The Cairn Gorm funicular and the financial crisis facing Cairngorm (3)

## **Description**

This post contains the third part of the report that was presented to Ivan McKee, the Minister responsible for Highlands and Islands Enterprise (HIE) at the beginning of July (see here for background to the meeting and a note of the discussion).

# Draft Report in response to the financial crisis facing Cairngorm Part III Our proposed solutions

### 6) Ownership and management

- a. Transfer the ownership of the Cairn Gorm estate back to Forestry and Land Scotland. FLS have the engineering (e.g. they have installed hydro schemes) and conservation expertise that HIE lacks and would be well placed to manage the land both within the ski area and outside of it.
- b. With FLS owning the land below the Cairn Gorm Estate this would also allow a far more integrated approach to land-management, whether this concerns native pinewood expansion or the creation of infrastructure for informal outdoor recreation (e.g. bike tracks down into Glen More)
- c. FLS, however, no longer appear to have the capacity to manage more commercial recreational enterprises, as evidenced by their recent decision to outsource again management of the Glenmore campsite and are unlikely to want to take on management of the visitor business.
- d. We therefore believe that the Cairngorm Mountain business would best be managed by the Aviemore and Glenmore Community Trust, which includes a number of "can do" business people on its Board, is well linked into the local community, has set up a new ice rink in Aviemore with very little money and has applied to take on the lease for the Glenmore campsite.
- e. FLS has a good record of working with such organisations including environmental groups. in the glen alongside FLS managing the land would assist with joined up management and would, we believe be supported by the National Park Authority.

#### 7) Towards an alternative business case and masterplan for Cairn Gorm

- a. We recognise for our proposals to be progressed, there needs to be an alternative business case and masterplan for Cairn Gorm. We have links with the AGCT and would be happy to approach them with a view to developing an outline business case and new masterplan for the Ministers consideration but would like to make the following points meantime:
- b. Both HIE's business case for Cairn Gorm, which incorporates a requirement for annual subsidy, and masterplan are centred on the funicular. Halt the funicular and you will remove much of the requirement for ongoing government subsidy.
- c. The trick/requirement is to start small, as the other ski businesses in Scotland have done, and

- adapt as required. That might mean one new lift and mountain bike track to start with. It almost certainly means reducing the complement of full-time staff but, with several long-standing staff due to retire, there is an opportunity to do this.
- d. We have done some work on the costs of putting in new lifts and confirmed this would be cheaper than repairing the funicular and would have far less environmental impact as lifts need fewer supports. Examples are Doppelmayr who for 2020 gave an indicative quote for 4-person chairlift from the car park to top of mountain that could be upgraded to gondolas 12m euros; Leitner – Poma products are generally cheaper (for example they built a top and bottom station, including office block & escalators, and gondola roughly the length of the Cairn Gorm chairlifts end to end for 20m euros); or a reconditioned lift from Chamonix. A community organisation would be much freer than HIE to purchase second hand lifts and there are lots of opportunities as uplift on the continent is being constantly upgraded
- e. There are opportunities for alternative revenue given a little imagination: facilities need to be customer focussed and regarded as good value; given the price of power, a hydro scheme might still make sense; some of the buildings at Cairn Gorm lie abandoned despite - as we have found out through FOIs - organisations approaching HIE/CMSL suggesting alternative uses.
- f. There would however need to be some need for grant support and there is a challenge in ensuring that HIE will look objectively and fairly on capital support for future business Endsermark developments on Cairngorm Mountain.

You can download a copy of our report here. An appendix was presented to the minister outlining the history of Cairn Gorm but, after consultation with its author, we will not be publishing it at this time as a more comprehensive/expanded version is at present being prepared. We hope to publish that at a later date.

You will all have noticed that some of what the team tried to achieve has been superseded by the announcement in The Strathy that Sir Edward Mountain MSP has persuaded the Scottish Government to pick up the WHOLE repair bill. The reasoning behind this was so that HIE would be able to use its budget elsewhere in the Highlands & Islands However, this is not the full story or the end of the matter, even if the repairs work the long term funding issues remain and the very fact that Mr McKee agreed to a meeting with us shows that at last the S.G. is starting to look at and question HIE's expenditure and operations at CMSL.

#### Category

1. Cairngorms

#### **Tags**

- 1. Cairn Gorm
- 2. Forestry and Land Scotland
- 3. HIE
- 4. Scottish Government

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