

Redesign of financial inclusion sector approved – Instructions to Director of Legal and Administration and officers.

4 Councillor Bell, Depute Leader of the Council, City Treasurer and City Convener for Financial Inclusion, presented a report regarding the proposed redesign of the financial inclusion sector and the endorsement of the Council's grant funding model to support its delivery, advising

- (1) that there was a view across the financial inclusion sector that the current funding model did not allow for the sector-wide reform that could see improvements to service delivery to help tackle the levels of poverty that persist within the city;
- (2) that seconded advice sector staff had worked with Council officers under the Child Poverty programme to co-design a new model focused on prevention and intervention which had culminated in a suite of proposals for the delivery of redesigned financial inclusion services by the sector and funding support from the Council;
- (3) that the Child Poverty programme had tested the proposed model's core principles relating to integrated support and prevention through other projects, that financial inclusion had been working on, as detailed in the report;
- (4) that delivering the redesigned financial inclusion model would require a flexible approach that allowed for targeted service delivery and the integration of new investment resources and a revised grant funding framework had been developed;
- (5) that grant funding had been proposed as the best approach to support the redesigned Financial Inclusion Services which would be administered on behalf of the Council by the Financial Inclusion Team and the Lead Partner would submit a formal application for Council funding setting out how it would deliver the outcomes the Council was seeking and this application would be subject to a structured assessment and scoring to ensure it aligned with the Council's objective;
- (6) that the Lead Partner was a newly created strategic body that would provide a co-ordinated community-based, independent, financial inclusion service for citizens, it would be a registered charity and as part of the application process, the Lead Partner would submit a business plan, as detailed in the report; and
- (7) of the proposed governance arrangements and the measuring of success.

After consideration, the committee

- (a) noted the process undertaken to redesign the financial inclusion sector, including proposals for Council funding to support the redesign;
- (b) approved

- (i) the proposed redesign and grant funding model; and
 - (ii) the new arrangements, as detailed in the report; and
- (c) instructed
 - (i) officers to implement the new arrangements; and
 - (ii) the Director of Legal and Administration to make the necessary arrangements to allow for the transition to the new funding model.

Councillor Ruairi Kelly noted his interest in this item.