



Glasgow City Council
City Administration Committee

Item 2

27th March 2025

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

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BUDGET MONITORING 2024-25; PERIOD 12

Purpose of Report:

This report provides a summary of financial performance for the period 1 April 2024 to 7 February 2025.

Recommendations:

The City Administration Committee is asked to:

- i. approve the adjustments relating to the revenue budget at section 4
- ii. note that this report and all detailed service reports will be considered by the Finance and Audit Scrutiny Committee

Ward No(s):

Citywide:

Local member(s) advised: Yes No

consulted: Yes No

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1. Introduction

1.1 This report provides a summary of financial performance for the period 1 April 2024 to 7 February 2025.

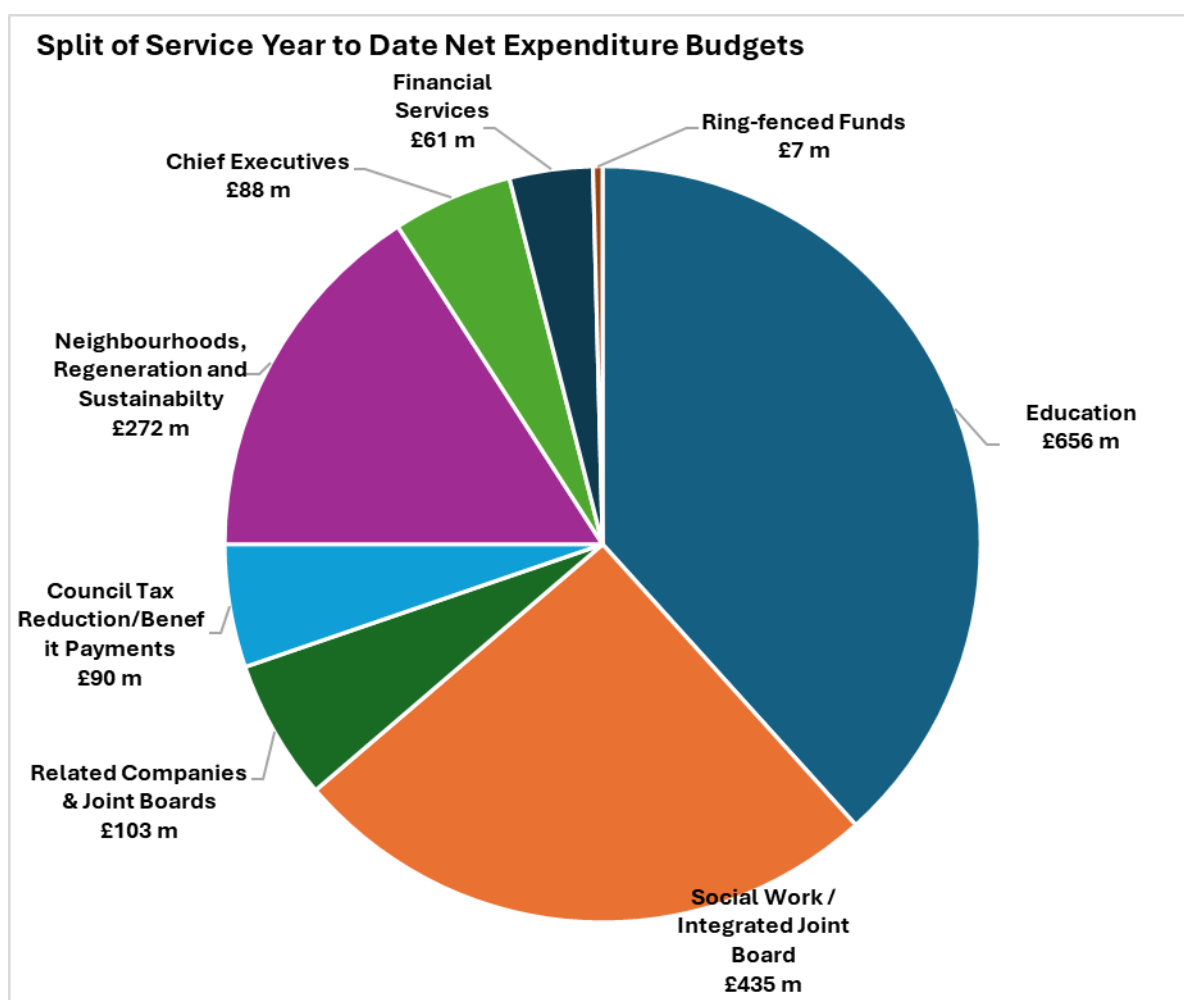
2. Reporting Format

2.1 This report provides a summary of the Council's financial position.

3. Approved Budget

3.1 The 2024-25 budget was approved by Council on 15 February 2024 and the detailed service estimates were subsequently approved by the City Administration Committee on 9 May 2024.

3.2 These budgets are shown as "Original Annual Budget", in the attached monitoring statements. In order to monitor financial performance accurately, budgets will be updated each period to reflect new monies, operational changes and any additional approvals.



3.3 The key changes to the original budget made up to period 12 are outlined in section 4, below.

4. Revenue Budget

4.1 During periods 11 to 12 there has been a net budget increase of £1.0m resulting in a cumulative budget increase of £77.4m to date. Service specific budget changes are summarised in the paragraph below.

4.2 The significant budget changes during periods 11 to 12 are as follows:

4.2.1 Expenditure budgets within Education services have increased by a total of £0.9m to reflect previously approved general carry forwards.

4.3 There have also been adjustments to income and expenditure budgets in line with the Executive Director of Finance's delegated powers and budget realignments between and within various service departments to reflect the transfer of responsibilities and service reconfigurations.

5. Summary Position

Revenues

5.1 Council Tax

5.1.1 A probable outturn exercise has now been completed and is projecting that the actual income expected to be collected from council tax is £350.0 million. This is £4.2m more than budget.

5.1.2 The council tax collected to 31 January 2025 amounts to £261.4m. This represents 89.32% of the figure to be collected and is 0.16% behind last year's equivalent collection figure. The collection target for 2024/25 is 94%.

5.2 Non Domestic Rates

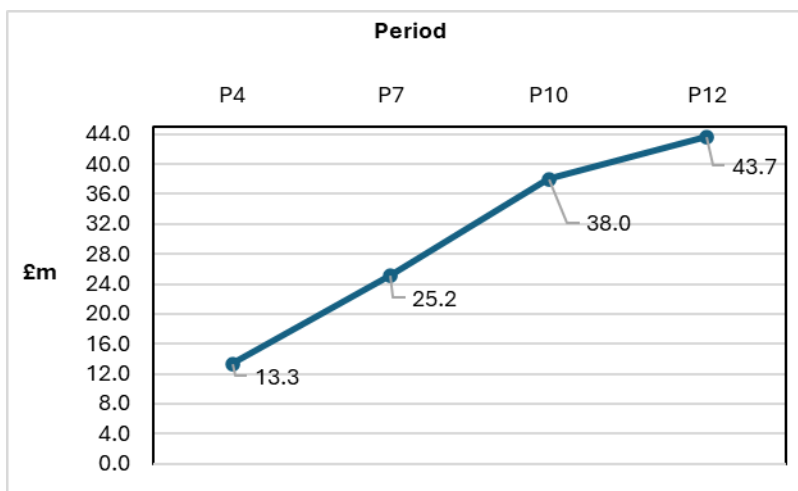
5.2.1 Non Domestic Rates (NDR) income is allocated to councils as part of the local government settlement. The council retains all NDR it collects, however where this varies from the amount included within the Local Government settlement a commensurate increase or decrease is made to the general revenue grant to ensure no overall change in the total revenue support provided by the Scottish Government.

5.2.2 The Non Domestic Rates collected to 31 January 2025 amounts to £370.1m. This represents 85.32% of the figure to be collected and is 1.43% ahead of last year's equivalent collection figure. The collection target for 2024/25 is 91%.

6. General Fund

6.1 Net expenditure is running at 103.4% of profile, representing an overspend of £43.7m. This reflects overspends within Neighbourhoods, Regeneration and Sustainability, Education Services and Related Companies partly offset by an underspend in Financial Services.

6.2 Net Expenditure Position – budget variance:



7. Services

7.1 Neighbourhoods, Regeneration and Sustainability £27.7m

7.1.1 This reflects an overspend of £15.0m in Property Asset Management due to utility supply price increases, increased rent, rates and repairs across the entire GCC property estate.

7.1.2 There are also overspends in Refuse Collection and Disposal due to agency, overtime, transport costs, higher costs relating to waste disposal contractor payments and a shortfall in income, and in Roads Operations mainly due to an increase in streetlighting costs, increased transport and traffic management contractor costs and a shortfall in income. These pressures are offset by underspends due to staff vacancies where some recruitment is underway and from lower vehicle leasing costs.

7.2 Education Services £14.0m

7.2.1 This reflects overspends in staffing associated with ongoing pressures from pupil roll increases and from additional staffing required to meet the increasing complexity of pupil needs in the ASL sector. There are further overspends in pupil transport due to cost increases within the transport sector. Income is under-recovered in Secondary schools in relation to school letting and school meal income and in ASL due to a reduction in the number of placements being recharged due to leavers. These pressures are offset by a non-recurring underspend in Early Years employee costs.

7.3 Financial Services -£2.4m

7.3.1 This reflects an underspend in the value of Non-Domestic Rates Empty Property Relief awarded and an underspend in employee costs in CBS. This is off-set by an overspend in Catering and Facilities Management due to an under recovery of income within Encore venues and overspends within employee costs and continued pressure within food provision costs. Benefits are overspent due to the anticipated under recovery of income relating to

Housing Benefits, partly offset by the anticipated underspend against Council Tax Reduction.

7.4 Related Companies £4.4m

7.4.1 This reflects an identified deficit within Glasgow Life (£3.9m) and the RSBI deficit within City Building Joint Venture (£0.5m).

8. Social Work Services

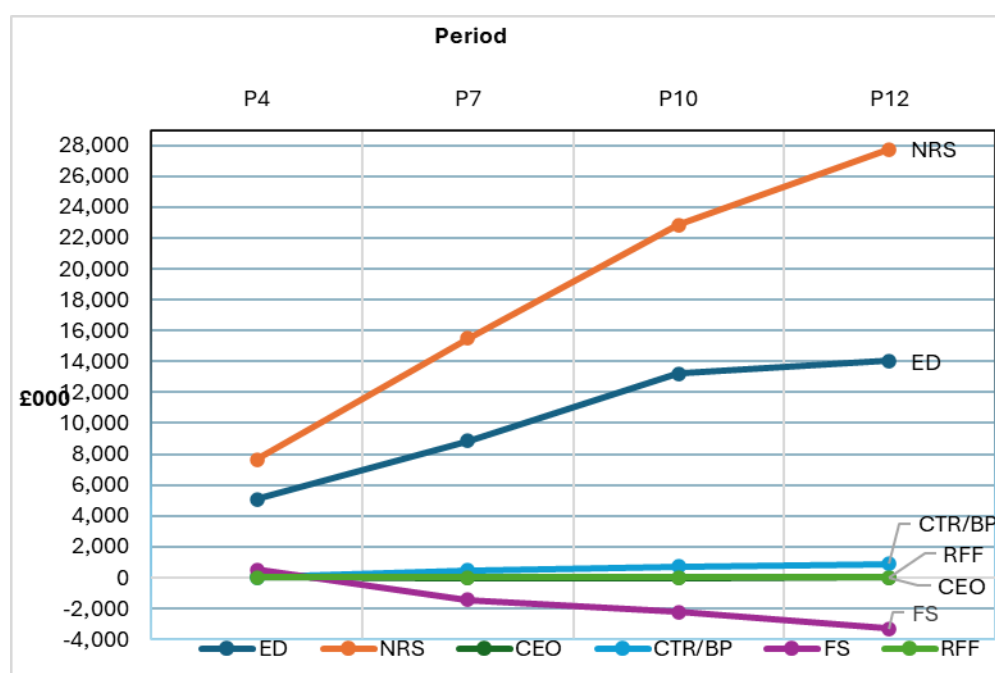
8.1 The Glasgow City Integration Joint board (IJB) is now responsible for the planning and commissioning of health and social care services within the city.

8.2 While the financial position of Social Work Services continues to be monitored through the Council's existing reporting structures the overall financial position is now the responsibility of the IJB and is therefore reported separately from the General Fund. The Reserves policy of the IJB has resulted in the transfer of previous year underspends to IJB reserves to mitigate any ongoing or future budget pressures.

8.3 At period 12 Social Work Services is showing an overspend of £10.1m. This overspend reflects overspends within Adult Services and Children and Families offset by underspends within Older People/Physical Disabilities, Criminal Justice and Resources.

9. Service Variance Comparison

9.1 Service financial performance across the year to date is illustrated below:



10. Forecast

- 10.1 As previously reported, the probable outturn is forecasting a £11.7m draw from the Budget Support Fund as detailed in appendix 1.
- 10.2 The position will continue to be reviewed throughout the remainder of the year and any significant variances reported through the normal monitoring process.
- 10.3 Social Work Services have updated the projection of the net costs of Home Office decisions which are now projected to be £14.9m for 2024-25. However, activity remains volatile which is making predictions hard to do with any degree of accuracy. The impact of this pressure when known is anticipated to be met by a draw from the budget support fund.

11. Recommendations

- 11.1 The City Administration Committee is asked to:
 - (I) approve the adjustments relating to the revenue budget at section 4
 - (II) note that this report and all detailed service department reports will be considered by the Finance and Audit Scrutiny Committee.

LIST of Attachments:

- Key Figures
- Council Tax Income
- Non Domestic Rates Income
- General Fund Summary
- Social Work Services Summary

**GLASGOW CITY COUNCIL
BUDGET MONITORING**

KEY FIGURES

PERIOD 12 - 1 April 2024 to 7 February 2025

Measure	Status (Under or Over Budget Profile)	Period 12	Probable
Council Tax Income	Ahead		+£4.2m
Council Tax Collection Rate	Behind	-0.16%	
Non Domestic Rates Collection Rate	Ahead	+1.43%	
General Fund Net Expenditure	Over	+£39.3m	+£48.3m
<u>Service Departments:</u>			
Chief Executive's Office	On budget		
Education Services	Over	+£14.0m	+£17.9m
Financial Services	Under	-£3.3m	-£2.9m
Financial Services – Benefit Payments	Over	+£0.9m	+£1.0m
Financial Services – Ring Fenced Funds	On budget		
Neighbourhoods, Regeneration and Sustainability	Over	+£27.7m	+£32.3m
		+£39.3m	+£48.3m
Pay award impact			+£3.1m
Glasgow Guarantee release			-£3.4m
Additional General Revenue Grant			-£7.5m
Financing Costs			-£11.2m
Related Companies		+£4.4m	+£5.1m
Reduction in Contribution to Budget Support Fund Probable Outturn			-£30.2m Nil
Social Work Services	Over	+£10.1m	+£0.8m
<u>General Fund Balances</u>			
2024-25 Budget Contribution to Budget Support Fund			+£18.5m
Reduction in Contribution			-£30.2m
Revised 2024-25 Contribution from Budget Support Fund			-£11.7m

Glasgow City Council

Budget Monitoring 2024/25

Revenues - Income Monitoring and Cash Collection

Period to 31st January 2025

Council Tax

Income Monitoring	Estimate 2024/25 £000	Forecast Outturn 2024/25 £000	Variance £000
	345,879	350,049	4,170

Cash Collection

Month	Actual Cash in Month £000	Actual Cash to Date £000	% of Cash Collected to Date %	Last Year Actual %	Comparison v Last Year %
April	40,497	40,497	13.89	13.41	0.48
May	27,201	67,698	23.05	23.02	0.03
June	24,102	91,800	31.01	31.35	-0.34
July	25,763	117,563	39.65	39.89	-0.24
August	25,039	142,602	48.25	48.67	-0.42
September	25,325	167,927	56.88	57.15	-0.27
October	25,433	193,360	65.62	65.74	-0.12
November	26,865	220,225	74.99	74.65	0.34
December	23,766	243,991	83.19	82.87	0.32
January	17,409	261,400	89.32	89.48	-0.16
February			0.00	92.15	
March			0.00	93.79	
Total Cash to be Collected (i.e. net of Council Tax Reduction etc)		292,641			
Target collection in year (94%)		275,083			

Glasgow City Council

Budget Monitoring 2024/25

Revenues - Cash Collection

Period to 31st January 2025

Non Domestic Rates

Month	Actual Cash in Month £000	Actual Cash to Date £000	% of Cash Collected to Date %	Last Year Actual %	Comparison v Last Year %
April	26,633	26,633	5.90	2.41	3.49
May	32,891	59,524	13.25	11.59	1.66
June	60,941	120,465	26.93	26.28	0.65
July	32,648	153,113	34.29	33.22	1.07
August	31,376	184,489	41.69	40.63	1.06
September	28,268	212,757	47.97	47.08	0.89
October	61,463	274,220	61.90	61.29	0.61
November	34,641	308,861	70.78	69.63	1.15
December	38,201	347,062	79.74	77.13	2.61
January	23,056	370,118	85.32	83.89	1.43
February			0.00	90.03	
March			0.00	91.54	
Total Cash to be Collected		433,813			
Target collection in year (91%)		394,770			

GLASGOW CITY COUNCIL
2024/25 REVENUE BUDGET : MONITORING REPORT
GENERAL FUND SERVICE SUMMARY

PERIOD 12: 1 APRIL 2024 TO 7 FEBRUARY 2025

Original Annual Budget £000	Approved Changes £000	Revised Budget £000	Department	Total Expenditure		Total Income		Net Expenditure		Variance on Net Expenditure £000	
				Actual £000	Budgeted £000	Actual £000	Budgeted £000	Actual £000	Budgeted £000		
106,417	16,908	123,325	Chief Executive's Office	116,850	116,920	28,884	28,975	87,966	87,945	21	OVER
747,988	31,137	779,125	Education Services	694,057	680,842	23,997	24,810	670,060	656,032	14,028	OVER
49,668	3,681	53,349	Financial Services	107,372	111,947	49,199	50,456	58,173	61,491	-3,318	
92,064	-335	91,729	Financial Services - Council Tax Reduction Scheme/Benefit Payments	289,488	289,918	198,856	200,185	90,632	89,733	899	OVER
7,368	3,501	10,869	Financial Services - Ring-fenced Funds	7,138	7,138	0	0	7,138	7,138	0	
195,365	10,185	205,550	Neighbourhoods, Regeneration and Sustainability	470,342	444,585	170,518	172,493	299,824	272,092	27,732	OVER
106,102	5,390	111,492	Related Companies and Joint Boards	106,928	102,558	25	25	106,903	102,533	4,370	OVER
-40,291	0	-40,291	Specific Grant	0	0	424	424	-424	-424	0	
1,264,681	70,467	1,335,148	TOTAL	1,792,175	1,753,908	471,903	477,368	1,320,272	1,276,540	43,732	OVER

Net Expenditure : Rate of Spend as Percentage of Budget to Date

	4	7	10	12
Percentage	103.1%	103.3%	103.6%	103.4%

CITY OF GLASGOW COUNCIL
2024/25 REVENUE BUDGET : MONITORING REPORT
SOCIAL WORK SERVICES SUMMARY

PERIOD 12: 1 APRIL 2024 TO 7 FEBRUARY 2025

Original Annual Budget £000	Approved Changes £000	Revised Budget £000	Department	Total Expenditure		Total Income		Net Expenditure		Variance on Net Expenditure £000
				Actual £000	Budgeted £000	Actual £000	Budgeted £000	Actual £000	Budgeted £000	
563,163	6,950	570,113	Social Work Services	742,366	710,523	285,314	263,615	457,052	446,908	10,144 OVER
-15,482	0	-15,482	Specific Grant	0	0	11,611	11,611	-11,611	-11,611	0
0	0	0	Transfer from IJB reserves	0	0	10,144	0	-10,144	0	-10,144
547,681	6,950	554,631	TOTAL	742,366	710,523	307,069	275,226	435,297	435,297	0

Net Expenditure : Rate of Spend as Percentage of Budget to Date

	4	7	10	12
Percentage	100.0%	100.0%	100.0%	100.0%