

More than £16m to support reinstatement of Scotland's only funicular railway

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Cairn Gorm will benefit from more than £20 million to make it a year-round attraction, generating significant economic benefits for the local area and Scotland's tourism sector.

Funded by the Scottish Government and Highlands and Islands Enterprise, more than £16 million of the investment will be used to support reinstatement of Scotland's only funicular railway and bring it back into service during winter 2021-22.

The decision to reinstate the funicular was taken following a detailed options appraisal that also considered replacing it with alternative uplift infrastructure, or removing it entirely.

Initial work to strengthen the 2km structure, which has been out of action since 2018, is expected to start later this month. Once up and running, the funicular is expected to attract thousands of visitors a year, generating benefits for the wider economy in Badenoch and Strathspey, where the tourism and hospitality sectors have been hit hard by coronavirus (COVID-19).

A further £4.35 million has been approved for potential additional capital requirements including building

improvements, electrification of snow cannons, existing tow infrastructure, paths and car parking.

Rural Economy Secretary Fergus Ewing said: “We want to unlock the full potential of Cairn Gorm to make it a destination people can enjoy all year-round, and this significant investment couldn’t come at a better time.

“We know our tourism and hospitality sectors have been among the hardest hit by the pandemic and in Badenoch and Strathspey a quarter of the workforce is in the accommodation and food services sectors – more than double the proportion for the Highlands and Islands as a whole. By investing in the mountain we can generate significant economic benefits for the local area and our tourism sector.

“The business case for reinstating the funicular, which HIE has published today, made clear that repair and reinstatement was the preferred option. Removal was estimated to cost approximately £17 million and would limit options around seasonal diversification on the mountain.

“The funicular will not only transport thousands of annual visitors up Cairn Gorm again next winter, it will also bring access to the mountain environment to a broad range of visitors, including children, older people and people with disabilities.”

Charlotte Wright, chief executive of Highlands and Islands Enterprise, said: “Cairn Gorm is more than a mountain. It’s at the heart of the community and a key driver of the local economy, providing high quality jobs and supporting the wider tourism sector in Strathspey and Badenoch.

“Today’s announcement signals the importance of the Cairn Gorm Estate as a national asset for Scotland, with its potential as a mountain resort alongside its unique natural habitats. This investment will ensure it is ready to welcome thousands of visitors in all seasons of the year.

“With the funicular now set to be reinstated, and a range of other priority investments planned, we can continue to work with local stakeholders to ensure the surrounding business and communities can really begin to unlock Cairn Gorm’s potential and secure its future for decades to come.”

Background:

This investment is separate to the long-term masterplan to maximise Cairn Gorm’s potential as both an environmental and economic asset for Scotland. Public consultation on the master plan concluded on Monday 14 September and HIE will provide an update on the next steps in due course.

The £20.51 million investment will create the conditions to realise future opportunities to unlock that potential, in line with the current master planning exercise.

The Scottish Government is making a capital contribution of £10.16 million while HIE will invest £10.35 million, including £8.5 million that it earned from the sale of the Centre for Health Science in Inverness to the University of the Highlands and Islands.

Balfour Beatty has been appointed as the contractor for the project.

HIE's business case for Cairn Gorm, published on its website www.hie.co.uk also details revenue costs of between £9.76 million and £14.57 million over a five-year period to support the operating company until 2026. Internal project management by HIE has also been costed at £1.88 million over the same five-year period.

Photo credit: Trevor Martin

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