

# MAYOR OF LONDON

**Andy Lord**

Commissioner of Transport  
Transport for London  
Palestra House  
197 Blackfriars Road London  
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**Date:** 2023

I, SADIQ KHAN, MAYOR OF LONDON, in exercise of the powers conferred on me by section 155(1)(c) of the Greater London Authority Act 1999 (“the Act”) and in pursuance of my duty under section 174 of the Act, hereby direct Transport for London that the level and structure of fares to be charged for public passenger transport services provided by Transport for London or by any other person in pursuance of an agreement under section 156(2) or (3)(a) of the Act or in pursuance of a transport subsidiary’s agreement shall on and from the twentieth day of January 2023 be permanently changed so that the 60+ Pass and Older Persons’ Freedom Pass will not be valid between the hours of 0430 and 0900 hours on weekdays, excluding Bank Holidays.

Dated this day of 2023.

**Sadiq Khan**

Mayor of London

# New revenue

# sources

Transport for London

August 2021

**FINAL**

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# 1. Executive Summary

The pandemic had a seismic impact on TfL's finances, creating a recurring gap that must be fixed. TfL is committed to working with Government to identify a solution to this structural funding gap so the city's transport network can support both regional and national policy priorities. The Financial Sustainability Plan (FSP), published in January 2021, laid out long-term options, including the recommended scenario of Decarbonise by 2030. This scenario assumed a new source of income of £500m would be delivered by 2023/24, while still leaving a funding gap of £1.6bn.

This review represents the development of the feasibility of this new income assumption, as well as TfL's recommendations and implementation plans for raising additional revenue of between £0.5bn - £1.0bn by April 2023, as required by the 1 June funding agreement. This is one of several workstreams where TfL is actively seeking to manage as much of the funding gap as it can, including reviewing opportunities to accelerate operating efficiencies, reviewing the pension scheme, assessing service level changes, and identifying different levels of capital investment.

This review sets out the current state of TfL's income (**Section 2**), reviewing existing revenue sources before the pandemic and how they have evolved historically. TfL is significantly more reliant on fares income than its international peers. While all transport authorities have suffered dramatic income losses irrespective of their funding sources, this reliance on public transport revenue means this review has considered a wider set of new funding sources than increased fares. London also has a long history of innovative road user charging schemes to achieve important policy aims. For example, the original Congestion Charge (CC) and more recently the Ultra Low Emission Zone (ULEZ) have helped reduce traffic volumes and emissions while improving sustainable travel and air quality.

TfL has already adapted its income during the pandemic. RPI +1 was used in 2021 as a core business planning assumption. While road user charging schemes were initially suspended to support critical workers, in June 2020 the Congestion Charge was temporarily increased from £11.50 to £15 and extended to evenings and weekends. ULEZ will also be expanded to cover inner London from October. The ongoing cost of fare concessions above those typically available elsewhere in England have been met by an increase to the existing TfL element of the GLA council tax precept and road user charging revenue.

The assessments of options in this review (**Section 3**) have been carried out against the appraisal criteria agreed with Government in June 2021. These criteria cover the impact of options on economic and Mayor's Transport Strategy outcomes; the financial impacts including the level of net income and whether it is sustainable; and the feasibility of the options, including high-level technical, legal, and stakeholder considerations. These assessments led to the recommendations in **Section 4**. The review recommends three overarching areas for further development. Each of these areas contains several options which remain under consideration and on which no decision has been made by the Mayor or TfL.

**Optimising the fares system with a focus on consistency:** Increases beyond RPI+1 per cent are not recommended, due to the risk this creates to economic recovery and due to our existing over-reliance on fare revenues. However, there are smaller changes that can be made to fares which create more consistent systems and increase revenue. Options for consideration include making permanent the restriction that the 60+ and Freedom Pass concession can only be used after 09:00; introducing an all-day peak fare to Heathrow; increasing the deposit for an Oyster card; and withdrawing from the Travelcard Agreement.

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**Incremental options on taxation:** Many people and groups benefit from the transport network – beyond those that pay at the point of its use (through public transport fares or road user charges). Funding through taxation is a way of ensuring this wider group of beneficiaries contributes to the cost of operating and improving the network. Building on TfL’s existing retention of business rates and council tax income through the GLA precept, several options remain for further development. These include further incremental increases in council tax and, subject to necessary legislative changes, an online delivery tax that responds to the congestion and emissions impact of small deliveries, as well as options to devolve the equivalent amount of Vehicle Excise Duty that London pays but does not currently receive.

**Changing the way we charge for road use:** If further fares and taxation options are not deemed appropriate to raise the income required, increased charges for road use have a role to play. Road congestion leads to increased carbon emissions, worse safety and bad experiences for critical freight and services, as well as those who need to drive. Schemes developed to improve these policy outcomes could also provide income to reinvest in the transport system (and provide a stronger alternative to cars). Options for further consideration include changes to the existing Congestion Charge (where we are already consulting on making the £15 charge permanent and extending the hours of operation), the Greater London Boundary Charge (which is currently undergoing a feasibility study), a London-wide Ultra Low Emission Zone, London-wide carbon charge, or workplace parking levy. Next generation road user charging – for example using distance-based pricing – cannot be delivered by the timescales required by the latest funding agreement but could potentially provide an ongoing long-term funding source and a new model for how to pay for road use in London and beyond.

The options above would require similar approaches to implementation (also set out in **Section 4**). Further policy development and impact assessment, along with the appropriate public consultation and engagement and consideration of the need for a charging scheme to be in conformity with the Mayor’s Transport Strategy, would need to take place before any option could move to approval, design, and delivery.

The development of these options requires a collaboration between TfL, the Mayor, and Government. This is because many of the options presented here require specific action or commitment from Government to enable implementation.

No new income source of this magnitude is easy to identify and implement; any policy will need a mix of consultation, equalities assessment, mitigating measures and stakeholder engagement. Nonetheless, by presenting three credible option areas, narrowing down which interventions could be pursued, and setting out a roadmap for partnership with national Government, we are helping make London’s transport system more sustainable and better prepared for the future.

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# 2. Introduction

## 2.1. Background

Before the pandemic, we were on track to achieve financial sustainability by covering the costs of our day to day operations by 2022/23; largely as a result of taking around £1bn out of our net cost of operations since 2015/16. However, as has been shown during the pandemic, we are heavily reliant on farebox income for the majority of our revenue and significantly more so than other transport authorities around the world. This means TfL is very exposed to extreme demand shocks and has limited mitigations to apply when they occur.

The severe reduction in passenger income during the pandemic has required substantial direct Government support. The most recent Funding and Financing agreement includes a commitment to achieve financial sustainability by April 2023, as well as identifying new or increased, recurring income of between £0.5 to £1bn per annum from 2023.

This report sets out the work done to identify, review and evaluate potential new income options and their feasibility. It goes on to outline our recommendations and how they could be implemented.

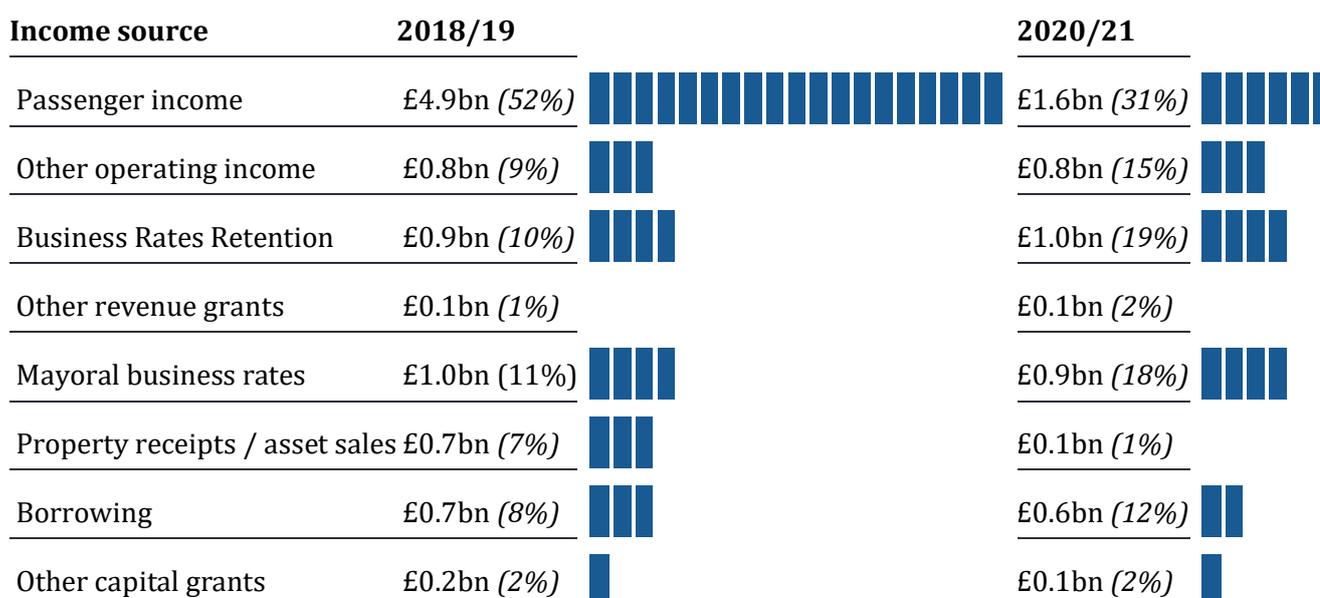


Figure 1: Summary of TfL revenue sources

### Passenger income

#### Background and historical trends

Passenger income is TfL's largest revenue source, accounting for half of all income before the pandemic, and over 70 per cent of operating income. These figures were projected to rise even further under our 2019 plan.

This reliance on fares income is very high compared to our international peers as shown in Figure 2.

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## Operating income from public transport fares

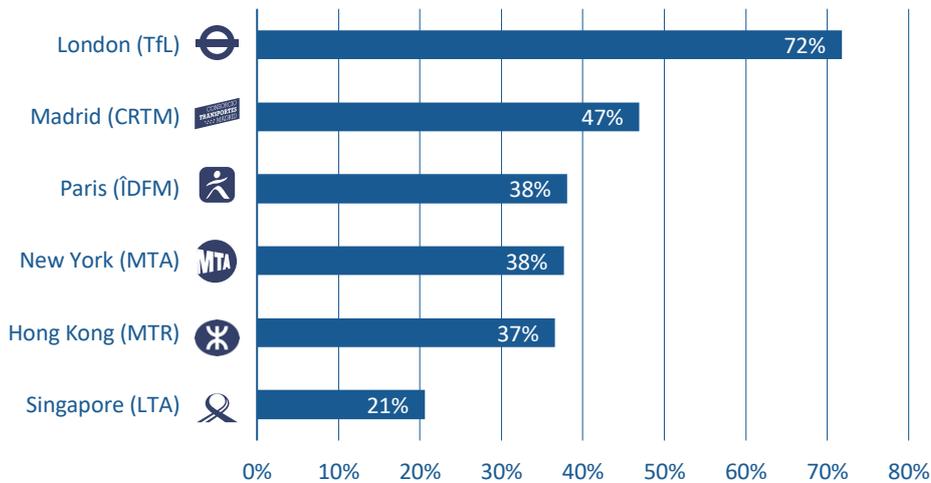


Figure 2: International comparisons of operating income

The Mayor is responsible for setting TfL's fares, noting that Travelcard prices and the cost of the multi-modal pay as you go (PAYG) Travelcard caps are set by agreement with the train operating companies (TOCs) in line with National Rail fares. Over the long-term, TfL and National Rail fares have risen along a similar trajectory as shown by Figure 3.

## TfL and National Rail changes vs. inflation

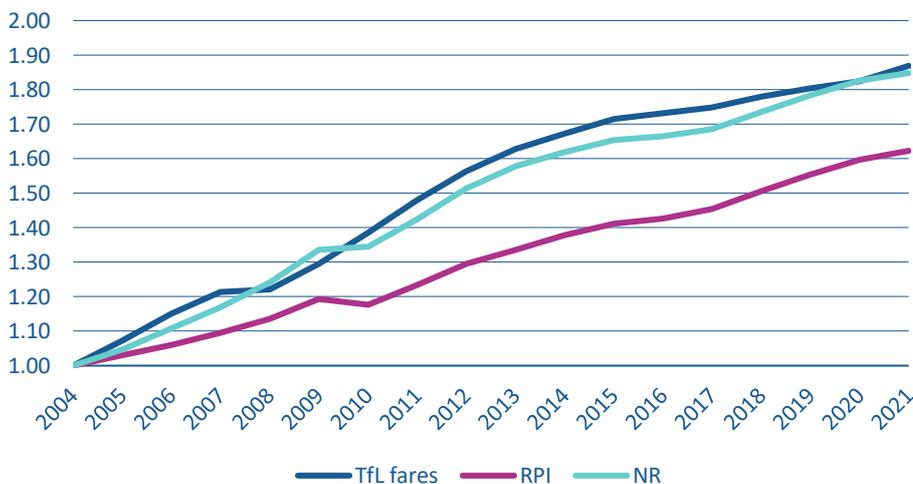


Figure 3: TfL and National Rail changes vs. inflation

TfL provides discounted and concessionary fares. These fares contribute to two significant policy objectives. The first is to ensure that the transport network remains accessible and inclusive to all Londoners. Secondly, young person concessions encourage the use of public transport early in life, creating habits that increase the use of sustainable travel later in life.

## During the pandemic

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As a condition in the October 2020 Extraordinary Funding and Financing Agreement, if the Mayor and TfL wished to continue to offer travel concessions above those typically available elsewhere in England (such as free travel for all Londoners aged under 18 and 60-65, apart from statutory entitlements including under the Education Act 1996) then the costs of the additional benefits must be met without using HMG funding and without recourse to additional borrowing, savings, service changes or deferrals.

The ongoing cost of these concessions has been met by an increase to the existing TfL element of the GLA council tax precept and road user charging revenue.

The October 2020 settlement included a condition that required an increase of RPI+1 (2.6 per cent) on fares under the Mayor’s control, which was completed in March 2021.

### Existing plans

TfL has an assumption within the FSP and in its Revised Budget of an overall fares increase of RPI+1% on fares under the Mayor’s control in 2022.

The Financial Sustainability Plan assumed fare rises (in London and nationally) of RPI+1 per cent in all years from 2020/21 to 2024/25. However, any actual fares changes are subject to a decision by the Mayor, taking into account the Government’s decision regarding TOC fares and thus Travelcards.

### Other operating income

#### Background and historical trends

TfL has a variety of other sources of operating income it is responsible for, beyond public transport fares, business rates and other grants. These sources are collectively known as other operating income.

Figure 4 shows a breakdown of these income sources from the 2019 Business Plan by business area:

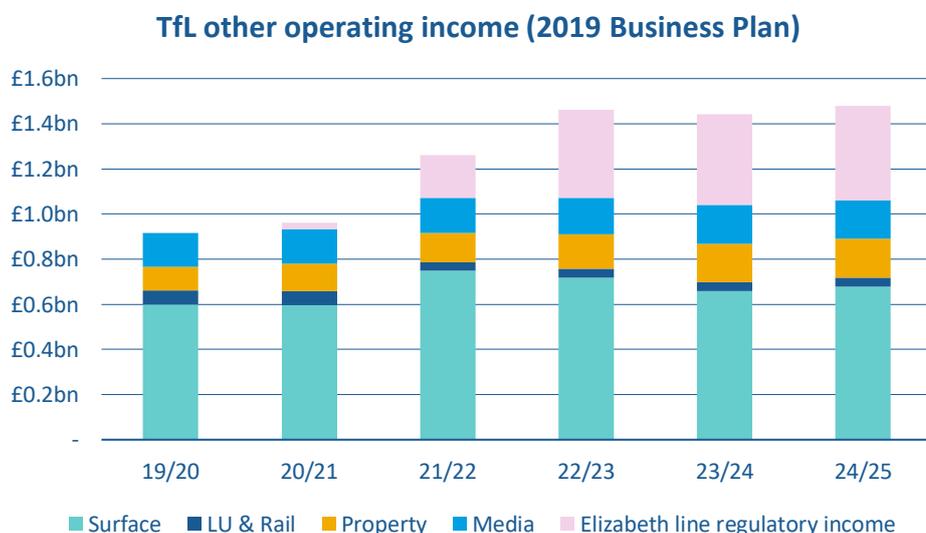


Figure 4: Sources of other operating income

- **Surface:** this covers streets, buses and other smaller services. The majority of income comes from streets, due to our existing road charging schemes (RUC), including the Congestion Charge (CC), Low Emission Zone (LEZ), and the Ultra-Low Emission Zone (ULEZ). Surface other operating income peaks in 2021/22 with the expansion of the ULEZ before this income declines as compliance against the required vehicle standards improves.

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- Elizabeth line regulatory income: This income relates to the central section and is netted off to zero by access charge costs. It is included here for completeness
- Property: TfL's Commercial Development business produces operating income through commercial and residential lettings
- Media: TfL has one of the largest advertising estates in the UK and has contracted partnerships to extract value from this asset.

### **During the pandemic**

Other operating income is subject to many of the same pressures as public transport demand and has been lower during the pandemic. For example, Media income in 2020/21 was £50m, a third of what we had previously forecast as our advertising sites received less footfall and companies reduced their marketing budgets. Similarly, property income was reduced by over 40 per cent.

The CC, LEZ and ULEZ were suspended at the start of the pandemic to support critical workers moving around London, particularly those providing services to the NHS, as well as freight and other vehicles supporting London's supply chain requirements whose journeys were essential to the early response to the national emergency caused by the pandemic.

In accordance with the Government's funding agreement in May 2020 a temporary package of measures to change the CC Scheme was implemented on 15 June 2020 to prevent streets in central London becoming unusably congested and to support the reallocation of road space to support safe walking and cycling and to support certain key workers. The temporary changes included increasing the charge from £11.50 to £15 and expanding into evenings and weekends.

### **Existing plans**

The ULEZ will be expanded to inner London in October 2021 as planned, bringing in significant additional income which will then diminish as compliance improves. We are also currently consulting on future changes to the Congestion Charge scheme.

TfL is developing proposals for its property development business to operate without financial support from TfL – with a separate workstream working with the DfT on this plan.

TfL will introduce a new user charge for the Silvertown and Blackwall tunnels once the Silvertown Tunnel is completed. The charge is necessary to manage demand for the tunnels and to ensure that the local road network can accommodate future traffic levels and mitigate air quality impacts with the new tunnel in place. The charge will also provide a source of revenue to help fund the construction and operation of the new Silvertown tunnel.

## **Business rates retention (operating and capital)**

### **Background and historical trends**

TfL has only received funding from retained Business Rates since 2013. Prior to this, all of our support from taxation was provided via grants from the Department for Transport. As shown in Figure 5, the transfer began with half of the General Grant in 2013/14, followed by the Investment Grant (as a pilot in 2017/18). The remaining half of the General Grant has been phased out as part of the 2015 Spending Review funding agreement.

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## Funding history by Government

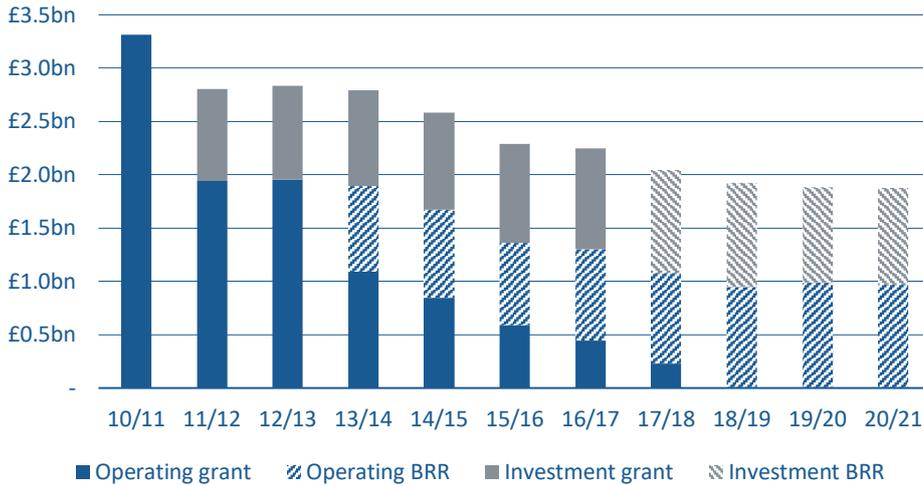


Figure 5: TfL funding history by Government

### During the pandemic

TfL's income from retained business rates in 2019/20 and 2020/21 was consistent with pre-pandemic forecasts. This is due to changes in income from ratepayers taking time to flow through and impact on the amount of funding available.

### Existing plans

There is a clear benefit to businesses from public transport investment, especially in Central London. Our forecasts represent our current best view of how our existing Business Rates Retention (BRR) allocation will change over time, as shown in Figure 6. This assumes no changes to the business rates system but some negative impact to receipts given impact of the pandemic on business rate payers. The existing Business Rates Supplement is expected to be required to help repay Crossrail loans until 2041.

## Business rates: change in forecast

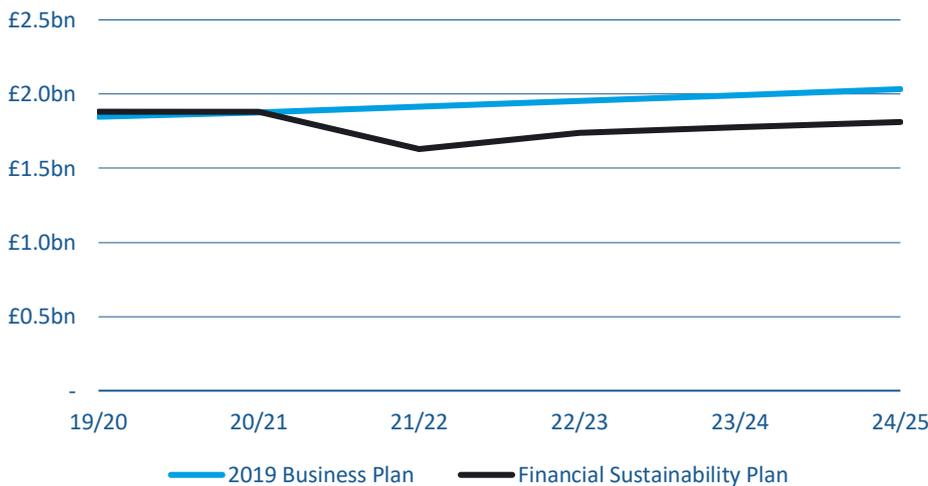


Figure 6: Business rates forecast compared to pre-pandemic

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## Property receipts / asset sales

### Background and historical trends

TfL has a significant asset base, including its portfolio of property and land holdings.

Commercial Development was set up in TfL in 2012, and now consolidates all commercial property assets from across the TfL group. Under the current arrangements, commercial development is required to be capital neutral, with a significant proportion of the funding in the existing plan coming from the disposal of selected non-operational property assets. While property sales are a normal part of managing any commercial asset base, an overdependence can produce poor value for money and is financially unsustainable for the business in the longer term.

Outside of commercial development, TfL also completed the sale and leaseback of the Elizabeth line rolling stock fleet in 2018, which released approximately £1bn to reinvest in infrastructure including delivering a fleet of new Piccadilly line trains, the first of which will appear in London from 2023. The lease costs add to our operational expenditure.

### During the pandemic

TfL has been cautious regarding property receipts and asset sales in the current market, when value for money may be harder to obtain.

### Existing plans

The June 2021 funding agreement contains a workstream focused on commercial development options. The scope of this workstream is to “agree a plan for housing delivery through a dedicated commercial property company that meets the shared ambitions of the Mayor and HMG to deliver housing in a high demand area and to provide an increased revenue stream”. These plans are being developed separately to this income review and are not considered further in this report. The financial impact is also not material within the timeframe of this report.

There are other assets which could be considered for sale and leaseback but this approach to borrowing creates ongoing operating costs which make achieving long-term financial sustainability harder.

## Borrowing

### Background and historical trends

TfL started with zero debt on its balance sheet. However, over the past 20 years we have used borrowing, alongside other funding sources, to fund improvements to the transport network.

When managing TfL’s borrowing, TfL is required to have regard to the Chartered Institute of Public Finance and Accountancy’s (CIPFA) Prudential Code, under which it must ensure all of its borrowing is prudent and sustainable. TfL must also take into account arrangements for the repayment of debt and consider the impact on overall fiscal sustainability. All borrowing must be for capital purposes.

Before the pandemic, TfL’s total debt rose to £12bn, reaching the limits of affordability, which means it can no longer continue to borrow significantly in future, unless new significant additional revenue sources are in place. TfL considers a range of factors when assessing the affordability of debt, including the prudential borrowing framework and certain financial ratios.

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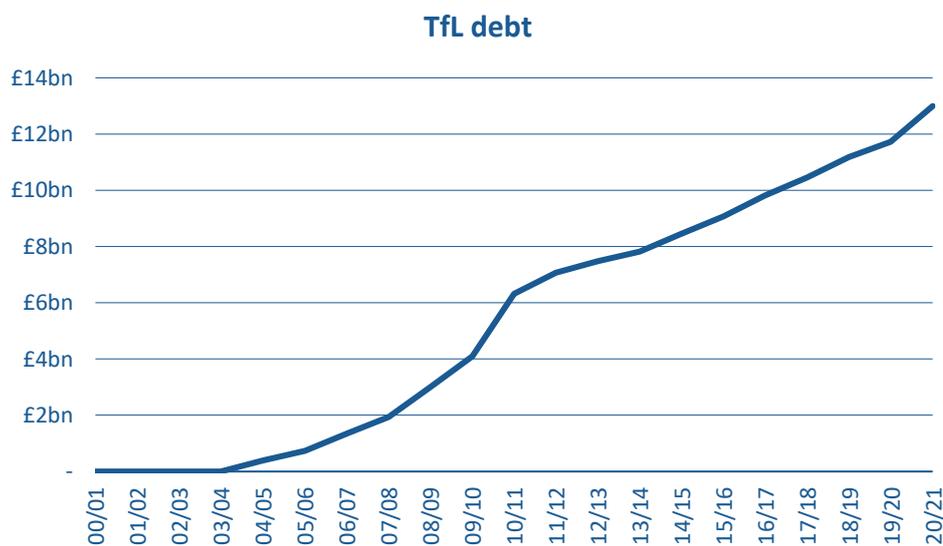


Figure 7: TfL debt levels

### During the pandemic

The significant reduction to TfL’s revenues as a result of the coronavirus pandemic has further impacted affordability of existing borrowing as well as any potential future borrowing.

The May 2020 funding agreement (covering 1 April to 17 October 2020) included £505m of additional borrowing from the Public Works Loan Board (PWLB). The October 2020 funding agreement (covering 18 October 2020 to the 31 March 2021) included £95m additional borrowing from the PWLB.

TfL’s existing borrowing has also become more expensive to service during the pandemic due to Moody’s downgrade of the organisation’s credit rating in June 2021. Moody’s noted that the downgrade reflected “TfL’s intrinsic financial strength has been durably and materially weakened by the pandemic, and that the limited level of financial support provided by the Government of the United Kingdom, and the absence of clarity on ongoing financial support arrangements, at a time when TfL faces a long-lasting shortfall in ridership post pandemic, signals that this erosion in its financial strength is unlikely to be reversed.”

### Existing plans

In order to demonstrate financial sustainability over the long term, TfL must cover not only the financing costs, but also the debt principal repayments. To reach and maintain financial sustainability TfL will only be able to make debt repayments in the years in which it generates an operating surplus.

TfL is not planning to undertake any additional borrowing in the next few years due to affordability constraints. It is also unlikely TfL will have sufficient resources to make any principal repayments earlier than 2024/25.

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## 2.2. Equity map

Table 1 below summarised the different beneficiaries of London’s transport network (before the pandemic), and how much they each contribute to TfL’s overall income.

Beneficiary group	Nature of benefit	Funding element	2018/19
<b>Public Transport users</b>	Directly use the public transport network to access work, leisure, health and other opportunities.	Fares + share of borrowing	<b>£6.2bn</b>
<b>Private Vehicle users</b>	Private drivers and passengers use the road network to access work, leisure, health and other opportunities. Greater public transport use also reduces road congestion and journey times. Commercial operators use the road network to deliver goods to residents and businesses.	Other operating income (exc. Media / property) + share of borrowing	<b>£1.2bn</b>
<b>London residents</b>	All residents - whether they use the network or not - benefit from being in a city with a well-connected transport system. Public transport has significant decarbonisation and air quality benefits. Residents who own their homes also benefit from increased property prices, especially near new infrastructure.	Council tax precept to fund concessions (£15 on band D)	<b>£6m</b> <i>£43m was added to this in 2021/22</i>
<b>London businesses</b>	Businesses benefits from access to a strong employment market enabled by the transport network, as well as access to a wide customer catchment.	Business rate retention. Also MCIL and BRS for Crossrail (not included in total here)	<b>£2.0bn</b>
<b>Business customers</b>	These are businesses that pay TfL for a specific service and product, enabling them to meet their objectives. This includes property income, property receipts and advertising / income	Property and media income, asset sales	<b>£0.5bn</b>
<b>Businesses and residents outside London</b>	Unless they use public transport or drive into London’s road user charging schemes, they pay nothing towards TfL’s ongoing capital or operating costs; all of the UK benefits from a successful capital that net exports tax revenue and is a competitive advantage to all UK cities.	None currently	<b>£0.0bn</b>

Table 1: Equity map of TfL income sources

## 2.3. Equality

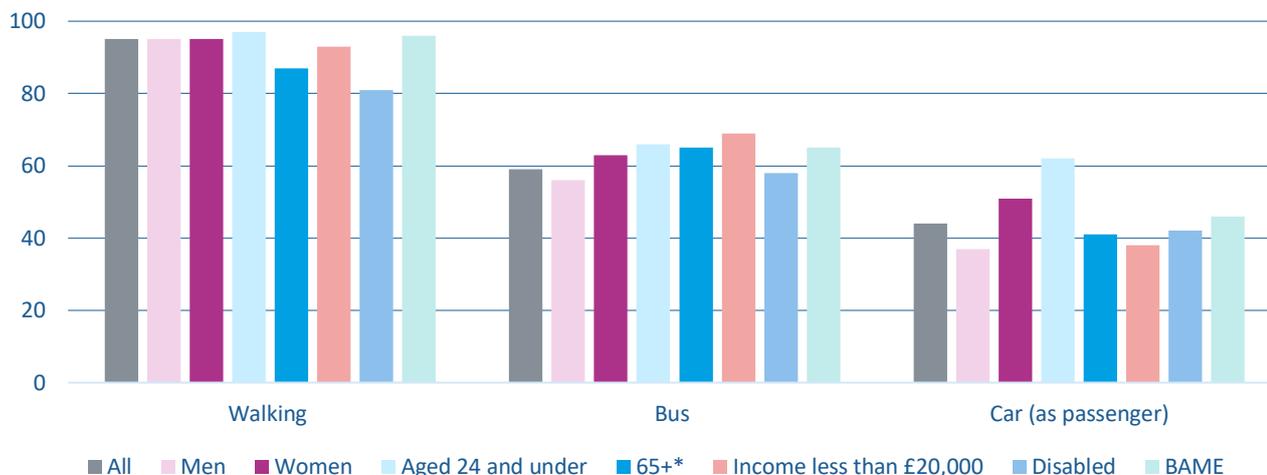
The Equality Act 2010 requires TfL to have due regard to equality implications in the exercise of its functions when developing and delivering its services. We have utilised existing research including summary information from the TfL ‘Travel in London: Understanding our diverse communities 2019’ report to consider potential impacts on equality for London’s communities in the options assessments detailed in this document. The report uses data from the Office for National Statistics (ONS) 2011 Census and TfL’s 2016/17 London Travel Demand Survey (LTDS) to describe profiles of equality groups within London’s communities and identifies barriers faced by these groups when accessing different modes of transport.

TfL believes Every Journey Matters and it is important to understand the key issues that affect travel use for everyone impacted, including those sharing protected characteristics under equality legislation when proposing any increase in fares and for any RUC or WPL proposals. Travel experiences are individual and will

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be influenced by a number of factors such as age, gender and income. Age continues to impact on a number of factors such as technology use, type of ticket used and barriers to increased public transport usage.

### Top Modes of Transport Used at Least Once a Week



\* 65+: 3<sup>rd</sup> most used transport mode – 43 per cent Car (as driver)

Table 1 below summarises TfL’s document ‘Understanding Diverse Communities’ and outlines the population and some of the key factors affecting travel for the various equality groups.

Group	Per cent of London Population	Factors Affecting Travel
BAME	<b>40 per cent</b> Projected to grow to 46 per cent by 2041	<ul style="list-style-type: none"> <li>BAME Londoners are younger, which drives their concerns around cost of travel.</li> </ul>
Women	<b>51 per cent</b> In line with other parts of the UK	<ul style="list-style-type: none"> <li>Significantly greater proportion of women had experienced a specific worrying incident (37 per cent, compared with 28 per cent of men)</li> <li>More likely to be a car passenger (51 per cent compared with 37 per cent of men)</li> </ul>
Older (over 65)	<b>11 per cent</b> Expected to grow to 16 per cent of the London population by 2041	<ul style="list-style-type: none"> <li>Considerably more likely to have a disability</li> </ul>
Younger (under 25)	<b>32 per cent</b> Expected to make up 29 per cent of the London population by 2041	<ul style="list-style-type: none"> <li>Higher bus use is driven by affordability</li> </ul>
Disabled	<b>14 per cent</b>	<ul style="list-style-type: none"> <li>84 per cent say their disability limits their ability to travel</li> <li>21 per cent (compared to 16 per cent all Londoners) have been completely / temporarily put off travelling due to a worrying incident</li> <li>Freedom passes most common ticket held (61 per cent)</li> </ul>
Low-Income	<b>28 per cent</b>	<ul style="list-style-type: none"> <li>Those living in low income households are more likely to be over 65, disabled or BAME</li> </ul>
LGB	<b>2.6 per cent</b>	<ul style="list-style-type: none"> <li>More likely to experience unwanted sexual behavior (all 10 per cent /LGB 16 per cent)</li> </ul>

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Higher proportion of Londoners classify themselves as LGB than in the UK as a whole (2.0 per cent)	<ul style="list-style-type: none"> <li>• More likely to experience hate crime (all 22 per cent /LGB 30 per cent)</li> </ul>
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Table 2: Summary of Understanding Diverse Communities 2019 (based on data from 2016/17)

A number of barriers prevent people from using public transport more frequently, with cost of travel commonly mentioned. Where proposing fares increases, due regard is given to certain groups whose travel experiences are determined by cost, such as for those living in a low-income household, BAME and younger people. These groups typically use the bus more frequently compared to other modes of public transport. Whilst cost of travel is a lower barrier for older Londoners (aged 65+), fares option proposals concerning those aged 60+ will require further assessment to determine impacts on older Londoners that do not yet have access to a Freedom Pass.

Proposed roads income options would help in achieving reductions in traffic and vehicle emissions which are harmful to human health. Older and younger groups are likely to benefit most, as would those on low incomes who often live in areas of poorest air quality. Whilst additional costs of driving may particularly impact those on low incomes, these groups are less likely to travel by car and more likely to walk or travel by bus. Particular regard should be given to groups more likely to use cars for accessibility or safety concerns, including women and disabled people, and therefore less likely to be willing or able to switch transport modes.

The potential revenue-raising taxation options do not relate to travel and therefore do not have a direct effect on MTS measures. These options will have equality impacts outside of TfL and is a consideration for the GLA/Mayor and HMG. Equality impacts of some of the taxation options should be given due regard in relation to groups that live in low-income households (such as women, disabled people, BAME Londoners and older people, who are more likely to live in low-income households than other Londoners): for example, council tax is regressive so impacts those on low incomes more.

The high-level assessments in the Appendix include further key information and detailed outcome assessments based on factors agreed between HMG and TfL/GLA. These assessments consider some of the equality impacts of proposed options on London's communities. Any proposals which are taken forward will be subject to further equality and other impact assessment as appropriate; their findings, including the availability of potential mitigations to adverse impacts, must be taken into account before any decision to implement them is taken.

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# 3. Appraisal process

## 3.1. Approach

The following activities were set out in the June 1 funding agreement.

- 
- (i) The **Criteria for options assessment** will be agreed between HMG and TfL/GLA before commencing the review by the delivery date [completed]
- 
- (ii) The review working group will report monthly to the Oversight Group who shall also be consulted on the **shortlist of options** by 05 July 2021 [completed]
- 
- (iii) The **Options Review and Feasibility Study** shall be completed with recommendations and submitted to DfT by the delivery date. TfL will also submit an implementation plan for the recommended option or options for agreement with HMG [this report]
- 

## 3.2. Agreeing the assessment criteria

It was agreed that all options should be assessed against three key categories: outcome, financial and feasibility. The purpose of the assessment criteria is to do the following;

**Outcome Assessment:** assess the economic impact of the option as well as any impact on key outcomes core to the Mayor's Transport Strategy

**Financial Assessment:** assess the financial impact of the option considering income generated, implementation costs, recurring costs and Net Present Value

**Feasibility Assessment:** assess the feasibility of delivering the option taking into account technical, legal and stakeholder considerations as well as identifying suitable benchmarking

The assessment criteria were agreed as follows:

### Outcome Assessment:

#### Economic impacts

Impact on economic recovery/growth (both transport benefits/disbenefits and wider impacts on the economy)

#### Business impacts, i.e. impact on access to businesses/footfall

- Change in end to end journey time for commuters and businesses
- Change in cost of travel for commuters and businesses
- Change in reliability for commuters and businesses

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#### Productivity, i.e. impact on London's economic output

- Wider economic impacts (indication of job productivity and agglomeration impacts)
  - Change in vitality of high streets and town centres
- 

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	<ul style="list-style-type: none"> <li>Change in new housing delivery</li> </ul>
<b>MTS contribution</b>  How will the initiative secure or facilitate the implementation of the MTS outcomes?	<p><b>Safe</b>, i.e. meeting TfL’s statutory safety responsibilities; London’s streets will be safe &amp; secure</p> <p><b>Mode Share</b> i.e. 80 per cent of all trips in London to be made by active, efficient and sustainable modes by 2041</p> <p><b>Active</b>, i.e. London’s streets will be healthy, and more Londoners will travel actively</p> <p><b>Efficient</b>, i.e. London’s streets will be used more efficiently &amp; have less traffic on them</p> <p><b>Green</b>, i.e. London’s streets will be clean and green</p> <p><b>Connected</b>, i.e. The public transport network will meet the needs of London</p> <p><b>Accessible</b>, i.e. Public transport will be safe, affordable and accessible to all</p> <p><b>Quality</b>, i.e. Journeys by public transport will be pleasant, fast and reliable</p> <p><b>Sustainable</b>, i.e. Active, efficient &amp; sustainable travel will be the best option in new developments</p> <p><b>Unlocking</b>, i.e. Transport investment will unlock the delivery of new homes &amp; job</p>
<b>Sharing the cost</b>	Review balance of how much groups that benefit from the transport network contribute to its costs
<b>Equality</b>	What is the anticipated equality impact of the initiative considered to be, subject to full equality impact analysis?
<b>Financial Assessment:</b>	
<b>Income level</b>	£ of new revenue p.a. once initiative is live
<b>Upfront cost</b>	£ of cost to deliver - including capex and opex
<b>Recurring cost</b>	£ of opex once initiative is live
<b>Abstraction</b>	£ of revenue reduced or added to other TfL services, or to other public sector services
<b>Net Present Value</b>	Identifying today’s value of future net income streams, using an appraisal period of 25 years and a discount rate of 3.5 per cent (consistent with the Green Book)
<b>Sustainability</b>	Is this income source recurring, or does it reduce over time; does it make funding more resilient to future shocks
<b>Volatility</b>	How stable is the income assessment e.g. to economic downturns
<b>Feasibility Assessment:</b>	

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<b>Timescale</b>	Date of likely go live including all stages (consultation, approvals, design, delivery and any need for revision of the MTS)
<b>Technical difficulty</b>	Rating of level of difficulty and complexity in the ability to design and deliver the solution
<b>Legal</b>	Identify proper legal basis for proposals including available powers and where they are insufficient, identify possible route to securing them
<b>Stakeholder alignment</b>	Rating of the potential reaction from positive to negative of stakeholders to the proposals. Split into different stakeholders.
<b>Delivery conflict</b>	Rating of how delivering this initiative makes delivery of other initiatives more or less challenging.
<b>Benchmarking</b>	Brief description of comparison to other UK or Worldwide cities where relevant

### 3.3. Identifying the shortlist

In arriving at our shortlist of options we sought to meet criteria as outlined in the funding letter;

- Options should provide a recurring revenue income stream from 2023. Therefore, options that only provided a one-off income benefit (e.g. asset and property disposals) were discounted
- Options should be within the Mayor's or TfL's current statutory powers, noting that a legal review will be necessary on any preferred option. Some options not within existing statutory powers have been retained based on their contribution to the other assessment criteria; Government support will be required for legislation for these.

Given the size of the challenge presented to us, that is generating between £0.5bn-£1bn per annum, we considered options that generated a material new revenue stream. That is not to say that lower value revenue generating options are discounted. These types of options are considered part of business as usual and our own long-standing desire to become financially sustainable.

As agreed with DfT, we also considered all revenue options that had been identified as part of the Independent Review undertaken in December 2020. Options considered by the Independent Panel included options that were not within the Mayor's current statutory powers and as such these have also been considered in this report.

The shortlist can be summarised into three broad categories; fares, roads income and taxation. Some of the annual net income figures are indicative as for example, different levels of charge or tax increase could be set.

#### Fares options

Ref	Option	Implementation	Net income p.a.
1	Optimise January 2022 RPI+1 change for future revenue	-	£10m
2	All-day peak fare between Zone 1 and Heathrow	-	£10m
3	Restrict 60+ concession for use only after 09:00	-	£40m
4	One-off 10p increase on bus and tram fares	-	£50m
5	Increase charge for Oyster card	-	£5m
6	Fares revision of RPI + 2 in January 2022	-	£75m

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7	Significant uplift in all fares including travelcards	-	£500m
8	Withdrawing from the Travelcard Agreement	-	£55m
9	Changes to Zoning/Pricing	-	£35m

## Taxation options

Ref	Option	Implementation	Net income p.a.
1	Council tax: Increase Mayoral precept	-	£400m
2	Council tax: general increases on a reformed base	-	£500m
3	Mayoral CIL (post CR1)	-	-
4	VAT slice: Retention of 0.5 per cent of London VAT take	-	£500m
5	VAT supplement: 0.5 per cent increase in London	-	£500m
6	Retain Vehicle Excise Duty collected in London	-	Up to £500m
7	Online delivery tax	-	£500m

## Roads income options

Ref	Option	Implementation	Net income p.a.
1	Changes to Congestion Charge: Central London	£7m	£70m
2	Greater London Boundary Charge	£220m	£700m
3	London-wide TfL Workplace Parking Levy	£100m	£100 - 300m
4	Hybrid distance-based charge: Inner and Central London	£270m	£1.0bn
5	Expand ULEZ for vans to outer London	£195m	£50m
6	London-wide ULEZ	£260m	£300m
7	London-wide carbon charge	£325m	£550m

## Assumptions

These numbers are based on high-level estimates and assumptions. For example, fares income estimates are particularly dependent on the extent to which demand returns. Road income estimates are dependent on the extent to which different types of car trip return, the mix of residents and non-residents driving in different parts of the city and final scheme design including charge levels and discounts and exemptions. As options are progressed for further discussion, further modelling and analysis will be undertaken and we expect the estimates to change as we refine our understanding.

These numbers also do not consider the demand on other public transport modes. For example, the options on roads may impact bus speeds which would lead to higher demand for buses and therefore higher bus revenue. Further work will be undertaken to fully understand these impacts as options are progressed.

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## 3.4. Summary of option assessment

The table below summarises the assessments, which can be found in the appendix. The assessments aim to provide a preliminary indication of anticipated impacts taking into consideration how the option may affect outcomes, finance and feasibility. The appendix should be read in full to get a more comprehensive understanding of the anticipated impacts. However, it is important to note that the assessments undertaken are high-level and do not constitute a complete and thorough assessment that would normally be undertaken as part of a feasibility study or business case.

The impacts outlined under equality do not constitute a full Equality Impact Assessment and further detailed work will need to be done should any of these options be selected for progressing further and before any decisions are made.

The finance column shows the total implementation costs (where relevant) as well as the average net income once the intervention is introduced. The average net income figure is calculated up to 2027/28.

### Fares options summary

Ref	Option	OUTCOMES		FINANCE	FEASIBILITY	
		Major MTS / economic outcome and impact	Equality impacts	Costs and income	Key risk and issues	Earliest 'go live' date
1	<b>Optimise January 2022 RPI+1 change for future revenue, with focus on rail increase</b>	<ul style="list-style-type: none"> <li>Focuses fares increases on areas of growth</li> <li>Will encourage bus travel by keeping fares affordable and stimulate economic activity in local high streets</li> <li>Potential small shift from rail to car, mitigated by shift from car to bus</li> <li>Encourages behaviour change to better utilise network capacity as buses tend to have more spare capacity</li> </ul>	<ul style="list-style-type: none"> <li>Negative impact on customers with lower incomes who travel by rail but preferable for low-income customers than raising bus fares</li> </ul>	Income p.a. £10m	<ul style="list-style-type: none"> <li>Increase structural funding gap for bus network, potentially necessitating service reductions in future to ensure service is financially sustainable.</li> </ul>	January 2022
2	<b>All-day peak fare between Zone 1 and Heathrow</b>	<ul style="list-style-type: none"> <li>Small shift from public transport (PT) to car</li> <li>Raises barriers to PT access for low income groups</li> <li>Focuses fares increase on a journey generally made only occasionally</li> <li>Increased PT user contribution</li> </ul>	<ul style="list-style-type: none"> <li>Raises barriers to public transport access for lower income groups, noting that a high proportion of the journeys are being made by customers who are flying out of Heathrow</li> </ul>	Income p.a. £10m	Potential impact on CAZ economic recovery as a result of above inflation increase	Early 2022

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Ref	Option	OUTCOMES		FINANCE	FEASIBILITY	
		Major MTS / economic outcome and impact	Equality impacts	Costs and income	Key risk and issues	Earliest 'go live' date
3	<b>Restrict 60+ concession for use only after 09:00</b>	<ul style="list-style-type: none"> <li>Some shift to private vehicles possible as PT cost increases.</li> <li>Balanced positive and negative impacts with shift to more private vehicle use or walking/cycling</li> </ul>	<ul style="list-style-type: none"> <li>Increase in barrier to travel at relevant times for over 60s on low incomes</li> </ul>	Income p.a. £40m	Potential reduced accessibility for lower socio-economic groups	Early 2022
4	<b>One-off 10p increase on bus and tram fares</b>	<ul style="list-style-type: none"> <li>Increased cost for customer groups with lower income</li> <li>Marginal impact on high street footfall</li> <li>Potential shift to active travel, especially for low income groups</li> <li>Potential shift to private cars for local journeys, increasing congestion and reducing bus speeds</li> <li>Potential increased emissions if shift to private cars</li> </ul>	<ul style="list-style-type: none"> <li>Focuses fares increase on customer group with lower incomes on average</li> </ul>	Income p.a. £50m	Fares increase higher than RPI+1 increase (at a time when RPI is relatively high) which may impact ridership, Wider negative impact on economic growth	Early 2022
5	<b>Increase charge for Oyster card</b>	<ul style="list-style-type: none"> <li>Increased cost to individual commuters/leisure travellers and businesses that provide cards to their staff</li> <li>Encourages further migration to contactless</li> </ul>	<ul style="list-style-type: none"> <li>Marginally negative impact on customers with low income</li> </ul>	Income p.a. £5m	None identified	Early 2022
6	<b>Fares revision of RPI + 2 in January 2022</b>	<ul style="list-style-type: none"> <li>Potential negative impact on economic recovery of CAZ due to above inflation increases to rail fares, especially in Zone 1</li> <li>Potential shift to private cars, increasing congestion and emissions</li> <li>Potential small reduction in journeys, resulting in reduced retail footfall</li> </ul>	<ul style="list-style-type: none"> <li>Negative impact on customers with low income</li> </ul>	Income p.a. £75m	Risk that suppressing passenger demand damages London's economic as option likely to reduce demand (especially as at a time when RPI is relatively high)	Early 2022
7	<b>Significant uplift in all fares including travelcards</b>	<ul style="list-style-type: none"> <li>Reduced footfall as significant increase is likely to reduce passenger demand materially.</li> <li>Potential negative impact on London's GVA due to reduced footfall</li> </ul>	<ul style="list-style-type: none"> <li>Negative impact on customers with low income</li> <li>Disproportionate negative impact on customers with</li> </ul>	Income p.a. £500m	Risk that suppressing passenger demand damages London's economic as option likely to reduce demand	Early 2022

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Ref	Option	OUTCOMES		FINANCE	FEASIBILITY	
		Major MTS / economic outcome and impact	Equality impacts	Costs and income	Key risk and issues	Earliest 'go live' date
		<ul style="list-style-type: none"> <li>• Potential shift to private car use with potential for shift to active travel for short journeys</li> <li>• Also, potential for increased congestion and emissions</li> <li>• Raises barriers to PT access for people with low income</li> <li>• Marginal safety impacts</li> </ul>	protected characteristics within low income group			
8	<b>Withdrawing from the Travelcard Agreement</b>	<ul style="list-style-type: none"> <li>• Positive impact on journey time and ease of travel due to focus on contactless and PAYG.</li> <li>• Increased cost for some commuters, subject to number of trips made over a year.</li> <li>• Promotes demand for public transport alongside walking and cycling due to Seamless PAYG travel and simpler ticketing propositions</li> </ul>	Some impact on older customers due to digital exclusion	Income p.a. £55m <i>including cost savings</i>	Level of complexity for implementation due to considerations around phasing out valid travelcards and technical aspect of ensuring the capping rules are consistent across Travelcards and other travel products	Late 2022/23
9	<b>Changes to Zoning/Pricing</b>	<ul style="list-style-type: none"> <li>• Will lead to adverse customer and stakeholder reaction</li> <li>• Reduced share for TfL rail modes due to standard elasticity impacts</li> <li>• Potential impact to make green modes less attractive, but more financially sustainable</li> </ul>	<ul style="list-style-type: none"> <li>• Negative impact on low income workers that live outside Zone 1</li> <li>• Reduces fares for commuters / residents in Zone 1, who tend to be wealthier than average</li> </ul>	Income p.a. £35m	<ul style="list-style-type: none"> <li>• Implementation likely to be time and effort intensive due to significant one-off re-working of fares data</li> <li>• Planning needed to ensure it falls within standard fares revision process Refund process to accommodate existing season tickets, cost not included in current estimates</li> </ul>	Late 2022

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**[Sections detailing non-fares options, taxation and road user charging, removed for relevance].**

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# 4. Recommendations

The analysis and assessment set out as part of the appraisal process described in Section 3 has enabled TfL to significantly narrow down the options that merit further development work.

This section presents three overarching recommendations, which each have options for further exploration. These recommendations focus on the options from the assessment that meet the criteria. With the exception of changes to the fares system, many of the options presented here require specific action or commitment from Government to enable implementation.

## 4.1. Optimising the fares system with a focus on consistency

Passenger income is already TfL's predominant source of revenue and is set to grow further with a fare rise of RPI+1 per cent planned in January 2022. The FSP also contained a planning assumption RPI+1 in each subsequent year up to 2024/25. Further increases beyond this level are not recommended due to the risks this creates to economic recovery and keeping the network accessible to all users – particularly for services.

However, fares and ticketing is a system which can always be improved on, especially to bring about greater consistency. The following options are recommended for further consideration:

### **Restrict 60+ concession for use only after 09:00**

This restriction is already in place temporarily and could be made permanent subject to full impact assessment and a decision by the Mayor supported by appropriate justification. The restriction of the concession will increase the barrier to travel at the relevant times for persons over 60 who are not eligible for a Freedom Pass. However, as the restriction is only in the morning peak, it would predominantly impact people still in employment – noting that 60 to 65 year olds will still have access to other concessions available to working age adults in receipt of various benefits, such as Jobseeker's Allowance, to mitigate the effect of withdrawing the pass on those with lower incomes.

### **Changes to zoning / pricing**

TfL's zoning system is easily understandable by customers; however, its simplicity means it does not perfectly reflect the shape of the network. Some changes can be made to this:

- Stratford and associated stations reverting from the boundary Zones 2/3 to Zone 3 (income £10m - £15m p.a.), to reflect changes in London geography and Stratford's continued growth as a travel hub. This change would make similar distances travelled cost the same.
- Applying an all-day peak fare for LU journeys between Zone 1 and Heathrow (income £10m p.a.), to reflect that demand to Heathrow do not conform to the usual peak periods

### **Charge £7 for Oyster card**

TfL currently charges £5 for an Oyster card, increasing this would raise £5m a year. The charge has not been revised since 2009. The main purpose is cost recovery, and this could also provide an incentive for customers to retain and use the card, however currently c.80 per cent of cards are used for less than a week. Contactless payment offers a viable alternative in these cases. For nearly all of them, contactless is an alternative.

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The deposit is designed to cover the difference between the entry threshold (the minimum balance on the card that allows you to start a journey) and the maximum fare (around £8 in most cases) to cover TfL for customers going into negative balance. However, fare changes since 2009 means there is now a significant gap.

### **Withdrawing from the Travelcard Agreement**

Travelcards are a range of tickets which are valid for use on National Rail services in London, as well as TfL services. Travelcard users are now a minority as customers gain many of the same benefits from other ticket types due to the introduction of Contactless and Oyster Pay As You Go. With the offer of daily and weekly capping, these products offer more flexibility to most customers. Moving customers to PAYG and retiring all magnetic tickets will simplify retailing, while reducing costs (by c.£20m p.a.) mainly due to a reduction in commission payments. Income would also increase by c.£35m p.a., due to a reduction in fraud associated with magnetic tickets and the end of special discounts for annual tickets.

The Travelcard Agreement allows TfL to withdraw with 13 months' notice.

## 4.2. Incremental options on taxation

**[Section removed for relevance].**

## 4.3. Changing the way we charge for road use

**[Section removed for relevance].**

## 4.4. Implementation plans

Implementation plans can be broken down into four stages:

- Policy development and impact assessment
- Consultation and engagement
- Finalising consultation and approvals
- Design, procurement and delivery

Many of these features are common between different options. For example, all roads options have very similar activity in the first three stages; only the design, procurement and delivery stages are substantially variable on the specific option. The same applies for fare options. Taxation options are less common, although in some cases (such as transfer of London's share of VED) are very straightforward subject to the necessary legislation being passed.

To support this, we have presented common implementation plans for each of the three categories of options (fares, roads, taxation), and then noted where scheme specifics would affect these general plans.

How we implement these options is also dependant on how discussions evolve with Government – the design and delivery stage is particularly dependent on this, including where legislation is required. There is great value in us working collaboratively on this; we share the same need to decarbonise transport (as the Transport Decarbonisation Plan notes we need to “use our cars differently and less often”), create a more stable funding stream for TfL and support London's recovery. As we progress these discussions, we can fill in some of the specific activity under the delivery stage.

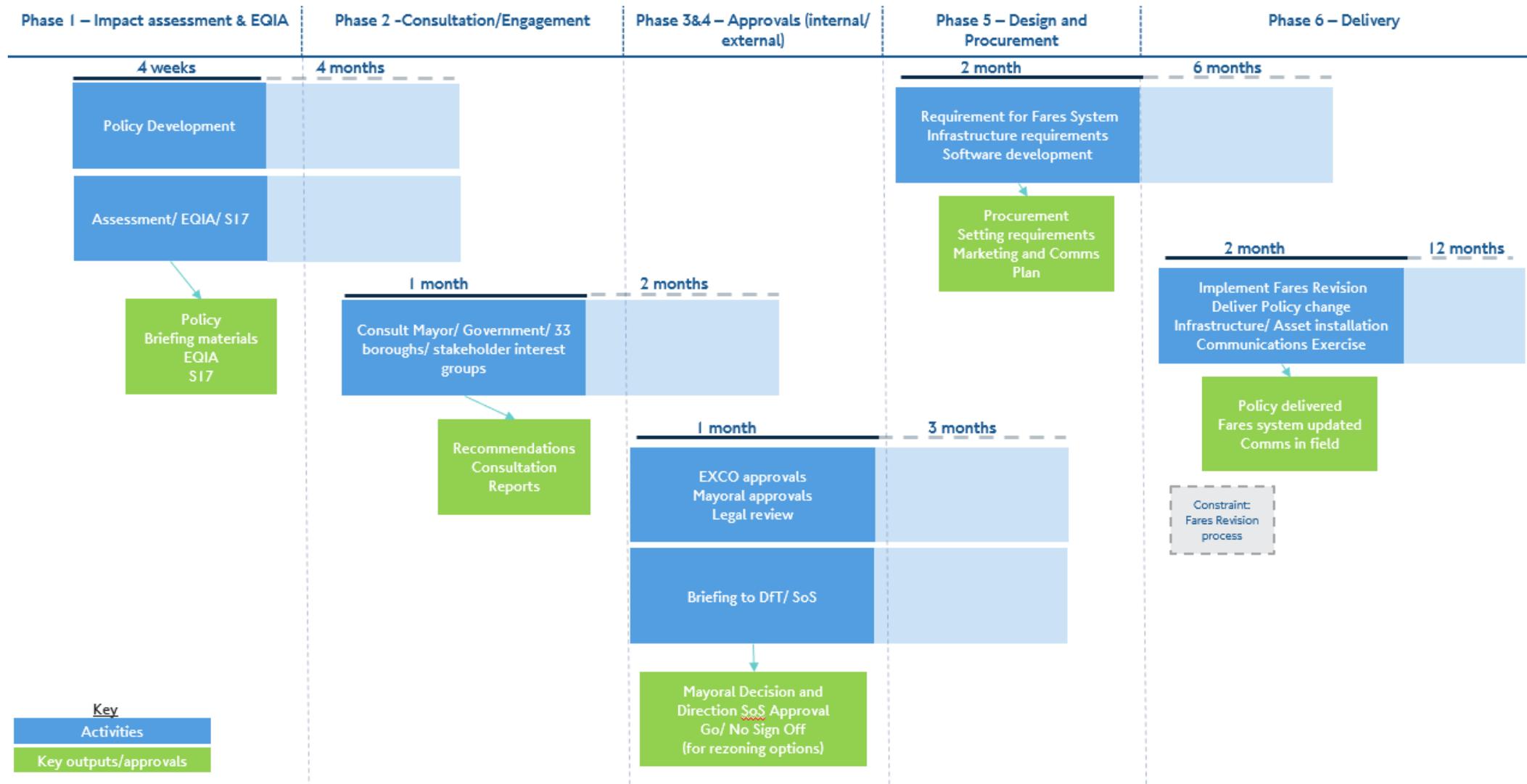
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This collaborative approach, alongside the requirements set out in the implementation plans, means for many of these options it will not be possible to have make a decision by 12<sup>th</sup> November – the deadline set out in the funding agreement.

For each category we have considered an illustrated plan which highlights dependencies and overlap, followed by a more comprehensive table which outlines key activities, outputs and key variations, where known.

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Fares options high-level implementation plan (note: fares changes are not normally consulted publicly)



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## Fares option – High-level implementation plan

Phase (per high-level assessment)	Key activities	Output(s)	Expected duration (per high-level assessment)
Impact assessment & EQIA	<ul style="list-style-type: none"> <li>Identify objectives</li> <li>Carry out feasibility study</li> <li>Impact assessment</li> <li>EQIA</li> <li>S17 Crime and Social Disorder Act assessment</li> <li>Data Protection Impact Assessment</li> <li>Preparation of consultation materials</li> <li>Legal review</li> <li>Internal and City Hall review and sign off materials</li> </ul>	<ul style="list-style-type: none"> <li>Feasibility report</li> <li>Briefing materials on option</li> <li>EQIA</li> <li>DPIA</li> <li>S17</li> </ul>	4 weeks – 4 months
Consultation/Engagement	<ul style="list-style-type: none"> <li>Develop stakeholder engagement plan – internal/external</li> <li>Carry out internal and external engagement</li> <li>Identify actions</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder engagement plan</li> <li>Consultation report</li> <li>Key recommendations</li> </ul>	1 – 2 months
Internal Approvals	<ul style="list-style-type: none"> <li>Engage with TfL Executive Committee</li> <li>Engage with City Hall</li> <li>Report to Mayor</li> <li>Mayoral Decision Form</li> <li>Legal review</li> <li>Materials signed off by TfL EXCO</li> <li>MD submitted to Mayor</li> </ul>	<ul style="list-style-type: none"> <li>EXCO Paper</li> <li>Report to Mayor</li> <li>Mayoral Decision Form</li> <li>Go/No go decision</li> </ul>	1 – 3 months
External Approvals (applicable to certain options)	<ul style="list-style-type: none"> <li>Engage with DfT/ SoS</li> <li>Briefing to DfT/ SoS</li> </ul>	<ul style="list-style-type: none"> <li>Approval letter/ SoS decision (would be required for rezoning options)</li> <li>Go/ No go decision Final Sign-off</li> </ul>	1 -3 months

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Phase (per high-level assessment)	Key activities	Output(s)	Expected duration (per high-level assessment)
Design and Procurement	<ul style="list-style-type: none"> <li>• Marketing activity</li> <li>• Software development</li> <li>• Fares System changes</li> </ul>	<ul style="list-style-type: none"> <li>• Design/procurement process</li> <li>• Functional requirements</li> <li>• Messaging and collateral</li> <li>• Agreed delivery date</li> <li>• Marketing and Communications plan</li> </ul>	2 -6 months
Delivery	<ul style="list-style-type: none"> <li>• Deliver Policy change option</li> <li>• Implement Fares Revision</li> <li>• Staff Comms</li> <li>• Infrastructure changes/ renewals</li> <li>• Communications Exercise</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of option</li> <li>• Marketing/ Communications activity</li> <li>• Staff Communications</li> <li>• Implementation and asset installation</li> <li>• Software deployment</li> </ul>	3 – 12 months

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Taxation options

**[Section removed for relevance].**

Council tax precept increase – High level implementation plan

**[Section removed for relevance].**

Roads options

**[Section removed for relevance].**

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# 5. Appendix: assessments

This appendix is contained within a separate document.

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# New revenue sources

## Appendix: assessments

# Transport for London

August 2021

**FINAL**

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A. Fares options .....	3
1: Optimise January 2022 RPI+1 change for future revenue .....	<b>Error! Bookmark not defined.</b>
2: All-day peak fare between Zone 1 and Heathrow .....	<b>Error! Bookmark not defined.</b>
3: Restrict 60+ concession for use only after 09:00 .....	3
4: One-off 10p increase on bus and tram fares .....	<b>Error! Bookmark not defined.</b>
5: Increase charge for Oyster card .....	<b>Error! Bookmark not defined.</b>
6: Fares revision of RPI + 2 overall in January 2022 .....	<b>Error! Bookmark not defined.</b>
7: Significant uplift in all fares including travelcards .....	<b>Error! Bookmark not defined.</b>
8: Withdrawing from the Travelcard Agreement .....	<b>Error! Bookmark not defined.</b>
9: Zone 1 extended to Canary Wharf plus Stratford reverted to Zone 3 .....	<b>Error! Bookmark not defined.</b>
B. Taxation options .....	<b>Error! Bookmark not defined.</b>
Outcome assessment overview .....	<b>Error! Bookmark not defined.</b>
1: Council tax: Increase Mayoral precept .....	<b>Error! Bookmark not defined.</b>
2: Council tax: general increases on a reformed base .....	<b>Error! Bookmark not defined.</b>
3: Mayoral Community Infrastructure Levy (post Crossrail 1) .....	<b>Error! Bookmark not defined.</b>
4: VAT slice: Retention of 0.5 per cent of London VAT take .....	<b>Error! Bookmark not defined.</b>
5: VAT supplement: 0.5 per cent increase in London .....	<b>Error! Bookmark not defined.</b>
6: Retain Vehicle Excise Duty collected in London .....	<b>Error! Bookmark not defined.</b>
7: Online delivery tax .....	<b>Error! Bookmark not defined.</b>
C. Roads options .....	<b>Error! Bookmark not defined.</b>
1: Changes to Congestion Charge: Central London .....	<b>Error! Bookmark not defined.</b>
2: Greater London Boundary Charge .....	<b>Error! Bookmark not defined.</b>
3: London wide TfL Workplace Parking Levy .....	<b>Error! Bookmark not defined.</b>
4: Hybrid distance-based charge: Inner and Central London .....	<b>Error! Bookmark not defined.</b>
5: Expand ULEZ for vans to outer London .....	<b>Error! Bookmark not defined.</b>
6: London wide ULEZ .....	<b>Error! Bookmark not defined.</b>
7: London-wide carbon charge .....	<b>Error! Bookmark not defined.</b>

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# A. Fares options

## 3: Restrict 60+ concession for use only after 09:00

Key information	
Make permanent the current temporary measure of restricting free travel for 60+ and freedom passes users before 9am.	
Proposed delivery date	Early 2022
Net income raised p.a.	£40m
Option recommended by panel	Yes
Within current powers?	Yes

Outcome assessment	
Outcome	Impact expected
Business impacts	Marginally negative impact as could result in lower footfall and discourage spending with negative impacts on the economy.
Productivity	No material impact expected.
Safety	Marginally negative impact as traffic could increase through greater car use by the over 60s.
Mode Share	Some shift to private vehicles is possible as the cost of public transport increases. Could be somewhat mitigated by road user charging.
Active	Positive impact as potential to push more people into making healthier travel choices, particularly for short local trips.
Efficient	Marginally negative impact as traffic could increase through greater car use by the over 60s.
Green (excluding Carbon)	A balance of positive and negative impacts with the shift to more private vehicle use or walking/ cycling.
Carbon/Net Zero	Marginally negative impact as potential for greater car use in the over 60s.
Connected	Marginally negative impact as fewer trips made on public transport network if concessions removed.
Accessible	Could result in reduced accessibility for the lower socio-economic groups, although other concessions are available. Savings are reinvested which would benefit accessibility for wider society.
Quality	Could alleviate crowding on bus and LU modes.
Sustainable	Marginally negative impact expected from shift to car use.
Unlocking	No material impact expected.
Sharing the cost	No material impact expected.
Equality	The restriction of the concession will increase the barrier to travel for persons over 60 who are not eligible for a Freedom Pass and travel before 9am, so the negative impact of removing this concession will be smaller than for other concessions. 60-65 year olds could have access to other concessions available to working age adults in receipt of various benefits, such as jobseekers allowance, to mitigate the effect of restricting the pass on those with lower incomes, however more research is needed on impact on groups with protected characteristics.

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<b>Financial assessment</b>							
<b>£m cost / £m income</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
Gross income	35	36	37	38	40	41	42
Abstracted income from other TfL services	-	-	-	-	-	-	-
Implementation costs (opex)	-	-	-	-	-	-	-
Implementation costs (capex)	-	-	-	-	-	-	-
Recurring costs (opex - with business area)	-	-	-	-	-	-	-
Recurring costs (opex - indirect cost e.g. T&D, marketing)	-	-	-	-	-	-	-
<b>Net Income</b>	<b>35</b>	<b>36</b>	<b>37</b>	<b>38</b>	<b>40</b>	<b>41</b>	<b>42</b>

<b>Other financial information</b>	
Sustainability	Growing: population growth in 60-66 age group
Volatility/Risk	Stable
Pays back by	Immediately
NPV	£733m

<b>Feasibility assessment</b>	
Technical difficulty	Anticipated steps: Move this restriction from a temporary measure to a permanent measure through a Mayoral Decision and Direction.
Legal considerations	<b>Describe available powers:</b> Changes to 60+ concession (as opposed to Freedom Pass) are within the Mayor's powers. Full assessment, legal review and (if appropriate) consultation will be required before any decision about implementation can be made. <b>Describe additional powers that may be required and possible route to securing them;</b> n/a
<b>Stakeholder alignment</b>	
Customers	<b>Neutral impact</b> Balanced by positive reaction from wider beneficiaries through reduction in AM peak congestion.

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<b>Feasibility assessment</b>	
Businesses	<b>Negative impact</b> Impacts typically wealthier members of society with more propensity to spend
Boroughs	<b>Negative impact</b> Potential shift to car could work against local traffic reduction strategies
Accessibility groups	<b>Positive impact</b> May alleviate crowding on LU and bus but could be negative presuming a link between older age and restricted personal mobility
Green groups	<b>Negative impact</b> Likely to cause shift to car
<b>High level implementation</b>	
Full Impact Assessment & EQIA	c. 4 weeks
Consultation/Engagement (where appropriate)	c. 4-8 weeks
Approvals	c. 2-4 weeks
Delivery	N/A
Interdependency with other projects	None expected
Benchmarking	This brings London further in-line with discount and concessions offered across other UK cities. Liverpool offers free travel to over 60s and also restricts travel between 6.30 and 9.30am.

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F1457 A1

Equality Impact Assessment (EqIA) form

**N.B:** the completed form should be emailed to the [Diversity and Inclusion team](#)

<b>Policy</b>	Proposed permanent restriction of free weekday travel before 09:00 of Freedom Pass and 60+ London Concessions
---------------	---

<b>Accountable</b>	Head of Revenue Agreements	Dale Campbell
	Signature	Date

<b>Produced By</b>	Associate Product Analyst - Payments	Gursharan Bilkhu
	Signature	Date

<b>Reviewed By</b>	Senior Product Manager	Lucy Preston
	Signature	Date

Document History	Version	Date	Summary of changes
	0.1	01/03/22	Updated to reflect the proposed permanent change to Monday-Friday morning peak travel times
	0.2	06/04/22	Reviewed by superuser
	0.3	13/04/22	Updated doc shared with Superuser for final review
	0.4	24/05/22	Document reviewed by superuser
	0.5	21/06/22	Updated document with feedback from Legal and City Hall
	0.6	8/12/2022	Updated following stakeholder feedback, including from Age UK London, and in preparation for submission to GLA Decisions

\* Delete as appropriate (the Accountable person should always be at least one management level higher than the Responsible person).

Printed copies of this document are uncontrolled.

Page 1 of 28

To be used in conjunction with: G1060



## Step 1: Clarifying Aims

### Q1. Outline the aims/objectives/scope of this piece of work

#### Summary

Due to TfL's reliance on passenger fares for the majority of its operating income, the effect of the pandemic on its finances has been devastating, requiring Government support to keep public transport in London operating. Passenger numbers continue to recover but are still significantly below pre-pandemic levels at 80% on the Tube and 90% on buses. As part of the conditions for providing ongoing Government financial support, TfL is required to work towards financial sustainability, including exploring revenue-raising options.

As part of this process, it was agreed that TfL would progress an option to permanently remove free travel between the hours of 4:30am and 9:00am on weekdays (excluding bank holidays) for Older Persons' Freedom Pass and 60+ London Oyster photocard holders on TfL's bus, tram and rail services (including the London Underground, the DLR, the Elizabeth line and the London Overground). This time restriction has been in place temporarily since 15 June 2020, when it was introduced by MD2642 in response to the COVID-19 pandemic. It is now proposed that the Mayor should approve a proposal to make this time restriction permanent ("the Proposal"). This is proposed as a means of creating a sustainable and recurring new revenue source to contribute to TfL becoming financially sustainable by April 2023. The funding settlement with government, dated 30 August 2022, assumes TfL will progress this option with a view to ensuring implementation by 2023.

The change would not affect holders of the Disabled Persons' Freedom Pass on either TfL or National Rail services, where current acceptance would continue unchanged.

#### Background and the Proposal

There are two travel concession schemes operated by TfL that allow Londoners over 60 to travel free on the TfL network.

The first is the **Older Persons' Freedom Pass**, which is available to London borough residents over state pension age (66). The Older Persons' Freedom Pass scheme is operated by the London boroughs collectively (London Councils) under an agreement with TfL (the Freedom Pass Agreement) pursuant to which they pay TfL compensation for Freedom Pass travel at weekends and after 09:00 hours on weekdays. The travel concessions conferred under the agreed Freedom Pass Agreement constitute the travel concessions that Londoners of state pension age are entitled to under statute.

The second is the **60+ London Oyster photocard**, which is funded by TfL and is available to London borough residents over the age of 60. It was introduced in 2012 when eligibility for the Older Persons' Freedom Pass concessionary scheme was changed in line with the increase in the state pension age for women. The 60+ scheme was introduced for those who chose or had to retire early, and was intended to bridge the gap between them retiring and waiting for their state pension age, when they could apply for an Older Persons' Freedom Pass.

The two separate passes confer the same rights to free travel on the TfL network.

The Freedom Pass is largely funded by boroughs. Until June 2020, TfL funded the Freedom Pass in the weekday morning peak on TfL services (between 04:30 and 09:00), which accounted for around 5% of the cost of the concession overall. The 60+ concession scheme is wholly funded by TfL. In June 2020, temporary time restrictions were placed on both concessions, temporarily withdrawing free travel between 0430 and 0900 on weekdays, excluding Bank Holidays. These restrictions were introduced in response to the pandemic (as part of efforts to restrict non-essential travel and manage peak time demand) but remain in place. Further to the conditions for providing ongoing Government



financial support, TfL/ the Mayor has explored the option of making these time restrictions permanent.

The funding settlement with the government dated 1 June 2021 required the Mayor and TfL to undertake a joint options review and feasibility study of mechanisms within existing powers to generate between £0.5bn and £1bn of additional net revenue per annum from April 2023 (“the Review”). The Review sought to identify viable new sources of income that could be delivered to raise additional revenue of between £0.5bn and £1bn by April 2023, as required by the 1 June funding agreement. This range of required additional revenue was identified in TfL’s Financial Sustainability Plan (FSP) published in January 2021. The FSP noted that a build-up of a considerable debt burden, and the reduction and then withdrawal of its government grant, meant that TfL was showing a projected funding gap estimated at between £0.5bn and £1bn per annum from the mid-2020s onwards. The FSP noted that the pandemic led to a crisis for TfL’s immediate financial position, but that with its effect on longer-term travel demand in London, it could also impact the organisation’s long-term finances and funding gap. A constrained assessment placed the long-run demand reduction at 20 per cent below previous forecasts, which would increase the long-term funding gap by an additional £1bn per annum. This would increase the gross average funding gap to circa 2bn per annum between 2023/24 and 2029/30.

TfL continues to face a significant financial challenge as the impact on demand from the pandemic persists. Changes in passenger behaviour as a result of the pandemic means that passenger fares income remains depressed and is not expected to recover to pre-pandemic levels for several years. This creates a significant, ongoing, funding gap for TfL. Under the government funding settlement, dated 30 August 2022, TfL expects to receive further base funding of around £1.2bn from Government until March 2024. A condition of this settlement is that Government assumes TfL will progress its recommended options for generating between £0.5bn-£1.0bn p/a of additional revenue, with a view to implementation by 2023. The Proposal is one of these options.

In addition to generating this £0.5bn-£1.0bn p/a additional revenue, TfL is also required to cover a further funding gap after the base funding in its budget of around £740m across 2022/2023 and 2023/2024; a gap that was left by the government funding settlement, dated 30 August 2022. While TfL has managed to identify some measures to cover part of this further gap – including the release of contingency from its budget – further funding gaps remain, which TfL is required to cover in order to balance its budget.

Given TfL’s financial situation, it is important that action is taken to generate the additional income of 0.5bn-£1.0bn p/a that the Mayor and TfL have committed to achieving in the funding settlements of 2022. It is considered that the Proposal is an important contribution to this, as it is expected to generate an average of £40m net revenue per annum calculated up to 2027-28, through not having to fund the revenue foregone. It is also considered that the Proposal is an important contribution towards enabling TfL to reach financial sustainability by April 2023 and to balance its budget in the financial years 2022/23 and 2023/24, from a sustainable, recurring, new revenue source that: can deliver by April 2023; is in line with the criteria outlined in the funding settlement; is consistent with the Mayor’s Transport Strategy; and will have marginal negative impacts on TfL’s ambition to achieve net-zero-carbon by 2030.

Financial sustainability is key to the continued long-term delivery of an effective and efficient transport network, which will positively impact all customers and London. Not achieving financial sustainability would result in TfL being unable to maintain current levels of service, creating adverse conditions which would limit TfL’s ability to generate revenue to deliver longer term capital funding; negatively impacting all customers and London. It is also crucial that TfL is able to balance its budget, as the alternative is to issue a notice under Section 114 of the Local Government Finance Act 1988



(which is effectively a declaration of bankruptcy of a local government body). TfL is also committed to meeting the conditions of its funding agreement in order to help ensure continued funding support from government, and the Proposal is one element of this.

It is now proposed that the Mayor approves the Proposal. This document is the Equality Impact Assessment (“EQIA”) of the Proposal and must be considered by the Mayor when considering any Mayoral Decision on whether to approve the Proposal.

If the Proposal is approved, this would not affect holders of the Disabled Persons’ Freedom Pass on either TfL or National Rail services, where current acceptance would continue unchanged. In addition, 60+ and Older Persons’ Freedom Pass holders would still be able to travel for free at all times other than in the morning weekday peak times. These concessions would therefore continue to be more generous than the statutory provisions for older persons’ concessionary travel schemes in England, where free travel is usually restricted to buses between 09:30 and 23:00 for those of state pension age.

Within TfL’s ticketing system, both the 60+ and Older Persons’ Freedom Pass are recognised and treated as the same as each other. To have separate platforms for each scheme would be complex, time consuming and costly to change. If they are to differ, we would have to design a brand-new concession and arrange for them all to be replaced.

Customers can only have one TfL concession at a time, to mitigate scope for fraud. This means that 60+ card holders and Older Persons’ Freedom Pass Holders cannot apply for the Bus & Tram Discount concession, which give unlimited half price travel on buses and trams.

## **Q2. Does this work impact on staff or customers? Please provide details of how.**

### **Customer**

The proposed change would impact London residents aged over 60 who possess or are eligible to a 60+ London Oyster card or an Older Persons’ Freedom Pass. As has been the case for the past two years, they will not be able to travel for free between 04:30 and 09:00 on weekdays, excluding bank holidays, and would need to pay the full fare to travel between those times, but on a permanent basis going forward.

The proposed change may lead to a long-term change in travel behaviour in travelling outside of these hours, therefore easing congestion on the network during peak time. It might also lead to an increase in the use of alternatives modes, such as walking or car use, before 09:00. However, in the context of overall travel in London, any such changes are not likely to be material.

Customers with a Disabled Persons’ Freedom Pass would not be impacted (assuming action is taken to ensure that boroughs do not automatically transfer Disabled Persons’ Freedom Pass holders onto an Older Persons’ Freedom pass once they reach state pension age – see below).

### **Staff**

Staff will not be materially impacted by the Proposal.

## Step 2: The Evidence Base

### Q3. Record here the data you have gathered about the diversity of the people potentially impacted by this work. You should also include any research on the issues affecting inclusion in relation to your work

Consider evidence in relation to all relevant protected characteristics;

- Age
- Disability including carers<sup>1</sup>
- Gender
- Gender reassignment
- Marriage/civil partnership
- Other – refugees, low income, homeless people
- Pregnancy/maternity
- Race
- Religion or belief
- Sexual orientation

The evidence base for this EQIA has been collated from a combination of desk-based research and representations made by stakeholders and customers. The evidence base is contained in the Appendix to this EQIA. The representations received from stakeholders and customers are summarised in Step 4, the Consultation section, of this EQIA. These are referred to at Step 3 of this EQIA, where the potential equality impacts of the Proposal are assessed and identified.

The Proposal will affect all London residents aged over 60 who possess or are eligible for a 60+ London Oyster card or an Older Persons' Freedom Pass. The 60+ London Oyster card is only available to London residents aged 60-65, and the Older Persons' Freedom Pass is available to London residents over state pension age. It is acknowledged that there are likely to be different impacts to these two different age groups, primarily deriving from the fact that those over state pension age are less likely to be in employment and will be older. Accordingly, this EQIA covers both groups as appropriate.

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<sup>1</sup> Including those with physical, mental and hidden impairments as well as **carers** who provide unpaid care for a friend or family member who due to illness, disability, or a mental health issue cannot cope without their support



**Step 3: Impact**

**Q4. Given the evidence listed in step 2, consider and describe what potential short, medium and longer term negative impacts this work could have on people related to their protected characteristics?**

Protected Characteristic	Explain the potential negative impact
<p><b>Age</b></p>	<p><b>Y</b> All those aged over 60 would be required to pay for their travel between 0430 and 0900 on weekdays, excluding bank holidays. This is a negative impact relative to the situation prior to June 2020 (when such travel was free). However, with the exception of children aged under 11, no other age groups in London are eligible for free travel on TfL’s Underground, train, bus and tram network. In addition, free concessionary travel throughout the rest of the country is generally limited to free bus travel for those over state pension age between the hours of 09:30 and 23:00 on weekdays.</p> <p>There is evidence that average household incomes are substantially lower for Londoners over 65 than Londoners overall (see Appendix 2.5; 2.8). The Proposal could therefore negatively impact this age group: the cost making it more difficult for over 65s to travel in the morning peak relative to other age groups. This is supported by feedback received from some stakeholders, including Age UK London’s survey results that 13% of 60+ Oyster card or Freedom Pass holders that travelled before 9am on weekdays say they have had to stop work as a result of the change introduced in 2020 preventing use of these concessions for travel before 9am on weekdays – see Step 4 below. In addition, a significant proportion (one in eight) of Londoners aged over 65 are in persistent poverty after housing costs. A significant proportion (28%) of those on the lowest annual income levels, under £10,000 a year, are retired (see Appendix 2.9 and 2.13). Those within these groups travelling before 9am on weekdays are likely to be negatively affected by the Proposal. However, Londoners over 65 are significantly less likely to travel for work or work-related purposes on weekdays (that is likely to require travel in peak hours) (see Appendix 2.10, 2.18, 2.23, 3.1 and 3.12); and are significantly more likely to travel on weekdays for shopping, personal business, or leisure (that is less likely to require travel in peak hours) – see Appendix 2.18-2.20, and 2.23). Furthermore, Centre for London research shows that median income before tax is still higher for the over 65s than for those at the start of their working lives. In addition, Trust for London figures on proportions of poverty in London suggest that (with the exception of 20-29 year olds) the proportions of those aged 65 and above in poverty are not materially different to the proportions of other age groups of working age in London (see Appendix 3.16 and 3.17).</p> <p>There is evidence that those aged 60-64 are less likely to be employed than younger age groups; potentially with the exception of 16-24 year olds (see Appendix 3.11 and 3.12). However, of Londoners aged 60-64, 58% were in work in 2021 and of those 40% were in full time work (see Appendix 3.12). Around 20% of Londoners aged 60-64 use the TfL network for work or work-related travel (see Appendix 2.23). Age UK London notes that one in</p>



four workers in their early 60s works part-time and one in three part-time workers lives below the poverty line. Significant numbers of working 60-64 year-old Londoners are likely to need to travel before 9am and so are likely, to be negatively affected by the cost of pre-9am free concessionary travel being removed, and may find it a barrier to travel. Those on low incomes are most likely to be negatively affected. This is supported by feedback received from some stakeholders – see Step 4 below. However, there is evidence of those aged 60-64 having a higher median income before tax (£24,900) than those aged 25-29 (£22,800). In addition, Trust for London figures on proportions of poverty in London suggest that (with the exception of 20-29 year olds) the proportions of those aged 60-64 in poverty are not materially different to the proportions of other age groups of working age in London (see Appendix 3.16-3.17). Most of these other age groups are not entitled to any free concessionary travel, whereas under the Proposal the over 60s will remain eligible for free travel at all times other than between 04:30-09:00 on weekdays, excluding bank holidays. In addition, recent TfL data comparing total usage in 2022 (when the pre-9am restriction has been in place) with total usage in 2019 (when there were no restrictions on over 60s concessionary travel) shows a strong recovery in journeys in 2022 on bus and LU made by 60+ London Oyster photocard holders. This recovery has been stronger than that seen by fare paying customers and those using Older Persons' Freedom Passes in the same periods. The recovery for those using the 60+ London Oyster photocard is despite the removal of pre-9am travel (see Appendix 1.2).

There is evidence that persons aged over 60 are more likely to be informal carers compared to other age groups, that this may have increased during the pandemic, and that many of this group of carers are on low incomes and use public transport early in the morning to travel to older parents who they help to get out of bed, dress and have breakfast in the morning (See: Appendix 4.1, and 4.9-4.14 ). The cost of travelling before 9am on weekdays (under the Proposal) is therefore likely to have negative impacts on some carers over 60 and may be a barrier to travel, which might also have negative impacts on those they care for. This is supported by feedback received from some stakeholders – see Step 4 below. However, there is also evidence to suggest that significant proportions of those under 60, and other younger age groups are also informal carers, and are also in low income households (see: Appendix 4.9). These other age groups of carers are not entitled to any free concessionary travel, whereas under the Proposal the over 60s will remain eligible for free travel at all times other than between 04:30-09:00 on weekdays, excluding bank holidays. There is evidence that persons aged over 60 are more likely to be volunteers compared to other age groups (but that the numbers of people volunteering across all age groups has decreased). Using this evidence as broadly indicative of volunteering in London, the cost of travelling before 9am on weekdays is likely to have negative impacts on some volunteers aged over 60, may be a barrier to travel, and/or may have negative impacts on the voluntary sector in London. This is supported by feedback received from some stakeholders – see Step 4 below. However, there is also evidence to suggest that rates of volunteering across the UK are relatively similar across those who are economically active, and those who are employed and that significant proportions of other age groups are also volunteers (see Appendix 4.7-4.7). Most of these other age groups of



volunteers are not entitled to any free concessionary travel, whereas under the Proposal the over 60s will remain eligible for free travel at all times other than between 04:30-09:00 on weekdays, excluding bank holidays

Some stakeholder feedback (see Step 4 below) says that many workers over 60 are in low paid key workers roles, and have to travel before 09:00. Those within this group are likely to be negatively affected by the Proposal, through having to pay the additional costs of travel. The cost may also be a barrier to travel. However, evidence as to the demographics of key workers in London suggests that Londoners aged 35-49 and 50-59 are the most likely to work in a key worker role (see Appendix 4.15). These age groups are not entitled to free concessionary travel, whereas under the Proposal the over 60s will remain eligible for free travel at all times other than between 04:30-09:00 on weekdays, excluding bank holidays. Some stakeholder feedback (see Step 4 below) says that those aged over 60/65 will be negatively affected by the Proposal because they will have to pay to travel to or refuse medical appointments before 09:00am. To help address this impact, TfL plans to work with boroughs to signpost other options available for reimbursement for hospital travel.

Some stakeholder feedback also says that many of over 60s/65s are grandparents who accompany their grandchildren to school in the morning and so will be required to pay for this travel, if the Proposal is approved. Those within these groups are likely to be negatively affected by the Proposal, through having to pay the cost of travel. The cost may also be a barrier to travel. Those travelling by bus and tram can benefit from the Hopper fare, which allows unlimited bus and tram journeys within an hour for the price of a single fare. This was introduced to make bus and tram travel across the capital more affordable and accessible to everyone. There are no plans to amend this fare; as such, older people who still need to travel before 9:00 may be able to travel for £1.65 in the morning peak, with return journeys made for free using their concession.

Although 93 percent of Londoners aged 65 and over have a Freedom Pass, older people who need to travel before 09:00 may have to top up their Oyster or buy a ticket to travel. Older age groups might not have access to a bank account/card or smart phone and therefore need to use cash

In 2018, only 50 per cent of over 65s had a smart phone and over 65s are less likely to use the internet for financial purposes. Findings from the [Financial Lives 2020 Survey](#) found that around 2.4 million people aged 65 and over in the UK relied on cash to a great extent in their day-to-day life – representing around one in five (21 per cent) of all older people.

Older people who need to top up using cash choose to use an Oyster Ticket Stop. Walking to an Oyster Ticket Stop may be physically demanding for passengers with limited mobility. This may negatively impact older people, especially as almost a third of Londoners aged 65 and over report they are disabled or have a health issue that limits their daily activities. This may also cause a lack of confidence to travel, especially at night or in the hours of darkness if they have to detour to top up at a cash accepting alternative, which may be in an unfamiliar area.

<p><b>Gender</b></p>	<p><b>Y</b> There is evidence that people aged 65 and over, and particularly over 80, are more likely to be women (Appendix 2.5). There is also evidence that more women than men possess an Older Person’s Freedom Pass (Appendix 2.6). On this basis, greater numbers of women are potentially affected by the Proposal than men. However, there is also evidence that women aged 65 and older take fewer trips than men of the same age (see Appendix 2.13).</p> <p>There is evidence that more women are retired than men (Appendix 2.13). Given that work or work-related travel is more likely to require travel in peak hours, non-retired men over 60/65 may be more directly impacted by the Proposal than retired women.</p> <p>Londoners living in a lower income household (less than £20,000 per year) and older Londoner (aged 65 of over) are more likely to be women (Appendix 2.13). In addition, the percentage difference in pension income for female pensioners compared to male pensioners increased to 37.9% in 2019-20 (which was more than twice the level of the gender pay gap that year 15.5%) (Appendix 3.4). The Proposal may therefore be more likely to be negatively affect women over 65 than men over 65, due to the cost of travel. Women over 65 travelling before 9am on weekdays are also therefore more likely to negatively affected than men over 65 travelling at these times, due to the cost of travel. The cost may also be a barrier to travel in the morning peak.</p> <p>There is evidence that older women are more likely to be on lower incomes than older men, and that women aged over 60 are more likely to earn less than men aged over 60 (see Appendix 3.14). The Proposal may therefore be more likely to negatively affect women over 60 travelling before 9am on weekdays than men over 60, due to the cost of travel. Women over 60 travelling before 9am on weekdays are also therefore more likely to negatively affected than men over 60 travelling at these times, due to the cost of travel. The cost may also be a barrier to travel in the morning peak.</p> <p>There is evidence to suggest that older women are more likely to be carers than older men, and are more likely to spend more time caring (Appendix 4.1, and 4.9-4.14). Given this, and the evidence that older women are more likely to be on lower incomes than older men (see above), women over 60 may be more likely to be negatively affected by the Proposal than men over 60, due to the cost of travel. The cost may also be a barrier to travel in the morning peak.</p> <p>There is evidence that more women than men participated in voluntary activities in 2020/21 in England (Appendix 4.6). Using these figures as broadly indicative of overs 60 volunteering in London, and given the evidence that older women are more likely to be on lower incomes than older men (see above), women over 60 may be more likely to be negatively affected by the Proposal than men over 60s, due to the cost of travel. The cost may also be a barrier to travel.</p>
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<b>Gender reassignment</b>	-	
<b>Marriage/civil partnership</b>	-	
<b>Other – e.g. refugees, low income, homeless people</b>	Y	The impacts on those on low incomes within Protected Groups affected by the Proposal are addressed under the relevant Protected Group.
<b>Pregnancy/maternity</b>	-	
<b>Race</b>	Y	<p>There is evidence that there are significantly more Londoners of a white ethnic group aged 65 and over than any other ethnic group (Appendix 2.5). On this basis, greater numbers of Londoners of a white ethnic group aged 65 and over are potentially affected by the Proposal than numbers of other ethnic groups. However, reflecting the older age profile, more white Londoners are retired than Black, Asian and Minority Ethnic (BAME) Londoners (the Census records eight per cent BAME compared with 17 per cent white) (Appendix 2.14).</p> <p>There is evidence that BAME people in England are more likely to retire later than white peers; have a lower weekly income; be far less likely to own their own home; and that people from ethnic minority backgrounds aged 50-70 are more likely to be in the poorest 20% of the population in England compared with white people (Appendix 3.19). Further evidence shows that the percentage difference in pension income for pensioners who belong to an ethnic minority group compared to pensioners of a white ethnicity was 24.4% in 2017-18, or £3,350 a year. From a gender perspective the gap is even greater. On average the gap in pension income between a female pensioner from an ethnic minority group and a male pensioner from white ethnic groups is 51.4% (Appendix 3.5).). Some stakeholder feedback (Appendix 4.1) suggests that older Londoners from BAME backgrounds are more likely to retire later than white peers and have a lower weekly income meaning. On this evidence, BAME Londoners over 60, particularly BAME women, may be more likely to be negatively affected by the Proposals than white people, due to the cost of travel. BAME Londoners over 60 travelling before 9am on weekdays are also therefore more likely to be negatively affected by the removal of free pre-9am travel than white people travelling at these times. The cost may also be a barrier to travel in the morning peak.</p> <p>There is evidence to suggest that a smaller proportion of the BAME population provides care than the white British population. However, the</p>



		<p>BAME population is much younger and therefore less likely to have older parents or other relatives needing care. Analysis has, in the past, suggested that, when age is accounted for, BAME families are more likely to provide care for older or disabled loved ones; that BAME carers are more likely than White carers to provide support for at least 20 hours a week (56% compared to 47%); and that BAME carers are less likely to be receiving practical and financial support with caring and more likely to miss out on accessing support for longer – often as a result of a lack of advice and information and struggling to access culturally appropriate services (see Appendix 4.9). Taking this into account, and the evidence that BAME Londoners aged over 60 are more likely to be on lower incomes than Londoners of a white ethnic group aged 60 (see above), BAME carers aged over 60 – particularly those on low incomes – may be more negatively affected by the Proposal than those of a white ethnic group aged 60, due to the cost of travel. The cost may also be a barrier to travel in the morning peak.</p> <p>There is evidence on volunteering in England (Appendix 4.8) which shows that the proportions of those over 16 volunteering is broadly the same across ethnic groups, with the exception of Asian people. If these figures are broadly indicative of over 60 volunteering in London, the proportions of different ethnicities volunteering affected by the proposals are likely to be broadly the same. However, research by Age UK London (Appendix 4.1) has also found that BAME Londoners are more likely to have volunteered since March 2020 specifically to support the response to coronavirus compared with white Londoners. In addition, given the fact that BAME Londoners aged over 60 are more likely to be on lower incomes than Londoners of a white ethnic group aged 60 (see above), BAME volunteers aged over 60 may be more negatively affected by the Proposal than those of a white ethnic group aged 60, due to the cost of travel. The cost may also be a barrier to travel in the morning peak.</p>
<p><b>Disability including carers</b></p>	<p><b>Y</b></p>	<p>Those Londoners aged 60 and over who are disabled within the meaning of the Equality Act 2010 but have not met/do not meet London Councils’ eligibility criteria for a Disabled Persons’ Freedom Pass (which is stricter) - and therefore do not therefore possess a Disabled Persons Freedom Pass - will need to rely on their 60+ or Older Persons’ Freedom Pass for free concessionary travel around London. There is evidence that 16 per cent of Londoners hold a Disabled Persons’ Freedom Pass, but that 45 per cent of people owning an Older person’s Freedom Pass are disabled (see: Appendix 2.6). It is not known to what extent this proportion of people owning an Older Persons’ Freedom Pass are disabled within the meaning of the Equality Act 2010 but have not met/do not meet London Councils’ eligibility criteria for a Disabled Persons’ Freedom Pass. However, there are a significant number (45%) of people owning an Older Persons’ Freedom Pass who are disabled. Those that are eligible for a Disabled Persons’ Freedom Pass would need to apply. Those that are not would need to pay for their travel before 9am on weekdays, as per the Proposal.</p> <p>Disabled Londoners aged over 60 are more likely to be on lower incomes or live in poverty than other Londoners aged 60 and over (Appendix 3.6 and</p>



3.20) and so those who are not eligible for a Disabled Persons' Freedom Pass may be more likely to be negatively affected by the Proposal than non-disabled people, due to the cost of travel. Those within this group travelling before 9am on weekdays are also therefore more likely to be negatively affected by the removal of free pre-9am travel than non-disabled people travelling at these times. The cost may also be a barrier to travel in the morning peak. This is supported by feedback from the Royal Borough of Kingston's Mobility Forum, which states that people with learning disabilities have been negatively affected through the cost of travel to work, activities and health appointments before 9am - see Step 4 below.

To the extent that disabled people who are not eligible for a Disabled Persons' Freedom Pass are workers on low incomes, carers, or volunteers, the Proposal may negatively affect them more than non-disabled Londoners aged over 60, due to the cost of travel. The cost may also be a barrier to travel in the morning peak.

Feedback from some stakeholders is that some boroughs are allocating people over 65, who are entitled to a Disabled Persons' Freedom Pass, an Older Persons' Freedom Pass as part of the renewals process. To help address this, TfL plans to speak to London Councils / boroughs to make sure boroughs are issuing the correct concession. TfL will also update its website and work with boroughs to ensure people are applying for the right concession - those who are older but also disabled, apply for the disabled persons Freedom pass.

Feedback from some stakeholders is that some older people may apply for an Older Persons' Freedom Pass rather than a Disabled Persons' Freedom Pass to avoid the lengthy application process for the latter, but may be unaware of impact of this (i.e.: not being able to travel for free before 9am on weekdays). To help address this, TfL will update its website and work with boroughs to ensure people are applying for the right concession - those who are older but also disabled, apply for the Disabled Persons' Freedom Pass.

The RNIB has commented that blind and partially sighted people face challenges accessing ticket machines and do not tend to have digital solutions such as smart phones. This can make it difficult to access travel and is why the Disabled Persons' Freedom Pass is vital. Blind and partially sighted Londoners are entitled to a Disabled Persons' Freedom Pass and, as above, TfL plans to speak to London Councils / boroughs to make sure boroughs are issuing the correct concession.

An IDAG member expressed concerns that many older people have a disability but, as they see this as just "old age", they don't apply for the correct benefits to qualify them for the Disabled Persons' Freedom Pass. As a result, many of these people will become disadvantaged by a permanent suspension. As above, TfL will update its website and work with boroughs to ensure people are applying for the right concession - those who are older but also disabled, apply for the disabled persons Freedom pass.



		Door-to-door (Dial-a-Ride) services are available for people who are unable to use public transport, and cover a travelling companion where needed. These services are free or heavily subsidised.
<b>Religion or belief</b>	<b>Y</b>	Some journeys made in the morning may be visits to places of worship. Those needing to travel at this time to worship may be negatively affected by the Proposal. TfL has sought but not received any feedback from some religious stakeholders.
<b>Sexual orientation</b>	<b>N</b>	

**Q5. Given the evidence listed in step 2, consider and describe what potential positive impacts this work could have on people related to their protected characteristics?**

<b>Protected Characteristic</b>		<b>Explain the potential positive impact</b>
<b>Age</b>	<b>Y</b>	<p>The proposed changes may give some older people who do need to travel in the morning peak confidence to do so. In a <a href="#">2012 TfL paper</a>, 42% of over 65s see overcrowding as a barrier to using public transport to travel.</p> <p>It is considered that the Proposal is an important contribution to TfL achieving the necessary additional revenue in order to achieve financial sustainability by April 2023. Not achieving financial sustainability would result in TfL being unable to maintain current levels of service, creating adverse conditions which would limit TfL's ability to generate revenue to deliver longer term capital funding; negatively impacting all customers and London. Achieving financial sustainability is key to the continued long-term delivery of an efficient and effective public transport network, which will have positive impacts for all customers and London.</p>
<b>Disability including carers</b>	<b>Y</b>	<p>It is considered that the Proposal is an important contribution to TfL achieving the necessary additional revenue in order to achieve financial sustainability by April 2023. Not achieving financial sustainability would result in TfL being unable to maintain current levels of service, creating adverse conditions which would limit TfL's ability to generate revenue to deliver</p>



		longer term capital funding; negatively impacting all customers and London. Achieving financial sustainability is key to the continued long-term delivery of an efficient and effective public transport network, which will have positive impacts for all customers and London.
<b>Gender</b>	Y	As above.
<b>Gender reassignment</b>	-	As above.
<b>Marriage/civil partnership</b>	-	As above.
<b>Other – e.g. refugees, low income, homeless people</b>	Y	As above.
<b>Pregnancy/maternity</b>	-	As above.
<b>Race</b>	Y	As above.
<b>Religion or belief</b>	-	As above.



<b>Sexual orientation</b>	-	As above.
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**Step 4: Consultation**

**Q6. How has consultation with those who share a protected characteristic informed your work?**

<b>List the groups you intend to consult with or have consulted and reference any previous relevant consultation?<sup>2</sup></b>	<b>If consultation has taken place what issues were raised in relation to one or more of the protected characteristics?</b>
Age UK London	<p>Age UK London have shared their concerns with TfL throughout the temporary restriction being in place. They are concerned with the changes because they believe that it will disproportionately disadvantage older Londoners. Since the temporary suspension was put in place, they have been contacted by thousands of members to express their concerns regarding the suspension of pre-9am concessionary travel as well as their fears for further cuts.</p> <p>They are concerned that suspension penalises the poorest Londoners that have no choice when and how they travel, such as carers, key workers and those attending medical appointments. They highlight that many older Londoners act as primary carers for either older parents or young children and help supplement the morning care routine.</p> <p>They state that Londoners are working longer into life compared to the rest of the peers in England. However, they say the suspension will have a disproportionate impact on older Londoners from BAME backgrounds as they are more likely to retire later than their white peers and have a lower weekly income.</p>

<sup>2</sup> This could include our staff networks, the Independent Disability Advisory Group, the Valuing People Group, local minority groups etc.



With London having the highest rate of pensioner poverty in the country (25 per cent), they say loss of free travel at peak times will be a further barrier for older people accessing hospital appointments in the morning. They argue by taking away the travel concession this will drive up poverty and further exacerbate the capital social isolation crisis.

In July 2022, Age UK London also shared with us, some cases studies and comments from their members. The concerns from their members echoed those previously shared with us. They explained that it particularly affects those that are still working in roles that require them to travel before 9am. They highlight that often they are in low-paid jobs or are key workers and cannot work from home and due to the current cost of living crisis, paying for pre-9am travel is putting a squeeze on finances.

Other concerns from Age UK London members include those who need to attend early morning hospital appointments, grandparents providing unpaid care for elderly relatives or helping with the school run for younger grandchildren, not being able to access leisure activities and having to use their car as they can't afford public transport.

In November 2022, Age UK London presented a petition signed by more than 10,000 people to City Hall, to urge the Mayor to end the current temporary morning suspension to travel before 9am for 60+ and Freedom Pass holders and to commit to protect 60+ concession eligibility from the age of 60.

Following this, Age UK London provided a further submission in November 2022 to the proposal for increasing the age eligibility of the 60+ Oyster photocard. This submission contained representations about the pre-9am proposals and stated that the current early morning (pre-9am) suspension is exacerbating the economic impact of the pandemic on Londoners aged over 60 on low incomes and jobseekers, who have been disproportionately affected by the pandemic. It also stated that the current early morning (pre-9am) suspension is already impacting older carers that have to travel before 9am.

Age UK London's submission was also supported by a survey conducted by Survation on behalf of Age UK London (Fieldwork conducted: 21st October – 28th October 2022; Population sampled: Residents of London aged 60+; Sample size: 849).

Findings from this survey show two in three Londoners aged 60 or over that travel before 9am on weekdays do so either to attend a **health appointment** (31%), **for work** (28%) or due to **caring responsibilities** (8%). Statistics also show 13% of 60+ Oyster card or Freedom Pass holders that travelled before 9am on weekdays say they have had to **stop work** as a result of the change introduced in 2020





<p>Transport for All</p>	<p>On 7 July 2022, TfL spoke with the CEO of Transport for All. During the phone call they said that they were concerned some boroughs automatically shifting people from Disabled Persons’ Freedom Pass to Older Persons. They suggested that TfL needs to coordinate with boroughs to make sure those who are entitled to it are still getting the Disabled Persons’ Freedom Pass. They also highlighted that some disabled people might opt for an Older Persons’ Freedom Pass to avoid going through lengthier application process – however, important they’re made aware of the restriction. They suggested that if the Mayor was to put in place a permanent restriction that this should be communicated in a way that is jargon free and easy to understand.</p>
<p>Executive Member for Health and Social Care – Islington</p>	<p>On 6 July 2022, the Executive Member for Health and Social Care for Islington highlighted that many older people need their passes in order to travel for early hospital appointments that start at 9am.</p>
<p>Alderman on Pensions Committee – City of London</p>	<p>On 6 July 2022, the Alderman on the Pensions Committee for the City of London highlighted that many older people are having to turn down early hospital appointment because of the restriction. He explained that older people are usually offered the early appointment as this is when hospitals are quieter and leaves later appointments for those that need to do school pick-ups or work.</p>
<p>Greater London Forum for Older People</p>	<p>During the week commencing 4 July, the Greater London Forum for Older People met and discussed the 9am suspension. The committee identified a number of categories of how older people were affected by the suspension:</p> <ol style="list-style-type: none"> <li>1. Older people with medical appointments or hospital operations that necessitate travel before 9.00 am; in the current state of NHS services it is very difficult to re-arrange appointments to later times</li> <li>2. Older people who are working full or part time, and these are often lower paid women who have to be at work before 9.00 am or are from a BAME background</li> <li>3. Older people with childcare responsibilities, many grandparents need to get grandchildren to school before 9.00 am. In particular, where the grandchild or grandchildren are from a one parent family, the pressure on the grandparent is more severe</li> <li>4. Older people who are caring for someone with a disability currently are forced to pay to accompany the latter to day care, medical appointments, etc. This must be changed and runs contrary to all other arrangements for disabled people, e.g. theatre, sport or concert seats</li> <li>5. Volunteers for whom the payment of travel costs may be a major disincentive to continue volunteering. Much of the social fabric of London is dependent on volunteers and for many elderly people it is a key element of them maintaining independence and social bearings.</li> </ol>



<p>Wandsworth Older People's Forum</p>	<p>Wandsworth Older People's Forum expressed their disappointment that a permanent suspension is being considered. They stated that the suspension has caused extra expense for older people who still work and also for the many who volunteer and have committed to being there for 9am or earlier and also for the many who have to reach hospital early for appointments and also for operations on that day. It is coming where many older people are terrified that living expenses are rising and energy costs are expected to be three times what they cost last year and pensions are going up at a rate which is nowhere near to these costs. They say that the extra costs for travel are extra worry.</p>
<p>Kensington and Chelsea Council Mobility forum</p>	<p>Kensington and Chelsea Council Mobility forum are concerned that the proposal will negatively impact both disabled people and older people. They raised the following as key concerns:</p> <ul style="list-style-type: none"> <li>• Disabled people are automatically transferred to an older persons freedom pass when they reach the statutory age for the Older Persons' Freedom Pass (as the concession was the same and the Older Persons' Freedom Pass is easier to apply for). To apply for a Disabled Persons Freedom Pass, the applicant is required to submit medical information and be assessed by a medical professional. It is therefore not an easy process for older disabled people to go back to a Disabled Persons' Freedom Pass and will create significant work for Council staff to assess all those who wish to do so.</li> <li>• Non-disabled older people may have doctors and hospital appointments which mean travelling before 9am and given cash is no longer accepted on buses, some may find it difficult to travel to these appointments.</li> </ul>
<p>Customer Correspondence</p>	<p>Between June and August 2022 over 3,400 people have emailed the Deputy Mayor to express their concerns about the 9am suspension. Representations made within this correspondence include that the suspension has had a significant impact on older unpaid carers, workers on low incomes including key workers, volunteers that charities depend on, Londoners with early morning medical appointments and Londoners experiencing or at risk from social isolation. Representations also include that making this temporary measure permanent would be an act of levelling down on a group of Londoners already disproportionately impacted by the pandemic. It would also take place during a cost-of-living crisis that is set to get worse.</p>
<p>Royal Borough of Kingston Upon Thames (RBKC) Mobility Forum</p>	<p>On 6 December 2022, the RBK Mobility Forum submitted feedback that their members have said that the pre-9am suspension is impacting their employment opportunities. They want TfL to understand that for people with learning disabilities (PLD), it is hard to get a job, and the</p>



	<p>jobs they have access to, pay minimum wage and because of the benefit system they are limited to the number of hours they can work.</p> <p>With the impact of cost of living crisis, it means that PLD are using what money they earn from their job to pay for travel to get to their job, and in some cases it costs more to travel to the job than the amount the person is paid for the job.</p> <p>PLD would [ask] TfL to consider the other impact it has on people's health. PLD now have to pay to travel to medical and hospital appointments if they happen before 10am. They point out that as you get older, the need for medical appointments happens more often and if you have a disability as well there is even more of a need.</p> <p>It impacts PLD use of activities to improve health. Due to the lack of free travel in the mornings, people are either turning up very late or have stopped attending some activities.</p> <p>The Proposal impacts the poorest and most vulnerable in society, and is making PLD more disabled by being a barrier to employment, health and well-being.</p>
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## Summary of stakeholder feedback with mitigations / response

<b>Theme</b>	<b>Summary</b>	<b>Mitigation/response</b>
Penalises the poorest Londoners (Raised by Age UK London, MP and Assembly Members, Wandsworth Older People's Forum, Customer Correspondence)	Older Londoners are often living in low-income households, affected by the cost of living crisis: any extra cost incurred to travel before 9am would put an additional pressure on finances.	TfL will work collaboratively with boroughs to promote the range of concessions and best tickets available so that all Londoners know what their available options are.
Boroughs are giving disabled people over 65 an Older Persons' Freedom Pass as part of the renewals process (raised by RNIB, London Vision, Transport for All, Kensington and Chelsea Council Mobility forum)	Some boroughs are allocating people over 65, who are entitled to a Disabled Persons' Freedom Pass, an Older Persons' Freedom Pass as part of the renewals process.	TfL is speaking to London Councils / boroughs to start working with boroughs to issue the correct concession going forward and reassess any customers on the wrong concession. TfL will also update its website and work with boroughs to ensure people are applying for the right concession – those who are older but also disabled, apply for the Disabled Persons' Freedom pass.
Difficult for them to get to early hospital appointments (raised by Age UK London, London Travelwatch, Redbridge Pensioner Forum, City of London Pensions Committee, Executive Member of Health & Social Care – Islington, MPs and Assembly Members, Greater London Forum for Older People, Wandsworth Older People's Forum, Alderman on Pensions Committee – City of London, Customer Correspondence, Kensington and Chelsea Council Mobility forum)	People who are 60 and over are having to pay to travel or refuse pre-9am hospital appointments because they can't afford to pay.	Work with boroughs to sign post to other options available for reimbursement for hospital travel.  Some NHS trust have funds available to help with travel costs so can refund any travel made before 0900. They also may provide hospital transport.  A letter will be sent from Deputy Mayor of London for transport to all London NHS Trusts and GP Bodies. The letter will seek assistance in enabling appointment times to be scheduled later in the day for patients over 60 if this is their wish/as appropriate.

<p>Additional financial pressure on those who are 60 and over who have to work (raised by Age UK London, London Travelwatch, IDAG, Age Concern Orpington, Greater London Forum for Older People, Wandsworth Older People’s Forum, Customer Correspondence)</p>	<p>Many people over 60 are still in work with many being key workers such as working for the NHS, carers and in supermarkets. These jobs can often be low paid, but these people often have no choice but to travel before 9am.</p>	<p>Work with boroughs and other organisations to ensure that people over 60 know the best options for paying for travel before 09:00 by using their communication channels.</p>
<p>Older people rely more on public transport (MPs and Assembly Members)</p>	<p>Due to the nature of older people’s health, they are more reliant on public transport as they can’t walk for long distances/ periods of time.</p>	<p>Work collaboratively with boroughs to promote the range of concessions and best tickets available so that all Londoners know what their available options are.</p>
<p>Some older people applying for the wrong type of pass (raised by Transport for All)</p>	<p>Some older people may apply for an Older Persons’ Freedom Pass rather than a Disabled Persons’ Freedom Pass to avoid the lengthy application process but unaware of impact of this.</p>	<p>Support collaboratively London Councils in creating clear information about the concessions so that those who are older but also disabled, apply for the Disabled Persons’ Freedom Pass.</p>

Age UK London has made the following points in response to TfL’s proposed mitigations identified in the table above:

- (i) in respect of TfL’s plans to promote the range of concessions and best tickets available so that all Londoners know what their available options are, they would like to see ongoing awareness raising through a range of formats (emphasising the importance on non-digital formats for people digitally excluded). More broadly, they believe that clear communications are vital to ensure that those affected are aware of the decision;
- (ii) in respect of TfL’s plans to liaise with London Councils / boroughs to make sure boroughs are issuing the correct concession and that applications are made for the correct concession, they expressed concerns about how quickly boroughs may be able to change their processes, have asked TfL to monitor this, and requested there to be ongoing communications from TfL and London Councils on this issue, including in regular borough officer meetings and in newsletters. They also expressed concern that some Older Person Freedom Pass holders eligible for a Disabled Persons’ Freedom Pass would not have the support they need to go through the lengthy application process for the Disabled Persons’ Freedom Pass, and would want boroughs to identify this specific group and to offer them assistance;
- (iii) in respect of TfL’s plans work with boroughs to sign post to other options available for reimbursement for hospital travel, they highlighted that some NHS trust have funds available to help with travel costs so can refund any travel made before 0900, and may also provide hospital transport. They also expressed concern that Patient Transport services are not always available and that dissatisfaction with services appears to be quite prevalent. They said they would like to see TfL encourage NHS Trusts to share clear travel options information with patients when appointments are confirmed;



- (iv) they have asked for TfL to encourage employers to proactively offer flexibility to employees as part of the Good Work Standard (for example, accompanying information about season ticket loans.) and/or the London Healthy Workplace, suggesting this could be integrated into initiatives around age-friendly employment; and
- (v) they consider that some of those affected are those without bank cards (older people are proportionally more likely to still use cash) and those that need support using ticket machines (including those that will need to use them for the first time in a long time (or even at all)). They suggested that a mitigation could be for staff to be made aware that older travellers before 9am may need assistance.

In respect of Age UK London's comments, it is to be noted that in advance of the Proposal being submitted for Mayoral Decision, TfL briefed London Councils at its Transport and Environment Committee on the proposed changes. TfL has also been working with the Director of Transport and Mobility to create a robust briefing that will help boroughs change their approach to reassessing Freedom Pass holders and provide the correct concession. TfL has asked them to use their borough communication channels, and the healthcare and business sector in local boroughs, to help raise awareness of TfL's concessions and the various ways to travel. TfL has committed to providing a toolkit of shareable and accessible information in this regard. This online toolkit will contain customer facing posters and digital assets including a video which can be downloaded and used by Stakeholder groups, Charities and Local Councils on their own channels. These assets will provide key information around the changes and other ways that customers can reduce their travel costs if they need to travel pre 9am, such as alternative concessions, value fares and active travel.

TfL has asked City Hall to write to healthcare providers in London to request appointments after 9am for over 60s, in the event that the Proposal is approved.

Although the temporary restriction on pre-9am travel has been in effect since June 2020, TfL will be reminding operational staff of the need to be aware that older travellers before 9am may need assistance in using ticket machines or being directed to Oyster Ticket Stops.

**Q7. Where relevant, record any consultation you have had with other projects / teams who you are working with to deliver this piece of work. This is really important where the mitigations for any potential negative impacts rely on the delivery of work by other teams.**

### **Step 5: Informed Decision-Making**



**Q8. In light of the assessment now made, what do you propose to do next?**

Please select one of the options below and provide a rationale (for most EqIAs this will be box 1).  
 Please remember to review this as and when the piece of work changes

<p><b>1. Change the work to mitigate against potential negative impacts found</b></p>	
<p><b>2. Continue the work as is because no potential negative impacts found</b></p>	
<p><b>3. Justify and continue the work despite negative impacts (please provide justification)</b></p>	<p>If the Proposal is approved, it is likely to have some negative impacts as identified above, and those on low incomes or living in poverty may also be further impacted if the so-called ‘cost of living crisis’ develops further.</p> <p>However, these negative impacts need to be considered in the context of the fact that proposed decision is important financial contribution to TfL achieving the necessary additional revenue in order to achieve financial sustainability by April 2023. Not achieving financial sustainability would result in TfL being unable to maintain current levels of service, creating adverse conditions which would limit TfL’s ability to generate revenue to deliver longer term capital funding; negatively impacting all customers and London. Achieving financial sustainability is key to the continued long-term delivery of an efficient and effective public transport network, which will have positive impacts for all customers and London.</p> <p>They also need to be considered in the context of the concessions for Londoners aged 60 and over that will remain unaffected by this decision. Londoners aged 60 and over will still be able to travel for free on TfL’s bus, tram and rail services at all times other than between 04:30 and 09:00 on weekdays. With the exception of children under 11, no other TfL concessions permit free travel on this number of modes. In addition, the concessions will continue to be more generous than the statutory provisions for older persons concessionary travel schemes across the UK, where free travel is usually restricted to buses between 09:30 and 23:00 for those of state pension age.</p> <p>While not a concession, those travelling by bus or tram can continue to benefit from the Hopper fare, which allows unlimited bus and tram journeys within an hour</p>



for the price of a single fare. This was introduced to make bus travel across the capital more affordable and accessible to everyone. There are no plans to amend this fare; as such, older people who still need to travel before 09:00am may be able to travel for £1.65 in the morning peak, with return journeys made for free using their concession

Door-to-door (Dial-a-Ride) services are also available for people who are unable to use public transport, and cover a travelling companion where needed. These services are free or heavily subsidised.

Steps will be taken to mitigate impacts:

- We will work collaboratively with boroughs to promote the range of concessions and best tickets available so that all Londoners know what their available options are.
- TfL is speaking to London Councils / boroughs to start working with boroughs to issue the correct concession going forward and reassess any customers on the wrong concession. We will update our website and work with boroughs to ensure people are applying for the right concession – those who are older but also disabled, apply for the disabled persons Freedom pass
- Work with boroughs to signpost to other options available for reimbursement for hospital travel.
- Work collaboratively with London Councils to ensure that information about the concessions is clear so that those who are older but also disabled, apply for the Disabled Persons Freedom Pass
- Some NHS trust have funds available to help with travel costs so can refund any travel made before 09:00. They also may provide hospital transport. TfL plans to work with boroughs to signpost other options available for reimbursement for hospital travel. We Encourage City Hall to write to healthcare providers in London to request appointments after 9am for over 60s.

Given the above, the targeted restriction of the over-60s concessions proposed in the Mayoral Decision is considered an appropriate means of delivering on TfL's funding commitments and towards its goal of financial

	sustainability; notwithstanding that, it will have some negative impacts upon some of those directly affected, as identified above.
<b>4. Stop the work because discrimination is unjustifiable and no obvious ways to mitigate</b>	



## Step 6: Action Planning

**Q9. You must address any negative impacts identified in step 3 and 4. Please demonstrate how you will do this or record any actions already taken to do this. Please remember to add any positive actions you can take that further any positive impacts identified in step 3 and 4.**

Action	Due	Owner
Using our stakeholders to explain TfL's financial position and that it does not differ from London boroughs and business who are all struggling post pandemic.	Ongoing	<b>Stakeholder Advocacy &amp; Engagement</b>
Use our health and NHS links to continue to lobby for later hospital and health appointments for older people in London as well as encouraging older people to request these.	Ongoing	<b>Local Community and Partnerships</b>
We will communicate the changes through customer and staff messaging and through our stakeholders to advise those affected of the changes so that they can plan accordingly. A Communication Plan is being developed. Particular focus will be on encouraging those who do need to pay for travel to use contactless pay as you go wherever possible with guidance to those who may need it about the options available.	On or around December 2022	<b>Corporate Communications</b>

## **APPENDIX to EQIA**

### **The Evidence Base in detail**

- 1.1 This Appendix provides the Evidence Base that is used in the EQIA to inform the equality impacts of the Proposal as identified in the EQIA. The sources and relevant extracts are set out below.
- 1.2 Recent TfL data comparing total usage in 2022 (when the pre-9am restriction has been in place) with total usage in 2019 (when there were no restrictions on over 60s concessionary travel) shows a strong recovery in journeys in 2022 on bus and LU made by 60+ London Oyster photocard holders. This recovery has been stronger than that seen by fare paying customers and those using Older Persons' Freedom Passes in the same periods. The recovery for those using the 60+ London Oyster photocard is despite the removal of pre-9am travel. This may also suggest that the suspension of pre-9am travel is not the cause of the weaker recovery in Freedom Pass journeys, which may likely be due to the those Freedom Pass users still choosing to travel less due to the risk of catching Covid.

### **TfL: Understanding our diverse communities 2019**

- 2.1 In 2019, TfL published a document entitled: "[TfL: Understanding our diverse communities 2019](#)." That document details research which has been undertaken to identify the different barriers faced by London's communities when accessing transport. It also describes travel patterns and behaviour of different groups and their attitudes towards issues such as fares, personal safety and security, and their satisfaction with the services we offer.
- 2.2 The data used comes from a number of sources, including qualitative and quantitative research that TfL has commissioned, published third party reports and external sources such as the 2011 Census and other information from the Office for National Statistics (ONS). The London Travel Demand Survey (LTDS) is TfL's own survey of travel behaviours of London residents and this data (from 2016/17) is used extensively in that report.

### **TfL: Understanding our diverse communities 2019 – evidence in connection with 65s and over**

- 2.3 This provides the following evidence in connection with Older people; namely Londoners aged 65 or over.
- 2.4 Londoners aged 65 or over make up 11 per cent of London's population. (Separately, a report from the Office of National Statistics, dated 2018, entitled [Living Longer: how our population is changing and why it matters](#) shows that London has a low percentage of residents over 65 relative to much of the rest of the country – see Figure 3).
- 2.5 Older Londoners have a different demographic profile to the total London population in a number of ways. Compared with all Londoners, people aged 65 and over are more likely to be women (55 per cent of Londoners aged 65 and over are women compared with 50 per cent of all Londoners), from a white ethnic group (76 per cent of Londoners aged 65 and over are white compared with 62 per cent of all Londoners), on an annual household income of less than £20,000 per year (54 per cent of Londoners aged 65 and over live in a lower income household compared with 28 per cent of all Londoners) and be disabled

(32 per cent of Londoners aged 65 and over are disabled compared with nine per cent of all Londoners). Women and men make up a roughly equal proportion of each age group until around 80 years of age. Londoners over 80 are much more likely to be women than men.

- 2.6 Nineteen per cent of white Londoners have Freedom Passes compared with 10 per cent of BAME Londoners. These differences are largely linked to the differing age profile of BAME and white Londoners. The proportion of BAME and white Londoners aged 65 and over who hold a Freedom Pass is similar: 91 per cent and 93 per cent respectively. Mixed Londoners remain significantly less likely than all other ethnic groups to hold an older person's Freedom Pass, reflecting the younger age profile of this group. A greater proportion of women than men hold an Older Person's Freedom Pass (17 per cent of women compared with 14 per cent of men). A similar proportion of women and men hold a disabled person's Freedom Pass (one per cent of women compared with two per cent of men). Disabled Londoners are more likely to hold an older person's Freedom Pass (45 per cent compared with 12 per cent of non-disabled Londoners). Sixteen per cent of Londoners hold a disabled person's Freedom Pass. Ninety three per cent of Londoners over 65 possess an Older Person's Freedom Pass. Twenty six per cent of people owning an Older person's Freedom Pass are on an income of under £20k.
- 2.7 One per cent of White and two per cent of BAME Londoners possess a Disabled Person's Freedom Pass. One per cent of Londoners aged 16-24, and zero per cent of Londoners aged over 65, possess a Disabled person's Freedom Pass. Three per cent of people owning a Disabled person's Freedom Pass are on an income of under £20k. Zero per cent of non-disabled Londoners own a Disabled person's Freedom Pass.
- 2.8 Average household incomes are substantially lower for older Londoners than Londoners overall; 26 per cent aged 65 or over have an annual household income of less than £10,000, compared with 12 per cent of all Londoners. However, both proportions are lower compared with those observed in 2013/14 (34 per cent of those aged 65 or over and 17 per cent of all Londoners).
- 2.9 Among Londoners living in households with the lowest annual income levels, under £10,000 a year, 28 per cent are retired (26 per cent in 2013/14).
- 2.10 Eighty-four per cent of Londoners aged 65 and over are retired and 12 per cent are in full- or part-time work, compared with 86 per cent and 11 per cent in 2013/14.
- 2.11 The proportion of Londoners who are retired ranges from 72 per cent among Londoners aged 65-69 to 96 per cent among Londoners aged 80 or over (76 per cent and 97 per cent respectively in 2013/14).
- 2.12 People on low incomes are also more likely to be older people (24 per cent of those on low income are also 65+).
- 2.13 Around one in eight London pensioners are classified as in persistent poverty (AHC), according to the latest figures for the period from 2016/17 – 2019/20, having been counted as living in poverty in at least three years out of the last four (Note: this is from the London Datastore, and not from [TfL: Understanding our diverse communities 2019](#)). Women are more likely than men to be retired (17 per cent of women are retired compared with 13 per cent of men, and 57 per cent of retired Londoners are women). Londoners living in a lower income household (less than £20,000 per year) and older

Londoners (aged 65 or over) are more likely to be women. Women aged 65 and older take fewer trips than men of the same age.

- 2.14 Reflecting the older age profile, more white Londoners are retired than BAME Londoners (the Census records eight per cent BAME compared with 17 per cent white).
- 2.15 Of all Londoners aged 65 and over, 32 per cent report that they are disabled or have a health issue that limits their daily activities, lower than the proportion reported in 2013/14 (37 per cent). With increasing age, the proportion of people who report that they are disabled or have a health issue that limits their ability to travel and get about increases to 58 per cent among Londoners aged 80 or over.
- 2.16 Older people tend to travel less frequently. Walking is the most commonly used transport option by older Londoners; 87 per cent of Londoners aged 65 and over walk at least once a week (86 per cent in 2013/14). The bus is also an important form of transport for people aged 65 and over, with 65 per cent saying they use the bus at least once a week (61 per cent in 2013/14). With the exception of driving and travelling by bus, older Londoners use all forms of transport less frequently than the total London population (for example, walking 87 per cent compared with 95 per cent overall; Tube 28 per cent compared with 41 per cent overall).
- 2.17 Older Londoners aged 65 or over make an average of 2.1 trips per weekday, compared with 2.4 trips per weekday for all Londoners. Compared to 2013/14, Londoners appear to be making fewer weekday trips (those aged 65 or over made an average of 2.3 trips per weekday and the average for all Londoners was 2.7 trips). Londoners aged between 65 and 69 make an average of 2.5 trips per weekday (2.7 trip in 2013/14), just slightly less than the number of trips made by Londoners overall. This average drops to 2.2 among Londoners aged between 70 and 79 and 1.5 among people aged 80 and over (2.4 and 1.6 respectively in 2013/14). This is likely to be related to the higher proportion of older Londoners who are retired and no longer need to make regular journeys to work, as well as decreasing individual mobility.
- 2.18 The proportion of weekday journeys made for different purposes varies by age. Thirty-one per cent of journeys are work-related for all Londoners (travelling to/from usual workplace, or 'other work-related' travel) whereas only eight per cent of older Londoners' (aged 65 and over) weekday journeys are for this purpose (seven per cent in 2013/14).
- 2.19 Fifty-one per cent of older Londoners' journeys are for shopping and personal business, compared with 22 per cent for all Londoners (52 per cent and 24 per cent respectively in 2013/14). Leisure journeys make up 30 per cent of weekday trips for older Londoners aged 65 and over, compared with 20 per cent for all Londoners (in 2013/14).
- 2.20 For many people, the transition from working to retirement changes the way that they use public transport in London. Journey purposes shift away from the focus of work and journeys tend to be made less frequently.
- 2.21 Cost of tickets is mentioned by 10 per cent of older Londoners as a barrier to greater public transport use; this increases to 41 per cent of all Londoners. This is likely to reflect the high use of older people's Freedom Passes among Londoners aged 65 and over.
- 2.22 Dial-a-Ride members are more likely to be women than men. Seventy-two per cent of Dial-a-Ride members are women and this proportion increases with age. Thirty-two per

cent of Dial-a-Ride members are BAME compared with 68 per cent who are white. The proportion of BAME Dial-a-Ride members decreases as the age of the member increases: 12 per cent of Dial-a-Ride members who are aged 90 or over are BAME, compared with 44 per cent of those aged 65- 79 years old. Members of Dial-a-Ride tend to be older than disabled Londoners generally – 82 per cent of Dial-a-Ride members are aged 65 and over, compared to 41 per cent of all disabled Londoners.

- 2.23 Set out below are the travel patterns of older Londoners, using LTDS data from 2019/20. *Travel patterns of Londoners aged 60 to 64 (LTDS 2019/20)*

*Mode share*

National Rail/ Overground	4%
Underground/ DLR	7%
Bus/tram	15%
Taxi/other	1%
Car driver	27%
Car passenger	6%
Motorcycle	1%
Cycle	2%
Walk	37%

*Journey purpose*

Usual workplace	13%
Other work related	7%
Education	1%
Shopping and personal business	32%
Leisure	34%
Other (inc Escort/ Worship)	13%

*Travel patterns of Londoners aged 65+ (LTDS 2019/20)*

*Mode share*

National Rail/ Overground	3%
Underground/ DLR	5%
Bus/tram	16%
Taxi/other	1%
Car driver	24%
Car passenger	11%
Motorcycle	0%
Cycle	1%
Walk	37%

*Journey purpose*

Usual workplace	2%
Other work related	2%
Education	0%
Shopping and personal business	46%
Leisure	36%
Other (inc Escort/ Worship)	13%

## **Other evidence relevant to 65s and over on employment and income**

- 3.1 In November 2020, the Department for Work and Pensions published [Economic labour market status of individuals aged 50 and over, trends over: September 2020](#), which identified that for those aged 65 and over, the employment rate in 2020 was 10.4%. It is similar to the 12% employment rate of Londoners over 65 identified in *TfL's: Understanding our diverse communities 2019* (see 2.10 above).
- 3.2 In September 2021, the Department for Work and Pensions published [Economic labour market status of individuals aged 50 and over, trends over: September 2021](#) that identified that full-time employment for people aged 65 and over has increased at a steady, constant rate since 1996. Part-time employment for people aged 65 and over has also increased steadily since 1996, but has fallen slightly in 2021. Part-time employment for people aged 65 and over has fallen by 0.8 percentage points between 2016 and 2021 (to 6.2%). This fall is driven by a fall of 1.2 percentage points for men aged 65 and over working part-time, compared with a slight fall of 0.2 percentage points for women aged 65 and over working part-time.
- 3.3 The Department for Work and Pensions publication, [Pensioner's Income Series: financial year 2012-2020](#), deals with pensioner income. It states that:
- The UK average weekly income (after housing costs, and including pension, income related benefits and earnings) over the period FYE 2018 to 2020 was £479 for pensioner couples.
- On average, pensioner couple incomes were lowest in London, where incomes were 11% below the UK average income (after housing costs, and including pension, income related benefits and earnings).
- In the period FYE 2018 to 2020, single pensioners in the UK had an average income of £224 per week.
- Single pensioners in London had the lowest average incomes by a large margin. Their incomes were 14% below the UK average.
- 3.4 [Research by Prospect dated September 2021](#) shows that the percentage difference in pension income for female pensioners compared to male pensioners increased to 37.9% in 2019-20 (which was more than twice the level of the gender pay gap that year 15.5%).
- 3.5 [The People's Pension report, Measuring the ethnicity pensions gap](#), shows that the percentage difference in pension income for pensioners who belong to an ethnic minority group compared to pensioners of a White ethnicity – was 24.4% in 2017-18, or £3,350 a year. From a gender perspective the gap is even greater. On average the gap in pension income between a female pensioner from an ethnic minority group and a male pensioner from white ethnic groups is 51.4%.
- 3.6 The Labour Force Survey Household Dataset for the fourth quarter of 2015 [\[Figure 5\]](#) shows that, at all ages from age 16 up to state pension age, disabled people are less likely to be in employment than non-disabled people, although the gap narrows from age 55 onwards. This is likely to have an effect on pension provision and both income and wealth in older age for people with a long-term disability.

### TfL: Understanding our diverse communities 2019 – evidence on 60-64

- 3.7 London Travel Demand Survey (LTDS) data identifies the demographic profile of ethnic groups in London (2019/20) aged 60-64 year olds as follows:

White	70%
Black	12%
Asian	17%
Mixed	0%
Other	1%

- 3.8 London Travel Demand Survey (LTDS) identifies the per centage of 60-64 year olds in London (2019/20) on low incomes in London as:

Less than £5k	4%
£5,000-£9,999	6%
£10,000- £14,999	7%
£15,000- £19,999	9%
£20,000- £24,999	6%
£25,000+	68%

- 3.9 The TfL Understanding our diverse communities 2019 data does not provide evidence specifically on 60-64 year olds travel patterns and behaviour. However, information on this is available from representations that have been made to TfL by stakeholders and customers.

### **Other evidence relevant to 60-65s on employment and income**

- 3.10 The Department for Work and Pensions September 2021 publication, [Economic labour market status of individuals aged 50 and over, trends over: September 2021](#), identifies that:

the employment rate for people aged 50 to 64 years was 71.2% in the April to June 2021 period;

Over the past 10 years, the employment rates for each of the five-year age bands 50 to 54, 55 to 59, and 65 to 69 have shown very gradual upward trends. For people aged 60 to 64 years the increase has been much more marked, both amongst males and females. Most five-year age bands for over 50s have seen this trend reverse in the past year, with the exception of people aged 55 to 59 years whose employment rate is unchanged in the past year, and people aged 70 to 74 years whose employment rate has increased in the past year. Those aged 60 to 64 years appear to be particularly affected, with an employment rate drop of 2.0 percentage points in the past year;

The upward trend of employment rates for people aged 50 to 64 years over the past 25 years has been driven by increases in both full-time and part-time employment. Compared with 5 years ago, in 2021 there are a higher proportion of workers in all age bands above 50 in full-time employment. However, the recent fall in employment rates for people aged 50 to 64 years may be driven by a reversing trend for part-time employment. In 2021, proportions of older workers in part-time employment have fallen compared with 5 years ago, with the exception of people aged 60 to 64 years. In

contrast, the upward trend of employment rates for people aged 35 to 49 over the past 25 years has been primarily driven by increases in full-time employment, with part-time employment only slightly fluctuating around a constant level up until 2021. As with the age bands above 50, compared with five years ago the employment rates for people aged 35 to 49 years in full-time employment have risen, but part-time employment rates have fallen;

The proportion of people aged 60 to 64 years in full-time employment has risen by 1.0 percentage points compared to 2016, with one in three people aged 60 to 64 years now in full-time employment (33.8%).

- 3.11 The [London Datastore provides statistics for employment by age in London from January 2020-December 2020](#) as:

16-24	43%
25-34	85.3%
35-49	82.3%
50-64	73.4%

(There are over 1 million Londoners aged between 50-64 who are in employment, with an employment rate of around 73%). [ONS/Nomis figures](#) show that 58% of Londoners aged 60-64 were in work in 2021 and of those 40% were in full time work.

- 3.12 The [most recent analysis by the Office for National Statistics](#) (published on 25 August 2021) compares the characteristics of older workers aged 50 years and over by whether they have switched to working from home during the pandemic. They found that the characteristics of those who did not switch to working from home during the pandemic were similar to the characteristics of those who exit the labour market early reported in other research; they tend to have poorer health, lower well-being, live in deprived areas and have lower or no qualifications. It suggests while home working may help some older workers stay in the labour market for longer, it has not been an option for all, and may entrench existing inequalities.

- 3.13 **ONS: Employee earnings in the UK:2019**, Figure 12: details the median full-time gross weekly earnings by sex and age group, UK, April 2019. It identifies this as follows:

Over 65s: £567.1 men; £459.2 women

60-64: £606.2 men; £464.1 women

It is to be noted that both the older age groups median full-time gross weekly earnings are higher than those of 18-24 year olds:

18-20: £344.2 men; £329.2 women

21-24: £443.6 men; £407.6 women.

- 3.14 The **ONS: Employee earnings in the UK:2019** also identifies that:

In April 2019, London topped the regional list for median earnings for full-time employees by place of work, at £736 per week. The median here is £123 more per week more than the next highest, the South East (£613), and £152 more than the median for the whole of the UK (£585). The high pay in London reflects a high proportion of its

labour force being employed in high-paying industries and occupations, and will also be impacted by allowances for some employees working in the capital.

- 3.15. Though incomes do decline with older age, Centre for London show that median income before tax is still higher for the over 65s than for those at the start of their working lives and careers. Furthermore, this is evidenced by those aged 60-64 having a higher median income before tax (£24,900) than those aged 25-29 (£22,800). (<https://www.centreforlondon.org/reader/older-londoners-housing/#who-are-older-londoners-and-where-do-they-live>)

- 3.16 **[Trust for London provides the following data on the proportion of Londoners in poverty after housing costs](#)** in 2019/20 by age as:

0-4	35%
5-9	36%
10-14	41%
15-19	41%
20-24	23%
25-29	19%
30-34	27%
35-39	22%
40-44	24%
50-54	25%
55-59	23%
60-64	25%
65-69	27%
70-74	25%
75-79	25%
80-84	24%

- 3.17 Trust for London [evidence](#) also shows that 35% of families in London including a disabled person were in poverty in 2019/20, compared to 25% of families that did not include a disabled person.
- 3.18 [Research reported by the Guardian](#) reports that BAME people in England are more likely to retire later than white peers, have a lower weekly income, and are far less likely to own their own home. People from ethnic minority backgrounds aged 50-70 are more likely to be in the poorest 20% of the population in England compared with white people. It showed that black men and women are living on an average of £100 less per week compared to white men and women in the same age group. However, black people in their 50s and 60s are more likely to be working, with white people in the age group three times more likely to have retired, suggesting a disparity in the access to other sources of income, such as pension savings and assets. The research discovered that nearly half of white people in their 50s and 60s own their home outright, compared with just 13% of their black peers. Nearly a third of black and a quarter of Asian people live in the most deprived areas, as against just 16% of the white population.
- 3.19 [A 2013 survey of working age benefit claimants](#) found that, for those aged 55 and over, although nearly all (97%) said they had a health problems or disability expected to last for more than a year, only 62% considered themselves as disabled all of the time with a further 23% considering themselves as disabled some of the time. The LTDS 2019/20

identifies that 60% of Londoners aged 60+ with a disability live in households with incomes <£20k, compared with 32% of Londoners aged 60+ without a disability.

## **Information supplied by stakeholders and additional research**

Age UK: December 2020 briefing and July 2022 meeting with Deputy Mayor for Transport

- 4.1 In December 2020, Age UK submitted a briefing paper to TfL expressing concern about the temporary suspension of pre-9am concessionary travel that had been introduced in June 2020 in response to the pandemic, and outlining some of the ways older Londoners have been impacted by the pandemic. In July 2022, Age UK confirmed that this is the most up to date data they have on the matter contained within it. In summary, the briefing stated that:

Since May 2020 over 1,000 older Londoners have contacted Age UK London to raise their concerns about the suspension of pre-9am concessionary travel as well as their fears of further cuts;

It focussed in particular on Londoners in the 60 to 66 age category and outlined new research on key challenges facing this age group including rising economic hardship, greater job market vulnerability and social isolation;

### Economic impact

The rise in unemployment affecting older workers in London is comparatively higher than the UK average and there are now more over-50 claimants for Jobseekers Allowance in London than claimants under-25;

Older workers have lost hours and pay disproportionately in comparison to workers in the majority of other age categories. The UK's oldest workers have seen their pay fall by an average of 23%, while younger (20-39) and middle-aged workers have been hit by salary cuts of 19% and 17% respectively;

The FCA also found that people born between 1946 and 1964 are just as likely as 20 to 39-year-olds to have been made redundant during the pandemic;

Many older Londoners cannot afford to retire and this increased during the pandemic. In England 8% of older workers are now planning to retire later. One factor influencing this is the decrease in the value of pensions;

In addition, the over 50's age group already had worse unemployment outcomes prior to the pandemic. In 2019, just a third of over 50s made redundant found re-employment within three months: the lowest re-employment rate of any age group;

Older Londoners from BAME backgrounds are even more likely to retire later than white peers and have a lower weekly income. Working longer before retirement along with the larger proportion of black older Londoners who work as frontline key workers means that the suspension will be having a disproportionate impact.

The suspension impacts older workers on low wages including keyworkers.

Health and social care are among the sectors with the highest proportion of older workers.

In recent months Age UK London have heard from holders of the 60+ Oyster Card and the Freedom Pass working on the frontline of the pandemic who are required to be in work by 9am.

Although workers in their early 60s are receiving a salary many will be in low-wage jobs and many will work part-time. One in four workers in their early 60s works part-time and one in three part-time workers lives below the poverty line.

Large number of keyworkers contacting us had faced considerable risks to support the most vulnerable during the pandemic and have to travel to get to work in hospitals, medical centres and GP surgeries by 9am.

The suspension is impacting older carers that have to travel before 9am

Carer prevalence is greatest in the UK amongst adults in their 50s and early 60s. This age group is twice as likely to be carers as a younger adult group. The largest group of carers is working age older women. Many Londoners in their 60's use public transport early in the morning to travel to older parents who they help to get out of bed, dress and have breakfast in the morning. One in four carers lives below the poverty line and the requirement to pay full fares will be having a detrimental impact on this group of Londoners.

The additional cost of the suspension of pre-9am concessionary travel is a barrier to some carers.

Older Londoners with early morning medical appointments have been impacted

Appointments are still regularly arranged at 9:30am or even earlier. Journeys often need to be made to hospitals or health centres in different boroughs, require regular visits and many older Londoners now have to pay full fares to pay for these journeys.

Inaccessible transport can exacerbate social isolation and loneliness

For the 44% of Londoners over-75 who live alone accessible transport can bring vital opportunities for social connection but even before the pandemic more than one in ten people in this age group said they never use public transport and they don't have a car.

London's voluntary sector relies on older volunteers

Accessible and affordable transport helps enable London's army of older volunteers crucial to many frontline charities (Londoners between 50 and 64 are more likely to be volunteers than in many other parts of England). Research has also found that BAME Londoners are more likely to have volunteered since March 2020 specifically to support the response to coronavirus compared with white Londoners.

- 4.2 In a meeting with the Deputy Mayor for Transport in July 2022, Age UK reiterated concerns about the potential impact on different types of older Londoners who will be

affected e.g.: low-income Londoners, carers, those attending early hospital appointments and requested that appropriate mitigations put in place where possible.

- 4.3 Relevant to these matters are additional research materials that have been considered as part of the evidence base of the EQIA.
- 4.4 On Volunteering, a position paper entitled [Volunteering, published by Age UK](#) in February 2020, found that 28% and 24% of those aged 65-74 and 75+ respectively volunteered formally at least once a month, compared with 22% of adults in 2018-19. It found a 27% to 22% fall in % of adult population volunteering between 2013-14 and 2018-19, and estimated the values of formal volunteering in 2016 in the UK as £23.9 billion.
- 4.5 The paper noted that recent research by the Centre for Ageing Better on volunteering amongst people aged 50+ found that older people with low incomes, older people from Black and Minority Ethnic groups and older people in poor health are under-represented amongst older volunteers. Age UK's own research suggested that issues include flexibility around where and when volunteering needs to be carried out, addressing transport requirements, making sure the volunteer environment is accessible and comfortable for older people and recognising and addressing community languages and cultural preferences.
- 4.6 A publication by [Statistica.com](#), identifies the share of the population who participate in voluntary activities in England from 2013/14 to 2020/21, by age group and identifies that that in 2020/21, 64 percent of people aged between 65 and 74 volunteered at least once in England, compared with 53 percent of over 75s. Throughout this time period, the 35-49 age group has been the most active in terms of volunteering. Another publication by [Statistica.com](#) identifies the share of the population who participate in voluntary activities in England from 2013/14 to 2020/21, by gender and identifies that that in 2020/21, this was 60 percent of men in England, compared with 65 percent women.
- 4.7 In July 2021, the Department for Digital, Culture, Media and Sport published a survey dated 29 July 2021, entitled: [Volunteering and Charitable Giving: Community Life Survey 2020/21](#). This found that:

In 2020/21, 30% of respondents reported taking part in formal volunteering at least once in the last year (approximately 14 million people in England). This is lower than 2019/20 (37%, approximately 17 million people) and in 2013/14 (45%, approximately 21 million people). This participation rate is the lowest recorded by the Community Life Survey.

For formal volunteering at least once a month in the last 12 months:

- In 2020/21 respondents in the age group 25-34 showed lower participation in volunteering at least once a month compared to respondents in every other age group for formal volunteering (12% vs 17%-22%). Every age group, except respondents aged 50-64 was lower in formal volunteering participation rates at least once a month in 2020/21 than in 2019/20.
- Respondents from a Black ethnic group (23%) showed higher participation in formal volunteering at least once a month than respondents from an Asian ethnic group

(14%). Respondents from a White ethnic group saw a decrease in formal volunteering at least once a month, dropping from 23% in 2019/20 to 18% in 2020/21.

- Formal volunteering at least once a month was higher for those economically inactive (21%) compared to employed respondents (18%). However, rates for employed respondents who volunteered at least once a month were lower than in 2019/20 (22%). The proportion of economically inactive respondents who volunteered at least once a month was lower in 2020/21 (21%) than in 2019/20 (29%).
- Those living in rural areas showed higher participation in volunteering than those in urban areas (24% vs 16% at least once a month).
- Those from the least deprived areas showed higher participation than those from the most deprived areas (23% vs 12% at least once a month). At each quintile of deprivation, there were lower volunteering rates than in 2019/20.
- No variability was seen between gender, disability or region categories.

Figure 5.2 showed participation in formal volunteering by age group 2019/20 – 2020/21, and founds that from the dates volunteering had decreased across all age ranges in the UK as follows: 16-24 year olds 23% - 17%; 25-34 – 16-12 %; 35-49: 21-17%; 50-64: 23-19%; 65-74: 31 – 22%; and 75+: 25-18%

For formal volunteering at least once in the last 12 months:

- In 2020/21 respondents in the age group 25-34 showed lower participation in formal volunteering at least once a year compared to respondents in every other age group except for those 75 and over (23% vs 31-33%). Every age group, except 50 to 64 year olds, was lower in formal volunteering participation rates in 2020/21 than in 2019/20.
- Volunteering rates for respondents from a White ethnic group who volunteered at least once in the last year dropped from 38% in 2019/20 to 30% in 2020/21.
- Rates of formal volunteering at least once a year dropped in both employed and economically inactive respondents from 2019/20 to 2020/21 (employed 40% to 33%; economically inactive 41% to 31%).
- Those living in rural areas showed higher participation in volunteering than those in urban areas (36% vs 29% in the last year).
- Those from the least deprived areas showed higher participation than those from the most deprived areas (38% vs 22% in the last year).

4.8 In a Government paper on [Volunteering, dated September 2020](#), the percentage of people aged 16 and over who formally volunteered at least once a month, by ethnicity from 2016-2020 were identified as follows: All: 23%; Asian: 15%; Black 24%; Mixed: 19%; White 23%; and Other: 18%.

4.9 On [Carers](#): In a paper dated August 2019, entitled **Facts about Carers**, Carers UK estimated that that 8.8 million adults in the UK were carers. The paper notes that the vast majority of care in the UK is provided by family and friends, who make up the UK's carer population. The report states that the care provided unpaid by the nations' carers is worth an estimated £132bn per year – considerably more than total spending on the NHS in England.

The report says that:

### Caring by age

One in five people aged 50-64 are carers. The majority of carers are of below state pension age and the peak age for caring is 50-64 - over 2 million people in this age bracket are carers.

Almost 1.3 million people in England and Wales aged 65 or older are carers. The number of carers over the age of 65 is increasing more rapidly than the general carer population. Recent polling suggests that there could now be over two million people aged 65 or older who are carers.

Older carers, those aged 85 and over, are most likely to be a carer for someone with dementia (53.6 per cent). For over 50 per cent of this age group they are also supporting care needs related to physical disabilities, therefore is likely that the cared for person has multiple needs. 90.1 per cent of older carers, those aged 85 and over have caring responsibility for someone aged 75 or over.

The 2011 Census indicated that almost 178,000 under 18s have caring responsibilities. The vast majority are providing under 20 hours of care a week, however thousands provide even higher levels of care. This is a wide spectrum which means caring will affect these young people in different ways. For example, there is a big difference between a child helping parents to bathe a disabled brother or sister and being the sole support for a lone parent with a severe mental health condition. Broader definitions put the figure of young carers higher, as close to three million children live in households with a disabled family member but not all of these will have caring responsibilities.

### Caring by gender

58% of carers are female and 42% are male. The Census shows that women are more likely to be carers than men. The percentage of carers who are female rises to 60% for those who are caring for 50 hours or more a week. Women make up 72% of the people receiving Carer's Allowance for caring 35 hours or more a week.

Caring also tends to affect men and women at different times. Women are much more likely to care in middle age. 1 in 4 women aged 50-64 have caring responsibilities, compared to 1 in 6 men. Women have a 50:50 chance of providing care by the time they are 59; compared with men who have the same chance by the time they are 75 years old. Women are more likely to be sandwich carers (combining eldercare and childcare) are also more likely to give up work in order to care. Fifty nine per cent of carers over 85 are men and 41% are female. The imbalance reduces amongst older carers; the gender split is 50:50 of carers aged between 75 and 84. Carers over 85 are more likely to be male (59%) than female (41%) 22 – many caring for their partners.

### Black, Asian and Minority Ethnic (BAME) carers

The 2011 Census showed that there were just under 600,000 BAME carers in England and Wales. The 2011 data indicates that a smaller proportion of the BAME population provides care than the White British population. However, the BAME population is much younger and therefore less likely to have older parents or other relatives needing care. Analysis by University of Leeds has, in the past, suggested that, when age is

accounted for, BAME families are more likely to provide care for older or disabled loved ones.

The NHS Information Centre Survey of Carers in Households found that BAME carers are more likely than White carers to provide support for at least 20 hours a week (56% compared to 47%).

Carers UK's evidence indicates that BAME carers are less likely to be receiving practical and financial support with caring and more likely to miss out on accessing support for longer – often as a result of a lack of advice and information and struggling to access culturally appropriate services.

#### Financial impacts of caring

Families often face additional costs associated with caring, like care services and assistive equipment; alongside higher living costs as ill health or disability push up household bills like heating and laundry bills and result in additional transport costs and hospital parking charges. Different carers can face different costs. Carers UK's research indicates that working-age carers of partners and disabled children are most likely to report higher utility bills – reflecting the likelihood of living with the person they cared for. Caring at a distance, often for older parents living in a different part of the country, can result in very high transport costs.

Half of working age carers live in a household where no-one is in paid work. Just as their living costs rise, families also often face a lower income as caring and ill-health or disability reduce their ability to work. 1.2 million carers are in poverty in the UK. 22% of carers live in poverty, this compares to a national figure of 16% living in relative poverty in 2014/15. Poverty levels are highest in the working age carer population and increases with the number of hours of care they provide, with a 37% poverty rate among carers who provide at least 20 hours of care per week.

In a 2014 survey of carers providing substantial care, almost one in three (30%) carers had seen a drop of £20,000 or more a year in their household income as a result of caring. Carers can claim Carer's Allowance to help with the costs of caring; however, because of the low level of the payment and other entitlement conditions, including an earnings limit, the benefit is ineffective in preventing financial hardship.

From April 2019 Carer's Allowance is set at £66.15 with an earnings threshold set at £123 per week after deductions. Whilst the Allowance rises with the Consumer Price Index (CPI), a measure of inflation, neither the Allowance nor the earnings threshold align with the national living wage, meaning that a carer can only work for a maximum of 15 hours per week without losing the Allowance.

According to Carers UK's State of Caring Survey 2019: 39% of carers described their financial situation as 'struggling to make ends meet.' The combination of higher costs and lower incomes can push families into financial crisis and lasting debt – 21% of UK carers are in or have been in debt as a result of caring and only 46% of UK carers can afford their bills without struggling financially. Carers UK research from 2018 found that the financial impacts of caring can increase over time. The number of carers in debt because of caring increases from nearly one in ten (12%) of people caring for a year or less to one in five (19%) of those caring between five and nine years.

A quarter (25%) of people who have been caring for over 15 years report that they have been in debt as a result of their caring role. 43% of carers said their financial circumstances were affecting their health.

The financial impact of caring is often exacerbated by delays in accessing benefits and other financial support. Caring can come as a shock and families, unprepared for the impact on their work and household bills, often report trying to cope with the costs of caring for months or years before they find help. Caring responsibilities which grow over time can also mean that individuals do not immediately recognise they have become a 'carer' or that support may be available. Too often health and social care services fail to identify carers and guide them to support. 40% of carers have missed out on financial support as a result of not getting the right information and advice.

- 4.10 The ONS, March 2019 publication, [Living longer: caring in later life](#), notes at Figure 1 that in the UK from 2015-2017, those aged 60-69 were most likely age group to be informal carers: 23.9% compared to the next highest age groups being 50-59 year olds (22.3%) and 70-79 (20.1%).
- 4.11 In June 2021, [Age UK published research](#) finding that the numbers of UK over age 65s caring unpaid nearly doubled during the pandemic to more than four million.
- 4.12 The analysis from Age UK found that during the second wave of the pandemic, the numbers of over-65s in the UK who were providing unpaid care for someone almost doubled to more than four million. This is compared to the position before COVID-19 arrived, when 17%, or about one in six, of over-65s were found to be unpaid carers, equivalent to 2.2 million older people.
- 4.13 Among these 4 million plus unpaid carers during the second wave aged over 65, 780,000 were in their eighties or beyond, meaning that 23% of all over 80s were providing care.
- 4.14 It suggests that the significant jump in the numbers of older people providing unpaid care during the pandemic means that at that time one in three of the entire 65 plus population in this country was providing some unpaid care. It says that during each week of the second wave, these older carers collectively provided more than 75 million hours of free care. However, three per cent of them, or nearly 140,000, provided more than 100 hours of care each week.

### **Key workers.**

- 4.15 The Greater London Authority's [policy note on allocating intermediate homes to London's key workers](#) provides evidence as to the employment and demographic make up of London's key workers; using sources from the Office for National Statistics and the London Datastore. This identifies that:

Overall, 29.8 percent of London residents in work are employed within key worker occupations. This compares with 33 percent across the UK. The proportion of Londoners who are key workers is lower than in all other UK city-regions. London's key workers are concentrated in three occupation groups: health and social care, utilities and communication, and education and childcare. The distribution of key workers by

sector in London is broadly consistent with the pattern in other city regions and the wider UK.

#### Demographic makeup of London's key workers

- Key workers in London are slightly more likely to have a disability (as defined under the Equality Act) than other workers.
- Some ethnic groups, particularly Black and Indian Londoners, are more likely to work in a key worker job than White Londoners.
- 34 per cent of women in London work in key worker roles, compared to 25 per cent of men.
- Londoners aged 35-49 and 50-59 are the most likely to work in a key worker role, with 30 per cent of those within these age ranges employed in a key worker role.
- 36 per cent of London's Hindu workforce is a key worker, 31 per cent of Muslims and 29 per cent of Christians.

#### **Further representations made by Stakeholders**

5.1 A summary of the feedback received from Stakeholders is contained in the EQIA.