

Car Clubs for Employers

Cost savings briefing sheet

Car clubs have been proven to save money for employers around the world, this sheet is a brief introduction to the savings which can be made. Please contact Carplus for further background information on car clubs - tailor made business cases can also be provided on request.

The facts.

Cars are owned and serviced by an operating company and are booked for as little as an hour. They are parked in designated bays close to where users work. They can be used exclusively by one organisation, or also used by nearby businesses and residents, to increase the viability of the club.

The figures.

- ◆ Reduces or removes the need for pool cars and or company cars.
- ◆ Removes the demand for parking spaces.
The average space costs £400 just to maintain for a year and thousands to lease or buy.
- ◆ No fuel, maintenance, MOT or servicing costs.

Indication of money saving potential

A simple extrapolation for various sizes of company, costs will vary dependent on location, vehicle requirements and predicted usage:

	Self employed	SME	Large, single site	Large, multi site
No of cars	One, occasional use	Five	Fifteen	One hundred
Savings (per year est.)	£ 2 250	£ 11 250	£ 33 250	£ 225 000

These savings are based on the following calculation:

Pool cars

Annual vehicle cost
(Lease, insurance, fuels and incidentals)

82 500

Staff costs
(managing fleet and bookings)

20 000

Total annual costs

102 500

Car club

10 cars block booked
8:30 to 17:30 for
exclusive use

75 000

Annual savings:

27 500

“It makes economic sense: it costs less than leasing pool cars, and the car club looks after the maintenance of the vehicles.”
CITY OF EDINBURGH COUNCIL

“We operate on a team basis and thought it was wrong to spend £2,000 a station for parking places, which might only benefit a few people. We use public transport wherever possible. Using WhizzGo cars we are able to work better and more efficiently, doing site visits in chunks. But WhizzGo also offers flexibility – we can see clients at the drop of a hat if we need to.”
ARUP OFFICE MANAGER

“As a person who deals with money professionally, I know what a good deal the car club offers businesses.

I like the flexibility of being able to book a car online on the spur of the moment and simply cross the road to collect it from the bay. What clinched it for me was the financial savings the car club provides for my business.”
MICHAEL (TAXATION CONSULTANT)

THE CITY OF BERKELEY is a user of City CarShare (a USA non profit operator) - by replacing 15 of its fleet cars with 4 hybrids, which are available to the public evenings and weekends, they have saved \$400 000 in the first year.

Car clubs also have a number of additional benefits:

Environmental:

- Reducing congestion by removing commuters from rush hour traffic.
- Commuters will make more journeys by public transport, cycling and on foot.
- These changes will reduce the pollution, including carbon dioxide, produced by the workforce.
- Lock in the benefits of other schemes such as car sharing, subsidised bus routes and company public transport season tickets, by removing the need for employees to drive to work to have a car available for work use during the day.

Human resources:

- Employees who travel by non car modes are healthier, happier and more productive.
- Car clubs provide the entire workforce with access to a car when they really need one, rather than only limited numbers having company car privileges.
- Removes the need for private car ownership for work use for those staff who would prefer not to maintain a car.
- Can be promoted as a benefit in recruitment.

CSR:

- Reduced congestion will improve community relations.
- Resources such as car clubs (as well as cycle or foot paths or bus routes) will benefit the community as well as the workforce.
- Reducing pollution and supporting alternative transport can provide valuable PR.

Contact:

Call Carplus on 0113 234 9299 or email info@carplus.org.uk for individual advice and to find your nearest operational car club.

You can download good practice guides, information sheets and research from our website at www.carplus.org.uk