

Transport for London's finances 2011-12 to 2024-25

Research Unit

January 2025

About this report

This report is an output of the London Assembly Research Unit. It sets out an overview of Transport for London's (TfL's) finances over the period 2011-12 to 2024-25. It collates reported data on TfL's revenue income and expenditure and capital income and expenditure. It also includes data on travel trends.

A key project for TfL over this period was Crossrail. This is a major rail infrastructure project in London and surrounding areas that involved the construction of a new railway line running from east to west. Construction started in 2009. The Crossrail service operated as TfL Rail from May 2015 until the full launch of the Elizabeth Line in May 2022.

The financial information included recreates figures published by TfL for the individual years in question. Figures have not been retrospectively updated and are not adjusted for inflation. The Research Unit has also released a spreadsheet containing all of the source information for this report, [available on our webpage](#).

This analysis was originally requested by the Assembly's Budget & Performance Committee to inform the Committee's future work. It is also relevant to the work of the Transport Committee.

For more information about the governance, strategy and funding of TfL please see the Research Unit's [background paper](#) from July 2024.

The London Assembly Research Unit provides an impartial research and information service. We undertake research and analysis on key issues in London to inform the Assembly's work. To access other publications by the Research Unit please visit: <https://www.london.gov.uk/who-we-are/what-london-assembly-does/london-assembly-research-unit-publications>

This report was produced by Kate Firth and Richard Berry on behalf of the Research Unit, with support from Gino Brand.

CONTENTS

1. OVERVIEW **3**

Data sources
TfL's funding sources
History of the DfT general grant to TfL
TfL's Covid-19 funding agreements
Retained business rates
Total funding

2. REVENUE FUNDING AND INCOME **11**

Total operating costs
Operating costs – London Underground

3. REVENUE EXPENDITURE **22**

Total operating costs
Operating costs – Underground

4. TRANSPORT JOURNEYS BY MODE **25**

Journeys by TfL transport mode
Modes of travel
Change in trips by mode

5. CAPITAL FUNDING AND EXPENDITURE **29**

Total capital funding
Total capital expenditure
Total capital renewals

1. Overview

Data sources	5
TfL's funding sources	6
History of the DfT general grant to TfL	7
TfL's Covid-19 funding agreements	8
Retained business rates	9
Total funding	10

Data sources

All data used in this report is taken from TfL reports – please see links below to key sources. A background spreadsheet ‘TfL finances’ background information contains sources and pages references for the financial information.

Some data is missing for some years as it was not reported by TfL. Some data was also categorised and presented in different ways in different years. This means that some comparisons are not possible to make. Some accounting policies may have changed over time resulting in material value changes meaning that years are not a like for comparison.

Data for 2011-12 and 2013-14 is primarily from the Annual Statement of Accounts for these years.

Data for 2014-15 to 2023-24 is primarily from the Quarter Four report for these years. Some data is from the Annual Statement of Accounts.

Data for 2024-25 is from the Mayor’s Final Consolidated Budget for 2024-25 and the Mayor’s Capital Spending Plan for 2024-25. Any data relating to 2024-25 is projected.

[TfL Annual Report and Statement of Accounts 2011-12](#)

[TfL Annual Report and Statement of Accounts 2012-13](#)

[TfL Operational finance and performance report, Q4, 2013-14](#)

[TfL Quarterly finance, performance and investment report, Q4, 2014-15](#)

[TfL Quarterly, finance, investment and operational performance report, Q4, 2015-16](#)

[TfL Quarterly performance report, Q4, 2016-17](#)

[TfL Quarterly performance report, Q4, 2017-18](#)

[TfL Quarterly performance report, Q4, 2018-19](#)

[TfL Quarterly performance report, Q4, 2019-20](#)

[TfL Quarterly performance report, Q4, 2020-21](#)

[TfL Quarterly performance report, Q4, 2021-22](#)

[TfL Quarterly performance report, Q4, 2022-23](#)

[TfL Quarterly performance report, Q4, 2023-24](#)

[Mayor’s Final Consolidated Budget, 2024-25](#)

[Mayor’s Capital Spending Plan, 2024-25](#)

TfL's funding sources

TfL is and has been funded by a variety of **revenue** and **capital** sources:



Fares: Fares are the single largest source of TfL income and help cover the cost of operating and improving TfL's transport services. The Mayor is responsible for setting fare levels.



Road User Charging schemes: TfL generates charges and enforcement income from its Road User Charging schemes – the Congestion Charge, Ultra Low Emission Zone (ULEZ), and Low Emission Zone (LEZ).



Other operating income: TfL also generates income from commercial activities such as advertising on the TfL network, property rental and sales, and sponsorship for Santander Cycles and IFS Cloud Cable Car.



Retained business rates: Business rates are a tax on non-domestic properties. A proportion of business rates revenue goes to the GLA and the Mayor gives a portion of this to TfL. This is TfL's largest source of revenue grant income.



GLA council tax precept: This is funded by a precept on council tax bills.



Revenue grants: TfL has previously received a dedicated general revenue grant from the Department for Transport (DfT), see slide six. It has also received other revenue grants.



Covid-19 funding agreements: TfL agreed a number of funding settlements with the Government during the Covid-19 pandemic.



Capital grants and third-party contributions: This includes capital investment grants from the DfT. It has also received other capital grants, these would usually provide funding for a specific project via an agreement with other funding bodies, for example from the Housing Infrastructure Fund.



TfL Revenue contributions: TfL contributes some of its revenue income to its capital investment and renewal programmes. This can include surplus revenue from retained business rates.



Borrowing: Borrowing is used by TfL to help finance investment in the transport network. This includes bond issuances and the Green Finance Fund.



Capital receipts: Income from the sale of property and assets.



Crossrail funding sources: The Government has given TfL specific Crossrail grants. TfL has also borrowed money specifically for Crossrail in some years.

History of the DfT general grant to TfL

From when TfL was established in 2000 to 2017-18 it received a subsidy from the Department for Transport (DfT). This was initially in the form of a non-specific transport grant which could be spent on both operations and capital investment.

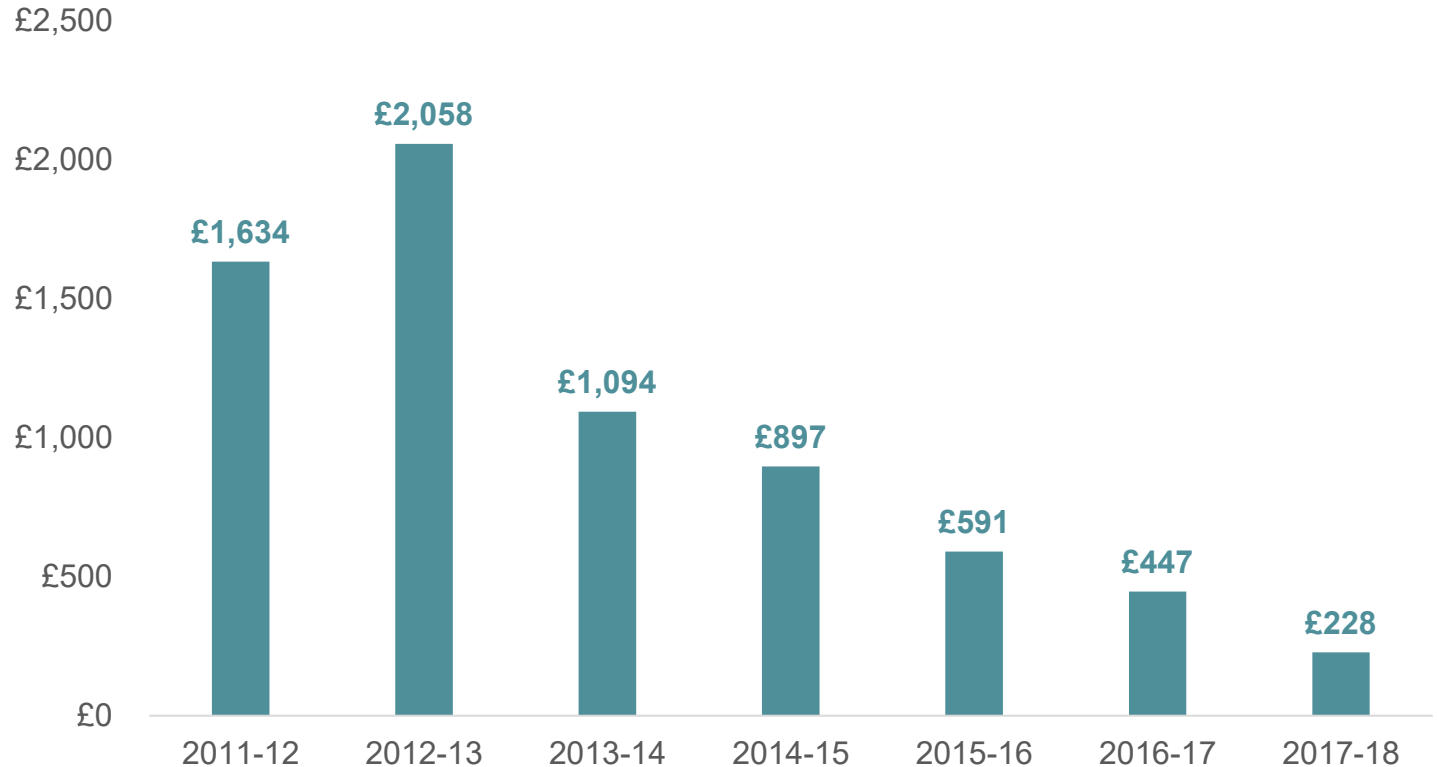
From 2011-12, the grant was separated into two specific revenue (known as general) and capital investment grants.

From 2013-14, the revenue grant funding was phased out over a number of years and partially replaced by business rates retention.

The last year TfL received the revenue grant was 2017-18.

TfL has continued to receive a capital grant from DfT.

TfL funding from DfT revenue grant 2011-12 to 2017-18 (millions)



Source information for the figures is in the background spreadsheet.

Links to funding agreements:

- [DfT Letter to Mayor, Spending Review 2010: TfL Funding Agreement, October 2010](#)
- [DfT Letter to TfL, GLA Transport Grant, November 2012](#)
- [DfT Letter to TfL, GLA Transport Grant, April 2013](#)
- [DfT Letter to Mayor, Spending Review 2013: TfL Funding Agreement, July 2013,](#)

- [DfT Letter to TfL, GLA Transport Grant, November 2014;](#)
- [DfT Letter to Mayor, Spending Review 2015: TfL funding agreement letter, March 2016;](#)
- [DfT Letter to Mayor, TfL Funding Agreement Letter, March 2017](#)

TfL's Covid-19 funding agreements with government

Following the outbreak of the Covid-19 pandemic, TfL negotiated a number of funding packages with the Government:

[First funding agreement](#) – In May 2020, the Government agreed to provide £1.6 billion to TfL to help it address an estimated budget shortfall of £1.9 billion. The shortfall was largely driven by a forecast significant reduction in passenger income for 2020-21. This agreement included £0.6 billion of Public Loans Work Board loans.

[Second funding agreement](#) – On 31 October 2020, the Government and TfL agreed a second funding deal, worth approximately £1.8 billion. This funding agreement replaced the previous one and was due to cover the period between 18 October 2020 and 31 March 2021. On 22 March 2021 it was extended until 18 May 2021, it was extended again on 18 May 2021 until 28 May 2021.

[Third funding agreement](#) – On 1 June 2021, the Government and TfL announced a third funding agreement worth around £1.08 billion that was due to run until 11 December 2021. It was initially extended until 17 December, then amended to define the funding period as 29 May 2021 to 4 February 2022.

[Fourth funding agreement](#) – On 25 February 2022, a fourth funding agreement was announced covering the period from 26 February 2022 to 24 June 2022. The fourth funding agreement comprised an Extraordinary Support Grant of £200 million paid in three instalments starting on 29 April 2022.

[Long term funding agreement](#) – On 30 August 2022 TfL and the Government announced a new funding settlement lasting until 31 March 2024. The agreement was worth around £1.2 billion base funding as well as ongoing revenue support should passenger numbers not recover at the rate budgeted. During the term of the funding agreement TfL was expected to reach financial sustainability, where it is able to fully fund day-to-day operations through normal revenue sources.

Retained business rates (revenue and capital)

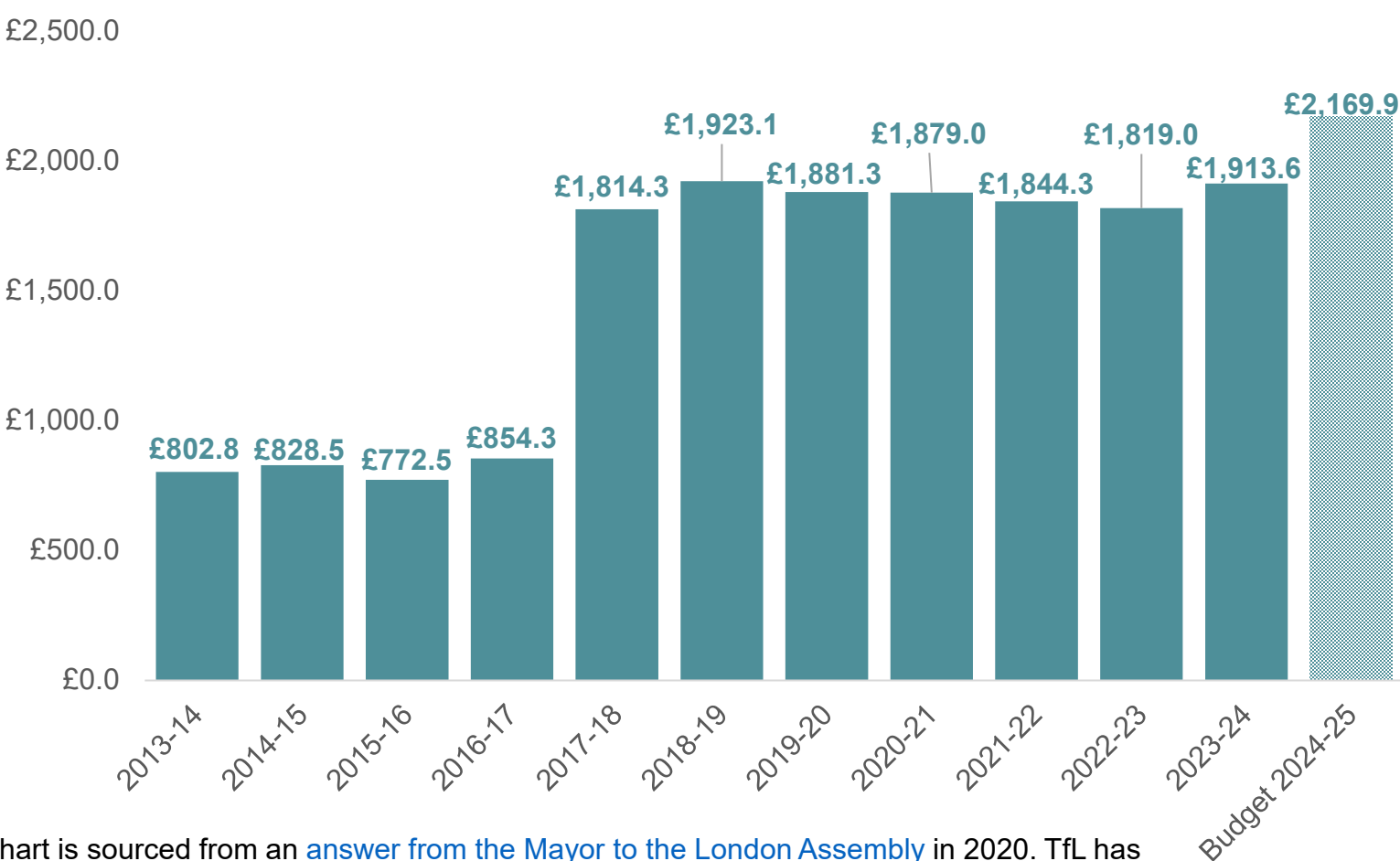
From 2013-14, the GLA was able to raise retained business rates and pass a proportion of this on to TfL.

This source funding operational spending only from 2013-14, and both operational and capital spending from 2017-18.

The chart opposite does not necessarily indicate that TfL income increased from 2017-18. Rather, it indicates that the source of funding and/or TfL’s presentation of the funding source changed.

This does not include the Crossrail business rate supplement.

TfL funding from retained business rates, 2011-12 to 2024-25 (millions)

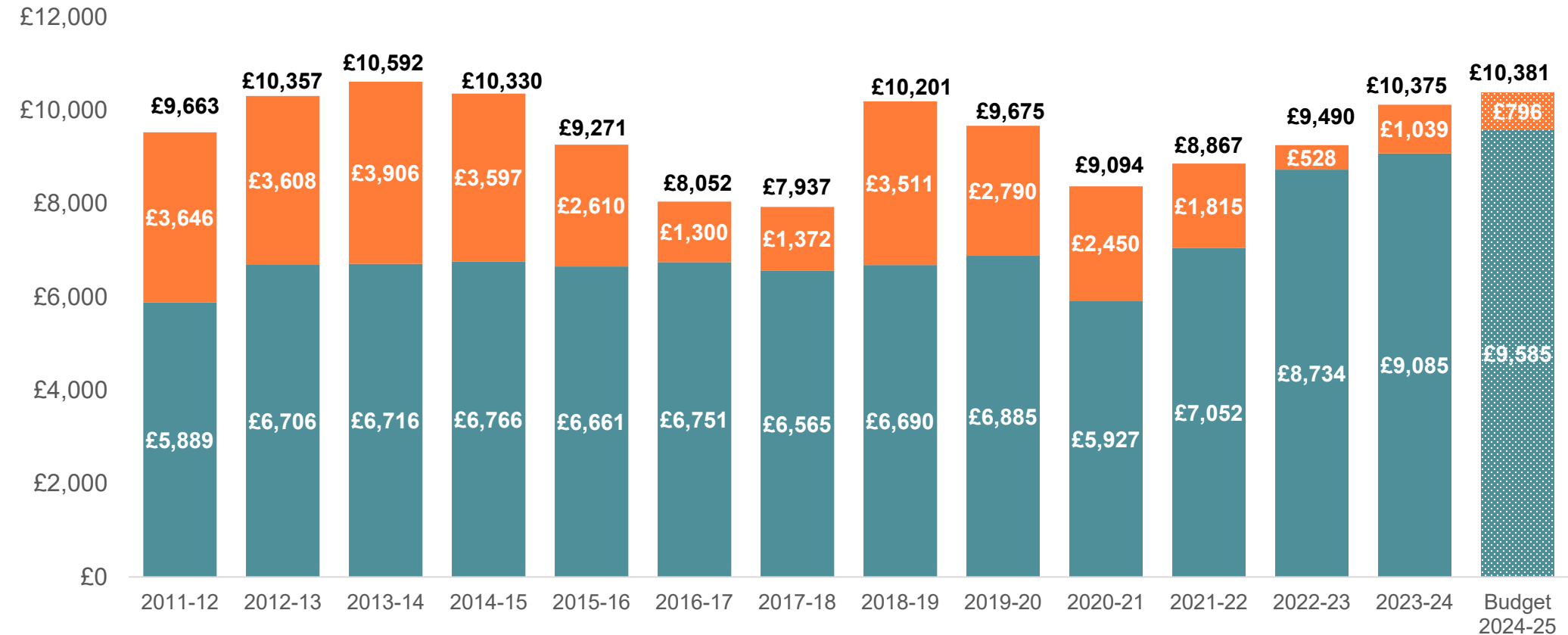


In addition to TfL annual reports, some information in this chart is sourced from an [answer from the Mayor to the London Assembly](#) in 2020. TfL has sometimes included surplus revenue funding from retained business rates in its revenue contributions to its capital programmes. In 2015-16, TfL’s allocation was reduced by £75 million as this was TfL’s share of the GLA’s cumulative business rate deficit; TfL was compensated with an additional £75 million of business rates funding on 2017-18. The Mayor allocated additional business rate funding to TfL in 2018-19 (£17.6 million) and 2019-20 (£60 million); this is not included in the chart.

Total annual funding

This chart shows total funding sources over 2011-12 to 2023-24 and projected total funding sources for 2024-25. Total revenue sources include all grants, including government grants and retained business rates and the council tax precept, as well fares income, and other operating income. Total capital sources includes Crossrail funding sources including, capital grants and third-party contributions, borrowing and capital receipts. It does not include revenue contributions to capital or use of reserves.

TfL total funding (total, revenue and capital), 2011-12 to 2024-25 (millions)



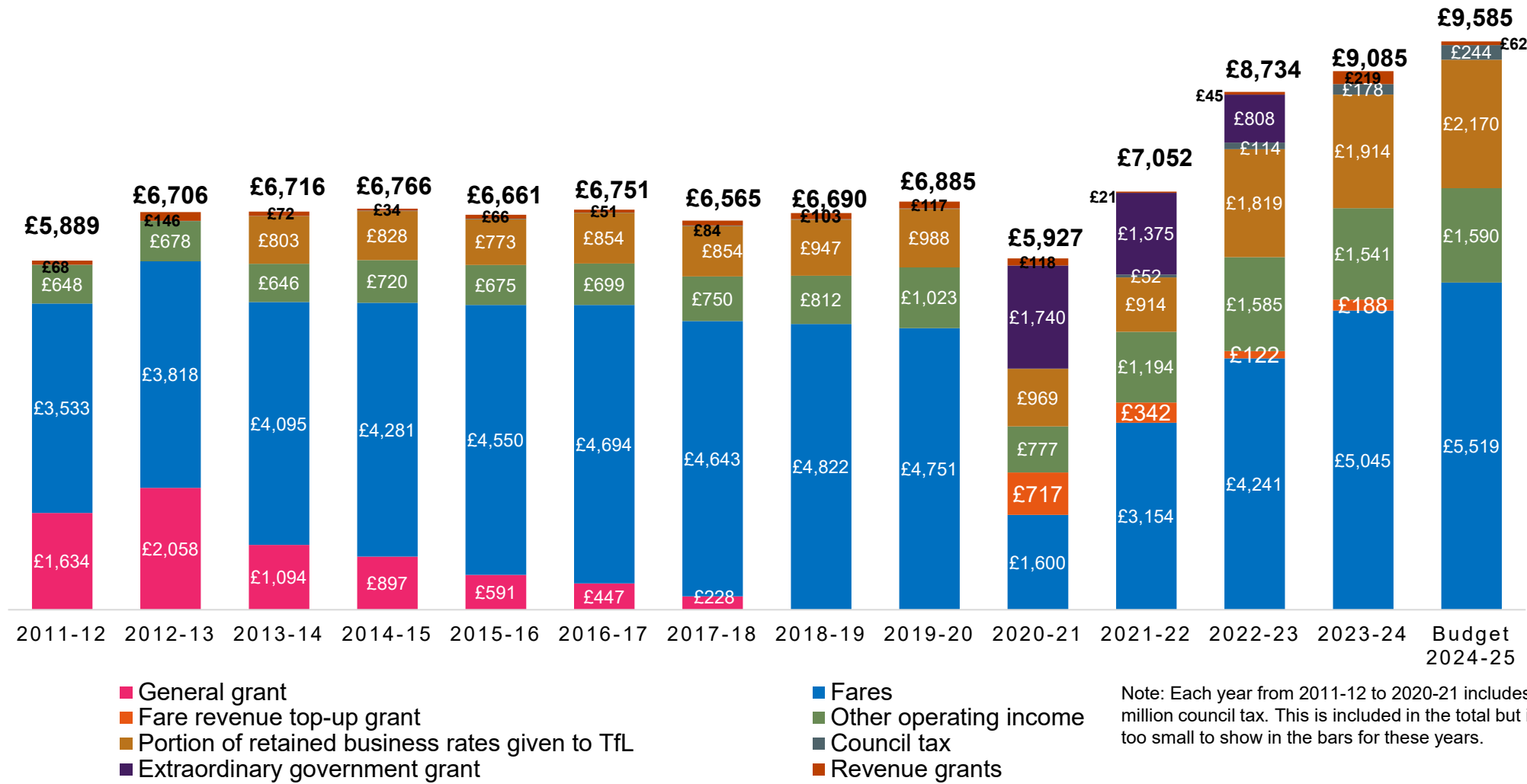
2. Revenue funding and income

Total revenue	12
Fares income	13
Covid-19 fares income top-up grant	14
Breakdown of passenger income	15
Fares income by type	16
Other operating income	17
Other operating income – advertising revenue	18
Other operating income – road user charging schemes	19
GLA council tax precept	20
Other revenue grants	21

Total revenue

This chart shows TfL’s total revenue funding from 2011-12 to 2023-23 and its projected revenue funding for 2024-25. TfL uses some of its revenue funding to support its capital investment and renewals programmes.

TfL total revenue 2011-12 to 2024-25 (millions)



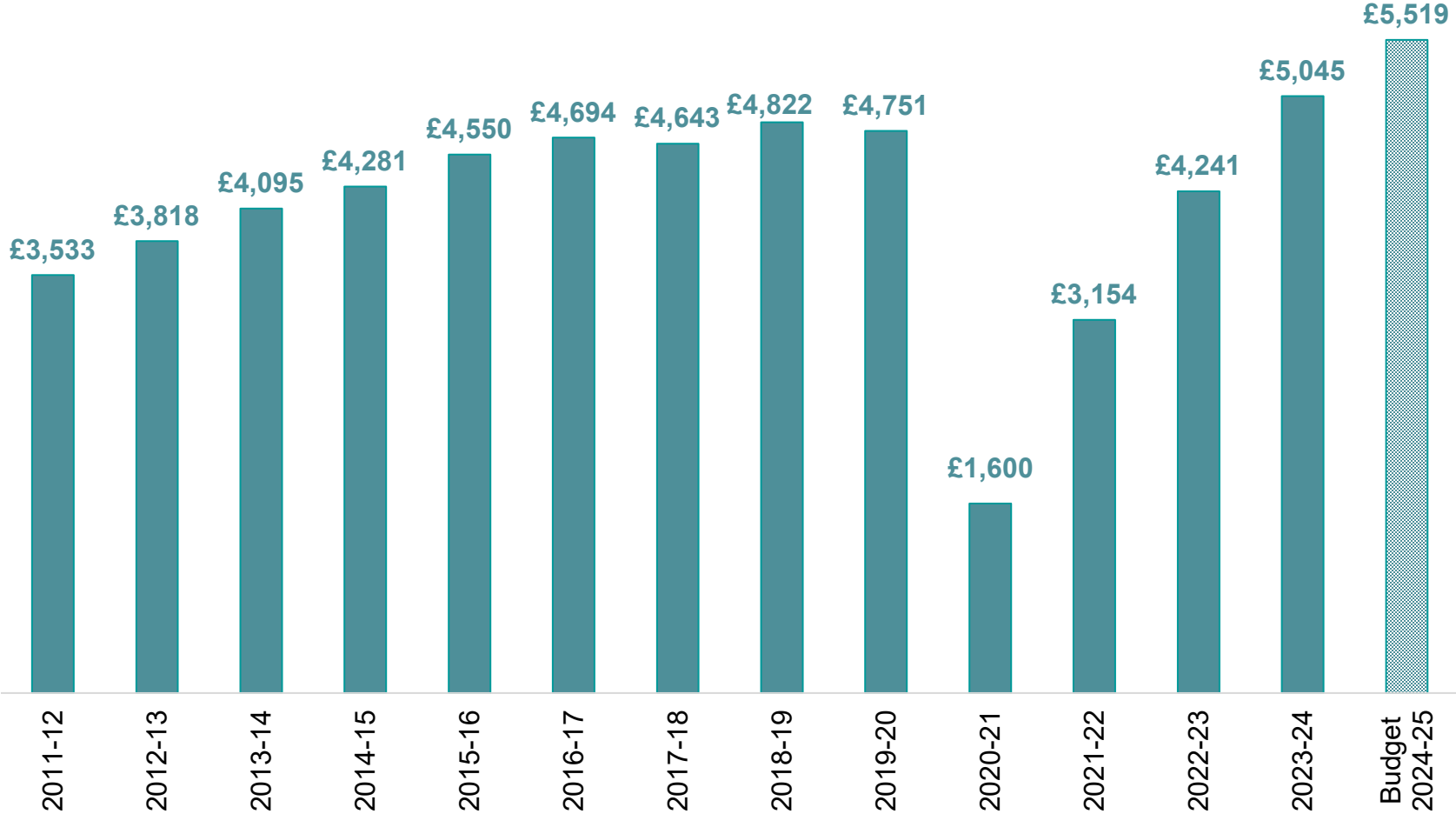
Fares income

Fares income is TfL's largest source of income.

Fares income increased every year from 2011-12 to 2016-17, before a slight decrease in 2017-18. It then increased again in 2018-19, before decreasing due to the Covid-19 pandemic from 2019-20.

The Mayor is responsible for setting the general level and structure of TfL fares.

TfL total fares income, 2011-12 to 2024-25 (millions)



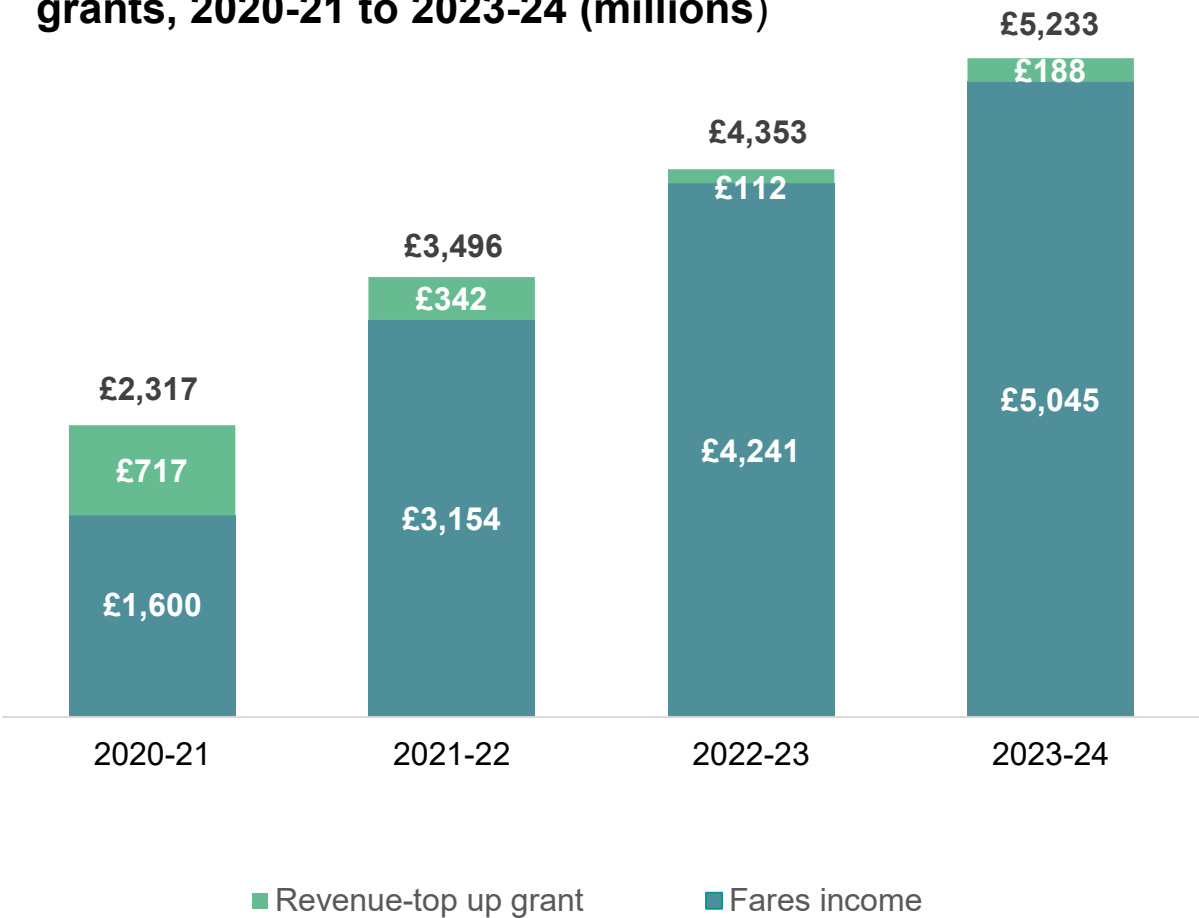
Covid-19 fares income top-up grant

TfL’s fares income was greatly impacted by the Covid-19 pandemic.

Following the outbreak of the pandemic, TfL agreed a number of funding agreements with government (see page eight). The funding agreements, included provision for the government to “top-up” TfL’s fare revenue if the number of passenger journeys did not reach a pre-determined passenger forecast.

2023-24 was the last year for which this top-up grant provision applied.

TfL fares income and fares “top-up” government grants, 2020-21 to 2023-24 (millions)



Breakdown of passenger income

London Underground journey fares provide the greatest contribution to TfL's overall fares income. In each year up to 2020-21, Underground journey fares accounted for more than fifty per cent of total fares income.

TfL fares income – Underground, Bus, Rail, TfL Rail/Elizabeth Line, and Other Operations, 2011-12 to 2023-24 (millions)

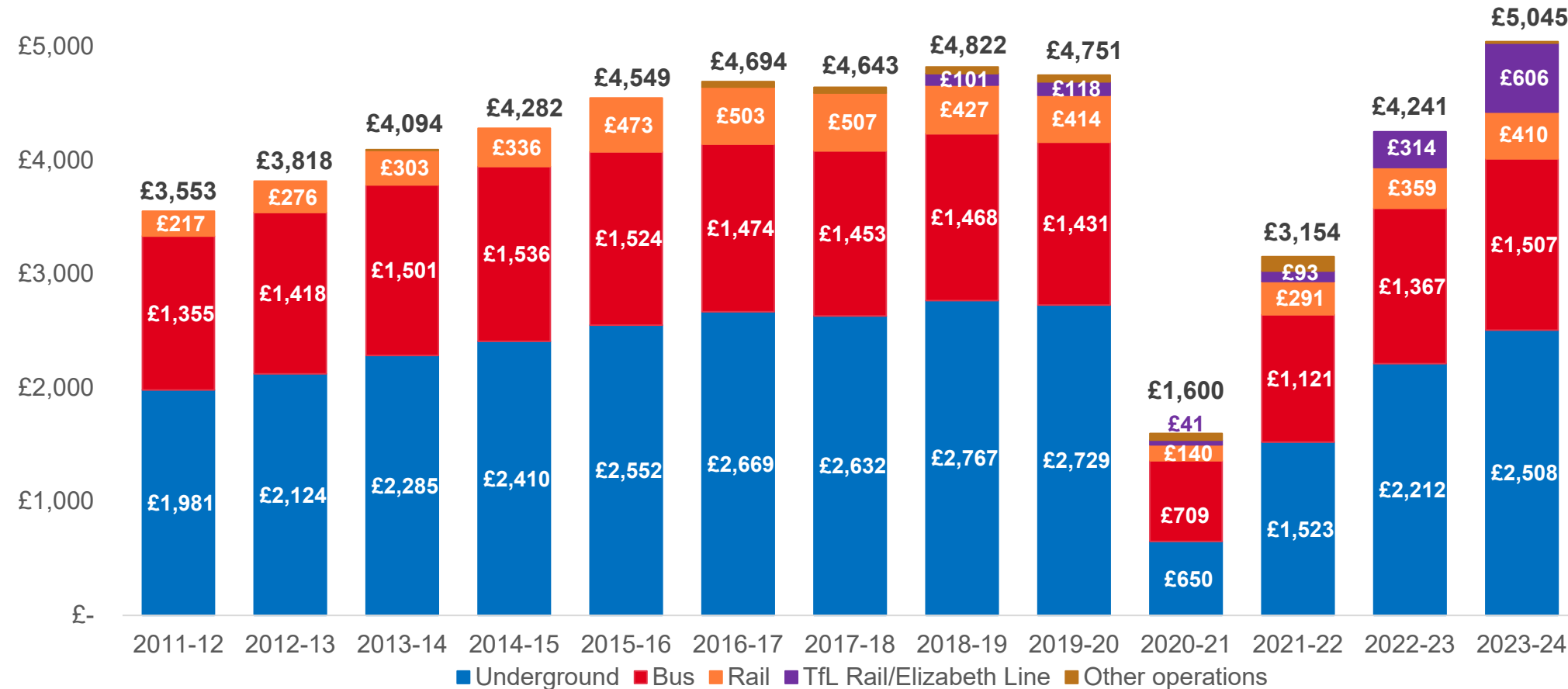
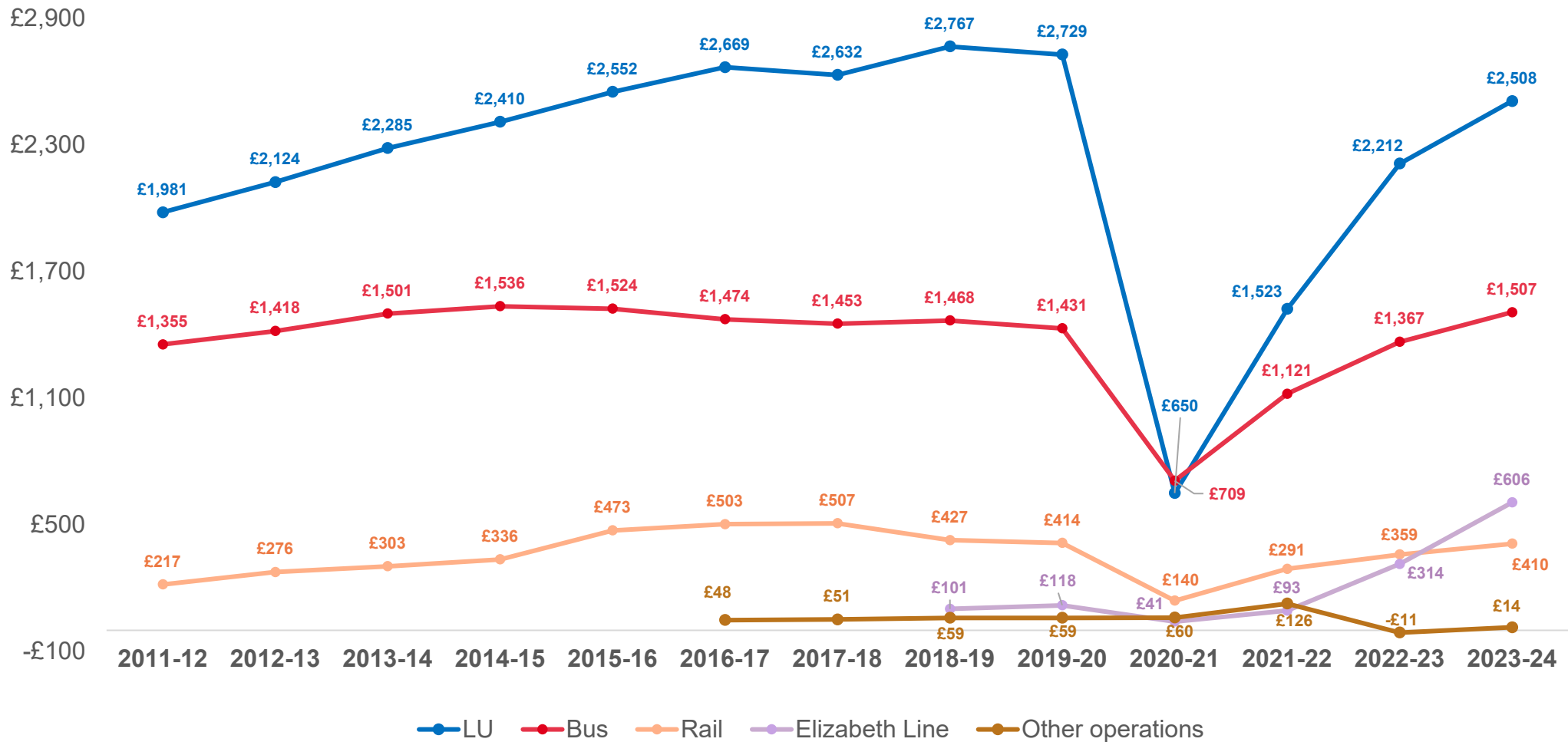


Chart does not show data labels for 'Other operations'. For 2022-23, passenger income for other operations was reported by TfL as -£11m.

Fares income by type

TfL fares income – Underground, Bus, Rail, Elizabeth Line and Other Operations 2011-12 to 2023-24 (millions)

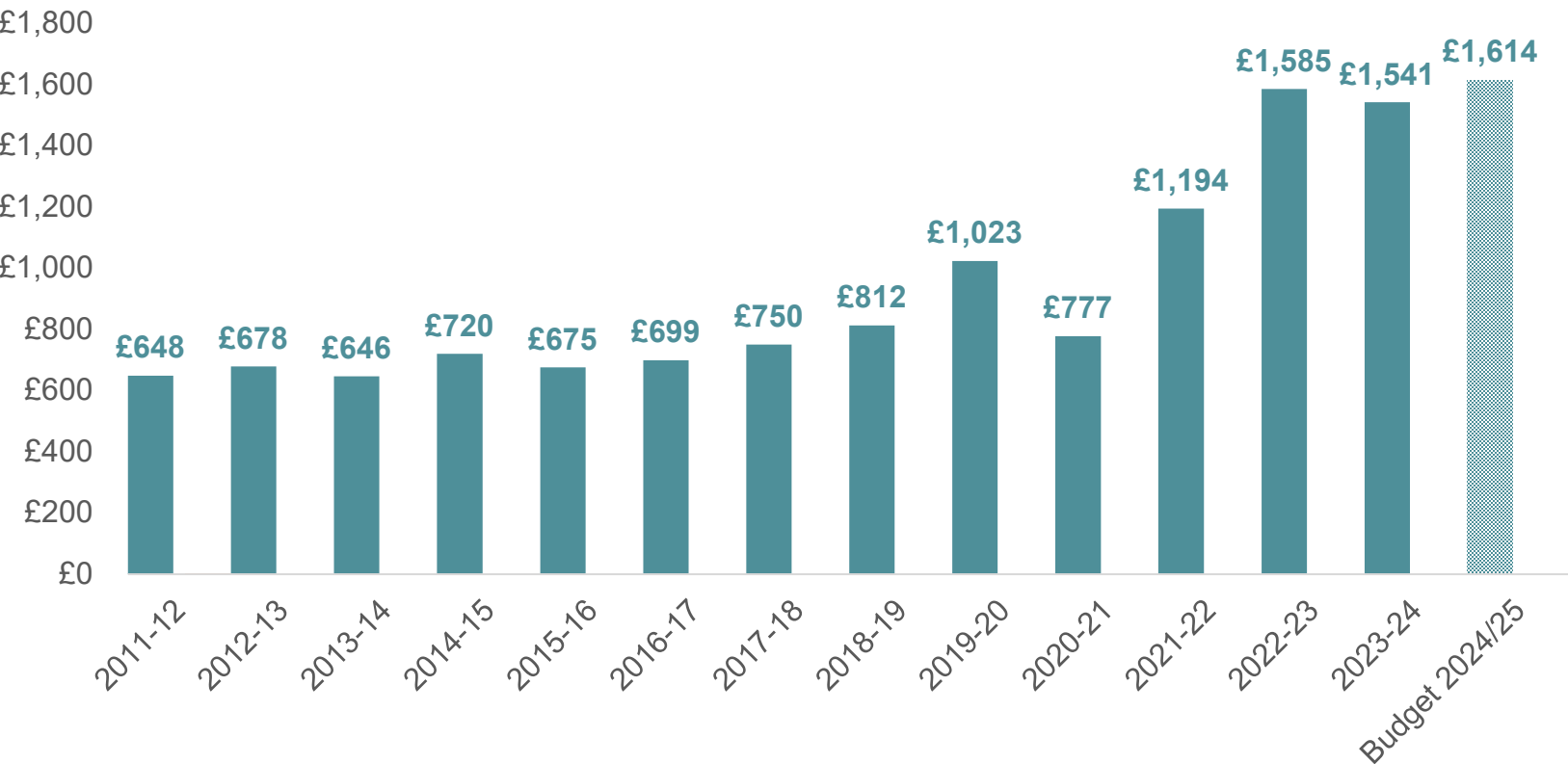


Other operating income

TfL also generates income from its Road User Charging schemes (Congestion Charge, LEZ and ULEZ), as well as its commercial activity, including advertising on the TfL network, property rental and sales and sponsorship for Santander Cycles and IFS Cloud Cable Car.

TfL’s ‘other operating income’ increased by 120 per cent between 2011-12 and 2023-24.

TfL other operating income, 2011-12 to 2024-25 (millions)



TfL reports used for this analysis have not always given ‘other operating income’ as a single figure. In earlier years of this period, separate figures for congestion charging, rent and advertising, and other income have been combined.

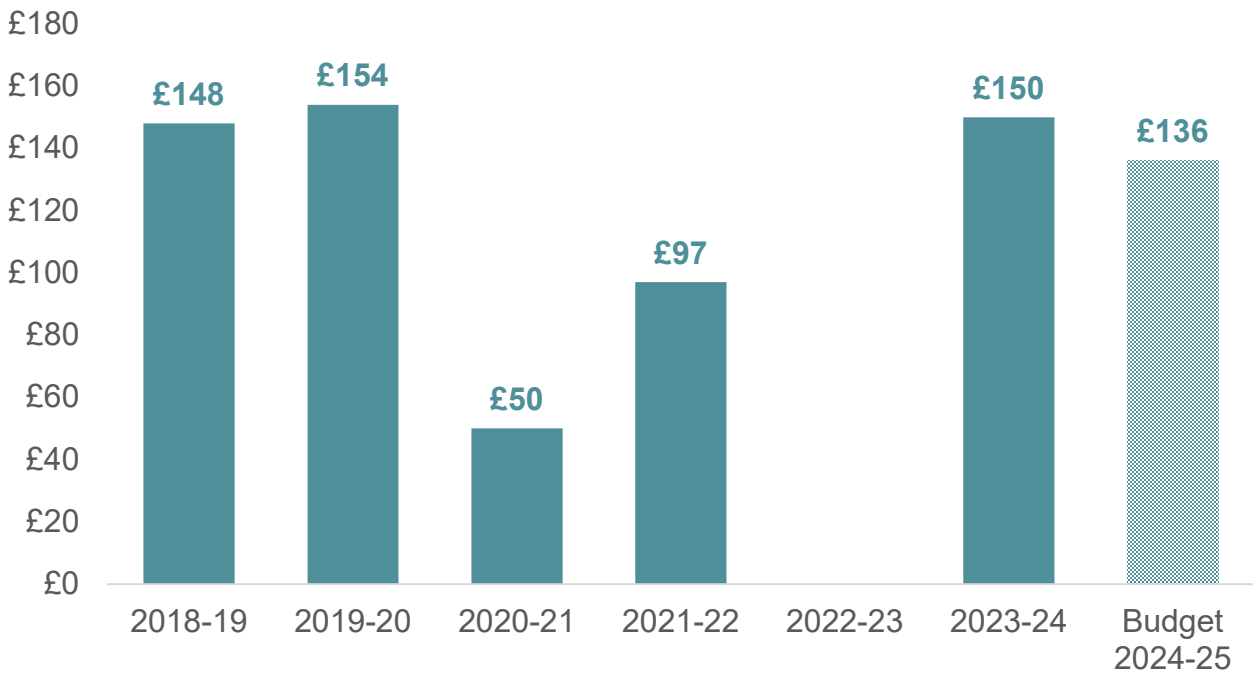
These figures also include unpaid penalty charge notices, for instance for ULEZ payments, which may be subject to debt recovery processes. In September 2024, the Mayor [told the London Assembly](#) that the value of unpaid penalty charge notices for ULEZ stood at £376 million.

Other operating income – advertising revenue

One element of TfL’s other operating income is advertising revenue.

This cannot be presented further back than 2018-19 due to how commercial income is reported in earlier years.

TfL income from advertising, 2018-19 to 2024-25 (millions)



Note: Data is missing for 2022-23.

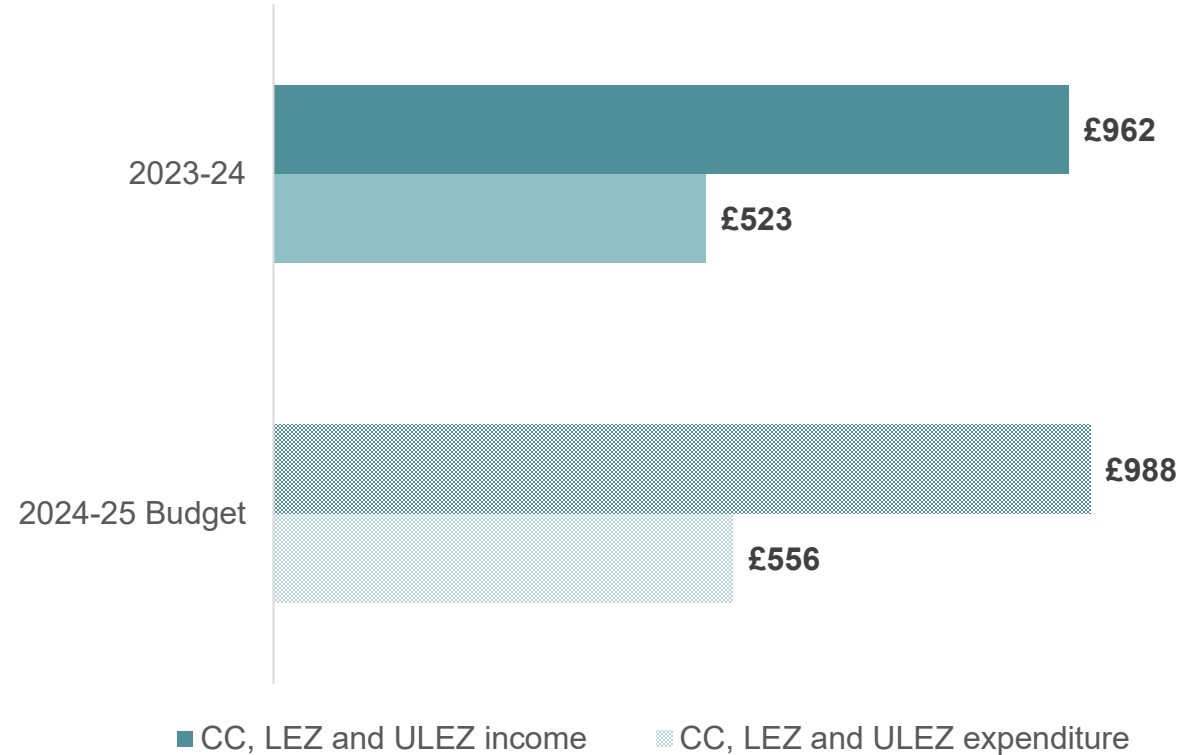
Other operating income – road user charging

TfL generates operating income from its road user charging schemes:

- Congestion Charge (CC)
- Low Emission Zone (LEZ)
- Ultra Low Emission Zone (ULEZ)

It also costs TfL to operate these schemes, as shown in the chart to the right.

TfL income and expenditure on CC, LEZ and ULEZ, 2023-24 and 2024-25 (millions)

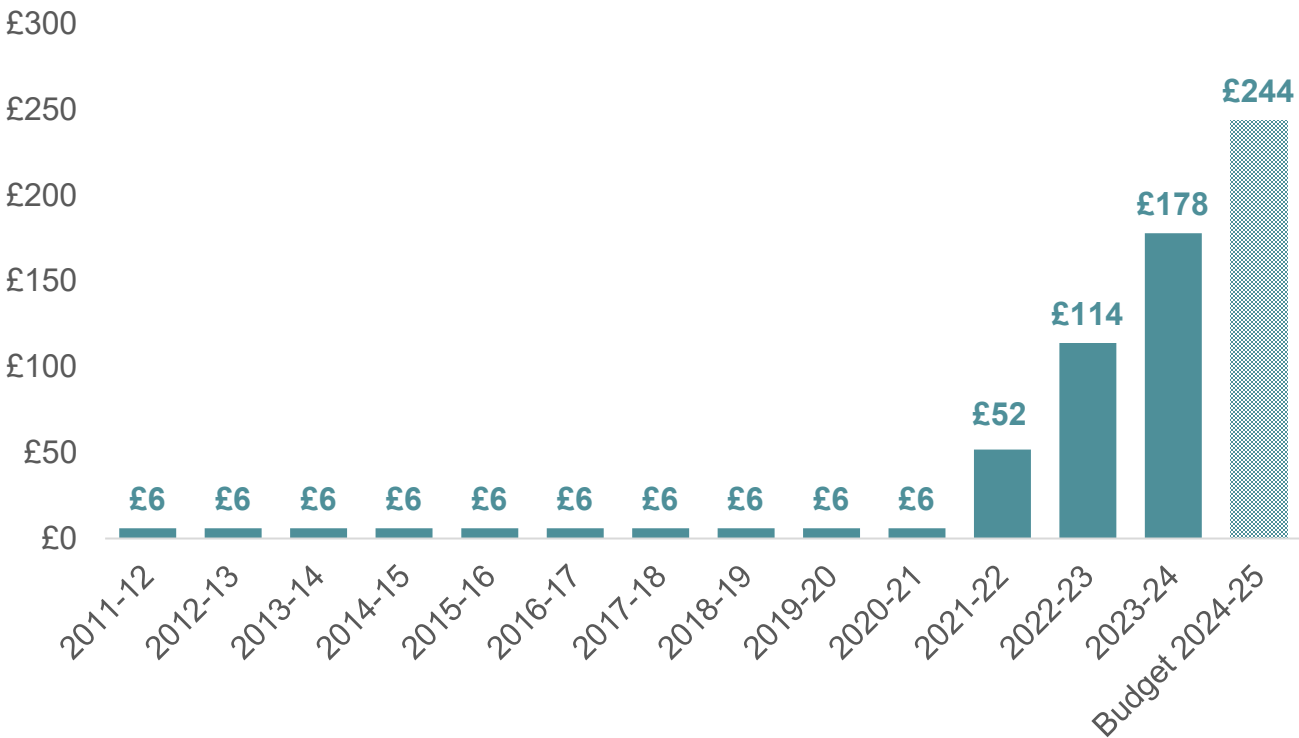


GLA council tax precept

This grant is funded from the Mayor’s precept on council tax bills.

TfL have advised that increasing TfL funding from the GLA council tax precept was a condition of the Department for Transport’s funding agreements with TfL.

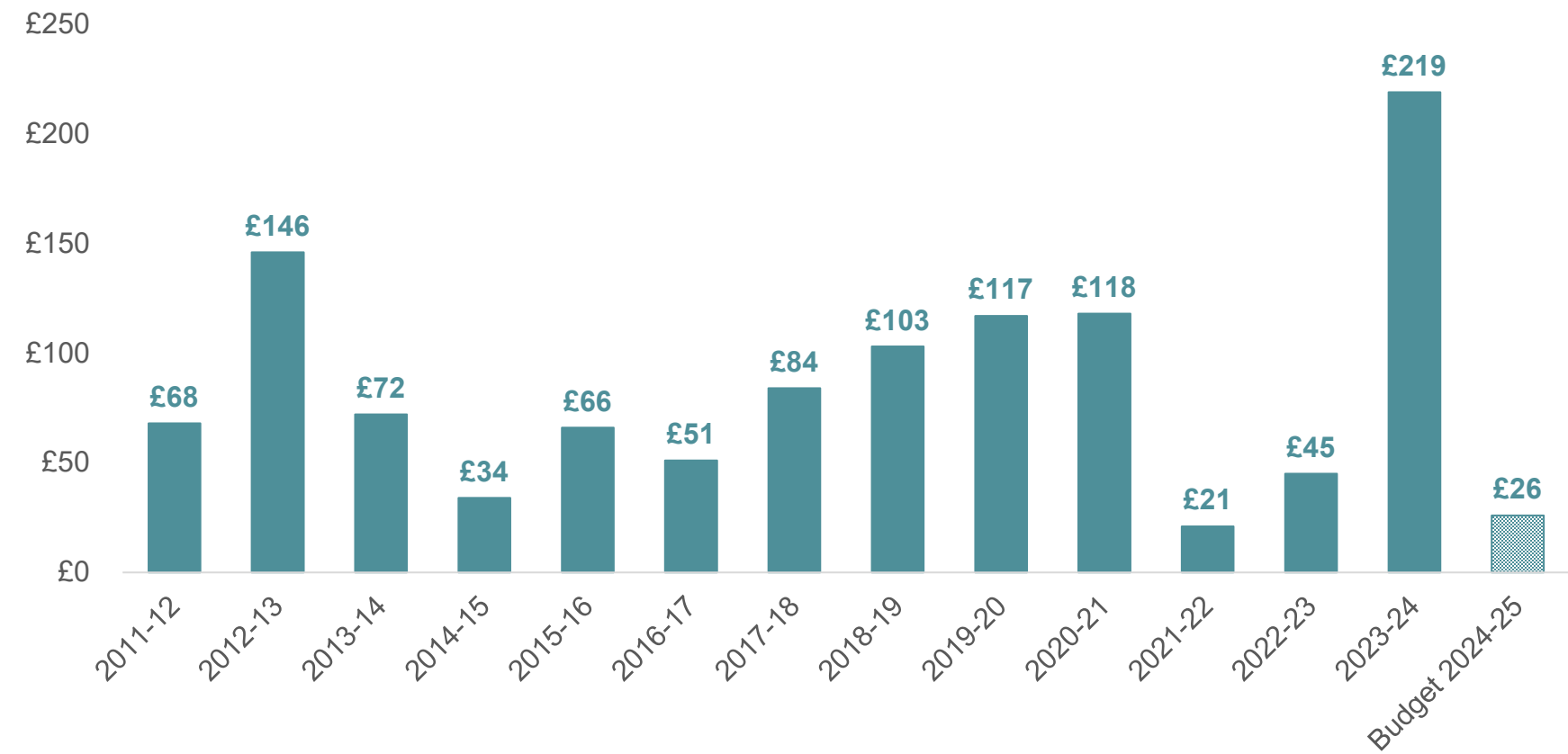
TfL funding from the GLA council tax precept, 2011-12 to 2024-25 (millions)



Other revenue grants

In addition to the general grant TfL received from DfT until 2017-18, TfL has also received other revenue grants from the Government as well as the GLA, of fluctuating amounts.

TfL funding from other revenue grants, 2011-12 to 2024-25 (millions)



3. Revenue expenditure

Total operating costs 23

Operating costs – London Underground 24

Total operating costs

The chart to the right shows TfL's total operating costs between 2011-12 and 2023-24 and projected operating costs for 2024-25.

TfL's delivery of new services (the Elizabeth Line) and operations (the expansion of ULEZ) will account for some of the increase in operating costs.

TfL total operating costs, 2011-12 to 2024-25 (millions)



Operating costs – London Underground

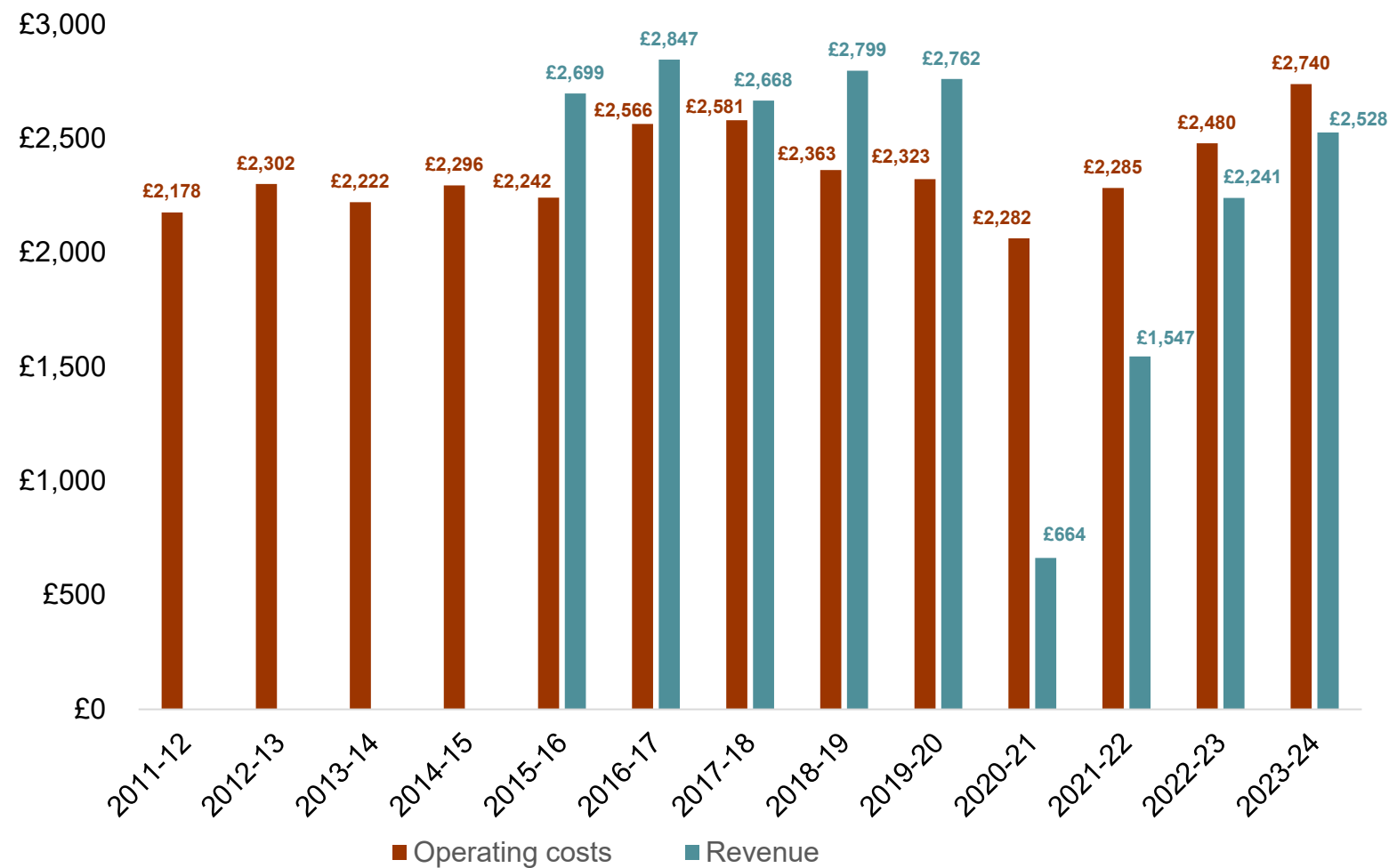
The chart to the right shows operating costs for the Underground from 2011-12 to 2023-24.

It includes direct and indirect operating costs.

It also shows Underground revenue for 2015-16 to 2023-24. Data is not available for earlier years. This includes Underground passenger income and other operating income.

It is not possible to show a similar breakdown for other travel modes, due to categorisation of data in TfL reporting.

Underground **operating costs 2011-12 to 2023-24 and **revenue** 2015-16 to 2023-24, (millions)**



4. Transport journeys by mode

Journeys by TfL transport mode

26

Modes of travel

27

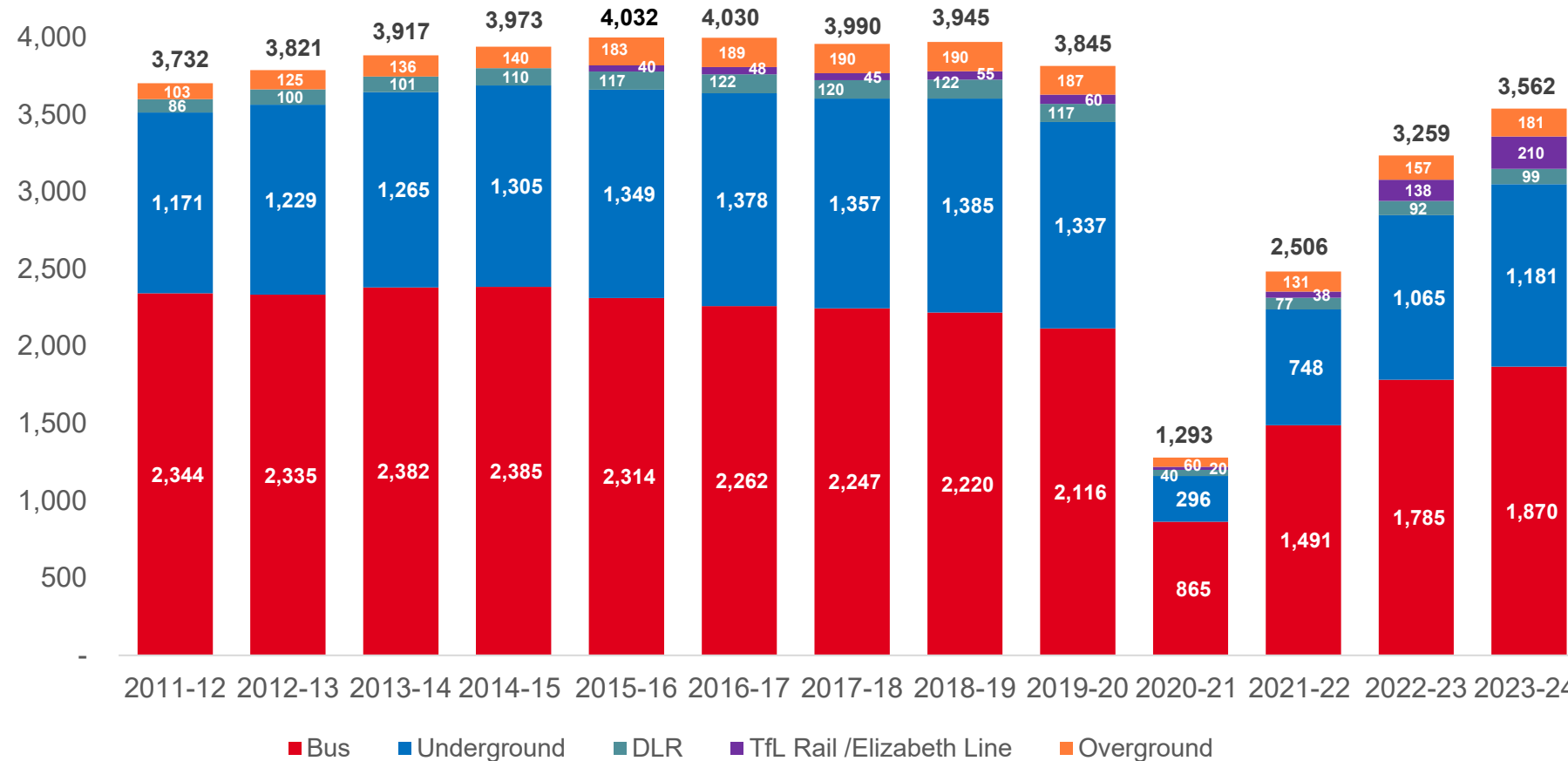
Change in trips by mode

28

Journeys by TfL transport mode

Each year since 2011-12, bus journeys have made up over half of all journeys on TfL transport modes. In 2024-25, TfL forecast it would reach pre-pandemic levels of transport journeys, by 2026-27.

Total journeys by TfL transport mode and breakdown by bus, Underground, DLR, TfL Rail/Elizabeth Line, Overground), 2011-12 to 2023-24 (millions)



Source: London DataStore: [Public transport journeys by type of transport](#). The chart above shows the total for all journeys, including tram and cable car. The individual breakdowns for these two travel modes are not shown in the chart as the numbers are too small.

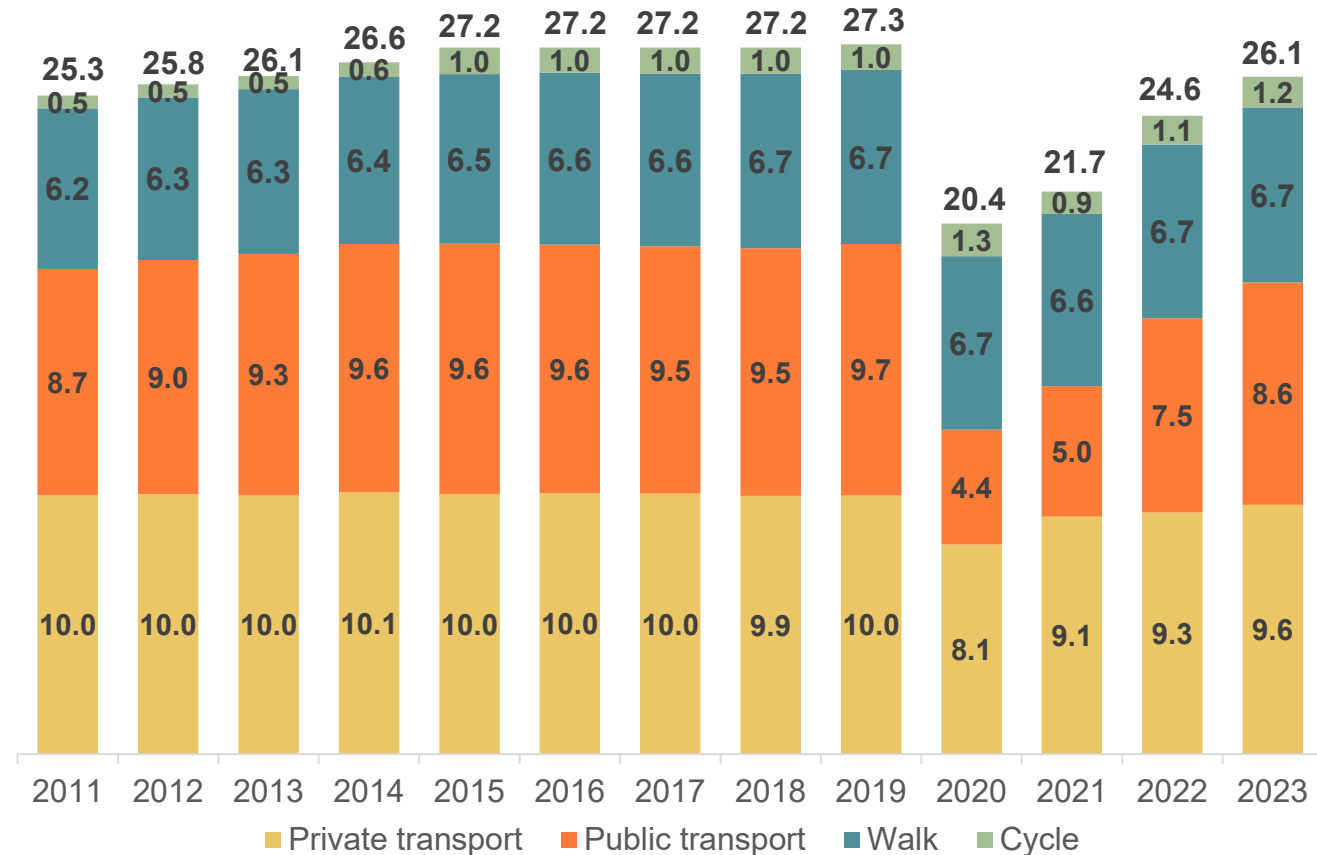
Modes of travel

Estimated daily trips by mode in London, 2011-2023 (millions)

The Mayor has set a target for 80 per cent of all Londoners' trips to be made by foot, by cycle, or by public transport by 2041.

In 2023, 63 per cent of all estimated trips were by foot, cycle, or public transport.

From 2014 to 2019, slightly more daily trips were made by public rather than private transport.



Source: TfL, [Travel in London 2024 - Annual overview \(data\)](#), Figure One, published December 2024. Estimated daily trips are based on a 7-day week average.

Note: Public transport includes taxis and private hire vehicles. The most recent available data for these modes is for 2021 – for which there was an average of 0.2 million daily trips by cars and private hire vehicles in London (TfL, [Travel in London Report 15](#), Table 2.1, p59, published 2022).

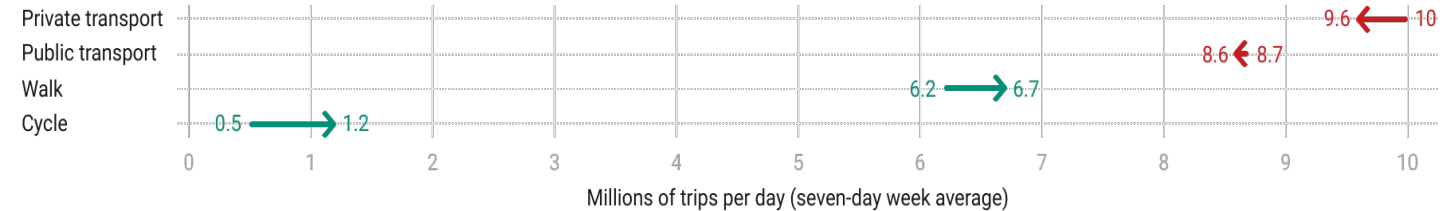
Change in trips by mode

TfL data for 2023 shows that private transport modes are still the most prevalent in London, with 9.6 million daily trips – representing 37 per cent of trips.

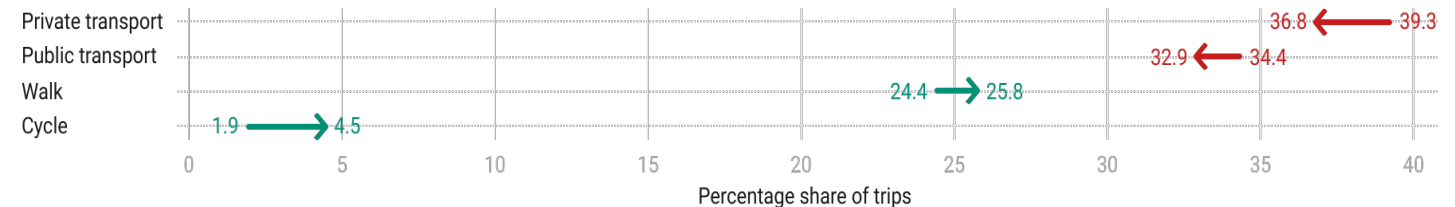
The number of trips by private transport fell by about 400,000 over this period, with trips by public transport also falling by about 100,000.

Trips by walking increased in this period, by about 1.4 million. The biggest shift in modal share was in cycling, with the number of trips and the modal share both more than doubling.

Change in number of daily trips by mode, 2011-2023 (millions)



Change in share of trips by mode, 2011-2023 (percentage)



Source: TfL, [Travel in London 2024 - Annual overview \(data\)](#), Figure 1, published December 2024. Created with Datawrappier. Note: Public transport includes taxis and private hire vehicles, as discussed on the previous slide.

6. Capital funding and expenditure

Total capital funding	30
Total capital expenditure	31
Total capital renewals	32

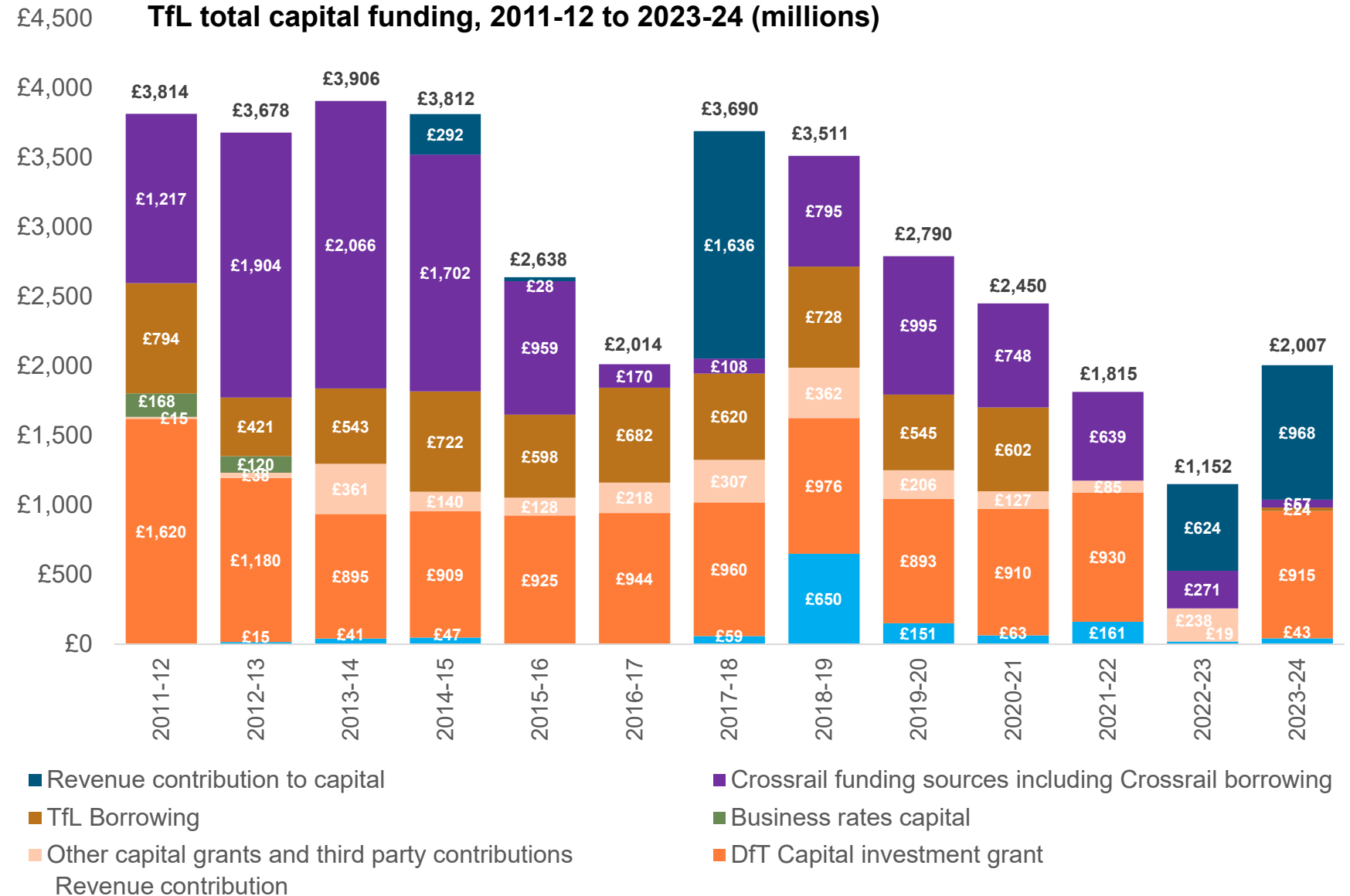
Total capital funding

The chart to the right shows total capital funding and capital funding sources, including external sources and TfL's revenue contributions to capital, for 2011-12 to 2023-24.

It includes Crossrail capital funding sources (grants and borrowing).

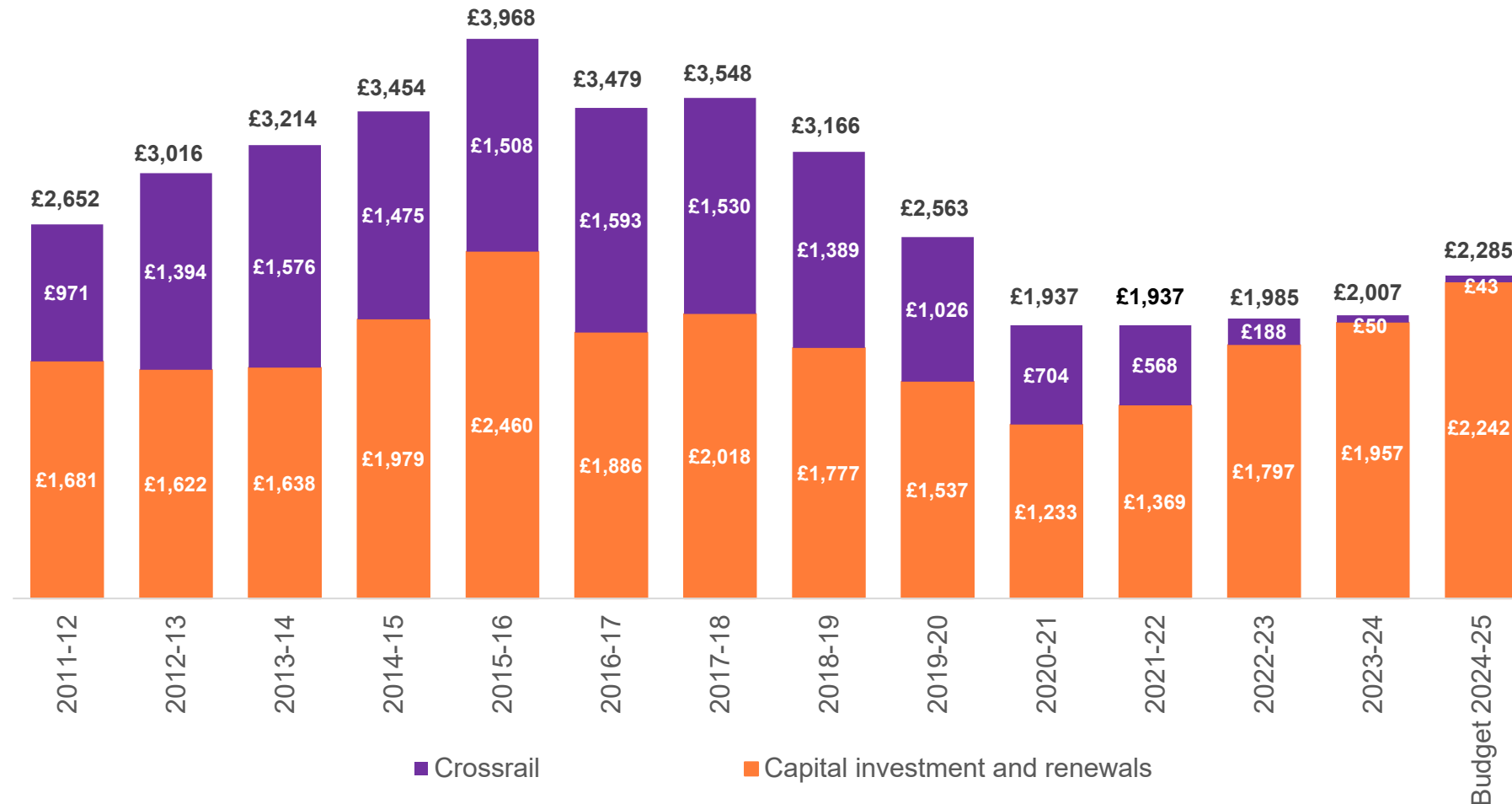
Since 2013-14, all retained business rates are revenue income and can be directed to capital via revenue contributions to capital.

TfL total capital funding, 2011-12 to 2023-24 (millions)



Total capital expenditure

TfL total capital expenditure, including Crossrail capital expenditure, and capital investment and renewals expenditure , 2011-12 to 2024-25 (millions)

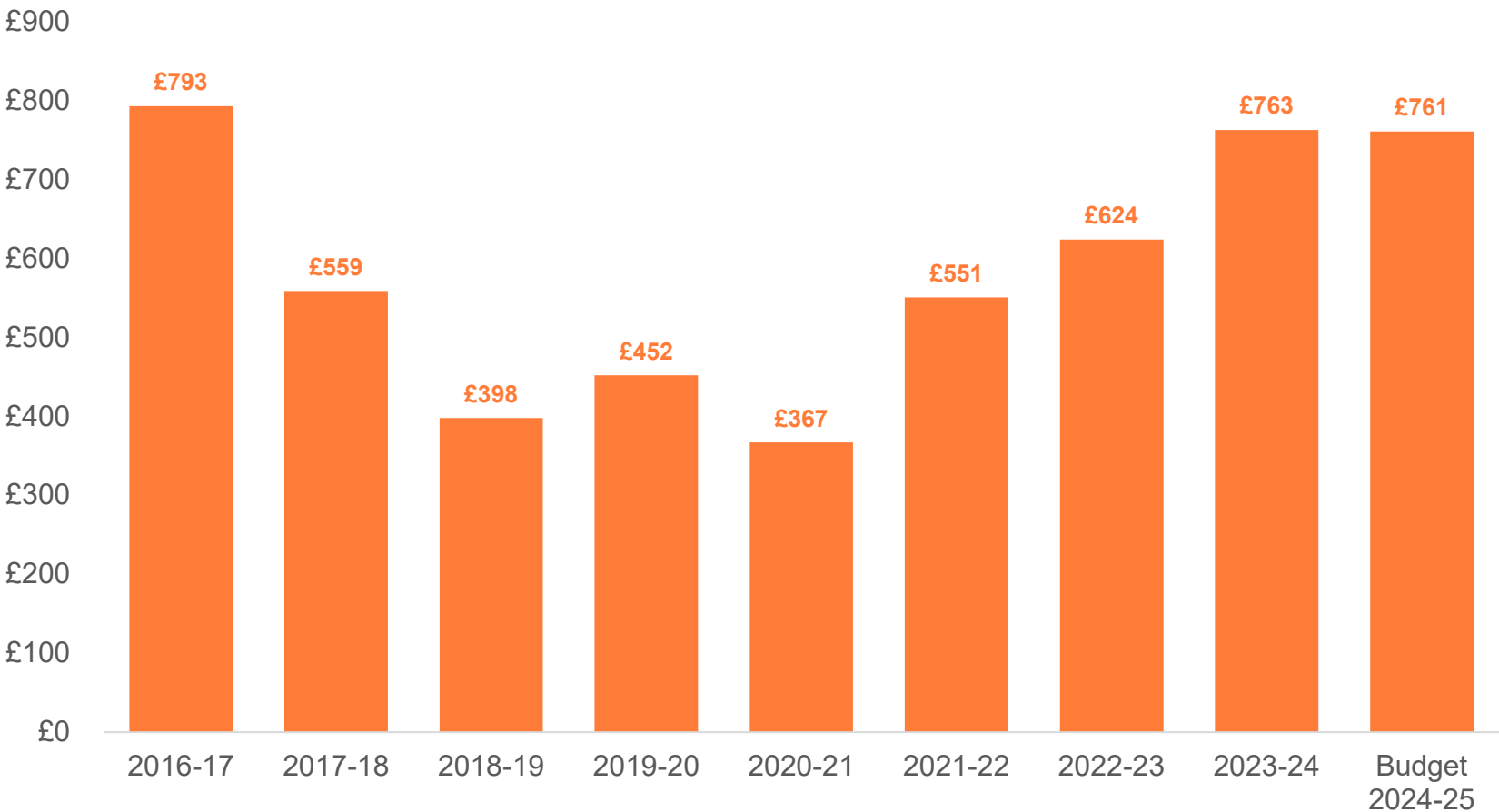


Total capital renewals

Expenditure on capital renewals is for business-as-usual planned maintenance that lengthens the useful life of an asset, either by replacing it with a new one, typically like for like, or with a modern equivalent.

Spending on capital renewals supports the Mayor’s Transport Strategy (MTS) goal of bringing and maintaining all assets to a State of Good Repair.

TfL total capital renewals expenditure, 2016-17 to 2024-25 (millions)



Note: Data is not available for 2011-12 to 2015-16

OTHER FORMATS AND LANGUAGES

If you, or someone you know needs this report in large print or braille, or a copy of the summary and main findings in another language, then please call us on: 020 7983 4100 or email assembly.translations@london.gov.uk

Chinese

如您需要这份文件的简介的翻译本，
请电话联系我们或按上面所提供的邮寄地址或
Email 与我们联系。

Vietnamese

Nếu ông (bà) muốn nội dung văn bản này được dịch sang tiếng Việt, xin vui lòng liên hệ với chúng tôi bằng điện thoại, thư hoặc thư điện tử theo địa chỉ ở trên.

Greek

Εάν επιθυμείτε περίληψη αυτού του κειμένου στην γλώσσα σας, παρακαλώ καλέστε τον αριθμό ή επικοινωνήστε μαζί μας στην ανωτέρω ταχυδρομική ή την ηλεκτρονική διεύθυνση.

Turkish

Bu belgenin kendi dilinize çevrilmiş bir özetini okumak isterseniz, lütfen yukarıdaki telefon numarasını arayın, veya posta ya da e-posta adresi aracılığıyla bizimle temasa geçin.

Punjabi

ਜੇ ਤੁਸੀਂ ਇਸ ਦਸਤਾਵੇਜ਼ ਦਾ ਸੰਖੇਪ ਆਪਣੀ ਭਾਸ਼ਾ ਵਿਚ ਲੈਣਾ ਚਾਹੋ, ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਇਸ ਨੰਬਰ 'ਤੇ ਫ਼ੋਨ ਕਰੋ ਜਾਂ ਉਪਰ ਦਿੱਤੇ ਡਾਕ ਜਾਂ ਈਮੇਲ ਪਤੇ 'ਤੇ ਸਾਡੇ ਸੰਪਰਕ ਕਰੋ।

Hindi

यदि आपको इस दस्तावेज़ का सारांश अपनी भाषा में चाहिए तो उपर दिये हुए नंबर पर फोन करें या उपर दिये गये डाक पते या ई मेल पते पर हम से संपर्क करें।

Bengali

আপনি যদি এই দলিলের একটা সারাংশ নিজের ভাষায় পেতে চান, তাহলে দয়া করে ফো করবেন অথবা উল্লেখিত ডাক ঠিকানায় বা ই-মেইল ঠিকানায় আমাদের সাথে যোগাযোগ করবেন।

Urdu

اگر آپ کو اس دستاویز کا خلاصہ اپنی زبان میں درکار ہو تو، براہ کرم نمبر پر فون کریں یا مذکورہ بالا ڈاک کے پتے یا ای میل پتے پر ہم سے رابطہ کریں۔

Arabic

الحصول على ملخص لهذا المستند بلغة،
فجاء الاتصال برقم الهاتف أو الاتصال على
ال عنوان البريدي أو عنوان البريد
الإلكتروني أعلاه.

Gujarati

જો તમારે આ દસ્તાવેજનો સાર તમારી ભાષામાં જોઈતો હોય તો ઉપર આપેલ નંબર પર ફોન કરો અથવા ઉપર આપેલ ટપાલ અથવા ઇ-મેઇલ સરનામા પર અમારો સંપર્ક કરો.

Connect with us

The London Assembly

City Hall
Kamal Chunchie Way
London E16 1ZE

Website: <https://www.london.gov.uk/about-us/london-assembly>

Follow the London Assembly on social media



Image credits: Greater London Authority
Caroline Teo (pages 1, 4, 22, 29); James O Jenkins (10); Tom Simpson (25)

LONDONASSEMBLY