Item 2 20th August 2026

Glasgow City Council

City Administration Committee

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

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BUDGET MONITORING: INVESTMENT PROGRAMME 2026/27 - QUARTER 1

Purpose of report:

To provide a monitoring statement of financial performance and progress on the council's Investment Programme as at Quarter 1 (Period 3) 2026/27.

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 first quarter of 2026/27 (Period 3, 26 June 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 decreased by £278.927m up to the end of quarter 1.

Previously approved budget changes

2.2 The following adjustments have been approved and increase the gross expenditure budget by £0.994m and reduced the gross income budget by £7.979m resulting in an increase to the net expenditure budget of £8.973m:

2.2.1 An increase to both the gross expenditure and income budgets of £1.517m following allocation of Transport Scotland funding from the Road Safety Improvement Fund 2026/27. This was approved by City Administration Committee on 18 June 2026.

2.2.2 An increase to both the gross expenditure and income budgets of £1.129m following allocation of Regeneration Capital Grant Funding for 2026/27 for Springburn Winter Gardens project. This was approved by City Administration Committee on 18 June 2026.

2.2.3 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 decrease the gross expenditure budget by £362.711m and decrease the gross income budget by £74.871m resulting in a decrease to the net expenditure budget of £287.900m:

2.3.1 Completed projects have been removed from the programme, reducing the gross expenditure and income budgets by £375.855m and £160.679m respectively. The table below compares the outturn position for the completed schemes for each service against the approved budget.

Service	Expenditure Budget	Expenditure Actual	Income Budget	Income Actual
	£000	**£000**	**£000**	**£000**
Education	75.260	75.260	7.784	7.784
Neighbourhoods Regeneration and Sustainability	279.173	279.169	53.094	53.079
City Deal	3.753	3.753	3.753	3.753
Social Work	0.941	0.941	-	-
Transformation	0.840	0.840	-	-
Repairs & Renewals	15.888	15.888	0.096	0.096
General Capital Grant	-	-	80.952	80.953
Asset Sales	-	-	15.000	3.414
Total	**375.855**	**375.851**	**160.679**	**149.079**

2.3.2 An increase to the gross income budget of £50.420m to reflect the General Capital Grant awarded from the Scottish Government per the Finance Circular 2/2026 for 2026/27.

2.3.3 An increase to both gross expenditure and income budgets of £7.362m to reflect funding awarded by the Scottish Government via General Capital Grant for the following projects: Climate Emergency funding (£1.953m), and Active Travel Infrastructure Tier 1 (£5.409m).

2.3.4 An increase to the gross income budget of £2.304m to reflect funding awarded by the Scottish Government via General Capital Grant for Flood Resilience.

2.3.5 Establish an Asset Sales target of £20.000m across financial years 2026/27 and 2027/28.

2.3.6 An increase to both gross expenditure and income budgets of £5.722m for the Easterhouse Town Centre Masterplan to reflect Easterhouse Developer Contributions received for this project.

2.3.7 A transfer of £2.200m gross expenditure budget from the Roads Infrastructure 2025/26 project to the Tidal Weir 2022/23 project to consolidate funding for this project.

2.3.8 A transfer of £1.000m gross expenditure budget from the Climate Emergency Capital Fund to the Community Renewable Energy Framework to consolidate funding for this project.

2.3.9 A transfer of £0.600m gross income budget from Regeneration Capital Grant Funding to the City Deal – Collegelands project to consolidate funding for the Meat Market sheds project.

3 Summary financial position

3.1 Approved gross expenditure on the investment programme, net of payments in previous financial years, totals £783.695m. Probable outturn of gross expenditure for 2026/27 totals £342.431m.

3.2 Approved direct income on the investment programme, net of receipts in previous financial years, totals £83.591m. Probable outturn of direct income for 2026/27 totals £54.339m.

3.3 Actual gross expenditure in 2026/27 to quarter 1 totals £24.702m. Actual receipts directly related to specific projects, total £27.006m and general capital grant totals £16.509m.

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 1 totals £24.702m, representing 7% of the £342.431m 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 1 of 2026/27 were £1.144m.

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.

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 3 2026/27 26-Jun-26**	Cumulative to date
	£'000	£'000	**£'000**	**£'000**	£'000	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**	£'000
INVESTMENT PROGRAMME													
GLASGOW LIFE	6,244	80,706	**86,950**	**86,950**	0	83,650	2,867	433	0	0	83,650	**309**	83,959
NEIGHBOURHOODS, REGENERATION AND SUSTAINABILITY	441,643	221,710	**663,353**	**663,353**	0	243,571	179,486	166,939	51,396	21,961	243,571	**14,466**	258,037
CITY DEAL	125,374	343,505	**468,879**	**468,879**	0	378,265	58,862	28,806	2,946	0	378,265	**4,347**	382,612
EDUCATION SERVICES	51,625	58,721	**110,346**	**110,346**	0	61,265	29,490	19,528	63	0	61,265	**2,618**	63,883
SOCIAL WORK SERVICES	34,500	9,161	**43,661**	**43,661**	0	11,450	7,396	17,228	6,462	1,125	11,450	**418**	11,868
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	64,330	67,923	29,102	27,352	147,214	**2,544**	149,758
TOTAL GROSS EXPENDITURE	**848,202**	**861,006**	**1,709,208**	**1,709,208**	**0**	**925,513**	**342,431**	**300,857**	**89,969**	**50,438**	**925,513**	**24,702**	**950,215**

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 3 2026/27 26-Jun-26**	Cumulative to date
	£'000	£'000	**£'000**	**£'000**	£'000	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**	£'000
INVESTMENT PROGRAMME													
GLASGOW LIFE	0	41,438	**41,438**	**41,438**	0	40,692	746	0	0	0	40,692	**0**	40,692
NEIGHBOURHOODS, REGENERATION AND SUSTAINABILITY	74,251	99,317	**173,568**	**173,568**	0	116,204	39,137	11,047	7,180	0	116,204	**26,536**	142,740
CITY DEAL	85,882	177,532	**263,414**	**263,414**	0	237,933	14,456	2,891	8,134	0	237,933	**470**	238,403
EDUCATION SERVICES	44,648	7,406	**52,054**	**52,054**	0	52,054	0	0	0	0	52,054	**0**	52,054
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	**204,781**	**325,693**	**530,474**	**530,474**	**0**	**446,883**	**54,339**	**13,938**	**15,314**	**0**	**446,883**	**27,006**	**473,889**
ASSET SALES	20,000	0	**20,000**	**20,000**	0	0	5,000	15,000	0	0	0	**1,144**	1,144
GENERAL CAPITAL GRANT	50,420	9,666	**60,086**	**60,086**	0	0	60,086	0	0	0	0	**16,509**	16,509
TOTAL INCOME	**275,201**	**335,359**	**610,560**	**610,560**	**0**	**446,883**	**119,425**	**28,938**	**15,314**	**0**	**446,883**	**44,659**	**491,542**

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 3 2026/27 26-Jun-26**	Cumulative to date
	£'000	£'000	**£'000**	**£'000**	£'000	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**	£'000
INVESTMENT PROGRAMME													
GLASGOW LIFE	6,244	39,268	**45,512**	**45,512**	0	42,958	2,121	433	0	0	42,958	**309**	43,267
NEIGHBOURHOODS, REGENERATION AND SUSTAINABILITY	367,392	122,393	**489,785**	**489,785**	0	127,367	140,349	155,892	44,216	21,961	127,367	**(12,070)**	115,297
CITY DEAL	39,492	165,973	**205,465**	**205,465**	0	140,332	44,406	25,915	(5,188)	0	140,332	**3,877**	144,209
EDUCATION SERVICES	6,977	51,315	**58,292**	**58,292**	0	9,211	29,490	19,528	63	0	9,211	**2,618**	11,829
SOCIAL WORK SERVICES	34,500	9,161	**43,661**	**43,661**	0	11,450	7,396	17,228	6,462	1,125	11,450	**418**	11,868
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	64,330	67,923	29,102	27,352	147,214	**2,544**	149,758
TOTAL DIRECT NET EXPENDITURE	**643,421**	**535,313**	**1,178,734**	**1,178,734**	**0**	**478,630**	**288,092**	**286,919**	**74,655**	**50,438**	**478,630**	**(2,304)**	**476,326**
ASSET SALES	(20,000)	0	**(20,000)**	**(20,000)**	0	0	(5,000)	(15,000)	0	0	0	**(1,144)**	(1,144)
GENERAL CAPITAL GRANT	(50,420)	(9,666)	**(60,086)**	**(60,086)**	0	0	(60,086)	0	0	0	0	**(16,509)**	(16,509)
TOTAL NET EXPENDITURE	**573,001**	**525,647**	**1,098,648**	**1,098,648**	**0**	**478,630**	**223,006**	**271,919**	**74,655**	**50,438**	**478,630**	**(19,957)**	**458,673**