



ORKNEY
ISLANDS COUNCIL

Item: 3

Community Development Fund Sub-committee: 25 August 2026.

Application 0/5/8/0101 – Friends of Sanday Kirk Limited.

Proposed Restoration and Preservation of Cross Kirk.

Report by Director of Enterprise and Resources.

1. Overview

- 1.1. Friends of Sanday Kirk Limited (the Friends) have applied to the Community Development Fund (CDF) for funding to modernise, restore and preserve the historic Cross Kirk building as a heritage and events hub. The works include a comprehensive programme of external and internal conservation works to preserve the structure of the building.
- 1.2. The project estimates a six-month window to deliver the project, ideally late Summer/early Winter to maximise the good weather. Total costs for the project are £336,010 of which a CDF grant of £36,897 is sought amounting to 10.98% of the project costs.
- 1.3. The proposed funding package will enable the Friends to preserve the structure of the building with a full roof upgrade to ensure the building will be wind and watertight, removal of porous harling and replaced with traditional lime-based harling. This conservation measure allows the masonry to breathe and regulate the internal humidity naturally. Double-glazed vestry windows and a new external door will also be installed. Heritage restoration is undertaken with quality materials that will exceed the 15-year lifespan required for CDF.
- 1.4. Internal works will include a full electric rewire, upgrading plasterwork and installing cushioned vinyl flooring throughout. The toilet facilities will also be upgraded. The modern and comfortable finish will allow the Friends to host a wide range of community activities and events within the space.
- 1.5. Cross Kirk is centrally located on Sanday. It is the last remaining church on the island and has become the home to various heritage items from other kirks. The building has become a key venue for social and cultural events, including concerts, performances and educational activities.

2. Recommendations

2.1. It is recommended that members of the Sub-committee:

- i. Agree that a grant of up to 10.98% of total eligible costs, up to a maximum sum of £36,897, to be met from the Community Development Fund, be offered to the Friends of Sanday Kirk Limited, towards the restoration and preservation of Cross Kirk, subject to:
 - Confirmation of the subsidy control position to the satisfaction of the Director of Enterprise and Resources.
 - Confirmation of the full funding package being secured.
- ii. Delegate powers to the Director of Enterprise and Resources, in consultation with the Head of Finance, to authorise, if required, advance payment of the grant, referred to at paragraph 2.1i above, on receipt of invoices, to assist cash flow requirements of the Friends of Sanday Kirk Limited.
- iii. Delegate powers to the Director of Enterprise and Resources, in consultation with the Head of Corporate Governance, to determine whether appropriate security can be put in place and, if so, to conclude an Agreement, on the Council's standard terms and conditions, with the Friends of Sanday Kirk Limited in respect of the funding detailed at paragraphs 2.1i and 2.1ii above.

3. Background

- 3.1. Cross Kirk was built in 1867. It has operated as the final ecclesiastical landmark on Sanday. A community campaign brought about the needs case to bring the Kirk into community ownership in 2023, the Friends applied to the Scottish Land Fund for assistance in purchasing the Kirk from the Church of Scotland. The Friends successfully took ownership of the Kirk at the end of 2024 and have worked towards bringing the building into everyday use, carrying out repairs and helping preserve local heritage.
- 3.2. Following a successful planning application, the Friends have utilised a tender process to source contractors.
- 3.3. Following a successful application for Community and Renewable Energy Scheme (CARES) funding, the Friends will install ground mounted solar panels and battery storage. This system, combined with the improved thermal performance from the lime harling and roof insulation will drastically reduce the building's carbon footprint.

- 3.4. The table below gives a breakdown of the project costs and funding sourced for Phase 1. The Friends selected the contractor through a competitive tendering process that was selected for best value.

Project Costs	£	Funding	£
Full property upgrade	306,619	*The National Lottery Heritage Fund	216,000
Equipment	20,391	*Community Energy Scotland CARES	16,313
Professional Fees	9,000	*Crown Estate Community Led Local Development CECLLD	49,800
		Community Development Fund	36,897
		* SSE Spurness Community Grant	10,000
		* Own funds 'Buy a Slate' fundraising campaign	7,000
Totals	336,010	Totals	336,010

* External funding.

4. Project Appraisal

- 4.1. The principles that are applied to projects as outlined in the Guidance are as follows:

- Projects supported by the CDF should have a widespread and long-lasting community benefit.
- The CDF should attract the maximum amount of external match funding into the County as possible.
- There should be no ongoing cost to the Council as a result of any of the projects supported by the CDF.
- No CDF assistance should be given to projects that would normally be carried out by the Council itself.
- All CDF assistance is discretionary.
- The intention of the CDF is that a project should be sustainable for a minimum of 15 years without any additional assistance from the Council.

- 4.2. The following is an assessment and evaluation against each of the approved assessment and evaluation criteria for the CDF:

Evidence of need

- The Friends have carried out extensive consultation with the local community over recent years, a petition to retain the Cross Kirk for community use in 2022, with 142 adult signatories, over a third of the island's adult population at that time. Without CDF assistance the building is likely to deteriorate further extending the repair costs and potentially leading to closure and further decline of this much-loved community asset. The Community Wellbeing survey further identified a need for a facility where people could gather to tackle loneliness and isolation.
- In 2023 Rural Community Solutions were commissioned to produce a comprehensive business plan and feasibility study, the results of which confirmed the lack of spacious, modern and multipurpose venue.

Achievability

- There are seven experienced Trustees to support the delivery of this project that have years of experience in community development and construction oversight. A local surveying company has been appointed to act as project manager and quantity surveyor. Planning consent has been secured for the project.

Sustainability

- Long term sustainability of Cross Kirk will rely on the comprehensive upgrading of the building's structure and lowering the operational overheads with the installation of solar PV and battery storage system. The project aims to bring the building back into use for the whole community, creating revenue from consistent group bookings, private events and family events such as wedding receptions. The vestry will be brought into use and become a suitable place for small groups to meet in private. The building is currently managed by volunteers; the Friends hope that the increased revenue from bookings will allow for part-time staff to be employed.

Serving the local public and having lasting benefits

- There has been considerable support for the project underpinned by the success of events that have been hosted there to date. The Friends intend to ensure that the building continues its success as a community and events hub and remains an asset to the Sanday community long into the future.

Opportunities provided or upgraded

- Lighting and exit signs are part of the modernisation works that will equip the building in line with modern safety regulations required for events including the Orkney Folk Festival that it intends to hold. Toilet facilities and changing area for performers will improve practicalities and comfort. Additionally, the purchase of display boards for heritage displays will ensure that the building's use is maximised for the benefit of all the community and its visitors. The Cross Kirk is one of the only fully accessible community owned buildings in Sanday, with the Community School only available outwith school times. The Kirk serves as a vital catalyst for community wealth building and inter-group collaboration, contributing to the island's social and economic resilience. Offering a physical space, a central hub that supports and elevates the work of countless other groups and individuals across Sanday as well as visitors to the island.

Enriching quality of life

- This project supports social interaction, cultural events and inclusion that will have considerable mental health and community wellbeing benefits. The community space will provide a warm and inviting space for many community events including but not limited to, British sign language classes, nature talks, storytelling, Christmas Tree spectacular, fitness classes and Sanday Band practices.

Value for money

- Five local contractors were approached, three companies did not respond, and one confirmed they were unable to bid due to other commitments. The submitted tender was thoroughly scrutinised by the quantity surveyor and accepted. The contractor hopes to begin as soon as the full funding package has been secured and delivered over six months.

Partnership funding

- The Friends have explored several external funding options for the project and secured four external funding partners.

5. Letters of Support

5.1. Letters of support in relation to this project have been received from the following groups and individuals:

- Sanday Development Trust.
- Dr Nicole Shaer, Sanday GP.

- Councillor Stephen Clackson.
- Sanday Community Council.
- Liam McArthur, MSP.
- Sanday Band.
- Sanday Men's Shed.

For Further Information please contact:

Annabel Bews, Economic Development Officer, extension 2513, Email:
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Implications of Report

- 1. Financial** - In June 2026, a further £300,000 was allocated to the Community Development Fund.

Community Development Fund records show that as at 1 August 2026, the current unallocated fund budget was £329,028 excluding reports before this Sub-committee. Therefore, at present there is sufficient budget within the Community Development Fund to consider this project.

The option of accessing Community Development Fund grant as an advance payment, in order to assist cashflow, will be required to ensure the project reaches a satisfactory conclusion.

- 2. Legal** - Subject to the content of the third bullet point (below) there are no legal constraints to the recommendations in this report being implemented and the relevant powers are contained in section 20 of the Local Government in Scotland Act 2003.

If grant assistance is to be provided by the Council, a legally binding agreement will require to be entered into between the Council and the recipient setting out the terms on which the funding is being provided.

Any financial assistance provided by the Council will need to be assessed to determine if the financial assistance proposed meets the definition of a subsidy under section 2 of the Subsidy Control Act 2022 (the 2022 Act). If it is determined that the financial assistance is a subsidy, then it will need to be provided in a manner compliant with the provisions of the 2022 Act.

- 3. Corporate Governance** – Determination of applications for funding from the Community Development Fund is delegated to the Community Development Fund Sub-committee.
- 4. Human Resources** – None.
- 5. Equalities** – An Equality Impact Assessment is not required.
- 6. Island Communities Impact** – An Island Communities Impact Assessment is not required.

- 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 – None.**
- 10. Risk – None.**
- 11. Procurement – None.**
- 12. Health and Safety – None.**
- 13. Property and Assets – None.**
- 14. Information Technology – None.**
- 15. Cost of Living – None.**

List of Background Papers

CDF Application Form dated 11 March 2026.

Development Plan – Cross Kirk, Sanday.

CDF Guidance 2023.