December 2025

Travel in London 2025

Consolidated estimates of total travel and mode shares

MAYOR OF LONDON

TRANSPORT FOR LONDON
EVERY JOURNEY MATTERS

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2025 update

Table of contents

Summary of key findings

This report looks at trends in total travel in London until 2024 and the main factors affecting them over the longer term, including the recovery from the coronavirus pandemic. This report covers all travel in London, including residents, commuters and visitors.

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- Despite continued growth in demand on most modes since the pandemic, overall travel demand remains below pre-pandemic levels, particularly on public transport. Travel demand decreased in 2024 relative to 2023 on bus/tram and DLR.
- In 2024 there were an estimated 26.6 million daily trips on an average day (seven-day week), an increase of 1.7 per cent from 2023. This is the lowest rate of growth since the pandemic, with travel demand remaining 2.5 per cent lower than in 2019.
- The number of daily journey stages in London in 2024 was 30.2 million, up from 29.7 million in 2023 (a 1.6 per cent increase) but 5.7 per cent lower than the 2019 pre-pandemic level.
- In 2024, the active, efficient and sustainable mode share for all travel in London increased by 0.4 percentage points to 63.4 per cent. Despite this increase, it remained lower than the 2019 pre-pandemic value of 63.6 per cent.
- The post-pandemic trend in the headline active, efficient and sustainable mode share measure primarily reflects the ongoing shortfall in public transport trips relative to before the pandemic, reflecting a mixture of post-pandemic adaptations, economic pressures and a general decrease in per person trip rates. London's slower than (previously) expected population growth is also a factor. The 2021 census found the population to be two per cent lower than contemporary mid-year estimates, although London's population started to increase more strongly in the last two years.
- Both the walking and cycling mode shares remained higher than before the pandemic, with 26 per cent of all trips in 2024 being walking trips. The cycling mode share was 4.7 per cent in 2024, up from 3.6 per cent in 2019 and from an estimated 1.9 per cent in 2000.
- In 2024 London's population increased by one per cent compared to 2023. In 2024 there were an estimated 200,000 more residents in London than in 2019. The growth in London's population in 2024 was mainly driven by natural change, with international flows into London balanced out by flows of London residents to other parts of the country.
- Evolutionary changes to London's population structure, revealed by the 2021 census, could also partially explain recent travel trends. This has ongoing implications for the future since different groups tend to travel in different ways. While still a comparatively young city in population terms, over the last decade London's median age increased faster than elsewhere in the UK. This could affect overall travel demand patterns, since the highest trip rates tend to be among those aged 25 to 44, while those aged 65 and over have some of the lowest trip rates and tend to drive more.
- London's economy remains subdued in historic terms, with relatively low growth. Cost-of-living pressures on discretionary spending are in turn affecting travel. Coupled with a continuing legacy of increased hybrid working after the pandemic,

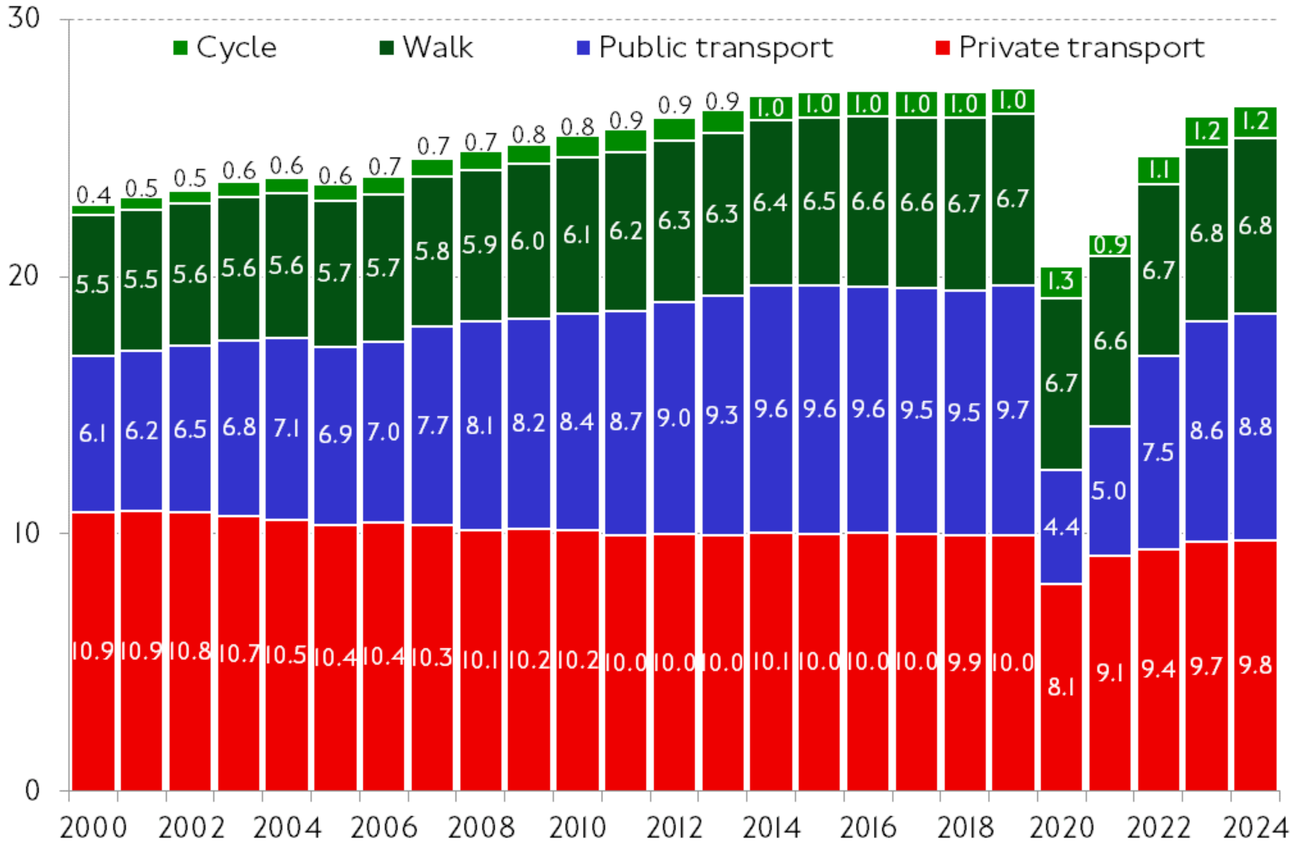
these factors will negatively affect current travel demand and prospects for future growth. However, jobs bounced back strongly from the pandemic and, despite relatively pessimistic official forecasts, indices of consumer confidence are marginally positive.

Consolidated estimates of travel demand

Total travel (trip) estimates

Between 2000 and 2019 the total number of trips made in London on an average day increased by 20 per cent, with particularly notable increases in public transport trips in the earlier years alongside strong increases in cycling demand more latterly. Included in these totals are all trips with its origin, destination, or both in Greater London, by London residents and non-residents, including commuters and day visitors from outside London as well as overnight visitors and tourists (figure 1 and table 1).

Figure 1 Estimated daily trips (in millions) by mode, seven-day week average, from 2000 to 2024.



Source: TfL Strategic Analysis, Customer & Strategy.
Notes: Trips are complete one-way movements. They may include several modes and journey stages but are classified by the mode that is typically used for the longest distance. Round trips are counted as two trips: an outward and an inward leg. | 2024 public transport data is provisional.

From 2015 onwards, however, there was a general slowing of travel demand growth in London, with a net increase in average daily trips of only 0.4 per cent between 2015 and 2019, compared with an estimated population increase of 2.7 per cent over the same period. This indicated a pre-pandemic trend of people making fewer trips per day on average, mirroring the trend seen among London residents only from the London Travel Demand Survey (LTDS) and more widely from the Department for Transport's National Travel Survey.

In 2024 there were an estimated 26.6 million trips in London on an average day (seven-day week), an increase of 1.7 per cent from 2023. In the context of a 1.0 per cent increase in London's population in 2024 (see figure 7 below), this could be interpreted as suggesting a flattening in the recovery from the pandemic, with travel demand still 2.5 per cent lower than in 2019. Given that London's population increased to over nine million, with an extra 200,000 more residents in London than in 2019, per capita travel is clearly lower than it was before the pandemic.

Table 1 Estimated daily trips (in millions) by main mode of travel, seven-day week average, 2000 and from 2014 to 2024.

Year	LO/ NR [note 1]	LU/ DLR [note 2]	Bus/ tram	Taxi/ PHV [note 3]	Car driver	Car passenger	Motorcycle	Cycle	Walk	All
2000	1.7	2.0	2.4	0.3	6.8	3.6	0.2	0.4	5.5	**22.8**
2014	2.8	2.6	4.1	0.3	5.9	3.7	0.2	1.0	6.4	**27.0**
2015	3.0	2.8	3.8	0.3	5.9	3.6	0.2	1.0	6.5	**27.2**
2016	3.0	2.8	3.7	0.4	5.8	3.6	0.2	1.0	6.6	**27.2**
2017	2.9	2.8	3.8	0.4	5.8	3.7	0.2	1.0	6.6	**27.2**
2018	3.0	2.8	3.7	0.4	5.8	3.6	0.2	1.0	6.7	**27.2**
2019	3.1	2.9	3.7	0.4	5.8	3.6	0.2	1.0	6.7	**27.3**
2020	1.2	1.2	2.0	0.2	4.7	2.9	0.2	1.3	6.7	**20.4**
2021	1.3	1.4	2.3	0.2	5.3	3.3	0.3	0.9	6.6	**21.7**
2022	2.2	2.2	3.1	0.3	5.4	3.3	0.3	1.1	6.7	**24.7**
2023	2.6	2.6	3.4	0.3	5.6	3.5	0.3	1.2	6.8	**26.2**
2024	2.8	2.6	3.4	0.4	5.7	3.4	0.4	1.2	6.8	**26.6**
Change from 2000 to 2024 (percentage)	68.4	32.3	39.3	18.8	-16.9	-5.3	83.5	187.2	25.6	**16.8**
Change from 2014 to 2024 (percentage)	-0.9	1.2	-18.9	3.8	-4.1	-7.5	106.0	27.5	6.5	**-1.5**
Change from 2023 to 2024 (percentage)	7.3	2.0	-0.5	8.1	1.4	-2.1	10.1	6.6	1.0	**1.7**

Source: TfL Strategic Analysis, Customer & Strategy.
Notes: Trips are complete one-way movements. They may include several modes and journey stages but are classified by the mode that is typically used for the longest distance. Round trips are counted as two trips: an outward and an inward leg. | 2024 public transport data is provisional.
[Note 1]: LO stands for London Overground. NR stands for National Rail.
[Note 2]: LU stands for London Underground.
[Note 3]: PHV stands for private hire vehicle.

Looking at individual modes, travel demand changes on public transport in 2024 were mixed, with the strongest growth on National Rail/London Overground (7.3 per cent), partly driven by strong passenger demand on the Elizabeth line. Demand on the London

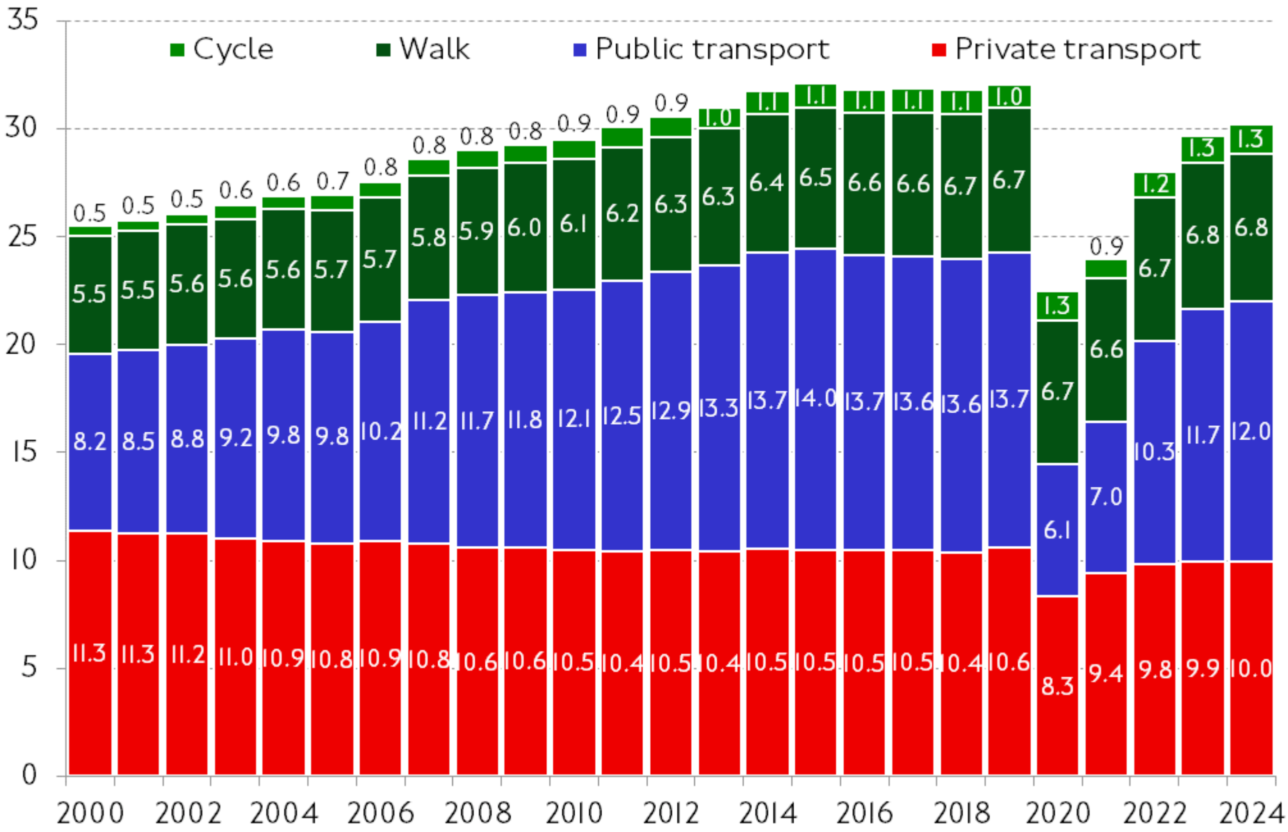
Underground increased by 2.0 per cent, while bus demand decreased by 0.5 per cent. The number of daily car driver trips increased, albeit by only 1.4 per cent. There was continued strong growth in cycling in 2024 (a 6.6 per cent increase compared to 2023), which coupled with a 1.0 per cent increase in daily walking trips continued the increase in active travel since the pandemic.

Despite the increase in daily public transport trips in 2024, demand on all public transport modes remained below pre-pandemic (2019) levels and bus demand 18.9 per cent lower than a decade ago. In 2024, the number of daily National Rail/London Overground and London Underground trips were 8.3 per cent and 10.3 per cent below pre-pandemic levels, respectively, while the number of daily bus trips was 9.0 per cent lower than in 2019. In contrast, the number of daily car driver trips was 1.8 per cent below 2019 levels, with overall travel demand around 2.5 per cent lower than in 2019.

Journey stages estimates

Journey stages are the component parts of trips, each by a single mode. In 2024, there were an estimated 30.2 million journey stages in London on an average day, up from 29.7 million in 2023, an increase of 1.6 per cent (figure 2). This is the slowest annual growth since the coronavirus pandemic, reflecting a levelling off of the post-pandemic recovery in travel despite a 2.2 per cent increase in London's population since 2019.

Figure 2 Estimated daily journey stages (in millions) by mode, seven day-week average, from 2000 to 2024.



Source: TfL Strategic Analysis, Customer & Strategy.
Note: Journey stages are parts of trips by a single mode. Each rail (but not London Underground) interchange between train operating companies or bus boarding is a new stage. Walks are counted only when they are complete (all the way) trips. | 2024 public transport data is provisional.

Table 2 looks in more detail at daily journey stages by mode for the last decade.

Table 2 Estimated daily journey stages (in millions) by mode, seven-day week average, 2000 and from 2014 to 2024.

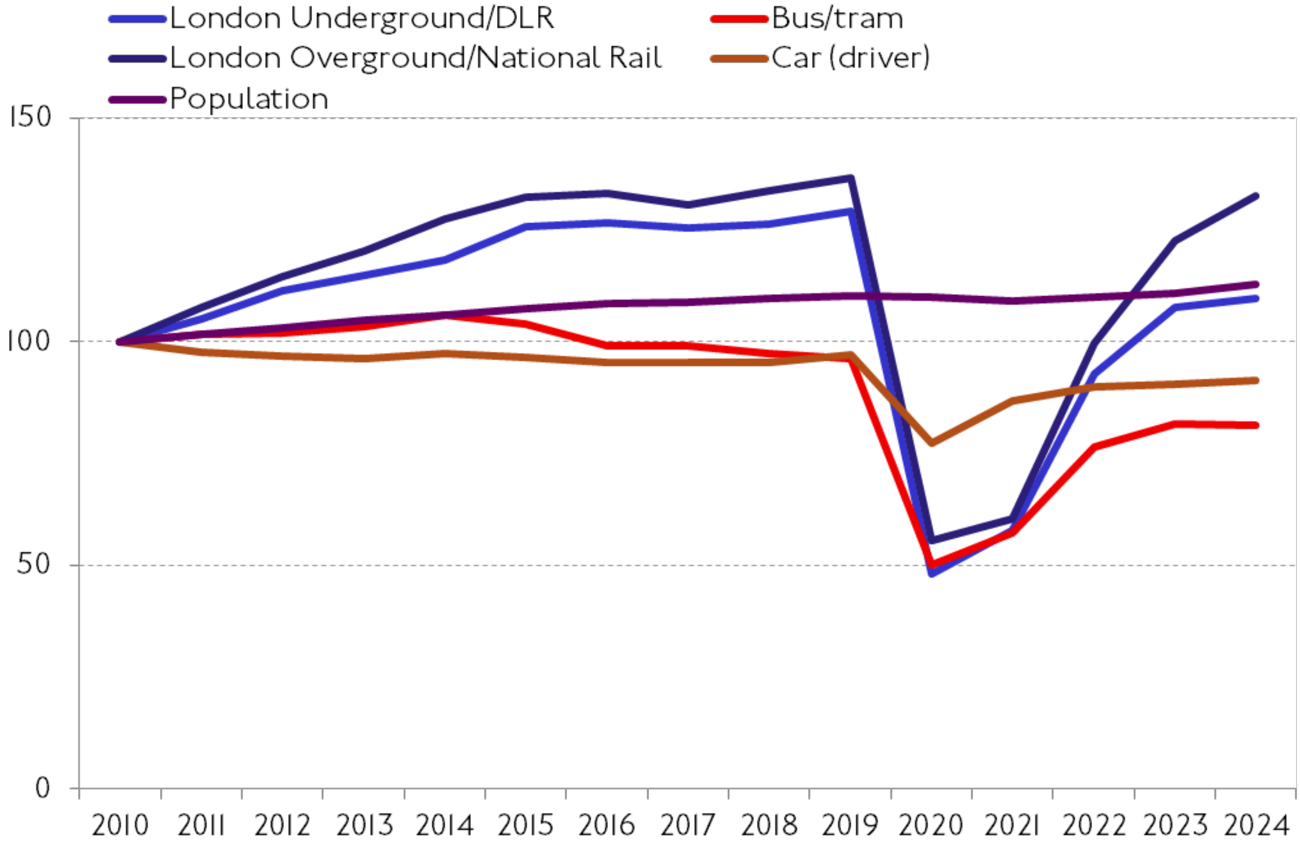
Year	NR/ LO [note 1]	LU [note 2]	DLR	Bus/ tram	Taxi/ PHV [note 3]	Car driver	Car passenger	Motorcycle	Cycle	Walk	All
2000	1.8	2.6	0.1	3.7	0.4	7.0	3.8	0.2	0.5	5.5	**25.5**
2014	3.2	3.5	0.3	6.7	0.4	6.1	3.9	0.2	1.1	6.4	**31.7**
2015	3.4	3.7	0.3	6.5	0.4	6.0	3.9	0.2	1.1	6.5	**32.1**
2016	3.4	3.7	0.3	6.2	0.4	6.0	3.8	0.2	1.1	6.6	**31.8**
2017	3.3	3.7	0.3	6.2	0.5	6.0	3.9	0.2	1.1	6.6	**31.9**
2018	3.4	3.7	0.3	6.1	0.4	6.0	3.8	0.2	1.1	6.7	**31.8**
2019	3.5	3.8	0.3	6.1	0.4	6.1	3.9	0.2	1.0	6.7	**32.0**
2020	1.4	1.4	0.2	3.2	0.2	4.8	3.1	0.2	1.3	6.7	**22.5**
2021	1.5	1.7	0.2	3.6	0.3	5.4	3.5	0.3	0.9	6.6	**24.0**
2022	2.5	2.7	0.2	4.8	0.4	5.6	3.5	0.3	1.2	6.7	**28.0**
2023	3.1	3.2	0.3	5.1	0.4	5.7	3.6	0.3	1.3	6.8	**29.7**
2024	3.4	3.3	0.3	5.1	0.4	5.7	3.5	0.4	1.3	6.8	**30.2**
Change from 2000 to 2024 (percentage)	84.2	24.0	165.7	39.3	7.2	-18.3	-7.6	84.8	184.8	25.6	**18.3**
Change from 2014 to 2024 (percentage)	4.1	-6.8	-9.8	-23.2	-4.4	-5.9	-9.8	108.5	26.4	6.5	**-4.9**
Change from 2023 to 2024 (percentage)	8.1	2.3	-2.1	-0.2	9.0	0.9	-2.2	9.9	5.2	1.0	**1.6**

Source: TfL Strategic Analysis, Customer & Strategy.
Note: Journey stages are parts of trips by a single mode. Each rail (but not London Underground) interchange between train operating companies or bus boarding is a new stage. Walks are counted only when they are complete (all the way) trips. | 2024 public transport data is provisional.
[Note 1]: NR stands for National Rail. LO stands for London Overground.
[Note 2]: LU stands for London Underground.
[Note 3]: PHV stands for private hire vehicle.

In 2024, average daily journey stages increased on National Rail/Overground and London Underground but decreased on bus/tram and DLR services. This flattening (and, for some modes, decrease) in demand with increasing population suggests less per capita travel on an average day. However, growth was strong in cycling and levels of active travel overall were substantially higher than before the pandemic.

Figure 3 shows the longer-term trend in journey stages for selected modes compared with the growth in London's population.

Figure 3 Change (index: 2010 = 100) in journey stages on selected modes, from 2010 to 2024.



Source: TfL Strategic Analysis, Customer & Strategy.
Note: 2024 public transport data is provisional.

Until 2019 there was a clear difference in trajectory between rail-based and road-based modes, with London Underground/DLR and London Overground/National Rail demand increasing at a faster rate than London's population. In contrast, bus/tram and car demand decreased over the same period.

After the pandemic, travel demand recovered more quickly on rail-based modes, with London Overground/National Rail demand in London in 2024 higher than population growth, although the full opening of the Elizabeth line in 2022 will have been a significant contributor to this. In contrast, bus/tram and car driver demand remained much lower than population growth, both appearing to level off or even decrease in the case of buses.

Mode share estimates

Mode shares reflect the choices that people make for travel given the connectivity provided by transport networks. The Mayor's aim is for 80 per cent of trips in London to be made by active, efficient and sustainable modes (walking, cycling and public transport) by 2041. This section looks at historic trends and recent changes to mode shares in terms of trips and journey stages, as well as to the active, efficient and sustainable mode share.

This measure of mode share is compiled from bottom-up statistics of demand on each mode, using the best available on-system counting methods in each case (for example, ticket gate data, road traffic counts), and aggregated to a total travel demand figure, across which the mode shares are apportioned.

Another measure of mode share is provided by our LTDS, a rolling annual travel behaviour survey of a sample of approximately 8,000 households. The source data for this estimate is internally consistent across modes but it applies to London residents only. While both measures indicate broadly similar trends, the value for the active, efficient and sustainable mode share differs between the measures, with the resident-based one tending to give higher relative estimates. More information about this measure, including recent trends, can be found in the Travel in London 2025: The travel behaviour of London residents based on the London Travel Demand Survey report.

Trip-based mode share estimates

The previous decade saw steady progress in the proportion of travel in London undertaken by active, efficient and sustainable modes (table 3).

Public transport accounted for 35.4 per cent of trips in 2019, up from 26.6 per cent in 2000. Private transport (mainly car) accounted for 36.4 per cent of trips in 2019, down from 47.6 per cent in 2000. However, in later years the pace of change slowed, largely reflecting subdued growth or decline in public transport patronage on some modes.

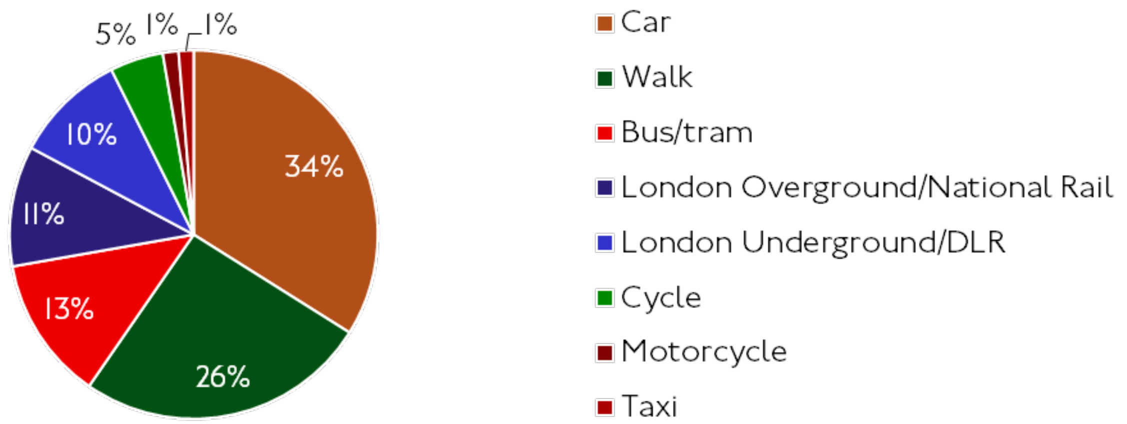
The estimates for 2024 show subdued progress in the post-pandemic recovery of public transport demand, with the public transport mode share increasing from 32.7 per cent to 33.0 per cent, while remaining below pre-pandemic levels (2019). The private transport mode share was 36.6 per cent on an annual average basis, slightly higher than in 2019 (36.4 per cent). Both walking and cycling mode shares remained higher than before the pandemic, with 25.7 per cent of all trips in 2024 being walking trips. The cycling mode share increased to 4.7 per cent in 2024, compared to 3.6 per cent before the pandemic in 2019. Figure 4 shows the mode shares for individual modes in 2024.

Table 3 Trip-based mode shares by type of transport, 2000 and from 2014 to 2024.

Year	Private transport (percentage)	Public transport (percentage)	Cycle (percentage)	Walk (percentage)	Active, efficient and sustainable (percentage)
2000	47.6	26.6	1.9	23.9	52.4
2014	37.2	35.4	3.6	23.8	62.8
2015	36.8	35.4	3.7	24.0	63.2
2016	36.9	35.1	3.6	24.3	63.1
2017	36.8	35.0	3.8	24.4	63.2
2018	36.5	35.1	3.7	24.7	63.5
2019	36.4	35.4	3.6	24.5	63.6
2020	39.5	21.6	6.2	32.7	60.5
2021	42.2	23.2	4.0	30.6	57.8
2022	38.1	30.3	4.5	27.1	61.9
2023	37.0	32.7	4.5	25.9	63.0
2024	36.6	33.0	4.7	25.7	63.4

Source: TfL Strategic Analysis, Customer & Strategy.
Note: 2024 public transport data is provisional.

Figure 4 Mode share of daily trips in London, 2024.



Source: TfL Strategic Analysis, Customer & Strategy.
Note: 2024 public transport data is provisional.

Stage-based mode share estimates

Table 4 shows the stage-based mode shares over the last decade.

Table 4 Stage-based mode shares by type of transport, 2000 and from 2014 to 2024.

Year	Private transport (percentage)	Public transport (percentage)	Cycle (percentage)	Walk (percentage)
2000	44.5	32.3	1.8	21.4
2014	33.2	43.2	3.3	20.3
2015	32.7	43.5	3.4	20.4
2016	32.8	43.0	3.3	20.8
2017	33.0	42.7	3.5	20.9
2018	32.7	42.8	3.5	21.1
2019	33.1	42.7	3.3	20.9
2020	37.1	27.2	5.9	29.7
2021	39.4	29.1	3.8	27.7
2022	35.0	36.9	4.2	23.9
2023	33.5	39.5	4.3	22.8
2024	33.0	39.9	4.4	22.7

Source: TfL Strategic Analysis, Customer & Strategy.
Note: 2024 public transport data is provisional.

In 2024, 39.9 per cent of journey stages in London were made by public transport, compared with 33.0 per cent by private transport. The public transport mode share increased compared to 2023 but remained below pre-pandemic levels (2019). In contrast, the private transport mode share decreased in 2024 and was lower than in 2019. Active travel mode shares at the journey stage level remained well above pre-pandemic levels, at 22.7 per cent for walking and 4.4 per cent for cycling.

Active, efficient and sustainable mode share

Active, efficient and sustainable modes are defined in the Mayor's Transport Strategy as walking, cycling and public transport. The active, efficient and sustainable mode share is calculated in terms of all trips, by all people (including both residents and visitors) travelling in London on an annual average day.

There was a continuous year-on-year increase in the active, efficient and sustainable mode share between 2000 and 2019 but with the pace of change slowing between 2015 and 2019.

In 2024, the trip-based active, efficient and sustainable mode share increased by 0.4 percentage points with respect to 2023 to 63.4 per cent, which was 0.2 percentage points lower than in 2019 (table 5). The increase was driven by strong growth in National Rail and cycling trips in 2024 as well as slower growth in car driver trips. However, the decrease in demand across other public transport modes meant that the mode share growth was lower than might otherwise have been expected.

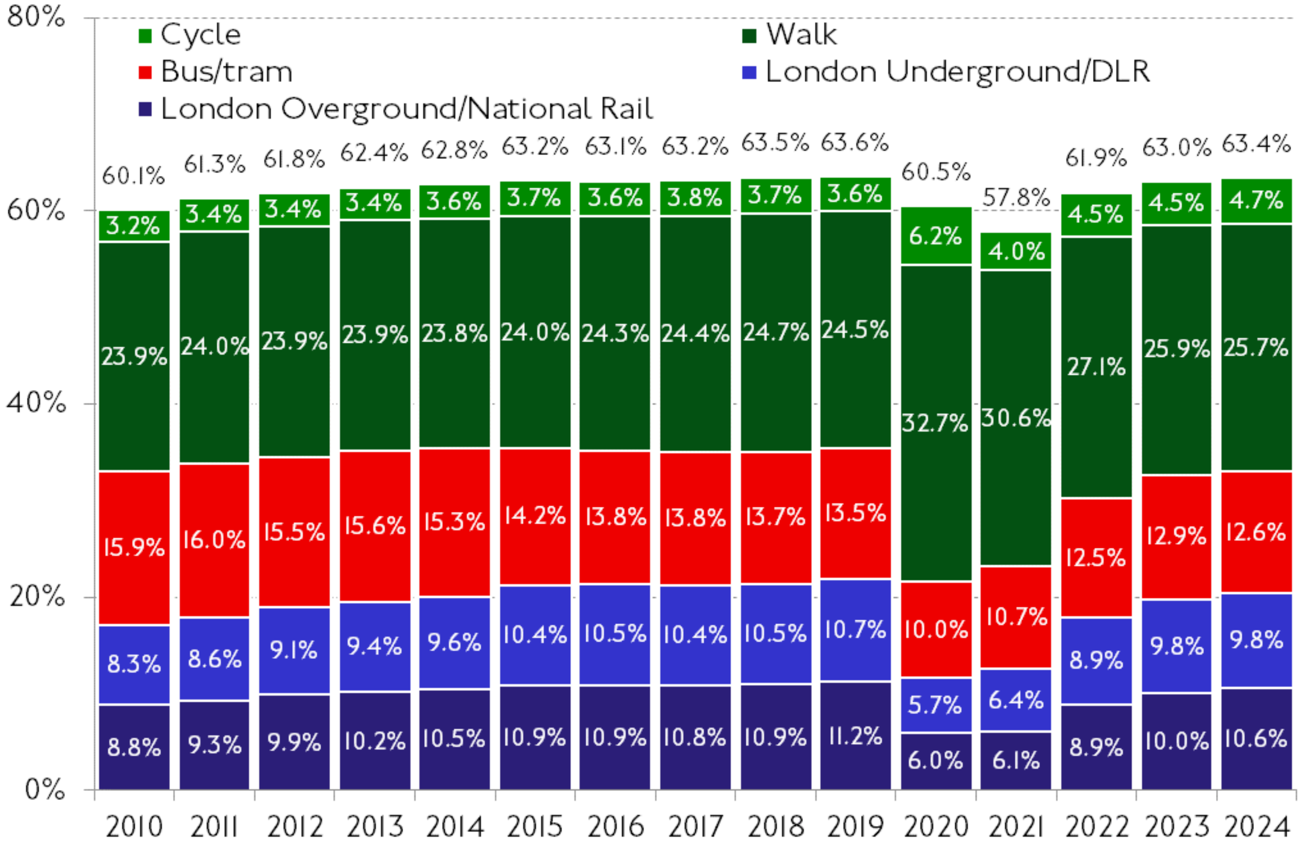
Table 5 Proportion of trips and journey stages by active, efficient and sustainable modes, from 2016 to 2024.

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024
Trips (percentage)	63.1	63.2	63.5	63.6	60.5	57.8	61.9	63.0	63.4
Journey stages (percentage)	67.2	67.0	67.3	66.9	62.9	60.6	65.0	66.5	67.0

Source: TfL Strategic Analysis, Customer & Strategy.
Note: 2024 public transport data is provisional.

Figure 5 shows the historic series for this measure by mode.

Figure 5 Active, efficient and sustainable trip-based mode share by mode, from 2010 to 2024.

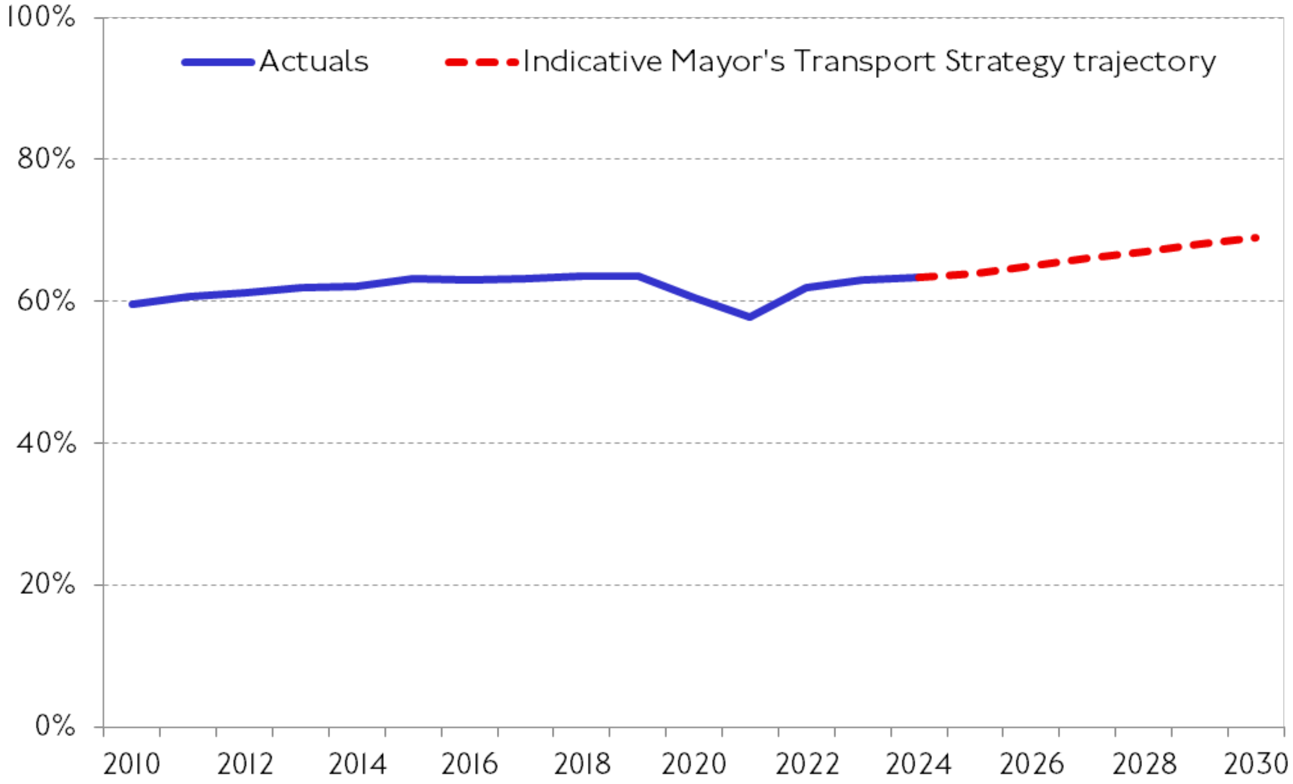


Source: TfL Strategic Analysis, Customer & Strategy.
Note: 2024 public transport data is provisional.

The post-pandemic trend reflects the ongoing shortfall in public transport trips relative to before the pandemic. London's slower than expected population growth was also a factor. However, active modes (walking and cycling) increased in absolute terms after the pandemic.

Figure 6 shows this same trend alongside the indicative trajectory to 2030 required to meet the Mayor's Transport Strategy ambitions.

Figure 6 Active, efficient and sustainable trip-based mode share, from 2010 to 2030.



Source: TfL Strategic Analysis, Customer & Strategy.
Note: 2024 public transport data is provisional.

Trends in the principal drivers of travel demand

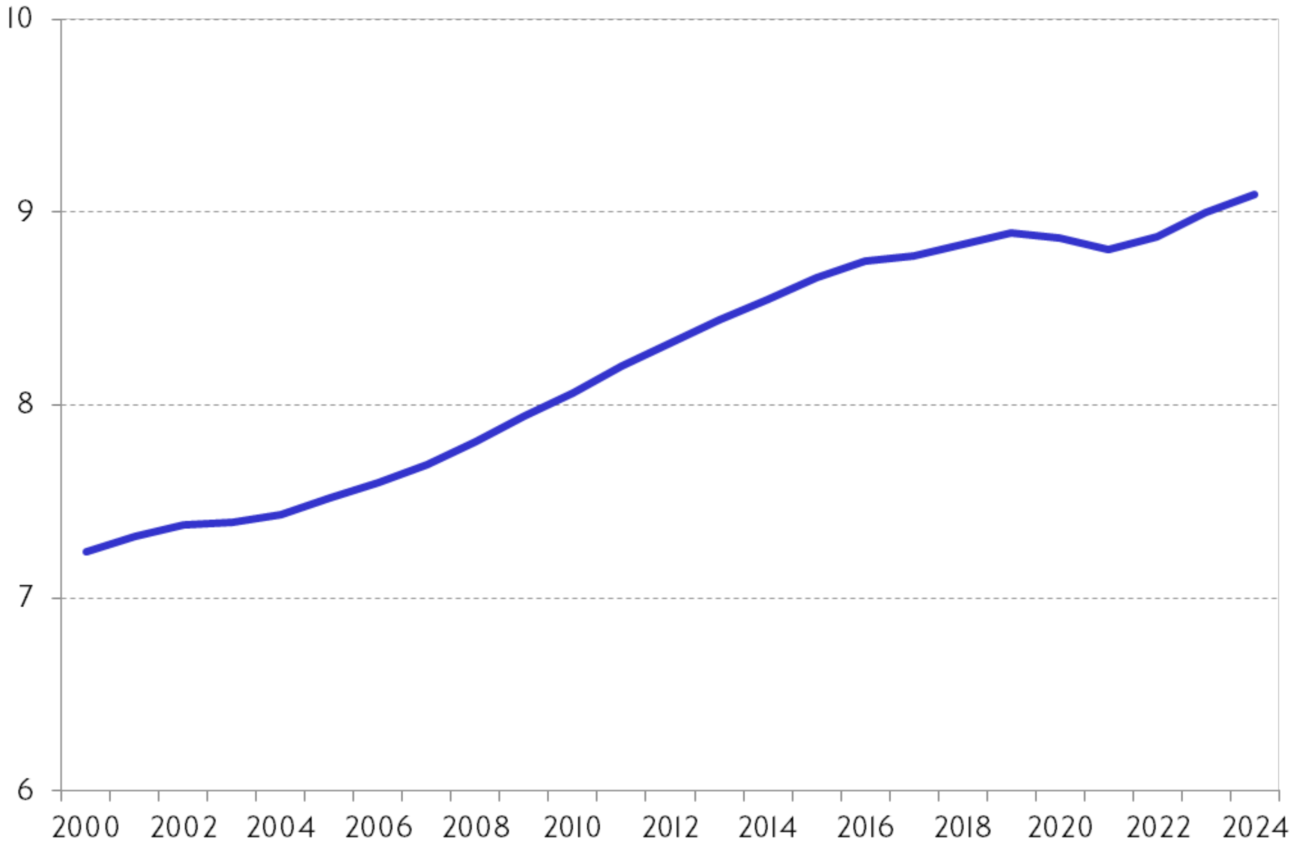
Travel demand in London primarily reflects the number of people living in (and visiting) London and their economic activity, such as employment. Trends in London's population and economy are therefore relevant to understanding the above trends in travel.

Population

After two years of small decreases in London's population during the pandemic, growth resumed in 2022 and the latest estimates for 2024 suggest that the population of London was over nine million for the first time. In the latest year, London's population grew by 1.0 per cent, following strong growth of 1.4 per cent in 2023. This was the strongest rate of population growth since the first half of the previous decade (figure 7).

Following the last three years of growth, London's population in 2024 was 2.2 per cent larger than before the pandemic in 2019, an increase of almost 200,000 people. Despite the increase in the number of people living in London, the previous section showed that travel demand in 2024 was still lower than in 2019 across most modes, suggesting that London residents have reduced the number of trips they make on an average day.

Figure 7 London's population (in millions), from 2000 to 2024.



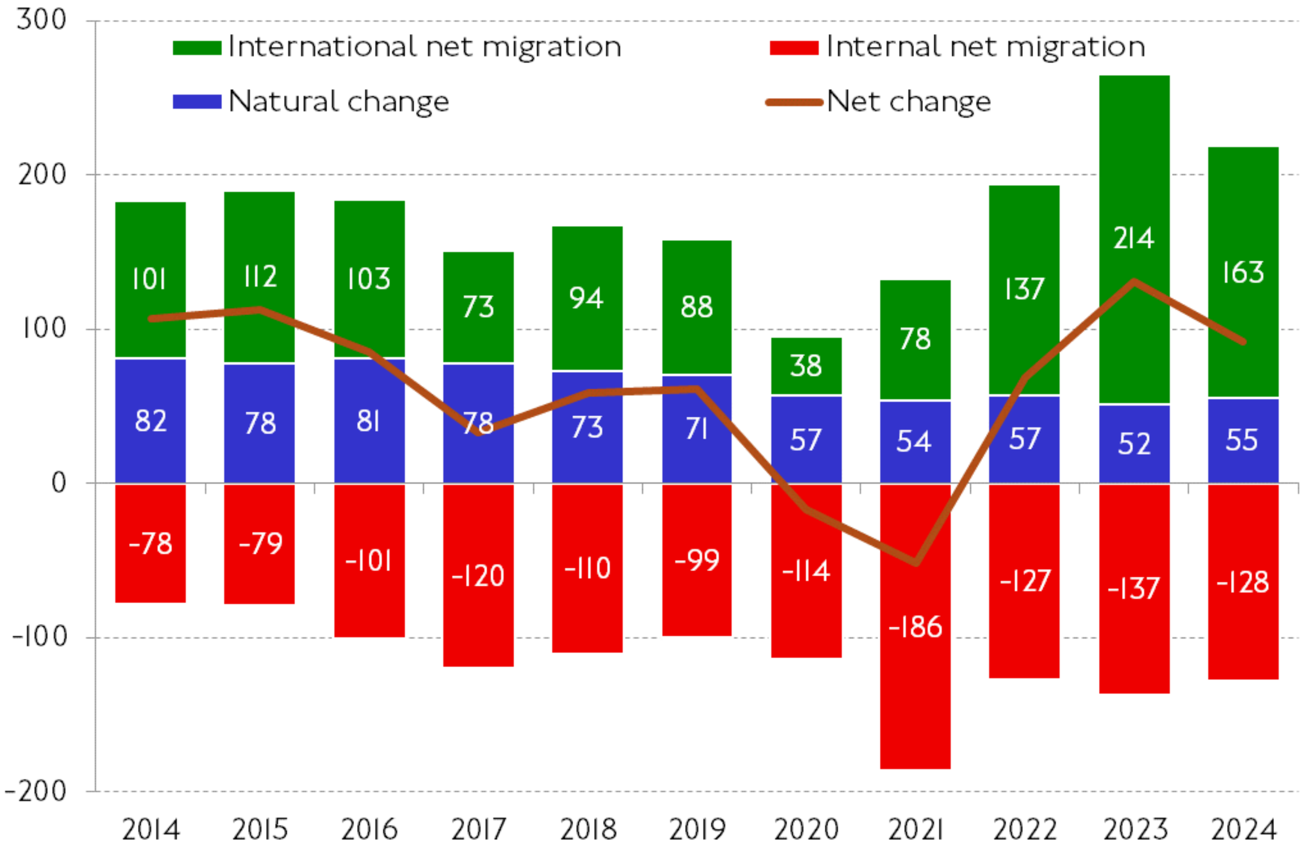
Source: Office for National Statistics.

Components of population change

London continued to attract a large amount of international migration, and the last two years saw the highest levels of net international migration to London, albeit in the context of record levels of international migration to the UK as a whole.

The net inflows of international migrants to London were however almost balanced out by flows of people moving from London to other parts of the country. Looking at all forms of migration (both international and domestic), around 35,000 more people moved to London than left in 2024 (figure 8).

Figure 8 London's population change (in thousands) by component, from 2014 to 2024.



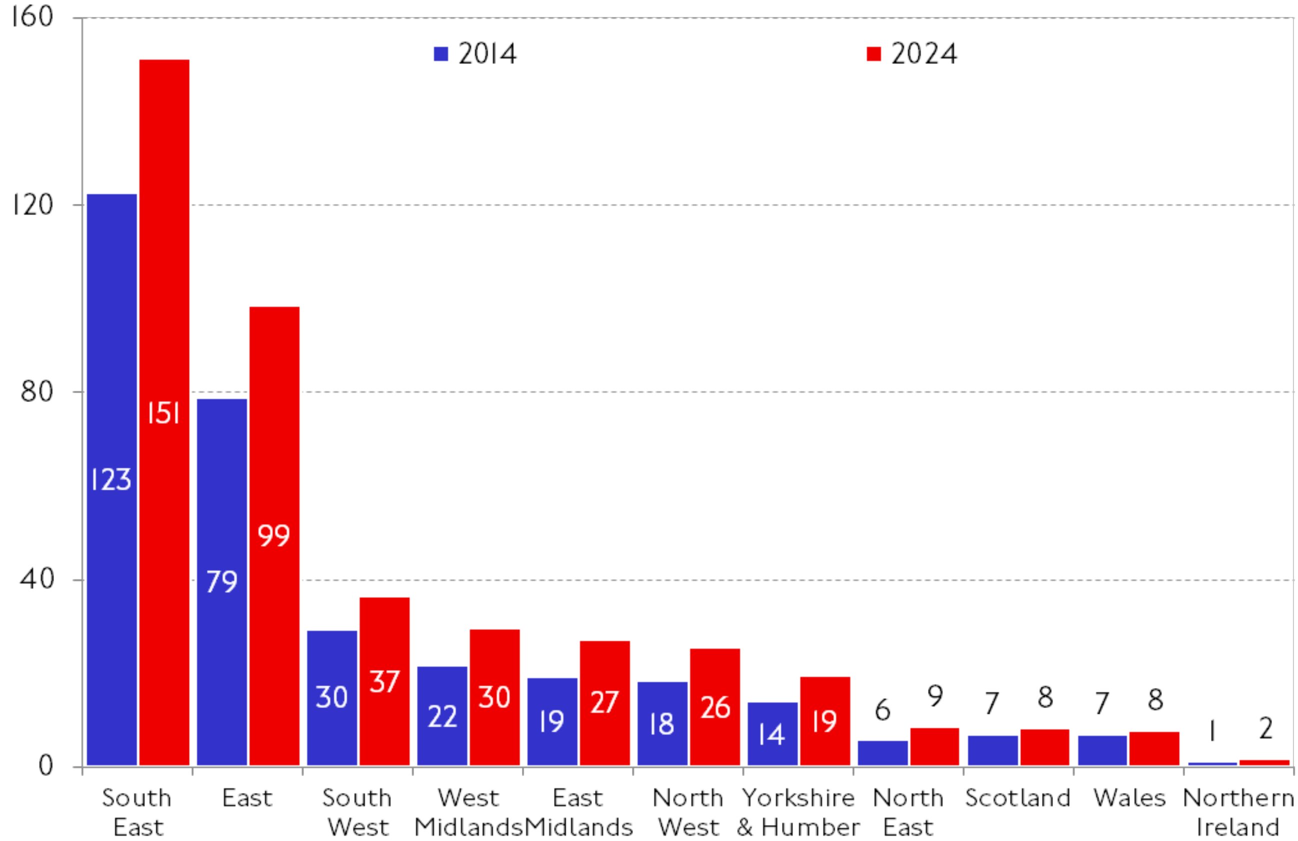
Source: Office for National Statistics.

The main driver of population change in 2024 was natural change, with 55,000 more births than deaths in the year. However, the long-term trend in births in London is one of decline. In the country as a whole, natural change was net negative in 2024, with more deaths occurring than births.

Regional change and internal migration

Every year, a substantial number of London residents move out to other parts of the UK. Around 415,000 residents moved to other parts of the UK in 2024, a 28 per cent increase since 2014 (figure 9). The majority (60 per cent) of these internal migrants moved to the regions immediately bordering London (the South East and the East), suggesting that they may still travel into and around London, albeit on a less regular basis. However, growth was higher in the number of London residents moving out of the area entirely to the North and to the Midlands (an increase of 40 per cent).

Figure 9 London residents (in thousands) migrating to other parts of the UK, by destination, 2014 and 2024.



Source: Office for National Statistics.

Since 2019, population growth was higher in both the East and South East regions than in London. Between 2019 and 2014, the population grew by five per cent in each region compared with only two per cent in London. This could reflect the widespread increase in the ability to work from home for London workers, which enables them to live outside the city and travel to a London workplace on fewer occasions in an average week.

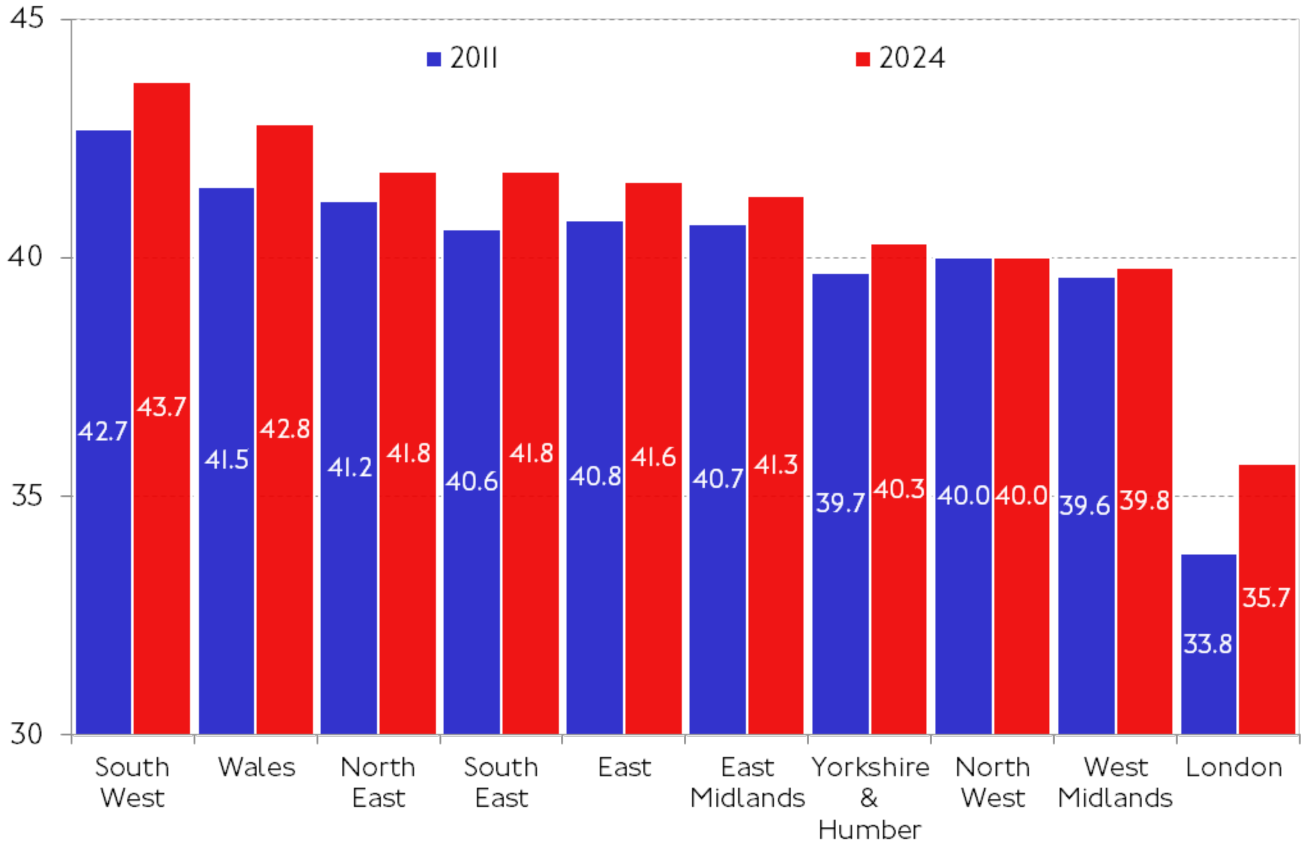
Population by age group

Like all parts of the country, the London population is ageing. While London is still the region with the lowest median age overall, it also saw the highest percentage increase in the median age between 2011 and 2024 (figure 10).

This may partly explain some of the changes in travel behaviour in London over recent years. Data from the LTDS shows that the number of trips made, and the modes used, differ by age and gender. For example, the highest trip rates tend to be among those aged 25 to 44, while the lowest are among those aged 16 to 24 and 65 and over. Older London residents are also more likely to drive, so if travel behaviour remains relatively similar over time, we can expect an ageing city to have more private transport use.

The decrease in birth rates in London will also have an impact on travel patterns. Since 2019 there has been a decrease of 150,000 pupils according to analysis by the Education Policy Institute which predicted a further decrease of 400,000 in the number of pupils in schools in England by the end of the decade. Nine of the 10 local authorities seeing the largest decreases across the country are in London, with inner London boroughs seeing the biggest change. This will likely affect the number of walking, bus, and car passenger trips, which are the most common modes used for primary school travel.

Figure 10 Median population age by region, 2011 and 2024.



Source: Office for National Statistics.

Economy

Economic trends and forecasts

The latest London's Economic Outlook report, published by the GLA in June 2025, forecast London's real Gross Value Added to grow by 1.6 per cent in 2025, indicating some strengthening relative to 2024 which saw 1.1 per cent annual growth, while global trade disruptions and inflationary risks contribute to continuing uncertainty in London's economic outlook. The GLA forecast continued strengthening in this growth rate to 1.7 per cent in 2026, and to 1.9 per cent in 2027. However, these rates remain below historic (pre-pandemic) averages.

At the national level, the Bank of England's latest Monetary Policy Report from August 2025 forecast relatively low UK Gross Domestic Product (GDP) growth of 1.2 per cent in the year until the quarter from October to December 2025. Looking ahead, the Bank of England forecast year-on-year increases in GDP of 1.3 per cent in the year until the quarter from October to December 2026, 1.5 per cent in equivalent year of 2027 and 1.7 per cent in equivalent year of 2028. These increases compare to year-on-year growth of around 2.0 per cent before the coronavirus pandemic.

From its historic peak (11.1 per cent) in October 2022, Consumer Price Index (CPI) inflation fell during a period of substantial disinflation until mid-2024 before rising again until July 2025. Since then, the CPI 12-month rate remained at 3.8 per cent (slightly below the Bank of England's forecast peak of 4.0 per cent in September 2025) and is expected to fall back to the Government's target of 2.0 per cent in the medium term (mid-2027).

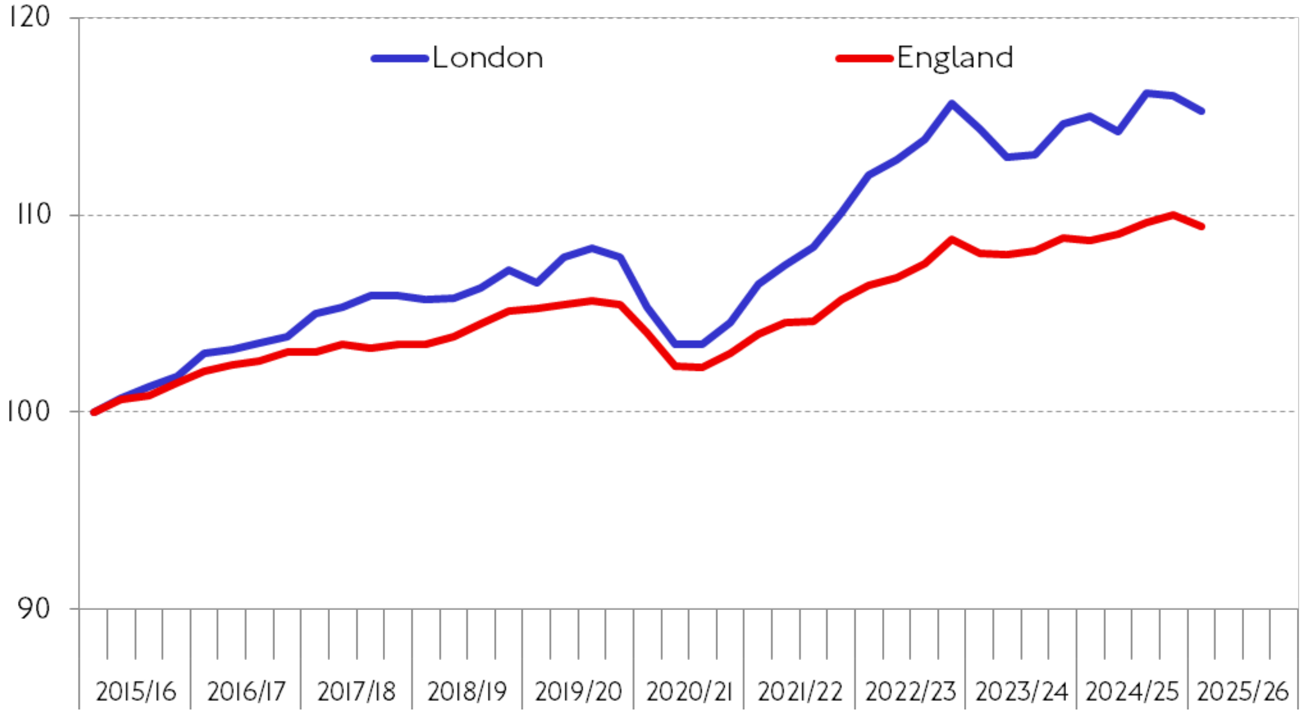
The Average weekly earnings in Great Britain data from the Office of National Statistics (ONS) shows that wage (average weekly earnings) growth for regular earnings (excluding bonuses) in the year to August 2025 was 4.7 per cent. Adjusting for inflation using the Consumer Prices Index including owner occupiers' housing costs, the growth in regular earnings was 0.6 per cent over this period. However, wage growth is falling and private sector regular pay growth is expected to drop to 3.7 per cent by the end of 2025 and to 3.5 per cent by mid-2026.

The economic outlook for London remains uncertain. While inflation has decreased from its 2022 peak, the current rate of inflation is well above the Bank of England's target of 2.0 per cent and, despite recent reductions in interest rates, monetary policy to reduce inflation is likely to continue in the medium term. While the high density of service sector activity in London puts growth in the capital above that of the rest of the country, the GLA's most recent forecasts indicate that London's economy is not expected to return to pre-pandemic trends in the short term.

Labour market and workforce jobs

Figure 11 shows the change in total workforce jobs (seasonally adjusted) since April to June 2015, based on the ONS's Workforce jobs latest estimates.

Figure 11 Change (index: April to June 2015 = 100) in workforce jobs in London and England, by financial quarter, from April to June 2015 until April to June 2025.



Source: Office for National Statistics.

These estimates indicate that the total number of workforce jobs in London increased slightly (by less than one per cent) between April to June 2024 and April to June 2025, despite a decrease in the latest two quarters. Relative to April to June 2019, the total number of workforce jobs in London in April to June 2025 increased by eight per cent. At the national (England) level, growth between April to June 2024 and April to June 2025 was also less than one per cent, after a fall in the latest quarter. The total number of workforce jobs in England in April to June 2025 increased by four per cent since April to June 2019 (approximately half the equivalent jobs growth in London over the same period). The GLA forecast London workforce jobs to grow by 0.8 per cent in 2025 and expects faster growth in the medium term of 1.0 per cent in 2026 and 1.3 per cent in 2027.

Both the UK and London labour markets showed signs of loosening in 2025, with demand for labour decreasing. The latest London Labour Market Updates from the GLA indicate that in London, the number of payrolled employees decreased slightly in recent months, while remaining 5.4 per cent above the pre-pandemic (February 2020) position in September 2025, largely due to growth in the services sector. For comparison, over the same period, the number of payrolled employees across the UK increased by 4.4 per cent.

While recent growth in London was faster than the UK average and the overall rates of employment, unemployment and economic inactivity in London remained fairly stable, analysis by the GLA suggests that labour market conditions for younger London residents were more difficult. In London, the number of payrolled employees aged 18 to 24 decreased by 1.8 per cent in the year to September 2025, compared with a decrease of only 0.1 per cent across the UK. Over the same period, the claimant count (the number of people claiming benefits principally for the reason of being unemployed) for those aged 16 to 24 increased by 14.6 per cent in London, compared to an increase of 10.2 per cent across the UK.

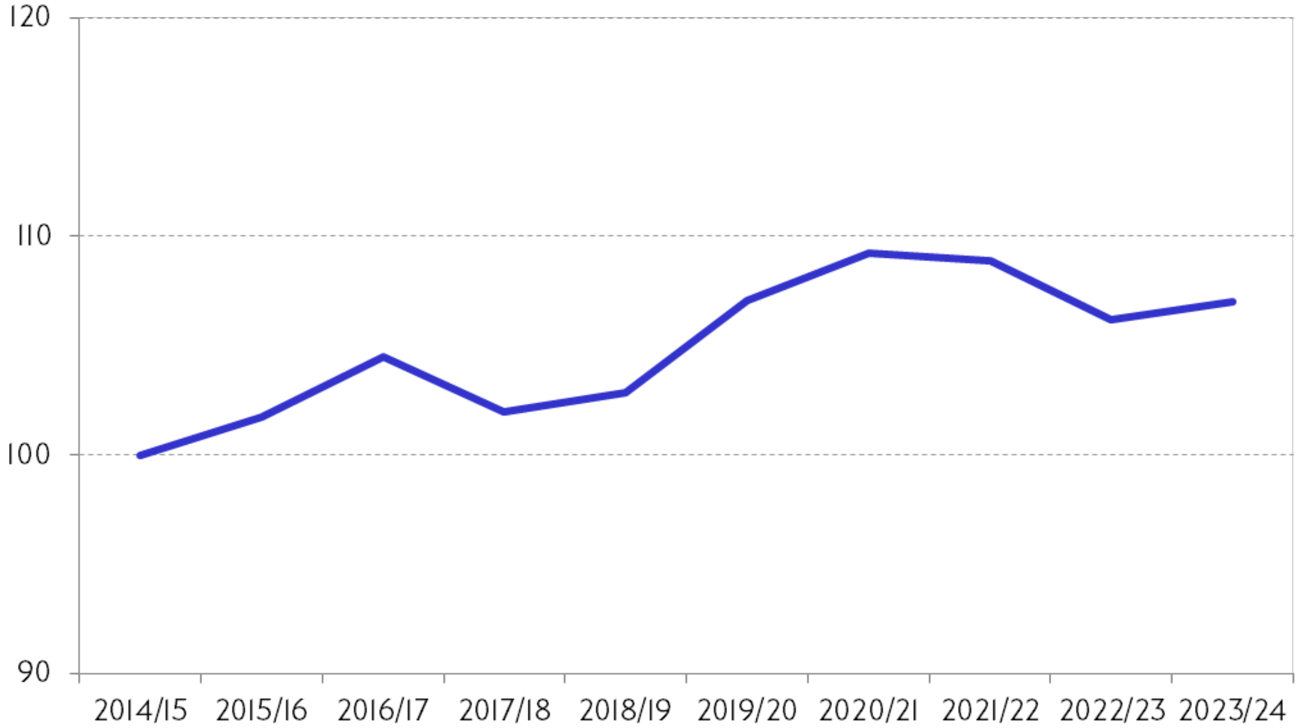
Based on the GLA's latest analysis of Payrolled employments by nationality, the recent trends in the composition by nationality of payrolled employments held by people living in London continued in 2024. In December 2024, non-UK nationals held 42 per cent of payrolled employments in London, more than double the UK average of 20 per cent. This represents an increase of one percentage point relative to December 2023 (41 per cent) and has increased significantly over the past decade from 35 per cent in December 2014.

This composition changed substantially after the UK's formal exit from the European Union (EU) on 31 January 2020, with a decreasing proportion of London payrolled employments held by EU nationals (19 per cent in December 2019 and 15 per cent in December 2024), and an increasing proportion held by non-EU nationals (19 per cent in December 2019 and 27 per cent in December 2024).

Disposable incomes and travel demand impacts

The ONS' latest data on Average household income shows that in 2023/24, the UK median disposable household income did not change significantly relative to 2022/23. Between 2014/15 and 2019/20 there was an increase of seven per cent in median disposable household income. Since 2020/21, disposable incomes were generally decreasing and in 2023/24 were in line with pre-pandemic (2019/20) levels (figure 12).

Figure 12 Change (index: 2014/15 = 100) in UK median equivalised household disposable income of individuals, from 2014/15 to 2023/24.



Source: Office for National Statistics.

While the overall median household disposable income remained relatively stable between 2022/23 and 2023/24, for the poorest fifth of the UK population, median household disposable income decreased by 2.6 per cent (to £16,800), and remained 4.9 per cent below the pre-pandemic (2019/20) position, meaning that lower-income households continued to feel the recent cost-of-living increases most acutely.

Between 2022/23 and 2023/24, the median household disposable income also decreased for the richest fifth of the population, by 1.6 per cent (to £71,100). Given that members of higher-income households tend to travel more frequently, boosting overall trip rates, even minor changes in travel frequency in this group in reaction to reduced disposable incomes may have a suppressing effect on overall trip rates.

In July 2025, the GLA's latest Cost-of-living polling indicated that 17 per cent of London residents were struggling financially (struggling to make ends meet, having to go without basic needs, or relying on debt). While this proportion was generally decreasing since its recent peak of 23 per cent in mid-2023, it remained high. Of those with low incomes (less than £20,000), 35 per cent reported that they were financially struggling and 24 per cent of renters reported that they were financially struggling compared to 11 per cent of homeowners.

The responses of London residents to changes in the cost of living have a significant impact on observed travel patterns, especially in terms of the frequency of travel, the purposes for which people travel and the modes they choose. Reductions in non-essential spending can lead to reduced trip rates for leisure and shopping as well as changes from more expensive modes of transport to less expensive ones.

The LTDS shows that the number of shopping and personal business trips per person per day for London residents reduced by eight per cent between 2022/23 and 2023/24, and by two per cent between 2023/24 and 2024/25. The leisure trip rate in 2024/25 was comparable with the rate in 2019/20. Between 2019/20 and 2024/25, the active travel (walking and cycling) mode share increased by three percentage points to 40 per cent, which may be linked to London residents seeking travel cost savings.