

CWU seeks to shore up rotten pact with Kretinsky at Royal Mail

Tony Robson
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The leaders of the Communication Workers Union (CWU), Dave Ward and his deputy Martin Walsh, have gone into damage limitation mode to shore up their framework agreements with Royal Mail's new owner, billionaire Daniel Kretinsky's EP Group. Their efforts come amid fresh evidence of the gutting of the mail service and mounting anger among postal workers over crippling workloads.

The October 21 CWU update to members on Royal Mail/EP Group negotiations exposes how Ward and Walsh's pact with Kretinsky has been promoted on false pretences, exploding the fraud of "mutual interests" between postal workers and EP Group they have promoted.

In August, workers were told by the CWU that in voting for the framework agreements—tied to a three-year pay deal—they were approving a timeline for resolving "outstanding issues," including an "equalisation pathway" for new entrants employed after December 2022 on inferior pay and terms, with Step 1 meant to begin in September. This has been now passed without any agreement in place.

In the CWU "update" members are now informed that "one reason for the delay" is the "complexity" of "USO negotiations." Under the USO (Universal Service Obligation) Royal Mail must deliver mail to every UK address six days a week at a fixed price.

Ward and Walsh have in fact tied everything in their agreements with EP Group to a restructuring agenda to eliminate thousands of jobs, dismantle the mail service, and impose gig economy-style working practices—all under the guise of USO "reform."

This was codified in Section 5.7 of the Framework Agreement struck with Kretinsky last December. Workers have paid the price through punishing workloads, chronic understaffing, and the rollout of the sweatshop conditions of the Optimised Delivery Model (ODM), drawn up directly with Royal Mail executives by Walsh and CWU divisional reps at 35 "pilot" delivery offices.

The three-year pay deal was cynically used by CWU officials as a Trojan horse for their corporatist alliance with

Kretinsky. The claim that it was a "no-strings deal" used to justify the below-inflation award was challenged by postal workers. Disaffection was expressed in the fact that less than half of members cast a ballot and only 1 in 3 voted in favour. Even this was influenced more by frustration that the meagre award had already been delayed six months. But Ward and Walsh declared this as "an emphatic endorsement of the union's position and the agreements we have reached."

Now, after engineering a sellout on pay, the CWU informs members that EP Group can renege on the agreement whenever it suits—postponing any minor improvement for new starters based on the precondition of further dismantling the postal service. It is for this bureaucratic suppression that Ward and Walsh have been rewarded with a seat in the corporate boardroom via the Advisory Committee set up with Kretinsky.

Ever the company's mouthpiece, the CWU update hails Royal Mail's "confirmation" that there will be no further USO reform until 2026, insisting this should be "welcomed": an official pause of just two months!

The claim that "we will not be reaching an agreement on Royal Mail's ODM model. It has failed" is doublespeak. Many postal workers would conclude on this basis that the pilots will be scrapped, but instead the CWU declares, "our priority now will be fixing the issues in the USO pilots"—aimed at maintaining them as the foundation for a relaunch across all 1,250 delivery offices in the New Year.

Walsh has never retracted his barrage of pro-company attacks on postal workers who said the ODM was unworkable and opposed the sweatshop charter—removing fixed duties, forcing three workers to do the work of four, raising call rates by 30 percent, extending delivery spans to five hours, and lengthening the working week. Instead, he doubled down, insisting there was no "Plan B."

The postponement of further USO "reform" deployment is tactical, not the result of any CWU action. The union bureaucracy is sweeping under the carpet reports from postal workers that the delivery model on the pilots is being mimicked at their offices across the UK. This includes duties

dedicated to clearing parcels while letter delivery is neglected and increased use of lapsing—when a duty is vacant the workload is divided up and carried out by other delivery workers on top of their existing workloads. This is to ramp up productivity from a reduced workforce completely in line with the ODM.

For now, Royal Mail can focus on reaping profits through the surge in parcels with the Christmas peak beginning next month on Black Friday and workloads going through the roof. Based on the experience last year, delivery workers will be handling 150–200 parcels a day. With Ofcom’s July approval to downgrade the USO to alternate weekday delivery for letters other than First Class, the assault on the mail service can resume with a vengeance in January.

Last week, Ofcom, for the third year running, found Royal Mail had breached its statutory requirements—failing to deliver nearly a quarter of First Class letters on time. The £21 million fine, though double last year’s, was reduced by 30 percent for admitting liability, as if the company could do otherwise. This slap on the wrist is to maintain a pretence of regulatory oversight. The truth is Ofcom is not an independent umpire; it has already endorsed the ODM, hailing the structural cost-cutting of up to £425 million a year and agreeing with Royal Mail that delivering the mail was an “unfair financial burden.”

Citizens Advice described Royal Mail’s record as “woeful,” saying fines had become just an “operating cost”: “Missed post has real life consequences, with people left waiting for urgent medical appointment letters, legal documents and benefit decisions.”

On this act of social vandalism, Ward and Walsh maintain a guilty silence. The CWU update merely states it is “extremely concerned at the continued degrading of the Quality of Service,” adding that “every CWU member will know the reality is even worse,” with failures “in many cases underreported.”

Indeed. And they know the chief architect of the cover-up is CWU HQ. Postal workers’ demands that the union take action against Royal Mail’s violation of its legal duties and defrauding of the public have been ignored, not “underreported”.

Postal workers will also treat as risible the attempt to present the Starmer Labour government as their salvation, with the update stating, “We will also be directly engaging the government now on the lack of progress since the EP Group takeover”.

It was the Starmer government that rubber-stamped Kretinsky’s £3.6 billion buy-out last December with its Deed of Undertakings and inserted the CWU bureaucracy as junior partners via the Framework Agreement. The benchmark for regulation was set so low—only having to

match Royal Mail’s current abysmal record on failing the mail—that rampant profiteering was guaranteed.

It is this corporatist mechanism which has been used to suppress all opposition and which must be broken with to bring forward a genuine fight.

The update ends with the affront that thousands of new entrants should join the CWU as “the best way of delivering equalisation.” Every postal worker knows it was Ward & Co who co-authored the two-tier workforce in 2023 to sell out the national strike. This was to enforce Amazon-style exploitation, including the removal of company sick leave and a punitive attendance procedure. Thousands of senior postal workers were victimised and driven out through stress and ill health resulting from punishing workloads.

The CWU bureaucracy is now trying to leverage minor concessions to the inferior terms it helped imposed on the next generation of Royal Mail workers, in return for a restructuring agenda at the expense of the entire workforce and any public mail service.

This poses point-blank the need for the struggle advocated by the Postal Workers Rank-and-File Committee (PWRFC) to remove the pro-company apparatus led by Ward, uniting union and non-union workers across every generation through organised opposition in every workplace around their own charter of demands.

The pilots must be scrapped; new entrants’ pay and conditions levelled up immediately; staffing levels restored; and all cost-cutting reversed.

These demands are completely at odds with EP Group’s aims, but the future of workers and the service cannot be sacrificed in the interests of Kretinsky’s asset strippers. At the centre of this fight must be the rejection of Ward and Walsh’s naked defence of corporate profits and “accepting the reality of privatisation.”



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