Business Plan

Reopening of the Folkestone Harbour Branch

Prepared for

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By

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EXECUTIVE SUMMARY

- The Folkestone Harbour Branch railway is central to elements of national and local history being the first railway constructed with the primary business objective of international rather than domestic business and therefore includes some early railway structures. It was the major transport conduit during World War I and has provided a ferry link to Continental Europe since 1843.
  (More - The Branch Railway in Context)

- Folkestone is a twinned town with Boulogne and both towns are planning new developments that will be remote from present mainline stations. Shepway District Council’s planning policy FTC4 identifies its preference for a ferry service to be re-established together with retention and greater public use of the harbour station.
  (More - Future Town Developments)

- High speed international rail services are increasingly passing through the coastal areas of Kent, Nord Pas de Calais and West Flandres without stopping thus having an effect on tourism in those areas. This proposal seeks to re-establish direct services to the centre of the seafront development area of Folkestone where it can provide regular day excursion and short break links plus convenient services to existing events and an expanded programme planned by the developer. There are parallel plans to reopen a passenger ferry link with Boulogne that will provide French Boulannais regional access to Kent and London destinations.
  (More - Market Analysis)

- The Company plans to bring the Folkestone Harbour Branch back into use as a “short line” connecting the national railway network to Folkestone Harbour for supporting local businesses and events and cross quay connection to fast passenger ferry services to Boulogne. The suggested method is by a lease of the railway from ballast upwards, a solution that would provide a viable local business whilst retaining Network Rail’s land asset and preventing it being reclaimed by the Folkestone Harbour Company at no value to Network Rail.
  (More - Bringing the Folkestone Harbour Branch back into Use)

- The proposed rail service is by operation of trains from and to the national network using existing licenced operators. These would be chartered by the Company and existing third party promoters. Engineering trains would be operated by the Company within the limits of the branch.
  (More - Proposed Commercial Operation of the Folkestone Harbour Branch)

- We will work with special interest groups such as Sustrans, The Ramblers Association, the Channel Chamber of Commerce and various local tourism related businesses. For retail marketing we will use low cost modern marketing techniques known as viral marketing and infotising.

  We have based our sales budget on the cyclical nature of the wide travel industry within the area and would seek a rail service operated for eight to ten months of the year depending on whether the fast passenger ferry is established.
  (More - Commercial implementation Summary)

- We have included details of the Remembrance Line companies together with a brief financial statement.
  (More - Companies Summary)
INTRODUCTION

The Remembrance Line seeks to lease infrastructure owned by Network Rail to provide a number of rail service products that would be both contained within the branch and provide new traffic for the national network.

Our strategy is based on resolving some of a relatively complex set of historic issues that will then deliver circumstances that will allow a profitable “short line” railway as well as other benefits for the wide population of Folkestone.

The short railway that forms the subject of this document is very unusual in that it was the world’s first railway constructed with a primary international business objective rather than a domestic market. It involves a sale of land on which conditions apply to its ownership and was the subject of a division of assets between British Rail (Network Southeast) and Sealink UK Ltd when that business was set up by the British Railways Board.

The close relationship between Kent and its neighbouring cantons in both France and Belgium is historic and are starting to generate new traffic flows that do not lend themselves to a singular tunnel between the UK and France through which will increasingly operate high speed trains that are not targeted at the coastal areas of the three countries but between very large inland urban areas. Car travel provides the current alternative method of transport and foot passengers have been squeezed out as moving them around large ports adds to handling costs.

A number of coastal towns have ports that are intrinsically placed within walking distance of hotels; attractions etc, not significantly different to urban rail stations and in some cases still have stations that are adjacent to ship berths so enabling connections to other close destinations. In essence the issues are little different to promoting rail travel when a direct service is not available. To some extent it mirrors the Irish Sea situation where UK franchised domestic rail operators are servicing links via ferry operators with through ticketing.

BUSINESS OBJECTIVES

There are five business opportunities within the overall project: -

- Remembrance Line chartered trains operating to Folkestone in their own right and/or in connection with fast ferries giving an option of onward travel to France and beyond.
- Third Party charter trains operated by other businesses operating to Folkestone or in connection with fast ferries to Boulogne or connecting with coach services to other destinations in France and Belgium.
- Fast Ferry Service between Folkestone and Boulogne, a third party project being undertaken on behalf of investors by consultants in France and the UK.
- Park and Ride service between Folkestone East (site of old goods yard) and Leas Cliff Lifts – project being promoted to Shepway District Council for local traffic management in association with the Folkestone Seafront Development.
- The Station as a WWI historical and heritage education resource with some commercial services situated within railway vehicles at the station.

In addition the ambition is to provide an efficient transport terminal within which important historic context is provided by preserving such remaining infrastructure that was present during WWI as a memorial and educational resource for families undertaking genealogy research and supporting town businesses in their ambitions to increase tourism with particular targeting of tourist and battlefield day and short break markets.
THE BRANCH RAILWAY IN CONTEXT

HISTORY AND HERITAGE

It is useful to first understand the particular circumstances that provide the business opportunities to specific markets but also explains some perceived legal issues that surround the land on which the railway was constructed as well as identifying some special interest “reasons to visit”: -

The World’s First International Railway

The Folkestone Harbour Branch is an early railway constructed with the primary business objective of linking London and Paris by the shortest possible route without having to use the Admiralty port at Dover (albeit that was the initial plan and one that was achieved thirteen years later).

Folkestone Harbour is a statutory port constructed after passing of the 1807 Act of Parliament because of pressure from the Earl of Radnor to protect the local fishing industry. The harbour company became bankrupt in 1838, two years after incorporation of the South Eastern Railway.

The railway company bought Folkestone Harbour and agreed to acquire land on which to construct the harbour branch. The agreement included a condition, more likely aimed at construction than operation, that any land not required for the railway would be returned to the Earl of Radnor at no cost to him. This clause still applies, albeit for a different reason, and should Network Rail close the railway or remove the tracks then the land would still revert to its original owner and no financial benefit would be realised.

Within the division of assets between British Rail and Sealink the railway infrastructure was placed in the hands of Sealink but with a 999 years & 3 days lease to the British Railways Board. Sealink was subsequently sold to Sea Containers and the various assets were again revised between subsidiary companies with Folkestone Harbour being one.

When the building of a Channel Tunnel was announced Sea Containers viewed adverse market change, concentrated all of its Short Sea assets to Dover and sold the Folkestone to Roger de Haan after which has lain derelict for six years.

World War I

Folkestone Harbour was the main transportation hub for troops and freight within WWI. The port handled an unbelievable volume of business.

In terms of passenger journeys: -
- 9,253,652 British Officers and men
- 537,523 Allied troops
- 846,919 Red Cross and other workers

In terms of freight: -
- 166,626 tons of military freight
- 383,098 tons of mail and parcels
- 402,968 tons of ships coal

In terms of provided transport: -
- 7,000 military trains
- 10,500 military sailings
- 8,500 SER scheduled trains
- 8,000 SER scheduled sailings
The significance of troop movements passing through Folkestone cannot be underestimated and initially resulted in naming of the Road of Remembrance.

Folkestone was also the location of authors and poets and amongst other events the spy Mata Hari was prevented from boarding a ship to France by the Secret Intelligence Service which itself had been established in the town due to its transport importance.

The Imperial War Museum has advised Damian Collins M.P. that the location is a place of national importance. This places both harbour and railway as being a location that is genealogically important to families from a number of countries and becomes a destination that should also feature on battlefield tours.

**Listed Building Applications**

Much of Shepway has received a Conservation Area assessment but this has not yet been completed for the harbour area although two structures have been awarded Grade II listing: -

- The Eastern Arm
- The Outer Pier Lighthouse

The area has a further number of structures that are considered by the Company, on the advice of local people, to be important and we have been working with Shepway District Council’s Conservation Officer with regard to her Conservation Area assessment. Because World War I has been deemed to be of national important sixteen applications have been made for listed building status for a group of structures that were present at that time: -

- Custom House – last remaining segment
- Harbour Master’s House
- Domestic Harbour Station – only the section that is WWI relevant
- North Quay Harbour Wall and Jetty Access Ramp*
- Landing Stages – west side of Outer Pier
- Original tram track within The Stade cobbled street
- Outer Pier and Pier Platforms including the now unique metal canopies
- Pent Stream Sluice Gates*
- Radnor Road Bridge – designed by Earl of Radnor’s architect Sydney Smirke
- Signal Box – SE&CR to Saxby & Farmer design
- South Quay Harbour Walls – c1820 Kent rag stone behind 1843 walls*
- Swing Bridge – designed by Conrad Gribble
- Viaduct – early railway structure across harbour*
- West Quay Harbour Walls – designed by William Jessop
- WWI Café – 1914 “tea and bun café” structure run for troops by sisters who received decorations from Belgium, France and UK

* - designed by Lewis Cubitt
**Future Town Developments**

Having established the past and its relevance to tourism it is also important to describe future changes that will add new "reasons to travel":

**Boulogne Gare Maritime**

The Mayor of Boulogne has published plans that will create a new destination on the site of the Gare Maritime but with protection of the original railway station buildings. Relevant elements for tourism are:

- On site hotel
- Casino
- Restaurants and bars
- Direct pedestrian access to French National Sealife Centre (Nausicaä)
- Shorter pedestrian route to historic old town
- Passenger ferry berth

**Communauté d’Agglomération du Boulonnais**

The outline plan for development of the port is undertaken by the Conseil de Développement and the ferry service promoters have ensured that their berthing plans are confirmed as being practical within the outline plan.

**Folkestone Seafront Development**

An outline plan for the seafront area of the town has been initially consulted and an application for outline approval is now overdue. Detail at this time but is expected to include:

- Festival and events area
- Restaurants and bars
- Harbour boardwalk
- Water sports centre

The plan currently anticipates the removal of the railway and removal of any seagoing vessel facilities by a change of harbour status from statutory to private.

The proposals for rail and ferry would only affect about 5% of the total development area and is supported by a majority of the local population, the ferry service being discussed by Shepway District Council and supported via a 35-0 vote. The Remembrance Line Association gave a presentation to Folkestone Town Council and the same motion was passed by a 16-0 vote.

**Shepway Local Development Framework**

Shepway District Council’s planning policy was approved in 2006, the policy affecting use of the Folkestone Harbour area is:

**POLICY FTC4** Planning Permission will be granted for redevelopment of the Folkestone Port area, as shown on the Proposals Map, where proposals are consistent with the following objectives:

a) Any necessary rationalisation of port operations maintains the potential for the continuation of passenger ferries in the interests of tourism;

b) Provision of new employment opportunities to replace losses as a result of curtailment of port activities;

c) Retention and enhanced public use of the Folkestone Harbour Rail Station.
We understand that Shepway District Council have undertaken a conservation assessment in association with the seafront development which will, to some extent face the existing Stade and Bayle Conservation Areas. With regard to the potential for creation of a conservation area the policies are: -

**POLICY BE3** When considering new Conservation Areas or reviewing existing Conservation Areas: the following criteria will be taken into account:

The area is:

a. of special architectural or historic interest, the character of which it is desirable to preserve and enhance;

b. includes sufficient buildings of historic and/or architectural interest, listed or unlisted, to give a strong character;

c. includes sufficient good quality hard and/or soft landscape

d. shows strong relationships between buildings, and buildings and open spaces that create a sense of place;

e. one which either illustrates local architectural development or an area of one architectural period which remains largely in its original condition.

**POLICY BE4** The District Planning Authority will:

a. refuse Conservation Area Consent for the demolition of buildings which contribute to the character or appearance of a Conservation Area;

b. refuse proposals for infill or backland development which would adversely affect the character of a Conservation Area;

c. require the height, scale, form and materials of new development, including alterations or extensions to existing buildings, to respect the character of Conservation Areas;

d. seek to retain materials, features and details of unlisted buildings or structures which preserve or enhance the character or appearance of Conservation Areas;

e. seek to retain the historic patterns, plot boundaries, building lines, open spaces, footways, footpaths and kerb lines which are essential to the character or appearance of Conservation areas;

f. protect trees, verges and hedgerows which enhance both the setting and character of Conservation Areas.

**POLICY BE6** Using powers over the control of demolition and other development control powers, the District Planning Authority will refuse permission for redevelopment which would harm the character of groups of historic buildings up to and including early 20th Century buildings of distinctive or uniform architectural style. Permission will only be granted for developments which would reflect and contribute to that style.

A new policy document is under development but Shepway District Council does not expect to commence consultation until the autumn of 2011 with a view to implementation in 2012.
MARKET ANALYSIS

THE CROSS CHANNEL REGION

The travel market in the area of Shepway, Nord Pas de Calais and West Flanders is largely controlled as a result of three elements:

• English Channel transport competition
• High Speed Rail’s failure to serve the coastal towns in three countries
• Coastal Towns as viable destinations

The English Channel

Historically foot passengers were conveyed across the Channel by railway ferries but this business declined as a result of low cost air tours and development of car ferries. Car ferries (including those now using Eurotunnel) have seen their market drop as a result of low cost airlines. In effect this has shown two sets of modal change in which foot passengers were encouraged to take their cars and were later encouraged out of them again.

Taken from opening of the Channel Tunnel:

• Eurotunnel conveyed 7.0m passengers in 1995, reached its peak of 19.2m in 1998 and has then declined to 16.9m in 2009.
• Dover – Calais conveyed 17.5m passengers in 1995, reached a peak of 20.9m in 1997 and has declined to 10.3m in 2009.

During this time other routes have closed and successful new ones opened:

• Ramsgate – Oostende was a high volume route conveying 1.4m passengers in 1995, almost closed in 1998 when Transeuropa Ferries opened against a different business plan concentrating on freight but even so has reached a peak of 233k passengers before recession trapped continued growth.
• Dover – Dunkerque effectively closed in 1995 but in 2000 Norfolk Line started operations with a different business plan and has reached 2.4m passengers in 2009, despite recession.
• Folkestone – Boulogne reached a peak of 905k passengers in 1998 before closure and resources moved to Dover. The Dover – Boulogne route then reached a peak of 738k in 2006 before a change of operator, which wrongly concentrated on attracting freight, failed and the route closed in 2009.

Using an extrapolation of statistics from the annual “Travel Trends” reports issued by the Office of National Statistics an estimate of 300,000 passengers per annum has been made for the present Folkestone – Boulogne foot passenger market. This has been confirmed by a French consultant using separately sourced French statistics and will form the basis of ferry passengers of which two thirds are expected to use connecting trains, the residue being local to Folkestone or connecting with tour coaches. Over following years there is an expectation of a 5% annual market growth because of modal change within an overall market expectation. At this point there has been no factoring of any second operator entering the market on Folkestone based ferry routes.

High Speed Trains

High speed rail has demonstrated its ability to convey large volumes of passengers between large urban areas. This demonstrates that cities only 100 miles apart can attract business from cars and UIC studies demonstrate modal change from air for competitive journeys up to about six hours by rail.
High speed rail was originally intended to stop at regional hubs but timetable evidence suggests that because these add time to higher volume journeys they have tended to be reduced to the point where regional hubs appear to now be considered irrelevant.

Kent County Council and Nord Pas de Calais have plans to introduce an all stations Transmanche Metro service from London to Lille. Even this omits the coastal towns that have historically been the most popular short break destinations and will only serve Calais-Fréthun which is remote from that town.

Consultants examining the fast ferry service believe that new modal change can be achieved on the same basis as rail competes with car and coach, something that is also central to the proposed Transmanche Metro economic case.

Whether a Transmanche Metro service is operationally feasible within a future heavily used high speed line of route is debatable if that route has also a frequent UK domestic service running at less than line speed.

In France the TER domestic high speed services operate non stop on the LGV Nord over the 60 miles between Calais-Fréthun and Lille Europe so also reducing the availability of LGV route capacity.

Fastest journeys to key coastal destinations can operate by ferry as extensions to national rail services and keep such traffic clear of Eurotunnel which will increasingly be central to longer distance passenger and freight businesses.

**Coastal Towns**

Coastal towns facing the English Channel were historic destinations for tourists from the other bordering countries. Indeed after close capital cities, British Rail’s main international ticket destinations were continental ports, always recognised as UK domestic journeys by UIC.

UK rail connected ferry ports were Dover, **Folkestone**, **Harwich**, Newhaven, Southampton and Weymouth. Only those highlighted still have rail services allowing direct transfers between train and ship, others having been modified to effectively remove that ability. Harwich is well served by ferry services leaving only Folkestone.

The continental ports were **Boulogne**, Calais, Dieppe, **Hoek van Holland**, Le Havre, **Oostende** and St Malo with only those highlighted having town centre ports. Both Hoek van Holland and Le Havre are ports that continue to have ferry services to and from the UK so future business opportunities centre on Boulogne, which has rail tracks within the Hub Port and Oostende which has a station next to the ferry berths.

**Folkestone**

As part of the politics surrounding construction of the Channel Tunnel the town was promised new tourism opportunities associated with it as compensation for losing its ferry link. With motorway access facing London the town’s fortunes have significantly diminished.

Roger de Haan’s Creative Foundation plus SEEDA and KCC financial support for developments in the creative quarter have still not generated interest and many artists have left for Margate, East London and other more successful centres. The Company does support his ambitions for the creative industries but believes that this will only be realised as part of a mixed economy that can be generated by also encouraging tourism.
Access to the town is important but both mainline stations are poorly located to give easy access from the town's two main housing area and for visitors to the town centre and seafront area. Main access is therefore by road and although this does not cause major congestion parking is a problem and forms one business opportunity in terms of 'park and ride'.

Access to and from the harbour (and thus seafront) is still practical and the Company believes that using the railway for charter services will add value to both the existing Creative Quarter and planned seafront development without increasing vehicle traffic. In terms of UK domestic business this would be achieved by charter services operated in association with events as well as services targeted at Boulogne, very similar in concept to VSOE services conveying both international passengers and in connection with local day tours.

Boulogne
Boulogne has been a day trip destination since 1843. Business volume in the town is estimated by consultants to have dropped by 40% over the last ten years. Being that later ferry services from Dover have been provided primarily for motorists then choice of route has simply become price driven with the coastal towns being incidental on longer journeys.

Prior to creation of the single European market in 1993 there was a considerable volume of “booze cruise” foot and motorist business with purchases made on board ship but the removal of duty free has not terminated the purchase of dutiable products with over 30 coach operators currently offering day trips to destinations where lower prices can still be found due to differential national rates of VAT.

Boulogne has set itself a project to use the Gare Maritime area for expansion of tourism, adding to its position of being a centre for creative industries via its artist’s quarter. Indeed Roger de Haan originally proposed the introduction of a foot passenger ferry but the published results of studies undertaken on his behalf showed a complete lack of knowledge about the ferry industry or business potential but his commissioning of the study suggests that he recognised the business opportunity as desirable within his seafront developments.

Oostende
To some extent this coastal town has the same characteristics of Boulogne but involves a longer sea crossing. At this point it is simply a potential expansion that needs its viability to be examined further.
THE TOWN OF FOLKESTONE

The Remembrance Line branch between Folkestone East and Folkestone Harbour forms a self contained local attraction business as an appendage to the national rail network.

Market Segmentation

Business will be developed by virtue of a number of “reasons to visit” that will fall into four main groups:

- Those who have chosen the town as a day trip or short stay breaks by virtue of it being an attractive destination.
- Those who are interested in military history for genealogical purposes or in its own wider context.
- Those who are interested in the railway because of its historic reputation as being the steepest mainline gradient in the UK. This may be because of railway enthusiast interest or because it remains in memories.
- Those who are using it as a means of transport for direct access to the Harbour, Town Centre, Lease Cliff Lifts and Coastal Park and to Folkestone Warren for the purpose of exploring the "White Cliffs Country" on foot or by cycle (or following National Cycle Route 2).

The town has many historical connections with national history and the Channel Chamber of Commerce has a policy of encouraging its use along with creative the arts.

2014 will be the 100th anniversary of the start of World War I and there will be further significant military anniversaries over the following 10 years. The Folkestone Triennial occurs in 2011 as part of a three year cycle. The Skabour and Book festivals are becoming annual events and we see the use of charter rail services as an efficient method of moving people directly to the events.

Maritime services are dependent on use of the statutory harbour presently owned by The Folkestone Harbour Company. We have presently assumed that fast ferry services will not be central to heavy rail profitability but will be serviced by longer train configurations and some increase in frequency.

We have also not costed or included any income from smaller cruise or coastal services that might be gained by the Folkestone Harbour Company. The harbour has limited draught near the original link span but deeper water towards the seaward end of the harbour arm (the Anglian Monarch, a regular visitor, has a 6.8m draught). Our understanding is that being a statutory port carries obligations. Folkestone is obliged to dredge to “recognised depths”, maintain navigational aids and undertake business to avoid making losses. We will be encouraging them to add footfall by marketing the town as a destination with provision of connecting rail services directly from the port.

To close a statutory port requires an Act of Parliament (or an enquiry leading to the agreement of the Secretary of State) but losing money is not currently considered a “de facto” reason for that course although there is nothing to prevent the current owner from approaching the Secretary of State to change its status from statutory to private. Should this happen we would expect that existing wayleaves to allow access to and from the station to be unaffected.
**Bringing the Folkestone Harbour Branch back into Use**

**Leasing of the Folkestone Harbour Branch**

The Remembrance Line Company Ltd seeks to lease the Folkestone Harbour Branch, as a “Short Line” connected to the national network, over which passenger trains can operate to the harbour station, part of which we believe forms an element of national history and should be preserved.

We believe that closure of the railway would automatically return the land to the Earl of Radnor at no financial benefit to Network Rail.

We propose to maintain rail services by leasing the land from the ballast upwards to avoid the direct cost of infrastructure maintenance to group standards by effectively enabling the third party outsourcing of railway track, signalling and station maintenance for a safe slow speed route (acceptable to the Office of Rail Regulation) coupled with the marketing of the route and station for new rail business for which the harbour area is a main criteria for its selection. We will also promote the use of the branch for a local park and ride transport purpose.

We propose that a lease agreement should be based on a peppercorn base covering the branch itself with additional payments to Network Rail increasing in proportion as business is attracted in order to maintain the existing indirect mainline connection at Folkestone East via the Train Road 3 siding with access to/from the mainline being shared with other used sidings.

As trains will pass to and from the national network; Network Rail will also gain from additional mainline track and some station access charges accrued via the licenced train operators that are being asked to bid to support the Company’s own traffic as well as that from other charter train operators operating to Folkestone Harbour.

**Recovery of the Branch Railway**

**Basic Approach**

**Autonomous Operation of the Branch**

The route will be from the 3 berthing sidings at Folkestone East to the limit of operation at Folkestone Harbour, utilising the existing single line (formerly the down line). Our draft approach is to ensure safety by use of a “Train Staff” and “One Train Working” principle of signalling, controlled from Folkestone Harbour Signal Box.
Interface Traffic with Network Rail

Currently, incoming trains to the branch from the national network are via Train Road No. 3 at Folkestone East. Access to the branch is gained from signal YE 90 then through YE151, YE152b (C&P), YE155a (C&P), YE153b (C&P) and YE154a (C&P) points. YE151 points are operated by Folkestone East Signal Box and when reversed are locked in position by the operation of a local key switch, to prevent the signaller from normalising them when a train is on the branch. Division of the two infrastructures could be assured by YE152b and YE155a being considered “normal” when set against the interface route – i.e. no longer clipped and padlocked. Points 155b, 153b, 154a and 154b would no longer need to be part of either autonomous or interface working and could, as points within the sidings, hand worked or left as clipped and padlocked for initial implementation).

Trains working between Train Road 3 and Folkestone Harbour would be required to carry the branch “Train Staff” held by an authorised member of the Company’s operating staff.

Folkestone Harbour Signal Box

It is proposed to make Folkestone Harbour Signal Box the controlling location for the branch. Initially it would authorise movements under the safety of “Train Staff” and “One Train Working” as well as co-ordinating the opening and closing of the two road crossings. At some future date we would look toward the implementation of full signalling with the control of both road crossings being from the Signal Box with necessary interlocking issues being discussed at that time.

Infrastructure Segregation

We are aware of the need for Network Rail to have free access to the Electricity Sub Station as well as the location of high voltage cables passing beneath the track on which it is planned to operate both autonomous and interface traffic. A short stretch of conductor rail on the branch remains electrified and there is also a water supply for Train Road No 3 and an authorised walking route between the Upside Staff Halt and the Train Roads. Old lighting gantries also span No 1 to 3 Sidings but also supply lighting to Train Road 3. Clearly there is a need to define a property division that works for both parties.

Draft Branch Operation

General

Only PTS certificated personnel will be allowed on the operational railway. To undertake a specific operational role will require holding of a certificate of competence for that role.

Folkestone East Sidings

No 1 to 3 sidings at Folkestone East to be reclassified as one running line (possibly the present No 3 Siding) and two sidings. Any vehicles stabled on the sidings must be prevented from inadvertently infringing upon the branch running line by deploying a derailing device or catch points.
Points that are used by any trains conveying passengers must be fitted with a facing point lock or clipped and scotched prior to a movement over them taking place. A Stop Board inscribed ‘Phone Signaller for Permission to Proceed’ would be positioned at the exit of each siding instead of a fixed signal. The later ambition to provide full signalling controlled from Folkestone Harbour Signal Box would then negate these.

Folly Road CCTV/Barrier Crossing.
This crossing was controlled by the signaller at Folkestone East Signal Box but is now signed out of use. Initially the crossing would be manned on operating days and controlled by a designated person with communication being provided with Folkestone Harbour Signal Box. Later it would be beneficial to transfer control of this crossing to Folkestone Harbour and we would suggest that the existing equipment might be moved between boxes with the CCTV cameras and associated equipment then installed at Folkestone Harbour Signal Box.

East Cliff
This is a footpath crossing with gates maintained by Shepway District Council.

Folkestone Harbour (South Quay Crossing)
In the absence of any remaining crossing equipment at this location a retro fitting of an old style hinged crossing gates is the preferred solution. An additional benefit realised would be that when the gates are set in favour of road traffic (e.g. overnight and on non operating days) they will prevent unauthorised access across the swing-bridge or onto the station. The gates would be manually operated by the Harbour signaller.

PROPOSED COMMERCIAL OPERATION OF THE FOLKESTONE HARBOUR BRANCH

The Folkestone Harbour Branch is presently laid down as double track with only one track having been used for the last ten years. The planned use can retain two branch tracks and identify them as being two parallel single tracks the eastern one being heavy rail and the western one being light rail. Heavy rail will continue into the harbour station to make connection with fast ferries to Boulogne, walk or cycle routes to local attractions or take tours to nearby attractions. Evidence given to Shepway District Council’s Transportation Workshops visualises a tram-train link from a park and ride terminal to the harbour and then Leas Cliff Lifts for direct access to the town centre. This removes traffic from the one way road system and avoids provision of both on and off-street parking within the Seafront development. If this is not taken up then the branch would simply be a single track heavy rail branch with room for a cycle track as far as The Stade.
Draft Budgetary Outline Timetable (No Ferry Service)

Mar, Oct & Dec

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</table>

Apr to Sep

<table>
<thead>
<tr>
<th></th>
<th>08:00</th>
<th>10:00</th>
<th>16:00</th>
</tr>
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<tbody>
<tr>
<td>London Victoria</td>
<td>d</td>
<td>Charter</td>
<td></td>
</tr>
<tr>
<td>Bromley South</td>
<td>d</td>
<td></td>
<td>16:20</td>
</tr>
<tr>
<td>Maidstone East</td>
<td>d</td>
<td></td>
<td>16:50</td>
</tr>
<tr>
<td>Ashford International</td>
<td>d</td>
<td></td>
<td>17:15</td>
</tr>
<tr>
<td>Folkestone Harbour</td>
<td>a</td>
<td>09:45</td>
<td>12:15</td>
</tr>
</tbody>
</table>

Mar, Oct & Dec

<table>
<thead>
<tr>
<th></th>
<th>09:45</th>
<th>12:15</th>
<th>13:00</th>
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</tr>
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<tbody>
<tr>
<td>Folkestone Harbour</td>
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</tr>
<tr>
<td>Ashford International</td>
<td>a</td>
<td>10:45</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maidstone East</td>
<td>a</td>
<td>11:10</td>
<td>VSOE</td>
<td>19:10</td>
</tr>
<tr>
<td>Bromley South</td>
<td>a</td>
<td>11:40</td>
<td></td>
<td>19:40</td>
</tr>
<tr>
<td>London Victoria</td>
<td>a</td>
<td>12:00</td>
<td>17:30</td>
<td>Charter</td>
</tr>
</tbody>
</table>

Q – Runs when required, charter train intended to demonstrate branch capacity only

This draft timetable would be targeted to service traffic that does not lend itself to the regular franchised rail services and can also be part of the expanded service for passengers to Boulogne.

The service will be based around the requirements of short breaks, events and specialist interests. The seafront development visualises a sea sports centre and the harbour branch will deliver visitors directly to the events. Similarly events such as the Hook and Skabour music festivals would provide further traffic potential.

The 08.00 Friday departure from Victoria is a platforming slot often chosen by charter train operators and running contra-peak should not, we believe, be a problem to the general working.

The timetable would not apply during first months in the first year when a fewer number of trains would operate in order to establish the brand by fitting around local event dates, school holidays and the introduction of weekend ITX products in order to gain the best cost/benefit result to offset the costs of start-up. It would not affect third party charter services which would be accepted on any days offered.

The draft VSOE timing follows the existing schedule redirected to Folkestone Harbour – should they wish to take advantage.
Commercially Confidential

This builds on the base timetable with additional days of operation and income derived from the French market. Two main products would be offered to French consumers – short breaks in Maidstone and London and short distance day excursions to various local destinations in Kent and Sussex which the scheduled services would not serve.

Promoters of the ferry service to Boulogne have budgeted for a 300 day per annum operating season based around 90 days with 4 return crossings a day, 120 days with 3 return crossings a day (shown) and 90 days with 2 crossings a day. They have expressed a desire to operate electric services to and from London St Pancras (using Class 395 EMUs to give a Boulogne–London journey time that would compete with connecting services via Calais Fréthun) but although we believe that the reconnection of power to the branch’s conductor rail is a relatively small task we have suggested that services operate under diesel power on the branch and optionally electric power on the national network (should haulage be by Class 73 locomotives). Our discussions with the Railways Inspector has determined that there would be no policy bar to that being approved should a more severe safety case be agreed. We have suggested that initial services should be to and from London Victoria and a separate project commenced later to examine electric traction.

The draft VSOE timing follows the existing schedule, including UK domestic tours, but allows for the later addition of a classic car ferry to convey their passengers to and from Boulogne’s Hub Port at which rail facilities exist.
The Branch Railway’s Income Streams

Remembrance Line Ltd Boat Trains
Connections with fast ferry services will be based on utilisation of existing charter services with additional rolling stock plus some additional services to support the day trip and short break market for Boulogne. Fast ferry services will also introduce an ability to tap the French market both in terms of day and short breaks to London but also for some business and education travel to London. Business traffic is poorly served by high speed rail from areas along the coastal strip and French research has suggested that travel associated with their national curriculum can be gained from existing chartered coach services.

Remembrance Line Ltd Charter Trains
The Company is discussing the provision of power and rolling stock with existing licenced train operators on the basis of a return journey from London to Folkestone Harbour as dictated by seasons. This will vary from weekends to daily with further influence by local events for which direct rail access can be offered. The target market for these services will be day trip and short break based with options to take escorted walking tours associated with local storylines or as direct transport to seafront events. Folkestone can also act as a centre for short coach tours to various attractions and events within East Kent marketed in association with local operators.

Third Party Charter Trains
The Company will seek to attract third party charter rail operators to Folkestone as a desirable destination. Comparative research against similar destinations suggests that at least six trains per season will be presented. To this can be added the VSOE British Pullman operation for thirty days per annum as the facilities at Folkestone West, although excellent in layout seem to not be popular with clients.

A relaxed modal change at Folkestone Harbour has product advantages over use of a mainline station and in the event that this business can also be attracted to use the fast ferry then this element would complete the historic rail-sea-rail experience that many clients would prefer.

Whether the same experience could be offered at lower prices using normal rolling stock is something to examine later on and in consultation with UK and French rail operators as competition to the four regular Eurolines coaches per day plus up to seven daily summer relief services. This traffic is price sensitive (rather than time critical) that is, for various reasons, avoiding Eurostar.

Shepway District Council Park and Ride
Because Shepway District Council have the need to provide suitable road traffic management within the town we would expect them to provide this service as part of its off-street parking service and the Company would only seek to provide engineering and maintenance support unless contracted to also operate the service.

The Folkestone Harbour Company has advised us that although they do not support the heavy rail services they do support this as far as the swing-bridge. We believe that a roadway reservation extension to the Leas Lifts will make the service more viable for the local authority.
Folkestone Harbour Station Services

Folkestone harbour is a location of national interest and we have sought to protect the important structures that were present during WWI. There is a need to provide an education resource, particularly within the national curriculum but also for those undertaking genealogy research and battlefield tours.

Our chosen way to do this is to provide a short train for information, displays and presentations with seating for education classes and a retail facility through which relevant rail, ferry and military products can be offered. It is planned to make this available at the harbour station with access from No 1 Platform via the gate used by soldiers during WWI and encouraging further exploration of the (hopefully listed) Outer Pier, WWI café and public area to be provided by the developer.

**Keys to Success**

- Completing a successful negotiation with Network Rail that will deliver a workable solution at a price that allows pre-operation costs to be kept to a minimum and investment costs repaid earlier.

- Completing a successful negotiation with The Folkestone Harbour Company that will allow each side to view the process outcome as being successful.

- Rapid branch and station recovery to a usable condition, allowing first product implementation.

- Sequential provision of products and services that will attract custom and return the branch to a viable town asset.

- Working with local businesses to introduce wider added value to the basic transport products.

- Returning the harbour station to a centre of activity that will add footfall into the area to the benefit of other local businesses.
Competitor Analysis

For rail services to and from Folkestone Harbour the competition is: -

- Direct access by private cars with fuel and parking charges on the cost side but with flexibility of travel within the local area.

- Franchised rail services to closest mainline stations at relatively high costs compared to private cars and possible additional costs for local travel to local stations before rail travel and after within the local area.

- Some scheduled coach services and a number of chartered coach operators with local pick-up points and some degree of flexibility within local area drop off points.

In terms of visitors from continental Europe the competition is: -

- Direct access by private cars via Dover or Eurotunnel at a cost per car plus fuel and parking charges on the cost side but with flexibility of travel within the local area.

- There is no realistic rail service between the coastal strips on each side of the Channel.

- There are few scheduled coaches between the coastal strips on each side of the Channel but there are a number of chartered coach operators with local pick-up points and some degree of flexibility within local area drop off points.

Charter and boat trains will compete on the following basis: -

- The rail service will compete with the private car by providing a regular programme of services to and from Folkestone at common departure times. Connections to a range of final destinations such as Hythe, Romney Marsh, White Cliffs etc will be included within a single charge. The price structure will mirror the private car by offering a group fare by virtue of a matrix fare structure of ‘x’ adults by ‘y’ children. Child behaviour will be incentivised by rewarding good ratios of adults to children and penalising poor ratios.

- Travel to major attractions such as a coach to and from Dover Castle (as added value) will offer an integrated product that will improve on franchised rail operators that can sell travel tickets with PlusBus added value but no directly connected scheduled bus from station to castle. (Service 15 does operate hourly but from Pencester Road – 600 metres distant.)

- Competition with coach trip operators will not be made on price but on quality of service. Coach passengers to and from France presently pass through immigration by alighting from the coach and walking through passport control, then rejoining the coach. The transfer from train to ferry will effectively include this as part of the process.

- Boulogne cannot presently be reached without a 30 – 40 minutes coach journey from Calais whereas the ferry will berth at the Gare Maritime which has direct access to the town centre. The sum of Eurotunnel crossing and journey to Boulogne will be greater than the time to cross the Channel by fast ferry.
All tourist services offering day trips work on the basis of morning departures and evening return and this corresponds to the planned ferry operation. Short break tours generally work on the basis of afternoon departures on Day 1 with evening arrivals on return and this will also be reflected for Folkestone in both directions, the train exchanging passengers with the ferry during the turnaround of each. Quality rail charter services generally try to arrive at passenger’s destination by lunchtime and depart late afternoon – giving about 3 – 4 hours stay.

- Folkestone Harbour station can meet this type of itinerary between morning and evening rail/ferry exchanges at the harbour station.
- Given a short wait it is envisaged that any tours that include a stay in Boulogne (and/or onward coach travel) can use a lunchtime ferry connection in both directions.

**COMMERCIAL IMPLEMENTATION SUMMARY**

**MARKETING STRATEGY**

Presentations to The Channel Chamber of Commerce, Hoteliers Association and local councillors have identified a common set of tourism objectives that will seek to increase bed night occupancy for short stay business and an increase in day trip reasons to visit in order to increase the town’s footfall.

Specifically they have identified the town’s close connections with Boulogne and its importance as a frontier area of the country in various military conflicts.

Our business would be to increase the area’s footfall by offering targeted charter rail services with specific wholesale and retail products to support other businesses within the local area. In concert with the ferry service we would also offer a similar service to the French market with Kent and London as main markets.

**Wholesale Marketing**

**Folkestone and Boulogne Hoteliers**

We have presented the railway’s case to Folkestone, Hythe and District Hotel and Catering Association and will work with them to market short stay packages at ITX rates. We will also work with the ferry operator in their association with hoteliers and catering businesses in Boulogne and other destinations in the Cote d'Opal.

**Ferry Operator**

We have worked with the consultants in determining the basis of the linked service potential and this will continue as two separate businesses in co-operation with each other for rack rate and ITX rail-sea products.

**Rail Tour Operators**

We have investigated the potential for attracting this business, indeed we include 38 relatively local tours per season with Folkestone Harbour being the base and sales being in both France and UK.
The expectation from research of that market is that we can expect six
day rail tours per annum with Folkestone as the destination. These are
more likely to be tourist rather than enthusiast and are likely to originate
from beyond London. Marketing for these will be via the established
operators.

Local Coach Operators
We believe that we can work with Kent based coach operators to establish
rail/coach itineraries in which rail would be used in one direction and
coach for the other. This allows for attractions that are remote from
stations to be offered as well as looped itineraries that would effectively
offer both operators an increased income against the same cost for each
business.

Special interest Groups
We believe that the use of rail offers an opportunity to directly market
using news and special interest offers to such organisations as Sustrans,
The Ramblers Association, railway enthusiasts, genealogy and military
history groups.

For international business we recognise that the main competitor (see
Competitor Analysis) is the private car as our current assumption is that
to compete we should move toward a pricing strategy that directly
competes with it and a target price that is ranged between franchised rail
prices (Adult=£35.20, Child=£17.10) and using an average family car
(£26.50 for up to four passengers). This would be applied to fares that
are based on a matrix of adults and children: -

<table>
<thead>
<tr>
<th></th>
<th>0 Children</th>
<th>1 Child</th>
<th>2 Children</th>
<th>3 Children</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Adult</td>
<td>£A</td>
<td>£A</td>
<td>£A + £1C</td>
<td>£A + £2C</td>
</tr>
<tr>
<td>2 Adults</td>
<td>£A</td>
<td>£A</td>
<td>£A</td>
<td>“Next Car”</td>
</tr>
<tr>
<td>3 Adults</td>
<td>£A</td>
<td>£A</td>
<td>“Next Car”</td>
<td>“Next Car”</td>
</tr>
<tr>
<td>4 Adults</td>
<td>£A</td>
<td>“Next Car”</td>
<td>“Next Car”</td>
<td>“Next Car”</td>
</tr>
</tbody>
</table>

The fare would allow small groups to travel on the same basis as using
their car but with poor ratios of adults to children incurring additional
child charges with a fifth adult or child then attracting the appropriate
fare. Research suggests that the average car occupancy for holidays and
day trips is 2 people (ref Department for Transport – Transport Trends).
Poor ratios are expected for about 2% of bookings.

Retail Marketing

Internet
We intend to use new technology to provide low cost advertising, for
example by updating information sources such as Wikipedia to show
changed facts, publish short infotising items for social networking
websites such as Facebook, submitting video to YouTube and photos to
Flickr. All of these approaches came be grouped as viral marketing that
encourages users to pass along our advertising message.

Print Media
We will use traditional media where appropriate and cost effective, most
usefully attached to the same short stories that would also be used for
social networking.
Community Discounting
We understand that the ferry service will offer a loyalty scheme for regular passengers and we will look at the economics of this when details are further advanced.

Some local authorities are organising residents discount cards. Line of route examples are Bromley (The Privilege Card) and Ashford (Ashford Best) and we will examine the potential of offering ITX rates for rail travel and further examine short stays in Boulogne in association with the ferry operator.

Sales Strategy

The primary sales strategy includes these factors: -

- Creation of the need to travel.
- An on-line sales service that will sell tickets plus a range of local products in conjunction with other businesses.
- Printed materials targeted at the specific visitor types including Cyclists, Family Groups, Genealogists, Rail Enthusiasts and Ramblers.

Sales Forecast

The current profile for passenger traffic in the Short Sea area is shown below: -

The projections for Folkestone rail services is based on a base of weekend services to carry domestic passengers to Folkestone as day excursions and short breaks plus charter services that can be expected when compared to other seaside destinations. This may be viewed as conservative as we would also endeavour to capture some event traffic, presently four events totalling 18 days per annum during shoulder seasons – an existing example being the Skabour weekend at the harbour that accrued 10,000 visitors in a single weekend. There are plans for a water sports centre at the harbour that would host sporting events but this is still in the planning stage. At this point in time no estimates have been applied for existing or proposed events as it is unclear whether such traffic would be promoted for our services or to charter operators.
A 3% market growth factor has been applied at this stage for domestic rail business, varied by the calendar in any year, not least the dates when the Easter holiday occurs. Passenger forecasts for ferry passengers have been taken from the promoter’s business case. A business review will be carried out within the third year to ensure that year four onwards will continue to concentrate on profitable products and built historic evidence of the emerging growth pattern.

**Base London Services**

This covers base services to Folkestone (i.e. the Ferry service fails to operate).

The number of return passenger journeys is presently budgeted as:

<table>
<thead>
<tr>
<th>Year</th>
<th>Passengers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>10,250 (Short season)</td>
</tr>
<tr>
<td>2nd</td>
<td>36,750</td>
</tr>
<tr>
<td>3rd</td>
<td>42,550</td>
</tr>
</tbody>
</table>

* - Does not include potential seafront events described above

**Ferry Linked Services**

If, as expected, the ferry service to Boulogne operates then the service is increased to match the ferry operation.

The number of boat train passengers, additional domestic passengers (through increased service frequency) plus French sales of London Short Breaks and local excursion trains is presently estimated to generate the following results:

<table>
<thead>
<tr>
<th>Year</th>
<th>Passengers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>180,550</td>
</tr>
<tr>
<td>2nd</td>
<td>186,000</td>
</tr>
<tr>
<td>3rd</td>
<td>206,950</td>
</tr>
</tbody>
</table>

* - Based on passengers making return journeys

**Third Party Charter Trains**

Charter trains can be attracted to Folkestone, whether a ferry service operates or not. We expect to attract the VSOE service back to Folkestone Harbour station with passengers being conveyed by the ferry or by coach via Eurotunnel.

They will be handled on the basis that they enhance the wider business interests in Folkestone so at this point in time we do not plan to make a track access charge by simply raising a “Port Tax” per passenger to cover guest service provision. The sum total of charged Port Taxes is currently estimated as:

<table>
<thead>
<tr>
<th>Year</th>
<th>Passengers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>8,200</td>
</tr>
<tr>
<td>2nd</td>
<td>22,800</td>
</tr>
<tr>
<td>3rd</td>
<td>22,800</td>
</tr>
</tbody>
</table>

* - Does not include potential seafront events described above

If the charter operator wishes to also provide one or more short branch trips whilst their train is at Folkestone (and timetable permitting) then we would expect to undertake a revenue share arrangement for issued tickets, added to the income from Port Taxes shown above.
On-Line and Station Retailing

This covers the retailing of products that have synergy with the special interests associated with rail and ferry routes as well as military history associated with both ports and their host towns. It also covers a static rail vehicle based education facility (unless a similar facility is offered by the Folkestone Harbour Company as part of the seafront development). According to terms within the proposed lease there may be an opportunity to establish a retail facility on the station – within an area originally occupied by the original pier station buildings and we would evaluate such an opportunity once an operational service has been established.

Online retailing is relatively cheap and we have some experience of this as a result of initial funding activities by our “Remembrance Line” product supplier. This is not likely to be a major income stream and at this stage we are treating it as neutral to the main business until we start to gain further knowledge about the "look to book ratio" and any added value purchases made in association with the sale of travel products.

Cost Forecast

Many of the capital costs will be materials only as labour will be by volunteers. Revenue costs are tested market quotations

Capital Account

This covers base engineering and building expenditure, including rolling stock and costs associated with legal services and cost of Works Order and ROGSS.

<table>
<thead>
<tr>
<th></th>
<th>1st Year</th>
<th>2nd Year</th>
<th>3rd Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trackwork</td>
<td>£85,800</td>
<td>£0</td>
<td>£0</td>
</tr>
<tr>
<td>Buildings</td>
<td>£95,150</td>
<td>£30,000</td>
<td>£0</td>
</tr>
<tr>
<td>Rolling Stock</td>
<td>£30,800</td>
<td>£0</td>
<td>£0</td>
</tr>
<tr>
<td>Administration</td>
<td>£77,000</td>
<td>£0</td>
<td>£0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£288,750</strong></td>
<td><strong>£30,000</strong></td>
<td><strong>£0</strong></td>
</tr>
</tbody>
</table>

Revenue Account

This covers annually recurring costs associated with operation of the business less the cost of the lease. At this point in time personnel costs will occur from 2nd Year onwards and will vary on the need to supply boat trains or not.

<table>
<thead>
<tr>
<th>Base Domestic Service</th>
<th>1st Year</th>
<th>2nd Year</th>
<th>3rd Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Railway Lease (Not yet known)</td>
<td>Not yet known</td>
<td>Not yet known</td>
<td>Not yet known</td>
</tr>
<tr>
<td>Trackwork</td>
<td>£6,050</td>
<td>£1,100</td>
<td>£1,100</td>
</tr>
<tr>
<td>Buildings</td>
<td>£2,475</td>
<td>£1,210</td>
<td>£1,210</td>
</tr>
<tr>
<td>Rolling Stock (Leased)</td>
<td>£99,000</td>
<td>£198,000</td>
<td>£198,000</td>
</tr>
<tr>
<td>Motive Power (Chartered)</td>
<td>£138,600</td>
<td>£703,428</td>
<td>£730,785</td>
</tr>
<tr>
<td>Sales and Marketing</td>
<td>£4,400</td>
<td>£2,640</td>
<td>£2,640</td>
</tr>
<tr>
<td>Personnel</td>
<td>£1,980</td>
<td>£66,000</td>
<td>£66,000</td>
</tr>
<tr>
<td>Administration</td>
<td>£22,000</td>
<td>£22,000</td>
<td>£22,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£274,505+</strong></td>
<td><strong>£994,378+</strong></td>
<td><strong>£1,021,735+</strong></td>
</tr>
<tr>
<td>Domestic + International</td>
<td>1st Year</td>
<td>2nd Year</td>
<td>3rd Year</td>
</tr>
<tr>
<td>--------------------------</td>
<td>----------</td>
<td>----------</td>
<td>----------</td>
</tr>
<tr>
<td>Railway Lease (Not yet known)</td>
<td>Not yet known</td>
<td>Not yet known</td>
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<td>Trackwork</td>
<td>£6,050</td>
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</tr>
<tr>
<td>Buildings</td>
<td>£2,475</td>
<td>£1,210</td>
<td>£1,210</td>
</tr>
<tr>
<td>Rolling Stock (Leased)</td>
<td>£99,000</td>
<td>£198,000</td>
<td>£198,000</td>
</tr>
<tr>
<td>Motive Power (Chartered)</td>
<td>£1,632,950</td>
<td>£1,681,774</td>
<td>£1,732,063</td>
</tr>
<tr>
<td>Sales and Marketing</td>
<td>£4,400</td>
<td>£2,640</td>
<td>£2,640</td>
</tr>
<tr>
<td>Personnel</td>
<td>£1,980</td>
<td>£66,000</td>
<td>£66,000</td>
</tr>
<tr>
<td>Administration</td>
<td>£22,000</td>
<td>£22,000</td>
<td>£22,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£1,768,855+</strong></td>
<td><strong>£1,972,724+</strong></td>
<td><strong>£2,023,013+</strong></td>
</tr>
</tbody>
</table>

An allowance of +10% in all cost side Capital and Revenue items to account for changes in pricing or scarcity.

The business will benefit from use of volunteer labour and some materials that can be cheaply obtained with some engineering being undertaken at the Kent Coast Locomotive Group’s Sellindge engineering works. We believe that with operation of the fast ferry the business can break even even within its first year but if the ferry does not materialise then it would occur at the end of its second year. If on closer inspection of the track and buildings we find a greater degree of degradation than presently estimated then the break even may inevitably take slightly longer.

The Company will initially operate using volunteers and directors who would receive only incurred expenses. One of our committee already operates a retail outlet selling the Company’s products (on commission) from our registered office at the Old High Street in Folkestone and we would visualise continuing this. On-line sales are also managed from the same location and we would again seek increased management and fulfilment arrangements into the future.

We expect that port staff processing ferry passengers will also assist in guest services on the station and we will discuss the potential for also offering a limited retail service at their check-in building.

When the business achieves a budgetary return we will move the operation to a normal employing business offering some core jobs to local people albeit with volunteers still taking an active part.

**Modelling Assumptions**

**Important Assumptions:**

- The national economy will remain largely neutral as an influence on business.
- Keeping operating costs low in terms of fuel and personnel.

**Difficulties and Risks:**

- Slow sales resulting in less than projected income and cash flow.
- Unexpected cost increases compared to achievable sales.

**Unforeseen circumstances:**

1. Entry of a second ferry operator (that is in addition to the anticipated potential) at the port leading to increased services that may lead to timetable or branch product changes.
2. Geological changes that change the dynamics of railway operation between Folkestone and Dover by virtue of that route being severed.

3. “Disaster Recovery” solutions associated with any long term operational problems at Eurotunnel that may result in changes in rail traffic handling in the local area.

**Project Plan**

The business would start with a relatively secure and basically operational railway that simply lacks traffic passing over it. This does not imply that there is no work to undertake but that the track bed is in reasonably good shape but needs some engineering before application to the Office of Rail Regulation to operate passenger trains over it.

An outline plan is graphically shown at the end of this document. Not all changes have to take place in order to deal with traffic before a later phase. Remembrance Line Ltd trains could operate using the same track layout as shown for Phase 2 and that would be an early, “season dependent”, implementation – it is the infrastructure development for which titles are applied for convenience: -

**Phase 0 Contract Process**

- Complete an agreement in concert with gaining the required investment.
- Start discussions with HM Inspector of Railways.

**Phase 1 Engineering Trains Operating**

- Complete a safety case and seek Office of Rail regulation approval to operate engineering services to bring the railway to an agreed standard for slow speed operation.
- Start marketing of the railway to charter companies and wider travel industry.

**Phase 2 Introduction of Charter Trains**

- Gain approval to operate passenger services from HM Inspector of Railways.
- Complete commercial agreements with charter train promoters.
- Start Charter Service acceptances to Folkestone Harbour.

**Phase 3 Introduction of Own Services**

- Complete a commercial agreement with licenced train operator and rolling stock supplier for own service provision.
- Start engineering work for Tram-Train or make track bed ready for cycle track provision by Shepway Council.
- Start Charter Service acceptance to Folkestone Harbour.

**Phase 4 Introduction of Tram-Train/Cycle Track**

- Start of Tram-Train if required as part of Shepway District Council’s transportation requirements.
COMPANIES SUMMARY

The Remembrance Line itself is a not for profit, non political charity with a presently dormant operating company: -

The Remembrance Line Association Limited – Company No: 06639175
Promoting the cause of re-opening the branch railway, raising funds & providing member support to the operating company.

The Remembrance Line Limited – Company No: 07136347
The company that will operate the railway and station services, initially using volunteer labour provided by the association moving to paid employees when passenger operations start, the company will support the association by a profit share payment to enable them to continue to support the operating company.

THE MANAGEMENT TEAM

The management team and ground personnel will be composed of volunteers, trained and passed for Personal Track Safety Certification where they are required to be on the operational railway. Given an expansion of products described previously; we would eventually look to a mix of employed personnel and volunteers in order to provide both operational and office processes during hours when the branch would need to be open to accept traffic from and to the national network.

The Management team will consist of: -

- Managing Director – Overall responsibility for the business
- Company Secretary – Legal and company reporting, external communications
- Finance Director – Company Viability
- Commercial Director – Income streams plus organisation of employed and voluntary marketing and sales personnel.
- Operations Director – Expenditure for infrastructure plus organisation of employed and voluntary personnel and health and safety compliance.
- Guardian of History and Heritage – Preservation guidance for station heritage and production of station, port and military related history products for sale at the station and via the website.

The personnel plan will consist of all management positions being voluntary at no salary, but with provable expenses, until such time as the business can afford to pay some income commensurate with the size of business and the number of days worked.

FINANCIAL PLAN

Initial company funding will come from the sale of shares to members of the association, local businesses and other supporters. We will also offer them via on-line sales.

The directors of the company will also purchase shares in the company to provide working capital along with outside funding being obtained by the company’s bankers.

GRAPHICAL IMPLEMENTATION PLANS

The following pages show sequential stages of recovery and product implementation.
PHASE 1 – ENGINEERING TRAINS OPERATIONAL
PHASE 2 – INTRODUCTION OF CHARTER TRAINS

[Diagram of railway tracks and controls, indicating different services and tracks.]
PHASE 3 – INTRODUCTION OF OWN SERVICES

[Diagram of railway and harbor with labels:
- Remembrance Line Services
- Shepway Tram-Train Services
- Tracks for engineering use
- Tracks out of use
- National Rail Services
- CCTV Traffic Control (from Folkestone Harbour)
- Preparation for Phase 4
- Manual Traffic Control
- Folkestone Harbour]

Train Road 3
No 1 Siding
No 2 Siding
No 3 Siding
Folkestone East Sidings
Radnor Road Bridge
Inner Harbour
Harbour Arm
Harbour
Folkestone Harbour

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PHASE 4A – OPERATION OF SHEPWAY PARK AND RIDE SERVICE

Diagram showing the layout of the tram and train services, including:
- Remembrance Line Services
- Shepway Tram-Train Services
- Tracks for engineering use
- Tracks out of use
- National Rail Services

Key locations:
- Tram-Train Depot
- Park and Ride
- CCTV Traffic Control (from Folkestone Harbour)
- Folkestone East Sidings
- Train Road 2
- No. 1 Site
- No. 2 Site
- No. 3 Site
- Radnor Road Bridge
- Inner Harbour
- Harbour Arm
- Folkestone Harbour
- Manual Gated Traffic Control
- Static display of vehicles
Phase 4b – Alternative should Shepway Tram -Train not Operate