Item 2

5th November 2026

Glasgow City Council

City Administration Committee

Report by Councillor Greg Hepburn, City Treasurer and City Convener for Financial Inclusion

Contact: Robert Emmott Ext: 73837

BUDGET MONITORING: INVESTMENT PROGRAMME 2026/27 - 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 6) 2026/27.

Recommendations:

The committee is asked to:

i Approve the requested budget adjustments as detailed in paragraph 2.3; and

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 2026/27 (Period 6, 18 September 2026). 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 2026/27 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 £1.984m 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 £21.285m and increased the gross income budget by £19.301m resulting in an increase to the net expenditure budget of £1.984m:

2.2.1 An increase to the gross expenditure and income budgets of £1.842m following the allocation of the Vacant and Derelict Land Fund (VDLF) for 2026/27 from the Scottish Government. This was approved by City Administration Committee on 6 August 2026.

2.2.2 An increase to both the gross expenditure and income budgets of £3.720m following the allocation of Transport Scotland funding for Active Travel Infrastructure Fund (ATIF) Tier 2 2026/27 projects. This was approved by City Administration Committee on 17 September 2026.

2.2.3 An increase to both the gross expenditure and income budgets of £3.630m following the allocation of Transport Scotland funding for Bus Infrastructure Tier 2 2026/27 projects. This was approved by City Administration Committee on 17 September 2026.

2.2.4 An increase to both the gross expenditure and income budgets of £2.500m following the allocation of Transport Scotland funding for 20mph Zone projects. This was approved by City Administration Committee on 17 September 2026.

2.2.5 An increase to the gross expenditure budget of £1.500m reflecting the annual allocation to the Life Cycle Maintenance Programme for 2026/27. This was approved at the full Council meeting on 24 February 2026.

2.2.6 An increase to both the gross expenditure and income budgets of £7.517m following additional City Deal funding that has been awarded to Glasgow City Council through the Glasgow City Region City Deal: Enabling Commercial Space Programme. This was approved by City Administration Committee on 20 November 2025.

2.2.7 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 both the gross expenditure and income budgets by £7.008m, resulting in no change to the net expenditure budget:

2.3.1 An increase to the gross expenditure and income budget of £1.731m following the allocation of Scottish Government funding via General Capital Grant for Tier 1 Bus Infrastructure for 2026/27.

2.3.2 A transfer of £0.725m gross expenditure budget from the Pollok Stables project to Pollok Country Park Investment Fund to consolidate funding for the project.

2.3.3 A transfer of £0.422m and £2.125m gross expenditure budgets from the Place Fund projects for 2023/24 and 2025/26 respectively to consolidate remaining Place Fund budgets.

2.3.4 A transfer of £2.000m gross expenditure budget from Community Hub Programme Phase 1 to the Drumchapel Town Centre Regeneration project to allow the creation of a Community Hub in Drumchapel.

2.3.5 An increase to the gross expenditure and income budgets of £2.851m to reflect funding awarded by the Commonwealth Games Organising Committee for the Commonwealth Games 2026 project.

2.3.6 An increase to the gross expenditure and income budgets of £2.426m to reflect an award of Scottish Government grant though Salix, to deliver energy efficiency measures in the City Chambers West Building.

3 Summary financial position

3.1 Approved gross expenditure on the investment programme, net of payments in previous financial years, totals £811.988m. Probable outturn of gross expenditure for 2026/27 totals £318.276m.

3.2 Approved direct income on the investment programme, net of receipts in previous financial years, totals £108.496m. Probable outturn of direct income for 2026/27 totals £74.024m.

3.3 Actual gross expenditure in 2026/27 to quarter 2 totals £84.601m. Actual receipts directly related to specific projects, total £34.286m and general capital grant totals £30.920m.

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 2026/27 to quarter 2 totals £84.601m, representing 27% of the £318.276m estimated total expenditure in the year. Individual service monitoring reports contain more detail on physical progress. These 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 2026/27 and 2027/28 is £20.000m and has been profiled at £5.000m in 2026/27 and £15.000m in

2027/28. Asset sales received up to the end of quarter 2 of 2026/27 were £1.561m.

6 Recommendation

The committee is asked to:

6.1 Approve the requested budget adjustments as detailed in paragraph 2.3; and

6.2 Note that this report and all detailed monitoring statements will be referred to the Finance and Audit Scrutiny Committee.

APPENDIX 1

GLASGOW CITY COUNCIL
INVESTMENT PROGRAMME GROSS EXPENDITURE 2026/27

	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	2026/27	2027/28	2028/29	Future Years	Previous Years Actual	**Actual to Period 6 2026/27 18-Sep-26**	Cumulative to date
	£'000	£'000	**£'000**	**£'000**	£'000	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**	£'000
INVESTMENT PROGRAMME													
GLASGOW LIFE	6,244	83,558	**89,802**	**89,802**	0	83,650	5,719	433	0	0	83,650	**2,023**	85,673
NEIGHBOURHOODS, REGENERATION AND SUSTAINABILITY	441,643	239,634	**681,277**	**681,277**	0	243,571	165,264	194,970	56,237	21,235	243,571	**46,878**	290,449
CITY DEAL	125,374	351,022	**476,396**	**476,396**	0	378,265	53,810	41,375	2,946	0	378,265	**19,950**	398,215
EDUCATION SERVICES	51,625	58,721	**110,346**	**110,346**	0	61,265	30,897	18,121	63	0	61,265	**6,712**	67,977
SOCIAL WORK SERVICES	34,500	9,161	**43,661**	**43,661**	0	11,450	5,896	8,558	4,579	13,178	11,450	**789**	12,239
INSURANCE PROJECTS	0	98	**98**	**98**	0	98	0	0	0	0	98	**0**	98
TRANSFORMATION	188,816	147,105	**335,921**	**335,921**	0	147,214	56,690	63,789	39,222	29,006	147,214	**8,249**	155,463
TOTAL GROSS EXPENDITURE	**848,202**	**889,299**	**1,737,501**	**1,737,501**	**0**	**925,513**	**318,276**	**327,246**	**103,047**	**63,419**	**925,513**	**84,601**	**1,010,114**

APPENDIX 2

GLASGOW CITY COUNCIL
INVESTMENT PROGRAMME GROSS INCOME 2026/27

	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	2026/27	2027/28	2028/29	Future Years	Previous Years Actual	**Actual to Period 6 2026/27 18-Sep-26**	Cumulative to date
	£'000	£'000	**£'000**	**£'000**	£'000	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**	£'000
INVESTMENT PROGRAMME													
GLASGOW LIFE	0	44,289	**44,289**	**44,289**	0	40,692	3,597	0	0	0	40,692	**3,219**	43,911
NEIGHBOURHOODS, REGENERATION AND SUSTAINABILITY	74,251	113,854	**188,105**	**188,105**	0	116,204	53,050	11,671	7,180	0	116,204	**28,625**	144,829
CITY DEAL	85,882	185,049	**270,931**	**270,931**	0	237,933	17,377	7,487	8,134	0	237,933	**2,442**	240,375
EDUCATION SERVICES	44,125	7,444	**51,569**	**51,569**	0	51,569	0	0	0	0	51,569	**0**	51,569
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	**204,258**	**350,636**	**554,894**	**554,894**	**0**	**446,398**	**74,024**	**19,158**	**15,314**	**0**	**446,398**	**34,286**	**480,684**
ASSET SALES	20,000	0	**20,000**	**20,000**	0	0	5,000	15,000	0	0	0	**1,561**	1,561
GENERAL CAPITAL GRANT	50,420	11,553	**61,973**	**61,973**	0	0	61,973	0	0	0	0	**30,920**	30,920
TOTAL INCOME	**274,678**	**362,189**	**636,867**	**636,867**	**0**	**446,398**	**140,997**	**34,158**	**15,314**	**0**	**446,398**	**66,767**	**513,165**

APPENDIX 3

GLASGOW CITY COUNCIL
INVESTMENT PROGRAMME NET EXPENDITURE 2026/27

	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	2026/27	2027/28	2028/29	Future Years	Previous Years Actual	**Actual to Period 6 2026/27 18-Sep-26**	Cumulative to date
	£'000	£'000	**£'000**	**£'000**	£'000	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**	£'000
INVESTMENT PROGRAMME													
GLASGOW LIFE	6,244	39,269	**45,513**	**45,513**	0	42,958	2,122	433	0	0	42,958	**(1,196)**	41,762
NEIGHBOURHOODS, REGENERATION AND SUSTAINABILITY	367,392	125,780	**493,172**	**493,172**	0	127,367	112,214	183,299	49,057	21,235	127,367	**18,253**	145,620
CITY DEAL	39,492	165,973	**205,465**	**205,465**	0	140,332	36,433	33,888	(5,188)	0	140,332	**17,508**	157,840
EDUCATION SERVICES	7,500	51,277	**58,777**	**58,777**	0	9,696	30,897	18,121	63	0	9,696	**6,712**	16,408
SOCIAL WORK SERVICES	34,500	9,161	**43,661**	**43,661**	0	11,450	5,896	8,558	4,579	13,178	11,450	**789**	12,239
INSURANCE PROJECTS	0	98	**98**	**98**	0	98	0	0	0	0	98	**0**	98
TRANSFORMATION	188,816	147,105	**335,921**	**335,921**	0	147,214	56,690	63,789	39,222	29,006	147,214	**8,249**	155,463
TOTAL DIRECT NET EXPENDITURE	**643,944**	**538,663**	**1,182,607**	**1,182,607**	**0**	**479,115**	**244,252**	**308,088**	**87,733**	**63,419**	**479,115**	**50,315**	**529,430**
ASSET SALES	(20,000)	0	**(20,000)**	**(20,000)**	0	0	(5,000)	(15,000)	0	0	0	**(1,561)**	(1,561)
GENERAL CAPITAL GRANT	(50,420)	(11,553)	**(61,973)**	**(61,973)**	0	0	(61,973)	0	0	0	0	**(30,920)**	(30,920)
TOTAL NET EXPENDITURE	**573,524**	**527,110**	**1,100,634**	**1,100,634**	**0**	**479,115**	**177,279**	**293,088**	**87,733**	**63,419**	**479,115**	**17,834**	**496,949**