Paying for it
A guide to stress-free online payments for schools
Online payment systems have been hailed as a better way for schools to manage payments from parents. Promising to increase efficiency, improve productivity and reduce workload, online systems have been helping schools collect payments for trips, uniform and catering. Cash in schools is now a thing of the past.

But are some schools being short-changed by their payment systems?

Concerns about the lack of flexibility in payment methods, flaws in technical set-up and restricted options for communicating with parents have led schools to question whether their current online payment system is the best fit for their needs.

In this guide, we examine the key questions surrounding school payments, and talk to schools about their experiences with online systems.

We also explore ways for schools to identify the right features for an online payment system that will suit their needs. At the same time, we will be investigating how schools can fully realise the efficiency savings payment systems promise to deliver.
Introduction

The benefits of going cashless have long been recognised, and most schools are keen to accelerate the reduction of cash and cheque payments from parents. However, the journey to cashless has, for some schools, been a bumpy ride.

While online payments have cut down on the time and resources needed to process cheque and cash payments, some schools are not yet gaining the whole array of benefits from their payment systems.

Managing payments is still having a heavy impact on schools’ workload. Administration staff have made efficiency gains by removing the need to pay cash into the school bank account. However, they are still fielding calls from parents asking why they can’t access the system, how they can select the right size PE shirt to buy, and when the money for the geography trip is due.

Some schools don’t have enough flexibility in their system to enable parents to pay in the way that suits them best. Other obstacles to adoption are parents’ perceptions of their school’s payment system as unreliable, complex and not sufficiently user-friendly.

This guide looks at some of the issues surrounding online payments and recommends ways schools can identify a system to fulfil the needs of finance teams, parents and pupils, while saving time.

“Having a system with the ability to communicate to parents via a payment app, and create reports at the touch of a button makes our lives much easier.”

Joanne Paskin, finance officer, Wolverley School
Collecting payments from parents can present a range of challenges. Identifying a system to make life easier for parents is a major part of the solution.

If parents are happy with their school’s payment system, they will use it. But if they aren’t only a handful will use it, which wipes out all the benefits of having a system in place.

Encouraging adoption involves understanding parents’ needs when it comes to making payments, and importantly, having a system which meets those needs. To scope out the right payment system to buy, schools should be taking account of their parents’ questions and views.

So what are parents saying?

“The system has crashed…“

It’s early September and the start of the new school year. Parents are logging on to their school’s payment system to top up their child’s dinner money and suddenly the system has gone down.

On an already busy morning, the school office is dealing with parents calling in to ask when the system will be back up and running, while children are having to bring in cash to use in the canteen. It’s a scenario any school would seek to avoid.

Reliability is at the heart of a good online payment system. Busy parents need to know they can pay for items when they need to, and schools need to know they have collected the funds for the products and services they sell.

No school wants the pain of reverting back to cash and cheque manual entries after going cashless, so reliability should be at the top of the agenda when schools select a payment system.

“What payment methods can I use?”

When it comes to paying for goods and services, customers’ payment preferences vary, and it’s the same for parents.

More and more parents prefer to make school payments using trusted third party providers such as PayPal, which securely links an individual’s bank, credit and debit card details to an account without the need to manually enter any financial information.

Many parents are familiar with PayPal and use it regularly for their online shopping. So using it as a payment method for all their school purchases makes life easier for parents; a factor which helps to boost adoption.

Schools should check their new system is inclusive in the range of payment options it offers.

“European consumers are 54% more willing to buy when a business accepts PayPal.”

Online Payment Experiences of Merchants, Ipsos.
“It’s all on my phone.”

“30 million British consumers will use their phone to shop in 2019, and more consumers buy from a smart device than from a shopping centre.”

uSwitch.com.

Some online payment systems for schools are still geared to the computer screen, and parents wanting to pay for their child’s school trip must first fire up their desktop or laptop, and log into the system.

In a world increasingly turning to mobile apps for everything from banking to fitness programmes, providing a system which is not designed to be mobile friendly is counter-intuitive.

The time is ripe for schools to follow retailers’ lead and make it easy to pay for products and services with a smartphone.

“Parents generally like using our school’s payment app,” says Joanne Paskin, finance officer at Wolverley School. “It’s easy for parents to use, and they are used to running many aspects of their lives through their apps.”

An app can make parents more self-reliant in terms of their payments too, reducing the burden on schools and providing additional visibility of parents’ payment status.

Encouraging parents to use an app can be straightforward. “Our system enables us to pull together a list of all the parents who could be using the app, but aren’t,” says Sophie Steele, finance manager at South Hunsley School and Sixth Form College. “We can then contact this group of parents and tell them about the app, and give them instructions on how to use it.”

When schools select a system with a dedicated payments app, they are making life easier for parents. And by making life easier for parents, schools are ultimately making life easier for themselves, by ensuring payments are made, reducing the need to chase payments and avoiding slipping into debt.

“What is the payment for?”

Having an effective communication tool linked to parental payments can help schools provide additional information about purchases, new items or school activities in general.

Sending parents a link to information about a trip they are paying for, the itinerary details and a consent form for the day, via their payment app, is an efficient way to get the complete message across.

Sophie Steele sees the advantages of a payment system which is linked to a school communication tool. “It’s easy for us to send messages out to parents about their items or services they are buying through the same system they use to make their payments.”

If schools want to provide parents with a central hub for all the details they need about their payments, they should consider purchasing a system that links to their parental communication solution.
“Time to top up the dinner money.”

In their quest to phase out the use of cash in school, many schools use a cashless catering system. By allowing pupils and staff to identify themselves using biometric data such as fingerprints, or a smartcard system, cashless catering brings multiple benefits. Lunchtime queues are shorter, the cost of handling cash disappears and pupils don’t run the risks of carrying money around.

But for the system to succeed, it has to be easy for parents to pay for their child’s meal.

Schools find they are able to set up and operate efficient meal payments when their payments system integrates smoothly with their cashless catering solution.

“Parents can log on and top up the dinner money instantly,” says Ben Jarvis, finance manager at Carlton le Willows Academy. “Our system allow us to set up an automated message to parents letting them know when their balance is low. It’s a reminder for them to top up, as it could otherwise be easily forgotten.” Some systems enable parents to view the meal choices their child has made. This can be a particularly useful feature for secondary schools, where there tends to be a wide range of food on offer.

For primary schools, the option for parents to pre-select meals and pay for them in advance is a useful function as it helps parents to budget and places them in control of their child’s nutrition at school.

To benefit from these features, schools should check whether their new system integrates with their cashless catering.

“How much do we owe for the trip?”

A residential school trip is a major outlay for any household, so having the option to pay by instalments can make the difference between a child being able to attend or having to stay behind.

Some systems allow parents to make staged payments over the school year, but it’s important to manage these payments carefully to avoid the risk of arrears.

Sophie Steele explains how her system works. “We can set up different options according to the trip a parent is paying for. With the instalments, you can put a fixed price on the account, or allow it to show a reducing balance so parents see how much is left to pay.

“When the instalments are set up, say £50 a month, you can set up a payment reminder to go out a week, or a few days before each payment is due. Then you don’t have to spend time phoning parents to chase them.”

Offering this level of flexibility in online payments makes purchases affordable. There is also an additional benefit: it helps schools break down the barriers to families signing their children up to additional educational activities.

And schools have visibility of how much parents have paid, how much they still owe and when those payments are likely to be made, as Ben Jarvis explains. “It’s easy to check which families have paid for a trip and which families still need to pay. You can export this information and send it to the teacher who is running the trip.”

When selecting a system, it is a good idea to check the reporting functions and make sure they provide the flexibility to manage staged payments.
“What do I need to pay for?”

Most schools have a wide range of items and activities available for parents to buy. But no parent wants to scroll through a list of items that are not relevant to their child, in order to find the ones that are.

Building flexibility into the system can enable a parent to see their child needs school football socks, a calculator for maths and a place on the trip to the Science Museum.

“We can either select a year group, a form, or go in and select individual pupils, which is really good,” says Sophie Steele. “If you have a netball group, for example, you can add this and the parents of the group know they have to pay for their child’s kit.”

Rachel Langford, finance officer at Wolverley School, finds the way her system allows her to add options is really useful in helping parents select what to buy. “Having multiple options against one item is really helpful. If we are selling uniform, we can put a range of sizes and styles with an option to choose.

“Also, if the parent wants their child’s name on the item, they can tell us through the app. Previously this was all done on paper so completing the request this way saves time and is more accurate.”

A useful feature in some systems is the ability to set up items requiring a ticket allocation to limit quantities of tickets so schools can plan their venue, seating and catering. And equally, the facility to advance book a child’s breakfast club slot, or their after-school art sessions could be valuable in helping parents plan ahead.

Setting up options takes the hassle out of school purchases for parents, and means schools are able to provide the exact item the pupil requires.

“With innovative technology it’s very simple for schools to switch to a new payment system.”

“Schools need a system that enables parents to sign up easily, so they can get up and running. Using parents’ email addresses as their user name, with the option to set up their own passwords speeds up the process and encourages early take-up.

For new cohorts joining the school at the start of the year, a system which automates the process of adding new pupils can be a crucial time-saver during one of the schools busiest times. It also helps to avoid errors slipping in when new pupils are added manually.

“Before our new Year 7’s join the school, parents can set up an account for their child so they can make sure their dinner money is ready to use on the first day,” explains Ben Jarvis.

Schools should explore whether the system they select can integrate with the school management information system (MIS), and manage parent sign-ups online making it more straightforward to add new pupils.

“Our school’s got a new payment system.”

Switching to a new payment system may appear a rather daunting task which many schools might seek to avoid. However, with innovative technology, it’s actually very simple, and well worth doing if the school stands to benefit from a superior system as a result.

Having decided to move from an existing system to a new one, the last thing schools want to do is worry parents. A smooth and seamless migration is key to avoiding disruption for staff, parents and pupils alike.

However, schools need not be deterred by the prospect of switching systems if their new one makes it easy for them to transfer balances, re-create payment items and get parents up and running quickly.

Some systems automate the process of registering parents from one school system to another, so that printed registration letters, passwords and usernames needn’t be a headache during the switchover.
Conclusion

As they take the next step in the journey to cashless, the time has come for schools to re-examine the benefits of their current system. Schools would be wise to explore making changes to their existing set up or moving to a new solution which provides the breadth of service schools need today.

These days, most schools offer a wide range of equipment, activities and catering options which vary from one year group, class or pupil group to another. So enabling parents to select and pay for what their child needs is critical.

But when parents can pay for trips in instalments, monitor their child's school meals and select uniform items or activities without spending too much time doing it, they will be more likely to adopt a school's payment system.

If the technology is reliable and integrates with other systems in the school, then the school benefits fully. Schools will be saving time on routine finance tasks and processes, enabling them to overcome the key challenges of managing school payments.

With the right payment system, schools will enable their finance teams to work more efficiently, parents to pay more easily, and pupils to benefit from the products and services they need for their lives at school.
A checklist for schools

10 points to consider when choosing an online payment system

✓ Ensure reliability is on your priority list when selecting a parent engagement solution. A supplier should be able to provide evidence of system accessibility for schools to consider when making their choice. And it's worth looking at social media too, to see which systems parents are happy using, and which they are not.

✓ Check your online payment system offers parents a wide range of payment methods. Having a convenient payment method will encourage parents to use the system.

✓ Ask your chosen supplier about reporting tools. Is it easy to look up accounts, balances and payments so you can keep arrears in check?

✓ Make your payment system is mobile friendly. Many parents use apps widely in their daily lives, so look into systems which can provide a versatile payment app.

✓ Choose a payment system that integrates with your cashless catering. Make sure it can alert parents when their account is getting low and it's time to top it up. Also, being able to see their child's dinner choices, or pay in advance for specific items is a clear benefit to parents.

✓ Look into a system with options for payment instalments. This will make it easier for you to manage payments for expensive items such as trips, and parents can budget knowing how much they owe and when payments are due.

✓ Investigate possibilities for setting up year groups, classes and other pupil groups in a system. You can communicate with groups about specific payments and make it easier for parents to see what they need to buy.

✓ Increase accuracy of ordering by having a system which offers multiple options against an item – sizes of uniform for example.

✓ An integration solution with an MIS will enable you to easily upload all your new pupils onto the system at the start of the school year.

✓ Ensure your new solution can be easily migrated from previous versions so you can transfer balances and re-create ongoing payment items from one service to another.