Item: 4

The Orkney Fund Board: 2 July 2026

Budget Statement

1. Overview

1.1. The purpose of this report is to a provide budget statement for the UK Government's Pride in Place funding received up to 31 May 2026, along with a summary of costs incurred and committed.

1.2. The Council has so far received the following payments from UK Government relating to the Pride in Place Programme:

i. £250,000 in 2024/25
ii. £200,000 in 2025/26
iii. £150,000 in 2026/27 (revenue funding, capacity)
iv. £231,640 in 2026/27 (revenue funding, grants)
v. £360,000 in 2026/27 (capital funding, grants)

1.3. Note that iv. is £360 short of the £232,000 noted in the UK Government's online programme prospectus. Officers are querying this and will provide an answer to the Board as soon as possible.

1.4. Since April 2026, costs totalling £36,113 have been charged to the budget. In addition, the Board has so far committed up to £460,239 for capacity building, revenue and capital projects this year.

1.5. Appendix 1 of this report provides a summary statement of annual Government income to The Orkney Fund, with costs incurred up to 31 May 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.

1.6. It should be noted that apportioned costs for 2025/26 have not yet been charged to the budget, and therefore have been included in the 2026/27 anticipated costs, currently estimated at £703,640.

2. Background

2.1. The most 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. 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.

Appendix 1. Orkney Fund Budget Statement as at 31 May 2026

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	2024/25 (actual) £	**2025/26 (actual/*estimated*)* £**	**2026/27 (actual/ *estimated**) £**
Income			
UK Government payments	250,000	200,000	741,640
Including previous year residual	**250,000**	**363,177**	**1,009,098**
Expenditure			
Costs charged to budget	43,170	0	0
Venue/room hire		110	0
Meals & hospitality		590	0
Staff travel		119	533
Non-staff travel		1,223	1296
Subsistence		0	380
Apportioned costs	43,653	*45,000**	*45,000**
1 FTE Officer costs (incl. NI, LGPS etc)	0	50,304	6,938/ *45,362**
Grant claims paid		43,372	26,966
Project commitments			
Outstanding from previous years			*108,039**
Capacity Building & Place Plans		*178,377**	*52,093**
Revenue projects			*31,726**
Capital projects			*376,420**
Total actual costs to date	**86,823**	**95,719**	**36,113**
Anticipated costs*		*45,000**	*703,640*
Residual budget	163,177	267,458	**269,345**