

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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