

Transport and Works Act 1992

The Transport and Works (Inquiries Procedure) Rules 2004

The Proposed Rother Valley Railway (Bodiam to Robertsbridge Junction) Order

Rebuttal of proof of evidence of Mrs. Ellie Evans

by Thomas Higbee

Introduction

1. This rebuttal addresses certain points in Mrs Evans' evidence where a response in writing may assist the inquiry. The fact that other points are not specifically responded to does not mean that they are agreed.
2. The evidence of Mrs. Evans is clear that the RVR will generate local economic benefits. Secondly, it is implicit that the approach to the estimation of these benefits is accepted by Mrs. Evans, insofar as the economic impacts are a function of the increase in visitor numbers, and that the economic benefits are calculated through applying a direct spend per visitor and an appropriate multiplier to assess the indirect (and induced) effects.
3. Mrs. Evans focuses her critique on a number of individual assumptions in the application of our approach, and consequently around scale of economic benefit that would accrue. Our rebuttal addresses the key assumptions that are contested in Mrs. Evans' evidence.
4. Mrs. Evans also questions the commercial viability of KESR with the RVR, which we also address in our rebuttal.
5. Our response is framed around four themes which broadly accord with sections of Mrs. Evans evidence. These are:
 - **Commercial viability of KESR**, addressing points made in Section 3 of Mrs. Evans evidence (OBJ/1002/EE/1 Section 3);
 - **Visitor Demand Resulting from the RVR**, addressing points made in Section 4 of Mrs. Evans evidence (OBJ/1002/EE/1 Section 4);
 - **Economic Benefits of the RVR (Central Case)**, addressing points made in Section 5 of Mrs. Evans evidence (OBJ/1002/EE/1 Section 5), as they relate to our central case forecasts; and
 - **Economic Benefits of the RVR (Investment Plan scenario)**, addressing points made in Section 5 of Mrs. Evans evidence (OBJ/1002/EE/1 Section 5), as they relate to the 'Investment Plan' scenario reported in RVR/09.

Commercial Viability of KESR

6. Within OBJ/1002/EE/1 Section 3: The Current Operations of the KESR, Mrs. Evans reviews the commerciality of the railway, arguing that the railway "relies upon donation and legacy income (average

£283k per annum but volatile each year) to remain financially viable” and, more broadly, that additional passengers on the railway will damage commercial viability unless donation and legacy income increases in proportion with the additional passengers.

7. This represents a significant misunderstanding of both the current operating model of the KESR, and the fact that – in keeping with typical public transport operations – additional passengers can be carried at very limited additional marginal cost.

Current operating model and financial performance

8. Firstly, the KESR has operated with a positive net income, on average, across 2013-19, as shown in Table 4 of Mrs Evans’ proof. The KESR is not a profit ‘maximising’ organisation, as it serves a charitable and community purpose – and therefore has historically aimed to operate at a modest margin. The KESR was also recently awarded £552,200 of funding from the Culture Recovery Fund; a key requirement of the Fund is that the organisation must be commercially viable, demonstrating the view that KESR is financially sustainable in the long-term.
9. The KESR’s long-term commercial objectives, irrespective of the RVR, is to move towards trading income funding operational expenditure, with non-trading income funding capital investment. This will be achieved through:
 - Reducing costs, including staff costs, in part from reducing ‘set piece’ events (that require paid staffing) to more ‘themed and on-train events’; and
 - More dynamic demand and capacity management, with a higher percentage of online bookings, enabling capacity requirements to be better planned in advance and the most appropriate type of rolling stock deployed accordingly.

Ability to carry additional passengers at marginal additional cost

10. Secondly, it is entirely false to extrapolate from the current expenditure per passenger of £23.20 to argue that this would be the cost of facilitating every additional trip generated by the RVR. The majority of the costs of the KESR – alongside any railway network – are fixed, and incurred irrespective of the volume of passengers, and hence additional passengers can be carried on the KESR at minimal additional cost. Since RVR provides the ability to generate a significant uplift in passenger numbers, it would make the operation significantly more – rather than less – viable.
11. Crucially, RVR enables a far more efficient passenger loadings, compared to the service today. Currently, most passengers board at Tenterden in the morning, and make a return trip across the course of the day. This means that the morning departures from Tenterden are heavily loaded, as are afternoon returns from Bodiam; but that morning departures from Bodiam, and afternoon departures from Tenterden, are very lightly loaded. This is similar to the operation of a mainline railway; commuter trains arriving into London in the AM peak are very busy, while those leaving London in the AM peak are often almost empty.
12. Since passengers generated by the RVR will arrive and depart from Robertsbridge, this provides the opportunity to better balance passenger loadings in both directions. Those making return trips, starting from Robertsbridge in the morning for a day trip, will fill up empty seats that are already operated (as far as the current end of the line at Bodiam), and hence the additional cost of carrying these passengers is very marginal. This will enable the KESR to carry significantly more passenger by better utilising spare, existing capacity.
13. Furthermore, if additional capacity is required, there is the ability to run services with additional coaches, and/or run higher capacity rolling stock (e.g. a locomotive with carriages, rather than a multiple unit) without running additional trains. Lengthening current services, and carrying more passengers on each service, significantly reduces the operating cost per passenger and improves the viability of the railway.

14. Lastly, the RVR is anticipated to result in 1-2 additional paid staff, alongside additional volunteers. The cost of an assumed 1.5 additional part-time workers is circa £14,600 per annum, as set out in RVR/09 Para 4.83. This increase in paid staff is noted by Mrs. Evans to be “quite reasonable given the 25% increase in total visitor numbers in the central case” (OBJ/1002/EE/1 Para 5.97). The incremental revenue of an additional 22,000 trips, as forecast under the central case, is circa £400,000. While there will also be a small increase in other costs (such as coal and maintenance for trains running longer distances), the scale of additional income with respect to costs demonstrates the ability for the RVR to significantly improve the current financial performance of the railway.

Visitor Demand Resulting from the RVR (Heritage Railway Case Studies / Catchment Analysis)

15. Within OBJ/1002/EE/1 Section 4: Heritage Railway Case Studies, Mrs. Evans assesses the passenger numbers, catchments and reliance of ‘special services’ to undermine the argument that the KESR will generate a long-term increase in passenger numbers on the KESR. We consider each of these points in turn below.

Passenger catchments

16. Mrs. Evans estimates both the 90-minute public transport catchment, and the 30-minute highway catchment, of the existing and proposed KESR, plus three other South East heritage railways. This assessment both underplays the scale of increase in the new rail catchment, and overstates the role of competition between heritage railways within the same catchment. Table 1 below summarises the scale of the new rail catchment, as reported within our evidence (RVR/09 Table 4-4):

Table 1: New Rail Catchment to KESR (RVR/09 Table 4-4)¹

Rail travel time (mins)	Population
0-30	37,800
30-60	177,200
60-90	459,200
90-120	4,330,400
Within 120 minutes	5,004,600

17. This represents a new potential rail catchment of the KESR of approximately five million people, all accessed via Robertsbridge. Conversely, Mrs. Evans argues that the 90-minute public transport catchment of the KESR today is 684,000, increasing to 1,211,000 post-extension, an increase of 527,000 people. This is distortionary for two main reasons.
18. Firstly, Mrs. Evans assessment considers both the new rail catchment from Robertsbridge, **plus** the existing bus catchment from Tenterden, to give the impression the existing 90-minute public transport catchment is significant. We have not included the bus catchment to the KESR, and consider it false to do so, as:
- Rural bus services to the KESR are limited, and do not represent an attractive mode of travel for people to access the railway. Direct bus services run only from Tenterden to Maidstone, Ashford and (occasionally) Hastings; the vast majority of the existing 684,000 90-minute public transport catchment argued by Mrs. Evans would be required to change to heavy rail at Ashford or Maidstone, and/or further local bus services.

¹ Steer analysis based on catchment analysis using 2018 rail travel times to Robertsbridge station at off-peak periods from all potential origin locations, using TRACC software.

- In reality, this journey would appeal to very few individuals, and in particular families with children. It requires advance knowledge and understanding of the bus service, stop locations and timetable (which is difficult to find for an average visitor to an unfamiliar place), the requirement to interchange between modes despite the lack of an advertised, timetabled connection, and to purchase multiple ticket types for bus and rail.
- Today, KESR report that almost all visitors currently access the railway at Tenterden by private car, with a small proportion arriving by organised coach tours. There is little evidence that, in reality, local bus forms a significant access mode to the railway, and hence the existence of the bus catchment is illusory in practice.

19. Furthermore, the scale of the new rail catchment at Robertsbridge is understated by the arbitrary 90-minute 'cut-off' adopted by Mrs. Evans, who dismisses the concept of any passengers travelling more than 90 minutes to access the railway. The journey time from Robertsbridge to London Bridge station is 70 minutes, and above 90 minutes the size of the catchment increases significantly as more of inner and south-east London is included within it; under our assessment, while 459,000 people are within 90 minutes of Robertsbridge by rail, this increases to more than 5 million within two hours.
20. While it is accepted that a smaller proportion of people may be willing to travel two hours, the scale of the London market means that if only a small number of people do visit the railway, this still equates to a significant number of additional KESR passengers. Many of those living in London, particularly without access to a car, are happy to make long day trips to destinations outside the capital more than 90 minutes away, and on occasion significantly more. Table 2 below summarises the content from a recent TimeOut article "*17 Best Day Trips from London*" (dated 4 June 2021, RVR/W2/5-1), and their respective journey time to London by car and rail.

Table 2: Journey times to recommended day trip destinations from London, TimeOut Magazine, 4 June 2021 (RVR/W2/5-1)

	Destination	Journey time to London (by car and public transport) (from TimeOut article)	Longer (or equal) journey time by rail than London Bridge to Robertsbridge?
#1	The New Forest	One hour 30 minutes by train from London Waterloo to Brockenhurst; around two hours by car	✓
#2	Deal	One hour 20 minutes by train from London St Pancras International; around two hours by car	✓
#3	Box Hill	<i>Approximately 50 minutes by train from London Waterloo; around one hour 15 minutes by car²</i>	✗
#4	Dungeness	One hour by train from London St Pancras International to Folkstone, with a one hour 30 minute bus ride to Dungeness; around two hours by car	✓
#5	Hastings	One hour 30 minutes by train from London Bridge; around two hours by car	✓
#6	Mersea Island	One hour by train from London Liverpool Street to Colchester, then a 45-minute bus to Mersea Island; around two hours by car	✓

² Note that the TimeOut article recommends cycling to Box Hill; we have included the rail and car journey time for reference.

#7	Whitstable	One hour 20 minutes by train from London Victoria or one hour 10 minutes from St Pancras International to Whitstable; around one hour 40 minutes by car	✓
#8	Rye	One hour 10 minutes by train from London St Pancras International, with a change at Ashford; around two hours by car	✓
#9	Margate	One hour 25 minutes by train from London St Pancras International; around two hours by car	✓
#10	Bath	One hour 30 minutes by train from London Paddington; two hours 30 minutes by car	✓
#11	Brighton	One hour by train from London Victoria, Blackfriars or London Bridge; around two hours by car	✗
#12	Canterbury	One hour by train from London St Pancras International; around one hour 30 minutes by car	✗
#13	Guildford	30 minutes by train from London Waterloo; around one hour by car	✗
#14	Southend-on-Sea	One hour 15 minutes by train from Fenchurch Street; two hours by car	✓
#15	Cambridge	45 minutes by train from London King's Cross, or one hour 10 minutes from London Liverpool Street; around two hours by car	✗
#16	Chichester	One hour 30 minutes from London Victoria; around two hours by car	✓
#17	Stratford-upon-Avon	Two hours 15 minutes by train from London Marylebone; around two hours by car	✓

21. This illustrates that many destinations, with journey times by rail significantly longer than that to Robertsbridge, are advertised and marketed as viable day trip destinations from London. Indeed, all but five of the 17 destinations highlighted are 70 minutes or more by rail to / from their respective London terminus station, the same journey time from London Bridge to Robertsbridge, and Hastings – further down the line from Robertsbridge – is included in the list. This highlights how the application of the 90 minute 'cut-off' for the catchment analysis by Mrs. Evans is inappropriate and underestimates the scale of the London catchment unlocked by the KESR.

Overlapping catchments

22. Mrs. Evans also argues that “of the new catchment, my analysis finds that 90% of this population are already within a 90-minute public transport journey of another heritage railway (or already within the KESR catchment), highlighting the competitive market in this area for this type of leisure activity in this part of the UK. This means that, despite the scheme opening up an increased catchment for KESR, a large majority of this catchment could already have gone to visit a heritage railway if they wanted to.”
23. This represents a fundamental misunderstanding of the market for heritage rail, and how the unique nature of each heritage line appeals to visitors. For example, heritage railways are not akin to an 'IKEA', where each is very similar and one simply visits the nearest one; each line has a different offer (scenery, special events, types of train, other local attractions; etc) and it is typically not the type of attraction where one visits the same railway year-after-year. This is true both for rail enthusiasts, for whom the

variety of the physical railway and rolling stock is likely to be of interest, and for families, for whom a different special event (Santa etc), steam train or (for the parents) the ability to visit a different local area, are all primary considerations.

24. For example, a typical occasional visitor might visit (or have visited) the Bluebell Railway, enjoy it, and then think about visiting a different railway next year – they are unlikely to want to just visit the Bluebell every year. For these visitors, the expanded catchment of the KESR brings it into consideration for a day visit, when otherwise they would simply not visit another heritage railway at all.

Special services

25. Mrs. Evans also notes that comparable railways operate special services (such as ‘Santa specials’), including from stations with a National Rail connection, and that “it is not clear to what extent they envisage running special services from Robertsbridge. In the Steer report this is noted as an occasional possibility for the central scenario, and an example of a potential initiative in the investment scenario – by no means a certainty”.
26. We have described (in Paragraphs 11 and 12) how the RVR provides the opportunity to rebalance demand to support the more efficient operation of the railway, and also that KESR are planning to more actively manage capacity and demand (Paragraph 9) as the high proportion of on-line bookings provide greater ability to plan services to meet demand. As noted in Paragraph 9, KESR plan to operate fewer ‘set piece’ events (that are more costly to staff and operate) and more on-train ‘themed’ events.
27. As part of this, KESR would seek to operate more ‘specials’ or ‘themed’ events from Robertsbridge, an example of which would be ‘Santa Specials’. These themed events would be operated from both Tenterden and Robertsbridge. Indeed, the attraction of ‘themed or special events’ represents an opportunity for KESR to market such services for the new rail-based market that RVR will create.
28. Mrs. Evans’ argument that the potential increase in visitor uplift should be applied only to the 48,600 ‘regular’ users (55% of total demand in 2017) and not ‘specials’ is therefore not supported.
29. We also note that the KESRs more recent visitor number data reported in the main proof of Shaun Dewey (RVR/W9/1) show that regular passengers – as opposed to those on ‘special’ services – comprise around 58,000 (in both 2018 and 2019) of a total demand of 87,570 (2019), 66% of the total. This demonstrates that, since 2017, the proportion of passengers on ‘special’ services has reduced.

Economic Benefits of the RVR (Central Case)

30. Within OBJ/1002/EE/1 Section 5: Analysis of Steer Report Findings, Mrs. Evans assesses the broad scale of economic benefits generated by the RVR, and argues that:
- the increase in visitor numbers for the ‘central case’ are “slightly” inflated;
 - the persistence of this increase in the long-term is overstated; and
 - the per trip spend of typical visitors assumed per day is overstated.
31. We address each of these points in turn below.

Visitor number uplift

32. Our evidence outlines, within the ‘central case’, an overall uplift in visitor numbers of approximately 22,000 people per year. This is based on the application of two independent uplifts, designed to capture likely RVR demand from different sources:
- An uplift of 15% of ‘core’ KESR demand – those who are attracted to the railway specifically, but for whom current access is too inconvenient;
 - An uplift of 5% to existing Bodiam Castle demand - those who want to predominately visit the Castle, but cannot currently, as it is not accessible without a private car.

33. There is not a 'direct' relationship between the 15% (or the 5%) and uplift associated at the Bluebell Railway. The experience of the Bluebell (and other heritage railways) has informed both, but we have used judgement from the scale of change in travel catchment to develop both uplifts, and prudent adopted range estimates within the 'core' forecast in the document.
34. The 15% uplift in 'core' visitor trips represents **those who would not otherwise travel on the RVR, or visit the area**, due to the inconvenience of accessing it. The 15% is considered prudent due the significant accessibility benefit from both the new rail catchment, and improved highway access, from Robertsbridge:
- The new rail catchment represents access to more than 5 million people, who currently cannot access the KESR by rail;
 - Robertsbridge is significantly better located for highway access to the east, and the ability to access the KESR at Robertsbridge increases the 30-minute drive time catchment by up to 118%³.
 - Increased attractiveness of the railway, particularly for enthusiasts, by a 15% increase in the length of the railway and the ability to travel a longer distance by heritage rail.
35. In terms of the 15% uplift, Mrs. Evans questions why Steer have not applied an uplift solely to 'regular' passengers (i.e. excluding specials), rather all passengers. Conversely, RVR **do** have the ability to run additional specials if required to carry demand (including from Robertsbridge if required), and in any event the business model of the KESR (as discussed in Para 9) has moved away from specific 'set piece' events (that require paid staffing, and historically have sold out due to limited capacity) to more 'themed and on-train events', which can attract a similar market but be operated at lower cost, and provide larger capacity. Hence, the application of the uplift to all passengers is proportionate.
36. In terms of the Bodiam uplift, this has been treated separately as it represents a different customer proposition – those who are attracted to the Castle as a visitor destination, and for whom the railway is the means of access via Robertsbridge – rather than the main 'attraction' of their trip. Those without a car cannot realistically access the Castle at all (as the public transport links are limited to a bus six times a day), and hence the RVR generates a significant new market opportunity for the Castle.
37. Within the letter of support, the National Trust stress *"it has long been our wish to increase access by more sustainable public transport. The Kent and East Sussex Railway extension to Robertsbridge, and the integrated public transport opportunity that provides, will in large measure achieve this"* (RVR/09 Appendix 5). The step change in public transport accessibility for the Castle hence justifies the application of a separate 5% demand uplift.
38. Combined, the two uplifts represent an increase in demand by circa 25%, or 22,000 trips per year.

Persistence of visitor number uplift

39. Forecasting long-term trends in visitor numbers is not, as Mrs. Evans notes, an "exact science". We have used a number of sources, and evidence, to inform our 'central case' view of an additional 22,000 trips per year on the KESR, bringing total trips to around 110,000 per year.

Experience of the Bluebell Railway

40. The experience of the Bluebell indicates a larger short-term uplift in visitor numbers (of circa 60,000 – or 32%), which to date has not been maintained in the longer-term. It is very difficult to isolate the effect of the uplift from the extension (and the associated new rail catchment) from the other myriad factors

³ The 118% figure is calculated from the assessment within Mrs. Evans proof that the current KESR 30-minute catchment is 159,000 people, which would increase to 346,000 with KESR (OBJ/1002/EE/1 Table 6). The comparable assessment undertaken by Steer is reported in RVR/09 Table 4-3, and estimated a comparable increase of 111%.

(weather, economic factors, success of marketing and promotion) that will affect demand, and hence this does not form a direct comparator for the case of the KESR.

41. However, in the years since the extension opened it has been estimated (based on figures supplied by the Bluebell Railway) that visitor demand accessing directly by rail at East Grinstead has consistently been around 25,000 trips per annum, and that around a third of overall visitors (by car and rail) also access from this station. This provides evidence of a consistent rail demand to access the Bluebell, which did not exist before the extension.

Trip rate analysis

42. Fundamentally, it is a basic point of logic that there is a clear relationship between visitor demand, and the scale of the in-scope demand and visitor catchment. The more people within reach, the more in-scope catchment upon which the KESR can draw passengers. It is also demonstrated by observation – the Bluebell currently has 80% more passenger demand than the KESR (159,000 trips in 2018 versus 88,000 in 2017), and at times has had more than double that of the KESR, which reflects the fact that:
- The 30-minute drive time catchment for the Bluebell is 220% that of the KESR today (514,000, versus 159,000);
 - The 90-minute public transport catchment for the Bluebell is 2.9 million (most of which by rail), whereas for the KESR today it is up to 680,000 if rural bus services are included (and negligible if they are not)⁴.
43. Hence, any increase in the catchment – particularly the step change delivered by the RVR – would be expected to increase visitor numbers. Additional people will be in-scope to travel on the KESR who otherwise would not be willing to travel to do so.
44. Secondly, the scale of the increase in catchment forms a starting point for considering the scale of the increase in visitor numbers. From the Volterra figures presented in OBJ/1002/EE/1 Table 6: Catchment Comparison:
- The increase in the KESR 30-minute drive catchment is 118% (from 159,000 to 346,000);
 - The increase in the KESR 90-minute public transport catchment is 77% (from 684,000 to 1,211,000 – noting that this itself is pessimistic in that it includes the existing bus catchment and applies an arbitrary 90-minute cut-off, as discussed in Paragraphs 18 and 19); and
 - The increase in the 'combined' highway and public transport catchment is also 77%.
45. Hence, the Volterra figures indicate that the catchment increases from between 77% and 118% - significantly more than our assumed visitor uplift of 25%. Using the 'combined' Volterra catchment figures, and our 25% visitor uplift, this implies a trip rate (demand per in-scope population) for 'new' trips of less than a third that of 'existing' KESR passengers. This is shown in Table 3.

⁴ All figures as calculated by Volterra, from OBJ/1002/EE/1 Table 6

Table 3: Trip rate of ‘new’ and ‘existing’ KESR passengers

	Demand (as per Steer ‘central case’)	Combined Catchment (as per Volterra figures)	KESR trips per 1,000 in-scope population	
KESR - Existing	88,000	700,000	126	Current ‘trip rate’ within the KESR catchment
KESR - Proposed	110,000	1,240,000	89	Proposed ‘trip rate’ within the new KESR catchment – note less than the current
Incremental	22,000	540,000	41	Estimated trip rate from new catchment

46. Effectively, this analysis shows that, for the ‘combined’ catchment estimated by Volterra, 1,000 people within the new catchment generate 41 KESR trips. This compares to the fact that, for the existing KESR catchment, 1,000 people generate 126 KESR trips – more than three times as many.
47. This increase in catchment is maintained over time, and highlights how achieving a 25% long-term increase in KESR visitors is a prudent assumption that underpins the economic analysis.

Average per trip spend

48. Combined with the uplift in visitor spend, our average day spend of £42.55 (2018 prices) is used to estimate the scale of economic benefits of the RVR. Mrs. Evans argues that this figure is overstated, based on:
- a lack of time in the day to spend the £31 assumed for ‘day visitors’; and
 - that not the overnight spend figure of £174.89 for a 4.1 day overnight stay (which represents 7% of KESR visitors) can be attributed to the RVR.
49. These points are addressed below.

Day spend assumptions

50. Our approach is based around an assumed day spend of £31 (2018 prices), informed by the 2016 Visit Britain GB Day Visitor Survey. Mrs. Evans argues that “there is not much time or budget in one day to reach the £31 assumed”, and that “The day trip spend quoted by Steer is £30.00 (2016 prices) which equates to £32.10 (2020 prices, based on 1.7% CPI35). In order for the day spend in Rother to reach the budget assumed in Steer, the average visitor would need to spend an additional £11.40 (2020 prices).”
51. We disagree that this is unreasonable. Mrs. Evans places great weight on the concept that very few people would want to spend significant time (and spend money) in Tenterden, because this “would require a very long round-trip (around 6hrs) and I certainly do not think that there would be enough time in a day for many people to deem it achievable or enjoyable to visit both.”
52. Six hours represents, for example, leaving ones’ home at 9AM and returning at 3PM. While this may appear to be a very long day for those with very young children (say under 6 years old), this only represents a minority of visitors. Many others will see visiting the RVR as a long day out in the countryside – we believe a more common day trip would represent leaving at 9AM and returning at 5 or 6PM, say, equating to a day trip of eight or nine hours. Assuming a typical 1hr 45min journey to and from Robertsbridge, and then 1hr 30 mins waiting and then travelling on the KESR to Tenterden each way, this would provide 1½ - 2½ hours to visit Tenterden or destinations en route – more than sufficient time to spend the assumed £11.40.
53. Such a day trip would appear to well within the ability of those with children over 5 years old, rail enthusiasts, or couples – all key markets for the RVR. Extended day trips from London, as summarised in

the recommendations from TimeOut magazine in Table 2, are not uncommon. Additionally, not all the new catchment will be travelling for up to two hours by train to access the area, for example – we assume about 15% travel to Robertsbridge by car, with a shorter journey time, from areas which are currently poorly connected by road to the railway at Tenterden. Such passengers would be able to either spend more time in local attractions or have a shorter day out.

54. Reflecting the areas' local tourist industry, there are numerous places that the assumed £11.40 can be spent. For example:
 - Visiting Bodiam Castle, and simply purchasing lunch in the shop, could easily equate to the £11.40 spend required;
 - There are numerous cafes, restaurants and pubs within Tenterden that £11.40 each could be spent – a simple pub lunch of a main and a drink would come to circa £15;
 - Mrs. Evans notes the George Inn, café and restaurant in Robertsbridge – but neglects the Ostrich Hotel, directly opposite the rail station, who directly support the RVR (SUPP/221), noting “the reintroduction of the line would lead to an influx of visitors to the village that would be of immediate benefit to those businesses that are still here (obviously including my own) and could well lead to the introduction of others e.g. cafes. souvenir shops etc”.
55. Obviously, there will be a small number of people who simply use the KESR – and spend nothing on anything else, and use the railway and travel home immediately. But for a typical day trip, we think this will be a very small minority. Equally, there will be a minority who travel for a long day out, leaving home early and returning in the evening, who could quite easily spend money in a major attraction enroute (either Bodiam, the Old Dairy Brewery or Great Dixter House), have two meals out and/or a significant two or three course pub meal – all of which would equate to a day spend of £30+ in the local economy excluding the cost of the RVR. The £30 is intended to be a fair reflection of the different groups, which we view as entirely appropriate.

Overnight spent assumption

56. In addition to ‘day visitors’, we also assume that 7% of visitors on the KESR stay overnight, and again informed by the Visit Britain GB Tourism Survey 2016, stay an average of 4.1 nights with a total expenditure of £174.89. Mrs. Evans argues that such trips cannot be fully attributed to the RVR, and that only a proportion of the visitor spend of these trips should be considered a benefit of the scheme.
57. All concerned agree that the Rother Valley Railway area and Tenterden (nicknamed ‘Jewel of the Weald’) offer a range of destinations to tourists, and are an attractive area to visit – advertised by ‘1066 Country’. However, currently it is nearly impossible to visit the area without access to a car, since:
 - Bus services are very limited, and very few tourists will be sufficiently confident to research specific bus times and plan their visitor around the bus service. Online information for said services is patchy, and sometimes contradictory – they are not advertised in an integrated way for tourists, or effectively link into rail services to London; and
 - Equally, the concept of a rural taxi, travelling a long way to access the RVR / area, with limited information about availability or price, is not one that is likely to appeal for those unfamiliar with the area.
58. For those without access to a car, the RVR performs not only a tourist but also a transport function – it enables visitors to access the area seamlessly, by rail, from London and elsewhere when they would not otherwise be able to do so. Such tourists will only travel to areas that are well-connected, by rail – using buses or taxis is simply not perceived as an option. Such visitors represent two specific groups:
 - International tourists, a core marketing area for ‘1066 Country’ – which advertises in 10 countries abroad. Only 6% of those visiting the UK from overseas hire a car or drive their own vehicle to the UK (and for those only visiting London, the figure is 2%) (RVR/W2/5-2), with many feeling uncomfortable

driving on what is perceived as the 'wrong side of the road' within the UK. Such visitors are hence reliant on the rail network for travelling around the UK – and in a very poor position to research specific bus services to rural areas;

- Those on above-average incomes, including families, living in London. 30% of those with a household income of £50k in London do not have access to a car, and even amongst those with a household income of £100k, 20% do not have access to one (RVR/W2/5-3). This group, of those on above-average incomes without access to a car, is comparatively unique to London – across the UK as a whole, only 14% of households in the top 20% by income do not own a car or van (RVR/W2/5-4).

59. Our assessment assumes that overnight spend applies to about 1,500 visitors per year – 7% of the total – and overall a very small number in the scale of the region's tourist economy. Since their decision to travel to the area is wholly reliant on being access it seamlessly by rail, we believe it is proportionate to consider the spending entirely as a result of the RVR.

Critique of All All-Parliamentary Group on Heritage Rail Benchmark

60. Mrs. Evans critiques the economic value to turnover ratio of 2.7 within the All-Parliamentary Group on Heritage Rail report (RVR/31), noting that it relies the values for four heritage rail lines of which one (the North York Moors Railway) is significantly higher than the others.
61. Mrs. Evans argues that the value is "clearly an outlier" and "is associated with the North York Moors Railway which **could** have more facilitatory conditions for economic value than KESR has". There is no attempt to explain why NYMR is inappropriate and should be discounted.
62. Conversely, one of the multipliers – 0.84 for the Ffestiniog railway, is less than half of any of the others and could equally be deemed inappropriate, as in any event it is hard to see how the economic value of the railway can be less than the turnover.
63. As in the noted in the APPGHR report (RVR/31), the range of multipliers "is due to the lack of a standardised method of measuring the impact, which would produce more credible and comparable results. Currently heritage railways in Britain rely on a wide range of ways of measuring this impact, ranging from studies conducted by local universities, 18 to studies by local authorities, and those by private research providers".
64. Hence, the 2.7 factor is considered the best available benchmark evidence, in an area of limited study.
65. It should be noted that the reporting of the 2.7 ratio was for benchmark purposes. Our forecast of economic impacts is based on a bottom-up estimation of visitor uplift and spend impacts. The benchmark provides additional confidence that our forecasts are reasonable and plausible.

Economic Benefits of the RVR (Investment Plan scenario)

66. Within OBJ/1002/EE/1 Section 5: Analysis of Steer Report Findings, Mrs. Evans critiques the 'Investment Plan' scenario previously presented in the 2018 Economic Impact Report (RVR/09).

67. Mrs. Evans (Section 5, Para 5.14) states that:

*"The visitor numbers estimated by Steer are inflated, **slightly so for the central case but extremely so for the investment scenario**. Whilst Steer were clear that the total scenario was hypothetical, I do not think it was made clear in the documents listed above that the numbers present a maximum scenario, based on the successful implementation of an investment programme the details of which are extremely vague and which, based on rough calculations, would struggle to meet the stated visitor figure of c. 180,000"*

68. The scenario presented within the report was, as Mrs. Evans acknowledges, illustrative. It was made clear in the report that the scenario used a level of potential future demand that was additional, and not directly attributable to, the RVR link on its own.

69. That said, though such a demand increase is not directly attributable to RVR, it is the case that RVR increases the attraction of KESR and its visitor catchment, and could be expected to act as a catalyst for further investment to support further demand growth above that directly attributable to RVR.
70. The demand used in the illustrative scenario builds up to a level substantially higher than current demand (after ten years), but is at a level comparable with that achieved by the Bluebell Railway. As a scenario-based assessment, the use of the 180,000 is therefore considered reasonable.
71. The COVID-19 pandemic has clearly had an impact on the finances of KESR, and in the short-term the focus is on financial resilience. Accordingly, there is no current capital investment plan.
72. However, the central point holds in that RVR will make KESR are more attractive and, other things equal, more financially sustainable than without the RVR link (as illustrated in our response in the Commercial Viability theme, from Paragraph 10). These factors could provide the necessary conditions upon which future capital investment could build further on the uplift generated by RVR alone.
73. This represents a potential upside on the 'core' uplift benefits that are attributable to the RVR. Should this upside materialise, then any increase in visitor numbers would result in a corresponding and proportionate increase in economic benefits to the area.

LIST OF APPENDICES

Appendix Ref	Name
RVR/W2/5-1	Time Out article " <i>17 Best Day Trips from London</i> ", 4 June 2021
RVR/W2/5-2	Internal Modes of Transport, Foresight Issue 176, VisitBritain Research
RVR/W2/5-3	Road Task Force – Technical Note 12, "How many cars are there in London and who owns them?", Transport for London
RVR/W2/5-4	National Travel Survey Table NTS 0703, Household Car Availability by Income Quintile: England, from 2002. Department for Transport Statistics, August 2020.