

# People on low incomes

## Key findings

- 41% of Londoners have an annual household income of less than £20,000 (excluding those aged 5 or below). This group of people are more likely to be either women, older, retired, from a minority ethnic group and/or disabled
- The bus is a key mode of public transport for those on low incomes, this may be in part due to cost and partly because some areas are better served by buses compared to other travel modes
- The burden of travel costs for some people on low household incomes is alleviated somewhat by the possession of passes/cards which reduce travel costs
- Concerns over crime and safety are slightly more evident for those on with low household incomes compared to all Londoners – these concerns are more acute when travelling after dark, particularly on the Underground.

## Summary

The definition of 'low income' is imprecise since it is a relative concept in which household wealth depends on household size. A broad definition of low household income, as suggested by the Government, applies to annual earnings less than 60% of the median UK household income. For London, this cut-off point is approximately £21,000[75]. As of 2012, 41% of Londoners can be classed as having a low annual household income of below £20,000<sup>1</sup>[2]. Approximately 30% of Londoners are classified as living in households of DE social grade<sup>2</sup> (used as a proxy for low household income) [76].

Londoners in low income households are more likely to be women, from a minority ethnic group, older, retired and/or disabled compared to all Londoners and those in higher income households. Of those in households with an annual income of less than £20,000, 56% are women compared to 51% of all Londoners, 41% are black, Asian and minority ethnic (BAME) (35% of all Londoners), 17% are aged 65+ (9% of all Londoners), 29% are retired (16% of all Londoners) and 19% are disabled (11% of all Londoners) [2].

It is important to remember that whilst people may live on 'low' household incomes, this variable does not take into account the wealth of households. People could be relatively well-off despite having a low household income.

## Transport use

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<sup>1</sup> The cut-off point of £20,000 is used here since data are typically collected using this income bracket

<sup>2</sup> DE social grade refers to households where the chief income earner works (or worked) in a semi/unskilled manual profession, is (or was) a casual worker or is unemployed with state benefits

The bus is a key transport mode for people living on lower household incomes. Compared to 61% of all Londoners using the bus at least once a week, 69% of people with household incomes <£20,000 do so (and this rises to 73% amongst the lowest household income bracket of <£5,000) [2].

- Londoners with lower household incomes are less likely to use the car (both as a driver and passenger), train, bicycle, and Tube than all Londoners [2]
- The proportion of Londoners with access to at least one household car declines with decreasing household income so that 77% of those in the lowest household income bracket (<£5,000) do not have access to a car compared to 36% of all Londoners [2]
- People with low household incomes are less likely to use Oyster pay as you go to travel and instead higher proportions use Freedom Passes to get around London (this is a result of disabled and older Londoners being more likely to have low household incomes). A lower proportion (43%) of those with a household income of <£20,000 have an Oyster card (compared to 54% of all Londoners), though this is counterbalanced by a higher proportion (35%) possessing a pass or card which entitles them to free travel or reduced fares (compared to 26% of all Londoners) [2]
- Londoners in lower household income brackets tend to be less engaged with cycling as a mode of transport. Thirteen per cent of Londoners sometimes use a bike to get around London in the summer – this declines to 9% amongst Londoners in DE households. Awareness of Barclays Cycle Hire and Barclays Cycle Superhighways is lower amongst DE households compared to all Londoners, and the user profile of both these schemes is skewed towards those with higher household incomes [13]

### Barriers

Cost is mentioned as a barrier to increased public transport use by lower proportions of Londoners in DE households (40%) than all Londoners (45%) [14]. The possession of passes and cards designed to assist those on lower incomes may help alleviate the burden of travel costs, and may also reflect a greater reliance on travelling by cheaper modes such as the bus. People with lower household incomes are more likely than all Londoners to cite barriers to increased public transport use that relate to crime and safety (though these differences are not as acute as those seen amongst other equality groups) [14].

- Higher proportions of people in DE households state concern about anti-social behaviour, knife crime, crime on buses and trains, terrorist attacks and risk of accidents as potential barriers to increased public transport use compared to all Londoners [14]. This may be connected to the areas in which people live and/or work
- Londoners in DE households are less likely to feel safe when travelling after dark (when walking after dark, 56% of those in DE households feel safe compared to 63% of all Londoners) [14]
- However, concerns over crime and anti-social behaviour affect frequency of travel on the bus/train/Tube after dark to the same extent for all Londoners and those with lower household incomes [14]

- Travel frequency on the Underground during the day is affected by these concerns for a higher proportion of those in DE households (31%) compared to all Londoners (23%) [14]
- The highest rates of pedestrian injuries occur in areas with the lowest levels of deprivation [81]

#### Seeking travel information online

Even when unequal access to the internet is taken into account, a smaller proportion (49%) of those in DE households access the TfL website compared to 78% of all Londoners. Similarly, those in DE households are less likely to use smartphones (31% do so in comparison to 58% of all Londoners) [10].