

Expansion of the existing Tunbridge Wells car club and release of s106 funding

Portfolio holder Decision report

Summary

Lead Member: Councillor Luke Everitt Cabinet Member for Environment, Sustainability and Carbon Reduction and Councillor; Justine Rutland Cabinet Member for Tunbridge Wells Town and Local Areas

Lead Director: Paul Taylor Director of Change & Communities

Head of Service: Gary Stevenson Head of Housing, Health & Environment

Report Author: Karin Grey Sustainability Manager

Classification: Non-exempt

Wards Affected: St John's, Culverden, St James', Pantiles & St Mark's, Park

Approval Timetable	Date
Cabinet Member	Friday 27 January 2023
Report Published	Friday 27 January 2023
Decision due not before	Monday 6 February 2023

Recommendations

Officer recommendations to the Portfolio Holder:

- a. To agree the expansion of the car club with the additional car club spaces from 5 vehicles to 8 vehicles in Amherst Rd, Goods Station Rd, and Warwick Rd. Location details are set out in Appendix A. The expansion to be implemented as soon as possible in accordance with the traffic regulation order requirements.
- b. To agree to the release of s106 funding specifically allocated to the expansion of the car club as related to the Dairy Crest and Union House

developments with the funding to be used as set out in the report paragraph 3.6 and Appendix B.

- c. That the portfolio holder acknowledges officers are reviewing opportunities to incorporate electric vehicles into the car club fleet. Electric vehicle car club cars can be added to the fleet as soon as the electric vehicle charging infrastructure is in place.
- d. That the portfolio holder acknowledges officers from parking and sustainability will continue to work with the car club provider to review the car club and identify additional future suitable financially viable locations for expansion as needed, including possible expansion into the Southborough area.
- e. That the portfolio holder acknowledges that the current car club concessions contract is due to finish at the end of July 2023. That the portfolio holder endorses officers to begin the process of procuring a new car club contract in line with the Councils standing orders and a report will be brought to Cabinet for agreement to re-procure a new concessions contract

1. Introduction and Background

Car Clubs

- 1.1 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 sustainable forms of transport are not an option), without the cost and inconvenience of car ownership. It can be an attractive alternative to car ownership, or to having a second car in the household.
- 1.2 The Tunbridge Wells Car Club, located in Royal Tunbridge Wells, is operated by the social enterprise hire car company 'Co-wheels'. Their focus is on 'reducing car use' and associated environmental impacts and support best practices.
- 1.3 A car club space is a parking space allocated to the car club car that is used by numerous residents/visitors etc. rather than by just one person. Car Club users only use the cars when needed and use alternative modes of transport at other times.
- 1.4 The Tunbridge Wells Car Club supports the 'back to bay' model of car club. This means that each car club car must be returned to their designated bay after being leased by a car club member.
- 1.5 Car clubs cannot operate without appropriate parking provision. For back-to-bay car clubs, traffic regulation orders (TROs) will need to be sought to designate

bays for exclusive car club use which includes the provision of signage and lines to mark out the bay.

- 1.6 Car clubs are part of a mobility mix alongside public transport, taxis, walking and cycling. Surveys undertaken by CoMoUK the national organisation for shared transport consistently demonstrates 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.

Tunbridge Wells Car Club

- 1.7 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.
- 1.8 The car club was procured as a concessions contract and delivered at no direct cost to the Council by utilising Section 106 funding. With match funding from Co-wheels and financial support from Kent County Council. The Local Government Association¹ highlight this scheme within their guidance document, 'New mobility options: car clubs.
- 1.9 Since its launch in 2014, the car club has expanded, there are currently 5 cars in the fleet, with this service re-procured in 2017/18. The current contract is due to expire in July 2023.
- 1.10 The car club has proved very popular. Total number of members has steadily increased. With 484 members in October 2021, rising to 519 at the end of August 2022 and as from end of October 2022 there were a total of 550 members. Last few months has seen a sudden jump in membership and the Tunbridge Wells car club is Co-wheels 4th best performing car club across the country.
- 1.11 In terms of usage, (i.e. how much use the cars get), this is measured as the utilisation rate and for 2021 per car this was on average 33% over the month and up to October 2022 this was 30%.
- 1.12 Utilisation is based on the average time in a day the car is booked over the course of a month. So, 50% utilisation means the car was out and about on bookings on average 12hrs per day over the month. In terms of ability for a member to book a car, operators consider a 25% utilisation rate as the trigger point to start considering adding another car, it ensures break even for the operator, but to also avoid member frustration in not being able to book a car for use. This could result in members leaving the car club and considering this type of service to be unreliable and resorting to other, often more unsustainable modes of transport.

¹ [LGA - New mobility options: car clubs Nov 2022](#)

- 1.13 Tunbridge Wells car club members have commented positively that being a car club user was affordable, flexible, and eco-friendly. With some users giving up their second car, or not needing to own a car. Further insights from car club members can be found in Appendix C.

Car club expansion

- 1.14 With the utilisation rate being high and with new members continuing to join, it is essential further cars are added into the fleet as soon as possible. The expansion is viable and will support the ongoing benefits to the council of a car club in its area. These new spaces will be incorporated into the re-tendering process in time for a new contract to be in place by 1 August 2023 start. Ideally, the expansion should have occurred by Spring/Summer 2022.
- 1.15 The locations identified for expansion include Amherst Rd, Goods Station Rd and Warwick Park. Further details on these locations can be found in Appendix A and in section 3 below.
- 1.16 Officers from sustainability and parking services have worked with Co-wheels to identify the most appropriate location for the expansion, which will also complement the existing cars. The suggested bays have therefore been chosen taking the following considerations into account: -
- The likely need for access to a car club, which is dependent on demographics, high density areas with significant parking pressure and with mostly on street parking, these tend to have the highest uptake of car club use.
 - Spaces must be highly visible and located in public areas; both from a marketability aspect, identified for public use and not as private or for the exclusive use of any specific organisation/group; and critically perceived as a 'safer' space as the cars are in use 24/7.
 - In addition, ideally the bays should cause the least impact in terms of objections on parking grounds, to enable a local community to experience the benefits of a car club and start using it.
- 1.17 This service must also be self-financing, with the operator bearing all the costs and risks and generating sufficient revenue through the operation of the car club to be able to continue to provide this service and the benefits as required by the Council. Break even and margins tend to be much lower in less dense areas such as outside of larger conurbation areas.
- 1.18 To ensure the viability of the car club and thereby support the aims of the council, in reducing carbon emissions and improve local air quality, in a town the size of Tunbridge Wells, there is only sufficient demand for one car club operator. Only large conurbations such as London, Manchester or Bristol have more than one operator.

1.19 The type of car club procured by the Council is known as a 'back to bay' or traditional type of car club and this is the leading model in the UK. It should not be confused with 'peer to peer' car sharing, which has only emerged relatively recently. Peer-to-peer car sharing is where people offer privately-owned vehicles for rent to others via an online platform. The platform provides insurance, and the cars remain in the ownership of private individuals. Peer-to-peer car-sharing is the equivalent of Airbnb with no involvement from the Council.

Benefits of a car club

1.20 Car clubs provide socially inclusive, low emission mobility which helps to break dependency on private car ownership. It also assists policy makers in meeting their targets on emissions reduction, easing parking pressures and reduce congestion, improvements to air quality and encouraging individuals to increase their use of sustainable transport modes.

1.21 For the past 15 years, 'CoMoUK', the national organisation for shared transport has collected a consistent range of data from car club users to provide an overview across the UK. Separate studies are undertaken for London, Scotland, and Manchester.

1.22 The following data applies across the UK²: -

- For every car club car, at least 20 private cars are removed from the road, freeing up space and easing parking pressures.
- An estimated total of 116,811 cars have been removed from the road by active car club members.
- Membership of car clubs in the UK has grown strongly over 2021, and total membership on 31 October was 784,122, a 24% increase over 12 months.
- Car club members tend to have higher use of sustainable modes of transport than national averages.
- Car club cars are also less polluting than the average car 27% lower carbon emissions, 89% lower NO_x (Nitrogen oxides) emissions and 72% lower PM2.5 (tiny particles in the air that are two- and one-half microns or less in width) emissions

1.23 The Royal Tunbridge Wells Car Club supports the borough's net-zero 2030 target. The cars currently in the fleet are either hybrids or small petrol engine cars only, with the contract specifically setting out the requirement for a lower emission fleet. By reducing the number of privately owned cars on the road this type of service has a positive impact on the environment.

² [Car Club Annual Report United Kingdom 2021 - CoMoUK](#)

Electric vehicles in car clubs

- 1.24 In 2030, the sale of new petrol and diesel cars will end. Car club operators are already incorporating electric vehicles (BEV) into their fleet's. Around 12% of UK car club vehicles are EVs compared to 1.5% of the overall UK car fleet³. Similarly, Cowheels already has a BEV fleet. However, improved charging infrastructure is crucial to enable the uptake of shared electric cars.
- 1.25 Shared BEVs are currently more expensive to operate though than shared petrol cars due to higher purchase costs, fuel costs margins and higher staff costs in managing charging issues. The electric vehicle 'charging demand' for car club cars is also relatively low even if maximum usage level is reached.
- 1.26 Car club operators will incorporate BEV into the fleet providing the suitable charging infrastructure (EV charging) and back-office function and maintenance provision for the charging units have been delivered. Car club operators do not install the charging infrastructure, that falls into the remit of EV charging infrastructure companies^{4,5}. Support for car club provision will need to be incorporated into electric vehicle infrastructure planning if the full benefits are to be achieved.
- 1.27 The 'Transport decarbonisation: local authority toolkit'⁶, emphasised the need for local authorities to provide access to EV charging infrastructure for car club operations by working with charge point operators and distribution network operators (DNOs) to enable appropriate provision of charging infrastructure for electric car club vehicles.
- 1.28 The EV charging operators will recover their investment costs through the regular use of the charging units. Therefore, to enable charging provision to be provided to a car club space and be financially viable to the charging provider, the location would need to be a dual charging space with the second space available to the public for use by all EV drivers.
- 1.29 CoMoUK are engaging with national government, adding that more needs to be done to address the lack of targeted funding for EV charging infrastructure in car clubs. They have recommended that the new government-funded Local Electric Vehicle Infrastructure (LEVI) scheme incorporate specific guidance and criteria on supporting infrastructure for car club vehicles. This has yet not been delivered.
- 1.30 In terms of the Tunbridge Wells car club expansion the proposed locations have been reviewed taking EV charging into account and there is capacity to incorporate a second space to enable 'dual' EV charging posts to be installed in due course.

³ [Electric Vehicles in car Clubs – Powering the way forward – September 2022 CoMoUK](#)

⁴ [Electric Vehicles in Car Clubs Powering the way forward – September 2022 CoMoUK](#)

⁵ [New mobility options: car clubs - November 2022 LGA \(Local Government Association\)](#)

⁶ [Decarbonising Transport A Better, Greener Britain – 2021 DfT](#)

- 1.31 Until the charging infrastructure can be delivered the car club cars will continue to be either hybrids or small engine petrol vehicles. As soon as the electric vehicle charging infrastructure has been delivered the car club fleet can be swapped out for BEV car clubs.

2. Highways and Traffic Regulation Requirements

- 2.1 Designation of kerbside for a particular purpose, for example, to accommodate car club spaces requires a Traffic Regulation Order (TRO). Previously experimental TROs have been used to reduce the lead time and help assess the location's suitability.
- 2.2 Once suitability has been established a permanent TRO can be implemented. This process includes a public consultation where objections and comments are considered by the Tunbridge Wells Joint Transportation Board.
- 2.3 This work is funded from section 106 contributions that support the provision of car club infrastructure.

3. Funding for the expansion

- 3.1 The car club is supported at no direct cost to the council. Instead funding from s106 contributions will be used to continue to facilitate and promote the car club to provide a sustainable transport choice without necessitating individual car ownership.
- 3.2 Expanding the car club enables residents/users of the new developments to become members of the car club, thereby have access to a car when needed, ease local parking pressures and encourage the use of all modes of sustainable transport including walking and cycling. Similarly, by supporting the expansion of the car club, new users from the specified developments do not overload the existing car club, which would cause a deterioration in the service provision and reliability.
- 3.3 The following developments have provided funding towards the car club. These are:
- Dairy Crest (15/507556), St John's Rd, £15K "To use the Car Club sum towards shared use and environmentally friendly transport by the residents of the Development and others in the local community in the vicinity of the development."
 - Union House (16/504331), Linden Park Road, £20K "To be used towards 1 Co-Wheels Car Club car (including membership fee and marketing fee) to be made available for use by the occupiers of the Development."

- 3.4 Both developments were assessed as to the most appropriate location for the new car club bays. The criteria to support the new developments is balanced alongside car club viability and suitable bay assessments. Amherst Rd is the best location to support the Dairy Crest development and Warwick Park for Union House. Both locations are within a few minutes' walk of the development in question. In general car club cars are ideally located no more than 1km walking distance from the development.
- 3.5 In addition, new users of these two developments also have access to all the other cars in the fleet. Similarly, by also including Good Station Rd in the expansion it both supports the membership base from this area but supports easier booking access to the cars closer to Dairy Crest and Grove Hill Rd which are currently in high demand.
- 3.6 The s106 funding set aside will support: -
- All 'Traffic Regulation Order' costs, including signage and lining
 - Marketing costs to promote the car club including to the occupiers of the new developments
 - Membership costs inc. joining fee, driving credit and monthly fees for 1 year 'pro rata' for the first 30 new members joining
 - Support towards the provision of one car pro rata, including funding set aside towards car leasing costs in the new contract to provide a minimum of one/two-year support
 - Support towards some of the funding for the car club bay portion of the charging installation and use of the EV charge point that will support the car club use

Details on the funding expenditure is set out in Appendix B.

4. Options Considered

- 4.1 Option 1
- a. To agree the expansion of the car club from 5 vehicles to 8 vehicles, with the additional car club spaces in Amherst Rd, Good Station Rd and Warwick Rd as set out in Appendix A. To be implemented as soon as possible in accordance with the traffic regulation orders by initially setting these up as experimental TRO's and in due course followed by permanent TRO's subject to the following the TRO regulations for implementation.
 - b. To agree to the release of s106 funding specifically allocated to the expansion of the car club as related to the Dairy Crest and Union House developments and the funding is used as set out in this report, paragraph 3.6 and Appendix B.
 - c. That the portfolio holder acknowledges officers are reviewing opportunities to incorporate electric vehicles into the car club fleet. Electric vehicle car club cars can be added to the fleet as soon as the electric vehicle charging infrastructure is in place.

- d. That the portfolio holder acknowledges officers from parking and sustainability will continue to work with the car club provider to review the car club and identify additional future suitable financially viable locations for expansion as needed including possible expansion into the Southborough area.
- e. That the portfolio holder acknowledges that the current car club concessions contract is due to finish at the end of July 2023. That the portfolio holder endorses officers to begin the process of procuring a new car club contract in line with the Councils standing orders and a report will be brought to Cabinet for agreement to re-procure a new concessions contract.

- 4.2 Options 2 - Delay the expansion until BEV can be incorporated into the fleet.
Option 3 - Do nothing.

Both these options are not recommended: -

- Member subscription to the car club has increased steadily. The car club is providing an effective service to residents, visitors, and business community. Car clubs are a means of sharing the use of a car between different people allowing individual drivers and households to experience the benefits of access to a car, while reducing and often removing the need to own and maintain one. If the quality of service deteriorates and becomes unreliable it will cease to deliver on its expectations, with car club members potentially returning to private car use.
- Car club cars are already cleaner and lower emission vehicles and support transport decarbonisation by reducing car ownership, introducing cleaner vehicles onto our roads, easing congestion and encouraging active travel.
- In addition, with the current cost of living crisis, car clubs can provide a timely relief as a cheaper transport alternative.
- Suitable spaces for the expansion have already been identified, which in due course can also support EV charging.
- The car club cars can easily be swapped out for BEV as soon as the charging equipment has been installed.
- Given the benefits of the car club in delivering on the climate emergency and improvements to local air quality, local authorities can support car clubs by ensuring appropriate parking provision are set, which this Council has done. However, it also requires the provision of adequate EV charging infrastructure. This will take time to deliver and until such time it can be implemented it should not delay the ongoing expansion of the car club.

5. Preferred Option and Reason

- 5.1 It is recommended that option 1 is implemented as soon as possible.
- 5.2 The data clearly show there is a significant interest and appetite by the community to continue to utilise the car club. Based on current usage levels, the existing provision of 5 car club vehicles is not sufficient to meet anticipated demand. The expansion is essential to ensure the car club remains a viable and available option for any driver in the borough.
- 5.3 The car club expansion will support the council in meeting its targets relating to carbon reduction, improving air quality, easing parking pressures, reducing congestion, and enabling suitable sustainable transport choices to be made.

6. Consultation on Options

- 6.1 Officers in sustainability, parking and economic development have been working together to establish the best options for the promotion and enhancement of the car club. Planning services have been consulted in terms of including s106 requirements to mitigate the impact of new development. Parking services have been liaising with Kent County Council in terms of the traffic regulation orders.
- 6.2 The car club operator Co-wheels, parking services and sustainability have evaluated the best options for expansion.
- 6.3 The Tunbridge Wells Town Forum have been kept updated on the progress of the car club including a presentation at their meeting. Relevant local ward councillors and Councillor Peter Lidstone the walking and cycling champion have been informed.

7. Implementation

- 7.1 Following approval of this report by the portfolio holder, the following actions will be taken immediately: -
- TRO requirements will be implemented
 - The car club operator will source the cars and provide these once all TRO requirements are in place
 - The car club operator will market the new locations and send relevant communications to the occupiers of the two developments, including to occupiers in the near vicinity of the new bays
 - Free membership costs for the initial first year 'pro rata' will be offered to the first 30
 - The council will promote the car club through their usual channels of communication

- 7.2 The process of re-procuring the car club concessions contract will start.
- 7.3 Officers within the council will continue to evaluate opportunities and progress the development of EV charging infrastructure policies as staffing capacity allows.

8. Appendices and Background Documents

Appendices:

- Appendix A: Location of car club bays and bay selection criteria
- Appendix B: S106 funding costs
- Appendix C: Quotes from car club users
- Appendix D: Climate Emergency Impact Assessment

Background Papers:

- [CoMoUK – Shared cars – overview and benefits](#)
- [CoMoUK – Annual car club report 2021](#)
- [CoMoUK - Guidance on Car Club Procurement 2020](#)
- [Barriers and opportunities for shared battery electric vehicles – Transport & Environment – Element Energy](#)
- [CoMoUK – Guidance on Electric Vehicles in Car Clubs Powering the way forward](#)
- [DfT – Car Clubs: local authority toolkit April 2022](#)
- [LGA - New mobility options: car clubs](#)

9. Cross Cutting Issues

A. Legal (including the Human Rights Act)

A concessions contract exists between Tunbridge Wells Borough Council and Co-wheels the car club operator. This contract provides the opportunity for the authority to work with the operator to facilitate the expansion of the car club. The contract also stipulates that the associated costs in obtaining all TRO's rests with the authority.

This report requests the release of the S106 funding specifically set aside to support the car club. These are: -

- Dairy Crest (15/507556), St John's Rd, £15K "To use the Car Club sum towards shared use and environmentally friendly transport by the residents of the Development and others in the local community in the vicinity of the development."
- Union House (16/504331), Linden Park Road, £20K "To be used towards 1 Co-Wheels Car Club car (including membership fee and marketing fee) to be made available for use by the occupiers of the Development."

TRO requirements are being adhered to.

Robin Harris, Mid Kent Legal Services, 21 December 2022

B. Finance and Other Resources

There are no direct costs to the council relating to the expansion of the car club and support is being provided within existing resources. S106 funding specifically set aside to enhance the car club is used to support the associated costs such as all TRO costs, marketing, and membership fees to incentives uptake and enhance the benefits of a car club. Details on how the funding will be used is set out in appendix B.

[Name, title and date of finance officer who signed off the report]

C. Staffing

The expansion is supported within existing staff capacity.

[Name, title and date of HR officer who signed off the report]

D. Risk Management

The expansion of the car club is not included within the strategic risk register. The risks relating to not expanding and supporting the car club could lead to a deterioration in service provision, customer dissatisfaction and associated reduction in membership. With the result that the car club as a specific project does not support the council's delivery on the climate emergency.

Report author

E. Environment (inc. Biodiversity) and Sustainability

The expansion supports the requirements of the climate emergency declaration. (Appendix D)

Report author

F. Community Safety

No impact – Report author

G. Equalities

CoMoUK survey data suggests car club members cover a range of incomes and similarly for age, there is a relatively even spread between the 25-54 age groups.

Report author

H. Data Protection

No impact. The council holds no personal data on membership. Membership data is the property of the car club provider who is required to comply with the relevant statutory requirements as set out in the concessions contract.

Report author

I. Health and Safety

No impact. The concessions contract requires the car club operator to provide vehicles that comply with all relevant highway and vehicle safety requirements.

Report author

J. Health and Wellbeing

No impact. The provision of the car club encourages residents to engage with suitable alternative sustainable transport options including active travel which benefits physical wellbeing.

Report author