

**EXPLANATORY MEMORANDUM TO**  
**THE SCHOOL TEACHERS' INCENTIVE PAYMENTS (ENGLAND) ORDER 2012**

**2012 No. 878**

**1.** This explanatory memorandum has been prepared by the Department for Education 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 the second and final incentive payment to teachers employed in maintained schools in England who are enrolled in the Mathematics Specialist Teacher Programme (MaST) funded by the Department for Education is not treated as remuneration under the School Teachers' Pay and Conditions Document (STPCD). It is necessary to make it clear that this incentive payment is not pensionable nor part of the statutory negotiation process provided for with regard to the STPCD under section 122(1) of the Education Act 2002.

**3. Matters of special interest to the Joint 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 an incentive payment to those teachers enrolled under MaST and who attain 60 credits at masters level at the completion of their second year on the programme is not to be treated as remuneration for the purpose of section 122(1) and, therefore, is not subject to any of the other provisions in the STPCD.

**5. Territorial Extent and Application**

5.1 This instrument applies to 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**

7.1 The MaST programme is a two-year course, which aims to improve the practice and efficacy of primary mathematics teaching by developing the skills of existing teachers who, in turn, train their colleagues. The programme focuses on deepening teachers' subject knowledge, strengthening subject pedagogy and improving skills in coaching and mentoring colleagues. Teachers who joined the programme as part of the first cohort, in January 2010, were entitled to a first incentive payment of £1,000 on completion of their first year of the programme. The second and final incentive payment of £2,000 that is the subject of this Order is payable following attainment of 60 credits at honours level by the end of their second year.

## **8. Consultation outcome**

8.1 A limited consultation took place between 14th November 2011 and Friday 20th January 2012 with participating Cohort 1 teachers, the MaST HEI providers and representative organisations for teachers. There were twenty responses to the consultation and no objections were raised to the intention that this incentive payment is not to be treated as remuneration.

8.2 The majority of queries from the consultation (70%) related to teachers querying why they have to wait until autumn 2012 before receiving their second and final incentive payment of £2,000. A further 25% wanted clarification on whether the incentive payments will be taxable or have national insurance implications.

8.3 Departmental responses to the two queries above were that the second incentive payments cannot be made without the Order making it clear the payment is non-pensionable. As with the first incentive payment, the second incentive payment will be taxable for both income tax and national insurance.

## **9. Guidance**

9.1 The Department does not intend to issue any detailed guidance on these amendments. The Department will issue a letter to Local Authorities with participating teachers informing them when the funding for incentive payments has been released.

## **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. The impact on the public sector is not significant. It is expected that approximately 1400 teachers will receive this incentive payment after the end of the academic year 2011/12.

## **11. Regulating small business**

11.1 The legislation does not apply to small business.

## **12. Monitoring & review**

12.1 The incentive payment is available to teachers who began the programme as part of the first cohort of teachers in January 2010. There will be no further payment of the incentive to teachers who start the programme as part of other cohorts.

## **13. Contact**

Stephen Rogers at the Department for Education (tel: 07825105186; e-mail [stephen.rogers@education.gsi.gov.uk](mailto:stephen.rogers@education.gsi.gov.uk)) can answer any queries regarding the instrument.