

Dear reader,

A new and promising MM measure for employees is the Mobility Budget. This is a powerful financial incentive that stimulates employees to travel in a more sustainable way. It has been successfully implemented, mainly in the Netherlands. In this E-update we introduce the concept, show some inspiring examples as well as the benefits of a Mobility Budget. Furthermore, we also consider some key aspects to successfully implement it.

We are happy to announce that the [registration for the ECOMM 2012](#) in Frankfurt am Main is open. Read more about what to expect from the most important conference on Mobility Management in this e-update.

What is a Mobility Budget?



A Mobility Budget is a fixed monthly budget that an employee can use to pay for all travel costs, regardless of the used travel mode. If, by the end of the month, the budget is not completely spent, the employee is allowed to either keep the money, or the remaining amount is used for other employee benefits (e.g. extra holiday). The smarter the employee travels, i.e. by using a bike, public transport or even by attending a phone conference rather than a meeting on location, the more he will save. This simple but powerful financial incentive stimulates employees to travel in a more sustainable way.

A different type of Mobility Budget was presented in January 2012 by the mobility working group of the [B50](#), a group of leading employers in the Netherlands (see report '[Slim Reisbudget](#)', in Dutch). It contains a fixed component, irrespective of how many times the employee travelled, and a variable one, that depends on travel distance, travel mode or time of travel. This combination allows the employer to better adapt the size of the budget to the mobility needs of the company itself. If minimising travel is the main concern, the fixed component should be a lot bigger than the variable one. If the company wants to influence the travel mode or the time of travel, the variable component should be stronger which allows paying out a higher compensation for using a bike than for using a car or for travelling after rush hour.

Some inspiring examples

Yacht: 19% CO2 reduction in one year.

A few years ago, about three quarters of the employees of Yacht, a Dutch employment agency for university graduates, had a lease car. This accounted for 2000 cars, 85 million kilometres travelled and 5.5 million litres of fuel consumed per year. In 2007, the company introduced a [Mobility Budget](#). This allowed employees to choose between returning their car and either receiving 120% of the leasing rate to pay for travel costs, or to get a season ticket for public transport and receive the remaining amount of money as extra wage. The amount of employees participating in the Mobility Budget programmes increased from 13.4% in 2009 to 15.4% in 2010 (see [Maatschappelijk Verslag Yacht 2010](#), 36-41, in Dutch). In addition to a Mobility Budget, Yacht implemented other sustainable travel measures such as only offering lease cars with low CO2 emissions, providing employees with a [Mobility Card](#) a chipcard with which employees can pay a train ticket, taxi, rental car and/or a Park-and-Ride-parking spot) and introducing car sharing with SMART cars. With all these measures, the company managed to realise a reduction of 19% in CO2 emissions within one year. ([read more](#), in Dutch).



GDF Suez: Parking reduced by 75% within one year.

Because GDF Suez had to reduce the number of parking spots from ca. 700 to 170 in their new office in the centre of Brussels, they offered their employees a Mobility Budget as an alternative to a lease car (see last paragraph on their [internal website](#)). Each employee could choose between a number of benefits, such as a season ticket for the train, a folding bike, a baby-sitting service for sick children or extra holidays. After one year of implementing, the percentage of employees commuting by car was reduced from 70% to 30%. Today, GDF Suez has still some parking spots left unused.



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Erasmus Hospital: half as many car users.

Some years ago, the Erasmus Hospital in Rotterdam experienced huge parking problems that were only going to increase with the planned reconstruction of the campus, as this would reduce the number of parking spots from 2700 to 1700. To discourage employees traveling by car, an [Individual Travel Budget \(ITB\)](#) was installed. This type of Mobility Budget offers 0.10 Euro per kilometre to those using other travel modes than a car. Additionally, the ITB allowed an employee to park during peak hour for only 1.50 Euro per day - to a maximum of twelve times per year. Starting from the 13th time, the fee rose to 12.50 Euro per day. This package reduced the percentage of car users from 45% to 20%. The higher reimbursement led to additional yearly costs of about ?1.3 million, which is still far below the costs of building an extra parking garage, estimated to cost ?4 million per year.

Benefits and pitfalls

Mobility Budgets are highly appreciated. The [Maatschappij Monitor Mobiliteit](#) (Society Monitor Mobility, in Dutch), a recurring survey by the Dutch insurance company Achmea, revealed that 48% of the people in the Netherlands would choose a Mobility Budget if offered by their employer, whereas only 34% would prefer a lease car.



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The [B50 report](#) (in Dutch) mentions several benefits of implementing a Mobility Budget:

- For society: less car kilometres means less traffic congestion and hence less economical loss, less investment needed for the roads and less emissions.
- For the employees: financial benefits and more flexibility in and control over personal traffic behaviour. This allows for a better balance between work and private life, reducing the amount of stress.
- For the employer: possibility to steer commuter travel so as to better control and reduce travel and parking costs. A Mobility Budget may contribute to the objectives of the company being a sustainable and/or an attractive employer and lead to actual savings.

However, if not supported by a good tool (online platform, excel-files), the administrative burden can be high. In the Netherlands, several services are present, offering administrative support in the implementation of a Mobility Budget (e.g. [Mobility Mixx](#)). Besides that, the budget must be high enough to motivate employees to change their travel behaviour, but not too high as to keep them from making unnecessary trips (see [WSP report](#), abstract in English).



To further explore the strengths and pitfalls of a Mobility Budget, two pilot projects will take place in 2012:

In the region of South Limburg in the Netherlands, six companies are collaborating in the field of [smart leasing](#) (in Dutch). During a whole year, a few hundred employees with a lease car and a Mobility Budget will fill in their individual mobility needs and travel mode chosen in an online platform. This platform registers the travel behaviour of each employee and will inform them about the mobility costs and the CO2 emissions of each travel. The measure will be evaluated at the end of 2012.

In Flanders, five companies will pilot a Mobility Budget (project [Mobility Budget works!](#), in Dutch), with the support of the Flemish government. As a first step, the mobility behaviour of the employees will be analysed, to then further develop a concept of a Mobility Budget that is adapted to the needs of each company. A special excel-tool will help the employers with the implementation. A guideline with recommendations will be made, based on the experiences of the companies. In the future, it will help companies to implement a Mobility Budget.

Will it work in my country?

Mobility Budgets were introduced in the Netherlands, so far only in a few companies.



Recently companies are starting to experiment with Mobility Budgets also in [France](#) (in French) and in [Belgium](#). In Sweden, WSP has finished a [study on Mobility Budgets](#), abstract in English), exploring whether and under which circumstances this measure can be transferred to the Swedish context. This study revealed that one important barrier for the implementation of a Mobility Budget is the fiscal system (see also [Belgian study](#), in Dutch). If this is not compatible with the reimbursement of the travel costs or the employee or the company loses money implementing a Mobility Budget, the measure will not work. Financial benefit is indeed the most important reason for employees to join a Mobility Budget (62% of respondents, [Muconsult research 2009](#), in Dutch). Another key factor for success is the availability of suitable alternatives, such as a dense public transport network, seamless mobility solutions, integrated ticketing and bike sharing near stations.

If you are interested in implementing a Mobility Budget, please contact [Eurocities](#). With its proven policy transfer mechanism, EPOMM can organise the first contacts and a process to make sure you achieve a successful implementation of a Mobility Budget in your company or country.

Do you want to read more? Take a look at the [latest publication of Smart Mobility Management](#).

ECOMM 2012: Register now!



EPOMM's annual European Conference on Mobility Management (ECOMM) is up for its 16th edition. It is hosted by **Frankfurt am Main**, Germany, from **12 to 15 June 2012**.

The ECOMM 2012 will focus on three main themes:

- **Electric mobility** as one of the most important challenges of changing mobility.
- **Challenges for cities** such as re-urbanisation and suburbanisation, the economic crisis, targets for climate protection and cleaner vehicles as well as cultural and demographic changes.
- **Experiences from European projects** on Mobility Management.

Attractive session formats such as interactive workshops, Pecha Kucha sessions, trainings and "meet the Germans" will make your learning and networking experience exciting and entertaining. Find out more in the detailed programme at the [ECOMM website](#). You can register [here](#).

Before the 24th of April, an early bird fee is available. The last date for registration is the 11th of May. Practical information can also be found in the second [ECOMM 2012 Newsletter](#) and in the [ECOMM 2012 flyer](#).

Hope to see you all in Frankfurt!

Upcoming events

- **International Transport Forum: Seamless transport: Making Connections**
2 - 4 May 2012 - Leipzig, Germany
[more information](#)
- **Final conference and training Active Acces project**
7 - 8. June 2012 - Budapest, Hungary
[more information](#)

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