

...on a modern train from your station

UPDATE NUMBER 37

SUMMER 2007

BUSINESS CASE REPORT PUBLISHED

At the end of June 2007 the Northwest Regional Development Agency (NWDA) published the results of the study undertaken by JMP consultants. This started just over a year ago – see Update 33.

Some of their key findings are:

- Passenger usage is likely to be in the range of 230,000 to 320,000 per annum the lower figure is similar to traffic on the Windermere line currently and could rise to 480,000 if there is further pressure on road traffic in the Lake District.
- Engineering scopes and costs derived by CKP Railways plc and Corus Rail Infrastructure Services were validated.
- The principle of an hourly (or better) service every day running beyond Penrith was upheld.
- Tourism and economic regeneration bodies were far more supportive than local authorities.
- Economic benefits would outweigh the costs of construction and operation, with a net present value of up to £30 Million.
- Benefit to cost ratio of around of 1.32:1 as a base case, up to 2.59:1 with optimistic passenger numbers, and could rise to 3.29:1 under certain circumstances.
- Economic benefits (using the limited criteria specified for Department for Transport evaluations) would amount to about £3.8 Million per annum once the line is established.
- Wider economic benefits (which the Department for Transport does not evaluate in such calculations) include significant ongoing employment, economic output enhancement and additional visitor spending (the latter around £1.1 Million per annum equivalent to 0.5% of the total tourism revenue in Allerdale for 2005).
- Appropriate funding mechanisms were discussed, based on other recent reopening schemes.
- Further steps in consultation were identified to ensure that this Project has appropriate priority.

The Chairman of the NWDA (Bryan Gray) and the Managing Director of CKP Railways plc (Cedric Martindale) both commented positively about this report in a Press Release issued by the NWDA.

CKP Railways plc believes there is considerable scope to improve the financial picture as the study was based on maximum costs (based on recent data from Network Rail schemes) and minimum revenue calculations (fare income significantly less than current bus fares along the route).

National Government is not currently allocating funds for railway re-openings, but this report, and the follow up actions of the Steering Group, will provide the necessary guidance to continue to develop this project independently.

An independent report by Transport Planning (International) Ltd. for Eden District Council in January 2004 remarked that the CKP scheme is progressing faster than many publicly funded schemes. CKP Railways plc will be more than happy to continue to live up to this enviable reputation ! The railway will not re-open tomorrow, but many of the necessary technical and documentary "building blocks" are now in place.

Read the Business Case report, Press Release and earlier Updates on our NEW website:

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WHERE ARE WE NOW ?

Almost every month we receive letters or e-mails asking how we are progressing and when the line is likely to open. The most common type of comment is that we appear to be battling with a huge amount of bureaucracy and doing little physical work on the ground.

Unlike "Heritage" railways, which have re-opened piece by piece over a period of years, this will be a "big bang" scheme which must open in its entirety between Keswick and Penrith in one go to serve any useful purpose. Re-opening in stages would be more costly overall, and would create road traffic problems rather than solving them.

To be able to do this, and carry fare-paying passengers, we need to obtain a Transport and Works Order (TWO) from National Government. We understand the perception and concern of people who feel that there is endless bureaucracy, but without going through this process we can not legally start work on building the line !

This requires:

- Engineering Design (done by Corus Rail Infrastructure Services (CRIS))
- Environmental Impact Assessments (more than half done, coordinated by CRIS)
- Business Case (results just released from study sponsored by the NWDA)
- Consultations and Legal application (early stages done successfully).

This all takes time and money and we have to have all the bits in place before starting on the (simpler !) physical construction work. Locally awarded Planning Permission would require just as much background work for any line more than 2km long, and would not entitle us to carry fare paying members of the public.

Our main task at the moment is to get all these organisations on-side ready for when we present the complete package. We are winning, but nobody said it was going to be easy !

10 - 15 years for a project such as this is not unusual.

CKP Railways plc was formed in late 1998.

Had we received the Millennium funding we were told we were eligible for, the line would probably have been open already. That money somehow disappeared into the Dome at Greenwich.

A VOICE IN PLANNING ?

The "News and Star" of 12th April 2007 reported that Parish Councils could be invited back into the fold when Lake District National Park Authority planners hold their site meetings. At that time, only National Park Authority members attended the visits to hear about planning applications from their Officers.

Until two years previously, Parish Councillors and local County and District Councillors were asked along, but the change to exclude them was made following a report by the Audit Commission.

Now the NPA is apparently considering a review of the arrangements.

CKP Railways plc hopes that Eden District Council might also adopt a more enlightened approach to site visits, now that new leadership is in place. See Update No. 28 (Winter 2004 – 05) for details of the Council's refusal to allow us to present evidence of the damage which a road scheme at Flusco could do to the Railway reinstatement.

That stone-walling, and the Council ignoring about 170 objections, resulted in a complaint to the Local Government Ombudsman.

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NEW IMAGE, SAME GOALS !

Now that the Keswick to Penrith Railway Reinstatement Project itself is at a significant point – with the publication of the Business Case by the Steering Group formed by the NWDA, we have reviewed our presence on the Internet, as this is the first place many people find out about the Railway Re-instatement Project.

The new site <u>www.keswickrailway.com</u> has been launched to provide access to more technical detail, facts and figures about the Reinstatement Project itself, with less emphasis on the history of the line. This new site has limited content at the moment, but will be enhanced as time permits and existing material is converted into "easy to digest" formats.

Many background documents and reports will be made available for study.

We make no apologies for it resembling a "Power Point" presentation in some ways – many of the people that we need to get our message across to are more used to this type of presentation !

There had been mixed comments about the original website (<u>www.ckp-railways.co.uk</u>) in recent months, and the volunteer web-master advised that he no longer wished to look after the site.

That site may remain open for a few more months, but will not be updated regularly.

It has fulfilled its purpose in making more people aware of the Project whom we could not otherwise have reached. Our new site also provides links to sites covering the history of the line.

This is a busy time for us as the results of the Business Case study become public.

We will be available for comment - although we may not be able to give detailed answers to individual queries, we will be happy to deal with media enquiries about the Business Case and the future of the Project. Please contact us by e-mail at ckp@martindale.f9.co.uk or write to CKP Railways plc, 1 Solway Park, Carlisle, CA2 6TH

We may be slightly less visible for a few weeks, but no less busy working towards our Transport and Works Order. Environmental Impact Assessment and other work continue "behind the scenes".

Prospectuses for Bonds are still available and the Offer as yet has no closing date. Please write to us or e-mail us and give a postal address if you wish to receive a copy. The Prospectus can not be sent electronically, for legal reasons.

MORE VISITORS STAYING LONGER !

VISITORS to Cumbria are staying for longer than ever before, according to results from the 2006 Cumbria Visitor Survey, reported by the "Westmorland Gazette".

Cumbria Tourism announced the results, which revealed that people holidaying in Cumbria and the Lake District now stay for an average of 6.1 nights - the longest period of time ever recorded.

The results also highlight an increase in the size of parties visiting the area from 2.9 people in 2002 to 3.2 people in 2006, while the number of families opting for a trip to the county has risen by 23 per cent in the last four years.

PRESSURE MOUNTS FOR NEW RAILWAYS

This was the headline on the August 2007 edition of "Railstaff" magazine, quoting Susan Kramer, transport spokesman for the Liberal Democrats.

"Rail is the key to cleaning up Britain's transport, not an added extra..." she said.

"Without substantial new investment, we will not have the 21st Century rail network that our children and grandchildren need".

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BUY BONDS – INVEST IN THE RAILWAY PROJECT !

CKP Railways plc Bonds, in multiples of £100, pay interest at 4% per annum gross.

Over £330,000 raised and invested so far in design and development.

These funds are used only for the Railway reconstruction project.

No un-necessary overheads and no "fat cats" !

Bonds have been sold to organisations and individual holders.

Can be bought for children, grandchildren, friends or relatives.

Fully coloured and signed Certificates are issued - designed to appeal to collectors.

Please write or e-mail for a free copy of the Prospectus.

WHAT TO BUY TO SUPPORT THE RAILWAY PROJECT

25% of the price of each item goes directly to the Keswick to Penrith Railway Project. The BBC found that only 8% of the price of charity Christmas Cards goes to the named causes.

- 1. The report "Return to Keswick the case for a New Railway" is available at £20 per copy direct from us (post free), or order through bookshops by quoting ISBN 9781-902543-02-4.
- 2. "Trains to Keswick" is a professionally produced video featuring people along the line. It was filmed in the last few months before closure in 1972. Buy from us at £12.99 per copy.
- 3. Fine Art prints and greetings cards featuring a stunning winter view of the steam hauled "Lakes Express" near Bassenthwaite Lake station, painted by Eric Bottomley of the Guild of Railway Artists. Prints (24" x 16") are £18 each, cards (6" x 8") with envelopes £1.40 each.
- 4. "CKP, only sleeping" on CD contains hundreds of photographs of the trackbed and surrounding scenery, by Nigel Wright. Scenic and detailed views of the route and landscape in all seasons. The double CD costs £10. *LIMITED QUANTITIES REMAINING*
- 5. "Northern Railways" is a DVD (for computers only) by Nigel Wright covering many parts of the north of England. £13.00 per copy. *LIMITED QUANTITIES REMAINING*
- N.B. All the prices above are post free from us to addresses in the UK, but please add £2.50 per order for posting to addresses outside the UK (Posting packages to overseas destinations is not cheap !). Cheques payable to Iceni Enterprises Ltd for any of the items above, please.
- 6. Phone and book your rail tickets through "Chester-le-Track" for any journey on the National Network, including Railrovers and discounts for Railcard holders. Phone Chester-le-Track on 0191-387-1387, quote "CKP Offer" and they will pay 3% of the total sale as commission to CKP Railways plc. The total sale must be at least £25, paid for by credit card.

YOU CAN STILL SUBSCRIBE FOR UPDATES IN 2007

If you have not already done so, please subscribe to this year's Updates (£10). If you have access to email, we can send Updates electronically - saving time, money and paper. But please, please, tell us if you change your e-mail address !!

Cheques payable to "Iceni Enterprises Ltd.", send to the address below.

Next Updates planned for December and April– plus e-mail or website alerts for hot news.

We do not sell or give mailing list details to anybody !

Cedric A. Martindale. BSc.Hons, AUS, CEng., MIMechE, CMILT. - Director

No. 37, August 2007

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