

CYNGOR SIR POWYS COUNTY COUNCIL.

**CABINET EXECUTIVE
28th November 2018**

REPORT AUTHOR: County Councillor Phyl Davies
Portfolio Holders for Highways, Recycling and Assets

SUBJECT: Schools Cashless Project – Closing Report

REPORT FOR: Information

1. Summary

This report acknowledges the closure of the schools cashless project.

The council has introduced cashless payments systems into all its 96 Primary, Secondary and Special Schools, which includes payments for school meals and other parental payments such as trips, music lessons, exam fees, and breakfast and after schools clubs.

Links to Vision 2025 – Transforming the way we work is important to the Council and this project is an example of process improvements to deliver better outcomes and this ethos is very much at the heart of Vision 2025

The cashless roll out is now complete in Powys and we are the only County in Wales to have rolled out an electronic payment system to all our schools for school meals and other payment items. We have been recognised by Welsh Government for achieving this.

The cashless project is an example of cross departmental working throughout a number of services across boundaries to deliver a successful outcome. This project has been delivered under budget and within the set timescale.

2. Proposal

2.1 Background and System

The project was commissioned in November 2014 and a Project Manager was appointed to oversee the introduction of the new system. The following are some key milestones that have been achieved throughout the project:

Milestone	Narrative	Date
Business Case produced	Approved by Chief Executives Management Team	August 2014
Project Sponsor identified	Project Sponsor (Mark Evans) in place	October 2014
Project Manager seconded	Project Manager (Nicola Williams) in place	November 2014
Project Board established	Cross Service Senior Officers / Stakeholders identified and appointed to the Project Board	October 2014
Funding for project approved	Capital funding of £952k approved by Cabinet and Full Council.	January / February 2015
Potential Procurement Framework identified by Commercial Services	Project Manager and Board to work with Commercial Services throughout Procurement Process.	June 2015
Research carried out, information gathered and site visits undertaken.	Other local authorities in England and Wales who have successfully implemented a cashless system throughout their schools have been consulted with and visited by Project Sponsor, Project Manager and members of the Project Board.	November 2014
The Technical Specification and Scoping document has been completed.	Signed off by Project Sponsor	21 st August 2015
Tender Documentation completed published and evaluated	Project Team working with Commercial Services	August 2016 – November 2016
Tender Awarded	Suppliers are NRS and ParentPay	30 th November
Inception Meeting with Supplier		12 th December 2016
Contract	The four year contract was drawn up and signed by PCC & NRS	March 2016
Pilot	Pilot undertaken in Crickhowell Catchment Area	March 2016 – May 2016
Secondary School implementation	Project Board decided to implementation in the Secondary Schools first.	July 2016 – March 2017
Catering Manager appointed to support the Project Manager with implementation plan		September 2016
Primary and Special School implementation		March 2017 – March 2018
Last Primary School to go live	Clyro Church in Wales School (new build)	June 2018

The system procured encompasses an electronic online payment method. In the primary schools the pupils pre-order their school meals in the classroom on an interactive whiteboard and are then go through the till lunchtime where the operator recognises the pupil by name and photograph and enters what the pupil is purchasing, this is then deducted from the pupils school meals account balance.

All secondary schools operate a biometric system where the pupil places their thumb on a reader at the point of sale. The items purchased are then entered into the till by the operator and the corresponding amount is deducted from the pupils' account.

All schools are able to use the system for other payment items including trips, music lesson, exam fees etc. Payment for these items is also done electronically via the online ParentPay system.

2.2 Objectives

The objectives of the project were:

- Increased uptake of school meals
- Increased uptake of free school meals
- Reduced potential for fraud
- Reduced staff costs
- Provide a more convenient and efficient service for pupils, parents and schools

2.3 Budget / Savings

Capital funding was secured for the introduction of the cashless system, this was £959K. The total spend incurred was approximately £626k resulting in an underspend of around £333K

The revenue budget for the annual running cost of the system is £143k, which includes annual maintenance and support, licences and transaction (bank) charges. For every payment made to ParentPay the sum of 1.27% is charged. This is paid centrally for school meal payments and the respective school picks up the cost for all other payments.

Due to the introduction of the cashless system there is no longer the need to have Cashier posts in the Primary Schools. Therefore as each school went live on the system the Cashier post was made redundant. This generated efficiency savings of £175k.

2.4 Benefits

These are some of the benefits that the cashless system has introduced:

- Increased uptake of paid and free School Meals
- Anonymity for FSM pupils
- Service Improvements – Reduced queuing time, parents able to see what pupil has purchased
- Reduced risks as money held in school has reduced
- A more convenient method of payment for parents / carers
- Schools using the system for other payment items
- Improved information and data for the Council's catering service
- Improved hygiene as catering staff are no longer handling money

2.5 Debt

As at the end of the Summer Term – July 2018 the total amount of debt that has accumulated on the system amounts to £58k which mainly relates to Primary Schools.

From January 2018 following consultation with Portfolio Holders a 'zero' tolerance was introduced in Secondary schools. This means that pupils are not able to make purchases unless there is credit on their accounts. This implementation of this has resulted in a significant reduction in debt in Secondary schools.

The Council still operates the policy that we will not refuse a pupil a meal in a Primary school. Therefore this has contributed to the level of debt that has accrued on the system.

At the last meeting of the Project Board it was decided that a separate group would be formed to address the debt. This will include representation from Finance, Catering, Schools and Income and Awards.

This group has now met and an action plan was put into place to attempt to recover as much of the debt as possible over the summer months.

Whilst the task undertaken during the summer holidays had a positive impact reducing debt to £42k this has now increased since the start of the new term in September to £56k

A recent meeting has taken place with the Portfolio Holders to discuss a way forward with the debt relating to schools in the primary sector.

At this meeting it was decided that with effect from 7th January 2019 Powys County Council will adopt a strict no-debt policy in relation to the payment and provision of school meals for all schools. This is to ensure that, other than where there is an entitlement to free school meals, parents or carers pay for children's meals.

A new School Meal debt policy has been drafted to reflect the change and this will be presented to Schools Service Management Team and Primary and Secondary Heads together with the Schools Forum.

2.6 Communications and Support

The project from its infancy has been supported by a very robust communications strategy which has resulted in some very positive internal and external media coverage.

The project has been fully supported by Members including Cabinet and Portfolio Holders and Executive Management Team. Successful launches at the appropriate juncture of the project have taken place at Crickhowell High School following the pilot and Newtown and John Beddoes Schools.

A completion event took place on the 15th June 2018 in Clyro School which was a celebration of the last of the Council's schools to go 'cashless'. This was attended by the Leader, Portfolio Holders, Project Sponsor and Project Board Members.

In addition Kirsty Williams, Cabinet Secretary for Education has been very supportive of the project since it commenced which has been recognised by her attendance at the launch in Newtown High School (John Beddoes site) and Clyro Primary School. The Education Secretary stated:

"I'm very pleased to see that Powys Council is taking up this new system.

There are many benefits to schools using cashless payment systems. As well as protecting the identity of learners who receive free school meals – something that schools are required to do – these systems also speed at time at the till and make it much easier for payments to be made for a variety of activities"

Implementation of the project has resulted in improvements in relationships between schools and the Council and this has been evidenced when speaking with the schools and Head teachers.

2.7 Project Board

The last meeting of the Schools Cashless Project Board took place on 20th June 2018 where the project was signed off as being complete, subject to the following actions being undertaken:

- A sub group consisting of Finance, Schools, Catering, Business Support and Income & Awards will be set up to monitor and address the ongoing debt on the system.
- Work is undertaken to explore further functionality of the cashless system within schools and corporately.

2.8 Further Usage of the System

In order to ensure that the Council is fully reaping the benefits of the investment made with the introduction of the Cashless system it is proposed that during September and October 2018 further training sessions are undertaken in the North, Mid and South of the County. This will provide users with further support to develop their knowledge and skills to ensure that schools are using the system for all payment items and not just school meals and this will help towards making the council schools totally 'cashless'.

Work has commenced on exploring other opportunities for use of the system. This includes pupil attendance (registration), premises / door access, printing, vending and stock control.

Once all the appropriate information has been gathered together with the associated costs a decision will be made as to if the Council is going to 'widen' the use of the cashless system.

3. Options Considered / Available

N/A

4. Preferred Choice and Reasons

N/A

5. Impact Assessment

5.1 Is an impact assessment required? No

6. Corporate Improvement Plan

Making it Happen is the overarching programme of Vision 2025: Our Corporate Improvement Plan 2018-23

Within this programme the plan includes a commitment to '**Changing how we work** - Making best use of what we have and working in new, innovative ways to deliver our priorities for the benefit of the county's residents and communities.' The Schools Cashless project demonstrates an example of 'Changing how we work'

7. Local Member(s)

N/A

8. Other Front Line Services

Does the recommendation impact on other services run by the Council or on behalf of the Council? No

9. Communications

Have Communications seen a copy of this report? No

10. Support Services (Legal, Finance, Corporate Property, HR, ICT, Business Services)

Legal: The report is noted.

Finance: The Schools Finance Manager notes the comments of the report but has concerns over the level of debt. The policy for collecting the debt needs to have a clear process of ensuring the debt does not continue.

11. Scrutiny

Has this report been scrutinised? No

12. Data Protection

The Data Protection Officer has reviewed the Data Processing Agreement between the Data Controller and the Data Processor

13. Statutory Officers

The Solicitor to the Council (Monitoring Officer) commented as follows:
“The report is noted”

The Head of Financial Services (Deputy Section 151 Officer) welcomes the introduction of Schools cashless system but also raises concern over the level of debt that has arisen. A clear policy and process for managing and collecting debt must be implemented to reduce and limit the level of debt.

14. Members' Interests

The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If Members have an interest they should declare it at the start of the meeting and complete the relevant notification form.

Recommendation:	Reason for Recommendation:
For Cabinet members to note the content of this report.	To acknowledge the closure of the Schools Cashless Project

Relevant Policy (ies):	N/A		
Within Policy:	Y / N	Within Budget:	Y

Relevant Local Member(s):	
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Person(s) To Implement Decision:	Nicola Williams
Date By When Decision To Be Implemented:	End of November 2018

Is a review of the impact of the decision required?	N
If yes, date of review	
Person responsible for the review	
Date review to be presented to Portfolio Holder/ Cabinet for information or further action	

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