

# Agenda for Growth Legally Binding Agreement

## 1. Introduction

- 1.1 The purpose of the Procedures is to facilitate the process of reaching agreement and resolving any differences that arise between the parties in respect of any disputes. It shall always be the objective to reach agreement without undue delay at the appropriate level.

## 2. Achieving Local Agreement

- 2.1 Any failure to reach agreement between a First Line Manager and a Unit Representative in respect of an issue which is negotiable shall be dealt with in accordance with the procedure set out in paragraphs 2.2 to 2.14 below (**the “Achieving Local Agreement Procedure”**).

### *Achieving Local Agreement Procedure*

#### *Stage 1: Area level*

- 2.2 The First Line Manager and the Unit Representative will use reasonable endeavours to agree a joint statement outlining the disagreement and the reasons for it and forward such joint statement to the Second Line Manager and the Area Representative.
- 2.3 If a joint statement is not agreed, the First Line Manager and the Unit Representative shall each forward a separate statement to the Second Line Manager and the Area Representative outlining the reason for the disagreement.
- 2.4 On receipt of a statement or joint statement, the Second Line Manager and the Area Representative shall formally record that a disagreement has arisen and that this procedure has been initiated. Within one week of receipt of a joint statement, the Second Line Manager and the Area Representative will proceed to the step in paragraph 2.6 below. If separate statements are received, the Second Line Manager and the Area Representative shall use reasonable endeavours to agree a joint statement outlining the disagreement and the reasons for it.
- 2.5 If a joint statement is not agreed within one week of the date when the disagreement was recorded, the discussions referred to in paragraph 2.6 below shall proceed within the following week on the basis of separate statements prepared by the Second Line Manager and the Area Representative.
- 2.6 The Second Line Manager and the Area Representative accompanied and assisted by whichever Company and CWU representatives they believe to be appropriate, shall enter into full, free and frank discussions with a view to reaching an agreement.

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- 2.7 These discussions must last no longer than one week unless the parties involved agree that the disagreement is likely to be resolved within a further agreed period. If the disagreement is not resolved within one week (with an extension if agreed in writing) it will be referred for further consideration in accordance with Stage 2 (as set out in paragraphs 2.8 to 2.10 below).

### ***Stage 2: Failure to agree at Area Level***

- 2.8 The Second Line Manager and the Area Representative shall use reasonable endeavours to agree a joint statement outlining the disagreement and the reasons for it.
- 2.9 If a joint statement as referred to in paragraph 2.8 above is agreed within one week after the date that the Stage 1 discussions have been completed, the Second Line Manager and the Area Representative shall forward the joint statement to the Third Line Manager and the CWU's Divisional Representative promptly.
- 2.10 If a joint statement is not agreed within that one week period, the Second Line Manager and the Area Representative shall forward separate statements to the Third Line Manager and the CWU's Divisional Representative by the end of that week and discussions referred to in paragraph 2.11 below shall proceed on the basis of the separate statements.

### ***Stage 3: Divisional Level***

- 2.11 Within two weeks after receipt of a joint statement or any separate statement referred to in paragraphs 2.9 and 2.10 above respectively, the Third Line Manager and the CWU's Divisional Representative, accompanied and assisted by whichever Company and CWU representatives they believe to be appropriate, shall enter into full, free and frank discussions with a view to reaching an agreement.
- 2.12 These discussions must last no longer than two weeks unless the parties involved agree in writing that the disagreement is likely to be resolved within a further agreed period.
- 2.13 The discussions must lead to either:
- 2.13.1 a written agreement;
  - 2.13.2 an agreed formula to enable the First Line Manager and the Unit Representative to complete their negotiations. The local parties will then have a further two weeks in which to reach agreement, failing which the matter will be returned to the Third Line Manager and the Divisional Representative for them to refer it promptly to their respective National Representatives; or

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- 2.13.3 recognition that agreement cannot be reached at this level, in which case the Third Line Manager and the CWU's Divisional Representative will report promptly the failure to agree to their respective National Representatives.
- 2.14 If a matter is referred to the National Representatives for national intervention pursuant to clause 2.13 and they cannot resolve it within seven days of being contacted, either party may refer the matter to External Mediation in accordance with paragraph 4 below.
- 2.15 Whilst the Achieving Local Agreement Procedure is being followed, the Company and its managers will apply the principles set out in paragraph 5.2 below.

### ***Voluntary Mediation***

- 2.16 At any point during the Achieving Local Agreement Procedure, the parties involved may agree to engage Voluntary Mediators to assist them in reaching agreement.
- 2.17 The parties agreeing to call in Voluntary Mediators will set out their points of agreement and difference in writing and provide appropriate evidence and assistance to enable the Voluntary Mediators to facilitate them reaching agreement.
- 2.18 Where agreement with the assistance of the Voluntary Mediators cannot be reached within one week of their appointment, the disagreement will move automatically to the next stage of the Achieving Local Agreement Procedure and the timescales in relation to that will apply.

### ***National Point of Principle or Interpretation***

- 2.19 If, at any point in the Achieving Local Agreement Procedure, any party involved identifies that a point of principle relating to a national collective agreement arises, they may refer it to their relevant National Party for resolution in accordance with paragraph 3 below. 3. Achieving National Agreement 3.1 Point of Principle If at any time it is identified that a disagreement has arisen between the Company and the CWU that relates to a point of principle of interpretation or clarification of a national collective agreement it shall, subject to clause 8.3 of this Agreement, be referred in writing to the relevant National Parties by either party for resolution within one month of the disagreement arising, unless both parties agree that the disagreement is likely to be resolved within a further agreed period.

Where the disagreement is not resolved within that period, the matter will be referred for External Mediation in accordance with paragraph 4 below.

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### 3.2 National Matters

Where agreement cannot be reached in respect of a matter at national level that is not covered by an existing collective agreement within one month of discussions commencing, unless both parties agree that the disagreement is likely to be resolved within a further agreed period, either party may refer the matter for External Mediation in accordance with paragraph 4 below.

### 4. External Mediation

- 4.1 Any matter required to be referred for External Mediation pursuant to the Procedures, shall be referred by either of the relevant parties contacting their respective National Representative in the timeframe set out in those Procedures. The National Representatives will, no later than seven days after being contacted (the period for national intervention), jointly appoint an External Mediator or, where the parties cannot agree the appointment, an External Mediator will be appointed by the Chief Conciliator of ACAS.
- 4.2 The parties shall instruct the External Mediator to attempt to facilitate agreement between the parties on the issues in dispute and, in the event agreement cannot be reached within four weeks (or a longer period if the parties agree to extend this time limit) of his or her appointment, to issue a statement by the end of such period covering the following:
  - 4.2.1 a summary of the final positions of the parties at the conclusion of the mediation;
  - 4.2.2 the External Mediator's conclusions regarding any disputed points of fact that have emerged during the External Mediation process; and
  - 4.2.3 the External Mediator's recommended solution to the matter or matters of dispute or disagreement between the parties,(a "**Recommendation**").
- 4.3 All External Mediations shall take into account any regulatory and legal requirements, the terms and spirit of the Agenda for Growth, Stability and Long Term Success, other relevant national agreements, the needs of customers, the universal service obligation, and the need for appropriate efficiency supported by a climate of sustainable trust and collaborative decision making.
- 4.4 In reaching his or her Recommendation, the External Mediator shall also take account of any document, collective agreements, processes or policies relevant to the subject matter of the dispute which is to be determined and in reaching a decision will interpret those documents, agreements, processes or policies in a manner consistent with the principles at paragraph 4.3 above.

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- 4.5 Although the recommendations from the External Mediator are non-binding, the expectation is that both parties will use the External Mediator's recommendations to resolve their differences.
- 4.6 The parties will meet within one week of the Recommendation to consider it and confirm whether or not they are able to accept or implement it. If they both agree, the Recommendation will be implemented.
- 4.7 If the parties are unable to agree in whole or in part with the Recommendation, they will advise the other of the reasons for this, indicate what they are prepared to agree instead and there will then be a further two weeks during which there will be a final opportunity to reach agreement before the process is concluded.
- 4.8 In the event that the process concludes without agreement, the parties will notify each other of their intentions in writing and the relevant dispute shall not be further subject to the Procedures.

### **5. Joint Commitment to the Procedures**

- 5.1 The Company and CWU commit to follow and exhaust the Procedures without recourse to unilateral management action or CWU industrial action as set out in paragraphs 5.2 to 5.6 below.
- 5.2 Whilst the Achieving Local Agreement Procedure is being followed, the Company and its managers will continue to apply national and local agreements which are already in place or have been agreed for implementation (or where there is no recorded agreement, whatever practice has been in place for at least one working week immediately prior to Stage 1 of the Achieving Local Agreement Procedure being entered into as described in paragraphs 2.2 to 2.7 above). The only exception to this is where an urgent operational health, safety or legal requirement cannot be delayed. The requirement will be fully explained immediately to the local CWU representative and employees. Either party may subsequently review the circumstances leading to the action and propose how to deal with such cases in future.
- 5.3 Without prejudice to clause 10.4 of this Agreement, until the Procedures have been exhausted in respect of any dispute (including any dispute subject to the early warning / flashpoints procedure in paragraph 7 below), the CWU will not call on its members to take strike action or industrial action short of a strike in relation to that dispute.
- 5.4 The CWU will at all times use its best endeavours to prevent and to stop any instances of unballoted industrial action.

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- 5.5 The CWU shall, upon being notified of any instances of unballoted industrial action, take all necessary steps with the Company to achieve a return to working normally and will comply with its legal obligations in respect of such action. The CWU representative and Company manager will immediately inform the CWU's Divisional Representative and the Company's Head of Industrial Relations respectively.
- 5.6 The CWU's Divisional Representative and the Head of Industrial Relations will work with the relevant Company manager and relevant CWU representative to identify the cause of the industrial action, and seek to resolve differences.

### **6. Special Mediation**

- 6.1 Where unballoted action has occurred and there is no expectation of a quick return to work, and/or the dispute continues into a second day, the CWU's Divisional Representative and the Head of Industrial Relations will appoint two Special Mediators (or a single Special Mediator where that is agreed between the parties) without delay to assist the parties in achieving a return to working normally so that the issues that led to the industrial action may be investigated and resolved through the appropriate process.
- 6.2 In the event that the industrial action continues for a period of more than 48 hours after it began, during which period the National Parties will discuss the situation, the National Parties will refer the matter for External Mediation in accordance with paragraph 4 above.

### **7. Early Warning/Flashpoints Procedure**

- 7.1 Without prejudice to clause 8.3 of this Agreement, where industrial relations problems arise to which the other Procedures do not apply, the parties concerned will resolve the matter at the lowest possible level. If they cannot resolve the matter at that level, either party may refer the matter to the CWU's Divisional Representative or Third Line Manager.
- 7.2 The CWU's Divisional Representative and the Third Line Manager will then agree appropriate measures to resolve the issue.
- 7.3 In the event that a solution is not found within a period of no more than one month of the matter being raised by the original party, the CWU's Divisional Representative and the Third Line Manager will refer the matter for External Mediation in accordance with paragraph 4 above.

### **8 General**

- 8.1 The Voluntary Mediation, Special Mediation or External Mediation shall be treated as a without prejudice and confidential dispute resolution process, provided that this paragraph shall not apply to a Recommendation.