Item 10

23rd September 2026

Glasgow City Council

Strathclyde Pension Fund Committee

Report by Director of Strathclyde Pension Fund

Contact: Shona MacLean **Ext: 21837**

Finance Update

Purpose of Report:

To present financial statements comprising:

- a 2026/27 administration cost monitoring statement; and
- a 2026/27 cash flow monitoring statement.

Recommendations:

The Committee is asked to NOTE the contents of this report.

Ward No(s): Citywide: ✓

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

1 Introduction

Financial transactions and data for the Strathclyde Pension Fund are held and processed on a number of different systems. These can be broken broadly into three areas as follows:

- **Funding:** long term cash flows and financing requirements are assessed in the three yearly actuarial valuation carried out by Hymans Robertson.

- **Investment:** detailed investment records are maintained by the Fund's external investment managers and global custodian and summarised in regular investment reports.

- **Administration:** pensions benefits are calculated and recorded on the *Altair* pensions system within Strathclyde Pension Fund Office (SPFO). Payments are made from and received into the SPFO bank account. The Council's SAP-based financial systems are used for reporting. This report presents the current administration costs and cash flow for SPFO.

2 Administration Cost Monitoring Statement

2026/27 Annual Budget (£000)	SPFO Budget	2026/27 YTD		
		Actual (£000)	Budget (£000)	Variance (£000)
5,781	Employee costs	2,012	2,197	185
687	Property costs	234	271	37
2,605	Supplies and services	1,031	1,028	(3)
1	Transport costs	0	0	0
400	Contracted services	192	158	(34)
1,358	Central support	532	532	0
10,832	**Total Expenditure**	**4,001**	**4,186**	**185**
(200)	Operating income	(14)	(79)	65
(3,800)	Interest receivable	(1,800)	(1,499)	(301)
(4,000)	**Total Income**	**(1,814)**	**(1,578)**	**(236)**
6,832	**Net Expenditure/ (Income)**	**2,187**	**2,608**	**(421)**

The summary statement above shows the administration costs for 2026/27 to period 5, ending 21st August 2026.

Year to date actual expenditure of **£4.001m** is below the comparable year to date budget of **£4.186m,** meaning an underspend year to date of £0.185m**.** This is due to vacancies not yet filled.

Expenditure is offset by other income and interest received into the day to day operating bank accounts for the period**.** The year to date bank interest is **£1.8m,** which is lower than higher year to date by **£0.3m** due to a higher bank balances held for a period.

3 Cash Flow Statement

The cash flow statement shows receipts, payments and current cash balances.

Cash Flows	**2026/27**		
	Actual YTD (£000)	**Estimate 2026/27 (£000)**	**Probable Outturn (£000)**
Opening Balance	**133,534**	**133,534**	**133,534**
Cash Movements:			
Expenditure	(429,136)	(1,087,028)	(1,090,877)
Income	267,223	886,721	889,517
Net Addition / Reduction(-)	**(161,913)**	**(200,307)**	**(201,360)**
Interest Received	1,794	4,688	4,917
Transfer from Investments	200,000	150,000	200,000
Closing Bank Balance	**173,415**	**87,915**	**137,091**

Both operating income and expenditure are projected to be broadly in line with the original estimate for the year.

It is not anticipated at this point that further transfers from investments will be required, but these can be arranged as required.

4 Policy and Resource Implications

Resource Implications:

Financial:	None.
Legal:	None.
Personnel:	None.
Procurement:	None.

Council Strategic Plan:	SPF supports all Missions within the Grand Challenge of: ***Enable staff to deliver essential services in a sustainable, innovative and efficient way for our communities.*** The LGPS is one of the key benefits which enables the Council to recruit and retain staff.
Equality and Socio-Economic Impacts:	
Does the proposal support the Council's Equality Outcomes 2025 - 29	Equalities issues are addressed in the scheme rules which are the responsibility of Scottish Government, in the Fund's Communications Policy which has been the subject of an Equalities Impact Assessment, and in the Fund's Responsible Investment strategy.
What are the potential equality impacts as a result of this report?	N/a
Please highlight if the policy/proposal will help address socio economic disadvantage.	N/a.

Climate Impacts:

Does the proposal support any Climate Plan actions? Please specify:	N/a. Monitoring report. Strathclyde Pension Fund's Climate Change strategy is being developed in line with Item 34 of the Council's Climate Action Plan.
What are the potential climate impacts as a result of this proposal?	N/a.

Will the proposal contribute to Glasgow's net zero carbon target?	N/a.
Privacy and Data Protection impacts:	
Are there any potential data protection impacts as a result of this report Y/N	No.
If Yes, please confirm that a Data Protection Impact Assessment (DPIA) has been carried out	N/a.

5 Recommendations

The Committee is asked to note the contents of this report.