



Glasgow City Region Cabinet

Report by Director of Regional Economic Growth

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Item 3
17th March 2026

PMO Budget and Member Recharges 2026/27

Purpose of Report

To present to the Cabinet the PMO Budget and member recharges for financial year 2026/27.

Recommendations

The Cabinet is invited to:

1. Consider and comment on the PMO budget and member recharges for 2026/27; and
2. Approve the budget at Appendix 1.

1. Purpose and Budget

- 1.1 To present to the Cabinet a draft PMO Budget as per Appendix 1 and member recharges as per Section 3.1 for financial year 2026/27.
- 1.2 The total draft budget for 2026/27 is £3,561,789 which is an increase of £753,786 from the 2025/26 approved budget. This increase can be explained by the following:
 - 1.2.1 An increase in payroll budget of £686,432 which relates to the 3.5% pay rise (circa £92,000), an increase in employers pension contributions (circa £289,000), two new staff for the Investment Zone (circa £150,000), Head of Economic Delivery now shown as budgeted with income budget offsetting (circa £132,000) and a number of staff in receipt of pay rises from moving up the incremental scale.
 - 1.2.2 There is a new budget line for Place costs (£30,000) and an increase in marketing costs (£36,000) covering website management and hosting, film making, e-marketing and external printing, design and events.
- 1.3 The total member contributions for 2026/27 will remain at £1,347,438 which maintains the total recharges at 2022/23 levels continuing the previously applied no increase agreement.
- 1.4 The overall deficit from this annual budget is expected to be funded by temporary loan interest earned on grant sums held by Glasgow City Council together with prior year surpluses. We have previously stated our intention to reduce the overall surplus carried forward by maintaining the member authority contribution levels.

2. Proposed Budget Impact on Carried Forward Balances from prior years

- 2.1 The Glasgow City Region carried forward balance at the start of 2025/26 amounted to £2.9m. By the end of the year it is anticipated that this would reduce to around £2.1m, however, this excludes the unbudgeted grant interest income and it is estimated that after interest the surplus could be in the range of £2.2m – £2.6m at year end. The grant interest income continues to be unbudgeted due to the variable nature of the rates and timescale over which the grants are held. The interest on grants held pending distribution applies to both City Deal and Shared Prosperity Fund grants.
- 2.2 Overall the interest income in 2026/27 should continue to reduce, subject to interest rates maintaining their current trajectory, with the result that, along with the planned budget deficit, the Glasgow City Region surplus should reduce by the end of 2026/27.

3 Member Recharges

- 3.1 Member recharges are reviewed every 3 years based on currently available population statistics. The population was last updated for 2025/26, therefore, the recharges for 2026/27 should remain unchanged from 2025/26 as shown in the table below.

| | NRS Mid Year Population 30 June 2023 | % | Charge for 2026/27 |
|----------------------------|---|----------|-------------------------------|
| East Dunbartonshire | 109,230 | 5.855% | 78,892 |
| East Renfrewshire | 98,600 | 5.285% | 71,215 |
| Glasgow | 631,970 | 33.875% | 456,446 |
| Inverclyde | 78,330 | 4.199% | 56,575 |
| North Lanarkshire | 341,890 | 18.326% | 246,933 |
| Renfrewshire | 186,540 | 9.999% | 134,730 |
| South Lanarkshire | 330,280 | 17.704% | 238,547 |
| West Dunbartonshire | 88,750 | 4.757% | 64,100 |
| Total | 1,865,590 | 1 | 1,347,438 |

- 3.2 The annual charges for Climate Ready Clyde and Strategic Spatial Planning and Delivery will continue to be billed alongside the Glasgow City Region charges.

4 Recommendations

4.1 The Cabinet is invited to:

4.1.1 Consider and comment on the draft PMO budget and member recharges for 2026/27; and

4.1.2 Approve the budget at Appendix 1.

| Glasgow City Region - City Deal Programme Management Office Budget 2026/27 | | Appendix 1 | |
|---|---|--|--|
| Title | Original Approved Budget 2025/26 | Proposed Budget 2026/27 | |
| Total PMO Salary Costs | 2,633,025 | 3,319,457 | |
| Third Party Costs | 66,678 | 104,032 | |
| Internal Audit Fees | 23,999 | 24,839 | |
| External Audit | 14,679 | 15,193 | |
| Marketing | 10,000 | 46,000 | |
| Intelligence Hub: Software | 15,000 3,000 | 15,000 3,000 | |
| Others | 108,300 | 138,300 | |
| Provisions | 2,000 | 2,000 | |
| Supplies | 2,000 | 2,000 | |
| Climate Ready Clyde | 88,000 | 88,000 | |
| Teomach (Cenefits licences) | 4,800 | 4,800 | |
| CITB Labour Market Tool | 3,500 | 3,500 | |
| Meetings, Workshops and Catering | 2,000 | 2,000 | |
| Place Costs | 0 | 30,000 | |
| Training | 6,000 | 6,000 | |
| Total PMO, Intelligence Hub and Portfolio Development Actual and Projected Spend | 2,808,003 | 3,561,789 | |
| Funding | | | |
| SiPHER funding | (53,184) | (70,018) | |
| Clyde Mission | (106,420) | (145,617) | |
| Investment Zone Funding capacity Fund | (63,976) | (367,313) | |
| Place recharged to members | (676,599) | (535,253) | |
| Climate Ready Clyde from MA's 26/27 | (88,000) | (88,000) | |
| Funding from Member Authorities 26/27 | (1,347,438) | (1,347,438) | |
| Total Funding | (2,335,617) | (2,553,640) | |
| Notes: | | | |
| - There is a £2,956k carry forward from 2024/25 | | | |
| Anticipated surplus/(Deficit) | (472,386) | (1,008,149) | |