



Report to Partnership Meeting of 20 April 2018

RESEARCH AND STRATEGY DELIVERY

HITRANS Car Club Development

SUMMARY:

To update Members of the outcomes of the Car Club Development Officer post to support the development of existing and new car clubs within the HITRANS area over the past 10 months.

Background and Project Overview

Carplus is funded by Transport Scotland to deliver the Developing Car Clubs in Scotland programme. As part of this programme, HITRANS successfully applied for fixed term funding until March 31st 2018 towards a Car Club Development Officer to help establish and support car clubs in new locations in the Highlands and Islands.

The primary functions of the officer have been to support the creation and the development of publicly accessible car clubs in the HITRANS area while maximising the benefits to the wider community. To promote the car club concept to local authorities, to the business community and the general public within the HITRANS area.

Main project activities have included:

- Building a fuller understanding of demand for car club vehicles in the HITRANS area
- Support existing car clubs in Inverness and elsewhere.
- Engage with car club operators to establish the most effective business model in each area.
- Develop marketing and communication activities including marketing and PR materials, use of social media and other communication means
- Promoting the car club concept to local authorities in the area where membership would reduce the use of personal vehicles for business use and consider arrangements for block-booking vehicles and how these will complement the pool fleet if relevant
- Liaise with key partners including Carplus Trust, local authorities, public transport (including ferry) operators and local business networks in order to maximise the potential of the car clubs in the area

HITRANS Area Car Club Model

Car clubs work most easily in urban areas where there is a high enough population density to guarantee a certain level usage and where there is sufficient access to alternative transport such that people are less reliant on private vehicles. In the HITRANS area, reliance on private vehicles and often smaller settlements are barriers to the adoption of car clubs for private use across the Highlands and Islands. The ideal approach to overcome this would involve having a mix public and private use in order to build layers of utilisation and thus achieving financially stable levels usage. An ideal approach to developing car clubs can be summarised in 3 phases.

Phase 1 – Initial focus to roll-out of vehicles solely for use by Local Authority employee use. Once this is achieved, partner with other public-sector bodies to maximise use of vehicles and reduce operating costs for each organisation until an optimum number of vehicles are utilised.

Phase 2 – Partner with local businesses where vehicles are located and roll-out car clubs for local SME's, further reducing operating costs and spreading utilisation.

Phase 3 - Make vehicles accessible to the public outwith core times providing further income streams to offset running costs.

This approach spreads utilisation among a mix of users so that fluctuations in usage are less volatile, achieving economies of scale by reducing costs to individual organisations and opening car clubs to the wider public. In addition, large organisations based in Inverness often have operations across the Highlands and islands, and so an initial focus on these organisations allows car clubs to be spread area wide.

Barriers to Car Club Development

The main barriers to car club development within the HITRANS area that have been identified through feedback from operators, business and public bodies includes:

- Low utilisation – Below certain levels of utilisation, car club vehicles are not financially sustainable for private operators. This has been an issue where vehicles are purely dedicated for private use. The solution to this may include further promotion aimed at the right target market and expanding the mix of users of those vehicles to corporates and public bodies so that additional layers of utilisation are created.
- Appropriate car club costing tool - For corporate use car clubs form part of an overall fleet solution. For larger organisations, to appropriately implement a car club for business use, a prior understanding of business travel is required. Where this data is not available significant resource can be required to undertake such an analysis. HITRANS have been able to support this by working in partnership with Changeworks Inverness to facilitate Sustainable Transport Reviews for interested organisations, however a dedicated costing tool or method for car clubs would be an ideal means to overcome this and allow organisations to identify the financial cost/benefit of adopting car clubs for business travel.
- Existing car club models in the HITRANS area – An additional barrier has been an absence of existing examples of car clubs for business travel in HITRANS area. However, the recent proposals by The Highland Council to trial car clubs for business use will hopefully be a model which could be replicated by other Local Authorities.

Developments

The main car club developments during the course of this project include the following:

- The Highland Council (THC) Car Club Trials – After undertaking a comprehensive grey fleet review through the use of internal resources and EST Sustainable Transport Reviews, THC have proposed to implement car club trials for business use in key departments, in Inverness and at other sites. They will be the first local authority to adopt car clubs for staff use in the HITRANS area. If successful this will be the first stage, with ambitions to later partner with organisations such as NHS Highland and Police Scotland and to eventually open car clubs to the wider public. Trials are likely to be implemented early April 2018.
- Inverness Sustainable Transport Demo – An event in Inverness city centre was organised to promote the existing car club schemes in October 2017. Representatives from Police Scotland, E-Car Club, Enterprise Car Club, Sustrans and Stagecoach were present of the day to promote other alternative transport means as well as car clubs. A mix of other social media, press and leaflets were used for promotion.
- Argyll and Bute Council (ABC) Car Club Feasibility Study – After engagement with Carplus and ABC, Carplus have funded a feasibility study into the use of car clubs for the tourism market in Argyll and Bute. The study hopes to identify key opportunities for car club development in Argyll and Bute. This will help ABC identify the best means to support car clubs in their area initially.
- Moray Carshare LEADER Application – Through engagement with Moray Carshare, HITRANS have been able to support their LEADER application for funding to expand their car club operations into new areas including Lossiemouth and Elgin as well as to develop a complimentary bike share scheme. HITRANS have provided £15,000 towards the active travel element of their application. Their application is being developed for the next funding deadline at the end of April 2018.
- Airport E-Car Clubs – Through our European project, SPARA 2020, HITRANS have supported HIAL to install EV charge points at Inverness, Stornoway and Kirkwall Airports to allow fully electric car clubs at these locations. E-Car Club will be launching EVs at these airports once the charge points have been installed, due to commence in April 2018.
- Lochaber Environmental Group (LEG) CCF Application – HITRANS have supported LEG to develop an application for Climate Challenge Funding to develop an electric car club scheme in their area. They have been successful in their funding application and aim to implement their project late 2018/early 2019. Their activities will include hosting events to promote the use of EV's and to support the local community to develop their own electric car club. There is strong potential for this project to deliver electric car clubs for community use in the Lochaber area and LEG are interested to continue to work with HITRANS on this project.
- City Centre E-Car Club vehicles – E-Car Club have recently pulled their vehicles from Inverness City Centre for public use citing low levels of utilisation and anticipation of shifting these vehicles for THC use as part of their car club trials. This will not affect airport operations and the total number of E-car Car Club vehicles within the area is likely to increase overall. Enterprise Car Club continue to operate vehicles from a number of city centre locations.
- A leaflet promoting existing Car Clubs and their use has been developed by the Development Officer. A copy of this leaflet is included as an Appendix to the report.

Future Opportunities

The main car club developments listed previously will require further support to develop into successful car club schemes. The adoption of car clubs by THC for business use will provide a solid basis on which to develop car clubs across the region and if an initial trial is successful, emphasis could be placed on expanding this to other public sectors organisations such as NHS Highland and eventually the wider public. In addition, the community car club model that Moray Carshare have developed could be an ideal means to expand car clubs throughout the Moray area.

As well as continuing to support the above opportunities, the following outlines potential areas of focus to support the development of car clubs going forward:

- Facilitate further engagement between NHS Highland, Police Scotland and commercial operators to support the adoption of car clubs by other public bodies and to partner existing schemes into a larger public-sector car club.
- Further car club events in towns and cities in the HITRANS area to promote car clubs to the wider public. These could be connected with existing events such as EST sustainable transport demonstrations and to highlight any newly launched schemes such as THC car club trials or LEG's Lochaber car club.
- Supporting the development of an appropriate costing tool/facility to allow corporates to properly assess business travel and provide cost/benefit analysis on the adoption of car clubs.
- Continue to link car clubs to development of EV usage.

RECOMMENDATIONS

Members are invited to note the report.

RTS Delivery

Impact - Positive

Comment – Establishing new and promoting existing car clubs is identified in the updated draft HITRANS Delivery Plan

Policy

Impact - Positive

Comment – Establishing car clubs within the HITRANS area helps provide an efficient alternative for those without access to a private vehicle and provides alternatives to grey fleet for public and private organisations.

Financial

Impact – Positive

Comment -

Equality

Impact – Positive

Comment –areas

Report by:

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Designation:

Car Club Development Officer

Date:

10 April 2018



CAR CLUBS



What is a Car Club?

A car club provides quick and easy access to a car for a short-term hire.

Members can make use of a car club vehicle as and when they need. A typical car club consists of vehicles located in designated bays in a local area, allowing residents or businesses within the vicinity to become members with access to those vehicles for private or business use. The car club is a shared resource of cars accessible to its members.

Members can use the vehicles by:

- **Booking** – for as little as half an hour a time, using their phone or internet. Bookings can be made well ahead of time or within a few minutes notice.
- **Unlock** – cars are located in designated bays in the local area and accessed using member's smart card or mobile phone or a secure safe key.
- **Drive** – once inside the driver enters a pin and drives away, returning the car at the end of the journey. Bookings can be extended from the car or by phone if necessary (and if car isn't booked by someone else).
- **Pay** – members pay a yearly/monthly membership fee. Each time you use a car, you pay an hourly hire rate plus a mileage charge which is invoiced to you each month.



How does a Car Club differ from Car Hire?

Car hire and car clubs are aimed at different types of users. To be competitive with car hire, the cost of using a car club for short term use should be less than car hire. Car clubs differ from car hire in the following key ways;

- **Membership** – car clubs are membership organisations. Once you have signed up as a member you can access the cars whenever you want.
- **Vehicle Locations** - car club vehicles tend to be located in designated bays in city centres or residential areas, within short walking distance of members, so there is no need to collect and return the car to a depot. Vehicle locations and availability can be checked using a mobile app.
- **Short term hire** - cars can be hired by the hour (or sometimes even half an hour) rather than by the day for car hire.
- **Payment** – the payment structure for a car club tends to consist of a monthly or yearly membership fee, an hourly hire fee and a mileage charge. Car hire tends to involve a daily rental fee.

The Purpose and Benefits of Car Clubs



The benefits of car clubs can differ depending on the users. For individuals, access to a car club can provide a reason

to dispose of, or not purchase, an extra car for the household. They can be used for personal errands, leisure or shopping.

For businesses, they can provide a cheaper and efficient alternative to a grey fleet. In urban areas, they can make financial sense, whereas in more rural areas with fewer alternative transport options, they can improve accessibility for communities. In essence, a car club allows access to a car without the full cost of owning one.

Data collected on Scotland wide car clubs (2016/17 Carplus Annual Survey) suggests that car clubs can help to:

- **Reduce private car ownership and use** – car clubs encourage behaviour change and reduce levels of private car ownership by providing members with a cheaper alternative.
- **Improve air quality across Scotland** – car club cars are significantly cleaner than a typical private car – 97% of car club cars are in the lowest emission bands.
- **Help normalise electric vehicles** – pure electric vehicles make up 22% of the car club fleet which is helping to mainstream electric vehicles more quickly and effectively
- **Enable members to drive less** – car club member travel patterns reduce their average driven mileage
- **Support sustainable travel choices** – car club members are more likely to use a wide range of public transport, walk and cycle.

NATIONAL OPERATORS IN HIGHLANDS AND ISLANDS / SCOTLAND

Enterprise Car Club: Inverness.

Other locations: Edinburgh, Glasgow
Contact 0345 266 9290 or
membership@enterprisecarclub.co.uk

E-Car Club: Inverness

Other locations: St. Andrews, Stirling, Stornoway.

Airports: Stornoway, Kirkwall, Dundee, Wick, Sumburgh

Contact 0203 603 2259 or
info@ecarclub.co.uk

Moray Carshare:

Forres, Kinloss, Findhorn

Contact 08458 609 609 or
manager@moraycarshare.com or
accounts@moraycarshare.com

Rousay, Egilsay and Wyre

Development Trust Car Club:

Orkney (Rousay)

Contact 01856 821229 or
info@rewedt.org

West Wheels: Mallaig, Arisaig

www.westwheels.co.uk

Car Bute: Isle of Bute (Rothesay)

Contact 01700 503181 or
admin@fynefutures.org.uk



For further information please contact

HITRANS www.hitrans.org.uk Email: info@hitrans.org.uk

Carplus www.carplusbikeplus.org.uk

