Item 1

5th November 2026

Glasgow City Council

City Administration Committee

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

Contact: Robert Emmott Ext: 73837

BUDGET MONITORING 2026-27; PERIOD 6

Purpose of Report:

This report provides a summary of financial performance for the period 1 April 2026 to 18 September 2026.

Recommendations:

The City Administration Committee is asked to:

i. approve the adjustments relating to the revenue budget at section 4;

ii. note the implementation of actions noted in paragraph 10.8; and

iii. note that this report and all detailed service reports will be considered by the Finance and Audit Scrutiny Committee.

Ward No(s):	Citywide: ✓
Local member(s) advised: Yes ☐ No ☐	consulted: Yes ☐ No ☐

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1. Introduction

1.1 This report provides a summary of financial performance for the period 1 April 2026 to 18 September 2026.

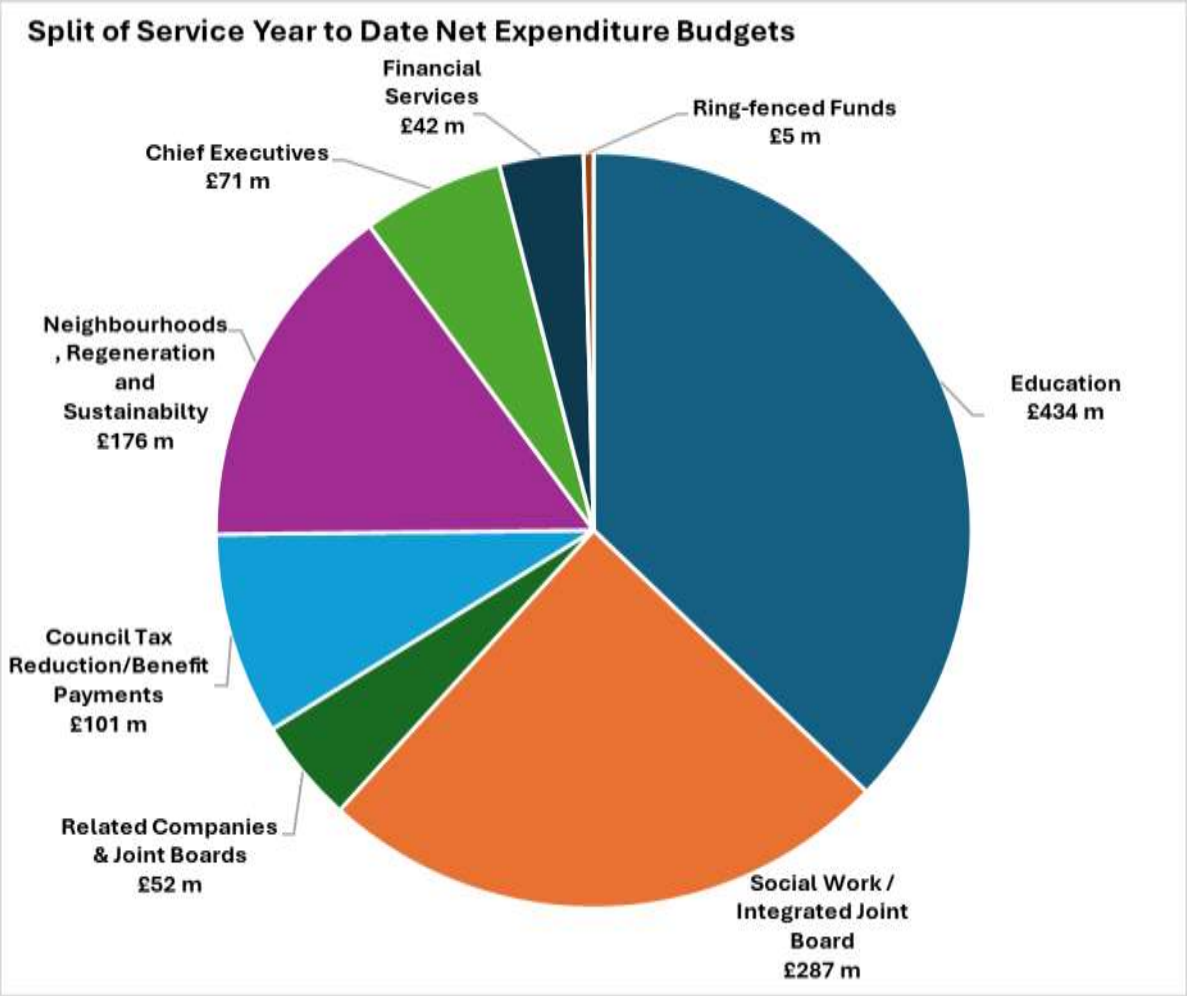
2. Reporting Format

2.1 This report provides a summary of the Council's financial position.

3. Approved Budget

3.1 The 2026-27 budget was approved by Council on 24 February 2026 and the detailed service estimates were subsequently approved by the City Administration Committee on 23 April 2026.

3.2 These budgets are shown as "Original Annual Budget", in the attached monitoring statements. In order to monitor financial performance accurately, budgets will be updated each period to reflect new monies, operational changes and any additional approvals.



3.3 The key changes to the original budget made up to period 6 are outlined in section 4, below.

4. Revenue Budget

4.1 During periods 4 to 6 there has been a net budget increase of £10.8m resulting in a cumulative budget increase of £21.7m to date. Service specific budget changes are summarised in the paragraph below.

4.2 The significant budget changes since the start of the year are as follows:

4.2.1 Expenditure budgets across a number of services have increased by a total of £6.1m to reflect previously approved general carry forwards.

4.2.2 Income and expenditure budgets within Chief Executives have increased by £0.6m reflecting Pride of Place funding from the UK Government.

4.2.3 Income and expenditure budgets within Education services have increased by £12.5m reflecting Care Experience – Attainment Funding of £0.7m from the Scottish Government; Developing the Young Workforce funding of £0.7m from the Glasgow Chamber of Commerce; Active Schools and Summer of Sports funding of £1.7m from Sportsscotland; Strategic Equity Funding of £7.1m from the Scottish Government; £1.4m to reflect the Scottish Milk and Healthy Snack Funding; School Age Childcare Funding of £0.9m from the Scottish Government.

4.2.4 Expenditure budgets within Education services have increased by £2.2m in respect of Probationer Funding from the Scottish Government.

4.2.5 Income and expenditure budgets within Social Work have increased by £8.3m to reflect expected levels of Bed and Breakfast Rentals.

4.2.6 Income and expenditure budgets within Social Work have increased by £1.2m to reflect expected levels of Housing Benefit Subsidy from Department for Work and Pensions (DWP).

4.3 There have also been adjustments to income and expenditure budgets in line with the Executive Director of Financial Service's delegated powers and budget realignments between and within various service departments to reflect the transfer of responsibilities and service reconfigurations.

5. Summary Position

Revenues

5.1 Council Tax

5.1.1 A probable outturn exercise has now been completed and is projecting that the actual income expected to be collected from council tax is £409.5 million which is £5.6m higher than budget.

5.1.2 The council tax collected to 30 September 2026 amounts to £194.4m. This represents 56.05% of the figure to be collected and is 0.64% behind last year's equivalent collection figure. The collection target for 2026/27 is 94%.

5.2 Non Domestic Rates

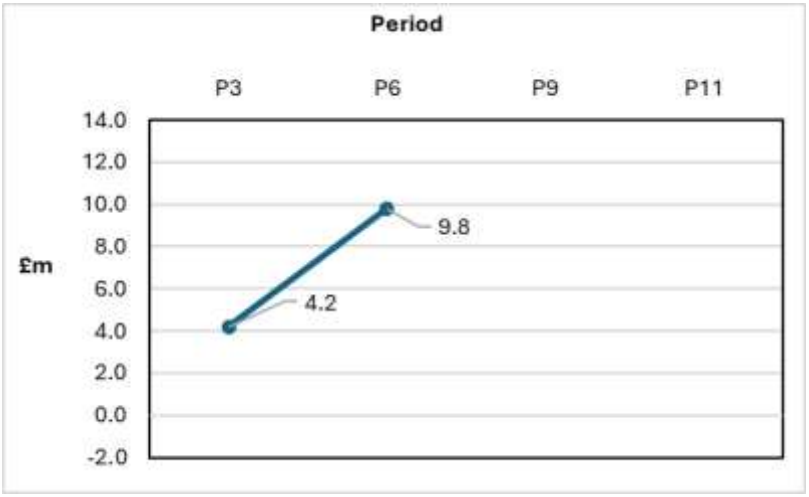
5.2.1 Non Domestic Rates (NDR) income is allocated to councils as part of the local government settlement. The council retains all NDR it collects, however where this varies from the amount included within the Local Government settlement a commensurate increase or decrease is made to the general revenue grant to ensure no overall change in the total revenue support provided by the Scottish Government.

5.2.2 The Non Domestic Rates collected to 30 September 2026 amounts to £221.0m**.** This represents 48.65% of the figure to be collected and is 0.40% behind last year's equivalent collection figure. The collection target for 2026/27 is 91%.

6. General Fund

6.1 Net expenditure is running at 101.1% of profile, representing an overspend of £9.8m against the budgeted position as at period 6. This reflects overspends within Neighbourhoods, Regeneration and Sustainability and Education Services.

6.2 Net Expenditure Position – budget variance:



6.3 The 2026-27 budget includes approved savings of £23.5m for services. At this stage of the year the forecast is that £17.7m will be achieved. The shortfalls are within Chief Executives service (£0.9m) and NRS (£4.9m). These shortfalls are due to delayed implementation of savings options however it is expected that most of these savings will be realised in full in 2027-28.

6.4 The 2026-27 budget also includes approved investment of £11.1 million for services. There are a number of investments in Neighbourhoods, Regeneration and Sustainability where there have been delays due to the recruitment of new staff, procurement processes and feasibility studies being required. This results in a forecast shortfall in NRS in the current year of £0.9 million.

6.5 The revised implementation plans for delayed savings and investments has been reflected in the profiling of service budgets and is included in the position reported below.

7. Services

7.1 Neighbourhoods, Regeneration and Sustainability £5.1m

7.1.1 This reflects an overspend of £4.0m in Refuse Collection and Disposal due to employee costs as a result of absence levels and a delay in the roll out of service reform projects, transport costs, higher costs relating to waste disposal contractor payments and a shortfall in income. Property utilities costs across the GCC estate are overspent by £1.3m due to costs not reducing as anticipated. Roads Operations are overspent by £1.6m mainly as a result of an under recovery of parking income where some savings have not yet been implemented. Parks and Open Spaces are overspent by £0.6m due to an under recovery of fees and charges across events and bereavement services. These pressures are offset by underspends in other areas of the service mainly due to underspends in staffing costs related to vacancies as well as an over recovery of income from planning fees.

7.2 Education Services £4.7m

7.2.1 This reflects an overspend of £4.5m in ASL due to additional staff and transport costs associated with the continued increasing demand in this area as well as an under-recovery of income from purchased placing requests and increased costs in relation to ASL tribunals. There is an underspend in Primary Schools of £0.9m due to lower current demand for food and clothing grants. A number of mitigating actions are being implemented across the service to address the anticipated overspend pressures within ASL across the year and the impact this will have on the service.

8. Social Work Services

8.1 The Glasgow City Integration Joint board (IJB) is now responsible for the planning and commissioning of health and social care services within the city.

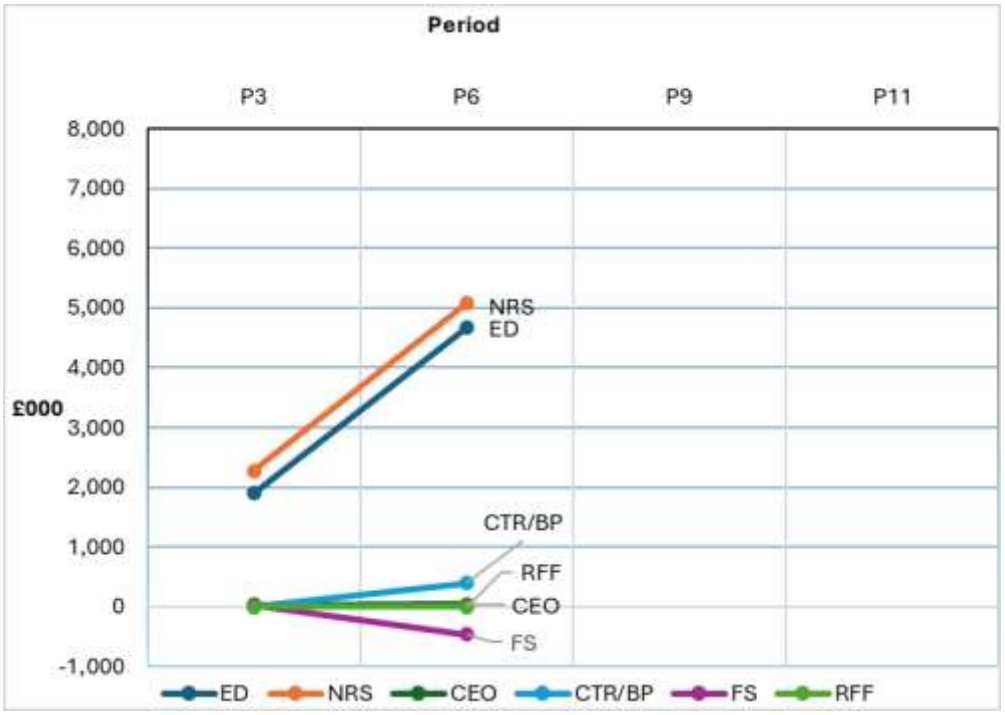
8.2 While the financial position of Social Work Services continues to be monitored through the Council's existing reporting structures the overall financial position is now the responsibility of the IJB and is therefore reported separately from the General Fund. The Reserves policy of the IJB has resulted in the transfer of previous year underspends to IJB reserves to mitigate any ongoing or future budget pressures.

8.3 At period 6 Social Work Services is showing an overspend of £3.5m. This overspend reflects a overspends within Adults, Children & Families and Operations and Governance offset by an underspend within Older People Services and Primary Care.

8.4 The council has agreed to underpin the costs of Homelessness associated with Home-Office decision making in 2026-27. To date the costs incurred are £30.2 million. As a short term, one off, measure in 2026-27 the council funded £56.0 million in its budget in respect of Homelessness.

9. Service Variance Comparison

9.1 Service financial performance across the year to date is illustrated below:



10. Forecast

10.1 The probable outturn for the year has been completed. This shows service net direct expenditure over budget by £20.8m as detailed in appendix 1. At this time budget pressures in Education Services due to demand for ASL and within NRS mainly related to Refuse Collection and Disposal, Roads Operations and Property Asset Management.

10.2 Social Work Services have also completed a probable outturn for the IJB which indicates that overall net expenditure is anticipated to be £6.7m over budget. This overspend will be met from IJB reserves and has no net impact on the Council's overall financial position.

10.3 Council tax income is projected to be £5.6m higher than budget.

10.4 Financing costs are currently projected to be underspent by £6.1m due to reduced borrowing costs and higher interest returns on cash balances than budgeted.

10.5 Contributions from related companies are anticipated to be £0.7m under budget. This reflects an increased return from City Property (£1.2m) offset by a lower return from City Building related to cost pressures and lower turnover within City Building (Contracts) (£0.5m). In addition, costs in respect of RSBI are under budget by £0.5m and costs in respect of Glasgow Life are over budget by £0.6m. The total impact of Related Companies activities is £0.6m under budget.

10.6 The probable outturn position includes the costs of the additional public holiday in June 2026 of £0.6m.

10.7 Overall the probable is forecasting a net overspend of £9.1m which would require to be met from general reserves.

10.8 In order to minimise the use of reserves a number of actions are being taken within Services to address the forecast overspend. Education Services are taking management action in respect of the Supply budget and management of recruitment within the service. Within NRS expenditure will be limited on repairs to remain within budget and resources will be redeployed within the service to reduce Agency costs.

10.9 There continues to be a significant budget pressure from Homelessness currently forecast to be £60.7 million in the current year. £56 million of these costs are budgeted to be met as a short term, one off, measure in 2026-27. Actions to address the additional pressure in 2026/27 are currently being considered to mitigate any impact on the 2027/28 budget. The position will be closely monitored over the remainder of the year.

11. Recommendations

11.1 The City Administration Committee is asked to:

(I) approve the adjustments relating to the revenue budget at section 4;

(II) note the implementation of actions noted in paragraph 10.8; and

(III) note that this report and all detailed service department reports will be considered by the Finance and Audit Scrutiny Committee.

LIST of Attachments:

- Key Figures
- Council Tax Income
- Non Domestic Rates Income
- General Fund Summary
- Social Work Services Summary

APPENDIX 1

GLASGOW CITY COUNCIL
BUDGET MONITORING

KEY FIGURES

PERIOD 6 - 1 April 2026 to 18 September 2026

Measure	Status (Under or Over Budget Profile)	Period 6	Probable
Council Tax Income	Ahead		-£5.6m
Council Tax Collection Rate	Behind	-0.64%	
Non Domestic Rates Collection Rate	Behind	-0.40%	
General Fund Net Expenditure	Over	+£9.7m	+£20.8m
Service Departments:			
Chief Executive's Office	Over		+£0.1m
Education Services	Over	+£4.7m	+£10.8m
Financial Services	Under	-£0.5m	-£0.9m
Financial Services – Benefit Payments	Over	+£0.4m	+£0.8m
Financial Services – Ring Fenced Funds	On budget		
Neighbourhoods, Regeneration and Sustainability	Over	+£5.1m	+£10.0m
		+£9.7m	**+£20.8m**
Financing Costs	Under		-£6.1m
Related Companies	Over	+£0.1m	+£0.1m
Contribution from Related Companies	Under		-£0.7m
Additional Public Holiday			+£0.6m
Probable Outturn			**+£9.1m**
Social Work Services	Over	+£3.5m	+£6.7m

Glasgow City Council

Budget Monitoring 2026/27

Revenues - Income Monitoring and Cash Collection

Period to 30th September 2026

Council Tax

Income Monitoring	Estimate 2026/27 £000	Forecast Outturn 2026/27 £000	Variance £000
	403,882	409,482	5,600

Cash Collection

Month	Actual Cash in Month £000	Actual Cash to Date £000	% of Cash Collected to Date %	Last Year Actual %	Comparison v Last Year %
April	47,627	47,627	13.85	14.56	-0.71
May	28,954	76,581	22.19	22.30	-0.11
June	29,081	105,662	30.40	30.88	-0.48
July	29,196	134,858	38.92	39.88	-0.96
August	29,467	164,325	47.52	48.17	-0.65
September	30,114	194,439	56.05	56.69	-0.64
October			0.00	65.93	
November			0.00	74.68	
December			0.00	83.17	
January			0.00	88.92	
February			0.00	91.61	
March			0.00	92.98	

Total Cash to be Collected (i.e. net of Council Tax Reduction etc)	**346,881**
Target collection in year (94%)	**326,068**

Glasgow City Council

Budget Monitoring 2026/27

Revenues - Cash Collection

Period to 30th September 2026

Non Domestic Rates

Month	Actual Cash in Month £000	Actual Cash to Date £000	% of Cash Collected to Date %	Last Year Actual %	Comparison v Last Year %
April	20,236	20,236	4.42	5.42	-1.00
May	67,520	87,756	19.15	13.16	5.99
June	39,858	127,614	27.90	27.36	0.54
July	32,632	160,246	35.12	34.42	0.70
August	30,340	190,586	41.85	41.43	0.42
September	30,365	220,951	48.65	49.05	-0.40
October			0.00	62.08	
November			0.00	70.37	
December			0.00	78.63	
January			0.00	84.85	
February			0.00	89.75	
March			0.00	91.06	

Total Cash to be Collected	**454,144**
Target collection in year (91%)	**413,271**

GLASGOW CITY COUNCIL
2026/27 REVENUE BUDGET : MONITORING REPORT
GENERAL FUND SERVICE SUMMARY

PERIOD 6: 1 APRIL 2026 TO 18 SEPTEMBER 2026

Original Annual Budget £000	Approved Changes £000	Revised Budget £000	Department	Total Expenditure Actual £000	Total Expenditure Budgeted £000	Total Income Actual £000	Total Income Budgeted £000	Net Expenditure Actual £000	Net Expenditure Budgeted £000	Variance on Net Expenditure £000	
125,035	3,516	128,551	Chief Executive's Office	77,016	76,628	6,378	6,031	70,638	70,597	41	OVER
882,543	14,797	897,340	Education Services	446,011	441,453	7,591	7,703	438,420	433,750	4,670	OVER
60,674	1,068	61,742	Financial Services	68,410	69,549	27,173	27,855	41,237	41,694	-457	
106,336	345	106,681	Financial Services - Council Tax Reduction Scheme/Benefit Payments	172,639	172,239	71,478	71,478	101,161	100,761	400	OVER
7,368	2,224	9,592	Financial Services - Ring-fenced Funds	4,653	4,653	0	0	4,653	4,653	0	
259,858	-59,332	200,526	Neighbourhoods, Regeneration and Sustainability	286,804	282,663	106,150	107,082	180,654	175,581	5,073	OVER
114,575	-1,853	112,722	Related Companies and Joint Boards	52,230	52,160	6	16	52,224	52,144	80	OVER
-23,880	0	-23,880	Specific Grant	0	0	146	146	-146	-146	0	
1,532,509	-39,235	1,493,274	TOTAL	1,107,763	1,099,345	218,922	220,311	888,841	879,034	9,807	OVER

Net Expenditure : Rate of Spend as Percentage of Budget to Date

	3	6	9	11
Percentage	100.9%	101.1%		

CITY OF GLASGOW COUNCIL
2026/27 REVENUE BUDGET : MONITORING REPORT
SOCIAL WORK SERVICES SUMMARY

PERIOD 6: 1 APRIL 2026 TO 18 SEPTEMBER 2026

Original Annual Budget £000	Approved Changes £000	Revised Budget £000	Department	Total Expenditure Actual £000	Total Expenditure Budgeted £000	Total Income Actual £000	Total Income Budgeted £000	Net Expenditure Actual £000	Net Expenditure Budgeted £000	Variance on Net Expenditure £000	
626,081	60,947	687,028	Social Work Services	468,250	461,503	169,005	165,753	299,245	295,750	3,495	OVER
-14,213	0	-14,213	Specific Grant	0	0	8,494	8,494	-8,494	-8,494	0	
0	0	0	Transfer from IJB reserves	0	0	3,495	0	-3,495	0	-3,495	
611,868	60,947	672,815	TOTAL	468,250	461,503	180,994	174,247	287,256	287,256	0	

Net Expenditure : Rate of Spend as Percentage of Budget to Date

	3	6	9	11
Percentage	100.0%	100.0%		