

How much rail capacity do we need?

The UK passenger railway had a big business running commuters into and out of cities for their work five days a week. Even after allowing for the discount element of the season ticket, these travellers were made to pay premium prices for their travel, as there was little by way of alternative for most of them. The roads were jammed and there were too few car parks at work to make the car an alternative for many.

The railway always complained that it was very costly having to provide so much rolling stock and so many staff for a couple of peak hours in the morning and another couple of peak hours in the evening. It was that peak volume which the railways said justified the high fares. In an attempt to fill the rolling stock the rest of the time and to pay staff wages for more than four hours a day the railway adopted heavily discounted fares to persuade people to undertake leisure, shopping and entertainment trips by train to use the empty carriages.

Today we still see a pattern of dear tickets at peak times, and cheap tickets at off peak across the network. If we take some longer journeys as examples we see

Standard single ticket London to Manchester off peak £33 peak £157

Standard single ticket London to Birmingham off peak £15.50 peak £74

The peak fare is around five times the off peak.

Today the talk is of a major change of future working even assuming an end to special CV 19 lock downs. Office workers look forward to going to the office two or three times a week instead of five times, and want to be offered flexible hours so they can switch to the old off peak. Many have discovered how much better off they are working from home and saving all that money on rail travel and expensive coffees.

If some of this comes to pass it requires revolution on the railways. It means a substantial reduction in numbers of travellers and a bigger reduction in fares revenue if charging policies are unaltered. The railway managements are talking about how their leisure business has picked up but this is largely heavily discounted tickets that come nowhere near paying the high fixed costs of the amount of rail travel being offered. They say it is very green, but creating more journeys on trains that otherwise would not have happened is not green but the opposite. Trying to run a railway around heavily discounted leisure use will leave a huge hole in railway finances. We cannot carry on for much longer with the current system of running 90% of pre pandemic services for maybe a third of the passenger numbers. It is unaffordable for taxpayers. When will the rail experts tell us what Level of demand they think they can recapture and what fares they can charge in this new world.