



Railways Act 2005

2005 CHAPTER 14

PART 2

PUBLIC SECTOR FUNDING AUTHORITIES FOR RAILWAYS

Assisting and securing the provision of services

10 Franchising and financial assistance in relation to Wales

(1) Before—

- (a) issuing an invitation to tender for a franchise agreement in a case in which the services to be provided under the agreement are or include Welsh services, or
- (b) entering into a franchise agreement in respect of services that are or include Welsh services in a case in which no such invitation has been issued,

the Secretary of State must consult [^{F1}the Welsh Ministers].

^{F2}(2)

(3) For the purposes of being a party to a franchise agreement [^{F3}the Welsh Ministers] shall have power to provide, or to agree to provide, financial assistance to the franchisee—

- (a) for the purpose of securing the provision, improvement or development of any Welsh services to which the agreement relates; or
- (b) for any other purpose relating to the provision of those services.

(4) [^{F4}The Welsh Ministers] shall also have power, where [^{F5}they do so] wholly or primarily for Welsh purposes, to provide, or to agree to provide, financial assistance to persons otherwise than under franchise agreements—

- (a) for the purpose of securing the provision, improvement or development of railway services or railway assets; or
- (b) for any other purpose relating to a railway or to railway services.

(5) In subsection (4) “Welsh purposes” means any of the following—

- (a) any purposes connected with a Welsh service or proposed Welsh service;

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- (b) the provision, improvement or development of services for the carriage of goods by railway where the services are to be or are provided wholly or partly in Wales;
 - (c) the provision, improvement or development of facilities for use for or in connection with—
 - (i) the carriage of goods by railway using services that are to be or are provided wholly or partly in Wales; or
 - (ii) the loading or unloading of goods so carried or intended to be so carried.
- (6) ^{F6}The Welsh Ministers] may make payments to the Secretary of State or the Scottish Ministers in respect of the performance of his or their duty under section 30 of the 1993 Act (provision of services by operator of last resort) in relation to a Welsh service.
- (7) For the purposes of this section the provision of financial assistance includes each of the following—
- (a) the making of grants or loans;
 - (b) the giving of guarantees; and
 - (c) investments in bodies corporate.
- (8) Agreements and other arrangements entered into by ^{F7}the Welsh Ministers] under subsection (3) or (4) may be entered into on whatever terms, and subject to whatever conditions, ^{F8}the Welsh Ministers consider] appropriate.
- (9) In exercising ^{F9}their] powers under this section for any purpose mentioned in subsection (1) of section 7, ^{F10}the Welsh Ministers] must have regard to the desirability of acting consistently with anything notified to ^{F11}them] under that section.
- (10) The power of ^{F12}the Welsh Ministers] under subsection (4) may be exercised by ^{F13}their] entering into an agreement or other arrangement with a relevant person in respect of services provided under a franchise agreement only where the agreement or other arrangement is entered into in accordance with that franchise agreement.
- (11) For the purposes of subsection (10) a person is a relevant person in relation to a franchise agreement if he is—
- (a) the franchise operator;
 - (b) the franchisee; or
 - (c) an employee, agent or independent contractor of the franchise operator or of the franchisee.
- (12) In this section—
- “facilities” includes track, rolling stock, depots, access roads and equipment;
 - “railway” has its wider meaning.

Textual Amendments

- F1** Words in s. 10(1) substituted (13.6.2018) by [The Welsh Ministers \(Transfer of Functions\) \(Railways\) Order 2018 \(S.I. 2018/631\)](#), art. 1(2)(b)(x), **Sch. para. 38(2)**
- F2** S. 10(2) omitted (13.6.2018) by virtue of [The Welsh Ministers \(Transfer of Functions\) \(Railways\) Order 2018 \(S.I. 2018/631\)](#), art. 1(2)(b)(x), **Sch. para. 38(3)**
- F3** Words in s. 10(3) substituted (13.6.2018) by [The Welsh Ministers \(Transfer of Functions\) \(Railways\) Order 2018 \(S.I. 2018/631\)](#), art. 1(2)(b)(x), **Sch. para. 38(4)**

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- F4** Words in s. 10(4) substituted (13.6.2018) by The Welsh Ministers (Transfer of Functions) (Railways) Order 2018 (S.I. 2018/631), art. 1(2)(b)(x), **Sch. para. 38(5)(a)**
- F5** Words in s. 10(4) substituted (13.6.2018) by The Welsh Ministers (Transfer of Functions) (Railways) Order 2018 (S.I. 2018/631), art. 1(2)(b)(x), **Sch. para. 38(5)(b)**
- F6** Words in s. 10(6) substituted (13.6.2018) by The Welsh Ministers (Transfer of Functions) (Railways) Order 2018 (S.I. 2018/631), art. 1(2)(b)(x), **Sch. para. 38(6)**
- F7** Words in s. 10(8) substituted (13.6.2018) by The Welsh Ministers (Transfer of Functions) (Railways) Order 2018 (S.I. 2018/631), art. 1(2)(b)(x), **Sch. para. 38(7)(a)**
- F8** Words in s. 10(8) substituted (13.6.2018) by The Welsh Ministers (Transfer of Functions) (Railways) Order 2018 (S.I. 2018/631), art. 1(2)(b)(x), **Sch. para. 38(7)(b)**
- F9** Word in s. 10(9) substituted (13.6.2018) by The Welsh Ministers (Transfer of Functions) (Railways) Order 2018 (S.I. 2018/631), art. 1(2)(b)(x), **Sch. para. 38(8)(a)**
- F10** Words in s. 10(9) substituted (13.6.2018) by The Welsh Ministers (Transfer of Functions) (Railways) Order 2018 (S.I. 2018/631), art. 1(2)(b)(x), **Sch. para. 38(8)(b)**
- F11** Word in s. 10(9) substituted (13.6.2018) by The Welsh Ministers (Transfer of Functions) (Railways) Order 2018 (S.I. 2018/631), art. 1(2)(b)(x), **Sch. para. 38(8)(c)**
- F12** Words in s. 10(10) substituted (13.6.2018) by The Welsh Ministers (Transfer of Functions) (Railways) Order 2018 (S.I. 2018/631), art. 1(2)(b)(x), **Sch. para. 38(9)(a)**
- F13** Word in s. 10(10) substituted (13.6.2018) by The Welsh Ministers (Transfer of Functions) (Railways) Order 2018 (S.I. 2018/631), art. 1(2)(b)(x), **Sch. para. 38(9)(b)**

Commencement Information

- I1** S. 10(1)-(5)(7)-(12) in force at 8.6.2005 by S.I. 2005/1444, art. 2(1), **Sch. 1**
- I2** S. 10(6) in force at 24.7.2005 for specified purposes by S.I. 2005/1909, art. 2, **Sch.**
- I3** S. 10(6) in force at 16.10.2005 in so far as not already in force by S.I. 2005/2812, art. 2(1), **Sch. 1**

Changes to legislation:

There are currently no known outstanding effects for the Railways Act 2005, Section 10.