

Telephone: 01299 403816



Facsimile: 01299 400839

SEVERN VALLEY RAILWAY (HOLDINGS) PLC

Patron: HRH The Duke of Gloucester KG, GCVO

Ref: NR/PMS
Date: 7 February 2008

Mr Patrick McGill – Principal Revenues Officer
Wyre Forest District Council
Civic Centre
New Street
Stourport on Severn
Worcs
DY13 8UJ

Dear Mr McGill

Re: Application for hardship rates relief 2008

Please accept my thanks on behalf of the Severn Valley Railway for your support so far. I would like to put a case forward for continued assistance for hardship rates relief until the end of June 2008. My reasons are as follows:

Following the devastation of the rainfall received both in June and July 2007 the railway found over 45 incidents where repair work was needed ranging from culvert clearance to major civil engineering projects at Highley and Northwood Lane. The expenditure for the projects was at first established at £1 million, the true cost for the project is now known to be £3.26 million. Even with all the grant funding that the Severn Valley Railway has received there is a potential funding shortfall for the repair project of up to £400,000 which will have to be found from our revenue budget.

Having been closed for a whole summer season and the economic indicators for 2008 being quite negative we are predicting visitors of 190,000, compared to 230,000 in 2006. This will have significant impact on our cash flow and we need to be very prudent in our financial planning.

The Severn Valley Railway is an essential part of the local tourism offer and a local employer, we hope that Wyre Forest District Council will see fit to extend our rates hardship support until the end of June. If you require any more detail in support of this application please do contact me.

Yours sincerely

A handwritten signature in black ink, appearing to read "N Ralls".

Nick Ralls
General Manager