



Glasgow City Council

City Administration Committee

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

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Item 1

26th March 2026

**BUDGET MONITORING 2025-26; PERIOD 12**

**Purpose of Report:**

This report provides a summary of financial performance for the period 1 April 2025 to 6 February 2026.

**Recommendations:**

The City Administration Committee is asked to:

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

**PLEASE NOTE THE FOLLOWING:**

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## 1. Introduction

1.1 This report provides a summary of financial performance for the period 1 April 2025 to 6 February 2026.

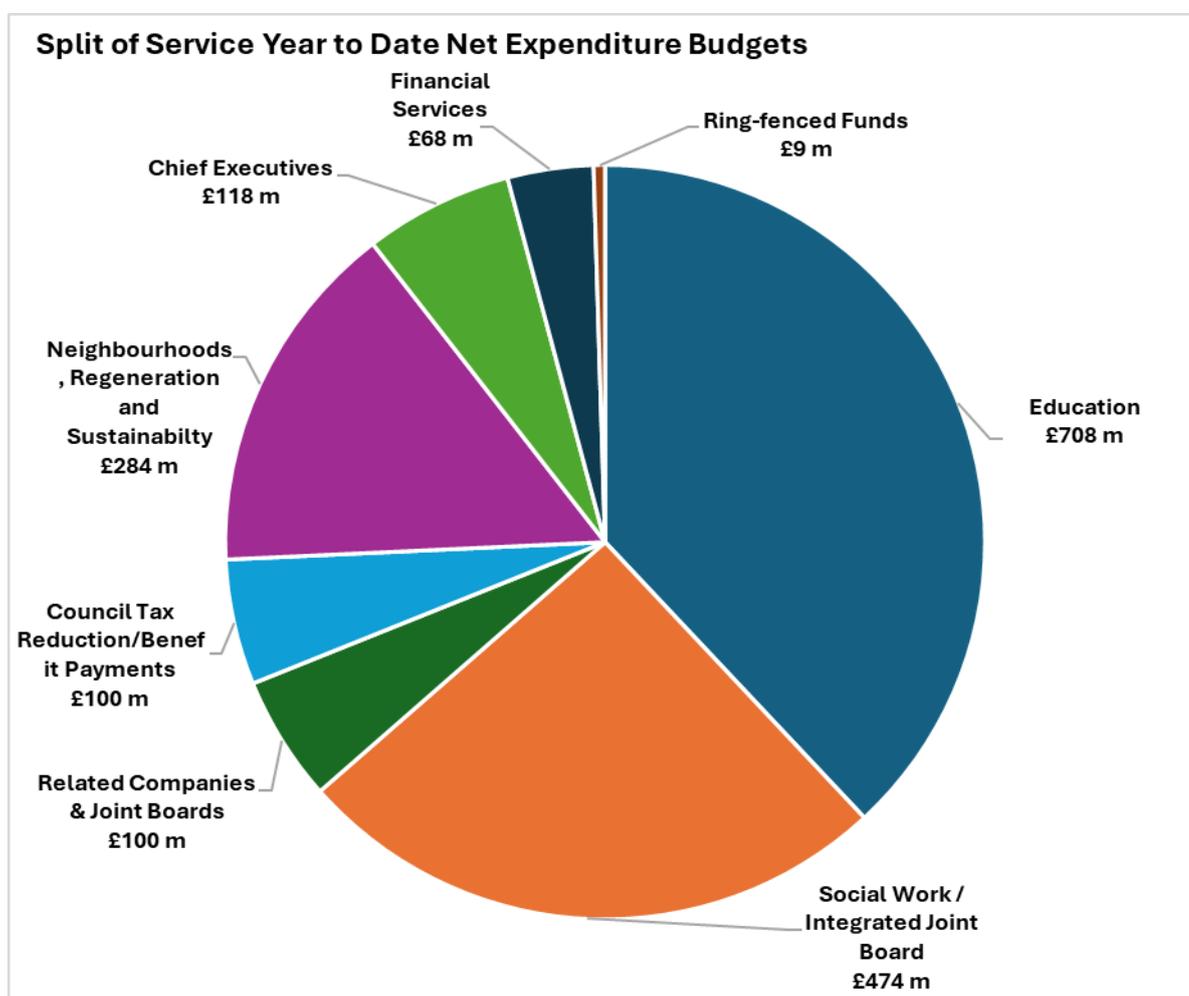
## 2. Reporting Format

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

## 3. Approved Budget

3.1 The 2025-26 budget was approved by Council on 20 February 2025 and the detailed service estimates were subsequently approved by the City Administration Committee on 9 May 2025.

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 12 are outlined in section 4, below.

## **4. Revenue Budget**

- 4.1 During periods 11 to 12 there has been a net budget increase of £5.5m resulting in a cumulative budget increase of £32.5m to date. Service specific budget changes are summarised in the paragraph below.
- 4.2 The significant budget changes from period 10 are as follows:
- 4.2.1 Expenditure budgets within Education services have increased by £4.2m as a result of additional funding for the 2025/26 pay award for teaching staff.
- 4.2.2 Expenditure budgets within Financial Services have increased by £1.0m to reflect additional funding received from the Scottish Government for the Scottish Welfare Fund.
- 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 £379.5 million. This is £2.4m more than budget.
- 5.1.2 The council tax collected to 31 January 2026 amounts to £283.3m. This represents 88.92% of the figure to be collected and is 0.40% behind last year's equivalent collection figure. The collection target for 2025/26 is 94%.

#### **5.2 Non Domestic Rates**

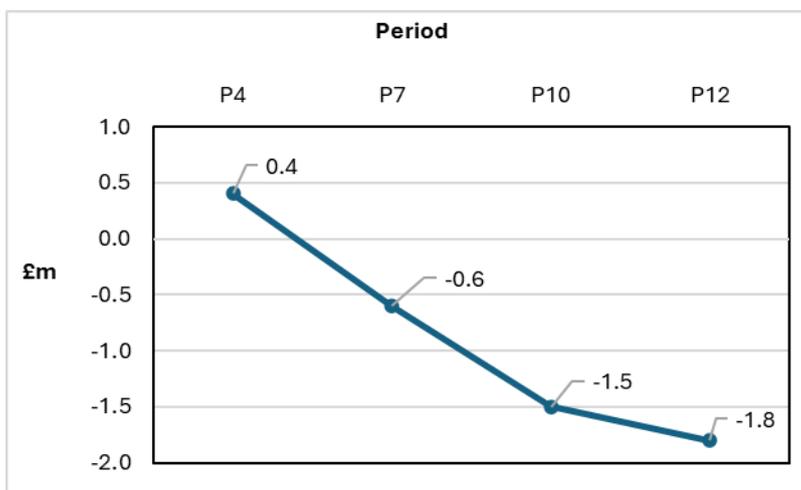
- 5.2.1 Non Domestic Rates (NDR) income is allocated to councils as part of the local government settlement. The council retains all NDR it collects, however where this varies from the amount included within the Local Government settlement a commensurate increase or decrease is made to the general revenue 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 31 January 2026 amounts to £364.4m. This represents 84.85% of the figure to be collected and is 0.47% behind last year's equivalent collection figure. The collection target for 2025/26 is 91%.

## **6. General Fund**

- 6.1 Net expenditure is running at 99.9% of profile, representing an underspend of £1.8m against the budgeted position as at period 12. There are small

overspends within Neighbourhoods, Regeneration and Sustainability and Chief Executives which are more than offset by underspends in Education, Financial Services and Related Companies.

## 6.2 Net Expenditure Position – budget variance:



6.3 The 2025-26 budget includes approved savings of £22.6m for services. At this stage of the year the forecast is that £20.5m will be achieved. The shortfalls are within Chief Executives service (£0.2m) and NRS (£1.9m). 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 2026-27.

6.4 The 2025-26 budget also includes approved investment of £12.1 million for services. The implementation of investments is progressing. This includes the provision of free school meals for all Primary 6 children from August which although up 22% on the same period last year, is expected to be underspent and is reflected in the period 12 position. There are a number of investments in Neighbourhoods, Regeneration and Sustainability with recruitment of new staff progressing with 90% of the posts filled across Streets & Parks service areas, however, this excludes Parking Attendants where 65 posts are being readvertised. This results in a forecast shortfall in NRS in the current year of £3.5 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 £0.3m

7.1.1 This reflects an overspend of £4.3m 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 repairs are also overspent by £0.6m due to the cost of repairs across the entire GCC

estate. These pressures are offset by underspends in other areas of the service mainly due to underspends in staffing costs related to vacancies and also to new posts agreed as part of the 2025-26 budget where costs will only be incurred for part of the year as well as an over recovery of income from planning fees and parking charges.

## **7.2 Education Services £-0.9m**

7.2.1 This reflects an overspend of £6.5m in ASL due to additional staff and transport costs associated with the continued increasing demand in this area. The overspend in ASL is being off-set by underspends mainly in employee costs in Early Years where recruitment is ongoing. There are also underspends in teachers employee costs where additional teachers will be in place from August, but funding is for the full financial year and in food and clothing grants due to less demand at present.

## **7.3 Financial Services £-0.9m**

7.3.1 This reflects an underspend in employee costs across the service due to recruitment difficulties offset by small overspends from increased Empty Property Relief charges and in supplies and services across the service.

## **7.4 Other Services £-0.3m**

7.4.1 Chief Executives is reporting a small overspend mainly due to a lack of attrition and delayed delivery of savings resulting in an overspend in Employee Costs. Related Companies is currently reporting a small underspend as a result of a RSBI surplus within City Building Joint Venture.

## **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.

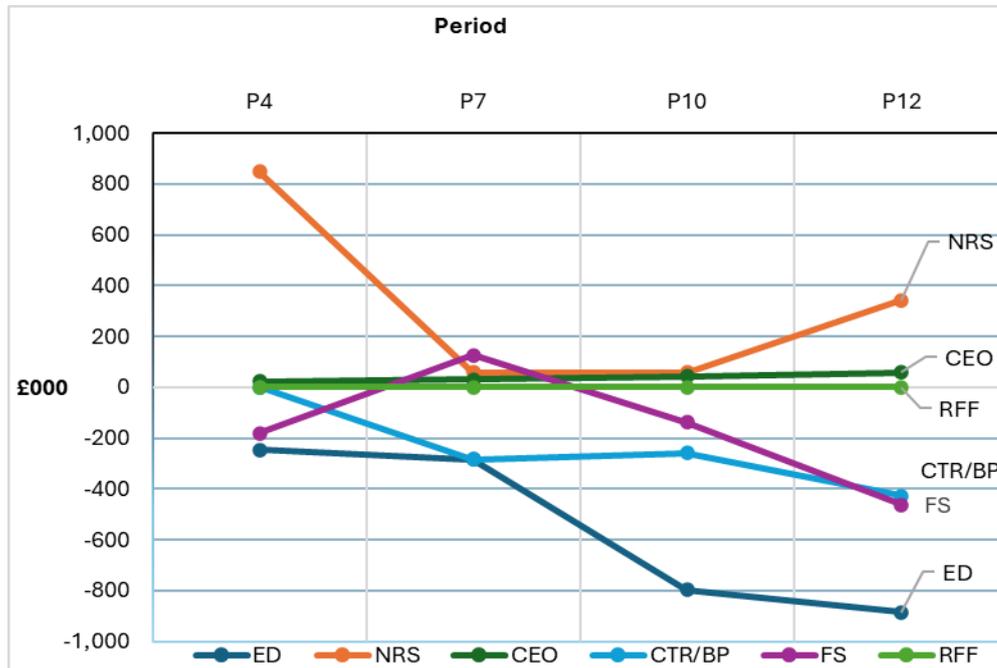
8.3 At period 12 Social Work Services is showing an overspend of £2.7m. This overspend reflects overspends within Adult Services, Children and Families and Resources offset by underspends within Older People/Physical Disabilities and Criminal Justice.

8.4 The council has agreed to underpin the costs of Homelessness associated with Home-Office decision making in 2025-26. To date the costs incurred are £38.2 million. This is budgeted to be met from the Budget Support Fund in 2025-26. However, these costs are expected to fully extinguish this fund

in the current year and so actions are required to address these costs in future years.

## 9. Service Variance Comparison

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



## 10. Forecast

10.1 As previously reported, the probable outcome is forecasting an overspend of £0.4m which can be met from general reserves as detailed in appendix 1.

10.2 The position will continue to be reviewed throughout the remainder of the year and any significant variances reported through the normal monitoring process.

10.3 There continues to be a significant budget pressure from Homelessness currently forecast to be over £38 million in the current year. These costs are budgeted to be met mainly from the Budget Support Fund however this would fully use the remaining balance in this fund. Actions to address this in 2026-27 are currently being considered however these need to be urgently progressed to minimise the need for significant savings in 2026-27 to address this pressure.

## 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 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

**GLASGOW CITY COUNCIL  
BUDGET MONITORING**

**KEY FIGURES**

**PERIOD 12 - 1 April 2025 to 6 February 2026**

<b>Measure</b>	<b>Status (Under or Over Budget Profile)</b>	<b>Period 12</b>	<b>Probable</b>
Council Tax Income	Ahead		-£2.4m
Council Tax Collection Rate	Behind	-0.40%	
Non Domestic Rates Collection Rate	Behind	-0.47%	
General Fund Net Expenditure	Under	-£1.4m	+£0.3m
<b><u>Service Departments:</u></b>			
Chief Executive's Office	Over	+£0.1m	+£0.1m
Education Services	Under	-£0.9m	-£0.1m
Financial Services	Under	-£0.5m	+£0.3m
Financial Services – Benefit Payments	Under	-£0.4m	-£0.5m
Financial Services – Ring Fenced Funds	On budget		
Neighbourhoods, Regeneration and Sustainability	Over	+£0.3m	+£0.5m
		<b>-£1.4m</b>	<b>+£0.3m</b>
Financing Costs			-£8.2m
Related Companies	Under	-£0.4m	+£1.7m
Additional contribution to the Insurance Fund			+£9.0m
<b>Probable Outturn</b>			<b>+£0.4m</b>
Social Work Services	Over	+£2.7m	+£2.2m

## Glasgow City Council

### Budget Monitoring 2025/26

#### Revenues - Income Monitoring and Cash Collection

Period to 31st January 2026

#### Council Tax

Income Monitoring	Estimate 2025/26 £000	Forecast Outturn 2025/26 £000	Variance £000
	377,086	379,480	2,394

#### 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	46,545	46,545	14.56	13.89	0.67
May	25,246	71,791	22.30	23.05	-0.75
June	28,339	100,130	30.88	31.01	-0.13
July	29,530	129,660	39.88	39.65	0.23
August	26,424	156,084	48.17	48.25	-0.08
September	27,591	183,675	56.69	56.88	-0.19
October	28,382	212,057	65.93	65.62	0.31
November	26,958	239,015	74.68	74.99	-0.31
December	26,530	265,545	83.17	83.19	-0.02
January	17,746	283,291	88.92	89.32	-0.40
February			0.00	92.23	
March			0.00	93.37	

**Total Cash to be Collected  
(i.e. net of Council Tax Reduction etc)** **318,572**

**Target collection in year (94%)** **299,458**

## Glasgow City Council

### Budget Monitoring 2025/26

#### Revenues - Cash Collection

#### Period to 31st January 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	24,112	24,112	5.42	5.90	-0.48
May	33,940	58,052	13.16	13.25	-0.09
June	62,336	120,388	27.36	26.93	0.43
July	30,362	150,750	34.42	34.29	0.13
August	30,470	181,220	41.43	41.69	-0.26
September	32,695	213,915	49.05	47.97	1.08
October	54,254	268,169	62.08	61.90	0.18
November	35,269	303,438	70.37	70.78	-0.41
December	35,017	338,455	78.63	79.74	-1.11
January	25,932	364,387	84.85	85.32	-0.47
February			0.00	90.40	
March			0.00	92.06	
<b>Total Cash to be Collected</b>		<b>429,446</b>			
<b>Target collection in year (91%)</b>		<b>390,796</b>			

**GLASGOW CITY COUNCIL**  
**2025/26 REVENUE BUDGET : MONITORING REPORT**  
**GENERAL FUND SERVICE SUMMARY**

PERIOD 12: 1 APRIL 2025 TO 6 FEBRUARY 2026

Original Annual Budget £000	Approved Changes £000	Revised Budget £000	Department	Total Expenditure		Total Income		Net Expenditure		Variance on Net Expenditure £000	
				Actual £000	Budgeted £000	Actual £000	Budgeted £000	Actual £000	Budgeted £000		
125,379	1,538	126,917	Chief Executive's Office	138,104	137,937	20,472	20,362	117,632	117,575	57	OVER
822,395	42,856	865,251	Education Services	728,466	729,465	21,372	21,487	707,094	707,978	-884	
49,988	1,169	51,157	Financial Services	116,708	117,628	48,696	49,153	68,012	68,475	-463	
100,027	520	100,547	Financial Services - Council Tax Reduction Scheme/Benefit Payments	252,399	252,814	152,844	152,831	99,555	99,983	-428	
7,368	3,859	11,227	Financial Services - Ring-fenced Funds	8,635	8,635	0	0	8,635	8,635	0	
219,461	-26,501	192,960	Neighbourhoods, Regeneration and Sustainability	492,936	494,616	208,431	210,454	284,505	284,162	343	OVER
110,061	794	110,855	Related Companies and Joint Boards	99,999	100,460	17	17	99,982	100,443	-461	
-23,789	-91	-23,880	Specific Grant	0	0	23,734	23,734	-23,734	-23,734	0	
<u>1,410,890</u>	<u>24,144</u>	<u>1,435,034</u>	TOTAL	<u>1,837,247</u>	<u>1,841,555</u>	<u>475,566</u>	<u>478,038</u>	<u>1,361,681</u>	<u>1,363,517</u>	<u>-1,836</u>	

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

	4	7	10	12
Percentage	100.1%	99.9%	99.9%	99.9%

**CITY OF GLASGOW COUNCIL  
2025/26 REVENUE BUDGET : MONITORING REPORT  
SOCIAL WORK SERVICES SUMMARY**

PERIOD 12: 1 APRIL 2025 TO 6 FEBRUARY 2026

Original Annual Budget £000	Approved Changes £000	Revised Budget £000	Department	Total Expenditure		Total Income		Net Expenditure		Variance on Net Expenditure £000
				Actual £000	Budgeted £000	Actual £000	Budgeted £000	Actual £000	Budgeted £000	
591,959	7,099	599,058	Social Work Services	786,144	774,573	298,660	289,828	487,484	484,745	2,739 OVER
-15,482	1,206	-14,276	Specific Grant	0	0	10,707	10,707	-10,707	-10,707	0
0	0	0	Transfer from IJB reserves	0	0	2,739	0	-2,739	0	-2,739
<u>576,477</u>	<u>8,305</u>	<u>584,782</u>	TOTAL	<u>786,144</u>	<u>774,573</u>	<u>312,106</u>	<u>300,535</u>	<u>474,038</u>	<u>474,038</u>	<u>0</u>

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

	4	7	10	12
Percentage	100.0%	100.0%	100.0%	100.0%