No. 001/2017

4th January 2017

**TO: ALL BRANCHES WITH POSTAL MEMBERS**

Dear Colleague,

**Royal Mail Pension Consultation**

Further to LTBs 390/2016 and 479/2016, I write to inform Branches that I believe the long anticipated Royal Mail consultation on their proposed closure of the RMPP DB scheme is imminent.

Colleagues will recall that the business wrote to all RMPP scheme members in June 2016 confirming their belief that the scheme cannot remain open to future accrual beyond March 2018. In order that the Company meets its responsibilities and obligations under the current regulatory and pension rules the decision on closure has to be made by March 2017.

To ensure the Company meets its obligations under pension rules, Royal Mail are required to undertake a 60 day consultation on their proposal to close the scheme. The Company therefore has no choice but to commence the consultation process so that a final decision can be in place by this year’s March deadline.

Royal Mail are also duty bound to ensure that the consultation is carried out in good faith, taking all responses into account and that the language of the consultation will not make employees feel that the proposals are fait accompli regardless of their views.

**CWU Position**

Branches will be aware that news of the pending consultation and the potential closure of the scheme were leaked to the press way before the Company wrote to the scheme’s members in June 2016. This act formed part of the much wider held suspicion that Royal Mail are moving away from the mutual interest commitments enshrined in our current National Agreements in favour of short term profits and shareholder appeasement.

As a consequence of these suspicions and the widely held view of activists that the Company were changing direction and moving away from the spirit of our agreements, a CWU Policy Forum was convened in March 2016 where Branches and the union’s Senior Field Officials set out the key objectives required to restore confidence that management are still committed to the spirit and intent of our Agreements.

There is no doubt that Branches and Representatives of all positions and the wider membership, are fully aware that our industry has never been under so much pressure with issues such as competition, regulation and new technology all intensifying at pace. The move on pensions, the desire to trial and use new technology which will impact on jobs and duty design and the incessant efficiency drive, dictates that the time is now right for us to negotiate a new Agreement with Royal Mail.

The key **‘Pillars of Security’** we need in order to restore our confidence in cooperation going forward are;

* An agreed solution to the pension situation which ensures that the pension promise and the principle of a ‘wage and dignity in retirement’ is in place for all our members in both the DB and DC schemes.
* An agreed commitment to and a timescale for a reduction in the current full-time 39hr week to 35hr gross.
* That the commitments and legally binding provisions of our current Agreements are reaffirmed and extended.
* That a new Pipeline/Workplan is agreed in line with our policies which reverses the trend for later and later delivery start times and enables Royal Mail to maximise the potential of our core USO delivery, offering to deliver new growth opportunities right across the day from 7am onwards.

Against that backdrop it needs to be understood that whilst pursuing our policies to secure and reach Agreement is our priority, the Postal Executive will not hesitate to enact our policy to ballot for industrial action if Royal Mail fail to reach Agreement with us or announce Executive Action on the closure of the DB pension scheme, the introduction of new technology or cost cutting efficiency initiatives that undermine both our current National Agreements and/or the terms and conditions of any CWU Grades within Royal Mail Group.

Clearly it is essential that Branches commence briefing their members on the content of this LTB with immediate effect. Equally, the Postal Department will, in conjunction with the CWU’s Communications Department, commence designing and developing communication strategies to ensure that our members fully understand both the policies and the direction we are taking in their interests.

Yours sincerely



Terry Pullinger

**Deputy General Secretary (Postal)**