

A Car Club Strategy for London

Growing car clubs to support London's transport future



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1. Executive Summary

Introduction

This Strategy has been jointly developed by members of the Car Club Coalition, which was established in September 2014 and represents car club operators, London Councils, the Greater London Authority (GLA), Transport for London (TfL) and key stakeholders.

Car clubs can help unlock a new model of urban mobility for London by offering an alternative to private car ownership. London already has one of the largest car club markets in Europe. The sector is currently innovating rapidly with new operators entering the field and there is considerable potential for growth. The Strategy sets out a collaborative approach to accelerate the growth of the sector in London and take car clubs from a niche service to a mainstream transport option.

Facilitated by TfL, the Coalition has been involved in compiling a supplementary Evidence Summary to bring together the key pieces of research from the UK and abroad. The results of this exercise to date form the evidence base for this strategy, but this work is ongoing; it has also highlighted remaining evidence gaps and the need for further research.

What is a car club?

Car clubs provide access to shared vehicles to members on a pay-as-you-drive basis. They provide much of the convenience of owning a car but without the hassle or costs of repairs, depreciation, insurance, servicing and parking. Car clubs tend to be organised on an area basis with cars located in clusters so that if one car is not available, a member will only have a short walk to access another car.

There are three main types of car clubs:

- Round-trip car clubs
- Fixed one-way car sharing
- Floating one-way car sharing

The sector is innovating rapidly and research suggests that significant growth potential exists in London both for the round trip car club model that has operated in London for over 10 years now and for the newer one-way (fixed and floating) model that has gained traction in cities like Paris and Berlin. Whilst car clubs work best in the areas of high urban density and strong public transport access most associated with inner London, considerable potential was also identified in Outer London where private vehicle ownership is higher. This strategy looks at what actions would be necessary to unlock this growth potential across London.

Using car clubs to tackle London's challenges

London is experiencing a sustained period of population growth and the latest GLA projections estimate that by 2031 London's population will rise to over 10 million. Unless

significant action is taken, AM peak congestion will increase by up to sixty per cent in central London by 2031. Congestion currently costs London approximately £4bn a year in delays and lost productivity; this is only going to increase as the population grows and the pressure on road space increases.

The promotion of car clubs was identified in the Roads Task Force report in 2013 as one of a number of demand management measures which can reduce overall car dependence by making access to cars more flexible, thereby reducing pressure on road space and encouraging sustainable transport. Car clubs were recognised as a key tool in providing for Londoners' urban mobility needs by offering a realistic and economical alternative to private car ownership.

Car clubs can also bring wider benefits such as:

- **Freeing up parking spaces** – through members selling a car or deferring a planned purchase of a car
- **Environmental benefits** – including improved air quality, reduced CO₂ emissions through use of cleaner vehicles (particularly if electric vehicles are used in the fleet) and greater use of sustainable transport
- **Increased familiarity with electric vehicles** – making them more visible, desirable and accessible to a wider audience
- **Reduced costs of living** – the true costs of owning a car (including upkeep, maintenance and depreciation) are often under-estimated by owners. Car club users can make significant savings when switching from private ownership.
- **Reduced costs of doing business** – car clubs can have financial benefits for businesses through rationalised business travel and reduced commuting by car

It is of utmost importance that, as the sector innovates, all models of car clubs generate outputs that are aligned with the pressing challenges the city faces. A number of questions and concerns (particularly in respect of one-way car sharing) have been raised by several boroughs and this is why an essential part of this strategy has been evidence gathering. Whilst the benefits of round trip car clubs are well documented with supporting data, evidence for one way car sharing is less established as a result of the nascence of this market. The coalition proposes to establish a robust monitoring and evaluation framework, to create a comprehensive and transparent knowledge base on all forms of car sharing in London. By creating this knowledge base, all stakeholders will be able to commit to the appropriate long-term future development of car clubs with confidence.

The Vision for car clubs in London

There is significant potential for growth of car clubs in previously untapped markets, for example in areas of outer London where there are good public transport links coupled with higher car ownership. By working in partnership with boroughs and developers, car club operators can effectively target their marketing efforts to raise awareness and increase car club membership and usage in new areas.

The challenges preventing car clubs from becoming mainstream

The car club sector is still at an early stage of development and has yet to become a mainstream mode of sustainable transport. The Coalition has identified a number of challenges to growth.

These challenges fall under the following headings: Policy and governance; Delivery; Awareness and Visibility.

1) Policy and governance

In London, there is no one governing body with overarching responsibility for parking and streets. This responsibility is shared between TfL, London's 32 boroughs and the City of London and, in the case of off-street parking, public and private sector landowners. This situation poses a number of challenges for operators, including: varying policy approaches across the boroughs; requiring support from multiple stakeholders; the need for supporting policies; and some boroughs continuing with single operator contracts.

There is also an opportunity for greater UK-wide policy direction and national government support for car clubs as some policies, such as vehicle taxation and local authority procurement contracts, are managed at a national level.

2) Delivery

To make a convincing case for potential customers, car clubs need to operate at scale and be a reliable transport option. A wide range of challenges related to delivery impact this, including: the availability of sufficient parking space; the limitations of EV charging infrastructure; motor insurance costs; local authority capacity; and a lack of incentives.

3) Awareness and visibility

Low awareness of car clubs remains a barrier to car club growth. TfL's research in 2014 found that 37 per cent of respondents had not heard of car clubs. Specific challenges include a lack of integration with other travel choices, low levels of awareness, a lack of on-street visibility, and a lack of awareness among businesses.

The strategy sets out how the Coalition will work together to grow the car club industry in London and take car clubs into the mainstream. This forms an important component of a broader strategy to overcome the challenges for London's road network.

The Coalition has agreed that an ambitious approach to growing car clubs could achieve 1 million users by 2025, which could achieve benefits for reducing the negative impacts of cars, particularly in terms of traffic, congestion and emissions. It is also recognised that more modest growth would still achieve significant benefits in reducing these negative impacts. The key is to focus action in London *now* to deliver growth in the car club industry to support London's transport future.

Action Plan

The Action Plan sets out ten actions which will help grow the car club market to deliver the associated benefits. The actions are related to the challenges identified above and responsibility for each action is designated to different parties within the Coalition.

The actions are set out in Chapter 8, and summarised below:

- 1) Developing a monitoring framework to build the evidence on the impacts of car clubs
- 2) Working with key stakeholders to support car clubs
- 3) Transforming London's public sector fleets
- 4) Building capacity and creating a framework for supportive policy development
- 5) Helping Londoners make the switch from private cars
- 6) Making parking management smarter and easier
- 7) Driving the uptake of low emission vehicles
- 8) Transforming the profile of car clubs in London
- 9) Driving the uptake of car clubs in London's commercial fleets
- 10) Car club integration

The Action Plan will be reviewed at quarterly Coalition meetings, the first in July 2015, three months after the publication of the Strategy in April 2015.

2. Background

2.1. Introduction

- 2.1.1. Whilst cars are the best option for many trips in London, many journeys currently made by car could be made by other means. Car clubs and car rental enable flexible access to cars, where the car is not privately owned but shared by members and customers who use it on an occasional basis, enabling them to choose the most appropriate mode for of transport each journey. This provides a cost-effective alternative to car ownership for both private and commercial customers.
- 2.1.2. Car clubs can bring benefits such as reduced pressure for car parking, access to cleaner vehicles, improved air quality (particularly if electric vehicles are used in the fleet) and promoting a greater use of sustainable transport options. The important role of car clubs was identified in the Mayor's Roads Task Force report published in 2013 as one of a number of measures which can reduce overall car dependence by making access to cars more flexible, therefore reducing pressure on road space¹. Car clubs were recognised as a key tool in providing for Londoners' urban mobility needs. They can support London as a successful growing city, in which sustainable transport is central to future lifestyle choices.
- 2.1.3. Thanks to the efforts of the operators and industry bodies, local support from boroughs and strategic support from TfL and GLA, London has one of the largest car club markets in Europe, with over 135,000 members in January 2015. The sector is innovating rapidly and research suggests that significant growth potential exists in London, both for the round trip car club model that has operated in London for over 10 years now, and for the newer one-way (fixed and floating) model that has gained traction in cities like Paris and Berlin. Whilst car clubs work best in the areas of high urban density and strong public transport access most associated with inner London, considerable potential was also identified in Outer London where private vehicle ownership is higher. This Strategy sets out a collaborative approach between commercial and public sector players to accelerate the growth of the sector in London and take car clubs from a niche service to a mainstream transport option.

2.2. What is a Car Club?

- 2.2.1. Car clubs provide vehicles to members on a pay-as-you-drive basis, providing much of the convenience of owning a car but without the hassle or costs of repairs, depreciation, insurance, servicing or parking. Car clubs tend to be organised on an area basis with cars located in clusters so that if one car is not available, a member will only have a short walk to access another car. Most car clubs enable members to reserve cars online or by smartphone app, unlock the vehicle with their membership card or smartphone app and drive off.

¹ www.tfl.gov.uk/roadtaskforce

2.2.2. With operators, Carplus (national accreditation body for car clubs in the UK) has outlined 5 criteria that help to define a car club:

- 24/7 on-demand access;
- Self-service access;
- Cars located conveniently: normally local to home, workplace or transport hub;
- Ongoing access to the service following some form of sign-up and membership; and
- Members often feel mutual responsibility for the shared resource, hence the term car “club”. This also translates to loyalty to a brand and a desire to ensure that the service quality is maintained.

2.2.3. There are a number of variations on how car club schemes operate. In the UK, the main model to date has been the round-trip or ‘back to base’ scheme, where the member rents a vehicle from a designated bay, usually on-street and designated to the car club operator by the Borough, and returns it to the same location at the end of the rental period. A more recent innovation is the emergence of one-way, flexible or ‘free-floating’ schemes, whereby cars are available for one-way rentals and can be dropped off at a location other than the pick-up point. The ‘free-floating scheme does have the potential to be used for round trips.

2.2.4. The various offers will appeal to different groups for different types of journeys. In complementing public transport, walking and cycling, car clubs allow people to build “mobility lifestyles” that mean they do not need to own private cars to the same extent that they do today. The actions in this Strategy are designed to unlock new markets through appealing to a wider group of potential members. In line with the Mayor’s Transport Strategy for London the different models for car clubs must complement rather than replace sustainable and active modes of travel such as walking, cycling, bus and tube travel.

Types of car club

- **Round-trip car clubs** involve a car club member booking a specific car, located in a dedicated parking bay, for a period of time and then returning the car to the same dedicated parking bay, before the end of the reserved time.
- **Fixed one-way car sharing** involves a member starting a reservation in an available car at a designated parking bay and driving to another designated parking bay, where the reservation ends.
- **Floating one-way car sharing** involves a member spontaneously identifying an available nearby car, reserving that car and driving it to their destination, wherever that may be. To end their reservation they must park the car within a specified geographical operating area, allowing for one-way trips or round-trips. This strategy addresses round-trip, one-way and free floating operations. For the purposes of this strategy the term 'car club' will be used to cover all these models, unless referring specifically to one particular model.

2.2.5. Peer-to-peer car sharing, which involves sharing private vehicles, is out of scope of this strategy. More information on peer-to-peer car sharing can be found on the Carplus website: carplus.org.uk.

2.2.6. This strategy is one part of a wider range of activities in London to manage demand and promote effective and sustainable movement of goods and people.

3. About the Strategy

3.1. The Car Club Coalition

- 3.1.1. The Coalition was formed in September 2014 as an outcome from the Car-Lite event held at City Hall in July 2014 with representation from the Deputy Mayor for Transport, TfL, car clubs and London boroughs. The Car-Lite event sought to unite the industry and raise awareness of the benefits of car clubs with a view to achieving the ambition of growing the car club market in London. Subsequent Coalition meetings, facilitated by TfL and London Councils, were held to discuss the evidence base, the challenges for the sector and the necessary actions to overcome these challenges.
- 3.1.2. This Car Club Strategy has been jointly developed by members of the Car Club Coalition which represents the industry and key stakeholders. The members of the Coalition are:
- **Car club operators:** Bolloré, Car2Go, City Car Club, DriveNow, E-Car Club, Europcar, Hertz 24/7, and Zipcar.
 - **Key stakeholders:** Transport for London (TfL), London Councils, Greater London Authority (GLA), Carplus and the British Vehicle Rental and Leasing Association (BVRLA).
- 3.1.3. The Strategy has also been reviewed and contributed to by the London Boroughs, with drafts of the Strategy circulated through the Transport and Environment Committee. In addition, Councillor Feryal Demirci sits on the Coalition as a borough representative, owing to her involvement in the establishment of the Coalition following the Car-Lite event.
- 3.1.4. This unprecedented demonstration of cooperation, solidarity and positive action underpins the Strategy and marks a change of gear in the car club sector which will help bring car clubs to a mainstream audience.

3.2. Gathering the evidence

- 3.2.1. Facilitated by TfL, the Coalition has been involved in compiling a supplementary Evidence Summary to bring together the key pieces of published research from the UK and abroad under three key topics:
- Impacts on the transport network
 - Benefits of car clubs
 - Challenges and opportunities
- 3.2.2. The results of this exercise to date form the evidence base for this strategy. The work has also highlighted conflicting opinions on the strength of the evidence, remaining evidence gaps and need for further research, which are addressed in the Action Plan and will be overseen by the Coalition as it works together in future to guide its implementation. Some London Boroughs have raised questions in order to gain an understanding of how newer models of car clubs operate in practice within the London context. This strategy seeks to address the questions raised by the boroughs throughout the document and the action plan.

4. Statement of Direction

4.1. The Vision for Car Clubs in London

- 4.1.1. The overarching vision for this Strategy is for car clubs to grow as a sustainable transport solution to help address a number of challenges faced by London in the coming years, namely population growth, congestion and environmental issues.
- 4.1.2. London is experiencing a sustained period of population growth and the latest GLA projections estimate that by 2031 London's population will rise to over 10 million. TfL is taking action to improve public spaces and reallocate road space to walking and cycling to improve quality of life and to enable efficient movement of people by sustainable modes, which further reduces road space for private and commercial motorised vehicles. Car clubs are one solution in providing for Londoners' urban mobility needs, compatible with public transport, walking and cycling.
- 4.1.3. Eighty per cent of all trips made by people and ninety per cent of all goods moved in London every day are on roads. Unless action is taken, there will be significant increases in congestion of up to 17 per cent in the central sub-region of London by 2031². Congestion currently costs London approximately £4billion a year in delays and lost productivity; without action this could increase as the population grows and the pressure on road space increases.
- 4.1.4. At the same time, despite significant improvements in recent years, London's air pollution is still a grave concern. Particulate Matter (PM) and oxides of nitrogen (NOx) are damaging to human health. Road transport produces 79 per cent of PM in central London and 46 per cent of NOx in Greater London³.
- 4.1.5. Innovation in how we use cars, particularly through new technology and the sharing economy, presents a unique opportunity to address these challenges. Shared use of cars through car clubs could play a central role in revolutionising car use in our city. It could help London to meet its mobility needs, while reducing reliance on the private car and addressing environmental problems through more efficient use of cleaner vehicles.
- 4.1.6. Therefore, the car club sector has an integral role to play in London's ongoing development. Whilst London already has one of the largest car club markets in the world, there is significant potential for further growth both geographically and in terms of its customer base. To achieve this, car club providers need to provide a customer-focussed solution that appeals to a wider market than currently. For example, there is significant potential for growth in outer London where there is high private car ownership relative to central and inner London. As car clubs need a certain level of public transport service to be viable (as found in much of inner London), this next push could be in areas of outer London with good public transport availability that

² c Compared to 2007 levels, Roads Task Force Report (2013) p39

³ Mayor's Air Quality Strategy, 2008 figures

could be tapped into. This would help to make the benefits of car clubs available and attractive to a wider demographic.

- 4.1.7. In recognition of the ambition for growth and the potential benefits of a larger membership, together the Coalition has agreed the following Statement of Direction:

This strategy sets out how the Coalition will work together to grow the car club industry in London and take car clubs into the mainstream. This forms an important component of a broader strategy to overcome the challenges for London's road network.

An ambitious approach to growing car clubs could achieve 1 million users by 2025, which could achieve benefits for reducing the negative impacts of cars, particularly in terms of traffic, congestion and emissions. It is also recognised that more modest growth would still achieve significant benefits in reducing these negative impacts. The key is to focus action in London *now* to deliver growth in the car club industry to support London's transport future.

5. Using car clubs to tackle London's challenges

5.1. Overview

- 5.1.1. Changing social trends, such as growth of the sharing economy and development of new enabling technology, means that car clubs could be an increasingly attractive option for Londoners and they have the potential to play an important part in London's future transport strategy. This chapter of the Strategy outlines how they could play a role in overcoming some of the key challenges London faces on both a local and city wide level, including congestion, air quality and cost of living, as part of an overall sustainable mobility plan for London. Car clubs, if implemented effectively in local markets, could be the enabler for change towards more sustainable urban mobility across the city.
- 5.1.2. The reported benefits vary between studies depending on the specifics of the operator and city, particularly when looking at the relative benefits of the different car club models. The effect of one-way car sharing on car use and reducing the need to own a car has not yet been determined in the London context. One-way operations have begun in London with the launch of Drive-Now in December 2014, but this is too recent a development to provide monitoring data at this time. As the one-way model operations become established in London, the operators will monitor and share data to allow their impacts to be assessed independently, and see how comparable the impacts are to those demonstrated in other countries.

5.2. Reducing the need to own a car

- 5.2.1. Providing access to a car without having to own a car is one of the key benefits of car clubs referenced in the literature, as outlined in the Evidence Summary which accompanies this strategy. Car clubs will play an important role in reducing the need to have a car because they offer an alternative to conventional car use models and can reduce habitual car use while still enabling access to a car for essential journeys. The 2013/14 Carplus Annual Survey calculated that for each round-trip car club vehicle in London, 5.8 cars were removed from the road as a result of car club members selling a car, equating to almost 13,000 vehicles fewer cars in London.⁴ A further 30 per cent of survey respondents reported deferring the planned purchase of a car. With kerbside access for parking and loading increasingly under pressure in future, car clubs can help Londoners make more efficient use of scarce resource.

5.3. Reducing congestion

- 5.3.1. It is estimated that congestion costs London £4 billion per year⁵. As the population of London is predicted to rise to over 10 million by 2031, the number of cars on the road is set to increase, which will increase congestion further.
- 5.3.2. TfL's Roads Modernisation Programme will deliver unprecedented investment in improvements to the road network to tackle congestion and the pressures of a rapidly

⁴ Carplus (2014), Annual Survey: London, p25. As only round-trip car clubs operated at the time of the survey, these findings apply to round-trip car clubs.

⁵ TfL (2014), Traffic Note 4, TfL Road Network Performance Traffic Analysis Centre

rising population. In addition to capital investment, Demand Management measures, such as integrated urban mobility, will be an important component in reducing the number of non-essential car journeys made on London's roads in a way that is attractive to Londoners. Such measures should take into account public transport accessibility, urban landscape and social exclusion to ensure they are as effective for as wide an audience as possible.

- 5.3.3. Owing to the cost of usage, car club vehicles tended not to be used in peak times and are more often used for occasional leisure or business journeys rather than regular commuting. As vehicles are hired on a time-basis, the cost of spending time in congestion is felt by the driver more acutely than in a privately owned vehicle.
- 5.3.4. Congestion is worsened by drivers looking for a free parking space. In Paris, the Autolib' system enables bays to be reserved to reduce time spent on the road looking for a place to park. As part of the further research the Coalition will look at what impact this model would be likely to have on journeys in London.

5.4. Increasing the use of public transport, walking and cycling

- 5.4.1. A shift to the use of car clubs from private car use has led to an increase in the use of public transport, taxis, walking and cycling. This is documented in more detail in the Evidence Summary.
- 5.4.2. This means that the introduction of more forms of car club alongside other modes means that Londoners can increasingly develop their own car-lite mobility lifestyles using a tailored mix of modes that suits their needs.

5.5. Freeing up parking spaces

- 5.5.1. Our streets and public spaces are dominated by parked cars. The average city dweller's car is used for only 4.6 hours a week, meaning that their vehicle is parked for 97 per cent of the time⁶. This is an inefficient use of valuable road space and of the vehicle itself.
- 5.5.2. When parking spaces are freed up by car club members selling or deferring the purchase of cars, those spaces could be reallocated to other uses that benefit the local area such as cycle parking space, play or amenity areas or electric vehicle charging points to benefit the wider community.

5.6. Environmental benefits

- 5.6.1. Air quality is a significant issue for many parts of the city. Considerable steps have been taken over recent years to improve air quality and reduce air pollutants from transport, particularly in terms of reducing Particulate Matter (PM). However, London is projected to continue to exceed the legal limit for Nitrogen dioxide (NO₂) beyond 2020. London also has an ambitious target to reduce annual emissions of CO₂ by 60 per cent by 2025 on a 1990 base.

⁶ S Cairns for RAC Foundation (2011) 'Accessing cars – different ownership and use choices'

- 5.6.2. Environmental benefits accrue as the result of lower vehicle emissions and changed travel behaviour of users. Car club vehicles tend to be newer than the average vehicle and typically produce 33 per cent less CO₂ than the national average car.⁷ The vehicles used by car clubs have lower average oxides of nitrogen (NO_x) and PM emissions than average private cars.⁸ Car clubs also offer the opportunity to control the emissions of the fleet, through requiring emission standards and maximum age limits of vehicles.
- 5.6.3. The introduction of electric vehicles in car clubs will increase the environmental benefits as these vehicles have zero tailpipe emissions. This will also result in reduced noise pollution.
- 5.6.4. Transport for London is currently developing a new Ultra Low Emission Vehicle (ULEV) Delivery Plan which will outline future support for improving charging infrastructure in London. It is envisaged that car clubs fleets of the future will include more electric vehicles and means of supporting this will be addressed in this document.
- 5.6.5. With respect to round-trip car clubs, where members reserve a car in advance, pay by the hour or day, and return the car to its dedicated parking bay, these members tend to reduce their total mileage driven compared to private car use. This is because they make more considered decisions about whether the car is the most appropriate mode for the journey. Behaviours for flexible car sharing are yet to be detailed in a London context.

5.7. Increasing familiarity with electric vehicles

- 5.7.1. Electric vehicles have the potential to make a significant contribution to improving London's air quality and to reducing carbon dioxide emissions from transport. A strong market for electric vehicles in London will help to give the UK automotive industry a leading edge in this technology and encourage inward investment. It could also improve our energy security by reducing our reliance on imported oil.
- 5.7.2. The electric vehicle market is still in the 'early adopter' stage, with owners tending to be represented by those on high incomes and with an interest in the technology. High purchase cost and lack of charging infrastructure are significant barriers to mass market adoption. By including electric vehicles in car club fleets in Greater London, car clubs could help 'normalise' electric vehicles by making them visible, desirable and accessible to a much wider audience, as demonstrated in various European cities through DriveNow, Autolib's, and Car2Go's electric vehicles operations.
- 5.7.3. The publicly accessible Source London EV charge point network was transitioned to Coalition member Bolloré in September 2014. This provides further EV car club market potential in London as Bolloré have plans for significant investment in the publicly accessible charge point network, including increasing the number of charge

⁷ Carplus (2014), p7.

⁸ TRL (2012) 'The emission impacts of car clubs in London'; Firnkorn & Müller (2012) 'What will be the environmental effects of new free-floating car-sharing systems? The case of car2go in Ulm'

points (which will be accessible to all users), and improving the customer experience for all users of their charge points.

5.7.4. Plug-in hybrid electric vehicles can also facilitate urban journeys, using electric power, as well as allowing longer journeys without range anxiety.

5.7.5. Carplus reported positive experiences of EV use in car clubs:

“Around one in five [survey respondents] had tried either an electric or hybrid car club vehicle. Of those who had experienced these vehicles, over three quarters had a “good” or “very good” experience.”⁹

5.7.6. Autolib’ reports that through their members in Paris, over 178,000 people have tried an EV¹⁰.

5.8. Reduced costs of living

5.8.1. Car clubs provide the opportunity for Londoners who cannot afford their own car to have access to a vehicle for journeys where using one is necessary. Purchasing a car is expensive and its value depreciates quickly; by the end of the first year a new car will have lost up to 40 per cent of its value¹¹. Private car owners often underestimate the true costs of owning a car, including up-keep, maintenance and depreciation. In contrast, car clubs provide much of the convenience of owning a car without the hassle or costs of repairs, insurance, servicing or parking. To date, the benefits of car clubs for lower income groups have not yet been exploited and could be the gateway to increased mobility, providing significant social benefits.

5.8.2. The Carplus Cost Saving Calculator estimates that new members could save up to £3,500 a year when switching from private ownership to a car club¹². Currently the calculation of costs saved is based on a number of assumptions, such as the value of the car being replaced, but also need to take into account potential additional costs, such as train fares and hire car costs for longer journeys.

5.8.3. The personal financial benefits of being able to give up owning a car could also be translated into local economic benefits through members having more disposable income as well as local employment.

⁹ Carplus (2014), p 4.

¹⁰ EV Cities Casebook (2014) <http://urbanforesight.org/casebook.html>

¹¹ The AA (2012) http://www.theaa.com/motoring_advice/car-buyers-guide/cbg_depreciation.html

¹² This is calculated using the RAC Foundation’ real annual cost of car ownership, deducting the cost of car club membership and use over a comparable mileage.

5.9. Costs of doing business

- 5.9.1. Car clubs offer potential cost savings to commercial and business users, including company car and pool car operators. While there is currently relatively low awareness of car clubs among business users, some successful examples have shown that business use can deliver benefits include reduced commuting and rationalised business travel by car.¹³
- 5.9.2. There is significant potential to grow the car club market to serve the needs of SMEs. This growth would lead to associated environmental benefits, particularly when using EVs in car club fleets.

¹³ Fergusson (2014), Car-Lite London

6. The benefits of a growing car club market

6.1. Benefits

- 6.1.1. This strategy sets out the benefits of car sharing in terms of its impact on reducing congestion, improving poor air quality in London and improving people's choice of how to travel in the Capital.
- 6.1.2. London is the stronghold of car club operations in the UK and provides solid evidence drawn from the existing car club operations (following 'the round trip model') on what benefits can be delivered here. There is also evidence available on alternative car club models, based largely on operations in other European cities and North America.
- 6.1.3. In looking to the future, this Coalition believes that London is well placed to lead the way in car sharing in the UK and the world. With a growing population there are new opportunities for car sharing and new car club models that can provide further benefits in future. In addition, to the 'traditional' round trip model provided by companies such as Zipcar, City Car Club and E-Car Club. DriveNow's floating one way car sharing scheme is now operating in North East London, and Bolloré has made clear its aspiration to develop an electric car club. Other operators, such as Car2Go are eager to bring their schemes to the city. This Strategy sets out the industry's commitment to developing London's car club market from a niche to a mainstream transport option, developing new offers that are responsive to the needs of London and Londoners. The ultimate aim is to reduce congestion and pollution by reducing car ownership in the capital through encouraging car club membership as a genuine, feasible and economical alternative.
- 6.1.4. In seeking to understand what the benefits for London could be of further growth in car club use, new analysis has been undertaken to support this strategy which has looked at the benefits in terms of:
 - vehicle trips removed and number of vehicles
 - environmental benefits
 - increased access to cars
- 6.1.5. A range of scenarios were tested, based on a number of assumptions (such as the ratio of members to cars, average journey length, etc.) which rely on evidence drawn from the deployment of car clubs in London to date. While this information is, therefore, exclusively drawn from the experience of the round trip operating model, we know that growing car clubs usage in London is likely to rely on a much wider range of operating models being available to customers in future. Understanding the future benefits of such change, therefore, involves working with a degree of uncertainty depending on the scale of ambition we aim for and the mix of operating models deployed. This is illustrated by the range of benefits shown in the table below.

6.1.6. In Section 8 of this strategy, we outline a plan to develop a monitoring strategy that we will take as a Coalition to build our understanding of car club use in London, which will allow us to project future benefits with increasing certainty.

6.2. Aiming for growth

6.2.1. There are currently just over 135,000 car club members in London (January 2015). Analysis undertaken suggests that if London's car club market grows to around **500,000 users by 2020**, London would see a number of positive benefits. The traffic and emissions benefits below are compared to a scenario where the number of car club members remains at 2014 levels.

6.2.2. Currently our understanding of these benefits is informed by the experience of the round trip car club models which have a longer history of operation in London. Moving forward, we expect a range of different car club models to operate in London, including 'one-way' and 'free floating' models. In view of the uncertainty in our understanding of the impacts of these newer models, a *range* of potential benefits is presented. As the new car club models embed in London, there is an opportunity for their operators to demonstrate the actual impacts of these operations in the London context and the benefits estimated below can be further refined.

6.2.3. The traffic and emissions benefits for 500,000 users in 2020 compared to 2014 membership levels are summarised below.

- **Reduction in vehicle kms:** between 100 and 200 million vehicle kms, with a central estimate of 150 million vehicle kms
- **Reduction in traffic:** between 0.3 and 0.9 per cent, with a central estimate of 0.6 per cent
- **Reduction in CO2 emissions:** between 0.4 and 0.7 per cent, with a central estimate of 0.6 per cent
- **Reduction in NOX emissions¹⁴:** central estimate of 0.2 per cent
- **Reduction in PM10 emissions:** central estimate of 0.1 per cent

6.2.4. Looking at more ambitious growth, in the region of achieving **1 million users by 2025**, could deliver even greater benefits, including:

- **Reduction in vehicle kms:** between 200 and 500 million vehicle kms with a central estimate of 350 million vehicle kms
- **Reduction in traffic:** 0.7 to 2.1 per cent with a central estimate of 1.4 per cent
- **Reduction in CO2 emissions:** between 0.8 and 1.4 per cent with a central estimate of 1.1 per cent
- **Reduction in NOX emissions:** central estimate of 0.5 per cent
- **Reduction in PM10 emissions:** central estimate of 0.2 per cent

6.2.5. The realisation of future growth in the car club market is dependent on a combination of actions by operators, boroughs, TfL and others. This analysis has sought to

¹⁴ The emissions benefits range for NOx and PM is at a lower level of magnitude, so just the central estimate is provided

identify the scale and range of impacts that could be secured by working together to grow the London car club market.

- 6.2.6. The aim of the strategy is to nurture further collaborative and aligned action across London to ensure that the benefits are maximised. The benefits that would stem from achieving 1 million members by 2025 are a compelling reason for such an ambition and focus.

6.3. Increasing the ratio of members to cars

- 6.3.1. Based on experience in mature car club markets, and to maximise the benefits of car clubs whilst minimising their demand for parking spaces, the Coalition has agreed that a suitable ambition for the vehicle to member ratio of 1:100 (currently 1:58). This means working to drive up the efficiency of the vehicle fleet in terms of how it is used. As a consequence, 1 million members by 2025 would require 10,000 car club vehicles on London's streets. This represents a four-fold increase in vehicle numbers on current levels to support a seven-fold increase in member numbers.
- 6.3.2. To achieve this higher ratio of members to cars the coalition agree to improve the offering of the service by:
1. Improving the usability for customers, for example through intuitive technology for customers and flexible pricing regimes;
 2. More targeted marketing and visibility;
 3. Improving the offer to business users, especially during week days;
 4. Introducing and expanding new car club models in the near term, which meet new usage patterns and requests from Londoners.

7. The challenges preventing car clubs from becoming mainstream

7.1. The current situation

- 7.1.1. With over 130,000 members, London has one of the largest car club markets in Europe. A table showing the breakdown of bays, car and members by borough is provided in Appendix 1. The borough with the most members in 2015 is Wandsworth (over 11,000 members) and the borough with the most bays is Westminster (193, of which 188 are on-street).
- 7.1.2. The industry is innovating rapidly with new companies seeking to invest substantial amounts into London in the next few years.
- 7.1.3. However, the car club sector is still in an early stage of development however has yet to become a mainstream mode of sustainable transport in London; currently less than 2 per cent of Londoners are members of car clubs and there are low levels of awareness amongst the general public. The Coalition has identified a number of challenges to achieving the goal of entering the mainstream. This section of the Strategy sets out those challenges so that they can be tackled through the Action Plan.

7.2. Policy and governance

- 7.2.1. In London, there is no one governing body with overarching responsibility for parking and streets. Responsibility is shared between TfL, London's 32 boroughs and the City of London and, in the case of off-street parking, public and private sector landowners. Each organisation also has its own planning and environment policies, with its priorities governed by the different geographical, economic and social make up of the population it serves. This situation poses a number of challenges for operators looking to enter the market and to expand:
- 7.2.2. **Varying policy approaches across boroughs** – Boroughs are autonomous and have different policy approaches, reflecting their socio-demographic profiles, housing densities and environmental priorities. To date some boroughs have a greater provision of car clubs and associated infrastructure than others as a result of these varying priorities and policies.
- 7.2.3. **Multiple stakeholders** – Within boroughs, the implementation of car clubs depends on action and support from many parts of the local authority, including Elected Members, Parking Managers and Transport Planners. Re-allocating parking spaces from resident and shared-use parking to dedicated car club bays can require public consultation, explaining the proposals and benefits to gain acceptance.
- 7.2.4. **Need for supporting policies** – Car clubs may not always be included in wider policies in related areas including planning, parking and road space management (for example reallocating road space to car clubs, as well as cycling and public transport).
- 7.2.5. **Single operator boroughs** – Some boroughs have implemented single operator contracts which can have some benefits and can be the best option when schemes are small scale and local awareness is limited. However, as schemes mature and

grow and awareness increases, facilitating competition can consolidate networks across London and expand the options for customers and developers looking to install car club vehicles in new developments. Multi-operator situations can also enable another operator to take over a bay which may have become unsustainable for the existing operator.

- 7.2.6. There is also an opportunity for greater UK-wide policy direction and national government support for car clubs. Some policies, such as vehicle taxation and local authority procurement frameworks, are managed at a national level and are currently not fully exploited for the promotion of car clubs.

7.3. Delivery

- 7.3.1. To make a convincing case for customers to switch to a car club, car clubs need to be in operation at scale and be a reliable transport option. The industry recognises this challenge and individual business models are developed to make the best use of the car club fleet, appealing to the widest range of potential members through competitive pricing/offer and targeted marketing. There is a wide range of challenges with regard to delivery which have significant influence on the rate of growth of car clubs and their benefits for London.

- 7.3.2. A number of the delivery-related challenges are related to the policy and governance challenges discussed above, demonstrating the strong influence of policy on successful delivery on the ground.

- 7.3.3. **Parking** – Parking management, availability and charges are all significant challenges. The following issues were particularly highlighted by the Coalition and have been discussed with borough officers in the first Working Group meeting, held in February 2015:

- **Availability of bays** – There is a lack of dedicated and visible bays on-street. Access to parking bays in off-street parking areas and main hubs such as airports and business centres is also a challenge.
- **Parking management** – There is a high demand for kerbside space in London, particularly in Inner London, with competing demands on limited space. As such, obtaining access to parking in different Boroughs can be challenging for new and existing operators looking to implement large-scale networks of vehicles of a sustainable scale. This impacts the ability of the operators to provide enough cars in the right locations to allow a convenient and reliable service.
- **Parking bay fees** – The value of parking spaces in different parts of London can vary considerably depending on a number of factors, including the convenience and demand for parking, and charges are often set in order to manage local demand. This can slow down expansion.
- **Business case** – The business case for reallocating parking space to car club bays needs to be compelling for boroughs. The borough will need to be satisfied that the reallocation of parking spaces will not adversely impact on their ability to deliver on their legal duties as the highways authority to maintain the efficient working of the road network.

- 7.3.4. The need for parking spaces can also be tackled by increasing the efficiency of each car club bay by increasing the ratio of members to bays. The operators have committed to increasing this to 1:100 which would reduce the number of bays needed to support 1 million members, requiring a four-fold increase in spaces to support a seven-fold increase in members.
- 7.3.5. Parking is a complex issue and Action 6 sets out the Coalitions approach to working with the boroughs to overcome these challenges.
- 7.3.6. **Limitations of EV charging infrastructure** – The ability to access charging infrastructure is a challenge for car clubs. In addition, when they are available, the unreliability of some charge points can impact negatively on the customer experience. There are high upfront costs involved in installing charge points and operators have found it difficult to access grants from the Office of Low Emission Vehicles (OLEV). The challenges of installation are compounded by long Traffic Regulation Order (TRO) lead times¹⁵ along with other planning processes.
- 7.3.7. **Motor insurance costs** – Operators are increasingly experiencing high insurance premiums with uncertainty over the future availability of cover.
- 7.3.8. **Local authority capacity** – local authorities have to allocate staff resource to progress car club programmes and electric vehicle infrastructure programmes. In the context of continued reductions in resources, this can be a challenge.
- 7.3.9. **Lack of incentives** – it can be challenging to encourage drivers to change their behaviour without incentives. If car clubs are to expand to 1m members and into more hard-to-reach areas, such as the outer London boroughs, each new tranche of members will tend to be more attached to their private cars and habitual use. Incentives could help accelerate the switch from private ownership to car clubs, together with all the associated benefits, and kick-start car club services in these new areas.
- 7.3.10. **Making car clubs easier to use** – there is scope for technological improvements to make car clubs easier to use. This could include online journey planning and booking apps, with advanced payment and security capabilities.

7.4. Awareness and visibility

- 7.4.1. Low awareness of car clubs remains a significant barrier to car club growth in London. TfL's research in 2014 has found that that 37 per cent of survey participants had not heard of car clubs.¹⁶ There is potential for operators to better target their marketing activity, working more closely with boroughs to identify with the needs of residents and businesses in a given locality.

¹⁵ Long TRO lead times also impact conversion of bay to a standard (non-EV) car club bay

¹⁶ TfL, forthcoming.

- 7.4.2. **Lack of integration with other travel choices** - Car clubs are not yet widely seen as one of many travel options in London, and they are not integrated with public transport. TfL has recently included car clubs on the TfL online map, which allows visitors to the website to see where their nearest vehicle is, click through to the car club website, and book a car.
- 7.4.3. **Low level of awareness** – There is still a low level of awareness in the market. Potential car club members are either not aware of the service or, if they have heard of car clubs, do not think that car clubs could work for them. This may be in part because at present only round-trip car clubs are available which do not appeal to all potential customers. In lower density suburban areas and lower income areas, the challenge is to develop and present car club models appropriate to these areas and needs. Given London's highly transient population, there is a constant and ongoing need to promote car clubs, their benefits and how they work, which is recognised by the operators. There is scope to improve marketing packages in order to improve awareness in the market and attract new customers.
- 7.4.4. **Lack of on-street visibility** – car club bays and vehicles are currently not sufficiently distinctive to be effective in raising awareness.
- 7.4.5. **Lack of awareness in businesses** – There is a general lack of awareness of car clubs and their benefits for commercial fleets, though a number of successful case studies are emerging from businesses ranging from Small and Medium Enterprises (SMEs) to large public sector organisations.

7.5. Challenges specific to the round-trip model

- 7.5.1. The top challenges that relate specifically to the round-trip car club model are felt to hinder the further growth and commercial success of this model. These include:
- 7.5.2. **Unbalanced use of vehicles across the week** – Weekend and evening use of the car club vehicles is high, but the potential for business use during the week has not yet been realised. Balancing the high weekend and evening use with increased off-peak weekday use would result in a more cost-effective service and enable investment in more vehicles to expand the fleet and improve the service for all users.
- 7.5.3. **Costs of doing business in London** – Several factors make London an expensive city in which to operate a car club, e.g. crime, insurance, Congestion Charge. These issues have been raised by the round-trip operators through their experience of operating in London but are expected to also be challenges for future operators.

7.6. Challenges specific to one-way car sharing

- 7.6.1. The top challenges for the one-way model are primarily concerned with barriers to the entry into the market, such as access to parking.
- 7.6.2. **Data sharing** – More data and information from the operators on the benefits would help to make the case for the one-way model in London. With the introduction of new operations in London, there is now the opportunity to gather London-specific verifiable data from launch. This data needs to be comparable with the data currently available for all car club models to enable the benefits for each model, and the

combined offer of all the models, to be assessed. This challenge is tackled in Action 1.

- 7.6.3. **Attractiveness to boroughs** – The ‘newness’ of the one-way model is a challenge to some boroughs and can mean that gaining acceptance takes longer. Some boroughs also require more evidence on the benefits for their residents before implementing new policies.
- 7.6.4. **Area of operation** – In many cases, users of one-way car sharing will want to drive between boroughs. This means that in order to be successful, one-way operators are likely to need to operate in multiple, contiguous boroughs.

8. Action Plan

8.1. Introduction

8.1.1. This Action Plan sets out ten actions which will help deliver the ambition to grow the car club market. The actions are related to the challenges raised in Chapter 6 and responsibility for each action is designated to different parties within the Coalition.

8.1.2. The Action Plan will be reviewed at quarterly Coalition meetings, the first in July 2015, three months after the publication of the Strategy in April 2015. Working groups are also being set up to tackle specific actions such as parking and electric vehicles. These will involve the experience and expertise of the boroughs and businesses as well as those within the Coalition itself.

8.2. Policy and Governance

Action 1. *Developing a monitoring framework to build the evidence on the impacts of car clubs*

Challenge: Need for more cohesive and supporting policies (7.2), data sharing (7.6.2)

8.2.1. The Evidence Summary compiled for this strategy is a starting point in making the Coalition's case that car clubs are an important mobility solution in London. However, much more needs to be done and this will continue to be an ongoing process as the car club market evolves and grows.

8.2.2. At present, whilst evidence on one-way and free-floating operations is available from other cities, notably Berlin and Paris, the evidence for London is drawn from the deployment of car clubs here to date and as a result does not include data on how the one-way models operate in London's specific context.

8.2.3. Carplus and the BVRLA will work with operators, London Boroughs and TfL to improve the monitoring of car clubs and include data on new entrants to the market, specifically one-way models. In particular this will need to capture the impacts on other modes, in terms of mode shift and benefits in terms of traffic/congestion reduction and air quality. This should include getting a better understanding of the way customers interact with different models of car club, car sharing and car rental, and how the combined use of these models helps reduce overall car use. This would also provide an opportunity to gain a valuable insight into users' experiences with EVs and EV charging.

8.2.4. TfL will introduce a platform for evidence relating to Car Clubs to be hosted on its website, thus providing access to boroughs and other interested stakeholders.

8.2.5. To this end, a monitoring framework will be agreed which seeks to address the following key questions:

- **How do customers use the range of car club models available in London and how does this compare to experience from other cities?** Comparable

data needs to be collected (for example, by using before and after surveys) for customers of both models including:

- How frequently do they use the car club?
- For what type of trips (e.g. leisure, commuting, shopping)?
- At what times (peak/off peak)?
- How long are the journey stages (km)?
- Does clustering of vehicles occur?
- What mode of transport would be used if car club was not available?
- Has joining a car club enabled these members to reduce their car use, give up a car or defer purchase?
- Are they members of more than one car club?
- What draws the members to join a car club?
- **How many members are active and inactive?** “Inactive” will need to be defined, for example a member who has not used the service for more than a year.
- **Would customers be willing to use EVs and what would their motivations/concerns be?** As EVs are introduced into fleets, this could be a valuable opportunity to collect data on how customers could use the vehicles, their appetite for them, their attitudes to charging the vehicles etc.
- **How will this data be collected?** The data should be shared in a format that provides comparable usage figures.
- **How is demand balanced in order to ensure that operators are providing what members want and at the locations they want?**

Responsibility:	Carplus and BVRLA, with support from TfL, operators and the London boroughs
Timescale:	<p>Collation of evidence base – ongoing</p> <p>Enhancements to Carplus Annual Survey to collect information on DriveNow and any other new models – by November 2015</p> <p>BVRLA survey of car rental and car club customers – second half of 2015</p> <p>Development of monitoring and evaluation principles from April 2015</p> <p>Monitoring implementation – September 2015 onwards</p>

Action 2. Working with key stakeholders to support car clubs

Challenge: Need for more cohesive policy and supporting policies (7.2)

- 8.2.6. The creation of the Coalition presents a unique opportunity for the car club industry to work with national and pan-London government, London boroughs and key stakeholders in a joined-up fashion. A unified Strategy could help overcome some of

the key challenges to taking the industry mainstream and help to highlight the synergies between public sector priorities and commercial enterprise.

- 8.2.7. TfL, GLA and London Councils will develop an engagement strategy to manage engagement with key stakeholders. The first example of this is a Parking working group, the inaugural meeting of which was held in February 2015.

Responsibility: TfL (leading development of an engagement strategy), all members of Coalition to be involved in engagement as appropriate.

Timescale: Commence development of engagement strategy in April 2015, finalise June 2015.

Action 3. *Transforming London's public sector fleets*

Challenge: Need for cohesive policy (7.2) and opportunity to lead by example (7.4.3)

- 8.2.8. There are many examples where public procurement has been successful in supporting change, for example in promoting cycle safety as part of the Construction Logistics and Cycle Safety (CLOCS) scheme. TfL and London Councils will look to develop a template for procurement that boroughs can use, taking a lead from schemes such as CLOCS.
- 8.2.9. Unlike the rest of the Government's motoring tax policy, the current use of Authorised Mileage Allowance Payments (AMAPs) gives employees no incentive to use lower emission vehicles or alternative, more sustainable modes of transport. Grey fleet mileage is prevalent in the public sector, with many organisations making payments that are higher than the national AMAP rate. The BVRLA will lobby at a national and regional level to encourage local and national governments to review their current policies and the potential impact they have on emissions, air quality and road safety. It will also look to obtain further data on the scale and impact of AMAP usage in London and work with government bodies to provide authorities with advice on more sustainable alternatives.
- 8.2.10. Some boroughs already use car clubs as part of their fleets, having undertaken reviews to look at the range of options for improving fleet efficiency for example through procuring car clubs rather than fleet vehicles or using grey fleet¹⁷ vehicles. TfL will investigate opportunities among more boroughs to develop car club schemes to replace or augment grey fleet use. This will include information collected through the public sector grey fleet audit project, which has been funded by DfT.
- 8.2.11. In addition to increased financial benefits, companies and public sector organisations are able to demonstrate corporate environmental responsibility when utilising car clubs for their activities, particularly when using EVs.
- 8.2.12. London Councils and TfL will encourage this further and help to share best practice to support the use of car clubs and strengthen public sector business cases. This will

¹⁷ Where business use of a private vehicle is expensed

enable the public sector to lead by example whilst benefiting from the savings experienced by, for example, London Borough of Croydon.

- 8.2.13. At a national level, the GLA and TfL will lobby Government to include car clubs in its own procurement frameworks, presenting the benefits of national policies to help build on the work being done at the local level.

Responsibility: BVRLA, GLA/TfL (lobbying of government) and local authorities (procurement of car clubs for business travel)

Timescale: Lobbying: has started already through BIS shared economy work. Will continue through this forum

Council grey fleet: commence December 2014, complete list of opportunity boroughs by April 2015. The procurement template will follow this.

Action 4. *Building capacity and creating a framework for supportive policy development*

Challenge: Varying policy approaches (7.2.2) and local authority capacity (7.3.8)

- 8.2.14. TfL provides funding for boroughs through the Local Implementation Plans (LIP) and requires boroughs to report on the number of new car club bays delivered using LIP support. TfL will review the LIPs guidance and clarify the importance of local implementation of measures to support the uptake of car clubs at both the local and sub-regional levels, via the LIPs process. This includes highlighting how car clubs can help to achieve wider local priorities, in tandem with other sustainable transport improvements.

- 8.2.15. Some boroughs have already achieved car club uptake through the planning process and GLA will encourage further promotion, for example through recommending the allocation of space and priority to car clubs as part of new developments in future revisions of the London Plan

- 8.2.16. Best practice guidance on car clubs for local authorities exists already, however in a rapidly developing market it is important that local authorities have the most up to date guidance and access to the skills needed to understand and respond to the demand for car club vehicles. London Councils and TfL will work to identify where further guidance is needed from a borough perspective. Carplus will build on the existing suite of guidance and training, aimed at the various stakeholders within boroughs, to ensure that opportunities for further market development are maximised.

Responsibility: TfL (LIPs), in cooperation with London Councils and GLA, with advice from Carplus

London Councils & TfL (identifying areas where guidance is needed), Carplus (development of guidance)

Timescale: LIPs: Commence January 2015

Best practice: Commence April 2015 by identifying existing best practice and opportunities to augment this. Develop suite of best practice documents and training programme by October 2015. Training programme launches October 2015.

8.3. Delivery

Action 5. *Helping Londoners make the switch from private cars*

Challenge: Lack of incentives (7.3.9), low uptake in certain areas (7.4.3).

- 8.3.1. There is an opportunity to use incentives to encourage private car users to make the switch to car club membership. These could be delivered via a number of channels, via targeted campaigns at areas identified with high car ownership, as well as in new developments.
- 8.3.2. London Councils will work with the Coalition to develop a set of successful best practice policy measures that could be offered to boroughs to encourage uptake. Example measures could include:
- Incentives linked to public transport use
 - Graduated parking permit charges for multiple vehicles in a household
 - Scrappage schemes
 - Resident parking permit surrender incentives (e.g. free/discounted car club membership, free mileage)
- 8.3.3. There is also a potential opportunity to access untapped demand for car clubs in London. The Coalition will:
- Work with boroughs to promote car clubs as one of a suite of sustainable travel options in markets which are otherwise harder to reach, e.g. outer London boroughs, and incentivise their uptake using incentives that appeal to local resident and business priorities
 - Set out best practice on the timing, criteria, and selection of single-operator or multi-operator contracts in boroughs
- 8.3.4. Incentives funded by the public sector that benefit commercial companies will have to fulfil State aid requirements, so investment from the operators will be needed.

Responsibility: Developing policy measures: London Councils and TfL

Parking: London Councils

Improving the offer to appeal to a wider range of customers:
Operators

Providing funding and resources for incentives: Operators

Timescale: Options development: Start April 2015, finalise shortlist July 2015, commence lobbying and discussions with government

and local authorities August 2015. Delivery date of incentives will depend on measure.

Action 6. *Making parking management smarter and easier*

Challenge: Parking availability and policy variation across the boroughs (7.3.3)

- 8.3.5. In order to operate successfully, all car clubs need space to park their vehicles where they are visible and members can access them conveniently.
- 8.3.6. One of the key outcomes of this Strategy is the establishment of a working group including representatives from the Coalition and boroughs to discuss the challenges around parking for car clubs and develop a way forward. At the first meeting, held in February 2015, the boroughs and operators discussed their progress to date and their concerns/challenges.
- 8.3.7. The working group established that there were four primary areas that required action. These are covered in turn below. This action will be an ongoing process.
- **Evidence** – The operators need to work with boroughs to identify how much and where car club cars are needed and (in line with action 1) make the case for reallocating parking to car club vehicles as they can enable residents and businesses to give up cars and free up parking spaces. Boroughs can also undertake parking stress surveys to identify suitable locations for future expansion of car club networks.
 - **Practicalities** – Sharing best practice on overcoming barriers. Topics could include: finding and gaining acceptance for reallocating bays; enforcement; reducing administrative burden e.g. e-permits. Whilst respecting the autonomy of each borough, the working group will also seek to achieve greater consistency across the boroughs with regards to car club parking permit policy (sub-regionally or whole of London) to enable networks to expand across wider areas.
 - **Ensuring car club bays are populated with cars** – On occasions a car club vehicle will be removed from a bay for servicing purposes, it is important that bays are kept populated with a replacement vehicle. Complaints about unpopulated bays from residents will primarily be directed at borough officers. Boroughs should be kept informed of how long the bay will remain unpopulated, and a reason should be given to provide adequate stock for members, to reduce the administrative burden on boroughs and in the interests of collaboratively managing bays.
 - **Policy direction** – The Coalition can help identify local priorities and policy levers, e.g. air quality and equity of mobility, then provide evidence that fits these priorities to make the case for investing in car club bays.
 - **Financial considerations** – Permit charges can be used to incentivise the uptake of cleaner vehicles in car club fleets. For example, some boroughs may choose to set car club permit charges to encourage the use of environmentally friendly vehicles, introduce ultra low emission vehicles (ULEVs) or prohibit the use of diesel vehicles to further improve the air quality in local areas.

- 8.3.8. London Councils will work with the boroughs to consider whether it is an option to provide more provision for car club than at present when introducing new CPZs in full for the first time.
- 8.3.9. If parking spaces are freed up as members sell cars and reduce/end car ownership, the benefits of this could be locked in by the borough parking teams, or in other borough teams that can accrue other benefits to local communities such as introduced public amenities or cycle parking. London Councils will work with TfL to build a case for the benefits of the conversion of parking spaces for the benefit of all. This will include setting out the options for the reallocating of these spaces, for example to cycle parking space or electric vehicle charging points.
- 8.3.10. The industry can also reduce the amount of parking needed by maximising the usage of each car club bay. The car club operators will commit to increase the efficiency of each new and existing car club bays to 1:100 members per bay in order to reduce the parking requirements .

Responsibility: London Councils will set up a working group to establish roles and responsibilities. All members of the Coalition and boroughs will be invited to attend. This working group will meet quarterly.

TfL will undertake a benchmarking exercise on parking permit fees across the boroughs.

Timescale: The first working group meeting was held in February 2015 and has informed the development of this action. The working group will meet quarterly and report in February 2016, one year from the inaugural meeting. In this time, the group will work to develop a framework to address the problems listed in paragraph 8.3.6 and facilitates collaboration across borough boundaries.

Action 7. *Driving the uptake of Low Emission Vehicles*

Challenge: Limitations of EV charging infrastructure (7.3.4)

- 8.3.11. Car clubs provide a major opportunity to boost the uptake of Low Emission Vehicles in London, as demonstrated in Paris, Berlin and other European Cities.
- 8.3.12. The availability of charging infrastructure will be key to achieving this growth. In order to meet this aspiration, London Councils and TfL will encourage the boroughs to install points, access funding from the Office of Low Emission Vehicles (OLEV) and grant car clubs access to charging infrastructure. This will include working with Bolloré who manage the network of Source London charge points to ensure that car clubs and their members can easily access these charge points.

8.3.13. The GLA, TfL and London Councils will continue to lobby OLEV to provide funding for the provision of charging infrastructure for car clubs and will investigate the potential of EV trials to open up the market. The car club operators will also work on how to introduce and maximise the use of EVs in their operations and provide information as to what charging infrastructure they will need to boroughs and charge point network operators.

Responsibility: GLA, TfL, London Councils and operators

Timescale: Borough engagement: commence January 2015

8.4. Awareness and visibility

Action 8. *Transforming the profile of car clubs in London*

Challenge: Low level of awareness (7.4.3, 7.4.4)

8.4.1. Although membership of car clubs is growing in London, this can be accelerated through raising awareness of car clubs and car rental as alternatives to private car ownership. There is also more potential to raise awareness of the benefits of accessing cars in a flexible way, encouraging people to choose the mode of travel that best suits any given journey. In order to achieve this, the Coalition will investigate a range of options including:

- Improving the visibility of vehicles
- Undertaking effective, targeted marketing activities, collaboratively between operators and boroughs
- Enhancing information for customers through technology and apps
- Promoting car clubs and car rental via the TfL website (including investigating options to show the locations of flexible car clubs on the map) and through established borough communication channels to residents and businesses
- Promoting car clubs via car rental branches in London

Responsibility: Signage/visibility/marketing: Operators; Boroughs

TfL website: TfL

Promotion in car rental branches: BVRLA.

Timescale: Commence options development in April 2015. Agree options in December 2015. Implementation January 2016 – September 2016

Action 9. *Driving the uptake of car clubs in London's commercial fleets*

Challenge: Lack of awareness among businesses (7.4.5)

8.4.2. There is an opportunity to promote the uptake of car clubs in commercial and business fleets, including company cars and pool cars. This would allow businesses

to take advantage of having access to vehicles which fit their business needs without the ongoing running costs of owning or leasing a vehicle.

- 8.4.3. The BVRLA and operators will investigate options to promote car clubs to commercial and business fleets. Leasing and fleet management providers already offer vehicle rental as a 'white label' product (i.e. a product that can be rebranded by the customer) to their larger customers and car clubs could work in a similar way.
- 8.4.4. Operators will explore incentivised programmes for parking permit surrender and workplace parking capacity reduction. This will also involve the exploration of more innovative way of securing parking through the private sector.
- 8.4.5. Replacing dedicated commercial fleets with Car Club fleets reduces the burden of fleet management on businesses, provides financial benefits, and also allows companies to demonstrate corporate environmental responsibility when utilising car clubs for their activities, particularly when using EVs.

Responsibility: Operators, Carplus and BVRLA

Timescale: Promotion to businesses campaign to start June 2015

Action 10. Car club integration

Challenges: Lack of integration with other travel choices and low awareness (7.4.2, 7.4.5)

- 8.4.6. The operators will explore together how to integrate their offerings so that members can easily access all car club vehicles, for example through new innovations such as contactless payment and apps. The car clubs will also work with TfL to share knowledge and assess the compatibility of their payment and ticketing systems.
- 8.4.7. There is an opportunity for car clubs which are currently operated by a single organisation (e.g. corporate car clubs or those operated by a local authority) to explore how they can join forces so that members can share use and improve the business case for these services. Operators should also explore multiple membership options for customers or reduction in membership costs. This would help to improve the flexibility and reliability for customers in addition to encouraging commercial competition.

Responsibility: Operators, Carplus and BVRLA.

Car club offerings: Commence June 2015. Determine options and timescales for integration by December 2015.

Appendix 1 – Borough breakdown, January 2015[^]

Borough	Off street bays	On Street bays	Total bays	Members
Barking & Dagenham	0	8	8	325
Barnet	13	0	13	2,138
Bexley	2	0	2	183
Brent	10	122	132	3,704
Bromley	2	3	5	875
Camden	5	252	257	8,817
City of London	4	0	4	836
Croydon	30	1	31	1,939
Ealing	33	65	98	3,648
Enfield	1	8	9	1,011
Greenwich	18	27	45	3,046
Hackney	10	157	167	9,767
Hammersmith and Fulham	48	31	79	6,066
Haringey	4	71	75	5,238
Harrow	3	0	3	373
Havering	3	0	3	161
Hillingdon	6	0	6	220
Hounslow	13	21	34	1,743
Islington	3	167	170	10,052
Kensington and Chelsea	4	173	177	6,914
Kingston	1	26	27	1,453
Lambeth	37	164	201	10,740
Lewisham	6	59	65	4,526
Merton	15	43	58	2,949
Newham	32	2	34	2,062
Redbridge	0	3	3	762
Richmond	1	77	78	4,222
Southwark	13	115	128	8,587
Sutton	5	8	13	691
Tower Hamlets	46	125	171	7,933
Waltham Forest	3	35	38	2,622
Wandsworth	55	98	153	11,145
Westminster	5	188	193	10,805
GRAND TOTALS	431	2,049	2,480	135,553

[^]Information provided by Carplus, February 2015

DriveNow information*

Business area	Number of Vehicles	Members
Hackney Haringey Islington Waltham Forest	240	10,000

*Information provided by DriveNow, March 2015