



PPTA TE WEHENGARUA ANNUAL CONFERENCE 2024

IMPROVING THE SYSTEM OF UNITS AND LEADERSHIP ALLOWANCES

THIS PAPER DISCUSSES THE HISTORY OF THE SYSTEM OF UNITS AND ALLOWANCES AND THE NEED FOR IMPROVEMENTS. IT WAS WRITTEN IN CONSULTATION WITH THE MIDDLE LEADERS GROUP AND SENIOR POSITIONS ADVISORY GROUP



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RECOMMENDATIONS

1. That the report be received.
2. That PPTA Te Wehengarua seek to appropriately address the growing workload of teachers in leadership positions.
3. That PPTA Te Wehengarua seek to ensure that schools have sufficient entitlements of units and middle and senior leadership allowances to recognise their leadership roles appropriately.
4. That PPTA Te Wehengarua propose in the claims development process an improved payment system for teachers in leadership roles.
5. That PPTA Te Wehengarua advocate for improvements in payments for teachers in leadership roles, in any industrial forum, including but not limited to, the 2025 collective agreement negotiations as directed by members.

1. INTRODUCTION

- 1.1 Units and senior and middle leadership allowances are a mechanism for recognition of increased responsibilities in the collective agreements.
- 1.2 Negotiating improvements to these has proved challenging and in the last negotiations round the arbitration panel recommended that further work be done to *determine the appropriate policy to address the issue*.
- 1.3 This paper sets out the challenges and options for improving the system and recommends that advocacy continue in professional and industrial forums to achieve these.

2. BACKGROUND

2.1 Management Units (units)

- 2.1.1 Prior to 1996 schools were allocated a specific number of management positions based on roll size. The introduction of the unit system in 1996 was to allow schools more flexibility in determining their management structures. In addition, when non-contact hours were introduced, units were tied to an additional hour of non-contact time for the first three units held by an individual.
- 2.1.2 Schools are meant to consult each year on the use of their units. Feedback to the PPTA is that compliance is patchy, schools are unclear of their obligations and members sometimes need to advocate for processes to occur. About half of our members have units. There is no limit to the number an individual can hold (within the capacity of the school to provide them).

2.2 Middle management/leadership allowances (MMAs)

- 2.2.1 Middle management/leadership allowances (MMAs) were introduced in 2004 to try to address a particularly acute shortage of people applying for middle leadership roles. The PPTA wanted to target the funding available to those holding 1-4 management units and in positions where the shortage of applicants was most obvious.
- 2.2.2 Any increase in value of units would also have been passed onto primary schools increasing the overall cost to the Ministry and making it a harder claim to win. As MMA's don't exist in primary, we were able to use all of the available additional resourcing in the pressure area of secondary and composite middle leadership.

- 2.2.3 Middle leadership allowances were restricted to those with 4 or fewer units, or 5 if they had a significant curriculum leadership role (essentially an AP or DP running a subject department, which covers small schools).
- 2.2.4 There are roughly half as many MMAs in circulation as units and there is a limit to the number an individual can hold. Similarly to units, schools are meant to consult each year on the use of their MMAs, but that does not occur consistently.

2.3 Senior management/leadership allowances (SLAs)

- 2.3.1 These were introduced in 2007 after the MMAs because senior leaders did not have an allowance and the introduction of MMAs had eroded relativity with middle leaders.
- 2.3.2 They are generated primarily by the management staffing FTTE. There are on average 3 per school. They are restricted to those holding across school responsibilities and limited to 2 per person. Consultation is required with senior leaders about their use.
- 2.3.3 SLA are not an entitlement in the Area School Teachers' Collective Agreement, despite relativity issues existing in large area schools, and the claim being made multiple times.

2.4 Entrenchment

- 2.4.1 Entrenchment is the passing on of increases to payments which exist across both Secondary and Primary Teachers collective agreements. If PPTA is successful in negotiating increases to base pay scale rates or units, these are automatically applied to the rates in the Primary Teachers collective agreement (PTCA).
- 2.4.2 The result of the entrenchment mechanisms is significant additional cost to the Ministry of agreed increases to unit values. As MMAs and SLAs do not exist in the PTCA this does not apply to those entitlements, meaning the cost to the Ministry is less than increases to which entrenchment applies.
- 2.4.3 The issue of entrenchment is long standing and because it is delivered through clauses that are negotiated in the PTCA it is unable to be resolved through changes to the STCA.
- 2.4.4 Entrenchment clauses are renegotiated in the PTCA each bargaining round. This means that entrenchment of units has not been consistent. Notably in the 2019 settlement where increases to units in the STCA were not passed on to the PTCA. This was partially addressed through the last negotiations round, with PTCA unit rates increasing to \$4500 and an entrenchment clause negotiated to pass on the value of any increases negotiated to the unit value in the STCA (but not the overall value).

2.4.5 For PPTA this creates a challenge as more members benefit from units, meaning any claim is more widely and deeply felt but the already high cost of unit claims, plus potential additional cost caused by entrenchment, makes it harder to win. Strategically we should consider whether there is value in differentiating claims related to units and allowances as well as how these claims have relevance to as many members as possible.

2.5 Increases over time

2.5.1 While the average increase to base salary since 1996 has been 3.47% per annum (with some notable unders and overs through that period), the value of management units and MMA and SLA's have been static except for one significant increase in 2020 when units increased from \$4000 to \$5000 and MMAs and SLAs doubled from \$1000 to \$2000.

2.5.2 The percentage value between 1996 to 2022 for units, MMA and SLA appears more favourable (+6%) but because the increase did not occur until 2020, the benefit has been applied for a much shorter period of time.

2.5.3 The provision of time for unit holders has also not increased since the introduction of non-contact time in 2004. The first three units attract one hour of release per unit and further units have no required time allocation though the employer must endeavour to provide one hour per unit. Neither MMA's or SLA's come with specified non-contact time under the PTCA though schools may provide for this in their timetabling policy.

2.5.4 Despite increases being consistently claimed there is no discernible relationship to either external wage growth or the growth of the roles and responsibilities for which these units and allowances compensate. Cost, including potential cost of entrenchment of unit increases, seems to be the main driver of the government's response to these claims.

2.5.5 In practise the outcome of negotiations is largely dependent on the funding available and how this is prioritised between the parties and their claims. This means there is not a strong evidential basis for the value of pay associated with additional workload, and over time can lead to disparity between entitlements.

3. DISCUSSION

3.1 While units have provided increased flexibility for schools and allowed a proliferation of management structures suited to the schools' size and context, there is inconsistent practice around the application of units and the transparency required by the collective agreement.

3.2 Changes to duties and responsibilities

- 3.2.1 Middle and Senior leadership roles have changed over time, and many have experienced significant expansion of duties and responsibilities. This is both consistent with, and impacted by, changes to the role of teachers and to the education sector generally.
- 3.2.2 External factors also lead to 'role creep', it is universal that jobs will change over time and we should periodically review the way we describe the job, the skills required, and how these are recognised through remuneration.
- 3.2.3 An atypical but glaring example of this is how all roles were required to rapidly adapt during the Covid-19 pandemic and have not reverted back to a previous state. Education is particularly prone to external factors such as social, economic or societal changes which impact the students and school community and therefore the role of teachers and school leaders. Pressure on teacher supply, increased absences and vacancies, has a flow on effect to leaders, who often end up teaching as well as picking up other issues within the school over and above their own duties.
- 3.2.4 Leadership roles often have specified areas of responsibility such as wellbeing or assessment both of which we know are increasingly relevant and important, with the effect of impacting all teachers. When teachers are impacted, leaders may find the level of support they provide to others growing in addition to an increased workload of their own.
- 3.2.5 Changes to NCEA are another current example. Middle and Senior leaders are seeing an increase in the administration of assessments, the need for development of their knowledge, as well as that of their teams. Many have taken on the role of Principals Nominee (see Principals nominee paper) while others have experienced an increase in workload without documented changes to their role. NCEA is also specific to secondary education, while the entrenchment of unit values in primary mean changes have been difficult to win, and will fail to reflect the impact of this to roles in secondary and composite schools.

3.3 Recruitment and retention issues

- 3.3.1 Issues with units and allowances are not just applicable to those currently in receipt of them. As a union we are committed to ensuring teaching is a valued and attractive career. To succeed we need not only to attract new teachers but to ensure there are pathways for those in the role to grow and progress. Taking on additional responsibilities needs to be incentivised and appropriately recognised.
- 3.3.2 There are currently particular recruitment pressures in middle leadership positions as many teachers feel burnt out and are less inclined to look for opportunities to take on more responsibility. This will have flow on affects through the leadership pipeline over time.

3.4 Collective agreement changes - Additional hours, Kāhui Ako allowances

- 3.4.1 There have been developments in other provisions of the collective agreement which impact on the value or perception of units and allowances. In the last negotiations there were several changes to the hours of work provisions, including quantifying average hours of work as 40 per week.
- 3.4.2 PPTA also sought to embed a mechanism to measure and address excessive workloads where teachers are frequently exceeding this average. This required a mechanism for capturing where additional responsibilities, and associated payments, include an expectation of additional hours. Not all units or allowances will require additional hours, however there are some examples that are now required to be agreed and documented – for example where Assistant or Deputy Principals are required to be on site on days when the school is not open for instruction and the other teaching staff are not required to be there.
- 3.4.3 Another example is allowances associated with Kāhui Ako within and across school teacher roles. In addition to the Kāhui Ako (within school) role which attracts an allowance of \$8000 per annum, there are responsibility allowances valued at \$2000 per annum and time allowances of 0.04 FTTE. Kāhui Ako (across community) role allowance is valued at \$16,000 per annum with 0.4 FTE release.
- 3.4.4 The introduction of the Kāhui Ako was through negotiations to modify what was essentially a government policy to try and introduce performance pay to schools. While this was largely successful, the amount that the roles receive was not able to be benchmarked in relation to the purpose and value of units, MMAs and SLAs. There is no established relativity between these roles and roles such as Head of Learning Area or Dean which frequently receive less total remuneration.
- 3.4.5 The PPTA has attempted to cool this relativity issue by not claiming any increases to the Kāhui Ako provisions since they were introduced, however this has only had a small impact.

3.5 Arbitration recommendation

- 3.5.1 After a prolonged dispute in the last STCA negotiations, arbitration was agreed. Claims that were unresolved in negotiations, including claims to increase the value of management units, were taken into this process for resolution.
- 3.5.2 In making their recommendation about pay increases, the 2023 STCA Arbitration panel noted:

7.2. The panel recognises that providing an increase in base salary without similarly increasing unit payments diminishes the value of a unit as recognition for additional responsibilities not compensated by base salary.

7.3. The panel agrees that the absence of an inflation-related adjustment to unit payments adversely affects, from a teacher perspective, the value of the recognition for additional responsibilities.

- 3.5.3 However, the panel was unable to coalesce the parties conflicting claims and did not make a recommendation for an increase to unit or allowance values. They did however recommend the parties undertake further work prior to the next round of collective negotiations.
- 3.5.4 PPTA has engaged in initial discussions with the Ministry about enacting the Arbitration panel recommendations for a standing committee or process which would support the resolution of issues outside of bargaining. The PPTA has proposed that the first items any such process consider are those identified but unresolved from the 2022 negotiations, including increases to units and allowances.

4. NEXT STEPS

4.1 Value of units including future increases

- 4.1.1 Much of the preceding discussion, as well as the arbitration outcome, focus on the value of units and allowances and the relativity of these to base pay. This is only one aspect of the system we may seek to amend, more of which are set out below. There is also an option is to seek an ongoing adjustment mechanism as opposed to making a new claim for an increase in each round of bargaining.

4.2 Availability of units and allowances

- 4.2.1 The number of units available is also a way in which we could achieve pay increases for members. This is determined by formula in the staffing order not the collective agreement which the Ministry of Education is historically extremely reluctant to includes in negotiations. However as part of an overall package it has been agreed before, as in 2019 when an increase in the number of units available to schools was part of the settlement of the STCA. Strengthened policy around the application of units to ensure they were applied to the areas of greatest need could also be considered.

4.2.2 Tagged units

- 4.2.2.1 The application of units and allowances can vary greatly between schools and despite current provisions requiring consultation, the process is often opaque to teachers. A “tagged unit” is one which is attached to specific roles or responsibilities. Where there are common drivers of workload pressure, for example NCEA and the

role of Principals nominee, having units tagged to specific responsibilities could be considered.

- 4.2.2.2 If claimed as additional to units provided by the staffing order formula, this could also lead to an increase in the total units available for disbursement. Depending on the tagged responsibilities this may also avoid the additional cost of entrenchment in Primary.

4.2.3 Time allowances

- 4.2.3.1 Currently the first three units held by an individual come with a time allowance of 1 hour per week and the employer must *endeavour* to provide the same for the fourth and any subsequent units. While in practise many middle and senior leadership roles may come with additional non-contact time, this is determined by the school's policy and is not provided for in the collective agreement.
- 4.2.3.2 As the primary driver of current concerns is increased workload and responsibility for these roles, members have told us they would value time to complete the work as, if not more, highly than an increase in monetary value.
- 4.2.3.3 Increases in time come at a significant cost, and so may be better suited to pursuing through a long term framework. However, time has not historically been included in entrenchment clauses.

5. CONCLUSION

- 5.1 This paper recommends that we use the claims development process to explore options, including combinations of those set out above, to amend the unit and middle management and senior leadership allowance systems to address current pressures.
- 5.2 Additionally, we should continue to seek engagement with the Ministry outside of negotiations as per the recommendations of the arbitration panel and to take opportunities to advocate around specific issues such as that of the principals nominee.

Appendix – current clauses and entitlements

Entitlement	STCA clauses	ASTCA clauses	\$\$ value	Time allowances	Restrictions
Units or Management Units	Remuneration – 4.3 Hours of Work – 5.3.5 (b)	Remuneration 3.4	\$5000	(i) one hour per week for holders of one permanent unit; (ii) two hours per week for holders of two permanent units; and (iii) three hours per week for holders of three or more permanent (iv) For the fourth and subsequent permanent unit(s) the employer will endeavour to provide one hour for each additional permanent unit.	
Middle Management Allowances	Remuneration 4.3A	Remuneration 3.5	\$2000	N/A	An individual teacher with fewer than five units, may be allocated up to two Middle Management Allowances. An individual teacher with five units may be allocated no more than one Middle Management Allowance. Teachers with more than five units shall not be eligible to receive Middle Management Allowances. (a) teachers with four or fewer units (including none) who have a designated curriculum or pastoral management responsibility; and (b) teachers with five units who have significant designated curriculum-related management responsibilities; and (c) teachers who have responsibilities (as defined in 4.3A.5 below) for at least five ORRS funded students.
Senior Leadership Allowances	Remuneration 4.3B	N/A	\$2000	N/A	A teacher who holds a position of either Assistant Principal or Deputy Principal shall be eligible to receive a Senior Management Allowance if they formally deputise from time to time for one or more of the Principal's responsibilities (see Note 1).