

# Options for the future for Kinloch Castle

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An outline appraisal of options to secure a future for Kinloch  
Castle on the Isle of Rum

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Scottish Natural Heritage

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# Executive Summary

## Introduction and Background

This report marks the first stage in a project to explore future options for Kinloch Castle on the Isle of Rum. The castle was built in 1897 as a hunting lodge for Sir George Bullough and is a rare surviving time capsule of the late Victorian / Edwardian age. It was acquired as part of the purchase of the island by the Nature Conservancy in 1957. The building has deteriorated over the years due to water ingress and is in need of significant repair and restoration. SNH has commissioned a number of studies to explore the options for the building and restoration proposals have been developed, but the significant funding required to take them forward has not been available. More recently work has been undertaken towards making the building wind and watertight.

The purpose of this appraisal is to re-examine potential positive options for the future of the castle, taking into account the changes that have taken place on the island and engaging with our stakeholders to develop a more collective view. The project involved input from a stakeholder working group and included a visit to the castle, a briefing pack to bring representatives up to speed, a workshop to explore options collectively, consultation on the draft report and discussion about the options. Representatives have worked hard to consult within their organisations and there has been considerable discussion within the Rum community.

The options appraisal has taken into account the many changes that have taken place on Rum, most significantly the transfer of land and properties to the Isle of Rum Community Trust and the development of a stronger vision for Rum that this has facilitated. This sets an important context for looking at the future of the castle.

## Objectives and Options

Stakeholders discussed the objectives for the appraisal, against which options were assessed. These include securing a financially viable future for the building; conserving and enhancing the heritage and public access to it; supporting socio-economic development; and linking to the wider management of the island.

The appraisal explored eight broad options for use of the castle. These included some options which retained the museum function and some where this was removed, plus residential, visitor or mixed accommodation. We considered other uses and divided them broadly into 'open' uses which would be likely to have some element of public access (e.g. training centre, wedding venue, etc.) and 'closed' options (e.g. rehabilitation clinic, private dwelling etc.). These options were scored and ranked against the objectives. The appraisal also considered options for ownership of the building and options for the collection of historic artefacts (e.g. the period contents of the building that are not included in the listing). The pros and cons of these options were considered, noting that these are strongly dependent on the preferred use of the building.

## Review of Options

Two options for use of the building emerged as most promising in meeting the objectives; these were options 3 (retaining the museum and converting other parts of the building to visitor

accommodation) and 5 (retaining the museum and converting other parts of the building to a mix of visitor and residential accommodation). Retaining the museum in the principal wings conserves the heritage value of the collection in situ, retains public access for tours which supports the growth of the day visitor market to the island, generating socio-economic benefits for Rum and other parts of Lochaber. Visitor accommodation also supports the visitor economy, creates employment opportunities and could improve financial viability by focusing on the commercial stalking market, a current gap in provision on Rum and a potentially lucrative market which also supports management of the national nature reserve. Inclusion of residential accommodation could support community development, though this might depend on the type of accommodation provided. These options could help meet established needs on the island, placing the castle's high heritage value at the heart of community development.

Three other options had potential to deliver the objectives. These were options 4 (museum and residential accommodation), 7 (hotel) and 8a (open uses). Options 6 (residential accommodation only) and 8b (closed options) did not score well against the objectives. Options 1 and 2 were both 'holding' options, keeping the status quo but not delivering a long term future for the building.

The appraisal explored the pros and cons of ownership models, noting that public ownership had constraints in relation to funding and was not the best option for delivering the more commercial activities that were emerging as preferred uses. However, the likelihood of a private sale is considered minimal based on previous advice due to the lack of privacy associated with the building. Trust ownership could offer a useful model but would depend on availability of funds deliver the initial restoration. A partnership or shared approach to ownership may be more likely and feasible.

### **Recommendations and next steps**

It is recommended that the two highest scoring options (3: retaining the museum and converting other parts of the building to visitor accommodation and 5: retaining the museum and converting other parts of the building to a mix of visitor and residential accommodation) be explored in detail and a business case developed. Elements of the three other options with potential should be included by exploring the different combinations of museum, visitor and residential accommodation and their impacts on financial viability, plus the financial impact of including weddings and conferences within the business model.

The next stage should include the practical feasibility of delivering the scheme within the building; potential sources of funding for the repair / restoration phase; financial viability of the operation including links to stalking and other activities; ownership / delivery models; market testing of sale of all or parts of the building; other sources of funding that could support the castle operation long term; identification of the current and potential socio-economic impact of the castle.

We recommend that stakeholders continue to be closely involved in the process, particularly the Rum community. We also recommend that this process should dovetail with a separate initiative on Rum to develop a new village plan.

There are potential reputational and financial risks to engaging in further work, notably that we raise expectations or undertake costly studies and cannot then deliver due to lack of funding for the

restoration. Discussion with Scottish Government is therefore critical before the next stage to determine the potential for funding.

## Introduction

1. Kinloch Castle is a Category-A listed building built in 1897. Its surrounding gardens and policy woodlands are included on the Inventory of Gardens and Designed Landscapes (see appendix 1 for further information). The castle includes a collection of historic artefacts in its original period interior. SNH has duties and responsibilities for the castle under the Town and Country Planning (Scotland) Act 1997 and the Scottish Historic Environment Policy for Government Bodies (SHEP) 2009. Under SHEP, Government bodies are expected to build the protection, management, maintenance or repair of historic assets into their operational and budgetary plans, setting a good example in the care of their historic estate. When the building was acquired by the Nature Conservancy in 1957, a commitment was made to 'maintain the castle so far as it might be practicable to do so in the circumstances'.
2. The castle has deteriorated over the years largely due to water ingress which has affected the fabric of the building and the interior. We have developed a number of restoration proposals aiming to secure a future for the building, but have not to date been able to secure the necessary funds to take them forward. Our more recent focus has been on a repair programme to reduce the deterioration of the building.
3. The castle currently functions as a visitor attraction on the island and is therefore significant to the local economy. The island receives about 10,000 visitors each year. Our 2010 visitor survey of a sample of 400 visitors showed that 37% cited visiting the castle as a reason for their visit to Rum. 56% of respondents went on a castle tour.
4. With changes in the management of the island and the development of a growing community since the transfer of land and properties in 2009/2010, this is an opportune time to explore the future options for Kinloch Castle. A key question is how the castle might contribute to the vision for future development of the island.

## Remit

5. This outline options appraisal is the first stage in a project to determine the future of Kinloch Castle. It builds on previous studies commissioned by SNH: the Page and Park study of 2002 and the Prince's Regeneration Trust's proposals 2005-10 which are summarised in appendix 2.
6. A key aim in this appraisal is to engage our stakeholders from the outset to ensure we develop a collective view and benefit from the skills and expertise available within partner organisations. Input from Rum's growing community is a critical element of the process, since future uses of the castle will have significant impacts on community development.

7. The appraisal aims to bring previous studies up to date by taking into account the changes that have taken place on Rum since they were undertaken and the overarching vision and direction for the island's future. This sets the context for any future proposals, and links to known needs and opportunities have been made in the outline analysis.
8. For this first stage of the project, only positive options are explored for the castle; negative options (e.g. demolition, roofless ruin) are not included. This approach was agreed with the Minister in 2012 and is for two reasons:
  - Negative options are not available to us at this point in the process. All positive options would have to be fully explored and tested before consent for demolition (or roofless ruin) could be considered.
  - We are running an open and transparent process and wish to engage fully with our stakeholders and issue regular public updates in the press. Spending time on options that are not appropriate or available at this stage is unhelpful, and the nature of those options could result in undue focus being placed on them.

It is therefore considered appropriate to exclude these options at present.

## Process

9. The project is led by SNH and includes input from a stakeholder working group with representation from the following bodies:
  - Historic Scotland
  - Royal Commission on the Ancient & Historical Monuments of Scotland
  - Highland Council
  - Isle of Rum Community Trust
  - Rum Community Association
  - Kinloch Castle Friends Association
  - National Trust for Scotland
  - Highlands Building Preservation Trust
  - Highlands and Islands Enterprise
  - Prince's Regeneration Trust

National Museums of Scotland declined to take part at this stage, though were willing to advise on any specific issues. Doug Reid, conservation architect from James F Stephen Architects, is a paid advisor on the project. Doug worked on the Prince's Trust restoration proposals and has led development of the conservation repairs plan for the castle.

10. The stakeholder working group undertook a group visit to Rum to view the building, collection and village environment. This allowed stakeholders to become more familiar with the condition of the building, its context and surroundings and to start thinking about potential uses.

11. A briefing pack was produced outlining background to the castle, its legal status and general information about the island, plus outlining the condition of the building and repair works undertaken, the previous options that have been explored and the changes that have occurred on the island over the last five years.
12. A stakeholder workshop was held to discuss the objectives for the project, explore the options for its use, ownership and for the collection. This discussion and exchange of views between the range of stakeholders was an extremely valuable part of the process. The Rum community followed this up with further discussion among residents and the submission to SNH of views and ideas on how the castle might be utilised in future and what it represents to the island.
13. The input gained from the workshop plus subsequent discussions and consultation input on the draft report has been reflected in the assessment of options presented..

## Changing context

14. There have been some significant changes on Rum since previous appraisals were undertaken, which provide a new context for the castle and may influence some of the available options. Key points are:
  - The island is now in dual ownership following the transfer of land and property to the Isle of Rum Community Trust (IRCT) in 2009 / 2010. This includes parts of the designed landscape near the castle. Areas immediately adjacent to the castle and the related structures (walled garden, gazebo, dairy, squash courts etc.) were retained in SNH ownership to facilitate any future restoration scheme.
  - The community is developing well; a community company has brought efficient broadband to the Small Isles; IRCT manages most properties and the water supply; three crofts have been let bringing two new families and further woodland crofts are being explored. 44 people are resident on the island.
  - IRCT has secured funds to build a new 20-bed bunkhouse plus new B&Bs are developing; new businesses are operating linked to the NNR including venison processing, outdoor expeditions, cycle hire and visitor transport.
  - The SNH hostel has been relocated out of the castle and into a temporary facility to fill the gap until the community bunkhouse is operational. Moving the hostel out of the castle was a risk management measure to reduce the possibility of an unplanned closure leaving the island with no accommodation for visitors and contractors.
  - SNH has also been working to try to tackle the water ingress issues affecting the structure and fabric of the castle. Significant work has been undertaken on the roof and upper masonry and, while there is more work to do, the building is now 80-85% water tight. This is a significant improvement. Further, advice from our consultant architect and structural engineer suggests that we have caught the corrosion issue in time and the building is stabilised, so as long as we can complete the works to tackle water ingress, the structure of the building itself should remain stable. This is a



significant step forward and makes overall restoration of the building more achievable.

- IRCT operates a ranger service and is developing a forest plan for woodlands in its ownership, including within the designed landscape.
- IRCT and SNH are working collaboratively to develop improved visitor facilities on the island.
- IRCT has developed a housing policy and is pursuing options to increase provision; this is a major challenge and a significant constraint to community development. There is a shortage of housing for existing residents with some in poor quality temporary accommodation.
- SNH has operated a commercial stalking lease; while the stalking is high quality the commercial potential and socio-economic benefits of the lease are currently limited by lack of suitable accommodation and hospitality for stalking clients.
- As the community develops, we are increasingly focusing our more limited resources on managing the NNR and developing its potential.

## Island of opportunity

15. Rum has potential to develop as an outstanding natural and cultural heritage destination, attracting visitors to the Small Isles and this part of the west coast. Developing the island's visitor economy will underpin the continued development of the community and bring wider benefits to businesses in adjacent areas. The island has many special qualities which attract a range of visitors, including:
  - a. Breath-taking mountain and coastal scenery;
  - b. Unique wildlife experiences – the rut of the 'Autumnwatch' deer, visiting the mountain-top Manx shearwater colony – nearly a quarter of the world population breeds here; otter watching, eagle watching and more;
  - c. Rich historic and cultural heritage – one of the earliest settlement sites in Scotland, many historic sites including deer traps, pre-clearance villages and of course the castle - a well-preserved example of late Victorian / Edwardian opulence;
  - d. Challenging walking (e.g. the Rum Cuillin ridge) and mountain biking;
  - e. Earth heritage – one of the best sites in the world to study volcanic landforms;
  - f. Social history – Rum's story of social and community change, from the clearances, Victorian hunting estates, the rags to riches story of the Bulloughs and including the present day.
16. There is an opportunity on Rum to further develop the partnership approach to promote the island's diverse qualities in a joined up way that provides a high quality visitor experience, promotes Scotland's natural and historic heritage and demonstrates the links between people and their environment through the ages. This offers the chance to increase engagement, lifelong learning and volunteering through positive experiences delivered by innovative joint working between public and private sector. On Rum, a better link between natural and cultural heritage bodies, working in partnership with the community to develop business opportunities, could deliver a step-change in the island's development.

17. Opportunities to develop the island's visitor offer include:

- a. Commercial stalking – Rum's deer are high quality animals, larger than mainland deer, which need to be controlled for conservation purposes. There is an opportunity to develop this for both the high value market given the quality of the stags, plus an 'extreme' stalking element, which is a growth area, for the more challenging and remote areas of the island.
- b. 'Camera stalking' – wildlife photography plus landscape photography, painting and other creative courses / retreats taking inspiration from the island's natural and cultural heritage.
- c. Rural skills training and volunteering – Rum could provide numerous opportunities for volunteering on the National Nature Reserve and for formal training courses.
- d. Lifelong learning and research – Rum offers unique opportunities for learning and research due to its many special qualities listed above. There is currently a strong association with tertiary education and there is scope to further develop this, but also to expand to other age groups.

## Unlocking Rum's potential

18. SNH and the Rum community are keen to unlock Rum's potential based on the opportunities listed above. To achieve this, we need to improve the facilities and infrastructure available on the island. Much work has been done in recent years towards this, but there are still some key needs and opportunities. These should be taken into account when considering the future of the castle. They include:

- housing for residents (particularly affordable housing and accommodation for smaller households)
- a wider range of visitor accommodation and hospitality services including high quality accommodation and hospitality for commercial stalking clients and others guests
- further development of outdoor / interpretive activities
- facilities to support education and training
- visitor centre and facilities for growing day visitor market (coach tours, cruises, etc. often an older age group)
- Strong engagement from other public bodies
- A new village plan to support sensitive development of Kinloch

19. Kinloch Castle already functions as a visitor attraction, drawing visitors to the island and particularly appealing to day trippers, coach parties and cruises. A key consideration in this appraisal is whether / how the castle could deliver more towards Rum's development, securing a future for the listed building and utilising its heritage appeal to deliver wider benefits.

## Objectives

20. The objectives for the options appraisal were discussed with the stakeholder group. The group was keen for the castle to help deliver the vision for the island, with a sense that if we get things right the castle could become an integral part of supporting Rum’s development as an outstanding natural and cultural heritage destination. Financial viability was a priority, albeit recognising that restoring the castle is unlikely to ever be commercially viable. This objective focuses on the extent to which the castle might be able to generate funds to help support its longer term management. A further priority was delivery of socio-economic benefits to both the island and wider area. The castle is a significant heritage attraction on Rum and is an iconic part of the island’s cultural history. There was some discussion about the importance of the collection and how significant public access was. Stakeholders felt that retaining the collection in situ was ideal since this gives the castle much of its public interest, as was public access to the building, but that neither should necessarily stand in the way of an option that could save the building. Stakeholders felt it was important that the management of the castle should link to the management of the island and NNR, forming part of the Rum ‘offer’, rather than treated in isolation. These considerations are reflected in the objectives as presented, and in the weightings assigned to them.
21. It should be noted that in considering the future of the castle, and in setting the objectives for this project, we have taken a broad view of how the castle might meet the needs of Rum’s community and the area generally through its heritage value and as a business opportunity. We have not constrained the project by focusing on SNH’s remit or budgets.
22. The objectives and their weightings are set out in the table below:

Objective	Weighting %
1. To secure a financially viable future for the castle	30
2. To conserve and enhance the historic and cultural heritage and public access to it	30
3. To support socio-economic development on Rum and the surrounding area	30
4. To support and link to the wider management of the island	10

## Options for use of the Castle

23. Eight overall options for potential uses of the castle have been identified and are explored here. It should be noted that there is some scope to combine options, using different parts of the building for different purposes. This is picked up later in the document. The eight options are:

1. *Retain status quo – retain museum tours; deliver conservation / repair plan gradually as funding allows*
2. *Implement conservation / repair plan (focused investment); retain museum and close off rear wing*
3. *Restoration to museum and visitor accommodation*
4. *Restoration / conversion to museum and residents housing*
5. *Restoration / conversion to museum and mixed residents / visitor accommodation*
6. *Conversion to housing / remove museum*
7. *Conversion to hotel / remove museum*
8. *Conversion to other uses*

24. A number of other uses were identified under option 8 and these will be considered under the broad categories of open uses, i.e. those which would be likely to be compatible with some public access, and closed uses where public access may be less likely.
25. Open uses might include education or training establishments, conference / wedding venue, retail units, etc. Closed uses might include private dwelling, retreat / religious establishment, rehabilitation / health clinic, etc.
26. The following section explores these options against the objectives of the project. It provides a summary and overall score and ranking. The detailed appraisal of options is set out in appendix 3.

Objective	Summary of appraisal	Rank and potential to deliver objectives
<b>1. Retain status quo – retain museum tours; deliver conservation / repair plan gradually as funding allows</b>	This status quo option could partially deliver some of the objectives in the short-term but does not represent a real solution to securing a future for the castle in the long term and risks further deterioration of the building and collection. While it would utilise existing budgets, it means that the castle would be repaired on an ad hoc basis, always competing with other initiatives. In the long term this would be less efficient and more costly.	Rank 9 of 9 Score <400 Unlikely to deliver objectives
<b>2. Implement conservation / repair plan (focused investment); retain museum and close off rear wing</b>	Like option 1, this is a holding pattern rather than a long term solution and doesn't provide a sustainable or secure future for the castle. It is better than option 1 in undertaking the repairs through a focused investment, which is more efficient and halts any further significant degradation to the building.	Rank 8 of 9 Score <400 Unlikely to deliver objectives

<b>3. Restoration to museum and visitor accommodation</b>	<p>This option has the potential to meet the objectives well. It is likely to require upfront funding through public sector grants to achieve the initial restoration as it is difficult to see this being commercially viable. However, with this in place, there is potential to develop a commercially viable business that could maintain the building and collection into the future, making a significant contribution to the development of the community and the socio-economic development of the Lochaber area. Some research would be required to explore the type of accommodation most likely to suit available markets and needs, including the commercial staying market which is a current gap in provision.</p>	<p>Rank 2 of 9 Score &gt;800 Very promising</p>
<b>4. Restoration / conversion to museum and residents housing</b>	<p>This option could partially meet the objectives. The key concern is its financial viability; if the accommodation element were high value apartments then the scheme would be more likely to be viable. The identified need on the island is for affordable accommodation which is less likely to be a viable option to meet the costs of repairing and maintaining the building. The likelihood of high value accommodation becoming second homes may concern the local community which is keen to grow and develop, however the accommodation may be suited to this given the lack of private outdoor space.</p>	<p>Rank 3 of 9 Score 600-800 Some potential to deliver objectives</p>
<b>5. Restoration / conversion to museum and mixed residents / visitor accommodation</b>	<p>This option could meet the objectives well, with the mix of accommodation potentially enabling high end visitor provision to support more affordable residential provision. The viability of this mix would need to be explored in more detail, including the commercial viability of funding the restoration; public sector support may be required to get the project off the ground. Retaining the collection in situ for continued tours provides a further revenue stream, continues to attract day visitors to the island and helps support wider businesses. The inclusion of visitor accommodation facilitates further links to the NNR. This option is worth exploring further.</p>	<p>Rank 1 of 9 Score &gt;800 Very promising</p>

<b>6. Conversion to housing / remove museum</b>	<p>This option could potentially secure a future for the building, but does not deliver well against the other objectives. The loss of the collection impacts on the historic integrity which makes Kinloch special. Public access would be lost and the absence of tours and accommodation provision would impact on the visitor economy of Rum and the surrounding area. This option also precludes wider links being made between the operation of the castle and the wider reserve / island.</p>	<p>Rank 6 of 9</p> <p>Score 400-600</p> <p>Limited potential</p>
<b>7. Conversion to hotel / remove museum</b>	<p>This option could secure a future for the building and be commercially viable; it also offers good potential to make links to the wider island and reserve. However the loss of the collection and high intervention required for conversion would affect the castle's historic value. The loss of public tours could impact on the visitor economy of the island, though there would be a positive impact through an increase in staying guests. A hotel would generate jobs and bring workers to the island, supporting community development.</p>	<p>Rank 4 of 9</p> <p>Score 600-800</p> <p>Some potential to deliver objectives</p>
<b>8a. Conversion to other uses – open uses</b>	<p>Of the open uses listed, the most likely to be financially viable would be weddings / conferences as part of a broader accommodation package (as in option 3, 5 and 7) or an education / training establishment, though this might require a high level of modification of the building. Open uses may not deliver objectives 2 and 3 well, though this would depend on the detail of the proposal. Open uses could be positive for socio-economic development and for linking to the NNR / island.</p>	<p>Rank 5 of 9</p> <p>Score 600-800</p> <p>Some potential to deliver objectives</p>
<b>8b. Conversion to other uses – closed uses</b>	<p>Some closed uses are unlikely to be compatible with the castle's lack of privacy on the island and may therefore not be feasible. There is some potential for closed uses such as religious or health retreats to provide a viable future for the building. This option does not however meet objectives 2, 3 or 5.</p>	<p>Rank 7 of 9</p> <p>Score 400-600</p> <p>Limited potential to deliver objectives</p>

27. This suggest that options 3 (restore to museum and visitor accommodation) and 5 (restore to museum and mixed residential / visitor accommodation) may be best able to meet the project objectives, with options 4 (restore to museum and residential accommodation), 7 (convert to hotel) and 8a (convert to other open uses) also having some potential. Options 6 (housing only) and 8b (convert to closed uses) have only limited potential, while options 1 (status quo) and 2 (status quo with focused repairs) are unlikely to deliver the objectives.
28. For simplicity, we have generally split different uses into different options but the castle has four wings and options could therefore be merged more than is indicated above. Option 5 includes three uses – visitor accommodation, residential accommodation and museum – and scores most highly. The proportions of these different uses could be varied within the building, i.e. a large proportion of visitor accommodation with only a small museum and residential section tends more towards option 7, while a shift in favour of residential housing tends more towards option 6. Some elements of the open uses may also be possible within option 5. The visitor accommodation and parts of the museum area could be suitable to host weddings for example. A range of uses might also spread the risk plus allow different parts of the castle to be repaired at different times, making the project more achievable. The financial viability of the different uses and therefore the proportions that would work best requires further investigation.

## Options for ownership and management of the castle

29. The ownership model will partly be dictated by what the building will be used for, but the broad issues are explored here. Five ownership options were considered and the assessment of these options is given in Appendix 4. The options are:
1. *Retain in SNH ownership*
  2. *Transfer to an alternative public body*
  3. *Transfer to a specially created castle charitable trust / body*
  4. *Transfer to an existing charitable trust / body*
  5. *Open market sale*
30. Options 1&2 - Stakeholders felt strongly that Kinloch Castle does not fit SNH's remit and there are inherent inefficiencies in SNH having to buy in expertise for its management. Historic Scotland may appear an obvious potential owner but have strict criteria for taking ownership of 'properties in care' and do not consider that Kinloch Castle would meet their criteria. While retaining the castle within the public sector could help ensure appropriate management and access to the building, it retains a long term dependency on the public purse and may not be the most effective delivery model for the types of uses identified as preferred options above.
31. Options 3 & 4 - A specially created trust would have some benefits in being set up with the castle's management as its primary purpose, but would require support and finances to get started. A lack of proven ability to deliver projects, manage funds etc. could put a new trust at a disadvantage. An existing Trust would only be likely to take the castle on with significant

financial support, but would then bring existing knowledge and experience and track record for delivery.

32. Option 5 - Open market sale would reduce the dependency on the public purse and bring private investment to the island. One potential risk is that any conditions applied to the sale – e.g. regarding conservation of the collection or public access - may not be heritable on subsequent sale. They might not therefore be safeguarded in the long term beyond the first new owner. There is also significant doubt about the likelihood of a private sale of the whole building given the lack of grounds and privacy associated with it. Previous discussions with agents and approaches from potential buyers have highlighted this as an issue, though full promotion on the open market has never been undertaken. It is also unlikely that purchasing the castle in its current state and taking on the repairs would be commercially viable. However, if funding could be found to bring the building into better condition, a sale may be more viable.
33. As with the options for use of the building, a combination of ownership options may prove more viable than a single approach. IT may be possible to sell parts of the building, e.g. residential apartments or visitor accommodation, privately with other parts managed through a trust or retained in public ownership. This should be explored further following identification of the most viable and publicly beneficial uses for the building.

## Options for management of the collection

34. Kinloch Castle is unusual in having its original contents in situ, largely unaltered since the Bullough family left. As well as the original fixtures and fittings (which are included within the listing), there is a collection of portable items (not included within the listing) including paintings, ceramics, bronzes, furniture and books. The collection is valued at over £2 million though no single item is valued at more than £250,000, with most being relatively low value. However, in terms of heritage value, to have a building of this period with its original interior still intact is one of the attributes that makes Kinloch Castle special.
35. Four options were identified for the collection, and these are explored in Appendix 5. The options are:
  1. *Retain the collection with the castle*
  2. *Sell as part of sale of the building*
  3. *Sell some or all collection to raise funds*
  4. *Transfer collection to museum, other public body or collection*
36. In relation to the project objectives, retaining the collection with the castle is preferred due to the heritage, access and socio-economic benefits. This ties with several of the preferred options for use of the building, where retaining the castle tours as a visitor attraction is a significant element.



37. The collection does not lend itself to transfer as it is an extensive collection of relatively low value items. Its real value is as part of the integral whole with the building, providing an unusual record of life in the late Victorian / Edwardian era. It is unlikely that much of the collection would be exhibited elsewhere. Equally, selling part of the collection to raise funds would potentially leave it without its most striking pieces (also the most valuable), could jeopardise future funding efforts and there is no guarantee that the funds raised would be available for use on the island. Stakeholder views varied on this issue, with some feeling that the collection should be retained and that items previously removed from the castle should be returned. Others felt that removing the collection could make re-using the building easier.

## Costs

38. Option 1 is a status quo option that would retain the castle in SNH ownership with us undertaking repair works as funding allowed, within existing budgets. We have identified a conservation plan of urgent repairs required to make the building wind and watertight. We have delivered some of this, but there is a further estimated £1.5 million of works to be undertaken. In addition, there is a further estimated £4 million of repairs to bring the building back into good condition, including internal works. It would be more costly to do this in very small increments, so the estimated price here would need to be increased. Option 2 is also a status quo option but would involve a more focused repair plan to more rapidly bring the castle into good condition and meet statutory obligations. This would require the £5.5 million repair / conservation costs to be available over a much shorter time frame, but would be a more cost-effective way to achieve the repairs.
39. For the restoration / conversion options, we do not yet have sufficient detail to be able to cost these accurately. However, based on the previous scheme and allowing for inflation but also deducting the value of the repairs already completed, the restoration and conversion cost is likely to be at least £11 million including VAT and fees. There would be additional costs for accommodation, landscaping etc and given difficulties of securing contractors for Rum, this could rise to around £15 million. Detailed distinctions between options would require plans to be developed and it is suggested that this be explored in more detail in stage 2, but this provides an estimate of the scale of funds required.

## Review of options

40. Options 3 (retain museum and convert to visitor accommodation) and 5 (retain museum and convert to mixed visitor / residential accommodation) scored most highly against the objectives and are deemed most promising. By retaining the museum and collection, both options retain the historic and cultural integrity of the building and utilise this as an iconic part of Rum's outstanding cultural and natural heritage offer. The combination of visitor accommodation, tours and some residential accommodation in option 5 would support socio-economic development in a number of ways, retaining the day visitor market and

developing a more diverse longer stay market plus supporting community expansion. High quality visitor accommodation would enable Rum to maximise the benefits of its stalking interest, which could generate high income and provide local skilled employment. Other activities (camera stalking, landscape photography / painting, cultural studies etc) could also offer further employment and draw visitors throughout the year. This would link the castle to the rest of the island and NNR and also complement other visitor proposals, such as a new visitor centre. There is a consistency with previous options appraisals, which have proposed similar uses. This provides some reassurance in relation to the island's needs; these options also however link well to factors which have changed and could make them more financially viable. These include the improvements to the building itself, the significant opportunity presented by commercial stalking and the general improvements in visitor infrastructure being developed by SNH and the Rum Community. These usage options could therefore provide a future for the listed building, retaining its heritage value and using this to support a range of wider benefits. It is recommended that these two options be explored further.

41. Options 4 (museum and residential accommodation), 7 (hotel), and 8a (open uses) had moderate overall scores suggesting they had some potential to meet the objectives. Converting the whole building to a hotel could be financially viable, but loss of the collection would affect the day visitor market and impact on heritage and access objectives. Option 4 would retain the collection and therefore deliver heritage, access and day visitor socio-economic objectives, but is less likely to be viable in the long term and offers only limited broader socio-economic development or links to the island. The open uses may require greater interventions to the building and therefore impact on heritage, with likely loss of the collection, though this would depend on the specific needs of the enterprise. With more marginal scores, it is not recommended that these three uses be explored further as discreet options. However, it is recommended that elements of them be explored within the parameters of the preferred options 3 and 5. For example, the combinations of different types of both visitor and residential accommodation should be explored in relation to practical feasibility and financial viability. The proportion of the building dedicated to tours against the accommodation uses should also be explored. The potential for complementary services such as wedding and conference facilities as part of a visitor accommodation business should also be considered as this might add to overall viability. A combination of uses in different parts of the building may be helpful and could allow the project to be phased, which may also make it more achievable.
42. Options 6 (all residential accommodation) and 8b (closed uses) had only limited potential to deliver the objectives. The loss of tours and visitor accommodation limits the contributions the castle would make to the local economy and heritage. The feasibility of these options is also questionable, given the lack of privacy and seclusion. The wider contribution to the island and NNR would be more limited. It is therefore recommended that these options should not be pursued at this stage.
43. Options 1 and 2 are the status quo options; these provide a 'holding pattern' for the castle but do not offer a sustainable long term solution and leave much of the building unused. Of

these fall back positions, option 2 would be preferable to option 1 in at least achieving the urgent conservation repairs needed to stabilise the building, though this would require additional budget. These options are not recommended other than option 2 as a 'fall back' position.

44. Ownership models need to be explored in relation to the use of the building but some key points emerged from the options appraisal. Retaining the castle in public ownership, whether SNH or another body, could constrain opportunities for accessing funding given limited public finances and ineligibility for wider funding streams. Running accommodation services is also not a core activity of either SNH or other potential public bodies (e.g. Historic Scotland). Public ownership is unlikely therefore to be the best model to achieve the objectives.
45. Selling the castle on the open market was considered. In relation to the uses identified in options 3 and 5 it is unlikely that the whole scheme, including upfront restoration / repair work, would be commercially viable. Previous advice has also highlighted that the lack of privacy associated with the building, access constraints and upfront repairs required would make a sale unlikely. This has been borne out by more recent approaches from interested parties who withdrew their interest due to these factors. A risk associated with selling the castle is that, while we can set conditions for the conservation of the building and its contents and define uses on first sale, these conditions may not be heritable and therefore cannot be safeguarded in the long term. This means there might be no control over what the building was used for beyond regulation through its listed status. There might therefore be no way of ensuring the objectives would be met and that the castle would deliver the vision for the island. This is an important consideration and requires further investigation, though it must be balanced with the opportunities private investment and ownership could bring.
46. Creating a charitable trust to operate the castle, or transferring to an existing one with suitable conservation / heritage objectives, may be a better option to ensure the objectives could be met and safeguarded in the long term. Trusts would be better placed to access a range of funding, including via members / friends groups. The main constraint here is that for a trust to take on Kinloch Castle, funding for the restoration and repairs would need to be secured. Fundraising may therefore need to be led through the public sector with a view to transferring the operation of the building to a charitable trust.
47. We suggest that ownership needs to be further explored once the uses have been better defined in relation to delivery of the objectives and financial viability. There is scope to vary the ownership model for different parts of the building, according to use. This would help share responsibilities and may be more achievable than an 'all or nothing' approach. We suggest considering market testing as part of the next stage of work, once the preferred uses of the building have been defined and the requirements that would need to be delivered. This would help gauge potential and help justify the need for public investment, and could include consideration of discreet parts of the building. We should also consider a facilitation

and advisory role for the public sector, particularly in relation to trust ownership. A partnership model, possibly for an initial period, may prove effective. This could include utilising the public sector's ability to oversee large capital project delivery, which may give potential funders greater confidence to invest.

48. The two highest scoring options include retaining and developing the museum and therefore keeping the collection in situ. There was some feeling that Kinloch's story could be told with fewer items and that parts of the collection could therefore be sold to raise funds for the building or other projects. However, if in public ownership items may have to be offered to other public collections through transfer first. Any money that was raised would not necessarily be spent on Rum and breaking up the collection could potentially jeopardise future fundraising (stakeholder advice that breaking up a collection could be regarded by some funders as mismanagement and would therefore affect fundraising potential). There could be advantages on site to concentrating the museum in fewer rooms to allow more space for accommodation. This could be achieved in other ways, e.g. holding some items in storage and rotating for specific themed displays to alter the visitor experience, or to have some items as a mobile display to other collections as a promotional tool. Management of the collection would require on-going investment and this would have to be factored into the business plan. However, the tours could be developed and promoted to tap into a growing market of day visitors which would generate income. This could be supplemented by funding appeals for key items, income from Friends groups etc.

## Recommendations and Next steps

49. We recommend that usage options 3 and 5 be explored in detail in relation to financial viability. Elements of options 4, 7 and 8a should be incorporated into these as defined below. A business case should be produced to include the following:
- a. The practical feasibility of delivering the options within the building and modifications required, including the scope to include different combinations of visitor and residential accommodation and museum;
  - b. Funding for the restoration – potential funding sources and discussions with funders regarding eligibility and potential fit with funding criteria; this should include the potential for the restoration to be overseen by the public sector prior to operation of the final use through another body;
  - c. The financial viability of the operation including testing potential markets. This should specifically include the potential role that commercial stalking could play within the business model, plus other outdoor or niche activities that link to the vision for the island;
  - d. Explore suitable ownership / delivery vehicles suited to these options;
  - e. Exploring the market for sale of all or parts of the building linked to the various options;

- f. Explore the potential to include facilities for weddings, conferences, training, etc. within these options and whether they would add to the viability of the operation;
  - g. Other funding sources to support the operation – identify the potential to raise funds for the castle through other means to supplement the business operation, e.g. appeals, memberships, grants;
  - h. Consider potential uses of castle features such as the walled garden – e.g. scope for community / business use and whether this could add to overall viability;
  - i. Identify the current and potential socio-economic impact of the castle to the area;
50. We recommend that stakeholders, particularly the Rum community, be involved throughout the process to help shape the proposals.
51. Ideally the above process should run alongside a project to develop a new master plan for Rum, setting out a clear and shared vision for the island and identifying a spatial plan for development of the village area. This would replace the current village plan which is now out of date. This process is under discussion and is likely to be led by the community working with Highland Council and with SNH, HS and other stakeholders as appropriate.

## Public Relations

52. Kinloch Castle is a public asset and generates wide public interest. We have pro-actively engaged the media as part of this project and this has generated balanced media coverage. This has included a number of press articles and a recent feature on BBC Reporting Scotland with associated web-based and social media discussion. All have stressed the significant financial and practical challenges of managing a listed building in a remote location, whilst also emphasising the special qualities of the building and collection and its value to community development.
53. It is important that we retain this pro-active approach to ensure our stakeholders, visitors and the wider public are aware of progress on the project.

## Risks

54. The main risks associated with this project are set out below, with measures to address them.

Risk	Measure
Conflicting views among stakeholders	Collective engagement to allow discussion and consensus building to minimise this risk. This does however take time, but is well invested if it enables a consensus to be maintained.
Reputational risk of this project raising expectations and	Careful management of public messages to ensure that financial issues and challenges are

developing preferred options which prove unaffordable.	made clear, alongside potential options. Discussion with Scottish Government prior to starting stage 2 to ascertain likelihood of funds being available.
No final decision reached on future of castle	The project is being taken forward in stages to facilitate decision-making at each step
The castle continues to deteriorate while this project is being undertaken	SNH is committing available resources to continue work on the conservation repairs and collection conservation strategy
Public criticism of lack of decision over building and lack of use of rear wings	Pro-active PR plan to inform people of progress on both options plan and works being undertaken to care for the building

## Conclusion

55. This report marks the first stage in a project which aims to determine the future of Kinloch Castle on the Isle of Rum. This stage has reopened discussions and brought together our stakeholders to review the potential uses for the castle, building on previous schemes but taking into account the significant changes which have taken place on Rum over the last five years. Stakeholders remain keen to see progress with Kinloch Castle; while there is inevitably a frustration that previous schemes have not delivered, there is recognition of the financial constraints and also a very positive response to the conservation repairs that have been undertaken in recent years.
56. Stakeholders feel that a restoration scheme for Kinloch Castle would be a major investment in the island's future, and could secure a step change in community development. Rum has significant scope to develop as a natural and cultural heritage destination, increasing visitor numbers to the west coast and providing opportunities for business growth. The castle is an iconic part of the island's heritage offer and its restoration could unlock the island's potential. There is, within this, a great opportunity to develop a more collaborative approach between the natural and cultural heritage sectors, and between the public and private sector. This could test and demonstrate a more joined up approach to how we derive public benefits from our natural and historic capital.
57. The appraisal has identified two usage options to explore further, both of which retain the collection for public access as a visitor attraction, with the remainder of the building offering visitor accommodation and /or residential accommodation. While these options have been explored in previous studies, we now have a clearer vision for Rum which provides the context for these proposals. The growing day visitor market and opportunity for high value commercial stalking and other niche activities are all opportunities that the Castle can uniquely exploit, bringing major benefits to the island and offering greater viability for the castle's long term future. We recommend that these opportunities be further explored in a detailed business plan. Stakeholder engagement should remain an integral part of the process for the remainder of the project, particularly input from the Rum community. The future of the castle could have a major impact on Rum's development and our ability to unlock the island's great potential.

# Appendix 1 – Description and status of Kinloch Castle

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## Description

- 1.1 Kinloch Castle is a large rectangular castellated mansion built around an inner court. It was designed by Leeming & Leeming, London. The foundation stone was laid in 1897 and took three years to build, being first occupied in 1901. Internal and external alterations were carried out in 1906 and the castle was mainly used seasonally as a shooting lodge. It is built of red Arran stone, bull faced squared rubble with tooled ashlar dressings. The principal fronts are to east and south, the east entrance front having a square off-centre tower rising above the roofline. North, east and south elevations are encircled by a continuous arcaded veranda with a glazed roof masked by the crenallated wall head.
- 1.2 The castle has a lavish and ornate Edwardian interior with original fittings and furnishings. There was a focus on technology, with a hydro-generated power supply, elaborate bathroom fittings, a rare orchestration and one of the earliest internal telephone systems of any private house in Scotland. The interior has been little altered since the Bullough Estate sold the castle and it is perhaps this that makes it particularly unusual and significant; the castle has been preserved as an entity, almost as created. Few if any Scottish Baronial shooting lodges of the Edwardian age and of the quality of Kinloch Castle have survived in the West Highlands. Some were demolished while others have been much altered or lost their contents.

## Status and designations

- 1.3 Kinloch Castle was entered on the **Statutory List as Category A** on 5<sup>th</sup> October 1971, inclusive of original fittings and furnishings in addition to the building itself. The gazebo in the grounds of the castle (near the shore) and the Castle Bridge over the Slugan (Rockery) burn are both also listed category B.
- 1.4 The castle is categorised as **AT RISK** on the Buildings at Risk Register, which notes its condition as Fair and category of risk as Low. The building was added to the register in 2004 and has not been reassessed since that time.
- 1.5 The site is included in the **Inventory of Gardens and Designed Landscapes**. The identified site includes the castle and policies which were developed from 1879 to 1914. The importance of the site is defined as follows:
- **Work of Art – Outstanding** – despite the loss of the pleasure gardens, the configuration of the policy woodlands and surviving features of the designed landscape complement Kinloch Castle. Together they form an important period piece, giving the site outstanding value as a Work of Art.
  - **Historical – Outstanding** – The historical development of Kinloch is inextricably linked to the social and economic history of Rum, its changing fortunes as a sporting estate, connection with the Marquis of Salisbury, then the Bullough family and its 20<sup>th</sup> century decline through absentee landownership. It has outstanding historical value as an unusual, well-preserved and important representative of social history.
  - **Horticultural, Arboricultural, Silvicultural – Little** – the garden and designed landscape retain little horticultural value.

- **Architectural – High** – Kinloch Castle (listed category A), an early 20<sup>th</sup> century castle with innovative technological features, and the estate village of Kinloch are of high architectural interest. The castle is the only example of a country house designed by Leeming & Leeming. The layout of castle and village amply illustrates a planned ‘model’ layout of a Highland estate.
- **Scenic – Outstanding** – Rum is a major component of the Small Isles National Scenic Area and thereby is of outstanding scenic value.
- **Nature Conservation – Outstanding** – the designed landscape includes a variety of habitats important for birdlife. Rum’s varied landscape and wildlife habitats are widely recognised in the island’s designation as a significant nature reserve.
- **Archaeological – Outstanding** – Kinloch castle policies are archaeologically sensitive and recognised as being of outstanding value due to the Mesolithic settlement site found there. This is one of the earliest known human settlement sites found to date in Scotland.

## Context

1.6 Most of the island is a national nature reserve run by SNH, famed for its outstanding landscapes, geology, flora and fauna. Rum receives about 10,000 visitors per annum and typically around half of these are day visitors. Travel to the island is by Calmac ferry from Mallaig or the MV Sheerwater from Arisaig. Other charter boats run out of Mallaig, Arisaig, Skye and Knoydart. Rum is seeing an increase in visitors arriving by private yacht and also from cruise boats such as the Hebridean Princess. There is a growing market of coach tour visitors coming via ferry. The castle is a significant visitor attraction for the island, along with its stunning wildlife.



# Appendix 2 – Summary of previous options appraisal studies and management interventions

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NB. Items relating to options processes are in normal font; items relating to conservation and running of the building are in italics.

2002

## **Page & Park Proposals**

Commissioned study produced by Page & Park Architects in association with the Glasgow Building Preservation Trust, Harley Haddow Partnership, SQW Ltd and Ian White Associates. This detailed study looked at the significance of the building and designed landscape and explored 7 options, evaluating them against SNH objectives and HLF funding criteria (seen as most likely funding source at the time):

1. Do nothing
2. Conserve and repair and maintain the status quo
3. Maximise en suite facilities (development of higher standard rooms in principal wings)
4. Optimise hostel accommodation (less high standard rooms and more hostel space with lower density accommodation)
5. Environmental education focus (focus on facilities to support accommodation suited to education needs)
6. Maximise income (high value accommodation linked to field sports, special functions, weddings etc.)
7. Accommodation with limited environmental education facilities (preferred option deemed to fit best with SNH and HLF objectives).

The preferred option (option 7) had an estimated cost of £3,962,405 ex VAT and fees, 2002 price estimate. This option was featured in the BBC Restoration programme. Funding was not secured but the BBC programme gained interest of Prince Charles and others, leading to the Prince's Trust commission.

2005-2008

## **Prince's Regeneration Trust Options Appraisal plus proposals**

Commissioned study in three phases which started with an options appraisal exploring the following ten options (NB prices mentioned are 2007 estimates):

1. **Demolition** – castle footprint retained and landscaped; likely to cost c. £800k ex VAT and take 2 years, no grant assistance would be available. High detrimental impact; ownership of site retained by SNH.
2. **Roofless Ruin** – leave just outer walls with additional supports and safety fencing; cost c £900k ex VAT, 2-year duration, no grant assistance.
3. **Remain as existing** – retain hostel, bedrooms in principal wing plus front of house for tours – 58 beds. Annual cost £65k ex VAT and fees. Retain in SNH ownership.
4. **Maintain existing use & major restoration / repair / maintenance strategy and budget** – retain hostel, rooms and tours. £4,360,000 ex VAT but inclusive of fees and restoration costs. Could create 62 beds. Retain in SNH ownership. Would reduce vulnerability of building.
5. **Page & Park preferred option (option 7 from 2002 study)** – retain existing accommodation provision plus additional en suite rooms and flexible spaces for environmental education facilities. Cost £5,370,000 ex VAT, but including some fees and restoration costs. Retain in SNH ownership. Would reduce vulnerability of building but business plan high risk.
6. **Conversion to residential use with limited public access to principle rooms** – conversion to 8 apartments / houses varying from 1-6 beds, plus education areas and limited public access to principal rooms. Likely cost £4,950,000 ex VAT but including restoration and professional fees. Excluded additional £520,000 for creation of 14-bed “dormy house” outwith the castle, site development costs, landscape costs, restoration of related features, management of contents and local authority charges. Revenue generated from residential sales. Ownership proposed as mixed between SNH and special purpose vehicle and possibly private sale of apartments.
7. **Conversion to hotel use** – conversion to 20-bed hotel with separate shop, café / bistro, 3-bed managers apartment, staff accommodation and retained public access to principal rooms. Likely cost £5,462,000 ex VAT including restoration works and professional fees. Excludes £520,000 for separate “dormy house” etc. as above. Ownership by private enterprise or public-private sector partnership.
8. **Conversion of principal wing to “lodge house” and 6 private apartments** – creation of 2-storey lodge house with 7 letting rooms and a 3-bed managers apartment within the principal wing, and conversion of the rear wing to create 6 apartments / houses; retained public access of principal rooms. Likely cost £4,915,000 ex VAT but including restoration and professional fees. Does not include costs of “dormy house” etc. as above. Ownership by special purpose vehicle or public-private sector partnership.
9. **Conversion of principal wing to “lodge house” and 5 private apartments** - creation of 2-storey “lodge house” with 7 letting rooms and 3-bed managers apartment within principle wing plus conversion of

rear wings to 5 apartments / houses, enhanced café / bistro, shop and retained public access to principal rooms. Lift to create disabled access to first floor. Likely cost £4,940,000 ex VAT including restoration and professional fees. Excludes costs of “dormy house” etc. as above. Ownership by special purpose vehicle or public-private sector partnership.

10. **Conversion / extension of ground floor accommodation to create entertainment / education facilities** – conversion to create enhanced entertainment and education facilities in the ground floor and external courtyard. Lodge house as before with lift, 7 letting rooms, café / bistro and shop plus public access to principal rooms. Likely cost £5,450,000 ex VAT including restoration and fees. Dormy house costs and other charges excluded as before. Ownership by special purpose vehicle or public-private sector partnership.

Option 8 was identified as the preferred option. A statement of cultural significance was produced by Merlin Waterson with input from HS and NTS. This informed development of design considerations for the restoration proposals. Key stakeholder workshops were undertaken and as a result, planning applications were submitted.

Further work was done to develop costs and business plan for the preferred option, which had a total estimated cost in 2007 of about £13 million including all fees and charges. This included the additional fees, landscaping costs etc. excluded above, plus additional accommodation for staff and an uplift to reflect inflation, reflecting experience of commissioning contracts on Rum. Discussions were held with the Minister in 2008 but public funds were not committed to the project. Without pump priming from the public sector, external funding could not be secured.

2009/10	Final workshop and report by Prince’s Regeneration Trust (PRT) on lower cost scheme, retaining hostel within castle plus creation of accommodation units and visitor access to principal rooms.
2010	<i>Discussion and input from Historic Scotland and Highland Council regarding conservation plan.</i>  <i>Repair works undertaken to tower and oriel windows. Plaster ceilings surveyed following collapse of corridor ceiling.</i>
2011	<i>Conservation / repair plan produced by James F Stephen Architects. The indicative cost of the whole repair plan £2.1M including fees etc.</i>
2012	<i>Phase 1 roof repair works undertaken plus treatment of dry rot discovered during works. Significant positive impact made to reduce water ingress. Cost £357,532.</i>

- December 2012 Business case final approval for installation of temporary hostel accommodation outwith the castle to manage risks and ensure continuous accommodation provision*
- June 2013 Hostel relocated out of castle building into separate temporary facility. Castle remains open for castle tours.*
- July 2013 Funding agreed for preventive conservator to initiate development of collection conservation strategy. Next phase of repairs to roof commissioned.*

# Appendix 3 – Assessment of options for use of the castle

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## Option 1: Retain status quo – retain museum tours; deliver conservation / repair plan gradually as funding allows

- 3.1 This status quo option would involve closing off the rear wings of the castle and utilising the principal wing for public tours. Conservation / repair works would be undertaken gradually over a period of years, dependent on available funding.
- 3.2 **Objective 1 – securing a financially viable future** – this option does not meet this objective. The gradual timescale and piecemeal nature of repairs prolongs the danger to the building through water ingress, risking undermining the financial investment already made and incurring further damage to the building. It would also be more economical and reduce disruption to undertake repairs over one period to reduce on costs. This option also fails to address the long term future of the building, it is just a temporary holding pattern that leaves much of the building unused and risks further deterioration.
- 3.3 **Objective 2 – conserve and enhance heritage and public access to it** – this option does not meet the objective well. While conservation / repair works would be undertaken over time, the ad hoc nature of undertaking this work as funding allows could mean that it deteriorates faster than it can be repaired. With continued pressure on public funds and without a clear budget specifically for the castle, the conservation of the building cannot be assured. If an emergency repair were required, e.g. replacement heating system, the scale of funding required might not be available. Continuation of castle tours would allow for continued access. However, if a significant health and safety issue emerged and budget was not available to resolve it then access may have to be stopped to all or some of the building.
- 3.4 **Objective 3 – socio-economic development** – by retaining the public tours and therefore continuing to provide a visitor attraction on Rum, this option contributes to this objective by bringing visitors to the island who then support wider businesses in the area. It also provides jobs on the island to deliver his role. However, as noted above, with only ad hoc funding for repairs, there is a danger that health and safety considerations could affect ability to continue tours if repair works are not kept up. This option also just retains the existing visitors but does not allow for much growth.
- 3.5 **Objective 4 – support and link to wider island management** – the tour already provides an opportunity to promote the wider features of the island and NNR and this could be expanded to some extent. It therefore partially meets this objective in the short term.
- 3.6 **Summary** – this status quo option could partially deliver some of the objectives in the short-term but does not represent a real solution to securing a future for the castle in the long term

and risks further deterioration of the building and collection. While it would utilise existing budgets, it means that the castle would be repaired on an ad hoc basis, always competing with other initiatives. In the long term this would be less efficient and more costly.

## **Option 2: Implement conservation / repair plan (focused investment); retain museum and close off rear wing**

3.7 This option is the same as option 1 in relation to use of the building, but under this option the conservation / repair works would be undertaken in one focused investment over a couple of years to bring the building into a fully wind and water tight state and undertake general repairs to significantly damaged parts of the interior.

3.8 **Objective 1 – securing a financially viable future** – like option 1, this does not meet the objective as it does not give any long term purpose or security to the building. It retains the current use of the building and does this more effectively than option 1 through a more focussed approach to repairs, which would be more efficient in rapidly making the building wind and water tight. It is still however a holding pattern rather than a solution that is sustainable in the long term.

3.9 **Objective 2 – conserve and enhance heritage and public access to it** – this option partially meets the objective. By undertaking a focused repair plan it prevents further deterioration of the building in the short to medium term and retains the building and collection together. However it does not offer a long term secure future for either. The focussed repairs reduce the risk of tours being stopped due to health and safety issues.

3.10 **Objective 3 – socio-economic development** – as with option 1, this option partially meets the objective by retaining current visitors to the island which also support wider businesses on Rum and surrounding areas. The focused repairs make this more secure than option 1, but it still does not allow for much growth in visitor numbers.

3.11 **Objective 4 – support and link to wider island management** - the tour already provides an opportunity to promote the wider features of the island and NNR and this could be expanded to some extent. It therefore partially meets this objective.

3.12 **Summary** – like option 1, this is a holding pattern rather than a long term solution and doesn't provide a sustainable or secure future for the castle. It is better than option 1 in undertaking the repairs through a focused investment, which is more efficient and halts any further significant degradation to the building.

## **Option 3: Restoration to museum and visitor accommodation**

3.13 This option would involve focused repair and restoration of the castle. It would retain the collection in situ within the principal wings with conservation / restoration as appropriate. This would enable continued tours for the public and potential further development of the visitor experience to tell the castle's story. Other parts of the building would be converted to provide

visitor accommodation. There is a range of options for the accommodation, from fairly basic hostel to a higher end hotel. Given other bunkhouse developments being taken forward and the viability issues of operating within a listed building, it is more likely that accommodation in the castle would need to be medium - high end, and this option is assessed on that basis. The balance of space between the museum and accommodation would need to be considered as there are options here, e.g. the museum could be focused to fewer key rooms to allow more space for accommodation, though impacts on the collection would need to be considered.

- 3.14 **Objective 1 – securing a financially viable future** – this option depends on upfront funding being secured for the restoration and conversion. Previous proposals suggest it is unlikely that this upfront investment would be commercially viable so the scheme is likely to depend on public sector support. If this upfront investment were separately secured, the question would then be whether the accommodation and tours were commercially viable and able to generate sufficient income to invest in future maintenance of the building. Our experience of running a catered hostel and tours suggests this is not viable. However, higher end accommodation in a restored building with better facilities, plus a more developed tour experience, is more likely to be financially sustainable. This would depend on developing the market; tours are currently seasonal as day visits drop in winter due to poor weather and fewer boats. However, with accommodation in the building the castle could offer a better year-round attraction for staying guests, perhaps with themed events utilising the principal wings. Opportunities such as the commercial stalking lease could also offer greater viability to the accommodation business. This option therefore has the potential to deliver the objective.
- 3.15 **Objective 2 – conserve and enhance heritage and access to it** – with focused restoration / repair work this option would secure the heritage of the listed building and access to it. By retaining the principal wings largely intact for tours, this option would also conserve the collection and interior. We know from previous restoration proposals that the rear wings of the building are readily adaptable to offering accommodation in ways that are sensitive to the building's heritage.
- 3.16 **Objective 3 – socio-economic development** – this option continues to provide a visitor attraction on the island, encouraging day visitors who could also support other businesses on the island and surrounding area. This option also provides accommodation for further visitors, possibly attracting a different market to the other providers on the island and complementing their activity. Running these enterprises would bring jobs to the island, which would support community development. Some staff accommodation would need to be included given the shortage of housing on the island. This option could meet the need for stalking accommodation which is an identified need and could add to financial viability. This option could meet therefore this objective well.
- 3.17 **Objective 4 – support and link to wider island management** - the tour provides the opportunity to promote the island's wider heritage, as noted in previous options. The addition of visitor accommodation in this option offers the opportunity to make wider links, e.g. through offering commercial stalking, and other activities based on the NNR such as photography, wildlife watching, painting etc. This option could therefore meet this objective well.

3.18 **Summary** – this option has the potential to meet the objectives well. It is likely to require upfront funding through public sector grants to achieve the initial restoration as it is difficult to see this being commercially viable. However, with this in place, there is potential to develop a commercially viable business that could maintain the building and collection into the future, making a significant contribution to the development of the community and the socio-economic development of the Lochaber area. Some research would be required to explore the type of accommodation most likely to suit available markets and needs, including the commercial stalling market which is a current gap in provision.

#### **Option 4: Restoration / conversion to museum and residential housing**

3.19 As above, this option would involve focused repair and restoration of the castle. It would retain the collection in situ within the principal wings with conservation / restoration as appropriate. This would enable continued tours for the public and potential further development of the visitor experience to tell the castle's story. Other parts of the building would be converted to provide residential accommodation. There are a number of sub-options here depending on the type of accommodation provided – could be basic affordable, standard or high quality apartments, could be leased or sold, could be a combination of these.

3.20 **Objective 1 – securing a financially viable future** – as with option 3, funds for the repair and restoration / conversion would need to be found and it is questionable whether this would be commercially viable if included as part of the overall enterprise. Separate public funds may be required to pump prime the project. The long term viability would depend on the type of accommodation provided. Affordable leases would be unlikely to raise sufficient funds to maintain the building; affordable sales could provide some initial payback towards the restoration / conversion costs, or if this could be met elsewhere then this could provide an investment for future management of the building. However affordable values may not be sufficient to care for the building. Including a maintenance fee for tenants would impact on affordability. Affordable housing is therefore unlikely to be viable without significant on-going public subsidy, though from a community perspective there is a demonstrable need for this type of accommodation. Higher quality apartments could generate a higher sale value which might make the initial restoration more achievable. A maintenance fee may also be more achievable from people able to purchase or lease such apartments. This would offer a different type of accommodation than that currently available, though without on-island employment there is a high risk of them becoming second homes. This could be poorly received by the community, which is keen to grow and develop. There could be issues regarding lack of private outdoor space, though for holiday homes this might be less of an issue than for permanent residences. Development of the tours would provide extra income to the castle overall. A combination of museum and higher quality accommodation is most likely to be financially viable though this would need to be explored in detail. A mix of high value and affordable accommodation may be possible. This option therefore has the potential to meet the objective.

3.21 **Objective 2 – conserve and enhance heritage and public access to it** – with focused restoration and repair work, this option would secure the heritage of the listed building. As with



option 3, retaining the principal wings for tours would conserve the collection in situ, retaining the integrity of the whole and supporting public access to these key parts of the building. Previous restoration proposals included residential accommodation elements, so we know that the building could be readily adapted in ways that are sensitive to its heritage status. This option could therefore meet the objective well.

3.22 **Objective 4 – socio-economic development** – retaining the public tours would support the socio-economic development of the area by continuing to act as a significant visitor attraction, which has benefits to other businesses. Housing could also support the development of the Rum community, though a key demand is for affordable housing and this is less likely to be viable in the castle without on-going subsidisation. Second homes may be less valuable to the community than visitor accommodation which could bring wider benefits to other businesses. This option therefore partially meets the objective.

3.23 **Objective 5 – support and link to wider island management** – this option partially meets the objective by allowing links to be made to the NNR and island through the castle tour experience. It does not however support other links.

3.24 **Summary** – This option could partially meet the objectives. The key concern is its financial viability; if the accommodation element were high value apartments then the scheme would be more likely to be viable. The identified need on the island is for affordable accommodation which is less likely to be a viable option to meet the costs of repairing and maintaining the building. The likelihood of high value accommodation becoming second homes may concern the local community which is keen to grow and develop, however the accommodation may be suited to this given the lack of private outdoor space.

## **Option 5: Restoration / conversion to museum and mixed residents / visitor accommodation**

3.25 As with options 3 and 4, this option would involve focused repair and restoration of the castle. It would retain the collection in situ within the principal wings with conservation / restoration as appropriate. This would enable continued tours for the public and potential further development of the visitor experience to tell the castle's story. The rest of the building would then be converted for use as mixed residential and visitor accommodation. As with previous options there are different ways this could be achieved and the viability is likely to depend on the value of the accommodation provided. This option differs from option 3 in that rather than just providing accommodation for live-in staff, the residential accommodation would be additional and might be for sale or lease.

3.26 **Objective 1 – securing a financially viable future** – as with options 3 and 4, this option has the potential to secure a viable future for the castle but viability will depend on the detail of the project. As with the two previous options, higher value accommodation both for residents and visitors is likely to be more financially viable, though the potential for higher value visitor accommodation to help subsidise more affordable residential accommodation is worth exploring. Also in common with previous options, the commercial viability of this option funding

the initial restoration may be questionable and this may require public sector support. Links to commercial stalking and other island activities should be explored as part of wider market testing.

3.27 **Objective 2 – conserve and enhance heritage and public access to it** – this option could meet this objective well by both securing the future of the building and also retaining the collection in situ. Public access would be retained both in the principal wing and visitor accommodation. We know from previous proposals that the building could be converted to these uses with sensitive interventions which would not damage its historic integrity. Retaining the collections for tours would also keep the unique value of the building as an late Victorian / Edwardian time capsule.

3.28 **Objective 4 – socio-economic development** - retaining the public tours would support the socio-economic development of the area by continuing to act as a significant visitor attraction, which has benefits to other businesses. The visitor accommodation would attract people to the island who would also be likely to make use of other services and would benefit wider businesses in the area en route to Rum, e.g. accommodation and hospitality services on the mainland, boat operators, etc. There is potential to explore whether high end visitor accommodation could help support the use of other parts of the castle to provide more affordable housing which would further support development of the Rum community and meet an established need. High value accommodation suitable for commercial stalking clients is also an identified need and would help maximise the benefits of this opportunity.

3.29 **Objective 5 – support and link to wider island management** - the tour provides the opportunity to promote the island’s wider heritage, as noted in previous options. As with option 3, the visitor accommodation offers the opportunity to make wider links, e.g. through offering commercial stalking, and other activities based on the NNR such as photography, wildlife watching, painting etc. This option could therefore meet this objective well.

3.30 **Summary** – this option could meet the objectives well, with the mix of accommodation potentially enabling high end visitor provision to support more affordable residential provision. The viability of this mix would need to be explored in more detail, including the commercial viability of funding the restoration; public sector support may be required to get the project off the ground. Retaining the collection in situ for continued tours provides a further revenue stream, continues to attract day visitors to the island and helps support wider businesses. The inclusion of visitor accommodation facilitates further links to the NNR. This option is worth exploring further.

## Option 6: Conversion to housing / remove museum

3.31 This option would involve removing the collection (see management of collection options) and converting the whole building to provide residential accommodation.

3.32 **Objective 1 – securing a financially viable future** – this option could meet this objective by providing a secure future for the building. As with options above, the viability of this option will

depend on the type of accommodation provided. The question mark remains as to whether the upfront restoration work is commercially viable or would require public sector support. With the whole building available for conversion, this option could offer a mix of accommodation with higher value apartments potentially helping to subsidise some affordable provision. There are sub-options on whether the accommodation should be for sale or rent, and issues of how on-going maintenance would be secured.

3.33 **Objective 2 – conserve and enhance heritage and public access to it** – this option could potentially secure the future of the building but would not retain the collection in situ, thus losing the unique integrity of the castle as a time capsule of the Edwardian period. There would be no public access to the building or collection. Converting the whole building to residential accommodation would also require a much higher level of intervention and could result in a greater loss of the building’s historic value. This option therefore only partially meets this objective.

3.34 **Objective 4 – socio-economic development** – this option only partially meets the objective. The conversion of the principal wings and loss of public tours would impact on visitor numbers which could affect businesses both on the island and in the surrounding area. The absence of further visitor accommodation could also impact on the visitor economy. This option could provide some much-needed residential accommodation for Rum, and with the whole building to convert it is more likely that some of this could be affordable accommodation which would help community development and meet an existing need. Higher value apartments might become second homes which may be an issue for a community trying to grow and develop.

3.35 **Objective 5 – support and link to wider island management** – this option does not meet the objective well, apart from potentially providing some accommodation for staff and others running businesses relating to the reserve. This option does not facilitate wider links between castle and island / reserve.

3.36 **Summary** – this option could potentially secure a future for the building, but does not deliver well against the other objectives. The loss of the collection impacts on the historic integrity which makes Kinloch special. Public access would be lost and the absence of tours and accommodation provision would impact on the visitor economy of Rum and the surrounding area. This option also precludes wider links being made between the operation of the castle and the wider reserve / island.

## Option 7: Conversion to hotel / remove museum

3.37 This option would involve removing the collection (see management of collection options) and conversion of the whole of the rest of the building to provide visitor accommodation as a hotel.

3.38 **Objective 1 – securing a financially viable future** – this option could potentially secure a future for the building. As with other options, the commercial viability of the initial restoration works would need to be explored but some public sector support may be required. This option

would utilise the whole building and may therefore be more viable commercially. Viability would depend on the market and, as with options 3 and 5, targeting at the higher end is likely to increase viability and appeal to the stalking market which is a recognised need on Rum. The availability of the whole building under this option could though allow more of a range of accommodation to be offered, e.g. some mid-range rooms or self-catering apartments. There would be a need to provide some staff accommodation to support this option as a high value hotel would require considerable staffing.

3.39 **Objective 2 – conserve and enhance heritage and public access to it** – as above, this option could potentially secure the future of the building but would not retain the collection in situ, thus losing the integrity of the castle as a time capsule of the Edwardian period. While there would be public access to staying guests to experience the building, the loss of the collection and tours would lose much of the real experience of Kinloch’s heritage. Converting the whole building to visitor accommodation would also require a much higher level of intervention and could result in a greater loss of the building’s historic value. This option therefore only partially meets this objective.

3.40 **Objective 4 – socio-economic development** – the loss of the public tours would result in loss of a significant visitor attraction on the island, which is likely to impact on day visitor numbers with consequent impacts on wider businesses. However, there would be a positive impact on the visitor economy through staying guests. The hotel would generate jobs on the island and support community development by bringing additional workers. It could also support wider businesses on the island such as guided expeditions, cycle hire, commercial stalking, etc.

3.41 **Objective 5 – support and link to wider island management** – this option could support provision of accommodation for commercial stalking guests and other ventures linking to the reserve, such as photography, guided walks and safaris, etc. It could therefore support this objective well.

3.42 **Summary** – this option could secure a future for the building and be commercially viable; it also offers good potential to make links to the wider island and reserve. However the loss of the collection and high intervention required for conversion would affect the castle’s historic value. The loss of public tours could impact on the visitor economy of the island, though there would be a positive impact through an increase in staying guests. A hotel would generate jobs and bring workers to the island, supporting community development.

## Option 8: Conversion to other uses

3.43 There are a number of potential other uses for Kinloch Castle; at our meeting with stakeholders we divided these into two broad categories:

- a. Open uses – those likely to be compatible with some forms of public access, e.g. education / training establishments, conference / wedding venue, retail, visitor centre, etc.

- b. Closed uses – those less likely to involve public access, e.g. private dwelling, retreat / religious establishment, rehabilitation / health clinic, etc.

3.44 These are broad definitions and the level of accessibility to the wider public would vary depending on the detail of the scheme. Some schemes might be compatible with continued access to parts of the building, e.g. retaining tours of the principal wing.

#### *Option 8a: Conversion to other uses – open uses*

3.52 **Objective 1 – securing a financially viable future** – the location and accessibility of the castle is a key factor when considering the viability of the open uses. Retail facilities would be unlikely to be viable in such a location on their own; a visitor centre would be unlikely to generate sufficient income to be viable and support the maintenance of the building unless attached to another use. Weddings have been held in the castle before and we receive requests each year for this function. The castle cannot take large numbers of guests but is certainly an attractive venue. This option would probably be most viable linked in to a wider hotel function, perhaps using parts of the principle wing for the ceremonies. There is an element of risk for both weddings and conferences, as getting to the island can be weather dependent. Businesses that require time-specific events could lose significant business if boats were cancelled, making the winter period particularly difficult. This is more likely to be viable only as part of a wider accommodation business rather than the sole enterprise. Education or training establishments could be more viable, particularly if running courses of reasonable length to allow for travel issues and potentially if linked to other mainland facilities to provide some backup. As with other options, the commercial viability of funding the initial restoration works would need to be explored.

3.53 **Objective 2 – conserve and enhance heritage and public access to it** – some of the uses identified here would probably require the whole building in order to be viable. This might require a high level of modification to the building and loss of the collection in situ. Wedding functions, if linked to other accommodation-related options might involve less modification, though the principal wing may need to be altered for ceremonies. These options could impact on the heritage value of the building, though the impact would vary with each use. Open uses would generally have some level of public access, though it may just be to parts of the building rather than the collection.

3.54 **Objective 4 – socio-economic development** – these open options are likely to generate jobs and require new workers based on the island, supporting development of the Rum community. The likely loss of public tours with some of the open uses would impact on Rum’s visitor economy, but most uses would bring different types of visitor to the island.

3.55 **Objective 5 – support and link to wider island management** – open options are likely to facilitate strong links to the island. Education and training facilities could centre on natural and cultural heritage, rural skills etc. which could be a great benefit to the NNR. Conference facilities and visitor centre could likewise focus on Rum’s special qualities. There is a strong potential for positive links to be made under this option.

3.56 **Summary** – of the open uses listed, the most likely to be financially viable would be weddings / conferences as part of a broader accommodation package (as in option 3, 5 and 7) or an education / training establishment, though this might require a high level of modification of the building. Open uses may not deliver heritage and access well, though this would depend on the detail of the proposal. Open uses could be positive for socio-economic development and for linking to the NNR / island.

#### *Option 8b: Conversion to other uses – closed uses*

3.57 **Objective 1 – securing a financially viable future** - closed uses have the potential to generate income to secure a future for the building, however the feasibility of some is questionable. While the remoteness of the island would seem to lend itself well to these uses, the building's location within the village lacks the on-site privacy required. This makes it less attractive as a private dwelling, rehabilitation clinic etc. It may however be more acceptable for some retreat / religious uses where the rest of the island might complement the building for this purpose. The viability of such a use would need to be explored.

3.58 **Objective 2 – conserve and enhance heritage and public access to it** – closed uses would be likely to involve removal of the collection, though this would depend on the detail of the scheme. Most would also require modification of the building. By their nature, closed options are unlikely to allow public access. These uses are therefore unlikely to meet this objective well.

3.59 **Objective 4 – socio-economic development** – the loss of public tours would impact on the visitor economy of the island and surrounding area, with a likely reduction in day visitors. Some closed options would be accommodating guests and would therefore have some wider value in bringing people to the island however their benefits to wider businesses may be more limited if coming for a specific purpose. Closed options may generate some jobs on the island and support growth of the community.

3.60 **Objective 5 – support and link to wider island management**– there is less potential for explicit links to the NNR / island and its management under the closed options. As mentioned above, the NNR could provide a valuable component of a health or religious retreat.

3.61 **Summary** – some closed uses are unlikely to be compatible with the castle's lack of privacy on the island and may therefore not be feasible. There is some potential for closed uses such as religious or health retreats to provide a viable future for the building. This option does not however meet objectives for heritage and access or links to the rest of the island well.

## Appraisal of options against objectives – scoring the options

3.62 The following table scores the eight options against the project objectives, taking account of the weightings. This provides a measure of the non-monetary benefits of each option, providing each with a utility point score in the bottom line of the table.

Objective	Weighting	Status quo		Status quo + repair		Museum / vis accomm		Museum / housing		Museum / mix accomm		Housing only		Hotel only		Open uses		Closed uses	
		Option 1 score	Option 1 weighted score	Option 2 score	Option 2 weighted score	Option 3 score	Option 3 weighted score	Option 4 score	Option 4 weighted score	Option 5 score	Option 5 weighted score	Option 6 score	Option 6 weighted score	Option 7 score	Option 7 weighted score	Option 8a score	Option 8a weighted score	Option 8b score	Option 8b weighted score
<b>1. Securing a financially viable future</b>	30	2	60	3	90	8	240	7	210	8	240	7	210	8	240	6	180	5	150
<b>2. Conserve and enhance heritage and access to it</b>	30	2	60	4	120	9	270	8	240	9	270	5	150	5	150	6	180	5	150
<b>3. Socio-economic development</b>	30	3	90	4	120	9	270	6	180	10	300	4	120	6	180	6	180	4	120
<b>4. Support and Link to wider island management</b>	10	3	90	3	30	9	90	4	40	9	90	1	10	7	70	7	70	2	20
<b>TOTAL</b>			<b>240</b>		<b>360</b>		<b>870</b>		<b>670</b>		<b>900</b>		<b>490</b>		<b>640</b>		<b>610</b>		<b>440</b>
<b>Rank</b>			<b>9</b>		<b>8</b>		<b>2</b>		<b>3</b>		<b>1</b>		<b>6</b>		<b>4</b>		<b>5</b>		<b>7</b>

3.63 The table shows that options 3 and 5 both score over 800 points and are therefore promising in their ability to meet the objectives. Options 4, 7 and 8a score over 600 and therefore may have some merit. Options 6 and 8b score below 500 and have limited potential to meet the objectives. Options 1 and 2 both score very poorly as they are holding options rather than long term options.

# Appendix 4 – Assessment of options for ownership

Option	Pros	Cons
1. SNH ownership	<ul style="list-style-type: none"> <li>• Benefit of experience of castle and island</li> </ul>	<ul style="list-style-type: none"> <li>• Historic buildings do not fit SNH’s remit and therefore competes with core purposes</li> <li>• Most potential future uses of the building would not fit within SNH’s remit</li> <li>• Limited funds</li> <li>• Have to buy in expertise in historic building conservation</li> <li>• SNH has no core operational need for the building</li> </ul>
2. Alternative public body	<ul style="list-style-type: none"> <li>• Retains in public domain</li> <li>• Secures public access</li> <li>• Transfer process relatively easy</li> <li>• In house expertise of body like Historic Scotland more efficient than buying in</li> </ul>	<ul style="list-style-type: none"> <li>• No change in obligation on public purse</li> <li>• No new budget through changed ownership</li> <li>• May not fit transfer criteria (e.g. for HS would need to fit criteria as property in care)</li> <li>• Some options for use which could secure a future for the castle may not be appropriate to be run by a public sector body, may therefore limit options (though could potentially be achieved through franchise / lease)</li> </ul>
3. Specially created charitable trust	<ul style="list-style-type: none"> <li>• Management of the castle would be its primary purpose and therefore safeguarded in perpetuity</li> <li>• Could access wider funding</li> <li>• Could select trustees with</li> </ul>	<ul style="list-style-type: none"> <li>• Without funds in place trustees would be hard to recruit due to liabilities, so public sector support still required</li> <li>• Would have no proven track record of delivery</li> </ul>



	<p>specific required skills</p> <ul style="list-style-type: none"> <li>• Could forge appropriate links with community as fellow charitable trust</li> <li>• Could include advisory panel of statutory bodies during early stages to provide support</li> </ul>	<p>which could impact on ability to secure funds</p> <ul style="list-style-type: none"> <li>• May compete for funds with community trust and other similar bodies</li> <li>• Potential for conflict of interest for some possible trustees</li> </ul>
<b>4. Existing trust</b>	<ul style="list-style-type: none"> <li>• Able to access funds</li> <li>• Track record of caring for historic buildings</li> <li>• May be able to create economies of scale by linking to other initiatives</li> <li>• Kinloch could enhance portfolio</li> </ul>	<ul style="list-style-type: none"> <li>• Existing trusts unlikely to take on Kinloch without secured finances</li> <li>• Scale of project might exclude some trusts – would not have resources to cope</li> <li>• Would still require public funds</li> <li>• Conservation deficit – more to be spent than worth)</li> </ul>
<b>5. Open market sale</b>	<ul style="list-style-type: none"> <li>• Removes burden from public purse (though may still be eligible for grants)</li> <li>• Sale of parts of the building to residents or for visitor accommodation businesses could then support other parts to remain in public ownership to retain tours</li> </ul>	<ul style="list-style-type: none"> <li>• Any conditions attached to sale are no longer heritable, so any initial conditions re collection, access etc. could be easily lost.</li> <li>• Likely to lose public access if sold to private owner</li> <li>• Access and privacy issues plus listing make sale unlikely based on previous advice from agents</li> <li>• Proceeds of sale would go to SG and would not benefit Rum</li> <li>• Dual or multi ownership could create problems in relation to maintenance responsibilities</li> </ul>

## Appendix 5 – Assessment of options for management of the collection

Option	Pros	Cons
1. Retain with castle	<ul style="list-style-type: none"> <li>Retains historic integrity and value</li> <li>Enables continued use as a visitor attraction to support socio-economic development</li> <li>Supports on-going public access to see collection in situ where it tells a story about the island and period</li> <li>Resource for learning / research</li> </ul>	<ul style="list-style-type: none"> <li>Requires castle to be in suitable condition to avoid deterioration</li> <li>Will be costs for management, conservation / restoration, security etc.</li> </ul>
2. Sell with building	<ul style="list-style-type: none"> <li>Retains historic integrity and value</li> <li>Could enable continued access but dependent on new owner's wishes</li> <li>Adds interest and value to the castle which may facilitate sale</li> <li>Reduces liabilities for management to public purse</li> </ul>	<ul style="list-style-type: none"> <li>Costs to new owner of conservation of contents or any conditions for retention / management could be disincentive for purchase</li> <li>While conditions about retention and management of contents could be made for initial purchase, they are no longer heritable so no guarantee of such conditions on subsequent sale – could result in collection being sold of separately</li> <li>Proceeds of sale unlikely to benefit island community</li> </ul>
3. Sell separately to raise funds	<ul style="list-style-type: none"> <li>Could raise funds to support conservation of building</li> <li>Would reduce on-going costs of collection care</li> <li>Sale of part of the collection could enable reduced tour to continue</li> </ul>	<ul style="list-style-type: none"> <li>Would negatively impact the historic integrity of the castle</li> <li>Would reduce the value of the castle as visitor attraction and therefore impact on visitor economy</li> <li>SNH would probably be obliged to offer the collection for transfer to another public body before being able to sell</li> <li>Sale of part of the</li> </ul>

		<p>collection could affect future funding for remainder as could be seen as poor management</p> <ul style="list-style-type: none"> <li>• Collection doesn't lend itself to partial sale as most valuable items are also those of most interest and impact for tour</li> <li>• Any funds raised would go back to SG and would require agreement to be used for building; unlikely to be consented for use to fund other projects not associated with castle.</li> </ul>
<p>4. Transfer to museum / alternative body</p>	<ul style="list-style-type: none"> <li>• Could protect collection from degradation due to conditions of castle if remains unrestored</li> <li>• Could increase public access to collection if on view in more accessible location</li> <li>• Depending on body transferred to, could reduce cost of collection care to public purse</li> <li>• Could keep the collection in positive management and potentially in entire state for its historic interest, for research etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Would negatively impact on historic integrity of castle</li> <li>• Would reduce value of castle as visitor attraction and therefore impact on visitor economy</li> <li>• Collection contains few major valuable pieces therefore unlikely to be of interest as a whole</li> <li>• Existing pieces left to museum have hardly ever been exhibited public access reduced</li> </ul>

# Appendix 6 – Views from the Rum Community

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In addition to the stakeholder workshop, the Rum community has undertaken extensive discussions among residents on the island to discuss the future of the castle. Here are some of the views and ideas generated:

*“Kinloch Castle is an important draw for visitors, especially for day visitors (49% are just here for a few hours). With a big proportion of Rum visitors being older and not up for big walks, being able to access the castle as a destination remains important and should not be lost.”*

*“We should create a destination to offer conference/wedding packages. They could be kept relatively small and intimate but there is potential to make substantial income from be-spoke and tailored packages. There is also scope to offer residential courses/holidays such as photography/painting/wildlife watching.”*

*“Kinloch Castle is a waste of resources. It is an asset and should be viewed as such rather than as a liability. The possibility of using it as an events venue should be fully along with other opportunities including outdoor education facility. The grounds around the castle are also under-utilised from a landscape and design perspective and should be included in the options appraisal considerations.”*

*“Kinloch castle is an important attraction for the island and the space should be being used. SNH are not the most appropriate body to be running the castle. “*

*“The castle building should be turned into accommodation for residents and/or visitors. The other assets included within the scope of Kinloch castle should also be explored for their potential including the dairy, the tree nursery, the squash court and the walled garden. There is interest in renting these spaces by residents to create viable business uses for them and this should be a possibility.”*

*“As a Mountain Guide and resident who is hoping to provide accommodation to visitors in the future I think it would be a crime to squander the potential draw of the castle to tourists; not only that but the castle could be yet another community or private enterprise which helps Rum stand on its own feet and be sustainable as an economy and community beyond the aegis of SNH. I'd love for a community group to take over the management of the castle and turn it into a profitable venue - providing jobs, accommodation for staff & visitors and supporting various activities around the island. “*

*“There is already demonstrated support for Kinloch Castle on Rum to be an events venue. It has been the location of several weddings and played host to various celebrations and parties. People visit Rum for Kinloch Castle; it is an important asset to the community and supports various small businesses here on Rum. It is a key part of the human history story here and an iconic building, venue and destination.”*

*“The castle is important for the economic future of the Isle of Rum. It should be used to provide accommodation for visitors. There is scope for an outdoor education centre. The castle supports the Community Ranger service and there is potential for increasing this link and developing it further.”*