

## **Item: 7**

### **The Orkney Fund Board: 25 February 2026**

#### **Budget Statement**

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## **1. Overview**

- 1.1. The purpose of this report is to provide a budget statement for the UK Government's Plan for Neighbourhoods funding received up to 31 January 2026, along with a summary of costs incurred and committed.
- 1.2. Council has so far received:
  - i. £250,000 in 2024/25.
  - ii. £200,000 in 2025/26.
- 1.3. Since April 2025, costs totalling £44,105 have been charged to the budget. In addition, the Board has so far committed up to £180,519 for capacity building projects this year.
- 1.4. Table 1 included in this report provides a summary statement of annual Government income to The Orkney Fund, with costs incurred up to 31 January 2026, including:
  - programme delivery costs;
  - committed project costs,
  - estimates of apportioned costs; and
  - estimates of the agreed full staff cost of the dedicated Economic Development Officer.

## **2. Background**

- 2.1. In April 2024, the Council received an initial tranche of £50,000 from the UK Government as Town Fund capacity building revenue budget. This was followed by a further tranche of £200,000 received in December of that year. This tranche of funding was transferred to the Council prior to full funding guidelines being issued this financial year. The more recent guidance for the funding offered now uses the name Plan for Neighbourhoods Fund, but the Board has determined to use the name 'The Orkney Fund' locally.

- 2.2. During 2024/25, costs totalling £43,170 were charged to the budget with a further £43,653 of apportioned costs charged by the Council to cover relevant support service costs.
- 2.3. In July 2025, the Board decided to award up to £52,650 for five Local Place Plans. In September 2025, the Board decided to award up to £127,869 to nine Feasibility Studies and three Capacity Building projects. These has been accounted for in the budget table as estimated figures until exact costs are claimed.
- 2.4. Since the last report, the first grant claims have been received and paid out. This has been highlighted in green in Table 1. Claims paid have already been deducted from the outstanding commitments.
- 2.5. For general Council departmental cost recovery, apportioned costs are agreed to be charged on an annual basis in the Memorandum of Understanding and are transferred from the budget by the Council at the financial year end. These costs are also recorded as estimated until point of confirmation.

### **3. Recommendations**

- 3.1. Board members are requested to note this budget summary.

**For Further Information please contact:**

Laura Hutton, Economic Development Manager.

Table 1: Budget Statement as at 31 January 2026

	<b>2024/25 (actual)</b>	<b>2025/26 (actual/ estimated*)</b>
<b>UK Grant income</b>	£250,000	£200,000
Carry over		£163,177
In-year budget total	<b>£250,000</b>	<b>£363,177</b>
<b>Costs charged to budget</b>	£43,170	
Venue/room hire		£110
Meals & hospitality		£286
Staff travel		£119
Non-staff travel		£817
Subsistence		£406
Apportioned costs	£43,653	£45,000*
1 FTE Officer costs (incl. NI, LGPS etc)	£0	£52,300*
<b>Grant claims paid</b>		£2,142
<b>Outstanding project commitments</b>		
Place Plans		£52,650*
Feasibility & Capacity Building		£125,727*
<b>Total actual costs to date</b>	<b>£86,823</b>	<b>£44,105</b>
<b>Anticipated costs this year*</b>		<b>£279,557*</b>
<b>Residual budget</b>	<b>£163,177</b>	<b>£83,620*</b>