Tunbridge Wells Car Club Expansion

To: Communities Cabinet Advisory Board
Date: 15 July 2015
Main Portfolio Area: Sustainability
Author of report: Karin Grey Sustainability Manager
Classification: Part Exempt (Exempt Appendix E)
Ward: Culverden, Pantiles & St Mark’s, Park, St James’, St John’s, High Brooms

SUMMARY
The pilot car club has proved very successful in Tunbridge Wells; with a total of 63 drivers registered within the first eight months and with monthly utilisation approaching 60% in April, well above the required 30% utilisation needed to make the car club viable. There is now a need to add additional cars to the fleet to meet the increasing demand from users and Co-wheels have requested additional bays be added. This publicly accessible car club launched in September 2014 in Tunbridge Wells with two vehicles located on Mount Pleasant Road near the train station and opposite the Town Hall and operated by Co-wheels, a social enterprise company. The scheme was funded through section 106 funding and support from Kent County Council (KCC) and Co-wheels. In May 2015 an electric vehicle (EV) funded by KCC has been temporarily added to the fleet.

This report presents an evaluation of the car club performance, and seeks approval to:
A. Extend the contract between Co-wheels and the Council by 2 years to September 2017, including allocation of bays to Co-wheels vehicles until September 2017 and extension of the corporate membership to enable Council staff to continue to use the car club for business travel.
B. Expand the car club to include additional bays and up to 5 vehicles in a phased approach in 2015/2016 at no direct cost to the Council.
C. Extend the lease of the electric vehicle to September 2016 (through KCC funding).

LINK TO STRATEGIC COMPASS
The car club will contribute to the corporate priorities.
Community: the car club provides an additional choice of transport and forms part of a suite of travel options available.
Value: through the delivery of an innovative service at no cost to the Council.
People: providing access to a new service to local residents, businesses and Council staff
Customers: meeting their needs by enhancing the service through expansion.

Report status
For Decision
Route to Implementation/Timetable:

The report has been considered by the Communities Advisory Board on 15 July 2015 and includes their recommendations.

Subject to Cabinet approval, the contract with the service provider will be finalised by September 2015; completion of consultation process for the allocation of the new bays expected October 2015, allocation of initial two new bays by December 2015.

BACKGROUND/INTRODUCTION

What is a car club and what are its benefits?

1. A car club is a membership scheme that offers people use of a car on a pay-as-you-go basis. It provides easy access to a car when needed (i.e. when alternative forms of transport are not an option), without the cost and inconvenience of owning it. It can be an attractive alternative to car ownership, or to having a second car in the household.

2. A car club space is a parking space, allocated to the car club car that is used by several residents rather than just one. Nationally, for each car club vehicle (outside London) at least 4 vehicles have been removed from the road, that's almost 2,700 vehicles removed across England and Wales and a further 6,360 cars from deferred purchase of a private car. Furthermore, surveys undertaken by the nationwide car club authority, Carplus, reveals that joining a car club results in lower levels of car ownership and fewer miles travelled by car, with car club members tending to walk, cycle and use public transport more.

3. In the long-term, in conjunction with other measures as set out in the Air Quality Action Plan and draft Transport Strategy, it should contribute to a reduction in traffic congestion and an improvement in local air quality.

What local policy supports the car club?

4. Measure GM3 of the Tunbridge Wells Air Quality Action Plan (AQAP) 2010, states: “the Borough Council will explore the potential for the operation of a car club in Tunbridge Wells.”

5. The car club is identified as a project in the draft Transport and Parking strategies, and contributes to the delivery of the Council Travel Plan and Climate Local Tunbridge Wells objectives.

Tunbridge Wells Car Club

6. In September 2014 the Council launched a one-year pilot scheme in partnership with Co-wheels, with two cars at allocated bays on Mount Pleasant Road (near the Town Hall and the train station) and accessible 24/7 to members of the public and local businesses, including the Council.

7. In May 2015, a fully electric Nissan Leaf (EV) was introduced on a temporary basis as a third car club vehicle. The trial will last until September 2015 and will alleviate demand for the existing cars, while a decision on expansion is taken. The Nissan Leaf is parked at Crescent Road car park, as this is where the charging points installed through Department for Transport funding in 2014 are located.

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1 Carplus Annual Survey of Car Clubs 2014/15 England and Wales excluding London
2 www.carplus.org.uk
8. It’s the first town-wide not-for-profit car club in Kent, demonstrating that the Council is leading by example in the region.

9. The proposal for the pilot included a review, with approval to extend the scheme including options for further bays to be sought, should there be a demand and the scheme be self-financing.

10. The car club has proved very popular: at the end of April the car club had a total of 63 drivers, with monthly utilisation approaching 60% in April, well above the required 30% utilisation needed to make the car club viable. The results of the pilot are presented in Appendix B.

11. It is now crucial to add additional cars to enable users to book cars when they need them. Co-wheels propose adding additional vehicles to the Tunbridge Wells fleet as soon as possible.

12. In conjunction with the parking team new bays have been identified, using statistical information, the parking team’s expert knowledge and feedback from existing members and those who expressed an interest in joining. Further details set out in Appendix C.

13. Critically, the key to the success of the car club has been bays located in very visible locations and in areas of significant demand for the service.

**How much does the car club cost?**

14. The car club was supported at no direct cost to the Council by utilising Section 106 funding, match funding from Co-wheels and financial support from Kent County Council.

15. Parking services have confirmed that the car club has not affected parking income.

16. In December 2014, several car club operators, including Co-wheels, increased hire charges nationwide. However, as this car club scheme was being supported through Council funding, charges did not increase in Tunbridge Wells. At the end of the pilot though, the charges in Tunbridge Wells will be brought in line with nationwide rates. There will be no change to the hire charges for the electric vehicle (EV).

17. Co-wheels have confirmed from information collated across their other car clubs, following the price increase, utilisation rate was not affected. See Appendix D for further information.

**WHAT IS THE ISSUE THAT REQUIRES A DECISION AND WHAT DOES THIS MEAN FOR THE PEOPLE OF TUNBRIDGE WELLS?**

18. The pilot scheme is coming to an end and the results clearly show there is a significant interest and appetite by the community to utilise the alternative option provided by the car club. Based on current usage levels, the existing provision of two car club vehicles is not sufficient to meet anticipated demand.

19. The contract with Co-wheels is due to expire in September 2015, but the key holder decision report dated 3 July 2014 does allow the option for the Head of Environment and Street Scene to extend the contract with Co-wheels for a further year if the scheme is self-financing.

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3 Car club Parking – Carplus good practice guidance July 2014.
20. The car club is self financing, but as there is a requirement to expand the car club and with the outcome from the pilot and future options to be reported to Cabinet it is appropriate to report now and set out the future options. Decision is required for:

a) Extending the contract between Co-wheels and the Council by 2 years to September 2017. To include:
   i. Allocation of existing and new car club bays to Co-wheels until September 2017.
   ii. Continue with Council Corporate membership enabling employees to continue to use the vehicles for business travel.

b) Convert the experimental Traffic Regulation Orders (TRO) for the two existing bays into permanent TRO’s.

c) Expanding the car club to include a further 2 -5 new vehicles and bays through phased implementation depending on demand and consensus from stakeholders. The new vehicles will be provided at zero cost to the Council by Co-wheels and TRO costs of up to £1,500 funded by KCC.

d) Relocate the existing bay outside the Town Hall by moving it to the opposite end of this parking area (to avoid damage from birds as current parking bay immediately below tree).

e) Extend the EV lease until September 2016 using KCC funding

f) Develop contract documents to allow for competitive procurement and new contracts to be implemented from September 2017.

WHO HAVE WE CONSULTED AND HOW? (OR WHO WILL WE CONSULT FOLLOWING THE DECISION?)

21. In conjunction with the parking team, consultation on the car club and the need for additional bays and their location has been carried out with a number of stakeholders including Co-wheels, car club members and those who have expressed interest in joining, the Town Forum, Kent County Council Highways and Transport Innovations team, economic development and planning policy mainly through meetings, online surveys and correspondence.

22. The identified future bays are considered the least likely to be contentious: only consented bays will be considered for expansion, while additional consultation may be undertaken to identify more suitable locations for the remaining bays.

23. Legal and Finance teams provided guidance on the procurement aspects and financial implications on the extension of the agreement with Co-wheels and corporate contract.

24. The Communication and BDU teams guided the successful promotion of the car club, in partnership with Co-wheels, which included a radio interview, attendance at the Farmers’ Market, press releases, leafleting and posters.

25. Should approval for the expansion of the car club be granted, further consultation with local residents, KCC and Joint Transportation board (JTB) will take place as part of the Traffic Regulation Orders before allocating the new bays.

HOW WILL THE DECISION BE COMMUNICATED?

26. Once the consultation process is completed, the decision will be communicated to existing and potential members, key stakeholders and community groups such as Cycle and Town Forum through a variety of media including newsletters, emails, leafleting/posters, Council website, press releases and event attendance.
WHAT ALTERNATIVE ACTION COULD WE TAKE?

27. Do nothing and end pilot in September: This is not recommended, as there is significant support for the scheme, with the results clearly showing active use of the car club and support from the community.

28. Delay the decision to expand the scheme: This is not recommended as the demand for the existing vehicles is currently too high and this means that cars are often not available for bookings.

29. Progress to open procurement now, instead of extending the contract with Co-wheels: This is not recommended as it would cause a significant disruption to the delivery of this Council service and would not be in the best interest of the Council. A two year extension is a realistic timescale to allow the principal of a local car club to be embedded and ensure future effective contract procurement. The reasons for extending the contract with Co-wheels meet the requirements of the Councils Contract Procedure rules for variation and exemption. Further detail is provided in Appendix A.

CONCLUSIONS

30. The pilot year is coming to an end and the results clearly show there is a significant interest and appetite by the Community to utilise the alternative transport option as provided by the Car club.

31. This is a critical stage for the ongoing success of the car club and it is imperative the momentum is not lost. Approval for the car club expansion to include new bays and extension of the contract with the existing operator for two years is required. This will enable the type of car club model that works best for Tunbridge Wells to be effectively embedded and allow for the most appropriate type of future procurement to be established.

RECOMMENDATIONS

32. It is recommended that
   1. The contract between Co-wheels and the Council is extended by 2 years to September 2017. To include:
      b. Continue with Council Corporate membership enabling employees to continue to use the vehicles for business travel.
   2. The Experimental Traffic Regulation Orders (TRO) for the two existing bays are converted into permanent TRO.
   3. The car club is expanded to include up to 5 new vehicles and bays through phased implementation depending on demand and consensus from stakeholders.
   4. The existing bay outside the Town Hall is relocated to the opposite end of this row of parking spaces.
   5. The electric vehicle lease is extended to 30th September 2016
   6. Contract documents are developed to allow for competitive procurement and new contracts to be implemented from September 2017.

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4 Co-wheels Car club. Tunbridge Wells: Summary to date and next steps. January 2015.
REASON(S) FOR RECOMMENDATIONS

33. To agree to the extension of the car club and support the provision of a car club.

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Name of Director/Head of Service
Jonathan MacDonald, Deputy Chief Executive/Gary Stevenson Head of Environment and Street Scene

Background Papers
- Portfolio Holder decision - Public Access Car club in Tunbridge Wells – Pilot scheme, July 2014
- Overview and Scrutiny Committee, Call in – Public Access Car club in Tunbridge Wells – Pilot Scheme, 11th August 2014
- Royal Tunbridge Wells Town Forum Public Document – Agenda/Minutes 25th September 2014
- Car club Parking – Carplus good practice guidance July 2014
- TMO/TRO Consultation Guidance – good practice guidance for local authorities, Carplus, September 2012
- Carplus- not for profit, environmental transport NGO
- Air Quality Action Plan 2009
- Draft Parking Strategy 2015 – 2026 (including Royal Tunbridge Wells, Town and Rural areas)

APPENDICES TO REPORT
APPENDIX A Cross Cutting Issues
APPENDIX B Tunbridge Wells Car Club Pilot – Results
APPENDIX C Proposed new car club locations
APPENDIX D Impact Analysis – price increase
APPENDIX E Commercial Information (Exempt)