

Lynton & Barnstaple Railway



Impact on the Local Economy

The railway has prepared detailed Business Plans for its future operations. These show that after an initial capital injection to construct the railway the business can be operated at a surplus even under conservative financial assumptions.

Business Plans have been prepared for this Phase (IIA), all of Phase II (Lynton to Wistlandpound) and the entire railway (Lynton to Barnstaple). Our current operations (Phase I) provide a reliable history of income and expenditure on which to base future assumptions.

From the key assumptions in the Phase IIA Business Plan

- 70,000 passengers per year
- 250 operating days per year
- 8 return trips per day
- future ticket sales discounted by currently achieved sales per passenger
- all current cost categories increased by realistic 'multipliers'

we can show that the following outcomes are reasonable predictions.

- Return to the local economy during construction and initial 5 years of operation: £70 million after a £16.5 million capital investment
- Return to the local economy (future operations): £9 million per year
[88% of our revenue is spent in the local area]
- Creation of additional local jobs: 78 full-time
[20 at the railway and 52 in the local economy]
- Operate the business at a surplus: 5 to 21% of turnover
[this varies according to assumptions about the amount of volunteer labour, nil to 50 % in certain jobs]

Other expected impacts are:

- Removal of 35,000 cars journeys per year from the A39
- Improved access to Wistlandpound Reservoir