TERMS OF SETTLEMENT

The NSW Department of Education and Communities and the NSW Teachers Federation agree as follows.

1. Award duration and No Further Claims clause

A new Crown Employees (Teachers in Schools and Related Employees) Salaries and Conditions Award will be made by consent for three years from 2014 to 2016 inclusive.

Clause 32 No Further Claims of the current school teachers award will be replaced with the following clause for the 2014 award.

'Except as provided by the Industrial Relations Act 1996, prior to 31 December 2016, there shall be no further claims by the parties to this award for changes to salaries, rates of pay, allowances or conditions of employment in relation to matters expressly contained in this Award.'

2. Increases to salaries and allowances

During the period of the award, salaries and allowances will be increased by:

   a) 2.27% increase from the first pay period after 1 January 2014;
   b) 2% increase from the first pay period after 1 January 2015; and
   c) 2.15% increase from the first pay period after 1 January 2016.

3. Superannuation guarantee levy increases

The superannuation guarantee levy increases that affect the agreed salary increases over the period of the award are:

   a) 0.25% from 1 July 2014;
   b) 0.5% from 1 July 2015; and
   c) 0.5% from 1 July 2016.

4. Public Sector salaries outcome

If the current Public Sector Salaries case results in an increase larger than 2.27% in 2014, the increase settled in the Public Sector Salaries matter will be passed on to employees covered by the Crown Employees (Teachers and Related Employees) Salaries and Conditions Award. Increases in 2015 and 2016 will be consistent with the Government Wages Policy.
5. Reform initiatives

The following reforms will be implemented and funded through the National Education Reform Agreement.

5.1 Standards based remuneration for classroom teachers

The current system will change from annual incremental progression to teacher salaries being determined based on the achievement of three of the Australian Professional Teaching Standards, resulting in three salary bands.

<table>
<thead>
<tr>
<th>Band 1</th>
<th>Graduate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Band 2</td>
<td>Proficient</td>
</tr>
<tr>
<td>Band 3</td>
<td>Highly Accomplished</td>
</tr>
</tbody>
</table>

The principle of standards based remuneration is that teacher progression up salary bands is directly related to accreditation at a higher level. The proficient band however, would include three incremental steps.

a) On employment teachers would be paid the Graduate rate. Permanent teachers would remain at this rate for two years whilst working towards accreditation at Proficient level.

b) On attainment of Proficient accreditation, teachers would move to that level of remuneration. Following two years at this rate, permanent teachers will continue to progress through the steps in this band, unless they gain accreditation at Highly Accomplished.

c) On attainment of Highly Accomplished certification, teachers would move to that level of remuneration. Teachers will need to maintain their certification at the Highly Accomplished standard to continue to receive the Band 3 salary rate or they will revert to the Band 2 rate.

d) This model does not incorporate attainment of the Lead standard as a requirement for progression in the classroom teacher salary scale.

e) There are no quotas on the number of teachers in a school that can be certificated at the Highly Accomplished standard. The certification relates to the skill and functions of the teacher and is not a separate classification in the school.

f) The standards based career progression model will provide salary maintenance for some old scheme teachers until they reach the next level of remuneration on the new salary scale.

g) A new salary level will be introduced for those teachers who are certificated at the Highly Accomplished Standard. The new level will be $101,000 in 2016.

h) Salary progression for temporary teachers will be on the same basis as for permanent teachers.

i) Casual teachers would receive either a graduate or proficient rate as appropriate.
j) These changes would affect most employees paid on the Common Incremental Salary Scale steps 5 to 13 or on the Casual Teachers Rates of Pay.

k) The Common Incremental Salary Scale will be retained for educational staff who do not deliver Board endorsed courses, eg School Counsellors and Education Officers. The first four steps of the scale would be retained for paraprofessionals, Aboriginal language tutors and graduating teachers who wish to teach on a casual basis but have yet to be awarded their qualification.

l) Teachers at Band 2 must reach Band 2 salary level 2.3 before they are eligible to seek accreditation at Highly Accomplished and the Band 3 salary.

m) The transition procedures proposed by the Department will apply to teachers employed from the commencement of the new award: 1 January 2014. When these teachers are eligible to access step 9 they will transition to the new Band 2 salary rate.

n) Teachers employed prior to 1 January 2014 will not be covered by the Department’s transition provisions, but will continue to progress through the current steps 9 and 10 before accessing Band 2 salaries at salary level 2.1.

o) The Band 3 salary will be set at the midpoint between Band 2.3 and the Head Teacher/Assistant Principal salary. However, solely for the purpose of offsetting the costs of transitioning teachers, without financial disadvantage, from the current incremental scale to the new standards-based remuneration system, the Band 3 salary will commence at $101,000 from January 2016. This adjustment is to be limited to the period required to offset the cost of this transition.

p) Teachers who are on Step 13 at the beginning of 2016 will access Band 2 salary level 2.3 and be eligible to seek the Band 3 salary.

**New Structure and transition from 2016**

<table>
<thead>
<tr>
<th>Current Salary Scale</th>
<th>Transition Salary Scale</th>
<th>New Salary Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 5</td>
<td>Step 5 Graduate</td>
<td>Band 1 – attained Graduate accreditation (2 years min)</td>
</tr>
<tr>
<td>Step 6</td>
<td>Step 6</td>
<td></td>
</tr>
<tr>
<td>Step 7</td>
<td>Step 7</td>
<td></td>
</tr>
<tr>
<td>Step 8</td>
<td>Step 8</td>
<td></td>
</tr>
<tr>
<td>Step 9*</td>
<td>Step 9 Proficient</td>
<td></td>
</tr>
<tr>
<td>Step 10</td>
<td>Step 10*</td>
<td></td>
</tr>
<tr>
<td>Step 11</td>
<td></td>
<td>2.1</td>
</tr>
<tr>
<td>Step 12</td>
<td></td>
<td>2.2</td>
</tr>
<tr>
<td>Step 13</td>
<td></td>
<td>2.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Band 3- attained Highly Accomplished certification (new salary level)</td>
</tr>
</tbody>
</table>
5.2 Performance and development processes for Principals, Executives and Teachers

The new approach to performance and development will build upon, and replace, the existing processes outlined under the Teacher Assessment and Review Schedule, Executive Assessment and Review Schedule and Principal Assessment and Review Schedule. The overarching purpose of the performance and development process is to support the ongoing improvement of student outcomes through continuous development of a skilled and effective teaching workforce.

The annual performance and development cycle will require that individuals:

   a) Develop and document a concise set of professional goals, explicitly linked to their performance and development needs and professional standards.

   b) Work with colleagues and their supervisor to document appropriate strategies and support, including professional learning activities, to support the achievement of the goals.

   c) Systematically collect evidence, sourced from the everyday work of the individual that, when considered holistically, will demonstrate the individual’s progress towards their goals. This evidence will include as a minimum (but not be limited to):
      - data on student learning and outcomes (including but not limited to formal assessment data)
      - feedback from peer observations of teaching practice
      - results of collaborative practice with colleagues.

   d) Receive ongoing formal and informal feedback on their performance and development throughout the annual cycle.

   e) Participate in a structured discussion with the supervisor to facilitate the provision of a review on progress towards the goals and formal written feedback, informing the following cycle.

Documentation of the annual performance and development cycle will align with the requirements for achieving and maintaining accreditation, streamlining existing processes and reducing duplication of effort.

The direct observation of classroom practice is an important component of the new process, and is an essential element of the Australian Teacher Performance and Development Framework. The observation should be negotiated, linked to the individual’s goals and the appropriate Standards, and undertaken in a collegial and supportive manner.

During the 2014 school year, the NSW Department of Education and Communities and NSW Teachers Federation will jointly develop the policy advice, procedures, support materials and training for the new performance and development framework for principals, executives and teachers, based on the above proposed changes. The agreed framework will be implemented in Semester 1, 2015 in all NSW public schools.
5.3 Principal classification structure

School budgets range from approximately $200,000 up to $20 million per annum.

<table>
<thead>
<tr>
<th>New Classification Level</th>
<th>Indicative School Funding Thresholds Per Annum (in 2014$) *</th>
<th>Base Principal Salary + complexity loading</th>
<th>Applicable salary in 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teaching Principal 1 (TP1) or Associate Principal 1</td>
<td>-</td>
<td>&lt;$415 K</td>
<td>$109,203</td>
</tr>
<tr>
<td>Teaching Principal 2 (TP2) or Associate Principal 2</td>
<td>&gt;$415 K</td>
<td>&lt;$1.04 M</td>
<td>-</td>
</tr>
<tr>
<td>Principal 1 (P1)</td>
<td>&gt;$1.04 M</td>
<td>&lt;$2.9 M</td>
<td>Base Level</td>
</tr>
<tr>
<td>Principal 2 (P2)</td>
<td>&gt;$2.9 M</td>
<td>&lt;$5.4 M</td>
<td>+ $10,000</td>
</tr>
<tr>
<td>Principal 3 (P3)</td>
<td>&gt;$5.4</td>
<td>&lt;$8.3 M</td>
<td>+$25,256</td>
</tr>
<tr>
<td>Principal 4 (P4)</td>
<td>&gt;$8.3 M</td>
<td>&lt;$13.5 M</td>
<td>+$32,087</td>
</tr>
<tr>
<td>Principal 5 (P5)</td>
<td>&gt;$13.5 M</td>
<td>-</td>
<td>+$37,087</td>
</tr>
</tbody>
</table>

*The model is directly linked to the RAM being available for all schools. Funding thresholds will be adjusted to reflect increasing system allocations through the RAM.

Transition and Policy Provisions

a) The new principal classification structure would be effective Day 1 Term 1 2016. Existing principals who are classified as P1-P5, who remain at the same school in 2016 will have the option to remain on the current classification structure until 2021 or Opt In to the new classification structure.

Opt In Provisions (P1-P5)

b) Existing principals as at 31 December 2015 will be given the opportunity to Opt In to the new classification structure up until 29 February 2016.

c) There will be no further Opt In opportunity and those who remain on the current structure will automatically move across to the new structure on and from Day 1, Term 1, 2021, based on the funding thresholds applicable at that time.

d) If a school’s RAM funding falls below the threshold level after the Opt In date, the principal would maintain their loading for a period of 3 years after which time the loading would revert to the appropriate level.

Other Provisions

e) Principals appointed to a new school for the commencement of 2016 and thereafter, will be appointed under the new classification structure unless they were an existing principal appointed by transfer.

f) Nominated transfers would no longer be available to P1-P5 principals except where their school falls below P1 or ceases to operate. This means that a non-teaching
principal cannot revert to a teaching principal or associate principal level unless they elect to remain at the school and accept a lower salary level.

g) Current PP5 and PP6 principals classified below the P1 level eg: TP1 or TP2 will receive a salary outcome equal to that of the current structure but will be subject to a name change from Principal to Teaching Principal.

h) Current release time arrangements will continue to apply to Teaching Principals.

Application of Principal Classification Structure – For P1 to P5 Principals

i) On vacancy, the Deputy Director-General, Public Schools NSW, will determine whether a school with a Teaching Principal 1 (TP1) or Teaching Principal 2 (TP2) will be linked to a larger school in reasonable proximity to reduce the administrative workload. Where this occurs, the TP1 or TP2 position will be classified as an Associate Principal 1 or 2. Furthermore, a TP1 or TP2 may apply to the Department for the school to be linked to a larger school in reasonable proximity to reduce the administrative workload and be classified as an Associate Principal 1 or 2 accordingly. In both cases, this will facilitate an increase in face to face teaching time for the Associate Principal, to support student learning and account for the reduction in administrative duties.

j) All current PS5 schools will remain non-teaching irrespective of the salary outcome.

k) All high schools will receive a salary outcome of P2 or above.
5.4 Teacher efficiency process

The teacher efficiency process will be positioned within the broader context of a school’s performance and development processes and professional learning platform.

a) All teachers will be supported through the ongoing performance and development process.

b) The teacher efficiency process will move from the current de facto teacher retraining program to a focus on specific performance requirements and the teacher’s capacity (or not) to meet those requirements.

c) The timeframe for the improvement plan process will be a total of 10 weeks consisting of:

- up to 5 weeks of support and guidance to address the issues of concern; and
- up to a 5 week assessment period, with continuing support and guidance provided.

d) The entire process undertaken at the school will be completed in 12 weeks.

e) The current, independent review process at the end of the school procedure is unnecessary.

f) A review process will be undertaken by the Staff Efficiency and Conduct Team within the Employee Performance and Conduct Directorate (EPAC) as a part of the decision making process.

g) The Director, EPAC will become the decision maker.

h) The Director, EPAC will make the decision within 28 days of receiving the advice and support information from the principal.

i) A teacher who is the subject of the process will have 14 days to respond to the decision of the Director, EPAC.

j) The Director, EPAC will consider that response and make a final decision within 14 days of receiving the teacher’s response.

k) EPAC will employ relevant teaching staff to assist in this process including:

- two seconded deputy principals; and
- the Manager, Staff Efficiency and Conduct position will have teaching qualifications and experience as a requirement for the position.

l) A separate process will be developed for temporary and probationary teachers.

m) The Department will consult with the Federation on the policy advice, support materials and training to support the implementation of the revised Teacher Efficiency Procedures, based on the above proposed changes.

n) The new teacher improvement procedures will commence from the start of Term 3, 2014.