



Glasgow City Council

City Administration Committee

Item 3

27th March 2025

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

Contact: Morag Johnston Ext: 73837

BUDGET MONITORING: INVESTMENT PROGRAMME 2024/25 - QUARTER 3

Purpose of report:

To provide a monitoring statement of financial performance and progress on the council's Investment Programme as at Quarter 3 (Period 12).

Recommendations:

The committee is asked to:

- i Approve the requested budget adjustments as detailed in paragraph 2.3;
- ii Note that this report and all detailed monitoring statements will be referred to the Finance and Audit Scrutiny Committee.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes ☐ No ☐ consulted: Yes ☐ No ☐

1 Introduction

- 1.1** This monitoring statement provides a summary of the financial performance and progress on the delivery of the council's Investment Programme to the third quarter of 2024/25 (Period 12, 7 February 2025). The overall Investment Programme comprises individual service programmes plus a council-wide Transformation programme.
- 1.2** This summary statement is based on information contained in the council's corporate financial systems and includes accruals and adjustments in line with agreed financial policies. Appendix 1 compares the total probable outturn gross expenditure with the total approved budget for each service and provides a profile of the probable outturn over years. Details of actual expenditure in 2024/25 and cumulative to date are also provided. A similar analysis for income is provided within Appendix 2, with the overall net expenditure position outlined within Appendix 3.
- 1.3** The Executive Director of Finance has delegated authority to transfer up to £500,000 between projects to correct any projected overspend that cannot be addressed through remedial action. Where this is not possible, or is insufficient to resolve the problem, a request for additional resources or a larger transfer may be submitted to the City Administration Committee.

2 Budget changes

Total budget changes

- 2.1** The net expenditure budget for the investment programme remains unchanged up to the end of quarter 3.

Previously approved budget changes

- 2.2** The following adjustments have been approved and increase the gross expenditure budget by £0.855m and increased the gross income budget by £0.855m resulting in no change to the net expenditure budget:
- 2.2.1** There have been a number of transfers, approvals and technical adjustments to expenditure and income approved under delegated authority by the Executive Director of Finance.

Budget approvals requested

- 2.3** The following adjustments require approval by the City Administration Committee and increase the gross expenditure budget by £12.999m and increase the gross income budget by £12.999m resulting in no change to the net expenditure budget:

- 2.3.1** An increase to the gross income budget of £12.999m to reflect additional General Capital Grant and a related increase to gross expenditure budget of £12.999m for Free School Meals.
- 2.3.2** A transfer of £0.900m gross expenditure budget from The Place Fund to the Strategic Public Realm programme to consolidate the budget for the Finnieston Public Realm project.
- 2.3.3** A transfer of £1.534m Vacant and Derelict Land gross expenditure budgets (VDLF 2018/19 - £0.471m, VDLF 2022/23 - £0.280m, VDLF 2023/24 - £0.656m and VDLF 2024/25 - £0.127m) to the Seven Lochs project to consolidate the budget for Seven Lochs.
- 2.3.4** A transfer of £0.581m gross expenditure budget from the Govan Town Centre project to the Clyde Waterfront budget to consolidate the programme.

3 Summary financial position

- 3.1** Approved gross expenditure on the investment programme, net of payments in previous financial years, totals £553.289m. Probable outturn of gross expenditure for 2024/25 totals £122.494m.
- 3.2** Approved direct income on the investment programme, net of receipts in previous financial years, totals £158.898m. Probable outturn of direct income for 2024/25 totals £28.546m.
- 3.3** Actual gross expenditure in 2024/25 to quarter 3 totals £85.563m. Actual receipts directly related to specific projects, total £15.690m and general capital grant totals £57.472m.

4 Management of the programme

Financial performance

- 4.1** In net expenditure terms, the current forecast for the delivery of the approved programme is on target. A nil variance is forecast for both gross expenditure and income.

Physical progress

- 4.2** Actual gross expenditure in respect of the investment programme in 2024/25 to quarter 3 totals £85.563m, representing 70% of the £122.494m estimated total expenditure in the year. Individual service monitoring reports contain more detail on physical progress. The reports will be provided to the Finance and Audit Scrutiny Committee.

5 Asset sales

- 5.1** The council's investment programme is partly funded by the proceeds of asset sales which supports the delivery of major capital projects.
- 5.2** The asset sales target for the period 2024/25 and 2025/26 is £12.000m and has been profiled at £5.000m in 2024/25 and £7.000m in 2025/26. Asset sales received up to the end of quarter 3 of 2024/25 were £7.898m. This over-recovery against the current year target will result in a commensurate reduction to future years' targets.

6 Recommendation

The committee is asked to:

- 6.1** Approve the requested budget adjustments as detailed in paragraph 2.3;
- 6.2** Note that this report and all detailed monitoring statements will be referred to the Finance and Audit Scrutiny Committee.

GLASGOW CITY COUNCIL
INVESTMENT PROGRAMME GROSS EXPENDITURE 2024/25

	Budget/Probable Outturn					Probable Outturn Profile					Actual Gross Expenditure		
	Original Approved Gross Exp Budget	Approved Budget Movement	Revised Approved Gross Exp Budget	Total Gross Exp Probable Outturn	Variance (Under)/ Over Budget	Previous Years Actual	2024/25	2025/26	2026/27	Future Years	Previous Years Actual	Actual to Period 12 2024/25 07-Feb-25	Cumulative to date
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>INVESTMENT PROGRAMME</u>													
GLASGOW LIFE	72,244	7,293	79,537	79,537	0	77,919	51	1,177	390	0	77,919	17	77,936
NEIGHBOURHOODS, REGENERATION AND SUSTAINABILITY	560,159	196,910	757,069	757,069	0	390,621	79,294	157,650	80,346	49,158	390,621	54,343	444,964
CITY DEAL	125,594	264,295	389,889	389,889	0	310,198	26,481	46,482	5,435	1,293	310,198	18,834	329,032
EDUCATION SERVICES	112,004	64,505	176,509	176,509	0	109,824	6,397	23,261	25,817	11,210	109,824	4,229	114,053
SOCIAL WORK SERVICES	36,300	8,492	44,792	44,792	0	14,155	4,866	18,483	6,658	630	14,155	4,315	18,470
INSURANCE PROJECTS	0	0	0	0	0	0	0	0	0	0	0	0	0
TRANSFORMATION	106,000	636	106,636	106,636	0	98,426	5,405	2,805	0	0	98,426	3,825	102,251
TOTAL GROSS EXPENDITURE	1,012,301	542,131	1,554,432	1,554,432	0	1,001,143	122,494	249,858	118,646	62,291	1,001,143	85,563	1,086,706

GLASGOW CITY COUNCIL
INVESTMENT PROGRAMME GROSS INCOME 2024/25

	Budget/Probable Outturn					Probable Outturn Profile					Actual Income		
	Original Approved Gross Inc Budget	Approved Budget Movement	Revised Approved Gross Inc Budget	Total Gross Inc Probable Outturn	Variance (Under)/ Over budget	Previous Years Actual	2024/25	2025/26	2026/27	Future Years	Previous Years Actual	Actual to Period 12 2024/25 07-Feb-25	Cumulative to date
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>INVESTMENT PROGRAMME</u>													
GLASGOW LIFE	33,000	5,075	38,075	38,075	0	37,489	100	486	0	0	37,489	0	37,489
NEIGHBOURHOODS, REGENERATION AND SUSTAINABILITY	129,245	99,706	228,951	228,951	0	134,490	19,534	35,863	27,370	11,694	134,490	10,405	144,895
CITY DEAL	86,102	168,314	254,416	254,416	0	190,889	8,588	14,593	11,668	28,678	190,889	4,961	195,850
EDUCATION SERVICES	44,648	13,093	57,741	57,741	0	57,417	324	0	0	0	57,417	324	57,741
SOCIAL WORK SERVICES	0	0	0	0	0	0	0	0	0	0	0	0	0
INSURANCE PROJECTS	0	0	0	0	0	0	0	0	0	0	0	0	0
TRANSFORMATION	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL DIRECT INCOME	292,995	286,188	579,183	579,183	0	420,285	28,546	50,942	39,038	40,372	420,285	15,690	435,975
ASSET SALES	17,400	(5,400)	12,000	12,000	0	0	5,000	7,000	0	0	0	7,898	7,898
GENERAL CAPITAL GRANT	47,842	17,604	65,446	65,446	0	0	65,446	0	0	0	0	57,472	57,472
TOTAL INCOME	358,237	298,392	656,629	656,629	0	420,285	98,992	57,942	39,038	40,372	420,285	81,060	501,345

GLASGOW CITY COUNCIL
INVESTMENT PROGRAMME NET EXPENDITURE 2024/25

	Budget/Probable Outturn					Probable Outturn Profile					Actual Net Expenditure		
	Original Approved Net Exp Budget	Approved Budget Movement	Revised Approved Net Exp Budget	Total Net Exp Probable Outturn	Variance (Under)/ Over Budget	Previous Years Actual	2024/25	2025/26	2026/27	Future Years	Previous Years Actual	Actual to Period 12 2024/25 07-Feb-25	Cumulative to date
<u>INVESTMENT PROGRAMME</u>	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
GLASGOW LIFE	39,244	2,218	41,462	41,462	0	40,430	(49)	691	390	0	40,430	17	40,447
NEIGHBOURHOODS, REGENERATION AND SUSTAINABILITY	430,914	97,204	528,118	528,118	0	256,131	59,760	121,787	52,976	37,464	256,131	43,938	300,069
CITY DEAL	39,492	95,981	135,473	135,473	0	119,309	17,893	31,889	(6,233)	(27,385)	119,309	13,873	133,182
EDUCATION SERVICES	67,356	51,412	118,768	118,768	0	52,407	6,073	23,261	25,817	11,210	52,407	3,905	56,312
SOCIAL WORK SERVICES	36,300	8,492	44,792	44,792	0	14,155	4,866	18,483	6,658	630	14,155	4,315	18,470
INSURANCE PROJECTS	0	0	0	0	0	0	0	0	0	0	0	0	0
TRANSFORMATION	106,000	636	106,636	106,636	0	98,426	5,405	2,805	0	0	98,426	3,825	102,251
TOTAL DIRECT NET EXPENDITURE	719,306	255,943	975,249	975,249	0	580,858	93,948	198,916	79,608	21,919	580,858	69,873	650,731
ASSET SALES	(17,400)	5,400	(12,000)	(12,000)	0	0	(5,000)	(7,000)	0	0	0	(7,898)	(7,898)
GENERAL CAPITAL GRANT	(47,842)	(17,604)	(65,446)	(65,446)	0	0	(65,446)	0	0	0	0	(57,472)	(57,472)
TOTAL NET EXPENDITURE	654,064	243,739	897,803	897,803	0	580,858	23,502	191,916	79,608	21,919	580,858	4,503	585,361