



**ORKNEY**  
ISLANDS COUNCIL

**Item: 14**

**Development and Infrastructure Committee: 9 September 2025.**

**Economic Development Grants – Budget Monitoring Statement and Delegated Approvals.**

**Report by Director of Enterprise and Resources.**

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## **1. Overview**

- 1.1. In March 2025, the Council approved the revenue budget for financial year 2025/26. This included an initial Economic Development Grants budget of £306,400, along with the capability to over-commit by 5%, which increased the budget to £321,700.
- 1.2. Spending to 30 June 2025, in relation to Economic Development Grants totalled £46,252, of which £42,252 relates to grant commitments made in previous financial years and £4,000 to current year commitments.
- 1.3. The budget available for approval from the Economic Development Grants budget as at 30 June 2025, amounted to £198,660, as detailed in Annex A to this report.
- 1.4. Grant approvals made in the period 1 April to 30 June 2025 totalled £123,040, including grants approved under delegated schemes for the same period totalled £83,040, and are detailed in Annex B to this report.

## **2. Recommendations**

- 2.1. It is recommended that members of the Committee:
  - i. Note spending to 30 June 2025, in relation to Economic Development Grants totalling £46,252, of which £42,252 relates to grant commitments made in previous financial years and £4,000 to current year commitments.
  - ii. Note grant approvals made in the period 1 April to 30 June 2025 totalling £123,040, including grants approved under delegated schemes for the same period, totalling £83,040, as detailed in Annex B to this report.

### 3. Exempt and/or Confidential Information

- 3.1. Under Section 50A(4) of the Local Government (Scotland) Act 1973, the public should be excluded from the meeting in respect of any discussion relating to Annex B to this report. Annex B contains exempt information as defined in paragraph 4 of Part 1 of Schedule 7A of the Act.

#### For Further Information please contact:

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#### Implications of Report

1. **Financial:** Financial implications are detailed in the report and annexes to the report.
2. **Legal:** Budget monitoring procedures help the Council meet its statutory obligation to secure best value.
3. **Corporate Governance:** Approval of applications for financial assistance from Economic Development schemes of assistance which are within policy guidelines is delegated to the Director of Enterprise and Resources.
4. **Human Resources:** Not applicable.
5. **Equalities:** An Equality Impact Assessment is not required in respect of financial reporting.
6. **Island Communities Impact:** An Island Communities Impact Assessment is not required in respect of financial reporting.
7. **Links to Council Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
  - ☒ Growing our economy.
  - ☒ Strengthening our Communities.
  - ☒ Developing our Infrastructure.
  - ☐ Transforming our Council.
8. **Links to Local Outcomes Improvement Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:
  - ☒ Cost of Living.
  - ☒ Sustainable Development.
  - ☒ Local Equality.
  - ☐ Improving Population Health.
9. **Environmental and Climate Risk:** There are no specific implications arising from this report.
10. **Risk:** There are no specific implications arising from this report.

- 11. Procurement:** There are no specific implications arising from this report.
- 12. Health and Safety:** There are no specific implications arising from this report.
- 13. Property and Assets:** There are no specific implications arising from this report.
- 14. Information Technology:** There are no specific implications arising from this report.
- 15. Cost of Living** The report includes details of grant award commitments made during the period to 30 June 2025, some of which could contribute to addressing negative impacts of cost of living on Orkney business and wider community interests.

### **List of Background Papers**

None

### **Annexes**

Annex A: Budget Available for Approval, as at 30 June 2025.

Annex B: Approvals for Year to 30 June 2025, including applications approved under delegated powers.

**Budget Available for Approval as at 30 June 2025.**

Budget Available for Approval.	£.	£.
Annual Budget.		321,700.
Less spending: Previous year commitments (note 1).	42,252.	
Less spending: Current year commitments (note 2).	4,000.	
Ledger totals as at 30 June 2025.		46,252.
Current year commitments: Grants approved to date (note 3).	123,040.	
Current year commitments: Less current year spending.	(4,000).	
Current year commitments outstanding (note 4).		(119,040)
Economic Development Grant Fund: Add back previous year commitment.		42,252.
Current budget available for approval.		198,660.

**Note on terminology:**

1. Spending: Previous year commitments.	Spending made in 2025/26 for grants approved in 2024/25 and earlier. Funded by transfer from Economic Development Grant Fund.
2. Spending: Current year commitments.	Spending made in 2025/26 in relation to grants approved in 2025/26.
3. Grants approved to date.	Total grants approved in 2025/26.
4. Current year commitments outstanding.	Balance still due to be paid on grants approved during 2025/26 transferred to Economic Development Grant Fund.