

DRAFT AGREEMENT BETWEEN PARCELFORCE WORLDWIDE AND THE CWU REGARDING THE 2005 PAY AWARD

INTRODUCTION

1. This agreement builds on and extends the ground breaking agreements of recent years, notably the Apollo Agreement of 2002 which set the scene for the recovery of the business from a loss of £200m pa to being in profit, and the Blueprint Agreement of 2004 which introduced new levels of co-operation and flexibility. These agreements have sought to establish an approach to remuneration which specifically meets the needs of Parcelforce Worldwide and its employees, and this agreement continues that trend.
2. Against that backdrop both parties believe that this agreement builds on the successes to date and continues the progressive journey to continued business prosperity, the ambition to be the number one parcel services provider and afford future employment security for everyone in Parcelforce.

DEPOTS

3. Basic pay will be increased from the current level of £277.17 on adult maximum to £300.00. Due to the link between the funding for this increase and the changes referred to below, the increase will be staged as follows:
 - Stage 1 will be a progression to £284.00 on 5th September 2005.
 - Stage 2 will be progression to £290.00 on 30th January 2006
 - Stage 3 to £300 on 1st May 2006.

The next pay review date will be 1st April 2007.

4. A one off payment of £275 is agreed for all depot employees on acceptance of the offer and will be paid in May 2006.
5. The following allowances and additional payments will be increased in line with these increases on 5th September, 30th January and 1st May:

I. Drivers Allowance	IV. Saturday Overtime
II. London Weighting	V. Sunday Overtime
III. Sunday Premium	VI. Bank Holiday Overtime

6. Additionally weekday overtime will be increased to £7.45 per hour on 30th January and to £7.70 per hour on 1st May to retain a premium over normal hourly rate.
7. The Saturday scheduled attendance rate is increased from 1st May 2006 from £8.59 an hour to £10.00 an hour.

8. The current framework of bandings for night duty allowance will be replaced from Monday 1st May 2006 on a cost/benefit neutral basis by a new hourly rate of £1.60 per hour (rounded up to the nearest half hour) in order to enable people working unsocial hours to have their pay directly related to the unsocial hours they perform. There will be no change to the start and finish times for the allowance.
9. The current skills and reserve duties will cease to attract skills allowance payments from 1st May 2006. This is because as part of the overall increase in pay to £300 pw, the commitment to the unigrade is reconfirmed, with the principle that although depot duties may differ in nature, they should all generally attract the same pay. However, it is recognised that there is a need for some duties with significant extra responsibility to attract an additional allowance, and to reward those drivers driving vehicles requiring a higher category licence than normal. Where these changes create a need for a re-sign of duties, this may be agreed locally.
10. From 1st May 2006 a new, assigned, pensionable Special Responsibility Allowance of £30 pw will be introduced and will be available to a minimum of two duties per depot for specialised duties requiring the additional skills and responsibilities described below. If there is a need for more than two such duties, this will be justified and agreed locally. Where these new arrangements would otherwise result in a reduction in earnings, equivalent pay protection measures to those set down in the MTSF agreement will apply. Former level 3 to 5's will continue to receive their allowances on a reserved rights basis.
11. One such duty will be based around the current debriefer role which as well as debriefing will focus on ensuring the smooth running of the indoor and C&D operation. The other will provide a similar role in admin, and will oversee general admin and staffing arrangements as well as being responsible for variable pay. Where there is a requirement for a lead role on nights this role will also attract the allowance. Where there is a hybrid duty and the lead role is only required for a part of it, the allowance will be paid on a pro-rata basis, as it will be for individuals covering such duties on either a daily or hourly basis. In line with the overall aim of further professionalising the operation, future appointments to these posts will be processed in line with the Specialised Duty Resourcing Agreement (Annex A). Specialised duty training will be developed and made available to ensure career path opportunities and individual development. Henceforth, these specialised duties will be covered during absence by people on a specialised duty reserve list.
12. From 1st May 2006, a supplement to the Drivers' Allowance will be introduced, payable at the rate of £10 per week, for drivers on duties utilising vehicles requiring a category C licence (i.e. over 3.5 tonnes). Part category C duties will attract a pro-rata payment.
13. Reserve duties, although no longer attracting an allowance, are still essential to the smooth running of the depot and efficient resourcing. In implementing this agreement, it is agreed that the imaginative use of flexibility should be

deployed in order to seek to minimise any impact on the earnings of current reserve drivers. Where these changes create a need for a re-sign of duties, this may be agreed locally. Although experienced employees may opt for one of these duties, it is expected that in many cases, the jobs will be filled by newer, less experienced employees. It is with that in mind and the need to maintain performance that this agreement also provides for a new approach to new entrant training. The new approach is as detailed in Annex C and is designed to improve recruitment & retention and reduce the time currently taken on skill development and familiarisation spans.

14. Recognising the benefits of the improvements in basic pay elsewhere in this agreement, there have been some adjustments in the nature of variable reward through the depot incentive scheme. From quarter 4 of 2005/06, a sum of £2.50 per week is available for meeting the depot revenue target, with 25% of the benefits beyond target being shared with eligible staff. The staff cost element of the scheme will pay £5.50 per week for meeting target, with a 50% share for going beyond target. The vehicle cost part of the scheme will cease.
15. A key part of our joint approach in recent years has been to develop the professionalism of all Parcelforce employees. In recognition of this, they will migrate to monthly pay during May 2006 if they are not already paid monthly. In doing so it is recognised that this helps facilitate the move to £300 per week basic pay. In recognition of the concerns and cultural difficulties individuals may feel in switching to monthly pay, a range of payment arrangements and other support mechanisms will be put in place to aid the transition.
16. In order to help people manage their finances through the transitional period, an advance of pay amounting to £275 will be available to all weekly paid employees, repayable through small deductions in salary over 4 years, or at the point of leaving Royal Mail Group if this is earlier. In addition a leaflet will be produced offering financial advice, and a helpline will be available. Parcelforce will also supply letters of confirmation of continuity of employment and the change to pay arrangements at an individual's request, for the purpose that they may be supplied to banks and lenders in order that individuals may arrange any lender repayment dates to connect with their new pay arrangements.
17. It is agreed that from 1st May 2006, when part timers work additional hours between their normal contracted hours and full time hours, they will receive any payments including pro-rata allowances relating to these additional hours as though the additional hours are contracted. Such hours will become bonus worthy and pensionable.
18. Flexible working, as outlined in the Blueprint Agreement of 2004, will be further consolidated as a result of this agreement, with an adjustment of duties where necessary to achieve 90 utilisation on a regular basis, taking into account both the changing availability of resource and traffic volumes. As part of this, the priority will be to ensure that employed resource is fully utilised before work is allocated to other available resource.

19. Both parties recognise that the full joint benefits of the flexibility agreement have not been realised because of inadequate joint training and understanding. Against this backdrop a joint training package will be developed and jointly delivered. Details of this training package and national training programme are attached as Annex D.
20. It is also reaffirmed that any future changes to duty patterns to mirror changing operational needs will be determined by Paragon reviews, and the provisions of the Technical Tools and Techniques Annex to the Blueprint agreement are confirmed.
21. As part of the journey to improved flexibility, the operational arrangements concerning scheduled attendance will be jointly reviewed at local level where necessary to ensure they meet the requirements of the business and provide the necessary degree of assurance that regular commitments beyond the normal working day will be fulfilled. The vast majority of Scheduled Attendance is in place to ensure customer collections both ad-hoc and regular are given priority, and that they are covered by reliable resource in the form of an individual having a commitment to perform the scheduled attendance. The stable nature of this resource is considered crucial to the safeguarding of excellent customer service, and the importance to the individual of maintaining and enhancing earnings is equally recognised. In conducting any reviews, any changes to the amount of scheduled attendance will therefore be determined with reference to the following principles: the need to provide regular, committed, additional attendance to meet customer expectations, the need to maintain and enhance employees' earnings opportunities and expectations, and the opportunities presented to utilise the flexibility arrangements inventively.
22. Admin arrangements in depots will be reviewed where necessary to ensure that duties are properly aligned to workload and take account of technological change and process improvements, in particular, but not exclusively, the developments in collection notification and the handling of international charge parcels. Any reduction in numbers will be handled in accordance with existing agreements.
23. The agreement that all duties are configured on a Monday to Friday basis is reaffirmed, however it is recognised that there may be occasions when exceptional circumstances are jointly recognised and a duty attendance commencing after 06:00hrs on a Saturday is agreed. It is stressed that such a situation will only occur where jointly agreed. If a proposal is not jointly agreed then arrangements will remain on a Monday to Friday duty configuration. If Saturday duties are agreed they will attract a Saturday premium equivalent to the difference between the conditioned hourly rate and the Saturday scheduled attendance rate on conditioned hours only.
24. Both Parcelforce Worldwide and CWU commit to a joint review of sick absence patterns across the business in order to understand and inform the need and development of jointly agreed initiatives and support measures,

including focussed programmes of wellperson activity, in recognition of the importance of promoting a healthy working environment.

25. Annex B to this agreement sets out a new approach to annual leave arrangements which create a new more professional, fair and flexible approach to annual leave which is alive to modern vocational trends and maximises choice for individuals.

HUBS

26. Clearly depot employees have over the years not enjoyed the same levels of basic and associated pay as hub employees. Now that the business is in a more stable situation this agreement begins to address that differential. This agreement also continues to recognise the crucial contribution of hub employees.
27. A pay award of 2.8% is agreed, with effect from 5th September 2005, which takes the main pay rate from £293.41 per week (plus £22.91 non pensionable differential) to £301.63 (plus £23.55 non pensionable differential). It will flow through to allowances and payments for additional hours.
28. A revision will be introduced across all operational and admin areas of the hubs by 1 May, accompanied by a new approach to productivity, negotiated locally and ratified nationally. In parallel with this, there will be a further increase of 2.1% on pay rates, allowances and payments for additional hours (calculated on an August 2005 base), giving a total increase in basic pay of 4.9%. This takes the main pay rate to £307.79 (plus £24.03 non pensionable differential). The next pay review date will be 1st April 2007.
29. A one-off payment of £275 is agreed for Hub Operatives on acceptance of the offer and will be paid in May.
30. In recognition of the improvements in the level of basic pay, the clearance bonus will be paid at a new rate of £5.75 per day from 1st May 2006
31. This agreement commits to national support in the review of duties and productivity arrangements, to ensure that the people implications of any operational changes are fully taken into account and that earnings opportunities from improved productivity and efficiency are maximised. Whilst assistance will be afforded, the reviews will be developed locally between Hub management and CWU Representatives, and will be ratified nationally.
32. It is agreed that from 1st May 2006, when part timers work additional hours between their normal contracted hours and full time hours, they will receive any payments relating to these additional hours as though the additional hours are contracted. Such hours will also become pensionable.
33. As with depot employees, hub operatives will migrate to monthly pay during May 2006. In recognition of the concerns and cultural difficulties individuals

may feel in switching to monthly pay, a range of payment arrangements and other support mechanisms will be put in place to aid the transition.

34. In order to help people manage their finances through the transitional period, an advance of pay amounting to £275, will be available to all weekly paid employees, repayable through small deductions in salary over 4 years, or at the point of leaving Royal Mail Group if this is earlier. In addition a leaflet will be produced offering financial advice, and a helpline will be available. Parcelforce will also supply letters of confirmation of continuity of employment and the change to pay arrangements at an individual's request, for the purpose that they may be supplied to banks and lenders in order that individuals may arrange any lender repayment dates to connect with their new pay arrangements.

SALES CONTACT CENTRES

35. A pay award of 2.8% is agreed, with effect from 5 September 2005, with a further increase of 0.8% (on old rates) on 1 May 2006 which takes the main Clerical Level 5 rate from £15370.97 pa to £15924.32. The next pay review date will be 1st April 2007.
36. It is agreed that from 1st May 2006, when part timers work additional hours between their normal contracted hours and full time hours, they will receive any payments relating to these additional hours as though the additional hours are contracted. Such hours will also become pensionable.

GENERAL

This agreement represents an important milestone in the creation of a modern responsive working environment where everyone shares the common purpose of working together to get the job done in an efficient and effective manner, recognising that satisfying customers is critical to our prosperity. The operational changes referred to will be overseen jointly through regular meetings between Regional Organisers and Regional General Managers or their equivalent.

Any question of interpretation, implementation or application of this agreement will be dealt with promptly through the Procedural Agreement and if unresolved referred to the respective Headquarters for resolution.

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Dale Haddon
Director P&OD
Parcelforce Worldwide

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Terry Pullinger
Assistant Secretary
CWU

ANNEX A

FILLING OF SPECIALIST DEPOT DUTIES

INTRODUCTION

The introduction of the new unigrade by agreement in 2002 was a milestone in the development of a flexible and professional workforce within Parcelforce Worldwide, and subsequent agreements have reaffirmed the importance of flexible and committed employees appropriately remunerated in ensuring the success of the business. Nevertheless, there remain certain specialist roles which carry additional responsibility and for which a separate allowance is payable. This Annex addresses the means by which such posts will be filled.

AIMS & OBJECTIVES

- To determine the agreed job and personal specifications and skills for duties that attract a skills allowance.
- To develop procedures to identify and agree future duties requiring skills above core which should attract a skills allowance.
- To create the opportunity for all members of the unigrade to express interest in any above core skill duty.
- To create a pool of adequately skilled individuals at local level for future job selection and duty coverage.
- To expand the opportunities for individuals to train and develop their skills in line with the job(s) they aspire to.
- To define the agreed process of vacant duty selection and re-sign arrangements for such duties.

THE AGREEMENT

1. This agreement between Parcelforce Worldwide and the CWU sets out the agreed processes applicable to duties covered by the CWU represented unigrade that are considered to require skills over and above core.
2. Both parties agree that clearly understood procedures for developing skills and filling duties requiring skills above core, will help improve and maintain the efficiency and effectiveness of the operation. Equally the agreement will ensure the process is unbiased to any individual, transparent, fair and expands opportunity to all.

3. The agreement provides for robust arrangements, which offer operational flexibility and consistency via a larger grouping of skills within each unit with a greater number of individuals able and equipped to perform the more specialised roles in a unit.
4. The selection process for duties agreed as specialised may include interview, test or demonstration of the possession of the appropriate skills, as agreed on an individual basis with the CWU. An interview will only be of relevance where the duty holder would require good interpersonal skills.
5. It is agreed that appointments must not be influenced by any personal relationship by blood, marriage, kinship, partnership or friendship. The selection process must be transparently fair and ensure decisions are made without regard to any such relationship.
6. Where an interview is deemed necessary it will be conducted by at least two trained interviewers, at least one of whom is outside the management line of the candidates, in a fair and unbiased manner.
7. The outcome of any test, interview or determining process must be fully recorded and counseling notes prepared and delivered to all unsuccessful candidates.
8. Specialised jobs when vacant in each depot will be advertised, with a brief description of the above core skills or aptitude required. All employees in the depot will be entitled to apply. However, the nature of the work is likely to mean that only people who have been trained in advance for the duty (see below) are likely to be successful. The most suitable candidate as determined by the process will be selected, with seniority being the determining factor where two or more candidates are equally suitable.
9. To ensure adequate coverage exists in each depot for selected duties at times of annual leave and sick leave a locally agreed reserve list for each specialised duty will be established. Initially the number of reserves required will be agreed locally, applications for training will be invited and a training programme arranged. The intention will be to give everybody training who expresses interest in developing their skills to the jobs they aspire to within six months of an application being received. Where there is a need to prioritise such training the order will be agreed locally.
10. Against that backdrop the senior most suitable person will fill vacant specialist duties. Where an individual is unsuccessful in their application and following counselling, and, where appropriate, training to meet the required skills will be offered. Equally unsuccessful candidates will be entitled to an appeal. Notification of any intention to appeal must be made within 5 working days, in writing and stating the reason for the appeal. The appeal will be heard by a manager who is

at least one grade higher than the original decision maker and who is independent of the initial decision. An individual may be accompanied or represented by a friend or CWU Representative at the appeal.

11. It is recognised that some types of selected duties can be demanding. If an employee needs a temporary change of attendance or duty, for personal or domestic reasons (which must be adequately explained), every effort will be made to meet the individual's needs.
12. Any questions of interpretation, implementation or application of this agreement shall be referred to the signatories of this agreement as a matter of urgency and will be dealt with inside the provisions of the appropriate Procedural/IR agreement.

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Dale Haddon
Director P&OD
Parcelforce Worldwide

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Terry Pullinger
Assistant Secretary
CWU



ANNEX B

AGREEMENT BETWEEN PARCELFORCE WORLDWIDE AND THE CWU COVERING THE ISSUE OF ANNUAL LEAVE SELECTION AND ALLOCATION FOR ALL CWU REPRESENTED GRADES

INTRODUCTION

1. This agreement has been negotiated as part of the 2005 Pay Award Agreement arrangements. That agreement states that a new approach to annual leave arrangements which creates a new more professional, fair and flexible approach to annual leave which is alive to modern vocational trends and maximises choice for individuals would be developed and agreed as an Annex to the pay award.
2. In line with the spirit and intent of the progressive nature of agreements since the 'Apollo Agreement' and the new democratic adult to adult approach defined in the 'Blue Print Agreement', this approach to annual leave allocation and selection has been developed. The principle is that the leave arrangements should afford the maximum possible choice of leave for all employees, consistent with maintaining an excellent service to customers and minimising the cost of additional resource, and there should be an effective approach to resolving those situations where more people want to take leave at one time than can be accommodated which is accepted by the individuals affected as fair and reasonable.
3. This exercise required the negotiators to focus on previous arrangements, the new approach to flexibility of resource and to develop formulas to modernise past methodology and create a more defined, professional, fair and flexible approach to annual leave selection and allocation.
4. Operational objectives were considered to be the provision of Depot/Unit performance and the maintenance of a consistently reliable, efficient and effective service to customers. In respect of the individual the objectives were to improve leave opportunities for everybody, to develop procedures that were alive to modern vacation trends and to maximise choice for all individuals. The negotiators of this agreement believe that they have achieved as much as possible in regard to those objectives and that they will remain to be the guiding factors for the continued application and interpretation of this agreement.

AGREEMENT

1. This agreement provides guidelines for 2006 and future years for the effective coverage of annual leave and services within all Parcellforce Worldwide Depots/Units.

2. Both parties agree that accurate workload forecasting and flexible manpower planning are essential enablers to the success of this agreement. Against that backdrop it is agreed that appropriate tools to provide such information will be used, and that all those involved in the process, i.e. Depot/Unit Resourcing Managers and CWU representatives, will be fully trained in all aspects of information gathering and resourcing planning.
3. It is agreed that the leave process will move from a winter/summer allocation arrangement and adopt the concept of a 49-week spread, excluding the three weeks of Autumn Peak during December. It is considered that the move to a 49-week spread and the application of the processes agreed will assist in maximum choice opportunities for individuals and facilitate the accommodation of modern and ever changing vacation trends. Both parties accept that modern concepts of leave take into account midweek to midweek leave, leave determined in days, leave in ½ days, leave taken for extended periods and leave taken at short notice.
4. In respect of the amount of people taking leave each week it is agreed that core leave levels will be established and agreed locally each year taking full account of all resourcing opportunities. These core levels will be worked up and agreed in line with the joint manpower/resourcing process between local managers and CWU representatives agreed in the 'Blueprint' agreement, and will identify the number of leave slots available each week during the year, taking into account anticipated traffic volumes, reserve levels and the availability of alternative resource. As part of this exercise, due notice will be taken of anticipated peaks in volume due to major seasonal contract postings such as those from the examination boards. This process should also confirm that the number of slots available over the whole leave year is sufficient to enable all employees to take their allocated leave during the leave year. It is hoped that a joint understanding of what is required to deliver all of the objectives of this agreement, will be developed at local level, however where consensus on core levels is not achieved the matter will be resolved via the relevant IR agreement.
5. In determining these core leave levels every effort will be made to allow the maximum number of leave opportunities during seasonal peak periods in order to maximise individual choice. Such peaks will be identified via an employee leave preference exercise which will be carried out each year at the start of the leave selection process. This will be carried out either on an office wide basis or in smaller sections as appropriate and determined locally.
6. Joint work will then commence immediately to prepare an agreed manpower plan to ensure robust resourcing during seasonal peak periods and the rest of the year. The joint work on the resourcing plan will be driven by the desire of both parties to, wherever possible, afford all individuals their leave choice, and the need to ensure that the

necessary route and skills knowledge is available amongst the remaining employees to maintain an effective service.

7. In addition to full time reserves and Owner Driver Resource it is agreed that seasonal peak, specific event and casual staff can be utilised as part of an overall manpower plan to achieve the objectives of this agreement where this does not impact adversely on costs.
8. Other elements to be utilised within any peak period manpower plan could also include adjustments to routes as agreed in the Blueprint Agreement, overtime and seasonal peak scheduled attendance arrangements, the intention being to exploit the full potential of the whole resourcing mix.
9. Equally the opportunity should be afforded to less than full time staff to temporarily increase their hours. Such planning must also take into account lead in and follow through days required by individuals to resolve any holiday and travel difficulties that may occur.
10. The resourcing methods defined in the above paragraphs are not listed in priority order and are not considered exhaustive, additional measures and any priority usage of resourcing methods will be the subject of local agreement at the time of constructing the annual plan or during the leave year should circumstances require. Identification of the need for temporary specific event and casual staff must be supported by an agreed training programme plan, which will ensure adequate recruitment timescales are adhered to. Management equally commit to ensure that an ongoing agreed training programme is available and responsive enough to ensure that a robust skills base will be in place at all times.
11. The degree of increase to the core leave levels and the ability to provide robust cover in relation to both manpower and skills is clearly crucial to the achievement of all the objectives of this agreement and the satisfaction of all stakeholders. Against that backdrop once peak periods have been identified talks will commence to identify measures that will seek to satisfy individual choice.
12. Where despite all efforts to accommodate all individuals it is jointly agreed that the degree of increase to core leave levels will not provide sufficient staff and skills in any particular area, a thinning process will be agreed and enacted to determine the actual individual allocation.
13. The thinning process will commence via joint consultation with all individuals who have indicated via their preference, that they wish to take leave during the agreed unmanageable peak period. The joint consultation/briefing will explain the problems and the actual amount of people who can be accommodated. The processes will then seek to encourage volunteers to change their preference by identifying potential alternatives. If this fails to resolve the situation, the manager

and the unit rep will further review the issue in order to seek to find a way forward that is as fair as possible. This will involve looking at all relevant factors, including childcare or other family commitments influencing the choice of leave, any tie break decisions in previous years, seniority, and the possibility of revisiting the manpower plan to accommodate additional leave.

14. Employees who purchase Annual Leave will have to make their intentions known during the preference period, in order that their choices may be fully considered and that a robust staffing plan can be determined.
15. For 2007/08 onwards, the preference process will commence during the previous November. Transitional arrangements will apply for the winter leave period 2006/07. The detailed organisation of the preference process will be agreed between the local manager and unit rep. Each individual will be informed of his or her entitlement for the next leave year period, and will be asked to select when they wish to take leave, and to give an indication of their priority order to their preferred dates. The findings from that process will determine any action required in regard to the above paragraphs of this agreement.
16. In recognition of the fact that not all individuals know when they intend to take their leave in the following year, individuals will be able to hold some or all of their leave selection in abeyance. The understanding will be that any leave held in abeyance can then only be taken in periods where core leave levels will not be breached.
17. The only time that core leave levels may be breached after the process in the above paragraphs has been concluded will be where updated traffic forecasts indicate a reduced level of resource is operationally viable. Such requests and assessments will be agreed at the daily/weekly manpower planning meetings between the local manager and unit rep.
18. Equally where individuals are seeking to take leave previously held in abeyance, their request will not be refused if the agreed core level within their work area will not be breached.
19. Unselected leave may be taken at short notice provided taking it would not breach agreed core levels or cause operational difficulties at times of unexpected high volume. The flexibility provided by the Blueprint Agreement should be utilised to ensure customer service is not compromised, and local discussions will take place to identify how the work can best be covered in the individual's absence. The joint local approach to maintaining effective daily/weekly resourcing will apply.
20. At three agreed trigger points throughout the leave year the local manager and the CWU rep. will jointly assess the amount of leave held in abeyance, and if necessary take appropriate steps to ensure that

individuals are booking their leave. These reviews will also assess how well the arrangements are working generally. Any exceptional requests outside this process will be considered and not unreasonably refused.

21. The mature common sense approach defined in this agreement is not intended to preclude existing custom and practices in relation to duty and annual leave swaps. However such changes must be formally recorded to ensure any adjustments required to the agreed manpower plan. These matters will form part of the daily/weekly manpower meetings between the local manager and the CWU rep.
22. It is agreed that this agreement represents a major strand of the strategic involvement and manpower planning process and the full involvement of the CWU in that process. To this end it is recognised that managers will provide appropriate release to the CWU rep in order for them to meaningfully prepare and participate in all aspects of this agreement. Both parties genuinely believe that the views and aspirations of all stakeholders have been fully considered and taken into account. However it is recognised that some people may see the new arrangements as strange and possibly unfair when compared with past arrangements. The negotiators do not envisage such a perception being substantiated, however in the spirit of equal opportunity and fairness, guiding principles that have dominated these talks, it is agreed that individuals who feel legitimately disadvantaged will have the right to resort to the grievance procedure.
23. Any questions of interpretation, implementation or application of this agreement shall be referred to the signatories of this agreement as a matter of urgency and will be dealt with inside the provisions of the appropriate Procedural/IR agreement.

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Dale Haddon
Director P&OD
Parcelforce Worldwide

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Terry Pullinger
Assistant Secretary
CWU

ANNEX C

NEW APPROACH TO NEW ENTRANT TRAINING

1. Paragraph 13 of the 2005 pay agreement recognises the need to do more to help new entrants to settle into the business and so make it more likely they will commit to Parcellforce for a career. This Annex outlines the agreed steps that will be taken to ensure that this happens.
2. On appointment, each new entrant driver will spend a day in a classroom environment on general induction matters. There will then be a tailored programme of training and support, which is designed to achieve the following outcomes, an understanding their role in the organisation, the ability to do the job to the required levels of quality and productivity, specifically how to load their vehicle (if appropriate), plan their route, deal with documentation both electronic and hard copy, make deliveries and collections to specification and the customers' satisfaction. This programme will involve job shadowing across the different functions within the depot in order to gain a full appreciation of the whole operation. The programme will involve a variety of training methodologies, including going out on 'live' work accompanied by a more experienced driver, and will be adjusted to suit both the needs, prior experience and learning style of the individual and day to day operational requirements.
3. During this induction period, the deliveries and collections a new entrant is given will be tailored to ensure that they provide a typical range of activity and enable the new entrant to progressively acquire the skills required for the role with full regard to their abilities and knowledge at that particular point in time. Local consultation will determine the nature of this work and any adjustments or adaptations to other duties that may be necessary in order to accommodate this i.e. adopting a 'nursery route' philosophy. Consultation will also review the arrangements for providing experienced driver support to the new entrant and whether they are satisfactory and sufficient. The new entrant will be afforded every opportunity to discuss their progress and any issues they have with their manager and representative throughout the induction period. Local reps will have the opportunity to meet all new entrants at the outset with the purpose of inviting them to become members of the union.
4. During this period, a new entrant will be allocated to a duty. This will either be an assigned duty vacated by the previous incumbent pending a full re-sign, or a reserve duty which requires knowledge to be developed of several different routes. Local consultation will take place over the best solution which balances the fact that the individual is still on a learning curve with the expectations of other drivers and the needs of the operation.

5. Against that backdrop and to enhance flexibility within the operation it is agreed that it will be a requirement of all new entrants to hold a current UK driving licence. This requirement is only applicable to new entrants and does not affect the ability for existing employees, both now and in the future, to be employed on non driving work only if required.
6. It is anticipated that this new approach to induction will improve the first experience new entrants have of the business and encourage them to stay. Any problems encountered will be fully discussed with the individual at the earliest opportunity, and ways of rectifying the situation explored. The progress of new entrants will be reviewed jointly between the local manager and the CWU rep. in order to identify improvement opportunities, albeit without breaching confidentiality commitments on personal matters.
7. Any questions of interpretation, implementation or application of this agreement shall be referred to the signatories of this agreement as a matter of urgency and will be dealt with inside the provisions of the appropriate Procedural/IR agreement.

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Dale Haddon
Director P&OD
Parcelforce Worldwide

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Terry Pullinger
Assistant Secretary
CWU

ANNEX D

AGREED ARRANGEMENTS FOR NEW WAY OF WORKING TRAINING

INTRODUCTION

Paragraph 19 of the main pay agreement recognises that training is essential to ensure the full benefits of the agreed way of working are realised, and that there is more to do to ensure that existing agreements are fully understood. This Annex describes the nature and content of the training to be made available to managers, reps and employees in depots, and the process by which it will be delivered. The intention is to complete the roll out of this training programme by the end of May 2006.

TRAINING PACKAGE

A PowerPoint set of slides will be agreed for national joint use at a series of joint training events for local managers and unit reps. The slides will cover the following subjects, arising out of both the Blueprint Agreement and this year's pay deal:

- Background – the unique nature of Parcelforce, its relations with its customers, its approach to industrial and employee relations.
- What the new approach to involvement and flexibility means in practice summarising the Blueprint Agreement approaches and processes, rights and responsibilities (as updated by 2005 pay deal).
- Incentive Scheme: rationale and purpose – elements of scheme (as from January 2006); process for calculation and review – how it links with flexibility and excellent customer service.

REPS AND MANAGERS TRAINING PROGRAMME

Accompanying the nationally agreed slides will be a recommended training programme for all reps and operations managers to ensure the content is delivered to best effect and the understanding of delegates is maximised. The programme will involve a range of exercises and activities designed to encourage discussion and debate and relate the principles to the local situation, as well as the presentation of the nationally agreed slides. The programme will be delivered by Regional Organisers and Business Partners in one or more sessions per Region as agreed at that level. Each programme will last one day.

Against that backdrop delegates will be encouraged to follow up the formal training with further local sessions to identify local improvement opportunities, which will then be subject to consultation in the normal way. Any questions raised during these sessions that cannot be answered jointly by the trainers will be forwarded to the signatories of the relevant agreements for a joint

response. To continue to improve the quality of training to support local decision making and a solution driven relationship, feedback from the sessions will be collected and analysed to develop a programme going forward.

LOCAL TRAINING

The overall aim is to gain maximum commitment and buy in to the principles encapsulated in recent agreements. Accordingly, following the Reps and Managers programme, there will be one or more joint sessions as agreed locally in each unit during WTL when depot employees will be briefed by the manager and the rep on the agreed approaches using the national slides and locally agreed material as appropriate and necessary. Any issues raised that cannot be immediately answered will be jointly referred upwards for a response.

Any questions of interpretation, implementation or application shall be referred to the signatories of this agreement as a matter of urgency and will be dealt with inside the provisions of the appropriate Procedural/IR agreement.

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Dale Haddon
Director P&OD
Parcelforce Worldwide

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Terry Pullinger
Assistant Secretary
CWU