

---

**To:** The Finance, Resources and Customer Services Policy Board

**On:** 28 March 2018

---

**Report by:** Chief Executive and the Director of Finance and Resources

---

**Heading:** Contract Authorisation Report - Online School Payment and Cashless Catering (tender reference RC/RC/252/17)

---

## **1. Summary**

- 1.1 The purpose of this report is to request that the Finance, Resources and Customer Services Policy Board authorise the Head of Corporate Governance to award a contract for Online School Payment and Cashless Catering to ParentPay Limited.
  - 1.2 This procurement exercise has been conducted in accordance with the above EU Threshold Open Procedure for Services and the Council Standing Orders Relating to Contracts.
  - 1.3 A contract strategy was approved by Head of Policy and Commissioning, Head of Customer and Business Services and Head of Facilities Management on the 14 December 2017.
- 

## **2. Recommendations**

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board authorise the Head of Corporate Governance to award the contract for Online School Payment and Cashless Catering to ParentPay Limited.
- 2.2 The initial contract period is 4 years; the anticipated contract commencement date will be the 26<sup>th</sup> April 2018, with the contract ending on the 25<sup>th</sup> April 2022, with the sole

option of the Council to extend on two separate occasions for up to a period of 12 month.

- 2.3 The contract value for 4 years will be £499,302 excluding VAT. If the extension periods are utilised, the value per extension period will be £82,441 excluding VAT. Total Contract value for the 6 years will be £664,184 excluding VAT.
- 

### **3. Background**

- 3.1 As part of phase three of the Better Council Change programme, one of the aims is to make better use of processes and technology. This will ensure better digital access for our customers and develop new ways of delivering services. Taking these elements into consideration, the Council sought to purchase a new System to provide an integrated online school payment, school fund management and cashless catering solution for Renfrewshire Council's school estates. Introducing this System is seen as a key factor in supporting the overall digital transformational change that the Council is seeking to achieve. In addition, aligning it to the design principles from the ICT Strategy and better use of technology aims of the Better Council Change Programme, the core system will be delivered as Software as a Service, with no infrastructure components required to be managed by the Council.
- 3.2 One of the main goals of this procurement was to eliminate, where possible, all cash processing in pre 5/primary establishments and significantly reduce cash processing in secondary schools. Schools typically receive in excess of £3.4m per annum via 1.14m transactions, of which £1.4m relates to catering income. School trips account for around £900k of that figure with the other amounts relating to uniform sales, in-school activities and school fund monies. Due to the more complex nature of the catering service in our secondary schools, the cashless catering element of the solution will require to support cash processing with the aim to gradually move to a fully cashless model over time. The cashless catering model at primary level is much simpler than at secondary level. The Council anticipate that the System will be implemented in the school estate via a phased approach.
- 3.3 A contract notice was dispatched to the Public Contract Scotland advertising portal and the Official Journal of the European Union (OJEU) on 21 December 2017 and was published on OJEU on 23 December 2017 with the tender documentation available for downloading from the Public Contract Scotland – Tender portal. During the tendering period twenty one (21) companies expressed an interest in the tender. By the closing date set (12 noon, 2 February 2018) for return of electronic tender submissions, four (4) tenderers submitted a tender response.
- 3.4 All four (4) tenderer submissions were evaluated against a set of pre-determined criteria in the form of a European Single Procurement Document (ESPD) and compliance with the terms and conditions published with the ITT.
- 3.5 All four (4) tenderers were compliant with the European Single Procurement Document (ESPD) requirements and their tender submission were then evaluated against a set of Award Criteria which was based on a quality / price ratio of

70%/30%, however, one (1) of the tenderers failed to comply with the specification requirements and their tender submission was not evaluated.

3.6 The scores relative to the award criteria of each tenderer are as follows:

| <b>Supplier Name</b>               | <b>Quality Score (70%)</b> | <b>Price Score (30%)</b> | <b>Total Score (100%)</b> |
|------------------------------------|----------------------------|--------------------------|---------------------------|
| ParentPay Limited                  | 52.10%                     | 26.71%                   | 78.81%                    |
| Cash Registers (Buccleuch) Limited | 45.70%                     | 30.00%                   | 75.70%                    |
| Nationwide Retail Systems Ltd      | 50.10%                     | 22.50%                   | 72.60%                    |

3.7 The evaluation of tender submissions received identified that the submission by ParentPay Limited was the most economically advantageous tender.

3.8 Community Benefits were requested as part of the procurement process and ParentPay Limited advised within their tender submission that the following Community Benefits would be made available to the Council during the Contract:

| <b>Employment Benefits</b>                    |   |   |
|---|---|---|
| New Entrant                                   | Duration of employment must be a minimum of 12 weeks.<br>No relevant experience prior to employment is required.                                    | 1 |
| Apprenticeship                                | New start, progression or completion to be defined per contract.  | 1 |
| <b>Skills and Training</b>                    |   |   |
| School Visits                                 | This can be visits to schools or providing site visits for students to attend.<br>Engagement with a minimum of x number of students is required.    | 1 |
| S/NVQ (or equivalent) for new entrants        | New start, progression or completion to be defined per contract   | 1 |
| <b>Supply Chain Development</b>               |   |   |
| Meet the buyer events                         | Must attend and provide support to new suppliers  | 1 |
| <b>Community Engagement</b>                   |   |   |
| Non financial support for a Community Project | May include volunteering for a minimum of 3 days.<br>Guidance of community projects within Renfrewshire can be provided to the successful tenderer. | 1 |

## **Implications of the Report**

### **1. Financial**

The financial status of ParentPay Limited was assessed and confirmed that the ParentPay Limited satisfied the Council's requirements in relation to financial stability.

The value stated in 2.3, will be split between one off costs of £169,535 and recurring costs £494,649

### **2. HR & Organisational Development**

No TUPE implications have arisen or are anticipated.

### **3. Community / Council Planning**

Working together to improve outcomes by installing better digital access for our customers and develop new ways of delivering services.

The community benefits submitted under this contract are listed within section 3.8 of this report.

### **4. Legal**

The procurement of this Contract was conducted in accordance with the Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders relating to Contracts for an above EU threshold Services Contract.

### **5. Property Assets**

Any hardware that is currently in the schools for cashless catering is owned by the Council, the hardware will be removed or replaced. It is envisaged that there will be little impact to the school estate as the system is phased in.

### **6. Information Technology**

The implementation of an online school payment and cashless catering service is aligned with the strategic direction of ICT and the Council's Digital Strategy.

### **7. Equality and Human Rights**

- (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed

and monitored, and the results of the assessment will be published on the Council's website.

**8. Health & Safety**

ParentPay Limited health and safety credentials were evaluated by Corporate Health and Safety and met the Council's minimum requirements regarding health and safety.

**9. Procurement**

The procurement of this Contract was conducted in accordance with the Open procedure for an above EU threshold Services Contract under the Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders relating to Contracts.

**10. Risk**

ParentPay Limited insurances have been assessed and evaluated to confirm that they have met the minimum requirements regarding insurable risk.

**11. Privacy Impact**

Following initial discussion with the Council's Information Governance team, a Data Processor Agreement (DPA) was agreed and will be formalised with ParentPay Limited.

**12. Cosla Policy Position**

No Cosla Policy Position implications have arisen or are anticipated.

---

**List of background papers**

(a) None

---

**Author:** Craig Laughlan, Strategic Commercial Category Manager,  
Craig.laughlan@renfrewshire.gov.uk, Tel: 0141 618 7047