



A cashless London Transport

2/12/20

Key findings

- 260,000 adults in London are without a bank account. Some with a bank account cannot access debit or credit cards or choose not to use them. Many children have to pay a half fare for non-bus journeys but don't have access to a contactless card.
- Should the proposal to remove cash from TfL's stations become permanent these users of public transport would all rely on the network of Ticket Stops across London to pay for their travel.
- In 2019 there were 75,000 cash transactions a day at London Underground stations. This fell to 12,500 between July and September 2020 despite the steep decline in ridership and only 72 of the 270 stations still accepting cash.
- Those most affected will be those managing tight budgets, the digitally excluded and those that have to make extended, regular visits to newsagents etc. to top up their Oyster cards before travelling. Some of these passengers will top up their Oyster card each time they travel.
- There are issues of mobility and access to Ticket Stops, wasted journey times and personal security when visiting an unfamiliar area.
- Many stations are without nearby Ticket Stops. The London Underground has 17 stations both in central and outer London that don't have a Ticket Stop within 400m. DLR has 10 of 45 stations with no ticket stops within 400m. Of the 30 London Overground stations we looked at, 5 had no Ticket Stop within 400 m.

Cashless buses and trams

Cashless buses

- Following consultation in late 2013 London's bus services went cashless in 2014. Oyster would need to be used and could be topped up at either London Underground, DLR or Overground stations or Ticket Stops (newsagents etc)
- 99% of journeys were already using Oyster and contactless (cash fares were more expensive).
- A review of Ticket Stops was promised
- There was a proviso that this wouldn't be introduced until a 'one trip home' system was in place
- There is a vulnerable persons' policy which allows drivers to use their discretion to allow individuals who don't have any money to still travel.

Cashless trams

- Following consultation in late 2017 trams went cashless in July 2018. Oyster would be needed and topped up as on the bus.
- Only 66 tickets a day were being bought across the Tram network

Background

- Pre-Covid, passengers without access to a bank account or contactless cards would be able to top up at a Ticket Stop or a ticket machine at their local station from the first to last train.
- Since May 2020 only 72 of London Underground's 270 stations have accepted cash.
- In September, when schools returned, several stations on the Metropolitan line resumed taking cash to accommodate children who have to pay half their train fare (the Zipcard concessionary pass is only free on buses)

Transport for London's Proposal

- TfL are now proposing to remove cash from London Underground, DLR and London Overground stations from the new year for an unknown time. The removal of cash on the Overground is subject to government approval.
- Passengers without a bank account or a contactless bank card will not be able to buy a paper ticket at these stations for, say, a National Rail journey.
- Passengers without a bank account or a contactless bank card will only be able to top up an Oyster card at a Ticket Stop (newsagent or similar).
- This proposal does not affect TfL Rail stations.

Who will this affect?

- **Those without a bank account.** Trust for London tell us there are 260,000 'unbanked' adult Londoners (4%), of 1.3m in the UK. TfL's research in 2018 of DLR customers found that 10% want to pay with cash and 1% can only pay with cash because they don't have a bank account.
- **Those without a credit or debit card** though choice or circumstances.
- **Young people who do not have credit cards and travel on modes other than the bus, where they pay half fare**
- **The digitally excluded**
- **Several groups of people may be disproportionately affected:**
 - older people (though Freedom pass deals with most of this except for journeys before gam and buying National Rail tickets)
 - those who are less well off, managing tight budgets who may top-up for a single journey and would waste a lot of time diverting via a Ticket Stop
 - people with limited mobility (but without a Freedom Pass) who might have trouble walking to a ticket stop and back, including those outside London without a concessionary pass
 - people with disabilities including those with a cognitive or learning disability who may not have a bank account
 - children having to pay half cash- half fares on rail modes
 - visitors and tourists, though the Association of Leading Visitor Attractions say most international tourists are well versed in the use of contactless.
 - late night and early morning passengers – our research shows most newsagent hours are long days, but not all. Many are not from first to the last service and do not cover Night Tube hours.
 - travellers topping-up in small values or caught out with too little on their card
 - those travellers who do not know the area and where newsagents are. This will be more problematic at night.
 - those travellers that have concerns for their personal safety

What we know

- On London Underground there were 75,000 cash transactions a day in 2019. This fell to 12,500 (down to 16%) between July to September 2020 alongside a fall to 31% of pre-Covid Tube use and the suspension of cash transactions since May in all but 72 stations.
- There are currently 3,800 Ticket Stops in London but their availability varies from area to area
- TfL have told us that the average distance to a Ticket Stop from stations still accepting cash is: London Underground 183m, London Overground 132m, DLR 247m
- According to TfL an average top up at Ticket Stops is about £7. However one newsagent told us customers will put as little as 30p on a card to make a journey.
- TfL tell us there have been 61 complaints / enquiries of 47,000 relating to London Underground being cashless since May this year.
- London Underground, DLR and London Overground have vulnerable persons' policies. This means staff can use their discretion to allow a passenger to travel even if they don't have any money.
- TfL refer in their Equality impact assessments to research of supermarket customers: the 28% of customers who used cash did so: to help them control their spending; protect their security and privacy; or they didn't have a card on them on the day they were surveyed

London TravelWatch's Ticket Stop research – London Underground

- We looked for stations where Ticket Stops appeared to be some distance from the station*. Not all were in outer London. So this London Underground list is not comprehensive, but represents the worst cases
- **3 had a Ticket Stop between 50 and 150m away**
- **12 had a Ticket Stop between 200 and 300m away**
- **17 had a Ticket Stop over 400m away or had no access to a ticket stop** – Chalfont and Latimer, Chesham, Chorleywood, Croxley, Epping, Fairlop, Holland Park, Hyde Park Corner, Knightsbridge, Loughton, Moorgate, North Greenwich, Osterley, Rickmansworth, Stanmore, Watford, White City.

*This is based on information available on TfL's website



London TravelWatch's Ticket Stop research – London Overground

- We looked at 26 stations between Chingford and Stratford; Cheshunt and Rectory Road plus 4 others
- **11 had a Ticket Stop 'nearby',** i.e. within the station itself or a very short walk.
- **9 had a Ticket Stop within 50 and 150m**
- **5 had a Ticket Stop more than 200m away**
- **5 had a Ticket Stop 400m or more away** – Hackney Wick , Southbury, Imperial Wharf, South Acton and Watford High Street stations



London TravelWatch's Ticket Stop research – DLR

- We looked at 45 stations
- **9 had Ticket Stops 'nearby'.**
- **10 had Ticket Stops between 50 and 150m away**
- **16 had Ticket Stops 200 - 300m away**
- **10 had no Ticket Stop available** – Bank, Beckton Park, Devons Road, Langdon Park, Limehouse, Mudchute, Pontoon Dock, Pudding Mill Lane, Royal Victoria and West Silvertown stations

What do passengers think about the proposals?

- London TravelWatch surveyed its panel of 4,000 passengers and received 256 responses.
 - 90 respondents told us they top up their Oyster card at the station with cash (more than one response was allowed)
 - If respondents were to top up with cash, 69 knew a convenient retail outlet for them, 66 said there was no convenient outlet and 121 didn't know
- The next slides give some key feedback from the two free-text survey questions

If you pay cash at the station, please tell us how this will affect you if there was to be no cash facility at the station you use in the future.

I will have problems if TFL IT system card payment fails I have no way of buying a ticket. I can't use rail vouchers because there will self machine only. I will have difficulty if I am give money from family or friends to pay my ticket. I will not be able to give my young relative under 13 years money (cash) for their bus or train fares.

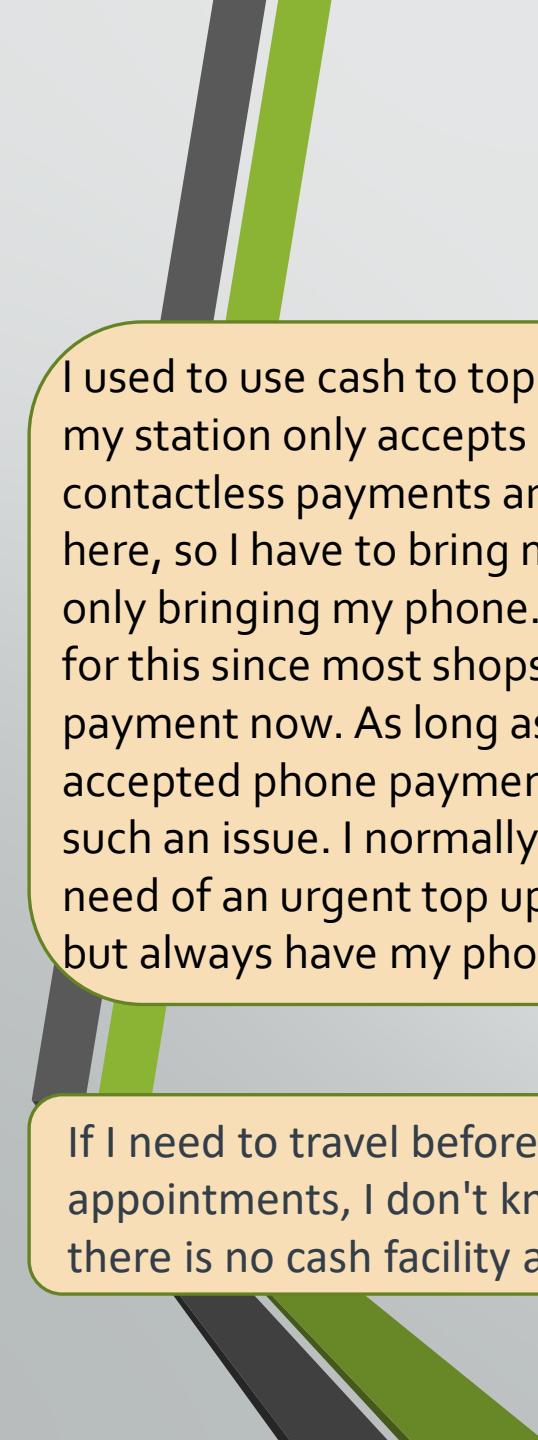
It would affect my ability to purchase tickets and travel to London, it will also mean that it prevents me being able to budget by paying for certain items in cash

I would not be able to top up my Oyster Card as I do not have a bank account.

If the cash facility is withdrawn at stations this will make it incredibly difficult for myself and many people who rely on using cash

I would have to go out of my way, possibly incurring additional costs, to top up at an Oyster retailer or suitable National Rail station. I have no guarantee that either of these options will be available at the time and place I need them. If topping up is made more difficult, I would also feel compelled to carry a greater balance on my Oyster card than I would like.

I will simply dodge the fare if I cannot pay with cash.



I used to use cash to top up my student oyster but now my station only accepts card. This is a hassle since contactless payments aren't accepted on the machines here, so I have to bring my actual bank card instead of only bringing my phone. I rarely need my card apart from for this since most shops accept contactless phone payment now. As long as ticket machines widely accepted phone payments the lack of cash wouldn't be such an issue. I normally top up online now, but if I'm in need of an urgent top up I rarely have my card on hand but always have my phone or some cash.

If I need to travel before 9.00am for hospital appointments, I don't know how I will be able to pay if there is no cash facility at the station.

I would use a shop to top up oyster for local journeys but wouldn't be able to buy tickets for travel outside London. I would be very annoyed at another example of TFL pretending that they are not part of the National Rail network and that through tickets exist.

I have a spare travelcard, and until COVID I topped this up with cash. I don't like using a card for everything, and don't always have one with me. I can't wait to get back to using cash and being able to budget. My grandchildren don't live locally, so have to pay for each journey - with cash.

If going cashless won't affect you directly, is there anyone you know who would be affected?

School children The elderly (before gam) People on benefits/low income. The above often rely on cash, and if they don't previously know that we don't accept cash, can become verbally abusive and demand free travel.

Anyone who relies on a cash budgeting system; riders who do not have a set, frequent pattern and would have to go out of their way to accommodate the new system instead of using the cash that they can use everywhere

Going cashless would affect people who do not have a card (e.g. children, elderly people or those who, for various reasons, do not have a bank account), those whose card is lost, stolen, damaged or left at home, those whose card is suspended through no fault of their own, those who have forgotten their PIN, or those who have forgotten to ensure the account linked to their card has sufficient funds. Some people simply prefer or feel more comfortable with using cash or without using technology to make payments. One of the main problems with going cashless is that if someone turns up with cash but no card, then there is a strong possibility that they will have to walk away without making that transaction, which would obviously be sad for the prospective customer, but also result in the prospective seller losing out on business. If it was to only be cash accepted, then people who turn up with a card but no cash could still make their transaction with little delay if they are pointed in the direction of an ATM.

Inconvenient and unfriendly for international travellers. While credit and debit cards are supposed to work internationally, in practice the acceptance is not universal. Differences in configuration, authorisation processes and PIN/security checks mean that valid cards may not be accepted. For example, many countries allow PINs of more than five digits and some still use signature-based cards, both of which would probably be rejected by TfL's machines. Indeed they seem to know this is an issue as they only make vague promises that contactless cards issued overseas "should" work on their network.

My elderly neighbour and a couple of my friends who don't have bank accounts.

Several Autistic friends are using cash and find it difficult to use the machines.

Going cashless will affect me directly and elderly family members who do not use cashless payments.

Tourists, people who are homeless, people with no access to banking system (poor credit score, recently bankrupted, victims of fraud, No I.D or address so can't have access, victims of fire lost all belonging so Charity or good smarties can't give cash to buy travel tickets, victims of crimes. school children such as infants, junior, primary, secondary, disadvantage backgrounds, etc

People who don't have the benefit of a bank account, people on benefits. A homeless man I know who relies on cash top ups to get to hospital appointments.

I give my kids cash so they can top up as they don't have debit credit cards.

Our research talking to Ticket Stop operators

- We talked to 7 operators of Ticket Stops within or close to London Underground stations
 - Two said they thought Oyster cash sales had risen because of cashless, but of course this was hard for them to judge against reduced overall footfall
 - One said that he regarded Oyster sales as a service. Some passengers just top up 30p and purchase nothing extra. He too had costs for cashing up and the contactless costs were higher than TfL's would be. He thought TfL should take on the costs of contactless
- Opening hours for Ticket Stops are available for many shops on the internet. Most of these shops have long opening hours, some 24/7, but not all had long hours. The operators largely confirmed the opening hours information given on the internet is correct.

Stakeholders we have talked to or responded to our enquiries

Thanks to the following for helping us with this research or responding to our enquiries

- Trust for London
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- Age UK
- Guide Dogs
- St Mungo's
- Association of Leading Visitor Attractions
- The Ticket Stop operators we have talked to
- Transport for London