
Report To:	Education and Communities Committee	Date:	30 October 2018
Report By:	Corporate Director Education, Communities & Organisational Development	Report No:	EDUCOM/90/18/RB
Contact Officer:	Ruth Binks	Contact No:	01475 712761
Subject:	Online School Payments – Moving towards a Cashless Environment in Inverclyde Schools		

1.0 PURPOSE

- 1.1 The purpose of the report is to seek Committee approval to remove cash payments for school meals, and school trips as appropriate, from primary schools starting 19 August 2019.

2.0 SUMMARY

- 2.1 A Business Case for Online School Payments was written in response to the Modernisation Corporate Improvement Group's (MCIG) request to explore an alternative option to the continued roll out of the current cashless catering system.
- 2.2 Of the options presented in the Business Case, the option taken forward was to undertake a pilot for Online School Payments in two primary schools and two secondary schools during the 2016/17 academic session.
- 2.3 The findings and recommendations from the pilot programme were reported to the Education and Communities Committee on 7 March 2017. It was noted in that report that the outcomes would also be presented to both the Digital Access Group and thereafter the Corporate Management Team.
- 2.4 The roll out of the ParentPay system to the remaining schools started on 24 October 2017 and was completed on 23 May 2018. Parents/carers of one ASN school and all primary and secondary schools now have the ability to pay for school meals and other school items online.
- 2.6 A paper updating Elected members on the progress of the above pilot and subsequent roll-out of the ParentPay Online School Payments System was presented to the Education and Communities Committee on 23 January 2018.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee:
- approves the removal of cash payments for school meals, and school trips as appropriate, from primary schools starting 19 August 2019; and
 - notes that a review of Secondary school ParentPay usage will be carried out during over session 2018/19 to assess the feasibility of moving to a cashless environment. The outcome of the review will be brought back to this Committee for consideration.

Ruth Binks
Corporate Director
Education, Communities & Organisational Development

4.0 BACKGROUND

- 4.1 A Business Case for Online School Payments was presented to the Corporate Management Team in March 2016. Approval was given for option 2 of the Business Case, a pilot of Online School Payments during the 2016/17 academic session, in two primary schools and two secondary schools. (St Mary's Primary School, St Ninian's Primary School, Inverclyde Academy and Clydeview Academy).
- 4.2 A Capability and Capacity Assessment was conducted in May 2016 to appoint a supplier from the Scotland Excel framework for Online School Payments. Following supplier demonstrations, ParentPay were awarded the contract.
- 4.3 The population of pilot school sites was carried out during June-September 2016. Training was delivered towards the end of August 2016 to education admin, finance, catering and teaching staff. Following completion of training, initial payment items were added to school sites.
- 4.4 All remaining Primary and Secondary schools and one ASN school successfully launched ParentPay during the 2017/18 academic session. A payment item for school meals was added to every ParentPay site and online payments have been received, for this item, in every school (with the exception of ASN). Every school fund bank account has been added to ParentPay however not all schools chose to add a school trip payment item to their site during the 2017/18 academic session. There has been a commitment from schools to add appropriate school trips during the 2018/19 academic session.

5.0 CURRENT POSITION

5.1 LAUNCH DATES

The ParentPay system was launched in schools on the dates listed below:

Pilot Schools

31 October 2016	St Mary's Primary School
14 November 2016	St Ninian's Primary School
25 October 2016	Inverclyde Academy
25 October 2016	Clydeview Academy

Phase 1

24 October 2017	Craigmarloch School
25 October 2017	Notre Dame High School
25 October 2017	St Columba's High School
1 November 2017	Port Glasgow High School
1 November 2017	St Stephen's High School
8 November 2017	Newark Primary School
15 November 2017	All Saints Primary School
22 November 2017	Aileymill Primary School
29 November 2017	Wemyss Bay Primary School

Phase 2

10 January 2018	Inverkip Primary School
17 January 2018	Ardgowan Primary School
24 January 2018	Gourock Primary School
31 January 2018	Moorfoot Primary School
07 February 2018	Lady Alice Primary School
21 February 2018	Whinhill Primary School
28 February 2018	King's Oak Primary School
7 March 2018	St Patrick's Primary School
14 March 2018	St Andrew's Primary School

Phase 3

25 April 2018	St Joseph's Primary School
2 May 2018	St Francis' Primary School

9 May 2018	St John's Primary School
16 May 2018	St Michael's Primary School
23 May 2018	Kilmacolm Primary School

5.2 ACTIVATION RATES

The business case for online school payments predicted usage rates of 30%. With the exception of 3 schools (Notre Dame High School, St Stephen's High School and King's Oak Primary School), activation rates of ParentPay accounts greatly exceed the initial prediction. Primary school activation rates have been split to show the difference between P1-3 pupils and P4-7 pupils. Due to the Universal Free School Meal (UFSM) entitlement given to P1-3 pupils there is less incentive for these parents/carers to activate a ParentPay account. Activation rates were calculated on 14 September 2018 and show that few P1 pupils have activated a ParentPay Account. Therefore the overall percentage of P1-3 parents/carers with an activated ParentPay account sits at 46%.

Primary 4-7 pupils pay for a school meal unless they meet the criteria for Free Meal Entitlement (FME). The overall percentage of P4-7 parents/carers with an activated ParentPay account sits at 72%.

A report to the Education and Communities Committee on 23 January 2018 confirmed plans to add all secondary school trips to the ParentPay system during the 2018/19 academic session. Parents/carers will be given the option of paying online using a debit/credit card or paying cash using the PayPoint facility in local convenience stores. This proposal was supported by the Education and Communities convener and reported in the local press. It is anticipated that this approach alone will significantly increase the activation rates of secondary school ParentPay accounts.

APPENDIX 1

5.3 SCHOOL MEAL INCOME

Cash collected in primary schools has been calculated for each establishment from the ParentPay launch date to 16 September 2018. The only exception to the date ranges are the two pilot schools (St Ninian's and St Mary's launched in 2016) which have been calculated from the start of the 2017/18 term. The overall percentage of cash collected in the 20 primary schools during this period totalled 12%.

The overall percentage of cash collected in secondary schools is 59%. This percentage is significantly higher than the primary school total. There is clear correlation between the activation rate percentage and percentage of cash collected in school. Parents/carers activating a ParentPay account, due to the school trip payment item being added, will have sight of the school meal payment item. Once this payment item becomes visible it is expected that more parents/carers will opt to pay for school meals online, bridging the gap between the cash collected in secondary and primary school.

APPENDIX 2

5.4 CASHLESS BY AUGUST 2019

In order for the full benefits of the ParentPay system to be realised both financially and operationally, going cashless needs to be considered.

While it is technically possible to go cashless at present it is acknowledged that there is further work required to increase the ParentPay account activation rates and promote overall use of the system before making the transition to cashless. August 2019 has been selected as the start date for primary schools. This allows 10 months for planning, preparation and promotion and is the start of a new academic term. A review of secondary school ParentPay usage will be carried out in school session 2018/19 to assess the feasibility of moving to a cashless environment.

5.5 CONSULTATIONS

Internal Project Group - Consulting with the internal project group highlighted the inefficiency of offering a mixed economy to parents/carers. Giving the option to pay cash in school for meals leads to duplication of tasks for the catering staff. There are efficiencies to be gained from catering staff time by removing cash payments from both primary and secondary schools. Additionally, removing cash from secondary schools could help keep pupils on the

school premises during the school day. Benefits of keeping pupils in school include ensuring a safe environment, provision of nutritious meal, decrease in truancy and an increase in school meal income.

Internal Audit - A move towards a cashless school environment would be welcomed by the internal audit department. By removing/reducing trips to bank this would count towards the reduction of the council's carbon footprint. The general audit trail would be improved and the risk of cash being misappropriated would be minimised.

Other Local Authorities - Comparator local authority East Ayrshire implemented cashless primary and secondary schools during the roll out online school payments. ParentPay or PayPoint are only methods of payments available to parents/carers.

Head Teachers – Discussion at the Head Teachers' meeting on 17 September 2018 validated their commitment to further utilise the ParentPay system.

ParentPay (User feedback) - On 27 August 2018 ParentPay posted a link to a survey on the accounts of Inverclyde parents/carers and this remained open until 30 September 2018. The survey had a total of 6 questions and gathered 241 responses. A summary of the responses:

- 79% feel that the school sufficiently promotes/advertises ParentPay to parents.
- Aspects parents most liked about using ParentPay - ease of use, ability to make online payments whenever and wherever you like, not having to worry about children carrying money/cheques to school.
- Cumulatively, 93% found ParentPay very easy (57%), easy (20%) or fairly easy to use (16%).

5.6 PROMOTION

Consultation is required with corporate communications to develop a communications plan for each primary school to use from now until August 2019. Corporate promotion of ParentPay, PayPoint and the date to remove cash from primary schools can be achieved through the local press. Web content is an area that needs to be developed on the council website. Developments include links to items such as digital chat and PayPoint location map.

School Business Co-ordinators, Head Teachers and school based admin staff must take an active role in promoting the activation of ParentPay accounts or use of PayPoint bar codes. This includes monitoring activation rates on a weekly basis and developing strategies to target parents/carers who have not activated an account or requested a PayPoint bar code.

5.7 WORKED EXAMPLE

The primary school with the lowest ParentPay account activation rate is King's Oak Primary School (38% for p4-7 pupils). Cash collected in school is also the second highest, sitting at 32% (35% being the highest). Analysis of the 113 accounts that have not been activated shows that 83 are receiving FME and a further 11 have no transactions recorded (packed lunch or home meal). The remaining 19 accounts are cash payers, 8 of whom do not attend the school canteen on a regular basis. The alternative method of payment for the 19 parents/carers paying in cash at school is to pay cash using the PayPoint facility in local convenience stores. There is a PayPoint location within 0.22 miles of King's Oak primary school and a further 4 within 1 mile. All Inverclyde schools have a PayPoint location within a maximum distance of 0.38 of a mile, making this payment method a realistic alternative.

6.0 IMPLICATIONS

Finance

6.1

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments

Legal

6.2 There are no direct legal implications arising from this report.

Human Resources

6.3 There are no direct human resource implications arising from this report.

Equalities

6.4 Has an Equality Impact Assessment been carried out?

Yes See attached appendix

No This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

Repopulation

6.5 There are no direct repopulation implications arising from this report.

7.0 CONSULTATIONS

7.1 Internal Project Team – Education, Facilities, Finance, ICT, Procurement
ParentPay
Other local authorities
Scotland Excel
Head teachers
Internal Audit

8.0 CONCLUSIONS

The use of the ParentPay system should be promoted corporately and in each establishment (primary and secondary) between October 2018 and August 2019. During this period it is

anticipated that the amount of cash collected will decrease and the number of activated accounts will increase. This shift will support the primary school cashless target date of 19 August 2019.

9.0 BACKGROUND PAPERS

9.1 There are no background papers relevant to this report.

Activation Rates @ 14 September 2018

Appendix 1

Establishment	Go Live Date	Total Pupils	Total Accounts Activated	Total Percentage Activated	Total Pupils P1-3	Total Accounts Activated	Total Percentage Activated	Total Pupils P4-7	Total Accounts Activated	Total Percentage Activated
Clydeview Academy	Pilot School 16/17	898	590	66%						
Inverclyde Academy	Pilot School 16/17	814	387	48%						
¹⁰⁶ Notre Dame High School	25/10/17	867	212	24%						
¹⁰⁹ St Columba's High School	25/10/17	704	341	48%						
¹⁰⁴ Port Glasgow High School	01/11/17	485	162	33%						
¹⁰⁴ St. Stephen's High School	01/11/17	556	147	26%						
St Ninian's Primary School	Pilot School 16/17	310	255	82%	126	85	67%	184	170	92%
St Mary's Primary School	Pilot School 16/17	309	247	80%	115	78	68%	194	169	87%
¹⁰⁶ Newark	08/11/17	425	177	42%	183	28	15%	242	149	62%
¹⁰⁴ All Saints	15/11/17	362	231	64%	149	70	47%	213	161	76%
¹⁰⁹ Alleymill	22/11/17	364	202	55%	138	46	33%	226	156	69%
¹⁰⁴ Wemyss Bay	29/11/17	159	121	76%	65	41	63%	94	80	85%
¹⁰⁷ Inverkip	10/01/18	255	220	86%	118	91	77%	137	129	94%
¹⁰² Ardgowan	17/01/18	404	247	61%	186	70	38%	218	177	81%
¹⁰⁷ Gourrock	24/01/18	223	146	65%	90	41	46%	133	105	79%
¹⁰² Moorfoot	31/01/18	257	226	88%	110	85	77%	147	141	96%
¹⁰⁷ Lady Alice	07/02/18	194	91	47%	78	19	24%	116	72	62%
⁹⁷ Whinhill	21/02/18	256	157	61%	113	55	49%	143	102	71%
⁹² King's Oak	28/02/18	313	84	27%	130	14	11%	183	70	38%
⁸⁷ St. Patrick's	07/03/18	257	164	64%	120	63	53%	137	101	74%
⁸² St. Andrew's	14/03/18	237	146	62%	86	46	53%	151	100	66%
⁶⁶ St. Joseph's	25/04/18	149	62	42%	74	25	34%	75	37	49%
⁶¹ St. Francis'	02/05/18	194	100	52%	80	31	39%	114	69	61%
⁵⁶ St. John's	09/05/18	255	160	63%	124	55	44%	131	105	80%
⁵¹ St. Michael's	16/05/18	214	75	35%	78	18	23%	136	57	42%
⁴⁶ Kilmacolin	23/05/18	201	154	77%	92	62	67%	109	92	84%
Primary Totals		5338	3265	61%	2255	1023	46%	3083	2242	72%
Secondary Totals		4324	1839	41%						

1332

841

2073

2485

SCHOOL MEAL INCOME

Appendix 2

Establishment	Date Range	Online Payment	PayPoint	Cash	Percentage of cash taken in school
Clydeview Academy	17/08/17 - 28/06/18	£105,144.09	£120.00	£83,921.90	44%
Inverclyde Academy	17/08/17 - 28/06/18	£24,407.10	£0.00	£37,970.20	61%
Notre Dame High School	25/10/2017 - 28/06/18	£18,309.32	£0.00	£62,847.90	77%
St Columba's High School	25/10/2017 - 28/06/18	£28,630.63	£80.00	£43,208.80	60%
Port Glasgow High School	01/11/2017 - 28/06/18	£12,046.51	£0.00	£48,452.30	80%
St Stephen's High School	01/11/2017 - 28/06/18				
St Ninian's Primary School	17/08/17 - 16/09/18	£31,210.30	£552.25	£700.60	2%
St Mary's Primary School	17/08/17 - 16/09/18	£29,714.50	£510.00	£3,821.27	11%
Newark	08/11/2017 - 16/09/18	£24,272.70	£649.00	£1,698.73	6%
All Saints	15/11/2017 - 16/09/18	£22,283.59	£697.50	£1,237.62	5%
Aileymill	22/11/2017 - 16/09/18	£19,766.72	£167.03	£2,906.14	13%
Wemyss Bay	29/11/2017 - 16/09/18	£8,371.60	£0.00	£1,857.70	18%
Inverkip	10/01/2018 - 16/09/18	£14,927.85	£0.00	£311.13	2%
Ardgowan	17/01/2018 - 16/09/18	£25,856.19	£188.00	£4,627.00	15%
Gourock	24/01/2018 - 16/09/18	£12,771.80	£0.00	£2,242.85	15%
Moorfoot	31/01/2018 - 16/09/18	£13,766.59	£24.50	£595.30	4%
Lady Alice	07/02/2018 - 16/09/18	£5,367.20	£4.00	£1,392.60	21%
Whinhill	21/02/2018 - 16/09/18	£7,227.25	£20.00	£2,629.05	27%
King's Oak	28/02/2018 - 16/09/18	£7,083.01	£0.00	£3,352.23	32%
St. Patrick's	07/03/2018 - 16/09/18	£4,590.90	£0.00	£1,110.50	19%
St. Andrew's	14/03/2018 - 16/09/18	£8,937.58	£0.00	£1,669.15	16%
St. Joseph's	25/04/2018 - 16/09/18	£1,471.10	£0.00	£793.80	35%
St. Francis'	02/05/2018 - 16/09/18	£3,701.45	£24.00	£804.81	18%
St. John's	09/05/2018 - 16/09/18	£4,011.05	£0.00	£569.51	12%
St. Michael's	16/05/2018 - 16/09/18	£2,845.90	£108.00	£1,600.90	35%
Kilmacolm	23/05/2018 - 16/09/18	£3,523.00	£0.00	£447.40	11%
Total		£440,237.93	£3,144.28	£310,769.39	41%
Primary School Total		£251,700.28	£2,944.28	£34,368.29	12%
Secondary School Total		£188,537.65	£200.00	£276,401.10	59%

OSP Total
 £7,605.09 PGHS
 £4,441.42 STS

58.4%

0.4%

41.2%