



Railways Act 1993

1993 CHAPTER 43

PART II

RE-ORGANISATION OF THE RAILWAYS

Supplemental

113 Objectives of the Secretary of State and corresponding duties of the Board

- (1) It shall be the principal objective of the Secretary of State in exercising the powers conferred on him by or under sections 84 to 97 above to secure as soon as, in his opinion, is reasonably practicable the result that the function of providing railway services in Great Britain is performed by private sector operators.
- (2) In pursuing that principal objective, the Secretary of State shall have regard to the desirability of—
 - (a) encouraging competition between those who provide railway services;
 - (b) maintaining efficiency, economy and safety of operation in the provision of railway services in Great Britain;
 - (c) providing opportunities for persons employed in railway undertakings to acquire (whether alone or jointly with others) an interest in the ownership of the undertakings in which they are employed; and
 - (d) securing that the disposal takes place on the most favourable financial terms that can reasonably be obtained in all the circumstances of the case;and for the purposes of paragraph (d) above, financial terms may be regarded as “favourable” notwithstanding that any expenses incurred in procuring or effecting the disposal are not exceeded by any proceeds of sale arising from it.
- (3) The Secretary of State may give the Board directions, whether of a general or specific character, requiring such steps as may be specified or otherwise described in the directions to be taken by the Board with a view to—
 - (a) facilitating the attainment by the Secretary of State of the principal objective specified in subsection (1) above;

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- (b) identifying methods of accomplishing any of the matters specified in paragraphs (a) to (d) of subsection (2) above; or
- (c) generally assisting in securing the prompt and effective implementation of any proposals made by the Secretary of State for the exercise of any power conferred on him by or under this Act.

(4) Expressions used in this section and in Part I above have the same meaning in this section as they have in that Part.

114 The Secretary of State, the Franchising Director and the Board not to be regarded as shadow directors of certain railway companies etc

(1) None of the following persons, that is to say—

- (a) the Secretary of State,
- (b) the Franchising Director,
- (c) the Board,

shall be regarded for any purpose of the Companies Act 1985 or the Companies (Northern Ireland) Order 1986 as a shadow director, within the meaning of that Act or Order, of any body falling within subsection (2) below.

(2) Those bodies are—

- (a) any publicly owned railway company;
- (b) any company which is wholly owned by the Franchising Director;
- (c) any subsidiary of the Board;
- (d) any franchise company;
- (e) any company concerning which a direction (whether of a general or specific character) has been given under section 90 above to the Board with respect to the exercise by the Board of the rights conferred by their holding of interests in that company.

115 Parliamentary disqualification

In Part III of Schedule 1 to the House of Commons Disqualification Act 1975, the following entry shall be inserted at the appropriate place—

“Director of a company—

- (a) which, within the meaning of Part II of the Railways Act 1993, is a successor company wholly owned by the Crown, or
- (b) which, within the meaning of that Act, is wholly owned by the Director of Passenger Rail Franchising,

being a director nominated or appointed by a Minister of the Crown, the Director of Passenger Rail Franchising or any other person acting on behalf of the Crown”.

116 Interpretation of Part II

(1) In this Part, unless the context otherwise requires—

- “dispose”, in relation to any land, includes the making of any disposition and “disposal” shall be construed accordingly;
- “franchise company” has the meaning given by section 85(8) above;

Status: This is the original version (as it was originally enacted).

“property”, “rights” and “liabilities” shall be construed in accordance with section 85(2) above and subsection (2) below;

“successor company” means a company in which any property, rights or liabilities are vested by virtue of and in accordance with a transfer scheme;

“transfer date” has the meaning given by section 85(6) or, as the case may be, 86(5)(b) above;

“transferee” and “transferor”, in relation to any transfer of property, rights or liabilities effected or proposed to be effected by virtue of a transfer scheme, mean respectively the person to whom and the person from whom they are, or are to be, so transferred.

(2) Any reference in this Part to property, rights or liabilities is a reference to property or (as the case may be) rights or liabilities—

- (a) whether or not capable of being transferred or assigned otherwise than under or by virtue of this Act;
- (b) whether situate or subsisting in the United Kingdom or elsewhere; and
- (c) whether the person entitled to the property or rights or, as the case may be, subject to the liabilities is so entitled or subject—
 - (i) under the law of the United Kingdom or of any part of the United Kingdom; or
 - (ii) under the law of any country or territory outside the United Kingdom;

and references to an undertaking or part of an undertaking shall be construed accordingly.