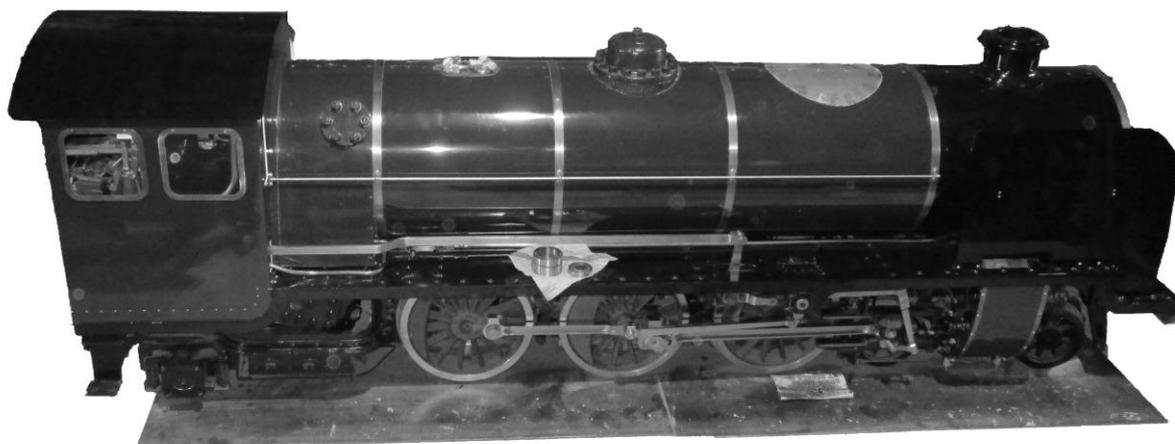


NOTICE OF EGM

RAVENGLASS & ESKDALE RAILWAY PRESERVATION SOCIETY LIMITED NOTICE OF EXTRAORDINARY GENERAL MEETING



Notice is hereby given that an Extraordinary General Meeting of the Society will be held in the Village Hall, Ravenglass on Saturday 12th December 2015 at 1.00pm to transact the following business:

1. To read the notice convening the meeting.
2. To receive a verbal report about the locomotive No. 8457.
3. To vote on the following resolution:

It is proposed to purchase and return to service for use on the R&ER the steam locomotive No. 8457 currently in Mataró, Barcelona with a nominal budget of £250,000.

Dated this sixteenth day of November 2015
By order of the Council

M. Stacy
Secretary

Postal vote

Full members who are unable to attend may vote using the enclosed form which has been personalised according to your membership number. Junior members are not permitted to vote.

Background

Information about the background to this Extraordinary General Meeting is provided overleaf. Supplementary reports may be of interest to members and are available as follows:

Members' section of the website: www.rerps.co.uk/locomotive/new-steam-locomotive

By email: secretary@rerps.co.uk

By post (please include SAE):

Mungo Stacy, Hon. Secretary RERPS, 34 Mayfield Road, Manchester, M16 8EU

Introduction

An opportunity has arisen for the R&ER Preservation Society to purchase a historic 15" gauge steam locomotive. This is a significant decision which will use the majority of the Society's cash reserves, therefore an Extraordinary General Meeting has been called to allow the Society's members to contribute to the decision.

This briefing note sets out the background to the R&ER Preservation Society's desire to acquire a steam locomotive; discussions held with the railway company about operating another steam locomotive; background of the locomotive in question; findings of a visit to assess the locomotive's condition; and the Society's current financial position.

A special council meeting was held on 4th November 2015. Council members voted clearly in favour of the principle of purchasing the locomotive, with 18 in favour, 1 abstention and none against, but wished this significant purchase to be ratified by the membership. The vendors have reserved the locomotive for the Society pending the decision of the Extraordinary General Meeting.

Relationship between the Preservation Society and the Railway Company

The railway is owned and operated by the R&ER Company, which is distinct from the Preservation Society.

The object of the R&ER Preservation Society is to preserve the Ravenglass and Eskdale Railway, including acquisition, improvement and maintenance of equipment of or for the railway. The purchase of a steam engine is in accordance with the Society's objectives. The Society currently owns one steam locomotive, *River Mite*, and one diesel locomotive, *Douglas Ferreira*. The other locomotives are owned by the Railway Company.

Steam locomotive project

The Ravenglass and Eskdale Railway is marketed as a steam railway. During the high summer service, at least three steam locomotives are needed every day. Allowing for one out of the railway's four large steam locomotives to be undergoing major overhaul, the summer service requires 100% availability from the operational steam locomotives. In addition to this, the current timetable requires two diesel-hauled trips during the middle of the day.

The provision of a new steam locomotive by the Preservation Society, of equal operating capacity as the railway's main locomotives, would relieve pressure on the locomotive fleet. The same overall mileage would be spread over more locomotives, giving less wear on each locomotive and allowing more time and flexibility over running repairs and major overhauls. Equally important, there would be considerable publicity and interest in the railway arising from the acquisition of a new steam locomotive.

The prospect of a new steam locomotive was raised in the R&ER Magazine No. 188 (March 2008). It gained impetus when the Society received a substantial bequest from the estate of the late Dai Pickup. R&ER Magazine No. 206 (September 2012) noted the potential acquisition of a Krauss 4-6-2 steam locomotive, should a suitable locomotive become available.

Recent developments have been reported comprehensively in the R&ER Magazine; No. 218 (September 2015) included a summary of the current position. A concept design for a new-build locomotive, referred to as 'No. 12', has been developed, with an indicative budget price of £450,000 and an indicative build timescale of 4-5 years. The magazine also reported the news that a 4-6-2 Krauss locomotive appeared to have become available for sale in Spain.

The proposal under consideration at the Extraordinary General Meeting is to acquire the 4-6-2 Krauss locomotive No. 8457 currently in Spain.

Discussions with the Railway Company

The railway company Board of Directors welcomed an approach by the Preservation Society to provide a further steam locomotive for operation on the railway, and granted agreement in principle at their board meeting in June 2012.

A draft hire agreement has been discussed between the Society and the Company and the key points agreed in principle during October 2015. The hire agreement will be based on the existing *River Mite* agreement and includes a nominal yearly hire charge, with maintenance work and overhaul carried out by the railway company.

Locomotive history

The locomotive, No. 8457, was constructed in 1929 by the German locomotive manufacturer Krauss of Munich. It was one of a series of 15 locomotives built to a design by Roland Martens, a contemporary of Henry Greenly, designer of *River Esk*. Three further locomotives were built to a slightly modified design by Krupp of Essen in the 1930s, and these include *Black Prince* at the RH&DR and *Rosenkavalier* and *Männertreu* at Bressingham.

The locomotive No. 8457 was one of four purchased to run at the Ibero-American exposition in Seville in 1929. It ran daily during the fourteen-month duration of the exposition, then occasionally until 1932.

During the Spanish Civil War, the locomotive was stored without damage, and remained in store until the 1960s. The locomotive and its sisters were acquired to run at a park attraction in Madrid. It appears that the locomotive was not run, but did donate its wheelsets for use under a diesel locomotive.

In the early 2000s, the locomotive and the other park rolling stock were purchased by a Barcelona-based group, with the aim of starting a railway along the sea-front in Mataró, which lies along the coast from Barcelona. The group was unable to start the railway, but did continue to overhaul the locomotive No. 8457 and its sister, No. 8455, which was sold to a park railway in Stuttgart in 2014.

Current condition

A group from the R&ER Preservation Society travelled to Mataró, Spain in October 2015 to assess the condition of the locomotive and its suitability for operation at Ravenglass. The review team comprised:

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| Mungo Stacy | - | R&ERPS Secretary |
| Peter van Zeller | - | R&ER steam driver and R&ERPS Council member |
| Keith Herbert | - | R&ER steam driver and R&ER Magazine editor |
| Bob Garnett | - | Boiler inspector with RSA (the railway's boiler inspectors) |

The review team found that the locomotive is in excellent condition and in nearly complete state. The boiler and frames are in a condition consistent with low use over the first year of its life in the late 1920s and subsequent storage in dry conditions, and are effectively 'as new'. The wheelsets have been fitted with new tyres and roller bearings.

The boiler inspector considered that the boiler and firebox were in excellent condition with minimal signs of wear on rivets and stays. Spot thickness measurements were as expected. There are some essential, but generally minor, works which must be carried out to obtain a boiler certificate in the UK. The inspector considered that boiler certification can be achieved readily and the boiler should provide many years of service.

The tender is based on the original frames and bogies but a new body has been fabricated. Some modifications would be necessary to suit Ravenglass conditions, notably fitting of air brake systems, a compressor, battery and couplings. Minor steelwork modifications would need to be carried out to provide a comfortable driver's

seating position. The overall length of locomotive and tender would just fit on the Ravenglass turntables, but a slight shortening of the tender wheelbase may be desirable.

The sale price of the locomotive and tender is €200,000 which is approximately £150,000. The budget of £250,000 in this proposal includes for taxes, transport, essential boiler works, necessary tender modifications, risk and contingency. It is anticipated that the modifications, trials and commissioning would take around 12-18 months to see the locomotive No. 8457 in day-to-day service at Ravenglass.

Technical capability

The technical details of the locomotive have been reviewed by the design team involved with the 'No. 12' new-build proposal. The configuration of 6 driving wheels on roller bearings is the same as suggested for 'No. 12'. The locomotive No. 8457 has a calculated tractive effort around 7% lower than *River Irt*, but some 24% higher than *Wroxham Broad* which proved highly capable during the 2013 and 2014 seasons. It is mechanically very similar to the RH&DR's *Black Prince* which ran successfully at Ravenglass during the 1982 and 1990 seasons.

Society financial position

The Society accounts were published in full in the Society annual report dated 21 May 2015. They indicated £390,876 available at the bank and an annual turnover in 2014-15 of £49,358. Since then, the main significant change to the finances has been a loan of £100,000 repayable over 10 years to enable the rebuilding of the railway workshop. Current funds available at the bank are approximately £278,000.

The Society has a charitable Trust, and the Trust accounts were also published in the Society annual report. They indicated £202,836 available at the bank, with limited regular turnover and occasional grants. The main commitments since then include a grant of £100,000 to the Ravenglass Railway Museum project, and funding of the works to complete the locomotive *Katie* with an anticipated total cost of £33,700. Current uncommitted funds available at the bank are approximately £62,000.

The purchase would require the use of the majority of the Society's cash reserves. However, the Society is in the fortunate position of being able to consider the purchase of the locomotive from within current funds, whilst still allowing for a comfortable operating margin.

The Society expects to launch fundraising activities for the new locomotive with the aim of achieving break-even.

Recommendation of the Society Council

The business of the Ravenglass & Eskdale Railway Preservation Society is managed by a Council of Management. The Council held a special meeting on 4th November 2015 to discuss the purchase of the new locomotive.

Council members debated the principle of purchasing the steam locomotive and voted strongly in favour of proceeding, with 18 in favour, 1 abstention and 0 against.

The recommendation of the Society Council is that locomotive No. 8457 is purchased.

