EXPLANATORY MEMORANDUM TO

THE SCHOOL TEACHERS' INCENTIVE PAYMENTS ORDER 2009

2009 No. 1974

1. This explanatory memorandum has been prepared by the Department for Children, Schools and Families and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

2.1 The purpose of this Order is to ensure that incentive payments to school teachers who teach mathematics, physics or chemistry and who have successfully completed a relevant course, and achieved 40 credits at Honours level on an accredited module or modules on that course, are not treated as remuneration under the School Teachers' Pay and Conditions Document.

3. Matters of special interest to the [Joint Committee on Statutory Instruments *or* the Select Committee on Statutory Instruments]

3.1 None

4. Legislative Context

4.1 The Secretary of State may make provision for the determination of the remuneration of school teachers under section 122(1) of the Education Act 2002 and does so by reference to a document called the "School Teachers' Pay and Conditions Document" (`STPCD'), which is replaced annually with effect from 1st September.

4.2 This Order provides that lump sum incentive payments to those school teachers who teach a subject in relation to which they have successfully completed a relevant course, and achieved 40 credits at Honours Level on an accredited module or modules on that course, are not to be treated as remuneration for the purpose of section 122(1) and, therefore, are not subject to any of the other provisions in the STPCD.

5. Territorial Extent and Application

5.1 This instrument applies only in relation to school teachers in England.

6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

- ***What is being done and why***

7.1 Pilot courses were provided in selected Higher Education Institutions to test whether they could help teachers of mathematics, physics and chemistry who were not specialists in the subject they were teaching to enable them to teach the subjects more effectively. The pilot courses were deemed to be successful and this has now led to the Secretary of State deciding that the courses should be rolled out on a national basis.

7.2 Before the courses were introduced the School Teachers' Pay Review Body was invited to consider whether or not incentive payments for successfully completing these courses should be paid. In their 16th Report they recommended that incentives could be paid for those achieving accreditation, but they recommended that they should be paid in the same way as the payment of `Golden Hellos' (1) – that is outside the school teachers' remuneration framework. This is consistent with their being one-off lump sum payments.

7.3 This purpose of this Order, as with that which was prepared for school teachers receiving the incentive under the pilot courses (The School Teachers' Incentive Payments (England) Order 2008), is to enable these payments not to be treated as remuneration for the purpose of section 122(1).

- ***Consolidation***

7.2 There is no current need to consolidate

8. Consultation outcome

8.1 The principle of how such payments should be made was part of the consultation carried out by the Secretary of State following the publication in February 2007 of the School Teachers' Review Body's recommendations in its 16th Report(2). 20 organisations were consulted between 6 February 2007 and 5 March 2007, and responses were received from 8 organisations. 7 were broadly in favour, and one was opposed to the principle of such payments (rather than the method). No changes were made to the proposal, given that no-one objected to the method of the payments.

8.2. Consultation has taken place between 30 April 2009 and 28 May 2009 with main school workforce organisations on the making of a new Order to cover those who will receive the payment under the national rollout of the courses. There were two substantive responses. One was supportive and one was opposed to the fact that the payment would be outside the School Teachers' Pay and Conditions Document. This respondent has been invited to suggest possible ways in which this might be achieved in future and any such suggestions, when received, would be subject to further consultation. No changes were made to the proposal at this time because there was not an overriding weight of objection to them and the fact that this was the preferred method of payment under the pilot arrangements.

8.3. The Training and Development Agency for Schools was also consulted and is content with the wording of the Order and will provide guidance to local authorities and schools on how to make the payments.

9. Guidance

9.1 The Training and Development Agency for Schools will publicise the payments and provide guidance to local authorities and schools on how to make the payments.

10. Impact

10.1 An Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

10.2 The impact on the public sector is not significant. It is expected that the number of people on courses following their national roll-out will be 10 courses of 20 participants in science and the same number again in maths. That could mean a total of 400 teachers a year claiming the incentive, from 2010. Their schools will need to certify that they are teaching the subjects concerned, and the local authorities or schools will need to make the payments.

10.3 An Impact Assessment has not been prepared for this instrument.

11. Regulating small business

11.1 The legislation does not apply to small business.

12. Monitoring & review

12.1 This payment mechanism will be subject to internal review after two years

13. Contact

Paul Betteridge at the Department for Children, Schools and Families (Tel: 020 7340 8113 or e-mail: paul.betteridge@dcsf.gsi.gov.uk) can answer any questions regarding the instrument.