



Car Club Starter Pack for Local Authorities

A Practical Guide to Car Club Development

Draft for Consultation
April 2010

carplus rethinking
car use

Car Clubs 
pay-as-you-go cars

Introduction

This guide is designed for local authority officers who are considering whether a car club should be developed in their area and what decisions need to be made to successfully implement a scheme.

The majority of authorities across England opt to use national car club operators to run services in their locality using either a single or multi-operator model. Using their expertise ensures that establishing and running a car club will require fewer resources from the council. However there are issues which need to be considered before an operator can be chosen. The following will help with that process.

This guide is an updated version of the Carplus Fast Track Guide, containing further recommendations on best practise, additional reports, and the latest data. As with the previous guide, this Starter Pack provides a series of Check Lists at the end of each section which are designed to monitor progress and formulate the outcomes of the scoping exercise.

The Scoping Exercise

The scoping exercise will help to establish the potential for a car club in a given area. The results of the scoping exercise can be collated into a document, which defines how the car club will be set up and operated in the area. Where a tender is required, this car club briefing will form the pre-tender document. Such a briefing will enable operators to have a clear idea of what is required, and to tailor their application to operate accordingly.

The Tender Process

The car club briefing and feedback from operators will help the local authority to construct a robust Tender or Strategy Document. An appendix to this guide is the sample framework Tender Document for a City Council, which has been compiled from the experience of several local authorities. Carplus is able to support local authorities going through this process. General advice through to site specific visits and scoping reports can be arranged as appropriate.

This document will be reviewed and updated regularly. Please send comments and feedback to info@carplus.org.uk

Contents

1. The Business Case for the Car Club	3
1.1 Travel Plan Guidance	3
1.2 Value for Money	4
1.3 A Range of Benefits	4
1.3.1 Reducing Emissions and Improving Air Quality	4
1.3.2 Improving Access and Social Inclusion	5
1.3.3 Improving New Developments through Reduced Parking Needs	5
1.3.4 Locking In Behaviour Change and Supporting Intermodality	5
2. Where Car Clubs Work	6
2.1 Places	6
2.2 Private User Demographics	6
2.3 Mix of Users	7
2.4 Exceptions and Challenges	8
3. Targeting Users	10
3.1 Employers	10
3.2 Local Authorities	10
3.2.1 Car clubs vs. Grey Fleet: Edinburgh Case Study	11
3.3 Residential Users in New Developments and Traditional Neighbourhoods	12
3.4 Neighbourhoods, Householders and Individuals	13
4. Effective Partnerships and Successful Integration	15
4.1 Effective Partnerships	15
4.1.1 Partnership Structures	16
4.2 Supporting Sustainable Travel	16
4.2.1 Public Transport	16
4.2.2 Walking, Cycling and Car Sharing	17
4.2.3 Community Transport	17
4.3 Policy	17
4.3.1 Local Transport Plans	18
4.3.2 Parking	18
4.3.3 Workplace Travel Plan Guidance	18
4.3.4 Local Development Framework Planning	18
5. Start-Up and Management Models	22
5.1 Approaches to Start-Up	22
5.1.1 Approach 1: Core Sites and Organic Growth	22
5.1.2 Approach 2: Ambitious Start-Up and Rapid Expansion	22

5.2	Management Models	24
5.2.1	Selecting Operators and Competitive Tenders	24
5.2.2	Single vs. Multiple Operators	26
5.2.3	In-House vs. Commercial Operation	27
5.2.4	Collaborative Networks	27
6.	Operational Issues	30
6.1	Charging Structures	30
6.2	Choice of Vehicles	30
6.3	Parking	30
7.	Costs, Finance and the Next Steps	29
7.1	Costs and Finance	29
7.2	How to Proceed	32
8.	References	34

1. The Business Case for the Car Club

Car clubs provide cars for people when they need them. This decouples car *use* from *ownership* and so users are free to consider the best way of making a journey rather than being tied to the car as a default option. Many users are given, often for the first time, the option of not having to own a car. A car club that is successfully embedded within other local transport infrastructure should provide a viable and attractive alternative to private car use.

1.1 Travel Plan Guidance

Car clubs provide a new and powerful tool in transport planning. Not only can transport planners design and implement policy to provide the benefits of car clubs for the local population, but this also allows them to think differently about other aspects of transport planning. For example:

- A car club in a residential area dominated by on-street parking eases parking congestion and makes residential parking schemes more practicable and politically more acceptable to implement
- In the workplace, a car club means that workplace travel plans can tackle the problem of employees driving to work due to a need to use a car for work purposes
- In new residential developments, parking ratios can be tightened through provision of a car club for residents at the same time as reducing the traffic impact on the wider community.

A recent report published by TRL (Cairns and Harmer, 2010), based on the latest car club member survey revealed that:

- 25% of members report a reduction in the number of vehicles owned by their household since joining a car club; a further 30% report deferring a purchase
- Members have a higher usage of public transport e.g. members travel twice as often by bus and six times as often by train, than non-members
- Members walk 20% more than the national average and cycle over double that of non-members
- Car club members only emit around 25% of the emissions generated by full British License holders.

This combination of user and policy benefits has led to car clubs entering the mainstream in terms of travel planning guidance:

- DfT, 2009. [Delivering Sustainable Low Carbon Travel: An Essential Guide for Local Authorities](#)
- DfT, 2008 [Building Sustainable Transport into New Developments: A Menu of Options for Growth Points and Eco-towns](#)
- DfT, 2005 [Making Car Clubs and Car Sharing Work - A good practice guide](#)
- T2000/DfT, 2005 [Making Residential Travel Plans Work: Good Practice Guidelines](#)
- DfT, 2004 [Smarter Choices: Changing the Way we Travel](#)

1.2 Value for Money

There are four main reasons why car clubs can be considered value for money.

1. Their **cost is shared** with the private operators and the schemes are self financing after the initial set up period. (See section 7.1 on costs for further information).
2. Car clubs deliver **a range of benefits** from carbon reduction (thus respond to NI 185 and NI 186) through to reduced congestion and increased road safety (Cairns & Harmer, 2010).
3. The council can **save money** directly by using the car club service in place of other high cost, high risk options. One council has reported savings of £90 per staff member per year. (See section 3.2)
4. Finally, car clubs **help to support other sustainable transport measures**, by plugging gaps and facilitating long-term behavioural change. (See section 4.2)

A recent study for the Scottish Government which compared a range of available sustainable transport options noted car clubs as offering one of the highest returns on investment of emissions reductions (Atkins, 2009).

A full cost benefit analysis is currently being carried out by Carplus with the DfT, and results will be added to this document shortly.

1.3 A Range of Benefits of Car Clubs

1.3.1 Reducing Emissions and Improving Air Quality

There is strong supporting evidence of the contribution “pay-as-you-go car clubs” make to tackling congestion and reducing emissions responsible for climate change and pollution.

The latest data² reveals that:

- 40.9% of car club members based in London have reduced the number of vehicles owned by their household since joining a car club.
- Car club members travel in the order of 50% fewer miles per year than non members by car.
- Car club members make more trips by public transport and walking or cycling, and considerably fewer trips involving a car, lift, taxi or motorbike, (16-23% of their journeys, as compared to 66%).
- Car club vehicles emit on average 64% of the CO₂ emissions released by the average car (i.e., criteria: 120g/km of CO₂) and are embracing ultra low carbon technology as it emerges.
- These figures combined show that car club members reduce their CO₂ emissions by 1.04 tonnes p.a.

Car clubs reduce parking congestion (as multiple users share one car and one parking space) as well as by reducing traffic on the road as car club members drive less after joining a car club.

Car clubs result in a reduction in car miles driven, with members walking or cycling more, using public transport more often or simply re-arranging how they make journeys and travelling less.

Belonging to a car club makes it easier for residents to meet their transport needs without running their own car, or in some cases without owning a second car. This means people are free to choose the best option for each journey. Research in the UK and overseas has found significant changes in travel behaviour once the link between car use and car ownership is broken.

Car clubs encourage a non-hierarchical multi-modal transport strategy as they provide a sustainable, efficient way to use a car when needed without the parking congestion created by owning one. They represent an opportunity to positively incentivise a reduction of car ownership rather than additional punitive measures.

1.3.2 Improving Access and Social Inclusion

Car clubs improve accessibility to cars where they are absolutely necessary by ensuring that people have access to the most appropriate transport mode regardless of their wealth. There is evidence to show that this doesn't increase miles driven by previous non car owners².

Car clubs can tackle marginalisation from employment and subsequent income. They also support important social networks such as family, neighbourhood and community and empower individual decision making. For example, a person living in a neighbourhood with poor public transport links, if unable to afford a private car, may be excluded from attending an interview or training opportunity due to a lack of mobility. This and similar situations trap people into a cycle of poverty from which they and their families are unable to escape.

Car clubs and car sharing can help tackle social exclusion and improve quality of life by providing access to a vehicle without the expense of ownership.

Noisy busy roads littered with cars divide communities and foster social exclusion. Car clubs allow neighbourhoods to function with fewer parking spaces, which enable initiatives such as City Living (high density urban lifestyle with convenient access to facilities and mobility), Car Free Housing and Home Zones (a street designed primarily to meet the interests of pedestrians and cyclists rather than motorists, opening up the street for social use) to succeed.

Giving space back to people from the car improves social cohesion and makes for vibrant communities.

1.3.3 Improving New Developments through Reduced Parking Needs

Narrow terrace streets and city apartment blocks cannot sustain increased car ownership patterns seen in low density residential estates. Car clubs enable parking ratios to be tightened, controlled parking zones to be effective and residential parking schemes to be more popular.

With less emphasis on parking needs, planners and developers have the freedom to focus on low car housing and improved quality of life. This may allow space to be given over to shared amenities or even extra housing units, or open up the development of brown field sites that would previously have been refused planning permission because they lacked parking space.

1.3.4 Locking In Behaviour Change and Supporting Intermodality

Car clubs provide access to a car without ownership. They act as a catalyst to increased use of other modes and a mechanism to secure long term change.

Car club operators have a history of working in partnership with Rail, Bus and Cycle organisations, including Virgin Trains, Network Rail, WY Metro and Sustrans. Car Clubs are able to plug gaps to ensure (multiple) car ownership is not a necessity and people do not fall down a slippery slope to increased car use. If one or two journeys a week cannot be completed by public transport, walking or cycling then buying a car is often seen as the only answer. Once purchased it is available in the driveway to be used for those other trips when laziness or habit takeover.

If the gap is plugged by a car club then it puts the car on a level playing field with the bus and train as something which must be paid for and planned, (and behind the queue from walking and cycling). People are more likely to use other modes in these circumstances and new habits are formed.

Car club membership secures long term behaviour change which further locks people into an increasingly sustainable and integrated transport system, which lends itself to the continued adoption of progressive low emission technologies.

Car clubs support smartcard technology, which is being increasingly adopted by councils across the UK. Examples of successful partnerships already exist; City Car Club has been in partnership with Oyster card for several years and as new developments in this area emerge, their potential to link with car clubs and foster intermodality increases.

2. Where Car Clubs Work

2.1 Places

Car clubs work well in areas where:

- There is a parking problem (e.g. parking congested terraced streets) or restrictions or control of parking
- There are good alternative transport options, and especially where the alternative transport is seen as mainstream
- They can be “designed in” at an early stage of residential development planning

Different types of neighbourhoods have certain flavours that resonate well with the car club concept. These are a combination of types of place (e.g. terraces, tenement flats, medium to high density new residential developments) in specific areas (often but not exclusively town or city centres) that have a certain culture, at least part of which involves a consciousness of alternative lifestyles. Gentrified terraced neighbourhoods and “riverside” / city living / loft type developments are key hotspots for car clubs. Suburbs, low density housing, conservative residential areas and poorer areas have not yet shown to be particularly successful areas for car club recruitment, although this may be because schemes and operators have focussed on the more reliable, better understood areas to date.

2.2 Private User Demographics

It is acknowledged in the UK and overseas that car clubs attract “early adopters” as the club becomes established, and this broadens to include more mainstream members over time. The “early adopter” tends to join partly out of principle – they are aware of the environmental issues of car use, may be active in local community groups, and (ironically) may have already reduced their car use but still require occasional use of a car. As a club becomes established in an area, or (increasingly) as clubs become more widely acknowledged in the public psyche, they are

becoming attractive to a more mainstream audience. These people will tend to use the club more like a transport service. Most of the operators are now emphasising the “service envy – just use it and walk away” aspects of the clubs to the users. The pay as you go aspect of car club is increasingly promoted by operators in London, where one way trips and integrated smart cards have also been introduced.

To date, the typical person who is attracted to a car club in the UK tends to be:

- Aged between 25 – 34 (50% of members are in this category with 5% being younger, and 45% older)
- Male (based on new member data)
- Earning slightly more than the average income
- Educated beyond school age
- Couples with no children if living in urban areas
- Families with children if living in rural areas
- Fairly “aware” of environmental issues, and certainly of their chosen lifestyle. This applies equally (but in a different way) to green-living types who have moved to rural areas for the quality of life as to the ambitious young professional with a “city living” lifestyle
- Attracted by a combination of convenience and hassle-free service, cost savings and lifestyle / environmental reasons. The relative importance of these is different between places and types of places

Carplus survey data suggest that people join in response to some sort of trigger: 77% of joiners had undergone some sort of life change recently, influencing their decision to join. Of these 77%, 25% involved moving house, 19.4% selling a car, 13.9% changing job and 8.3% to do with changes in personal relationships. This becomes significant when considering targeting marketing and recruitment efforts, especially in residential developments.

The increasingly commercial ethos of car club operations means that the demographics of user groups are likely to be changing. We would expect motivations for joining to be based more on convenience and lifestyle and less on environmental beliefs. As operators are becoming better practiced in terms of targeting marketing messages, there is also a shift towards users attracted by aspiration – i.e. being able to drive a desirable car – rather than by function alone. This clearly has implications for target markets, impacts of schemes (environmental and social) and scheme viability and success.

2.3 Mix of Users

An efficient car club maximises the utilisation of each car. In comparison to the private cars that, on average, are used c. 4% of the time, car club cars are used c. 40%. This figure represents the balance between the vehicle being used efficiently and the cars being available for users – any more than 40% tends to result in users not having cars available, any less and the cost needs to increase to compensate for “dead” time. In order to achieve this, it is usually necessary to mix the type of user.

The main users of car club vehicles are:

- **Private residents** - those who move into a new residential development where a car club has been designed-in, or those living in neighbourhoods where a club has been introduced, possibly to tackle parking problems
- **Business users** - these may be large organisations who have a club car reserved for daytime use (e.g. Edinburgh City Council), or employers who use local car club cars by the hour. Many SMEs including Architect practices, independent consultancies and so on are also benefiting from car clubs, which are good in practical terms, for site visits etc., as well as for their public image and local CSR plans. (See section 3)

As demand from residents tends to be during evenings and weekends, and that from business users tends to be weekday daytime, designing a club so that the two can share vehicles locally optimises utilisation and hence assists in making the club viable.

2.4 Exceptions and Challenges

Pay as you go car clubs can be adapted to support the needs of different localities, and various models have been successfully developed. In addition to the standard commercial operations described above, co-operative and community interest companies also operate in settlements of various sizes in the UK. They are often managed on extremely low overheads with strong community involvement to ensure viability.

Community Co-operatives: Low cost, low density models in rural areas such as Hebden Bridge and Machynlleth, are made viable through voluntary input, and local word-of-mouth organisation.

Community Interest: Commonwheels is an accredited not-for-profit operator that embraces economies of scale and community input to great effect. This is demonstrated well by its Oxford club, which incorporates both members' vehicles and capital.

Commercial Franchise: Wombat car club uses members' cars and gradually introduces technology to these vehicles as the club grows.

Promoting Social Inclusion

Car clubs are so far slow to spread into more socially excluded areas. This is probably due to:

- Cost of use, and especially perceived cost of use being high relative to other options like taxis
- A difficulty in such communities accepting the concept; where there are strong aspirations to own a car,
- Operator reticence to move into less well understood and riskier areas.

Further research is needed to explore this potential. Small scale trials have taken place in London Boroughs of Camden and Greenwich, which reported recommended steps to develop this potential. As the sector continues to expand and the concept becomes more widely established, we anticipate that the barriers will be overcome.

Check list A: Where they work	Yes	No	Notes
Are there sufficient areas with parking problems e.g. congested terraced streets / controlled parking zones / city centre developments?			
Are there good alternative transport options?			
Are there sufficient businesses / organisations / Institutions in the proposed areas to ensure day-time use?			
Can they be designed in at the early stages of residential development planning?			
Are there areas with a culture of environmental consciousness or alternative lifestyles?			
Is there public demand for a car club / community group support / and, or the desire to address accessibility for areas of social exclusion?			

3. Targeting Users

3.1 Employers

The car club can serve a business or organisations in two ways:

- Replacing or complementing company pool cars or the grey fleet (private car user allowance schemes when employees need cars for work purposes)
- As a benefit for employees – providing cars for non-work purposes from the workplace (e.g. for visiting the dentist etc)

Further information can be found in Carplus' Guidance document: [Car Clubs at Work](#), which explores cost savings, comparisons between car clubs and grey fleet, as well as providing case studies of existing schemes. Generic business leaflets are also available on request.

3.2 Local Authorities

The local authority can use the car club to replace staff pool cars or the need to pay for staff to use their own cars. There are benefits in cost savings, administration time and parking. It also supports green travel plan initiatives, provides good PR and ensures the viability of the car club. Examples of local authorities switching pool cars to car club vehicles include Leeds and Edinburgh City Councils.

Encouraging a Re-think in Travel

Walking / Cycling	This should be the default option depending on distance and accessibility. Locker and showers should be provided to support this option.
Not travelling	Avoiding travel could be considered for a meeting if video conferencing is available.
Public transport	Time for lost working if staff are to travel is factored in the assessment at 34p/mile.
Car club	Car clubs have wider benefits over car hire as they encourage all the community to reduce their car use; they aren't delivered causing further unnecessary trips and often have lower emission vehicles.
Car hire	Staff should insist on the lowest emission, appropriate vehicle and avoid automatic upgrades.
Car pool	For regular longer distance travel (>80miles a day) it may be cheaper to convert to pool car than car club / car hire.
Grey fleet	Using the grey fleet should be the last option and it should come with minimum standards.

3.2.1 Car Club vs. Grey Fleet: Edinburgh Case Study

Gfleet, an environmental transport consultancy, estimate that 40% of the cars local authorities use for business trips are owned by staff – the grey fleet. This is the elephant in the room compared to the issues surrounding car pools. It is too easy for no-one to take responsibility for the grey fleet, for checking licences, insurances, MOTS etc.

Local Authorities need to assess their grey fleets in terms of 3 main elements:

1. Air quality (measured by the Euro Star rating)

12-24,000 premature deaths each year are attributed to poor air quality, 50% of this is linked directly to transport emissions. Euro 3 is the basic standard for low emission zones. Euro 4 was introduced in 06 and 5 in 09. They now measure emissions of all particulates / CO / NOX etc from a cold engine.

Car Club Cars: typically all less than 4 years old and Euro 4.

Edinburgh Council Grey Fleet: average age is 10 years. They are mostly Euro cap 2 or 3 or worse. Only 10% are Euro 4.

2. Carbon emissions (measured by the 6 rainbow coloured ratings)

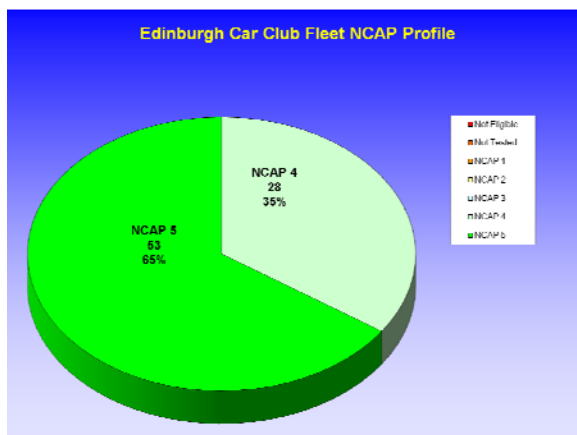
The carbon emissions of vehicles are classified into 13 bands summarised in the 6 coloured bandings. For each rating there should be 15% added for poor driver behaviour. The difference between the worst and best behaviour can be 40% increase in CO2 emissions.

Car Club Cars: are band C, 120-150gsm CO2.

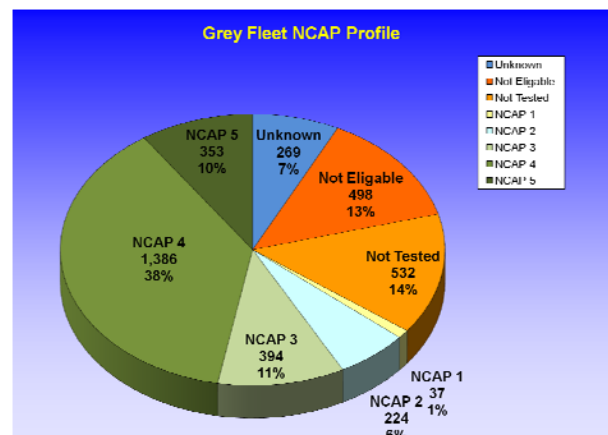
Edinburgh Council Grey Fleet: Only a quarter were band c or above the rest were worse.

3. Safety (measured by the NCAP rating)

Safety is measured in NCAP rating, NCAP 5 is the current best standard. With each star there is a 10% increase in chance of survival. The standards now include survival rating for child passengers and pedestrians.



Car Club Cars: NCAP 4 or 5.



Edinburgh Council Grey Fleet: 40% are NCAP 4 the remainder are rated as less safe or untested.

Risk of Lack of Management of Grey Fleet

There are serious risks to having a grey fleet which is not actively managed. Managers are responsible for ensuring licences; MOT and insurance are all in order. Under the “cause or permit” rule, several hundred local authority officers, managers and chief executives have been prosecuted as they have “permitted” checks not to be made, which have led to accidents or offences occurring. This involves each person involved up the chain getting a fine and points on their licence. As this doesn’t go through the courts they are often unreported.

By using a car clubs these risks are taken away as the operator automatically carries out all the necessary checks and there is no need for the local authority to have the burden or risks associated.

At the moment most local authorities pay generous mileage rates to staff for using their own cars, especially those on Essential User Allowances. Often these have been given inappropriately but remain as a historical benefit. This system will be changing as local authorities are having to reduce their budgets and calculate the cost of all travel, and reduce carbon emission by encouraging sustainable travel.

Green Fleet Review

Management are not providing staff with a travel plan decision tree to assess which mode of transport they should be using. It is based upon the carbon emissions associated with each mode reviewed against the needs of the activity.

3.3 Residential Users: New Developments and Traditional Neighbourhoods

The development of new residential property has emerged rapidly as a focus for car clubs. The main reasons include:

- Their ability to provide cars for residents on-site and so reduce their need to own a second or even first car
- The resulting freedom to tighten parking ratios without risking problems of overflow parking onto surrounding streets
- The liberty to be more flexible with development space, using that released from parking for community/amenity/green space, additional residential units or (often) a combination of the two
- The potential to market apartments as part of the city living experience providing the car club as an integral service.

Section 2.2 explained how many people who join a car club are also undergoing other large life changes+ such as changing jobs or moving house. As people move in to a new property development, this is clearly a prime time when they will be considering other aspects of their lifestyle; the presence of a car club which is marketed appropriately to incoming residents coupled with the marketing of the residential units provides a potent attraction for the development.

In the early stages, there was some nervousness concerning car clubs in developments. Developers were concerned that the residential units may be difficult to sell or let without ample parking, and Authorities were worried about over-spill parking into neighbouring areas. Neither of these has happened. Car clubs are one of the central elements in the Department for Transport’s

Residential Travel Planning best practice guide (DfT, 2005). They are now recognised as an important and mainstream tool for tackling car dependency without reducing people's freedom.

Parking control is a significant factor in the success of a development's club. Tighter parking ratios in the development and restriction in parking in the local area are both important in determining the success of the club. The local authority has, to an extent, control over both of these – through specifying parking ratios at planning stage, and through controlling on-street parking in the local area. The specifics of parking ratios in terms of their influence on the club's likely operation are best discussed on a development-by-development basis between the authority, operator and developer.

Local authorities are increasingly using Section 106 agreements with developers to secure funding for car clubs. For more information see Carplus Guide: [Car Clubs in Property Developments](#)

3.4 Neighbourhoods, Households and Individuals

Established residential areas are the traditional root of car clubs in the UK. Although our understanding of the types of residential areas where car clubs work has become more sophisticated as the sector has grown, it still relates back to the factors outlined in section 2. A study carried out by Steer Davis Gleave to assess saturation levels in Islington and Camden highlights the Mosaic profiles associated with membership such as "City Adventures" and "Global Connectors". The importance of groups will also be affected by local demographics. At this stage a working partnership, between the local authority and a car club operator, would be the best way of identifying specific neighbourhoods to target for residential car club development. If these are in the vicinity of workplaces or developments where a car club exists or is being considered, then this will add to its viability.

Check List B: Identifying Users	Yes	No	Notes
Business Users			
Can the local authority become a business user?			
Are the relevant departments of the authority committed?			
Are there sufficient businesses with: <ul style="list-style-type: none"> ▪ Parking problems ▪ Travel plans / personnel responsible for staff travel ▪ Positive attitude to new initiatives e.g. architecture or IT ▪ Locations close to residents for use out of office hours 			
Have the travel planning team of the local authority been briefed?			
Residential Users			
Have the Development Control team been briefed?			
Are there sufficient new developments that can have car stations included within or adjacent to their sites?			
Are there any retrofit street redesigns existing or planned for the area?			
Are there any controlled parking zones existing or planned which can include car stations?			
Has the Parking Team been briefed?			
Can hot spots be identified among other residential areas to be targeted? Or can a survey of local residents be carried out?			

4. Effective Partnerships and Successful Integration

4.1 Potential Partnerships

The ideal partnerships to be involved in the progressive development of a strategic car club would include the local authority (transport, planning, parking, fleet management and possibly social services), car club operator, public transport operators, property developers, housing associations, key local employers and (possibly) community and community transport groups. Most of these would share an interest in the success of the club.

These roles may involve:

- **Local Authority:** political leadership, provision of on-street parking, strategic promotion through policy & guidance (e.g. LTP, parking strategies, spatial planning guidance, workplace & residential travel planning guidance etc), possible lead on integrated smart ticketing / mobility accounts
- **Car Club Operator:** front end delivery, day-to-day operations, marketing, quality control, development, taking the commercial risk.
- **Public Transport Operators:** “tie ups” and ticket deals to provide mobility packages and help move towards a package which provides an attractive and realistic alternative to private car use; possible integrated smart card / mobility accounts e.g. City Car Club & London’s Oyster card.
- **Property developers:** reductions in parking ratios, freeing space for amenity, communal and green space; S106 possibilities to fund car club development as integral part of development; new opportunities for residential travel plans. For more information see: T2000/DfT, 2005, [Making Residential Travel Plans Work: Good Practice Guidelines](#) and Carplus’, 2007 [Car Clubs in Property Developments](#).
- **Employers:** can build the car club into workplace travel plans to remove the need for employees to drive to work; can provide car club membership as a perk for employees; can economise on fleet costs; provides good opportunities for engaging and working with local communities; can hit several CSR targets.
- **Public Sector Employers:** large employers such as hospitals and colleges can use the car club for essential car trips in office hours, encouraging high utilisation and viability of the service. Car stations can revert to use by local residents at weekends and evenings.
- **Community Groups:** enthusiasm to make schemes relevant locally; networks for effective local communication and bushfire marketing of ideas; local buy-in; empowering local communities to reduce traffic emissions through positive (car club) schemes.
- **Community Transport:** car club as complementary element to other CT schemes; de-stigmatises CT in eyes of general public; possible income stream to CT organisation

The skill is to develop a framework and environment where effective partnership working can develop in relevant ways. The local authority is in a strong position to lead on this, and by taking a lead can benefit greatly from working in a consortium and co-operative way in order allow all partners to benefit from the effects of the car club scheme.

4.1.1 Partnership Structures

Strong partnerships are essential to car club development; they bring new opportunities to expand the network and reach new audiences. Below are outlined some examples which may be considered.

Formal Partnerships (by contract / signed agreement)

e.g. The development project in Leeds, funded by EU TARGET was a formal partnership between Carplus, Leeds City Council and Metro the West Yorkshire PTE. This steering group then issued the tender for the Leeds scheme and saw it through to launch.

Internal Partners: Islington Council

Probably the most important partners are those within the local authority. They should be invited to early meetings to introduce the car club concept and outline the role they could play, all should be kept informed of progress of the project and encouraged to contribute ideas.

- Planning Teams – Islington Council use S106 agreements to fund all new on-street bays led by transport planning team.
- Parking Services – their parking teams are briefed to support car clubs and be proactive in addressing enforcement issues.
- Managers - steps are being taken to ensure car club use is being adopted across the council where appropriate.

Cross Border Partnerships

Where powers are divided by the two-tier system different organisations have responsibility for parking, public transport and travel planning. If these authorities can work together in the early stages then there are many advantages. E.g. City of Cambridge and Cambridgeshire County Councils worked together with Carplus on a feasibility study in the city, which planned for a club in the city which would then spread to the county.

By working together the viability of a potential club was increased by bringing the populations of Kingston upon Hull and East Riding of Yorkshire under one car club. The towns are only 7 miles apart and there are good public transport links

4.2 Supporting Sustainable Travel

Car clubs provide many benefits in themselves, and act as a powerful catalyst in unlocking the potential of complementary sustainable transport schemes and promoting long-term behaviour change.

Car clubs provide access without the need for ownership and put cars on a level playing field with buses, trains, cycling and walking. Research has shown that car club members are much more likely to integrate their transport modes by choosing the best mode on a trip by trip basis (Cairns and Harmer, 2010).

4.2.1 Public Transport

Many successful car clubs overseas (and increasingly in the UK) have tie-ups with public transport operations. This is less straightforward in the UK due largely to the way that franchises for public transport work (most often against incentivising cross-modal journeys or inter-operator co-operation). Car clubs are generally not seen by public transport operators as being a threat to their core business, which provides potential for cooperative working to move towards providing “whole journey solutions”.

Cooperation works well between car clubs and public transport where:

- Car clubs are better established (e.g. Streetcars agreement with Network Rail which provides dedicated rail station car parking)
- The club has been established with local authority input at all stages (e.g. Leeds where City Car Club have agreements with First Bus, partly via co-working with the Passenger Transport Executive).

The integration between car clubs and public transport is likely to be advanced by new developments in Smart Ticketing. Cross service cards or mobile phone e-tickets are creating regional and national partnerships to ensure all operators' needs are served by the new DfT led ITSO system. Local authorities are being encouraged to include the technology to access the local car club in its plans.

4.2.2 Walking, Cycling and Car Sharing

The local authority's involvement with the promotion of these modes, directly and indirectly (e.g. through travel planning), means that they are in a position to promote the car club alongside them as combinations of solutions that provide viable and practicable alternatives to private car dependency. This needs to be acknowledged in order to promote these modes in ways that are relevant to the lives of the people being targeted.

4.2.3 Community Transport

Carplus has found, especially through the rural demonstration programme, that there can be a symbiosis between car clubs and community transport. To date, this has been through the development of independent schemes through existing community transport organisations, where there are shared interests of community fleet management and optimising shared vehicle use. Community Transport (CT) organisations also see an attraction in the car club potentially providing an independent income stream.

Links between a car club and CT organisations may:

- help in on-the-ground implementation and local management at "satellite" car stations – such as villages and small towns – that are part of a larger car club framework based in an urban centre
- reveal mutual benefit on local areas – the car club cars being used as CT fleet provision for some of the time
- break down traditional barriers around CT locally, the integration of the car club providing a broader community focus than traditional CT.

The local authority could "sound-out" community transport organisations with regard to a car club during planning stages, as well as when an opportunity arises to expand into an area where there is effective CT activity.

4.3 Policy

The local authority has control over policy and the implementation of guidance in various areas that are relevant to car clubs.

4.3.1 Local Transport Plans

A mention of a car club in the Local Authority's 2006-2011 Local Transport Plan and Local Implementation Plan provides strategic support for the development of a scheme and is a significant step.

DfT, 2009. [Delivering Sustainable Low Carbon Travel: An Essential Guide for Local Authorities](#).

4.3.2 Parking

One of the main influences on the success of a car club (and hence the success of the benefits that relate to the car club) is the control of parking. The local authority has the power to influence and control parking:

- In residential neighbourhoods – especially the progressive implementation of residential parking schemes in association with other sources of parking pressure (such as new higher density residential developments, workplaces etc). Car clubs not only provide a complementary way of reducing parking pressure (1 car club car takes c. 24 private cars off the road), but staged implementation of a car club with parking schemes provides a useful combination of carrots and sticks to tackle parking problems.
- Car park priority spaces – in council controlled car parks for car club and car share cars to provide “perks” for users.
- On-street parking strategy. Car club operators agree on the benefits of on-street parking (often in combination with off-street). The designation of on-street parking bays involves Traffic Regulation Order (TRO) or Traffic Management Orders (TMO) procedures which, for car club bays, have been notoriously longwinded. The local authority should adopt rapid TRO designations for car club bays to ensure that the momentum generated amongst the users in an area is not lost due to protracted TRO processes. Specific parking bay location would be best decided through partnership between the local authority and an operator.

For more information see the [Carplus On-Street Parking Guidance](#).

4.3.3 Workplace Travel Plan Guidance

The local authority can encourage the integration of car club vehicles into Workplace Travel Plans. This may be through the car club cars replacing car pools (and so improving car utilisation and reducing security risks during evenings and weekends), or car clubs cars replacing staff using their own cars for works use, so tackling the justification of employees driving to work as they need their car for work purposes.

4.3.4 Local Development Framework Planning

The Department for Transport Residential Planning Guidance puts car clubs at the centre of thinking in planning mobility and parking in new residential developments. The local authority transport and planning departments should work together to outline the benefits of car clubs in Supplementary Planning Documents and make sure that all new residential developments consider the role of a car club before detailed planning permission is granted. Carplus have observed a rapid change in attitudes among developers and planners in the last couple of years, to the point where – generally – there is acknowledgement of shared benefit in constraining parking through the implementation of a car club in a development.

The onus should be put onto the developers, through the context of residential travel plans, to justify why a car club is *not* appropriate rather than explaining why it is.

It is important to note that:

- Integrating car club vehicles into a development is considerably easier (and more cost effective) if it involves “plugging in” to a pre-existing area-wide club.
- Section 106 agreements have been used successfully to fund the development and establishment of a club in a few towns and cities.
- The residential travel planning guidance provides extremely useful guidance as to how to make car clubs work in residential developments.

For more information see Carplus Guide: [Car Clubs in Property Developments](#)

Check List C: Effective Partnerships	Yes	No	Notes
Local Authority			
Has the local authority got political support for the car club?			
Are car clubs supported in key policy documents / can this be achieved? (LTP / parking strategies / LDFs and supplementary planning documents)			
Are the key internal departments aware and engaged in the process?			
Are there possibilities of working with neighbouring authorities?			
Property Developers			
Has the commitment of property developers been secured?			
Can S106 agreements be used to fund car club development?			
Can the car club be included in any residential travel plans?			
Employers			
Is there potential for large employers or key business centres to commit to membership?			
Can the car club be included in any workplace travel plans?			
Are there good business networks for promoting the car club? Cont/d overleaf			
Is there potential for large employers such as hospitals and colleges to use the service?			
Public Transport			
Is there potential for public transport authorities / operators to commit to deliver joint ticketing and promotions?			

Is there potential for integration with travel smart cards or mobility accounts?			
Community Groups			
Are there strong community networks for promoting the car club?			
Community Transport			
Are there any CT organisations which could benefit from a car club partnership?			
Car Club Operators			
Is there an operator already planning to move to the area? Is there sufficient understanding of what is required to begin a dialogue?			
Carplus			
Should Carplus be used to help answer any of these questions or facilitate partnerships?			

Check List D: Integration	Yes	No	Notes
Have ways in which the car club can be linked to other public transport modes been considered? <ul style="list-style-type: none"> ▪ Joint promotions ▪ Mutual discounts ▪ Place car stations at transport interchanges ▪ Joint ticketing / smart cards 			
Has early involvement from public transport operators been encouraged to ensure buy in?			
Have the benefits of car clubs to modal shift been promoted to work place and residential travel planners?			
Have the benefits of car clubs been promoted to developers and included in Supplementary Planning Documents?			

5. Start-up and Management Models

5.1 Approaches to Start-Up

There are various ways of starting up a car club in a conurbation, city or town. The business plans of different operators (or other lead organisations) result in different approaches. Here, we illustrate different ends of the spectrum of how operators can start up a club so that it is possible to put the activities in other places into perspective. This provides a more informed way of selecting the most suitable approach for a local authority to adopt.

5.1.1 Approach 1: Core Sites and Organic Growth

The traditional way of developing car clubs in a new area of the UK has been to identify the core sites within a town or city for the car club and to allow the club to grow from these areas. It might be that an operator takes over the running of the local authority car pool as well as locating a few cars in a new property development plus a likely “hotspot”.

From this start point, the operator will allow membership and usage to build in order to provide the revenue to extend into new areas – such as more neighbourhoods or other towns.

Approach 1 - Case Studies Organic Growth

Bristol City Car Club initially launched as a small operation with 2 cars in 2000 with the support of the council and a local community group. It grew, initially organically, to the 40 cars of today (June 2007). At the time of start up there was little experience of car clubs, the operators did not have strong financial backing and the idea of using s106 funding which is fuelling today’s growth in the city had not been explored.

Now a day’s similar sized city like York, Sheffield and Manchester set up faster and on a bigger scale than the pioneer cities of Leeds and Bristol with around 10 cars. The cars are mainly based around high density new developments and offices with a focus on a mix of residential and business users. They have planned in regular additions to the network to allow. This model is now common in cities outside London as it allows awareness and confidence to build amongst the public with a significant launch balanced with the pressures of resources and available funding.

5.1.2 Approach 2: Ambitious Start-up and Rapid Expansion

A second option would be to start with a much greater number of cars from day one so that the car club “hits the ground running”. This means that marketing can sell the idea as a local network rather than it being seen as something specific to certain areas. In this case, it might be that the operator provides cars for the local authority, as well as identifying housing developments, workplaces, neighbourhoods and rail or bus stations) that, together, provide a higher-profile network. It may link several main settlements by providing cars throughout the county or region – at transport interchanges as well as key residential areas and workplaces.

Approach 2: Richmond Case Study Ambitious Start Up and Growth

Richmond upon Thames launched on street car club bays in February 2009 with STR funding coinciding with a big publicity and communications campaign promoting car clubs by the Council and TfL.

At the beginning of January 2009 there were 10 car club cars off street in RuT with 1039 members. A target was set in STR Strategy for 2250 car club members by September 2011.

- In February and March 2009 71 Bays were implemented
- A further 34 bays were added in November 2009
- Membership has now surpassed 2500.

Car free development is welcomed in RuT particularly in areas where on street parking is problematic such as oversubscribed Controlled Parking Zones. As part of car free development, lifetime membership of car clubs is secured for the residential unit and not the occupier.

- Car Club membership is made a requirement of these types of developments. Developers are now much more accepting of the concept.
- On site bays accepted as part of development as long as accessible by general public. More car club bays implemented on street during 2010/11 municipal year.
- Occupiers of the units are made aware of the units' car club membership through their tenancy agreement or freehold.
- Administration fee is payable by occupier to join and have access to car club vehicles.

Future Plans

- Continued car club memberships sought through development as well as on site car club bays.
- More publicity and marketing by RuT, TfL and operators.
- Streetcar Vans implemented in 6 locations in RuT.
- Council staff using the car clubs as pool cars.

Off-Street Parking

The final option for locations where operators are keen to establish a service regardless of the plans of the local authority is for operators to access private off-street parking. In some areas operators have helped to kick-start the market ahead of public sector support.

Commercial Growth (no LA involvement)

Streetcar launched as a purely commercial venture with off-street rented parking spaces in South London in April 2004 with 36 cars without any support from the local authorities. Their growth has been exponential across the capital. Similarly with the backing of their US operations Zipcar have been able to grow their service rapidly in across London from a standing start.

5.2 Management Models

The start-up models differ in terms of how much capital funding is required. In all cases but for the last scenario there will be a need for basic seed funding for parking bay implementation.

Outside London financial sustainability may require funding beyond bays implementation to help cover operational costs as utilisation is developed. There will be a need for greater usage by employers due to the lower density of residential users.

An operator will need to be confident that there is a sufficient market that is ready to respond to an ambitious start-up. While this may be innate (e.g. there are sufficient neighbourhood types that are hotspots coupled with enthusiastic employers located near to residential areas), it may be that a confident and high-profile partnership (e.g. between an operator, the local authority, public transport operator(s) etc) will translate to the appropriate confidence in the public. Such an approach is higher risk and requires more capital for start-up, but the pay-off would be a faster build-up of business and therefore a shorter time to get to a critical mass for breaking even.

A more cautious and “safe” approach will require less start-up funding (or capital risk by the operator), the downside being a slower build-up of business. Some of the rural clubs reported the frustration of potential members waiting to see how the club developed before committing to joining.

Requirements

The viability of a club is related to the rate of growth in members *and* usage. The revenue from usage allows the club to expand, and as such attracts more revenue from new members. The challenge is therefore to attract members *and* to get the members to use the cars. It is accepted that a target utilisation rate is c. 40% of bookable time.

Various management models exist for car clubs; to determine which is most appropriate for an area the following issues must be considered:

- Selecting operators & competitive tenders
- In-house vs. Commercial Operation
- Single vs. multiple operators
- “fitting into networks”

5.2.1 Selecting Operators and Competitive Tenders

Where support in terms of parking bays or funding is being offered by the council, Best Value procurement protocol usually dictates that a competitive tender process is required.

Letting a tender is costly for both the local authority and the operators and requires a considerable amount of preparation which is particularly difficult in the absence of a local working model, all of which causes delays in the start up of a club.

It may be easier to initially request that operators return an “expression of interest” to eliminate the need for a full tender if only one operator is interested.

The alternative is to open the spaces up to more than one operator which his discussed below.

If a tender is required it is important to get a balance between setting some clear requirements and performance indicators and not placing restrictions or obligations on operators which, in the short run, could make it harder to reach viability. The tender process can be simplified by following good practice.

Example 1

The Royal Borough of Kensington and Chelsea has offered on-street parking bays to all accredited operators who were willing to meet certain criteria. The initial phase of 99 bays was split equally and new ones will be offered on a rotation basis.

The operators led the process of choosing the locations for the bays, within guidelines provided by the council. The TMO process and bay signage has been paid for by the operators where economies of scale reduced cost from £2000 to £500.

Example 2

In February 2005 **the London Borough of Greenwich and BioRegional** joined forces to establish a car club in Greenwich town centre. BioRegional was given £50,000 by the ODPM to pump prime a car club with a local authority partner. Five pairs of dedicated parking spaces were provided free of charge to the chosen operator. Streetcar won the tender to operate the club and an initial eight vehicles were in place by December 2005. By February 2006 the club had attracted over 100 members, exceeding its target of 80 some three months ahead of schedule.

The decision was taken to maintain a single operator for on-street bays to allow interoperability between vehicles and to simplify the process for users.

Example 3

The London Borough of Lambeth currently has on-street bays split between two operators, but may potentially include others in the future. Bays are 'tendered out' as and when they come online. Early in 2007 a set of 9 bays were tendered and three operators responded within the time frame. An assessment was carried out based on price, customer service, financial and environmental stability, marketing ability/experience and ability to work in partnership with the council. Two operators – City Car Clubs and Streetcar were awarded the bays between them. In the near future another tranche of bays will be awarded using similar assessment criteria.

5.2.2 Single vs. Multiple Operators

A key debate in the development of car clubs in the UK at present concerns the co-existence of several operators in the same place. It has emerged mainly as several operators have set up in London in recent years, and as some towns and cities outside the capital have more than one operator (e.g. Brighton).

The advantages and drawbacks are, to some extent, based on the different perspectives of operator, local authority or user. Furthermore, some of the arguments change when considering the present time, the mid-term and the longer-term future as well. As there is still huge capacity in the UK, the debate is more about working out the ground rules of co-existence rather than competition as such.

Operator's Perspective

As an operator, there are clear advantages of having exclusivity in an area. Outside London development is currently slow and hard work. Having clarity when communicating with the user and focussing on providing the best service rather than on "competing" with a rival will take away one extra barrier. The quality of service will be reflected in the number of people and organisations who decide to join. This is a more constructive incentive than inter-operator rivalry.

Local Authority's Perspective

From the local authority point of view, there is some argument that competition between operators provides better service and choice for users – especially if the different operators have different models and pricing structures. In some of the London Boroughs, a bidding process for on-street parking bays exists. Multiple operators in competition provide the local authority with a degree of power. At this level, "competition" should be about an authority having influence over which operator would provide the most appropriate service for that place. If, however, the differences between operators are slight – at least in the eyes of the user, then it is difficult to see who benefits from such a situation.

What's in it for the User?

In denser, larger cities, the local co-existence of a number of operators provides a degree of choice. This choice is largely about car type and cost structure, though at present, the latter is about whether usage cost is weighted to membership or mileage/time use rather than total cost. As there is little margin for end-user cost competition, price wars are unlikely. The quality and reliability of service from the main operators is largely comparable, and this is underpinned to an extent by the national [Carplus Accreditation Scheme](#). It could be argued that the authority should have the means to re-allocate bays if standards or growth targets are not met.

Practically there are a number of disadvantages to having a multiple operator system. Having a network of closely located bays run by one company means there are alternatives if a member's first choice of bay is booked. This is more difficult with multiple operators however, some members join more than one club (on free offers) to keep the choice. Secondly marketing messages may get confused and be less cost effective for the operators if business cannot be maximised in the area. Thirdly from the local authority's perspective, working in partnership with a number of operators will take more time in administration.

In general, Carplus believes that in London and the larger cities fast development of car clubs enables multiple operators to develop successfully in the same area, but in smaller locations or with slower start-up models, a single operator model works better, at least in the short term. We would argue that ultimately, some element of inter-operability would be of benefit for the end user, though operators are currently reluctant to explore this. Collaboration with Public Transport operators is a far more pressing issue at this stage of car club sector development. We

recommend contacting local authority officers who have experience of different routes to gain more insight into the pros and cons.

5.2.3 In-House vs. Commercial Operation

Commercial Operation

Carplus strongly recommends that the local authority enter into an agreement with one or more commercial car club operator. The advantages are that:

The operator:

- ◆ Uses its expertise to make the scheme successful (targeted recruitment and expansion, marketing, etc)
- ◆ Takes on at least some of the commercial risk

The local authority:

- ◆ Through a working partnership influences how the scheme develops (e.g. where cars are located)
- ◆ Can integrate the club into relevant policy to help to achieve other objectives (e.g. tightening parking ratios in new developments, incorporating into workplace travel plans etc).

In-House Operation

Although all large car clubs in the UK are operated by commercial operators, this does not preclude a club being directly operated by any organisation as most of the services can be bought-in (such as booking technology, car leasing and maintenance).

For another organisation to run their own scheme they would need; willingness within the organisation to take on the scheme, both high level and grass roots support. Also, capacity to do so including; staff time, expertise (especially fleet management and marketing) and funding – both capital to set up the scheme and revenue to pump-prime until it starts to break even.

The advantages of an organisation running their own scheme are:

- ◆ More control over how and where it develops. Though negotiation with commercial operators should achieve most objectives, assuming they do not conflict with the operators' business model.
- ◆ Integration with other activities within the organisation for example pool cars or other transport services.
- ◆ An income stream once the scheme is breaking even.

Last year saw the launch of Westminster car club in partnership with Zipcar. This joint operation is branded and led by the council but operated by Zipcar. It has ambitious plans and aims to provide 400 on-street spaces over a 4 year period of which approximately 30% will be hybrid vehicles and a pure electric car club vehicle, a Citroen C1. The car club is projecting membership of over 20,000 in this 4 year period alone

5.2.4 Collaborative Networks

The conventional way of operating a car club scheme would be to identify core starting areas and develop a scheme from there. However it may be worth looking strategically at forming a network, across an authority, county or region. Such an approach could use economies of scale,

management and infrastructure to “knit together” a critical mass of clusters of high potential user groups (neighbourhoods, employers, residential developments etc) that may be geographically separated but still within the authority.

For instance, the core scheme may be focussed in one or more urban centres, large employers or property developments. Interest from a market town or cluster of villages could be catered for by launching as a satellite, administered and serviced by the core site. Such satellites would then be able to enjoy the environmental and social benefits of the car club which might not otherwise be possible if a stand-alone scheme was not viable or a priority location for operators to choose. This is an ideal way to reach rural or socially excluded areas which may otherwise struggle to independently start up a new car club from scratch. The (relatively cheap) satellites would help to contribute to the revenue based viability of whole club.

A local network could also promote better integration in the medium term by enabling visitors to travel by public transport and use a car club car at their destination. Also, achieve policy objectives such as promoting social inclusion, access to services and job interviews, integrating with community transport, and supplementing rural transport.

Networks

- ◆ Assuming a commercial operator is selected; members are able to use vehicles across the country, wherever they are operated by the same company.
- ◆ The viability of a local car club can be increased by collaborating with other areas, expanding to form a wider network – increasing density or size of club.
- ◆ Yorkshire Forward, the regional development agency, enabled Carplus to develop a regional network of car clubs in Yorkshire and Humber. This offered free support across the region and led to rapid growth in clubs. The coordinated approach gave a more strategic growth pattern, rather than the ad hoc development seen in other areas.
- ◆ Carplus aims to create a national network of clubs so that any new areas can access the benefits of car clubs. Contact Carplus for an update on this project.

Information on existing car clubs including latest figures and locations for all clubs are updated regularly on the [Carplus website](#).

Check List E: Models	Tick	Notes
Decide upon start up model		
Organic growth: Core sites identified followed by organic growth as demand increases. E.g.: local authority pool cars and a new property development.		
Ambitious start up: Ambitious start up and expansion. E.g.: Many car stations from day one using high visibility to grow membership fast.		
Decide upon management model		
Issue 1: Commercial operator or in-house?		
Issue 2: Single or multiple operator?		
Issue 3: Tender or expressions of interest?		
Issue 4: Localised club or regional network?		

6. Operational Issues

6.1 Charging Structures

Different user charging systems have been developed by each of the national car club operators. They are all based upon a similar system but increasingly offer more options and add-ons for members. All charge an annual or monthly membership fee and an hourly rate; some include some fuel in the hourly charge. There are other more subtle differences between the schemes e.g. excess rates.

The local authority should be aware of the options. Carplus can provide a spreadsheet to help compare the cost to members of different usage scenarios.

View a list of UK [Car Club Operators](#).

6.2 Choice of Vehicles

Different operators favour different vehicle types. Most offer a choice of one vehicle type such as a supermini (VW Polo) complemented by a family hatchback or possibly estate car and people carrier. The appeal of a more specialist vehicle which may not be easily accessible to all members is not straight forward – for example a people carrier may not be popular for shopping or business use. This may be an issue which is addressed in market research.

There is a great deal of interest in the role of ultra low emission vehicles at present through local trials and the OLEVs Plugged in Places programme. Due to the way car clubs already change the way in which we use vehicles and the various synergies between these industries they are being seen as an important part of the development of the low emissions market. For further information see Carplus guidance on Low Emission Vehicles and Electric Vehicle Opportunities document.

6.3 Parking

At this stage it may be useful to begin identifying potential sites for car club bays. Parking is one aspect of development which can delay implementation; this is particularly so if there is a requirement for a re-designation of on-street parking bays. Converting council owned (loading) bays may be a fast and non-controversial way of releasing the first sites. Converting pay and display spaces will have implications to council revenue. Converting resident parking bays may be unpopular unless the consultation is handled well. The operators can provide suggested successful locations from their experience.

Further guidance:

[Car Club Parking Charter](#)

[Carplus Parking Charter for Local Authorities.](#)

[Guidance on TMO Consultations](#)

[DfT Approved Parking Signage](#)

7. Costs, Finance and Next Steps

7.1 Costs and Finance

The amount of finance that the local authority will need to secure to set up a car club is determined by the approach that the local authority would prefer to adopt in terms of initial club scale, ambitions for growth, the amount of risk, and the amount of control the local authority would like in the development of the club.

Carplus has observed that:

- The minimum size of a club that most commercial operators would consider would be about 5 cars. This assumes that the operator can see a market for 5 cars being used up to 40% of chargeable time (many do not charge overnight; this compares to c. 4% utilisation of the average private car)
- In the absence of S106 funding, operators may be looking for start-up funding from the local authority. The actual amount to implement such a scheme will vary enormously depending upon the potential market, speed of development. Many situations require no seed funding or just the cost of the parking bay TROs. As the competition increases the most prime areas in London are attracting interest from operators willing to pay the cost of even the parking bay set up themselves, but this is very much the exception and hasn't been replicated outside the capital.

In the UK, local authorities have found (or have the potential to find) funding for car clubs from the following sources:

- *Local Transport Plans.* Revenue schemes have been funded through LTP by justifying that they add to the effectiveness of complementary capital schemes (such as new bus and cycle infrastructure). In addition, although car clubs are revenue-type schemes, there is the potential to capitalise the car or parking bays element of a club. There are some indications that there may be more flexibility in the future for revenue elements to be funded through LTP.
- *Section 106.* S106 agreements with residential property developments have been used to provide funding for car club implementation. The ring-fenced funds, coupled with tight parking ratios as a planning condition, will provide development-based clubs of sufficient scale to attract a commercial operator into the cities concerned. The operator, once in place, can then expand across the cities.
- *As a part of various EU initiatives.* Car clubs have received funding for various reasons from VIVALDI and CIVITAS schemes, with associated funding from others (such as marketing alongside other initiatives in the TAPESTRY project).
- *Non-LTP LA sources.* There may be other ways of funding car clubs through social inclusion or regeneration budgets (if that is the car club's focus). One scheme apparently has been conceived through a Social Services Department, originating in a survey of preferences and needs of people routinely accessing day centres. The bottom line of "non LTP LA funding" requires creative thinking that is locally relevant.

Finance does not have to relate solely to up-front funding:

- The opportunity to take over the local authority's car pool may be sufficient to attract an operator with no further financial support. Indeed, the car pool would, to a car club

operator, provide a robust basic business proposition where they have the information to determine its viability if converted to a car club – i.e. its scale and reported utilisation corresponds to (and exceeds?) the minimum “rule of thumb” outlined above.

- “In kind” funding is valuable to an operator. The local authority’s influence in helping with joint marketing, absorbing the costs of TROs for parking bays, and influencing parking and travel planning are all significant contributions.

Check List F: Finance	Yes	No	Notes
Is there potential funding to be obtained through the Local Transport Plan?			
Is there potential funding to be obtained from S106 agreements?			
Is there potential funding to be obtained from EU initiatives?			
Have other sources been identified?			
Is there an Operator willing to operate without funding? How much do they require?			
Have methods of in kind support been identified?			

7.2 How to Proceed

Clarify the answers to the issues outlined in each of the sections

- Is a car club right for the area?
- Are there potential residential and business users? (At this point it may be useful to carry out a survey of short listed areas)
- Is there potential for effective partnerships?
- Are there supportive policy frameworks?
- What is the availability of finance?
- What are the relevant operational issues?

Compile the answers to these questions based on the relevant previous parts of this report and use these to inform how to proceed.

Open a **dialogue** with the operators “armed” with this clearer perspective on the club.

Either

- Provide a brief for discussion of how they would provide the service that you would want and any start-up finance they would require *or*
- Suggest how much start-up finance (if any) may be available and request that they outline what they would provide

Carplus can provide an example of a pre-tender briefing of “X City Council” which illustrates the results of completing this process and provides a guide with which to begin a dialogue with the operators. Contact the office for a copy.

Put operation to **expressions of interest, tender, non formal selection process or proceed with a multi-operator approach.**

View a list of UK [Car Club Operators](#).

Appendix 1 provides a framework for an Invitation to Tender briefing of “X City Council” which is an amalgamation of the experiences of more than one local authority. This is available electronically from Carplus.

Carplus is able to support local authorities going through this process. General advice through to site specific visits and scoping reports can be arranged as appropriate.

Carplus can also put local authorities in touch with officers who have useful experience to share.

8. References

Atkins, *Mitigating Transport's Climate Change Impact in Scotland: Assessment of Policy Options*, University of Aberdeen, 2009.

Cairns, S. & Harmer, C., *Carplus Annual Survey of Car Clubs 2009/10*, Transport Research Laboratory, Berkshire, 2010.

Carplus, 2010, [Car Clubs: A Cost-Effective Route to a Low Carbon Britain](#), Leeds.

Carplus, 2009, [Car Clubs at Work: An Information Pack for Employers](#), Leeds.

Carplus, 2009, [Low Emission Car Clubs for a Healthier, Equitable and Sustainable Transport Future: A Guidance Document for Policy Makers](#), Leeds.

Carplus, 2007, [Car Clubs in Property Developments](#), Leeds.

Carplus, 2008, [Car Club Parking Charter](#), Leeds.

Carplus, 2008, [Guidance on TMO Consultations](#), Leeds.

DfT, 2009. [Delivering Sustainable Low Carbon Travel: An Essential Guide for Local Authorities](#), London.

DfT, 2008 [Building Sustainable Transport into New Developments: A Menu of Options for Growth Points and Eco-towns](#), London.

DfT, 2005 [Making Car Clubs and Car Sharing Work - A good practice guide](#), London.

T2000/DfT, 2005 [Making Residential Travel Plans Work: Good Practice Guidelines](#), London.

DfT, 2004 [Smarter Choices: Changing the Way we Travel](#), London.

All Carplus guides can be ordered from the office on 0113 234 9299 or downloaded at <http://www.carplus.org.uk/resources>

Appendix 1

Establishing a Car Club in X

Sample Framework for Invitation to Tender

1. Introduction

- 1.1 Include preamble on why the Council is seeking to appoint a preferred car club operator.
- 1.2 Overview of the city and plans for development. Key statistics about the size of the city, economic activity and planned growth.
- 1.3 Details of current plans for regeneration and investment in transport infrastructure. Outline any problems with traffic congestion, parking and pressure on land and road space. Council's reasons for seeking a car club.
- 1.4 Details of research amongst the public indicating the need for a car club.
- 1.5 Details of potential business use from the city's local authority itself.
- 1.6 Details of potential developments in which a car club could be integrated.
- 1.7 A summary of the potential business from employers and institutions such as hospital and colleges which have expressed interest.

2. Policy Context

- 2.1 Outline the range of key documents which set out the policy context for the establishment and promotion of a car club. Examples are detailed below to be added to or expended upon.
 - Other transport plans or strategies
 - Area-specific development or regeneration strategies/plans.
 - Unitary Development Plan/ Local Development Framework
 - Parking Strategies.

3. Car Club Objectives

- 3.1 Outline detail of any specific transport or other policy objectives/ targets which the council wishes the car club to contribute towards e.g. mode shift, carbon reduction, parking, social inclusion, economic regeneration etc.

4. Scope of Contract

- 4.1 Outline the broad scope of contract to be agreed with the preferred operator.
- 4.2 Length of Contract

4.3 Service Specification

4.4 Summary of the type of car club operation that the Council requires.

4.4 Operator's Responsibilities - Insert details of issues such as:

- Management
- Indemnity
- Insurances
- Marketing
- identifying new car stations
- integration with public transport
- Carplus Accreditation

4.5 X City Council Responsibilities - Insert details of issues such as:

- Steering Group development promotion
- Traffic Regulation Orders for on-street parking bays
- Funding
- partnerships with private developers, business users
- City Council business use.

4.6 Performance Information and Targets – Outline the range of appropriate performance targets which the Council will agree with the operator e.g.:-

- Growth of membership numbers
- Growth of number of vehicles available for hire
- Modal shift achieved
- Reduction in car ownership amongst Car Club members
- Rate of member utilisation of Car Club cars
- Member satisfaction with the Car Club service
- Private developer schemes supported

5. Preferred Approach

5.1 Outline the Council's preferred approach to the establishment of a car club, which Operators are requested to respond to in replying to this tender invitation.

5.2 Insert details of pointers such as:

- plans for the launch
- number of parking bays and cars
- car club fleet
- plans for residential developments and approaching business users.

6. Tender Requirements

6.1 Insert details of the format of the submission e.g.: number of copies required / additional documents required such as Accreditation Certificate.

6.2 Insert required contents such as:

- summary of approach in x city
- proposed number of vehicles and spaces

- vehicle types
- operational and set-up proposals
- statement on environmental impact and benefits
- proposed makeup of fleet
- fuel efficiency and emission standards
- charges and rates for members
- marketing and promotion plan
- projections for number of members
- track record and experience in setting up car club
- financial support required.

7. Assessment Criteria and Weighting

7.1 Describe how the Council will select the preferred operator, establishing relevant criteria and weighting as appropriate and in accordance with the approach outlined earlier.

Criteria: insert key criteria for X Council	Evidence required	Weighting (%)
	•	
	•	
	•	
	•	
	•	
Total		100%

8. Project Timetable

8.1 Include an indicative implementation timetable to cover:-

Interviews held week beginning	XXX
Preferred Operator selected	XXX
City Council committee / funding approvals completed	XXX
Identification and processing of on-street spaces	XXX
Pre-launch development and promotion work	XXX
Full scale launch	XXX