

Item: 3

The Orkney Fund Board: 31 October 2025

Budget Statement

1. Overview

- 1.1. The purpose of this report is to provide budget statement for the UK Government's Plan for Neighbourhoods funding received up to 30 September 2025, 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 £896 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 30 September 2025, 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. In September 2025, UK Government advised the Council that the Plan for Neighbourhoods programme would be brought under the Pride in Place Programme (PiPP). At present, there is no expectation that the change in title will affect the funding or reporting requirements of The Orkney Fund.
- 2.3. 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.
- 2.4. In July 2025, the Board decided to award up to £52,650 for five Local Place Plans. This has been accounted for in the budget table as an estimated figure until exact costs are claimed.
- 2.5. In September 2024, the Board decided to award up to £127,869 to nine Feasibility Studies and three Capacity Building projects.
- 2.6. Committed project costs that have not yet been claimed are accounted for in Table 1 as estimated figures until the costs are claimed.
- 2.7. 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 statement.

For Further Information please contact:

Laura Hutton

Economic Development Manager

Table 1: Budget Statement as at 30 September 2025

	2024/25 (actual)	2025/26 (actual/ estimated*)
UK Grant income	£250,000	£200,000
Carry over		£163,177
In-year budget total	£250,000	£363,177
Costs charged to budget	£43,170	
Venue/room hire		£110
Meals & hospitality		£286
Non-staff travel		£133
Subsistence		£367
Apportioned costs	£43,653	£45,000*
1 FTE Officer costs (incl. NI, LGPS etc)	£0	£52,300*
Outstanding project commitments		
Place Plans		£52,650*
Feasibility & Capacity Building		£127,869*
Total costs	£86,823	£278,715*
Residual budget	£163,177	£84,462*