with the earnings issues that may arise from implementation in order to maintain reasonable earnings expectations.

8 Deployment

This sets out the objectives, principles, timescales and processes for deploying the above agreements, which are linked to the PBS and Delivery Issues Agreements.

Taken together with the earlier agreements on Conduct and Attendance procedures, Delivery Issues and the Performance Bonus Scheme, the above agreements resolve all of the issues previously in dispute and that the Way Forward negotiations were designed to address.

Additionally, as part of the agreed conclusion to The Way Forward, there will be non-pensionable lump sums of £100 for all Postmen/ women/ Streamline 1/2 and £500 for substantive PHGs/Streamline 3-6 (pro-rata to 40 hours for part-time employees) who are in post on the 31st January 2000. Payment of these lump sums will be made locally when the revision to introduce Shorter Working Week, revised Meal Breaks, and Performance Target savings has been implemented and the first year EP Performance Target for the office has been met for the first_complete monthly accounting period.

Sprint Bonuses

In order to provide additional incentive to secure early performance improvements through the implementation of the Performance Bonus Scheme, Royal Mail and CWU agree to an enhancement to the scheme for its first year of operation. This additional reward will be funded by Royal Mail and be available from February 2000 to March 2001.

Where additional savings, over and above the minimum target improvements for the first year (set out in paragraph 60 of the PBS Agreement) are targeted and achieved then these additional hours will be paid for with a local bonus increased by £1.25 per hour. This will be over and above the usual hourly rate for the local gainshare bonus (which depends upon the office banding) and on top of the usual contribution to the national scheme.

For offices in the main gainshare scheme the additional bonus will be an enhancement to the normal gainshare bonuses that are calculated and paid under the rules of the scheme. It will be assessed across the year, subject to the application of the same quality targets as normal gainshare, and cashed up at the end of the year and paid as a single lump sum as soon as possible after the end of the March 2001 period. From April 2001 onwards savings will be rewarded at the normal rate for the scheme.

For offices that have not yet qualified for the gain share scheme, the additional £1.25 per hour (for any hours achieved above the first year's required EP improvement) will be added to the value of any lump sums triggered by performance between February 2000 and March 2001. Lump sums earned from April 2001 onwards will be calculated at the normal rates for the scheme.

Finally, it is agreed that there will be talks on a range of separate issues:

- Code of Practice
- Recruitment and Retention Incentive Scheme
- Terms and conditions and ways of working for LA grades
- Monthly Pay

The intention is to conclude talks on Code of Practice by February 2000, and on the remaining issues by September 2000.

EMPLOYMENT SECURITY

Both Royal Mail and CWU recognize the excellent record over the last decade on job security and Royal Mail commit to provide long term future employment both to full time and part time employees. Royal Mail's ability to do so will depend on the success and continued prosperity of the Business achieved through excellent customer service and good performance levels.

All employees and managers must work to a clear set of principles and standards, founded on a willingness to adapt to change through trust and respect, using agreed procedures in an open and courteous way.

Both Royal Mail and CWU have adopted a pragmatic approach in securing agreements on:

- Conduct and Attendance
- Delivery
- Performance Bonus Scheme
- Way of Working
- Pay Restructuring/Unigrade
- Reduced Working Time

For the success of Royal Mail, which is key in securing the future in regard to jobs and earnings, the deployment of all the linked agreements above must take place in the agreed timescales.

Royal Mail and CWU will face new challenges in the future and must respond collectively and positively to them. If we continue in the positive direction we have adopted, we will build on our excellent record on secure employment and create an environment for new job opportunities in the future.

If circumstances change beyond the control of the Business, that require this undertaking to be reviewed it will be done with full strategic involvement of the CWU nationally.

PAY AND GRADING

Introduction

This agreement introduces a new single grade and a new pay package for operational employees. This will provide a new higher national basic pay of **£242.76** per week. The single grade replaces the existing PMN/woman, PHG and Streamline 1-6 grades in all Post Office businesses that inherited employees in these grades from Royal Mail (excluding Cashco) and POSG. The single operational grade is being introduced in order to:

- increase the skills, pay and range of opportunities for existing postal employees;
- improve operational performance and flexibility;
- provide a significant increase in pensionable basic pay, recognising that the Working Time Regulations will necessitate a move away from excessive levels of overtime.

The work description for the new operational grade is at Annex A and the pay package is set out below. The general approach is to provide a basic pay significantly higher than existing PHG, reflecting the broader range of skills that will be covered by the new grade. Because of this, many skills that have previously been paid at a lower basic plus allowance will in future be integral to the new grade and be covered by the higher level of basic pay.

Recognising the particular contribution that has been made by existing employees in the PHG and SL3-6 grades, the package retains certain special payments that are enhanced for employees of these former grades on a personal reserved rights basis (see below).

This agreement also introduces a new operational support grade, to replace the existing Doorkeeper and Liftman grades, to which the few Cleaners remaining within former Royal Mail (performing bag cleaning work) will also assimilate. The new work description for this grade is at Annex B.

The new grades and pay package will be introduced in 2000, to the timetable set out below. After the implementation date, all revisions will assess workload and determine jobs and job descriptions on the basis of the new grades and work descriptions.

Pay for the Single Operational Grade

The new pay package for the single operational grade will provide higher and more stable levels of guaranteed pay and pensionability. This will include a higher level of national pensionable basic pay that will be £242.76 per week (£12667 per year), at 1999 rates.

In addition there will be London pay ranges, RRIS and SDIA, assigned shift allowances that will be paid all-year-round, including during holidays, new overtime and scheduled attendance rates, and a limited range of additional allowances. There will be reserved rights to pay supplements and other enhanced rates for current PHGs and SL3-6.

The new package will replace all elements of current pay, except for the new bonus payments (and PBS Supplements) established by the Performance Bonus Scheme Agreement.

BASIC PAY - this higher level of basic pay will be fully pensionable:

Basic pay at max = **£242.76** per week (Outer London £269.49, Inner London £291.58)
 Adult Recruit = £218.48 per week (Outer London £242.54, Inner London £262.42)
 Age 17 = £169.93 per week (Outer London £188.64, Inner London £204.11)
 Age 16 = £145.66 per week (Outer London £161.69, Inner London £174.95)

Employees will progress to the maximum after one year's service (but not before age 18), subject to successful completion of their trial period and acquisition of the relevant skills and competencies, and in all cases after no more than two years' service (but not before age 18).

PART-TIME EMPLOYEES

For part-time employees Shorter Working Week will, instead of reducing contractual weekly hours, result in an additional 3.75% increase in the basic hourly rate. The new hourly rate will be implemented on the same date nationally for all part-time employees, which will be Monday 3 July 2000 subject to the review of progress as set out in the joint statement on deployment. From the implementation date, all weekly and daily elements of pay, including shift, assigned and other allowances, for part-time employees will be paid pro-rata to their conditioned hours against a 40-hour gross week.

Hours worked by part-time employees up to a 40-hour week will be paid at single rate and become pensionable from the implementation date for part-time SWW onwards. Single rate overtime up to 40 hours gross will include any due elements of London pay ranges, RRIS and assigned allowances (including shift allowances) pro-rata. These single rate hours will also count as conditioned for the purposes of assessing entitlement to ad hoc shift payments and allowances.

REGIONAL PAYMENTS

This agreement does not change the existing location-based payments (RRIS & SDIA), with SDIA at a new rate of £12.47 per week.

SHIFT ALLOWANCES

There will be assigned shift allowances, paid all-year-round including during holidays and short-term sickness (periods up to two months), for job holders with attendances, as follows:

Dawn shift (starts between 0201-0400) = pensionable	£20.40 per week fully
Early shift (starts between 0401-0500) = pensionable	£10.71 per week fully
Early shift (starts between 0501-0530) = pensionable	£ 5.36 per week fully
Evening shift (finishes between 2000-2139) = pensionable	£15.30 per week fully
Late shift (finishes between 2140-0159) = pensionable	£31.62 per week fully

Night shift (three hours worked across 2300-0500) which £31.62 is pensionable and the remainder non-pensionable, balancing against the higher basic pay)	£61.20 per week (of
Split Duties (conditioned hours of a single contract, over 10 hours	£8.67 pw, if total span
involving two daily non-continuous attendances, 12.5 hours	£17.34 pw, if total span over
covering at least four days or nights of the week) hours	£25.50 pw, if total span over 15

(All of the above times are inclusive. Only one allowance may be claimed for any given conditioned attendance, except that Split Duties will be paid Split Duty Allowance plus the highest of any appropriate shift allowances)

Employees on rotations will receive an average payment reflecting the average of their various conditioned attendances, with additional considerations affecting their leave selection as set out elsewhere in this agreement in the section on annual leave.

Employees not receiving an assigned allowance who are required to attend ad hoc within conditioned hours on a relevant shift (e.g. as a reserve) will receive a one-off pensionable (or part-pensionable at night) and contributory payment for each attendance. This will be equal to the weekly amount divided by the number of attendances to which they are conditioned for that week (e.g. for a single night shift of a five day week it would be £12.24). Where someone is required to work ad hoc within conditioned hours on a shift attracting a higher payment than their usual job then the additional payment will be based on the difference between the two shift payments. However where employees arrange with their Resourcing Unit to exchange or swap their attendances voluntarily for personal reasons, for a period of less than a week, there will be no additional payment and no change to the normal shift payment arrangements for the employees involved. For temporary shift changes of a week or more, the allowance will be paid to each employee at the appropriate rate for the shift actually worked.

Unlike NDA, Shift Allowances will continue to be paid during holidays and periods of short-term sickness or other absence. They will not be paid for periods on less than full pay. Payment will also cease after any single spell of two months continuous paid absence from work.

There will be no additional payment for shifts worked on overtime or Scheduled Attendance.

Where Sunday hours are worked within conditioned hours, there will be an additional pensionable premium payment of £3.83 per hour worked. Sunday hours worked as overtime or SA will be paid as set out below.

ASSIGNED ALLOWANCES

Most existing allowances have been absorbed within the higher level of basic pay, which will now reflect and reward the broader range of skills covered by the new grade. Nevertheless there remain some specific areas where pensionable assigned allowances will be paid, on conditioned hours only, to reflect the additional qualifications or special circumstances required, as follows:

LGV driving (vehicles plated over 7.5 tonnes)	£33.66 per week
LGV driving (vehicles plated 3.50 tonnes to 7.5 tonnes)	£23.46 per week
Advanced TPM	£18.36 per week

Postbus (PSV licensed) driving	£10.20 per week
TPO Duty	£46.00 per week
Leadership Allowance (incl. TPO in charge)	£25.50 per week
Jobs with scheduled Rural Waiting Time hours booked	£ 4.84 pw (at least 2 off), £7.90 (at least 3 hrs), £8.98 (at least
	4 hrs).

Apart from the Leadership Allowance which may be combined with another allowance in certain circumstances (e.g. with TPO Duty for "TPO in charge"), no more than one of these assigned allowances may be claimed by any employee during any week, on top of any shift allowance due. Employees on rotations will receive an average payment reflecting the average of their various conditioned attendances.

No assigned allowance payments will be made for hours worked on overtime or SA.

For each ad hoc attendance within conditioned hours (except those arising from voluntary exchanges or swaps of attendance of less than a week) a one-off pensionable and contributory payment will be made, equal to the weekly amount divided by the number of attendances to which the employee is conditioned for that week. For temporary job changes lasting one week or more, allowances will be paid to each employee according to the attendance actually worked.

OTHER ALLOWANCES

In addition to the assigned allowances, there will be a number of intermittent non-pensionable allowances:

TPO bank holiday passenger	£ 1.94 per hour
Training Allowance (non-school) on conditioned hours	£18.36 per week
Weekend SA involving at least 3 hours LGV 7.5t) driving (vehicles of 3.5 tonnes and over) Saturday/Sunday SA who are allowance.	£ 6.73 (or £ 4.69 for vehicles up to for each attendance on a payable only to employees on <i>not</i> in receipt of assigned LGV

OVERTIME and SCHEDULED ATTENDANCE

Overtime and Scheduled Attendance will be paid at standard non-pensionable cash rates per hour. These rates will not vary according to the time of day or day of the week, except for higher rates on Sundays and Bank Holidays.

Enhanced rates for SA will continue to reflect the benefits of stable and reliable cover. These will only be paid where the conditions of the existing national agreement are met (i.e. each attendance is scheduled to a nominated employee and substitute for the year, and is paid on the basis of hours actually worked, excluding breaks except on Sundays). SA will be limited to no more than 12 hours per employee in any week. Where this necessitates a review of local SA arrangements this must be completed by the implementation date.

The new adult rates (with overtime rates for employees aged 16 and 17 increased to 87.5% of these adult rates) from the date of introduction will be as follows, at 1999 rates:

Monday-Saturday: overtime £7.05 per hour (for the first 10 hours during a week)

	overtime £6.81 per hour (for hours worked over 10 per week)	SA £8.50 per hour
Sunday per hour	overtime £9.50 per hour	SA £9.90
Bank and Public Holiday	overtime £11.73 per hour (alternatively a day off in lieu plus payment of £7.04 per hour may be taken for Holiday attendances of more than 2 hours).	
Travelling Time	£6.07 per hour	

Sunday overtime and SA will remain pensionable for two years after 8 May 2000. In order to protect the pension position of employees who are aged 57 or over on 6 May 2002, these employees will retain pensionability of Sunday overtime and SA, on a personal reserved rights basis, until age 60 (or the age at which they take their pension if later). The facility within existing pension rules to base final salary on the best three consecutive years out of the last ten will provide some mark-time protection to employees aged over 50.

CHRISTMAS SUPPLEMENT

The existing Christmas Supplement will continue at its current value (between £42 and £100 maximum, pro-rata to conditioned hours) for all employees, but the payment date will be moved earlier than currently to the last payment date before Christmas each December. Eligibility will be linked to paid employment across the four week December bonus period used for PBS. From December 2001 the minimum full-time Supplement will increase to £60.

DELIVERY SUPPLEMENT

In those offices operating Delivery Remuneration schemes, the original elements of the Delivery Supplement will be separately identified and treated in exactly the same way as the equivalent elements of pay within the national package. This will ensure that all employees are treated on a fair and equal basis. Where the Supplement consists entirely of ex-UPAP this will mean that it will be replaced by the higher level of basic pay, as UPAP will have ceased. However the assessment of guaranteed pay under this agreement (see below) will include the amounts of Supplement actually paid to each employee.

EXISTING PHGs and STREAMLINE Levels 3-6

Existing employees in these grades will assimilate to the new single grade, which has a higher level of basic pay (many Streamline employees will also pick up the assigned LGV allowances). Permanent and substantive employees graded PHG or SL3, 4, 5 or 6 on 31 January 2000 will also receive the following enhancements on a personal basis:

- an ongoing and fully pensionable Pay Supplement of £20 per week (pro-rata to conditioned hours). This will be retained indefinitely on a frozen personal reserved rights basis whilst the employee remains in the new grade, provided that they do not move voluntarily to a job with a work content that would formerly have been graded entirely at PMN/woman/SL1-2 level prior to 1 April 2002.
- enhanced shift allowances, retained indefinitely on the same basis as above but included in future pay awards, with nights retained on a fully pensionable basis so long as the employee continuously holds a job on the night shift, as follows:

Dawn shift (starts between 0201-0400) = pensionable	£23.26 per week fully
Early shift (starts between 0401-0500) = pensionable	£12.21 per week fully
Early shift (starts between 0501-0530) = pensionable	£ 6.38 per week fully
Evening shift (finishes between 2000-2139)	£17.44 per week fully pensionable
Late shift (finishes between 2140-0159) pensionable	£36.05 per week fully
Night shift (three hours worked across 2300-0500) pensionable (as above)	£69.77 per week fully

enhanced rates for overtime and SA, retained on personal reserved rights as above and thereafter held on a fixed (mark-time) basis:

Monday-Saturday: overtime during a week	overtime £8.04 per hour (for the first 10 hours)	
	overtime £7.76 per hour (for hours worked over 10 per week)	
	SA £9.69 per hour	
Sunday hour	overtime £10.83 per hour	SA £11.29 per hour
Bank and Public Holiday (alternatively a day off in lieu plus payment of £8.02 per hour may be taken for Holiday attendances of more than 2 hours).	overtime £13.37 per hour	
Travelling Time	£6.07 per hour	

DRIVING ALLOWANCE

The new package will retain non-pensionable assigned allowances as personal reserved rights for the following employees:

- £6.00 per week (pro-rata to conditioned hours) for employees graded PMN/woman, who are not receiving another assigned non-shift allowance, and whose substantive job on 31 January 2000 involves driving a Royal Mail van (of less than 3.5 tonnes) for at least two conditioned hours per day. This will include reserve jobs dedicated to covering driving duties as of 31 January 2000;
- £6.00 per week (pro-rata to conditioned hours) for employees graded PMN/woman or Streamline Level 4, who are not receiving another assigned non-shift allowance nor the £6 for van driving, and whose substantive job on 31 January 2000 involves driving a fork-lift truck for at least two conditioned hours per day. This will include reserve jobs dedicated to covering fork-lift duties as of 31 January 2000;

These allowances will be frozen and retained on a personal rights basis by these employees only so long as they remain in the same job as on 31 January 2000. There will be no payments for hours worked on overtime or Scheduled Attendance. These assigned allowances will continue to be paid during annual leave and other paid absence. Employees on rotations as of 31 January 2000 will receive an average payment.

Pay for the new operational support grade

The pay package for the new operational support grade will be based on the same principles as above. The new rates will be as follows:

BASIC PAY

Basic pay at max = **£214.20** per week (Outer London £240.93, Inner London £263.02)
 Adult Recruit = £192.78 per week (Outer London £216.84, Inner London £236.72)
 Age 17 = £149.94 per week (Outer London £168.65, Inner London £184.11)
 Age 16 = £128.52 per week (Outer London £144.56, Inner London £157.81)

Regional payments will be the same as for the operational grade, and included in the joint review.

SHIFT ALLOWANCES

There will be assigned shift allowances for conditioned hours as follows:

Dawn shift (starts between 0201-0400) = pensionable	£18.36 per week fully pensionable
Early shift (starts between 0401-0500) = pensionable	£ 9.18 per week fully pensionable
Early shift (starts between 0501-0530) = pensionable	£ 4.59 per week fully pensionable
Evening shift (finishes between 2000-2139)	£13.26 per week fully pensionable
Late shift (finishes between 2140-0159) pensionable	£27.54 per week fully pensionable
Night shift (three hours worked across 2300-0500) £27.54 is	£53.55 per week (of which £27.54 is pensionable and the remainder non-pensionable)

All other arrangements (e.g. rotations, ad hoc attendances, swaps, part-time employees, periods of absence) will be the same as for the operational grade. The non-pensionable premium payment for conditioned hours worked on a Sunday will be £3.32 per hour.

ALLOWANCES

The operational support grade will be eligible for the Training Allowance, Leadership Allowance, and Split Duties Allowance, on the same terms and rates as above.

OVERTIME and SCHEDULED ATTENDANCE

Overtime and Scheduled Attendance will be paid on the same basis as above, at the following standard non-pensionable cash rates per hour (with age 16/17 rates at 87.5%):

Monday-Saturday: during a week)	overtime £6.17 per hour (for the first 10 hours during a week)	SA £7.44 per hour
	overtime £5.96 per hour (for hours worked over 10 per week)	hour
Sunday: per hour	overtime £8.32 per hour	SA £8.67
Bank and Public Holiday:	overtime £10.26 per hour (alternatively a day off in lieu plus payment of £6.16 per hour may be taken for Holiday attendances of more than 2 hours).	
Travelling Time	£5.36 per hour	

Sunday overtime and SA will remain pensionable for two years from 8 May 2000, and then continue on a pensionable basis until pension is taken for those employees aged 57 or over on 6 May 2002, as above.

CHRISTMAS SUPPLEMENT

The existing Christmas Supplement will continue, as above, with the minimum payment increasing to £60 per person (pro-rata to conditioned hours) from December 2001.

BONUSES

For employees in the new operational support grade, former RBS productivity and RULC bonuses remaining as PBS Supplements after the application of the provisions of the PBS agreement will cease, and be compensated for with a one off lump sum payment equal to 52 weeks' value of the supplement.

EXISTING DOORKEEPERS

Permanent and substantive employees in the Doorkeeper grade on 31 January 2000 will receive an additional fully pensionable ongoing Pay Supplement of £10 per week (pro-rata to conditioned hours). This will be retained indefinitely on a frozen personal reserved rights basis whilst the employee remains in the new operational support grade, provided that they do not move voluntarily to a job with a work content formerly graded entirely at Liftman or Cleaner prior to 1 April 2002.

Guaranteed weekly earnings

For the large majority of existing employees in both the new operational and operational support grades the new package will deliver higher guaranteed weekly pay. This is defined as basic pay, pay and PBS supplements, regional supplements and all shift premia and allowances that are earned weekly during conditioned hours. Where this would not be the case the difference in guaranteed weekly earnings will be made good as an ongoing supplement.

This will be calculated by comparing current guaranteed weekly pay expectations for each employee with the new guaranteed weekly pay for the same job after the new pay and hours package is implemented. It will be assessed on the basis of nationally agreed pay rules across a full 52 week year (assuming 44 weeks' attendance per year to allow for average Bank and annual holidays, sickness and other absence), carrying forward the 2.0% uplift of current basic pay and NDA on conditioned hours to be implemented on 14 February 2000.

Any supplement will be based on the job each employee holds on 31 January 2000, provided that the employee holds the same job on 8 May 2000. On that date guaranteed weekly pay will be underpinned by the introduction of personal supplements where this is necessary to support earnings. Employees on rotations will have the assessment performed for each attendance in the rotation and averaged. Reserves will either have the assessment for their usual shift/attendance or based on an average of their various attendance patterns.

Supplements will be retained indefinitely on a frozen personal rights basis whilst employees remain in the same job (or are moved compulsorily) as on 31 January 2000. They will be paid as an assigned payment that will continue (on the same basis as the new shift payments) during periods of paid absence and be pensionable and contributory.

Weekend duties

The various changes to pay, premia payments and hours will necessitate a local review of pay and attendance arrangements for all "notionally full-time" weekend jobs, based on national guidance. This should be completed for all such jobs by 1 October 2000 at the latest, to ensure that they are re-based to reflect the new pay package and the 40-hour full-time week.

Until reviews are completed, basic pay (including any grossed up premia payments on conditioned hours) and working hours should remain at their current levels, after applying a 2.0% increase to cover the 1999 pay award. Once the review is completed and the new contracts implemented, the full-time employees involved will be paid a lump sum of £500 (this replaces entitlement to the standard £100 payment. Any PHGs involved will be paid £100 following completion of the review, over and above the standard £500 payment for their grade).

Implementation

The new pay package will be implemented as follows:

- 14 February 2000: Implementation of the 1999 pay award and lump sums
- 2 April 2000: Cessation of IHP
- 1 May 2000: Cessation of Saturday Premium, NDA on non-conditioned hours, and all intermittent allowances
- 8 May 2000: Introduction of new grades, basic pay, ex-PHG/SL3-6 and Doorkeeper Supplements, and all new allowances, replacement of the UPAP;
Replacement of conditioned NDA with assigned shift allowances (on 28 April employees will therefore receive both any NDA for the conditioned hours of the previous week together with the first payment of the new assigned shift allowance);
Employees with under one year's service on 24 April 2000 will assimilate to the new recruit rate;
Overtime and SA will be paid at cash rates equal to the existing national rate for PMN/woman (with Saturday paid at the weekday rate), enhanced by 14% for ex-PHGs/SL3-6 and at 87.5% for the new Operational Support Grade.
- 29 May 2000: Introduction of the enhanced rates for weekday overtime (up to 10 hours), weekday Scheduled Attendance, and Sunday overtime and SA as set out above.
- 3 July 2000: Introduction of part-time SWW.

Implementation of these last two elements is subject to the review of progress with deployment of key elements of the rest of the Way Forward Agreement and PBS, as set out in the joint statement on deployment.

Review

This new pay package represents a significant investment by the business and a significant benefit to employees, in terms of higher basic and pensionable pay net of the other agreed changes. The precise cost to the business and benefit to employees has been estimated on the basis of certain assumptions. Where there are specific areas of

uncertainty it has been separately agreed between CWU and Royal Mail that, in order to protect both the value of the new package to employees and Royal Mail's financial position, the actual effect of these changes will be reviewed nearer to or just after implementation. Any significant discrepancy will be balanced by a corresponding increase in or reduction to the national pool within the Performance Bonus Scheme.

Annex A Operational Postal Grade Description

This new grade includes all work and tasks associated with the physical handling and distribution of Service Delivery products from collection, processing through to delivery including driving work. It includes the use of automated machinery and equipment and the minor maintenance of such equipment (TPM). Also covered are supporting administrative work associated with day-to-day operations (e.g. bookrooms, revenue protection) training of individuals and work on customer premises such as mailrooms, including all tasks previously recognised separately through the payment of allowances.

The new role is underpinned by a set of key principles and capabilities assessed on entry to the Business and by the appropriate resourcing arrangements through the core skills and selection areas that have been defined in the Way of Working agreement.

The introduction of the new Operational Postal Grade removes issues of demarcation between the former PMN/women and PHG grades recognising that employees, in future, are liable to undertake the fullest range of tasks for which they have been properly trained or for which they have been specifically selected through the agreed procedures.

The vast majority of the jobs covered by this grade will be use core skills and will be filled as agreed on length of service/seniority, with any specialist duties being identified and covered though the objective selection criteria outlined in the Way of Working agreement.

Annex B Operational Support Grade Description

This new grade includes all work and tasks currently performed by employees in the Doorkeeper and Liftman grades. It also includes bag cleaning work, performed by a number of Cleaners remaining in Royal Mail.

The introduction of the new Operational Support grade removes any issues of demarcation that might have arisen between the former Doorkeeper and Liftman grades, recognising that employees, in future, are liable to undertake the fullest range of tasks for which they have been properly trained.

The new role will be underpinned by a set of key principles and capabilities assessed on entry to the business.

The jobs covered by this grade will be filled on length of service/seniority, as outlined in the Way of Working agreement.

Enhanced pay for Letters Administrator 2

Introduction

As part of the Way Forward, and recognising the effect of the new single operational grade on pay differentials, enhanced basic pay has been agreed for the LA2 grade. This will be implemented alongside the changes for operational employees on the same implementation date.

Basic salary

From the implementation date the LA2 grade will have a new fully pensionable pay scale as follows:

	National	Outer London	Inner London
age 16	£145.66	£161.69	£174.95
age 17	£169.93	£188.64	£204.11
Adult recruit	£218.48	£242.54	£262.42
maximum	£242.76	£269.49	£291.58

This enhanced pay scale includes and replaces the former Clerical UPAP for the LA2 grade.

All adult employees on the recruit scale in post on the implementation date will move immediately to the maximum.

Other elements of pay

Except as set out in this agreement, terms and conditions for the LA2 grade remain as currently.

The higher level of basic pay for the LA2 grade will replace eligibility for any allowances from 8 May 2000 (1 May 2000 for intermittent allowances).

LA2s will be paid overtime (for Monday to Saturday up to and beyond 10 hours per week, Sunday, and Bank Holiday overtime) at the same standard hourly cash rates as will apply to the new single operational grade (age 16/17 rates will be at 87.5% of the adult rates).

Where applicable LA2s will be eligible for assigned and ad hoc shift payments at the same rates as apply to the new operational grade. This will replace NDA, Saturday Premium and IHP.

The existing system of Clerical RRIS, and SDIA at the new rate for the operational grade, will continue as currently pending completion of the wider joint review of regional payments.

All elements of pay for part-time LA2s will be paid pro-rata to conditioned hours against a 42/41-hour gross week, as set out in the 1997 agreement on harmonisation of part-time terms and conditions.

Ways of Working

Other improvements to resourcing and working arrangements for LA2s will be considered jointly within the context of the further discussions that have been agreed will take place for both the LA1 and LA2 grade. Pending this agreement, from the implementation date the age 16 and 17 scale points for LA1 will be increased to 60% and 70% respectively of the scale maxima.

SHORTER WORKING WEEK

Introduction

The implementation of the Shorter Working Week, and a 40 hour gross week for the new operational and operational support grades, represents the major part of the Reduced Working Time to be delivered as part of the Way Forward. Together with the new standard meal breaks this will achieve a net working week of 36 hours 40 minutes and put Royal Mail at the forefront of British Industry.

The Shorter Working Week will be implemented jointly to deliver the benefit of reduced hours to employees whilst continuing to guarantee customer service and achievement of the specification, with the joint objective being to minimise the costs and generate new bonus earnings.

Implementation

The 40-hour week for all full-time jobs must be introduced at the same time as they are revised in connection with the Performance Bonus Scheme. The timing of the implementation of full-time jobs based on 40 hours will therefore be on a unit-by-unit basis in accordance with the programme of revisions activity. The expectation is that the revisions to introduce SWW (together with the new meal break entitlements, the performance improvements as set out in the PBS Agreement, and the changes required by the Delivery Agreement) will be completed during 2000. This expectation is founded on full co-operation between Royal Mail and CWU in implementing the revisions Both parties will encourage local units to accelerate the implementation process as far as is possible within the performance improvement programmes agreed under PBS.

Where implementation of SWW precedes introduction of the new single grade and pay package, hourly rates and multipliers for overtime and premia payments will continue to be based on those that apply currently.

When implementing SWW all units must restructure their duty patterns to deliver a genuine reduction in working time to employees, covering any residual workload commitments with additional scheduled hours as appropriate. Where it is not possible to fully absorb the reduction, the additional hours should be covered with new full- or part-time attendances, or by extending the hours of existing part-time employees. In no circumstances may offices avoid implementing a 40-hour week by balancing the reduction in conditioned hours with a simple increase in scheduled overtime, and on no account may the total work hours of an office increase above the original base as a result of implementing the 40-hour week.

Local agreements may include variations in the length of duties over a number of weeks, provided that the average hours scheduled per week remains at 40.

Absorption and the Performance Bonus Scheme

Because SWW without any corresponding loss of pay represents a potential increase in costs over the current 41.5 hour week, the bonus scheme will need to be adjusted to reflect the extra costs involved. A level of absorption at 62% of the 1.5 hours for full-time jobs has been agreed nationally, to reflect the fact that offices will be able to reduce the length of attendances and absorb much of the reduction in hours. This will not apply to those offices who have qualified (as of 1 April 2000) under the PBS Agreement for High Performance Quality Bonus. These offices will have no absorption target.

The number of hours represented by the agreed 62% level of absorption will be deducted from scheme baselines from the point at which SWW is implemented. This will result in a small increase in EP from that date. This improvement in EP will not count towards the agreed annual improvement targets under PBS, since it has been achieved through national agreement to SWW without any corresponding cost saving, but it will count towards achievement of the qualifying thresholds for the main gainshare scheme and High Performance bonus, where applicable. Nationally the overall level of absorption, allowing for the expected number of high performing offices, will be 60%.

The detailed arrangements for adjusting the various measures within the PBS scheme to allow for SWW, and the agreed level of absorption, will be set out in the PBS Guidelines.

Local agreements should aim to achieve the maximum possible absorption of the reduction in hours. Where it proves possible to exceed the nationally agreed level, the additional savings involved will count towards EP improvement activity and will be bonus-worthy under PBS.

Part-time hourly rate.

For part-time employees SWW will not involve any reduction in their conditioned working hours. Instead the hourly rate will increase to reflect the new 40 hour gross week, which will deliver an increase in the basic hourly rate of 3.75%. The new hourly rate will be implemented on the same date nationally for all part-time employees, which will be Monday 3 July 2000 subject to the review of progress with deployment of key elements of the rest of the Way Forward Agreement and PBS as set out in the joint statement on deployment.

After this date all payments made pro-rata to conditioned hours will be made on the basis of a 40-hour week, and overtime will be paid at single rate up to 40 hours and at full-time premium rates thereafter, as currently operates against the 41.5 hour full-time week.

ANNUAL LEAVE

Introduction

This agreement on Annual Leave covers the new operational and operational support grades from 3 April 2000, and will deliver a further reduction in working time for many employees. It replaces all existing national and local agreements on leave from 3 April 2000, and local agreements reached after that date must conform in full with these provisions.

Leave Entitlements

This agreement delivers improved leave opportunities, principally by providing front-line employees for the first time with the maximum six weeks annual holiday. The agreement also incorporates former "privilege days" (Post Office Holidays) into standard entitlements, giving more flexibility over how and when these may be taken, and offers all employees the chance to opt for the maximum six weeks' leave, in lieu of pay, even before 20 years' service is achieved. The new leave entitlements, which include and replace the days previously taken separately as "Post Office privilege days", will be as follows:

On entry =	Four and a half weeks	After 15 years =
Five weeks 1 day		
After 5 years =	Four weeks 3.5 days	After 20 years = Six weeks

These entitlements are expressed in weeks and days, with a week's leave being a whole week irrespective of how many attendances are due. A half week's leave is a number of odd days equal to half the average number of weekly attendances due. Any balance of entitlement to odd days represents that number of daily attendances, except where a (full- or part-time) job requires three or fewer attendances per week, in which case the balance of odd days entitlement is reduced pro-rata to a five day week, rounded to the nearest half day (e.g. the entitlement for a three-day week employee with 5 years service is 4 weeks 2 days).

All periods of service on a temporary or permanent contract (with periods of casual service included only if they run continuously into a temporary or permanent contract), except for those on unpaid leave, SPPR, or with HM Forces exceeding 15 days, will count towards calculating leave due. Previous periods of PO service may be counted for this purpose.

For part-years worked, or where the entitlement changes mid-year, the entitlement will be calculated pro-rata to the proportion(s) of the year worked, rounded to the nearest half day.

Leave purchase option

Over and above standard entitlements, employees with less than 20 years' service will have the chance to increase their holiday entitlement to (or towards) 6 weeks per year, by foregoing an element of basic pay. This will offer those employees who might find it attractive to take more time off from work, earlier in their career, additional annual holidays in lieu of pay. This choice must be exercised for at least one whole leave year, and for each whole week of additional leave the basic pay will be adjusted by 2%. The maximum holiday entitlement that may be gained in this way is six weeks per year. Obviously once the higher level of leave becomes an entitlement through service, or if

the employee opts to return to their standard entitlement, pay is then adjusted back upwards. There will therefore be the following options for the new operational grade (at national rates, with similar proportionate options for Inner and Outer London and for the support grade, and pro-rata options for part-time employees) for full-time employees with less than 20 years' service:

standard on entry	= basic pay £218.48 pw with four and a half weeks' holiday
option 1	= basic pay £216.30 pw with five weeks' holiday
option 2	= basic pay £211.93 pw with six weeks' holiday
standard at max	= basic pay £242.76 pw with four and a half weeks'
holiday	
option 1	= basic pay £240.33 pw with five weeks' holiday
option 2	= basic pay £235.48 pw with six weeks' holiday
standard after 5 years	= basic pay £242.76 pw with four weeks 3.5 days'
holiday	
option	= basic pay £236.45 pw with six weeks' holiday
standard after 15 years	= basic pay £242.76 pw with five weeks 1 day
holiday	
option	= basic pay £238.87 pw with six weeks' holiday

These options are provided entirely as a choice for the individual employee, and this is agreed without prejudice to any future discussions on enhancing national entitlements generally. In no circumstances may leave from the standard national entitlements be reduced, neither may un-taken leave or other time off in lieu be "sold" or converted into pay. Exceptionally for the first year only, any employees opting for additional leave in this way will have their basic pay adjusted from Monday 8 May 2000.

Calculating leave

For the purposes of calculating leave, each attendance during a week will be classified as either a whole or a half day. Thus most operational duties will be classified as either a four-, a five-, a five and a half-, or a six-day week attendance.

If a whole week's leave is broken into odd days, it will be equivalent to the number of days attendance to which the employee is conditioned during that week.

A half day's leave requires attendance for half of the net hours of the day

Selection of annual leave

The objective will be as far as possible to maximise leave opportunities for employees, whilst ensuring that operational needs and the customer specification are met at all times. This agreement covers selection of full week leave and part week e.g. holidays starting mid-week. Single days leave will be agreed locally through the Staff Resourcing Manager in Mail Centres or the line manager in other operational units.

The leave year will be April to March. The Christmas pressure period, determined by the operational unit, will be a closed period for leave. The selection process should be complete by the end of the preceding October each year.

The granting of leave must always be subject to operational requirements and fairness of allocation. Employees who wish to exchange between themselves periods of leave already signed for will be able to do so, with the agreement of the Staff Resourcing Manager in Mail Centres or the line manager in other operational units.

Prior to annual leave signing, the Staff Resourcing Manager in Mail Centres and the line manager in other operational units, will have discretion to grant specific requests for particular periods of leave from individual employees based on their exceptional and unavoidable personal circumstances. This will include meeting the commitments of employees new to the unit where they join with holidays already arranged, without disadvantaging existing staff with agreed leave already allocated.

Assigned allowances are paid during annual leave but not non-assigned or intermittent allowances. Where assigned shift allowances are averaged across a rotation, employees may not take more than three weeks of their leave from the most unsocial shift (i.e. that which attracts the highest payment) of the rotation.

Annual leave selection process principles:

- Leave will be organised within the existing organisational structure of the office, e.g. work areas for Mail Centres and RDCs, Delivery sections in large Delivery units and across the whole office in other Delivery offices.
- In all cases, the line manager/staff resourcing manager will need to ensure specialist areas are always adequately covered. e.g. drivers, rurals, VCS, mech.
- All employees will be included on an equal basis, whether full- or part-time.
- Reserves will be allocated to work area and within that, specialist groups where needed, but reserves may be required to work within other work areas for the coverage of unforeseen absence and short term sick absence.
- Operational requirements within the work area will determine the maximum number of people that may be away at any one time. This will be based on:
 - Forecast variations in workload during the year including event forecasting such as peak traffic periods, Bank Holidays etc.;
 - forecast sick absence;
 - training and substitution absence;
 - the resulting leave reserve level and supplementary staffing.

Selection of leave

Royal Mail and CWU, locally, will agree their own annual leave selection procedures. This must conform to all of the principles listed above. If the current selection procedure already conforms, there is no need to change. Where current arrangements do not conform, they will need to be changed. However, if annual leave has already been selected for the year or part-year, this will be honoured and the new procedure will not be introduced until after this leave period.

Two examples of annual leave selection procedures that do conform have been attached at Annex 1 for consideration, but the local unit is free to come up with its own procedures, always provided that they conform to the principles. All selection of annual leave procedures will be subject to a National Review during their first year of operation.

Taking Leave

Employees may not attend the office whilst on annual or other leave. This means that employees may not attend the office to work overtime or Scheduled Attendance.

Annual leave may not be taken as an alternative to sick leave (except where it runs concurrently with it in the case of extremely long absences in order to satisfy legal

requirements). Employees who have been off sick must not start annual leave unless they have recovered, and should notify the office of their recovery before starting any annual leave. Annual leave cannot be recorded as sick leave if an employee falls sick during it, unless a medical certificate is produced.

Where time or days off in lieu are earned, the way in which this may subsequently be taken as time off work will continue to be determined locally.

Carrying leave into another year

Annual leave should generally be taken in the year that it is due, and the business expects all employees to have at least four weeks away from work every year. However up to one week (or 5 odd days) may be carried over into the next leave year, and up to five days may be anticipated during the last month of the previous leave year. Transfer of leave in excess of these limits requires written permission from the line manager, except that leave that cannot be taken due to sick leave may be allowed in the following year. Where this is granted and would reduce the annual leave taken in a particular leave year to less than four weeks, the individual must also confirm in writing that they are willing to voluntarily forgo their statutory leave entitlement under the Working Time Regulations 1998.

Covering leave

Both Royal Mail and CWU are committed to ensuring that leave and sickness absence is covered as efficiently as possible, since this will both maximise operational performance and therefore bonus earnings, and also enable the widest possible choice of leave to be offered to employees. Indoor jobs where the job holder is absent will only be covered by reserve or overtime where this is an unavoidable operational necessity given the expected workload commitments of the office. During periods when workload commitments tend to reduce, such as the summer, the expectation is that operational performance will be maintained by staffing the operation with a correspondingly reduced level of resource, in line with the Way of Working Agreement, Section 17.

Annex 1

Example one

- Preferences will be met using the following process:
 1. employees will be divided into 3 annual leave groups. These groups will be used only in "tie-break" situations where more people request leave than can be allowed to take it. The order these groups have for priority will be rotated annually. The allocation to groups will be decided locally but could initially be by seniority across the annual leave groups. Where more people from one group request leave than is available, leave is then allocated from top of the group to bottom and again this can be alternated annually ;
 2. the leave year, with the maximum number of people allowed away each week, is published to employees who are asked to nominate 3 preferences;
 3. a reasonable period of time will be given to complete the form and this ought to encourage employees within work areas and/or specialist groups to maximise their opportunity for first choices. Preferences must be returned by a fixed date. After the selection process has closed, any spare remaining weeks can be signed for on a first come-first served basis.

4. the line manager then allocates leave, maximising first choice preferences. Where first choices cannot be met, the "tie-break" is used.

When vacancies are filled in the work area/specialist area/office, the new entrant is allocated the annual leave slot that the previous jobholder left.

Example two

This system is based on that which presently exists in a number of offices throughout the country. The period defined for the purpose of Summer Leave is April through to September.

The system operates on each block being listed 1,3,5,2,4,6. An example of this year's blocks would be:

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
May 17th	June 7th	July 5th	July 26th	Aug 16th	Sept 6th
June 4th	July 2nd	July 23rd	Aug 13th	Sept 3rd	Sept 24th

Numbers of employees off in each particular numbered block would be dependent on operational requirements and the availability of slots within each block. There is also the facility to take two weeks within any of the periods and a week outwith the Summer period at other times throughout the year.

The blocks rotate through each other. For example, period 1 which is May 17 – 4 June for the illustration, within this block the following year would move to period 3 (which is July 5 - 23 July) and then the following year to period 5, which is Aug 16 – 3 Sept. In effect, meaning all employees rotate through all the blocks and annual leave can be identified at least seven years in advance. The opportunity would also exist for individuals to change leave to maximise preference. This would be done as defined earlier through individuals who are exchanging the undertaking and having it cleared by the Resourcing/Unit Manager

MEAL BREAKS

Introduction

This agreement commences from 3 April 2000, and establishes a new national standard in relation to meal relief entitlements, together with a process for all offices to achieve it. This agreement replaces all existing national and local agreements on meal relief entitlements and provision. The new entitlements will be introduced alongside SWW as part of the performance improvement programme agreed within the context of PBS.

Full-time meal break entitlements

All full-time employees working in delivery offices on a 40-hour gross week over five or six days will generally have a standard entitlement to 40 minutes meal break per day and 30 minutes on the shorter day (normally Saturday) of a six day attendance, exclusive of any grace breaks (see below).

All full-time employees working in Mail Centres on a 40-hour gross week, generally over five days, will have a standard entitlement to 40 minutes meal break per day (this means that up to 60 minutes per day total breaks can be provided by scheduling Relaxation Breaks by joint local agreement – see below).

Other full-time employees on standard attendance patterns will have the same entitlements as in delivery.

Where there are unusual duty patterns (e.g. long or short attendance patterns, or jobs with fewer than five attendances per week) the meal break entitlement will be determined on a daily basis for each attendance from the table of entitlements below.

Where the proper entitlement (i.e. based on the national standard and the table below) is currently exceeded, meal breaks in the offices concerned will be harmonised with the standard over the three-year life of the Performance Bonus Scheme. This will be implemented in equal stages up to April 2002 as part of the joint revision programme.

Meal breaks for non-standard, part-time and extended attendances

Part-time jobs, and full-time jobs with non-standard attendance patterns, will attract meal breaks for each daily attendance as follows, reflecting a generally pro-rata entitlement to the national weekly standard:

Attendance length	total breaks	probable pattern
<i>less than 2 hours 30 minutes if work permits)</i>	<i>none (a 10 min grace break should be provided</i>	
<i>2 hours 30 to 3 hours</i>	<i>10 mins</i>	<i>10</i>
<i>3 hours 1 to 3 hours 30</i>	<i>15 mins</i>	<i>15</i>
<i>3 hours 31 to 4 hours 59</i>	<i>20 mins</i>	<i>20</i>
<i>5 hours to 7 hours</i>	<i>30 mins</i>	<i>30</i>
<i>7 hours 1 to 8 hours 59</i>	<i>40 mins</i>	<i>40 or 20 +</i>
<i>9 hours to 10 hours 59</i>	<i>50 mins</i>	<i>30 + 20</i>
<i>11 hours to 12 hours 59</i>	<i>60 mins</i>	<i>40 + 20 or</i>
<i>13 hours or longer</i>	<i>70 mins</i>	<i>40 + 30</i>

Pending completion of the discussions intended to conform with the requirements of the Working Time Regulations, any exceptional attendances of 15 hours or longer will attract an entitlement of 80 minutes.

The actual pattern of breaks within these rules will be agreed locally

Overtime and Scheduled Attendance

Attendances consisting wholly of overtime, or of Scheduled Attendance on Sunday, should attract paid breaks based on the length of the attendance as in the table above. Attendances consisting wholly of weekday SA should attract unpaid breaks on the same basis, at least one of which must be scheduled within the attendance rather than at the beginning or end. Where there is a gap of up to 59 minutes between duty and overtime (but not Scheduled Attendance, except on Sunday) that cannot be filled with useful work, this will be considered booked through time and paid for at normal overtime rates.

Conditioned attendances extended by overtime (or by SA on Sunday) consecutive with the beginning or end will attract additional breaks if the entitlement for the *total* attendance (overtime *plus* conditioned hours), in the table above, is greater than the breaks already scheduled during the conditioned attendance. For example, an 8 hour conditioned attendance with 4 hours overtime would attract an extra 20 minutes (i.e. 60 minus 40). In most cases, particularly if the additional break is for only 10 minutes, it should be taken between the period of overtime and the normal conditioned attendance.

Young employees

Meal breaks for employees aged under 18 should be arranged to provide at least a 30 minute meal break on any attendance of four and a half hours or more in length.

Breaks at the beginning or end of attendance

Where an attendance is provided with more than one break, the second break may be scheduled at the beginning or end, in which case attendance is not required solely for booking on or off. A single break should not be scheduled at the beginning or end of the attendance.

Grace breaks

When work permits a grace break of 10 minutes, over and above the standard entitlements, should be allowed on all indoor and outdoor jobs. In no circumstances should this be scheduled. Where it is not possible to provide a grace break before going out on first delivery the employee should be given the chance to have a cup of tea before leaving the office.

Relaxation Allowance

In the parts of Mails Centres covered by workload measurement and planning values, the additional grace break may be extended to 20 minutes for full-time indoor jobs and scheduled as "Relaxation Allowance", as originally agreed in connection with RRP (10 minutes may be scheduled within indoor part-time jobs), on the basis that this represents an aggregation of the relaxation allowance already built into duties and therefore does not affect the number of hours scheduled or the cost of running the office. In total this provides a maximum scheduled daily break entitlement of 60 minutes for a standard five-day indoor attendance.

Exceptionally for MAA/VCS coders this Relaxation Allowance may be taken over and above any grace breaks on the basis of 10 minutes scheduled after every 60 minutes of coding work, as set out within the national agreement on IMP.

Relaxation Allowance is built in to delivery work standards through DPMS, and outdoor employees are able to manage their own workload and pace within these standards whilst out on delivery.

For indoor employees covered by workload measurement but not in Mails Centres (e.g. all-night inward sorting or ASAP work in delivery offices), there will be joint review of the issues relating to Relaxation Allowance.

Time Bonus

In some Mails Centres additional breaks have been scheduled as "time bonus" under the terms of the former bonus scheme agreements. Offices in this position will have the option of returning to standard national meal breaks by giving up the time bonus in return for additional bonus, or continuing with the additional break which will continue to be charged to the bonus scheme. The details will be agreed separately.

Meal break absorption and the Performance Bonus Scheme

In those delivery offices where the new meal break entitlements represent an increase over a current 30 minute daily break, the bonus scheme will need to be adjusted to reflect the additional costs involved. It has been agreed to aim to absorb 70% of the additional hours, with the value of the remaining 30% credited to scheme baselines from the point at which SWW and the new meal breaks are implemented.

Any absorption of the additional breaks over and above the nationally agreed 70% will be bonus-worthy under the terms of the PBS agreement. In those offices where the implementation of the new standard entitlements results in the progressive removal during the life of the PBS scheme of previously unwarranted breaks (as above), there will be no adjustment to scheme baselines. Therefore the savings involved will be bonus-worthy under PBS.

WAY OF WORKING AGREEMENT

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INTRODUCTION

1. This agreement between Royal Mail and CWU sets out new ways of working for all operational units in Royal Mail. It is part of the "Way Forward" programme and follows on from the Agreements on Delivery, Conduct & Attendance and the Performance Bonus Scheme.

This Agreement will be a key enabler and the final step in securing and introducing improvements in terms and conditions, including a Shorter Working Week, harmonised meal reliefs, enhanced annual leave, and pay restructuring, which are contained in the parallel agreements on Annual Leave, Shorter Working Week, Meal Breaks and Pay and Grading.

COVERAGE:

2. This agreement covers all employees in the new single operational postal grade formerly graded postmen and postwomen (including Cadets), PHG and Streamline levels 1-6. (excluding Cashco employees), and in the new single operational support grade replacing Doorkeeper, Liftman, and bagroom Cleaner.

OBJECTIVES:

3. This agreement builds on the objectives of the agreement on the Performance Bonus Scheme, which addresses the need to prepare the Business for future competitive challenges and the shared objectives around improved and re-shaped earnings, terms and conditions and job security. The joint objectives will have equal status under the terms of this Agreement.

4. The objectives of this agreement are:

- a) to improve customer satisfaction through delivering service to specification consistently and reliably throughout the Business;
- b) to improve efficiency by ensuring accurate alignment of staffing to workload;
- c) to create a better working environment through ensuring a fair approach to allocation of duties, overtime and annual leave
- d) to provide better understanding and opportunities for movement and development through and across the Business
- e) to develop the capability for speedy and successful introduction of change whilst protecting services to our customers in a way that builds on the principles within the Industrial Relations Framework.

PRINCIPLES OF AGREEMENT

5. This agreement is founded on some key principles that must all be met to establish confidence in moving forward on all the agreed objectives set out in section 4.

FILLING OF VACANCIES/JOBS

6. The key requirement is to ensure that all jobs are filled by individuals with the right skills for the job, and that this is done in a way that both takes account of personal preference, suitability and minimises disruption to the customer and employees.

Seniority will be used to fill the majority of jobs, because the Business recognises the value of employees' experience and length of service. Those jobs that require more specialist skills have been identified and are listed at Section 15. They will be filled using an objectively-based selection process. The necessary training will be given prior to appointment.

SCHEDULING STAFFING

7. It is essential that attendance patterns and procedures for allocating resource operate in a way that ensures that staffing is there when required by the workload. This workplan and its supporting resource plan will be the subject of regular consultation between Royal Mail and the CWU, to ensure the information remains current.

The Agreements on Delivery Issues and the Performance Bonus Scheme contain the processes for dealing with changes to staffing arrangements and the objective of achieving five day week working and socially acceptable attendance times.

This Agreement provides for the exploration of new attendance patterns and also deals with the practices of Staff Resourcing Units. These units should operate effectively and ensure that overtime and annual leave are allocated fairly, in accordance with Working Time Regulations and any collective national agreements with CWU.

EMPLOYEE DEVELOPMENT

8. All employees must be enabled to maintain and update their existing skills and have the opportunity for further development within Royal Mail. In addition to the maintenance and updating of job skills, this process will encompass Business awareness, product knowledge and understanding the needs of our customers. This will be done in a structured way that acknowledges and supports the needs and aspirations of individuals and the needs of Royal Mail as a business.

RESPONDING TO THE NEEDS OF THE OPERATION

9. All work areas must have workplans, based on workload forecasting and pipeline specification, which ensure that movement between areas is on a preplanned basis.

The nature of the operation in Royal Mail is such that there are variations in workload from day to day that cannot always be predicted. Therefore, robust contingency arrangements must be in place and reflected in job descriptions.

Over and above these contingencies there may be exceptional occasions, such as a major collection failure, when employees may be required to move on an unplanned basis. These movements must be on the basis that staff are fully trained to perform tasks to which they are moved.

INTRODUCING CHANGE

10. All major projects must have resource plans that deal with all employee issues well in advance of deployment. This will involve full consultation and negotiation with CWU Representatives through the Industrial Relations Framework. All such resource plans must be consistent with the objectives, principles and measures contained within

this Agreement and conform with other National agreements. Changes that do not require alterations to attendance patterns or agreed job descriptions will be communicated and deployed quickly and effectively with the involvement of the employees concerned or affected. Details of these minor changes will be notified in writing to the local CWU Representative, prior to implementation, displayed in the workplace and a record will be kept.

PROCESSES AND PROCEDURES

11. All processes and procedures, including the capture and processing of staff attendance data, must operate effectively and efficiently, in a Way that is practical and cost effective, recognising the requirements of the Working Time Regulations.

SPECIFIC AREAS

12. In order to meet the key objectives of this agreement and within the principles set out above in sections 5 to 11, Royal Mail and CWU agree the following specific areas:

SENIORITY

13.1 An overhaul of the seniority mechanism is unavoidable because of the new single operational Postal grade that will replace the Postman/woman, PHG, SL1-6 and Cadet grades, the new operational support grade that will replace the Doorkeeper, Liftman and bagroom Cleaner grades, and the introduction of new ways of working including better resourcing procedures.

13.2 This agreement is mandatory and sets out the way that seniority will be defined for local units on and from the date of this Agreement. Any local agreements that conflict with this agreement will cease on and from that date.

13.3 Measures to improve resourcing procedures and ensure that all jobs are performed by suitable trained employees, with employee capabilities better matched to particular roles (especially where these involve specialist skills), are contained elsewhere in this agreement. Within this context both parties also recognise the part that seniority can play in reflecting the loyalty, service and experience of employees to Royal Mail as an organisation, and the value of this experience to the business.

13.4 The general principle will be that, since the employees covered by this agreement are all in direct entry grades, seniority is based on the length of individual service. Exceptionally, every effort will be made to accommodate individuals who for serious personal or domestic reasons, need to be treated differently. In such circumstances, discussions will take place with local CWU representatives. Seniority for all employees in the operational support grade will be based on the commencement date of service in that grade (or in the pre-existing Cleaner, Liftman or Doorkeeper), and for all employees in the operational postal grade on the commencement date of, service in that grade (or in the pre-existing Postman/woman, PHG, SL1-6 or Cadet), irrespective of individual seniority positions in the ceased grades. In all cases except as set out below, this will mean that in future seniority will be based on the date that each employee, whether full- or part-time, first joined the business.

13.5 In those cases where an existing Post Office employee moves between or into either the operational support or operational postal grades, their seniority will be based on the date of entry to the grade concerned. However exceptionally where an employee moves into Royal Mail on level transfer from a grade in another business that is broadly equivalent (for example, a Parcelforce or Cashco postal employee moving into the operational postal grade or a Romec Cleaner moving into the operational support grade), then previous service in that business on that grade will count towards seniority.

13.6 All service within an appropriate grade, whether on permanent or temporary basis, will count for seniority purposes, with the exception of any periods worked on a casual contract, or during a career break or sabbatical. Unpaid leave will count provided there is no break in contract. Service after age 60 will continue to count. However service must be continuous for seniority purposes, with periods prior to any break in contract (due to re-employment, for example) not generally included, unless there are exceptional circumstances applying to particular cases that are agreed at local level.

13.7 Because seniority is based on length of service there will be no need to adjust seniority when employees transfer between offices, whether on a voluntary or compulsory basis.

13.8 Because seniority is based on length of service, employees reverting to either the operational postal or the operational support grade will return to the seniority they would have achieved if they had continued in the original grade rather than being promoted. Similarly, in all cases where seniority has been removed in the past, for whatever reason, individuals will return to the seniority to which they are entitled based on their actual length of service.

13.9 Where several employees start on the same day, the following factors will determine the relative order: firstly, any periods of Post Office service on other grades, secondly, date of selection and thirdly, date of birth.

13.10 Lists based on seniority assessed on the new basis will be produced, maintained and displayed in all units within the resourcing area. Because seniority will in future be transferable between locations and based on length of service it will be relatively straightforward to integrate employees from outside of the area (e.g. level transferees) into these lists.

RESOURCING TO JOBS (F/T and P/T) THAT DO NOT REQUIRE SELECTION BY SKILLS

14.1 Royal Mail and CWU recognise the need for Royal Mail to have the facility to recruit directly to full-time posts in all operational units. This agreement therefore replaces the relevant provisions of the SFMB and modifies paragraph 3e) of the Agreement on Delivery Issues, accordingly. Both parties also recognise the need to provide employees with the opportunity to change jobs in a way that fulfils their legitimate development aspirations, meets possible personal needs and avoids disruption to service and to customers.

14.2 The principles underpinning the new Resourcing Agreement are set out below.

- External recruitment to full-time posts is essential to ensure that RM has the widest choice of candidates from which to select
- Existing and future part-time employees will continue to have opportunities to gain full-time employment locally and further afield
- The filling of posts should result in minimum disruption by ensuring that a full-time vacancy does not trigger a series of moves
- The practice of "most senior individual" will be used when filling non-specialist jobs internally. The only jobs not filled on this basis are specified in Section 15: Selection by Skills.
- Jobs advertised externally will be filled on an open resourcing basis and offered to the most suitable person

14.3 The process for resourcing full time and part time, non-specialist posts will comprise one of four options, in the following order, unless agreed locally to change this

order:

- internal advertisement of the job within the currently-recognised resourcing unit/s
- deployment of existing surplus employees
- the acceptance of an existing employee from the wider resourcing area or another resourcing area who has previously had his/her name placed on the transfer list for that resourcing unit
- external advertisement

14.4 Where a full time post is advertised internally, it will be available to all full time employees and part time employees, who have opted for full time employment, in that resourcing unit. The posts will be filled on the basis of "most senior individual". Where a part time post is advertised internally, it will be available to all employees as above and filled in the same way.

14.5 The resulting vacancy will be temporarily filled by a reserve, a surplus employee, a transferee from within the wider resourcing area or another resourcing area or by direct recruitment in line with the process above.

14.6 When the number of consequential vacancies in the resourcing unit reaches 5%, or after a period of six months following the last such exercise (if earlier), the posts will be advertised in the resourcing unit, en bloc and filled on the basis of seniority. If this results in any further vacancies, these will be filled, using the same process as above.

14.7 Existing part time employees, in post at the date of this Agreement, will be asked if they have an interest in full time employment. A list will be maintained of these employees. Part time employees on the list will be eligible to apply for internally-advertised posts, alongside full-time employees. They would then pick up the post based on their seniority. If unsuccessful they will be eligible to apply for future jobs advertised internally until appointed.

14.8 Where a full-time vacancy is advertised externally, all part time staff will be able to express an interest. They will not have a right to the vacancy and will be considered alongside external applicants using the same criteria. Where unsuccessful, the reason will be explained in writing and they will be invited to discuss this with their line manager. They will remain in their current post and will have the opportunity to apply for future externally advertised full time vacancies.

14.9 Employees taking up internally-advertised posts will be dedicated to them for a minimum of 12 months. No applications for job moves will be considered during that period, unless they are:

- for specialist posts;
- as a result of serious personal or domestic reasons, following discussions with local CWU representatives

14.10 RM and CWU locally will monitor the operation of this Agreement to ensure that the principles set out above are upheld and that a reasonable balance is secured between the Business need to have greater access to the full-time job changer market and the legitimate interests of existing and future part-time employees.

SELECTION BY SKILLS

15.1 All front line jobs performed by the new multi-skilled single operational grade will have the same core capabilities. However, it is recognised that there are some jobs that

require more specialised skills. An objective selection process will be introduced for these jobs.

15.2 These jobs will be filled by the most senior person who has achieved the right standard for the job during the selection process. Sick, attendance and conduct record will only be taken into account where these are relevant to the work. Where training is required by the most senior suitable person, this will be given prior to appointment

15.3 Resourcing procedures will be based on the Resourcing Area. This will in all cases be the Royal Mail administrative area (i.e. the areas managed by Area Managers, subject to review in the light of any organisational changes). Jobs filled internally will be available to employees currently working in any office within the Area concerned.

15.4 Vacancies for specialist jobs will be advertised throughout the resourcing area. Applications should be made in writing to the Resourcing Unit.

15.5 Employees who wish to be considered for specialist jobs in general should register their interest via the Resourcing Unit or include it in their own Development Plan, a copy of which will be held by the Resourcing Unit (see section 19). This information will be used for training planning. Where a vacancy arises, equal consideration will be given to individuals who have registered their interest through Development Plan or through the Resourcing Unit in writing at the time when the vacancy is advertised. The objective is to allow and maintain openness and fairness in relation to resourcing specialist posts.

15.6 The specific jobs that require specialist skills and which will be subject to selection are:

Resourcing Unit (Bookroom);
DOM Support;
Traffic Office;
Enquiry/Callers' Office;
Major Customer Collection drivers
(to be jointly defined at National level);
Benefits Agency/ Customer Mailroom;
Travelling Post Office;
Leadership roles (formerly PHG "A");
Heavy Goods Vehicle Driving (HGV);
Postbus (PSV);
VCS/MAA;
IMP/MTT;
Advanced TPM;
non-school training.

15.7 All specialist jobs will have consistent job descriptions, which will identify the specialist capabilities and which will be standard throughout Royal Mail.

15.8 Employees who are regarded as suitable should be dedicated to these duties for a minimum of 12 months. If after 12 months the employee wishes to change jobs, they must give adequate notice to enable a suitable trained replacement to be found before release can be allowed. The replacement must be available to take up post no later than six months after notice has been given.

The process for resourcing specialist posts will be one of four options, in the following order, unless agreed locally to change this order:

- deployment of existing surplus employees with the appropriate skills

- internal advertisement of the job within the resourcing area itself
- the acceptance of an existing employee with the appropriate skills from another resourcing area who has previously had his/her name placed on the transfer list for that resourcing area
- external advertisement .

15.9 This decision will be taken locally, but normally jobs will be filled by internal advertisement, by a surplus employee or a transferee before there is recourse to external advertisement.

15.10 Where a post is advertised internally then it will be advertised to all employees in that resourcing area, full- and part-time. Candidates will undergo an objective selection procedure, designed to assess individual competences against the skills required for a particular job. Where more than one candidate possesses the required capabilities, selection will then be on the basis of seniority.

15.11 The resultant vacancy, be it full or part-time, will be filled as specified in section 14, unless it too is for a specialist post, in which case the provisions of this section will apply.

RESOURCING JOBS DURING MAJOR CHANGE

16.1 The new standard resourcing procedures covered in the previous two sections of this agreement benefit employees by giving them regular opportunities to apply for a change of job, both within their unit and their resourcing area. These incorporate and standardise the current practices of rolling re-signs, based on seniority.

This section deals with the only other circumstance where people change jobs. This is where jobs alter significantly as a result of the introduction of major change. The overriding aims for managing all such exercises must be to minimise customer disruption and avoid unnecessary displacement of employees in a way that conforms to equal opportunities legislation. This will be ensured by timely planning and full CWU involvement at all stages of the exercise.

16.2 Major change is defined as:

- the relocation or merger of units
- a significant process alteration arising from automated working or reshaping of the pipeline
- delivery revisions, which involve significant replotting of walks or significant restructuring of attendance patterns (e.g. full-time/part-time mix, five- day weeks, 'longs and shorts' or 'night plus a first delivery', where they are agreed)

For a reselection exercise to be considered the extent of such a change must be that it has a significant impact (in content and/or attendance times) on over 1/3 of the jobs in the unit.

16.3 Major change is not defined as:

- revisions of staffing arrangements, using the procedures agreed in the Performance Bonus Scheme, to implement the Performance Bonus Scheme, Shorter Working Week, Meal Relief Harmonisation and Work Time Learning or to improve alignment of staffing to workload in order to make performance improvements, unless they fall into the categories of major change defined in paragraph 16.2 above.
- delivery revisions which do not involve significant replotting of first delivery walks.

Where such a revision displaces an individual, or where an individual's earnings are affected, local discussions shall take place in line with the principles contained in Section 14 and 15. Timely planning will reduce the number of people affected in this way by the revision.

16.4 Where there is a major change as defined above, the key principles for dealing with the re-sign are:

- employees whose jobs remain unaffected by the major change will retain them;
- these employees will have the option of applying for any of the jobs involved in the re-sign resulting from the major change, provided they have completed a minimum of twelve months on their existing duty (see Section 14 and 15). If this creates a resultant vacancy that would be filled using the normal resourcing procedures in Section 14 or 15;
- employees taking part in the re-sign will be given the opportunity to advise of any personal circumstances, which necessitate a particular duty type or attendance pattern and, where practical, this will be accommodated. Where this happens, there will be prior discussion with the local CWU rep;
- the re-sign and all consequential training must be planned into the revision process;
- specialist jobs that are reselected against are filled using the procedure in Section 15;
- the re-sign will be run using a national standard procedure based on seniority, and not take more than four weeks to complete. In very large units, agreement to an extension to this deadline must be given by the Head of Performance following local discussion between management and CWU. At the end of the exercise all jobs and reserve posts must have been signed for.

Where this process displaces an individual, or where an individual's earnings are affected, local discussions shall take place in line with the principles contained in Sections 14 and 15, which may vary the order to protect the individuals displaced. Timely planning will reduce the number of people affected in this way by the revision.

16.5 All major change schemes (as defined above) must be planned so as to have in place an agreement covering selection, placement and training, minimising and then managing surpluses and all other employee issues at least 13 weeks before the Ready for Service (RFS) date, or dates if the project is in phases. (Planning and discussions through Strategic Involvement and the IR Framework should start at least 12 months in advance of any planned major change). This agreement must conform to existing national agreements. In the event of any failure to reach agreement by this date, the points of difference will be referred to Service Delivery Headquarters and CWU Headquarters for resolution.

RESOURCING GOOD PRACTICE

17.1 It is acknowledged that there are a wide variety of standards and practices in the resourcing of the operation. This, together with the failure to forecast workload accurately, leads to ineffective and unreliable allocation of staff, endangering quality and customer satisfaction. This agreement specifies the standard processes and practices, which will need to operate in all units in order to resource the operation effectively.

These are:

17.2 "Bookroom" title to be replaced by "Resourcing Unit" in every Mail Centre.

17.3 Standard workload forecasting processes

17.4 Use of new computerised Resourcing Unit systems.

17.5 Projected workload, based on accurate daily/weekly forecast traffic to shift and work area, together with historic data, will be used to establish realistic resourcing requirements for at least three weeks in advance.

This information will be available on an open-book basis to the CWU. The resource plan will be discussed with the CWU. Where there is a need to vary the resource plan to meet unforeseen traffic variations and/or resourcing problems which results in recourse to ad hoc overtime and/or supplementary staffing or lapsing, there will be prior discussion with CWU. These issues will be dealt with using the processes in the IR Framework.

17.6 Hours of operation and the staffing levels of the Resourcing Unit will be aligned to the workload requirements of the unit using national standard procedures and performance standards.

17.7 Introduction of signing-on in work areas. All failures to be reported to the resourcing unit for recording and to the shift manager for operational response, within 15 minutes of commencement of duty.

17.8 Each Unit must maintain a Skills Register to ensure that individuals in that Unit have the required core skills, together with any special skills, before job/overtime/Scheduled Attendance is allocated. Copies of the Skills Register will be made available in the work areas. Where there is a reasonable expectation that an individual will need core skills, which they do not currently have, then training must be a priority. On this basis, no employee will be denied opportunity to receive the appropriate training to enable them to volunteer for pre-listed overtime. For specialist skills, training must be on a pre-planned basis.

17.9 Annual Leave to be allocated in line with the Annual Leave Agreement in a way that fully meets operational need and maximises employee choice.

17.10 Scheduled Attendance will operate to contract and be signed on an annual basis and substitutes will be checked against the Skills Register

17.11 Where an individual is unable to attend for Scheduled Attendance the Resourcing Unit must be advised, giving at least 24 hours' notice, together with the reasons for non-attendance. The Resourcing Unit will then reallocate the SA to the nominated substitute. Where this is not possible, the attendance will be treated as an unforeseen absence and covered with ad-hoc overtime or lapsed.

17.12 Pressure overtime should be pre-listed, as far in advance as possible.

17.13 Overtime aggregate (to include overtime, Scheduled Attendance and weekend overtime) to be run to a common method.

17.14 Commitment on both sides to confirmed pre-scheduled overtime with agreed standard penalties for failure to attend for both Scheduled Attendance and overtime.

17.15 Ad hoc overtime to be determined by line managers and allocated by the Resourcing Unit using the new standard aggregate system.

17.16 Level of reserves to reflect changed annual leave arrangements

17.17 Reserves to be allocated to shift/work area for line management purposes but deployed on any shift according to demand, with due notice and appropriate training

17.18 Multi-skilling of leave reserves to enable redeployment if required.

17.19 A number of these processes and practices are already in use in some Areas and are specified here for the sake of completeness. Others are currently being trialled in co-operation with the CWU, in a small number of locations. The intention is to produce an integrated resourcing process, drawing on best aspects of the trials and subject to National review, in advance of any deployment.

REAL TIME STAFF HOUR RECORDING

18.1 Royal Mail and the Communication Workers' Union recognise that the collection and recording of information on attendance and hours worked needs to be streamlined. More effective use of technology to do this will enable Royal Mail to monitor the number of hours worked by employees in line with the requirements under the Working Time Regulations and provide more accurate and timely management information, including automatic uplift to payroll.

18.2 Alternative methods of recording time will be trialled jointly by the business and the union at one or more sites, with agreement to speedy deployment on a national basis if successful. The methods to be trialled will include automated capture of time and attendance data. Measures to be used in assessing the alternative methods will include cost effectiveness, confidentiality, robustness of technology.

18.3 Time recording shall not take place from one area to another and shall only be used for logging on and off, including start and finish of overtime.

ALTERNATIVE STAFFING METHODS

19. This agreement will put in place more responsive and reliable resourcing arrangements. However, it is recognized that there could be new and different resourcing models, which offer improved alignment of staff to workload as well as varied attendance and remuneration patterns that may be more attractive to some members of the staff. Under this element of the Agreement, Royal Mail and CWU commit to exploring various resourcing options with the intention of trialling new resourcing models and deploying these if they prove successful, following agreement at RMSHQ and CWUHQ. The aim is to establish trials in a number of different geographical areas by January 2000, and to review progress in March 2000.

EMPLOYEE TRAINING AND DEVELOPMENT

20.1 In line with Royal Mail and Post Office training and development policy, priority will be placed upon training and developing understanding the Business and requirements that will allow all employees to develop in the future.

20.2 First priority will be given to the improvement of the skills, knowledge understanding and behaviours needed to carry out immediate and future roles, including

the development of new skills, knowledge and ideas as the business changes and moves forward.

20.3 Second priority will be the enhancement of the core capabilities needed to maintain personal skills required to perform the job or task currently carried out.

20.4 The third priority will be based on personal ambitions and aspirations where the Post Office will contribute to continued training and development. This will be on a voluntary basis .

20.5 Both Royal Mail and the CWU recognise the importance of identifying and fulfilling training and development needs of individual front-line employees and widening horizons for employees in a whole range of new areas. This needs to be done in a structured and systematic way that acknowledges and supports the needs and aspirations of individuals and the needs of Royal Mail as a business to succeed in future. Training plan actions to meet future job requirements will be directly linked to the manpower plan.

20.6 There will be two basic strands to the new development/training process:

- Training in basic product/business understanding and awareness, which will be provided for and undertaken by all employees, and training for the individual's current job
- An individual development process which will be carried out on a voluntary basis in each work unit, but be available to all employees. The start of the process shall be self-nomination.

20.7 All employees will have the opportunity for and access to individual training and development and an individual plan, that includes actions to:

- maintain and improve skills
- prepare him/her for future job requirements

and, where appropriate,

- prepare him/her to meet future realistic career aspirations, including moves to other job types, or work areas, and promotion

20.8 The exact format and structure for this process needs to be established. It will be developed by Royal Mail with the full involvement of the CWU and piloted during 1999-2000, with National roll-out targeted for April 2000.

JOB DESCRIPTIONS

21.1 Royal Mail and CWU agree that job descriptions need to better describe the purpose of the job, as well as containing details of attendance times, activities and performance standards.

21.2 DELIVERY AND COLLECTION

In delivery offices, job descriptions will explain the activities (and timing of those activities) required to meet the delivery specification. Job descriptions for Collection drivers must reflect the agreed customer schedule with provision for contingencies, such as breakdowns or increased volumes. (The existing P318 document is suitable for the above jobs provided its content derives from the customer specification.) An example of a Delivery job description is at Annex 2.

21.3 ALL OTHER UNITS, EXCEPT DELIVERY AND COLLECTION

Job descriptions must be framed in a way that enables employees to respond better to daily workflow fluctuations and consistently meet workplan objectives.

They must therefore reflect the following key points:

- The introduction of the new multi-skilled operational grade.
- Individual task allocation based on achievement of the office workplan.
- The requirement to perform different types of work or to move from one work area to another, either on a planned basis or where unpredictable variations in workload occur and there is a need to meet customer service, or to ensure employees' time is effectively utilised, subject to the proviso that they must be trained to perform the task to which they are deployed.

21.4 WORK AREA NOTICE

There will be a Work Area Notice displayed in each work area. The operational templates should define work areas. The aim of the Work Area Notice is to explain the contribution of each work area in the context of the Office Workplan. An individual's contribution to the work area workplan will be set out in a Job Description.

The Work Area Notice identifies the tasks performed within the Work Area split into:

- general tasks undertaken by everyone within the area
- specific tasks undertaken by a few people

(Alterations to the list of tasks performed within the Work Area will result from changes to the workplan. This will form the basis of local consultation and negotiation with CWU for changing the organisation of work areas, where it involves changes to individual job descriptions.)

- The performance standard of the work area, defined for each task, as set out in the Performance Bonus Scheme Agreement (and Databank Planning Values)
- Quality targets, where improvement activity is focused i.e. a particular MIPP measurement, or simply clearance to time
- The duty numbers and names of the individuals who are assigned to that Work Area.

There is a model Work Area Notice at Annex 3

21.5 JOB DESCRIPTION

Every job will have its own Job Description, which must contain the following features:

- The work areas(s) that the duty relates to.
- Employee start/finish times per day and time of transfer from one work area to another, where an employee is working in more than one work area.
- Starting Activity (so that employees know what task to start on when they move into a Work Area.)
- Full range of activities throughout the shift
- Performance Standards, which incorporate Appropriate Relaxation Allowances
- Total attendance time [gross]
- Meal Relief times to ensure that the agreed Royal Mail standards are applied across the Business

- The Duty Number
- The date of the last amendment

There is an example of a Mail Centre Job Description at Annex 4 and an example of a Collection Job Description at Annex 5.

MAKING IMPROVEMENTS

22.1 This section sets out a structured process for making improvements based on using the information from work measurement, together with individuals' detailed job knowledge and experience. The objective is to enable individuals within work areas to put forward and make improvements that are recorded and help towards performance improvement within each area.

22.2 The measurements impacting on unit and work area performance should, as far as possible, be taken by employees working in the unit. This will ensure maximum ownership and trust in the information collected. The measurements taken will be those specified in the Work Area Hand-over Measures Guide. The measures will be used against work area specification to assess performance of the work area. Work area measurement information will be displayed in a clear form. This information will be used during regular work area meetings, facilitated by the Work Area Manager. The CWU shift/unit rep, if not part of the work area, may attend as an observer. This will include the use of Work Time Learning sessions where valued time needs to be put aside within duty structure to discuss and suggest improvement activity within each work area.

22.3 This activity may identify the need for further diagnostic measurement to be taken within the work area. These diagnostic measurements will be taken by employees in the work area with the purpose of identifying particular problem areas in relation to workflow. It is not the intention of this activity to impact adversely on unit or work area performance and therefore on PBS results. Where simple opportunities to improve are identified, they should be recorded and introduced quickly and communicated to all employees within the work area. A record of changes shall be kept and shall be notified in writing to the CWU local representatives on a regular basis.

22.4 Where changes are suggested that affect staffing arrangements, (i.e. agreed job descriptions and duty patterns) these will be progressed in line with the agreed revisions procedures and the Industrial Relations Framework. This will fully involve the local CWU representative at an early stage.

22.5 For this activity to be successful, it will need the trust and involvement of all employees. No measures taken by front-line employees within work areas will be used for any disciplinary purposes either to start or to progress the Conduct Code under the Guidelines.

22.6 This will require further detailed work on deployment, including the process for taking measurements, and trials which will fully involve CWU HQ.

STANDARD OPERATING PROCEDURES

23. Further to the agreement on performance standards in the Performance Bonus Scheme Agreement, Royal Mail and CWU support the concept of standard operating procedures and layouts across all mail centres. In order to meet this concept, there will be involvement nationally in the development and deployment of a manual of standard practice, in line with national agreements.

DEPLOYMENT

24. The wide-ranging and complex nature of this Agreement requires a carefully-managed and integrated programme of deployment of all its constituent parts. As a first step, an outline deployment programme will be produced, identifying key deliverables, timetable milestones and links with other initiatives. This programme will be the subject of agreement between Royal Mail and the CWU.

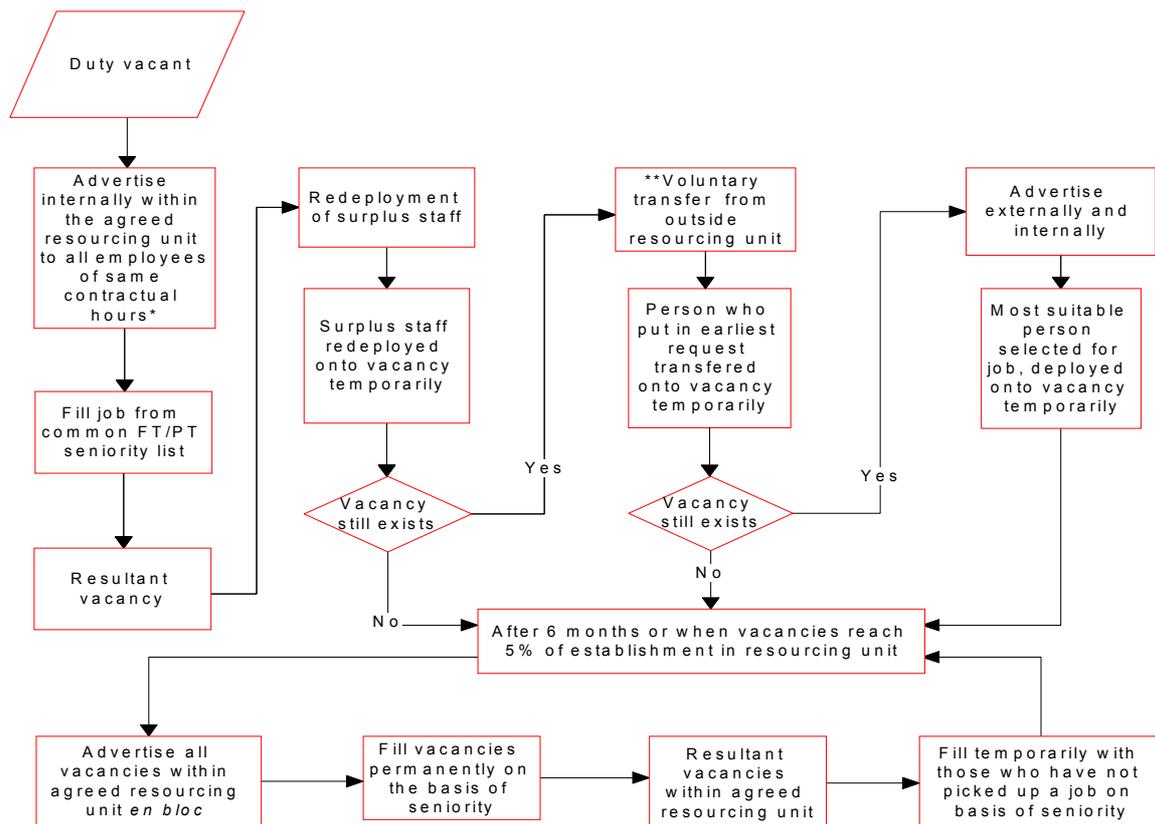
Royal Mail and the CWU will be fully involved in developing and communicating the various strands of the programme to ensure successful deployment at all stages - development, trial and rollout.

There will be formal joint reviews of progress at key agreed milestone dates during and after implementation. These will assess progress against the aims of the Agreement, take appropriate corrective action and identify good practice

Both Royal Mail and the CWU accept that for this activity to be successful and for the introduction of the Way Forward Programme to be effective full support and appropriate resource must be forthcoming from both Royal Mail and CWU Headquarters. This support and resource will involve CWU Postal Executive members and Divisional Representatives, who will work on specific deployment aspects of the overall Agreement, and will be supported by Royal Mail Strategic Headquarters, on an ongoing basis

Annex 1

RESOURCING NON SPECIALIST POSTS (full time and part time)



* and part timers in post on the date of this agreement who have expressed a preference for full time work

** same process followed in "losing" unit to fill resultant vacancy

Annex 2
WORK AREA JOB DESCRIPTION
WORK AREA = Delivery

Duty No. 69 F/T or P/T Office Battersea Rotation / Fixed Date introduced

Attendance		Meal Reliefs	
Mon	- Mon	Mon	
Tue	- Tue	Tue	
Wed	- Wed	Wed	
Thu	- Thu	Thu	
Fri	- Fri	Fri	
Sat	- Sat	Sat	
Sun	- Sun	Sun	

Activities

When reporting for duty your first task will normally be preparation of your Delivery. You will be responsible for completing Bolingbroke Delivery, according to the workplan and to the performance standards listed in your work area.

On occasions, where the deliveries/collections may be at risk, you may be asked to assist in carrying out other tasks appropriate to your duty or within the unit. When this happens, your manager will explain the reasons to you prior to the change.

You will be trained for all tasks you are required to carry out, if they are different from your normal duty.

Work Area plans and performance standards will be displayed within your Work Area/Unit.

Total weekly hours of attendance

= xx hrs

Annex 3

Work Area Notice

(Contains the following elements)

- Workplan for the Work Area (includes expected arrival times, despatch times, cut off times, etc.)
- Inputs / Outputs of the work area (i.e. what you can expect to receive and what you will be handing over)
- Quality Targets – possibly related to MIPP measurements for the Work Area
- Tasks performed in the work area - will need to specify common tasks that everyone will be expected to perform on being trained and specialist tasks where only a certain number of people need training.

e.g. For meter area

- Segregate Mech/Manual Letters
- Segregate Letters/Flats/Packets
- Check all items for correct Meter Impression
- Tip Mail
- Face all letters/flats
- Sort and despatch Meter Pouches back to customers
- Segregate any non-meter mail and divert to the correct work area.

- Performance standard of the work area (and against each task above) - as agreed in PBS translated into meaningful numbers (e.g. 20 items per minute)
- The duty numbers normally reporting to the Work area at the start of a shift.
- Health & Safety issues specific to the Work Area including vehicle issues if appropriate

Annex 4
WORK AREA JOB DESCRIPTION
WORK AREA = MECH

Duty No. 3 P/T or F/T Office RMLS Rotation / Fixed Date introduced

Attendance

Meal Reliefs

Mon	-	Mon	Mon
Tue	-	Tue	Tue
Wed	-	Wed	Wed
Thu	-	Thu	Thu
Fri	-	Fri	Fri
Sat		Sat	Sat
Sun		Sun	Sun

Activities

Report to CFC no. 3 and carry out the following: xxxxx, which will include TPM, as appropriate. You will also have a joint responsibility for ensuring Work Area clearance is achieved, meeting the quality and performance standards listed on the notice in your work area.

General

Exceptionally, there may be occasions when, for workload or QoS reasons, you may be required to give assistance in other work areas. In those circumstances, your manager will explain the reasons to you prior to the move.

You will be trained for any task you will be expected to perform.

Work Area plan and performance standards will be displayed in your Work Area.

xx hours

Total weekly hours of attendance =

Annex 5
WORK AREA JOB DESCRIPTION

WORK AREA = Collection

Duty No. 13 F/T or P/T Office Battersea Rotation / Fixed Date introduced

Attendance

Meal Reliefs

Mon	-	Mon	Mon
Tue	-	Tue	Tue
Wed	-	Wed	Wed
Thu	-	Thu	Thu
Fri	-	Fri	Fri
Sat	-	Sat	Sat
Sun	-	Sun	Sun

Activities

When reporting for duty your first task will be xxx. You will be responsible for making all collections on Route XX, using the designated vehicle and schedule and for carrying out all the checks listed for that vehicle.

On occasions, you may be asked to vary your normal task to assist in meeting the Collections timetable/specification.. When this happens, your manager will explain the reasons to you prior to the change.

You will be trained for all tasks you are required to carry out, if they are different from your normal duty.

Work Area plans and performance standards will be displayed within your Work Area/Unit.

xx hrs. Total weekly hours of attendance =

WORKING TIME AGREEMENT

1. Introduction

Royal Mail, and CWU jointly acknowledge and support the guiding principles behind the Working Time Regulations 1998. The intention is to move towards socially acceptable patterns of attendance that will ensure all employees have proper breaks from work, thus promoting family-friendly employment, which is beneficial to both employees and employer. In addition, this builds on Royal Mail and CWU's joint objectives, which recognise the need for staff to have the opportunity to maintain and improve reasonable and regular earnings expectations without relying on excessive levels of overtime.

Whilst supporting the principles, all parties acknowledge that Royal Mail has special circumstances which require a measured approach to implementation, phased over a period of time. It will be important to both safeguard customer service during this period and deal sensitively with the employee issues that arise in particular the impact on individuals.

Since the introduction of the Regulations in October 1998, Royal Mail, CWU and CMA have been working together to ensure legal compliance in respect of Individual Opt Out Forms, Health Checks for night workers and identifying any duties that involve Special Hazards. There have also been a series of meetings to work on the detail, much of which is now included in this agreement.

The Working Time Regulations allow for a number of modifications to be applied to meet the special circumstances of the business concerned. This agreement outlines the way in which Royal Mail plans to introduce the Regulations with the full involvement of the Unions. It should not result in any increase in either Working Time or a reduction in minimum rest breaks over those in place locally prior to the introduction of this agreement. Any bonusworthy savings achieved through the progressive reduction in working time will flow through to PBS where appropriate.

The agreement will cover all employees in Royal Mail represented by the CWU. For this purpose, no one is considered part of an excluded sector or individual as defined in the regulations and it is jointly accepted that the Health and Safety of all employees must be the priority of both parties.

A jointly agreed success criteria for this agreement is attached at Appendix "A".

2. Definition of Working Time

The test of working time for the purposes of this agreement means any period that an employee is:

- a.** working **and**
- b.** is at the Business's disposal **and**
- c.** is carrying out the Business's activities or duties.

All three conditions must be satisfied for the time to be classified as working time and that this is not necessarily the same as "paid-for" time. In Royal Mail this will **exclude** the meal reliefs specified in the Personnel Framework, irrespective of whether these are paid or unpaid. Any other breaks will be included in working time.

The aim will be to apply common sense as to what constitutes working time in a particular case taking account of the three guiding principles above and detailed in para 2.1. Any disagreements that cannot be resolved locally by the application of the guiding principles above or the examples below, should be dealt with using the IR Framework.

2.1 The following will be classed as working time for the purposes of this agreement:

- Travelling to and from a work activity, which is to be counted as working time, with the exception of normal commuting to the regular workplace.
- That portion of an "on call" period where the individual is actually dealing with a "call". This would include any time spent travelling to "the call" although this may be the normal journey to work.
- Time spent at work-related training courses and seminars organised by Royal Mail where the individual is given paid release from their normal duty to attend.
- Grace reliefs and tea breaks.
- Time spent with external customers or suppliers at restaurants or other social events.

2.1 The following will not be classed as working time for the purposes of this agreement:

- Annual leave, sick leave, maternity/paternity leave and special leave.
- Work performed away from "the office" (for example, reading papers on the way home) unless it is a requirement of the job and is authorised by the individual's line manager.
- On Call – time when an employee is "on call", but otherwise free to pursue their own activities.
- Time spent at a recognition event as a guest, unless it is within normal duty hours.
- Working at home unless the individual is classed as a home worker for tax purposes or has obtained prior agreement from their line manager.
- Community Action events whether on Royal Mail premises or not unless agreed locally.
- Time spent at a Post Office Recreation event as a participant, spectator or sporting official.

3. Reference Periods

The reference period for the purposes of calculating working time and night work limits in Royal Mail for all employees will consist of fixed periods of 52 consecutive weeks but specific arrangements for the 4 week Christmas period will be dealt with separately (see para 12). The first reference period will be the 52 week period commencing from Monday 4th October 1999. Future reference periods will be subject to the agreed annual joint reviews.

4. Limits on Maximum Weekly Working Time

All employees in Royal Mail have been given the opportunity to opt out of the 48-hour average limit by means of signing a voluntary opt out agreement. This opportunity will remain available to employees on request in line with the regulations. Those who choose not to sign opt out forms will be limited to a maximum of 48 net hours per week averaged over the agreed reference periods (see para 3 above).

Full time employees who wish to work more than 48 hours after 3rd January 2000, will continue to be required to sign a waiver form expressing their willingness to exceed 48. Signing the opt out form (waiver) does not either commit an individual to work or an employer to offer any promise that extra duty will be available in the future. The

normal arrangements for seeking volunteers will remain in place but subject to this collective agreement i.e. in line with the agreement for allocating and monitoring of overtime.

5. Phased Introduction of Reduced Working Time

5.1 Gross Hour Recording

- 5.1.1 From week commencing 3rd April 2000, the maximum permitted gross hours that an individual may work in any single week will be limited to an absolute maximum of 80.
- 5.1.2 From week commencing 2nd October 2000 this will again be reduced to 70 hours.
- 5.1.3 There will be a formal joint review in September 2001, 2002 and 2003 in respect of the effect of the steps, deployment, and other pay measures on national average earnings using payroll data. The phasing programme will be subject to adjustment in the light of the outcome of the annual review on the Agreed Success Criteria.

5.2 Average Net Hour Recording

- 5.2.1 From week commencing 7th October 2002 working time will be averaged over the agreed reference periods and measured in net hours. The maximum from this date will be 55 net hours averaged over the periods with no single week exceeding the 65 gross hours.
- 5.2.2 From week commencing 6th October 2003, the maximum will be reduced to an average of 48 net hours with no single week exceeding 65 gross hours.
- 5.2.3 The Regulations require that working time is monitored and employers must keep accurate records of employees working time particularly where no other systems of time recording exist. This may involve the use of signing-on sheets, time-sheets or other agreed method as is most appropriate to the working environment concerned.

6. Rest Breaks

6.1 Rest Breaks (Meal Breaks)

Meal Breaks as outlined under existing rules in the Royal Mail Attendance Regulations and collective agreements will be maintained which ensure the terms of Section 2(c) (iii) of the Regulations are met.

6.2 Daily Rest

From week commencing 2nd October 2000, the minimum daily uninterrupted break from work will be nine hours in any 24 hour period.

From week commencing 1st October 2001, the minimum daily break will be 10 hours.

From week commencing 6th October 2003, the minimum daily break will be 11 hours.

6.3 Weekly Rest

From week commencing 2nd October 2000 employees will have at least either one 24 hour uninterrupted break from work each week or one 48 hour break each fortnight.

From week commencing 6th October 2003 all employees will have a 24 uninterrupted break from work each week or one 48 hour break each fortnight in addition to the 11 hour daily break due. Care must be taken to ensure that both breaks are scheduled.

6.4 Duty Planning

Existing duties must be adjusted in line with the timescales above to give at least an 11 hour break in each 24 hours and the equivalent of one 24 hour break each week. All new duty proposals must also facilitate the rest breaks required. Five-day week attendances should be increased in line with the associated agreements on Delivery, PBS and the Way Forward. The limits above must also be taken into account when constructing and allocating Scheduled Attendances to individuals.

7. Procedure where individuals work in excess of the agreed limits

This agreement places an obligation on both individuals, their line managers and the Union to take all reasonable steps to ensure that the limits are adhered to. In particular the daily rest should not be less than 9 hours. However, there will be occasions when the limits are broken and the action below will need to be taken. When this happens joint local discussions will take place to identify the reasons and prevent a recurrence.

- 7.1 If the Rest break (Daily/Weekly) provisions in this agreement are broken, this should only occur when an individual has worked ad hoc overtime (since duties and SAs must always be allocated to take account of the limits). The element of the rest that was missed should normally be rescheduled and taken within 48 hours. This will be taken as additional rest added to an existing daily or weekly rest break in no more than 2 separate blocks. However, where this conflicts with an individuals duty or scheduled attendance commitments local joint discussions will take place to agree the period.
- 7.2 If an individual exceeds the gross hour restrictions set out in Para 5, their personal limit will be reduced for the following week. For example if the limit is 70 hours and they work 75, then the following week they will only be permitted to work 65 hours. Employees who exceed the limit more than once in any calendar month will not be permitted to work overtime for a period of a week (i.e. just their conditioned hours plus any Scheduled Attendance that they are personally committed to perform).
- 7.3 The net hour average limits (excluding meal breaks) will be operated over the agreed reference periods. Working time will be monitored and information on the current average will be available on request. However, employees must ensure before they volunteer for any overtime that they will be able to continue to meet their obligations to work their conditioned hours and any Scheduled Attendance. If an individual has exceeded the limit over the reference period, their personal limit will be reduced by a corresponding amount in the following reference period.
- 7.4 The authorisation/allocation of extra duty/overtime must also ensure employees keep within the agreed limits and regular breaches will be viewed seriously.

8. Night Work

The night period will be 11pm to 6am and anyone who performs at least 3 hours of normal duty on a regular basis between these hours will be classed as a Night Worker. For monitoring purposes, the night period will again be averaged over the successive reference periods in line with those that apply to the length of the working week.

8.1 All night workers have and will continue to be offered the opportunity to undergo a health assessment. These will be offered thereafter at three yearly intervals. However, if an individual is concerned they may request an assessment at an earlier date. Where an individual does not meet the night worker criteria, but believes that their health may be at risk (e.g. performs Scheduled Attendance at night or finishes their duty between midnight and 2.a.m) they may nominate themselves for a health assessment and will be sent questionnaires at the same frequencies as Night Workers. New night workers will be offered the opportunity for assessment before taking up the new shift.

8.2 Those who are deemed unsuitable for night work following consultation with the EHS will be offered alternative work on another shift by the agreed arrangements. Where an individual is unhappy with the alternative work offered and seeks representation, urgent joint discussions will take place to ensure that the suitability/personal hardship issues are addressed. Any issues that cannot be resolved locally should be dealt with using the Grievance Procedure and, in parallel, referred to the CWU and Service Delivery at national level.

9. Special Circumstances - Employer/Employee Obligations

Royal Mail has the responsibility of providing a public service and all parties accept that there is an obligation on all employees to play their part in maintaining the kind of service which the public has the right to expect. The nature of the service makes a measure of overtime working necessary. Employees may be required to work overtime during periods of particularly high levels of traffic, such as Christmas or where a scheduled Sunday or Bank Holiday forms part of locally agreed duty arrangements. Such periods should be staffed on a voluntary basis, wherever possible. The arrangement and allocation of overtime or variations of hours of attendance will be subject to the processes in the Industrial Relations Framework This agreement does not conflict with the individual's rights and obligations under the Working Time Regulations.

10. Annual Leave

Annual leave selection, entitlements and holiday pay will be as agreed in the relevant collective agreements which ensure the terms of section 13 (2) c and 14 of the regulations are met.

11. Young Workers

Young workers are defined as those under 18 years of age.

11.1 Breaks (Meal Breaks)

Employees under age 18 should receive the appropriate entitlement outlined in the new meal relief rules which form part of this set of agreements.

11.2 Daily Break

From week commencing 3rd April 2000, young workers must have the minimum break entitlement of 12 hours per 24 hours.

11.3 Weekly Break

- a. From week commencing 3rd April 2000, young workers will be given a 48 hour break in each 7 days, which may be taken as two separate and uninterrupted 24 hour breaks. Where this is not possible because of the nature of the work, this entitlement may exceptionally be reduced to an uninterrupted 36 hour break.
- b. As a part of the September 2002 review, the number of young workers not receiving a 48-hour weekly rest break will be assessed with a view to scheduling 48-hour weekly breaks for all such young workers with effect from 6th October 2003.

11.4 Night Work

In keeping with the EC Directive on the protection of young people at work, there should be no new night workers under 18 years appointed after the date of this agreement. Those under 18 who are already night workers may continue subject to the normal resourcing arrangements. However, the age profile of current young night workers is such that the expectation is that the vast majority of these will be 18 within a 12 month period.

12. Christmas

Christmas is a special time of year within Royal Mail and different arrangements will need to apply in place of those outlined above. The Christmas period will be defined locally but must not exceed the agreed 4 weeks.

- 12.1 Rest breaks – the provisions will operate in line with those above, with the exception of the requirement for the 24 hour weekly break provision. This will be suspended for the Christmas period for all individuals performing locally agreed Christmas arrangements.
- 12.2 From Christmas 2000 Working Time will also operate over Christmas within the new maximum gross hours limit of 72 hours. Further limits will be subject to the review specified below.
- 12.3 These Christmas arrangements will be reviewed jointly by April each year to examine the scope for extending the year round limits to Christmas.

13. People with Second Jobs

Individuals with other employment must ensure that they are able to meet their contractual obligations to Royal Mail and remain within whatever limits apply to them under the Working Time Regulations and this agreement. Employees must declare any potential conflicts to their line manager at the earliest opportunity.

14. Transport and the potential effect on Drivers

There is separate legislation currently under review concerning these employees that will need to be addressed as an addendum to this agreement once the limits and timescales have been finally defined. This will be carried out jointly over the coming months and communicated as appropriate.

15. Intention of the agreement

All parties are fully committed to achieving full compliance with the Working Time Regulations by October 2003 by the means outlined above, but recognise the possible difficulties with the operational arrangements. However, this agreement is not intended and must not be used as a means to increase the use of casuals over and above the

levels agreed through the normal consultation and negotiating arrangements. All disagreements in respect of any of the terms of this collective agreement, other than those arising from legal requirements, will be subject to the IR Framework.

16. Review

This agreement represents a new departure for Royal Mail and CWU that requires that a measured approach be taken. Consequently, it is agreed that there will be regular formal joint review meetings in April for Christmas and September each year to determine whether the timetable and implementation steps set out above remain achievable/acceptable when assessed against the Guiding Principles and the agreed Success Criteria Measures.

This document is agreed:

Date:

Royal Mail

CWU

Appendix 1

Agreed Success Criteria

The following are the agreed measures to be considered at the annual formal joint reviews:

1. Progress Towards Socially Acceptable Attendance Patterns
 - a. Promoting family friendly employment.
 - b. Progress on the introduction of 5-day week attendances for employees in all units.

2. Achievement of the agreed breaks from work for all employees
 - a. Daily.
 - b. Weekly.
 - c. Young Workers.

3. Statistical Confirmation of our joint aims in respect of earnings
 - a. Maintenance of reasonable opportunities to enhance regular earnings.
 - b. Maintenance of average earnings.

4. Confirmation that the Operational Staffing:
 - a. Has been achieved in line with the agreed phased programme.
 - b. Is progressing satisfactorily to ensure there will be no requirement by October 2003 for employees to exceed a 48 hour average working week.

5. Provision and accurate monitoring of:

- a. Health checks for night workers.
- b. Opt out forms.
- c. Working time.

Appendix 1

- 6. Any increase in the use of casual/agency staff other than as a result of agreed resourcing measures.
- 7. Speedy resolution of any issues of clarification or disagreement.
- 8. Continued progress on outstanding issues in respect of the full deployment of the directive and associated regulations e.g. drivers hours.

The review meeting should also consider and explore whether any amendment to the phased approach or acceleration is necessary/possible.

WAY FORWARD - DEPLOYMENT

Introduction

The purpose of this agreement is to set out the approach to deployment of all of the Way Forward agreements on the following:

- Pay and Grading
- Shorter Working Week
- Annual Leave
- Meal Breaks
- Way of Working
- Performance Bonus Scheme
- Delivery Issues
- Working Time

It is founded on the basis that change is inevitable and for this to be successfully achieved there needs to be a new approach which reflects the joint commitment of Royal Mail and CWU at all levels to making these agreements work. This can only be possible through the full involvement of all parties at all levels.

This agreement explains why change is necessary. It sets out the key principles underpinning the new approach to change, and details how the Way Forward agreements are to be deployed.

The Need for Change

Royal Mail faces an increasingly challenging future. A combination of a regulator for the industry, future changes to the monopoly and the more widespread use of alternative forms of communication mean that Royal Mail will be operating in a much more competitive environment. Royal Mail and CWU agree that the way to meet these challenges and to provide secure employment with improved competitive pay and conditions, reasonable working hours and a share in the success of the Business is through excellent customer service and high levels of efficiency. Royal Mail and CWU also agree that Industrial Relations can only operate on the basis of supporting the speedy and effective deployment of change with minimum disruption to customers and employees as we introduce changes to the way we work in parallel with improved terms and conditions..

Objectives

The Way Forward Agreements provide a first step for introducing the changes needed to meet the challenges facing the Business. Together, they provide the ongoing means for:

- improving customer service
- improving efficiency
- creating a better working environment
- improved pay and conditions
- the capability for quick and successful introduction of change through timely consultation and negotiation at all levels.

The objectives of this agreement are:

- the deployment of the Way Forward Agreements in full, everywhere and to the agreed timescales and specifications

- the achievement of the agreed performance improvements in all operational units in line with the PBS Agreement
- the implementation of the agreed improvements to terms and conditions for all employees covered by the Way Forward Agreements (including an increase in the number of 5-day week attendances in line with the associated agreements on Delivery, PBS and the Way Forward.)
- maintaining the balance through deployment between implementation of improved terms and conditions and performance improvement.

Deployment Principles

In order to successfully deploy the Way Forward Agreements, Royal Mail and CWU agree that there must be full co-operation at all levels between Royal Mail and CWU and that the following principles apply:

- there is open, honest and early communication
- there is full involvement of union representatives in the planning and deployment process
- there is full and positive commitment to using the agreed revisions processes as the means of introducing the required changes without delay
- status quo is not a reason for not implementing change - all changes will be considered on their merits and in line with National Agreements
- where there are any differences there is full commitment to using the agreed procedures in a positive way to resolve the issue quickly.
- no executive action will be taken by Royal Mail and no industrial action will be balloted for or taken by members of CWU until the procedure has been exhausted.

Roles and Responsibilities

All managers and union officers and representatives have a responsibility to secure successful deployment of the Way Forward Agreements in line with the above principles. More specifically the roles and responsibilities are as follows:

<i>Royal Mail</i>	<i>CWU</i>	<i>Roles/ Responsibilities</i>	<i>Personal Requirement</i>
<ul style="list-style-type: none"> • SDEC and other senior managers 	<ul style="list-style-type: none"> • National Officers EC Members 	<ul style="list-style-type: none"> • Sponsorship of deployment activity. Resolution of national issues, Sponsorship of maintenance activity. 	<ul style="list-style-type: none"> • Full understanding and ownership of agreement
<ul style="list-style-type: none"> • Field IR Managers • Area Managers, Area Manager teams, Territorial support managers 	<ul style="list-style-type: none"> • Divisional Reps; Area Reps 	<ul style="list-style-type: none"> • Monitoring of progress, Support for unit managers and unit reps in planning, implementation, and resolution of problems and in maintaining agreements. 	<ul style="list-style-type: none"> • Full understanding and ownership of agreement
<ul style="list-style-type: none"> • Unit Managers, Shift Managers and Work Area Managers 	<ul style="list-style-type: none"> • Unit Reps 	<ul style="list-style-type: none"> • Implementation and maintenance of agreements in their 	<ul style="list-style-type: none"> • Understanding of agreements and commitment to introducing the

		unit (including all planning and communication activity required by the change)	provisions of them into their units
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Royal Mail and CWU agree that there is a joint responsibility on all managers and union reps to all employees to:

- continue to work together to provide the leadership required to achieve successful deployment.
- lead by example with a problem solving, “can-do” approach, in line with all national agreements, including the IR Framework
- actively involve employees in the deployment of change
- communicate jointly as much as possible with employees with clear, simple messages that explain what is happening, why and when.

It is agreed that there will be joint development activity for managers and union reps to ensure that roles and responsibilities are understood and that personal commitment is given by both parties.

Deployment Aids

To support deployment there will be a number of aids in the form of:

- Guidelines
- Toolkits
- Processes
- Workshops and other training and development activity

Royal Mail and CWU recognise that further work will be required in producing, updating and maintaining these aids. Royal Mail commits to providing the resource needed for these activities and to involving the CWU fully in them. CWU commits to providing the resource needed to clear and confirm that these aids are compliant with the Way Forward Agreements, and doing this in a way that ensures that they are available without delay. Both parties agree that once agreed, these products will be fully used and supported by all managers and union reps. Royal Mail will provide support to CWU to enable the union nationally to carry out its role. This provision is the subject of separate national discussions.

Way Forward Deployment Plan

Deployment of the Way Forward agreements is a major task since it requires making changes in all Royal Mail’s operational units. It will not be possible to implement the changes simultaneously in all units, and there will therefore need to be a programme of activity based on nationally agreed principles and with nationally agreed milestones.

The nationally agreed principles are:

- there is a need to focus on Mail Centres and RDCs early in the programme because of their impact on Delivery Units
- there is a need to focus early in the programme on units which have a significant impact on customers and performance

- most delivery units (given the commitment from both sides described above in this agreement) should be able to implement the changes quickly and with some specialist planning support
- there will therefore be a mix of offices at each stage of the programme
- the investment in improved terms and conditions for employees is funded and supported by improving performance and customer service - therefore it is essential that the implementation of the improved terms and conditions remains in balance with the deployment of the changes which deliver improved performance.

The nationally agreed milestones are:

- sign up of local PBS agreements for all units by 31 January 2000
- full implementation of the workplan changes, Shorter Working Week, Meal Breaks and PBS Agreements in 3 lead Mail Centres by 31 March 2000
- full implementation of the Delivery, Shorter Working Week, Meal Breaks and PBS Agreements in one large Delivery Office per Area (over fifty duties) by 31 March 2000
- full implementation of the Delivery, Shorter Working Week, Meal Breaks and PBS Agreements in all RDCs by 31 March 2000

It is the expectation that the revisions to introduce Shorter Working Week, the new meal break entitlements, the performance improvements as set out in the PBS Agreement and the changes required by the Delivery Agreement will be completed during 2000. This expectation is founded on full co-operation between Royal Mail and CWU in implementing the revisions.

Review

Progress will be regularly monitored at all levels. The details of this are set out in the agreed Guide to Managing Change with the Communication Workers Union and the Industrial Relations Framework. In addition there will be a formal review of progress at National level. This will happen monthly. At the review in April 2000 progress will be checked against the key national milestones due to be achieved by 31 March 2000. If these milestones are met then the enhancements to Scheduled Attendance and overtime rates contained in the Agreement on Pay and Grading will be introduced on 29 May 2000, and the increased average pay rate for Part Timers will be introduced on 3 July 2000. If implementation is not met for any particular reason, further negotiations will take place to deal with the associated funding issues.