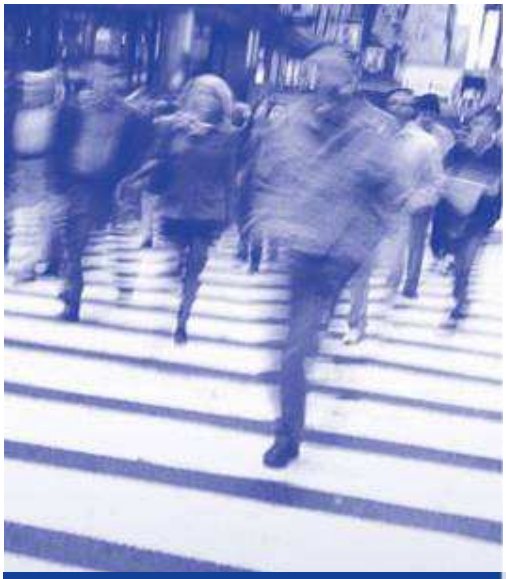

CiViTAS
Cleaner and better transport in cities

ARCHIMEDES
AALBORG • BRIGHTON & HOVE • DONOSTIA - SAN SEBASTIÁN • IAŞI • MONZA • ÚSTÍ NAD LABEM

Brighton & Hove

T.54.1 Car Sharing Scheme Improvements in Brighton & Hove

Brighton & Hove City Council

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Author	Colin Harwood
Quality Control	Alan Lewis
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1. Introduction

1.1 Background CIVITAS

CIVITAS - cleaner and better transport in cities - stands for CIty-VITAlity-Sustainability. With the CIVITAS Initiative, the EC aims to generate a decisive breakthrough by supporting and evaluating the implementation of ambitious integrated sustainable urban transport strategies that should make a real difference for the welfare of the European citizen.

CIVITAS I started in early 2002 (within the 5th Framework Research Programme);
CIVITAS II started in early 2005 (within the 6th Framework Research Programme) and
CIVITAS PLUS started in late 2008 (within the 7th Framework Research Programme).

The objective of CIVITAS-Plus is to test and increase the understanding of the frameworks, processes and packaging required to successfully introduce bold, integrated and innovative strategies for clean and sustainable urban transport that address concerns related to energy-efficiency, transport policy and road safety, alternative fuels and the environment.

Within CIVITAS I (2002-2006) there were 19 cities clustered in 4 demonstration projects, within CIVITAS II (2005-2009) 17 cities in 4 demonstration projects, whilst within CIVITAS PLUS (2008-2012) 25 cities in 5 demonstration projects are taking part. These demonstration cities all over Europe are funded by the European Commission.

Objectives:

- to promote and implement sustainable, clean and (energy) efficient urban transport measures
- to implement integrated packages of technology and policy measures in the field of energy and transport in 8 categories of measures
- to build up critical mass and markets for innovation

Horizontal projects support the CIVITAS demonstration projects & cities by :

- Cross-site evaluation and Europe wide dissemination in co-operation with the demonstration projects
- The organisation of the annual meeting of CIVITAS Forum members
- Providing the Secretariat for the Political Advisory Committee (PAC)
- Development of policy recommendations for a long-term multiplier effect of CIVITAS

Key elements of CIVITAS

- CIVITAS is co-ordinated by cities: it is a programme “of cities for cities”
- Cities are in the heart of local public private partnerships
- Political commitment is a basic requirement
- Cities are living ‘Laboratories' for learning and evaluating

1.2 Background ARCHIMEDES

ARCHIMEDES is an integrating project, bringing together 6 European cities to address problems and opportunities for creating environmentally sustainable, safe and energy efficient transport systems in medium sized urban areas.

The objective of ARCHIMEDES is to introduce innovative, integrated and ambitious strategies for clean, energy-efficient, sustainable urban transport to achieve significant impacts in the policy fields of energy, transport, and environmental sustainability. An ambitious blend of policy tools and measures will increase energy-efficiency in transport, provide safer and more convenient travel for all, using a higher share of clean engine technology and fuels, resulting in an enhanced urban environment (including reduced noise and air pollution). Visible and measurable impacts will result from significantly sized measures in specific innovation areas. Demonstrations of innovative transport technologies, policy measures and partnership working, combined with targeted research, will verify the best frameworks, processes and packaging required to successfully transfer the strategies to other cities.

1.3 Participant Cities

The ARCHIMEDES project focuses on activities in specific innovation areas of each city, known as the ARCHIMEDES corridor or zone (depending on shape and geography). These innovation areas extend to the peri-urban fringe and the administrative boundaries of regional authorities and neighbouring administrations.

The two Learning cities, to which experience and best-practice will be transferred, are Monza (Italy) and Ústí nad Labem (Czech Republic). The strategy for the project is to ensure that the tools and measures developed have the widest application throughout Europe, tested via the Learning Cities' activities and interaction with the Lead City partners.

1.3.1 Leading City Innovation Areas

The four Leading cities in the ARCHIMEDES project are:

- Aalborg (Denmark);
- Brighton & Hove (UK);
- Donostia-San Sebastián (Spain); and
- Iasi (Romania).

Together the Lead Cities in ARCHIMEDES cover different geographic parts of Europe. They have the full support of the relevant political representatives for the project, and are well able to implement the innovative range of demonstration activities.

The Lead Cities are joined in their local projects by a small number of key partners that show a high level of commitment to the project objectives of energy-efficient urban transportation. In all cases the public transport company features as a partner in the proposed project.

2. Brighton & Hove

Brighton & Hove is an historic city, in the south-east of England, known internationally for its abundant Regency and Victorian architecture. It is also a seaside tourist destination, with over 11km of seafront attracting eight million visitors a year.

In addition, it is a leading European Conference destination; home to two leading universities, a major regional shopping centre, and home to some of the area's major employers. All of this, especially when set against the background of continuing economic growth, major developments across the city and a growing population, has led the city council to adopt a vision for the city as a place with a co-ordinated transport system that balances the needs of all users and minimises damage to the environment.

The sustainable transport strategy that will help deliver this vision has been developed within the framework of a Local Transport Plan, following national UK guidelines. The ARCHIMEDES measures also support the vision, which enables the city to propose innovative tools and approaches to increase the energy-efficiency and reduce the environmental impact of urban transport.

3. Background to the Deliverable

Car clubs are member based organisations which provide pay-as-you-go access to vehicles. They have developed in recent years as a sustainable transport mode which encourages walking, cycling and the use of public transport, whilst giving users access to a car for journeys where this is the most suitable means of transport. Importantly, the journeys by other modes are trips that non-car club members may be more likely to make through personal car use, with associated consequences for congestion and the environment[1].

However, car clubs are largely confined to more densely populated and affluent areas, as is the case in Brighton & Hove. It was planned that, through its participation in CIVITAS ARCHIMEDES, Brighton & Hove City Council (BHCC) would expand the existing scheme to more 'socially disadvantaged' and less densely populated locations.

Whilst significant efforts were made to progress this project, insurmountable barriers were encountered. Following the submission of a Progress Report and Options Appraisal by BHCC in November 2009 (Appendix 1), the recommendation to terminate the project was accepted in the first *Technical Review Report for the Collaborative Project ARCHIMEDES* (December, 2009).

Therefore, this document forms the revised deliverable report for Task 6.4, detailing the endeavours made to bring this project to fruition and the lessons learned as a result.

3.1 Summary Description of the Task

Despite Task 6.4 referring to "car sharing", it should firstly be clarified that the focus was on the expansion of 'car clubs'. The aim was to extend car club services operating

[1] For further information see, for example, *Making Car Sharing and Car Clubs Work: a good practice guide* (UK Department for Transport/ ITP, 2004)

successfully in core markets nearer to the city centre into more innovative markets- identified as areas that have higher proportions of social disadvantage and lower population density.

This picked up from Task 11.6.1 (R54.1 Car Clubs Research), which had the following remit:

- To identify existing best practice relating to car club operation in socially disadvantaged/ less densely populated areas that could inform the approach to be taken with Task 6.4.
- To identify locations within Brighton & Hove's CIVITAS corridor that were consistent with the objectives of this measure.

Whilst any new car club service would ultimately be provided by a third party, the Measure Description Form (MDF) identified that BHCC would use CIVITAS funding to support the scheme's establishment. Specifically, it was intended that the funding for Task 6.4 would be used to:

- Provide promotion and marketing materials.
- Install enforceable parking bays for the new car club vehicles through instigation of the Traffic Regulation Order (TRO) process.
- Develop the car clubs section of BHCC's travel planning website, JourneyOn.

4. Car-Sharing Scheme Improvements in Brighton & Hove

4.1 Description of the Work Done

The first element of Measure 54 to be completed was the research element, Task 11.6.1. This is written up in full in Deliverable R54.1, *Car Clubs Research in Brighton & Hove*. However, the main findings are referred to in Section 4.2.1 in order to provide the context to this lessons learnt Deliverable Report.

The second element of Measure 54 was Task 6.4, the implementation element. In order to further this task a number of discussions were held with the two existing commercial car club companies operating locally; City Car Club and Streetcar. The objective of the discussions was to refine a shared project delivery approach, in accordance with the implicit Measure Description Form (MDF) directive to develop the existing car club provision. This involved BHCC listening to feedback from the operators and endeavouring to respond to this within the confines of the project objectives (see Section 4.3).

It was hoped that these negotiations would be the first step towards the full implementation of the project; however, the proposals that could be drawn up were not seen as viable by the operators, as detailed in the following section.

In addition, work was undertaken to identify community groups and 'champions', with initial introductory meetings being held. This is something which R54.1 identified as crucial to the establishment of car clubs in areas such as those being targeted through this measure. A brief was also produced for the development of the car club section of

BHCC's JourneyOn website. However, neither of these activities could be pursued further without car club operators committing to the project.

4.2 Problems Identified

4.2.1 Context: Findings of Previous Research

The research element of this measure (Task 11.6.1), and complementary research by the UK Commission for Integrated Transport (CfIT)[2] identified a number of challenges to operating car clubs in 'socially disadvantaged' and/ or less densely populated locations. These include:

- Lack of awareness of car clubs and their cost effectiveness amongst potential customers.
- Difficulties associated with the affordability of annual membership fees.
- Concerns about adversely impacting on public transport by diverting patronage away from these modes.
- Issues over potential vandalism and associated insurance costs.
- Recognition that some target individuals may be sceptical of the benefit of 'new' policies and initiatives. Linking to this, it has been argued that operators are more willing to enter communities that have actively expressed an interest in and commitment to the car clubs concept.
- Suggestion that some car club organisations may have concerns over possible negative impacts on their brand image. Specifically, perceptions that operating in socially disadvantaged areas may result in car clubs being viewed as a 'budget' quality option amongst wider potential audiences.

4.2.2 Implementation of Task 6.4

Although several of the barriers outlined in the initial research, such as concerns surrounding security and the fraudulent use of vehicles (particularly on-board fuel cards) were acknowledged by operators, these were seen as secondary to a set of fundamental issues that undermined the financial viability of the project as set out in the MDF. Streetcar and City Car Club raised the following points in this respect:

- Less densely populated areas are unlikely to have the same parking constraints as densely populated areas. This makes car club membership less appealing than in densely populated areas, where easy access to a car and parking bay is an attractive proposition.
- Operators stated that public transport links are not as good in outlying, less densely populated areas, and people live further apart. This makes it harder for a user to get to and from a car club vehicle, again making car club membership less appealing.
- In order to provide a full service in a new area, six cars are required (to ensure a car will always be available if a customer needs one). Each car has a running cost of approximately £10,000 per annum. Meeting this cost requires approximately 40 members per car. This is difficult to achieve when potential users are more widely

[2] *The Potential Role of Car Sharing and Car Clubs within Socially Disadvantaged Groups* (CfIT, 2002)

spread geographically, and the attraction of car clubs amongst the potential customer base is lower, for the reasons set out in the previous two points.

Further to this, the operators explained that as car clubs are still relatively new, and operators do not enjoy significant financial reserves, they are not in a position to afford to underwrite any significant financial risk themselves. The relatively low CIVITAS budget allocated to Task 6.4 - €58,000 - would be insufficient to underwrite the risk associated with maintaining 6 vehicles at a cost of over €60,000 a year. Furthermore, the fact that the core markets of operators have currently not been saturated greatly reduces the incentive to take on board the risk associated with the planned project.

4.3 Mitigating Activities

The operators identified two potential ways in which the financial viability barriers threatening the deliverability of Task 6.4 could be overcome.

Option 1 was to work in partnership with local businesses.

Option 2 was to locate the new cars on the border of the city centre and less densely populated target area.

In both cases a degree of financial risk would be mitigated; by local business staff use and customers from the more densely populated areas respectively.

After further investigation, Option 1 proved unviable. There are a limited number of potential partner employers in the target areas, and those that do exist were unwilling to commit to a partnership within the CIVITAS timescale for the following reasons:

- Car club arrangements were deemed to be unsuitable for organisations requiring short-notice and lengthy access to vehicles (e.g. Brighton & Hove Bus & Coach Company).
- Concerns were raised about the ability of car clubs to integrate with existing internal management systems, for example the recharging procedures used by the South Downs Health NHS Trust.
- The concept also failed to appeal to housing associations, with those expressing any interest explaining that their presence in Brighton & Hove was too limited to consider car club membership further (Moat Homes Ltd; Servite Houses).

After further consideration of potential border locations, both operators were unable to identify any sites that they would be supportive of outside their current core interest area and decided that Option 2 was also unviable. Therefore, they reluctantly withdrew their support for the project in its planned form.

Following the withdrawal of interest from the two companies currently operating locally, contact was made with another commercial operator, Hertz Connect. However, after some initial investigations, they too decided that the scheme would not be financially viable. They also cited problems with their existing operations in what they perceived to be comparable areas, notably vandalism and insurance implications. However, it was mentioned that if BHCC were able to offer bays in more profitable parts of the city as part of a wider tender package, Hertz would be more likely to consider locating vehicles in outlying parts of the city. This would not be suitable for Brighton & Hove as car club operations within the city are not currently managed through a tendering process, and

there would be no guarantee of Hertz providing this service anyway. However, there may be potential to test this option elsewhere, with Transport for London, for example, having a Car Clubs Strategy in place which seeks to expand car club operations in the capital. This includes provisions for London Boroughs to tender for car club operators, which it says will "help to develop a commercially viable market"[3].

Finally, when it became clear that commercial operators would not deliver a car club service in non-traditional areas of the city, BHCC considered the possibility of establishing a community-focused scheme using a not-for-profit operator (although it was the expansion of the *existing* scheme which had been the original goal). As such, contact was made with Commonwheels; however, whilst expressing an interest in working in Brighton, they were unable to provide evidence that any scheme established would be self-sustaining beyond the lifetime of the CIVITAS project.

4.4 Main Outcomes (Lessons Learnt)

Work in Brighton & Hove has shown that financial viability, negatively affected by lower density locations, is the fundamental barrier to delivering car clubs in less densely populated areas. Operators emphasised that compared with this issue, social deprivation was all but irrelevant, whilst the barriers cited by earlier research (see Section 4.2.1), such as concerns over vandalism, were seen as of secondary importance.

Additionally, the research task (11.6.1, documented in deliverable R.54.1) suggested that liaising with community workers and representatives (who would act as local 'champions' of the scheme) may help overcome some of these non-financial barriers. The experience in Brighton & Hove has not disputed this, but has shown that it can only contribute to successful project delivery if the key stakeholders- car club operators- are convinced of the financial viability of any scheme.

Opportunities to investigate overcoming issues of financial viability through partnerships with local businesses were hampered by the difficult economic climate at the time of the project.

The reasons why locations with lower population densities are not financially attractive to operators were discussed in Section 4.2.2. However, a summary is as follows:

- More readily available parking reduces the incentive to join a car club.
- The prospect of multi-modal journeys becomes less attractive as the frequency of public transport declines with distance from central areas (again reducing the incentive to join a car club or raising an additional barrier).
- Car club vehicles require approximately 40 members to be financially sustainable. In less densely populated locations, the distribution of this membership base becomes wider. This is problematic as individuals are less likely to join a scheme if a vehicle is not conveniently located close to their place of residence.
- There remains considerable scope for expansion within the core market areas of car clubs and for them to contribute to a sustainable transport system in this manner. Therefore, there is limited incentive for commercial operators to take the risks that would be associated with the areas this project was targeting.

[3] Transport for London (TfL) (2008, p.25) *Car Clubs Strategy*

Although efforts to pursue alternative options in Brighton & Hove proved to be unsuccessful, the following have been identified as potential solutions to the difficulty of establishing car clubs in areas of lower population density:

- To forge partnerships with local businesses and employers in order to increase the potential membership base.
- To start any expansion with locations bordering areas of high and lower population density.

4.5 Future Plans

Car Clubs will continue to be encouraged as a sustainable mode of travel in Brighton & Hove. If car club operators, once their core market is saturated and the fledgling industry becomes more established, see viable future opportunities for expansion to less densely populated / socially disadvantaged areas, it is highly likely that this work will be supported by BHCC outside the CIVITAS programme.