

## East Lancashire Railway Trust



### **DEVELOPMENT STRATEGY** Main Report: February 2009

Locum Consulting  
No.1 Marsden Street  
Manchester  
M2 1HW  
United Kingdom

T: +44 (0) 161 831 3300  
Info@locumconsulting.com  
www.locumconsulting.com

Date: 11 June 2009  
Job: J0853  
File: j0853 east lancashire railway study 090223.doc



BURY COUNCIL



*All information, analysis and recommendations made for clients by Locum Consulting are made in good faith and represent Locum's professional judgement on the basis of information obtained from the client and elsewhere during the course of the assignment. However, since the achievement of recommendations, forecasts and valuations depends on factors outside Locum's control, no statement made by Locum may be deemed in any circumstances to be a representation, undertaking or warranty, and Locum cannot accept any liability should such statements prove to be inaccurate or based on incorrect premises. In particular, and without limiting the generality of the foregoing, any projections, financial and otherwise, in this report are intended only to illustrate particular points of argument and do not constitute forecasts of actual performance.*

**Locum Consulting** is the trading name of Locum Destination Consulting Ltd.  
Registered in England No. 3801514



# Contents

1.	Executive Summary	6
----	-------------------	---

## Background

1.	Objectives	10
1.1	<i>Study Objectives</i>	10
1.2	<i>ELR Vision and Objectives</i>	12

## A Proud History

1.	Introduction	15
2.	Overview of ELR's Socio-Economic Impacts	16
3.	ELR Direct Economic Impacts	18
3.1	<i>ELR direct expenditure</i>	19
3.2	<i>ELR expenditure on goods &amp; services</i>	19
4.	ELR Secondary Economic Impacts	21
4.1	<i>Visitor profile - core customers</i>	21
4.2	<i>Visitor profile - special events</i>	22
4.3	<i>Combined Visitor Profile</i>	22
4.4	<i>Visitor off site expenditure</i>	23
4.5	<i>ELR overall expenditure impacts</i>	25
4.6	<i>Distribution of impacts</i>	26
5.	Tertiary Impacts	27
5.1	<i>Volunteers</i>	27
5.2	<i>Community engagement</i>	29
5.3	<i>Heritage</i>	30
5.4	<i>Environmental and recreational impacts</i>	31
5.5	<i>Catalytic impacts</i>	32
6.	Summary of Socio-Economic Impacts	37
6.1	<i>Baseline impacts</i>	37
6.2	<i>Impact issues &amp; future investment</i>	38

## Current Position

1.	East Lancashire Railway - The Visitor Attraction	40
1.1	<i>A strong visitor base</i>	40
1.2	<i>Some strengths but some weaknesses</i>	40
1.3	<i>Consumers have become more discerning</i>	41
1.4	<i>Analysis of ticket sales</i>	41



1.5	<i>Analysis of revenue sources</i>	43
1.6	<i>The Trainside pub - a strength</i>	43
1.7	<i>Relatively weak performance of retail and on-board catering</i>	44
1.8	<i>Seasonality</i>	44
1.9	<i>Station of entry</i>	46
1.10	<i>Visitor Research Summary</i>	47
1.11	<i>Visitor Attractions - a competitive market place</i>	48
2.	<b>East Lancashire Railway Trust</b>	52
2.1	<i>Summary</i>	52
2.2	<i>Role &amp; Objectives</i>	52
3.	<b>East Lancashire Light Railway Company</b>	54
3.1	<i>Summary</i>	54
3.2	<i>Role &amp; Objectives</i>	54
3.3	<i>Financial Summary</i>	55
4.	<b>Local Authority Partners</b>	56
4.1	<i>Relationship with the Three Authorities</i>	56

## The Future

1.	<b>Development Strategy</b>	58
1.1	<i>Summary</i>	58
1.2	<i>Bury Transport Museum</i>	58
1.3	<i>Buckley Wells Heritage Visitor Centre</i>	62
1.4	<i>Rawtenstall Station Improvements</i>	66
1.5	<i>Burrs Country Park Halt</i>	71
1.6	<i>Heywood Masterplan</i>	74
1.7	<i>Castleton Extension</i>	80
1.8	<i>Marketing</i>	83
1.9	<i>Visitor Improvement Strategy</i>	86
1.10	<i>Other Development Options</i>	86
1.11	<i>Making the Most of Ramsbottom</i>	87
1.12	<i>Appealing to Children</i>	88
1.13	<i>Summary of Recommendations</i>	90
2.	<b>Business Improvement</b>	92
2.1	<i>The Business Context</i>	92
2.2	<i>The Customer Journey</i>	92
2.3	<i>The Visitor Welcome</i>	94
2.4	<i>Onboard Marketing</i>	94
2.5	<i>The Railway Experience</i>	95
2.6	<i>Getting Off</i>	95
2.7	<i>Volunteer Training</i>	95
2.8	<i>Improving Retail Sales</i>	96



2.9	<i>The Catering Offer</i>	97
2.10	<i>Summary of recommendations</i>	97
3.	<b>Organisational Implications</b>	99
3.1	<i>Existing Structure</i>	99
3.2	<i>Future Needs</i>	100
3.3	<i>Future Options</i>	101
3.4	<i>A Phased Development</i>	103
3.5	<i>Cultural Implications</i>	104
3.6	<i>Capacity Gaps</i>	104
3.7	<i>Resource Implications</i>	105
3.8	<i>Implications</i>	106
3.9	<i>The Roles of the Boards</i>	106
3.10	<i>Summary Recommendations</i>	107
4.	<b>Delivering 200,000 Visits</b>	108
4.1	<i>An Achievable Target</i>	108

#### **Appendix 1 - Market Analysis**

1.	<b>Market Analysis</b>	113
1.1	<i>Resident Market</i>	113
1.2	<i>Tourist Market</i>	117
1.3	<i>Education groups</i>	126
1.4	<i>Group Travel</i>	128
1.5	<i>Group Travel Market</i>	128
1.6	<i>Special Interest - Rail and Steam</i>	130
1.7	<i>Visitor Attractions: A Challenging Marketplace</i>	131

#### **Appendix 2 - Case Studies**

1.	<b>Steam Railway Case Studies</b>	137
----	-----------------------------------	-----

#### **Other Appendices**

1.	<b>Awards</b>	145
2.	<b>Consultation List</b>	146



# 1. Executive Summary

This report updates the original vision produced for the East Lancashire Railway over 20 years ago. It covers four areas: an Impact Assessment; an evaluation of development priorities; a strategic plan for the future; and a study of the management and organisational implications.

There is clear evidence of the benefits that the railway is delivering to the region. The total gross expenditure generated each year is £3.85m which supports 70 jobs in the economy and delivers a total regional gross value added of £1.6m.

Importantly, the railway has also acted as a major catalyst for the wider regeneration of the Irwell Valley corridor, signalling a change of image and investment potential for parts of North Manchester and East Lancashire. The influence of the railway can be seen in the cumulative impacts which has reclaimed 134 hectares of derelict land along its 13 mile length, triggered associated reclamation plans at Burrs, Ramsbottom and Buckley Wells and stimulated town centre redevelopment strategies at Bury and Ramsbottom.

Looking forward, the future redevelopment opportunities under consideration in Rawtenstall, Heywood and Castleton are also linked firmly to the railway's success. In particular, the potential opportunities arising from the Castleton extension would have a significant regenerative impact on Castleton Village and the surrounding area, extending the impacts into the Roch Valley.

The Croal-Irwell Valley Regional Park is a logical step which builds on the progress made by the ELR and its partner Authorities over the last 20 years in regenerating the Upper Irwell Valley and creating an important link to the Lower Irwell and Roch Valleys. The Croal Irwell Regional Park will become the foremost active urban recreation location in the North West. The park will radically enhance and promote its environment and facilities to deliver a unique tourism, leisure and healthy lifestyle experience for Greater Manchester and the North West region.

A new vision has been established for the railway; to achieve 200,000 visits each year. A number of priorities have been identified by the ELR Trust to develop the Irwell Valley corridor, along the route of the railway and to improve the visitor experience.

Evidence from other steam railways shows that the target is achievable. It does however represent a fourfold increase in general visitor numbers. At present, over 70,000 visits are made to special events. 'Core' visits will need to increase from 35,000 to 135,000 to realise this target, requiring a significant commitment from all of the Local Authority partners. Each Authority will need to take an enthusiastic and proactive role in developing the corridor to make it an increasingly compelling and economically valuable proposition.

It is equally essential that the railway operating company, the ELLR, which will be key to delivering the growth, has the necessary resources to achieve this.

The organisation as a whole, and in particular the ELLR Company, has a very impressive track record of running the railway without any public revenue support. The vast majority



of work is done by a large and highly committed team of volunteers who manage, maintain and operate the railway. Both the Trust and the Company have been successful in raising funds to support new developments.

Both the ELR Trust and the ELLR Company are financially stable and have remained viable despite the difficulties faced by many attractions. In the case of the Company, this is due in part to the low staff costs. The commercial performance of the attraction, however, is not as strong as for other attractions of its size. Income and profit from retail, catering and private hire in particular is low. This is a reflection of the lack of specialist skills and capacity constraints.

The attraction currently attracts over 100,000 visitors a year of which seventy per cent come for special events. The organisation is clearly very skilled at putting on a successful event programme. The number of people using the regular service, however, is comparatively small and there is additional capacity to carry more visitors, particularly during the spring and summer months. This has to be the focus for growth.

Of the eight priorities, the Bury Transport Museum, Burrs Country Park Halt, implementing a marketing programme and making a number of improvements to the visitor experience can all potentially be delivered in the short term. Each one will deliver important benefits. The Burrs Halt and the development of a professional marketing programme are particularly important in achieving the growth in visitor numbers.

The potential developments at Buckley Wells, Heywood and Castleton are likely to take longer to realise, particularly in the current climate. They are however all very significant and partners need to invest time over the next three to four years to realise the opportunities.

Improvements in and around Rawtenstall Station will require both medium and longer term investment to encourage visitors to use the town. This needs to be seen as a two stage plan.

The Trust should also look at capitalising on the opportunities presented by Ramsbottom, undoubtedly the most attractive stop along the route. Bury Council, supported by the Company and working with local businesses, needs to raise the profile of the town and develop a destination plan.

The number of families using the railway, apart from during special events, is very small, even though families account for a disproportionate percentage of attraction visitors overall. Making the experience more appealing to families presents a significant opportunity and Burrs Country Park needs some development to allow the proposed Halt to be successful. A wider package of 'family friendly' improvements should also be considered.

Ensuring that the Company has the capacity and skills to deliver the strategy is the biggest single issue which needs to be addressed. It is very unlikely that the current structure will be able to cope with the demands which will come from the development plans. The company is very dependent on a small number of extremely able volunteers at a senior



level. It cannot be assumed that other volunteers with similar skills could be found if necessary to step in to their roles. The Company therefore needs to grow to deliver the future vision. There is a particular need to introduce professional commercial and marketing skills to support the Directors and to increase income from the attraction. The additional costs of increasing the workforce will need to be found from improved commercial performance.

It will also be important to channel energy into bringing the volunteer workforce along with the new developments, encouraging a new, customer-focused culture which is embraced and delivered by the volunteers.

Overall, the current structure, and the relationship between the Trust and the Company, continues to provide the best solution for sustaining and developing the railway. The mix of skills which will be needed on both Boards to assist with the development plans may need to be considered and additional Directors found.



# Background



# 1. Objectives

## 1.1 Study Objectives

Locum Consulting was commissioned in June 2008 to carry out a study on behalf of the East Lancashire Railway Trust. The East Lancashire Railway (ELR) is a steam and heritage railway attraction currently welcoming over 100,000 visits per annum.

The railway re-opened as a heritage railway in 1987 and now operates along a 13 mile route between Heywood, Bury (both in Greater Manchester) and Rawtenstall in Lancashire. The railway operates every weekend and bank holiday and from Wednesday to Sunday during the summer months. The train calls at six stations along the route, Heywood, Bury, Summerseat, Ramsbottom, Irwell Vale and Rawtenstall.



**Figure 1: Map of ELR Route**



The ELR Trust is made up of three local authorities (Bury Council, Rossendale Borough Council and Rochdale Metropolitan Borough Council) and the East Lancashire Light Railway Company (ELLR). The local authorities are the land owners while the ELLR is the operating company that leases land and property and operates the East Lancashire Railway. Together, as the ELR Trust, they decide on future strategic direction.

The operating company (ELLR) is largely dependant on its volunteer base, many of whom are skilled railway operatives and engineers. The ELLR continues to be a successful trading organisation with a relatively sustainable business model, a healthy balance sheet and some cash reserves. This has been achieved without revenue funding from the local authorities.

The scope of Locum’s work has incorporated four key elements:



- **Impact Assessment (Page 14- “A Proud History”)** - considering the economic, social, heritage, cultural and environmental impact of the railway over its twenty year history.
- **Evaluation of Development Priorities (Page 57 - “The Future”)** - Locum was asked to analyse the development plans for the ELR and evaluate each project in terms of enabling the ELR to achieve its goal of 200,000 visits per annum. To this end, we have explored each project in detail with each of the Trust partners and other stakeholders. We have considered these development priorities in the context of the market for visitor attractions and steam railways and in the context of the policy agendas of a number of stakeholders.
- **Management and Organisation (Page 99 - “Organisational Implications”)** - Locum has considered how the strategy will impact on the current management and organisational arrangements for the ELR Trust and Company. We have offered recommendations about an appropriate structure which will allow the railway to deliver the strategy and ensure its position as a visitor attraction of regional significance for the future.
- **Strategic Plan (Page 108 - “Delivering 200,000 visits)** - We held a workshop session with ELR Trust partners on 9<sup>th</sup> October. In this report, we have suggested a medium - to long-term strategy for taking the development priorities forward.

## 1.2 ELR Vision and Objectives

Rather than a detailed strategic plan, the development of the railway over the past 20 years has been guided principally by its original vision document which articulated the future aspirations of the railway as a heritage visitor attraction providing a journey through the Irwell Valley.

Since that original concept document, the restoration and development of the railway has been on a step by step basis with the pace of development dictated by the availability of resources and funding, and the commitment and resolve of volunteers and the local authority partners. The ELR has always been able to say what its next step is but not necessarily what the end destination is.

In discussions with its funders, the ELR recognised that its original vision and strategy needed to be updated. The ELR Trust has articulated the new vision as:

*By 2020 the East Lancashire Railway will be firmly established as a top North West England tourist attraction that consistently achieves high customer satisfaction ratings in terms of its quality, value for money, range of events and wider tourism experience on offer to visitors to Greater Manchester and Lancashire.*

The ELR is generally seen as an asset to the boroughs in which it operates, bringing tourists to the area and delivering economic benefit. Regardless of whether the Local Authority



partners have been pro-active in the development of the railway or not, the consultation meetings have clearly demonstrated that all three recognise the value of the railway and want to make it more of an asset in the future.

The ELR Trust has expressed an ambition to lift the number of visits to 200,000 and considers the following eight development projects to be crucial to achieving this:

- Bury Transport Museum
- Buckley Wells Visitor Centre
- Rawtenstall Station Improvements
- Burrs Country Park Halt
- Heywood Station Masterplan
- Extension to Castleton
- Joint Marketing
- Improved Visitor Experience

