
To: Leadership Board

On: 4th December 2019

Report by: Chief Executive

Heading: Tackling Poverty Programme

1. Summary

- 1.1 At the budget meeting on 2nd March 2018, Council agreed the allocation of £5 million over the next 5 years to support a new Tackling Poverty Programme.
- 1.2 A programme of activity has been developed which sustains key projects which support people on low-incomes, with a focus on low-income families with children.
- 1.3 The report outlines key progress highlights against the priority areas, covering the last 6 months since the report at Leadership Board on 19th June 2019.
- 1.4 Following a motion brought to Council in May 2019, a report has been produced on the issue of chargeable ATMs, and this is attached at Appendix 1.
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2. Recommendations

- 2.1 It is recommended that Board:
- Note progress on the delivery of the Tackling Poverty Programme detailed at section 4 of the report.

- Note the report produced on the issues of Chargeable ATMs following the Council motion in May 2019, detailed at Section 5 and Appendix 1 of this report.

3. Background

- 3.1 On 2 March 2018, Council agreed funding of £5 million over the next 5 years to deliver a tackling poverty programme based on the learning and evaluation of the projects carried out to date and building on the initiatives that have made the most difference in people's lives.
- 3.2 A programme of activity was developed which sustained key projects, supporting people on low incomes, with a focus on low-income families with children.
- 3.3 Progress on the delivery of the Tackling Poverty Programme is reported to Leadership Board on a six-monthly basis.
- 3.4 The report outlines key progress highlights against the priority areas, covering the last 6 months since the last report at Leadership Board on 19th June 2019.

4. Progress

- 4.1 Since the introduction of the Tackling Poverty programme, there have been a significant number of projects and developments undertaken across the Council and its partners to tackle poverty. The initiatives support three key priorities:
- Targeting support to families that need it the most
 - Removing barriers to participation for children and young people
 - Supporting health and wellbeing for young people.
- 4.2 **Targeting support to families that need it most – £0.79 million**
- The three Families First locality teams funded by the Tackling Poverty Programme in Foxbar, Gallowhill and Johnstone continue to offer early years and family support services, including targeted financial advice and parenting support. Over the last six months, these three localities have had 162 referrals and have secured £189k of additional income for families they work with.
 - The Healthier, Wealthier Children service provides targeted advice and support to new and expectant parents on managing changes to finances and supporting them to claim benefits they are entitled to.

During this period, work has been undertaken with Health Visitors, leading to a significant increase in referrals. In the last six months, this project has worked with 313 people and secured £502k of additional income for new and expectant parents.

- Energy Advice continues to be offered to people who need support to reduce their energy bills, manage fuel debt and improve the energy efficiency in their homes. In the last six months advisors have worked with 282 people, achieving £98k of recurring savings and £44k of one-off capital savings.
- Over the last year the Foodbank continued to support clients who needed emergency food due to benefit changes and delays and low income. In the last six months, the Foodbank provided food supplies for 3,319 people and 1,388 children.
- Support to Renfrewshire's Citizens Advice Bureau to provide the Advice Renfrewshire phoneline service continues. This free, confidential and independent service provides a single gateway to a wide range of advice for citizens, including benefits, money and emergency advice. The Advice Renfrewshire website continues to be a useful and well-used resource. In the last six months, there have been 2,035 sessions recorded on the Advice Renfrewshire website. Work is underway to review the Advice Renfrewshire freephone line due to continued low demand.
- Working in partnership with The STAR project the new Community Fridge initiative was launched on 12th March. In the last six months, STAR's initiative has supported 932 individuals and over 1142kg of food has been donated. Work is underway to develop community food provision, and explore opportunities for additional Community Fridge facilities with other third sector organisations.
- Supporting the Council's Digital strategy, work continues to make sure those who are most at risk of being digitally excluded are supported to develop digital skills and get online. Working in partnership with ROAR this initiative specifically targets older adults and people with a disability.

4.3 Removing barriers to participation for children and young people- £0.34 million

Another key way Councils can mitigate the effects of child poverty is to remove the barriers to participation and opportunities that exist for children and young people living in poverty. In addition, we have a number a number of projects which achieve this by removing both the

direct and indirect costs associated with participating in educational, cultural and sports activities.

- Morning clubs continue in 10 schools, providing healthy breakfasts to all pupils universally within participating schools. This project relieves financial pressure on low income families, but most importantly, makes sure that children start the school day ready to learn. Over the last six months, 27,890 free healthy breakfasts have been served to pupils.
- The Cost of the School Day fund continues to operate across all primary and secondary schools in Renfrewshire, directly supporting families in a variety of ways including uniforms, food, transport, extra-curricular activities and curricular expenses. Analysis of the last years spend of the fund shows that £30k was spent on transport costs, £30k on school trips and £24k on school uniforms. Schools and parents have also been involved in training sessions around Cost of the School Day run by Child Poverty Action Group.
- The programme continues to provide Street Stuff activities during the holidays and at weekends, along with the provision of free healthy food to support key activities. In the last six months, there have been 2,903 attendances at Street Stuff and 653 free healthy meals provided. Preparations are now underway to plan for the festive programme.
- The programme continues to support the delivery of the Skoobmobile which introduces children to the benefit of reading and play and supports the Council's ambitions to narrow the literacy attainment gap.

4.4

Supporting health and wellbeing for young people - £0.16 million

In addition to supporting participation, the programme also contains projects which support the health and wellbeing of young people across Renfrewshire, recognising both the importance of supporting youth mental health, but also that health inequalities are strongly socially patterned as well. Youth mental health has been identified by young people as a key issue, and this now features in both the Council Plan and Community Plan as a key priority.

- The peer health project will continue in partnership with Active Communities, working with young people in all secondary schools across Renfrewshire to identify key health priorities in their school and developing young people to lead their own activities to improve health and wellbeing. So far this year, 98 new peer educators have been trained across Renfrewshire schools, who have engaged with

over 2,759 pupils in total on a range of health issues such as mental health, diet, alcohol and drugs. In this period, the focus has been training new teachers for the new school year, and supporting young people through the youth hub over the summer holidays. Work is currently underway to review the contract arrangements for this project, moving the contract from the Health and Social Care Partnership to the Council.

- School counselling is embedded across all 11 secondary schools, and an additional service has been established in Mary Russell. The service offers 1:1 and groupwork support to young people on a range of issues such as anxiety, stress, bereavement and loss, family issues and self-esteem. In the last six months, counsellors have worked with 177 young people. National funding for school counselling services has now been secured, and so work is underway to review school counselling provision.

5. Chargeable ATMs

- 5.1 At the Council meeting in May 2019, the following motion was passed noting "Council is concerned by the increasing numbers of ATM's which charge a fee for withdrawals. These fees can have disproportionate and detrimental impact on people with fixed incomes, for example benefits, pensions and individuals who cannot afford to travel to access a free to use ATM. Council agrees that officers will look into the issue of chargeable ATM's in Renfrewshire and that a report be produced on all available actions/options available to the local authority to increase the numbers of free to use ATM's, within our communities."
- 5.2 A report has been produced which gives more detail on the issue of chargeable ATMs and this report is attached at Appendix 1 to this report.

Implications of the Report

1. **Financial** – The £5 million allocated to the delivery of the Tackling Poverty Programme was agreed in the Council budget agreed on 2nd March 2018.

2. **HR & Organisational Development** – Not applicable
3. **Community/Council Planning** – The programme continues to support the key priorities set out in the Council and Community Plan to tackle inequality and widen opportunity.
4. **Legal** – Not applicable
5. **Property/Assets** – Not applicable
6. **Information Technology** – Not applicable
7. **Equality & Human Rights** – The projects within the programme are likely to have a positive impact on quality and human rights, particularly considering the overrepresentation of equality groups in low income households.
8. **Health & Safety** – Not applicable.
9. **Procurement** – The extension of some projects within the Tackling Poverty Programme may have procurement implications, where for example, contracts are coming to an end and may need to go through procurement processes again.
10. **Risk** – Not applicable
11. **Privacy Impact** - Not applicable
12. **COSLA Policy Position** – Not applicable

List of Background Papers

- (a) Not applicable

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Appendix 1

Leadership Board, December 2019

Report on Fee Charging ATMs in Renfrewshire

1 Top Lines

- 1.1 Two ATMs within Ferguslie Park recently converted from free to charging £0.95 per transaction. This change has led to concern being raised locally and a motion being passed at Council to examine the growth in charging ATMs.
- 1.2 This paper reflects discussions with LINK and explains the role of LINK, the Machine Operators and the retailers with regard to ATMs and outlines LINKs policy with regard to charging ATMs and the limited options for the Council to increase the number of free ATMs in Renfrewshire.

2 Key Points

- 2.1 Whether an ATM charges or not is agreed in the contract between the retailer and the Machine Operator. (not LINK itself, but a LINK member).
- 2.2 Link will not take any action while there is a free ATM within a kilometre of a charging ATM. The particular ATMs which have recently started charging, and which were discussed with LINK all have a free ATM within this distance.
- 2.3 ATMs can revert to free status, but this is a decision between the retailer hosting the machine and the Machine Provider.

3 Background

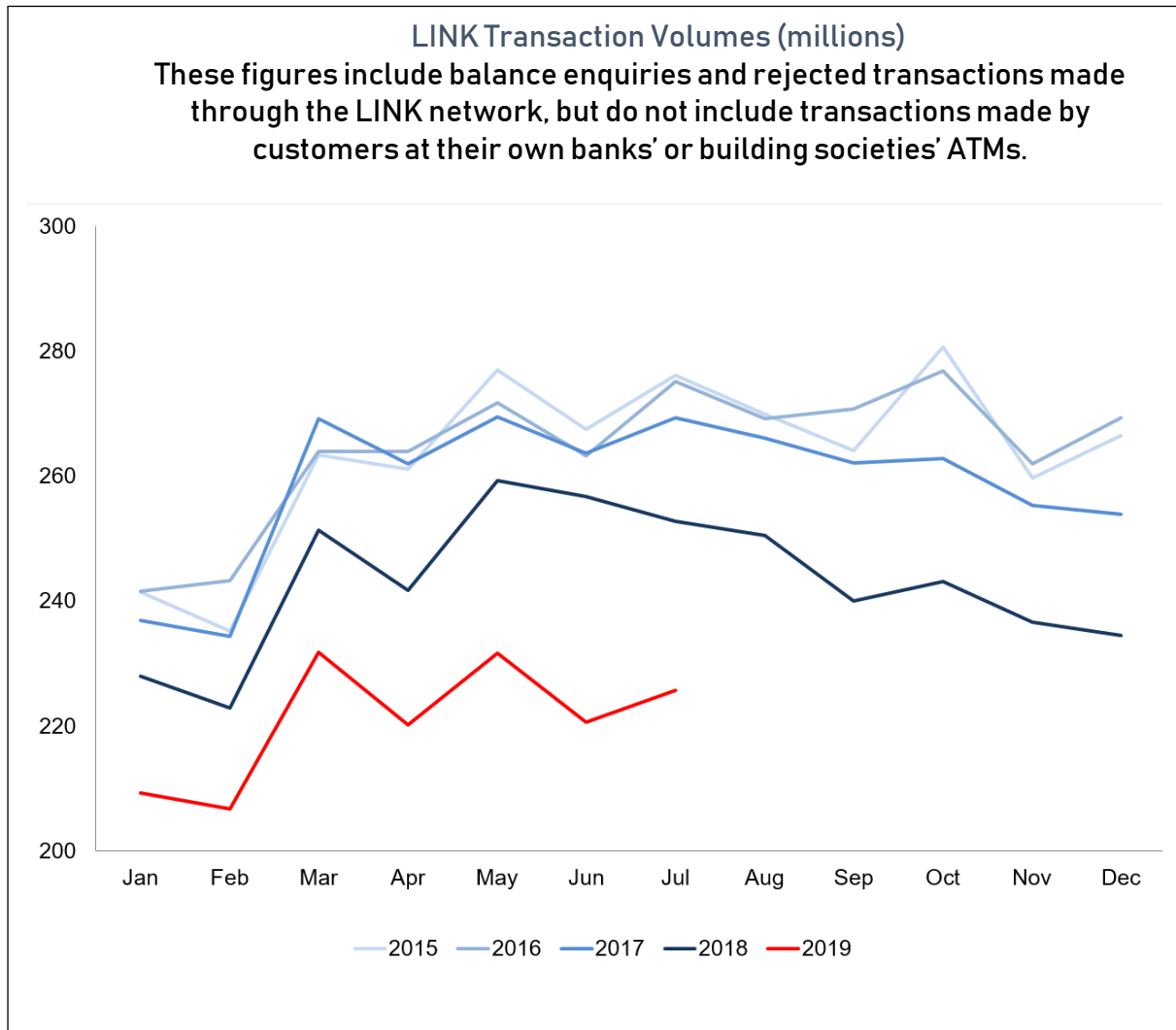
- 3.1 At the May 2019 Council meeting the following motion was passed noting the "Council is concerned by the increasing numbers of ATM's which charge a fee for withdrawals. These fees can have disproportionate and detrimental impact on people with fixed incomes, for example benefits, pensions and individuals who cannot afford to travel to access a free to use ATM. Council agrees that officers will look into the issue of chargeable ATM's in Renfrewshire and that a report be produced on all available actions/options available to the local authority to increase the numbers of free to use ATM's, within our communities."
- 3.2 The prevalence of charging ATMs has been raised with a number of Councillors, including those who represent Ward 4, and an initial meeting took place between Cllr K. MacLaren, Cllr M. Maclaren, Cllr McIntyre, the Bishop of Paisley, Stephen McLellan, CEO of RAMH with Council Officer support. It was agreed at this meeting that Council Officials would look into the matter.
- 3.3 Subsequently a telephone call took place between Cllr K. MacLaren, Cllr S. Burns, the Head of Policy and Commissioning, Laura McIntyre and LINK,

where it was agreed that LINK would look at the ATMs identified by Councillors as recently converting to charging to establish whether there was scope for these to revert to free.

- 3.4 A list of ATMs was provided to LINK. Information about options for retaining free ATMs and/or increasing the number of free ATMs in Renfrewshire was also sought.

4 Reason for increase in charging ATMs

- 4.1 Cash Machine Operators provide the ATMs in retail units/shops. In most cases they make their money by collecting a fee per transaction whenever someone withdraws cash from the ATM called the Interchange Fee. This fee is paid by card issuers (banks and building societies) to ATM Operators and funds the free to use ATM network. Very rarely Operators may also charge a rental fee to the retailer for the machine.
- 4.2 In January 2018 Link announced a phased reduction to the Interchange Fee. The fee was to be reduced from approx. 25p to approx. 20p per cash withdrawal over a four year period. The first two phased reductions, of roughly 1p per transaction each, took place in July 2018 and January 2019. Due to the decrease year-on-year in the volume of ATM transactions, the third reduction has been cancelled and the fourth put on hold. This means that currently Machine Operators receive approx. 23p per transaction. The cessation of the phased reductions is designed to help maintain the free ATM network.
- 4.3 Machine operators argue that they have to make up for the reduction in Interchange Fee per transaction along with the overall reduction in number of fees paid as more consumers switch to alternative payment methods, such as contactless payments. They do this by charging consumers per withdrawal at the ATM. Once the ATM starts charging, the Interchange Fee is no longer payable. Currently consumer use of ATMs is declining at 10% per annum. The chart below shows the declining level of ATM transactions since 2015.



- 4.4 Machine Operators use a range of contracts with retailers. In some cases the retailer earns a fixed monthly amount to host the machine, sometimes they earn an amount per withdrawal which might not be applicable until a threshold number of transactions is reached, sometimes a mix of both and sometimes nothing at all. These contracts can apply whether the machine is free or charges.

5 LINK's role

- 5.1 LINK is the UK's largest cash machine network. Effectively every cash machine in the UK is connected to LINK, and it is through LINK that banks and building societies can offer their customers access to cash across the whole country. All the UK's main debit and ATM card issuers are LINK Members.

- 5.2 Cash Machine Operators, such as Cash Zone which operates the ATMs in Ferguslie Park, join LINK in order to offer cash to the 100 million plus LINK-enabled UK cards in circulation.
- 5.3 Link's role is to coordinate banks and ATM Operators to maintain free cash access. LINK does not itself impose any charges on customers who use cash machines and does not set the level of any fee charged at a machine. This charge is set by the ATM Operators, who, in turn, receive the Interchange Fee per transaction. LINK does, however, provide financial subsidies to operators who operate machines providing free access in the most deprived areas in the UK where there is not another free-to-use ATM within a kilometre.
- 5.4 Link will not disclose whether any machines in Paisley receive a subsidy, as this is commercially sensitive information.
- 5.5 Link's website includes a Financial Inclusion Tool (www.link.co.uk/initiatives/financial-inclusion-tool/), which clearly shows the areas which lie within one kilometre of a free ATM. This displays almost blanket coverage in Paisley, with only areas in Renfrewshire such as Brookfield and Howwood without a free ATM within this distance.
- 5.6 In addition to deprived areas, LINK has committed to maintain the coverage of free ATMs. This means that any ATM which is currently within in any area that doesn't have another machine which is free to use within 1 kilometre will not have its Interchange Fee reduced, so should remain free. The organisation, however, has concerns over the number of free to use ATMs in urban areas. With the number of transactions falling, it recognises that not all of those machines can remain profitable.

6 Local ATMs

- 6.1 The ATMs identified as recently converting to charging from free in Ferguslie, Glenburn and other parts of Paisley have been examined by LINK and it has been confirmed that as there are free ATMs within one kilometre, no action would be taken by them.
- 6.2 In Glasgow Road where there are two ATMs in close proximity, one of the stores that originally converted to fee paying, have now decided to revert to free use. This was through negotiation with the Machine Operator, Note Machine, and did not involve LINK. The other store where an ATM is present is also considering this option and LINK has agreed to provide information directly to the retailer as to how they may be able to do this.
- 6.4 A new free ATM has also been sited at the new Spar store at the new row of shops in Ferguslie Main Road.

7 Options to retain/increase number of free ATMs

- 7.1 Options are very limited for retaining or increasing the number of free ATMs in Renfrewshire. Because the machines are run on a commercial basis, the Machine Operator and business involved will make the decision on whether a machine will be free of charge. The only barrier to an ATM introducing charging is under LINK's Financial Inclusion Programme which ensures free access to cash in deprived areas.
- 7.2 Where there is another free ATM within a kilometre there is little that can be done to revert a charging ATM to free status, even in areas of deprivation. This would be a decision made by the retailer in conjunction with the cash Machine Operator, and the retailer would need to be confident that this would be in his or her best interest. LINK, however, can provide information to the retailer on how to do this if they are interested.
- 7.3 To acquire a new cash machine in any area, the LINK website has a 'suggest a site' function, where anyone can suggest a site for an ATM. This should normally be agreed with the retailer prior to suggestion. LINK shares these suggestions with all of its Members (such as Cash Zone) at the same time who are then invited to perform their own site evaluation. Members will take a commercial approach to these suggestions and LINK does not have any involvement in their decisions. The proximity of other ATMs may affect the Members' resulting actions. If the Council wished to suggest sites, LINK has asked that this should be coordinated where possible, with LINK advised so they can share with Members that there is interest from the Council.

8 Local Assistance for Renfrewshire Residents

- 8.1 It has been suggested that a list of free ATMs is compiled by Council Officers which will be circulated to interested parties, community organisations, advice organisations etc. This will allow them to advise Renfrewshire citizens of their nearest free ATM. A link to the map on the LINK website showing free ATMs will also be added to the Advice Renfrewshire and Council websites.
- 8.2 Link also provides a free consumer app which shows the location of every ATM as well as every Post Office in the country where cash can be accessed for free using any debit card. Details of this app will also be circulated and added to the Council website.

9 Future

- 9.1 The independent Access to Cash Review, commissioned by LINK, brought together consumer representatives and industry experts to examine the future cash needs of consumers across the UK and the final report was published in March 2019. (www.accesstocash.org.uk)
- 9.2 The report, which sets out a series of recommendations designed to keep cash viable as its use declines, was accepted by the Westminster

Government, which has committed to ensure that cash access and acceptance is maintained in the UK. Westminster subsequently announced the establishment of a new Joint Authorities Cash Group. The group, convened in June 2019, will be chaired by the Treasury and will lead the work to ensure a sustainable cash infrastructure in the UK which will meet the needs of users.

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