

**Holyhead Land Train feasibility:  
Phase 2 report**



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**Martin Higgitt  
Associates**

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Martin Higgitt Associates Limited registered in England and Wales  
Registered Office Address: 28 Wharfe View Road, Ilkley, West Yorkshire LS29 8DU.  
Company Number: 11112273  
T 07856 525244  
E [info@martinhiggittassociates.com](mailto:info@martinhiggittassociates.com)  
[www.martinhiggittassociates.com](http://www.martinhiggittassociates.com)

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# Contents

## Table of Contents

1	Introduction .....	1
2	Route identification.....	2
	Route selection.....	2
	Service specification.....	4
	Route Audit - Safety and other operational issues .....	5
3	Capital and operational costs of service .....	6
	Land train vehicle and carriages .....	6
	Operational costs .....	6
4	Assessment of demand for service and potential revenue generation .....	9
	Target markets for land train.....	9
5	Marketing and promotion of the land train .....	16
6	Complementary services .....	20
7	Business case and action plan .....	22
8	Pilot.....	27



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# 1 Introduction

- 1.1 Martin Higgitt Associates was commissioned to investigate the potential feasibility of a land train service in Holyhead. The aspiration for providing a land train derives from the desire to better promote the visitor offer in Holyhead and the wider Holy Island. The land train, as well as providing a visitor activity and attraction in its own right, would also help to physically connect visitor attractions and be incorporated in broader marketing of attractions.
- 1.2 A Phase 1 report examined potential routeing options, consulted stakeholders and assessed potential visitor markets that might use a land train service. It concluded that there was good justification for a service and a land train service could be financially viable.
- 1.3 Therefore, this Phase 2 report was commissioned to develop the proposition in more detail including:
  - Detailed route assessment and route operation planning, including confirming preferred route(s), undertaking a safety audit, identifying suitable stopping points, and route timings (Section 2);
  - Operational costs of service (Section 3);
  - Assessment of demand for service and potential revenue generation (Section 4);
  - Identification of appropriate marketing activities to promote the service to target markets (Section 5);
  - Complementary measures to support the land train operation, including other visitor services that could be offered in association with the land train (Section 6).
- 1.4 A business case is then produced for delivering the land train service in Holyhead, with an action plan showing the steps that need to be taken (Section 7).
- 1.5 It is then recommended that the service should be piloted in summer 2019. The design of this pilot, costs for undertaking it, and actions for preparing for it are then identified (Section 8).

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## 2 Route identification

### Route selection

- 2.1 We are recommending a route which has the potential to operate as single loop or two separate loops at different times of the day - a Maritime Museum to Breakwater Park service and a Town Centre Loop.



### *Maritime Museum to Breakwater Park*

- 2.2 This route would offer a service which would begin on the access road in front of the Maritime Museum, and would then head west along here before crossing Beach Road onto the country park access road and following this to the car park at the Breakwater Country Park. Our route audit in April 2019 confirmed that the entrance to the first set of car parking bays adjacent to the Information Centre provides sufficient space for the turning circle required by the land train to turn around. The stop for setting down and picking up passengers could be directly in front of the Information Centre meaning that there is no requirement to use any of the existing parking bays for the land train.
- 2.3 The route then follows the access road back to Beach Road, with a request stop as the road curves to the right (at the Stena Line depot near to Soldiers Point) to provide walking access to the Breakwater itself and the adjacent beach. The service would continue back to Beach Road where it would turn right onto Beach Road.
- 2.4 There is potential for a stop for the Marina here, at the expense of the 4 car parking bays on the left immediately after the route re-joins Beach Road. The attraction of a stop here would be to provide an opportunity for people to access the facilities and café at the Marina, however this would have to be weighed against its proximity to the Maritime Museum stop and also the potential risk that the train would be full at this point and that passengers would be unable to get on. We suggest that a stop here and/or a stop on the outward-bound leg on the lower road near the Holyhead Sailing Club are trialled as different ways of serving the Marina as part of the pilot service (Section 8). The latter would not require the use of any parking bays.

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- 2.5 The route continues along Beach Road, with a stop in the parking laybys directly above the heading east until reaching the car park by Holyhead boatyard and turning left to access the lower road back to the Maritime Museum.
  - 2.6 Note that on its outbound westward trip, the land train could use Beach Road instead of the lower road. The lower road is publicly accessible, but not adopted and in the ownership of Conygar.
  - 2.7 The round trip would be 3 miles long. Route timings were conducted during the audit in April 2019 showing each leg of the trip takes about 10 minutes to complete, which would enable a half-hourly service frequency to be offered.

### ***Loop to town centre***

- 2.8 An additional option would be to extend the service to include the town centre and St Cybi's and the Roman fort, while also providing a short walk to access the port, ferries and train station via the Celtic Gateway pedestrian bridge. Instead of turning back onto the lower promenade by Holyhead boatyard, the service would continue eastwards along Beach Road and onto Prince of Wales Road, swinging southwards along Victoria Road and then turning right into Market Street. A stop would be made at the top of Market Street near St Cybi's for the church, fort and also to pick up and set down people to/from the port and train station via the Celtic Gateway pedestrian bridge.
- 2.9 The service would then continue via Stanley Street and Boston Street back to Victoria Road. It would return via Prince of Wales Road and Beach Road, before turning onto the promenade next to the car park by Holyhead boatyard to reach the Maritime Museum where it would continue on to Breakwater Country Park as per Option A.
- 2.10 The additional loop would add 1.5 miles to the trip and be comfortably accommodated within 20 minutes, providing recovery time at the Maritime Museum.

### ***Stopping points***

- 2.11 To summarise, the proposed stopping points would be as follows:
  - **Maritime Museum:** ideally occupying the existing parking bay for 5 – 6 vehicles between the Holyhead Boatyard and the Maritime Museum, on the south side of road, heading westwards. This will require temporary closure of these bays during the land train operating season:
  - [to be trialled during the pilot] **Marina:** just to the east of Holyhead Sailing Club, before the road turns uphill, stopping on carriageway.
  - **Breakwater Park:** in front of the Information Centre;
  - **Breakwater/ Beach:** a request stop by the entrance to the Stena Line depot near Soldiers Point, on carriageway;
  - [ To be trialled during the pilot] an **alternative Marina** stop requiring the existing parking bays on Beach Road next to the Marina car park;
- 2.12 For the town centre loop, rather than returning directly to the Maritime Museum stop the service would have additional stopping points at:

- **Beach Road:** utilising the parking bay on the east-bound carriageway above the Maritime Museum – the first half of the parking bay would need to be reserved for land train during the operating season (currently general parking).
- **Market Street,** in front of the entrance to St Cybi's. The service would necessarily stop on-street for drop-off and pick-up as boarding and alighting is on the lefthand side of the vehicle and would require traffic to wait for the service to pull off again. [An alternative to this would be to stop in the parking bays directly opposite the Celtic Gateway bridge on Market Street. This would require approximately 3 of the circa 11 bays on this stretch of Market Street but would avoid the need to delay through traffic whilst passengers board and alight].

### **Logic of route selected (and not selected)**

2.13 The Maritime Museum to Breakwater Country Park and the Town Centre Loop are ideal distances and timings for the typical land train markets. They pick up the major visitor attractions of Breakwater Park and Maritime Museum, as well as views of Holyhead bay, and access to the Marina and Breakwater providing a variety of trip opportunities ranging from 20 – 40 minute rides and the chance to hop-on and off and undertake other activities at the attractions en-route. The Town Centre Loop would also show town facilities, provide access to St Cybi's / Roman Fort and provide an easy walking link to/from port and rail station for ferry, cruise and train visitors.

2.14 As we described in the Phase 1 report a number of other potential routes and attractions have been considered but are not recommended here. These include:

- **South Stack** which is too long a route to operate a land train over given its 10 mph maximum speed and has a number of other operational constraints associated with gradients and unsuitability of the carriageway;
- **Ucheldre Centre** which is remote from the core route, would add significantly to the run time and is difficult to access because of gradients and carriageway geometry. It was also considered to be serving a rather different market from the core land train market. Good signing to the centre and its inclusion in a marketing material promoting Holyhead should be used to promote the centre.
- **Direct service to the Ferry Port/Railway Station:** The presence of significant volumes of HGV traffic entering the port from the London Road bridge direction was felt to be incompatible with the land train, both from a safety perspective and the ambience/attractiveness of the service.
- **Penrhos** is considered to have potential as a longer-term service in the event of the proposed holiday village being developed as planned, but has a number of challenges to the route selection that would need to be overcome. It should be retained for consideration at a future date.

### **Service specification**

2.15 Following discussions with stakeholders, tourism and attraction operators and having reviewed typical operations elsewhere we would recommend the following service specification:

- **Season:** From the first Bank Holiday in May to the end of September (21 weeks).
- **Days of week:** It should operate 7 days per week during the school summer holidays from the third week in July to the beginning of September (6 weeks) and



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operate at weekends, Bank Holidays and days on which cruise ship are calling for the rest of the period (the remaining 15 weeks). This would provide around 93 days of operation.

- **Service Period:** The first service will depart at 11am and the last at 4pm, but on days where cruise ships are in port, the first service should depart at 9.30am and the services should continue running until a time that the cruise ship visitors are returning to the ship;
- **Special trains:** There should be the opportunity to offer a variety of chartered services, both within the season – for example Cruise ship or Ferry Charters offering a service before the main operating day or dining train charters in the evening - and out of season charters (Santa Specials, Halloween, Valentine's, Easter) etc;

### **Route Audit - Safety and other operational issues**

- 2.16 The land train is a vehicle which is road legal and can be operated on the public highway (at a maximum speed of 10mph) but its operation is permitted by means of a Vehicle Special Order (VSO) from the Vehicle Certification Agency. This requires, amongst other things, the details of the route(s) to be served, including routes to get to fuelling or vehicle stabling facilities, confirmation from the highway authority / local authority and police that they are content with the proposals and that they do not present an unacceptable risk to public safety and a statement from a suitably qualified engineer that the vehicle has been inspected, is roadworthy, and that a satisfactory inspection and maintenance regime is in place. The vehicle is required to have both a driver and a guard on board when operating on the public highway and the drivers are required to hold a PSV licences
- 2.17 Before a pilot service is operated an application for a VSO will need to be made.
- 2.18 During April 2019 we undertook a further route audit accompanied by an experienced land train operator, a police road safety adviser and an officer from Ynys Mon Highway Authority to show them the proposed route and discuss any operational or safety concerns that they may have.
- 2.19 Whilst we cannot pre-judge the outcome of a VSO application in advance the route was considered to be appropriate and suitable for the proposed operation. The access road to the Country Park has a couple of pinch points in terms of road width and is on embankment shortly after it leaves Beach Road but the slow speed of operation and generally long sight lines mean that drivers of the land train would have plenty of time to safely negotiate on-coming vehicles. The land train would be operated by experienced PSV drivers well versed in similar road conditions but there may also be some merit in considering installing temporary A-frame roadside signs at both ends of the Country Park access road advising drivers of other vehicles to give way to the land train.

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### 3 Capital and operational costs of service

#### Land train vehicle and carriages

- 3.1 A land train with two carriages, providing a capacity of circa 40 passengers per train, would be suitable for the likely demand for the service (see section 4 for more details). A new vehicle would cost in the region of £200,000. A well-maintained second-hand vehicle of a suitable quality is likely to cost somewhere in the region of £55,000 to £75,000 to purchase.
- 3.2 There are not believed to be any companies currently operating who will provide a long-term lease of a land train set. The options therefore are to buy new or second hand, with a subsequent decision then to be made about how to finance the purchase, ranging from outright purchase, a finance package or potentially grants to acquire the vehicle.
- 3.3 A well maintained second-hand vehicle would be an appropriate way to begin to develop a service, retaining the option of subsequent purchase of a new vehicle at a later date once the service has demonstrated its long term sustainability.
- 3.4 In the business case analysis (section 7) we have assumed a second hand two carriage land train with a purchase price of £65,000 and have looked at the impact of finance and grant funding options on the viability of the business.

#### Operational costs

- 3.5 We have developed an Operations, Maintenance and Administration (OMA) model to assess the likely costs of running the service described in Section 2.
- 3.6 The basic parameters describing the service are shown in Table 3.1 below. The route would operate with an approximate service frequency of a round trip every 40-45 minutes (shown in the table below as a frequency of 1.5 trips per hour). On days when a cruise ship is in port the service would operate for around 7.5 hours and for 6 hours on other days. The 'Peak' period in table 5.1 refers to the school summer holidays and 'Mid' season is all other times.

**Table 3.1: Service Parameters**

	Cruise Days	Peak exc Cruise	Mid Exc Cruise	Season
Operating season (days)	40	29	24	93
Operating hours	7.5	6	6	
frequency /hr	1.5	1.5	1.5	
mileage round trip	4.4	4.4	4.4	
daily mileage	49.5	39.6	39.6	
Seasonal mileage total	1980	1148	950	4079
Seasonal operating hour total	300	174	144	618

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### **Operations costs**

3.7 The day to day operations costs consist of train crew and fuel costs. The train must run with two crew whilst operating on the public highway. Train drivers, who are required to hold a PSV license will cost slightly more to employ than the guards. The crew will be responsible for the pre-service safety and road worthiness checks each day. Based on the case studies described in our Phase 1 report and subsequent discussions with land train operators the costs assumed for staffing (including 15% for employment on-costs) and fuel are:

- Drivers - £11.50/ hour;
- Guards £9.78/ hour;
- Fuel: £25/ day.

### **Maintenance costs**

3.8 The land train is a mechanically relatively straightforward vehicle that uses proprietary engines for the tractor and whose suspension and hydraulic braking systems for the trailers will be familiar to both truck and agricultural machinery maintenance and servicing businesses. There is of course some uncertainty over the maintenance requirements for a second-hand vehicle where the risk of something unforeseen occurring is likely to increase with age. Having reviewed the case studies from Phase 1, looked at published costings for various vehicle types in Commercial Motor and discussed it with other land train operators we have assumed a cost of £5,000 per year. This consists of:

- An annual service and maintenance contract with a local truck garage of £4,000 per year
- An 'unforeseen repairs' fund of £1,000 per year

### **Administration costs**

3.9 The 'administration' costs will include both marketing and administration costs and expenses.

3.10 A part time marketing and administration manager employed for 15 hours per week for 20 weeks of the year at £11.50 per hour (including on-costs) has been assumed.

3.11 Expenses will include marketing materials and other expenses including licenses, insurance and depreciation for the vehicle. It has been assumed that overnight storage for the vehicle will be provided at no cost to the project, if this is not the case a further allowance will be required for this. In summary the materials and other costs are as follows:

- Marketing materials – an allowance of £1,000 per season;
- Insurance - £3,500 per year;
- Road Tax - £350 per year;
- Licenses (e.g. VSO licence) - £50;
- Vehicle depreciation - £6,500 (based on £65,000 purchase cost and 10 year depreciation).

## Overall Operating, Maintenance and Administration costs for the season

3.12 The estimated costs of operating the service described in Section 2 are shown in Table 3.2 below.

**Table 3.2: Estimated Operations, Maintenance and Administration costs**

		Cruise Days		Peak exc Cruise		Mid Exc Cruise		Year
Operations								
	staff	£ 7,234		£ 4,319		£ 3,574		£ 15,127
	fuel	£ 1,000		£ 725		£ 600		£ 2,325
Maintenance								
	Service	£ 1,720		£ 1,247		£ 1,032		£4,000
	Repairs	£ 430		£ 312		£ 258		£1,000
Admin								
	staff	£ 1,484		£ 1,076		£ 890		£ 3,450
	materials	£ 430		£ 312		£ 258		£ 1,000
	other	£ 4,516		£ 3,274		£ 2,710		£ 10,500
Total		£ 16,814		£ 11,265		£ 9,323		£ 37,402
Cost	per day	£ 420.35		£ 388.44		£ 388.44		£ 402.17
	per service mile	£ 12.74		£ 14.71		£ 14.71		£ 13.75
	per operational hour	£ 56.05		£ 64.74		£ 64.74		£ 60.52

3.13 The total cost is modelled at just over **£37,400** for the season, of which £6,500 (17%) relates to the depreciation allowance for the land train. This total equates to an average cost of just over **£400 per day** for every day that the service operates. This figure provides a useful 'target' when considering the patronage that would be required to allow the service to breakeven.

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## 4 Assessment of demand for service and potential revenue generation

### Target markets for land train

- 4.1 The Phase 1 study carried out a broad review to identify different tourist markets to Anglesey and Holy Island and to assess the potential attractiveness of a land train operation to these markets.
- 4.2 We now seek to assess the likely take up of the land train from these markets, before, in section 6, identifying appropriate marketing and promotion activities to reach these markets.
- 4.3 The target markets for the land train are identified as:
- Staying visitors on holiday in Holy Island / Anglesey;
  - Day visitors to Holy Island / Anglesey;
  - Cruise ship visitors arriving in Holyhead Port;
  - Ferry visitors coming from Ireland for a day / short-stay in the area, in particular foot passengers;
  - Residents of Holyhead and Holy Island. (Residents of Anglesey are considered here as day visitors).
- 4.4 Data has been collated on the scale of each of these markets and then some assumptions made about the potential penetration of these markets by the land train.
- 4.5 We have made assumptions that the land train would primarily operate between the beginning of May and end of September. It would operate every day during spring bank half-term holiday and during the summer school holidays. It would operate at weekends outside of these times. But it would also operate on bank holidays and on days when cruise ships were arriving in Holyhead Port. Our estimates of market penetration are based on this assumed operation profile.

### *Background information*

- 4.6 Tourism in North Wales / Anglesey is highly skewed towards the summer months, as with many British visitor destinations.
- 4.7 STEAM data suggests that 55.1% of visits occur between May and September, with 26.3% occurring in July and August<sup>1</sup>. July and August are also the peak months for ferry passengers, accounting for about 25% of the annual total. Cruise ship arrivals all occur between May and September.

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<sup>1</sup> STEAM, 2017



4.8 A broad segmentation of British overnight visitors to North Wales showed:

- 37% empty nesters (55+);
- 15% older independents (35-54 no children);
- 39% families;
- 9% pre-nesters (16-34, no children);

4.9 The families and parts of the empty nesters and older independent markets are good target audiences for a land train and are over-represented in North Wales tourism market.

4.10 Holyhead has approximately 8,000 bed spaces, compared to 30,000 in Anglesey as a whole (27% of its stock). A previous tourism study estimated that Holy Island receives about a quarter of Anglesey overnight visits.

### ***Staying visitors***

4.11 Staying visitors from GB on overnight holidays made an estimated 1.027m trips to Anglesey according to STEAM data for 2017.

4.12 Overnight visits have an average duration of just over 5 nights, though in Holy Island, the overnight visitors are dominated by caravan and campsites (75% of Holy Island bedstock), primarily in the south east of the island round Trearddur Bay and Rhoscolyn Bay which are particularly busy during school summer holidays and where families tend to stay for a week or more.

4.13 Using the figure of 27% of Anglesey's bed stock being on Holy Island we assume that 27% of the Anglesey overnight visitors (152,800) are staying on Holy Island during May to September and that the land train could achieve 5% penetration of this market.

4.14 There are also an estimated 48,000 overseas visitors staying on Anglesey. After removing the 47% who arrive by sea, as they are counted in the ferry market later, and

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again that 27% of the remainder are based on Holy Island (just under 3,800) we have assumed that the land train could attract 5% of this market.

### ***Day visitors***

- 4.15 STEAM data indicates that there were 0.684 m day visits by UK residents to Anglesey in 2017.
- 4.16 Given that Holy Island is at the furthest extreme of Anglesey, we assume that Holy Island will receive a lesser proportion of day visits, compared to other destinations in Anglesey. Much of the day visit market is going to be focused on specific attractions, such as South Stack and, by definition, is undertaking a time-constrained trip, so incorporating a land train ride is likely to appeal to only a small part of this market. We have assumed that compared to staying visitors only half the proportion of day visitors to Anglesey (13.5%) will come to Holy Island and 2.5% of these will be captured by the land train.

### ***Cruise Ship visitors***

- 4.17 40 cruise ship arrivals are planned in 2019 (see Table 4.1 overleaf). Based on previous average loadings of just over 600 per ship, we assume that just short of 25,000 cruise ship visitors will arrive. It is estimated that about 40-60% of these pre-arrange excursion tours (we have taken the mid-range figure of 50%), which typically will travel to Anglesey / Snowdonia and North Wales coast attractions.
- 4.18 It is further reckoned that over half of those visitors remaining will venture out to explore locally on their own. Shuttle buses are laid on to deposit these visitors to the town centre or Newry Beach. This market is therefore brought to the land train and potentially should be very amenable to using it as an attraction.
- 4.19 We assume that 20% of the cruise ship market who travel into Holyhead may use the land train, and consider that the land train should operate on all days when cruise ships arrive in port. There is also the potential to charge a small premium for the cruise ship market (discussed later).

**Table 4.1: Cruise ship visits to Holyhead planned for 2019**

<b>Name of ship</b>	<b>Line</b>	<b>Arr Date</b>	<b>Day</b>	<b>Arr Time</b>	<b>Dep Time</b>	<b>Pax.</b>
Le Champlian	Ponant	4th-May-19	Sat	06:00	14:00	
Ocean Nova	Nova Cruising	4th-May-19	Sat	08:30	14:00	
Viking Sun	Viking Cruises	16th May-19	Thurs	08:00	18:00	
Variety Voyager	Variety	26th May-19	Sun	07:00	23:59	100
Le Boreal	Ponant	1st Jun-19	Sat	08:00	23:00	
Seven Seas Explorer	PCH	7th-June-19	Fri	08:00	23:00	
Le Boreal	Ponant	11th Jun-19	Tues	07:00	15:00	
Variety Voyager	Variety	11th Jun-19	Tues	07:00	23:59	100
Star Pride	Windstar	15th Jun-19	Sat	08:00	17:00	
Variety Voyager	Variety	15th Jun-19	Sat	07:00	23:59	100
Nautica	PCH	17th Jun-19	Mon	08:00	23:00	
Brilliance OTS	RCCL	20th Jun-19	Thurs	07:00	18:00	
Seven Seas Navigator	PCH	25th Jun-19	Tues	08:00	23:00	
Variety Voyager	Variety	1st Jul-19	Mon	07:00	23:59	100
Variety Voyager	Variety	5th Jul-19	Fri	07:00	23:59	100
Viking Sun	Viking Cruises	11th Jul-19	Thurs	08:00	18:00	
Variety Voyager	Variety	21st Jul-19	Sun	07:00	23:59	100
Berlin	FTI	22nd Jul-19	Mon	07:00	00:00	
Viking Jupiter	Viking Cruises	23rd Jul-19	Tues	08:00	18:00	
Variety Voyager	Variety	25th Jul-19	Thurs	07:00	23:59	100
Brilliance OTS	RCCL	26th Jul-19	Fri	07:00	18:00	
Norwegian Spirit	NCL	28th Jul-19	Sun	07:00	18:00	
Viking Jupiter	Viking Cruises	2nd Aug -19	Fri	08:00	18:00	
Saga Sapphire	Saga	4th Aug-19	Sun	08:00	22:00	
Viking Sea	Viking Cruises	6th Aug-19	Tues	08:00	18:00	
Viking Sun	Viking Cruises	8th Aug-19	Thurs	08:00	18:00	
Variety Voyager	Variety	10th Aug-19	Sat	07:00	23:59	
Variety Voyager	Variety	14th Aug-19	Weds	07:00	23:59	
Silver Wind	Silverseas	21st-Aug-19	Weds	07:00	15:00	
Viking Sun	Viking Cruises	26th Aug-19	Mon	08:00	18:00	
Variety Voyager	Variety	30th Aug-19	Fri	07:00	23:59	
Variety Voyager	Variety	3rd Sept-19	Tues	07:00	23:59	
Viking Sun	Viking Cruises	6th Sept-19	Fri	08:00	18:00	
Star Breeze	Windstar	8th Sept-19	Sun	08:30	18:00	
Pacific Princess	Princess	14th-Sept-19	Sat	08:00	18:00	
Seabourn Ovation	HAL	16th Sept-19	Mon	08:00	18:00	
Seven Seas Explorer	PCH	19th Sept-19	Thurs	08:00	19:00	
Variety Voyager	Variety	19th Sept-19	Thurs	07:00	23:59	
Rotterdam	HAL	26th Sept-19	Thurs	08:00	17:00	
Nautica	PCH	29th Sept-19	Sun	08:00	18:00	



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### ***Ferry visitors***

- 4.20 There are a couple of potential markets here.
- 4.21 Ferry passengers in transit: it is estimated that 1.9m passengers passed through the port in 2017<sup>2</sup>. Some of those may have opportunity for spending some time in Holyhead en route. Most ferry users will be in transit on a tight timescale and not wanting to break their journey. We therefore assume that a very small percentage (1%) will be prepared to spend time in Holyhead. Of these, the land train offer will be very niche, so we assume 2.5% capture of this market when the land train is operating.
- 4.22 There is a small but growing market of day or short-stay visitors on the ferry coming over from Ireland (on inexpensive foot passenger fares). One particular group is international students at Dublin's universities. It is understood that many of these will walk from the port to the town to Breakwater Country Park and then onto South Stack, returning via Holyhead Mountain and are highly complementary about their visit. It could be possible to provide better information and itineraries to this market, including land train as well as other transit options to explore the area.
- 4.23 We have been advised that this market is estimated to be in the region of 400 passengers per day and we have assumed that the land train could capture 5% of it on the days when it is operating.

### ***Local residents***

- 4.24 There are 11,000 residents in Holyhead and 13,500 on Holy Island. Those with families may be interested in incorporating a trip on the land train into a local day out. According to the census 16% of the population is aged 0-14. Assuming 2 children per household with children and 1.5 adults per household with children, would imply 28% of population are households including children under 14.
- 4.25 We assume that 20% of this market may use the land train service.

### ***Generated demand***

- 4.26 The land train will add a new attraction into the tourism product mix in Holy Island. As there is no similar attraction on the island, we would expect that it will help attract some entirely new visitors to the area (i.e. it will generate some new demand). We have assumed that this could add a further 5% to the estimates from the current market segments.

### ***Fares***

- 4.27 In the Phase 1 report we reviewed the charging structure of a number of other land train services. There are clearly numerous permutations of charging for single, return, hop-on/ hop-off, and family tickets etc but on the basis of the evidence collected we have undertaken the central financial modelling for the business case (Section 7) on a 'headline' fare of £3 per journey for an adult and £2 per child. Looking at the individual market segments we have further assumed the following mix of adult and child passengers:

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<sup>2</sup> (DfT Sea Passenger Statistics [Short Sea Routes], 2017)

- The day visitors / staying visitors market would typically consist of 1 adult and 1 child, therefore a £2.50 average tariff;
- Cruise ship visitors would be all adult = £3;
- Ferry visitors would be 80% adult 20% children = £2.80;
- Residents would be 40% adult 60% child = £2.40.

4.28 There is almost certainly an opportunity to charge cruise ship passengers a premium given that the land train will be an alternative to numerous highly priced packages on offer. A simple way of achieving this would be to set a £5 fare for the 9.30 departure (which would be the one that many cruise ships would be delivering passengers in time for). Note that in the financial modelling in Section 7 and the revenue projections shown below in Table 4.2 we have **not** included any premium for the cruise ship market segment. A decision to charge a premium would therefore be a potential upside factor to the forecasts.

### Projections

4.29 Table 4.2 overleaf summarises the forecasts for demand and revenue. Based on the assumptions outlined earlier the land train could attract over **15,000 trips** during the proposed 93 day season from early May to the end of September, with an average day in the school summer holidays of July and August attracting 170 rides. Revenue for the season would be just shy of **£39,000** or £445 per day during July and August. Given the estimate of daily operating costs being in the region of £400 per day (Table 3.2 earlier) this would indicate that the service has the potential to at least breakeven – in terms of its day to day operations.

4.30 Table 4.2 also shows the make-up of the demand from the various market segments. Unsurprisingly visitors staying on Anglesey account for the largest proportion of the numbers accounting for around 44% of the forecast ridership. The remainder of the demand comes from a broad range of users meaning that the demand for the service would not be overly dependent on one single market.

- Overnight visitors – 44% of the total
- Day visitors – 7%
- Cruise ship market – 18%
- Ferry visitors – 10%
- Residents -15%
- Newly generated trips – 5%

4.31 With a strong base load of demand from visitors staying in the area and with the cruise ship and ferry passenger markets being a unique feature of the Holy Island visitor market, and a potentially 'semi-captive' one at that, there is some reason to believe that the land train could be quite an attractive product that would deliver on its planned objectives to better link the existing attractions whilst providing a new attraction in its own right.

**Table 4.2: Summary of demand and revenue estimates**

Demand					Revenue		
Potential Market Segments	Estimated Holy Island Market Size	May-Sept Land train trips	July-Aug Av Day	%	Av Rev/Pax	May-Sept Revenue £	July-Aug Av Daily Rev £
Overnight holiday trips							
GB	152,787	7,639	73	43%	£ 2.50	£ 19,098	£ 182
International	3,785	189	2	1%	£ 2.50	£ 473	£ 5
Day visitors	51,633	1,291	12	7%	£ 2.50	£ 3,227	£ 31
Cruise ship market	25,000	1,250	31	18%	£ 3.00	£ 3,750	£ 94
Ferry visitors							
transit	10,469	262	2	1%	£ 2.80	£ 733	£ 7
day trips	24,449	1222	16	9%	£ 2.80	£ 3,423	£ 44
Local residents	13,386	2677	26	15%	£ 2.40	£ 6,425	£ 62
Sub total		14,531	162			£ 37,129	£ 424
Generated Demand	5%	727	8	5%	£ 2.56	£ 1,856	£ 21
<b>Total</b>		<b>15,257</b>	<b>170</b>	<b>100%</b>		<b>£ 38,986</b>	<b>£ 445</b>

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## 5 Marketing and promotion of the land train

### The offer

- 5.1 The land train should be positioned as a fun activity as part of a day visit to Holyhead and the visitor attractions of Breakwater Park, Maritime Museum, St Cybi's and Holyhead town centre.
- 5.2 The land train should be providing a friendly welcome to visitors and the opportunity used to provide visitors with interpretation and information about the local area, encourage them to visit other attractions and perhaps hear a little of the Welsh language, so ideally, a local guide should provide commentary on (some of) the journeys. (It may be that the conductor and the guide is the same person).
- 5.3 The offer should be bundled alongside the other visitor attractions served, incorporating discounted visitor entry (e.g. Maritime Museum) and discounts on other amenities (e.g. discount on refreshment at Breakwater Park café).<sup>3</sup>
- 5.4 The land train should also be strongly promoted in relation to specific events such as the Holyhead Festival and Tour De Môn cycle sportive.
- 5.5 Potentially, Newry Beach could become a hub for a variety of activities and excursions, including onwards transport to South Stack and cycle hire.
- 5.6 General communications should promote the land train in relation to Holy Island as a visitor destination, following the marketing and branding guidance from the emerging Landscape Partnership Interpretation Plan.
- 5.7 The land train offer should be targeted to different groups including staying visitors in south east of Holy Island, cruise ship visitors, ferry day / short stay visitors and local residents.

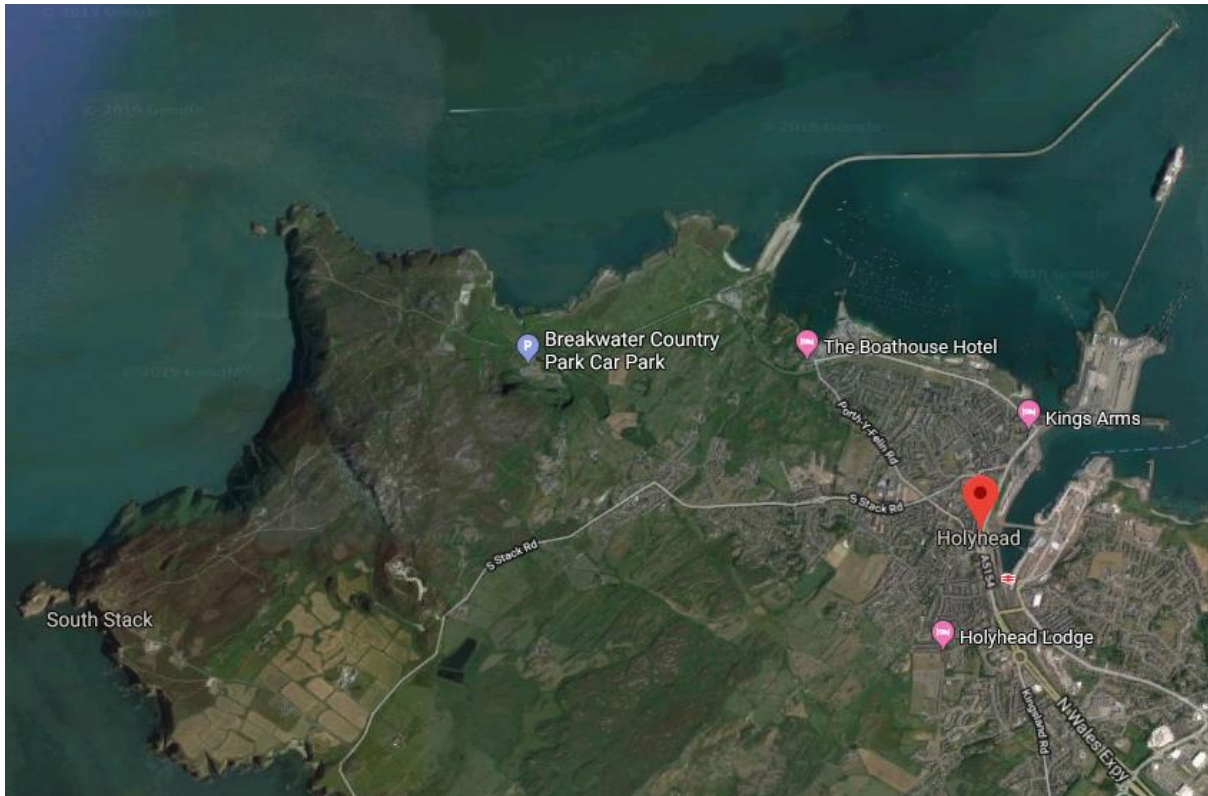
### Marketing activities

#### *Leaflet marketing the land train, north west Holy Island and Holyhead*

- 5.8 A central piece of marketing should be the development of a leaflet in which the land train is presented alongside the other activities and attractions in north west Holy Island. This should incorporate a map showing the key attractions (South Stack RSPB and Lighthouse, Ty Mawr, Holyhead Mountain, Breakwater Park, the Breakwater, Newry Beach and marina, Maritime Museum, St Cybi's and Fort, Ucheldre Centre). There may be a broader map showing the north west Holy Island and a close up map showing Holyhead. A short description of the attractions should be incorporated into the leaflet. The land train route and timetable should be presented, alongside any information on tourist services (such as trips to South Stack or cycle hire). Visitor attractions or local businesses could be encouraged to offer promotions.
- 5.9 This leaflet should be disseminated to tourist information points and accommodation providers across Anglesey.

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<sup>3</sup> For the purposes of a potential pilot project, these discounts could be funded through the Land Train service, to see their take up and assess whether the Land Train is generating additional patronage at these locations.



© Google. The map should provide an overview of north west Holy Island, identifying key attractions, with a close up of Holyhead itself, and the land train route depicted.

### ***On-line promotion***

- 5.10 The land train attraction should be incorporated into the Visit Anglesey website and promoted alongside other Holyhead attractions.
- 5.11 There should be a web page featuring basic information about the land train, including the route, timetable, attractions served, tariffs and days of operation.
- 5.12 A widget could be developed to allow other websites to link to it, such as tourist attractions and accommodation providers in the area.

### ***Social media***

- 5.13 Once the service is operating, social media releases should be planned and distributed via relevant local social media accounts (e.g. Visit Anglesey, We Are Anglesey, Anglesey Social Media, local visitor attractions, Stenaline, Isle of Anglesey Council, Menter Môn and other local stakeholders). These should utilise high quality photographs of attractions served by the land train, and the land train itself, and should emphasise enjoying the land train as part of a day out in this part of Holy Island. A simple plan should be developed for the timing and content of these postings. For example, at the beginning of the school holidays, postings could suggest the land train as a good activity to entertain the kids, when the Holyhead Festival is taking place, the land train could be promoted as an activity to undertake whilst visiting the Festival. Where specific visitor offers have been negotiated (e.g. discounted entry into an attraction), these should be promoted.

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5.14 It is understood that cruise ship passengers have limited access to expensive wi-fi on-board and so one of the first things they want to do on shore visits is to access free wi-fi. Many of the town's cafés provide this. There could be an opportunity to advertise the land train and Holyhead attractions on the launch page of café wi-fi services. It is also understood that cruise ship visitors will often search for information about the place they have arrived at through Wikipedia. Therefore, including information on the land train and attractions in Holyhead for the Holyhead Wikipedia page should be investigated.

### *Press coverage*

5.15 When the scheme is launched, press coverage should be sought from local TV, radio and printed / on-line press, including Daily Post, North Wales Live and Go North Wales. Press coverage should seek to portray the land train as part of the broader attractions in the Holyhead area. As appropriate, this may be used as an opportunity to showcase ambitions for Holyhead and Holy Island, including the enhanced promotion of the visitor attractions and heritage through the Landscape Partnership Heritage Plan, developments being planned at Breakwater Park, the marina, St Cybi's and the town centre, and local events.

### *Target markets*

5.16 The above marketing collateral and channels should be used to target the specific market segments.

- **Staying visitors:** given the predominance of holiday accommodation in the south west of Holy Island, it is important that holiday accommodation sites are provided with leaflets highlighting the land train and attractions in North West Holyhead, as part of a day out. It may be appropriate to incorporate information on bus services from Rhoscolyn and Trearddur to Holyhead. More ambitiously, the opportunity to offer family group discounted travel on the bus could be explored with the operator.
- **Day visitors:** the day visitor market is a diffuse one and difficult to reach, other than through on-line and social media channels. However, much of the day visitor market is repeat visitors, so ensuring that they are made aware of the land train (and associated attractions) on their current visit is important. Therefore, promotional leaflets should be provided at visitor attractions across Holy Island.
- **Cruise Ship market:** for those not going on organised excursions, there is a need to communicate an attractive half day / day visit local visit to Holyhead and Holy Island and to provide a packaged offer that will take them to the attractions. The land train offers an opportunity for people to explore Holyhead town centre and St Cybi's, the maritime museum and Newry Beach and Breakwater Park. St Cybi's has arranged events such as choral singing when cruise ships are in port, which could be communicated at the port terminal and on the land train on days this is occurring.
- **Ferry passengers in transit** would be difficult to target in advance as this is a diffuse market, other than generic on-line marketing. It may be possible for Stena Line to provide a link to a website from their information and booking page. The main promotional leaflet should be made available on the ferries and at the ferry terminal (both in Ireland and in Holyhead) so passengers with time have the opportunity to see what's on offer in Holyhead. It may be that some passengers pick up this information, so they are aware of the opportunity to spend some time in Holyhead on their return, for example, passengers from Ireland who may want to ensure they get back to Holyhead in plenty of time for their return ferry, and by

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knowing that there are lots of things to do in Holyhead are happy to travel in advance.

- **Ferry visitors:** The small but growing market of day or short-stay visitors on the ferry coming over from Ireland (as inexpensive foot passenger fares) seems to show good potential for the land train and for any broader tourist excursion offers. Again, information should be provided on the ferry and at the ferry terminal (both sides). There is anecdotal evidence that international students at Dublin's universities in particular enjoy taking a short trip. This offer could be promoted by making links with the universities to encourage them to market the offer of a day visit to Holyhead as part of their more general marketing of the attractions of the university. It may be possible to explore social media channels to reach students at the university.
- **Local residents** with pre-teen children may be interested in using the land train as part of a local day out. Local residents should be reached through appropriate local social media channels and word of mouth. It is worth considering whether there is a mechanism to provide local residents with a discount or season ticket, recognising that they are potentially repeat users, that they may bring visiting friends and relatives to the land train, and that the land train operation is potentially going to be a minor inconvenience for them. The land train should also be promoted to local residents in relation to special events such as running one-offs outside of holiday season (e.g. Santa Specials).

### **Events**

5.17 Major local events should be used as an opportunity to further promote the land train, in particular:

- Holyhead Festival, taking place over 4 days at the end of July and incorporating a carnival, live music and a range of participatory activities. The Festival involves the closure of a section of Beach Road, but, subject to a risk assessment, it may be possible to allow the land train through the festival area.
- Tour De Môn cycle sportive: a successful, growing annual event, which is taking place on Sunday 19th August and starts at Newry Beach. There will need to be a discussion with event organisers to understand what road closures will be in place, but some of the supporters may enjoy a trip on the land train and perhaps some families may like to relax on it after the event is over.

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## 6 Complementary services

- 6.1 The operational constraints of the land train mean that it can only serve certain routes and will not be able to connect to all attractions in north Holy Island, in particular South Stack Lighthouse, South Stack RSPB reserve and the adjacent Tŷ Mawr Neolithic site, as well as the Ucheldre Centre in Holyhead.
- 6.2 There is also scope for a greater range of visitor activities in the area, including exploring the area by bike.
- 6.3 We would recommend that a minibus excursion service to serve South Stack is the most appropriate way of reaching this destination.
- 6.4 In this regard, South Stack Lighthouse has purchased an 8-seater minibus to trial an excursion offer this summer. There is an opportunity to collaborate to cross-sell the land train and the South Stack excursion. The land train and town attractions could be communicated to minibus passengers on their way to South Stack Lighthouse, with the opportunity of dropping off passengers at Newry Beach / Marina / Maritime Museum or Ucheldre Centre on the way back. Similarly, passengers on the land train could be told about South Stack Lighthouse and the minibus service, and, where passengers are interested, the minibus could be contacted to inform them of customers wanting to undertake a trip for picking up at the marina.
- 6.5 It could be worth exploring with South Stack Lighthouse about the potential to more formally promote both services, offering a visitor bundle with a discount, with the discount offer to be shared pro rata between the services.
- 6.6 A further opportunity exists around bike hire. A previous initiative, Cybi Bikes, trialled bike hire and developed an attractive map of Holy Island with cycling routes of varying distances. (see over). It is understood the bike hire offer was not particularly well managed. However, with the planned marketing and presentation of Holy Island through the Landscape Interpretation work, and in association with a stronger visitor offer, including the land train, the opportunity for bike hire could be re-examined.
- 6.7 It is understood that a segment of the cruise ship market enjoy cycle trips. Indeed, some cruise ship operators carry pedal bikes and e-bikes which they rent out (at expensive rates!) to their passengers.
- 6.8 It is recommended that interest in bike hire is explored as part of the monitoring and evaluation of the land train pilot.





Map produced for Cybi Bikes showing a range of cycling routes around Holy Island

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## 7 Business case and action plan

### A ten year forecast

- 7.1 The financial analysis for the business plan has taken a 10 year horizon. It assumes that a second hand vehicle will be purchased for the start of the 2020 season and that this will need replacing by 2030.
- 7.2 The key inputs to the financial modelling are as follows:
- Capital cost of £65,000 for the land train and carriages (Section 3);
  - A central operating cost estimate of £37,402 pa (Table 3.2);
  - A central revenue forecast of £38,754 pa (Table 4.2);
  - An assumption of a further £1,000 pa of net revenue (after costs) from ancillary activities such as charter hire;
  - Future year growth assumptions of:
    - 2% pa in staff costs;
    - 1% pa in other costs;
    - 2% pa passenger revenue growth;
    - 5% pa in net revenue from ancillary activities (the higher growth rate reflecting a low starting base and the assumption that these activities will only take place if they prove to be profitable).
- 7.3 The service is assumed to start in 2020 but that some expenditure will begin during 2019. A further £5,000 of capital expenditure has therefore been allocated for 2019 and 2020 (split 50/50 across the two years) for as yet unidentified start-up costs associated with establishing a Holyhead Land Train Company to run the service.
- 7.4 Two versions of the central scenario have been developed – the first where the land train is purchased with the use of finance and the second where the train is purchased following receipt of a capital grant.

### Financial forecast – vehicle purchased with finance

- 7.5 Finance for the purchase of land trains is available. This can be for up to 80% of the purchase price. In the forecast below we have assumed that the maximum finance would be obtained - £52,000 – and that a 5% interest rate would be charged on the borrowing.
- 7.6 Table 7.1 (pg24) shows the cash flow across the 10 year period – figures in red are negative (outgoings), those in black are positive (incoming).
- 7.7 Table 7.1 shows that under this scenario the operation would move into the black on an annual basis from year 2026, after six years of operation, once the interest payments on the land train are complete. However by the end of the 10 year period over £36,000 of the capital cost would still remain unpaid.
- 7.8 Under the central revenue and operating cost forecasts the land train operation would make a small surplus from its first year of operation, sufficient to cover the operating costs of the service in 2020 and also to fully cover the interest charges that begin to

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accrue in 2021. However once the capital debt is added in the service only begins to reduce the overall debt from 2026 onwards.

- 7.9 This is unsurprising as the ability to charge significantly higher fares is likely to be relatively limited, (notwithstanding the potential to charge a premium on fares for the cruise ship market and to potentially grow the premium charter market), and is fairly typical characteristic of the land train market.

### **Financial forecast – vehicle purchased with grant funding**

- 7.10 As the benefits from the land train are likely to be felt and distributed more broadly throughout the Holy Island economy rather than being captured through the farebox revenue of the land train operator there is a case for seeking grant funding to purchase the vehicle to ensure that the scheme goes ahead and the wider benefits are realised.
- 7.11 Table 7.2 (pg 24) illustrates how the central financial forecast is significantly improved if a grant covering 100% of the vehicle capital cost is secured.
- 7.12 The service would have covered the other £5,000 of set-up costs by the second season of operation and is then forecast to be generating small annual surpluses. As the operating cost already includes an allowance of £65,000 over the ten year period to cover the depreciation of the land train the surplus of over £36,000 accumulated by 2029 would potentially leave the operating company with over £100,000 as a fund towards investment in a new train in 2030.

### **Sensitivity Tests**

- 7.13 The grant funding option appears to be the most sustainable way forward and we have chosen this funding option to look at sensitivity tests around the central financial cost and revenue assumptions.
- 7.14 As the central estimates of costs (£37,402 pa) and revenues (£38,986 pa) are very similar we can use percentages variations in one of these parameters as a reasonable proxy for the impact of the equivalent variation in the other, ie a 20% reduction in revenues has a very similar impact on financial cash flow as a 20% increase in operating costs and vice versa.
- 7.15 Table 7.3 (pg 25) shows the impact of 10% reduction in revenue (a 10% operating cost increase being almost identical). In this scenario the service would only move into surplus on an annual basis in 2027, although annual losses in preceding years are modest from 2021 onwards. While these level of losses are unlikely to be fatal to the business, and would not require much management intervention to potentially reverse them, they do indicate that the land train operation is likely to be a business with at best modest margins that will need to be well managed if it is to deliver the benefits to Holy Island that is being planned for.
- 7.16 Conversely an upside test of revenues being 10% higher (or operating costs 10% lower) (Table 7.4) illustrates how only a modest improvement in the annual operating margin could generate a healthy surplus towards the funding of a new train in 2029.

**Table 7.1: 10 Year financial forecast – vehicle purchased with finance**

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Capital Cost -Train		-£ 13,000	-£ 10,400	-£ 10,400	-£ 10,400	-£ 10,400	-£ 10,400				
Other Set Up Costs	-£ 2,500	-£ 2,500									
Interest			-£ 2,600	-£ 2,080	-£ 1,560	-£ 1,040	-£ 520	£ -	£ -	£ -	£ -
Staff Costs		-£ 18,577	-£ 18,948	-£ 19,327	-£ 19,714	-£ 20,108	-£ 20,510	-£ 20,920	-£ 21,339	-£ 21,765	-£ 22,201
Other Op Costs		-£ 18,825	-£ 19,013	-£ 19,203	-£ 19,395	-£ 19,589	-£ 19,785	-£ 19,983	-£ 20,183	-£ 20,385	-£ 20,589
Pax Revenue		£ 38,986	£ 39,766	£ 40,561	£ 41,372	£ 42,200	£ 43,044	£ 43,904	£ 44,783	£ 45,678	£ 46,592
Other Revenue		£ 1,000	£ 1,050	£ 1,103	£ 1,158	£ 1,216	£ 1,276	£ 1,340	£ 1,407	£ 1,477	£ 1,551
Net Annual		-£ 12,916	-£ 10,146	-£ 9,347	-£ 8,539	-£ 7,722	-£ 6,895	£ 4,341	£ 4,668	£ 5,006	£ 5,354
Cumulative		-£ 12,916	-£ 23,061	-£ 32,408	-£ 40,947	-£ 48,670	-£ 55,565	-£ 51,224	-£ 46,556	-£ 41,550	-£ 36,196

**Table 7.2: 10 Year financial forecast – vehicle purchased with 100% grant funding**

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Capital Cost -Train		£ -									
Other Set Up Costs	-£ 2,500	-£ 2,500									
Interest	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Staff Costs		-£ 18,577	-£ 18,948	-£ 19,327	-£ 19,714	-£ 20,108	-£ 20,510	-£ 20,920	-£ 21,339	-£ 21,765	-£ 22,201
Other Op Costs		-£ 18,825	-£ 19,013	-£ 19,203	-£ 19,395	-£ 19,589	-£ 19,785	-£ 19,983	-£ 20,183	-£ 20,385	-£ 20,589
Pax Revenue		£ 38,986	£ 39,766	£ 40,561	£ 41,372	£ 42,200	£ 43,044	£ 43,904	£ 44,783	£ 45,678	£ 46,592
Other Revenue		£ 1,000	£ 1,050	£ 1,103	£ 1,158	£ 1,216	£ 1,276	£ 1,340	£ 1,407	£ 1,477	£ 1,551
Net Annual		£ 84	£ 2,854	£ 3,133	£ 3,421	£ 3,718	£ 4,025	£ 4,341	£ 4,668	£ 5,006	£ 5,354
Cumulative		£ 84	£ 2,939	£ 6,072	£ 9,493	£ 13,210	£ 17,235	£ 21,576	£ 26,244	£ 31,250	£ 36,604

**Table 7.3: Sensitivity test, revenues minus 10% (vehicle 100% grant funded)**

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Capital Cost -Train		£ -									
Other Set Up Costs	-£ 2,500	-£ 2,500									
Interest	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Staff Costs		-£ 18,577	-£ 18,948	-£ 19,327	-£ 19,714	-£ 20,108	-£ 20,510	-£ 20,920	-£ 21,339	-£ 21,765	-£ 22,201
Other Op Costs		-£ 18,825	-£ 19,013	-£ 19,203	-£ 19,395	-£ 19,589	-£ 19,785	-£ 19,983	-£ 20,183	-£ 20,385	-£ 20,589
Pax Revenue		£ 35,087	£ 35,789	£ 36,505	£ 37,235	£ 37,980	£ 38,739	£ 39,514	£ 40,304	£ 41,110	£ 41,933
Other Revenue		£ 1,000	£ 1,050	£ 1,103	£ 1,158	£ 1,216	£ 1,276	£ 1,340	£ 1,407	£ 1,477	£ 1,551
Net Annual		-£ 3,814	-£ 1,122	-£ 923	-£ 716	-£ 502	-£ 280	-£ 49	£ 190	£ 438	£ 695
Cumulative		-£ 3,814	-£ 4,936	-£ 5,860	-£ 6,576	-£ 7,078	-£ 7,358	-£ 7,407	-£ 7,217	-£ 6,779	-£ 6,085

**Table 7.4: Sensitivity test, revenues plus 10% (vehicle 100% grant funded)**

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Capital Cost -Train		£ -									
Other Set Up Costs	-£ 2,500	-£ 2,500									
Interest	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Staff Costs		-£ 18,577	-£ 18,948	-£ 19,327	-£ 19,714	-£ 20,108	-£ 20,510	-£ 20,920	-£ 21,339	-£ 21,765	-£ 22,201
Other Op Costs		-£ 18,825	-£ 19,013	-£ 19,203	-£ 19,395	-£ 19,589	-£ 19,785	-£ 19,983	-£ 20,183	-£ 20,385	-£ 20,589
Pax Revenue		£ 42,884	£ 43,742	£ 44,617	£ 45,509	£ 46,420	£ 47,348	£ 48,295	£ 49,261	£ 50,246	£ 51,251
Other Revenue		£ 1,000	£ 1,050	£ 1,103	£ 1,158	£ 1,216	£ 1,276	£ 1,340	£ 1,407	£ 1,477	£ 1,551
Net Annual		£ 3,983	£ 6,831	£ 7,189	£ 7,558	£ 7,938	£ 8,329	£ 8,732	£ 9,146	£ 9,573	£ 10,013
Cumulative		£ 3,983	£ 10,814	£ 18,003	£ 25,561	£ 33,499	£ 41,828	£ 50,560	£ 59,706	£ 69,279	£ 79,292

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## Action Plan Timeline

- 7.17 In order to move the project forward and fully test the viability of the proposed service we recommended in our Phase 1 report that a pilot service is tested during summer 2019 (see Section 8 for more details and a specific action plan for the pilot).
- 7.18 However, if a full service is to be operated as planned from summer 2020 there are a number of actions that will need to begin in parallel, starting with the establishment of a legal entity – the Holyhead Land Train Company (HLTC).
- 7.19 The details of the action plan would be the responsibility of the HLTC. Some of the key actions and an indicative timeline for further discussion are shown in Table 7.4 below.

**Table 7.4 Action Plan Timeline**

<b>Action</b>	<b>By When</b>
Identify preferred legal structure, proposed governance structure and establish company	July/Aug 2019
Pilot project (see Section 8 for more details)	July/Aug 2019
Review results and take decision on committing to a full scheme	Sept/Oct 2019
Contact potential rolling stock suppliers & prepare and submit funding bid for rolling stock	Nov/Dec 2019
Decision on rolling stock grant	Jan 2020
Appoint marketing and administration manager	Jan 2020
Identify and secure vehicle storage facility	Jan 2020
Develop marketing strategy	Feb 2020
Purchase rolling stock	Feb 2020
Prepare VSO application for operation	Feb 2020
Implement marketing activities	March 2020
Identify and contract with vehicle maintenance and service facility	March 2020
Recruitment of drivers and guard's	March 2020
Staff training and service testing	April 2020
Launch service	May 2020

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## 8 Pilot

- 8.1 The immediate priority is to take forward the recommendation that the service should be piloted in summer 2019.
- 8.2 The objectives of this pilot are to:
- Test the proposed routes in terms of operational issues and attractiveness to users;
  - Gain local experience in the operational aspects of the land train service;
  - Test user response, in terms of interest in and satisfaction with the service. Assess who the user markets are and what they like about the service and anything they'd change about it.
  - Gather more robust evidence on operational costs and user revenue to confirm that a financially viable service can be operated in the future.
- 8.3 It is recommended that a bid is submitted to the LAG for undertaking a pilot. The bid should seek £19,000, £12,000 of which are for the land train operation, and £7,000 for service planning, marketing, monitoring and evaluation, and reporting.
- 8.4 The following tasks need to be undertaken to deliver the pilot:
- Develop tender specification for procuring the land train;
  - Advertise the tender on Sell2Wales (and alert land train operators about it);
  - Award contract to best bid;
  - The operator to secure VSO for operation of the service;
  - Develop marketing leaflet advertising the land train and Holyhead attractions and distribute to relevant locations;
  - Provide web content for advertising the land train service and collaborate with appropriate websites for uploading this content;
  - Prepare social media plan and identify social media channels to promote the service through;
  - Develop monitoring and evaluation framework;
  - Undertake pilot service provision. In association with this, obtain press coverage, commission photography and undertake monitoring with users;
  - Assess service performance in terms of operations and user reaction. Refine service specification, business costs and revenues forecasts for full operation.
- 8.5 A more detailed implementation plan has been developed as a separate spreadsheet.

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# Martin Higgitt Associates