ONLINE PAYMENTS FOR SCHOOLS

Report by Depute Chief Executive – People

Executive Committee

24 March 2015

1   PURPOSE AND SUMMARY

1.1   **This report updates the Executive Committee on the key issues of the Online Payment pilot in Schools including the results of the initial evaluation and proposes an implementation plan towards full roll out across all Scottish Borders schools.**

1.2   A pilot of a system to enable online payments in 3 schools in Selkirk began in October 2014. This report details the results of the initial evaluation which has shown that the pilot has been successful and that an implementation of the system across further schools should be commenced. This would take a phased approach, with evaluation at the end of each phase and resolution of any identified issues within each phase and a wider implementation would enable more data to be analysed.

2   RECOMMENDATIONS

2.1   **I recommend that the Executive:**

(a)   Note the progress made by the 3 pilot schools in Selkirk.

(b)   Notes the proposed implementation plan for wider roll out of online payments across other schools.

3   BACKGROUND

3.1   In October 2014 Scottish Borders Council began a 6 month pilot of ParentPay's online payment system in Selkirk High School, Philiphaugh Community School and Knowepark Primary School. This was ahead of the Improvement Service's approval of Parent Pay as the nominated Scotland-wide supplier and was the first pilot of ParentPay's system in Scotland.

3.2   The identified objectives of the pilot were as follows:

- Improve customer experience by allowing parents to order and make payments for all school-related items online
- Reduce cash and cheque handling in schools
- Reduce admin time spent on meals and trips in schools
- Increase catering revenue.

3.3   Although the 6 month pilot does not end until mid-April the success of the pilot has encouraged an early evaluation to be carried out. Interim results identified are:

- 79% sign up at Knowepark Primary School
- 75% of all transactions carried out online in first 3 months
- Positive parental feedback.

3.4   The pilot has raised some issues which have been resolved, including:

- ensuring clear communication between catering and ParentPay
- retaining school's flexibility over their menus to incorporate curricular and seasonal events
- agreeing how to fully engage staff with the process
- balancing the increased demand for administration time against the benefit of a reduced requirement for some teachers to be involved in collecting payments.

3.5   Some lessons learned from the pilot include:

- The most significant success factor has been the engagement of Headteachers and admin staff
- That further options to encourage parents to use the system be considered
- That the different levels of staffing and training requirements within schools need be considered and managed as part of the roll out
- The relationship between behaviour patterns and usage
- That channel shift within secondary schools is likely to take much longer than in Primary Schools
- The requirement to consider £10 top up amounts for low income families.

3.6   A key priority for all phases of the proposed roll out of the online system will be to ensure and improve access for vulnerable parents and carers. To ensure this is achieved, evaluation will be carried out at the end of each implementation phase and improvement actions identified which will be progressed within the next phase of roll out.

3.7 Some of the things that cannot be robustly confirmed from this pilot (mainly due to its size) are:

- the effect on school meal uptake

- the average admin time saving per pupil

- the overall projected transaction cost a full roll out would incur.

Extending the roll out of the system would allow more data to be collected and analysed to determine what the clear benefits of further implementation in further phases would be.

3.8 Some benefits have not yet been as evident as expected for example the use of reval machines (currently used to enable pupils to add cash to their existing payment cards to allow payment for school meals) in Selkirk High School has not decreased as significantly as expected.

3.9 It is important the roll out is as smooth and successful as possible in order to minimise any reputational risk arising from ineffective implementation of the system or poor staff and parental experience/engagement. The success of the pilot is being watched by several other authorities in Scotland as SBC leads the way in rolling out online payments.

4 NEXT STEPS

4.1 Due to the general success of the pilot in Selkirk and the perceived benefits over risk of further roll out, the Online Payments Project recommends commencing the roll out of the system within the 2 large clusters of Peebles and Hawick.

4.2 Parent Pay has also recommended a staged roll out due to the necessity of staff engagement as a critical success factor. They have direct experience of Councils failing to roll out successfully due to Education Authorities forcing the system onto unwilling schools. The experienced school staff in Selkirk will now be deployed as advocates of the systems who will support the establishment of cluster based 'super users' during the roll out stage.

4.3 Appendix 1 sets out the criteria used to evaluate success of the pilot to date and which will be reported back to the Executive Committee to determine overall success as the roll out continues.

4.4 Below is a draft implementation plan for full roll out of the Online Payment system which has been approved by the Project Board. This balances the need to be ambitious whilst ensuring each launch will have sufficient technical, management and supplier support to give it the best chance of success.

- Stage 2 – Launch August 2015 – Hawick Cluster (10 Schools) and Peebles Cluster (10 Schools)

- Stage 3 – Launch January 2016 – Remaining Selkirk Cluster (4 Schools), Jedburgh Cluster (4 Schools) and Kelso Cluster (7 Schools)

- Stage 4 – Launch Easter 2016– Berwickshire Cluster (7 Schools) and Eyemouth Cluster (6 Schools)

- Stage 5 – Launch August 2016 – Galashiels Cluster (12 Schools) and Earlston Cluster (9 Schools).

4.5 It is anticipated that this timeline would make SBC the first council in Scotland with a fully operational ParentPay system across all schools.

5   IMPLICATIONS

5.1   Financial

Robust analysis of both the transaction costs and potential administration savings will continue to be evaluated throughout the roll out of the system. There will be a requirement for Project Management support and this will be considered with other resource requirements by the Children & Young People's Services Business Transformation Programme Board.

5.2   Risk and Mitigations

(a)   Rolling out the Online Payment System would extend the range of methods for processing payments and risks that may be associated with an interruption to the current range would be reduced and this will enhance business continuity planning.

(b)   Parent Pay has been identified as the national Scotland wide supplier for schools online payment systems and a robust business continuity plan and security policy is in place to ensure the system is accessible and secure.

5.3   Equalities

With lessons learnt from the pilot phase, tests of additional methods to improve accessibility in areas of deprivation will be undertaken to ensure that the system is fully inclusive for all parents and carers through access to technology. The introduction of online payments is thought to improve uptake of free school meals through reducing the associated stigma.

5.4   Acting Sustainably

There are no significant impacts on the environment arising from the proposals contained in this report.

5.5   Carbon Management

There are no significant effects on carbon emissions arising from the proposals contained in this report.

5.6   Rural Proofing

As part of the evaluation for the phase roll out of the system, the aim will be to evaluate access to the system across the clusters. Actions will be identified if access is highlighted as an issue in a specific area.

5.7   Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made to either the Scheme of Administration or the Scheme of Delegation as a result of the proposals contained in this report.

6   CONSULTATION

6.1   The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR, and the Clerk to the Council have been consulted and their comments have been incorporated into the final report.

Approved by

Jeanette McDiarmid   Signature ………………………………….
Depute Chief Executive People

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Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Lizzie Readman can also give information on other language translations as well as providing additional copies.

Contact us at Lizzie Readman, Scottish Borders Council, Headquarters, Newtown St Boswells, TD6 0SA.

Appendix 1 – Summary of Evaluation from Pilot in Selkirk

Expected Benefit per the Pilot Business Case	Evaluation of success during the pilot
Primary schools will each save an average of 0.5 per day administration effort per week	Knowepark (c. 256 pupils) have reported a saving of approximately 4 hours per week. There has also been a reduced amount of time in the classroom spent on organising school lunches on a daily basis.
Secondary schools will each save an average of 0.5 day administration effort per week. Teacher time administering Home Economics and Technical payments will also reduce significantly	Selkirk High School is not yet seeing a reduction to their administration time. The October start date influenced parental payment choices but there is confidence that that the channel shift over time will result in time savings. There has been a reported reduction in teacher time spent administering payments for practical subjects but there is not a specific figure available and some of this burden has been passed to the admin team impacting upon their anticipated time savings.
Increased meal uptake due to Universal Free School Meal (UFSM) initiative will be much easier to manage with an online system	Knowepark have confirmed there has been no increase to administration as a result of the implementation of UFSM.
Parents will be given a new and convenient choice of how to pay for all items relating to their children. Exact details of food purchased by children in secondary schools will be visible in near real time. Primary school meal selection and payment will be much faster and more convenient for parents. Free school meal recipients can also order meals online	Parent feedback on the system has been excellent and all the listed anticipated benefits are available. A full feedback survey for staff and parents is being prepared to be carried out as the pilot approaches it final stages. This will help identify why some of the expected benefits have not yet emerged.
The volume of cash within schools will fall dramatically, and the remaining stigma around free school meals in secondary schools will be alleviated	£16,000 of money has been processed online in the first 3 months of the pilot which equates to 77% of all cash administered by the schools. (this excludes Reval machines in Secondary)
A net increase of Catering income of at least 10% is anticipated	There has been no obvious impact on catering income during the pilot. Due to the delayed start date of the pilot, the introduction of UFSM (P1-3) from January and the relatively short time the pilot has been operational there is a lack of robust baseline data against which to analyse which has made it difficult to fully understand the impact on catering income during this initial roll out phase.