



Glasgow City Council
City Administration Committee

Item 4

23rd October 2025

Report by Councillor Richard Bell, Depute Leader of the Council, City Treasurer and City Convener for Financial Inclusion

Contact: John Sherry Ext: 78294

TRANSFORMING THE CITY'S FINANCIAL INCLUSION OFFER

Purpose of Report:

To provide Elected Members with details of the proposed redesign of the financial inclusion sector and to seek endorsement of the Council's grant funding model to support its delivery.

Recommendations:

Elected Members are requested to:

- a) Note the process undertaken to redesign the financial inclusion sector, including proposals for Council funding to support the redesign;
- b) Approve the proposed redesign and grant funding model;
- c) Agree the new arrangements (including noting the structure of the new organisation) and instruct officers to proceed to implement these new arrangements, noting that a separate paper will come to committee to approve the funding for this model; and
- d) Agree to delegate decision making responsibility for all necessary arrangements to the Director of Legal and Administration to allow for the transition to the new funding model.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes ☐ No ☐

consulted: Yes ☐ No ☐

1 Purpose of the report

- 1.1 To provide Elected Members with details of the proposed redesign of the financial inclusion sector and to seek endorsement of the Council's grant funding model to support its delivery.

2 Background

- 2.1 Glasgow's financial inclusion model primarily offers crisis support and, over the past 50 years, has significantly helped residents by securing financial gains, managing debt, and reducing the effects of financial hardship.
- 2.2 Over the last two decades, there has been sustained downward pressure on local government finances, exacerbated by external events such as Brexit, the Covid-19 Pandemic, the cost-of-living crisis and international conflicts: this is a fiscal reality which is unlikely to improve as future challenges emerge.
- 2.3 It is therefore vital to proactively reform our financial inclusion service to help deliver the transformational impact required to tackle the levels of poverty that persist within our citizenship and city.
- 2.4 There has been a view across the financial inclusion sector that the current funding model does not allow for the sector-wide reform that could see improvements to service delivery.
- 2.5 At the same time, the Council has been working on how it should change its approach to delivering programmes designed to reduce poverty, focusing on prevention and our No Wrong Door Approach.

3 Collaborative Re-design of the Financial Inclusion Model

- 3.1 Over 18 months, seconded advice sector staff worked with Council officers under the Child Poverty Programme to co-design a new model focused on prevention and early intervention. This involved:
 - Evidence gathering and sector-wide engagement;
 - Monthly GAIN meetings and full-day workshops;
 - Development of a single strategic Lead Partner model to improve coordination, performance, and funding impact;
 - Ongoing political engagement and strategic alignment with the principles of public service reform including early intervention and prevention working towards more sustainable outcomes.

4 Proposed Financial Inclusion Delivery Model

- 4.1 The co-design process has culminated in a suite of proposals for the delivery of redesigned financial inclusion services by the sector and funding support from GCC. This includes:

- Continued GCC funding for a citywide financial inclusion service aligned with strategic goals;
- Expanded sector support to build financial capability and wellbeing, focused on families with children aged 0–5 in Booster Wards;
- Integrated support through the city's No Wrong Door approach, offering whole-person services;
- The formation of a strategic body to act as a single Lead Partner to coordinate delivery, improve performance, and streamline access, enhancing impact and attracting further investment;
- Ongoing innovation driven by delivery insights, led by the single Lead Partner in collaboration with the sector;
- Revised performance measures to reflect preventative outcomes, aligned with the new Community Planning Partnership framework;
- Specialist organisations may receive grant funding under the new model to support their specific client groups;
- Development of a business plan including key milestones.

4.2 The Child Poverty Programme has tested the proposed model's core principles relating to integrated support and prevention through other projects that Financial Inclusion are working on. The positive impact observed in these programmes has built confidence that the model introduces essential structural changes to improve outcomes for citizens.

a) Southside Central Test of Change

A targeted initiative in Southside Central tested the impact of intensive, long-term financial support for families identified through Child Poverty Programme data.

Delivered by a financial inclusion partner, the approach saw 75% of contacted families engage, highlighting the need for support beyond crisis intervention. Challenges were noted in supporting families with English as a second language.

The initiative also demonstrated the value of the No Wrong Door infrastructure, connecting families to broader holistic services. Insights from this work will inform future development of financial inclusion, No Wrong Door, and wider efforts to address systemic barriers through the Child Poverty Programme.

b) Financial Inclusion Support Officers (FISO) Test of Change

Glasgow's FISO service has successfully operated in secondary schools for a number of years, providing targeted financial support to families and consistently securing additional income. Demand for the service remains high.

In 2022, the FISO service expanded into primary schools using additional funding and Council data to target areas of greatest need. This earlier

intervention approach has delivered significant financial gains for families and improved the efficiency of public resource use.

The delivery model was restructured from using five separate providers to a single Lead Partner, allowing for more coordinated delivery, monitoring, and targeted engagement with the funder. This also served as a successful trial of the single Lead Partner approach.

The single Lead Partner approach has proven highly effective, leading to better outcomes, stronger sector collaboration, improved data sharing, and more equitable access to support for citizens.

5 Financial Inclusion Grant Funding Model

- 5.1 Delivering the redesigned financial inclusion model will require a flexible approach that allows for targeted service delivery and the integration of potential new investment resources.
- 5.2 Council colleagues have developed a revised grant funding framework with input from Legal Services, Procurement, and HSCP Commissioning. Building on existing processes and best practice.
- 5.3 Grant funding has been proposed as the best approach to support the redesigned financial inclusion services. It is proposed that a single strategic Lead Partner will submit a formal application for Council funding. If approved, this funding will aim to support the redesign of the financial inclusion sector in a way that aligns with the Council's strategic aims and reflects the specialised nature of activities being carried out by the sector for the benefit of specific client groups.
- 5.4 The grant funding model will be administered on behalf of the Council by the Financial Inclusion & Transformation Team (FITT). The Lead Partner will submit a detailed application that sets out how the partner will deliver the outcomes the Council is seeking. This application will be subject to a structured assessment and scoring to ensure it aligns with the Council's objectives.
- 5.5 If the new approach is approved it is proposed that delegated authority be granted to the Director of Legal and Administration to make all the necessary decisions relating to the transition process in order to facilitate the move to the new funding model. . This approach, if approved, provides elected members with the assurance that existing arrangements that maintain the current FI service provided by the Financial Inclusion Sector shall remain in place for our most vulnerable citizens until the new model is fully implemented.
- 5.6 A separate paper will come to committee to approve the funding for this model.
- 5.7 The Lead Partner is a newly created strategic body that will provide a co-ordinated community-based, independent, financial inclusion service to our

citizens. The body has the full support of the current Council funded financial inclusion sector to act on behalf of its members in negotiations for funding and the outcomes anticipated through the Council's performance framework.

- 5.8 The strategic body will be a registered charity governed by a board of independent Directors, bringing together a broad range of expertise from across a variety of disciplines such as business, academia and lived experience.
- 5.9 Council Officers will continue to support the sector in establishing the new Lead Partner including appointing directors and registering with OSCR.
- 5.10 As part of the application process the Lead Partner will submit a business plan which will detail how it will deliver its objectives, including the funding and performance measures that will apply to each of the bodies it commissions.

6 Governance

- 6.1 Once established, the ongoing oversight of the application of the grant monies will be undertaken by the Operational Funders Group (OFG) which will continue to report directly to the Council's Financial Inclusion Steering Group. The OFG Group will receive formal updates from the Lead Partner on service performance and outcomes and in turn will provide both the Steering Group and Political Oversight Group with regular updates. Annex A sets out the terms of reference for the OFG.
- 6.2 The Funding Agreement between the Council and the Lead Partner will include conditions that enable the Council to ensure funding is applied for the specific purposes for which it was awarded. In the event of any deviation from the agreed business plan the Council will retain the right to withdraw grant funding.
- 6.3 The Council will also include grant conditions that will ensure that the Council receives board papers and will have the right to attend relevant meetings as an observer. In addition, as a condition of grant funding, the Council must be satisfied with the terms of the Lead Partner's articles of association.

7 Measuring success

- 7.1 Traditionally financial inclusion services have been measured by short-term outputs such as financial gains and debts managed. The framework that guides this is recognised at both a local authority and Scottish Government level as the Common Advice Performance Management and Reporting Framework (CAPMRF). It will be important operationally to continue to capture key immediate output measures as part of a suite of performance measures. The financial inclusion sector is therefore currently shaping a shared case management system to facilitate this.
- 7.2 Whilst this will demonstrate the immediate impact of the service provided, if taken in isolation it will continue to drive a focus on discrete interventions at a

point in time, usually crisis. The revised model will focus increasingly on delivering early intervention and preventative activity that will require a shift in approach to measuring success. This will take cognisance of the longer-term investment of time and human resources to ensure sustainable behavioral change to secure financial health.

- 7.3 The Operational Funders Group, along with the single Lead Partner, will agree to a suite of measures to better capture impact. This will be developed with cognisance to the evolving performance framework for Glasgow's Local Outcome Improvement Plan (Community Plan). The Community Plan's Framework has proposed six core outcomes to measure impact in relation to family poverty and a set of measures that can be used to demonstrate progress towards achieving these. This is currently in its first engagement phase providing early opportunities to ensure synergies and influence.

8 Policy and resource implications

Resource Implications:

Financial:

The 2025/26 funding will be within the envelope of the agreed Council Budget, together with any additional funds allocated from the Family Wellbeing budget.

Legal:

If approved, the Director of Legal and Administration will have delegated authority to agree all necessary arrangements for the transition to the new funding model.

Council Strategic Plan:

The proposed FI Redesign supports the Council's Strategic Plan, specifically: -

Grand Challenge 1: Mission 1 – end child poverty in our city using early intervention to support families.

Equality and Socio-

Economic Impacts:

Does the proposal support the Council's Equality Outcomes

Yes, Outcome 3.

2021-25? Please specify.

What are the potential equality impacts as a result of this report?

This project will have a positive impact on addressing socio-economic disadvantage across a range of population groups.

Please highlight if the policy/proposal will help address socio-economic disadvantage.

Yes

Climate Impacts:

Does the proposal support any Climate Plan actions? Please specify:

Yes. Climate Theme 1
Communication and Community
Engagement and Climate Theme 2
Just and Inclusive Place

What are the potential climate impacts as a result of this proposal?

No significant impact

Will the proposal contribute to Glasgow's net zero carbon target,

Yes

Privacy and Data

Protection Impacts:

Are there any potential data protection impacts as a result of this report

No

If Yes, please confirm that a Data Protection Impact Assessment (DPIA) has been carried out

9 Recommendations

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Annex A

FI Operational Funding Group

Terms of Reference (August 2025)

Background:

A key element emerging from the redesign of Financial Inclusion in Glasgow is the requirement to establish a Funding & Delivery Group. The group will have the key aims of maximising impact and reduce duplication of services across the city.

Objective:

To bring GCC Family funders together:

- To better understand and share intelligence/data of the issues affecting Glasgow;
- Explore opportunities for more effective partnership working between stakeholders in the Glasgow financial inclusion funding landscape;
- To explore how to potentially scale and sustain FI work in Glasgow through cross engagement with all local and national public sector bodies and organisations;
- To identify how we could attract greater investment into FI within the city;
- To assemble and maintain high-level information on funding streams available to the Glasgow City Council family;
- To consider ways of improving the journey for organisations seeking FI funding in Glasgow;
- To promote effective funding practice and share learning;
- To review FI delivery performance and find ways to work more efficiently;
- To reduce unintentional duplication and identify gaps;
- To better understand if us working in a collective way is making a difference.

Group Support Structure:

The Chair will be supported to:

- Ensure meetings are scheduled;
- Monitoring performance issued in advance of meeting, when possible;
- Collate items for next Agenda;
- Ensure invites are sent to group members;
- Invite guest speakers.

The meeting will be chaired by John Sherry, Head of Transformation and Financial Inclusion.

Decisions and actions will be recorded via a meeting note that will be disseminated to all group members.

Proposed Group Membership:

Membership will be drawn from the range of organisations outlined below:

Organisation	Name	Title
Glasgow City Council Financial Inclusion & Transformation Team	John Sherry Lesley Haddow	Head of Service (Financial Inclusion & Transformation Team) Strategic Lead (FITT)
Glasgow City Council Economic Development	Frankie Barrett	Employability & Strategy
Glasgow City HSCP	Karen Dyball Fiona Moss Douglas O'Malley Gary Quinn	Head of Children's Services Head of Health Improvement & Equalities Health Improvement Lead Service Manager, Homelessness
Glasgow Life	Alex Byers Neil Paterson	Communities & Engagement Manager Service Development & Co- Production Manager

Additional Membership:

As the group establishes there is potential to add additional group members.

Frequency of Meetings:

Meetings will be held monthly and will take place face to face and will last no more than 2 hours. Meetings will take place within the city centre.

Review working of group:

Review will take place yearly and will look at relevance, impact and value of work developed.

Sharing of Information:

E-mail will be the main platform used.

Confidentiality: Organisational confidentiality will be maintained.