



Railways Act 1974

1974 CHAPTER 48

An Act to amend the law relating to the British Railways Board; to make provision for the performance by the Secretary of State of functions in relation to the Board under certain regulations of the Council of the European Communities relating to transport; to make provision with respect to certain pension schemes; to make provision for grants in connection with freight haulage facilities; to make provision with respect to the chairmen of Transport Consultative Committees; and for connected purposes. [31st July 1974]

Textual Amendments

F1 Act repealed (*prosp.*) by [2000 c. 38, ss. 274, 275\(1\), Sch. 31 Pt. IV](#)

Modifications etc. (not altering text)

C1 Functions of Secretary of State under this Act exercisable by Minister of Transport: [S.I. 1979/571, art. 2\(1\)](#). Functions of Minister of Transport under this Act now exercisable by Secretary of State: [S.I. 1981/238, art. 2\(2\)](#)

C2 Act amended (E.W.) (*prosp.*) (*temp.*) by [London Regional Transport Act 1984 \(c. 32, SIF 126\), ss. 36, 37, 39](#) (which s. 37 is repealed (1.4.1994) by 1993, c. 43, ss. 152(3), Sch.14; [S.I. 1994/571, art. 5](#))

Commencement Information

I1 Act wholly in force at 01.01.1975 see [s. 10\(4\)](#).

1 Reduction in capital debt of the Railways Board.

- (1) On 1st January 1975 there shall be extinguished so much of the liability of the Railways Board on that date in respect of—
- the commencing capital debt of the Board under section 39 of the 1962 Act, and
 - the principal of money borrowed by the Board from the Secretary of State under section 19 of that Act,
- as is necessary to reduce that liability to £250 million.

Status: Point in time view as at 25/07/1991.

Changes to legislation: There are currently no known outstanding effects for the Railways Act 1974. (See end of Document for details)

- (2) Of the amount in respect of which the Board's liability is extinguished by subsection (1) above, such part as the Secretary of State may, with the approval of the Treasury, direct shall be treated as reducing the commencing capital debt of the Board and the remainder shall be treated as reducing the principal of money borrowed as aforesaid.
- (3) The assets of the National Loans Fund shall accordingly be reduced by the amount in respect of which the Board's liability is so extinguished.

2 F2

Textual Amendments

F2 S. 2 repealed by [Transport \(Finance\) Act 1982 \(c. 6, SIF 102\)](#), s. 6, [Sch. Pt. I](#)

3 **Functions of the Secretary of State in relation to the Railways Board under certain transport regulations.**

- (1) The Secretary of State shall be the competent authority of Great Britain in relation to the Railways Board for the purposes of the relevant transport regulations and, as that authority, may give directions to the Board imposing on them obligations of a general nature with respect to the operation of the whole or any part of their railway passenger system.
- (2) It shall fall to the Secretary of State to make any payments which are required to be made to the Board by any provision of those regulations and he may, subject to and in accordance with the provisions of those regulations, determine the manner of calculating, and the conditions applicable to, those payments.
- (3) Any directions under subsection (1) above may be varied or revoked by subsequent directions thereunder.
- [^{F3}(4) The power of giving directions under subsection (1) above shall be so exercised that the aggregate amount of any compensation payable under the relevant transport regulations, for periods after the end of 1978 [^{F4}and ending before 1st April 1992], in respect of all obligations imposed by directions under that subsection shall not exceed £6,000 million or such greater sum not exceeding £10,000 million as may be specified by Order in Council.]
- (5) Her Majesty shall not be recommended to make an Order under subsection (4) above unless a draft of the Order has been approved by resolution of the Commons House of Parliament.
- [^{F5}(5A) The power of giving directions under subsection (1) above shall be so exercised that the aggregate amount of any compensation payable under the relevant transport regulations, for periods ending after 1st April 1992, in respect of all obligations imposed by directions under that subsection shall not exceed £3,000 million or such greater sum not exceeding £5,000 million as the Secretary of State may by order made by statutory instrument specify.
- (5B) No order shall be made under subsection (5A) above unless a draft of the order has been approved by a resolution of the Commons House of Parliament.]

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- (6) The obligations imposed by any directions under subsection (1) above shall not give rise to any form of duty or liability enforceable against the Board by proceedings before any court to which the Board would not otherwise be subject.
- (7) Section 39 of the 1968 Act (grants for unremunerative passenger services) shall cease to have effect.

Subordinate Legislation Made

P1 S. 3: power exercised by S.I. 1986/1891

Textual Amendments

F3 S. 3(4) substituted by Transport (Finance) Act 1982 (c. 6, SIF 102), s. 2

F4 Words in s. 3(4) inserted by British Railways Board (Finance) Act 1991 (c. 63, SIF 102), s. 2(1).

F5 S. 3(5A)(5B) inserted by British Railways Board (Finance) Act 1991 (c. 63, SIF 102), s. 2(2).

Modifications etc. (not altering text)

C3 S. 3(1) restricted by Transport Act 1978 (c. 55), s. 14(2)

C4 The text of s. 3(7) and the last part of s. 4(6) from the words “and accordingly” is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

4 The Board’s duties in relation to policies, plans and information.

- (1) The Railways Board shall, in framing and carrying out proposals involving substantial expenditure of a capital nature by the Board or a subsidiary of theirs, act on lines settled from time to time with the approval of the Secretary of State.
- (2) The Railways Board shall, in formulating policies and plans for the general conduct of their undertaking and the businesses of their subsidiaries, act on lines settled from time to time with the approval of the Secretary of State.
- (3) The Railways Board shall furnish the Secretary of State with such information as he may specify in writing and the Board have or can reasonably be expected to obtain with respect to such matters relating to the Board or any subsidiary of theirs or their activities (past, present or future), plans or property as the Secretary of State may so specify and the information so specified shall be furnished in such manner and at such times as he may so specify.
- (4) Without prejudice to subsection (3) above, the Railways Board shall, as soon as possible after the end of each accounting year of the Board and in accordance with subsection (5) below, make to the Secretary of State a report on the exercise and performance by them of their functions during that year and on their policy and programme and the Secretary of State shall lay a copy of every such report before each House of Parliament.
- (5) The report made by the Railways Board under subsection (4) above shall—
 - (a) include such information as the Secretary of State may from time to time specify in writing with respect to any matter on which the Board is to report to him under that subsection;
 - (b) set out any directions given by the Secretary of State to the Board under the 1962 Act [F6 section 3 of the Transport Act 1981] or section 3(1) above during

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- that year, unless the Secretary of State has notified the Board his opinion that it is against the interests of national security to do so; and
- (c) include a statement of the salaries or fees and of the emoluments of each of the members of the Board during that year.
- (6) The foregoing provisions of this section shall have effect in relation to the Railways Board in place of subsections (2), (7) and (8) of section 27 of the 1962 Act (which require the Boards constituted by that Act to consult the Secretary of State on certain capital expenditure and to furnish him with certain information and an annual report); and accordingly the words “(other than the Railways Board)” shall be inserted after the words “A Board” in subsection (2) and after the words “each Board” in subsections (7) and (8) of that section.

Textual Amendments

F6 Words inserted by Transport Act 1981 (c. 56 SIF 126), s. 3(5)

Modifications etc. (not altering text)

C5 S. 4 extended by Transport Act 1978 (c. 55), s. 15(7)

C6 The text of s. 3(7) and the last part of s. 4(6) from the words “and accordingly” is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

5—7.^{F7}

Textual Amendments

F7 Ss. 5–7 repealed by Transport Act 1980 (c. 34, SIF 102), s. 58(1)(a)

8 Grants to assist the provision of facilities for freight haulage by rail.

- (1) Where it appears to the Secretary of State that it would be in the interests of any locality or of all or some of its inhabitants for facilities to be provided in that locality or elsewhere for or in connection with [^{F8}the carriage of freight by rail or] the loading or unloading of freight carried or intended to be carried by rail, he may out of money provided by Parliament make grants subject to and in accordance with this section towards the provision of such facilities.
- (2) Grants under this section shall be made towards expenditure which appears to the Secretary of State to be expenditure of a capital nature which has been or is to be incurred in providing such facilities, and the facilities may, without prejudice to the generality of subsection (1) above, include [^{F9}rolling stock] railway sidings, depots, access roads and equipment for use in connection with the [^{F9}carriage] loading or unloading of freight.
- (3) Grants under this section shall be made in pursuance of an application made to the Secretary of State by the person who is in the course of providing or intends to provide the facilities and shall be supported by evidence that the Railways Board have given that person their approval for the provision by him of the facilities to which the application relates.

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- (4) The Secretary of State may, in making a grant under this section, impose such terms and conditions as he thinks fit.

Textual Amendments

- F8** Words inserted by [Transport Act 1978 \(c. 55\), s. 16\(a\)](#)
F9 Words inserted by [Transport Act 1978 \(c. 55\), s. 16\(b\)](#)

9 Salaries of chairmen of Transport Consultative Committees.

- (1) The Secretary of State may, instead of paying the chairman of a Consultative Committee an allowance under section 55(3) of the 1968 Act in respect of loss of remunerative time, pay him out of money provided by Parliament such remuneration as the Secretary of State may determine with the consent of the Minister for the Civil Service.
- (2) In this section Consultative Committee means the Central Transport Consultative Committee for Great Britain or an Area Transport Users Consultative Committee established under section 56 of the 1962 Act.
- (3) ^{F10}

Textual Amendments

- F10** [S. 9\(3\)](#) repealed by [House of Commons Disqualification Act 1975 \(c. 24\), Sch. 3](#)

10 Short title, interpretation, extent and commencement.

- (1) This Act may be cited as the Railways Act 1974.
- (2) In this Act—
“the 1962 Act” means the Transport Act 1962;
“the 1968 Act” means the Transport Act 1968;
[^{F11}“London regional rail passenger network” has the meaning given by section 36(3) of the London Regional Transport Act 1984;
“the relevant transport regulations” means Council Regulation (EEC) No. 1191/69 on public service obligations in transport and Council Regulation (EEC) No. 1192/69 on common rules with respect to the financial status of railway undertakings;
and expressions used in this Act and in the 1962 Act have the same meaning in this Act as they have in that Act.
- (3) This Act, except sections 3 and 8, extends to Northern Ireland.
- (4) Sections 1, 2 and 3(7) above shall come into force on 1st January 1975.

Textual Amendments

- F11** Definition inserted (E.W.) (*prosp.*) (*temp.*) by [London Regional Transport Act 1984 \(c. 32, SIF 126\), ss. 36, 37\(5\), 39](#)

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