

THE SOCIALLY ENTERPRISING RAILWAY



A Report Commissioned by

Rail Delivery Group

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PREFACE

The Association of Community Rail Partnerships (ACoRP) has produced this study, on commission by the Association of Train Operating Companies (ATOC), which supports the Rail Delivery Group. The project itself was researched by Rachel Francis and David Edwards of the Heart of Wales Line Development Company Ltd.

The introduction and “Lessons Learned - Recommendations” were written by independent community rail consultant Prof Paul Salveson.

We are extremely grateful for the support of ATOC and train operators including Virgin Trains, Northern, ScotRail, Great Western Railway, DB Regio Tyne and Wear Metro, South Eastern Trains and Southern Railway.

Above all, we would like to thank the many community businesses we talked to – both in the case studies and beyond.

We hope this report helps you build on your amazing successes.

David Edwards

Rachel Francis

Paul Salveson

May 2016

Foreword:

Capturing the potential of collaboration with small enterprises

Paul Salveson

This study has opened up a treasure trove of possibilities, based on practical experience from across the country. With the right support and encouragement, local entrepreneurs are setting up businesses on stations and elsewhere, providing support services to train operators. The biggest problem this project had was limiting the number of case studies to 10 – there's a lot happening out there, though up to now sharing best practice has been limited. Hopefully this piece of work will help to raise awareness of the potential of, and encourage greater networking between, rail-based small businesses and train operators.

It's been a slow process for some of the early pioneers who struggled through bureaucracy and red tape to set up a modest business on a station. "If we had known it would be so difficult we would never have started!" was a fairly typical response.

That has changed, though it is clear from the research that there remain obstacles. However, two factors are crucial. The first is the strong encouragement being given to collaboration between train operators and small businesses through the franchising system. The new Northern franchise, awarded jointly by the Department for Transport and Rail North, gives explicit encouragement to working with small businesses, without being over-specific. This is likely to become a standard feature of new franchises, and there are several coming up.

The second element is an increasing awareness among train operators themselves that working with small businesses can offer good value for money and win recognition for their approach to responsible business practice. But it should be stressed, this is not about accepting a higher price in return for 'going local'. Very often train operators can get a better product at lower cost, with additional benefits to the local economy. It may take a bit more effort at first, particularly in management time, but once the relationships are established, managing local suppliers becomes easy.

What are the benefits? Train companies

Each case study outlines the particular project, how it was created and what it has achieved. It asks what are the benefits to the railway industry and also to the community? Some common themes emerge.

There is growing recognition in the industry about the importance of trust. This has broken down barriers and helped the train company cease to be 'them' and start to become part of 'us'.

For too long, stations have been seen as neglected and 'cold' places; often with a perception of being unsafe. Having a business activity on the station helps reduce those concerns and turn stations into local community hubs. Gobowen, Rye, Etchingham and Pollokshaws West are good examples of that.

On a larger scale, the 'community village' at Kilmarnock and the developments at Whitley Bay are stunning examples of how stations can be transformed into something that both the railway companies and the community can feel proud of. A further benefit for train operating companies is commercial, though the potential revenue gains shouldn't be exaggerated. Having a building let to a small business on a peppercorn rent is arguably better than having a building standing empty. The big 'chain' coffee shops and convenience stores will have little interest in most of the places that were looked at. But by persistence, ingenuity and local knowledge, small local enterprises can develop successful businesses. That success can be progressively translated into higher rents for the train company.

Evidence shows that where there is activity at stations, more people are attracted to use the train. A well-cared-for station, with a human presence, feels attractive, safe and welcoming. People are more likely to use it and tell their friends about it. A good example, but one of the case studies that couldn't be included because of time constraints, is Wakefield Kirkgate. It had a reputation for being 'Britain's worst station' – almost derelict and with a threatening environment. Since its £5m renovation,

led by social enterprise charity Groundwork, it now looks and feels a good place to be, with an inviting café and space used by local businesses. And station patronage is rising - Kirkgate is no longer a 'no go' zone.

It must be stressed that the potential for collaboration with small to medium sized enterprises (SMEs) is not limited to stations. Small businesses provide a range of high quality, good value services to train companies.

The Settle-Carlisle Rail Development Company (SCRDC) provides catering services on Northern's trains, selling local products. On-train catering is notoriously difficult to run commercially, but the SCRDC succeeds in making a modest margin and giving train customers a great quality service.

Great Western Railway (GWR) has developed a highly innovative initiative using local suppliers for some of its catering services. By using a Cornish tea and coffee supplier it has generated great local publicity, supported a growing business and is able to offer its customers a good quality product. Its collaboration with InterCity Freight – a small business based in the Midlands – has led to the return of high value fish and lobster traffic to the railway: a sector which most analysts would have written off as a thing of the past.

What are the benefits? The local community

The case studies highlight a range of different small businesses. Some are social enterprises with strong local membership; others are one or two person businesses with little capital but lots of energy. The Dumbarton project is a great example of a small community organisation with energetic leadership that can recognise opportunities. Rye Station café not only offers employment but also provides training opportunities for young people.

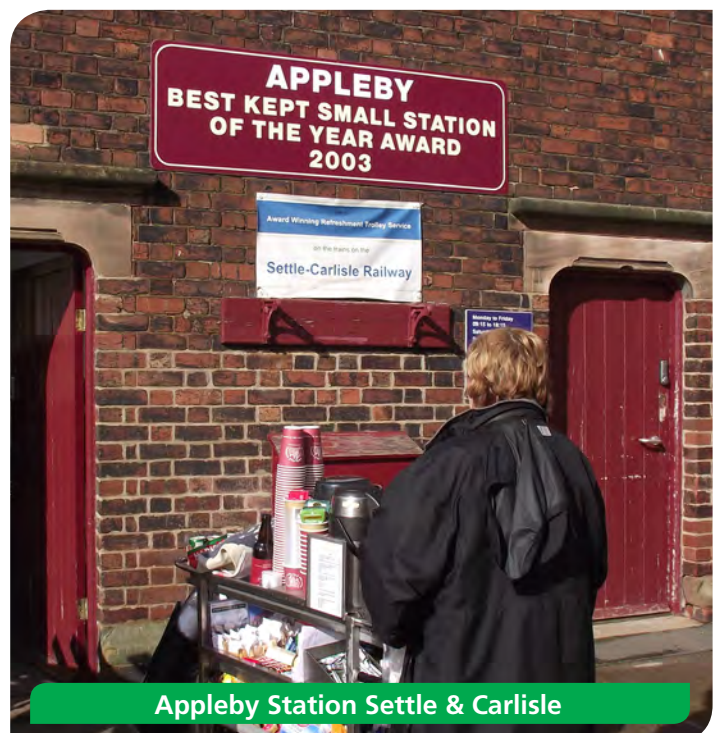
The clearest direct benefit to the community from these projects is that they create jobs and sustain – indeed develop – local businesses. A handful of jobs created in London might not be that significant, but six jobs created in Penzance or Gobowen can make a significant difference to the local economy. Having a thriving local economy retains people and makes them attractive places to live. As more and more villages are losing their

shops and post offices, developing stations as local community hubs with a shop can be a lifeline for a village that may have been in seemingly terminal decline in terms of local shops.

Some of the stations brought back to life due to local business involvement were – at their worst – places that local people were ashamed of. Wakefield Kirkgate is a larger example, but nearby Moorthorpe was more typical of a small station with a derelict building that was a haven for drug use and anti-social behaviour. Thanks to the work of the local town council, it now houses a café, offices for local businesses and the constituency base for the local MP.

Finding affordable accommodation is a great benefit to local businesses. Train companies and Network Rail have a large estate that includes many buildings, or rooms, forming part of a large building – which have no obvious railway use and little apparent commercial value. By offering space to local community groups or small businesses at a peppercorn rent, there is a double benefit – train operators get a building brought back into use and the community business gets space at an attractive rent.

Perhaps one of the most significant benefits to local communities is re-building a sense of pride in the station as part of the community. This is not 'measurable' but is real. Stations like Kilmarnock, Pollokshaws West and Moorthorpe have gone from being a detriment to the community to a showpiece that people are proud of.



Appleby Station Settle & Carlisle

CASE STUDY 1:

Café Des Fleurs at Rye Station

Café des Fleurs is a café and flower shop run as a small local business, paying a commercial rent. It has been open for three years and supports one full-time and three part-time workers, one work placement and one extra during holiday period. The café is held on a six-year tri-partite lease through Network Rail and Southern Railway and is run as an independent business.

Rye is a medieval town in East Sussex just two miles from the south coast, with a rich history that includes smuggling, art and literature. Today the cobbled streets are lined with unusual and independent shops and lively cafes, pubs etc., reflecting the combination of young, lively incomers, retirees and locals who make up much of the population of 4,000.

The railway station is small but with a good service to London (via Ashford International) and to Hastings. This makes Rye, with its situation close to the coast and overlooking Romney Marsh, a popular day trip for Londoners and for tourists.

Rye Station is on the Hastings to Ashford International (HS1) Line and has an annual footfall of 430,000. The station buildings are well maintained by Southern Railway. Network Rail owns the property. Sussex Community Rail Partnership (SCRIP) has a small office on the station and there is a waiting room and small ticket office. The rest of the building is a café, flower shop and florist with a window hatch sales point on to the platform and a main entrance from the town side. There is outdoor space for display and extra seating in summer (town side). The station is well situated in the town, opposite a popular market.

Business owner Lucy Forrester expects to renew the lease, which she's had for three years, as the business is flourishing.

Café des Fleurs

There is a good business relationship between the café business and the landlords – Southern Rail and Network Rail. The shop had been empty for over a year when Lucy approached them about commercial use of the building.

The rent was agreed based on local commercial rates. Lucy said she was able to agree a fair price that would allow business to grow and flourish. It was also important to her business plan that the premises were in good usable condition before occupation. So Southern Rail provided new toilet facilities and a new electricity meter and wiring system, taking into consideration the new business requirements.

Rail industry benefits

The café opens every weekday at 6.30am to meet the needs of early morning commuters and stays open till 4pm. These commuters provide important regular trade for the café and the availability of good coffee enhances passenger experience of the rail industry.

The café contributes significantly to the aesthetics of the station. "There is a lively, characterful, well cared for feel to the station area."

Local community benefits

The Café des Fleurs has strong links with the local community, creating local work and work placements. The florist arm of the business makes displays for local weddings and older people from the community come especially to the café so they can watch the flower displays being created in the shop.

In 2015, The Rye Conservation Society presented the café with a special award for 'contributing to and improving the appearance of Rye by excellent presentation of their premises'.

The Café des Fleurs is creating good local jobs and providing work experience for local young people.

Ideas for sharing

A café that is also a florist is an unusual idea but it works extremely well. It was inspired by Lucy's gran. Painted above the hatch window onto the station are her words:

"My idea of heaven ... sipping a nice cup of tea and surrounded by beautiful flowers."

For a relatively small station, with a low footfall in terms of commercial viability, a business that can provide more than one service is often a good way to make the business plan sustainable.

A well thought out and realistic business plan is essential. Independent businesses, and anything that champions local, good quality produce at a reasonable price are a draw.

Lessons learned

A good relationship with the TOC is fundamental to the success of the café. Flexibility and willingness to negotiate a reasonable rent that is

realistic in terms of local and commercial potential was crucial.

For a commercial proposition, where fundraising for building improvements is not in the plan, TOC willingness “to do up” the premises and maintain them in good condition helps ensure that businesses willing to pay a reasonable rent can flourish.



Café Des Fleurs at Rye Station

CASE STUDY 2:

Severn Dee Travel at Gobowen Station

Severn Dee Travel is an independent rail agency and is operated as a not-for-profit company administered by a group of six volunteer directors.

The facilities provided at Gobowen Station include a ticket and booking office, café, and toilets. The buildings are not owned by the rail industry and so Severn Dee Travel pays a commercial rent to the property agents. This cost is mostly financed by ticket sales.

The agency was established 20 years ago and is a pioneer in the history of community rail enterprise. The charismatic founder and driving force behind the establishment of Severn Dee Travel was David Lloyd, a local geography teacher who “got community rail before community rail was invented”. Sadly, David passed away in 2006. Director Sheila Dee recalled: “It took almost five years for the agency to recover from the loss.” Gobowen Station is well-established as a community managed station. Severn Dee Travel, a company limited by guarantee, operates it and the whole set-up has strong foundations. While the basic structural system is fully replicable, part of this approach is about being flexible enough to incorporate community and local culture, and allow diverse, relevant and innovative ideas an opportunity to take shape.

Six volunteer directors, each with their own attributes and responsibilities, run Severn Dee Travel. They are:

Malcolm Kimber – Chair of Severn Dee Travel. Background: Community Council

Dave Koring – Ex rail industry transport professional. Excellent practical skills, very ‘hands on’

Tony Dart – more than 40 years in local authority and buildings. He manages health and safety requirements. He also liaises with Derwen College, a further education college in Gobowen, whose students run the station café for work experience

Sheila Dee – background in sales and marketing and currently the Community Rail Officer for the line. Responsible for marketing and IT

Martin Evans – responsible for finance of SDT. Background: senior auditor in a local authority
Jackie Allen – responsible for volunteer management, funding and grants.

Employed staff take on the daily running of the station and ticket office. They offer personal advice on ticketing and a specialist service in arranging group travel for schools and colleges. There is also a paid accountant who does payroll and pensions. Finances are run as a tight ship: As Sheila said:

“We need to be absolutely confident of our finances – and able to spot financial savings. Nobody gives this to you on a plate. It’s a business and it must be run as one.”

A high level of trust, purposefully established, allows employed staff to take decisions without always having to go through the directors. Sheila explained:

“They know we are at the end of the phone should we be needed but they have our trust and share the whole ethos of Severn Dee Travel.”

There is a local and values-led work ethic – from the locally managed phone system to the commitment to banking ethically (with the Co-op). Nearby Derwen College runs the lively station café. The college is for young people with learning and physical disabilities, autism spectrum disorder, medical needs and challenging behaviour. The college focuses on building employability skills through authentic work opportunities in commercial outlets and off-campus with partners in the wider community. This has led to a very productive working relationship, which began with students from Derwen College being given work experience on the station. Now the college

runs the café and the station may soon become an outlet for crafts produced at the college. The café provides all-round value – for passengers, for the station as a business and by providing valuable work experience for Derwen students. There is also a great atmosphere in the café.

The station

It is in a good position at the heart of the village close to local amenities. The population of Gobowen is 4,000 but just three miles away is Oswestry, with a population of 17,500 and no other railway station.

Footfall at Gobowen Station is currently averaging 250,000 a year.

The 100 space car park was built in 2000 through a Rail Passenger Partnership Grant (RPP) It has full CCTV and is managed by Shropshire County Council. The site provides free parking for rail users, so people come in from the surrounding area to park and catch the train.

Community benefits

The station provides many benefits to the local community:

- A busy station, well managed, with local ticket office and on-station facilities
- A well-kept station car park with free parking (100 spaces) and CCTV in the heart of Gobowen
- Cycle storage
- Small business opportunities on the station
- Work experience opportunities
- Local jobs
- Tourist information point

The partnership forged between Severn Dee Travel and Derwen College allows students to build their skills, to be part of something worthwhile, improve their inter-personal abilities and relationships and find a place in society.

With all the buildings at this station in commercial ownership, Severn Dee Travel is working with the Community Rail Partnership and a voluntary group – Gobowen Area Improvement Project (GAIP) – to investigate the possibility of securing ownership of the buildings for future community development. A key aim is to safeguard the station area and its use for the future, through community ownership

and management and for the buildings and businesses to be of benefit to both the community and the railway.

Rail industry benefits

- A human presence at the station
- Travel and tourism advice and ticketing
- Maintenance of useful facilities, including café, toilet, ticket sales and cycle storage
- Advice on more interesting 'local' services:

"It's become the sort of place that is worth coming to."

- Knitting together rail and community – creating a friendly face for the railway – and this drives up passenger numbers

The recipe for success

Sheila made the following points:

"The company is run absolutely properly – but we want to be able to invent, create, and work with new and locally relevant ideas. We have big plans. Given the right climate you can do exciting things that might otherwise not have been contemplated."

"You need the right people – people who can see the potential – with the right mix of skills. We are not a very affluent community. We don't have time or money to waste but we still have time to give and this is what has brought Gobowen to life – a willingness to do things for the common good."

Complacency is not an option – a station run like this needs constant energy and re-invention, and challenging, ideas, organisation and action. It needs people who have a history of making things happen and who are community orientated. The ability to sell tickets on the station keeps the buildings open. But the staff running ticket sales have to work hard to find people good deals. It doesn't help that the rail industry offers "online" deals that can't be offered on the station.

You need to establish codes of good conduct and run everything professionally, but Severn Dee Travel has also flourished because ideas are considered and encouraged not blocked without good reason.

"We want to be able to work with new and locally relevant ideas."

Lessons learned

Severn Dee Travel at Gobowen Station is a replicable model.

"But you must be able to see the potential. It needs drive – it can be challenging. It needs to make its stamp. Branding is very important."

There are 40 rail agencies across the UK but very few work on a not-for-profit basis.

It would be very helpful to allow independent ticket offices to sell the internet ticketing special deals, as many people expect these to be available

or do not have the skills or equipment themselves to find them online. This is an essential source of income for rail agencies.

"Commercial opportunities like ticket sales keep us in business at a very low cost compared to the advantages gained."

Severn Dee Travel has a very good relationship with Arriva Trains Wales, with high levels of trust.

"Arriva is open to discussion and suggestions. However, in other areas corporate thinking can be unnecessarily restrictive and this can curb local innovation."

Other ideas for sharing

We suggest a review of ticket sales nationally, with independent rail agents attending so their position is better understood.



Gobowen Station Café

CASE STUDY 3:

The Bistro @ Etchingham Station

A local Community Interest Company (CIC) manages The Bistro @ Etchingham Station via a tri-partite lease agreement with Network Rail and South Eastern Rail. In 2007 the station buildings were derelict. Less than 10 years later and a thriving bistro opens early each morning and stays open till late. The Collins family runs it as a business, providing everything from good coffee for commuters to 'stone baked pizza' evenings for locals. A new car park has been built on the site of an old coal yard and the station master's garden has been restored by a local professional gardener working as a volunteer. The garden has seating for 50 and an outdoor pizza oven.

In 2007, the old station master's house at Etchingham Station in Sussex was derelict. Behind the building the backyard was a patch of weeds and beyond it was waste ground, contaminated after many years as a coal yard.

Meanwhile, in the village of Etchingham, a parish council survey identified the need for a social meeting place. The station buildings were chosen as a possible solution. A committee was formed and the core members decided to form a CIC, which came up with a business proposition to manage the old station master's house and garden.

Etchingham

Etchingham is a small village in the Rother district of Sussex, with a population below 1,000. The station is situated on the Hastings line and provides a direct connection to London via Tunbridge Wells. The next station along the route (towards Hastings) is Battle, site of the Battle of Hastings. The 2014 value of tourism in the Rother district was estimated at £291.8 million, with nearly six million visitor day trips made to the area in the same year.

Etchingham Station enjoys a modest footfall of approximately 220,000 a year, but for a small village this is a very good figure.

The enterprise

The business plan revolved around opening a bistro-style café with a licence catering for early morning commuters, lunches and dinners for villagers and visitors, plus local and social events. The upstairs rooms would be let for meetings. The bistro would benefit rail users and local community alike and create jobs locally. It would also be a good way to keep the buildings in good repair, discourage vandalism and improve the security of the station.

A tripartite lease was drawn up between Network Rail, the CIC and South Eastern Rail. Network Rail and the Railway Heritage Trust have put significant finance into the project to improve the building and facilities. The CIC board raised funds to do up the station. The board included some very skilled and committed core members with a lot of business, management and financial experience. Being local, the incentive is there for busy people to make use of their time voluntarily.

The building is Grade II listed. Grants came from the Railway Heritage Trust, local councils and so on. The interior design was carried out by a local designer with artistic flair and is very attractive. All the unskilled labour was carried out by volunteers. The garden has been beautifully developed with outdoor seating for 50. Further funds have been raised to turn the old coal yard into a car park with landscaping and a place to play boules.

The Bistro @ Etchingham opened six years ago and has gone from strength to strength. The CIC chose Paul and Julie Collins to run it, which they do as their own business - they are not employed by the CIC. The Bistro was provided fully equipped and furnished, ready to go. Food is cooked on the premises and everything is of a very high quality.

The Bistro staff also organise imaginative social events including pizza evenings, and the CIC raised the money to buy an outdoor pizza oven.

The CIC acts as business advisers and also provides a supportive financial cushion enabling further improvements and ensuring that the business is maintained, even at tough or quiet times and despite being in a rural location. It also applied for grants, and provided training and work experience for a catering student from a local college.

Significant marketing and high profile visits have raised the station's profile. These are also facilitated by CIC members. The Duke of Gloucester visited in 2013.

The meeting rooms host local meetings and informal bridge evenings. The Bistro and gardens host well attended functions including local weddings. The food served is of a very high standard.

Community benefits

- Station premises are well maintained
- The buildings, garden, and surrounding property serve multiple local functions
- A safer station, with a café that opens early enough for commuters
- Local jobs created as well as a training post through the local college

Rail industry benefits

The peppercorn rent is not commercial, but the value really comes in from maintenance

of premises, provision of on-station facilities, improved passenger experience and general good PR. The level of profit to be generated from commercial enterprise is always likely to be limited in rural locations.

Ideas for sharing

The CIC structure has proved to be a useful model for managing station buildings locally. The CIC provided business advice and also a financial cushion to take in the peaks and troughs of early development.

Lessons learned

- Find the right people with commitment and business skills
- Develop a good relationship between community and rail bodies
- Create the right structure for achieving ambitions – in this case a CIC
- Be realistic about commercial aspirations in a rural location and recognise the need to have a low rent to enable a rural business to flourish
- The volunteer directors give their time because they care about the place and the environment in which they live
- This kind of project will succeed because of the individuals and organisations involved, coupled with the right set of circumstances at the right time



The Bistro @ Etchingham Station

CASE STUDY 4:

Settle - Carlisle Railway Development Company

The Settle-Carlisle Railway Development Company (SCRDC) will be 25 years old in 2017. It was set up as a professional body to promote rail and the region after an attempt to close the line during the 80s. The SCRDC began with one paid member of staff, and began to grow when a commercial contract to produce timetables for the line was agreed with the train operators – now Northern Rail.

Drew Haley, Managing Director of the development company today, describes it as “a different way of running a business”. The company has built up a series of innovative on-station and rail-related business ventures with a range of SCRDC branded goods, produced locally by small businesses. Passenger numbers have grown and stations are in excellent condition. The total number of paid employees has increased to 19, with another three employed at a subsidiary café in Skipton. Annual turnover of the SCRDC is approximately £450,000.

Early on, the company approached the train operator, asking for a contract to produce and help distribute the line timetable, with a more appealing format. It believed that it could produce a better publication for less than the train operators were currently paying. A contract was agreed and the arrangement continues to this day: a significant source of income for the company and a key marketing tool, as the timetable includes advertisements and other visitor information. The contract has been extended to include running the website and social media.

The same concept was applied to the administration and promotion of a Dales Railcard, available to residents along the route (designated postcodes) and allowing one third off the cost of all local rail services, with a flat winter fare. There are 5,000 card users who also receive discounts in local shops and businesses. The card provides information for a valuable database and holders receive regular updates and offers. The company receives a

percentage of the revenue generated by the sale of these cards.

Group travel has also been devolved for the company to manage and promote. This is a lucrative market for the TOC at £16 a head, with around 20,000 passengers a year. The company receives a small percentage for running this and along with the Dales Railcard employs local people to manage this process.

The line and the stations

The Settle-Carlisle Line is one of England's most scenic railway journeys. It includes 72 miles of track, 20 viaducts and 14 tunnels. Northern Rail runs a regular service throughout the week and a reduced service on Sundays. The development company works at a number of stations and in partnership with others has delivered significant capital improvements, notably at Appleby and Settle.

Working in association with the SCRDC, *the Friends of the Settle Carlisle Line* provides a significant and extensive support system. Volunteers organise guided walks, run shops at Appleby and Settle Stations, look after station gardens, distribute promotional leaflets, and more!

The Settle-Carlisle Railway Trust is a registered charity that has restored heritage stations along the line and offers self-catering holidays at Ribbleshead and Kirkby Stephen Stations.

Community benefits

John Moorhouse, Chair of SCRDC, said:

“The region from Settle to Carlisle relies on the vibrancy of the railway.”

- SCRDC employs 19 people plus three at the Skipton subsidiary
- Promotion of the area as a tourist destination – the SCRDC is recognised as a key financial driver for economic regeneration in the area

- Valuable contracts with local suppliers indirectly safeguard many additional jobs and livelihoods. For example, the train catering trolley service has contracts with local suppliers. An excellent example of how this has lasting benefits is Country Fare in Mallerstang – a small farmhouse producer that won its first major contract supplying biscuits and cakes for the trolley service. This has allowed the business to grow and expand, currently employing 12 staff, with a good turnover
- Wider commitment to local contracts – currently 20 contracts with local suppliers that include design and print, catering, merchandise, website management

Rail industry benefits

- Peter Myers, Client and Stakeholder Management, Northern Rail, said:

“Northern Rail has an excellent relationship with the Settle and Carlisle Regional Development Company. We receive great value for money from our contracts with them for marketing and promotions and the station booking offices at Settle and Appleby.”

- 11% passenger growth in 2015
- Provides station booking office relief staff in a cost effective way that enables opening hours to be extended
- Manages a number of station car parks in collaboration with Northern, and shares revenue
- Project manages many changes including sourcing funding for station refurbishments
- Operates the station café at Skipton, using a subsidiary limited company and thereby limiting risk to the holding company's operations
- Is about to open another café, the 'Station Porter', at Settle Station, when the current landslip is fixed
- Provides good quality, locally sourced, food, which is unique, branded, and sustainable sourced. This is managed in an affordable, flexible, successful, professional and highly creative way

The recipe for success

Contracts with the train operating company have been fundamental to the successful development of the Settle-Carlisle Railway. They allowed all kinds of expansion and improvements. These contractual agreements need to be enshrined in the franchising process.



Settle ticket office

The company has a policy of sustainable development. It continually looks for opportunities to grow: any profit made is put back into the company and railway line for development. A large base of supportive infrastructure has grown up, weaving together local and rail industry interests. This requires a high level of trust between the rail industry and SCRDC. The development company also needs to be professional: willing to be flexible and embrace new ideas from the rail company.

Lessons learned

In 2015 there was a dispute with the trolley staff who had joined the RMT union. This could be a problem associated with other situations in which a large (corporate) body is unable to make a distinction between a community/not-for-profit company and any much larger, profit led corporation.

The dispute was ultimately resolved by a negotiated settlement. This kind of potential problem is of course not limited to employee relations issues.

Other ideas for sharing

Drew Haley said:

“There is great potential for replication in our model of operation. However, if things are made too difficult or unworkable, goodwill evaporates and people walk away.”

On a rural line, and especially on smaller stations that are of little commercial interest to large corporate bodies, a disconnect from the surrounding community tends to lead to a steady deterioration in which buildings become or remain empty, stations are less attractive and potentially vital infrastructure is lost. This is of especial concern to rural communities, where railway assets are not just of enormous potential in terms of tourism but also a local economic multiplier and – for many – a transport lifeline.

Drew Haley again:

“There is a role for ACoRP to play – making it easier for buildings to be opened up for use again and providing a framework that is user-friendly. Processes still need to be refined. This could help smaller community rail enterprises, currently trying to break new ground.”



Settle Station

CASE STUDY 5:

The Railway Heritage Trust in Scotland

This is an introduction to three Scottish case studies, all of which were supported by the Railway Heritage Trust (RHT). Though focused on Scotland, they provide examples of how the trust works throughout the UK.

The RHT was set up in 1984 to conserve rail heritage, infrastructure and buildings along the UK rail network. RHT receives funding from both Network Rail and BRB (Residuary) Ltd, the organisation responsible for upkeep and disposal of property no longer need by the railways.

Grants can be made for a wide range of projects that vary enormously in size and ambition. From the point of view of this study, the RHT may be a first point of call for rebuilding or reviving “tired” old railway buildings, internal and external refurbishment and the repair or replacement of fixtures and fittings. This is of particular relevance in Scotland, where a large number of rail-related buildings and infrastructure lie dormant and in danger of being lost.

The trust works alongside the Scottish Stations Community Regeneration Fund, which aims to make use of disused station buildings in Scotland, enabling business and community groups to transform redundant station rooms into facilities of benefit to local people. This initiative is funded by Transport Scotland and ScotRail and a fundamental aim is to encourage the re-use and regeneration of disused railway station buildings.

The Railway Heritage Trust aims to help the operational railway companies preserve and upkeep listed buildings and structures, and assists in the transfer of non-operational premises and structures to outside bodies willing to undertake their preservation.

The trust achieves its objectives by giving both advice and grants. It awards grants following the evaluation of an application, normally on the basis of 10% to 40% of grant-eligible repair or restoration costs, excluding professional fees and project management costs.

Andy Savage, Managing Director at the Railway Heritage Trust, said:

“We wait for people to come to us. We are fairly relaxed about business cases. Above all we are interested in improving buildings and this includes finding new uses for old buildings. Very often it will be less about restoration and rather more about improvement and modernisation. We take a practical approach.”

Andy works closely with John Yellowlees, External Relations Manager of ScotRail, on Adopt a Station and Community Rail policy. Andy said:

“He (John Yellowlees) knows what’s happening on the ground – and that’s important – you must have a good working relationship with groups involved. They have to be very committed. They have to be reliable.”

“We aim to be very responsive – we want these new initiatives to succeed. We keep procedure simple but effective and this means we can quickly give applicants a good idea of whether or not their application is likely to be successful. Our priority is to invest in Network Rail infrastructure and to reduce its overall liability. We believe that motivated local groups can contribute to looking after stations. We’ve been running for 31 years now – that is a testament to the trust’s success!”

The Railway Heritage Trust has played a key role in realising projects at Kilmarnock Station (Community Village), Pollokshaws West (Southwest Community Cycles), Dumbarton Central (Veteran’s Centre), and details of each of these now follows.



CASE STUDY 6:

Kilmarnock Station Community Village

The history of Kilmarnock in East Ayrshire is steeped in the rail industry – it is one of the last places for locomotive construction in Britain and is still home to Wabtec engineering facility and Brodie engineering at Kilmarnock. Today, Wabtec's core business is repairing, refreshing and overhauling rail vehicles, wheel sets and components including retro engineering of obsolete components. Brodie engineering undertakes heavy maintenance for all types of passenger rolling stock, and comprehensive refurbishment (exterior and interior) of modern rolling stock.

The station at Kilmarnock was completed in 1846 and is said by some to be “the home of Scotland's railways”. The first railway ran from Kilmarnock to Troon as early as 1812.

The main station is managed by Abellio ScotRail and is served by trains on the Glasgow South Western Line. It has four platforms with a significant number of rooms both on the lower level and at platform level. These remained unused for many years.

In 2014 The Kilmarnock Station Heritage Trust was formed by a group of individuals and community organisations who sought to refurbish the station rooms. The new trust secured funding from various sources including The Railway Heritage Trust, Stations Community Regeneration Fund, East Ayrshire Council's Renewable Energy Fund and Wabtec. The refurbishment work has enabled the establishment of offices, bookstore, coffee shop, gift/craft shop and two archival rooms for Community Rail Partnership use. An “active travel hub” is developing at the station, with further plans to refurbish rooms in the basement as a bicycle maintenance area and a records office for the Glasgow & South Western Railway Association. The official opening of the finished rooms, now known as Kilmarnock Station Community Village, was on 31 August 2015.

The Kilmarnock Station Community Village came about thanks to £500,000 investment. Seven

rooms at the station have been brought back into use and this is only regarded as the first phase. The project currently includes the First Class gift shop showcasing local arts, crafts and work from local colleges and schools; a coffee shop called Storm in a Teacup; a book shop called The Killie Browser, workspaces at Creative Spaces (The old Tower Room), meeting rooms, a Community Rail Partnership office and a records office for the Glasgow & South Western Railway Association. Annual footfall at the station is approximately 600,000.

Kilmarnock Station Community Village

The Tower Room is the nerve centre for a number of exciting community projects and developments. It is both shared space office and break-out space. There is a strong focus on providing space for community and rehabilitation projects – media projects, music projects, ongoing developments and cycling. The project manager is Allan Brown.

The First Class gift shop has a door onto the platform. It is an arts and crafts shop, providing a medium for local artists and all kinds of community groups – local crafters, pupils from local schools and students from Ayrshire College to display their crafts. The shop takes 10% of all items sold to go towards the running of the shop, which is on a not-for-profit basis. The craft shop also organises seasonal on-station craft fairs.

Storm in a Tea Cup also has a door onto the main platform. It is a café with home baked cakes and biscuits and fair trade and organic teas, and coffees. It is run by volunteers, including young people from a local rehabilitation unit and people with learning disabilities. Both of these contrasting groups gain valuable work experience and there is a lovely atmosphere in the café.

The Killie Browser is a spacious community library and bookshop, with open space access to the café next door. All books are donated and for sale at only £1 each. You can also re-donate them once you have read them, which all helps with the running costs. There are tables for people to read

or bring their coffee from the café. The space is calm, but more relaxed than most libraries. It can also be booked for events.

Rail industry benefits

The station at Kilmarnock is a lovely place for passenger to alight – there is a café, gift shop, and places to browse. The station feels lived in, clean, bright and cared for.

There is a sense of community identity and the high quality, well organised activities on station all help to raise the station profile. There has been a lot of media interest already.

Kilmarnock takes the idea of station adoption to a new level. Station buildings that might have fallen derelict are being given a new lease of life, attracting more people to the station and opening it up for the benefit of the wider community. It could be the beginning of an upwards spiral for Kilmarnock and of course, the busier the station area becomes, the more viable each local, commercial letting will become.

Community benefits

The bright modern facilities offer office space and meeting rooms used by a range of local groups, as well as a gift shop, book shop and coffee shop. These all provide employment and training opportunities for people with addiction and mental health issues, as well as rehabilitation opportunities for ex-offenders.

Kilmarnock was very heavily hit by the recession but the new community spaces at the station have attracted the ingredients needed for change, for supporting and rebuilding the local community in the long term. Although it's not quite there yet, one can imagine how a hub like this could evolve. The new community spaces have attracted a strong team of committed, creative and kind individuals who are creating a place of innovation, where business start-ups, social enterprise and community initiatives can start to thrive.

Recipes for success

Success begins with the right people, the right vision, the facilities and the funds. That is precisely what has come together at Kilmarnock Station. In this case, the right people are John Yellowlees, ScotRail, and Allan Brown who are driving the project; Andy Savage – Railway Heritage Trust

funding; and the local authorities and Scotland's Renewable Energy Fund.

Other ideas for sharing

The Kilmarnock Railway Station Heritage Trust also benefited from £87,000 of funding from East Ayrshire Council through the council's Renewable Energy Fund, which has been created in partnership with Scottish Power Renewables. Scottish Power's Whitelee Windfarm is positioned halfway between Kilmarnock and Glasgow. Whitelee Windfarm is the UK's largest onshore windfarm, with 215 turbines generating up to 539 megawatts of electricity.

Scottish Power said:

"As long-term neighbours we feel the benefits of renewable energy should be shared and we do this in a variety of ways. During the operation of our onshore windfarms we create and support community benefit funds, empowering communities to control how this money is spent to best serve the needs of the local area. To date we have given more than £12 million to communities across the UK."



The Killie Browser

CASE STUDY 7:

Pollokshaws: South West Community Cycles

Pollokshaws West Railway Station was completely refurbished in 2013, transforming the disused station buildings into new facilities for South West Community Cycles. ScotRail through its Adopt-a-Station initiative and Glasgow Building Preservation Trust have supported the project. The result is a state-of-the-art new centre.

The station is a short walk from Pollok House and the Burrell collection, and set among extensive city parklands. South West Community Cycles' core business started as the repair, sale and hire of bicycles with broader community aims to "get local people cycling through the provision of affordable bike-related services and activities". The centre provides free bike repairs to children, low-cost bike hires and sales, training, events and the newly refurbished station premises include a coffee shop. The Pollok Country Park nearby is an ideal place for cyclists of all abilities and ages. It has miles of track-way including three mountain bike circuits. Pollokshaws West Station can be reached from Glasgow city centre via the Glasgow Central to Barrhead and East Kilbride Lines.

Pollokshaws West Station is situated on Glasgow's south side. The station was built circa 1847 and is the oldest surviving railway station in Glasgow. Before renovation work began in 2010, the station buildings had been 'sterilised' – the interiors were stripped out with only walls and floors left – and left empty. Following three years of extensive work, the Grade B Listed buildings have been beautifully refurbished using traditional timber panelling and high levels of modern insulation with a modern, wood chip heating system throughout. Annual footfall at the station is approximately 140,000.

Positioning is important. While only a short journey out of Glasgow city centre, the station is very close to a vast area of parkland with cycle trails.

South West Community Cycles

The station buildings re-opened in August 2013, becoming home to a local community business – South West Community Cycles. It is set up as

a Scottish Charitable Incorporated Organisation (SCIOs are able to enter into contracts, employ staff, incur debts and own property). Repairing, selling and hiring bicycles has always been a core business. Cycle hire costs from £5 and concessions are available. Cycles are available to suit a range of different needs and include cycles for adults, young people, children and children with disabilities. Low cost cycle repair and cycle repair training is provided and especial focus is on providing activities and courses for youth groups.

Cycle training courses in nearby Glasgow Pollok Country Park are run by Cycling Scotland and Glasgow City Council in association with the centre. The courses are run by accredited trainers who can deliver a range of training from basic control skills through to on-road journey planning or introductory mountain biking.

After the training, participants can enjoy the various cycle routes offered by the country park, including lovely woodland and open countryside. Set up for different abilities, the cycle circuits are categorised as:

- Gentle circuits for all abilities
- The green circuit, providing an ideal introduction to mountain biking
- The blue circuit, which includes steep terrain and varied surfaces
- The red circuit – more demanding and testing, with the opportunity for keen cyclists to challenge their ability and nerve

The organisation has also set up a café and offers room hire with conference equipment starting from £13. This includes five different spaces including a boardroom for formal meetings; shared office space for collaborative working; a theatre for presentations, and a classroom and u-shape room, which was designed to enable and encourage open discussion.



Pollokshaws: South West Community Cycles

Rail industry benefits

The renovation and re-purposing of the old buildings has transformed Pollokshaws Station. The Tour de Coffee shop on Platform 1 is open to the public at busy times and provides very good quality food and drinks.

Anne McChlery of Glasgow Building Preservation Trust said of the station buildings:

"We had to fit out the whole interior – from being a shell to becoming a multi-use centre with cycling being the main purpose. Interiors had to be insulated and lined with wood panels, bespoke shutters installed to provide security when the building is closed, a new lighting system and new services."

"The bicycle business brings people through the station and makes everyone feel safer and more likely to use the station."

Community benefits

South West Community Cycles works in partnership with the Glasgow Health Authority to relieve poverty, improve the health and education of local people and protect the local environment by providing affordable bike-related services and activities.

The station initiative also helps to promote and support The Burrell Collection, which is kept at a museum amid the parkland. It houses one of the greatest art collections in the world, consisting of more than 9,000 antiquities, objects, tapestries and paintings. The collection was created by Sir William Burrell. It includes stain-glass panels, arms and armour, architectural features from buildings around the world, gothic art, Chinese ceramics, sculpture, furniture, tapestries, medieval art and over 300 paintings from some of the world's best-known painters, including Degas, Monet and Rembrandt. In 1944, Sir William and his wife, Constance gifted the collection to the city of Glasgow to be enjoyed and admired by all.

Recipe for success

One great strength of this project was to include all kinds of organisations in the structure – from health authority to cycling clubs and from rail industry to local community groups.

John Yellowlees of ScotRail says that in all the projects he's involved in, the main recipe for success was having the right people at the right time to drive these developments. The particular driving force behind this project is Alyson Tannahill, who has recently been unable to work due to illness. Alyson brought in excellent people and organisational partnerships to share the vision and help drive the project forward. Fortunately, this strong network carried on the project in Alyson's absence.

Scotland's supply of empty station buildings, coupled with financial support from both ScotRail and Railway Heritage, plus local authorities means the door is open for new business ventures.

Other ideas for sharing

South West Community Cycles shows how local people with vision and local knowledge can spot a new opportunity. In this case a unique opportunity to bridge the gap between Glasgow communities, station facilities, rail connectivity and the wide expanse of city parkland. This was a brilliant and timely idea, and it has been carried out to a high standard, attracting an impressive array of partners. Pollokshaws West was without a doubt the perfect place to set up a cycle-based business, connecting quickly and easily to a wide area of Glasgow via the rail system. One of the principle drivers for this project was the collective will to address climate change through promotion of sustainable mobility and this is reflected in everything from the luxurious zero carbon heating system to the desire to share cycling with the masses.



Pollokshaw Plans

CASE STUDY 8:

Veteran's Centre at Dumbarton Central

This unique drop-in centre for veterans of the Armed Forces is located in a formerly derelict premises on Dumbarton Central Station. The £84,000 refurbishment project was funded through the Station Communities Regeneration Fund, a legacy from the previous First ScotRail franchise, and the Railway Heritage Trust.

The team describes the centre as: "an advice centre with a lounge area for a brew and a blether, and an information and sales area". The centre opened in August 2015 and is staffed by a dedicated and delightful team of volunteers, all ex-services themselves. They provide vital support and access to health, education, housing and transport services for current and former service personnel. The station building was originally a waiting room and has been transformed by donations of medals, photographs and all kinds of extraordinary memorabilia into a kind of armed forces Aladdin's cave. It's a popular place to go for veterans, providing information and advice, a social area and kitchen.

Dumbarton lies on the north bank of the River Clyde, 13 miles from Glasgow. The town has an estimated population of 20,000 but also forms a conurbation with Alexandria, Bonhill and Renton so the combined population is nearer 45,000. The town was once a centre for shipbuilding, glassmaking, and whisky production. However, these industries have declined and the town increasingly functions as a commuter town for Glasgow.

Three railway stations serve the town: Dumbarton Central, Dumbarton East and Dalreoch Stations. All three are situated on the North Clyde Line, which provides a direct link from Helensburgh, through Glasgow Queen Street, to Edinburgh Waverley. Dumbarton Central Station opened in 1850. It was built with two island platforms, although

only three of the original ones are now in use. It's a massive old place and feels rather lonely. There are no facilities on the station other than seating, an ATM and toilets/waiting room. Annual footfall, however, is quite high at approximately 730,000. Paul Cross, General Secretary of the Armed Forces Veteran Association in Dumbarton and a dynamic character, is the driving force behind the refurbishment and re-purposing of station buildings at Dumbarton Central. He said:

"It used to be the old waiting room on Platform 2. It was quite dilapidated, and so we put in for grants from the Railway Heritage Trust to get it back up to standard."

Local construction professionals were employed to renovate the centre. As well as refitting the room, they worked hard to restore all its stained glass and get the woodwork looking as it probably did in times gone by. The association received grants from ScotRail and Railway Heritage, which gave it the opportunity to refurbish the room, along with installing new lights and a heating system. It now houses an information and advice point, social area and kitchen. On Platform 3 the association wants a new disabled toilet and an interview room. Work has not yet begun on this phase.

Community benefits

It's important that ex-service personnel can access the support and advice they need from within their local communities. Paul believes strongly that our veterans should be treated with the respect they deserve. The aim is to help any veteran from any conflict with advice, information or, if needed, one-to-one counselling on various problems. The team works closely with major charities when more detailed assistance is needed.

Help includes:

- Supporting veterans facing mental health problems, including depression, anxiety or dealing with post-traumatic stress disorder
- Mentoring
- Housing advice
- Debt advice
- Help with mobility for veterans after accidents

Rail industry benefits

Dumbarton Central is a great big, drafty place and much in need of a little care to bring it back to life. While this is never going to be a big money earner,

the station can only benefit from the refurbishment and bringing back to life of these station rooms.

Recipe for success

The team of volunteers is very well organised and committed. The recipe for success is probably having a Paul Cross to pull it all together – an extraordinary and kind man.



CASE STUDY 9: Tyne & Wear Metro

The Tyne & Wear Metro is a modern light rail system serving Newcastle, Gateshead, South Tyneside, North Tyneside and Sunderland in the Tyne and Wear region. TW Metro opened in 1980 and provides approximately 40 million public journeys a year on its network of 46 miles. It is one of only three light rail systems in the UK. TW Metro is currently operated by DB Regio Tyne & Wear Limited on behalf of Tyne and Wear Passenger Transport Executive (Nexus). There are 60 stations in total, and local retail, art and community activity is flourishing at a number of stations.

TW Metro is an icon for the region. Since 2010, DB Regio has delivered metro operations on behalf of Nexus. Within this remit is a strong commitment to work with and engage the local community and also to bring new enterprises to vacant rooms and facilities at the stations. This case study describes how the metro successfully handles community engagement and enterprise initiatives.

Community engagement

- Regular 'meet the manager' events are organised across the metro system so that

passengers and local people can meet and speak to senior managers and metro staff about anything metro related

- Regular topical question and answer sessions also take place on social media pages
- Residents feel more respect and understanding for the metro. Opportunity to receive and act on customer feedback equals a long-term positive effect on product and passenger usage

Social media engagement is an opportunity that can easily become overwhelmed, especially since the recent rise of the 'keyboard warriors' who post aggressive messages on the internet. A strategy is required to manage this and may lead to less overall interaction.

Adopt a Station

The Adopt a Station scheme was established to help improve links with local communities and customers living near the stations. This voluntary scheme set out to encourage community groups, schools and individuals to help with the upkeep

and maintenance of the stations. A good example is at Benton Station, which was adopted by the Percy Hedley Foundation. The group has gone on to design and make its own planters for the station.

Art on metro

Working with local artists, community groups and schools to make metro stations friendly, lively and welcoming places. There is evidence to show that when stations feature the work of local people the likelihood of vandalism is reduced.

Community noticeboards

DBTW Limited maintains approximately 58 community noticeboards throughout the Tyne & Wear Metro network. It is a free service to promote local community services, activities or events within their relevant areas. The noticeboards are specifically designed for charitable and voluntary organisations and where applicable not-for-profit groups.

Mini events

These are for all kinds of people to come and find out about how their public transport service is run.

Customer service

Staff are trained to understand the needs of people with disability and people suffering from dementia.

Enterprise – community managed – Whitley Bay

An overlap between pure community enterprise and evolving SME businesses is nicely illustrated by the station-based project at Whitley Bay. A not-for-profit residents' group took on an old unit at Whitley Bay Station in 2010. The project was fronted by a lecturer from Durham University – Dr Duika Burges-Watson.

Called 'The Station Master's Centre', it became an integrated centre for health and wellbeing, extending gradually to include a yoga studio and café. Further station-based developments included office and storage units, public toilets, and a restaurant. The Nexus-owned trackside land and former station master's garden attracted attention early on in the project history.

For the previous decade or so, the station master's garden had been untended. It was valued by the local community as a green barrier to the train line, but was used, on occasions, for less healthy pursuits and crime.

A local officer from the Whitley Bay Station invited residents to a meeting to discuss the future of the land. He invited metro operators, the local council allotment officer, police and all the local residents. A resident-based group formed and got together a plan and the funds to tidy up and then re-landscape the garden.

The garden opened to the public in 2013 and grows sufficient fresh vegetables to supply the station café. Numerous community events are held in the garden, including food surplus sharing, barbecues, food demonstrations, planting demonstrations, composting parties and more.

Commercial enterprise

At Monument Station in central Newcastle and at the heart of the metro network, a travel shop that closed some time ago has a plan in place for full refurbishment into a hot food deli. And just opposite, rail-based Amazon collection lockers are due to be installed, the first in the region.

"Retailing is about presentation – and understanding what people want. I was having a drink with a friend and we realised that a lot of people don't get their Amazon parcel deliveries because they are out at work when the delivery arrives. In a city, that means you have to make time to go to a post office to collect your deliveries – but if you commute, wouldn't it be easier to collect them from the station on your way home, instead?"

Andy phoned Amazon and explained the idea. A representative visited DB Regio and a deal was agreed. All being well, five sets of Amazon collection lockers will soon be installed in five of the busiest TW Metro stations, with the remaining stations to follow thereafter.

Community benefits

TW Metro has developed a strong connection with and understanding of community. This has led directly to:

- A willingness to listen and to consider unusual and independent ideas from the community
- Innovative ideas that reflect both the community and the need to be commercial and very often a combination of the two

Specifics

- Making stations safer and cleaner, engaging with local groups and schools pro actively through art and activities
- Providing new opportunities for local groups to develop – from local markets to local businesses – in disused units
- Bringing waste land around stations back into a positive use, leading to health and local security benefits
- Providing innovative and relevant new facilities for passengers, helping to create vibrant enterprise hubs at stations in both urban and rural environments

Rail industry benefits

- Creating a long-term basis for trust between rail industry and local groups. This will translate into livelier and better cared for stations, which are safer and attract more customers
- Creating new sources of income for the rail industry
- Maintaining premises that are not currently required for rail use

Ideas for sharing

- The realisation that not all the real value of a project is shown on the balance sheet – especially not in the short term
- Opportunities to replicate the idea of Amazon collection lockers at stations
- Sometimes it's worth considering a rent-free period to allow a new, small community venture to get off the ground
- Long-term thinking is essential and this can be jeopardised by short term delivery contracts
- It's all about finding and then supporting the right people and creating the circumstances in which their ideas can flourish

Lessons learned

Long-term development and planning is important. Short-term financial choices should not trump longer term objectives.

In a competitive situation, over promising during a bid for franchise or concession can cause problems. This can be exacerbated during the first three months of a new contract for the operator, when a team of consultants comes in to set things up (things they won't be expected to deliver themselves). The risk is a gap between promises made and capacity to deliver over the duration of the franchise/concession.



Art on metro

CASE STUDY 10:

GWR small business initiatives: Lobsters and Tea from the West Country

In the West Country, GWR has been engaging in some small business developments of its own. High value fish carried by train is one interesting initiative, and the use of Cornish grown tea is another. Here they are, starting with The Tale of the Lobster...

This study was prompted by learning of the new GWR service carrying fresh, high value seafood (including lobsters) from Cornwall to London, using pre-existing capacity in the Penzance – London passenger service. The service was launched in November 2015, allowing time for teething before the busier spring and summer season.

“We are keen to support local businesses along our routes and to develop the ‘fish by train’ initiative we partnered with InterCity RailFreight (ICRF),” said GWR’s Gauthier Hardy.

ICRF has developed a number of successful initiatives, all using existing passenger services, to move packages that are time sensitive, high value, fragile or a security risk – or any combination of the above.

Businesses – in many but not all cases SMEs – contract with ICRF to have packages collected from their premises and couriered to the railway station. They use a normal timetabled passenger train service to the destination, where the consignment is met by a courier and delivered to the final customer. At present these services go to London, but other destinations are being evaluated. The ‘final mile’ collection and delivery partner is WEGO Carbon Neutral Couriers, which specialises in cycle logistics as well as electric vehicles for urban distribution.

“Our main goal for the fish service is to support local Cornish small businesses and communities by making use of spare capacity on our trains that would otherwise go to waste,” said Gauthier.

ICRF’s Jeff Screeton shares these aims:

“Most people associate Cornwall with summer sun and cream teas: the reality is that the county suffers from great poverty, seasonal unemployment and pressure on local resources. Rail services of this nature can make a big impact on the drive towards sustainable growth: some SMEs have huge potential but the distance between Penzance and London negates the use of road carriers due to the risk of damage.”

The same issues of rural poverty (and concern over food miles and carbon emissions) must mean there is considerable scope for more schemes like this, across the whole UK.

Getting the concept of moving small freight by rail taken seriously hasn’t been easy or quick. It took GWR nearly two years to move from project concept to delivery. Station staff and train crew hadn’t had to deal with freight for many years and needed to be trained. Arrangements had to be made to ensure that passengers were not inconvenienced and stock unloaded or loaded in time for prompt departure.

Performance conscious train operating companies have also had to be reassured that carrying freight will not impact on Public Performance Measure (PPM) statistics. Jeff commented that:

“With five years’ experience of loading goods at both terminal and intermediate stations we have never increased station dwell times.”

ICRF – using East Midlands Trains – started moving time sensitive legal documents from Nottingham to London in 2010 (you don’t tend to think of lawyers as SMEs but many are). Jeff said trains from Sheffield, Nottingham and Leicester now carry:

“Everything except elephants and kitchen sinks.”

ICRF produces the necessary safety and security protocols along with a myriad of operational processes and documentation to ensure that there is no appreciable increase in the TOC’s risk profile or contravention of its safety case. ICRF has also smoothed out communications between SME customers and the complex, fragmented rail industry to ensure that the entire distribution operation runs like a well-oiled machine.

The rail operation does not use hubs and for this reason the supply chain risk profile is much lower enabling full insurance to be offered to customers. This can be one of the most critical factors affecting SMEs and can make a huge difference to their business growth profile.

Some examples of this: ICRF has recently moved a cake sculpture and premium cake samples to London for exhibition. It would have been impossible to consign this with a road carrier for obvious reasons and the alternative, hiring a van, would not be cost effective. High-end ceramics are another example of SME activity that benefits from a service that does not use hubs: likewise, live shellfish, which carry a substantial value, benefit from point-to-point transport.

The reliability of the rail service is such that since operations began in 2011 not a single item has been lost, stolen or damaged. Jeff said:

“It’s not easy to re-educate customers to think of using rail as a delivery service when for so many years we have assumed that goods would move by road. But we have found that when properly marketed, we can help customers realise that using rail adds value. It enables our customers to differentiate themselves in a national market by providing authentic, locally produced products – delivered using a sustainable, low carbon means of transport.”

One key learning point from this example is that what is on the face of it an ‘easy win’ – using spare carrying capacity – in reality requires:

- Customers to be receptive to a change in the way they are already doing something, by seeing that in so doing they will be providing a premier service their own clients
- Building good working relationships with other transport providers such as WEGO
- A great deal of rail industry ‘behind the scenes’ work in establishing reliable processes and procedures, including staff training
- Monitoring to ensure that all goes to plan (and having a plan B when it doesn’t)

This case study shows that it can be done – so the tale of the lobster may soon need to be rewritten to include pasties and daffodils. And now it’s time for tea ... grown in Cornwall!

“Taking on the world ... by train.”

These are the words of Jonathan Jones, Managing Director of Tregothnan, one of the many small food and drink suppliers now being used by Great Western Railway to help enhance the quality of its customer experience. Tregothnan tea is now the only brand served on all GWR First Class complimentary services: over one million of its tea bags are used each year.

GWR believes that part of its corporate duty is to support local producers and suppliers along its routes where possible. Suppliers benefit not only by selling more product, but also by being able to use the railway as a shop window.

“GWR is a great launch pad for us,” said Jonathan.

Both GWR and Tregothnan are proud of the fact that their collaboration has enabled Tregothnan to create six jobs in the hard pressed Cornish job market.

Jo Elliott, GWR Head of Customer Engagement, spends time looking for new suppliers who can offer something more than ‘the same old brand’. In 2015 GWR (then First Great Western) ran a campaign promoting the way in which the company’s network helped small businesses bring their product to market and how it was working to expand its use of locally based suppliers. The company now sells over 100 items and ingredients sourced from along its routes.

Jo, and colleagues from partner organisation Rail Gourmet, visit food festivals and fairs looking for new products and suppliers who can improve the customer experience in a way that enhances the GWR brand. At present the search is on for a GWR muffin!

“It’s not just the product that we need to check out,” said Jo. “Packaging, delivery lead times, shelf life and many other factors including pricing will determine whether we are able to work with a particular supplier.”

Having decided to adopt a particular product, GWR uses Rail Gourmet to do the buying and look after supply chain logistics. It’s not simply a question of ‘cheapest is best’. GWR recently introduced Wolfy’s porridge to replace a less costly national brand. Wolfy’s, based in Stroud, costs significantly more but the customers keep coming back for more. The same is true for Devon-based Luscombe drinks. Its fruit juices, though in smaller bottles than the previous brand, are packaged in glass not, as with the previous supplier, plastic, and are selling very well.

Jo is enthusiastic about using local suppliers, ideally from within 15 miles of the railway. She said:

“The recipe for success if you want to be one of our smaller, locally based suppliers, is to identify a gap in our range, ensure you have food standards accreditation, and be prepared to work with our supply chain criteria.”

Community benefits

- Job creation in local community
- Accessing profitable metropolitan markets

Rail industry benefits

- Making use of existing unused capacity
- Supporting the economic regeneration of the area the railway serves - creating a virtuous circle

Lessons learned

- The “lead time” of such apparently simple projects can be considerable - you need to be patient and persistent



Fresh seafood from the West Country

Lessons learned – and recommendations by Paul Salveson

A good relationship between the business and the train operating company (TOC) was fundamental to the success of each of the projects. That takes time to build – it needs trust and consistency, ideally with little changeover of personnel.

Having the flexibility and willingness to negotiate a reasonable rent that is realistic in terms of local or commercial potential is crucial. TOC willingness to bring the premises up to a good standard and maintain them is key to ensuring that businesses willing to pay a reasonable rent will flourish.

Critical to success is the contribution of the Railway Heritage Trust in not only funding capital improvements to buildings but also ensuring they have an appropriate use.

Independent retailing can work where a conventional TOC approach won't. Most of the case studies that were looked at were not directly involved in ticket retailing; the exceptions were Severn Dee Travel at Gobowen and the Settle-Carlisle Railway Development Company (SCRDC). There is clearly potential for encouraging more initiatives such as these but at the same time it needs determination and energy.

There are about 40 independent ticket retailers around the UK, many based on stations (e.g. Chester-le-Track, Newtown, Pembrey and Burry Port, and Llandrindod). Most tend to function at locations where a conventional TOC booking office business model would not work. Is there scope for more of these? Undoubtedly yes, even accepting that the number of passengers wishing to buy tickets from a traditional booking office is in steady decline. However, the independents offer a bespoke service for passengers wishing to make often complex journeys.

The business model for an independent ticket office is very different from that of a TOC: it is nearer that of a corner shop, where the business stays open as long as necessary (some are bound

by Office of Rail and Road minimum opening times) and can offer retail products beyond just tickets.

Contracts with TOCs can offer good value for money and long-term financial stability. A major part of the success of the SCRDC was developing contracts with the train operator for the delivery of some services previously done in-house. The development company manages the Dales Railcard and produces and distributes the timetable for the line. This is cost effective for the TOC (Northern) and ensures the publicity gets out to the right places both within the route corridor and further afield. Refreshment on certain services is another service previously provided by the TOC, which the development company now undertakes – generating it a small profit. As it's a not-for-dividend company, profit is recycled into the range of services it provides.

Getting the right mix of people and the right structure for the business is vital. Running any business is hard work and requires a range of skills. Enthusiasm and commitment are an essential starting point but on their own they are not enough. Having expertise such as financial management, HR skills (even small business can run into industrial relations problems), marketing and – critically – teamwork – is essential.

The small business needs an appropriate structure to harness those skills and this will depend on its activities. While a simple 'sole trader' model may be appropriate in some instances, a limited company minimises risk and provides a clearly-understood framework. The SCRDC is a good model for a business developing a range of activities and employing staff. Potentially, it could be structured as a Community Interest Company.

On the TOC side, it is equally important to have a main point of contact who understands the business. An excellent example to follow is DB Regio Tyne and Wear Metro, where estates

managers work with the small business to develop their proposition. Training is critical to the success of these initiatives and there is considerable scope for expanding such resources. At the same time, succession planning will ensure that managers with years of accumulated knowledge and contacts are able to hand over that knowledge to younger colleagues.

New entrants should be welcomed and encouraged. It can be bewildering for a small business to find its way around the railway industry. The work of ACoRP, and in particular its stations officer, is an important part of the process but one person covering the whole of the UK clearly isn't enough. TOCs and local community rail partnerships should look out for potential partners in the business community, whether for station tenants or provision of other services.

It should also be recognised that small-scale business development can be 'slow burn', needing time and nurturing to develop. There will be occasional reverses and failures, which is part of any business. On the positive side, it's important to have something to aim for and develop.

These developments need support from the top. The positive developments we have seen with GWR, ScotRail and Northern owe much of their success to having a supportive MD and leadership team. If these initiatives are seen as peripheral and unimportant, with no dedicated management resource, they will struggle to succeed.

Network Rail must be a positive part of the process. The recent publication of the Shaw Report underlines the importance of Network Rail working closely with its customers. Most of the case studies primarily involve the train company (e.g. as lessee of the station or operator of train services) but Network Rail's involvement can be of great importance. This typically applies to landlord's consent issues for developing a building in the TOC lease, but can also relate to siting of new facilities such as the 'transportable community hub' which is being installed at Llandeilo.

Recommendations

- Train operating companies would benefit from a dedicated resource at senior level for working in a positive and proactive way with small businesses. It is recommended that each TOC has a 'champion' and succession planning is built into that role

- TOCS may also gain from working with ACoRP and Community Rail Partnerships (CRPs) to identify areas where there is potential for further collaboration with small businesses e.g. in marketing, ticket sales, complementary transport including community transport, car and bike hire, station maintenance and catering (on-train and at stations)
- The Department for Transport's successful encouragement of work with SMEs through the franchising process is welcomed and it is suggested that the process is monitored
- The ACoRP stations officer role is so successful that it is felt that it could be 'regionalised' with a regionally-based stations development officer working with TOCs, CRPs and station friends, alongside business groups such as the Federation of Small Businesses, local enterprise partnerships, chambers of trade or commerce and similar groups. It is suggested that regional officers could even be trained to assist small businesses to develop an understanding of railway procedures, as well as signposting them to other more general training opportunities provided locally
- It is recommended that Network Rail's new devolved structures include a role for a local business development manager who could act as the direct communicator with the TOC role suggested above and work directly with small businesses on relevant issues such as development land and buildings not within the TOC lease
- TOCs might also benefit from allowing independent ticket retailers to offer internet-based special offers to customers, since many potential customers don't own a computer or do not have skills to access these deals
- Train operating companies are advised to be realistic about the level of rents charged. Offering tailored packages beginning on a peppercorn rent basis and growing towards a commercial rent is in everyone's interest. Also, TOCs might consider profit sharing arrangements with small businesses so that everyone benefits from business growth. Clearly this must be based on strong relationships of trust and transparency

- ACoRP believes that it has an important role to play in disseminating good practice among SMEs (the annual Community Rail Awards are an excellent way to do that). It is suggested that there is a specific category based on the theme of 'New small business initiative', to be sponsored by a rail business. ACoRP could continue to promote positive examples through its website, the newsletter Train on Line and social media. It should consider setting up a sub-network for ACoRP for commercial enterprises, whether not-for-dividend, social enterprise or owner-managers. This would provide a much-needed network for the burgeoning small business sector active within rail. There is a particular need for independent ticket retailing agencies to network and share information, as well as providing a focus for lobbying on issues of shared concern
- It would help to encourage community groups to have a suitable structure, which both protects the members from business failure and provides a suitable legal framework. It is suggested that advice is best sought from bodies like Co-operatives UK and ACoRP. The Community Interest Company approach, used by some of the case studies, combines a clear statement on its social and ethical goals as well as a business framework

Finally, while the celebration of successes and sharing of best practice is strongly urged, the occasional failure should not be feared. Any business has an element of risk, though the actual risks involved in these cases are small in the overall scheme of things. A lot can be learned from the failures: the important thing is to try...



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CAUTION
Please look at the floor.
Do not stand on seats or other
high places and keep hands in
the handrails.
All walking surfaces covered in the
snow and the emergency exits
located on the sides of the bus.

Alexander
Milton

