EXECUTIVE NOTE

DRAFT : The Transfer of Rail Functions To The Scottish Ministers Order 2005

1. The above instrument will be made in exercise of the powers conferred on the Scottish Ministers by sections 13(1) and (3) and 52(4)(b) of the Transport (Scotland) Act 2005. This instrument is subject to the affirmative resolution procedure.

Background

2. The Transport (Scotland) Act 2005 fulfilled the commitments given in the White Paper, *Scotland's transport future*, to bring a new approach to the delivery of transport infrastructure and services in Scotland.

3. Further important changes to the powers and duties of the Scottish Ministers in respect of railways in Scotland have also been made. During the last Parliamentary session at Westminster the Railways Act 2005 was passed and provided for the devolution of additional powers to the Scottish Ministers. These powers are significant and include:

- the tasks of planning, specifying, letting (including signing), managing and financing rail passenger franchises in Scotland; and
- the specification and financing of rail infrastructure in Scotland.

It is anticipated that these powers will commence in October 2005.

Policy Objectives

4. Following the transfer of rail powers from SPT to the Scottish Ministers, the Scottish Ministers will become the sole public sector party to the ScotRail franchise agreement and take direct responsibility for the delivery of improved rail services throughout the whole of Scotland.

5. SPT will continue to have a role in the development, management and monitoring of rail services in their area. The Order enables them to enter into an agreement with the Scottish Ministers in respect of rail services. The terms of this agreement are currently being discussed with SPT.

6. The new arrangements will provide SPT with a clear role and engagement with the full range of rail industry activity, beyond franchise management, and an opportunity to ensure that local and regional improvements are delivered effectively and efficiently.

Consultation

7. SPT were consulted during the preparation of the instrument.

Financial Effects

8. The instrument has no financial effect on the Scottish Executive, local government or on business.

22 September 2005

Scottish Executive Enterprise
Transport and Lifelong Learning Department