



Department
for Transport

Memorandum of Understanding Between Secretary of State for Transport and Welsh Cabinet Secretary for Transport and North Wales

March 2026

Department for Transport
Great Minster House
33 Horseferry Road
London
SW1P 4DR



© Crown copyright 2026

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit <https://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/> or contact, The National Archives at www.nationalarchives.gov.uk/contact-us.

Where we have identified any third-party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is also available on our website at www.gov.uk/government/organisations/department-for-transport

Any enquiries regarding this publication should be sent to us at www.gov.uk/government/organisations/department-for-transport

1. The Memorandum of Understanding will be made between:

- a. The Welsh Ministers, represented by the Cabinet Secretary for Transport and North Wales.
- b. The Secretary of State for Transport.

Together “the Parties”

2. Context

2.1. This Memorandum of Understanding (MoU) between the Parties is to support rail reform in the Wales and Borders Area. Its terms are outlined in Clause 24 of the Railways Bill introduced to the House of Commons on 5 November 2025 (the "Railways Bill").

2.2. The intention of this MoU is to set out how the Parties work in collaboration and ensure that the companies they own such as Great British Railways (GBR) and Transport for Wales (TfW), can deliver through partnering arrangements for the Wales and Borders Area.

2.3. This MoU is not legally binding on the Parties and does not alter the legal obligations that are binding on the Parties. To the extent that there is a conflict between the terms of this MoU and any legal obligation, then the terms of the legal obligation will prevail. Nevertheless, by signing this MoU, the parties commit to abiding by its provisions.

3. Useful Definitions and Points of Reference

3.1. This section defines terms within the MoU, to ensure a shared understanding of the objectives:

3.1.1. GBR Wales and Borders / GBR Cymru a'r Gororau – The part of GBR structure delivering GBR activities in Wales and its border areas.

3.1.2. Wales and Borders Area – the totality of GBR and TfW rail functions needed to holistically deliver outcomes for passengers, freight and the economy in Wales and in the bordering region of England that may be served by TfW services. With the exception of section 12 (Core Valley Lines), the terms of this MoU will not apply to the CVL

3.1.3. Wales and Borders Agreements – together these comprise the terms of Agency Agreement no.3, a Funding & Outputs Agreement, a Cooperation & Collaboration Agreement and a Definitions Agreement between the Parties.

3.1.4. Partnering arrangements – collaborative working agreements between companies of the Parties.

3.2. Annex A outlines the points of engagement for the Parties through the funding period.

4. Purpose

4.1. The purpose of this MoU is to set out how the Parties will work together as they exercise their respective functions in relation to railways and railway services. In particular, the MoU seeks to establish:

4.1.1. how and when the Parties will engage with each other to set clear, Shared Objectives for the Wales and Borders Area;

4.1.2. mutual understanding as to the governance and management roles of the Parties in relation to Wales and Borders railway services; and

4.1.3. the commitments of each Party in relation to the exercise of their functions in relation to railways and railway activities.

4.2. The MoU serves as a foundation to further implement plans to be delivered through a strong partnering arrangement between TfW (Welsh Government's multi-modal transport Operator) and GBR, most especially GBR Wales and Borders / Cymru a'r Gororau, and refreshed Wales and Borders agreements contemplated herein.

4.3. The MoU will help Welsh Government and UK Government collaborate to achieve their shared vision for the Wales and Borders Area:

4.3.1. a simpler, better railway for the Wales and Borders Area;

4.3.2. empowered collaboration between TfW and GBR;

4.3.3. multimodal integration in Wales and support for integrated rail across Great Britain; and

4.3.4. strategic, transparent, whole-system management, taking into account the interests of freight, open access and other third party operators.

5. Overarching Principles

5.1. These principles set out by the Parties provide the strategic framework within which the more detailed provisions of this MoU operate, and guide the interpretation, development and application of the arrangements set out in subsequent sections:

5.1.1. A shared ambition to deliver a simpler, better, more integrated railway for the users of the network in the Wales and Borders Area.

5.1.2. The Parties will proactively collaborate and expect the same of their companies GBR and TfW.

5.1.3. The railway in the Wales and Borders Area will be shaped by jointly agreed and published Shared Objectives.

5.1.4. Planning for the Wales and Borders Area is expected to take a whole-system view, ensuring infrastructure is considered together with service provision, performance, funding, and wider transport outcomes.

5.1.5. Decisions that are reasonably likely to have a material impact on services, funding or responsibilities in the Wales and Borders Area, the Parties or their companies will engage, where appropriate, at an early stage to understand those impacts before decisions are finalised.

5.1.6. Rail reform and related system decisions should not result in material, financial, operational or risk impacts falling on the other Party.

5.1.7. Local delivery is expected to be empowered within a Great Britain wide framework by ensuring that decisions are made at the lowest effective level near affected communities.

5.1.8. GBR Wales and Borders / GBR Cymru a'r Gororau is expected to be appropriately empowered to support effective local decision making, within the framework of Shared Objectives, statutory duties and agreed governance.

5.1.9. TfW's status as a significant public operator with wide-ranging responsibilities as a multimodal transport authority, including the delivery of passenger services and the ownership and management of railway infrastructure is acknowledged.

6. Application

6.1. This MoU is intended to be an “evergreen” document that sets the expectation for delivery of the railway in the Wales and Borders Area and will be subject to review under the terms outlined later in the document.

6.2. The MoU will be laid as a Written Ministerial Statement by both Welsh and UK Ministers, and any documents related to this Memorandum will be proactively published.

6.3. The MoU will be applicable from the date of signing. Any reference to GBR may apply to any of its constituent organisations (including Network Rail (NR)), if signed in advance of standing up GBR. The Parties acknowledge that some components of the MoU will only apply once the relevant provisions of Railways Bill come into force, which may be an iterative process as GBR is established, with governance processes adapting as the transformation is implemented.

6.4. The Parties have a shared aspiration that partnering arrangements between TfW and GBR in the Wales and Borders Area should evolve over time to further integrate track and train. This may be achieved through a range of legal or organisational forms, including commercial or incorporated joint ventures.

6.5. Nothing in this MoU is intended to confer day-to-day operational control or responsibility of the Core Valley lines or Wales only passenger services to the Secretary of State or the Department for Transport, nor to undermine the devolved responsibilities of the Welsh Ministers.

6.6. This MoU does not alter the Parties statutory functions in relation to railways or railway services.

6.7. This application section will be kept under review and evolved over time, including through refinement of organisational models, development of supporting implementation agreements, and alignment with future funding periods.

6.8. This MoU set outs how the Parties shall work together as they exercise their functions set out in legislation in relation to the Wales and Borders Area, in particular their mutual understanding in that context regarding:

6.8.1. The Role of the Parties;

6.8.2. Access and Use;

6.8.3. GBR Wales and Borders / GBR Cymru a'r Gororau;

6.8.4. Partnering Arrangements between GBR and TfW;

6.8.5. Cross Border Passenger Services; and

6.8.6. Governance of Enhancement Investment

7. The Role of the Parties

7.1. Outcome: For the Parties to understand their role and the underpinning principles in the delivery of the railway in Wales and Borders including:

7.1.1. Clear, published Shared Objectives, aligned and where possible integrated into GBR and TfW's business plans that are shaped by both governments, reflecting local, Welsh and UK Government priorities to drive better outcomes for the users of the Wales and Borders network and coherence for the delivery organisations, within their respective functions.

7.1.2. How the Parties consent before issuing a direction on a Welsh Ministers function devolved to GBR.

7.1.3. Their respective roles in the governance and appointments process as it relates to Wales and Borders.

Wales and Borders Agreements

7.2. The existing Wales and Borders agency agreements between the Welsh Ministers and the Secretary of State for the provision of cross-border passenger services will be

revised to appropriately reflect the establishment of GBR, the reforms proposed in the Railways Bill, and the commitments set out in this MoU.

7.3. The Wales and Borders Agreements will outline the mechanisms for meeting the Overarching Principles (Section 5 of this MoU)

7.4. The provisions of this section are intended to establish a clear policy and governance framework which will inform and be reflected in a revised and consolidated Wales and Borders Agreements, including arrangements relating to service specification, funding responsibilities, risk allocation and change control for Cross Border passenger services.

7.5. The Parties expect the revised Wales and Borders Agreements will be developed as soon as practicable but no later than the Railways Bill receiving Royal Assent, subject to the passage of legislation and the completion of any necessary approvals.

Secretary of State Issuing Directions to GBR

7.6. As set out within the Railways Bill the Secretary of State will have the power to issue directions to GBR which will flow down to its subsidiaries or jointly owned companies.

7.7. When issuing directions or guidance the Secretary of State should consider how it may affect the Welsh Ministers' functions.

7.8. In the event that Welsh Ministers arrange for GBR to deliver Welsh Ministers' functions on their behalf, the Secretary of State will seek Welsh Ministers' consent before issuing directions or guidance to GBR that could cut across Welsh Ministers devolved powers on passenger services designated by Welsh Ministers. This will not include the access regime or infrastructure funded by the Secretary of State which are reserved.

7.9. The Secretary of State will have a clear mechanism to track the issued directions and guidance and will share these regularly with Welsh Ministers.

GBR Appointments and Representation

7.10. Welsh Ministers will be engaged on the overall recruitment strategy of the GBR board, with an opportunity to outline the challenges faced in a Wales rail context, to ensure sufficient knowledge of these issues on the board.

7.11. Welsh Ministers will have the opportunity to suggest candidates who might apply for the Chair and Non-Executive Director roles, and may raise any concerns pre-appointment, through a robust and transparent, public appointments process.

7.12. Secretary of State expects the GBR Chief Executive Officer to consult Welsh Ministers regarding the appointment of the Managing Director within GBR Wales and Borders / GBR Cymru a'r Gororau during the recruitment process, to take into account appropriate knowledge of issues relevant to Wales.

MoU Review and Amendments

7.13. The MoU is to be reviewed periodically by both parties (as a minimum per funding period).

7.14. The Parties shall review the MoU within 6 months of the Railways Bill receiving Royal Assent.

7.15. Either party may request that the MoU is reviewed on an ad hoc basis to review delivery against the structures and principles it proposes.

7.16. Amendments to the MoU may be made by mutual consent.

7.17. Any proposed change, decision, or issue arising under the MoU that cannot be resolved through GBR and TfW's agreed joint governance processes, or is considered material by either party, the Parties will give due attention to the issue.

7.18. Following changes to this MoU or to the Wales and Borders Agreements the Parties may review the governance structures through which they (the Parties) work together.

7.19. The Parties will proactively share information relevant to the delivery of the railway in the Wales and Borders Area, in line with any applicable law.

7.20. Welsh Government and DfT will continue to collaborate on delivery of Rail Reform, with officials escalating matters for internal decision or guidance through the appropriate internal governance.

Shared Objectives and Control Period/Funding Period Planning for the Wales and Borders Area

7.21. The Secretary of State will prepare and publish a Long-Term Rail Strategy for Great Britain, for which Welsh Ministers are statutory consultees. The Long-Term Rail Strategy is intended to set overall strategic direction and priorities and does not determine funding allocations, service specifications, or the exercise of devolved functions.

7.22. For each funding period, the Secretary of State will set the national planning and funding framework through the publication of:

7.22.1. a Statement of Funds Available, setting out the funding available to Great British Railways for the funding period; and

7.22.2. a Statement of Objectives, setting out the outcomes the Secretary of State expects to be delivered during that funding period. There will be a distinct Wales and Borders chapter within the overall Statement of Objectives document.

7.23. Welsh Ministers are statutory consultees on the Statement of Objectives and will engage constructively in its development and delivery.

7.24. Within the funding-period framework, the Parties will jointly develop and publish Shared Objectives for the Wales and Borders Area for each funding period.

7.25. The Shared Objectives:

7.25.1. are strategic and outcome-focused in nature;

7.25.2. are intended to support alignment between reserved and devolved interests in the Wales and Borders Area; and

7.25.3. are distinct from key performance indicators and do not determine service specification, funding decisions, or the exercise of statutory functions for which either Party is solely responsible.

7.26. The Shared Objectives will be high level and strategic in nature. They will sit alongside, and be consistent with the Statement of Objectives and will not override or replace them.

7.27. the Parties will be informed of the periodic review timetable. The Parties will use the timetable to plan and prepare the Shared Objectives and will engage on their development and subsequent application into the delivery of railway, in the Wales and Borders Area, through appropriate and relevant joint governance established between the governments (Annex A).

7.28. The Parties' will jointly publish their Shared Objectives for the Wales and Borders Area for each funding period and alongside the Statement of Objectives. Publication will be on the GOV.UK and the Welsh Government websites and laid as a written ministerial statement by both the Welsh Cabinet Secretary in the Senedd, and the UK Secretary of State in UK Parliament. Within the bounds of the Parties' objectives these Shared Objectives may cover passenger services, freight, open access, and infrastructure operations, maintenance, renewals and enhancements for the Wales and Borders Area (excluding Core Valley Lines).

7.29. The delivery and application of the Shared Objectives will be for GBR and TFW to design how they will operationalise against their respective objectives in a partnering arrangement.

7.30. The Parties expect that in the preparation and delivery of its Business Plan, GBR will have regard to the Shared Objectives alongside the Statement of Objectives and Statement of Funds Available, and will explain how its proposed activities for the Wales and Borders Area contribute to the delivery of those Shared Objectives within the funding available.

7.31. The Shared Objectives will be subject to review in advance of each funding period. Updates or review may be triggered should there be any changes to the devolution settlement or significant changes to the Partnering Arrangement between the Parties companies.

8. Access and Use

8.1. Outcome: Being aligned on their points of engagement and principles as they relate to Wales and Borders when considering access and use of the railway, as permitted by legislation.

The Role of the Parties in Access and Use

8.2. GBR has a statutory duty to have regard to the Welsh Ministers' Transport Strategy, and that extends to decisions on access and use of the network.

8.3. The Welsh Ministers will be statutory consultees on the Access and Use Policy. The Secretary of State expects GBR to consult Welsh Ministers where their interests may be materially affected such as in the development of or the making of amendments to the Infrastructure Capacity Plan, to ensure their needs are taken into account appropriately.

8.4. Both the Parties acknowledge TfW's status as a public-sector, multi-modal transport operator for Wales, and would expect this to be considered in relevant documents related to access and charging.

8.5. Statutory consultation requirements will apply in addition to, and not as a substitute for, joint working between the Parties.

TfW and GBR in Access and Use

8.6. In relation to the Infrastructure Capacity Plan in so far as it affects Wales & Borders, the Parties expect GBR to ensure that Welsh Ministers and TfW are actively engaged in the development of any proposals, reflecting TfW's status as a public-sector multi-modal transport operator for Wales.

8.7. The Parties expect GBR to consider the Shared Objectives for the Wales and Borders Area as it develops the Access and Use Policy.

8.8. During the transition to GBR's access and charging framework, interim arrangements will be designed so as not to increase regulatory or financial complexity or result in unjustified financial detriment for TfW or GBR relative to existing baseline arrangements and will be subject to joint review by the Parties.

9. GBR Wales and Borders / GBR Cymru a'r Gororau

9.1 GBR Wales and Borders / GBR Cymru a'r Gororau will be empowered to resolve operational, financial and performance issues locally wherever possible, consistent with the principle that decisions should be taken at the lowest effective tier.

9.2 The design of GBR Wales and Borders / Cymru a'r Gororau will enable it to strategically align with TfW, and be empowered through an associated, distinct budget allocation.

9.3 The Parties expect GBR Wales and Borders / Cymru a'r Gororau to contain decision-making authority, budgetary authorities and resources at least on a par with that of GBR business units.

9.4 GBR Wales and Borders / Cymru a'r Gororau is expected to be represented effectively at executive level within GBR.

9.5 Initial detailed design of GBR Wales and Borders / Cymru a'r Gororau is expected to reflect the collaborative outcomes of this MoU, and include locally-led input ahead of GBR stand-up.

9.6 In-life changes, including those relating to geography, delegated authority and scope of GBR cross border passenger services operation, will be addressed through a clear and transparent process, with local input prior to implementation.

9.7 Welsh Ministers are responsible for branding of Transport for Wales Rail, including their services and stations. This sits outside the scope of wider changes to GBR branding.

9.8 GBR's network functions will ensure a coherent offer for the whole of Britain, while being flexible to local variation, including in the Wales and Borders Area. In doing so, GBR's network functions are expected to support GBR Wales and Borders/Cymru a'r Gororau in delivering the Shared Objectives agreed by the Parties.

9.9 Both GBR's network functions and GBR Wales and Borders/Cymru a'r Gororau will meet Welsh language obligations under UK and Welsh legislation, including in the design of digital services, public services and supporting the use of Welsh language within the business. This will be undertaken in concert with TfW's own activities.

10. Partnering Arrangements Between GBR and TfW

10.1 Outcome: To deliver a more responsive and resilient railway by delivering a simpler, better, integrated railway for the users of the Wales and Borders network. Decisions on infrastructure, timetabling, and service delivery—alongside integration across modes—will drive operational efficiencies, reduce duplication and interface costs, foster innovation, and offer improved value for money for the public.

10.2 The Parties share a clear intent that integration of track and train in the Wales and Borders Area should:

10.2.1 improve passenger outcomes through joined up decision making on infrastructure, services, performance and investment;

10.2.2 reduce duplication, siloed working and internal regulatory complexity;

10.2.3 empower local leadership within the Wales and Borders Area to resolve issues at the most efficient and appropriate practical level;

10.2.4 enable TfW, as a devolved public sector operator, to operate with and benefit from the system, capabilities and governance established by GBR in support of track and train integration.

10.3 GBR and TfW will be expected to deliver against the Shared Objectives for the Wales and Borders Area. TfW and GBR will work together through shared processes to develop collaborative business planning, joint delivery strategies, joint reporting and benchmarking.

10.3.1 The Parties expect this detail to be codified within the future partnering arrangement, and shared documentation between these organisations.

Partnering Arrangements

10.4 The Parties expect that TfW and GBR will enter into a formal partnering arrangement to further the integration of track and train in the Wales and Borders Area. The Parties acknowledge that any partnering arrangement is voluntary and subject to future approvals.

10.5 This will be a partnering arrangement between TfW and GBR as distinct legal entities rather than a single vertically integrated body.

10.6 Although the partnering arrangement will principally be focused on the Wales and Borders Area, its scope is not limited within GBR to the functions undertaken by GBR Wales and Borders / GBR Cymru a'r Gororau. Central GBR functions are expected to support the partnering arrangement across the Wales and Borders Area, through whole system planning, performance management and financial frameworks.

10.7 The partnering arrangement shall operate on the basis that:

10.7.1 statutory accountabilities remain with the respective legal entities;

10.7.2 roles and responsibilities between GBR and TfW are clearly defined; and

10.7.3 conflicts arising from overlapping accountabilities are addressed through conflict resolution and escalation processes.

Joint Business Planning

10.8 Joint business planning between TfW and GBR should acknowledge the limitations of the separate accountabilities but seek to align, address, and integrate where possible:

10.8.1 Infrastructure operations, maintenance, renewals and enhancements;

10.8.2 passenger service specification and development;

10.8.3 performance management, resilience and recovery;

10.8.4 funding allocations, financial risk and prioritisation; and

10.8.5 delivery priorities across track and train.

10.9 GBR and TfW will be independently responsible and accountable for delivering against their respective aspects of joint business planning.

10.10 Track and train integration arrangements will support a complementary and collaborative public sector delivery model.

10.11 When approving their respective delivery body's business plans, the Parties expect to see evidence that collaborative business planning has been embedded and that the business plans show aligned delivery of each both TfW and GBR's respective responsibilities.

10.12 The Parties expect that TfW and GBR will work in a partnering arrangement to assess the financial and nonfinancial impacts of changes affecting joint business planning. This includes changes driven by:

10.12.1 the policies or strategies of either government;

10.12.2 legislative or regulatory change; and

10.12.3 material funding changes, reprioritisation or shock events.

10.13 Financial and investment decisions are to be informed by a whole system view of outcomes, rather than by siloed organisational interests.

10.14 Funding responsibilities will remain clearly delineated, with mechanisms in place to prevent duplication of investment or funding between GBR and TfW.

10.15 GBR and TfW may enter into commercial arrangements to allow for the fair balancing of costs and benefits of investments or projects, with the intention of reducing system interface costs and subsidy requirements. Such arrangements may include commercial or incorporated joint ventures where appropriate.

10.16 The Parties expect GBR and TfW to develop methodologies to reflect fair and transparent financial adjustments to enable agreed outcomes in an administratively efficient manner, to address whole system outcomes and determine funding impact on either of their companies.

11. Cross Border Passenger Services

11.1 Outcome: An aligned framework between the Parties for joint governance and transparent funding arrangements concerning cross-border rail services, reflecting the vital importance these services have on the connectivity, wellbeing and economic development of communities in both Wales and England. This framework will be reflected through updated interministerial agreements to define delivery by TfW and GBR and enable effective collaboration, while ensuring Welsh Ministers and Secretary of State operators can continue to deliver cross-border services within the Wales & Borders Area.

11.2 The management and future changes to cross border passenger services will be addressed in future Wales and Borders Agreements as outlined in paragraphs 7.2 to 7.5 of this MoU.

11.3 New service proposals or substantial changes to existing cross border passenger services, as defined in paragraph 11.7, will be jointly developed by the Parties or TfW and GBR, as appropriate, with the ability for either public body (TfW or GBR) to deliver these.

11.4 The joint business plan will address delivery of cross-border rail services with shared responsibilities for service design, performance, and strategic oversight, whilst retaining respective formal accountabilities for the running of services.

11.5 A baseline will be used to enable and develop continuity for the delivery of passenger services in a public ownership context, through the Parties' respective bodies such as GBR and TfW.

11.6 A revised agreement for funding and outputs which appropriately reflects the Shared Objectives and the joint business planning approach will ensure that subsidy implications are transparently assessed and fairly managed.

Baseline position

11.7 When the Railways Bill comes into force a baseline of existing cross border passenger services, funding arrangements, and associated responsibilities, will be recorded. This will include:

11.7.1 services operated by TfW on behalf of Welsh Ministers where Welsh Ministers are acting as the agents of the Secretary of State.

11.7.2 cross border services operated by train operators under a contract issued by the Secretary of State or provided by a DfT Operator company and in future to be operated by GBR.

11.8 The baseline is not intended to be a permanent or fixed state but shall serve as the reference point against which the financial and operational impacts of future changes are assessed.

12. Core Valley Lines

12.1 Outcome: To support TfW to integrate track and train, reduce internal regulatory complexity, and jointly develop an interface framework with GBR for service continuity across both networks.

12.2 This section sets out the principles and processes by which the Parties will support track and train integration on the Core Valley Lines ("CVL"), reduce regulatory and cost complexity, and provide seamless operation at the interface between the CVL and GBR managed infrastructure.

12.3 The provisions in this section apply to the regulation, operation and future evolution of the CVL insofar as affected by rail reform and the establishment of Great British Railways. This section is intended to operate alongside, and not to undermine, the devolved responsibilities of Welsh Ministers in relation to the Core Valley Lines.

Regulatory simplification and alignment

12.4 The existence of different regulatory regimes applying to GBR managed infrastructure and the Core Valley Lines should not result in unnecessary complexity, cost or delay.

12.5 The Secretary of State recognises the aspirations of the Welsh Ministers to reduce the complexity and costs associated with operating the Core Valley Lines, not least through integrated operation of CVL infrastructure and passenger services and reducing internal regulatory complexity. However, the Parties acknowledge that the opportunity to progress such reforms will depend on the final content of the Railways Bill.

12.6 The Parties will provide further detail in this section, in line with the overarching principles, once the Railways Bill has received Royal Assent.

CVL–GBR interface arrangements

12.7 TfW and GBR shall jointly develop and maintain interface arrangements governing access, capacity, performance and operational coordination at the boundary between the Core Valley Lines and GBR managed infrastructure.

12.8 In developing such arrangements, TfW and GBR shall have regard to:

12.8.1 the Access and Use Policy and Infrastructure Capacity Plan applying to GBR managed infrastructure;

12.8.2 the operation of passenger services on the Core Valley Lines; and

12.8.3 any existing or committed future service, infrastructure or funding obligations relating to the Core Valley Lines, with the objective of optimising alignment and avoiding preventable cost or operational friction at the interface between the Core Valley Lines and GBR managed infrastructure.

13. Governance of Enhancement Investment

13.1 Wales Rail Board shall continue to be formally recognised as a strategic body within the governance framework, with its function to review funding allocations, business plans, and performance of enhancement schemes across the Wales and Borders Area.

13.2 The Board will oversee the strategic delivery of the enhancement programme and will manage the pipeline of priorities for future service development.

13.3 The Wales Rail Board remit described in paragraph 13.1 will at all times be carried out in accordance with the governance and assurance structures of the diverse funding sources it will avail itself of.

13.4 The Wales Rail Board will provide advice to the Parties.

13.5 The Wales Rail Board will hold delivery partners to account for the delivery of agreed outcomes, such as the published "Today, Tomorrow, Together, a vision for rail across Wales and Borders".

13.6 The Wales Rail Board will reflect the increasing maturity of Welsh delivery capability.

13.7 The Wales Rail Board will consider the most appropriate governance mechanisms for enhancements to support joint decision-making and in-life change management.

13.8 The chair of the Wales Rail Board shall be appointed via a jointly agreed process between UK and Welsh Government.

13.9 The secretariat function for the Wales Rail Board will be provided by Welsh Government.

13.10 The Wales Rail Board shall manage in-life changes through a structured change control process, including:

13.10.1 Notification of proposed changes;

13.10.2 Impact assessment on funding, delivery, and strategic alignment;

13.10.3 Joint decision-making and documentation of agreed changes; and

13.10.4 Updates to remits, business plans, and guidance as required.

Signature Blocks

The MoU will be signed by:

- The Secretary of State for Transport (UK Government)
- The Cabinet Secretary for Transport and North Wales (Welsh Government)

ANNEX A:

Funding Period Business Planning: A timeline for developing Shared Objectives

In this Annex:

- SoO = Statement of Objectives (DfT) (previously High Level Output Statement - HLOS)
- SoFA = Statement of Funds Available (DfT)

Note 1: The business planning process beyond its formal stage (described below) is continuous (ie through change control, and into delivery of outputs and outcomes). The MOU reflects that longer term and continuous approach, although recognising that the majority of the inter-ministerial involvement will be at the points described below.

Note 2: The key role of the MOU is to generate formal WG involvement and influence in a) NR/GBR Initial Industry Advice, and b) DfT SoFA and SoO. The SoFA and SoO are influenced by NR's Initial Submission.

Proposed points of engagement in the Business Planning timeline.

The following timelines related to the first GBR Funding Period (2029-2034)

Stage 1 – This stage is the development of Funding Period options and choices and SoO Preparations for the whole of the UK

- Stage 1a: NR/GBR are expected to engage with WG on NR/GBR's initial submission and any other relevant submissions to DfT to seek alignment of objectives, and WG will engage with GBR (Jan 2026 – March 2027)
- Stage 1b: ORR is expected to engage with WG on its initial advice to seek alignment, and WG will engage with ORR (Jan 2026 – March 2027)
- Stage 1c: WG will set out its own objectives to DfT in parallel (by March 2027)

Stage 2 – This stage is the development of the SoO and Development of Shared Objectives

- Stage 2a: ORR is expected to engage with WG during its review of the proposed Business Plan (March 2027 – Autumn 2027)
- Stage 2b: DfT will engage with WG during its review (March 2027 – Autumn 2027)

- Stage 2c: DfT and WG will jointly go through an approval stage prior to the DfT publication of the SoFA and SoO (DfT remit to industry) published (Autumn 2027)

Stage 3 – This stage is the ongoing delivery and reporting against the delivery of the business plan against the Statement of Objectives

- Stage 3a: GBR and TfW are expected to continue to monitor their delivery in co-ordination with the ORR against the SoO, Shared Objectives, and Business Plan.
- Between each stage, NR/GBR and TfW are expected to develop, publish, and socialise Shared Objectives to inform the informal and formal submissions to both governments.
- At every stage of development and publication of both SoFA, SoO and GBR business plan throughout the process, there will be a Wales & Borders specific “chapter” within the GB-wide document.