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NSW GOVERNMENT | Education

Principal Classification Structure

Frequently Asked Questions (FAQs)

These FAQ pages will be updated as new questions arise. If your question isn't answered here, send it in an email to **indrel@det.nsw.edu.au**

Q1 What are the new thresholds for 2024?

The new thresholds are provided in the Principal Classification Structure Table.

Q2 What funding is included for the purposes of classification?

The school classification budget comprises of the funding streams for the purposes of classification as indicated in the Funding Used for the Purpose of Principal Classification document.

Q3 Is the Principal Classification Report different to the SBAR Report?

Yes. These two (2) reports have different purposes.

Substantive principals receive the Principal Classification Report in June each year. This provides every principal with information about the components of their budget allocations that will be used to determine their classification and what they will be paid as a principal commencing day 1, term 1 the following year. The allocations count those items that reflect student need and school operations.

As the outcomes of the structure need to be known in advance, the funding considered will be the previous year's allocations. For example, 2023 funding will be used to determine the 2024 Principal Classification outcome.

Principals received the SBAR Report in October each year. This provides every principal with information about the annual funding they will receive for the following year.

Further, some items in the Principal Classification report are three year averages as opposed to a single year allocation.

Q4 What is counted in determining principal classification outcomes?

Principals' classification outcomes are determined by aspects of the schools:

1. Targeted Funding
2. Equity Loadings
3. Base school allocation

Q5 What is targeted funding?

Targeted funding includes:

- Integration Funding Support
- Refugee Student Support
- New Arrivals Program (NAP)

To mitigate the effects of ebbs and flows of targeted funding in determining school needs they are considered on the basis of a three year rolling average.

Q6 What are equity loadings?

Equity loadings include:

- Socio-economic background loading
- Aboriginal background loading
- English language proficiency loading
- Low level adjustment for disability loading

Q7 What is the base school allocation?

Base School Allocation includes a number of school specific components:

Staff related funding including:

- Staff establishment (formula allocations)
- Staff allocated to schools via programs and Directorates to address needs within the school

- Sick and FACS Leave Model (SFLM)

Operational Funding:

- General operations
- Utilities
- Initiative Funding
- Site Specific

Q8. How is the Sick and FACS Leave Model (SFLM) amount calculated for the purpose of Principal Classification? Will it be different to my school SBAR allocation for SFLM?

The SFLM allocation for the purpose of Principal Classification is an average allocation based on the schools teaching and non-teaching FTE as per the following formula.

(Teaching FTE per Approved SBAR x Casual Daily Standard Rate x Benchmark Leave Taken Days per FTE) + (Non-Teaching FTE per Approved SBAR x Casual Daily Standard Rate x Benchmark Leave Taken Days per FTE)

In some cases this may be higher or lower than the allocation in your SBAR. This is because the methodology for the SBAR calculation takes into consideration historical school operational need, while the methodology for the principal classification allocation reflects an average benchmark or like for like allocation. The methodology for principal classification ensures that allocations are fair and equitable.

Q9 What about staff shared across schools?

Where the individual school allocation is known at a systems level, e.g: for school counsellors, the individual allocation is included for each school, and the global allocation is included in the operational funds of the base school. That is, these funds are included for the principal classification process.

However where a position is based at a school but shared across a number of schools, only the global allocation for that staff member is included in the operational funds of the base school. That is, the salary of staff shared across schools is not included in the principal classification process.

Q10 What about program funds?

Program funds are included where they have general application, not only application to particular schools. Examples of programs included for classification determination are:

- Computer coordinator, formula based
- Teacher professional learning, formula based
- Literacy and numeracy (K-6), formula based

Q11 How are the funding thresholds adjusted and principal classification outcomes reviewed?

Funding thresholds and principal classification outcomes are reviewed annually. Each year school funding will be reviewed to take account of issues like salary increases, new programs, government initiatives and other developments. Thresholds then move in accordance with the overall percentage increase in funding to schools. A transparent methodology will ensure that thresholds change in line with funding increases so that the principal classification outcomes continue to be moderated. The NSW Teachers Federation are consulted as part of this process.

Principals, Directors Educational Leadership and Executive Directors are advised of outcomes for the following year in June each year. Only substantive position holders receive reports. Principals who did not opt-in do not receive a report.

Q12 If I did not opt-in to the principal classification structure how is my salary determined?

Principals who did not opt-in will still be subject to the existing review process. This means that salaries can still change in accordance with that process.

Q13 When did the new principal classification structure begin?

The new principal classification structure commenced from Day 1, Term 1, 2016.

Q14 My principal classification outcome is going up, when will the change take effect?

If your principal classification outcome is to a higher classification level your new salary will be processed and effective from Day 1, Term 1. Outcomes notified in August 2023 will be effective from Day 1, Term 1, 2024.

Q15 Will any principals move down a classification in 2024 or 2025?

No principal will move down a classification in 2024 or 2025. Any principal whose 2024 or 2025 outcome is to a lower classification will be placed on salary maintenance and the outcome reported to them on the Principal Classification Report will be maintained, rather than reporting a lower classification.

The Department will still calculate the actual school outcome, and this will be reported to DEL's/ED's for the purposes of recruitment for vacancies and relieving opportunities.

Q16 My principal classification outcome went down in 2019 or 2020, and I have been on salary maintenance since 2020 or 2021. When will the lower classification and salary be applied?

Following commitments from the Deputy Premier, principals will continue to be maintained for the 2024 and 2025 school years, irrespective of where they are in the three year maintenance period or whether the three year salary maintenance period is due to conclude or concluded at the start of the school year.

Q17 What will apply to vacant principal roles and/or relieving principals?

The Department will still calculate the actual school outcome, and this will be reported to DEL's/ED's for the purposes of recruitment for vacancies and relieving opportunities.

All vacancies and relieving opportunities will be remunerated at the actual school outcome not the maintenance outcome.

Where the school principal position becomes permanently vacant the School Workforce team will work with the requesting DEL to ensure the position is advertised at the appropriate school principal classification level.

Q18 Will the 1.25% SBAR reduction impact PC outcomes for 2025?

Existing Principal Classifications will not be impacted by the changes to the 2024 SBAR Adjustments nor will the SBAR reductions impact principal classification outcomes for the 2025 calendar year.