

For QTU members in promotional positions



8 February 2019

Welcome to the third edition of the QTU PPCR update. To receive a copy of future communications please make sure your contact details are up to date with the QTU at www.qtu.asn.au/myQTU

QTU analysis of PPCR report

As committed to in the current *Department of Education and Training State School Teachers' Certified Agreement 2016*, the Promotional Positions Classification Review (PPCR) was completed at the end of 2018.

The objective of the review was to provide DoE and the QTU with information to inform the enterprise bargaining negotiations that are due to commence in early 2019. This information was provided to the QTU in a report received in late December 2018.

- [The PPCR report](#) offers three options for principal classification structures (and related structures for other promotional positions) based on all the information gathered.
- The report is a department document. **The QTU has contributed to it but does not agree with or endorse all of the comments.**
- There are no salaries attached to classifications. That is a matter for EB negotiations.

Possible classification structures

The development of potential future classification structures was the main component of the review. The following section provides a summary of the potential classification structures considered and identifies the benefits and challenges of each option from a QTU perspective.

Options provided in the report were created by first focusing on developing a classification structure for principals. Other promotional positions were then aligned, based primarily on Mercer job evaluations. Therefore, the summary provided in the report primarily focused on the classification structure for principals, followed by a short explanation of the relativities between principals and other promotional positions.

Mercer job evaluations are a pre-requisite for changes to classifications under the Public Service Commission directive. The QTU has a more critical view of the job evaluation process and methodology and does not accept them as definitive.

Based on the Mercer report, the preferred option is a nine-grade classification structure, compared to the current eight (Band 5 - executive principal).

Two principles are worthy of note from Mercer:

1. Avoiding boundaries between grades in the middle of clusters of job evaluations
2. Managers and their direct reports should not be on the same level.

A brief discussion of complexity in PPCR

One of the key issues in the review of the classification structure is the recognition of different degrees of complexity or difficulty in schools of the same nominal size. This was part of the impetus to changing the structure in the late 1980s, and remains so today.

Mercer did find it difficult to accommodate and differentiate the range of differences in complexity in school settings within the final job evaluation scores for principal positions.

The underlying premise is that the highest degrees of complexity are associated with students who are disadvantaged.

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In pursuing this issue, the QTU focused on the six factors of educational disadvantage set out in the original Gonski report published 2011:

- socio-economic status
- disability
- Indigeneity
- English as another language/dialect
- remoteness
- school size.

The models in the report focus on the first three of these factors, using ICSEA for socio-economic status and the percentage of students with the attribute in respect of disability and Indigeneity.

In relation to the other three factors:

- the contributing reports recommend that remoteness be addressed through the attraction and retention incentives of a remote area scheme rather than the classification structure
- the department believes that ICSEA is a suitable proxy for EALD disadvantage, based on other work it has undertaken in this area
- increasing size is recognised within the job evaluation system, but there is no recognition of small school size, which is a particular issue in Queensland given the number of small schools.

Three options or models were developed to address the range of complexity in school settings and to establish fair and transparent relativities between the positions.

The potential classification structure options can be grouped into three broad approaches, with structures that use:

Option 1: Standard enrolment thresholds for each band/level which are reduced depending on the level of school complexity.

Option 2: Standard enrolment thresholds for each band/level plus an additional salary loading based on the complexity score.

Option 3: Structure based on thresholds of total recurrent resources managed (staffing, grants, but NOT property or assets) with complexity issues addressed through higher resource allocations to schools.

Decisions about the promotional position classification structure will be made during negotiations for the next teachers' certified agreement.

Option 1: Standard enrolment thresholds for each band/level which are reduced depending on the level of school complexity.

The first approach considered was a classification structure which uses enrolments to determine the principal classification level as a proxy for the JEMS point score for the position. This approach is similar to the process currently used by the department to determine a principal's classification level.

This option (as presented in the report) does not use a consistent set of enrolment thresholds across schools. For instance, there are different enrolment thresholds for primary and secondary schools that have a 'usual level' of complexity. To find out more about the current departmental methodology, [click here](#).

Higher degrees of school complexity are recognised by lowering the enrolment threshold for a particular grade or classification. If a school is more complex than the 'usual', the number of students that are required to be classified at a particular grade is less than it is for the usual school.

Considerations:

Maintaining the current approach would result in potentially easier transition arrangements and fewer positions would be disrupted in terms of relativity to other positions.

- Feedback has been consistent that the current approach is 'broken' and there is a 'lack of transparency' about how complexity is determined and addressed.
- Also, Mercer has suggested that recalibration of positions would be necessary if the existing approach was to be continued. The recalibrating of roles is likely to result in positions being assessed higher, lower or the same as the current classification level. [Click here](#) to find out more about QTU concerns about Mercer.
- One of the issues that was raised during the consultation with stakeholders was the inconsistency of enrolment thresholds between school types. Primary school principals consistently considered their role to be equal to that of secondary school principals and felt that this should be reflected in the use of consistent thresholds.

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Option 2: Standard enrolment thresholds for each band/level plus an additional salary loading based on the complexity score.

The second broad approach considered is similar to the existing structure, in that enrolments are used to determine the principal classification level. However, rather than varying the enrolment thresholds to address the complexity of the role, a salary loading for complexity would be applied to supplement remuneration.

This approach would go away from Bands 5 to 12 (executive principal = Band 12) and would go to principal grades 1 to 8. The table below, which is from the report, shows notional enrolment thresholds for each classification level and each type of school.

(N.B. these are notional and are not in any sense agreed by the QTU).

Classification level	Primary	Secondary	P-10	P-12	Special	Distance education
P1	0-99					
P2	100-299	0-199	0-199	0-199	0-33	
P3	300-649	200-499	200-499	200-499	34-99	0-299
P4	650-949	500-749	500-749	500-749	100-153	300-699
P5	950-1199	750-999	750-999	750-999	154-499	700-999
P6	1200-1799	1000-1599	1000-1599	1000-1599	500 +	1000-1399
P7	1800-2599	1600-2399	1600-2399	1600-2399		1400-1799
P8	2600 +	2400 +	2400 +	2400 +		1800 +

While the thresholds in this approach vary by school type, they do not address the variation between schools in terms of contextual complexities. To address contextual differences, this approach requires the application of a complexity loading based on a set of agreed measures to further differentiate remuneration. The QTU is aware that outdoor environmental education centres have not been included in this table.

Under this proposed method, the principal position would be assessed against three measures of complexity and would have the highest complexity score of the three measures recognised by way of a salary loading. Mercer has advised that the scores across the three measures should not be combined on the basis of how its job evaluation system operates, but that and other alternatives were considered.

Below is the table from the report setting out the proposed measures and levels of complexity. Again, these have not been agreed to by the QTU.

Complexity score	Indigenous students (%)	Students with a disability (%)	ICSEA score
0	0 - 9	0 - 4	955 - 1213
1	10 - 24	5 - 8	900 - 954
2	25 - 49	9 - 11	850 - 899
3	50 - 100	12 - 100	0 - 849

The zero-complexity score is based on any measure up to and including the average score for the state system in Queensland. This is reported as nine per cent incidence of Aboriginal and/or Torres Strait Islander students, 4 per cent incidence of students with disabilities and a bottom ICSEA score half a standard deviation below the average of 1,000 (ie 955).

Above the 'usual' complexity of zero there are three gradations for each of the three measures. The higher the level of complexity, the higher the level of salary loading applying to the principal position. In discussions to date, salary loading is conceived as being an additional percentage of the base salary for the position, as determined by its enrolment.

Considerations

- As with the remuneration associated with classification levels, the remuneration attached to complexity scores would be determined during EB negotiations. It is only after this is determined that the impact of the complexity loadings on relativities can be clarified. If the remuneration attached to the loadings is sufficiently large, it could push the position above the next classification level.
- Initial modelling of distribution of principals between the existing classification structure and this potential classification structure using the Option 1 thresholds indicated that the relativity of positions would change, and principals may feel

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“disadvantaged” relative to other principals, even if remuneration increases. For example, the 219 Band 9 principals would be classified across the new scale from P2 through to P7, with the majority (120) in P3. The other 99 principals would either be classified in a higher classification or a lower classification, therefore feeling advantage or disadvantage.

- This modelling has also indicated that using these thresholds will expand the number of principals within the lowest classification levels, particularly among primary school principals.
- The issue with the modelling at this stage is that the results only reflect the base classification level of the principal, and do not reflect which roles would also receive a complexity loading. For example, of the 25 current Band 11 positions which would be assigned the P5 level, 20 would receive a complexity loading, and as a result would attract a higher remuneration. Modelling of this option is very complex, as we would need to model every single school individually to know the final remuneration for each principal. Therefore, there would have to be sample modelling.
- Currently, where a principal is placed at a higher banding (e.g. executive principal), the department has arrangements in place to attract appropriately skilled and experienced staff principals. This option would locate the role in a much lower suggested position in the structure.
- The underlying mechanics of the options presented under this approach are significantly different to our existing structure. However, the end result is a classification structure which visually looks similar to the existing structure and continues to be based on enrolments.
- The use of a loading to address complexity differs from the existing approach because principals will not need to be ‘banded’ higher because of the complexity of the school. This change in approach would have an impact on transfer arrangements.
- This option would expand the number of schools in the lowest classification levels. This is already the largest group in the current structure.
- Under this approach, irrespective of the option chosen, the complexity of the school is explicitly identified and transparently applied. However, the measure of complexity, and thresholds applied to the measures, will be debated. For instance, the QTU has already received concerns about the sole use of ICSEA as an indication of the socio-educational backgrounds of students. There may be possible issues about whether the range of complexity in the zero range is fine grained enough. For instance, the zero range for Indigenous students is between 0 – 9 per cent.
- The report recommends that the complexity of rural and remote schools be taken up through RAIS.
- Primary school principal members have indicated they want parity with secondary school principals in terms of enrolment thresholds. This will not occur with this option if proposed thresholds are adopted.
- Further consideration needs to be given to the impact of future complexity fluctuations within a school.

Option 3: Structure based on thresholds of total recurrent resources managed (staffing, grants, but NOT property or assets) with complexity issues addressed through higher resource allocations to schools.

DoE uses a number of needs-based resource distribution models, such as WSS-SLR, SWD and I4S, in addition to schools’ core resourcing, which is linked more closely to overall enrolments. Therefore, this option considers that the total amount of resources managed in the school provides a simple alternative measure of the number of enrolments and contextual complexities that schools face.

The resources managed approach also makes it unnecessary to explicitly address the complexity of the school. Schools with higher levels of complexity will be receiving additional resources via needs-based models. This in turn is considered when applying the classification structure to the principal role and could result in a higher level than other less complex schools with the same enrolments.

In this approach, the measure of the amount of resources managed in the school used to determine the principal classification includes:

- total full-time equivalent (FTE) staffing allocation provided through the Primary and Secondary Model, Students with a Disability Model, Schools of Distance Education Model and the Whole School Support – Student Learning Resource Model; which is converted to an equivalent dollar amount using the average salary for each allocated position.
- appropriations provided to school, including core and targeted funding such as Investing for Success, and discounted for any instances where resources allocated as staffing is provided through an appropriation.

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Under this approach the determination of the principal’s classification level does not include school-generated funding. This is due to variances in the capacity of schools to generate other funding, such as through P&C fundraising or community grants, and to exclude fees collected by the school to conduct student activities (e.g. for school excursions).

There are two potential classification structures that might be considered under this broad approach. The first structure contains eight classification levels for principals, and the second has seven. Table 6.4 shows the thresholds used to classify principals under each option. These are based on thresholds in the NSW classification structure, which has seen resources re-distributed on a needs basis before these thresholds were established.

Unlike the previous two approaches, the resources managed approach does not have separate thresholds for each school type. So, for instance, under Option 1, any school, irrespective of whether primary, secondary or special, with between \$500,000 and \$1,300,000 in resources managed would be classified at the P2 level.

Table 6.4: Options for resources managed thresholds

Classification level	Option 1 thresholds (\$ '000)	Option 2 thresholds (\$ '000)
P1	\$0	\$0
P2	\$500	\$650
P3	\$1,300	\$1,300
P4	\$2,600	\$2,600
P5	\$4,500	\$4,500
P6	\$9,000	\$9,500
P7	\$17,000	\$17,000
P8	\$24,000	-

Considerations

- Modelling of this option so far indicates that the relativity of positions for principals would be entirely changed, and some principals may consider themselves ‘disadvantaged’ relative to other principals even if remuneration is maintained. For example, the 170 Band 10 principals would be classified across the new scale, but with the majority (123) in P5. However, P5 will also have a significant number of existing Band 9 principals and therefore the existing Band 10 principals may consider themselves ‘disadvantaged’ in terms of classification level compared with other principals.
- This approach is simpler than Options 1 and 2.
- There would need to annually indexing of the resource thresholds by the average increase for the system, due to additional resources allocated across the system through wage rises or increased commonwealth funding.
- This model is based on a built-in assumption that there is a fair funding model operating across all state schools in Queensland.

The PPCR report and other promotional positions

As previously noted, the three options were created first by focusing on developing a classification structure for principals. Other promotional positions were then aligned, based on relativities considered appropriate, using information collected in the other review stages.

Option 1 – as this approach is the current approach there would be no change in terms of relativities of all other promotional issues, except if there was some purposeful movement during the negotiations. This however is one of the reasons why this review occurred.

Options 2 and 3 – for these options, irrespective of which thresholds are used in the classification of principals, it would most likely be necessary to create separate classification levels for promotional positions other than principals, which is different to what currently occurs. The report suggests using SL1 – SL5, thereby differentiating these from principal positions.

- SL1 – Head of curriculum
- SL2 – Guidance officer
- SL3 – Head of department, head of campus (Band 5), HOSES (Band 5), regional school sports officer

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- SL4 – Deputy principal, head of campus (Band 6 and 7), HOSES (Band 6 and 7), senior guidance officers
- SL5 – Head of school.

The report proposes:

- SL1 – SL3 are positioned below P1
- SL 4 is positioned between P2 and P3
- SL5 is positioned between P4 and P5.

While the report provides a suggestion of potential relativities, the exact relativity in terms of remuneration is to be determined during the EB negotiations. For instance, positioning the SL4 classification level between P2 and P3 classification levels could result in SL4 having the same remuneration as P2 and P3, or somewhere in between. Equally, while classification levels SL1, SL2 and SL3 are depicted separately, some or all could have the same remuneration.

Transition arrangements to a new classification structure

- The QTU has already debated the low evaluation of HOC positions, which is based on interpretations of the position description compared to other positions, and the failure to recognise the additional qualifications required of guidance officers.
- Implementation of any new classification structure will need to be considered carefully to ensure there is a smooth transition without any unforeseen consequences.
- Percentage increases in terms of remuneration will most likely vary between positions. Again this will be negotiated through enterprise bargaining. This occurred in the previous review in the early 90s.

Next Steps:

- Modelling is required of the three options, firstly to identify anomalies in the system, and secondly to look at the grouping and banding of positions and the thresholds for changes.
- Salaries will need to be resolved through EB negotiations. ENGAGEMENT BY MEMBERS IS CRUCIAL if we are to achieve salary outcomes commensurate with the value of the various roles across the breadth of the classification system.
- Finally, transition arrangements to the new structure need to be considered.

For a summary of the findings from the consultation process [click here](#).

PPCR background

- An important part of the review has been the evaluation of the value of the work performed by school leaders. The department is required to undertake job evaluations using the Mercer work evaluation system as a public service-wide requirement to provide some consistency in evaluations, but the system is far from infallible, as this [article](#) explains.
- No one knows how much the role of school leaders has changed over the past 25 years better than school leaders themselves. Several have had their say in recent Journal articles. Find out more in the [October](#), [November](#) and forthcoming February editions.
- The QTU's dedicated page for information on PPCR was set up in 2017. If members want to find out more about the scope of the PPCR and other important information, go to www.qtu.asn.au/ppcr to find a range of resources and updates.

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