

**Annex A**



**Glasgow City Council**

**Financial Inclusion Strategy**

**2015-18**

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## **1 Background and Current Financial Inclusion Strategy 2011-15**

- 1.1 Glasgow has made significant progress over the last 20 years in transforming the physical environment of the city and establishing its position as a business and tourism destination. The Commonwealth Games this summer will promote the city to the world and the Games lasting legacy includes welcomed development and investment in the city. While recognising the significant improvements to the city - poverty, inequality and deprivation are still a major challenge for a number of local communities across the city. This has been exacerbated in recent years by the economic recession and the changes arising from Welfare Reform.
- 1.2 Financial exclusion is both a symptom and a cause of poverty. The current Financial Inclusion Strategy demonstrates the Council's commitment to addressing the financial exclusion experienced by the citizens of Glasgow who are exposed to unmanageable debt, lack of access to mainstream financial services, difficulty managing money and reliance on expensive credit and loan sharks amongst other features of financial exclusion.
- 1.3 The vision of the current strategy for financial inclusion is to give our citizens, no matter their circumstances, access to quality advice, information and assistance that aims to help them from being financially excluded, putting them back in control of their life, and enabling them to fully contribute to, and participate in, the social and economic life of the city.
- 1.4 The overarching themes of the current strategy are:
- Early Intervention and Education
  - Targeted Support for Vulnerable Groups
  - Improving Accessibility
  - Partnerships and Collaboration
  - Evaluation and Social Return on Investment
- The strategy has three elements, support for Credit Unions, support for Scotcash and support for advice and information. This report covers the advice sector.
- 1.5 The current strategy is delivered through tendered contracts for the provision of Financial Inclusion and Housing Information and Advice Services for the period 2012-15. The services are delivered through two consortia, Glasgow Advice Agency (GAA) and Glasgow Advice Services (GAS). Details of the current contract configuration and contractors is shown in Appendix 1.
- 1.6 The key outcomes achieved in the first two years of the current contracts (12th April 2012 to 11th April 2014) are as follows:
- Number of clients who received a service totalled 70,739. This produced a total of 211,234 cases, which averages 3 cases per client. A case is defined as a separate issue requiring to be resolved. The target set for the two years was 159,674 cases giving a performance against target of 132.3%.
  - £125.3 million of financial gains for clients. This is made up of £46.4 million of increased income for clients, £39.1 million of non- housing debt managed for clients, £33 million of housing debt managed for clients and £6.8 million of council tax arrears under negotiation. The figures represent a return of £14.89 for every £1 invested.
  - The number of locations delivering advice and information has increased from 105 at April 2012 to 138 at March 2014. This increase includes new services based at Yorkhill Hospital, Hunter Street Homelessness Services and the City Centre Service Desk advice provision. In addition, a specialist service has been added at the North East Prevention of Homelessness Project and the capacity of the GAIN Helpline has been increased by fifty percent.
- 1.7 Appendix 2 provides further details of performance against the five overarching themes noted in section 1.4.

## 2. Need for a Continuing Strategy on Financial Inclusion

2.1 The two years of the current Financial Inclusion contract has delivered assistance to 70,739 citizens on a range of money, benefit and debt advice. As Glasgow remains the most deprived city and local authority area in Scotland the need for Financial Inclusion Services is unlikely to reduce.

2.2 The following statistics provide a picture of the problems which are amongst the many causes of financial exclusion in Glasgow.

- Deprivation – The total population of Glasgow is almost 600,000 and of this figure 283,000 live in the 20% of the most deprived areas in Scotland.<sup>1</sup>
- Unemployment - 30% of Glasgow's population live in a household where no family members are in paid work which is significantly higher than other comparable UK cities.<sup>1</sup>
- Out of Work Benefits – In 2013, 19.6% of working age adults were claiming out of work benefits.<sup>1</sup>
- Incapacity Benefit – In 2013, 12.1% of working age adults were claiming incapacity benefits.<sup>1</sup>
- Bank Accounts – 15% of Glasgow citizens do not have a bank account compared to 7% of Scotland as a whole.<sup>1</sup>
- Fuel Poverty – Fuel poverty is where a household spends more than 10% of household income on energy bills and it is estimated that around 24% of households in Glasgow are experiencing fuel poverty<sup>2</sup>
- Internet Access - It is estimated that around 40% of Glasgow citizens do not have access to the internet at home and levels of basic IT skills are also a challenge.<sup>3</sup>
- Literacy and Numeracy – According to the Scottish survey of adult literacy commissioned by the Scottish Government in 2009, 26.7% of the population faces literacy challenges (1 in 4 of the working age population ) and 3.6% has very limited literacy capabilities (1 in 28 of the working age population). Applying these results to Glasgow, this means that 111,000 adults in Glasgow face literacy challenges and 15,000 adults have very limited literacy capabilities.

## 3. New Financial Inclusion Issues Since the Last Strategy

3.1 Since the last Financial Inclusion Strategy was developed there have been a number of changes which will aggravate the problems of financial exclusion. These include the following:

### 3.2 Welfare Reform

Welfare Reform is introducing the most significant transformation of the benefits system since its inception. Working age benefits are undergoing considerable changes requiring both individuals and support services to adapt to a new landscape of increased conditionality, caps on entitlement and a need for improved money management skills.

#### 3.2.1 Reduction in Welfare Benefits

The 2012 Fraser of Allander Report commissioned by the Council estimated that the impact of benefit changes would result in a reduction of £114.8 million in welfare benefits for Glasgow citizens. The largest reductions in benefits are to those in receipt of Disability Living Allowance

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<sup>1</sup> The Glasgow Indicators Project

<sup>2</sup> The Scottish Neighbourhood Statistics 2012

<sup>3</sup> The Carnegie UK Trust

£41.5 million, Incapacity Benefit/Severe Disablement Allowance £31.6 million. Housing Benefit, £18 million and Income Support £12.3 million.

In addition, earlier benefit changes implemented in 2011 and 2012 such as the migration of existing Incapacity Benefit claimants to Employment Support Allowance, freezing of child benefit, changes to working tax credit, increasing non dependant deductions and using Consumer Price Index instead of Retail Price Index, has reduced the income of many Glasgow citizens who were already living in poverty.

### 3.2.2 Welfare Reform – Increasing Use of Benefit Sanctions

Another growing area of concern resulting in reductions in benefit payments has been the significant increased use of benefit sanctions (withdrawal of benefits payments) due to infringement of DWP rules. Based on DWP published figures in November 2013, UK wide there was 101% increase in the average monthly number of sanctions between periods April 2000 - December 2010 and January 2011- December 2011. The UK wide increase in the average monthly number of sanctions between the periods April 2000 – December 2010 and January 2012 – October 2012 was 153%. In terms of percentages of job seeker allowance claimants sanctioned compared to total caseload, the figure for Glasgow averaged 4.48% for the period October 2012 to September 2013 amounting to 12,447 sanctions being applied. The UK average for the period October 2012 to June 2013 was 4.35%. The monthly average prior to this was 2.46% (1997- 2010).

### 3.2.3 Welfare Reform – Universal Credit

The original timetable for the implementation of Universal Credit has been delayed but it is currently being progressively rolled out across the pilot sites. Universal Credit is a single payment that replaces the six main benefits streams. It is a dramatic change to the structure of the benefits system and introduces elements with which claimants are entirely unfamiliar. These include payment into a transactional bank account, payment monthly in arrears and to one household member, payment of the housing element to the claimant rather than the landlord and on line benefit application. Many claimants will require significant assistance from a variety of services to help them cope with the changes. The consequence will be an increase in demand for advice and assistance from Council and other services.

### 3.2.4 Welfare Reform – Local Support Services Framework

The Local Support Services Framework is a DWP led initiative. The expectation is that local delivery partnerships will be developed to provide support to those who may need help in coping with Universal Credit and may change the way services are delivered. The development of the initiative is still at an early stage.

## 3.3 In Work Poverty

In work poverty is defined as individuals living in a household where at least one member of the household is working either full or part time but where household income after housing costs remains below the poverty threshold. The percentage for Scotland as a whole increased from 37% in 1999/2000 to 48% in 2010/11. Statistics for Glasgow are not available but it is unlikely that the position in Glasgow is better than that of the Scottish average.

In recent years in work poverty has been heightened by increases in part-time jobs at the expense of full time work, increase in zero hours contracts and a minimum wage which has in recent years significantly lagged behind Retail Price Index. According to the Scottish Household Survey 2012, 15% of those working in Glasgow reported that they are not managing their money well in comparison with 10% in Scotland as a whole.

## 3.4 Poverty Leadership Panel (PLP)

The vision of the PLP is that poverty is made a thing of the past. The aim of the PLP is to significantly reduce poverty and exclusion over the next decade. In order to deliver the vision and objectives the PLP has developed an action plan containing six priorities for tackling poverty. The Financial Inclusion Strategy will contribute to three of six (i) mitigating the impact of welfare reform, (ii) credit and debt, (iii) involving people with direct experience of poverty

### 3.5 Payday Lending

The Council's Sounding Board report on Payday Lending presented to Executive Committee on 27<sup>th</sup> June 2013 found that Glasgow citizens borrow over £57 million annually through payday lenders, home credit, pawn brokers and rent to own outlets. The report found evidence that non-standard lending is higher in Glasgow than the national average with approximately 100,000 citizens accessing non-standard credit. The report also found there has been a substantial increase in online and retail payday lending attributable to:

- Withdrawal and/or tightening of lending from standard providers
- Downward pressure on household budgets
- Ease of access and increase in advertising of payday loans

### 3.6 Demographic Changes

There have been demographic changes in Glasgow in recent years including the increasing number of people from BME communities living in the city. Based on 2011 Census Figures, there has been an increase of 118% in the number of people from BME communities living in the city with a BME population now estimated to be almost 69,000. This is an area which has been underrepresented in financial inclusion advice services and is required to be addressed.

### 3.7 Increase in On-Line Gambling/Increase in Gambling Premises

The Scottish Health Survey 2012 found that people living in Scotland's most deprived areas are seven times more likely to be a problem gambler than those in the least deprived areas.

According to figures compiled by the 'Campaign for Fairer Gambling', £4.4 billion was spent on fixed odds betting machines across Scotland in 2013 with gamblers in Glasgow spending the most at more than £846 million. Separate research by the 'Campaign for Fairer Gambling' also concluded that Glasgow has the highest number of betting shops per head in the UK totalling 205 with one bookmaker for 2,458 adults. The only other part of the UK that comes close to these figures is Liverpool.

## **4. Financial Inclusion Strategy 2015-18**

### 4.1 The vision for the Financial Inclusion Strategy 2015-18 is:

- To give our citizens access to quality advice, information and assistance that aims to help them to be financially included, putting them back in control of their life and enabling them to fully contribute to, and participate in, the social and economic life of the city.

### 4.2 The Strategy defines Financial Inclusion as:

- Ensuring that individuals have the skills, knowledge and understanding to make best use of appropriate products and services. The focus of the Strategy is to improve financial inclusion for vulnerable groups of people and communities, establish early intervention mechanisms and provide support at key transition points in people's lives.

4.3 The continuation of a Financial Inclusion Strategy will contribute to the following strategic objectives:

- Glasgow City Council's Strategic Plan 2012 to 2017 priority heading number four 'a city that looks after its vulnerable people'.
- Glasgow Community Planning Partnership Single Outcome Agreement (SOA) focuses on three priorities, alcohol abuse, youth unemployment and vulnerable people. Financial Inclusion for vulnerable people is recognised as a key issue within the SOA.
- The Scottish Government's National Performance Framework sets out 16 National Outcomes. The Financial Inclusion Strategy contributes to eight of the specific outcomes realising our full economic potential with more and better employment opportunities for our people tackling the significant inequalities in Scottish society.

Appendix 3 provides further details on Policy and Legislative framework.

4.4 The new strategy will support the financial inclusion activities within the other city strategies and initiatives including the, Payday Lending Sounding Board action plan, Housing Options Strategy and One Glasgow. The new strategy will also contribute to tackling health inequalities and the attainment gap. Appendix 4 provides further background information.

4.5 The overarching outcomes and success factors of the new Strategy are detailed as follows:

#### **Outcome**

#### **What success will look like**

Those most at risk of financial difficulties will receive timely and appropriate advice

- The needs of vulnerable groups will be assessed and services developed and modernised to meet their needs
- Services will work in partnership to ensure that those at risk have easy access to specialist services
- Services will work together to support vulnerable people at an early stage to prevent a crisis

More people will have the knowledge and skills to maintain good financial wellbeing

- Those at risk of financial difficulties will have access to services to develop their money management skills
- Information on affordable credit & financial services will be freely available in accessible ways
- People will be supported to develop the digital and money management skills to enable them to deal with the significant changes associated with the introduction of Universal Credit

Young people (under 25) are equipped with the necessary skills to make informed financial decisions

- The Financial Education Programme within Curriculum for Excellence will enable our schools to integrate financial experiences into a broad range of learning outcomes
- Young people leaving school will be supported to prepare for their financial future to meet their aspirations and life choices

- Peer group support services will offer specialist assistance to vulnerable young people

## Outcome

People will be supported through holistic services to manage their health, housing and employability needs

### What success will look like

- Partners will be supported to tackle the health impact of financial exclusion to address health inequalities and improve health and wellbeing
- Housing partners will be supported to address people's financial issues to help sustain tenancies and prevent homelessness
- Services will work in partnership to support people's employability aspirations and remove financial barriers to gaining and remaining in employment

People will be supported by modern, accessible services, responsive to the needs of their communities

- People will have an improved choice of delivery methods to meet their needs and circumstances including more community based outreaches, flexibility around opening hours for face-to-face services, telephone support and online services
- The GAIN website will provide people with accessible self-help resources and information, a secure online pathway for direct referrals and online advice
- A financial inclusion assessment tool will be developed to identify the range of client needs and provide a pathway to other services and sectors
- Advice staff, third party agencies and stakeholders will have improved knowledge and skills through a co-ordinated programme of GAIN training and supports, and a central online knowledge hub

People with experience of financial difficulty are directly involved in developing and modernising services to be responsive to the changing needs of their communities

- People with experience of financial difficulties will help evaluate services to identify emerging policy issues and areas for service design, development and improvement
- Local people (those who have accessed financial services and those who have not) will inform what they need from financial inclusion services within their communities
- Financial Inclusion Services will work in partnership to improve service delivery, to meet new demands and support increased access to advice services

## 5. Consultation



- 5.1 A stakeholder consultation event attended by 44 organisations from a range of areas was held in the City Chambers in December 2013 and a summary of the consultation responses is attached at Appendix 5. The feedback from the consultation has been used to inform the new Financial Inclusion Strategy 2015-18 and its delivery.
- 5.2 Consultation will begin with citizens using Financial Inclusion Services as well as those not currently using these services. The aim of the consultation is to identify gaps and consider how service improvements can be made. Consultation and evaluation of services will be on-going throughout the period of the Strategy.

## **6 Delivering The New Financial Inclusion Strategy – A New Approach**

- 6.1 The Financial Inclusion Strategy for 2015-18 provides the Council and the City Advisory Panel with a broad framework to take forward financial inclusion in Glasgow for the three years from 2015. The strategy provides a vision and a definition of financial inclusion and identifies desired outcomes taking account of the new Financial Inclusion issues which have emerged since the last Strategy document. Following approval of the new Strategy a detailed action plan will be developed to inform operational activities. The plan will include measurements of achievements to ensure that the overarching outcomes are met.
- 6.2 It is proposed to deliver Financial Inclusion services in a different way from the previous tendered contract approach. The new delivery model will establish a partnership arrangement between the Council, representatives from the current advice sector providers and strategic funding partners. The partnership will develop the scope of requirements to deliver the objectives of the new strategy and will work with other relevant parties to agree the scope of these requirements. The partnership will also oversee delivery of the new services from April 2015 and over the period of the strategy will review effectiveness of services and make changes as necessary in line with need. Payment to provider organisations for services will be through the Council's Integrated Grant funding route.
- 6.3 The Council recently approved proposals to develop 'Glasgow as a Co-operative City' with one aim being to develop new partnerships with local people and public services. The proposed approach to designing Financial Inclusion Services is consistent with the aims of Co-operative Glasgow and the theme of co-production.

## **7. Equalities Impact Assessment**

- 7.1 There is a statutory obligation to meet the public sector equality duty in the Equality Act (2010). This requires that people are not discriminated against on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief (including lack of belief), sex, sexual orientation. In addition, all public authorities must act in accordance with the Human Rights Act 1998. Impact assessment is one way to ensure policy proposals support authorities in meeting these requirements.
- 7.2 An integrated Health Inequalities Impact Assessment (HIIA) of the Financial Inclusion Strategy 2011-15 has been conducted and was approved by Finance and Audit Scrutiny Committee in the Spring of 2013.
- 7.3 The HIIA process seeks to define the likely positive and negative health, equality and human rights impacts of a policy (including unintended impacts) and the population groups who will bear them. The assessment considers impacts on equalities groups and other potentially affected populations. Impacts on disadvantaged groups, who already suffer poorer health, are particularly important.
- 7.4 A review of the recommendations made by the HIIA was conducted in the Spring of 2014. Work will be on-going to ensure the recommendations of the HIIA process are implemented and will be applied to the new Strategy.



## **APPENDIX 1: CURRENT CONTRACT CONFIGURATION & CONTRACTORS**

### **1. Core Services –Lot 1 (City Wide), Lot 2 (North East), Lot 3 (North West), Lot 4 (South)**

- Money Advice
- Welfare Rights Advice
- Financial Capability Advice
- Housing Advice
- Employment Rights Advice
- Legal Advice

### **2. Contractors**

2.1 Lot 1 (City Wide) & Lot 3 (North West) are managed by Glasgow Advice Service (GAS) which is a consortium of the city's 8 Citizens Advice Bureaux, Legal Services Agency and Castlemilk Law & Money Advice Centre

2.2 Lots 2 (North East) & Lot 4 (South) are managed Glasgow Advice Agency (GAA) which is a consortium of Greater Easterhouse Money Advice Project, Money Matters Money Advice Centre and Govan Law Centre

### **3. Sub-Contractors**

#### 3.1 Lot 1 (City Wide)

- Glasgow Central CAB
- Legal Service Agency
- Citizens Advice Direct
- Clydeside Action on Asbestos

#### 3.4 Lot 2 (North East)

- Bridgeton CAB
- Easterhouse CAB
- GEMAP
- Glasgow Central CAB
- Govan Law Centre
- Legal Services Agency
- Parkhead CAB

#### 3.4 Lot 3 (North West)

- Drumchapel CAB
- Drumchapel Money Advice Centre
- Glasgow Central CAB
- Legal Services Agency
- Maryhill & Possilpark CAB

#### 3.4 Lot 4 (South)

- Castlemilk CAB
- Castlemilk Law & Money Advice Centre
- Greater Pollok CAB
- Govan Law Centre
- Money Matters Money Advice Centre

## APPENDIX 2

### FINANCIAL INCLUSION STRATEGY 2011-15 – OVERVIEW OF PERFORMANCE PERIOD APRIL 2012 TO APRIL 2014

#### THEMES AND ACTIVITIES

|   |
|---|
| <b>1. Early Intervention / Education</b>  |
| <p><i>A planned coherent programme of financial education for 3-18 yrs in accordance with a Curriculum for Excellence.</i></p> <ul style="list-style-type: none"><li>• The Glasgow Financial Education Framework document has been produced in accordance with Curriculum for Excellence and rolled out across the city in partnership with Education Services and Education Scotland. The Financial Education Development Officer continues to offer Continued Professional Development support and technical guidance to schools wishing to develop curriculum materials and activities.</li><li>• The Glasgow Framework has been promoted across Scotland as an example of best practice and the project continues to support Education Scotland's activities to widen the reach to other local authority areas.</li></ul> |
| <p><i>Promotion of access to affordable credit and savings through collaboration with the city wide Credit Union Strategy.</i></p> <ul style="list-style-type: none"><li>• Promotion of Credit Union services through financial capability activities (in schools, group work and GAIN promotion activities).</li><li>• Inclusion of Credit Union Strategic Group representative at Area Delivery Groups (ADG's) and City Advisory Panel (CAP).</li><li>• Schools credit union programme supporting links with Credit Unions under Curriculum for Excellence, e.g. enterprise activities supporting pupil involvement in campus credit unions.</li><li>• S1 Credit Union project as part of the Payday Lending Strategy.</li></ul>  |
| <p><i>Development of Scotcash to provide access to affordable credit, savings, bank accounts and financial capability advice to vulnerable groups.</i></p> <ul style="list-style-type: none"><li>• Scotcash expansion programme and BIG Lottery funding.</li><li>• Promotion of Scotcash through GAIN activities.</li><li>• Inclusion of Scotcash representative at ADGs.</li></ul>   |
| <p><i>Early support and advice for vulnerable veterans, their families and carers through continued development of Glasgow's Helping Heroes.</i></p> <ul style="list-style-type: none"><li>• Provision of outreach service from the Financial Inclusion Contract.</li><li>• Ongoing promotion and development via Firmbase Group.</li></ul>   |
| <p><i>Encourage service delivery which lifts vulnerable groups out of financial exclusion and avoids the 'revolving door' experience.</i></p> <ul style="list-style-type: none"><li>• Improved access and capacity of the GAIN Helpline with the facility to make warm transfers to and from the Scottish Welfare Fund.</li><li>• Financial Capability project providing a team of 8 Modern Apprentices to deliver a programme of supports targeted at young people and other vulnerable groups.</li><li>• Development of inter-agency referral protocol.</li><li>• Direct referral arrangements for NHS, GHA and Homelessness Services to the Financial Inclusion Contractors.</li></ul>   |

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|  |
| <p><b>2. Targeted Support for Vulnerable Groups</b></p>  |
| <p><i>Ensuring that citizens are not disadvantaged by a significant health condition and have access to accurate, comprehensive and appropriate information and support.</i></p> <ul style="list-style-type: none"> <li>• 24 months of FI Contract saw 31,484 disabled people receive a service.</li> <li>• Financial Inclusion Contract has specialist health projects in partnership with GGCNHS; Yorkhill Project, Hunter St Homelessness Health Service, Healthier Wealthier Children, Keep well.</li> <li>• LTC/Macmillan Service – During 2013, 2677 people received a service and achieved financial gains for clients totalling £4,591,492. The service has been extended to provide a dedicated service for people with Huntington’s disease and their families. In 2013/14 the outreach service operating from the Southern General Hospital was extended to be available for all people suffering from long term conditions.</li> </ul> |
| <p><i>Embedding financial inclusion within employability provision and identifying the impact of financial inclusion support on individuals’ employability progression.</i></p> <ul style="list-style-type: none"> <li>• Bilateral Framework implemented and comprehensive training delivered to advice agency and JBG staff. Referral arrangements formalised.</li> </ul>   |
| <p><i>Promoting access to advice and information on affordable warmth and addressing fuel poverty through financial inclusion.</i></p> <ul style="list-style-type: none"> <li>• Continued support to GHEAT to provide independent advice on energy related issues to householders on a face to face basis and in their homes, and assist in Glasgow City Council’s strategic aim of eliminating fuel poverty.</li> <li>• Referral arrangement between Financial Inclusion Contract and GHEAT. Some providers have their own in-house fuel poverty advisers.</li> <li>• Promotion of GHEAT through GAIN activities.</li> <li>• Inclusion of GHEAT representative at ADG.s</li> <li>• 3,185 citizens assisted with fuel poverty through the Financial Inclusion Contract since April 2012.</li> </ul>  |
| <p><i>Increase take up of home contents insurance, particularly by those living in the most deprived areas of Glasgow and vulnerable to financial shocks</i></p> <ul style="list-style-type: none"> <li>• Commissioned Niall Alexander report on the option of providing blanket cover for all RSL tenants.</li> <li>• 656 citizens supported to access home contents insurance through the Financial Inclusion Contract since April 2012.</li> </ul>  |
| <p><b>3. Improving Accessibility</b></p>   |
| <p><i>Working together to ensure that all financial inclusion activities complement each other and avoid duplication</i></p> <ul style="list-style-type: none"> <li>• Formal partnership with GGCNHS and GHA to co-ordinate commissioned services through Financial Inclusion Contract.</li> <li>• Support to GCC colleagues, GCCNHS, GHA, Homelessness Services, Financial</li> </ul>   |

Inclusion Contractors, RSLs, Glasgow Life and GAIN agencies, identifying gaps in delivery and developing new services.

- Co-ordination and strategic support for funding bids e.g. Making Advice Work (SLAB) grants to address the impact of welfare reform.
- Working with Jobs and Business Glasgow (JBG) to ensure service delivery is consistent and appropriate.
- Support to GAIN and ADG network to ensure that good quality information is easily available on service delivery across the city.
- Working with Poverty Leadership Panel to link GAIN to activities tackling welfare reform.

*Evaluation and client consultation on the accessibility to financial inclusion services ensuring we meet needs and expectations*

- Ongoing implementation of the recommendations within the Glasgow Access Panel report, *Accessibility of GAIN Financial Inclusion Services (2010)*.
- Design and development of Financial Inclusion Contract services inline with recommendations in the HIIA.
- Financial Inclusion Contractors and sub-contractors undertaking customer satisfaction surveys.
- Mystery shopping activity periodically carried out on accessibility and responsiveness of advice services.

*Seek a better fit between the services which Glasgow City Council fund and the legally aided work which solicitors undertake via the on-demand system, seeking Best Value for public funding*

- Inclusion of SLAB representative at the City Advisory Panel.
- Participation in consultation around grant funded programmes.
- Sharing of data and statistical analysis.

*Improving access and distribution of appropriate financial inclusion resources and training such as those provided by the Money Advice Service*

- Refreshed and improved information on GAIN website ([www.gain4u.org.uk](http://www.gain4u.org.uk)) including links to Money Advice Service tools and GAIN self-help debt pack.
- Information sharing and dissemination by e-mail to GAIN members.
- Co-ordination of training and awareness sessions for advice workers and support organisations. Over 400 GAIN advice sector workers received training on Scottish Welfare Fund and PIP prior to introduction and around 40 advice sector workers received further in depth training on PIP. Training for over 300 advice sector workers carried out in November 2013 covering claimant commitment, sanctions and appeals as well as Scottish Welfare Fund and PIP. Training was provided in April 2014 covering Payday Lending Survival Pack, Bankruptcy Act and Financial Capability. Multi agency workshops were also held covering Housing Options and issues facing victims of domestic abuse.
- Co-ordination of GAIN information stalls at community events and locations.

#### **4. Partnership and Collaboration**

*Continue to support and develop the city wide strategic partnership to promote a joined up approach to strategic direction and service delivery*

- The strategic partnership between GCC, GCCNHS and GHA was formalised in the joint commissioning of the FI Contract 2012-15.
- Financial Inclusion Contract is managed by GCC on behalf of the partnership.
- Contribution to partners' strategic financial inclusion groups and welfare reform response.
- Wider joint working with services including JBG, Glasgow Life, Homelessness

Services, Housing Associations have been developed to ensure that Financial Inclusion is meeting the needs of their strategies.

*Explore possibilities for new and appropriate partnerships to promote take up of financial inclusion service to vulnerable groups in a challenging economic environment*

- Extension of existing contractual partnership to include new services targeted at vulnerable groups; Silver Deal, Yorkhill Out-patients Project, Homelessness Health Service, North West Financial Capability project, S11 homelessness response, Housing Options, JBG outreach.
- Flexible delivery of Financial Inclusion Contract outreach services to target gaps in provision for vulnerable groups e.g. Glasgow's Helping Heroes, flexible homelessness outreach, Roma services, Brownlee Unit, Possilpark CAB Chinese surgery, Maryhill Internet Café.
- Financial Inclusion Contract support for match funded projects to address welfare reform for vulnerable groups in partnership with service providers and SLAB: GAIN Helpline & Service Desk Project, Yorkhill Out-Patients Project, GAIN 2nd tier Helpline, GAMH Money & Debt Project, GEL's Welfare Reform Advisory Service, Housing Options Advice Project, Glasgow Advice Service advice and representation project.
- Development of Financial Capability Modern Apprentices project in partnership with GEMAP to target young people requiring money management supports.
- Inclusion of pfeg and sfeg as partner in the schools' Financial Education project to support the development of curriculum materials.
- Joint working with partners to support Revenue & Benefits customers affected by changes in the benefits system.
- Glasgow Life Digital Inclusion Project to improve access for benefit claimants to advice, support and IT facilities through the library network.
- Extension of the Long Term Conditions Macmillan Service partnership to include the Cystic Fibrosis Trust and Alzheimers Scotland.
- Expansion of the Long Term Conditions Macmillan Service into the Southern General Hospital to provide accessible on-site services for patients and clinical staff as part of the Big Lottery Support & Connect project.
- Expansion of Glasgow Helping Heroes (GHH) service due to customer demand.
- Introduction of Glasgow Veterans Employment Programme (GVEP) to support veterans into employment.
- Close working between GHH & Scottish Veterans residencies to ensure robust referral route.

*Promote local partnerships in geographical areas which give a voice for financial inclusion issues and a knowledge and information sharing forum*

- Support for GAIN and ADG meetings and events.
- Co-ordination of ADG action plans.
- Activities to widen the range of organisations involved in GAIN.
- Establishment of Joint ADG Welfare Reform Sub Group

*Support for linked city wide strategies for addressing social and financial exclusion such as the strategic framework for tackling child poverty*

- Contribution to the Child Poverty Strategy Sub-Group and associated activities.
- Lead for the Credit & Debt theme of the Poverty Leadership Panel Action Plan.
- Responsible for support for GAIN and the 3<sup>rd</sup> sector on behalf of the Welfare Reform Governance Group.
- Contribution to Single Outcome Agreement consultation and delivery groups.
- Support for citywide External Funding Group.
- Contribution to the citywide Digital Strategy.
- Support for the Glasgow Plan Vulnerable Theme group.

## **5. Evaluation and Social Return on Investment**

### *Demonstrate the value of investment within the city on financial inclusion services*

- Contribution to Money Advice Service & Improvement Service report *Money Advice Services Across Scotland's Local Authorities* (2013).
- Report of the assessment of Glasgow's levels of investment, benchmarking against the recommendations of the MAS/IS report.
- Evaluation of the performance of the Financial inclusion Contract shows £125.3 million of financial gain and debt managed for city residents in the two years to 11<sup>th</sup> April 2014.

### *Evaluate the impact of interventions on vulnerable people*

- FI Contract Monitoring & Evaluation Framework measures outputs and outcomes for clients engaged with advice services
- Social Return on Investment report commissioned on the impact of services on clients of the Long Term Conditions Macmillan Service. Key findings: (i) 60% improved mental health and wellbeing, (ii) 59% felt more control over their life, (iii) 49% improvement in physical health and wellbeing, (iv) 36% less worried about money (v) 33% more confident about facing challenges of illness.

### *Identify emerging policy issues and address potential gaps in services*

- Ongoing response to the impact of welfare reform
- Support for FI Contractors to modernise their delivery model and widen the range of services available.



## APPENDIX 3: POLICY & LEGISLATIVE FRAMEWORK

### Financial Services' strategic aims and outcomes

- Providing an effective and responsive Financial Services
- Making the best use of Council resources

### Council's Strategic Plan 2012-17

#### Priority two: a world class city

Build strong and resilient neighbourhoods and communities

- by providing information on how residents can access and use low cost ethical lenders such as credit unions

Tackle poverty and deprivation and provide relevant and affordable services for all our citizens

- by taking a strategic approach with our community planning partners to further address poverty in the city

#### Priority four: a city that looks after its vulnerable people

Less difference between neighbourhoods in the city on health inequalities and on how Glasgow compares nationally

- developing a planned response with our partners to the national welfare reforms, taking a strategic view on how it impacts on the city and quality of life for individuals and families.
- Making sure our most vulnerable citizens can access advice and information to prevent them being financially excluded and enable them to fully contribute and participate in the social and economic life of the city.

### Single Outcome Agreement 2013

The high level outcome of the SOA is:

*"particularly vulnerable individuals and communities are effectively supported to become more resilient despite the economic context"*

The underlying principles to take forward priorities, outcomes and activities are:

- Early and Effective Intervention,
- Equality, and
- Sustainable Change

The SOA defines vulnerability through a series of risk factors in the lives of individuals and families at particular transition points in their lives, rather than attempting to label or segment particular groups within the community.

Outcomes will initially focus on:

- working together to intervene early to prevent homelessness or reduce the risk of homelessness
- reducing the number of residents affected by in-work poverty

Future themes will emerge to allow flexibility to respond to the continued uncertainties around welfare reform, the economy and the reductions in public spending.

**The Scottish Government's National Performance Framework** sets out 16 National Outcomes. The Financial Inclusion Strategy contributes to the achievement of the following specific outcomes:

- We realise our full economic potential with more and better employment opportunities for our people.
- Our young people are successful learners, confident individuals, effective contributors and responsible citizens.
- Our children have the best start in life and are ready to succeed.
- We live longer healthier lives.
- We have tackled the significant inequalities in Scottish society.
- We have improved the life chances for children, young people and families at risk.
- We have strong, resilient and supportive communities, where people take responsibility for their own actions and how they affect yours.
- Our public services are high quality, continually improving, efficient and responsive to local people's needs.

## **APPENDIX 4: BACKGROUND INFORMATION**

### **Glasgow**

Single Outcome Agreement 2013  
Glasgow City Council Strategic Plan 2012-17  
Financial Inclusion Strategy 2012-15  
Credit Union Strategy  
Child Poverty Strategy  
Housing Strategy 2011  
Housing Options Strategy  
Homelessness Strategy  
Affordable Warmth Action Plan  
Glasgow Works  
One Glasgow  
Co-operative Glasgow  
Digital Glasgow Roadmap 2014  
Poverty Leadership Panel Action Plan  
Payday Lending Sounding Board Action Plan  
Glasgow City Community Health Partnership Development Plan 2012/13  
Understanding Glasgow  
The Economic Impact of Welfare Policy Changes in Glasgow (2012), Fraser of Allander Institute

### **Scotland**

National Performance Framework  
Achieving Our Potential  
Equally Well  
Early Years Framework  
Getting it Right for Every Child  
Curriculum for Excellence  
Child Poverty Strategy 2014-17  
The Strategy for Justice in Scotland 2012  
Welfare Reform (Further Provision) (Scotland) Act 2012, Initial Report – 2013  
Welfare Reform Scottish Government Mitigation Paper  
Scottish National Standards for Information and Advice Providers  
Scottish Welfare Fund Guidance  
Bankruptcy and Debt Advice (Scotland) Act (2014)  
Building Momentum for Change 2013-15, NHSGCC  
Healthier Wealthier Children: Phase 2 Evaluation (2013), Glasgow Centre for Population Health  
The Rise of In-Work Poverty (2013), Glasgow Centre for Population Health  
Impact of Welfare Reform in Scotland (2013), Centre for Regional Economic & Social Research at Sheffield Hallam University  
Money Advice Services Across Scotland's Local Authorities (2012), The Improvement Service & the Money Advice Service

### **UK**

Welfare Reform Act 2012  
UK Strategy on Financial Capability (*draft*)  
Universal Credit Local Support Services Framework  
21<sup>st</sup> Century Welfare (2010), Dept for Work & Pensions

## **APPENDIX 5 SUMMARY OF CONSULTATION RESPONSES**

### **Financial Inclusion Consultation Event Wednesday 4<sup>th</sup> December 2013– City Chambers**

#### **ATTENDEES**

The event was attended by 44 organisations and included representation from the eight Glasgow Citizens Advice Bureaux, Citizens Advice Direct, Citizens Advice Scotland, the independent law and money advice agencies, Improvement Service, the housing sector, health, Credit Unions, Scotcash, LTC Macmillan Service, voluntary/charity sector, DWP, Scottish Financial Education Group, Scottish Illegal Money Lending Unit and various Council Services.

#### **RESPONSES**

##### **General**

- Financial Inclusion Strategy needs to reflect major changes such as In- Work Poverty, the Living Wage, Welfare Reform changes including Universal Credit.
- More engagement with agencies providing services to help design these services.
- More engagement with service users to design services.
- Consistency of services across city needs to improve.
- Assessment model should move towards being a more holistic assessment of client needs.
- Improvement of cross referrals between agencies and improve the knowledge of services provided by other agencies.

##### **Early Intervention**

- There is a need to better develop and deliver Financial Capability Services across the City.
- Homelessness – more effective early intervention action should be developed.
- Financial Education into schools e.g. encourage parents/pupils to save using Credit Union/Scotcash.

##### **Priority/Vulnerable Groups**

- There should be more focus on understanding the needs of people suffering from mental health issues. There is a need to:
  - Recognise link between debt /financial situation and mental health issues. Understand challenges around transitioning between benefits.
  - Consider different ways of engaging. People with mental health issues require different type of service e.g. home visits.
  - Consider mental health training for advisors.
- Improve links with BME groups and scope out what services are available. Need to understand why community is not engaging and then design service around meeting their needs.
- More Choices/More Chances – difficulties in getting young people to engage. Need to consider how better to engage, e.g. employ young people to engage/peer support and social media.
- Victims of Domestic Abuse – require specialist services and intensive resource.

##### **Accessibility**

- Better use of triaging to help to target services. Encourage people to help themselves where possible which empowers them.

- Better use of triage telephone service - could be better developed to identify which service is required and refer on as appropriate. Study successful telephone e.g. Stepchange.
- Development of on-line services.
- Need to tackle stigma attached around using advice services.
- Need to promote services and fact that they are free e.g. payslips/bills
- Continue to develop appropriate outreach locations.
- Digital Inclusion – consider digital access for clients in advice services locations.

### **Partnership Working**

- Continue partnerships with NHS and GHA.
- Develop working with other services/organisations including GP surgeries.
- More local networking required to establish what services are provided by other agencies/organisations.
- Improved links to Credit Unions.