

Re-procurement of the Tunbridge Wells Car Club

For Communities Cabinet Advisory Board on 8th March 2023

Summary

Lead Member: Councillor Luke Everitt Cabinet Member for Environment, Sustainability and Carbon Reduction

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: Public document (non-exempt)

Wards Affected: All

Recommendations

Officer recommendations as supported by the Portfolio Holder:

1. That Cabinet approve and authorise the re-tender of the Tunbridge Wells Car Club in accordance with the criteria set out in Appendix C with a new contract to start 1 August 2023.
1. That Cabinet gives authority to the Head of Housing, Health and Environment to award the contract to the preferred bidder, subject to the proposals from the preferred bidder meeting the criteria as set out in Appendix C and being within the limits of the delegated authority.

Introduction and Background

Car Clubs

- 1.1 This report seeks approval to re-tender the Tunbridge Wells Car Club and sets out information on how the car club operates, its benefits and how it meets the Council's policy objectives related to the climate emergency and air quality.
- 1.2 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.
- 1.3 The Tunbridge Wells Car Club, located in Royal Tunbridge Wells, is currently operated by the social enterprise hire car company 'Co-wheels'. Their focus is on 'reducing car use' and associated environmental impacts and supporting best practices.
- 1.4 The Tunbridge Wells Car Club supports the 'back to bay' model of car club. This means that each car club car is specifically for car club users only and must be returned to its designated parking bay after being leased by a car club member. Appendix A details the locations of the car club cars.
- 1.5 Car clubs cannot operate without appropriate parking provision. For back-to-bay car clubs, traffic regulation orders (TROs) are implemented 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 CoMoUK¹, consistently demonstrate 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 in the same way as a concession 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.

¹ [CoMoUK- Annual Car Club report – United Kingdom 2021](#)

The Local Government Association² highlight the Tunbridge Wells scheme within their national guidance document, 'New mobility options: car clubs'.

- 1.9 Since its launch in 2014 and with the re-procurement of this service in 2017/18 for a 3-year contract and with the option of a +1+1 year extension to the contract implemented, the car club has expanded. In February 2023, with portfolio holder agreement³, the 5 cars in the fleet are being expanded to 8 cars.
- 1.10 The car club has proved very popular, with 550 members registered. 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 per month and for 2022 stands at 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 for an average of 12 hours 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 to ensure financial break even for the operator and avoid member frustration in not being able to book a car for use. As this could result in members leaving the car club and considering this type of service to be unreliable and resorting to other, often less sustainable, modes of transport.
- 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 B.

Car Club Expansion

- 1.14 With the utilisation rate being high and with new members continuing to join, it is essential to add further cars into the fleet as soon as possible. New spaces, identified in Amherst Road, Goods Station Road and Warwick Park, as approved through Portfolio Holder sign off, are being implemented as soon as possible and will be included in the re-tendering process.
- 1.15 Officers from Sustainability and Parking Services have worked with the car club provider to identify the most appropriate location for the expansion, which also complement the existing cars. Bays are identified by 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

² [LGA - New mobility options: car clubs Nov 2022](#)

³ [Release of S106 funding, allocated to support the ongoing expansion of the Car Club February 2023](#)

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 'safe' 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.

1.16 The ability to continue to identify locations for expansion and include additional cars in the car club will be included in the contract requirements. These may include locations as identified: -

- Through need, demographics and likely use of car club cars in an area
- The car club business model requires the car club to be self-financing and as such expansion locations chosen will need to support this approach; unless fully supported through s 106 funding until 'break-even' is reached.
- Through planning requirements and to enable sustainable transport choices including s106 requirements.

1.17 During the period of the car club contract, expansion opportunities and approval of additional car club cars and bays will continue to be obtained via Portfolio Holder sign off.

Benefits of a Car Club

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

1.19 For the past 15 years, 'CoMoUK', 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.

1.20 The following data applies across the UK⁴: -

- 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.

⁴ [Car Club Annual Report United Kingdom 2021 - CoMoUK](#)

- Car club members tend to make 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.

1.21 The 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, with the contract specifically setting out the requirement for a lower emission fleet and in due course ultra-low emission vehicles, i.e., battery electric vehicles (BEV's). By reducing the number of privately owned cars on the road, this type of service has a positive impact on the environment.

Electric vehicles in car clubs

- 1.22 In 2030, the sale of new petrol and diesel cars will end. Car club operators are already incorporating BEV's into their fleets. Around 12% of UK car club vehicles are BEVs compared to 1.5% of the overall UK car fleet⁵. Similarly, Co-wheels already has a BEV fleet across the country. However, improved charging infrastructure is crucial to enable the uptake of shared electric cars.
- 1.23 Shared BEVs are currently more expensive to operate 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.
- 1.24 Car club operators will incorporate BEVs into the fleet, providing the suitable charging infrastructure (EV charging) including 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^{6,7}. Support for car club provision will need to be incorporated into electric vehicle infrastructure planning if the full benefits are to be achieved.
- 1.25 The 'Transport Decarbonisation: Local Authority Toolkit'⁸, 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.
- 1.26 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

⁵ [Electric Vehicles in car Clubs – Powering the way forward – September 2022 CoMoUK](#)

⁶ [Electric Vehicles in Car Clubs Powering the way forward – September 2022 CoMoUK](#)

⁷ [New mobility options: car clubs - November 2022 LGA \(Local Government Association\)](#)

⁸ [Decarbonising Transport A Better, Greener Britain – 2021 DfT](#)

would need to be a dual charging space with the second space available to the public for use by all EV drivers.

- 1.27 CoMoUK, the national organisation for shared transport, a charity for promoting its social, economic and environmental benefits, 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 not yet been delivered.
- 1.28 In terms of the Tunbridge Wells Car Club spaces, the aim will be to switch to as many BEVs as possible once the relevant infrastructure is in place. The new contract will require, (as the existing contract also enables), the contractor to work with the Council to include BEV in the fleet.
- 1.29 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.

Traffic Regulation Orders

- 1.30 Designation of kerbside parking for a particular purpose, for example, to accommodate car club spaces, requires a Traffic Regulation Order (TRO). Experimental TROs are used initially to reduce the lead time and help assess the location's suitability.
- 1.31 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. Re-procurement of the Car Club Concessions Contract

- 2.1 The current contract was awarded from 1 August 2018 for an initial 3 years, with the +1+1 year extensions implemented, and will expire on 31 July 2023.
- 2.2 The contract will be re-tendered in line with the Council's contract standing orders, (CSOs), for an initial period of 3 Years with the option of 2 annual extensions, (3+1+1), in partnership with the Maidstone & Tunbridge Wells Procurement Partnership and Mid Kent Legal Services.
- 2.3 The key tender criteria are set out in Appendix C and these will be used to assess the suitability of all bids received.

- 2.1 The tender opportunity will be advertised in accordance with current CSOs and procurement rules, with all documents uploaded onto the Kent portal.
- 2.4 The tender evaluation will be undertaken in a clear, transparent and fair manner as expected of any reasonable authority, with all steps and reasons for decisions explained and documented, ensuring any risks to the Council are minimised.
- 2.5 The bidders will need to clearly demonstrate, in their submission, their ability to meet the expectations of the service requirements for this contract. Car clubs have economic, social, corporate and environmental benefits which enable the Council to deliver their policy aims and corporate goals, whilst enabling residents and businesses to make more sustainable travel choices, support modal shift and encourage active travel.
- 2.6 The Council will not be providing financial support for the scheme as it is expected to be self-financing. However, some s106 funding will be available in areas of new development to support the expansion of the car club, and the funding of dedicated car club parking provisions (TRO, Lining and Signage).
- 2.7 The scheme will be based upon a pay as you go membership, 'back to bay' Car Club, which will be used by the general public and ad hoc by the Council's employees, conducting Council business, as part of a corporate membership. The Council do not block book any of the vehicles and Council staff are expected to book vehicles in the same way as other car club members.
- 2.8 Payment in the form of invoices will be made for mileage claims of staff who use the car club cars on Council business, (which is outside the scope of this contract). Other businesses in the Borough may also choose to implement corporate membership.

3. Options Considered

- 3.1 Option 1:
 - a. Approve and authorise the re-tender of the Tunbridge Wells Car Club in line with the criteria as set out in Appendix C. The current car club contract is due to expire at the end of July 2023, the procurement process will start immediately following approval from Cabinet.
 - b. The Tunbridge Wells Car Club is a 'back to bay' car club and will be re-procured on this same format.
 - c. Following the re-procurement process, the contract will be awarded to the preferred bidder under the existing delegations to the Head of Housing, Health and Environment. If that is not possible, the tender process will be reported to Cabinet for consideration of the implications and a decision.
- 3.2 Option 2: Do nothing allow the existing concessions contract to expire.

4. Preferred Option and Reason

- 4.1 Option 1 is the preferred option.
- 4.2 The ongoing provision of a car club supports 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.
- 4.3 The data clearly show there is a significant interest and appetite by the community to continue to utilise the car club. Member subscription to the car club has increased steadily. The car club is providing an effective service to residents, visitors, and the 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.
- 4.4 Option 2 Do Nothing is not an option.
- For the reasons as set out above for Option 1. Equally, as the cars are located at the kerbside, it requires the local authority to implement such a scheme and cannot be delivered in isolation from the local authority.

5. Consultation on Options

- 5.1 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.
- 5.2 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 also been kept informed.
- 5.3 The current provider is aware that the contract is due to expire, and that the intention is to re-procure the contract.

6. Implementation

- 6.1 Following approval of this report, the re-procurement process will commence immediately in line with the CSOs.
- 6.2 The tender opportunity will be advertised, and all documents uploaded to the Kent portal. The accredited car club providers will be informed.

- 6.3 Standard tendering process will be followed, the tenders evaluated in line with the criteria in Appendix C. Subject to the proposals from the preferred bidder being within the limits of the delegated authority of the Head of Housing, Health and Environment the contract will be awarded and will start on 1 August 2023. Otherwise, the outcome of the tender process will be reported to Cabinet for consideration and decision.

7. Appendices and Background Documents

Appendices:

- Appendix A: Location of current car club cars and agreed expansion locations
- Appendix B: Quotes from Tunbridge Wells car club users
- Appendix C: Key specifications requirements for procurement of the Tunbridge Wells Car Club

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](#)

8. Cross Cutting Issues

A. Legal (including the Human Rights Act)

The re-procurement of the Tunbridge Wells Car Club will be undertaken in accordance with the Council's current procurement standing order requirements.

Mid Kent Legal Services team will participate in the procurement process. The contract between the Contractor and the Council will be the standard Council contract and drafted using the Council's current Terms and Conditions.

Lucinda MacKenzie-Ingle, Contracts and Commissioning Team Leader, MKLS

13 February 2023

B. Finance and Other Resources

There are no direct costs to the council relating to the re-procurement of the car club and support is being provided within existing resources. – Report author

C. Staffing

The procurement will be undertaken using existing staffing resources. - Report author

D. Risk Management

If the procurement is not delivered to time, the current contract will lapse with the risk that the car club will not be able to continue in Tunbridge Wells. With the resultant loss of an additional option of sustainable transport and not being able to support the ambition of meeting the Borough wide carbon neutral target by 2030. – Report author

E. Environment (inc. Biodiversity) and Sustainability

The expansion supports the requirements of the climate emergency declaration. - 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 proposed concessions contract requires the car club operator to provide vehicles that are solely dedicated for the use of the car club, are not privately owned and must 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