

## The funicular, HIE's crumbling empire at Cairn Gorm and the need to reform Scotland's National Parks

### Description



The greatly reduced but still half empty car park in Coire Cas at the end of half-term week

### The current position

*"Risks associated with reinstatement of the Cairngorm funicular railway were addressed through robust internal and external governance and project management"* (HIE Annual Report 2022-23 as laid before the Scottish Government in October).

There was no public news release but last week Highlands and Islands Enterprise let it be known through the BBC ([see here](#)) that it would be "probably months rather than weeks" before the funicular re-opened.

Besides the hubris that is another winter season gone. And the one place in Scotland that has had reliable snow this year on account of its altitude, the Ptarmigan bowl, generally inaccessible due to lack of uplift. Far from securing the future the snowsports industry in Scotland, the funicular and Hie's mismanagement of Cairn Gorm have undermined it..

## Separating the wheat from the chaff in the BBC news report

The BBC story repeats HIE's claim that after the repairs were finished in January 2023 "the funicular was closed again in August due to snagging issues". Some snagging! HIE's claims at the time were that the funicular would be re-opened by the end of September ([see here](#)). But the BBC report also refers to "the latest problems".

If those problems are new, i.e have developed since the funicular was closed in August, ascertained their cause and developed a new business case to see if they were worth fixing? It seems more likely the new problems that have been detected were actually there all along, begging the question of how the funicular was declared safe to use last January?

Possibly the most important sentence in the BBC story is easy to miss:

*"HIE said the latest issues with the funicular were complex, and involved checks to thousands of metal rods in the railway structure".*

The key phrase is "in the railway structure". If true it means HIE has been checking not just the metal brackets round the structure but the metal rebars inside. Exactly how HIE was doing this was not explained. However, if they were doing this that would suggest the concrete beams which support the funicular tracks have been cracking up not just from the outside, hence the metal brackets, but from the inside too! Contributors and people helping Parkswatch have been consider this possibility for some time and we will now investigate further.

The second most important sentence was the one where HIE admitted this work "did mean continuing costs to HIE". Previously, HIE had claimed the repair work was covered by the guarantees it obtained from the design engineers and main contractor, Balfour Beatty. This means yet more public expenditure on top of the £25m the BBC reports has been spent on the repairs so far. The Full Business Case approved by the Scottish Government originally allocated "£16.16 million in capital funding to support funicular reinstatement", far more than the initial estimates.

The best spin in the story came right at the end:

*"Before it was closed, the funicular's operators estimated that it carried about 300,000 visitors each year."* Really? Here are the figures for the total number of passengers, both summer and winter, before HIE started to try and cover up how few people were using the funicular:

2010/11: 238,733.

2011/12: 181,689

2012/13: 242,893

2013/14: 119,585

2014/15: 204,279

That's an average 197,435, considerably less than HIE's claimed 300,000. The relatively high figures in 2010/11 and again in 2012/13 incidentally were due to good snowsports seasons. And the number of visitors HIE predicted would use the funicular under Option 3a in the full business case approved by Scottish Ministers? 162,789!

## Scottish and UK Government involvement in the decision to repair the funicular

The BBC story quoted a government spokesperson as saying:

*“We recognise the importance of the funicular and the Scottish government is working with Highlands and Islands Enterprise to ensure it is back up and running as quickly as possible.”*

**Comment:** What importance? Its irrelevant to the economy on Speyside in summer and a poor form of uplift in winter that keeps snowsports enthusiasts away. A new ski lift with mid-station could have been built from the base station to the Ptarmigan bowl for a fraction of the repairs costs and been operating for the last three years.

*“The current programme of works has proven more technically challenging and complex than had been expected.”*

**Comment:** this suggests that Scottish Government officials confirmed the business case to repair the funicular without any proper understanding of what went wrong and whether repairing it was sensible.

*“The project team also had to contend with severe weather conditions and below-freezing temperatures on the mountain.”*

**Comment:** how many times has the weather now been used to justify delays at Cairn Gorm? And why are allowances for the weather never built into project management timescales and costs from the beginning?

The UK Government is also now implicated in the funicular repair fiasco. As I explained in my last post ([see here](#)) the Department of Transport issued a certificate in January 2023 that the funicular was safe to use but then refused to release much of the evidence behind that decision on the grounds that the funicular might become a target for terrorists.

# Campaigners frozen out from information on funicular over 'risk of terrorist attack'

Department for Transport knocks back request for details

Sunday National headline 25th February picking up from front page coverage in the Strathy

This is completely ridiculous and I am delighted the media is now on the case. Can we now expect the DfT to counter this with a story in the Sun or Express about how Putin is planning for elite Russian alpine troops to take over Cairn Gorm?!

The underlying point, however, is very serious. Why should anyone trust that the funicular will be safe to use again when both the Scottish and UK governments appears to be colluding with HIE rather than providing critical checks to protect the public interest?

The only government minister to have come out of this with any credit so far is Ivan McKee who, when he was business minister, "agreed reluctantly that continuing with the reinstatement was the least worst option" ([see here](#) for FOI). His hands, unfortunately, had been tied by his predecessor Fergus Ewing, but he has been the only person with real power who has questioned what has been going on.

## Why is local opposition to the funicular so muted?

Given the current state of snowsports at Cairn Gorm and the £50m and rising that has been wasted on the funicular, one might have expected some organised opposition and demands for change to have emerged locally. There isn't any and it is worth considering why?

The Aviemore and Glenmore Trust was created in 2017 because some people in the local community knew they could manage Cairn Gorm better than HIE. HIE soon managed to sideline them into other ventures ([see here](#)), ostensibly to show they had the capability of managing somewhere like Cairn Gorm – as if anyone could have done worse – and has then used small amounts of grant funding to silence them.

Local MSPs have generally been conspicuous by their silence. Given the way Fergus Ewing has

backed the funicular from the start and his responsibility for the disastrous decision to repair it, one can understand his silence, but this would normally have created plenty of opportunity for politicians from other parties to seize the initiative politically. The only one who has tried to do so is the Tory MSP, Edward Mountain, who has called for a Public Inquiry. His stance has been weakened by his continued support the repair of the funicular while he has actively pressed the Scottish Government to meet the cost of the repairs. While critical of HIE, this lets them off the hook.

Other MSPs, while occasionally pressing concerns, have been less vocal. For example, after Natural Retreats collapsed, Rhoda Grant (Labour) urged the Scottish Government to transfer Cairn Gorm to the local community ([see here](#)). Later, John Finnie (Greens) ([see here](#)) called for greater community involvement. Those utterances have never been followed through. Kate Forbes, so vocal on so many issues in the Highlands appears strangely silent on the funicular – but maybe I have missed something?

The most likely explanation for this political silence is that local MSPs are concerned that too much focus on the scandals at Cairn Gorm could justify the Scottish Government re-opening its 2016 proposals to re-organise the enterprise agencies. This met with considerable opposition in the Highlands. Better an unaccountable agency like HIE than to lose a body which now brings/disburses £100m a year through the Highlands and Islands. And better still if the Scottish Government always steps in to pay for that agency's mistakes.

At the local government level, HIE uses its economic power more directly to prevent criticism. Bill Lobban, the most vocal and arguably most powerful Highland councillor on Speyside, was quickly appointed to the board of Cairngorm Mountain Scotland Ltd when it was set up to manage the business after the collapse of Natural Retreats. Gagged! For other councillors, the threat of HIE funding for other local projects being turned off is sufficient to ensure compliance.

This also works at the local community level as touched on before in [Cairn Gorm – Corporate Gaslighting, Cock-up or Bullying?](#) In small communities, where people either know each other directly or know someone who does, it is generally very hard to criticise any employer, private or public, for the way they are managing their business. Most people understandably don't want those they know to lose their jobs particularly if they are relatively well paid. Even where those jobs are threatened, it remains hard to speak out because doing so is perceived to make the job situation even worse.

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A good example is provided by the ski schools at Cairn Gorm. They used to provide significant employment but anyone dared speak out about the run-down of lift infrastructure at Cairn Gorm risked losing their place on the mountain. Now all that is left to the survivors in this process is a tiny patch of artificially created snow.

**Unsustainable development – where is the Cairngorms National Park in all of this?**

Even had it been properly designed, the life of the funicular was always limited. When HIE pushed through the decision to build it, no proper consideration was given to the costs of removing it eventually. The proof of that is in HIE's Full Business Case for the repairs. This claimed that removing the funicular would cost £13.3m and it would be better value to repair it at an estimated cost of £16.16m. The removal costs were overinflated ([see here](#)) and, although they will now have increased significantly due to the enlarged structure, they would still be considerably less than the £25m temporary repair job.

Whether or not HIE manages to re-open the funicular for a time, sooner rather than later Cairn Gorm is going to be left with a pile of concrete junk as wise people predicted when it was first mooted.

The funicular railway not only provides a classic example of unsustainable development, it is located in a National Park whose statutory aims include:

- “to promote sustainable use of the natural resources of the area”; and
- “to promote sustainable economic and social development of the area’s communities.”

In retrospect, if the Cairngorms National Park Authority (CNPA) had refused to grant planning permission for the repairs to the funicular on the grounds they were unsustainable, that would have been not only the right decision, they would have been doing both the environment and the public an enormous favour.

Moreover, had they questioned the development case for repairing the funicular, as set out in the Full Business Case which committed over £73m of public funding to HIE's subsidiary over 30 years, the CNPA might have provided the sort of checks and balances that is essential if public authorities are to make good decisions. They didn't. It is worth considering why.

Part of the reasons appears to have been fear of local politicians and local public opinion. Fergus Ewing, in particular, was not only very powerful, he had a long history of attacking the CNPA whenever they raised any concerns about a proposed development in the National Park ([see here](#)). But one can also imagine the outrage locally if the CNPA had blocked the repairs as being unsustainable. People at that time saw their jobs and the future of the local community depending on it.

This points to the challenge of embodying sustainable development into our National Parks. If people had known then they know now, the CNPA might have been very popular as the body that intervened to sort HIE out. Indeed, had the Loch Lomond and Trossachs National Park Authority (LLTNPA) refused planning permission for the Cononish goldmine on the grounds it was unsustainable, they too would have been on the right side of history ([see here](#)). The challenge, in terms of winning public support, is that it is very difficult for anyone to predict the future of developments such as the funicular or the goldmine with certainty. Meantime, government backing for less regulation over business interests, has made it even harder for our National Parks to implement their duties to promote sustainable development and make wise use of resources.

The neglect of those duties is very evident in the way both our National Parks handle planning applications. Planning staff in our National Parks have hardly ever given any consideration to whether a development is sustainable or not (new houses that use fossil fuels are still for example being regularly approved). National Planning Framework 4 has slightly strengthened the hand of Planning Authorities in policy terms but does not address the challenge of how they do this in practice.

Planning staff and National Park Authorities are just not equipped to critique the sort of business case that HIE presented at Cairn Gorm or Scotgold did at Cononish, let alone the engineering considerations: was a concrete funicular structure sustainable or was there really enough gold in those seams at Cononish? We now know the answer to both questions is no. Nor do our National Parks have the expertise or resources to question assertions made by developers about the likely environmental consequences of a development. Instead they rely on reports from developers and consultants who won't get paid unless they say what the developer wants.

In other words, setting aside all the specific political pressures to approve anything that might create jobs, Scotland's planning system provides no means to question whether a development is sustainable or not even in our National Parks where sustainable development is a statutory aim.

## **Sustainable development and Lorna Slater's proposals to reform our National Parks**

What the funicular disaster shows is National Parks in Scotland need more power and powers. Until they have these not only will they never deliver a more sustainable approach to development, there is no point in creating a new one.

Moreover, our weak National Parks provide a breeding ground for local conflict. This is illustrated by local communities response to the Scottish Government's consultation on National Parks ([see here](#)) and what has been going on on Speyside. Farmers and crofters who have been actively campaigning against the CNPA, prompted by the re-introduction of beavers, are now campaigning against the creation of new National Parks and lobbying for the bid from Lochaber to be withdrawn.

While I have a lot of sympathy with the predicaments farmers face, it is striking that those interests, some of whom are privately critical of HIE, aren't campaigning publicly against the money being wasted on the funicular (or indeed the £300m + being wasted on erecting masts in wild land areas) while telling people elsewhere National Parks are a waste of public money.

This all comes down to power. The CNPA has a small budget, just over £10m, which illustrates just how weak they are but also makes them an easy target for criticism. HIE has ten times that so is too powerful to be criticised.



This is never going to change unless our National Park Authorities have the powers and can command the budgets that force landowners and business interests to take them as seriously as HIE. Transferring responsibility for rural forestry and agricultural payments to our National Parks would help achieve that in a stroke and provide a means of ensuring Speyside crofters don't end up having to meet any long term costs caused by the reintroduction of the beaver.

While Lorna Slater is right to put tackling the nature and climate emergencies at the centre of what national parks should be doing (along with supporting local communities and visitors) she will only achieve that if National Park Authorities have the power to do things differently and cease to be administrative bodies that apply the same rules as apply elsewhere in Scotland, whether these are about planning, forestry, agriculture, grouse moor management or deer numbers.

A good starting point for considering what new powers and resources are needed should be how the idea of sustainable development can be turned from policy into practice. This is not just about developments up mountains or down mines, its about land use, for example treating most tree planting for what it is, an unsustainable development designed to promote vested forestry interests ( [see here](#) for example).

A re-imagined National Park could actually offer a solution to the years of HIE's failure at Cairn Gorm and enable far more constructive local debate and involvement on that and similar matters. Allowing the CNPA to continue in the same old way and setting up a new National Park that mirrors what it has done to date is pointless and won't benefit anyone. The funicular disaster is proof of that.

### **Category**

1. Cairngorms
2. Loch Lomond and Trossachs
3. National Parks

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### **Author**

nickkempe