

What should the post pandemic railway offer us?

The latest figures from Network Rail reveal almost total dependence on taxpayers. Last year to March 2021 operating costs surged by 14% and passenger miles fell by 83%. Grant from the government was 68% of revenue, whilst much of the revenue from the train companies was also of course government grant supported. The railway is not only effectively nationalised, but it is largely paid for by taxpayers, not passengers.

It seems likely that there will be a permanent substantial drop in commuter demand for travel at morning and evening peaks. Many more people will only go to offices for part of the week, and there will be more flex over the timings of their journeys. Commuters have been dominant providers of passenger revenue, as many of the off peak leisure travellers have bought heavily discounted tickets for their travel. The railway needs to undertake an exercise to see what pattern of services would best fit the new working patterns. It also needs to do more work on flexible season tickets. I still think they need a model where a traveller can buy a full fare or an off peak fare ticket and gain an increasing discount for more use on an accumulator system.

The capital expenditure of the railway is distorted by the huge cost of HS2. It does need to spend on capacity and service improvements across the network. Digital signalling is the cheapest way of increasing rail capacity, allied to short pieces of by pass track to allow fast trains past stoppers. The railway should expand in to more freight which will require more branch lines and sidings into industrial parks and major locations.

The current rate of losses and subsidy is unacceptably high. The railway needs to be asked to show how it will get back soon to a majority of its costs being paid for by those travelling on it. Commuters and leisure travellers tend to have higher incomes than many non users. Relying more on fares as the pre pandemic railway did also helps to decide what services are needed and popular.