public transport: the smart, green solution

Rapidly growing cities are now a global phenomenon. As essential hubs, cities bring together people’s homes and economic, social and cultural activities. The importance of these activities for the balanced growth of our cities is beyond dispute.

For this reason, it is vital to ensure optimum mobility to serve the city, the economy and the citizen, and to embed public transport as firmly as possible within this dynamic, in order to find solutions that foster real sustainable development.

Indeed, businesses and business parks are important generators of mobility needs that require appropriate solutions to provide the necessary connectivity.

This Focus Paper is aimed at the world of business in the broad sense, i.e. not just industrial, commercial and economic activities, but also hospitals, administrative services and centres of education. The organisation of efficient public transport services should be one of the main responses to the above-mentioned mobility needs, as much for employees as for external clients or partners.

This Focus Paper will show that the necessary collaboration with public transport is mutually beneficial.

In practice, the challenges of climate change are forcing us to reduce our dependency on oil and address the mounting congestion problems in our cities that threaten to choke the life out of them. The direct cost of this ‘lost’ time in traffic jams is estimated at around 2% of GDP, or several billion euros each year in the European Union. Studies conducted by UITP show that a home-work journey by car requires 90 times more urban space and community-funded infrastructure than an equivalent journey by metro, and 20 times more than when travelling by bus or tram. Public transport therefore offers a green and smart solution for the business community, but embracing the public transport option requires all stakeholders to make radical changes to their behaviour. This is the objective of UITP’s ‘PTx2’ strategy, which aims to double the market share of public transport worldwide by 2025. ¹

¹ For more information, see www.uitp.org/advocacy/public_transport.cfm
2. Focus Paper objectives, methodology and targets

This official UITP position will analyse existing practices in order to identify success factors and the causes of failure on the part of public transport services for businesses. The types of partnership governing the organisation of these services will be highlighted, as will the financial elements inherent to running the projects. Timing will be shown to be essential; solutions are sometimes envisaged at an early stage, right from the point when the business park is designed, or on the other hand, they can be developed at a later stage, which then all too often equates to a less effective solution.

This Focus Paper clearly aims to underline the benefits that the world of business can derive from decent public transport services in order to convince economic decision-makers of such gains and to secure their contribution. The Focus Paper will end by putting forward its main recommendations for achieving successful integration between businesses and public transport.

It is aimed essentially at the world of business, which includes chambers of commerce and industry, business federations, multinational and individual companies, managers of industrial parks and commercial outlets, major hospitals, and universities.

As the favoured approach here is one of partnership, it is impossible to overlook the importance of involving urban and regional planners on an equal footing with public transport operators and organising authorities.

3. Benefits of a partnership providing good public transport services for businesses

Clearly, businesses and business parks can derive significant benefits from their partnerships with public transport in order to ensure that services operate to and from their activity zones, as shown in the ‘Eddington Report’ commissioned by the UK government. Currently, these benefits are not highlighted sufficiently, while taking them into account should favour collaboration between these different stakeholders far more extensively than is the case today.

These benefits can be grouped together into four main themes.

- **Efficient public transport services will cut business costs**, essentially in terms of investment in parking areas, running costs for a fleet of company vehicles and with regard to reimbursing mileage allowances and other travel costs. More broadly, successfully developed public transport services will in all cases encourage significant increases in real-estate prices within the zone concerned, foster urban regeneration and, in its wake, new residential developments as well as commercial and economic activities.

- **The successful projects bring to light significant efficiency gains in relation to human resources management**, which in turn will have repercussions in terms of reduced spending. In this regard it is worth underlining the following benefits:
  - An enhanced recruitment policy, courtesy of the development of company accessibility;
  - An increase in employee punctuality, due to fewer delays caused by traffic congestion and the best possible combination of the various mobility solutions;
  - A major reduction in time lost for home-work journeys;
  - Improved productivity through less time being lost and the reduction of stress;
  - Improvements with regard to employees’ average health and well-being and, as a result, lower rates of absenteeism;
  - A decline in employee turnover by virtue of working days becoming less stressful.

- **Beyond workers, better accessibility** through public transport also translates into improved mobility for a business’s various clients, suppliers and partners.

- **Last, but not least**, as growing numbers of citizens today show real environmental awareness, enhanced collaboration with public transport gives a business a **green and socially responsible image**. This ‘sustainable’ image may be expressed via:
  - The pursuit of environmental goals, such as the reduction of pollutants;
  - The resolution of congestion problems in and around the site in question;
  - The introduction of intermodal solutions favouring combinations of the various travel modes;

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2 The Eddington Transport Study: The case for action: Sir Rod Eddington’s advice to the government by Sir Rod Eddington, Crown, 2006, United Kingdom

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Sustainable development and social responsibility are very important to Dexia Banque Belgique. A sustainable mobility plan has been in place since 2000. Since its introduction, employee well-being and security have been enhanced. This is due to lower stress levels linked to car driving in the daily, congested traffic and to a lower risk of accidents. Moreover, the plan has made a significant contribution to reducing traffic-related pollution (25,000 less tons of CO₂ within 10 years). And the company has enhanced its image with the wider public and its clients!
4. The keys to success

A successful partnership can only be brought about if success factors are adopted from projects where the outcome can be verified through actual case studies. These success factors can be grouped together as follows, with the degree of success dependent upon how many of these various methods are used and how they are combined.

4.1. Choosing the initial site location or relocation site of a business or a business park is a key decision which is often irreversible. UITP's Focus Paper 'Integrating public transport and urban planning: a virtuous circle' provides a perfect illustration of the importance of coordination between urban planning, land use and public transport from the very beginning of a project. Public transport services for companies offer an obvious illustration of this, with successful trials showing that the site location – in or on the edge of the city in synergy with public transport corridors – largely influences the number of passengers. In contrast, bad choices in terms of location already sow the seeds of accessibility problems to come. For instance, isolated sites away from major urban journey flows, or built close to motorway intersections, are factors that can have a severely detrimental effect on high-quality public transport services.

Three essential principles should be borne in mind:

- Keep life in the cities and turn our cities into genuine activity and residential centres, by promoting mixed land use shared between housing, commercial or economic zones, leisure facilities, schools, etc.
- Early-stage planning and analysis of the urban development project are key success factors when considering future sites and the necessary public transport links.

In Catalonia (Spain) a law now stipulates that new developments generating over 5,000 trips per day must carry out a mobility study and also devise and finance mobility measures to offset this impact.

- The localisation of activities must prioritise major multimodal nodes, thereby reducing mobility demand and promoting intermodal transport.

4.2. From the project’s inception, the creation of a partnership between the main stakeholders involved – the businesses and business parks concerned, public transport operators, organising authorities and policy-makers – is a necessary condition for success. The result of such collaborative efforts is magnified if they are complemented by formal contractual ties to govern the commitments of both parties.

Involving public transport operators at too late a stage restricts the scope of possible options and often only brings solutions after the event, by which time they are less attractive.

In Montpellier (France), the local authority assigned the public transport operator TaM the job of helping employers to establish a mobility plan. This gave rise to corporate mobility plan agreements ('Plan de Déplacements d'Entreprise'). These plans are real agreements, complete with targets in precise figures, that are signed between businesses, TaM and the local authority in order to propose alternative solutions to the private car for home-work and work-related journeys by employees.

4.3. Project funding should be adequate, of course, but above all, it should fall within the framework of the partnership action mentioned earlier. Almost all successful solutions are founded on a sharing-out of costs between the main stakeholders, including the managers within the businesses concerned. Projects should incorporate this ‘win-win’ approach, whereby all the parties assume their share of a project’s costs and benefits, thereby ensuring the project’s longevity.

If formal contractual arrangements on sharing project funding are absent or such agreements fail, a project will be prevented from taking shape or, as the experiences analysed show, it will not be viable in the medium term.

In Dortmund (Germany), since 1994 students have been able to buy a ‘Semesterticket’ (discounted semester travel pass). The discount price stems from a contract between the local student federation and the public transport operator. In practice, a public transport surcharge has been added to student federation membership fees so that public transport operators ultimately do not record any loss of revenue.

In London (United Kingdom), mobility infrastructure and solutions implemented to provide services for the new giant Westfield shopping complex have been funded jointly by the TfL transport authority and property developers. This was done within the framework of section 106 of the Town and Country Planning Act 1990, which seeks to mitigate the effects of new development on existing infrastructure. Since it opened, the shopping centre has achieved a very high public transport mode share.
Funding often goes hand in hand with subsidies, incentives and taxation. The public authorities must also promote these projects on their own level of jurisdiction by wielding their powers, for example by offering discounted public transport fares or tax breaks. In Brazil, courtesy of a 1987 law, employers are obliged to contribute to the cost of home-work travel on public transport by giving employees a 'vale-transporte', or transport voucher, which can be worth the equivalent of 6% of the employee’s salary. The employer receives tax breaks on the amount of money spent within the framework of the 'vale-transporte' system.

In the United States, the US Federal Government introduced tax incentives for employers to provide benefits to employees who use public transport. In Washington DC, an 11% modal shift from the private car to public transport is attributed to this initiative alone.

Funding also goes hand in hand with the project’s financial stability. The viability of public transport services calls for a balance between demand, passenger numbers and operating costs. If this balance is not struck, a high-level service would probably result in costs which the community would not be able to sustain. Therefore, journey flows can only be assured if sufficient potential demand exists. Following the same logic, scheduled line services running at fixed intervals will sometimes be more efficient than ‘special’ transport services dedicated to the project.

4.4. The winning formula for sustainable public transport also depends on the quality of the services being offered: suitability of the route alignment, commercial speed, service frequency, comfort and, ultimately, price. Services for businesses only have a hope of recording high levels of passenger numbers if they provide a credible alternative to individual transport. 

Thanks to a high-frequency, high-quality service, a bus route that had been contracted originally for five years to serve a business park comprising a hospital, several businesses and a supermarket in Coventry (United Kingdom) has since become a commercial route.

Businesses and legislators should also play their part. The provision of numerous parking spaces around businesses, shops, universities, etc., which is sometimes even a legal obligation, is however perceived as an incentive to prioritise private car use. Similarly, a high number of company cars in the businesses to be served will always be a potential failure factor.

In order always to find a sustainable and suitable mobility solution, it is important therefore that businesses offer their employees a range of mobility solutions. Combined mobility, i.e. public transport in synergy with car-sharing, cycling, taxis and carpooling, offers a real alternative to individual car use and a solution that can meet a range of needs. At this level, mobility management can be likened to gastronomy: the ingredients alone are not enough; the way in which they are combined is key.

Business car-sharing is an effective, easy and cheap way of having a pool of cars for businesses that occasionally need them. Cost transparency, the fact that there is no need to manage maintenance, and a choice of different types of vehicle are all plusses for businesses.

4.5. Pro-activeness often goes together with efficiency. The earlier the necessary interface between economic development, journey flows and public transport is considered, the better the chance of building an integrated and sustainable solution.

In Mons (Belgium), the development of the ‘new town’ known as ‘Grands prés’ incorporated the public transport dimension from the beginning. Free connections from the historic city centre were developed from the very start for these new residential and commercial locations to accompany each phase of the development of economic and cultural activities.

4.6. Using public transport to reach companies and business parks is still far from being an instinctive choice. Innovative services will therefore see their chances of success increase if they are accompanied by well-orchestrated communication campaigns supported by start-up and re-launch marketing actions (e.g. discounts, gifts, competitions).

4.7. The roles of different stakeholders

Public transport actors, chambers of commerce, employer federations, political representatives and urban and regional planners all have a part to play in order to contribute to the success of the partnership between public transport and the world of business. Their roles are detailed below.
• Public transport actors should be pro-active and intervene on the following aspects:
  - Develop an adapted fare and product policy and draw businesses’ attention to transport routes serving their area.
    In Geneva (Switzerland) the public transport operator TPG has established a marketing team which canvasses businesses located in its operating area in order to offer them lower fares depending on the number of travel passes they provide for their employees.
  - In agreement with the requesting party, organise flexible services that are made-to-measure and responsive to demand.
    In the Netherlands, the Medelbus is a demand-responsive minibus which has been operating with great success since 2007 between the station in Tiel and the Medel industrial park. This is a partnership between employers, the transport operator Arriva and Gelderland province. Drivers are long-term job-seekers who are trained in this area and who, in the long run, will have the possibility of a job with Arriva.
  - Become mobility consultants for businesses, developers/construction firms or local authorities.
    In Paris (France), RATP, in collaboration with the Paris chamber of commerce and industry, has created a branch known as EMS (‘business mobility services’). EMS offers consultations aimed at integrating sustainable mobility within the following areas: real-estate strategies, company travel schemes, and moving and relocation plans.
    In Sherbrooke (Canada) the public transport company STS has developed an innovative service “boulobussolution” that aims at developing a home-work travel scheme in partnership with the businesses.
  - Attract business people through lifestyle services and new technologies, as the public transport operator Carris in Lisbon (Portugal) does by offering wifi access on some buses and a mobile version of Carris’ website.

• Chambers of commerce, employer federations and organisations
  - Raise awareness and support among businesses
    The Wallonia Business Union (‘Union Wallonne des Entreprises’) in Belgium set up a mobility unit tasked with raising awareness of sustainable mobility options amongst its member businesses. This unit regularly brings together the various stakeholders concerned and recently organised a seminar on services for business parks.
  - Work together with organising authorities and public transport operators
    In the United Kingdom, the Department for Transport has created the National Business Travel Network (NBTN), the aim of which is to promote exchange of good business practice related to company travel schemes and dialogue with public transport actors.

• Political representatives
  In most cases, political support is necessary in order to bring stakeholders together and attempt to unite them around the project. Political stakeholders must assume responsibility for prioritising an integrated approach and for addressing its collective and sustainable challenges.
  - Within the framework of urban journey plans (plans de déplacements urbains – PDU), in France businesses are being encouraged to establish a mobility plan and promote transport for their personnel, chiefly by having them use public transport and car pools.

• Urban planners and regional planners
  Dense, compact, mixed-use urban development will facilitate public transport use. Combining residential, employment, commercial and leisure use of land not only creates more balanced neighbourhoods, but encourages more people to use public transport. Traffic generators (hospitals, business parks, companies, universities, retailers) worry about accessibility to their location, which is something that mixed land use will improve. Regional growth strategies should ensure that new generators of traffic are established near public transport. Economic growth should be encouraged, in the first instance, in locations that are already well served by public transport.

Berne region's 15 priority zones close to public transport stations have been identified for mixed land use.

In this regard, the regional government in Berne (Switzerland) has identified 15 zones for priority developments close to stations. The government is supporting the development of these zones through stakeholder coordination, and is also allowing a denser pattern of land use and prioritising investment in infrastructure.
4.8. Company travel schemes

Through a company travel scheme, businesses define and implement a set of substantive mobility solutions designed to improve both a site's accessibility and the management of staff journeys.

These company travel schemes make it possible to:
- rationalise the transport budget;
- improve the quality of life for employees and reduce their exposure to danger on the roads;
- cut fuel consumption and CO2 emissions;
- improve their company image among employees and with partners and the general public.

The timing factor should also be taken into account in the travel schemes of businesses, as it has a direct bearing on the mobility needs of employees.

For example, if we consider the situation of a business park located outside the city, the spread of working hours within a company or across different companies on the site makes it extremely complicated to produce schedules and headways suitable for public transport. The introduction of an agreement in relation to schedules, or the creation of community-based local offices, are solutions worthy of consideration. For businesses located 'in town', expanding schedules, implementing flexible working hours or offering the opportunity to work from home are solutions that may facilitate home-work travel using public transport.

By virtue of its impressive company travel scheme and a wise choice of relocation site, the Belgian bank Dexia in Brussels has managed to increase the modal share of sustainable home-work journeys to 80% (train, metro, tram, bus, bicycle or walking).

Recommendations for businesses, policy-makers, chambers of commerce, employer federations, regional planners and urban planners

- Choose the location of the company wisely and in consultation with mobility actors.
- If relocating, carry out accessibility studies for the various potential sites in order to evaluate the impact on employees' travel conditions, their time spent travelling and the transport modes used.
- Coordinate and consult with public transport actors at an early stage.
- Determine funding mechanisms for formal contractual ties between the various stakeholders in order to ensure lasting funding for attractive public transport services.
- Develop company travel schemes for businesses, business parks and other traffic generators.
- Encourage changes in travel behaviour when employees make work-related journeys by offering sustainable mobility solutions.
- Encourage combined mobility: public transport in synergy with car-sharing, cycling, car pools and taxis, in order to promote a green mobility solution that is always adapted to needs and offers an alternative to individual car use.
- Promote mixed land use in town and country planning.
- Adopt a taxation system and/or incentives that make sustainable mobility solutions worthwhile for employers and employees.