Harrogate
BOROUGH COUNCIL

Agenda Item No.1

REPORT TO:	Management Board Cabinet Member (Sustainable Transport)
DATE:	17th December 2018 14th January 2019
SERVICE AREA:	Place Shaping and Economic Growth
REPORTING OFFICER:	Executive Officer Economy & Transport *(Tom O'Donovan, Project Officer, Transport)*
SUBJECT:	**Implementation of a Car Club in Harrogate District**
WARD/S AFFECTED:	All
FORWARD PLAN REF:	N/A

1.0 PURPOSE OF THE REPORT

1.1 To seek approval from Management Board (MB) and the Cabinet Member (Sustainable Transport) (CMST) to facilitate the establishment of a Car Club in Harrogate District, using up to £28,000 from the Council Investment Reserve, earmarked for Sustainable Transport.

2.0 RECOMMENDATIONS

2.1 Management Board and Cabinet Member agree to go out to tender for the establishment of a Car Club in Harrogate District.

2.2 Management Board and Cabinet Member agree to use up to £28,000 from the Council Investment Reserve, earmarked for sustainable Transport in order to seed fund a Car Club.

3.0 RECOMMENDED REASONS FOR DECISIONS

3.1 A car club will provide an important addition to the sustainable transport offer in the district by;

- Offering the opportunity for residents to give up their car, or second car whilst still maintaining access to a vehicle;
- Reducing the demand for car use as residents using the car club will consider their travel choices more carefully, look to walking, cycling and public transport more and only use a car when necessary;
- Enabling visitors arriving by air and rail to have access to a car when they need it to reach their final destination.

- The risk to Harrogate Borough Council is limited as the car club operators carry the risk with regards to vehicles being involved in accidents. The car club operators have been running for a relatively long time and run a national operation with sustained usage and a working business model, one of the operators is also backed by a multi-national car hire business.

3.2 The Council Investment Reserve, earmarked for Sustainable Transport was specifically established in order for HBC to contribute towards schemes that will reduce vehicle usage in the district. Each car club car can be expected to take 10 to 11 vehicles off the road.

3.3 The £28k allocation will enable the scheme to become commercially sustainable thereby providing an initiative that can be further expanded particularly at major new developments in future.

4.0 ALTERNATIVE OPTIONS CONSIDERED AND RECOMMENDED FOR REJECTION

4.1 Not facilitating the development of a car club is recommended for rejection. Car clubs have been demonstrated to reduce dependence on private cars, increase uptake in active travel and utilisation of public transport; consequently reducing congestion and air pollution.

4.2 Rely purely on public transport, walking and cycling in order to reduce congestion on the district's roads. This option is also recommended for rejection, whilst a vital part of the fabric of a car club, public transport on its own they would not be able to meet the on-demand, go anywhere nature of a car club. The car club should add to the existing public transport offer and look to be integrated into the sustainable transport system to complement buses and trains and provide a seamless door to door service.

5.0 BACKGROUND

5.1 Car Clubs were first established in the UK in the late 1990's. A car club offers the ability to use a car on demand without the costs of owning and maintaining one. A car club is a car, or group of cars, which are publically available (parked prominently on or off street) and through a membership scheme people can book the cars and use them as they require.

5.2 Car Clubs have developed to the point that vehicles are accessible 24 hours a day 365 days a year with full customer support services and cover for all situations with access to all vehicles that are part of that car club in the UK; with two main UK wide operators.

5.3 It has been demonstrated through research, carried out annually[1], that membership of a car club can cause people to reduce the number of cars in their household and potentially save thousands of pounds per year. The spin offs from this have been an increased uptake in the use of public transport and active travel measures as people reconsider their daily travel options. The

[1] Research carried out by Carplus/CoMoUK through an annual survey of all car club members in the UK to provide evidence of social and environmental impacts. The survey is carried out on behalf of CoMoUK by independent travel consultants and supported by Transport Scotland and Transport for London.

benefits are notable with a reduction in traffic, improved air quality, improved all round health of car club members and potentially large savings made as a result.

5.4 Car Clubs operate best when there is an effective and efficient public transport and active travel network. Harrogate is well served public transport and therefore, is in an ideal position to take the opportunity to introduce a car club and encourage a reduction in the use of personal vehicles.

5.5 A relatively small initial investment should lead to a sustainable car club growing in Harrogate district. The investment supports the Council's commitments to public transport, reducing congestion, improving air quality, walking, cycling and lift sharing.

6.0 CAR CLUBS IN HARROGATE DISTRICT

6.1 Zero Carbon Harrogate held a public event in the summer of 2017 and invited both Harrogate Borough Council and North Yorkshire County Council representatives to hear a presentation given by a car club operator. The Cabinet Member for Sustainable Transport (CMST) agreed that a car club would be a worthwhile scheme for Harrogate District and has asked that the options be examined.

6.2 Early market engagement has generated interest from potential providers where information on their respective models was gathered. This information was then fed back to the CMST at a briefing in September 2018. The CMST confirmed he is comfortable with the proposal and would like to see a car club operate across the entire district, if possible. The early market engagement identified the need for seed funding to support a (minimum) two vehicle Car Club to the value of £28k; £20k to de-risk the initial running costs with a further £8k needed to support the necessary Traffic Reduction Orders (TRO) process (may not be needed; dependant on the locations chosen) to locate cars on-street and marketing. Indications from potential providers showed that £28k would be sufficient to establish a commercially sustainable car club. It is very much the aspiration that this project does not incur further ongoing revenue costs to support the existence of the cars. It is envisioned that the £28,000 will break down along the lines of £20,000 towards the provision of the vehicles with the remaining £8,000 to support marketing and the TRO processes through NYCC. This will become clearer once the procurement process has been carried out and we see the proposals from the car club operators.

6.3 We believe that £28k is a worthwhile amount to spend on the car club over EVCPs, for example, as the car club is more of a factor in removing vehicles from the road, to aid congestion, while also recognising the benefits of low emission vehicles. Further, HBC is able to apply for grants to support the roll out of EVCPs whereas the grants from Department for Transport for car clubs no longer exist. Whereas EVCPs will encourage a like for like swap from an internal combustion engine vehicle to and electric vehicle, a car club will encourage the disposal of a vehicles; while still recognising the potential need for a car. The car club encourages behaviour change and nudges people to adjust their thinking about travel and transport.

6.4 Further lines of enquiry have been made into the potential to use the car club operators to provide a pool car service in place of the current leasing arrangement. This has been successful in reducing costs for local authorities across the UK, including City of York Council. The fleet manager has been consulted on this move and is positive about the potential impacts and benefits that it could have for the council. This would see additional vehicles added to the car club in Harrogate, located at the Civic Centre and potentially other sites, for use by staff during the day, when they would be block booked, and then be made available to the public in the evenings and at weekends; with a revenue sharing agreement in place with the council. This can be explored further once the car club is operating and proven to be sustainable.

6.5 **Next steps:**

If approved the outline implementation plan broadly comprises the following timeline:

- Finalise preferred car club car locations with HBC Parking Services and NYCC – Dec-Jan 2018
- Issue ITT to establish an operator for the Harrogate District Car Club – Feb – March 2019
- Inception Meeting with successful bidder – March 2019
- Launch Car Club – June 2019

6.6 **Proposed locations:**

The proposals that come back from the car club operators should indicate the proposed locations for the car club vehicles. However preparatory work has identified some potential locations for the car club (detailed below). A possible complication is the need to work with North Yorkshire County Council to undergo a TRO (Traffic Regulation Order) that will allow for on-street bays to be marked up and used exclusively by the car club car it is allocated to. Officers are in discussions with NYCC counterparts to establish suitable potential locations. These are outlined with more detail in Appendix A but these are the initial thoughts on potential locations:

1. Station Gateway
2. Cold Bath Road
3. Cardale Park
4. Hornbeam Park station car park
5. Knaresborough High Street/Market Place
6. Civic Centre – Pool Car bays
7. Ripon City Centre

6.7 **Implementation scenarios:**

- A range of scenarios have been explored however, the outcome is dependent on the proposals put forward by the interested car club operators. It is anticipated that the car club will launch with between 2 & 6 vehicles – this is not including any potential pool cars.

- It is proposed that the car club initially launches in Harrogate, and possibly Knaresborough if enough vehicles are proposed, and growing the car club to the point of being self-sustaining. The potential operators have both indicated approximately 12 months to a maximum of 2 years

for the scheme to be commercially viable. During this time it is planned to evaluate the potential to expand the car club into Ripon and the market towns.

7.0 FUNDING AND FINANCE

7.1 Finance have been consulted and can confirm that £28k for this project is available from funds in the Council Investment Reserve, earmarked for Sustainable Transport.

7.2 It is proposed that up to £28,000 from the Council Investment Reserve, earmarked for Sustainable Transport is allocated to support the facilitation and roll out of a car club in the Harrogate District. This will support to make the club self-sustaining in as short a time as possible, support with marketing and to fund TRO processes with North Yorkshire County Council. If this start-up funding is not provided it is unlikely that Harrogate district will see a car club introduced that will suit the needs/requirements of the district and is likely to be beyond our control or influence to steer the direction in which it develops.

7.3 If a car club vehicle is to be located in a Harrogate Borough Council car parking bay there may be reduced revenue from that bay. Further work will be undertaken with the Parking Services Manager to ascertain suitable locations, both operationally and financially, for a car club vehicle should off street parking be required. The aim is to have the majority of the cars in on-street bays. We will look to negate any cost implications to North Yorkshire County Council and try to have vehicles in residential or disc parking areas, where possible. Other options are being explored such as 'geo-fencing' and examining whether the Appy Parking interface can offer a solution. These solutions would allow a car to be parked within a certain zone and allow for its location to be tracked and updated on the app for the next user to find easily.

7.4 A TRO process is required to legally enforce a new or modified restriction on traffic as part of an improvement scheme, for example:

- Speed-limits
- On-street parking
- Weight limits
- One-way streets.

Due to geo-fencing not making any actual changes there will be no need for a TRO, the same applies with Appy Parking. Either solution could be used to keep track of where a car club car is parked.

7.5 Due to the aims of the programme the Council Investment Reserve, earmarked for Sustainable Transport is the logical funding source for this programme. The ultimate aim of the car club is to encourage people away from their cars and reduce the number of vehicles on the road in Harrogate. It will cause people to investigate other modes of travel and change their behaviours.

8.0 COMMUNICATIONS PLAN

8.1 Publicity related to the launch and associated further stages of strategy development and implementation will be coordinated with relevant internal officers and the nominated car club operator and will include:

- Press release and photo opportunity

- Social media activity
- Residents and business e-newsletters
- Direct contact with local interest/pressure groups
- Enhancement of the electric vehicle section of the HBC website.

9.0 REQUIRED ASSESSMENTS AND IMPLICATIONS

9.1 The following have been considered: Financial Implications, Human Resources Implications, Legal Implications, ICT Implications, Strategic Property/Asset Management Considerations, Risk Assessment, Equality and Diversity (the Public Sector Equality Duty and impact upon people with protected characteristics).

9.2 **Procurement**

Early discussions have taken place with the Corporate Procurement Unit (CPU) and subject to approval a Procurement Initiation Form will be completed along with the necessary ITT paperwork. It is envisioned that the contract with the car club operator will provide financial support for two years with a requirement to keep at least the agreed number of cars in Harrogate District for at least five years. They may not remain in exactly the same locations as they may require some flexibility if an initial location is not delivering the intended utilisation. The car club operators that have been consulted to date believe that Harrogate has the potential to support at least a 10 vehicle car club over time so there is a perceived low risk of the car club being unsustainable without intervention.

9.3 **ICT**

There are no immediate ICT implications. If Harrogate Borough Council was to adopt the car club to run the pool car fleet there may be some implications for IT as they integrate the booking system into HBC systems, but this is a standard thing for the car club operator to do.

9.4 **LEGAL**

The Head of Legal & Governance has been consulted on the process of establishing a car club and Economy & Transport officers will work with colleagues in Legal & Governance to ensure the car club meets all relevant legislation and procedures.

10.0 CONCLUSIONS

10.1 The creation of a car club is important for a number of reasons. In particular:

- It supports the implementation of the council's ULEV and Carbon Reduction Strategies
- A number of Air Quality Management Areas have been declared in the district which puts HBC in a good position to apply for future grant funding opportunities and requires the transport stock travelling around the district to be greener.
- Local and national policies are in place, which seek to reduce carbon emissions.
- Car club users are typically more likely to use public transport and active travel measures, further reducing the demands on the highway, through the lowering of congestion, and reducing air pollution.
- Longer term there is the potential to implement cost saving measures for the council, through the reduction of 'grey fleet' use and a reduction on

the dependence of private cars. This goes further in promoting the council's sustainable transport ambitions.

- The council has made a public commitment to becoming a leading local authority for Ultra-Low Emission Vehicle provision (Car Club vehicles are hybrid).

The proposed £28k contribution will allow for the formation of a car club for the district and will provide support for a commercially viable project in two years.

OFFICER CONTACT: Please contact Tom O'Donovan, Sustainable Transport Project Officer, if you require any further information on the contents of this report. Tom can be contacted at Planning and Development, PO Bo 787, Harrogate, HG1 9RW 01423 500 600ext 58403 thomas.odonovan@harrogate.gov.uk

APPENDIX A – Proposed Car Cub Locations

Location 1: Station Gateway:
This bay would be ideally situated for use by visitors. The bay is in the centre of town at a major transport interchange. This allows for business and visitor numbers to travel to Harrogate via public transport and have easy access to a car club car, should they require it. There are also a number of businesses nearby that may need access to a vehicle, as well as high pedestrian footfall, with the car advertising itself and the car club.

Location 2: Cold Bath Road:
The Cold Bath Road area has been identified due to the proximity to town and the demographics of the area. With both Enterprise and Co-Wheels agreeing that this is an excellent location for use by visitors, businesses and residents.

Location 3: Cardale Park
Opportunities for business focussed car club car at Cardale Park.

Location 4: Hornbeam Park
Hornbeam Park continues to attract major national companies, a reflection of the growing range of on-site facilities available for businesses, their employees & clients. The introduction of a car club into the park could prove an added attraction for business users.

Location 5: Knaresborough: High Street / Market Place
The centre of Knaresborough has restricted parking and a number of residential properties over the shops. This provides a good opportunity for the Car Club and should, again, encourage users to travel to Harrogate via public transport or through active travel means rather than own a car and use it the primary means of transport.

Location 6: Civic Centre - EV Charging Points
At this time this option would only be implemented if HBC went along with the proposal to replace the pool cars with car club vehicles. In this instance the Car Club vehicles would be parked in the pool car bays, with access to the HBC rapid chargers if required, with the potential to install fast chargers to the bays, with support from the OLEV workplace charging grant covering up to 75% of the cost (up to £500)

Location 7: Ripon City Centre:
Preferably Ripon market Square which is a very central location for Ripon, surrounded by a range of businesses and organisations, including Ripon City Council and the contained HBC offices. A car club car located here would in effect enable pool car access for those officers, should they be required. It also provides access to a car to those residents that live within the immediate vicinity and have very restricted access to parking. It is also within walking distance of the 36 bus route. The parking bays in the Market Square are an HBC car park, but in effect provide an on-street presence. There is a maximum stay of 1 hr, with a charge of either 50p for half an hour or £1 for an hour. These bays would allow for 24/7 access to the cars.