

## **Public Audit Committee: Informal discussion with HIE/CMSL**

**Monday 17 November 2025**

### Meeting with HIE/CMSL Senior management team and staff

Present

Richard Leonard, Jamie Greene, Graham Simpson, Colin Beattie (PAC Members)

Edward Mountain (NZET Member)

HIE senior management team and staff– Stuart Black (CEO), Sandra Dunbar (Director of Corporate Services), Audrey McIver (Area Manager Inner Moray Firth), Elaine Hanton (Cairngorm Programme Lead), Peter Dennis (Construction Project Manager), Paul Dzialdowski (Property Manager)

CMSL senior management team and staff – Mike Gifford (CEO), Tim Hurst (ex-interim CEO and board member), Jim Cornfoot (Land Manager), Colin Matthew (Head of Technical Operations), Angus Trinder (Marketing Manager),

Scottish Parliament staff – Katrina Venters, Linda Peter, Kelly Eagle, Andy Hogg

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### **Presentation on Local Economy and role of Cairngorm Mountain – HIE's Area Manager for the Inner Moray Firth**

Members received a presentation which covered the impact of the funicular, non-monetary benefits, HIE support in the local community including relationships with commercial, third sector and public partners

Question raised about barriers to living in the area

- Challenges securing seasonal and part time staff
- Concerns raised about the population decline and limited housing - short term lets add pressure
- Young people are seeking affordable housing, good employment and strong digital connectivity
- Without the CMSL staff house, recruitment of staff would be more difficult

### **Presentation on funicular works – HIE Construction Project Manager**

Members received a presentation which covered the previous settlement, timeline for return of the funicular to service, timeline for future inspection regime and compliance issues. Commercial negotiations with contractors are ongoing.

- HIE expressed disappointment and noted that Balfour Beatty are a reputable contractor and normal contractual protections and warranties remain in place.
- A BB appointed subcontractor was used for part of the reinstatement and remediation works but BB retains overall responsibility.

- All work was signed off by a professional team as per standard industry practice led by independent project managers.

## **Presentation on Cairngorm Resort – CMSL CEO**

Members received a presentation which covered activities on the mountain, environmental stewardship and future plans.

### Current operations

- Previous weekend revenue of £30k driven by special offers. The projected loss is £1.4m this year but performance is currently better than expected.
- Active collaborations are ongoing with schools and universities (tree planting, skiing, snowboarding), other resorts and local businesses.
- Strong partnership engagement locally.

### Operational challenges

- Increasing frequency of snow melts (5–6 per season) and periods without snow (sometimes up to 3 weeks).
- Need to expand non-snow activities and diversify.

### Environmental and infrastructure planning

- There is a 3-year strategy exploring routes to net zero.
- Options previously assessed: geothermal, solar, other renewables.
- Snow making could be more efficient and environmentally friendly as currently much of it runs on diesel.
- Exploring options for the base station.

### Access

- Planning restrictions currently limit access to the top for environmental protection reasons.
- There is a trial ongoing on how to responsibly increase access and measure impacts.
- Section 50 signatories are Highland Council, Forestry and Land Scotland and NatureScot.
- Section 50 signatories will require to be satisfied supported by evidence from the trials that that visitors accessing the top are not straying from the paths or creating damage.

### Future plans

- New lift infrastructure capable of transporting bikers, walkers, and skiers year-round.
- Reviewing options to introduce bundled activity packages alongside current ski and other activity offers.

- The funicular has been in existence for 25 years and there is hope that it can run for another 25 years. Its design life is 2050 which can be achieved with good maintenance and investment.

## **Public Audit Committee**

**Tuesday 18 November 2025**

### Meeting with local organisations

Present (Members) – Richard Leonard, Jamie Greene, Graham Simpson, Colin Beattie

Representatives from: Aviemore & Glenmore Community Trust, Cairngorm Business Partnership, Cairngorm Mountain Trust, Mountaineering Scotland, Rothiemurchus Estate, Snowsport Scotland, The Highland Council, VisitScotland, RSPB Abernethy Forest Estate, Landmark Forest Adventure Park, Loch Inch Outdoor Centre, Ski Norwest, Mark Tate Assoc (rep badaguish, AGCT, Cairngorm Enterprise Park), Cairngorms National Park Authority

Scottish Parliament Staff - Katrina Venters, Linda Peter, Kelly Eagle, Andy Hogg

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### **Impact**

- Widely recognised as culturally significant.
- 150 people trained there last year and it has strong heritage links.
- Cairngorm's ability to support the local community is reduced without the funicular.
- The funicular is needed to access the higher snowline, when it is not working there can be a 60-70% decline in numbers.
- It is essential for ski school access to the most challenging landscape.
- Mountaineering perspective: The funicular is largely irrelevant because it does not allow access to the summit. However, the community is divided due to environmental considerations. Positive feedback re CMSL's new CEO.

### **Parking**

- Reduced car parking capacity and new double yellow lines have created issues
- Park and ride suggested as a potential solution.
- The funicular provides an important evacuation route in severe weather.

### **Sustainability**

- Comments that dismantling the funicular might cost in excess of £10 million. Concerns about how much the maintenance is going to cost in the future.
- Stakeholders would welcome clarity on future infrastructure plans.
- Mixed views on private finance. This could help but shareholders would also be prioritised rather than the community.
- Cairngorm was compared to other major attractions like Edinburgh Castle and Stirling Castle but noted that many may visit the funicular only once if non-skiers.

### **Alternatives to the funicular**

- Alternatives would be a chair lift to transport people and/or bikes. Gondolas are also an option or a different kind of funicular. The decision would depend on who and why they were using it.
- The next generation (gen z) are interested in connections to nature but the business model does not provide this. Discussion on whether there are business models which account for social communities and commercial partners and which benefit the local community.
- The offering could be year round.
- Lots of other attractions receive money and consensus that Cairngorm deserves public money but it also needs to be commercially viable. The subsidy could be recovered from other businesses ie £2m tax raised by those working. The overall benefit has to be looked at more widely. There are indirect benefits.
- The funicular as a ski lift is only taking 500 an hour but a chairlift could take 3500 people an hour. Sometimes feels like decisions are being made to justify the funicular which feels like the wrong way around.

### **Diversification**

- Discussion of how HIE can get this right. Members commenting that the 3 year plan did not prioritise where the money should go. Question on whether local interests are being taken into account?

Broad consensus on:

- Need for both summer and winter offerings
- Strong existing visitor base
- There are significant opportunities beyond snow sports.
- Snow gate closures make access unpredictable. Some believe a gondola might have been a better long-term solution but “we are where we are”
- The mountain trails and trampolines have been a success.
- Consideration could be given to a dry slop for when there is no snow. That would support year-round snowsports.

### **Nature**

- Bird populations are good and people want to see them but it is important they are protected.
- There is an opportunity to have a hub and educate people about the mountain environment. The wildlife has developed without humans and dogs and we need to be careful and ensure it is protected in the process.
- The National Park has a committee which meets fortnightly after COVID. They encourage people what to do instead of telling them what not to do.
- Section 50: Nature Scotland and HIE are signatories. It is about improving access while protecting the environment.

### **International context**

- Climbers from 28 different countries visit. There is an international community and every time they are amazed at Cairngorm. It is recognised and respected as being special.
- The mountain has the highest number of repeat visitors – 60% but most will not revisit the funicular. They could do more.