

**EXPLANATORY MEMORANDUM TO**  
**THE SCHOOL TEACHERS' INCENTIVE PAYMENTS (ENGLAND)**  
**(AMENDMENT) ORDER 2020**

**2020 No. 690**

**1. Introduction**

- 1.1 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 incentive payments to school teachers under a scheme known as the Early-Career Payments Pilot (which has incorporated an earlier scheme known as the Mathematics Early-Career Payments Pilot) are not to be treated as remuneration under the School Teachers' Pay and Conditions Document (STPCD). This is necessary to make it clear that these incentive payments are not pensionable nor part of the statutory negotiation process provided for under section 122(1) of the Education Act 2002.

**3. Matters of special interest to Parliament**

*Matters of special interest to the Joint Committee on Statutory Instruments*

- 3.1 None.

*Matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business (English Votes for English Laws)*

- 3.2 As the instrument is subject to negative resolution procedure there are no matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business at this stage.

**4. Extent and Territorial Application**

- 4.1 The territorial extent of this instrument is England and Wales.  
4.2 The territorial application of this instrument is England.

**5. European Convention on Human Rights**

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

**6. Legislative Context**

- 6.1 The Secretary of State may make provision for the determination of the remuneration of school teachers by an order made under section 122(1) of the Education Act 2002 ("the 2002 Act"). Such orders are made annually with effect from the first of September each year and the practice is for them to incorporate by reference a document known as the School Teachers' Pay and Conditions Document (STPCD). The current such order is the School Teachers' Pay and Conditions (England) Order 2019 ("the 2019 Order") (SI 2019/1267).

- 6.2 Section 123(4) of the 2002 Act contains power to provide, by order, that specified payments are not to be treated as remuneration for the purposes of an order made under section 122(1). The School Teachers' Incentive Payments (England) Order 2018 (SI 2018/998), was made under that provision following the establishment of the Mathematics Early-Career Payments Pilot. In 2019 the 2019 Order was made to reflect the fact that payment of incentive payments under the Mathematics Early-Career Payment Pilot were to be made by the Secretary of State rather than a local authority or the governing body of a maintained school as well as to add two new incentive schemes, the Mathematics and Physics Teacher Retention Payments Pilot and the Teachers' Student Loan Reimbursement Pilot. This Order amends the 2019 Order by replacing the wording "the Mathematics Early-Career Payments Pilot" with "the Early-Career Payments Pilot" for the reasons explained above.

## 7. Policy background

### *What is being done and why?*

- 7.1 The Mathematics Early-Career Payments Pilot was introduced for mathematics teachers starting their initial teacher training (ITT) in the 2018/19 and 2019/20 academic years. It forms part of a "phased bursary" for these cohorts of teachers. Under its provisions, eligible teachers receive a £20,000 bursary during training followed by early-career payments of £5,000 in each of their third and fifth years of teaching. Teachers in 39 local authorities will receive uplifted early-career payments of £7,500 each. To be eligible teachers must meet the eligibility criteria specified here: <https://www.gov.uk/guidance/early-career-payments-guidance-for-teachers-and-schools>. Whilst the two cohorts entered or completed their initial teacher training no early-career payments have fallen due because the cohorts have yet to reach their third or fifth year of teaching.
- 7.2 During September 2019 a policy decision was made to expand the scheme significantly and its name was changed from the Mathematics Early-Career Payments Pilot to the Early-Career Payments Pilot. The new scheme encompasses mathematics, physics, chemistry and languages teachers starting ITT in the 2020/21 academic year. If eligible, these teachers will receive a revised "phased bursary" offer of a £26,000 bursary during training followed by early-career payments of £2,000 each in their second, third and fourth year of teaching. Teachers in 39 local authorities will receive uplifted early-career payments of £3,000 each. To be eligible teachers must meet the eligibility criteria specified here: <https://www.gov.uk/guidance/early-career-payments-guidance-for-teachers-and-schools>
- 7.3 The new scheme has incorporated the former scheme within it but the eligibility criteria and all other rules of the former scheme remain in place for the two cohorts mentioned above, albeit when the payments fall due they will be made under the Early-Career Payments Pilot.
- 7.4 As set out above payments under these schemes are not to be treated as remuneration for the purpose of section 122(1) of the Education Act 2002. This Order amends the 2019 Order by replacing the wording "the Mathematics Early-Career Payments Pilot" with "the Early-Career Payments Pilot" to achieve that objective.
- 7.5 The Department is offering the Early-Career Payments Pilot to incentivise the retention of eligible teachers. The scheme is targeted at priority subject teachers and weighted towards areas of high need, as determined by published data covering

standards and capacity to improve. The Department is completing an evaluation of the scheme to assess the impact of the payments on the retention of eligible teachers.

7.6 In line with commitments made to the Joint Committee on Statutory Instruments in October 2010, the Department usually adopts 1 September as the commencement date for schools-related statutory instruments and lays those instruments by 1 April to give schools one full-term's lead in-time between the notification of a new requirement in a statutory instrument and the commencement of that requirement. This lead-in time is not required or appropriate in the present case as schools will have a limited role in the operation of the Early-Career Payments Pilot, as the payments will be made by the Department directly to the teacher. Schools may be asked to verify some of the information that the teacher has provided in their application to the Department for the payment, but will have no other role. Furthermore, schools are already aware that the Early-Career Payments Pilot exists.

7.7 The Department is funding the payments made under the Early-Career Payments Pilot in their entirety – local authorities or governing bodies of schools will not bear any cost.

## **8. European Union (Withdrawal) Act/Withdrawal of the United Kingdom from the European Union**

8.1 This instrument does not relate to withdrawal from the European Union.

## **9. Consolidation**

9.1 The issue of consolidation does not arise as this is an amendment of a stand-alone incentive payments order.

## **10. Consultation outcome**

10.1 The Department advised stakeholders that the payments being made under the Early-Career Payments Pilot are not part of a teacher's pay and should not be treated as pensionable payments when the policy was announced.

10.2 A formal public consultation has not been carried out prior to the making of this Order. While short public consultations have been carried out in connection with incentive orders prior to the 2019 order, such consultation was not carried out for that order. Similarly, a consultation has not been carried out for this Order for the following reasons. Firstly, the Department has completed a significant amount of informal stakeholder engagement with school leaders and organisations representing teachers regarding the scheme, including how the payments will be administered. This has included detailed engagement with teachers and schools regarding the online application process and digital service which will deliver the payments to teachers.

10.3 Secondly, the purpose of this instrument is to enable the payments to be paid outside the statutory pay framework and to ensure that the payments are not treated as pensionable – the Order is of a technical nature. The instrument is not needed to establish the scheme or to allow the Department to make the payments – the Secretary of State has power under section 14 of the Education Act 2002 to provide this type of financial provision and does not need to make a statutory instrument for that purpose. A public consultation would not have added to or assisted any policy development or decisions on how the scheme should be administered. The Department is committed

to continuing to engage with stakeholders in future with regard to both the policy and mechanics of the scheme.

## **11. Guidance**

- 11.1 The Department has provided guidance on the Early-Career Payments Pilot, including the role of the teacher in claiming these payments:

<https://www.gov.uk/guidance/early-career-payments-guidance-for-teachers-and-schools>

- 11.2 Further guidance regarding the application process will be made available to teachers and schools prior to the first payment year.

## **12. Impact**

- 12.1 There is no impact on business, charities or voluntary bodies.
- 12.2 There is no significant impact on the public sector.
- 12.3 An Impact Assessment has not been prepared for this instrument.

## **13. Regulating small business**

- 13.1 The legislation does not apply to activities that are undertaken by small businesses.

## **14. Monitoring & review**

- 14.1 The payment of these incentives to further cohorts of teachers will be subject to an internal review.
- 14.2 The regulation does not include a statutory review clause.

## **15. Contact**

- 15.1 Chris Cuff at the Department for Education (telephone: 01610 600 1323 or email: [chris.cuff@education.gov.uk](mailto:chris.cuff@education.gov.uk)) can be contacted with any queries regarding the instrument.
- 15.2 Kate Copley, Deputy Director for Teacher Reward and Incentives at the Department for Education can confirm that this Explanatory Memorandum meets the required standard.
- 15.3 Rt. Hon Nick Gibb MP, Minister of State for School Standards at the Department for Education can confirm that this Explanatory Memorandum meets the required standard.