



# Railways Act 1993

## 1993 CHAPTER 43

### PART I

#### THE PROVISION OF RAILWAY SERVICES

##### *Railway administration orders, winding up and insolvency*

#### **63 Government financial assistance where railway administration orders made.**

- (1) Where a railway administration order is for the time being in force in relation to a company [<sup>F1</sup>other than a Scottish protected railway company][<sup>F2</sup>or a Welsh protected railway company], the Secretary of State may, with the consent of the Treasury—
- (a) make to the company grants or loans of such sums as appear to him to be appropriate for the purpose of facilitating the achievement of the purposes of the order;
  - [<sup>F3</sup>(b) agree to indemnify a relevant person in respect of—
    - (i) liabilities incurred by that person in connection with the carrying out by the railway administrator of his functions under the order; and
    - (ii) loss or damage incurred by that person in that connection.]
- (2) The Secretary of State may, with the consent of the Treasury, guarantee,<sup>F4</sup> . . . the repayment of the principal of, the payment of interest on and the discharge of any other financial obligation in connection with any sum which is borrowed from any person by a company [<sup>F5</sup> where that company—
- (a) is a company in relation to which a railway administration order is in force at the time when the guarantee is given; and
  - (b) is not a Scottish protected railway company][<sup>F6</sup>or a Welsh protected railway company].

a railway administration order is in force at the time when the guarantee is given.

- [<sup>F7</sup>(2A) A grant, loan, indemnity or guarantee under this section may be made or given in whatever manner, and on whatever terms and subject to whatever conditions, the Secretary of State considers appropriate.]

*Status: Point in time view as at 14/10/2018.*

*Changes to legislation: There are currently no known outstanding effects for the Railways Act 1993, Section 63. (See end of Document for details)*

- (3) Without prejudice to any provision applied in relation to the company by Schedule 6 to this Act—
- (a) the terms and conditions on which a grant is made to any company under this section may require the whole or a part of the grant to be repaid to the Secretary of State if there is a contravention of the other terms and conditions on which the grant is made; and
  - (b) any loans which the Secretary of State makes to a company under this section shall be repaid to him at such times and by such methods, and interest on the loans shall be paid to him at such rates and at such times, as he may, with the consent of the Treasury, from time to time direct.
- [<sup>F8</sup>(3A) The power of the Secretary of State under this section to agree to indemnify a relevant person—
- (a) is confined to a power to agree to indemnify that person in respect of liabilities, loss and damage incurred or sustained by him as a relevant person; but
  - (b) includes power to agree to indemnify persons (whether or not they are identified or identifiable at the time of the agreement) who subsequently become relevant persons.
- (3B) A person is a relevant person for the purposes of this section if he is—
- (a) the railway administrator;
  - (b) an employee of the railway administrator;
  - (c) a member or employee of a firm of which the railway administrator is a member;
  - (d) a member or employee of a firm of which the railway administrator is an employee;
  - (e) a member of a firm of which the railway administrator was an employee or member at a time when the order was in force;
  - (f) a body corporate which is the employer of the railway administrator; or
  - (g) an officer, employee or member of such a body corporate.
- (3C) For the purposes of this section—
- (a) the references in this section to the railway administrator, in relation to a railway administration order, are references to the person appointed to achieve the purposes of the order and, where two or more persons are so appointed, are to be construed as references to any one or more of them; and
  - (b) the references to a firm of which a person was a member or employee at a particular time include references to a firm which holds itself out to be the successor of a firm of which he was a member or employee at that time.]
- (4) Any grant or loan made under this section and any sums required to be paid by the Secretary of State in respect of an indemnity given under this section shall be paid out of money provided by Parliament.
- [<sup>F9</sup>(4A) If sums are paid by the Secretary of State in consequence of an indemnity agreed to under this section in the case of a company in relation to which a railway administration order is in force, the company must pay him—
- (a) such amounts in or towards the repayment to him of those sums as he may direct; and
  - (b) interest, at such rates as he may direct, on amounts outstanding under this subsection.

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- (4B) Payments to the Secretary of State under subsection (4A) must be made at such times and in such manner as he may determine.
- (4C) Subsection (4A) does not apply in the case of a sum paid by the Secretary of State for indemnifying a person in respect of a liability to the company in relation to which the railway administration order in question was made.
- (4D) The consent of the Treasury is required for the giving of a direction under subsection (4A) and for the making of a determination under subsection (4B).]
- (5) Any sums received under subsection (3) above by the Secretary of State shall be paid into the Consolidated Fund.

#### Textual Amendments

- F1** Words in s. 63(1) inserted (16.10.2005) by [Railways Act 2005 \(c. 14\)](#), **ss. 50(1)(a)**, 60; S.I. 2005/2812, **art. 2(1)**, Sch. 1
- F2** Words in s. 63(1) inserted (14.10.2018 at 2.00 a.m.) by [The Welsh Ministers \(Transfer of Functions\) \(Railways\) Order 2018 \(S.I. 2018/631\)](#), art. 1(3), **Sch. para. 19**
- F3** S. 63(1)(b) substituted (24.7.2005) by [Railways Act 2005 \(c. 14\)](#), ss. 54, 60, **Sch. 11 para. 9(1)**; S.I. 2005/1909, **art. 2**, Sch.
- F4** Words in s. 63(2) repealed (24.7.2005) by [Railways Act 2005 \(c. 14\)](#), ss. 59, 60, **Sch. 13 Pt. 1** (with s. 14(4)(5), Sch. 11 para. 11(2)); S.I. 2005/1909, **art. 2**, Sch.
- F5** Words in s. 63(2) inserted (16.10.2005) by [Railways Act 2005 \(c. 14\)](#), **ss. 50(1)(b)**, 60; S.I. 2005/2812 {art. 2(1)}, Sch. 1
- F6** Words in s. 63(2) inserted (14.10.2018 at 2.00 a.m.) by [The Welsh Ministers \(Transfer of Functions\) \(Railways\) Order 2018 \(S.I. 2018/631\)](#), art. 1(3), **Sch. para. 19**
- F7** S. 63(2A) inserted (24.7.2005) by [Railways Act 2005 \(c. 14\)](#), ss. 54, 60, **Sch. 11 para. 9(2)**; S.I. 2005/1909, **art. 2**, Sch.
- F8** S. 63(3A)-(3C) inserted (24.7.2005) by [Railways Act 2005 \(c. 14\)](#), ss. 54, 60, **Sch. 11 para. 9(3)**; S.I. 2005/1909, **art. 2**, Sch.
- F9** S. 63(4A)-(4D) inserted (24.7.2005) by [Railways Act 2005 \(c. 14\)](#), ss. 54, 60, **Sch. 11 para. 9(4)**; S.I. 2005/1909, **art. 2**, Sch.

#### Modifications etc. (not altering text)

- C1** S. 63 restricted (18.12.1996) by [1996 c. 61](#), **s. 19(7)**

**Status:**

Point in time view as at 14/10/2018.

**Changes to legislation:**

There are currently no known outstanding effects for the Railways Act 1993, Section 63.