

**TRANSPORT AND WORKS ACT 1992**

**THE TRANSPORT AND WORKS (APPLICATIONS AND OBJECTIONS PROCEDURE)**

**(ENGLAND AND WALES) RULES 2006**

**THE BRECON MOUNTAIN RAILWAY (LIGHT RAILWAY) ORDER**

**APPLICANT'S PROPOSALS FOR FUNDING**

**THE COST OF IMPLEMENTING THE PROPOSED ORDER**

1. The proposed order would transfer the statutory authority for the operation and maintenance of the Brecon Mountain Railway to the Vale of Rheidol Railway Limited upon the completion of an asset purchase agreement.
2. As the proposed order does not authorise the acquisition of land or construction of works, there are no costs directly associated with its implementation. There are however the associated costs of the acquisition of the assets from the Brecon Mountain Railway Limited.
3. The acquisition has been made possible by a generous charitable donation to the Vale of Rheidol Railway Limited allowing them to fund the acquisition by a cash purchase. The acquisition is within the charitable objects of the Vale of Rheidol Railway. The charitable objectives have been amended to facilitate the proposed acquisition with approval of the Charity Commission granted on 13 December 2023. No external borrowing will be required and no third party approvals (other than the normal contractual novations associated with changes of ownership of assets) are contemplated.
4. Heads of terms have been agreed by the two railways in July 2023 and the sale and purchase is proceeding on a willing seller-willing buyer basis. The only material condition affecting the final completion of the sale is the approval of this Application without which the Applicant would be unable to operate the railway.
5. The Vale of Rheidol Railway is managed by a board of directors. There are currently 5 directors.
6. Costs associated with the ongoing maintenance and operation of the Brecon Mountain Railway will be met by the revenue from visitors to the railway. Existing revenues would be adequate for this purpose. Indeed, outgoings in the last financial year were covered by revenue from entry ticket sales, special trains, and retail sales from the on-site cafes and gift shop.
7. As referred to above, there are no direct costs associated with the implementation of the proposed order, as no works or land acquisitions are authorised by it. The applicant is well-placed to meet the ongoing expenses associated with the operation and maintenance of the railway from their own resources.