



Glasgow City Council

City Administration Committee

Item 2

6th November 2025

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

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BUDGET MONITORING: INVESTMENT PROGRAMME 2025/26 - QUARTER 2

Purpose of report:

To provide a monitoring statement of financial performance and progress on the council's Investment Programme as at Quarter 2 (Period 7).

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 second quarter of 2025/26 (Period 7, 19 September 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 2025/26 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 Financial Services 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 increased by £2.000m up to the end of quarter 2.

Previously approved budget changes

- 2.2** The following adjustments have been approved and increase the gross expenditure budget by £12.105m and increased the gross income budget by £10.105m resulting in an increase to the net expenditure budget of £2.000m:
 - 2.2.1** An increase to both the gross expenditure and income budgets of £1.457m following allocation of Transport Scotland funding for projects that align to Scotland's Road Safety Framework to 2030. This was approved by City Administration Committee on 18 September 2025.
 - 2.2.2** An increase to both the gross expenditure and income budgets of £1.270m following allocation of Transport Scotland funding for Bus Infrastructure Tier 1 & 2 projects. This was approved by City Administration Committee on 18 September 2025.

- 2.2.3** An increase to the gross expenditure and income budgets of £1.909m following allocation from the Scottish Government from the Vacant and Derelict Land Fund (VDLF) 2025/26. This was approved by City Administration Committee on 4 September 2025.
- 2.2.4** An increase to the gross expenditure and income budgets of £2.242m following allocation from the Scottish Government of the Place Fund award for 2025/26. This was approved by City Administration Committee on 21 August 2025.
- 2.2.5** An increase to the gross expenditure and income budgets of £2.611m following the award from the UK Shared Prosperity Fund. This was approved at City Administration Committee on 24 April 2025.
- 2.2.6** In addition, there have been a number of transfers, approvals and technical adjustments to expenditure and income approved under delegated authority by the Executive Director of Financial Services.

Budget approvals requested

- 2.3** The following adjustments require approval by the City Administration Committee and increase the gross expenditure budget by £2.040m and increase the gross income budget by £2.040m resulting in no change to the net expenditure budget:
 - 2.3.1** A transfer of £0.610m gross expenditure and income budgets from the Shared Prosperity Fund for 2025/26 to Sale and Leaseback to consolidate funding for the Kelvin Hall project.
 - 2.3.2** An increase to the gross expenditure and income budgets of £2.040m to reflect funding awarded by the Commonwealth Games Organising Committee for the Commonwealth Games 2026 project.
 - 2.3.3** A transfer of £1.521m gross expenditure budget from the 2025/26 Capital Investment in Property allocation for Social Work Services to the Riverside Care Home project to cover the costs of the emergent works to complete the project.

3 Summary financial position

- 3.1** Approved gross expenditure on the investment programme, net of payments in previous financial years, totals £923.803m. Probable outturn of gross expenditure for 2025/26 totals £262.037m.
- 3.2** Approved direct income on the investment programme, net of receipts in previous financial years, totals £130.210m. Probable outturn of direct income for 2025/26 totals £58.425m.

- 3.3** Actual gross expenditure in 2025/26 to quarter 2 totals £70.099m. Actual receipts directly related to specific projects, total £16.761m and general capital grant totals £31.298m.

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 2025/26 to quarter 2 totals £70.099m, representing 27% of the £262.037m 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 2025/26 and 2026/27 is £15.000m and has been profiled at £5.000m in 2025/26 and £10.000m in 2026/27. Asset sales received up to the end of quarter 2 of 2025/26 were £0.825m.

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 2025/26

	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	2025/26	2026/27	2027/28	Future Years	Previous Years Actual	Actual to Period 7 2025/26 19-Sep-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	14,233	86,477	86,477	0	78,539	3,938	2,000	2,000	0	78,539	1,494	80,033
NEIGHBOURHOODS, REGENERATION AND SUSTAINABILITY	691,661	208,468	900,129	900,129	0	435,516	123,800	203,848	97,037	39,928	435,516	28,506	464,022
CITY DEAL	125,594	324,501	450,095	450,095	0	336,574	38,366	65,826	7,963	1,366	336,574	14,396	350,970
EDUCATION SERVICES	119,004	66,603	185,607	185,607	0	114,762	23,591	31,915	15,339	0	114,762	4,986	119,748
SOCIAL WORK SERVICES	34,500	9,427	43,927	43,927	0	7,248	11,827	20,970	3,882	0	7,248	2,159	9,407
INSURANCE PROJECTS	0	0	0	0	0	0	0	0	0	0	0	0	0
TRANSFORMATION	336,000	761	336,761	336,761	0	106,554	60,515	81,658	39,427	48,607	106,554	18,558	125,112
TOTAL GROSS EXPENDITURE	1,379,003	623,993	2,002,996	2,002,996	0	1,079,193	262,037	406,217	165,648	89,901	1,079,193	70,099	1,149,292

**GLASGOW CITY COUNCIL
INVESTMENT PROGRAMME GROSS INCOME 2025/26**

	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	2025/26	2026/27	2027/28	Future Years	Previous Years Actual	Actual to Period 7 2025/26 19-Sep-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	7,965	40,965	40,965	0	37,654	3,311	0	0	0	37,654	1,703	39,357
NEIGHBOURHOODS, REGENERATION AND SUSTAINABILITY	109,036	106,095	215,131	215,131	0	135,658	40,867	19,572	12,354	6,680	135,658	12,933	148,591
CITY DEAL	86,102	170,034	256,136	256,136	0	208,785	14,172	10,422	2,001	20,756	208,785	2,050	210,835
EDUCATION SERVICES	44,648	15,190	59,838	59,838	0	59,763	75	0	0	0	59,763	75	59,838
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	272,786	299,284	572,070	572,070	0	441,860	58,425	29,994	14,355	27,436	441,860	16,761	458,621
ASSET SALES	15,000	0	15,000	15,000	0	0	5,000	10,000	0	0	0	825	825
GENERAL CAPITAL GRANT	57,430	88	57,518	57,518	0	0	57,518	0	0	0	0	31,298	31,298
TOTAL INCOME	345,216	299,372	644,588	644,588	0	441,860	120,943	39,994	14,355	27,436	441,860	48,884	490,744

**GLASGOW CITY COUNCIL
INVESTMENT PROGRAMME NET EXPENDITURE 2025/26**

	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	2025/26	2026/27	2027/28	Future Years	Previous Years Actual	Actual to Period 7 2025/26 19-Sep-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	6,268	45,512	45,512	0	40,885	627	2,000	2,000	0	40,885	(209)	40,676
NEIGHBOURHOODS, REGENERATION AND SUSTAINABILITY	582,625	102,373	684,998	684,998	0	299,858	82,933	184,276	84,683	33,248	299,858	15,573	315,431
CITY DEAL	39,492	154,467	193,959	193,959	0	127,789	24,194	55,404	5,962	(19,390)	127,789	12,346	140,135
EDUCATION SERVICES	74,356	51,413	125,769	125,769	0	54,999	23,516	31,915	15,339	0	54,999	4,911	59,910
SOCIAL WORK SERVICES	34,500	9,427	43,927	43,927	0	7,248	11,827	20,970	3,882	0	7,248	2,159	9,407
INSURANCE PROJECTS	0	0	0	0	0	0	0	0	0	0	0	0	0
TRANSFORMATION	336,000	761	336,761	336,761	0	106,554	60,515	81,658	39,427	48,607	106,554	18,558	125,112
TOTAL DIRECT NET EXPENDITURE	1,106,217	324,709	1,430,926	1,430,926	0	637,333	203,612	376,223	151,293	62,465	637,333	53,338	690,671
ASSET SALES	(15,000)	0	(15,000)	(15,000)	0	0	(5,000)	(10,000)	0	0	0	(825)	(825)
GENERAL CAPITAL GRANT	(57,430)	(88)	(57,518)	(57,518)	0	0	(57,518)	0	0	0	0	(31,298)	(31,298)
TOTAL NET EXPENDITURE	1,033,787	324,621	1,358,408	1,358,408	0	637,333	141,094	366,223	151,293	62,465	637,333	21,215	658,548