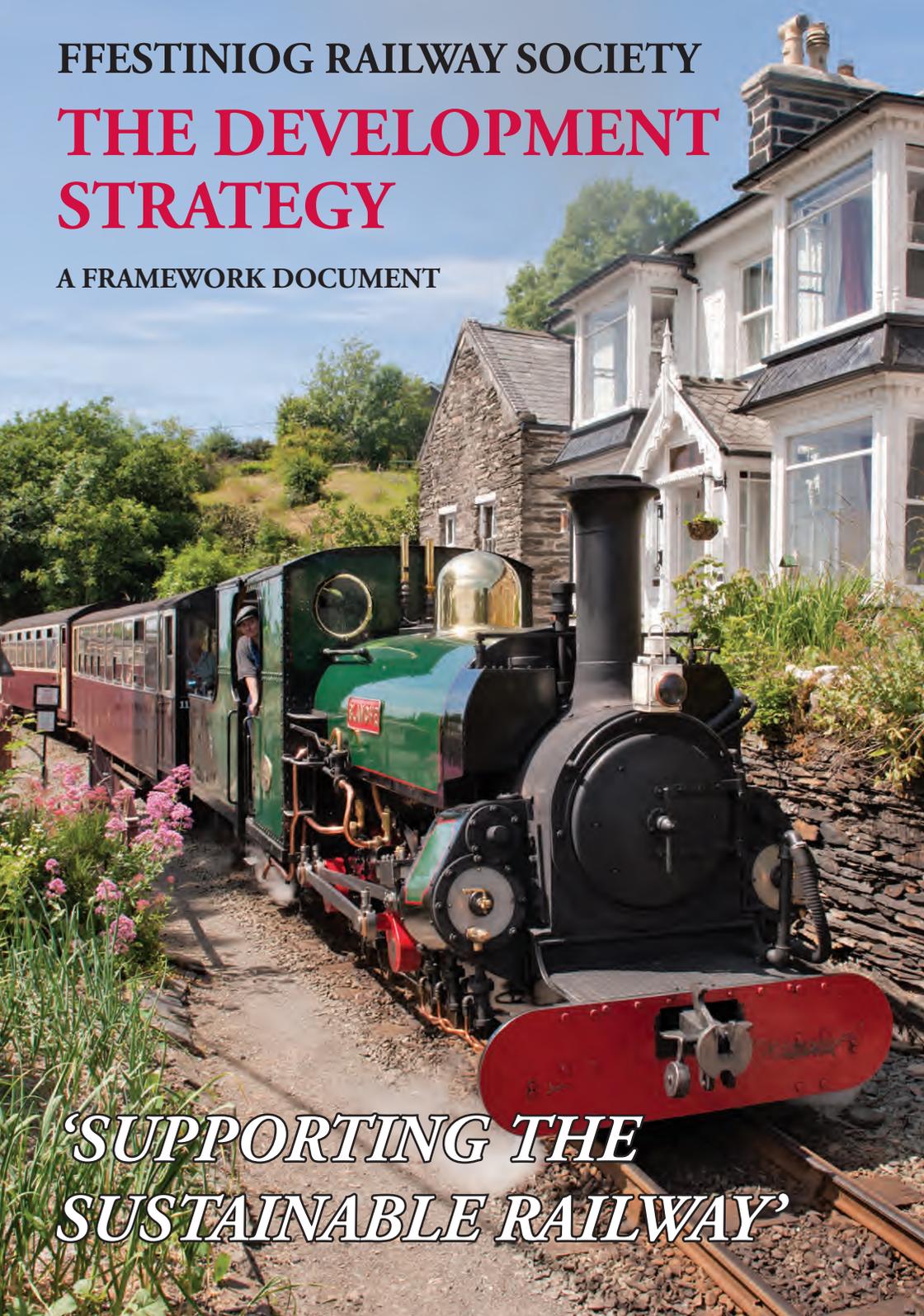


FFESTINIOG RAILWAY SOCIETY

THE DEVELOPMENT STRATEGY

A FRAMEWORK DOCUMENT



*'SUPPORTING THE
SUSTAINABLE RAILWAY'*

INTRODUCTION

The Ffestiniog Railway Society (the Society) exists to support the oldest independent statutory railway company in the world, the Festiniog Railway (FR) having been created by an Act of Parliament in 1832. The FR is now a world-class, 21st century tourist attraction but it was also a major world pioneer in the technological development of narrow-gauge railways in the 19th century.

The Society was established as the Festiniog Railway Society Limited in 1954 by preservation pioneers who wanted to play a part in the rebirth of the FR. The Society quickly found a role in providing volunteers and finance for rebuilding efforts, a role that is still crucial today. The Society became a registered charity in 1997 and currently has over 5,500 members, many of whom are active volunteers.

The Society provides significant support to the Festiniog Railway Company (the Company) by providing financial inputs, encouraging volunteering and supporting the unique heritage of the FR. The Society has donated over £1 million to the Company over the past ten years.

The Company published a vision document, *A Sustainable Future*, in April 2011 that set out aspirations for the improvement and consolidation of the FR. This *Framework Document* sets out how the Society can help achieve these aspirations and contribute towards a sustainable railway.



'the best narrow-gauge railu

A SUSTAINABLE FUTURE

The 2011 *A Sustainable Future* vision document recognises the achievements represented by the rebuilding of the Ffestiniog Railway back to Blaenau Ffestiniog, and the reconstruction of the Welsh Highland Railway. It sets out a number of key policies that are designed to ensure a sustainable future for the Ffestiniog and Welsh Highland Railways.

In particular, it recognises that the Company needs to consider its impact on its:

- Customers
- Supporters
- The Local Community

as it strives to become

'the best narrow-gauge railway that there is – anywhere'

The vision document recognises that:

'Our next challenge is not only to develop the Ffestiniog and Welsh Highland, and it is not even to develop the railways in a way that makes the most of their heritage, it is to turn the whole into a sustainable enterprise.'



Sustainability involves three elements:

ECONOMICS

An economically viable railway is a basic prerequisite to being able to afford anything else.

It is important to safeguard the future of the FR by sound financial management so that, with volunteer help, it is self supporting.

COMMUNITY

The railway performs a cultural role in demonstrating and interpreting the heritage of Gwynedd to both those living in, and to those visiting, North Wales, as well as being a major employer.

The FR plays a significant role in the economy of Gwynedd as a leading tourist attraction, helping to create and safeguard jobs for local people by providing a catalyst to bring increased numbers of visitors and greater investment to the area.

ENVIRONMENT

The railway provides green access to the protected landscapes of Snowdonia and Gwynedd and forms a major part of the historic environment. The Ffestiniog Railway is probably the most complete survival of a Victorian Railway entity.

The FR can provide visitors with a variety of travel and tourism options which meet changing aspirations and, as a heritage railway transport corridor running to established destinations in the Snowdonia National Park, help reduce dependency on the motor car for both residents and visitors.



The Society can offer support in these areas in a number of ways, as set out below:

- Helping to increase revenue income by supporting the provision of volunteer labour.
- Helping to reduce costs by supporting the provision of volunteer labour.
- Helping to increase donations by promoting exciting projects.
- Helping to provide highly skilled support that the Company would not otherwise be able to afford
- Encouraging supporters to increase their involvement
- Helping supporters to derive satisfaction from their input

ECONOMICS

- Helping to provide training by supporting *Kids' Training Week, Megabash, Gigabash* and other events.
- Helping to provide volunteer supervisors.
- Helping to support centre-of-excellence activities in an accessible environment – for example; by supporting maintenance of the heritage wagon fleet.
- Helping to support the community by working towards an increase in the number of visitors and volunteers.

COMMUNITY

- Providing support for the maintenance of buildings – for example; the Old Engine Shed and Minffordd weighbridge.
- Providing support for the renovation of lineside fencing, walls, mileposts and similar projects.
- Providing support for locomotive and carriage restoration.
- Providing support for the restoration of historic freight vehicles.
- Providing volunteers to assist with the operation of passenger trains.
- Providing volunteers to assist with the operation of trains that improve the experience of the FR, but which are not directly revenue-earning.

ENVIRONMENT



A SOCIETY DEVELOPMENT STRATEGY

The Society and Company are linked organisations. Therefore, it follows that the Company's vision document *A Sustainable Future* and the Society's *Development Strategy* should also be linked. The Society will seek to support *A Sustainable Future* by seeking to achieve the following **Core Objectives**:



CORE OBJECTIVES

- C1 The Society will maintain the formal working relationship between the Society, Company and Trust.
- C2 The Society will seek to share the Company's vision document ***A Sustainable Future***.
- C3 The Society will seek to work with the Heritage Company and the FRS Heritage Group to help exploit unique selling points.
- C4 The Society will seek to participate in the development of policies with the Company.
- C5 The Society will seek to support specific projects proposed by the Company (including the conservation of historic buildings and lineside features, and the restoration of historic carriages and freight vehicles). It will also seek to optimise the relationship between fundraising and investment plans.
- C6 The Society will seek to increase its membership numbers.
- C7 The Society will seek to increase the revenue income, and reduce the costs, of the Company by providing volunteer labour.
- C8 The Society will help to increase donations by promoting fundraising for specific projects.
- C9 The Society will seek to develop areas of mutual interest with Cymdeithas Rheilffordd Eryri (the Welsh Highland Railway Society – WHRS).
- C10 The Society will seek to increase the job satisfaction of staff and volunteers by publishing and implementing a volunteering policy in partnership with the Company.
- C11 The Society will help the Company to provide training opportunities for volunteers.
- C12 The Society will seek to determine a communications policy relating to publications, websites and other media.
- C13 The Society will determine and implement a hostels management policy.

A Director of the Society will be allocated to support the delivery of each of the Core Objectives.

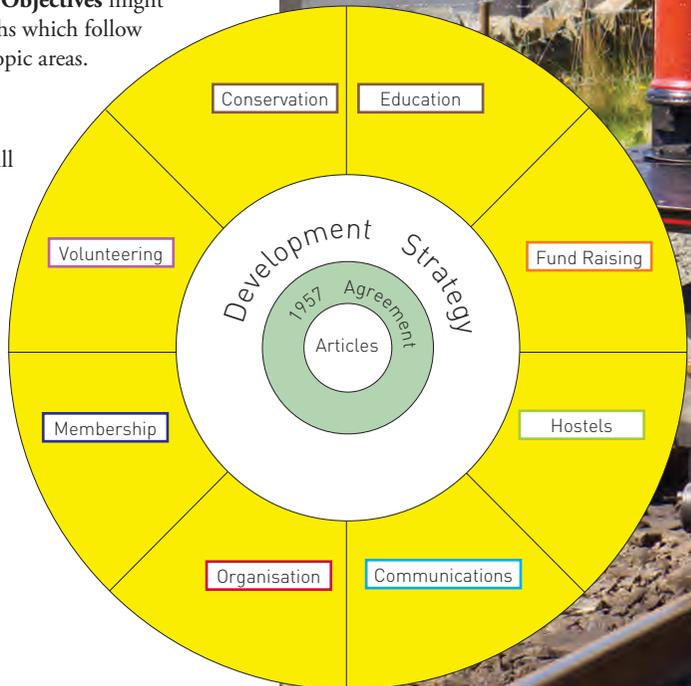
A STRUCTURE FOR A DEVELOPMENT STRATEGY

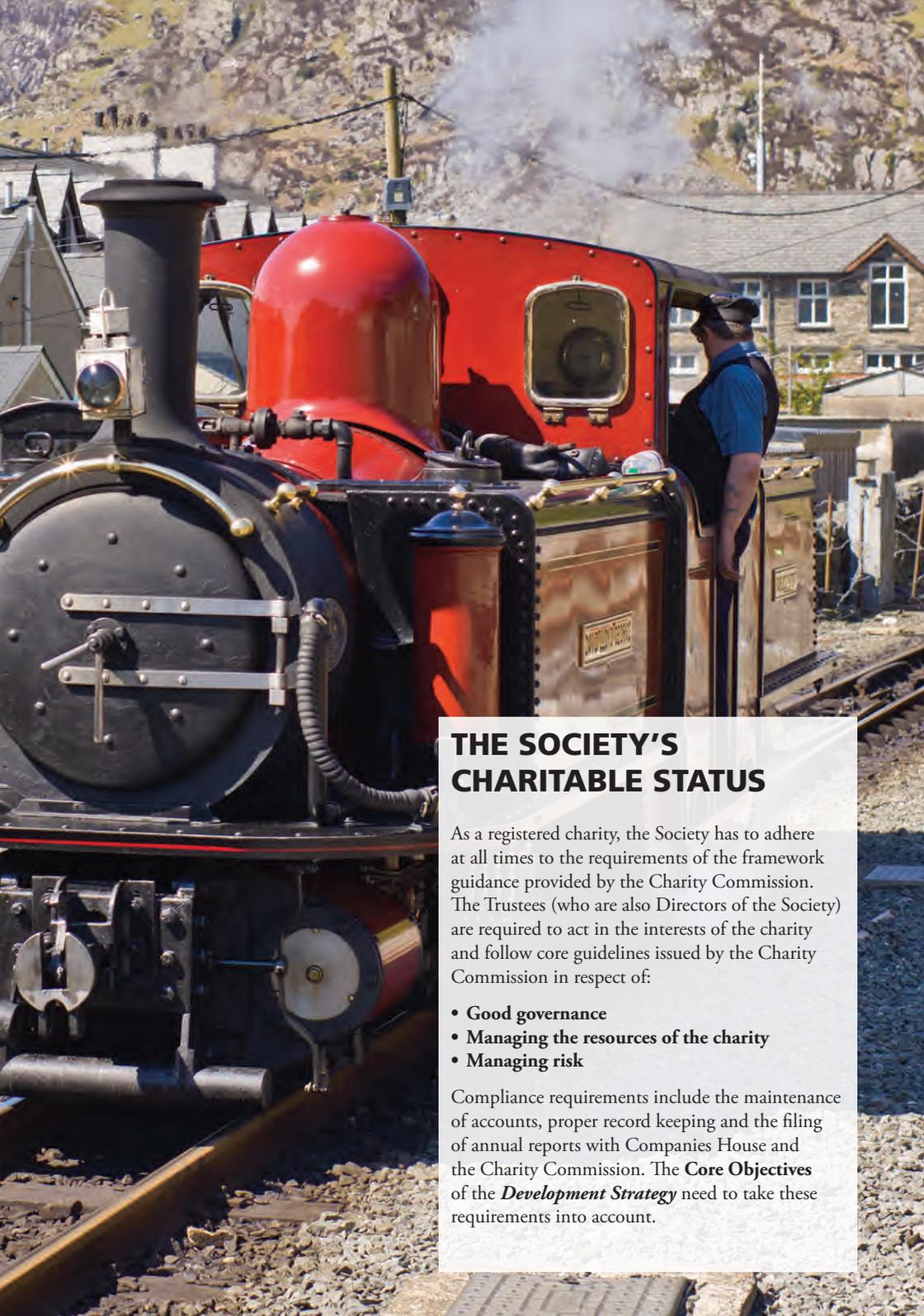
The purpose of this *Development Strategy* document is to set out a framework that will facilitate the implementation of the **Core Objectives** as the Society seeks to meet the aspirations set out in the Company's vision document *A Sustainable Future*.

Two key documents governing the management of the Society and its relationship with the Company already exist. These documents are the *Articles of Association* and the *1957 Agreement*, and they are included in the *Development Strategy*.

The key documents are supported by detailed papers on conservation, education, fundraising, the operation of hostels, volunteering, membership, organisation, and communications. It is these detailed papers that set out how the **Core Objectives** might be achieved. The paragraphs which follow summarise each of these topic areas.

Full details, including the *1957 Agreement* and *Articles of Association*, will be provided on the Society website. The relationship between all of these documents is set out in the diagram right.





THE SOCIETY'S CHARITABLE STATUS

As a registered charity, the Society has to adhere at all times to the requirements of the framework guidance provided by the Charity Commission. The Trustees (who are also Directors of the Society) are required to act in the interests of the charity and follow core guidelines issued by the Charity Commission in respect of:

- **Good governance**
- **Managing the resources of the charity**
- **Managing risk**

Compliance requirements include the maintenance of accounts, proper record keeping and the filing of annual reports with Companies House and the Charity Commission. The **Core Objectives** of the *Development Strategy* need to take these requirements into account.

ARTICLES OF ASSOCIATION

The Society Articles of Association state that the objectives of the Society are:

‘To advance the education of the public through the conservation of the Ffestiniog Railway for the public benefit and through the promotion and encouragement of voluntary work in support of the Ffestiniog Railway.’

It should be noted that:

‘The “Ffestiniog Railway” shall encompass any other railway or enterprise with which the Festiniog Railway Company is associated now or in the future that is itself of benefit to the Festiniog Railway Company’.

The financial support to the Company will be targeted at activities associated with the Ffestiniog Railway.

The sections which follow consider how the Society can continue to achieve the objectives set out in its *Articles of Association*, in particular:

- **Education**
- **Conservation**
- **Volunteering**

as well as supporting the vision document *A Sustainable Future* and implementing the **Core Objectives**.



ORGANISATION [Core Objectives C1, C2, C4, C9]

The Society has a dual role within the overall organisation of the Ffestiniog and Welsh Highland Railways:

- As a support organisation to the Company in its activities.
- As a formal partner in the governance of the Company through the nomination of a Trustee to the Board of the Festiniog Railway Trust. In addition the Festiniog Railway Trust (who are the majority shareholders in the Company) has agreed that the Society should nominate one candidate to be a Director of the Festiniog Railway Company who, following appointment, takes a leading role in communication between the Society and the Company Board, in addition to such other responsibilities that they may hold.

This dual role has its foundation in the part played by the Society and its predecessors in the process of acquiring the Company from its previous shareholders.

The day-to-day business of the Society is managed by a Board of Directors elected by the membership at a General Meeting of the Society. Directors serve for a term of three years.

Specific Society aims and objectives are as follows:

The Society will maintain the formal working relationship between the Society, Company and Trust:

- By developing and expanding the working relationship as necessary and appropriate.
- By actively promoting to the Company the expertise available from Society members who possess specialist skills.

The Society will seek to share the Company's vision for a sustainable railway:

- By promoting the vision document *A Sustainable Future*.

The Society will seek to develop areas of mutual interest with Cymdeithas Rheilffordd Eryri / Welsh Highland Railway Society:

- By promoting joint meetings as required.
- By promoting cross-communication.
- By reviewing volunteering requirements across both railways.
- By considering joint investment opportunities.

The Society will seek to assist in developing policy with the Company:

- By nominating a Trustee to serve on the Festiniog Railway Trust
- By nominating a Director to serve on the Company Board.
- By inviting Company Directors and Managers to attend Society Board meetings, the Annual General Meeting and the Group Liaison Meeting.
- By encouraging joint meetings between Company and Society to discuss matters of mutual interest.

MEMBERSHIP

[Core Objective C6]

The Society will review its membership fees at regular intervals.

The Society will seek to reduce the small number of members not renewing each year by way of active follow up.

The Society will use all means possible to increase the level of volunteering from within the membership and from elsewhere. **In particular:**

The Society will seek to increase membership numbers.

- By developing the Society website.
- By maintaining the stock of instant membership packs held in the Porthmadog and Blaenau Ffestiniog station shops.
- By maintaining racks of promotional leaflets in FR carriages.
- By manning stands at special events, exhibitions, etc.
- By recruitment through personal contact.
- By arranging for a member of the Society Board to contact all new members and personally welcome them to the Society.

The Society will help to increase donations by encouraging fundraising for specific projects:

- By promoting projects through publicity in the *Ffestiniog Railway Magazine*.
- By organising fundraising opportunities, as appropriate.
- By direct mailing of appeals, where appropriate.





FUNDRAISING

[Core Objectives C5, C8]

The Society aims to support a number of projects linked to the Ffestiniog Railway. These are normally of a capital nature – for example; direct financial and volunteer labour support for carriage and locomotive rebuilds, or indirect support by the subsidising of paid staff to work on a specific project – such as slate waggon restoration. The Society may also provide support for projects such as the training scheme for young people, heritage management, or conservation of archives. The Society aims, through its fundraising activities, to maximise the income needed to provide financial support for such projects.

The Society will seek to raise income beyond the level provided by membership subscriptions from a variety of sources, including general appeals, raffles, in-memoriam donations, legacies and assorted fundraising schemes. Specific, targeted appeals will be discussed with the Company to ensure maximum income from the membership. It is regarded as very important to ensure that multiple appeals do not vie for the attention of potential donors, as this can reduce total income. The use of appeals for both one-off and regular giving needs to be encouraged.

Specific objectives are as follows:

The Society will seek to support specific projects proposed by the Company so as to optimise the relationship between fundraising and investment plans:

- By preparing a strategy that optimises investment opportunities and fundraising activities.
- By reviewing subscription rates at appropriate intervals and seeking approval for reviews at a General Meeting of the Society.

INVESTMENT STRATEGY

[Core Objective C5]

The vision document, *A Sustainable Future*, recognises that the Company needs to attract sponsors and donations as well as encouraging volunteering to support its basic activities. *The Society will seek to take a leading role in providing and improving facilities for volunteers and will manage specific appeals for projects that support the objectives of the Company.*

The Society will support the Company in developing volunteering activities. It will therefore support the following priorities from general funds:

- The maintenance and improvement of facilities for volunteers.
- Investment in the recruitment of new volunteers.
- Investment in suitable revenue-earning projects.
- Investment in heritage and conservation projects, including the restoration of slate waggons, and vehicles from the freight and engineering wagon fleet.
- Subsidies to key volunteers to assist FR operations, where appropriate, and on a case-by-case basis.

The Society will also support projects that preserve and/or emphasise heritage aspects of the Ffestiniog Railway.

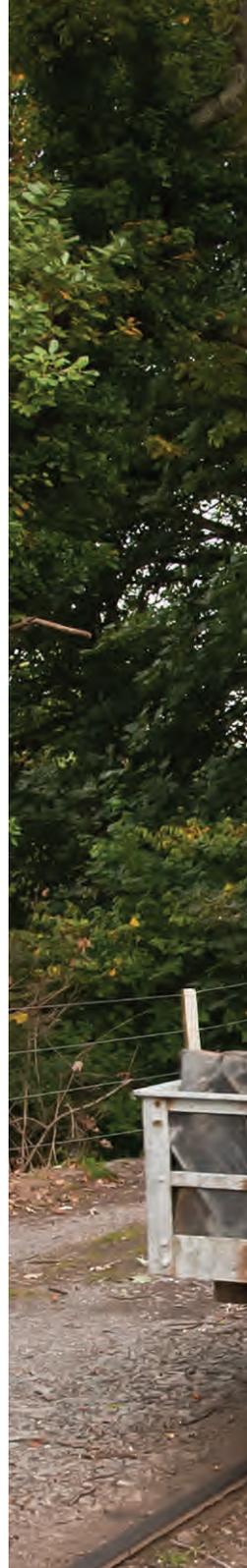
The Society's current operating surplus is approximately £60,000 per annum. To increase this substantially would take a significant increase in membership or would require a change to subscription rates and hostel fees that might prejudice overall membership numbers. The Society will seek to keep a balance in this respect by keeping expenditure under review and seeking to minimise costs.

In particular:

The Society will seek to support specific projects proposed by the Company and to optimise the relationship between fundraising and investment plans:

- By engaging with the Company at Board meetings and other opportunities.
- By developing a long-term investment strategy that seeks to match fundraising appeals to the objectives of the vision document, *A Sustainable Future*.

The current Society investment strategy commits it to providing significant funding for double engine bogies; the overhaul of England engines; the conservation of heritage wagons; and improvements to the carriage fleet. It is also able to support numerous small funding requests that arise from time to time. Funding all of the projects to which the Society is currently committed, without additional fundraising, will lead to a significant reduction in the overall operating surplus between 2011 and 2014. The Society will therefore continue to be active in raising fresh funds.







VOLUNTEERING

[Core Objectives C7, C10, C11]

The Society Board has been studying ways of developing the volunteer experience with a view to increasing recruitment and improving the retention of volunteers. As part of this exercise, a study has been made of two national standards that focus on the development of staff – paid and unpaid. A review of the methods adopted by other heritage railways has also been carried out.

There are four areas of volunteer involvement to be developed:

- **Planning for volunteer involvement.**
- **Recruitment of volunteers.**
- **Selecting and matching volunteers to projects.**
- **Supporting and retaining volunteers.**

It is proposed to use the *Investors in Volunteers* (IiV) framework, and the relevant parts of the *Investors in People* (IiP) Standard, in order to produce an FR guidance note for working with volunteers. The Society would seek to achieve as high a standard as is reasonably practicable, but without seeking accreditation.

As a first step towards preparing a comprehensive volunteering strategy, the Society has reviewed the way that other heritage railways organise volunteering. Two key pointers emerged – the need to set up a Volunteer Forum, and the need to support this Forum with a system of *Volunteer Mentors*. The Forum would act as the hub of the volunteer organisation and oversee the creation of a volunteering strategy. The *Volunteer Mentors* would provide personal support to help and encourage volunteers.



Photo © Chris Parry

The Society will seek to assist the Company to develop a policy for managing volunteers effectively. The adoption of this policy would help the Society and the WHRS to provide the volunteer resources to match the requirements of the operating railways and the objectives set out in the vision document *A Sustainable Future*. **In particular:**

The Society will seek to increase revenue income, and reduce costs for the Company, by helping to provide volunteer labour:

- By encouraging volunteering within its membership and from elsewhere.

The Society will seek to increase the job satisfaction of staff and volunteers by publishing and implementing a volunteering policy jointly with the Company and the WHRS:

- By working with the Company Volunteer Liaison Officer.
- By preparing and disseminating a volunteering policy.
- By providing *Volunteer Mentors*.
- By providing a channel through which conflicts may be resolved.

The Society will help in the provision of training opportunities:

- By providing targeted financial support.
- By providing volunteer supervisors.
- By encouraging participation in focused activities.
- By providing training opportunities not otherwise available.





HOSTELS

[Core Objective C13]

The Ffestiniog and Welsh Highland Railways could not survive in their present form without the support of volunteer labour. To encourage this volunteer input, there is a need to provide cheap, comfortable accommodation for volunteers during their stay.

There are currently two hostels, Minffordd (42 beds) and Penrhyn (14 beds), the latter used mainly by Area Groups. The hostels are owned by the Company, but are managed, as a joint exercise, by the Society Board. One Director from the Society Board is nominated to act as the day-to-day contact between the Society and the full-time hostels warden (paid by the Society).

Society policy is to subsidise approximately 50% of hostel running costs from Society funds. This is to ensure that the charges made to hostel users are kept down to a reasonable level.

The popularity of the hostels is demonstrated by an annual occupancy of 7,000 bed-nights at Minffordd for the year 2010. There has been an annual increase in this figure for each of the past five years. Both hostels are effectively full during July and August each year, and the average occupancy rate for the year 2010 was 48%.

A rolling programme of refurbishment was commenced in 2006 with the intention of raising the standard of accommodation in the hostels. This work has contributed to the increase in the annual occupancy rate thus, in turn, providing increased volunteer effort on the railways.

As the rebuilding of the Welsh Highland Railway progressed towards Porthmadog the demand on hostel accommodation increased. The usage of the hostels will be kept under review for the next few years so that a better picture of future demand can be gained and solutions devised. **In particular:**

The Society will determine and implement a hostels management policy:

- By financing a hostels warden.
- By financing the running costs of the hostels.
- By setting charges that cover 50% of the running costs.
- By reviewing the charging policy at appropriate intervals.
- By periodically reviewing the trend in demand for hostel places, and planning accordingly.
- By consulting with the WHRS over the future provision of hostel places.



COMMUNICATIONS

[Core Objective C12]

The Ffestiniog Railway organisation consists of a diverse range of constituent parts, all of which have to interact together effectively if the whole is to operate successfully. Communication between the parts consists essentially of written material and the spoken word. It is vital that the sharing of information – or *communication* – between these parts should function as effectively as possible at all levels. **In particular:**

The Society will seek to determine a communications policy relating to publications, websites and other media:

- By publishing the *Ffestiniog Railway Magazine* to a consistently high quality.
- By publishing the *Group Information Memorandum*.
- By maintaining websites focused on membership and volunteering.
- By supporting other means of formal and informal communication as appropriate.
- By supporting the *Area Groups*.
- By supporting *Functional Groups*.
- By seeking to promote direct communication channels between volunteers and Company management.





EDUCATION and CONSERVATION

[Core Objectives C3 and C11]

A major grant application to the Heritage Lottery Fund (HLF) for the *Taith I'n Trefnadaeth – Our Heritage Journey* project will be made within the next two years. Plans for the project include the provision of equipment and materials for a major volunteer initiative to uncover, restore and interpret the FR's physical heritage, including many of its historic boundary walls and fences. Volunteers will be trained in conservation skills and as tour guides to help bring the railway's heritage back to life. The Society will work to assist with this grant application. **In particular:**

The Society will seek to work with the FR Heritage Company Ltd and the FRS Heritage Group to help celebrate the Railway's unique selling points:

- By assisting with the HLF grant application.
- By supporting the maintenance and development of the gravity train and other unique train formations.
- By supporting the development and conservation of Company and Society archives.
- By bringing to the attention of the Company any area of conservation that it feels is being neglected.

The Society will help to provide training opportunities:

- By supporting *Kids' Training Week, Megabash* and *Gigabash*.
- By providing volunteer supervisors.
- By supporting centre-of-excellence activities, such as the maintenance of the heritage waggon fleet.



CONCLUSIONS

The Society has been instrumental in engineering the recovery of the Ffestiniog Railway from 1954 onwards.

The Society has supported the Festiniog Railway Company in continuing to develop and sustain the FR over the past fifty-five years.

This *Development Strategy* sets out Core Objectives for the Society to continue to support a sustainable future for the Company as it enters a new phase of its history.



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*'SUPPORTING THE
SUSTAINABLE RAILWAY'*

